

# INTER-ASSURE FINANCIAL HIGHLIGHTS 2018

## INDEPENDENT AUDITOR'S REPORT

**To: the shareholders and Board of Directors of Inter-Assure Schadeverzekeringsmaatschappij N.V.**

### Our opinion

The accompanying financial highlights 2018 of Inter-Assure Schadeverzekeringsmaatschappij N.V., based in Curaçao, are derived from the audited Annual Reports Automated Statements ("ARAS") of Inter-Assure Schadeverzekeringsmaatschappij N.V. for the year ended December 31, 2018.

In our opinion these financial highlights are consistent, in all material respects, with the audited ARAS of Inter-Assure Schadeverzekeringsmaatschappij N.V. in accordance with the General Insurance Annual Statement Composition and Valuation Guidelines issued by the Central Bank of Curaçao and Sint Maarten ("CBCS").

The accompanying highlights comprise:

- the balance sheet as at December 31, 2018;
- the profit and loss statement for 2018; and
- explanatory notes to the financial highlights as at December 31, 2018.

### Summary financial highlights

The financial highlights do not contain all the disclosures required by the General Insurance Annual Statement Composition and Valuation Guidelines, issued by the CBCS. Reading the financial highlights, therefore, is not a substitute for reading the audited ARAS of Inter-Assure Schadeverzekeringsmaatschappij N.V. including our auditor's report thereon. Those ARAS, and the financial highlights, do not reflect the effects of events that occurred subsequent to the date of our auditor's report on those ARAS.

### The audited ARAS and our auditor's report thereon

We expressed an unqualified audit opinion on those ARAS in our auditor's report dated February 26, 2019.

### Responsibilities of management and the Board

#### Directors for the financial highlights

Pursuant to the Provisions for the Disclosure of consolidated Financial Highlights of Insurance Companies, issued by the CBCS, Management is responsible for the preparation of the financial highlights derived from

the audited ARAS, in accordance with the General Insurance Annual Statement Composition and Valuation Guidelines, issued by the CBCS.

The Supervisory Directors are responsible for overseeing the company's financial reporting process.

### Our responsibilities

Our responsibility is to provide an opinion if the financial highlights are consistent, in all material respects, with the audited ARAS, based on our audit, in accordance with Dutch Standards on auditing, including Dutch Standard 810 "Engagements to report on summary financial statements"..

Curaçao, February 26, 2019

For and on behalf of BDO B.V.  
**G.W.H.J. Glaudemans RA**

## EXPLANATORY NOTES

### BASIC PRINCIPLES

#### General

Inter-Assure Schadeverzekeringsmaatschappij N.V., acts as a non-life insurance company advising, mediating and effecting general insurance contracts and settling claims.

#### Basis of preparation

The Annual Reports Automated Statements ("ARAS"), from which the financial highlights have been derived, are prepared in accordance with the ARAS Annual Statement Instructions and Valuation Guidelines, issued by the Central Bank of Curaçao and Sint Maarten ("CBCS"). The figures presented in these highlights are stated in thousands of Antillean Guilders and are rounded to the nearest thousand. The accounting policies are consistent, in all material respects, with those used in the previous year. For financial statement presentation purposes certain 2017 amounts may have been adjusted.

#### Receivables

Accounts receivable are shown after deduction of a provision for bad and doubtful debtors, where appropriate. The accounts receivable have a maturity date due within one year.

#### Technical reserves

##### Technical reserve for net unearned premiums

The technical reserve for net unearned premiums refers to accrued insurance premiums written in the reporting period, but with a remaining risk period of the paid premium in the following year. This reserve is presented net-off reinsurance premiums.

##### Technical reserve for claims

The technical reserve for claims refers to reported claims incurred but not settled as per year-end and to claims incurred but not reported at year-end (IBNR).

#### Short-term liabilities

The short-term liabilities are due within one year.

#### General result

Profit is determined as the difference between net earned premiums and all claims and expenses relating to the reporting period. Costs are determined in accordance with the accounting policies applied to the balance sheet. Profit is realized in the year in which the premiums are recognized. Losses are taken upon recognition. Other income and expenses are allocated to the periods to which they relate.

#### CONTINGENT LIABILITIES

None

#### CAPITAL OR SURPLUS COMMITMENTS

The company has a capital surplus that results in a solvency quote of 189%

#### SUBSEQUENT EVENTS AFFECTING THE STATED EARNINGS OF THE COMPANY

None

## BALANCE SHEET

As of December 31<sup>st</sup>  
In Thousands of Naf.

