

**CONSOLIDATED FINANCIAL STATEMENTS**  
**STATEMENT OF FINANCIAL POSITION**

**ASSETS**  
**(\$'000)**

Reference Page	FS Notes Reference		Current Period		Prior Period Restated		Opening Prior Period Restated	
			Total	Vested in Trust*	Total	Vested in Trust*	Total	Vested in Trust*
			(01)	(02)	(03)	(04)	(05)	(06)
		<b>ASSETS:</b>						
		Cash and Cash Equivalents 01	69,247		41,749		17,178	
		Accrued Investment Income 11	1,822		1,561		1,131	
		Current Tax Assets 52						
		Assets Held for Sale 50						
		Asset for Insurance Acquisition Cash Flows 18						
40.08Q		Investments 14	271,163		262,360		283,265	
40.84Q		Equity Accounted Investees 15	0		0		0	
		Financial Instrument Derivative Assets 16						
20.12/20.14		Insurance Contract Assets 62	0		0		0	
20.16/20.18		Reinsurance Contract Held Assets 64	83,691		79,459		88,243	
		Investment Properties 17	34,898		46,202		69,471	
40.70A		Property and Equipment 41	19,990		21,495		23,457	
		Intangible Assets 56	254		378		4,140	
		Goodwill 54						
		Defined Benefit Pension Plan 58						
		Segregated Funds Net Assets 60						
		Deferred Tax Assets 44			1,160		11,728	
		Other Assets 88	2,404		2,991		3,659	
		<b>TOTAL ASSETS 89</b>	<b>483,469</b>		<b>457,355</b>		<b>502,272</b>	

## CONSOLIDATED FINANCIAL STATEMENTS

## STATEMENT OF FINANCIAL POSITION

LIABILITIES AND EQUITY  
(\$'000)

Reference Page	FS Notes Reference		Current Period	Prior Period Restated	Opening Prior Period Restated	
		(55)	(01)	(03)	(05)	
		<b>LIABILITIES:</b>				
		Provisions, Accruals and Other Liabilities	030	10,811	3,983	5,699
		Liabilities held for sale	040			
		Current Tax Liabilities	050	5,171		
		Encumbrances on Real Estate & Mortgage Loans	060			
		Financial Instrument Derivative Liabilities	070			
		Insurance Contract Liabilities				
20.12/20.14		Insurance Contract Liabilities – Excluding Segregated Funds	150	298,563	285,586	315,720
20.12/20.14		Insurance Contract Liabilities – Segregated Fund Guarantees	155			
20.12/20.14		Insurance Contract Liabilities – Segregated Funds Net Liabilities	160			
		Total Insurance Contract Liabilities	169	298,563	285,586	315,720
		Reinsurance Contract Held Liabilities				
20.16/20.18		Reinsurance Contract Held Liabilities – Excluding Segregated Funds	170	0	0	0
20.16/20.18		Reinsurance Contract Held Liabilities – Segregated Fund Guarantees	175			
20.16/20.18		Reinsurance Contract Held Liabilities – Segregated Funds Net Liabilities	180			
		Total Reinsurance Contract Held Liabilities	189	0	0	0
		Trust and Banking Deposits	080			
		Other Debt	090	2,775		2,202
		Defined Benefit Pension Plan	110			
		Employment Benefits (not including amounts in line above)	120			
		Subordinated Debt	130			
		Preferred shares - Debt	140			
		Deferred Tax Liabilities	100	259		
		Investment Contract Liabilities				
		Investment Contract Liabilities – Excluding Segregated Funds Net Liabilities	190			
		Investment Contract Liabilities – Segregated Funds Net Liabilities	195			
		Total Investment Contract Liabilities	199	0	0	0
		<b>Liabilities before Policyholders' Liabilities</b>	299	317,579	289,569	323,621
		<b>Policyholders' Liabilities</b>				
20.41		Residual Interest (Non-Stock)	310	0	0	0
		Participating Account	320			
		Non-Participating Account (Non-Stock)	330			
		Total Policyholders' Liabilities	359	0	0	0
		<b>TOTAL LIABILITIES</b>	399	317,579	289,569	323,621
		<b>EQUITY</b>				
		<b>CANADIAN INSURERS ONLY:</b>				
		<b>Policyholders' Equity</b>				
20.41		Residual Interest (Non-Stock)	410	0	0	0
		Participating Account	420			
		Participating Account - Accumulated OCI (Loss)	430			
		Non-Participating Account	440			
		Non-Participating Account - Accumulated OCI (Loss)	450			
		Total Policyholders' Equity	499	0	0	0
		<b>Shareholders' Equity</b>				
		Common Shares	510	48,000	48,000	48,000
		Preferred Shares	520	71,750	82,600	106,100
		Contributed Surplus	530	0	0	0
		Other Capital	540	0	0	0
		Retained Earnings	550	46,140	37,186	24,551
20.45		Nuclear and Other Reserves	560	0	0	0
		Accumulated Other Comprehensive Income (Loss)	570	0	0	0
		Total Shareholders' Equity	599	165,890	167,786	178,651
		Non-controlling Interests	620	0	0	0
		Total Equity	699	165,890	167,786	178,651
		<b>TOTAL LIABILITIES AND EQUITY</b>	799	483,469	457,355	502,272
		<b>FOREIGN INSURERS ONLY:</b>				
		<b>Head Office Account, Reserves &amp; AOCI</b>				
		Head Office Account	810			
		Reserves	820			
		(Specify)	830			
		Accumulated Other Comprehensive Income (Loss)	840			
		Total Head Office Account, Reserves & AOCI	899			
		<b>TOTAL LIABILITIES, EQUITY, HEAD OFFICE ACCOUNT, RESERVES &amp; AOCI</b>	999	483,469	457,355	502,272

