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ANNUAL REPORT 2020

ENNIA CARIBE LEVEN (ARUBA) N.V.

Grant Thornton

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MESSAGE FROM THE BOARD

The Covid 19 pandemic has dramatically changed our lives over the past year. The measures taken to combat the virus are not only affecting our economy, healthcare, employment, education and international traffic, but also our behavior, human rights and freedom. What is the social impact of Covid, now and in the future? Besides controlling the crisis, it is our task to anticipate the consequences but also the opportunities and threats that will arise in the economic, social and cultural fields. Choices will have to be made now to determine what tomorrow's society will look like.

How do we keep the community vital?
This question urgently needs to be put on the agenda, not only on a community level but also on an individual level. How will my life change and what can I do to secure my future? In order to answer these questions, we need additional confidence, more solidarity and a higher sense of good will. ENNIA Aruba believes that the business community can play a crucial role in achieving a secure future by contributing to thinking and acting for the new future.

Together
ENNIA Aruba has reflected on its position and role in our post pandemic society, and we think that 'being together' and 'working together' should be the core of our actions in the future. After all, we are all part of the Aruban community. The strength of a collective purpose is that it provides certainty and safety, and we strongly believe that working together more progress can be made versus working as an individual. Collaboration is a process with a constant pursuit of synergy. It is working from a broadly supported vision that people are eager to commit to.

The situation in 2020 also had consequences for the business operations of ENNIA Aruba. For example, the impact on how we do business, the financial impact as a result of damage claims, the influence on investments and issues about product portfolios and risks that can be insured.

MANAGEMENT REPORT
Development Ennia Caribe Leven (Aruba) N.V.

Ennia Caribe Leven (Aruba) N.V. (ECLA) performed better in 2020 compared to 2019. The profit after tax increased from 0.8 mln to 6.8 mln. The profit before tax of 6.6 mln means an improvement of more than 5.6 mln in comparison with 2019.

The improvement of profit before tax of 5.6 mln in 2020 originates from different drivers. Investment income has increased with 2.6 mln. An improvement of 16% relative to the 15.7 mln in 2019. The operational costs decreased with 1.7 mln in comparison with 2019. In 2020 the change of the insurance liabilities decreased with 14.1 mln together with 10.0 mln more claims and benefits. Premium income decreased with almost 2.9 mln in 2020.

The financial position of ECLA at year-end 2020 compared with year-end 2019 improved. Despite the pandemic, we were able to increase our investment result by expanding our loan portfolio with 70 mln. At the end of 2020, the cash position was 66 mln compared with 38 mln at the end of 2019.

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The world after Covid 19

The results of the annual report show that, despite difficult times, we have been reasonably successful. We therefore look back to the past year with satisfaction! The focus is now on how the world will change after Corona and on the sustainable innovation of our business. We will develop strategies that truly put customers, their priorities and needs, at the center. Within a new structure we want to achieve optimal employee satisfaction and enhance involvement and ownership. Our way of doing business will be primarily focused on the customer journey and the customer experience with new propositions ranging from safe-living and working to healthy-living.With the technological developments and digitalization, The management of ENNIA Aruba sees good opportunities to work on the 'new business reality' that awaits us.

We would like to thank our customers, colleagues, supervisory directors, shareholders, and regulators for the trust they have placed in us and guarantee that we will bear our responsibilities with the greatest care in the coming year and beyond. We look to the future with confidence!

On behalf of
the Board of Directors and Shareholders of ENNIA Caribe Leven (Aruba) N.V.
June 30, 2021
Oranjestad, Aruba

Albert Niemeijer
General Managing Director

Henry van den Berg
Managing Director

OUR NUMBERS

FINANCIAL HIGHLIGHTS 2020

8%

DECREASE IN GROSS PREMIUM

COMPARED TO 2019

20%

DECREASE IN COST

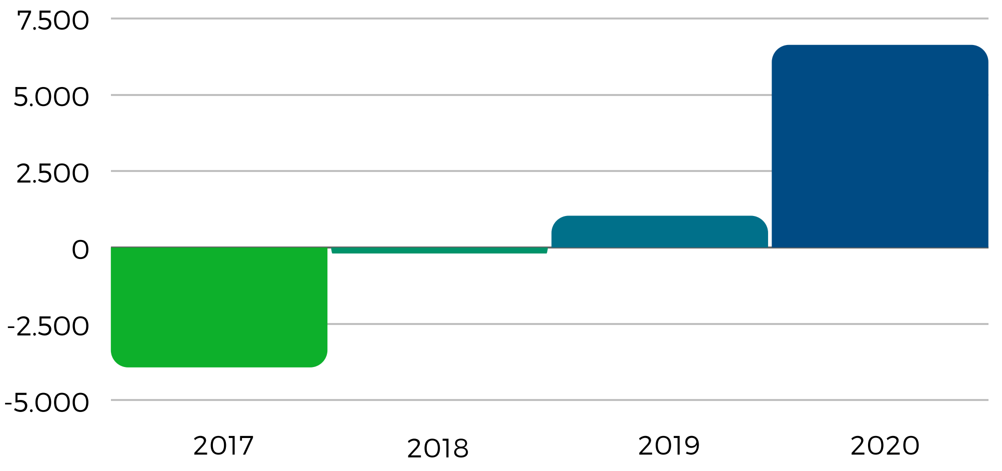
COMPARED TO 2019

16%

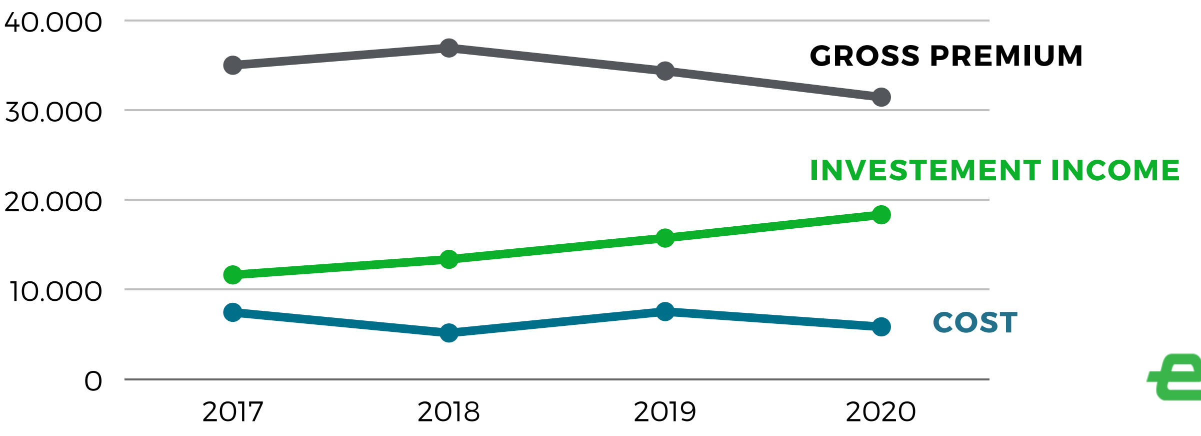
INCREASE IN INVESTMENT INCOME

COMPARED TO 2019

DEVELOPMENT OF PROFIT BEFORE TAXATION
(in thousands AWG)



PREMIUM, INCOME AND COST DEVELOPMENT
(in thousands AWG)



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INDEPENDENT AUDITOR'S REPORT

Our ref: 137590/ A-32109

To the Board of Directors, the Supervisory Board and
the Shareholder of Ennia Caribe Leven (Aruba) N.V.
Aruba

Report on the financial statements included in the annual report

In our opinion, the financial statements give a true and fair view of the financial position of Ennia Caribe Leven (Aruba) N.V., Aruba (the Company) as at December 31, 2020 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

What we have audited

The Company’s financial statements comprise:

- the statement of comprehensive income for the year ended December 31, 2020;
- the statement of financial position as at December 31, 2020;
- the statement of cash flows for the year ended December 31, 2020;
- the statement of changes in shareholder’s equity for the year ended December 31, 2020;
- the notes to the financial statements, which include a summary of significant accounting policies.

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 financial statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants’ Code of Ethics for Professional Accountants (IESBA Code). We have fulfilled our other ethical responsibilities in accordance with the IESBA Code. Furthermore, we have complied with the ‘Verordening gedrags- en beroepsregels accountants’ (VGBA – Dutch Code of Ethics).

Report on the other information included in the annual report

The Board of Managing Directors is responsible for the other information. The other information comprises the Management report (but does not include the financial statements and our auditor’s report thereon).

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors and the Supervisory Board for the financial statements

The Board of Directors is responsible for the preparation of the financial statements that give a true and fair view in accordance with International Financial Reporting Standards, and for such internal control as the Board of Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company'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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Supervisory Board is responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the 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 financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the 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 the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' 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 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Supervisory Board 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.

Aruba, June 30, 2021
Grant Thornton Aruba

Original signed by Edsel N. Lopez

FINANCIAL STATEMENTS 2020

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED DECEMBER 31 (IN THOUSANDS AWG)

INCOME	NOTES	2020	2019
Gross written life premiums		31,436	34,352
Written premiums ceded to reinsurers, net		(715)	(772)
Premiums written net of reinsurance	6	**30,721**	**33,580**
Fee and commission income	7	381	348
Net investment income	8	18,329	15,736
TOTAL INCOME		**49,431**	**49,664**
EXPENSES			
Insurance claims and benefits		27,682	17,698
Movement in insurance liabilities		7,263	21,322
Investment result for risk policyholders		74	(12)
Insurance claims and benefits incurred	9	**35,019**	**39,008**
Insurance policy acquisition costs	10	159	147
Fees and commissions expenses		786	839
Other operating expenses	11	6,902	8,633
TOTAL EXPENSES		**42,866**	**48,629**
PROFIT BEFORE TAXATION		**6,565**	**1,035**
Taxation	12	(283)	227
Profit for the financial year		**6,848**	**808**
OTHER COMPREHENSIVE INCOME			
Change in fair value of available-for-sale securities	24	(429)	188
Revaluation of Investment properties & Owner-occupied properties	24	-	274
Deferred tax on other comprehensive income	24	107	(116)
Other comprehensive income for the financial period, net of taxation		(322)	346
TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR		**6,526**	**1,154**
Attributable to:			
The equity holders		**6,526**	**1,154**

STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31 (IN THOUSANDS AWG)

