

ANSA MERCHANT BANK LIMITED QUARTERLY UPDATE

April 2025

PRESENTED BY

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Financial Highlights

For the year ended December 31st, 2024, AMBL recorded a 6.9% increase in net operating income to TT\$515.9 million from TT\$482.5 million in the prior period.

Additionally, AMBL recorded a 25.5% increase in profit before tax of TT\$162.2 million from TT\$129.3 million in the corresponding prior year. This performance was driven by:-

(1) The Mutual Fund segment recorded a significant increase in profit after tax to TT\$5.3 million from a loss position in the prior period.

(2) The Life Insurance segment reported a 122.7% increase in profit after tax for the period to TT\$30.9 million from TT\$13.9 million.

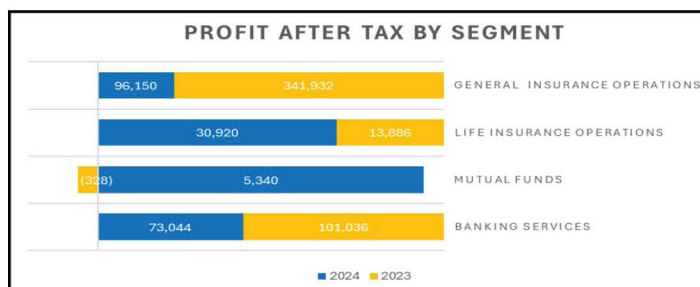
(3) However, the General Insurance and Banking Divisions recorded a 71.9% and a 27.7% decline in profit after tax respectively.

(4) Furthermore, AMBL's total assets fell by 3.6% to TT\$9.9 billion from TT\$10.3 billion in the corresponding prior period.

(5) At a price of \$41.00, AMBL's trailing P/E is 21.6 times, this is above the sector's average of around 13 times.



Valuation	
Current Price	TT\$41.00
Trailing P/E Multiple	21.60x
Market to Book Value	1.25x
JMMB Target Price	TT\$37.93
Trailing Dividend Yield	2.90%



AMBL'S Financial Summary	For the Year Ended 31-Dec-24	For the Year Ended 31-Dec-23	\$ change	% change
<u>Income Statement Extract</u>	TT\$'000	TT\$'000	\$'000	
Profit/(Loss) before Tax	162,248	129,293	32,955	↑ 25.5%
Earnings per share (Expressed in cents)	1.90	1.51	0.39	↑ 25.8%
Net Operating Income	515,932	482,533	33,399	↑ 6.9%
<u>Balance Sheet Extract</u>				
Total Assets	9,928,580	10,300,416	(371,836)	↓ -3.6%
Total Liabilities	7,216,379	7,578,236	(361,857)	↓ -4.8%
Shareholder's Equity	2,712,201	2,722,180	(9,979)	↓ -0.4%
<u>Cash Flows Extract</u>				
Net cash (used in)/from operating activities	290,924	158,188	132,736	↓ -83.9%
Net cash used in investing activities	38,822	-611,278	650,100	↑ 106.4%
Net cash from financing activities	-102,726	-102,726	-	→ 0.0%
Cash and cash equivalents	846,255	619,235	227,020	↑ 36.7%
<u>Metrics</u>				
Book Value Per Share (in TT\$)	31.68	31.80	(0.12)	↓ -0.4%
Market Price (in TT\$)	39.50	45.10	-5.60	↓ -12.4%
Market to Book Ratio	1.25	1.42	-0.17	↓ -12.1%

Note : Green arrows indicate growth while red indicate contractions.

Outlook

In November 2024, JMMB's Research Department recommended a **MARKETPERFORM** (5% of your portfolio) rating on AMBL with a price target of \$40.03. The price of AMBL at that date was \$40.03, which was within our fair value range. Since that rating, AMBL's share price increased, closing at \$41.00 on April 22nd, 2025.

We revise our rating on AMBL at **UNDERPERFORM** (2.5% - 4.9% of your portfolio) and revise our target price to \$37.93. The target price is based on the expected increases in revenue for AMBL in the coming year as the Mutual Fund and Life Insurance segments continue to show a positive growth trajectory.

However, this performance can be tempered by the Banking and General Insurance segments. Though, the Group continues to make investments to improve ANSA Bank Limited's digital capability to serve its customers and grow the retail and commercial banking arms of the business.