## CONSOLIDATED FINANCIAL STATEMENTS

STATEMENT OF PROFIT OR LOSS  
(\$'000)

Reference Page	FS Notes Reference		Current Period (01)	Prior Period Restated (03)
		Revenue from PAA Contracts	317,355	304,426
		Revenue from GMM Contracts (excluding VFA contracts)	0	
		Revenue from VFA Contracts		
		<b>Total Insurance Revenue</b>	317,355	304,426
		<b>Insurance service expenses</b>	252,723	185,413
60.25Q		<b>Net expenses from reinsurance contracts held</b>	-24,464	-34,831
		<b>INSURANCE SERVICE RESULT</b>	40,168	84,182
40.72		Interest revenue on financial assets not measured at FVTPL	3,230	1,330
40.74		Net investment income excluding segregated funds	17,324	-17,118
		Net investment income - segregated funds		
		Provision for Credit Losses	0	0
40.74		<b>Investment Return</b>	20,554	-15,788
		<b>Net finance income (expenses) from insurance contracts excluding segregated funds</b>	-11,653	3,047
		<b>Net finance income (expenses) from segregated funds</b>		
		<b>Net finance income (expenses) from reinsurance contracts held</b>	1,965	-1,456
		<b>Movement in investment contract liabilities</b>		
		<b>NET INVESTMENT RESULT</b>	10,866	-14,197
80.35Q		Other Income	671	1,737
		Share of Net Income (Loss) of Equity Accounted Investees		
80.25Q		General and Operating Expenses	21,163	23,519
		<b>OTHER INCOME AND EXPENSES</b>	-20,492	-21,782
		<b>PROFIT (LOSS) BEFORE TAXES</b>	30,542	48,203
		Current Taxes	5,169	
		Deferred Taxes	1,419	10,568
		<b>Total Income Taxes</b>	6,588	10,568
		<b>PROFIT (LOSS) AFTER TAXES</b>	23,954	37,635
		Discontinued Operations (net of Income Taxes of \$ _____)		
		<b>NET INCOME (LOSS) FOR THE YEAR</b>	23,954	37,635
		<b>ATTRIBUTABLE TO:</b>		
		Participating Policyholders/Certificateholders		
		Other Fund Account		
		Residual Interest Policyholders	0	0
		Non-controlling Interests		
		Equity Holders	23,955	37,635

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

Reference Page	FS Notes Reference		Current Period	Prior Period Restated
			(01)	(03)
20.22		<b>Comprehensive Income (Loss)</b>		
		Net Income (Loss) 01	23,954	37,635
		Other Comprehensive Income (Loss):		
		<b>Items that may be reclassified subsequently to Net Income (Loss):</b>		
		<b>Fair Value through Other Comprehensive Income (FVOCI):</b>		
		Change in Unrealized Gains and Losses:		
		- Loans 02		
		- Bonds and Debentures 03		
		Reclassification of (Gains) Losses to Net Income (Loss) 05		
		<b>Derivatives Designated as Cash Flow Hedges</b>		
		Change in Unrealized Gains and Losses 06		
		Reclassification of (Gains) Losses to Net Income (Loss) 07		
		<b>Foreign Currency Translation</b>		
		Change in Unrealized Gains and Losses 08		
		Reclassification of (Gains) Losses to Net Income (Loss) 13		
		Impact of Hedging 09		
		Share of Other Comprehensive Income (Loss) of Equity Accounted Investees (may be reclassified) 14		
		Insurance Finance Income (Expenses) Reserve from Insurance Contracts 23		
		Insurance Finance Income (Expenses) Reserve from Reinsurance Contract Held 24		
		Other 18		
		Subtotal of items that may be reclassified subsequently to Net Income (Loss) 19	0	0
		<b>Items that will not be reclassified subsequently to Net Income (Loss):</b>		
		<b>Fair Value through Other Comprehensive Income (FVOCI)</b>		
		Change in Unrealized Gains and Losses:		
		- Equities 25		
		Revaluation Surplus 31		
		Share of Other Comprehensive Income (Loss) of Equity Accounted Investees 11		
		Remeasurements of Defined Benefit Pension Plans 34		
		Other 12		
	Subtotal of items that will not be reclassified subsequently to Net Income (Loss) 29	0	0	
	Total Other Comprehensive Income (Loss) 21	0	0	
	<b>Total Comprehensive Income (Loss) 39</b>	<b>23,954</b>	<b>37,635</b>	
	<b>Attributable to:</b>			
	Participating Policyholders/Certificateholders 80			
	Other Fund Account 82			
	Residual Interest Policyholders 84			
	Non-controlling Interests 60			
	Equity Holders 62	23,954	37,635	