ASSETS	NOTES	2020	2019
Intangible assets		10	12
Property and equipment	13	6,747	6,911
Investment property	14	6,169	6,169
Financial investments	15	202,019	287,062
Loans and overdrafts to customers	16	215,438	145,936
Reinsurance assets	25	1,010	1,036
Deferred insurance policy acquisition costs	17	4,274	4,433
Deferred tax assets	18	574	184
Receivables and other financial assets	19	8,102	7,473
Prepayments and accrued income	20	7,740	6,540
Amounts due from related parties	21	6,521	6,833
Cash and cash equivalents	22	66,323	37,715
TOTAL ASSETS		**524,927**	**510,304**
EQUITY			
Share capital	23	26,000	26,000
Fair value reserve	24	209	531
Retained earnings		24,485	17,637
TOTAL EQUITY ATTRIBUTABLE TO EQUITY HOLDERS		**50,694**	**44,168**
LIABILITIES			
Insurance liabilities	25	472,219	462,399
Provision for reorganization	26	218	-
Payables and other financial liabilities	27	1,796	3,737
TOTAL LIABILITIES		**474,233**	**466,136**
TOTAL EQUITY AND LIABILITIES		**524,927**	**510,304**

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STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31 (IN THOUSANDS AWG)

	NOTES	2020	2019
Net (loss)/profit for the year		**6,848**	**808**
Adjustment retained earnings		-	203
		6,848	**1,011**
Adjustments for:			
Amortization on financial instruments		492	477
Revaluation of land and buildings	**13/14**	-	(274)
Fair value gains and losses on financial instruments		(523)	(710)
Net interest income on financial instruments		(8,438)	(9,584)
Revaluation reserves of financial instruments	**24**	(322)	462
Interest income of loans and overdrafts to customers		(7,129)	(2,808)
Net Impairment loss on loans and receivables	**16**	590	1,092
Provision reorganization	**26**	218	-
Depreciation	**13**	222	313
Tax expense	**18**	(390)	227
Movement in working capital		**(8,433)**	**(9,794)**
Changes in:			
Reinsurance assets	**25**	26	3
Deferred insurance policy acquisition costs	**17**	159	147
Receivables and other financial assets	**19**	(629)	3,344
Prepayments and accrued income	**20**	21	76
Receivables due from related parties	**21**	312	216
Insurance liabilities	**25**	9,820	21,264
Payables and other liabilities	**27**	(1,941)	926
Loans and overdrafts to customers	**16**	3,931	701
Cash generated from operations		**11,699**	**26,677**
Interest, Dividends and income taxes:			
Interest received	**20**	14,346	10,848
Net cash generate from operating activities		**17,612**	**27,731**
Cash flows from investing activities:			
Acquisition of property and equipment	**13**	(56)	(1,880)
Acquisitions of investment securities		(118,258)	(51,062)
Proceeds from sale of investment securities		3,496	3,564
Matured fixed income of investment securities		199,836	29,334
Acquisitions of corporate loans	**16**	(74,023)	(74,858)
Net cash used in investing activities		**10,996**	**(94,902)**
Cash flows from financing activities			
Repayment of financial liabilities		-	(3,600)
Net cash used in financing activities		**-**	**(3,600)**
Net increase in cash and cash equivalents		**28,608**	**(70,771)**
Cash and cash equivalents at beginning of year	**22**	37,715	108,486
Cash and cash equivalents at end of year	**22**	**66,323**	**37,715**

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FINANCIAL STATEMENTS 2020

STATEMENT OF CHANGES IN SHAREHOLDER'S EQUITY

FOR THE YEAR ENDED DECEMBER 31, 2020
(IN THOUSANDS AWG)

	NOTES	ISSUED CAPITAL	FAIR VALUE RESERVE	RETAINED EARNINGS	TOTAL
At January 1, 2020					
Total comprehensive income for the financial year		26,000	531	17,637	44,168
Profit or loss		-	-	6,848	6,848
Other comprehensive income					
Change in fair value of available-for-sale securities	24	-	(429)	-	(429)
Deferred tax on other comprehensive income	24	-	107	-	107
Total other comprehensive income			(322)	-	(322)
Total comprehensive income for the financial year		-	(322)	6,848	6,526
At December 31, 2020		26,000	209	24,485	50,694

STATEMENT OF CHANGES IN SHAREHOLDER'S EQUITY

FOR THE YEAR ENDED DECEMBER 31, 2019
(IN THOUSANDS AWG)

	NOTES	ISSUED CAPITAL	FAIR VALUE RESERVE	RETAINED EARNINGS	TOTAL
At January 1, 2019		26,000	185	16,626	42,811
Total comprehensive income for the financial period					
Profit or loss		-	-	808	808
Adjustment previous year expenses		-	-	203	203
Other comprehensive income					
Change in fair value of available-for-sale securities	24	-	188	-	188
Revaluation investment properties and owner-occupied properties	24	-	274	-	274
Deferred tax on other comprehensive income	24	-	(116)	-	(116)
Total other comprehensive income		-	346		346
Total comprehensive income for the financial year			346	1,011	1,357
At December 31, 2019		26,000	531	17,637	44,168

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NOTES TO THE FINANCIAL STATEMENTS 2020

(1) Reporting entity

ENNIA Caribe Leven (Aruba) N.V. ("the Company") is a financial services provider active in the field of insurance in Aruba. The ultimate parent company is Parman International B.V., Curaçao. The Company was incorporated in June of 2008 as a dormant company and effectively started operations on January 1, 2009 resulting in figures as of January 1, 2009.
The address of its registered office is J.E. Irausquin Blvd 16, Oranjestad, Aruba. Ennia Caribe Holding (Aruba) N.V. is the sole shareholder of the Company.
The financial statements of the Company for the year ended December 31, 2020, were authorized for issuance by the Managing Board on 30th of June 2021.

(2) Going concern

The Managing Board have, at the time of approving the financial statements, a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in the preparing the financial statements.

Overall assessment of impact of Covid-19
Due to the impact of the Coronavirus (COVID-19), Management has assessed its impact on the future results, cash flows and financial position of the Company. Management emphasizes that as per the date of issuance of these financial statements, it is uncertain to estimate what the eventual impact of the Coronavirus will be on the (Aruban) economy and the company's future results, cash flows and financial position.

Notwithstanding this uncertainty, Management has assessed the Company's future results, cash flows and financial position by estimating the impact of COVID-19. Management has prepared a stress test/going concern analysis using 8 base and 16 combined scenarios. The assumptions were based on fluctuations in the following line items:

- Premium
- Investment Income
- Change in Technical provision
- Cost
- Commissions

The Board of Directors then used the GDP based on the economic shocks for Aruba as determined by S&P and an extreme shock scenario of a 25% decrease. The four base scenarios for premium decrease were as follows:

- 5.93%
- 10.24%
- 14.55%
- 25% (extreme scenario)

From the 16 combined scenarios (using the assumptions as described above) the P&L stayed positive in all scenarios and the solvency was well above the minimum margin as required by the Central Bank of Aruba.

Overall, based on its assessment of the impact of the Coronavirus for the year 2021 and beyond, and taking into account the uncertainties that exist as per the date of issuance of these financial statements, Board of Directors concluded that it does not consider the impact to cast significant doubt upon the Company's ability to continue as a going concern.

(3) Summary of significant accounting policies

Basis of Preparation - Statement of compliance
These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB) applicable as at December 31, 2020.

New or Revised Standards and Interpretations
The following standards have become effective from January 1, 2020:

- Definition of a Business (Amendments to IFRS 3);
- Definition of Material (Amendments to IAS 1 and IAS 8);
- Interest Rate Benchmark Reform (Amendments to IFRS 9, IAS 39 and IFRS 7);
- Amendments to Reference to the Conceptual Framework (Various Standards);
- COVID-19 Rent Related Concessions (Amendments to IFRS 16)

The Board of Directors assessed the impact of these new standardsand these amendments do not have significant impact on the financial statement of the Company and therefore the disclosures are not required.

New Standards and Interpretations not yet Adopted
At the date of authorization of these financial statements, several new, but not yet effective, Standards, amendments to existing Standards, and Interpretations have been published by the IASB. None of these Standards, Amendments or Interpretations have been adopted early by the Company.
Other Standards and amendments that are not yet effective and have not been adopted early by the Company include:

- IFRS 17 Insurance Contracts
- Amendments to IFRS 17 Insurance Contracts (Amendments to IFRS 17 and IFRS 4);
- References to the Conceptual Framework;
- Proceeds before Intended Use (Amendments to IAS 16);
- Onerous Contracts – Costs of Fulfilling a Contract (Amendments IAS 37);
- Annual Improvements to IFRS Standards 2018-2020 Cycle (Amendments to IFRS 1, IFRS 9, IFRS 16, IAS 41);
- Classification of Liabilities as Current or Non-current (Amendments to IAS 1)

The board of directors anticipates that all relevant pronouncements will be adopted for the first period beginning on or after the effective date of the pronouncement. New Standards, Amendments and Interpretations not yet adopted have not been disclosed as they are not expected to have a material impact on the Company's financial statements.

IFRS 17 Insurance Contracts
IFRS 17 Insurance Contracts is effective for annual periods beginning on or after January 1, 2023. IFRS 17 is expected to have a material impact on the Company's financial statements. The Company is expected to commission a project team to consider the impact of the new standard provide training to the Company's personnel.
IFRS 9 Financial Instruments in respect of the Company's financial statements is being considered as part of the project for the adoption of IFRS 17 Insurance Contracts.

Accounting policies
The principal accounting policies adopted by the Managing Board are detailed below. The accounting policies set out below have been applied consistently to all periods presented in these financial statements, and have been consistently applied, except when indicated otherwise.

A) Basis of measurement
The financial statements have been prepared on the historical cost basis except for the following:

·Financial instruments at fair value through profit or loss are measured at fair value;
·Available-for-sale financial assets are measured at fair value;
·Investment property is measured at fair value;
·Insurance liabilities are actuarially calculated; and
·Premises are measured at the market value at revaluation date minus accumulated depreciation.

B) Use of estimates
The preparation of financial statements in conformity with IFRS requires the Company to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts in the statement of financial position and statement of comprehensive income. These judgements, estimates and assumptions are based on The Board of Directors' best knowledge of current facts, circumstances and to some extent, future events and actions, actual results ultimately may differ, possibly significantly from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.
Information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are described in critical accounting estimates and judgements in applying accounting policies in note 4.

C) Basis of presentation
IAS 1, *Presentation of financial statements*, requires a distinction between current and non-current items for all assets and liabilities in the balance sheet of the Company. Such a distinction is not appropriate for insurance companies, where close control over liquidity, asset and liability matching, and highly regulated capital and solvency positions are considered more relevant. The current/non-current distinction is therefore not provided.

D) Functional and presentation currency
The financial statements are presented in Aruban Florins (AWG), which is the Company's functional currency. All values are rounded to the nearest thousand florins, except when indicated otherwise.

