

Condensed Unaudited Consolidated Interim Financial Statements of
Colina Holdings Bahamas Limited
Six Months Ended June 30, 2024
UNAUDITED

Message from the Chairman

Dear Shareholders,

Colina Holdings Bahamas Limited (CHBL) strives to demonstrate its dedication to serving the needs of its stakeholders. By prioritizing adaptability and forward-thinking strategies, the Group continues to position itself to navigate shifting market conditions while pursuing initiatives that drive stability and long-term success.

The Company reported net income attributable to ordinary shareholders of \$9.8 million or \$0.40 per ordinary share, for the six months ended June 30, 2024. This is compared to net income attributable to ordinary shareholders for the same 2023 period of \$16.1 million or \$0.65 per ordinary share. With the adoption of IFRS 9, fluctuations in mark-to-market unrealized gains and losses are now reflected directly in income rather than in the revaluation reserve which has resulted in income volatility from period to period.

Net investment income totals \$20.5 million for the six months ended June 30, 2024 compared to \$33.1 million for the same period in the prior year. The decrease is primarily attributed to lower net fair value gains compared to the prior period. Net investment income attributed to unrealized gains and losses has fluctuated during the period but these movements are offset by growth in returns from interest and dividend income on the Company's growing investment portfolio.

Insurance service result, for the six months ended June 30, 2024, amounted to \$9.1 million, reflecting a notable increase compared to the prior year's insurance service result of \$2.2 million. This increase is primarily due to a decrease in insurance service expenses accompanied by an increase in insurance revenue relative to the same period in the prior year. Insurance service result for the quarter ended June 30, 2024 has decreased to \$2.9 million compared to the quarter ended March 31, 2024 of \$6.2 million. This is largely due to higher reinsurance recoveries relative to expenses in Q1/24 compared to the second quarter of 2024.

Total assets are \$846.9 million, as at June 30, 2024, with invested assets comprising \$618.3 million, representing over 73.0% of total assets. Shareholders' equity stood at \$235.5 million as at June 30, 2024, net of \$1.2 million in dividend distributions to the Class "A" preference shareholders and dividends of \$4.5 million to Class "A" ordinary shareholders for the period.

CHBL remains dedicated to maintaining a robust financial position and enhancing its operational resilience. Through the execution of strategic priorities, the Company is well-equipped to meet its commitments to policyholders and customers, ensuring stability and adaptability in an ever-changing market environment.



Terence Hilts
Chairman

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

At June 30, 2024 with corresponding figures as at December 31, 2023
(Expressed in Bahamian dollars)

	June 30, 2024	December 31, 2023
ASSETS		
Cash and demand balances	\$ 43,226,899	\$ 51,344,774
Term deposits	7,677,054	7,531,464
Investment securities and other financial assets	530,851,736	525,684,671
Receivables and other assets	127,563,820	104,460,823
Insurance contract assets	1,434,436	1,345,471
Reinsurance contract assets	33,790,070	29,808,517
Mortgages and commercial loans	10,251,150	13,596,100
Investment properties	64,252,233	62,315,490
Equity-accounted investees	5,314,468	5,163,745
Property and equipment	16,050,429	16,009,844
Goodwill	6,418,337	6,418,337
Other intangible assets	141,107	436,537
Total assets	\$ 846,971,739	\$ 824,115,773
LIABILITIES		
Insurance contract liabilities	\$ 518,305,102	\$ 494,286,557
Investment contract liabilities	25,046,755	25,802,863
Other liabilities	59,667,544	65,500,644
Lease liabilities	2,017,338	1,604,634
Total liabilities	605,036,739	587,194,698
EQUITY		
Ordinary shares	\$ 24,729,613	\$ 24,729,613
Contributed capital	5,960,299	5,960,299
Revaluation reserve	12,220,931	12,220,944
Retained earnings	150,119,360	144,761,944
Total ordinary shareholders' equity	193,030,203	187,672,800
Preference shares	42,500,000	42,500,000
Total shareholders' equity	235,530,203	230,172,800
Non-controlling interests	6,404,797	6,748,275
Total equity	241,935,000	236,921,075
Total liabilities and equity	\$ 846,971,739	\$ 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 six months ended June 30, 2024
with corresponding figures for the six months ended June 30, 2023
(Expressed in Bahamian dollars)

