



CIBC Caribbean Bank (Bahamas) Limited

Condensed Consolidated Financial Statements

For the quarter ended April 30, 2025.

MANAGING DIRECTOR'S REVIEW OF THE RESULTS

The bank has demonstrated another solid performance for the quarter, driven by a client-centric strategy. Despite facing challenges arising from global trade tensions and policy uncertainties, which have impacted economic growth, the bank has managed to maintain its strong performance.

For the second quarter ended April 30, 2025, the bank reported net income of \$30.2 million, compared to \$27.9 million from the second quarter a year ago. Core growth continued across our business segments in both the loan and deposit portfolios; however, the related revenue uplift has been offset by the impact of lower US benchmark interest rates and funding dynamics. Operating expenses increased by \$0.8 million or 2% from the prior year's quarter as the bank continued to invest in key strategic initiatives. Income tax expense for the quarter, which includes the application of global minimum corporate tax, was up \$3.4 million. The Bahamas implemented the Global Minimum Tax Act (GMTA) to adopt the Organization for Economic Co-operation and Development's (OECD) Pillar Two mandate, which implements a 15% global minimum corporate tax (GMT) on certain multinational enterprises.

For the six months ended April 30, 2025, we reported net income of \$59.8 million, compared to \$70.4 million from the second quarter a year ago. We recorded a higher year-to-date provision for credit losses compared to the same period a year ago due to a provision built in the impaired loan portfolio and the impact of model assumption updates. Additionally, the prior year's provision included a significant account recovery. Overall, our underlying credit quality remains strong.

At the end of the second quarter, the bank's Tier 1 and Total Capital ratios stood at 27.9%, exceeding regulatory requirements. The Board of Directors approved an interim dividend of nine cents (\$0.09) per share subject to regulatory approval.

I wish to thank our clients, employees, shareholders and directors for their continued loyalty, confidence, and support


Jacqui Bend
Managing Director


FORWARD-LOOKING STATEMENT DISCLOSURE


This report may contain forward-looking statements, including statements about our bank's financial condition, results of operations, earnings outlook, asset quality trends and profitability. Forward-looking statements provide management's current expectations or forecasts of future events and, by their nature, are subject to assumptions, risks, and uncertainties. Although management believes that the expectations and forecasts reflected in these forward-looking statements are reasonable, actual results could differ materially from those contained in or implied by such forward-looking statements due to a variety of factors including: (1) changes in interest rates; (2) changes in trade, monetary or fiscal policy; (3) changes in general economic conditions, or in the condition of the local economies in which the Bank has significant operations or assets, which could, among other things, materially impact credit quality trends and our ability to generate loans; (4) increased competitive pressure among financial services companies; (5) the inability to successfully execute strategic initiatives designed to grow revenues and/or manage expenses; (6) consummation of significant business combinations or divestitures; (7) operational or risk management failures due to technological or other factors; (8) heightened regulatory practices, requirements or expectations; (9) new legal obligations or restrictions or unfavorable resolution of litigation; (10) adverse capital markets conditions; (11) disruption in the economy and general business climate as a result of terrorist activities or military actions; and (12) changes in accounting or tax practices or requirements. Forward-looking statements are not guarantees of future performance and should not be relied upon as representing management's views as of any subsequent date. We do not assume any obligation to update these forward-looking statements. For further information regarding CIBC Caribbean Bank (Bahamas) Limited, please read CIBC Caribbean Bank (Bahamas) Limited's financial and other reports that are available on the Bank's website at www.cibcfcb.com.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

B\$'000

	Unaudited April 30, 2025	Unaudited April 30, 2024	Audited Oct 31, 2024
Assets			
Cash, balances with The Central Bank and due from banks	1,265,805	1,300,703	1,097,939
Securities	1,680,381	1,194,282	1,391,694
Loans and advances to customers	2,162,816	2,041,745	2,143,953
Property and equipment	41,972	40,898	42,992
Other assets	111,312	74,552	111,305
Total assets	5,262,286	4,652,180	4,787,883
Liabilities			
Customer deposits	4,332,228	3,850,148	3,923,503
Derivative financial instruments	-	-	25
Other liabilities	113,346	48,450	57,854
Total liabilities	4,445,574	3,898,598	3,981,382
Equity			
Issued capital	477,230	477,230	477,230
Reserves	124,864	81,621	101,439
Retained earnings	214,618	194,731	227,832
Total equity	816,712	753,582	806,501
Total liabilities and equity	5,262,286	4,652,180	4,787,883


