

Schedule 1
FORM ECSRC – K ANNUAL REPORT

PURSUANT TO SECTION 98(1) OF THE SECURITIES ACT, 2001

For the financial year ended

_____ **January 31, 2017**

Issuer Registration number

_____ **TDC081098KN**

St Kitts Nevis Anguilla Trading and Development Company Limited
(Exact name of reporting issuer as specified in its charter)

St Christopher and Nevis
(Territory of incorporation)

Fort Street, Basseterre, St Kitts
(Address of principal office)

REPORTING ISSUER'S:

Telephone number (including area code): 1-869-465-2511

Fax number: 1-869-4651099

Email address: _____

(Provide information stipulated in paragraphs 1 to 14 hereunder)

Indicate whether the reporting issuer has filed all reports required to be filed by section 98 of the Securities Act, 2001 during the preceding 12 months

Yes _____ No _____

Indicate the number of outstanding shares of each of the reporting issuer's classes of common stock, as of the date of completion of this report.

CLASS	NUMBER
Ordinary Shares of EC\$1.00 each	52,000,000

SIGNATURES

A Director, the Chief Executive Officer and Chief Financial Officer of the company shall sign this Annual Report on behalf of the company. By so doing each certifies that he has made diligent efforts to verify the material accuracy and completeness of the information herein contained.

The Chief Financial Officer by signing this form is hereby certifying that the financial statements submitted fairly state the company's financial position and results of operations, or receipts and disbursements, as of the dates and period(s) indicated. The Chief Financial Officer further certifies that all financial statements submitted herewith are prepared in accordance with International Accounting Standards consistently applied (except as stated in the notes thereto) and (with respect to year-end figures) including all adjustments necessary for fair presentation under the circumstances.

Name of Chief Executive Officer:

Name of Director:

Earle A. Kelly

Nicolas N. Menon

Signature

Signature

June 28, 2017

June 28, 2017

Date

Date

Name of Chief Financial Officer:

Maritza S. Bowry

Signature

June 28, 2017

Date

INFORMATION TO BE INCLUDED IN FORM ECSRC-K

1. Business.

Provide a description of the developments in the main line of business including accomplishments and future plans. The discussion of the development of the reporting issuer's business need only include developments since the beginning of the financial year for which this report is filed.

The TDC Group is recognized as one of the Eastern Caribbean's most diverse companies, engaged in insurance, finance, manufacturing, trading, real estate development and hotel operations. The company's focus on a diversified portfolio of business entities continues to be a driver of sound financial performance.

The motto was recently re-articulated 'Together We Succeed' that clearly re-emphasizes our all-inclusive approach. The success of the TDC Group hinges on the partnerships and relationships the company continues to build with our stakeholders.

The TDC Group of Companies reported a solid performance for the financial year under review, 1 February 2016 to 31 January 2017. The Net Income Before Taxation was \$10,759,096 compared to \$5,462,329 during the previous financial year, an increase of 97 per cent, a reflection of our resiliency.

The financial strength of the TDC Group of Companies is critical to our ability to deliver on the promises to all of our stakeholders, particularly the shareholders. The capital position of the TDC Group remains strong. Shareholders' Equity at 31 January 2017 was \$190,443,778.

A.M. Best, a leading international rating agency, notified TDC Insurance Company Ltd that the company attained a rating of A-. This was the first rating received by TDC Insurance Company Ltd from A.M. Best. The rating was based on the company's balance sheet strength, profitability over the years, underwriting performance and leading marketing presence in St Kitts and Nevis. The rating recognized the mitigation of underwriting risks through appropriate reinsurance programmes and considered the synergies derived from the affiliation with the TDC Group such as cross selling opportunities.

In November 2016 the shareholders of SKBC decided to sell the net assets to Koscab (St Kitts) Ltd. The TDC Parent Company, the majority shareholder, owns 51.67 percent of the shares. In 2013 and 2015 respectively Coca-Cola de-authorized SKBC from producing and distributing its products. Coca-Cola executed this action in other islands and forms part of Coca-Cola's international strategy to consolidate the number of bottlers and distributors. Previously, Coca-Cola products accounted for over 50 percent of SKBC's sales. During the previous financial year, 2015/16, an impairment charge of \$2,267,251 was recognized as a result of the underutilization of the property, plant and equipment. The equipment had been in use for over 9 years and continued to breakdown frequently, this negatively affected production and ultimately cash flow. The working capital deficiencies continued to be a strain on the operations.

Major Capital Projects

The refurbishment of the Longstone building in Charlestown Nevis, began in April 2016. The renovations were completed at the end of June 2017. The offices of TDC Insurance-Nevis Branch, TDC Financial Services-Nevis Branch, Sagicor and Western Union will be located in this building.

The electrical upgrade at the Home and Building Depot continued in 2016 this included the replacement of some of the air conditioning units with energy efficient systems.

2. Provide a list of properties owned by the reporting entity, detailing the productive capacity and future prospects of the facilities. Identify properties acquired or disposed of since the beginning of the financial year for which this report is filed.

See Attached

3. **Legal Proceedings.**

Furnish information on any proceedings that were commenced or were terminated during the current financial year. Information should include date of commencement or termination of proceedings. Also include a description of the disposition thereof with respect to the reporting issuer and its subsidiaries.

N/A

4. **Submission of Matters to a Vote of Security Holders.**

If any matter was submitted to a vote of security holders through the solicitation of proxies or otherwise during the financial year covered by this report, furnish the following information:

Properties.

Provide a list of properties owned by the reporting entity, detailing the productive capacity and future prospects of the facilities. Identify properties acquired or disposed of since the beginning of the financial year for which this report is filed.

ST KITTS

Basseterre – Fort Street:	TDC Mall – Fort Street (Bank of Nova Scotia, Ballahoo Restaurant, Miscellaneous Stores, TDC Head Office)
	TDC Plaza – Domino's, FLOW, TDC Airline Services Ltd, New Era Dental, CLICO, Consolidated Systems and Supplies, Elegant Tips and Toes
Central Street:	City Drug Store (2005) Ltd, Western Union Office, St Kitts Nevis Anguilla National Bank (Card Centre and Legal Department)
Bank Street & Independence Square Streets:	Corner building (West Independence Square and Bank Streets currently houses TDC Insurance Co Ltd and Grant Thornton)
Bank Street:	Vacant area of approximately 11,000 square feet used as a parking lot for TDC staff and tenants. Considerable potential for commercial development – offices, retail etc.
Basseterre, Newtown, Bay Road:	The Sands Complex, a mixed residential and commercial complex (total 48 units, 3 unsold)
Fortlands (OTI):	The Ocean Terrace Inn, Pelican Cove Marina, OTI Pieces of Eight – hotel, restaurants and 2 buildings rented to two embassies
C.A.P. Southwell Industrial Site:	Former factory shell used as the Automotive Division and a factory shell owned by Dan Dan Garments Ltd as a warehouse Lot # 22 measuring 89,602.57 square feet
Ponds Industrial Site	Property on Lot # 9 measuring 11,665 square feet Used as a warehouse for the TDC Home and Building Depot
Frigate Bay Road:	Home and Building Depot Approximately 1.3 acres of prime commercial land designated for future development, currently used as a staff recreational facility Approximately 0.25 acres of land with a building erected on the property used for storage.

Frigate Bay: Approximately 8.77 acres of land for residential development at Frigate Bay overlooking the golf course. An upscale villa development is under construction. Thirty-seven (37) villas have been sold and constructed to date.

South East Peninsula: One lot at Banana Bay

NEVIS

Charlestown: TDC Plaza – Main Street Building (Office and Retail Spaces)

Longstone Property; historic building on 18,210 square feet of land, under renovations

Pinney's: Home & Building Depot
Automotive and Rental Divisions
Lumber Yard and Drinks Depot
Cement Warehouse
General Offices

Long Point: Land and Building (Shipping Department adjacent to Port facilities)
3.42 acres – Has great long-term potential for future development as the area around the Port develops.

Clarks Estate: Approximately 56 acres of prime land adjacent to the Four Seasons Estates – slated for future development for high end villas

In November 2016, the net assets of St Kitts Bottling Company were sold to KOSCAB (St Kitts) Limited.

- a. The date of the meeting and whether it was an annual or special meeting.

- b. If the meeting involved the election of directors, the name of each director elected at the meeting and the name of each other director whose term of office as a director continued after the meeting.

- c. A brief description of each other matter voted upon at the meeting and a statement of the number of votes cast for or against as well as the number of abstentions as to each such matter, including a separate tabulation with respect to each nominee for office.

- d. A description of the terms of any settlement between the registrant and any other participant.

- e. Relevant details of any matter where a decision was taken otherwise than at a meeting of such security holders.

5. Market for Reporting issuer's Common Equity and Related Stockholder Matters.

Furnish information regarding all equity securities of the reporting issuer sold by the reporting issuer during the period covered by the report.

N/A

6. Financial Statements and Selected Financial Data.

Attach Audited Financial Statements, which comprise the following:

For the most recent financial year

- (i) Auditor's report; and
- (ii) Statement of Financial Position;

For the most recent financial year and for each of the two financial years preceding the date of the most recent audited Statement of Financial Position being filed

- (iii) Statement of Profit or Loss and other Comprehensive Income;
- (iv) Statement of Cash Flows;
- (v) Statement of Changes in Equity; and (vi) Notes to the Financial Statements.

7. Disclosure about Risk Factors.

Provide a discussion of the risk factors that may have an impact on the results from operations or on the financial conditions. Avoid generalised statements. Typical risk factors include untested products, cash flow and liquidity problems, dependence on a key supplier or customer, management inexperience, nature of business, absence of a trading market (specific to the securities of the reporting issuer), etc. Indicate if any risk factors have increased or decreased in the time interval between the previous and current filing.

See Attached

Note 5 Page 25 to 31 (Annual Report)

Note 6 Page 32 to 44 (Annual Report)

St. Kitts Nevis Anguilla Trading and Development Company Limited

Notes to Consolidated Financial Statements

January 31, 2017

(expressed in Eastern Caribbean dollars)

4 Summary of accounting policies ...continued

z) Significant management judgment in applying accounting policies and estimation uncertainty ...continued

ix) Sensitivity analysis of life insurance risk ...continued

	Change in Variable	Change in Net Policy Liabilities	
		Increase/(Decrease) 2017	2016
		\$	\$
Increase in mortality	10%	(24,205)	(18,276)
Decrease in mortality	10%	25,477	19,331
Increase in lapse margin	15%	76,569	59,247
Increase in expenses	10%	28,079	27,513
Parallel decrease in valuation	1%	272,797	214,280

aa) Reclassifications

Where necessary, comparative figures have been adjusted to conform with the change in presentation in the current year (see note 34).

