

## CONSOLIDATED FINANCIAL STATEMENTS

ASSETS  
(\$'000)

Reference Page	FS Notes Reference		Current Year (01)	Prior Year (03)	Opening Prior Year Restated (05)
		Cash and Cash Equivalents	1,190	2,214	
		Assets held for sale		0	
<u>21.012</u>		Short Term Investments	0	0	
		Accrued Investment Income		0	
<u>21.150 or/ou</u> <u>21.155</u>		Accounts Receivable	1,904	1,226	
		Policy/Certificate Loans		0	
<u>21.012</u>		Bonds and Debentures	51	51	
<u>21.050</u>		Mortgage Loans	0	0	
<u>21.012</u>		Preferred Shares	3,523	3,319	
<u>21.012</u>		Common Shares	1,824	1,344	
<u>21.080</u>		Investment Properties	0	0	
		Derivative Financial Instruments		0	
<u>22.020</u>		Reinsurance Assets	0	0	
<u>21.080</u>		Property and Equipment	0	0	
<u>21.100</u>		Interests in Associates & Joint Ventures	0	0	
<u>60.010</u>		Segregated Funds Net Assets		0	
<u>21.100</u>		Other Loans and Invested Assets	0	0	
		Current Tax Assets	52	71	
		Deferred Tax Assets	16	14	
		Goodwill		0	
		Intangible Assets		0	
<u>21.155</u>		Other Assets	177	183	
		<b>TOTAL ASSETS</b>	<b>8,737</b>	<b>8,422</b>	<b>0</b>

## CONSOLIDATED FINANCIAL STATEMENTS

LIABILITIES, POLICYHOLDERS' AND SHAREHOLDERS' EQUITY  
(S'000)

Reference Page	FS Notes Reference		Current Year (01)	Prior Year (03)	Opening Prior Year Restated (05)
		<b>Liabilities</b>			
		Liabilities held for sale	005	0	
22.020		Actuarial Liabilities for Insurance Contracts	010	1,262	1,079
22.020		Other Contract Liabilities	040	385	390
		Trust and Banking Deposits	070		0
or/ou 21.155		Accounts Payable	100	444	232
21.080		Mortgage Loans and Other Real Estate Encumbrances	130	0	0
		Derivative Financial Instruments	140		0
22.030		Provisions and Other Liabilities	160	51	124
		Segregated Fund Liabilities	420		0
		Current Tax Liabilities	430		0
		Deferred Tax Liabilities	250		0
		Subordinated Debt	280		0
		Other Debt	310		0
		<b>Total Liabilities</b>	389	2,142	1,825
		<b>Policyholders' Equity</b>			
20.040		Participating Account	510	0	0
		Participating Account - Accumulated OCI (Loss)	520		0
20.040		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	5,000	5,000
		Other Capital	640		0
		Contributed Surplus	670	1,000	1,000
20.040		Retained Earnings	700	478	524
		Shareholders' Accumulated OCI (Loss)	740	117	73
		<b>Total Shareholders' Equity</b>	779	6,595	6,597
		<b>Non-controlling Interests</b>	829	0	0
		<b>Total Equity</b>	839	6,595	6,597
		<b>TOTAL LIABILITIES AND SURPLUS</b>	899	8,737	8,422

## CONSOLIDATED FINANCIAL STATEMENTS

## STATEMENT OF INCOME

(\$'000)