E) Insurance contracts
Insurance contracts are defined as those containing significant insurance risk if, and only if, an insured event could cause an insurer to pay significant additional benefits in any scenario, excluding scenarios that lack commercial substance, at the inception of the contract. Such contracts remain insurance contracts until all rights and obligations are extinguished or expired. Contracts can be reclassified to insurance contracts after inception if insurance risk becomes significant.

Life insurance
Life insurance business provisions are calculated separately for each life operation, based on local regulatory requirements and actuarial principles consistent with those applied in Aruba.

The life insurance provision is calculated according to the principles on which the premiums have been based, primarily on a prospective basis and the interest as used in the premium. The provision also includes a provision for future costs of processing benefits, the provision for unearned premiums and unexpired risks as well as the provision for claims outstanding, all as far as related to the life insurance business.

Provisions with investments for risk of policyholders
This provision is valued on the same basis as the related investments for account and risk of policyholders.

Liability adequacy test for life insurance business
IFRS 4 requires a liability adequacy test to be conducted at year-end so that future losses do not remain unrecognized. The liability adequacy test considers current estimates of all contractual cash flows, and of related cash flows such as claims handling costs, as well as cash flows resulting from embedded options and guarantees. If the liability adequacy test shows that the liability is inadequate, the entire deficiency is recognized in the statement of comprehensive income. If the deficit decreases in the next reporting period, this addition will be reversed from insurance liabilities through profit and loss (via technical claims and benefits).

Reinsurance
Reinsurance assets primarily include balances due from reinsurance companies on ceded insurance liabilities. Amounts recoverable from reinsurers are estimated in a manner consistent with the outstanding claims provisions associated with the reinsured policies and in accordance with the relevant reinsurance contract. The Company only contracts reinsurance protection with reinsurance companies that are rated.

Deferred insurance policy acquisition costs
The costs directly attributable to the acquisition of new business for insurance contracts are deferred to the extent that they are expected to be recoverable out of future margins on revenues on these contracts. Life insurance business deferred acquisition costs are amortized systematically over a period no longer than the period in which they are expected to be recovered out of these margins. Changes in the expected useful life or the extend pattern of consumption of future economic benefits embodied in the asset are accounted for by changing the amortization period and are treated as a change in accounting estimate. The reinsurers' share of deferred acquisition costs is amortized consistent with the underlying asset. Deferred acquisition costs are reviewed by category of business at the end of each reporting period and are written off where they are no longer considered to be recoverable.

F) Financial instruments

The Company classifies its financial assets in the following categories: financial investments at fair value through profit or loss; available-for-sale financial investments; held-to-maturity investments and loans and overdrafts to customers.

Recognition

The Company initially recognizes loans and receivables, deposits and debt securities issued on the date on which they are originated. All other financial assets and liabilities, including assets and liabilities designated at fair value through profit or loss, are initially recognized on the trade date on which the Company becomes a party to the contractual provisions of the instrument.

Derecognition

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or when it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Company is recognized as a separate asset or liability. The Company derecognizes a financial liability when its contractual obligations are discharged, cancelled or when these expire.

Fair value through profit or loss

Financial assets and financial liabilities at fair value through profit or loss (FVTPL) are reported at fair value with changes in fair value recognized in the income statement.

Available-for-sale

Available-for-sale (AFS) investments are non-derivative investments that are intended to be held for an indefinite period of time. Available-for-sale investments are initially recognized at fair value plus transaction cost, with fair value changes recognized directly in comprehensive income, until the investment is derecognized or impaired, whereupon the cumulative gains or losses previously recognized in comprehensive income are recognized in the income statement for the period.

Unquoted equity securities whose fair value cannot be reliably measured are carried at cost less impairment, if applicable. The current value is deemed to approximate fair value.

Held-to-maturity

Held-to-maturity (HTM) investments are non-derivative assets with fixed or determinable payments and fixed maturity that the Company has the positive intent and ability to hold to maturity. Held-to-maturity investments are initially recognized at fair value plus transaction cost and are subsequently carried at amortized cost using the effective interest method. Any sale or reclassification of a more than insignificant amount of held-to-maturity investments not close to their maturity would result in the reclassification of all held-to-maturity investments as available-for-sale and prevent the Company from classifying investment securities as held-to-maturity for the current and the following two financial years.

Loans and receivables

Loans and receivables (L&R) are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market other than those that the Company intends to sell in the short term or that it has designated as at fair value through profit or loss or available for sale.

Loans and receivables are initially measured at fair value plus incremental transaction costs and are subsequently measured at amortized cost using the effective interest rate method, net of an allowance for impairment.

Financial liabilities

Financial liabilities are recognized initially at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortized cost using the effective interest rate method.

Fair value measurement

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction on the measurement date.

The Company measures the fair value of an instrument using quoted prices in an active market for that instrument. A market is regarded as active if quoted prices are readily and regularly available and represent actual and regularly occurring market transactions on an arm's length basis.

The Company measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

- Level 1: Fair value measuring using quoted process (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Fair value measurements using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
- Level 3: Fair value measurements using inputs for the asset or liability that are not based on observable market data (i.e., unobservable inputs).

Impairment of financial investments at fair value

The Company reviews the carrying value of its investments on a regular basis. If the carrying value of an investment is greater than the recoverable amount for a significant amount or a prolonged period, the carrying value is reduced through a charge to the income statement in the period of decline.

Impairment of other financial assets
The Company considers evidence of impairment for receivables at both a specific asset and collective level. All individually significant receivables are assessed for specific impairment. All individually significant receivables found not to be specifically impaired are then collectively assessed for any impairment that has been incurred but not yet identified. Receivables that are not individually significant are collectively assessed for impairment by grouping with similar risk characteristics.
The Company considers evidence of impairment for loans to customers at both a specific asset and collective level. All individually significant loans to customers are assessed for specific impairment. The individually significant loans to customers found not to be specifically impaired are then collectively assessed for any impairment that has been incurred but not yet identified. Loans to customers that are not individually significant are collectively assessed for impairment by grouping loans and overdrafts to customers with similar risk characteristics.

The impairment loss on loans to customers is measured as the difference between the carrying amount of the loan and the present value of estimated future cash flows discounted at the loan's original effective interest rate. Losses are recognized in profit or loss and reflected in an allowance account against loans and overdrafts to customers. Interest on the impaired asset continues to be recognized through the unwinding of the discount. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

When all the necessary legal procedures have been completed, the loan is determined to be uncollectible and the final loss has been determined, then the loan is written off against the allowance for impairment. Subsequent recoveries are credited in profit or loss.

G) Foreign currency translation

Transactions in foreign currencies are translated into the functional currency at the exchange rate at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated into the functional currency at the exchange rate at that date. Foreign exchange differences arising on translation are recognized in the income statement. Non-monetary assets and liabilities denominated in foreign currencies, which are stated at historical cost, are translated at the foreign exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated to the functional currency at the foreign exchange rates at the dates that the values were determined.

H) Property and equipment

Owner-occupied property
Owner-occupied property (including property that is being constructed or developed for future use as investment property) is measured on initial recognition at cost. Following initial recognition at cost, owner-occupied property (land and buildings) is carried at a revalued amount, which is the fair value at the date of the revaluation less any subsequent accumulated depreciation on buildings and subsequent accumulated impairment losses. A revaluation reserve is established in shareholder's equity when there's an increase in the carrying amount arising from the revaluation being the difference between the book value and the revalued amounts at the moment of revaluation. Decreases that offset previous increases of the same asset are charged against fair value reserves directly in equity; all other decreases are charged to the income statement. A deferred tax liability is created for the differences between the carrying value of the assets and the tax base. Land is not depreciated. Valuations are performed frequently enough to ensure that the fair value of a revalued asset does not differ materially from its carrying amount.

Equipment
All items classified as equipment within the statement of financial position are measured on initial recognition at cost. The historical cost includes capitalized borrowing costs. Following initial recognition, equipment is carried at cost less any accumulated depreciation and any accumulated impairment losses. All other items classified as equipment within the statement of financial position are amortized using a straight-line method over their residual values of their estimated useful lives.

Classification	Useful lives	Residual values
Land	No depreciation	No depreciation
Buildings	40 years	10%
Leasehold improvements	4 – 10 years	0% - 25%
Transportation means	4 - 20 years	5% - 20%
Computer equipment	3 – 10 years	0% - 33%
Furniture, fixtures	5 – 10 years	0% - 20%

Gains and losses on disposal of equipment are determined by reference to their carrying amount and are taken into account in determining operating result.

I) Investment property

Investment property is measured on initial recognition at cost. Following initial recognition at cost, investment property is carried at fair value, which reflects market conditions at year-end. Valuations are performed frequently enough to ensure that the fair value does not differ materially from its carrying amount. A gain or loss arising from a change in the fair value of investment property shall be recognized in the income statement for the period in which it arises. Costs for the repairs and maintenance are recognized in the income statement as incurred. Gains and losses on disposal of investment property are determined by reference to their carrying amount and are taken into account in determining operating result.

J) Impairment of non-financial assets

Non-financial assets are reviewed for impairment losses whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the carrying amount of the asset exceeds its recoverable amount, which is higher of an asset's net selling price and value in use.

K) Cash and cash equivalents

Cash and cash equivalents comprise cash balances on hand and short-term highly liquid investments with maturities of three months or less when purchased.

L) Provisions

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the year-end.

M) Taxation
Income tax expense comprises current and deferred tax. Income tax expense is recognized in the income statement except to the extent that it relates to items recognized directly in comprehensive income, in which case it is recognized in comprehensive income. The Company is a transparent company based on the Aruban Fiscal law. Therefore, the income is allocated to its shareholder Ennia Caribe Holding (Aruba) N.V. for tax purposes.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the year end, and any adjustments to tax payable in respect of previous years (e.g. tax carry-forwards).
Deferred tax is provided for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized for the following temporary differences: the initial recognition of goodwill, the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss, and differences relating to investments in subsidiaries to the extent that they probably will not reverse in the foreseeable future.
Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.
A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. Deferred tax assets are reviewed at each year-end and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

N) Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

Insurance premiums

Premiums on life insurance contracts are recognized as income when receivable, except for investment-linked premiums, which are accounted for when the corresponding liabilities are recognized. For single premium business, this is the date from which the policy is effective. For regular premium contracts, receivables are taken at the date when payments are due. Premiums are shown before deduction of commission and before any sales-based taxes or duties. When policies lapse due to non-receipt of premiums, all the related premium income accrued but not received from the date they are deemed to have lapsed is debited to premiums.

Investment income

Investment income includes interest on financial investments and realized and unrealized result from fair value changes related to financial assets at fair value through profit or loss, realized results on available-for-sale securities, and rental income from investment property.
Interest income is recognized as it accrues. Interest income arising on debt securities and deposits is recognized as it accrues, taking into account the effective yield on the investment. It includes the interest rate differential on forward foreign exchange contracts.

