

INDEPENDENT AUDITOR'S REPORT ON THE ABRIDGED SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS

TO THE SHAREHOLDERS OF TATIL LIFE ASSURANCE LIMITED
Report on the Audit of the Abridged Financial Statements

Opinion

The summary separate and consolidated financial statements, which comprise the summary separate and consolidated statement of financial position as at December 31, 2022, the summary separate and consolidated statements of income, summary separate and consolidated comprehensive income, summary separate and consolidated changes in equity and summary separate and consolidated cash flows for the year then ended, and related summary notes, are derived from the audited separate and consolidated financial statements of Tatil Life Assurance Limited (the "Group") for the year ended December 31, 2022.

In our opinion, the accompanying summary separate and consolidated financial statements are consistent, in all material respects, with the audited separate and consolidated financial statements, on the basis described in Note 2 (i).

Summary Separate and Consolidated Financial Statements

The summary separate and consolidated financial statements do not contain all the disclosures required by International Financial Reporting Standards ("IFRSs"). Reading the summary separate and consolidated financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited separate and consolidated financial statements and the auditor's report thereon.

The Audited Separate and Consolidated Financial Statements and Our Report Thereon

We expressed an unmodified opinion on the audited separate and consolidated financial statements in our audit report dated 21 March 2023.

Management's Responsibility for the Summary Separate and Consolidated Financial Statements

Management is responsible for the preparation of the summary separate and consolidated financial statements on the basis described in Note 2 (i).

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

Our responsibility is to express an opinion on whether the summary separate and consolidated financial statements are consistent, in all material respects, with the audited separate and consolidated financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (ISA) 810 (Revised), Engagements to Report on Summary Financial Statements.

EJ

Port of Spain,
TRINIDAD:
21 March 2023

ABRIDGED SEPARATE AND CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2022 • Expressed in thousands of Trinidad and Tobago Dollars

	Parent			Group	Parent
	2021	2022		2022	2021
Assets					
Cash and short-term funds	348,029	403,172	Cash and short-term funds	403,544	348,029
Fixed deposits	45,453	45,193	Fixed deposits	45,193	45,453
Interest receivable	8,514	7,131	Interest receivable	7,131	8,514
Other debtors and prepayments	8,345	9,783	Other debtors and prepayments	9,559	8,345
Right-of-use assets	5,729	3,586	Right-of-use assets	3,586	5,729
Investment securities	2,084,084	1,912,651	Investment securities	1,912,651	2,084,084
Investment in subsidiary	—	24,000	Investment in subsidiary	—	—
Loans and advances	214,359	208,126	Loans and advances	208,126	214,359
Insurance receivables	7,553	11,068	Insurance receivables	11,068	7,553
Reinsurance asset	17,368	20,938	Reinsurance asset	20,938	17,368
Taxation recoverable	183	1,001	Taxation recoverable	1,001	183
Investment properties	25,650	29,069	Investment properties	53,069	25,650
Property and equipment	1,500	1,357	Property and equipment	1,357	1,500
Intangible assets	14,524	24,693	Intangible assets	24,693	14,524
Deferred tax asset	1,749	2,038	Deferred tax asset	2,038	1,749
Employee benefit asset	65,429	64,433	Employee benefit asset	64,433	65,429
	<u>2,848,469</u>	<u>2,768,239</u>	Total assets	<u>2,768,387</u>	<u>2,848,469</u>
			Liabilities		
	19,215	22,366	Other payables	21,814	19,215
	34	10	Taxation payable	10	34
	6,033	4,048	Lease liabilities	4,048	6,033
	137,950	116,031	Deferred tax liability	116,031	137,950
	2,951	2,917	Employee benefit obligation	2,917	2,951
	273,901	282,978	Investment contract liabilities	282,978	273,901
	<u>1,377,122</u>	<u>1,412,121</u>	Insurance contract liabilities	<u>1,412,121</u>	<u>1,377,122</u>
	<u>1,817,206</u>	<u>1,840,471</u>	Total liabilities	<u>1,839,919</u>	<u>1,817,206</u>
			Equity		
	62,970	62,970	Stated capital	62,970	62,970
	<u>968,293</u>	<u>864,798</u>	Life surplus account	<u>865,498</u>	<u>968,293</u>
	<u>1,031,263</u>	<u>927,768</u>	Total equity	<u>928,468</u>	<u>1,031,263</u>
	<u>2,848,469</u>	<u>2,768,239</u>	Total liabilities and equity	<u>2,768,387</u>	<u>2,848,469</u>

The accompanying notes form an integral part of these abridged separate and consolidated financial statements.

