

ABBREVIATED CONSOLIDATED BALANCE SHEET

(In thousands of NAf)

ADMISSIBLE ASSETS	12-31-2022	12-31-2021
1. Intangibles	2,088	1,022
2. Investments:		
2.1 Real Estate	545	602
2.3 Stocks	-	-
2.2 Unconsolidated Affiliated Companies and Other Participations	5,499	8,262
2.4 Bonds and Other Fixed Income Securities	-	-
2.5 Participation in Non-Affiliated Investment Pools	-	-
2.6 Mortgage Loans	-	-
2.7 Other Loans	2,081	2,176
2.8 Deposits with Financial Institutions	1,200	1,200
2.9 Other Investments	-	-
3. Current Assets	6,925	4,482
4. Other Assets	841	779
Total	19,179	18,523

EQUITY, PROVISIONS AND LIABILITIES	12-31-2022	12-31-2021
5. Capital and Surplus	200	200
5.1 Capital	9,841	10,085
5.2 Surplus		
5.3 Less Treasury Stock	-	-
6. Subordinated Instruments	-	-
7. Provisions for Insurance Obligations:		
7.1 Net Unearned Premium Provision	6,216	5,388
7.2 Net Claim Provision	2,090	2,119
7.3 Net Claim Adjustment Expense Provision	-	-
7.4 Funds Provision	-	-
7.5 Other Technical Provisions	-	-
8. Other Provisions and Liabilities	-	-
9. Current Liabilities	832	731
10. Contingent Liabilities	-	-
Total	19,179	18,523

ACCOUNTING PRINCIPLES

ACCOUNTING PRINCIPLES | GENERAL

General accounting policies | The Financial Highlights 2022 are prepared in accordance to the ARAS guidelines imposed by CBCS (General Insurance annual statement composition and valuation guidelines ARAS v2.7) and coincide with the valuation principles of these Financial Highlights.

ACCOUNTING POLICIES | ASSETS AND LIABILITIES

Intangibles | Intangible assets are valued at cost and will be amortized in ten years.

Real estate | Real estate is stated at acquisition costs less depreciation calculated on a straight-line basis over the estimated useful life. Acquisitions during the year are depreciated from the date of acquisition.

Deposits with financial institution | Listed securities are stated at market value; nonlisted securities are carried at the lower of cost and market value.

Current assets | Accounts receivable are shown after deduction of a provision for bad and doubtful debts where appropriate.

Other assets | Include amongst others the deferred income taxes.

Cash at bank and in hand | Cash and bank balances are freely disposable, unless stated otherwise.

Provisions for insurance obligations | **Net unearned premium provision** | The technical reserve for unearned premiums refers to accrued insurance premiums written in the reporting period, but with a remaining term of the policy in the following year.

Net claim provision | The technical reserve for claims refers to reported claims incurred but not settled as per year end and to claims incurred but not reported at year end.

ACCOUNTING POLICIES | PROFIT AND LOSS STATEMENT

General result | Profit is determined as the difference between net earned premiums and all claims and expenses relating to the reporting period. Costs are determined in accordance with the accounting policies applied to the balance sheet. Profit is realized in the year in which the premiums are recognized. Losses are taken upon recognition. Other income and expenses are allocated to the periods to which they relate.

Net earned premiums | Premium income consists of the proceeds from insurance services to third parties less discounts.

Net investment income | Net investment income relate to interest received or due from and paid or due to third parties and group companies.

SUMMARY FINANCIAL STATEMENTS

The Consolidated financial highlights 2022 of Netherlands Antilles & Assurance company (NA&A) N.V. are derived from the 2022 audited Annual Reports Automated Statements (ARAS) of NA&A that are prepared in accordance with the Provision for the Disclosure of Consolidated Financial Highlights of Insurance Companies issued by the Central Bank of Curacao and Sint Maarten (CBCS).

ABBREVIATED CONSOLIDATED PROFIT AND LOSS STATEMENT AND ANALYSIS OF UNASSIGNED EARNINGS

(In thousands of NAf)

PROFIT AND LOSS STATEMENT	2022	2021
1. Net Earned Premiums	12,068	10,693
2. Net Other Underwriting Income		
3. Net Claims Incurred	8,140	6,689
4. Net Claim Adjustment Expenses Incurred	-	-
5. Net Changes In Various Other Provisions	-	-
6. Policyholders' Dividends and Other Similar Benefits Incurred	-	-
7. Underwriting Expenses Incurred	4,408	4,542
8. Net Other Expenses Incurred	-	-
9. Underwriting Results (Without Investment Income and Realized Capital Gains or Losses)	-480	-538
10. Net Investment Income and Earned and Capital Gains or Losses	172	178
11. Other Results	11	-157
12. Extraordinary Results	-	-
13. Net Operational Results Before Taxes	-297	-517
14. Corporate Taxes Incurred	53	79
15. Net Operational Results After Taxes	-244	-438
16. Net Unrealized Gains or Losses	-	-
17. Net Profit Or Loss	-244	-438

ANALYSIS OF UNASSIGNED EARNINGS	2022	2021
18. Unassigned Earnings (Beginning of Year)	9,720	10,158
A Net Profit or Loss	-244	-438
B Distribution of Accumulated Earnings	-	-
C Other Changes in Unassigned Earnings	-	-
19. Unassigned Earnings (End of Year)	9,476	9,720

MANAGEMENT REPORT

Netherlands Antilles & Aruba Assurance Company (NA&A) N.V. (Citizens Insurance) Curacao is pleased to present the highlights of its financial year 2022. While the effects of the challenging year 2021 are reflected in the 2022 P&L, we can see effects are mitigated due to improved operations and stable portfolio increases.

Looking at the numbers, one can see that earnings increased by around 2m while expenses decreased slightly. This of course is an improvement for the Company. It can also be seen that claims also increased from 2021 by 1.4m, mainly in the medical portfolio. Medical treatments for patients were delayed due to the priority covid patients being treated in the previous years. This meant that once hospitals and clinics were once again able to treat other patients, an influx of persons visited health care providers in 2022.

There was also improvement in Citizens Insurance Aruba due to a change in Management mid-2022 and thereby increased cost-management strategies which resulted in decreased and more efficient expenditures.

The improvements from the previous year 2021 are an indication that Citizens Insurance are on the upward track to achieving results as seen prior to 2021. The 'new' way of working by being available for our clients through multiple channels, became part of our day-to-day routine, contributing to our mission to make our insurance products reliable, affordable, and simple.

The fact that our reinsurer, Swiss Re, the second largest reinsurance company in the market, continues to provide Citizens Insurance with the reinforced security that our Policy Holders can rely on, is further testament to the continued upward trend.

Citizens Insurance will celebrate 45 years in the market in 2023. The shareholders, board of directors, management, and staff recognize that a Company operating that long is sure to experience its fair share of challenges along the way. It is also this experience which will allow the Citizens Insurance team to keep its composure and work even harder to provide our clients with the service and security that has allowed us to maintain, solidify and thrive in the market for all these years. We are happy to say that 2023 is on an upward trend for Citizens Insurance to achieve the results as seen prior to 2021. This could not be done without the support from our faithful staff, committed brokers, and the loyal people of Curacao and their gracious patronage.

Huub van der Bent | Managing Director