



UNAUDITED FINANCIAL STATEMENTS

**(THREE MONTHS)
31 MARCH 2022**



UNAUDITED FINANCIAL REPORT TO THE SHAREHOLDERS

The financial results for Caribbean Assurance Brokers (CAB) for the three months ended March 31, 2022 demonstrates the continued execution of our strategic initiatives as demonstrated by the outperformance of first quarter 2021. CAB reports unaudited net profit of \$1.8 million for the period, this represents an increase of 123% over the prior comparative period reflecting the company's performance as consumer activities continue to increase. Our focus for the remainder of the year is to complete the implementation of our systems that will see improved customer service delivery.

Company Performance

Review of 1st Quarter

There has been an overall positive impact on revenues as the country begins the process of reverting to normality. With an increased focus on the sales process and recruiting for the right fit; in 2021, we embarked upon a change process in order that we may continually learn to adapt to new customer demands and expectations.

Revenues increased by \$15 million or 21% and this was mainly attributable to the International Insurance Division which saw increased new business activities; the Individual Life Division which saw an increase of 33%. Other income also saw an increase of \$2.1 million or 17%.

The company earned total income of \$104.9 million in the quarter ended 31 March 2022 compared to \$87.3 million in the quarter ended 31 March 2021; an increase of \$17.65 million (20%).

Finance related charges for the three months ended 31 March 2022 decreased by \$408,975 (28%) this was mainly due to a paydown on our existing mortgage loan.

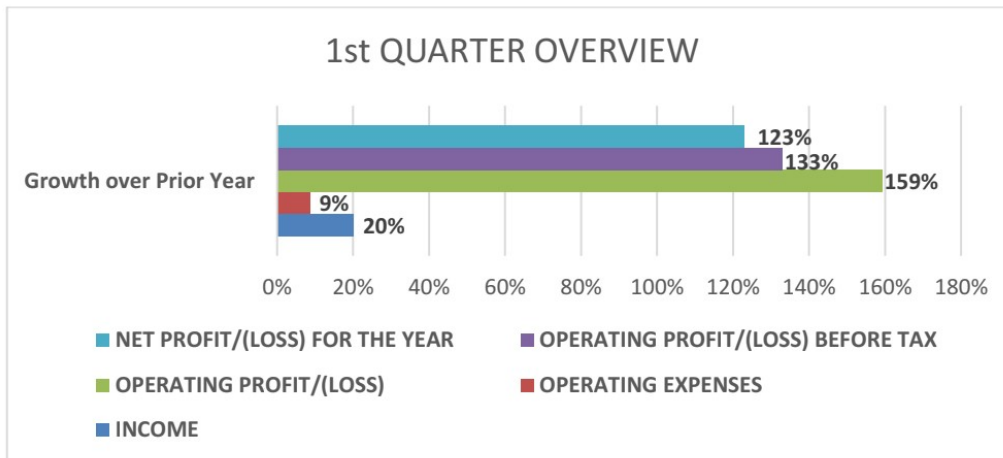
For the three months ended 31 March 2022, Profit Before Tax increased by \$9.5 million or 133% leaving us with an operating profit of \$2.4 million when compared to a loss of \$7.4 million over the comparative period.

The Company had a tax charge of \$634,920 reflecting a \$186,168 increase over the comparative period. This is reflective of an increase in deferred tax charges for the current quarter as there were additions to property, plant and equipment.

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UNAUDITED FINANCIAL REPORT TO THE SHAREHOLDERS CONT'D



Operating expenses of \$101.5 million for the three months ended 31 March 2022 was a result of an increase of \$8.2 million or 9% when compared to the 31 March 2021 figures. Areas that contributed to the increases in total expenses included professional fees, audit fees, repairs and maintenance as well as staff related costs as we boost human resource capabilities to prepare for continued growth in demand.

