

Trans Global Life Insurance Co
Insurer31/12/2021
Period Ending Date

10.100

**LICAT Ratios
Summary Calculations**

(thousands of dollars, except percentages)

| | | | |
|---|--|------------|---------|
| <i>Tier 1 Capital (20.100)</i> | (A) | 1010010040 | 6,622 |
| <i>Tier 2 Capital (20.200)</i> | (B) | 1010010050 | 0 |
| Available Capital (A + B) | (C) | 1010010030 | 6,622 |
| Surplus Allowance | (D) | 1010010060 | 38 |
| Eligible Deposits | (E) | 1010010070 | 0 |
| Credit Risk (30.000) | | 1010010080 | 27 |
| Market Risk (50.000) | | 1010010160 | 925 |
| Credit and Market for P&C Insurance (per MCT) | | 1010010350 | |
| Insurance Risk (60.000) | | 1010010220 | 287 |
| <i>Capital Requirements: Before Credits and Non-Diversified Risks</i> | (F) | 1010010290 | 1,239 |
| Participating, Adjustable and Policyholder Deposits and Group Business Credits (90.000) | | 1010010300 | 0 |
| Diversification Credit (110.000) | | 1010010310 | 116 |
| <i>Credits</i> | (G) | 1010010320 | 116 |
| Segregated Fund Guarantees Risk (70.100) | | 1010010280 | 0 |
| Operational Risk (80.000) | | 1010010340 | 169 |
| <i>Capital Requirements: Non-Diversified Risks</i> | (H) | 1010010330 | 169 |
| Base Solvency Buffer ((F - G + H) x Scalar [1.05]) | (I) | 1010010360 | 1,357 |
| Core Ratio (%) | [(A + 70% D + 70% E) / I] x 100 | 1010010010 | 490.01% |
| Total Ratio (%) | [(C + D + E) / I] x 100 | 1010010020 | 490.85% |