These abridged separate and consolidated financial statements were approved by the Board of Directors and authorised for issue on March 21st, 2023 and signed on its behalf by:

Ray A. Sumairsingh
Chairman

M. Musa Ibrahim
Managing Director

TATIL LIFE Board of Directors

Ray A. Sumairsingh (Chairman)
M. Musa Ibrahim (Managing Director)
Dr. Maryam Abdool-Richards
Dr. Marlene Attzs
W. David Clarke
Larry Howai
Dr. Michael Moses
Charles Mouttet
Franklyn Parsotan
A. Nigel Sabga
Nigel Smith

Nabeel Hadeed (Corporate Secretary)

TATIL Life Senior Management Team :

M. Musa Ibrahim	Managing Director
Anthony Shaw	General Manager
Claudine Allert	Life Office Manager
Cyntra Achong	Executive Manager, Strategy
Jeffrey Dalton Brown	Manager, Compliance and Risk
Owen Field	Executive, Information Technology and Digital Transformation
Leisel Francis	Manager Finance
Felix Mahadeo	Head of Sales
Luanna Rahman	Manager, Pension Services
David St.Cyr	Head of Actuarial Services

The full Audited Financial Statements can be accessed at each of the company's offices during normal business hours in accordance with section 80 (2) of the FIA and section 152 (2) of the IA.

ABRIDGED SEPARATE AND CONSOLIDATED STATEMENT OF INCOME

For the Year ended 31 December 2022 • Expressed in thousands of Trinidad and Tobago Dollars

	Parent 2021	Parent 2022		Group 2022	Parent 2021
	194,726	167,224	Gross earned premiums on insurance contracts	167,224	194,726
	(15,448)	(16,485)	Reinsurer's share of gross earned premiums on insurance contracts	(16,485)	(15,448)
	179,278	150,739	Net insurance revenue	150,739	179,278
	241,832	(31,665)	Investment income/(loss)	(31,665)	241,832
	14,918	11,680	Other income	12,640	14,918
	436,028	130,754	Total revenue	131,714	436,028
	(122,057)	(145,741)	Gross insurance contract benefits and claims	(145,741)	(122,057)
	5,861	10,405	Reinsurer's share of gross insurance contract benefits	10,405	5,861
	(95,844)	(42,096)	Gross change in insurance contract liabilities	(42,096)	(95,844)
	1,819	3,570	Reinsurer's share of gross insurance contracts	3,570	1,819
	(210,221)	(173,862)	Net insurance benefits and claims	(173,862)	(210,221)
	(11,783)	(12,186)	Interest charged on investment contracts	(12,186)	(11,783)
	(56,469)	(63,977)	General administrative and selling expenses	(64,016)	(56,469)
	(278,473)	(250,025)	Total expenses	(250,064)	(278,473)
	157,555	(119,271)	Net (loss)/profit before taxation	(118,350)	157,555
	(25,787)	8,476	Taxation credit/(expense)	8,255	(25,787)
	131,768	(110,795)	Net (loss)/profit for the year after taxation	(110,095)	131,768

The accompanying notes form an integral part of these abridged separate and consolidated financial statements.