5 Financial risk management

a) Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including foreign currency risk, interest rate risk and price risk), credit risk and liquidity risk. The Group has not entered into forward contracts to reduce risk exposures. The Group's risk management focuses on actively seeking to minimise potential adverse effects on its financial performance.

The Group's risk management is coordinated with the Board of Directors, and focuses on actively securing the Group's short to medium-term cash flows by minimising the exposure to financial markets. Long-term financial investments are managed to generate lasting returns.

The Group does not actively engage in the trading of financial assets for speculative purposes nor does it write options. The most significant financial risks to which the Group is exposed are described below.

St. Kitts Nevis Anguilla Trading and Development Company Limited
Notes to Consolidated Financial Statements
January 31, 2017

(expressed in Eastern Caribbean dollars)

5 Financial risk management ...continued

a) Financial risk factors ...continued

i) Market risk

a) Foreign currency risk

The Group conducts its operations primarily in Eastern Caribbean dollars; however, some transactions are executed in various other currencies, mainly United States Dollars. Foreign currency risk arises when future commercial transactions and recognised assets and liabilities are denominated in a currency that is not the entity's functional currency. The exchange rate of the Eastern Caribbean dollar (EC\$) to the United States dollar (US\$) has been formally pegged at EC\$2.70 = US\$1.00 since July 1976, hence management considers foreign currency risk not to be significant.

b) Cash flow and fair value interest rate risk

The Group's interest rate risk arises primarily from net interest bearing liabilities held with financial institutions with respect to the credit accounts, bank overdraft, customer deposits and long-term borrowings. Borrowings issued at variable rates expose the Group to cash flow interest rate risk. Borrowings issued at fixed rates expose the Group to fair value interest rate risk. The credit accounts, bank overdraft and the long-term borrowings bear fixed interest rates of 3.5% - 5.0%, 6.5% - 9% and 5% - 7% respectively, which exposes the Group to fair value interest rate risk. To manage interest rate risk, the Group negotiates the best rates possible and where possible considers factors such as refinancing, reviewing options and alternative financing.

Management does not believe significant interest rate risk exists at January 31, 2017. If interest rates on the Group's financial instruments were 1% higher or 1% lower with all other variables held constant, the impact on consolidated net income for the year would have been insignificant.

c) Price risk

The Group is exposed to equity securities price risk because of equity investments held by the Group and classified in the consolidated statement of financial position as AFS financial assets. The Group's portfolio includes securities that are quoted on the Eastern Caribbean Securities Exchange, and its exposure to equity securities price risk is not material because the total of these securities is insignificant in relation to its consolidated statement of financial position and because of the limited volatility in this market. The Group does not hold equity securities that are quoted on the world's major securities markets. If market prices as at January 31, 2017 had been 10% higher/lower with all other variables held constant, the change in equity securities would have been insignificant.

ii) Credit risk

Credit risk arises from the possibility that counterparties may default on their obligations to the Group. The Group's credit risk arises from cash at banks, as well as credit exposures to customers and receivables. Cash at banks are only held with well-known reputable banks and financial institutions. If no independent rating exists for customers, management assesses the credit quality of customers on an individual basis, taking into account their financial position, credit history and other factors. The

St. Kitts Nevis Anguilla Trading and Development Company Limited

Notes to Consolidated Financial Statements

January 31, 2017

(expressed in Eastern Caribbean dollars)

5 Financial risk management ...continued

a) Financial risk factors ...continued

ii) Credit risk ...continued

utilization of credit limits is regularly monitored. Services rendered to customers are settled primarily in cash and cheques.

The Group has made adequate allowance for impairment for any potential credit losses and the amount of the Group's maximum exposure to credit risk is indicated by the carrying amount of its financial assets.

	2017	2016
	\$	\$
Cash at banks and cash equivalents	21,922,964	23,337,424
Investment securities	76,246,277	65,251,436
Loans to customers	97,715,924	94,462,439
Receivables	22,415,070	26,880,155
Due from related parties	694,582	434,340
	<u>218,994,817</u>	<u>210,365,794</u>

The Group continuously monitors defaults of customers and other counterparties, identified either individually or by groups of similar customers, and incorporates this information into its credit risk controls. Where available at reasonable cost, external credit ratings and/or reports on customers and other counterparties are obtained and used. The Group's policy is to deal only with creditworthy counterparties. The Group's management considers that all of the above financial assets that are not impaired or past due for each of the January 31 reporting dates under review are of good credit quality.

At January 31, the Group has certain receivables that have not been settled by the contractual due date but are not considered to be impaired. The amounts at January 31, analysed by the length of time past due are disclosed in note 11.

In respect of receivables, the Group is not exposed to any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. Receivables consist of a large number of customers in various industries and geographical areas. Based on historical information about customer default rates management considers the credit quality of receivables that are not past due or impaired to be good.

The credit risk for cash and cash equivalents, fixed deposits, corporate bonds and treasury bills and bonds is considered negligible, except for Caribbean Commercial Bank of Anguilla Limited and National Bank of Anguilla Limited (see note 9), since the counterparties are well-known reputable institutions.

St. Kitts Nevis Anguilla Trading and Development Company Limited

Notes to Consolidated Financial Statements

January 31, 2017

(expressed in Eastern Caribbean dollars)

5 Financial risk management ...continued

a) Financial risk factors ...continued

ii) Credit risk ...continued

No impairment loss has been recorded in relation to the Group's cash and cash equivalents, fixed deposits, corporate bonds and treasury bills and bonds, while an impairment loss on AFS financial assets amounted to \$_____ (2016: \$202,500) was provided for.

Loans to customers

Loans to customers are summarised as follows:

	2017 \$	2016 \$
Neither past due nor impaired	91,596,020	88,956,311
Past due but not impaired	2,886,906	2,117,943
Impaired	6,315,082	6,331,859
Gross loans to customers	100,798,008	97,406,113
Interest receivable	227,088	319,221
Less: allowance for impairment	(3,309,172)	(3,262,895)
Net loans	97,715,924	94,462,439
Specific provision	2,898,123	2,749,907
Inherent risk provision	411,049	512,988
Allowance for impairment	3,309,172	3,262,895

(a) Loans to customers neither past due nor impaired

The credit quality of the portfolio of loans and advances that were neither past due nor impaired can be assessed by reference to the internal rating system adopted by the Group. Gross amounts of loans and advances by class to customers that were neither past due nor impaired were as follows:

	2017 \$	2016 \$
Home construction	25,992,772	32,036,247
Vehicle	26,764,264	21,167,738
Property	14,284,635	12,749,377
Refinanced mortgage	8,439,811	9,622,180
Consumer	8,906,640	7,367,647
Promotional	4,937,677	3,620,076
Education	696,519	952,594
Vacation	1,152,623	898,912
Government	338,102	393,934
Medical	82,977	147,606
	91,596,020	88,956,311

St. Kitts Nevis Anguilla Trading and Development Company Limited
 Notes to Consolidated Financial Statements
 January 31, 2017

(expressed in Eastern Caribbean dollars)

5 Financial risk management ...continued

a) **Financial risk factors ...continued**

ii) **Credit risk ...continued**

Loans to customers ...continued

(b) *Loans to customers past due but not impaired*

Loans and advances past due are not considered impaired unless other information is available to indicate the contrary. Gross amounts of loans and advances by class to customers that were past due but not impaired were as follows:

	2017 \$	2016 \$
Past due up to 3 months	475,180	927,326
Past due 3 – 6 months	465,383	218,125
Past due 6 – 12 months	522,623	133,150
Over 12 months	1,423,720	839,342
	2,886,906	2,117,943

(c) *Loans to customers individually impaired*

The individually impaired loans and advances to customers before taking into consideration the cash flows from collateral held is \$6,315,082 (2016: \$6,331,859). Loans written-off for the year is \$93,814 (2016: \$267,766).

The breakdown of the gross amount of individually impaired loans and advances by class, along with the fair value of related collateral held as security is as follows:

	2017 \$	2016 \$
Property	815,605	1,812,245
Home construction	2,026,973	1,850,435
Refinanced mortgage	2,002,173	1,463,120
Vehicle	642,488	423,768
Education	397,947	429,438
Consumer	284,780	216,565
Vacation	56,382	91,411
Promotional	79,207	44,877
Medical	9,527	-
Total	6,315,082	6,331,859
Fair value of collateral	13,333,996	12,968,669

St. Kitts Nevis Anguilla Trading and Development Company Limited

Notes to Consolidated Financial Statements

January 31, 2017

(expressed in Eastern Caribbean dollars)

5 Financial risk management ...continued

a) Financial risk factors ...continued

ii) Credit risk ...continued

(d) Loans and advances renegotiated

Restructuring activities include extended payment arrangements, modification and deferred payments. Following restructuring, a previously overdue account is reset to a normal status and managed together with other similar accounts. Restructuring policies and practices are based on indicators of criteria which, in the judgement of management, indicate that payment will most likely continue. These policies are kept under continuous review. Restructuring is most commonly applied to term loans, in particular customer finance loans.

As at January 31, 2017, renegotiated loans that would otherwise be past due or impaired totalled \$527,337 (2016: \$578,261).

(e) Repossessed collateral

Repossessioned properties are sold as soon as practicable, with the proceeds used to reduce the outstanding indebtedness. Repossessed collaterals of the Group amounted to \$653,066 and \$653,066 as at January 31, 2017 and 2016, respectively.

Geographic

Substantially all of the Group's counterparties are located within St. Kitts and Nevis and the Eastern Caribbean region.

iii) Liquidity risk

Liquidity risk is the risk that the Group might be unable to meet its obligations. The Group manages its liquidity needs by monitoring scheduled debt servicing payments for long-term financial liabilities as well as forecasts of cash inflows and outflows due in day-to-day business. The data used for analysing these cash flows is consistent with that used in the contractual maturity analysis below. Liquidity needs are monitored in various time bands, on a day-to-day and week-to-week basis, as well as on the basis of a rolling 30-day projection. Long-term liquidity needs for a 180 - day and a 360 - day lookout period are identified monthly. Net cash requirements are compared to available borrowing facilities in order to determine headroom or any shortfalls. This analysis shows that available borrowing facilities are expected to be sufficient over the lookout period.