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 | 1,441 | | 1,967 | | |
| | | Assets held for sale | 020 | 0 | | 0 | | |
| 21.012 | | Short Term Investments | 040 | 0 | | 0 | | |
| 21.150 or/ou 21.155 | | Accrued Investment Income | 070 | 8 | | 9 | | |
| | | Accounts Receivable | 100 | 738 | | 708 | | |
| 21.012 | | Policy/Certificate Loans | 200 | 0 | | 0 | | |
| 21.050 | | Bonds and Debentures | 250 | 0 | | 0 | | |
| 21.012 | | Mortgage Loans | 300 | 0 | | 0 | | |
| 21.012 | | Preferred Shares | 420 | 3,912 | | 3,427 | | |
| 21.012 | | Common Shares | 440 | 1,542 | | 1,154 | | |
| 21.012 | | Investment Properties | 510 | 0 | | 0 | | |
| | | Derivative Financial Instruments | 520 | 0 | | 0 | | |
| 22.020 | | Reinsurance Assets | 530 | 0 | | 0 | | |
| 21.080 | | Property and Equipment | 540 | 0 | | 0 | | |
| 21.012 | | Interests in Associates & Joint Ventures | 550 | 0 | | 0 | | |
| 60.010 | | Segregated Funds Net Assets | 560 | 0 | | 0 | | |
| 21.100 | | Other Loans and Invested Assets | 600 | 0 | | 0 | | |
| | | Investments in Subsidiaries | 750 | 0 | | 0 | | |
| | | Current Tax Assets | 780 | 3 | | 130 | | |
| | | Deferred Tax Assets | 800 | 4 | | 4 | | |
| | | Goodwill | 820 | 0 | | 0 | | |
| | | Intangible Assets | 830 | 0 | | 0 | | |
| | | Defined Benefit Pension Plan | 840 | 0 | | 0 | | |
| 21.155 | | Other Assets | 880 | 123 | | 101 | | |
| | | TOTAL ASSETS | 899 | 7,771 | | 7,500 | 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) |
| | | Liabilities | | | |
| | | Liabilities held for sale | 005 | 0 | 0 |
| 22.020 | | Actuarial Liabilities for Insurance Contracts | 010 | 318 | 320 |
| 22.020 | | Other Contract Liabilities | 040 | 203 | 257 |
| | | Trust and Banking Deposits | 070 | 0 | 0 |
| 22.030 or/ou | | Accounts Payable | 100 | 327 | 429 |
| 21.080 | | Mortgage Loans and Other Real Estate Encumbrances | 130 | 0 | 0 |
| | | Derivative Financial Instruments | 140 | 0 | 0 |
| | | Defined Benefit Pension Plan | 145 | 0 | 0 |
| | | Amounts Due in respect of Staff Pension Plans (not including amounts in line 145 above) | 150 | 0 | 0 |
| 22.030 | | Provisions and Other Liabilities | 160 | 35 | 46 |
| | | Segregated Fund Liabilities | 420 | 0 | 0 |
| | | Current Tax Liabilities | 430 | 266 | 200 |
| | | Deferred Tax Liabilities | 250 | 0 | 0 |
| | | Subordinated Debt | 280 | 0 | 0 |
| | | Other Debt | 310 | 0 | 0 |
| | | Total Liabilities | 389 | 1,149 | 1,252 |
| | | Policyholders' Equity | | | |
| 20.040 | | Participating Account | 510 | 0 | 0 |
| | | Participating Account - Accumulated OCI (Loss) | 520 | 0 | 0 |
| 20.040 | | Non-Participating Account (Mutual Companies Only) | 540 | 0 | 0 |
| | | Non-Participating Account - Accumulated OCI (Loss) | 550 | 0 | 0 |
| | | Total Policyholders' Equity | 589 | 0 | 0 |
| | | Shareholders' Equity | | | |
| | | Capital Stock | 610 | 5,000 | 5,000 |
| | | Other Capital | 640 | 0 | 0 |
| | | Contributed Surplus | 670 | 100 | 100 |
| 20.040 | | Retained Earnings | 700 | 844 | 1,242 |
| | | Accumulated Other Comprehensive Income (Loss) | 740 | 678 | -94 |
| | | Total Shareholders' Equity | 779 | 6,622 | 6,248 |
| | | Non-controlling Interests | 829 | 0 | 0 |
| | | Total Equity | 839 | 6,622 | 6,248 |
| | | TOTAL LIABILITIES AND EQUITY | 899 | 7,771 | 7,500 |
| 20.044 | | Head Office Account | 800 | | |
| 20.042 | | Accumulated Other Comprehensive Income (Loss) | 840 | | |
| | | TOTAL LIABILITIES, HEAD OFFICE ACCOUNT AND ACCUMULATED OTHER COMPREHENSIVE INCOME | 999 | | |

CONSOLIDATED FINANCIAL STATEMENTS

STATEMENT OF INCOME
(\$'000)

