



CHAIRMAN'S REPORT

Dear Valued Unitholders:

For the nine months ending 30 September 2023 the Corporation recorded overall net income of \$52 million compared to \$69 million for the corresponding period ended 30 September 2022.

The lower reported result was substantially due to higher operating expenses and an increase in the price guarantee provision. The Group's expenses increased year-over-year by \$8 million due to the timing of when expenses were incurred in each respective period as well as the business development costs associated with our regional expansion initiatives.

The increase in the price guarantee provision resulted in a non-cash expense of \$10 million in the current year, an increase of \$8 million over 2022. As a reminder, the Growth and Income Fund (GIF) provides a capital guarantee for Unitholders who remain invested for a minimum of three years. At each reporting period, the Group recognises the full liability to fund the guarantee.

Notwithstanding the reported decline, Gross Income, comprising mainly interest and dividends, increased by 12% or \$67 million year-over-year principally from higher portfolio yields in the Income Funds. The increase in cash income enabled us to maintain our focus on paying distributions to our investors, which amounted to TT\$195 million in 2023, an increase of TT\$28 million or 17%.

I am pleased to announce that in October, the Corporation launched **UTC Onboard**, which allows our Unitholders, both new and existing, to conveniently sign up or open new accounts virtually anywhere (via desktop, mobile or tablet). This online platform provides an improved customer experience to you, our unitholders.

We are excited about the future and wish to thank our investors for their continued commitment. You can rest assured that the Corporation's focus on its mission is resolute: to create and enhance wealth for all by providing innovative investment solutions and world-class customer service.

Jo-Anne Julien
Chairman

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 September 2023

Expressed in thousands of Trinidad and Tobago Dollars

| | Unaudited 30-Sep-23 \$'000 | Unaudited 30-Sep-22 \$'000 | Audited 31-Dec-22 \$'000 |
|--|----------------------------------|----------------------------------|--------------------------------|
| Assets | | | |
| Cash and cash equivalents | 1,605,528 | 3,122,267 | 1,853,067 |
| Other current assets | 323,924 | 269,200 | 244,671 |
| Investment securities | 22,839,414 | 21,282,644 | 22,892,198 |
| Property, plant and equipment | 155,511 | 142,871 | 155,344 |
| TOTAL ASSETS | 24,924,377 | 24,816,982 | 25,145,280 |
| LIABILITIES | | | |
| Accounts payable and other liabilities | 239,219 | 138,902 | 232,545 |
| Net assets attributable to unitholders | 22,986,964 | 23,016,188 | 23,266,544 |
| TOTAL LIABILITIES | 23,226,183 | 23,155,090 | 23,499,089 |
| EQUITY | | | |
| Reserves | 1,698,194 | 1,661,891 | 1,646,191 |
| TOTAL EQUITY | 1,698,194 | 1,661,891 | 1,646,191 |
| TOTAL LIABILITIES AND EQUITY | 24,924,377 | 24,816,981 | 25,145,280 |

Chairman

Executive Director

The accompanying notes form an integral part of these financial statements

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the nine months ended 30 September 2023

Expressed in thousands of Trinidad and Tobago Dollars

| | Unaudited 30-Sep-23 \$'000 | Unaudited 30-Sep-22 \$'000 | Audited 31-Dec-22 \$'000 |
|---|----------------------------------|----------------------------------|--------------------------------|
| Gross income | 641,590 | 577,440 | 793,312 |
| Expenses | (240,357) | (229,259) | (347,718) |
| Net change in fair value of investment securities | (168,732) | (952,103) | (1,032,717) |
| Net income/(loss) before guarantee and finance charges | 232,501 | (603,922) | (587,123) |
| Price guarantee charge | (10,123) | (1,405) | (2,653) |
| Finance charge | (1,153) | (438) | (690) |
| Net income/(loss) after guarantee and finance charges | 221,225 | (605,765) | (590,466) |
| Distributions to unitholders | (194,955) | (166,716) | (256,283) |
| Income capitalised | 9,976 | 43,071 | 48,063 |
| Net income attributable to unitholders | 22,529 | 800,997 | 857,152 |
| Net income before taxation | 58,775 | 71,587 | 58,466 |
| Taxation | (7,093) | (2,215) | (6,236) |
| Net income for the period | 51,682 | 69,372 | 52,230 |
| Other comprehensive income/(loss) | 321 | (316) | 1,124 |
| Total comprehensive income for the period | 52,003 | 69,056 | 53,354 |

