MERCHANT BANK LIMITED

A public Company registered on the Trinidad & Tobago Stock Exchange

UNAUDITED INTERIM RESULTS

QUARTER ENDED 30TH SEPTEMBER 2021

EXPRESSED IN THOUSANDS OF TRINIDAD & TOBAGO DOLLARS (TT$000)

CHAIRMAN'S STATEMENT

Our Banking and Insurance businesses in Trinidad and Tobago and Barbados generated good third quarter results with elements of top line growth not naturally expected, given that the markets in which we operate were still under Covid-19 pandemic restrictions.

Consolidated Revenue was up 14% to $788 million from the comparative 9 month period in 2020 with Profit Before Tax reaching $218.6 million, up by $115.1 million over 2020. Year to date earnings per share was $2.02 versus $0.86 for the 9 month period in 2020.

Our Banking Segment comprising Ansa Merchant Bank Limited, Ansa Bank Limited and Consolidated Finance Company Limited(in Barbados) all produced new business growth, with Ansa Bank Limited booking new loans at an impressive rate, almost doubling the previous operations. Our Mutual Funds and Wealth Management Units are delivering competitive returns to Investors, while Assets Under Management also increased.

General Insurance in Trinidad & Tobago and Barbados are facing growth challenges but continue to deliver excellent results, while Life Insurance has experienced significant investment returns to recoup the decline of 2020.

The ANSA Merchant Bank Group remains in a very strong position from a capital, liquidity and balance sheet perspective. We are making important, strategic investments in Information Technology that will lead to the best customer service delivery in the Financial Services Industry, which will ultimately lead to improved efficiency for decades.

A. Norman Sabga
A. Norman Sabga
Chairman

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Unaudited 30-Sep-21	Unaudited 30-Sep-20	Audited 31-Dec-20
Assets	9,191,642	8,055,201	7,960,735
Total Assets	**9,191,642**	**8,055,201**	**7,960,735**
Liabilities	6,416,063	5,440,024	5,283,165
Total Liabilities	**6,416,063**	**5,440,024**	**5,283,165**
Non-Controlling Interest	519	626	649
Shareholders' Equity	2,775,060	2,614,551	2,676,921
Total Shareholders' Equity	**2,775,579**	**2,615,177**	**2,677,570**
Total Liabilities & Shareholders' Equity	**9,191,642**	**8,055,201**	**7,960,735**

A. Norman Sabga
A. Norman Sabga
Chairman

Gregory N. Hill
Gregory N. Hill
Managing Director

CONSOLIDATED STATEMENT OF INCOME

	Unaudited 3 months to 30-Sep-21	Unaudited 3 months to 30-Sep-20	Unaudited 9 months to 30-Sep-21	Unaudited 9 months to 30-Sep-20	Audited Year Ended 31-Dec-20
Total Income	248,299	248,857	788,217	691,823	903,695
Total Expenses	(190,474)	(191,502)	(569,597)	(588,283)	(698,943)
Operating Profit	57,825	57,355	218,620	103,540	204,752
Taxation	(12,764)	(16,668)	(45,887)	(30,311)	(42,738)
Profit after Taxation	45,061	40,687	172,733	73,229	162,014
Profit attributable to:					
Equity holders of Parent	45,108	40,679	172,862	73,249	162,011
Minority Interest	(47)	8	(129)	(20)	3
Profit Attributable to Shareholders	45,061	40,687	172,733	73,229	162,014
Earnings Per Share - Basic	**0.53**	**0.48**	**2.02**	**0.86**	**1.89**
Avg. no. of shares - Basic ('000)	**85,605**	**85,605**	**85,605**	**85,605**	**85,605**