Total Assets as at March 31, 2022, amounted to \$683 million compared to \$573 million for the corresponding period ended March 31, 2021, reflecting a \$110 million or 19% increase. The increase in assets was primarily due to a \$140.9 million or 97% increase in cash and cash equivalents. There was a \$14.7 million (10%) reduction in receivables over the corresponding period which was primarily due to improved collection efforts implemented over the period.

Total Liabilities as at March 31, 2022 were \$294 million, an increase of \$44.4 million or 18% over the 2021 corresponding period; driven mainly by an increase in payables of approximately \$75.6 million or 53%. We also experienced a reduction in long-term loans of \$22.8 million or 27% due to a reduction in our principal loan balance.

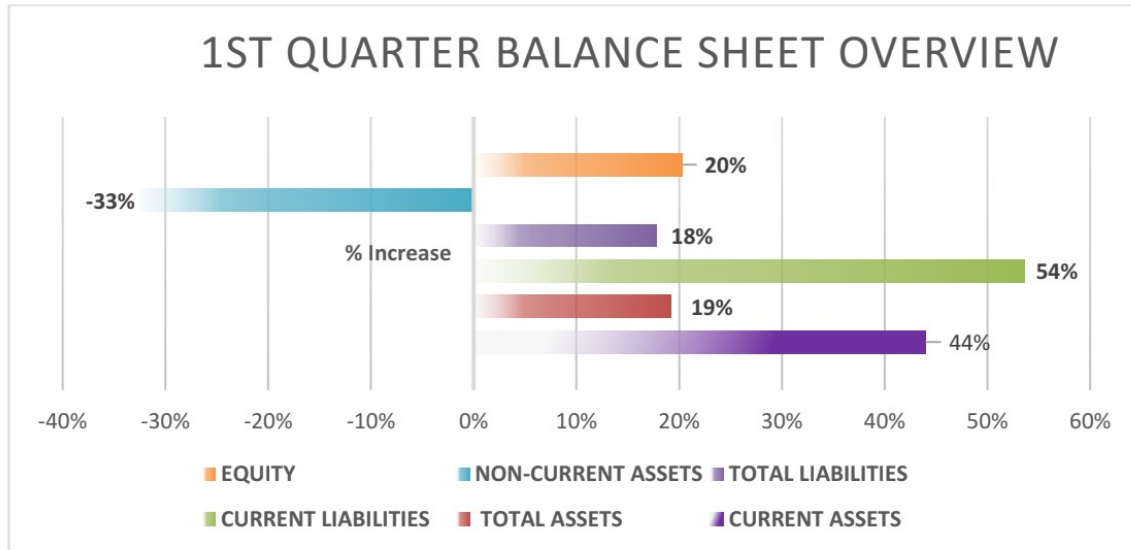
Our performance this quarter highlights our commitment to improving overall efficiencies within our operations as our profit margin and overall liquidity has improved year over year.

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UNAUDITED FINANCIAL REPORT TO THE SHAREHOLDERS CONT'D

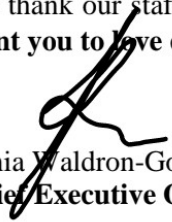
The increase in the company's total equity of \$65.8m was directly related to the increase in profits over the comparative period.



Corporate Social Responsibility (CSR)

CAB is committed to engaging in activities that support the communities within which we operate through various donations and sponsorships, which includes the Association of Surgeons in Jamaica's Annual Clinical Conference and the Medical Associates of Jamaica Annual Symposium. With our loyalty programme we continue to reward clients with discounts and savings from over 200 loyalty partners which includes but is not limited to pharmacies, hospitals, medical centres, medical labs, dental services, optical services, surgeons and specialists. spas, automotive dealerships as well as fashion and retail services.

