

**Condensed Unaudited Consolidated Interim Financial Statements of
Colina Holdings Bahamas Limited
Three Months Ended March 31, 2024
UNAUDITED**

Message from the Chairman

Dear Shareholders,

Through March 31, 2024, Colina Holdings Bahamas Limited (CHBL) has continued to meet the evolving needs of its policyholders and customers. Following the successful adoption of the IFRS 17 and IFRS 9 accounting standards, the Company remains committed to executing its broader strategic objectives, ensuring resilience amid evolving market dynamics, and seizing opportunities for continued growth.

The Company reported net income attributable to ordinary shareholders of \$10.6 million or \$0.43 per ordinary share, for the three months ended March 31, 2024. During the same period in 2023, the net income attributable to ordinary shareholders was \$8.1 million or \$0.33 per ordinary share.

Comprehensive income for equity shareholders total \$11.3 million for the current period, compared to the period ended March 31, 2023 which reflected comprehensive income for equity shareholders of \$8.7 million.

Net investment income total \$12.7 million for the three months ended March 31, 2024 compared to \$16.5 million for the same period in the prior year. Net investment income decreased due to additional mortgage provisions taken in Q1 offset by growth in investment returns on investment securities.

Net insurance and investment result, for the three months ended March 31, 2024, amounted to \$9.4 million, reflecting a notable increase compared to the prior year's net insurance and investment result of \$7.7 million. This increase is primarily due to a decrease in insurance service expenses relative to the prior year.

Total assets as at March 31, 2024 totalled \$842.2 million, with invested assets comprising 74.0% of total assets. Shareholders' equity stood at \$240.8 million as at March 31, 2024, net of dividend distributions to the Class "A" preference shareholders (\$0.6 million) for the period.

CHBL remains steadfast in its commitment to strengthening its balance sheet and capital position. By continuing to implement strategic initiatives, the Company ensures the flexibility needed to fulfill its long-term obligations to policyholders while navigating evolving market conditions.



Terence Hilts
Chairman

COLINA HOLDINGS BAHAMAS LIMITED
Condensed Unaudited Consolidated Interim Statement of Financial Position

At March 31, 2024 with corresponding figures as at December 31, 2023
 (Expressed in Bahamian dollars)

	March 31, 2024	December 31, 2023
ASSETS		
Cash and demand balances	\$ 48,747,958	\$ 51,344,774
Term deposits	7,515,855	7,531,464
Investment securities and other financial assets	536,508,991	525,684,671
Receivables and other assets	115,235,460	104,460,823
Insurance contract assets	1,381,449	1,345,471
Reinsurance contract assets	30,865,029	29,808,517
Mortgages and commercial loans	11,090,355	13,596,100
Investment properties	62,726,370	62,315,490
Equity-accounted investees	5,250,504	5,163,745
Property and equipment	16,144,177	16,009,844
Goodwill	6,418,337	6,418,337
Other intangible assets	288,822	436,537
Total assets	\$ 842,173,307	\$ 824,115,773
LIABILITIES		
Insurance contract liabilities	\$ 503,724,945	\$ 494,286,557
Investment contract liabilities	25,963,265	25,802,863
Other liabilities	63,517,993	65,500,644
Lease liabilities	1,604,634	1,604,634
Total liabilities	594,810,837	587,194,698
EQUITY		
Ordinary shares	\$ 24,729,613	\$ 24,729,613
Contributed capital	5,960,299	5,960,299
Revaluation reserve	12,210,357	12,220,944
Retained earnings	155,414,305	144,761,944
Total ordinary shareholders' equity	198,314,574	187,672,800
Preference shares	42,500,000	42,500,000
Total shareholders' equity	240,814,574	230,172,800
Non-controlling interests	6,547,895	6,748,275
Total equity	247,362,469	236,921,075
Total liabilities and equity	\$ 842,173,307	\$ 824,115,773

The accompanying notes are an integral part of these condensed consolidated financial statements.

