CIBC Caribbean Bank (Bahamas) Limited
Condensed Consolidated Financial Statements

For the nine months ended July 31, 2026

CHIEF EXECUTIVE OFFICER'S REVIEW OF THE RESULTS

The Bank continued to execute its strategic priorities by deepening client relationships, advancing digital capabilities, and strengthening operational resilience, resulting in a strong Q3 2026 performance. This performance was underpinned by disciplined risk management, prudent capital management, and continued momentum stemming from a diversified business operating within a dynamic environment. Together, these factors resulted in positive revenue, loan and deposit growth.

The local economy is expected to maintain moderate growth through 2026, supported by tourism and generally improving fiscal positions. While inflation remained relatively contained in early 2026, recent data indicate a firming trend linked to renewed tensions in the Middle East, prompting increased vigilance from policymakers as consumer spending and tourism demand may be impacted. Overall, the outlook remains positive but is subject to heightened downside risks from geopolitical tensions, higher energy prices, and weaker growth in major source markets.

The Bank reported net income of $39.0 million for the third quarter of fiscal 2026, up $14.2 million, or 60%, from $24.8 million net income in the prior year. The quarter's results reflected strong core operating performance across the business and significantly lower credit losses.

For the nine months ended July 31, 2026, net income was $89.6 million, an increase of $4.9 million, or 6%, from $84.7 million reported in the prior year. Revenue increased by 9% to $218.0 million, driven by growth in interest-earning assets and robust client transaction activity. Overall performance also benefited significantly from lower credit losses, primarily reflecting account recoveries and updated macroeconomic inputs to our credit risk models. These gains were partially offset by increased operating expenses related to higher business activity and spend on strategic initiatives, as well as increased business and income tax expenses.

The Bank continued to advance its commitment to community investment, innovation and sustainable development during the quarter. Key initiatives included participation as lead arranger for a major energy project financing in The Bahamas and the introduction of Google Pay for eligible credit and debit cardholders. Such initiatives reflect the Bank's strategic focus on strengthening communities and supporting sustainable economic growth.

At the end of the third quarter, the Bank's Tier 1 and Total Capital ratios continued to reflect a strong capital position at 26.9% exceeding regulatory requirements. The Board of Directors has approved an interim dividend of nine cents ($0.09) per share subject to regulatory approval.

As previously disclosed, on May 28, 2026, CIBC Caribbean Bank Limited ("CIBC Caribbean" or "our Parent") announced that its majority shareholder, CIBC, entered into a definitive agreement with The Bank of N.T. Butterfield & Son Limited ("Butterfield") pursuant to which Butterfield will acquire CIBC Caribbean for an aggregate purchase price of US$1,794 million, comprising US$1,091 million in cash and US$703 million in Butterfield shares, or US$1.14 per CIBC Caribbean share. The transaction is expected to close in the first half of 2027, subject to regulatory approvals and customary closing conditions.

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

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Mark St. Hill
Chief Executive Officer

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.cibccaribbean.com.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
B$'000

	Unaudited At July 31, 2026	Unaudited At July 31, 2025	Audited At Oct 31, 2025
ASSETS			
Cash, balances with The Central Bank and due from banks	961,495	1,233,065	1,103,375
Securities	1,984,664	1,561,473	1,561,377
Loans and advances to customers	2,352,114	2,185,967	2,240,248
Property and equipment	48,795	40,622	42,177
Other assets	129,091	107,290	101,566
Total assets	5,476,159	5,128,417	5,048,743
LIABILITIES			
Customer deposits	4,506,073	4,205,744	4,138,013
Other liabilities	112,363	94,062	65,454
Total liabilities	4,618,436	4,299,806	4,203,467
EQUITY			
Issued capital	477,230	477,230	477,230
Reserves	116,781	123,347	123,440
Retained earnings	263,712	228,034	244,606
Total equity	857,723	828,611	845,276
Total liabilities and equity	5,476,159	5,128,417	5,048,743

