

**Ocean International Reinsurance
Company Limited**

Consolidated Financial Statements

December 31, 2023

Grant Thornton Ltd

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INDEPENDENT AUDITOR'S REPORT**To the Shareholders of
Ocean International Reinsurance Company Limited****Opinion**

We have audited the consolidated financial statements of **Ocean International Reinsurance Company Limited** and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at December 31, 2023, and the consolidated statement of profit or loss and other 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 material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2023, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB).

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 *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Barbados, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance 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 as issued by the IASB, 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.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's 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 auditor's 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.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism 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 Company's internal control.
- 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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's 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 auditor's report. However, future events or conditions may cause the Company 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.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance 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.

Other Matter

This report is made solely to the Group's shareholder, as a body, in accordance with Section 147 of the Companies Act of Barbados. Our audit work has been undertaken so that we might state to the Group's shareholder those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Group and the Group's shareholder as a body, for our audit work, for this report, or for the opinion we have formed.



**Chartered Accountants
Barbados
April 15, 2025**

Ocean International Reinsurance Company Limited

Consolidated Financial Statements

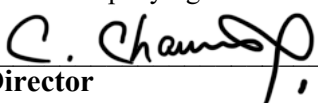
December 31, 2023

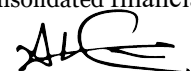
(All amounts in United States dollars)

Consolidated Statement of Financial Position

	Notes	As at December 31, 2023	As at December 31, 2022 Restated	As at January 1, 2022 Restated
Assets				
Cash	17, 18	61,713,078	52,074,738	24,253,187
Equity instruments at fair value through profit or loss	15	6,939,445	168,084	3,066,416
Debt instruments at fair value through other comprehensive income	16	42,303,727	7,149,353	1,672,050
Financial instruments at amortized cost	17	43,477,325	36,264,935	29,786,531
Receivable from related parties	13, 17	3,995,601	2,460,416	2,630,060
Other receivables	17	7,027,111	5,457,880	1,296,484
Debt instruments at amortized cost	17	32,454,613	28,346,639	25,859,987
Insurance contract assets	14	135,164,303	120,877,380	18,647,061
Assets for remaining coverage - ARC gross		135,164,303	120,877,380	18,647,061
Reinsurance contract assets	14	124,984,989	60,149,685	37,562,055
Assets for remaining coverage - ARC ceded		9,989,584	—	4,310,790
Amounts recoverable on incurred claims		114,995,405	60,149,685	33,251,265
Equity instruments at fair value through other comprehensive income	16	53,587,153	65,159,243	70,221,947
Properties, furniture, equipment and improvements	20	4,138,278	2,846,562	2,616,365
Intangible assets	27	19,271,513	19,668,930	—
Other assets	19	5,200,647	4,825,708	4,002,291
Total assets		496,780,458	369,184,618	191,827,903
Liabilities				
Insurance contract liabilities	14	195,036,541	125,290,262	92,957,379
Liabilities for remaining coverage - LRC gross		10,418,149	2,573,716	6,949,021
Liabilities for direct incurred claims - LIC gross		184,618,392	122,716,546	86,008,358
Reinsurance contract liabilities	14	144,159,508	86,868,034	12,311,209
Liabilities for remaining coverage - LRC ceded		144,159,508	86,868,034	12,311,209
Other payables	21	12,357,976	13,668,069	1,091,929
Payables to related parties	13	662,839	788,517	511,069
Current tax liabilities	12	343,291	391,472	276,713
Total liabilities		352,560,155	227,006,354	107,148,299
Equity				
Common shares	22	101,450	101,450	101,450
Additional paid-in capital	22	102,912,415	102,912,415	77,912,415
Fair value reserve		(2,877,594)	(2,474,363)	3,169,213
Insurance/reinsurance finance reserve		18,855	2,265,855	—
Complementary tax		(1,049)	(3,926)	(17,258)
Retained earnings		44,066,226	39,376,833	3,513,784
Total equity		144,220,303	142,178,264	84,679,604
Total liabilities and equity		496,780,458	369,184,618	191,827,903

The accompanying notes are an integral part of these consolidated financial statements.


Director


Director

Ocean International Reinsurance Company Limited

Consolidated Financial Statements

December 31, 2023

(All amounts in United States dollars)

Consolidated Statement of Profit or Loss and Other Comprehensive Income

	Notes	2023	2022 Restated
Insurance revenue		499,473,330	453,071,591
Insurance service expenses	8	(246,137,683)	(200,734,403)
Expense for acquisition cost		(61,307,002)	(70,436,678)
Expenses for insurance contracts - claims		(185,219,923)	(146,825,385)
Losses/reversals for onerous contracts		389,242	16,527,660
Insurance service result before reinsurance contracts held		253,335,647	252,337,188
Net expense from reinsurance contracts held		(218,548,049)	(185,864,525)
Allocation of reinsurance premiums		(313,735,609)	(250,575,403)
Amounts recoverable from reinsurers for incurred claims		95,187,560	64,710,878
Insurance service result		34,787,598	66,472,663
Interest revenue calculated using the effective interest method		90,536	42,590
Other interest and similar income		1,257,430	722,417
Dividend income		675,159	1,028,766
Gain on sale investments		1,455,566	519,788
Impairment reversal on financial assets		61,796	60,402
Total investment income	9.1	3,540,487	2,373,963
Insurance finance expenses for insurance contracts issued	9.2	(2,191,381)	(204,658)
Reinsurance finance income for reinsurance contracts held	9.2	1,013,368	69,430
Net financial result of insurance		(1,178,013)	(135,228)
General and administrative expenses	10, 27	(20,500,591)	(15,375,633)
Other income and losses	11	9,090,019	6,452,509
Bargain purchase gain		—	12,643,900
Profit before tax		25,739,500	72,432,174
Income tax expense	12	(998,109)	(569,309)
Net profit for the year		24,741,391	71,862,865
Other comprehensive (loss)/income before net insurance financial result			
Impact of acquisition of subsidiary		79,849	—
Net fair value changes on properties		71,720	(9,236)
Change in fair value of financial assets	9.1	(554,800)	(5,634,340)
Total other comprehensive loss before net insurance financial result		(403,231)	(5,643,576)
Insurance finance (expenses)/income for insurance contracts issued	9.2	(4,176,074)	4,259,337
Insurance finance income/(expenses) for reinsurance contracts held	9.2	1,929,074	(1,993,482)
Net insurance financial result		(2,247,000)	2,265,855
Total other comprehensive loss for the year, net of taxes		(2,650,231)	(3,377,721)
Total comprehensive income		22,091,160	68,485,144

Ocean International Reinsurance Company Limited

Consolidated Financial Statements

December 31, 2023

(All amounts in United States dollars)

Consolidated Statement of Changes in Shareholders' Equity

	Notes	Common shares	Additional paid-in capital	Fair value reserve	Insurance/reinsurance finance reserve	Retained Earnings	Total Equity
At 31 December 2021, as previously reported		101,450	77,912,415	3,704,918	–	38,894,630	120,613,413
Impact of initial application of IFRS 17		–	–	–	–	(35,291,316)	(35,291,316)
Impact of initial application of IFRS 9		–	–	(552,963)	–	(89,530)	(642,493)
Restated balance as at January 1, 2022		101,450	77,912,415	3,151,955	–	3,513,784	84,679,604
Net profit for the year		–	–	–	–	71,862,865	71,862,865
Other comprehensive income for the year		–	–	(5,634,340)	2,265,855	–	(3,368,485)
Additional paid-in capital	22	–	25,000,000	–	–	(25,000,000)	–
Dividends declared	22	–	–	–	–	(9,676,245)	(9,676,245)
Impact of acquisition of subsidiaries		–	–	–	–	(1,332,807)	(1,332,807)
Transfer to retained earnings		–	–	(9,236)	–	9,236	–
Complementary tax		–	–	13,332	–	–	13,332
Total comprehensive income		–	25,000,000	(5,630,244)	2,265,855	35,863,049	57,498,660
Restated balance as at December 31, 2022		101,450	102,912,415	(2,478,289)	2,265,855	39,376,833	142,178,264
Net profit for the year		–	–	–	–	24,741,391	24,741,391
Other comprehensive income for the year	22	–	–	(483,080)	(2,247,000)	(2,877)	(2,732,957)
Impact of acquisition of subsidiary		–	–	79,849	–	–	79,849
Dividends declared	22	–	–	–	–	(20,049,121)	(20,049,121)
Complementary tax		–	–	2,877	–	–	2,877
Total comprehensive income		–	–	(400,354)	(2,247,000)	4,689,393	2,042,039
Balance as at December 31, 2023		101,450	102,912,415	(2,878,643)	18,855	44,066,226	144,220,303

Ocean International Reinsurance Company Limited

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December 31, 2023

(All amounts in United States dollars)

Consolidated Statement of Cash Flows

	Notes	2023	2022 Restated
Cash flows from operating activities			
Profit before tax		25,739,500	72,432,174
<i>Adjustments for items not affecting cash:</i>			
Depreciation and amortization	20,27	741,634	170,702
Gain from bargain purchase		—	(12,643,900)
Provision for expected credit losses/(recovery)		(61,796)	(60,402)
Net fair value gains and (losses) on derecognition of debt instruments	9.1	(692,095)	320,285
Net fair value gains and (losses) on financial assets at fair value through profit or loss	9.1	(763,471)	(840,073)
Interest and dividend income	9.1	(2,023,125)	(2,311,004)
Operating income before working capital changes		22,940,647	57,067,782
<i>Net changes in operating assets and liabilities:</i>			
<i>(Increase)/decrease in operating assets</i>			
Other assets		(374,939)	(823,417)
Receivable from related parties		(1,493,686)	726,497
Other receivables		(1,549,699)	(4,112,969)
<i>Increase/(decrease) in operating liabilities</i>			
Insurance contract assets - Liability for remaining coverage		51,283,282	(65,638,099)
Payables to related parties		(125,678)	277,448
Other payables		(1,310,093)	10,838,494
Reinsurance contract assets - Liability for remaining coverage		(5,614,756)	49,975,713
Net cash from operations		63,755,078	48,311,449
Interest income received		90,536	42,590
Income taxes paid	12	(1,046,290)	(454,550)
Net cash from operating activities		62,799,324	47,899,489
Cash flows from investing activities			
Interest and dividend income received		1,932,589	1,751,120
Acquisition of property, plant and equipment		(172,473)	(409,846)
Acquisition of subsidiary/ies, net of cash and cash equivalents acquired		(2,251,681)	(6,642,929)
Net acquisitions/disposals of debt instruments at amortized cost		(4,107,209)	(2,491,787)
Net acquisitions/disposals of debt and equity instruments at fair value		(29,446,520)	(2,621,583)
Net cash used in investing activities		(34,045,294)	(10,415,025)
Cash flows from financing activities			
Disposal of subsidiary		930,554	—
Complementary tax paid		2,877	13,332
Dividends paid	22	(20,049,121)	(9,676,245)
Net cash used in financing activities		(19,115,690)	(9,662,913)
Net increase in cash		9,638,340	27,821,551
Cash at beginning of year		52,074,738	24,253,187
Cash at end of year	18	61,713,078	52,074,738

Ocean International Reinsurance Company Limited

Notes for the Consolidated Financial Statements

December 31, 2023

(All amounts in United States dollars)

1. Corporate Information

Ocean International Reinsurance Company Limited (the “Company”) and its subsidiaries (together, the “Group”) has its headquarters at St James House, 2nd Street, Holetown, St James, Barbados. It is registered under the Barbados Companies’ Act and licensed under the Insurance Act. The Group is owned and controlled by QD Overseas Ventures S.A and Marcussi Limited Partnership, registered in Luxembourg and Canada, respectively.

Operating as an insurance and reinsurance entity, Ocean International Reinsurance Company Limited underwrites facultative and treaty reinsurance policies. This activity is carried out in collaboration with intermediaries such as reinsurance brokers, Managing General Agents (MGAs) and insurance entities across various geographical regions, including Latin America, North America, the Caribbean, Asia, China, Europe, Oceania, and the Middle East and North Africa (MENA).

Its main lines of business encompass Group Health, Group Life, Credit Life, Automobile, Fire, Engineering, Legal Liability, Cargo, Miscellaneous, Surety, and Energy.

Additionally, Ocean International Reinsurance Company Limited has implemented a retrocession program to manage risks exceeding preferred retention levels. This program retrocedes the risk to the international market through an agreed-upon arrangement, reflecting the same terms and conditions of the reinsurance contracts underwritten by the company.

The Company has seven subsidiary companies, all participating in the insurance and reinsurance industry. Details of each company and its nature is detailed below:

American Insurance Managers, S. A.

American Insurance Managers, S.A. (“AIM”) is an entity registered as a corporation incorporated under the laws of the Republic of Panama on July 9, 1996. Its principal activity is the management of a captive entity. The principal office is located on the 23rd floor, Torre Panama, on Avenida de la Rotonda in Costa del Este, Panama City.

AIM is a 100% subsidiary of Ocean International Reinsurance Company, Ltd. which is domiciled in Barbados. Through Resolution No. AdC-002 of September 16, 1996, AIM is registered with the Superintendent of Insurance and Reinsurance of Panama.

AIM financial statements were authorized for issuance by the Board of Directors and Management on April 1, 2024.

American International Insurance Managers Limited

American International Insurance Managers Limited (“AIIM”) was incorporated under the Laws of Barbados on August 12, 2015. It was licensed as a Management Company under the Exempt Insurance Act CAP 308A on February 23, 2016.

Effective January 1, 2019, the Insurance (Amendment) Act 2018 (“IAA”) was enacted and the Exempt Insurance Act of Barbados (“EIA”) was repealed. The EIA contains transitional provisions which provides for the grandfathering of rights, benefits and obligations until June 2021. AIIM has notified the Financial Services Commission of its intention to be grandfathered. AIIM has the option to transition to IAA at any time up to June 2021 and continue as a Class 3 licensee.

Ocean International Reinsurance Company Limited

Notes for the Consolidated Financial Statements

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(All amounts in United States dollars)

1. Corporate Information ...continued

American International Insurance Managers Limited ...continued

AIIM is a 100% subsidiary of Ocean International Reinsurance Company Limited which is domiciled in Barbados. AIIM financial statements were authorized for issuance by the Board of Directors and Management on July 4, 2024.

Ocean Re Administradora de Reaseguro, S. A.

Ocean Re Administradora was a 100% subsidiary of Ocean International Reinsurance Company Limited until August 8, 2023, when 74.85% of the total shares of the Company were transferred to QD Overseas Ventures S.A. Consequently, the company has an ownership stake in Ocean Re Administradora of 24.15%.

Through Resolution No. JD-006 of February 18, 2020, Ocean Re Administradora is registered with the Superintendent of Insurance and Reinsurance of Panama.

Ocean Re Administradora financial statements were authorized for issuance by the Board of Directors and Management on April 27, 2024.

Marcussi Reinsurance, SCC

Marcussi Reinsurance, SCC ("Marcussi Reinsurance") was incorporated under the Laws of Barbados on September 28, 2017. It was licensed as an Exempt Insurance Company under the Exempt Insurance Act (Cap.308A) on April 17, 2017, as a segregated cell company.

Effective January 1, 2019, the Insurance (Amendment) Act 2018 ("IAA") was enacted, and the Exempt Insurance Act of Barbados ("EIA") was repealed. The EIA contains transitional provisions which provides for the grandfathering of rights, benefits and obligations until June 2021. Marcussi Reinsurance has notified the Financial Services Commission of its intention to be grandfathered. Marcussi Reinsurance has the option to transition to IAA at any time up to June 2021 and continue as a Class 2 licensee.

Marcussi Reinsurance is a 100% subsidiary of Ocean International Reinsurance Company Limited which is domiciled in Barbados.

Marcussi Reinsurance financial statements were authorized for issuance by the Board of Directors and Management on July 4, 2024.

Oceva Risk Solutions Limited

Oceva Risk Solutions Limited ("Oceva") is a private limited company, incorporated under the laws of England on April 20, 2017. It was registered in the Companies House with Company number 10731716; its principal activity is the provision of reinsurance services. Oceva is regulated by the Financial Conduct Authority with Firm reference number 805088, authorized since September 17, 2018 to perform only on Non-investment insurance contracts advising on investments (except on Pension Transfers and Pension Opt Outs), arranging (bringing about) deals in investments, assisting in the administration and performance of a contract of insurance, dealing in investments as agent, and making arrangements with a view to transactions in investments. Its office is located on Suite 29 11d, 30 St Mary Axe, London, EC3A 8BF.

Ocean International Reinsurance Company Limited

Notes for the Consolidated Financial Statements

December 31, 2023

(All amounts in United States dollars)

1. Corporate Information ...continued

Oceva Risk Solutions Limited ...continued

Oceva is a 100% subsidiary of Ocean International Reinsurance Company Limited which is domiciled in Barbados. Ocean International Reinsurance Company, Ltd. acquired Oceva on July 8, 2022.

Oceva financial statements were authorized for issuance by the Board of Directors and Management on December 2, 2024.

Gala Intl Services LLC

Gala Intl Services LLC (“Gala”) is a Limited Liability Company, incorporated under the laws of Florida, United States of America on May 20, 2019 with document number L19000138725. Gala has a Doing Business As (DBA) registry number G20000011051 to perform activities under the fictitious name “Insight Reinsurance Llc” with file dated January 23, 2020 and expiration date December 31, 2025. Its principal activity is to act as a managing general agent (MGA) or a managing general underwriter (MGU). An MGA is a specialized type of insurance agent or broker that has been granted underwriting authority by an insurer and can administer programs and negotiate contracts for an insurer. Ocean International Reinsurance Company Limited. granted an underwriting authority to Gala to administer programs in their name for financial lines of business.

Gala is a 100% subsidiary of Ocean International Reinsurance Company Limited which is domiciled in Barbados. Ocean International Reinsurance Company, Ltd. acquired Gala on August 15, 2022.

Insight Data SAS

Insight Data SAS (“Insight Data”) is a simplified joint stock company, incorporated under the laws of Colombia on June 10, 2020. Its principal activity is to carry out all kinds of prospective planning consultancies, execution of projects, actuarial analysis, collection of specialized information, financial analysis, accounting, financial, legal, economic, technological and marketing consultancies for the insurance and reinsurance businesses. Its principal office is located on Calle 39 No. 43 – 123, 10th floor, office I-7, Barranquilla, Colombia.

Insight Data is a 100% subsidiary of Ocean International Reinsurance Company Limited which is domiciled in Barbados. Ocean International Reinsurance Company Limited acquired Insight Data on August 15, 2022.

Second Street Properties Limited

Second Street Properties Limited (“SSPL”) is a limited liability company incorporated under the law of the British Virgin Islands, with company number 421363, with registered office at Marcy Building, 2nd Floor, Purcell Estate, P. O. Box 2416, Road Town, Tortola British Virgin Island, and, as an external company in Barbados, at St. James House, 2nd Street Holetown, St. James, Barbados, BB24016. Its principal activity is real estate investments for the group’s operations.

SSPL is a 100% subsidiary of Ocean International Reinsurance Company Limited which is domiciled in Barbados. Ocean International Reinsurance Company Limited acquired SSPL on August 18, 2023.

Ocean International Reinsurance Company Limited

Notes for the Consolidated Financial Statements

December 31, 2023

(All amounts in United States dollars)

1. Corporate Information ...continued

Second Street Properties Limited ...continued

Approval of the consolidated financial statements

The consolidated financial statements for the year ended December 31, 2023 were approved and authorized for issue by the Board of Directors on April 15, 2025.

2. Basis of Preparation

(a) Statement of Compliance

The consolidated financial statements of Ocean International Reinsurance Company Limited have been prepared in accordance with Accounting Standards as issued by the International Accounting Standards Board (“IFRS Accounting Standards”). These standards include the implementation of IFRS 17, *Insurance Contracts* and IFRS 9, *Financial Instruments*, effective from January 1, 2023, and the comparatives for 2022.

Separate Financial Statements

Management takes into account relevant regulatory mandates for crafting individual financial statements and recording its investments in subsidiaries at their original cost in line with IAS 27. While IFRS Accounting Standards does not mandate the creation of separate financial statements for the parent company, local regulations stipulate the necessity for such separate financial statements.

Consolidated Financial Statements

The Company also prepares consolidated financial statements in accordance with IFRS Accounting Standards for the Company and its subsidiaries (the “Group”). In the consolidated financial statements, its subsidiaries, as outlined in note 13, have been fully consolidated.

(b) Basis of Measurement

The consolidated financial statements have been prepared on a historical cost basis, except for financial assets measured at fair value through profit or loss (FVTPL), financial assets measured at fair value through other comprehensive income (FVOCI) and the revaluation of property.

(c) Functional and Presentation Currency

The consolidated financial statements are presented in United States dollars (US\$), which is the functional currency of the Company.

(d) Business combinations

The Group applies the acquisition method of accounting for business combinations. The consideration transferred by the Group to obtain control of a subsidiary is calculated as the sum of the acquisition-date fair values of assets transferred, liabilities incurred and the equity interests issued by the Group, which includes

Ocean International Reinsurance Company Limited

Notes for the Consolidated Financial Statements

December 31, 2023

(All amounts in United States dollars)

2. Basis of Preparation ...continued

(d) Business combinations ...continued

the fair value of any assets or liability arising from a contingent consideration arrangement. Acquisition costs are expenses as incurred.

Assets acquired and liabilities assumed are generally measured at their acquisition-date fair values.

(e) Use of Estimates and Judgments

The preparation of consolidated financial statements in accordance with IFRS Accounting Standards requires Management to exercise judgment, make estimates, and assumptions that impact the application of accounting policies and the reported amounts of assets and liabilities, revenues, and expenses. Actual results may differ from these estimates.

IFRS 17

The consolidated financial statements are prepared by the Group considering the reinsurance and retrocession businesses, given that and with the intention to preserve the IFRS 17 principles the term “insurance” in this document refers to the reinsurance business and the term “reinsurance” refers to the retrocession business.

IFRS 9

The estimates and assumptions are continually reviewed. The effects of revisions to estimates are recognized in the period in which the estimates are revised and in any future periods affected by them.

The business model assessment is based on reasonably expected scenarios without taking ‘worst case’ or ‘stress case’ scenarios into account. If cash flows after initial recognition are realized in a way that is different from the Group's original expectations, the Group does not change the classification of the remaining financial assets held in that business model but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

Information about critical judgments made by management in the application of accounting policies that have significant effects on the amounts recognized in the consolidated financial statements is disclosed in these financial statements.

3. Summary of Material Accounting Policy Information

3.1 Classification of Insurance and Reinsurance Contracts

The Group issues insurance contracts in the ordinary course of its activities, whereby it assumes insurance risk from policyholders (insurance companies). The Group determines whether it has significant insurance risk by comparing the benefits payable after an insured event occurs with the benefits payable if the insured event does not occur.

The contracts held by the Group under which significant reinsurance risk related to the underlying reinsurance contracts is transferred are classified as reinsurance contracts. In addition, reinsurance and retrocession contracts also expose the Group to financial risks. These kinds of contracts are also issued by

Ocean International Reinsurance Company Limited

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3. Summary of Material Accounting Policy Information ...continued

3.1 Classification of Insurance and Reinsurance Contracts ...continued

the Group in the ordinary course of its activities to indemnify other entities for losses arising from one or more insurance contracts issued by those entities.

3.2 Insurance and reinsurance contracts accounting treatment

3.2.1 Separating components from insurance and reinsurance contracts

The Group does not have any additional components that need to be evaluated or separated under another IFRS Accounting Standard. Since the primary core business of the Group is managing insurance risk through its contracts, there are no distinct components within the contract that require separate accounting treatment. The contracts are therefore accounted for as a single unit under IFRS 17, ensuring that the recognition and measurement of the liabilities and related assets are aligned with the standard's requirements for insurance contracts.

3.2.2 Level of aggregation

The Group establishes its aggregation level by dividing its business into portfolios. These portfolios aggregate contracts with similar risks that are managed collectively. The portfolios are further divided by year of issue, and profitability for recognition and measurement purposes. Hence, within each year of issue, portfolios of contracts are divided into three groups, as follows:

- Onerous contracts,
- Contracts with no significant risk of becoming onerous, and
- The remaining contracts.

The Group's portfolios are identified as follows:

Product name	IFRS 17 Portfolio
Group Life	Life
Loan Balance	
Health	Health
Personal Accidents	
Auto Liability	Motor
Auto Damage	
Liability	Liability
Bond	Bond
Fire	Property
Theft	
Miscellaneous Risks	
Engineering	
Transportation	
Financial Lines	
Terrorism	
Energy	

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3. Summary of Material Accounting Policy Information ...continued

3.2 Insurance and reinsurance contracts accounting treatment ...continued

3.2.2 Level of aggregation ...continued

The Group considers facts and circumstances to identify if a group of contracts is onerous based on:

- Pricing information;
- Results of similar contracts recognized; and
- Environmental factors, e.g., changes in market experience or regulations.

The profitability of contract groups is assessed using actuarial valuation models that take into account existing and new business. The Group assumes that no contract in the portfolio is onerous at the time of initial recognition unless facts and circumstances indicate otherwise. This applies to contracts measured under the simplified approach. For contracts that are not onerous, the Group evaluates, at the time of initial recognition, that there is no significant possibility that they will become onerous subsequently, by assessing the probability of changes in applicable facts and circumstances.

3.2.3 Recognition

The Group recognizes groups of insurance contracts it issues from the earliest of the following dates:

- The start of the coverage period for the group of contracts; or
- The date when the first insured's payment is due, received, or received if there is no due date.

In the case of an onerous group of contracts, if facts and circumstances indicate that the group is onerous, the Group recognizes a group of reinsurance contracts at the start of the coverage period that the group of reinsurance contracts has been entered into.

The Group recognizes a group of reinsurance contracts at the start of the coverage period that the group of reinsurance contracts have been entered into.

3.2.4 Contract boundary

The Company includes in the measurement of a group of insurance contracts all future cash flows within the boundary of each contract. Cash flows are within the boundaries of an insurance contract if they arise from substantive rights and obligations that exist during the reporting period in which the company can compel the policyholder to pay premiums, or in which the Group has a substantive obligation to provide the policyholder with contract services.

A substantive obligation to provide services under an insurance contract ends when:

- The Group has the practical ability to reassess the risks of the particular policyholder and, as a result, can set a price or benefit level that fully reflects those risks or,
- The following two criteria are met:

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3. Summary of Material Accounting Policy Information ...continued

3.2 Insurance and reinsurance contracts accounting treatment ...continued

3.2.4 Contract boundary ...continued

- The Group has the practical ability to reassess the risks of the portfolio of insurance contracts containing the contract and, as a result, can set a price or benefit level that fully reflects the risk of that portfolio.
- The Group has the practical ability to reassess the risks of the individual policyholder and can set a price or benefit level that fully reflects those reassessed risks.

A liability or asset related to expected premiums or claims outside the boundaries of the insurance contract is not recognized.

3.2.4.1 Reinsurance contract

Cash flows are within the contract boundary when they arise from rights and obligations that exist during the reporting period in which the Group is obligated to pay the reinsurer or has a substantive right to receive services from the reinsurer.

A substantive right to receive services from the reinsurer ends when the reinsurer:

- Has the practical ability to reassess the risks transferred to it and can set a price or benefit level that fully reflects those reassessed risks; or
- Has a substantive right to terminate the coverage.

3.2.5 Measurement – Contracts measured under the premium allocation approach

3.2.5.1 Insurance contracts – initial recognition

The Group uses the simplification set in IFRS 17 using the Premium Allocation Approach (PAA) or “simplified model” as the simplification is reasonably expected to produce a measurement of the liability for the remaining coverage for the group that does not differ significantly from the requirements of the general model, or that, in such a case, the period of each contract in the measured group.

The Group applies PAA to all the insurance contracts that it issues and reinsurance contracts that it holds as follows:

- The coverage period of each contract is one year or less, or
- For contracts longer than one year, the Group has modelled possible future scenarios and reasonably expects that the measurement of the liability for remaining coverage for those contracts under the PAA does not differ materially from the measurement that would be produced applying the general model. In assessing materiality, the Group has also considered qualitative factors such as the nature of the risk and types of its lines of business.

