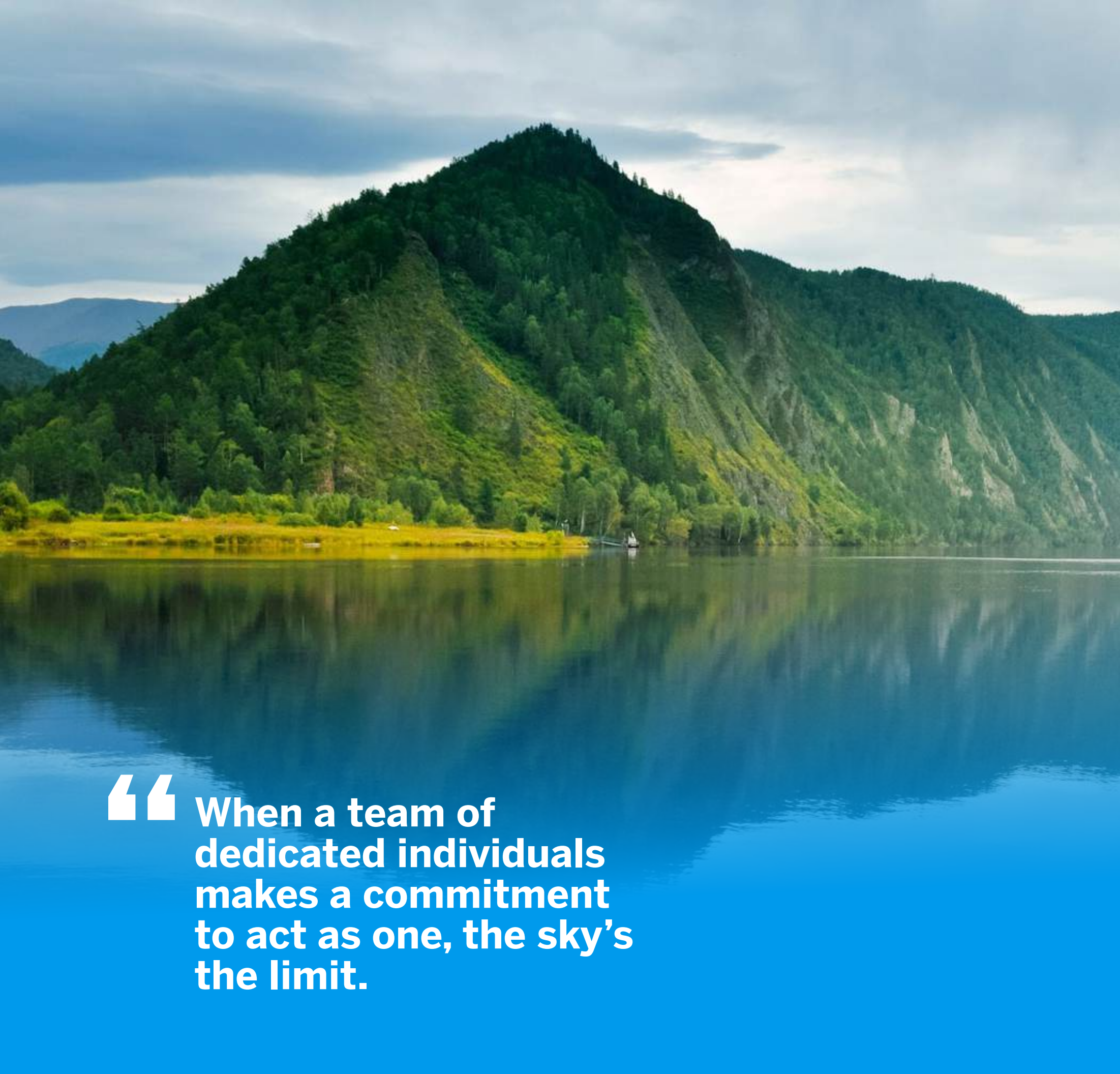


THE
MARITIME
FINANCIAL GROUP



STRENGTH ON YOUR SIDE

24
ANNUAL REPORT



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151	Serving You With Exceptional Service

“**When a team of dedicated individuals makes a commitment to act as one, the sky's the limit.**”

WHAT WE STAND FOR

OUR PURPOSE

- To serve in making the lives of our Team Members, Clients, and our Community better.
- To learn something every day.
- To seek innovation and excellence in everything we do.
- To grow profitably.

OUR VISION

Exceptional Service is Maritime's Business. We will be the premier, client-focused, service-driven, and action-oriented marketing organisation in the Caribbean.

OUR MISSION

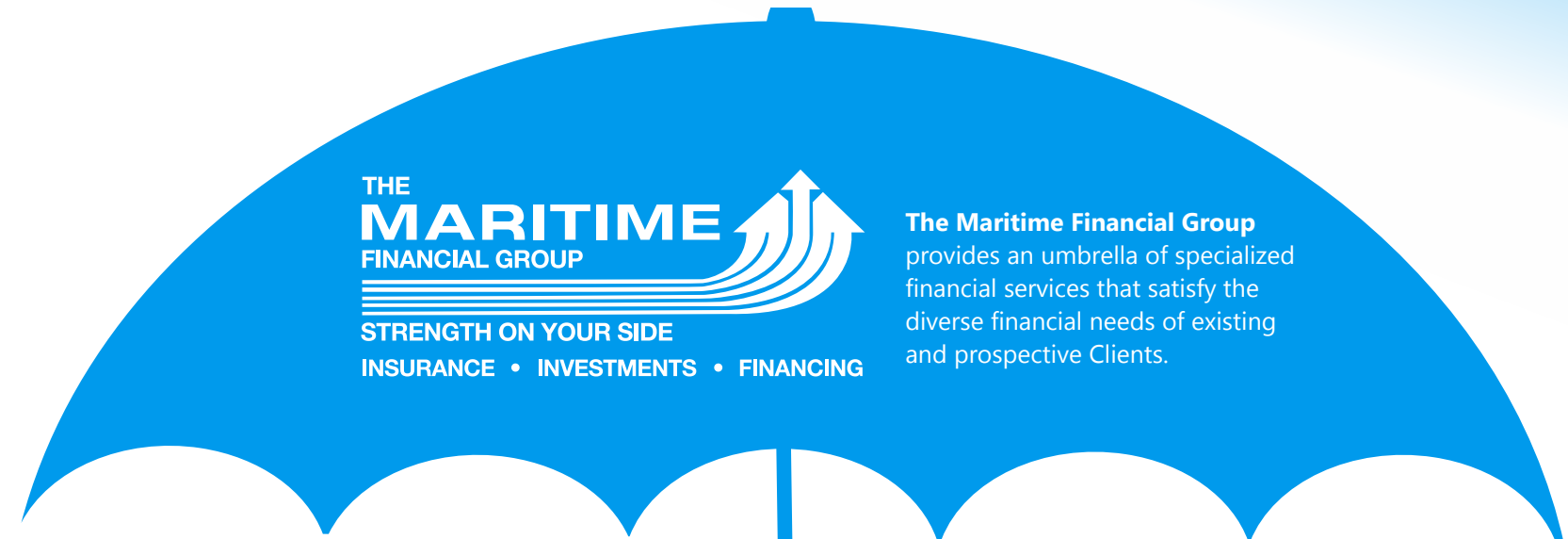
We are committed to adding value to our Clients' lives through a total service experience that delivers fully integrated innovative financial, retail, and property solutions.

We will secure the well-being of our Team Members and equity providers by conducting our business in a profitable, professional, ethical, and caring manner.

We will provide dynamic leadership in the economic and social development of our communities and our nation.



OUR STRENGTH



THE MARITIME FINANCIAL GROUP
STRENGTH ON YOUR SIDE
 INSURANCE • INVESTMENTS • FINANCING

The Maritime Financial Group provides an umbrella of specialized financial services that satisfy the diverse financial needs of existing and prospective Clients.



Maritime Life is one of the premier life insurance companies operating in Trinidad and Tobago. From life protection to retirement planning, Clients are assured that they are protected for life.

www.maritimefinancial.com



Maritime General is licensed to underwrite all classes of general insurance in Trinidad and Tobago. We provide solid coverage on everything from your car, to your home, to your business.

www.maritimefinancial.com



Fidelity Finance offers Personal and Commercial loans, mortgages with fixed deposit facilities. All fixed deposits are guaranteed by the Deposit Insurance Corporation (DIC) up to \$200,000.

www.fidelityfinancett.com



Maritime Capital is a wealth generation firm offering a suite of asset management services to business and non-business investors. Their offerings range from full portfolio management to financial advisory services.

www.maritimecapital.com

A MESSAGE FROM OUR CEO



We are all connected by lifestyle and culture. This is what we all work for.

At Maritime, we do not take trust, safety and security for granted. It is our business. It is how we earn our living and provide for the life of teams, customers, shareholders, communities and nation.

In 2024, we recorded another period of steady performance and growth, with a cautious eye on the uncertainties ahead.

The economic environment remained challenging with foreign exchange shortages, rising prices and crime. Our world continues to be shaped by conflict, sudden and devastating natural disasters and advancing technology. We are fortunate in exemplary Maritime leaders who keep up-to-date with global trends and markets, in touch with clients, while guiding forward-thinking teams. We remain sensitive to the changing needs of customers and community.

CONNECTIONS

In the year under review, we continued to work inside to out: from the specific and local to the national and regional. We focused on people to maintain trust and to build connections, to ensure the security of home and lifestyle, aspirations, hopes and dreams; of individuals, families, community and country. In so doing, we contribute to the welfare and stability of our nation.

At Maritime, we do not take trust, safety and security for granted. It is our business. It is how we earn our living and provide for the life of teams, customers, shareholders, communities and nation. We have made it our way of business and purpose to secure the quality of life for individuals, family, community and country.

For the year and continuing, we have celebrated and embedded the principles of Connection and Trust, in simple gestures such as monthly Foodie Fridays, creating fellowship through traditional favourites like doubles, corn soup, pastelles or bake and shark, across our company. In this way, we encourage familiarity that hopefully builds friendships across the company. Our younger staff members learn to depend on the experience and knowledge of the longer-serving members and trust the leaders of our company, modelling respect and engagement across the generations in the wider society. As in the company, so in the family and community.

We are all connected by lifestyle and culture. This is what we all work for.

As ever, our principal resource continues to be Maritime people whose intelligence, resilience and care work for all staff, associates, clients and the extended family. We are proud to work in the company of knowledgeable individuals who are in the forefront of innovating and adapting responsive processes and delivering exceptional service at every link in our value chain. We continue to invest in upgrading skills and attracting talent.

We are pleased to report that the Maritime Group remains focused on understanding customer priorities and delivering value.

Our Leadership Team

“The only limit to our realization of tomorrow will be our doubts of today.

- Franklin D. Roosevelt



ANDREW FERGUSON
CEO, Chairman



LESLEY J. ALFONSO
Director



PRAKASH DHANRAJH
Director



SURESH DUTTA
Director



DONALD GIBBON
Director



LAKSHMI KATWAROO
Director



LIONEL SIEUNARINE
Director



BARRIE ATTZS
Director



VAALMIKKI ARJOON
Director

BOARD OF DIRECTORS DESIGNATION

ANDREW FERGUSON

BSc, CPCU, ARe, FLMI, AFSB

Chief Executive Officer - Maritime Life (Caribbean) Limited
 Chief Executive Officer - Maritime General Insurance Company Limited
 Chairman – Maritime Life (Caribbean) Limited
 Chairman – Maritime Capital Limited
 Director – Maritime General Insurance Company Limited

LESLEY J. ALFONSO

MBA, BBA, FLMI

Director – Maritime Life (Caribbean) Limited

PRAKASH DHANRAJH

BSc

Director- Fidelity Finance and Leasing Company Limited

SURESH DUTTA

Chairman

M.Sc. Dip

Director – Maritime General Insurance Company Limited

DONALD GIBBON

MSc, FAPE, CEng, MICE, AIStructE

Director – Maritime Life (Caribbean) Limited
 Director – Maritime General Insurance Company Limited
 Director – Fidelity Finance and Leasing Company Limited

LAKSHMI KATWAROO

ACCA, MBA

Director- Maritime Life (Caribbean) Limited
 Director- Maritime General Insurance Limited

BARRIE ATTZS

Attorney at Law

Director- Maritime Capital Limited

VAALMIKKI ARJOON

PhD

Director- Maritime Capital Limited

LIONEL SIEUNARINE

DIP, BTech, B.Ed, M.Ed

Director- Maritime Life (Caribbean) Limited
 Director- Maritime General Insurance Limited

Executive Management



ANDREW FERGUSON
CEO, Chairman



SALAHUDEEN ALI
Chief Financial Officer



TREVOR BADDALOO
General Manager



YASID GILBERT
General Manager



MIKA ELLA-TANG
Acting General Manager



VARUN MAHARAJ
Chief Executive Officer



BALIRAM SAWH
General Manager

EXECUTIVE MANAGEMENT DESIGNATION

ANDREW FERGUSON

BSc., CPCU, ARe, FLMI, AFSB

Chief Executive Officer - Maritime Life (Caribbean) Limited
Chief Executive Officer - Maritime General Insurance
Company Limited

Chairman - Maritime Life (Caribbean) Limited

Chairman - Maritime Capital Limited

Director - Maritime General Insurance Company Limited

SALAHUDEEN ALI

FCCA, CA, CPA, CGA

Group Chief Financial Officer

Director - Fidelity Finance and Leasing Company Limited

Director - Maritime Capital Limited

TREVOR BADDALOO

General Manager - Career Agency Development

YASID GILBERT

BMath (ActSci), Gdip (BusMgt)

General Manager - Long Term Insurance Services

MIKA ELLA-TANG

MSc, BA, CPCU, CCP

Acting General Manager - Fidelity Finance and Leasing
Company Limited

VARUN MAHARAJ

CPA, CIM, MSc, LLB, LPC

Chief Executive Officer - Maritime Capital
Limited

BALIRAM SAWH

ACII

General Manager - Maritime General
Insurance Company Limited

Corporate Governance Statement



The Board of Directors (“Board”) and Management of Maritime Life (Caribbean) Limited and its Subsidiaries (“The Maritime Financial Group” or “the Group”) are committed to upholding a strong and fully functional governance framework across the Group. At The Maritime Financial Group (TMFG), we recognize that sound corporate governance is fundamental to achieving our strategic objectives and ensuring the long-term sustainability of our business for the benefit of all stakeholders.

The Group’s governance framework is characterized by active engagement with stakeholders, and a commitment to accountability through timely disclosures. The Board remains dedicated to fostering good corporate governance principles, ensuring transparency, compliance, and sustainability in all business operations.

The Group continues to conduct its operations in an ethical manner and in accordance with the highest standards of corporate governance by adopting, inter alia, the Corporate Governance Principles and Recommendations outlined in the Central Bank of Trinidad and Tobago’s Corporate Governance Guideline, and other requirements as stipulated by applicable legislation, to the extent appropriate to the size and nature of the Group’s operations.

The Role and Responsibilities of the Board

TMFG’s adopted Board charter aims to ensure that all Board members acting on behalf of their respective Company are fully aware of:

- Their duties and responsibilities;
- The relevant laws and regulations affecting their conduct; and
- The principles of good corporate governance to be applied in all their dealings within the respective Company.

The Board is collectively responsible for the long-term success of its respective Entity. The Chairman of the Board is responsible for its leadership, the overall efficiency of the organization and the conduct of the Board’s functions, including but not limited to, maintaining a relationship of trust among its members. The Directors have a balance and depth of skills, expertise and experience, along with knowledge of the Group and its individual Entities, which enable them to discharge their respective duties and responsibilities effectively. The Management team, led by the Chief Executive Officer (where applicable), is responsible for implementing strategies and managing the business at an operational level.

Board Committees

To enhance oversight, the Board may establish specialized Board Committees to focus on key areas, increase efficiency and allow for enhanced oversight. One such committee is the Audit Committee which is tasked with overseeing matters relating to the Entity’s governance, risk management, internal control practices, financial reporting and internal and external audit functions, among other matters.

A Charter or any other instrument that sets out the relevant Committee’s mandate, scope, delineated area of authority and working procedures supports the function of each Committee. Board and Board Committee Charters are reviewed, at a minimum, every two (2) years or more frequently if material changes necessitate an earlier review.

¹Financial Institutions registered under the Insurance Act, 2018 (Section 68(1)) and Financial Institutions Act 2008 (Section 36(1)) are required to have an established Audit Committee.

Corporate Culture and Values

The Group is committed to maintaining the highest standards of corporate practice and business conduct and actively promotes honesty and integrity in its dealings with Directors, Management, Team Members, Agents, Shareholders, Clients, Suppliers, Regulatory Authorities and any other stakeholder. To reinforce ethical conduct, the Group has adopted a Code of Ethics and Oath of Secrecy, guiding business operations to ensure:

- Integrity and fairness in all dealings
- Decision making in the best interest of the Group
- Compliance with all relevant laws and regulations.

The Group has also established a number of Board approved policies to demonstrate its commitment to ethical practices, including but not limited to, the following:

- Whistleblowing Policy
- Anti Fraud Policy
- Conflict of Interest Policy
- Connected Parties Transaction Policy

Relationship with Regulatory and Supervisory Authorities

The Group places considerable value on developing and maintaining effective, transparent, fair and well balanced relationships with its Regulatory and Supervisory Authorities (‘Regulators’). The key Regulators of the Group include the Central Bank of Trinidad and Tobago, the Trinidad and Tobago Securities Exchange Commission and the Financial Intelligence Unit of Trinidad and Tobago. The Group works closely with its Regulators through continuous communication, including timely notification of material issues, on a range of matters including:

- The Entities’ strategies, performance, business model, risks and risk management;
- The effectiveness of corporate governance at the Entities;
- Addressing identified areas of deficiencies;
- Other supervisory findings or expectations, as deemed applicable.

Establishment of a Compliance and Internal Audit Function

The Group has an established compliance function that is responsible for ensuring it operates with integrity and in adherence with applicable laws, regulations and internal policies and procedures. The Group Compliance Unit has a direct reporting line to the Chief Executive Officer – MLCL, the Board of Directors and where applicable the Audit Committee/ Audit and Compliance Committee of each Entity to communicate/ address compliance matters or issues of non-compliance.

The Group has an established internal audit function that is tasked with independently assessing and reporting on the effectiveness of the overall compliance framework, internal controls and the adequacy of policies and procedures. Internal Audit is also responsible for conducting reviews of processes and reporting identified deficiencies to the relevant Entity’s Board and or Audit/ Audit and Compliance Committee, where applicable.

Ongoing Commitment to Corporate Governance

Overall, at TMFG, we recognize that the process of identifying, developing and maintaining high standards of corporate governance suitable to the Group and its related Entities is ongoing and dynamic. We remain committed to maintaining high governance standards and ethical business practices while ensuring our framework evolves to meet the need of our stakeholders. We continue to strive to uphold corporate governance excellence through integrity, transparency and accountability.

Consolidated Financial Statements

FOR THE YEAR ENDED DECEMBER 31, 2024



(Maritime Life (Caribbean) Limited and its subsidiaries)

DIRECTOR'S REPORT

MARITIME LIFE (CARIBBEAN) LIMITED

To be presented at the Fifty-third Annual General Meeting of the shareholders to be held at the Corporate Offices, Maritime Centre, 29 Tenth Avenue, Barataria on March 28, 2025.

Your directors have pleasure in submitting their report for the year ended December 31st, 2024.

	2024 \$'000	2023 \$'000
1. Income for the year		
Net income for the year	65,134	117,333
Taxation	<u>(11,564)</u>	<u>2,464</u>
Net income for the year after taxation	53,570	119,797
Other comprehensive income/(loss)	430	(1,464)
Transfer upon disposal of equity investments at FVOCI	<u>1,926</u>	<u>1,155</u>
	55,926	119,488
Less: Non-controlling interests	<u>(7,356)</u>	<u>(7,980)</u>
	48,570	111,508
Add/less:		
Amount transferred from Capital Reserve	333	306
Amount transferred to Statutory Reserves	(1,746)	(1,738)
Dividends paid - 2022 (Final – 16,583,728 shares @ 35¢)	-	(5,804)
Dividends paid - 2023 (Interim – 16,583,728 shares @ 35¢)	(5,804)	-
Dividends paid - 2023 (Final – 16,583,728 shares @ 35¢)	(5,805)	-
Change in composition of Group	<u>-</u>	<u>659</u>
Leaving a balance to be carried forward of	<u><u>35,548</u></u>	<u><u>104,931</u></u>
2. Equity attributable to Shareholders of the Company	<u><u>1,480,554</u></u>	<u><u>1,427,997</u></u>
3. Insurance contracts liabilities	<u><u>2,015,017</u></u>	<u><u>1,919,658</u></u>
4. The directors have proposed an interim dividend of 35¢ per share, amounting to \$5,804,305 payable on March 28, 2025 to shareholders on record at March 20, 2025.		
5. In accordance with By Law 4.3 all the directors with the exception of the Managing Director, retire from office and being eligible offer themselves for re-election.		
6. The auditors, Messrs. PKF Limited, retire and being eligible, offer themselves for re-appointment as auditors of the Company.		

BY ORDER OF THE BOARD

THE MARITIME FINANCIAL GROUP LIMITED

Secretary

(Maritime Life (Caribbean) Limited and its subsidiaries)

CORPORATE INFORMATION

MARITIME LIFE (CARIBBEAN) LIMITED

BOARD OF DIRECTORS	
CHIEF EXECUTIVE OFFICER, CHAIRMAN	
Andrew Ferguson, BSc, CPCU, ARe, FLMI, AFSB	
NON-EXECUTIVE DIRECTORS	
Lesley J. Alfonso, MBA, BBA, FLMI	Maritime Life (Caribbean) Limited
Prakash Dhanrajh, BSc	Fidelity Finance and Leasing Company Limited
Suresh Dutta, MSc. Dip	Maritime General Insurance Company Limited
Donald Gibbon, BSc, MSc, FAPE, CEng, MICE, AIStructE	Maritime Life (Caribbean) Limited Maritime General Insurance Company Limited Fidelity Finance and Leasing Company Limited
Lakshmi Katwaroo, ACCA, MBA	Maritime Life (Caribbean) Limited Maritime General Insurance Company Limited
Lionel Sieunarine, Dip, B.Tech, B.Ed, M.Ed	Maritime Life (Caribbean) Limited Maritime General Insurance Company Limited
Barrie Attzs, Attorney at Law	Maritime Capital Limited
Vaalmikki Arjoon, PhD	Maritime Capital Limited
EXECUTIVE MANAGEMENT	
Andrew Ferguson, BSc, CPCU, ARe, FLMI, AFSB	Chairman and Chief Executive Officer
Salahudeen Ali, FCCA, CA, CPA, CGA	Group Chief Financial Officer Director - Fidelity Finance and Leasing Company Ltd Director - Maritime Capital Ltd
Gary Awai	Chief Executive Officer - Development Finance Limited
Trevor Baddaloo	General Manager - Career Agency Development
Yasid Gilbert, BMath (ActSci), GDip (BusMgmt)	General Manager - Long Term Insurance Services
Mika Ella-Tang, MSc, BA, CPCU, CCP	Acting General Manager - Financial and Trust Services
Varun Maharaj, CPA, CIM, MSc, LLB, LPC	Chief Executive Officer - Maritime Capital Limited Director - Development Finance Limited
Baliram Sawh, ACII	General Manager - General Insurance Services
BANKERS	
First Citizens Bank Limited, Port of Spain.	
Scotiabank Trinidad & Tobago Limited, Port of Spain.	
RBC Royal Bank (Trinidad & Tobago) Limited, Port of Spain.	
Republic Bank Limited, Port of Spain.	
ATTORNEYS	
Chersons, Port of Spain.	
Lex Caribbean, Port of Spain.	
Pollonais Blanc de la Bastide & Jacelon, Port of Spain.	
M. Hamel-Smith and Company, Port of Spain	
APPOINTED ACTUARY	Nazir Valani, FSA, FCIA, MAAA Toronto, Ontario, Canada
AUDITORS	PKF Limited, Barataria
REGISTERED OFFICE	29 Tenth Avenue, Barataria

(Maritime Life (Caribbean) Limited and its subsidiaries)

NOTICE OF MEETING

MARITIME LIFE (CARIBBEAN) LIMITED

NOTICE is hereby given that the Fifty-third Annual General Meeting of the above-named Company will be held at the Corporate Offices, Maritime Centre, 29 Tenth Avenue, Barataria on Friday March 28, 2025 at 1:00 pm for the following purposes:

1. To receive the Audited Financial Statements for the year ended 31st December 2024, together with the Reports of the Directors and Auditors thereon.
2. To declare a dividend.
3. To re-elect retiring directors.
4. To appoint auditors and authorise the Directors to determine the remuneration of such auditors.
5. To transact any other ordinary business.

BY ORDER OF THE BOARD

THE MARITIME FINANCIAL GROUP LIMITED

Secretary

March 07, 2025

Registered Office:

Maritime Centre
29 Tenth Avenue
Barataria
Trinidad, W.I.

NOTES:

A member entitled to attend and vote is entitled to appoint a proxy to attend and vote on his behalf and such proxy need not also be a member of the Company.

If the appointer is a corporation, the form of proxy must be under its common seal or under the hand of an officer of the corporation or attorney duly authorised in that behalf.

To be valid the instrument appointing a proxy duly completed and executed must be deposited at the registered office of the Company not less than forty-eight hours before the time appointed for holding the meeting.



4789 Yonge Street, Unit 810
Toronto, Ontario, Canada
M2N 0G3

ACTUARIAL CERTIFICATE

Maritime Life (Caribbean) Limited

In accordance with section 151 (1) (a) of the Insurance Act 2018, I have made a valuation of the actuarial liabilities of Maritime Life (Caribbean) Limited for its consolidated statement of financial position as at December 31, 2024. In my opinion, the aggregate amount of the liabilities of the Group in relation to its long term insurance business as at December 31, 2024 did not exceed the aggregate amount of those liabilities shown in the consolidated statement of financial position of the Group.

Nazir Valani

Nazir Valani, FSA, FCIA

Appointed Actuary – Maritime Life (Caribbean) Limited

April 30th, 2025

STATEMENT OF MANAGEMENT RESPONSIBILITIES


Management is responsible for the following:

- Preparing and fairly presenting the accompanying consolidated financial statements of Maritime Life (Caribbean) Limited, which comprise the consolidated statement of financial position as at December 31, 2024, the consolidated statement of income, the consolidated statements of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and a summary of material accounting policies and other explanatory information;
- Ensuring that the Group keeps proper accounting records;
- Selecting appropriate accounting policies and applying them in a consistent manner;
- Implementing, monitoring and evaluating the system of internal control that assures the security of the Group's assets, detection/prevention of fraud, and the achievement of Group's operational efficiencies;
- Ensuring that the system of internal control operated effectively during the reporting period;
- Producing reliable financial reporting that comply with laws and regulations, including the Companies Act; and
- Using reasonable and prudent judgement in the determination of estimates.

In preparing these audited financial statements, management utilized the IFRS Accounting Standards, as issued by the International Accounting Standards Board and adopted by the Institute of Chartered Accountants of Trinidad and Tobago. Where IFRS Accounting Standards presented alternative accounting treatments, management chose those considered most appropriate in the circumstances.

Nothing has come to the attention of management to indicate that the Group will not remain a going concern for the next twelve months from the reporting date; or up to the date the accompanying financial statements have been authorized for issue, if later.

Management affirms that it has carried out its responsibilities as outlined above.


