

Quarterly Financial Result for 1st Quarter, FY 2082/083 B.S.

CONDENSED STATEMENT OF FINANCIAL POSITION		
As At Ashwin 31, 2082 (October 17, 2025)		
Particulars	Unaudited	Unaudited
	At the end of this Quarter	At the end of Immediate Previous Year
Assets:		
Goodwill & Intangible Assets	3,571,910	3,766,778
Property and Equipment	210,224,625	214,526,191
Investment Properties	-	-
Deferred Tax Assets	719,052,943	655,118,388
Investment in Subsidiaries	-	-
Investment in Associates	-	-
Investments	26,081,535,605	24,044,189,056
Loans	1,135,405,496	1,048,986,533
Reinsurance Assets	1,394,430	432,000
Current Tax Assets	638,752,347	581,424,426
Insurance Receivables	7,994,281	40,623,860
Other Assets	14,974,080	707,554,110
Other Financial Assets	342,645,755	381,845,806
Cash and Cash Equivalent	452,319,285	416,270,296
Total Assets	29,607,870,755	28,094,737,444
Equity:		
Share Capital	5,000,000,000	5,000,000,000
Share Application Money Pending Allotment	-	-
Share Premium	449,688,265	449,688,265
Catastrophe Reserves	231,097,739	217,948,780
Retained Earnings	1,156,978,002	1,039,952,267
Other Equity	608,674,431	727,832,630
Total Equity	7,446,438,436	7,435,421,942
Liabilities:		
Provisions	35,765,961	35,765,961
Gross Insurance Contract Liabilities	21,632,201,756	19,998,307,956
Deferred Tax Liabilities	-	-
Insurance Payable	28,097,918	20,720,981
Current Tax Liabilities	-	-
Borrowings	-	-
Other Liabilities	167,166,244	208,633,999
Other Financial Liabilities	298,200,440	395,886,605
Total Liabilities	22,161,432,319	20,659,315,503
Total Equity and Liabilities	29,607,870,755	28,094,737,444

CONDENSED STATEMENT OF PROFIT OR LOSS				
For Period from Shrawan 01, 2082 to Ashwin 31, 2082 (July 17, 2025 to October 17, 2025)				
Particulars	Unaudited		Unaudited	
	Current Year		Corresponding Previous Year	
	This Quarter	Upto this Quarter (YTD)	This Quarter	Upto this Quarter (YTD)
Income:				
Gross Earned Premiums	2,232,836,736	2,232,836,736	1,747,436,735	1,747,436,735
Premiums Ceded	(106,462,093)	(106,462,093)	(95,663,721)	(95,663,721)
Net Earned Premiums	2,126,374,643	2,126,374,643	1,651,773,014	1,651,773,014
Commission Income	-	-	-	-
Other Direct Income	4,515,762	4,515,762	4,901,777	4,901,777
Interest Income on Loan to Policyholders	35,279,404	35,279,404	26,731,146	26,731,146
Income from Investments and Loans	548,992,972	548,992,972	475,058,387	475,058,387
Net Gain/(Loss) on Fair Value Changes	-	-	-	-
Net Realised Gains/(Losses)	-	-	-	-
Other Income	227	227	559,742	559,742
Total Income	2,715,163,008	2,715,163,008	2,159,024,066	2,159,024,066
Expenses:				
Gross Benefits and Claims Paid	480,135,233	480,135,233	450,227,986	450,227,986
Claims Ceded	(65,224,190)	(65,224,190)	(65,269,261)	(65,269,261)
Gross Change in Contract Liabilities	1,705,288,318	1,705,288,318	1,256,977,731	1,256,977,731
Change in Contract Liabilities Ceded to Reinsurers	(962,430)	(962,430)	(109,380)	(109,380)
Net Benefits and Claims Paid	2,119,236,932	2,119,236,932	1,641,827,075	1,641,827,075
Commission Expenses	202,521,151	202,521,151	166,907,239	166,907,239
Service Fees	15,947,810	15,947,810	12,388,298	12,388,298
Other Direct expenses	-	-	-	-
Employee Benefits Expenses	107,471,979	107,471,979	102,240,483	102,240,483
Depreciation and Amortization Expenses	9,191,122	9,191,122	8,673,761	8,673,761
Impairment Losses	-	-	-	-
Other Operating Expenses	129,304,425	129,304,425	96,057,943	96,057,943
Finance Cost	-	-	-	-
Total Expenses	2,583,673,419	2,583,673,419	2,028,094,799	2,028,094,799
Net Profit/(Loss) For The Period Before Share of Net Profits of Associates Accounted for Using Equity Method and Tax	131,489,590	131,489,590	130,929,266	130,929,266
Share of Net Profit of Associates accounted using Equity Method	-	-	-	-
Profit Before Tax	131,489,590	131,489,590	130,929,266	130,929,266
Income Tax Expenses	-	-	-	-
Net Profit/(Loss) For the Period	131,489,590	131,489,590	130,929,266	130,929,266
Earning Per Share				
Basic EPS (Annualized)		10.52		13.30
Diluted EPS (Annualized)		10.52		13.30

