यूनाइटेड अजोड
इन्स्योरेन्स लिमिटेड
United by Trust

चं. न. : १३०३/२०८३/०८४
मिति : २०८३/०७/३०

श्री नेपाल स्टक एक्सचेन्ज लिमिटेड,
सिंहदरबार प्लाजा, काठमाण्डौं ।

विषय : **आ.व. २०८३/८४ को प्रथम त्रैमासिक वित्तिय विवरण वारे ।**

महोदय,

उपरोक्त सम्बन्धमा यस कम्पनीको आ.व. २०८३/८४ को प्रथम त्रैमासिक असोज मसान्त सम्मको वित्तिय विवरण २०८३ कार्तिक ३० गतेको सोमबार नेपाल समाचारपत्र, राष्ट्रिय दैनिक पत्रिकामा प्रकाशित गरिएको हुँदा सोको प्रतिलिपि यसै पत्रसाथ संलग्न राखि जानकारीका लागि पठाइएको व्यहोरा अनुरोध गर्दछु ।

भवदीय,

यूनाइटेड अजोड
इन्स्योरेन्स लिमिटेड
United by Trust

बैद्यनाथ प्रसाद उपाध्याय
कम्पनी सचिव

यूनाइटेड अजोड इन्स्योरेन्स लिमिटेड
United Ajod Insurance Limited

केन्द्रिय कार्यालय: सिटिसि मल सुन्धारा, काठमाडौं
सम्पर्क नं.: ०१-५३३३७४३, ०१-५३४४०९३, ०१-५३४४०१३, ०१-५३३३७४३
इमेल: info@uail.com.np, वेभसाइट: uail.com.np

Quarterly Financial Results For First Quarter, F.Y. 2083/84 B.S

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Fig in NPR.

Particulars	Unaudited At the end of this Quarter	Unaudited At the end of Immediate Previous Year
Assets:		
Goodwill & Intangible Assets	178,702,138	174,884,907
Property and Equipment	140,510,386	191,419,849
Investment Properties	-	-
Deferred Tax Assets	-	-
Investment in Subsidiaries	-	-
Investment in Associates	-	-
Investments	4,582,169,225	4,508,874,270
Loans	145,750	145,750
Reinsurance Assets	2,144,446,924	2,262,117,114
Current Tax Assets	161,818,939	136,674,925
Insurance Receivables	658,461,389	683,419,648
Other Assets	319,973,795	276,241,047
Other Financial Assets	313,790,157	279,531,743
Cash and Cash Equivalent	467,469,046	540,658,642
Total Assets	**8,967,487,748**	**9,053,967,895**
Equity:		
Share Capital	2,640,000,000	2,310,000,000
Share Application Money Pending Allotment	-	226,876,940
Share Premium	3,139,012	-
Special Reserves	1,071,425,084	1,071,425,084
Catastrophe Reserves	49,708,040	49,708,040
Retained Earnings	(13,285,221)	143,910,179
Other Equity	562,280,524	541,198,343
Total Equity	**4,313,267,440**	**4,343,118,586**
Liabilities:		
Provisions	144,024,353	154,432,200
Gross Insurance Contract Liabilities	3,377,081,770	3,590,662,086
Deferred Tax Liabilities	72,882,579	72,882,579
Insurance Payable	485,148,878	445,179,486
Current Tax Liabilities	-	-
Borrowings	-	-
Other Liabilities	334,237,454	289,561,904
Other Financial Liabilities	240,845,274	158,131,054
Total Liabilities	**4,654,220,308**	**4,710,849,309**
Total Equity and Liabilities	**8,967,487,748**	**9,053,967,895**

