

OUR
commitment to
TOMORROW



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report of the **CHAIRMAN**



A. Norman Sabga LLD (Hon.) UWI; (h.c.) UTT | Chairman

The ANSA Merchant Bank Limited Group continues to strengthen its position as a diversified financial services provider serving the local market and the Caribbean region. Guided by a long-term vision and a commitment to growth, we are bringing together the strength of our core businesses with a forward-looking approach to customer service. Our portfolios, while broad, are unified by a clear purpose, which is to support our customers with relevant, reliable and enduring financial solutions. In an environment that continues to evolve, we remain focused on sustaining value, deepening relationships and ensuring that our organisation remains well-positioned to meet the future with confidence. It is within this context that I present the performance of the Group for 2024.

The ANSA Merchant Bank Limited Group delivered a robust consolidated before-tax profit of \$185 million

for the financial year ending 31 December 2024. While this represents a slight decline from the prior year's \$201 million, after-tax profit saw a notable increase from \$130 million to \$162 million. The banking segment had an overall decline in its after-tax profitability by approximately 25%. However, the life and general insurance operations increased by more than 100%, after eliminating intra-group dividends. Total assets experienced a modest 3.6% contraction, closing at \$9.9 billion in 2024 compared to \$10.3 billion in 2023. This was primarily influenced by a reduction in Loans & Advances in the merchant banking operations. Basic and diluted earnings per share rose from \$1.51 to \$1.90. In Q4 2024, CariCRIS reaffirmed 'high' creditworthiness ratings (Cari:**AA** and tt:**AA**) for ANSA Merchant Bank Limited (AMBL Group). CariCRIS has also assigned a stable outlook on the ratings.

Operating on an increasingly competitive landscape, our banking segment continues to evolve and expand. ANSA Merchant Bank remains a trusted financial partner to sovereign and corporate clients across the Caribbean. Meanwhile, ANSA Bank Limited made significant advances in 2024 with the official public launch of its cutting-edge digital banking platform. Our ANSA Mutual Funds also remained strong competitors in their respective categories, and we anticipate their continued success in the market.

As part of our commitment to sustainability, we established the Natural Capital Hub in 2022 under our Environmental, Social and Governance (ESG) strategy. In 2024, we released the 2023 Natural Capital Report, a pioneering corporate sustainability report for the English-speaking Caribbean.

Our insurance segment – comprising TATIL, TATIL Life, COLFIRE, Trident (Barbados) and TATIL Re (St. Lucia) – continues to be well-capitalised, boasting one of the strongest balance sheets in the regional insurance industry. TATIL has maintained its **A- (Excellent)** rating from international rating agency AM Best, underscoring its financial strength.

The integration of TATIL and COLFIRE is progressing smoothly, with the acquisition already making a positive impact on the Group's financial performance. COLFIRE policyholders now benefit from the enhanced financial strength and strategic synergies of the ANSA Merchant Bank Group.

Dividend and Future Outlook

The Board of Directors has approved a final dividend of **\$1.00 per share** (2023: \$1.00), bringing total dividends for the 2024 financial year to **\$1.20 per share** (2023: \$1.20). The final dividend will be disbursed on **26 May 2025** to shareholders recorded as of **15 May 2025**.

Looking ahead, the Group is well-positioned for continued growth. We remain committed to strategic investments in information technology across our retail banking and insurance operations

- investments that will drive efficiency, enhance customer experience and deliver long-term value for all stakeholders.

As we embark on another year, I extend my heartfelt appreciation to our employees, senior executives and Boards of Directors for their dedication and hard work. To our valued customers, I thank you for your continued trust and support. We remain committed to delivering world-class financial solutions and exceptional service as we move forward.



Chairman
ANSA Merchant Bank Limited

report of the **MANAGING DIRECTOR**



Ian R. De Souza | Managing Director

I am pleased to report on the consolidated financial results of ANSA Merchant Bank Limited and its operating subsidiaries (AMBL Group). The AMBL Group is focused on financial services and can be broadly split into two constituent parts: banking and insurance. I shall give a brief overview of AMBL's consolidated results before directing the commentary to the Banking Sector. The Insurance Sector is covered later in this Annual Report by its Managing Director, M. Musa Ibrahim.

AMBL GROUP CONSOLIDATED ACHIEVEMENT



This combined position is reflective of differing results between the Banking and Insurance Sectors. The Banking Sector had an overall decline in its after-tax profitability of approximately 25%. However, after-tax earnings in the insurance operations increased by more than 100%, after eliminating intra-group dividends.

THE PARENT COMPANY OF THE GROUP **ANSA MERCHANT BANK LIMITED ('THE BANK')**



Profit Before Tax amounted to \$106.9 million, a reduction of \$49.0 million or 31.4%. The reduction is attributable to increases in interest expenses, personnel costs, general administrative expenses and a one-off loss on the sale of financial assets.

The Bank continues to forge ahead with the development of its business banking relationships and the expansion of its corporate and investment banking arm. Focus of the latter is on continued support for the sovereign and local corporate entities, while pursuing new opportunities in the wider Caribbean region.

Our Barbados operation, ANSA Merchant Bank (Barbados) Limited, enjoyed a strong year, generating Profit Before Tax of BB\$4.57 million or 24.4% above the prior year. This bank continues to operate with a solid book of business in mortgages, vehicle financing, merchant banking and real estate project financing. Efforts are also in train to expand further into retail and commercial banking.

Our retail bank, ANSA Bank Limited (ABL), continued to incur anticipated start-up costs. However, its Loss Before Tax amounted to \$29.7 million, a reduction from the loss of \$39.9 million incurred in 2023. Notwithstanding the reported loss, ABL remained well within its regulatory capital limits with Shareholder Equity standing at \$126.1 million, an increase from the \$123.6 million reported at the end of 2023.

The investment in ABL is a strategic long-term opportunity for the Group that will take us into new segments of the banking market and provide opportunities for additional sources of revenue and a lowering of the cost of funding the business. At ABL, we continue to build a world-class digital banking platform, and with regulatory approvals and a related product suite now in hand, customers will enjoy the promised state-of-the-art banking services. As parent, we shall continue to provide the capital funding necessary to ensure that the strategic objectives associated with our entry into the local retail and commercial banking space are met.

The Bank maintained its CariCRIS investment grade rating of CariAA with a Stable Outlook in 2024. The year-end dividend has been held at \$1.00 per share, which is consistent with the dividend paid for fiscal 2023.

On the Environmental, Social and Governance (ESG) front, we continued to promote sustainability in all our business practices through our Natural Capital Hub. This initiative focuses on identifying and reducing our impact on biodiversity, the earth, water and the air. Following the publication of our Natural Capital Report in 2023, a commentary on our impact on the environment and our initiatives around sustainability, we successfully completed the Trinidad and Tobago Small & Medium Enterprise Natural Capital Grant Challenge in 2024. This provided small and medium-sized business entrants with opportunities to demonstrate their incorporation of sustainable business practices into the management of their business operations, for which the top three winners were awarded cash prizes amounting to TT\$200,000. One other notable achievement in the ESG space was the launch of a US\$300,000 project funded by the Inter-American Development Bank in support of the development of a 'Green Loan' initiative for the agricultural sector. Work continues and we anticipate a launch in the not-too-distant future.

The Group's performance for the year 2024 is a testament to the dedication of our staff, the management team and our hardworking Boards of Directors. As Managing Director, I am grateful for the unwavering support and very keen dedication to achieving the goals that were set. I am also very grateful to our clients, old and new, for their trust in placing their banking affairs in our hands. As we go forward, we will make good on our objective of achieving continuing prosperity for our business, our customers, our valued shareholders the communities that we serve as well as for the sustainability of the planet on which we live.


Managing Director
ANSA Merchant Bank Limited

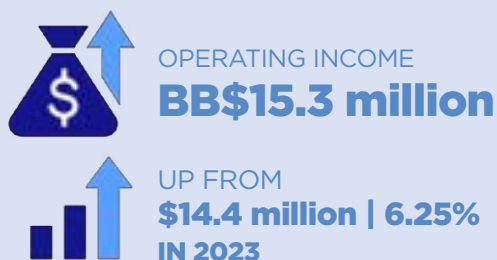
report of the **MANAGING DIRECTOR**



Corey Knight | Managing Director

For the year ended 2024, ANSA Merchant Bank (Barbados) Limited delivered a strong performance, advancing our strategic objectives while remaining focused on financial resilience and delivering long-term value to our clients. Despite a competitive operating environment marked by rising funding costs and declining lending rates, the Bank achieved notable growth across key financial indicators.

ANSA MERCHANT BANK (BARBADOS) LIMITED



This improvement was largely due to write-backs in credit provisioning.

Our Total Equity grew by 7.15% to BB\$71.9 million, and our Capital Adequacy Ratio stood firm at 26.97%, well above the 8% regulatory minimum and underscoring our financial strength and capacity to support future expansion. Total Assets increased by 24% to BB\$303.9 million, driven largely by growth in Loans and Receivables (BB\$187.7 million vs. BB\$140.9 million) and Leased Assets (BB\$34.8 million vs. BB\$27.6 million).

Beyond the numbers, 2024 was marked by impactful initiatives that brought our brand to life. In November, our **Hydrate Caribbean** programme celebrated a major milestone of three million bottle fills, preventing the use of an equivalent number of single-use plastic bottles. A public celebration at our Hastings Boardwalk Hydrate Station, which alone has dispensed over 251,000 fills, reflected our ongoing commitment to environmental sustainability.

We were honoured to receive both a **Gold ADDY Award** and the **Judges' Choice Award** from the Caribbean Advertising Federation for our branded bus shelters in Holetown and Wildey. These installations not only provided functional value but also served as creative storytelling platforms for our mortgage and vehicle leasing products, while strengthening brand connection with the public.

In August, we broke new ground by hosting **Barbados' first-ever Equipment Fair** at Bushy Park. The event drew large crowds and created a memorable, family-friendly atmosphere, with parents and children test-driving heavy machinery. The energy and engagement of the day translated into over BB\$500,000 in equipment financing, solidifying our role as a trusted partner in local enterprise.

These initiatives reflect our broader purpose, which is to be more than a bank but a driver of community growth and sustainable progress. I extend sincere thanks to our exceptional team for their passion, professionalism and commitment throughout the year. To our clients and shareholders, your continued confidence is the foundation of everything we do.

As we look to 2025, we remain cautiously optimistic. With a robust pipeline and a renewed sense of purpose, we will continue to invest in business development, expand strategic lending and deliver high-impact, client-focused solutions anchored in trust, innovation and service.



Managing Director
ANSA Merchant Bank (Barbados) Limited

report of the **MANAGING DIRECTOR**



Savon Persad | Managing Director

Since our inception in April 2021, ANSA Bank Limited has embarked on a transformative journey to redefine the banking experience in Trinidad and Tobago. As the newest entrant to the commercial banking sector, our mission has been clear: to offer banking solutions that empower individuals and businesses alike, bringing a fresh, customer-first perspective to an industry ready for change.

Financial Performance and Strategic Growth

In 2024, we recorded moderate growth in our lending portfolio, with Loans and Advances increasing to \$797.6 million, driven by \$220.8 million in new lending. While Deposits saw a decline of \$49.0 million due to year-end fluctuations in commercial current accounts, core deposits from the personal sector grew by \$142 million. Our Loans to Deposits Ratio of 72.6% underscores our disciplined approach to

balance sheet management. Revenue experienced a significant uplift of 23.8% to \$65.4 million, primarily due to increased foreign exchange trading gains and interest from investments. However, due to higher loan loss provisions and increased SG&A expenses, the Bank experienced a net loss before tax of \$29.7 million, compared to a net loss of \$39.9 million in the prior year. A capital injection of \$25 million during the year fortified our financial position, reflecting our commitment to long-term strategic growth.

Digital Transformation and Customer-Centric Initiatives

Our vision of becoming a technologically advanced, customer-centric bank gained significant momentum in 2024. We launched Phase 1 of our Digital Banking Platform, introducing a secure web-based online banking solution, with a fully

developed mobile application in the final stages of implementation. The platform is intuitive and is designed to be responsive to our clients' needs—only the beginning of what we intend to bring to the market. The rollout of Europay, MasterCard and Visa (EMV)-enabled cards, establishment of a centralised operations unit and enhancement of our security operations centre further solidified our digital infrastructure.

The 'Road Ready' vehicle loan sale event in April 2024 marked our entry into experiential customer engagement, fostering partnerships with major automotive dealers and enhancing our presence in the auto-financing market. Additionally, our holiday season initiative, where we surprised 10 customers with \$2,000 gifts, exemplified our commitment to delivering personalised and memorable banking experiences with our customers.

Community Impact and Sustainability

In 2024, ANSA Bank remained committed to building deeper connections with our customers and communities through initiatives that reflected our brand values of trust, relevance and service. From standout seasonal campaigns to sponsorships promoting youth empowerment and financial literacy, our customer-first ethos guided every touchpoint — creating meaningful engagement and reinforcing our position as a modern, responsive bank.

We also advanced our sustainability agenda by integrating environmental and social priorities into our core strategy. A key milestone was the successful execution of the Natural Capital Grant Challenge, which supported local small and medium-sized enterprises (SMEs) developing nature-based solutions. Through this and other Environmental, Social and Governance (ESG)-aligned efforts, we strengthened our role as a responsible financial partner, shaping a future where economic progress and environmental resilience go hand in hand.

Looking Ahead

As we move into 2025, our priorities are centred on returning to profitability, focusing on driving growth and primacy in the right segments, strengthening our control environment, optimising our cost structure and scaling our commercial banking operations. Guided by our digital-first, customer-focused strategy, we remain steadfast in our commitment to redefining banking.

To our customers, thank you for entrusting us with your financial aspirations. To our shareholders, your unwavering support propels our vision forward. And to our dedicated team, your passion and resilience continue to drive our success.

Together, we are building the bank of tomorrow — today.



**Managing Director
ANSA Bank Limited**

report of the **MANAGING DIRECTOR**



M. Musa Ibrahim | Managing Director

The Insurance Sector delivered a solid 2024 performance, showing significant improvements.



These results were driven by improvements in the sector's core business across all divisions: Property and Casualty (General Insurance), Reinsurance and Life Insurance. Across the Insurance Sector, all three divisions contributed almost equally towards profitability.

Property and Casualty

TATIL and COLFIRE saw significant year-over-year improvements in their underwriting results, which

were due to (a) revenue growth from both new and existing clients; (b) improved underwriting controls; and (c) reduced claims cost. The two businesses continue to hold approximately 25% of the Trinidad and Tobago market share based on Gross Written Premium Income. The integration of the operations of COLFIRE and TATIL is at an advanced stage and progressing well. Our Reinsurance captive continues to deliver stable and solid underwriting performance and strong investment returns.

We are very pleased with the performance of our Barbados branch, Trident, which continues to perform well. Profitability for 2024 showed a 70% improvement over the prior year, due to strong performance across all areas of our business. Revenue grew 9% over the prior period, and we

were able to manage our claims costs and expenses effectively. In 2024, we exceeded our profitability targets and maintained our market share, which is estimated to be ~10%. We have also surpassed our three-year payback goal since acquiring Trident.

Life Insurance

TATIL Life had a very good year showing improvement in Profit Before Tax of \$43 million over the prior year by 17%. This performance was driven by strong revenue growth, which was 19% higher than the previous year. The majority (+90%) of our growth in revenue came from our Individual line of business. We are very encouraged to continue seeing this positive trend in revenue growth. Despite a slight decline in our investment revenues in 2024 compared to the prior year, we delivered solid returns in both our Loan and Investment portfolios.

AM BEST

In August 2024, the international rating agency AM BEST affirmed the Financial Strength Rating of **A- (Excellent)** and the Long-Term Issuer Credit Rating of **A- (Excellent)** of Trinidad and Tobago Insurance Limited (TATIL). The outlook for these credit ratings is **stable**. According to AM Best, 'TATIL maintains the strongest level of risk-adjusted capitalisation, as measured by BEST's Capital Adequacy Ratio (BCAR), supported by operating results that have generally been accretive to capital'.

Technology

At TATIL, we concluded the replacement of our core Information Technology (IT) platforms in Q4. I am pleased to advise that across our Property and Casualty businesses (TATIL, COLFIRE and Trident), we now have a single IT solution. For TATIL and COLFIRE, this represents a significant component in integrating our businesses. With respect to Trident, it provides us with the opportunity to re-examine our business operations and further improve our cost efficiencies.

In my previous report, I had identified that TATIL Life's core IT replacement for the Individual line of business was being upgraded to an Oracle-based solution. This project is still in progress, with implementation being carried out in a phased approach. At the end of Q1 2025, our Annuities

product (which is our largest line of business) is scheduled for implementation, followed by the implementation of various products until the end of 2025.

People

As the old adage goes, '*People leave managers, not companies*'. As part of a wider ANSA McAL (AMCL) Group initiative, we began a journey of developing our business leaders in 'Business Stewardship' and being stewards for our staff and our overall businesses. Stewardship focuses on developing our leaders in areas including: Resilient, Decisive, Collaborative, Respectful, Responsive, Accountable, Governance, Self-Aware, Developing Others, Critical Thinking and being Proactive. Additionally, we continue to focus on our staff engagement and developing the right culture throughout our companies.

Community Engagement

Diabetes: A Family Concern

As part of our ongoing commitment to raising awareness about diabetes and promoting healthier lifestyles, TATIL and TATIL Life continue to lead educational campaigns and community outreach initiatives throughout Trinidad and Tobago. Our strong partnership with the Diabetes Association of Trinidad and Tobago (DATT) underscores our dedication to awareness, education and care.

In 2024, the TATIL and DATT 6th Form Internship Programme attracted an impressive 700 applications, from which 36 exceptional students were selected. These interns were educated on the impact of diabetes and the importance of research and advocacy and gained valuable experience by visiting various medical institutions. The programme was awarded the 'Model Youth Development Programme Award (Group)' by the Ministry of Youth Development and National Service at the 2024 National Youth Awards.

TATIL and TATIL Life also proudly sponsored the 2024 Secondary Schools Diabetes Debate Competition, with participation from 13 schools across Trinidad and Tobago. This initiative encouraged critical thinking and empowered youth advocacy on addressing public health concerns.

report of the **MANAGING DIRECTOR**

Our flagship diabetes awareness initiative for 2024 was the 5K run, which was rebranded as the **'TATIL Run DATT 5K'** to enhance the brand's visibility and ownership. The event was relocated from Chaguanas to Port of Spain to increase its prominence and attract a broader audience. Held on November 17, 2024, with the start and finish in front of the TATIL building, the 5K saw a total of 2,304 registrations, marking a remarkable 95% increase over 2023. We were honoured to have the First Gentleman, Kerwyn Garcia SC, open the event and sound the horn to start the race.

Blood Drive

TATIL and TATIL Life continues to host an annual Blood Drive providing employees, members of the ANSA McAL family, neighbouring businesses and the public with the opportunity to contribute to this life-saving cause. In 2024, over 100 pints of blood were donated across four successful drives, reflecting the increasing support for this initiative.

Sustainability

In 2024, both TATIL and COLFIRE engaged consultants to conduct an energy audit at the head offices in Port of Spain. The audit of the TATIL building assessed various methods to minimise electricity consumption, utilising electrical panel loggers and manual checks. Monitoring and data collection were completed in 2024, and the analysis of proposals is underway, with energy-saving initiatives set to begin in 2025.

Our commitment to sustainability extends to promoting recycling across all our companies. Employees were actively engaged in our recycling programme throughout the year, with competitions designed to encourage participation and foster a culture of environmental responsibility.

Employee Engagement

In 2024, TATIL, TATIL Life and COLFIRE hosted several employee engagement initiatives throughout the year to strengthen team spirit. These included the **Chow & Soca Staff Event**, which brought together approximately 250 employees from the three companies for an afternoon of chow, fun and music at the TATIL car park. In June, we held **Health & Wellness Week**, focused on promoting well-being and healthy lifestyles, with health providers offering various wellness screenings and activities to support both physical and mental health. Another highlight was the **FUNtastic Games Night**, hosted at the TATIL car park, where approximately 200 employees from across the Insurance Sector came together for an evening of fun and relaxation. The **TATIL Run DATT 5K** event also saw strong participation from staff, with 120 employees joining to raise awareness about diabetes. To close the year, the **Deck Your Door Christmas Recycling Contest** encouraged employees to transform recyclables into creative holiday decorations, with prizes for the best designs.

Outlook: 2025 will be an exciting year as we conclude implementation of the core IT platform in our Life company and the integration plans for TATIL and COLFIRE. We expect to realise the full synergies from this acquisition and look forward to the improvements in our business performance as we work towards the achievement of the Group's 2X goals.

M. Musa Ibrahim
Managing Director
TATIL & TATIL LIFE





VISION

TO BE THE LEADING FINANCIAL SERVICES PROVIDER IN THE REGION, DRIVEN TO CREATE THE GREATEST VALUE FOR OUR CLIENTS, WITH INNOVATION AND SERVICE EXCELLENCE AT THE CORE OF OUR BUSINESS.

MISSION

TO REDEFINE BANKING, BY OFFERING ACCESSIBLE AND TAILORED FINANCIAL SOLUTIONS THAT EMPOWER OUR CUSTOMERS TO ACHIEVE THEIR FINANCIAL GOALS.



our HISTORY

1994

Amalgamated Finance joined forces with Robert Fleming and Co. of Great Britain to become Fleming ANSA Merchant Bank.

1998

ANSA McAL Group went on to acquire Fleming's 50% interest in ANSA Finance. This allowed them to merge the operations of the Merchant Bank and ANSA Finance into ANSA Finance and Merchant Bank Ltd. The 7.5 million shares issued to the public were hugely oversubscribed.



On 3 March 1977, the first iteration of ANSA Merchant Bank was created in the form of Amalgamated Finance Limited.

Amalgamated Finance was an entrepreneurial venture of the ANSA McAL Group, designed to offer creative financial solutions to local individuals and businesses.

It was also one of the first wholly indigenous banks in Trinidad and Tobago.

The ANSA McAL Group purchased Republic Bank's shareholding of Amalgamated Finance and changed the name to ANSA Finance.

1997



1977





2016

ANSA Merchant Bank expanded its regional footprint by acquiring The Consolidated Finance Company (CFC) of Barbados from ANSA McAL Group. CFC was re-branded to ANSA Merchant Bank (Barbados) Limited.



2023

In February 2023, the acquisition of COLFIRE was completed, placing our Trinidad & Tobago Property & Casualty (General Insurance) business, in a firm market position, having secured 25% of the local market share.

ANSA Finance and Merchant Bank was finally rebranded to ANSA Merchant Bank when TATIL and TATIL Life were acquired from parent company ANSA McAL Group.

2004

The Bank made the move into retail banking by acquiring the operations of Bank of Baroda (Trinidad and Tobago) Limited from Bank of Baroda (India). This new addition is now known as ANSA Bank, and its mission is to lead Trinidad and Tobago into the digital banking space.

On 1 December 2021, Consolidated Finance Co. Ltd. (CFC), which has always specialised in vehicle financing, was rebranded as ANSA Merchant Bank (Barbados) Limited and has expanded its offerings to include the same banking services as ANSA Merchant Bank in Trinidad and Tobago.

We still have the same entrepreneurial spirit that motivated our founders all those years ago.

Our clients benefit from a comprehensive range of Banking and Financial Services that touch every aspect of their lives and businesses.

2021



board of **DIRECTORS**



A. Norman Sabga
LLD (Hon.) UWI; (h.c.) UTT
Chairman



Ray A. Sumairsingh
Deputy Chairman



Ian R. De Souza
Managing Director



David Dulal-Whiteway
Director



M. Musa Ibrahim
Director



Jeremy Matouk
Director



Timothy Hamel-Smith
Director



Larry Howai
Director



Nigel Romano
Director



A. Nigel Sabga
Executive Director

A. Norman Sabga

LLD (Hon.) UWI; (h.c.) UTT

Chairman

A. Norman Sabga is the Executive Chairman of the ANSA McAL Group of Companies and Patron of the Anthony N. Sabga Awards – Caribbean Excellence. In 2000, he was appointed Group Chairman of ANSA McAL Limited when Dr. Anthony N. Sabga, Chairman Emeritus, retired. He has strategically steered the ANSA McAL Group to identify and pioneer new business opportunities and to deliver exceptional returns to stakeholders. In recognition of his significant business achievements, he was awarded a Doctor of Laws degree, Honoris Causa, from The University of the West Indies in 2015 and an honorary Doctor of Laws degree from the University of Trinidad and Tobago in 2019. He was Chairman of the ANSA McAL Foundation from 2017 to 2020.

Ray A. Sumairsingh

Deputy Chairman

Ray A. Sumairsingh is an Associate of the Chartered Institute of Bankers (England and Wales) and also holds an MBA in Finance. His career in Banking and Insurance spans over 53 years, the last 25 being in the Financial Services Sector of the ANSA McAL Group. His Directorships include ANSA McAL Parent Board for 21 years, as well as Chairman of TATIL and TATIL Life and several other Boards within the ANSA McAL Group. He previously served as a Director of the Unit Trust Corporation and is currently a Director on the Trinidad and Tobago Stock Exchange.

Ian R. De Souza

Managing Director

Ian R. De Souza is a career banker with 35 years of experience in the industry. He retired from the Republic Bank Group in October 2017 where he was an Executive Director and Managing Director of Republic Bank (Barbados) Limited. He is currently the Chairman of the Salaries Review Commission of the Government of Trinidad and Tobago.

David Dulal-Whiteway

Director

David Dulal-Whiteway is a career banker, spending over 25 years at Republic Bank. He retired as Managing Director in 2016 — a position he held for 11 years. He has served on numerous Boards and is currently the Chairman of ANSA Bank. He is a former CEO of the Arthur Lok Jack Global School of Business and former Chairman of the Foundation for the Enhancement and Enrichment of Life (FEEL).

board of **DIRECTORS**

M. Musa Ibrahim

Director

M. Musa Ibrahim is a Chartered Accountant and Financial Services Sector professional with more than 25 years' experience in Banking and Insurance. He has held various senior positions with a major Caribbean bank, specialising in Trust and Merchant Banking. He was a previous Finance Director and Company Secretary of ANSA Merchant Bank Limited and is currently the Managing Director of Trinidad and Tobago Insurance Limited (TATIL) and TATIL Life Assurance Limited. He serves on several Boards. He is the past President of the Insurance Association of the Caribbean (IAC) and is currently a Director of the Association of Trinidad and Tobago Insurance Companies (ATTIC).

Jeremy Matouk

Director

Jeremy Matouk has been employed for 42 years in the Matouk Group of Companies and holds the position of Group Managing Director. He is the founder and owner of CRU Fine Wine Merchants, Trinidad and Tobago's first online wine store, established in 2008, and has also served on several Government advisory committees over the years in Agriculture, Finance, Trade and Industry. He is a Director of Guardian Media Limited and the Pointe-à-Pierre Wildfowl Trust.

Timothy Hamel-Smith

Director

Timothy Hamel-Smith has been acclaimed as a Legal Luminary by Chambers Global and rated by it as a No.1 ranked lawyer specialising in Banking and Finance Law. He has served as a Director in the Energy Industry and Banking Sector. He is a former President of the Senate in the Trinidad and Tobago Parliament.

Larry Howai
Director

Larry Howai has over 45 years' experience in the Banking and Financial Services Industry. He is a former CEO of the First Citizens Group and a former Minister of Finance and the Economy in the Government of Trinidad and Tobago. He has significant Board experience, having sat on the Boards of numerous companies in the state and private sectors, both locally and regionally.

Nigel Romano
Director

Nigel Romano is a Chartered Accountant and Banker with extensive global experience in Banking and Finance. He is currently a Senior Director and Partner, Business Coaching and Advisory Services at Moore T&T, Chartered Accountants. He is Chairman of the Board of the Caribbean Corporate Governance Institute (CCGI) and serves on the boards of Genesis Insurance Brokers and Benefits Consultants Limited and the Electrical Industries Group.

A. Nigel Sabga
Executive Director

A. Nigel Sabga joined ANSA Merchant Bank in 2009. His career has predominantly been in Investment Management where he has guided the investment operations of ANSA Merchant Bank and its subsidiaries. He also sits on the various Investment Committees across the ANSA McAL Group. He currently serves on the Board of Directors of ANSA Merchant Bank (Barbados) Limited, ANSA Wealth Management Limited and the ANSA McAL Foundation.



corporate **GOVERNANCE**

ANSA Merchant Bank Limited (AMBL) upholds a strong governance framework designed to promote accountability, transparency and sustainable growth. This framework ensures prudent financial management and strategic decision-making, aligning with the highest ethical and regulatory standards.

BOARD OF DIRECTORS

The Board of Directors oversees AMBL's strategic direction, risk management and compliance with legal and regulatory requirements. It comprises a diverse group of professionals with expertise in Banking, Finance, Law and Corporate Management.

In accordance with its Charter, the Board of Directors takes required action and assumes responsibility for:

- Establishing business objectives and providing strategic guidance;
- Ensuring that the Managing Director and other senior officers of the Company are qualified and competent with sufficient experience and knowledge of the business and that succession planning is in place for these and other positions deemed critical to the Company;
- Approving the Company's policies for major activities, such as loans, liquidity and investment;
- Overseeing the compensation of members of senior management and other key personnel and ensuring that the compensation is consistent with the Company's culture, objectives, strategies and control environment;
- Ensuring that senior management has documented policies and procedures to ensure that activities are undertaken in accordance with the approved business strategy;
- Being satisfied that the information technology systems are appropriate and reinforced with a system of checks and balances to enforce trustworthiness of data;

- Approving the Company's control framework and ensuring that these controls are operating efficiently;
 - Understanding the significant risks to which the Company is exposed and ensuring that there is an effective risk management system in place;
 - Understanding the statutory obligations with which the Company must comply and ensuring that there is an effective compliance system in place for all applicable laws and regulations;
 - Monitoring financial performance;
 - Establishing standards of business conduct and ethical behaviour for Directors, senior management and other personnel of the Company and monitoring compliance with these policies;
 - Communicating with the relevant supervisory authority and convening meetings when requested; and
 - Reviewing reports and recommendations of the supervisory authority and ensuring that such recommendations are implemented.
- Evaluating the effectiveness of internal control systems, including financial reporting, IT security, fraud prevention and whistleblower mechanisms;
 - Overseeing the internal audit function, reviewing audit plans and reports, ensuring unrestricted access for auditors and monitoring the resolution of audit issues;
 - Engaging with external auditors on audit scope, independence and findings, reviewing management responses and recommending the appointment of external auditors;
 - Ensuring adherence to national laws, regulations and compliance frameworks, monitoring regulatory examinations and addressing compliance risks;
 - Reviewing and assessing AMBL's risk management framework annually to ensure alignment with the Bank's risk appetite and business strategy; and
 - Providing regular reports to the Board, maintaining open communication with auditors, overseeing special investigations and reviewing the Committee's Terms of Reference for effectiveness.

BOARD AND MANAGEMENT COMMITTEES

To ensure sound decision-making and effective oversight, AMBL has established key Board Committees:

Audit and Risk Committee

The Audit and Risk Committee ensures the integrity of financial reporting, the effectiveness of its systems of financial risk management and internal controls, internal and external audit functions, and AMBL's risk profile, policy and management processes. It supports the Board's stewardship responsibilities by overseeing accounting policies, financial disclosures and compliance mechanisms.

In accordance with its Terms of Reference, the Audit and Risk Committee assumes responsibility for:

- Ensuring the integrity of financial reporting, reviewing significant accounting policies, financial statements and audit findings, and overseeing compliance with regulatory financial reporting requirements;
- Assessing and monitoring AMBL's risk profile, setting risk appetite and ensuring effective risk mitigation strategies are in place;

The committee meets at least four times a year, with minutes submitted to the Board of Directors.

In addition to Board committees, specialised operational committees have been established to support the Board's governance and risk management in key areas of the Group's operations.

Investment Committee

The Investment Committee oversees the Bank's investment strategies, ensuring prudent risk management and alignment with regulatory guidelines.

Key responsibilities of the Investment Committee include:

- Monitoring market, liquidity and balance sheet risks;
- Evaluating investment compliance programmes and operational risk frameworks;
- Approving and reviewing sectoral, industry and country investment limits;
- Ensuring investment policies align with statutory and regulatory requirements; and

corporate **GOVERNANCE**

- Analysing market trends and recommending investment risk mitigation strategies.

The committee meets monthly, with minutes submitted to the Board of Directors.

Credit Committee

The Credit Committee manages the Group's credit risk profile, ensuring adherence to sound lending practices and regulatory standards. The Committee also reviews the guidelines and policies governing credit assessment and management and ensures that they fall within the parameters of the Group's Risk Management strategy.

Key responsibilities of the Credit Committee include:

- Monitoring credit risk concentrations and assigning appropriate risk ratings;
- Establishing and maintaining credit proposal standards and financial covenants;
- Overseeing operational risk management in credit activities;
- Ensuring compliance with credit risk policies and regulatory requirements;
- Reviewing and approving credit proposals within established lending limits; and
- Conducting periodic loan portfolio reviews and ensuring adequate loan loss provisions.

Asset and Liability Committee (ALCO)

The ALCO oversees the Bank's balance sheet management, ensuring financial stability through strategic liquidity and funding decisions.

Key responsibilities include:

- Managing risks arising from market fluctuations and developing mitigation frameworks;
- Overseeing treasury operations to maintain statutory liquidity requirements; and
- Monitoring capital adequacy, interest rate risks and balance sheet structure.

The committee meets monthly, with minutes submitted to the Board of Directors.

Regulatory and Compliance Committee

As a licensed Financial Institution with the Central Bank of Trinidad and Tobago and a reporting issuer and broker/dealer regulated by the Trinidad and Tobago Securities and Exchange Commission, AMBL is committed to strict regulatory compliance. The Regulatory and Compliance Committee ensures adherence to national and international regulations.

Key responsibilities include:

- Ensuring compliance with shareholder and regulatory reporting requirements;
- Managing the Bank's internal Control Unit, including authority and approval limits;
- Supervising the Anti-Money Laundering and Counter-Terrorism Financing (AML/CTF) programme;
- Conducting periodic AML policy reviews to align with evolving regulations; and
- Independently monitoring transactions to mitigate risks.

A monthly Compliance Grid is submitted to the Board of Directors to track reporting obligations, including tax-related requirements.

Commitment to Governance Excellence

ANSA Merchant Bank Limited remains committed to upholding governance best practices that strengthen risk management, regulatory compliance and strategic oversight. By maintaining strong internal controls and fostering a culture of ethical responsibility, AMBL reinforces its foundation for long-term growth, resilience and stakeholder confidence.

corporate GOVERNANCE

Fees for Services Provided by the Independent External Auditors (EY)

The IESBA Code requires communication of fee-related information for both audit and other services to assist those charged with governance in their assessment of independence. The fees billed by and payable to the independent external auditors Ernst & Young (EY) in respect of professional services to the Group for the fiscal years ended 31 December 2024 and 31 December 2023 are set out below:

	AMBL Group	
	2024	2023
Fees billed and payable (TT\$ thousands)		
Audit Fees (Note 1)	9,741	7,149
Tax Fees (Note 2)	233	128
Other (Note 3)	1,762	5,491
Total	11,736	12,768

Notes:

1. For the audit of ANSA Merchant Bank Limited's annual consolidated financial statements and the audit of certain of its subsidiaries, as well as other services normally provided by the principal auditor in connection with other assurance-related services that are reasonably related to the performance of the audit or review of ANSA Merchant Bank Limited's financial statements, including audits of pension funds and employee benefits, accounting consultation, various agreed-upon procedures and fulfilling other regulatory and statutory filings and requirements.
2. For tax compliance and advisory services.
3. For other non-audit services.

corporate INFORMATION

ANSA Merchant Bank Limited

BOARD OF DIRECTORS

A. Norman Sabga
LLD (Hon.) UWI; (h.c.) UTT
(Chairman)

Ray A. Sumairsingh
(Deputy Chairman)

Ian R. De Souza
(Managing Director)

David Dulal-Whiteway*

Timothy Hamel-Smith*

Larry Howai

M. Musa Ibrahim

Jeremy Matouk*

Nigel Romano*

A. Nigel Sabga

**Denotes Independent Directors*

12 Board meetings were held in 2024.

CORPORATE SECRETARY

Rachel J. Welch-Phillips

REGISTRAR & TRANSFER OFFICE

The Trinidad and Tobago Central
Depository Ltd.
10th Floor, Nicholas Tower
63-65 Independence Square
Port of Spain

REGISTERED OFFICE/HEAD OFFICE

ANSA Centre
11 Maraval Road
Port of Spain
Tel: 868-623-8672

Website:

<https://tt.ansamerchantbank.com/>

BRANCH OFFICES

ANSA McAL Centre
25 Royal Road, San Fernando
Tel: 868-657-1452

Building L., First Floor,
Grand Bazaar, Valsayn
Tel: 868-623-8672

AUDITORS

Ernst & Young
5-7 Sweet Briar Road
Port of Spain

MANAGEMENT TEAM

Ian R. De Souza
Managing Director

A. Nigel Sabga
Executive Director

David Maraj
Chief Financial Officer

Kevin Doodnath
Chief Risk Officer

Kirk Henry
Chief Information and
Digital Officer

Keron Kong
General Manager – Operations

Natalie Mansoor
General Manager – Investment
Services & Wealth Management

Ian N. Chin
General Manager – Corporate &
Investment Banking

Reaaz Shah
Head of Treasury and FX

Nadine Paul
Head of Business Banking

Jeremy Haynes
Head of Origination

Rachel J. Welch-Phillips
Head of Legal & Corporate
Secretary

Catherine Clarke
Sector Human Resource Manager
– Financial Services

Alastair Paton
Head of Internal Audit – Financial
Services

Stephanie Nahous
Marketing Manager

CLASSES OF BUSINESS

- Confirming House/
Acceptance House
- Finance House/
Finance Company
- Leasing Corporation
- Mortgage Institution
- Merchant Bank
- Trust Company
- Unit Trust
- Financial Services
- Wealth Management Services

PRINCIPAL BANKERS

Republic Bank Limited
59 Independence Square
Port of Spain

ATTORNEYS-AT-LAW

M. Hamel-Smith & Co.
Eleven Albion
Cor. Dere and Albion Streets
Port of Spain

J.D. Sellier & Co.
129-131 Abercromby Street
Port of Spain

Fitzwilliam Stone Furness-Smith
& Morgan
48-50 Sackville Street
Port of Spain

corporate INFORMATION

ANSA Merchant Bank Limited (continued)

ATTORNEYS-AT-LAW

Girwar and Deonarine
Attorneys-at-Law
Harris Court
Nos. 17-19 Court Street
San Fernando

Hobsons Attorneys-at-Law &
Notaries Public
Nos. 21-25 Independence Avenue
San Fernando

Pollonais, Blanc, de la Bastide &
Jacelon
17 Pembroke Street
Port of Spain

AUDIT AND RISK COMMITTEE

Nigel Romano (Chairman)*
Timothy Hamel-Smith*
Jeremy Matouk*

**Denotes Independent Directors*

5 Audit and Risk Committee meetings were held in 2024.

ANSA Merchant Bank (Barbados) Limited

BOARD OF DIRECTORS

Ian R. De Souza (Chairman)

Corey Knight
(Managing Director)

Jeffrey Gellineau

Mary Mahabir

Kaye-Anne Greenidge*

André Walcott*

A. Nigel Sabga

Anthony Clerk*

**Denotes Independent Directors*

9 Board meetings were held in 2024.

Oliver Jordan resigned from the board with effect 27 May 2024.

Randy Cyrus resigned from the board with effect 12 July 2024.

Victor Boyce resigned from the board with effect 25 August 2024.

CORPORATE SECRETARY

Dana Selman

PRINCIPAL BANKERS

Bank of Nova Scotia
Broad Street Bridgetown

REGISTERED OFFICE/ HEAD OFFICE

Hastings Main Road
Christ Church
Tel: 246-467-2350
Website:
www.bb.ansamerchantbank.com

MANAGEMENT TEAM

Corey Knight
Managing Director

Brian Clarke
Head, Asset Finance & Business
Banking

Darrell Wilson
Head, Corporate & Commercial
Banking

Cheryl Brewster
Manager, Credit Administration

Dana Selman
Manager, Risk & Compliance/
Corporate Secretary

Christina Lewis
Manager, Business Development

Natasha Yearwood-Roach
Manager, Corporate &
Commercial Banking

CLASSES OF BUSINESS

- Finance House/Finance Company
- Leasing Corporation
- Mortgage Institution
- Merchant Bank
- Commercial Lending
- Financial Services
- Foreign Exchange Trading

AUDITORS

Ernst & Young, One Welches
Welches, St. Thomas

AUDIT AND RISK COMMITTEE

Jeffrey Gellineau (Chairman)

Mary Mahabir

André Walcott*

Anthony Clerk*

**Denotes Independent Directors*

6 Audit Committee meetings were held in 2024.

Oliver Jordan resigned from the board with effect 27 May 2024.

ATTORNEYS-AT-LAW

Lex Caribbean
Worthing Corporate Centre
Worthing, Christ Church

corporate INFORMATION

ANSA Bank Limited

BOARD OF DIRECTORS

David Dulal-Whiteway*
(Chairman)

Savon Persad
(Managing Director)

Frances Bain-Cumberbatch

Ian R. De Souza

Larry Howai

Angella Persad*

Eileen Ruddy*

Jon Paul Mouttet

Giselle Thompson*

**Denotes Independent Directors*

11 Board Meetings were held in 2024.

Savon Persad was appointed to the board with effect 2 January 2025.

Kathleen Galy resigned from the board with effect 21 March 2025.