Andrew Ferguson, BSc, CPCU, AIA, FLMI, AFSB
Chairman, Chief Executive Officer
April 30, 2025


Salahudeen Ali, FCCA, CA, CPA, CGA
Group Chief Financial Officer
April 30, 2025



INDEPENDENT AUDITORS' REPORT

To the Shareholders of
Maritime Life (Caribbean) Limited and its subsidiaries

Opinion

We have audited the consolidated financial statements of Maritime Life (Caribbean) Limited and its subsidiaries ("the Group"), which comprise the consolidated statement of financial position as at December 31, 2024, consolidated statement of income, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of material accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Group as at December 31, 2024 and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

Without qualifying our opinion we draw attention to Note 36 to the consolidated financial statements. The State laid several charges against Maritime Life (Caribbean) Limited and two of its subsidiaries, together with other companies and individuals. In April 2011, the Prosecution informed the Court that they would not be proceeding with the initial charge, in addition to some of the other charges. On 14 July 2017, Maritime Life (Caribbean) Limited was discharged in respect of the remaining charges. The ultimate outcome of the matters against the subsidiaries cannot presently be determined, and no provision for any liability that may result has been made in the consolidated financial statements.

Other information included in the Group's 2024 Annual Report

Management is responsible for the other information. Other information consists of the information included in the Annual Report, other than the consolidated financial statements and our auditors' report thereon. The annual report is expected to be made available to us after the date of this auditors' report.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

PKF Limited is a member PKF Global, the network of member firms of PKF International Limited, each of which is a separate and independent legal entity and does not accept any responsibility or liability for the actions or inactions of any individual member or correspondent firm(s).

Telephone: (868) 235-5063
Address: 111 Eleventh Street, Barataria 250623, Trinidad, West Indies
Mailing Address: PO Box 10205, Eastern Main Road, San Juan

Directors: Renée-Lisa Philip Mark K. Superville Jenine Felician-Romain Darcel Corbin

INDEPENDENT AUDITORS' REPORT (CONTINUED)

Other information included in the Group's 2024 Annual Report (continued)

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed on the other information that we obtained prior to the date of this auditors' report, we concluded that there is a material misstatement of this other information, we are required to communicate the matter to the Board of Directors.

Responsibilities of Management and the Board of Directors for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Group's financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements. Our audit fees for the Group assignment was nine hundred and fifty thousand, five hundred and fifty dollars.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

INDEPENDENT AUDITORS' REPORT (CONTINUED)

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements (Continued)

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Barataria
TRINIDAD
30 April 2025

(Maritime Life (Caribbean) Limited and its subsidiaries)

Consolidated Statement of Financial Position

At December 31, 2024

	Notes	2024 \$'000	2023 \$'000
Current assets	5	449,251	435,179
Reinsurance contract assets	6	233,823	252,951
Deferred tax asset	7	-	243
Financial assets	8	4,029,380	3,780,373
Investment properties	9	414,230	383,559
Property, plant and equipment	10	<u>234,525</u>	<u>209,847</u>
Total Assets		<u>5,361,209</u>	<u>5,062,152</u>
Financed By:			
Current liabilities	11	1,174,449	998,398
Deferred tax liabilities	7	1,931	1,062
Long term borrowings	12	550,807	582,602
Insurance contracts liabilities	13	<u>2,015,017</u>	<u>1,919,658</u>
Total Liabilities		<u>3,742,204</u>	<u>3,501,720</u>
Stated capital	14	16,584	16,584
Capital reserve	15	113,772	100,385
Catastrophe reserve	16	26,957	26,957
General reserve	17	12,334	12,334
Investment revaluation reserve	18	4,004	2,138
Foreign currency translation reserve	19	684	684
Statutory reserve	20	21,822	20,076
Retained earnings		<u>1,284,387</u>	<u>1,248,839</u>
Equity attributable to Shareholders of the Company		1,480,544	1,427,997
Non-controlling interests	21	<u>138,461</u>	<u>132,435</u>
Total Equity		<u>1,619,005</u>	<u>1,560,432</u>
Total Liabilities and Equity		<u>5,361,209</u>	<u>5,062,152</u>

These financial statements were approved by the Board of Directors and authorised for issue on April 30, 2025 and are signed on their behalf by:



Director



Director

The notes on pages 31 to 150 form part of these financial statements

(Maritime Life (Caribbean) Limited and its subsidiaries)

Consolidated Statement of Income

For The Year Ended December 31, 2024

	Notes	2024 \$'000	2023 \$'000
Total revenue		932,902	830,199
Total expenses		<u>(867,768)</u>	<u>(712,866)</u>
		<u>65,134</u>	<u>117,333</u>
Insurance revenue	22 (a)	496,892	446,159
Insurance service expenses	22 (b)	(217,153)	(252,555)
Net expense from reinsurance contracts	22 (c)	<u>(225,606)</u>	<u>(119,125)</u>
Insurance service result		<u>54,133</u>	<u>74,479</u>
Net investment result	23	189,562	167,450
Net finance expense from insurance contracts	22 (d)	(80,590)	(31,541)
Net finance income/(expense) from reinsurance contracts	22 (e)	<u>8,578</u>	<u>(610)</u>
Net financial result		<u>117,550</u>	<u>135,299</u>
Net other income	24	19,369	16,825
Non-directly attributable expenses	25	<u>(125,918)</u>	<u>(109,270)</u>
		<u>(106,549)</u>	<u>(92,445)</u>
Surplus before taxation		65,134	117,333
Taxation	26	<u>(11,564)</u>	<u>2,464</u>
Surplus after taxation		<u>53,570</u>	<u>119,797</u>
Surplus attributable to:			
Shareholders of the Company		46,214	111,817
Non-controlling interests	21	<u>7,356</u>	<u>7,980</u>
		<u>53,570</u>	<u>119,797</u>

The notes on pages 31 to 150 form part of these financial statements

(Maritime Life (Caribbean) Limited and its subsidiaries)

Consolidated Statement of Comprehensive Income

For The Year Ended December 31, 2024

	Notes	2024 \$'000	2023 \$'000
Surplus after taxation		53,570	119,797
Other comprehensive income			
<i>Items to be reclassified to profit or loss in subsequent periods:</i>			
Unrealised (losses)/gains on debt investments at FVOCI	18	(1,219)	462
		<u>(1,219)</u>	<u>462</u>
<i>Items not to be reclassified to profit or loss in subsequent periods:</i>			
Re-measurement of post-employment benefit asset	5(d)(i)	430	(1,464)
Gains on equity investments at FVOCI	18	5,011	14,998
Surplus on revaluation of owner-occupied properties	10(b)	13,720	2,288
		<u>19,161</u>	<u>15,822</u>
Other comprehensive income for the year		17,942	16,284
Total comprehensive income for the year		71,512	136,081
Total comprehensive income attributable to:			
Shareholders of the Company		64,156	128,101
Non-controlling interests	21	7,356	7,980
		<u>71,512</u>	<u>136,081</u>

The notes on pages 31 to 150 form part of these financial statements

(Maritime Life (Caribbean) Limited and its subsidiaries)

Consolidated Statement of Changes In Equity

For The Year Ended December 31, 2024

	Stated capital \$'000	Capital reserve \$'000	Catastrophe reserve \$'000	General reserve \$'000	Investment revaluation reserve \$'000	Foreign currency translation reserve \$'000	Statutory reserves \$'000	Retained earnings \$'000	Shareholders' equity \$'000	Non-controlling interests \$'000	Total equity \$'000
Balance at December 31, 2022	16,584	98,403	26,957	12,334	(12,167)	684	18,338	1,143,908	1,305,041	127,153	1,432,194
Surplus after taxation	-	-	-	-	-	-	-	111,817	111,817	7,980	119,797
Other comprehensive income	-	2,288	-	-	15,460	-	-	(1,464)	16,284	-	16,284
Transfer upon disposal of equity investments at FVOCI	-	-	-	-	(1,155)	-	-	1,155	-	-	-
	-	2,288	-	-	14,305	-	-	111,508	128,101	7,980	136,081
Change in composition of group	-	-	-	-	-	-	-	659	659	(1,368)	(709)
Dividends paid - 2022 (35¢)	-	-	-	-	-	-	-	(5,804)	(5,804)	(1,330)	(7,134)
Transfers to/(from) retained earnings	-	(306)	-	-	-	-	1,738	(1,432)	-	-	-
	-	1,982	-	-	14,305	-	1,738	104,931	122,956	5,282	128,238
Balance at December 31, 2023	16,584	100,385	26,957	12,334	2,138	684	20,076	1,248,839	1,427,997	132,435	1,560,432
Balance at December 31, 2023	16,584	100,385	26,957	12,334	2,138	684	20,076	1,248,839	1,427,997	132,435	1,560,432
Surplus after taxation	-	-	-	-	-	-	-	46,214	46,214	7,356	53,570
Other comprehensive income	-	13,720	-	-	3,792	-	-	430	17,942	-	17,942
Transfer upon disposal of equity investments at FVOCI	-	-	-	-	(1,926)	-	-	1,926	-	-	-
	-	13,720	-	-	1,866	-	-	48,570	64,156	7,356	71,512
Dividends paid - 2023 (70¢)	-	-	-	-	-	-	-	(11,609)	(11,609)	(1,330)	(12,939)
Transfers to/(from) retained earnings	-	(333)	-	-	-	-	1,746	(1,413)	-	-	-
	-	13,387	-	-	1,866	-	1,746	35,548	52,547	6,026	58,573
Balance at December 31, 2024	16,584	113,772	26,957	12,334	4,004	684	21,822	1,284,387	1,480,544	138,461	1,619,005

The notes on pages 31 to 150 form part of these financial statements

(Maritime Life (Caribbean) Limited and its subsidiaries)

Consolidated Statement of Cash Flows

For The Year Ended December 31, 2024

	2024 \$'000	2023 \$'000
Cash Flows from Operating Activities		
Surplus before taxation	65,134	117,333
Adjustments for:		
Depreciation (net)	8,315	7,344
Gains and losses (net)	(4,042)	19,564
Change in composition of Group	-	(709)
Increase in insurance contracts liabilities (net)	<u>111,415</u>	<u>19,257</u>
Operating surplus before working capital changes	180,822	162,789
Change in receivables	10,762	(53,382)
Change in customers' deposits and other funding instruments	120,951	167,722
Change in other payables	<u>1,202</u>	<u>30,722</u>
Cash generated from operations	313,737	307,851
Corporation taxes paid (net)	<u>(9,295)</u>	<u>(10,548)</u>
Net cash generated from operating activities	<u>304,442</u>	<u>297,303</u>
Cash Flows from Investing Activities		
Mortgage and other loans (net)	(22,590)	(8,079)
Other financial assets (net)	(235,954)	(423,679)
Investment properties (net)	(9,627)	(2,954)
Property, plant and equipment (net)	<u>(19,273)</u>	<u>(5,051)</u>
Net cash used in investing activities	<u>(287,444)</u>	<u>(439,763)</u>
Cash Flows from Financing Activities		
Borrowings (net)	(31,795)	162,846
Dividends paid to non-controlling interests	(1,330)	(1,330)
Dividends paid to shareholders	<u>(11,609)</u>	<u>(5,804)</u>
Net cash (used in)/generated from financing activities	<u>(44,734)</u>	<u>155,712</u>
Net change in cash and cash equivalents	<u>(27,736)</u>	<u>13,252</u>
Cash and cash equivalents		
- at beginning of year	<u>139,272</u>	<u>126,020</u>
- at end of year (Note 27)	<u><u>111,536</u></u>	<u><u>139,272</u></u>

The notes on pages 31 to 150 form part of these financial statements

(Maritime Life (Caribbean) Limited and its subsidiaries)

Notes to The Consolidated Financial Statements

For The Year Ended December 31, 2024

1. Incorporation and Principal Activity:

Maritime Life (Caribbean) Limited is incorporated in the Republic of Trinidad and Tobago and was continued under the provisions of the Companies Act, 1995 on 23rd March, 1999. Its principal activity is the carrying on of all classes of long term insurance business in Trinidad and Tobago. The Company's registered office and principal place of business are located at 29 Tenth Avenue, Barataria.

2. Summary of Material Accounting Policies:

(a) **Basis of preparation**

These financial statements are prepared in accordance with IFRS Accounting Standards and are stated in thousands of Trinidad and Tobago dollars, the currency of the primary economic environment in which the Group operates (the functional currency). They have been prepared under the historical cost convention except for the following assets, which are stated at fair values: financial assets at fair value through profit or loss (FVTPL), financial assets at fair value through other comprehensive income (FVOCI), investment properties, owner-occupied properties and post-employment benefit asset.

The accounting policies used are consistent with those of previous years except for the adoption of new standards and interpretations noted below.

(b) **New Accounting Standards and Interpretations**

- i. The Group has not applied the following standards, revised standards and interpretations that have been issued and are effective as they:
- do not apply to the activities of the Group; or
 - have no material impact on its financial statements.

Effective for annual periods beginning on or after 1 January 2024

IFRS S1*	General requirements for disclosure of sustainability-related financial information
IFRS S2*	Climate-related disclosures
IFRS 7	Financial Instruments: Disclosures - Amendments to address disclosure requirements to enhance the transparency of supplier finance arrangements and their effects on a company's liabilities, cash flows and exposure to liquidity risk
IFRS 16	Leases - Amendments clarifies how a seller-lessee subsequently measures sale and leaseback transactions that satisfy the requirements in IFRS 15 to be accounted for as a sale
IAS 1	Presentation of Financial Statements - Amendments regarding the classification of liabilities as current and non-current

(Maritime Life (Caribbean) Limited and its subsidiaries)

Notes to The Consolidated Financial Statements

For The Year Ended December 31, 2024

2. Summary of Material Accounting Policies (Continued):

(b) New Accounting Standards and Interpretations (continued)

IAS 1	Presentation of Financial Statements - Amendments regarding non-current liabilities with covenants
IAS 7	Statement of Cash Flows – Amendments to address disclosure requirements to enhance the transparency of supplier finance arrangements and their effects on a group's liabilities, cash flows and exposure to liquidity risk

* The application of these Sustainability Standards is not yet mandatory in our jurisdiction.

ii. The Group has not applied the following standards, revised standards and interpretations that have been issued but are not yet effective as they:

- do not apply to the activities of the Group;
- have no material impact on its financial statements; or
- have not been early adopted by the entity.

Effective for annual periods beginning on or after 1 January 2025

IAS 21	Effects of Changes in Foreign Exchange rates – Amendments to lack of exchange ability
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Effective for annual periods beginning on or after 1 January 2026

IFRS 1	First-time Adoption of IFRS Accounting Standards - Amendments regarding hedge accounting for a first-time adopter
IFRS 7	Financial Instruments: Disclosures - Amendments to address matters identified during the post-implementation review of the classification and measurement requirements of IFRS 9: Financial Instruments
IFRS 7	Financial Instruments: Disclosures - Amendments regarding contracts referencing nature-dependent electricity
IFRS 9	Financial Instruments - Amendments to address matters identified during the post-implementation review of the classification and measurement requirements of the standard
IFRS 9	Financial Instruments - Amendments to address a potential lack of clarity in the application of the requirements in the standard to account for an extinguishment of a lessee's lease liability
IFRS 9	Financial Instruments - Amendments regarding contracts referencing nature-dependent electricity

(Maritime Life (Caribbean) Limited and its subsidiaries)

Notes to The Consolidated Financial Statements

For The Year Ended December 31, 2024

2. Summary of Material Accounting Policies (Continued):

(a) New Accounting Standards and Interpretations (continued)

IFRS 9	Financial Instruments - Amendments to address the potential confusion between the definitions of the term 'transaction price' in IFRS 15: Revenue from Contracts with Customers, and the standard
IFRS 10	Consolidated Financial Instruments - Amendments relating to an investor determining whether another party is acting on its behalf as a 'de facto agent'
IAS 7	Statement of Cash Flows – Amendments to address the use of the term 'cost method' that is no longer defined in IFRS Accounting Standards

Effective for annual periods beginning on or after 1 January 2027

IFRS 7	Financial Instruments: Disclosures - Amendments to move the disclosure requirements in IAS 1 regarding puttable financial instruments, classified as equity instruments, to IFRS 7
IFRS 18	Presentation and Disclosure of Financial Statements
IFRS 19	Subsidiaries without Public Accountability: Disclosures

(c) Comparative Figures

Certain comparatives were restated to facilitate changes in presentation. These changes had no effect on the previously reported surplus.

(Maritime Life (Caribbean) Limited and its subsidiaries)

Notes to The Consolidated Financial Statements

For The Year Ended December 31, 2024

2. Summary of Material Accounting Policies (Continued):

(d) Basis of consolidation

i) Subsidiaries

The consolidated financial statements include the accounts of Maritime Life (Caribbean) Limited and its subsidiaries. All significant intra-group balances, transactions, income and expenses have been eliminated on consolidation.

The financial statements of the subsidiaries are prepared for the same reporting year as the parent company, using consistent accounting policies.

Subsidiaries are all entities over which the Group has control. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has power over the investee (i.e. existing right that give it the current ability to direct the relevant activities of the investee), exposure or rights, to variable returns from its involvement with the investee, and the ability to use its power over the investee to affect its returns. The Group considers all relevant facts and circumstances in assessing whether it has power over an investee; including the contractual arrangement with the other vote holders of the investee, rights arising from other contractual arrangements, and the Group's voting rights and potential voting rights. The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date control ceases.

The Group uses the purchase method of accounting for the acquisition of subsidiaries. The cost of the acquisition is measured as the fair values, at the date of exchange, of the assets given, liabilities incurred or assumed and equity instruments issued plus costs directly attributable to the acquisition. The excess of the cost of the acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. Goodwill is reviewed annually for impairment. Where the fair value of the Group's share of the identifiable net assets acquired exceeds the cost of the acquisition, the gain is recognised in profit or loss.

On October 06, 2011 the Group invested \$50 million in non-cumulative, non-voting convertible preference shares of Development Finance Limited. During 2012, \$30 million of these preference shares were converted into ordinary shares, representing a 49.75% interest. The option to convert the balance of \$20 million can be exercised at anytime, at the Group's discretion. In 2023, the Group acquired the 0.25% shareholding previously held by the original shareholders of the company at a cost of \$0.709 million. The company's financial statements were prepared as at December 31, 2024 and were audited by KPMG Chartered Accountants, Port-of-Spain, Trinidad.

(Maritime Life (Caribbean) Limited and its subsidiaries)

Notes to The Consolidated Financial Statements

For The Year Ended December 31, 2024

Summary of Material Accounting Policies (Continued):

(d) Basis of consolidation (continued)

i) Subsidiaries (continued)

South Coast One Limited and South Coast Two Limited were incorporated in the Republic of Trinidad and Tobago on March 18, 2016 and registered as external companies under the provisions of the Companies Act Chapter 308 of the Laws of Barbados. They acquired properties in Barbados in May 2016, and commenced leasing operations effective June 2016. All units have since been sold.

During 2015 and 2016, the Group invested in the Maritime Income & Growth Fund, (previously AIC TT Income & Growth Fund), and the Maritime Global Equity Fund (previously AIC TT Global Equity Fund), which were originally established by AIC Financial Group Limited (the "Former Fund Manager") under a Trust Deed dated November 2, 2004. The Former Fund Manager resigned effective February 23, 2014 and at a unit-holder's meeting on March 20, 2014 it was resolved to appoint Maritime Capital Limited, a wholly owned subsidiary of Maritime Life (Caribbean) Limited, as the new Fund manager. This was approved by the SEC under their cover letter dated February 5, 2015. The last audited financial statements for these funds as at April 30, 2024 were audited by BDO, Port-of-Spain, Trinidad. The Group held 86.80% (2023: 89.86%) and 79.10% (2023: 80.60%) respectively of these funds as at December 31, 2024.

There were no disposals of subsidiaries during the year.

A listing of the subsidiaries, their principal activities and place of incorporation is given in Note 37.

ii) Non-controlling interests

Non-controlling interests is that portion of the net surplus and net assets of a subsidiary that are not owned, directly or indirectly, by the Group.

iii) Associates

Associates are all entities over which the Group has significant influence i.e. the power to participate in the financial and operating policy decisions but is not control or joint control, generally accompanying a shareholding of between 20% and 50% of the voting rights, and that is neither a subsidiary nor an interest in a joint venture. Investments in associates are accounted for using the equity method. Under the equity method, the investments in associates are stated at cost plus the post acquisition changes in the Group's share of the associate's net assets, less any impairment in value. The Group's share of the results of operations of the associates, are included in profit or loss, whereas the share of the other comprehensive income of the associates, are included in other comprehensive income. There are no associates as at December 31, 2024.

(Maritime Life (Caribbean) Limited and its subsidiaries)

Notes to The Consolidated Financial Statements

For The Year Ended December 31, 2024

2. Summary of Material Accounting Policies (Continued):

(e) Cash and cash equivalents

For the purpose of the statements of cash flows, cash and cash equivalents comprise cash and bank balances, short term investments, bank overdrafts and short term borrowings.

Short term investments are highly liquid investments and comprise deposits placed with licensed banks and financial institutions and investments in treasury bills.

(f) Inventories

Inventories comprise goods held for resale in the ordinary course of business and are stated at the lower of cost and net realisable value. Cost is determined on the first in first out basis. Net realisable value is the estimated selling price in the ordinary course of business.

The carrying amount of inventories is recognised as an expense in the period in which the related revenue is recognised.

The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period in which the write-down or loss occurs.

(g) Land development

Land development represents lands held for development and resale and are stated at cost, plus development expenditure incurred and directly attributable borrowing costs.

(h) Financial instruments

Financial instruments are contracts that give rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial instruments are recognised when the Group becomes a party to the contractual provisions of the instrument.

(Maritime Life (Caribbean) Limited and its subsidiaries)

Notes to The Consolidated Financial Statements

For The Year Ended December 31, 2024

2. Summary of Material Accounting Policies (Continued):

(i) Financial assets

All regular way purchases and sales of financial assets are recognised or derecognised on the trade date i.e. the date on which the Group commits itself to purchase or sell an asset. A regular way purchase and sale of financial assets is a purchase or sale of an asset under a contract whose terms require delivery of the asset within the timeframe established generally by regulation or convention in the marketplace concerned.

When financial assets are recognised initially, they are measured at fair value of the consideration given plus transactions costs directly attributable to the acquisition of the asset.

Financial assets are derecognised when the contractual rights to receive the cash flows expire or where the risks and rewards of ownership of the assets have been transferred.

The Group classifies its financial assets based on the Group's business model and the financial assets contractual terms, measured at: fair value through profit or loss (FVTPL), fair value through other comprehensive income (FVOCI) and amortized cost (AC).

The Group measures debt instruments/loans at amortized cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows and
- The contractual terms of the financial asset gives rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amounts outstanding.

The Business Model reflects how the Group manages groups of financial assets to generate cash flows and achieve its business objective. An assessment is made at a portfolio level and is based on factors such as:

- The stated objectives and policies of the portfolios,
- How information about financial assets and their performance is reported and evaluated by the entity's key management personnel, and
- Management's identification of and response to the risks that affect the performance of the business model.

(Maritime Life (Caribbean) Limited and its subsidiaries)

Notes to The Consolidated Financial Statements

For The Year Ended December 31, 2024

2. Summary of Material Accounting Policies (Continued):

(i) **Financial assets (continued)**

The SPPI Test requires the Group to assess the contractual terms of the financial assets. In making this assessment, the Group considers whether the contractual cash flows are consistent with a basic lending arrangement i.e. interest includes typically the consideration for the time value of money and credit risk. However, where the contractual term introduces volatilities that are inconsistent with a basic lending arrangement or risk exposures, the related financial assets are to be classified and measured at FVTPL.

Equity instruments are generally measured at FVTPL. However, entities have an irrevocable option, on an investment-by-investment basis to present changes in the value of non-trading instruments in other comprehensive income without subsequent reclassification to profit or loss.

Financial assets at amortised cost includes loans.

- Loans comprise policy loans, automatic premium loans, mortgage loans and other loans.
- Policy loans and automatic premium loans are stated at outstanding principal plus accrued interest and are secured by the cash surrender values of the respective policies.
- Mortgage loans and other loans are stated at amortised principal using the effective interest rate method, less provision for impairment losses. Specific provisions are made for potential losses on non-performing loans on the basis of net realisable value. Periodic portfolio reviews are conducted during the course of each year to determine the adequacy of provisions.
- Mortgage loans are secured by residential and commercial properties whereas loans to small and medium enterprises and other loans are secured by various forms of collateral, including charges over tangible assets, hire purchase agreements, certificates of deposit, assignment of funds and personal guarantees.

(Maritime Life (Caribbean) Limited and its subsidiaries)

Notes to The Consolidated Financial Statements

For The Year Ended December 31, 2024

2. Summary of Material Accounting Policies (Continued):

(j) **Impairment of financial assets**

Under IFRS 9, the Group recognizes an allowance for expected credit losses (ECLs) associated with its assets carried at amortized cost at each reporting date.

ECLs are measured on either a 12-month or lifetime basis depending on whether a significant increase in credit risk has occurred since initial recognition or whether the asset is considered to be credit impaired. The Group uses the probability of default (PD) approach when calculating ECLs.

The 12-month ECL is the portion of lifetime ECL that results from default events on a financial instrument that are possible within 12 months after the reporting date. Lifetime ECL results from all possible default events over the expected life of the financial instrument. Both 12-month and lifetime ECLs are calculated on either an individual or collective basis, depending on the size and nature of the underlying portfolio of financial assets.

IFRS 9 outlines a three-stage model for impairment, which the Group uses to classify its financial assets:

Stage 1: When financial assets are first recognized, are not credit impaired, continue to perform in accordance with its contractual terms and conditions and credit risk is continuously monitored, the Group records an allowance based on 12-month ECLs.

Stage 2: When financial assets are identified as having significant increases in credit risk since origination, but are not yet deemed to be credit impaired, the Group records an allowance based on lifetime ECLs.

Stage 3: When financial assets have objective evidence of impairment at the reporting date i.e. when these financial assets are deemed to be credit impaired, the Group records an allowance based on lifetime ECLs.

(k) **Investment properties**

Investment properties comprise land and buildings held to earn rentals and/or for capital appreciation rather than occupied by the Group for use in the supply of goods and services or for administrative purposes. Land and buildings that comprise a portion held to earn rentals and/or for capital appreciation and another portion that is occupied by the Group for administrative purposes are classified as investment properties only if an insignificant portion is held for administrative purposes. Otherwise, it is classified under property, plant and equipment.

An investment property is recognised as an asset only if it is probable that the future economic benefits that are associated with the investment property will flow to the Group and its cost can be measured reliably.

(Maritime Life (Caribbean) Limited and its subsidiaries)

Notes to The Consolidated Financial Statements

For The Year Ended December 31, 2024

2. Summary of Material Accounting Policies (Continued):

(k) Investment properties (continued)

Investment properties are measured initially at cost including transaction costs. Cost is the amount of cash or cash equivalents paid or the fair value of other consideration given to acquire an asset at the time of its acquisition or construction.

After initial recognition investment properties are measured at fair values. Fair values are based on independent professional open market valuations that are conducted at least once every three years. The last valuations were done in 2022, 2023 and 2024. Gains and losses arising from changes in fair values are included in profit or loss in the period in which they arise.

Transfers to or from investment properties are only made when there is a change in use.

An investment property is derecognised on disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its disposal. The gain or loss arising from the retirement or disposal is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognised in profit or loss in the period of retirement or disposal.

(l) Property, plant and equipment

i) Property, plant and equipment are tangible items that are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes, and are expected to be used during more than one period.

The cost of an item of property, plant and equipment is recognised as an asset only if it is probable that the future economic benefits associated with the item will flow to the Group and its cost can be measured reliably.

Cost includes the purchase price and any expenditure directly attributable to the acquisition of the item. Expenditures incurred for repairs and maintenance are recognised in profit or loss as incurred.

The carrying amount of an item of property, plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognition of the item is determined as the difference between the net disposal proceeds and the carrying amount of the item and is recognised in profit or loss when the item is derecognised.

