

**FirstCaribbean International Bank (Bahamas) Limited**  
**Managing Director's Review Of the Results**  
**For the nine months ended July 31, 2023**

The Bank continued to execute its client-focused strategy, delivering another quarter of solid results. The momentum in our core business performance reflects improved market conditions, the benefits from our recent investment in digital technology and a strong focus on providing innovative client solutions.

Reported third quarter net income was \$30.9 million, up \$12.0 million or 64% from the third quarter's net income of \$18.9 million a year ago.

For the nine months ended July 31, 2023, the Bank reported net income of \$91.0 million, up \$42.9 million or 89.3% over prior year's net income of \$48.1 million.

The uplift in financial performance continues to be largely attributed to the higher US benchmark interest rates. Over the nine-month period, the spend on transformational initiatives and inflation have led to increased operating expenses. The provision for credit losses declined from the same period last year due to updates to the credit provisioning model and risk parameters. We continue to maintain a high level of credit quality across the Bank.

The economic recovery in the country is being sustained, as the market moves towards pre-pandemic levels of output and reflect indications of improvement in employment levels. Pent-up travel demand is driving a strong tourism rebound which is spurring growth in related sectors.

The Bank's Tier 1 and Total Capital ratios remain strong at 28.0%, in excess of applicable regulatory requirements. At its meeting on September 14, 2023, the Board of Directors 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 ongoing support.



Jacqui Bend  
 Managing Director

**FORWARD-LOOKING STATEMENT DISCLOSURE**

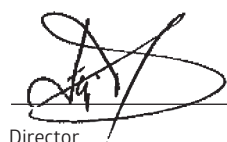
This report may contain forward-looking statements, including statements about our Bank's financial condition, results of operations, earnings outlook, asset quality trends and profitability. Forward-looking statements provide management's current expectations or forecasts of future events and, by their 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.

**Condensed Consolidated Statement of Financial Position**  
**B\$'000**

	Unaudited July 31, 2023	Unaudited July 31, 2022	Audited Oct 31, 2022
<b>Assets</b>			
Cash, balances with The Central Bank and due from banks	1,133,186	1,138,364	962,014
Securities	1,155,249	1,229,417	1,317,826
Loans and advances to customers	2,041,031	2,053,313	2,035,563
Property and equipment	41,657	40,741	41,681
Other assets	70,533	95,575	57,116
<b>Total assets</b>	<b>4,441,656</b>	<b>4,557,410</b>	<b>4,414,200</b>
<b>Liabilities</b>			
Customer deposits	3,717,637	3,859,854	3,748,169
Other liabilities	54,334	57,611	55,199
<b>Total liabilities</b>	<b>3,771,971</b>	<b>3,917,465</b>	<b>3,803,368</b>
<b>Equity</b>			
Issued capital	477,230	477,230	477,230
Reserves	60,263	80,012	50,477
Retained earnings	132,192	82,703	83,125
<b>Total equity</b>	<b>669,685</b>	<b>639,945</b>	<b>610,832</b>
<b>Total liabilities and equity</b>	<b>4,441,656</b>	<b>4,557,410</b>	<b>4,414,200</b>



Director



Director

**Condensed Consolidated Statement of Income**  
**B\$'000**

	Unaudited Three Months Ended		Unaudited Nine Months Ended		Audited Year Ended
	Jul 31, 2023	Jul 31, 2022	Jul 31, 2023	Jul 31, 2022	Oct 31, 2022
Interest and similar income	55,314	36,518	157,547	103,950	147,319
Interest and similar expense	4,107	1,750	10,456	4,481	7,060
<b>Net interest income</b>	<b>51,207</b>	<b>34,768</b>	<b>147,091</b>	<b>99,469</b>	<b>140,259</b>
Operating income	15,478	15,090	45,468	44,145	58,591
	66,685	49,858	192,559	143,614	198,850
Operating expenses	32,822	28,480	98,088	82,234	112,674
Credit loss expense on financial assets	2,955	2,522	3,424	13,290	16,026
	35,777	31,002	101,512	95,524	128,700
<b>Net income for the period</b>	<b>30,908</b>	<b>18,856</b>	<b>91,047</b>	<b>48,090</b>	<b>70,150</b>

