

# FirstCaribbean International Bank Limited

## Condensed Consolidated Financial Statements

For the nine months ended July 31, 2023 (expressed in thousands of United States dollars)



FirstCaribbean  
International Bank

### CHIEF EXECUTIVE OFFICER'S REVIEW

We continued to execute on our 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 \$72.3 million, up \$32.5 million or 82% from the third quarter's net income of \$39.8 million a year ago. After excluding \$4.8 million of net gains relating to previously announced divestitures, adjusted net income was \$67.5 million.

For the nine months ended July 31, 2023, net income was \$216.9 million, up \$92.0 million or 74% over prior year's net income of \$124.9 million. After excluding \$10.5 million of net gains relating to previously announced divestitures, adjusted net income was \$206.4 million, up \$81.5 million or 65% from the third quarter a year ago.

The uplift in financial performance continues to be largely attributed to the higher US benchmark interest rates, which have positively impacted revenue in our primary US dollar denominated businesses in the Bahamas and the Cayman Islands. Over the nine-month period, the spend on transformational initiatives, higher employee-related costs and inflation have led to increased operating expenses. The provision for credit losses was up slightly from the same quarter last year and reflected updated forward-looking indicators based on the region's economic outlook. We continue to maintain a high level of credit quality across the Bank.

The economic recovery in the Caribbean is being sustained, as most markets move towards pre-pandemic levels of output and employment. Pent-up travel demand is driving a strong tourism rebound which is spurring growth in related sectors.

On July 14, 2023, the Bank completed the sale of banking assets in Grenada to Grenada Co-Operative Bank Limited. This marks the conclusion of the previously announced divestitures in the Eastern Caribbean. We wish to thank our former employees and clients for their years of commitment and loyalty.

The Bank's Tier 1 and Total Capital ratios remain strong at 16.8% and 18.5%, in excess of applicable regulatory requirements. The Board of Directors approved a quarterly dividend of \$0.0125 per share which will be paid on October 13, 2023, to shareholders of record as of September 22, 2023.

I would like to thank our clients, employees, shareholders, and directors for their ongoing support.

Mark St. Hill  
Chief Executive Officer  
September 7, 2023

### FORWARD-LOOKING STATEMENT DISCLOSURE

This report may contain forward-looking statements, including statements about our 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 we have 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 unfavourable 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 Limited, please read FirstCaribbean International Bank Limited's financial and other reports that are available on the Bank's website at [www.cibcfib.com](http://www.cibcfib.com)

### CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

|   | Unaudited<br>Nine months ended<br>At Jul 31, 2023 | Unaudited<br>Nine months ended<br>At Jul 31, 2022 | Audited<br>Year ended<br>At Oct 31, 2022 |
|---|---|---|--|
| <b>Assets</b>   |   |   |  |
| Cash, balances with Central Banks and due from banks                                  | 2,614,316   | 3,398,511   | 2,726,853                                |
| Loans and advances to customers   | 6,682,555   | 6,578,712   | 6,649,511                                |
| Securities  | 2,926,254   | 2,808,893   | 2,945,869                                |
| Property and equipment  | 195,614   | 189,304   | 192,875                                  |
| Other assets  | 265,604   | 268,700   | 268,921                                  |
| Intangible assets   | 44,372  | 44,372  | 44,372                                   |
|   | 12,728,715  | 13,288,492  | 12,828,401                               |
| Assets of disposal group classified as held for sale and discontinued operations      | -   | 307,920   | 302,197                                  |
| <b>Total assets</b>   | 12,728,715  | 13,596,412  | 13,130,598                               |
| <b>Liabilities</b>  |   |   |  |
| Customer deposits and other borrowed funds  | 11,227,892  | 11,902,002  | 11,428,746                               |
| Other liabilities   | 149,484   | 166,779   | 221,828                                  |
| Debt securities in issue  | 26,220  | 26,220  | 26,599                                   |
|   | 11,403,596  | 12,095,001  | 11,677,173                               |
| Liabilities of disposal group classified as held for sale and discontinued operations | -   | 297,070   | 294,348                                  |
| <b>Total liabilities</b>  | 11,403,596  | 12,392,071  | 11,971,521                               |
| <b>Equity attributable to equity holders of the parent</b>                            |   |   |  |
| Issued capital and reserves   | 1,045,276   | 1,090,719   | 1,014,811                                |
| Retained earnings   | 247,797   | 83,000  | 115,085                                  |
|   | 1,293,073   | 1,173,719   | 1,129,896                                |
| Non-controlling interests   | 32,046  | 30,622  | 29,181                                   |
| <b>Total equity</b>   | 1,325,119   | 1,204,341   | 1,159,077                                |
| <b>Total liabilities and equity</b>   | 12,728,715  | 13,596,412  | 13,130,598                               |