(Maritime Life (Caribbean) Limited and its subsidiaries)

Notes to The Consolidated Financial Statements

For The Year Ended December 31, 2024

2. Summary of Material Accounting Policies (Continued):

(l) Property, plant and equipment (continued)

ii) Owner occupied properties comprise land and buildings used by the Group for the supply of goods and services or for administrative purposes and are stated at fair values less accumulated depreciation and accumulated impairment losses.

Fair values are based on independent professional open market valuations that are conducted at least once every three years. The last valuations were done in 2022, 2023 and 2024. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the property and the net amount is restated to the revalued amount.

Increases in carrying amounts arising from revaluations are recognized in other comprehensive income and accumulated in equity under the heading of revaluation surplus in capital reserve. Increases are recognized in profit or loss to the extent that it reverses a revaluation decrease of the same asset previously recognized in profit or loss.

Decreases in carrying amounts arising from revaluations are recognized in other comprehensive income to the extent of any credit balance existing in revaluation surplus in respect of that asset. All other decreases are recognised in profit or loss.

Revaluation surpluses are transferred directly to retained earnings as the assets are used, measured as the difference between depreciation based on the revalued amounts and depreciation based on asset's original cost, and upon derecognition of the respective assets.

iii) Plant and equipment are stated at historical cost less accumulated depreciation.

iv) Property, plant and equipment are depreciated over their estimated useful lives using the straight line method at the following rates:

Buildings	2% per annum
Furniture/equipment	8.33-25% per annum
Motor vehicles	25% per annum
Equipment on lease	10-50% per annum

Land is not depreciated.

The depreciation method, useful lives and residual values of property, plant and equipment are reviewed annually. During the current year no changes were required.

(Maritime Life (Caribbean) Limited and its subsidiaries)

Notes to The Consolidated Financial Statements

For The Year Ended December 31, 2024

2. Summary of Material Accounting Policies (Continued):

(m) Financial liabilities

When financial liabilities are recognised initially, they are measured at fair value of the consideration given net of transaction costs directly attributable to the acquisition of the liability. Financial liabilities are re-measured at amortised cost using the effective interest method.

Financial liabilities are derecognised when they are extinguished i.e. when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability extinguished and the consideration paid is recognised in profit or loss.

Financial liabilities comprise accounts payable, bank overdrafts, customer deposits, other funding instruments and long term borrowings.

(n) Provisions

Provisions are recognised when there is a present (legal or constructive) obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount can be made.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

(o) Insurance contracts

i) Insurance contracts are those contracts under which the Group accepts significant insurance risk from the policyholder by agreeing to compensate the policyholder if an uncertain future event (insured event) adversely affects the policyholder.

Insurance risk is risk other than financial risk transferred from the policyholder to the Group. Investment contracts transfer financial risk but not insurance risk. Financial risk is the risk of a possible future change in either a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract.

Insurance risk is significant if and only if an insured event could cause the payment of significant additional benefits in any scenario, excluding scenarios that lack commercial substance.

Uncertainty under insurance contracts arises as to whether an insured event will occur, when it will occur or how much will be payable if it occurs.

Significant additional benefits are amounts that exceed those that would be payable if no insured event occurred.

(Maritime Life (Caribbean) Limited and its subsidiaries)

Notes to The Consolidated Financial Statements

For The Year Ended December 31, 2024

2. Summary of Material Accounting Policies (Continued):

(o) Insurance contracts (continued)

ii) Once a contract has been classified as an insurance contract it remains an insurance contract until all rights and obligations are extinguished or expire.

The liability under an insurance contract is removed from the consolidated Statement of Financial Position when and only when, it is extinguished i.e. when the obligation specified in the contract is discharged, cancelled or expires.

iii) Reinsurance contracts are those contracts entered into with reinsurers under which the Group is compensated for losses under one or more insurance contracts issued.

(p) Long term insurance contracts

i) Long term insurance contracts insure human life events (for example death, survival, permanent disability) over a long duration and include life assurance, annuity, and deposit administration contracts.

ii) Long term insurance contracts are valued by the Group's Appointed Actuary based on the requirements of IFRS 17.

iii) The assets and liabilities arising from long term insurance contracts include: Reinsurance Contract Assets (RCA), Liabilities for Remaining Coverage (LRC), Liabilities for Incurred Claims (LIC), Contractual Service Margin (CSM) and a Risk Adjustment (RA).

iv) The valuation by the Appointed Actuary at December 31, 2024 revealed a surplus before tax amounting to \$13,510,000 (2023: \$78,791,000), of which \$13,179,000 (2023: \$78,434,000) is allocated to shareholders and \$331,000 (2023: \$357,000) is allocated to "participating" policyholders.

(Maritime Life (Caribbean) Limited and its subsidiaries)

Notes to The Consolidated Financial Statements

For The Year Ended December 31, 2024

2. Summary of Material Accounting Policies (Continued):

(q) Short term insurance contracts

- i) Short term insurance contracts generally run for a period of twelve months and are subject to review and renewal at the end of that period. These contracts include property, motor, liability, marine, pecuniary loss and personal accident insurance contracts.
- ii) The liabilities arising under short term insurance contracts includes Liabilities for Remaining Coverage (LRC), Liabilities for Incurred Claims (LIC) and a Risk Adjustment (RA).
- iii) All insurance and reinsurance contracts are measured under the PAA based on the requirements of IFRS 17. The valuation was done by the Subsidiary's Appointed Actuary.

iv) Catastrophe reserves

Amounts set aside for catastrophe reserves are included in equity.

(r) Liability adequacy test

The Group assesses at each reporting date whether its recognised insurance liabilities are adequate, using current estimates of future cash flows under its insurance contracts. If that assessment shows that the carrying amount of its insurance liabilities is inadequate in the light of the estimated future cash flows, the entire deficiency is recognised in profit or loss and the amount of the relevant insurance contract liabilities is increased.

The Group has performed sensitivity analysis, in respect of Insurance Contracts in-force as at December 31, 2024. Results are shown in Note 31(a)(ii).

(s) Impairment of reinsurance assets

If a reinsurance asset is impaired the carrying amount is reduced accordingly and the impairment loss is recognised in profit or loss.

A reinsurance asset is impaired if, and only if, there is objective evidence, as a result of an event that occurred after initial recognition of the reinsurance asset, that the Group may not receive all amounts due to it under the terms of the contract and that event has a reliably measurable impact on the amount that the Group will receive from the reinsurer.

(Maritime Life (Caribbean) Limited and its subsidiaries)

Notes to The Consolidated Financial Statements

For The Year Ended December 31, 2024

2. Summary of Material Accounting Policies (Continued):

(t) Revenue recognition

- i) Investment and other income derived from long term insurance business is allocated to policyholders, whilst that derived from short term insurance and other operations is allocated to shareholders.
- ii) Interest income is accounted for using the effective interest rate method.

The effective interest rate method is a method of calculating the amortised cost of a financial instrument and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, where appropriate, a shorter period to the carrying amount of the financial instrument.

Accrual of interest income ceases when a payment on a loan is contractually ninety days in arrears and will only be recognised on a cash basis when the loan status is determined to be current.

- iii) Dividends are accounted for when the shareholders' right to receive the dividends is established.
- iv) Commissions receivable are recognized upon the billing of the respective premiums.
- v) Rentals under operating leases are recognised on a straight line basis over the lease term.

Leases which do not transfer substantially all the risks and rewards incidental to ownership are classified as operating leases. Assets leased under operating leases include land and buildings classified as investment properties and owner occupied properties, as well as motor vehicles and other equipment categorised as equipment on lease and included in property, plant and equipment. The lease terms range from three to five years.

- vi) Revenue from the sale of goods is recognised upon delivery and stated net of discounts and value added tax.
- vii) Miscellaneous income comprises profits from trading in foreign exchange, fees and other sundry income.

(Maritime Life (Caribbean) Limited and its subsidiaries)

Notes to The Consolidated Financial Statements

For The Year Ended December 31, 2024

2. Summary of Material Accounting Policies (Continued):

(u) Policyholders' benefits

- i) Death claims, disability claims and surrenders are recognised upon notification.
- ii) Maturities and annuities are accounted for when due.
- iii) Claims arising from short term insurance contracts are accounted for when they are incurred and are net of recoveries from subrogations and salvages. Subrogations are accounted for when received, whereas salvages are accounted for when the damaged properties (usually motor vehicle wrecks) are sold.

(v) Reinsurance premiums and recoveries

- i) Reinsurance premiums on long term insurance contracts are accounted for when due, which generally coincides with when the policy premium is due. Reinsurance claim recoveries are established at the time of the recording of the claim notification.
- ii) Premiums ceded on short term insurance contracts are accounted for on a pro-rata basis over the term on the respective policy coverage or of the respective reinsurance contract as appropriate. Reinsurance claim recoveries are established at the time of the recording of the claim liability.
- iii) Profit sharing commissions due to the Group are only recognised as commission income when there is reasonable certainty of collectability.

(w) Other direct costs

- i) Commissions payable are recognised on settlement of the respective premiums and are included in insurance service expenses.
- ii) Other costs include direct costs and expenses related to the retail operations.

(Maritime Life (Caribbean) Limited and its subsidiaries)

Notes to The Consolidated Financial Statements

For The Year Ended December 31, 2024

2. Summary of Material Accounting Policies (Continued):

(x) Expenses of management

Expenses of management were allocated between directly attributable (to insurance contracts) and non-directly attributable expenses. Directly attributable expenses are included in the insurance service expenses whereas non-directly attributable expenses are shown separately.

i) Directly attributable expenses

Directly attributable expenses are those included within the IFRS 17 measurement of insurance contract liabilities & insurance services expenses. These are part of IFRS 17 measurement and are shown as Insurance service expenses within the Statement of Income and form part of the Insurance service results. Directly attributable expenses are considered necessary in the fulfillment of insurance services.

ii) Employee benefits

Employee benefits are all forms of consideration given by the Group in exchange for service rendered by the employees and include both short term and post-employment benefits.

Short term benefits comprise wages and salaries, bonuses, national insurance contributions, paid annual vacation and sick leave and other non-monetary benefits including group health and group life coverage. They are recognised as a liability, net of payments made and charged as expenses to profit or loss.

The expected cost of accumulating compensated absences for vacation and sick leave not yet taken is measured as the additional amount that the Group expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

iii) Post-employment benefits

The Group has three pension plans.

All full time employees of Maritime Life (Caribbean) Limited and its wholly owned subsidiaries participate in a defined contribution plan. A defined contribution plan is a post-employment benefit plan under which an entity pays a fixed contribution into a fund and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and future periods. The Group's contribution to this plan is charged to profit or loss as incurred.

The subsidiary, Development Finance Limited, operates a defined contribution plan which cover employees employed since 2015 and a defined benefit plan for its other employees. A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The assets of the plan are held in a separate trustee-administered fund. The pension plan is funded by contributions from the subsidiary and the employees taking account the recommendations of independent qualified actuaries.

(Maritime Life (Caribbean) Limited and its subsidiaries)

Notes to The Consolidated Financial Statements

For The Year Ended December 31, 2024

2. Summary of Material Accounting Policies (Continued):

(x) Expenses of management (continued)

iii) Post-employment benefits (continued)

The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Re-measurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in other comprehensive income. The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in employee benefits in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to, or the gain or loss on curtailment is recognised immediately in profit or loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

iv) Other administrative expenses

Other administrative expenses include office, technology, real estate, legal and professional fees, advertising and sales promotions, and miscellaneous expenses.

(Maritime Life (Caribbean) Limited and its subsidiaries)

Notes to The Consolidated Financial Statements

For The Year Ended December 31, 2024

2. Summary of Material Accounting Policies (Continued):

(y) Foreign currencies

Foreign currency transactions during the year are translated into Trinidad and Tobago dollars at the exchange rates ruling at the date of the transactions. Assets and liabilities in foreign currencies at the reporting date are expressed in Trinidad and Tobago dollars at the exchange rates ruling at that date. Profits and losses arising on monetary assets and liabilities are accounted for in profit or loss whereas those arising on non-monetary assets and liabilities are accounted for in other comprehensive income.

(z) Taxation

i) Deferred taxation is provided using the liability method for all temporary differences between the carrying amounts and tax bases of assets and liabilities using current corporation tax rates. The principal temporary differences arise from tax losses carried forward, depreciation of property, plant and equipment, and amounts credited directly to equity. Deferred tax assets relating to the carry forward of unused tax losses are recognised to the extent that it is probable that future taxable profit will be available against which the unused tax losses can be utilised.

ii) Corporation tax is charged annually at 15% of investment and other income relating to long term insurance funds (other than approved pension plans) less investment expenses allowable in relation thereto. A further 10% corporation tax is chargeable on net surpluses arising from the annual actuarial valuations, when these are transferred to shareholders.

iii) The profits of Development Finance Limited and Caribbean Microfinance Trinidad and Tobago Limited are exempt from taxation under the Corporation Tax Act, Chapter 75.02 as amended, but the companies are required to pay Green Fund Levy.

iv) Corporation tax is charged annually at 30% (2023: 30%) in respect of surpluses from short term insurance and other operations.

(aa) Administered funds

The assets and liabilities under administration by the Group have not been included in these financial statements. Gross assets under administration amounted to \$7,300,000 at December 31, 2024 (2023: \$28,034,000).

(Maritime Life (Caribbean) Limited and its subsidiaries)

Notes to The Consolidated Financial Statements

For The Year Ended December 31, 2024

3. Critical Judgements in Applying Accounting Policies and Key Sources of Estimation Uncertainty:

- (a) The preparation of financial statements in accordance with IFRS Accounting Standards requires management to make judgements, estimates and assumptions in the process of applying the Group's accounting policies.

These are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances, and are reviewed on an ongoing basis. Actual results could differ from those estimates.

Changes in accounting estimates are recognised in profit or loss in the period in which the estimate is changed, if the change affects that period only, or in the period of the change and future periods if the change affects both current and future periods.

(b) **Critical judgements**

The critical judgements, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements, are as follows:

- i) Whether investments are classified as financial assets at fair value through profit or loss, financial assets through other comprehensive income, or financial assets at amortised cost.
- ii) Measurement of the expected loss allowance.
- iii) Whether land and buildings are classified as land development, investment properties or owner-occupied properties.
- iv) Whether leases are classified as operating leases or finance leases.
- v) Which depreciation method for property, plant and equipment is used.
- vi) Which cost formula is used for the valuation of inventories.
- vii) Whether policy contracts issued are classified as insurance contracts or investment contracts.
- viii) The methods used for the valuation of assets and liabilities arising under reinsurance and insurance contracts.
- ix) When insurance premiums are recognised in profit or loss.
- x) Contractual service margin

The CSM of a group of contracts is recognized in profit or loss to reflect services provided in each year based on the number of coverage units provided in the year, which is determined by considering for each contract the quantity of the benefits provided and its expected coverage period. The coverage units are reviewed and updated at each reporting date for the expected remaining insurance contract and new business.

Group Health & Life and other short-term insurance contracts are measured under PAA and therefore would not generate a CSM.

(Maritime Life (Caribbean) Limited and its subsidiaries)

Notes to The Consolidated Financial Statements

For The Year Ended December 31, 2024

3. Critical Judgements in Applying Accounting Policies and Key Sources of Estimation Uncertainty (Continued):

(b) **Critical judgements (continued)**

x) Contractual service margin (continued)

For insurance contracts that provide both insurance coverage and investment services, the assessment of the quantity of benefits entails determining the relative weighting of the benefits provided to the policyholder by these services, determining how the benefits provided by each service change over the coverage period and aggregating those different benefits.

To determine the relative weighting of the benefits provided by insurance coverage and investment services, the Group generally considers the selling prices for the services had they been offered on a stand-alone basis and adjusts the quantity of benefits for each service in proportion to those stand-alone selling prices. The stand-alone selling price for a service may be evidenced by observable prices when the Group sells that service separately to policyholders with similar characteristics.

Investment components

The Group identifies the investment component of a contract by determining the amount that it would be required to repay to the policyholder in all scenarios with commercial substance. These include circumstances in which an insured event occurs or the contract matures or is terminated without an insured event occurring. Investment components are excluded from insurance revenue and insurance service expenses.

Universal life, participating and non-participating whole life contracts have explicit surrender values. The investment component excluded from insurance revenue and insurance service expenses is determined as the surrender value specified in the contractual terms less any accrued fees and surrender charges.

The Group's other contracts do not contain investment components. These include deferred fixed annuity contracts that provide policyholders with a right to surrender the contract during the accumulation period and receive the current account value less any surrender charges. The Group determines that these contracts do not include any investment component, because the Group is not required to pay any amount if the policyholder does not surrender the contract and does not survive until the first annuity payment date. Consequently, any surrender payments are treated as premium refunds for unused coverage.

Fair value of insurance contracts

The Group has measured the fair value of insurance contracts when it applied the fair value approach on transition to IFRS 17. The Group has measured the fair value of insurance contracts as the sum of (a) the present value of the net cash flows expected to be generated by the contracts, determined using a discounted cash flow technique; and (b) an additional margin, determined using a confidence level technique.

(Maritime Life (Caribbean) Limited and its subsidiaries)

Notes to The Consolidated Financial Statements

For The Year Ended December 31, 2024

3. Critical Judgements in Applying Accounting Policies and Key Sources of Estimation Uncertainty (Continued):

(b) Critical judgements (continued)

x) Contractual service margin (continued)

Fair value of insurance contracts (continued)

The cash flows considered in the fair value measurement are consistent with those that were within the contract boundary. Therefore, the cash flows related to expected future renewals of insurance contracts are not considered in determining the fair value of those contracts if they are outside the contract boundary.

The Group's approach to measuring fair value differs from the IFRS 17 requirements for measuring fulfilment cash flows in certain respects. These differences gave rise to a CSM at the date of acquisition or transition. In particular, in measuring fair value the Group:

- considers the cash flows included in the measurement of fulfilment cash flows but adjusts them to reflect the perspective of market participants. For example, expense cash flows are increased to cover a reasonable level of general overheads that are not directly attributable to fulfilling the insurance contracts but that a market participant acquiring the contracts would expect to bear;
- uses the discount rates applied in measuring fulfilment cash flows but increases the rates to reflect the effect of the Group's non-performance risk; and
- includes a margin comprising a risk premium to reflect what market participants would demand as compensation for the uncertainty inherent in the cash flows and a profit margin to reflect what market participants would require to assume the obligations to service the insurance contracts. In determining the risk premium, the Group allows for certain risks that were not reflected in the fulfilment cash flows but would be considered by market participants – e.g. general operational risk.

(Maritime Life (Caribbean) Limited and its subsidiaries)

Notes to The Consolidated Financial Statements

For The Year Ended December 31, 2024

3. Critical Judgements in Applying Accounting Policies and Key Sources of Estimation Uncertainty (Continued):

(b) Critical judgements (continued)

xi) Discount rate

Discount rates is the most critical assumption. The basis of the discount rate is Risk Free rates plus a liquidity premium.

Insurance companies may choose between the bottom-up and top-down approaches based on factors such as the complexity of their insurance contracts, available data, and systems capabilities. The bottom-up approach is particularly suitable for insurers with diverse portfolios and varying contract terms that require detailed assessment of cash flows and profitability.

The bottom-up approach ensures that the measurement of insurance liabilities under IFRS 17 reflects the specific characteristics and risks of individual insurance contracts. It enhances transparency and accuracy in financial reporting by providing a more detailed view of the profitability and obligations associated with each contract.

The Group used the bottom-up approach to determine the discount rates.

xii) Risk Adjustment

Risk Adjustment is the amount that insurers include in the measurement of insurance contract liabilities to compensate for the risk and uncertainty inherent in the future cash flows. It represents an additional amount that policyholders would require to transfer the insurance risk from the policyholder to another party.

(Maritime Life (Caribbean) Limited and its subsidiaries)

Notes to The Consolidated Financial Statements

For The Year Ended December 31, 2024

3. Critical Judgements in Applying Accounting Policies and Key Sources of Estimation Uncertainty (Continued):

(c) Key assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date (requiring management's most difficult, subjective or complex judgements) that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

i) Fair values

The fair values of financial assets are based on quoted market prices for specific or similar instruments.

The fair values of land and buildings are based on independent professional open market valuations.

ii) Measurement of the expected credit loss allowance - IFRS 9

The measurement of impairment losses under IFRS 9 requires the use of complex models and requires significant assumptions. A number of significant accounting judgements and estimates were required for the ECL model, these include:

- The Group's internal credit rating model, as this was used in calculating PD;
- The estimation of the present value of collateral values when determining impairment losses;
- Determining criteria for assessing if there has been a significant increase in credit risk; and
- Development of ECL models, including the various formulae.

iii) Business Model Assessment

Classification and measurement of financial assets depends on the results of the SPPI and business model assessment. The Group determines the business model at a level that reflects how financial assets are managed together to achieve the business objectives. An assessment is made at a portfolio level and is based on factors such as:

- How information about financial assets and their performance is reported and evaluated by the entity's key management personnel; and
- Management's identification of and response to the risks that affect the performance of the business model.

iv) Deferred tax assets

Management uses judgement in determining whether it is probable that future taxable profits will be available against which unused tax losses can be utilised before deferred tax assets arising therefrom are recognised.

(Maritime Life (Caribbean) Limited and its subsidiaries)

Notes to The Consolidated Financial Statements

For The Year Ended December 31, 2024

3. Critical Judgements in Applying Accounting Policies and Key Sources of Estimation Uncertainty (Continued):

(c) Key assumptions (continued)

v) Property, plant and equipment

Management exercises judgement in determining whether future economic benefits can be derived from expenditures to be capitalised, and the useful lives and residual values of these assets.

vi) Long term insurance contracts liabilities

At the inception of the contract, management and the Appointed Actuary determine assumptions regarding mortality, morbidity, lapses, surrenders, return on investments, and the level of expenses that have a material effect on the valuation of insurance liabilities. These assumptions are based on past experience as well as prevailing and expected future conditions. They are reviewed annually and are changed as current and future expected circumstances change.

vii) Short-term insurance contracts liabilities

The Subsidiary's Appointed Actuary estimated the related projected claims and expenses based on past experience and other relevant information and performed calculations related to discounting and risk adjustment.

(Maritime Life (Caribbean) Limited and its subsidiaries)

Notes to The Consolidated Financial Statements

For The Year Ended December 31, 2024

4. Risk and Capital Management

Insurance and reinsurance contracts expose the Group to underwriting risk, which comprises insurance risk, policyholder behaviour risk and expense risk.

In addition, the Group is exposed to financial and operational risks from insurance and reinsurance contracts and financial instruments. Financial risks include credit risk, liquidity risk and market risk.

Market risk comprises currency risk, interest rate risk and other price risk.

This note presents information about the Group's risk exposures, and the Group's objectives, policies and processes for measuring and managing risks and for managing capital.

(i) *Risk management framework*

The Group's Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Group's Risk Committee is responsible for approving and monitoring the Group's risk management policies, and reports regularly to the Board of Directors on its activities.

The Group's risk management policies are established to identify and analyze the risks faced by the Group, set appropriate risk limits and controls, and monitor adherence to risk limits. Risk management policies are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Group's Audit Committee oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. It is assisted in its oversight role by Internal Audit, which undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Group's Audit Committee.

Risk is managed at the individual company/business unit level where the business is transacted, based on the principles and policies established at Group level. An integrated approach to risk management involves common measurement of risk to allow for aggregation at Group level. Operating within this policy framework, the Group employs risk management programs, including asset-liability matching (ALM) processes, and reinsurance programs. Programs are in place at the individual company level and are an integral part of the Group's overall risk management framework.

(Maritime Life (Caribbean) Limited and its subsidiaries)

Notes to The Consolidated Financial Statements

For The Year Ended December 31, 2024

4. Risk and Capital Management (Continued)

(ii) *Key risks arising from contracts issued*

The Group issues insurance contracts. The nature and extent of the underwriting and financial risks arising from these contracts are determined by the contract design. The risks are evaluated for risk management purposes in conjunction with the risks mitigated by related reinsurance contracts and the risks arising from financial assets held to fund the settlement of the liabilities. The extent to which profit or loss and equity in any period are sensitive to financial risks depends on the extent to which they are economically hedged or borne by contract holders and the extent of any mismatches inherent in the accounting policies adopted by the Group.

IFRS 17		
Business Line	Portfolio (Group)	Measurement Methodology
Life Assurance Funds	Whole Life Non Par	GMM
	Annuity Non Par	GMM
	Term Life Non Par	GMM
	Major Medical	GMM
	Critical Illness	GMM
	Universal Life Par	VFA
	Pension Non Par	GMM
	Whole Life Dividend	GMM
	Annuity Dividend	GMM
	Annuity Par	VFA
Group	Group Life	PAA
	Group Health	PAA
Short term Insurance	Motor, Property, Liability, Marine, Pecuniary Loss, Personal Accident	PAA

(Maritime Life (Caribbean) Limited and its subsidiaries)

Notes to The Consolidated Financial Statements

For The Year Ended December 31, 2024

4. Risk and Capital Management (Continued):

(iii) *Underwriting risk*

Underwriting risk comprises insurance risk, policyholder behaviour risk and expense risk.

- Insurance risk: the risk transferred from the policyholder to the Group, other than financial risk. Insurance risk arises from the inherent uncertainty about the occurrence, amount or timing of claims.
- Policyholder behaviour risk: the risk that a policyholder will cancel a contract (i.e. lapse or persistency risk), increase or reduce premiums, withdraw deposits or annuitize a contract earlier or later than expected.
- Expense risk: the risk of unexpected increases in the administrative costs associated with the servicing of a contract (rather than in the costs associated with insured events).

Management of underwriting risk

The Board of Directors sets the Group's strategy for accepting and managing underwriting risk. Specific underwriting objectives – e.g. aggregation limits, reinsurance protection thresholds and line of business diversification parameters – are prepared and reviewed by the Group's Chief Risk Officer. The Board continuously reviews its underwriting strategy in the light of evolving market pricing and loss conditions and as opportunities present themselves.

(iv) *Market risk*

Market risk is the risk that changes in market prices – e.g. foreign exchange rates, interest rates and equity prices – will affect the fulfilment cash flows of insurance and reinsurance contracts as well as the fair value or future cash flows of financial instruments. The objective of market risk management is to control market risk exposures within acceptable parameters while optimizing the return on risk.

Market risk principally arises from the Group's equity investments, interest-bearing financial assets and financial liabilities, and financial assets and financial liabilities denominated in foreign currencies, but these exposures are largely offset by similar exposures arising from insurance and reinsurance contracts. The nature of the Group's business and ALM processes means that it is exposed to market risk on net assets representing shareholders' equity. Interest rate risk and equity price risk also arise from interest rate and equity guarantees in the Group's insurance and investment contracts to the extent that they are not economically hedged or borne by contract holders.

(Maritime Life (Caribbean) Limited and its subsidiaries)

Notes to The Consolidated Financial Statements

For The Year Ended December 31, 2024

4. Risk and Capital Management (Continued):

(v) *Market risk (continued)*

Management of market risk

The Board of Directors sets the Board's strategy for managing market risk. The Group's Investments Committee oversees the implementation of this strategy and the ALM framework.

The ALM framework seeks to match the cash flows arising from the Group's financial investments with the cash flows arising from its insurance while optimizing long-term investment return on its financial investments representing shareholders' equity for an acceptable level of risk. The Investments Committee seeks to achieve this by setting limits both for each type of risk in aggregate across the Group and for individual portfolios. On a day-to-day basis, responsibility for monitoring market risk exposures rests with executive management.

In the participating segment, changes in the fair value of underlying items due to changes in market variables are largely reflected in the value of the related insurance contracts. The Group is exposed to market risk only to the extent of the changes in its share of the fair value of the underlying items that are not economically hedged, represented by the CSM.