The Group's objective is to maintain cash and marketable securities to meet its liquidity requirements for 30-day periods at a minimum. This objective was met for the reporting periods. Funding for long-term liquidity needs is additionally secured by an adequate amount of committed credit facilities.

The table below analyses the Group's financial liabilities and assets in relevant maturity groupings based on the remaining period at the reporting date at the consolidated statement of financial position date to the contractual maturity date, and represent the contractually undiscounted cash flows:

St. Kitts Nevis Anguilla Trading and Development Company Limited

Notes to Consolidated Financial Statements

January 31, 2017

(expressed in Eastern Caribbean dollars)

5 Financial risk management ...continued

a) Financial risk factors ...continued

iii) Liquidity risk ...continued

	Within 1 year \$	Between 1 and 5 years \$	More than 5 years \$	Total \$
As at January 31, 2017				
<i>Financial liabilities</i>				
Borrowings	41,112,999	5,916,948	6,891,660	53,921,607
Customers' deposits	100,601,412	2,530,680	5,964,114	109,096,206
Accounts payable and other liabilities	43,912,947	—	—	43,912,947
Due to related parties	5,896	—	—	5,896
Total financial liabilities	185,633,254	8,447,628	12,855,774	206,936,656
<i>Financial assets</i>				
Cash and cash equivalents	22,018,832	—	—	22,018,832
Investment securities	69,182,932	7,063,345	—	76,246,277
Loans to customers	11,788,798	36,623,668	49,303,458	97,715,924
Receivables	16,198,772	6,216,298	—	22,415,070
Due from related parties	694,582	—	—	694,582
Total financial assets	119,883,916	49,903,311	49,303,458	219,090,685
Net liquidity gap	(65,749,338)	41,455,683	49,303,458	12,154,029
As at January 31, 2016				
<i>Financial liabilities</i>				
Borrowings	64,367,796	14,261,575	10,082,113	88,711,484
Customers' deposits	96,937,481	414,599	5,964,114	103,316,194
Accounts payable and other liabilities	44,625,456	—	—	44,625,456
Total financial liabilities	205,930,733	14,676,174	16,046,227	236,653,134
<i>Financial assets</i>				
Cash and cash equivalents	23,425,702	—	—	23,425,702
Investment securities	53,348,845	11,902,591	—	65,251,436
Loans to customers	19,259,942	38,261,231	36,941,266	94,462,439
Receivables	20,214,896	5,798,803	866,456	26,880,155
Due from related parties	434,340	—	—	434,340
Total financial assets	116,683,725	55,962,625	37,807,722	210,454,072
Net liquidity gap	(89,247,008)	41,286,451	21,761,495	(26,199,062)

St. Kitts Nevis Anguilla Trading and Development Company Limited

Notes to Consolidated Financial Statements

January 31, 2017

(expressed in Eastern Caribbean dollars)

6 Management of insurance and financial risk

a) Insurance risk

The risk under any one insurance contract is the possibility that the insured event occurs and the uncertainty of the amount of the resulting claim. By the very nature of an insurance contract, this risk is random and therefore unpredictable.

To limit the Group's exposure of potential loss on an insurance policy, the Group cedes certain levels of risk to a reinsurer. The Group selects reinsurers which have a well-established capability to meet their contractual obligations and which generally have high credit ratings.

For its property risks, the Group uses excess of loss catastrophe reinsurance treaty to obtain reinsurance coverage. Catastrophe reinsurance is obtained for multiple claims arising from one event or occurring within a specified time period. However, treaty limits may apply and may expose the insurer to further claim exposure.

For a portfolio of insurance contracts where the theory of probability is applied to pricing and provisioning, the principal risk that the Group faces under its insurance contracts is that the actual claims and benefits payments exceed the carrying amount of the insurance liabilities. This could occur because of the frequency or severity of claims and if benefits payments are greater than estimated. Insurance events are random and the actual number and amount of claims and benefits will vary from year to year from the estimate.

The concentration of insurance risk before and after reinsurance by risk category is summarised below, with reference to the carrying amount of the insurance liabilities (gross and net of reinsurance) arising from insurance contracts:

Type of risk	2017		2016	
	Gross \$	Net \$	Gross \$	Net \$
Motor	2,845,677	2,845,677	2,467,471	2,467,471
Property	442,294	442,294	2,455,000	55,000
	3,287,971	3,287,971	4,922,471	2,522,471
Add:				
Claims incurred but not reported	365,000	365,000	360,000	360,000
Unallocated loss adjustment expenses	241,000	241,000	178,000	178,000
	3,893,971	3,893,971	5,460,471	3,060,471

St. Kitts Nevis Anguilla Trading and Development Company Limited

Notes to Consolidated Financial Statements

January 31, 2017

(expressed in Eastern Caribbean dollars)

6 Management of insurance and financial risk ...continued

a) Insurance risk ...continued

i) Property insurance

Property insurance contracts are underwritten using the following main risk categories: fire, business interruption, weather damage and theft.

Frequency and severity of claims

For property insurance contracts, climatic changes may give rise to more frequent and severe extreme weather events (for example, flooding, hurricanes, earthquakes, etc.), and may increase the frequency and severity of claims and their consequences. The Group manages these risks through its underwriting strategy, adequate reinsurance arrangements and proactive claims handling.

The Group has the right to re-price the risk on renewal. It also has the ability to impose deductibles and reject fraudulent claims. These contracts are underwritten by reference to the commercial replacement value of the properties and contents insured, and claim payment limits are always included to cap the amount payable on occurrence of the insured event. Cost of rebuilding properties, of replacement or indemnity for contents and time taken to restart operations for business interruption are the key factors that influence the level of claims under these policies. The greatest likelihood of significant losses on these contracts arises from fire, hurricane and earthquake damage. The Group has reinsurance cover for such damage to limit losses to \$0.250 million in any one occurrence, per individual property risk.

Sources of uncertainty in the estimation of future claim payments

Claims on property contracts are payable on a claims-occurrence basis. The Group is liable for all insured events that occurred during the term of the contract even if the loss is discovered after the end of the contract term. There are several variables that affect the amount and timing of cash flows from these contracts. The compensation paid on these contracts is the monetary awards granted for property damage caused by insured perils as stated in the contract of insurance.

The estimated costs of claims include direct expenses to be incurred in settling claims. The Group takes all reasonable steps to ensure that it has appropriate information regarding its claims exposures. Property claims are less sensitive as the shorter settlement period for these claims allows the Group to achieve a higher degree of certainty about the estimated cost of claims. However, given the uncertainty in establishing claims provisions, it is likely that the final outcome will prove to be different from the original liability established. The liability for these contracts comprises a provision for incurred but not reported (IBNR) and a provision for reported claims not yet paid (outstanding claims) at the reporting date.

ii) Casualty insurance

The Group's casualty insurance is motor, marine and liability insurance.

Frequency and severity of claims

The frequency and severity of claims can be affected by several factors. The most significant is the number of cases coming to Court that have been inactive or latent for a long period of time. Estimated inflation is also a significant factor due to the long period required to settle these cases.

The Group manages these risks through its underwriting strategy, adequate reinsurance arrangements and proactive claims handling.

St. Kitts Nevis Anguilla Trading and Development Company Limited

Notes to Consolidated Financial Statements

January 31, 2017

(expressed in Eastern Caribbean dollars)

6 Management of insurance and financial risk ...continued

a) Insurance risk ...continued

ii) Casualty insurance ...continued

Underwriting limits are in place to enforce appropriate risk selection criteria. For example, the Group has the right not to renew individual policies, it can impose deductibles and it has the right to reject the payment of a fraudulent claim. Furthermore, the Group's strategy limits the total exposure to the Group by the use of reinsurance treaty arrangements. The reinsurance arrangements include excess of loss cover. The effect of such reinsurance arrangements is that the Group should not suffer total net insurance loss of more than \$0.500 million per risk for casualty insurance.

Sources of uncertainty in the estimation of future claim payments

Claims on casualty contracts are payable on a claims-occurrence basis. The Group is liable for all insured events that occurred during the term of the contract even if the loss is discovered after the end of the contract term. As a result, casualty and financial risk claims are settled over a longer period of time. There are several variables that affect the amount and timing of cash flows from these contracts. These mainly relate to the inherent risks of the business activities carried out by individual contract holders and the risk management procedures they adopted. The compensation paid on these contracts is the monetary awards granted for bodily injury suffered by employees (for employers' liability covers). Such awards are lump-sum payments that are calculated as the present value of the lost earnings and rehabilitation expenses that the injured party will incur because of the accident.

The estimated cost of claims includes direct expenses to be incurred in settling claims, net of the expected subrogation value and other recoveries. The Group takes all reasonable steps to ensure that it has appropriate information regarding its claims exposures. However, given the uncertainty in establishing claims provisions, it is likely that the final outcome will prove to be different from the original liability established. The liability for these contracts comprises a provision for claims incurred but not reported (IBNR) and a provision for reported claims not yet paid (outstanding claims) and a provision for unexpired risks at the reporting date. The Group's IBNR loss reserves are derived using paid loss development estimation method (triangular method). Each business classes' IBNR was calculated using claims data and loss history. The quantum of casualty claims is particularly sensitive to the level of Court awards and to the development of legal precedent on matters of contract and tort.

iii) Life insurance contracts

The Group limits its exposure of potential loss on life insurance policies, by ceding all insurance risks to a reinsurer. The Group selects reinsurers which have a well-established capability to meet their contractual obligations and which generally have high credit ratings.

The nature and extent of risks arising from life insurance contracts as of January 31, 2017 and 2016 are as follows:

St. Kitts Nevis Anguilla Trading and Development Company Limited

Notes to Consolidated Financial Statements

January 31, 2017

(expressed in Eastern Caribbean dollars)

6 Management of insurance and financial risk ...continued

a) Insurance risk ...continued

iii) Life insurance contracts ...continued

Concentration of life insurance risk

Gross individual life insurance benefit insured per life policy as at January 31, is as follows

Range	2017	2016
\$0- \$200,000	72%	71%
\$200,001 - \$400,000	26%	27%
\$400,001 - \$800,000	2%	2%

The risk is concentrated in the first 2 categories.