Fee and commission income

Fee and commission income, including account servicing fees, transaction fees, investment management fees, insurance brokerage fees, trade financing fees, placement fees and syndication fees, are recognized when the policy has been agreed contractually by the insured and the provider, and the provider has a present right to payment from the insured. Fee and commission income for the life insurance policies sold to those entering a personal loan agreement are fully due at the start of the loan.

O) Fee and commission expense

Fee and commission expense relate mainly to transaction and services fees, which are expenses as the services are received.

P) Statement of cash flows

The statement of cash flows is prepared in accordance with the indirect method, classifying cash flows as cash flows from operating, investing, and financing activities. In the net cash flow from operating activities, the result before tax is adjusted for those items in the profit and loss account, and changes in the balance sheet items, which do not result in actual cash flow during the year. Cash flows arising from foreign currency transactions are translated into the functional currency using the exchange rates at the date of the cash flows.

Q) Comparatives

Items, elements and notes of the comparatives financial statements have been re-displayed, regrouped and reclassified to meet with the applied accounting policies for the current period, which have been prepared according to the International Financial Reporting Standards (IFRS). Certain comparative amounts have been reclassified to conform to the current years presentation.

(4) Critical accounting estimates and judgements in applying accounting policies

The principal accounting policies adopted by the Company are set out in note 3. In the application of these accounting policies, Management are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the key critical judgments and estimates that Management have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognized in the Financial Statements.

Insurance liabilities

Judgment is required in determining the liabilities and in the choice of assumptions. Assumptions in use are based on past experience, current internal data, external market indices and benchmarks which reflect current observable market prices and other published information. Assumptions and prudent estimates are determined at the date of valuation and no credit is taken for possible beneficial effects of voluntary withdrawals. Assumptions are further evaluated on a continuous basis in order to ensure realistic and reasonable valuations. At each reporting date liability adequacy tests are performed to ensure the adequacy of the liabilities. Any deficiency is recognized in the Income Statement. Further details are set out in note 24 to the Financial Statements.

Property and equipment

Property held for own use in the supply of services or for administrative purposes is included in the Statement of Financial Position at revalued amount. Property valuations are affected by general economic and market conditions. The carrying value of property held for own use is determined by valuations conducted at the reporting date by independent professional appraisers and management judgement were valuations are dependent on unobservable inputs. A decrease in the valuation of the property is charged as an expense to the Income Statement to the extent that it exceeds the balance, if any, held in the revaluation reserve relating to previous revaluation of that asset. Further details are set out in note 13.

Properties are held at revalued amount less any subsequent depreciation in line with the accounting standard.

Depreciation is provided in respect of all equipment and is calculated to write off the cost or valuation of the assets over their expected useful lives. The useful life of equipment is estimated to be three to ten year dependent on the asset. Depreciation on assets in development commences when the assets are ready for their intended use.

Investment property
Investment property, which is property held to earn rentals and/or for capital appreciation, is recognized initially at cost and stated in the Statement of Financial Position at fair value at the reporting date. The fair value of investment property is determined by valuations conducted at the reporting date by qualified independent professional appraisers, and management judgement where valuations are dependent on unobservable inputs. Gains or losses arising from changes in the fair value are included in the. Income Statement for the period in which they arise. Further details are set out in note 14.

Valuation of financial instruments
As described in note 15, the Company uses valuation techniques that include inputs that are not based on observable market data to estimate the fair value of certain types of financial instruments. Note 15 provides information about the key assumptions used in the determination of the fair value of financial instruments.

The Board of Directors believe that the chosen valuation techniques and assumptions used are appropriate in determining the fair value of financial instruments.

Uncertain tax positions
Uncertain tax positions are measure to the extent that the likelihood of the resulting tax impact. Probable amounts are included within the tax line in the Income Statement, and the liability would be included within the tax liability on the Statement of Financial Position. Where uncertain tax position is deemed to not be probable they are disclosed in the notes to the Financial Statements. Further details are set out in note 25.

Provision for Reorganization
Provision for reorganization are recognised only if a detailed formal plan for the reorganization exists and the Board of Directors has either communicated the plan's main features to those affected or started implementation. The employees were offered early retirement based on a calculation of the purchase price of their finance rights. The calculation was separated based on employees who are 60 years old and employees who are older than 60 years. The purchased rights relate to the difference between the insured rights and the premium-free rights in accordance with the pension tables.

(5) Insurance and financial risk management

Risk management framework
The primary objective of the Company's risk financial framework is to protect and increase shareholder's value, maintain the financial strength, improve the quality of the Company's decision making and safeguard the Company's reputation. It serves to protect the Company's shareholder from triggering events that hamper the sustainable achievement of financial performance objectives, including failing to exploit opportunities. The Company's management recognizes the critical importance of having efficient and effective risk management systems in place.

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The purpose of the established Risk Committee has been described in Risk Charters for the operating company. The Risk Committee meets once every quarter. The Risk Committee consists of representatives of both Supervisory Board and Board of Directors and Risk Management.

The Company's risk management policies are established and updated on a regular basis with the aim to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions, products and services offered. The Company, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment, in which all employees understand their roles and obligations.
The Company's Board of Directors is accountable for implementing and executing the Risk Management process, where necessary supported by the risk manager. Implementing the process involves setting the scope, the objectives, deciding on the used methodology and tools. Executing the process involves carrying out the risk assessment, capturing and reporting risk information and monitoring and reporting on the progress of risk mitigation. For the purpose of governance and compliance, Risk Management activities are traceable.

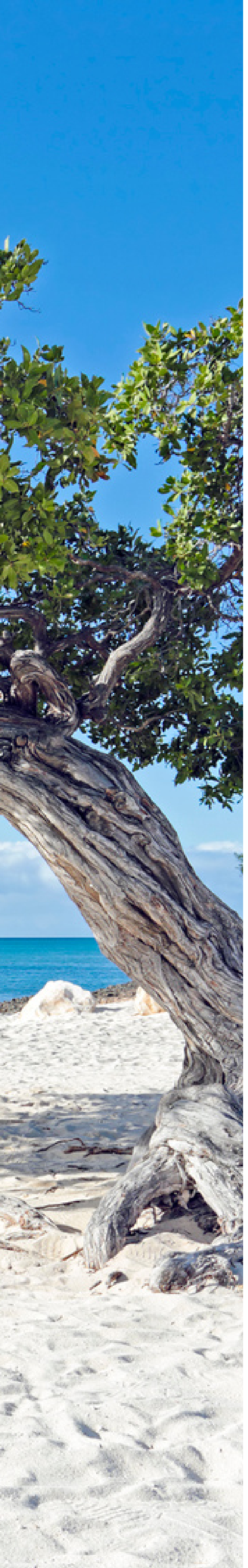
This section provides details of the Company's exposure to risk and describes the methods used by management to control risk. The most important types of risk to which the Company is exposed are:

- Insurance risk
- Credit risk
- Compliance risk
- Liquidity risk
- Market risk
  - -Currency risk
  - -Interest rate risk
  - -Equity price risk
- Operational risk
- Capital Risk
- Solvency

i) Insurance risk

Life insurance risks
The insurance portfolio has a moderate risk profile. The life portfolio contains insurance policies with both short-life risk and longevity risk.

Content of the life insurance portfolio
The life insurance portfolio contains individual and group insurance policies. Individual insurance policies are sold as policies with cash benefits (traditional policies). The individual life insurance portfolio primarily focuses on capital insurance policies. The Company insurance portfolio consists of traditional defined benefit products in which the insurer guarantees a certain payment stream after retirement. Furthermore, the majority of the group insurance products can be classified as Defined Contribution (DC) products in which the policyholder accumulates a monetary amount which can be compared with a savings account. When the policyholder reaches his pensionable age, this monetary amount is exchanged for an annuity.



Insurance risks for the life insurance portfolio

A life insurance policy entitles the policyholder to death benefits and/or a benefit payable on the maturity date of the policy. The most distinctive risk with respect to life insurance policies is uncertainty with respect to mortality rates. This uncertainty affects the duration and timing of the payment of the insured cash flows: mortality risk reflects the risk that policyholders decease earlier than expected and hence death benefits are paid earlier than expected Longevity risk on the other hand, reflects the risk that policyholders live longer than expected and hence outlive their entitlements (e.g. annuity product) The financial impact of the difference between the calculated timing of mortality and the realized mortality can be substantial, particularly with longevity risk, as this risk is still hard to reinsure.

The Company periodically reviews the level of longevity and mortality risk that is inherent in its portfolios. For an adequate assessment of these effects, the Company monitors the profit and loss development in time of its mortality assumptions for the entire portfolio. The liability adequacy test largely depends on the movements of the risk-free interest rate curve. Therefore, the life insurance liability adequacy test by itself does not function as an adequate basis to assess longevity and mortality risk compensation. Instead this is performed in a quarterly technical analysis. Furthermore, a comparison of the current present value of surpluses and deficits does not imply a guarantee that there will be no future deficits. Other insurance risks that affect the life insurance portfolio are the risk of disability (the policyholder becomes incapacitated for work) and risks associated with policyholders' behaviour, such as early surrender (the policyholder terminates the policy before the maturity date), the conversion to a non-contributory status (the policyholder terminates the regular premium payment before the maturity date), and spouse rates (e.g. when more policyholders turn out to have spouses, this increases the future benefit stream).

Life insurance portfolio - Investment risk and interest rate guarantees

For most traditional insurance contracts, the policyholder pays regular premiums and/or a single premium. For defined benefit policies, the insurer bears the investment risk of its commitments to policyholders. When a benefit or annuity payment is due, the insurer pays the policyholder a predetermined nominal amount. For defined contribution in group policies, the insurer bears the investment risk for the period the contract is signed. When the contract expires the insurer can change the interest rate that is used to increase the capital over time.

Managing insurance risks in the life insurance portfolio

Risks are managed by means of risk policy, by understanding the factors involved and by review. Developments in the insurance risks of mortality are investigated periodically and developments in early surrender biannually. The results of this investigation are used for pricing life insurance contracts and for the valuation of the insurance portfolio. Risk diversification in the composition of the life insurance portfolio is another goal. Furthermore, an active reinsurance policy is pursued. To gain insight into the sensitivity of the insurance portfolio resulting from changes in parameters used in calculating the technical provisions, the effects of changes in mortality were investigated. Hereby the changes in the parameters for the entire life portfolio were calculated. The solvency sensitivity to changes in the insurance technical parameters is mostly stable in comparison with prior year.