(vi) *Interest rate risk - Exposure to interest rate risk*

Interest rate risk on financial instruments arises primarily from the Group's investments in debt securities. These investments are exposed to the risk of adverse changes in fair values or future cash flows because of changes in market interest rates.

Most of the deferred fixed annuity, universal life, variable annuity and traditional participating contracts issued by the Group contain interest rate guarantees. Many of these guarantees come into effect over a narrow range of interest rates.

The Group manages interest rate risk by closely matching, where possible, the durations of insurance contracts with fixed and guaranteed terms and the supporting financial assets. The Group monitors its interest rate risk exposure through periodic reviews of asset and liability positions. Additionally, estimates of cash flows and the impact of interest rate fluctuations are modelled and reviewed periodically.

(Maritime Life (Caribbean) Limited and its subsidiaries)

Notes to The Consolidated Financial Statements

For The Year Ended December 31, 2024

4. Risk and Capital Management (Continued):

(vii) Capital management

(a) Regulatory capital

The Group's Management Committee uses regulatory capital ratios to monitor the Group's capital base. The Group's policy is to maintain a strong capital base to maintain investor, creditor and market confidence and to sustain the future development of the business. The Group recognizes the impact of the level of capital on shareholders' returns and the need to maintain a balance between the higher returns that might be possible with greater gearing and the advantages and security afforded by a stronger capital position.

The Group's regulatory capital is financed by shareholders' funds. Various deductions are made for other assets and liabilities that are treated differently for regulatory capital purposes.

The Central Bank of Trinidad and Tobago ("CBTT"), monitors the capital requirements for the Company and the subsidiaries, Development Finance Ltd, Fidelity Finance and Leasing Company Ltd and Maritime General Insurance Company Ltd, whereas Maritime Capital Ltd is regulated by the Trinidad and Tobago Securities and Exchange Commission (TTSEC) (Note 35).

(b) Capital allocation

The allocation of capital between specific operations and activities is, to a large extent, driven by optimization of the return achieved on the capital allocated. The process of allocating capital to specific operations and activities is undertaken independently of those responsible for the operation by the Group's risk department and is subject to review by the Group's Investment Committee.

Although maximization of the return on capital is the principal basis used in determining how capital is allocated within the Group to particular operations or activities, it is not the sole basis used for decision making. Account is also taken of synergies with other operations and activities, the availability of management and other resources, and the fit of the activity with the Group's longer-term strategic objectives.

(Maritime Life (Caribbean) Limited and its subsidiaries)

Notes to The Consolidated Financial Statements

For The Year Ended December 31, 2024

5. Current Assets:

	2024 \$'000	2023 \$'000
Cash and bank balances	160,964	148,476
Short term investments	80,607	67,766
Central Bank reserve account	72,135	63,948
Accounts receivable and prepayments	91,882	114,060
Inventories	5,174	3,567
Taxation recoverable	7,999	8,323
Post-employment benefits	30,490	29,039
	<u>449,251</u>	<u>435,179</u>
(a) Short term investments - Concentration:		
Deposits with licensed banks and financial Institutions	80,607	22,877
Treasury Bills	-	44,889
	<u>80,607</u>	<u>67,766</u>

(b) Central Bank reserve account

The Financial Institutions Act 2008, requires that every financial institution hold and maintain an account with the Central Bank of Trinidad and Tobago to be called a reserve account which at present, is to be equivalent to 9% of the total liabilities to depositors. This account is non-interest bearing.

(Maritime Life (Caribbean) Limited and its subsidiaries)

Notes to The Consolidated Financial Statements

For The Year Ended December 31, 2024

5. Current Assets (Continued):

(c) Accounts receivable

	2024 \$'000	2023 \$'000
i) Balances outstanding		
Accrued investment income	52,979	50,485
Other receivables	<u>61,359</u>	<u>85,430</u>
	114,338	135,915
Less: Impairment provision	<u>(22,456)</u>	<u>(21,855)</u>
	<u>91,882</u>	<u>114,060</u>
ii) Impairment provision		
Balance brought forward	21,855	21,186
Provision for the year	<u>601</u>	<u>669</u>
	<u>22,456</u>	<u>21,855</u>

(Maritime Life (Caribbean) Limited and its subsidiaries)

Notes to The Consolidated Financial Statements

For The Year Ended December 31, 2024

5. Current Assets (Continued):

(d) Post-employment Benefits

The subsidiary, Development Finance Limited, contributes to a defined benefit pension plan (the Plan), which entitles a retired employee to receive an annual pension payment. The Plan is funded by the subsidiary and certain employees, the assets of the Plan being managed separately by the Trustee. The funding requirements are based on the pension fund's actuarial measurement performed by an independent qualified actuary.

The Plan exposes the subsidiary to currency risk, interest rate risk and market risk and to actuarial risks such as longevity risk.

The subsidiary is not expected to contribute to the Plan in 2025.

	2024 \$'000	2023 \$'000
The amounts recognised in the Statement of Financial Position are as follows:		
Present value of obligation	(30,412)	(30,578)
Fair value of plan assets	<u>60,902</u>	<u>59,617</u>
Asset in the Statement of Financial Position	<u>30,490</u>	<u>29,039</u>

i) Movement of amounts recognised in the Statement of Financial Position

Asset recognised in the Statement of Financial Position January 1	29,039	29,413
Income recognised in profit or loss	1,021	1,090
Actuarial gains/(losses) recognised in other comprehensive income	<u>430</u>	<u>(1,464)</u>
Asset in the Statement of Financial Position	<u>30,490</u>	<u>29,039</u>

(Maritime Life (Caribbean) Limited and its subsidiaries)

Notes to The Consolidated Financial Statements

For The Year Ended December 31, 2024

5. Current Assets (Continued):

(d) Post-employment Benefits (continued)

	2024 \$'000	2023 \$'000
ii) Changes in the fair value of plan assets		
Opening fair value of plan assets	59,617	57,962
Expected return on plan assets	3,429	3,325
Benefits paid	(2,008)	(2,235)
Actuarial (losses)/gains on plan assets	(136)	565
Closing fair value of plan assets	<u>60,902</u>	<u>59,617</u>
iii) Changes in the present value of the obligation		
Opening present value of obligation	30,578	28,549
Current service cost	363	347
Interest cost	1,749	1,622
Benefits paid	(2,008)	(2,235)
Expenses	296	266
Actuarial (gains)/losses arising from changes in assumptions (net)	(566)	2,029
Closing fair value of obligation	<u>30,412</u>	<u>30,578</u>
iv) The amounts recognised in the Statement of Income are as follows		
Current service cost	363	347
Interest cost	1,749	1,622
Expected return on plan assets	(3,429)	(3,325)
Expenses	296	266
Total included in employee benefits (Note 25)	<u>(1,021)</u>	<u>(1,090)</u>
Expected return on plan assets	3,429	3,325
Actuarial (losses)/gains on plan assets	(136)	565
Actual return on plan assets	<u>3,293</u>	<u>3,890</u>
v) Actuarial (gains)/losses recognised in Other Comprehensive Income		
Remeasurement (gains)/losses - Assets	136	(565)
Remeasurement (gains)/losses - Experience adjustments	(343)	312
Remeasurement (gains)/losses - Economic	(223)	-
Remeasurement (gains)/losses - Demographic	-	1,717
	<u>(430)</u>	<u>1,464</u>

(Maritime Life (Caribbean) Limited and its subsidiaries)

Notes to The Consolidated Financial Statements

For The Year Ended December 31, 2024

5. Current Assets (Continued):

(c) Post-employment Benefits (continued)

(d)

	2024 \$'000	2023 \$'000
vi) The principal actuarial assumptions used were		
Discount rate	6.00%	5.85%
Future salary increases	6.00%	5.50%
Mortality:		
Pre-retirement	Nil	Nil
Post-retirement	GAM94	GAM94
vii) Asset Allocation		
The major categories of the plan assets are:		
Foreign investments	53%	47%
Local equities	16%	20%
Government securities	21%	21%
Corporate securities	5%	7%
Mutual funds	2%	2%
Other	3%	3%
Total	<u>100%</u>	<u>100%</u>

The asset values as at December 31, 2024 were provided by the Plan's Investment Manager. Overseas equities have quoted prices in active markets. Local equities also have quoted prices but the market is relatively illiquid. The Investment Manager calculates the fair value of the Government bonds and corporate bonds by discounting expected future proceeds using a constructed yield curve.

The Plan's assets are invested in accordance with a strategy agreed with the Plan's Trustees and Management Committee. This strategy is largely dictated by statutory constraints (at least 70% of the assets must be invested in Trinidad and Tobago and no more than 50% in equities) and the availability of suitable investments. There are no asset-liability matching strategies used by the Plan.

(Maritime Life (Caribbean) Limited and its subsidiaries)

Notes to The Consolidated Financial Statements

For The Year Ended December 31, 2024

5. Current Assets (Continued):

(d) Post-employment Benefits (continued)

viii) Sensitivity of present value of defined benefit obligation:

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

	1% Increase (\$'000)	1% Decrease (\$'000)
Discount rate	(3,378)	4,173
Salary growth	<u>742</u>	<u>(646)</u>

The weighted average duration of the obligation is 14 years.

(Maritime Life (Caribbean) Limited and its subsidiaries)

Notes to The Consolidated Financial Statements

For The Year Ended December 31, 2024

6. Reinsurance Contract Assets:

	2024 \$'000	2024 \$'000	2024 \$'000	2024 \$'000
	GMM	VFA	PAA	Total
<u>Long Term Insurance</u>				
LRC – Estimate of PV of future cash flows	(102,028)	-	-	(102,028)
LRC – Risk Adjustment for non-financial risks	29,776	-	-	29,776
LRC – Contractual Service Margin	<u>171,489</u>	<u>-</u>	<u>-</u>	<u>171,489</u>
LIC – Estimates of PV of future cash flows	99,237	-	-	99,237
	<u>25,776</u>	<u>-</u>	<u>-</u>	<u>25,776</u>
Total Long Term Insurance	<u>125,013</u>	<u>-</u>	<u>-</u>	<u>125,013</u>
<u>Short Term Insurance</u>				
LRC – Estimate of PV of future cash flows	-	-	31,856	31,856
LIC – Estimates of PV of future cash flows	-	-	74,600	74,600
LIC – Risk Adjustment for non-financial risks	-	-	<u>2,354</u>	<u>2,354</u>
	<u>-</u>	<u>-</u>	<u>76,954</u>	<u>76,954</u>
Total Short Term Insurance	<u>-</u>	<u>-</u>	<u>108,810</u>	<u>108,810</u>
Group Total	<u>125,013</u>	<u>-</u>	<u>108,810</u>	<u>233,823</u>

(Maritime Life (Caribbean) Limited and its subsidiaries)

Notes to The Consolidated Financial Statements

For The Year Ended December 31, 2024

6. Reinsurance Contract Assets (Continued):

	2023 \$'000	2023 \$'000	2023 \$'000	2023 \$'000
Long Term Insurance	GMM	VFA	PAA	Total
LRC – Estimate of PV of future cash flows	(98,253)	-	-	(98,253)
LRC – Risk Adjustment for non-financial risks	29,367	-	-	29,367
LRC – Contractual Service Margin	159,815	-	-	159,815
	90,929	-	-	90,929
LIC – Estimates of PV of future cash flows	23,291	-	-	23,291
Total Long Term Insurance	114,220	-	-	114,220
Short Term Insurance				
LRC – Estimate of PV of future cash flows	-	-	54,456	54,456
LIC – Estimates of PV of future cash flows	-	-	81,686	81,686
LIC – Risk Adjustment for non-financial risks	-	-	2,589	2,589
	-	-	84,275	84,275
Total Short Term Insurance	-	-	138,731	138,731
Group Total	114,220	-	138,731	252,951

(Maritime Life (Caribbean) Limited and its subsidiaries)

Notes to The Consolidated Financial Statements

For The Year Ended December 31, 2024

6. Reinsurance Contract Assets (Continued):

Long Term Insurance

i) Movement in Carrying Amounts – By LRC and LIC – GMM

	LRC			Total \$'000
	Excluding Loss-recovery Component \$'000	Loss-recovery Component \$'000	LIC Component \$'000	
2024				
Net opening balance	90,604	325	23,291	114,220
Allocation of the premiums paid – Fair value approach				
CSM recognized for services provided	(9,686)	-	-	(9,686)
Change in risk adjustment for non- financial risk for risk transferred	(2,467)	-	-	(2,467)
Expected recoveries of incurred claims and other insurance service expense	(10,454)	-	-	(10,454)
	(22,607)	-	-	(22,607)
Total Allocation of premiums paid				
CSM recognized for services provided	(1,605)	-	-	(1,605)
Change in risk adjustment for non- financial risk for risk transferred	(847)	-	-	(847)
Expected recoveries of incurred claims and other insurance service expense	(1,914)	-	-	(1,914)
	(4,366)	-	-	(4,366)
Allocation of the premium paid – Post transition				
	(26,973)	-	-	(26,973)
Total amounts recovered from reinsurance				
Recoveries of incurred claims and other insurance service expense	-	442	3,281	3,723
Changes related to past service (changes related to incurred claims component)	-	-	(796)	(796)
Amounts recovered from reinsurance	-	442	2,485	2,927
Recoveries and reversals of recoveries of losses on onerous underlying contracts on subsequent measurement	-	2,742	-	2,742
Changes that relate to future service	-	2,742	-	2,742
	-	3,184	2,485	5,669

(Maritime Life (Caribbean) Limited and its subsidiaries)

Notes to The Consolidated Financial Statements

For The Year Ended December 31, 2024

6. Reinsurance Contract Assets (Continued):

Long Term Insurance (continued)

i) Movement in Carrying Amounts – By LRC and LIC – GMM (continued)

	LRC		LIC Component \$'000	Total \$'000
	Excluding Loss-recovery Component \$'000	Loss- recovery Component \$'000		
2024 (Continued)				
Investment Components	-	-	-	-
Effect of changes in Non-performance risk of reinsurers	-	-	-	-
Total net expenses from reinsurance	(26,973)	3,184	2,485	(21,304)
Total Insurance finance income or expense				
The effect of and changes in time of time value of money and financial risk	7,588	-	-	7,588
Foreign exchange differences on changes in the carrying amounts of groups of insurance contracts	-	-	-	-
	<u>7,588</u>	<u>-</u>	<u>-</u>	<u>7,588</u>
Total changes in the Statement of Financial Performance	(19,385)	3,184	2,485	(13,716)
Cash flows (actual cash flows in the period)				
Premiums and premium tax paid	24,509	-	-	24,509
Amounts received	-	-	-	-
Total Cash Flows	24,509	-	-	24,509
Net closing balance	95,728	3,509	25,776	125,013

(Maritime Life (Caribbean) Limited and its subsidiaries)

Notes to The Consolidated Financial Statements

For The Year Ended December 31, 2024

6. Reinsurance Contract Assets (Continued):

Long Term Insurance (continued)

ii) Movement in Carrying Amounts – By Component – Reinsurance – GMM

	LRC		Fair Value Approach \$'000	Post Transition \$'000	Total \$'000
	Estimates of Present Value of Future Cash Flows \$'000	Risk Adjustment for Non- Financial Risk \$'000			
2024					
Net opening balance	(74,962)	29,367	143,562	16,253	114,220
Changes that relate to current services					
CSM recognized for services provided	-	-	(9,686)	(1,605)	(11,291)
Change in risk adjustment for non-financial for risk expired	-	(3,194)	-	-	(3,194)
Experience adjustment not related to future service	(8,765)	-	-	-	(8,765)
	<u>(8,765)</u>	<u>(3,194)</u>	<u>(9,686)</u>	<u>(1,605)</u>	<u>(23,250)</u>
Change that relates to future services					
Contracts initially recognized in the year	(132)	18	-	114	-
Changes in estimates that adjust the CSM	(14,769)	2,292	1,047	11,430	-
Changes in estimates that adjust recoveries of losses on onerous underlying contracts	2,280	(6)	-	-	2,274
Changes in recoveries of losses on onerous underlying contracts that adjust the CSM	-	-	-	468	468
	<u>(12,621)</u>	<u>2,304</u>	<u>1,047</u>	<u>12,012</u>	<u>2,742</u>
Changes that relate to past services					
Changes in fulfilment cash flows re LIC	(796)	-	-	-	(796)
	<u>(796)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(796)</u>
Total net expenses from reinsurance	(22,182)	(890)	(8,639)	10,407	(21,304)

(Maritime Life (Caribbean) Limited and its subsidiaries)

Notes to The Consolidated Financial Statements

For The Year Ended December 31, 2024

6. Reinsurance Contract Assets (Continued):

Long Term Insurance (continued)

ii) Movement in Carrying Amounts – By Component – Reinsurance – GMM (continued)

	Estimates of Present Value of Future Cash Flows \$'000	Risk Adjustment for Non-financial Risk \$'000	Fair Value Approach \$'000	Post Transition \$'000	Total \$'000
2024 (Continued)					
Insurance finance income and expense					
The effect of and changes in time of time value of money and financial risk	<u>(3,617)</u>	<u>1,299</u>	<u>8,586</u>	<u>1,320</u>	<u>7,588</u>
	<u>(3,617)</u>	<u>1,299</u>	<u>8,586</u>	<u>1,320</u>	<u>7,588</u>
Total changes in the Statement of Financial Performance	<u>(25,799)</u>	<u>409</u>	<u>(53)</u>	<u>11,727</u>	<u>(13,716)</u>
Cash flows (actual cash flows in the period)					
Premiums and premium tax paid	24,509	-	-	-	24,509
Amounts received	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Cash Flows	<u>24,509</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>24,509</u>
Net closing balance	<u>(76,252)</u>	<u>29,776</u>	<u>143,509</u>	<u>27,980</u>	<u>125,013</u>

(Maritime Life (Caribbean) Limited and its subsidiaries)

Notes to The Consolidated Financial Statements

For The Year Ended December 31, 2024

6. Reinsurance Contract Assets (Continued):

Long Term Insurance (continued)

ii) Movement in Carrying Amounts – By Component – Reinsurance – GMM (continued)

	LRC			Total
	Excluding Loss-recovery Component \$'000	Loss-recovery Component \$'000	LIC Component \$'000	Total \$'000
2023				
Net opening balance	<u>109,970</u>	<u>1</u>	<u>18,638</u>	<u>128,609</u>
Allocation of the premiums paid – Fair value approach				
CSM recognized for services provided	(8,697)	-	-	(8,697)
Change in risk adjustment for non-financial risk for risk transferred	(3,215)	-	-	(3,215)
Expected recoveries of incurred claims and other insurance service expense	<u>(14,012)</u>	<u>-</u>	<u>-</u>	<u>(14,012)</u>
	<u>(25,924)</u>	<u>-</u>	<u>-</u>	<u>(25,924)</u>
Total Allocation of premiums paid				
CSM recognized for services provided	481	-	-	481
Change in risk adjustment for non-financial risk for risk transferred	(441)	-	-	(441)
Expected recoveries of incurred claims and other insurance service expense	<u>(1,243)</u>	<u>-</u>	<u>-</u>	<u>(1,243)</u>
Allocation of the premiums paid - Post transition	<u>(1,203)</u>	<u>-</u>	<u>-</u>	<u>(1,203)</u>
Total amounts recovered from reinsurance	<u>(27,127)</u>	<u>-</u>	<u>-</u>	<u>(27,127)</u>
Recoveries of incurred claims and other insurance service expense	-	85	10,220	10,305
Changes related to past service (changes related to incurred claims component)	<u>-</u>	<u>-</u>	<u>1,233</u>	<u>1,233</u>
Amounts recovered from reinsurance	<u>-</u>	<u>85</u>	<u>11,453</u>	<u>11,538</u>
Recoveries and reversals of recoveries of losses on onerous underlying contracts on subsequent measurement	<u>-</u>	<u>230</u>	<u>-</u>	<u>230</u>
	<u>-</u>	<u>315</u>	<u>11,453</u>	<u>11,768</u>

(Maritime Life (Caribbean) Limited and its subsidiaries)

Notes to The Consolidated Financial Statements

For The Year Ended December 31, 2024

6. Reinsurance Contract Assets (Continued):

Long Term Insurance (continued)

iii) Movement in Carrying Amounts – By Component – Reinsurance – GMM (continued)

	LRC			Total \$'000
	Excluding Loss- recovery Component \$'000	Loss- recovery Component \$'000	LIC Component \$'000	
2023 (continued)				
Investment components	-	-	-	-
Effect of changes in non-performance risk of reinsurers	-	-	-	-
Total net expenses from reinsurance	<u>(27,127)</u>	<u>315</u>	<u>11,453</u>	<u>(15,359)</u>
Total Insurance finance income or expense				
The effect of and changes in time of time value of money and financial risk	(402)	9	-	(393)
Foreign exchange differences on changes in the carrying amount of groups of insurance contracts	-	-	-	-
	<u>(402)</u>	<u>9</u>	<u>-</u>	<u>(393)</u>
Total changes in the Statement of Financial Performance	<u>(27,529)</u>	<u>324</u>	<u>11,453</u>	<u>(15,752)</u>
Cash flows (actual cash flows in the period)				
Premiums and premium tax paid	8,163	-	-	8,163
Amounts received	-	-	(6,800)	(6,800)
Total Cash Flows	<u>8,163</u>	<u>-</u>	<u>(6,800)</u>	<u>1,363</u>
Net closing balance	<u>90,604</u>	<u>325</u>	<u>23,291</u>	<u>114,220</u>

(Maritime Life (Caribbean) Limited and its subsidiaries)

Notes to The Consolidated Financial Statements

For The Year Ended December 31, 2024

6. Reinsurance Contract Assets (Continued):

Long Term Insurance (continued)

iii) Movement in Carrying Amounts – By Component – Reinsurance – GMM (continued)

	Estimates of Present Value of Future Cash Flows	Risk Adjustment for Non- Financial Risk	Fair Value Approach	Post Transition	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
2023					
Net opening balance	<u>(61,656)</u>	<u>37,284</u>	<u>145,348</u>	<u>7,633</u>	<u>128,609</u>
Changes that relate to current services					
CSM recognized for services provided	-	-	(8,697)	481	(8,216)
Change in risk adjustment for non- financial for risk expired	-	(3,631)	-	-	(3,631)
Experience adjustment not related to future service	(4,975)	-	-	-	(4,975)
	<u>(4,975)</u>	<u>(3,631)</u>	<u>(8,697)</u>	<u>481</u>	<u>(16,822)</u>
Changes that relate to future services					
Contracts initially recognised in the year	1,284	800	-	(2,084)	-
Changes in estimates that adjust the CSM	(7,639)	(7,275)	4,419	10,495	-
Changes in estimates that adjust recoveries of losses on onerous underlying contracts	635	(33)	-	-	602
Changes in recoveries of losses on onerous underlying contracts that adjust the CSM	-	-	-	(372)	(372)
	<u>(5,720)</u>	<u>(6,508)</u>	<u>4,419</u>	<u>8,039</u>	<u>230</u>
Changes that relate to past services					
Changes in fulfilment cash flows re LIC	1,233	-	-	-	1,233
	<u>1,233</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,233</u>
Total net expenses from reinsurance	<u>(9,462)</u>	<u>(10,139)</u>	<u>(4,278)</u>	<u>8,520</u>	<u>(15,359)</u>

(Maritime Life (Caribbean) Limited and its subsidiaries)

Notes to The Consolidated Financial Statements

For The Year Ended December 31, 2024

6. Reinsurance Contract Assets (Continued):

Long Term Insurance (continued)

iii) Movement in Carrying Amounts – By Component – Reinsurance – GMM (continued)

	Estimates of Present Value of Future Cash Flows \$'000	Risk Adjustment for Non-financial Risk \$'000	Fair Value Approach \$'000	Post Transition \$'000	Total \$'000
2023 (continued)					
Insurance finance income and expense					
The effect of and changes in time of time value of money and financial risk	(5,207)	2,222	2,492	100	(393)
Total changes in the Statement of Financial Performance	(14,669)	(7,917)	(1,786)	8,620	(15,752)
Cash flows (actual cash flows in the period)					
Premiums and premium tax paid	8,163	-	-	-	8,163
Amounts received	(6,800)	-	-	-	(6,800)
Total Cash Flows	1,363	-	-	-	1,363
Net closing balance	(74,962)	29,367	143,562	16,253	114,220

(Maritime Life (Caribbean) Limited and its subsidiaries)

Notes to The Consolidated Financial Statements

For The Year Ended December 31, 2024

6. Reinsurance Contract Assets (Continued):

Short Term Insurance

	Asset for Remaining Coverage		Asset for Incurred Claims		Total \$'000
	Excluding Loss Component \$'000	Loss Component \$'000	Present value of fulfilment Cash Flows \$'000	Risk Adjustments \$'000	
2024					
Net opening balance	54,456	-	81,686	2,589	138,731
Allocation of premiums paid	(197,991)	-	-	-	(197,991)
Amounts Recovered from Reinsurance					
Recoveries of incurred claims and expenses	-	-	4,393	241	4,634
Recoveries on onerous underlying contracts	-	-	-	-	-
Adjustments to liabilities for incurred claims	-	-	(10,436)	(509)	(10,945)
	-	-	(6,043)	(268)	(6,311)
Changes in non-performance risk	-	-	-	-	-
Net Expenses from Reinsurance	(197,991)	-	(6,043)	(268)	(204,302)
Net finance expenses from insurance contracts	-	-	957	33	990
Total changes in the statement of profit or loss and OCI	(197,991)	-	(5,086)	(235)	(203,312)
Cash flow					
Premiums paid	175,391	-	-	-	175,391
Amounts recovered	-	-	(2,000)	-	(2,000)
Total cash flow	175,391	-	(2,000)	-	173,391
Closing assets	31,856	-	74,600	2,354	108,810
Closing liabilities	-	-	-	-	-
Net closing balance	31,856	-	74,600	2,354	108,810

(Maritime Life (Caribbean) Limited and its subsidiaries)

Notes to The Consolidated Financial Statements

For The Year Ended December 31, 2024

7. Deferred Taxation:

	2024 \$'000	2023 \$'000
Deferred tax assets	-	243
Deferred tax liabilities	<u>(1,931)</u>	<u>(1,062)</u>
Net deferred tax liabilities	<u>(1,931)</u>	<u>(819)</u>
Movements for the year		
Balance brought forward	(819)	(11,875)
Provision for the year (Note 26 (a))	<u>(1,112)</u>	<u>11,056</u>
	<u>(1,931)</u>	<u>(819)</u>

(Maritime Life (Caribbean) Limited and its subsidiaries)

Notes to The Consolidated Financial Statements

For The Year Ended December 31, 2024

8. Financial Assets:

	2024 \$'000	2023 \$'000
Investment securities		
Fair value through profit or loss	231,100	182,413
Fair value through other comprehensive income	175,284	212,376
Amortised cost	<u>3,084,860</u>	<u>2,869,908</u>
	3,491,244	3,264,697
Mortgages and other loans at amortised cost	<u>538,136</u>	<u>515,676</u>
Total	<u>4,029,380</u>	<u>3,780,373</u>
(a) Fair values		
i) By financial asset classification		
Investment securities		
Fair value through profit or loss	231,100	182,413
Fair value through other comprehensive income	175,284	212,376
Amortised cost	<u>3,109,072</u>	<u>2,948,883</u>
	3,515,456	3,343,672
Loans	<u>538,136</u>	<u>515,676</u>
	<u>4,053,592</u>	<u>3,859,348</u>
ii) By level of hierarchy		
Level 1	1,531,999	1,368,361
Level 2	1,973,197	1,968,385
Level 3	<u>548,396</u>	<u>522,602</u>
	<u>4,053,592</u>	<u>3,859,348</u>

(Maritime Life (Caribbean) Limited and its subsidiaries)

