# FAMGUARD CORPORATION LIMITED QUARTERLY REPORT

On Unaudited Results

For the 3 months ended March 31, 2025

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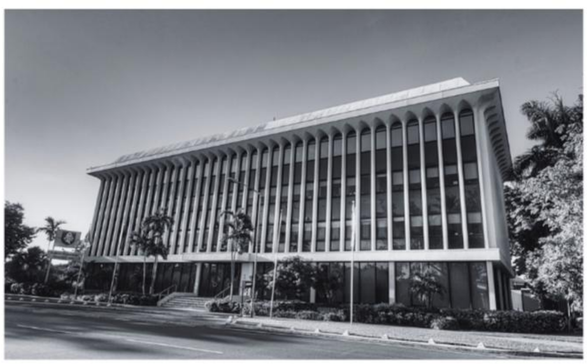

THAT PROTECT THEIR LIFE, HEALTH & WEALTH

FAMGUARD CORPORATION LIMITED

**FAMGUARD CORPORATION LIMITED**

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 31 MARCH, 2025

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MESSAGE FROM THE CHAIRMAN

Dear Shareholders:

On behalf of the Board of Directors, I am pleased to report the financial highlights of the FamGuard Group for the first quarter of 2025. I am especially proud to report that we began the year on a strong footing, recording an unaudited net profit of $4.2 million, translating to earnings per share of $0.14 for our ordinary shareholders. This represents a notable increase of $1.6 million over the profit reported for the same period in 2024. Our performance was underpinned by a 20.9% increase in insurance revenue, which rose to $31.1 million for the quarter. This growth was driven in large part by the continued expansion of our Group Health segment, bolstered by a year-over-year increase in membership. Insurance revenue increased in all business segments during the first quarter, reflecting strong results from new business growth and persistency.

Insurance service expenses incurred during the period totaled $24.8 million compared to $21.2 million in the corresponding prior period, an increase that naturally accompanied the growth in portfolio membership of the Group Health segment. Moreover, we are especially encouraged by the improvement in the loss ratio within the Group Health division. Net expenses from reinsurance contracts held totaled $0.8 million, in line with the prior year. The Group's core insurance operations remain robust with insurance service results that reflect a 49.4% increase over the comparable prior period, ending the quarter at $5.5 million.

The Group also saw positive returns in our investment income, fueled by higher net yields across several asset classes, including long-term Government Debt and net fair value gains on mutual fund investment assets. Net insurance finance expenses, which reflect the impact of interest rate movements and the returns earned by policyholders with insurance products with an investment component, totaled $3.4 million, compared to $3.2 million in the prior year.

Our balance sheet remains strong, with total assets reaching $391.3 million, up 1.3% over the prior year-end. Investment assets, which remain central to our financial strength, stood at $315.7 million, comprising 81% of the asset base. Liabilities increased to $269.1 million, up 1.5% from December 31, 2024, primarily due to an uptick in insurance contract liabilities tied to both long- and short-term policy obligations. As at March 31, equity attributable to the owners stood at $122.2 million, reflecting our sustained financial stability. The Group remains sufficiently capitalised and compliant with regulatory ratios. Our share price ended the quarter at $6.10, a notable improvement from $5.75 at year-end 2024. In recognition of our performance and our commitment to deliver value to shareholders, the Board of Directors declared a first-quarter dividend of $0.05 per share or $1,500,000 to shareholders of record as at 27th May, 2025 and payable on 2nd June 2025.

Importantly, this quarter also marked a major milestone in our company's history. On February 1st, we proudly celebrated our 60th anniversary, a moment that allowed us to reflect on six decades of service, resilience, and shared achievements. We commemorated this occasion with several initiatives, including a thanksgiving church service, through which we expressed gratitude to God, as well as tributes honoring the contributions of our staff and agents—past and present—who have played an integral role in shaping our legacy.

In closing, I would like to thank our executive leadership, management, and staff for their tireless dedication and stewardship during this period. I also extend my deep appreciation to you, our valued shareholders, for your continued confidence and support as we build on our legacy and drive forward with renewed purpose.

Sincerely,

**Raymond Winder**
**Chairman of the Board**
**FamGuard Corporation**

FAMGUARD CORPORATION LIMITED

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

As at March 31, 2025

(Expressed in Bahamian dollars)

UNAUDITED

| | 31 March 2025 | 31 December 2024 |
|---|---|---|
| **ASSETS** | | |
| Cash and bank balances | 19,773,397 | 12,389,614 |
| Financial investment assets | 315,673,427 | 318,079,110 |
| Receivables and other assets, net | 3,820,096 | 4,663,792 |
| Right-of-use assets | 465,274 | 477,003 |
| Property and equipment, net | 29,855,181 | 30,025,591 |
| Intangible assets, net | 11,025,217 | 10,677,888 |
| Reinsurance contract assets | 10,682,838 | 10,015,709 |
| Total assets | $ 391,295,430 | $ 386,328,707 |
| **LIABILITIES** | | |
| Insurance contract liabilities | 259,183,438 | 255,155,535 |
| Investment contract liabilities | 974,987 | 449,669 |
| Other liabilities | 8,432,409 | 9,021,463 |
| Lease liabilities | 519,413 | 532,555 |
| Total liabilities | 269,110,247 | 265,159,222 |
| EQUITY: | | |
| Ordinary shares | 2,000,000 | 2,000,000 |
| Share premium | 10,801,080 | 10,801,080 |
| Revaluation reserve | 26,803,165 | 26,989,345 |
| Retained earnings | 82,580,938 | 81,379,060 |
| Total equity | 122,185,183 | 121,169,485 |
| **TOTAL LIABILITIES AND EQUITY** | $ 391,295,430 | $ 386,328,707 |

