



FAMGUARD
CORPORATION LIMITED

INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the 3 months ended 31 March 2026

(Unaudited)

famguardbahamas.com

FAMGUARD CORPORATION LIMITED

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE
MONTHS ENDED 31 MARCH 2026

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FAMGUARD CORPORATION LIMITED

CHAIRMAN'S REPORT

Unaudited Results for the Three months ended 31 March 2026

MESSAGE FROM THE CHAIRMAN

Dear Shareholders:

I am pleased to present the Group's financial results for the first quarter ended 31 March 2026. For the three-month period, the Group recorded net income attributable to shareholders of \$1.64 million (March 2025: \$4.20 million), reflecting earnings per share of \$0.05 (March 2025: \$0.14). Although these results reflect a softer start to the financial year, in comparison to the comparable prior period, the variances experienced during the quarter are considered largely temporary and timing-related in nature.

During the current quarter, the Group experienced an increase in claims activity, primarily within the Group and individual medical portfolio, which resulted in an unusually high concentration of claims settlements during the period. Management believes these results were influenced by short-term fluctuations in claims emergence and settlement patterns rather than changes in the underlying performance of the portfolio. As claims experience normalizes, Management anticipates improved financial performance over the balance of 2026.

Despite these temporary pressures, the Group continued to demonstrate resilience in its core operations. Insurance revenue increased by 3.9% over the prior year, reflecting continued growth across key business segments and reaffirming the strength of our business. At the same time, other expenses declined by 10.7%, highlighting Management's continued focus on operational efficiency, disciplined expense management, and prudent allocation of resources.

Our balance sheet remains strong, with total assets of \$406.1 million, and investment assets of \$325.6 million, comprising 80% of the asset base. Liabilities increased to \$284.2 million, up 0.4% from December 31, 2025, primarily due to an uptick in insurance contract liabilities tied to both long- and short-term policy obligations. Equity attributable to the owners stood at \$121.9 million, reflecting our sustained financial stability.

The Company's insurance subsidiary Family Guardian continues to maintain capital solvency measures above the local regulatory requirements prescribed by the Insurance Commission of the Bahamas. Family Guardian recorded a ratio of 296%, well above the minimum requirements of 150%. The company's AM Best rating was reaffirmed, noting its strong balance sheet and operating performance. The company's risk adjusted capitalization, according to AM Best's capital adequacy model, was assessed as very strong.

I am pleased to report that subsequent to quarter-end, the Group's insurance subsidiary successfully acquired 7.2 million shares representing a 19.71% equity stake in Bahamas First Holdings Limited. This strategic investment represents a significant milestone for the Group and aligns closely with our long-term strategic objectives to strengthen our market position, enhance shareholder value, broaden our product offering, and deepen our presence within the insurance and financial services sector. We believe this transaction positions the Group to benefit from future growth opportunities while reinforcing our commitment to building a diversified and resilient company.

I am pleased to report that the Board of Directors declared a first-quarter dividend of \$0.05 per share or \$1,500,000 to shareholders of record as at 26th May 2026 and payable on 2nd June 2026. On behalf of the Board of Directors, I would like to thank our shareholders for their continued confidence and support, our valued customers for their trust, and our management and staff for their dedication and commitment during the quarter. We remain optimistic about the opportunities ahead and confident in the Group's ability to deliver long-term value for all stakeholders.

Sincerely,

Raymond Winder
Chairman
FamGuard Corporation

FAMGUARD CORPORATION LIMITED
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at March 31, 2026

(Expressed in Bahamian dollars)

UNAUDITED

	31 March 2026	31 December 2025
ASSETS		
Cash and bank balances	24,335,624	19,999,131
Financial investment assets	325,552,769	329,633,926
Receivables and other assets, net	2,504,972	3,029,595
Right-of-use assets	709,896	732,333
Property and equipment, net	29,345,561	29,461,730
Intangible assets, net	10,674,071	10,824,835
Reinsurance contract assets	12,980,628	11,231,400
Total assets	<u>\$ 406,103,521</u>	<u>\$ 404,912,950</u>
LIABILITIES		
Insurance contract liabilities	272,173,432	271,372,363
Investment contract liabilities	1,307,234	951,814
Other liabilities	9,891,049	9,929,489
Lease liabilities	792,239	810,544
Total liabilities	<u>284,163,954</u>	<u>283,064,210</u>
EQUITY:		
Ordinary shares	2,000,000	2,000,000
Share premium	10,801,080	10,801,080
Revaluation reserve	27,078,750	27,131,393
Retained earnings	82,059,737	81,916,267
Total equity	<u>121,939,567</u>	<u>121,848,740</u>
TOTAL LIABILITIES AND EQUITY	<u>\$ 406,103,521</u>	<u>\$ 404,912,950</u>