Notes to The Consolidated Financial Statements

For The Year Ended December 31, 2024

8. Financial Assets (Continued):

(b) Investment securities - Concentration

	2024 \$'000	2023 \$'000
Government/government guaranteed bonds	2,237,184	1,960,750
State enterprises bonds	317,266	339,229
Financial institutions bonds	395,929	403,726
Other corporate bonds	<u>245,427</u>	<u>285,863</u>
	<u>3,195,806</u>	<u>2,989,568</u>
Quoted equities	295,275	274,966
Unquoted equities	<u>163</u>	<u>163</u>
	<u>295,438</u>	<u>275,129</u>
Total	<u>3,491,244</u>	<u>3,264,697</u>

(c) Investment securities - Amortised cost

Amortised cost	3,097,883	2,878,092
Less: expected credit loss allowance	<u>(13,023)</u>	<u>(8,184)</u>
	<u>3,084,860</u>	<u>2,869,908</u>
Expected credit loss allowance:		
Balance brought forward	8,184	8,767
Remeasurement of expected credit losses	<u>4,839</u>	<u>(583)</u>
	<u>13,023</u>	<u>8,184</u>

(d) Investment securities pledged to secure borrowings

Repurchase agreements	387,741	346,573
Other borrowings	<u>566,410</u>	<u>352,262</u>
	<u>954,151</u>	<u>698,835</u>

(e) Investment securities - Bonds at fair value

Fair value through profit or loss	42,772	5,042
Fair value through other comprehensive income	<u>68,174</u>	<u>114,618</u>
	<u>110,946</u>	<u>119,660</u>

(Maritime Life (Caribbean) Limited and its subsidiaries)

Notes to The Consolidated Financial Statements

For The Year Ended December 31, 2024

8. Financial Assets (Continued):

(f) Investment securities - Quoted equities

	2024 \$'000	2023 \$'000
Fair value through profit or loss	188,328	177,371
Fair value through other comprehensive income	<u>106,947</u>	<u>97,595</u>
	<u>295,275</u>	<u>274,966</u>
Gains/(losses) - FVOCI		
Arising from changes in fair value	3,085	13,843
Losses on disposal	<u>1,926</u>	<u>1,155</u>
	<u>5,011</u>	<u>14,998</u>

(g) Investment securities - Unquoted equities

i) At cost	14,108	14,108
Less: impairment provision	<u>13,945</u>	<u>13,945</u>
	<u>163</u>	<u>163</u>
ii) Impairment provision		
Balance brought forward	13,945	13,945
Provision for the year	<u>-</u>	<u>-</u>
	<u>13,945</u>	<u>13,945</u>

(Maritime Life (Caribbean) Limited and its subsidiaries)

Notes to The Consolidated Financial Statements

For The Year Ended December 31, 2024

8. Financial Assets (Continued):

	2024 \$'000	2023 \$'000
(h) Mortgages and other loans		
i) Mortgage loans		
Mortgage loans	233,457	216,827
Loans to small and medium-sized enterprises	107,907	120,155
Other loans	<u>207,782</u>	<u>189,573</u>
	549,146	526,555
Less: expected credit loss allowance	<u>(11,010)</u>	<u>(10,879)</u>
	<u>538,136</u>	<u>515,676</u>
ii) Expected credit loss allowance		
Balance brought forward	10,879	6,851
Provision for the year	160	4,028
Write offs and adjustments	<u>(29)</u>	<u>-</u>
	<u>11,010</u>	<u>10,879</u>
iii) Concentration - sectoral analysis		
Consumer	177,215	166,832
Commercial and industrial	336,624	303,850
Tourism	<u>24,297</u>	<u>44,994</u>
	<u>538,136</u>	<u>515,676</u>
iv) Credit quality (net of expected credit loss allowance (Note 33(b)(xiii))		
Stage 1	456,790	403,857
Stage 2	65,312	83,565
Stage 3	<u>16,034</u>	<u>28,254</u>
	<u>538,136</u>	<u>515,676</u>
v) Loans and advances pledged to secure borrowings	<u>16,813</u>	<u>13,200</u>

(Maritime Life (Caribbean) Limited and its subsidiaries)

Notes to The Consolidated Financial Statements

For The Year Ended December 31, 2024

9. Investment Properties:

	2024 \$'000	2023 \$'000
At beginning of the year	383,559	379,213
Additions	9,627	2,954
Fair value gains/(losses)	<u>21,044</u>	<u>1,392</u>
	<u>414,230</u>	<u>383,559</u>
(a) Rental income	<u>4,590</u>	<u>4,802</u>
(b) Direct operating expenses	<u>2,478</u>	<u>2,000</u>

10. Property, Plant and Equipment:

	Properties \$'000	Furniture/ Equipment \$'000	Motor Vehicles \$'000	Equipment on lease \$'000	Total \$'000
December 31, 2024					
Cost/Valuation					
At beginning of year	197,390	115,414	14,642	17,985	345,431
Additions	1,225	9,170	1,051	8,799	20,245
Revaluation	8,200	-	-	-	8,200
Disposals	<u>-</u>	<u>(184)</u>	<u>(975)</u>	<u>(2,514)</u>	<u>(3,673)</u>
	<u>206,815</u>	<u>124,400</u>	<u>14,718</u>	<u>24,270</u>	<u>370,203</u>
Accumulated depreciation					
At beginning of year	4,982	110,125	10,365	10,112	135,584
Charge for the year	2,508	3,450	1,560	1,354	8,872
Revaluation	(5,520)	-	-	-	(5,520)
Disposals	<u>-</u>	<u>(431)</u>	<u>(975)</u>	<u>(1,852)</u>	<u>(3,258)</u>
	<u>1,970</u>	<u>113,144</u>	<u>10,950</u>	<u>9,614</u>	<u>135,678</u>
Net book value					
At December 31, 2024	<u>204,845</u>	<u>11,256</u>	<u>3,768</u>	<u>14,656</u>	<u>234,525</u>

(Maritime Life (Caribbean) Limited and its subsidiaries)

Notes to The Consolidated Financial Statements

For The Year Ended December 31, 2024

10. Property, Plant and Equipment (Continued):

	Properties \$'000	Furniture/ Equipment \$'000	Motor Vehicles \$'000	Equipment on lease \$'000	Total \$'000
December 31, 2023					
Cost/Valuation					
At beginning of year	196,112	114,920	13,962	15,986	340,980
Additions	-	548	2,395	3,173	6,116
Revaluation	1,278	-	-	-	1,278
Disposals	-	(54)	(1,715)	(1,174)	(2,943)
	<u>197,390</u>	<u>115,414</u>	<u>14,642</u>	<u>17,985</u>	<u>345,431</u>
Accumulated depreciation					
At beginning of year	3,189	107,593	10,070	10,276	131,128
Charge for the year	2,481	2,576	1,755	810	7,622
Revaluation	(688)	-	-	-	(688)
Disposals	-	(44)	(1,460)	(974)	(2,478)
	<u>4,982</u>	<u>110,125</u>	<u>10,365</u>	<u>10,112</u>	<u>135,584</u>
Net book value					
At December 31, 2023	<u>192,408</u>	<u>5,289</u>	<u>4,277</u>	<u>7,873</u>	<u>209,847</u>

	2024 \$'000	2023 \$'000
(a) Written down value of properties		
Written down value of the properties based on cost	<u>91,034</u>	<u>91,977</u>
(b) Revaluation surplus		
Balance brought forward	100,385	98,403
Revaluation surplus for the year	13,720	2,288
Transfer to retained earnings	(333)	(306)
	<u>113,772</u>	<u>100,385</u>

(Maritime Life (Caribbean) Limited and its subsidiaries)

Notes to The Consolidated Financial Statements

For The Year Ended December 31, 2024

11. Current Liabilities:

	2024 \$'000	2023 \$'000
Bank overdraft	147	6
Short term borrowings	129,888	76,964
Customers' deposits	906,201	785,233
Other funding instruments	-	17
Third party interests in mutual funds	1,210	956
Accounts payable, accruals and other liabilities	123,597	122,884
Provision for employees' benefits	8,686	8,451
Taxation payable	4,720	3,887
	<u>1,174,449</u>	<u>998,398</u>

(a) Bank overdraft

The Group has two overdraft facilities:

- i) TT\$2.500 million (2023: \$2.500 million) at Scotiabank Trinidad and Tobago Limited, which is unsecured and bears interest at 7.25% (2023: 7.25%) per annum.
- ii) US\$4 million (2023: US\$4 million) at Republic Bank Limited, which is secured by a lien over credit balance on an account at Republic Bank Limited and bears interest at 6.00% (2023: 10.58%) per annum.

(b) Short term borrowings

Short-term borrowings include portfolio margin accounts totalling \$128,783 million (2023: \$76.960 million), secured by assets held with an International Broker which bears interest at variable rates (2024: 5.10% - 6.10% p.a.; 2023: 5.10% - 6.10% p.a.) based on a reference benchmark rate determined by a combination of internationally recognised rates, bank deposit rates and dynamic interbank rates determined from foreign exchange and money markets. There are no fixed principal repayment amounts, and there are no specified maturity dates.

	2024 \$'000	2023 \$'000
(c) Short term borrowings, customers' deposits and other funding instruments - Concentration		
Corporate and commercial	115,104	81,674
Financial institutions	167,110	121,415
Personal	753,875	659,125
	<u>1,036,089</u>	<u>862,214</u>

(Maritime Life (Caribbean) Limited and its subsidiaries)

Notes to The Consolidated Financial Statements

For The Year Ended December 31, 2024

12. Long Term Borrowings:

	Interest Rate %	2024 \$'000	2023 \$'000
TT\$ Floating rate bonds	6.00	-	70,000
TT\$ Fixed rate bonds	2.75 - 4.25	90,300	99,300
US\$ Floating rate bonds	4.90 - 5.30	60,717	54,361
Other US\$ loans	8.25	6,063	10,176
Repurchase agreements	2.50 - 5.00	<u>393,727</u>	<u>348,765</u>
		<u>550,807</u>	<u>582,602</u>

(a) Movements for the year

Balance brought forward	582,602	419,756
Loans received/(repayments) during the year (net)	<u>(31,795)</u>	<u>162,846</u>
Balance carried forward	<u>550,807</u>	<u>582,602</u>

(b) The Group's borrowings are mainly long term and are measured at amortised cost. Borrowings are covered by various forms of loan agreements. These include Trust Deeds related to bond issues on capital markets and finance contracts with international institutions. The Group has complied with all terms and conditions of all borrowings and all payments have been made as contracted. The finance contracts with international institutions include operational benchmarks related to the purposes of the loan based on projections and assumptions. Changes in market conditions and implementation issues beyond the control of the borrower may delay the achievement of such benchmarks and deadlines.

(c) TT\$ Floating Rate Bonds

This represented a TTD debt issued in one tranche, interest was variable based on an average of commercial banks' prime lending rate with a maturity date in 2024 and was secured by a sinking fund managed by a Trustee.

(d) TT\$ Fixed Rate Bonds

This represents a TTD debt issued in 4 tranches, interest rate is fixed with maturity dates in July 2028 to July 2032 and are secured by pledged assets.

(Maritime Life (Caribbean) Limited and its subsidiaries)

Notes to The Consolidated Financial Statements

For The Year Ended December 31, 2024

12. Long Term Borrowings (Continued):

(e) US\$ Floating Rate Bonds

This represents a USD loan issued by a multi-lateral financial institution, interest is variable based on the lender's proprietary interest rate. Principal payments commenced in September 2023, with a final maturity date in September 2033. The loan is secured by a specified portion of loans and advances made for specific purposes.

(f) Other US\$ Loans

This loan is secured by Republic of Trinidad and Tobago government bonds with a face value of TT\$20 million (2023: \$20 million) and is repayable by sixteen (2023: twenty-eight) equal monthly blended payments of principal and interest.

(g) Repurchase agreements

The Repurchase agreements are secured by investment securities totalling \$387.741 million (2023: \$346.573 million) (Note 8(d)).

13. Insurance Contracts Liabilities:

	2024 \$'000	2024 \$'000	2024 \$'000	2024 \$'000
	GMM	VFA	PAA	Total
Long Term Insurance				
LRC – Estimate of PV of future cash flows	583,686	378,832	(2,681)	959,837
LRC – Risk Adjustment for non-financial risks	101,841	54,555	-	156,396
LRC – Contractual Service Margin	<u>333,417</u>	<u>139,537</u>	<u>-</u>	<u>472,954</u>
LIC – Estimates of PV of future cash flows	1,018,944	572,924	(2,681)	1,589,187
	<u>46,806</u>	<u>123,408</u>	<u>25,847</u>	<u>196,061</u>
Total Long Term Insurance	<u>1,065,750</u>	<u>696,332</u>	<u>23,166</u>	<u>1,785,248</u>
Short Term Insurance				
LRC – Estimate of PV of future cash flows	-	-	56,799	56,799
LIC – Present value of fulfilment cash flows	-	-	162,933	162,933
LIC – Risk Adjustment for non-financial risks	-	-	10,037	10,037
	-	-	<u>172,970</u>	<u>172,970</u>
Total Short Term Insurance	-	-	<u>229,769</u>	<u>229,769</u>
Group Total	<u>1,065,750</u>	<u>696,332</u>	<u>252,935</u>	<u>2,015,017</u>

(Maritime Life (Caribbean) Limited and its subsidiaries)

Notes to The Consolidated Financial Statements

For The Year Ended December 31, 2024

13. Insurance Contracts Liabilities (Continued):

	2023 \$'000	2023 \$'000	2023 \$'000	2023 \$'000
Long Term Insurance	GMM	VFA	PAA	Total
LRC – Estimate of PV of future cash flows	635,400	358,241	(1,292)	992,349
LRC – Risk Adjustment for non-financial risks	96,249	56,632	-	152,881
LRC – Contractual Service Margin	294,291	119,758	-	414,049
	1,025,940	534,631	(1,292)	1,559,279
LIC – Estimates of PV of future cash flows	14,923	78,399	12,622	105,944
Total Long Term Insurance	1,040,863	613,030	11,330	1,665,223
Short Term Insurance				
LRC – Estimate of PV of future cash flows	-	-	67,018	67,018
LIC – Present value of fulfilment cash flows	-	-	179,164	179,164
LIC – Risk Adjustment for non-financial risks	-	-	8,253	8,253
	-	-	187,417	187,417
Total Short Term Insurance	-	-	254,435	254,435
Group Total	1,040,863	613,030	265,765	1,919,658

(Maritime Life (Caribbean) Limited and its subsidiaries)

Notes to The Consolidated Financial Statements

For The Year Ended December 31, 2024

13. Insurance Contracts Liabilities (Continued):

(a) Long Term Insurance

i) Movement in Carrying Amounts - By LRC and LIC - Direct - GMM

2024	LRC			Total \$'000
	Excluding Loss- recovery Component \$'000	Loss- recovery Component \$'000	LIC Component \$'000	
Net opening balance	1,022,082	3,858	14,923	1,040,863
Insurance revenue – Fair Value Approach				
CSM recognised for services provided	(17,342)	-	-	(17,342)
Change in risk adjustment for non-financial risk for risk expired	(9,533)	-	-	(9,533)
Expected insurance service expenses incurred				
Claims	(39,533)	-	-	(39,533)
Expenses	(6,735)	-	-	(6,735)
Recovery of insurance acquisition cash flows	28	-	-	28
Restatement and other changes	11,522	-	-	11,522
	(61,593)	-	-	(61,593)
Insurance revenue – Post transition				
CSM recognised for services provided	(5,156)	-	-	(5,156)
Change in risk adjustment for non-financial risk for risk expired	(5,287)	-	-	(5,287)
Expected insurance service expenses incurred				
Claims	(10,010)	-	-	(10,010)
Expenses	(6,555)	-	-	(6,555)
Recovery of insurance acquisition cash flows	(3,579)	-	-	(3,579)
	(30,587)	-	-	(30,587)
Total Insurance revenue – All transition methods	(92,180)	-	-	(92,180)

(Maritime Life (Caribbean) Limited and its subsidiaries)

Notes to The Consolidated Financial Statements

For The Year Ended December 31, 2024

13. Insurance Contracts Liabilities (Continued):

(a) Long Term Insurance (continued)

i) Movement in Carrying Amounts - By LRC and LIC - Direct – GMM (continued)

	LRC		LIC Component \$'000	Total \$'000
	Excluding Loss-recovery Component \$'000	Loss-recovery Component \$'000		
2024 (continued)				
Insurance service expenses				
Incurred insurance service expenses incurred				
Claims	-	2,640	36,443	39,083
Expenses	-	292	19,706	19,998
Amortisation of insurance acquisition cash flows	3,551	-	-	3,551
Changes that relate to past service (changes in fulfilment cash flows re LIC)	-	-	4,925	4,925
Changes that relate to past service				
Losses for the net outflow recognized on initial recognition	-	-	-	-
Losses and reversal of losses on onerous contracts - subsequent measurement	-	21,909	-	21,909
	<u>3,551</u>	<u>24,841</u>	<u>61,074</u>	<u>89,466</u>
Investment components	<u>(100,479)</u>	<u>-</u>	<u>100,479</u>	<u>-</u>
Total Insurance service results	<u>(189,108)</u>	<u>24,841</u>	<u>161,553</u>	<u>(2,714)</u>
Insurance Finance Income or Expense				
The effect of and changes in time of time value of money and financial risk	<u>53,613</u>	<u>643</u>	<u>-</u>	<u>54,256</u>
	<u>53,613</u>	<u>643</u>	<u>-</u>	<u>54,256</u>
Total Changes in the Statement of Financial Performance	<u>(135,495)</u>	<u>25,484</u>	<u>161,553</u>	<u>51,542</u>
Cash flows (Actual cashflows in the period)				
Premiums and premium tax received	121,004	-	-	121,004
Claims and other insurance service expenses paid, including investment components	-	-	(129,670)	(129,670)
Insurance acquisition cash flows	<u>(17,989)</u>	<u>-</u>	<u>-</u>	<u>(17,989)</u>
	<u>103,015</u>	<u>-</u>	<u>(129,670)</u>	<u>(26,655)</u>
Net closing balance	<u>989,602</u>	<u>29,342</u>	<u>46,806</u>	<u>1,065,750</u>

(Maritime Life (Caribbean) Limited and its subsidiaries)

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For The Year Ended December 31, 2024

13. Insurance Contracts Liabilities (Continued):

(a) Long Term Insurance (continued)

ii) Movement in Carrying Amounts - By Component - Direct - GMM

	Estimates of Present Value of Future Cash Flows \$'000	Risk Adjustment for Non- Financial Risk \$'000	Fair Value Approach \$'000	Post Transition \$'000	Total \$'000
2024					
Net opening balance	<u>650,323</u>	<u>96,249</u>	<u>63,369</u>	<u>230,922</u>	<u>1,040,863</u>
Changes that relate to current services					
CSM recognized for services provided	-	-	(17,342)	(5,156)	(22,498)
Change in risk adjustment for non-financial risk for risk expired	-	(14,091)	-	-	(14,091)
Experience adjustments not related to future service	(4,481)	-	-	-	(4,481)
Restatement and other changes	<u>11,522</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>11,522</u>
	<u>7,041</u>	<u>(14,091)</u>	<u>(17,342)</u>	<u>(5,156)</u>	<u>(29,548)</u>
Changes that relate to future services					
Contracts initially recognised in the year	(57,512)	13,456	-	44,056	-
Changes in estimates that adjust the CSM	(1,217)	1,362	(13,040)	12,895	-
Changes in estimates that relate to losses and reversal of losses on onerous underlying contracts	<u>21,724</u>	<u>185</u>	<u>-</u>	<u>-</u>	<u>21,909</u>
	<u>(37,005)</u>	<u>15,003</u>	<u>(13,040)</u>	<u>56,951</u>	<u>21,909</u>
Changes that relate to past services					
Changes in fulfilment cash flows re LIC	899	-	-	-	899
Experience adjustments in claims and other insurance service expenses in LIC	<u>4,026</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,026</u>
	<u>4,925</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,925</u>
Total Insurance Service Results	<u>(25,039)</u>	<u>912</u>	<u>(30,382)</u>	<u>51,795</u>	<u>(2,714)</u>

(Maritime Life (Caribbean) Limited and its subsidiaries)

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13. Insurance Contracts Liabilities (Continued):

(a) Long Term Insurance (continued)

ii) Movement in Carrying Amounts - By Component - Direct – GMM (continued)

2024 (continued)	Estimates of Present Value of Future Cash Flows \$'000	Risk Adjustment for Non-financial Risk \$'000	Fair Value Approach \$'000	Post Transition \$'000	Total \$'000
Insurance finance income and expense					
The effect of and changes in time of time value of money and financial risk	31,863	4,680	12,931	4,782	54,256
	<u>31,863</u>	<u>4,680</u>	<u>12,931</u>	<u>4,782</u>	<u>54,256</u>
Total changes in the Statement of Financial Performance	<u>6,824</u>	<u>5,592</u>	<u>(17,451)</u>	<u>56,577</u>	<u>51,542</u>
Cash flows (actual cash flows in the period)					
Premiums and premium tax received	121,004	-	-	-	121,004
Claims and other insurance service expenses paid, including investment components	(129,670)	-	-	-	(129,670)
Insurance acquisition cash flows	(17,989)	-	-	-	(17,989)
Total Cash Flows	<u>(26,655)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(26,655)</u>
Net closing balance	<u>630,492</u>	<u>101,841</u>	<u>45,918</u>	<u>287,499</u>	<u>1,065,750</u>

(Maritime Life (Caribbean) Limited and its subsidiaries)

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For The Year Ended December 31, 2024

13. Insurance Contracts Liabilities (Continued):

a) Long Term Insurance (continued)

iii) Movement in Carrying Amounts - By LRC and LIC - Direct - Group PAA

2024	Excluding Loss-recovery Component \$'000	Loss-recovery Component \$'000	Estimate of Present Value of Future Cash flows \$'000	Total \$'000
Net opening balance	<u>(1,292)</u>	<u>-</u>	<u>12,622</u>	<u>11,330</u>
Insurance revenue				
Fair Value Approach	(19,609)	-	-	(19,609)
Post transition	(8,101)	-	-	(8,101)
	<u>(27,710)</u>	<u>-</u>	<u>-</u>	<u>(27,710)</u>
Insurance service expenses				
Incurred insurance service expenses incurred				
Claims	-	-	29,658	29,658
Expenses	-	-	2,254	2,254
Amortisation of insurance acquisition cash flows	1,426	-	-	1,426
Changes that relate to past service (changes in fulfilment cash flows re LIC)	-	-	(6,190)	(6,190)
	<u>1,426</u>	<u>-</u>	<u>25,722</u>	<u>27,148</u>
Total changes in the Statement of Financial Performance	<u>(26,284)</u>	<u>-</u>	<u>25,722</u>	<u>(562)</u>
Cash flows (actual cash flows in the period)				
Premiums and premium tax received	28,133	-	-	28,133
Claims and other insurance service expenses paid, including investment components	-	-	(12,497)	(12,497)
Insurance acquisition cash flows	(3,238)	-	-	(3,238)
	<u>24,895</u>	<u>-</u>	<u>(12,497)</u>	<u>12,398</u>
Net closing balance	<u>(2,681)</u>	<u>-</u>	<u>25,847</u>	<u>23,166</u>

(Maritime Life (Caribbean) Limited and its subsidiaries)

Notes to The Consolidated Financial Statements

For The Year Ended December 31, 2024

13. Insurance Contracts Liabilities (Continued):

(a) Long Term Insurance (continued)

iv) Movement in Carrying Amounts - By LRC and LIC - Direct – VFA

	LRC		Liability for incurred claims \$'000	Total \$'000
	Excluding Loss component \$'000	Loss component \$'000		
2024				
Net opening balance	<u>534,631</u>	<u>-</u>	<u>78,399</u>	<u>613,030</u>
Insurance revenue fair value approach				
CSM recognized for services provided	(6,036)	-	-	(6,036)
Change in risk adjustment for non-financial risk for risk expired	(7,133)	-	-	(7,133)
Expected insurance service expenses incurred:				
Claims	(14,926)	-	-	(14,926)
Expenses	(10,070)	-	-	(10,070)
Recovery of insurance acquisition cash flows	51	-	-	51
Restatement and other changes	(10,448)	-	-	(10,448)
	<u>(48,562)</u>	<u>-</u>	<u>-</u>	<u>(48,562)</u>
Insurance revenue post transition				
CSM recognized for services provided	(1,999)	-	-	(1,999)
Change in risk adjustment for non-financial risk for risk expired	(948)	-	-	(948)
Expected insurance service expenses incurred:				
Claims	(380)	-	-	(380)
Expenses	(1,076)	-	-	(1,076)
Recovery of insurance acquisition cash flows	(1,189)	-	-	(1,189)
	<u>(5,592)</u>	<u>-</u>	<u>-</u>	<u>(5,592)</u>
Total Insurance Revenue	<u>(54,154)</u>	<u>-</u>	<u>-</u>	<u>(54,154)</u>
Insurance service expenses				
Incurred insurance service expenses				
Claims	-	34	13,900	13,934
Expenses	-	62	6,235	6,297
Amortisation of insurance acquisition cash flows	1,138	-	-	1,138
Changes that relate to past service (changes in fulfilment cash flows re LIC)	-	-	295	295
Changes that relate to future service (Losses and reversal of losses on Onerous contracts – subsequent measurement)	-	2,924	-	2,924
	<u>1,138</u>	<u>3,020</u>	<u>20,430</u>	<u>24,588</u>

(Maritime Life (Caribbean) Limited and its subsidiaries)

Notes to The Consolidated Financial Statements

For The Year Ended December 31, 2024

13. Insurance Contracts Liabilities (Continued):

(a) Long Term Insurance (continued)

iv) Movement in Carrying Amounts - By LRC and LIC - Direct – VFA (continued)

	LRC		Liability for incurred claims \$'000	Total \$'000
	Excluding Loss component \$'000	Loss component \$'000		
2024 (continued)				
Investment components	<u>(51,853)</u>	<u>-</u>	<u>51,853</u>	<u>-</u>
Total Insurance service results	<u>(104,869)</u>	<u>3,020</u>	<u>72,283</u>	<u>(29,566)</u>
Insurance finance income or expense				
Net finance expenses from insurance contracts	<u>23,998</u>	<u>-</u>	<u>-</u>	<u>23,998</u>
	<u>23,998</u>	<u>-</u>	<u>-</u>	<u>23,998</u>
Total changes in Statement of Financial Performance	<u>(80,871)</u>	<u>3,020</u>	<u>72,283</u>	<u>(5,568)</u>
Cash flows (actual cash flows in the period)				
Premiums and premium tax received	123,013	-	-	123,013
Claims and other insurance service expenses paid, including investment components	-	-	(27,274)	(27,274)
Insurance acquisition cash flows	(6,869)	-	-	(6,869)
	<u>116,144</u>	<u>-</u>	<u>(27,274)</u>	<u>88,870</u>
Net closing balance	<u>569,904</u>	<u>3,020</u>	<u>123,408</u>	<u>696,332</u>

(Maritime Life (Caribbean) Limited and its subsidiaries)