COLINA HOLDINGS BAHAMAS LIMITED
Condensed Unaudited Statement of Profit or Loss and Other Comprehensive Income

For the Three months ended March 31, 2024
 with corresponding figures for the Three months ended March 31, 2023
 (Expressed in Bahamian dollars)

	Three Months Ended March 31, 2024	Three Months Ended March 31, 2023
Revenues:		
Insurance revenue	\$ 30,103,514	\$ 31,237,564
Insurance service expenses	(22,376,282)	(28,028,151)
Net expenses from reinsurance contracts held	(1,510,257)	(2,104,528)
Insurance service result	6,216,975	1,104,884
Net investment income	12,729,846	16,533,869
Net investment income	12,729,846	16,533,869
Finance expenses from insurance contracts issued	(9,765,846)	(10,188,205)
Finance income from reinsurance contracts held	254,207	228,084
Net insurance finance expenses	(9,511,641)	(9,960,121)
NET INSURANCE AND INVESTMENT RESULT	\$ 9,435,181	\$ 7,678,632
Investment management and other fees	4,230,607	4,608,582
Other income and fees	1,959,965	2,906,462
Share of profit/(loss) of equity-accounted investees	86,759	19,807
Other operating expenses	(3,866,595)	(5,640,390)
Other expenses	(153,434)	(57,993)
Other finance costs and interest	(629,563)	(711,773)
Net income for the year	\$ 11,062,918	\$ 8,803,326
Net income attributable to:		
Equity shareholders of the Company	\$ 11,263,298	\$ 8,675,711
Non-controlling interests	(200,380)	127,615
Net income for the year	\$ 11,062,918	\$ 8,803,326
Basic earnings per ordinary share	\$ 0.43	\$ 0.33

The accompanying notes are an integral part of these condensed consolidated financial statements.

COLINA HOLDINGS BAHAMAS LIMITED
Condensed Unaudited Statement of Profit or Loss and Other Comprehensive Income

For the Three months ended March 31, 2024
 with corresponding figures for the Three months ended March 31, 2023
 (Expressed in Bahamian dollars)

	Three Months Ended March 31, 2024	Three Months Ended March 31, 2023
Net income for the year	\$ 11,062,918	\$ 8,803,326
Other comprehensive income/(loss): <i>Items that will not be reclassified to profit or loss</i>		
Revaluation of land and building	-	\$ 40,205
Total comprehensive income for the year	\$ 11,062,918	\$ 8,843,531
Attributable to:		
Equity shareholders of the Company	\$ 11,263,298	\$ 8,715,916
Non-controlling interests	(200,380)	\$ 127,615
Total comprehensive income for the year	\$ 11,062,918	\$ 8,843,531
Comprehensive earnings per ordinary share	\$ 0.43	\$ 0.33

The accompanying notes are an integral part of these condensed consolidated financial statements.

COLINA HOLDINGS BAHAMAS LIMITED
Condensed Unaudited Consolidated Statement of Changes in Equity

For the Three months ended March 31, 2024

(Expressed in Bahamian dollars)

	Ordinary		Contributed		Revaluation		Retained		Preference		Non-		Total
	Share	Capital	Capital		Reserve		Earnings		Share	Capital	controlling	Interests	Equity
Balance at December 31, 2022	\$ 24,729,613	\$ 5,960,299	\$ 12,062,956	\$ 118,932,548	\$ 42,500,000	\$ 27,746,228	\$ 231,931,644						
Net income for the year	-	-	-	34,702,846	-	-	510,458	35,213,304					
Revaluation of investment property formerly owner-occupied	-	-	160,819	-	-	-	-	-	-	-	160,819		
Changes in non-controlling interests	-	-	-	-	-	-	-	-	(21,508,411)	(21,508,411)			
Dividends paid to ordinary shareholders	-	-	-	(6,429,700)	-	-	-	-	-	(6,429,700)			
Preference share dividends	-	-	-	(2,443,750)	-	-	-	-	-	(2,443,750)			
Balance, December 31, 2023	\$ 24,729,613	\$ 5,960,299	\$ 12,220,944	\$ 144,761,944	\$ 42,500,000	\$ 6,748,275	\$ 236,921,075						
Net income for the year	-	-	-	11,263,298	-	-	(200,380)	11,062,918					
Share of OCI of Equity-Accounted Investees	-	-	(10,587)	-	-	-	-	-	-	(10,587)			
Preference share dividends	-	-	-	(610,937)	-	-	-	-	-	(610,937)			
Balance, March 31, 2024	\$ 24,729,613	\$ 5,960,299	\$ 12,210,357	\$ 155,414,305	\$ 42,500,000	\$ 6,547,895	\$ 247,362,469						

