CONSOLIDATED FINANCIAL STATEMENTS

ASSETS (\$'000)

Reference FS Notes Page Reference				Current Period		Prior Period		Opening Prior Period Restated	
				Total	Vested in Trust*	Total	Vested in Trust*	Total	Vested in Trust*
				(01)	(02)	(03)	(04)	(05)	(06)
		Cash and Cash Equivalents	01	21,140		14,327			
		Investment Income due and accrued	02	1,131		1,203			
		Assets held for sale	50			0			
		Investments:							
40.12		Short Term Investments	04			0			
40.22		Bonds and Debentures	05	122,198		119,360			
40.32		Mortgage Loans	06			0			
40.42		Preferred Shares	07			0			
40.52		Common Shares	08	18,523		23,036			
<u>40.70</u>		Investment Properties	09	7,987		7,987			
40.80		Other Loans and Invested Assets	10	5,558		5,379			
40.07		Total Investments (lines 04 to 10)	19	154,266		155,762		0	
		Receivables:							
50.20		Unaffiliated Agents and Brokers	20	7,885		8,042			
		Policyholders	21			0			
		Instalment Premiums	22	38,048		32,241			
		Other Insurers	23	568		1,812			
		Facility Association and the "P.R.R."	24	8,649		7,551			
50.40		Subsidiaries, Associates & Joint Ventures	25	0		0			
50.20		Other Receivables	27	536		495			
		Recoverable from Reinsurers:							
60.10		Unearned Premiums	30	42,053		38,855			
60.30		Unpaid Claims and Adjustment Expenses	31	61,643		69,031			
		Other Recoverables on Unpaid Claims	37			0			
		Investments Accounted for Using the Equity Method:							
50.32		Interests in Subsidiaries, Associates & Joint Ventures	40	0		0			
		Pooled Funds	45			0			
40.70		Property and Equipment	41	6,269		4,780			
		Deferred Policy Acquisition Expenses	43	28,102		25,928			
		Current Tax Assets	52	56		260			
		Deferred Tax Assets	44	6,920		5,289			
		Goodwill	54			0			
		Intangible Assets	56	1,421		566			
		Defined Benefit Pension Plan	58	,		0			
		Other Assets	88	435		508			
		TOTAL ASSETS	89	379,122		366,650		0	
	1		٠,	- / / ,		2 00,020			

 $^{* \} For eign \ in surers: \ Excludes \ deposits \ of \ rein surers \ held \ in \ special \ trust \ accounts.$

$CONSOLIDATED\ FINANCIAL\ STATEMENTS$

LIABILITIES, EQUITY, HEAD OFFICE ACCOUNT, RESERVES & AOCI $(\$\mbox{'}000)$

ference Page	FS Notes Reference			Current Period	Prior Period	Opening Prior
		(55)		(01)	(03)	(05)
		LIABILITIES				
		Overdrafts	01		0	
		Borrowed Money and Accrued Interest	02		0	
		Payables:				
50.20		Agents and Brokers	03	2,922	2,978	
		Policyholders	04		0	
		Other Insurers	05	3,278	1,644	
50.40		Subsidiaries, Associates & Joint Ventures/Affiliates	06	0	0	
		Expenses due and accrued	07	4,761	2,973	
		Other Taxes due and accrued	09	2,970	2,544	
		Policyholder Dividends and Rating Adjustments	10		0	
<u>40.70</u>		Encumbrances on Real Estate	11		0	
<u>50.10</u>		Unearned Premiums	12	108,556	100,213	
50.30		Unpaid Claims and Adjustment Expenses	13	167,145	169,659	
<u>80.10</u>		Unearned Commissions	14	12,235	10,847	
		Ceded Deferred Premium Taxes	20		0	
		Ceded Deferred Insurance Operations Expenses	34		0	
		Premium Deficiency	15		0	
		Liabilities held for sale	17		0	
		Current Tax Liabilities	18	866	0	
		Deferred Tax Liabilities	21	2,125	2,119	
		Self-Insured Retention (SIR) portion of unpaid claims	22		0	
		Defined Benefit Pension Plan	23		0	
		Employment Benefits (not including amounts on line 23 above)	24		0	
		Subordinated Debt	25		0	
		Preferred Shares - Debt	26		0	
		Provisions and Other Liabilities	28	12,152	10,839	
		Total Liabilities	29	317,010	303,816	
		CANADIAN INSURERS ONLY:				
		EQUITY				
		Shares issued and paid				
		Common	41	2,000	2,000	
		Preferred	33		0	
		Contributed Surplus	42	9,362	9,362	
		(Specify)	43	7,302	0	
0.54		Retained Earnings	44	49,637	50,869	
0.45		Reserves	45	0	0	
0.42		Accumulated Other Comprehensive Income (Loss)	47	1,113	603	
		Total Policyholders/Shareholders' Equity	59	62,112	62,834	
		Non-controlling Interests	48	0	0	
		Total Equity	49	62,112	62,834	
		TOTAL LIABILITIES AND EQUITY	89	379,122	366,650	
		FOREIGN INSURERS ONLY:				
		HEAD OFFICE ACCOUNT, RESERVES & AOCI				
0.45		Head Office Account	51			
		(Specify)	53			
0.45		Reserves	55			
20.42		Accumulated Other Comprehensive Income (Loss)	56			
		Total Head Office Account, Reserves & AOCI	69			