Net individual life insurance benefit insured per policy as at January 31, 2017 is 100% (2016: 100%) in the category \$0-\$200,000 and the risk is concentrated in the first category.

Comparison of actual and expected claims of life insurance risk

The disclosure about claims development relates to the period when the earliest material claim arose for which there is still uncertainty about the amount and timing of the claims payments. As at January 31, the Group's comparison of actual and expected claims is shown below.

Year	2017		2016	
	Actual claims \$	Expected claims \$	Actual claims \$	Expected claims \$
2009	—	113,000	—	113,000
2010	45,000	106,000	45,000	106,000
2011	93,000	103,000	93,000	103,000
2012	8,000	98,000	8,000	98,000
2013	—	93,000	—	93,000
2014	—	87,000	—	87,000
2015	—	82,000	—	82,000
2016	—	74,000	—	74,000
2017	—	54,000	—	54,000

St. Kitts Nevis Anguilla Trading and Development Company Limited
Notes to Consolidated Financial Statements
January 31, 2017

(expressed in Eastern Caribbean dollars)

6 Management of insurance and financial risk ...continued

a) Insurance risk ...continued

iii) Life insurance contracts ...continued

Maturity profile of life insurance risk

The estimated timing of net cash outflows resulting from recognised life insurance liabilities as at January 31, are as follows:

	Up to 1 year	1 to 5 years	Over 5 years	Total
As at January 31, 2017				
Net reserve	315	4,957	12,182,413	2,187,68
Fund balance	–	–	550,986	550,98
Supplementary benefits	224	–	–	22
Total liabilities, January 31, 2017	539	4,957	2,733,399	2,738,89
As at January 31, 2016				
Net reserve	129	3,624	1,619,250	1,623,00
Fund balance	–	–	568,407	568,40
Supplementary benefits	229	–	–	22
Total liabilities, January 31, 2016	358	3,624	2,187,657	2,191,63

iv) Claims development

The Group employs loss (claims) development tables as a means of measuring actual claims compared with previous estimates. Claims are typically resolved within one year and are assessed on a case-by-case basis. The claims that tend to extend beyond one year are normally from the Accident line of business and to a lesser extent, the motor line.

(expressed in Eastern Caribbean dollars)

6 Management of insurance and financial risk ...continued

a) Insurance risk ...continued

iv) Claims development ...continued

Motor – gross

Loss year	Brought forward	2013	2014	2015	2016	2017	Total
	\$	\$	\$	\$	\$	\$	\$
- At end of reporting year	3,030,567	2,412,449	1,922,060	3,350,301	2,409,026	2,417,181	15,541,584
- One year later	(6,111)	(97,683)	(26,121)	(442,227)	(61,050)	–	(633,192)
- Two years later	(7,847)	3,444	186,724	61,736	–	–	244,057
- Three years later	(21,000)	189,480	(24,450)	–	–	–	144,030
- Four years later	6,050	(19,945)	–	–	–	–	(13,895)
- Five years and over	(5,000)	–	–	–	–	–	(5,000)
Current estimate of cumulative claims	2,996,659	2,487,745	2,058,213	2,969,810	2,347,976	2,417,181	15,277,584
Cumulative payments to date	(2,224,160)	(1,917,279)	(1,671,750)	(2,326,985)	(2,359,021)	(1,932,712)	(12,431,907)
Liability recognised in the consolidated statement of financial position	772,499	570,466	376,463	642,825	(11,045)	484,469	2,845,677

Motor – net

- At end of reporting year	3,030,567	2,412,449	1,922,060	3,350,301	2,409,026	2,417,181	15,541,584
- One year later	(6,111)	(97,683)	(26,121)	(442,227)	(61,050)	–	(633,192)
- Two years later	(7,847)	3,444	186,724	61,736	–	–	244,057
- Three years later	(21,000)	189,480	(24,450)	–	–	–	144,030
- Four years later	6,050	(19,945)	–	–	–	–	(13,895)
- Five years and over	(5,000)	–	–	–	–	–	(5,000)
Current estimate of cumulative claims	2,996,659	2,487,745	2,058,213	2,969,810	2,347,976	2,417,181	15,277,584
Cumulative payments to date	(2,224,160)	(1,917,279)	(1,671,750)	(2,326,985)	(2,359,021)	(1,932,712)	(12,431,907)
Liability recognised in the consolidated statement of financial position	772,499	570,466	376,463	642,825	(11,045)	484,469	2,845,677

St. Kitts Nevis Anguilla Trading and Development Company Limited
Notes to Consolidated Financial Statements
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(expressed in Eastern Caribbean dollars)

6 Management of insurance and financial risk ... continued

a) Insurance risk ... continued

iv) Claims development ... continued

	Brought forward	2013	2014	2015	2016	2017	Total
	\$	\$	\$	\$	\$	\$	\$
Property – gross							
Loss year							
- At end of reporting year	183,682	92,395	1,066,955	173,307	2,412,000	3,245,454	7,173,793
- One year later	-	-	42,713	(16,706)	197,931	-	223,938
- Two years later	(12,732)	-	(1,132)	-	-	-	(13,864)
- Three years later	-	-	-	-	-	-	-
- Four years later	-	-	-	-	-	-	-
- Five years later	-	-	-	-	-	-	-
Current estimate of cumulative claims	170,950	92,395	1,108,536	156,601	2,609,931	3,245,454	7,383,867
Cumulative payments to date	(41,582)	(59,526)	(222,693)	(1,137,082)	(24,602)	(5,456,088)	(6,941,573)
Liability recognised in the consolidated statement of financial position	129,368	32,869	885,843	(980,481)	2,585,329	(2,210,634)	442,294
Property – net							
- At end of reporting year	183,682	92,395	1,066,955	173,307	2,412,000	3,245,454	7,173,793
- One year later	-	-	42,713	(16,706)	197,931	-	223,938
- Two years later	(12,732)	-	(1,132)	-	-	-	(13,864)
- Three years later	-	-	-	-	-	-	-
- Four years later	-	-	-	-	-	-	-
- Five years later	-	-	-	-	-	-	-
Current estimate of cumulative claims	170,950	92,395	1,108,536	156,601	2,609,931	3,245,454	7,383,867
Cumulative payments to date	(41,582)	(59,526)	(222,693)	(1,137,082)	(24,602)	(5,456,088)	(6,941,573)
Liability recognised in the consolidated statement of financial position	129,368	32,869	885,843	(980,481)	2,585,329	(2,210,634)	442,294

St. Kitts Nevis Anguilla Trading and Development Company Limited

Notes to Consolidated Financial Statements

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(expressed in Eastern Caribbean dollars)

6 Management of insurance and financial risk ...continued

b) Fair value of financial assets and liabilities

Fair value is the arm's length consideration for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties, who are under no compulsion to act and is best evidenced by a quoted market price, if one exists.

Determination of fair value

The following methods and assumptions have been used to estimate the fair value of each class of financial instruments for which it is practical to estimate a value:

Short-term financial assets and liabilities

The carrying value of these financial assets and liabilities is a reasonable estimate of their fair value because of the short maturity of these instruments. Short-term financial assets are comprised of cash and cash equivalents, receivables and due from related parties. Short-term financial liabilities are comprised of customers' deposits, accounts payable and other liabilities and due to related parties.

Long-term financial assets

The fair value of long-term financial assets which are not quoted in an active market is based on discounted cash flows using the interest rate for new financial assets with the same characteristics and maturities.

AFS – financial assets

Fair value is based on quoted market prices. Where these are not available, fair value is assumed to approximate cost.

Borrowings and deposits

The estimated fair value of deposits with no stated maturity, which includes non-interest bearing deposits, is the amount repayable on demand.

The estimated fair value of fixed-interest bearing deposits and other borrowings not quoted in an active market is based on discounted cash flows using interest rates for new debts with similar remaining maturity.

St. Kitts Nevis Anguilla Trading and Development Company Limited

Notes to Consolidated Financial Statements

January 31, 2017

(expressed in Eastern Caribbean dollars)

6 Management of insurance and financial risk ... continued

b) Fair value of financial assets and liabilities ... continued

The table below summarises the carrying amounts and fair values of the Group's financial assets and liabilities:

	Carrying value		Fair value	
	2017	2016	2017	2016
	\$	\$	\$	\$
Financial assets				
Cash and cash equivalents	22,018,832	23,425,702	22,018,832	23,425,702
Investment securities	76,246,277	65,251,436	76,246,277	65,251,436
Loans to customers	97,715,924	94,462,439	97,715,924	94,462,439
Receivables	22,415,070	26,880,155	22,415,070	26,880,155
Due from related parties	694,582	434,340	694,582	434,340
	219,090,685	210,454,072	219,090,685	210,454,072
Financial liabilities				
Borrowings	53,921,607	64,598,154	53,921,607	64,598,154
Customers' deposits	107,368,435	101,604,739	102,769,598	97,005,005
Accounts payable and other liabilities	43,912,947	44,625,456	43,912,947	44,625,456
Due to related parties	5,896	—	5,896	—
	205,208,885	210,828,349	200,610,048	206,228,615

St. Kitts Nevis Anguilla Trading and Development Company Limited
Notes to Consolidated Financial Statements
January 31, 2017

(expressed in Eastern Caribbean dollars)

6 Management of insurance and financial risk ...continued

c) Fair value hierarchy

Fair value measurement of financial assets

IFRS 7 specifies a hierarchy of valuation techniques based on whether the inputs to those valuation techniques are observable or unobservable. Observable inputs reflect market data obtained from independent sources; unobservable inputs reflect the Group's market assumptions. These two types of inputs have created the following fair value hierarchy:

- Level 1: Quoted prices in active markets for identical assets and liabilities. This level includes equity securities and debt instruments listed on exchanges.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
- Level 3: Inputs for the assets or liabilities that are not based on observable market data. This level includes equity investments and debt instruments with significant unobservable components.

The hierarchy requires the use of observable market data when available. The Group considers relevant and observable market prices in valuations where possible.

	Level 1 \$	Level 2 \$	Level 3 \$
Financial assets 2017			
AFS financial assets	3,478,148		3,585,197
Financial assets 2016			
AFS financial assets	3,625,161	–	3,585,197

Fair value measurement of non-financial assets

The following table shows the Levels within the hierarchy of non-financial assets measured at fair value on a recurring basis:

	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Land and buildings – January 31, 2017		18,180,286	93,847,841	112,028,127
Land and buildings – January 31, 2016	–	17,930,102	103,545,188	121,475,290

Fair value of the Group's main property assets is estimated based on appraisals performed by independent, professionally-qualified property valuers. The significant inputs and assumptions are developed in close consultation with management. The valuation processes and fair value changes are reviewed by the Board of Directors and audit committee at each reporting date.