The accompanying notes are an integral part of these condensed consolidated financial statements.

COLINA HOLDINGS BAHAMAS LIMITED
Condensed Unaudited Consolidated Statement of Cash Flows

For the Three months ended March 31, 2024
(Expressed in Bahamian dollars)

	2024
Cash flows from operating activities:	
Net income	\$ 11,062,918
Adjustments to reconcile net income to net cash provided by/(used in) operating activities:	
Fair value (gains)/losses on financial assets	(5,582,809)
Changes in provisions and expected credit losses for mortgage loan	1,849,943
Depreciation and impairment/amortization charges	147,715
Net realized losses/(gains) on fair value through profit or loss securities	43,740
Interest income	(9,364,940)
Dividend income	(257,469)
Finance costs and interest	<u>619,183</u>
Operating cash flows before changes in operating assets and liabilities	(1,481,719)
Changes in operating assets and liabilities:	
Changes in reinsurance contract assets and liabilities	(1,056,512)
Changes in insurance contract assets and liabilities	9,402,409
Changes in investment contract liabilities	160,402
(Decrease)/increase in other assets	(5,665,956)
Decrease in other liabilities	<u>(531,390)</u>
Net cash provided by operating activities	<u>827,235</u>

(Continued)

The accompanying notes are an integral part of these condensed consolidated financial statements.

COLINA HOLDINGS BAHAMAS LIMITED
Condensed Unaudited Consolidated Statement of Cash Flows

For the Three months ended March 31, 2024
(Expressed in Bahamian dollars)

	2024
Cash flows from investing activities:	
Increase in term deposits with original maturities greater than 90 days	(381,299)
Fair value through profit or loss securities purchased	(13,310,323)
Proceeds on disposal of fair value through profit or loss securities	8,017,317
Net decrease in mortgages and commercial loans	379,590
Additions to investment property	(410,880)
Interest received	4,442,882
Dividends received	257,469
Additions to property and equipment	(134,333)
Net cash used in investing activities	<u>(1,139,578)</u>
Cash flows from financing activities:	
Repayment on bank borrowings	(2,070,442)
Dividends paid to preference shareholders	(610,937)
Net cash provided used in financing activities	<u>(2,681,379)</u>
Net decrease in cash and cash equivalents	(2,993,723)
Cash and cash equivalents, beginning of year	<u>52,206,147</u>
Cash and cash equivalents, end of year	<u>\$ 49,212,423</u>

(Concluded)

The accompanying notes are an integral part of these condensed consolidated financial statements.

COLINA HOLDINGS BAHAMAS LIMITED
Selected Explanatory Notes to the Condensed Unaudited Consolidated Financial Statements

For the period ended March 31, 2024
(Expressed in Bahamian dollars)

1. General Information

Colina Holdings Bahamas Limited ("the Company") was incorporated under the laws of the Commonwealth of The Bahamas on July 6, 1993.

The Company acts principally as a holding company of its principal subsidiaries, Colina Insurance Limited ("Colina"), a wholly-owned life and health insurer incorporated in The Bahamas; Colina General Insurance Agents & Brokers Limited ("CGIA"), a wholly-owned general insurance agent and broker; Colina Financial Advisors Ltd. ("CFAL"), a wholly-owned financial services company, and CPCH Bahamas Limited ("CPCH"), a holding company for the Group's general insurance business.

