

Netherlands Antilles & Aruba Assurance Company (NA&A) N.V.

located, Aruba

Annual report 2024

Table of contents

	Page
1. Management Board's report	2
2. Financial statements	
2.1 Balance sheet as at 31 December 2024	4
2.2 Profit and loss account for the year 2024	6
2.3 Cash flow statement for the year 2024	7
2.4 Notes to the financial statements	8
2.5 Notes to the balance sheet	12
2.6 Notes to the profit and loss account	20

1. Management Board's report

Management Board's report

General

The year 2024 has been marked primarily by continued growth in the number of clients and insurance policies for Citizens Insurance Aruba. The changes initiated in 2023 further materialized in 2024, resulting in this strong growth. All distribution channels contributed to this, with the growth in the broker channel being particularly significant. The employees of Citizens Insurance Aruba have once again made an important and valuable contribution in 2024.

Economic developments in Aruba have been very positive in 2024 and have contributed to an insurance market that offered many opportunities for growth across all segments in which Citizens Insurance Aruba is active. This has led to a further strengthening of our market position in 2024. In the Group Medical market, the year was primarily focused on the acquisition of new contracts. These especially involve longer lead times at larger companies before decisions are made. As a result, the impact of these acquisitions will mainly be seen in 2025. Several new contracts were already approved in 2024, but their effectiveness will only be realized in 2025. The introduction of a portal for the automated processing of changes in Group Medical contracts will contribute to more efficient administration with shorter turnaround times and will further improve customer satisfaction. Initial feedback from clients has been positive.

The car insurance market continues to require attention, particularly regarding claims development. New trends, such as the significant growth in electric vehicles, demand constant vigilance in underwriting and premium setting. All of this must align with Citizens Insurance Aruba's ambition to become the best private insurer in Aruba. In 2024, further investments were made in the development of systems and staff to optimally meet customer needs. We strive for Customer Excellence, which places high demands on both staff and management to achieve this. Without the trust of our clients in us as their insurer, we are nowhere. Therefore, we are especially grateful to all new and existing clients who placed their trust in us in 2024.

Financials

The growth in net earned premiums continued in 2024. The net earned premiums grew with almost 10% compared to the previous year. The growth is achieved over all the portfolios.

The year 2024 was not a good year, in general for Aruba and also for Citizens, regarding the number of accidents. The number of accidents increased compared to previous year (which also showed an increase to the year before). As well the number of claims as the claim amounts showed an upward trend of almost 9% for the net claims incurred.

The operating expenses increased also but this was in line with the expectations, due to the growth in personnel based upon the growth of the total portfolio. This due to a good control of the operating expenses.

The result before taxation improved slightly.

Oranjestad, Aruba May 21, 2025

Gerard Timmermans
Managing Director

Henk Timmermans
Managing Director

2. Financial statements



**Netherlands Antilles & Aruba Assurance Company
(NA&A) N.V.**

2.1 Balance sheet as at 31 December 2024

		31-12-2024		31-12-2023	
		AWG	AWG	AWG	AWG
Assets					
Fixed assets					
<i>Intangible assets</i>	1		157,229		42,325
<i>Property, plant and equipment</i>	2		683,756		740,002
<i>Financial assets</i>					
Investments	3		2,381,469		2,381,469
Current assets					
<i>Receivables</i>					
Accounts receivable	4	1,277,716		1,130,151	
Related party receivable	5	3,986		65,968	
Taxes and social security charges	6	471,387		525,088	
Other accounts receivable	7	<u>1,871,094</u>		<u>1,598,721</u>	
			3,624,183		3,319,928
<i>Securities</i>	8		3,000,000		1,200,000
<i>Cash and banks</i>	9		3,027,888		4,151,824
			<u>12,874,525</u>		<u>11,835,548</u>

**Netherlands Antilles & Aruba Assurance Company
(NA&A) N.V.**

		31-12-2024		31-12-2023	
		AWG	AWG	AWG	AWG
Equity and liabilities					
Equity	10				
Issued share capital		200,000		200,000	
Share premium		2,230,000		2,230,000	
Other reserve		3,098,402		3,069,150	
Result for the year		<u>163,935</u>		<u>149,252</u>	
			5,692,337		5,648,402
Provisions					
Technical reserve for claims	11	2,685,025		2,292,877	
Technical reserve for unearned premiums	12	<u>3,889,766</u>		<u>3,164,220</u>	
			6,574,791		5,457,097
Current liabilities, accruals and deferred income					
Taxes and social security contributions	13	224,253		266,859	
Other liabilities and accrued expenses	14	<u>383,144</u>		<u>463,190</u>	
			607,397		730,049
			<u>12,874,525</u>		<u>11,835,548</u>

