ANSA MERCHANT BANK LIMITED

UNAUDITED INTERIM RESULTS
QUARTER ENDED 30TH SEPTEMBER 2023

EXPRESSED IN TRINIDAD & TOBAGO DOLLARS

ANSA MERCHANT BANK LIMITED

CHAIRMAN'S STATEMENT

ANSA Merchant Bank Limited's consolidated nine (9) months' results to 30th September 2023 reflect solid revenue growth of 60% to $757.7 million. Profit Before Tax (PBT) increased to $129.3 million compared to a loss of ($151.3) million over the same period in 2022. Earnings Per Share rose significantly to $1.12 from negative ($1.85) in 2022.

In the 3rd quarter revenue grew by $263.4 million (53%) over the half year result to June 30, 2023, which represents very good progress in an otherwise flat local market. In the 3rd quarter PBT grew by $41.6 million (48%) over the half year result to June 30, 2023.

Banking

Our Banking businesses, comprising ANSA Merchant Bank Limited, ANSA Merchant Bank (Barbados) Limited and ANSA Bank Limited, generated revenue growth of 69% to $331 million and PBT growth of 200% to $102.4 million.

The Banking sector sustained its momentum throughout the quarter, continuing to experience core income growth driven by increased lending and trading activities, expanded customer relationships, and a resilient investment portfolio.

We are aware that recently reported news of a fraud detected within ANSA Bank Limited may have caused concern to our stakeholders. We took immediate steps to investigate the incident, contain any potential damage, recover losses through legal proceedings and enhance our internal controls to prevent such occurrences in the future. ANSA Bank remains financially strong, and one can rest assured that our customers' financial security has not been compromised in any way.

Insurance

TATIL, TATIL Life, COLFIRE (for a 7-month period since acquisition) and Trident (Barbados) recorded progressive financial results for the nine (9) months ended 30th September 2023. Compared to the same prior year period, revenue increased by 70% to $512.8 million and PBT by 134% to $60.5 million. Our prudent underwriting practices and strategic investment decisions have resulted in steady revenue growth and enhanced profitability. Our commitment to risk management, coupled with our diverse product offerings, continues to be the cornerstone of our financial stability. COLFIRE, acquired in Q1 2023, is already showing good results and we expect continued progress.

I am pleased to report that CariCRIS has reaffirmed the high credit worthiness ratings of CariAA and ttAA for the ANSA Merchant Bank Group for the second consecutive year and has also retained a stable outlook on these ratings. Our strong balance sheet, resilient risk management framework, and customer-centric approach position us well to navigate through the global landscape and to capitalise on emerging opportunities in the markets in which we operate.

A. Norman Sabga
A. Norman Sabga
Chairman

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Unaudited 30-Sep-23	Unaudited 30-Sep-22	Audited 31-Dec-22
Assets	9,867,291	9,823,866	9,590,796
Total Assets	**9,867,291**	**9,823,866**	**9,590,796**
Liabilities	7,203,809	7,139,707	6,849,745
Total Liabilities	**7,203,809**	**7,139,707**	**6,849,745**
Non-Controlling Interest	644	889	666
Shareholders' Equity	2,662,838	2,683,270	2,740,385
Total Shareholders' Equity	**2,663,482**	**2,684,159**	**2,741,051**
Total Liabilities & Shareholders' equity	**9,867,291**	**9,823,866**	**9,590,796**

A. Norman Sabga
A. Norman Sabga - Chairman

Ray A. Sumairsingh
Ray A. Sumairsingh - Deputy Chairman

SEGMENTAL INFORMATION

	Banking			Mutual Funds		
	Unaudited 9 months to 30-Sep-23	Unaudited 9 months to 30-Sep-22	Audited Year Ended 31-Dec-22	Unaudited 9 months to 30-Sep-23	Unaudited 9 months to 30-Sep-22	Audited Year Ended 31-Dec-22
Total income	330,997	195,624	328,034	15,902	19,923	(92)
Total expenses	(228,586)	(161,490)	(203,417)	(16,151)	(44,511)	(21,049)
Profit/(Loss) before tax	**102,411**	**34,133**	**124,617**	**(249)**	**(24,588)**	**(21,141)**
Total assets	6,540,405	5,925,453	6,330,744	619,183	686,281	664,818
Total liabilities	4,520,659	4,142,800	4,290,350	620,197	686,448	664,836
Purchase of fixed assets	20,635	23,377	32,104	-	-	-
Depreciation	(24,384)	(21,343)	(29,743)	-	-	-