CONSOLIDATED FINANCIAL STATEMENTS

STATEMENT OF INCOME (\$'000)

eference Page	FS Notes Reference			Current Period	Prior Period	
				(01)	(03)	
		UNDERWRITING OPERATIONS				
		Premiums Written				
		Direct	01	50,639	44,566	
70.21		Reinsurance Assumed	02	0	0	
70.21		Reinsurance Assumed Reinsurance Ceded	03	20,814	18,443	
<u>60.20</u>		Net Premiums Written	04	29,825	26,123	
50.20		Decrease (increase) in Net Unearned Premiums	05	3,623	5,001	
<u>60.20</u>		Net Premiums Earned	06	33,448	31,124	
		Service Charges	07	742	667	
		Other	08		0	
		Total Underwriting Revenue	09	34,190	31,791	
		Gross Claims and Adjustment Expenses	62	32,764	34,103	
		Reinsurers' share of claims and adjustment expenses	64	11,749	11,977	
<u>60.20</u>		Net Claims and Adjustment Expenses	10	21,015	22,126	
		Acquisition Expenses				
80.10		Gross Commissions	66	9,871	10,288	
<u>80.10</u>		Ceded Commissions	68	5,241	5,182	
		Taxes	12	2,312	2,161	
80.20		Other	14		0	
80.20		General Expenses	16	5,858	5,544	
		Total Claims and Expenses	19	33,815	34,937	
		Premium Deficiency Adjustments	20		0	
		Underwriting Income (Loss)	29	375	(3,146)	
40.07		INVESTMENT OPERATIONS				
		Income	32	987	1,347	
				7,01	-,	
		Gains (Losses) from FVO or FVTPL	35	0	0	
		Realized Gains (Losses)	33	158	(374)	
		Expenses	34	113	113	
		Net Investment Income	39	1,032	860	
		OTHER REVENUE AND EXPENSES				(04)
		Income (Loss) from Ancillary Operations				
		(net of Expenses of \$'000	40		0	
		Share of Net Income (Loss) of Subsidiaries, Associates & Joint Ventures	41	103	(119)	
		Overlay approach adjustment for financial instruments (Reclass from P&L to OCI)	48		0	
		Share of Net Income (Loss) of Pooled Funds using Equity Method	47		0	
		Gain (Losses) from fluctuations in Foreign Exchange Rates	42		0	
		Other Revenues	44	197	167	
		Finance costs	45		0	
		Other Expenses	46		0	
		Net Income (Loss) before Income Taxes	49	1,707	(2,238)	
		INCOME TAXES				
		Current	50	106	46	
		Deferred	51	356	(646)	
		Total Income Taxes	59	462	(600)	
		NET INCOME (LOSS) FOR THE YEAR	89	1,245	(1,638)	
		ATTRIBUTABLE TO:		1,273	(1,030)	
			90		0	
		Non-controlling Interests	80		U	

31/03/2019 Canadian/Foreign Insurer Date

CONSOLIDATED FINANCIAL STATEMENTS COMPREHENSIVE INCOME (LOSS) and ACCUMULATED OTHER COMPREHENSIVE INCOME (LOSS) (\$'000)