CORPORATE SECRETARY

Christin Tahal

BRANCH OFFICES

Ground Floor, The Falls at
Westmall, Western Main Road
Westmoorings

Ground Floor, Gulf City Mall
La Romaine, San Fernando

1 Endeavour Road, Chaguanas

AUDITORS

Ernst & Young
5-7 Sweet Briar Road
Port of Spain

AUDIT AND RISK COMMITTEE

Angella Persad (Chairman)*

Eileen Ruddy*

Giselle Thompson*

Larry Howai

Jon Paul Mouttet

**Denotes Independent Directors*

4 Audit and Risk Committee meetings were held in 2024.

MANAGEMENT TEAM

Savon Persad
Managing Director

Edmund Joachim
Head of Retail and Commercial
Lending/Banking

Tricia Lohr-Govia
Senior Manager Operations

Donna Babb
Senior Finance Manager

REGISTERED OFFICE/ HEAD OFFICE

TATIL Building, 4th Floor
11A Maraval Road

Port of Spain

Tel: 868-866-2672

Website: www.ansabank.com

CLASSES OF BUSINESS

- Retail and Commercial Banking

ATTORNEYS-AT-LAW

M. Hamel-Smith & Co.
Eleven Albion, Cor. Dere and
Albion Streets
Port of Spain

J.D. Sellier & Co.
129-131 Abercromby Street
Port of Spain

Fitzwilliam Stone Furness-Smith
& Morgan
48-50 Sackville Street
Port of Spain

Girwar and Deonarine
Attorneys-at-Law
Harris Court
Nos. 17-19 Court Street
San Fernando

Hobsons Attorneys-at-Law &
Notaries Public
Nos. 21-25 Independence Avenue
San Fernando

Pollonais, Blanc, de la Bastide &
Jacelon
7 Pembroke Street
Port of Spain

corporate INFORMATION

TATIL

BOARD OF DIRECTORS

Ray A. Sumairsingh
(Chairman)

Larry Howai
Director

M. Musa Ibrahim
Managing Director

Franklyn Parsotan*
Director

Dr. Marlene Attzs*
Director

Kyle Maloney*
Director

David Del Guidice*
Director

**Denotes Independent Directors
11 Board meetings were held in
2024.*

*Nabeel Hadeed resigned from
the board with effect 1 February
2024.*

*Nigel Smith resigned from the
board with effect 6 May 2024.*

*Michal Andrews retired from the
board with effect 31 December
2024.*

*Dr. Maryam Richards and Charles
Mouttet resigned from the board
with effect 31 December 2024.*

*Kyle Maloney was appointed a
Director on the Board with effect
from 2 April 2025.*

*David Del Giudice was appointed
a Director on the Board with
effect from 9 April 2025.*

CORPORATE SECRETARY

Vaneeta Bissoondatt

AUDIT AND RISK COMMITTEE

Franklyn Parsotan*
Chairman

Larry Howai
Director

Dr. Marlene Attzs*
Director

**Denotes Independent Directors*

*7 Audit and Risk Committee
meetings were held in 2024.*

MANAGEMENT TEAM

M. Musa Ibrahim
Managing Director

Uthra Ramnarine-Hill
General Manager

Alex Malins-Smith
Chief Financial Officer

Owen Fields
Executive, Information
Technology & Digital
Transformation

Vijay Seudath
Head of Claims

Sarita Parsad
Head of Legal and Compliance

Catherine Clarke
Sector Human Resource Manager
– Financial Services

Stephen Hamel-Smith
Manager Marketing

Salisha Rajnarinesingh
Senior Manager Underwriting

Gamal Hallim
Customer Experience Manager

Reissa Kidney-Ramdass
Human Resources Manager

Rhonda Doopan
Manager Accident and Health

Nicholas Sonnylal
Manager Agencies and Direct
Business

Giselle Pillai-Ayoung
Manager Underwriting

Marisa Mokool
Sector IT Manager, Systems &
Applications

Anand Kowlessar
Sector IT Manager, Networking &
Security

Jacqueline Juteram
IT Manager, Projects &
Governance

REGISTERED OFFICE

11A Maraval Road, Port of Spain
Tel: 868-628-2845
Website: www.tatil.co.tt

AUDITORS

Ernst & Young
5-7 Sweet Briar Road
Port of Spain

BRANCH OFFICES

Cor. Green and Cocorite Streets
Arima

Mid Centre Mall, Chaguanas
Grand Bazaar, Valsayn

13A Rupert Indar Street,
San Fernando

25 Royal Road, San Fernando
ANSA McAL Building,
171-175 Milford Road, Tobago

ATTORNEYS-AT-LAW

J. D. Sellier & Co.
129-131 Abercromby Street
Port of Spain

Pollonais, Blanc, de La Bastide
& Jacelon
17-19 Pembroke Street
Port of Spain

PRINCIPAL BANKERS

Republic Bank Limited
59 Independence Square
Port of Spain

corporate INFORMATION

TATIL Life

BOARD OF DIRECTORS

Ray A. Sumairsingh
Chairman

Larry Howai
Director

M. Musa Ibrahim
Managing Director

Franklyn Parsotan*
Director

Charles Mouttet*
Director

Dr. Maryam Richards*
Director

Kyle Maloney*
Director

David Del Giudice*
Director

**Denotes Independent Directors*

11 Board meetings were held in 2024.

Nigel Smith resigned from the board with effect 6 May 2024.

Dr. Michael Moses and W. David Clarke retired from the board with effect 31 December 2024.

Dr. Marlene Attzs and A. Nigel Sabga resigned from the board with effect 31 December 2024.

Kyle Maloney was appointed a Director on the Board with effect from 2 April 2025.

David Del Giudice was appointed a Director on the Board with effect from 9 April 2025.

CORPORATE SECRETARY

Vaneeta Bissoondatt

MANAGEMENT TEAM

M. Musa Ibrahim
Managing Director

Anthony Shaw
General Manager

Owen Fields
Executive, Information
Technology & Digital
Transformation

Chandradath Maharaj
Chief Financial Officer

Ginelle Mc Millian-Prescott
Manager Customer Service

Luanna Rahman
Manager Pension Services

Felix Mahadeo
Head of Sales

Kevin Giffard
Manager Life Operations

Garvis Ryan
Manager Sales Administration

John Robinson
Head of Underwriting, New
Business, Group Life and
Reinsurance

Stephen Hamel-Smith
Manager Marketing

Jeffery Dalton-Brown
Manager Compliance and Risk

Leisel Francis
Manager Finance

Catherine Clarke
Sector Human Resource Manager
– Financial Services

Anand Kowlessar
IT Manager, Networking &
Security

Marisa Mokool
IT Manager, Systems &
Applications

Jacqueline Juteram
IT Manager, Projects &
Governance

John Cooper
Manager Customer Retention

REGISTERED OFFICE

11A Maraval Road, Port of Spain
Tel: 868-628-2845
Website: www.tatil.co.tt

AUDITORS

Ernst & Young
5-7 Sweet Briar Road
Port of Spain

AUDIT AND RISK COMMITTEE

Franklyn Parsotan* (Chairman)
Larry Howai
Dr. Maryam Richards*

**Denotes an Independent
Director*

*7 Audit and Risk Committee
meetings were held in 2024.*

BRANCH OFFICES

Cor. Green and Cocorite Streets,
Arima

Mid Centre Mall, Chaguanas
Grand Bazaar, Valsayn

13A Rupert Indar Street,
San Fernando

25 Royal Road, San Fernando
ANSA McAL Building,
171-175 Milford Road, Tobago

ATTORNEYS-AT-LAW

J. D. Sellier & Co.
129-131 Abercromby Street
Port of Spain

Pollonais, Blanc, de La Bastide
& Jacelon
17-19 Pembroke Street
Port of Spain

PRINCIPAL BANKERS

Republic Bank Limited
59 Independence Square
Port of Spain

corporate INFORMATION

COLFIRE

BOARD OF DIRECTORS

Ray A. Sumairsingh
Executive Chairman

Ashraff Ali
Director/Chief Organisation
Officer

Terrence Bharath S.C.*
Director

Anton Gopaulsingh*
Director

M. Musa Ibrahim
Director

Larry Howai
Director

**Denotes Independent Directors
12 Board meetings were held in
2024.*

*Laurence Chin Chuck resigned
from the board with effect
30 September 2024.*

*Anton Gopaulsingh was
appointed to the board with
effect 1 October 2024.*

CORPORATE SECRETARY

Vaneeta Bissoondatt

MANAGEMENT TEAM

Ashraff Ali
Director/Chief Organisation
Officer

Dennis Benisar
Head of Commercial and
Technical Operations

Ricardo St Cyr
Head of Claims

Jason Fifi
Senior Manager Finance

Christian Ali
Manager Regulatory Affairs

Pepeeta Ameerali
Manager Customer Experience

Cindy Emamdie
Manager Underwriting

Leah Gordon
Manager Agencies

Daniel Koo
Manager Business Intelligence

Mitra Ramjit
Manager Marketing

Gregory Romany
Manager Internal Audit

Rhonda Oblington-Joseph
Manager Human Resources

Dianne Marhue
Manager Broker

Henrique Anderson
Manager Technical Services

AUDIT AND RISK COMMITTEE

Anton Gopaulsingh*
Committee Chairman

Larry Howai
Director

Terrence Bharath S.C.*
Director

**Denotes Independent Directors
6 Audit and Risk Committee
meetings were held in 2024.*

REGISTERED OFFICE

Corner Duke and Abercromby
Streets

Port of Spain

800-CARE (2273)

Website: www.colfire.com

AUDITORS

Ernst & Young
5-7 Sweet Briar Road
Port of Spain

BRANCH OFFICES

1 Knox Street, Les Efforts West
San Fernando

Unit 23, First Floor, Piarco Plaza
Cor. BWIA Boulevard &
Churchill Roosevelt Highway
Piarco

128 Mulchan Seuchan Road
Chaguanas

ANSA McAL Building
171-175 Milford Road, Tobago

ATTORNEYS-AT-LAW

Pollonais, Blanc, de la Bastide
& Jacelon
17-19 Pembroke Street
Port of Spain

Bissoondatt & Associates
Suite No. 7, Portuguese
Association Building
50 Richmond Street
Port of Spain

Shameli Parsad
Vanguard House
No. 60 Lewis Street
San Fernando

PRINCIPAL BANKERS

Republic Bank Limited
59 Independence Square
Port of Spain

corporate
INFORMATION

TRIDENT (Barbados Branch of TATIL)

MANAGEMENT TEAM

Alex Knaggs
General Manager

Patti Carter
Manager Marketing/Customer
Service

Valerie Evelyn
Manager Finance

Donna Holder
Manager Health

Nicole Hoyte
Manager Underwriting

Siobhan Robinson
Human Resources Lead

Irvin Springer
Manager Claims

Roger Walcott
Manager Insurance Operations

OFFICE

Trident Insurance
Financial Centre
Hwy 7, Hastings, Christ Church

report of the **DIRECTORS**

The Directors present their report and Statement of Accounts for the year ended 31 December 2024.

Financial Results for the Year	2024 \$000
Profit attributable to shareholders	162,267
Other comprehensive income	10,484
Transfers to statutory reserves	(7,149)
Dividends	(102,726)
Other reserve movement	(43)
Retained profits at the start of the year	1,852,813
Retained profits at the end of the year	1,915,646

Dividends

The Directors have declared a final dividend of \$1.00. The total dividend paid for the year is \$1.20.

Directors

Mr. A. Nigel Sabga was appointed to the Board on the 1 May 2024.

Pursuant to paragraph 4.4 of By-Law No. 1 of the Bank, Messrs. A. Norman Sabga, Ray A. Sumairsingh, Jeremy Matouk and Timothy Hamel-Smith retire, and being eligible, offer themselves for re-election.

Auditors

Auditors, Ernst & Young, have expressed their willingness to continue in office and offer themselves for re-election.

BY ORDER OF THE BOARD

Rachel J. Welch-Phillips

Corporate Secretary

ANSA Centre

11 Maraval Road, Port of Spain

25 April 2025

directors' and **SUBSTANTIAL INTERESTS**

DIRECTORS' INTERESTS

	March 31, 2025 Beneficial	March 31, 2024 Beneficial
A. Norman Sabga	Refer to (a) and (b) below	Refer to (a) and (b) below
Ian R. De Souza	0	0
Ray A. Sumairsingh	2,000	2,000
David Dulal-Whiteway	0	0
Timothy Hamel-Smith	0	0
Larry Howai	2,397	2,397
M. Musa Ibrahim	0	0
Jeremy Matouk	3,202	3,202
Nigel Romano	0	0
A. Nigel Sabga	3,300	3,300

- a) Mr. A. Norman Sabga has a beneficial interest in MASA Investments Ltd. and ANSA Investments Limited, which is the major shareholder of ANSA McAL Limited.
- b) Norman Finance Development Co. Ltd. and The ANSA McAL Foundation, connected persons to Mr. A. Norman Sabga, hold 848,090 and 530,820 shares in ANSA Merchant Bank Limited respectively.

SUBSTANTIAL INTERESTS - TOP 10 SHAREHOLDING OF ANSA MERCHANT BANK LIMITED

Shareholder Name	Shares held as at December 31, 2024
ANSA McAL Limited	70,605,263
MASA Investments Limited	2,609,763
Republic Bank Limited A/C 1162 01	1,752,215
T&T Unit Trust Corporation - FUS	1,293,981
Norman Finance Development Co. Limited	848,090
The ANSA McAL Foundation	530,820
Guardian Life of the Caribbean Limited	438,975
Guardian Life of the Caribbean Limited - PFP	370,473
First Citizens Asset Management Ltd Pt36	306,296
TATIL Life Assurance Limited A/C B	300,426

notice of annual meeting **OF SHAREHOLDERS**

NOTICE IS HEREBY GIVEN that the Forty-seventh Annual Meeting of Shareholders of ANSA MERCHANT BANK LIMITED will be held at the Hyatt Regency, Wrightson Road, Port of Spain on Thursday 29th May 2025 at 9 a.m. for the following purposes:

Ordinary Business:

1. To receive and consider the audited Financial Statements for the year ended December 31st 2024 and the report of the Directors and Auditors thereon.
2. To re-elect Directors.
3. To reappoint Auditors and to authorise the Directors to fix their remuneration in respect of the period ending at the conclusion of the next Annual Meeting.

Dated this 25th April 2025

By Order of the Board

Rachel J. Welch-Phillips
Corporate Secretary

NOTES:

1. No service contracts were entered into between the Company and any of its Directors.
2. A shareholder which is a body corporate may, in lieu of appointing a proxy, authorise an individual by resolution of its directors or its governing body to represent it at the Annual Meeting.
3. The Directors of the Company have not fixed a record date for the determination of shareholders who are entitled to receive notice of the Annual Meeting. In accordance with Section 111(a)(i) of the Companies Act, Chap. 81:01, the statutory record date applies. Only shareholders of record at the close of business on Thursday 24th April 2025, the last business date immediately preceding the date on which the Notice is given, are entitled to receive Notice of the Annual Meeting.

management proxy **CIRCULAR**

1. Name of Company: ANSA Merchant Bank Limited
Company No.: A-350(c)

2. Particulars of Meeting:

The Forty-seventh Annual Meeting of the Company is to be held at the Hyatt Regency, Wrightson Road, Port of Spain, Thursday 29th May 2025 at 9 a.m.

3. Solicitation:

It is intended to vote the Proxy solicited hereby (unless the Shareholder(s) directs otherwise) in favour of all resolutions therein.

4. Any Director's Statement submitted pursuant to Section 76(2):

No statement has been received from any Director pursuant to Section 76(2) of The Companies Act, 1995.

5. Any Auditor Statement submitted pursuant to Section 171(1):

No statement has been received from the Auditor of the Company pursuant to Section 171 (1) of The Companies Act, 1995.

6. Any Shareholder's proposal and/or statement submitted pursuant to Sections 116(a) and 117(2):

No proposal has been received from any shareholder pursuant to Sections 116 (a) and 117(2) of The Companies Act, 1995.

Date	Name and Title	Signature
25 April 2025	Rachel J. Welch-Phillips Corporate Secretary	<i>Rachel J. Welch-Phillips</i>

financial **HIGHLIGHTS**

	Dec-24	Dec-23
Profit Before Taxation	184,925	200,667
Profit After Taxation	162,248	129,293
Total Assets	9,928,580	10,300,416
Actual Number of Issued Shares	85,605	85,605
Weighted Average Number of Shares	85,605	85,605
Return on Average Assets	1.60%	1.31%
Return on Average Shareholders' Equity	5.97%	4.72%
Dividends	102,726	102,726
Earnings Per Share (\$)	1.90	1.51
Dividends Per Share (\$)	1.20	1.20
Net Book Value Per Share (\$)	31.68	31.80
ANSA MERCHANT BANK (PARENT)		
Net Operating Income	212,106	229,984
Efficiency Ratio	49.61%	32.21%
Capital Adequacy Ratio	21.23%	20.46%
TATIL		
Insurance service result	40,610	12,621
Net insurance financial result	(32)	(884)

fund FACTS

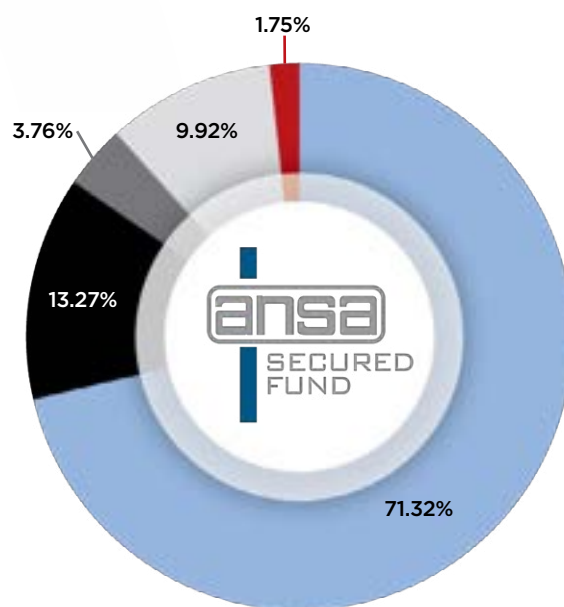
ANSA TT\$ Secured Fund

Asset Type	% of Portfolio
CORPORATE BONDS & DEBENTURES	71.32%
STATE-OWNED COMPANY SECURITIES	13.27%
CASH & RECEIVABLES	3.76%
GOVERNMENT BONDS	9.92%
STRUCTURED PRODUCTS (EQUITY LINKED NOTES)	1.75%

Security	% of Portfolio
AT&T 5.25% DUE 2037	5.95%
CONSTELLATION BRANDS 2.25% DUE 2031	5.87%
BRITISH AMERICAN TOBACCO PLC 3.557% DUE 2027	5.87%
KINDER MORGAN INC. 6.95% DUE 2038	5.83%
SHERWIN-WILLIAMS 3.45% DUE 2027	5.80%
T-MOBILE 5.75% DUE 2034	5.67%
UNITED MEXICAN STATES 6.05% SNR DUE 2040	5.35%
GENERAL MOTORS 4.0% DUE 2025	5.35%
MASCO CORPORATION 7.75% DUE 2029	5.02%
CARIBBEAN AIRLINES FIXED RATE LOAN 5.875% USD64.2M	4.99%

Cumulative Returns as at December 31st, 2024	
12 Month	1.25%
3 Year	3.80%
5 Year	6.41%
Since Inception	25.93%

Portfolio Duration	4.13
--------------------	------



- Corporate Bonds & Debentures
- State-Owned Company Securities
- Cash & Receivables
- Government Bonds
- Structured Products (Equity Linked Notes)

Historical Performance	
2013	1.81%
2014	1.38%
2015	1.25%
2016	1.25%
2017	1.25%
2018	1.25%
2019	1.25%
2020	1.25%
2021	1.25%
2022	1.25%
2023	1.25%
2024	1.25%

fund FACTS

ANSA TT\$ Income Fund

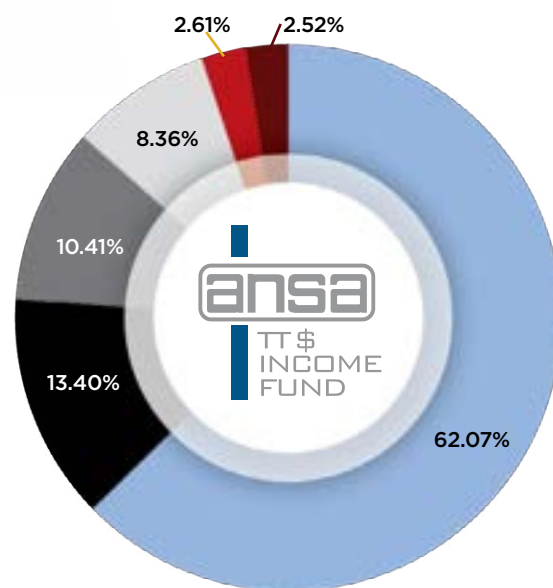
Asset Type	% of Portfolio
CORPORATE BONDS & DEBENTURES	62.70%
STATE-OWNED COMPANY SECURITIES	13.40%
CASH & RECEIVABLES	10.41%
GOVERNMENT BONDS	8.36%
EQUITIES	2.61%
STRUCTURED PRODUCTS (EQUITY LINKED NOTES)	2.52%

Security	% of Portfolio
KINDER MORGAN INC. 6.95% DUE 2038	5.84%
UNITED MEXICAN STATES 6.05% SNR DUE 2040	5.72%
GUARDIAN HOLDINGS LIMITED 4.83% DUE 2028	4.20%
NIPDEC 5.15 DUE 2025	3.94%
CONSTELLATION BRANDS 2.25% DUE 2031	3.91%
BRITISH AMERICAN TOBACCO PLC 3.557% DUE 2027	3.91%
CONOCOPHILLIPS 6.95% DUE 2029	3.70%
MCDONALDS 3.6% DUE 2030	3.69%
GENERAL MOTORS 4.0% DUE 2025	3.09%
ORACLE 6.5% DUE 2038	3.02%

Cumulative Returns as at December 31st, 2024

12 Month	0.95%
3 Year	1.18%
5 Year	7.28%
Since Inception	36.31%

Portfolio Duration **3.78**



- Corporate Bonds & Debentures
- State-Owned Company Securities
- Cash & Receivables
- Government Bonds
- Equities
- Structured Products (Equity Linked Notes)

Historical Performance

2013	4.98%
2014	1.23%
2015	-0.71%
2016	2.59%
2017	3.76%
2018	2.11%
2019	4.70%
2020	1.77%
2021	4.21%
2022	-0.88%
2023	0.97%
2024	0.95%

fund FACTS

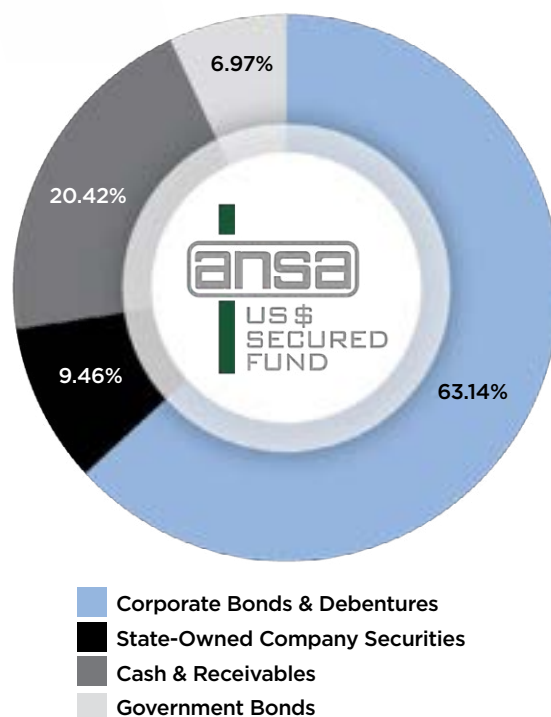
ANSA US\$ Secured Fund

Asset Type	% of Portfolio
CORPORATE BONDS & DEBENTURES	63.14%
STATE-OWNED COMPANY SECURITIES	9.46%
CASH & RECEIVABLES	20.42%
GOVERNMENT BONDS	6.97%

Security	% of Portfolio
CARIBBEAN AIRLINES FIXED RATE LOAN 5.875% USD64.2M	9.46%
GENERAL MOTORS 4.0% DUE 2025	7.74%
AT&T 2.30% DUE 2027	6.39%
AESGEN 5.00% DUE 2025	6.26%
RELIANCE INDUSTRIES 3.667% DUE 2027	6.21%
UNITED MEXICAN STATES 3.75% SNR DUE 2028	6.14%
SHERWIN-WILLIAMS 3.45% DUE 2027	5.23%
BRITISH AMERICAN TOBACCO PLC 3.557% DUE 2027	5.04%
KINDER MORGAN 4.30% DUE 2025	4.49%
US TREASURY BILL 07/31/2025	4.48%

Cumulative Returns as at December 31st, 2024	
12 Month	1.00%
3 Year	3.03%
5 Year	5.10%
Since Inception	22.30%

Portfolio Duration	1.71
--------------------	------



Historical Performance

2013	1.56%
2014	1.13%
2015	1.00%
2016	1.00%
2017	1.00%
2018	1.00%
2019	1.00%
2020	1.00%
2021	1.00%
2022	1.00%
2023	1.00%
2024	1.00%

fund FACTS

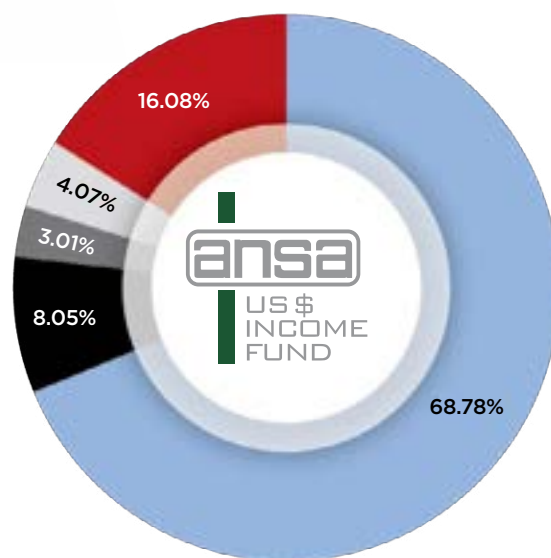
ANSA US\$ Income Fund

Asset Type	% of Portfolio
CORPORATE BONDS & DEBENTURES	68.78%
STATE-OWNED COMPANY SECURITIES	8.05%
CASH & RECEIVABLES	3.01%
GOVERNMENT BONDS	4.07%
STRUCTURED PRODUCTS (EQUITY LINKED NOTES)	16.08%

Security	% of Portfolio
CREDIT SUISSE 8.15% EQUITY LINKED NOTE DUE 2026	11.06%
GENERAL MOTORS 4.0% DUE 2025	8.12%
AT&T 5.25% DUE 2037	6.16%
RELIANCE INDUSTRIES 2.875% SNR DUE 2032	5.95%
T-MOBILE 5.75% DUE 2034	5.87%
CONOCOPHILLIPS 6.95% DUE 2029	5.73%
UNITED MEXICAN STATES 6.05% SNR DUE 2040	5.56%
BRITISH AMERICAN TOBACCO PLC 3.557% DUE 2027	5.07%
SHERWIN-WILLIAMS 3.45% DUE 2027	5.03%
BARCLAYS PLC CONTINGENT 10.30% EQUITY LINKED NOTE DUE 2027	5.03%

Cumulative Returns as at December 31st, 2024	
12 Month	2.80%
3 Year	6.22%
5 Year	13.15%
Since Inception	33.38%

Portfolio Duration	3.83
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- Corporate Bonds & Debentures
- State-Owned Company Securities
- Cash & Receivables
- Government Bonds
- Structured Products (Equity Linked Notes)

Historical Performance

2013	-2.41%
2014	0.93%
2015	-0.11%
2016	2.60%
2017	3.85%
2018	0.20%
2019	5.47%
2020	3.36%
2021	3.31%
2022	-1.56%
2023	5.02%
2024	2.80%



our commitment to **SUSTAINABILITY**

'We don't inherit the Earth
from our ancestors,
**we borrow it
from our children.**'

– Native American proverb





our commitment to **SUSTAINABILITY**

The First Private Sector-Led Natural Capital Report in the English-Speaking Caribbean

In April 2024, the banks released the Natural Capital Report 2023, 'Banking on Nature', the first private sector-led report of its kind in the English-speaking Caribbean. The report outlines the impacts that businesses have on our Natural Capital assets and the importance of implementing a Natural Capital approach into the way we do business, which we consider core to our banks' sustainability objectives.

This publication marked a major step in our organisation's nature reporting journey, while work continues to align with the Task Force on Nature-related Financial Disclosures (TNFD). The report, which includes the results of our Natural Capital Materiality Assessment, has paved the way for future, systematic reporting at our banks. We will continue to disclose the steps we are taking and the progress that we are making towards improving our relationship with nature. We consider this to be a crucial aspect in our financial decision-making, especially in the context of helping to build regional climate and socio-economic resilience.



ANSA Merchant Bank and ANSA Bank Honour Winners of the Natural Capital Grant Challenge 2023

ANSA Merchant Bank and ANSA Bank, in partnership with The Cropper Foundation, under the auspices of the Caribbean Natural Capital Hub, are proud to announce the winners of the inaugural Natural Capital Grant Challenge 2023. This pioneering initiative was developed to inspire small and medium-sized enterprises (SMEs) across Trinidad and Tobago to integrate Natural Capital considerations into their business strategies and planning. The winners were celebrated at an awards ceremony and cocktail reception on Friday, 8 November 2024, at 3:00 p.m. at the Trinidad and Tobago Chamber of Industry and Commerce.

The Natural Capital Challenge 2023 invited SMEs that are registered in Trinidad and Tobago and actively engaged in nature-based solutions or directly contribute to the conservation and restoration of natural assets. Businesses were selected based on their innovative applications of Natural Capital in their business models and commitment to environmental sustainability.

Out of 54 applicants, three standout SMEs emerged as grant winners:

1st Place – TT\$100,000

Ecowash by Dareem Jeffrey

T&T's first water-conserving car wash, empowering vulnerable youth through training and employment.

2nd Place – TT\$60,000

Dendron Biotech by Llevan Ramharrack

A biotechnology company dedicated to environmental conservation across the agriculture, medicine, industry and defence spheres.

3rd Place – TT\$40,000

Eco-Nature Farm by Kerishma Ramoutar-Boodhai

A sustainable farming business working towards meeting T&T's food needs today, while preserving our environment for the future.

our commitment to **SUSTAINABILITY**

The Natural Capital Grant Challenge initiative empowers local businesses with practical tools to tackle future environmental and economic challenges, fostering a vision of strategic growth. The banks remain committed to leading the domestic financial services industry in this regard, championing responsible, nature-conscious economic practices.



Implementation of the IDB-funded EcoMicro Project

In September 2024, the banks launched a project titled 'ANSA Merchant Bank Limited Green Finance for the Agriculture Sector in Trinidad and Tobago'. This three-year project is funded by the Inter-American Development Bank (IDB) under their EcoMicro scheme. The initiative aims to build climate resilience of small and medium-scale farmers in Trinidad and Tobago through new green finance that enables the implementation of adaptation methodologies.

Green finance is crucial for the agricultural sector in Trinidad and Tobago and more broadly the Caribbean, as it supports the development of resilient, more sustainable farming practices. By providing access to green financing options, financial institutions can help farmers and agricultural suppliers invest in sustainable technologies and practices that enhance productivity while minimising environmental impact. This includes adopting climate-smart agriculture techniques and nature-based solutions such as improving water management and reducing the use of harmful pesticides and fertilisers. Sustainable finance also enables farmers to diversify their crops, reduce dependency on single commodities and build resilience against climate change and market fluctuations. Ultimately, these investments can contribute to food security, economic stability and the overall well-being of Caribbean communities.

Through this project, our banks aim to identify and implement the most viable green financing options for farmers in Trinidad and Tobago.



our commitment to **SUSTAINABILITY**

Building Internal Capacity to Implement the Natural Capital Programme

One of the enabling factors for successful implementation of the Natural Capital Programme at our banks is having sufficient knowledge and skills amongst our staff. Our banks have been investing in capacity building for staff members across our various departments. The underlying aims are to foster a culture of sustainability and to encourage innovation and the development of new financial approaches that can help to address the most pressing socio-environmental challenges being faced in the Caribbean. Our capacity building involves in-house training sessions, attendance at workshops and certification courses.

An important initiative that we kick-started in 2024 is our Natural Capital Ambassador Programme. This programme targets members of staff below the age of 35 years who are highly passionate about sustainability. It offers our young people opportunities to understand how Natural Capital is important in a financial decision-making context, and it equips them with the knowledge and tools to do more sustainable business. Some of these experiences are beyond the walls of our banks, where Ambassadors can attend conferences, workshops and field trips. We are already starting to see the benefits of this programme. Our younger members of staff are serving as exemplars of sustainable practices and motivating their respective teams to do the same. They are also helping to identify opportunities for building our banks' business in line with sound Environmental, Social and Governance (ESG) principles.



Partnership with USAID

In January 2024, our banks signed an MOU with USAID with the intent of combining efforts to address mutually shared objectives associated with the region's economic development and climate financing challenges. This was the first of its kind public-private partnership between USAID's Eastern and Southern Caribbean Office and a financial institution in the region.

Our Panel Presence and Representation at National, Regional and International Events

Over the course of 2024, our banks participated in several national, regional and international events in line with our ESG goals.

From April 24th to 26th, Rachel J. Welch Phillips, Head of Legal & Corporate Secretary at AMBL, represented the banks at the 16th Caribbean Renewable Energy Forum in Miami, Florida. Rachel took part in a project preparation and implementation workshop titled 'Project Implementation: How to Manage Risk' alongside regional renewable energy developers and financiers.



our commitment to **SUSTAINABILITY**

On May 1st, the bank was a platinum sponsor of AMCHAM T&T 2024 Annual ESG Conference. A. Nigel Sabga, Executive Director at AMBL, represented on a panel titled 'ESG Reporting: Where We Are and Where We Are Going'. Nigel's intervention focused on the importance of nature-related (sustainability) reporting, especially within a Caribbean context. Rachel J. Welch-Phillips, Head of Legal & Corporate Secretary at AMBL, also participated in this event. She moderated a session on Governance titled 'Getting the 'G' right'.



On 4 July, Keisha Garcia, ESG Natural Capital Lead, represented the banks at a global event held in Paris entitled 'Towards a New Future - Integrating People, Nature and Society in Business and Finance Decisions'. This meeting was hosted by S&P Global and the Capitals Coalition. Keisha spoke on a panel that addressed the topic 'What innovation is happening in finance and to what extent does it influence those in business and policy'. She was also invited to deliver closing reflections at the end of the event - which were extremely well-received.



Our banks also attended the United Nations Biodiversity Conference of the Parties (COP16) which was held in Cali Colombia from 21 October to 2 November. This COP presented a pivotal opportunity for financial institutions to align their strategies with global biodiversity goals. This event convened 23,000 biodiversity stakeholders, including

3,000 businesses from around the world. Keisha represented our banks at this landmark event. She was a lead speaker on a panel in an official side event titled 'Incorporating the diverse values of nature into business decision-making: How can businesses use valuation to create fair and just outcomes for nature and people'. The intervention focused on how we are incorporating the social values of nature held by small and medium-sized farmers in T&T into our determination of total value of selected ecosystem services in agriculture. The banks were additionally invited to speak on a second panel titled 'Global Biodiversity Framework: Through People's Eyes', where we highlighted the work that we are doing with small and medium-sized enterprises (SMEs).



**Join the Caribbean
Natural Capital Hub to learn more
about our work and partner with
us to achieve your goals.**

events, ESG activities and

SOCIAL RESPONSIBILITY





events, ESG activities and **SOCIAL RESPONSIBILITY**



The ANSA Bank Team poses with the bank's former Managing Director (Ag.) for a photo at the Road Ready Event.

Road Ready: Transforming Customer Engagement Through Experience

In April 2024, ANSA Bank launched Road Ready, its first major car loan event at the Centre of Excellence. The initiative partnered with leading automotive dealers to create a showroom-style experience that attracted hundreds of prospective buyers. Beyond the strong turnout, the event successfully elevated ANSA Bank's brand as modern and relationship-driven. Road Ready not only accelerated new customer acquisition but also served as a tangible expression of our refreshed go-to-market strategy, one that blends physical presence with digital tools to create memorable, business-generating touchpoints.



A couple of the dealership displays at ANSA Bank's Road Ready Event

events, ESG activities and **SOCIAL RESPONSIBILITY**



Customer Appreciation: Christmas and New Year's Wish

During the 2024 holiday season, ANSA Bank took a fresh approach to customer engagement by surprising 10 clients with \$2,000 each, delivered through heartfelt phone calls made by the contact centre team and later shared in a branded video. This initiative resonated with both recipients and the wider public, generating overwhelmingly positive feedback and reinforcing ANSA Bank's reputation as a company that leads with care and purpose.



The ANSA Bank Customer Service team are all smiles as they delivered a Christmas and New Year surprise to 10 lucky customers.

Sponsorships and Purpose-Driven Partnerships

Throughout 2024, ANSA Bank strategically aligned sponsorships with key pillars: financial literacy, youth empowerment and community engagement. Highlights included the Bridging the Gap education programme with Global Shapers and CARICOM Youth Ambassadors, pop-ups across the country and active participation in sporting events such as the Brunswick Colourdash 5K, the ANSA Motors 5K and the Oval 8-a-Side Football Tournament.



The winning male and female runners of the ANSA Motors 5K pose with their trophies and ANSA Bank prize.



Participants running at the Brunswick Colourdash 5K.



Head of Digital Acquisition, Product and Customer Experience, Cahsan Toussaint-Elbourne, awards the winner of the male youth category at the Brunswick Colourdash 5K.



Bridging the Gap participants smile for a photo with their ANSA Bank vouchers, alongside the event organisers and Marketing Manager, Banking, Stephanie Nahous.

events, ESG activities and **SOCIAL RESPONSIBILITY**



Employee Engagement

In 2024, ANSA Merchant Bank and ANSA Bank hosted a series of employee engagement events that strengthened team spirit and reinforced our shared values. These initiatives promoted connection, creativity and recognition across the organisation.

The **Core Values Event** saw staff divided into teams to creatively express one of the seven ANSA McAL Core Values through skits, songs, dances or video presentations. This interactive format brought the values to life while showcasing employee talent and collaboration.

At our **Milestone Awards**, the banks honoured 12 staff members who have cumulatively devoted 85 years of service to the growth and success of our organisation.



Milestone Event awardees, with Ian R. De Souza, Managing Director, ANSA Merchant Bank and Kathleen Galy, former Managing Director (Ag.), ANSA Bank.



ANSA Merchant Bank employees share laughter and enjoy their colleagues' presentations at the Core Values Event.

events, ESG activities and **SOCIAL RESPONSIBILITY**



The **Karaoke Night**, held at ANSA Merchant Bank, was another highlight where staff members stepped outside of their daily routines to belt out classic hits and cheer each other on in a relaxed atmosphere. This event not only sparked laughter but also deepened interpersonal connections across departments.

In honour of **International Women's Day**, the banks celebrated female employees with appreciation cards. Cupcakes were also shared with all employees, turning the day into a broader expression of gratitude and inclusion.

To close the year, the **Banks' Fun Day** offered employees a full day of camaraderie, team challenges and lighthearted fun. From friendly competitions to group activities, the event embodied the spirit of teamwork and reinforced the sense of community that underpins our organisational success.



Bank employees enjoy games, laughter and team bonding during the Fun Day festivities.



A moment of celebration and gratitude as employees came together to mark International Women's Day with heartfelt tokens and treats.



These events reflect our continued commitment to fostering a positive, engaged workplace and celebrating the people who drive our success.

events, ESG activities and **SOCIAL RESPONSIBILITY**



The Hydrate Caribbean programme hit an incredible milestone in November by achieving 3 million bottle fills (saving our planet from 3 million plastic bottles). We celebrated this event with our own Hydrate Station on Hastings Boardwalk (which alone has filled 251,000 bottle fills) with a competition to fill your bottle, take a picture, post it to social media and get a chance to win BB\$500 as part of our education drive on plastic reduction.



First-Ever Equipment Fair

As the bank of choice for a new equipment company based at Bushy Park, we held a Test and Drive Equipment Fair. We did a lot of promotion on social media as no one had ever done an equipment fair before on the island. It was a very special day as parents brought their children to drive tractors and the response was phenomenal. We financed over BB\$500K in equipment from the one event.

events, ESG activities and **SOCIAL RESPONSIBILITY**



GOLD ADDY AWARD - CARIBBEAN ADVERTISING FEDERATION

We sponsored two bus shelters, a large one in Holetown, which we used to promote our mortgages, and a smaller one in Wildey, which we promoted vehicle leases. Both were submitted along with 435 entries from across the Caribbean in the annual Caribbean Advertising Federation ADDY Awards competition. We were delighted to not only win a gold but to also be chosen as Judges' Choice for physical storytelling.



events, ESG activities and **SOCIAL RESPONSIBILITY**



ANSA Merchant Bank led the inaugural Group Mortgage Fair in April, showcasing its role as the preferred financier for a 26-home development in Christ Church. The event saw active participation from our subsidiaries: Standard provided the furnishings for the show home, while Berger contributed by painting the property and offering guidance on paint options. Trident Insurance provided valuable insights into home and contents insurance, and ANSA Motors showcased a test drive vehicle on the premises. The collaborative effort proved to be highly successful for all parties involved.

The One Family Programme is a government initiative to help 1,000 vulnerable families in Barbados. We participated with the rest of the ANSA McAL Group in this programme, with employees kindly donating non-perishable food items from October to December to help provide weekly food hampers to our chosen family, a single mother with eight children. The family had no running water due to an outstanding bill — we covered the bill, enabling them to once again enjoy this basic essential for everyday life.

OPEN HOUSE SATURDAY 20TH APRIL 10am-4pm

FROM \$300,000BDS
MONTROSE GARDENS, CHRIST CHURCH
CONTACT 467-2376 OR 467-2344 FOR MORE INFO

OFFER INCLUDES:
Mortgage qualification on the day | Home and Contents Insurance discounted package | Furniture and appliance packages on offer | Home and/or new vehicle loan package | Paint combinations for your new home | Developer: Ideal Homes (2016) Ltd

Logos for ANSA, BERGER, ANSA, and TRIDENT are displayed at the bottom.

Community

ANSA Group lauded for home repairs



A SECTION OF the family home be

THE FUTURE is looking much brighter for one vulnerable Barbadian family, and Minister of People Empowerment and Elder Affairs Kirk Humphrey has lauded the ANSA McAL Group for its outstanding contribution leading that transformation through the One Family Programme.

Ministry's, the One Family Programme is helping vulnerable

by ANSA McAL that has transformed the life for one local family. The family has been able to secure employment for young people, creating a self-sufficient household. As part of the One Family Programme, the oversight and treatment of the family's needs is being monitored.

events, ESG activities and **SOCIAL RESPONSIBILITY**



Promoting Healthy Lifestyles: Diabetes – A Family Concern

According to the World Health Organization (WHO), diabetes remains a pressing global health challenge, with over 537 million adults worldwide affected in 2024, contributing to an estimated 6.7 million deaths annually. Locally, nearly 15% of Trinbagonians are living with diabetes, highlighting the critical need for proactive measures in combating this epidemic.

The theme for World Diabetes Day 2024, 'Access to Diabetes Education', emphasised the transformative power of knowledge in managing and preventing diabetes. At TATIL and TATIL Life, our enduring partnership with the Diabetes Association of Trinidad and Tobago (DATT) underscores their dedication to awareness, education and care as they continue to champion a healthier, more informed community.



A member of the Diabetes Association of T&T (DATT) has a discussion with a staff member during their visit at the Health & Wellness week event.

Diabetes Awareness Campaigns

As part of our commitment to raising awareness about diabetes and promoting healthier lifestyles, TATIL and TATIL Life implemented several impactful campaigns throughout 2024, targeting key periods and leveraging various media platforms, including *Eat Right* social media campaigns during seasonal holidays, Diabetes Tips radio campaigns and the *Did You Know?* social media campaign, which provided the public with insightful statistics and information about diabetes, including its impact on Trinbagonians. The *Diabetes Under Control* newsletter remained a vital educational tool in 2024, covering topics such as immune-boosting foods for people with diabetes, understanding sugars in food and drinks, and practical tips for managing mornings with diabetes.