St. Kitts Nevis Anguilla Trading and Development Company Limited
Notes to Consolidated Financial Statements
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(expressed in Eastern Caribbean dollars)

6 Management of insurance and financial risk ...continued

c) Fair value hierarchy ...continued

The appraisal was carried out using a market approach that reflects observed prices for recent market transactions for similar properties and incorporates adjustments for factors specific to the land in question, including plot size, location and current use.

Land and buildings were revalued in January 2015 and were not revalued at the reporting date. Management determined that the effect of changes in fair values between the last revaluation date and the reporting date is immaterial.

d) Capital risk management

The Group maintains a level of capital that is sufficient to meet several objectives, including its ability to continue as a going concern in order to provide returns and benefits for shareholders and to maintain an acceptable total debt-to-capital ratio to provide access to adequate funding sources to support current operations and the fulfillment of its strategic plan.

Total net debt includes bank loans and long-term debt less cash. The Group's capital includes total net debt and equity. As at January 31, 2017, the Group's net debt amounted to \$31,902,775 (2016: \$41,172,452), while its equity amounted to \$190,443,778 (2016: \$188,372,104).

The Group manages its capital structure and makes adjustments in light of changes in activities, economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust its capital structure, the Group may issue new shares, repurchase shares for cancellation, adjust the amount of dividends paid to shareholders or sell assets to reduce debt.

In accordance with Section 3 of the Insurance Act of 2009 (the "Act"), the insurance subsidiary is required to have a minimum share capital of \$2,000,000 fully paid up in cash. Further, Section 23 of the Act requires the insurance subsidiary to deposit an amount of \$1,000,000 for long term insurance and no less than \$500,000 for motor vehicle insurance with the Registrar or that the interest of the Registrar in respect of any prescribed asset be duly registered with the Eastern Caribbean Central Securities Registry. The statutory deposits prior to elimination in the amount of \$4,249,354 (2016: \$4,709,018) in the form of term deposits and bonds are currently held by the insurance subsidiary to satisfy the above requirement.

In St. Kitts and Nevis, the solvency criteria prescribed by Section 54 (c) of the Act states that a registered insurance company carrying on both long-term insurance and general insurance business, shall be deemed to be insolvent, if the excess of its total assets over its total liabilities is less than the greater of the following amounts:

- i) \$500,000; or
- ii) 20% of its premium income in respect of the general insurance business in its last preceding financial year and 5% of the long-term life insurance liabilities as at the end of the reporting period.

St. Kitts Nevis Anguilla Trading and Development Company Limited
Notes to Consolidated Financial Statements
January 31, 2017

(expressed in Eastern Caribbean dollars)

6 Management of insurance and financial risk ...continued

d) Capital risk management ...continued

	2017	2016
	\$	\$
<i>General insurance business</i>		
20% of net premium income of the preceding year (2017: \$7,897,958; 2016: \$8,581,675)	1,579,592	1,716,335
<i>Long-term insurance business</i>		
5% of life policyholders' benefits of the current year (2017: \$2,738,895; 2016: \$2,191,693)	136,945	109,582
	<u>1,716,537</u>	<u>1,825,917</u>

Compliance with the minimum margin of solvency is determined as follows:

	2017	2016
	\$	\$
Total assets	50,203,421	51,887,846
Total liabilities	<u>(14,501,676)</u>	<u>(17,283,793)</u>
Margin of solvency	35,701,745	34,604,053
Required minimum margin of solvency	<u>(1,716,537)</u>	<u>(1,825,917)</u>
Margin of solvency in excess of requirement	<u>33,985,208</u>	<u>32,778,136</u>

The margin of solvency was met and exceeded by the insurance subsidiary in 2017 and 2016.

Capital adequacy and the use of regulatory capital are constantly monitored by the finance subsidiary's Board of Directors. The ECCB requires all financial institutions under its jurisdiction to hold the minimum level of regulatory capital of \$5,000,000.

The table below summarises the composition of regulatory capital of the finance subsidiary for the two-year presentation. During those two years, the finance subsidiary complied with all of the externally imposed capital requirements to which it must comply.

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Notes to Consolidated Financial Statements
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6 Management of insurance and financial risk ...continued

d) Capital risk management ...continued

	2017	2016
	\$	\$
Tier 1 capital		
Share capital	6,000,000	6,000,000
Statutory reserve fund	5,522,184	5,098,405
Retained earnings	13,753,950	13,620,120
Other reserve	202,400	141,110
	<hr/>	<hr/>
Total qualifying tier 1 capital	25,478,534	24,859,635
	<hr/>	<hr/>
Tier 2 capital		
Accumulated impairment	3,309,172	3,262,895
	<hr/>	<hr/>
Total regulatory capital	28,787,706	28,122,530
	<hr/>	<hr/>

7 Segment reporting

Management currently identifies the Group's product and service lines as its operating segments. These operating segments are monitored by the Group's Chief Executive Officer (the chief operating decision maker) and strategic decisions are made on the basis of adjusted segment operating results.

Minor operating segments are combined below under other segments. These are rentals and hire purchase, airline agents and tour operations, real estate development and shipping.

Changes in Securities and Use of Proceeds.

- (a) Where the rights of the holders of any class of registered securities have been materially modified, give the title of the class of securities involved. State briefly the general effect of such modification upon the rights of holders of such securities.

- (b) Where the use of proceeds of a security issue is different from that which is stated in the registration statement, provide the following:

- Offer opening date (provide explanation if different from date disclosed in the registration statement)

.....

- Offer closing date (provide explanation if different from date disclosed in the registration statement)

.....

- Name and address of underwriter(s)

.....

.....

- Amount of expenses incurred in connection with the offer

- Net proceeds of the issue and a schedule of its use

.....

.....

- Payments to associated persons and the purpose for such payments

.....

.....

- (c) Report any working capital restrictions and other limitations upon the payment of dividends.

9. Defaults upon Senior Securities.

- a. If there has been any material default in the payment of principal, interest, a sinking or purchase fund instalment, or any other material default not satisfied within 30 days, with respect to any indebtedness of the reporting issuer or any of its significant subsidiaries exceeding 5 per cent of the total assets of the reporting issuer and its consolidated subsidiaries, identify the indebtedness. Indicate the nature of the default. In the case of default in the payment of principal, interest, or a sinking or purchase fund instalment, state the amount of the default and the total arrear on the date of filing this report.

- b. If any material arrears in the payment of dividends have occurred or if there has been any other material delinquency not satisfied within 30 days, give the title of the class and state the amount and nature of the arrears or delinquency.

10. Management's Discussion and Analysis of Financial Condition and Results of Operation.

Discuss the reporting issuer's financial condition covering aspects such as liquidity, capital resources, changes in financial condition and results of operations during the financial year of the filing. Discussions of liquidity and capital resources may be combined whenever the two topics are interrelated.

The Management's Discussion and Analysis should disclose sufficient information to enable investors to judge:

1. The quality of earnings;
2. The likelihood that past performance is indicative of future performance; and
3. The issuer's general financial condition and outlook.

It should disclose information over and above that which is provided in the management accounts and should not be merely a description of the movements in the financial statements in narrative form or an otherwise uninformative series of technical responses. It should provide management's perspective of the company that enables investors to view the business from the vantage point of management.

The discussion should focus on aspects such as liquidity; capital resources; changes in financial condition; results of operations; material trends and uncertainties and measures taken or to be taken to address unfavourable trends; key performance indicators; and nonfinancial indicators.

General Discussion and Analysis of Financial Condition

The International Monetary Fund's October 2016 World Economic Outlook report indicated that the global economy grew at a moderate pace. Growth in 2016 was estimated at 3.1 percent marginally lower than 3.2 per cent growth that was registered in 2015. Global economic growth is forecasted to accelerate to 3.4 and 3.6 per cent in 2017 and 2018 respectively.

In the Eastern Caribbean Currency Union (ECCU) economic activity is estimated to have expanded for the fifth consecutive year at 2.2 percent compared to 2.6 percent in 2015. Expansions were recorded for a number of key sectors, including construction, wholesale and retail trade and hotels and restaurants. Economic activity is estimated to have expanded in seven of the eight territories and was partially moderated by a contraction in St Lucia.

In St Kitts and Nevis, Gross Domestic Product, (GDP), is estimated to have increased by 2.8 per cent in 2016 compared to 4.9 per cent in 2015. The value added in the construction sector is estimated to have increased by 3.5 per cent in 2016 compared to 6.7 per cent in 2015. The moderate performance of construction was negatively influenced by a deceleration in private and public sector investments. The value added in the hotels and restaurants sector is estimated to have increased by 1.9 per cent in 2016 compared to 3.5 per cent in 2015.

Economic activity is projected to improve globally in 2017. There is a wide dispersion of possible outcomes and the global ramifications around the projections given the uncertainty surrounding a number of issues such as the policies of the newly elected United States administration and the Brexit vote by the United Kingdom to exit the European Union.

Growth in the ECCU is estimated to increase to 3 percent in 2017. Construction and tourism are likely to be the main sectors propelling growth in the region.

Developments in St Kitts and Nevis will be dominated by real sector developments in the construction sector, continued investments in resort development in the private sector, upgrades to public infrastructure, road works, tourist attractions and public buildings.

Downsides risks to the projections include accelerated declines in receipts from the Citizenship By Investment, (CBI), programme due to intensified regional competition, increased scrutiny and subsequently lower activity in the construction sector. The region's tourism could be potentially affected by USA-Cuba relations which could translate to a diversion of cruise lines, airlift, tourists and foreign investments from the ECCU to Cuba.