Weighted average number of common shares outstanding for the period	120,216,204	120,216,204	120,216,204	120,216,204	120,216,204
Net earnings per share (in cents)	25.7	15.7	75.7	40.0	58.4

**Condensed Consolidated Statement of Comprehensive Income**  
**B\$'000**

	Unaudited Three Months Ended		Unaudited Nine Months Ended		Audited Year Ended
	Jul 31, 2023	Jul 31, 2022	Jul 31, 2023	Jul 31, 2022	Oct 31, 2022
Net income for the period	30,908	18,856	91,047	48,090	70,150
<b>Other comprehensive (loss)/income to be reclassified to net income in subsequent periods:</b>					
Net (losses)/gains on debt securities at fair value through OCI	(2,954)	378	263	(890)	(1,946)
	(2,954)	378	263	(890)	(1,946)
<b>Other comprehensive loss not to be reclassified to net income in subsequent periods:</b>					
Re-measurement losses on retirement benefit plans	-	-	-	-	(28,479)
	-	-	-	-	(28,479)
<b>Other comprehensive (loss)/income for the period</b>	<b>(2,954)</b>	<b>378</b>	<b>263</b>	<b>(890)</b>	<b>(30,425)</b>
<b>Comprehensive income for the period</b>	<b>27,954</b>	<b>19,234</b>	<b>91,310</b>	<b>47,200</b>	<b>39,725</b>

**Condensed Consolidated Statement of Changes in Equity**  
**B\$'000**

	Issued Capital	Reserves	Retained Earnings	Total
<b>Balance at October 31, 2021</b>	477,230	76,246	60,907	614,383
Comprehensive income for the period	-	(890)	48,090	47,200
Dividends	-	-	(21,638)	(21,638)
Transfer to Statutory Reserve Fund - Turks & Caicos Islands	-	4,656	(4,656)	-
<b>Balance at July 31, 2022</b>	477,230	80,012	82,703	639,945
<b>Balance at October 31, 2022</b>	477,230	50,477	83,125	610,832
Comprehensive income for the period	-	263	91,047	91,310
Dividends	-	-	(32,457)	(32,457)
Transfer to Statutory Reserve Fund - Turks & Caicos Islands	-	4,812	(4,812)	-
Transfer to Statutory Loan Reserve	-	4,711	(4,711)	-
<b>Balance at July 31, 2023</b>	477,230	60,263	132,192	669,685

**Condensed Consolidated Statement of Cash Flows**  
**B\$'000**

	Unaudited Nine Months Ended July 31, 2023	Unaudited Nine Months Ended July 31, 2022	Audited Year Ended October 31, 2022
Net cash from operating activities	28,712	677,471	545,043
Net cash from/(used in) investing activities	190,511	(308,888)	(390,612)
Net cash used in financing activities	(32,457)	(50,532)	(28,180)
Net increase in cash and cash equivalents	186,766	318,051	126,251
Cash and cash equivalents, beginning of the period	853,818	727,567	727,567
Cash and cash equivalents, end of the period	1,040,584	1,045,618	853,818

**Notes to the Condensed Consolidated Financial Statements**  
 July 31, 2023

**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, 2022, included in the Bank's Annual Report 2022. 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 (TCl) Limited

**Dividends**

The unaudited condensed consolidated financial statements as of July 31, 2023 reflect all dividends for which regulatory approval was received during the fiscal period. There are no dividends declared and pending regulatory approval at July 31, 2023.