The accompanying notes form an integral part of these financial statements

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the nine months ended 30 September 2023

Expressed in thousands of Trinidad and Tobago Dollars

| | Statutory Reserves \$'000 | Pension and other post retirement benefits reserve \$'000 | Revaluation Reserve \$'000 | Retained Income \$'000 | Total \$'000 |
|---|---------------------------------|---|----------------------------------|------------------------------|------------------|
| Balance as at 1 January, 2023 | 5,050 | (31,410) | (370) | 1,672,921 | 1,646,191 |
| Total comprehensive income for the period | - | (550) | 871 | 51,682 | 52,003 |
| Other equity movements | - | (4,701) | - | 4,701 | - |
| Balance as at 30 September, 2023 (Unaudited) | 5,050 | (36,661) | 501 | 1,729,304 | 1,698,194 |
| Balance as at 1 January, 2022 | 5,050 | (33,257) | 353 | 1,620,691 | 1,592,837 |
| Total comprehensive income for the period | - | - | (316) | 69,372 | 69,056 |
| Balance as at 30 September, 2022 (Unaudited) | 5,050 | (33,257) | 37 | 1,690,063 | 1,661,893 |
| Balance as at 1 January, 2022 | 5,050 | (33,257) | 353 | 1,620,691 | 1,592,837 |
| Total comprehensive income for the year | - | 1,847 | (723) | 52,230 | 53,354 |
| Balance as at 31 December, 2022 (Audited) | 5,050 | (31,410) | (370) | 1,672,921 | 1,646,191 |

The accompanying notes form an integral part of these financial statements

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the nine months ended 30 September 2023

Expressed in thousands of Trinidad and Tobago Dollars

| | Unaudited 30-Sep-23 \$'000 | Unaudited 30-Sep-22 \$'000 | Audited 31-Dec-22 \$'000 |
|---|----------------------------------|----------------------------------|--------------------------------|
| Net income before taxation | 58,775 | 71,585 | 58,466 |
| Net cash flow from operating activities | 382,318 | 483,948 | 497,421 |
| Net cash flow (used in)/from investing activities | (168,359) | 553,150 | (1,133,705) |
| Net cash flow (used in)/from financing activities | (462,350) | (32,700) | 371,443 |
| Net (decrease)/increase in cash and cash equivalents | (248,391) | 1,004,398 | (264,841) |
| Cash and cash equivalents: | | | |
| Balance at beginning of period | 1,853,067 | 2,118,635 | 2,118,635 |
| Net gain / (loss) on foreign exchange | 852 | (766) | (727) |
| Balance at end of period | 1,605,528 | 3,122,267 | 1,853,067 |

The accompanying notes form an integral part of these financial statements

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the nine months ended 30 September, 2023
(Expressed in Trinidad and Tobago Dollars)

1. General Information

The Trinidad and Tobago Unit Trust Corporation (the Corporation) was established by the Unit Trust Corporation of Trinidad and Tobago Act, Chapter 83:03 of the Laws of the Republic of Trinidad and Tobago to provide, *inter alia*, facilities for members of the public to invest in shares and securities approved by the Board of the Corporation. The Finance Act of 1997 permitted expansion of the Corporation's scope of business to include other financial services, such as merchant banking, trustee and card services.

2. Basis of Preparation

The interim condensed consolidated financial statements for the nine-month period ended 30 September 2023 have been prepared in accordance with IAS 34 *Interim Financial Reporting*.

3. Significant Accounting Policies

The accounting policies, presentation and methods of computation applied in these Condensed Financial Statements are consistent with those applied in the preparation of the Annual Consolidated Financial Statements for the year ended 31 December 2022.