Director


Director

CONDENSED CONSOLIDATED STATEMENT OF INCOME

B\$'000

	Unaudited Quarter Ended		Unaudited Six Months Ended		Audited Year Ended
	Apr 30, 2025	Apr 30, 2024	Apr 30, 2025	Apr 30, 2024	Oct 31, 2024
Interest and similar income	56,387	55,852	113,954	110,982	229,629
Interest and similar expense	5,902	4,750	12,134	8,620	19,380
Net interest income	50,485	51,102	101,820	102,362	210,249
Operating income	20,151	17,688	39,623	33,994	65,800
	70,636	68,790	141,443	136,356	276,049
Operating expenses	37,022	36,235	74,546	70,389	150,470
Credit loss expense (release) on financial assets	56	4,675	1,472	(4,387)	(10,754)
	37,078	40,910	76,018	66,002	139,716
Income before taxation	33,558	27,880	65,425	70,354	136,333
Income tax expense	3,371	-	5,582	-	-
Net income for the period	30,187	27,880	59,843	70,354	136,333
Weighted average number of common shares outstanding for the period	120,216,204	120,216,204	120,216,204	120,216,204	120,216,204
Net earnings per share (in cents)	25.1	23.2	49.8	58.5	113.4

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

B\$'000

	Unaudited Quarter Ended		Unaudited Six Months Ended		Audited Year Ended
	Apr 30, 2025	Apr 30, 2024	Apr 30, 2025	Apr 30, 2024	Oct 31, 2024
Net income for the period	30,187	27,880	59,843	70,354	136,333
Other comprehensive income/(loss) to be reclassified to net income in subsequent periods					
Net gains/(losses) on debt securities at fair value through OCI	6,452	2,672	6,871	(481)	1,182
	6,452	2,672	6,871	(481)	1,182
Other comprehensive income not to be reclassified to net income in subsequent periods					
Re-measurement gains on retirement benefit plans	-	219	-	219	17,952
	-	219	-	219	17,952
Other comprehensive income/ (loss) for the period	6,452	2,891	6,871	(262)	19,134
Comprehensive income for the period	36,639	30,771	66,714	70,092	155,467

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

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	Issued Capital	Reserves	Retained Earnings	Total
Balance at October 31, 2023	477,230	64,845	152,235	694,310
Comprehensive income for the period	-	(262)	70,354	70,092
Dividends	-	-	(10,820)	(10,820)
Transfer to Statutory Reserve Fund - TCI	-	16,391	(16,391)	-
Transfer to Statutory Reserve Fund - The Bahamas	-	647	(647)	-
Balance at April 30, 2024	477,230	81,621	194,731	753,582
Balance at October 31, 2024	477,230	101,439	227,832	806,501
Comprehensive income for the period	-	6,871	59,843	66,714
Dividends	-	-	(56,503)	(56,503)
Transfer to Statutory Reserve Fund - TCI	-	16,575	(16,575)	-
Transfer to Statutory Reserve Fund - The Bahamas	-	(21)	21	-
Balance at April 30, 2025	477,230	124,864	214,618	816,712

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

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	Unaudited Six Months Ended		Audited Year Ended
	Apr 30, 2025	Apr 30, 2024	Oct 31, 2024
Net cash from operating activities	478,322	253,165	212,328
Net cash used in investing activities	(256,329)	(125,477)	(297,251)
Net cash used in financing activities	(57,709)	(12,153)	(45,842)
Net increase/(decrease) in cash and cash equivalents	164,284	115,535	(130,765)
Cash and cash equivalents, beginning of the period	959,291	1,090,056	1,090,056
Cash and cash equivalents, end of the period	1,123,575	1,205,591	959,291

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

April 30, 2025

1. Basis of preparation and summary of material accounting policies

The accompanying unaudited condensed consolidated financial statements of CIBC Caribbean Bank (Bahamas) Limited (the Bank) should be read in conjunction with the IFRS Accounting Standards (IFRS) consolidated financial statements and notes thereto for the year ended October 31, 2024, included in the Bank's Annual Report 2024. For a description of the Bank's material accounting policies, see Note 2 of the aforementioned consolidated financial statements.

Basis of presentation

Certain financial information, which is normally included in annual financial statements prepared in accordance with the IFRS, but not required for interim reporting purposes, has been condensed or omitted. Reclassifications may be made to the prior period's financial statements to conform to the current period's presentation. These unaudited condensed consolidated financial statements reflect, in the opinion of management, all adjustments that are necessary for a fair presentation of the unaudited condensed consolidated financial statements for the interim periods presented.

The results of operations for interim periods are not necessarily indicative of results for the entire year.

In preparing these unaudited condensed consolidated financial statements, management is required to make estimates and assumptions which affect amounts reported in the financial statements and accompanying notes. Actual results could differ from these estimates.