We thank our staff for their dedication and wish to thank our customers for their continued support of our business. **We want you to love doing business with us!**


Tania Waldron-Gooden
Chief Executive Officer

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Caribbean Assurance Brokers Limited
Statement of Profit or Loss and Other Comprehensive Income
For the Three Months Ended 31-March 2022

	3 Months Ended 31/03/2022 \$'	3 Months Ended 31/03/2021 \$'	Audited 12 Months Ended 31/12/2021 \$'
INCOME			
Revenue	90,599,494	75,075,246	423,440,242.00
Other Operating Income	14,386,094	12,260,540	39,613,528.00
	104,985,588	87,335,786	463,053,770.00
OPERATING EXPENSES			
Administrative and other expenses	(65,655,864)	(63,299,573)	(255,305,591.00)
Selling expenses	(35,808,403)	(29,986,331)	(144,879,537.00)
	(101,464,266)	(93,285,904)	(400,185,128.00)
OPERATING PROFIT/(LOSS)	3,521,322	(5,950,118)	62,868,642.00
Finance costs	(1,073,397)	(1,482,372)	(5,764,060.00)
OPERATING PROFIT/(LOSS) BEFORE TAX	2,447,924	(7,432,490)	57,104,582.00
TAXATION (CHARGE)/CREDIT	(634,920)	(448,752)	(969,693.00)
NET PROFIT/(LOSS) FOR THE YEAR	1,813,005	(7,881,242)	56,134,889.00
Earnings Per Stock Unit	0.01	(0.03)	0.23

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Caribbean Assurance Brokers Limited
 Statement of Financial Position
 As at 31-Mar -2022

	UNAUDITED		AUDITED
	Mar-2022	Mar-2021	Dec - 2021
	\$	\$	\$
ASSETS			
NON-CURRENT ASSETS:			
Property, plant and equipment	243,564,135	252,921,953	245,202,022
Deferred tax asset	10,557,609	11,713,469	11,192,528
Right of use asset	13,426,759	19,899,629	15,044,976
	<u>267,548,503</u>	<u>284,535,051</u>	<u>271,439,526</u>
CURRENT ASSETS:			
Receivables	126,755,307	141,416,262	150,473,011
Taxation recoverable	3,694,601	2,805,611	3,536,989
Cash and cash equivalents	285,893,920	144,925,187	201,557,896
	<u>416,343,828</u>	<u>289,147,060</u>	<u>355,567,896</u>
TOTAL ASSETS	<u>683,892,331</u>	<u>573,682,111</u>	<u>627,007,422</u>
LIABILITIES			
NON-CURRENT LIABILITIES:			
Long term loans	54,553,238	84,342,880	54,553,238
Lease liability	10,059,958	15,767,035	10,059,958
	<u>64,613,196</u>	<u>100,109,915</u>	<u>64,613,196</u>
CURRENT LIABILITIES:			
Payables	217,880,281	142,300,855	160,668,486
Bank overdraft	-	-	-
Short term loan	-	2,066,119	-
Current portion of long term loan	6,958,802	-	7,481,882
Current portion of lease liability	4,090,258	4,684,572	5,707,077
	<u>228,929,340</u>	<u>149,051,546</u>	<u>173,857,445</u>
TOTAL LIABILITIES	<u>293,542,536</u>	<u>249,161,461</u>	<u>238,470,641</u>
EQUITY			
Share capital	137,589,247	137,589,247	137,589,247
Accumulated Surplus	204,336,178	138,507,033	202,523,164
Capital reserve	48,424,370	48,424,370	48,424,370
TOTAL EQUITY	<u>390,349,795</u>	<u>324,520,650</u>	<u>388,536,781</u>
TOTAL LIABILITIES AND EQUITY	<u>683,892,331</u>	<u>573,682,111</u>	<u>627,007,422</u>

Approved for issue by the Board of Directors on and signed on its behalf by:


 Raymond Walker - Chairman


 Barrington White - Director

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Caribbean Assurance Brokers Limited
Unaudited Statement of Changes in Equity
As at 31-Mar 2022