Reinsurance policy

The Company manages the risks through its reinsurance program which purpose is to adequately address the need to reduce profit volatility over time and to protect the capital of the company. The company has a program that covers the risk for disability, mortality and natural catastrophes where disability and or mortality are involved. The purpose of reinsurance is considered a continuous trade off between risk, reward and long-term business continuity. The Board of Directors indicates boundaries concerning risk and evaluates compliance of the proposed program with relevant rules and regulations.

Liability adequacy life insurance provisions

At the end of each reporting period the Company assesses whether it's recognized insurance liabilities are adequate using current estimates (mortality, interest and cost) of future cash flow, under its insurance contracts. The matching includes both interest matching and duration matching. Most of the relevant and contractual cash flows are modeled. According to IFRS 4 Insurance Contracts, Phase I, all related deferred acquisition costs and other intangible assets (initial discount rebates) are taken into account.

ii) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investment securities.

The Supervisory Board has delegated responsibility for the oversight of credit risk to its Credit Committees. Their responsibilities include the following:

- Formulating credit policies covering collateral requirements, credit assessments, risk grading and reporting, documentary and legal proceedings, and compliance with regulatory requirements.
- Establishing the delegated limits of authority for the approval and renewal of credit facilities. Authorization limits are granted to business unit managers and the credit committee. Larger facilities require approval of the Supervisory Board.
- Reviewing compliance of business units with agreed exposure limits.
- Reviewing and assessing portfolio quality and the business unit's compliance with the policies and procedures concerning periodic credit file reviews.

Receivables for which objective evidence indicates that the Company will not be able to collect all amounts due according to the original contractual loan terms are impaired as described in the significant accounting policies (refer to Note 18 receivables and other financial assets). Past due but not impaired loans and investment debt securities are those for which contractual interest or principal payments are past due, but the company believes that impairment is not appropriate on the basis of the level of security/collateral available or the stage of collection of amounts owed to the Company.

It is the Company's policy to invest in local reliable borrowers and local investments and to invest in foreign fixed income securities that are labeled as investment grade securities. In general, the Company will evaluate if the borrowers are compliant with the credit guidelines.

The Company holds collateral against loans and advances to customers in the form of mortgages interests over property, other registered securities over assets, and guarantees. Estimates of fair value are based on the value of the collateral assessed at the time of borrowing, and generally are not updated except when a loan is individually assessed as impaired. The Company's portfolio of consumer credits is for a great part unsecured.

To manage the level of credit risk, the Company deals with counterparties of good credit standing and management carries out periodically assessments over the liquidity of these institutions.

iii) Compliance risk

Compliance risk is defined as the risk of impairment of the Company's integrity, which could lead to damaging the Company's reputation, legal or regulatory sanctions, or financial loss, as a result of failure (or perceived failure) to comply with applicable laws, regulations and standards.
To support the Board of Directors of the Company in establishing an adequate Compliance framework, the Company has appointed a Senior Compliance Officer, who reports directly to the CEO of the Company and the Supervisory Board of the Company. The Senior Compliance Officer is functionally responsible for the Compliance Officers and Money Laundering Reporting Officers of the Company.
Quarterly the most material Compliance issues related to the compliance with regulations and specific applicable law are reported to the Board of Directors and the Supervisory Board.

iv) Liquidity risk

Liquidity risk arises in the general funding of the Company activities and in the management of positions. It includes both the risk of being unable to fund assets at appropriate maturities and rates and the risk of being unable to liquidate an asset at a reasonable price and in an appropriate time frame.

The Company has access to a diverse funding base. Funds are raised using a broad range of instruments including premiums paid, deposits, subordinated liabilities and share capital. This enhances funding flexibility, limits dependence on any one source of funds and generally lowers the cost of funds. The Company strives to maintain a balance between continuity of funding and flexibility through the use of liabilities with a range of maturities. The Company continually assesses liquidity risk by identifying and monitoring changes in funding required to meet business goals and targets set in terms of the Company's strategy.

Cash flow is monitored weekly through cash summary reports. In order to evaluate excess funds availability, the Company considers large recurring commitments, such as reinsurance, and claims/expenditure patterns as well as expected large expenditures. These are then weighted against cash inflow.

In accordance with IFRS 7 the following table provides an analysis of the financial assets and liabilities of the Company into relevant maturity groupings based on the remaining periods to repayment.

(in thousands AWG)	Less than one month	Between one and three months	Between three months and one year	Between one and three years	More than three years	Total
December 31, 2020						
Financial assets						
Cash and cash equivalents	41,323	25,000	-	-	-	**66,323**
Receivables and other financial assets	2,959	1,332	3,811	-	-	**8,102**
Amounts due from related parties	-	-	-	-	6,521	**6,521**
Loans and overdrafts to customers	-	-	4,408	1,952	209,078	**215,438**
Financial investments	-	-	20,000	36,993	145,026	**202,019**
	44,282	**26,332**	**28,219**	**38,945**	**360,625**	**498,403**
Financial liabilities						
Payables and other financial liabilities	421	-	1,375	-	-	**1,796**
Insurance liabilities	2,148	1,786	22,260	63,068	382,957	**472,219**
	2,569	**1,786**	**23,635**	**63,068**	**382,957**	**474,015**
	41,713	**24,546**	**4,584**	**(24,123)**	**(22,332)**	**24,388**

(in thousands AWG)	Less than one month	Between one and three months	Between three months and one year	Between one and three years	More than three years	Total
December 31, 2019						
Financial assets						
Cash and cash equivalents	27,715	10,000	-	-	-	**37,715**
Receivables and other financial assets	2,165	2,431	2,877	-	-	**7,473**
Amounts due from related parties	-	-	-	-	6,833	**6,833**
Loans and overdrafts to customers	-	-	4,395	1,475	140,066	**145,936**
Financial investments	52,726	-	41,617	57,015	135,704	**287,062**
	82,606	**12,431**	**48,889**	**58,490**	**282,603**	**485,019**
Financial liabilities						
Payables and other financial liabilities	434	125	3,178	-	-	**3,737**
Insurance liabilities	3,007	2,680	16,331	54,896	385,485	**462,399**
	3,441	**2,805**	**19,509**	**54,896**	**385,485**	**466,136**
	79,165	**9,626**	**29,380**	**3,594**	**(102,882)**	**18,883**

v) Market risk

Market risk is the risk that changes in market prices, such as interest rates; foreign exchange rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return on risk. Market risk includes currency risk, interest rate risk, and equity price risk.

Market risks are evaluated on an ongoing basis at the Executive and Board levels through discussions and review of market developments and trends. The investment portfolio consists of investments in Curacao, United Kingdom, The Netherlands and the United States of America. The balance sheet item that is exposed for market risk is the financial investments.

Currency risk

The foreign currencies in which investments are made are limited to US Dollars and Antillean guilders. The Antillean Guilder is pegged to the US Dollar. Therefore, there is no currency risk exposure related to the US Dollar. The foreign currency positions are monitored daily.

Interest rate risk

The Company's operations are subject to the risk of interest rate fluctuations to the extent that interest-earning assets and interest-bearing liabilities mature or re-price at different times or in differing amounts. Risk management activities are aimed at optimizing net interest income, given market interest rate levels consistent with the Company's business strategies.

Sensitivity analysis – interest rate risk

The management of interest rate risk against interest rate gap limits is supplemented by monitoring the sensitivity of the Company's financial assets and liabilities to various standard interest rate scenarios. These scenarios include a 100 and a 50 basis points (bp) fall of interest rates locally combined with a reduction of the interest rate on the overnight deposits to nil; and a 100 and a 50 bp rise of interest rates locally combined with a similar rise of the interest rate on the overnight deposits.

An analysis of the Company's sensitivity to a change in market interest rates in respect of interest-bearing financial assets and liabilities held on Statement of Financial Position, assuming no asymmetrical movement in yield curves and a constant financial position, is as follows:

	2020	2019
50 bp increase	1	1
50 bp decrease	(1)	(1)
100 bp increase	2	3
100 bp decrease	(2)	(3)

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Equity price risk
Equity price risk is subject to regular monitoring by the Company. The Company's position as of year-end in actively traded marketable securities comprises 7% (2019: 7%) of the Company's total assets. Price fluctuations could influence the overall results and financial position of the Company.

Sensitivity analysis – equity price risk
The management of equity price risk involves monitoring of the sensitivity of the Company's position in listed marketable equity securities to a 10% increase and 10% decrease in the fair values per year end. Based on this scenario the respective changes in equity prices would impact the Company's Equity and Total comprehensive income for the year (on a before tax basis) as follows:

	2020	2019
10% increase	32	248
10% decrease	(32)	(248)

vi) Operational risks

Operational risk is the risk of direct or indirect loss arising from a variety of causes associated with the Company's processes, personnel, technology and infrastructure, and from external factors other than credit, market and liquidity risks such as those arising from legal and regulatory requirements and generally accepted standards of corporate governance. Operational risks arise from all of the Company's operations.

The Company's objective is to manage operational risks so as to balance the avoidance of financial losses and damage to the Company's reputation with overall cost effectiveness and to avoid control procedures that restrict initiative and creativity.

The primary responsibility for the development and implementation of controls to address operational risk is assigned to senior management. This responsibility is supported by the development of overall standards for the management of operational risk in the following areas:
- Requirements for appropriate segregation of duties, including the independent authorization of transactions.
- Requirements for the reconciliation and monitoring of transactions.
- Compliance with regulatory and other legal requirements.
- Documentation of controls and procedures.
- Requirements for the periodic assessments of the operational risks faced, and the adequacy of controls and procedures to assess the risks identified.
- Development of contingency plans.
- Training and professional development of staff.
- Ethical and business standards.

A program of periodic reviews undertaken by Internal Audit supports compliance with procedures. The results of Internal Audit reviews are discussed with management of the business unit/department to which they relate, with summaries submitted to the Audit Committee and the Board of Directors.

vii) Capital management

The Company's objectives when managing capital are:
1. To comply with the insurance capital requirements of the local regulatory agency(ies) and/or Central Bank of Aruba. Capital adequacy for the Company is therefore governed by the Central Bank of Aruba.
2. To safeguard the Company's ability to continue as a going concern, so that it can continue to provide returns for the shareholders and benefits for other stakeholders.
3. To provide an adequate return to shareholders by pricing insurance and investment contracts commensurately with the level of risk.

Solvency requirement margin for insurance company

During 2014 the Central Bank of Aruba ("CBA") has issued new guidelines applicable to life insurers with respect to the minimum solvency requirement. The required solvency margin for Life insurance is 8% of the technical provision of previous year, regardless of reinsurance. At year end the Company is compliant with the solvency requirements.

The following table presents the calculation of the solvency as follows:

	2020	2019
Available solvency margin	50,694	44,464
Gross written life premiums	462,399	441,135
Minimum solvency margin 8%	36,992	35,291
Solvency Ratio	**137%**	**126%**

(6) Insurance premium revenue

The following table present details of net insurance premium revenue for the years ended December 31, 2020 and December 31, 2019.