Any new accounting standards or interpretations which became effective in this financial year have had no material impact on the Group.

4. Segment information

For management purposes the Group is organised into two (2) operating segments based an equity sub-portfolio and a fixed income sub-portfolio of the Funds. Each sub-portfolio is managed separately because they entail different investment objectives and strategies and contain investments in different products.

The board of directors reviews the internal management reports of each sub-portfolio at least quarterly.

All segment revenues are from external sources. There were no inter-segment transactions between the reportable segments during the year.

Information regarding the results of each reportable segment is included below.

Segment information is measured on the same basis as that used in the preparation of the Group's financial statements.

Unallocated includes revenue or costs not directly associated with the equity and fixed income portfolios, the treasury portfolio of the Corporation which is not a reportable segment, and the consolidation eliminations.

| | Equity Portfolio | Fixed Income Portfolio | Unallocated | Total |
|--|------------------|------------------------|----------------|----------------|
| 30 September 2023 (Unaudited) | | | | |
| Total operating income | (33,059) | 458,057 | 47,860 | 472,858 |
| Expenses | – | – | (446,588) | (446,588) |
| Net income attributable to unitholders | <u>33,059</u> | <u>(458,057)</u> | <u>457,503</u> | <u>32,505</u> |
| Profit/(loss) before taxation | – | – | 58,775 | 58,775 |
| Taxation | <u>(2,987)</u> | <u>(3,093)</u> | <u>(1,013)</u> | <u>(7,093)</u> |
| Profit/(loss) after taxation | <u>(2,987)</u> | <u>(3,093)</u> | <u>57,762</u> | <u>51,682</u> |
| Total assets | 3,592,287 | 18,137,863 | 3,194,227 | 24,924,377 |
| Total liabilities | 3,575,520 | 18,137,863 | 1,512,800 | 23,226,183 |
| Purchase of fixed assets | – | – | 11,560 | 11,560 |

30 September 2022 (Unaudited)

| | | | | |
|--|----------------|----------------|----------------|----------------|
| Total operating income | (210,034) | (115,475) | (49,155) | (374,664) |
| Expenses | – | – | (397,817) | (397,817) |
| Net income attributable to unitholders | <u>210,034</u> | <u>115,475</u> | <u>518,559</u> | <u>844,068</u> |
| Profit/(loss) before taxation | – | – | 71,587 | 71,587 |
| Taxation | <u>(1,256)</u> | – | <u>(959)</u> | <u>(2,215)</u> |
| Profit/(loss) after taxation | <u>(1,256)</u> | – | <u>70,627</u> | <u>69,372</u> |
| Total assets | 1,453,499 | 18,781,924 | 4,581,559 | 24,816,982 |
| Total liabilities | 1,450,522 | 18,781,924 | 2,922,644 | 23,155,090 |
| Purchase of fixed assets | – | – | 4,437,640 | 4,437,640 |

31 December 2022 (Audited)

| | | | | |
|--|----------------|-----------------|----------------|----------------|
| Total operating income | (299,377) | 57,044 | 2,927 | (239,406) |
| Expenses | – | – | (607,344) | (607,344) |
| Net income attributable to unitholders | <u>302,553</u> | <u>(56,727)</u> | <u>659,388</u> | <u>905,215</u> |
| Profit/(loss) before taxation | 3,177 | 318 | 54,971 | 58,466 |
| Taxation | <u>(2,899)</u> | <u>(2,431)</u> | <u>(905)</u> | <u>(6,236)</u> |
| Profit/(loss) after taxation | <u>277</u> | <u>(2,114)</u> | <u>54,066</u> | <u>52,230</u> |
| Total assets | 1,508,091 | 20,404,286 | 3,232,903 | 25,145,280 |
| Total liabilities | 1,486,817 | 20,403,976 | 1,608,298 | 23,499,091 |
| Purchase of fixed assets | – | – | 5,406 | 5,406 |

5. Approval of Interim Financial Statements

The interim condensed consolidated financial statements were approved for issue by the Board of Directors on 8 November 2023.