Reference Page	FS Notes Reference		Current Year	Prior Year
			(01)	(03)
		<b>Revenue</b>		
35.020		Gross Premiums 020	12,420	15,767
35.020		Premiums ceded 030	0	0
45.020		Net Premiums 040	12,420	15,767
35.020		Gross Investment Income 050	235	136
35.020		Less: Investment Expenses and Taxes 060	0	0
23.010		Net Investment Income 070	235	136
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 & Other Fund Revenues 180	0	0
		<b>Total Revenue</b> 199	<b>12,655</b>	<b>15,903</b>
		<b>Policy/Certificate Benefits and Expenses</b>		
35.020		Policyholder/Certificateholder Benefits 260	927	979
35.020		Benefits ceded 270	0	0
		Gross Changes to Actuarial Liabilities		
35.020		Normal 310	831	1,334
35.020		Basis Change 320	0	0
35.020		Gross Changes to Other Contract Liabilities 340	0	0
35.020		Changes in Actuarial and Other Contract Liabilities Ceded		
		Normal 370	0	
		Basis Change 380	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	0	0
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	9,795	11,986
23.030		Other Expenses 570	0	0
35.020		Fraternal & Other Fund Expenses 580	0	0
		<b>Total Benefits and Expenses</b> 649	<b>11,553</b>	<b>14,299</b>
		<b>Income Before Income Tax</b> 669	<b>1,102</b>	<b>1,604</b>
		Provision for Income Taxes		
		Current 700	250	331
		Deferred 710	(2)	56
		<b>Income Before the following:</b> 749	<b>854</b>	<b>1,217</b>
35.020		Discontinued Operations		
		(Net of Income Taxes of \$ 0 ) 830	0	0
		<b>Income Before Attribution to Participating Policyholders/Certificateholders</b> 859	<b>854</b>	<b>1,217</b>
35.020		Income Attributable to Participating Policyholders/Certificateholders (Stock Companies) 870	0	0
35.020		<b>Net Income</b> 899	<b>854</b>	<b>1,217</b>
35.020		Less: Fraternal & Other Fund Account 980	0	0
35.020		<b>Net Income: Insurance Fund</b> 989	<b>854</b>	<b>1,217</b>
		<b>Attributable to:</b>		
		<b>Non-controlling Interests</b> 900		0
		<b>Equity Holders</b> 920	<b>854</b>	<b>1,217</b>

## CONSOLIDATED FINANCIAL STATEMENTS

STATEMENT OF EQUITY IN PARTICIPATING ACCOUNT  
(\$'000)

Reference Page	FS Notes Reference		Current Year (01)	Prior Year (03)
		Beginning of Year	0	0
		Adjustments		0
		(Specify)		0
<u>20.030</u>		Share of Net Income (Loss)		0
<u>20.040</u>		Transfer from (to) Retained Earnings (Stock companies only)		0
<u>20.040</u>		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		Current Year (01)	Prior Year (03)
		Beginning of Year	0	0
		Adjustments		0
		(Specify)		0
<u>20.030</u>		Share of Net Income (Loss)		0
<u>20.040</u>		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		Current Year (01)	Prior Year (03)
		Beginning of Year	524	652
		Adjustments		0
		(Specify)		0
<u>20.030</u>		Share of Net Income (Loss)	854	1,217
<u>20.040</u>		Transfer from (to) Par Account	0	0
		Dividends to Shareholders:		
		Preferred	900	1,345
		Common		0
		<b>End of Year</b>	478	524

CONSOLIDATED FINANCIAL STATEMENTS

COMPREHENSIVE INCOME (LOSS), and  
ACCUMULATED OTHER COMPREHENSIVE INCOME (LOSS)  
(S'000)

FS Notes Reference		Current Year (01)	Prior Year (03)
	<b>Comprehensive Income (Loss)</b>		
	Income Before Attribution to Participating Policyholders/Certificateholders	010	1,217
	Other Comprehensive Income (Loss):		
	<b>Available for Sale:</b>		
	Change in Unrealized Gains and Losses:		
	- Loans	110	0
	- Bonds and Debentures	140	0
	- Equities	170	(48)
	Reclassification to Earnings of (Gains) Losses	210	(17)
	<b>Derivatives Designated as Cash Flow Hedges</b>		
	Change in Unrealized Gains and Losses	310	0
	Reclassification to Earnings of (Gains) Losses	340	0
	<b>Foreign Currency Translation</b>		
	Change in Unrealized Gains and Losses	410	0
	Impact of Hedging	440	0
	<b>Revaluation Surplus</b>	455	
	<b>Share of Other Comprehensive Income of Associates &amp; Joint Ventures</b>	460	0
	<b>Other</b>	480	0
	Total Other Comprehensive Income (Loss)	510	(65)
	<b>Total Comprehensive Income (Loss)</b>	589	1,152
	<b>Attributable to:</b>		
	Participating Policyholders/Certificateholders (Stock Companies)	615	
	Non-controlling Interests	600	0
	Equity Holders	620	1,152

