

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

**Consolidated Statement of Financial Position (Unaudited)**  
**As of 31 December 2019**  
**(Expressed in Bahamian dollars)**

	<b>2019</b>	<b>2018</b>
	<b>\$</b>	<b>\$</b>
<b>ASSETS</b>		
Cash on hand and at banks	165,446,505	106,498,105
Investment securities	83,585,047	83,057,535
Loans and advances to customers	432,355,662	439,699,830
Other assets	928,931	4,668,546
Assets held for sale	-	13,319,401
Investments in joint ventures	204,691	215,957
Property, plant and equipment	9,544,048	10,441,514
	<u>692,064,884</u>	<u>657,900,888</u>
<b>Total assets</b>	<b>692,064,884</b>	<b>657,900,888</b>
<b>LIABILITIES</b>		
Deposits from customers	567,607,647	532,734,531
Accrued expenses and other liabilities	1,991,919	1,333,981
Debt securities	24,193,064	33,964,458
	<u>593,792,630</u>	<u>568,032,970</u>
<b>Total liabilities</b>	<b>593,792,630</b>	<b>568,032,970</b>
<b>EQUITY</b>		
Capital – ordinary shares	20,410,050	20,380,694
Capital – preference shares	15,000,000	15,000,000
Revaluation reserve	287,715	330,695
Reserve for credit losses	-	-
Retained earnings	62,574,489	54,156,529
	<u>98,272,254</u>	<u>89,867,918</u>
<b>Total equity</b>	<b>98,272,254</b>	<b>89,867,918</b>
<b>Total liabilities and equity</b>	<b>692,064,884</b>	<b>657,900,888</b>

## Fidelity Bank (Bahamas) Limited

### Consolidated Statement of Comprehensive Income (Unaudited) For the Twelve Months Ended 31 December 2019 (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>2019</u>	<u>2019</u>	<u>2018</u>
	\$	\$	\$
<b>INCOME</b>			
Interest income			
Bank deposits, loans and advances	17,045,132	66,851,008	63,497,046
Investment securities	<u>911,259</u>	<u>3,651,271</u>	<u>3,395,294</u>
	17,956,391	70,502,279	66,892,340
Interest expense	<u>(3,117,062)</u>	<u>(12,638,066)</u>	<u>(12,675,024)</u>
<b>Net interest income</b>	<b>14,839,329</b>	<b>57,864,213</b>	<b>54,217,316</b>
Fees and commissions	817,743	3,073,585	2,887,483
Rental income	-	20,156	80,625
Other income	<u>60,299</u>	<u>251,413</u>	<u>321,231</u>
<b>Total income</b>	<b>15,717,371</b>	<b>61,209,367</b>	<b>57,506,655</b>
<b>EXPENSES</b>			
Salaries and employee benefits	3,636,076	13,099,296	11,393,173
General and administrative	3,184,614	12,776,911	11,729,036
Provision for loan losses	1,674,038	9,000,361	12,737,629
Depreciation and amortisation	<u>347,595</u>	<u>1,408,830</u>	<u>1,448,736</u>
<b>Total expenses</b>	<b>8,842,323</b>	<b>36,285,398</b>	<b>37,308,574</b>
<b>Operating profit</b>	<b>6,875,048</b>	<b>24,923,969</b>	<b>20,198,081</b>
Share of profits of joint ventures	<u>8,568</u>	<u>22,376</u>	<u>42,141</u>
<b>Net income from continuing operations</b>	<b>6,883,616</b>	<b>24,946,345</b>	<b>20,240,222</b>
Profits of operations held for sale	-	1,591,078	2,124,247
Gain on sale of operations	<u>7,560,499</u>	<u>7,560,499</u>	<u>-</u>
<b>Net income and total comprehensive income</b>	<b>14,444,115</b>	<b>34,097,922</b>	<b>22,364,469</b>
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<b>Weighted average number of ordinary shares outstanding</b>	<b>28,815,779</b>	<b>28,813,110</b>	<b>28,803,525</b>
<b>Earnings per share</b>	<b>0.49</b>	<b>1.15</b>	<b>0.74</b>

## Fidelity Bank (Bahamas) Limited

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

	Capital – Ordinary Shares \$	Capital – Preference Shares \$	Revaluation Reserve \$	Reserve for Credit Losses \$	Retained Earnings \$	Total \$
As of 1 January 2019	<u>20,380,694</u>	<u>15,000,000</u>	<u>330,695</u>	<u>-</u>	<u>54,156,529</u>	<u>89,867,918</u>
<b>Comprehensive income</b>						
Net income	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>34,097,922</u>	<u>34,097,922</u>
Total comprehensive income	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>34,097,922</u>	<u>34,097,922</u>
<b>Transfers</b>						
Depreciation transfer	<u>-</u>	<u>-</u>	<u>(42,980)</u>	<u>-</u>	<u>42,980</u>	<u>-</u>
Total transfers	<u>-</u>	<u>-</u>	<u>(42,980)</u>	<u>-</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>-</u>	<u>(24,825,336)</u>	<u>(24,825,336)</u>
Total transactions with owners	<u>29,356</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(25,722,942)</u>	<u>(25,693,586)</u>
<b>As of 30 September 2019</b>	<b><u>20,410,050</u></b>	<b><u>15,000,000</u></b>	<b><u>287,715</u></b>	<b><u>-</u></b>	<b><u>62,574,489</u></b>	<b><u>98,272,254</u></b>
<b>Dividends per share</b>	<b><u>0.86</u></b>	<b><u>0.65</u></b>				

## Fidelity Bank (Bahamas) Limited

### Consolidated Statement of Changes in Equity (Unaudited) For the Year Ended 31 December 2018 (Expressed in Bahamian dollars)

	Capital – Ordinary Shares \$	Capital – Preference Shares \$	Revaluation Reserve \$	Reserve for Credit Losses \$	Retained Earnings \$	Total \$
As of 31 December 2017	20,363,328	15,000,000	373,659	4,090,372	49,489,244	89,316,603
Effects of changes in accounting Policies	-	-	-	(4,090,372)	(1,803,042)	(5,893,414)
As of 1 January 2018	<u>20,363,328</u>	<u>15,000,000</u>	<u>373,659</u>	<u>-</u>	<u>47,686,202</u>	<u>83,423,189</u>
<b>Comprehensive income</b>						
Net income	-	-	-	-	22,364,469	22,364,469
Total comprehensive income	-	-	-	-	22,364,469	22,364,469
<b>Transfers</b>						
Depreciation transfer	-	-	(42,964)	-	42,964	-
Total transfers	-	-	(42,964)	-	42,964	-
<b>Transactions with owners</b>						
Issuance of ordinary shares	17,366	-	-	-	48,562	65,928
Dividends – preference shares	-	-	-	-	(975,000)	(975,000)
Dividends – ordinary shares	-	-	-	-	(15,010,668)	(15,010,668)
Total transactions with owners	<u>17,366</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(15,937,106)</u>	<u>(15,919,740)</u>
<b>As of 31 December 2018</b>	<b><u>20,380,694</u></b>	<b><u>15,000,000</u></b>	<b><u>330,695</u></b>	<b><u>-</u></b>	<b><u>54,156,529</u></b>	<b><u>89,867,918</u></b>
<b>Dividends per share</b>	<b><u>0.52</u></b>	<b><u>0.65</u></b>				

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

### **Notes to the Consolidated Financial Statements (Unaudited) For the Twelve Months Ended 31 December 2019 (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 2019 and 2018, the Bank complied with all of the externally imposed capital requirements to which it is subject.