	2020	2019
Gross written premiums	31,436	34,352
Gross insurance premium revenue	**31,436**	**34,352**
Written premiums ceded to reinsurers	(715)	(772)
Ceded earned premiums	**(715)**	**(772)**
Net insurance premium revenue	**30,721**	**33,580**

(7) Fee and commission income

The following table presents details of fee and commission income for the years ended December 31, 2020 and December 31, 2019.

	2020	2019
Fee and commission income	381	348
Total fee and commission income	**381**	**348**

(8) Net investment and other income

The following table presents details of net investment income for the years ended December 31, 2020 and December 31, 2019.

Investment income	2020	2019
Actual return		
Investment interest income	17,516	14,552
Investment property	137	208
Realized and unrealized gains and (losses)	523	710
Dividend income	-	1
Net investment income	**18,176**	**15,471**
By classification		
Cash and deposits with banks	2,130	3,069
Investments held for trading	350	719
Investment property	137	208
Investments at amortized cost	15,300	11,189
Available for sale investments	259	286
Net investment income	**18,176**	**15,471**
Other interest income	**153**	**265**
Total investment and other income	**18,329**	**15,736**

Of the interest income from cash and deposits with banks, AWG 0,8 million (2019: AWG 1,6 million) concern related parties.

(9) Insurance claims and benefits incurred

The following table presents details of insurance claims and benefits incurred for the years ended December 31, 2020 and December 31, 2019.

	2020	2019
Claims paid	27,682	17,698
Movement in insurance liabilities	9,820	21,262
Other	3	58
Gross insurance claims and benefits incurred	**37,505**	**39,018**
Movement in reinsurance assets	(2,560)	2
Ceded insurance claims and benefits incurred	**(2,560)**	**2**
Net insurance claims and benefits incurred	**34,945**	**39,020**
Investment result for risk of policy holders	74	(12)
Insurance claims and benefits incurred	**35,019**	**39,008**

For 2020 there was a release of Awg 2.5 million of prior year's reserves for reinsurance.

(10) Insurance policy acquisition costs

The following table presents details of life insurance acquisition costs for the years ended December 31, 2020 and December 31, 2019.

	2020	2019
Amortization deferred acquisition costs	855	852
Policy acquisition costs deferred	(696)	(705)
Total acquisition costs	**159**	**147**

Please refer to note 17 for the deferred insurance policy acquisition costs.

(11) Other expenses

The following table presents details of other expenses for the years ended December 31, 2020 and December 31, 2019.

	2020	2019
Staff expenses	2,745	3,666
General & administrative expenses	2,708	2,855
Depreciation property and equipment	222	313
Provisions	808	1,092
Other	419	707
Total other expenses	**6,902**	**8,633**

The following table presents details of the expenses of the staff employed by the Company for the years ended December 31, 2020 and December 31, 2019.

Staff expenses	2020	2019
Salaries	2,874	2,384
Pension expenses	(756)	734
Social security expenses	509	469
Other	118	79
Total staff expenses	**2,745**	**3,666**

The following table presents details of the provisions of the Company for the years ended December 31, 2020 and December 31, 2019.

	2020	2019
Allowance for doubtful accounts (see note 16)	590	1,092
Provision for reorganization (see note 26)	218	-
Total provisions	**808**	**1,092**

(12) Taxation

The following table presents details of the tax expenses by the Company for the years ended December 31, 2020 and December 31, 2019.

	2020	2019
Deferred tax expense		
Related to expiration/ utilization	120	227
Related to origination	(403)	-
Related to other comprehensive income	-	116
Total deferred tax expense	**(283)**	**343**
Total deferred tax expenses	**(283)**	**343**

(13) Property and equipment

The following table presents details of property and equipment for the years ended December 31, 2020 and December 31, 2019.

	2020	2019
Land and buildings		
Fair value at January 1	7,982	5,902
Additions/(Disposals)	50	1,886
Revaluation	-	194
Fair value at December 31	**8,032**	**7,982**
Accumulated depreciation at January 1	(1,110)	(840)
Depreciation charge for the year	(205)	(270)
Accumulated depreciation at December 31	**(1,315)**	**(1,110)**
Carrying amount at December 31	**6,717**	**6,872**
Furniture and fixtures		
Cost at January 1	1,003	1,003
Additions / (Disposals)	3	-
Cost at December 31	**1,006**	**1,003**
Accumulated depreciation at January 1	(995)	(972)
Depreciation charge for the year	(6)	(23)
Accumulated depreciation at December 31	**(1,001)**	**(995)**
Carrying amount at December 31	**5**	**8**
Motor vehicles/ transportation		
Cost at January 1	129	162
(Disposals)	-	(33)
Cost at December 31	**129**	**129**
Accumulated depreciation at January 1	(98)	(101)
Disposals	-	23
Depreciation charge for the year	(6)	(20)
Accumulated depreciation at December 31	**(104)**	**(98)**
Carrying amount at December 31	**25**	**31**
Total property and equipment	**6,747**	**6,911**

Land and buildings are stated at fair value less depreciation. The fair value represents the amount at which the land and buildings could be exchanged between a knowledgeable, willing buyer and a knowledgeable, willing seller in an arm's length transaction at the date of valuation.

Ennia Caribe Leven (Aruba) N.V. is officially the ultimate owner of the property & building at J.E. Irausquin Boulevard 16 since June 10, 2019 through the notarial deed of leasehold for a total price of AWG 5.5 million; which part was settled with the repayment of the loan from Aruba Bank of AWG 3,6 million.

The land and buildings at J.E. Irausquin Blvd 16 were revalued by a registered appraiser on November 25th, 2019. Valuation method used is carried out at present value based on the rentable value with a capitalization based on a yield of 8%. Management reviewed the valuations performed by the appraiser and is of the opinion that the valuation technique is appropriate.

In prior year the revaluation surplus was recognized directly in the statement of comprehensive income.

For 2020 the land & buildings were not revalued as the Board of Directors is of the opinion that the valuation of prior year is still appropriate.

(14) Investment property

The following table presents details of investment property for the years ended December 31, 2020 and December 31, 2019.

	2020	2019
Balance at January 1	6,169	6,085
Adjustments	-	4
Revaluation	-	80
Carrying amount at December 31	**6,169**	**6,169**

The investment properties are stated at fair value. The fair value represents the amount at which the investment properties could be exchanged between a knowledgeable, willing buyer and a knowledgeable, willing seller in an arm's length transaction at the date of valuation.

Investment properties comprise land and building located at Caya G.F. Betico Croes carried at AWG 5,6 million and other land properties located at Windstraat/Oude Schoolstraat carried at AWG 0.6m.

The land and building located at Caya G.F. Betico Croes were revalued by a registered appraiser on November 25th, 2019. Valuation method used is carried out at present value based on the rentable value with capitalization based on a yield of 8%. The land properties located at Windstraat/Oude Schoolstraat were revalued by a registered appraiser on May 6th, 2020. Valuation method used is carried out at present value based on the rentable value with capitalization based on a yield of 6%. The Board of Directors reviewed the valuations performed by the appraiser and is of the opinion that the valuation methods are appropriate.

In prior year the revaluation surplus was recognized in the statement of other comprehensive income.
For 2020 the Board of Directors reassessed the prior year valuation of the investment property and is of the opinion that the current valuation is still appropriate.

The assumptions used have been reassessed for continued appropriateness for 2020. This is illustrated in the following table of fair value measurements using significant unobservable inputs (Level 3):

Level 3 - Unobservable inputs								Sensitivities on Management's Assumptions					
Segment	Valuation AWG 000	Valuation Technique	Rental Value per year AWG 000	Fixed Costs per year AWG 000	Discount Rate	Cost to Completions AWG 000	Other Costs AWG 000	Rent Value Sensitivity		Fixed Cost Sensitivity		Discount Rate Sensitivity	
								+10%	-10%	+10%	-10%	+1%	-1%
Caya G.F. Betico Croes	5,516	Discounted	828	602	8%	1600	415	789	(789)	700	(700)	(778)	1,001
Windstraat/Oude Schoolstraat	653	cash flows	45	42	6%	-	49	70	(70)	65	(65)	(94)	129

(15) Financial investments

The following table presents details of financial investments for the years ended December 31, 2020 and December 31, 2019.

	2020	2019
Debt securities	152,899	203,216
Equity securities	315	115
Deposits	48,805	83,731
Total financial investments	**202,019**	**287,062**

Of the deposits AWG 30,0 million (2019: AWG 40,0 million) are held with related parties.

Financial investments consist of the following categories:

	2020	2019
Available-for-sale investments		
Listed securities		
Debt securities	-	2,984
Unlisted securities		
Shares	315	115
Total available-for-sale investments	**315**	**3,099**
Investments at fair value through profit or loss		
Listed securities		
Government debt security (T-bills)	-	52,725
Total investments at fair value through profit or loss	-	52,725
Total financial investments at fair value	**315**	**55,824**

The fair value of the listed available-for-sale debt and equity securities are determined at the closing prices provided by reputable data providers.

The fair value through of listed debt securities held at fair value through profit or loss are determined at the closing prices provided by reputable data providers.
Available-for-sale equity securities consist of investments in ordinary shares, and therefore have no fixed maturity date or coupon rate.

The fair value of the unlisted available-for-sale equity securities has been estimated using a valuation technique based on assumptions that are not supported by observable market prices or rates. Management believes the estimated fair values resulting from the valuation technique, which are recorded in the statement of the financial position and the related changes in fair value recorded in the income statement are reasonable and the most appropriate at the year–end.

	2020	2019
Held-to-maturity investments		
Government bonds	152,899	147,507
Time deposits	48,805	83,731
Total held-to-maturity investments	**201,704**	**231,238**

Held-to-maturity investments are initially recognized at fair value plus transaction cost and are subsequently carried at amortized cost using the effective interest method.

Fair value measurement

The following is a summary of the cost, unrealized gains and losses, and fair value of available-for-sale investments.

