



FirstCaribbean International Bank (Bahamas) Limited

Condensed Consolidated Financial Statements

For the year ended January 31, 2024

MANAGING DIRECTOR'S REVIEW

The Bank continues to execute its business strategy by enhancing and deepening client relationships, leveraging our digital infrastructure and delivering a modern, simplified banking experience by sustaining operational excellence and investing in our systems and people.

The economy is anticipated to remain on a gradual, moderate growth path during 2024. Inflation is projected to decelerate but remains contingent on the impacting trend of global commodity prices. While the global economic outlook is also projected to be moderately positive, downside risks remain with the geopolitical uncertainties and potential trade disruption.

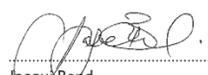
For the three months ended January 31, 2024, the Bank reported net income of \$42.5 million, up \$13.9 million or 49% from the first quarter's net income of \$28.6 million, a year ago.

Results for the first quarter were positively impacted by credit loss expense which reflected a release this quarter due to a non-recurring recovery and model assumptions updates. Revenue was up by 7% from the first quarter a year ago against the backdrop of stable US benchmark interest rates since July 2023 positively impacting our US dollar lending portfolio. However, US benchmark rates are forecasted to decline from the second half of the fiscal year. We continue to actively manage operating expenses, while strategically investing in our business and people. Despite higher cost related to our strategic investments, operating expenses remained flat to the first quarter last year largely due to timing of other expenses.

At the end of the first quarter, the Bank's Tier 1 and Total Capital ratios were 29.8%, in excess of applicable regulatory requirements. The Board of Directors has approved an interim dividend of nine cents (\$0.09) per share subject to regulatory approval.

On December 7th, 2023, FirstCaribbean International Bank Limited (our "parent") announced that it will change its legal name from "FirstCaribbean International Bank Limited" to "CIBC Caribbean Bank Limited", subject to shareholder and regulatory approval which should occur within the coming months. The transition to the new legal name aligns with the decision to adopt our ultimate parent's brand, CIBC, which was formally launched on January 30, 2024. The decision to rebrand demonstrates CIBC's continuing commitment to the region and confidence in the continuing performance of FirstCaribbean International Bank.

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


Jacquie Baird
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.cibcfcib.com.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

B\$'000

	Unaudited Jan 31, 2024	Unaudited Jan 31, 2023	Audited Oct 31, 2023
ASSETS			
Cash, balances with The Central Bank and due from banks	1,137,914	944,631	1,184,815
Securities	1,153,170	1,185,876	1,045,862
Loans and advances to customers	2,044,747	2,065,990	2,026,387
Property and equipment	40,680	41,421	41,794
Other assets	56,707	55,293	60,842
TOTAL ASSETS	4,433,218	4,293,211	4,359,700
LIABILITIES			
Customer deposits	3,662,089	3,612,082	3,618,973
Other liabilities	42,754	50,633	46,417
TOTAL LIABILITIES	3,704,843	3,662,715	3,665,390
Equity			
Issued capital	477,230	477,230	477,230
Reserves	84,050	52,386	64,845
Retained earnings	167,095	100,880	152,235
Total equity	728,375	630,496	694,310
Total liabilities and equity	4,433,218	4,293,211	4,359,700


Director


Director

CONDENSED CONSOLIDATED STATEMENT OF INCOME

B\$'000

	Unaudited		Audited
	Three Months Ended	Jan 31, 2023	Year Ended
	Jan 31, 2024	Jan 31, 2023	Oct 31, 2023
Interest and similar income	55,130	50,688	213,642
Interest and similar expense	3,870	2,835	14,177
Net interest income	51,261	47,853	199,465
Operating income	16,305	15,109	61,067
	67,566	62,962	260,532
Operating expenses	34,152	34,231	132,809
Credit loss expense on financial assets	(9,062)	156	5,394
	25,090	34,387	138,203
Net income for the period	42,476	28,575	122,329
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)	35.3	23.8	101.8

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

B\$'000

	Unaudited		Audited
	Three Months Ended	Jan 31, 2023	Year Ended
	Jan 31, 2024	Jan 31, 2023	Oct 31, 2023
Net income for the period	42,476	28,575	122,329
Other comprehensive income to be reclassified to net income in subsequent periods			
Net gains on debt securities at fair value through OCI	2,191	1,909	933
	2,191	1,909	933
Other comprehensive income not to be reclassified to net income in subsequent periods			
Re-measurement gains on retirement benefit plans	218	-	3,492
	218	-	3,492
Other comprehensive income for the period	2,409	1,909	4,425
Comprehensive income for the period	44,885	30,484	126,754