Liquidity and Capital Resources

Provide a narrative explanation of the following (but not limited to):

- i) The reporting issuer's financial condition covering aspects such as liquidity, capital resources, changes in financial condition and results of operations.
- ii) Any known trends, demands, commitments, events or uncertainties that will result in, or that are reasonably likely to result in, the issuer's liquidity increasing or decreasing in any material way. If a deficiency is identified, indicate the course of action that the reporting issuer has taken or proposes to take to remedy the deficiency.
- iii) The issuer's internal and external sources of liquidity and any material unused sources of liquid assets.
- iv) Provisions contained in financial guarantees or commitments, debt or lease agreements or other arrangements that could trigger a requirement for an early payment, additional collateral support, changes in terms, acceleration of maturity, or the creation of an additional financial obligation such as adverse changes in the issuer's financial ratios, earnings, cash flows or stock price or changes in the value of underlying, linked or indexed assets.
- v) Circumstances that could impair the issuer's ability to continue to engage in transactions that have been integral to historical operations or are financially or operationally essential or that could render that activity commercially impracticable such as the inability to maintain a specified level of earnings, earnings per share, financial ratios or collateral.
- vi) Factors specific to the issuer and its markets that the issuer expects will affect its ability to raise short-term and long-term financing, guarantees of debt or other commitment to third parties, and written options on non-financial assets.
- vii) The relevant maturity grouping of assets and liabilities based on the remaining period at the balance sheet date to the contractual maturity date. Commentary should provide information about effective periods and the way the risks associated with different maturity and interest profiles are managed and controlled.
- viii) The issuer's material commitments for capital expenditures as of the end of the latest fiscal period, and indicate the general purposes of such commitments and the anticipated source of funds needed to fulfil such commitments.
- ix) Any known material trends, favorable or unfavorable, in the issuer's capital resources, including any expected material changes in the mix and relative cost of capital resources, considering changes between debt, equity and any off-balance sheet financing arrangements.

Discussion of Liquidity and Capital Resources

At January 31, 2017 the total bank debts stood at \$53,921,607 compared to \$64,598,154 at January 31, 2016.

Net Cash generated from operating activities was \$21,081,189 compared to \$21,205,912 at January 31, 2016. Net Cash Flows used in investing activities was \$7,345,545 compared to \$10,486,912 at January 31, 2016.

Net Cash Flows generated from financing activities was \$15,142,514. compared to \$9,645,543 at January 31, 2016.

During the year, the Group used its overdraft facilities and internally generated funds to finance its operations.

At January 31, 2017, the company had \$23,425,702 in Cash and Equivalents. Shareholders Equity stood at \$190,443,778

Existing sources of capital, together with cash flows from operations are expected to be adequate to meet foreseeable cash requirement.

Off Balance Sheet Arrangements

Provide a narrative explanation of the following (but not limited to):

- i) Disclosures concerning transactions, arrangements and other relationships with unconsolidated entities or other persons that are reasonably likely to materially affect liquidity or the availability of, or requirements for capital resources.
- ii) The extent of the issuer's reliance on off-balance sheet arrangements should be described fully and clearly where those entities provide financing, liquidity, market or credit risk support, or expose the issuer to liability that is not reflected on the face of the financial statements.
- iii) Off-balance sheet arrangements such as their business purposes and activities, their economic substance, the key terms and conditions of any commitments, the initial on-going relationship with the issuer and its affiliates and the potential risk exposures resulting from its contractual or other commitments involving the off balance sheet arrangements.
- iv) The effects on the issuer's business and financial condition of the entity's termination if it has a finite life or it is reasonably likely that the issuer's arrangements with the entity may be discontinued in the foreseeable future.

N/A

Results of Operations

In discussing results of operations, issuers should highlight the company's products and services, facilities and future direction. There should be a discussion of operating considerations and unusual events, which have influenced results for the reporting period. Additionally, any trends or uncertainties that might materially affect operating results in the future should be discussed.

Provide a narrative explanation of the following (but not limited to):

- i) Any unusual or infrequent events or transactions or any significant economic changes that materially affected the amount of reported income from continuing operations and, in each case, the extent to which income was so affected.
- ii) Significant components of revenues or expenses that should, in the company's judgment, be described in order to understand the issuer's results of operations.
- iii) Known trends or uncertainties that have had or that the issuer reasonably expects will have a material favorable or unfavorable impact on net sales or revenues or income from continuing operations.
- iv) Known events that will cause a material change in the relationship between costs and revenues (such as price increases, costs of labour or materials), and changes in relationships should be disclosed.
- v) The extent to which material increases in net sales or revenues are attributable to increases in prices or to increases in the volume or amount of goods or services being sold or to the introduction of new products or services.
- vi) Matters that will have an impact on future operations and have not had an impact in the past.
- vii) Matters that have had an impact on reported operations and are not expected to have an impact upon future operations
- viii) Off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships that have or are reasonably likely to have a current or future effect on the registrant's financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources.
- ix) Performance goals, systems and, controls,

Overview of Results of Operations

Automotive Divisions (St Kitts and Nevis) - In a rapidly changing environment filled with diverse challenges and opportunities, we have chartered a course that is designed to ensure that the products we sell and the services we offer remain competitive. This strategy has resulted in stellar performances by these divisions in 2016/2017. These divisions sold more vehicles than at any time in their history and witnessed significant increases in the revenue from the garage operations. The Automotive Divisions were recognized regionally by Toyota and Suzuki for meeting and exceeding sales targets.

Home and Building Depots, St Kitts and Nevis –The importation of building materials in the Federation of St Kitts and Nevis declined by 37.2 per cent, a gauge of activity in the construction sector. The construction sector was negatively impacted by the declining receipts from the CBI programme. Public sector investment declined by 30.3 per cent in capital outlays in 2016. As a result, the profit for the Home and Building Depots declined by 36.9 per cent.

Management directed an increased focus on the management of the expenses particularly the carrying cost of the inventory. They closely monitored inventory turnover rates, items were ordered in smaller quantities and more frequently, geared at reducing the carrying cost of the inventory.

The upgrade of the stores in St Kitts and Nevis continued in 2016. In St Kitts the retiling of the first floor of the retail area was completed, the air conditioning units were replaced. Retailing continues to change and we are investing to serve customers more effectively. The remodeling of the store in St Kitts in 2017 will include alterations to the layout of the store, the erection of new shelves and the display of new products.

City Drug Store (Nevis) Ltd and TDC Business Centre (St Kitts) – The profit before tax for these companies combined increased over the 2015/2016 financial year.

The Drinks Depot – The division reflected a loss for the financial year under review. The department continued to face inventory challenges in 2016.

SERVICES

Shipping Departments (St Kitts and Nevis) – Both Shipping Departments reported losses for the financial year under review. In July 2015, the company lost the CGM/CMA agency, the goods were brought on a smaller vessel by another agent. In August 2016, CGM/CMA returned and TDC was reappointed as the agent.

Since November 2015, both TDC Shipping Departments offered a mailbox service from Miami. We encourage you to visit the website, www.invaireskb.com and sign up for this service.

TDC Rentals Ltd and TDC Rentals (Nevis) Ltd – Car rental business for both companies declined since a number of long-term car rental contracts were terminated. Construction activity wound down at the businesses that patronized the long-term car rental business, hence the decline in demand. The number of new hire purchase contracts declined for both companies since a decision was taken in 2015 to record hire purchase financing by TDC Nevis and the TDC Parent Company.

INSURANCE AND FINANCE

TDC Insurance Company Ltd (formerly SNIC)

We are pleased to report that on 2 August 2016 A.M. Best, a leading international rating agency, notified TDC Insurance Company Ltd that the company attained a rating of A-. This was the first rating received by TDC Insurance Company Ltd from A.M. Best. The rating was based on the company's balance sheet strength, profitability over the years, underwriting performance and leading marketing presence in St Kitts and Nevis. The rating recognized the mitigation of underwriting risks through appropriate reinsurance programmes and considered the synergies derived from the affiliation with the TDC Group such as cross selling opportunities. A.M. Best applauded TDC Insurance Company for the highly rated reinsurers listed on the treaties. The strength of the balance sheet is evidenced by excellent risk adjusted capitalization, favourable loss reserves, and sound liquidity. One of the major risk factors for insurance companies is the potential for unexpected developments from known claims or the potential losses related to catastrophic losses from severe weather events. However, catastrophe risk is mitigated by TDC Insurance Company, through the conservative reinsurance programme. The liquidity of the company is augmented by positive operating cash flows over the years.

In 2016 strong competitive pricing, lower interest rates on investments and increases in the provisions for reserves resulted in a decline in profit by 18.6%.

As SNIC celebrates its 30th year in 2017, we are confident that we have the right mix of products and services to meet our clients' needs. In addition to auto and property insurance, we offer coverage for marine and travel insurance. Marine insurance is designed primarily to cover cargo movements from one location to another by air or sea, usually via commercial shipping lines.

The company continues to work collaboratively with the Traffic Department to promote road safety campaigns.

East Caribbean Reinsurance Company Ltd (ECRC) reported an increase in profit. During the previous financial year ECRC recorded the impairment loss for the shares held in the National Bank of Anguilla. In August 2013 both the National Bank of Anguilla Ltd and the Caribbean Commercial Bank (Anguilla) Ltd were placed in Conservatorship. Depositors' balances up to EC \$2.8 million are accessible to the depositors and any excess amounts were transferred to the Depositor Protection Trusts. The Bank Resolution Obligation Act, 2016 of Anguilla provides for the Government of Anguilla to fund the Depositor Protection Trusts in support of the resolution of the Caribbean Commercial Bank of Anguilla Ltd and National Bank of Anguilla Ltd. Deposits

will be held with the Depositor Protection Trusts for a 10-year term that commenced on 30 June 2016 at an interest rate of 2 per cent per annum and with an allowed withdrawal of 10 per cent of the principal balance.

TDC Financial Services Company Limited (formerly FINCO) – The Profit Before Tax declined by increased marginally by 1.58 percent as a result in the increase in provisions for loan losses coupled with declines in interest rates on investments. The loan portfolio increased by 3.54 percent hence the provisions for loan losses also increased. The company is required in accordance with International Reporting Standards to make provisions for the entire portfolio.

The delinquency rate on loans stood at 8.03 percent at 31 January, 2017 compared to 7.02 percent at the 31 January, 2016. The company has continued to focus on minimizing delinquency by expanding its loan underwriting process aimed at providing quality loans to qualified individuals and businesses. Preliminary data from the ECCB indicate that the average rates of delinquency for financial institutions in the ECCU were 17 percent and 16.7 percent for St Kitts and Nevis at the end of March 2016. TDC Financial Services continues to outperform the indices.

