

# ICBL CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2023

## CHAIRMAN'S REVIEW FOR THE PERIOD ENDED 30 JUNE 2023

Starting on January 1, 2023, ICBL updated its financial statements for the introduction of International Financial Reporting Standard 17 (IFRS 17), which primarily impacted the financial reporting of our Life & Health portfolio. This standard requires significant changes to the presentation of financial statements and the recognition and measurement of insurance contracts. It also required substantial investment in new systems, process changes, and actuarial modeling.

The introduction of this new standard has impacted the broader insurance industry, and the Company faced challenges in this first year, as evidenced by the delay in the delivery of the Q2 financials. ICBL reported a net income of \$2.1 million for the period ending June 30, 2023, an increase of \$3.4 million compared to the prior year's restated net loss of \$1.3 million.

Insurance service results improved by \$3.2 million over the prior year, driven by higher insurance revenue of \$2.4 million and lower insurance service expenses of \$4.3 million, offset by higher net expenses from reinsurance contracts held of \$3.5 million. Investment income also increased by \$0.9 million over the prior year. However, operating expenses increased by \$0.5 million due to strategic initiatives in the first half of the year.

ICBL continues to be well-capitalized with total assets of \$309 million, including cash & cash equivalents of \$71 million, investments of \$165 million, and shareholders' equity of \$121 million.

The Board of Directors approved a share buyback programme to repurchase up to 1.0 million of its common shares to provide our shareholders with additional liquidity options. To date, 84,961 of common shares have been repurchased.

Based on the strength of the Company's balance sheet, the Board of Directors declared an interim dividend of \$0.05 per share. Additionally, the Company intends to drive increased return on equity and ensure that the Company is sufficiently capitalized. As such, the Board of Directors is also declaring a special dividend of \$0.15 per share.

We thank all our employees, policyholders, and shareholders for their continued support and trust.

On behalf of the Board of Directors, I wish everyone a happy and healthy Holiday Season.



Joe Poulin  
Chairman

SUMMARY CONSOLIDATED STATEMENT OF FINANCIAL POSITION				
For the period ended 30 June 2023 with comparative figures for 2022 (in thousands of Barbados dollars)	2023	2022	Restated 12/31/2022	Restated 1/1/2022
<b>ASSETS</b>				
Cash and cash equivalents	71,262	89,565	48,568	68,007
Fixed deposits	5,795	15,003	16,718	12,942
Regulatory deposits	981	999	998	988
Restricted cash	9,025	12,100	11,062	13,073
Due from related parties	-	2,846	-	1,470
Investments	130,126	123,842	142,734	139,502
Other assets	14,332	11,754	13,856	13,218
Reinsurance assets	33,264	34,999	37,815	11,629
Tax recoverable	544	556	544	539
Investment properties	28,560	29,150	28,550	29,150
Property, plant and equipment	19,405	18,950	20,078	19,447
Intangible assets	9,050	9,045	9,084	8,356
Deferred tax asset	190	220	190	220
<b>Total assets</b>	<b>322,534</b>	<b>349,029</b>	<b>330,197</b>	<b>318,541</b>
<b>LIABILITIES</b>				
Other liabilities	11,952	16,366	6,917	8,141
Due to related parties	1,379	-	1,852	1,119
Investment contract liabilities	70,491	68,256	71,983	68,256
Insurance contract liabilities	108,619	127,539	118,233	101,115
Retirement benefit obligations	1,903	2,111	1,992	2,270
<b>Total liabilities</b>	<b>194,344</b>	<b>214,272</b>	<b>200,977</b>	<b>180,901</b>
<b>EQUITY</b>				
Share capital	39,598	39,682	39,600	39,682
Contributed surplus	427	427	427	427
Statutory reserve	54,854	54,653	54,854	54,653
Surplus reserve	-	-	-	-
Accumulated other comprehensive income	(7,560)	(6,321)	(7,077)	(4,717)
Retained earnings	33,560	36,544	31,613	38,080
<b>Total shareholders equity</b>	<b>120,879</b>	<b>124,985</b>	<b>119,417</b>	<b>128,125</b>
Non-controlling interest in subsidiary	7,311	9,772	9,803	9,515
<b>Total equity</b>	<b>128,190</b>	<b>134,757</b>	<b>129,220</b>	<b>137,640</b>
<b>Total equity and liabilities</b>	<b>322,534</b>	<b>349,029</b>	<b>330,197</b>	<b>318,541</b>

Approved by the Board of Directors on 15 December, 2023.



