



CIBC Caribbean Bank (Bahamas) Limited

Condensed Consolidated Financial Statements

For the quarter ended January 31,2025

MANAGING DIRECTOR'S REVIEW

Our bank continues to execute its client-focused strategy, underpinned by deepening client relationships, offering impactful advice and solutions, and leveraging our digital infrastructure to simplify service delivery. These efforts, combined with continuing strategic investment in our technology and people, position us well to achieve sustainable growth.

Economic activity is projected to expand in 2025 supported by continued post-pandemic recovery and tourism expansion, while inflation is expected to remain modest. However, downside risks remain as spill-over effects from global trade and tariff policies could disrupt global supply chains, fuel higher inflation and dampen growth prospects given our close ties to key source markets.

For the three months ended January 31, 2025, the bank recorded net income of \$29.7 million, compared to \$42.5 million in the prior year's first quarter. Our financial performance this quarter was largely impacted by higher provision for credit losses. We recorded a significant non-recurring account recovery during the prior year's first quarter. Additionally, we experienced increased provisions in the impaired loan portfolio and the impact of model parameter updates, further widening the year over year performance related to provision for credit losses. Overall, our credit quality remains strong.

Revenue performed well year over year mainly driven by higher transaction-based fees. However, we experienced higher operating expenses compared with the prior year's quarter due to spend on strategic investments and other costs associated with protecting the bank.

Core business growth remained strong in the first quarter. Our performing loan portfolio grew by 6% reflecting increased originations across key segments, while deposits rose by 10%, highlighting continued client confidence and liquidity stability.

At the end of the first quarter, the bank's Tier 1 and Total Capital ratios were 29.0%, exceeding regulatory requirements. The Board of Directors has approved an interim dividend of nine cents (\$0.09) per share subject to regulatory approval.

I would like to thank our clients, employees, shareholders and directors for their continued confidence and support as we build a stronger, more resilient bank.


Jacques 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) 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 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.cibcfib.com.t

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

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	Unaudited Jan 31, 2025	Unaudited Jan 31, 2024	Audited Oct 31, 2024
ASSETS			
Cash, balances with The Central Bank and due from banks	1,145,580	1,137,914	1,097,939
Securities	1,441,834	1,153,170	1,391,694
Loans and advances to customers	2,176,493	2,044,747	2,143,953
Property and equipment	42,651	40,680	42,992
Other assets	309,538	56,707	111,305
TOTAL ASSETS	5,116,096	4,433,218	4,787,883
LIABILITIES			
Customer deposits	4,020,400	3,662,089	3,923,503
Derivative financial instruments	152	-	25
Other liabilities	269,787	42,754	57,854
TOTAL LIABILITIES	4,290,339	3,704,843	3,981,382
Equity			
Issued capital	477,230	477,230	477,230
Reserves	118,378	84,050	101,439
Retained earnings	230,149	167,095	227,832
Total equity	825,757	728,375	806,501
Total liabilities and equity	5,116,096	4,433,218	4,787,883


Director


Director

CONDENSED CONSOLIDATED STATEMENT OF INCOME

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	Unaudited Three Months Ended		Audited Year Ended
	Jan 31, 2025	Jan 31, 2024	Oct 31, 2024
Interest and similar income	57,567	55,131	229,629
Interest and similar expense	6,232	3,870	19,380
Net interest income	51,335	51,261	210,249
Operating income	19,472	16,305	65,800
	70,807	67,566	276,049
Operating expenses	37,522	34,152	150,470
Credit loss expense/(release) on financial assets	1,416	(9,062)	(10,754)
	38,938	25,090	139,716
Income before taxation	31,869	42,476	136,333
Income tax expense	2,212	-	-
Net income for the period	29,657	42,476	136,333
Weighted average number of common shares outstanding for the period	120,216,204	120,216,204	120,216,204
Net earnings per share (in cents)	24.7	35.3	113.4

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

B\$'000

	Unaudited Three Months Ended		Audited Year Ended
	Jan 31, 2025	Jan 31, 2024	Oct 31, 2024
Net income for the period	29,657	42,476	136,333
Other comprehensive income to be reclassified to net income in subsequent periods			
Net gains on debt securities at fair value through OCI	418	2,191	1,182
	418	2,191	1,182
Other comprehensive income not to be reclassified to net income in subsequent periods			
Re-measurement gains on retirement benefit plans	-	218	17,952
	-	218	17,952
Other comprehensive income for the period	418	2,409	19,134
Comprehensive income for the period	30,075	44,885	155,467

