

RATING RELEASE

October 9, 2026

CariCRIS reaffirms 'good creditworthiness' ratings of NCB Merchant Bank (Trinidad and Tobago) Limited

<i>CariA</i>	(Regional Scale Foreign Currency)
<i>CariA</i>	(Regional Scale Local Currency)
<i>ttA</i>	(Trinidad and Tobago National Scale Local Currency)

Caribbean Information and Credit Rating Services Limited (CariCRIS) has reaffirmed the Issuer/Corporate Credit Ratings assigned to NCB Merchant Bank (Trinidad and Tobago) Limited (NCB Merchant or the Company) at *CariA* (Foreign and Local Currency Ratings) on the regional rating scale, and *ttA* (Local Currency Rating) on the Trinidad and Tobago (T&T) national scale. These ratings indicate that the level of creditworthiness of this obligor, adjudged in relation to other obligors in the Caribbean and within T&T, is **good**.

CariCRIS has also maintained a **stable** outlook on the ratings. The stable outlook is based on the high likelihood that over the next 12 to 15 months, NCB Merchant will remain profitable, supported by projected improvements in core operations and the T&T economy. Additionally, the Company is expected to maintain its good capitalisation and liquidity profile as it continues to grow. Further, CariCRIS expects that, upon completion of Guardian Holdings Limited¹ (GHL or Guardian)'s acquisition of NCB Merchant, the Company will realize revenue and operational synergies through access to Guardian's strong brand and extensive client base. This should support customer acquisition, cross-selling opportunities, loan portfolio growth, and improved operating efficiency, while strengthening the Company's role as a regional investment banking and capital markets centre within the Guardian Group.

The ratings of NCB Merchant continue to reflect its competitive advantage, which lies in its affiliation with the NCB Financial Group, a leading financial services provider in the region. Additionally, the Company's continued profitable operations, which support its comfortable capitalization, reflected in its strong capital adequacy ratio, underpin the

¹ Currently rated **CariAA-** by CariCRIS

ratings. Furthermore, NCB Merchant maintains good asset quality, and its funding base continues to adequately support operations. These rating strengths are tempered by the small size of NCB Merchant as a player in a highly competitive market, as well as its significant asset/liability maturity mismatch, which heightens short-term liquidity and refinancing risks.

Rating Sensitivity Factors

Factors that could, individually, or collectively lead to an improvement in the Ratings and/ or Outlook include:

- The successful rollout of the Company's income rebalancing strategy leading to a greater contribution to total income from its Retail and Business Banking Division to over 40%
- Institutional funding base $\leq 50\%$, sustained for 2 years
- Sustained increase in return on earning assets (ROEA) to 1.5% or more for 2 consecutive financial years
- A reduction in the exposure to the Government in the loan portfolio to 60%

Factors that could, individually, or collectively lead to a lowering of the Ratings and/ or Outlook include:

- Net interest spread compression leading to an ROEA $\leq 0.5\%$ sustained for 2 financial years
- A systematic increase in liquidity pressures in the environment, leading to funding withdrawals in excess of 50% from large institutional investors, and a worsening of short-term TT\$ liquidity measures over an 18-month period
- Deterioration in the credit rating of NCB Capital Markets Limited (NCBCML or the Parent) that could materially impact the extent of credit support available to NCB Merchant

About the Company:

NCB Merchant Bank (Trinidad and Tobago) Limited (NCB Merchant or the Company) (formerly NCB Global Finance Limited or NCBGF) was incorporated in the Republic of Trinidad and Tobago (T&T) in November 1982 and commenced operations in January 1983 as AIC Finance Limited. In August 1993, the Company was licensed as a financial

institution under the Financial Institutions Act 1993 to conduct the following classes of business: finance company, confirming house/ acceptance house, leasing corporation, and mortgage institution. In August 2003, the Company was licensed by the Central Bank of Trinidad and Tobago (CBTT) as a merchant bank and thus permitted to engage in foreign exchange dealing. The Company is regulated and supervised by the CBTT and the Trinidad and Tobago Securities Exchange Commission (TTSEC).

In December 2013, NCB Capital Markets Limited (NCBCML or the Parent)², a wholly owned subsidiary of National Commercial Bank Jamaica Limited (NCBJ)³, acquired 100% of the shareholding of AIC Finance Limited from AIC Financial Group Limited. The Company was rebranded as NCB Global Finance Limited (NCBGF) in August 2014. In January 2016, the Company was licensed as a Broker-Dealer. This allowed NCBGF to conduct the following activities: (1) Broker-Dealer as agent, (2) Broker-Dealer as principal, (3) Investment Adviser, and (4) Underwriter. In July 2018, the CBTT approved the Company as a Second Tier Primary Dealer. This allowed NCBGF to participate in up to 50% of the CBTT's Open Market Operation (OMO) auctions. In April 2021, NCBGF changed its name to NCB Merchant. Further, in June 2021, the Company obtained its Firm License with the Trinidad and Tobago Stock Exchange (TTSE) and, in July 2021, was granted permission by the CBTT to offer its Repurchase Agreement ("repo") product.

In May 2026, as part of a broader internal corporate restructuring within NCB Financial Group (NCBFG or the Group), it was announced that Guardian Insurance Limited (GIL), a subsidiary of Guardian Holdings Limited (GHL)⁴, intends to acquire 100% of the issued share capital of NCB Merchant Bank. The transaction is expected to be completed during the fourth quarter of 2026. Upon completion, GHL will establish an Investment Banking Centre of Excellence (IBCoE) for Trinidad and Tobago and the southern Caribbean.

² NCBCML is the principal Brokerage, Asset and Wealth Management arm of National Commercial Bank Jamaica Limited (NCBJ) and has offered investment products and services to Jamaican institutions and individuals for almost 60 years. NCBJ is the largest bank in Jamaica by assets and through its parent company, NCB Financial Group Limited (NCBFG), has become a major financial services provider in the region. The ultimate parent company is Portland Holdings Inc., incorporated in Canada and controlled by Hon. Michael A. Lee-Chin, OJ.

³ NCBJ is the largest commercial bank in Jamaica representing 34.3% of commercial banks' assets as at March 2026; source: Bank of Jamaica (BoJ) Statistics; Financial System Data; Assets & Liabilities – Commercial Banks; Unaudited Assets & Liabilities of Commercial Banks – March 2026.

⁴ Currently rated Cari**AA-** by CariCRIS

For more information on NCB Merchant's ratings, please visit www.caricris.com or contact:

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