

Report of the Managing Board

Introduction

The Covid-19 pandemic continued in 2021 and the crisis remained a concern for business, consumers and investors. Vidanova Life was not immune for the consequences of the pandemic either, as the market conditions remained challenging to achieve significant growth. However, despite the difficult circumstances, we notice that Vidanova Life is becoming more and more known, and brokers and individuals are approaching us in a pro-active way for quotations.

We have also noticed that we are attracting larger clients, which is an indication that we are not only becoming better known, but that we are also gaining more trust as an important player in the insurance market.

The economic situation of the islands

The Central Bank of Curacao and St. Maarten (“CBCS”) reported that the monetary union of Curacao and Sint Maarten would show moderate growth during 2021 based on its estimates. Curacao experienced a 6 weeks’ lockdown in the period of March – April 2021 due to the Covid 19 pandemic. Real GDP of Curacao showed a slight expansion of 1.7%.

Sint Maarten on the other hand, showed much better figures with a Real GDP expansion of 4%. The CBCS projects further that the economic growth will speed up across the monetary union in 2022 with expected real GDP growing by 6.6% in Curaçao and 14.6% in Sint Maarten.

Major developments within Vidanova Life

During 2021, the following aspects of the operations received special attention:

- Reviewing our conditions and continuously testing our products against the market to see where we can improve in order to achieve a better competitive position without losing sight of the fact that we must always remain prudent.
- we have intensified our marketing campaign, with special attention for measuring the effect of our campaign and manage it where necessary.
- Our efforts continue to deliver high-quality service in a timely way.
- We have intensified the monitoring of the payment behavior of our clients with special attention for the interaction between the front office and the back office.
- Work continued on the implementation of a full fledged insurance policy administration system.

Vidanova Life’s performance – financial highlights

During 2021 a net profit before Corporate taxes of ANG 321.071 (2020: ANG 1.930.894) was recorded.

As of December 31, 2021 the total assets equaled ANG 75.842.508 (2020: ANG 75.558.677) including amongst others ANG 15.785.726 (2020: ANG 12.688.422) in Current Assets and ANG 45.400.000 (2020: ANG 45.400.000) in Deposits with Financial Institutions. The total liabilities equaled ANG 71.095.285 (2020: ANG 71.093.274 and the total capital was ANG 4.747.223 (2020: ANG 4.465.403) .

Our commitment to you

Vidanova Life is committed to help its policyholders achieve financial well-being during all phases of their life, or thereafter.

When people retire they want to enjoy a quieter and financial comfortable lifestyle. Unfortunately, due to lacking regulation for mandatory pension schemes for employees and entrepreneurs, many in Curacao and Sint Maarten do or will not have sufficient financial funds to enjoy their pension or to maintain their current lifestyle. At Vidanova Life we believe that life even after ceasing to work should be comfortable and good for everyone: “Bida ta bon!” “Sigur’é!”

During 2021, even during the difficult times, our staff demonstrated their commitment to Vidanova Life and our clients, always doing their utmost to excel. The Management Board is thankful for their commitment and support. We also express our gratitude to the Supervisory Board for their supervision and support during the year 2021. And above all, we want to thank all our clients for choosing Vidanova Life as their Insurer.

Curacao, 12 augustus 2022

The Board of Managing Directors:

Charlene Alberto
Managing Director

Elma Velgersdijk
Managing Director

Balance Sheet as per December 31, 2021

(Amounts in Thousands of NAf)

ASSETS	12-31-2021	12-31-2020
Non-Admissible Assets	365	417
Investments		
Bonds and Other Fixed Income Securities	-	2,252
Other Loans	14,292	14,801
Deposits with Financial Institutions	45,400	45,400
Current Assets	15,786	12,689
TOTAL	75,843	75,559

EQUITY, PROVISIONS AND LIABILITIES	12-31-2020	12-31-2020
Capital and Surplus		
Capital	1,020	1,020
Surplus	3,727	3,446
Provision for Insurance Obligations		
Net Technical Provision for Life Insurances	56,554	57,760
Net Other Technical Provisions	-	-
Other Liabilities	9,416	7,996
Current Liabilities	5,126	5,337
TOTAL	75,843	75,558

Profit and Loss Statement for 2021

(Amounts in thousands of NAf)

