

## NOTES TO FINANCIAL HIGHLIGHTS

## GENERAL

The financial statements of Aska Levenverzekering N.V. are prepared in accordance with book 2 of Civil Code and based on the firm pronouncements in the Dutch Accounting Standards, as published by the Dutch Accounting Standards Board (Raad voor de Jaarverslaggeving).

Assets and liabilities are generally valued at historical cost or at fair value at the time of acquisition. If no specific valuation principle has been stated, valuation is at historical cost.

The Supervisory Board of the Company has approved these Financial Statements on 28 March 2019.

## FINANCIAL ASSETS

Investments at amortized cost are non-derivative financial assets with fixed or determinable payments and fixed maturities for which the company's management has a positive intention and ability to hold to maturity. Fixed income securities are valued at face value.

## RECEIVABLES

Receivables from brokers are valued at face value less a provision for non-collectability.

## CAPITAL AND SURPLUS

The share capital and surplus are carried out at nominal value. There are subordinated loans committed by shareholders.

## TECHNICAL PROVISION

The (reinsured) provision for life policy liabilities is principally calculated according to the net reserve method using mortality tables and interest rates customary in the industry, almost without exception in the range of 3-4%.

## REINSURANCE RISK

The reinsurers' shares in insurance reserves and outstanding claims are presented in the balance sheet, net of an allowance for doubtful or bad debts, based on management's estimate. In order to reduce the insurance risks, the company utilizes a reinsurance program. The majority of reinsurance business ceded is placed on a quota share /excess of loss basis with retention limits varying by product line. Amounts recoverable from reinsurers are estimated in a manner consistent with the assumptions used for ascertaining the underlying policy benefits and are presented in the balance sheet as reinsurance assets. Although the Company has reinsurance arrangements, it is not relieved of its direct obligations to its policy holders and thus a credit exposure exists with respect to reinsurance ceded, to the extent that any reinsurer is unable to meet its obligations under such reinsurance agreements. Reinsurance is placed with high rated counterparties and concentration of risk is avoided by following policy guidelines in respect of counterparties' limits that are set each year and are subject to regular reviews.

At each year end, management performs assessment of creditworthiness of reinsurers to update reinsurance purchase strategy and ascertaining suitable allowance for impairment of reinsurance assets.

## CONTINGENT LIABILITIES

In the normal course of business, the Company enters into commitments at balance sheet date for which no provision has been made in these annual statements.

As of 31 December 2018, there were no commitments.

## GROSS PREMIUM

Premium are recognized as revenue proportionally over the covered period.

## NET BENEFITS INCURRED (CLAIMS)

Consists of paid claims and the change in the provision during the year.

## TAXES

Aska Holding N.V. and its subsidiaries are subject to Curaçao income tax law. Aska Holding N.V. forms a fiscal unity with its subsidiaries. In accordance with the standard conditions, a company and its subsidiaries that form part of the fiscal unity are joint severally liable for taxation payable by the fiscal unity.

## SUBSEQUENT EVENTS AFFECTING THE STATED EARNINGS OF THE COMPANY.

There are no subsequent events affecting the stated earnings of the Company.

## MANAGEMENT REPORT

ASKA Levenverzekering N.V. is a fully owned subsidiary of ASKA Holding N.V. ASKA Levenverzekering continued with a steady development and has witnessed once more a successful year in 2018, despite many challenges faced in the economic climate of the country.

The premium income excluding the quota share reinsurance effect of Naf. 6.1 million was Naf. 16.6 million compared to the prior year amount of Naf. 12.8 million, this is an increase of 30%. In 2018 a quota share contract was implemented, which had a positive effect on the net result.

Claims excluding agents and brokers commission were Naf. 4.4 million before quota share effect of Naf. 2.0 million, this is a slightly decrease in claims of 2% comparing to Naf. 4.5 million of the prior year. Expenses dropped with 7% to Naf. 5.3 million this year in comparison to Naf. 5.7 million in the previous year. The result from net investment income increased with 43% to Naf. 1.0 million, compared to the Naf. 0.7 million net gain of the prior year.