The Banking Act, No. 21 of 2016 was gazette on 20 May, 2016. The minimum required capital for credit or other financial institutions such as TDC Financial Services as stated in the Act is EC\$5 million. TDC Financial Services exceeded the threshold. The share capital at 31 January, 2017 is \$6 million.

TOURISM

Ocean Terrace Inn Ltd (OTI)

The hotel was closed in May 2014 to facilitate renovations with loan funding provided, on concessionary terms, by the Sugar Industry Diversification Foundation (SIDF). The hotel reopened in May 2015 with 34 rooms. The OTI Group reported a substantially reduced loss for the financial year ended 31 January 2017.

The condominium block, (OTI Pieces of Eight) comprising six 2-bedroom units and two 1-bedroom units (fourteen rooms), has been approved as a qualifying investment under the Citizenship by Investment (CBI) program. These units will be redeveloped for sale to investors in that market.

AIRLINE SERVICES AND TOURS

TDC Airline Services Ltd. - The company represents a number of carriers such as, LIAT (1974) Ltd, WINAIR, American Airlines, British Airways and United Airlines. The number of flights handled by the company increased by 20 per cent during the financial year under review that translated into an increase in profit for the year.

TDC Airline Services (Nevis) Ltd. - The profit before tax increased mainly due to the increase in handling revenue. LIAT (1974) Ltd resumed flights to Nevis in January 2016 however this service was discounted in November 2016. The handling revenue from LIAT (1974) Ltd for 10 months during the financial year and increased flights from WINAIR positively impacted the handling revenue of the company.

TDC Tours Ltd. The profit before tax declined due to reductions in the passengers transported on behalf of Four Seasons. We continue to pursue several initiatives to secure new partnerships.

MANUFACTURING

St Kitts Bottling Company Ltd. (SKBC) – We remain committed to the imperatives of solid operating performances and optimization of capital returns. Hence there may be the need for the redeployment of capital and other resources to businesses where we can create the highest value and achieve the greatest growth. In November 2016, the shareholders of SKBC decided to sell the net assets to Koscab (St Kitts) Ltd. The TDC parent Company, the majority shareholder, owns 51.67 percent of the shares. In 2013 and 2015 respectively Coca-Cola de-authorized SKBC from producing and distributing its products. Coca-Cola executed this action in other islands and forms part of Coca-Cola's international strategy to consolidate the number of bottlers and distributors. Previously, Coca-Cola products accounted for over 50 percent of SKBC's sales. During the previous financial year, 2015/16, an impairment charge of \$2,267,251 was recognized as a result of the underutilization of the property, plant and equipment. The equipment had been in use for over 9 years and continued to breakdown frequently, this negatively affected production and ultimately cash flow. The working capital deficiencies continued to be a strain on the operations.

SKBC continued to report substantial losses.

REAL ESTATE DEVELOPMENT

TDC Real Estate and Construction Ltd. and Conaree Estates Ltd – Two residential communities were being developed by these companies: Sunrise Hills Villas at Frigate Bay and Atlantic Views Residences at Conaree. The final home at Atlantic Views Residences was sold in 2015. The Atlantic View project is now completed, 21 homes were constructed and sold. The Directors are actively seeking investment opportunities including land purchases for a housing development. Since the inception of the Sunrise Hills development project in 2006, 37 villas have been sold. There are 8 lots remaining.

ASSOCIATED COMPANIES

St Kitts Masonry Products Ltd reported a significant decline in profit due to a reduction in the demand for blocks and ready-mix concrete.

MAICO, our associate insurance company in Anguilla, reported an increase in profit in 2016 that was mainly as a result of declines in motor claims

11. Changes in and Disagreements with Auditors on Accounting and Financial Disclosure.

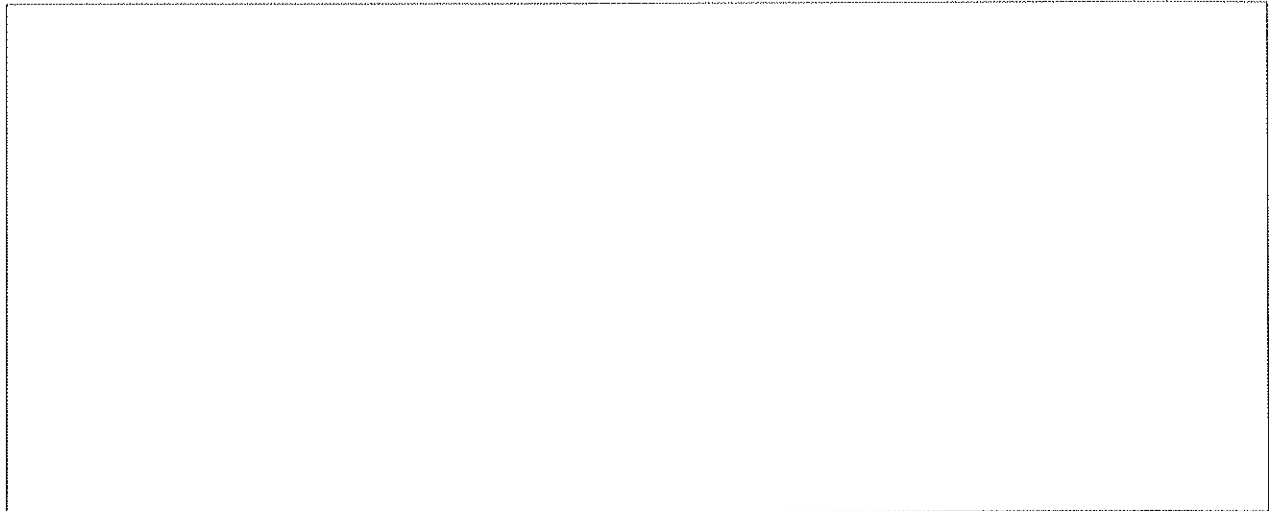
Describe any changes in auditors or disagreements with auditors, if any, on financial disclosure.

12. Directors and Executive Officers of the Reporting Issuer. (Complete Biographical Data Form attached in Appendix 1 and Appendix 1(a) for each director and executive officer)

Furnish biographical information on directors and executive officers indicating the nature of their expertise.

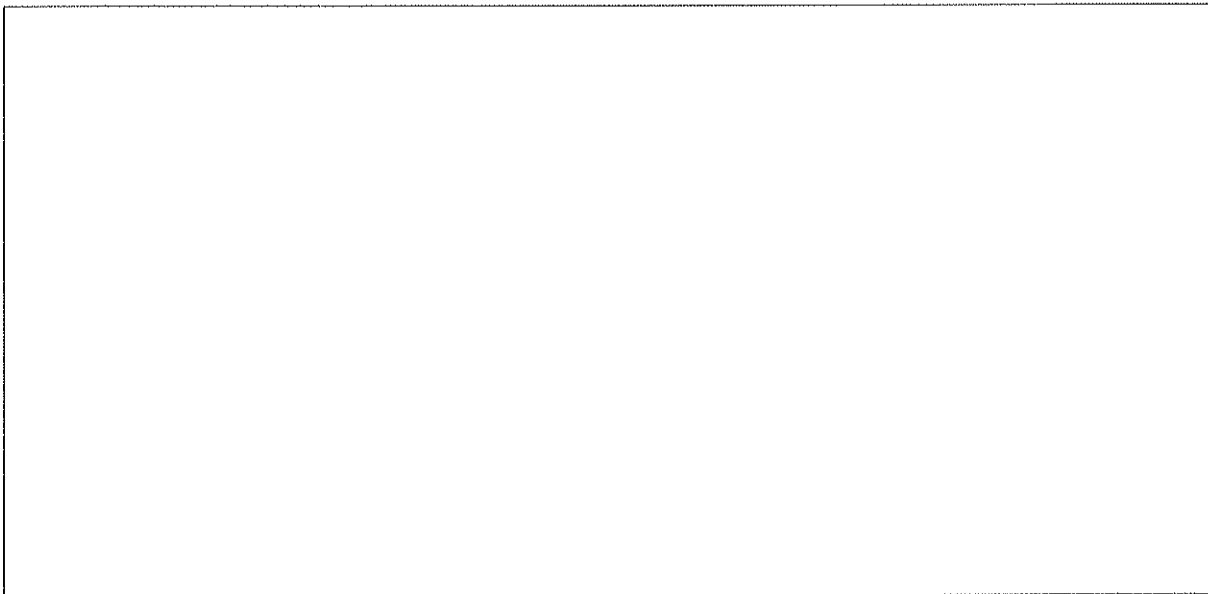
13. Other Information.

The reporting issuer may, at its option, report under this item any information, not previously reported in a Form ECSRC – MC report provided that the material change occurred within seven days of the due date of the Form ECSRC – K report. If disclosure of such information is made under this item, it need not be repeated in a Form ECSRC – MC report which would otherwise be required to be filed with respect to such information.



14. List of Exhibits

List all exhibits, financial statements, and all other documents filed with this report.



APPENDIX 1 – BIOGRAPHICAL DATA FORMS

DIRECTORS OF THE COMPANY

Name: Earle A. Kelly Position: Chairman/CEO

Mailing Address: P O Box 142, Fort Street, Basseterre, St Kitts
P O Box 142, Fort Street, Basseterre, St Kitts

Telephone No.: 1-869-465-2511

List jobs held during past five years (include names of employers and dates of employment).
Give brief description of **current** responsibilities

Mr. Kelly was named Chairman/Chief Executive Officer effective February 01, 2014. He became a Group Executive Director in 2000; Group Finance Director in 2002; Director/Company Secretary of St Kitts Masonry Products Limited; Currently Managing Director of St Kitts Masonry Products Limited; Chairman of the Board of St Kitts Bottling Company Limited

Education (degrees or other academic qualifications, schools attended, and dates):

Bachelor of Arts in Accounting
Masters in Business Administration

Use additional sheets if necessary.

APPENDIX I -- BIOGRAPHICAL DATA FORMS

DIRECTORS OF THE COMPANY

Name: Dennis M. Morton Position: Director

Mailing Address: Fort Street, Basseterre, St Kitts
Fort Street, Basseterre, St Kitts

Telephone No.: 1-869-465-2511

List jobs held during past five years (include names of employers and dates of employment).
Give brief description of **current** responsibilities

Mr. Morton became a Group Executive Director in 1983. He retired as Chairman effective February 1, 2014.

He is currently a Director of St Kitts Masonry Products Limited and a Director on various boards within the Group.

