



CIBC Caribbean Bank (Bahamas) Limited

Condensed Consolidated Financial Statements

For the year ended October 31, 2024

MANAGING DIRECTOR'S REVIEW OF THE RESULTS

2024 marked the completion of a significant transformation program which involved the rationalisation and consolidation of business lines and markets along with large investments in our technology platforms to enhance client experience and improve operational effectiveness. This culminated in our rebrand to CIBC Caribbean.

The bank delivered another strong performance for the fiscal year as we continued to execute our client-focused strategy by leveraging our digital infrastructure, deepening client relationships, investing in our people while enabling, simplifying and protecting the bank. Our strategic investments are creating a strong foundation for future growth and optimisation of resources across our various strategic business segments.

For the year ended October 31, 2024, the bank reported net income of \$136.3 million, up \$14.0 million or 11% from prior year's net income of \$122.3 million.

Overall, this year's financial performance has been positively impacted by solid performing loan growth, higher US interest margins and a favourable provision for credit losses. Revenue performed well year-over-year as loan originations increased, and we benefited from a sustained uplift in other income. However, US interest rates are anticipated to fall in 2025 and may impact our revenue momentum; but could also promote increased credit demand in the market.

We experienced higher operating expenses due to increased spending on strategic investments, activity-based costs and other costs associated with protecting the bank in a highly regulated environment. The provision for credit losses was significantly down from the prior year mainly due to a non-recurring account recovery. Our credit quality remains strong.

Economic growth in the country advanced at a moderate pace in 2024, as output has already completed its recovery cycle following the COVID-19 pandemic. Tourism remains the primary engine of expansion, while robust construction activity also continues to strengthen growth. Additionally, inflation continues to soften. The country's outlook remains stable, but potential threats to the global economy like commodity price shocks and/or slower global growth could negatively impact prospects.

The Board of Directors has approved an interim dividend of nine cents (\$0.09) per share subject to regulatory approval. The Bank's Tier 1 and Total Capital ratios were 28.8%, in excess of applicable regulatory requirements.

I wish to sincerely thank all our clients, employees, shareholders and directors for their continued support.


Jacquél Bend
Managing Director

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

B\$'000

	Unaudited Oct 31, 2024	Audited Oct 31, 2023
ASSETS		
Cash, balances with The Central Bank and due from banks	1,097,939	1,184,815
Securities	1,391,694	1,045,862
Loans and advances to customers	2,143,953	2,026,387
Property and equipment	42,992	41,794
Other assets	111,305	60,842
Total assets	4,787,883	4,359,700
LIABILITIES		
Customer deposits	3,923,503	3,618,973
Other liabilities	57,879	46,417
Total liabilities	3,981,382	3,665,390
EQUITY		
Issued capital	477,230	477,230
Reserves	101,439	64,845
Retained earnings	227,832	152,235
Total equity	806,501	694,310
Total liabilities and equity	4,787,883	4,359,700


Director


Director

CONDENSED CONSOLIDATED STATEMENT OF INCOME

B\$'000

	Unaudited Three Months Ended		Unaudited Year Ended	Audited Year Ended
	Oct 31, 2024	Oct 31, 2023	Oct 31, 2024	Oct 31, 2023
Interest and similar income	58,881	56,095	229,629	213,642
Interest and similar expense	5,354	3,721	19,380	14,177
Net interest income	53,527	52,374	210,249	199,465
Operating income	16,224	15,600	65,649	61,067
	69,751	67,974	275,898	260,532
Operating expenses	41,708	34,721	150,319	132,809
Credit loss (release)/expense on financial assets	(4,653)	1,970	(10,754)	5,394
	37,055	36,691	139,565	138,203
Net income for the period	32,696	31,283	136,333	122,329
Weighted average number of common shares outstanding for the period	120,216,204	120,216,204	120,216,204	120,216,204
Net earnings per share (in cents)	27.2	26.0	113.4	101.8

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

B\$'000

	Unaudited Three Months Ended		Unaudited Year Ended	Audited Year Ended
	Oct 31, 2024	Oct 31, 2023	Oct 31, 2024	Oct 31, 2023
Net income for the period	32,696	31,283	136,333	122,329
Other comprehensive income to be reclassified to net income in subsequent periods				
Net gains on debt securities at fair value through OCI	1,162	672	1,182	933
	1,162	672	1,182	933
Other comprehensive income not to be reclassified to net income in subsequent periods				
Re-measurement gains on retirement benefit plans	17,733	3,492	17,952	3,492
	17,733	3,492	17,952	3,492
Other comprehensive income for the period	18,895	4,164	19,134	4,425
Comprehensive income for the period	51,591	35,447	155,467	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	-	4,425	122,329	126,754
Dividends	-	-	(43,276)	(43,276)
Transfer to Statutory Reserve Fund - TCI	-	4,812	(4,812)	-
Transfer to Statutory Loan Reserve	-	5,131	(5,131)	-
Balance at October 31, 2023	477,230	64,845	152,235	694,310
Comprehensive income for the year	-	19,134	136,333	155,467
Dividends	-	-	(43,276)	(43,276)
Transfer to Statutory Reserve Fund - TCI	-	16,392	(16,392)	-
Transfer to Statutory Reserve Fund - BAH	-	1,068	(1,068)	-
Balance at October 31, 2024	477,230	101,439	227,832	806,501

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

B\$'000

	Unaudited Period Ended Oct 31, 2024	Audited Year Ended Oct 31, 2023
Net cash from/(used in) operating activities	255,653	(18,733)
Net cash (used in)/from investing activities	(297,576)	311,834
Net cash used in financing activities	(45,842)	(56,863)
Net (decrease)/increase in cash and cash equivalents	(87,765)	236,238
Cash and cash equivalents, beginning of the year	1,090,056	853,818
Cash and cash equivalents, end of the year	1,002,291	1,090,056

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

October 31, 2024

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 International Financial Reporting 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 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 October 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 October 31, 2024.

CONDENSED CONSOLIDATED SEGMENT INFORMATION

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	Unaudited October 31, 2024				
	PBB	CIB	WM	Admin	Total
Year 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	36,968	28,757	2,001	(2,077)	65,649
	121,082	135,026	4,712	15,078	275,898
Depreciation	1,784	6	57	6,718	8,565
Operating expenses	23,451	8,201	1,365	108,737	141,754
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 period	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

	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 organised 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.