Director

Director

### CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

|                                     | Attributable to equity holders of the Parent |           |                   |                           |              |
|-------------------------------------|--|-----------|-------------------|---------------------------|--------------|
|                                     | Issued Capital                               | Reserves  | Retained Earnings | Non-controlling Interests | Total Equity |
| <b>Balance at October 31, 2021</b>  | 1,193,149                                    | (91,269)  | 19,936            | 29,399                    | 1,151,215    |
| Comprehensive income for the period | -  | (23,314)  | 122,550           | 2,258                     | 101,494      |
| Transfer to reserves                | -  | 12,153    | (12,153)          | -                         | -            |
| Equity dividends                    | -  | -         | (47,333)          | -                         | (47,333)     |
| Dividends of subsidiary             | -  | -         | -                 | (1,035)                   | (1,035)      |
| <b>Balance at July 31, 2022</b>     | 1,193,149                                    | (102,430) | 83,000            | 30,622                    | 1,204,341    |
| <b>Balance at October 31, 2022</b>  | 1,193,149                                    | (178,338) | 115,085           | 29,181                    | 1,159,077    |
| Comprehensive income for the period | -  | 5,877     | 212,507           | 4,418                     | 222,802      |
| Transfer to reserves                | -  | 24,588    | (24,588)          | -                         | -            |
| Equity dividends                    | -  | -         | (55,207)          | -                         | (55,207)     |
| Dividends of subsidiary             | -  | -         | -                 | (1,553)                   | (1,553)      |
| <b>Balance at July 31, 2023</b>     | 1,193,149                                    | (147,873) | 247,797           | 32,046                    | 1,325,119    |

### CONDENSED CONSOLIDATED STATEMENT OF INCOME

|   | Unaudited<br>Quarter ended<br>Jul 31, 2023 | Unaudited<br>Nine months ended<br>Jul 31, 2022 | Unaudited<br>Nine months ended<br>Jul 31, 2023 | Unaudited<br>Nine months ended<br>Jul 31, 2022 | Audited<br>Year ended<br>Oct 31, 2022 |
|---|--|--|--|--|---------------------------------------|
| Total revenue   | 190,560                                    | 149,250  | 554,397  | 431,036  | 599,280                               |
| Operating expenses  | 105,490                                    | 98,125   | 312,923  | 289,291  | 397,822                               |
| Credit loss expense/(release) on financial assets   | 9,122                                      | 8,296  | 15,273   | (6,923)  | (897)                                 |
|   | 114,612                                    | 106,421  | 328,196  | 282,368  | 396,925                               |
| Income before taxation  | 75,948                                     | 42,829   | 226,201  | 148,668  | 202,355                               |
| Income tax expense  | 5,867                                      | 3,335  | 15,046   | 20,763   | 24,091                                |
| <b>Net income for the period from continuing operations</b>   | 70,081                                     | 39,494   | 211,155  | 127,905  | 178,264                               |
| Net gain/(loss) for the period from discontinued operations   | 2,201                                      | 301  | 5,709  | (3,054)  | (1,871)                               |
| <b>Net income for the period</b>  | 72,282                                     | 39,795   | 216,864  | 124,851  | 176,393                               |
| <b>Attributable to:</b>   |  |  |  |  |                                       |
| Equity holders of the parent  | 70,760                                     | 38,893   | 212,507  | 122,550  | 173,036                               |
| Non-controlling interests   | 1,522                                      | 902  | 4,357  | 2,301  | 3,357                                 |
|   | 72,282                                     | 39,795   | 216,864  | 124,851  | 176,393                               |
| <b>Basic and diluted earnings per share from continuing operations attributable to the equity holders of the parent for the period:</b> |  |  |  |  |                                       |
| (expressed in cents per share)  | 4.3  | 2.4  | 13.1   | 8.0  | 11.1                                  |
| <b>Basic and diluted earnings per share attributable to the equity holders of the parent for the period:</b>                            |  |  |  |  |                                       |
| (expressed in cents per share)  | 4.5  | 2.5  | 13.5   | 7.8  | 11.0                                  |