The consolidated financial statements include the accounts of the following wholly owned subsidiaries:

- Sentry Insurance Brokers Ltd.
- FirstCaribbean International (Bahamas) Nominees Company Limited
- CIBC Caribbean Land Holdings (TCI) Limited

Income taxes

In November 2024, the Bahamas enacted a Qualified Domestic Minimum Top-up Tax ("QDMTT") in accordance with the OECD's Pillar Two initiative. This QDMTT became applicable to the Bank from the 2025 fiscal year and will result in an effective tax rate of 15% of net income (based on the OECD's GloBE rules).

Dividends

The unaudited condensed consolidated financial statements as of April 30, 2025 reflect all dividends for which regulatory approval was received during the fiscal period. There are no dividends declared and pending regulatory approval at April 30, 2025.

CONDENSED CONSOLIDATED SEGMENT INFORMATION

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	Unaudited April 30, 2025				
	PBB	CB	WM	Admin	Total
Six Months Ended					
External revenue	36,308	28,485	889	36,138	101,820
Internal revenue	8,881	18,297	640	(27,818)	-
Net interest income	45,189	46,782	1,529	8,320	101,820
Operating income	20,393	18,734	1,115	(619)	39,623
	65,582	65,516	2,644	7,701	141,443
Depreciation	881	-	15	3,518	4,414
Operating expenses	11,130	3,830	817	54,355	70,132
Indirect expenses	28,646	27,624	1,528	(57,798)	-
Credit loss expense on financial assets	1,145	536	(10)	(199)	1,472
Income tax expense	2,447	3,421	39	(325)	5,582
Net income for the period	21,333	30,105	255	8,150	59,843
Balance as at					
Total assets and liabilities by segment are as follows:					
Segment assets	1,344,500	1,066,123	41,478	2,810,185	5,262,286
Segment liabilities	1,527,470	2,470,189	94,287	353,628	4,445,574
	Unaudited April 30, 2024				
	PBB	CB	WM	Admin	Total
Six Months Ended					
External revenue	35,472	30,822	1,136	34,932	102,362
Internal revenue	5,909	21,879	245	(28,033)	-
Net interest income	41,381	52,701	1,381	6,899	102,362
Operating income	18,850	14,970	966	(792)	33,994
	60,231	67,671	2,347	6,107	136,356
Depreciation	891	3	28	3,201	4,123
Operating expenses	11,273	3,787	645	50,561	66,266
Indirect expenses	24,436	23,310	2,599	(50,345)	-
Credit loss expense/(release) on financial assets	7,094	(10,610)	130	(1,001)	(4,387)
Net income/(loss) for the period	16,537	51,181	(1,055)	3,691	70,354
Balance as at					
Total assets and liabilities by segment are as follows:					
Segment assets	1,429,732	990,083	41,659	2,190,706	4,652,180
Segment liabilities	1,257,133	2,262,183	78,466	300,816	3,898,598
	Audited October 31, 2024				
	PBB	CB	WM	Admin	Total
Year Ended					
External revenue	72,592	62,553	2,161	72,943	210,249
Internal revenue	11,522	43,716	550	(55,788)	-
Net interest income	84,114	106,269	2,711	17,155	210,249
Operating income	37,119	28,757	2,001	(2,077)	65,800
	121,233	135,026	4,712	15,078	276,049
Depreciation	1,784	6	57	6,718	8,565
Operating expenses	23,602	8,201	1,365	108,737	141,905
Indirect expenses	53,177	48,639	5,568	(107,384)	-
Credit loss expense/(release) on financial assets	3,274	(12,071)	(42)	(1,915)	(10,754)
Net income/(loss) for the period	39,396	90,251	(2,236)	8,922	136,333

Notes:

The Bank's operations are organised into four segments: Personal and Business Banking ("PBB"), Corporate Banking ("CB") and Wealth Management ("WM"), which are supported by the functional units within the Administration ("Admin") segment (which includes Treasury, Finance, Technology, Innovation & Infrastructure, Risk and Other). PBB, CB and WM are charged or credited by Treasury with a market-based cost of funds on assets, liabilities and capital, respectively. The offset of these charges or credits are reported in the Treasury function within the Admin segment.

Management monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties. We review our transfer pricing methodologies on an ongoing basis to ensure they reflect changing market environments and industry practices. Transactions between the business segments are on normal commercial terms and conditions.

Segment assets and liabilities comprise operating assets and liabilities, being the majority of the statement of financial position, but exclude intangible assets. Securities and cash placements are normally held within the Treasury unit within the Admin segment.