

FINANCE CORPORATION OF BAHAMAS LIMITED
CONSOLIDATED STATEMENT OF FINANCIAL POSITION (Unaudited)
As of April 30, 2023 and October 31, 2022
(Expressed in Bahamian dollars)

ASSETS	April 30, 2023	October 31, 2022
Cash and cash equivalents	\$ 26,517,276	\$ 39,501,591
Balance with central bank	37,507,430	37,190,298
Loans and advances to customers	613,419,287	622,161,572
Investment securities	26,905,027	28,075,852
Other assets	5,040,040	2,169,733
TOTAL	<u>\$ 709,389,060</u>	<u>\$ 729,099,046</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
LIABILITIES		
Customer deposits	\$ 275,515,987	\$ 280,028,507
Due to affiliated companies	172,776,872	171,983,594
Other liabilities	4,803,612	3,287,896
Total liabilities	<u>\$ 453,096,471</u>	<u>\$ 455,299,997</u>
SHAREHOLDERS' EQUITY		
Share capital	5,333,334	5,333,334
Share premium	2,552,258	2,552,258
Other components of equity	45,464	39,182
Retained earnings	248,361,533	265,874,275
Total shareholders' equity	<u>256,292,589</u>	<u>273,799,049</u>
TOTAL	<u>\$ 709,389,060</u>	<u>\$ 729,099,046</u>

FINANCE CORPORATION OF BAHAMAS LIMITED
CONSOLIDATED STATEMENT OF PROFIT AND LOSS
AND COMPREHENSIVE INCOME (Unaudited)

Six Months Ended April 30, 2023
(Expressed in Bahamian dollars)

	Three Months Ended April 30, 2023	Three Months Ended April 30, 2022	Six Months Ended April 30, 2023	Six Months Ended April 30, 2022
Interest income	\$ 9,280,846	\$ 9,678,946	\$ 19,123,846	\$ 20,087,575
Interest expense	<u>(1,614,746)</u>	<u>(1,346,821)</u>	<u>(3,161,683)</u>	<u>(2,873,088)</u>
Net interest income	7,666,100	8,332,125	15,962,163	17,214,487
Non-interest income	<u>524,780</u>	<u>545,442</u>	<u>913,933</u>	<u>944,862</u>
Total income	<u>8,190,880</u>	<u>8,877,567</u>	<u>16,876,096</u>	<u>18,159,349</u>
Non-interest expense	(3,602,501)	(3,368,803)	(6,944,464)	(6,703,131)
Release/(provision) for credit losses	<u>1,896,799</u>	<u>5,180,327</u>	<u>(244,371)</u>	<u>6,014,293</u>
Net income	6,485,178	10,689,091	9,687,261	17,470,511
Other comprehensive income:				
<i>Items that may be reclassified to net income</i>				
Net gains on investments in debt instruments measured at FVOCI	7,014	(1,761)	970	(3,836)
Expected credit losses on FVOCI investments	<u>13,334</u>	<u>991</u>	<u>5,312</u>	<u>2,135</u>
Total comprehensive income for the period	<u>\$ 6,505,526</u>	<u>\$ 10,688,321</u>	<u>\$ 9,693,543</u>	<u>\$ 17,468,810</u>
Earnings per share	<u>\$ 0.24</u>	<u>\$ 0.40</u>	<u>\$ 0.36</u>	<u>\$ 0.66</u>

FINANCE CORPORATION OF BAHAMAS LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (Unaudited)
Six Months Ended April 30, 2023
(Expressed in Bahamian dollars)