World Diabetes Awareness Month

For the month of November, the TATIL Building and banisters were draped with blue fabric and the building was also lit in blue every evening throughout November, serving as a beacon of awareness and a reminder of our commitment to supporting healthier lifestyles in our community. On World Diabetes Day, November 14th, TATIL and TATIL Life staff members wore blue to show their solidarity with the cause.



Staff enjoy a fun workout with a fitness instructor during the Health & Wellness week.

events, ESG activities and **SOCIAL RESPONSIBILITY**



TATIL Run DATT 5K: Raising Awareness Through Action

His Excellency, Kerwyn Garcia S.C. (centre) presses the airhorn to signal the start of the 5K, alongside M. Musa Ibrahim, Managing Director of TATIL and TATIL Life (left), Dr. Andrew Dhanoo, President of the Diabetes Association of T&T (DATT) and Dr. Maria Clapperton, Director of the Non-Communicable Diseases (NCDs) Unit at the Ministry of Health.



Participants enjoy the aerobics as they warm up in anticipation of the 5K race.

Held on 17 November 2024, the TATIL Run DATT 5K saw a total of 2,304 registrations, marking a 95% increase over 2023's figure of 1,183. The event demonstrated strong support from TATIL and TATIL Life, with 120 staff members registering. The event raised \$225,000 for the Diabetes Association of Trinidad and Tobago, further supporting their vital work in diabetes education and care. The Race Village featured diabetes screenings, health booths and interactive activities, making the event a cornerstone of TATIL's commitment to diabetes awareness and promoting healthier lifestyles.



M. Musa Ibrahim, Managing Director TATIL and TATIL Life, gives his welcome speech to the excited participants at the TATIL Run DATT 5K event.



Over 2,400 participants created a sea of blue in their 5K tees as they eagerly await the start of the race at the TATIL Run DATT 5K event.



The first male and female participants victoriously cross the finish line as they win the TATIL Run DATT 5K.

events, ESG activities and **SOCIAL RESPONSIBILITY**



Tatil
... where people are people



TATIL LIFE
Guaranteed Protection



The 36 TATIL & DATT 6th Form internship graduates stand proudly on stage with their certificates of completion in hand.

A Model for Youth Development – Diabetes 6th Form Internship and Secondary Schools Diabetes Debate

In 2024, the TATIL, TATIL Life and the Diabetes Association of Trinidad and Tobago (DATT) 6th Form Internship Programme attracted 700 applications, from which 36 exceptional students were selected. The interns were educated on the impact of diabetes and the importance of research and advocacy, while also gaining valuable experience through visiting various medical institutions and participating in

diabetes-testing activities, interacting with patients and educating the public on healthy lifestyles. The internship culminated in a graduation ceremony where the students presented their research projects.

TATIL and TATIL Life also proudly sponsored the 2024 Secondary Schools Diabetes Debate Competition, which saw participation from 13 schools across Trinidad and Tobago. This initiative inspired critical thinking and youth advocacy in addressing public health concerns.



Managing Director, TATIL and TATIL Life, M. Musa Ibrahim, presents one of the graduates with his certificate and branded token at the 6th Form Internship graduation.

The valedictorians enthusiastically share the invaluable experiences they gained during their internship at the 2024 internship graduation ceremony.

events, ESG activities and **SOCIAL RESPONSIBILITY**



Retinal Camera and Eye-Screening Caravans

The retinal camera, donated in 2021, has been pivotal in early detection and prevention of diabetes-related eye conditions. In 2024, 1,532 individuals benefitted from this service through 32 eye-screening caravans across Trinidad and Tobago, with over 7,000 persons benefitting from this service since 2021. These screenings play a critical role in preserving vision and promoting overall health.

Looking Ahead

TATIL and TATIL Life are steadfast in our mission to educate the public and raise awareness about diabetes. The close partnership with DATT will continue to be a foundation for these efforts, as they strive to deepen their impact and support healthier lifestyles in our community.

Community Care: Blood Drive and Recycling

TATIL and TATIL Life continue to host an annual Blood Drive, providing employees, members of the ANSA McAL family, neighbouring businesses and the public with the opportunity to contribute to this life-saving cause. In 2024, a total of 101 pints of blood were donated across four successful drives. A total of 162 willing individuals registered, reflecting the overwhelming support for this initiative.

Across the ANSA McAL Group, there are various companies with recycling initiatives in place, including TATIL, CARIB Brewery Trinidad and Tobago and ANSA Chemicals Trinidad. In 2024, the employees of TATIL and TATIL Life actively participated in recycling programmes throughout the year with initiatives to bring in items for recycling, communications reminding of the importance of recycling and an end-of-year *Deck Your Door Christmas* Contest with participants creatively repurposing materials to design holiday-themed door displays.

Employee Engagement

In 2024, TATIL, COLFIRE and TATIL Life hosted five major initiatives throughout the year. These initiatives were: **Chow & Soca Staff Event**, which brought together approximately 250 employees from the three companies for an afternoon of chow, fun and music at the TATIL car park; **Health & Wellness Week** held in June 2024, focused on promoting well-being and healthy lifestyles among employees, with health providers offering different wellness screenings during the week; **FUNtastic Games Night** was an evening of fun and relaxation at the TATIL car park, with approximately 200 employees from across the Insurance Sector; **TATIL Run DATT 5K** was held in November on Maraval Road, Port of Spain, with over 2,300 participants for the meaningful cause: raising awareness about diabetes; and the **Deck Your Door Christmas Contest**, a Christmas-themed competition encouraging staff to transform recyclables into festive decorations to win prizes.



Staff from across the Insurance Sector fete the evening away at the Chow & Soca event.

events, ESG activities and **SOCIAL RESPONSIBILITY**



Two of the delicious displays from participating teams of the ChowMania Competition at the Chow & Soca event.



Staff of TATIL, COLFIRE and TATIL Life had a fantastic time with the multitude of games and entertainment at the Games Night held in the TATIL car park.





financial **STATEMENTS** 2024

STATEMENT OF MANAGEMENT RESPONSIBILITIES

Management is responsible for the following:

- Preparing and fairly presenting the accompanying separate and consolidated financial statements of ANSA Merchant Bank Limited (“the Parent”) and its subsidiaries (“the Group”) which comprise the separate and consolidated statements of financial position as at 31 December 2024, the separate and consolidated statements of income, the separate and consolidated statements of comprehensive income, separate and consolidated statements of changes in equity and separate and consolidated statements of cash flows for the year then ended, and notes to the separate and consolidated financial statements including material accounting policy information;
- Ensuring that the Group keeps proper accounting records;
- Selecting appropriate accounting policies and applying them in a consistent manner;
- Implementing, monitoring and evaluating the system of internal control that assures security of the Group’s assets, detection/prevention of fraud, and the achievement of Group operational efficiencies;
- Ensuring that the system of internal control operated effectively during the reporting period;
- Producing reliable financial reporting that comply with laws and regulations, including the Companies Act; and
- Using reasonable and prudent judgement in the determination of estimates.

In preparing these audited separate and consolidated financial statements, management utilised IFRS Accounting Standards, as issued by the International Accounting Standards Board and adopted by the Institute of Chartered Accountants of Trinidad and Tobago. Where IFRS Accounting Standards presented alternative accounting treatments, management chose those considered most appropriate in the circumstances.

Nothing has come to the attention of management to indicate that the Group will not remain a going concern for the next twelve months from the reporting date; or up to the date the accompanying separate and consolidated financial statements have been authorised for issue, if later.

Management affirms that it has carried out its responsibilities as outlined above.



Ian De Souza
Managing Director
18 March 2025



David Maraj
Chief Financial Officer
18 March 2025

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of ANSA Merchant Bank Limited

Report on the Audit of the Separate and Consolidated Financial Statements

Opinion

We have audited the separate and consolidated financial statements of ANSA Merchant Bank Limited (“Parent”) and its subsidiaries (“the Group”), which comprise the separate and consolidated statements of financial position as at 31 December 2024, and the separate and consolidated statements of income, separate and consolidated statements of comprehensive income, separate and consolidated statements of changes in equity and separate and consolidated statements of cash flows for the year then ended, and notes to the separate and consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying separate and consolidated financial statements present fairly, in all material respects, the separate and consolidated financial position of the Parent and Group as at 31 December 2024 and their separate and consolidated financial performance and their separate and consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (“ISAs”). Our responsibilities under those standards are further described in the *Auditor’s Responsibilities for the Audit of the Separate and Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants’ International Code of Ethics for Professional Accountants (including International Independence Standards) (“IESBA Code”), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the separate and consolidated financial statements of the current period. These matters were addressed in the context of our audit of the separate and consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor’s Responsibilities for the Audit of the Separate and Consolidated Financial Statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the separate and consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying separate and consolidated financial statements.

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of ANSA Merchant Bank Limited

Report on the Audit of the Separate and Consolidated Financial Statements (continued)

Key Audit Matters (continued)

Key Audit Matters	How our audit addressed the key audit matter
Estimates used in the calculation of Insurance Contracts Refer to Notes 2x, 2xi, 3ii, 21, 23, 24 and 38. The Group has significant insurance contract liabilities of \$2.15 billion representing 30% of the Group's total liabilities. Considering the significance of the insurance contract liabilities and the judgement, complexity and estimates involved in the actuarial valuations in accordance with IFRS 17 'Insurance Contracts', we determined this to be a key audit matter in our audit of the consolidated financial statements. Key assumptions are being used to estimate the life and annuity insurance contract liabilities, including: - Fulfilment cash flows, which represent estimates of the present value of future cash flows that are expected to arise as the Group fulfills the contracts and an explicit risk adjustment for non-financial risk; and - The contractual service margin (CSM), which represents the unearned profits on a group of contracts. When valuing these liabilities, the Group estimates the expected number and timing of deaths, persistency, future expenses, discount rates for the discounting of expected future cash flows and the risk adjustment for non-financial risk. The Group was eligible to measure certain insurance contracts by applying the premium allocation approach (PAA), which simplifies the measurement of insurance contracts in comparison with the general model in IFRS 17. For the contracts measured by applying the PAA, the liability for incurred claims, is mainly determined on estimates based upon actual claims experience. This includes an adjustment for the time value of money (where settlement is expected to be more than one year after incurred) and an explicit risk adjustment for non-financial risk.	We involved our EY actuarial specialists to assist us in performing our audit procedures, which included amongst others: - Review of management's positions relating to key judgements and assumptions. - Performed an assessment of the internal controls regarding the maintenance of the policyholder databases and the integrity of data used, and tested the completeness and accuracy of data extracted. - Review of management's calculations regarding the liabilities for remaining coverage including the CSM and loss component, and the liabilities for incurred claims. - Performed an assessment of the relevance, appropriateness and calculation of the risk adjustment, including the scope of nonfinancial risks. - Considered the validity of the Group's experience studies and performed an assessment of the key assumptions applied. We considered whether the Group's presentation and disclosures in the consolidated financial statements in relation to insurance contract liabilities were compliant with IFRS Accounting Standards.

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of ANSA Merchant Bank Limited

Report on the Audit of the Separate and Consolidated Financial Statements (continued)

Key Audit Matters (continued)

Key Audit Matters (continued)	How our audit addressed the key audit matter
Allowance for Expected Credit Losses (ECLs) Refer to Notes 2vi(b), 3i, 5, 6, 7 and 38. Net investments in leased assets, loans and advances and investment securities including interest receivable held at amortised cost, and at fair value through other comprehensive income (FVOCI) represent 66% of the total assets of the Group (Parent: 51%) amounting to \$6.5 billion (Parent: \$1.9 billion). IFRS 9 'Financial Instruments' requires the Group to record an allowance for Expected Credit Losses (ECLs) for all loans and other debt financial assets not held at fair value through statement of income (FVSI), together with investment in leased assets. The appropriateness of ECLs is a highly subjective area due to the level of judgement applied by management, involving various assumptions and factors, such as the estimate of the likelihood of default and the potential loss given default. Management also applied adjustments, or overlays, where they believe the data driven parameters and calculations were not appropriate, either due to emerging trends or models not capturing the risks in the portfolios. These overlays required significant judgement.	We understood and critically assessed the methodology and assumptions used by the Group in its ECL models while evaluating its compliance with IFRS 9 requirements. We tested the completeness and accuracy of the inputs used within the models, including the Probabilities of Default (PDs), recoveries and the associated Loss Given Defaults (LGDs) and Exposures at Default (EADs). We also considered whether all relevant risks were reflected in the ECL calculation, and where this was not, whether overlays appropriately reflected those risks. The aging of the portfolios and other qualitative factors were assessed to determine the staging and thus indication of a significant deterioration in credit risk in accordance with IFRS 9. Independent testing on PD and LGD inputs was performed through validation to international external credit rating agencies, where these were used, as well as typical collateral, historical loss trends and other borrower characteristics. In determining the reasonableness of the ECL overlay applied on the net investment in leased assets, we reviewed management's assessment. For ECLs calculated on an individual basis, we tested the factors underlying the impairment identification and quantification including forecasts of the amount and timing of future cash flows, valuation of assigned collateral and estimates of recovery on default.

INDEPENDENT AUDITOR'S REPORT
To the Shareholders of ANSA Merchant Bank Limited

Report on the Audit of the Separate and Consolidated Financial Statements (continued)

Key Audit Matters (continued)

Key Audit Matters (continued)	How our audit addressed the key audit matter
Allowance for Expected Credit Losses (ECLs) (continued) Other significant areas of judgement included: - the interpretation of the requirements to determine impairment under the application of IFRS 9, which is reflected in the Group's ECL models; - the application of assumptions where there was limited or incomplete data; - the identification of exposures with a significant deterioration in credit quality; - assumptions used in the ECL model such as the financial condition of the counterparty or valuation of security; - the need to apply overlays, the quantification of which can be highly subjective, to reflect current or future external factors that are not appropriately captured by the ECL model; and - additional credit risk that could stem from macroeconomic factors, on the ability of the Group's customers/investors to meet their financial commitments. Given the combination of inherent subjectivity in the valuation, and the material nature of the balance, we considered the measurement of ECLs to be a key audit matter in our audit of the separate and consolidated financial statements.	We utilised our EY valuation specialists to assess the appropriateness of the key assumptions used in the models. Finally, we focused on the adequacy of the Parent's and Group's separate and consolidated financial statement disclosures as to whether it appropriately reflected the requirements of the IFRS Accounting Standards.

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of ANSA Merchant Bank Limited

Report on the Audit of the Separate and Consolidated Financial Statements (continued)

Key Audit Matters (continued)

Key Audit Matters (continued)	How our audit addressed the key audit matter
Estimation uncertainty involved in impairment testing of goodwill and other intangibles with indefinite lives Refer to related disclosures in Note 13 and accounting policy Note 2 (xvi) to the consolidated financial statements. As described in these notes, impairment tests are performed annually on goodwill which arose mainly from past business acquisitions and which amounts to \$351 million contained across four (4) separate Cash Generating Units (CGUs) as at 31 December 2024. As required by IAS 36 'Impairment of Assets', the Group performed the requisite annual impairment tests which involve the estimation of the recoverable amounts of the separate CGUs, inherent in which there is significant estimation uncertainty and the application of a high level of judgment relative to key assumptions such as the applicable discount rate and forecast future cash-flows. In determining recoverable amounts, the Group uses assumptions and estimates relative to future market conditions, future economic growth, discount rates and terminal growth rates. The outcome of the impairment testing is sensitive to these assumptions and estimates, such that changes in these assumptions/estimates may result in different impairment test conclusions. Given the high level of judgment and estimation uncertainty involved in the selection of appropriate assumptions and the relative complexities inherent in the impairment testing process, we considered this to be a key audit matter in our audit.	We evaluated and assessed the Group's process for goodwill impairment testing as well as whether the value in use impairment test model utilised by the Group met the requirements of IAS 36. We reviewed and assessed management's judgments utilised in the impairment test, including longer-term assumptions. We also evaluated the CGU determination and assessed the reasonableness of the key assumptions utilised, by comparing to historical performance of the CGU, local economic conditions and other alternative independent sources of information, where available. We involved our EY valuation specialist to assist with our audit of the appropriateness of the impairment test model, including the future cashflows projections, discount rate, long term growth rates and the evaluation of the sensitivity of test results to a variation of these assumptions. We also assessed the adequacy of the disclosures in the notes to the consolidated financial statements, with reference to that prescribed by IFRS Accounting Standards.

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of ANSA Merchant Bank Limited

Report on the Audit of the Separate and Consolidated Financial Statements (continued)

Key Audit Matters (continued)

Key Audit Matters (continued)	How our audit addressed the key audit matter
Fair value measurement of investments securities and related disclosures Refer to Notes 2vii, 3i, 7 and 37. The Group invests in various investment securities, of which \$1.95 billion (Parent: \$605 million) is carried at fair value in the consolidated (separate) statement of financial position. Additionally, the fair values are disclosed in Note 37ii for \$2.27 billion (Parent: \$348 million) of investment securities carried at amortised cost in the consolidated (separate) statement of financial position. Of these assets, \$1.45 billion (Parent: \$140 million) are related to investments for which no published prices in active markets are available and have been classified as Level 2 and Level 3 assets within the IFRS Accounting Standards' fair value hierarchy. Valuation techniques for these investments can be subjective in nature and involve various assumptions regarding pricing factors, particularly in a potentially distressed macroeconomic environment. Associated risk management disclosure is complex and dependent on high quality data. A specific area of audit focus includes the determination of fair value of Level 2 and Level 3 assets where valuation techniques are applied in which unobservable inputs are used. For Level 2 assets, these techniques include the use of recent arm's length transactions, reference to other instruments that are substantially the same and discounted cash flow analyses making maximum use of market inputs, such as the market risk free yield curve. As the determination of the fair value for certain investments securities is a key source of estimation uncertainty, is subject to differing underlying assumptions and represents a material balance and disclosure, we deemed this to be a key audit matter in our audit of the separate and consolidated financial statements.	We independently tested the pricing on quoted securities, and we used our valuation specialists to assess the appropriateness of pricing models used by the Group. This included: • An assessment of the pricing model methodologies and assumptions against industry practice and valuation guidelines. • Testing of the inputs used, including cash flows and other market based data. • An evaluation of the reasonableness of other assumptions applied such as credit spreads and the volatility in the market. • The re-performance of valuation calculations on a sample basis of internally priced securities that were classified as higher risk and estimation. • An assessment of management's impairment analysis, including underlying indicators. Finally, we assessed whether the separate and consolidated financial statement disclosures, including sensitivity to key inputs and the IFRS Accounting Standards' fair value hierarchy, appropriately reflect the Group's exposure to financial instrument valuation risk.

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of ANSA Merchant Bank Limited

Report on the Audit of the Separate and Consolidated Financial Statements (continued)

Other information included in the Parent's and Group's 2024 Annual Report

Other information consists of the information included in the Parent's and Group's 2024 Annual Report, other than the separate and consolidated financial statements and our auditor's report thereon. Management is responsible for the other information. The Parent's and Group's 2024 Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the separate and consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon. In connection with our audit of the separate and consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the separate and consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Responsibilities of Management and the Audit and Risk Committee for the Separate and Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the separate and consolidated financial statements in accordance with IFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of separate and consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the separate and consolidated financial statements, management is responsible for assessing the Parent's and Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Parent or Group or to cease operations, or has no realistic alternative but to do so.

The Audit and Risk Committee is responsible for overseeing the Parent's and Group's financial reporting

Auditor's Responsibilities for the Audit of the Separate and Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the separate and consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these separate and consolidated financial statements.

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of ANSA Merchant Bank Limited

Report on the Audit of the Separate and Consolidated Financial Statements (continued)

Auditor's Responsibilities for the Audit of the Separate and Consolidated Financial Statements (continued)

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the separate and consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Parent's and Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Parent's and Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the separate and consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Parent and Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the separate and consolidated financial statements, including the disclosures, and whether the separate and consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of audit work performed for the purpose of the group audit. We remain solely responsible for our audit opinion.

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of ANSA Merchant Bank Limited

Report on the Audit of the Separate and Consolidated Financial Statements (continued)

Auditor's Responsibilities for the Audit of the Separate and Consolidated Financial Statements (continued)

We communicate with the Audit and Risk Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit and Risk Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Audit and Risk Committee, we determine those matters that were of most significance in the audit of the separate and consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The partner in charge of the audit resulting in this independent auditor's report is Adrienne D'Arcy.



Port of Spain,
TRINIDAD:
19 March 2025

SEPARATE AND CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2024

(Expressed in thousands of Trinidad and Tobago dollars)

Parent			Note	Group	
31 Dec 2023	31 Dec 2024			31 Dec 2024	31 Dec 2023
		Assets			
272,033	398,808	Cash and short-term	4	1,090,136	943,136
-	-	Fixed deposits		8,214	8,496
		Net investment in leased assets and other			
733,013	730,513	instalment loans	5	1,009,440	1,001,505
1,144,764	507,809	Loans and advances	6	1,774,964	2,250,288
1,102,823	953,365	Investment securities	7	4,219,319	4,391,591
5,313	6,982	Interest receivable		37,633	28,015
		Other debtors			
30,573	30,105	and prepayments	9	48,135	59,800
-	-	Reinsurance contract assets	21	330,564	252,138
15,353	18,680	Taxation recoverable		28,517	26,357
1,089,510	1,114,510	Investment in subsidiaries	10	-	-
-	-	Investment properties	11	154,265	153,838
2,746	3,167	Property and equipment	12	252,928	223,716
23,227	21,173	Intangible assets	13	708,602	692,020
8,368	7,283	Right-of-use assets	14	37,864	39,716
6,837	2,036	Deferred tax assets	15	51,201	48,999
8,436	7,092	Employee benefits asset	16	176,798	180,801
4,442,996	3,801,523	Total assets		9,928,580	10,300,416

The accompanying notes form an integral part of these financial statements.

SEPARATE AND CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2024

(Expressed in thousands of Trinidad and Tobago dollars)

Parent			Note	Group	
31 Dec 2023	31 Dec 2024			31 Dec 2024	31 Dec 2023
		Liabilities			
		Customers' deposits and other funding instruments	18	3,572,356	4,084,214
2,152,570	1,521,420	Lease liabilities	14	38,251	37,194
8,575	7,570	Bank overdraft	4	10	17,789
17,789	10	Accrued interest and other payables	17	444,314	368,916
98,044	132,003	Debt securities in issue	19	600,000	600,000
600,000	600,000	Taxation payable		-	7,915
3,751	-	Deferred tax liabilities	15	101,236	125,359
11,687	10,182	Employee benefits liability	16	11,385	9,268
914	897	Investment contract liabilities	20	295,658	289,010
-	-	Insurance contract liabilities	21	2,153,169	2,038,571
-	-				
2,893,330	2,272,082	Total liabilities		7,216,379	7,578,236

The accompanying notes form an integral part of these financial statements.

SEPARATE AND CONSOLIDATED STATEMENT OF FINANCIAL POSITION

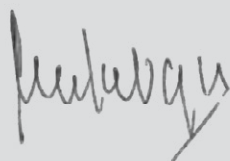
AS AT 31 DECEMBER 2024

(Expressed in thousands of Trinidad and Tobago dollars)

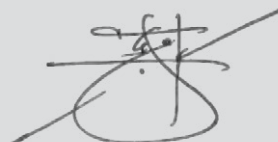
Parent			Note	Group	
31 Dec 2023	31 Dec 2024			31 Dec 2024	31 Dec 2023
		Equity			
667,274	667,274	Stated capital	22	667,274	667,274
238,124	247,891	Statutory reserve fund		263,835	254,068
191	(2,057)	Fair value reserve/(deficit)		(142,278)	(61,289)
3,969	4,042	General loan loss reserve		8,417	11,035
653	653	Foreign currency reserve/(deficit)		(1,130)	(2,172)
639,455	611,638	Retained earnings		1,915,646	1,852,813
		Equity attributable to the			
1,549,666	1,529,441	equity holders of the parent		2,711,764	2,721,729
-	-	Non-controlling interest		437	451
1,549,666	1,529,441	Total equity		2,712,201	2,722,180
4,442,996	3,801,523	Total liabilities and equity		9,928,580	10,300,416

The accompanying notes form an integral part of these financial statements.

These financial statements were approved by the Board of Directors and authorised for issue on 18 March 2025 and signed on its behalf by:



A. Norman Sabga
Chairman



Ian De Souza
Managing Director

FOR THE YEAR ENDED 31 DECEMBER 2024
(Expressed in thousands of Trinidad and Tobago dollars)

The accompanying notes form an integral part of these financial statements.

SEPARATE AND CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2024

(Expressed in thousands of Trinidad and Tobago dollars)

2023	Parent 2024	Note	2024	Group 2023
110,999	86,190	Profit for the year	162,248	129,293
		Other comprehensive income/(loss) that will not be reclassified to profit or loss in subsequent periods:		
		Net loss on investment securities at fair value through other comprehensive income	(79,560)	(61,070)
-	-	Income tax effect	15 19,671	18,608
-	-	Revaluation of property	(1,840)	-
151	(1,191)	Other movements	13,336	(4,827)
537	(1,422)	Experience gains/(losses) on defined benefit plans	16(b) (14,047)	(15,012)
(162)	426	Income tax effect	15 4,345	5,541
375	(996)		(9,702)	(9,471)
526	(2,187)		(58,095)	(56,760)
		Other comprehensive income/(loss) that may be reclassified subsequently to profit and loss, net of tax		
		Debt instruments at fair value through other comprehensive income		
1,062	(2,248)	Net change in fair value during the year	(13,860)	1,710
(128)	46	Changes in allowance for expected credit losses	(185)	(208)
(315)	700	Income tax effect	15 700	(315)
619	(1,502)		(13,345)	1,187
(20)	-	Exchange differences on translation of foreign operations	943	(732)
112,124	82,501	Total comprehensive income for the year, net of tax	91,750	72,988
		Attributable to:		
112,124	82,501	Equity holders of the Parent	91,769	73,006
-	-	Non-controlling interest	(19)	(18)
112,124	82,501		91,750	72,988

The accompanying notes form an integral part of these financial statements.

SEPARATE STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2024

(Expressed in thousands of Trinidad and Tobago dollars)

	Stated capital	Statutory reserve fund	General loan loss reserve	Fair value (deficit)/ reserve	Foreign currency reserve	Retained earnings	Total equity
Parent							
Balance as at 1 January 2023	667,274	230,274	3,884	(871)	673	639,034	1,540,268
Profit for the year	-	-	-	-	-	110,999	110,999
Other comprehensive income/ (loss) for the year	-	-	-	1,062	(20)	83	1,125
Transfer to general loan loss reserve	-	-	85	-	-	(85)	-
Transfer to statutory reserve fund	-	7,850	-	-	-	(7,850)	-
Dividends (Final 2022 and Interim 2023) (Note 44)	-	-	-	-	-	(102,726)	(102,726)
Balance as at 31 December 2023	<u>667,274</u>	<u>238,124</u>	<u>3,969</u>	<u>191</u>	<u>653</u>	<u>639,455</u>	<u>1,549,666</u>
Balance as at 1 January 2024	667,274	238,124	3,969	191	653	639,455	1,549,666
Profit for the year	-	-	-	-	-	86,190	86,190
Other comprehensive loss for the year	-	-	-	(2,248)	-	(1,441)	(3,689)
Transfer to general loan loss reserve	-	-	73	-	-	(73)	-
Transfer to statutory reserve fund	-	9,767	-	-	-	(9,767)	-
Dividends (Final 2023 and Interim 2024) (Note 44)	-	-	-	-	-	(102,726)	(102,726)
Balance as at 31 December 2024	<u>667,274</u>	<u>247,891</u>	<u>4,042</u>	<u>(2,057)</u>	<u>653</u>	<u>611,638</u>	<u>1,529,441</u>

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2024

(Expressed in thousands of Trinidad and Tobago dollars)

Group	Stated capital	Statutory reserve fund	General loan loss reserve	Fair value deficit	Foreign currency deficit	Retained earnings	Total equity attributable to equity holders of the parent	Non-controlling interest	Total equity
Balance as at 1 January 2023	667,274	246,218	11,298	(1,929)	(1,440)	1,830,015	2,751,436	676	2,752,112
Profit/(loss) for the year	-	-	-	-	-	129,311	129,311	(18)	129,293
Other comprehensive loss for the year	-	-	-	(59,360)	(732)	3,787	(56,305)	-	(56,305)
Transfer from general loan loss reserve	-	-	(276)	-	-	276	-	-	-
Transfer to statutory reserve fund	-	7,850	-	-	-	(7,850)	-	-	-
Dividends (Final 2021 and Interim 2022) (Note 44)	-	-	-	-	-	(102,726)	(102,726)	(207)	(102,933)
Other reserve movements	-	-	13	-	-	-	13	-	13
Balance as at 31 December 2023	667,274	254,068	11,035	(61,289)	(2,172)	1,852,813	2,721,729	451	2,722,180
Balance as at 1 January 2024	667,274	254,068	11,035	(61,289)	(2,172)	1,852,813	2,721,729	451	2,722,180
Profit/(loss) for the year	-	-	-	-	-	162,267	162,267	(19)	162,248
Other comprehensive (loss)/income for the year	-	-	-	(81,924)	943	10,484	(70,497)	-	(70,497)
Transfer from general loan loss reserve	-	-	(2,618)	-	-	2,618	-	-	-
Transfer to statutory reserve fund	-	9,767	-	-	-	(9,767)	-	-	-
Dividends (Final 2022 and Interim 2023) (Note 44)	-	-	-	-	-	(102,726)	(102,726)	-	(102,726)
Other reserve movements	-	-	-	935	99	(43)	991	5	996
Balance as at 31 December 2024	667,274	263,835	8,417	(142,278)	(1,130)	1,915,646	2,711,764	437	2,712,201

The accompanying notes form an integral part of these financial statements.

SEPARATE AND CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2024

(Expressed in thousands of Trinidad and Tobago dollars)

Parent			Note	Group	
2023	2024			2024	2023
		Cash flows from operating activities			
155,909	106,872	Profit before taxation		184,925	200,667
		Adjustments for:			
1,226	1,299	Employee benefits	16(b)	(2,232)	(2,547)
-	-	Gain on disposal of property and equipment		(4,594)	(20,513)
2,955	3,027	Depreciation and amortisation	12,13	49,723	53,806
2,069	2,417	Depreciation of right-of-use assets	14	10,758	9,358
		Credit loss recovery			
(7,340)	(5,654)	on investment securities	30	(12,841)	(15,486)
		Amortisation of investment securities and interest capitalised		(14,558)	(14,018)
		(Credit loss recovery)/credit loss expense on net investment in leased assets and loans and advances	30	23,061	8,933
		(Credit loss recovery)/credit loss expense on insurance receivables	30	(1,240)	253
(22,859)	(8,232)	Gain on revaluation of investment securities	26	(17,595)	(49,307)
		Gain on sale of investment securities		(31,560)	(18,876)
(4,235)	(9,309)	Interest income		(279,964)	(267,697)
(85,611)	(94,160)	Finance costs	29	118,721	108,623
86,730	91,021	Foreign exchange losses/(gains)		(12,954)	263
1,269	(3,256)	Operating profit/(loss) before changes in operating assets and liabilities		9,650	(6,541)
114,841	82,086	Carried forward operating profit before changes in operating assets and liabilities		9,650	(6,541)
114,841	82,086	(Increase)/decrease in investment in leased assets and loans and advances		467,389	(746,933)
(598,882)	637,865	(Increase)/decrease in other debtors and prepayments		11,665	(1,902)
(9,995)	468	Increase/(decrease) in customers' deposits and other funding instruments		(511,858)	480,770
214,414	(631,150)	Increase/(decrease) in accrued interest and other payables		75,398	(27,401)
6,488	24,744	(Increase)/decrease in Central Bank reserve account		62,241	10,576
(39,488)	31,905	Increase in insurance and investment contract liabilities		42,820	359,681
-	-			157,305	68,250
(312,622)	145,918	Finance costs paid		(108,198)	(98,208)
(78,282)	(88,596)	Interest received on investment securities		270,348	241,550
83,319	92,492	Taxes paid		(28,531)	(53,404)
(18,320)	(19,290)				

SEPARATE AND CONSOLIDATED STATEMENT OF CASH FLOWS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2024

(Expressed in thousands of Trinidad and Tobago dollars)

Parent		Note	Group	
2023	2024		2024	2023
(325,905)	130,524	Net cash (used in)/generated from operating activities	290,924	158,188
		Cash flows from investing activities		
-	-	Placement of fixed deposits	-	(3,000)
-	-	Maturity of fixed deposits	-	2,997
-	-	Proceeds from sale of property and equipment	17,195	30,193
(2,768)	(2,727)	Additions to property and equipment, leases and intangible assets	(113,429)	(379,249)
-	-	Purchase of investment property	(474)	(6,791)
(1,498,399)	(2,570,857)	Purchase of investment securities	(4,391,930)	(3,214,951)
1,493,324	2,747,245	Sale or maturity of investment securities	4,552,460	3,246,668
		Net cash outflow from the purchase of interests and capital injection in subsidiary	(25,000)	(287,145)
(50,000)	(25,000)	Net cash (used in)/generated from investing activities	38,822	(611,278)
		Cash flows from financing activities		
(102,726)	(102,726)	Dividends paid 44	(102,726)	(102,726)
(102,726)	(102,726)	Net cash used in financing activities	(102,726)	(102,726)
(486,474)	176,459	Net (decrease)/increase in cash and cash equivalents	227,020	(555,816)
600,989	114,515	Cash and cash equivalents at the beginning of the year	619,235	1,175,051
114,515	290,974	Cash and cash equivalents at the end of the year	846,255	619,235
		Represented by:		
114,515	290,974	Cash and cash equivalents 4	846,255	619,235
114,515	290,974		846,255	619,235
		Supplemental information:		
83,318	92,492	Interest and dividends received	447,428	430,407
78,282	88,596	Interest paid	108,198	98,208

The accompanying notes form an integral part of these financial statements.

NOTES TO THE SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(Expressed in thousands of Trinidad and Tobago dollars)

1. Principal activities of the Group

ANSA Merchant Bank Limited (the 'Bank' or 'Parent') is domiciled and was incorporated in the Republic of Trinidad and Tobago on 3 March 1977. Its registered office is located at ANSA Centre, 11 Maraval Road, Port of Spain. The Bank is licensed under the provisions of the Financial Institutions Act 2008 to carry on the following classes of business:

- Confirming House/Acceptance House
- Finance House/Finance Company
- Leasing Corporation
- Mortgage Institution
- Merchant Bank
- Trust Company
- Unit Trust
- Financial Services

The Bank has also been granted full Authorised Dealer Status by the Central Bank of Trinidad and Tobago under Section 5 of the Exchange Control Act, Chapter 79:50 and is authorised to take deposits, grant credit facilities and otherwise deal in foreign currency consistent with the terms of its licence.

The Bank has a primary listing on the Trinidad & Tobago Stock Exchange and was registered by the Trinidad and Tobago Securities and Exchange Commission as a reporting issuer on 18 December 1997. On 6 May 1999 under the Securities Industries Act 1995 the Bank was registered to conduct business as a securities company.

The ANSA Merchant Bank Group (the 'Group') is a financial services group comprising of the Parent and nine subsidiaries at 31 December 2024. A full listing of the Group's subsidiaries is detailed in Note 10. The Group is engaged in a wide range of banking and financial related activities and carries on all classes of long-term and short-term insurance business and the rental of property in Trinidad and Tobago and the Caribbean. The ultimate parent of the Group is ANSA McAL Limited ('Ultimate Parent') which is incorporated in the Republic of Trinidad and Tobago.

2. Accounting policies

i) Basis of preparation

These financial statements of the Group have been prepared in accordance with IFRS Accounting Standards.

These financial statements have been prepared on a historical cost basis, except for the fair value measurement of trading investment securities, investment properties and other financial assets not held in a business model whose objective is to hold assets to collect contractual cash flows or whose contractual terms do not give rise solely to payments of principal and interest (SPPI).

The financial statements are presented in Trinidad and Tobago dollars (TTD) which is the functional currency of the Parent and all values are rounded to the nearest thousand, except when otherwise indicated.

The financial statements provide comparative information in respect of the previous period. In addition, the Group presents an additional statement of financial position at the beginning of the preceding period when there is a retrospective application of an accounting policy, a retrospective restatement, or a reclassification of items in the financial statements.

NOTES TO THE SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024 (Expressed in thousands of Trinidad and Tobago dollars)

2. Accounting policies (continued)

i) Basis of preparation (continued)

Presentation of financial statements

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position only when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liability simultaneously. Income and expense are not offset in the statement of income unless required or permitted by any accounting standard or interpretation, and as specifically disclosed in the accounting policies of the Group.

The Group presents its statement of financial position broadly in order of liquidity. An analysis of recovery or settlement in the 12 months after the statement of financial position date (current) and greater than 12 months after the statement of financial position date (non-current) is presented in Note 41.

Basis of consolidation

The consolidated financial statements comprise the financial statements of ANSA Merchant Bank Limited and its subsidiaries. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee;
- Rights arising from other contractual arrangements; and
- The Group's voting rights and potential voting rights.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the statement of comprehensive income from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

NOTES TO THE SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024 (Expressed in thousands of Trinidad and Tobago dollars)

2. Accounting policies (continued)

i) Basis of preparation (continued)

Basis of consolidation (continued)

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and other components of equity, while any resultant gain or loss is recognised in the statement of income. Any investment retained is recognised at fair value.

The Bank established open-ended mutual funds in the following periods:

- 2005: ANSA Secured Fund
- 2007: ANSA US\$ Secured Fund
- 2010: ANSA TT\$ Income Fund and ANSA US\$ Income Fund

The Bank acts as the sponsor, investment manager, administrator and distributor of the Funds.

These mutual funds are financed through the issue of units to investors in the funds. The Group generates fees from managing the assets of the mutual funds and the Group's retirement benefit plans on behalf of third party interests. For the year ended 31 December 2024, the Group earned \$8.39 million (2023: \$8.44 million) in management fees from the retirement plans and \$13.44 million (2023: \$13.4 million) from the mutual funds.

The Group holds an interest of \$72.3 million in sponsored funds as at 31 December 2024 (2023: \$71.6 million). The maximum exposure to loss in these funds is the carrying value of the assets held by the Group.

The Bank re-assessed whether or not it controls any investee in accordance with IFRS 10, 'Consolidated Financial Statements.' This assessment also extended to the Bank's open-ended mutual funds. The criteria for control includes:

- The power to govern the financial and operating policies;
- Exposure, or rights, to variable returns from its involvement; and
- The ability to use its power over the investee to affect the amount of the investor's returns.

Based on the application of this criteria, the Bank has consolidated the Funds into these financial statements. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases. The Parent accounts for investments in subsidiaries on a cost basis.

ii) Changes in accounting policies and disclosures

The accounting policies adopted in the preparation of these financial statements are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 31 December 2023 except for the adoption of new standards and interpretations noted below.

The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

New and amended standards and interpretations

Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants – Amendments to IAS 1 – Effective 1 January 2024

NOTES TO THE SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024 (Expressed in thousands of Trinidad and Tobago dollars)

2. Accounting policies (continued)

ii) Changes in accounting policies and disclosures (continued)

In January 2020 and October 2022, the IASB issued amendments to paragraphs 69 to 76 of IAS 1 to specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

- What is meant by a right to defer settlement
- That a right to defer must exist at the end of the reporting period
- That classification is unaffected by the likelihood that an entity will exercise its deferral right
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification

The amendments also clarify that the requirement for the right to exist at the end of the reporting period applies to covenants which the entity is required to comply with on or before the reporting date regardless of whether the lender tests for compliance at that date or at a later date.

In addition, a requirement has been introduced to require disclosure when a liability arising from a loan agreement is classified as non-current and the entity's right to defer settlement is contingent on compliance with future covenants within twelve months. This disclosure must include information about the covenants and the related liabilities as well as any facts and circumstances that indicate the entity may have difficulty complying with the covenants.

The amendments are effective for annual reporting periods beginning on or after 1 January 2024 and must be applied retrospectively.

These amendments had no material impact on the Group's financial statements.

Lease Liability in a Sale and Leaseback – Amendments to IFRS 16 – Effective 1 January 2024

In September 2022, the IASB issued amendments to IFRS 16 to specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains.

After the commencement date in a sale and leaseback transaction, the seller-lessee applies paragraphs 29 to 35 of IFRS 16 to the right-of-use asset arising from the leaseback and paragraphs 36 to 46 of IFRS 16 to the lease liability arising from the leaseback. In applying paragraphs 36 to 46, the seller-lessee determines 'lease payments' or 'revised lease payments' in such a way that the seller-lessee would not recognise any amount of the gain or loss that relates to the right of use retained by the seller-lessee. Applying these requirements does not prevent the seller-lessee from recognising, in profit or loss, any gain or loss relating to the partial or full termination of a lease, as required by paragraph 46(a) of IFRS 16.

The amendment does not prescribe specific measurement requirements for lease liabilities arising from a leaseback.

The amendments are effective for annual reporting periods beginning on or after 1 January 2024 and must be applied retrospectively to sale and leaseback transactions entered into after the date of initial application of IFRS 16.

These amendments had no material impact on the Group's financial statements.

Disclosures: Supplier Finance Arrangements – Amendments to IAS 7 and IFRS 7 – Effective 1 January 2024

In May 2023, the IASB issued amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures.

NOTES TO THE SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024 (Expressed in thousands of Trinidad and Tobago dollars)

2. Accounting policies (continued)

ii) Changes in accounting policies and disclosures (continued)

New and amended standards and interpretations (continued)

Disclosures: Supplier Finance Arrangements – Amendments to IAS 7 and IFRS 7 – Effective 1 January 2024 (continued)

The amendments specify disclosure requirements to enhance the current requirements, which are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

The amendments clarify the characteristics of supplier finance arrangements. In these arrangements, one or more finance providers pay amounts an entity owes to its suppliers. The entity agrees to settle those amounts with the finance providers according to the terms and conditions of the arrangements, either at the same date or at a later date than that on which the finance providers pay the entity's suppliers.

The amendments require information to be provided about the impact of supplier finance arrangements on liabilities and cash flows, including terms and conditions of those arrangements, quantitative information on liabilities related to those arrangements as at the beginning and end of the reporting period and the type and effect of non-cash changes in the carrying amounts of those arrangements. The information on those arrangements is required to be aggregated unless the individual arrangements have dissimilar or unique terms and conditions. In the context of quantitative liquidity risk disclosures required by IFRS 7, supplier finance arrangements are included as an example of other factors that might be relevant to disclose.

These amendments had no impact on the Group's financial statements.

International Tax Reform – Pillar Two Model Rules – Amendments to IAS 12

In May 2023, the Board issued amendments to IAS 12, which introduce a mandatory exception in IAS 12 from recognising and disclosing deferred tax assets and liabilities related to Pillar Two income taxes.

The Amendments clarify that IAS 12 applies to income taxes arising from tax law enacted or substantively enacted to implement the Pillar Two Model Rules published by the Organization for Economic Cooperation and Development (OECD), including tax law that implements qualified domestic minimum top-up taxes. Such tax legislation, and the income taxes arising from it, are referred to as 'Pillar Two legislation' and 'Pillar Two income taxes', respectively.

