

**Fidelity Bank (Bahamas) Limited**  
(Incorporated under the laws of the Commonwealth of The Bahamas)

**Consolidated Statement of Financial Position (Unaudited)**  
**As of 31 December 2020**  
**(Expressed in Bahamian dollars)**

	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
<b>ASSETS</b>		
Cash on hand and at banks	187,658,187	165,667,063
Investment securities	92,942,871	83,364,488
Loans and advances to customers	418,491,123	431,080,313
Other assets	950,321	928,932
Investments in joint ventures	202,955	204,691
Property, plant and equipment	10,237,900	11,669,397
<b>Total assets</b>	<b><u>710,483,357</u></b>	<b><u>692,914,884</u></b>
<b>LIABILITIES</b>		
Deposits from customers	574,997,393	567,607,647
Accrued expenses and other liabilities	13,665,774	3,391,919
Debt securities	24,009,215	24,193,064
<b>Total liabilities</b>	<b><u>612,672,382</u></b>	<b><u>595,192,630</u></b>
<b>EQUITY</b>		
Capital – ordinary shares	20,410,050	20,410,050
Capital – preference shares	15,000,000	15,000,000
Revaluation reserve	971,225	1,013,064
Retained earnings	61,429,700	61,299,140
<b>Total equity</b>	<b><u>97,810,975</u></b>	<b><u>97,722,254</u></b>
<b>Total liabilities and equity</b>	<b><u>710,483,357</u></b>	<b><u>692,914,884</u></b>

## Fidelity Bank (Bahamas) Limited

### Consolidated Statement of Comprehensive Income (Unaudited) For the Twelve Months Ended 31 December 2020 (Expressed in Bahamian dollars)

	<u>3 Months Ended</u>	<u>12 Months Ended</u>	
	<u>31 December</u>	<u>31 December</u>	<u>31 December</u>
	<u>2020</u>	<u>2020</u>	<u>2019</u>
	\$	\$	\$
<b>INCOME</b>			
Interest income			
Bank deposits, loans and advances	15,361,142	63,737,504	66,988,405
Investment securities	<u>898,838</u>	<u>3,480,030</u>	<u>3,513,874</u>
	16,259,980	67,217,534	70,502,279
Interest expense	<u>(3,069,883)</u>	<u>(11,970,076)</u>	<u>(12,638,066)</u>
<b>Net interest income</b>	<b>13,190,097</b>	<b>55,247,458</b>	<b>57,864,213</b>
Fees and commissions	1,159,828	3,402,992	3,073,585
Rental income	-	-	20,156
Other income	<u>65,632</u>	<u>215,247</u>	<u>264,350</u>
<b>Total income</b>	<b>14,415,557</b>	<b>58,865,697</b>	<b>61,222,304</b>
<b>EXPENSES</b>			
Provision for loan losses	4,653,366	24,967,590	10,204,825
General and administrative	2,748,541	12,747,522	12,860,733
Salaries and employee benefits	2,584,535	12,111,849	13,099,296
Depreciation and amortisation	<u>742,063</u>	<u>1,642,239</u>	<u>1,408,830</u>
<b>Total expenses</b>	<b>10,728,505</b>	<b>51,469,200</b>	<b>37,573,684</b>
<b>Operating profit</b>	<b>3,687,052</b>	<b>7,396,497</b>	<b>23,648,620</b>
Share of profits of joint ventures	<u>4,230</u>	<u>17,892</u>	<u>22,376</u>
<b>Net income from continuing operations</b>	<b>3,691,282</b>	<b>7,414,389</b>	<b>23,670,996</b>
Profits of operations held for sale	-	-	1,591,078
Gain on sale of operations	<u>-</u>	<u>-</u>	<u>7,560,499</u>
<b>Net income</b>	<b>3,691,282</b>	<b>7,414,389</b>	<b>32,822,573</b>
<b>OTHER COMPREHENSIVE INCOME</b>			
<i>Items not reclassified to net income</i>			
Property, plant and equipment revaluation	<u>-</u>	<u>-</u>	<u>725,349</u>
<b>Total comprehensive income</b>	<b>3,691,282</b>	<b>7,414,389</b>	<b>33,547,922</b>
<b>Weighted average number of ordinary shares outstanding</b>	<b>28,815,779</b>	<b>28,815,779</b>	<b>28,813,110</b>
<b>Earnings per share</b>	<b>0.12</b>	<b>0.22</b>	<b>1.11</b>

## Fidelity Bank (Bahamas) Limited

### Consolidated Statement of Changes in Equity (Unaudited) For the Twelve Months Ended 31 December 2020 (Expressed in Bahamian dollars)

