

## CHAIRMAN'S REPORT ON UNAUDITED RESULTS MARCH 31, 2025

For the three months ended March 31, 2025, the Bank recorded a consolidated net profit of \$18.5 million compared to a consolidated net profit of \$17.4 million for the same period in the prior year. As such, the Bank began 2025 with a strong first quarter, experiencing a 6.3% increase in net profit over Q1 2024. The Bank sustained its profitability through disciplined cost control, revenue growth, and solid asset quality.

Net interest income rose to \$32.0 million, up 6.5% year-over-year, primarily due to the management of the Bank's investments, loan growth, continued improvement in the quality of loan assets, and stable funding costs. The solid growth in net interest income stems from the momentum the Bank experienced in the final quarter of 2024 and is driven by a credit underwriting posture that manages growth safely and prices risk effectively. Non-interest income grew by 30.8% to \$9.2 million, fueled by higher transactional volumes and service-based revenues. Total income reached \$41.2 million, marking an 11.1% increase compared to Q1 2024. General and administrative expenses remained relatively flat for the first quarter of 2025, as the Bank focuses on controlled expenditures aligned with its operational plans for the current year.

As an indication of the Bank's risk management and commitment to the safety and soundness of our operations, the Bank maintains a fortified consolidated financial position with a strong level of liquidity (available cash and unencumbered high-quality liquid assets at market value) and capital, positioning us well to adapt to the stresses posed by the current business environment, namely the potential for spillover effects from geopolitical tensions and changes to international

trade relationships. The Bank is required to hold a minimum level of liquid assets against possible liquidity risk, and as of March 31, 2025, it has a liquidity ratio of 65%, well above the regulatory requirement of 20%. The Bank's capital adequacy ratio is over 30%, which is well above the regulatory requirement of 17%.

During the quarter, the Board of Directors approved an extraordinary dividend of two cents per share following the 2024 financial results, and a quarterly dividend of 3 cents per share bringing total dividends declared at the end of the first quarter of 2025 to 5 cents per share, and totaling \$14.6 million (2024: \$8.9 million). Notwithstanding these distributions, retained earnings grew by \$3.8 million, further strengthening the Bank's capital base and ability to support future growth.

I would like to express my sincere appreciation to our team of professionals who consistently deliver exceptional service to our customers every day. Their commitment to excellence inspires me. I also extend my gratitude to our shareholders and customers for their continued, unwavering support.



**William B. Sands, Jr., DM**  
Executive Chairman

**COMMONWEALTH BANK LIMITED**  
**Consolidated Statement of Financial Position**  
(Expressed in B\$ '000s) (Unaudited)

	March 31, 2025	December 31, 2024
<b>Assets</b>		
Cash and deposits with banks	\$ 262,950	\$ 235,566
Investments, net	751,011	748,260
Loans and advances to customers, net	880,706	875,211
Other assets	16,516	15,511
Right of use assets	135	130
Premises and equipment	41,439	41,838
<b>Total Assets</b>	<b>\$ 1,952,757</b>	<b>\$ 1,916,516</b>
<b>Liabilities and Equity</b>		
Liabilities:		
Deposits from customers	\$ 1,569,282	\$ 1,543,866
Lease liabilities	160	165
Other liabilities	34,572	26,800
Total liabilities	1,604,014	1,570,831
Equity:		
Share capital	1,939	1,940
Share premium	5,646	6,420
Retained earnings	341,158	337,325
Total equity	348,743	345,685
<b>Total Liabilities and Equity</b>	<b>\$ 1,952,757</b>	<b>\$ 1,916,516</b>

**COMMONWEALTH BANK LIMITED**  
**Consolidated Statement of Cash Flows**  
(Expressed in B\$ '000s) (Unaudited)

	For period ended March 31, 2025	For period ended March 31, 2024
<b>Cash Flows from Operating Activities</b>		
Total Profit	\$ 18,464	\$ 17,375
Adjustments for:		
Depreciation on right of use assets	140	124
Other depreciation	786	966
Finance cost on lease liabilities	3	7
Reversals of impairment on financial assets	(1,295)	(4,424)
Interest income	(35,946)	(34,261)
Interest expense	3,944	4,205
Loss on disposal of premises and equipment	-	3
Net change in unrealised gain on equity investments	4	(2)
	(13,900)	(16,007)
Change in loans and advances to customers	(4,804)	(2,133)
Change in minimum reserve requirement	(816)	(689)
Change in right of use assets and other assets	(1,150)	(8,803)
Change in lease liabilities and other liabilities	2,214	2,434
Change in deposits from customers	23,206	19,289
Interest received	32,917	33,957
Interest paid	(1,735)	(1,609)
Net cash from operating activities	35,932	26,439
 <b>Cash Flows from Investing Activities</b>		
Purchase of investments	(176,523)	(216,056)
Redemption of investments	177,403	195,845
Purchases of premises and equipment	(396)	(202)
Net proceeds from sale of premises and equipment	7	14
Net cash from/(used in) investing activities	491	(20,399)
 <b>Cash Flows from Financing Activities</b>		
Dividends paid	(8,931)	(8,858)
Repurchase of common shares	(775)	(252)
Payment of lease liabilities	(150)	(129)
Net cash used in financing activities	(9,856)	(9,239)
 <b>Net Increase/(Decrease) in Cash and Cash Equivalents</b>		
	26,567	(3,199)
<b>Cash and Cash Equivalents, Beginning of Period</b>	<b>138,086</b>	<b>178,970</b>
<b>Cash and Cash Equivalents, End of Period</b>	<b>\$ 164,653</b>	<b>\$ 175,771</b>

