

**Condensed Unaudited Consolidated Interim Financial Statements of  
Colina Holdings Bahamas Limited  
Nine Months Ended September 30, 2023  
UNAUDITED**

## Message from the Chairman

Dear Shareholders,

The Company reported a net income attributable to ordinary shareholders of \$14.6 million or \$0.59 per ordinary share, for the nine months ending September 30, 2023, surpassing the \$5.1 million or \$0.21 per ordinary share that was recorded during the same period in 2022.

Comprehensive income for ordinary shareholders total \$17.5 million or \$0.71 per ordinary share for the current period, a noteworthy increase from the \$6.1 million or \$0.25 per share recorded in the previous period.

Net investment income rose, totalling \$39.2 million for the nine months ending September 30, 2023, compared to \$13.1 million during the same period in the prior year. This increase can be attributed to improvements in net fair value gains relative to losses that were experienced in the prior period on certain investment securities.

Premium revenues, for the nine months ended September 30, 2023, amounted to \$112.3 million, reflecting a slight decrease compared to the prior year's gross written premiums of \$119.3 million. The reduction is primarily due to the termination of a COVID-19 trip interruption product in mid-2022. However, excluding the premiums from the trip interruption product in 2022, the Company demonstrated growth in other life, health and general insurance lines of business. Net policyholder benefits total \$69.1 million, a reduction from the prior year's net policyholder benefits of \$69.9 million, attributed in part to the terminated product and an improved mortality claims experience relative to 2022.

During the period, additional net reserves of \$22.5 million were booked and are included in the provision for future policy benefits net of the changes in reinsurance assets as at September 30, 2023.

Total assets reached \$901.0 million, as at September 30, 2023, with invested assets accounting for \$672.2 million, representing 74.6% of total assets.

Shareholders' equity stood at \$221.4 million as at September 30, 2023, net of dividend distributions to Class "A" preference shareholders (\$1.8 million) and Class "A" Ordinary Shareholders (\$6.4 million) for the period.

As we move forward, CHBL remains committed to implementing strategies to fortify its balance sheet and enhance its capital position. These initiatives are designed to provide the Company with flexibility to address the ongoing needs of our valued policyholders and customers.



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**Terence Hilts**  
Chairman

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

At September 30, 2023 with corresponding figures as at December 31, 2022  
(Expressed in Bahamian dollars)

	Notes	September 30, 2023 (Unaudited)	December 31, 2022 (Audited)
<b>ASSETS</b>			
Cash and demand balances	3	\$ 50,783,204	\$ 63,980,419
Term deposits	3,4	7,530,846	7,530,295
Investment securities and other financial assets	4	519,339,161	520,770,935
Receivables and other assets		120,143,958	58,912,555
Reinsurance receivables		12,701,558	16,611,073
Reinsurance asset		20,823,342	20,072,485
Policy loans	4	65,543,059	65,443,004
Mortgages and commercial loans	4	14,943,841	16,684,436
Investment properties	4	59,534,227	58,086,000
Equity-accounted investees	4	5,264,781	5,216,578
Property and equipment		17,173,952	17,912,588
Goodwill		6,418,337	6,418,337
Other intangible assets		809,536	1,464,840
<b>Total assets</b>		<b>\$ 901,009,802</b>	<b>\$ 859,103,545</b>
<b>LIABILITIES</b>			
Provision for future policy benefits		\$ 516,243,674	\$ 493,025,971
Policy dividends on deposit		28,665,092	28,674,118
Total policy liabilities		544,908,766	521,700,089
Bank Loan		30,000,000	-
Lease liabilities		2,264,901	2,805,618
Other liabilities		95,628,837	96,509,355
<b>Total liabilities</b>		<b>672,802,504</b>	<b>621,015,062</b>
<b>EQUITY</b>			
Ordinary shares		24,729,613	24,729,613
Share premium		5,960,299	5,960,299
Revaluation reserve		9,858,167	6,977,915
Retained earnings		138,341,034	130,174,428
Total ordinary shareholders' equity		178,889,113	167,842,255
Preference shares		42,500,000	42,500,000
Total shareholders' equity		221,389,113	210,342,255
Non-controlling interests		6,818,185	27,746,228
<b>Total equity</b>		<b>228,207,298</b>	<b>238,088,483</b>
<b>Total liabilities and equity</b>		<b>\$ 901,009,802</b>	<b>\$ 859,103,545</b>