Disclosures

- The amendments require an entity to disclose that it has applied the exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes.
- An entity is required to separately disclose its current tax expense (income) related to Pillar Two income taxes, in the periods when the legislation is effective.
- The amendments require, for periods in which Pillar Two legislation is (substantively) enacted but not yet effective, disclosure of known or reasonably estimable information that helps users of financial statements understand the entity's exposure arising from Pillar Two income taxes. To comply with these requirements, an entity is required to disclose qualitative and quantitative information about its exposure to Pillar Two income taxes at the end of the reporting period.

These amendments had no impact on the Group's financial statements.

NOTES TO THE SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024 (Expressed in thousands of Trinidad and Tobago dollars)

2. Accounting policies (continued)

ii) Changes in accounting policies and disclosures (continued)

Standards issued but not yet effective

The standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Group's financial statements are disclosed below. The Group intends to adopt these standards, if applicable, when they become effective.

- **Lack of Exchangeability – Amendments to IAS 21**

Effective for annual periods beginning on or after 1 January 2025. In August 2023, the Board issued Lack of Exchangeability (Amendments to IAS 21).

The amendments to IAS 21 specifies how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking.

- **Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7**

Effective for annual periods beginning on or after 1 January 2026. In May 2024, the Board issued Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7), which:

- Clarifies that a financial liability is derecognised on the 'settlement date', i.e., when the related obligation is discharged, cancelled, expires or the liability otherwise qualifies for derecognition. It also introduces an accounting policy option to derecognise financial liabilities that are settled through an electronic payment system before settlement date if certain conditions are met
- Clarified how to assess the contractual cash flow characteristics of financial assets that include environmental, social and governance (ESG)-linked features and other similar contingent features
- Clarifies the treatment of non-recourse assets and contractually linked instruments
- Requires additional disclosures in IFRS 7 for financial assets and liabilities with contractual terms that reference a contingent event (including those that are ESG- linked), and equity instruments classified at fair value through other comprehensive

- **IFRS 18 – Presentation and Disclosure in Financial Statements**

Effective for annual periods beginning on or after 1 January 2027.

In April 2024, the Board issued IFRS 18 Presentation and Disclosure in Financial Statements which replaces IAS 1 Presentation in Financial Statements. IFRS 18 introduces new categories and subtotals in the statement of income. It also requires disclosure of management-defined performance measures (as defined) and includes new requirements for the location, aggregation and disaggregation of financial information.

Statement of profit or loss

An entity will be required to classify all income and expenses within its statement of profit or loss into one of five categories: operating; investing; financing; income taxes; and discontinued operations. In addition, IFRS 18 requires an entity to present subtotals and totals for 'operating profit or loss', 'profit or loss before financing and income taxes' and 'profit or loss'.

NOTES TO THE SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024 (Expressed in thousands of Trinidad and Tobago dollars)

2. Accounting policies (continued)

ii) Changes in accounting policies and disclosures (continued)

• IFRS 19 – Subsidiaries without Public Accountability: Disclosures

Effective for annual periods beginning on or after 1 January 2027.

In May 2024, the Board issued IFRS 19 Subsidiaries without Public Accountability: Disclosures (IFRS 19), which allows eligible entities to elect to apply reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other IFRS accounting standards. Unless otherwise specified, eligible entities that elect to apply IFRS 19 will not need to apply the disclosure requirements in other IFRS accounting standards.

Improvements to International Financial Reporting Standards

The annual improvements process of the International Accounting Standards Board deals with non-urgent, but necessary clarifications and amendments to IFRS. The following amendments are applicable to annual periods beginning on or after 1 January 2026:

- IFRS 1 First-time Adoption of International Financial Reporting Standards – Hedge Accounting as a first-time adopter
- IFRS 7 Financial Instruments: Disclosures – Gain or Loss on Derecognition
- IFRS 7 Financial Instruments: Disclosures – Disclosure of Deferred Difference between Fair Value and Transaction Price
- IFRS 7 Financial Instruments: Disclosures – Introduction and credit risk disclosures
- IFRS 9 Financial Instruments – Lessee Derecognition of Lease Liabilities
- IFRS 9 Financial Instruments – Transaction price
- IFRS 10 Consolidated Financial Statements – Determination of a ‘De Facto Agent’
- IAS 7 Statement of Cash Flows – Cost Method

iii) Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value and the amount of any non-controlling interest in the acquiree. For each business combination, the acquirer measures the non-controlling interest in the acquiree either at fair value or at the proportionate share of the acquiree’s identifiable net assets. Acquisition costs incurred are expensed and included in administrative expenses.

The Group determines that it has acquired a business when the acquired set of activities and assets include an input and a substantive process that together significantly contribute to the ability to create outputs. The acquired process is considered substantive if it is critical to the ability to continue producing outputs, and the inputs acquired include an organised workforce with the necessary skills, knowledge, or experience to perform that process or it significantly contributes to the ability to continue producing outputs and is considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of IFRS 9, ‘Financial Instruments,’ is measured at fair value with the changes in fair value recognised in the statement of income.

NOTES TO THE SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024 (Expressed in thousands of Trinidad and Tobago dollars)

2. Accounting policies (continued)

iii) Business combinations and goodwill (continued)

Goodwill is initially measured at cost (being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests) and any previous interest held over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the re-assessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in the statement of income.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's CGUs that is expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill has been allocated to a CGU and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in this circumstance is measured based on the relative values of the disposed operation and the portion of the CGU retained.

iv) Comparative information

Comparative information has been reclassified in the consolidated statement of comprehensive income and consolidated statement of changes in equity. These changes are as follows:

- Losses on financial assets measured at FVOCI of \$9,585 and the related income tax effect of \$2,875 which were previously classified as revaluation of property and income tax effect respectively in the consolidated statement of comprehensive income, have been reclassified to net loss on investment securities at fair value through other comprehensive income and income tax effect respectively.
- Experience losses on defined benefit plans of \$15,012 and income tax effect of \$5,541 which were previously presented as an other comprehensive loss movement within fair value reserves, have been reclassified to retained earnings.
- Income tax effect on net loss on investment securities at fair value through other comprehensive income of \$18,608 which was previously presented as an other comprehensive loss movement within fair value reserves, have been reclassified to retained earnings.

These changes have no effect on the previously reported equity, profit before taxation, profit after taxation or cash flows of the Group for the current or previous year.

v) Cash and short-term funds

Cash and short-term deposits in the statement of financial position comprise cash at banks and on hand and short-term deposits with an original contractual maturity of three months or less that are readily convertible to a known amount of cash and, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

NOTES TO THE SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024 (Expressed in thousands of Trinidad and Tobago dollars)

2. Accounting policies (continued)

vi) Statutory deposits with Central Banks

Pursuant to the provisions of Trinidad and Tobago, the Central Bank Act 1964 and the Financial Institutions Act 2008, the Bank is required to maintain with the Central Bank of Trinidad and Tobago statutory balances in relation to deposit liabilities and certain funding instruments of the institutions.

In addition, ANSA Merchant Bank (Barbados) Limited, a subsidiary of the Group, is required to maintain with the Central Bank of Barbados statutory deposit balances in relation to deposit liabilities. Those funds are not available to finance the subsidiary's day-to-day operations.

vii) Financial instruments

Financial assets

a) Initial recognition and subsequent measurement

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Amortised cost and effective interest method

Debt instruments that meet the following conditions are subsequently measured at amortised cost less impairment loss (except for debt instruments that are designated as at fair value through the statement of income on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are SPPI on the principal amount outstanding ("the SPPI test").

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate (EIR) is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the EIR, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments measured subsequently at amortised cost. Interest income is recognised in the statement of income and is included in Note 26.

Financial assets at fair value through other comprehensive income (FVOCI)

Equity instruments at fair value through other comprehensive income (FVOCI)

On initial recognition, the Group can make an irrevocable election (on an instrument-by-instrument basis) to designate investments in equity instruments as at FVOCI. Designation at FVOCI is not permitted if the equity investment is held for trading.

NOTES TO THE SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024 (Expressed in thousands of Trinidad and Tobago dollars)

2. Accounting policies (continued)

vii) Financial instruments (continued)

Financial assets (continued)

a) Initial recognition and subsequent measurement (continued)

Financial assets at fair value through other comprehensive income (FVOCI) (continued)

Equity instruments at fair value through other comprehensive income (FVOCI) (continued)

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has evidence of a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument or a financial guarantee.

Investments in equity instruments at FVOCI are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the investments revaluation reserve. The cumulative gain or loss will not be reclassified to the statement of income on disposal of the investments.

Debt instruments at fair value through other comprehensive income (FVOCI)

The Group applies the FVOCI category under IFRS 9, for debt instruments measured at FVOCI when both of the following conditions are met:

- the instrument is held within a business model, the objective of which is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual cash flows of an asset give rise to payments on specified dates that are SPPI on the principal amount outstanding ("the SPPI test").

FVOCI debt instruments are subsequently measured at fair value with gains and losses arising due to changes in fair value recognised in other comprehensive income. Interest income is recognised in the statement of income in the same manner as for financial assets measured at amortised cost.

Financial assets at fair value through statement of income (FVSI)

Investments in equity instruments are classified as FVSI, unless the Group designates an investment that is not held for trading as FVOCI on initial recognition. The Group has designated all investments in equity instruments that are held for trading as FVSI on initial application of IFRS 9.

Debt instruments that do not meet the amortised cost criteria are measured as FVSI. In addition, debt instruments that meet the amortised cost criteria but are designated as FVSI are measured at FVSI. A debt instrument may be designated as FVSI upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

Debt instruments are reclassified from amortised cost to FVSI when the business model is changed such that the amortised cost criteria are no longer met. Reclassification of debt instruments that are designated as FVSI on initial recognition is not allowed. The Group has not designated any debt instrument as FVSI.

NOTES TO THE SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024 (Expressed in thousands of Trinidad and Tobago dollars)

2. Accounting policies (continued)

vii) Financial instruments (continued)

Financial assets (continued)

a) Initial recognition and subsequent measurement (continued)

Financial assets at fair value through statement of income (FVSI) (continued)

Financial assets at FVSI are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in the statement of income. The net gain or loss recognised in the statement of income is included in Note 26. Fair value is determined in the manner described in Note 37.

Interest income on debt instruments designated at FVSI is included in the net gain or loss described above.

Dividend income on investments in equity instruments at FVSI is recognised in the statement of income when the Group's right to receive the dividends is established and is included in the net gain or loss described above.

Foreign exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period. The foreign exchange component forms part of its fair value gain or loss.

Therefore:

- for financial assets that are classified as FVSI, the foreign exchange component is recognised in the statement of income;
- for equity instruments that are designated as FVOCI, any foreign exchange component is recognised in other comprehensive income;
- for debt instruments that are designated as FVOCI, any foreign exchange component is recognised in the statement of income; and
- for foreign currency denominated debt instruments measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the financial assets and are recognised in the 'investment income' line item in the statement of income.

b) Impairment of financial assets

The Group uses the general probability of default approach when calculating expected credit loss (ECL). The ECL allowance is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss or LTECL), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss (12mECL). The Group's policies for determining if there has been a significant increase in credit risk are set out below.

The 12mECL is the portion of LTECL that represents the ECL that results from default events on a financial instrument that are possible within the 12 months after the reporting date.

Both LTECLs and 12mECLs are calculated on either an individual basis or a collective basis, depending on the nature of the underlying portfolio of financial instruments.

The Group has established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument.

NOTES TO THE SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024 (Expressed in thousands of Trinidad and Tobago dollars)

2. Accounting policies (continued)

vii) Financial instruments (continued)

Financial assets (continued)

b) Impairment of financial assets (continued)

Significant increase in credit risk

The Group continuously monitors all assets subject to ECLs. In order to determine whether an instrument or a portfolio of instruments is subject to 12mECL or LTECL, the Group assesses whether there has been a significant increase in credit risk since initial recognition.

The Group also applies a secondary qualitative method for triggering a significant increase in credit risk for an asset, such as moving a customer/facility/investment to the watch list, to non investment grade, or the account becoming forborne. Regardless of the change in credit grades, if contractual payments are more than 30 days past due, the credit risk is deemed to have increased significantly since initial recognition.

Definition of default and cure

The Group considers a financial instrument defaulted and therefore Stage 3 (credit-impaired) for ECL calculations in all cases when the borrower becomes 90 days past due on its contractual payments.

As a part of a qualitative assessment of whether a customer is in default, the Group also considers a variety of instances that may indicate unlikelihood to pay. When such events occur, the Group carefully considers whether the event should result in treating the customer as defaulted and therefore assessed as Stage 3 for ECL calculations or whether Stage 2 is appropriate.

It is the Group's policy to consider a financial instrument as 'cured' and therefore re- classified out of Stage 3 when none of the default criteria have been present for at least six consecutive months. The decision whether to classify an asset as Stage 2 or Stage 1 once cured depends on the updated credit grade, at the time of the cure, and whether this indicates there has been a significant increase in credit risk compared to initial recognition.

Calculation of Expected Credit Losses (ECLs)

When estimating the ECLs, the Group considers among other factors the risk rating category and aging of the financial asset. Each of these factors is associated with different PDs, EADs and LGDs (see below). When relevant, it also incorporates how defaulted financial assets are expected to be recovered, including the value of collateral or the amount that might be received for selling the asset.

The mechanics of the ECL calculations are outlined below and the key elements are as follows:

- *Probability of Default (PD):*

The PD is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognised and is still in the portfolio.

- *Exposure at Default (EAD):*

The EAD is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, expected drawdowns on committed facilities, and accrued interest from missed payments.

The EAD represents the gross carrying amount of the financial instruments subject to the impairment calculation.

NOTES TO THE SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024 (Expressed in thousands of Trinidad and Tobago dollars)

2. Accounting policies (continued)

vii) Financial instruments (continued)

Financial assets (continued)

b) Impairment of financial assets (continued)

Calculation of Expected Credit Losses (ECLs) (continued)

- *Loss Given Default (LGD):*

The LGD is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realisation of any collateral. It is usually expressed as a percentage of the EAD.

For investments, the Group primarily relies on international external credit rating agencies to provide data for PDs and LGDs. PDs and LGDs for other financial assets such as leased assets and loans and advances were derived based on historical loss trends in the portfolios, recoveries, typical collateral and other borrower characteristics.

Cash and short-term funds

Cash and short-term funds are short-term funds placed with Central Banks and commercial banks in the countries where the Group is engaged in the full range of banking and financial activities and correspondent banks. These balances are usually less than three months old and highly liquid, therefore the Group considers the risk of default to be low and has taken the position of nil ECL on these balances.

Collateral valuation

To mitigate its credit risks on financial instruments, the Group seeks to use collateral, where possible. The collateral comes in various forms, such as cash, securities, letters of credit/guarantees, real estate, receivables and other non-financial assets. Collateral, unless repossessed, is not recorded on the Group's statement of financial position. However, the fair value of collateral affects the calculation of ECLs. It is generally assessed on a periodic basis.

To the extent possible, the Group uses active market data for valuing financial instruments held as collateral. Other financial instruments which do not have readily determinable market values are valued using models. Non-financial collateral, such as real estate, is valued based on independent valuations data provided by third parties such as mortgage brokers, or independent valuations.

Collateral repossessed

The Group's policy is to determine whether a repossessed asset can be best used for its internal operations or should be sold. Assets determined to be useful for the internal operations are transferred to their relevant asset category at the valuation cost of the asset.

In its normal course of business should the Group physically repossess assets in its retail portfolio, it sometimes engages external agents to recover the asset, to settle outstanding debt. Any surplus funds are returned to the customers/obligors.

Repossessed stock is valued at the lower of the carrying amount and fair value less estimated cost to sell.

Write-offs

Financial assets are written off either partially or in their entirety only when the Group has stopped pursuing the recovery. If the amount to be written off is greater than the accumulated loss allowance, the difference is first treated as an addition to the allowance that is then applied against the gross carrying amount. Any subsequent recoveries are credited to credit loss expense.

NOTES TO THE SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024 (Expressed in thousands of Trinidad and Tobago dollars)

2. Accounting policies (continued)

vii) Financial instruments (continued)

Financial assets (continued)

b) Impairment of financial assets (continued)

Forward-looking information

In its ECL models, the Group relies on a broad range of forward-looking information as economic inputs, such as:

- Gas prices
- Gross Domestic Product (GDP) growth
- Unemployment rates
- Inflation rate
- Liquidity, and foreign exchange deficit

The inputs and models used for calculating ECLs may not always capture all characteristics of the market at the date of the financial statements. To reflect this, qualitative adjustments or overlays are occasionally made as temporary adjustments when such differences are significantly material.

The mechanics of the ECL method are summarised below:

Stage 1

The 12mECL is calculated as the portion of LTECL that represents the ECL that results from default events on a financial instrument that are possible within the 12 months after the reporting date. The Group calculates the 12mECL allowance based on the expectation of a default occurring in the 12 months following the reporting date. The expected 12-month default probability is applied to a forecast EAD and multiplied by the expected LGD and discounted by an approximation to the original EIR.

Stage 2

When a financial instrument has shown a significant increase in credit risk since origination, the Group records an allowance for the LTECL. The mechanics are similar to those explained above, but PD and LGD are estimated over the lifetime of the instrument. The expected cash shortfalls are discounted by an approximation to the original EIR.

Stage 3

For a financial instrument considered credit-impaired (as defined in Note 2(vi)(b) above), the Group recognises the LTECL for such a financial instrument. The method is similar to that for Stage 2 assets, with the PD set at 100%.

Purchase or originated credit-impaired (POCI)

POCI assets are financial assets that are credit-impaired on initial recognition. POCI assets are recorded at fair value at original recognition and interest income is subsequently recognised based on a credit-adjusted EIR. ECLs are only recognised or released to the extent that there is a subsequent change in the ECLs.

In most instances, LGDs are determined on an individual loan or investment basis, including discounting the expected cash flows at the original EIR. In limited circumstances within the Group, where portfolios were small and the products homogenous with minimal history of defaults, a simplified ECL approach was applied using historical loss rates. These portfolios included premium receivables, policy loans and reinsurance receivables.

NOTES TO THE SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024 (Expressed in thousands of Trinidad and Tobago dollars)

2. Accounting policies (continued)

vii) Financial instruments (continued)

Financial assets (continued)

c) Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in the statement of income. On derecognition of an equity instrument that is classified as FVOCI, the cumulative gain or loss previously accumulated in the investment revaluation reserve is not reclassified to the statement of income, but is reclassified to retained earnings. On derecognition of debt instruments at FVOCI, cumulative gains or losses previously recognised in other comprehensive income are reclassified from other comprehensive income to the statement of income.

Financial liabilities

a) Initial recognition and subsequent measurement

Financial liabilities within the scope of IFRS 9 are classified as financial liabilities at fair value through the statement of income, loans and borrowings, or as derivatives designated as hedging instruments in an effective hedge as appropriate.

The Group determines the classification of its financial liabilities at initial recognition. All financial liabilities are recognised initially at fair value. The Group's financial liabilities include other payables, bank overdrafts, deposit liabilities and debt securities in issue. The Group has not designated any financial liabilities upon initial recognition as at FVSI.

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or has expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the statement of income.

viii) Fair value measurement

The Group measures certain financial instruments at fair value at each year end. Also, fair values of financial instruments measured at amortised cost are disclosed in Note 39. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or

The principal or the most advantageous market must be accessible by the Group.

NOTES TO THE SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024 (Expressed in thousands of Trinidad and Tobago dollars)

2. Accounting policies (continued)

viii) Fair value measurement (continued)

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

With the exception of insurance contracts which are specifically excluded under IFRS 9, 'Financial Instruments', the estimated fair values of certain financial instruments have been determined using available market information or other appropriate valuation methodologies that require judgement in interpreting market data and developing estimates.

Consequently, estimates made do not necessarily reflect the amounts that the Group would realise in a current market exchange. The use of different assumptions and/or different methodologies may have a material effect on the fair values estimated. The fair value information is based on information available to management as at the dates presented.

Although management is not aware of any factors that would significantly affect the fair value amounts, such amounts have not been comprehensively revalued for the purposes of these financial statements and, therefore, the current estimates of the fair value may be significantly different from the amounts presented herein.

Short-term financial assets and liabilities

The carrying amount of short-term financial assets and liabilities comprising cash and short-term funds, fixed deposits, interest receivable, other debtors, customer deposits and other funding instruments, accrued interest and other payables are a reasonable estimate of their fair values because of the short maturity of these instruments.

Investment securities

The fair value of trading investments is based on market quotations, when available. When market quotations are not readily available, fair values are based on discounted cash flows or estimated using quoted market prices of similar investments. In the absence of a market value, discounted cash flows will approximate fair value. This process relies on available market data to generate a yield curve for each country in which valuations were undertaken, using interpolated results where there were no market observable rates.

In pricing callable bonds, where information is available, the price of a callable bond is determined as at the call date using the yield to worst. For bonds with irregular cash flows (sinking funds, capitalisation of interest, moratoria, amortisations or balloon payments) a process of iteration using the internal rate of return is used to arrive at bond values. Yields on all tax-free bonds are grossed-up to correspond to similar taxable bonds at the prevailing rate of corporation tax.

Loans and advances

The estimated fair value for performing loans is computed as the future cash flows discounted and the yield to maturity based on the carrying values and the inherent rates of interest in the portfolio as those rates approximate market conditions. When discounted, the cash flow values are equal to the carrying value.

NOTES TO THE SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024 (Expressed in thousands of Trinidad and Tobago dollars)

2. Accounting policies (continued)

viii) Fair value measurement (continued)

Debt securities in issue

The Group values the debt and asset-backed securities using valuation models which use discounted cash flow analysis which incorporates either only observable data or both observable and non-observable data. Observable inputs include assumptions regarding current rates of interest and real estate prices; unobservable inputs include assumptions regarding expected future default rates, prepayment rates and liquidity discounts.

Determination of fair value and fair value hierarchies

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable;
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable; and
- POCI - Credit-impaired on initial recognition, therefore fair valued at original recognition with interest income being subsequently recognised on a credit-adjusted EIR.

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation techniques:

Level 1

Included in the Level 1 category are financial assets and liabilities that are measured in whole or in part by reference to published quotes in an active market. A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service or regulatory agency and those prices represent actual and regularly occurring market transactions on an arm's length basis.

Level 2

Included in the Level 2 category are financial assets and liabilities that are measured using a valuation technique based on assumptions that are supported by prices from observable current market transactions and for which pricing is obtained via pricing services, but where prices have not been determined in an active market. This includes financial assets with fair values based on broker quotes, investments in private equity funds with fair values obtained via fund managers and assets that are valued using the Group's own models whereby the majority of assumptions are market observable.

Level 3

Included in the Level 3 category are financial assets and liabilities that are not quoted as there are no active markets to determine a price. These financial instruments are held at cost, being the fair value of the consideration paid for the acquisition of the investment, and are regularly assessed for impairment.

NOTES TO THE SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024 (Expressed in thousands of Trinidad and Tobago dollars)

2. Accounting policies (continued)

viii) Fair value measurement (continued)

POCI

Included in the POCI category are financial assets that are credit-impaired on initial recognition. POCI assets are recorded at fair value at original recognition and interest income is subsequently recognised based on a credit-adjusted EIR.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

ix) Repurchase and reverse repurchase agreements

Securities sold subject to a linked repurchase agreement ('repo') are retained in the financial statements as trading securities and the counterparty liability is included in amounts due to other banks, deposits from banks or other deposits as appropriate. Securities purchased under an agreement to resell ('reverse repo') are recorded as loans and advances to other banks. The difference between the sale and repurchase price is treated as interest and accrued over the life of the repo agreement using the effective yield.

x) Interest bearing debt and borrowings

Borrowings and interest bearing debt are initially recognised at the fair value of the consideration received, net of transaction costs incurred. After initial recognition, these borrowings are subsequently measured at amortised cost using the EIR method. Amortised cost is calculated by taking into account any transaction cost, discount, or premium on issue. Gains and losses are recognised in the statement of income when the liabilities are derecognised, as well as through the amortisation process.

xi) Insurance and reinsurance contracts classification

Any insurance contract not considered to be transferring significant risk is, under IFRS, classified as investment contracts. Deposits collected and benefit payments under investment contracts are not accounted for through the statement of income, but are accounted for directly through the statement of financial position as a movement in the investment contract liability. Changes in the fair value of financial assets backing investment contracts are recognised in the statement of income as investment income.

The Group issues insurance contracts in the normal course of business, under which it accepts significant insurance risk from its policyholders. As a general guideline, the Group determines whether it has significant insurance risk, by comparing benefits payable after an insured event with benefits payable if the insured event did not occur. Insurance contracts can also transfer financial risk. The Group issues general insurance, health, individual life, group life, and annuity contracts.

The Group also holds reinsurance contracts in the normal course of business to transfer insurance risk to other entities.

The Group does not issue any contracts meeting the definition of insurance contracts with direct participating features under IFRS 17.

NOTES TO THE SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024 (Expressed in thousands of Trinidad and Tobago dollars)

2. Accounting policies (continued)

xii) Insurance and reinsurance contracts accounting treatment

Separating components from insurance and reinsurance contracts

Some life contracts issued by the Group include the following features which have been assessed to meet the definition of a non-distinct investment component in IFRS 17 since a minimum amount is repaid in all circumstances:

- Minimum guaranteed cash surrender values (after surrender charges)
- Minimum guaranteed payments on annuity policies
- Universal life account (after surrender charges)

IFRS 17 defines investment components as the amounts that an insurance contract requires an insurer to repay to a policyholder in all circumstances, regardless of whether an insured event has occurred. Investment components which are highly interrelated with the insurance contract of which they form a part are considered non-distinct and are not separately accounted for. However, receipts and payments of the investment components are excluded from insurance revenue and insurance expenses.

Level of aggregation

IFRS 17 requires a Group to determine the level of aggregation for applying its requirements. The level of aggregation for the Group is determined firstly by dividing the business written into portfolios. Portfolios comprise groups of contracts with similar risks which are managed together. Portfolios are further divided based on expected profitability at inception into three categories: onerous contracts, contracts with no significant risk of becoming onerous, and the remainder. This means that, for determining the level of aggregation, the Group identifies a contract as the smallest 'unit', i.e., the lowest common denominator. However, the Group makes an evaluation of whether a series of contracts need to be treated together as one unit based on reasonable and supportable information, or whether a single contract contains components that need to be separated and treated as if they were stand-alone contracts. As such, what is treated as a contract for accounting purposes may differ from what is considered as a contract for other purposes (i.e., legal or management). IFRS 17 also requires that no group for level of aggregation purposes may contain contracts issued more than one year apart.

The Group has defined portfolios of insurance and reinsurance contracts issued based on its product lines, namely immediate and deferred annuities and term life contracts due to the fact that the products are subject to similar risks and managed together. The expected profitability of these portfolios at inception is determined based on the actuarial valuation models which take into consideration existing and new business. In determining groups of contracts, the Group has elected to include in the same group contracts where its ability to set prices or levels of benefits for policyholders with different characteristics is constrained by regulation. The groups of contracts for which the fair value approach has been adopted on transition include contracts issued more than one year apart.

Portfolios of insurance contracts issued are divided into:

- A group of contracts that are onerous at initial recognition
- A group of contracts that at initial recognition have no significant possibility of becoming onerous subsequently
- A group of the remaining contracts in the portfolio

NOTES TO THE SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024 (Expressed in thousands of Trinidad and Tobago dollars)

2. Accounting policies (continued)

xii) Insurance and reinsurance contracts accounting treatment (continued)

The reinsurance contracts held portfolios are divided into:

- A group of contracts on which there is a net gain on initial recognition
- A group of contracts that have no significant possibility of a net gain arising subsequent to initial recognition
- A group of the remaining contracts in the portfolio

Recognition

The Group recognises groups of insurance contracts it issues from the earliest of the following:

- The beginning of the coverage period of the group of contracts
- The date when the first payment from a policyholder in the group is due or when the first payment is received if there is no due date
- For a group of onerous contracts, if facts and circumstances indicate that the group is onerous

The Group recognises a group of reinsurance contracts held it has entered into from the earlier of the following:

- The beginning of the coverage period of the group of reinsurance contracts held. However, the Group delays the recognition of a group of reinsurance contracts held that provide proportionate coverage until the date any underlying insurance contract is initially recognised, if that date is later than the beginning of the coverage period of the group of reinsurance contracts held.

And

- The date the Group recognises an onerous group of underlying insurance contracts if the Group entered into the related reinsurance contract held in the group of reinsurance contracts held at or before that date.

The Group adds new contracts to the group in the reporting period in which that contract meets one of the criteria set out above.

Onerous groups of contracts

The Group issues some contracts before the coverage period starts and the first premium becomes due. Therefore, the Group has determined whether any contracts issued form a group of onerous contracts before the earlier of the beginning of the coverage period and the date when the first payment from a policyholder in the group is due. The Group looks at facts and circumstances to identify if a group of contracts are onerous at initial recognition and during the coverage period of the group based on:

- Pricing information
- Results of similar contracts it has recognised
- Environmental factors, e.g., a change in market experience or regulations

Contract Boundary

The Group includes in the measurement of a group of insurance contracts all the future cash flows within the boundary of each contract in the group. Cash flows are within the boundary of an insurance contract if they arise from substantive rights and obligations that exist during the reporting period in which the Group can compel the policyholder to pay the premiums, or in which the Group has a substantive obligation to provide the policyholder with insurance contract services. A substantive obligation to provide insurance contract services ends when:

NOTES TO THE SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024 (Expressed in thousands of Trinidad and Tobago dollars)

2. Accounting policies (continued)

xii) Insurance and reinsurance contracts accounting treatment (continued)

Contract Boundary (continued)

- The Group has the practical ability to reassess the risks of the particular policyholder and, as a result, can set a price or level of benefits that fully reflects those risks

Or

- Both of the following criteria are satisfied:
 - The Group has the practical ability to reassess the risks of the portfolio of insurance contracts that contain the contract and, as a result, can set a price or level of benefits that fully reflects the risk of that portfolio
 - The pricing of the premiums up to the date when the risks are reassessed does not take into account the risks that relate to periods after the reassessment date

A liability or asset relating to expected premiums or claims outside the boundary of the insurance contract is not recognised. Such amounts relate to future insurance contracts.

For life contracts with renewal periods or conversion options, the Group assesses whether premiums and related cash flows that arise from the renewed contract or conversion are within the contract boundary. The Group reassesses contract boundary of each group at the end of each reporting period.

Measurement - Premium Allocation Approach

Component	Adopted approach
PAA eligibility	Coverage period for General, Health, and Group life policies and single year losses occurring reinsurance contracts held is one year or less and so qualifies automatically for PAA.
Insurance acquisition cash flows	For all insurance products with a coverage period of one year or less, acquisition cash flows are expensed as incurred.
Liability/asset for remaining coverage (LFRC/AFRC)	For General, Health and Group Life insurance business, including related insurance contracts held, no allowance is made for accretion of interest on the LFRC/AFRC as premiums are received/paid within one year of the coverage period.
Liability/asset for incurred claims (LFIC/AFIC)	No adjustment is made for the time value of money where incurred claims are expected to be paid out or recovered from the reinsurer in less than one year.
Insurance finance income and expense	For all insurance business, the change in LFIC/AFIC as a result of changes in discount rates will be captured within statement of income.

NOTES TO THE SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024 (Expressed in thousands of Trinidad and Tobago dollars)

2. Accounting policies (continued)

xii) Insurance and reinsurance contracts accounting treatment (continued)

Insurance contracts – initial measurement – Premium Allocation Approach (PAA)

The Group applies the PAA to the group's general, health, and group life insurance contracts that it issues and some reinsurance contracts that it holds as the coverage period of each contract in the groups are one year or less, including insurance contract services arising from all premiums within the contract boundary.

For contracts longer than one year, the Group has modelled possible future scenarios and reasonably expects that the measurement of the liability for remaining coverage for the group containing those contracts under the PAA does not differ materially from the measurement that would be produced applying the general model. In assessing materiality, the Group has also considered qualitative factors such as the nature of the risk and types of its lines of business.

For a group of contracts that is not onerous at initial recognition, the Group measures the liability for remaining coverage as:

- The premiums, if any, received at initial recognition
- plus, any other asset or liability previously recognised for cash flows related to the group of contracts that the Group pays or receives before the group of insurance contracts is recognised.

Where facts and circumstances indicate that contracts are onerous at initial recognition, the Group performs additional analysis to determine if a net outflow is expected from the contract. Such onerous contracts are separately grouped from other contracts and the Group recognises a loss in profit or loss for the net outflow, resulting in the carrying amount of the liability for the group being equal to the fulfilment cash flows. A loss component is established by the Group for the liability for remaining coverage for such onerous group depicting the losses recognised.

Insurance contracts – initial measurement – General Model

The general model measures a group of insurance contracts as the total of:

- Fulfilment cash flows, and
- A contractual service margin (CSM) representing the unearned profit the Group will recognise as it provides insurance contract services

Fulfilment cash flows comprise unbiased and probability-weighted estimates of future cash flows, discounted to present value to reflect the time value of money and financial risks, plus a risk adjustment for non-financial risk. The Group's objective in estimating future cash flows is to determine the expected value, or the probability weighted mean, of the full range of possible outcomes, considering all reasonable and supportable information available at the reporting date without undue cost or effort. The Group estimates future cash flows considering a range of scenarios which have commercial substance and give a good representation of possible outcomes. The cash flows from each scenario are probability-weighted and discounted using current assumptions.

When estimating future cash flows, the Group includes all cash flows that are within the contract boundary including:

- Premiums and related cash flows
- Claims and benefits, including reported claims not yet paid, incurred claims not yet reported and expected future claims
 - Payments to policyholders resulting from embedded surrender value options
 - An allocation of insurance acquisition cash flows attributable to the portfolio to which the contract belongs

NOTES TO THE SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024 (Expressed in thousands of Trinidad and Tobago dollars)

2. Accounting policies (continued)

xii) Insurance and reinsurance contracts accounting treatment (continued)

Insurance contracts – initial measurement – General Model (continued)

- Claims handling costs
- Policy administration and maintenance costs, including recurring commissions that are expected to be paid to intermediaries
- An allocation of fixed and variable overheads directly attributable to fulfilling insurance contracts
- Transaction-based taxes

The Group incorporates, in an unbiased way, all reasonable and supportable information available without undue cost or effort about the amount, timing and uncertainty of those future cash flows. The Group estimates the probabilities and amounts of future payments under existing contracts based on information obtained, including:

- Information about claims already reported by policyholders
- Other information about the known or estimated characteristics of the insurance contracts
- Historical data about the Group's own experience, supplemented when necessary with data from other sources. Historical data is adjusted to reflect current conditions
- Current pricing information, when available

The measurement of fulfilment cash flows includes insurance acquisition cash flows which are allocated as a portion of premium to profit or loss (through insurance revenue) over the period of the contract in a systematic and rational way on the basis of the passage of time. The Group does not elect to accrete interest on insurance acquisition cash flows to be allocated to profit or loss.

Reinsurance contracts – initial measurement

The measurement of reinsurance contracts held follows the same principles as those for insurance contracts issued, with the exception of the following:

- Measurement of the cash flows include an allowance on a probability-weighted basis for the effect of any non-performance by the reinsurers, including the effects of collateral and losses from disputes
- The Group determines the risk adjustment for non-financial risk so that it represents the amount of risk being transferred to the reinsurer
- The Group recognises both day 1 gains and day 1 losses at initial recognition in the statement of financial position as a CSM and releases this to profit or loss as the reinsurer renders services, except for any portion of a day 1 loss that relates to events before initial recognition

Where the Group recognises a loss on initial recognition of an onerous group of underlying insurance contracts or when further onerous underlying insurance contracts are added to a group, it establishes a loss recovery component of the asset for remaining coverage for a group of reinsurance contracts held depicting the recovery of losses.

The Group calculates the loss-recovery component by multiplying the loss recognised on the underlying insurance contracts and the percentage of claims on the underlying insurance contracts the Group expects to recover from the group of reinsurance contracts held. Where only some contracts in the onerous underlying group are covered by the group of reinsurance contracts held, the Group uses a systematic and rational method to determine the portion of losses recognised on the underlying group of insurance contracts to insurance contracts covered by the group of reinsurance contracts held.

NOTES TO THE SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024 (Expressed in thousands of Trinidad and Tobago dollars)

2. Accounting policies (continued)

xii) Insurance and reinsurance contracts accounting treatment (continued)

Insurance contracts – initial measurement – General Model (continued)

The loss-recovery component adjusts the carrying amount of the asset for remaining coverage.

Where the Group enters into reinsurance contracts held which provide coverage relating to events that occurred before the purchase of the reinsurance, such cost of reinsurance is recognised in profit or loss on initial recognition.

Insurance contracts – subsequent measurement – general model

The CSM at the end of the reporting period represents the profit in the group of insurance contracts that has not yet been recognised in profit or loss, because it relates to future service to be provided.

For a group of insurance contracts the carrying amount of the CSM of the group at the end of the reporting period equals the carrying amount at the beginning of the reporting period adjusted, as follows:

- The effect of any new contracts added to the group
- Interest accreted on the carrying amount of the CSM during the reporting period, measured at the discount rates at initial recognition
- The changes in fulfilment cash flows relating to future service, except to the extent that:
 - Such increases in the fulfilment cash flows exceed the carrying amount of the CSM, giving rise to a loss

Or

- Such decreases in the fulfilment cash flows are allocated to the loss component of the liability for remaining coverage
- The effect of any currency exchange differences on the CSM
- The amount recognised as insurance revenue because of the transfer of insurance contract services in the period, determined by the allocation of the CSM remaining at the end of the reporting period (before any allocation) over the current and remaining coverage period

The locked-in discount rate is the weighted average of the rates applicable at the date of initial recognition of contracts that joined a group over a 12-month period. The discount rate used for accretion of interest on the CSM is determined using the top-down approach at inception.

The changes in fulfilment cash flows relating to future service that adjust the CSM comprise of:

- Experience adjustments that arise from the difference between the premium receipts (and any related cash flows such as insurance acquisition cash flows and insurance premium taxes) and the estimate, at the beginning of the period, of the amounts expected. Differences related to premiums received (or due) related to current or past services are recognised immediately in profit or loss while differences related to premiums received (or due) for future services are adjusted against the CSM
- Changes in estimates of the present value of future cash flows in the liability for remaining coverage, except those relating to the time value of money and changes in financial risk (recognised in the statement of income and other comprehensive income rather than adjusting the CSM)

NOTES TO THE SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024 (Expressed in thousands of Trinidad and Tobago dollars)

2. Accounting policies (continued)

xii) Insurance and reinsurance contracts accounting treatment (continued)

Insurance contracts – subsequent measurement – general model (continued)

- Differences between any investment component expected to become payable in the period and the actual investment component that becomes payable in the period. Those differences are determined by comparing (i) the actual investment component that becomes payable in the period with (ii) the payment in the period that was expected at the start of the period plus any insurance finance income or expenses related to that expected payment before it becomes payable. The same applies to a policyholder loan that becomes repayable.
- Changes in the risk adjustment for non-financial risk that relate to future service.

Except for changes in the risk adjustment, adjustments to the CSM noted above are measured at discount rates that reflect the characteristics of the cash flows of the group of insurance contracts at initial recognition.

Where, during the coverage period, a group of insurance contracts becomes onerous, the Group recognises a loss in profit or loss for the net outflow, resulting in the carrying amount of the liability for the group being equal to the fulfilment cash flows. A loss component is established by the Group for the liability for remaining coverage for such onerous group depicting the losses recognised.

The Group measures the carrying amount of a group of insurance contracts at the end of each reporting period as the sum of: (i) the liability for remaining coverage comprising fulfilment cash flows related to future service allocated to the group at that date and the CSM of the group at that date; and (ii) the liability for incurred claims for the Group comprising the fulfilment cash flows related to past service allocated to the group at that date.

Insurance contracts – subsequent measurement – PAA

The Group measures the carrying amount of the liability for remaining coverage at the end of each reporting period as the liability for remaining coverage at the beginning of the period:

- Plus premiums received in the period
- Minus the amount recognised as insurance revenue for the services provided in the period

The Group estimates the liability for incurred claims as the fulfilment cash flows related to incurred claims. The fulfilment cash flows incorporate, in an unbiased way, all reasonable and supportable information available without undue cost or effort about the amount, timing and uncertainty of those future cash flows, they reflect current estimates from the perspective of the Group, and include an explicit adjustment for non-financial risk (the risk adjustment). The Group does not adjust the future cash flows for the time value of money and the effect of financial risk for the measurement of liability for incurred claims that are expected to be paid within one year of being incurred.

Where, during the coverage period, facts and circumstances indicate that a group of insurance contracts is onerous, the Group recognises a loss in profit or loss for the net outflow, resulting in the carrying amount of the liability for the group being equal to the fulfilment cash flows. A loss component is established by the Group for the liability for remaining coverage for such onerous group depicting the losses recognised.

Reinsurance contracts held – subsequent measurement

The measurement of reinsurance contracts held follows the same principles as those for insurance contracts issued, with the exception of the following:

- Changes in the fulfilment cash flows are recognised in profit or loss if the related changes arising from the underlying ceded contracts have been recognised in profit or loss. Alternatively, changes in the fulfilment cash flows adjust the CSM.

NOTES TO THE SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024 (Expressed in thousands of Trinidad and Tobago dollars)

2. Accounting policies (continued)

xii) Insurance and reinsurance contracts accounting treatment (continued)

Reinsurance contracts held – subsequent measurement (continued)

- Changes in the fulfilment cash flows that result from changes in the risk of non-performance by the issuer of a reinsurance contract held do not adjust the contractual service margin as they do not relate to future service.

Any change in the fulfilment cash flows of a retroactive reinsurance contract held due to the changes of the liability for incurred claims of the underlying contracts is taken to profit and loss and not the contractual service margin of the reinsurance contract held.

Where a loss component has been set up subsequent to initial recognition of a group of underlying insurance contracts, the portion of income that has been recognised from related reinsurance contracts held is disclosed as a loss-recovery component.

Where the Group has established a loss-recovery component, the Group adjusts the loss-recovery component to reflect changes in the loss component of an onerous group of underlying insurance contracts.

A loss-recovery component reverses consistent with reversal of the loss component of underlying groups of contracts issued, even when a reversal of the loss-recovery component is not a change in the fulfilment cash flows of the group of reinsurance contracts held. Reversals of the loss-recovery component that are not changes in the fulfilment cashflows of the group of reinsurance contracts held adjust the CSM.

Where the Group has established a loss-recovery component, the Group subsequently reduces the loss recovery component to zero in line with reductions in the onerous group of underlying insurance contracts in order to reflect that the loss-recovery component shall not exceed the portion of the carrying amount of the loss component of the onerous group of underlying insurance contracts that the entity expects to recover from the group of reinsurance contracts held.

Insurance acquisition cash flows

Insurance acquisition cash flows arise from the costs of selling, underwriting and starting a group of insurance contracts (issued or expected to be issued) that are directly attributable to the portfolio of insurance contracts to which the group belongs.

