ansa MERCHANT BANK LIMITED

A public Company registered on the Trinidad & Tobago Stock Exchange

UNAUDITED INTERIM RESULTS

NINE MONTHS ENDED 30th SEPTEMBER 2019

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

CHAIRMAN'S STATEMENT

I am happy to report, at the end of our 3rd Quarter 2019, consolidated profit before tax (PBT) reached $208 million, exceeding the same period in prior year by 9%. Earnings per share for the nine months improved by 17 cents to $1.77, up from $1.60 in 2018 same period.

ANSA Merchant Bank experienced favourable investment returns and led in capital market activity to also record 9% enhanced results.

Our suite of Mutual Funds continues to yield returns in the top quartile of this market segment.

Trinidad and Tobago Insurance Limited (TATIL) reported $63.1 million in PBT with 11% growth in Gross Premium Income year over year.

Tatil Life delivered $35 million in PBT, which is a significant improvement over same period in 2018, due to solid Investment returns during this year thus far.

The economy in Barbados is being stabilized and we look forward to growth and improving results in both Consolidated Finance Company Limited (CFC) and Brydens Insurance Inc, especially where we are in the final stages of completing an Insurance acquisition.

Our Management and staff are to be commended for these results and we look forward to completing 2019 with excellent returns.

A. Norman Sabga

A. Norman Sabga
Chairman

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Unaudited 30-Sep-19	Unaudited 30-Sep-18	Audited 31-Dec-18
Assets	8,392,143	7,950,398	7,879,397
Total Assets	**8,392,143**	**7,950,398**	**7,879,397**
Liabilities	5,981,630	5,694,269	5,511,944
Total Liabilities	**5,981,630**	**5,694,269**	**5,511,944**
Non-Controlling Interest	611	574	591
Shareholders' Equity	2,409,902	2,255,555	2,366,862
Total Shareholders' Equity	**2,410,513**	**2,256,129**	**2,367,453**
Total Liabilities & Shareholders' equity	**8,392,143**	**7,950,398**	**7,879,397**

A. Norman Sabga *Gregory N. Hill*

A. Norman Sabga
Chairman

Gregory N. Hill
Managing Director

CONSOLIDATED STATEMENT OF INCOME

	Unaudited 3 months to 30-Sep-19	Unaudited 3 months to 30-Sep-18	Unaudited 9 months to 30-Sep-19	Unaudited 9 months to 30-Sep-18	Audited Year Ended 31-Dec-18
Total Income	243,845	208,238	742,055	656,372	925,460
Total Expenses	(194,224)	(159,151)	(534,022)	(465,837)	(664,866)
Operating Profit	49,621	49,087	208,033	190,535	260,594
Taxation	(18,830)	(13,616)	(56,930)	(53,944)	(54,579)
Profit after Taxation	30,791	35,471	151,103	136,591	206,015
Profit attributable to:					
Equity holders of Parent	30,794	35,473	151,084	136,578	205,985
Minority Interest	(3)	(2)	19	13	30
Profit Attributable to Shareholders	30,791	35,471	151,103	136,591	206,015
Earnings Per Share - Basic	**0.36**	**0.41**	**1.77**	**1.60**	**2.41**
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-19	Unaudited 9 months to 30-Sep-18	Audited Year Ended 31-Dec-18	Unaudited 9 months to 30-Sep-19	Unaudited 9 months to 30-Sep-18	Audited Year Ended 31-Dec-18
Total income	334,111	292,185	403,307	30,802	27,359	36,220
Total expenses	(192,214)	(159,338)	(229,279)	(19,049)	(20,681)	(27,266)
Profit before tax	**141,897**	**132,847**	**174,028**	**11,753**	**6,678**	**8,954**
Total assets	5,048,009	4,784,262	4,693,268	732,317	749,333	734,026
Total liabilities	3,304,741	3,141,411	2,949,000	732,206	750,054	734,136
Purchase of fixed assets	30,852	43,839	42,291	–	–	–
Depreciation	(26,406)	(25,907)	(35,418)	–	–	–