FS Notes Reference		Current Year (01)	Prior Year (03)
	<b>Accumulated Other Comprehensive Income (Loss)</b>		
	Accumulated Gains (Losses) on:		
	<b>Available for Sale:</b>		
	- Loans	710	0
	- Bonds and Debentures	740	0
	- Equities	770	73
	<b>Derivatives Designated as Cash Flow Hedges</b>	810	0
	<b>Foreign Currency (Net of Hedging Activities)</b>	840	0
	<b>Revaluation Surplus</b>	855	
	<b>Share of Other Comprehensive Income of Associates &amp; Joint Ventures</b>	860	0
	<b>Other</b>	880	0
	Balance at end of Year	899	73

**Summary of Capital Elements and Ratio Calculations**

(thousands of dollars)

	01	02	Ref
<b>Capital Available:</b>			
<b>Tier 1</b>			
Common shares		5,000	001
Contributed surplus		1,000	002
Retained earnings	478		003
Less: Accumulated after tax fair value gains/(losses) arising from changes in institution's own credit risk			301
Less: After tax fair value gains/(losses) on own-use property upon conversion to IFRS (cost model)			204
Plus: Accumulated after tax revaluation loss on own-use property (revaluation model)			206
Less: Accumulated net after tax fair value gains after transition to IFRS on investment properties that do not back liabilities under CALM			208
Less: Net decrease in actuarial liabilities due to recognition of mortality improvement			210
Less: Discretionary participation features included in reported equity			212
Plus: Adjustment to retained earnings for phase-in of IFRS			214
Retained earnings for MCCR purposes		478	203
Future use: fair value option			302
Participating account			004
Non-cumulative perpetual preferred shares			005
Qualifying non-controlling interests (excluding innovative tier 1)			006
Innovative Instruments in Tier 1 (max 15% net tier 1)			007
Non-participating account (mutual companies)			311
Accumulated net after-tax foreign currency translation adjustment reported in Other Comprehensive Income (OCI)			313
Accumulated net after-tax unrealized loss on available-for-sale equity securities reported in OCI			314
Accumulated changes in liabilities included in OCI under shadow accounting			316
<b>Gross Tier 1 Capital</b>		6,478	010
Less: Deductions for Net Tier 1 Capital (page 20.020, line 249)	0		012
<b>Net Tier 1 Capital</b>		6,478	020
Less: Additional deductions for Adjusted Net Tier 1 Capital (page 20.020, line 299)	0		321
<b>Adjusted Net Tier 1 Capital</b>		A 6,478	329
<b>Tier 2A (page 20.020 line 079)</b>	66		021
<b>Tier 2B allowed (page 20.030 line 045)</b>	0		022
<b>Tier 2C (page 20.030 line 068)</b>	0		023
<b>Net Tier 2 Capital (page 20.030 line 695)</b>		B 66	025
<b>Total Capital Available</b>	(A+B)	C 6,544	040
<b>Capital Required:</b>			
<b>Asset Default and Market Risk</b>			
Asset Default (C-1) Risk			
- Backing Non-Par, Surplus and Non-Qualifying Participating	i)	483	041
- Backing Qualifying Participating Policies	ii)	0	042
Index Linked Pass Through Products	iii)	0	043
C-1 and C-3 requirements for letters of credit and collateral used to obtain reserve or capital credit for unregistered reinsurance	iv)		220
Off-Balance Sheet Exposures			
- Backing Non-Par, Surplus and Non-Qualifying Participating	v)	0	044
- Backing Qualifying Participating Policies	vi)	0	045
Segregated Funds Risk	vii)	0	046
<b>Total Asset Default and Market Risk</b>	sum of (i to vii)	483	050
<b>Insurance Risks</b>			
Mortality Risk	i)	225	051
Morbidity Risk	ii)	1,276	052
Lapse Risk	iii)	0	053
<b>Total Insurance Risks</b>	sum of (i to iii)	1,501	060
<b>Changes in Interest Environment (C-3) Risk</b>		0	062
<b>Foreign Exchange Risk</b>		0	067
<b>Other (specify)<sup>1</sup></b>			070
<b>Total Capital Required</b>		D 1,984	080
<b>MCCR Ratios</b>			
Tier 1	(A + D) x 100	326.53	098
Total	(C + D) x 100	329.85	099

<sup>1</sup> Provide details of additional requirements.