

BAHAMAS FIRST HOLDINGS LIMITED

Quarterly Report on Unaudited Results

For the 3 Months Ended March 31, 2025

Disclaimers

This Report may contain “forward-looking information”. Forward-looking information may relate to our future business, financial outlook and anticipated events or results and may include information regarding our financial position, financial results, operations, business strategies, plans and objectives, particularly, forward-looking information regarding our expectations of future results, performance, achievements, prospects or opportunities for the markets in which we operate. Forward-looking information in this Report is based on our opinions, estimates and assumptions in light of our experience and perception of historical trends, current conditions and expected future developments, as well as other factors that we currently believe are appropriate and reasonable in the circumstances. Despite a careful process to prepare and review forward-looking information, they are not guarantees of future financial performance as there can be no assurance that the underlying opinions, estimates and assumptions will prove to be correct.

The financial information for the 3 months ended March 31, 2025, included in this report is unaudited.

EXECUTIVE SUMMARY

on Unaudited Results for the 3 months ended March 31, 2025

In comparison to the prior year, the Group's financial results for the three months ended March 31, 2025, showed improvement across several key areas: the insurance service result improved by 36%; the net loss by 44%; and the total comprehensive loss by 50%.

The Bahamas Property and Casualty ("P&C") segment was the primary driver of the improvements in both the insurance service result and the net loss. While several factors contributed to these results, notable items include growth in the motor portfolio and an improvement in the expected credit loss provision.

In Cayman we also recorded improvements in the net loss for both P&C and Health and Group Life segments, although the positive changes were marginal compared to the prior year. The insurance service result for the P&C segment declined slightly relative to the previous quarter, primarily due to a higher motor loss ratio driven by adverse development on prior year claims.

Financial Summary of Unaudited Results

AS AT MARCH 31, 2025
(Expressed in Bahamian dollars)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION	As at:	
	31-Mar-25	31-Dec-24
Cash and investments	85,995,247	70,851,651
Broker receivables	23,275,202	21,446,375
Reinsurance contract assets	55,286,143	55,351,927
Property and equipment	24,305,475	24,387,043
Intangible assets and goodwill	6,905,730	7,187,378
Other assets	3,711,633	2,986,283
Total assets	199,479,430	182,210,657
Insurance contract liabilities	110,763,823	93,130,530
Bonds payable	7,500,000	7,616,866
Other liabilities	3,415,876	2,431,518
Total liabilities	121,679,699	103,178,914
Total equity attributable to owners of the company	73,291,496	74,406,776
Non-controlling interest	4,508,235	4,624,967
Total equity	77,799,731	79,031,743
Total liabilities and equity	199,479,430	182,210,657

Financial Summary of Unaudited Results

FOR THE 3 MONTHS ENDED
MARCH 31, 2025
(Expressed in Bahamian dollars)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME/(LOSS)	For the 3 Months Ended	
	31-Mar-25	31-Mar-24
Insurance revenue	28,856,659	26,117,933
Insurance service expenses	(19,812,379)	(19,674,469)
Net expenses from reinsurance contracts held	(7,476,238)	(5,289,202)
Insurance service result	1,568,042	1,154,262
Insurance finance expenses from insurance contracts issued	(271,328)	(299,158)
Reinsurance finance income from reinsurance contracts held	168,376	46,991
Net finance expenses from insurance and reinsurance contracts	(102,952)	(252,167)
Net investment and other income	448,015	390,681
Other operating expenses	(3,109,435)	(3,416,722)
Loss for the period	(1,196,330)	(2,123,946)
Other comprehensive income/(loss)	51,818	(169,385)
Total comprehensive loss	(1,144,512)	(2,293,331)
Loss attributable to:		
Owners of the company	(1,065,310)	(1,961,440)
Non-Controlling Interest	(131,020)	(162,506)
Loss for the period	(1,196,330)	(2,123,946)
Loss per common share (Note 5)	(0.03)	(0.06)
Total comprehensive loss attributable to:		
Owners of the company	(1,027,780)	(2,137,617)
Non-Controlling Interest	(116,732)	(155,714)
Total comprehensive loss	(1,144,512)	(2,293,331)

Financial Summary of Unaudited Results

FOR THE 3 MONTHS ENDED
MARCH 31, 2025
(Expressed in Bahamian dollars)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	For the 3 Months Ended	
	31-Mar-25	31-Mar-24
Common shares, Preference shares, Contributed surplus and General reserve		
Balance at beginning and end of period	24,291,275	24,291,275
Revaluation reserve		
Balance at beginning of period	16,682,470	17,367,666
Other comprehensive income/(loss)	51,818	(401,045)
Balance at end of period	16,734,288	16,966,621
Retained earnings		
Balance at beginning of period	33,433,031	29,840,923
Total comprehensive loss	(1,079,598)	(1,736,572)
Preference share dividends	(87,500)	(87,500)
Balance at end of period	32,265,933	28,016,851
Non-controlling interest		
Balance at beginning of period	4,624,967	4,346,505
Total comprehensive loss	(116,732)	(155,714)
Balance at end of period	4,508,235	4,190,791
Total equity at end of period	77,799,731	73,465,538

Financial Summary of Unaudited Results

FOR THE 3 MONTHS ENDED
MARCH 31, 2025
(Expressed in Bahamian dollars)