	6 Months Ended June 30, 2024	6 Months Ended June 30, 2023
Revenues:		
Insurance revenue	\$ 63,849,678	\$ 62,475,127
Insurance service expenses	(50,068,649)	(56,056,303)
Net expenses from reinsurance contracts held	(4,651,761)	(4,209,056)
Insurance service result	9,129,268	2,209,768
Net investment income	20,492,454	33,067,739
Net investment income	20,492,454	33,067,739
Finance expenses from insurance contracts issued	(23,807,021)	(20,376,410)
Finance income from reinsurance contracts held	518,120	456,168
Net insurance finance expenses	(23,288,901)	(19,920,242)
NET INSURANCE AND INVESTMENT RESULT	\$ 6,332,821	\$ 15,357,265
Investment management and other fees	9,455,210	9,217,163
Other income and fees	5,917,664	5,812,924
Share of profit/(loss) of equity-accounted investees	150,722	39,614
Other operating expenses	(9,884,156)	(11,280,780)
Other expenses	35,830	(115,986)
Other finance costs and interest	(1,320,948)	(1,423,546)
Net income for the year	\$ 10,687,144	\$ 17,606,652
Net income attributable to:		
Equity shareholders of the Company	\$ 11,030,622	\$ 17,351,423
Non-controlling interests	(343,478)	255,229
Net income for the year	\$ 10,687,144	\$ 17,606,652
Basic earnings per ordinary share	\$ 0.40	\$ 0.65

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 six months ended June 30, 2024
with corresponding figures for the six months ended June 30, 2023
(Expressed in Bahamian dollars)

	6 Months Ended June 30, 2024	6 Months Ended June 30, 2023
Net income for the year	\$ 10,687,144	\$ 17,606,652
Other comprehensive income/(loss):		
<i>Items that will not be reclassified to profit or loss</i>		
Revaluation of land and building	-	\$ 80,410
Total comprehensive income for the year	\$ 10,687,144	\$ 17,687,061
Attributable to:		
Equity shareholders of the Company	\$ 11,030,622	\$ 17,431,832
Non-controlling interests	(343,478)	\$ 255,229
Total comprehensive income for the year	\$ 10,687,144	\$ 17,687,061
Comprehensive earnings per ordinary share	\$ 0.40	\$ 0.66

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 June 30, 2024
with corresponding figures for the three months ended June 30, 2023
(Expressed in Bahamian dollars)

	3 Months Ended June 30, 2024	3 Months Ended June 30, 2023
Revenues:		
Insurance revenue	\$ 33,746,163	\$ 31,237,564
Insurance service expenses	(27,692,367)	(28,028,151)
Net expenses from reinsurance contracts held	(3,141,503)	(2,104,528)
Insurance service result	2,912,293	1,104,884
Net investment income	7,762,607	16,533,869
Net investment income	7,762,607	16,533,869
Finance expenses from insurance contracts issued	(14,041,175)	(10,188,205)
Finance income from reinsurance contracts held	263,915	228,084
Net insurance finance expenses	(13,777,260)	(9,960,121)
NET INSURANCE AND INVESTMENT RESULT	\$ (3,102,360)	\$ 7,678,633
Investment management and other fees	5,224,603	4,608,582
Other income and fees	3,957,700	2,906,462
Share of profit/(loss) of equity-accounted investees	63,963	19,807
Other operating expenses	(6,017,561)	(5,640,390)
Other expenses	189,265	(57,993)
Other finance costs and interest	(691,385)	(711,773)
Net income for the year	\$ (375,775)	\$ 8,803,326
Net income attributable to:		
Equity shareholders of the Company	\$ (232,677)	\$ 8,675,711
Non-controlling interests	(143,098)	\$ 127,615
Net income for the year	\$ (375,775)	\$ 8,803,326
Basic earnings per ordinary share	\$ (0.03)	\$ 0.32

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 June 30, 2024
with corresponding figures for the three months ended June 30, 2023
(Expressed in Bahamian dollars)

	3 Months Ended June 30, 2024	3 Months Ended June 30, 2023
Net income for the year	\$ (375,775)	\$ 8,803,326
Other comprehensive income/(loss):		
Revaluation of land and building	-	\$ 40,205
Total comprehensive income for the year	\$ (375,775)	\$ 8,843,531
Attributable to:		
Equity shareholders of the Company	\$ (232,677)	\$ 8,715,916
Non-controlling interests	(143,098)	\$ 127,615
Total comprehensive income for the year	\$ (375,775)	\$ 8,843,531
Comprehensive earnings per ordinary share	\$ (0.03)	\$ 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 six months ended June 30, 2024 with corresponding figures for the year ended December 31, 2023
(Expressed in Bahamian dollars)

		Ordinary Share Capital	Contributed Capital	Revaluation Reserve	Retained Earnings	Preference Share Capital	Non- controlling Interests	Total 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		-	-	-	11,030,622	-	(343,478)	10,687,144
Share of OCI of Equity-Accounted Investees		-	-	(13)	-	-	-	(13)
Dividends paid to ordinary shareholders		-	-	-	(4,451,330)	-	-	(4,451,330)
Preference share dividends		-	-	-	(1,221,875)	-	-	(1,221,875)
Balance, June 30, 2024	\$	24,729,613	\$ 5,960,299	\$ 12,220,931	\$ 150,119,360	\$ 42,500,000	\$ 6,404,797	\$ 241,935,000

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 six months ended June 30, 2024
(Expressed in Bahamian dollars)

