



FirstCaribbean International Bank (Bahamas) Limited

Condensed Consolidated Financial Statements

For the nine months ended July 31, 2024

MANAGING DIRECTOR'S REVIEW OF THE RESULTS

The Bank delivered solid third quarter results as we continued to focus on executing our client-focused strategy by leveraging our digital infrastructure, deepening client relationships and promoting a highly connected workforce.

For the third quarter of fiscal 2024, the Bank reported net income of \$33.3 million, an increase from prior year's reported net income of \$30.9 million.

For the nine months ended July 31, 2024, the Bank reported net income of \$103.6 million, up \$12.6 million or 14% from prior year's reported net income of \$91.0 million.

Our financial performance to date has been positively impacted by increased revenue mainly due to higher net interest margin in our US dollar loan portfolio and volume growth in our interest-bearing assets. The Bank's focus on client relationships and strong loan originations in Corporate Banking and Personal & Business Banking during the quarter has propelled growth in its loan portfolio. However, headwinds from US benchmark rate reductions may impact our revenue momentum. Operating expenses were higher during the quarter and year over year due to higher employee-related costs, spend on strategic investments and activity-based costs. There was a provision for credit loss reversal during the quarter compared to provision for credit losses during the second quarter. The provision for credit losses were lower this quarter mainly due to updates to the credit provisioning models and risk parameters. ; Additionally, the year-to-date provision for credit losses is significantly down from the prior year mainly due to an earlier non-recurring account recovery. Overall, the credit quality remains strong.

Economic activity continued at a moderate pace during the quarter. While the recovery from tourism and gains in other key sectors, like construction, are likely to sustain the activity. A continued softening of domestic inflation is projected, but we will continue to monitor the geopolitical tensions, supply chain disruption trends and global growth forecasts, all of which could impact domestic growth prospects.

The Board of Directors has approved an interim dividend of nine cents (\$0.09) per share subject to regulatory approval. At the end of the third quarter, the Bank's Tier 1 and Total Capital ratios were 29.1%, in excess of applicable regulatory requirements.

On July 11, 2024, the Bank's legal entity name officially changed from FirstCaribbean International Bank (Bahamas) Limited to CIBC Caribbean Bank (Bahamas) Limited.

I would like to acknowledge and thank our clients, employees, shareholders, and directors for their loyalty and continued support of our Bank.

Jacqueline 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) consumption 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 FirstCaribbean International Bank (Bahamas) Limited, please read FirstCaribbean International 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

	Unaudited July 31, 2024	Unaudited July 31, 2023	Audited Oct 31, 2023
ASSETS			
Cash, balances with The Central Bank and due from banks	1,172,735	1,133,186	1,184,815
Securities	1,353,525	1,155,249	1,045,862
Loans and advances to customers	2,108,421	2,041,031	2,026,387
Property and equipment	41,384	41,657	41,794
Other assets	78,496	70,533	60,842
Total assets	4,754,561	4,441,656	4,359,700
LIABILITIES			
Customer deposits	3,941,111	3,717,637	3,618,973
Other liabilities	47,722	54,334	46,417
Total liabilities	3,988,833	3,771,971	3,665,390
EQUITY			
Issued capital	477,230	477,230	477,230
Reserves	81,819	60,263	64,845
Retained earnings	206,679	132,192	152,235
Total equity	765,728	669,685	694,310
Total liabilities and equity	4,754,561	4,441,656	4,359,700

Director

Director

CONDENSED CONSOLIDATED STATEMENT OF INCOME

	Unaudited Three Months Ended		Unaudited Nine Months Ended		Audited Year Ended
	July 31, 2024	July 31, 2023	July 31, 2024	July 31, 2023	Oct 31, 2023
Interest and similar income	59,767	55,314	170,749	157,547	213,642
Interest and similar expense	5,406	4,107	14,026	10,456	14,177
Net interest income	54,361	51,207	156,723	147,091	199,465
Operating income	15,597	15,478	49,591	45,468	61,067
Operating expenses	69,958	66,685	206,314	192,559	260,532
Credit loss (release)/expense on financial assets	(1,714)	2,955	(6,102)	3,424	5,394
Net income for the period	36,679	35,777	102,680	101,512	138,203
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)	27.7	25.7	86.2	75.7	101.8

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Unaudited Three Months Ended		Unaudited Nine Months Ended		Audited Year Ended
	July 31, 2024	July 31, 2023	July 31, 2024	July 31, 2023	Oct 31, 2023
Net income for the period	33,279	30,908	103,634	91,047	122,329
Other comprehensive income to be reclassified to net income in subsequent periods					
Net (losses)/gains on debt securities at fair value through OCI	(504)	(2,954)	23	263	933
Other comprehensive income not to be reclassified to net income in subsequent periods					
Re-measurement gains on retirement benefit plans	-	-	219	-	3,492
Other comprehensive (loss)/income for the period	(504)	(2,954)	242	263	4,425
Comprehensive income for the period	32,775	27,954	103,876	91,310	126,754

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

B\$'000	Issued Capital	Reserves	Retained Earnings	Total
Balance at October 31, 2022	477,230	50,477	83,125	610,832
Comprehensive income for the period	-	263	91,047	91,310
Dividends	-	-	(32,457)	(32,457)
Transfer to Statutory Reserve Fund - TCI	-	4,812	(4,812)	-
Transfer to Statutory Loan Reserve	-	4,711	(4,711)	-
Balance at July 31, 2023	477,230	60,236	132,192	669,685
Balance at October 31, 2023	477,230	64,845	152,235	694,310
Comprehensive income for the period	-	242	103,634	103,876
Dividends	-	-	(32,458)	(32,458)
Transfer to Statutory Reserve Fund - TCI	-	16,391	(16,391)	-
Transfer to Statutory Reserve Fund - BAH	-	341	(341)	-
Balance at July 31, 2024	477,230	81,819	206,679	765,728

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

B\$'000	Unaudited Period Ended July 31, 2024	Audited Year Ended July 31, 2023	Audited Year Ended Oct 31, 2023
Net cash from/(used in) operating activities	315,139	28,712	(18,733)
Net cash (used in)/from investing activities	(270,818)	190,511	311,834
Net cash used in financing activities	(34,457)	(32,457)	(56,863)
Net increase in cash and cash equivalents	9,864	186,766	236,238
Cash and cash equivalents, beginning of the period	1,090,056	853,818	853,818
Cash and cash equivalents, end of the period	1,099,920	1,040,584	1,090,056

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

July 31, 2024

1. Basis of preparation and summary of material accounting policies

The accompanying unaudited condensed consolidated financial statements of FirstCaribbean International Bank (Bahamas) Limited (the Bank) should be read in conjunction with the International Financial Reporting Standards (IFRS) consolidated financial statements and notes thereto for the year ended October 31, 2023, included in the Bank's Annual Report 2023. For a description of the Bank's significant 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 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 interim financial statements include the accounts of the following wholly owned subsidiaries:

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

Dividends