# FirstCaribbean International Bank Limited

## Condensed Consolidated Financial Statements

For the nine months ended July 31, 2023 (expressed in thousands of United States dollars)



FirstCaribbean  
International Bank

### CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

|  | Unaudited<br>Quarter ended |              | Unaudited<br>Nine months ended |              | Audited<br>Year ended |
|--|----------------------------|--------------|--------------------------------|--------------|-----------------------|
|  | Jul 31, 2023               | Jul 31, 2022 | Jul 31, 2023                   | Jul 31, 2022 | Oct 31, 2022          |
| <b>Net income for the period</b>   | 72,282                     | 39,795       | 216,864                        | 124,851      | 176,393               |
| <b>Other comprehensive (loss)/gain (net of tax) to be reclassified to net income in subsequent periods</b> |                            |              |                                |              |                       |
| Net (losses)/gains on debt securities at fair value through OCI  | (4,336)                    | (1,975)      | 6,439                          | (23,180)     | (32,188)              |
| Net exchange (losses)/gains on translation of foreign operations   | (559)                      | 537          | (501)                          | (177)        | 401                   |
|  | (4,895)                    | (1,438)      | 5,938                          | (23,357)     | (31,787)              |
| <b>Other comprehensive loss (net of tax) not to be reclassified to net income in subsequent periods:</b>   |                            |              |                                |              |                       |
| Re-measurement losses of retirement benefit obligations  | -                          | -            | -                              | -            | (71,563)              |
| <b>Other comprehensive (loss)/income for the period, net of tax</b>  | (4,895)                    | (1,438)      | 5,938                          | (23,357)     | (103,350)             |
| <b>Comprehensive income for the period, net of tax</b>   | 67,387                     | 38,357       | 222,802                        | 101,494      | 73,043                |
| <b>Comprehensive income for the period attributable to:</b>  |                            |              |                                |              |                       |
| Continuing operations  | 65,186                     | 38,124       | 217,115                        | 104,586      | 75,145                |
| Discontinued operations  | 2,201                      | 233          | 5,687                          | (3,092)      | (2,102)               |
|  | 67,387                     | 38,357       | 222,802                        | 101,494      | 73,043                |
| <b>Comprehensive income for the period attributable to:</b>  |                            |              |                                |              |                       |
| Equity holders of the parent   | 66,061                     | 37,437       | 218,384                        | 99,236       | 71,190                |
| Non-controlling interests  | 1,326                      | 920          | 4,418                          | 2,258        | 1,853                 |
|  | 67,387                     | 38,357       | 222,802                        | 101,494      | 73,043                |

### CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

|  | Unaudited<br>Nine months ended |              | Audited<br>Year ended |
|--|--------------------------------|--------------|-----------------------|
|  | Jul 31, 2023                   | Jul 31, 2022 | Oct 31, 2022          |
| Net cash (used in)/from operating activities from continuing operations                        | (161,314)                      | 994,113      | 350,064               |
| Net cash from/(used in) investing activities from continuing operations                        | 81,438                         | (207,148)    | (342,887)             |
| Net cash used in financing activities from continuing operations                               | (66,552)                       | (60,342)     | (80,322)              |
| Net (decrease)/increase in cash and cash equivalents for the period from continuing operations | (146,428)                      | 726,623      | (73,145)              |
| Net (decrease)/increase in cash from continuing operations                                     | (146,428)                      | 726,623      | (73,145)              |
| Net increase/(decrease) in cash from discontinued operations                                   | 8,592                          | (71,493)     | (47,299)              |
| Effect of exchange rate changes on cash and cash equivalents                                   | (501)                          | (177)        | 401                   |
| Cash and cash equivalents, beginning of the period   | 2,343,873                      | 2,354,734    | 2,463,916             |
| Cash and cash equivalents from discontinued operations   | -                              | 171,322      | 167,956               |
| Cash and cash equivalents, end of the period   | 2,205,536                      | 3,181,009    | 2,511,829             |

### CONDENSED CONSOLIDATED SEGMENT INFORMATION

|   | Unaudited<br>Jul 31, 2023 |           |         |           |            |
|---|---------------------------|-----------|---------|-----------|------------|
|   | RBB                       | CIB       | WM      | Admin     | Total      |
| <b>Nine months ended</b>                                |                           |           |         |           |            |
| External revenue  | 120,822                   | 165,222   | 7,090   | 104,233   | 397,367    |
| Internal revenue  | 19,775                    | 57,586    | 9,438   | (86,799)  | -          |
| Net interest income                                     | 140,597                   | 222,808   | 16,528  | 17,434    | 397,367    |
| Operating income  | 62,153                    | 70,310    | 24,752  | (185)     | 157,030    |
| Total revenue   | 202,750                   | 293,118   | 41,280  | 17,249    | 554,397    |
| Depreciation  | 5,464                     | 1,728     | 1,599   | 17,567    | 26,358     |
| Operating expenses                                      | 67,669                    | 30,940    | 19,757  | 168,199   | 286,565    |
| Indirect expenses                                       | 90,013                    | 85,030    | 10,364  | (185,407) | -          |
| Credit loss expense on financial assets                 | 25,993                    | (13,278)  | (458)   | 3,016     | 15,273     |
| Income before taxation                                  | 13,611                    | 188,698   | 10,018  | 13,874    | 226,201    |
| Income tax expense                                      | (3,956)                   | 14,264    | (127)   | 4,865     | 15,046     |
| Net income for the period from continuing operations    | 17,567                    | 174,434   | 10,145  | 9,009     | 211,155    |
| Income from discontinued operations                     | 463                       | 995       | -       | 4,251     | 5,709      |
| Net income for the period                               | 18,030                    | 175,429   | 10,145  | 13,260    | 216,864    |
| <b>Balance as at</b>                                    |                           |           |         |           |            |
| Total assets and liabilities by segment are as follows: |                           |           |         |           |            |
| Segment assets  | 2,653,576                 | 4,057,420 | 240,423 | 5,777,296 | 12,728,715 |
| Segment liabilities                                     | 4,301,801                 | 6,326,671 | 581,700 | 193,424   | 11,403,596 |