SEGMENTAL INFORMATION

	BANKING			MUTUAL FUNDS		
	Unaudited 9 months to 30-Sep-21	Unaudited 9 months to 30-Sep-20	Audited Year Ended 31-Dec-20	Unaudited 9 months to 30-Sep-21	Unaudited 9 months to 30-Sep-20	Audited Year Ended 31-Dec-20
Total income	262,142	245,727	335,367	30,167	24,309	27,693
Total expenses	(170,387)	(167,100)	(204,578)	(17,327)	(33,520)	(27,794)
Profit/(loss) before tax	**91,755**	**78,627**	**130,789**	**12,840**	**(9,211)**	**(101)**
Total assets	5,351,627	4,558,675	4,511,228	710,880	700,102	702,017
Total liabilities	3,572,532	2,700,038	2,621,412	710,393	699,490	702,019
Purchase of fixed assets	21,433	19,015	25,406	–	–	–
Depreciation	(26,029)	(25,375)	(34,397)	–	–	–

	INSURANCE SERVICES			ELIMINATIONS		
	Unaudited 9 months to 30-Sep-21	Unaudited 9 months to 30-Sep-20	Audited Year Ended 31-Dec-20	Unaudited 9 months to 30-Sep-21	Unaudited 9 months to 30-Sep-20	Audited Year Ended 31-Dec-20
Total income	579,931	455,174	602,922	(84,023)	(33,387)	(62,287)
Total expenses	(430,481)	(429,480)	(529,398)	48,598	41,817	62,827
Profit before tax	**149,450**	**25,694**	**73,524**	**(35,425)**	**8,430**	**540**
Total assets	4,101,312	3,843,924	3,783,715	(972,177)	(1,047,500)	(1,036,225)
Total liabilities	2,300,246	2,167,658	2,081,884	(167,108)	(127,162)	(122,150)
Purchase of fixed assets	21,910	16,926	16,337	–	–	–
Depreciation	(6,141)	(4,422)	(7,215)	–	–	–

	TOTALS		
	Unaudited 9 months to 30-Sep-21	Unaudited 9 months to 30-Sep-20	Audited Year Ended 31-Dec-20
Total income	788,217	691,823	903,695
Total expenses	(569,597)	(588,283)	(698,943)
Profit before tax	**218,620**	**103,540**	**204,752**
Total assets	9,191,642	8,055,201	7,960,735
Total liabilities	6,416,063	5,440,024	5,283,165
Purchase of fixed assets	43,343	35,941	41,743
Depreciation	(32,170)	(29,797)	(41,612)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Unaudited 9 months to 30-Sep-21	Unaudited 9 months to 30-Sep-20	Audited Year Ended 31-Dec-20
Profit after Taxation	172,733	73,229	162,014
Other Comprehensive (Loss)/Income	7,284	(5,321)	(20,901)
Total Comprehensive Income (net of tax)	**180,017**	**67,908**	**141,113**
Comprehensive Income attributable to:			
Equity holders of the Parent	180,146	67,928	141,110
Minority Interest	(129)	(20)	3
Total Comprehensive Income	**180,017**	**67,908**	**141,113**

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

	Unaudited 9 months to 30-Sep-21	Unaudited 9 months to 30-Sep-20	Audited Year Ended 31-Dec-20
Balance at the start of the period/year	2,677,570	2,536,456	2,536,456
Total Comprehensive Income	180,017	67,908	141,113
Other Reserve Movements	(17,804)	10,813	1
Dividend	(64,204)	–	–
Balance at the end of the Period/year	**2,775,579**	**2,615,177**	**2,677,570**

Directors: A. Norman Sabga (Chairman), Gregory N. Hill (Managing Director), Ray A. Sumairsingh (Deputy Chairman), Timothy Hamel-Smith, Larry Howai, M. Musa Ibrahim, Jeremy Matouk, Ian E. Welch, David Dulal-Whiteway, Nigel Romano - all c/o the following address: 11A Maraval Road, Port of Spain Phone: (868) 623-8672 Fax: (868) 624-8763 | Branch Offices: 25 Royal Road, San Fernando Phone: (868) 657-1452 Fax: (868) 653-8112 | Grand Bazaar Mall, Valsayn Phone: (868) 645-1903 Fax: (868) 663-4348

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CONSOLIDATED STATEMENT OF CASH FLOWS