Where insurance acquisition cash flows have been paid or incurred before the related group of insurance contracts is recognised in the statement of financial position, a separate asset for insurance acquisition cash flows is recognised for each related group.

The asset for insurance acquisition cash flow is derecognised from the statement of financial position when the insurance acquisition cash flows are included in the initial measurement of the CSM of the related group of insurance contracts. The Group expects to derecognise all assets for insurance acquisition cash flows within one year.

For insurance acquisition cash flows relating to contracts with a coverage period exceeding one year, the Group uses a systematic and rational method to allocate:

- (a) Insurance acquisition cash flows that are directly attributable to a group of insurance contracts:
 - (i) to that group; and
 - (ii) to groups that include insurance contracts that are expected to arise from the renewals of the insurance contracts in that group.
- (b) Insurance acquisition cash flows directly attributable to a portfolio of insurance contracts that are not directly attributable to a group of contracts, to groups in the portfolio.

NOTES TO THE SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024 (Expressed in thousands of Trinidad and Tobago dollars)

2. Accounting policies (continued)

xii) Insurance and reinsurance contracts accounting treatment (continued)

Insurance acquisition cash flows (continued)

For insurance acquisition cash flows relating to contracts with a coverage period exceeding one year, where insurance acquisition cash flows have been paid or incurred before the related group of insurance contracts is recognised in the statement of financial position, a separate asset for insurance acquisition cash flows is recognised for each related group. The asset for insurance acquisition cash flow is derecognised from the statement of financial position when the insurance acquisition cash flows are included in the initial measurement of the CSM/LRC of the related group of insurance contracts. The time bands when the Group expects to derecognise the above asset for insurance acquisition cash flows will be disclosed.

At the end of each reporting period, the Group revises amounts of insurance acquisition cash flows allocated to groups of insurance contracts not yet recognised, to reflect changes in assumptions related to the method of allocation used.

After any re-allocation, the Group assesses the recoverability of the asset for insurance acquisition cash flows, if facts and circumstances indicate the asset may be impaired. When assessing the recoverability, the Group applies:

- An impairment test at the level of an existing or future group of insurance contracts; and
- An additional impairment test specifically covering the insurance acquisition cash flows allocated to expected future contract renewals.

Derecognition and modification

The Group derecognises insurance contracts when:

- The rights and obligations relating to the contract are extinguished (i.e., discharged, cancelled or expired)

or

- The contract is modified such that the modification results in a change in the measurement model or the applicable standard for measuring a component of the contract, substantially changes the contract boundary, or requires the modified contract to be included in a different group. In such cases, the Group derecognises the initial contract and recognises the modified contract as a new contract

When a modification is not treated as a derecognition, the Group recognises amounts paid or received for the modification with the contract as an adjustment to the relevant liability for remaining coverage.

Presentation

The Group has presented separately, in the statement of financial position, the carrying amount of portfolios of insurance contracts issued that are assets, portfolios of insurance contracts issued that are liabilities, portfolios of reinsurance contracts held that are assets and portfolios of reinsurance contracts held that are liabilities.

Any assets for insurance acquisition cash flows recognised before the corresponding insurance contracts are included in the carrying amount of the related groups of insurance contracts are allocated to the carrying amount of the portfolios of insurance contracts that they relate to.

The Group disaggregates the total amount recognised in the statement of profit or loss and other comprehensive income into an insurance service result, comprising insurance revenue and insurance service expense, and insurance finance income or expenses.

NOTES TO THE SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024 (Expressed in thousands of Trinidad and Tobago dollars)

2. Accounting policies (continued)

xii) Insurance and reinsurance contracts accounting treatment (continued)

Presentation (continued)

The Group does not disaggregate the change in risk adjustment for non-financial risk between a financial and non-financial portion and includes the entire change as part of the insurance service result.

The Group separately presents income or expenses from reinsurance contracts held from the expenses or income from insurance contracts issued.

Insurance revenue

The Group's insurance revenue depicts the provision of services arising from a group of insurance contracts at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those services. Insurance revenue from a group of insurance contracts is therefore the relevant portion for the period of the total consideration for the contracts, (i.e., the amount of premiums paid to the Group adjusted for financing effect (the time value of money) and excluding any investment components). The total consideration for a group of contracts covers amounts related to the provision of services and is comprised of:

- Insurance service expenses, excluding any amounts relating to the risk adjustment for non-financial risk and any amounts allocated to the loss component of the liability for remaining coverage
- The risk adjustment for non-financial risk, excluding any amounts allocated to the loss component of the liability for remaining coverage
- The CSM release
- Amounts related to insurance acquisition cash flows

For contracts measured under the PAA, insurance revenue for the period is the amount of expected premium receipts (excluding any investment component) allocated to the period. The Group allocates the expected premium receipts to each period of insurance contract services on the basis of the passage of time. But if the expected pattern of release of risk during the coverage period differs significantly from the passage of time, then the allocation is made on the basis of the expected timing of incurred insurance service expenses. The Group changes the basis of allocation between the two methods above as necessary, if facts and circumstances change. The change is accounted for prospectively as a change in accounting estimate. For the periods presented, all revenue has been recognised on the basis of the passage of time.

Loss components

The Group has grouped contracts that are onerous at initial recognition separately from contracts in the same portfolio that are not onerous at initial recognition. Groups that were not onerous at initial recognition can also subsequently become onerous if assumptions and experience changes. The Group has established a loss component of the liability for remaining coverage for any onerous group depicting the future losses recognised.

NOTES TO THE SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024 (Expressed in thousands of Trinidad and Tobago dollars)

2. Accounting policies (continued)

xii) Insurance and reinsurance contracts accounting treatment (continued)

Loss components (continued)

A loss component represents a notional record of the losses attributable to each group of onerous insurance contracts (or contracts profitable at inception that have become onerous). The loss component is released based on a systematic allocation of the subsequent changes relating to future service in the fulfilment cash flows to: (i) the loss component; and (ii) the liability for remaining coverage excluding the loss component. The loss component is also updated for subsequent changes relating to future service in estimates of the fulfilment cash flows and the risk adjustment for non-financial risk. The systematic allocation of subsequent changes to the loss component results in the total amounts allocated to the loss component being equal to zero by the end of the coverage period of a group of contracts (since the loss component will have been materialised in the form of incurred claims). The Group uses the proportion on initial recognition to determine the systematic allocation of subsequent changes in future cash flows between the loss component and the liability for remaining coverage excluding the loss component.

For contracts measured under the PAA, the Group assumes that no contracts are onerous at initial recognition unless facts and circumstances indicate otherwise. Where this is not the case, and if at any time during the coverage period, the facts and circumstances indicate that a group of insurance contracts is onerous, the Group establishes a loss component as the excess of the fulfilment cash flows that relate to the remaining coverage of the group over the carrying amount of the liability for remaining coverage of the group. Accordingly, by the end of the coverage period of the group of contracts the loss component will be zero.

Loss-recovery components

When the Group recognises a loss on initial recognition of an onerous group of underlying insurance contracts or when further onerous underlying insurance contracts are added to a group, the Group establishes a loss-recovery component of the asset for remaining coverage for a group of reinsurance contracts held depicting the recovery of losses.

Where a loss component has been set up subsequent to initial recognition of a group of underlying insurance contracts, the portion of income that has been recognised from related reinsurance contracts held is disclosed as a loss-recovery component.

Where a loss-recovery component has been set up at initial recognition or subsequently, the Group adjusts the loss-recovery component to reflect changes in the loss component of an onerous group of underlying insurance contracts.

The carrying amount of the loss-recovery component must not exceed the portion of the carrying amount of the loss component of the onerous group of underlying insurance contracts that the Group expects to recover from the group of reinsurance contracts held. On this basis, the loss-recovery component recognised at initial recognition is reduced to zero in line with reductions in the onerous group of underlying insurance contracts and is nil when loss component of the onerous group of underlying insurance contracts is nil.

Insurance finance income and expense

Insurance finance income or expenses comprise the change in the carrying amount of the group of insurance contracts arising from:

- The effect of the time value of money and changes in the time value of money
- The effect of financial risk and changes in financial risk

The Group does not disaggregate insurance finance income or expenses on insurance contracts issued and reinsurance contracts held between profit or loss and OCI.

NOTES TO THE SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024 (Expressed in thousands of Trinidad and Tobago dollars)

2. Accounting policies (continued)

xii) Insurance and reinsurance contracts accounting treatment (continued)

The Group presents as a single amount on the face of the statement of income, the amounts expected to be recovered from reinsurers, and an allocation of the reinsurance premiums paid. The Group treats reinsurance cash flows that are contingent on claims on the underlying contracts as part of the claims that are expected to be reimbursed under the reinsurance contract held, and excludes investment components and commissions from an allocation of reinsurance premiums presented on the face of the statement of income. Amounts relating to the recovery of losses relating to reinsurance of onerous direct contracts are included as amounts recoverable from the reinsurer.

xiii) Taxation

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in the countries where the Group operates and generates taxable income.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all applicable taxable temporary differences.

Deferred tax assets are recognised for all deductible temporary differences and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax losses can be utilised.

Current and deferred tax shall be recognised as income or an expense and included in the statement of income for the period, except to the extent that the tax arises from a transaction or event which is recognised, in the same or a different period, outside the statement of income, either in other comprehensive income or directly in equity and a business combination.

xiv) Investment properties

Investment property is property held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes.

Investment properties are initially measured at cost, including transaction costs. The carrying amount includes the cost of replacing part of an existing investment property, at the time that cost is incurred, if the recognition criteria is met and excludes the costs of day-to-day servicing of an investment property. Subsequent to initial recognition, investment properties are measured annually by fair values either by way of Management's internal valuations or by an accredited external, independent valuator. Management uses discounted cash flow models and assumptions which reflect the market conditions at the reporting date. External valuers apply valuation models recommended by the International Valuation Standards Committee. Each property is externally valued at least once every three years.

Gains or losses arising from changes in the fair values of investment properties are included in the statement of income in the period in which they arise.

NOTES TO THE SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024 (Expressed in thousands of Trinidad and Tobago dollars)

2. Accounting policies (continued)

xiv) Investment properties (continued)

Investment properties are derecognised when they have either been disposed of or when the investment property is permanently withdrawn from use and no future economic benefits are expected. Any gain or loss arising on disposal is recognised in the statement of income.

Transfers are made to or from investment property only when there is a change in use. If owner occupied property becomes investment property, the Group accounts for such property in accordance with the policy under property and equipment up to the date of change in use.

xv) Property, equipment and leased assets

Property and equipment are stated at historical cost net of accumulated depreciation and/or accumulated impairment loss, if any. Depreciation is provided on the straight line or reducing balance method at various rates sufficient to write off the cost of the assets over their estimated useful lives. Leasehold improvements are depreciated on a straight-line basis. All other repair and maintenance costs are recognised in the statement of income as incurred.

The rates used are as follows:	% per annum
Building	2
Motor vehicles	20 - 33 ^{1/3}
Computer equipment	25 - 33 ^{1/3}
Leasehold improvements	10 - 20
Office furniture, machinery and equipment	10 - 33 ^{1/3}
Leased vehicles and equipment	20

Depreciation is computed over the estimated useful life of the asset. The estimated useful lives of property and equipment are reviewed annually and adjusted prospectively if appropriate. Investment property which is owner occupied is accounted for as property and equipment. Where the carrying value of an item of property and equipment exceeds the recoverable amount, the excess would be immediately taken to the statement of income. An item of property and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset is included in the statement of income.

Assets that are subject to depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount. The asset's recoverable amount is the higher of the asset's fair value less cost to sell and the value in use.

xvi) Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets.

NOTES TO THE SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024 (Expressed in thousands of Trinidad and Tobago dollars)

2. Accounting policies (continued)

xvi) Leases (continued)

i) Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of the initial lease liabilities recognised, initial direct costs incurred, and lease payments made on or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

- Land and building 3 to 6 years
- Motor vehicles 5 years

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment.

ii) Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate.

Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate (IBR) at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

iii) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered of low value. Lease payments on short-term leases and leases of low-value assets are recognised as an expense on a straight-line basis over the lease term.

NOTES TO THE SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024 (Expressed in thousands of Trinidad and Tobago dollars)

2. Accounting policies (continued)

xvi) Leases (continued)

Group as lessor

The Group assesses at contract inception whether a contract is, or contains, a lease i.e. if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

xvii) Intangible assets

Goodwill

Goodwill arises on the acquisition of subsidiaries and represents the excess of the consideration transferred over the Group's interest in net fair value of the net identifiable assets, liabilities and contingent liabilities of the acquiree and the fair value of the non-controlling interest in the acquiree.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the cash generating units (CGUs), or groups of CGUs, that is expected to benefit from the synergies of the combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes. Goodwill is monitored at the operating segment level.

Goodwill impairment reviews are undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment. The carrying value of goodwill is compared to the recoverable amount, which is the higher of value in use and the fair value less costs of disposal. Any impairment is recognised immediately as an expense and is not subsequently reversed.

Computer software

Costs associated with maintaining computer software programmes are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Group are recognised as intangible assets when the following criteria are met:

- It is technically feasible to complete the software product so that it will be available for use;
- Management intends to complete the software product and use or sell it;
- It can be demonstrated how the software product will generate probable future economic benefits;
- Adequate technical, financial and other resources to complete the development and to use or sell the software product are available; and
- The expenditure attributable to the software product during its development can be reliably measured.

Directly attributable costs capitalised as part of the software product include the software development employee costs and an appropriate portion of relevant overheads.

Other development expenditures that do not meet these criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

Computer software development costs recognised as assets are amortised on a straight line basis over their estimated useful lives, which do not exceed fifteen (15) years.

NOTES TO THE SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024 (Expressed in thousands of Trinidad and Tobago dollars)

2. Accounting policies (continued)

xvii) Intangible assets (continued)

Banking license and customer deposits

The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

The useful lives of intangible assets are assessed as finite and are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of income in the expense category that is consistent with the function of the intangible assets.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

The Group in its acquisition of ANSA Bank Limited, acquired intangible assets of a banking license as well as customer deposits. The banking license has been assessed to have an indefinite useful life and will be tested for impairment annually. The customer deposits have been assessed to have a useful life of seven (7) years.

Trade name, policy renewal rights, distribution relationship and contracts

The Group acquired the following trademarks and tradenames in prior years: Trident Insurance - Name and Logo, Trident Road Rescue - Name and Logo Flexi-Pay from Trident Insurance - Name and Logo, and Flexi-Pay - Logo. Each trademark was registered in Barbados and is therefore protected via legal rights. Using the relief-from-royalty method, with the Group's intention to continue to use the Trident trademark into the foreseeable future, as such the useful life was determined to be indefinite.

The Policy Renewal Rights acquired in the business transfer agreement for the different lines of business have similar characteristics in that their contract terms do not differ significantly. The renewal rights associated with the different insurance contracts were valued as one group of contracts. The useful life of the renewal rights was determined to be fifteen (15) years.

The Policy Renewal Rights, and Distribution relationship acquired in the acquisition of COLFIRE were identifiable and relates to the value of future profits expected to be earned from the renewal of COLFIRE's direct in-force policies existing as at the acquisition date. The useful life of the policy renewal rights and distribution relationship was determined to be ten (10) years and fifteen (15) year respectively. The value of the COLFIRE brand was considered in the acquisition but deemed not material.

xviii) Employee benefits

The ANSA McAL Pension Plan for Monthly Paid Employees is a hybrid plan with both defined benefit and defined contribution characteristics for its members. It is governed by trust deed and rules dated 17 September 1965 and encompasses all eligible full time employees of the ANSA McAL Group of Companies. The Plan was registered to carry on business in Trinidad and Tobago on 31 October 1973.

NOTES TO THE SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024 (Expressed in thousands of Trinidad and Tobago dollars)

2. Accounting policies (continued)

xviii) Employee benefits (continued)

The Trustees of the plan have elected to fund the benefits by means of a Segregated Asset Plan with TATIL Life Assurance Limited by way of an agreement dated 1 October 1984. Effective 1 January 2009, the name of the plan was changed to the ANSA McAL Pension Plan for Monthly Paid Employees from Alston's Pension Fund Plan and from this date all new entrants to the Plan were admitted to a defined contribution scheme.

Defined benefit plan

The pension accounting costs for the defined benefit plan are assessed using the projected unit credit method. Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding net interest (not applicable to the Group) and the return on plan assets (excluding net interest), are recognised immediately in the statement of financial position with a corresponding debit or credit to retained earnings through the statement of other comprehensive income in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods. The maximum economic benefits available, as limited by the asset ceiling will crystallise in the form of reductions in future contributions.

Past service costs are recognised in the statement of income on the earlier of:

- The date of the plan amendment or curtailment; and
- The date that the Group recognises restructuring-related costs.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises the following changes in the net defined benefit obligation under 'general administrative expenses' in the statement of income (by function) within Note 33:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income.

Other post-employment benefit plan

The Group also provides other post-employment benefits to its retirees. These benefits are unfunded. The entitlement to these benefits is based on the employee remaining in service up to retirement age and the completion of a minimum service period. The expected costs of these benefits are accrued over the period of employment, using an accounting methodology similar to that for the defined benefit plans.

Defined contribution plan

Under the defined contribution plan, the Group has no further payment obligations once the contributions have been paid. Contributions are recognised as an expense when they are due.

xix) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of income net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

NOTES TO THE SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024 (Expressed in thousands of Trinidad and Tobago dollars)

2. Accounting policies (continued)

xx) Guarantee reserve fund

The Bank has guaranteed 100% return of the principal invested in the ANSA Secured Fund and ANSA US\$ Secured Fund, subject to a minimum period of investment and a fixed minimum yield on the units held subject to a defined period of time, established at the time of purchase.

The Bank establishes a guarantee reserve fund as a liability on its statement of financial position through the statement of income for any shortfalls that may arise under the guarantee, as required. At each end of reporting period, the Bank values these guarantees and any changes required are adjusted accordingly through the statement of income.

xxi) Revenue recognition

Revenue from contracts with customers is recognised when control of the services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for services. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty. The Group has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements, has pricing latitude and is also exposed to credit risks.

The specific recognition criteria described below must also be met before revenue is recognised.

The disclosures of significant accounting judgements, estimates and assumptions relating to revenue from contracts with customers are provided in Note 3.

The effective interest rate (EIR) method

Interest income and expense is recorded using the EIR method for all financial instruments measured at amortised cost. The EIR is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument or, when appropriate, a shorter period, to the net carrying amount of the financial asset.

The EIR (and therefore, the amortised cost of the asset) is calculated by taking into account any discount or premium on acquisition, fees and costs that are an integral part of the EIR. The Group recognises interest income using a rate of return that represents the best estimate of a constant rate of return over the expected life of the instrument. Hence, it recognises the effect of potentially different interest rates charged at various stages, and other characteristics of the product life cycle (including prepayments, penalty interest and charges).

Interest income is accrued until the investment contractually becomes three months in arrears at which time the interest is suspended and then accounted for on a cash basis until the investment is brought up to date.

Investment income

The Group calculates interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets. For POCI financial assets, a credit-adjusted EIR is applied to the amortised cost of the financial asset.

Interest income on all trading assets and financial assets mandatorily required to be measured at FVSI is recognised using the contractual interest rate in net trading income and net gains or losses on financial assets at FVSI, respectively.

Dividend income

Dividend income is recognised when the Group's right to receive the payment is established.

NOTES TO THE SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024 (Expressed in thousands of Trinidad and Tobago dollars)

2. Accounting policies (continued)

xxi) Revenue recognition (continued)

Rental income

Rental income from investment property under operating leases is recognised in the statement of income on a straight line basis over the term of the lease.

Fees and commissions

Unless included in the effective interest calculation, fees are recognised on an accrual basis as the service is provided. Fees and commissions not integral to the effective interest arising from negotiating or participating in the negotiation of a transaction from a third party are recognised on completion of the underlying transaction. Portfolio and other management advisory and service fees are recognised based on the applicable service contract.

Other income and expenditure

Other income and expenditure, inclusive of borrowing costs, are brought into account on the accrual basis.

xxii) Deposit insurance contribution

The Central Bank of Trinidad and Tobago and the Financial Institutions (Non-Banking) (Amendment) Act 1986 of Trinidad and Tobago established a Deposit Insurance Fund for the protection of depositors. An annual premium of 0.2% is levied on the average deposit liability up to 30 September 2024; a rate of 0.25% is applicable from 1 October 2024 and 0.3% is applicable from 1 October 2025.

The Barbados Deposit Insurance Corporation in accordance with the Deposit Insurance Act 2006-29 of Barbados established a Deposit Insurance Fund for the protection of depositors. An annual premium of 0.05% is levied on the average deposit liability outstanding at the end of each quarter of the preceding year.

xxiii) Foreign currency translation

Functional and presentation currency

The individual financial statements of each group entity are presented in the currency of the primary economic environment in which the entity operates (its functional currency). The separate and consolidated financial statements are expressed in Trinidad and Tobago dollars, which is the functional currency of the parent.

Foreign currency transactions

Monetary assets and liabilities denominated in foreign currencies are expressed in Trinidad and Tobago dollars at rates of exchange ruling at the statement of financial position date. Non-monetary assets and liabilities are translated using exchange rates that existed at the date of the initial transaction. All revenue and expenditure transactions denominated in foreign currencies are translated at mid-exchange rates and the resulting profits and losses on exchange from these trading activities are dealt with in the statement of income.

Foreign entities

On consolidation, the assets and liabilities of foreign operations are translated into Trinidad and Tobago dollars at the rate of exchange prevailing at 31 December and their statements of income are translated at an average exchange rate. The exchange differences arising on translation for consolidation are recognised in other comprehensive income.

NOTES TO THE SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024 (Expressed in thousands of Trinidad and Tobago dollars)

2. Accounting policies (continued)

xxiv) Equity movements

Stated capital

Ordinary stated capital is classified within equity and is recognised at the fair value of the consideration received by the Group. Incremental costs directly attributable to the issue of new shares are shown as a reduction in equity, net of tax. As equity is repurchased, the amount of consideration paid is recognised as a charge to equity and reported in the statement of financial position as treasury shares.

Dividends on ordinary share capital

Dividends on ordinary shares are recognised as a liability and deducted from equity when they are approved by the Group's Board of Directors. Dividends are deducted from the liability when they are paid.

Dividends for the year that are approved after the statement of financial position date are dealt with as an event after the end of reporting date.

xxv) Statutory reserve fund

There is a requirement where a portion of net profit after deduction of taxes in each year be transferred to a statutory reserve account. Group statutory reserves amounted to \$263.8 million (2023: \$254.1 million) as at 31 December 2024.

xxvi) Catastrophe reserve

On an annual basis, the Group determines an amount that is transferred to a catastrophe reserve. This is treated as an appropriation of retained earnings and is disclosed as part of the statutory reserve fund in the statement of financial position.

xxvii) General loan loss reserve

The Bank has established a general reserve for loan losses in accordance with the guidelines issued by the Central Bank of Trinidad and Tobago. The reserve has been calculated at 0.5% of the loan balance at the year-end and encompasses hire purchase loans, finance leases and premium financing loans after deducting unearned finance charges. This reserve has been accounted for as an appropriation of retained earnings and is disclosed in the statement of changes in equity.

xxviii) Earnings per share

Earnings per share have been calculated by taking the profit for the year attributable to shareholders over the weighted average number of ordinary shares outstanding during the year, net of treasury shares 2024: \$1.90; 2023: \$1.51. There are no dilutive ordinary shares in issue.

xxix) Salvage and subrogation reimbursements

Some insurance contracts permit the Group to sell (usually damaged) property acquired in settling a claim (salvage). Salvage is recognised on a cash receipts basis.

The Group may also have the right to pursue third parties for payment of some or all costs (subrogation). Subrogation reimbursements are also considered as an allowance in the measurement of the insurance liability for claims and are recognised in other assets when the liability is settled. The allowance is the assessment of the amount that can be recovered from the action against the liable third party.

NOTES TO THE SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024 (Expressed in thousands of Trinidad and Tobago dollars)

2. Accounting policies (continued)

xxx) Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that a non-financial asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs to sell and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets.

The Group bases its impairment calculation on most recent budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. A long-term growth rate is calculated and applied to project future cash flows after the fifth year.

For assets excluding goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Group makes an estimate of recoverable amount. A previous impairment loss is reversed only if there has been a change in the estimate used to determine the asset's recoverable amount since the last impairment loss was recognised.

The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired.

If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the assets in prior years. Such reversal is recognised in the statement of income unless the asset is carried at the revalued amount, in which case the reversal is treated as a revaluation increase.

3. Significant accounting judgements and estimates in applying Group policies

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Other disclosures relating to the Group's exposure to risks and uncertainties include:

- Financial instruments risk management (Note 38)
- Capital management (Note 40)

i) Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

NOTES TO THE SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024 (Expressed in thousands of Trinidad and Tobago dollars)

3. Significant accounting judgements and estimates in applying Group policies (continued)

i) Judgements (continued)

Leases (Note 14)

- *Determining the lease term of contracts with renewal and termination options – Group as lessee*

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The Group has several lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

The Group included the renewal period as part of the lease term for leases of properties with shorter non-cancellable period (i.e., 3 to 6 years). The Group typically exercises its option to renew for these leases because there will be a significant negative effect on production if a replacement asset is not readily available. The renewal periods covered by termination options are included as part of the lease term only when they are reasonably certain not to be exercised.

- *Estimating the incremental borrowing rate (IBR)*

If the Group cannot readily determine the interest rate implicit in the lease, it uses its IBR to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available (such as for subsidiaries that do not enter into financing transactions) or when they need to be adjusted to reflect the terms and conditions of the lease (for example, when leases are not in the subsidiary's functional currency).

The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the subsidiary's stand-alone credit rating).

- *Operating lease commitments – Group as lessor*

The Group has entered into vehicle and equipment leases. The Group has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a substantial portion of the economic life of the leases, that it retains all the significant risks and rewards of ownership of these assets and accounts for the contracts as operating leases.

- *Net investment in leased assets*

Leases are classified as net investment in leased assets when the terms of the lease transfer substantially all of the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

NOTES TO THE SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024 (Expressed in thousands of Trinidad and Tobago dollars)

3. Significant accounting judgements and estimates in applying Group policies (continued)

i) Judgements (continued)

Property and equipment (Note 12)

Management exercises judgement in determining whether costs incurred can accrue sufficient future economic benefits to the Group to enable the value to be treated as a capital expense. Further judgement is used upon annual review of the residual values and useful lives of all capital items to determine any necessary adjustments to carrying value.

Revenue from contracts with customers (Note 27)

The Group has determined that the performance obligation from contracts with customers has been satisfied at a point in time, i.e. when the service is rendered to a customer.

The amount recognised in the statement of income would be the consideration received.

Impairment of financial instruments

The measurement of impairment losses under IFRS 9 across all categories of financial instruments requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances.

The Group's ECL calculations are outputs of complex models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL models that are considered accounting judgements and estimates include:

- The Group's internal credit grading model, which assigns PDs to the individual grades;
- The Group's criteria for assessing if there has been a significant increase in credit risk and if so, allowances for financial instruments should be measured on a LTECL basis and the qualitative assessment;
- The segmentation of financial instruments when their ECL is assessed on a collective basis;
- Development of ECL models, including the various formulas and the choice of inputs;
- Determination of associations between macro-economic scenarios and economic inputs, such as unemployment levels and collateral values, and the effect on PDs, EADs and LGDs; and
- Selection of forward-looking macro-economic scenarios and their probability weightings, to derive the economic inputs into the ECL models.

ii) Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Impairment of goodwill (Note 13)

The Group assesses whether there are any indicators that goodwill is impaired at each reporting date. Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired.

NOTES TO THE SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024 (Expressed in thousands of Trinidad and Tobago dollars)

3. Significant accounting judgements and estimates in applying Group policies (continued)

ii) Estimates and assumptions (continued)

Impairment is determined for goodwill by assessing the recoverable amount of the CGU, to which the goodwill relates. Where the recoverable amount of a CGU is less than its carrying amount an impairment loss is recognised. The Group performs its annual impairment test of goodwill as at 31 December. Previously recorded impairment losses for goodwill are not reversed in future

When goodwill forms part of a CGU (or group of CGUs) and part of the operations within that unit is disposed of, the goodwill associated with the operations disposed of is included in the carrying amount of the operation to determine the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative values of the operations disposed of and the portion of the CGUs retained.

Deferred taxation (Note 15)

In calculating the provision for deferred taxation, management uses judgement to determine the possibility that future taxable profits will be available to facilitate utilisation of temporary tax differences which may arise.

Pension and other post-employment benefits (Note 16)

The cost of defined benefit pension plans and other post-employment medical benefits is determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, expected rates of return on assets, future salary increases, mortality rates and future pension increases. Due to the long-term nature of these plans, such estimates are subject to significant uncertainty.

Insurance contract liabilities (Note 21)

For general, health and group life insurance contracts, the Group applies the PAA to simplify the measurement of insurance contracts. When measuring liabilities for remaining coverage, the PAA is broadly similar to the Group's previous accounting treatment under IFRS 4. However, when measuring liabilities for incurred claims, the Group now discounts cash flows that are expected to occur more than one year after the date on which the claims are incurred and includes an explicit risk adjustment for non-financial risk.

Insurance and reinsurance contracts (Note 21)

Liability for remaining coverage

In the general and health insurance product line, the Group is eligible and chooses to recognise insurance acquisition cash flows as an expense immediately as incurred. This is because all insurance contracts issued within that product line have a coverage period of one year or less.

The effect of electing to recognise insurance acquisition cash flows as an expense when incurred for a group of insurance contracts is to increase the liability for remaining coverage and reduce the likelihood of any subsequent onerous contract loss. There would be an increased charge to profit or loss on incurring the expense, offset by an increase in profit released over the coverage period.

Onerous groups

For groups of contracts that are onerous, the liability for remaining coverage is determined by the fulfilment cash flows. Any loss-recovery component is determined with reference to the loss component recognised on underlying contracts and the recovery expected on such claims from reinsurance contracts held.

NOTES TO THE SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024 (Expressed in thousands of Trinidad and Tobago dollars)

3. Significant accounting judgements and estimates in applying Group policies (continued)

ii) Estimates and assumptions (continued)

Insurance and reinsurance contracts (Note 21) (continued)

Liability for incurred claims

The ultimate cost of outstanding claims is estimated by using a range of standard actuarial claims projection techniques, such as Mack Chain Ladder.

The main assumption underlying these techniques is that the Group's past claim development experience can be used to project future claims development and hence ultimate claims costs. These methods extrapolate the development of paid and incurred losses, average costs per claim (including claims handling costs), and claim numbers based on the observed development of earlier years and expected loss ratios. Historical claims development is mainly analysed by accident years, but can also be further analysed by geographical area, as well as by significant business lines and claim types. Large claims are usually separately addressed, either by being reserved at the face value of loss adjuster estimates or separately projected in order to reflect their future development. In most cases, no explicit assumptions are made regarding future rates of claims inflation or loss ratios. Instead, the assumptions used are those implicit in the historical claims development data on which the projections are based. Additional qualitative judgement is used to assess the extent to which past trends may not apply in future, (e.g., to reflect one-off occurrences, changes in external or market factors such as public attitudes to claiming, economic conditions, levels of claims inflation, judicial decisions and legislation, as well as internal factors such as portfolio mix, policy features and claims handling procedures) in order to arrive at the estimated ultimate cost of claims that present the probability weighted expected value outcome from the range of possible outcomes, taking account of all the uncertainties involved.

Some of the insurance contracts permit the Group to sell property acquired in settling a claim. The Group also has the right to pursue third parties for payment of some or all costs. Salvage recoveries and subrogation reimbursements are considered in the measurement of ultimate claims costs.

Other key circumstances affecting the reliability of assumptions include variation in interest rates, delays in settlement and changes in foreign currency exchange rates.

Insurance contract liabilities

The following assumptions were used when estimating future cash flows:

- Mortality and morbidity rates (life insurance business)
Assumptions are based on standard industry tables, according to the type of contract written. They reflect recent historical experience and are adjusted when appropriate to reflect the Group's own experiences. An appropriate, but not excessive, allowance is made for expected future improvements. Assumptions are differentiated by policyholder gender, underwriting class and contract type.
An increase in expected mortality and morbidity rates will increase the expected claim cost which will reduce future expected profits of the Group.
- Longevity (annuity business)
Assumptions are based on standard industry tables, adjusted when appropriate to reflect the Company's own risk experience. An appropriate, but not excessive, allowance is made for expected future improvements. Assumptions are differentiated by a number of factors including (but not limited to) policyholder gender, underwriting class and contract type.
An increase in expected longevity rates will lead to an increase in expected cost of immediate annuity payments which will reduce future expected profits of the Group.

NOTES TO THE SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024 (Expressed in thousands of Trinidad and Tobago dollars)

3. Significant accounting judgements and estimates in applying Group policies (continued)

ii) Estimates and assumptions (continued)

Insurance and reinsurance contracts (Note 21) (continued)

Insurance contract liabilities (continued)

- Expenses

Operating expenses assumptions reflect the projected costs of maintaining and servicing in-force policies and associated overhead expenses. The current level of expenses is taken as an appropriate expense base, adjusted for expected expense inflation if appropriate.

An increase in the expected level of expenses will reduce future expected profits of the Group.

The cash flows within the contract boundary include an allocation of fixed and variable overheads directly attributable to fulfilling insurance contracts. Such overheads are allocated to groups of contracts using methods that are systematic and rational, and are consistently applied to all costs that have similar characteristics.

- Lapse and surrender rates

Lapses relate to the termination of policies due to non-payment of premiums. Surrenders relate to the voluntary termination of policies by policyholders. Policy termination assumptions are determined using statistical measures based on the Group's experience and vary by product type, policy duration and sales trends.

An increase in lapse rates early in the life of the policy would tend to reduce profits of the Group, but later increases are broadly neutral in effect.

Discount rates

Insurance contract liabilities are calculated by discounting expected future cash flows at a risk free rate, plus an illiquidity premium where applicable. Risk free rates are determined by reference to the yields of highly liquid sovereign securities in the currency of the insurance contract liabilities. The illiquidity premium is determined by reference to observable market rates.

Discount rates applied for discounting of future cash flows are listed below:

General and Health insurance contracts

	1 year	5 years	10 years	15 years	30 years	55 years
2024	3.9%	4.8%	5.5%	6.4%	6.1%	5.5%
2023	1.0%	4.0%	5.3%	6.5%	6.1%	5.5%

Life insurance contracts

	1 year	5 years	10 years	15 years	30 years	55 years
2024	3.8%	0.0%	0.0%	4.8%	5.5%	6.3%
2023	1.6%	4.2%	5.2%	6.4%	6.1%	5.5%

Risk adjustment for non-financial risk

The risk adjustment for non-financial risk is the compensation that the Group requires for bearing the uncertainty about the amount and timing of the cash flows of groups of insurance contracts. The risk adjustment reflects an amount that an insurer would rationally pay to remove the uncertainty that future cash flows will exceed the expected value amount.

The Group has estimated the risk adjustment using a confidence level (probability of sufficiency) approach at the percentile see below. That is, the Group has assessed its indifference to uncertainty for all product lines (as an indication of the compensation that it requires for bearing non-financial risk) as being equivalent to the percentile (see below) confidence level less the mean of an estimated probability distribution of the future cash flows. The Group has estimated the probability distribution of the future cash flows, and the additional amount above the expected present value of future cash flows required to meet the target percentiles.

NOTES TO THE SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024 (Expressed in thousands of Trinidad and Tobago dollars)

3. Significant accounting judgements and estimates in applying Group policies (continued)

ii) Estimates and assumptions (continued)

Insurance and reinsurance contracts (Note 21) (continued)

Insurance contract liabilities (continued)

Risk adjustment for non-financial risk (continued)

Company	Percentile
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TATIL	75th
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COLFIRE	75th
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TATIL Life	80th
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Valuation of investments (Note 37)

Fair values are based on quoted market prices for the specific instrument, comparisons with other similar financial instruments, or the use of valuation models. Establishing valuations where there are no quoted market prices inherently involves the use of judgment and applying judgment in establishing reserves against indicated valuations for aged positions, deteriorating economic conditions (including country specific risks), concentrations in specific industries, types of instruments or currencies, market liquidity, model risk itself and other factors.

4. Cash and short-term funds

Parent			Group	
2023	2024		2024	2023
		Cash and short-term funds		
117,507	222,130	Cash in hand and at bank	575,536	476,873
14,797	68,854	Short-term deposits with other banks	270,729	160,151
132,304	290,984		846,265	637,024
139,729	107,824	Central Bank Reserve	243,871	306,112
272,033	398,808		1,090,136	943,136

Cash held at banks earns interest at floating rates based on daily bank deposit rates. Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Group, and earn interest at the respective short-term deposit rates.

The Central Bank Reserve balance represents the amounts held at the Central Bank of Trinidad and Tobago and the Central Bank of Barbados as required under the respective regulatory pronouncements. The Central Bank of Trinidad and Tobago reserve account represents 10% of average deposit liabilities and is non-interest bearing. The Central Bank of Barbados reserve account represents 6.39% of average deposit liabilities and earned interest of 0.10% (2023: 0.10%).

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following at 31 December:

Parent			Group	
2023	2024		2024	2023
117,507	222,130	Cash in hand and at bank	575,536	476,873
14,797	68,854	Short-term deposits with other banks	270,729	160,151
132,304	290,984		846,265	637,024
(17,789)	(10)	Bank overdraft	(10)	(17,789)
114,515	290,974		846,255	619,235

NOTES TO THE SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024 (Expressed in thousands of Trinidad and Tobago dollars)

5. Net investment in leased assets and other instalment loans

a) Net investment in leased assets and other instalment loans

Parent			Group	
2023	2024		2024	2023
672,753	625,055	Hire purchase	904,495	944,010
159,087	169,848	Leases	165,529	154,521
831,840	794,903	Performing	1,070,024	1,098,531
41,760	62,798	Non-performing	71,648	48,099
873,600	857,701	Future minimum lease payments	1,141,672	1,146,630
(105,938)	(91,154)	Future finance charges and loan fees	(90,410)	(105,303)
767,662	766,547	Present value of minimum lease payments	1,051,262	1,041,327
(34,649)	(36,034)	Allowance for ECLs	(41,822)	(39,822)
733,013	730,513	Net investment in leased assets net of provision	1,009,440	1,001,505

b) New business less unearned income

329,459	270,462	New business less unearned income	423,933	398,492
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c) Present value of minimum lease payments has the following sectorial breakdown:

236,459	144,480	Personal	345,978	430,899
531,203	622,067	Commercial	705,284	610,428
767,662	766,547		1,051,262	1,041,327

d) Present value of minimum lease payments has the following maturity profile:

123,543	194,053	Within 1 year	204,115	132,242
473,990	383,902	1 to 5 years	550,252	649,813
170,129	188,592	Over 5 years	296,895	259,272
767,662	766,547		1,051,262	1,041,327

e) Future minimum lease payments has the following maturity profile:

127,258	192,393	Within 1 year	202,448	135,950
538,628	432,123	1 to 5 years	597,736	713,898
207,714	233,185	Over 5 years	341,488	296,782
873,600	857,701		1,141,672	1,146,630

Repossessed collateral

As at 31 December 2024, the Group held repossessed vehicles with a fair value of \$1.8 million (2023: \$2.6 million). Repossessed vehicles are sold as soon as practical, with the proceeds used to reduce the outstanding indebtedness.

NOTES TO THE SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024 (Expressed in thousands of Trinidad and Tobago dollars)

5. Net investment in leased assets and other installment loans (continued)

Impairment allowance for leased assets and other instalment loans

The tables below shows the staging of net investment in leased assets and the related ECLs based on the Group's criteria as explained in Note 2(vi)(b).

Parent

Net Investment in Leased Assets

	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount as at 31 December 2024	627,657	83,174	55,716	766,547
ECL allowance as at 31 December 2024	(4,451)	(2,010)	(29,573)	(36,034)
Net exposure as at 31 December 2024	623,206	81,164	26,143	730,513
Gross carrying amount as at 31 December 2023	692,974	40,598	34,090	767,662
ECL allowance as at 31 December 2023	(6,107)	(907)	(27,635)	(34,649)
Net exposure as at 31 December 2023	686,867	39,691	6,455	733,013
ECL allowance as at 1 January 2023	(9,736)	(817)	(28,654)	(39,207)
ECL on new instruments issued during the year	(2,565)	(354)	(28)	(2,947)
Other credit loss movements, repayments etc.	6,194	263	3,875	10,332
Credit loss income/(expense)	-	1	(2,828)	(2,827)
At 31 December 2023	(6,107)	(907)	(27,635)	(34,649)
ECL on new instruments issued during the year	(1,870)	(34)	-	(1,904)
Other credit loss movements, repayments etc.	3,526	(1,069)	(1,603)	854
Credit loss expense	-	-	(335)	(335)
At 31 December 2024	(4,451)	(2,010)	(29,573)	(36,034)

Group

Net Investment in Leased Assets

Gross carrying amount as at 31 December 2024	889,499	94,706	67,057	1,051,262
ECL allowance as at 31 December 2024	(6,550)	(2,091)	(33,181)	(41,822)
Net exposure as at 31 December 2024	882,949	92,615	33,876	1,009,440
Gross carrying amount as at 31 December 2023	948,443	51,263	41,621	1,041,327
ECL allowance as at 31 December 2023	(7,580)	(1,022)	(31,220)	(39,822)
Net exposure as at 31 December 2023	940,863	50,241	10,401	1,001,505
ECL allowance as at 1 January 2023	(10,940)	(1,119)	(31,606)	(43,665)
ECL on new instruments issued during the year	(2,565)	(354)	(28)	(2,947)
Other credit loss movements, repayments etc.	5,766	268	1,567	7,601
Charge-offs and write-offs	159	183	-	342
Credit loss expense	-	-	(1,153)	(1,153)
At 31 December 2023	(7,580)	(1,022)	(31,220)	(39,822)
ECL on new instruments issued during the year	(1,870)	(34)	-	(1,904)
Other credit loss movements, repayments etc.	2,759	(1,104)	(2,566)	(911)
Charge-offs and write-offs	141	69	940	1,150
Credit loss expense	-	-	(335)	(335)
At 31 December 2024	(6,550)	(2,091)	(33,181)	(41,822)

NOTES TO THE SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024 (Expressed in thousands of Trinidad and Tobago dollars)

6. Loans and advances

Parent			Group	
2023	2024		2024	2023
-	-	Mortgage loans	512,771	440,653
1,137,785	501,371	Other loans and advances	1,150,388	1,718,656
1,137,785	501,371	Performing loans and advances	1,663,159	2,159,309
8,496	8,496	Non-performing loans and advances	162,295	120,497
1,146,281	509,867		1,825,454	2,279,806
(1,517)	(2,058)	Allowance for ECLs	(50,490)	(29,518)
1,144,764	507,809		1,774,964	2,250,288
		Sectorial analysis of advances		
2,786	2,539	Personal	789,948	715,201
-	-	Retail/distribution/manufacturing	123,984	119,631
-	-	Hotel and restaurant	6,510	11,933
-	-	Services	99,871	104,985
28,969	19,400	Construction and real estate	88,086	76,497
243,924	243,563	Financial	218,206	218,564
870,602	244,365	Other	498,849	1,032,995
1,146,281	509,867		1,825,454	2,279,806
		Loans and advances have the following maturity profile		
245,257	179,371	Within 1 year	368,177	420,866
705,708	283,264	1 to 5 years	557,537	981,624
195,316	47,232	Over 5 years	899,740	877,316
1,146,281	509,867		1,825,454	2,279,806

Impairment allowance for loans and advances

The tables below shows the staging of loans and advances and the related ECLs based on the Group's criteria as explained in Note 2(vi)(b).

