



FINANCIAL PERFORMANCE FOR THE PERIOD ENDED SEPTEMBER 30, 2024

Bank of the Bahamas Limited (the "Bank") continues to make considerable progress as we begin a new fiscal year, which has produced favorable outcomes for another successful quarter end. According to Central Bank of the Bahamas Monthly Economic report "...indications are that the global economy sustained its growth momentum, despite showing some moderation, as the economies continued to face headwinds..." We are pleased to announce a net income of \$4.3 million, compared to \$4.1 million in the previous year. In order to secure the Bank's long-term success, we continue to concentrate on offering more sustainable growth opportunities.

Comparing the Bank's overall operating income to the prior fiscal year, there was a \$0.9 million increase. Of this total increase, \$0.6 million came from interest income, which was driven by the Bank's lending initiatives and strategic allocation of its excess liquidity. The positive performance was also supported by a \$0.3 million increase in non-interest revenue from other ancillary products and services, due in part to the banks rapidly expanding customer base.

As a banking institution, the overall financial results are mainly driven by credit performance. The Bank recognized a net impairment loss of \$0.4 million for the quarter ended September compared to a \$0.4 million net impairment reversal in the prior year. The higher provisions were due to an increase in credit loss expense on loans and advances along with lower recoveries.

A slight decrease in operating expenses is noted primarily due to other administrative expenses, licenses and other fees, and occupancy expense. Nevertheless, the expense of operating the business remains high. There was an increase seen in employee expenses, information technology, and depreciation. To provide better customer service, the Bank persists in investing in its staff, physical locations, and technology.

The Bank remains in a strong financial position with total assets of \$985.4 million as of September 30, 2024, of which \$414.9 million was made up of loans and advances to customers. The total equity closed at \$204.0 million with a capital ratio (CET1) of 43.8%, which is significantly higher than the Central Bank's minimum requirement of 18%. The Bank continuously maintains strong capital and liquidity positions.

We will continue to work toward ongoing advancements in digital banking while putting our customer-centric strategic plan into action. We would like to express our gratitude to our devoted clients, senior management, directors, shareholders, and the BOB team for their unwavering support over the years.

Neil Strachan, Managing Director