	Unaudited 9 months to 30-Sep-21	Unaudited 9 months to 30-Sep-20	Audited Year Ended 31-Dec-20
Profit before Taxation	218,620	103,540	204,752
"Gain on disposal of Property, Plant, Equipment and Investments"	(4,494)	(1,940)	(16,701)
Adjustments for Non Cash Items	(255,646)	43,415	(3,469)
"Operating Cash Flow before Working Capital Changes"	(41,520)	145,015	184,582
Net Working Capital Changes	150,950	(316,091)	(89,638)
Net Taxation Paid	(21,306)	(34,356)	(51,436)
Cash Flow from/(used in) Operating Activities	88,124	(205,432)	43,508
Investing Activities	(228,291)	287,897	463,776
Financing Activities	(64,204)	4,092	-
(Decrease)/increase in cash and cash equivalents	(204,371)	86,557	507,284
Cash & Cash equivalents at the beginning of period	1,397,368	890,084	890,084
Cash & Cash equivalents at the end of the period	**1,192,997**	**976,641**	**1,397,368**

SIGNIFICANT ACCOUNTING POLICIES

This interim financial report has been prepared on a historical cost basis, except for the measurement at fair value of trading investment securities, investment properties and other financial assets not held in a business model whose objective is to hold assets to collect cash flows, or whose contractual term does not give rise solely to payments of principal and interest. The consolidated financial statements of the Bank and its Subsidiaries have been prepared in accordance with IFRS. The accounting policies applied in determining the consolidated IFRS results in this report are the same as those previously applied and disclosed in the Bank's published consolidated financial statements for the year ended 31 December 2020.

The consolidated financial statements comprise the statements of ANSA Merchant Bank Limited (the Bank/Parent) and its subsidiaries (including special purpose entities that the Bank consolidates in accordance with IFRS 10 'Consolidated Financial Statements'). All intercompany balances and transactions have been eliminated. Subsidiaries are fully consolidated from the date on which control is transferred to the Parent. Control is achieved where the Parent has (i) the power to govern the financial and operational policies of an investee, (ii) exposure or rights to variable returns from its involvement and (iii) the ability to use its power over the investee to affect the amount of the Parent's returns. Subsidiaries are de-consolidated from the date that any one of the three preceding criteria for control no longer exists.

ANSA MERCHANT BANK LIMITED | Tatil ... where people are people | TATIL LIFE Guaranteed Protection | ANSA BANK | Consolidated FINANCE | ANSA McAL GROUP OF COMPANIES Together, we are Family

Directors: A. Norman Sabga (Chairman), Gregory N. Hill (Managing Director), Ray A. Sumairsingh (Deputy Chairman), Timothy Hamel-Smith, Larry Howai, M. Musa Ibrahim, Jeremy Matouk, Ian E. Welch, David Dulal-Whiteway, Nigel Romano - all c/o the following address: 11A Maraval Road, Port of Spain Phone: (868) 623-8672 Fax: (868) 624-8763 | Branch Offices: 25 Royal Road, San Fernando Phone: (868) 657-1452 Fax: (868) 653-8112 | Grand Bazaar Mall, Valsayn Phone: (868) 645-1903 Fax: (868) 663-4348

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RETURNS	ansa TT$ INCOME FUND	ansa US$ INCOME FUND
Cumulative Return From Inception (NOV 2010 – OCT 2021)	34.12%	26.75 %
5 Year Cumulative Return (OCT 2016 – OCT 2021)	15.42 %	15.64%
3 Year Cumulative Return (OCT 2018 – OCT 2021)	9.56 %	11.91 %
2 Year Cumulative Return (OCT 2019 – OCT 2021)	5.48 %	6.77%
12 Month Trailing (OCT 2020 – OCT 2021)	5.11 %	4.75 %
YTD (DEC 2020 – OCT 2021)	2.67 %	2.97 %



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These Funds are neither insured with the Deposit Insurance Corporation in Trinidad and Tobago nor are they guaranteed by the Central Bank of Trinidad and Tobago or by any of the parties related thereto. Performance is subject to variation and is likely to change over time; past performance should not be considered indicative of future performance. 1 Year, 2 Year , 3 Year, 5 Year and Inception cumulative returns are calculated on a trailing basis. Important information concerning the investment goals, risks, charges and expenses is contained in the prospectus, copies of which are available at ANSA Merchant Bank Ltd or from our website and investors should carefully consider these before investing.