	Capital – Ordinary Shares \$	Capital – Preference Shares \$	Revaluation Reserve \$	Retained Earnings \$	Total \$
As of 1 January 2020	<u>20,410,050</u>	<u>15,000,000</u>	<u>1,013,064</u>	<u>61,299,140</u>	<u>97,722,254</u>
<b>Comprehensive income</b>					
Net income	-	-	-	7,414,389	7,414,389
<i>Other comprehensive income</i>					
Property, plant and equipment revaluation	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total comprehensive income	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,414,389</u>	<u>7,414,389</u>
<b>Transfers</b>					
Depreciation transfer	<u>-</u>	<u>-</u>	<u>(41,839)</u>	<u>41,839</u>	<u>-</u>
Total transfers	<u>-</u>	<u>-</u>	<u>(41,839)</u>	<u>41,839</u>	<u>-</u>
<b>Transactions with owners</b>					
Issuance of ordinary shares	-	-	-	-	-
Dividends – preference shares	-	-	-	(975,000)	(975,000)
Dividends – ordinary shares	<u>-</u>	<u>-</u>	<u>-</u>	<u>(6,350,668)</u>	<u>(6,350,668)</u>
Total transactions with owners	<u>-</u>	<u>-</u>	<u>-</u>	<u>(7,325,668)</u>	<u>(7,325,668)</u>
<b>As of 31 December 2020</b>	<u><u>20,410,050</u></u>	<u><u>15,000,000</u></u>	<u><u>971,225</u></u>	<u><u>61,429,700</u></u>	<u><u>97,810,975</u></u>
<b>Dividends per share</b>	<u><u>0.22</u></u>	<u><u>0.65</u></u>			

## Fidelity Bank (Bahamas) Limited

### Consolidated Statement of Changes in Equity (Unaudited) For the Year Ended 31 December 2019 (Expressed in Bahamian dollars)

	Capital – Ordinary Shares \$	Capital – Preference Shares \$	Revaluation Reserve \$	Retained Earnings \$	Total \$
As of 1 January 2019	<u>20,380,694</u>	<u>15,000,000</u>	<u>330,695</u>	<u>54,156,529</u>	<u>89,867,918</u>
<b>Comprehensive income</b>					
Net income	-	-	-	32,822,573	32,822,573
<i>Other comprehensive income</i>					
Property, plant and equipment revaluation	<u>-</u>	<u>-</u>	<u>725,349</u>	<u>-</u>	<u>725,349</u>
Total comprehensive income	<u>-</u>	<u>-</u>	<u>725,349</u>	<u>32,822,573</u>	<u>33,547,922</u>
<b>Transfers</b>					
Depreciation transfer	<u>-</u>	<u>-</u>	<u>(42,980)</u>	<u>42,980</u>	<u>-</u>
Total transfers	<u>-</u>	<u>-</u>	<u>(42,980)</u>	<u>42,980</u>	<u>-</u>
<b>Transactions with owners</b>					
Issuance of ordinary shares	29,356	-	-	77,394	106,750
Dividends – preference shares	-	-	-	(975,000)	(975,000)
Dividends – ordinary shares	<u>-</u>	<u>-</u>	<u>-</u>	<u>(24,825,336)</u>	<u>(24,825,336)</u>
Total transactions with owners	<u>29,356</u>	<u>-</u>	<u>-</u>	<u>(25,722,942)</u>	<u>(25,693,586)</u>
<b>As of 31 December 2019</b>	<u><u>20,410,050</u></u>	<u><u>15,000,000</u></u>	<u><u>1,013,064</u></u>	<u><u>61,299,140</u></u>	<u><u>97,722,254</u></u>
<b>Dividends per share</b>	<u><u>0.86</u></u>	<u><u>0.65</u></u>			

## **Fidelity Bank (Bahamas) Limited**

### **Notes to the Consolidated Financial Statements (Unaudited) For the Twelve Months Ended 31 December 2020 (Expressed in Bahamian dollars)**

#### **Capital Management**

The objectives of Fidelity Bank (Bahamas) Limited (the Bank) when managing capital, which comprises total equity on the face of the consolidated statement of financial position, are:

- To comply with the capital requirements set by the Central Bank of The Bahamas (the Central Bank).
- To safeguard the Bank's ability to continue as a going concern so that it can continue to provide returns for its shareholders and benefits for other stakeholders; and
- To maintain a strong capital base to support the development of its business.

Capital adequacy and the use of regulatory capital are monitored by the Bank's management, employing techniques designed to ensure compliance with guidelines established by the Central Bank, including quantitative and qualitative measures. The required information is filed with the Central Bank on a quarterly basis.

The Central Bank, the Bank's principal regulator, requires that the Bank maintains a ratio of total regulatory capital to risk-weighted assets at or above a minimum of 14.00%. For the years ended 31 December 2020 and 2019, the Bank complied with all of the externally imposed capital requirements to which it is subject.

#### **Subsequent Events**

Subsequent to 31 December 2020, certain events have transpired in relation to the global pandemic COVID-19 (commonly referred to as the Coronavirus), which could potentially exacerbate the uncertainty regarding the future economic performance of the Commonwealth of The Bahamas. These events are being evaluated by the Bank to determine whether the circumstances existed as of 31 December 2020, and in turn would impact forward-looking information that is factored into the expected credit loss models used for calculating a portion of the provision for loan losses. Accordingly, provision for loan losses may require adjustment for the twelve (12) months ended 31 December 2020.