2020	Cost / Amortized cost	Unrealized gains and losses	Fair value
Debt securities AFS	-	-	-
Equity securities AFS	315	-	315
Debt securities FVPL	-	-	-
At December 31, 2020	**315**	**-**	**315**

2019	Cost / Amortized cost	Unrealized gains and losses	Fair value
Debt securities AFS	2,553	431	2,984
Equity securities AFS	115	-	115
Debt securities FVPL	52,722	3	52,725
At December 31, 2019	**55,390**	**434**	**55,824**

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Fair value hierarchy

The table below analyzes financial instruments carried at fair value, by valuation method. The different levels have been defined 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 (i.e., as prices) or indirectly (i.e., derived from prices). The local government bonds of Aruba are recorded under level 2.
Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Company's fair value hierarchy is as follows:

At December 31, 2020	Level 1	Level 2	Level 3	Total
Available-for-sale financial assets	-	-	315	**315**
Fair value hierarchy total assets	**-**	**-**	**315**	**315**
At December 31, 2019	**Level 1**	**Level 2**	**Level 3**	**Total**
Available-for-sale financial assets	2,984	-	115	**3,099**
Financial assets designated at fair value through profit or loss	52,725	-	-	**52,725**
Fair value hierarchy total assets	**55,709**	**-**	**115**	**55,824**

Fair Value Measurements using Level 3 Inputs

The following table shows a reconciliation of the opening and closing recorded amount of Level 3 financial assets and liabilities which are recorded at fair value

Investment in available-for-sale financial assets	2020	2019
Balance at January 1	115	115
Additions	200	-
At December 31	**315**	**115**

(16) Loans and overdrafts to customers

The following table presents details of loans and overdrafts to customers for the years ended December 31, 2020 and December 31, 2019.

	2020	2019
Corporate loans		
Mortgages	11,014	10,841
Loans	181,298	107,275
	192,312	118,116
Customer loans		
Mortgages to clients	23,617	27,465
Mortgages to personnel	2,704	2,815
Customer loans (policy loans)	364	509
	26,685	30,789
Total gross loans	**218,997**	**148,905**
Less allowance for doubtful accounts	(3,559)	(2,969)
Total loans	**215,438**	**145,936**

Individual allowance for impairment	**2020**	**2019**
Balance at January 1	2,969	1,877
Addition for the year	590	1,092
Balance at December 31	**3,559**	**2,969**

(17) Deferred insurance policy acquisition costs

The following table presents details of loans and overdrafts to customers for the years ended December 31, 2020 and December 31, 2019.

	2020	2019
At January 1	4,433	4,580
Acquisition costs deferred during the year	(855)	(852)
Amortization deferred acquisition costs	696	705
At December 31	**4,274**	**4,433**

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Acquisition commissions are deferred by the creation of an explicit deferred acquisition costs asset in the statement of financial position. The deferred acquisition costs are calculated according to individual product type and using an appropriate actuarial method reflecting the expected recovery of expenses and other margins. For single-premium business no acquisition costs are deferred. Amortization takes place over a period of 15 years where the amortization in the first years is higher as in the later years. Deferred acquisition costs relating with the life business amounts to AWG 4,3 million (2019: AWG 4,4 million).

(18) Deferred tax assets

The following table presents details of deferred tax assets for the years ended December 31, 2020 and December 31, 2019.

	2020	2019
Deferred tax assets		
At January 1	184	527
Through profit or loss:		
Carried forward tax losses	283	(227)
Unrealized valuation movements on property	-	(69)
Through OCI:		
Movement in fair value reserve	107	(47)
Total deferred tax assets	**574**	**184**

The Company, together with its parent entity, Ennia Caribe Holding (Aruba) N.V. and related entity, Ennia Caribe Schade (Aruba) N.V. formed a fiscal unity for tax purposes. Under this fiscal structure, the income of the Company is allocated to its shareholder, Ennia Caribe Holding (Aruba) N.V. for taxation on the basis of profits. The current tax charge for the Company for the period 2020 is nil (2019: nil).

A deferred taxation asset of AWG 1,4 million has been recognized in respect of unutilized carried forward tax losses. The Board of Directors have considered and are satisfied that the deferred taxation asset will be fully recoverable against future taxable profits. The unutilized carried forward tax losses are analyzed by year of origination and expiry as follows:

Fiscal / Financial Year	Origination	Utilization / Expiration	Unexpired Tax Losses	Fiscal / Financial Year of Expiry of Tax Losses
2015	(347)	347	-	2020
2016	-	-	-	2021
2017	(1,016)	-	(1,016)	2022
2018	(49)	-	(49)	2023
2019	-		-	2024
2020	-	(403)	(403)	2025
Total	**(1,412)**	**56**	**(1,468)**	

(19) Receivables and other financial assets

The following table presents details of receivables and other financial assets for the years ended December 31, 2020 and December 31, 2019.

	2020	2019
Amounts owed out of direct insurance	4,827	4,575
Amounts owed out of agents & brokers	1,089	1,444
Amounts owed out of mortgages	2,721	2,472
Allowance for doubtful accounts	(535)	(1,018)
Total receivables and other financial assets	**8,102**	**7,473**

The carrying amount of receivables are considered to approximate to their fair value.

(20) Prepayments and accrued income

The following table presents details of prepayments and accrued income for the years ended December 31, 2020 and December 31, 2019.

	2020	2019
Accrued interest income from debt securities	2,716	2,721
Accrued interest income from deposits	2,439	2,378
Accrued interest income from loans	2,233	1,392
Accrued interest income from mortgages	324	-
Prepayments and deposits	28	49
Total prepayments and accrued income	**7,740**	**6,540**

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(21) Amounts due from related parties

The following table presents details of receivables from related parties for the years ended December 31, 2020 and December 31, 2019.

	2020	2019
Balance at January 1	6,833	6,858
Interest income	191	192
Other movements	(503)	(217)
Total due from related parties	**6,521**	**6,833**

The Company charges a yearly fixed interest rate of 3% on amounts due from related parties. The repayment terms of amounts with related parties are not formalized in an agreement. The carrying amount of receivables are considered to approximate to their fair value.

(22) Cash and cash equivalents

The following table presents details of cash and cash equivalents for the years ended December 31, 2020 and December 31, 2019.

	2020	2019
Cash at banks	41,386	22,285
Short term time deposits	25,000	10,000
Items in the course of transit, transmission and clearing	(63)	5,430
Total cash and cash equivalents	**66,323**	**37,715**

Cash and cash equivalents comprise cash at banks.

(23) Share capital

The authorized and issued Capital of the Company consists of 26,000 (2019: 26,000) shares with a nominal value of AWG. 1,000.

(24) Fair value reserves

The following table presents details of the fair value reserve of the available-for-sale debt securities for the years ended December 31, 2020 and December 31, 2019.

	2020	2019
Balance at January 1	531	185
Fair value gains and (losses) arising in period	(429)	462
Deferred tax effect	107	(116)
Carrying amount at December 31	**209**	**531**

(25) Insurance liabilities

Key assumptions

Judgment is required in determining the liabilities and in the choice of assumptions. Assumptions in use are based on past experience, current internal data, external market indices and benchmarks which reflect current observable market prices and other published information. Assumptions and prudent estimates are determined at the date of valuation and no credit is taken for possible beneficial effects of voluntary withdrawals. Assumptions are further evaluated on a continuous basis in order to ensure realistic and reasonable valuations.

The key assumptions to which the estimation of liabilities is particularly sensitive are as follows:

Mortality rates

Assumptions are based on standard industry and national tables, according to the type of contract written and the territory in which the insured person resides. They reflect recent historical experience and are adjusted when appropriate to reflect the Company's own experiences. An appropriate, but not excessive, prudent allowance is made for expected future improvements. Assumptions are differentiated by sex, underwriting class and contract type.

An increase in mortality rate may result in a larger number of claims (and claims could occur sooner than anticipated), which will increase benefit payments and reduce profits for the shareholders. On the other hand, this effect is offset as an increase in mortality rates will decrease the number of payments made to retirees.

Discount rate

The present value of the future cash flow is determined using one interest rate. An average duration is determined by looking at the duration of the liabilities. Then, the timing of the cash flows is matched against the yield curve with a corresponding maturity. Next, the yields are weighted based on the timing of the cash flows to determine the average yield and the average duration of our own investment portfolio are matched against the insurance liability. Next, the risk-free rate is determined. All reinvestments are assumed to be made at this risk-free rate. Based on the foregoing one can derive an average return.

The risk-free rate has a significant impact in determining the average return. The risk-free rate in the market was determined to be 3.53 % (2019: 3.86%) according to the interest in the Dutch Caribbean and the United States of America. A premium of 0.5% was added to above risk-free rate to arrive at the rate of return used. Ennia Caribe Holding (Aruba) N.V. has guaranteed a return of 4% in the event that the yield for reinvestments drops below 4%. This is not taken into account in the interest rate.

Based on the above a risk-free rate of 4.03 % (2019: 4.466%) was used to determine the return for reinvestments.

Maturity	2019	2020
Year 1	1.78%	1.18%
Year 2	2.24%	1.64%
Year 3	2.63%	2.05%
Year 4	2.96%	2.40%
Year 5	3.22%	2.70%
Year 6	3.44%	2.95%
Year 7	3.63%	3.16%
Year 8	3.78%	3.34%
Year 9	3.91%	3.49%
Year 10	4.02%	3.62%
Year 11	4.12%	3.73%
Year 12	4.20%	3.83%
Year 13	4.28%	3.91%
Year 14	4.34%	3.99%
Year 15	4.40%	4.06%
Year 16	4.46%	4.12%
Year 17	4.50%	4.18%
Year 18	4.55%	4.23%
Year 19	4.59%	4.28%
Year 20	4.63%	4.32%
Year 21	4.67%	4.37%
Year 22	4.71%	4.41%
Year 23	4.74%	4.45%
Year 24	4.78%	4.48%
Year 25	4.81%	4.52%
Year 26	4.84%	4.56%
Year 27	4.87%	4.59%
Year 28	4.91%	4.63%
Year 29	4.94%	4.66%
Year 30	4.97%	4.70%

Based on the above the following returns were used for reinvestments in Aruba.

The assumptions that have the greatest effect on the statement of financial position and income statement of the Company are listed below.

	Mortality rates		Interest rates	
	2020	2019	2020	2019
Group life provision	GBM/V 2003 - 2008	GBM/V 2003 - 2008	3%	3%
	GBM/V 2000 - 2005	GBM/V 2000 - 2005	3%	3%
	GBM/V 1985 - 1990	GBM/V 1985 - 1990	4%	4%
	GBM/V 1976 - 1980	GBM/V 1976 - 1980	4%	4%
	GBM/V 1961 - 1965	GBM/V 1961 - 1965	4%	4%
Individual life provision	GBM/V 2000 - 2005	GBM/V 2000 - 2005	3%	3%
	GBM/V 1976 - 1980	GBM/V 1976 - 1980	3%	3%
	GBM/V 1976 - 1980	GBM/V 1976 - 1980	4%	4%
	GBM/V 1961 - 1965	GBM/V 1961 - 1965	4%	4%

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The following table presents the impact of a 1.0% change in the interest rate on the group life provision and individual life provision (all other assumptions held constant).

	4.0% (base)	3.0%	5.0%
Group life	367,520	424,668	318,503
Individual life	104,699	118,875	92,325
Total	472,219	543,543	410,826
Increase/(decrease) compared to base		71,324	(61,391)

The following table presents details of insurance liabilities for the years ended December 31, 2020 and December 31, 2019.