See notes to unaudited consolidated financial statements

FAMGUARD CORPORATION LIMITED

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

For the Three months ended March 31, 2025

(Expressed in Bahamian dollars)

UNAUDITED

| | 3 months ended 31-Mar-25 | 3 months ended 31-Mar-24 |
|---|---|---|
| Insurance revenue | $ 31,132,157 | $ 25,756,523 |
| Insurance service expenses | (24,772,727) | (21,225,852) |
| Net expenses from reinsurance contracts held | (830,832) | (830,322) |
| **Insurance service result** | **5,528,598** | **3,700,349** |
| Interest income from financial assets measured at amortised cost | 4,070,008 | 3,836,246 |
| Other investment income | 438,586 | 217,585 |
| Net fair value gains on financial assets at FVTPL | 521,619 | 132,526 |
| Net change in investment contract liabilities | (525,318) | 44,600 |
| Release of credit losses on financial assets | 157,487 | 31,096 |
| **Net investment income** | **4,662,381** | **4,262,053** |
| Net finance expenses from insurance contracts issued | (3,445,722) | (3,203,646) |
| Net finance income from reinsurance contracts held | 13,873 | 14,759 |
| Net insurance finance expenses | (3,431,849) | (3,188,887) |
| **Net insurance and investment result** | **6,759,130** | **4,773,516** |
| Other income | 421,078 | 465,811 |
| Other expenses | (2,978,329) | (2,640,442) |
| **NET INCOME** | $ 4,201,879 | $ 2,598,886 |
| **OTHER COMPREHENSIVE INCOME:** | | |
| *Items that will not be reclassified subsequently to net income:* | | |
| Changes in the fair value of equity investments at FVOCI | (186,180) | 116,116 |
| **Total other comprehensive income** | **(186,180)** | **116,116** |
| **Total comprehensive income** | **4,015,699** | **2,715,002** |
| NET INCOME ATTRIBUTABLE TO: | | |
| Ordinary shareholders | **4,201,879** | **2,598,886** |
| **Basic and diluted earnings per ordinary share** | **0.14** | **0.09** |
| **TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:** | | |
| Ordinary shareholders | **4,015,699** | **2,715,002** |

See notes to unaudited consolidated financial statements

FAMGUARD CORPORATION LIMITED

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

For the Three months ended March 31, 2025

(Expressed in Bahamian dollars)

UNAUDITED

| | Ordinary Shares | Share Premium | Revaluation Reserve | Retained Earnings | Total |
|---|---|---|---|---|---|
| **Balance as at December 31, 2024** | **2,000,000** | **10,801,080** | **26,989,345** | **81,379,060** | **121,169,485** |
| **Transactions with owners** | | | | | |
| Dividends declared and paid - | | | | | |
| Ordinary shares ($0.10 per share) | - | - | - | (3,000,000) | (3,000,000) |
| **Total transactions with owners** | - | - | - | (3,000,000) | (3,000,000) |
| **Comprehensive income** | | | | | |
| Net Income | - | - | - | 4,201,879 | 4,201,879 |
| Other Comprehensive gain | - | - | (186,180) | - | (186,180) |
| **Total Comprehensive income** | **-** | **-** | **(186,180)** | **4,201,879** | **4,015,699** |
| **Balance as at March 31, 2025** | **2,000,000** | **10,801,080** | **26,803,165** | **82,580,938** | **122,185,183** |

See notes to unaudited consolidated financial statements

**FAMGUARD CORPORATION LIMITED**
**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**
**For the Three months ended March 31, 2025**
(Expressed in Bahamian dollars)
UNAUDITED

| | 3 months ended 31-Mar-25 | 3 months ended 31-Mar-24 |
|---|---|---|
| **Net Income** | $ 4,201,879 | $ 2,598,886 |
| Adjustments for: | | |
| Net cash from operating activities | 11,350,886 | 2,907,651 |
| Net cash used in investing activities | (945,495) | (240,689) |
| Net cash used in financing activities | (3,021,608) | (1,220,409) |
| **Net increase in cash and cash equivalents** | 7,383,783 | 1,446,553 |
| Cash and cash equivalents at beginning of the period | 12,389,614 | 13,608,959 |
| **Cash and cash equivalents at end of the period** | **$ 19,773,397** | **$ 15,055,512** |

See notes to unaudited consolidated financial statements

## 1. General Information

FamGuard Corporation Limited (the "Company") is incorporated under the laws of the Commonwealth of The Bahamas and serves as an investment holding company with three wholly owned subsidiaries; Family Guardian Insurance Company Limited (FG), BahamaHealth Insurance Brokers Limited, and FG Insurance Agents & Brokers Limited (FGIAB) (together, "the Group"). FG is the principal operating unit and is licensed as an insurance company under the Insurance Act, 2005. FG sells life and health insurance products in The Bahamas. FGIAB operates as an agent and broker for general insurance products in the Bahamas. All other wholly owned subsidiaries within the group are inactive.

