ANSA MERCHANT BANK LIMITED

UNAUDITED INTERIM RESULTS THREE MONTHS ENDED 31ST MARCH 2023

CHAIRMAN'S STATEMENT

ANSA Merchant Bank Limited and its subsidiaries generated a significant increase of 49% in Revenue to $256 million, compared to prior year of $172 million. As we expected, this resulted in an increase in the consolidated Profit Before Tax of 252% to $59 million for the first quarter ended 31st March 2023 versus a negative result of $40 million for the corresponding period of 2022. Earnings per share for Q1 2023 also increased substantially to $0.61 from ($0.46) in Q1 2022. Total Assets also grew from $9.6 billion to $9.9 billion compared to Q1 2022 representing an increase of 3% over prior year.

The Banking Division, which comprises ANSA Merchant Bank Limited, ANSA Merchant Bank (Barbados) Limited and ANSA Bank Limited delivered a substantial improvement in Profit Before Tax to $21.2 million, an increase of 1956% over the prior period. Total Banking Assets also increased by 7% year over year. Banking benefitted from robust trading activities, continued growth in loans, and positive mark-to-market valuations on investments in Q1. We are on the cusp of launching the first phase of our digital banking platform which will bring end-to-end digital banking functionality to our retail customers at ANSA Bank, creating significant growth opportunities in the future. The Bank also continues to deepen its commitment to Environment, Social and Governance (ESG) principles as part of its Natural Capital Hub, which was launched in 2022. We continued to strengthen our partnership with the Cropper Foundation and the global Capitals Coalition with the launch of the Natural Capital Grant Challenge 2023, which will provide small and medium-sized enterprises (SMEs) with the opportunity to be awarded grants to invest in sustainable business initiatives.

The Insurance Division has begun the year with a Profit Before Tax of $40M, up from a negative result of $49M in the corresponding period of 2022, a significant improvement of 181% over the prior period. Total Insurance Assets also increased by 6% year over year. This stellar performance was achieved as a result of growth in premiums and positive mark-to-market valuations on its investment portfolios. Our technical results also improved in both our General and Life Companies. In Barbados, Trident is on the way to producing much better results than 2022. In addition, TATIL's acquisition of COLFIRE on February 7th, 2023, marks the addition of a well-established institution and brand to our group of companies that is expected to create tremendous growth in value to our shareholders. In the "TATILs", we have made substantial investments in new talent, and our new information technology systems are at the early stages of implementation. We expect these investments to drive future growth and prosperity of our Insurance businesses.

The ANSA Merchant Bank Group continues to be focused on driving growth through performance and investment, and our stellar results in Q1 2023 are already evidence of this, which we are confident will continue during the year. We are well poised to capture increased market share through customer acquisition, as we continue to invest in people and technology to deliver world-class customer service and value creation to all our stakeholders.

A. Norman Sabga
Chairman

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Unaudited 31-Mar-23	Unaudited 31-Mar-22	Audited 31-Dec-22
Assets	9,857,361	9,602,080	9,590,796
Total Assets	**9,857,361**	**9,602,080**	**9,590,796**
Liabilities	7,015,322	6,719,441	6,849,745
Total Liabilities	**7,015,322**	**6,719,441**	**6,849,745**
Non-Controlling Interest	4,637	780	666
Shareholders' Equity	2,837,402	2,881,859	2,740,385
Total Shareholders' Equity	**2,842,039**	**2,882,639**	**2,741,051**
Total Liabilities & Shareholders' equity	**9,857,361**	**9,602,080**	**9,590,796**

CONSOLIDATED STATEMENT OF INCOME

	Unaudited 3 months to 31-Mar-23	Unaudited 3 months to 31-Mar-22	Audited Year Ended 31-Dec-22
Total Income	256,511	172,225	720,950
Total Expenses	(197,382)	(212,034)	(754,997)
Operating Profit/(Loss)	59,129	(39,809)	(34,047)
Taxation (expense)/credit	(6,924)	17	(26,975)
Profit/(Loss) after Taxation	52,205	(39,792)	(61,022)
Profit/(Loss) attributable to:			
Equity holders of Parent	48,232	(39,829)	(60,944)
Minority Interest	3,973	37	(78)
Profit/(Loss) Attributable to Shareholders	52,205	(39,792)	(61,022)
Earnings Per Share - Basic	**0.61**	**(0.46)**	**(0.71)**
Avg. no. of shares - Basic ('000)	**85,605**	**85,605**	**85,605**

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Unaudited 3 months to 31-Mar-23	Unaudited 3 months to 31-Mar-22	Audited Year Ended 31-Dec-22
Profit/(Loss) after Taxation	52,205	(39,792)	(61,022)
Other Comprehensive (Loss)/Income	(6,919)	3,510	(8,603)
Total Comprehensive Income/(Loss) (net of tax)	**45,286**	**(36,282)**	**(69,625)**
Comprehensive Income attributable to:			
Equity holders of the Parent	41,313	(36,319)	(69,547)
Minority Interest	3,973	37	(78)
Total Comprehensive Income/(Loss)	**45,286**	**(36,282)**	**(69,625)**

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

	Unaudited 3 months to 31-Mar-23	Unaudited 3 months to 31-Mar-22	Audited Year Ended 31-Dec-22
Balance at the start of the period/year	2,741,051	2,903,037	2,903,037
Total Comprehensive Income/(Loss)	45,286	(36,282)	(69,625)
Other Reserve Movements	55,703	15,884	10,365
Dividends	-	-	(102,726)
Balance at the end of the period/year	**2,842,039**	**2,882,639**	**2,741,051**