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 Nine months ended September 30, 2023  
with corresponding figures for the Nine months ended September 30, 2022  
(Expressed in Bahamian dollars)

	Notes	9 Months Ended September 30 2023	9 Months Ended September 30 2022
<b>Revenues:</b>			
Premium revenue		\$ 112,324,848	\$ 119,291,887
Less: Reinsurance premiums		<u>18,979,713</u>	<u>21,080,510</u>
Net premium revenue		93,345,135	98,211,377
Net investment income		39,165,719	13,076,597
Share of net gain of associates		193,328	265,570
Net commission income		4,141,242	3,414,419
Investment management and other fees		13,827,743	8,751,410
Other income and fees		<u>4,189,746</u>	<u>7,254,586</u>
Total revenues		<u>154,862,913</u>	<u>130,973,959</u>
<b>Benefits and expenses:</b>			
Policyholders' benefits		79,976,946	85,805,992
Less: Reinsurance recoveries		<u>10,829,010</u>	<u>15,899,071</u>
Net policyholders' benefits		69,147,936	69,906,921
Changes in provision for future policy benefits		22,466,846	11,720,617
General and administrative expenses		31,389,023	29,997,317
Commission expense		7,910,336	7,019,181
Premium and other tax expense		4,108,411	4,524,368
Finance costs and interest		880,408	1,039,070
Other expenses		<u>2,090,867</u>	<u>886,104</u>
Total benefits and expenses		<u>137,993,827</u>	<u>125,093,578</u>
<b>Net income for the period:</b>		<b><u>\$ 16,869,086</u></b>	<b><u>\$ 5,880,381</u></b>
Net income attributable to:			
Equity shareholders of the Company		\$ 16,429,118	\$ 6,937,248
Non-controlling interests		<u>439,968</u>	<u>(1,056,867)</u>
<b>Net income for the period</b>		<b><u>\$ 16,869,086</u></b>	<b><u>\$ 5,880,381</u></b>
<b>Basic earnings per ordinary share</b>	5	<b><u>\$ 0.59</u></b>	<b><u>\$ 0.21</u></b>

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 Nine months ended September 30, 2023  
with corresponding figures for the Nine months ended September 30, 2022  
(Expressed in Bahamian dollars)

	Notes	9 Months Ended September 30 2023	9 Months Ended September 30 2022
<b>Net income for the period</b>		\$ 16,869,086	\$ 5,880,381
<b>Other comprehensive gains:</b>			
<b>Items that are or will be subsequently be reclassified to profit or loss:</b>			
Change in available-for-sale financial assets			
from unrealized available-for-sale net gains		<u>2,892,129</u>	<u>977,439</u>
<b>Other comprehensive income for the period</b>		<u>2,889,298</u>	<u>977,439</u>
<b>Total comprehensive income for the period</b>		<u>\$ 19,758,384</u>	<u>\$ 6,857,820</u>
<b>Attributable to:</b>			
Equity shareholders of the Company		\$ 19,318,416	\$ 7,914,687
Non-controlling interests		<u>439,968</u>	<u>(1,056,867)</u>
<b>Total comprehensive income for the period</b>		<u>\$ 19,758,384</u>	<u>\$ 6,857,820</u>
<b>Comprehensive earnings per ordinary share</b>	5	<u>\$ 0.71</u>	<u>\$ 0.25</u>

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 September 30, 2023  
with corresponding figures for the three months ended September 30, 2022  
(Expressed in Bahamian dollars)