The registered office of the Company is located at the offices of E. Dawson Roberts & Co., Parliament and Shirley Streets, Nassau, The Bahamas. The ordinary shares of the Company are listed on The Bahamas International Securities Exchange (BISX).

## 2. Basis of Preparation

The unaudited interim condensed consolidated financial statements have been prepared in accordance with IAS 34 - "Interim Financial Reporting" unless otherwise noted. The condensed consolidated financial statements do not include all the disclosures required in the annual financial statements and should be read in conjunction with the Group's 2024 audited consolidated financial statements.

The accounting policies used in the preparation of the condensed consolidated financial statements are consistent with those used in the annual consolidated financial statements for the year ended 31 December 2024.

## 3. Accounting Estimates and Judgements

In preparing these condensed consolidated financial statements, management has made judgements, estimates and assumptions that affect the application of the Group's accounting policies and the reported amounts of assets, liabilities, income and expenses. The results for period are not necessarily indicative of full year results for the financial year. The areas of critical accounting estimate and judgement as disclosed in Note 5 of the 31 December 2024 audited consolidated financial statements, have also remained unchanged.

(Expressed in Bahamian Dollars)

**4. Earnings per ordinary share**

| | 31-Mar-25 | 31-Mar-24 |
|---|---|---|
| Weighted average number of shares outstanding | 30,000,000 | 30,000,000 |
| Consolidated net income attributable to ordinary shareholders | $ 4,201,879 | $ 2,598,886 |
| **Earnings per ordinary share** | $ 0.14 | $ 0.09 |

**4. Commitments**

Outstanding commitments to extend credit under mortgage loan agreements amounted to $655,264 as at 31 March 2025 (31st December 2024: $428,290).

**5. Corresponding Figures**

Where necessary, corresponding figures have been adjusted to conform with changes in presentation in the current year.

**6. Dividends**

On 14th May 2025, the Board of Directors declared a first-quarter dividend of $0.05 per share or $1,500,000 to shareholders of record as at 27th May 2025 and payable on 2nd June 2025.

**7. Business Segments**

The Group is organised into three main business segments: life insurance, health insurance and other.

These segments and their respective products are as follows:

- Life Insurance - offers a range of ordinary life insurance and industrial life insurance.
- Health Insurance - offers a range of group medical, individual medical, sick and accident, and hospitalisation insurance.
- Other – includes the operations of its general insurance agency and broker, and its other subsidiaries.

The segment results for the period ended 31 March rounded to the nearest thousand are as follows:

| | 2025 ($000) | | | | |
|---|---|---|---|---|---|
| | LIFE | HEALTH | OTHER | ELIMINATIONS | TOTAL |
| | $ | $ | $ | | $ |
| Insurance revenue | 8,222 | 22,910 | - | - | 31,132 |
| Insurance service expense | (5,532) | (19,241) | - | - | (24,773) |
| Net expense from reinsurance contracts held | (1,144) | 313 | - | - | (831) |
| **Insurance service result** | 1,546 | 3,982 | - | - | 5,529 |
| Net investment income | 4,401 | 238 | 3,023 | (3,000) | 4,662 |
| Net insurance finance expenses | (3,432) | - | - | - | (3,432) |
| **Net insurance and investment result** | **2,515** | **4,221** | **3,023** | **(3,000)** | **6,759** |
| Other income | **86** | **62** | **276** | **(3)** | **421** |
| Other expenses | **(1,320)** | **(974)** | **(687)** | **3** | **(2,978)** |
| **NET INCOME** | **1,281** | **3,308** | **2,612** | **(3,000)** | **4,202** |

| | 2024 ($000) | | | | |
|---|---|---|---|---|---|
| | LIFE | HEALTH | OTHER | ELIMINATIONS | TOTAL |
| | $ | $ | $ | | $ |
| Insurance revenue | 7,330 | 18,427 | - | - | 25,757 |
| Insurance service expense | (6,617) | (14,608) | - | - | (21,226) |
| Net expense from reinsurance contracts held | (398) | (433) | - | - | (830) |
| **Insurance service result** | 315 | 3,385 | - | - | 3,700 |
| Net investment income | 3,993 | 256 | 1,713 | (1,700) | 4,262 |
| Net insurance finance expenses | (3,189) | - | - | - | (3,189) |
| **Net insurance and investment result** | **1,119** | **3,642** | **1,713** | **(1,700)** | **4,774** |
| Other income | **118** | **53** | **298** | **(3)** | **466** |
| Other expenses | **(1,113)** | **(810)** | **(720)** | **3** | **(2,640)** |
| **NET INCOME** | **124** | **2,884** | **1,291** | **(1,700)** | **2,599** |

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