The following components are included for the initial measurement of the liability for remaining coverage:

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3. Summary of Material Accounting Policy Information ...continued

3.2 Insurance and reinsurance contracts accounting treatment ...continued

3.2.5 Measurement – Contracts measured under the premium allocation approach ...continued

3.2.5.1 Insurance contracts – initial recognition ...continued

- 1) The premiums received in the initial recognition, if any;
- 2) Minus any insurance acquisition cash flows at that date (according to the Group's choice); and
- 3) Plus or minus any amount arising from the derecognition at that date of asset recognized for insurance acquisition cash flows and any other assets or liabilities previously recognized relating to the group of contracts.

3.2.5.2 Reinsurance contracts held – initial recognition

The Group uses the simplification set out in the IFRS 17 and uses the PAA adjusted to the recognition, measurement and presentation requirements for the reinsurance contracts.

The Group measures its reinsurance assets, which it holds, on the same basis as the insurance contracts it issues.

When the Group recognizes a loss component initial recognition of an onerous group of underlying insurance contracts or when additional onerous underlying insurance contracts are added to a group, the Group establishes a loss-recovery component of the asset for the remaining coverage for a group of reinsurance contracts held, representing the recovery of loss.

If any net cost in acquiring reinsurance coverage relates to insured events that occurred before the purchase of the group, then the Group recognizes the cost immediately in profit or loss as an expense.

3.2.5.3 Insurance contracts – subsequent measurement

The Group measures the carrying amount of the liability for remaining coverage at the end of each reporting period as the liability for remaining coverage at the beginning of the period:

- Plus premiums received in the period;
- Minus insurance acquisition cash flows;
- Plus any amounts relating to the amortization of the insurance acquisition cash flows recognized as an expense in the reporting period for the group;
- Plus any adjustment to the financing component, where applicable;
- Minus the amount recognized as insurance revenue for the services provided in the period; and
- Minus any investment component paid or transferred to the liability for incurred claims.

When, during the coverage period, facts and circumstances indicate that a group of insurance contracts is onerous, the Group recognizes a loss in profit or loss for the net outflow, resulting in the carrying amount of the liability for the group being equal to the fulfillment cash flows.

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3. Summary of Material Accounting Policy Information ...continued

3.2 Insurance and reinsurance contracts accounting treatment ...continued

3.2.5 Measurement – Contracts measured under the premium allocation approach ...continued

3.2.5.4 Reinsurance contracts held – subsequent measurement

The subsequent valuation of reinsured contracts follows the same principles as those of issued insurance contracts and has been adapted to reflect the specific characteristics of the reinsured contracts.

A loss-recovery component is subsequently reduced consistent with the reversal of the loss component of the underlying issued contract groups, even when a reversal of the loss-recovery component is not a change in cash flows of fulfillment of the group of reinsurance contracts held.

3.2.5.5 Insurance acquisition cash flows

Insurance acquisition cash flows (“IACF”) arise from the costs of selling, underwriting and starting a group of insurance contracts (issued or expected to be issued) that are directly attributable to the portfolio of insurance contracts to which the group belongs, the Group uses a systematic and rational method to allocate those IACF.

Where insurance acquisition cash flows have been paid or incurred before the related group of insurance contracts is recognized in the statement of financial position, a separate asset for insurance acquisition cash flows is recognized for each related group.

The asset for insurance acquisition cash flow is derecognized from the statement of financial position when the insurance acquisition cash flows are included in the initial measurement of the related group of insurance contracts.

At the end of each reporting period, the Group reviews amounts of insurance acquisition cash flows allocated to groups of insurance contracts not yet recognized, to reflect changes in assumptions related to the method of allocation used.

After any re-allocation, the Group assesses the recoverability of the asset for insurance acquisition cash flows, if facts and circumstances indicate the asset may be impaired. When assessing the recoverability, the Group applies:

- An impairment test at the level of an existing or future group of insurance contracts; and
- An additional impairment test specifically covering the insurance acquisition cash flows allocated to expected future contract renewals.

If an impairment loss is recognized, the carrying amount of the asset is adjusted and an impairment loss is recognized in profit or loss.

The Group recognizes in profit or loss a reversal of some or all of an impairment loss previously recognized and increases the carrying amount of the asset, to the extent that the impairment conditions no longer exist or have improved.

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3. Summary of Material Accounting Policy Information ...continued

3.2.5 Measurement – Contracts measured under the premium allocation approach ...continued

3.2.5.6 Insurance contracts – modifications and derecognition

The Group derecognizes insurance contracts when the rights and obligations related to the contract are extinguished, i.e., discharged, canceled, or expired, or the contracts are modified in such a way that the modification results in a change in the measurement model, or the applicable standard for measuring a component of the contract (in such cases, the Group derecognizes the initial contract and recognizes the modified contract as a new contract).

When a modification is not treated as a derecognition, the Group recognizes amounts paid or received for the modification with the contract as an adjustment to the corresponding liability for the remaining coverage.

3.2.6 Presentation

The Group separately presents, in the consolidated statement of financial position, the carrying amounts of portfolios of issued insurance contracts that are assets, portfolios of issued insurance contracts that are liabilities, portfolios of reinsurance contracts held that are assets, and portfolios of reinsurance contracts held that are liabilities.

The Group disaggregates the total amount recognized in the consolidated statement of profit or loss and other comprehensive income into an insurance service result, comprising revenue from ordinary insurance activities and insurance service expenses, and insurance financial expenses or income. The Group does not disaggregate the change in the adjustment for non-financial risk between a financial and non-financial portion and includes the entire change as part of the insurance service result.

The Group separately presents the reinsurance contracts held result from the expenses or income from issued insurance contracts.

3.2.7 Insurance revenue

3.2.7.1 Insurance revenue under the simplified premium allocation approach

Insurance revenue for the period is the amount of expected premiums received (excluding any investment component) allocated to the period. The Group allocates expected premium collections to each period of providing insurance services based on the passage of time.

If facts and circumstances change, the Group will change the allocation basis.

For the periods presented, all revenues have been recognized on a time basis.

3.2.8 Insurance financial income and expenses

Financial income or expenses from insurance comprise the change in the carrying amount of the group of insurance contracts derived from:

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3. Summary of Material Accounting Policy Information ...continued

3.2.5 Measurement – Contracts measured under the premium allocation approach ...continued

3.2.5.8 Insurance financial income and expenses ...continued

- The effect of the time value of money and changes in the time value of money; and
- The effect of financial risk and changes in financial risk.

The Group disaggregates financial income or expenses from insurance between profit or loss and other comprehensive income.

3.2.9 Net income or expense from held reinsurance contracts

The Group presents separately in the consolidated income statement the amounts expected to be recovered from reinsurers, and an allocation of paid reinsurance premiums. Two lines are presented in the income statement, reinsurance income/expense.

3.3. Financial assets

3.3.1 Initial recognition

The classification of financial instruments at initial recognition depends on their contractual terms and the business model for managing the instruments, as described in Notes 3.3.2.2 and 3.3.2.3.

Financial instruments are initially recognized on the trade date measured at their fair value. Except for financial assets and financial liabilities recorded not at its fair value through profit or loss, plus or minus, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

3.3.2 Measurement categories

The Group classifies all of its financial assets based on the business model for managing the assets and the asset's contractual terms. The categories include the following:

- Amortized cost, as explained in Note 3.3.2.1
- FVOCI as explained in Note 3.3.3.2
- FVTPL as explained in Note 3.3.2.5

3.3.2.1 Debt instruments measured at amortized cost

Debt instruments are held at amortized cost if both of the following conditions are met:

- The instruments are held within a business model with the objective of holding the instrument to collect the contractual cash flows; and,
- The contractual terms of the debt instrument give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

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3. Summary of Material Accounting Policy Information ...continued

3.3 Financial assets ...continued

3.3.2 Measurement categories ...continued

3.3.2.1 Debt instruments measured at amortized cost ...continued

The details of these conditions are outlined below.

3.3.2.2 Business model assessment

The Group determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective.

The Group holds financial assets to generate returns and provide a capital base to provide for settlement of claims as they arise. The Group considers the timing, amount and volatility of cash flow requirements to support insurance liability portfolios in determining the business model for the assets as well as the potential to maximize return for shareholders and future business development.

The Group's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios that is based on observable factors such as:

- How the performance of the business model and the financial assets held within that business model are evaluated and reported to the Group's key management personnel.
- The risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way those risks are managed.
- How managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected).
- The expected frequency, value and timing of asset sales are also important aspects of the Group's assessment.

3.3.2.3 The SPPI test

As a second step of its classification process the Group assesses the contractual terms to identify whether they meet the SPPI test.

'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortization of the premium/discount).

The most significant elements of interest within a debt arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, the Group applies judgement and considers relevant factors such as the currency in which the financial asset is denominated, and the period for which the interest rate is set.

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3. Summary of Material Accounting Policy Information ...continued

3.3 Financial assets ...continued

3.3.2 Measurement categories ...continued

3.3.2.4 Debt instruments measured at fair value through other comprehensive income

The Group applies this category under IFRS 9 for debt instruments measured at FVOCI when both of the following conditions are met:

- The instrument is held within a business model, the objective of which is both collecting contractual cash flows and selling financial assets.
- The contractual terms of the financial asset meet the SPPI test.

Debt instruments in this category are those that are intended to be held to obtain contractual cash flows and that can be sold in response to the business model.

3.3.2.5 Financial assets measured at FVTPL

Financial assets in this category are those that are managed in a fair value business model, or that have been designated by management upon initial recognition or are mandatorily required to be measured at fair value under IFRS 9. This category includes debt instruments whose cash flow characteristics fail the SPPI criterion or are not held within a business model whose objective is either to collect contractual cash flows, or both to collect contractual cash flows and sell.

3.3.3 Subsequent measurement

3.3.3.1 Financial instruments at amortized cost

After initial measurement, debt instruments are measured at amortized cost, using the effective interest rate (EIR) method, less allowance for impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are an integral part of the EIR. Expected credit losses (ECLs) are recognized in the consolidated statement of profit or loss when the debt instruments are impaired.

3.3.3.2 Debt and equity instruments at FVOCI

FVOCI debt and equity instruments are subsequently measured at fair value with gains and losses arising due to changes in fair value recognized in OCI. Interest income and foreign exchange gains and losses are recognized in profit or loss in the same manner as for financial assets measured at amortized cost as explained in Note 3.4.1.

- The ECL calculation for debt instruments at FVOCI is explained in Note 3.3.6.2. On derecognition, cumulative gains or losses previously recognized in OCI are reclassified from OCI to profit or loss.

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3. Summary of Material Accounting Policy Information ...continued

3.3 Financial assets ...continued

3.3.3 Subsequent measurement ...continued

3.3.3.2 Debt and equity instruments at FVOCI ...continued

- Otherwise, on derecognition, cumulative gains or losses previously recognized in OCI for equity instruments at FVOCI are reclassified from OCI to retained earnings.

3.3.3.3 Financial assets at FVTPL

Financial assets at FVTPL are recorded in the consolidated statement of financial position at fair value. Changes in fair value are recorded in profit or loss. Interest earned on assets mandatorily required to be measured at FVTPL is recorded using contractual interest rate, as explained in Note 3.4.2. Dividend income from equity instruments measured at FVTPL is recorded in profit or loss as other operating income when the right to the payment has been established.

3.3.4 Reclassification of financial assets and liabilities

The Group does not reclassify its financial assets subsequent to their initial recognition, apart from the exceptional circumstances in which the Company acquires, disposes of, or terminates a business line.

3.3.5 Derecognition

3.3.5.1 Derecognition other than for substantial modification

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognized when:

- The rights to receive cash flows from the asset have expired or
- The Group has transferred its right to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a ‘pass-through’ arrangement; and either: (a) the Group has transferred substantially all the risks and rewards of the asset; or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

The Group considers control to be transferred if and only if, the transferee has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without imposing additional restrictions on the transfer.

When the Group has neither transferred nor retained substantially all of the risks and rewards and has retained control of the asset, the asset continues to be recognized only to the extent of the Group’s continuing involvement, in which case, the Group also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

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3. Summary of Material Accounting Policy Information ...continued

3.3 Financial assets ...continued

3.3.5 Derecognition ...continued

3.3.5.1 Derecognition other than for substantial modification ...continued

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration the Group could be required to pay.

The Company derecognizes a financial asset when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new instrument, with the difference recognized as a derecognition gain or loss. In the case of financial instruments at amortized cost, the newly recognized financial assets are classified as Stage 1 for ECL measurement purposes. When assessing whether or not to derecognize an instrument, amongst others, the Group considers the following factors:

- Change in currency of the debt instrument
- Introduction of an equity feature
- Change in counterparty
- If the modification is such that the instrument would no longer meet the SPPI criterion

If the modification does not result in cash flows that are substantially different, the modification does not result in derecognition. Based on the change in cash flows discounted at the original EIR, the Group records a modification gain or loss.

3.3.6 Impairment of financial assets

Further disclosures relating to impairment of financial assets are also provided in the following notes:

- Impairment losses on financial instruments - Note 5.2.3.3
- Disclosures for significant judgements and estimates - Note 7.2.1.

The Group recognizes an allowance for ECLs for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the appropriate effective interest rate.

ECLs are recognized in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

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3. Summary of Material Accounting Policy Information ...continued

3.3 Financial assets ...continued

3.3.6 Impairment of financial assets ...continued

The Group's debt instruments consist of listed investment instruments that are rated in the upper investment grade category (Very Good and Good) and are therefore considered low credit risk investments. It is the Company's policy to measure the ECL on such instruments on a 12-month basis. When the credit risk deteriorates, the Company will sell the investment instrument and purchase instruments that meet the required investment grade.

The Group considers a financial asset to be in default (credit impaired) when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

3.3.6.1 The calculation of ECLs

The Group calculates ECLs based on scenarios to measure the expected cash shortfalls, discounted at an appropriate EIR. A cash shortfall is the difference between the cash flows that are due to the Group in accordance with the contract and the cash flows that the entity expects to receive.

The mechanics of the ECL calculations are outlined below and the key elements are, as follows:

- PD: The Probability of Default is an estimate of the likelihood of default over a given time horizon. It is estimated with consideration of economic scenarios and forward-looking information.
- EAD: The Exposure at Default is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, and accrued interest from missed payments.
- LGD: The Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the Company would expect to receive. It is usually expressed as a percentage of the EAD.

The Group allocates its assets subject to ECL calculations to one of these categories, determined as follows:

- 12mECL – The 12mECL is calculated as the portion of long term ECLs (LTECLs) that represent the ECLs that result from default events on a financial instrument that are possible within 12 months after the reporting date. The Group calculates the 12mECL allowance based on the expectation of a default occurring in the 12 months following the reporting date. These expected 12-month default probabilities are applied to a forecast EAD and multiplied by the expected LGD and discounted by an appropriate EIR. This calculation is made for each of the four scenarios, as explained above.

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3. Summary of Material Accounting Policy Information ...continued

3.3 Financial assets ...continued

3.3.6 Impairment of financial assets ...continued

3.3.6.1 The calculation of ECLs ...continued

- **LTECL** – When an instrument has shown a significant increase in credit risk since origination, the Company records an allowance for the LTECLs. The mechanics are similar to those explained above, including the use of multiple scenarios, but PDs and LGDs are estimated over the lifetime of the instrument. The expected losses are discounted by an appropriate EIR.
- **Impairment** – For debt instruments considered credit-impaired, the Company recognizes the lifetime expected credit losses for these instruments. The method is similar to that for LTECL assets, with the PD set at 100%.

3.3.6.2 Debt instruments measured at FVOCI

The ECLs for debt instruments measured at FVOCI do not reduce the carrying amount of these financial assets in the consolidated statement of financial position, which remains at fair value. Instead, an amount equal to the allowance that would arise if the assets were measured at amortized cost is recognized in OCI with a corresponding charge to profit or loss. The accumulated gain recognized in OCI is recycled to the profit or loss upon derecognition of the assets.

3.3.6.3 Forward looking information

In its ECL models, the Group relies on a broad range of forward-looking information as economic inputs, such as:

- GDP growth; and
- Central Bank base rates.

3.3.7 Write-offs

Financial assets are written off either partially or in their entirety only when the Company has stopped pursuing the recovery. If the amount to be written off is greater than the accumulated loss allowance, the difference is first treated as an addition to the allowance that is then applied against the gross carrying amount. Any subsequent recoveries are credited to credit loss expense. There were no write-offs over the periods reported in these consolidated financial statements.

3.4 Recognition of interest income

3.4.1 The effective interest rate method

Under IFRS 9, interest income is recorded using the effective interest rate (EIR) method for all financial assets measured at amortized cost. Similar to interest bearing financial assets previously classified as

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3. Summary of Material Accounting Policy Information ...continued

3.4 Recognition of interest income ...continued

3.4.1 The effective interest rate method ...continued

available-for-sale or held to maturity under IAS 39, interest income on interest bearing financial assets measured at FVOCI under IFRS 9 is also recorded using the EIR method.

The EIR is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset or, when appropriate, a shorter period, to the gross carrying amount of the financial asset. The EIR (and therefore, the amortized cost of the financial asset) is calculated by taking into account transaction costs and any discount or premium on acquisition of the financial asset as well as fees and costs that are an integral part of the EIR. The Group recognizes interest income using a rate of return that represents the best estimate of a constant rate of return over the expected life of the debt instrument. If expectations of a fixed rate financial asset's cash flows are revised for reasons other than credit risk, and the changes to future contractual cash flows are discounted at the original EIR with a consequential adjustment to the carrying amount.

The difference to the previous carrying amount is booked as a positive or negative adjustment to the carrying amount of the financial asset in the statement of financial position with a corresponding increase or decrease in interest income. For floating-rate financial instruments, periodic re-estimation of cash flows to reflect the movements in the market rates of interest also alters the effective interest rate, but when instruments were initially recognized at an amount equal to the principal, re-estimating the future interest payments does not significantly affect the carrying amount of the asset or the liability.

3.4.2 Interest and similar income

Interest income comprises amounts calculated using the effective interest method and other methods. These are disclosed separately on the face of the income statement.

In its interest income calculated using the effective interest method the Group only includes interest on financial instruments at amortized cost or FVOCI.

3.4.3 Properties, furniture, equipment and improvements

i) Properties

Properties owned are stated at their revalued amounts. Revalued amounts are fair values based on appraisals prepared by external professional valuers once every five years or more frequently if market factors indicate a material change in fair value. Any revaluation surplus is recognized in other comprehensive income and credited to the revaluation reserve in equity. To the extent any revaluation decrease or impairment loss has previously been recognized in profit or loss, a revaluation increase is credited to profit or loss with the remaining part of the increase recognized in other comprehensive income. Downward revaluations of properties are recognized upon appraisal or impairment testing, with the decrease being charged to other comprehensive income to the extent of any revaluation surplus in equity relating to this asset and any remaining decrease

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3. Summary of Material Accounting Policy Information ...continued

3.4.3 Properties, furniture, equipment and improvements ...continued

i) Properties ...continued

recognized in profit or loss. Any revaluation surplus remaining in equity on disposal of the asset is transferred to retained earnings.

ii) Furniture, equipment and improvements

Furniture, equipment and improvements are initially recognized at acquisition cost or manufacturing cost, including any costs directly attributable to bringing the assets to the location and condition necessary for them to be capable of operating in the manner intended by the Group's management. Furniture, equipment and improvements are subsequently measured at cost less accumulated depreciation and impairment losses.

Depreciation is recognized on a straight-line basis to write down the cost less estimated residual value of buildings, IT equipment and other equipment. The following useful lives are applied:

- Properties improvements: 10 years
- Furniture and fixtures: 5–10 years
- Computer equipment: 3–12 years.

Gains or losses arising on the disposal of property, plant and equipment are determined as the difference between the disposal proceeds and the carrying amount of the assets and are recognized in profit or loss either within other income or other expenses.

3.4.4 Intangible assets

Initial recognition of intangible assets

Brand names and customer relationships acquired in a business combination that qualify for separate recognition are recognised as intangible assets at their fair values.

Subsequent measurement

All finite-lived intangible assets are accounted for using the cost model whereby capitalised costs are amortised on a straight-line basis over their estimated useful lives. Residual values and useful lives are reviewed at each reporting date. In addition, they are subject to impairment testing as described below. The following useful lives are applied:

- Brand names: indefinite life;
- Customer relationships: 10 years.

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3. Summary of Material Accounting Policy Information ...continued

3.4.4 Intangible assets ...continued

Amortisation has been included within depreciation, amortisation and impairment of non-financial assets. Subsequent expenditures on the maintenance of computer software and brand names are expensed as incurred.

When an intangible asset is disposed of, the gain or loss on disposal is determined as the difference between the proceeds and the carrying amount of the asset, and is recognised in profit or loss within other income or other expenses.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Impairment testing of intangible assets

For impairment assessment purposes, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash-generating units). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level. Intangible assets that have an indefinite useful life or are not yet available for use has been allocated (determined by the Group's management as equivalent to its operating segments) are tested for impairment at least annually. All other individual assets or cash-generating units are tested for impairment whenever events or changes in circumstances indicate the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset's (or cash-generating unit's) carrying amount exceeds its recoverable amount, which is the higher of fair value less costs of disposal and value-in-use. To determine the value-in-use, management estimates expected future cash flows from each cash-generating unit and determines a suitable discount rate in order to calculate the present value of those cash flows. The data used for impairment testing procedures is directly linked to the Group's latest approved budget, adjusted as necessary to exclude the effects of future reorganisations and asset enhancements. Discount factors are determined individually for each cash-generating unit and reflect current market assessments of the time value of money and asset-specific risk factors. Impairment losses for cash-generating units reduce first the carrying amount of any goodwill allocated to the cash-generating unit.

Any remaining impairment loss is charged pro rata to the other assets in the cash-generating unit. With the exception of goodwill, all assets are subsequently reassessed for indications an impairment loss previously recognised may no longer exist. An impairment loss is reversed if the asset's or cash-generating unit's recoverable amount exceeds its carrying amount.

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3. Summary of Material Accounting Policy Information ...continued

3.4.5 Provisions

Provisions for legal disputes, onerous contracts or other claims (if any) are recognized when the Group has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of economic resources will be required from the Group and amounts can be estimated reliably. The timing or amount of the outflow may still be uncertain.

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. Provisions are discounted to their present values, where the time value of money is material.

No liability is recognized if an outflow of economic resources as a result of present obligations is not probable. Such situations are disclosed as contingent liabilities unless the outflow of resources is remote.

3.4.6 Shareholders' equity

i) *Share capital*

Share capital represents the nominal values of the shares that have been issued.

Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

ii) *Additional paid-in capital*

Additional paid-in capital represents additional amounts contributed to the company by its shareholders.

iii) *Retained earnings*

Retained earnings represent the current and prior years' results of operations as reported in the consolidated statement of comprehensive income.

iv) *Other comprehensive income*

Other comprehensive income is comprised of the following:

- Fair value reserve for gains and losses associated with financial instruments measured at fair value through other comprehensive income
- Property valuation reserve for the gains in the fair value of the Group's property
- Other reserves relate to insurance finance expenses and expenses for insurance contracts issued and insurance contracts held which the Group has elected to recognise through other comprehensive income.

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3. Summary of Material Accounting Policy Information ...continued

3.4.6 Shareholders' equity ...continued

v) Dividends

Dividend distribution to the Group's shareholders is recognized as a liability in the Group's separate financial statements in the period in which the dividends are approved by the Group's shareholders.

3.4.7 Income tax

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in the countries where the Group operates and generates taxable income.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions, where appropriate.

Revenues, expenses and assets are recognized net of the amount of sales taxes and premium taxes except:

- Where the sales or premium tax incurred on the purchase of assets or services is not recoverable from the taxation authority, in which case, the sales and premium tax is recognized as part of the cost of acquisition of the asset or as part of the expense item, as applicable.
- Receivables and payables that are stated with the amount of sales or premium tax included.

Outstanding net amounts of sales or premium tax recoverable from, or payable to, the taxation authority, are included as part of receivables or payables in the consolidated statement of financial position.

3.4.8 Expenses

Expenses are recognised in the consolidated statement of comprehensive income upon utilisation of the service or as incurred.

4. Changes in accounting policies and disclosures

4.1 New and amended standards and interpretations

4.1.1 IFRS 17 *Insurance Contracts*

IFRS 17 replaces IFRS 4, *Insurance Contracts*, for annual periods beginning on or after January 1, 2023.

The Group has restated comparative information for 2022.

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4. Changes in accounting policies and disclosures

4.1 New and amended standards and interpretations

4.1.1 IFRS 17 *Insurance Contracts*

4.1.1.1 Changes to classification and measurement

The adoption of IFRS 17 did change the classification of the Group's insurance contracts.

The Group was previously permitted under IFRS 4 to continue accounting using its previous accounting policies its previous accounting policies. However, IFRS 17 establishes specific principles for the recognition and measurement of insurance contracts issued and reinsurance contracts held by the Group.

Under IFRS 17, the Group's insurance contracts issued and reinsurance contracts held are all eligible to be measured by applying the PAA. The PAA simplifies the measurement of insurance contracts in comparison with the general model in IFRS 17.

The measurement principles of the PAA differ from the 'earned premium approach' used by the Group under IFRS 4 in the following key areas:

- The liability for remaining coverage reflects premiums received less deferred insurance acquisition cash flows and less amounts recognized in revenue for insurance services provided.
- Measurement of the liability for remaining coverage does not include an adjustment for the time value of money and the effect of financial risk where the premium due date and the related period of services are less than 12 months apart.
- Measurement of the liability for incurred claims (previously claims outstanding and incurred-but-not-reported (IBNR) claims) is determined on a discounted probability-weighted expected value basis and includes an explicit risk adjustment for non-financial risk. The liability includes the Group's obligation to pay other incurred insurance expenses.
- Measurement of the asset for remaining coverage (reflecting reinsurance premiums paid for reinsurance held) is adjusted to include a loss-recovery component to reflect the expected recovery of onerous contract losses where such contracts reinsure onerous direct contracts.

The Group expenses its insurance acquisition cash flows for its property insurance product line immediately upon payment and capitalizes insurance acquisition cash flows for all other product lines.

For product lines where insurance acquisition cash flows are not immediately expensed, the Group allocates the acquisition cash flows to groups of insurance contracts issued or expected to be issued using a systematic and rational basis. Insurance acquisition cash flows include those that are directly attributable to a group and to future groups that are expected to arise from renewals of contracts in that group. Where such insurance acquisition cash flows are paid (or where a liability has been recognized applying another IFRS Accounting Standard) before the related group of insurance contracts is recognized, an asset for insurance acquisition cash flows is recognized. When insurance contracts are recognized, the related portion of the asset for insurance acquisition cash flows is derecognized and

Ocean International Reinsurance Company Limited

Notes for the Consolidated Financial Statements

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4. Changes in accounting policies and disclosures ...continued

4.1 New and amended standards and interpretations ...continued

4.1.1 IFRS 17 *Insurance Contracts* ...continued

4.1.1.2. Changes to presentation and disclosure

subsumed into the measurement at initial recognition of the insurance liability for remaining coverage of the related group.

For presentation in the consolidated statement of financial position, the Group aggregates insurance and reinsurance contracts issued and reinsurance contracts held, respectively and presents separately:

- Portfolios of insurance and reinsurance contracts issued that are assets
- Portfolios of insurance and reinsurance contracts issued that are liabilities
- Portfolios of reinsurance contracts held that are assets
- Portfolios of reinsurance contracts held that are liabilities.

The portfolios referred to above are those established at initial recognition in accordance with the IFRS 17 requirements.

The line-item descriptions in the statement of profit or loss and other comprehensive income have been changed significantly compared with last year. Previously, the Company reported the following line items:

- Gross written premiums
- Net written premiums
- Changes in premium reserves
- Gross insurance claims
- Net insurance claims.

Instead, IFRS 17 requires separate presentation of:

- Insurance revenue
- Insurance service expenses
- Insurance finance income or expenses
- Income or expenses from reinsurance contracts held.

The Group provides disaggregated qualitative and quantitative information about:

- Amounts recognized in its financial statements from insurance contracts
- Significant judgements, and changes in those judgements, when applying the standard.