Parent

Other loans and advances

	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount as at 31 December 2024	439,259	61,144	9,464	509,867
ECL allowance as at 31 December 2024	(107)	-	(1,951)	(2,058)
Net exposure as at 31 December 2024	439,152	61,144	7,513	507,809
Gross carrying amount as at 31 December 2023	961,606	176,131	8,544	1,146,281
ECL allowance as at 31 December 2023	(844)	(139)	(534)	(1,517)
Net exposure as at 31 December 2023	960,762	175,992	8,010	1,144,764

NOTES TO THE SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024 (Expressed in thousands of Trinidad and Tobago dollars)

6. Loans and advances (continued)

Impairment allowance for loans and advances (continued)

Parent (continued)

Other loans and advances (continued)

	Stage 1	Stage 2	Stage 3	Total
ECL allowance as at 1 January 2023	(2,421)	-	(4,561)	(6,982)
ECL on new instruments issued during the year	(1,323)	-	-	(1,323)
Other credit loss movements, repayments etc.	2,900	(139)	2,863	5,624
Charge-offs and write-offs	-	-	1,164	1,164
At 31 December 2023	(844)	(139)	(534)	(1,517)
ECL on new instruments issued during the year	(72)	-	-	(72)
Other credit loss movements, repayments etc.	809	139	(1,417)	(469)
At 31 December 2024	(107)	-	(1,951)	(2,058)

Group

Other loans and advances	Stage 1	Stage 2	Stage 3	Eliminations	Total
Gross carrying amount as at 31 December 2024	1,545,520	125,622	163,567	(9,255)	1,825,454
ECL allowance as at 31 December 2024	(5,145)	(841)	(44,504)	-	(50,490)
Net exposure as at 31 December 2024	1,540,375	124,781	119,063	(9,255)	1,774,964
Gross carrying amount as at 31 December 2023	1,838,564	314,078	136,420	(9,256)	2,279,806
ECL allowance as at 31 December 2023	(5,539)	(1,454)	(22,525)	-	(29,518)
Net exposure as at 31 December 2023	1,833,025	312,624	113,895	(9,256)	2,250,288

	Stage 1	Stage 2	Stage 3	Total
ECL allowance as at 1 January 2023	(4,756)	(130)	(16,025)	(20,911)
ECL on new instruments issued during the year	(1,404)	(147)	(534)	(2,085)
Other credit loss movements, repayments etc.	533	(1,182)	(10,853)	(11,502)
Charge-offs and write-offs	88	5	1,796	1,889
Credit loss income	-	-	3,091	3,091
At 31 December 2023	(5,539)	(1,454)	(22,525)	(29,518)
ECL on new instruments issued during the year	(728)	32	(379)	(1,075)
Other credit loss movements, repayments etc.	1,313	485	(20,969)	(19,171)
Charge-offs and write-offs	-	34	172	206
Credit loss (expense)/income	(191)	62	(803)	(932)
At 31 December 2024	(5,145)	(841)	(44,504)	(50,490)

NOTES TO THE SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024 (Expressed in thousands of Trinidad and Tobago dollars)

7. Investment securities

Investment securities are stated net of impairment provisions for both the Parent and Group and comprise of investment securities designated as at fair value through statement of income, investment securities measured at amortised cost and investment securities measured at fair value through statement of other comprehensive income.

Parent			Group	
2023	2024		2024	2023
		Investment securities		
340,452	268,107	Designated at fair value through statement of income	539,805	796,382
525,528	348,310	Amortised cost	2,268,055	2,723,123
		Fair value through other comprehensive income		
<u>236,843</u>	<u>336,948</u>		<u>1,411,459</u>	<u>872,086</u>
<u>1,102,823</u>	<u>953,365</u>	Total investment securities	<u>4,219,319</u>	<u>4,391,591</u>
		Investment securities designated at fair value through statement of income		
22	22	Equity securities	65,254	345,300
249,894	185,379	Managed Funds	361,406	294,061
-	-	Government bonds	7,642	28,014
-	-	State-owned company securities	15,068	19,471
<u>90,536</u>	<u>82,706</u>	Corporate bonds	<u>90,435</u>	<u>109,536</u>
<u>340,452</u>	<u>268,107</u>		<u>539,805</u>	<u>796,382</u>
		Investment securities measured at amortised cost		
230	20,062	Government bonds	918,050	805,489
37,828	12,098	State-owned company securities	351,640	385,233
<u>487,470</u>	<u>316,150</u>	Corporate bonds	<u>998,365</u>	<u>1,532,401</u>
<u>525,528</u>	<u>348,310</u>		<u>2,268,055</u>	<u>2,723,123</u>
		Investment securities designated and measured at FVOCI		
20,779	20,973	Equity securities	346,788	549,497
101,012	118,259	Government bonds	174,628	144,905
-	-	State-owned company securities	19,630	-
<u>115,052</u>	<u>197,716</u>	Corporate bonds	<u>870,413</u>	<u>177,684</u>
<u>236,843</u>	<u>336,948</u>		<u>1,411,459</u>	<u>872,086</u>
<u>1,102,823</u>	<u>953,365</u>	Total investment securities	<u>4,219,319</u>	<u>4,391,591</u>

Equity securities listed under investment securities designated and measured at fair value through other comprehensive income relates to the Group's investment in the mutual funds and publicly traded local and regional shares.

NOTES TO THE SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024 (Expressed in thousands of Trinidad and Tobago dollars)

7. Investment securities (continued)

Impairment allowance for investment securities

The tables below shows the staging of investment securities and the related ECLs based on the Group's criteria as explained in Note 2(vi)(b).

Parent

Investment securities measured at amortised cost

	Stage 1	Stage 2	Stage 3	Purchase or originated credit- impaired	Total
Gross carrying amount as at 31 December 2024	350,090	-	-	-	350,090
ECL allowance as at 31 December 2024	(1,780)	-	-	-	(1,780)
Net exposure as at 31 December 2024	348,310	-	-	-	348,310
Gross carrying amount as at 31 December 2023	524,855	6,508	240	-	531,603
ECL allowance as at 31 December 2023	(5,835)	(1)	(239)	-	(6,075)
Net exposure as at 31 December 2023	519,020	6,507	1	-	525,528
ECL allowance as at 1 January 2023	(13,086)	-	(465)	-	(13,551)
ECL on new instruments issued during the year	(720)	-	-	-	(720)
Other credit loss movements, repayments etc.	7,971	(1)	90	-	8,061
Credit loss income	-	-	136	-	136
At 31 December 2023	(5,835)	(1)	(239)	-	(6,075)
ECL on new instruments issued during the year	(76)	-	-	-	(76)
Other credit loss movements, repayments etc.	4,131	1	1,598	-	5,730
Credit loss expense	-	-	(1,359)	-	(1,359)
At 31 December 2024	(1,780)	-	-	-	(1,780)

Group

Investment securities measured at amortised cost

Gross carrying amount as at 31 December 2024	2,240,476	-	36,459	-	2,276,935
ECL allowance as at 31 December 2024	(6,598)	-	(2,282)	-	(8,880)
Net exposure as at 31 December 2024	2,233,878	-	34,177	-	2,268,055
Gross carrying amount as at 31 December 2023	2,702,317	12,349	24,426	-	2,739,092
ECL allowance as at 31 December 2023	(10,931)	(99)	(4,939)	-	(15,969)
Net exposure as at 31 December 2023	2,691,386	12,250	19,487	-	2,723,123

NOTES TO THE SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024 (Expressed in thousands of Trinidad and Tobago dollars)

7. Investment securities (continued)

Impairment allowance for investment securities (continued)

Group (continued)

Investment securities measured at amortised cost (continued)

	Stage 1	Stage 2	Stage 3	Purchase or originated credit- impaired	Total
ECL allowance as at 1 January 2023	(22,725)	(456)	(8,723)	-	(31,904)
Translation adjustments	10	11	7	-	28
ECL on new instruments issued during the year	(1,750)	-	(238)	-	(1,988)
Other credit loss movements, repayments etc.	13,390	216	3,868	-	17,474
Charge-offs and write-offs	(2,348)	-	-	-	(2,348)
Credit loss income	2,492	130	147	-	2,769
At 31 December 2023	(10,931)	(99)	(4,939)	-	(15,969)
Translation adjustments	(15)	(17)	5	-	(27)
ECL on new instruments issued during the year	(170)	-	(2,086)	-	(2,256)
Other credit loss movements, repayments etc.	4,713	14	6,057	-	10,784
Charge-offs and write-offs	-	102	-	-	102
Credit loss expense	(195)	-	(1,319)	-	(1,514)
At 31 December 2024	(6,598)	-	(2,282)	-	(8,880)

Parent

Investment securities designated and measured at FVOCI

Gross carrying amount as at 31 December 2024	315,975	-	-	-	315,975
ECL allowance as at 31 December 2024	(106)	-	-	-	(106)
Net exposure as at 31 December 2024	315,869	-	-	-	315,869
Gross carrying amount as at 31 December 2023	216,064	-	-	-	216,064
ECL allowance as at 31 December 2023	(18)	-	-	-	(18)
Net exposure as at 31 December 2023	216,046	-	-	-	216,046
ECL allowance as at 1 January 2023	(5)	-	-	-	(5)
ECL on new instruments issued during the year	(13)	-	-	-	(13)
At 31 December 2023	(18)	-	-	-	(18)
ECL on new instruments issued during the year	(88)	-	-	-	(88)
At 31 December 2024	(106)	-	-	-	(106)

NOTES TO THE SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024 (Expressed in thousands of Trinidad and Tobago dollars)

7. Investment securities (continued)

Impairment allowance for investment securities (continued)

Group

Investment securities designated and measured at FVOCI

	Stage 1	Stage 2	Stage 3	Purchase or originated credit-impaired	Total
Gross carrying amount as at 31 December 2024	1,064,671	-	-	-	1,064,671
ECL allowance as at 31 December 2024	(156)	-	-	-	(156)
Net exposure as at 31 December 2024	1,064,515	-	-	-	1,064,515
Gross carrying amount as at 31 December 2023	322,589	-	-	-	322,589
ECL allowance as at 31 December 2023	(67)	-	-	-	(67)
Net exposure as at 31 December 2023	322,522	-	-	-	322,522
ECL allowance as at 1 January 2023	(144)	-	-	-	(144)
Other credit loss movements, repayments etc.	11	-	-	-	11
Credit loss income	66	-	-	-	66
At 31 December 2023	(67)	-	-	-	(67)
ECL on new instruments issued during the year	(182)	-	-	-	(182)
Other credit loss movements, repayments etc.	146	-	-	-	146
Credit loss expense	(53)	-	-	-	(53)
At 31 December 2024	(156)	-	-	-	(156)

8. Assets pledged

Parent			Group	
2023	2024		2024	2023
-	-	Cash and short-term funds	16,325	3,672
-	-	Bonds and debentures	32,790	18,192
-	-		49,115	21,864

A statutory fund and deposit is a requirement under the provisions of the Barbados Insurance Act, Cap 310 for the Barbados territory of business held to the order of the Financial Services Commission.

9. Other debtors and prepayments

Parent			Group	
2023	2024		2024	2023
15,822	14,748	Fees and rent receivable	979	403
6,541	4,323	Proceeds from investments	4,323	6,541
590	582	Prepayments	14,745	14,727
7,620	9,806	VAT receivable	15,173	13,059
-	646	Client funds receivable	1,020	1,627
-	-	Other related party balances	635	6,372
-	-	Other receivables	11,260	17,071
30,573	30,105		48,135	59,800

NOTES TO THE SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024 (Expressed in thousands of Trinidad and Tobago dollars)

10. Investment in subsidiaries

	2024	Parent 2023
At beginning of the period	1,089,510	1,039,510
Capital funding	25,000	50,000
At end of the period	<u>1,114,510</u>	<u>1,089,510</u>

The financial statements include the subsidiaries listed in the following table:

Name of Company	Country of incorporation and operation	Proportion of issued capital held 31-Dec-24	Proportion of issued capital held 31-Dec-23
Trinidad and Tobago Insurance Limited	Trinidad and Tobago	100%	100%
TATIL Life Assurance Limited	Trinidad and Tobago	99.93%	99.93%
TATIL Re Limited	St. Lucia	100%	100%
ANSA Securities Limited	Trinidad and Tobago	100%	100%
ANSA Financial Holdings (Barbados) Limited	Barbados	100%	100%
ANSA Merchant Bank (Barbados) Limited	Barbados	100%	100%
ANSA Bank Limited	Trinidad and Tobago	100%	100%
First Class Services Limited	Trinidad and Tobago	100%	100%
Colonial Fire Insurance Company Limited (Colfire)	Trinidad and Tobago	100%	100%

The transfer of assets from the subsidiaries to the parent is subject to approval by the relevant governance committees including the Board of Directors of the individual subsidiaries.

On 7 February 2023, Trinidad and Tobago Insurance Limited (TATIL) completed the acquisition of 100% of Colonial Fire & General Insurance Company Limited (Colfire). This was an acquisition of a non-listed company engaged in the underwriting of general insurance policies.

On 23 June 2022, TATIL Life Assurance Limited acquired 100% of First Class Services Limited (FCSL). This was an acquisition which consisted of an investment property.

In February 2020, Trident Insurance Company Limited (TICL) (wholly owned by ANSA McAL (Barbados) Ltd., entered into a business transfer agreement (BTA) with Trinidad and Tobago Insurance Limited (TATIL) to sell, assign and transfer the business, trademark, logo and assets of TICL free and clear of all encumbrances, liens and other restrictions. In December 2021, the Central Bank of Trinidad and Tobago (CBTT) approved the commencement of the renewal of all insurance policies in the name of TATIL trading as Trident Insurance renewing as the policies expired commencing 1 May 2021 via a Scheme of Transfer. They did not, however, approve the transfer of the assets and liabilities to TATIL as at that time. The remaining assets and liabilities of TICL were transferred to the company in December 2023 after the final approval by the CBTT was granted.

On 28 February 2021, the Bank completed the acquisition of 100% of the financial services business of Bank of Baroda (Trinidad) Limited (BOB) which was rebranded as ANSA Bank Limited (ABL). From the date of acquisition ANSA Merchant Bank Limited has made capital injections totaling \$125 million into ANSA Bank Limited of which \$25 million was injected in financial year 2024. The capital injections have been accounted for as additional shares issued by the subsidiary. These injections align with the Group's commitment to supporting the subsidiary's long term growth and financial stability.

NOTES TO THE SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024 (Expressed in thousands of Trinidad and Tobago dollars)

11. Investment properties

Parent			Group	
2023	2024		2024	2023
-	-	Valuation at beginning of the year	153,838	147,047
-	-	(Disposals)/additions during the year	(474)	6,791
-	-	Gain from revaluation	901	-
-	-	Valuation at close of the year	154,265	153,838
-	-	Rental income from properties	20,756	15,728
-	-	Direct operating expenses arising from investment properties that generated rental income during the period	14,260	15,775

The Group's investment properties consist of seven commercial properties located across Port of Spain, San Fernando, Mt. Hope and St. James.

Operating leases

The Group's policy is to rent investment properties to tenants through operating leases. Minimum future rentals to be received on non-cancellable operating leases of the Group's investment properties are receivable in the following periods:

	2024	2023
No later than 1 year	25,876	24,610
Later than 1 year but not later than 5 years	36,346	48,617
Later than 5 years	26,490	28,410
	88,712	101,637

The Group has no restrictions on the realisability of its investment properties and no contractual obligation for repairs, maintenance and enhancements.

12. Property and equipment

	Furniture & equipment	Computer equipment	Motor vehicles	Leasehold improvements	Total
Parent 2024					
Cost					
At beginning of the period	2,019	9,170	1,540	5,302	18,031
Additions	302	684	231	135	1,352
At end of the period	2,321	9,854	1,771	5,437	19,383
Accumulated depreciation					
At beginning of the period	1,487	8,395	1,193	4,210	15,285
Current depreciation	70	523	96	242	931
At end of the period	1,557	8,918	1,289	4,452	16,216
Net book value	764	936	482	985	3,167

NOTES TO THE SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024 (Expressed in thousands of Trinidad and Tobago dollars)

12. Property and equipment (continued)

	Furniture & equipment	Computer equipment	Motor vehicles	Leasehold improvements	Total
Parent 2023					
Cost					
At beginning of the period	1,791	8,800	1,540	5,302	17,433
Additions	228	370	-	-	598
At end of the period	2,019	9,170	1,540	5,302	18,031
Accumulated depreciation					
At beginning of the period	1,438	7,922	1,093	3,972	14,425
Current depreciation	49	473	100	238	860
At end of the period	1,487	8,395	1,193	4,210	15,285
Net book value	532	775	347	1,092	2,746

Group 2024

	Furniture & equipment	Computer equipment	Motor vehicles	Leasehold improvements	Land & buildings	Leased vehicles & equipment	Total
Cost							
At beginning of the period	68,185	54,141	4,583	17,329	103,671	176,189	424,098
Additions	945	3,101	9,137	2,591	390	53,947	70,111
Transfers	15,038	2,613	(7,844)	(2,294)	1,636	-	9,149
Disposals	(159)	(508)	(972)	(531)	(3,613)	(41,023)	(46,806)
Reclassification	86	135	-	-	(624)	-	(403)
Exchange differences on translation of foreign operations	148	129	36	194	143	7,309	7,959
Other movements	-	-	-	-	(2,468)	1,110	(1,358)
At end of the period	84,243	59,611	4,940	17,289	99,135	197,532	462,750
Accumulated depreciation							
At beginning of the period	40,269	45,338	2,990	11,101	6,393	94,291	200,382
Current depreciation	4,101	5,452	370	790	711	21,726	33,150
Disposals	(159)	(19)	(697)	(531)	-	(33,617)	(35,023)
Transfers	6,739	2,201	-	-	-	-	8,940
Exchange differences on translation of foreign operations	131	84	18	189	-	4,962	5,384
Other movements	-	-	-	-	-	(3,011)	(3,011)
At end of the period	51,081	53,056	2,681	11,549	7,104	84,351	209,822
Net book value	33,162	6,555	2,259	5,740	92,031	113,181	252,928

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FOR THE YEAR ENDED 31 DECEMBER 2024 (Expressed in thousands of Trinidad and Tobago dollars)

12. Property and equipment (continued)

Group 2023

	Furniture & equipment	Computer equipment	Motor vehicles	Leasehold improvements	Land & buildings	Leased vehicles & equipment	Total
Cost							
At beginning of the period	27,884	54,947	2,821	31,189	62,917	189,820	369,578
Additions from business combinations	25,955	21,704	2,498	428	27,400	-	77,985
Additions	12,606	5,051	951	1,360	1,728	30,010	51,706
Transfers	5,921	(27,450)	(7)	(13,372)	15,793	-	(19,115)
Disposals	(4,154)	(11)	(1,647)	(2,084)	(1,151)	(33,903)	(42,950)
Transfer to investment property	-	-	-	-	(2,868)	-	(2,868)
Exchange differences on translation of foreign operations	(27)	(100)	(33)	(192)	(148)	(7,423)	(7,923)
Other movements	-	-	-	-	-	(2,315)	(2,315)
At end of the period	<u>68,185</u>	<u>54,141</u>	<u>4,583</u>	<u>17,329</u>	<u>103,671</u>	<u>176,189</u>	<u>424,098</u>
Accumulated depreciation							
At beginning of the period	18,380	36,547	1,954	18,776	5,578	96,341	177,576
Additions from business combinations	21,530	15,939	2,062	-	282	-	39,813
Current depreciation	3,264	5,420	368	914	764	25,334	36,064
Disposals	(3,674)	(6)	(1,366)	(1,503)	(221)	(26,441)	(33,211)
Transfers	891	(12,477)	-	(6,899)	-	-	(18,485)
Exchange differences on translation of foreign operations	(122)	(85)	(28)	(187)	(10)	(4,760)	(5,192)
Other movements	-	-	-	-	-	3,817	3,817
At end of the period	<u>40,269</u>	<u>45,338</u>	<u>2,990</u>	<u>11,101</u>	<u>6,393</u>	<u>94,291</u>	<u>200,382</u>
Net book value	<u>27,916</u>	<u>8,803</u>	<u>1,593</u>	<u>6,228</u>	<u>97,278</u>	<u>81,898</u>	<u>223,716</u>

As at 31 December 2024, the Parent's gross carrying amount of fully depreciated assets still in use amounted to \$1.1 million (2023: \$0.6 million) and the Group \$89.9 million (2023: \$67.5 million). There were no property and equipment retired, held for disposal, restrictions on title or pledged as security for liabilities as well as no contractual commitments for the acquisition of property and equipment as at 31 December 2024 and at 31 December 2023 for both the Parent and the Group.

NOTES TO THE SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024 (Expressed in thousands of Trinidad and Tobago dollars)

13. Intangible assets

	Computer software & work in progress	Total
Parent		
2024		
Gross carrying amounts		
At beginning of the period	32,844	32,844
Acquisitions during the year	42	42
At end of the period	32,886	32,886
Accumulated impairment and amortisation		
At beginning of the period	9,617	9,617
Amortisation for the year	2,096	2,096
At end of the period	11,713	11,713
Net carrying amounts	21,173	21,173
2023		
Gross carrying amounts		
At beginning of the period	32,844	32,844
At end of the period	32,844	32,844
Accumulated impairment and amortisation		
At beginning of the period	7,522	7,522
Amortisation for the year	2,095	2,095
At end of the period	9,617	9,617
Net carrying amounts	23,227	23,227

	Goodwill	Banking license & customer deposits	Brand & policy renewal	Policy renewal right & distribution relationship	Computer software & work in progress	Total
Group						
2024						
Gross carrying amounts						
At beginning of the year	350,975	81,042	5,980	38,472	276,489	752,958
Additions during the year	-	-	-	-	36,078	36,078
Exchange differences on translation of foreign operations	56	-	7	-	-	63
Disposals during the year	-	-	-	-	(3,003)	(3,003)
At end of the year	351,031	81,042	5,987	38,472	309,564	786,096
Accumulated impairment and amortisation						
At beginning of the year	-	7,523	-	3,081	50,334	60,938
Exchange differences on translation of foreign operations	-	-	(17)	-	-	(17)
Amortisation for the year	-	2,655	86	280	13,552	16,573
At end of the year	-	10,178	69	3,361	63,886	77,494
Net carrying amounts	351,031	70,864	5,918	35,111	245,678	708,602

NOTES TO THE SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024 (Expressed in thousands of Trinidad and Tobago dollars)

13. Intangible assets (continued)

	Goodwill	Banking license & customer deposits	Brand & policy renewal	Policy renewal right & distribution relationship	Computer software & work in progress	Total
2023						
Gross carrying amounts						
At beginning of the year	177,617	81,042	-	-	201,130	459,789
Acquisitions during the year	173,358	-	5,980	38,472	75,359	293,169
At end of the year	350,975	81,042	5,980	38,472	276,489	752,958
Accumulated impairment and amortisation						
At beginning of the year	-	4,868	-	-	20,473	25,341
Other movements	-	-	-	-	35	35
Acquisitions during the year	-	-	-	-	17,820	17,820
Amortisation for the year	-	2,655	-	3,081	12,006	17,742
At end of the year	-	7,523	-	3,081	50,334	60,938
Net carrying amounts	350,975	73,519	5,980	35,391	226,155	692,020
Goodwill						

On 1 January 2004, the Bank acquired 100% of the issued ordinary shares of Trinidad and Tobago Insurance Limited.

The cost of acquisition was \$622.5 million, resulting in goodwill of \$133.8 million. The purchase consideration was discharged by the issuance of 54,605,263 new ordinary shares of the Bank at a price of \$11.40 per share, which was the publicly listed price at 31 December 2003. As at 30 September 2010, the Bank invested \$10 million into its subsidiary ANSA Securities Limited which represents 100% of its shareholding.

On 28 February 2021, the Bank completed the acquisition of 100% of the financial services business of Bank of Baroda (Trinidad) Limited (BOB) which was rebranded as ANSA Bank Limited (ABL). The cost of acquisition was \$179.2 million, resulting in goodwill of \$43.9 million.

On 7 February 2023, Trinidad and Tobago Insurance Limited (TATIL) completed the acquisition of 100% of Colonial Fire & General Insurance Company Limited (COLFIRE). The cost of acquisition was \$320 million, resulting in goodwill of \$162 million.

In February 2020, Trident Insurance Company Limited (TICL) (wholly owned by ANSA McAL (Barbados) Ltd., entered into a business transfer agreement (BTA) with the Company to sell, assign and transfer the business, trademark, logo and assets of TICL to the Company free and clear of all encumbrances, liens and other restrictions. In December 2021, the Central Bank of Trinidad and Tobago (CBTT) approved the commencement of the renewal of all insurance policies in the name of TATIL trading as Trident Insurance renewing as the policies expired commencing 1 May 2021 via a Scheme of Transfer. They did not, however, approve the transfer of the assets and liabilities to TATIL as at that time. The remaining assets and liabilities of TICL were transferred to the Group in December 2023 after the final approval by the CBTT was granted.

In accordance with IFRS 3, 'Business Combinations', goodwill acquired through business combinations has been allocated to the Group's cash-generating units that are expected to benefit from the synergies of the combination. Impairment is determined by assessing the recoverable amount of the cash-generating units to which goodwill relates.

NOTES TO THE SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024 (Expressed in thousands of Trinidad and Tobago dollars)

13. Intangible assets (continued)

The following table highlights the goodwill and impairment testing information for each cash-generating unit, as well as the assumptions to which the impairment testing were most sensitive:

	Cash generating unit	Carrying amount of goodwill	Discount rate	Growth rate (extrapolation period)	Year of acquisition
ANSA Bank Limited (Group)	Banking	43,855	9.80%	2.27%	2021
Trident Insurance Scheme of Transfer (Group)	Insurance	11,384	16.00%	6.00%	2021
Colonial Fire & General Insurance Limited (Group)	Insurance	<u>162,030</u>	14.80%	2.00%	2023
Group		<u>173,414</u>			

Intangible assets

Intangible assets include the internal development cost arising from the development of computer software for the Group which was recognised at fair value at the capitalisation date. Subsequent to initial recognition, computer software was carried at cost, less amortisation and impairment losses where necessary.

Core deposit intangibles acquired through the ABL business combination have been determined to have a life of 7 years from acquisition date. Banking license intangibles acquired through the ABL business combination have been determined to have an infinite useful life.

Trade name, policy renewal rights and contracts

Based on the BTA, the Group acquired the following trademarks and tradenames in February 2020: Trident Insurance - Name and Logo, Trident Road Rescue - Name and Logo, Flexi-Pay from Trident Insurance - Name and Logo, and Flexi-Pay - Logo. Each trademark was registered in Barbados and is therefore protected via legal rights. Using the relief-from-royalty method, with the Group's intention to continue to use the Trident trademark into the foreseeable future, as such the useful life was determined to be indefinite.

The Policy Renewal Rights acquired in the BTA for the different lines of business have similar characteristics in that their contract terms do not differ significantly. The renewal rights associated with the different insurance contracts were valued as one group of contracts. The useful life of the renewal rights was determined to be 15 years.

The Policy Renewal Rights, and Distribution relationship acquired in February 2023 upon the acquisition of COLFIRE were identifiable and relates to the value of future profits expected to be earned from the renewal of COLFIRE's direct in-force policies existing as at the acquisition date. The useful life of the renewal rights was determined to be 15 years. The value of the COLFIRE brand was not considered in the acquisition.

NOTES TO THE SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024 (Expressed in thousands of Trinidad and Tobago dollars)

13. Intangible assets (continued)

Impairment testing of intangible assets

Goodwill

In accordance with IFRS 3, 'Business Combinations', all assets that gave rise to goodwill were reviewed for impairment at 31 December 2024 using the 'value in use' method. Based on the results of this review no impairment expense was required.

The following table highlights the goodwill and impairment information for each CGU:

	TICL	TATIL	COLFIRE	ANSA Bank Limited
Carrying amount of Goodwill:	11,384	133,762	162,030	43,855
Basis for recoverable amount:	Value in use	Value in use	Value in use	Value in use
Discount rate:	16.0%	7.9%	18.8%	9.8%
Cash flow projection term:	Five years to perpetuity	Five years to perpetuity	Five years to perpetuity	Ten years to perpetuity
Growth rate (extrapolation period):	6%	2%	2.2%	2.27%

Goodwill impairment testing was completed for ANSA Bank Limited including cash flow projections on a ten (10) year basis given the embryonic stage of development.

No significant or material events occurred from the date of acquisition to the statement of financial position date which would give rise to indicators of impairment. In accordance with IAS 36, 'Impairment of Assets,' management intends to carry out the annual review for impairment within the first year of acquisition and on each anniversary date thereafter.

Trade name, policy renewal rights and contracts, banking license and customer deposits

The following table highlights the impairment testing information for each trade name, policy renewal right and contract as well as the assumptions to which the impairment testing were most sensitive:

	Cash generating unit	Carrying amount of		Discount rate	Growth rate (extrapolation period)
		2024	2023		
Brand and license	Insurance	2,653	2,640	17.50%	2.30%
Banking license	Banking	60,800	60,800	9.80%	2.27%

The following intangibles asset are not subject to impairment testing

	Cash generating unit	2024 Net carrying amount	2023 Net carrying amount
Trade and policy renewal rights	Trident Insurance Scheme of Transfer	3,265	3,327
Policy renewal rights & Distribution relationship	COLFIRE	35,111	35,391
Customer deposits	ANSA Bank Limited	10,064	12,719

Intangible assets composition:

	Cash generating unit	Amount on acquisition
Trade name	Trident Insurance Scheme of Transfer	2,640
Policy renewal rights	Trident Insurance Scheme of Transfer	3,340
Policy renewal rights & Distribution relationship	COLFIRE	38,472
		<u>44,452</u>
Banking license	ANSA Bank Limited	60,800
Customer deposits	ANSA Bank Limited	20,242
		<u>81,042</u>

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FOR THE YEAR ENDED 31 DECEMBER 2024 (Expressed in thousands of Trinidad and Tobago dollars)

14. Leases

	Land and building	Total	
Parent			
As at 1 January 2024	8,368	8,368	
Addition	588	588	
Charge for the year	(2,417)	(2,417)	
Other movements	744	744	
As at 31 December 2024	<u>7,283</u>	<u>7,283</u>	
As at 1 January 2023	8,267	8,267	
Addition	2,170	2,170	
Charge for the year	(2,069)	(2,069)	
As at 31 December 2023	<u>8,368</u>	<u>8,368</u>	
Group	Land and building	Motor vehicles	Total
As at 1 January 2024	38,373	1,343	39,716
Additions	7,778	721	8,499
Charge for the year	(10,086)	(672)	(10,758)
Other movements	835	-	835
Modification	(176)	(252)	(428)
As at 31 December 2024	<u>36,724</u>	<u>1,140</u>	<u>37,864</u>
As at 1 January 2023	19,551	818	20,369
Additions	18,695	1,529	20,224
Charge for the year	(8,354)	(1,004)	(9,358)
Other movements	2,798	-	2,798
Modification	5,683	-	5,683
As at 31 December 2023	<u>38,373</u>	<u>1,343</u>	<u>39,716</u>

Set out below are the carrying amounts of lease liabilities (included under interest-bearing loans and borrowings) and the movements during the period:

Parent			Group	
2023	2024		2024	2023
8,265	8,575	As at 1 January	37,194	19,153
2,170	588	Additions	5,790	8,738
-	-	Additions from business combination	-	293
(2,176)	(2,644)	Principal payments	(11,983)	(8,785)
316	307	Interest expense on lease liabilities	1,373	895
-	744	Other movements	744	1,528
-	-	Modifications	4,990	15,496
-	-	Exchange differences on translation of foreign operations	143	(124)
<u>8,575</u>	<u>7,570</u>	As at 31 December	<u>38,251</u>	<u>37,194</u>

The maturity analysis of lease liabilities are disclosed in Note 41.

NOTES TO THE SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024 (Expressed in thousands of Trinidad and Tobago dollars)

14. Leases (continued)

The following are the amounts recognised in the statement of income.

Parent			Group	
2023	2024		2024	2023
2,069	2,417	Depreciation expense of right-of-use assets	10,758	9,358
316	307	Interest expense on lease liabilities	1,373	895
-	-	Expense relating to short term leases	1,689	678
-	-	Expense relating to leases of low value assets	678	581
<u>2,385</u>	<u>2,724</u>		<u>14,498</u>	<u>11,512</u>

The Group has no lease contracts that contain variable payments.

The Group has several lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased asset portfolio and align with the Group's business needs. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised.

15. Deferred taxation

	2023	Credit/(charge) to		2024
		Income	OCI	
Parent				
Employee benefits liability	277	26	(32)	271
Net investment in leased assets	3,906	(4,853)	-	(947)
Provisions	<u>2,654</u>	<u>31</u>	<u>27</u>	<u>2,712</u>
Total deferred tax assets	<u>6,837</u>	<u>(4,796)</u>	<u>(5)</u>	<u>2,036</u>
Property and equipment	(8,836)	72	-	(8,764)
Employee benefits asset	(2,533)	(55)	458	(2,130)
Unrealised investment gains	<u>(318)</u>	<u>357</u>	<u>673</u>	<u>712</u>
Total deferred tax liabilities	<u>(11,687)</u>	<u>374</u>	<u>1,131</u>	<u>(10,182)</u>
	2022	Credit/(charge) to		2023
		Income	OCI	
Parent				
Employee benefits liability	309	33	(65)	277
Net investment in leased assets	14,035	(10,129)	-	3,906
Provisions	<u>4,512</u>	<u>(1,861)</u>	<u>3</u>	<u>2,654</u>
Total deferred tax assets	<u>18,856</u>	<u>(11,957)</u>	<u>(62)</u>	<u>6,837</u>
Property and equipment	(5,396)	(3,440)	-	(8,836)
Employee benefits asset	(2,403)	(33)	(97)	(2,533)
Provisions	<u>-</u>	<u>-</u>	<u>(318)</u>	<u>(318)</u>
Total deferred tax liabilities	<u>(7,799)</u>	<u>(3,473)</u>	<u>(415)</u>	<u>(11,687)</u>

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FOR THE YEAR ENDED 31 DECEMBER 2024 (Expressed in thousands of Trinidad and Tobago dollars)

15. Deferred taxation (continued)

Group	2023	Prior period adjustment	Credit/(charge) to			2024
			Other movements	Income	OCI	
Employee benefits liability	1,929	-	14	126	414	2,483
Property and equipment	4,454	-	-	(304)	-	4,150
Net investment in leased assets	8,909	-	2,024	(4,582)	-	6,351
Tax losses	18,905	-	3,953	7,836	-	30,694
Unrealised investment and foreign exchange losses	6,189	-	-	551	(2,155)	4,585
Provisions	8,613	-	-	(5,701)	26	2,938
Total deferred tax assets	48,999	-	5,991	(2,074)	(1,715)	51,201
Unrealised foreign exchange losses	319	-	(645)	(13)	-	(339)
Employee benefits asset	(48,091)	-	66	(3,169)	3,931	(47,263)
Property and equipment	(25,178)	-	853	1,227	-	(23,098)
Deferred Income IFRS 15	-	-	-	(897)	-	(897)
Net investment in leased assets	(7,797)	-	(1,933)	844	-	(8,886)
Unrealised investment gains	(44,612)	-	(364)	1,723	22,500	(20,753)
Total deferred tax liabilities	(125,359)	-	(2,023)	(285)	26,431	(101,236)

Group	2022	Prior period adjustment	Credit/(charge) to			2023
			Other movements	Income	OCI	
Employee benefits liability	2,005	(7)	-	(1,973)	1,904	1,929
Property and equipment	1,159	-	-	420	2,875	4,454
Net investment in leased assets	14,197	-	-	(5,288)	-	8,909
Tax losses	6,018	3,142	-	9,745	-	18,905
Unrealised investment and foreign exchange losses	-	-	13	5,501	675	6,189
Provisions	9,144	-	-	(534)	3	8,613
Total deferred tax assets	32,523	3,135	13	7,871	5,457	48,999
Unrealised foreign exchange losses	-	-	-	319	-	319
Employee benefits asset	(41,012)	(8,791)	(95)	(1,830)	3,637	(48,091)
Property and equipment	(16,724)	(1,767)	-	(6,687)	-	(25,178)
Net investment in leased assets	-	-	-	(7,797)	-	(7,797)
Unrealised investment gains	(46,210)	-	-	(13,142)	14,740	(44,612)
Total deferred tax liabilities	(103,946)	(10,558)	(95)	(29,137)	18,377	(125,359)

16. Employee benefits

The level of pension benefits provided under the defined benefit plans depends on the member's length of service and salary at retirement age. The defined benefit pension plan requires contributions to be made to a separately administered fund. The fund has a separate legal form and is governed by the Board of Trustees who are responsible for the administration of the plan assets and for the definition of the investment strategy.

NOTES TO THE SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024 (Expressed in thousands of Trinidad and Tobago dollars)

16. Employee benefits (continued)

The Board of Trustees periodically reviews the level of funding in the pension plan. Such a review includes the asset-liability matching strategy and investment risk management policy which considers the term of the pension obligation while simultaneously remaining compliant with the requirements of the Pensions Act. The pension plans are exposed to inflation, interest rate risks and changes in the life expectancy for pensioners in the relevant jurisdictions. As the plan assets include significant investments in quoted equity shares, the Group is also exposed to equity market risk.

a) Amounts recognised in the statement of financial position

	Defined benefit pension plan		Post-retirement health benefits	
	2024	2023	2024	2023
Parent				
Present value of defined benefit obligation	28,675	24,442	897	914
Fair value of plan assets	(35,767)	(32,878)	-	-
(Asset)/liability recognised in the statement of financial position	(7,092)	(8,436)	897	914
Group				
Present value of defined benefit obligation	219,917	229,200	11,385	9,268
Fair value of plan assets	(396,715)	(410,001)	-	-
(Asset)/liability recognised in the statement of financial position	(176,798)	(180,801)	11,385	9,268

b) Changes in defined benefit obligation and fair value of plan assets

The changes in the benefit obligations and fair value of plan assets are analysed below.

	Defined benefit obligation	Fair value of plan assets	Defined benefit pension plans	Post-employment medical benefits
Parent				
Balance at 1 January 2024	24,442	(32,878)	(8,436)	914
Pension cost charged to statement of income				
Current service cost	1,617	-	1,617	89
Net interest cost/(credit)	1,616	(2,114)	(498)	56
Administrative expenses	35	-	35	-
Total charge/(credit) to statement of income	3,268	(2,114)	1,154	145
Experience (gains)/losses in OCI				
Experience gains - demographic	(95)	-	(95)	(104)
Experience (gains)/losses - financial	(697)	2,318	1,621	-
Total (credit)/charge to OCI	(792)	2,318	1,526	(104)
Other movements				
Contributions by employee	1,336	(1,336)	-	-
Contributions by employer	-	(1,336)	(1,336)	-
Transfers	1,573	(1,573)	-	-
Administrative expenses	(35)	35	-	-
Benefits paid	(1,117)	1,117	-	(58)
Total other movements	1,757	(3,093)	(1,336)	(58)
Balance at 31 December 2024	28,675	(35,767)	(7,092)	897

NOTES TO THE SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024 (Expressed in thousands of Trinidad and Tobago dollars)

16. Employee benefits (continued)

b) Changes in defined benefit obligation and fair value of plan assets (continued)

Group	Defined benefit obligation	Fair value of plan assets	Defined benefit pension plans	Post-employment medical benefits
Balance at 1 January 2024	<u>229,200</u>	<u>(410,001)</u>	<u>(180,801)</u>	<u>9,268</u>
Pension cost charged to statement of income				
Current service cost	6,776	-	6,776	599
Net interest cost/(credit)	14,131	(25,083)	(10,952)	614
Past service cost				
Administrative expenses	35	696	731	-
Total charge/(credit) to statement of income	<u>20,942</u>	<u>(24,387)</u>	<u>(3,445)</u>	<u>1,213</u>
Experience (gains)/losses in OCI				
Experience (gains)/losses - demographic	(17,077)	-	(17,077)	527
Experience (gains)/losses - financial	(1,372)	31,026	29,654	943
Total (credit)/charge to OCI	<u>(18,449)</u>	<u>31,026</u>	<u>12,577</u>	<u>1,470</u>
Other movements				
Contributions by employee	4,186	(4,186)	-	-
Contributions by employer	-	(7,133)	(7,133)	-
Transfers	3,377	(3,377)	-	-
Administrative expenses	(35)	104	69	63
Exchange differences	297	1,638	1,934	(13)
Benefits paid	(19,601)	19,601	-	(615)
Total other movements	<u>(11,776)</u>	<u>6,647</u>	<u>(5,129)</u>	<u>(565)</u>
Balance at 31 December 2024	<u>219,917</u>	<u>(396,715)</u>	<u>(176,798)</u>	<u>11,386</u>
Parent				
Balance at 1 January 2023	<u>26,444</u>	<u>(34,450)</u>	<u>(8,006)</u>	<u>1,019</u>
Pension cost charged to statement of income				
Current service cost	1,430	-	1,430	108
Net interest cost/(credit)	1,244	(1,638)	(394)	52
Administrative expenses	30	-	30	-
Total charge/(credit) to statement of income	<u>2,704</u>	<u>(1,638)</u>	<u>1,066</u>	<u>160</u>
Experience (gains)/losses in OCI				
Experience gains - demographic	(1,415)	-	(1,415)	(215)
Experience (gains)/losses - financial	(1,145)	2,238	1,093	-
Total (credit)/charge to OCI	<u>(2,560)</u>	<u>2,238</u>	<u>(322)</u>	<u>(215)</u>
Other movements				
Contributions by employee	1,174	(1,174)	-	-
Contributions by employer	-	(1,174)	(1,174)	-
Transfers	(2,454)	2,454	-	-
Administrative expenses	(31)	31	-	-
Benefits paid	(835)	835	-	(50)
Total other movements	<u>(2,146)</u>	<u>972</u>	<u>(1,174)</u>	<u>(50)</u>
Balance at 31 December 2023	<u>24,442</u>	<u>(32,878)</u>	<u>(8,436)</u>	<u>914</u>

NOTES TO THE SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024 (Expressed in thousands of Trinidad and Tobago dollars)

16. Employee benefits (continued)

b) Changes in defined benefit obligation and fair value of plan assets (continued)

Group	Defined benefit obligation	Fair value of plan assets	Defined benefit pension plans	Post-employment medical benefits
Balance at 1 January 2023	137,294	(291,260)	(153,967)	9,250
Assets and obligations acquired in business combination	106,182	(138,411)	(32,230)	-
	<u>243,476</u>	<u>(429,671)</u>	<u>(186,197)</u>	<u>9,250</u>
Pension cost charged to statement of income				
Current service cost	7,791	-	7,791	563
Net interest cost/(credit)	13,819	(26,005)	(12,186)	535
Administrative expenses	31	719	750	-
Total charge/(credit) to statement of income	<u>21,641</u>	<u>(25,286)</u>	<u>(3,645)</u>	<u>1,098</u>
Experience (gains)/losses in OCI				
Experience (gains)/losses - demographic	(15,443)	11,250	(4,193)	(211)
Experience (gains)/losses - financial	(3,272)	23,077	19,805	(389)
Total (credit)/charge to OCI	<u>(18,715)</u>	<u>34,327</u>	<u>15,612</u>	<u>(600)</u>
Other movements				
Contributions by employee	4,330	(4,330)	-	-
Contributions by employer	-	(7,722)	(7,722)	-
Transfers	(2,291)	2,635	344	-
Administrative expenses	(31)	94	63	62
Exchange differences	(728)	1,470	743	(97)
Benefits paid	(18,482)	18,482	-	(445)
Total other movements	<u>(17,202)</u>	<u>10,629</u>	<u>(6,572)</u>	<u>(480)</u>
Balance at 31 December 2023	<u>229,200</u>	<u>(410,001)</u>	<u>(180,801)</u>	<u>9,268</u>

c) Movements in net (asset)/liability recognised in the statement of financial position

	Defined benefit pension plan		Post-retirement health benefits	
	2024	2023	2024	2023
Parent				
Net (asset)/liability at the start of the year	(8,436)	(8,006)	914	1,019
Net expense recognised in the statement of income	1,154	1,066	145	160
Net expense/(income) recognised in the statement of other comprehensive income	1,526	(322)	(104)	(215)
Contributions paid	<u>(1,336)</u>	<u>(1,174)</u>	<u>(58)</u>	<u>(50)</u>
Net (asset)/liability recognised at the end of the year	<u>(7,092)</u>	<u>(8,436)</u>	<u>897</u>	<u>914</u>

NOTES TO THE SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024 (Expressed in thousands of Trinidad and Tobago dollars)

16. Employee benefits (continued)

c) Movements in net (asset)/liability recognised in the statement of financial position (continued)

	Defined benefit pension plan		Post-retirement health benefits	
	2024	2023	2024	2023
Group				
Net (asset)/liability at the start of the year	(180,801)	(153,967)	9,268	9,250
Net asset acquired in business combination	-	(32,230)	-	-
Net (income)/expense recognised in the statement of income	(3,445)	(3,645)	1,213	1,098
Net expense/(income) recognised in the statement of other comprehensive income	12,577	15,612	1,470	(600)
Contributions paid	(5,129)	(6,572)	(565)	(480)
Net (asset)/liability recognised at the end of the year	(176,798)	(180,801)	11,386	9,268

d) Actual return on plan assets

	2024	2023
Parent	(204)	(600)
Group	5,222	2,963

e) Major categories of plan assets as a percentage of total plan assets

	Defined benefit pension plan	
	2024	2023
Parent and Group		
Local equities	26%	32%
Local bonds	38%	40%
Foreign investments	33%	21%
Real estate/mortgages	1%	2%
Short-term securities	2%	5%
	100%	100%

f) Principal actuarial assumptions

	Defined benefit pension plan	
	2024	2023
Parent and Group		
Discount rate	6%	5%
Future salary increases	3%	3%
Medical costs trend rates	3%	3%

Shown below is quantitative sensitivity analysis for the impact of significant assumptions on the defined benefit obligation:

NOTES TO THE SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024 (Expressed in thousands of Trinidad and Tobago dollars)

16. Employee benefits (continued)

f) Principal actuarial assumptions (continued)

Parent

Assumptions Sensitivity level	Discount rate		Future salary increases		Future medical claims inflation	
	+1%	-1%	+1%	-1%	+1%	-1%
At 31 December 2024	(2,065)	2,573	697	(618)	104	(82)
At 31 December 2023	(1,785)	2,195	541	(494)	102	(82)

Group

At 31 December 2024	(12,695)	15,509	4,035	(3,411)	1,372	(1,110)
At 31 December 2023	(12,999)	9,894	1,642	(1,466)	677	(549)

The sensitivity analyses above have been determined on a method that extrapolates the impact on the net defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

As advised by the consulting actuary, the Group is expected to contribute \$7.2 million to its defined benefit plan in 2025 and the average duration of the defined benefit obligation at the end of the reporting period is 9 years (2023: 11 years).