	Insurance Services			Eliminations		
Total income	512,783	302,439	486,804	(101,985)	(43,863)	(93,796)
Total expenses	(452,241)	(480,108)	(608,316)	68,582	60,652	77,785
Profit/(Loss) before tax	**60,542**	**(177,669)**	**(121,512)**	**(33,405)**	**16,788**	**(16,011)**
Total assets	4,550,753	4,223,213	4,107,091	(1,843,051)	(1,011,081)	(1,511,857)
Total liabilities	2,636,178	2,464,463	2,346,480	(573,226)	(154,004)	(451,921)
Purchase of fixed assets	12,486	6,867	9,509	-	-	-
Depreciation	(11,923)	(6,147)	(8,723)	-	-	(2,655)

	Totals		
Total income	757,696	474,122	720,950
Total expenses	(628,397)	(625,457)	(754,997)
Profit/(Loss) before tax	**129,299**	**(151,335)**	**(34,047)**
Total assets	9,867,291	9,823,866	9,590,796
Total liabilities	7,203,809	7,139,707	6,849,745
Purchase of fixed assets	33,122	30,244	41,613
Depreciation	(36,307)	(27,489)	(41,121)

ansa McAL GROUP OF COMPANIES

CONSOLIDATED STATEMENT OF INCOME

	Unaudited 3 months to 30-Sep-23	Unaudited 3 months to 30-Sep-22	Unaudited 9 months to 30-Sep-23	Unaudited 9 months to 30-Sep-22	Audited Year Ended 31-Dec-22
Total Income	263,415	188,806	757,696	474,122	720,950
Total Expenses	(221,788)	(206,775)	(628,397)	(625,457)	(754,997)
Operating Profit/(Loss)	41,627	(17,970)	129,299	(151,335)	(34,047)
Taxation	(10,614)	(11,986)	(33,821)	(7,446)	(26,975)
Profit/(Loss) after Taxation	31,013	(29,956)	95,478	(158,782)	(61,022)
Profit attributable to:					
Equity holders of Parent	31,020	(29,994)	95,499	(158,926)	(60,944)
Minority Interest	(7)	36	(20)	145	(78)
Profit/(Loss) Attributable to Shareholders	31,013	(29,956)	95,478	(158,782)	(61,022)
Earnings Per Share - Basic	**0.36**	**(0.35)**	**1.12**	**(1.85)**	**(0.71)**
Avg. no. of shares - Basic ('000)	**85,605**	**85,605**	**85,605**	**85,605**	**85,605**

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Unaudited 9 months to 30-Sep-23	Unaudited 9 months to 30-Sep-22	Audited Year Ended 31-Dec-22
Profit/(Loss) after Taxation	95,478	(158,782)	(61,022)
Other Comprehensive (Loss)/Income	(51,444)	(1)	(8,603)
Total Comprehensive Income/(Loss) (net of tax)	**44,034**	**(158,783)**	**(69,625)**
Comprehensive Income attributable to:			
Equity holders of the Parent	44,054	(158,928)	(69,547)
Minority Interest	(20)	145	78)
Total Comprehensive Income/(Loss)	**44,034**	**(158,783)**	**(69,625)**

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

	Unaudited 9 months to 30-Sep-23	Unaudited 9 months to 30-Sep-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)	44,034	(158,783)	(69,625)
Other Reserve Movements	(18,876)	25,510	10,365
Dividend	(102,726)	(85,605)	(102,726)
Balance at the end of the Period/year	**2,663,482**	**2,684,159**	**2,741,051**

CONSOLIDATED STATEMENT OF CASH FLOWS

	Unaudited 9 months to 30-Sep-23	Unaudited 9 months to 30-Sep-22	Audited Year Ended 31-Dec-22
Profit/(Loss) before Taxation	129,299	(151,335)	(34,047)
Gain on disposal of Property, Plant, Equipment and Investments	6,456	(3,676)	33,202
Adjustments for Non Cash Items	(137,642)	152,565	49,153
Operating Cash Flow before Working Capital Changes	(1,887)	(2,447)	48,308
Net Working Capital Changes	(222,524)	67,236	85,625
Net Taxation Paid	(15,320)	(24,521)	(18,136)
Cash Flow from Operating Activities	(239,731)	40,269	115,797
Investing Activities	(484,619)	(175,737)	(104,409)
Financing Activities	(102,726)	(60,605)	(102,726)
Decrease in cash and cash equivalents	(827,076)	(196,073)	(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	**347,975**	**1,070,316**	**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), Ray A. Sumairsingh (Deputy Chairman), David Dulal-Whiteway, Timothy Hamel-Smith, Larry Howai, M. Musa Ibrahim, Jeremy Matouk, Nigel Romano, Ian E. Welch.

ansa MERCHANT BANK LIMITED
Our Greatest Asset is YOU
FIND US AT: ANSA MERCHANT BANK LIMITED
ansa McAL GROUP OF COMPANIES