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4. Changes in accounting policies and disclosures ...continued

4.1 New and amended standards and interpretations ...continued

4.1.1 IFRS 17 *Insurance Contracts* ...continued

4.1.1.3 Transition disclosures – IFRS 17

On transition date, January 1, 2022, the Group:

- Has identified, recognized and measured each group of insurance contracts as if IFRS 17 had always applied;
- Has identified, recognized and measured assets for insurance acquisition cash flows as if IFRS 17 has always applied;
- Derecognized any existing balances that would not exist had IFRS 17 always applied; and,
- Recognized any resulting net difference in equity.

4.1.2 IFRS 9 *Financial Instruments*

IFRS 9 replaced IAS 39 *Financial Instruments: Recognition and Measurement* for annual periods beginning on or after January 1, 2018. However, the Group elected, under the amendments to IFRS 4, to apply the temporary exemption from IFRS 9, thereby deferring the initial application date of IFRS 9 to align with the initial application of IFRS 17.

The Group has applied IFRS 9 retrospectively and restated comparative information for 2022 for financial instruments in the scope of IFRS 9. Differences arising from the adoption of IFRS 9 were recognized in retained earnings as of January 1, 2022 and are disclosed in Note 4.1.3.

The nature of the changes in accounting policies can be summarized, as follows:

4.1.2.1 Changes to classification and measurement

To determine their classification and measurement category, IFRS 9 requires all financial assets to be assessed based on a combination of the Group's business model for managing the assets and the instruments' contractual cash flow characteristics.

The IAS 39 measurement categories for financial assets FVTPL, AFS, held-to-maturity (HTM) and loans and receivables (L&R) at amortized cost have been replaced by:

- Financial assets at fair value through profit or loss, including equity instruments.
- Debt instruments at fair value through other comprehensive income, with gains or losses recycled to profit or loss on derecognition.
- Equity instruments at fair value through other comprehensive income, with no recycling of gains or losses to profit or loss on derecognition.
- Financial instruments at amortized cost the Group's classification of its financial assets is explained in Note 3.3. The quantitative impact of applying IFRS 9 as at January 1, 2022 is disclosed in Note 4.1.2.3.

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4. Changes in accounting policies and disclosures ...continued

4.1 New and amended standards and interpretations ...continued

4.1.2 IFRS 9 *Financial Instruments* ...continued

4.1.2.2 Changes to the impairment calculation

The adoption of IFRS 9 has fundamentally changed the Group's accounting for impairment losses for debt instruments held at FVOCI or financial assets measure at amortized cost by replacing IAS 39's incurred loss approach with a forward-looking expected credit loss (ECL) approach.

IFRS 9 requires the Group to record an allowance for ECLs for all debt instruments not held at FVTPL.

For debt instruments, the ECL is initially calculated based on the portion of the LTECL that would result from default events that are possible within 12 months following the reporting date. However, if there has been a significant increase in credit risk since the origination or purchase of the assets, the provision is then based on the full LTECL, reflecting a more conservative and comprehensive approach to estimating potential losses.

4.1.2.3 Changes to the impairment calculation

The Group's debt instruments at fair value through other comprehensive income (FVOCI) and at amortized cost include investments in corporate bonds, sovereign bonds, Treasury bills, and fixed-term deposits, all of which are rated within the upper investment-grade categories (Very Good and Good). Therefore, they are considered low credit risk investments. In line with the Group's risk management policy, these instruments are measured using a 12mECL approach, reflecting their low-risk status. However, if the contractual payments on any of these instruments are more than 30 days past due, the Group considers this a significant increase in credit risk, even for investments previously deemed low risk. In such cases, the Group will sell the instrument and purchase debt instruments that meet the required investment-grade criteria, in accordance with its investment strategy.

The Group considers an instrument to be in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider an instrument to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full. There were no such instances in 2023 or 2022.

The adoption of the ECL requirements of IFRS 9 has resulted in increases in impairment allowances in respect of the Group's debt instruments and other receivables accounts. The increase in allowance was adjusted to retained earnings.

The Group restated its financial position as of January 1, 2022 to more accurately reflect the measurement and impairment of its financial assets. As a result, financial assets decreased by \$216,863 due to measurement at amortized cost and were adjusted by \$425,630 for impairment provisions. Additionally, the consolidated income statement for the year ended December 31, 2022, was modified, showing an increase of \$42,590 in financial assets due to measurement at amortized cost and a reduction of \$20,843 in estimated impairment provisions. These adjustments highlight the impact of the restatement on the valuation and impairment of the Group's financial assets.

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4. Changes in accounting policies and disclosures ...continued

4.1 New and amended standards and interpretations ...continued

4.1.2 IFRS 9 *Financial Instruments* ...continued

4.1.2.3 Changes to the impairment calculation ...continued

Details of the Group's impairment method is disclosed in Note 3.3.6. The quantitative impact of applying IFRS 9 as at January 1, 2022 is disclosed in Note 4.1.3.

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4. Changes in accounting policies and disclosures ...continued

4.1 New and amended standards and interpretations ...continued

4.1.2 IFRS 9 *Financial Instruments* ...continued

4.1.3 Transition disclosures – IFRS 9

The following pages set out the impact of adopting IFRS 9 on the statement of financial position, including the effect of replacing IAS 39's incurred credit loss calculations with IFRS 9's ECLs.

A reconciliation between the carrying amounts under IAS 39 and the balances reported under IFRS 9 as of initial application date 31 December 2022 is, as follows:

		December 31, 2022				
		IAS 39 measurement	Remeasurement		IFRS 9	
	Ref	Amount	Amount	ECL P&L	ECL OCI (*)	Amount
Cash		52,074,738	–	–	–	52,074,738
Debt instruments, Amortized Cost	A	26,358,841	–	(12,012)	–	26,346,829
From: Time Deposits		26,358,841	–	(12,012)	–	26,346,829
Debt instruments, Amortized Cost	A	1,499,999	–	(189)	–	1,499,810
Debt instruments, FVOCI	B	7,149,353	–	(17,410)	17,410	7,149,353
Equity instruments, FVOCI	B	65,159,243	–	–	–	65,159,243
Equity instruments, FVTPL	C	168,084	–	–	–	168,084
From: Available-for-sale financial assets		73,976,679	–	(17,599)	17,410	73,976,490
Financial instruments, Amortized Cost	D	6,761,101	(165,887)	(3,610)	–	6,591,604
From: Receivable from related parties		6,761,101	(165,887)	(3,610)	–	6,591,604
Financial instruments, Amortized Cost	D	5,180,643	(8,386)	(388,976)	–	4,783,281
From: Other receivables		5,180,643	(8,386)	(388,976)	–	4,783,281
Total Financial Assets		164,352,002	(174,273)	(422,197)	17,410	163,772,942

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4. Changes in accounting policies and disclosures ...continued

4.1 New and amended standards and interpretations ...continued

4.1.2 IFRS 9 *Financial Instruments* ...continued

4.1.3 Transition disclosures – IFRS 9 ...continued

- A. As of December 31, 2022 and January 1, 2022, the Group assessed the remainder of its financial instruments portfolio which had previously been classified as Time deposits, and also evaluated part of the portfolio that had previously been classified as financial assets available for sale. The Group concluded that these instruments are managed within a business model of collecting contractual cash flows. Accordingly, the Group classified these investments as debt instruments measured at amortized cost.
- B. As of December 31, 2022 and January 1, 2022, the Group assessed these instruments that had previously been classified as financial assets available-for-sale (AFS). The Group made the irrevocable decision to measure these instruments as equity instruments at FVOCI, because these instruments are not held for trading purposes.
- C. As of December 31, 2022 and January 1, 2022, the Group assessed these instruments that had previously been classified as financial assets available-for-sale. As these instruments are held for trading purposes, these equity instruments are measured at fair value through profit or loss.
- D. As of December 31, 2022 and January 1, 2022, the Group classified other accounts receivable and other related accounts at amortized cost. These instruments met the criteria for payments of principal and interest only, were not actively traded, and were held with the intention of collecting cash flows and without the intention of selling.

(*) For financial assets measured at fair value through other comprehensive income, the expected credit losses do not reduce the carrying amount of the financial assets in the consolidated statement of financial position, which remains at fair value. Instead, an amount equal to the allowance that would arise if the asset was measured at amortized cost is recognized in other comprehensive income as the ‘accumulated impairment amount’.

The following table reconciles the aggregate opening provision for bad debt allowances under IAS 39 to the ECL allowances under IFRS 9 at date of initial application. Further details are disclosed in Note 4.1.3.

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4. Changes in accounting policies and disclosures ...continued

4.1 New and amended standards and interpretations ...continued

4.1.2 IFRS 9 *Financial Instruments* ...continued

4.1.3 Transition disclosures – IFRS 9 ...continued

	Loss provision under IAS 39 at December 31, 2022	Re- measurement	ECLs under IFRS 9 at December 31, 2022
Impairment allowance for			
AFS debt investment per IAS 39/debt financial assets at FVOCI under IFRS 9	—	(17,410)	(17,410)
Time-deposits/Debt instruments at amortized cost under IFRS 9	—	(12,201)	(12,201)
Receivable from related parties/ Financial instruments at amortized cost according to IFRS 9	—	(3,610)	(3,610)
Other receivables/Financial instruments at amortized cost under IFRS 9:	—	(388,976)	(388,976)
Total	—	(422,197)	(422,197)

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4. Changes in accounting policies and disclosures ...continued

4.1 New and amended standards and interpretations ...continued

4.1.2 IFRS 9 Financial Instruments ...continued

4.1.3 Transition disclosures – IFRS 9 ...continued

A reconciliation between the carrying amounts under IAS 39 and the balances reported under IFRS 9 as of January 1, 2022, as follows.

		January 1, 2022				
		IAS 39 measurement	Remeasurement		IFRS 9	
	Ref	Amount	Amount	ECL	ECL OCI	Amount
Cash		24,253,187	—	—	—	24,253,187
Debt instruments, Amortized Cost	A	25,867,052	—	(7,066)	—	25,859,986
From: Time Deposits		25,867,052	—	(7,066)	—	25,859,986
Debt instruments, Amortized Cost	D	—	—	—	—	—
Debt instruments, FVOCI	A	1,672,050	—	(13,331)	13,331	1,672,050
Equity instruments, FVOCI	B	70,221,947	—	—	—	70,221,947
Equity instruments, FVTPL	C	3,066,416	—	—	—	3,066,416
From: Available-for-sale financial assets		74,960,413	—	(13,331)	13,331	74,960,413
Financial instruments, Amortized Cost	D	5,650,991	(206,382)	(2,692)	—	5,441,917
From: Receivable from related parties		5,650,991	(206,382)	(2,692)	—	5,441,917
Financial instruments, Amortized Cost	D	1,101,390	(10,481)	(415,872)	—	675,037
From: Other receivables		1,101,390	(10,481)	(415,872)	—	675,037
Total Financial Assets		131,833,033	(216,863)	(438,961)	13,331	131,190,540

The following table reconciles the aggregate opening provision for bad debt allowances under IAS 39 to the ECL allowances under IFRS 9 as at date of transition.

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4. Changes in accounting policies and disclosures ...continued

4.1 New and amended standards and interpretations ...continued

4.1.2 IFRS 9 Financial Instruments ...continued

4.1.3 Transition disclosures – IFRS 9 ...continued

	Loss provision under IAS 39 at January 1, 2022	Re-measurement	ECLs under IFRS 9 at January 1, 2022
Impairment allowance for			
AFS debt investment per IAS 39/debt financial assets at FVOCI under IFRS 9	—	(13,331)	(13,331)
Time-deposits/Debt instruments at amortized cost under IFRS 9	—	(7,066)	(7,066)
Receivable from related parties/ Financial instruments at amortized cost according to IFRS 9:	—	(2,692)	(2,692)
Other receivables/Financial instruments at amortized cost under IFRS 9:	—	(415,872)	(415,872)
Total	—	(438,961)	(438,961)

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5. Insurance and financial risks

5.1 Insurance risk

5.1.1 Insurance contracts and reinsurance contracts

The Company issues contracts categorized into the following portfolios:

- Life
- Health
- Motor
- Liability
- Bonds
- Property

The most significant risks stem from climate change, natural disasters, terrorist activities, economic downturns, and regulatory changes.

The objective of the Group is to ensure that sufficient reserves are available to cover the liabilities associated with these insurance and reinsurance contracts that it issues. The risk exposure is mitigated by diversification across the portfolios of insurance contracts. The variability of risks is also improved by careful selection and implementation of underwriting strategy guidelines, as well as the use of reinsurance held arrangements. Furthermore, strict claim review policies to assess all new and ongoing claims, regular detailed review of claims handling procedures and frequent investigation of possible fraudulent claims are established to reduce the risk exposure of the Group. The Group further enforces a policy of actively managing and promptly settling claims, in order to reduce its exposure to unpredictable future developments that can negatively impact the business.

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Notes for the Consolidated Financial Statements

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5. Insurance and financial risks ...continued

5.1 Insurance risk ...continued

5.1.1 Insurance contracts and reinsurance contracts...continued

According to the current reinsurance placement behavior of the Group, the diversification of reinsurance placement does not rely on a single reinsurer but rather on several. However, there is a concentration in reinsurance companies such as Epsilon Reinsurance Company Ltd and Lockton Companies LLP, where for 2022 and 2023, the concentration of the cession ranges between 70% and 90%. The following tables show the concentration of net insurance contract liabilities by type of contract:

Liability for remaining coverage:

	2023			2022			January 1, 2022		
	Insurance contract asset	Reinsurance contract liability	Net	Insurance contract asset	Reinsurance contract liability	Net	Insurance contract asset	Reinsurance contract liability	Net
Life	81,430,120	(85,892,191)	(4,462,071)	57,626,177	(58,169,495)	(543,318)	836,290	(6,011,649)	(5,175,359)
Health	19,219,265	(5,156,311)	14,062,954	26,645,302	(2,487,430)	24,157,872	15,205,561	—	15,205,561
Motor	443,916	(2,463,751)	(2,019,835)	132,028	(730,130)	(598,102)	269,403	(1,346,585)	(1,077,182)
Bond	457,760	(2,894,824)	(2,437,064)	—	(1,760,571)	(1,760,571)	—	—	—
Liability	—	—	—	1,603,736	(159,192)	1,444,544	—	—	—
Property	33,613,242	(47,752,431)	(14,139,189)	34,870,137	(23,561,216)	11,308,921	2,335,807	(4,952,975)	(2,617,168)
Total net insurance contracts asset	135,164,303	(144,159,508)	(8,995,205)	120,877,380	(86,868,034)	34,009,346	18,647,061	(12,311,209)	6,335,852

The geographical concentration of the Group's insurance contract liabilities is noted below. The disclosure is based on the countries where the business is written:

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5. Insurance and financial risks ...continued

5.1 Insurance risk ...continued

5.1.1 Insurance contracts and reinsurance contracts...continued

	2023	2022
Assets for remaining coverage – ARC Gross	145,153,887	120,877,380
Liabilities for remaining coverage – LIC Gross	(10,418,149)	(2,573,716)
Liabilities for remaining coverage – LRC Ceded	(144,159,508)	(86,868,034)
Liabilities for direct incurred claims – LIC Gross	(184,618,392)	(122,716,546)
Assets for indirect incurred – LIC Ceded	114,995,405	60,149,685
	(79,046,757)	(31,131,231)

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5. Insurance and financial risks ...continued

5.1 Insurance risk ...continued

5.1.1 Insurance contracts and reinsurance contracts...continued

	2023						Total
	Life	Health	Motor	Bond	Liability	Property	
Europe	–	691	155,714	(4,585)	(12,335,687)	7,648,769	(4,535,098)
Contracts issued	–	2,926	277,184	(8,423)	(4,112,563)	18,222,439	14,381,563
Reinsurance held	–	(2,235)	(121,470)	3,838	(8,223,124)	(10,573,670)	(18,916,661)
United States	–	(68,184)	(1,011,337)	–	–	(4,975,674)	(6,055,195)
Contracts issued	–	58,110	83,269	–	–	487,297	628,676
Reinsurance held	–	(126,294)	(1,094,606)	–	–	(5,462,971)	(6,683,871)
North America	(6,267,946)	9,554,631	5,889,570	(2,408,052)	214,852,287	(23,473,174)	198,147,316
Contracts issued	66,752,327	15,369,551	(630,749)	492,089	20,357,338	6,646,900	108,987,456
Reinsurance held	(73,020,273)	(5,814,920)	6,520,319	(2,900,141)	194,494,949	(30,120,074)	89,159,860
South America	(680,065)	54,218	(3,650,945)	(15,090)	(192,538,037)	5,386,103	(191,443,816)
Contracts issued	12,191,301	(903,013)	299,788	6,062	(23,680,001)	(1,605,059)	(13,690,922)
Reinsurance held	(12,871,366)	957,231	(3,950,733)	(21,152)	(168,858,036)	6,991,162	(177,752,894)
Africa	1,721,816	–	21,467	1,588	(116,062)	128,951	1,757,760
Contracts issued	1,722,369	–	21,467	1,947	(11,874)	614,682	2,348,591
Reinsurance held	(553)	–	–	(359)	(104,188)	(485,731)	(590,831)
Asia	764,123	4,179,699	(3,424,306)	(10,925)	(10,291,066)	1,604,237	(7,178,238)
Contracts issued	764,123	4,344,317	392,956	(33,915)	(2,971,049)	9,086,640	11,583,072
Reinsurance held	–	(164,618)	(3,817,262)	22,990	(7,320,017)	(7,482,403)	(18,761,310)
Others	(36,157,017)	(13,270,261)	(1,740,324)	(1,277,475)	(115,970)	(17,178,439)	(69,739,486)
Contracts issued	(95,877,075)	(35,747,806)	(4,614,797)	(3,387,463)	(307,515)	(44,175,954)	(184,110,610)
Reinsurance held	59,720,058	22,477,545	2,874,473	2,109,988	191,545	26,997,515	114,371,124
Total net insurance contracts	(40,619,089)	450,794	(3,760,161)	(3,714,539)	(544,535)	(30,859,227)	(79,046,757)

Ocean International Reinsurance Company Limited

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5. Insurance and financial risks ...continued

5.1 Insurance risk ...continued

5.1.1 Insurance contracts and reinsurance contracts...continued

	2022						
	Life	Health	Motor	Bond	Liability	Property	Total
Europe	—	3,744	923,151	(1,684,204)	462,362	10,061,737	9,766,790
Contracts issued	—	8,877	923,151	(1,260,546)	462,517	31,983,523	32,117,522
Reinsurance held	—	(5,133)	—	(423,658)	(155)	(21,921,786)	(22,350,732)
United States	223,655	—	185,466	106,662	—	58,171	573,954
Contracts issued	223,655	—	87,055	6,121	—	(99,891)	216,940
Reinsurance held	—	—	98,411	100,541	—	158,062	357,014
North America	(1,471,215)	15,738,421	(3,118,462)	(11,766,896)	1,543,059	(1,767,433)	(842,526)
Contracts issued	44,651,661	17,078,752	(1,637,729)	(517,599)	1,843,333	(5,434,809)	55,983,609
Reinsurance held	(46,122,876)	(1,340,331)	(1,480,733)	(11,249,297)	(300,274)	3,667,376	(56,826,135)
South America	(3,909,790)	92,791	1,185,443	11,379,858	(548,636)	574,910	8,774,576
Contracts issued	8,135,011	(729,063)	547,165	1,030,351	(691,148)	1,841,017	10,133,333
Reinsurance held	(12,044,801)	821,854	638,278	10,349,507	142,512	(1,266,107)	(1,358,757)
Africa	1,560,711	(3,866)	107,159	(103,035)	(5,590)	357,125	1,912,504
Contracts issued	1,562,530	2,762	107,159	23,446	(5,848)	444,247	2,134,296
Reinsurance held	(1,819)	(6,628)	—	(126,481)	258	(87,122)	(221,792)
Asia	3,206,148	8,962,454	119,141	(2,266,672)	(6,650)	1,605,979	11,620,400
Contracts issued	3,206,148	8,954,586	105,228	(1,855,489)	(5,118)	6,357,878	16,763,233
Reinsurance held	—	7,868	13,913	(411,183)	(1,532)	(4,751,899)	(5,142,833)
Others	(32,645,417)	(12,868,273)	(1,563,949)	(1,148,006)	(104,216)	(14,607,068)	(62,936,929)
Contracts issued	(63,882,705)	(22,663,225)	(3,067,476)	(2,251,661)	(204,406)	(29,692,342)	(121,761,815)
Reinsurance held	31,237,288	9,794,952	1,503,527	1,103,655	100,190	15,085,274	58,824,886
Total net insurance contracts	(33,035,908)	11,925,271	(2,162,051)	(5,482,293)	1,340,329	(3,716,579)	(31,131,231)

5.1.1.2 Claims development table

The following tables show the estimates of cumulative incurred claims, including both claims notified and IBNR for each successive accident year at each reporting date, together with cumulative payments to date. As required by IFRS 17, in setting claims provisions, the Company considers the probability and magnitude of future experience being more adverse than assumed, reflected in the risk adjustment. In general, the uncertainty associated with the ultimate cost of settling claims is greatest when the claim is at an early stage of development. As claims develop, the ultimate cost of claims becomes more certain.

The Company has not disclosed previously unpublished information about claims development that occurred earlier than five years before the end of the annual reporting period in which it first applies IFRS 17.

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5. Insurance and financial risks ...continued

5.1.1.2 Claims development table ...continued

2023 – Liability for incurred claims – Gross

Portfolio	Cash flow discounted – LIC, Gross*	Risk adjustment – LIC, Gross	Account payables – LIC, Gross	ULAE – LIC, Gross	Total LIC, Gross
Life	95,823,443	10,101,272	8,706,501	67,209	114,698,425
Health	21,433,274	754,188	1,633,861	14,399	23,835,722
Motor	2,128,594	106,995	33,806	1,321	2,270,716
Liability	223,773	2,289	–	153	226,215
Bond	2,247,456	57,270	(15,172)	1,522	2,291,076
Property	37,990,666	2,747,071	533,982	24,519	41,296,238
Total	159,847,206	13,769,085	10,892,978	109,123	184,618,392

*The column “Cash flow discounted – LIC Gross” includes both notified claims and the incurred but not reported (IBNR) amounts.

2022 – Liability for incurred claims – Gross

Portfolio	Cash flow discounted – LIC, Gross	Risk adjustment – LIC, Gross	Account payables – LIC, Gross	ULAE – LIC, Gross	Total LIC, Gross
Life	55,431,030	5,647,592	2,620,857	30,421	63,729,900
Health	22,323,963	1,012,020	645,325	11,301	23,992,609
Motor	2,920,860	108,973	36,156	1,485	3,067,474
Liability	200,779	3,519	–	108	204,406
Bond	2,232,421	33,257	(15,215)	1,197	2,251,660
Property	27,398,938	1,962,955	93,553	15,051	29,470,497
Total	110,507,991	8,768,316	3,380,676	59,563	122,716,546

Ocean International Reinsurance Company Limited

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5. Insurance and financial risks ...continued

5.1.1.2 Claims development table ...continued

Gross undiscounted liabilities for incurred claims for 2023 – Life

	Before 2020	2020	2021	2022	2023	Total
Accident year						
At end of						
accident year	150,845,528	27,777,025	44,715,933	97,456,854	87,054,600	
One year later	150,845,528	27,777,025	44,715,933	97,456,854	—	
Two years later	150,845,528	27,777,025	44,715,933	—	—	
Three years later	150,845,528	27,777,025	—	—	—	
Four years later	150,845,528	—	—	—	—	
Five years later						
Gross estimates of the undiscounted amount of the claims	150,845,528	27,777,025	44,715,933	97,456,854	87,054,600	407,849,940
At end of						
accident year	(69,310,213)	(1,372,046)	(7,439,613)	(22,712,532)	(9,075,247)	
One year later	(103,766,708)	(11,325,566)	(24,140,895)	(64,577,549)	—	
Two years later	(121,104,307)	(17,193,179)	(33,038,464)	—	—	
Three years later	(136,580,469)	(21,591,038)	—	—	—	
Four years later	(145,265,349)	—	—	—	—	
Five years later						
Cumulative payments to date	(145,265,349)	(21,591,038)	(33,038,464)	(64,577,549)	(9,075,247)	(273,547,647)
Gross undiscounted liabilities for incurred claims	5,580,179	6,185,987	11,677,469	32,879,305	77,979,353	134,302,293
Effect of discounting						(19,603,868)
Total gross liabilities for incurred claims						114,698,425
			Estimates of the present value of future cash flows	Risk adjustment	Total	
Total gross liabilities for incurred claims			104,597,153	10,101,272	114,698,425	
Related to Life			104,597,153	10,101,272	114,698,425	

Ocean International Reinsurance Company Limited

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5. Insurance and financial risks ...continued

5.1.1.2 Claims development table ...continued

Gross undiscounted liabilities for incurred claims for 2023 – Health

	Before 2020	2020	2021	2022	2023	Total
Accident year						
At end of accident year	40,282,969	15,345,233	21,275,678	18,277,783	19,028,296	
One year later	40,282,969	15,345,233	21,275,678	18,277,783	–	
Two years later	40,282,969	15,345,233	21,275,678	–	–	
Three years later	40,282,969	15,345,233	–	–	–	
Four years later	40,282,969	–	–	–	–	
Five years later	–	–	–	–	–	
Gross estimates of the undiscounted amount of the claims	40,282,969	15,345,233	21,275,678	18,277,783	19,028,296	114,209,959
At end of accident year	(24,521,549)	(671,183)	(700,021)	(1,202,866)	(1,294,531)	
One year later	(36,524,179)	(6,351,798)	(8,440,880)	(13,606,449)	–	
Two years later	(40,527,561)	(12,541,340)	(19,065,653)	–	–	
Three years later	(43,999,414)	(13,378,561)	–	–	–	
Four years later	(36,311,644)	–	–	–	–	
Five years later	–	–	–	–	–	
Cumulative payments to date	(36,311,644)	(13,378,561)	(19,065,653)	(13,606,449)	(1,294,531)	(83,656,838)
Gross undiscounted liabilities for incurred claims	3,971,325	1,966,672	2,210,025	4,671,334	17,733,765	30,553,121
Effect of discounting						(6,717,399)
Total gross liabilities for incurred claims						23,835,722

	Note	Estimates of the present value of future cash flows	Risk adjustment	Total
Total gross liabilities for incurred claims		23,081,534	754,188	23,835,722
Related to Health		23,081,534	754,188	23,835,722

Ocean International Reinsurance Company Limited

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5. Insurance and financial risks ...continued

5.1.1.2 Claims development table ...continued

Gross undiscounted liabilities for incurred claims for 2023 – Motor

	Before 2020	2020	2021	2022	2023	Total
Accident year						
At end of accident year	23,532,331	649,528	422,369	2,953,239	672,195	
One year later	23,532,331	649,528	422,369	2,953,239	–	
Two years later	23,532,331	649,528	422,369	–	–	
Three years later	23,532,331	649,528	–	–	–	
Four years later	23,532,331	–	–	–	–	
Five years later	–	–	–	–	–	
Gross estimates of the undiscounted amount of the claims	23,532,331	649,528	422,369	2,953,239	672,195	28,229,662
At end of accident year	(14,591,803)	(81,523)	(83,551)	(28,427)	(32,878)	
One year later	(17,604,196)	(392,583)	(363,027)	(1,546,881)	–	
Two years later	(18,799,030)	(446,524)	(378,844)	–	–	
Three years later	(22,005,036)	(500,699)	–	–	–	
Four years later	(23,058,287)	–	–	–	–	
Five years later	–	–	–	–	–	
Cumulative payments to date	(23,058,287)	(500,699)	(378,844)	(1,546,881)	(32,878)	(25,517,589)
Gross undiscounted liabilities for incurred claims	474,044	148,829	43,525	1,406,358	639,317	2,712,073
Effect of discounting						(441,357)
Total gross liabilities for incurred claims						2,270,716

	Note	Estimates of the present value of future cash flows	Risk adjustment	Total
Total gross liabilities for incurred claims		2,163,721	106,995	2,270,716
Related to Motor		2,163,721	106,995	2,270,716

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5. Insurance and financial risks ...continued