**Condensed Consolidated Segment Information**  
**B\$'000**

	Unaudited July 31, 2023				
	RBB	CIB	WM	Admin	Total
<b>Nine months Ended</b>					
External revenue	51,214	50,430	1,581	43,866	147,091
Internal revenue	6,013	24,393	334	(30,740)	-
Net interest income	57,227	74,823	1,915	13,126	147,091
Operating income	24,589	20,966	1,037	(1,124)	45,468
	81,816	95,789	2,952	12,002	192,559
Depreciation	1,175	5	42	4,610	5,832
Operating expenses	17,225	5,303	769	68,959	92,256
Indirect expenses	31,913	34,125	4,095	(70,133)	-
Credit loss expense on financial assets	11,538	(7,222)	(175)	(717)	3,424
<b>Net income for the period</b>	<b>19,965</b>	<b>63,578</b>	<b>(1,779)</b>	<b>9,283</b>	<b>91,047</b>
<b>Balance as at</b>					
Total assets and liabilities by segment are as follows:					
Segment assets	1,083,312	1,014,226	34,030	2,310,088	4,441,656
Segment liabilities	1,485,065	2,151,982	74,202	60,722	3,771,971

	Unaudited July 31, 2022				
	RBB	CIB	WM	Admin	Total
<b>Nine Months Ended</b>					
External revenue	48,994	37,124	778	12,573	99,469
Internal revenue	3,203	11,892	392	(15,487)	-
Net interest income	52,197	49,016	1,170	(2,914)	99,469
Operating income	22,281	21,393	1,435	(964)	44,145
	74,478	70,409	2,605	(3,878)	143,614
Depreciation	1,200	8	43	4,555	5,806
Operating expenses	17,216	6,068	667	52,477	76,428
Indirect expenses	25,076	27,601	2,858	(55,535)	-
Credit loss expense on financial assets	11,800	(2,120)	116	3,494	13,290
<b>Net income for the period</b>	<b>19,186</b>	<b>38,852</b>	<b>(1,079)</b>	<b>(8,869)</b>	<b>48,090</b>
<b>Balance as at</b>					
Total assets and liabilities by segment are as follows:					
Segment assets	1,080,637	1,029,569	26,161	2,421,043	4,557,410
Segment liabilities	1,456,082	2,283,182	71,168	107,033	3,917,465

	Audited October 31, 2022				
	RBB	CIB	WM	Admin	Total
<b>Year Ended</b>					
External revenue	65,615	52,649	884	21,111	140,259
Internal revenue	4,704	10,655	7,295	(22,654)	-
Net interest income	70,319	63,304	8,179	(1,543)	140,259
Operating income	30,520	24,212	5,228	(1,369)	58,591
	100,839	87,516	13,407	(2,912)	198,850
Depreciation	1,687	10	57	6,036	7,790
Operating expenses	23,517	6,486	2,759	72,122	104,884
Indirect expenses	34,873	30,325	12,638	(77,836)	-
Credit loss expense on financial assets	16,174	(3,375)	355	2,872	16,026
<b>Net income for the year</b>	<b>24,588</b>	<b>54,070</b>	<b>(2,402)</b>	<b>(6,106)</b>	<b>70,150</b>
<b>Balance as at</b>					
Total assets and liabilities by segment are as follows:					
Segment assets	1,075,483	1,016,047	35,672	2,286,998	4,414,200
Segment liabilities	1,425,284	1,667,296	647,465	63,323	3,803,368

**Notes:**

The Bank's operations are organised into four segments: Retail and Business Banking ("RBB"), 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, HR, Technology & Operations, Risk and Other). The Admin segment results include credits or capital charges for Treasury market-based cost of funds on assets, liabilities and capital; the offset for the same for RBB, CIB, and WM earnings on unattributed capital remains in Admin. Capital is attributed to RBB, CIB and WM (Strategic Business Units or "SBU") in a manner that is intended to measure and align economic value with the underlying benefits and risks associated with SBU activities. Management reviews the transfer pricing methodologies on an ongoing basis to ensure they reflect changing market environments and industry practices.

Comparative numbers reported have been adjusted to reflect the following business segment reorganisations effective November 1, 2022:  
 - Customer Call Centre previously reported under RBB has been aligned to Technology, Infrastructure & Innovation under Admin  
 - International Corporate Banking previously reported under WM has been aligned to CIB