2.2 Profit and loss account for the year 2024

		2024	2023
		AWG	AWG
Net earned premiums	15	10,937,891	9,959,850
Net claims incurred	16	-5,731,363	-5,273,121
Other income		153,348	168,075
Other insurance costs	17	<u>-1,772,637</u>	<u>-1,475,230</u>
Net insurance result		3,587,239	3,379,574
Personnel expenses	18	2,076,152	1,799,467
Amortization of intangible assets	19	29,851	34,078
Depreciation of property, plant and equipment	20	105,765	89,189
Other operating expenses	21	<u>1,347,727</u>	<u>1,442,087</u>
Total operating expenses		<u>3,559,495</u>	<u>3,364,821</u>
Operating result		27,744	14,753
Financial income and expense	22	<u>189,892</u>	<u>175,369</u>
Result before taxation		217,636	190,122
Taxation	23	<u>-53,701</u>	<u>-40,870</u>
Net result after taxation		<u>163,935</u>	<u>149,252</u>

2.3 Cash flow statement for the year 2024

	2024		2023	
	AWG	AWG	AWG	AWG
Cash flow from operating activities				
Operating result		27,744		14,753
<i>Adjustments for</i>				
Depreciation and amortization		135,616		123,267
Interest income		189,892		-175,369
Tax		-53,701		40,870
<i>Movement in working capital</i>				
Movement in receivables	-491,564		-710,440	
Movement in provisions	1,117,694		625,869	
Movement in short term liabilities	<u>-122,652</u>		<u>211,374</u>	
	503,478		126,803	
Total cash flow from operating activities		803,029		130,324
<i>Cash flow from investment activities</i>				
Investments/disposals in tangible fixed assets		-49,519		-211,461
Investments/disposals in intangible assets		-144,755		-
Disposal of fixed assets		-		62,500
Interest received		187,309		314,436
Proceeds and/or purchases of financial assets		<u>-1,800,000</u>		<u>1,174,451</u>
Total cash from investment activities		-1,806,965		1,339,926
<i>Financing activities</i>				
Dividend paid		-120,000		-
Movement in cash funds		-1,123,936		1,470,250
Turnover movement cash and cash equivalents				
Cash and cash equivalents at the beginning of the period		4,151,824		2,681,574
Movement of the year		<u>-1,123,936</u>		<u>1,470,250</u>
Cash and cash equivalents at the end of the period		<u>3,027,888</u>		<u>4,151,824</u>

2.4 Notes to the financial statements

Entity information

Registered address and registration number trade register

The registered and actual address of Netherlands Antilles & Aruba Assurance Company (NA&A) N.V. is Dominicanessenstraat 5, in Aruba. Netherlands Antilles & Aruba Assurance Company (NA&A) N.V. is registered at the Chamber of Commerce under number H35969.0.

General notes

The most important activities of the entity

Netherlands Antilles & Aruba Assurance Company (NA&A) N.V. (The "Company") is an insurance company which was established on March 16, 2007 under the laws of Aruba and started its operations on January 1, 2008.

The deed of incorporation of the company shows that Netherlands Antilles & Aruba Assurance Company (NA&A) N.V., a private company with limited liability, was incorporated on the date referred to above.

As of January 1, 2008, the company has one shareholder.

The company primarily markets and services personal insurances, car, property and medical insurances. Its customers range from individuals in the lower and higher segment income, to large international hotels on Aruba. These two groups demand value priced insurance premiums as well as quality comprehensive coverage. The company also provide insurance to businesses, mostly group health benefits for hotel operations, as well as individual health insurances.

Risk profile

The company is a risk averse organization. The governance structure (consultations and decision making in the consensus model), the limited size and complexity of the organization, the simplicity of the products and the direct involvement of management in the risk monitoring play an important role in this.

The risk that claim payments (now or in the future) cannot be financed from premium income as a result of incorrect and/or incomplete (technical) assumptions and principles for the development and premium setting of the product is managed through an adequate system of claim reservation, a reinsurance policy and the evaluation of the premium/claim ratios.

Credit risk is the risk that a third party will fail to meet contractual or other agreed obligations (including loans, receivables, guarantees received). The company manages credit risk of its affiliated member insurers, reinsurers and on its investments. Strict collection procedures are followed for accounts receivable.