5.1.1.2 Claims development table ...continued

Gross undiscounted liabilities for incurred claims for 2023 – Liability

	Before 2020	2020	2021	2022	2023	Total
Accident year						
At end of accident year	34,945,798	29	104,199	89,946	164,719	
One year later	34,945,798	29	104,199	89,946	–	
Two years later	34,945,798	29	104,199	–	–	
Three years later	34,945,798	29	–	–	–	
Four years later	34,945,798	–	–	–	–	
Five years later	–	–	–	–	–	
Gross estimates of the undiscounted amount of the claims	34,945,798	29	104,199	89,946	164,719	35,304,691
At end of accident year	(31,520,689)	–	(3,065)	(512)	(1,349)	
One year later	(34,398,985)	–	(12,800)	(24,763)	–	
Two years later	(34,398,985)	–	(95,727)	–	–	
Three years later	(34,398,985)	–	–	–	–	
Four years later	(34,920,481)	–	–	–	–	
Five years later	–	–	–	–	–	
Cumulative payments to date	(34,920,481)	–	(95,727)	(24,763)	(1,349)	(35,042,320)
Gross undiscounted liabilities for incurred claims	25,317	29	8,472	65,183	163,370	262,371
Effect of discounting						(36,156)
Total gross liabilities for incurred claims						226,215

	Note	Estimates of the present value of future cash flows	Risk adjustment	Total
Total gross liabilities for incurred claims		223,926	2,289	226,215
Related to Liability		223,926	2,289	226,215

Ocean International Reinsurance Company Limited

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5. Insurance and financial risks ...continued

5.1.1.2 Claims development table ...continued

Gross undiscounted liabilities for incurred claims for 2023 – Bond

	Before 2020	2020	2021	2022	2023	Total
Accident year						
At end of accident year	370,162	1,493,393	317,299	2,266,238	2,263,698	
One year later	370,162	1,493,393	317,299	2,266,238	–	
Two years later	370,162	1,493,393	317,299	–	–	
Three years later	370,162	1,493,393	–	–	–	
Four years later	370,162	–	–	–	–	
Five years later						
Gross estimates of the undiscounted amount of the claims	370,162	1,493,393	317,299	2,266,238	2,263,698	6,710,790
At end of accident year	(362,303)	–	(42,788)	(5)	(183)	
One year later	(362,303)	(21,810)	(138,246)	(2,112,484)	–	
Two years later	(559,271)	(1,203,079)	(309,414)	–	–	
Three years later	(544,271)	(1,461,848)	–	–	–	
Four years later	(368,711)	–	–	–	–	
Five years later	–	–	–	–	–	
Cumulative payments to date	(368,711)	(1,461,848)	(309,414)	(2,112,484)	(183)	(4,252,640)
Gross undiscounted liabilities for incurred claims	1,451	31,545	7,885	153,754	2,263,515	2,458,150
Effect of discounting						(167,074)
Total gross liabilities for incurred claims						2,291,076

	Note	Estimates of the present value of future cash flows	Risk adjustment	Total
Total gross liabilities for incurred claims		2,233,806	57,270	2,291,076
Related to Bond		2,233,806	57,270	2,291,076

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5. Insurance and financial risks ...continued

5.1.1.2 Claims development table ...continued

Gross undiscounted liabilities for incurred claims for 2023 – Property

	Before 2020	2020	2021	2022	2023	Total
Accident year						
At end of accident year	14,266,364	12,129,380	31,782,288	31,791,570	22,206,341	
One year later	14,266,364	12,129,380	31,782,288	31,791,570	—	
Two years later	14,266,364	12,129,380	31,782,288	—	—	
Three years later	14,266,364	12,129,380	—	—	—	
Four years later	14,266,364	—	—	—	—	
Five years later	—	—	—	—	—	
Gross estimates of the undiscounted amount of the claims	14,266,364	12,129,380	31,782,288	31,791,570	22,206,341	112,175,943
At end of accident year	(8,263,944)	(376,891)	(847,499)	(431,080)	(2,045,114)	
One year later	(10,097,467)	(2,339,380)	(9,564,761)	(12,845,606)	—	
Two years later	(10,518,621)	(11,247,730)	(25,348,518)	—	—	
Three years later	(12,637,951)	(11,303,140)	—	—	—	
Four years later	(12,800,102)	—	—	—	—	
Five years later	—	—	—	—	—	
Cumulative payments to date	(12,800,102)	(11,303,140)	(25,348,518)	(12,845,606)	(2,045,114)	(64,342,480)
Gross undiscounted liabilities for incurred claims	1,466,262	826,240	6,433,770	18,945,964	20,161,227	47,833,463
Effect of discounting						(6,537,225)
Total gross liabilities for incurred claims						41,296,238

	Note	Estimates of the present value of future cash flows	Risk adjustment	Total
Total gross liabilities for incurred claims		38,549,167	2,747,071	41,296,238
Related to Property		38,549,167	2,747,071	41,296,238

Ocean International Reinsurance Company Limited

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5. Insurance and financial risks ...continued

5.1.1.2 Claims development table ...continued

Net undiscounted liabilities for incurred claims for 2023

Portfolio	Cash flow discounted – LIC, Net	Risk adjustment – LIC, Net	Account payables – LIC, Net	Account receivables – LIC, Net	ULAE – LIC, Net	Total LIC, Net
Life	22,396,526	3,196,757	8,706,502	(14,873,597)	67,209	19,493,397
Health	20,008,245	684,074	1,633,861	(20,055)	14,399	22,320,524
Motor	523,171	25,759	33,807	(473,366)	1,321	110,692
Liability	67,796	758	–	(101,701)	153	(32,994)
Bond	237,082	(4,512)	(15,171)	–	1,522	218,921
Property	26,191,690	2,376,170	533,981	(1,613,913)	24,519	27,512,447
Total	69,424,510	6,279,006	10,892,980	(17,082,632)	109,123	69,622,987

Net undiscounted liabilities for incurred claims for 2022

Portfolio	Cash flow discounted – LIC, Net	Risk adjustment – LIC, Net	Account payables – LIC, Net	Account receivables – LIC, Net	ULAE – LIC, Net	Total LIC, Net
Life	21,098,079	1,269,002	2,620,857	(7,377,568)	30,421	17,640,791
Health	21,133,627	1,011,495	645,325	(10,056)	11,301	22,791,692
Motor	1,105,253	61,669	36,156	(850,247)	1,485	354,316
Liability	(228,429)	3,519	–	–	108	(224,802)
Bond	672,581	33,257	(15,215)	–	1,197	691,820
Property	19,754,166	1,828,352	93,553	(378,078)	15,051	21,313,044
Total	63,535,277	4,207,294	3,380,676	(8,615,949)	59,563	62,566,861

Ocean International Reinsurance Company Limited

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5. Insurance and financial risks ...continued

5.1.1.2 Claims development table ...continued

Net undiscounted liabilities for incurred claims for 2023 – Life

	Before 2020	2020	2021	2022	2023	Total
Accident year						
At end of accident year	82,974,216	16,241,840	36,837,365	28,489,804	10,007,177	
One year later	82,974,216	16,241,840	36,837,365	28,489,804		
Two years later	82,974,216	16,241,840	36,837,365			
Three years later	82,974,216	16,241,840				
Four years later	82,974,216					
Five years later						
Gross estimates of the undiscounted amount of the claims	82,974,216	16,241,840	36,837,365	28,489,804	10,007,177	174,550,402
At end of accident year	(40,883,161)	(1,007,348)	(6,276,126)	(6,081,677)	(6,637,905)	
One year later	(58,991,511)	(4,441,606)	(18,340,386)	(15,749,023)		
Two years later	(69,917,687)	(10,206,134)	(27,025,658)			
Three years later	(80,025,135)	(14,161,905)				
Four years later	(84,489,176)					
Five years later						
Cumulative payments to date	(84,489,176)	(14,161,905)	(27,025,658)	(15,749,023)	(6,637,905)	(148,063,667)
Net undiscounted liabilities for incurred claims	(1,514,960)	2,079,935	9,811,707	12,740,781	3,369,272	26,486,735
Effect of discounting						(6,993,338)
Total net liabilities for incurred claims						19,493,397

	Note	Estimates of the present value of future cash flows	Risk adjustment	Total
Gross liabilities for incurred claims		104,597,154	10,101,272	114,698,426
Amounts recoverable from reinsurers		(88,300,514)	(6,904,513)	(95,205,027)
Total net liabilities for incurred claims		16,296,640	3,196,757	19,493,397
Life		16,296,640	3,196,757	19,493,397

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5. Insurance and financial risks ...continued

5.1.1.2 Claims development table ...continued

Net undiscounted liabilities for incurred claims for 2023 – Health

	Before 2020	2020	2021	2022	2023	Total
Accident year						
At end of accident year	37,477,557	15,367,399	20,658,554	18,204,755	17,429,861	
One year later	37,477,557	15,367,399	20,658,554	18,204,755		
Two years later	37,477,557	15,367,399	20,658,554			
Three years later	37,477,557	15,367,399				
Four years later	37,477,557					
Five years later						
Gross estimates of the undiscounted amount of the claims	37,477,557	15,367,399	20,658,554	18,204,755	17,429,861	109,138,126
At end of accident year	(22,263,847)	(671,183)	(658,118)	(1,202,866)	(1,291,477)	
One year later	(33,938,863)	(6,350,858)	(7,858,357)	(13,536,946)		
Two years later	(37,817,723)	(12,540,401)	(18,483,131)			
Three years later	(41,266,792)	(13,377,621)				
Four years later	(33,531,362)					
Five years later						
Cumulative payments to date	(33,531,362)	(13,377,621)	(18,483,131)	(13,536,946)	(1,291,477)	(80,220,537)
Net undiscounted liabilities for incurred claims	3,946,195	1,989,778	2,175,423	4,667,809	16,138,384	28,917,589
Effect of discounting						(6,597,065)
Total net liabilities for incurred claims						22,320,524

	Note	Estimates of the present value of future cash flows	Risk adjustment	Total
Gross liabilities for incurred claims		23,081,484	754,188	23,835,672
Amounts recoverable from reinsurers		(1,445,034)	(70,114)	(1,515,148)
Total net liabilities for incurred claims		21,636,450	684,074	22,320,524
Health		21,636,450	684,074	22,320,524

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5. Insurance and financial risks ...continued

5.1.1.2 Claims development table ...continued

Net undiscounted liabilities for incurred claims for 2023 – Motor

	Before 2020	2020	2021	2022	2023	Total
Accident year						
At end of accident year	18,042,682	124,371	(42,513)	121,338	418,172	
One year later	18,042,682	124,371	(42,513)	121,338		
Two years later	18,042,682	124,371	(42,513)			
Three years later	18,042,682	124,371				
Four years later	18,042,682					
Five years later	–	–	–	–	–	
Gross estimates of the undiscounted amount of the claims	18,042,682	124,371	(42,513)	121,338	418,172	18,664,050
At end of accident year	(12,828,666)	(34,256)	–	(25,143)	–	
One year later	(14,801,933)	(20,473)	(14,298)	(377,352)		
Two years later	(15,332,417)	(52,066)	(30,115)			
Three years later	(17,571,313)	(97,210)				
Four years later	(18,028,944)					
Five years later						
Cumulative payments to date	(18,028,944)	(97,210)	(30,115)	(377,352)	–	(18,533,621)
Net undiscounted liabilities for incurred claims	13,738	27,161	(72,628)	(256,014)	418,172	130,429
Effect of discounting						(19,737)
Total net liabilities for incurred claims						110,692

Note	Estimates of the present value of future cash flows	Risk adjustment	Total
Gross liabilities for incurred claims	2,163,721	106,995	2,270,716
Amounts recoverable from reinsurers	(2,078,788)	(81,236)	(2,160,024)
Total net liabilities for incurred claims	84,933	25,759	110,692
Motor	84,933	25,759	110,692

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5. Insurance and financial risks ...continued

5.1.1.2 Claims development table ...continued

Net undiscounted liabilities for incurred claims for 2023 – Liability

	Before 2020	2020	2021	2022	2023	Total
Accident year						
At end of accident year	532,656	(17,370)	94,509	87,307	(6,018)	
One year later	532,656	(17,370)	94,509	87,307		
Two years later	532,656	(17,370)	94,509			
Three years later	532,656	(17,370)				
Four years later	532,656					
Five years later						
Gross estimates of the undiscounted amount of the claims	532,656	(17,370)	94,509	87,307	(6,018)	691,084
At end of accident year	(164,220)	—	(3,065)	(512)	(1,214)	
One year later	(164,220)	—	(12,800)	(23,772)		
Two years later	(164,220)	—	(93,702)			
Three years later	(164,220)	—				
Four years later	(585,715)	—				
Five years later						
Cumulative payments to date	(585,715)	—	(93,702)	(23,772)	(1,214)	(704,403)
Net undiscounted liabilities for incurred claims	(53,059)	(17,370)	807	63,535	(7,232)	(13,319)
Effect of discounting						(19,675)
Total net liabilities for incurred claims						(32,994)

	Note	Estimates of the present value of future cash flows	Risk adjustment	Total
Gross liabilities for incurred claims		223,926	2,289	226,215
Amounts recoverable from reinsurers		(257,678)	(1,531)	(259,209)
Total net liabilities for incurred claims		(33,752)	758	(32,994)
Liability		(33,752)	758	(32,994)

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5. Insurance and financial risks ...continued

5.1.1.2 Claims development table ...continued

Net undiscounted liabilities for incurred claims for 2023 – Bond

	Before 2020	2020	2021	2022	2023	Total
Accident year						
At end of accident year	216,366	1,544,523	317,299	111,627	110,850	
One year later	216,366	1,544,523	317,299	111,627		
Two years later	216,366	1,544,523	317,299			
Three years later	216,366	1,544,523				
Four years later	216,366					
Five years later						
Gross estimates of the undiscounted amount of the claims	216,366	1,544,523	317,299	111,627	110,850	2,300,665
At end of accident year	(182,809)	–	(42,788)	(5)	(165)	
One year later	(182,809)	(21,810)	(138,246)	(71,947)		
Two years later	(379,777)	(1,203,079)	(309,414)			
Three years later	(364,777)	(1,461,848)				
Four years later	(189,216)					
Five years later						
Cumulative payments to date	(189,216)	(1,461,848)	(309,414)	(71,947)	(165)	(2,032,590)
Net undiscounted liabilities for incurred claims	27,150	82,675	7,885	39,680	110,685	268,075
Effect of discounting						(49,154)
Total net liabilities for incurred claims						218,921

	Note	Estimates of the present value of future cash flows	Risk adjustment	Total
Gross liabilities for incurred claims		2,233,806	57,270	2,291,076
Amounts recoverable from reinsurers		(2,010,375)	(61,780)	(2,072,155)
Total net liabilities for incurred claims		223,431	(4,510)	218,921
Bond		223,431	(4,510)	218,921

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5. Insurance and financial risks ...continued

5.1.1.2 Claims development table ...continued

Net undiscounted liabilities for incurred claims for 2023 – Property

	Before 2020	2020	2021	2022	2023	Total
Accident year						
At end of accident year	7,036,174	1,426,896	23,940,863	22,655,188	14,791,685	
One year later	7,036,174	1,426,896	23,940,863	22,655,188		
Two years later	7,036,174	1,426,896	23,940,863			
Three years later	7,036,174	1,426,896				
Four years later	7,036,174					
Five years later						
Gross estimates of the undiscounted amount of the claims	7,036,174	1,426,896	23,940,863	22,655,188	14,791,685	69,850,806
At end of accident year	(3,372,873)	(176,886)	(754,365)	(551,114)	(1,568,871)	
One year later	(4,401,273)	(839,536)	(6,664,707)	(9,803,193)		
Two years later	(4,476,274)	(1,281,466)	(17,990,301)			
Three years later	(6,495,948)	(1,304,124)				
Four years later	(6,621,060)					
Five years later						
Cumulative payments to date	(6,621,060)	(1,304,124)	(17,990,301)	(9,803,193)	(1,568,871)	(37,287,549)
Net undiscounted liabilities for incurred claims	415,114	122,772	5,950,562	12,851,995	13,222,814	32,563,257
Effect of discounting						(5,050,810)
Total net liabilities for incurred claims						27,512,447

	Note	Estimates of the present value of future cash flows	Risk adjustment	Total
Gross liabilities for incurred claims		38,549,167	2,747,071	41,296,238
Amounts recoverable from reinsurers		(13,412,890)	(370,901)	(13,783,791)
Total net liabilities for incurred claims		25,136,277	2,376,170	27,512,447
Property		25,136,277	2,376,170	27,512,447

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5. Insurance and financial risks ...continued

5.2 Financial risk

5.2.1 Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting obligations associated with insurance liabilities that are settled by delivering cash or another financial asset. In respect of catastrophic events, there is also a liquidity risk associated with the timing differences between gross cash outflows and expected reinsurance recoveries.

The following policies and procedures are in place to mitigate the Group's exposure to liquidity risk:

The Group's liquidity risk policy sets out the assessment and determination of what constitutes liquidity risk for the Group. Compliance with the policy is monitored and exposures and breaches are reported to the Group's risk committee. The policy is regularly reviewed for pertinence and for changes in the risk environment.

The Group maintains a portfolio of highly marketable and diverse assets that can be easily liquidated in the event of an unforeseeable interruption of cash flow. The Group also has committed lines of credit that it can access to meet liquidity needs.

5.2.1.1. Maturity profiles

Maturity analysis for insurance and reinsurance contract liabilities (present value of future cash flows basis)

The following table summarizes the maturity profile of portfolios of insurance contracts issued that are liabilities and portfolios of reinsurance contracts held that are liabilities of the Group based on the estimates of the present value of the future cash flows expected to be paid out in the periods presented.

2023	Cash flow discounted – LIC, Gross
Life	95,823,443
Health	21,433,274
Motor	2,128,594
Liability	223,773
Bond	2,247,456
Property	37,990,666
Total	159,847,206

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5. Insurance and financial risks ...continued

5.2 Financial risk ...continued

5.2.1.1. Maturity profiles ...continued

This information includes an analysis, by estimated timing, of estimates of the present value of future cash flows

	2023					
	Up to 1 year	1-2 years	2-3 years	3-4 years	>5 years	Total
Life	45,892,554	28,601,074	9,529,915	6,328,816	5,471,084	95,823,443
Health	16,428,399	4,638,710	228,123	138,042	–	21,433,274
Motor	1,393,747	370,676	232,514	116,924	14,733	2,128,594
Liability	173,855	36,491	12,272	1,155	–	223,773
Bond	2,143,711	103,745	–	–	–	2,247,456
Property	24,184,893	10,561,962	1,525,469	421,344	1,296,998	37,990,666
Total	90,217,159	44,312,658	11,528,293	7,006,281	6,782,815	159,847,206

	Cash flow discounted - LIC
2022	Gross
Life	55,431,030
Health	22,323,963
Motor	2,920,860
Liability	200,779
Bond	2,232,421
Property	27,398,938
Total	110,507,991

	2022					
	Up to 1 year	1-2 years	2-3 years	3-4 years	>5 years	Total
Life	27,668,700	19,478,670	5,776,044	1,938,303	569,313	55,431,030
Health	13,003,574	6,961,901	1,306,294	991,090	61,104	22,323,963
Motor	1,863,437	719,795	241,375	61,288	34,965	2,920,860
Liability	172,958	13,358	9,473	4,989	–	200,778
Bond	1,981,735	268,930	(4,527)	(7,241)	(6,475)	2,232,422
Property	16,635,077	4,391,438	3,428,806	2,198,902	744,715	27,398,938
Total	61,325,481	31,834,092	10,757,465	5,187,331	1,403,622	110,507,991

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5. Insurance and financial risks ...continued

5.2 Financial risk ...continued

5.2.1.1. Maturity profiles ...continued

Maturity analysis for financial assets (contractual undiscounted cash flow basis)

The following table summarizes the maturity profile of financial assets of the Company based on remaining undiscounted contractual cash flows, including interest receivable:

	2023					Total
	Up to 1 year	1-2 years	2-3 years	3-4 years	>5 years	
Financial assets						
Cash	61,713,078	—	—	—	—	61,713,078
Equity instruments at FVTPL	6,939,445	—	—	—	—	6,939,445
Equity instruments at FVOCI	—	—	—	—	53,587,153	53,587,153
Debt instruments at FVOCI	34,083,136	1,638,909	503,134	2,662,774	3,415,774	42,303,727
Debt instruments at amortized cost	26,517,827	4,186,961	—	—	1,749,825	32,454,613
Financial instruments at amortized cost	4,869,278	—	2,978,190	71,414	3,103,830	11,022,712
TOTAL	134,122,764	5,825,870	3,481,324	2,734,188	61,856,582	208,020,728

	2022					Total
	Up to 1 year	1-2 years	2-3 years	3-4 years	>5 years	
Financial assets						
Cash	52,074,738	—	—	—	—	52,074,738
Equity instruments at FVTPL	168,084	—	—	—	—	168,084
Equity instruments at FVOCI	—	—	—	—	65,159,243	65,159,243
Debt instruments at FVOCI	4,994,623	1,190,390	140,000	663,800	160,540	7,149,353
Debt instruments at amortized cost	12,009,784	11,838,125	2,498,920	—	1,999,810	28,346,639
Financial instruments at amortized cost	2,236,756	2,020,308	—	2,823,096	838,136	7,918,296
TOTAL	71,483,985	15,048,823	2,638,920	3,486,896	68,157,729	160,816,353

Current and non-current assets and liabilities

The table below summarizes the expected settlement of assets and liabilities:

	2023			2022		
	No more than 12 months	More than 12 months	Total	No more than 12 months	More than 12 months	Total
Financial assets	134,122,763	73,897,965	208,020,728	71,483,985	89,332,368	160,816,353
Cash	61,713,078	—	61,713,078	52,074,738	—	52,074,738
Equity instruments at FVTPL	6,939,445	—	6,939,445	168,084	—	168,084
Equity instruments at FVOCI	—	53,587,153	53,587,153	—	65,159,243	65,159,243
Debt instruments at FVOCI	34,083,136	8,220,591	42,303,727	4,994,623	2,154,730	7,149,353
Debt instruments at amortized cost	26,517,827	5,936,786	32,454,613	12,009,784	16,336,855	28,346,639
Financial instruments at amortized cost	4,869,277	6,153,435	11,022,712	2,236,756	5,681,540	7,918,296

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5. Insurance and financial risks ...continued

5.2 Financial risk ...continued

5.2.2 Operational risks

The risk of loss resulting from inadequate or failed internal processes, people and systems, or external events, is also managed by the Group through its risk management program. For each of the risks identified, the Group has also identified the factors that would have the most impact on its enterprise value. The Board of Directors has established several operating committees to set the risk tolerance levels and the controls required to supervise policy compliance in the organization. In order to align the strategic objectives in each of the risk management areas indicated above, the Board formed the following committees:

- Finance Committee
- Risk and Compliance Committee
- Audit Committee

Each of these committees has a mission to create an expense risk management culture within the organization and to administer its effectiveness. For each of the risk management areas, the committees must assess the risks identified, and after evaluating each risk, classify them in order of importance, measured by their economic impact on the organization. As a third step in the process, mitigation or prevention measures must be set for each of the identified risks. The whole process must be compiled in a risk matrix, which is then communicated within the organization.

Operational risk is the risk of loss arising from system failure, human error, fraud or external events. When controls fail to perform, operational risks can cause damage to reputation, have legal or regulatory implications or can lead to financial loss. The Group initiating control framework and by monitoring and responding to potential risks, the Group is able to manage the risks.

5.2.3 Credit risk

Credit risk is the risk that one party to a financial instrument, insurance contract issued in an asset position or reinsurance contract held will cause a financial loss for the other party by failing to discharge an obligation.

The following policies and procedures are in place to mitigate the Group's exposure to credit risk.

The Group's credit risk policy sets out the assessment and determination of what constitutes credit risk for the Group. Compliance with the policy is monitored and exposures and breaches are reported to the risk committee. The policy is regularly reviewed for pertinence and for changes in the risk environment.

Credit risk relating to financial instruments is monitored by the Group's investment team. It is their responsibility to review and manage credit risk. The Group manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties and for geographical and industry concentrations, and by monitoring exposures in relation to such limits. It is the Group's policy to invest in high quality financial instruments with a low risk of default.

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5. Insurance and financial risks ...continued

5.2 Financial risk ...continued

5.2.3 Credit risk ...continued

Reinsurance is placed with counterparties that have a good credit rating and concentration of risk is avoided by following policy guidelines in respect of counterparties' limits that are set each year by the board of directors and are subject to regular reviews. At each reporting date, management performs an assessment of creditworthiness of reinsurers and updates the reinsurance purchase strategy.

The credit risk in respect of customer balances incurred on non-payment of premiums will only persist during the grace period specified in the policy document. Commission paid to intermediaries is netted off against amounts receivable from them to reduce the risk of default.

The nature of the Group's exposure to credit risk and its objectives, policies and processes used to manage and measure the risks have not changed from the previous period.

5.2.3.1 Credit exposure

The table below provides information regarding the credit risk exposure of the Group by classifying Very good+ as the highest possible rating. Assets that fall outside the range of Very good+ to Good are classified as non-investment grade. The amounts represent the maximum amount exposure to credit risk. The credit risk analysis below is presented in line with how the Group manages the risk. The Group manages its credit exposure based on the carrying value of the financial instruments and reinsurance contract assets.

	2023	2022 Restated	January 1, 2022 Restated
Cash	61,713,078	52,074,738	24,253,187
Debt instruments at FVOCI	42,303,727	7,149,353	1,672,050
Financial instruments at amortized cost	43,477,325	36,264,935	29,786,531
Total credit risk exposure	147,494,130	95,489,026	55,711,768

5.2.3.2 Impairment assessment

The Group's ECL assessment and measurement method is set out below.

5.2.3.2.1 Significant increase in credit risk, default and cure

The Group continuously monitors all assets subject to ECLs. In order to determine whether an instrument or a portfolio of instruments is subject to 12mECL or LTECL, the Group assesses whether there has been a significant increase in credit risk since initial recognition.

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5. Insurance and financial risks ...continued

5.2 Financial risk ...continued

5.2.3 Credit risk ...continued

5.2.3.2.1 Significant increase in credit risk, default and cure ...continued

The Group considers that there has been a significant increase in credit risk when any contractual payments are more than 30 days past due. In addition, the Group also considers a variety of instances that may indicate unlikelihood to pay by assessing whether there has been a significant increase in credit risk.

The Group considers a financial instrument defaulted and, therefore, credit-impaired for ECL calculations in all cases when the counterparty becomes 90 days past due on its contractual payments. The Group may also consider an instrument to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full. In such cases, the Group recognizes a lifetime ECL.

In rare cases when an instrument identified as defaulted, it is the Group's policy to consider a financial instrument as 'cured' and, therefore, re-classified out of credit-impaired when none of the default criteria have been present for at least twelve consecutive months. There has been no significant increase in credit risk or default on financial assets during the year.

There has been no significant increase in credit risk or default for financial assets during the year.

5.2.3.2.2. Expected credit loss

The Group assesses the possible default events within 12 months for the calculation of the 12mECL. Given the investment policy, the probability of default for new instruments acquired is generally determined to be minimal.

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5. Insurance and financial risks ...continued

5.2.3.3 Impairment losses on financial instruments subject to impairment assessment

5.2.3.3.1 Debt instruments measured at FVOCI

The table below shows the fair value of the Group's debt instruments measured at FVOCI by credit risk, based on its internal credit rating system. Details of the Group's internal grading system are explained in Note 3.3.6:

	2023			2022			January 1, 2022		
	12mECL	LTECL	Total	12mECL	LTECL	Total	12mECL	LTECL	Total
<i>Internal rating grade</i>									
<u>Performing</u>	—	—	—	—	—	—	—	—	—
High grade	42,270,227	—	42,270,227	7,149,353	—	7,149,353	1,032,050	—	1,032,050
Standard grade	—	33,500	33,500	—	—	—	—	640,000	640,000
<u>Under/ Non-performing</u>									
Past due but not impaired	—	—	—	—	—	—	—	—	—
Total gross and net amount	42,270,227	33,500	42,303,727	7,149,353	—	7,149,353	1,032,050	640,000	1,672,050

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5. Insurance and financial risks ...continued

5.2.3.3 Impairment losses on financial instruments subject to impairment assessment ...continued

5.2.3.3.2. Financial instruments measured at amortized cost

The table below shows the credit quality and the maximum exposure to credit risk based on the Company's internal credit rating system and year-end stage classification. The amounts presented are gross of impairment allowances. Details of the Company's internal grading system are explained in Note 3.3.6.