The financial position of ASKA Levenverzekering N.V. remains strong and steady with a guaranteed equity of Naf. 6.2 million at the end of the year. The total equity increased more than double with Naf. 3.6 million. As of 31 December, 2018, assets totaled Naf. 38.4 million. The solvency has increased significantly to a surplus of Naf. 4.6 million comparing to Naf. 1.0 million in the prior year.

For 2019 the focus will be to maintain the trend of a steady and growing company that is 100% compliant with the rules and regulations of their regulator, the Central Bank of Curaçao and Sint Maarten. The image of ASKA Levenverzekering in the insurance industry is of great value for the organization. ASKA aims to meet customer needs to achieve an increased and diversified customer portfolio and a personal long term insured-insurer relationship. ASKA Levenverzekering N.V. would like to thank its dutiful committed employees for their valuable contribution to the daily operation of the organization.

ASKA Levenverzekering would like to show its appreciation to the honorable Chairman and Shareholders and the members of our Board of Supervisory Directors for their continued support, help, guidance, knowledge, experience and expertise to strengthen the welfare of the organization. Last but not least, ASKA Levenverzekering is grateful for the continued trust and valued support of the policyholders, insurance advisors and business partners.

On behalf of management,

Elsirha Isenia-Scope  
Managing Director

8 April 2019

## REPORT OF THE INDEPENDENT AUDITOR ON THE FINANCIAL HIGHLIGHTS

## OPINION

The 2018 Financial Highlights are derived from the audited Life Insurance Annual Statement of Aska Levenverzekering N.V. for the year ended 31 December 2018.

In our opinion, the accompanying financial highlights are consistent, in all material respects, in accordance with the audited Life Insurance Annual Statement of Aska Levenverzekering N.V.

## FINANCIAL HIGHLIGHTS

The financial highlights do not contain all the disclosures required by the Life Insurance Annual Statement Composition and Valuation Guidelines (2015) of the Bank. Reading the financial highlights and the auditor's report thereon, therefore, is not a substitute for reading the audited Life Insurance Annual Statements and the auditor's report thereon. The Financial Highlights and the Life Insurance Annual Statements do not reflect the effects of events that occurred subsequent to the date of our report on the audited Life Insurance Annual Statements.

## THE AUDITED LIFE AND GENERAL INSURANCE ANNUAL STATEMENTS

We expressed an unmodified audit opinion on the 2018 Life Insurance Annual Statements in our report dated 26 March 2019.

## MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL HIGHLIGHTS

Management is responsible for the preparation of the financial highlights in accordance with the accounting policies as applied in the Life Insurance Annual Statement of Aska Levenverzekering N.V.

## AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on whether these Financial Highlights are consistent, in all material respects, with the audited Life Insurance Annual Statements based on our procedures, which were conducted in accordance with International Standard on Auditing (ISA) 810 (Revised), Engagements to Report on Summary Financial Statements.

Curaçao, 8 April 2019

for Ernst & Young Accountants  
signed by  
F. de Windt-Ferreira CPA

## BALANCE SHEET

As of December 31 (in Naf. 000)

ASSETS	2018	2017
Non-Admissible Assets	764	733
Investments:		
• Bonds and Other Fixed Income Securities	17,218	9,624
• Other Loans	736	1,015
• Deposits with Financial Institutions	5,500	5,500
	23,454	16,139
Current Assets	13,638	10,405
Other Assets	585	287
<b>TOTAL</b>	<b>38,441</b>	<b>27,564</b>

## EQUITY, PROVISIONS AND LIABILITIES

• Capital	1,650	1,650
• Surplus	4,069	413
	5,719	2,063
Subordinated Instruments	507	491
Guaranteed Equity	6,226	2,554
Provisions for Insurance Obligations:		
• Net Technical Provision for Life Insurance	26,744	21,205
• Net Technical Provision for Accident and Sickness	193	304
• Other Net Policy and Contract	135	158
	27,072	21,667
Current liabilities	5,143	3,274
Other liabilities	-	69
<b>TOTAL</b>	<b>38,441</b>	<b>27,564</b>