		Current Period	Prior Period Restated	
		(01)	(03)	
20.11		<b>Accumulated Other Comprehensive Income (Loss)</b>		
		Accumulated Gains (Losses), net of tax, on:		
		<b>Items that may be reclassified subsequently to Net Income (Loss):</b>		
		<b>Fair Value through Other Comprehensive Income (FVOCI) 41</b>		
		<b>Derivatives Designated as Cash Flow Hedges 45</b>		
		<b>Foreign Currency Translation (net of hedging activities) 46</b>		
		<b>Share of Other Comprehensive Income (Loss) of Equity Accounted Investees (may be reclassified) 52</b>		
		<b>Insurance Finance Income (Expenses) Reserve from Insurance Contracts 63</b>		
		<b>Insurance Finance Income (Expenses) Reserve from Reinsurance Contracts Held 64</b>		
		<b>Other 68</b>		
		Subtotal of items that may be reclassified subsequently to Net Income (Loss) 69	0	0
		<b>Items that will not be reclassified subsequently to Net Income (Loss):</b>		
		<b>Fair Value through Other Comprehensive Income (FVOCI) 70</b>		
		<b>Revaluation Surplus 71</b>		
		<b>Share of Other Comprehensive Income (Loss) of Equity Accounted Investees 51</b>		
		<b>Remeasurements of Defined Benefit Pension Plans 74</b>		
		<b>Other 49</b>		
		Subtotal of items that will not be reclassified subsequently to Net Income (Loss) 79	0	0
		Balance at end of Period 59	0	0
		<b>Attributable to:</b>		
		Participating Policyholders/Certificateholders 90		
		Other Fund Account 92		
		Residual Interest Policyholders 94		
	Non-controlling Interests 96			
	Equity Holders 98			

**MCT (BAAT) RATIO - SUMMARY CALCULATIONS**  
(\$000, except percentages)

(55)		Current Period (01)
<b>Capital Available:</b>		
Capital available (from page 20.00 - capital available)	001	160,113
Other (Specify)	005	
<b>Total Capital Available</b>	010	160,113
<b>Assets Available:</b>		
Net Assets Available (from page 30.00 - net assets available)	015	
Other (Specify)	020	
<b>Total Net Assets Available</b>	025	
<b>Capital (Margin) Required at Target:</b>		
Insurance Risk:		
Unexpired coverage	030	18,024
Liability for incurred claims	035	18,622
Earthquake and nuclear catastrophe reserves	040	
Reinsurance held with unregistered insurers	045	0
Subtotal: Insurance risk	050	36,646
Market Risk:		
Interest rate	055	8,200
Foreign exchange	060	0
Equity	065	0
Real estate	070	8,959
Other market exposures (including right-of-use assets)	075	20
Subtotal: Market risk	080	17,178
Credit Risk:		
Counterparty default for balance sheet items	085	7,272
Counterparty default for off-balance sheet exposures	090	0
Collateral held for unregistered reinsurance and self-insured retention	095	0
Subtotal: Credit risk	100	7,272
Operational risk	105	15,489
Less: Diversification credit	110	7,835
<b>Total Capital (Margin) Required at Target</b>	115	68,751
Minimum Capital (Margin) Required (line 115 / 1.5)	120	45,834
Other (Specify)	125	
<b>Total Minimum Capital (Margin) Required</b>	130	45,834
<b>Excess Capital (Net Assets Available) over Minimum Capital (Margin) Required</b>	135	114,279
<b>MCT (BAAT) Ratio (Line 10 (line 25) as a % of line 130)</b>	140	349.33%