	2023			2022			January 1, 2022		
	12mECL	LTECL	Total	12mECL	LTECL	Total	12mECL	LTECL	Total
<i>Internal rating grade</i>									
Performing	—	—	—	—	—	—	—	—	—
High grade	10,555,723	—	10,555,723	7,472,979	—	7,472,979	3,443,888	—	3,443,888
Standard grade	512,117	—	512,117	509,977	—	509,977	507,883	—	507,883
<u>Under/ Non-performing</u>									
Past due but not impaired	—	327,926	327,926	—	327,926	327,926	—	393,337	393,337
Total gross amount	11,067,840	327,926	11,395,766	7,982,956	327,926	8,310,882	3,951,771	393,337	4,345,108
ECL	(45,128)	(327,926)	(373,054)	(64,660)	(327,926)	(392,586)	(25,227)	(393,337)	(418,564)
Total net amount	11,022,712	—	11,022,712	7,918,296	—	7,918,296	3,926,544	—	3,926,544

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5. Insurance and financial risks ...continued

5.2.3.3 Impairment losses on financial instruments subject to impairment assessment ...continued

5.2.3.3.3 Debt instruments at amortized cost

The table below shows the Group's time-deposits, debt instruments measured at amortized cost by credit risk, based on its internal credit rating system. Details of the Group's internal grading system are explained in Note 3.3.6:

	2023			2022			1 January 2022		
	12mECL	LTECL	Total	12mECL	LTECL	Total	12mECL	LTECL	Total
<i>Internal rating grade</i>									
<u>Performing</u>	—	—	—	—	—	—	—	—	—
High grade	30,716,049	—	30,716,049	26,858,841	—	26,858,841	25,867,053	—	25,867,053
Standard grade	—	1,750,000	1,750,000	—	1,499,999	1,499,999	—	—	—
<u>Under/ Non-performing</u>									
Past due but not impaired	—	—	—	—	—	—	—	—	—
Total gross amount	30,716,049	1,750,000	32,466,049	26,858,841	1,499,999	28,358,840	25,867,053	—	25,867,053
ECL	(11,262)	(174)	(11,436)	(12,012)	(189)	(12,201)	(7,066)	—	(7,066)
Total net amount	30,704,787	1,749,826	32,454,613	26,846,829	1,499,810	28,346,639	25,859,987	—	25,859,987

Cash is also subject to the impairment of IFRS 9. The identified impairment loss for both years is immaterial.

Ocean International Reinsurance Company Limited

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5. Insurance and financial risks ...continued

5.2 Financial risk ...continued

5.2.4 Fair value assessment

Financial assets and financial liabilities measured at fair value in the separate statement of financial position are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: unobservable inputs for the asset or liability.

The Group has the following investments measured at fair value:

	2023 \$	2022 \$
Equity instruments at fair value through profit or loss	6,939,445	168,084
Debt instruments at fair value through other comprehensive income	42,303,727	7,149,353
	<u>49,243,172</u>	<u>7,317,437</u>

The Group used level 1, 2 and 3 inputs to determine the value of its investments with the assistance of its financial institutions and money managers.

There were no transfers between the levels during the year.

Equity shares (Level 3)

Equity shares included as Level 3 are stated at cost as the Group is unable to reliably measure the fair value of these investments since the shares are not traded in an active market and the future cash flows related to these investments cannot be reliably measured. These amounted to \$5,151,210 (2022: \$6,622,406).

Properties (Level 3)

The appraisal was carried out using a market approach that reflects observed prices for recent market transactions for similar properties and incorporates adjustments for factors specific to the land in question, including plot size, location, encumbrances and current use. The properties were revalued in December 2023. As a result of the revaluation exercise, the fair value reserve increased by \$71,720.

The significant unobservable input is the adjustment for factors specific to the properties in question. The extent and direction of this adjustment depends on the number and characteristics of the observable market transactions in similar properties that are used as the starting point for valuation. Although this input is a subjective judgement, management considers that the overall valuation would not be materially affected by reasonably possible alternative assumptions.

The properties which are measured at fair value was valued at \$1,570,999 (2022: \$1,560,314).

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6. Capital

6.1. Capital management objectives, policies and approach

6.2. Impact for IFRS 17 and IFRS 9 implementation

The Group has made a significant change to its policies and processes for its capital structure which refers to the implementation of IFRS 17 – *Insurance Contracts* and IFRS 9 – *Financial Instruments*. The impact on equity is outlined below:

January 1, 2022

	Previously reported	Adjustments	As at January 1, 2022
Assets			
Cash	23,753,187	500,000	24,253,187
Time deposits	26,367,052	(26,367,052)	—
Reinsurance premium receivables	44,464,339	(44,464,339)	—
Premium reserves held by cedants receivables	12,628,479	(12,628,479)	—
Available-for-sale financial assets	74,960,412	(74,960,412)	—
Equity instruments at fair value through profit or loss	—	3,066,416	3,066,416
Debt instruments at fair value through other comprehensive income	—	1,672,050	1,672,050
Financial instruments at amortized cost	2,630,061	27,156,470	29,786,531
Receivable from related parties	2,630,061	(1)	2,630,060
Other receivables	—	1,296,484	1,296,484
Debt instruments at amortized cost	—	25,859,987	25,859,987
Insurance contract assets	—	18,647,061	18,647,061
Assets for remaining coverage - LRC gross	—	18,647,061	18,647,061
Reinsurance contract assets	—	37,562,055	37,562,055
Assets for remaining coverage - LRC ceded	—	4,310,790	4,310,790
Amounts recoverable on incurred claims - LIC Ceded	—	33,251,265	33,251,265
Equity instruments at fair value through other comprehensive income	—	70,221,947	70,221,947
Other receivables	1,722,839	(1,722,839)	—
Properties, furniture, equipment and improvements	2,616,365	—	2,616,365
Other assets	418,074	3,584,217	4,002,291
Total assets	189,560,808	2,267,095	191,827,903
Liabilities			
Premium reserves held by cedants payables	10,495,979	(10,495,979)	—
Technical reserves	42,103,305	(42,103,305)	—
Insurance contract liabilities	—	92,957,379	92,957,379
Liability for remaining coverage - LRC gross	—	6,949,021	6,949,021
Liability for direct incurred claims - LIC gross	—	86,008,358	86,008,358
Reinsurance contract Liabilities	—	12,311,209	12,311,209
Liability for remaining coverage - LRC ceded	—	12,311,209	12,311,209
Other payables	15,767,220	(14,675,292)	1,091,928
Payables to related parties	304,177	206,892	511,069
Current tax liabilities	276,713	—	276,713
Total liabilities	68,947,394	38,200,905	107,148,299
Equity			
Common shares	101,450	—	101,450
Additional paid-in capital	77,912,415	—	77,912,415
Other comprehensive income	3,722,177	(552,963)	3,169,214
Complementary tax	(17,259)	—	(17,259)
Retained earnings	38,894,630	(35,380,846)	3,513,784
Total equity	120,613,413	(35,933,809)	84,679,604
Total liabilities and equity	189,560,808	2,267,095	191,827,903

Ocean International Reinsurance Company Limited

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(All amounts in United States dollars)

6. Capital ...continued

6.2. Impacts for IFRS 17 and IFRS 9 implementation ...continued

Equity Reconciliation

	<u>As at January 1, 2022</u>
At December 31, 2021, as previously reported	120,613,413
Liability for remaining coverage gross	(67,177,359)
Liability for direct incurred claims gross	(55,582,590)
Liability for remaining coverage ceded	58,522,626
Liability for direct incurred claims ceded	28,946,007
Impairment	(438,961)
Amortized cost	(216,863)
OCI fair value financial instruments	13,331
Restated balance as at January 1, 2022	84,679,604

Result Reconciliation – P&L

	<u>As at December 31, 2022</u>
Result Reconciliation – P&L	
As of December 31, 2022, as previously reported	33,466,343
Liability for remaining coverage gross	50,791,500
Liability for direct incurred claims gross	(15,550,818)
Liability for remaining coverage ceded	(20,947,591)
Liability for direct incurred claims ceded	24,581,211
Impairment	16,953
Amortized cost	42,400
Reclassification of PC to P&L due to FVTPL financial instruments	32,176
Restated result as of December 31, 2022	72,432,174

6.2.1 Asset for remaining coverage gross (ARC, Gross)

Portfolio	Premium – LRC, Gross	Account receivables – LRC, Gross	January 1, 2022 Account payables/ Commission – LRC, Gross	IACF – LRC, Gross	Loss component – LRC, Gross	Total LRC, Gross
Life	23,551,233	(41,015,407)	714,339	(1,329,721)	17,243,267	(836,289)
Health	5,055,514	(19,870,942)	115,908	(588,896)	82,855	(15,205,561)
Motor	1,213,986	(1,553,085)	135,380	(65,684)	–	(269,403)
Liability	13,338,530	(6,943,861)	(16,271)	(715,508)	–	5,662,890
Bond	4,797,211	(3,284,587)	474,672	(701,165)	–	1,286,131
Property	69,134,876	(79,322,006)	19,940,864	(12,089,542)	–	(2,335,808)
Total	117,091,350	(151,989,888)	21,364,892	(15,490,516)	17,326,122	(11,698,040)
Assets	(98,955,609)	(141,761,440)	20,906,491	(14,073,843)	17,326,122	18,647,061
Liabilities	18,135,741	(10,228,448)	458,401	(1,416,673)	–	(6,949,021)

Ocean International Reinsurance Company Limited

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(All amounts in United States dollars)

6. Capital ...continued

6.2. Impacts for IFRS 17 and IFRS 9 implementation ...continued

6.2.1 Liabilities for remaining coverage gross (LRC, Gross)

December 31, 2022

Portfolio	Premium – LRC, Gross	Account receivables – LRC, Gross	Account payables – LRC, Gross	IACF – LRC, Gross	Loss component – LRC, Gross	Total LRC, Gross
Life	9,306,726	(67,786,135)	1,494,824	(641,592)	–	(57,626,177)
Health	21,347,478	(49,199,942)	4,289,814	(3,082,652)	–	(26,645,302)
Motor	1,600,727	(2,670,291)	214,634	(75,561)	798,461	(132,030)
Liability	15,138,371	(11,549,548)	48,425	(1,063,532)	–	2,573,716
Bond	6,566,520	(8,105,305)	1,032,635	(1,097,584)	–	(1,603,734)
Property	108,200,587	(154,088,223)	31,431,339	(20,413,840)	–	(34,870,137)
Total	162,160,409	(293,399,444)	38,511,671	(26,374,761)	798,461	(118,303,664)
Assets	147,022,038	(281,849,896)	38,463,246	(25,311,229)	798,461	(120,877,380)
Liabilities	15,138,372	(11,549,548)	48,425	(1,063,532)	–	(2,573,716)

UPR: Unearned Premium Reserve

IACF: Insurance Acquisition Cash Flows

LRC: Liability for Remaining Coverage

ULAE: Unallocated Loss Adjustment Expenses

6.2.2 Liabilities for direct incurred claims gross (LIC, Gross)

January 31, 2022

Portfolio	Cash flow discounted – LIC Gross	Risk adjustment – LIC Gross	Account payables – LIC Gross	ULAE – LIC Gross	Total LIC Gross – IFRS 17
Life	35,293,988	1,485,354	1,072,772	38,443	37,890,557
Health	15,809,899	283,118	525,532	16,345	16,634,894
Motor	6,376,379	171,691	71,469	5,496	6,625,035
Liability	90,078	11,363	7,177	99	108,717
Bond	963,885	42,121	–	1,133	1,007,139
Property	22,023,649	1,683,471	11,239	23,657	23,742,016
Total	80,557,878	3,677,118	1,688,189	85,173	86,008,358

December 31, 2022

Portfolio	Cash flow discounted – LIC Gross	Risk adjustment – LIC Gross	Account payables – LIC Gross	ULAE – LIC Gross	Total LIC Gross – IFRS 17
Life	55,431,030	5,647,592	2,620,857	30,421	63,729,900
Health	22,323,963	1,012,020	645,325	11,301	23,992,609
Motor	2,920,860	108,973	36,156	1,485	3,067,474
Liability	200,779	3,519	–	108	204,406
Bond	2,232,421	33,257	(15,215)	1,197	2,251,660
Property	27,398,938	1,962,955	93,553	15,051	29,470,497
Total	110,507,991	8,768,316	3,380,676	59,563	122,716,546

Ocean International Reinsurance Company Limited

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(All amounts in United States dollars)

6. Capital ...continued

6.2.3 Liabilities for remaining coverage ceded (LRC, Ceded result)

January 1, 2022							
Portfolio	Premium, Ceded	Commission – LRC Ceded	Default – LRC Ceded	Account payables – LRC Ceded	Deposits – LRC Ceded	Loss recovery component – LRC Ceded	Total LRC Ceded
Life	5,984,699	(852,251)	(411,598)	(7,266,163)	(8,544,514)	5,078,179	(6,011,648)
Health	2,293,348	(298,759)	(161,576)	54,959	(1,475,467)	77,295	489,800
Motor	1,122,649	(64,894)	(78,650)	(1,307,931)	(1,017,759)	–	(1,346,585)
Liability	11,795,141	(451,099)	(826,679)	(5,265,520)	(3,812,844)	–	1,438,999
Bond	3,810,228	(455,683)	(268,310)	(673,920)	(30,324)	–	2,381,991
Property	43,715,310	(2,047,332)	(2,980,993)	(28,187,699)	(15,452,262)	–	(4,952,976)
Total	68,721,375	(4,170,018)	(4,727,806)	(42,646,274)	(30,333,170)	5,155,474	(8,000,419)
Assets	17,898,717	(1,205,541)	(1,256,565)	(5,884,481)	(5,318,635)	77,295	4,310,790
Liabilities	50,822,658	(2,964,477)	(3,471,241)	(36,761,793)	(25,014,535)	5,078,179	(12,311,209)

December 31, 2022							
Portfolio	UPR Ceded	Commission – LRC Ceded	Default - LRC Ceded	Account payables – LRC Ceded	Deposits – LRC Ceded	Loss recovery component – LRC Ceded	Total LRC Ceded – IFRS 17
Life	6,674,618	(838,568)	(404,667)	(43,106,374)	(20,494,504)	–	(58,169,495)
Health	5,693,485	(674,411)	(421,740)	(4,741,059)	(2,343,705)	–	(2,487,430)
Motor	1,554,006	(77,183)	(114,898)	(1,398,291)	(1,468,921)	775,157	(730,130)
Liability	13,693,590	(647,531)	(1,000,017)	(10,919,667)	(2,886,947)	–	(1,760,572)
Bond	4,224,802	(448,533)	(306,213)	(3,539,390)	(89,858)	–	(159,192)
Property	69,719,381	(5,033,921)	(4,474,956)	(67,972,206)	(15,799,513)	–	(23,561,215)
Total	101,559,882	(7,720,147)	(6,722,491)	(131,676,987)	(43,083,448)	775,157	(86,868,034)
Assets	–	–	–	–	–	–	–
Liabilities	101,559,882	(7,720,147)	(6,722,491)	(131,676,987)	(43,083,448)	775,157	(86,868,034)

6.2.4 Amounts recoverable on incurred claims

January 1, 2022				
Portfolio	Cash flow discounted – LIC Ceded	Risk adjustment – LIC Ceded	Accounts receivables – LIC Ceded	Total LIC Ceded – IFRS 17
Life	12,688,990	917,512	4,038,127	17,644,629
Health	1,509,278	6,937	124,457	1,640,672
Motor	2,083,568	60,890	48,209	2,192,667
Liability	45,089	305	70	45,464
Bond	–	–	–	–
Property	11,425,320	208,118	94,395	11,727,833
Total	27,752,245	1,193,762	4,305,258	33,251,265

Ocean International Reinsurance Company Limited

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(All amounts in United States dollars)

6. Capital ...continued

6.2. Impacts for IFRS 17 and IFRS 9 implementation ...continued

6.2.4 Amounts recoverable on incurred claims ...continued

Portfolio	December 31, 2022			
	Cash flow discounted – LIC Ceded	Risk adjustment – LIC Ceded	Accounts receivables – LIC Ceded	Total LIC Ceded – IFRS 17
Life	34,332,951	4,378,590	7,377,568	46,089,109
Health	1,190,336	525	10,056	1,200,917
Motor	1,815,607	47,304	850,247	2,713,158
Liability	429,208	–	–	429,208
Bond	1,559,840	–	–	1,559,840
Property	7,644,772	134,603	378,078	8,157,453
Total	46,972,714	4,561,022	8,615,949	60,149,685

6.2.5 Capital management objectives, policies and approach

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for other stakeholders. To provide an adequate return to shareholders, the Group aims at pricing insurance commensurately with the level of risk. The capital structure of the Group is adequate to achieve its objectives.

The Group has established the following capital management objectives, policies and approach to managing the risks that affect its capital position:

- To maintain the required level of stability of the Group thereby providing a degree of security to policy holders;
- To allocate capital efficiently and support the development of business by ensuring that returns on capital employed meet the requirements of its capital providers and shareholders;
- To retain financial flexibility by maintaining strong liquidity;
- To align the profile of assets and liabilities taking account of risks inherent in the business; and
- To maintain strong credit ratings and healthy capital ratios in order to support its business objectives and maximize shareholders value.

The operations of the Group are also subject to regulatory requirements within the jurisdictions in which it operates. Such regulations not only prescribe approval and monitoring of activities, but also impose certain restrictive provisions to minimize the risk of default and insolvency on the part of the insurance companies to meet unforeseeable liabilities as they arise.

Ocean International Reinsurance Company Limited

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(All amounts in United States dollars)

6. Capital ...continued

6.2.5 Capital management objectives, policies and approach ...continued

According to Section 9 of the revised Insurance Act, the Ocean International Reinsurance Company Limited is required to have a minimum paid-up capital or contributed reserve of US\$1,500,000. The solvency criteria prescribed by Section 58 of the revised Insurance Act states that an insurance entity shall be deemed to be insolvent, if the excess of its total assets over its total liabilities is less than the higher of \$250,000 or 25% of premium income in the last preceding financial year:

	2023 \$	2022 \$
Total assets	472,979,722	351,892,951
Total liabilities	(344,185,527)	(222,070,932)
Margin of solvency	128,794,195	129,822,019
Required minimum margin of solvency	(20,749,619)	(19,437,351)
Margin of solvency in excess of requirement	108,044,576	110,384,668

The margin of solvency has been met by the Company at the end of the reporting period.

7. Significant judgements and estimates

Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur. The Group disaggregates information to disclose major product lines. This disaggregation has been determined based on how the Group is managed.

7.1. Insurance and reinsurance contracts

The Group applies the PAA to simplify the measurement of insurance contracts. When measuring liabilities for remaining coverage, the PAA is broadly similar to the Group's previous accounting treatment under IFRS 4. However, when measuring liabilities for incurred claims, the Group now discounts cash flows that are expected to occur more than one year after the date on which the claims are incurred and includes an explicit risk adjustment for non-financial risk.

7.1.1. Liability for remaining coverage

Insurance acquisition cash flows

An asset for insurance acquisition cash flows is recognized for acquisition cash flows incurred before the related group of insurance contracts has been recognized.

For all portfolios where groups, insurance acquisition cash flows are allocated to related groups of insurance contracts recognized in the statement of financial position. An asset for insurance acquisition cash flows is recognized for acquisition cash flows incurred before the related group of insurance contracts has been recognized.

Ocean International Reinsurance Company Limited

Notes for the Consolidated Financial Statements

December 31, 2023

(All amounts in United States dollars)

7. Significant judgements and estimates ...continued

7.1. Insurance and reinsurance contracts ...continued

7.1.1. Liability for remaining coverage ...continued

Insurance acquisition cash flows

The effect of electing to recognize insurance acquisition cash flows as an expense when incurred for a group of insurance contracts is to increase the liability for remaining coverage. There would be an increased charge to profit or loss on incurring the expense, offset by an increase in profit released over the coverage period.

Onerous groups

For groups of contracts that are onerous, the liability for remaining coverage is determined by the fulfilment cash flows. Any loss-recovery component is determined with reference to the loss component recognized on underlying contracts and the recovery expected on such claims from reinsurance contracts held.

Time value of money

Since the applied methodology is PAA (Premium Allocation Approach), the LRC (Liability for Remaining Coverage) is not being discounted.

7.1.2. Liability for incurred claims

The ultimate cost of outstanding claims is estimated by using a range of standard actuarial claims projection techniques, such as Chain Ladder and Bornheutter-Ferguson methods.

The main assumption underlying these techniques is that a Company's past claims development experience can be used to project future claims development and hence ultimate claims costs. These methods extrapolate the development of paid and incurred losses, average costs per claim (including claims handling costs), and claim numbers based on the observed development of earlier years and expected loss ratios. Historical claims development is mainly analyzed by accident years. Large claims are usually separately addressed, either by being reserved at the face value of loss adjuster estimates or separately projected to reflect their future development. In most cases, no explicit assumptions are made regarding future rates of claims inflation or loss ratios. Instead, the assumptions used are those implicit in the historical claims' development data on which the projections are based. Additional qualitative judgement is used to assess the extent to which past trends may not apply in future, (e.g., to reflect one-off occurrences, changes in external or market factors such as public attitudes to claiming, economic conditions, levels of claims inflation, judicial decisions and legislation, as well as internal factors such as portfolio mix, policy features and claims handling procedures) in order to arrive at the estimated ultimate cost of claims that present the probability weighted expected value outcome from the range of possible outcomes, taking account of all the uncertainties involved.

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7. Significant judgements and estimates ...continued

7.1. Insurance and reinsurance contracts ...continued

7.1.2. Liability for incurred claims ...continued

Time value of money

For all the insurance product lines, the Group adjusts the carrying amount of the liability for incurred claims to reflect the time value of money and the effect of financial risk using discount rates that reflect the characteristics of the cash flows of the group of insurance contracts at initial recognition.

7.1.3. Discount rates

Insurance contract liabilities are calculated by discounting expected future cash flows at a risk-free rate. Risk-free rates are determined by referring to risk-free interest rate curves derived from the yields of highly liquid AAA-rated sovereign securities in the currency of the insurance contract liabilities. These curves provide an accurate representation of the discount rates applicable to the present value of future cash flows, ensuring that the valuation of insurance liabilities appropriately reflects the time value of money and market conditions.

7.2. Financial assets

7.2.1. Impairment losses on financial assets

The measurement of impairment losses under IFRS 9 across relevant financial assets requires judgement, in particular, for the estimation of the amount and timing of future cash flows when determining impairment losses and the assessment of a significant increase in credit risk.

Ocean International Reinsurance Company Limited

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(All amounts in United States dollars)

8. Insurance service expense

The breakdown of insurance service expenses by major product lines is presented below:

	2023						
	Life	Health	Motor	Bond	Liability	Property	Total
Incurred claims and other expenses	94,207,162	8,986,004	4,792,605	3,097,409	911,798	73,224,944	185,219,922
Amortization of insurance acquisition cash flows	21,485,041	4,704,487	1,497,078	2,786,045	3,062,990	27,771,361	61,307,002
Losses on onerous contracts and reversals of those losses	—	—	(389,241)	—	—	—	(389,241)
Total	115,692,203	13,690,491	5,900,442	5,883,454	3,974,788	100,996,305	246,137,683
	2022						
	Life	Health	Motor	Bond	Liability	Property	Total
Incurred claims and other expenses	75,485,012	21,356,788	1,282,561	1,552,802	(465,407)	47,613,629	146,825,385
Amortization of insurance acquisition cash flows	20,217,026	9,133,703	1,459,308	1,918,065	4,117,842	33,590,734	70,436,678
Losses on onerous contracts and reversals of those losses	(17,243,266)	(82,856)	798,462	—	—	—	(16,527,660)
Total	78,458,772	30,407,635	3,540,331	3,470,867	3,652,435	81,204,363	200,734,403

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9. Total investment income and net insurance financial result

9.1. Total investment income

The table below presents an analysis of total investment income recognized in profit or loss and OCI in the period:

	2023 \$	2022 \$
Investment income amounts recognized in the profit or loss		
Interest revenue calculated using the effective interest method	90,536	42,590
Other interest and similar income	1,257,430	722,417
Dividend income	675,159	1,028,766
Net fair value gains on financial assets at fair value through profit or loss	763,471	840,073
Net fair value gains/(losses) on derecognition of debt instrument measured at fair value through other comprehensive income	692,095	(320,285)
Impairment reversal on financial assets	61,796	60,402
Total amounts recognized in the profit or loss	3,540,487	2,373,963
Amounts recognized in OCI		
Net fair value losses of equity instruments measured at fair value through other comprehensive income	(559,510)	(5,638,418)
Impairment reversal on financial assets	4,710	4,078
Total amount recognized in other comprehensive income	(554,800)	(5,634,340)

Ocean International Reinsurance Company Limited

Notes for the Consolidated Financial Statements

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(All amounts in United States dollars)

9. Total investment income and net insurance financial result ...continued

9.2. Net insurance financial result

The table below presents an analysis of insurance finance result recognized in profit or loss and OCI in the period:

	2023						
	Insurance related						
	Life	Health	Motor	Bond	Liability	Property	Total
Insurance finance (expenses)/income from insurance contracts issued							
Interest accreted to insurance contracts using current financial assumptions	(2,287,626)	(665,640)	(87,055)	(2,138)	(16,913)	(1,116,702)	(4,176,074)
Interest accreted to insurance contracts using locked-in rate	(1,142,241)	(396,340)	(45,031)	(4,358)	(47,858)	(555,553)	(2,191,381)
Total insurance finance (expenses)/income from insurance contracts issued	(3,429,867)	(1,061,980)	(132,086)	(6,496)	(64,771)	(1,672,255)	(6,367,455)
Represented by:							
Amounts recognized in profit or loss	(1,142,241)	(396,340)	(45,031)	(4,358)	(47,858)	(555,553)	(2,191,381)
Amounts recognized in OCI	(2,287,626)	(665,640)	(87,055)	(2,138)	(16,913)	(1,116,702)	(4,176,074)
Sub-total	(3,429,867)	(1,061,980)	(132,086)	(6,496)	(64,771)	(1,672,255)	(6,367,455)

Ocean International Reinsurance Company Limited

Notes for the Consolidated Financial Statements

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(All amounts in United States dollars)

9. Total investment income and net insurance financial result ...continued

9.2. Net insurance financial result ...continued

	2023						
	Reinsurance related						Total
	Life	Health	Motor	Bond	Liability	Property	
Reinsurance finance income/(expenses) from reinsurance contracts held							
Interest accreted to reinsurance contracts using current financial assumptions	1,656,435	2,897	65,668	5,528	(1,635)	200,181	1,929,074
Interest accreted to reinsurance contracts using locked-in rate	761,040	15,515	35,218	10,328	38,853	152,414	1,013,368
Reinsurance finance income/(expenses) from reinsurance contracts held	2,417,475	18,412	100,886	15,856	37,218	352,595	2,942,442
Represented by:							
Amounts recognized in profit or loss	761,040	15,515	35,218	10,328	38,853	152,414	1,013,368
Amounts recognized in OCI	1,656,435	2,897	65,668	5,528	(1,635)	200,181	1,929,074
	2,417,475	18,412	100,886	15,856	37,218	352,595	2,942,442
Total net, insurance finance expenses and reinsurance finance income	(1,012,392)	(1,043,568)	(31,200)	9,360	(27,553)	(1,319,660)	(3,425,013)
Represented by:							
Amounts recognized in profit or loss	(381,201)	(380,825)	(9,813)	5,970	(9,005)	(403,139)	(1,178,013)
Amounts recognized in OCI	(631,191)	(662,743)	(21,387)	3,390	(18,548)	(916,521)	(2,247,000)
	(1,012,392)	(1,043,568)	(31,200)	9,360	(27,553)	(1,319,660)	(3,425,013)

Ocean International Reinsurance Company Limited

Notes for the Consolidated Financial Statements

December 31, 2023

(All amounts in United States dollars)

9. Total investment income and net insurance financial result ...continued

9.2. Net insurance financial result ...continued

	2022						
	Insurance related						
	Life	Health	Motor	Bond	Liability	Property	Total
Insurance finance income/(expenses) from insurance contracts issued							
Interest accreted to insurance contracts using current financial assumptions	2,323,677	688,227	88,901	2,399	20,352	1,135,781	4,259,337
Interest accreted to insurance contracts using locked-in rate	(97,488)	(34,580)	(12,287)	(266)	(3,791)	(56,246)	(204,658)
Total insurance finance income/(expenses) from insurance contracts issued	2,226,189	653,647	76,614	2,133	16,561	1,079,535	4,054,679
Represented by:							
Amounts recognized in profit or loss	(97,488)	(34,580)	(12,287)	(266)	(3,791)	(56,246)	(204,658)
Amounts recognized in OCI	2,323,677	688,227	88,901	2,399	20,352	1,135,781	4,259,337
	2,226,189	653,647	76,614	2,133	16,561	1,079,535	4,054,679

Ocean International Reinsurance Company Limited

Notes for the Consolidated Financial Statements

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(All amounts in United States dollars)

9. Total investment income and net insurance financial result ...continued

9.2. Net insurance financial result ...continued

	2022						
	Reinsurance related						
	Life	Health	Motor	Bond	Liability	Property	Total
Reinsurance finance income/(expenses) from reinsurance contracts held							
Interest accreted to reinsurance contracts using current financial assumptions	31,791	1,310	6,123	92	–	30,114	69,430
Interest accreted to reinsurance contracts using locked-in rate	(1,705,631)	(4,657)	(67,351)	(5,742)	(1,870)	(208,231)	(1,993,482)
Reinsurance finance income/(expenses) from reinsurance contracts held	(1,673,840)	(3,347)	(61,228)	(5,650)	(1,870)	(178,117)	(1,924,052)
Represented by:							
Amounts recognized in profit or loss	31,791	1,310	6,123	92	–	30,114	69,430
Amounts recognized in OCI	(1,705,631)	(4,657)	(67,351)	(5,742)	(1,870)	(208,231)	(1,993,482)
	(1,673,840)	(3,347)	(61,228)	(5,650)	(1,870)	(178,117)	(1,924,052)
Total net, insurance finance expenses and reinsurance finance income	552,349	650,300	15,386	(3,517)	14,691	901,418	2,130,627
Represented by:							
Amounts recognized in profit or loss	(65,697)	(33,270)	(6,164)	(174)	(3,791)	(26,132)	(135,228)
Amounts recognized in OCI	618,046	683,570	21,550	(3,343)	18,482	927,550	2,265,855
	552,349	650,300	15,386	(3,517)	14,691	901,418	2,130,627

The Group does not have any gains or losses arising from the derecognition of financial assets measured at amortized cost.