Interest rate is the risk that the company runs with changes in the value of financial instruments as a result of a change in interest rates in the market. The interest rate risk policy is aimed at controlling the net financing costs for fluctuations in market interest rates.

Netherlands Antilles & Aruba Assurance Company (NA&A) N.V.

Disclosure of group structure

Netherlands Antilles & Aruba Assurance Company (NA&A) N.V. is part of a group. The head of this group is Citizens Holding B.V., Curaçao. The financial statements of Netherlands Antilles & Aruba Assurance Company (NA&A) N.V. are included in the consolidated financial statements of Netherlands Antilles & Aruba Assurance Company (NA&A) N.V., Curaçao.

The company had transactions or balances with the following related parties:

- Netherlands Antilles & Aruba Assurance Company (NA&A) N.V., Curacao

General accounting principles

The accounting standards used to prepare the financial statements

The financial statements relate to the financial year 2024, which ended on the balance sheet date December 31, 2024 and are drawn up in accordance with Guidelines for Annual Reporting of the Dutch Accounting Standards Board (DASs).

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

Previous year's figures have been reclassified wherever necessary to make them comparable with the current year's classification.

The financial statements are presented in AWG's, which is also the functional currency of the company.

The functional currency

The financial statements are presented in AWG's, which is also the functional currency of the company.

Conversion of amounts denominated in foreign currency

Monetary assets and liabilities in foreign currencies are converted to the closing rate of the functional currency on the balance sheet date. The translation differences resulting from settlement and conversion are credited or charged to the profit and loss account, unless hedge accounting is applied.

Non monetary assets valued at historical cost in a foreign currency are converted at the exchange rate on the transaction date.

Non monetary assets valued at fair value in a foreign currency are converted at the exchange rate on the date on which the fair value was determined.

Accounting principles

Intangible assets

Intangible assets are valued at historical cost or manufacturing price including directly attributable costs, less straight line amortization based on the expected future life and impairments.

Land and buildings

Land and buildings are valued at historical cost plus additional costs or production cost less straight line depreciation based on the expected useful life. Land is not depreciated. Impairments expected on the balance sheet date are taken into account. With regard to the determination as to whether a tangible fixed asset is subject to an impairment, please refer to the relevant section.

**Netherlands Antilles & Aruba Assurance Company
(NA&A) N.V.**

Other tangible assets

Other tangible fixed assets are valued at historical cost or production cost including directly attributable costs, less straight line depreciation based on the expected future life and impairments.

Financial assets

Fixed and Current Securities:

Securities are recognized initially at fair value. Securities can, for the subsequent valuation, be divided into securities that are held for trading and securities that are not held for trading, being time deposits and/or bonds. Securities which are held for trading are carried at fair value after initial recognition. Changes in the fair value are recognized directly in the profit and loss account. Securities that are classified as not held for trading are carried at amortized cost value.

Transaction costs are expensed in the profit and loss account if these are related to financial assets carried at fair value through profit or loss.

Securities classified under the current assets have a maturity of less than twelve months.

Receivables

Current assets are initially valued at the fair value of the consideration to be received. Trade receivables are subsequently valued at the amortized cost. If payment of the receivable is postponed under an extended payment deadline, fair value is measured on the basis of the expected revenues. Interest gains are recognized using the simple interest method. Provisions for bad debts are deducted from the carrying amount of the receivable.

Cash and cash equivalents

Cash at banks and in hand represent cash in hand, bank balances and deposits with terms of less than three months. Overdrafts at banks are recognized as part of debts to lending institutions under current liabilities. Cash at banks and in hand is valued at nominal value.

Equity

Shares are classified equity when there is no obligation to transfer cash or other assets.

Provisions

Technical reserve for claims:

The technical reserve for claims refers to reported claims incurred but not settled as per year end and to claims incurred but not yet reported at year end.

Technical reserve for unearned premiums:

The technical reserve for unearned premiums refers to accrued insurance premiums written in the reporting period, but with a remaining term of the policy in the following year.

Current liabilities

On initial recognition current liabilities are recognized at fair value. After initial recognition current liabilities are recognized at the amortized cost, being the amount received taking into account premiums or discounts and minus transaction costs. This is usually the nominal value.

Gross operating result

General result:

The result is the difference between the realizable value of the goods/services provided and the costs and other charges during the year. The results on transactions are recognized in the year in which they are realized.

**Netherlands Antilles & Aruba Assurance Company
(NA&A) N.V.****Net earned premiums:**

The company earns premiums on income evenly over the term of the insurance policy generally using the pro rated method. The portion of the premium related to the unexpired portion of the policy at the end of the fiscal year is reflected in unearned premiums.