Defined contribution plan

Certain employees of the Group are enrolled in the defined contribution pension plan which is operated by the ultimate parent – ANSA McAL Limited. The Group's contributions recognised in the statement of income is shown below:

Parent		Group	
2023	2024	2024	2023
97	94	5,787	6,314

17. Accrued interest and other payables

Parent			Group	
2023	2024		2024	2023
27,286	29,711	Interest payable	42,585	32,062
6,862	9,679	Accrued expenses	40,605	28,014
4,920	5,065	Client funds held for investment	166,183	135,368
(94)	(94)	Due (from)/to statutory authorities	37,955	34,065
-	-	Distributions payable	921	962
-	-	Deferred fee income	3,161	2,145
520	517	Unapplied premiums	2,028	1,735
-	-	Commissions payable	-	2,876
10,092	9,087	Stale-dated cheques	16,106	17,855
(9,311)	(5,265)	Asset finance promotional items	(5,265)	(9,311)
50,179	83,565	Related party balances	28,232	34,989
7,590	(262)	Other creditors (net)	111,803	88,156
98,044	132,003		444,314	368,916

NOTES TO THE SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024 (Expressed in thousands of Trinidad and Tobago dollars)

18. Customers' deposits and other funding instruments

Sectorial analysis of customers' deposits and other funding instruments:

Parent			Group	
2023	2024		2024	2023
41,059	65,514	Individuals	1,089,965	948,654
894,614	536,311	Pension funds/credit unions/ trustees	637,438	974,885
1,216,897	919,595	Private companies/estates/ financial institutions	1,844,953	2,160,675
<u>2,152,570</u>	<u>1,521,420</u>		<u>3,572,356</u>	<u>4,084,214</u>

19. Debt securities in issue

Parent			Group	
2023	2024		2024	2023
600,000	600,000	Medium and long-term notes	600,000	600,000
<u>600,000</u>	<u>600,000</u>		<u>600,000</u>	<u>600,000</u>

TT\$ denominated notes

In April 2022, the Bank issued a TT\$600 million sub-ordinated medium-term note maturing on 20 April 2029. Interest was set at a fixed rate of 5.375% per annum.

20. Investment contract liabilities

	Group	
	2024	2023
At the beginning of year	289,010	272,774
Premiums received	22,455	25,324
Interest credited	11,013	11,570
Liabilities realised for payment on death, surrender and other terminations in the year	(25,081)	(19,265)
Other movements	<u>(1,739)</u>	<u>(1,393)</u>
	<u>295,658</u>	<u>289,010</u>

These investment contracts have neither reinsurance arrangements nor discretionary participation features (DPF).

21. Insurance and reinsurance contracts

The group disaggregates information to provide disclosure in respect of major lines of business. This disaggregation has been determined based on how the group is managed. The breakdown of portfolios of insurance and reinsurance contracts issued, and reinsurance contracts held, that are in an asset position and those in a liability position is set out in the table below:

	Group 2024		Group 2023	
	Assets	Liabilities	Assets	Liabilities
Insurance contracts issued				
Life insurance contracts	-	1,556,333	-	1,485,838
General health and group life insurance contracts	-	596,836	-	552,733
Total insurance contracts issued	-	2,153,169	-	2,038,571
Life insurance contracts	43,548	-	32,525	-
General health and group life insurance contracts	287,016	-	219,613	-
Total reinsurance contracts held	330,564	-	252,138	-

NOTES TO THE SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024 (Expressed in thousands of Trinidad and Tobago dollars)

21. Insurance and reinsurance contracts (continued)

					2024
Insurance contracts (Group)	Liabilities for remaining coverage	Liabilities for incurred claims			Total
			Estimates of the present value of future cash flows	Risk adjustment	
	Excluding loss component	Loss component			
Insurance contract liabilities as at 01/01	1,713,535	23,369	280,956	23,304	2,041,164
Insurance contract assets as at 01/01	(2,608)	-	15	-	(2,593)
Net insurance contract liabilities as at 01/01	1,710,927	23,369	280,971	23,304	2,038,571
Insurance revenue	(1,151,733)	-	-	-	(1,151,733)
Insurance service expenses:					
Incurred claims and other expenses	-	(3,299)	530,195	8,224	535,120
Amortisation of insurance acquisition cashflows	49,402	-	-	-	49,402
Losses on onerous contracts and reversals of those losses	-	18,394	-	-	18,394
Par fund	(20,065)	-	-	-	(20,065)
Investment component and premium refunds	(87,551)	-	87,551	-	-
Changes to liabilities for incurred claims	-	-	(4,712)	(7,299)	(12,011)
Insurance service result	(1,209,947)	15,095	613,034	925	(580,893)
Insurance finance expenses	57,152	473	(817)	-	56,808
Total changes in the statement of comprehensive income	(1,152,795)	15,568	612,217	925	(524,085)
Cash flows:					
Premium received	1,301,714	-	-	-	1,301,714
Claims and other expenses paid	-	-	(601,722)	-	(601,722)
Insurance acquisition cash flows	(61,309)	-	-	-	(61,309)
Total cash flows	1,240,405	-	(601,722)	-	638,683
Insurance contract liabilities as at 31/12	1,804,538	37,432	291,446	24,229	2,157,645
Insurance contract assets as at 31/12	(6,001)	1,505	20	-	(4,476)
Net insurance contract liabilities as at 31/12	1,798,537	38,937	291,466	24,229	2,153,169

NOTES TO THE SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024 (Expressed in thousands of Trinidad and Tobago dollars)

21. Insurance and reinsurance contracts (continued)

					2023
Insurance contracts (Group)	Liabilities for remaining coverage	Liabilities for incurred claims			Total
	Excluding loss component	Loss component	Estimates of the present value of future cash flows	Risk adjustment	
Insurance contract liabilities as at 01/01	1,499,821	13,788	171,217	11,620	1,696,446
Insurance contract assets as at 01/01	(1,344)	-	24	-	(1,320)
Net insurance contract liabilities as at 01/01	1,498,477	13,788	171,241	11,620	1,695,126
Acquired in business combination	99,677	-	78,041	6,332	184,050
	1,598,154	13,788	249,282	17,952	1,879,176
Insurance revenue	(1,045,867)	-	-	-	(1,045,867)
Insurance service expenses:					
Incurred claims and other expenses	-	(2,342)	446,508	7,972	452,138
Amortisation of insurance acquisition cashflows	85,199	-	-	-	85,199
Losses on onerous contracts and reversals of those losses	-	10,768	-	-	10,768
Par fund	3,303	-	-	-	3,303
Investment component and premium refunds	(86,283)	-	86,283	-	-
Changes to liabilities for incurred claims	-	-	46,202	(2,620)	43,582
Insurance service result	(1,043,648)	8,426	578,993	5,352	(450,877)
Insurance finance expenses	58,421	1,155	2,013	-	61,589
Total changes in the statement of comprehensive income	(985,227)	9,581	581,006	5,352	(389,288)
Cash flows:					
Premium received	1,196,920	-	-	-	1,196,920
Claims and other expenses paid	-	-	(549,316)	-	(549,316)
Insurance acquisition cash flows	(98,919)	-	-	-	(98,919)
Total cash flows	1,098,001	-	(549,316)	-	548,685
Insurance contract liabilities as at 31/12	1,713,535	23,369	280,956	23,304	2,041,164
Insurance contract assets as at 31/12	(2,608)	-	15	-	(2,593)
Net insurance contract liabilities as at 31/12	1,710,927	23,369	280,971	23,304	2,038,571

NOTES TO THE SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024 (Expressed in thousands of Trinidad and Tobago dollars)

21. Insurance and reinsurance contracts (continued)

					2024
Reinsurance contracts held (Group)	Assets for remaining coverage		Amounts recoverable on incurred claims		Total
	Excluding loss-recovery component	Loss-recovery component	Estimates of the present value of future cash flows	Risk adjustment	
Reinsurance contract assets as at 01/01	(139,763)	(1,254)	(96,060)	(15,061)	(252,138)
Reinsurance contract liabilities as at 01/01	-	-	-	-	-
Net reinsurance contract assets as at 01/01	(139,763)	(1,254)	(96,060)	(15,061)	(252,138)
An allocation of reinsurance premium	578,365	-	-	-	578,365
Amounts recoverable from reinsurers for incurred claims					
Amounts recoverable for incurred claims and other expenses	-	269	(90,483)	(2,291)	(92,505)
Loss-recovery on onerous underlying contracts and adjustments	-	379	-	-	379
Changes to amounts recoverable for incurred claims	-	-	5,791	(3,209)	2,582
Net income or expense from reinsurance contracts held	578,365	648	(84,692)	(5,500)	488,821
Reinsurance finance income	(664)	(229)	177	-	(716)
Effect of movements in exchanges rates	11	-	-	-	11
Total changes in the statement of comprehensive income	577,712	419	(84,515)	(5,500)	488,116
Cash flows:					
Premium paid	(637,776)	-	-	-	(637,776)
Amounts received	-	-	58,447	12,787	71,234
Total cash flows	(637,776)	-	58,447	12,787	(566,542)
Reinsurance contract assets as at 31/12	(203,562)	(835)	(122,128)	(7,774)	(334,299)
Reinsurance contract liabilities as at 31/12	3,735	-	-	-	3,735
Net reinsurance contract assets as at 31/12	(199,827)	(835)	(122,128)	(7,774)	(330,564)

NOTES TO THE SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024 (Expressed in thousands of Trinidad and Tobago dollars)

21. Insurance and reinsurance contracts (continued)

					2023
Reinsurance contracts held (Group)	Assets for remaining coverage		Amounts recoverable on incurred claims		Total
	Excluding loss-recovery component	Loss-recovery component	Estimates of the present value of future cash flows	Risk adjustment	
Reinsurance contract assets as at 01/01	(116,229)	(1,519)	(42,140)	(7,652)	(167,540)
Reinsurance contract liabilities as at 01/01	-	-	-	-	-
Net reinsurance contract assets as at 01/01	(116,229)	(1,519)	(42,140)	(7,652)	(167,540)
Acquired in business combination	49,753	-	(6,111)	(2,629)	41,013
	(66,476)	(1,519)	(48,251)	(10,281)	(126,527)
An allocation of reinsurance premium	538,356	-	-	-	538,356
Amounts recoverable from reinsurers for incurred claims					
Amounts recoverable for incurred claims and other expenses	-	204	(87,108)	(2,661)	(89,565)
Loss-recovery on onerous underlying contracts and adjustments	-	(142)	-	-	(142)
Changes to amounts recoverable for incurred claims	-	-	(44,048)	(4,239)	(48,287)
Net income or expense from reinsurance contracts held	538,356	62	(131,156)	(6,900)	400,362
Reinsurance finance income	396	202	(626)	-	(28)
Effect of changes in non-performance of reinsurers	-	-	-	4,239	-
Total changes in the statement of comprehensive income	538,752	264	(131,782)	(2,661)	404,573
Cash flows:					
Premium paid	612,038	-	-	-	612,038
Amounts received	-	-	(83,974)	(2,120)	(86,094)
Total cash flows	612,038	-	(83,974)	(2,120)	525,944
Reinsurance contract assets as at 31/12	139,763	1,254	96,060	15,061	252,138
Reinsurance contract liabilities as at 31/12	-	-	-	-	-
Net reinsurance contract assets as at 31/12	139,763	1,254	96,060	15,061	252,138

NOTES TO THE SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024 (Expressed in thousands of Trinidad and Tobago dollars)

21. Insurance and reinsurance contracts (continued)

Roll-forward of the net asset or liability for individual life insurance and annuity contracts showing estimates the present value of future cash flows, risk adjustment, and CSM

	Estimates of the present value of future cash flows	Risk adjustment	Contractual service margin	Total
2024				
Life insurance and annuity contract liabilities as at 01/01	1,384,551	50,939	52,940	1,488,429
Life insurance and annuity contract assets as at 01/01	(10,997)	2,226	6,180	(2,591)
Net life and annuity insurance contract (assets)/liabilities as at 01/01	1,373,554	53,165	59,120	1,485,838
Changes that relate to current services				
Contractual service margin recognised for service provided	-	-	(17,197)	(17,197)
Risk adjustment recognised for the risk expired	-	(3,048)	-	(3,048)
Experience adjustments	(1,053)	-	-	(1,053)
Changes that relate to future services				
Contracts initially recognised in the period	(11,779)	4,808	10,359	3,388
Changes in estimates that adjust the contractual service margin	(82,474)	698	81,776	-
Changes in estimates that do not adjust the contractual service margin	14,711	295	-	15,006
Insurance service result	(80,595)	2,753	74,938	(2,904)
Insurance finance expenses	53,970	-	3,654	57,624
Total changes in the statements of income and OCI	(26,625)	2,753	78,592	54,720
Cash flows				
Premiums received	188,116	-	-	188,116
Claims and other expenses paid (including investment components and premium refunds)	(156,563)	-	-	(156,563)
Insurance acquisition cash flows	(15,778)	(1)	-	(15,779)
Total cash flows	15,775	(1)	-	15,774
Net life insurance and annuity contract liabilities as at 31/12	1,362,704	55,917	137,712	1,556,333
Life insurance and annuity contract liabilities as at 31/12	1,378,520	52,164	130,125	1,560,809
Life insurance and annuity contract assets as at 31/12	(15,816)	3,753	7,587	(4,476)
Net life insurance and annuity contract liabilities as at 31/12	1,362,704	55,917	137,712	1,556,333

NOTES TO THE SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024 (Expressed in thousands of Trinidad and Tobago dollars)

21. Insurance and reinsurance contracts (continued)

Roll-forward of the net asset or liability for individual life insurance and annuity contracts showing estimates the present value of future cash flows, risk adjustment, and CSM (continued)

	Estimates of the present value of future cash flows	Risk adjustment	Contractual service margin	Total
2023				
Life insurance and annuity contract liabilities as at 01/01	1,301,354	49,116	57,669	1,408,139
Life insurance and annuity contract assets as at 01/01	(5,330)	1,047	2,962	(1,321)
Net life and annuity insurance contract liabilities as at 01/01	1,296,024	50,163	60,631	1,406,818
Changes that relate to current services				
Contractual service margin recognised for service provided	-	-	(7,475)	(7,475)
Risk adjustment recognised for the risk expired	-	(4,751)	-	(4,751)
Experience adjustments	10,607	-	-	10,607
Changes that relate to future services				
Contracts initially recognised in the period	(4,552)	5,057	8,609	9,114
Changes in estimates that adjust the contractual service margin	1,213	2,322	(3,535)	-
Changes in estimates that do not adjust the contractual service margin	1,280	374	-	1,654
Insurance service result	8,547	3,002	(2,401)	9,148
Insurance finance expenses	58,686	-	890	59,576
Total changes in the statements of income and OCI	67,233	3,002	(1,511)	68,724
Cash flows				
Premiums received	177,031	-	-	177,031
Claims and other expenses paid (including investment components and premium refunds)	(150,570)	-	-	(150,570)
Insurance acquisition cash flows	(16,165)	-	-	(16,165)
Total cash flows	10,296	-	-	10,296
Net life insurance and annuity contract liabilities as at 31/12	1,373,554	53,165	59,120	1,485,838
Life insurance and annuity contract liabilities as at 31/12	1,384,551	50,939	52,940	1,488,429
Life insurance and annuity contract assets as at 31/12	(10,997)	2,226	6,180	(2,591)
Net life insurance and annuity contract liabilities as at 31/12	1,373,554	53,165	59,120	1,485,838

NOTES TO THE SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024 (Expressed in thousands of Trinidad and Tobago dollars)

21. Insurance and reinsurance contracts (continued)

Roll-forward of the net asset or liability for reinsurance contracts held showing estimates the present value of future cash flows, risk adjustment, and CSM (continued)

	Estimates of the present value of future cash flows	Risk adjustment	Contractual service margin	Total
2024				
Reinsurance contract assets as at 01/01	(16,535)	(7,881)	(9,192)	(33,608)
Reinsurance contract liabilities as at 01/01	(47)	(187)	1,317	1,083
Net reinsurance contract assets as at 01/01	(16,582)	(8,068)	(7,875)	(32,525)
Changes that relate to current services				
Contractual service margin recognised for service received	-	-	2,322	2,322
Risk adjustment recognised for the risk expired	-	438	-	438
Experience adjustments	7,916	-	-	7,916
Changes that relate to future services				
Contracts initially recognised in the period	(559)	(147)	561	(145)
Changes in estimates that adjust the contractual service margin	9,309	(70)	(9,239)	-
Changes in the contractual service margin due to recognition of a loss-recovery component from onerous underlying contracts	-	-	262	262
Changes in estimates that do not adjust the contractual service margin	195	(163)	-	32
Changes that relate to past services				
Changes in amounts recoverable arising from changes in liability for incurred claims	(2,358)	-	-	(2,358)
Reinsurance finance income	(385)	-	(507)	(892)
Total changes in the statements of income and OCI	14,118	58	(6,601)	7,575
Cash flows				
Premiums and similar expenses paid	(19,909)	-	-	(19,909)
Amounts received	1,401	-	-	1,401
Total cash flows	(18,508)	-	-	(18,508)
Reinsurance contract assets as at 31/12	(20,972)	(8,010)	(14,476)	(43,458)
Reinsurance contract liabilities as at 31/12	-	-	-	-
Net life insurance contract assets as at 31/12	(20,972)	(8,010)	(14,476)	(43,458)

NOTES TO THE SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024 (Expressed in thousands of Trinidad and Tobago dollars)

21. Insurance and reinsurance contracts (continued)

Roll-forward of the net asset or liability for reinsurance contracts held showing estimates the present value of future cash flows, risk adjustment, and CSM (continued)

	Estimates of the present value of future cash flows	Risk adjustment	Contractual service margin	Total
2023				
Reinsurance contract assets as at 01/01	(12,597)	(7,979)	(5,829)	(26,405)
Reinsurance contract liabilities as at 01/01	297	(21)	119	395
Net reinsurance contract assets as at 01/01	(12,300)	(8,000)	(5,710)	(26,010)
Changes that relate to current services				
Contractual service margin recognised for service received	-	-	1,428	1,428
Risk adjustment recognised for the risk expired	-	686	-	686
Experience adjustments	5,303	-	-	5,303
Changes that relate to future services				
Contracts initially recognised in the period	(1,441)	(629)	1,318	(752)
Changes in estimates that adjust the contractual service margin	5,471	(111)	(5,360)	-
Changes in the contractual service margin due to reversal of a loss-recovery component from onerous underlying contracts	-	-	509	509
Changes in estimates that do not adjust the contractual service margin	(361)	(16)	-	(377)
Changes that relate to past services				
Changes in amounts recoverable arising from changes in liability for incurred claims	(7,700)	-	-	(7,700)
Reinsurance finance income	659	-	(61)	598
Total changes in the statements of income and OCI	1,931	(70)	(2,166)	(305)
Cash flows				
Premiums and similar expenses paid	(14,111)	-	-	(14,111)
Amounts received	7,900	-	-	7,900
Total cash flows	(6,211)	-	-	(6,211)
Net life insurance contract (assets)/ liabilities as at 31/12	(16,580)	(8,070)	(7,876)	(32,525)
Reinsurance contract assets as at 31/12	(16,535)	(7,881)	(9,192)	(33,608)
Reinsurance contract liabilities as at 31/12	(47)	(187)	1,317	1,083
Net life insurance contract assets as at 31/12	(16,582)	(8,068)	(7,875)	(32,525)

NOTES TO THE SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024 (Expressed in thousands of Trinidad and Tobago dollars)

21. Insurance and reinsurance contracts (continued)

Impact on the current period of the transition approaches adopted to establishing CSMs for individual life insurance and annuity contracts

	Contracts using the modified retrospective approach	Contracts using the fair value approach	All other contracts	Total
2024				
Contractual service margin as at 01/01	-	45,476	13,644	59,120
Changes that relate to current services				
Contractual service margin recognised for services provided	-	(11,256)	(5,941)	(17,197)
Changes that relate to future services				
Contracts initially recognised in the period	-	-	10,359	10,359
Changes in estimates that adjust the contractual service margin	-	53,524	28,252	81,776
Insurance service result	-	42,268	32,670	74,938
Insurance finance expenses	-	2,393	1,263	3,656
Total changes in the statements of income and OCI	-	44,661	33,933	78,594
Contractual service margin as at 31/12	-	90,137	47,577	137,714
2023				
Contractual service margin as at 01/01	-	53,260	7,370	60,630
Changes that relate to current services				
Contractual service margin recognised for services provided	-	(5,751)	(1,725)	(7,476)
Changes that relate to future services				
Contracts initially recognised in the period	-	-	8,610	8,610
Changes in estimates that adjust the contractual service margin	-	(2,719)	(816)	(3,535)
Insurance service result	-	(8,470)	6,069	(2,401)
Insurance finance expenses	-	685	205	890
Total changes in the statements of income and OCI	-	(7,785)	6,274	(1,511)
Contractual service margin as at 31/12	-	45,476	13,644	59,120

NOTES TO THE SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024 (Expressed in thousands of Trinidad and Tobago dollars)

21. Insurance and reinsurance contracts (continued)

Impact on the current period of the transition approaches adopted to establishing CSMs for reinsurance contracts held

	Contracts using the modified retrospective approach	Contracts using the fair value approach	All other contracts	Total
2024				
Contractual service margin as at 01/01	-	(4,459)	(3,416)	(7,875)
Changes that relate to current services				
Contractual service margin recognised for services received	-	1,416	907	2,323
Changes that relate to future services				
Contracts initially recognised in the period	-	-	561	561
Changes in estimates that adjust the contractual service margin	-	(5,473)	(3,505)	(8,978)
Insurance finance income	-	(310)	(198)	(508)
Total changes in the statements of income and OCI	-	(4,367)	(2,235)	(6,602)
Contractual service margin as at 31/12	-	(8,826)	(5,651)	(14,477)
2023				
Contractual service margin as at 01/01	-	(2,488)	(3,224)	(5,712)
Changes that relate to current services				
Contractual service margin recognised for services received	-	809	620	1,429
Changes that relate to future services				
Contracts initially recognised in the period	-	-	1,318	1,318
Changes in estimates that adjust the contractual service margin	-	(2,746)	(2,104)	(4,850)
Insurance finance income	-	(34)	(26)	(60)
Total changes in the statements of income and OCI	-	(1,971)	(192)	(2,163)
Contractual service margin as at 31/12	-	(4,459)	(3,416)	(7,875)

NOTES TO THE SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024 (Expressed in thousands of Trinidad and Tobago dollars)

21. Insurance and reinsurance contracts (continued)

Components of new business for individual life insurance and annuity contracts issued

	Profitable contracts issued	Onerous contracts issued	Total
2024			
Individual life insurance and annuity contract liabilities			
Estimate of present value of future cash outflows, excluding insurance acquisition cash flows	97,961	33,186	131,147
Estimate of insurance acquisition cash flows	6,076	5,372	11,448
Estimate of present value of future cash outflows	104,037	38,558	142,595
Estimate of present value of future cash inflows	(118,178)	(36,196)	(154,374)
Risk adjustment	3,191	1,618	4,809
CSM	10,950	(591)	10,359
Losses on onerous contracts at initial recognition	-	3,389	3,389

Components of new business for individual life insurance and annuity contracts issued

2023			
Individual life insurance and annuity contract liabilities			
Estimate of present value of future cash outflows, excluding insurance acquisition cash flows	90,672	54,334	145,006
Estimate of insurance acquisition cash flows	4,734	8,006	12,740
Estimate of present value of future cash outflows	95,406	62,340	157,746
Estimate of present value of future cash inflows	(106,462)	(55,837)	(162,299)
Risk adjustment	2,446	2,611	5,057
CSM	8,610	-	8,610
Losses on onerous contracts at initial recognition	-	9,114	9,114

Disclosure of when the CSM is expected to be in profit or loss in future years

	Less than 1 year	1-2 years	2-3 years	3-4 years	More than 4 years	Total
2024						
Insurance contracts issued	14,798	13,549	12,490	11,397	85,480	137,714
Reinsurance contracts held	(1,930)	(1,702)	(1,512)	(1,334)	(7,999)	(14,477)
2023						
Insurance contracts issued	7,686	6,503	5,321	5,320	34,290	59,120
Reinsurance contracts held	(1,024)	(866)	(709)	(709)	(4,567)	(7,875)
2024 CSM run off	11%	10%	9%	8%	62%	
2023 CSM run off	13%	11%	9%	9%	58%	

NOTES TO THE SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024 (Expressed in thousands of Trinidad and Tobago dollars)

21. Insurance and reinsurance contracts (continued)

General insurance - Claims development table - Group

The risks associated with these insurance contracts and in particular, casualty insurance contracts, are complex and subject to a number of variables that complicate a quantitative sensitivity analysis. The development of insurance liabilities provides a measure of the Group's ability to estimate the ultimate value of claims. The tables below illustrate how the Group's estimate of total gross and net claims outstanding for each accident year has changed at successive year-ends.

Insurance claims

Accident year - Gross	2019	2020	2021	2022	2023	2024	Total
Estimate of undiscounted ultimate claims costs:							
- at end of accident year	159,952	167,520	122,640	176,276	202,474	179,939	-
- one year later	160,117	165,815	119,888	196,571	175,376	-	-
- two years later	161,643	164,534	124,935	197,827	-	-	-
- three years later	156,985	168,163	192,851	-	-	-	-
- four years later	161,779	126,591	-	-	-	-	-
- five years later	166,773	-	-	-	-	-	-
Current estimate of cumulative claims incurred	166,773	126,591	192,851	197,827	175,376	179,939	1,039,357
Cumulative payments to date	(160,285)	(118,581)	(185,725)	(189,271)	(146,215)	(120,863)	(920,940)
Effect of discounting and risk adjustment	136	144	178	196	788	1,301	2,743
Liability recognised in the separate statement of financial position	6,624	8,154	7,304	8,752	29,949	60,377	121,160
Liability in respect of prior years							71,902
Total gross liabilities for incurred claims							193,062

The risks associated with these insurance contracts and in particular, casualty insurance contracts, are complex and subject to a number of variables that complicate quantitative sensitivity analysis. The development of insurance liabilities provides a measure of the Group's ability to estimate the ultimate value of claims. The table below illustrates how the Group's estimate of total claims outstanding for each accident year has changed at successive year-ends. This table shows net claims expenses by underwriting year over a six year period. We have made the assumption that all Health claims are settled within three months after reported and therefore this does not result in any long outstanding claims liabilities.

Group

Insurance claims Accident year - Gross	2019	2020	2021	2022	2023	2024	Total
Estimate of ultimate claims costs:							
- at end of accident year	133,788	151,364	109,807	150,790	172,839	125,255	-
- one year later	133,292	147,976	108,261	148,932	130,203	-	-
- two years later	134,522	146,647	109,765	169,583	-	-	-
- three years later	133,093	148,047	145,838	-	-	-	-
- four years later	135,455	108,674	-	-	-	-	-
- five years later	146,338	-	-	-	-	-	-
Current estimate of cumulative claims incurred	146,338	108,674	145,838	169,583	130,203	125,255	825,891
Cumulative payments to date	(142,600)	(105,561)	(143,786)	(164,095)	(120,559)	(96,523)	(773,124)
Effect of discounting and risk adjustment	89	63	50	140	257	724	1,323
Liability recognised in the separate statement of financial position	3,827	3,176	2,102	5,628	9,901	29,456	54,090
Liability in respect of prior years							36,294
Total net liabilities for incurred claims							90,384

NOTES TO THE SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024 (Expressed in thousands of Trinidad and Tobago dollars)

22. Stated capital

Parent			Group	
2023	2024		2024	2023
		Authorised		
		An unlimited number of shares		
		Issued and fully paid		
		2024: 85,605,263 (2023: 85,605,263)		
		ordinary shares of no par value		
<u>667,274</u>	<u>667,274</u>		<u>667,274</u>	<u>667,274</u>

23. Insurance service result

	Group	
	2024	2023
Insurance revenue	1,151,733	1,045,867
Insurance service expense	(570,840)	(594,990)
Insurance service result before reinsurance contracts held	580,893	450,877
Net expense from reinsurance contracts held	(488,821)	(400,362)
Net insurance service result	<u>92,072</u>	<u>50,515</u>

24. Insurance financial result

	Group	
	2024	2023
Insurance finance expenses for insurance contracts issued	(56,808)	(61,589)
Reinsurance finance income/(expense) for reinsurance contracts held	<u>716</u>	<u>(28)</u>
	<u>(56,092)</u>	<u>(61,617)</u>

25. Finance charges, loan fees and other interest income

Parent			Group	
2023	2024		2024	2023
58,964	61,834	Finance charges earned	84,215	81,057
45,492	48,996	Interest income on loans and advances	92,864	91,432
<u>12,006</u>	<u>109</u>	Other income	<u>10,960</u>	<u>19,901</u>
<u>116,462</u>	<u>110,939</u>		<u>188,039</u>	<u>192,390</u>

26. Investment income

Parent			Group	
2023	2024		2024	2023
4,432	4,730	Interest income from investments designated at fair value through statement of income	17,896	14,260
4,715	10,606	Interest income from investments designated at fair value through statement of comprehensive income	16,631	4,715
-	-	Interest income on impaired financial assets	879	587
30,971	29,827	Interest income from financial assets measured at amortised cost	151,694	156,382
<u>32,682</u>	<u>32,597</u>	Dividend income	<u>18,395</u>	<u>19,702</u>
4,236	9,309	Realised gains on sale of investment securities	31,266	18,876
<u>22,859</u>	<u>8,232</u>	Unrealised gains on investments held at year-end designated at fair value through statement of income	<u>17,595</u>	<u>49,307</u>
<u>99,895</u>	<u>95,301</u>		<u>254,356</u>	<u>263,829</u>

NOTES TO THE SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024 (Expressed in thousands of Trinidad and Tobago dollars)

27. Revenue from contracts with customers

Parent			Group	
2023	2024		2024	2023
14,421	6,218	Arrangement fees	6,218	14,422
20,338	17,610	Investment management fees	2,020	4,832
1,172	628	Other	1,081	1,937
<u>35,931</u>	<u>24,456</u>		<u>9,319</u>	<u>21,191</u>

28. Other income

Parent			Group	
2023	2024		2024	2023
		Administrative fees and commissions (net)	(1,335)	3,659
92	164	Foreign exchange trading and gains	72,791	46,195
43,187	66,099	Lease sales and recoveries	4,029	5,204
46	5	Property rental	61,450	55,199
-	-	Trustee and other fiduciary fees	10,161	10,012
-	-	Other	8,843	(1,721)
<u>2,075</u>	<u>2,100</u>		<u>155,939</u>	<u>118,548</u>
<u>45,400</u>	<u>68,368</u>			

29. Interest expense

Parent			Group	
2023	2024		2024	2023
54,164	58,464	Customers' deposits	85,098	75,478
316	307	Lease liabilities (Note 14)	1,373	895
<u>32,250</u>	<u>32,250</u>	Debt securities in issue	<u>32,250</u>	<u>32,250</u>
<u>86,730</u>	<u>91,021</u>		<u>118,721</u>	<u>108,623</u>

30. Credit loss (recovery)/expense

Parent			Group	
2023	2024		2024	2023
(7,385)	1,050	Net investment in leased assets	2,815	(4,654)
(4,301)	541	Loans and advances	20,246	13,587
(7,340)	(5,654)	Investment securities	(12,841)	(15,486)
-	-	Insurance receivables	(1,240)	253
<u>(19,026)</u>	<u>(4,063)</u>		<u>8,980</u>	<u>(6,300)</u>

31. Marketing expenses

Parent			Group	
2023	2024		2024	2023
-	-	Agents and brokers commissions	-	9
-	-	Agents allowance and bonus	6	5
-	-	Agents policy expenses	-	-
-	-	Asset finance promotional expense	227	353
<u>2,860</u>	<u>3,978</u>	Advertising costs	<u>6,829</u>	<u>7,819</u>
<u>2,860</u>	<u>3,978</u>		<u>7,062</u>	<u>8,186</u>

NOTES TO THE SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024 (Expressed in thousands of Trinidad and Tobago dollars)

32. Personnel expenses

Parent			Group	
2023	2024		2024	2023
37,544	50,330	Salaries and bonus	115,351	98,658
-	1	Health, life and pension benefits	5,095	2,206
1,053	2,526	Other staff cost	5,775	5,093
<u>38,597</u>	<u>52,857</u>		<u>126,221</u>	<u>105,957</u>

33. General administrative expenses

Parent			Group	
2023	2024		2024	2023
6,233	7,915	Professional and insurance	25,667	15,542
1,272	1,701	Property related expenses	19,570	18,982
796	703	Subscriptions & donations	4,238	8,503
2,478	2,368	Finance charges	2,422	3,078
948	906	Travel & entertainment	2,968	7,816
1,633	1,810	Communications, printing & stationery	5,309	8,499
10,098	23,415	General expenses	63,847	38,143
<u>23,458</u>	<u>38,818</u>		<u>124,021</u>	<u>100,563</u>

34. Taxation

Parent			Group	
2023	2024		2024	2023
22,071	16,607	Corporation tax	21,581	63,138
6,180	(1,328)	Under/(over) provision to prior year tax charge	(224)	7,674
10	1	Withholding tax	125	66
15,430	4,422	Deferred tax (Note 15)	(2,359)	21,267
-	-	Provision for other taxes	-	(25,369)
1,219	980	Green Fund levy and other taxes	3,554	4,598
<u>44,910</u>	<u>20,682</u>		<u>22,677</u>	<u>71,374</u>

Reconciliation between taxation expense and net profit before taxation

Income taxes in the statement of income vary from amounts that would be computed by applying the statutory tax rate for the following reasons:				
155,909	106,872	Net profit before taxation	184,925	200,667
46,773	32,062	Tax at applicable statutory tax rates	51,737	138,465
Tax effect of items that are adjustable in determining taxable profit:				
(12,315)	(14,289)	Tax exempt income	(38,710)	(112,607)
4,244	5,759	Non-deductible expenses	10,445	5,711
(8,604)	(5,623)	Allowable deductions	(19,249)	(17,378)
6,180	(1,328)	Adjustment to prior year tax charge	(224)	7,674
7,403	3,120	Other temporary differences	14,999	44,845
1,229	981	Provision for Green Fund levy and other taxes	3,679	4,664
<u>44,910</u>	<u>20,682</u>	Total taxation	<u>22,677</u>	<u>71,374</u>

NOTES TO THE SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024 (Expressed in thousands of Trinidad and Tobago dollars)

35. Segmental information

For management purposes the Group is organised into four operating segments based on the following core areas of operation to the Group:

Banking services	Asset financing, Commercial banking, Merchant banking, Investment services, Securities trading and Foreign exchange trading.
Mutual funds	ANSA Secured Fund, ANSA US\$ Secured Fund, ANSA TT\$ Income Fund and ANSA US\$ Income Fund. These Funds are open-ended mutual funds registered in Trinidad & Tobago and established by ANSA Merchant Bank Limited (the 'Bank'). The Bank is the Sponsor, Investment Manager, Administrator and Distributor of these Funds.
Life insurance operations	Underwriting the following classes of longer-term insurance business: (i) individual participating and non-participating life insurance, (ii) group life insurance, (iii) individual insurance and (iv) group annuity and pension.
General insurance operations	Underwriting the following classes of short-term insurance business: (i) commercial and residential fire, (ii) general accident, (iii) marine, (iv) motor, (v) workmen compensation, (vi) group and individual health and rental of property.

No operating segments have been aggregated to form the above reportable operating segments.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on the operating statement of income, and is measured consistently with the operating statement of income in the consolidated financial statements.

Interest income is reported net of related expenses as management primarily relies on net interest revenue as a performance measure, rather than the gross income and expense.

Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third-parties.

No revenue from transactions with a single external customer or counterparty amounted to 10% or more of the Bank's total revenue in 2024 or 2023.

The following table presents income and profit and certain asset and liability information regarding the Group's operating segments.

	Banking services	Mutual funds	Life insurance operations	General insurance operations	Eliminations	Total
2024						
Total operating income	446,818	27,870	228,222	1,205,550	(141,701)	1,766,759
Total operating expense	(110,431)	(8,289)	(143,009)	(980,118)	-	(1,241,847)
Credit loss (expense)/recovery	(15,688)	1,092	863	4,753	-	(8,980)
Selling and administration expense	(239,972)	(15,333)	(42,341)	(131,856)	98,495	(331,007)
Profit before taxation	80,727	5,340	43,735	98,329	(43,206)	184,925
Taxation	(7,683)	-	(12,815)	(2,179)	-	(22,677)
Profit after taxation	73,044	5,340	30,920	96,150	(43,206)	162,248
Total assets	6,374,235	592,551	2,589,106	2,014,151	(1,641,463)	9,928,580
Total liabilities	4,292,417	595,281	1,978,605	722,730	(372,654)	7,216,379
Purchase of property and equipment	56,808	-	8,764	4,539	-	70,111
Depreciation and amortisation	(39,271)	-	(4,081)	(11,112)	(6,017)	(60,481)

NOTES TO THE SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024 (Expressed in thousands of Trinidad and Tobago dollars)

35. Segmental information (continued)

The following table presents income and profit and certain asset and liability information regarding the Group's operating segments. (continued)

	Banking services	Mutual funds	Life insurance operations	General insurance operations	Eliminations	Total
2023						
Total operating income	429,543	21,850	209,907	1,394,219	(413,722)	1,641,797
Total operating expense	(99,867)	(8,757)	(136,651)	(920,289)	-	(1,165,564)
Credit loss (expense)/recovery	(1,780)	2,024	866	5,190	-	6,300
Selling and administration expense	(189,975)	(15,445)	(36,684)	(126,251)	86,489	(281,866)
Profit before taxation	137,921	(328)	37,438	352,869	(327,233)	200,667
Taxation	(36,885)	-	(23,552)	(10,937)	-	(71,374)
Profit/(loss) after taxation	101,036	(328)	13,886	341,932	(327,233)	129,293
Total assets	6,831,297	606,287	2,542,029	1,915,257	(1,594,454)	10,300,416
Total liabilities	4,750,746	605,800	1,908,471	676,035	(362,816)	7,578,236
Purchase of property and equipment	40,731	-	6,452	4,523	-	51,706
Depreciation and amortisation	(39,950)	-	(1,791)	(15,686)	(5,737)	(63,164)

The following table presents income and profit and certain asset and liability information regarding the Group's geographic segments.