Director

Director

CONDENSED CONSOLIDATED STATEMENT OF INCOME
B$'000

	Unaudited Quarter ended July 31, 2026	Unaudited Quarter ended July 31, 2025	Unaudited Nine months ended July 31, 2026	Unaudited Nine months ended July 31, 2025	Audited Year ended Oct 31, 2025
Interest and similar income	60,099	58,119	174,296	172,073	230,065
Interest and similar expense	5,144	6,297	15,518	18,430	24,536
Net interest income	54,955	51,822	158,778	153,643	205,529
Operating income	22,096	18,584	59,221	58,207	76,607
	77,051	70,406	217,999	211,850	282,136
Operating expenses	41,397	38,448	121,849	112,993	151,464
Credit loss (release)/expense on financial assets	(7,084)	5,268	(1,832)	6,740	8,120
	34,313	43,716	120,017	119,733	159,584
Income before taxation	42,738	26,690	97,982	92,117	122,552
Income tax expense	3,759	1,843	8,346	7,425	11,219
Net income for the period	38,979	24,847	89,636	84,692	111,333
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)	32.4	20.7	74.6	70.4	92.6

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
B$'000

	Unaudited Quarter ended July 31, 2026	Unaudited Quarter ended July 31, 2025	Unaudited Nine months ended July 31, 2026	Unaudited Nine months ended July 31, 2025	Audited Year ended Oct 31, 2025
Net income for the period	38,979	24,847	89,636	84,692	111,333
Other comprehensive (loss)/income to be reclassified to net income in subsequent periods					
Net (losses)/gains on debt securities at fair value through OCI	(9,762)	(2,128)	(14,673)	4,742	7,047
	(9,762)	(2,128)	(14,673)	4,742	7,047
Other comprehensive loss not to be reclassified to net income in subsequent periods					
Remeasurement losses on retirement benefit plans	-	-	-	-	(1,464)
	-	-	-	-	(1,464)
Other comprehensive (loss)/income for the period	(9,762)	(2,128)	(14,673)	4,742	5,583
Comprehensive income for the period	29,217	22,719	74,963	89,434	116,916

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
B$'000

	Issued capital	Reserves	Retained earnings	Total
Balance at October 31, 2024	477,230	101,439	227,832	806,501
Comprehensive income for the period	-	4,742	84,692	89,434
Dividends	-	-	(67,324)	(67,324)
Transfer to Statutory Reserve Fund - TCI	-	17,119	(17,119)	-
Transfer to Statutory Loan Loss Reserve - BAH	-	47	(47)	-
Balance at July 31, 2025	477,230	123,347	228,034	828,611
Balance at October 31, 2025	477,230	123,440	244,606	845,276
Comprehensive income for the period	-	(14,673)	89,636	74,963
Dividends	-	-	(62,516)	(62,516)
Transfer to Statutory Reserve Fund - TCI	-	4,604	(4,604)	-
Transfer to Statutory Loan Loss Reserve - BAH	-	3,410	(3,410)	-
Balance at July 31, 2026	477,230	116,781	263,712	857,723

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
B$'000

	Unaudited Nine months ended July 31, 2026	Unaudited Nine months ended July 31, 2025	Audited Year ended Oct 31, 2025
Net cash from operating activities	317,758	322,699	185,763
Net cash used in investing activities	(401,964)	(127,172)	(108,284)
Net cash used in financing activities	(64,233)	(69,130)	(80,492)
Net (decrease)/increase in cash and cash equivalents	(148,439)	126,397	(3,013)
Cash and cash equivalents, beginning of the period	956,278	959,291	959,291
Cash and cash equivalents, end of the period	807,839	1,085,688	956,278

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
July 31, 2026

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, 2025, included in the Bank's Annual Report 2025. 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 condensed consolidated interim financial statements include the accounts of the following wholly owned subsidiaries:
- Sentry Insurance Brokers Ltd.
- CIBC Caribbean (Bahamas) Nominees Company Limited
- CIBC Caribbean Land Holdings (TCI) Limited

Income Taxes

In November 2024, The Bahamas has enacted the Qualified Domestic Minimum Top-up Tax ("QDMTT") in accordance with the OECD's Pillar Two initiative; which became applicable for the Bank during fiscal 2025. This regime required the Bank to have an effective tax rate (as calculated under the relevant legislation) of at least 15% of net income. Where the Bank's effective tax rate was less than 15%, an additional Top-up Tax was levied to bring the effective tax rate to 15%.

Additionally, the IASB previously issued "International Tax Reform – Pillar Two Model Rules", which amended IAS 12 to provide a temporary exception from the recognition and disclosure of deferred taxes arising from the implementation of Pillar Two Model Rules, which the Company has applied.