Claims incurred:

The company pays all costs related to settled the obligations arising from insurance contracts to claimants.

Net commissions:

Commissions paid to brokers and reinsurance for insurance contracts related to securing new contracts and renewing existing contracts are expensed over the terms of the policies as premium is earned.

Other costs:

All other costs are recognized as expense when incurred.

Amortisation of intangible assets and depreciation of property, plant and equipment

Tangible fixed assets are depreciated from the date of initial use over the expected future economic life of the asset, while taking into account any applicable restrictions with respect to buildings, and other tangible fixed assets. Land is not depreciated.

Future depreciation is adjusted if there is a change in estimated future useful life.

Gains and losses from the occasional sale of tangible fixed assets are included in depreciation.

Financial income and expenses

Interest income and expenses are recognized on a pro rata basis, taking account of the effective interest rate of the assets and liabilities to which they relate. In accounting for interest expenses, the recognized transaction expenses for loans received are taken into consideration.

Exchange differences that arise from the settlement or translation of monetary items are recorded in the profit and loss account in the period in which they occur, unless hedge accounting is applied.

Income tax expense

Tax on the result is calculated based on the result before tax in the profit and loss account, taking account of the losses available for set off from previous financial years (to the extent that they have not already been included in the deferred tax assets) and exempt profit components and after the addition of nondeductible costs. Due account is also taken of changes which occur in the deferred tax assets and deferred tax liabilities in respect of changes in the applicable tax rate.

Cash flow statement

The cash flow statement has been prepared using the indirect method. The cash items disclosed in the cash flow statement comprise cash at banks and in hand except for deposits with a maturity longer than three months. Cash flows denominated in foreign currencies have been translated at average estimated exchange rates. Exchange differences affecting cash items are shown separately in the cash flow statement. Interest paid and received, dividends received and income taxes are included in cash from operating activities. Dividends paid are recognized as cash used in financing activities. Transactions not resulting in inflow or outflow of cash, including finance leases, are not recognized in the cash flow statement. Payments of finance lease installments qualify as repayments of borrowings under cash used in financing activities and as interest paid under cash generated from operating activities.

2.5 Notes to the balance sheet

Fixed assets

	<u>31-12-2024</u>	<u>31-12-2023</u>
	AWG	AWG
1 Intangible assets		
Software	<u>157,229</u>	<u>42,325</u>

Intangible assets

	<u>Software</u>
	AWG
Balance as at 1 January 2024	
Cost or manufacturing price	102,237
Accumulated amortization	<u>-59,912</u>
Book value as at 1 January 2024	<u>42,325</u>
Movements	
Investments	144,755
Amortization	<u>-29,851</u>
Balance movements	<u>114,904</u>
Balance as at 31 December 2024	
Cost or manufacturing price	246,992
Accumulated amortization	<u>-89,763</u>
Book value as at 31 December 2024	<u>157,229</u>

Intangible fixed assets will be amortized over a maximum period of 3 years. The Intangible fixed assets relate to software.

**Netherlands Antilles & Aruba Assurance Company
(NA&A) N.V.**

	<u>31-12-2024</u>	<u>31-12-2023</u>
	AWG	AWG
2 Property, plant and equipment		
Land and buildings	543,380	388,921
Furniture and equipment	60,376	50,256
Vehicles	80,000	102,500
Assets under construction	<u>-</u>	<u>198,325</u>
	<u>683,756</u>	<u>740,002</u>

Property, plant and equipment

	Land and buildings AWG	Furniture and equipment AWG	Vehicles AWG	Assets under construction AWG	Total AWG
Balance as at 1 January 2024					
Cost or manufacturing price	1,746,199	791,815	125,000	198,325	2,861,339
Accumulated depreciation	<u>-1,357,278</u>	<u>-741,559</u>	<u>-22,500</u>	<u>-</u>	<u>-2,121,337</u>
Book value as at 1 January 2024	<u>388,921</u>	<u>50,256</u>	<u>102,500</u>	<u>198,325</u>	<u>740,002</u>
Movements					
Investments	4,349	45,170	-	-	49,519
Other movements	198,325	-	-	-198,325	-
Depreciation	<u>-48,215</u>	<u>-35,050</u>	<u>-22,500</u>	<u>-</u>	<u>-105,765</u>
Balance movements	<u>154,459</u>	<u>10,120</u>	<u>-22,500</u>	<u>-198,325</u>	<u>-56,246</u>
Balance as at 31 December 2024					
Cost or manufacturing price	1,948,873	836,985	125,000	-	2,910,858
Accumulated depreciation	<u>-1,405,493</u>	<u>-776,609</u>	<u>-45,000</u>	<u>-</u>	<u>-2,227,102</u>
Book value as at 31 December 2024	<u>543,380</u>	<u>60,376</u>	<u>80,000</u>	<u>-</u>	<u>683,756</u>