	Notes	3 Months Ended September 30 2023	3 Months Ended September 30 2022
<b>Revenues:</b>			
Premium revenue	\$	37,619,884	\$ 32,156,082
Less: Reinsurance premiums		<u>6,611,294</u>	<u>5,254,571</u>
Net premium revenue		31,008,590	26,901,511
Net investment income		12,433,072	2,728,830
Share of net gain of associates		56,243	68,934
Net commission income		1,198,160	1,301,489
Investment management and other fees		4,794,348	921,034
Other income		<u>1,616,687</u>	<u>4,348,362</u>
Total revenues		<u>51,107,100</u>	<u>36,270,160</u>
<b>Benefits and expenses:</b>			
Policyholders' benefits		28,796,933	27,590,592
Less: Reinsurance recoveries		<u>4,258,730</u>	<u>5,984,830</u>
Net policyholders' benefits		24,538,203	21,605,762
Changes in provision for future policy benefits		5,475,930	1,225,399
General and administrative expenses		10,183,050	10,125,208
Commissions		2,602,460	2,184,041
Premium and other tax expense		572,007	1,427,799
Finance costs		281,080	340,136
Other expenses		<u>649,804</u>	<u>376,869</u>
Total benefits and expenses		<u>44,302,534</u>	<u>37,285,214</u>
<b>Net income/(loss) for the period:</b>		<b><u>\$ 6,804,566</u></b>	<b><u>\$ (1,015,054)</u></b>
Net income attributable to:			
Equity shareholders of the Company	\$	6,722,554	\$ (672,700)
Non-controlling interests		<u>82,012</u>	<u>(342,354)</u>
<b>Net income/(loss) for the period</b>		<b><u>\$ 6,804,566</u></b>	<b><u>\$ (1,015,054)</u></b>
<b>Basic earnings/(loss) per share</b>	5	<b><u>\$ 0.22</u></b>	<b><u>\$ (0.05)</u></b>

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 September 30, 2023  
with corresponding figures for the three months ended September 30, 2022  
(Expressed in Bahamian dollars)

	Notes	3 Months Ended September 30 2023	3 Months Ended September 30 2022
<b>Net income/(loss) for the period</b>		\$ 6,804,566	\$ (1,015,054)
<b>Other comprehensive gains:</b>			
Change in available-for-sale financial assets		91,154	336,065
<b>Other comprehensive income for the period</b>		<u>\$ 88,323</u>	<u>\$ 336,065</u>
<b>Total comprehensive income/(loss) for the period</b>		<u><b>\$ 6,892,889</b></u>	<u><b>\$ (678,989)</b></u>
Attributable to:			
Equity shareholders of the Company		\$ 6,810,877	\$ (336,635)
Non-controlling interests		82,012	(342,354)
<b>Total comprehensive income/(loss) for the period</b>		<u><b>\$ 6,892,889</b></u>	<u><b>\$ (678,989)</b></u>
<b>Comprehensive earnings/(loss) per ordinary share</b>	5	<u><b>\$ 0.23</b></u>	<u><b>\$ (0.04)</b></u>

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 Nine months ended September 30, 2023  
with corresponding figures for the Nine months ended September 30, 2022  
(Expressed in Bahamian dollars)

	Notes	Ordinary Share Capital	Share Premium	Revaluation Reserve	Retained Earnings	Preference Share Capital	Non-controlling Interests	Total Equity
Balance, January 1, 2022		\$ 24,729,613	\$ 5,960,299	\$ 3,704,969	\$ 120,364,345	\$ 42,500,000	\$ 20,253,664	\$ 217,512,890
Net gain on remeasurement of available-for-sale securities to fair value		-	-	977,439	-	-	-	977,439
Changes in non-controlling interests		-	-	-	-	-	7,768,194	7,768,194
Net income/(loss) for the period		-	-	-	6,937,248	-	(1,056,867)	5,880,381
Ordinary share dividend	5	-	-	-	(5,935,107)	-	-	(5,935,107)
Preference share dividends	5	-	-	-	(1,832,811)	-	-	(1,832,811)
Balance, September 30, 2022		<u>\$ 24,729,613</u>	<u>\$ 5,960,299</u>	<u>\$ 4,682,408</u>	<u>\$ 119,533,675</u>	<u>\$ 42,500,000</u>	<u>\$ 26,964,991</u>	<u>\$ 224,370,986</u>
Balance, January 1, 2023		\$ 24,729,613	\$ 5,960,299	\$ 6,977,915	\$ 130,174,428	\$ 42,500,000	\$ 27,746,228	\$ 238,088,483
Net gain on remeasurement of available-for-sale securities to fair value		-	-	2,883,083	-	-	-	2,883,083
Changes in non-controlling interests		-	-	-	-	-	(21,368,011)	(21,368,011)
Net income for the period		-	-	-	16,429,118	-	439,968	16,869,086
Ordinary share dividend	5	-	-	-	(6,429,699)	-	-	(6,429,699)
Preference share dividends	5	-	-	-	(1,832,813)	-	-	(1,832,813)
Balance, September 30, 2023		<u>\$ 24,729,613</u>	<u>\$ 5,960,299</u>	<u>\$ 9,858,167</u>	<u>\$ 138,341,034</u>	<u>\$ 42,500,000</u>	<u>\$ 6,818,185</u>	<u>\$ 228,207,298</u>