	2021	2020
Premium and Other Policy Considerations	2,958	2,763
Net Investment Income and Realized Capital Gains and Losses	2,637	2,516
Net Other Operational Income	6,368	7,996
Net Benefits Incurred	10,457	4,126
Change in Provisions for Insurance Obligations	(9,202)	5,603
Net Operational Expenditures Incurred	971	1,615
Other Changes Affecting Net Results	9,416	-
Net Operational Results Before Corporate Taxes and Net Results From Separate Accounts	321	1,931
Corporate Taxes Incurred	39	425
Net Operational Results After Corporate Taxes and Before Net results From Separate Accounts	282	1,506
Net Results from Separate Accounts	0	-
Net Operational Results	282	1,506
Net Unrealized Gains or Losses	0	-
Net Profit or Loss	282	1,506

Analysis of unassigned earnings

(Amounts in Thousands NAf)

	2021	2020
Unassignd Earnings (Beginning of Year)	3,029	1,470
Net Profit or Loss	282	1,506
Other changes in Unassigned Earnings	51	53
Unassignd Earnings (End of Year)	3,362	3,029

Report of the independent auditor on the financial highlights

Opinion

The 2021 Financial Highlights, which comprise the balance sheet as at 31 December 2021, the Profit and Loss Statement for 2021, sheet of unassigned earnings and the notes to the financial highlights are derived from the audited Life Insurance Annual Statements of Vidanova Life Insurance N.V. for the year ended 31 December 2021. In our opinion, the accompanying Financial Highlights are consistent, in all material respects, in accordance with the audited Life Insurance Annual Statements of Vidanova Life Insurance N.V.

Financial highlights

The financial highlights do not contain all the disclosures required by the Life Insurance Annual Statement Composition and Valuation Guidelines (2015) of the Central Bank of Curaçao and Sint Maarten. Reading the financial highlights and the auditor’s report thereon, therefore, is not a substitute for reading the audited Life Insurance Annual Statements and the auditor’s report thereon.

The audited Life Insurance Annual Statements

We expressed an unmodified audit opinion on the audited 2021 Life Insurance Annual Statements in our report dated 12 August 2022. The financial highlights and the Life Insurance Annual Statements do not reflect the effects of events that occurred subsequent to the date of our report on the audited Life Insurance Annual Statements.

Other information

Other information consists of Report of the Managing Board. Management is responsible for other information. Our opinion on the financial highlights does not cover the other information and we do not express any form of assurance

Notes to the Financial Highlights

General

The Company has been incorporated in Curacao on May 12, 2017. The company was however dormant and started operations as of June 1, 2018. The Company is a 100% subsidiary of the Vidanova Pension Fund Foundation.

Capital

The Company complies with the Central Bank (“CBCS”) regulation, which stipulates that the solvency requirement equals 4% of the previous year’s gross provision for insurance obligations with an absolute minimum of ANG. 400,000.

Basis of preparation

The financial highlights of Vidanova Life Insurance N.V. have been derived off the Life Annual Statements. The Life Annual Statements have been prepared in accordance with accounting policies defined in the Life Insurance Annual Statement Composition and Valuation Guidelines (2015). Items included in the financial highlights of the Company are stated in Antillean Guilders (ANG), which is the Company’s functional and presentation currency.

Basis of estimates

he preparation of the financial highlights requires the Company to make estimates and assumptions that affect items reported in the balance sheet and profit and loss statement. Actual results ultimately may differ possibly significantly, from those estimates.

Investments

- Bonds and Other Fixed Income Securities are recognized at amortized cost;
- Other loans and Deposits with Financial Institutions are recognized initially at fair value of the amount owed, which normally consists of its face value, net of any provisions considered necessary. These receivables are subsequently measured at amortized cost.

Actuarial principles and assumptions

The Provision Insurance Obligations is determined on the basis of the so-called “lasten minus baten” method based on obligations from the policies in the future minus the incoming premiums from the policies in the future. The calculation is performed taking into account the discount rate between 3% and 3.25% (depending on the tariff of the policy) and making use of the mortality tables for man and woman being the GBM/V 2012. All re-insurance finance expenses are fully recognized in the profit & Loss.

Capital and or Surplus Commitments

The Company has no outstanding commitment or contingencies as per year end 2021.

Subsequent events

No subsequent events have been identified in the year 2022 before the publication of these Financial Highlights.

conclusion thereon. In connection with our audit of the Life Insurance Annual Statements of Vidanova Life Insurance N.V. our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the audited Life Insurance Annual Statements of Vidanova Life Insurance N.V. 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 information we are required to report that fact. We have nothing to report in this regard.

Management’s Responsibility for the Financial Highlights

Management is responsible for the preparation of the financial highlights in accordance with the accounting policies as applied in the Life Insurance Statements of Vidanova Life Insurance N.V.

Auditor’s Responsibility

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

Curaçao,12 Augustus 2022

Ernst & Young Accountants

Christiaan Smorenburg RA AA