The Group manages asset portfolios to support the insurance contracts issued.

Ocean International Reinsurance Company Limited

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10. General and administrative expenses

General and administrative expenses are as follows:

	2023 \$	2022 \$
Ocean International Reinsurance Company Limited	14,857,887	10,871,906
Oceva Risk Solutions Limited	1,914,990	2,216,879
Ocean Re Administradora de Reaseguros, S.A.	1,337,999	1,878,660
Gala Intl Services LLC	1,109,331	146,281
Insight Data	477,108	212,907
American International Insurance Managers Limited	194,018	(14,664)
American Insurance Managers, S.A.	114,556	15,778
Second Street Properties	48,903	—
Marcussi Reinsurance, SCC	48,382	47,886
	<u>20,103,174</u>	<u>15,375,633</u>

11. Other income and losses

Other income and losses are comprised of commission and management fees as well as other income and losses.

Other income and losses are as follows:

	2023 \$	2022 \$
Oceva Risk Solutions Limited	3,862,227	2,500,219
Gala Intl Services LLC	2,101,065	468,830
American International Insurance Managers Limited	1,875,657	673,658
Ocean Re Administradora de Reaseguros, S.A.	1,388,248	2,105,085
Insight Data	486,436	224,049
American Insurance Managers, S.A.	41,807	45,204
Marcussi Reinsurance, SCC	41,141	159,171
Ocean International Reinsurance Company Limited	(706,562)	276,293
	<u>9,090,019</u>	<u>6,452,509</u>

Ocean International Reinsurance Company Limited

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December 31, 2023

(All amounts in United States dollars)

12. Income tax expense

Income tax expense reconciliation is as follows:

	2023 \$	2022 \$
Profit before tax	25,739,500	72,432,174
Adjustments:		
Non-deductible expenses	558,975	84,545
Deductible expenses	(343,536)	(1,075,746)
Capital allowance	—	48,073
Non-taxable income PPA	—	(12,643,901)
Impact of IFRS 17 and IFRS 9 implementation	—	(38,481,888)
Taxable income in Barbados	25,954,939	20,363,257
Taxable income in Panama	—	—
Taxable income in Colombia	9,328	4,213
Taxable income in USA	—	322,549
Taxable income in UK	1,947,237	283,340
Expected income tax at the rate of 2% - Barbados	519,099	407,269
Expected income tax at the rate of 25% - Panama	—	—
Expected income tax at the rate of 35% - Colombia	3,265	1,475
Expected income tax at the rate of 33.082% - USA	—	106,706
Expected income tax at the rate of 24.43% - UK (2019: 19%)	475,745	53,859
Expected income tax	998,109	569,309

The movement in the income tax liabilities is as follows:

	2023 \$	2022 \$
Beginning balance	391,472	276,713
Current income tax	998,109	569,309
Income taxes paid	(1,046,290)	(454,550)
Closing balance	343,291	391,472

Ocean International Reinsurance Company Limited

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(All amounts in United States dollars)

13. Related party transactions and disclosures

Related party relationships exist when one party has the ability to control directly or indirectly, through one or more intermediaries, the other party or exercise significant influence over the other party in making financial and operating decisions. Such relationships also exist between or among entities under common ownership, with the reporting enterprise and its key management personnel, directors and shareholders.

The Group's related parties noted below are related due to common ownership. The Group enters into transactions with certain related parties in the normal course of business. The following tables provide the total amount of transactions that have been entered into with related parties for the financial year:

Balances with related parties:

Receivables from and payables to related parties are as follows:

	2023 \$	2022 \$
<i>Receivables from related parties:</i>		
Other related parties	4,123,617	2,629,931
Less provision for expected credit losses	(128,016)	(169,515)
	3,995,601	2,460,416
<i>Payables to related parties:</i>		
Parent	662,839	539,789
Other related parties	—	248,728
	662,839	788,517

Outstanding balances at the year-end are unsecured, interest-free and have no fixed terms of repayment and are therefore current. Settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables.

Investments in subsidiaries, at cost:

	Relationship	2023 \$	2022 \$
Oceva Risk Solutions Limited	Subsidiary	6,223,594	6,223,594
Second Street Properties Limited	Subsidiary	2,000,000	—
Gala Intl Services LLC	Subsidiary	1,867,463	867,463
Insight Data S.A.S.	Subsidiary	266,780	266,780
Marcussi Reinsurance, SCC	Subsidiary	155,000	125,000
American Insurance Managers, S.A.	Subsidiary	110,000	10,000
American International Insurance Managers Limited	Subsidiary	50,000	50,000
		10,672,837	7,542,837

Ocean International Reinsurance Company Limited

Notes for the Consolidated Financial Statements

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(All amounts in United States dollars)

13. Related party transactions and disclosures...continued

During the year ended December 31, 2023, the following transactions occurred:

Second Street Properties Limited

The Company purchased the shares of Second Street Properties Limited for total consideration of \$2,000,000 from Darah Properties Limited, a related entity. Second Street Properties Limited is a holding company for designated Group assets.

Gala Intl Services LLC

The Company recorded an additional \$1,000,000 which was a deferred payment associated with its purchase of the subsidiary as outlined in the Sale and Purchase Agreement.

American Insurance Managers, S.A.

The Company made an additional capital contribution of \$100,000 to comply with the local regulations and regulatory requirements of Panamá.

Marcussi Reinsurance, SCC

The Company derecognised certain related party balances amounting to \$30,000 and made additional contribution to Capital.

Receivables from related parties is comprised as follows:

	2023 \$	2022 \$
Other related parties	4,123,617	2,629,931
Less provision for expected credit losses	(128,016)	(169,515)
	<u>3,995,601</u>	<u>2,460,416</u>

Other receivables include an amount of \$3,873,356 (2022: \$3,717,873) representing short-term loans to shareholders, maturing on December 31, 2024 (2022: December 31, 2023) and May 24, 2024 (2022: May 24, 2023) and carrying interest rates ranging from 5% to 7%. At the date of approval of the consolidated financial statements, these amounts remain unpaid.

Transactions with related parties:

Details of significant transactions carried out during the year with related parties are as follows:

Ocean International Reinsurance Company Limited

Notes for the Consolidated Financial Statements

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(All amounts in United States dollars)

13. Related party transactions and disclosures...continued

Transactions with related parties...continued

	2023 \$	2022 \$
Other income derived from office leases	<u>36,000</u>	36,000
<i>Operating and administrative expenses:</i>		
Key personnel compensation (professional fees)	566,664	393,750
Other personnel benefits	1,000,000	1,000,000
Bonuses	<u>1,634,499</u>	1,060,616
	<u>3,201,163</u>	2,454,366

Bonuses that were not paid as at December 31, 2023 to key personnel in the amount of \$1,634,499 (2022: \$1,060,616) are included in other payables in the consolidated statement of financial position.

14. Insurance and reinsurance contracts

The breakdown of groups of insurance and reinsurance contracts issued, and reinsurance contracts held, that are in an asset position and those in a liability position is set out in the table below:

	2023			2022		
	Assets	Liabilities	Net	Assets	Liabilities	Net
Insurance contracts issued						
Life	81,430,120	114,698,425	(33,268,305)	57,626,177	63,729,900	(6,103,723)
Health	19,219,265	23,835,722	(4,616,457)	26,645,302	23,992,609	2,652,693
Motor	443,916	2,270,716	(1,826,800)	132,028	3,067,474	(2,935,446)
Liability	—	226,215	(226,215)	1,603,736	2,778,122	(1,174,386)
Bond	457,760	12,709,225	(12,251,465)	—	2,251,660	(2,251,660)
Property	33,613,242	41,296,238	(7,682,996)	34,870,137	29,470,497	5,399,640
Total insurance contracts issued	<u>135,164,303</u>	<u>195,036,541</u>	<u>(59,872,238)</u>	<u>120,877,380</u>	<u>125,290,262</u>	<u>(4,412,882)</u>

Ocean International Reinsurance Company Limited

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(All amounts in United States dollars)

14. Insurance and reinsurance contracts...continued

14.1. Roll-forward of net assets or liabilities for insurance contracts issued showing the (assets)/liabilities for remaining coverage and the liabilities for incurred claims

(Assets)/ liabilities for remaining coverage gross and liability for direct incurred claims gross
(2023)

	2023				
	(Assets)/liabilities for remaining coverage		Liabilities for incurred claims		
	Excluding loss component	Loss component	Estimates of the present value of future cash flows	Risk adjustment	Total
Insurance contract liabilities as at 01/01	2,573,716	—	113,948,230	8,768,316	125,290,262
Insurance contract assets as at 01/01	(121,675,841)	798,461	—	—	(120,877,380)
Net insurance contract (assets)/liabilities as at 01/01	(119,102,125)	798,461	113,948,230	8,768,316	4,412,882
Insurance revenue	(499,473,330)	—	—	—	(499,473,330)
Insurance service expenses	61,307,002	(389,240)	180,219,154	5,000,767	246,137,683
Incurred claims and other expenses	—	—	—	—	—
Amortization of insurance acquisition cash flows	61,307,002	—	—	—	61,307,002
Changes to liabilities for incurred claims	—	—	—	—	—
Impairment of assets for insurance acquisition cash flow	—	—	—	—	—
Reversal of impairment of assets for insurance acquisition cash flows	—	—	—	—	—
Investment components	—	—	—	—	—
Insurance service result	(438,166,328)	(389,240)	180,219,154	5,000,767	(253,335,647)
Insurance finance expenses	—	—	2,191,381	—	2,191,381
Effect of movements in exchange rates	—	—	—	—	—
Total changes in the statement of comprehensive income	(438,166,328)	(389,240)	182,410,535	5,000,767	(251,144,266)
Other movements	432,113,078	—	(125,509,456)	—	306,603,622
Net insurance contract (assets)/liabilities as at 31/12	(125,155,375)	409,221	170,849,309	13,769,083	59,872,238
Insurance contract liabilities as at 31/12	10,418,149	—	170,849,309	13,769,083	195,036,541
Insurance contract assets as at 31/12	(135,573,524)	409,221	—	—	(135,164,303)
Net insurance contract (assets)/liabilities as at 31/12	(125,155,375)	409,221	170,849,309	13,769,083	59,872,238

Ocean International Reinsurance Company Limited

Notes for the Consolidated Financial Statements

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(All amounts in United States dollars)

14. Insurance and reinsurance contracts ...continued

14.1. Roll-forward of net assets or liabilities for insurance contracts issued showing the (assets)/liabilities for remaining coverage and the liabilities for incurred claims ...continued

Life

	2023				Total
	(Assets)/liabilities for remaining coverage		Liabilities for incurred claims		
	Excluding loss component	Loss component	Estimates of the present value of future cash flows	Risk adjustment	
Insurance contract liabilities as at 01/01	—	—	58,082,308	5,647,592	63,729,900
Insurance contract assets as at 01/01	(57,626,177)	—	—	—	(57,626,177)
Net insurance contract (assets)/liabilities as at 01/01	(57,626,177)	—	58,082,308	5,647,592	6,103,723
Insurance revenue	(157,921,136)	—	—	—	(157,921,136)
Insurance service expenses	21,485,040	—	89,753,482	4,453,680	115,692,202
Incurred claims and other expenses	—	—	—	—	—
Amortization of insurance acquisition cash flows	21,485,040	—	—	—	21,485,040
Losses on onerous contracts and reversals of those losses	—	—	—	—	—
Changes to liabilities for incurred claims	—	—	—	—	—
Impairment of assets for insurance acquisition cash flow	—	—	—	—	—
Reversal of impairment of assets for insurance acquisition cash flows	—	—	—	—	—
Investment components	—	—	—	—	—
Insurance service result	(136,436,096)	—	89,753,482	4,453,680	(42,228,934)
Insurance finance expenses	—	—	1,180,400	—	1,180,400
Effect of movements in exchange rates	—	—	—	—	—
Total changes in the statement of comprehensive income	(136,436,096)	—	90,933,882	4,453,680	(41,048,534)
Other movements	112,632,153	—	(44,419,037)	—	68,213,116
Net insurance contract (assets)/liabilities as at 31/12	(81,430,120)	—	104,597,153	10,101,272	33,268,305
Insurance contract liabilities as at 31/12	—	—	104,597,153	10,101,272	114,698,425
Insurance contract assets as at 31/12	(81,430,120)	—	—	—	(81,430,120)
Net insurance contract (assets)/liabilities as at 31/12	(81,430,120)	—	104,597,153	10,101,272	33,268,305

Ocean International Reinsurance Company Limited

Notes for the Consolidated Financial Statements

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(All amounts in United States dollars)

14. Insurance and reinsurance contracts ...continued

14.1. Roll-forward of net assets or liabilities for insurance contracts issued showing the (assets)/liabilities for remaining coverage and the liabilities for incurred claims ...continued

Health

	2023				
	(Assets) /liabilities for remaining coverage	Liabilities for incurred claims			
	Excluding loss component	Loss component	Estimates of the present value of future cash flows	Risk adjustment	Total
Insurance contract liabilities as at 01/01	—	—	22,980,589	1,012,020	23,992,609
Insurance contract assets as at 01/01	(26,645,302)	—	—	—	(26,645,302)
Net insurance contract (assets)/liabilities as at 01/01	(26,645,302)	—	22,980,589	1,012,020	(2,652,693)
Insurance revenue	(35,960,944)	—	—	—	(35,960,944)
Insurance service expenses	4,704,487	—	9,243,836	(257,832)	13,690,491
Incurred claims and other expenses	—	—	—	—	—
Amortization of insurance acquisition cash flows	4,704,487	—	—	—	4,704,487
Losses on onerous contracts and reversals of those losses	—	—	—	—	—
Changes to liabilities for incurred claims	—	—	—	—	—
Impairment of assets for insurance acquisition cash flow	—	—	—	—	—
Reversal of impairment of assets for insurance acquisition cash flows	—	—	—	—	—
Investment components	—	—	—	—	—
Insurance service result	(31,256,457)	—	9,243,836	(257,832)	(22,270,453)
Insurance finance expenses	—	—	365,485	—	365,485
Effect of movements in exchange rates	—	—	—	—	—
Total changes in the statement of comprehensive income	(31,256,457)	—	9,609,321	(257,832)	(21,904,968)
Other movements	38,682,494	—	(9,508,376)	—	29,174,118
Net insurance contract (assets)/liabilities as at 31/12	(19,219,265)	—	23,081,534	754,188	4,616,457
Insurance contract liabilities as at 31/12	—	—	23,081,534	754,188	23,835,722
Insurance contract assets as at 31/12	(19,219,265)	—	—	—	(19,219,265)
Net insurance contract (assets)/liabilities as at 31/12	(19,219,265)	—	23,081,534	754,188	4,616,457

Ocean International Reinsurance Company Limited

Notes for the Consolidated Financial Statements

December 31, 2023

(All amounts in United States dollars)

14. Insurance and reinsurance contracts ...continued

14.1. Roll-forward of net assets or liabilities for insurance contracts issued showing the (assets)/liabilities for remaining coverage and the liabilities for incurred claims...continued

Motor

	2023				
	(Assets)/liabilities for remaining coverage		Liabilities for incurred claims		
	Excluding loss component	Loss component	Estimates of the present value of future cash flows	Risk adjustment	Total
Insurance contract liabilities as at 01/01	—	—	2,958,501	108,973	3,067,474
Insurance contract assets as at 01/01	(930,491)	798,463	—	—	(132,028)
Net insurance contract (assets)/liabilities as at 01/01	(930,491)	798,463	2,958,501	108,973	2,935,446
Insurance revenue	(10,907,994)	—	—	—	(10,907,994)
Insurance service expenses	1,497,079	(389,242)	4,794,584	(1,978)	5,900,443
Incurred claims and other expenses	—	—	—	—	—
Amortization of insurance acquisition cash flows	1,497,079	—	—	—	1,497,079
Losses on onerous contracts and reversals of those losses	—	(389,242)	—	—	(389,242)
Changes to liabilities for incurred claims	—	—	—	—	—
Impairment of assets for insurance acquisition cash flow	—	—	—	—	—
Reversal of impairment of assets for insurance acquisition cash flows	—	—	—	—	—
Investment components	—	—	—	—	—
Insurance service result	(9,410,915)	(389,242)	4,794,584	(1,978)	(5,007,551)
Insurance finance expenses	—	—	45,458	—	45,458
Effect of movements in exchange rates	—	—	—	—	—
Total changes in the statement of comprehensive income	(9,410,915)	(389,242)	4,840,042	(1,978)	(4,962,093)
Other movements	9,488,269	—	(5,634,822)	—	3,853,447
Net insurance contract (assets)/liabilities as at 31/12	(853,137)	409,221	2,163,721	106,995	1,826,800
Insurance contract liabilities as at 31/12	—	—	2,163,721	106,995	2,270,716
Insurance contract assets as at 31/12	(853,137)	409,221	—	—	(443,916)
Net insurance contract (assets)/liabilities as at 31/12	(853,137)	409,221	2,163,721	106,995	1,826,800

Ocean International Reinsurance Company Limited

Notes for the Consolidated Financial Statements

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(All amounts in United States dollars)

14. Insurance and reinsurance contracts ...continued

14.1. Roll-forward of net assets or liabilities for insurance contracts issued showing the (assets)/liabilities for remaining coverage and the liabilities for incurred claims ...continued

Liability

	2023				
	(Assets)/liabilities for remaining coverage		Liabilities for incurred claims		
	Excluding loss component	Loss component	Estimates of the present value of future cash flows	Risk adjustment	Total
Insurance contract liabilities as at 01/01	2,573,716	—	200,887	3,519	2,778,122
Insurance contract assets as at 01/01	(1,603,736)	—	—	—	(1,603,736)
Net insurance contract (assets)/liabilities as at 01/01	969,980	—	200,887	3,519	1,174,386
Insurance revenue	(18,115,825)	—	—	—	(18,115,825)
Insurance service expenses	3,062,990	—	913,028	(1,230)	3,974,788
Incurred claims and other expenses	—	—	—	—	—
Amortization of insurance acquisition cash flows	3,062,990	—	—	—	3,062,990
Losses on onerous contracts and reversals of those losses	—	—	—	—	—
Changes to liabilities for incurred claims	—	—	—	—	—
Impairment of assets for insurance acquisition cash flow	—	—	—	—	—
Reversal of impairment of assets for insurance acquisition cash flows	—	—	—	—	—
Investment components	—	—	—	—	—
Insurance service result	(15,052,835)	—	913,028	(1,230)	(14,141,037)
Insurance finance expenses	—	—	2,236	—	2,236
Effect of movements in exchange rates	—	—	—	—	—
Total changes in the statement of comprehensive income	(15,052,835)	—	915,264	(1,230)	(14,138,801)
Other movements	14,082,855	—	(892,225)	—	13,190,630
Net insurance contract (assets)/liabilities as at 31/12	—	—	223,926	2,289	(226,215)
Insurance contract liabilities as at 31/12	—	—	223,926	2,289	226,215
Insurance contract assets as at 31/12	—	—	—	—	—
Net insurance contract (assets)/liabilities as at 31/12	—	—	223,926	2,289	(226,215)

Ocean International Reinsurance Company Limited

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(All amounts in United States dollars)

14. Insurance and reinsurance contracts ...continued

14.1. Roll-forward of net assets or liabilities for insurance contracts issued showing the (assets)/liabilities for remaining coverage and the liabilities for incurred claims ...continued

Bond

	2023				
	(Assets)/liabilities for remaining coverage		Liabilities for incurred claims		
	Excluding loss component	Loss component	Estimates of the present value of future cash flows	Risk adjustment	Total
Insurance contract liabilities as at 01/01	—	—	2,218,403	33,257	2,251,660
Insurance contract assets as at 01/01	—	—	—	—	—
Net insurance contract (assets)/liabilities as at 01/01	—	—	2,218,403	33,257	2,251,660
Insurance revenue	(24,135,973)	—	—	—	(24,135,973)
Insurance service expenses	2,786,045	—	3,073,396	24,011	5,883,452
Incurred claims and other expenses	—	—	—	—	—
Amortization of insurance acquisition cash flows	2,786,045	—	—	—	2,786,045
Losses on onerous contracts and reversals of those losses	—	—	—	—	—
Changes to liabilities for incurred claims	—	—	—	—	—
Impairment of assets for insurance acquisition cash flow	—	—	—	—	—
Reversal of impairment of assets for insurance acquisition cash flows	—	—	—	—	—
Investment components	—	—	—	—	—
Insurance service result	(21,349,928)	—	3,073,396	24,011	(18,252,521)
Insurance finance expenses	—	—	22,292	—	22,292
Effect of movements in exchange rates	—	—	—	—	—
Total changes in the statement of comprehensive income	(21,349,928)	—	3,095,688	24,011	(18,230,229)
Other movements	31,310,317	—	(3,080,283)	—	28,230,034
Net insurance contract (assets)/liabilities as at 31/12	9,960,389	—	2,233,808	57,268	12,251,465
Insurance contract liabilities as at 31/12	10,418,149	—	2,233,808	57,268	12,709,225
Insurance contract assets as at 31/12	(457,760)	—	—	—	(457,760)
Net insurance contract (assets)/liabilities as at 31/12	9,960,389	—	2,233,808	57,268	12,251,465

Ocean International Reinsurance Company Limited

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(All amounts in United States dollars)

14. Insurance and reinsurance contracts ...continued

14.1. Roll-forward of net assets or liabilities for insurance contracts issued showing the (assets)/liabilities for remaining coverage and the liabilities for incurred claims ...continued

Property

	2023				
	(Assets)/liabilities for remaining coverage		Liabilities for incurred claims		
	Excluding loss component	Loss component	Estimates of the present value of future cash flows	Risk adjustment	Total
Insurance contract liabilities as at 01/01	—	—	27,507,542	1,962,955	29,470,497
Insurance contract assets as at 01/01	(34,870,137)	—	—	—	(34,870,137)
Net insurance contract (assets)/liabilities as at 01/01	(34,870,137)	—	27,507,542	1,962,955	(5,399,640)
Insurance revenue	(252,431,458)	—	—	—	(252,431,458)
Insurance service expenses	27,771,363	—	72,440,825	784,116	100,996,304
Incurred claims and other expenses	—	—	—	—	—
Amortization of insurance acquisition cash flows	27,771,363	—	—	—	27,771,363
Losses on onerous contracts and reversals of those losses	—	—	—	—	—
Changes to liabilities for incurred claims	—	—	—	—	—
Impairment of assets for insurance acquisition cash flow	—	—	—	—	—
Reversal of impairment of assets for insurance acquisition cash flows	—	—	—	—	—
Investment components	—	—	—	—	—
Insurance service result	(224,660,095)	—	72,440,825	784,116	(151,435,154)
Insurance finance expenses	—	—	575,512	—	575,512
Effect of movements in exchange rates	—	—	—	—	—
Total changes in the statement of comprehensive income	(224,660,095)	—	73,016,337	784,116	(150,859,642)
Other movements	225,916,990	—	(61,974,712)	—	163,942,278
Net insurance contract (assets)/liabilities as at 31/12	(33,613,242)	—	38,549,167	2,747,071	7,682,996
Insurance contract liabilities as at 31/12	—	—	38,549,167	2,747,071	41,296,238
Insurance contract assets as at 31/12	(33,613,242)	—	—	—	(33,613,242)
Net insurance contract (assets)/liabilities as at 31/12	(33,613,242)	—	38,549,167	2,747,071	7,682,996

Ocean International Reinsurance Company Limited

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(All amounts in United States dollars)

14. Insurance and reinsurance contracts ...continued

14.1. Roll-forward of net assets or liabilities for insurance contracts issued showing the (assets)/liabilities for remaining coverage and the liabilities for incurred claims ...continued

(Asset)/liabilities for remaining coverage gross and liabilities for direct incurred claims gross (2022)

	2022				
	(Assets)/liabilities for remaining coverage		Liabilities for incurred claims		
	Excluding loss component	Loss component	Estimates of the present value of future cash flows	Risk adjustment	Total
Insurance contract liabilities as at 01/01	6,949,021	—	82,331,240	3,677,118	92,957,379
Insurance contract assets as at 01/01	(35,973,183)	17,326,122	—	—	(18,647,061)
Net insurance contract (assets)/liabilities as at 01/01	(29,024,162)	17,326,122	82,331,240	3,677,118	74,310,318
Insurance revenue	(450,276,446)	—	—	—	(450,276,446)
Insurance service expenses	70,436,678	(16,527,660)	141,734,187	5,091,198	200,734,403
Incurred claims and other expenses	—	—	—	—	—
Amortization of insurance acquisition cash flows	70,436,678	—	—	—	70,436,678
Reversal on onerous contracts and reversals of those losses	—	(16,527,660)	—	—	(16,527,660)
Changes to liabilities for incurred claims	—	—	—	—	—
Impairment of assets for insurance acquisition cash flow	—	—	—	—	—
Reversal of impairment of assets for insurance acquisition cash flows	—	—	—	—	—
Investment components	—	—	—	—	—
Insurance service result	(379,839,768)	(16,527,660)	141,734,187	5,091,198	(249,542,043)
Insurance finance expenses	—	—	(204,658)	—	(204,658)
Effect of movements in exchange rates	—	—	—	—	—
Total changes in the statement of comprehensive income	(379,839,768)	(16,527,660)	141,529,529	5,091,198	(249,746,701)
Allocation from assets for insurance acquisition cash flows to groups of insurance contracts	—	—	—	—	—
Other movements	289,761,804	—	(109,912,539)	—	179,849,265
Net insurance contract (assets)/liabilities as at 31/12	(119,102,126)	798,462	113,948,230	8,768,316	4,412,882
Insurance contract liabilities as at 31/12	2,573,716	—	113,948,230	8,768,316	125,290,262
Insurance contract assets as at 31/12	(121,675,842)	798,462	—	—	(120,877,380)
Net insurance contract (assets)/liabilities as at 31/12	(119,102,126)	798,462	113,948,230	8,768,316	4,412,882