## PROFIT AND LOSS STATEMENT

	2018	2017
Direct Premiums	16,603	12,829
Ceded to Reinsurer	6,101	417
Premium and Other Policy Considerations	10,502	12,412
Net Investment Income and Realized Capital Gains and Losses	1,027	702
Net Other Operational Income	2,790	-105
Net Benefits Incurred	2,391	4,546
Change in Provisions for Insurance Obligations	2,612	936
Net Operational Expenditures Incurred	5,259	5,743
Profit sharing to Policy holders	424	240
Extraordinary Results	23	-362
Net Operational Results Before Corporate Taxes and Net Results From Separate Accounts	3,656	1,182
Corporate Taxes Incurred	-	178
Net Operational Results After Corporate Taxes and Before Net Results From Separate Accounts	3,656	1,004
Net Results from Separate Accounts	-	-
Net Operational Results	3,656	1,004
Net Unrealized Gains or Losses	-	-
<b>Net Profit or Loss</b>	<b>3,656</b>	<b>1,004</b>

# FINANCIAL HIGHLIGHTS 2018 ASKA SCHADEVERZEKERING N.V.

## BALANCE SHEET

As of December 31 (in Naf. 000)

ASSETS	2018	2017
Non-Admissible Assets	412	2,213
Investments:		
• Real Estate	4,041	4,041
• Bonds and Other Fixed Income Securities	4,124	4,102
• Other Loans	1,622	208
• Deposits with Financial Institutions	541	541
	10,328	8,892
Current Assets	4,583	3,828
Other Assets	167	228
<b>TOTAL</b>	<b>15,490</b>	<b>15,161</b>

## EQUITY, PROVISIONS AND LIABILITIES

• Capital	9,024	9,024
• Accumulated losses	-10,015	-10,857
	-991	-1,833
Subordinated Instruments	6,651	6,586
Guaranteed Equity	5,660	4,753
Provisions for Insurance Obligations:		
• Net Unearned Premium Provision	4,547	4,527
• Net Claim Provision	1,482	1,433
	6,029	5,960
Other Provision and Liabilities	2,285	2,369
Current Liabilities	1,516	2,079
<b>TOTAL</b>	<b>15,490</b>	<b>15,161</b>

## PROFIT AND LOSS STATEMENT

	2018	2017
Net earned premiums	10,796	10,091
Net claims incurred	5,301	4,668
Net Claim Adjustment Expenses Incurred	118	176
Underwriting Expenses Incurred	4,837	5,896
<b>UNDERWRITING RESULTS</b>	<b>540</b>	<b>-649</b>
Net Investment Income and Earned and Capital Gains or Losses	290	249
Extraordinary Results	12	522
<b>NET OPERATIONAL RESULTS BEFORE TAXES</b>	<b>842</b>	<b>122</b>
Corporate Taxes Incurred	-	-172
<b>NET OPERATIONAL RESULTS AFTER TAXES</b>	<b>842</b>	<b>294</b>
Net Unrealized Gains or Losses	-	-
<b>NET PROFIT OR LOSS</b>	<b>842</b>	<b>294</b>

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Insurances



## NOTES TO FINANCIAL HIGHLIGHTS

### GENERAL

The financial statements of Aska Schadeverzekering N.V. are prepared in accordance with book 2 of Civil Code and based on the firm pronouncements in the Dutch Accounting Standards, as published by the Dutch Accounting Standards Board ('Raad voor de Jaarverslaggeving'). Assets and liabilities are generally valued at historical cost or at fair value at the time of acquisition. If no specific valuation principle has been stated, valuation is at historical cost. The Supervisory Board of the Company has approved these Financial Statements on 28 March 2019.

### FINANCIAL ASSETS

Investments at amortized cost are non-derivative financial assets with fixed or determinable payments and fixed maturities for which the company's management has a positive intention and ability to hold to maturity. Fixed income securities are valued at face value. Real estate is valued at fair value.

