



UNAUDITED FINANCIAL STATEMENTS FOR
THREE MONTHS ENDED 31st MARCH 2016



IronRock Insurance Company Limited

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Report to Stockholders

The directors are pleased to present the unaudited financial statements of IronRock Insurance Company Limited (“IronRock”) for the three months ended 31st March 2016.

During the quarter, the company received additional capital of \$212.1 million from its parent company, to provide it with capital to support its underwriting activities pending completion of the Initial Public Offering (IPO). The IPO, which opened on 1 March 2016, was successful in raising \$315 million and its shares were listed on the Junior Market of the Jamaica Stock Exchange on 16 March 2016.

In addition, renovations to our offices were completed, office furniture and fittings were purchased and we took delivery of our computer hardware, equipment and software programs all amounting to a value of \$22,360,898.

The company commenced limited underwriting operations in January 2016 and had written premiums of \$7,022,220 and recorded a pre-tax loss of \$15,928,840.

After successfully installing and configuring our hardware, network equipment and software programs, we commenced full operations on 14 March 2016.



R. Evan Thwaites

Managing Director



IronRock Insurance Company Limited
Statement of Comprehensive Income
March 31, 2016

	<u>3 months to</u> <u>31-Mar-16</u>	<u>Audited</u> <u>31-Dec-15</u>
Gross premium	7,022,220	-
Less proportional reinsurance	(4,152,225)	-
Excess of loss premium	(2,058,855)	-
Net premium	811,141	-
Unearned premium adjustment, net	(2,562,935)	-
Net earned premium	(1,751,795)	-
Commission earned	91,233	-
Commission incurred	(38,939)	-
Operating expenses	(16,294,098)	(3,150,852)
Underwriting profit/(Loss)	(17,993,598)	(3,150,852)
Other income		
Investment	532,437	649,074
Bank interest	10,674	
Foreign exchange gain	1,521,647	2,693,886
	<u>2,064,758</u>	<u>3,342,960</u>
(Loss)/Profit before taxation	(15,928,840)	192,108
Taxation		(79,061)
(Loss)/Profit for the period	<u>(15,928,840)</u>	<u>113,047</u>
Loss per share (cents per share)	<u>(0.07)</u>	



IronRock Insurance Company Limited
Statement of Financial Position
March 31, 2016

	<u>Unaudited</u> <u>31-Mar-16</u>	<u>Audited</u> <u>31-Dec-15</u>
<u>ASSETS</u>		
Cash and cash equivalents	375,851,725	4,711,925
Investments	195,072,603	90,215,643
Insurance and other receivables	9,715,749	3,927,013
Reinsurance Assets	3,739,623	
Taxation Recoverable	83,205	83,205
Property Plant and Equipment	23,360,898	
Deferred Acquisition Cost	360,927	
	608,184,730	98,937,786

LIABILITIES AND SHAREHOLDERS' EQUITY

Insurance and other payables	5,155,867	
Insurance Contract Provisions	6,302,558	
Deferred Commission Income	850,597	
Total Insurance Funds	7,153,155	-
Shareholders' Equity	595,875,707	98,937,786
	608,184,730	98,937,786

R. Evan Thwaites
 Managing Director

Wayne Hardie
 Finance Director



IronRock Insurance Company Limited
Statement of Changes in Shareholder' Equity
For the three months ended March 31, 2016

	<u>Ordinary Share</u> <u>Capital</u>	<u>Contributed</u> <u>Capital</u>	<u>Retained</u> <u>Earnings</u>	<u>Total</u>
Balance as at January 1, 2016	98,824,740	-	113,047	98,937,787
Total Comprehensive Income for the period				
Net Loss for the period	-	-	(15,928,840)	(15,928,840)
Other Comprehensive Income				
Issue of shares	373,526,321		-	373,526,321
Contributed Capital		139,340,440		139,340,440
Total Other Comprehensive Income	373,526,321	139,340,440	(15,928,840)	496,937,921
Balance as at March 31, 2016	472,351,061	139,340,440	(15,815,794)	595,875,707