2. Significant Transaction - Proposed acquisition by The Bank of N.T. Butterfield & Son Limited

On May 28, 2026, CIBC Caribbean Bank Limited ("CIBC Caribbean" or "our Parent") announced that its ultimate shareholder, CIBC, has entered into a definitive agreement with The Bank of N.T. Butterfield & Son Limited ("Butterfield") pursuant to which Butterfield will acquire CIBC Caribbean Bank Limited for an aggregate purchase price of $1,794 million, comprising US$1,091 million in cash and US$703 million in Butterfield shares, or US$1.14 per CIBC Caribbean share. The transaction is expected to close in the first half of 2027, subject to regulatory approvals and customary closing conditions. Following completion, CIBC will own an approximate 22% stake in the combined entity.

3. Dividends

The unaudited condensed consolidated financial statements as of July 31, 2026 reflect all dividends for which regulatory approval was received during the fiscal period. There are no dividends declared and pending regulatory approval at July 31,2026.

CONDENSED CONSOLIDATED SEGMENT INFORMATION
B$'000

Unaudited
July 31, 2026

Nine months ended	PBB	CIB	WM	Admin	Total
External revenue	55,511	50,497	1,529	51,241	158,778
Internal revenue	6,954	24,239	372	(31,565)	-
Net interest income	62,465	74,736	1,901	19,676	158,778
Operating income	31,835	27,982	1,444	(2,040)	59,221
	94,300	102,718	3,345	17,636	217,999
Depreciation	1,198	-	3	5,654	6,855
Operating expenses	17,102	5,675	1,587	90,630	114,994
Indirect expenses	49,178	44,158	2,638	(95,974)	-
Credit loss (release)/expense on financial assets	2,052	(1,555)	(95)	(2,234)	(1,832)
Income before taxation	24,770	54,440	(788)	19,560	97,982
Income tax expense	1,899	4,664	(145)	1,928	8,346
Net income for the period	22,871	49,776	(643)	17,632	89,636
Balance as at					
Total assets and liabilities by segment are as follows:					
Segment assets	1,378,154	1,259,328	46,644	2,792,033	5,476,159
Segment liabilities	1,718,438	2,608,368	119,536	172,094	4,618,436

Unaudited
July 31, 2025

Nine months ended	PBB	CIB	WM	Admin	Total
External revenue	54,489	43,016	1,336	54,802	153,643
Internal revenue	12,282	26,006	861	(39,149)	-
Net interest income	66,771	69,022	2,197	15,653	153,643
Operating income	30,371	27,161	1,792	(1,117)	58,207
	97,142	96,183	3,989	14,536	211,850
Depreciation	1,300	-	16	5,389	6,705
Operating expenses	16,889	5,569	1,159	82,671	106,288
Indirect expenses	44,219	41,268	2,366	(87,853)	-
Credit loss expense on financial assets	1,224	2,540	62	2,914	6,740
Income before taxation	33,510	46,806	386	11,415	92,117
Income tax expense	3,274	4,756	47	(652)	7,425
Net income for the period	30,236	42,050	339	12,067	84,692
Balance as at					
Total assets and liabilities by segment are as follows:					
Segment assets	1,359,465	1,127,098	41,278	2,600,576	5,128,417
Segment liabilities	1,546,635	2,452,392	92,144	208,635	4,299,806

Audited
October 31, 2025

Year ended	PBB	CIB	WM	Admin	Total
External revenue	72,873	58,110	1,793	72,753	205,529
Internal revenue	15,167	33,005	1,075	(49,247)	-
Net interest income	88,040	91,115	2,868	23,506	205,529
Operating income	40,216	33,868	2,372	151	76,607
	128,256	124,983	5,240	23,657	282,136
Depreciation	1,713	-	17	7,168	8,898
Operating expenses	22,850	7,515	1,596	110,605	142,566
Indirect expenses	59,508	54,817	3,176	(117,501)	-
Credit loss (release)/expense on financial assets	(2,591)	7,769	129	2,813	8,120
Income before taxation	46,776	54,882	322	20,572	122,552
Income tax expense	4,683	6,076	32	428	11,219
Net income for the year	42,093	48,806	290	20,144	111,333
Balance as at					
Total assets and liabilities by segment are as follows:					
Segment assets	1,352,301	1,171,035	38,032	2,487,375	5,048,743
Segment liabilities	1,524,060	2,436,276	94,695	148,436	4,203,467

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.