See notes to condensed unaudited consolidated financial statements

FAMGUARD CORPORATION LIMITED
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the three month period ended March 31, 2026
(Expressed in Bahamian dollars)
UNAUDITED

	3 months to 31-Mar-26	3 months to 31-Mar-25
Insurance revenue	\$ 32,339,893	\$ 31,132,158
Insurance service expenses	(29,264,398)	(24,772,727)
Net expenses from reinsurance contracts held	(736,486)	(830,832)
Insurance service result	2,339,009	5,528,598
Interest income from financial assets measured at amortised cost	4,611,374	4,070,008
Other investment income	350,184	438,586
Net fair value (loss)/gain on financial assets at FVTPL	(561,147)	521,619
Net change in investment contract liabilities	(355,420)	(525,318)
Release of credit losses on financial assets	171,157	157,487
Net investment income	4,216,147	4,662,381
Net finance expenses from insurance contracts issued	(2,745,481)	(3,457,700)
Net finance income from reinsurance contracts held	74,785	25,851
Net insurance finance expenses	(2,670,696)	(3,431,849)
Net insurance and investment result	3,884,460	6,759,130
Other income	417,754	421,132
Other expenses	(2,658,743)	(2,978,330)
NET INCOME	\$ 1,643,471	\$ 4,201,932
OTHER COMPREHENSIVE INCOME:		
<i>Items that will not be reclassified subsequently to net income:</i>		
Changes in the fair value of equity investments at FVOCI	(52,643)	(186,180)
Total other comprehensive loss	(52,643)	(186,180)
Total comprehensive income	1,590,828	4,015,752
NET INCOME ATTRIBUTABLE TO:		
Ordinary shareholders	1,643,471	4,201,932
Basic and diluted earnings per ordinary share	0.05	0.14
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:		
Ordinary shareholders	1,590,828	4,015,752

See notes to condensed unaudited consolidated financial statements

FAMGUARD CORPORATION LIMITED
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the three month period ended March 31, 2026
 (Expressed in Bahamian dollars)

UNAUDITED

	Ordinary <u>Shares</u>	Share <u>Premium</u>	Revaluation <u>Reserve</u>	Retained <u>Earnings</u>	<u>Total</u>
Balance as at December 31, 2025	2,000,000	10,801,080	27,131,393	81,916,267	121,848,740
Transactions with owners					
Dividends declared and paid -					
Ordinary shares (\$0.05 per share)	-	-	-	(1,500,000)	(1,500,000)
Total transactions with owners	-	-	-	(1,500,000)	(1,500,000)
Comprehensive income					
Net Income	-	-	-	1,643,471	1,643,471
Other Comprehensive loss	-	-	(52,643)	-	(52,643)
Total Comprehensive income	-	-	(52,643)	1,643,471	1,590,828
Balance as at March 31, 2026	<u>2,000,000</u>	<u>10,801,080</u>	<u>27,078,750</u>	<u>82,059,737</u>	<u>121,939,567</u>

See notes to condensed unaudited consolidated financial statements

FAMGUARD CORPORATION LIMITED
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
For the three month period ended March 31, 2026
(Expressed in Bahamian dollars)
UNAUDITED

	3 months ended 31-Mar-26	3 months ended 31-Mar-25
Net Income	\$ 1,643,471	\$ 4,201,932
Adjustments for:		
Net cash from operating activities	6,297,091	11,350,886
Net cash used in investing activities	(429,390)	(945,495)
Net cash used in financing activities	<u>(1,531,209)</u>	<u>(3,021,608)</u>
Net increase in cash and cash equivalents	4,336,493	7,383,783
Cash and cash equivalents at beginning of the period	<u>19,999,131</u>	<u>12,389,614</u>
Cash and cash equivalents at end of the period	<u>\$ 24,335,624</u>	<u>\$ 19,773,397</u>

See notes to condensed unaudited consolidated financial statements

FAMGUARD CORPORATION LIMITED
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the three months ended March 31, 2026

(Expressed in Bahamian Dollars)

Unaudited

1. General Information

FamGuard Corporation Limited (the “Company”) is incorporated under the laws of the Commonwealth of The Bahamas and serves as an investment holding company with three wholly owned subsidiaries; Family Guardian Insurance Company Limited (FG), BahamaHealth Insurance Brokers Limited, and FG Insurance Agents & Brokers Limited (FGIAB) (together, “the Group”). FG is the principal operating unit and is licensed as an insurance company under the Insurance Act, 2005. FG sells life and health insurance products in The Bahamas. FGIAB operates as an agent and broker for general insurance products in the Bahamas. All other wholly owned subsidiaries within the group are inactive.