	Depreciation rates:	Residual Values:
Land and buildings	0%-10%	0-10%
Furniture and equipment	10%-33%	0-10%
Vehicles	10%-33%	10%

**Netherlands Antilles & Aruba Assurance Company
(NA&A) N.V.**

Financial assets

	<u>31-12-2024</u>	<u>31-12-2023</u>
	AWG	AWG
3 Investments		
Time deposit, Aruba Bank N.V. - January 24, 2028- 2.6%	475,871	475,871
Government of Aruba -June 5, 2032-6.25%	<u>1,905,598</u>	<u>1,905,598</u>
	<u><u>2,381,469</u></u>	<u><u>2,381,469</u></u>

Current assets

4 Accounts receivable

Broker accounts and policy holders	1,448,915	1,313,991
Bad debt	<u>71,578</u>	<u>71,578</u>
	1,520,493	1,385,569
Provision for bad debts	<u>-242,777</u>	<u>-255,418</u>
	<u><u>1,277,716</u></u>	<u><u>1,130,151</u></u>

5 Related party receivable

Current account Netherlands Antilles & Aruba Assurance Company N.V., Curacao	<u>3,986</u>	<u>65,968</u>
--	--------------	---------------

A 7% interest is calculated on the average balance of the current account with Netherlands Antilles & Aruba Assurance Company N.V. No repayment term and collateral have been agreed on.

**Netherlands Antilles & Aruba Assurance Company
(NA&A) N.V.**

	<u>31-12-2024</u>	<u>31-12-2023</u>
	AWG	AWG
6 Taxes and social security charges		
Prepaid profit taxes	466,677	466,677
Deferred tax assets	<u>4,710</u>	<u>58,411</u>
	<u>471,387</u>	<u>525,088</u>
7 Other accounts receivable		
Prepaid commissions Motor and Property	644,814	514,939
Claim recoverable	314,373	357,511
Prepaid reinsurance premium	217,839	103,314
Clearing account Aruba Airport Authority	215,264	112,012
Reimbursement for car claims	181,051	175,978
Interest receivable	114,079	117,685
Clearing account Setar	48,287	-
Other receivables	119,387	62,310
Prepaid on fixed assets	<u>16,000</u>	<u>154,972</u>
	<u>1,871,094</u>	<u>1,598,721</u>
8 Securities		
Time deposit, Aruba Bank N.V. - Jan 20, 2025 – 2.1%	1,000,000	-
Time deposit, BdC Time Deposit- July 21, 2025 – 3.15%	2,000,000	-
Time deposit, Aruba Bank N.V. - Apr 16, 2024 - 2.5%	-	200,000
Time deposit, Aruba Bank N.V. - January 9, 2024- 1.75%	<u>-</u>	<u>1,000,000</u>
	<u>3,000,000</u>	<u>1,200,000</u>
9 Cash and banks		
Caribbean Mercantile Bank N.V., current account	2,537,143	1,875,584
Aruba Bank N.V., current account	392,405	1,724,328
Banco di Caribe N.V., current account	87,948	539,209
Cash in transit	8,892	11,251
Cash	<u>1,500</u>	<u>1,452</u>
	<u>3,027,888</u>	<u>4,151,824</u>

**Netherlands Antilles & Aruba Assurance Company
(NA&A) N.V.**

10 Equity

Movements in equity were as follows:

	Issued share capital AWG	Share pre- mium AWG	Other reserve AWG	Result for the year AWG	Total AWG
Balance as at January 1, 2024	200,000	2,230,000	3,069,150	149,252	5,648,402
Movement in reserve	-	-	149,252	-149,252	-
Dividend	-	-	-120,000	-	-120,000
Result for the year	-	-	-	163,935	163,935
Balance as at December 31, 2024	<u>200,000</u>	<u>2,230,000</u>	<u>3,098,402</u>	<u>163,935</u>	<u>5,692,337</u>

The authorized capital of the company is divided into 1,000 ordinary shares with a par value of AWG 1,000, 200 shares have been issued and 200 shares have been paid up.

The share premium was fully paid in 2008 for a total amount of AWG 2,230,000.