CONDENSED STATEMENT OF OTHER COMPREHENSIVE INCOME				
For Period from Shrawan 01, 2082 to Ashwin 31, 2082 (July 17, 2025 to October 17, 2025)				
Particulars	Unaudited		Unaudited	
	Current Year		Corresponding Previous Year	
	This Quarter	Upto this Quarter (YTD)	This Quarter	Upto this Quarter (YTD)
Net Profit/(Loss) For The Year	131,489,590	131,489,590	130,929,266	130,929,266
Other Comprehensive Income	(191,803,665)	(191,803,665)	37,768,316	37,768,316
Total Comprehensive Income	(60,314,075)	(60,314,075)	168,697,582	168,697,582

OTHER INDICATORS		
Particulars	Current Year	Previous Year
	Upto this Quarter (YTD)	Upto this Quarter (YTD)
1. Total inforce policy count	907,056	1,110,708
2. Total number of policies issued during the period	123,928	150,826
3. First year premium (including single premium)	652,438,614	488,655,761
4. Single premium	253,745,985	103,058,364
5. Renewal premium	1,580,398,122	1,258,780,974
6. Total benefits and claims paid in count	1,606	1,450
7. Outstanding benefits and claims in count	71	189
8. Gross claim outstanding (Amount)	41,149,858	65,176,137
9. Declared bonus rate (FY 2080/081)	25-80	25-77
10. Interim bonus rate	25-80	25-77
11. Long term investments (Amount)	18,719,488,130	16,707,196,650
12. Short term investments (Amount)	7,362,047,474	3,765,263,740
13. Policyholders loan	1,095,743,196	837,893,650
14. Investment in cost value	26,231,504,166	20,413,451,163
15. Life insurance fund (Amount)	21,591,051,898	15,634,735,179
16. Unearned premium reserve for term policies (Amount)	510,654,801	488,703,193
17. Solvency margin ratio (FY 2080/081)	3.42	1.82

*The detailed interim report regarding the above and Right to Information pertaining to this quarter has been published in the website of Citizen Life Insurance Company Limited.

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

- Solvency Ratio related disclosure:** The company has maintained solvency ratio of 3.42 as per its latest approved actuary valuation report by NIA i.e. Fiscal Year 2080/081.
- Reinsurance related disclosure:** The company has entered into reinsurance agreements with Nepal Reinsurance Company Ltd. and Himalayan Reinsurance Company Limited to cover the mortality and morbidity risks associated with life insurance business.
- Business regarding legal proceeding:** There are no legal proceedings against the company arising from activities other than normal business operations.
- Corporate Governance:** The company has fully complied with the Corporate Governance Directive issued by Nepal Insurance Authority.
- Regulatory limit on expenses ratio:** The expense of company is within the expense ratio prescribed by Nepal Insurance Authority.
- FE Pool business has been presented as per the data provided by the Pool Manager.
- The company has complied with all the applicable laws and directives issued by the regulatory bodies.
- The figures presented may vary with the audited figures, if instructed by the Regulator or Statutory Auditor of the company.
- The corresponding figures have been restated and regrouped for better presentation of financial data.

