



MERCHANT BANK LIMITED

ANSA MERCHANT BANK LIMITED

UNAUDITED INTERIM RESULTS SIX MONTHS ENDED 30TH JUNE 2023

CHAIRMAN'S STATEMENT

ANSA Merchant Bank Limited and its subsidiaries reported strong results over the six (6) months period ending June 30, 2023. Revenue grew by 73%, from \$285.3 million (2022) to \$494.3 million. Profit Before Tax (PBT) increased by 166% to \$87.7 million versus a loss of \$133.4 million (2022). Earnings Per Share rose significantly to \$0.75 from negative \$1.50 (2022). Total Assets grew from \$9.2 billion to \$9.9 billion, an increase of 8%.

Banking

Our Banking Division, comprising ANSA Merchant Bank Limited, ANSA Merchant Bank (Barbados) Limited and ANSA Bank Limited, generated revenue growth of 67% to \$215 million and PBT growth of 264% to \$81 million.

This strong performance is a result of core income growth, notably in Investment Banking, Forex Trading, new loans, and our Investment Portfolio. As a responsible corporate citizen, we have intensified our Environmental, Social, and Governance (ESG) activities and have adopted a Natural Capital approach to advancing shareholder value.

Insurance

TATIL, TATIL Life, COLFIRE and Trident (Barbados) achieved excellent financial results for the six (6) months ended June 30, 2023. Compared to the same prior year period, revenue increased by 106% to \$350 million and PBT by 127% to \$40 million. This was achieved through growth in premiums, improvements in our underwriting results in both Life and Property & Casualty (P&C) businesses, and positive mark-to-market valuations of our Investment Portfolios. Our acquisition of COLFIRE in Q1 2023 has contributed to increased revenue across the region and has added significant market share to our General Insurance business. The acquisition also provides synergistic opportunities for resource optimisation and increased returns. At the same time, TATIL preserves a strong ESG commitment. It has maintained its AM Best, "A- Excellent Rating" ("Financial Strength and Issuer Credit Rating"). We remain vested in countering the Diabetes health crisis in our region through a suite of fully supported programs.

The ANSA Merchant Bank Group has a bright future. I am proud of the progress made during this quarter and I am equally excited about the prospects that lie ahead. I extend my heartfelt gratitude to our dedicated executives, employees, loyal customers, supportive shareholders, and the communities we serve.

The Board of Directors has approved an Interim Dividend of \$0.20 cents per share. This Interim Dividend will be paid on October 6, 2023, to shareholders on the register as at September 22, 2023.

A. Norman Sabga

A. Norman Sabga,
Chairman

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Unaudited 30-Jun-23	Unaudited 30-Jun-22	Audited 31-Dec-22
Assets	9,894,664	9,203,351	9,590,796
Total Assets	9,894,664	9,203,351	9,590,796
Liabilities	7,192,489	6,481,050	6,849,745
Total Liabilities	7,192,489	6,481,050	6,849,745
Non-Controlling Interest	652	852	666
Shareholders' Equity	2,701,523	2,721,449	2,740,385
Total Shareholders' Equity	2,702,175	2,722,301	2,741,051
Total Liabilities & Shareholders' equity	9,894,664	9,203,351	9,590,796

A. Norman Sabga


A. Norman Sabga - Chairman

Gregory N. Hill


Gregory N. Hill - Managing Director

SEGMENTAL INFORMATION


	Unaudited 6 months to 30-Jun-23	Unaudited 6 months to 30-Jun-22	Audited Year Ended 31-Dec-22	Unaudited 6 months to 30-Jun-23	Unaudited 6 months to 30-Jun-22	Audited Year Ended 31-Dec-22
Banking			Mutual Funds			
Total income	215,395	128,701	328,034	13,083	15,238	(92)
Total expenses	(134,246)	(106,398)	(203,417)	(11,455)	(33,936)	(21,049)
Profit/(loss) before tax	81,149	22,303	124,617	1,628	(18,698)	(21,141)
Total assets	6,490,542	5,531,586	6,330,744	647,339	711,445	664,818
Total liabilities	4,465,377	3,566,272	4,290,350	647,793	711,255	664,836
Purchase of fixed assets	37,895	12,972	32,104	-	-	-
Depreciation	(19,425)	(17,528)	(29,743)	-	-	-
Insurance Services			Eliminations			
Total income	350,274	169,670	486,804	(84,471)	(28,292)	(93,796)
Total expenses	(310,242)	(320,701)	(608,316)	49,334	42,355	77,785
Profit/(Loss) before tax	40,032	(151,031)	(121,512)	(35,137)	14,063	(16,011)
Total assets	4,441,449	4,183,616	4,107,091	(1,684,666)	(1,223,296)	(1,511,857)
Total liabilities	2,521,828	2,393,026	2,346,480	(442,509)	(189,503)	(451,921)
Purchase of fixed assets	9,307	5,221	9,509	-	-	-
Depreciation	(8,350)	(3,862)	(8,723)	-	-	(2,655)
Totals						
Total income	494,281	285,316	720,950			
Total expenses	(406,609)	(418,681)	(754,997)			
Profit/(Loss) before tax	87,672	(133,365)	(34,047)			
Total assets	9,894,664	9,203,351	9,590,796			
Total liabilities	7,192,489	6,481,050	6,849,745			
Purchase of fixed assets	47,202	18,193	41,613			
Depreciation	(27,775)	(21,390)	(41,121)			




