यूनाइटेड अजोड इन्स्योरेन्स लिमिटेड
United Ajod Insurance Limited

प्रधान कार्यालयः सि.टि.सि. मल (सातौं तल्ला), बागदरवार मार्ग, सुन्धारा, काठमाडौं
फोन नं.: ०१-५१११११११, टोल फ्री नं.: १६६०-०१-८६४९६
इमेलः info@uail.com.np, वेभसाइटः **www.uail.com.np**

Quarterly Financial Results For Fourth Quarter, F.Y. 2082/83 B.S.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Fig in NPR.

Particulars	Unaudited	Audited
	At the end of this Quarter	At the end of Immediate Previous Year
Assets:		
Goodwill & Intangible Assets	174,884,907	175,991,472
Property and Equipment	191,419,849	203,536,146
Investment Properties	-	-
Deferred Tax Assets	-	-
Investment in Subsidiaries	-	-
Investment in Associates	-	-
Investments	4,508,874,270	4,263,510,106
Loans	145,750	769,506
Reinsurance Assets	2,262,117,114	2,002,980,529
Current Tax Assets	136,674,925	96,754,644
Insurance Receivables	683,419,648	553,392,520
Other Assets	276,241,047	179,037,391
Other Financial Assets	279,531,743	213,017,441
Cash and Cash Equivalent	540,658,642	358,441,633
Total Assets	**9,053,967,895**	**8,047,431,388**
Equity:		
Share Capital	2,310,000,000	2,310,000,000
Share Application Money Pending Allotment	226,876,940	-
Share Premium	-	-
Special Reserves	1,071,425,084	1,039,875,169
Catastrophe Reserves	49,708,040	46,553,048
Retained Earnings	143,910,179	116,146,254
Other Equity	541,198,343	562,408,025
Total Equity	**4,343,118,586**	**4,074,982,496**
Liabilities:		
Provisions	154,432,200	97,957,167
Gross Insurance Contract Liabilities	3,590,662,086	3,154,466,616
Deferred Tax Liabilities	72,882,579	72,882,579
Insurance Payable	445,179,486	188,800,167
Current Tax Liabilities	-	-
Borrowings	-	-
Other Liabilities	289,561,904	155,964,341
Other Financial Liabilities	158,131,054	302,378,023
Total Liabilities	**4,710,849,309**	**3,972,448,892**
Total Equity and Liabilities	**9,053,967,895**	**8,047,431,388**

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

Fig. in NPR

Particulars	Current Year		Corresponding Previous Year	
	This Quarter	Upto this Quarter (YTD)	This Quarter	Upto this Quarter (YTD)
Income:				
Gross Earned Premiums	900,187,104	3,014,425,713	1,067,560,966	2,859,932,293
Premiums Ceded	(548,578,418)	(1,676,814,295)	(548,366,009)	(1,620,305,832)
Net Earned Premiums	**351,608,686**	**1,337,611,418**	**519,194,957**	**1,239,626,461**
Commission Income	165,280,305	330,162,142	252,809,119	453,795,554
Other Direct Income	4,752,089	18,822,491	4,793,322	15,225,633
Income from Investments and Loans	20,700,723	118,614,157	28,677,610	204,877,836
Net Gain/(Loss) on Fair Value Changes	-	-	-	-
Net Realised Gains/(Losses)	-	-	-	-
Other Income	-	-	70,280,279	70,280,279
Total Income	**542,341,803**	**1,805,210,208**	**875,755,287**	**1,983,805,763**
Expenses:				
Gross Claims Paid	763,549,241	1,827,155,742	694,925,287	1,956,577,303
Claims Ceded	(441,603,091)	(929,382,206)	(361,714,554)	(1,101,643,572)
Gross Change in Contract Liabilities	(571,440,764)	447,948,233	204,716,837	486,160,433
Change in Contract Liabilities Ceded to Reinsurers	375,160,251	(372,674,333)	(192,068,026)	(499,729,573)
Net Claims Incurred	**125,665,637**	**973,047,436**	**345,859,544**	**841,364,591**
Commission Expenses	38,640,612	73,385,897	44,651,046	75,857,291
Service Fees	2,278,346	10,795,473	3,401,068	9,271,691
Other Direct expenses	3,124,847	4,000,945	2,867,890	3,903,451
Employee Benefits Expenses	112,520,134	413,986,420	182,786,192	463,138,204
Depreciation and Amortization Expenses	2,143,119	67,072,618	20,353,053	65,726,073
Impairment Losses	-	-	33,042,821	33,042,821
Other Operating Expenses	65,658,081	165,369,252	57,175,052	134,881,438
Finance Cost	2,467,717	7,409,553	2,029,925	7,142,391
Total Expenses	**352,498,493**	**1,715,067,594**	**692,166,591**	**1,634,327,951**
Net Profit/(Loss) For The Year Before Share of Net Profits of Associates Accounted for Using Equity Method and Tax	**189,843,310**	**90,142,614**	**183,588,696**	**349,477,812**
Share of Net Profit of Associates accounted using Equity Method	-			
Profit Before Tax	**189,843,310**	**90,142,614**	**183,588,696**	**349,477,812**
Income Tax Expenses	56,952,993	27,042,784	121,709,589	171,476,324
Net Profit/(Loss) For The Year	**132,890,317**	**63,099,830**	**61,879,107**	**178,001,488**
Earning Per Share				
Basic EPS		2.73		7.71
Diluted EPS		2.73		7.71