Ocean International Reinsurance Company Limited

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(All amounts in United States dollars)

14. Insurance and reinsurance contracts ...continued

14.1. Roll-forward of net assets or liabilities for insurance contracts issued showing the (assets)/liabilities for remaining coverage and the liabilities for incurred claims. ...continued

Life

	2022				
	(Assets)/liabilities for remaining coverage		Liabilities for incurred claims		
	Excluding loss component	Loss component	Estimates of the present value of future cash flows	Risk adjustment	Total
Insurance contract liabilities as at 01/01	—	—	36,405,203	1,485,354	37,890,557
Insurance contract assets as at 01/01	(18,079,556)	17,243,266	—	—	(836,290)
Net insurance contract (assets)/liabilities as at 01/01	(18,079,556)	17,243,266	36,405,203	1,485,354	37,054,267
Insurance revenue	(131,440,527)	—	—	—	(131,440,527)
Insurance service expenses	20,217,026	(17,243,266)	71,322,775	4,162,239	78,458,774
Incurred claims and other expenses	—	—	—	—	—
Amortization of insurance acquisition cash flows	20,217,026	—	—	—	20,217,026
Losses on onerous contracts and reversals of those losses	—	(17,243,266)	—	—	(17,243,266)
Changes to liabilities for incurred claims	—	—	—	—	—
Impairment of assets for insurance acquisition cash flow	—	—	—	—	—
Reversal of impairment of assets for insurance acquisition cash flows	—	—	—	—	—
Investment components	—	—	—	—	—
Insurance service result	(111,223,501)	(17,243,266)	71,322,775	4,162,239	(52,981,753)
Insurance finance expenses	—	—	(112,367)	—	(112,367)
Effect of movements in exchange rates	—	—	—	—	—
Total changes in the statement of comprehensive income	(111,223,501)	(17,243,266)	71,210,408	4,162,239	(53,094,120)
Allocation from assets for insurance acquisition cash flows to groups of insurance contracts	—	—	—	—	—
Other movements	71,676,880	—	(49,533,304)	—	22,143,576
Net insurance contract (assets)/liabilities as at 31/12	(57,626,177)	—	58,082,307	5,647,593	6,103,723
Insurance contract liabilities as at 31/12	—	—	58,082,307	5,647,593	63,729,900
Insurance contract assets as at 31/12	(57,626,177)	—	—	—	(57,626,177)
Net insurance contract (assets)/liabilities as at 31/12	(57,626,177)	—	58,082,307	5,647,593	6,103,723

Ocean International Reinsurance Company Limited

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(All amounts in United States dollars)

14. Insurance and reinsurance contracts ...continued

14.1. Roll-forward of net assets or liabilities for insurance contracts issued showing the (assets)/liabilities for remaining coverage and the liabilities for incurred claims ...continued

Health

	2022				
	(Assets)/liabilities for remaining coverage		Liabilities for incurred claims		
	Excluding loss component	Loss component	Estimates of the present value of future cash flows	Risk adjustment	Total
Insurance contract liabilities as at 01/01	—	—	16,351,776	283,118	16,634,894
Insurance contract assets as at 01/01	(15,288,416)	82,855	—	—	(15,205,561)
Net insurance contract (assets)/liabilities as at 01/01	(15,288,416)	82,855	16,351,776	283,118	1,429,333
Insurance revenue	(52,580,836)	—	—	—	(52,580,836)
Insurance service expenses	9,133,703	(82,855)	20,627,885	728,902	30,407,635
Incurred claims and other expenses	—	—	—	—	—
Amortization of insurance acquisition cash flows	9,133,703	—	—	—	9,133,703
Losses on onerous contracts and reversals of those losses	—	(82,855)	—	—	(82,855)
Changes to liabilities for incurred claims	—	—	—	—	—
Impairment of assets for insurance acquisition cash flow	—	—	—	—	—
Reversal of impairment of assets for insurance acquisition cash flows	—	—	—	—	—
Investment components	—	—	—	—	—
Insurance service result	(43,447,133)	(82,855)	20,627,885	728,902	(22,173,201)
Insurance finance expenses	—	—	(32,993)	—	(32,993)
Effect of movements in exchange rates	—	—	—	—	—
Total changes in the statement of comprehensive income	(43,447,133)	(82,855)	20,594,892	728,902	(22,206,194)
Allocation from assets for insurance acquisition cash flows to groups of insurance contracts	—	—	—	—	—
Other movements	32,090,247	—	(13,966,079)	—	18,124,168
Net insurance contract (assets)/liabilities as at 31/12	(26,645,302)	—	22,980,589	1,012,020	(2,652,693)
Insurance contract liabilities as at 31/12	—	—	22,980,589	1,012,020	23,992,609
Insurance contract assets as at 31/12	(26,645,302)	—	—	—	(26,645,302)
Net insurance contract (assets)/liabilities as at 31/12	(26,645,302)	—	22,980,589	1,012,020	(2,652,693)

Ocean International Reinsurance Company Limited

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(All amounts in United States dollars)

14. Insurance and reinsurance contracts ...continued

14.1. Roll-forward of net assets or liabilities for insurance contracts issued showing the (assets)/liabilities for remaining coverage and the liabilities for incurred claims ...continued

Motor

	2022				
	(Assets)/liabilities for remaining coverage		Liabilities for incurred claims		
	Excluding loss component	Loss component	Estimates of the present value of future cash flows	Risk adjustment	Total
Insurance contract liabilities as at 01/01	—	—	6,453,344	171,691	6,625,035
Insurance contract assets as at 01/01	(269,403)	—	—	—	(269,403)
Net insurance contract (assets)/liabilities as at 01/01	(269,403)	—	6,453,344	171,691	6,355,632
Insurance revenue	(9,732,726)	—	—	—	(9,732,726)
Insurance service expenses	1,459,308	798,463	1,345,278	(62,718)	3,540,331
Incurred claims and other expenses	—	—	—	—	—
Amortization of insurance acquisition cash flows	1,459,308	—	—	—	1,459,308
Losses on onerous contracts and reversals of those losses	—	798,463	—	—	798,463
Changes to liabilities for incurred claims	—	—	—	—	—
Impairment of assets for insurance acquisition cash flow	—	—	—	—	—
Reversal of impairment of assets for insurance acquisition cash flows	—	—	—	—	—
Investment components	—	—	—	—	—
Insurance service result	(8,273,418)	798,463	1,345,278	(62,718)	(6,192,395)
Insurance finance expenses	—	—	(3,867)	—	(3,867)
Effect of movements in exchange rates	—	—	—	—	—
Total changes in the statement of comprehensive income	(8,273,418)	798,463	1,341,411	(62,718)	(6,196,262)
Allocation from assets for insurance acquisition cash flows to groups of insurance contracts	—	—	—	—	—
Other movements	7,612,330	—	(4,836,254)	—	2,776,076
Net insurance contract (assets)/liabilities as at 31/12	(930,491)	798,463	2,958,501	108,973	2,935,446
Insurance contract liabilities as at 31/12	—	—	2,958,501	108,973	3,067,474
Insurance contract assets as at 31/12	(930,491)	798,463	—	—	(132,028)
Net insurance contract (assets)/liabilities as at 31/12	(930,491)	798,463	2,958,501	108,973	2,935,446

Ocean International Reinsurance Company Limited

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(All amounts in United States dollars)

14. Insurance and reinsurance contracts ...continued

14.1. Roll-forward of net assets or liabilities for insurance contracts issued showing the (assets)/liabilities for remaining coverage and the liabilities for incurred claims ...continued

Liability

	2022				Total
	Liabilities for remaining coverage		Liabilities for incurred claims		
	Excluding loss component	Loss component	Estimates of the present value of future cash flows	Risk adjustment	
Insurance contract liabilities as at 01/01	5,662,890	—	97,354	11,363	5,771,607
Insurance contract assets as at 01/01	—	—	—	—	
Net insurance contract (assets)/liabilities as at 01/01	5,662,890	—	97,354	11,363	5,771,607
Insurance revenue	(30,668,876)	—	—	—	(30,668,876)
Insurance service expenses	4,117,842	—	(457,563)	(7,844)	3,652,435
Incurred claims and other expenses	—	—	—	—	—
Amortization of insurance acquisition cash flows	4,117,842	—	—	—	4,117,842
Losses on onerous contracts and reversals of those losses	—	—	—	—	—
Changes to liabilities for incurred claims	—	—	—	—	—
Impairment of assets for insurance acquisition cash flow	—	—	—	—	—
Reversal of impairment of assets for insurance acquisition cash flows	—	—	—	—	—
Investment components	—	—	—	—	—
Insurance service result	(26,551,034)	—	(457,563)	(7,844)	(27,016,441)
Insurance finance expenses	—	—	(108)	—	(108)
Effect of movements in exchange rates	—	—	—	—	—
Total changes in the statement of comprehensive income	(26,551,034)	—	(457,671)	(7,844)	(27,016,549)
Allocation from assets for insurance acquisition cash flows to groups of insurance contracts	—	—	—	—	—
Other movements	21,858,124	—	561,204	—	22,419,328
Net insurance contract (assets)/liabilities as at 31/12	969,980	—	200,887	3,519	1,174,386
Insurance contract liabilities as at 31/12	2,573,716	—	200,887	3,519	2,778,122
Insurance contract assets as at 31/12	(1,603,736)	—	—	—	(1,603,736)
Net insurance contract (assets)/liabilities as at 31/12	969,980	—	200,887	3,519	1,174,386

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14. Insurance and reinsurance contracts ...continued

14.1. Roll-forward of net assets or liabilities for insurance contracts issued showing the (assets)/liabilities for remaining coverage and the liabilities for incurred claims ...continued

Bonds

	2022				
	(Assets)/liabilities for remaining coverage		Liabilities for incurred claims		
	Excluding loss component	Loss component	Estimates of the present value of future cash flows	Risk adjustment	Total
Insurance contract liabilities as at 01/01	1,286,131	—	965,018	42,121	2,293,270
Insurance contract assets as at 01/01	—	—	—	—	—
Net insurance contract (assets)/liabilities as at 01/01	1,286,131	—	965,018	42,121	2,293,270
Insurance revenue	(12,321,673)	—	—	—	(12,321,673)
Insurance service expenses	1,918,065	—	1,561,667	(8,864)	3,470,868
Incurred claims and other expenses	—	—	—	—	—
Amortization of insurance acquisition cash flows	1,918,065	—	—	—	1,918,065
Losses on onerous contracts and reversals of those losses	—	—	—	—	—
Changes to liabilities for incurred claims	—	—	—	—	—
Impairment of assets for insurance acquisition cash flow	—	—	—	—	—
Reversal of impairment of assets for insurance acquisition cash flows	—	—	—	—	—
Investment components	—	—	—	—	—
Insurance service result	(10,403,608)	—	1,561,667	(8,864)	(8,850,805)
Insurance finance expenses	—	—	(836)	—	(836)
Effect of movements in exchange rates	—	—	—	—	—
Total changes in the statement of comprehensive income	(10,403,608)	-	1,560,831	(8,864)	(8,867,641)
Allocation from assets for insurance acquisition cash flows to groups of insurance contracts	—	—	—	—	—
Other movements	9,117,477	—	(307,446)	—	8,810,031
Net insurance contract (assets)/liabilities as at 31/12	—	—	2,218,403	33,257	2,251,660
Insurance contract liabilities as at 31/12	—	—	2,218,403	33,257	2,251,660
Insurance contract assets as at 31/12	—	—	—	—	—
Net insurance contract (assets)/liabilities as at 31/12	—	—	2,218,403	33,257	2,251,660

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(All amounts in United States dollars)

14. Insurance and reinsurance contracts ...continued

14.1. Roll-forward of net assets or liabilities for insurance contracts issued showing the (assets)/liabilities for remaining coverage and the liabilities for incurred claims ...continued

Property

	2022				
	(Assets)/liabilities for remaining coverage		Liabilities for incurred claims		
	Excluding loss component	Loss component	Estimates of the present value of future cash flows	Risk adjustment	Total
Insurance contract liabilities as at 01/01	—	—	22,058,545	1,683,471	23,742,016
Insurance contract assets as at 01/01	(2,335,807)	—	—	—	(2,335,807)
Net insurance contract (assets)/liabilities as at 01/01	(2,335,807)	—	22,058,545	1,683,471	21,406,209
Insurance revenue	(213,531,808)	—	—	—	(213,531,808)
Insurance service expenses	33,590,734	—	47,334,146	279,484	81,204,364
Incurred claims and other expenses	—	—	—	—	—
Amortization of insurance acquisition cash flows	33,590,734	—	—	—	33,590,734
Losses on onerous contracts and reversals of those losses	—	—	—	—	—
Changes to liabilities for incurred claims	—	—	—	—	—
Impairment of assets for insurance acquisition cash flow	—	—	—	—	—
Reversal of impairment of assets for insurance acquisition cash flows	—	—	—	—	—
Investment components	—	—	—	—	—
Insurance service result	(179,941,074)	—	47,334,146	279,484	(132,327,444)
Insurance finance expenses	—	—	(54,489)	—	(54,489)
Effect of movements in exchange rates	—	—	—	—	—
Total changes in the statement of comprehensive income	(179,941,074)	—	47,279,657	279,484	(132,381,933)
Allocation from assets for insurance acquisition cash flows to groups of insurance contracts	—	—	—	—	—
Other movements	147,406,744	—	(41,830,660)	—	105,576,084
Net insurance contract (assets)/liabilities as at 31/12	(34,870,137)	—	27,507,542	1,962,955	(5,399,640)
Insurance contract liabilities as at 31/12	—	—	27,507,542	1,962,955	29,470,497
Insurance contract assets as at 31/12	(34,870,137)	—	—	—	(34,870,137)
Net insurance contract (assets)/liabilities as at 31/12	(34,870,137)	—	27,507,542	1,962,955	(5,399,640)

Ocean International Reinsurance Company Limited

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(All amounts in United States dollars)

14. Insurance and reinsurance contracts ...continued

14.2. Roll-forward of net assets or liabilities for reinsurance contracts held showing the assets/liabilities for remaining coverage and the amounts recoverable for incurred claims

(Assets)/liabilities for remaining coverage ceded and amounts recoverable on direct incurred claims ceded

	2023			2022		
Reinsurance contracts held	Assets	Liabilities	Net	Assets	Liabilities	Net
Life	95,205,027	85,892,191	9,312,836	46,089,110	58,169,495	(12,080,385)
Health	1,515,197	5,156,311	(3,641,114)	1,200,917	2,487,430	(1,286,513)
Motor	2,160,024	2,463,751	(303,727)	2,713,158	730,130	1,983,028
Liability	259,209	—	259,209	429,208	159,192	270,016
Bond	12,061,739	2,894,824	9,166,915	1,559,840	1,760,571	(200,731)
Property	13,783,793	47,752,431	(33,968,638)	8,157,452	23,561,216	(15,403,764)
Total reinsurance contracts held	124,984,989	144,159,508	(19,174,519)	60,149,685	86,868,034	(26,718,349)

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14. Insurance and reinsurance contracts ...continued

14.2. Roll-forward of net assets or liabilities for reinsurance contracts held showing the assets/liabilities for remaining coverage and the amounts recoverable on for incurred claims ...continued

Assets/(Liabilities) for remaining coverage ceded and amounts recoverable on incurred claims ceded (2023)

	2023				
	Assets/(liabilities) for remaining coverage		Amounts recoverable on incurred claims		
	Excluding loss-recovery component	Loss-recovery component	Estimates of the present value of future cash flows	Risk adjustment	Total
Reinsurance contract assets as at 01/01	–	–	55,588,663	4,561,022	60,149,685
Reinsurance contract liabilities as at 01/01	(87,643,191)	775,157	–	–	(86,868,034)
Net reinsurance contract assets/(liabilities) as at 01/01	(87,643,191)	775,157	55,588,663	4,561,022	(26,718,349)
An allocation of reinsurance premiums	(313,353,021)	(382,588)	–	–	(313,735,609)
An allocation of premiums	(313,353,021)	–	–	6,654	(313,346,367)
Loss-recovery on onerous underlying contracts and adjustments	–	(382,588)	–	(6,654)	(389,242)
Amounts recoverable from reinsurers for incurred claims	–	–	92,258,507	2,929,053	95,187,560
Amounts recoverable for incurred claims and other expenses	–	–	–	–	–
Changes to amounts recoverable for incurred claims	–	–	–	–	–
Reinsurance Investment components	–	–	–	–	–
Net income or expense from reinsurance contracts held	(313,353,021)	(382,588)	92,258,507	2,929,053	(218,548,049)
Reinsurance finance income	–	–	1,013,368	–	1,013,368
Effect of changes in non-performance risk of reinsurers	–	–	–	–	–
Total changes in the statement of comprehensive income	(313,353,021)	(382,588)	93,271,875	2,929,053	(217,534,681)
Other movements	266,433,719	–	(41,355,208)	–	225,078,511
Net reinsurance contract assets/(liabilities) as at 31/12	(134,562,493)	392,569	107,505,330	7,490,075	(19,174,519)
Reinsurance contract assets as at 31/12	9,989,584	–	107,505,330	7,490,075	124,984,989
Reinsurance contract liabilities as at 31/12	(144,552,077)	392,569	–	–	(144,159,508)
Net reinsurance contract assets/(liabilities) as at 31/12	(134,562,493)	392,569	107,505,330	7,490,075	(19,174,159)

Ocean International Reinsurance Company Limited

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(All amounts in United States dollars)

14. Insurance and reinsurance contracts ...continued

14.2. Roll-forward of net assets or liabilities for reinsurance contracts held showing the assets/liabilities for remaining coverage and the amounts recoverable on incurred claims ...continued

Life

	2023				
	Liabilities for remaining coverage		Amounts recoverable on incurred claims		
	Excluding loss-recovery component	Loss-recovery component	Estimates of the present value of future cash flows	Risk adjustment	Total
Reinsurance contract assets as at 01/01	–	–	41,710,519	4,378,591	46,089,110
Reinsurance contract liabilities as at 01/01	(58,169,495)	–	–	–	(58,169,495)
Net reinsurance contract assets/(liabilities) as at 01/01	(58,169,495)	–	41,710,519	4,378,591	(12,080,385)
An allocation of reinsurance premiums	(119,023,952)	–	–	–	(119,023,952)
An allocation of premiums	(119,023,952)	–	–	–	(119,023,952)
Loss-recovery on onerous underlying contracts and adjustments	–	–	–	–	–
Amounts recoverable from reinsurers for incurred claims	–	–	70,436,478	2,525,922	72,962,400
Amounts recoverable for incurred claims and other expenses	–	–	–	–	–
Changes to amounts recoverable for incurred claims	–	–	–	–	–
Reinsurance Investment components	–	–	–	–	–
Net income or expense from reinsurance contracts held	(119,023,952)	–	70,436,478	2,525,922	(46,061,552)
Reinsurance finance income	–	–	832,571	–	832,571
Effect of changes in non-performance risk of reinsurers	–	–	–	–	–
Total changes in the statement of comprehensive income	(119,023,952)	–	71,269,049	2,525,922	(45,228,981)
Other movements	91,301,256	–	(24,679,054)	–	66,622,202
Net reinsurance contract assets/(liabilities) as at 31/12	(85,892,191)	–	88,300,514	6,904,513	9,312,836
Reinsurance contract assets as at 31/12	–	–	88,300,514	6,904,513	95,205,027
Reinsurance contract liabilities as at 31/12	(85,892,191)	–	–	–	(85,892,191)
Net reinsurance contract assets/(liabilities) as at 31/12	(85,892,191)	–	88,300,514	6,904,513	9,312,836

Ocean International Reinsurance Company Limited

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(All amounts in United States dollars)

14. Insurance and reinsurance contracts ...continued

14.2. Roll-forward of net assets or liabilities for reinsurance contracts held showing the assets/liabilities for remaining coverage and the amounts recoverable on incurred claims ...continued

Health

	2023				
	Liabilities for remaining coverage		Amounts recoverable on incurred claims		
	Excluding loss-recovery component	Loss-recovery component	Estimates of the present value of future cash flows	Risk adjustment	Total
Reinsurance contract assets as at 01/01	–	–	1,200,392	525	1,200,917
Reinsurance contract liabilities as at 01/01	(2,487,430)	–	–	–	(2,487,430)
Net reinsurance contract assets/(liabilities) as at 01/01	(2,487,430)	–	1,200,392	525	(1,286,513)
An allocation of reinsurance premiums	(13,544,205)	–	–	–	(13,544,205)
An allocation of premiums	(13,544,205)	–	–	–	(13,544,205)
Loss-recovery on onerous underlying contracts and adjustments	–	–	–	–	–
Amounts recoverable from reinsurers for incurred claims	–	–	214,315	69,589	283,904
Amounts recoverable for incurred claims and other expenses	–	–	–	–	–
Changes to amounts recoverable for incurred claims	–	–	–	–	–
Reinsurance Investment components	–	–	–	–	–
Net income or expense from reinsurance contracts held	(13,544,205)	–	214,315	69,589	(13,260,301)
Reinsurance finance income	–	–	6,341	–	6,341
Effect of changes in non-performance risk of reinsurers	–	–	–	–	–
Total changes in the statement of comprehensive income	(13,544,205)	–	220,656	69,589	(13,253,960)
Other movements	10,875,324	–	24,035	–	10,899,539
Net reinsurance contract assets/(liabilities) as at 31/12	(5,156,311)	–	1,445,083	70,114	(3,641,114)
Reinsurance contract assets as at 31/12	–	–	1,445,083	70,114	1,515,197
Reinsurance contract liabilities as at 31/12	(5,156,311)	–	–	–	(5,156,311)
Net reinsurance contract assets/(liabilities) as at 31/12	(5,156,311)	–	1,445,083	70,114	(3,641,114)

Ocean International Reinsurance Company Limited

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(All amounts in United States dollars)

14. Insurance and reinsurance contracts ...continued

14.2. Roll-forward of net assets or liabilities for reinsurance contracts held showing the assets/liabilities for remaining coverage and the amounts recoverable on incurred claims ...continued

Motor

	2023				
	(Liabilities)/assets for remaining coverage		Amounts recoverable on incurred claims		
	Excluding loss-recovery component	Loss-recovery component	Estimates of the present value of future cash flows	Risk adjustment	Total
Reinsurance contract assets as at 01/01	–	–	2,665,854	47,304	2,713,158
Reinsurance contract liabilities as at 01/01	(1,505,287)	775,157	–	–	(730,130)
Net reinsurance contract assets/(liabilities) as at 01/01	(1,505,287)	775,157	2,665,854	47,304	1,983,028
An allocation of reinsurance premiums	(7,041,330)	(382,588)	–	–	(7,423,918)
An allocation of premiums	(7,041,330)	–	–	6,654	(7,034,676)
Loss-recovery on onerous underlying contracts and adjustments	–	(382,588)	–	(6,654)	(389,242)
Amounts recoverable from reinsurers for incurred claims	–	–	3,324,085	33,932	3,358,017
Amounts recoverable for incurred claims and other expenses	–	–	–	–	–
Changes to amounts recoverable for incurred claims	–	–	–	–	–
Reinsurance Investment components	–	–	–	–	–
Net income or expense from reinsurance contracts held	(7,041,330)	(382,588)	3,324,085	33,932	(4,065,901)
Reinsurance finance income	–	–	34,745	–	34,745
Effect of changes in non-performance risk of reinsurers	–	–	–	–	–
Total changes in the statement of comprehensive income	(7,041,330)	(382,588)	3,358,830	33,932	(4,031,156)
Other movements	5,690,297	–	(3,945,896)	–	1,744,401
Net reinsurance contract assets/(liabilities) as at 31/12	(2,856,320)	392,569	2,078,788	81,236	(303,727)
Reinsurance contract assets as at 31/12	–	–	2,078,788	81,236	2,160,024
Reinsurance contract liabilities as at 31/12	(2,856,320)	392,569	–	–	(2,463,751)
Net reinsurance contract assets/(liabilities) as at 31/12	(2,856,320)	392,569	2,078,788	81,236	(303,727)

Ocean International Reinsurance Company Limited

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(All amounts in United States dollars)

14. Insurance and reinsurance contracts ...continued

13.2. Roll-forward of net assets or liabilities for reinsurance contracts held showing the assets/liabilities for remaining coverage and the amounts recoverable on incurred claims ...continued

Liability

	2023				
	Liabilities for remaining coverage		Amounts recoverable on incurred claims		
	Excluding loss-recovery component	Loss-recovery component	Estimates of the present value of future cash flows	Risk adjustment	Total
Reinsurance contract assets as at 01/01	–	–	429,208	–	429,208
Reinsurance contract liabilities as at 01/01	(159,192)	–	–	–	(159,192)
Net reinsurance contract assets/(liabilities) as at 01/01	(159,192)	–	429,208	–	(270,016)
An allocation of reinsurance premiums	(15,666,588)	–	–	–	(15,666,588)
An allocation of premiums	(15,666,588)	–	–	–	(15,666,588)
Loss-recovery on onerous underlying contracts and adjustments	–	–	–	–	–
Amounts recoverable from reinsurers for incurred claims	–	–	183,892	1,531	185,423
Amounts recoverable for incurred claims and other expenses	–	–	–	–	–
Changes to amounts recoverable for incurred claims	–	–	–	–	–
Reinsurance Investment components	–	–	–	–	–
Net income or expense from reinsurance contracts held	(15,666,588)	–	183,892	1,531	(15,481,165)
Reinsurance finance income	–	–	5,460	–	5,460
Effect of changes in non-performance risk of reinsurers	–	–	–	–	–
Total changes in the statement of comprehensive income	(15,666,588)	–	189,352	1,531	(15,475,705)
Other movements	15,825,780	–	(360,882)	–	15,464,898
Net reinsurance contract assets/(liabilities) as at 31/12	–	–	257,678	1,531	259,209
Reinsurance contract assets as at 31/12	–	–	257,678	1,531	259,209
Reinsurance contract liabilities as at 31/12	–	–	–	–	–
Net reinsurance contract assets/(liabilities) as at 31/12	–	–	257,678	1,531	259,209

Ocean International Reinsurance Company Limited

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(All amounts in United States dollars)

14. Insurance and reinsurance contracts ...continued

14.2. Roll-forward of net assets or liabilities for reinsurance contracts held showing the assets/liabilities for remaining coverage and the amounts recoverable on incurred claims ...continued

Bond

	2023				
	Assets for remaining coverage		Amounts recoverable on incurred claims		
	Excluding loss-recovery component	Loss-recovery component	Estimates of the present value of future cash flows	Risk adjustment	Total
Reinsurance contract assets as at 01/01	–	–	1,559,840	–	1,559,840
Reinsurance contract liabilities as at 01/01	(1,760,571)	–	–	–	(1,760,571)
Net reinsurance contract assets/(liabilities) as at 01/01	(1,760,571)	–	1,559,840	–	(200,731)
An allocation of reinsurance premiums	(18,310,220)	–	–	–	(18,310,220)
An allocation of premiums	(18,310,220)	–	–	–	(18,310,220)
Loss-recovery on onerous underlying contracts and adjustments	–	–	–	–	–
Amounts recoverable from reinsurers for incurred claims	–	–	1,946,453	61,781	2,008,234
Amounts recoverable for incurred claims and other expenses	–	–	–	–	–
Changes to amounts recoverable for incurred claims	–	–	–	–	–
Reinsurance Investment components	–	–	–	–	–
Net income or expense from reinsurance contracts held	(18,310,220)	–	1,946,453	61,781	(16,301,986)
Reinsurance finance income	–	–	12,818	–	12,818
Effect of changes in non-performance risk of reinsurers	–	–	–	–	–
Total changes in the statement of comprehensive income	(18,310,220)	–	1,959,271	61,781	(16,289,168)
Other movements	27,165,551	–	(1,508,737)	–	25,656,814
Net reinsurance contract assets/(liabilities) as at 31/12	7,094,760	–	2,010,374	61,781	9,166,915
Reinsurance contract assets as at 31/12	9,989,584	–	2,010,374	61,781	12,061,739
Reinsurance contract liabilities as at 31/12	(2,894,824)	–	–	–	(2,894,824)
Net reinsurance contract assets/(liabilities) as at 31/12	7,094,760	–	2,010,374	61,781	9,166,915

