Citizen Life Insurance
समृद्धि तपाईंको, साथ हाम्रो
Citizen Life Insurance Company Limited
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Quarterly Financial Result for 4th Quarter, FY 2082/083 B.S.

CONDENSED STATEMENT OF FINANCIAL POSITION
As At Ashadh 32, 2083 (July 16, 2026)

Fig in NPR.

Particulars	Unaudited	Audited
	At the end of this Quarter	At the end of Immediate Previous Year
Assets:		
Goodwill & Intangible Assets	5,477,543	3,766,778
Property and Equipment	203,627,076	214,526,191
Investment Properties	-	-
Deferred Tax Assets	313,990,099	295,003,011
Investment in Subsidiaries	-	-
Investment in Associates	-	-
Investments	30,529,210,784	24,044,189,056
Loans	1,258,328,894	1,048,986,533
Reinsurance Assets	109,053	432,000
Current Tax Assets	745,966,273	587,858,013
Insurance Receivables	38,970,565	35,773,123
Other Assets	6,303,179	707,554,110
Other Financial Assets	452,243,754	383,204,331
Cash and Cash Equivalent	857,580,682	416,320,296
Total Assets	**34,411,807,903**	**27,737,613,443**
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	269,453,074	230,372,633
Retained Earnings	498,340,489	1,150,524,559
Other Equity	362,638,334	368,959,638
Total Equity	**6,580,120,161**	**7,199,545,095**
Liabilities:		
Provisions	35,765,961	35,765,961
Gross Insurance Contract Liabilities	27,149,132,391	19,863,000,632
Deferred Tax Liabilities	-	-
Insurance Payable	45,083,829	20,720,981
Current Tax Liabilities	-	-
Borrowings	-	-
Other Liabilities	212,402,981	208,633,999
Other Financial Liabilities	389,302,581	409,946,775
Total Liabilities	**27,831,687,742**	**20,538,068,348**
Total Equity and Liabilities	**34,411,807,903**	**27,737,613,443**

CONDENSED STATEMENT OF PROFIT OR LOSS
For Period from Shrawan 01, 2082 to Ashadh 32, 2083 (July 17, 2025 to July 16, 2026)

Fig in NPR.

Particulars	Unaudited		Audited	
	Current Year		Corresponding Previous Year	
	This Quarter	Upto this Quarter (YTD)	This Quarter	Upto this Quarter(YTD)
Income:				
Gross Earned Premiums	3,154,243,197	9,374,110,515	2,465,676,199	7,548,190,424
Premiums Ceded	(120,210,663)	(396,990,200)	(149,757,400)	(416,047,876)
Net Earned Premiums	**3,034,032,534**	**8,977,120,315**	**2,315,918,799**	**7,132,142,548**
Commission Income	-	-	42,564,789	42,564,789
Other Direct Income	5,176,756	21,230,920	6,522,254	20,511,710
Interest Income on Loan to Policyholders	39,382,754	146,574,991	37,538,633	111,095,303
Income from Investments and Loans	537,040,478	2,039,539,451	476,414,082	1,890,454,049
Net Gain/(Loss) on Fair Value Changes	-	-	-	-
Net Realised Gains/(Losses)	-	-	-	-
Other Income	300,085	545,590	383,037	1,945,115
Total Income	**3,615,932,607**	**11,185,011,267**	**2,879,341,593**	**9,198,713,513**
Expenses:				
Gross Benefits and Claims Paid	600,661,031	1,939,748,026	526,468,517	1,912,311,944
Claims Ceded	(134,394,257)	(364,683,622)	(90,954,661)	(313,052,666)
Gross Change in Contract Liabilities	2,564,653,546	7,337,396,897	1,688,853,043	5,378,643,248
Change in Contract Liabilities Ceded to Reinsurers	5,127,178	322,947	1,947,050	2,198,000
Net Benefits and Claims Paid	**3,036,047,498**	**8,912,784,248**	**2,126,313,949**	**6,980,100,526**
Commission Expenses	291,411,138	854,015,671	246,506,760	725,410,311
Service Fees	22,755,242	67,328,401	17,359,453	53,491,069
Other Direct Expenses	-	-	-	-
Employee Benefits Expenses	93,287,009	369,873,498	114,228,183	374,317,738
Depreciation and Amortization Expenses	9,870,485	38,034,477	35,879,876	62,548,134
Impairment Losses	(1,591,018)	(1,591,018)	849,214	849,214
Other Operating Expenses	133,391,934	553,761,575	138,755,448	444,899,563
Finance Cost	-	-	7,845,284	7,845,284
Total Expenses	**3,585,172,289**	**10,794,206,852**	**2,687,738,169**	**8,649,461,839**
Net Profit/(Loss) For The Period Before Share of Net Profits of Associates Accounted for Using Equity Method and Tax	**30,760,318**	**390,804,416**	**191,603,424**	**549,251,674**
Share of Net Profit of Associates accounted using Equity Method	-	-	-	-
Profit Before Tax	**30,760,318**	**390,804,416**	**191,603,424**	**549,251,674**
Income Tax Expenses	-	-	360,115,377	360,115,377
Net Profit/(Loss) For the Period	**30,760,318**	**390,804,416**	**(168,511,953)**	**189,136,297**
Earning Per Share				
Basic EPS (Annualized)		7.82		3.78
Diluted EPS (Annualized)		7.82		3.78

CONDENSED STATEMENT OF OTHER COMPREHENSIVE INCOME
For Period from Shrawan 01, 2082 to Ashadh 32, 2083 (July 17, 2025 to July 16, 2026)

Fig in NPR.