Notes to The Consolidated Financial Statements

For The Year Ended December 31, 2024

13. **Insurance Contracts Liabilities (Continued):**

(a) Long Term Insurance (continued)

v) Movement in Carrying Amounts - By Component - Direct – VFA

2024	Estimates of Present Value of Future Cash Flows \$'000	Risk Adjustment for Non-financial Risk \$'000	Fair Value Approach \$'000	Post Transition \$'000	Total \$'000
Net opening balance	<u>436,640</u>	<u>56,632</u>	<u>89,003</u>	<u>30,755</u>	<u>613,030</u>
Changes that relate to current services					
CSM recognized for services provided	-	-	(6,036)	(1,999)	(8,035)
Change in risk adjustment for non-financial risk for risk expired	-	(8,061)	-	-	(8,061)
Experience adjustments not related to future service	(6,241)	-	-	-	(6,241)
Restatement and other changes	<u>(10,448)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(10,448)</u>
	<u>(16,689)</u>	<u>(8,061)</u>	<u>(6,036)</u>	<u>(1,999)</u>	<u>(32,785)</u>
Changes that relate to future services					
Changes in estimates that adjust the CSM	(33,913)	6,099	6,704	21,110	-
Changes in estimates that relate to losses and reversal of losses on onerous contracts	<u>3,039</u>	<u>(115)</u>	<u>-</u>	<u>-</u>	<u>2,924</u>
	<u>(30,874)</u>	<u>5,984</u>	<u>6,704</u>	<u>21,110</u>	<u>2,924</u>
Changes that relate to past services					
Changes in estimates in LIC fulfilment cash flows	(47)	-	-	-	(47)
Experience adjustments in claims and other insurance service expenses in LIC	<u>342</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>342</u>
	<u>295</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>295</u>
Total Insurance Service Results	<u>(47,268)</u>	<u>(2,077)</u>	<u>668</u>	<u>19,111</u>	<u>(29,566)</u>

(Maritime Life (Caribbean) Limited and its subsidiaries)

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For The Year Ended December 31, 2024

13. **Insurance Contracts Liabilities (Continued):**

(a) Long Term Insurance (continued)

v) Movement in Carrying Amounts - By Component - Direct – VFA (continued)

2024 (continued)	Estimates of Present Value of Future Cash Flows \$'000	Risk Adjustment for Non-financial Risk \$'000	Fair Value Approach \$'000	Post Transition \$'000	Total \$'000
Insurance finance income and expense					
The effect of and changes in time of time value of money and financial risk	<u>23,998</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>23,998</u>
Total changes in the Statement of Financial Performance	<u>(23,270)</u>	<u>(2,077)</u>	<u>668</u>	<u>19,111</u>	<u>(5,568)</u>
Cash flows (actual cash flows in the period)					
Premiums and premium tax received	123,013	-	-	-	123,013
Claims and other insurance service expenses paid, including investment components	(27,274)	-	-	-	(27,274)
Insurance acquisition cash flows	<u>(6,869)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(6,869)</u>
Total Cash Flows	<u>88,870</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>88,870</u>
Net Closing balance	<u>502,240</u>	<u>54,555</u>	<u>82,671</u>	<u>49,866</u>	<u>696,332</u>

(Maritime Life (Caribbean) Limited and its subsidiaries)

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For The Year Ended December 31, 2024

13. Insurance Contracts Liabilities (Continued):

(a) Long Term Insurance (continued)

vi) Movement in Carrying Amounts - By LRC and LIC - Direct – GMM

	LRC			Total \$'000
	Excluding Loss- recovery Component \$'000	Loss- recovery Component \$'000	LIC Component \$'000	
2023				
Net opening balance	<u>1,043,381</u>	<u>411</u>	<u>41,480</u>	<u>1,085,272</u>
Insurance revenue – Fair Value Approach				
CSM recognised for services provided	(16,499)	-	-	(16,499)
Change in risk adjustment for non-financial risk for risk expired	(10,236)	-	-	(10,236)
Expected insurance service expenses incurred				
Claims	(40,364)	-	-	(40,364)
Expenses	(8,172)	-	-	(8,172)
Recovery of insurance acquisition cash flows	44	-	-	44
	<u>(75,227)</u>	<u>-</u>	<u>-</u>	<u>(75,227)</u>
Insurance revenue – Post transition				
CSM recognised for services provided	(2,107)	-	-	(2,107)
Change in risk adjustment for non-financial risk for risk expired	(3,045)	-	-	(3,045)
Expected insurance service expenses incurred				
Claims	(4,913)	-	-	(4,913)
Expenses	(5,815)	-	-	(5,815)
Recovery of insurance acquisition cash flows	(2,226)	-	-	(2,226)
	<u>(18,106)</u>	<u>-</u>	<u>-</u>	<u>(18,106)</u>
Total Insurance revenue – All transition methods	<u>(93,333)</u>	<u>-</u>	<u>-</u>	<u>(93,333)</u>

(Maritime Life (Caribbean) Limited and its subsidiaries)

Notes to The Consolidated Financial Statements

For The Year Ended December 31, 2024

13. Insurance Contracts Liabilities (Continued):

(a) Long Term Insurance (continued)

vi) Movement in Carrying Amounts - By LRC and LIC - Direct – GMM (continued)

2023 (continued)	Excluding Loss- recovery Component \$'000	Loss- recovery Component \$'000	LIC Component \$'000	Total \$'000
	Insurance service expenses			
Incurred insurance service expenses incurred				
Claims	-	320	42,478	42,798
Expenses	-	51	17,916	17,967
Amortisation of insurance acquisition cash flows	2,182	-	-	2,182
Changes that relate to past service (changes in fulfilment cash flows re LIC)	-	-	(480)	(480)
Changes that relate to past service				
Losses for the net outflow recognized on initial recognition	-	179	-	179
Losses and reversal of losses on onerous contracts - subsequent measurement	-	2,877	-	2,877
	<u>2,182</u>	<u>3,427</u>	<u>59,914</u>	<u>65,523</u>
Investment components	<u>(76,594)</u>	<u>-</u>	<u>76,594</u>	<u>-</u>
Total Insurance service results	<u>(167,745)</u>	<u>3,427</u>	<u>136,508</u>	<u>(27,810)</u>
Insurance Finance Income or Expense				
The effect of and changes in time of time value of money and financial risk	10,287	20	-	10,307
	<u>10,287</u>	<u>20</u>	<u>-</u>	<u>10,307</u>
Total Changes in the Statement of Financial Performance	<u>(157,458)</u>	<u>3,447</u>	<u>136,508</u>	<u>(17,503)</u>
Cash flows (Actual cashflows in the period)				
Premiums and premium tax received	156,562	-	-	156,562
Claims and other insurance service expenses paid, including investment components	-	-	(163,065)	(163,065)
Insurance acquisition cash flows	(20,403)	-	-	(20,403)
	<u>136,159</u>	<u>-</u>	<u>(163,065)</u>	<u>(26,906)</u>
Net closing balance	<u>1,022,082</u>	<u>3,858</u>	<u>14,923</u>	<u>1,040,863</u>

(Maritime Life (Caribbean) Limited and its subsidiaries)

Notes to The Consolidated Financial Statements

For The Year Ended December 31, 2024

13. Insurance Contracts Liabilities (Continued):

(a) Long Term Insurance (continued)

vii) Movement in Carrying Amounts - By Component - Direct – GMM

2023	Estimates of Present Value of Future Cash Flows \$'000	Risk Adjustment for Non-Financial Risk \$'000	Fair Value Approach \$'000	Post Transition \$'000	Total \$'000
Net opening balance	<u>757,420</u>	<u>94,239</u>	<u>36,266</u>	<u>197,347</u>	<u>1,085,272</u>
Changes that relate to current services					
CSM recognized for services provided	-	-	(16,499)	(2,106)	(18,605)
Change in risk adjustment for non-financial risk for risk expired	-	(13,183)	-	-	(13,183)
Experience adjustments not related to future service	<u>1,402</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,402</u>
	<u>1,402</u>	<u>(13,183)</u>	<u>(16,499)</u>	<u>(2,106)</u>	<u>(30,386)</u>
Changes that relate to future services					
Contracts initially recognised in the year	(45,775)	11,849	323	33,782	179
Changes in estimates that adjust the CSM	(38,632)	(1,844)	39,229	1,247	-
Changes in estimates that relate to losses and reversal of losses on onerous contracts	<u>2,780</u>	<u>97</u>	<u>-</u>	<u>-</u>	<u>2,877</u>
	<u>(81,627)</u>	<u>10,102</u>	<u>39,552</u>	<u>35,029</u>	<u>3,056</u>
Changes that relate to past services					
Changes in fulfilment cash flows re LIC	(2,907)	-	-	-	(2,907)
Experience adjustments in claims and other insurance service expenses in LIC	<u>2,427</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,427</u>
	<u>(480)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(480)</u>
Total Insurance Service Results	<u>(80,705)</u>	<u>(3,081)</u>	<u>23,053</u>	<u>32,923</u>	<u>(27,810)</u>

(Maritime Life (Caribbean) Limited and its subsidiaries)

Notes to The Consolidated Financial Statements

For The Year Ended December 31, 2024

13. Insurance Contracts Liabilities (Continued):a) Long Term Insurance (continued)vii) Movement in Carrying Amounts - By Component - Direct – GMM (continued)

2023 (continued)	Estimates of Present Value of Future Cash Flows \$'000	Risk Adjustment for Non-financial Risk \$'000	Fair Value Approach \$'000	Post Transition \$'000	Total \$'000
Insurance finance income and expense					
The effect of and changes in time of time value of money and financial risk	<u>514</u>	<u>5,091</u>	<u>4,050</u>	<u>652</u>	<u>10,307</u>
Total changes in the Statement of Financial Performance	<u>(80,191)</u>	<u>2,010</u>	<u>27,103</u>	<u>33,575</u>	<u>(17,503)</u>
Cash flows (actual cash flows in the period)					
Premiums and premium tax received	156,562	-	-	-	156,562
Claims and other insurance service expenses paid, including investment components	(163,065)	-	-	-	(163,065)
Insurance acquisition cash flows	<u>(20,403)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(20,403)</u>
Total Cash Flows	<u>(26,906)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(26,906)</u>
Net closing balance	<u>650,323</u>	<u>96,249</u>	<u>63,369</u>	<u>230,922</u>	<u>1,040,863</u>

(Maritime Life (Caribbean) Limited and its subsidiaries)

Notes to The Consolidated Financial Statements

For The Year Ended December 31, 2024

13. Insurance Contracts Liabilities (Continued):

(a) Long Term Insurance (continued)

viii) Movement in Carrying Amounts - By LRC and LIC - Direct - Group PAA

2023	LRC		LIC	Total \$'000
	Excluding Loss- recovery Component \$'000	Loss- recovery Component \$'000	Estimate of Present Value of Future Cash flows \$'000	
Net opening balance	(692)	-	14,696	14,004
Insurance revenue				
Fair Value Approach	(19,319)	-	-	(19,319)
Post transition	(2,068)	-	-	(2,068)
	(21,387)	-	-	(21,387)
Insurance service expenses				
Incurred insurance service expenses incurred				
Claims	-	-	30,569	30,569
Expenses	-	-	2,146	2,146
Amortisation of insurance acquisition cash flows	1,567	-	-	1,567
Changes that relate to past service (changes in fulfilment cash flows re LIC)	-	-	(2,501)	(2,501)
	1,567	-	30,214	31,781
Total changes in the Statement of Financial Performance	(19,820)	-	30,214	10,394
Cash flows (actual cash flows in the period)				
Premiums and premium tax received	21,515	-	-	21,515
Claims and other insurance service expenses paid, including investment components	-	-	(32,288)	(32,288)
Insurance acquisition cash flows	(2,295)	-	-	(2,295)
	19,220	-	(32,288)	(13,068)
Net closing balance	(1,292)	-	12,622	11,330

(Maritime Life (Caribbean) Limited and its subsidiaries)

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For The Year Ended December 31, 2024

13. Insurance Contracts Liabilities (Continued):

(a) Long Term Insurance (continued)

viii) Movement in Carrying Amounts - By LRC and LIC - Direct - VFA

2023	LRC		Liability for incurred claims \$'000	Total \$'000
	Excluding Loss Component \$'000	Loss Component \$'000		
Net opening balance	498,110	-	42,103	540,213
Insurance revenue fair value approach				
CSM recognized for services provided	(5,791)	-	-	(5,791)
Change in risk adjustment for non-financial risk for risk expired	(7,553)	-	-	(7,553)
Expected insurance service expenses incurred:				
Claims	(15,422)	-	-	(15,422)
Expenses	(12,327)	-	-	(12,327)
Recovery of insurance acquisition cash flows	177	-	-	177
	(40,916)	-	-	(40,916)
Insurance revenue post transition				
CSM recognized for services provided	(1,030)	-	-	(1,030)
Change in risk adjustment for non-financial risk for risk expired	(632)	-	-	(632)
Expected insurance service expenses incurred:				
Claims	(210)	-	-	(210)
Expenses	(355)	-	-	(355)
Recovery of insurance acquisition cash flows	(777)	-	-	(777)
	(3,004)	-	-	(3,004)
Total Insurance Revenue	(43,920)	-	-	(43,920)
Insurance service expenses				
Incurred insurance service expenses				
Claims	-	-	13,542	13,542
Expenses	-	-	5,645	5,645
Amortisation of insurance acquisition cash flows	600	-	-	600
Changes that relate to past service (changes in fulfilment cash flows re LIC)	-	-	1,717	1,717
	600	-	20,904	21,504

(Maritime Life (Caribbean) Limited and its subsidiaries)

Notes to The Consolidated Financial Statements

For The Year Ended December 31, 2024

13. Insurance Contracts Liabilities (Continued):

(a) Long Term Insurance (continued)

viii) Movement in Carrying Amounts - By LRC and LIC - Direct – VFA (continued)

	LRC		Liability for incurred claims \$'000	Total \$'000
	Excluding Loss Component \$'000	Loss Component \$'000		
2023 (continued)				
Investment components	(47,261)	-	47,261	-
Total Insurance service results	(90,581)	-	68,165	(22,416)
Insurance finance income or expense				
Net finance expenses from insurance contracts	18,829	-	-	18,829
	18,829	-	-	18,829
Total changes in Statement of Financial Performance	(71,752)	-	68,165	(3,587)
Cash flows (actual cash flows in the period)				
Premiums and premium tax received	116,602	-	-	116,602
Claims and other insurance service expenses paid, including investment components	-	-	(31,869)	(31,869)
Insurance acquisition cash flows	(8,329)	-	-	(8,329)
	108,273	-	(31,869)	76,404
Net closing balance	534,631	-	78,399	613,030

(Maritime Life (Caribbean) Limited and its subsidiaries)

Notes to The Consolidated Financial Statements

For The Year Ended December 31, 2024

13. Insurance Contracts Liabilities (Continued):

(a) Long Term Insurance (continued)

ix) Movement in Carrying Amounts - By Component - Direct - VFA

	Estimates of Present Value of Future Cash Flows \$'000	Risk Adjustment for Non- financial Risk \$'000	Fair Value Approach \$'000	Post Transition \$'000	Total \$'000
2023					
Net opening balance	362,460	56,953	106,457	14,343	540,213
Changes that relate to current services					
CSM recognized for services provided	-	-	(5,791)	(1,030)	(6,821)
Change in risk adjustment for non- financial risk for risk expired	-	(8,184)	-	-	(8,184)
Experience adjustments not related to future service	(9,128)	-	-	-	(9,128)
	(9,128)	(8,184)	(5,791)	(1,030)	(24,133)
Changes that relate to future services					
Changes in estimates that adjust the CSM	(13,642)	7,863	(11,663)	17,442	-
Changes that relate to past services					
Changes in estimates in LIC fulfilment cash flows	435	-	-	-	435
Experience adjustments in claims and other insurance service expenses in LIC	1,282	-	-	-	1,282
	1,717	-	-	-	1,717
Total Insurance Service Results	(21,053)	(321)	(17,454)	16,412	(22,416)

(Maritime Life (Caribbean) Limited and its subsidiaries)

Notes to The Consolidated Financial Statements

For The Year Ended December 31, 2024

13. Insurance Contracts Liabilities (Continued):

(a) Long Term Insurance (continued)

ix) Movement in Carrying Amounts - By Component - Direct – VFA (continued)

	Estimates of Present Value of Future Cash Flows \$'000	Risk Adjustment for Non- financial Risk \$'000	Fair Value Approach \$'000	Post Transition \$'000	Total \$'000
2023 (continued)					
Insurance finance income and expense The effect of and changes in time of time value of money and financial risk	18,829	-	-	-	18,829
Total changes in the Statement of Financial Performance	<u>(2,224)</u>	<u>(321)</u>	<u>(17,454)</u>	<u>16,412</u>	<u>(3,587)</u>
Cash flows (actual cash flows in the period)					
Premiums and premium tax received	116,602	-	-	-	116,602
Claims and other insurance service expenses paid, including investment components	(31,869)	-	-	-	(31,869)
Insurance acquisition cash flows	<u>(8,329)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(8,329)</u>
Total Cash Flows	<u>76,404</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>76,404</u>
Net Closing balance	<u>436,640</u>	<u>56,632</u>	<u>89,003</u>	<u>30,755</u>	<u>613,030</u>

(Maritime Life (Caribbean) Limited and its subsidiaries)

Notes to The Consolidated Financial Statements

For The Year Ended December 31, 2024

13. Insurance Contracts Liabilities (Continued):

(b) Short Term Insurance

	Liability for Remaining Coverage		Liability for Incurred Claims		Total
	Excluding Loss Component \$'000	Loss Component \$'000	Present value of fulfilment Cash Flows \$'000	Risk Adjustments \$'000	
2024	\$'000	\$'000	\$'000	\$'000	\$'000
Net opening balance	<u>67,017</u>	<u>-</u>	<u>179,165</u>	<u>8,253</u>	<u>254,435</u>
Insurance revenue	<u>(324,081)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(324,081)</u>
Insurance service expense					
Incurred claims and other insurance service expenses	-	-	63,867	2,925	66,792
Amortization of insurance acquisition cash flows	40,991	-	-	-	40,991
Losses and reveals of losses on onerous contracts	-	-	-	-	-
Adjustments to liabilities for incurred claims	-	-	(20,112)	(1,195)	(21,307)
	<u>40,991</u>	<u>-</u>	<u>43,755</u>	<u>1,730</u>	<u>86,476</u>
Insurance service result	<u>(283,090)</u>	<u>-</u>	<u>43,755</u>	<u>1,730</u>	<u>(237,605)</u>
Net finance expenses from insurance contracts	-	-	2,282	54	2,336
Total changes in the statement of profit or loss and OCI	<u>(283,090)</u>	<u>-</u>	<u>46,037</u>	<u>1,784</u>	<u>(235,269)</u>
Cash flows					
Premiums received	322,760	-	-	-	322,760
Claims and other insurance service expenses paid	-	-	(62,269)	-	(62,269)
Insurance acquisition cash flows	<u>(49,889)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(49,889)</u>
Total cash flow	<u>272,871</u>	<u>-</u>	<u>(62,269)</u>	<u>-</u>	<u>210,602</u>
Net closing balance	<u>56,799</u>	<u>-</u>	<u>162,933</u>	<u>10,037</u>	<u>229,769</u>

(Maritime Life (Caribbean) Limited and its subsidiaries)

Notes to The Consolidated Financial Statements

For The Year Ended December 31, 2024

13. Insurance Contracts Liabilities (Continued):

(b) Short Term Insurance (continued)

	Liability for Remaining Coverage		Liability for Incurred Claims		Total
	Excluding Loss Component	Loss Component	Present value of fulfilment Cash Flows	Risk Adjustments	
	\$'000	\$'000	\$'000	\$'000	
2023					
Net opening balance	<u>77,540</u>	<u>-</u>	<u>121,153</u>	<u>6,580</u>	<u>205,273</u>
Insurance revenue	<u>(288,717)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(288,717)</u>
Insurance service expense					
Incurred claims and other insurance service expenses	-	-	58,683	1,884	60,567
Amortization of insurance acquisition cash flows	27,432	-	-	-	27,432
Losses and reveals of losses on onerous contracts	-	-	-	-	-
Adjustments to liabilities for incurred claims	<u>-</u>	<u>-</u>	<u>55,416</u>	<u>(287)</u>	<u>55,129</u>
	<u>27,432</u>	<u>-</u>	<u>114,099</u>	<u>1,597</u>	<u>143,128</u>
Insurance service result	<u>(261,285)</u>	<u>-</u>	<u>114,099</u>	<u>1,597</u>	<u>(145,589)</u>
Net finance expenses from insurance contracts	-	-	2,329	76	2,405
Total changes in the statement of profit or loss and OCI	<u>(261,285)</u>	<u>-</u>	<u>116,428</u>	<u>1,673</u>	<u>(143,184)</u>
Cash flows					
Premiums received	280,019	-	-	-	280,019
Claims and other insurance service expenses paid	-	-	(58,416)	-	(58,416)
Insurance acquisition cash flows	<u>(29,257)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(29,257)</u>
Total Cash Flow	<u>250,762</u>	<u>-</u>	<u>(58,416)</u>	<u>-</u>	<u>192,346</u>
Net closing balance	<u>67,017</u>	<u>-</u>	<u>179,165</u>	<u>8,253</u>	<u>254,435</u>

(Maritime Life (Caribbean) Limited and its subsidiaries)

Notes to The Consolidated Financial Statements

For The Year Ended December 31, 2024

13. Insurance Contracts Liabilities (Continued):

(c) Expected recognition of the Contractual Service Margin in Profit or Loss

Number of years until expected to be recognised	Total Insurance Contracts	
	2024 \$'000	2023 \$'000
1	31,884	27,546
2	29,544	25,640
3	27,614	23,998
4	25,955	22,599
5	24,470	21,306
6 - 10	103,713	90,317
11 - 20	114,887	101,321
> 20 Years	<u>114,887</u>	<u>101,322</u>
Total	<u>472,954</u>	<u>414,049</u>

(d) Insurance contracts issued initially recognised in the period

	Non-Onerous Groups of Contracts	
	2024 \$'000	2023 \$'000
Estimates of the present value of future cash outflows:		
Insurance acquisition cash flows	21,835	19,749
Claims and other cash outflows	<u>76,583</u>	<u>58,487</u>
	<u>98,418</u>	<u>78,236</u>
Estimates of the present value of future cash inflows	(155,930)	(124,148)
Risk adjustment for non-financial risk	13,456	11,807
Contractual service margin	<u>44,056</u>	<u>34,105</u>
	<u>(98,418)</u>	<u>(78,236)</u>
Losses for the net outflow recognized on initial recognition	<u>-</u>	<u>-</u>

(Maritime Life (Caribbean) Limited and its subsidiaries)

Notes to The Consolidated Financial Statements

For The Year Ended December 31, 2024

14. Stated Capital:

Authorised

An unlimited number of ordinary shares of no par value.

Issued and fully paid

16,583,728 shares of no par value.

15. Capital Reserve:

Capital reserve comprises surpluses on revaluation of owner-occupied properties.

	2024 \$'000	2023 \$'000
Revaluation surpluses (Note 10(b))	<u>113,772</u>	<u>100,385</u>

16. Catastrophe Reserve:

Section 44 of the Insurance Act 2018 require every insurer carrying on property insurance business to establish and maintain at all times in respect of catastrophe risks, a Catastrophe Reserve Fund, and at the end of each financial year, to make an appropriation from its retained earnings to the Catastrophe Reserve Fund in an amount not less than twenty percent of its net written premium income in relation to its property insurance business for that year, until the Catastrophe Reserve Fund is equal to, or exceeds the net written premium income in relation to its property insurance business for that year.

Under Section 10D of the Corporation Tax Act contributions to the catastrophe reserve fund up to a maximum of 20% of net premium income on property business is allowed as a deduction in computing chargeable income.

17. General Reserve:

The general reserve represents appropriations of retained earnings for any possible unforeseen losses on financial assets for which alternative specific provision is not made.

18. Investment Revaluation Reserve:

The investment revaluation reserve represents unrealised gains and losses arising from changes in fair value of financial assets at fair value through other comprehensive income.

19. Foreign Currency Translation Reserve:

The foreign currency translation reserve represents gains and losses arising on the translation of non-monetary assets and liabilities of foreign operations.

(Maritime Life (Caribbean) Limited and its subsidiaries)

Notes to The Consolidated Financial Statements

For The Year Ended December 31, 2024

20. Statutory Reserve:

The Financial Institutions Act, 2008 requires every financial institution to transfer no less than 10% of its net profit after deduction of taxes to a reserve fund until the amount standing to the credit of the reserve fund is equal at least to its paid up capital.