The registered office of the Company is located at the offices of E. Dawson Roberts & Co., Parliament and Shirley Streets, Nassau, The Bahamas. The ordinary shares of the Company are listed on The Bahamas International Securities Exchange (BISX).

2. Basis of Preparation

The unaudited interim condensed consolidated financial statements have been prepared in accordance with IAS 34 - “Interim Financial Reporting” unless otherwise noted. The condensed consolidated financial statements do not include all the disclosures required in the annual financial statements and should be read in conjunction with the Group’s 2025 audited consolidated financial statements.

The accounting policies used in the preparation of the condensed consolidated financial statements are consistent with those used in the annual consolidated financial statements for the year ended 31 December 2025.

3. Accounting Estimates and Judgements

In preparing these condensed consolidated financial statements, management has made judgements, estimates and assumptions that affect the application of the Group’s accounting policies and the reported amounts of assets, liabilities, income and expenses. The results for period are not necessarily indicative of full year’s results for the financial year. The areas of critical accounting estimate and judgement as disclosed in Note 5 of the 31 December 2025 audited consolidated financial statements, have also remained unchanged.

FAMGUARD CORPORATION LIMITED
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the Three months ended March 31, 2026

(Expressed in Bahamian Dollars)

Unaudited

(Continued)

4. Earnings per ordinary share

	<u>3 Months to 31-Mar-26</u>	<u>3 Months to 31-Mar-25</u>
Weighted average number of shares outstanding	30,000,000	30,000,000
Consolidated net income attributable to ordinary shareholders	<u>\$ 1,643,471</u>	<u>\$ 4,201,932</u>
Earnings per ordinary share	<u>\$ 0.05</u>	<u>\$ 0.14</u>

4. Commitments

Outstanding commitments to extend credit under mortgage loan agreements amounted to \$1,013,349 as at 31 March 2026 (31 December 2025: \$963,542).

5. Corresponding Figures

Where necessary, corresponding figures have been adjusted to conform with changes in presentation in the current year.

6. Dividends

On 13 May 2026, the Board of Directors declared a first-quarter dividend of \$0.05 per share or \$1,500,000 to shareholders of record as at 26 May 2026 and payable on 2 June 2026.

FAMGUARD CORPORATION LIMITED
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the Three months ended March 31, 2026

(Expressed in Bahamian Dollars)

Unaudited

(Continued)

7. Business Segments

The Group is organized into three main business segments: life insurance, health insurance and other.

These segments and their respective products are as follows:

- Life Insurance - offers a range of ordinary life insurance and industrial life insurance.
- Health Insurance - offers a range of group medical, individual medical, sick and accident, and hospitalization insurance.
- Other – includes the operations of its general insurance agency and broker, and its other subsidiaries.

The segment results for the period ending 31 March rounded to the nearest thousand are as follows:

	2026				
	(\$000)				
	<u>LIFE</u>	<u>HEALTH</u>	<u>OTHER</u>	<u>ELIMINATIONS</u>	<u>TOTAL</u>
	\$	\$	\$		\$
Insurance revenue	8,883	23,457	-	-	32,340
Insurance service expense	(6,186)	(23,078)	-	-	(29,264)
Net expense from reinsurance contracts held	(639)	(97)	-	-	(736)
Insurance service result	2,057	282	-	-	2,339
Net investment income	3,901	278	1,537	(1,500)	4,216
Net insurance finance expenses	(2,671)	-	-	-	(2,671)
Net insurance and investment result	3,288	560	1,537	(1,500)	3,884
Other income	118	70	233	(3)	418
Other expenses	(1,109)	(821)	(733)	3	(2,659)
NET INCOME/(LOSS)	2,297	(191)	1,038	(1,500)	1,643

	2025				
	(\$000)				
	<u>LIFE</u>	<u>HEALTH</u>	<u>OTHER</u>	<u>ELIMINATIONS</u>	<u>TOTAL</u>
	\$	\$	\$		\$
Insurance revenue	8,222	22,910	-	-	31,132
Insurance service expense	(5,532)	(19,241)	-	-	(24,773)
Net expense from reinsurance contracts held	(1,144)	313	-	-	(831)
Insurance service result	1,546	3,982	-	-	5,529
Net investment income	4,401	238	3,023	(3,000)	4,662
Net insurance finance expenses	(3,432)	-	-	-	(3,432)
Net insurance and investment result	2,515	4,221	3,023	(3,000)	6,759
Other income	86	62	276	(3)	421
Other expenses	(1,320)	(974)	(687)	3	(2,978)
NET INCOME	1,281	3,308	2,612	(3,000)	4,202

FamGuard Corporation Ltd. | No. 1 Shirley Street | P. O. Box SS-6232 | Nassau, Bahamas

www.famguardbahamas.com