	Share Capital	Share Premium	Other Components Equity	Retained Earnings	Total
	\$	\$	\$	\$	\$
Balance at October 31, 2021	5,333,334	2,552,258	2,079	240,445,565	248,333,236
Net profit for the period	-	-	-	17,470,511	17,470,511
Other comprehensive income	-	-	(1,701)	-	(1,701)
Total comprehensive income	-	-	(1,701)	17,470,511	17,468,810
Dividends	-	-	-	(6,133,334)	(6,133,334)
Balance at April 30, 2022	<u>5,333,334</u>	<u>2,552,258</u>	<u>378</u>	<u>251,782,742</u>	<u>259,668,712</u>
Balance at October 31, 2022	5,333,334	2,552,258	39,182	265,874,275	273,799,049
Net profit for the period	-	-	-	9,687,261	9,687,261
Other comprehensive income	-	-	6,282	-	6,282
Total comprehensive income	-	-	6,282	9,687,261	9,693,543
Dividends	-	-	-	(27,200,003)	(27,200,003)
Balance at April 30, 2023	<u>5,333,334</u>	<u>2,552,258</u>	<u>45,464</u>	<u>248,361,533</u>	<u>256,292,589</u>

FINANCE CORPORATION OF BAHAMAS LIMITED
CONSOLIDATED STATEMENT OF CASH FLOWS (Unaudited)
Six Months Ended April 30, 2023
(Expressed in Bahamian dollars)

	April 30, 2023	April 30, 2022
OPERATING ACTIVITIES		
Net income	\$ 9,687,261	\$ 17,470,511
Adjustments for:		
Provision/(release) for credit losses	244,371	(6,014,293)
Depreciation and amortization of tangible assets	<u>-</u>	<u>-</u>
	9,931,632	11,456,218
(INCREASE)/DECREASE IN OPERATING ASSETS		
Balances with Central Bank	(317,132)	(810,417)
Loans and advances to customers	8,631,754	18,093,453
Other assets	(2,882,463)	(1,118,936)
INCREASE/(DECREASE) IN OPERATING LIABILITIES		
Due to affiliated companies	793,278	586,974
Customers' deposits	(4,512,520)	(17,464,465)
Other liabilities	<u>1,527,818</u>	<u>(50,701)</u>
Cash from operating activities	<u>13,172,367</u>	<u>10,692,126</u>
INVESTING ACTIVITIES		
Net movement in investment securities	<u>1,042,351</u>	<u>2,597,000</u>
Cash from investing activities	<u>1,042,351</u>	<u>2,597,000</u>
FINANCING ACTIVITIES		
Dividends paid	<u>(27,200,003)</u>	<u>(6,133,334)</u>
	<u>(27,200,003)</u>	<u>(6,133,334)</u>
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(12,985,285)	7,155,792
CASH AND CASH EQUIVALENTS, BEGINNING OF THE PERIOD	39,501,591	21,016,518
Effects of fair value changes on cash and cash equivalents	<u>970</u>	<u>(3,836)</u>
CASH AND CASH EQUIVALENTS, END OF THE PERIOD	<u>\$ 26,517,276</u>	<u>\$ 28,168,474</u>

FINANCE CORPORATION OF BAHAMAS LIMITED
Notes to Unaudited Interim Consolidated Financial Statements
Six Months Ended April 30, 2023

1. ACCOUNTING POLICIES

These interim condensed financial statements have been prepared in accordance with International Accounting Standard 34 Interim Financial Reporting. The accounting policies and methods of calculation used in the preparation of these interim financial statements are consistent with those used in the audited financial statements for the year ended October 31, 2022.



FINANCE CORPORATION OF BAHAMAS LIMITED

**Chairman's review of the unaudited results
For the six months ended April 30, 2023**

We wish to report that the Bank's net income for the six months ended April 30, 2023 was \$9.7 million which represents a \$7.8 million decrease when compared to net income of \$17.5 million for the corresponding period for 2022. This decline in profit is primarily the result of a lower release of provisions compared to significant releases in the prior year as the threat of the Covid-19 pandemic subsided during fiscal 2022.

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Chairman

A handwritten signature in black ink, appearing to be 'D. ...', positioned above a horizontal line.

Managing Director