Tatil
.. where people are people




TATIL LIFE
Guaranteed Protection



TRIDENT
INSURANCE



COLFIRE



ANSA



Tatil
...where people are people



TATIL LIFE
Guaranteed Protection



COLFIRE



ANSA
BANK

Together, we are
Family

CONSOLIDATED STATEMENT OF INCOME

	Unaudited 3 months to 30-Jun-23	Unaudited 3 months to 30-Jun-22	Unaudited 6 months to 30-Jun-23	Unaudited 6 months to 30-Jun-22	Audited Year Ended 31-Dec-22
Total Income	237,770	113,091	494,281	285,316	720,950
Total Expenses	(209,227)	(206,646)	(406,609)	(418,681)	(754,997)
Operating Profit/(Loss)	28,543	(93,555)	87,672	(133,365)	(34,047)
Taxation	(16,282)	4,523	(23,207)	4,540	(26,975)
Profit/(Loss) after Taxation	12,261	(89,032)	64,465	(128,825)	(61,022)
Profit attributable to:					
Equity holders of Parent	16,247	(89,104)	64,478	(128,933)	(60,944)
Minority Interest	(3,986)	72	(13)	108	(78)
Profit/(Loss) Attributable to Shareholders	12,261	(89,032)	64,465	(128,825)	(61,022)
Earnings Per Share - Basic	0.14	(1.04)	0.75	(1.50)	(0.71)
Avg. no. of shares - Basic ('000)	85,605	85,605	85,605	85,605	85,605

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Unaudited 6 months to 30-Jun-23	Unaudited 6 months to 30-Jun-22	Audited Year Ended 31-Dec-22
Profit/(Loss) after Taxation	64,465	(128,825)	(61,022)
Other Comprehensive (Loss)/Income	(31,085)	1,476	(8,603)
Total Comprehensive Income/(Loss) (net of tax)	33,380	(127,349)	(69,625)
Comprehensive Income attributable to:			
Equity holders of the Parent	33,393	(127,457)	(69,547)
Minority Interest	(13)	108	(78)
Total Comprehensive Income/(Loss)	33,380	(127,349)	(69,625)

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

	Unaudited 6 months to 30-Jun-23	Unaudited 6 months to 30-Jun-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)	33,380	(127,349)	(69,625)
Other Reserve Movements	13,349	32,218	10,365
Dividend	(85,605)	(85,605)	(102,726)
Balance at the end of the period/year	2,702,175	2,722,301	2,741,051

CONSOLIDATED STATEMENT OF CASH FLOWS

	Unaudited 6 months to 30-Jun-23	Unaudited 6 months to 30-Jun-22	Audited Year Ended 31-Dec-22
Profit/(Loss) before Taxation	87,672	(133,365)	(34,047)
Gain on disposal of Property, Plant, Equipment and Investments	3,885	(11,583)	33,202
Adjustments for Non Cash Items	(110,364)	143,350	49,153
Operating Cash Flow before Working Capital Changes	(18,807)	(1,598)	48,308
Net Working Capital Changes	139,915	(33,431)	85,625
Net Taxation Refund/(Paid)	16,940	(19,203)	(18,136)
Cash Flow from/(used in) Operating Activities	138,048	(54,232)	115,797
Investing Activities	(486,595)	(168,721)	(104,409)
Financing Activities	(85,605)	(85,605)	(102,726)
Decrease in cash and cash equivalents	(434,152)	(308,558)	(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	740,899	957,831	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:

Address: 11, Maraval Road, Port-of-Spain | **Phone:** (868) 623-8672, Fax: (868) 624-8763

Branch Offices: Grand Bazaar Mall, Valsayn (868) 645-1903, Fax: (868) 663-4348

Branch Offices: 25 Royal Road, San Fernando (868) 657-1452, Fax: (868) 653-8112



ansa mcal
GROUP OF COMPANIES