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	973,910,087	973,910,087	710,917,910	710,917,910
Premiums Ceded	(627,610,348)	(627,610,348)	(465,359,654)	(465,359,654)
Net Earned Premiums	**346,299,739**	**346,299,739**	**245,558,256**	**245,558,256**
Commission Income	114,302,943	114,302,943	69,871,548	69,871,548
Other Direct Income	-	-	4,715,677	4,715,677
Income from Investments and Loans	33,450,065	33,450,065	43,316,203	43,316,203
Net Gain/(Loss) on Fair Value Changes	-	-	-	-
Net Realised Gains/(Losses)	-	-	-	-
Other Income	-	-	-	-
Total Income	**494,052,747**	**494,052,747**	**363,461,684**	**363,461,684**
Expenses:				
Gross Claims Paid	398,292,663	398,292,663	336,598,478	336,598,478
Claims Ceded	(140,079,585)	(140,079,585)	(149,950,839)	(149,950,839)
Gross Change in Contract Liabilities	886,010,440	886,010,440	997,757,880	997,757,880
Change in Contract Liabilities Ceded to Reinsurers	(793,001,524)	(793,001,524)	(777,366,429)	(777,366,429)
Net Claims Incurred	**351,221,995**	**351,221,995**	**407,039,090**	**407,039,090**
Commission Expenses	25,986,957	25,986,957	13,391,430	13,391,430
Service Fees	5,070,198	5,070,198	3,131,574	3,131,574
Other Direct expenses	137,707	137,707	265,165	265,165
Employee Benefits Expenses	93,744,062	93,744,062	106,635,726	106,635,726
Depreciation and Amortization Expenses	55,566,981	55,566,981	15,124,545	15,124,545
Impairment Losses	-	-	-	-
Other Operating Expenses	28,996,084	28,996,084	30,326,209	30,326,209
Finance Cost	9,021,439	9,021,439	3,538,420	3,538,420
Total Expenses	**569,745,423**	**569,745,423**	**579,452,159**	**579,452,159**
Net Profit/(Loss) For The Year Before Share of Net Profits of Associates Accounted for Using Equity Method and Tax	**(75,692,676)**	**(75,692,676)**	**(215,990,475)**	**(215,990,475)**
Share of Net Profit of Associates accounted using Equity Method	-			
Profit Before Tax	**(75,692,676)**	**(75,692,676)**	**(215,990,475)**	**(215,990,475)**
Income Tax Expenses	(22,707,803)	(22,707,803)	(64,797,143)	(64,797,143)
Net Profit/(Loss) For The Year	**(52,984,873)**	**(52,984,873)**	**(151,193,332)**	**(151,193,332)**
Earning Per Share				
Basic EPS		(8.03)		(26.18)
Diluted EPS		(8.03)		(26.18)

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	(52,984,873)	(52,984,873)	(151,193,332)	(151,193,332)
Other Comprehensive Income	22,044,681	22,044,681	(16,539,385)	(16,539,385)
Total Comprehensive Income	**(30,940,192)**	**(30,940,192)**	**(167,732,717)**	**(167,732,717)**

OTHER DETAILS

Fig. in NPR

Particulars	Current Year Upto this Quarter (YTD)	Previous Year Upto this Quarter (YTD)
1. Total Issued Policy Count	95,446	102,494
2. Total Renewed Policy Count	14,489	13,197
3. Total Claims Paid Count	2,152	1,662
4. Outstanding claims count	10,105	10,714
5. Gross outstanding claims including IBNR & IBNER (Amount)	2,879,808,560	2,303,958,078
6. Net outstanding claims including IBNR & IBNER (Amount)	665,779,268	591,281,804
7. Margin over best estimate (MOBE)	58,684,053	58,684,053
8. Unearned premium reserve (Amount)	707,838,045	736,674,766
9. Unexpired risk reserve (Amount)	7,325,366	7,325,366
10. Earthquake premium reserve (Amount)	20,390,053	20,390,053
11. Long Term Investments (Amount)	1,793,559,225	1,327,716,146
12. Short Term Investments (Amount)	2,788,610,000	3,151,830,322
13. Direct premium (Amount)	943,688,989	847,561,463
14. Investment in cost (Amount)	4,613,868,512	4,059,458,151
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 first quarter of FY 2083/84 and financial ratios have been published along with this report.

b. Major financial highlights and analysis

Key Financial Ratios	This Quarter End (Ashwin, 2083)
Earnings per share (EPS)	(8.03)
Price Earnings Ratio	(45.24)
Net worth Per Share	163.38
Total Assets Per Share	339.68

2. Management Analysis

a) The company has collected NPR. 962.05 million gross premium and has incurred NPR. 52.98 million net loss upto the first quarter end.

b) The company has not experienced any incidents and situations during the period that might affect the revenue. However, due to the recent floods in Rasuwa, the company's profitability has been adversely affected up to the current quarter.

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)	485.0	Minimum share price(NPR)	354.1
Closing share price (Ashwin end, 2083)	363.20	Total No. of shares traded	796,370
Total No. of transaction days	61	Total No. of transactions	7,823

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 first quarter of FY 2083/84, 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.