A. Norman Sabga
Chairman

Gregory N. Hill
Managing Director

SEGMENTAL INFORMATION

	Banking			Mutual Funds		
	Unaudited 3 months to 31-Mar-23	Unaudited 3 months to 31-Mar-22	Audited Year Ended 31-Dec-22	Unaudited 3 months to 31-Mar-23	Unaudited 3 months to 31-Mar-22	Audited Year Ended 31-Dec-22
Total income	88,255	65,490	328,034	7,258	10,708	(92)
Total expenses	(68,709)	(54,586)	(203,417)	(5,647)	(20,583)	(21,049)
Profit/(Loss) before tax	**19,546**	**10,904**	**124,617**	**1,611**	**(9,875)**	**(21,141)**
Total assets	6,313,433	5,806,025	6,330,744	654,777	727,731	664,818
Total liabilities	4,268,359	3,782,334	4,290,350	655,084	727,677	664,836
Purchase of fixed assets	11,320	4,272	32,104	-	-	-
Depreciation	(9,678)	(8,509)	(29,743)	-	-	-

	Insurance Services			Eliminations		
	Unaudited 3 months to 31-Mar-23	Unaudited 3 months to 31-Mar-22	Audited Year Ended 31-Dec-22	Unaudited 3 months to 31-Mar-23	Unaudited 3 months to 31-Mar-22	Audited Year Ended 31-Dec-22
Total income	189,570	103,101	486,804	(28,572)	(7,074)	(93,796)
Total expenses	(149,561)	(152,503)	(608,316)	26,534	15,638	77,786
Profit/(Loss) before tax	**40,009**	**(49,402)**	**(121,512)**	**(2,038)**	**8,564**	**(16,010)**
Total assets	4,513,331	4,248,196	4,107,091	(1,624,181)	(1,179,872)	(1,511,858)
Total liabilities	2,524,848	2,407,128	2,346,480	(432,969)	(197,700)	(451,921)
Purchase of fixed assets	1,296	4,012	9,509	-	-	-
Depreciation	(4,451)	(1,511)	(8,723)	-	-	(2,655)

	Totals		
	Unaudited 3 months to 31-Mar-23	Unaudited 3 months to 31-Mar-22	Audited Year Ended 31-Dec-22
Total income	256,511	172,225	720,950
Total expenses	(197,382)	(212,034)	(754,997)
Profit/(Loss) before tax	**59,129**	**(39,809)**	**(34,047)**
Total assets	9,857,361	9,602,080	9,590,796
Total liabilities	7,015,322	6,719,438	6,849,745
Purchase of fixed assets	12,616	8,284	41,613
Depreciation	(14,128)	(10,019)	(41,121)

CONSOLIDATED STATEMENT OF CASH FLOWS

	Unaudited 3 months to 31-Mar-23	Unaudited 3 months to 31-Mar-22	Audited Year Ended 31-Dec-22
Profit/(Loss) before Taxation	59,129	(39,809)	(34,047)
(Gain)/Loss on disposal of Property, Plant, Equipment and Investments	(1,031)	(8,964)	33,202
Adjustments for Non Cash Items	(72,458)	52,356	49,153
Operating Cash Flow before Working Capital Changes	(14,360)	3,583	48,308
Net Working Capital Changes	(27,653)	271,569	85,625
Net Taxation Refund/(Paid)	14,483	(8,863)	(18,136)
Cash Flow from Operating Activities	(27,530)	266,289	115,797
Investing Activities	(441,095)	(34,048)	(104,409)
Financing Activities	-	-	(102,726)
(Decrease)/increase in cash and cash equivalents	(468,625)	232,241	(91,338)
Cash & Cash equivalents at the beginning of period	1,175,051	1,266,389	1,266,389
Cash & Cash equivalents at the end of the period	**706,426**	**1,498,630**	**1,175,051**

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 2022.

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.

The Group implemented IFRS 17, 'Insurance Contracts' effective 1 January 2023. Retrospective application of this standard is required unless impracticable in which case entities have the option of using either the modified retrospective approach or the fair value approach. With the implementation of IFRS 17- Insurance Contracts, TATIL was allowed subsequent to the early adoption of IFRS 9 - Financial Instruments to change the accounting policy of unrealised gains/losses in Local Equity Securities from fair value through the income statement to the other comprehensive income statement. This was due to the low level of churn in our Local Equity Securities portfolio.

Colfire, acquired 7 February 2023, has not yet adopted IFRS17, Insurance Contracts. The Group will determine the Colfire IFRS 17 impact upon consolidation as soon as is practicable. It anticipates that it will be fully compliant for the annual reporting period ending 31 December 2023.

Directors: A. Norman Sabga (Chairman), Gregory N. Hill (Managing Director), Ray A. Sumairsingh (Deputy Chairman), David Dulal-Whiteway, Timothy Hamel-Smith, Larry Howai, M. Musa Ibrahim, Jeremy Matouk, Nigel Romano, Ian E. Welch, - all c/o the following address:
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TRIDENT INSURANCE
ANSA MERCHANT BANK (BARBADOS) LIMITED
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ANSA McAL GROUP OF COMPANIES
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