

## CONSOLIDATED FINANCIAL STATEMENTS

ASSETS  
(\$'000)

Reference Page	FS Notes Reference		Current Period		Prior Period		Opening Prior Year Restated	
			Total	Vested in Trust	Total	Vested in Trust	Total	Vested in Trust
			(01)	(02)	(03)	(04)	(05)	(06)
		Cash and Cash Equivalents	010	38,371		17,473		
		Assets held for sale	020			0		
<a href="#">21.012</a>		Short Term Investments	040	150,389		136,012		
<a href="#">21.150 or/ou 21.155</a>		Accrued Investment Income	070	190		458		
		Accounts Receivable	100	11,645		12,026		
		Policy/Certificate Loans	200			0		
<a href="#">21.012</a>		Bonds and Debentures	250	0		0		
<a href="#">21.050</a>		Mortgage Loans	300	0		0		
<a href="#">21.012</a>		Preferred Shares	420	119,524		135,588		
<a href="#">21.012</a>		Common Shares	440	39,850		35,553		
<a href="#">21.012</a>		Investment Properties	510	37,351		38,553		
		Derivative Financial Instruments	520	357		0		
<a href="#">22.020</a>		Reinsurance Assets	530	78,143		80,355		
<a href="#">21.080</a>		Property and Equipment	540	13,308		8,311		
		Interests in Associates & Joint Ventures	550	0		0		
<a href="#">60.010</a>		Segregated Funds Net Assets	560			0		
<a href="#">21.100</a>		Other Loans and Invested Assets	600	50,699		74,850		
		Investments in Subsidiaries	750			0		
		Current Tax Assets	780	0		11,216		
		Deferred Tax Assets	800			0		
		Goodwill	820			0		
		Intangible Assets	830	459		551		
		Defined Benefit Pension Plan	840			0		
<a href="#">21.155</a>		Other Assets	880	1,111		862		
		<b>TOTAL ASSETS</b>	899	541,397		551,808		0

**CONSOLIDATED FINANCIAL STATEMENTS**

**LIABILITIES, POLICYHOLDERS'/SHAREHOLDERS' EQUITY AND HEAD OFFICE ACCOUNT  
(\$'000)**

Reference Page	FS Notes Reference		Current Period	Prior Period	Opening Prior Year Restated
			(01)	(03)	(05)
		<b>Liabilities</b>			
		Liabilities held for sale	005	0	
<a href="#">22.020</a>		Actuarial Liabilities for Insurance Contracts	010	124,202	124,615
<a href="#">22.020</a>		Other Contract Liabilities	040	74,680	78,121
		Trust and Banking Deposits	070		0
<a href="#">22.030 or/ou</a>		Accounts Payable	100	81,775	85,199
<a href="#">21.080</a>		Mortgage Loans and Other Real Estate Encumbrances	130	10,399	10,748
		Derivative Financial Instruments	140	430	0
		Defined Benefit Pension Plan	145		0
		Amounts Due in respect of Staff Pension Plans (not including amounts on line 145 above)	150		0
<a href="#">22.030</a>		Provisions and Other Liabilities	160	3,768	3,167
		Segregated Fund Liabilities	420		0
		Current Tax Liabilities	430	3,095	0
		Deferred Tax Liabilities	250	12,448	8,312
		Subordinated Debt	280		0
		Other Debt	310	60,230	81,627
		<b>Total Liabilities</b>	389	371,027	391,789
		<b>Policyholders' Equity</b>			
<a href="#">20.040</a>		Participating Account	510	0	0
		Participating Account - Accumulated OCI (Loss)	520		0
<a href="#">20.040</a>		Non-Participating Account (Mutual Companies Only)	540	0	0
		Non-Participating Account - Accumulated OCI (Loss)	550		0
		<b>Total Policyholders' Equity</b>	589	0	0
		<b>Shareholders' Equity</b>			
		Capital Stock	610	38,000	38,000
		Other Capital	640		0
		Contributed Surplus	670		0
<a href="#">20.040</a>		Retained Earnings	700	132,370	122,019
		Accumulated Other Comprehensive Income (Loss)	740		0
		<b>Total Shareholders' Equity</b>	779	170,370	160,019
		<b>Non-controlling Interests</b>	829	0	0
		<b>Total Equity</b>	839	170,370	160,019
		<b>TOTAL LIABILITIES AND EQUITY</b>	899	541,397	551,808
<a href="#">20.044</a>		<b>Head Office Account</b>	800		
<a href="#">20.042</a>		<b>Accumulated Other Comprehensive Income (Loss)</b>	840		
		<b>TOTAL LIABILITIES, HEAD OFFICE ACCOUNT AND ACCUMULATED OTHER COMPREHENSIVE INCOME</b>	999		

CONSOLIDATED FINANCIAL STATEMENTS

STATEMENT OF INCOME  
(\$'000)