IronRock Insurance Company Limited

Statement of Cash Flows

For the Three Months ended March 31, 2016

	Unaudited 31-Mar-16	Audited 31-Dec-15
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss)/Profit after taxation	(15,928,839)	113,047
Adjustments to reconcile profit to net cash provided by operating activities:		
Depreciation	619,721	-
Increase/(decrease) in insurance funds	3,052,606	
Taxation		79,063
Interest income	(532,437)	(649,074)
	<u>(12,788,950)</u>	<u>(456,964)</u>
Increase in current assets:		
Premiums receivable	(2,871,638)	
Other accounts receivable	(2,917,097)	(4,427,013)
Taxation Paid	-	(162,268)
	<u>(5,788,735)</u>	<u>(4,589,281)</u>
Increase/(decrease) in current liabilities:		
Due to other insurance companies	3,132,867	
Accounts payable	2,023,000	500,000
	<u>5,155,867</u>	<u>500,000</u>
Net cash provided by operating activities	<u>(13,421,818)</u>	<u>(4,546,245)</u>
 CASH FLOWS FROM INVESTING ACTIVITIES		
(Increase)/decrease in term deposits and monetary instruments	(104,324,524)	(90,215,644)
Additions to fixed assets	(23,980,619)	
Interest received		649,074
Net cash used by investing activities	<u>(128,305,143)</u>	<u>(89,566,570)</u>
Net cash provided/(used) before dividend payment	(141,726,961)	(94,112,815)
Issue of Ordinary Share	373,526,321	98,824,740
Contributed Capital	139,340,440	
Net increase/(decrease) in cash and bank balances	<u>371,139,800</u>	<u>4,711,925</u>
Cash at beginning of period	4,711,925	-
Cash at end of period	<u>375,851,725</u>	<u>4,711,925</u>

Notes to the Financial Statements

Notes to the Unaudited Financial Statements
 Three months ended March 31, 2016

1. Identification

IronRock Insurance Company Limited (the company) was incorporated on June 9, 2015 and is domiciled in Jamaica, with its registered office at 1b Braemar Avenue, Kingston 10. At December 31, 2015, the company was a wholly owned subsidiary of Granite Group Limited, a company incorporated and domiciled in St. Lucia. As a result of the Initial Public Offering (IPO) on 1 March 2016, Granite Group Limited's ownership reduced to 50.9%. The principal activity of the company is the underwriting of general insurance business. The company commenced trading March 2016.

2. Insurance licence

The company is registered under the Insurance Act 2001 (Act)

3. Basis of preparation

The financial statements are prepared on the historical cost basis. The unaudited financial results for the three month period have been prepared in accordance with International Accounting Standard 34 – Interim Financial Statements

4. Significant Accounting Policies

The same accounting policies and methods of computations are followed in the interim financial statements as compared with the most recent annual audited financial statements for the seven month period ended December 31, 2015.

5. Share capital

	<u>2016</u>	<u>2015</u>
	Units	Units
Authorized ordinary shares	1,000,000,000	1,000,000,000
Issued ordinary shares	214,000,000	3,400,000

Stated:

Issued and fully paid ordinary shares	<u>\$472,351,061</u>	<u>98,824,740</u>
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A resolution was passed at a General Meeting on February 12, 2016 that each of the authorized and issued ordinary shares of IronRock Insurance Company Limited be sub-divided into 25 ordinary shares (25:1)

On February 16, 2016 24,000,000 shares were issued to the parent company at a value of \$72,776,580.

On 1 March 2016, 105,000,000 shares were issued through an IPO at a value of \$315,000,000. Costs associated with the share issue amounted to \$14,250,259. In addition, the company received \$139,340,440 from its parent company to support the underwriting operations of the company.

6. Loss per share

The calculation of loss per share is based on the net loss for the period attributable to shareholders and the 214,000,000 issued and fully paid ordinary share units.



List of Shareholders
Three months ended March 31, 2016

Authorised Share Capital	1,000,000,000 units
Issued Share Capital	214,000,000units

Top Ten Shareholders

<u>Name</u>	<u>Shareholdings</u>
Granite Group Ltd	109,000,000
Mayberry West Indies Bank Limited	43,000,000
Catherine Adella Peart	7,832,783
Sharon Harvey-Wilson/Jeremy Wilson	4,082,039
Michael Fraser/Paulette Fraser	3,333,000
Michelle A. Myers Mayne	3,000,000
Bamboo Group Holdings Limited	2,654,219
Stafford Burrowes/Marilyn Burrowes	2,000,000
Yuan Liao/ Xiu Lian Xiao Liao & Huixiong Liao	1,668,611
Richard Evan Thwaites	1,200,000

<u>Connected Persons</u>	<u>Shareholdings</u>
Jean Bell	300,000

Shareholdings of Directors and Senior Officers

<u>Directors</u>	<u>Shareholdings</u>	<u>Connected Persons</u>
Richard Evan Thwaites	1,200,000	109,000,000
William McConnell	0	109,000,000
Wayne N. Hardie	1,025,727	0
Anthony Bell	0	300,000
Matthew Hogarth	0	0
<u>Managers</u>		
Yvonne Daley	250,000	0
Maurice Bolt	200,000	0