### RECEIVABLES

Receivables from brokers are valued at face value less a provision for non-collectability.

### TANGIBLE AND INTANGIBLE FIXED ASSETS

Fixed and intangible assets are stated at historical cost less depreciation/amortization. Historical cost includes expenditures that is directly attributable to the acquisition of items. Depreciation/amortization is calculated using on a straight-line basis over the use of the assets.

### CAPITAL DEFICIT

The shares capital and deficit are carried out at a nominal value.

There are subordinated loans committed by share-holders.

### CLAIMS PROVISION

Provision for outstanding claims are stated at estimated cost per event.

### GROSS PREMIUM

Premiums are recognized as revenue proportionally over the covered period.

### NET CLAIMS INCURRED

Claims consists of paid claims and the change in the provision during the year.

### TAXES

Aska Holding N.V. and its subsidiaries are subject to Curaçao income tax law. Aska Holding N.V. forms a fiscal unity with its subsidiaries. In accordance with the standard conditions, a company and its subsidiaries that form part of the fiscal unity are jointly severally liable for taxation payable by the fiscal unity.

### SUBSEQUENT EVENTS AFFECTING THE STATED EARNINGS OF THE COMPANY.

There are no subsequent events affecting the stated earnings of the Company.

## MANAGEMENT REPORT

ASKA Schadeverzekering N.V. is a fully owned subsidiary of ASKA Holding N.V. and is a non-life insurance company. The net premium income was Naf. 10.8 million compared to the prior year amount of Naf. 10.1 million (increase of 7%).

Claims excluding agents and brokers commission were Naf. 5.3 million and was Naf. 0.6 million higher than the prior year amount of Naf. 4.7 million. Expenses were Naf. 4.8 million this year in comparison to Naf. 5.9 million from the previous year. This is a saving of Naf. 1.1 million.

The financial result was Naf. 0.3 million net gain compared to Naf. 0.2 million net gain from the previous year.

The financial position of ASKA Schadeverzekering N.V. remains strong with a guaranteed equity of Naf. 5.7 million at the end of the year. Total equity increased by Naf. 0.9 million. The solvency has increased significantly to a surplus of Naf. 3.4 million comparing to Naf. 0.9 million in the prior year.

As of 31 December, 2018, assets totaled Naf. 15.5 million and included Naf. 0.4 million in fixed assets, Naf. 4.6 million in investments in bonds and deposits, Naf. 4.0 million in investment in property and Naf. 1.9 million in cash and cash equivalents.

For 2019 the focus will be to maintain the trend of a steady and growing company that is 100% compliant with the rules and regulations of their regulator, the Central Bank of Curaçao and Sint Maarten. The image of ASKA Schadeverzekering in the insurance industry is of great value for the organization. ASKA aims to meet customer needs to achieve an increased and diversified customer portfolio and a personal long term insured-insurer relationship.

ASKA Schadeverzekering N.V. would like to thank its dutiful committed employees for their valuable contribution to the daily operation of the organization. Furthermore, ASKA Schadeverzekering would like to show its appreciation to the honorable Chairman and Shareholders and the members of our Board of Supervisory Directors for their continued support, help, guidance, knowledge, experience and expertise to strengthen the welfare of the organization. Last but not least, ASKA Schadeverzekering is grateful for the continued trust and valued support of the policyholders, insurance advisors and business partners.

On behalf of management,

Omar Salazar  
Managing Director

8 April 2019

## REPORT OF THE INDEPENDENT AUDITOR ON THE FINANCIAL HIGHLIGHTS

### OPINION

The 2018 Financial Highlights are derived from the audited General Insurance Annual Statements of Aska Schadeverzekering N.V. for the year ended 31 December 2018. In our opinion, the accompanying financial highlights are consistent, in all material respects, in accordance with the audited General Insurance Annual Statements of Aska Schadeverzekering N.V.

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Curaçao, 8 April 2019

for Ernst & Young Accountants  
signed by  
F. de Windt-Ferreira CPA

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