ABRIDGED SEPARATE AND CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the Year ended 31 December 2022 • Expressed in thousands of Trinidad and Tobago Dollars

	Parent 2021	Parent 2022		Group 2022	Parent 2021
	131,768	(110,795)	Net (loss)/profit after taxation	(110,095)	131,768
			Other comprehensive (loss)/ income		
			<i>Other comprehensive (loss)/ income not to be reclassified to the statement of income in subsequent periods:</i>		
	6,118	(3,542)	Re-measurement (losses)/gains on defined benefit plans	(3,542)	6,118
	(1,530)	885	Income tax related to above	885	(1,530)
	136,356	(113,452)	Total comprehensive (loss)/income for the year	(112,752)	136,356

The accompanying notes form an integral part of these abridged separate and consolidated financial statements.

ABRIDGED SEPARATE AND CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the Year ended 31 December 2022 • Expressed in thousands of Trinidad and Tobago Dollars

	Stated capital	Life surplus account	Total
Parent			
Balance as at 1 January 2021	62,970	843,754	906,724
Total comprehensive income	—	136,356	136,356
Other life insurance reserve movements	—	(11,817)	(11,817)
Balance as at 31 December 2021	62,970	968,293	1,031,263
Total comprehensive loss	—	(113,452)	(113,452)
Other life insurance reserve movements	—	9,957	9,957
Balance as at 31 December 2022	62,970	864,798	927,768
Group			
Opening balance	62,970	968,293	1,031,263
Total comprehensive loss	—	(112,752)	(112,752)
Other life insurance reserve movements	—	9,957	9,957
Balance as at 31 December 2022	62,970	865,498	928,468

The accompanying notes form an integral part of these abridged separate and consolidated financial statements.

ABRIDGED SEPARATE AND CONSOLIDATED STATEMENT OF CASH FLOWS

For the Year ended 31 December 2022 • Expressed in thousands of Trinidad and Tobago Dollars

	Parent 2021	Parent 2022		Group 2022	Parent 2021
	157,555	(119,271)	Cash flows from operating activities	(118,350)	157,555
			(Loss)/profit before taxation		
	4,873	4,939	Adjustments to reconcile net (loss)/profit to net cash generated from operating	4,939	3,857
	16	18	Depreciation	18	16
	(4,908)	(575)	Amortisation of intangible assets	(575)	(4,908)
	(139,110)	90,629	Impairment write-back	90,629	(139,110)
	3,910	—	Net loss/(gain) on revaluation of investments	—	3,910
	12	1	Loss on revaluation of investment property	1	12
	(14,267)	12,998	Loss on disposal of property and equipment	12,998	(14,267)
	381	3,613	Loss/(gain) on sale of investments	3,613	381
	(871)	(1,318)	Loss on foreign exchange	(1,318)	(871)
			Gain on employee benefits		
	7,591	(8,966)	Operating (loss)/profit before working capital changes	(8,045)	6,575
	4,178	(2,023)	(Increase)/decrease in other receivables	(1,799)	4,178
	(625)	3,151	Increase/(decrease) in other payables	2,598	(625)
	(4,709)	(3,731)	Net taxes paid	(3,952)	(4,709)
	88,733	40,506	Net change in investment and insurance contracts	40,506	88,733
	95,168	28,937	Net cash generated from operating activities	29,308	94,152
			Cash flows from investing activities		
	(353)	(585)	Purchase of property and equipment	(585)	(353)
	(14,409)	(10,187)	Purchase of intangibles	(10,187)	(14,409)
	(350)	(3,419)	Additions to investment property	(27,419)	(350)
	(935,513)	(294,234)	Purchase of investments and fixed deposits	(294,234)	(935,513)
	735,995	356,502	Sale/repayments of investments and fixed deposits	356,502	735,995
	—	(24,000)	Acquisition of business	—	—
	(7,245)	6,300	Net increase in loans and advances	6,300	(7,245)
	(221,875)	30,377	Net cash (used in)/generated from investing activities	30,377	(221,875)
			Cash flows from financing activities		
	(4,076)	(4,170)	Payment of principal portion of lease liabilities	(4,170)	(4,076)
	(4,076)	(4,170)		(4,170)	(4,076)
	(130,783)	55,143	Net increase/(decrease) in cash and cash equivalents	55,515	(131,799)
	478,812	348,029	Cash and cash equivalents at the beginning of the year	348,029	478,812
	348,029	403,172	Cash and cash equivalents at the end of the year	403,544	347,013
			Represented by:		
	323,202	392,122	Cash at bank	392,494	323,202
	24,827	11,050	Short-term funds	11,050	24,827
	348,029	403,172		403,544	348,029
	82,172	79,524	Supplemental information:	79,524	82,172
			Interest and dividends received		

The accompanying notes form an integral part of these abridged separate and consolidated financial statements.