| Reference Page | FS Notes Reference | | Current Period (01) | Prior Period (03) |
|----------------|--------------------|---|------------------------|----------------------|
| | | Revenue | | |
| 35.020 | | Gross Premiums 020 | 4,143 | 4,668 |
| 35.020 | | Premiums ceded 030 | 0 | 0 |
| 45.020 | | Net Premiums 040 | 4,143 | 4,668 |
| 35.020 | | Gross Investment Income 050 | 225 | 240 |
| 35.020 | | Less: Investment Expenses and Taxes 060 | 0 | 0 |
| 23.010 | | Net Investment Income 070 | 225 | 240 |
| 35.020 | | Overlay approach adjustment for financial instruments (Reclass from P&L to OCI) * 075 | 0 | |
| 35.020 | | Share of Income/Loss of Associates & Joint Ventures 090 | 0 | 0 |
| | | Fee Income 130 | 0 | 0 |
| 23.030 | | Other Revenue 160 | 0 | 0 |
| 35.020 | | Fraternal and Other Fund Revenues 180 | 0 | 0 |
| | | Total Revenue 199 | 4,368 | 4,908 |
| | | Policy/Certificate Benefits and Expenses | | |
| 35.020 | | Policyholder/Certificateholder Benefits 260 | 233 | 201 |
| 35.020 | | Benefits ceded 270 | 0 | 0 |
| | | Gross Changes to Actuarial Liabilities | | |
| 35.020 | | Normal 310 | 1 | -36 |
| 35.020 | | Basis Change 320 | 0 | 0 |
| | | Gross Changes to Other Contract Liabilities | | |
| 35.020 | | Normal 342 | -56 | 0 |
| 35.020 | | Basis Change 344 | 0 | 0 |
| | | Changes in Actuarial and Other Contract Liabilities Ceded | | |
| 35.020 | | Normal 370 | 0 | 0 |
| 35.020 | | Basis Change 380 | 0 | 0 |
| 35.020 | | Policyholder/Certificateholder Dividends 360 | 0 | 0 |
| 35.020 | | Experience Rating Refunds 390 | 0 | 0 |
| 35.020 | | Transfer to and (Transfer from) Other Funds 420 | 0 | 0 |
| 35.020 | | Gross Commissions 460 | 1,069 | 1,164 |
| 35.020 | | Commissions Ceded 470 | 0 | 0 |
| 35.020 | | Interest on Policyholder/Certificateholder Amounts on Deposit 480 | 0 | 0 |
| 23.030 | | Interest Expense and Finance costs 510 | 0 | 0 |
| 23.030 | | General Expenses and Taxes (excl. income taxes) 540 | 2,114 | 2,419 |
| 23.030 | | Other Expenses 570 | 0 | 0 |
| 35.020 | | Fraternal and Other Fund Expenses 580 | 0 | 0 |
| | | Total Benefits and Expenses 649 | 3,361 | 3,748 |
| | | Income Before Income Tax 669 | 1,007 | 1,160 |
| | | Provision for Income Taxes | | |
| | | Current 700 | 207 | 244 |
| | | Deferred 710 | 0 | 1 |
| | | Income Before the following: 749 | 800 | 915 |
| 35.020 | | Discontinued Operations (net of Income Taxes of \$) 830 | 0 | 0 |
| | | Net Income 859 | 800 | 915 |
| 35.020 | | Attributable to Participating Policyholders/Certificateholders 870 | 0 | 0 |
| 35.020 | | Net Income after Attribution to Participating Policyholders/Certificateholders 899 | 800 | 915 |
| 35.020 | | Attributable to Fraternal and Other Fund Account 980 | 0 | 0 |
| 35.020 | | Insurance Fund 989 | 800 | 915 |
| | | Attributable to: | | |
| | | Non-controlling Interests 900 | | 0 |
| | | Equity Holders 920 | 800 | 915 |
| | | | (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 | 0 |
| | | (Specify) | 0 | 0 |
| 20.030 | | Share of Net Income (Loss) | 0 | 0 |
| 20.040 | | Transfer from (to) Retained Earnings (Stock companies only) | 0 | 0 |
| 20.040 | | Transfer from (to) Non-Par Account (Mutual companies only) | 0 | 0 |
| | | End of Year | 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 | 0 |
| | | (Specify) | 0 | 0 |
| 20.030 | | Share of Net Income (Loss) | 0 | 0 |
| 20.040 | | Transfer from (to) Par Account | 0 | 0 |
| | | Dividends to Preferred Shareholders | | 0 |
| | | End of Year | 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 | 1,242 | 627 |
| 20.030 | | Share of Net Income (Loss) | 802 | 915 |
| 20.040 | | Transfer from (to) Par Account | 0 | 0 |
| | | Dividends to Shareholders: | | |
| | | Preferred | 0 | 0 |
| | | Common | 1,200 | 300 |
| | | (Specify) | 0 | 0 |
| | | (Specify) | 0 | 0 |
| | | (Specify) | 0 | 0 |
| | | End of Year | 844 | 1,242 |