	Domestic services	Regional	International	Eliminations	Total
2024					
Total operating income	1,702,068	108,066	98,326	(141,701)	1,766,759
Total operating expense	(1,213,859)	(27,988)	-	-	(1,241,847)
Credit loss (expense)/recovery	(13,494)	3,515	999	-	(8,980)
Selling and administration expense	(359,532)	(64,833)	(5,137)	98,495	(331,007)
Profit before taxation	115,183	18,760	94,188	(43,206)	184,925
Taxation	(24,585)	1,908	-	-	(22,677)
Profit after taxation	90,598	20,668	94,188	(43,206)	162,248
Total assets	7,740,178	1,510,909	2,318,956	(1,641,463)	9,928,580
Total liabilities	6,653,486	931,812	3,735	(372,654)	7,216,379
Purchase of property and equipment	8,470	61,641	-	-	70,111
Depreciation and amortisation	(33,731)	(20,733)	-	(6,017)	(60,481)
2023					
Total operating income	1,698,989	326,491	30,039	(413,722)	1,641,797
Total operating expense	(940,455)	(225,107)	(2)	-	(1,165,564)
Credit loss recovery/(expense)	10,174	(3,495)	(379)	-	6,300
Selling and administration expense	(285,292)	(82,447)	(616)	86,489	(281,866)
Profit before taxation	483,416	15,442	29,042	(327,233)	200,667
Taxation	(69,536)	(1,838)	-	-	(71,374)
Profit after taxation	413,880	13,604	29,042	(327,233)	129,293
Total assets	8,170,703	1,222,266	2,501,901	(1,594,454)	10,300,416
Total liabilities	7,228,402	708,261	4,389	(362,816)	7,578,236
Purchase of property and equipment	18,311	33,395	-	-	51,706
Depreciation and amortisation	(27,335)	(30,092)	-	(5,737)	(63,164)

NOTES TO THE SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS

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36. Related party transactions and balances

Parties are considered to be related if one has the ability to control or exercise significant influence over the other party in making financial or operational decisions. The Bank is ultimately owned by ANSA McAL Limited, incorporated in Trinidad and Tobago, which owns 82.48% of the stated capital of the Bank.

A number of transactions are entered into with related parties in the normal course of business. These include hire purchase, leased assets, premium financing, deposits, insurance coverage and foreign currency transactions. These transactions were carried out on commercial terms and at market rates.

The related assets, liabilities, income and expense from these transactions are as follows:

Parent			Group	
2023	2024		2024	2023
Loans, investments and other assets				
50,067	55,433	ANSA McAL Group	239,945	233,636
66,010	71,987	Subsidiaries	-	-
2,066	1,683	Directors and key management personnel	4,482	13,586
165,975	141,156	Other related parties	156,181	190,419
<u>284,118</u>	<u>270,259</u>		<u>400,608</u>	<u>437,641</u>
Deposits and other liabilities				
245,341	162,132	ANSA McAL Group	454,373	507,268
183,106	180,070	Subsidiaries	-	-
-	-	Directors and key management personnel	64,758	62,777
-	105,991	Other related parties	156,656	156,656
<u>428,447</u>	<u>448,193</u>		<u>675,787</u>	<u>726,701</u>
Interest and other income				
15,224	32,985	ANSA McAL Group	113,380	55,988
21,202	31,904	Subsidiaries	-	-
90	74	Directors and key management personnel	234	572
1,380	3,740	Other related parties	3,957	4,608
<u>37,896</u>	<u>68,703</u>		<u>117,571</u>	<u>61,168</u>
Interest and other expense				
8,202	9,996	ANSA McAL Group	32,368	35,259
2,062	4,924	Subsidiaries	-	-
-	-	Directors and key management personnel	3,334	3,338
-	6,828	Other related parties	9,592	2,203
<u>10,264</u>	<u>21,748</u>		<u>45,294</u>	<u>40,800</u>

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Group.

Key management compensation

Parent			Group	
2023	2024		2024	2023
11,857	15,079	Short-term benefits	36,303	49,212
122	155	Contribution to defined contribution plans	209	183
253	322	Post employment benefits	322	253
<u>12,232</u>	<u>15,556</u>		<u>36,834</u>	<u>49,648</u>

NOTES TO THE SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024 (Expressed in thousands of Trinidad and Tobago dollars)

37. Fair value of financial instruments

(i) Carrying amounts and fair values

The tables in the following pages summarise the carrying amounts and the fair values of the Parent's and the Group's financial assets and liabilities for 2024 and 2023.

2024

Parent			Group		
Carrying values	Fair values	Unrecognised gain/(loss)	Carrying values	Fair values	Unrecognised (loss)/gain
Financial assets					
730,513	730,513	-			
507,809	507,809	-			
953,365	960,773	7,408			
2,191,687	2,199,095	7,408			
Financial liabilities					
1,521,420	1,521,420	-			
600,000	618,926	(18,926)			
2,121,420	2,140,346	(18,926)			

For all other financial instruments, the carrying amount is a reasonable approximation of fair value.

2023

Parent			Group		
Carrying values	Fair values	Unrecognised gain/(loss)	Carrying values	Fair values	Unrecognised (loss)/gain
Financial assets					
733,013	733,013	-			
1,144,764	1,144,764	-			
1,102,823	1,103,892	1,069			
2,980,599	2,981,669	1,069			
Financial liabilities					
2,152,570	2,152,570	-			
600,000	630,714	(30,714)			
2,752,570	2,783,284	(30,714)			

For all other financial instruments, the carrying amount is a reasonable approximation of fair value.

NOTES TO THE SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024 (Expressed in thousands of Trinidad and Tobago dollars)

37. Fair value of financial instruments (continued)

(ii) Determination of fair value and fair value hierarchies

	Level 1	Level 2	Level 3	POCI	Total
2024 Parent					
Investment securities designated at FVSI					
Equity securities	22	-	-	-	22
Managed Funds	185,379	-	-	-	185,379
Corporate bonds	-	82,706	-	-	82,706
	185,401	82,706	-	-	268,107
Investment securities measured at amortised cost for which fair values are disclosed					
Government bonds	-	20,251	-	-	20,251
State-owned company securities	-	12,301	-	-	12,301
Corporate bonds	215,993	103,796	3,377	-	323,166
	215,993	136,348	3,377	-	355,718
Investment securities measured at FVOCI					
Equity securities	-	20,973	-	-	20,973
Government bonds	118,259	-	-	-	118,259
Corporate bonds	197,716	-	-	-	197,716
	315,975	20,973	-	-	336,948
2024 Group					
Investment securities designated at FVSI					
Equity securities	65,254	-	-	-	65,254
Managed Funds	329,292	32,114	-	-	361,406
Government bonds	2,953	4,689	-	-	7,642
State-owned company securities	-	15,068	-	-	15,068
Corporate bonds	7,730	82,705	-	-	90,435
	405,229	134,576	-	-	539,805
Investment securities measured at amortised cost for which fair values are disclosed					
Government bonds	343,448	549,826	-	27,894	921,168
State-owned company securities	13,861	350,963	-	-	364,824
Corporate bonds	463,362	543,835	5,022	-	1,012,219
	820,671	1,444,624	5,022	27,894	2,298,211
Investment securities measured at FVOCI					
Equity securities	345,730	-	1,058	-	346,788
Government bonds	169,190	5,438	-	-	174,628
State-owned company securities	2,698	16,932	-	-	19,630
Corporate bonds	870,413	-	-	-	870,413
	1,388,031	22,370	1,058	-	1,411,459

NOTES TO THE SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024 (Expressed in thousands of Trinidad and Tobago dollars)

37. Fair value of financial instruments (continued)

(ii) Determination of fair value and fair value hierarchies (continued)

	Level 1	Level 2	Level 3	POCI	Total
2023 Parent					
Investment securities designated at FVSI					
Equity securities	22	-	-	-	22
Managed Funds	172,698	77,196	-	-	249,894
Government bonds	-	90,536	-	-	90,536
	172,720	167,732	-	-	340,452
Investment securities measured at amortised cost for which fair values are disclosed					
Government bonds	-	246	-	-	246
State-owned company securities	-	42,878	-	-	42,878
Corporate bonds	378,818	104,655	-	-	483,473
	378,818	147,779	-	-	526,597
Investment securities measured at FVOCI					
Equity securities	-	20,779	-	-	20,779
Government bonds	101,012	-	-	-	101,012
Corporate bonds	115,052	-	-	-	115,052
	216,064	20,779	-	-	236,843
2023 Group					
Investment securities designated at FVSI					
Equity securities	269,941	75,359	-	-	345,300
Managed Funds	185,379	108,682	-	-	294,061
Government bonds	3,084	24,930	-	-	28,014
State-owned company securities	-	19,471	-	-	19,471
Corporate bonds	12,333	97,203	-	-	109,536
	470,737	325,645	-	-	796,382
Investment securities measured at amortised cost for which fair values are disclosed					
Government bonds	83,224	707,743	-	16,304	807,271
State-owned company securities	-	411,989	-	-	411,989
Corporate bonds	621,380	901,284	1,425	-	1,524,089
	704,604	2,021,016	1,425	16,304	2,743,349
Investment securities measured at FVOCI					
Equity securities	548,439	-	1,058	-	549,497
Government bonds	139,375	5,530	-	-	144,905
Corporate bonds	177,684	-	-	-	177,684
	865,498	5,530	1,058	-	872,086

NOTES TO THE SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024 (Expressed in thousands of Trinidad and Tobago dollars)

37. Fair value of financial instruments (continued)

(iii) Transfers between Level 1 and 2

At each reporting date the Group assesses the fair value hierarchy of its financial instruments. A transfer between levels will occur when a financial instrument no longer meets the criteria in which the financial instrument is classified.

There were no transfers from level 1 to level 2 for the year ended 31 December 2024 (2023: no transfers from level 1 to level 2).

(iv) Movements in Level 3 financial instruments

Parent			Group	
2023	2024		2024	2023
		Assets		
2	-	Balance at 1 January	2,483	2,791
-	-	Gains recognised	220	(288)
-	3,377	Purchases	3,377	(18)
-	-	Transfers out of Level 3	-	-
(2)	-	Disposal	-	(2)
-	3,377		6,080	2,483

38. Risk management

Introduction

Risk is inherent in the Group's activities but it is managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls.

This process of risk management is critical to the Group's continuing profitability and each individual within the Group is accountable for the risk exposures relating to their responsibilities. The Group is exposed to credit risk, liquidity risk, market risk and insurance risk.

Risk management structure

The Board of Directors (the 'Board') is ultimately responsible for identifying and controlling risks; however, there are separate bodies responsible for managing and monitoring risks.

Board of Directors

The Board of Directors is responsible for the overall risk management approach and for approving the risk strategies, principles and policies and procedures. Day to day adherence to risk principles is carried out by the executive management of the Bank and its subsidiaries in compliance with the policies approved by the Board of Directors.

Treasury management

The Bank and its subsidiaries employ Treasury functions which are responsible for managing their assets and liabilities and the overall financial structure. The Treasury function is also primarily responsible for the funding and liquidity risks of the Bank and its subsidiaries.

Concentrations of risk

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Group's results to developments affecting a particular industry. In order to avoid excessive concentrations of risk, the Group's procedures include specific monitoring controls to focus on the maintenance of a diversified portfolio.

NOTES TO THE SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024 (Expressed in thousands of Trinidad and Tobago dollars)

38. Risk management (continued)

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprise credit risk, interest rate risk, currency risk and equity price risk each of which are considered below and include, where relevant, the sensitivity of the Group's financial result on movements in certain market risk variables.

Credit risk management

The Group takes on exposure to credit risk, which is the potential for loss due to a counter-party or borrower's failure to pay amounts when due. Credit risk arises from traditional lending, underwriting and investing activity, and from settling payments between financial institutions. Impairment provisions are established for losses that have been incurred at the end of the reporting period.

Significant changes in the economy, or in the state of a particular industry segment that represents a concentration in the Group's portfolio, could result in losses that are different from those provided at the end of the reporting period. Management therefore carefully manages its exposure to credit risk.

The Group structures the level of credit risk it undertakes by placing limits on the amount of risk accepted in relation to one borrower, or group of borrowers, and to geographical and industry segments. Such risks are monitored on an ongoing basis, and limits on the levels of credit risk that the Group can engage in are approved by the Board of Directors.

Exposure to credit risk is further managed through regular analysis of the ability of borrowers to meet capital and interest repayment obligations and by changing these lending limits when appropriate. In addition, collateral, corporate, state and personal guarantees are obtained.

Reinsurance is used to manage insurance risk. This does not, however, discharge the Group's liability as the primary underwriter. If a reinsurer fails to pay a claim for any reason, the Group remains liable for the payment to the policyholder. The creditworthiness of reinsurers is considered on an annual basis by reviewing their financial strength prior to finalisation of any contract.

Maximum exposure to credit risk without taking account of any collateral and other credit enhancements

The following table shows the maximum exposure to credit risk without taking account of any collateral held or other credit enhancements attached. The amount and type of collateral required depends on an assessment of the credit risk of the counterparty. Guidelines are implemented regarding the acceptability of types of collateral and valuation parameters.

Parent			Group	
2023	2024		2024	2023
272,033	398,808	Cash and short-term funds	1,090,136	943,136
-	-	Fixed deposits	8,214	8,496
		Net investment in leased assets		
733,013	730,513	and other instalment loans	1,009,440	1,001,505
1,144,764	507,809	Loans and advances	1,774,964	2,250,288
1,082,022	932,370	Investment securities	3,807,277	3,496,794
5,313	6,982	Interest receivable	37,633	28,015
-	-	Reinsurance contract assets	330,564	252,138
<u>3,237,145</u>	<u>2,576,482</u>	Total	<u>8,058,228</u>	<u>7,980,372</u>

NOTES TO THE SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024 (Expressed in thousands of Trinidad and Tobago dollars)

38. Risk management (continued)

Credit risk management (continued)

Maximum exposure to credit risk without taking account of any collateral and other credit enhancements (continued)

Parent			Group	
2023	2024		2024	2023
3,237,145	2,576,482	Total	8,058,228	7,980,372
-	-	Undrawn commitments	5,060	1,528
-	-	Contingent liabilities	768	839
<u>3,237,145</u>	<u>2,576,482</u>		<u>8,064,056</u>	<u>7,982,739</u>

The main types of collateral obtained are as follows:

- For hire purchase and leases – charges over auto vehicles and industrial and general equipment;
- For reverse repurchase transactions – cash and securities;
- For corporate loans – charges over real estate property, industrial equipment, inventory and trade receivables; and
- For mortgage loans – mortgages over commercial and residential properties.

Cash and short-term funds and fixed deposits

These funds are placed with highly rated local banks and Central Banks within the Caribbean region where the Group transacts business. In addition, cash is held by international financial institutions with which the Group has relationships as custodians or fund managers. All custodians and fund managers have been classified with a 'stable' outlook. Management therefore considers the risk of default of these counterparties to be very low.

Net investment in leased assets

Since these financial assets are homogeneous in nature, a vintage approach was applied looking at the number of defaults by portfolio over a period of time. Historical PDs were developed and there being little correlation between macro-economic trends, management applied judgemental overlays based on expectations. LGD percentage estimates were developed based on historical loss trends for non-performing loans which are assessed on both an individual and collective level. EAD equals the loan balance outstanding plus accrued interest.

Loans and advances

For the merchant banking portfolio within loans and advances, given the limited historical data, the PD history of the leased assets portfolio was used as a starting point of the calculation.

For certain Stage 2 loans, where management considered the entity's financial position or industry to present higher risks, the PDs were judgementally adjusted to reflect the increased risk.

LGDs were assessed on an individual loan by loan basis due to the portfolio being non-homogeneous. This was based on the security held, factoring in the liquidity, current condition and estimated value of the collateral.

EAD equals the loan balance outstanding plus accrued interest.

Other financial assets

For mortgage and other loans, a simplified ECL approach was applied. Historical losses on these respective portfolios were calculated and applied to the current positions, with management applying judgemental overlays based on expectations as required.

NOTES TO THE SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024 (Expressed in thousands of Trinidad and Tobago dollars)

38. Risk management (continued)

Credit risk management (continued)

Investment securities

PDs and LGDs for traded instruments were based on the global credit ratings assigned to the instruments or the country for sovereign exposures. PDs and LGDs for non-traded instruments as well as local debt instruments were based on three notches below the credit rating of the sovereign in which the instrument is issued or on company ratings where they existed. EAD equals the amortised security balance plus accrued interest.

Analysis of gross carrying amount and the corresponding ECLs are as follows:

Stage 1

	Group			
	Net investment in leased assets	Loans and advances	Investment securities	Total
2024				
Gross balance	889,499	1,545,520	3,305,147	5,740,166
ECL	(6,550)	(5,145)	(6,754)	(18,449)
	<u>882,949</u>	<u>1,540,375</u>	<u>3,298,393</u>	<u>5,721,717</u>
ECL as a % of Gross balance	0.74%	0.33%	0.20%	0.32%

Stage 1

	Group			
	Net investment in leased assets	Loans and advances	Investment securities	Total
2023				
Gross balance	948,443	1,838,564	3,024,906	5,811,913
ECL	(7,580)	(5,539)	(10,998)	(24,117)
	<u>940,863</u>	<u>1,833,025</u>	<u>3,013,908</u>	<u>5,787,796</u>
ECL as a % of Gross balance	0.80%	0.30%	0.36%	0.41%

The ECL percentage for Net investment in leased assets decreased and Loans and advances increased as a result of changes in PDs and LGDs used in the Group's calculation for the current year. The ECL percentage for Investment securities decreased as a result of lower PDs utilised.

Stage 2

	Group			
	Net investment in leased assets	Loans and advances	Investment securities	Total
2024				
Gross balance	94,706	125,622	-	220,328
ECL	(2,091)	(841)	-	(2,932)
	<u>92,615</u>	<u>124,781</u>	<u>-</u>	<u>217,396</u>
ECL as a % of Gross balance	2.21%	0.67%	0.00%	1.33%

Stage 2

	Group			
	Net investment in leased assets	Loans and advances	Investment securities	Total
2023				
Gross balance	51,263	314,078	12,349	377,690
ECL	(1,022)	(1,454)	(99)	(2,575)
	<u>50,241</u>	<u>312,624</u>	<u>12,250</u>	<u>375,115</u>
ECL as a % of Gross balance	1.99%	0.46%	0.80%	0.68%

NOTES TO THE SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024 (Expressed in thousands of Trinidad and Tobago dollars)

38. Risk management (continued)

Analysis of gross carrying amount and the corresponding ECLs are as follows: (continued)

The increase in ECL percentage for Stage 2 Net investment in leased assets and Loans and advances, both were impacted by changes in PD and LGDs. There was a decrease in the ECL percentage as a result of there being no investment securities classified as Stage 2 for the period.

Stage 3

	Group			
	Net investment in leased assets	Loans and advances	Investment securities	Total
2024				
Gross balance	67,057	163,567	36,459	267,083
ECL	(33,181)	(44,504)	(2,282)	(79,967)
	<u>33,876</u>	<u>119,063</u>	<u>34,177</u>	<u>187,116</u>
ECL as a % of Gross balance	49.48%	27.21%	6.26%	29.94%

Stage 3

	Group			
	Net investment in leased assets	Loans and advances	Investment securities	Total
2023				
Gross balance	41,621	136,420	24,426	202,467
ECL	(31,220)	(22,525)	(4,939)	(58,684)
	<u>10,401</u>	<u>113,895</u>	<u>19,487</u>	<u>143,783</u>
ECL as a % of Gross balance	75.01%	16.51%	20.22%	28.98%

The ECL percentage for Net investment in leased assets decreased and Loans and advances percentages increased as a result of higher gross balances and movement in PDs and LGDs used in the Group's calculation for the current year. The ECL percentage for Investment securities decreased as a result of changes in PDs utilised.

Reinsurance assets

The credit quality of reinsurance assets, can be assessed by reference to external credit ratings agencies, Standard & Poor and A.M. Best. Based on the high ratings, management therefore considers the risk of default of these counterparties to be very low.

Interest rate risk

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair values of financial instruments. The Group manages its interest rate exposure by offering fixed rates on its funding instruments over the respective term. On the lending side, loans will be granted at fixed rates over specified periods. As interest rates on both deposits and loans remain fixed over their lives, the risk of fluctuations in market conditions is mitigated.

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate because of changes in market interest rates. The Group takes on exposure to the effects of fluctuations in the prevailing levels of market interest rates on both its fair value and cash flow risks. Interest margins may increase as a result of such changes but may reduce losses in the event that unexpected movements arise. The Board sets limits on the level of mismatch of interest rate repricing that may be undertaken, which is monitored daily by the Group Treasury function.

NOTES TO THE SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024 (Expressed in thousands of Trinidad and Tobago dollars)

38. Risk management (continued)

Interest rate risk (continued)

The table below demonstrates the sensitivity to a reasonably possible change in interest rates on the Group's income and equity with all other variables held constant.

The sensitivity of income is the effect of the assumed changes in interest rates on the income for one year, based on the floating rate non-trading financial assets and financial liabilities held at 31 December 2024 and 2023.

Change in basis points		Sensitivity of income	
		2024	2023
Parent	+100	14	20
	-100	(14)	(20)
Group	+100	15	21
	-100	(15)	(21)

Currency risk

The Group takes on exposure to the effects of fluctuations in the prevailing foreign currency exchange rates on its financial position and cash flows. Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Board sets limits on the level of exposure by currency and in aggregate for both overnight and intra-day positions, which are monitored daily. The tables on the following pages indicate the currencies to which the Parent and Group had significant exposure at 31 December 2024 and 2023 on its monetary assets and liabilities. The analysis also calculates the effects of a reasonably possible movement of each currency rate against the Trinidad and Tobago dollar, with other variables held constant.

The tables below indicate the currencies to which the Parent and Group had significant exposure at 31 December on its monetary assets and liabilities. The analysis calculates the effect of a reasonably possible movement of the TTD rate against other currencies, with all other variables held constant.

	TTD	USD	EURO	OTHER	TOTAL
Parent 2024					
Cash and short-term funds	140,374	246,576	9,859	1,999	398,808
Loans and advances	122,863	384,946	-	-	507,809
Investment securities	125,209	828,156	-	-	953,365
Interest receivable	2,123	4,859	-	-	6,982
Total financial assets	390,569	1,464,537	9,859	1,999	1,866,964
Customers' deposits and other funding instruments	1,175,087	346,333	-	-	1,521,420
Debt securities in issue	600,000	-	-	-	600,000
Total financial liabilities	1,775,087	346,333	-	-	2,121,420
Net currency risk exposure		1,118,204	9,859	1,999	
Reasonably possible change in currency rate		5%	5%	5%	
Effect on profit before taxation		55,910	493	100	56,503

NOTES TO THE SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024 (Expressed in thousands of Trinidad and Tobago dollars)

38. Risk management (continued)

Currency risk (continued)

	TTD	USD	EURO	OTHER	TOTAL
Parent 2023					
Cash and short-term funds	176,916	88,592	4,681	1,844	272,033
Loans and advances	724,629	420,135	-	-	1,144,764
Investment securities	113,437	989,146	-	240	1,102,823
Interest receivable	5,313	-	-	-	5,313
Total financial assets	1,020,295	1,497,873	4,681	2,084	2,524,933
Customers' deposits and other funding instruments	1,635,445	517,125	-	-	2,152,570
Debt securities in issue	600,000	-	-	-	600,000
Total financial liabilities	2,235,445	517,125	-	-	2,752,570
Net currency risk exposure		980,748	4,681	2,084	
Reasonably possible change in currency rate		5%	5%	5%	
Effect on profit before taxation		49,037	234	104	49,375

	TTD	USD	BDS	EURO	OTHER	TOTAL
Group 2024						
Cash and short-term funds	508,312	465,005	48,953	13,223	54,643	1,090,136
Fixed deposits	-	-	3,367	-	4,847	8,214
Net investment in leased assets and other instalment loans	726,895	-	282,545	-	-	1,009,440
Loans and advances	1,065,085	384,947	324,932	-	-	1,774,964
Investment securities	1,496,690	2,473,826	41,140	-	207,663	4,219,319
Interest receivable	17,163	17,647	137	-	2,686	37,633
Other debtors and prepayments	29,030	62	19,043	-	-	48,135
Reinsurance assets	133,428	-	78,372	-	118,764	330,564
Total financial assets	3,976,603	3,341,487	798,489	13,223	388,603	8,518,405
Customers' deposits and other funding instruments	2,537,731	489,097	545,528	-	-	3,572,356
Debt securities in issue	600,000	-	-	-	-	600,000
Total financial liabilities	3,137,731	489,097	545,528	-	-	4,172,356
Net currency risk exposure		2,852,390	252,961	13,223	388,603	
Reasonably possible change in currency rate		5%	5%	5%	5%	
Effect on profit before taxation		142,620	12,648	661	19,430	175,359

NOTES TO THE SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024 (Expressed in thousands of Trinidad and Tobago dollars)

38. Risk management (continued)

Currency risk (continued)

	TTD	USD	BDS	EURO	OTHER	TOTAL
Group (continued)						
2023						
Cash and short-term funds	569,414	256,607	59,849	8,028	49,238	943,136
Fixed deposits	-	-	3,672	-	4,824	8,496
Net investment in leased assets and other instalment loans	729,084	-	272,421	-	-	1,001,505
Loans and advances	1,666,475	420,174	163,639	-	-	2,250,288
Investment securities	1,472,149	2,891,147	28,055	-	240	4,391,591
Interest receivable	18,828	8,760	212	-	215	28,015
Other debtors and prepayments	43,281	9,186	7,333	-	-	59,800
Reinsurance assets	172,980	(4,389)	83,547	-	-	252,138
Total financial assets	4,672,211	3,581,485	618,728	8,028	54,517	8,934,969
Customers' deposits and other funding instruments	2,979,732	659,713	444,769	-	-	4,084,214
Debt securities in issue	600,000	-	-	-	-	600,000
Total financial liabilities	3,579,732	659,713	444,769	-	-	4,684,214
Net currency risk exposure		2,921,772	173,959	8,028	54,517	
Reasonably possible change in currency rate		5%	5%	5%	5%	
Effect on profit before taxation		146,089	8,698	401	2,726	157,914

Liquidity risk

Liquidity risk is the risk that the Group may encounter difficulty in meeting obligations associated with financial instruments when they fall due under normal and stress circumstances. To mitigate this risk, Management has arranged diversified funding sources in addition to its core deposit base, manages assets with liquidity in mind and monitors future cash flows and liquidity on a daily basis. This incorporates an assessment of expected cash flows and the availability of high grade collateral which could be used to secure additional funding if required.

The Group sources funds for the provision of liquidity from three main sources; retail and wholesale deposits, funding instruments and the capital markets. A substantial portion of the funding for the Group is provided by core deposits and premium income. The Group maintains a core funding base which can be drawn on to meet immediate liquidity needs. Facilities are also established with correspondent banks, which can provide additional liquidity if conditions demand.

The matching and controlled mismatching of the maturities and interest rates of assets and liabilities are fundamental to the management of the Group. The Group employs various asset/liability techniques to manage liquidity gaps. Liquidity gaps are mitigated by the marketable nature of a substantial segment of the Group's assets as well as generating sufficient cash from new and renewed customer deposits and insurance policies.

Analysis of financial liabilities by remaining contractual maturities

The tables below summarise the maturity profile of the Parent's and Group's financial liabilities as at 31 December 2024 and 2023, based on contractual repayment obligations, over the remaining life of those liabilities.

NOTES TO THE SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024 (Expressed in thousands of Trinidad and Tobago dollars)

38. Risk management (continued)

Liquidity risk (continued)

	Up to one year	One to five years	Over five years	Total
Parent 2024				
Customers' deposits and other funding instruments	1,520,595	15,893	35,474	1,571,962
Debt securities in issue	38,610	706,515	-	745,125
Lease liabilities	3,142	4,842	-	7,984
Bank overdraft	10	-	-	10
	<u>1,562,357</u>	<u>727,250</u>	<u>35,474</u>	<u>2,325,081</u>
Parent 2023				
Customers' deposits and other funding instruments	2,174,112	29,407	-	2,203,519
Debt securities in issue	38,610	129,000	609,765	777,375
Lease liabilities	2,275	6,785	204	9,264
Bank overdraft	17,789	-	-	17,789
	<u>2,232,786</u>	<u>165,192</u>	<u>609,969</u>	<u>3,007,947</u>
Group 2024				
Customers' deposits and other funding instruments	2,749,698	710,364	162,259	3,622,321
Undrawn commitments	5,060	-	-	5,060
Debt securities in issue	38,610	706,515	-	745,125
Lease liabilities	9,008	21,883	8,617	39,508
Bank overdraft	10	-	-	10
Investment contracts	295,658	-	-	295,658
	<u>3,098,044</u>	<u>1,438,762</u>	<u>170,876</u>	<u>4,707,682</u>
Group 2023				
Customers' deposits and other funding instruments	3,556,906	566,000	10,736	4,133,642
Undrawn commitments	1,528	-	-	1,528
Debt securities in issue	38,610	129,000	609,765	777,375
Lease liabilities	14,733	21,216	10,845	46,794
Bank overdraft	17,789	-	-	17,789
Investment contracts	289,010	-	-	289,010
	<u>3,918,576</u>	<u>716,216</u>	<u>631,346</u>	<u>5,266,138</u>

Equity price risk

Equity price risk is the risk that the fair values of equities will decrease as the result of a decrease in equity indices and the value of individual stocks. The non-trading equity price risk exposure arises from the Group's investment portfolio.

The effect on income will arise as a result of the change in fair value of equity instruments categorised as fair value through the statement of income. In the case of the Parent, changes in fair value affect the capital reserve as a component of equity, whereas with respect to the subsidiaries, changes in fair value have an impact on the capital reserve and/or income.

NOTES TO THE SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024 (Expressed in thousands of Trinidad and Tobago dollars)

38. Risk management (continued)

Equity price risk (continued)

The effect on income at 31 December 2024 and 2023 due to a reasonably possible change in equity indices, with all other variables held constant, is as follows:

Market indices Group	Change in equity price %	Effect on income	
		2024	2023
Group			
TTSE	+/- 3	273	1,152
S&P 500	+/- 8	15,757	36,362

Insurance risk

The risk under an insurance contract is the risk that an insured event will occur including the uncertainty of the amount and timing of any resulting claim. The principal risk the Group faces under such contracts is that the actual claims and benefit payments exceed the carrying amount of insurance liabilities. This is influenced by the frequency and severity of claims.

The variability of risks is improved by careful selection and implementation of underwriting strategy and guidelines as well as the use of reinsurance arrangements.

Sensitivities

The table illustrates the impact of various changes in assumptions which are within a reasonable range of possible outcomes given the uncertainties involved in the estimation process.

It demonstrates the effect of the change in key assumptions whilst other assumptions remain unchanged, if these assumptions were changed in a single calendar year. The correlation of assumptions will have a significant effect in determining the ultimate claims liabilities, but to demonstrate the impact on the claims liabilities due to changes in assumptions, these assumption changes had to be done on an individual basis. It should also be stressed that the relationships between these assumptions are non-linear and larger or smaller impacts cannot easily be gleaned from these results.

Group 2024

	Change in assumptions	Impact on fulfilment cash flows Gross	Impact on fulfilment cash flows Net	Impact on CSM - Gross	Impact on CSM-Net	Impact on profit before tax	Impact on profit after tax
Expenses	+/-10%	23,764	23,743	(17,532)	(18,550)	(5,193)	(3,894)
Mortality/							
Morbidity	+/-10%	19,874	8,349	(14,099)	(4,514)	(3,835)	(2,876)
Longevity	+/-10%	(9,511)	(9,511)	8,521	8,521	990	(743)
Lapses	+/-10%	526	1,534	(1,669)	(2,482)	948	(711)
Observable							
interest rates	+/-1%	120,376	118,140	-	-	118,140	(88,605)

2023

Expenses	+/-10%	23,077	23,057	(18,515)	(18,915)	(4,142)	(3,521)
Mortality/							
Morbidity	+/-10%	18,293	7,447	(15,182)	(4,904)	(2,543)	(2,162)
Longevity	+/-10%	(8,126)	(8,126)	7,226	7,226	900	765
Lapses	+/-10%	(853)	(2)	134	(694)	696	592
Observable							
interest rates	+/-1%	96,884	94,549	-	-	(94,549)	(80,367)

NOTES TO THE SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024 (Expressed in thousands of Trinidad and Tobago dollars)

39. Business combinations

Acquisition Colonial Fire & General Insurance Limited

On 7 February 2023, the Bank through its subsidiary, Trinidad and Tobago Insurance Limited (TATIL), completed the acquisition of 100 percent of the total issued and outstanding shares held in Colonial Fire & General Insurance Limited (COLFIRE), a non-listed company based in Trinidad and Tobago engaged in the underwriting of general insurance policies.

Assets acquired and liabilities assumed

The fair values of the identifiable assets and liabilities of the Bank as at the date of acquisition were:

	Fair value recognised on acquisition
Assets	
Financial assets	275,996
Property and equipment	39,604
Retirement benefit asset	28,054
Other assets	52,291
Cash and short term deposits	42,998
	<u>438,943</u>
Liabilities	
Insurance liability	221,083
Other liabilities	98,300
	<u>319,383</u>
Net asset value	119,560
Fair value adjustments	-
Intangible assets:	
Policy renewal rights	23,904
Distribution relationship	14,568
	<u>38,472</u>
Fair value of net assets acquired	158,032
Goodwill arising on acquisition	162,030
Purchase consideration transferred	320,062
Net cash and cash equivalents acquired	(32,917)
Net cash outflow on acquisition	287,145

The fair value of net assets acquired were based on a valuation of the acquired assets and liabilities at the date of acquisition performed by an independent third party.

The goodwill arising on acquisition of \$162 million is allocated entirely to the banking and insurance segment of the Group and comprises other intangible benefits acquired that do not qualify for separate recognition.

40. Capital management

The primary objectives of the Group's capital management policy are to ensure that the Group complies with externally imposed capital requirements and that the Group maintains strong credit ratings and healthy capital ratios in order to support its business and to maximise shareholder value.

NOTES TO THE SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024 (Expressed in thousands of Trinidad and Tobago dollars)

40. Capital management (continued)

When managing capital, which is a broader concept than the 'equity' in the statement of financial position, the objectives of the Parent and its subsidiaries are:

- To comply with the capital requirements set by the regulators of the markets where the parent and its subsidiaries operate;
- To safeguard the parent's and the subsidiaries' ability to continue as a going concern so that they can continue to provide returns for shareholders and benefits for other stakeholders; and
- To maintain a strong capital base to support the development of its business.

Capital adequacy and the use of regulatory capital are monitored monthly by Management, employing techniques based on the guidelines developed and implemented by the Central Bank of Trinidad & Tobago for supervisory purposes. The required information is filed with the Central Bank on a monthly basis.

The Central Bank requires each bank or banking group to: (a) hold the minimum level of the regulatory capital of \$15 million, and (b) maintain a ratio of total regulatory capital to the risk-weighted asset (the 'Basel ratio') at or above the internationally agreed minimum of 10% plus an additional 2.5% capital conservation buffer.

In each country in which the Group's insurance subsidiaries operates, the local insurance regulator indicates the required minimum amount and type of capital that must be held by each of the subsidiaries in addition to their insurance liabilities. The Group is subject to the insurance solvency regulations in all the territories in which it issues insurance contracts. The minimum required capital must be maintained at all times throughout the year.

For 2024 and 2023, the Parent and its subsidiaries complied with all of the externally-imposed capital requirements to which they are subject at the date of this report.

41. Maturity analysis of assets and liabilities

The tables below show an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled based on contractual cash flows.

Parent Assets	2024			2023		
	Less than 12 months	Over 12 months	Total	Less than 12 months	Over 12 months	Total
Cash and short-term funds	398,808	–	398,808	272,033	–	272,033
Net investment in leased assets and other instalment loans	177,771	552,742	730,513	113,168	619,845	733,013
Loans and advances	179,335	328,474	507,809	245,187	899,577	1,144,764
Investment securities	356,366	596,999	953,365	599,026	503,797	1,102,823
Interest receivable	6,982	–	6,982	5,313	–	5,313
Other debtors and prepayments	30,105	–	30,105	30,573	–	30,573
Taxation recoverable	18,680	–	18,680	15,353	–	15,353
Investment in subsidiaries	–	1,114,510	1,114,510	–	1,089,510	1,089,510
Property and equipment	–	3,167	3,167	–	2,746	2,746
Intangible assets	–	21,173	21,173	–	23,227	23,227
Right-of-use assets	–	7,283	7,283	–	8,368	8,368
Deferred tax assets	–	2,036	2,036	–	6,837	6,837
Employee benefits asset	–	7,092	7,092	–	8,436	8,436
Total assets	1,168,047	2,633,476	3,801,523	1,280,653	3,162,343	4,442,996

NOTES TO THE SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024 (Expressed in thousands of Trinidad and Tobago dollars)

41. Maturity analysis of assets and liabilities (continued)

Parent (continued)	2024			2023		
	Less than 12 months	Over 12 months	Total	Less than 12 months	Over 12 months	Total
Liabilities						
Customers' deposits and other funding instruments	1,475,924	45,496	1,521,420	2,124,115	28,455	2,152,570
Lease liabilities	2,920	4,650	7,570	1,995	6,580	8,575
Bank overdraft	10	-	10	17,789	-	17,789
Accrued interest and other payables	132,003	-	132,003	98,044	-	98,044
Debt securities in issue	-	600,000	600,000	-	600,000	600,000
Taxation payable	-	-	-	3,751	-	3,751
Deferred tax liabilities	-	10,182	10,182	-	11,687	11,687
Employee benefits liability	-	897	897	-	914	914
Total liabilities	1,610,857	661,225	2,272,082	2,245,694	647,636	2,893,330
Group Assets						
Cash and short-term funds	1,090,136	-	1,090,136	943,136	-	943,136
Fixed deposits	8,214	-	8,214	8,496	-	8,496
Net investment in leased assets and other instalment loans	185,963	823,477	1,009,440	120,274	881,231	1,001,505
Loans and advances	320,850	1,454,114	1,774,964	393,733	1,856,555	2,250,288
Investment securities	1,745,233	2,474,086	4,219,319	2,190,244	2,201,347	4,391,591
Interest receivable	37,633	-	37,633	28,015	-	28,015
Other debtors and prepayments	43,040	5,095	48,135	58,459	1,341	59,800
Reinsurance assets	287,016	43,548	330,564	212,151	39,987	252,138
Taxation recoverable	27,359	1,158	28,517	26,310	47	26,357
Investment properties	-	154,265	154,265	-	153,838	153,838
Property and equipment	-	252,928	252,928	-	223,716	223,716
Intangible assets	34	708,568	708,602	-	692,020	692,020
Right-of-use assets	-	37,864	37,864	-	39,716	39,716
Deferred tax assets	134	51,067	51,201	-	48,999	48,999
Employee benefits asset	-	176,798	176,798	-	180,801	180,801
Total assets	3,745,612	6,182,968	9,928,580	3,980,818	6,319,598	10,300,416
Liabilities						
Customers' deposits and other funding instruments	2,705,605	866,751	3,572,356	3,508,106	576,108	4,084,215
Lease liabilities	6,284	31,967	38,251	4,244	32,950	37,194
Bank overdraft	10	-	10	17,789	-	17,789
Accrued interest and other payables	401,543	42,771	444,314	360,714	8,202	368,916
Debt securities in issue	-	600,000	600,000	-	600,000	600,000
Taxation payable	-	-	-	7,915	-	7,915
Deferred tax liabilities	137	101,099	101,236	-	125,359	125,359
Employee benefits liability	4,957	6,428	11,385	-	9,268	9,268
Investment contract liabilities	295,658	-	295,658	289,010	-	289,010
Insurance contract liabilities	631,027	1,522,142	2,153,169	222,671	1,815,900	2,038,571
Total liabilities	4,045,221	3,171,158	7,216,379	4,410,449	3,167,787	7,578,236

NOTES TO THE SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024 (Expressed in thousands of Trinidad and Tobago dollars)

42. Capital commitments

Parent			Group	
2023	2024		2024	2023
<u>13,363</u>	<u>13,363</u>	Capital expenditure	<u>35,677</u>	<u>28,418</u>

43. Contingent liabilities

The Parent's and Group's potential liability, for which there are equal and offsetting claims, against its customers in the event of a call on these commitments is as follows:

Parent			Group	
2023	2024		2024	2023
<u>-</u>	<u>-</u>		<u>768</u>	<u>839</u>

44. Dividends

Dividends paid are analysed as follows:

	2024	2023
Final dividend for 2023 – \$1.00 per share (2022: \$1.00 per share)	85,605	85,605
Interim dividend for 2024 – \$0.20 per share (2023: \$0.20 per share)	<u>17,121</u>	<u>17,121</u>
	<u>102,726</u>	<u>102,726</u>

On 18 March 2025, the Board of Directors declared a final dividend of \$1.00 (2023: \$1.00) per share for the year ended 31 December 2024. This dividend amounting to \$85,605,263 (2023: \$85,605,263) is not recorded as a liability in the statement of financial position as at 31 December 2024.

45. Events after the reporting period

On 7 March 2025, the Central Bank of Trinidad and Tobago wrote to ANSA McAL Limited in its capacity as Controlling Shareholder of ANSA Merchant Bank Limited and its subsidiaries, directing the completion of a legal entity restructure of the ANSA Merchant Bank Limited Financial Group pursuant to Section 67(1) of the Financial Institutions Act, 2008. The restructure will ultimately result in the creation of a Financial Holding Company for the ANSA Merchant Bank Financial Group. Work has commenced to ensure compliance with this directive.

Form of Proxy

Republic of Trinidad and Tobago
The Companies Act, 1995 [Section 144]

I/We _____
being a member/members of ANSA Merchant Bank Limited, hereby appoint Mr. A. Norman Sabga of Port of Spain, or failing him Mr. Ray A. Sumairsingh of Port of Spain, or failing him, _____ of _____, as my/our proxy to vote for me/us on my/our behalf at the Annual Meeting of the Company to be held on Thursday 29th May, 2025 and at any adjournment thereof.

Dated this _____ day of _____, 2025

Signed _____

Please indicate with an “X” in the spaces below how you wish your votes to be cast.

RESOLUTIONS:		FOR	AGAINST
1.	To receive the Directors’ Report and Audited 2024 Financial Statements.		
2.	To elect the following Directors in place of those retiring:		
	Mr. A. Norman Sabga		
	Mr. Ray Sumairsingh		
	Mr. Jeremy Matouk		
	Mr. Timothy Hamel-Smith		
3.	To appoint Auditors and authorise the Directors to fix their remuneration.		

Form of Proxy (continued)

Notes:

1. To be effective, this Form or other authority (if any) must be deposited at the Registered Office of the Company, ANSA Centre, 11 Maraval Road, Port of Spain, or emailed to ansamerchantbank@ansamcal.com not less than 48 hours before the time appointed for holding the Meeting.
2. Any alteration made to this Form of Proxy should be initialed.
3. If the appointer is a Corporation, this Form of Proxy must be under its Common Seal, or under the hand of an officer or attorney duly authorised in writing.
4. In the case of joint holders, the signature of any holder is sufficient, but the names of all joint holders should be stated. Return of the completed Form of Proxy will not preclude a member from attending and voting at the Meeting.



MERCHANT BANK

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ansamerchantbank.com



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GROUP OF COMPANIES