Reference Page	FS Notes Reference			Current Period	Prior Period
				(01)	(03)
				(-)	(/
		Comprehensive Income (Loss)			
20.30		Net Income	01	1,245	(1,638)
		Other Comprehensive Income (Loss):			
		Items that may be reclassified subsequently to Net Income:			
		FVOCI:			
		Change in Unrealized Gains and Losses:			
		- Loans	02		0
		- Bonds and Debentures	03	981	(364
		- Equities (IAS 39)	04	1,503	(438)
		Reclassification of (Gains) Losses to Net Income	05	(127)	274
		Overlay approach Change in Unrealized Gains and Losses related to overlay approach for financial instruments			
		Unrealized Gains and Losses	15		0
		Reclassification of (Gains) Losses from Net Income	16		0
		Derivatives Designated as Cash Flow Hedges			
		Change in Unrealized Gains and Losses	06		0
		Reclassification of (Gains) Losses to Net Income	07		0
		Foreign Currency Translation			
		Change in Unrealized Gains and Losses	08		0
		Impact of Hedging	09		0
		Share of Other Comprehensive Income of Subsidiaries, Associates & Joint Ventures (may be reclassified)	14		0
		Other	18		0
		Subtotal of items that may be reclassified subsequently to Net Income	19	2,357	(528)
		Items that will not be reclassified subsequently to Net Income:			
		FVOCI:			
		Change in Unrealized Gains and Losses:			
		- Equities (IFRS 9)	25		0
		Revaluation Surplus	31		0
		Share of Other Comprehensive Income of Subsidiaries,			
		Associates & Joint Ventures	11		0
		Remeasurements of Defined Benefit Plans	34		0
		Other	12		0
		Subtotal of items that will not be reclassified subsequently to Net Income	29	0	0
		Total Other Comprehensive Income (Loss)	21	2,357	(528)
		Total Comprehensive Income (Loss)	39	3,602	(2,166)
		Attributable to:			
		Non-controlling Interests	60		0
		Equity Holders	62	3,602	(2,166)

			Current Period	Prior Period
			(01)	(03)
	Accumulated Other Comprehensive Income (Loss)		` ,	
	Accumulated Gains (Losses) on:			
	Items that may be reclassified subsequently to Net Income:			
	FVOCI:			
	- Loans	42		0
	- Bonds and Debentures	43	(4,121)	(499)
	- Equities (IAS 39)	44	5,126	994
	Overlay approach	55		0
	Derivatives Designated as Cash Flow Hedges	45		0
	Foreign Currency (net of hedging activities)	46		0
	Share of Other Comprehensive Income of Subsidiaries, Associates & Joint Ventures (may be reclassified)	52		0
	Other	68		0
	Subtotal of items that may be reclassified subsequently to Net Income	69	1,005	495
	Items that will not be reclassified subsequently to Net Income:			
	FVOCI:			
	- Equities (IFRS 9)	65		0
	Revaluation Surplus	71	108	108
	Share of Other Comprehensive Income of Subsidiaries,			
	Associates & Joint Ventures	51		0
	Remeasurements of Defined Benefit Plans	74		0
	Other	49		0
	Subtotal of items that will not be reclassified subsequently to Net Income	79	108	108
20.20	Balance at end of Year	59	1,113	603

CONSOLIDATED

${\bf MINIMUM\ CAPITAL\ TEST/BRANCH\ ADEQUACY\ OF\ ASSETS\ TEST:\ CAPITAL\ (MARGIN)\ REQUIRED\ AND\ MCT\ (BAAT)\ RATIO}$ (\$'000)

		Current Period
		(0.1)
(55)		(01)
Capital Available:		
Capital available (from page 30.62 - capital available)	01	59,340
(Specify)	08	
Total Capital Available	09	59,340
Assets Available:		
Net Assets Available (from page 30.92 - net assets available)	11	
(Specify)	18	
Total Net Assets Available	19	
Total Net Assets Available	19	
Capital (Margin) Required at Target:		
Insurance Risk:		
Premium liabilities	20	9,437
Unpaid claims	22	11,810
Catastrophes	24	0
Margin required for reinsurance ceded to unregistered insurers	26	28
Subtotal: Insurance risk margin	29	21,275
Market Risk:		,
Interest rate risk	30	692
Foreign exchange risk	32	0
Equity risk	34	5,557
Real estate risk	36	1,693
Other market risk exposures	38	359
Subtotal: Market risk margin	39	8,301
Credit Risk:		3,5 5 5
Counterparty default risk for balance sheet assets	40	5,420
Counterparty default risk for off-balance sheet exposures	42	0
Counterparty default risk for unregistered reinsurance collateral and SIRs	44	0
Subtotal: Credit risk margin	49	5,420
Operational risk margin	50	10,499
Less: Diversification credit	52	4,454
Total Capital (Margin) Required at Target	59	41,041
Minimum Capital (Margin) Required (line 59 / 1.5)	60	27,361
(Specify)	68	
Total Minimum Capital (Margin) Required	69	27,361
Excess Capital (Net Assets Available) over Minimum Capital (Margin) Required	79	31,979
MCT (BAAT) Ratio (Line 09 or line 19 as a % of line 69)	90	216.88%

Note: See Section VI of the P&C instructions and the MCT Guideline.