	2020	2019
Individual life provisions	104,699	115,175
Group life provisions	367,520	347,224
Gross insurance liabilities	**472,219**	**462,399**
Individual life provisions	(1,010)	(1,036)
Total reinsurance assets	**(1,010)**	**(1,036)**
Net insurance liabilities	**471,209**	**461,363**

Individual insurance provisions

The following changes have occurred in the reinsurance individual insurance provisions during the years December 31, 2020 and December 31, 2019.

	2020	2019
At January 1	115,175	116,504
Required interest	3,902	4,152
Available costs	(3,817)	(3,896)
Claims and benefits paid	(19,237)	(10,611)
Change in insurance liabilities	11,271	11,959
Other movements	(2,595)	(2,933)
At December 31	**104,699**	**115,175**

The following changes have occurred in the reinsurance individual insurance provisions during the years December 31, 2020 and December 31, 2019.

	2020	2019
At January 1	1,036	1,039
Required interest	(41)	(41)
Available costs	309	246
Claims and benefits paid	97	(115)
Change in insurance liability	(391)	(93)
At December 31	**1,010**	**1,036**

Group insurance provisions

The following changes have occurred in the gross group insurance provisions during the years December 31, 2020 and December 31, 2019.

	2020	2019
At January 1	347,224	324,631
Required interest	12,985	12,307
Available costs	(1,872)	(2,038)
Claims and benefits paid	(8,445)	(7,086)
Change in insurance liabilities	19,450	21,622
Other movements	(1,822)	(2,212)
At December 31	**367,520**	**347,224**

(26) Provision for reorganization

The following table presents details of provisions for the years ended December 31, 2020 and December 31, 2019.

	2020	2019
Reorganization provisions	218	-
Total financial liabilities	**218**	-

A detailed reorganization plan has been formalized at the balance sheet date and the justified expectation has been communicated to those affected by the reorganization. The amount of the provision is based on the current best management estimate of the actual amount to be distributed.

(27) Payables and other liabilities

The following table presents details of payables and other liabilities for the years ended December 31, 2020 and December 31, 2019.

	2020	2019
Payables arising out of direct insurance	83	113
Payables arising out of reinsurance	1,309	2,700
Other liabilities	404	924
Total payables and other liabilities	**1,796**	**3,737**

(28) Related party transactions

(a) Transactions with parent company

The Company enters into transactions with its parent company; Ennia Caribe Holding (Aruba) N.V. and the outstanding balance is as follows:

	2020	2019
Outstanding balance with parent company	1,281	10

The outstanding balances as of the reporting date are unsecured and with interest. Settlement is expected to take place in cash.
The significant transactions carried out during the year with the parent company are as follows:

	2020	2019
Payroll	(2,162)	(1,939)
Allocated operational expenses	(816)	(1,779)
Interest expenses	(20)	(57)
Adjustment previous years	907	-
Settlement	-	2,078
Others	3,362	2,823
Total transactions with parent company	**1,271**	**1,126**

The repayment terms of amounts with related parties are not formalized in an agreement.

(b)Transactions with other related parties

The Company enters into transactions with the following related parties: Ennia Caribe Schade (Aruba) N.V., Banco di Caribe NV, Ennia Caribe Holding N.V. and its subsidiaries and key management personnel in the normal course of business. The sales and purchases from related parties are made at normal market prices. The outstanding balances with other related parties are as follows:

	2020	2019
Financial investments with entities from the same group	30,000	40,000
Outstanding balance with other related parties	5,239	6,823

Outstanding balances as of the reporting date are unsecured and with interest. Settlement is expected to take place in cash. As of the reporting date settlement has taken place for the loans and the outstanding balance with other related parties.
There are no provisions for doubtful accounts as of the reporting date and no bad debt expenses during the year.
Details of significant transactions carried out during the year with other related parties are as follows:

	2020	2019
Purchase of		
Investments from entities of the same group	10,000	9,250
Interest earned on financial investments, loans and current accounts	1,106	1,884
Redemption of		
Investments from entities of the same group	(20,000)	(32,850)

(c) Employee benefits

All personnel are employed by Ennia Caribe Holding (Aruba) N.V. therefore, the liabilities for employee benefits are recorded in Ennia Caribe Holding (Aruba) N.V. with the expenses allocated among group companies.

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(29) Commitments and contingencies

The table below gives the contractual amounts of credit commitments of the Company for corporate and customer loans.

Credit Commitments	2020	2019
Corporate loans		
- less than 1 year	14,950	26,320
- 1 year and over	1,657	5,368
Customer loans		
- less than 1 year	217	286
- 1 year and over	-	-
Total Credit commitments	**16,824**	**31,974**

There were no other commitments, contingent liabilities or contingent assets at either December 31, 2020 or December 31, 2019 requiring disclosures and/or adjustments.

(30) Subsequent events

There have been no other subsequent events which would have a material impact on the financial statements.

* * * * *

ENNIA is an active participant in sponsoring sport teams en healthy living. Our Corporate responsibility arises from commitment to society. Our staff are committed to groups that need extra help and to our youth, our future.

MR. ANCO R.O. RINGELING

Anco was born in Aruba on October 28, 1951.

He received his Master's degree in Social Sciences and his Bachelor of Law degree at the University of Utrecht.

Anco is a former Director of the Department of Social Affairs and former CEO of the Executive Body of the AZV. He is also a former lecturer and interim-rector at the University of Aruba. Nowadays, he provides consultancy services related to healthcare.

MR. JOHAN SJIEM FAT

Johan was born in Aruba on December 25, 1954.

He was educated in the Netherlands and in the USA. He obtained a law degree (LLM in Dutch Law) from the University of Utrecht in the Netherlands in 1977. In 1977, he was admitted to the Bar in Aruba and the Netherlands Antilles. In 1980 he obtained a Master's of Comparative Law Degree (MCL) from Georgetown University Law Center in Washington DC. He has practiced law in Aruba ever since.

Johan is a former President of the Aruba Bar Association and formed part of the team that drafted the Aruban Constitution when Aruba obtained the status of a separate jurisdiction (status aparte) within the Dutch Kingdom in1986. He has acted as advisor to the Government of Aruba both with respect to administrative law matters as well as with respect to commercial transactions.

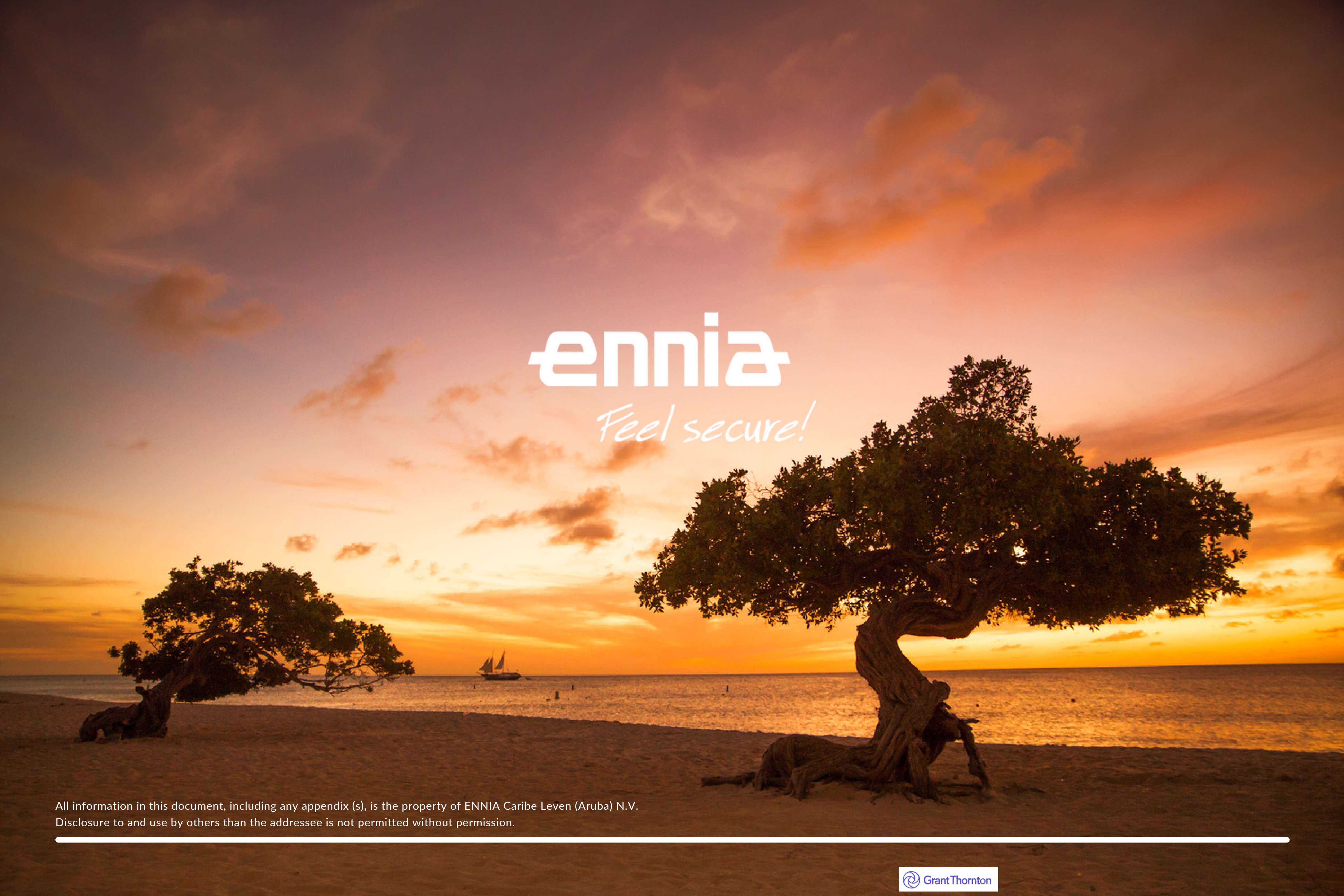
MR. CEES F.J.J. ROKX

Cees was born on September 17, 1962 in the Netherlands.

He studied Business Economics at Tilburg University in the Netherlands and received his degree in 1986. He also completed his post-doctoral studies to become a Registered Accountant in 1989.

Cees was a Senior Partner at the professional services firm of PricewaterhouseCoopers until 2016. He worked at PwC in Rotterdam, Toronto, St. Maarten and Curacao for a total period of 31 years. He also serviced a variety of clients in Aruba and Bonaire.

Cees is now a member of the Supervisory Boards at Ennia Aruba, Banco di Caribe and United Bank International.



Grant Thornton