NOTES TO THE ABRIDGED SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS

For the Year ended 31 December 2022 • Expressed in thousands of Trinidad and Tobago Dollars

1. Incorporation and business activities of the Group

Tatil Life Assurance Limited, (the 'Parent'), is incorporated and domiciled in the Republic of Trinidad and Tobago and its principal activity is the carrying on of all classes of long-term insurance business. It is a subsidiary of Trinidad and Tobago Insurance Limited, which is owned by ANSA Merchant Bank Limited, whose ultimate parent is ANSA McAL Limited. The Tatil Life Assurance Limited ("The Group") comprises of the Parent and a subsidiary "First Class Services Limited", which carries on the rental of a property. The Parent was continued under the provisions of the Companies Act, 1995 on 6 October 1999. Its registered office and principal place of business is located at 11 Maraval Road, Port of Spain.

NOTES TO THE ABRIDGED SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the Year ended 31 December 2022 • Expressed in thousands of Trinidad and Tobago Dollars

2. Significant accounting policies

i. Basis of preparation

These abridged financial statements were prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB). All of the notes necessary for a fair presentation in accordance with IFRS have not been included in these abridged financial statements. The full audited financial statements can be accessed at each of the Company's offices during normal business hours in accordance with section 80 (2) of the FIA and section 152 (2) of the IA. Disclosures in the notes to these abridged financial statements are limited to those matters considered to be material and necessary to present a true and fair view of the Group's performance.

These abridged financial statements have been prepared in accordance with the accounting policies set out in the respective notes of the audited financial statements consistently applied from period to period, and that all new and revised accounting standards and interpretations that are mandatory for the period under review and which are relevant to the Group have been adopted.

The abridged 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 where otherwise indicated.

The Group's management has made an assessment of the Group's ability to continue as a going concern and is satisfied that the Group has the resources to continue in business for the foreseeable future. Furthermore, management is not aware of any material uncertainties that may cast significant doubt upon the Group's ability to continue as a going concern. Therefore, the consolidated financial statements continue to be prepared on the going concern basis.

ii. Contingent liabilities

In the ordinary course of business the Group is involved in various legal claims and proceedings. Provisions have been established, where necessary, based on the professional advice received. While it is not practical to forecast the precise outcome of pending or threatened legal proceedings, management is of the view that final determination of such proceedings will not have a material impact on the financial results and financial position of the Group.

3. 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 Group is owned by Trinidad and Tobago Insurance Limited (TATIL), which is owned by ANSA Merchant Bank Limited, a subsidiary of ANSA McAL Limited. A number of transactions are entered into with related parties in the normal course of business. These include investments, finance leases, insurance coverage and foreign currency transactions. These transactions were carried out at commercial terms and at market rates.

The related assets, liabilities, income and expenses from these transactions are as follows:

Parent			Group	Parent
2021	2022		2022	2021
Assets				
45,384	45,128	ANSA Merchant Bank Limited	45,128	—
—	224	First Class Service Limited	—	—
58	160	Trinidad and Tobago Insurance Limited	160	—
<u>45,442</u>	<u>45,512</u>		<u>45,288</u>	<u>—</u>
Liabilities				
1,082	875	ANSA Merchant Bank Limited	875	—
—	606	First Class Service Limited	—	—
210	87	Trinidad and Tobago Insurance Limited	87	—
48	—	ANSA McAL Limited Group	—	—
<u>1,340</u>	<u>1,568</u>		<u>962</u>	<u>—</u>
Income				
973	708	ANSA Merchant Bank Limited	708	—
<u>973</u>	<u>708</u>		<u>708</u>	<u>—</u>