Colina is registered to operate as a life and health insurer in The Bahamas, The Cayman Islands, and The Turks and Caicos Islands. CGIA holds a dual registration as a general insurance broker and agent for operations in The Bahamas. CFAL is licensed as a broker dealer in The Bahamas.

The ordinary shares of the Company are listed on the Bahamas International Securities Exchange. At March 31, 2024 approximately 58.1% (2023: 58.1%) of the Company's issued ordinary shares were owned by AF Holdings Ltd. ("AFH") and 41.9% (2023: 41.9%) by the Bahamian public.

The registered office of the Company is located at Trinity Place Annex, Frederick and Shirley Streets, P.O. Box N-4805, Nassau, The Bahamas and its principal place of business is located at 308 East Bay Street, P.O. Box N-4728, Nassau, The Bahamas.

2. Significant Accounting Policies

The Company's historical accounts follow International Financial Reporting Standards ("IFRS") in its accounting policies for interim financial information.

While these financial statements do not include all of the information and footnotes required by IFRS for complete financial statements, in the opinion of management, these unaudited condensed consolidated financial statements reflect all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation of the Company's financial position and results of operations as at the end of and for the periods presented. All significant intercompany accounts and transactions have been eliminated from these statements. The preparation of unaudited condensed consolidated financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

COLINA HOLDINGS BAHAMAS LIMITED
Selected Explanatory Notes to the Condensed Unaudited Consolidated Financial Statements

For the period ended March 31, 2024
 (Expressed in Bahamian dollars)

3. Cash and Cash Equivalents

For the purposes of the consolidated statement of cash flows, cash and cash equivalents are comprised of the following:

	2024
Term deposits	\$ 7,515,855
Less: Deposits with original maturities of greater than 90 days	(7,051,390)
Short-term deposits (cash equivalents)	464,465
Cash and demand balances	48,747,958
 Total cash and cash equivalents	 \$ 49,212,423

4. Invested Assets

	2024
Term deposits	\$ 7,515,855
Investment securities and other financial assets	536,508,991
Mortgages and commercial loans	11,090,355
Investment properties	62,726,370
Equity-accounted investees	5,250,504
 Total invested assets	 \$ 623,092,075

5. Earnings Per Share and Dividends Per Share

Basic earnings per ordinary share is calculated by dividing net income attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares issued and outstanding during the period, excluding ordinary shares of the Company acquired by Colina held as treasury shares. There were no treasury shares held by Colina as at March 31, 2024 (March 31, 2023: nil).

	2024	2023
Net income attributable to equity shareholders	\$ 11,263,298	\$ 8,675,711
Net income attributable to ordinary shareholders	\$ 10,652,361	\$ 8,064,774
Weighted average number of ordinary shares outstanding	24,729,613	24,729,613
Basic earnings per ordinary share	\$ 0.43	\$ 0.33
	2024	2023
Comprehensive income attributable to equity shareholders	\$ 11,263,298	\$ 8,715,916
Comprehensive income attributable to ordinary shareholders	\$ 10,652,361	\$ 8,104,979
Weighted average number of ordinary shares outstanding	24,729,613	24,729,613
Comprehensive basic earnings per ordinary share	\$ 0.43	\$ 0.33

COLINA HOLDINGS BAHAMAS LIMITED
Selected Explanatory Notes to the Condensed Unaudited Consolidated Financial Statements

For the period ended March 31, 2024
(Expressed in Bahamian dollars)

Dividends to the Company's shareholders are recognized as a liability in the period in which they are declared by the Board of Directors. For the period ended March 31, 2024, dividends paid or accrued by the Company to the Class "A" preference shareholders during the period totalled \$610,937 (March 31, 2023: \$610,938). The Company does not have any dilutive shares.