**Netherlands Antilles & Aruba Assurance Company
(NA&A) N.V.**

Provisions

	<u>31-12-2024</u>	<u>31-12-2023</u>
	AWG	AWG
Other provisions		
Technical reserve for claims	2,685,025	2,292,877
Technical reserve for unearned premiums	<u>3,889,766</u>	<u>3,164,220</u>
	<u><u>6,574,791</u></u>	<u><u>5,457,097</u></u>

11 Technical reserve for claims

Reserve for claims motor	2,139,411	1,686,203
Reserve for claims medical	422,147	315,974
Reserve for claims property	<u>123,467</u>	<u>290,700</u>
	<u><u>2,685,025</u></u>	<u><u>2,292,877</u></u>

	<u>2024</u>	<u>2023</u>
	AWG	AWG
Reserve for claims motor		
Balance as at 1 January	1,686,203	1,485,747
Movement in reserve	<u>453,208</u>	<u>200,456</u>
Balance as at 31 December	<u><u>2,139,411</u></u>	<u><u>1,686,203</u></u>

Reserve for claims medical

Balance as at 1 January	315,974	491,724
Movement in reserve	<u>106,173</u>	<u>-175,750</u>
Balance as at 31 December	<u><u>422,147</u></u>	<u><u>315,974</u></u>

Reserve for claims property

Balance as at 1 January	290,700	-
Claim receivable	59,570	204,000
Movement in reserve	<u>-226,803</u>	<u>86,700</u>
Balance as at 31 December	<u><u>123,467</u></u>	<u><u>290,700</u></u>

**Netherlands Antilles & Aruba Assurance Company
(NA&A) N.V.**

	<u>31-12-2024</u>	<u>31-12-2023</u>
	AWG	AWG
12 Technical reserve for unearned premiums		
Unearned premium for motor	3,673,605	3,057,515
Unearned premium for medical	26,381	40,213
Unearned premium for property	<u>189,780</u>	<u>66,492</u>
	<u>3,889,766</u>	<u>3,164,220</u>
	<u>2024</u>	<u>2023</u>
	AWG	AWG
Unearned premium for motor		
Balance as at 1 January	3,057,515	2,783,600
Movement in reserve	<u>616,090</u>	<u>273,915</u>
Balance as at 31 December	<u>3,673,605</u>	<u>3,057,515</u>
Unearned premium for medical		
Balance as at 1 January	40,213	33,819
Movement in reserve	<u>-13,832</u>	<u>6,394</u>
Balance as at 31 December	<u>26,381</u>	<u>40,213</u>
Unearned premium for property		
Balance as at 1 January	66,492	36,338
Movement in reserve	<u>123,288</u>	<u>30,154</u>
Balance as at 31 December	<u>189,780</u>	<u>66,492</u>

**Netherlands Antilles & Aruba Assurance Company
(NA&A) N.V.**

Current liabilities, accruals and deferred income

	<u>31-12-2024</u>	<u>31-12-2023</u>
	AWG	AWG
13 Taxes and social security contributions		
Wage tax	14,539	14,320
Dividend tax (ruling 2015)	131,771	131,771
Value added tax and other taxes	<u>77,943</u>	<u>120,768</u>
	<u>224,253</u>	<u>266,859</u>

14 Other liabilities and accrued expenses

Accounts payable	98,437	98,317
Clearing account Setar N.V.	-	8,242
Reinsurance premium payable	29,702	26,090
Clearance account Treston	16,305	18,272
Accruals expenses and other payables	<u>238,700</u>	<u>312,269</u>
	<u>383,144</u>	<u>463,190</u>

Contingent assets and liabilities

Disclosure of off-balance sheet commitments

Contingencies and liabilities:

The entity has several contracts and agreements related to services needed to cover the daily operations, such as digital, compliance and expert services. The liabilities arising from these contracts can be classified as follows:

AWG	Within 1 year	134,483
AWG	1 to 5 years	14,060
AWG	over 5 years	-

2.6 Notes to the profit and loss account

	2024	2023
	AWG	AWG
15 Net earned premiums		
Premium written motor	7,799,377	6,778,805
Premium written medical	3,482,485	3,355,103
Premium written property	381,575	136,405
Alteration unearned premium motor and accident	-616,090	-273,915
Alteration unearned premium medical	13,832	-6,394
Alteration unearned premium property	-123,288	-30,154
	<u>10,937,891</u>	<u>9,959,850</u>
16 Net claims incurred		
Claims paid motor	-2,563,684	-2,542,840
Road services costs	-564,850	-544,646
Deductibles motor claims	50,000	52,250
Subrogation claim motor	178,532	90,682
Claims paid medical	-2,069,076	-2,160,659
Claims paid property	-397,306	-24,102
Alteration claims reserve motor	-448,861	-200,456
Alteration claims reserve medical	-110,521	175,750
Alteration claims reserve property	226,803	-86,700
Medical consulting fee	-32,400	-32,400
	<u>-5,731,363</u>	<u>-5,273,121</u>
17 Other insurance costs		
Reinsurance premium	-409,989	-259,420
Net commissions	-1,362,648	-1,215,810
	<u>-1,772,637</u>	<u>-1,475,230</u>
Reinsurance premium		
Net reinsurance premium motor	256,596	161,474
Net reinsurance fire	153,393	97,946
	<u>409,989</u>	<u>259,420</u>

**Netherlands Antilles & Aruba Assurance Company
(NA&A) N.V.**

	<u>2024</u>	<u>2023</u>
	AWG	AWG
Net commissions		
Commissions paid motor and accident	1,379,222	1,207,166
Commissions paid medical	44,066	52,769
Commissions paid property	69,235	16,064
Alteration prepaid commissions motor	-103,576	-54,600
Alteration prepaid commissions property	<u>-26,299</u>	<u>-5,589</u>
	<u>1,362,648</u>	<u>1,215,810</u>
18 Personnel expenses		
Wages and salaries and other employee benefits	1,733,777	1,491,171
Social security charges and pensions cost	<u>342,375</u>	<u>308,296</u>
	<u>2,076,152</u>	<u>1,799,467</u>
Wages and salaries and other employee benefits		
Wages and salaries	1,653,893	1,399,334
Other employee benefits	<u>79,884</u>	<u>91,837</u>
	<u>1,733,777</u>	<u>1,491,171</u>
Social security charges and pensions cost		
Social security charges	252,932	233,858
Pension premiums	<u>89,443</u>	<u>74,438</u>
	<u>342,375</u>	<u>308,296</u>
Quantity of Personnel		
Quantity of Personnel at the end of the period	27	25
19 Amortization of intangible assets		
Amortization of intangible assets	<u>29,851</u>	<u>34,078</u>
20 Depreciation of property, plant and equipment		
Land and buildings	48,215	28,989
Furniture and equipment	35,050	39,575
Vehicles	<u>22,500</u>	<u>20,625</u>
	<u>105,765</u>	<u>89,189</u>

**Netherlands Antilles & Aruba Assurance Company
(NA&A) N.V.**

	<u>2024</u>	<u>2023</u>
	AWG	AWG
21 Other operating expenses		
Housing expenses	95,338	116,835
Selling expenses	164,153	85,914
Other staff expenses	71,142	148,148
General expenses	<u>1,017,094</u>	<u>1,091,190</u>
	<u>1,347,727</u>	<u>1,442,087</u>
Housing expenses		
Water & electricity	42,319	57,489
Maintenance buildings	16,167	30,258
Cleaning expenses	23,580	18,335
Property taxes	5,840	5,840
Insurance premium property	4,915	2,558
Security	<u>2,517</u>	<u>2,355</u>
	<u>95,338</u>	<u>116,835</u>
Selling expenses		
Advertising expenses	150,275	70,148
Sale commission	7,327	12,217
Travelling and hotel expenses	<u>6,551</u>	<u>3,549</u>
	<u>164,153</u>	<u>85,914</u>
Other staff expenses		
Other expenses	51,375	114,495
Travelling and hotel expenses	<u>19,767</u>	<u>33,653</u>
	<u>71,142</u>	<u>148,148</u>
General expenses		
Legal and advisory fees	196,015	375,498
Computer and hardware expenses	439,089	308,059
Supervisory director's fee	113,957	93,519
Communication and couriers	82,057	85,509
Audit costs	80,573	66,176
Bank expenses	59,512	54,873
Stationary and printed forms	37,280	38,800
Fine and increases of taxes and social insurance premiums	6,063	21,249
Rental Office Equipment	16,899	15,964
Supervision cost CBA	-42,781	12,288
Contributions	11,831	11,414
Other general expenses	<u>16,599</u>	<u>7,841</u>
	<u>1,017,094</u>	<u>1,091,190</u>

**Netherlands Antilles & Aruba Assurance Company
(NA&A) N.V.**

<u>2024</u>	<u>2023</u>
AWG	AWG

22 Financial income and expense

Interest income	<u>189,892</u>	<u>175,369</u>
-----------------	----------------	----------------

23 Taxation

Beginning balance deferred tax assets	58,411	99,281
Movement in deferred tax asset	<u>-53,701</u>	<u>-40,870</u>
Ending balance deferred tax assets	<u>4,710</u>	<u>58,411</u>

	Effective tax rate	Applicable tax rate
2023	22%	22%
2024	25%	22%

The effective tax rate deviates from the applicable tax rate as a result of tax benefits offered by tax regulators in Aruba. Due to the entity incurring net losses at the end of the period 2021, the entity has decided to reflect deferred tax asset related to carry forward losses calculated as the applicable tax rate multiplied by the loss of the period.