21. Non-Controlling Interests:

	2024 \$'000	2023 \$'000
Balance brought forward	132,435	127,153
Adjustments for acquisition of shares by the parent company	-	(1,368)
Share of total comprehensive income	7,356	7,980
Dividends paid	<u>(1,330)</u>	<u>(1,330)</u>
	<u>138,461</u>	<u>132,435</u>
(a) Share of total comprehensive income		
Share of surplus after taxation	6,343	7,478
Share of other comprehensive income	<u>1,013</u>	<u>502</u>
	<u>7,356</u>	<u>7,980</u>
(b) Accumulated balances of material non-controlling interests		
Development Finance Limited – 49.75%	<u>138,460</u>	<u>132,434</u>

(Maritime Life (Caribbean) Limited and its subsidiaries)

Notes to The Consolidated Financial Statements

For The Year Ended December 31, 2024

21. Non-Controlling Interests (Continued):

(c) Summarised financial information in respect of Development Finance Limited before intercompany eliminations is as follows:

	2024 \$'000	2023 \$'000
i) Statement of Financial Position		
Total assets	1,172,864	1,088,401
Total liabilities	<u>898,916</u>	<u>826,908</u>
	<u>273,948</u>	<u>261,493</u>
ii) Statement of Comprehensive Income		
Total income	<u>63,836</u>	<u>60,654</u>
Net surplus after taxation	13,159	15,032
Other comprehensive income	<u>1,626</u>	<u>1,008</u>
Total comprehensive income	<u>14,785</u>	<u>16,040</u>
iii) Statement of Cash Flows		
Cash flows from operating activities	128,646	130,065
Cash flows from investing activities	(53,637)	(118,047)
Cash flows from financing activities	(43,019)	(41,369)
Effect of exchange fluctuations on cash and cash equivalents held	<u>111</u>	<u>41</u>
Net change in cash and cash equivalents	<u>32,101</u>	<u>(29,310)</u>

(Maritime Life (Caribbean) Limited and its subsidiaries)

Notes to The Consolidated Financial Statements

For The Year Ended December 31, 2024

22. Insurance/Reinsurance Contracts:

(a) i) Insurance Revenue - By Measurement Category

	2024 \$'000	2023 \$'000
Long Term Insurance		
GMM	92,180	93,333
VFA	<u>54,154</u>	<u>43,920</u>
Not measured under the PAA	146,334	137,253
Measured under the PAA	<u>27,710</u>	<u>21,387</u>
Total Long Term Insurance	174,044	158,640
Short Term Insurance		
Measured under the PAA	<u>324,081</u>	<u>288,717</u>
Group Total	498,125	447,357
Less: Consolidation adjustments	<u>(1,233)</u>	<u>(1,198)</u>
Total 3rd Party Revenue	<u>496,892</u>	<u>446,159</u>

(a) ii) Insurance Revenue - not measured under the PAA – By Components

	2024 \$'000	2023 \$'000
CSM recognised for services provided	30,533	25,427
Change in risk adjustment for non-financial risk for risk expired	22,901	21,466
Expected insurance service expenses incurred - Claims	64,849	60,909
Expected insurance service expenses incurred - Expenses	24,436	26,669
Recovery of insurance acquisition cash flows	4,689	2,782
Restatement and other changes	<u>(1,074)</u>	<u>-</u>
	<u>146,334</u>	<u>137,253</u>

(Maritime Life (Caribbean) Limited and its subsidiaries)

Notes to The Consolidated Financial Statements

For The Year Ended December 31, 2024

22. Insurance/Reinsurance Contracts (Continued):

(b) i) Insurance Service Expenses - By Measurement Category

	2024 \$'000	2023 \$'000
Long Term Insurance		
GMM	89,466	65,523
VFA	24,588	21,504
PAA	<u>27,148</u>	<u>31,781</u>
Total Long Term Insurance	141,202	118,808
Short Term Insurance		
PAA	<u>86,476</u>	<u>143,128</u>
Group Total	227,678	261,936
Less: Consolidation adjustments	<u>(10,525)</u>	<u>(9,381)</u>
Total 3rd Party Insurance Service Expenses	<u>217,153</u>	<u>252,555</u>

(b) ii) Insurance Service Expenses - By Components

Incurring insurance service expenses incurred – Claims	149,467	147,476
Incurring insurance service expenses incurred – Expenses	28,549	25,758
Amortisation of insurance acquisition cash flows	47,106	31,781
Changes that relate to past service (Changes in fulfillment cash flows re LIC)	(970)	(1,264)
Losses for net outflow recognised on initial recognition	-	179
Losses and reversal of losses on onerous contracts - subsequent measurement	24,833	2,877
Adjustments to liabilities for incurred claims	<u>(21,307)</u>	<u>55,129</u>
	227,678	261,936
Less: Consolidation adjustments	<u>(10,525)</u>	<u>(9,381)</u>
Total 3rd Party Insurance Service Expenses	<u>217,153</u>	<u>252,555</u>

(Maritime Life (Caribbean) Limited and its subsidiaries)

Notes to The Consolidated Financial Statements

For The Year Ended December 31, 2024

22. Insurance/Reinsurance Contracts (Continued):

(c) Net Expense from Reinsurance Contracts – By Measurement Category

	2024 \$'000	2023 \$'000
Long Term Insurance		
GMM	21,304	15,359
Short Term Insurance		
PAA	<u>204,302</u>	<u>103,766</u>
Group Total	<u>225,606</u>	<u>119,125</u>

(d) Net Finance Expense from Insurance Contracts – By Measurement Category

	2024 \$'000	2023 \$'000
Long Term Insurance		
GMM	54,256	10,307
VFA	<u>23,998</u>	<u>18,829</u>
Total Long Term Insurance	78,254	29,136
Short Term Insurance		
PAA	<u>2,336</u>	<u>2,405</u>
Group Total	<u>80,590</u>	<u>31,541</u>

(e) Net Finance Income/(Expense) from Insurance Contracts – By Measurement Category

	2024 \$'000	2023 \$'000
Long Term Insurance		
GMM	7,588	(393)
Short Term Insurance		
PAA	<u>990</u>	<u>(217)</u>
Group Total	<u>8,578</u>	<u>(610)</u>

(Maritime Life (Caribbean) Limited and its subsidiaries)

Notes to The Consolidated Financial Statements

For The Year Ended December 31, 2024

23. Net Investment Result:

	2024 \$'000	2023 \$'000
Net interest income	171,244	157,399
Dividends	6,936	6,154
Net rental income from operating leases	<u>9,379</u>	<u>9,022</u>
	<u>187,559</u>	<u>172,575</u>
Realised gains	1,827	3,966
Unrealised losses	1,591	(3,660)
Expected credit losses	<u>(4,999)</u>	<u>(3,445)</u>
	<u>(1,581)</u>	<u>(3,139)</u>
Foreign exchange losses	<u>3,584</u>	<u>(1,986)</u>
Net investment result	<u><u>189,562</u></u>	<u><u>167,450</u></u>
(a) Net interest income		
Cash and cash equivalents	306	508
Fair value through profit or loss	1,100	86
Fair value through other comprehensive income	5,015	6,432
Amortised cost	174,032	152,806
Loans	44,936	47,175
Other	<u>(18)</u>	<u>(21)</u>
	225,371	206,986
Interest on deposits and borrowings	<u>(54,127)</u>	<u>(49,587)</u>
	<u><u>171,244</u></u>	<u><u>157,399</u></u>
(b) Net rental income from operating leases		
Rental income from operating leases	10,733	9,832
Depreciation on leased assets	<u>(1,354)</u>	<u>(810)</u>
	<u><u>9,379</u></u>	<u><u>9,022</u></u>
(c) Gains/(losses)		
Fair value through profit or loss	(12,559)	(1,334)
Fair value through other comprehensive income	(617)	1,499
Amortised cost	(5,616)	277
Loans	(160)	(3,541)
Investment properties	21,044	1,392
Owner-occupied properties	-	(322)
Other	<u>(3,673)</u>	<u>(1,110)</u>
	<u><u>(1,581)</u></u>	<u><u>(3,139)</u></u>

(Maritime Life (Caribbean) Limited and its subsidiaries)

Notes to The Consolidated Financial Statements

For The Year Ended December 31, 2024

23. Net Investment Result (Continued):

	2024 \$'000	2023 \$'000
(d) Expected credit losses		
Bonds (Note 8(c))	(4,839)	583
Mortgages (Note 8(h)(ii))	<u>(160)</u>	<u>(4,028)</u>
	<u><u>(4,999)</u></u>	<u><u>(3,445)</u></u>

24. Other Income (net):

	2024 \$'000	2023 \$'000
Commissions	404	436
Gross profit from sale of goods	8,720	8,310
Fee income	1,414	776
Miscellaneous income	<u>8,831</u>	<u>7,303</u>
	<u><u>19,369</u></u>	<u><u>16,825</u></u>
(a) Gross profit from sale of goods		
Revenue from sale of goods	49,240	47,001
Cost of sales	(39,417)	(37,759)
Other direct costs	<u>(1,103)</u>	<u>(932)</u>
	<u><u>8,720</u></u>	<u><u>8,310</u></u>

(Maritime Life (Caribbean) Limited and its subsidiaries)

Notes to The Consolidated Financial Statements

For The Year Ended December 31, 2024

25. Non-directly Attributable Expenses:

	2024 \$'000	2023 \$'000
(a) Expenses of Management		
Employee benefits	77,617	71,580
Depreciation (net)	6,961	6,212
Operating lease rentals	1,058	1,043
Other administrative expenses	<u>91,823</u>	<u>80,573</u>
	177,459	159,408
Transfer to insurance service expenses	<u>(57,719)</u>	<u>(55,716)</u>
	<u>119,740</u>	<u>103,692</u>
(b) Commissions/agents remuneration	70,959	61,149
Transfer to insurance service expenses	<u>(64,781)</u>	<u>(55,571)</u>
	<u>6,178</u>	<u>5,578</u>
(c) Total expenses	248,418	220,557
Transfer to insurance service expenses	<u>(122,500)</u>	<u>(111,287)</u>
Total non-directly attributable expenses	<u>125,918</u>	<u>109,270</u>
(d) Pension costs		
Included in employee benefits		
Defined Contribution Plans	2,208	2,131
Defined Benefit Plan (Note 5(d)(iv))	<u>(1,021)</u>	<u>(1,090)</u>
	1,187	1,041
Included in commissions/agents remuneration	<u>1,206</u>	<u>1,153</u>
	<u>2,393</u>	<u>2,194</u>

(Maritime Life (Caribbean) Limited and its subsidiaries)

Notes to The Consolidated Financial Statements

For The Year Ended December 31, 2024

26. Taxation:

	2024 \$'000	2023 \$'000
(a) Tax credit/(charge) for the year		
Current year	10,452	8,592
Deferred taxation	<u>1,112</u>	<u>(11,056)</u>
	<u>11,564</u>	<u>(2,464)</u>
Insurance revenue statement	3,654	3,646
Shareholders	<u>7,910</u>	<u>(6,110)</u>
	<u>11,564</u>	<u>(2,464)</u>
(b) Reconciliation		
Income taxes in the Statements of Income vary from amounts that would be computed by applying the statutory tax rates for the following reasons:		
Surplus before taxation	<u>65,134</u>	<u>117,333</u>
Tax at applicable statutory rates	18,699	31,673
Effect of different tax rates of life insurance companies	(366)	(368)
Items not subject to tax	(7,571)	(19,950)
Temporary differences	589	581
Tax losses	837	271
Other	<u>(2,385)</u>	<u>(16,305)</u>
	9,803	(4,098)
Business Levy	341	333
Green Fund Levy	<u>1,420</u>	<u>1,301</u>
	<u>11,564</u>	<u>(2,464)</u>
(c) Tax losses		
Tax losses in subsidiaries available for set off against future chargeable profits of those companies.	<u>19,241</u>	<u>19,364</u>

(Maritime Life (Caribbean) Limited and its subsidiaries)

Notes to The Consolidated Financial Statements

For The Year Ended December 31, 2024

27. Cash and Cash Equivalents:

	2024 \$'000	2023 \$'000
Cash and bank balances	160,964	148,476
Short term investments	80,607	67,766
Bank overdraft	(147)	(6)
Short-term borrowings	<u>(129,888)</u>	<u>(76,964)</u>
	<u>111,536</u>	<u>139,272</u>

28. Capital Commitments:

	2024 \$'000	2023 \$'000
Mortgages and other loans	<u>27,570</u>	<u>26,741</u>

29. Operating Leases:

	2024 \$'000	2023 \$'000
Future rental income due on non-cancellable operating leases		
Up to one year	10,452	7,545
Two to three years	<u>21,741</u>	<u>11,343</u>
	<u>32,193</u>	<u>18,888</u>

(Maritime Life (Caribbean) Limited and its subsidiaries)

Notes to The Consolidated Financial Statements

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30. Related Party Transactions:

Related party transactions are transfer of resources, services or obligations between the Group and a related party, regardless of whether a price is charged.

Related parties include: persons, or a close member of that person's family, who has control, joint control, or significant influence over the Group, including members of the key management personnel; all subsidiaries (Note 37); all associates and joint venture partners; and the Group's post-employment benefit plans for the employees of the Group.

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly, including any director (whether executive or otherwise) of the Group.

A number of transactions are entered into with related parties in the normal course of business. These transactions were carried out on commercial terms and conditions at market rates.

(Maritime Life (Caribbean) Limited and its subsidiaries)

Notes to The Consolidated Financial Statements

For The Year Ended December 31, 2024

30. Related Party Transactions (Continued):

Balances and transactions with related parties during the year were as follows:

	2024 \$'000	2023 \$'000
(a) Associates		
Investments in stated capital	-	-
Impairment loss	-	-
Share of loss for the year	-	-
Share of other comprehensive income	-	-
Gain on disposal	-	-
	<u>-</u>	<u>-</u>
(b) Post employment benefit plans		
i) Defined contribution plan		
Deposit administration contract	100,829	103,089
Pension fund contributions	2,708	2,670
Purchase of annuities	7,442	3,771
	<u>110,979</u>	<u>109,530</u>
ii) Defined benefit plan		
Post-employment benefit asset	30,490	29,039
Actuarial gain/(loss)	430	(1,464)
Income	1,021	1,090
	<u>31,941</u>	<u>28,665</u>
(c) Key management personnel		
Loans - secured	3,861	4,054
Customer deposits and other borrowings	5,611	2,953
Interest income	349	353
Interest expense	129	93
	<u>9,950</u>	<u>7,453</u>
(d) Key management compensation		
Short term benefits	14,708	13,661
Post employment benefits	259	242
Other long term benefits	-	-
Termination benefits	-	-
	<u>15,267</u>	<u>14,146</u>

(Maritime Life (Caribbean) Limited and its subsidiaries)

Notes to The Consolidated Financial Statements

For The Year Ended December 31, 2024

31. Insurance Contracts – Assumptions, Changes in Assumptions and Sensitivity:

(a) Long term insurance contracts

i) Liabilities

The actuarial liabilities for long term insurance contracts are determined in accordance with the provisions of the Insurance Act, 2018 and following generally accepted actuarial practice in the Republic of Trinidad and Tobago. These liabilities are determined by the Group's Appointed Actuary based on the requirements of IFRS 17 (Note 2 (p)).

The most significant impact on the valuation of this liability results from a change in the discount rates. Future investment yields may be sensitive to variations in reinvestment interest rates, which may affect the valuation of policy benefit liabilities.

Total net pre-adjusted policy liabilities increased by \$63.33 million from \$1,088.43 million to \$1,151.76 million as a result of the following:

- (a) The normal increase for in-force and new business was an increase of \$70.98 million;
- (b) The impact on liabilities from changes in methods and assumptions resulted in a net decrease in net actuarial liabilities of \$7.65 million as follows:
 - Changes to mortality and morbidity assumptions resulted in a net decrease of \$2.01 million;
 - Year end 2024 IFRS 17 discount rates resulted in a net increase of \$11.67 million;
 - Amounts are included in actuarial liabilities to provide for the costs of administering in-force policies, including the costs of premium collection, adjudication and processing of claims, periodic actuarial calculations, preparation and mailing of policy statements, and related indirect expenses and overhead. Policy maintenance expenses are derived from the Group's internal cost analyses, which are reviewed and updated annually and then projected into the future with an allowance for inflation. The impact on liabilities was a net decrease of \$17.31 million; and
 - Model refinements, data correction, methodology and management action, and adjustments for reinsurance was NIL.

(Maritime Life (Caribbean) Limited and its subsidiaries)

Notes to The Consolidated Financial Statements

For The Year Ended December 31, 2024

31. Insurance Contracts – Assumptions, Changes in Assumptions and Sensitivity (Continued):

(a) Long term insurance contracts (continued)

ii) Sensitivity

The liability adequacy tests were performed using the IFRS 17 liabilities. The sensitivity of the liability adequacy test carried out was as follows:

Scenario	% Sensitivity of Best Estimate Liabilities [BEL] and Risk Adjustment [RA] to Changes in Assumptions	CSM Impact
100bps Decrease in Discount Rates	13.00%	0.00%
100bps Increase in Discount Rates	(10.75%)	0.00%
10% Adverse Mortality	1.37%	(1.28%)
10% Favourable Mortality	(1.32%)	1.23%
10% Adverse Lapse	1.51%	(1.40%)
10% Favourable Lapse	(1.60%)	1.49%
20% Adverse Expenses	3.23%	(3.01%)
20% Favourable Expenses	(3.21%)	2.99%
10% Adverse Morbidity	1.78%	(1.66%)
10% Favourable Morbidity	(1.78%)	1.65%

(b) Short term insurance contracts

i) Liabilities

The most significant liability arising from short term insurance contracts is the provisions for outstanding claims. These provisions are determined using input from loss adjustors and past experience. To this is added provisions made for claims and claims expenses incurred but not reported until after the year-end date. These provisions cannot be determined with certainty because of the substantial delay between the occurrences, reporting and final settlement of the claims. They are reviewed and amended on an ongoing basis as new information becomes available, claims are settled and new claims reported.

Experience and industry information is used to assess the impact of external factors such as legislative changes, judicial decisions and technological changes. The claims reserves are sensitive to these assumptions.

As per Section 78 of the Insurance Act, an Appointed Actuary was appointed in December 2024 for the subsidiary. The Appointed Actuary is involved in the preparation and review of the policy liabilities.

(Maritime Life (Caribbean) Limited and its subsidiaries)

Notes to The Consolidated Financial Statements

For The Year Ended December 31, 2024

31. Insurance Contracts – Assumptions, Changes in Assumptions and Sensitivity (Continued):

(b) Short term insurance contracts (continued)

ii) Claims development

Accident year	2020 \$'000	2021 \$'000	2022 \$'000	2023 \$'000	2024 \$'000	Total \$'000
Estimate of cumulative claims						
At end of year	40,441	35,021	49,351	55,046	67,925	
One year later	42,228	33,424	44,858	49,876		
Two years later	39,403	30,685	43,206			
Three years later	39,304	30,014				
Four years later	38,856					
Estimate of cumulative claims	38,856	30,014	43,206	49,876	67,925	229,877
Cumulative payments	(31,099)	(22,816)	(30,828)	(35,732)	(33,972)	(154,447)
Claims outstanding	<u>7,757</u>	<u>7,198</u>	<u>12,378</u>	<u>14,144</u>	<u>33,953</u>	75,430
Claims outstanding - pre 2020						23,966
Unallocated loss adjustment expenses						4,148
Impact of discounting						(15,211)
Risk adjustment						<u>7,683</u>
Net Liability for incurred Claims						<u>96,016</u>

iii) Sensitivity

An analysis of the subsidiary's sensitivity to certain key assumptions is presented below.

The analysis is performed for movements in key assumptions, with all other assumptions held constant. Ignoring ripple effects on taxation, the impact on the net liabilities would have the same opposite effect on the retained earnings. Movements in these assumptions may be non-linear and may be correlated with one another.

(Maritime Life (Caribbean) Limited and its subsidiaries)

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For The Year Ended December 31, 2024

31. Insurance Contracts – Assumptions, Changes in Assumptions and Sensitivity (Continued):

(b) Short term insurance contracts (continued)

iv) Sensitivity (Continued)

	2024 \$'000	2023 \$'000
Net Liabilities for Incurred Claims		
Insurance contract liabilities (Note 13)	172,970	187,417
Reinsurance contract assets (Note 6)	<u>(76,954)</u>	<u>(84,275)</u>
Net	<u>96,016</u>	<u>103,142</u>
Impact on net liabilities \$'000		
Decrease in discount rate of 1%	2,400	1,700
Increase in severity/frequency of 10%	9,600	10,300

	2024 %	2023 %
Impact on net liabilities %		
Decrease in discount rate of 1%	2.50%	1.65%
Increase in severity/frequency of 10%	10.00%	10.00%

(v) Concentration by lines of business – Liability for Incurred Claims

	2024 \$'000	2023 \$'000
Property	856	1,723
Motor	81,638	82,695
Liability	13,194	18,367
Marine	321	350
Pecuniary loss	7	7
Personal accident	<u>-</u>	<u>-</u>
	<u>96,016</u>	<u>103,142</u>

(Maritime Life (Caribbean) Limited and its subsidiaries)

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For The Year Ended December 31, 2024

32. Insurance Risk:

The Group is involved in underwriting, pricing, and accepting various kinds of risks in exchange for premiums. The insurance contract gives rise to the traditional insurance risk, which is the uncertainty that an insured event will occur resulting in financial consequences covered by the insurance contract, in addition to regulatory, legal, and pricing risk. Regulatory risk is associated with the potential of laws, directives and guidelines affecting the insurance industry to change and impact the insurance operations. Legal risk arises out of the costs associated with a possible dispute over policy terms and conditions, subrogation, and any other legal matter arising from the insurance contract. Pricing risk is the possibility that the premiums paid for the transfer of various risks are not sufficient.

The objective of risk management of insurance contracts is to properly identify, assess, control, evaluate and price all risks so as to increase stakeholder value.

As part of the Group's enterprise risk management strategy, risks are managed through the underwriting processes, claims management, reinsurance, diversification among various products, asset liability management, and actuarial consultation.

(a) Underwriting

The principal area of risk management begins in the underwriting process. Underwriting is the entire process that entails selecting policyholders by recognizing and evaluating hazards, establishing prices and determining policy terms and conditions. These processes are continually reviewed as it is at this stage that the Group determines if a risk will be accepted, rejected, or modified.

The Group has strict underwriting guidelines that have been developed with the assistance of actuarial support. These guidelines are reviewed and audited to ensure compliance.

(b) Long term insurance contracts

Policy benefits under long term insurance contracts become payable when an insurable event such as death or critical illness occurs, at a specified time such as at the retirement date specified by an annuity contract and on the exercise of policy options such as surrender or request for a policy loan by a policyowner.

i) Underwriting

Underwriting risk inherent in long term insurance contracts is the risk that the company's rates will prove inadequate because experience (mortality, morbidity, lapse, expense, average size cases etc.,) worsens vis a vis pricing parameters.

ii) Longevity risk on annuity business

The Group is exposed to a risk exposure to improvement in mortality on its annuity business. This risk is managed by using a conservative mortality assumption in pricing including mortality improvement projections.

(Maritime Life (Caribbean) Limited and its subsidiaries)

Notes to The Consolidated Financial Statements

For The Year Ended December 31, 2024

32. Insurance Risk (Continued):

(b) Long term insurance contracts (continued)

iii) Mortality and morbidity risk

Mortality and morbidity risks including critical illness incidence are managed through pricing and underwriting strategies and reinsurance arrangements. Mortality improvement continues to be experienced, however the Group is exposed to the risk of a sudden and severe spike in mortality rates due to either a global or region specific pandemic. These risks are mitigated through catastrophe reinsurance arrangements.

iv) Lapse risk

Lapse risk is managed through product design and conservation strategies.

v) Experience studies

Experience studies are carried out on a regular basis to monitor experience vis a vis pricing assumptions and to determine experience assumptions for cash flow and profitability projections.

vi) Reinsurance

Reinsurance is used to reduce any single exposure of an insured. Limits and retentions are set according to the risk tolerance of stakeholders. The Group in certain cases also relies on the reinsurers' expertise in analyzing risks, product development and training.

vii) Pricing risk

The Group's insurance contracts are subject to pricing risk, which includes risks associated with mortality, expenses, and investments. The Group manages its pricing risk through actuarial support in the review of existing products and new product development. The Appointed Actuary assists in managing the development and deployment of an appropriate and efficient product development process that is tailored to the organizational structure and available resources. The Appointed Actuary approves all product design and pricing and conducts experience studies on mortality and morbidity, lapses and expenses.

(c) Short term insurance contracts

Insurance risks are accepted from insureds in consideration for premiums calculated on the basis of the client, company and the industry experience with particular types of risks. The Group carries significant exposure on the various lines of business written, with the most significant being the motor and property lines. Material losses arise from low frequency, high severity events such as catastrophes, major fires and motor liability claims. The loss potential for these events is limited by ceding certain portions of these risks to reinsurers.

(Maritime Life (Caribbean) Limited and its subsidiaries)

Notes to The Consolidated Financial Statements

For The Year Ended December 31, 2024

32. Insurance Risk (Continued):

(c) Short term insurance contracts (continued)

i) Underwriting

The Group has underwriting guidelines for various product lines that are followed by staff underwriters and agents that have been authorized to bind coverage. These guidelines are reviewed annually.

ii) Reinsurance

The Group relies on a significant amount of reinsurance. Reinsurance is used as a risk transfer mechanism, to smooth the Group's loss experience and to provide for large line capacity, catastrophe protection and underwriting guidance.

Because some risk exposures can be very large in nature, the Group utilizes reinsurance to accept the liability for loss exposures that the Group is unwilling or unable to retain. Reinsurance allows the Group to increase its market share while limiting the financial consequences of potential losses. Further, the Group insures various property and major exposures that are subject to earthquakes and windstorms. The Group purchases excess of loss insurance to mitigate the losses of these catastrophic events. The Group also utilizes the reinsurers for underwriting assistance, claims management and overall guidance.

Reinsurers are selected based on their track record and capability to meet their contractual obligations. In addition, the ratings assigned to reinsurers by the international rating agencies such as A.M. Best and Standard and Poors are used in determining whether or not reinsurers are acceptable. These ratings are monitored on an ongoing basis.

(d) Concentration of insurance risk

i) The Group is exposed to significant insurance risk on the various lines of business written.

ii) The total sums assured/insured analysed by major classes of business is as follows:

	2024 \$'000	2023 \$'000
Gross		
Long term insurance	12,822,358	12,373,393
Short term insurance	<u>14,178,672</u>	<u>14,540,157</u>
	<u>27,001,030</u>	<u>26,913,550</u>
Net		
Long term insurance	4,671,029	4,504,243
Short term insurance	<u>4,246,104</u>	<u>4,581,554</u>
	<u>8,917,133</u>	<u>9,085,797</u>

(Maritime Life (Caribbean) Limited and its subsidiaries)

Notes to The Consolidated Financial Statements

For The Year Ended December 31, 2024

33. Financial Risk:

(a) Enterprise risk management

The Group's overall strategy is to move away from traditional risk management to enterprise risk management (ERM), whereby each company within the Group assesses, controls, exploits, finances and monitors risks from all sources affecting it for the purpose of increasing stakeholder value, and also within the context of the Group as a whole. This holistic approach allows the Group to mitigate risk and create value. In essence, the Group can increase stakeholder value while maintaining an acceptable level of risk to stakeholders. As a part of the ERM strategy the Group identifies and evaluates all risks in the context of one another as opposed to distinct risks.

The Group is exposed to financial risk including credit risk, liquidity risk, currency risk, interest rate risk, price risk and climate-related risk. In particular, the key financial risk is that proceeds from its financial and reinsurance assets are not sufficient to fund obligations arising from insurance contracts and financial liabilities.

(b) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

The Group is exposed to credit risk mainly on its short term investments, accounts receivable, reinsurance assets and investments in bonds, mortgages, loans to small and medium-sized enterprises and other loans.

i) Short term investments

The credit risk on short term investments is limited because the funds are invested in deposits with licensed banks and financial institutions, and in treasury bills.

ii) Accounts receivable

Accounts receivable are stated at amounts outstanding less impairment provision. Adequate provisions have been made for any uncollectible amounts.

iii) Reinsurance assets

The Group reduces its credit risk associated with reinsurance assets by entering into treaty agreements only with reinsurers who have acceptable credit ratings.

iv) Bonds

The Group invests in bonds issued only by governments, state enterprises, licensed financial institutions and corporations with acceptable credit ratings. The Group actively reviews all bond-issuing entities in which investments are being considered. The Group also limits the size of any given bond issue compared to size of its investment portfolio.

(Maritime Life (Caribbean) Limited and its subsidiaries)

Notes to The Consolidated Financial Statements

For The Year Ended December 31, 2024

33. Financial Risk (Continued):

(b) Credit risk (continued)

v) Mortgage loans

The value at risk associated with mortgage loans is not very significant as they are secured by property, which has experienced significant increases in value.

vi) Loans to small and medium-sized enterprises (SME)

The principal activity of the subsidiary, Development Finance Limited, is the granting of loans to SMEs in the Caribbean. These are vulnerable to interruptions in the supply chain due to transport facilities, weather, utilities, licensing regimes and natural disasters such as hurricanes and flooding as well as changes in customer preferences due to global influences and variable household incomes. Cash flow is often affected by the slow receipt of receivables from larger entities, including Governments.

This risk is highly correlated with "Country risk" in terms of governance, economic conditions and the operation of markets. The correlation between SME risk and Country risk arises from the inability of some Caribbean countries to increase competitiveness due to delays in improving infrastructure, in delivering appropriately trained entrants to the work force and in creating conditions that allow markets to function effectively. This reduces sustained access by SME to markets and operating finance.

The subsidiary manages "Country risk" using conventional country assessments to provide country ratings that are indexed to its assessment of its home country. This relative risk rating provides a loan pricing scale.

The Subsidiary's Board is responsible for managing credit risk along with the Chief Executive Officer who is responsible for implementing the credit and risk management policy approved by the Board which relies on oversight by the Board's Audit and Risk Committee. Specific management measures include:

- Ensuring that suitably qualified staff is adequately trained in various aspects of credit risk management and providing advice, guidance and specialist skills and training to business units to promote sound techniques and practices.
- Formulating credit policies covering collateral requirements, credit assessment, risk grading and reporting, documentary and legal procedures and compliance with regulatory and statutory requirements.
- The authorisation structure for the approval of credit and related decisions.

(Maritime Life (Caribbean) Limited and its subsidiaries)

Notes to The Consolidated Financial Statements

For The Year Ended December 31, 2024

33. Financial Risk (Continued):

(b) Credit risk (continued)

vi) Loans to small and medium-sized enterprises (SME) (continued)

- Limitation of credit concentrations, industry and country risk exposure and reviewing compliance of business units with agreed exposure limits and the credit quality of local portfolios and ensuring that appropriate corrective action is taken where required.
- Developing and maintaining the company's risk rating and pricing systems and its procedures for determining impairment loss.

Credit risk in the subsidiary refers mainly to "Business enterprise risk" which is the probability that an enterprise might fail and not be able to meet its obligations because of poor management or poor judgement or inadequate execution of plans. Management deals with that risk as follows:

- Management evaluates business proposals using a three-tiered approach that centres on the business enterprise, the environment in which it will operate and the likely effects of global factors related to the industry and to the enterprise as well as reassessment of Key Success Factors and credit criteria. The results of the evaluations and management's insights and judgements provide inputs for a risk rating model that takes Country Risk into account. The model centers on a normal risk threshold. There are two ratings above this level and two ratings below. The score explicitly takes into account likely loss given default based on exposure at default. Loan pricing is based on the risk level which is a composite rating of Enterprise, Industry and Country risk. Results based on scores that are higher than statistically derived normal ranges are subject to independent review.
- Management monitors "Business enterprise risk" by regularly reviewing the performance of companies in its portfolio.
- The subsidiary's credit risk is managed primarily at source by Management and reviewed by the Board and monitored through the Enterprise Risk Management framework managed by senior management.
- The subsidiary has its own internal self-assessment and risk management controls. Loan operations and loan management services are segregated from loan origination and enterprise appraisal responsibilities.