	Share Capital \$'	Capital Reserve \$'	Accumulated Surplus \$'	Total \$'
Balance at 1 January 2021	137,589,247	48,424,370	146,388,275	332,401,892
Transaction with Owners	-	-	-	-
Dividend paid	-	-	-	-
Total Comprehensive Income	-	-	-	-
Net Loss	-	-	56,134,898	56,134,898
Issue of shares, net transaction cost	-	-	-	-
Balance at December 31, 2021	<u>137,589,247</u>	<u>48,424,370</u>	<u>202,523,173</u>	<u>388,536,790</u>
Balance at January 1, 2022	137,589,247	48,424,370	202,523,173	388,536,790
Total comprehensive income for the year	-	-	1,813,005	1,813,005
Net Profit	-	-	1,813,005	1,813,005
Realized gains / (losses) on fair value instruments transferred to retained earnings	-	-	-	-
Balance at March 31, 2022	<u><u>137,589,247</u></u>	<u><u>48,424,370</u></u>	<u><u>204,336,178</u></u>	<u><u>390,349,795</u></u>

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Caribbean Assurance Brokers Limited
Statement of Cash Flow
As at 31 March 2022

	Unaudited		Audited
	Mar-2022	Mar-2021	Dec-2021
	\$'	\$'	\$'
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net profit/(loss)	1,813,005	(7,881,242)	56,134,889
Adjustments for:			
Exchange (gain)/loss on foreign balances	844,374	(4,616,028)	(8,757,559)
Amortization of right of use asset	1,618,218	1,618,218	6,472,871
Depreciation	2,830,507	3,178,984	11,659,453
Gain on disposal of property, plant and equipment	(4,000)	-	(14,998)
Interest income	(1,380,543)	(470,073)	(3,304,660)
Interest expense	768,962	1,106,844	4,289,803
Interest on right of use asset	304,435	375,528	1,474,257
Taxation expense	634,920	448,752	969,693
Operating cash flows before movements in working capital	7,429,876	(6,239,017)	68,923,749
Changes in operating assets and liabilities:			
Decrease/ (Increase) in receivables	23,383,485	3,747,808	(1,957,105)
Increase/(decrease) in payables	58,252,441	(12,469,782)	1,903,521
Taxation recoverable	-	-	(803,826)
	89,065,802	(14,960,991)	68,066,339
Taxation paid	(157,612)	(72,448)	-
Net cash provided by/(used in) operating activities	88,908,190	(15,033,439)	68,066,339
CASH FLOWS FROM INVESTING ACTIVITIES:			
Interest received	1,380,543	470,073	3,304,660
Proceed from Sale of Fixed Asset	4,000	-	15,000
Purchase of property, plant and equipment	(1,192,620)	(368,694)	(1,129,234)
Net cash provided by in investing activities	191,923	101,379	2,190,426
CASH FLOW FROM FINANCING ACTIVITIES:			
Interest paid on right of use asset	(304,435)	(375,528)	(1,474,257)
Net proceeds from the issue of shares	-	-	-
Interest paid	(768,962)	(1,106,844)	(4,289,803)
Loan proceeds	-	5,720,055	3,399,304
Principal paid on right of use asset	(1,616,819)	(1,507,817)	(6,192,391)
Loan repayment	(523,364)	(1,391,465)	(28,419,991)
Net cash (used in)/provided by financing activities	(3,213,581)	1,338,401	(36,977,138)
(DECREASE)/ INCREASE IN CASH AND CASH EQUIVALENTS	85,886,532	(13,593,659)	33,279,627
Effect of exchange rate translation on cash and cash equivalents	(1,550,508)	2,727,270	12,486,693
Cash and cash equivalents at beginning of period/year	201,557,896	155,791,576	155,791,576
CASH AND CASH EQUIVALENTS AT END OF PERIOD/ YEAR	285,893,920	144,925,187	201,557,896

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Notes to the Unaudited Financial Statements

31 March 2022

1 IDENTIFICATION AND PRINCIPAL ACTIVITIES:

- (a) Caribbean Assurance Brokers Limited is a limited liability company incorporated and domiciled in Jamaica and is regulated by the Financial Services Commission of Jamaica. The registered office of the company is 94d Old Hope Road, Kingston 6, St. Andrew, Jamaica.
- (b) The principal activity of the company is to search the insurance marketplace for a company in which to place the insured's business for the lowest cost to the insured.
- (c) The company became listed on the Junior Market of the Jamaica Stock Exchange on 9 March 2020. Consequently, the company is entitled to a remission of taxes for ten (10) years in proportions set out below, provided the shares remain listed for at least 15 years.