Reference: 138516/MR-2250337

Grant Thornton Curaçao

Julianaplein 38
P.O. Box 360
Willemstad
Curaçao

T +(599) 9 430 0000
W grantthornton.com.cw

[linkedin.com/gt-dutch-caribbean](https://www.linkedin.com/company/gt-dutch-caribbean)
[facebook.com/grantthorntoncw](https://www.facebook.com/grantthorntoncw)

Independent Auditor's Report

To Management and the Supervisory Board of Directors of Netherlands Antilles & Aruba Assurance Company (NA&A) N.V.

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 Netherlands Antilles & Aruba Assurance Company (NA&A) N.V. (the "entity") as at 31 December 2024, and its financial performance and cash flow statement for the year then ended in accordance with accounting principles generally accepted in the Netherlands.

What we have audited

We have audited the financial statements of Netherlands Antilles & Aruba Assurance Company (NA&A) N.V., based in Aruba.

The entity's financial statements comprise:

1. balance sheet as at 31 December 2024;
2. profit and loss account for the year then ended; and
3. cash flow statement for the year 2024 then ended; and
4. the notes to the financial statements, which include a summary of significant accounting policies.

The financial reporting framework that has been applied in the preparation of the financial statements is accounting principles generally accepted in the Netherlands and the relevant provisions of Book 2 of the Civil Code applicable for Aruba.

Basis for our 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 entity in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code). Furthermore, we have complied

with the 'Verordening gedrags- en beroepsregels accountants' (VGBA – Code of Ethics for Professional Accountants, a regulation with respect to rules of professional conduct).

Report on the other information included in the annual report

In addition to the financial statements and our auditor's report thereon, the annual report contains other information that consists of:

- the management report.

Based on the following procedures performed, we conclude that the other information is consistent with the financial statements and does not contain material misstatements.

We have read the other information. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements.

By performing these procedures, we comply with the requirements of International Standard on Auditing 720. The scope of the procedures performed is substantially less than the scope of those performed in our audit of the financial statements.

Management is responsible for the preparation of the other information.

Responsibilities for the financial statements and the audit

Responsibilities of management and the supervisory board of directors for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements, in accordance with Book 2 of the Civil Code applicable for Aruba and accounting principles generally accepted in the Netherlands, and for such internal control as management determines necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, management is responsible for assessing the company's ability to continue as a going concern. Based on the financial reporting frameworks mentioned, management should prepare the financial statements using the going-concern basis of accounting unless management either intends to liquidate the company or to cease operations or has no realistic alternative but to do so. Management should disclose events and circumstances that may cast significant doubt on the company's ability to continue as a going concern in the financial statements.

The supervisory board of directors is responsible for overseeing the company's financial reporting process.

Our responsibilities for the audit of the financial statements

Our responsibility is to plan and perform an audit engagement in a manner that allows us to obtain sufficient and appropriate audit evidence to provide a basis for our opinion.

Our audit opinion aims to provide reasonable assurance about whether the financial statements are free from material misstatement. Reasonable assurance is a high but not absolute level of assurance which makes it possible that we may not detect all misstatements.

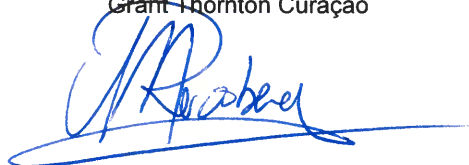
Misstatements may arise due to fraud or error. They are considered to be material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements. Materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

We have exercised professional judgement and have maintained professional scepticism throughout the audit in accordance with International Standards on Auditing (ISAs), ethical requirements and independence requirements. 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. Our audit consisted, among other things of the following:

- 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 entity's internal control;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity'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 entity to cease to continue as a going concern;
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and evaluate whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the supervisory board of directors 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.

Curaçao, 21 May 2025
Grant Thornton Curaçao



Marisol Roosberg RA