Particulars	Unaudited		Audited	
	Current Year		Corresponding Previous Year	
	This Quarter	Upto this Quarter (YTD)	This Quarter	Upto this Quarter (YTD)
Net Profit/(Loss) For The Year	30,760,318	390,804,416	(168,511,953)	189,136,297
Other Comprehensive Income	(59,089,823)	(56,961,265)	94,243,401	68,526,139
Total Comprehensive Income	**(28,329,505)**	**333,843,151**	**(74,268,552)**	**257,662,436**

OTHER INDICATORS

Particulars	Current Year	Previous Year
	Upto this Quarter (YTD)	Upto this Quarter (YTD)
1. Total inforce policy count	798,953	969,770
2. Total number of policies issued during the period	591,757	643,352
3. First year premium (including single premium)	3,312,869,965	2,393,281,894
4. Single premium	1,480,291,172	698,653,306
5. Renewal premium	6,061,240,550	5,154,908,530
6. Total benefits and claims paid in count	6,943	7,911
7. Outstanding benefits and claims in count	79	91
8. Gross claim outstanding (Amount)	122,497,397	124,842,870
9. Declared bonus rate (FY 2081/082)	25-80	25-80
10. Interim bonus rate	25-80	25-80
11. Long term investments (Amount)	24,364,744,209	18,088,271,925
12. Short term investments (Amount)	6,164,466,575	5,955,917,131
13. Policyholders loan	1,228,076,476	1,009,288,444
14. Investment in cost value	30,499,389,479	23,938,419,399
15. Life insurance fund (Amount)	27,026,634,994	19,854,803,456
16. Unearned premium reserve for term policies (Amount)	478,259,472	502,211,561
17. Solvency margin ratio (FY 2081/082)	1.73	3.42

***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

1. **Solvency Ratio related disclosure:** The company has maintained solvency ratio of 1.73 as per its latest approved actuary valuation report by NIA i.e. Fiscal Year 2081/082.
2. **Reinsurance related disclosure:** The company has entered into reinsurance agreeements with Nepal Reinsurance Company Ltd. and Himalayan Reinsurance Company Limited to cover the mortality and morbidity risks associated with life insurance business.
3. **Details regarding legal proceeding:** There are no legal proceedings against the company arising from activities other than normal business operations.
4. **Corporate Governance:** The company has fully complied with the Corporate Governace Directive issued by Nepal Insurance Authority.
5. **Regulatory limit on expenses ratio:** The expense of company is within the expense ratio prescribed by Nepal Insurance Authority.
6. FE Pool business has been accounted as per the data provided by the Pool Manager.
7. The company has complied with all the applicable laws and directives issued by the regulatory bodies.
8. The figures presented may vary with the audited figures, if instructed by the Regulator or Staututory Auditor of the company.
9. 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)

1. 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	7.82
Price Earnings Ratio (P/E Ratio)	55.67
Net worth Per Share	131.60
Total Assets per share	688.24

2. Management Analysis

The Company recorded gross premium income of NPR 9,374.11 million during the period under review. This represents a increase of 24.19% compared to the premium income achieved in the corresponding period of the previous year. The Company continues to pursue a well-defined business strategy, complemented by a strong focus on customer service.Up to the end of this quarter, claim payments totaling NPR 1,939.75 million were made.The Company has established comprehensive policies and procedures to ensure the prompt and efficient settlement of claims, thereby delivering a seamless and customer-friendly service experience.

As at the close of the quarter, the Company's total investment portfolio amounted to NPR 30,529.21 million, reflecting a growth of 26.97% compared to the investment position during the corresponding period of the previous year.

3. Details relating to legal action

a. Case filed against the company.
There were no major cases except those arising during the normal course of the company's business.

b. 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.

c. Case relating to financial crime filed against any promoter or director.
No such information has been received.

4. Analysis of share transaction and progress of the company

a. 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 onthis.

b. Maximum, minimum, closing price, total traded days and total share transacted during the quarter (Source www.nepalstock.com.np)

Maximum Price	470.90	Total Days Transacted	64
Minimum Price	429.30	Total Share Transacted	753,059
Closing Price	435.10	Total Transactions Value	342,105,968

5. Problems and challenges

Problems

The lack of awareness regarding life insurance has remained a significant obstacle to the expansion of life insurance coverage across the nation. Furthermore, economic uncertainity, and a decline in disposable income have continued to be the major problem in acheiving sustainable growth of insurance business. 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 sustainable 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 presented in this report are, to the best of my knowledge, true, complete, and accurate. No deliberate attempt has been made to mislead the investors.

Poshak Raj Paudel
Chief Executive Officer