	INSURANCE SERVICES			ELIMINATIONS		
	Unaudited 9 months to 30-Sep-19	Unaudited 9 months to 30-Sep-18	Audited Year Ended 31-Dec-18	Unaudited 9 months to 30-Sep-19	Unaudited 9 months to 30-Sep-18	Audited Year Ended 31-Dec-18
Total income	449,691	394,165	594,063	(72,549)	(57,338)	(108,130)
Total expenses	(352,118)	(304,575)	(475,860)	29,359	18,757	67,539
Profit before tax	**97,573**	**89,590**	**118,203**	**(43,190)**	**(38,581)**	**(40,591)**
Total assets	3,642,825	3,456,245	3,505,377	(1,031,008)	(1,039,441)	(1,053,274)
Total liabilities	2,059,749	1,935,104	1,962,648	(115,066)	(132,300)	(133,840)
Purchase of fixed assets	12,077	12,577	11,007	–	–	–
Depreciation	(1,009)	(2,358)	(3,365)	–	–	–

	TOTALS		
	Unaudited 9 months to 30-Sep-19	Unaudited 9 months to 30-Sep-18	Audited Year Ended 31-Dec-18
Total income	742,055	656,372	925,460
Total expenses	(534,022)	(465,837)	(664,866)
Profit before tax	**208,033**	**190,535**	**260,594**
Total assets	8,392,143	7,950,398	7,879,397
Total liabilities	5,981,630	5,694,269	5,511,944
Purchase of fixed assets	42,929	56,417	53,298
Depreciation	(27,415)	(28,265)	(38,783)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Unaudited 9 months to 30-Sep-19	Unaudited 9 months to 30-Sep-18	Audited Year Ended 31-Dec-18
Profit after Taxation	151,103	136,591	206,015
Other Comprehensive Income/(Loss)	15,894	(3,695)	(4,717)
Total Comprehensive Income (net of tax)	**166,997**	**132,896**	**201,298**
Comprehensive Income attributable to:			
Equity holders of the Parent	166,978	132,883	201,268
Minority Interest	19	13	30
Total Comprehensive Income	**166,997**	**132,896**	**201,298**

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

	Unaudited 9 months to 30-Sep-19	Unaudited 9 months to 30-Sep-18	Audited Year Ended 31-Dec-18
Balance at the start of the period/year	2,367,453	2,322,170	2,322,170
Adjustment for the impact of IFRS 9 & IFRS 15	–	(103,686)	(52,980)
Balance at the start of the period/year, as adjusted	2,367,453	2,218,484	2,269,190
Total Comprehensive Income	166,997	132,896	201,298
Other Reserve Movements	(21,211)	7,475	(309)
Dividend	(102,726)	(102,726)	(102,726)
Balance at the end of the period/year	**2,410,513**	**2,256,129**	**2,367,453**

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UNAUDITED INTERIM RESULTS
NINE MONTHS ENDED 30th SEPTEMBER 2019 (CONTINUED)

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

CONSOLIDATED STATEMENT OF CASH FLOWS

	Unaudited 9 months to 30-Sep-19	Unaudited 9 months to 30-Sep-18	Audited Year Ended 31-Dec-18
Profit before Taxation	208,033	190,535	260,594
Gain on disposal of Property, Plant, Equipment and Investments	(22,251)	(6,903)	(16,192)
Adjustments for Non Cash Items	(130,727)	(185,417)	(45,177)
Operating Cash Flow before Working Capital Changes	55,055	(1,785)	199,225
Net Working Capital Changes	413,651	683,851	363,292
Net Taxation Paid	(53,620)	(58,746)	(70,278)
Cash Flow from Operating Activities	415,086	623,320	492,239
Investing Activities	(343,390)	(447,321)	(314,906)
Financing Activities	(103,640)	(149,483)	(204,015)
(Decrease)/increase in cash and cash equivalents	(31,944)	26,516	(26,682)
Cash and Cash equivalents at the beginning of period	540,934	567,616	567,616
Cash and Cash equivalents at the end of the period	**508,990**	**594,132**	**540,934**

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 2018.

Bank and its Subsidiaries: 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.

Directors: A. Norman Sabga (Chairman), Gregory N. Hill (Managing Director), Ray A. Sumairsingh (Deputy Chairman), Anton Gopaulsingh, Timothy Hamel-Smith, Larry Howai, M. Musa Ibrahim, Jeremy Matouk, Nicholas W.S. Owen, Ian E. Welch - all c/o the following address: 11 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, Valsayn Phone: (868) 645-1903 Fax: (868) 663-4348

Bankers: Republic Bank Limited, Citibank (Trinidad & Tobago) Limited