Additional Disclosure as per Securities Registration and Issue Regulation, 2073 (Rule 26(1), Annexure 14)

- a) Financial Statement**
Statement of Financial Position and Statement of Profit or Loss are prepared and published as per Nepal Financial Reporting Standard. There has been no transaction between related parties apart from meeting allowances paid to directors and committee members.
- b) Key financial indicators and ratios**

Earnings Per Share	10.52
Price Earnings Ratio (P/E Ratio)	41.37
Net worth Per Share	148.93
Total Assets per share	592.16

2. Management Analysis

The company has earned a gross premium of NPR 2,232.84 million which in comparison to the corresponding previous year's premium collection for the same period has exceeded by 27.78%. Company has excellent business strategy and good customer service. Company has made claim payment of NPR 480.14 million until the end of this quarter. Company has proper guidelines and procedure in place to handle and settle claims timely to provide hasslefree service to its customers. Company has made a total investment of NPR 26,081.54 million until the end of this quarter which in comparison to the corresponding previous year's investment for the same period has exceeded by 27.40%.

- Details relating to legal action**
 - Case filed against the company.
There were no major cases except those arising during the normal course of the company's business.
 - Case relating to disobedience of prevailing law or commission of criminal offence filed by or against the promoter or director of the company.
No such information has been received.
 - Case relating to financial crime filed against any promoter or director.
No such information has been received.
- Analysis of share transaction and progress of the company**
 - Management's view on share transaction of company in the secondary market
As the prices in the secondary market is determined by open share market operations, management view is neutral on this.
 - Maximum, minimum, closing price, total traded days and total share transacted during the quarter (Source www.nepalstock.com.np)

Maximum Price	540.00	Total Days Transacted	51
Minimum Price	411.00	Total Share Transacted	1,723,995
Closing Price	435.20	Total Transactions Value	845,465,749

5. Problems and challenges

Problems
The Nepalese life insurance market is estimated to have contracted as a result of the slowdown in economic activities. A lack of awareness regarding insurance has remained a significant obstacle to the expansion of life insurance coverage across the nation. Furthermore, high inflation, economic uncertainty, and a decline in disposable income have contributed to the sluggish growth of insurance premiums in the current period. In addition, the limited investment opportunities and the low interest rates offered by banking and financial institutions have further constrained the growth potential of the life insurance sector.

Management Strategy

The company aspires to strengthen its capabilities by emphasizing differentiation in an increasingly dynamic and competitive market, thereby delivering sustainably value to all stakeholders. The management is committed to fulfilling bold customer promises by evolving from traditional customer service to genuine customer care-offering comprehensive solutions, seamless service experiences, and deeper, more meaningful engagement that nurtures lasting relationships.
Looking ahead, our strategic direction remains anchored in customer-centricity and digital transformation, complemented by a strong focus on financial literacy and education. By promoting awareness of life insurance benefits and encouraging individuals to invest in their future security, we aim to expand the reach and relevance of our offerings across the nation.
In response to challenges such as limited investment opportunities and the low interest rates provided by banking and financial institutions, the company seeks to diversify its investment portfolio by exploring new, high-potential sectors-such as infrastructure, green energy, and government-backed instruments-while maintaining prudent risk management practices. These initiatives will enable us to enhance investment returns, strengthen financial resilience, and ensure long-term value creation.

6. Corporate Governance

The company follows zero tolerance governance and compliance culture and ensures absolute compliance of directives and guidelines issued by Nepal Insurance Authority. To ensure adequate compliance and risk management, the company has developed strong policy and procedural framework along with dedicated compliance, risk management and audit function. The company has appointed an independent Chartered Accountant firm as internal auditor in order to monitor and evaluate the efficacy and adequacy of internal control system in the company, its compliance with operating systems, accounting procedures and policies. The Company recognizes that risk management is integral part of its business, and to be able to manage it efficiently, the company has developed a proper risk management policy which provides a robust framework for managing financial and non-financial risks. The board of directors, audit committee, risk management committee, human resource management committee and all other management committees are committed to enforce highest standard of corporate governance within the company.

7. Declaration by CEO

I hereby declare that the data and information provided in this report is true, complete and factual to the best of my knowledge. No any conscious attempt has been made to misguide the investors.

Poshak Raj Paudel
Chief Executive Officer