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(All amounts in United States dollars)

14. Insurance and reinsurance contracts ...continued

14.2. Roll-forward of net assets or liabilities for reinsurance contracts held showing the assets/liabilities for remaining coverage and the amounts recoverable on incurred claims ...continued

Property

	2023				
	Liabilities for remaining coverage		Amounts recoverable on incurred claims		
	Excluding loss-recovery component	Loss-recovery component	Estimates of the present value of future cash flows	Risk adjustment	Total
Reinsurance contract assets as at 01/01	–	–	8,022,850	134,602	8,157,452
Reinsurance contract liabilities as at 01/01	(23,561,216)	–	–	–	(23,561,216)
Net reinsurance contract assets/(liabilities) as at 01/01	(23,561,216)	–	8,022,850	134,602	(15,403,764)
An allocation of reinsurance premiums	(139,766,726)	–	–	–	(139,766,726)
An allocation of premiums	(139,766,726)	–	–	–	(139,766,726)
Loss-recovery on onerous underlying contracts and adjustments	–	–	–	–	–
Amounts recoverable from reinsurers for incurred claims	–	–	16,153,284	236,299	16,389,583
Amounts recoverable for incurred claims and other expenses	–	–	–	–	–
Changes to amounts recoverable for incurred claims	–	–	–	–	–
Reinsurance Investment components	–	–	–	–	–
Net income or expense from reinsurance contracts held	(139,766,726)	–	16,153,284	236,299	(123,377,143)
Reinsurance finance income	–	–	121,432	–	121,432
Effect of changes in non-performance risk of reinsurers	–	–	–	–	–
Total changes in the statement of comprehensive income	(139,766,726)	–	16,274,716	236,299	(123,255,711)
Other movements	115,575,511	–	(10,884,674)	–	104,690,837
Net reinsurance contract assets/(liabilities) as at 31/12	(47,752,431)	–	13,412,892	370,901	(33,968,638)
Reinsurance contract assets as at 31/12	–	–	13,412,892	370,901	13,783,793
Reinsurance contract liabilities as at 31/12	(47,752,431)	–	–	–	(47,752,431)
Net reinsurance contract assets/(liabilities) as at 31/12	(47,752,431)	–	13,412,892	370,901	(33,968,638)

Ocean International Reinsurance Company Limited

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(All amounts in United States dollars)

14. Insurance and reinsurance contracts ...continued

14.2. Roll-forward of net assets or liabilities for reinsurance contracts held showing the assets/liabilities for remaining coverage and the amounts recoverable on incurred claims...continued

Assets/liabilities for remaining coverage ceded and amounts recoverable on incurred claims ceded (2022)

	2022				
	Assets/(liabilities) for remaining coverage		Amounts recoverable on incurred claims		
	Excluding loss-recovery component	Loss-recovery component	Estimates of the present value of future cash flows	Risk adjustment	Total
Reinsurance contract assets as at 01/01	4,233,495	77,295	32,057,503	1,193,762	37,562,055
Reinsurance contract liabilities as at 01/01	(17,389,388)	5,078,179	—	—	(12,311,209)
Net reinsurance contract assets/(liabilities) as at 01/01	(13,155,893)	5,155,474	32,057,503	1,193,762	25,250,846
An allocation of reinsurance premiums	(243,399,941)	(4,380,317)	—	—	(247,780,258)
An allocation of premiums	(243,399,941)	—	—	—	(243,399,941)
Loss-recovery on onerous underlying contracts and adjustments	—	(4,380,317)	—	—	(4,380,317)
Amounts recoverable from reinsurers for incurred claims	—	—	61,343,618	3,367,260	64,710,878
Amounts recoverable for incurred claims and other expenses	—	—	—	—	—
Changes to amounts recoverable for incurred claims	—	—	—	—	—
Reinsurance Investment components	—	—	—	—	—
Net income or expense from reinsurance contracts held	(243,399,941)	(4,380,317)	61,343,618	3,367,260	(183,069,380)
Reinsurance finance income	—	—	69,430	—	69,430
Effect of changes in non-performance risk of reinsurers	—	—	—	—	—
Total changes in the statement of comprehensive income	(243,399,941)	(4,380,317)	61,413,048	3,367,260	(182,999,950)
Other movements	168,912,643	—	(37,881,888)	—	131,030,755
Net reinsurance contract assets/(liabilities) as at 31/12	(87,643,191)	775,157	55,588,663	4,561,022	(26,718,349)
Reinsurance contract assets as at 31/12	—	—	55,588,663	4,561,022	60,149,685
Reinsurance contract liabilities as at 31/12	(87,643,191)	775,157	—	—	(86,868,034)
Net reinsurance contract assets/(liabilities) as at 31/12	(87,643,191)	775,157	55,588,663	4,561,022	(26,718,349)

Ocean International Reinsurance Company Limited

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(All amounts in United States dollars)

14. Insurance and reinsurance contracts ...continued

14.2. Roll-forward of net assets or liabilities for reinsurance contracts held showing the assets/liabilities for remaining coverage and the amounts recoverable on incurred claims...continued

Life

	2022				
	Liabilities for remaining coverage		Amounts recoverable on incurred claims		
	Excluding loss-recovery component	Loss-recovery component	Estimates of the present value of future cash flows	Risk adjustment	Total
Reinsurance contract assets as at 01/01	—	—	16,727,117	917,512	17,644,629
Reinsurance contract liabilities as at 01/01	(11,089,827)	5,078,178	—	—	(6,011,649)
Net reinsurance contract assets/(liabilities) as at 01/01	(11,089,827)	5,078,178	16,727,117	917,512	11,632,980
An allocation of reinsurance premiums	(82,040,825)	(5,078,178)	—	—	(87,119,003)
An allocation of premiums	(82,040,825)	—	—	—	(82,040,825)
Loss-recovery on onerous underlying contracts and adjustments	—	(5,078,178)	—	—	(5,078,178)
Amounts recoverable from reinsurers for incurred claims	—	—	40,804,610	3,461,079	44,265,689
Amounts recoverable for incurred claims and other expenses	—	—	—	—	—
Changes to amounts recoverable for incurred claims	—	—	—	—	—
Reinsurance Investment components	—	—	—	—	—
Net income or expense from reinsurance contracts held	(82,040,825)	(5,078,178)	40,804,610	3,461,079	(42,853,314)
Reinsurance finance income	—	—	60,401	—	60,401
Effect of changes in non-performance risk of reinsurers	—	—	—	—	—
Total changes in the statement of comprehensive income	(82,040,825)	(5,078,179)	40,865,011	3,461,079	(42,792,913)
Other movements	34,961,157	—	(15,881,609)	—	19,079,548
Net reinsurance contract assets/(liabilities) as at 31/12	(58,169,495)	—	41,710,519	4,378,591	(12,080,385)
Reinsurance contract assets as at 31/12	—	—	41,710,519	4,378,591	46,089,110
Reinsurance contract liabilities as at 31/12	(58,169,495)	—	—	—	(58,169,495)
Net reinsurance contract assets/(liabilities) as at 31/12	(58,169,495)	—	41,710,519	4,378,591	(12,080,385)

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(All amounts in United States dollars)

14. Insurance and reinsurance contracts ...continued

14.2. Roll-forward of net assets or liabilities for reinsurance contracts held showing the assets/liabilities for remaining coverage and the amounts recoverable on incurred claims...continued

Health

	2022				
	Liabilities for remaining coverage		Amounts recoverable on incurred claims		
	Excluding loss-recovery component	Loss-recovery component	Estimates of the present value of future cash flows	Risk adjustment	Total
Reinsurance contract assets as at 01/01	412,505	412,505	1,633,735	6,937	2,465,682
Reinsurance contract liabilities as at 01/01	—	—	—	—	—
Net reinsurance contract assets/(liabilities) as at 01/01	412,505	412,505	1,633,735	6,937	2,465,682
An allocation of reinsurance premiums	(8,522,292)	(77,295)	—	—	(8,599,587)
An allocation of premiums	(8,522,292)	—	—	—	(8,522,292)
Loss-recovery on onerous underlying contracts and adjustments	—	(77,295)	—	—	(77,295)
Amounts recoverable from reinsurers for incurred claims	—	—	859,751	(6,412)	853,339
Amounts recoverable for incurred claims and other expenses	—	—	—	—	—
Changes to amounts recoverable for incurred claims	—	—	—	—	—
Reinsurance Investment components	—	—	—	—	—
Net income or expense from reinsurance contracts held	(8,522,292)	(77,295)	859,751	(6,412)	(7,746,248)
Reinsurance finance income	—	—	121	—	121
Effect of changes in non-performance risk of reinsurers	—	—	—	—	—
Total changes in the statement of comprehensive income	(8,522,292)	(77,295)	859,872	(6,412)	(7,746,127)
Other movements	5,622,357	(335,210)	(1,293,215)	—	3,993,932
Net reinsurance contract assets/(liabilities) as at 31/12	(2,487,430)	—	1,200,392	525	(1,286,513)
Reinsurance contract assets as at 31/12	—	—	1,200,392	525	1,200,917
Reinsurance contract liabilities as at 31/12	(2,487,430)	—	—	—	(2,487,430)
Net reinsurance contract assets/(liabilities) as at 31/12	(2,487,430)	—	1,200,392	525	(1,286,513)

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14. Insurance and reinsurance contracts ...continued

14.2. Roll-forward of net assets or liabilities for reinsurance contracts held showing the assets/liabilities for remaining coverage and the amounts recoverable on incurred claims...continued

Motor

	2022				
	Assets/(liabilities) for remaining coverage		Amounts recoverable on incurred claims		
	Excluding loss-recovery component	Loss-recovery component	Estimates of the present value of future cash flows	Risk adjustment	Total
Reinsurance contract assets as at 01/01	—	—	2,131,777	60,890	2,192,667
Reinsurance contract liabilities as at 01/01	(1,346,585)	—	—	—	(1,346,585)
Net reinsurance contract assets/(liabilities) as at 01/01	(1,346,585)	—	2,131,777	60,890	846,082
An allocation of reinsurance premiums	(7,622,582)	775,157	—	—	(6,847,425)
An allocation of premiums	(7,622,582)	—	—	—	(7,622,582)
Loss-recovery on onerous underlying contracts and adjustments	—	775,157	—	—	775,157
Amounts recoverable from reinsurers for incurred claims	—	—	1,926,243	(13,586)	1,912,657
Amounts recoverable for incurred claims and other expenses	—	—	—	—	—
Changes to amounts recoverable for incurred claims	—	—	—	—	—
Reinsurance Investment components	—	—	—	—	—
Net income or expense from reinsurance contracts held	(7,622,582)	775,157	1,926,243	(13,586)	(4,934,768)
Reinsurance finance income	—	—	2,209	—	2,209
Effect of changes in non-performance risk of reinsurers	—	—	—	—	—
Total changes in the statement of comprehensive income	(7,622,582)	775,157	1,928,452	(13,586)	(4,932,559)
Other movements	7,463,880	—	(1,394,375)	—	6,069,505
Net reinsurance contract assets/(liabilities) as at 31/12	(1,505,287)	775,157	2,665,854	47,304	1,983,028
Reinsurance contract assets as at 31/12	—	—	2,665,854	47,304	2,713,158
Reinsurance contract liabilities as at 31/12	(1,505,287)	775,157	—	—	(730,130)
Net reinsurance contract assets/(liabilities) as at 31/12	(1,505,287)	775,157	2,665,854	47,304	1,983,028

Ocean International Reinsurance Company Limited

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14. Insurance and reinsurance contracts ...continued

14.2. Roll-forward of net assets or liabilities for reinsurance contracts held showing the assets/liabilities for remaining coverage and the amounts recoverable on incurred claims...continued

Liability

	2022				
	Liabilities for remaining coverage		Amounts recoverable on incurred claims		
	Excluding loss-recovery component	Loss-recovery component	Estimates of the present value of future cash flows	Risk adjustment	Total
Reinsurance contract assets as at 01/01	1,438,999	—	45,159	305	1,484,463
Reinsurance contract liabilities as at 01/01	—	—	—	—	—
Net reinsurance contract assets/(liabilities) as at 01/01	1,438,999	—	45,159	305	1,484,463
An allocation of reinsurance premiums	(23,649,355)	—	—	—	(23,649,355)
An allocation of premiums	(23,649,355)	—	—	—	(23,649,355)
Loss-recovery on onerous underlying contracts and adjustments	—	—	—	—	—
Amounts recoverable from reinsurers for incurred claims	—	—	—	(305)	(305)
Amounts recoverable for incurred claims and other expenses	—	—	—	—	—
Changes to amounts recoverable for incurred claims	—	—	—	—	—
Reinsurance Investment components	—	—	—	—	—
Net income or expense from reinsurance contracts held	(23,649,355)	—	—	(305)	(23,649,660)
Reinsurance finance income	—	—	204	—	204
Effect of changes in non-performance risk of reinsurers	—	—	—	—	—
Total changes in the statement of comprehensive income	(23,649,355)	—	204	(305)	(23,649,456)
Other movements	22,051,164	—	383,845	—	22,435,009
Net reinsurance contract assets/(liabilities) as at 31/12	(159,192)	—	429,208	—	270,016
Reinsurance contract assets as at 31/12	—	—	429,208	—	429,208
Reinsurance contract liabilities as at 31/12	(159,192)	—	—	—	(159,192)
Net reinsurance contract assets/(liabilities) as at 31/12	(159,192)	—	429,208	—	270,016

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14. Insurance and reinsurance contracts ...continued

14.2. Roll-forward of net assets or liabilities for reinsurance contracts held showing the assets/liabilities for remaining coverage and the amounts recoverable on incurred claims...continued

Bonds

	2022				
	Liabilities for remaining coverage		Amounts recoverable on incurred claims		
	Excluding loss-recovery component	Loss-recovery component	Estimates of the present value of future cash flows	Risk adjustment	Total
Reinsurance contract assets as at 01/01	2,381,991	—	—	—	2,381,991
Reinsurance contract liabilities as at 01/01	—	—	—	—	—
Net reinsurance contract assets/(liabilities) as at 01/01	2,381,991	—	—	—	2,381,991
An allocation of reinsurance premiums	(6,901,303)	—	—	—	(6,901,303)
An allocation of premiums	(6,901,303)	—	—	—	(6,901,303)
Loss-recovery on onerous underlying contracts and adjustments	—	—	—	—	—
Amounts recoverable from reinsurers for incurred claims	—	—	3,318,615	—	3,318,615
Amounts recoverable for incurred claims and other expenses	—	—	—	—	—
Changes to amounts recoverable for incurred claims	—	—	—	—	—
Reinsurance Investment components	—	—	—	—	—
Net income or expense from reinsurance contracts held	(6,901,303)	—	3,318,615	—	(3,582,688)
Reinsurance finance income	—	—	67	—	67
Effect of changes in non-performance risk of reinsurers	—	—	—	—	—
Total changes in the statement of comprehensive income	(6,901,303)	—	3,318,682	—	(3,582,621)
Other movements	2,758,741	—	(1,758,842)	—	999,899
Net reinsurance contract assets/(liabilities) as at 31/12	(1,760,571)	—	1,559,840	—	(200,731)
Reinsurance contract assets as at 31/12	—	—	1,559,840	—	1,559,840
Reinsurance contract liabilities as at 31/12	(1,760,571)	—	—	—	(1,760,571)
Net reinsurance contract assets/(liabilities) as at 31/12	(1,760,571)	—	1,559,840	—	(200,731)

Ocean International Reinsurance Company Limited

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14. Insurance and reinsurance contracts ...continued

14.2. Roll-forward of net assets or liabilities for reinsurance contracts held showing the assets/liabilities for remaining coverage and the amounts recoverable on incurred claims...continued

Property

	2022				
	Liabilities for remaining coverage		Amounts recoverable on incurred claims		
	Excluding loss-recovery component	Loss-recovery component	Estimates of the present value of future cash flows	Risk adjustment	Total
Reinsurance contract assets as at 01/01	—	—	11,519,715	208,118	11,727,833
Reinsurance contract liabilities as at 01/01	(4,952,976)	—	—	—	(4,952,976)
Net reinsurance contract assets/(liabilities) as at 01/01	(4,952,976)	—	11,519,715	208,118	6,774,857
An allocation of reinsurance premiums	(114,663,584)	—	—	—	(114,663,584)
An allocation of premiums	(114,663,584)	—	—	—	(114,663,584)
Loss-recovery on onerous underlying contracts and adjustments	—	—	—	—	—
Amounts recoverable from reinsurers for incurred claims	—	—	14,434,399	(73,515)	14,360,884
Amounts recoverable for incurred claims and other expenses	—	—	—	—	—
Changes to amounts recoverable for incurred claims	—	—	—	—	—
Reinsurance Investment components	—	—	—	—	—
Net income or expense from reinsurance contracts held	(114,663,584)	—	14,434,399	(73,515)	(100,302,700)
Reinsurance finance income	—	—	6,427	—	6,427
Effect of changes in non-performance risk of reinsurers	—	—	—	—	—
Total changes in the statement of comprehensive income	(114,663,584)	—	14,440,826	(73,515)	(100,296,273)
Other movements	96,055,344	—	(17,937,692)	—	78,117,652
Net reinsurance contract assets/(liabilities) as at 31/12	(23,561,216)	—	8,022,849	134,603	(15,403,764)
Reinsurance contract assets as at 31/12	—	—	8,022,849	134,603	8,157,452
Reinsurance contract liabilities as at 31/12	(23,561,216)	—	—	—	(23,561,216)
Net reinsurance contract assets/(liabilities) as at 31/12	(23,561,216)	—	8,022,849	134,603	(15,403,764)

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15. Equity instruments at fair value through profit or loss

The breakdown of financial assets related to equity instruments measured at FVTPL is, as follows:

Fair value	2023	2022	January 1, 2022
Funds	951,215	168,084	3,066,416
Shares	5,499,477	—	—
Exchange-traded commodities	488,753	—	—
Total equity instruments at FVTPL	6,939,445	168,084	3,066,416

16. Debt and equity instruments at fair value through other comprehensive income

The breakdown of debt and equity instruments measured at FVOCI is, as follows, for information relating to impairment refer to note 5.2.3.3.1

Debt instruments measured at FVOCI	2023	2022	January 1, 2022
Corporate bonds	6,441,373	2,677,110	1,672,050
Debt – T-Bills	33,347,305	4,472,243	—
US bonds	1,429,847	—	—
Sovereign Bonds	1,085,202	—	—
Total debt instruments measured at FVOCI	42,303,727	7,149,353	1,672,050
Equity instruments measured at FVOCI			
Funds	47,929,943	60,036,836	64,692,540
Shares	5,657,210	5,122,407	5,529,407
Total equity instruments measured at FVOCI	53,587,153	65,159,243	70,221,947
Total debt and equity instruments measured at FVOCI	95,890,880	72,308,596	71,893,997

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17. Financial instruments at amortized cost

The breakdown of financial instruments measured at amortized cost is, as follows, for information relating to impairment refer to note 5.2.3.3.2.

Financial instruments at amortized cost	2023 \$	2022 \$
Debt instruments at amortized cost	32,454,613	28,346,639
<i>Time deposit</i>	30,704,787	26,846,829
<i>Preferred shares</i>	1,749,826	1,499,810
Receivable from related parties (note 13)	3,995,601	2,460,416
Other receivables	7,027,111	5,457,880
Cash (note 18)	61,713,078	52,074,738
Total financial instruments at amortized cost	105,190,403	88,339,673

The debt instruments earn interest at a rate of 0.3% – 7.25%

Other receivables is comprised of due from shareholder balances (note 13) as well as other receivable balances from third parties and financial institutions which are non-interest bearing.

18. Cash

Cash is comprised as follows:

	2023 \$	2022 \$
Checking accounts	60,275,360	50,790,167
Savings accounts	1,437,718	1,284,571
	61,713,078	52,074,738

Cash comprises of short-term deposits made for varying periods of between one day and three months, depending on the immediate cash requirements of the Company. These deposits are held at various financial institutions.

The carrying amount disclosed above reasonably approximates its fair value at the reporting date.

Checking accounts are interest-free. Savings accounts generate an annual interest rate of 0.3% and 2.5% (2022: 0.3% and 2.5%).

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(All amounts in United States dollars)

19. Other assets

	2023	2022
Funds pending processing	4,007,067	3,038,696
Prepayments and deposits	1,193,580	1,787,012
	5,200,647	4,825,708

20. Properties, furniture, equipment and improvements

Details of the Company's properties, furniture, equipment and improvements and their carrying amounts are as follows:

	Property	Property improvements	Furniture and fixtures	Computer equipment	Total
2023					
Gross carrying amount					
Balance at the beginning	3,316,513	322,798	123,870	190,689	3,953,870
Additions	94,435	—	30,421	47,617	172,473
Acquisition of subsidiary	2,331,530	—	—	—	2,331,530
Disposal of subsidiary	(948,840)	—	(113,998)	(42,373)	(1,105,211)
Revaluation increase	71,720	—	—	—	71,720
Balance at the end	4,865,358	322,798	40,293	195,933	5,424,382
Depreciation and impairment					
Balance at the beginning	(572,279)	(320,945)	(102,118)	(111,966)	(1,107,308)
Depreciation	(286,720)	(1,171)	(2,595)	(53,731)	(344,217)
Depreciation on revaluation surplus	(9,236)	—	—	—	(9,236)
Write back of depreciation on disposal of subsidiary	36,932	—	96,458	41,267	174,657
Balance at the end	(831,303)	(322,116)	(8,255)	(124,430)	(1,286,104)
Balance as at December 31, 2023	4,034,055	682	32,038	71,503	4,138,278
2022					
Gross carrying amount					
Balance at the beginning	2,968,264	322,798	106,233	146,440	3,543,735
Additions	348,249	—	17,637	43,960	409,846
Acquisition of subsidiary	—	—	—	289	289
Balance at the end	3,316,513	322,798	123,870	190,689	3,953,870
Depreciation and impairment					
Balance at the beginning	(416,387)	(319,872)	(97,118)	(93,993)	(927,370)
Depreciation	(146,656)	(1,073)	(5,000)	(17,973)	(170,702)
Depreciation on revaluation surplus	(9,236)	—	—	—	(9,236)
Balance at the end	(572,279)	(320,945)	(102,118)	(111,966)	(1,107,308)
Balance as at December 31, 2022	2,744,234	1,853	21,752	78,723	2,846,562

Ocean International Reinsurance Company Limited

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21. Other payables

Other payables consist of the following:

	2023	2022
Funds received pending processing and others	11,207,840	12,907,923
Bonus payable	1,147,136	757,146
Guarantee deposit received	3,000	3,000
	<u>12,357,976</u>	<u>13,668,069</u>

22. Equity

Common Shares

The Company is authorized to issue an unlimited number of common shares at a stated value of \$1 per share. The number of common shares issued and outstanding on December 31, 2023 was 101,450 (2022: 101,450).

	2023	2022
Ordinary shares:		
101,450 (2022: 101,450) issued and outstanding, US\$1 par value	<u>101,450</u>	<u>101,450</u>

The Board of Directors of the Company declared and authorized the payment of dividends during 2023 in amount of \$20,049,121 (2022: \$9,676,245).

Additional paid in capital

During the financial year ended December 31, 2022, the Board of Directors approved a resolution to transfer \$25,000,000 from retained earnings to additional paid in capital. No such transfer was completed in the current year.

23. Non-cash transactions

During the year ended December 31, 2022, an amount of \$517,230 has been offset by a dividend received from the Company's associates and receivables from related parties. There was no such transfer in the current year.

24. Contingencies

The Company, like all other insurers, is subject to litigation in the normal course of its business. As of the date of approval of the financial statements, the Company does not believe that any material litigation matters exist, which may have a material effect on its financial statements.

Ocean International Reinsurance Company Limited

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25. Events after the reporting period

No adjusting or significant non-adjusting events have occurred between the December 31, 2023 reporting date and the date of authorization.

26. Subsidiary and related companies

	% of Ownership	
	2023	2022
Marcussi Reinsurance, SCC	100%	100%
American International Insurance Managers Limited	100%	100%
American Insurance Managers, S.A.	100%	100%
Oceva Risk Solutions Limited	100%	100%
Gala Intl Services LLC	100%	100%
Insight Data S.A.S.	100%	100%
Second Street Properties	100%	—
Ocean Re Administradora de Reaseguros, S.A.	24.15%	100%

27. Business combinations

A Purchase Agreement was entered into by the Company to acquire Oceva Risk Solutions Limited (“Oceva”) on July 8, 2022 and Gala USA and Insight Reinsurance (collectively “Insight”) on August 15, 2022. At the date of completion of the transactions, the Company owned all of the shares issued and outstanding for the companies. The details of the business combination as follows:

	2022 \$
Oceva Risk Solutions Limited	
Fair value of consideration transferred	
Amount settled in cash	<u>6,223,594</u>
Recognised amounts of identifiable net assets	
Cash	902,439
Properties, furniture, equipment and improvements	289
Intangible asset	17,323,849
Other assets	19,997
Other payables	<u>(729,555)</u>
Total identifiable net assets	<u>17,517,019</u>
Bargain purchase gain on acquisition	<u>(11,293,425)</u>

Ocean International Reinsurance Company Limited

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(All amounts in United States dollars)

26. Business combinations ...continued

	2022 \$
Gala USA and Insight Reinsurance	
Fair value of consideration transferred	
Amount settled in cash	<u>1,134,243</u>
Recognised amounts of identifiable net assets	
Cash	1,145,276
Intangible asset	2,345,080
Other assets	2,453
Other payables	<u>(1,008,091)</u>
Total identifiable net assets	<u>2,484,718</u>
Bargain purchase gain on acquisition	<u>(1,350,475)</u>

Consideration transferred

The transferred consideration under the above-mentioned Agreement is as follows:

- a) In the case of Oceva, the Company was acquired for a total cash consideration of \$6,223,594; and,
- b) In the case of Gala and Insight, the Companies were acquired for total cash of \$1,134,243 along with a deferred payment of \$1,000,000.

This represents an economic ownership of 100%.

Identifiable net assets

Once the business combination was completed, the identifiable net assets of the Company amounted to \$21,001,739, representing an economic ownership of \$21,001,739, as per its holding percentage of 100%.

Bargain purchase

The identifiable net assets of the Company amounted to \$21,001,739. Given the transferred consideration amounted to \$8,357,837, the result translates into a bargain purchase of \$12,643,900 at acquisition date.

Intangible assets

As a result of the business combination, the following intangible assets have been recognised:

	2023 \$	2022 \$
Oceva Risk Solutions Limited		
Brand	14,736,580	14,736,580
Customer relationships	<u>2,587,270</u>	<u>2,587,270</u>
	<u>17,323,850</u>	<u>17,323,850</u>

Ocean International Reinsurance Company Limited

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December 31, 2023

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27. Business combinations ...continued

	2023	2022
	\$	\$
Gala USA and Insight Reinsurance		
Brand	2,295,175	2,295,175
Customer relationships	49,905	49,905
	<u>2,345,080</u>	<u>2,345,080</u>
Gross intangible assets	<u>19,668,930</u>	<u>19,668,930</u>

Carrying value of intangible assets as at year-end are as follows:

	2023	2022
	\$	\$
Customer relationships		
Balance at January 1	2,637,175	—
Acquisition	—	2,637,175
Amortization	<u>(397,417)</u>	<u>—</u>
Balance at December 31	2,239,758	2,637,175
Brand		
Balance at December 31	<u>17,031,755</u>	<u>17,031,755</u>
	<u>19,271,513</u>	<u>19,668,930</u>

At the end of the reporting period, management completed an assessment for impairment of the intangible assets and determined that the intangible assets were not impaired. As a result of this no impairment allowance was recognised.