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 Nine months ended September 30, 2023  
with corresponding figures for the Nine months ended September 30, 2022  
(Expressed in Bahamian dollars)

	Notes	9 Months Ended September 30 2023	9 Months Ended September 30 2022
<b>Cash flows from operating activities:</b>			
Net income		\$ 16,869,086	\$ 6,937,248
Adjustments to reconcile net income to net cash used in operating activities:			
Change in unrealized (gain)/loss on fair value through income securities		(5,093,434)	14,621,258
Increase in provision for future policy benefits net of reinsurance assets		22,466,846	11,720,528
Changes in loss provisions for loans and receivables		1,727,886	838,126
Depreciation and impairment/amortization charges		1,178,610	541,328
Net realized loss/(gain) on sale of available-for-sale securities		27,729	(152,479)
Interest income		(37,656,620)	(30,496,233)
Dividend income		(642,601)	(936,808)
Operating cash flows before changes in operating assets and liabilities		(1,122,498)	3,072,968
Changes in operating assets and liabilities:			
(Increase)/decrease in other assets		(51,086,772)	88,337,613
(Decrease)/increase in other liabilities		(889,386)	7,844,719
Net cash (used in)/provided by operating activities		(53,098,656)	99,255,300

(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 Nine months ended September 30, 2023  
with corresponding figures for the Nine months ended September 30, 2022  
(Expressed in Bahamian dollars)

	<b>9 Months Ended September 30 2023</b>	<b>9 Months Ended September 30 2022</b>
<b>Cash flows from investing activities:</b>		
(Increase)/decrease in term deposits with original maturities greater than 90 days	(2,431,498)	574,069
Fair value through income securities purchased	(17,703,463)	(40,875,273)
Proceeds on disposal of fair value through income securities	28,812,474	26,547,813
Available-for-sale securities purchased	(50,952,685)	(71,879,629)
Proceeds on disposal of available-for-sale securities	49,224,235	22,907,829
Change in loans to policyholders	190,966	627,793
Additions to investment property	(1,448,227)	(225,930)
Net change in mortgage and commercial loans	860,260	1,555,285
Interest received	30,231,741	25,977,528
Dividends received	642,601	936,808
Proceeds on disposal of property and equipment, net	-	291,556
Net cash provided by/(used in) investing activities	<u>37,641,734</u>	<u>(33,562,151)</u>
<b>Cash flows used in financing activities:</b>		
Changes in non-controlling interests	(21,368,011)	6,711,327
Dividend to ordinary shareholders	(6,429,699)	(5,935,107)
Proceeds from loan	30,000,000	-
Dividends to preference shareholders	(1,832,813)	(1,832,811)
Repayments of lease liabilities	(540,717)	(476,275)
Net cash used in financing activities	<u>(171,240)</u>	<u>(1,532,866)</u>
Net (decrease)/increase in cash and cash equivalents	(15,628,162)	64,160,283
Cash and cash equivalents, beginning of period	<u>66,411,366</u>	<u>34,278,046</u>
<b>Cash and cash equivalents, end of period</b>	<b>3</b> <u><u>\$ 50,783,204</u></u>	<u><u>\$ 98,438,329</u></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 September 30, 2023  
(Expressed in Bahamian dollars)

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**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 September 30, 2023 approximately 58.1% (2022: 58.1%) of the Company’s issued ordinary shares were owned by AF Holdings Ltd. (“AFH”) and 41.9% (2022: 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.