ASSETS	2018	2017
1. Non-Admissible Assets	465	475
2. Investments	-	-
2.1 Real Estate	-	-
2.2 Unconsolidated Affiliated Companies and Other Participations	-	-
2.3 Stock	-	-
2.4 Bonds and Other Fixed Income Securities	-	-
2.5 Participation in Non-Affiliated Investment Pools	-	-
2.6 Mortgage Loans	-	-
2.7 Other Loans	-	-
2.8 Deposits with Financial Institutions	1.200	1.200
2.9 Other Investments	-	-
3. Current Assets	1.893	1.703
4. Other Assets	148	-
<b>Total</b>	<b>3.706</b>	<b>3.378</b>
<b>Equity Provisions And Liabilities</b>		
5. Capital and Surplus	-	-
5.1 Capital	797	797
5.2 Surplus	666	365
5.3 Less Treasury Stock	-	-
6. Subordinated Instruments	-	-
7. Provisions for Insurance Obligations	-	-
7.1 Net Unearned Premium Provision	1.477	1.476
7.2 Net Claim Provision	514	589
7.3 Net Claim Adjustment Expense Provision	-	-
7.4 Funds Provision	-	-
7.5 Other Technical Provisions	-	-
8. Other Provision and Liabilities	-	-
9. Current Liabilities	252	151
10. Contingent Liabilities	-	-
<b>Total</b>	<b>3.706</b>	<b>3.378</b>

## PROFIT AND LOSS STATEMENT

As of December 31<sup>st</sup>  
In Thousands of Naf.

	2018	2017
1. Net Earned Premiums	2.795	2.924
2. Net Other Underwriting Income	-	-
3. Net Claims Incurred	1.224	1.487
4. Net Claim Adjustment Expenses Incurred	-	-
5. Net Changes in Various Other Provisions	-	-
6. Policyholders Dividends and Other Similar Benefits Incurred	-	-
7. Underwriting Expenses Incurred	958	974
8. Net Other Expenses Incurred	257	253
<b>9. Underwriting Results</b>	<b>356</b>	<b>210</b>
(Without Investment Income and Realized Capital Gains or Losses)		
10. Net Investment Income and Earned and Capital Gains or Losses	30	25
11. Other Results	-	-
12. Extraordinary Results	-	-
<b>13. Net Operational Results before Taxes</b>	<b>386</b>	<b>235</b>
14. Corporate Taxes Incurred	85	52
<b>15. Net Operational Results after Taxes</b>	<b>301</b>	<b>183</b>
16. Net Unrealized Gains or Losses	-	-
<b>17. Net Profit or loss</b>	<b>301</b>	<b>183</b>
<b>ANALYSIS OF UNASSIGNED EARNINGS</b>		
<b>18. Unassigned Earnings (Beginning of Year)</b>	<b>365</b>	<b>182</b>
A. Net Profit or Loss	301	183
B. Distribution of Accumulated Earnings	-	-
C. Other Changes in Unassigned Earnings	-	-
<b>19. Unassigned Earnings (End of Year)</b>	<b>666</b>	<b>365</b>

## MANAGEMENT REPORT

### Highlights 2018

We have great advantages as an insurance company. A clear vision and plan, a well-respected brand, stakeholder's trust, strong ethical code and professional skills. More importantly, we have the willingness to make the most out of them! Inter-Assure has had a good year again and there are many more to come. We have set our objectives to help our customers defy uncertainty. We are adopting digital to deliver more effectively and our financial performance sets us well for the future.

### Our People:

I would like to thank my colleagues for their continued support, innovation and energy, all at the highest level. Our business is built by people for the people and we do this with passion.

### Our community and customers

Inter-Assure serves a broad customer base, comprising individuals, families, small businesses,

large corporations and institutions. We do business on the basis of clearly defined principles and we carefully weigh the interests of all involved.

### Challenges and opportunities

2018 saw persisting challenges in the external environment. The non-commitment and non-performance of governments of Curaçao and St. Maarten remains a liability for the future economies of our islands. This means that as insurers we must disrupt or be disrupted. Meeting this challenge is a not to underestimate task especially in a low-yield environment. Meanwhile, shifting political landscape creates uncertainties for future legislation and regulation.

### Performance

Looking forward to 2019, we will continue our focus on increasing customer advocacy, staying a digital ringleader, capital optimization, managing our risk environment and increasing shareholder value.

Despite the economic downturn over the last eight years, our business has a firm basis for the future ahead.

Our figures 2018 show a solid profit of Ang 386.261,- (before taxes). Inter-Assure is prepared and will adapt to always changing conditions, in order to safeguard and secure our stakeholder's interests.

Over 2018 we have again received an actuarial certification from Couperus Actuariële Adviesgroep. This certification evidences a solvency ratio of 189% by year-end 2018 and has contributed to

building solid reserves for potential claims and unearned premiums in combination with a substantial and trustworthy reinsurance program with SCOR and Hannover Re.

We are confident that we will continue to grow in a sustainable manner and secure solid financial results in order to further strengthen our financial solidity.

*Thank you for your continued trust and support.*

Justus P. van der Lubbe, CEO

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