Chairman



Chief Executive Officer

SUMMARY CONSOLIDATED STATEMENT OF CHANGES IN EQUITY		
For the period ended 30 June 2023 with comparative figures for 2022 (in thousands of Barbados dollars)	2023	2022
<b>Share capital</b>		
Balance - beginning of year	39,600	39,682
Share issuance	(2)	-
<b>Balance - end of period</b>	<b>39,598</b>	<b>39,682</b>
<b>Contributed surplus</b>		
Balance - beginning of year	427	427
<b>Balance - end of period</b>	<b>427</b>	<b>427</b>
<b>Statutory reserve</b>		
Balance - beginning of year	54,854	54,653
<b>Balance - end of period</b>	<b>54,854</b>	<b>54,653</b>
<b>Retained earnings</b>		
Balance at the beginning of year	31,613	38,466
Initial application of IFRS 9 at 01 January 2018	-	-
IFRS 17 transition adjustment	-	(386)
Balance - beginning of year, restated	31,613	38,080
Net income / (loss) for the period	1,947	(1,536)
<b>Balance - end of the period</b>	<b>33,560</b>	<b>36,544</b>
<b>Accumulated other comprehensive loss</b>		
Balance - beginning of year	(7,077)	(4,717)
Other comprehensive (loss) income for the period	(483)	(1,604)
<b>Balance - end of the period</b>	<b>(7,560)</b>	<b>(6,321)</b>
<b>Total equity attributable to shareholders of the company</b>	<b>120,879</b>	<b>124,985</b>
<b>Non-controlling interest in subsidiary</b>		
Balance at the beginning of year	9,803	9,515
Net income for the period	202	257
Other comprehensive income / (loss) for the period	-	-
Non-controlling interest distributions	(2,694)	-
<b>Balance - end of the period</b>	<b>7,311</b>	<b>9,772</b>
<b>Total equity</b>	<b>128,190</b>	<b>134,757</b>

SUMMARY CONSOLIDATED STATEMENT OF INCOME		
For the period ended 30 June 2023 with comparative figures for 2022 (in thousands of Barbados dollars)	2023	2022
<b>INCOME STATEMENT</b>		
Insurance revenue	52,494	50,140
Insurance service expenses	(31,737)	(36,025)
Net expenses from reinsurance contracts held	(14,971)	(11,500)
<b>Insurance service result</b>	<b>5,786</b>	<b>2,615</b>
<b>Other income</b>		
Investment income	1,798	918
Total insurance investment income and finance expenses	1,798	918
<b>Net Insurance &amp; investment result</b>	<b>7,584</b>	<b>3,533</b>
<b>Other Income</b>		
Asset management services revenue	2,117	2,149
Other Income	28	54
<b>Net Income from all activities</b>	<b>9,729</b>	<b>5,736</b>
Other Operating expenses	7,580	7,015
<b>Income (loss) before taxes</b>	<b>2,149</b>	<b>(1,279)</b>
Income taxes	-	-
<b>Net income (loss) for the period</b>	<b>2,149</b>	<b>(1,279)</b>
<b>Allocated as follows:</b>		
Equity Holders	1,947	(1,536)
Minority Interest	202	257
<b>Net income (loss) for the period</b>	<b>2,149</b>	<b>(1,279)</b>
Basic and diluted earnings per share (cents)	0.05	(0.04)