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

B\$'000

	Issued Capital	Reserves	Retained Earnings	Total
Balance at October 31, 2022	477,230	50,477	83,125	610,832
Comprehensive income for the year	-	1,909	28,575	30,484
Dividends	-	-	(10,820)	(10,820)
Balance at January 31, 2023	477,230	52,386	100,880	630,496
Balance at October 31, 2023	477,230	64,845	152,235	694,310
Comprehensive income for the year	-	2,409	42,476	44,885
Dividends	-	-	(10,820)	(10,820)
Transfer to Statutory Reserve Fund - TCI	-	16,391	(16,391)	-
Transfer to Statutory Reserve Fund - BAH	-	405	(405)	-
Balance at January 31, 2024	477,230	84,050	167,095	728,375

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

B\$'000

	Unaudited Period Ended		Audited Year Ended
	Jan 31, 2024	Jan 31, 2023	Oct 31, 2023
Net cash from/(used in) operating activities	59,596	(96,111)	(18,733)
Net cash (used in)/from investing activities	(93,501)	142,925	311,834
Net cash used in financing activities	(11,475)	(21,638)	(56,863)
Net (decrease)/increase in cash and cash equivalents	(45,380)	25,176	236,238
Cash and cash equivalents, beginning of the year	1,090,056	853,818	853,818
Cash and cash equivalents, end of the year	1,044,676	878,994	1,090,056

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

January 31, 2024

1. Basis of preparation and summary of significant accounting policies

The accompanying unaudited condensed consolidated financial statements of FirstCaribbean International Bank (Bahamas) Limited (the Bank) should be read in conjunction with the International Financial Reporting Standards (IFRS) consolidated financial statements and notes thereto for the year ended October 31, 2023, included in the Bank's Annual Report 2023. For a description of the Bank's significant 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 interim financial statements include the accounts of the following wholly owned subsidiaries:

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

Dividends

The unaudited condensed consolidated financial statements as of January 31, 2024 reflect all dividends for which regulatory approval was received during the fiscal period. There are no dividends declared and pending regulatory approval at January 31, 2024.

CONDENSED CONSOLIDATED SEGMENT INFORMATION

B\$'000

	Unaudited January 31, 2024				
	PBB	CIB	WM	Admin	Total
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)	15,399	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

Unaudited January 31, 2023

	RBB	CIB	WM	Admin	Total
Three Months Ended					
External revenue	17,002	16,984	582	13,285	47,853
Internal revenue	1,584	7,962	93	(4,349)	-
Net interest income	18,586	24,946	675	3,646	47,853
Operating income	8,227	6,976	284	(378)	15,109
	26,813	31,922	959	3,268	62,962
Depreciation	375	2	14	1,543	1,934
Operating expenses	5,692	2,025	242	24,338	32,297
Indirect expenses	10,462	12,938	1,718	(25,118)	-
Credit loss expense/(release) on financial assets	3,263	(3,282)	(75)	250	156
Net income/(loss) for the period	7,021	20,239	(940)	2,255	28,575

Balance as at

Total assets and liabilities by segment are as follows:

Segment assets	1,068,438	1,044,691	37,410	2,142,672	4,293,211
Segment liabilities	1,420,969	2,114,899	80,833	46,014	3,662,715

Audited October 31, 2023

	PBB	CIB	WM	Admin	Total
Year Ended					
External revenue	68,887	66,945	2,069	61,564	199,465
Internal revenue	8,570	35,290	489	(44,349)	-
Net interest income	77,457	102,235	2,558	17,215	199,465
Operating income	33,378	27,562	1,606	(1,479)	61,067
	110,835	129,797	4,164	15,736	260,532
Depreciation	1,619	7	57	6,110	7,793
Operating expenses	23,564	7,221	1,052	93,179	125,016
Indirect expenses	44,900	45,901	5,445	(96,246)	-
Credit loss expense/(release) on financial assets	15,237	(8,913)	(70)	(860)	5,394
Net income/(loss) for the period	25,515	85,581	(2,320)	13,553	122,329

Balance as at

Total assets and liabilities by segment are as follows:

Segment assets	1,085,521	991,497	36,355	2,246,327	4,359,700
Segment liabilities	1,442,982	2,083,588	73,400	65,420	3,665,390

Notes:

The Bank's operations are organized into four segments: Personal and Business Banking ("PBB"), Corporate and Investment Banking ("CIB") 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, CIB 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.