**COMMONWEALTH BANK LIMITED**  
**Consolidated Statement of Profit or Loss and Other Comprehensive Income**  
(Expressed in B\$ '000s) (Unaudited)

	3 months ended March 31, 2025	3 months ended March 31, 2024
<b>Income</b>		
Interest income, effective interest method	\$ 35,945	\$ 34,261
Interest expense	(3,944)	(4,205)
Net interest income	32,001	30,056
Fees and other income	9,182	7,020
Net change in unrealised gain on equity investments	(4)	2
Total income	41,179	37,078
 <b>Non-Interest Expense</b>		
General and administrative	22,999	22,945
Reversals of Impairment losses on financial assets	(1,295)	(4,424)
Depreciation on right of use assets	140	124
Other depreciation	786	966
Finance cost on lease liabilities	3	7
Loss on disposal of premises and equipment	-	3
Directors' costs	82	82
Total non-interest expense	22,715	19,703
<b>Total Profit</b>	<b>\$ 18,464</b>	<b>\$ 17,375</b>
 <b>Other Comprehensive Income</b>		
Items that will not be reclassified subsequently to profit or loss:		
Remeasurement of Defined Benefit Obligation	-	-
<b>Total Comprehensive Income</b>	<b>\$ 18,464</b>	<b>\$ 17,375</b>
 <b>Earnings Per Common Share</b> (expressed in dollars)		
	<b>\$ 0.06</b>	<b>\$ 0.06</b>

**COMMONWEALTH BANK LIMITED**  
**NOTES TO UNAUDITED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**THREE MONTHS ENDED MARCH 31, 2025, WITH CORRESPONDING FIGURES FOR 2024**  
(Expressed in B\$ '000s) (Unaudited)

**1. ACCOUNTING POLICIES**

These consolidated interim condensed financial statements have been prepared in accordance with International Accounting Standards 34 *Interim Financial Reporting*.

The consolidated financial statements include the accounts of Commonwealth Bank Limited (the "Bank") and its wholly-owned subsidiary companies. The subsidiaries are Lauretide Insurance and Mortgage Company Limited, Lauretide Insurance Agency Limited, C.B. Securities Ltd., and C.B. Holding Co. Ltd.

**2. Dividends**

The Group has declared a quarterly dividend for common shares, to all shareholders of record as of March 20, 2025, and paid the dividend in the amount of \$0.03 per share, totaling \$8.9 million on March 31, 2025.

During the period, the Board of Directors declared dividends totaling \$5.7 million to shareholders of record as of April 16, 2025, which had not been paid as of the reporting date, given the payment date of April 30, 2025. These amounts are not reflected in the statement of cash flows as they represent non-cash transactions. The dividends payable as of March 31, 2025, are recorded in the statement of financial position under other liabilities.

**3. Business Segments**

For management purposes, the Bank, including its subsidiaries, is organized into five operating units – Retail Bank, Credit Life Company, Real Estate Holdings, Investment Holdings and Insurance Agency Operations. The following table shows financial information by business segment:

	2025					Eliminations	Consolidated
	Retail Bank	Credit Life Company	Real Estate Holdings	Investment Holdings	Insurance Agency Operations		
<b>Income</b>							
External	\$39,203	\$ 1,976	\$ -	\$ -	\$ -	\$ -	\$ 41,179
Internal	2,441	-	933	(177)	158	(3,355)	-
Total Income							
(loss)	\$41,644	\$ 1,976	\$ 933	\$ (177)	\$ 158	\$ (3,355)	\$ 41,179
<b>Total profit (loss)</b>							
Internal							
& External	\$17,462	\$ 871	\$ 322	\$ (182)	\$ 74	\$ (83)	\$ 18,464
	2024					Eliminations	Consolidated
	Retail Bank	Credit Life Company	Real Estate Holdings	Investment Holdings	Insurance Agency Operations		
<b>Income</b>							
External	\$ 35,274	\$ 1,804	\$ -	\$ -	\$ -	\$ -	\$ 37,078
Internal	4,317	(140)	780	(376)	140	(4,721)	-
Total Income							
(loss)	\$39,591	\$ 1,664	\$ 780	\$ (376)	\$ 140	\$ (4,721)	\$ 37,078
<b>Total profit (loss)</b>							
Internal							
& External	\$16,923	\$ 635	\$ 308	\$ (383)	\$ 64	\$ (172)	\$ 17,375

**COMMONWEALTH BANK LIMITED**  
**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
(Expressed in B\$ '000s) (Unaudited)

	3 months ended March 31, 2025	3 months ended March 31, 2024
<b>Share Capital</b>		
Balance at beginning of period	1,940	1,944
Repurchase of common shares	(1)	(1)
Balance at end of period	1,939	1,943
 <b>Share Premium</b>		
Balance at beginning of period	6,420	9,223
Repurchase of common shares	(774)	(251)
Balance at end of period	5,646	8,972
 <b>Retained Earnings</b>		
Balance at beginning of period	337,325	298,331
Total comprehensive income	18,464	17,375
Common share dividends	(14,631)	(8,858)
Balance at end of period	341,158	306,848
 <b>Equity at End of Period</b>		
	<b>\$ 348,743</b>	<b>\$ 317,763</b>