Reference Page	FS Notes Reference		Current Period (01)	Prior Period (03)
		<b>Revenue</b>		
35.020		Gross Premiums	172,407	178,257
35.020		Premiums ceded	121,127	126,933
45.020		Net Premiums	51,280	51,324
35.020		Gross Investment Income	13,505	(12,460)
35.020		Less: Investment Expenses and Taxes	4,415	3,096
23.010		Net Investment Income	9,090	(15,556)
35.020		Overlay approach adjustment for financial instruments (Reclass from P&L to OCI) *	0	
35.020		Share of Income/Loss of Associates & Joint Ventures	0	0
		Fee Income	11,423	12,368
23.030		Other Revenue	0	0
35.020		Fraternal and Other Fund Revenues	0	0
		<b>Total Revenue</b>	71,793	48,136
		<b>Policy/Certificate Benefits and Expenses</b>		
35.020		Policyholder/Certificateholder Benefits	27,980	24,670
35.020		Benefits ceded	15,308	14,217
		Gross Changes to Actuarial Liabilities		
35.020		Normal	2,024	2,993
35.020		Basis Change	(2,436)	(1,179)
		Gross Changes to Other Contract Liabilities		
35.020		Normal	0	0
35.020		Basis Change	0	0
		Changes in Actuarial and Other Contract Liabilities Ceded		
35.020		Normal	389	3,203
35.020		Basis Change	(2,601)	(1,490)
35.020		Policyholder/Certificateholder Dividends	0	0
35.020		Experience Rating Refunds	0	0
35.020		Transfer to and (Transfer from) Other Funds	0	0
35.020		Gross Commissions	71,000	76,420
35.020		Commissions Ceded	52,346	53,919
35.020		Interest on Policyholder/Certificateholder Amounts on Deposit	0	0
23.030		Interest Expense and Finance costs	1,583	1,987
23.030		General Expenses and Taxes (excl. income taxes)	23,454	30,254
23.030		Other Expenses	1,578	921
35.020		Fraternal and Other Fund Expenses	0	0
		<b>Total Benefits and Expenses</b>	59,741	66,217
		<b>Income Before Income Tax</b>	12,052	(18,081)
		Provision for Income Taxes		
		Current	(2,435)	1,597
		Deferred	4,136	(8,359)
		<b>Income Before the following:</b>	10,351	(11,319)
35.020		Discontinued Operations (net of Income Taxes of \$ )	0	0
		<b>Net Income</b>	10,351	(11,319)
35.020		Attributable to Participating Policyholders/Certificateholders	0	0
35.020		<b>Net Income after Attribution to Participating Policyholders/Certificateholders</b>	10,351	(11,319)
35.020		Attributable to Fraternal and Other Fund Account	0	0
35.020		<b>Insurance Fund</b>	10,351	(11,319)
		<b>Attributable to:</b>		
		Non-controlling Interests	0	0
		Equity Holders	10,351	(11,319)
			(99)	
			830	0

\* This line only applies to Quebec provincially incorporated insurers who have adopted the overlay approach for the implementation of IFRS 9

**CONSOLIDATED FINANCIAL STATEMENTS****STATEMENT OF EQUITY IN PARTICIPATING ACCOUNT  
(\$'000)**

Reference Page	FS Notes Reference	(05)	Current Period (01)	Prior Period (03)
		Beginning of Year	0	0
		Adjustments		0
		(Specify)		0
<a href="#">20.030</a>		Share of Net Income (Loss)		0
<a href="#">20.040</a>		Transfer from (to) Retained Earnings (Stock companies only)		0
<a href="#">20.040</a>		Transfer from (to) Non-Par Account (Mutual companies only)		0
		<b>End of Year</b>	0	0

**STATEMENT OF NON-PARTICIPATING ACCOUNT  
Mutual Companies Only  
(\$'000)**

Reference Page	FS Notes Reference	(05)	Current Period (01)	Prior Period (03)
		Beginning of Year	0	0
		Adjustments		0
		(Specify)		0
<a href="#">20.030</a>		Share of Net Income (Loss)		0
<a href="#">20.040</a>		Transfer from (to) Par Account	0	0
		Dividends to Preferred Shareholders		0
		<b>End of Year</b>	0	0

**STATEMENT OF RETAINED EARNINGS  
Stock Companies Only  
(\$'000)**

Reference Page	FS Notes Reference	(05)	Current Period (01)	Prior Period (03)
		Beginning of Year	122,019	214,993
<a href="#">20.030</a>		Share of Net Income (Loss)	10,351	(11,319)
<a href="#">20.040</a>		Transfer from (to) Par Account	0	0
		Dividends to Shareholders:		
		Preferred		0
		Common	0	85,000
		(Specify)		3,345
		(Specify)		0
		(Specify)		
		<b>End of Year</b>	132,370	122,019



First Canadian Insurance Corp  
**Insurer**31/12/2019  
**Period Ending Date**

10.100

**LICAT Ratios**  
**Summary Calculations**

(thousands of dollars, except percentages)

<i>Tier 1 Capital (20.100)</i>	(A)	1010010040	165,432
<i>Tier 2 Capital (20.200)</i>	(B)	1010010050	4,479
<b>Available Capital (A + B)</b>	(C)	1010010030	169,911

<b>Surplus Allowance</b>	(D)	1010010060	22,565
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<b>Eligible Deposits</b>	(E)	1010010070	0
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Credit Risk (30.000)		1010010080	3,635
Market Risk (50.000)		1010010160	70,134
Credit and Market for P&C Insurance (per MCT)		1010010350	
Insurance Risk (60.000)		1010010220	47,949
<i>Capital Requirements: Before Credits and Non-Diversified Risks</i>	(F)	1010010290	121,718
Participating, Adjustable and Policyholder Deposits and Group Business Credits (90.000)		1010010300	0
Diversification Credit (110.000)		1010010310	16,009
<i>Credits</i>	(G)	1010010320	16,009
Segregated Fund Guarantees (70.100)		1010010280	0
Operational Risk (80.000)		1010010340	10,388
<i>Capital Requirements: Non-Diversified Risks</i>	(H)	1010010330	10,388
<b>Base Solvency Buffer ((F - G + H) x Scalar [1.05])</b>	(I)	1010010360	121,902

<b>Core Ratio (%)</b>	$([A + 70\% D + 70\% E] / I) \times 100$	1010010010	148.67%
<b>Total Ratio (%)</b>	$([C + D + E] / I) \times 100$	1010010020	157.89%