CONDENSED CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

Fig. in NPR

Particulars	Current Year		Corresponding Previous Year	
	This Quarter	Upto this Quarter (YTD)	This Quarter	Upto this Quarter (YTD)
Net Profit/(Loss) For The Year	132,890,317	63,099,830	61,879,107	178,001,488
Other Comprehensive Income	(36,917,477)	(20,638,024)	49,070,578	33,919,758
Total Comprehensive Income	**95,972,840**	**42,461,806**	**110,949,685**	**211,921,246**

OTHER DETAILS

Fig. in NPR

Particulars	Current Year	Previous Year
	Upto this Quarter (YTD)	Upto this Quarter (YTD)
1. Total Issued Policy Count	419,526	299,289
2. Total Renewed Policy Count	50,266	51,537
3. Total Claims Paid Count	8,680	8,125
4. Outstanding claims count	9,498	9,615
5. Gross outstanding claims inclulding IBNR & IBNER (Amount)	2,246,101,861	1,719,079,522
6. Net outstanding claims inclulding IBNR & IBNER (Amount)	608,846,770	454,498,764
7. Margin over best estimate (MOBE)	58,684,053	58,684,053
8. Unearned premium reserve (Amount)	719,698,202	610,587,850
9. Unexpired risk reserve (Amount)	-	7,325,366
10. Earthquake premium reserve (Amount)	20,390,053	20,390,053
11. Long Term Investments (Amount)	1,675,264,271	1,217,116,503
12. Short Term Investments (Amount)	2,833,609,999	3,048,610,000
13. Direct premium (Amount)	2,974,323,342	2,744,074,372
14. Investment in cost (Amount)	4,095,158,260	3,822,010,493
15. Solvency margin ratio (as per valuation report of actuary for FY 81/82)	4.29	4.29

Notes to financial statements

1) The above financial statement has been prepared as per the NFRS and directives issued by Nepal Insurance Authority.
2) The above figures are unaudited figures and may change after statutory audit.
3) The figures of previous quarter has been reinstated as per the requirements.
4) The figures have been rearranged and regrouped whenever necessary.
5) The provision for gratuity and leave has been adjusted as per management assumption based on past year experience.

Disclosure as per Section 84(3) of Insurance Act, 2079

1. The solvency margin ratio of company stands 4.29 times as per the valuation report of actuary for FY 81/82.
2. The company has made adequate reinsurance arrangement to cover and minimize risk for each class of business.
3. Details regarding legal proceeding: No any such legal case against the company.
4. The company has complied with corporate governance directive issued by Nepal Insurance Authority.
5. The company has complied with all other applicable law and directive issued by regulatory bodies.

Disclosure as per Securities Registration and Issuance Regulation 2073 (Related to Sub rule (1) of Rule 26)

1. Financial Statements

a. The unaudited financial statements for the fourth quarter of FY 2082/83 and financial ratios have been published along with this report.

b. Major financial highlights and analysis

Key Financial Ratios	This Quarter End (Ashar, 2083)
Earnings per share (EPS)	2.73
Price Earnings Ratio	158.61
Net worth Per Share	188.01
Total Assets Per Share	391.95

2. Management Analysis

a) The company has collected NPR. 3,116.21 million gross premium and has earned NRP. 63.10 million net profit upto the fourth quarter end.

b) The company has not experienced any incidents and situations during the period that might affect the revenue. However, due to the protest by Gen Z in Bhadra, 2082, profit of the company upto this quarter has decreased as compared to the same period in last year.

3. Legal Proceedings

There has been no any pending litigations and dispute by and against the company during the said period. There have been no any known dispute, litigations, offences and breach of applicable laws by and against the promoters and directors of the company.

4. Analysis on share Transaction of the Company

The company remains committed towards providing the notices and information to investors and shareholders. The major highlights of share transaction during the quarter are as follows:-

Maximum share price (NPR)	499.00	Minimum share price(NPR)	421.00
Closing share price (32nd Ashar, 2083)	433.00	Total No. of shares traded	891,415
Total No. of transaction days	64	Total No. of transactions	6,918

5. Problem and Challenges

Problem:

- Increase in cost of operation due to inflation
- Limited investment opportunities
- Falling interest rate on bank deposit
- Short supply of qualified and skilled human resources
- Intense competition in insurance industry
- Outlook of reinsurance market towards Nepalese insurance market

6. Management Strategy:

- Effective and efficient service to client
- Staff training and development program
- Explore new investment opportunities
- Investment in IT to further develop digital insurance
- Explore favorable reinsurance market
- Efficiency in operations to reduce operational cost

7. Corporate Governance

The Board of Directors, Audit Committee, Senior Management & Compliance Officer are committed to prevail corporate good governance practices in the company.

8. Declaration

I, Chief Executive Officer of this Company, take the responsibility of accuracy of the information and details mentioned in this report for the period up to fourth quarter of FY 2082/83, hereby declare that the information and details provided in this report are true, based on facts, and complete to the best of my knowledge and that the information necessary for taking informed decision by the investors are not concealed.