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

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	Issued Capital	Reserves	Retained Earnings	Total
Balance at October 31, 2023	477,230	64,845	152,235	694,310
Comprehensive income for the period	-	2,409	42,476	44,885
Dividends	-	-	(10,820)	(10,820)
Transfer to Statutory Reserve Fund	-	-	-	-
- Turks & Caicos Islands	-	16,391	(16,391)	-
Transfer to Statutory Reserve Fund	-	-	-	-
- The Bahamas	-	405	(405)	-
Balance at January 31, 2024	477,230	84,050	167,095	728,375
Balance at October 31, 2024	477,230	101,439	227,832	806,501
Comprehensive income for the period	-	418	29,657	30,075
Dividends	-	-	(10,819)	(10,819)
Transfer to Statutory Reserve Fund	-	-	-	-
- Turks & Caicos Islands	-	16,575	(16,575)	-
Transfer to Statutory Loan Loss Reserve	-	-	-	-
- The Bahamas	-	(54)	54	-
Balance at January 31, 2025	477,230	118,378	230,149	825,757

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

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	Unaudited Three Months Ended		Audited Year Ended
	Jan 31, 2025	Jan 31, 2024	Oct 31, 2024
Net cash from operating activities	93,246	59,596	212,328
Net cash used in investing activities	(36,988)	(93,501)	(297,251)
Net cash used in financing activities	(11,423)	(11,475)	(45,842)
Net increase/(decrease) in cash and cash equivalents	44,835	(45,380)	(130,765)
Cash and cash equivalents, beginning of the period	959,291	1,090,056	1,090,056
Cash and cash equivalents, end of the period	1,004,126	1,044,676	959,291

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

January 31, 2025

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, 2024, included in the Bank's Annual Report 2024. 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 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 financial statements include the accounts of the following wholly owned subsidiaries:

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

Income taxes

In November 2024, the Bahamas enacted a Qualified Domestic Minimum Top-up Tax ("QDMTT") in accordance with the OECD's Pillar Two initiative. This QDMTT became applicable to the Bank from the 2025 fiscal year and will result in an effective tax rate of 15% of net income (based on the OECD's GloBE rules).

Dividends

The unaudited condensed consolidated financial statements as of January 31, 2025 reflect all dividends for which regulatory approval was received during the fiscal period. The Directors previously declared dividends totaling \$0.29 (twenty-nine cents) per share, which are not reflected in these unaudited condensed consolidated financial statements as they are pending regulatory approvals at 31 January 2025.

CONDENSED CONSOLIDATED SEGMENT INFORMATION

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	Unaudited January 31, 2025				
	PBB	CB	WM	Admin	Total
Three months ended					
External revenue	18,417	14,473	461	17,984	51,335
Internal revenue	5,365	8,721	389	(14,475)	-
Net interest income	23,782	23,194	850	3,509	51,335
Operating income	11,368	8,025	446	(367)	19,472
	35,150	31,219	1,296	3,142	70,807
Depreciation	399	-	14	1,765	2,178
Operating expenses	5,490	1,972	377	27,505	35,344
Indirect expenses	14,059	14,427	742	(29,228)	-
Credit loss expense on financial assets	846	321	15	234	1,416
Income tax expense	1,583	1,398	26	(795)	2,212
Net income for the period	12,773	13,101	122	3,661	29,657
Balance as at					
Total assets and liabilities by segment are as follows:					
Segment assets	1,331,652	1,089,247	40,051	2,655,146	5,116,096
Segment liabilities	1,542,268	2,352,500	90,593	304,978	4,290,339
Three months ended					
External revenue	17,638	15,674	538	17,411	51,261
Internal revenue	2,395	9,511	142	(12,048)	-
Net interest income	20,033	25,185	680	5,363	51,261
Operating income	8,602	7,656	460	(413)	16,305
	28,635	32,841	1,140	4,950	67,566
Depreciation	449	2	14	1,592	2,057
Operating expenses	5,484	1,801	341	24,469	32,095
Indirect expenses	10,896	10,443	1,145	(22,484)	-
Credit loss expense/(release) on financial assets	1,697	(10,560)	(33)	(166)	(9,062)
Net income/(loss) for the period	10,109	31,155	(327)	1,539	42,476
Balance as at					
Total assets and liabilities by segment are as follows:					
Segment assets	1,081,884	1,000,212	36,368	2,314,754	4,433,218
Segment liabilities	1,246,793	2,148,124	74,836	235,091	3,704,843
Three months ended					
External revenue	72,592	62,553	2,161	72,943	210,249
Internal revenue	11,522	43,716	550	(55,788)	-
Net interest income	84,114	106,269	2,711	17,155	210,249
Operating income	37,119	28,757	2,001	(2,077)	65,800
	121,233	135,026	4,712	15,078	276,049
Depreciation	1,784	6	57	6,718	8,565
Operating expenses	23,602	8,201	1,365	108,737	141,905
Indirect expenses	53,177	48,639	5,568	(107,384)	-
Credit loss expense/(release) on financial assets	3,274	(12,071)	(42)	(1,915)	(10,754)
Net income/(loss) for the year	39,396	90,251	(2,236)	8,922	136,333
Balance as at					
Total assets and liabilities by segment are as follows:					
Segment assets	1,334,317	1,069,474	37,460	2,346,632	4,787,883
Segment liabilities	1,461,943	2,265,547	90,655	163,237	3,981,382

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.