CONSOLIDATED FINANCIAL STATEMENTS

COMPREHENSIVE INCOME (LOSS), and
ACCUMULATED OTHER COMPREHENSIVE INCOME (LOSS)
(\$'000)

| Reference Page | FS Notes Reference Reference | | Current Period | Prior Period | |
|---|------------------------------|---|----------------|--------------|------|
| | | | (01) | (03) | |
| 20.030 | | Comprehensive Income (Loss) | | | |
| | | Net Income | 010 | 800 | 915 |
| | | Other Comprehensive Income (Loss): | | | |
| | | Items that may be reclassified subsequently to Net Income: | | | |
| | | FVOCI: | | | |
| | | Change in Unrealized Gains and Losses: | | | |
| | | - Loans | 110 | 0 | 0 |
| | | - Bonds and Debentures | 140 | 0 | 0 |
| | | - Equities (IAS 39) | 170 | 0 | 0 |
| | | Reclassification of (Gains) Losses to Net Income | 210 | 0 | 0 |
| | | Overlay approach * | | | |
| | | Change in Unrealized Gains and Losses related to overlay approach for financial instruments | | | |
| | | Unrealized Gains and Losses | 220 | | |
| | | Reclassification of (Gains) Losses from Net Income | 225 | | |
| | | Derivatives Designated as Cash Flow Hedges | | | |
| | | Change in Unrealized Gains and Losses | 310 | 0 | 0 |
| | | Reclassification of (Gains) Losses to Net Income | 340 | 0 | 0 |
| | | Foreign Currency Translation | | | |
| | | Change in Unrealized Gains and Losses | 410 | 0 | 0 |
| | | Impact of Hedging | 440 | 0 | 0 |
| | | Share of Other Comprehensive Income of Associates & Joint Ventures | 460 | 0 | 0 |
| | | Other | 445 | 0 | 0 |
| | | Subtotal of items that may be reclassified subsequently to Net Income | 449 | 0 | 0 |
| | | Items that will not be reclassified subsequently to Net Income: | | | |
| | | FVOCI: | | | |
| | | Change in Unrealized Gains and Losses: | | | |
| | | - Equities (IFRS 9) | 465 | 753 | -123 |
| Revaluation Surplus | 455 | 0 | 0 | | |
| Remeasurements of Defined Benefit Plans | 470 | 0 | 0 | | |
| Other | 480 | 18 | -2 | | |
| Subtotal of items that will not be reclassified subsequently to Net Income | 489 | 771 | -125 | | |
| Total Other Comprehensive Income (Loss) | 510 | 771 | -125 | | |
| Total Comprehensive Income (Loss) | 589 | 1,571 | 790 | | |
| Attributable to: | | | | | |
| Participating Policyholders/Certificateholders | 615 | 0 | 0 | | |
| Non-controlling Interests | 600 | 0 | 0 | | |
| Equity Holders | 620 | 1,571 | 790 | | |
| Reference Page | FS Notes Reference Reference | | Current Period | Prior Period | |
| | | | (01) | (03) | |
| | | Accumulated Other Comprehensive Income (Loss) | | | |
| | | Accumulated Gains (Losses), net of tax, on: | | | |
| | | Items that may be reclassified subsequently to Net Income: | | | |
| | | FVOCI: | | | |
| | | - Loans | 710 | 0 | 0 |
| | | - Bonds and Debentures | 740 | 0 | 0 |
| | | - Equities (IAS 39) | 770 | 0 | 0 |
| | | Overlay Approach * | 775 | | |
| | | Derivatives Designated as Cash Flow Hedges | 810 | 0 | 0 |
| | | Foreign Currency (Net of Hedging Activities) | 840 | 0 | 0 |
| | | Share of Other Comprehensive Income of Associates & Joint Ventures | 860 | 0 | 0 |
| | | Other | 845 | 0 | 0 |
| | | Subtotal of items that may be reclassified subsequently to Net Income | 849 | 0 | 0 |
| | | Items that will not be reclassified subsequently to Net Income: | | | |
| | | FVOCI: | | | |
| | | - Equities (IFRS 9) | 865 | 678 | -94 |
| | | Revaluation Surplus | 855 | 0 | 0 |
| | | Remeasurements of Defined Benefit Plans | 870 | 0 | 0 |
| | | Other | 880 | 0 | 0 |
| | | Subtotal of items that will not be reclassified subsequently to Net Income | 889 | 678 | -94 |
| | | Balance at end of Period | 899 | 678 | -94 |

* These lines only apply to Quebec provincially incorporated insurers who have adopted the overlay approach for the implementation of IFRS 9