(Maritime Life (Caribbean) Limited and its subsidiaries)

Notes to The Consolidated Financial Statements

For The Year Ended December 31, 2024

33. Financial Risk (Continued):

(b) Credit risk (continued)

vii) Other loans

The Group relies heavily on a written Credit Advances Policy Manual, which sets out in detail the current policies governing the lending function and provides a comprehensive framework for prudent risk management of the credit function. Adherence to these guidelines is expected to communicate the Group's lending philosophy, provide policy guidelines to team members involved in lending, establish minimum standards for credit analysis, documentation, decision making and post-disbursement administration, as well as create the foundation for a sound credit portfolio.

All team members involved with the lending activity are required to be familiar with the contents of the Credit Advances Policy Manual and are required to adhere to the policies therein; serious breaches results in disciplinary measures being taken. It is the responsibility of the General Manager to ensure that policies are adhered to.

The Group's loan portfolio is adequately secured by collateral and where necessary, provisions are made for estimated losses when, in the opinion of the directors, the related loans are impaired.

viii) Concentration

The Group has set an upper limit of total assets that can be invested with any one company or group of related companies so as to avoid any significant concentration of credit risk.

ix) Global economic developments and government policies

The Group actively monitors global economic developments and government policies that may affect the growth rate of the local economy.

(Maritime Life (Caribbean) Limited and its subsidiaries)

Notes to The Consolidated Financial Statements

For The Year Ended December 31, 2024

33. Financial Risk (Continued):

(b) Credit risk (continued)

x) Credit Risk Ratings and Probability of Default (PD) estimations

The Group uses internal credit risk ratings, which reflect its assessment of the individual counterparties risk profile. The Group has two internal rating models one tailored to companies and the other to individuals. Borrower and loan specific information collected at the time of the application (such as asset value, sales turnover, credit history, security structure, geographical location) is fed into the model. Each exposure is allocated a credit risk rating on initial recognition based on the information inputted into the model.

Exposures are subject to ongoing monitoring, which may result in an exposure being moved to a different credit risk-rating band. The monitoring typically involves use of the following data:

- Information obtained during periodic review of customer files – e.g. audited financial statements, management accounts. Examples of areas of particular focus are; gross profit margin, financial leverage ratios, debt service coverage, compliance with covenants, quality of management, key management changes, etc.;
- Actual and expected significant changes in the financial, economic, political, regulatory and technological environment of the borrower and/or in its business activities;
- Payment records inclusive of overdue status (where applicable); and
- Utilization of approved credit facilities.

The Group's credit risk ratings are the primary input into the determination of PDs for exposures. The Group looked at performance and number of defaults over a period of time analyzed by credit risk grading. Historical PDs were developed using statistical models, which analyzed the data collected, generating estimates of the Probability of Default of exposures.

For debt securities in our Investment portfolios, external credit rating agency credit grades are used. These published grades are continuously monitored and updated. The PD's associated with each grade are determined based on realized default over the prior 12 months as published by the rating agency.

xi) Significant increase in credit risk

In order to determine whether a financial asset or portfolio of financial assets are subject to 12 month ECL or lifetime ECL, the Group assesses whether there has been a significant increase in credit risk since initial recognition. Whether the risk of default on a financial instrument has increased significantly, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and credit assessment.

(Maritime Life (Caribbean) Limited and its subsidiaries)

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33. Financial Risk (Continued):

(b) Credit risk (continued)

xii) Default and credit impaired assets

The Group considers a financial asset defaulted and therefore Stage 3 (credit-impaired) for ECL calculations when it meets one or more of the following criteria:

- The borrower is more than 180 days past due on its contractual obligations;
- The borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as collateral realization;
- It is probable that there would be a modification to the original agreement due to the borrower's inability to pay its credit obligations; and
- The exposure has been classified as Accounts in Liquidation as per the Group's classification process.

xiii) The Calculation of ECL

The group calculates ECLs as the discounted product of the Probability of Default (PD) and the Loss Given Default (LGD). These are defined as follows:

- The PD represents the likelihood of a borrower defaulting on its financial obligation, either over the next 12 months or the remaining lifetime of the obligation; and
- The LGD is an estimate of the loss arising in the case where a default occurs at a given time. It is the difference between the contractual cash flows that are due to the Group and the present value of any collateral held adjusted for realization expenses.

The discount rate used in the ECL calculation is the original effective interest rate.

For financial assets classified in Stage 1, the 12 month ECL allowance is calculated based on the expectation of default occurring in the 12 months following the reporting date. These expected 12-month PDs are multiplied by the expected LGDs as defined above to derive a 12-month allowance.

For financial assets in Stage 2, having shown a significant increase in credit risk, the Group records an allowance for the lifetime ECLs. The calculations are similar to those explained above.

For financial assets considered credit impaired, the Group recognizes the lifetime ECLs, similar to that for those in Stage 2, with the PD set at 100%.

(Maritime Life (Caribbean) Limited and its subsidiaries)

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33. Financial Risk (Continued):

(b) Credit risk (continued)

xiii) The Calculation of ECL (continued)

The following table sets out the ECL calculation of mortgages and other loans at amortized cost, displayed by Stages.

	Stage 1 \$'000	Stage 2 \$'000	Stage 3 \$'000	Total \$'000
December 31, 2024				
Gross Loans	461,241	65,663	22,242	549,146
Expected credit loss allowance	<u>(4,451)</u>	<u>(351)</u>	<u>(6,208)</u>	<u>(11,010)</u>
Carrying amount	<u>456,790</u>	<u>65,312</u>	<u>16,034</u>	<u>538,136</u>
December 31, 2023				
Gross Loans	409,817	84,217	32,521	526,555
Expected credit loss allowance	<u>(5,960)</u>	<u>(652)</u>	<u>(4,267)</u>	<u>(10,879)</u>
Carrying amount	<u>403,857</u>	<u>83,565</u>	<u>28,254</u>	<u>515,676</u>

xiv) Maximum exposure to credit risk

The Group's maximum exposure to credit risk without taking account of any collateral held or other credit enhancements is as follows:

	2024 \$'000	2023 \$'000
Maximum exposure to credit risk	<u>4,372,229</u>	<u>4,151,177</u>

(Maritime Life (Caribbean) Limited and its subsidiaries)

Notes to The Consolidated Financial Statements

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33. Financial Risk (Continued)

(c) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities.

The Group is exposed to daily calls on its available cash resources to settle trade, financial and insurance liabilities.

i) Risk environment

The Group operates in an environment in which most investments are subject to liquidity risk. There is no active bond market and the Trinidad and Tobago Stock Exchange lists less than forty public companies. There are also only a few local licensed banking and financial institutions to deposit funds.

ii) Risk management

To manage and reduce liquidity risk, the Group's Asset Liability Committee actively meets to match cash inflows with liability requirements. The Group maintains a minimum percentage of its assets in short term investments and has un-drawn credit lines available to meet its short term obligations as they fall due. In addition, the Group's investments in marketable bonds and equities can be used for liquidity support if the need arises.

iii) Liquidity gap

The Group's exposure to liquidity risk is summarised in the table below which analyses assets and liabilities by relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date, except for insurance contracts liabilities which are analysed by estimated timings:

(Maritime Life (Caribbean) Limited and its subsidiaries)

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For The Year Ended December 31, 2024

33. Financial Risk (Continued):

(c) Liquidity risk (continued)

v) Liquidity gap (continued)

	Up to one year \$'000	Two to five years \$'000	Over five years \$'000	Undated \$'000	Total \$'000
2024					
Assets					
Liquid assets	241,571	-	-	-	241,571
Reinsurance contracts	84,719	64,721	68,470	15,913	233,823
Financial assets	449,106	979,592	2,305,244	295,438	4,029,380
Other assets	177,190	-	-	679,245	856,435
	<u>952,586</u>	<u>1,044,313</u>	<u>2,373,714</u>	<u>990,596</u>	<u>5,361,209</u>
Liabilities					
Borrowings	944,639	523,241	119,163	-	1,587,043
Insurance contracts	102,280	128,473	1,850,339	(66,075)	2,015,017
Other liabilities	137,060	1,153	-	1,931	140,144
	<u>1,183,979</u>	<u>652,867</u>	<u>1,969,502</u>	<u>(64,144)</u>	<u>3,742,204</u>
Liquidity gap	<u>(231,393)</u>	<u>391,446</u>	<u>404,212</u>	<u>1,054,740</u>	<u>1,619,005</u>
Cumulative gap	<u>(231,393)</u>	<u>160,053</u>	<u>564,265</u>	<u>1,619,005</u>	<u>-</u>
2023					
Assets					
Liquid assets	216,242	-	-	-	216,242
Reinsurance contracts	85,288	55,664	72,884	39,115	252,951
Financial assets	409,476	955,749	2,140,019	275,129	3,780,373
Other assets	189,898	-	-	622,688	812,586
	<u>900,904</u>	<u>1,011,413</u>	<u>2,212,903</u>	<u>936,932</u>	<u>5,062,152</u>
Liabilities					
Borrowings	842,424	444,337	158,061	-	1,444,822
Insurance contracts	129,581	154,135	1,065,684	570,258	1,919,658
Other liabilities	134,885	1,293	-	1,062	137,240
	<u>1,106,890</u>	<u>599,765</u>	<u>1,223,745</u>	<u>571,320</u>	<u>3,501,720</u>
Liquidity gap	<u>(205,986)</u>	<u>411,648</u>	<u>989,158</u>	<u>365,612</u>	<u>1,560,432</u>
Cumulative gap	<u>(205,986)</u>	<u>205,662</u>	<u>1,194,820</u>	<u>1,560,432</u>	<u>-</u>

(Maritime Life (Caribbean) Limited and its subsidiaries)

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For The Year Ended December 31, 2024

33. Financial Risk (Continued):

(d) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises currency risk, interest rate risk and other price risk.

(e) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Group operates primarily in the Republic of Trinidad and Tobago. Most of the Group's liabilities are denominated in local currency and are matched with local assets. The strategy for dealing with foreign exchange risk is to, as far as possible, offset foreign currency liabilities with assets denominated in the same currency.

Due to the unavailability of foreign exchange from the local banking system, the Group holds foreign currency assets for investment purposes and to settle obligations in foreign currencies.

The Group's net exposure to currency risk is as follows:

	2024 \$'000	2023 \$'000
Net Foreign Currency Assets		
United States Dollars	1,016,705	981,630
Other Currencies	16,885	15,529
	<u>1,033,590</u>	<u>997,159</u>

(f) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Group is exposed to interest rate risk through the effect of fluctuations in the prevailing levels of interest rates on interest bearing financial assets and liabilities, including short term investments, investments in bonds, mortgage loans, other loans, bank overdraft, customer deposits and other borrowings.

i) Risk management

Exposure is managed using interest rate sensitivity management.

In the Republic of Trinidad and Tobago, the availability of creative hedging strategies is very limited. Therefore, the Group attempts to maintain a well-balanced portfolio by matching interest sensitive assets with interest sensitive liabilities.

(Maritime Life (Caribbean) Limited and its subsidiaries)

Notes to The Consolidated Financial Statements

For The Year Ended December 31, 2024

33. Financial Risk (Continued):

(f) Interest rate risk (continued)

ii) Short term investments

The short maturities of these investments allow the Group to take advantage of rising interest rates. However, the Group is exposed to falling interest rates. As part of a well-balanced portfolio, if interest rates decrease, the increase in value of the bond portfolio will reduce the negative effect of the reduction in interest rate.

iii) Bonds

The Group invests mainly in medium to long term bonds consisting of both floating rate and fixed rate instruments.

Financial assets classified as at fair value through profit or loss comprise mainly floating rate securities. The market values of these bonds are not very sensitive to changes in interest rates.

Financial assets classified as held to maturity comprise mainly fixed rate bonds. The market values of these bonds are sensitive to changes in interest rates. The longer the maturity of the bonds, the greater is the sensitivity to changes in interest rates. Because these assets are being held to maturity and are not traded, any changes in market value will not impact profit or loss.

The Group actively monitors bonds with maturities greater than ten years, as well as the interest rate policies of the Central Bank of Trinidad and Tobago.

iv) Mortgage loans

Mortgage loans are for terms of up to thirty years. The interest rates on mortgage loans are generally fixed for the first three years and adjustable thereafter.

v) SME loans

Most of the loans to small and medium-sized enterprises earn fixed interest rates. These loans are funded by long term borrowings in the form of bond issues on the capital market and finance contracts with international institutions.

vi) Other loans

The Group generally invests in fixed rate loans for terms not exceeding five years. These are funded mainly by borrowings in the form of customer deposits and other funding instruments.

vii) Interest rate sensitivity gap

The Group's exposure to interest rate risk is summarised in the table below which analyses assets and liabilities at their carrying amounts categorised by the earlier of contractual re-pricing or maturity dates except for insurance contracts liabilities which are analysed by estimated timings.

(Maritime Life (Caribbean) Limited and its subsidiaries)

Notes to The Consolidated Financial Statements

For The Year Ended December 31, 2024

33. Financial Risk (Continued):

(f) Interest rate risk (continued)

vii) Interest rate sensitivity gap (continued)

	Up to one year \$'000	Two to five years \$'000	Over five years \$'000	Non-Interest bearing \$'000	Total \$'000
2024					
Assets					
Liquid assets	241,571	-	-	-	241,571
Reinsurance contracts	102,050	58,072	39,656	34,045	233,823
Financial assets	639,948	922,052	2,160,940	306,440	4,029,380
Other assets	-	-	-	856,435	856,435
	<u>983,569</u>	<u>980,124</u>	<u>2,200,596</u>	<u>1,196,920</u>	<u>5,361,209</u>
Liabilities					
Borrowings	1,009,829	518,768	58,446	-	1,587,043
Insurance contracts	949,757	395,437	581,754	88,069	2,015,017
Other liabilities	-	-	-	140,144	140,144
	<u>1,959,586</u>	<u>914,205</u>	<u>640,200</u>	<u>228,213</u>	<u>3,742,204</u>
Interest rate gap	<u>(976,017)</u>	<u>65,919</u>	<u>1,560,396</u>	<u>968,707</u>	<u>1,619,005</u>
Cumulative gap	<u>(976,017)</u>	<u>(910,098)</u>	<u>650,298</u>	<u>1,619,005</u>	<u>-</u>
2023					
Assets					
Liquid assets	216,242	-	-	-	216,242
Reinsurance contracts	82,662	72,338	41,300	56,651	252,951
Financial assets	658,306	878,535	1,961,279	282,253	3,780,373
Other assets	-	-	-	812,586	812,586
	<u>957,210</u>	<u>950,873</u>	<u>2,002,579</u>	<u>1,151,490</u>	<u>5,062,152</u>
Liabilities					
Borrowings	905,985	435,137	103,700	-	1,444,822
Insurance contracts	818,205	397,221	605,218	99,014	1,919,658
Other liabilities	-	-	-	137,240	137,240
	<u>1,724,190</u>	<u>832,358</u>	<u>708,918</u>	<u>236,254</u>	<u>3,501,720</u>
Interest rate gap	<u>(766,980)</u>	<u>118,515</u>	<u>1,293,661</u>	<u>915,236</u>	<u>1,560,432</u>
Cumulative gap	<u>(766,980)</u>	<u>(648,465)</u>	<u>645,196</u>	<u>1,560,432</u>	<u>-</u>

(Maritime Life (Caribbean) Limited and its subsidiaries)

Notes to The Consolidated Financial Statements

For The Year Ended December 31, 2024

33. Financial Risk (Continued)

(g) Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (equity and commodity prices) whether those changes are caused by factors specific to the individual financial instrument or its issuer or factors affecting all similar financial instruments traded in the market.

i) Equity price risk

The Group is exposed to equity price risk on its investments in equity instruments classified as investments in associates, available for sale financial assets and financial assets at fair value through profit or loss.

Most of these investments are listed on the Trinidad and Tobago Stock Exchange. The Group actively reviews the financial performance, future growth potential and economic environment before investing in any equities.

The Group manages its exposure to price risk by trading these investments to reduce the impact of any adverse price movements.

The Group has very limited investments in unquoted equity instruments. These investments are stated at cost less provision for impairment losses.

The Group's total exposure to investments in equity instruments is as follows:

	2024 \$'000	2023 \$'000
Investments in Equity Instruments		
Fair value through profit or loss	188,328	177,371
Fair value through other comprehensive income	<u>107,110</u>	<u>97,758</u>
	<u>295,438</u>	<u>275,129</u>

ii) Commodity price risk

The Group is not exposed to commodity price risk.

(Maritime Life (Caribbean) Limited and its subsidiaries)

Notes to The Consolidated Financial Statements

For The Year Ended December 31, 2024

33. Financial Risk (Continued):

(h) Climate-related risk

'Climate-related risks' are potential negative impacts on the Group arising from climate change. Climate-related risks have an impact on the principal risk categories (i.e. credit, liquidity, interest rate, foreign currency and other risks).

The Group distinguishes between physical risks and transition risks. Physical risks arise as the result of acute weather events such as hurricanes, floods and wildfires, and longer-term shifts in climate patterns, such as sustained higher temperatures, heat waves, droughts and rising sea levels.

Transition risks arise as a result of measures taken to mitigate the effects of climate change and transition to a low-carbon economy e.g. Changes to law and regulations, litigations due to failure to mitigate or adapt, and shifts in supply and demand for certain commodities, products and services.

34. Fair Value Measurement:

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The existence of published price quotation in an active market is the best evidence of fair value. Where market prices are not available, fair values are estimated using various valuation techniques, including using recent arm's length market transactions between knowledgeable, willing parties, if available, current fair value of another financial instrument that is substantially the same and discounted cash flow analysis.

The Group measures fair values of financial instruments using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

Level 1: Quoted market price (unadjusted) in an active market for an identical instrument.

Level 2: Valuation techniques based on observable inputs, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Valuation techniques using significant unobservable inputs.

(Maritime Life (Caribbean) Limited and its subsidiaries)

Notes to The Consolidated Financial Statements

For The Year Ended December 31, 2024

34. Fair Value Measurement (Continued):

The following methods have been used to estimate the fair values of various classes of financial instruments:

i) **Current assets and current liabilities**

The carrying amounts of current assets and current liabilities are a reasonable approximation of the fair values because of their short-term nature.

ii) **Quoted securities**

The fair values of quoted securities are determined on the basis of quoted market prices available at December 31, 2024.

iii) **Unquoted securities**

The fair values of unquoted securities are determined using various valuation techniques. Unquoted securities are stated at cost less accumulated impairment provisions.

iv) **Loans**

Loans are stated net of specific provisions for impairment losses. These assets result from transactions under typical market conditions and their values are not adversely affected by unusual terms. The inherent rates of interest in the portfolio approximate market conditions and yield discounted cash flow values, which are substantially in accordance with financial statement amounts.

35. Capital Risk Management:

The Group manages its capital to ensure that it:

- Complies with the regulatory capital requirements as required by the Insurance Act 2018, Capital Adequacy Regulations, the Financial Institutions Act 2018, and the Securities Industry Act 2012
- Continues as a going concern
- Maintains a strong capital base to support the development of its business
- Maximizes the return to shareholders relative to the considerations above.

The Group's overall strategy remains unchanged from 2023.

The capital structure of the Group consists of equity attributable to shareholders, comprising issued capital, reserves and retained earnings.

(Maritime Life (Caribbean) Limited and its subsidiaries)

Notes to The Consolidated Financial Statements

For The Year Ended December 31, 2024

35. Capital Risk Management (Continued):

Capital adequacy is managed at the operating company level with regular reporting to the Regulators, Executive Management and the Board of Directors.

The Insurance Act 2018 and Capital Adequacy Regulations require every insurer to: maintain adequate capital, and adequate and appropriate forms of liquidity to support its risk profile and business; maintain the minimum Net Tier 1 Ratio of 105%; and the Regulatory Capital Ratio of 150%; have a minimum stated capital of \$15 million and to maintain and hold adequate assets to support its liabilities to its Trinidad and Tobago policyholders.

The Financial Institutions Act 2008 require every non-bank financial institutions licensed under Act, to hold a minimum of \$15,000,000 in share capital and to have a minimum required regulatory capital adequacy ratio of 10% to 15% based on the new Basel Committee on Banking Supervision Guidelines.

The Securities Industry Act 2012 require every company registered as a broker-dealer to maintain a minimum capital of \$5,000,000.

The Group seeks to maintain capital adequacy at levels higher than the minimum regulatory requirements.

For the years ended December 31, 2024 and 2023, the Group has complied with all the regulatory requirements to which it is subject.

36. Contingent Liabilities:

- (a) During the period March to June 2002 a number of charges were preferred against two of the Company's subsidiaries, Maritime General Insurance Company Limited ("Maritime General") and Fidelity Finance and Leasing Company Limited ("Fidelity"), and others. These charges refer to offences which are alleged to have taken place between 1st July 1996 and 21st December 2000. On 7th January 2008 the presiding Magistrate, Chief Magistrate Sherman McNichols committed all the defendants to stand trial after he had initially discharged them some six months earlier. This decision was appealed, and it was eventually heard by the Judicial Committee of the Privy Council on 16th March 2022. On 27th June 2022, the Judicial Committee of the Privy Council delivered its judgment in the matter and in doing so they quashed the decision of the Chief Magistrate to commit the defendants to trial on the grounds of apparent bias. The Court in doing so found that the Chief Magistrate had been hopelessly compromised by the Attorney General, John Jeremie.

(Maritime Life (Caribbean) Limited and its subsidiaries)

Notes to The Consolidated Financial Statements

For The Year Ended December 31, 2024

36. Contingent Liabilities (Continued):

- (b) On 20th May 2004 the Company along with others, including its two subsidiaries Maritime General and Fidelity were charged with the offence of conspiring with other persons to obtain contracts and payments contrary to section 34 of the Larceny Act, Chapter 11:12. The Company's attorneys have always advised that this is not an offence known in law. On 23rd February 2005, four additional charges were preferred against the Company, its two subsidiaries and others. Those charges each alleged a conspiracy to defraud contrary to common law. In April 2011, approximately seven years after the initial charge was preferred against the Company, the Prosecution informed the Court that they would not be proceeding with this and other charges. On 14th July 2017, after hearing all of the Prosecution's evidence, the Magistrate discharged Maritime Life and Fidelity in respect of all the remaining charges on the basis that there was no evidence to disclose a prima facie case against them. It is important to emphasize that the Prosecution did not seek to challenge the Magistrate's decision to discharge them. On 29th January 2021, the Company initiated proceedings against the Attorney General on the basis that it had been maliciously prosecuted. These proceedings are at a preliminary stage. No directions have yet been given by the Court as to when the matter will be heard. In relation to Maritime General the preliminary inquiry is ongoing. It is the unanimous view of all the attorneys in the matter that the Prosecution have not made out, and cannot make the crucial elements of the offences charged, and further that the proceedings are baseless and should be dismissed. In August 2024, the Defendants filed an application in the High Court for the proceedings to be discontinued on the grounds of an abuse of process. These proceeding are still at the preliminary stage. No directions have yet been given by the Court as to when the matter will be heard.
- (c) Regardless of the outcome of all the proceedings, the interest of the policyholders are adequately protected under the Insurance Act, 2018. For the avoidance of doubt, there are no pending criminal charges or allegations against Maritime Life (Caribbean) Limited and Fidelity Finance and Leasing Company Limited.
- (d) No Provision has been made in these financial statements in respect to any of the alleged charges. Legal fees in connection with these matters are expensed as incurred.

(Maritime Life (Caribbean) Limited and its subsidiaries)

Notes to The Consolidated Financial Statements

For The Year Ended December 31, 2024

37. Subsidiaries:

	Place of Incorporation	2024 % Shareholding	2023 % Shareholding
Balandra By The Bay 1 Limited Land development	Republic of Trinidad and Tobago	100.00	100.00
Development Finance Limited Term lenders and equity investors in small and medium sized private industrial and commercial enterprises in the Caribbean	Republic of Trinidad and Tobago	50.25	50.25
Fidelity Finance and Leasing Company Limited Acceptance of deposits and carrying on the business of a finance house or finance company, trust company and leasing corporation	Republic of Trinidad and Tobago	100.00	100.00
Inter-Island Mortgage Finance Limited Granting of mortgage loans	Republic of Trinidad and Tobago	100.00	100.00
Keystone Property Developers Limited Building contractors and real estate developers	Republic of Trinidad and Tobago	100.00	100.00
Las Cuevas South West Limited Land development	Republic of Trinidad and Tobago	100.00	100.00
Maritime Capital Limited Registered under the provisions of the Securities Act, 2012 as a Broker-Dealer to conduct the activities of Broker-Dealer as agent and Broker-Dealer as Principal	Republic of Trinidad and Tobago	100.00	100.00
Maritime Capital Limited Income and Growth Fund	Republic of Trinidad and Tobago	86.80	89.86
Maritime Capital Limited Global Equity Fund	Republic of Trinidad and Tobago	79.10	80.60
Maritime General Insurance Company Limited Underwriting all classes of general insurance business in Trinidad and Tobago	Republic of Trinidad and Tobago	100.00	100.00
Maritime Leasing Company Limited Leasing of equipment and commercial properties	Republic of Trinidad and Tobago	100.00	100.00
Maritime Residences Limited Development, trade and rental of newly constructed dwelling houses	Republic of Trinidad and Tobago	100.00	100.00
Nettletons Limited Retail operations	Republic of Trinidad and Tobago	100.00	100.00
Comteq Technological Services Company Limited On-line sales	Republic of Trinidad and Tobago	100.00	100.00
Marnett Security Company Limited Provision of security services	Republic of Trinidad and Tobago	100.00	100.00

(Maritime Life (Caribbean) Limited and its subsidiaries)

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For The Year Ended December 31, 2024

37. Subsidiaries (Continued):

	Place of Incorporation	2024 % Shareholding	2023 % Shareholding
Caribbean Microfinance Trinidad and Tobago Ltd Microfinance/investment administration services	Republic of Trinidad and Tobago	100.00	100.00
South Coast One Limited Leasing of properties	Republic of Trinidad and Tobago	100.00	100.00
South Coast Two Limited Leasing of properties	Republic of Trinidad and Tobago	100.00	100.00
Belle Vue Bay Limited Property holdings	Republic of Trinidad and Tobago	100.00	100.00
Maritime Residences 167 Limited Property holdings	Republic of Trinidad and Tobago	100.00	100.00

38. Dividends:

(a) Dividends Paid	2024 \$'000	2023 \$'000
Year ended December 31, 2023 (Final - 35¢)	-	5,804
Year ended December 31, 2023 (Interim - 35¢)	5,804	-
Year ended December 31, 2023 (Final - 35¢)	5,805	-
	11,609	5,804

(b) Dividends Proposed	2024 \$'000	2023 \$'000
Year ended December 31, 2023 (Interim - 35¢)	-	5,804
Year ended December 31, 2023 (Final - 35¢)	-	5,805
Year ended December 31, 2024 (Interim - 35¢)	5,804	-
	5,804	11,609

The Board of Directors approved an interim dividend of 35¢ (2023: 70¢) per share amounting to \$5,804,305 (2023: \$11,608,610) for the year ended December 31, 2024 which was paid on March 28, 2025. This dividend is not recorded as a liability in the statement of financial position in accordance with IAS 10.

39. Events after the Reporting Date:

The Group has determined that there are no subsequent events that require adjustment to or disclosure in these consolidated financial statements.

Serving you with Exceptional Service



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