Years 1-5	100%
Years 6-10	50%

2 REPORTING CURRENCY:

Items included in the financial statements of the company are measured using the currency of the primary economic environment in which the company operates ('the functional currency'). These financial statements are presented in Jamaican dollars, which is considered the company's functional and presentation currency.

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Notes to the Unaudited Financial Statements cont'd
31 March 2022

3 SIGNIFICANT ACCOUNTING POLICIES:

This interim financial report for the reporting period ended 31 March 2022 has been prepared in accordance with Accounting Standard IAS 34 'Interim Financial Reporting'. The accounting policies followed in these interim financial statements are consistent with those of the previous financial year and corresponding interim reporting period.

4 EARNINGS PER STOCK UNIT:

Earnings per stock unit is calculated by dividing the net profit attributable to stockholders by the weighted average number of ordinary stock units in issue at end of period.

5 SHARE CAPITAL:

	<u>2022</u>	<u>2021</u>
	\$	\$
Authorised		
Unlimited ordinary shares of no par value	<u>48,765,008</u>	<u>48,765,008</u>
Issued and fully paid		
262,500,000 ordinary shares of no par value		
(2021 - 262,500,000) (Net of transaction costs)	<u>137,589,247</u>	<u>137,589,247</u>

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Notes to the Unaudited Financial Statements cont'd
 31 March 2022

6 TOP TEN SHAREHOLDERS:

	<u>Shares Held</u>	<u>% of Issued Shares</u>
Raymond Walker	107,100,000	40.80
Rion Hall & Veviene Hall	31,668,724	12.06
C&WJ Co-op Credit Union Limited	21,680,616	8.26
Dr. Karen Rajpat	18,899,952	7.20
Mayberry Jamaican Equities Limited	13,639,395	5.20
Gail Minott	13,402,600	5.11
Dr. Paul L. Brown	12,781,740	4.87
Errol Duhaney	2,607,561	0.99
Sandra Kenny	1,997,764	0.76
Nigel O. Coke	1,919,070	0.73
Total	<u>225,697,422</u>	<u>85.98</u>
Total Issued shares	<u>262,500,000</u>	<u>100.00</u>

7 DIRECTORS & SENIOR OFFICERS:

	<u>Shares Held</u>	<u>% of Issued Shares</u>
Directors:		
Raymond Walker	107,100,000.00	40.80
Rion Hall	31,668,724.00	12.06
Barrington Whyte	1,701,500.00	0.65
Norman Minott	1,701,500.00	0.65
Tania Waldron-Gooden	1,570,500.00	0.60
	<u>143,742,224.00</u>	<u>54.76</u>

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Notes to the Unaudited Financial Statements cont'd

31 March 2022

7 DIRECTORS & SENIOR OFFICERS CONT'D:

	<u>Shares Held</u>	<u>% of Issued Shares</u>
Senior Officers:		
Carlton Raymond	78,400.00	0.03
Heather Muirhead-Brown	78,000.00	0.03
Michelle Harris	67,900.00	0.02
Krystal Gayle	17,200.00	0.01
Godfrey Heron	<u>1,759.00</u>	-
	<u>243,259.00</u>	<u>0.09</u>

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Raymond H. Walker, B.Sc., CLU, MBA (Chairman & CEO); Tania Waldron-Gooden, MBA, B.Sc. (Deputy CEO), Rion B. Hall, JP, MBA; Janice P. Holness; Norman Minott LLB (Hons), Jennifer Rajpat, B.Sc., ACII, FLMI, AIAA, ACS; Barrington Whyte, B.A., MBA; Carlton Barclay, FCCA, MBA

International Insurance | Employee Benefits | General Insurance | Local Individual Insurance