|  | Unaudited<br>July 31, 2022 |          |        |           |         |
|--|----------------------------|----------|--------|-----------|---------|
|  | RBB                        | CIB      | WM     | Admin     | Total   |
| <b>Nine months ended</b>                             |                            |          |        |           |         |
| External revenue                                     | 108,167                    | 127,584  | 2,782  | 42,597    | 281,130 |
| Internal revenue                                     | 9,211                      | 20,321   | 8,367  | (37,899)  | -       |
| Net interest income                                  | 117,378                    | 147,905  | 11,149 | 4,698     | 281,130 |
| Operating income                                     | 56,952                     | 70,327   | 24,214 | (1,587)   | 149,906 |
| Total revenue  | 174,330                    | 218,232  | 35,363 | 3,111     | 431,036 |
| Depreciation   | 7,444                      | 1,890    | 1,584  | 24,292    | 35,210  |
| Operating expenses                                   | 63,401                     | 29,917   | 18,743 | 142,020   | 254,081 |
| Indirect expenses                                    | 74,533                     | 74,086   | 8,224  | (156,843) | -       |
| Credit loss release on financial assets              | 17,229                     | (24,360) | 108    | 100       | (6,923) |
| Income before taxation                               | 11,723                     | 136,699  | 6,704  | (6,458)   | 148,668 |
| Income tax expense                                   | (4,042)                    | 15,312   | (155)  | 9,648     | 20,763  |
| Net income for the period from continuing operations | 15,765                     | 121,387  | 6,859  | (16,106)  | 127,905 |
| Loss from discontinued operations                    | (3,995)                    | 1,783    | -      | (842)     | (3,054) |
| Net income for the period                            | 11,770                     | 123,170  | 6,859  | (16,948)  | 124,851 |

|   | Unaudited<br>July 31, 2022 |           |         |           |            |
|---|----------------------------|-----------|---------|-----------|------------|
|   | RBB                        | CIB       | WM      | Admin     | Total      |
| <b>Balance as at</b>  |                            |           |         |           |            |
| Total assets and liabilities by segment are as follows:                                       |                            |           |         |           |            |
| Segment assets  | 2,592,889                  | 3,981,300 | 238,730 | 6,475,573 | 13,288,492 |
| Segment assets of disposal group classified as held for sale and discontinued operations      | 82,184                     | 53,691    | -       | 172,045   | 307,920    |
| Total segment assets  | 2,675,073                  | 4,034,991 | 238,730 | 6,647,618 | 13,596,412 |
| Segment liabilities   | 4,324,682                  | 6,681,509 | 966,771 | 122,039   | 12,095,001 |
| Segment liabilities of disposal group classified as held for sale and discontinued operations | 216,578                    | 80,503    | -       | (11)      | 297,070    |
| Total segment liabilities   | 4,541,260                  | 6,762,012 | 966,771 | 122,028   | 12,392,071 |

# FirstCaribbean International Bank Limited

## Condensed Consolidated Financial Statements

For the nine months ended July 31, 2023 (expressed in thousands of United States dollars)



FirstCaribbean  
International Bank

### CONDENSED CONSOLIDATED SEGMENT INFORMATION *Continued*

| Year ended  | Audited<br>October 31, 2022 |           |           |           |            |
|---|-----------------------------|-----------|-----------|-----------|------------|
|   | RBB                         | CIB       | WM        | Admin     | Total      |
| External revenue  | 144,345                     | 179,888   | 2,630     | 69,585    | 396,448    |
| Internal revenue  | 14,099                      | 9,864     | 34,509    | (58,472)  | -          |
| Net interest income   | 158,444                     | 189,752   | 37,139    | 11,113    | 396,448    |
| Operating income  | 78,539                      | 80,369    | 46,331    | (2,407)   | 202,832    |
| Total revenue   | 236,983                     | 270,121   | 83,470    | 8,706     | 599,280    |
| Depreciation  | 10,294                      | 2,477     | 2,080     | 29,656    | 44,507     |
| Operating expenses  | 97,617                      | 37,866    | 31,789    | 186,043   | 353,315    |
| Indirect expenses   | 97,604                      | 85,420    | 27,258    | (210,282) | -          |
| Credit loss release on financial assets   | 24,235                      | (24,425)  | 185       | (892)     | (897)      |
| Income before taxation  | 7,233                       | 168,783   | 22,158    | 4,181     | 202,355    |
| Income tax expense  | (7,036)                     | 17,700    | 52        | 13,375    | 24,091     |
| Net income for the year from continuing operations  | 14,269                      | 151,083   | 22,106    | (9,194)   | 178,264    |
| Net loss from discontinued operations   | (1,888)                     | 3,389     | -         | (3,372)   | (1,871)    |
| Net income for the year   | 12,381                      | 154,472   | 22,106    | (12,566)  | 176,393    |
| <b>Balance as at</b>  |                             |           |           |           |            |
| Total assets and liabilities by segment are as follows:                                       |                             |           |           |           |            |
| Segment assets  | 2,610,159                   | 4,047,113 | 244,663   | 5,926,466 | 12,828,401 |
| Segment assets of disposal group classified as held for sale and discontinued operations      | 81,441                      | 52,211    | -         | 168,545   | 302,197    |
| Total segment assets  | 2,691,600                   | 4,099,324 | 244,663   | 6,095,011 | 13,130,598 |
| Segment liabilities   | 4,228,976                   | 4,398,258 | 2,879,557 | 170,382   | 11,677,173 |
| Segment liabilities of disposal group classified as held for sale and discontinued operations | 211,136                     | 83,252    | -         | (40)      | 294,348    |
| Total segment liabilities   | 4,440,112                   | 4,481,510 | 2,879,557 | 170,342   | 11,971,521 |