## IFRS 17 INITIAL APPLICATION ADJUSTMENTS

	Audited 31-Dec-2021	Unaudited IFRS 17 Initial Application Adjustments 01-Jan-2022	Unaudited 01-Jan-2022
<b>ASSETS</b>			
Cash and cash equivalents	68,007	-	68,007
Fixed deposits	12,839	103	12,942
Regulatory deposits	988	-	988
Restricted cash	13,073	-	13,073
Due from related parties	1,470	-	1,470
Investments	139,252	250	139,502
Other assets	33,949	(20,731)	13,218
Reinsurance assets	40,236	(28,607)	11,629
Tax recoverable	539	-	539
Deferred policy acquisition cost	1,960	(1,960)	-
Investment properties	29,150	-	29,150
Property, plant and equipment	19,447	-	19,447
Intangible assets	8,356	-	8,356
Deferred tax asset	220	-	220
<b>Total assets</b>	<b>369,486</b>	<b>(50,945)</b>	<b>318,541</b>
<b>LIABILITIES</b>			
Other liabilities	29,022	(20,881)	8,141
Due to related parties	1,119	-	1,119
Investment contract liabilities	68,256	-	68,256
Insurance contract liabilities	130,793	(29,678)	101,115
Retirement benefit obligations	2,270	-	2,270
<b>Total liabilities</b>	<b>231,460</b>	<b>(50,559)</b>	<b>180,901</b>
<b>EQUITY</b>			
Share capital	39,682	-	39,682
Contributed surplus	427	-	427
Statutory reserve	54,653	-	54,653
Accumulated other comprehensive income	(4,717)	-	(4,717)
Retained earnings	38,466	(386)	38,080
<b>Total shareholders equity</b>	<b>128,511</b>	<b>(386)</b>	<b>128,125</b>
Non-controlling interest in subsidiary	9,515	-	9,515
<b>Total equity</b>	<b>138,026</b>	<b>(386)</b>	<b>137,640</b>
<b>Total equity and liabilities</b>	<b>369,486</b>	<b>(50,945)</b>	<b>318,541</b>

SUMMARY CONSOLIDATED STATEMENT OF CASH FLOWS		
For the period ended 30 June 2023 with comparative figures for 2022 (in thousands of Barbados dollars)	2023	2022
<b>Cash flow from operating activities</b>		
Profit (loss) before tax	2,149	(1,279)
<b>Net cash (used in) operating activities</b>	<b>1,796</b>	<b>8,410</b>
<b>Net cash generated from investing activities</b>	<b>23,594</b>	<b>13,148</b>
<b>Net cash (used in) financing activities</b>	<b>(2,696)</b>	<b>-</b>
(Decrease) Increase in cash and cash equivalents	22,694	21,558
Cash and cash equivalents - beginning of year	48,568	68,007
<b>Cash and cash equivalents - end of period</b>	<b>71,262</b>	<b>89,565</b>

SUMMARY CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME		
For the period ended 30 June 2023 with comparative figures for 2022 (in thousands of Barbados dollars)	2023	2022
<b>Net income (loss) for the year after income taxes</b>	<b>2,149</b>	<b>(1,279)</b>
<b>Other comprehensive income:</b>		
<b>Items that will not be subsequently reclassified to profit or loss</b>		
Remeasurement of retirement benefit obligations	-	-
Revaluation of property, plant and equipment	-	-
Investments classified as FVOCI - Fair value (loss) gains	(483)	(1,604)
<b>Total comprehensive income (loss) for the year after income taxes</b>	<b>(483)</b>	<b>(1,604)</b>
<b>Comprehensive income (loss)</b>	<b>1,666</b>	<b>(2,883)</b>
<b>Comprehensive income attributable to:</b>		
Shareholders	1,464	(3,140)
Non-controlling interest in subsidiaries	202	257
<b>Total comprehensive income (loss) for the period</b>	<b>1,666</b>	<b>(2,883)</b>

## DIRECTORS

Joe Poulin (Chairman)  
Goulbourne Alleyne  
Rawle Knight  
Vicky Bathija  
James Edghill