IFRS 17 – Insurance Contracts is a new standard that is effective for periods beginning on or after January 1, 2023. At the time of the preparation of these interim consolidated financial statements, the Company was still in the process of preparing its unaudited current and comparative records on the IFRS 17 basis. As a result, these interim unaudited consolidated financial statements are presented using the IFRS 4 Insurance Contracts reporting standard.

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, with the exception of the implementation of IFRS 17, 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 September 30, 2023  
(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:

	September 30, 2023	September 30, 2022
Term deposits	\$ 7,530,846	\$ 7,955,295
Less: Deposits with original maturities of greater than 90 days	<u>(7,530,846)</u>	<u>(4,522,143)</u>
Short-term deposits	-	3,433,152
Cash and demand balances	<u>50,783,204</u>	<u>95,005,177</u>
Total cash and cash equivalents	<u>\$ 50,783,204</u>	<u>\$ 98,438,329</u>

**4. Invested Assets**

	September 30, 2023	December 31, 2021
Term deposits	\$ 7,530,846	\$ 7,530,295
Investment securities and other financial assets	519,339,161	520,770,935
Mortgages and commercial loans	14,943,841	16,684,436
Policy loans	65,543,059	65,443,004
Investment properties	59,534,227	58,086,000
Equity-accounted investees	<u>5,264,781</u>	<u>5,216,578</u>
Total invested assets	<u>\$ 672,155,915</u>	<u>\$ 673,731,248</u>

**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 September 30, 2023 (September 30, 2022: nil).

	9 Months Ended September 30, 2023	9 Months Ended September 30, 2022
Net income attributable to equity shareholders	<u>\$ 16,429,118</u>	<u>\$ 6,937,248</u>
Net income attributable to ordinary shareholders	<u>\$ 14,596,305</u>	<u>\$ 5,104,437</u>
<i>Weighted average number of ordinary shares outstanding</i>	24,729,613	24,729,613
Basic earnings per ordinary share	<u>\$ 0.59</u>	<u>\$ 0.21</u>
	9 Months Ended September 30, 2023	9 Months Ended September 30, 2022
Comprehensive income attributable to equity shareholders	<u>\$ 19,318,416</u>	<u>\$ 7,914,687</u>
Comprehensive income attributable to ordinary shareholders	<u>\$ 17,485,603</u>	<u>\$ 6,081,876</u>
<i>Weighted average number of ordinary shares outstanding</i>	24,729,613	24,729,613
Comprehensive earnings per ordinary share	<u>\$ 0.71</u>	<u>\$ 0.25</u>

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

For the period ended September 30, 2023  
(Expressed in Bahamian dollars)

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	<b>3 Months Ended September 30, 2023</b>	<b>3 Months Ended September 30, 2022</b>
Net income attributable to equity shareholders	\$ <u>6,722,554</u>	\$ <u>(672,700)</u>
Net income attributable to ordinary shareholders	\$ <u>5,500,678</u>	\$ <u>(1,283,637)</u>
<i>Weighted average number of ordinary shares outstanding</i>	24,729,613	24,729,613
Basic earnings per ordinary share	\$ <u>0.22</u>	\$ <u>(0.05)</u>
	<b>3 Months Ended September 30, 2023</b>	<b>3 Months Ended September 30, 2022</b>
Comprehensive income attributable to equity shareholders	\$ <u>6,810,877</u>	\$ <u>(336,635)</u>
Comprehensive income attributable to ordinary shareholders	\$ <u>5,589,001</u>	\$ <u>(947,572)</u>
<i>Weighted average number of ordinary shares outstanding</i>	24,729,613	24,729,613
Comprehensive earnings per ordinary share	\$ <u>0.23</u>	\$ <u>(0.04)</u>

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 September 30, 2023, dividends paid by the Company to ordinary shareholders in the period totalled \$6,429,699 (September 30, 2022: \$5,935,107). Dividends paid or accrued by the Company to the Class "A" preference shareholders during the period totalled \$1,832,813 (September 30, 2022: \$1,832,811). The Company does not have any dilutive shares.