Mr Morton is also the Deputy Chairman of the Eastern Caribbean Securities Exchange.

Education (degrees or other academic qualifications, schools attended, and dates):

[Empty box for education details]

Use additional sheets if necessary.

APPENDIX 1 – BIOGRAPHICAL DATA FORMS

DIRECTORS OF THE COMPANY

Name: Ernie A. France Position: Director

Mailing Address: P O Box 142, Fort Street, Basseterre, St Kitts
P O Box 142, Fort Street, Basseterre, St Kitts

Telephone No.: 1-869-465-2511

List jobs held during past five years (include names of employers and dates of employment).
Give brief description of **current** responsibilities

Mr France became a Group Executive Director in 2007. He is the former General Manager of the company's operations in Nevis and Director of several companies in the Group. Mr France is a Director of the Chamber of Industry and Commerce and the Hotel and Tourism Association.

He is currently the President of St Kitts Tourism Authority.

Education (degrees or other academic qualifications, schools attended, and dates):

Bachelors Degree in Business Administration
Associates Degree in Data Processing

Use additional sheets if necessary.

APPENDIX 1 – BIOGRAPHICAL DATA FORMS

DIRECTORS OF THE COMPANY

Name: Glenville R. Jeffers Position: Director

Mailing Address: Fort Street, Basseterre, St Kitts
Fort Street, Basseterre, St Kitts

Telephone No.: 1-869-465-2511

List jobs held during past five years (include names of employers and dates of employment).
Give brief description of **current** responsibilities

Mr Jeffers was named a Director February 01, 2011. He is currently responsible for the TDC Home and Building Depot, TDC Shipping and CDS (2005) Limited. He is President of St Kitts Nevis Amateur Athletic Association and is Secretary General of the St Kitts Nevis Olympic Committee.

Education (degrees or other academic qualifications, schools attended, and dates):

Bachelors Degree in Business Administration (with concentration in public accounting)

Use additional sheets if necessary.

APPENDIX 1 – BIOGRAPHICAL DATA FORMS

DIRECTORS OF THE COMPANY

Name: Myrna R Walwyn Position: Director

Mailing Address: Fort Street, Basseterre, St Kitts
Fort Street, Basseterre, St Kitts

Telephone No.: 1-869-465-2511

List jobs held during past five years (include names of employers and dates of employment).
Give brief description of **current** responsibilities

Mrs Walwyn became a Director in 2000. She became a Barrister-at-law in 1980.
She is also Senior Partner of the law firm Myrna Walwyn & Associates.

Education (degrees or other academic qualifications, schools attended, and dates):

Bachelor of Science (Hons) in Social Sciences
M A in Law and Sociology

Use additional sheets if necessary.

APPENDIX 1 – BIOGRAPHICAL DATA FORMS

DIRECTORS OF THE COMPANY

Name: Melvin R Edwards Position: Director

Mailing Address: Fort Street, Basseterre, St Kitts
Fort Street, Basseterre, St Kitts

Telephone No.: 1-869-465-2511

List jobs held during past five years (include names of employers and dates of employment).
Give brief description of **current** responsibilities

Mr Edwards became a Director in 2005. He is an experienced Management Consultant, a capacity in which he advises several regional and international institutions and governments.

Education (degrees or other academic qualifications, schools attended, and dates):

Bachelors Degree (BA)
Master of Science(MSc.)

Use additional sheets if necessary.

APPENDIX I – BIOGRAPHICAL DATA FORMS

DIRECTORS OF THE COMPANY

Name: Charles L A Wilkin Position: Director

Mailing Address: Fort Street, Basseterre, St Kitts
Fort Street, Basseterre, St Kitts

Telephone No.: 1-869-465-2511

List jobs held during past five years (include names of employers and dates of employment).
Give brief description of current responsibilities

Mr Wilkin became a Director of the Group in 1978. He became a Barrister-at-law in 1971. He has been a Senior Partner at the law firm Kelsick Wilkin & Ferdinand since 1988.

Education (degrees or other academic qualifications, schools attended, and dates):

M A Degree - Cambridge University

Use additional sheets if necessary.

APPENDIX 1 – BIOGRAPHICAL DATA FORMS

DIRECTORS OF THE COMPANY

Name: Maritza S Bowry Position: Director

Mailing Address: Fort Street, Basseterre, St Kitts
Fort Street, Basseterre, St Kitts

Telephone No.: 1-869-465-2511

List jobs held during past five years (include names of employers and dates of employment).
Give brief description of **current** responsibilities

Ms Bowry was appointed Chief Financial Officer, February 01, 2014. She is currently the Finance Director of the company having been appointed on June 15, 2015

Education (degrees or other academic qualifications, schools attended, and dates):

Bachelor of Science (BSc.)
Masters in Business Administration (MBA)
Certified Public Accountant (CPA)

Use additional sheets if necessary.

APPENDIX I – BIOGRAPHICAL DATA FORMS

DIRECTORS OF THE COMPANY

Name: Owen N. Brisbane Position: Director

Mailing Address: Fort Street, Basseterre, St Kitts
Fort Street, Basseterre, St Kitts

Telephone No.: 1-869-465-2511

List jobs held during past five years (include names of employers and dates of employment).
Give brief description of **current** responsibilities

Mr Brisbane became a Director November 21, 2014. He is an Architect and has established the firm of N Brisbane & Associates and Brisbane McGrath Engineering Consultants.

Education (degrees or other academic qualifications, schools attended, and dates):

Bachelor of Science (BSc.) in Industrial Engineering
Master of Science (MSc) in Construction Engineering

Use additional sheets if necessary.

APPENDIX I – BIOGRAPHICAL DATA FORMS

DIRECTORS OF THE COMPANY

Name: Nicolas N. Menon Position: Director

Mailing Address: P O Box 142, Fort Street, Basseterre, St Kitts
P O Box 142, Fort Street, Basseterre, St Kitts

Telephone No.: 1-869-465-2511

List jobs held during past five years (include names of employers and dates of employment).
Give brief description of **current** responsibilities

Mr Menon became a Group Executive Director in 2000. He is a Director of St Kitts Bottling Company Limited. He is also the president of the Hotel and Tourism Association (HTA).

Education (degrees or other academic qualifications, schools attended, and dates):

Bachelor of Science in Accounting
Masters in Business Administration

Use additional sheets if necessary.

APPENDIX 1 – BIOGRAPHICAL DATA FORMS

DIRECTORS OF THE COMPANY

Name: Jacques A Cramer

Position: Director

Mailing Address: P O Box 142, Fort Street, Basseterre, St Kitts

Telephone No.: 1-869-465-2511

List jobs held during past five years (include names of employers and dates of employment).
Give brief description of **current** responsibilities

Mr. Cramer is a founding Director of the TDC Group; Principal of J Cramer Real Estate; Former Director of Brimstone Hill Fortress National Park; Former member of the Public Service Commission and Police Service Commission for St Kitts-Nevis. Former Director of Development and Finance Corp; Former Chairman of the Eastern Caribbean Currency Authority (now Eastern Caribbean Central Bank); Honorary Warden for Canada in St Kitts-Nevis; Honorary Consul for Israel in St Kitts- Nevis.

Education (degrees or other academic qualifications, schools attended, and dates):

APPENDIX 1(a) – BIOGRAPHICAL DATA FORMS

EXECUTIVE OFFICERS AND OTHER KEY PERSONNEL OF THE COMPANY

Name: Warren Z Moving Position: Company Secretary

Mailing Address: P O Box 142, Fort Street, Basseterre, St Kitts
Fort Street, Basseterre, St Kitts

Telephone No.: 1-869-465-2511

List jobs held during past five years (including names of employers and dates of employment).
Give brief description of **current** responsibilities.

Mr Moving has been with the company (TDC Nevis Branch) since 1996 and served in various capacities as Accounts Clerk, Assistant Accountant, Chief Accountant, Company Secretary. He was appointed as Company Secretary for the Parent Company TDC Limited on March 11, 2016.

Mr Moving is a Director of Fidelis Management Company.

Education (degrees or other academic qualifications, schools attended, and dates):

Diploma in Business management - University of Leicester, UK (2005-2010)
Bachelor of Science in Economics and Accounts - UWI Cave Hill (1998-2001)

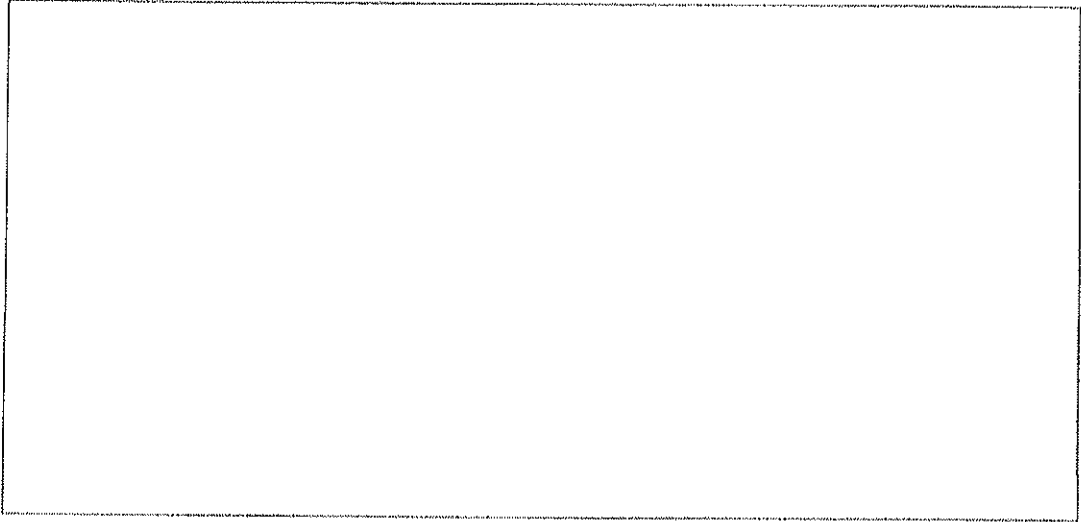
Also a Director of the company Yes No

If retained on a part time basis, indicate amount of time to be spent dealing with company matters:

Use additional sheets if necessary.

14. List of Exhibits

List all exhibits, financial statements, and all other documents filed with this report.

A large, empty rectangular box with a thin black border, intended for the user to list all exhibits, financial statements, and other documents filed with the report.