CONSOLIDATED STATEMENT OF CASH FLOWS	For the 3 Months Ended	
	31-Mar-25	31-Mar-24
Net cash from operating activities	15,465,252	6,620,322
Net cash (used in)/from investing activities	(444,600)	76,197
Net cash used in financing activities	(161,808)	(160,774)
Net increase in cash and cash equivalents	14,858,844	6,535,745
Cash and cash equivalents at the beginning of the period	27,266,483	34,425,676
Cash and cash equivalents at the end of the period	42,125,327	40,961,421

Selected Explanatory Notes to the Unaudited Financial Results

For the 3 Months Ended March 31, 2025

1. GENERAL

Bahamas First Holdings Limited (“BFH” or the “Company”) and its subsidiaries are incorporated under the laws of the Commonwealth of The Bahamas, except BFH International Limited, Cayman First Insurance Company Limited, BRAC Insurance Associates Ltd. and BFH Services (Cayman) Limited which are incorporated under the laws of the Cayman Islands.

These consolidated unaudited financial results include the accounts of BFH and its subsidiaries, which are hereinafter collectively referred to as the “Group”. The primary activity of the Group is the carrying on of general insurance business (property and casualty) and health and group life insurance. The subsidiaries are as follows:

Registered insurers

- Bahamas First General Insurance Company Limited (“BFG”)
- Cayman First Insurance Company Limited (“CFI”)

Registered insurance intermediaries

- Nassau Underwriters Agency Insurance Agents & Brokers Ltd. (“NUA”)
- BRAC Insurance Associates Ltd. (“BIA”)

Management company

- Bahamas First Corporate Services Ltd. (“BFCS”)

Insurance holding company

- BFH International Limited (“BFHIL”)

Dormant companies

- CMA Insurance Brokers & Agents Limited (“CMA”)
- First Response Limited (“FRL”)
- BFH Services (Cayman) Limited (“BFHS”)

All of the above subsidiaries are wholly-owned except for CFI, of which BFHIL owns 87.70%. The ordinary and preference shares along with the corporate bonds are listed and traded on the Bahamas International Securities Exchange (“BISX”). The registered office of the Company is located at 32 Collins Avenue, Nassau, The Bahamas.

2. MATERIAL ACCOUNTING POLICY INFORMATION

The condensed interim financial results have been prepared in accordance with IAS 34 Interim Financial Reporting (“IAS 34”), using the accounting policies adopted in the last annual financial statements for the year ended December 31, 2024. The Group has consistently applied the same accounting policies through all periods presented. These interim unaudited consolidated financial results should be read in conjunction with the consolidated financial statements of the Group for the year ended December 31, 2024.

Selected Explanatory Notes to the Unaudited Financial Results (Continued)

For the 3 Months Ended March 31, 2025

3. SEASONALITY

The Property and Casualty insurance business is seasonal in nature with the bulk of the catastrophe insurance revenue being recognised during the hurricane months of June to November. The insurance service result is driven mainly by claims associated with weather conditions and may vary significantly between quarters. Profit commission earned from reinsurers and paid to agents are significantly impacted by natural catastrophes and are therefore recorded only in the fourth quarter.

4. SEGMENTED INFORMATION

The Group's operating segments are identified based on the internal reports that are regularly reviewed by the Chief Operating Decision Maker for the purpose of allocating resources and assessing performance. The Group's operations are organised into the following operating segments of Property and Casualty ("P&C") and Health and Group Life ("H&L") and by geographic location.

The segment results for the interim periods are noted in the table displayed ►

	BAHAMAS		CAYMAN	
	P&C	P&C	H&L	TOTAL
	\$	\$	\$	\$
For The 3 Months Ended 31-Mar-25				
Insurance service result	2,337,985	195,548	(965,491)	1,568,042
Loss	(73,260)	(76,275)	(1,046,795)	(1,196,330)
Capital expenditure	78,136	43,852	76,594	198,582
As at 31-Mar-25				
Total assets	127,024,643	50,688,107	21,766,680	199,479,430
Total liabilities	91,212,824	25,633,923	4,832,952	121,679,699
For The 3 Months Ended 31-Mar-24				
Insurance service result	1,941,902	225,361	(1,013,001)	1,154,262
Loss	(739,732)	(265,552)	(1,118,662)	(2,123,946)
Capital expenditure	215,910	1,711	1,517	219,138
As at 31-Dec-24				
Total assets	113,274,321	44,544,997	24,391,339	182,210,657
Total liabilities	77,392,473	20,300,903	5,485,538	103,178,914

Selected Explanatory Notes to the Unaudited Financial Results (Continued)

For the 3 Months Ended March 31, 2025

5. EARNINGS PER COMMON SHARE

	2025	2024
	\$	\$
3 months Ended 31-Mar		
Loss for the period attributable to owners of the company	(1,065,310)	(1,961,440)
Preference shares dividend paid	(87,500)	(87,500)
Loss for the period attributable to common shareholders	(1,152,810)	(2,048,940)
Weighted average number of common shares outstanding	36,511,589	36,511,589
Basic and diluted loss per common share	(0.03)	(0.06)

Bahamas First Holdings Limited

32 Collins Avenue

Nassau, The Bahamas

T: [242] 302 3900

F: [242] 302 3901

Send inquiries to: info@bahamasfirst.com