	6 Months Ended June 30, 2024
Cash flows from operating activities:	
Net income	\$ 10,687,144
Adjustments to reconcile net income to net cash provided by/(used in) operating activities:	
Fair value gains on financial assets	(4,250,308)
Changes in provisions and expected credit losses for mortgage loans	2,694,715
Depreciation and impairment/amortization charges	521,359
Net realized gains on fair value through profit or loss securities	(302,264)
Interest income	(22,534,978)
Dividend income	(399,017)
Net fair value gains on investment properties	(35,718)
Finance costs and interest	1,434,557
Operating cash flows before changes in operating assets and liabilities	(12,184,510)
Changes in operating assets and liabilities:	
Changes in reinsurance contract assets and liabilities	(3,981,553)
Changes in insurance contract assets and liabilities	23,929,580
Changes in investment contract liabilities	(756,107)
Decrease in other assets	(23,965,851)
Decrease in other liabilities	(5,049,430)
Net cash used in operating activities	(22,007,871)

(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 six months ended June 30, 2024
(Expressed in Bahamian dollars)

	6 Months Ended June 30, 2024
Cash flows from investing activities:	
Increase in term deposits with original maturities greater than 90 days	(458,815)
Fair value through profit or loss securities purchased	(35,435,208)
Proceeds on disposal of fair value through profit or loss securities	34,820,714
Net decrease in mortgages and commercial loans	696,918
Additions to investment property	(1,901,025)
Interest received	23,197,597
Dividends received	399,017
Additions to property and equipment	1,220
Net cash provided by investing activities	21,320,418
Cash flows from financing activities:	
Repayment on bank borrowings	(2,070,442)
Dividends paid to ordinary shareholders	(4,451,330)
Dividends paid to preference shareholders	(1,221,875)
Net cash used in financing activities	(7,743,647)
Net decrease in cash and cash equivalents	(8,431,100)
Cash and cash equivalents, beginning of year	52,206,147
Cash and cash equivalents, end of year	\$ 43,775,047

(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 June 30, 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 June 30, 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 June 30, 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:

	June 30, 2024	December 31, 2023
Term deposits	\$ 7,677,054	\$ 7,531,464
Less: Deposits with original maturities of greater than 90 days	(7,128,906)	(6,670,091)
Short-term deposits (cash equivalents)	548,148	861,373
Cash and demand balances	43,226,899	51,344,774
Total cash and cash equivalents	\$ 43,775,047	\$ 52,206,147

4. Invested Assets

	June 30, 2024	December 31, 2023
Term deposits	\$ 7,677,054	\$ 7,531,464
Investment securities and other financial assets	530,851,736	525,684,671
Mortgages and commercial loans	10,251,150	13,596,100
Investment properties	64,252,233	62,315,490
Equity-accounted investees	5,314,468	5,163,745
Total invested assets	\$ 618,346,641	\$ 614,291,470

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 June 30, 2024 (June 30, 2023: nil).

	6 Months Ended June 30, 2024	6 Months Ended June 30, 2023
Net income attributable to equity shareholders	\$ 11,030,622	\$ 17,351,423
Net income attributable to ordinary shareholders	\$ 9,808,747	\$ 16,129,548
Weighted average number of ordinary shares outstanding	24,729,613	24,729,613
Basic earnings per ordinary share	\$ 0.40	\$ 0.65

	6 Months Ended June 30, 2024	6 Months Ended June 30, 2023
Comprehensive income attributable to equity shareholders	\$ 11,030,622	\$ 17,431,832
Comprehensive income attributable to ordinary shareholders	\$ 9,808,747	\$ 16,209,957
Weighted average number of ordinary shares outstanding	24,729,613	24,729,613
Comprehensive basic earnings per ordinary share	\$ 0.40	\$ 0.66

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

For the period ended June 30, 2024
(Expressed in Bahamian dollars)

	3 Months Ended June 30, 2024	3 Months Ended June 30, 2023
Net income attributable to equity shareholders	\$ (375,775)	\$ 8,675,711
Net income attributable to ordinary shareholders	\$ (986,712)	\$ 8,064,774
Weighted average number of ordinary shares outstanding	24,729,613	24,729,613
Basic earnings per ordinary share	\$ (0.03)	\$ 0.32

	3 Months Ended June 30, 2024	3 Months Ended June 30, 2023
Comprehensive income attributable to equity shareholders	\$ (232,677)	\$ 8,715,916
Comprehensive income attributable to ordinary shareholders	\$ (843,614)	\$ 8,104,979
Weighted average number of ordinary shares outstanding	24,729,613	24,729,613
Comprehensive basic earnings per ordinary share	\$ (0.03)	\$ 0.33

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 June 30, 2024, dividends paid or accrued by the Company to the Class "A" preference shareholders during the period totalled \$1,221,875 (June 30, 2023: \$1,221,875). The Company does not have any dilutive shares.