#### Notes:

1. The Group's operations are organized into four segments: Retail, Business and International 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, Human Resources, Technology & Operations, Risk and Other). RBB, 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.

Comparative numbers reported have been adjusted to reflect the following business segments reorganizations effective November 1, 2022:

- Customer Call Centres previously reported under RBB have been aligned to Technology, Infrastructure & Innovation under Admin
- Cash Management, Merchant Services and Correspondent Banking Support previously reported under CIB have been aligned to Technology, Infrastructure & Innovation under Admin
- International Corporate Banking previously reported under WM has been aligned to CIB

### NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

#### 1. General Information

FirstCaribbean International Bank Limited and its subsidiaries (the "Group") are registered under the relevant financial and corporate legislation of 12 countries in the Caribbean to carry on banking and other related activities. FirstCaribbean International Bank Limited (the "Bank"), is a company incorporated and domiciled in Barbados at Warrens, St. Michael. The parent company and controlling party of the Bank is CIBC Investments (Cayman) Limited, which holds 91.7% of the Bank's issued shares and is a company incorporated in Cayman. The ultimate parent company is Canadian Imperial Bank of Commerce ("CIBC").

#### 2. Basis of preparation and summary of significant accounting policies

The accompanying unaudited condensed consolidated financial statements of the Group should be read in conjunction with the IFRS consolidated financial statements and notes thereto for the year ended October 31, 2022, included in the Group's Annual Report 2022. For a description of the Group'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.

#### 3. Assets and Liabilities of Disposal Group classified as Held for Sale and Discontinued Operations

On October 12, 2021, the Bank publicly announced the decision of its Board of Directors to sell the banking assets of CIBC FirstCaribbean International Bank (Barbados) Limited's operations in Dominica, Grenada, St. Kitts and St. Vincent, and of CIBC FirstCaribbean International Bank (Cayman) Limited's Aruba branch. These branches were classified as "Held for Sale" as at October 31, 2021.

The sales of the banking assets in St. Vincent and Grenada were completed on March 24, 2023, and July 14, 2023, respectively, upon the satisfaction of closing conditions. The proposed transactions in St. Kitts and Dominica did not proceed and the Bank ceased its operations in Dominica on January 31, 2023. We continue our banking operations in St. Kitts and as such has been excluded from the Held for Sale Classification.

For the nine months ended, July 31, 2023, the associated net gain from the closure of Dominica, Grenada and St. Vincent have been presented separately as discontinued operations on the consolidated statement of income.

#### 4. Dividends

During the quarter, a second quarterly dividend of one point two five United States cents (\$0.0125) per share was paid on July 7, 2023. The Board of Directors has approved a 2023 third quarter dividend of one point two five United States cents (\$0.0125) per share to be paid on October 13, 2023, to shareholders of record as of September 22, 2023.