



FirstCaribbean International Bank Limited

Condensed Consolidated Financial Statements

For the three months ended January 31, 2024 (expressed in thousands of United States dollars)

CHIEF EXECUTIVE OFFICER'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 regional 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 \$84.6 million, up \$16.5 million or 24% from the first quarter's net income of \$68.1 million, a year ago. After adjusting for \$4.1 million of operating expenses relating to previously announced divestitures in the Dutch Caribbean, adjusted net income was \$88.7 million.

Results for the first quarter were positively impacted by credit loss expense which reflected a release this quarter due to a non-recurring recovery in the Bahamas and model assumptions updates. Revenue was up by 1% 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. US benchmark rates are forecasted to start declining from the second half of the fiscal year. Our local currency lending rates generally remain at historically low levels reflecting current market conditions. We continue to closely manage operating expenses, while strategically investing in our business and people. Operating expenses were down \$1.6 million or 2% from the first quarter last year largely due to lower employee-related costs and timing of other expenses.

At the end of the first quarter, the Bank's Tier 1 and Total Capital ratios were 17.6% and 19.3% respectively and in excess of applicable regulatory requirements. The Board of Directors approved a quarterly dividend of \$0.0125 per share which will be paid on April 25, 2024, to shareholders of record on March 27, 2024.

On December 7th, 2023, the bank 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 the parent's brand, CIBC, which the bank 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 our bank and its clients.

We would like to thank our clients, employees, shareholders and directors for their loyalty and continued support in building our franchise across the Caribbean.

Mark St. Hill
Chief Executive Officer
March 14, 2024

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.cibcfcib.com

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Unaudited Three months ended At Jan 31, 2024	Unaudited Three months ended At Jan 31, 2023	Audited Year ended At Oct 31, 2023
ASSETS			
Cash, balances with Central Banks and due from banks	2,217,208	2,408,508	2,261,564
Loans and advances to customers	6,735,949	6,645,343	6,633,855
Securities	2,840,739	3,040,280	2,846,655
Property and equipment	203,766	191,948	210,899
Other assets	219,282	177,278	287,149
Intangible assets	44,372	44,372	44,372
	<u>12,261,316</u>	<u>12,507,729</u>	<u>12,284,494</u>
Assets of disposal group classified as held for sale and discontinued operations	230,905	368,594	236,614
TOTAL ASSETS	<u>12,492,221</u>	<u>12,876,323</u>	<u>12,521,108</u>
LIABILITIES			
Customer deposits	10,524,736	11,103,444	10,533,327
Other liabilities	171,114	158,645	244,796
Debt securities in issue	26,220	26,181	26,599
	<u>10,722,070</u>	<u>11,288,270</u>	<u>10,804,722</u>
Liabilities of disposal group classified as held for sale and discontinued operations	346,322	370,372	363,867
TOTAL LIABILITIES	<u>11,068,392</u>	<u>11,658,642</u>	<u>11,168,589</u>
Equity attributable to equity holders of the parent			
Issued capital and reserves	1,080,672	1,028,073	1,048,296
Retained earnings	308,304	159,437	270,999
	<u>1,388,976</u>	<u>1,187,510</u>	<u>1,319,295</u>
Non-controlling interests	<u>34,853</u>	<u>30,171</u>	<u>33,224</u>
Total equity	<u>1,423,829</u>	<u>1,217,681</u>	<u>1,352,519</u>
Total liabilities and equity	<u>12,492,221</u>	<u>12,876,323</u>	<u>12,521,108</u>

Mark St. Hill
Chief Executive Officer

Chris de Caires
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
Balance as at October 31, 2022	1,193,149	(178,338)	115,085	29,181	1,159,077
Comprehensive income for the period	-	6,673	66,719	1,507	74,899
Transfer to reserves	-	6,589	(6,589)	-	-
Equity dividends	-	-	(15,778)	-	(15,778)
Dividends of subsidiaries	-	-	-	(517)	(517)
Balance as at January 31, 2023	<u>1,193,149</u>	<u>(165,076)</u>	<u>159,437</u>	<u>30,171</u>	<u>1,217,681</u>
Balance as at October 31, 2023	1,193,149	(144,853)	270,999	33,224	1,352,519
Comprehensive income for the period	-	6,810	82,590	2,147	91,547
Transfer to reserves	-	25,566	(25,566)	-	-
Equity dividends	-	-	(19,719)	-	(19,719)
Dividends of subsidiary	-	-	-	(518)	(518)
Balance at January 31, 2024	<u>1,193,149</u>	<u>(112,477)</u>	<u>308,304</u>	<u>34,853</u>	<u>1,423,829</u>



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For the three months ended January 31, 2024 (expressed in thousands of United States dollars)

CONDENSED CONSOLIDATED STATEMENT OF INCOME

	Unaudited Three months ended Jan 31, 2024	Unaudited Three months ended Jan 31, 2023	Audited Year ended Oct 31, 2023
Total revenue	183,663	182,226	715,463
Operating expenses	104,444	106,072	414,504
Credit loss (release)/expense on financial assets	(12,741)	1,036	11,183
	91,703	107,108	425,687
Income before taxation from continuing operations	91,960	75,118	289,776
Income tax expense	5,706	4,895	29,015
Net income for the period from continuing operations	86,254	70,223	260,761
Net (loss)/income for the period from discontinued operations	-	(1,904)	4,727
Net (loss)/income for the period from discontinuing operations	(1,632)	(232)	4,422
	84,622	68,087	269,910
Net Income for the period			
Attributable to:			
Equity holders of the parent	82,590	66,719	264,056
Non-controlling interests	2,032	1,368	5,854
	84,622	68,087	269,910
Basic and diluted earnings per share from continuing operations attributable to the equity holders of the parent for the period: (expressed in cents per share)	5.3	4.4	16.2
Basic and diluted earnings per share attributable to the equity holders of the parent for the period: (expressed in cents per share)	5.2	4.2	16.7

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Unaudited Three months ended Jan 31, 2024	Unaudited Three months ended Jan 31, 2023	Audited Year ended Oct 31, 2023
Net income for the period	84,622	68,087	269,910
Other comprehensive income (net of tax) to be reclassified to net income in subsequent periods			
Net gains on debt securities at fair value through OCI	8,263	7,321	7,202
	(1,460)	(509)	(1,082)
Net exchange losses on translation of foreign operations	6,803	6,812	6,120
Other comprehensive income/(loss) (net of tax) not to be reclassified to net income in subsequent periods:			
Re-measurement gains/(losses) of retirement benefit obligations	122	-	(5,575)
Other comprehensive income for the period, net of tax	6,925	6,812	545
Comprehensive income for the period, net of tax	91,547	74,899	270,455
Comprehensive income for the period attributable to:			
Continuing operations	91,528	77,049	263,491
Discontinued operations	-	(1,904)	4,705
Discontinuing operations	19	(246)	2,259
	91,547	74,899	270,455
Comprehensive income for the period attributable to:			
Equity holders of the parent	89,400	73,392	264,341
Non-controlling interests	2,147	1,507	6,114
	91,547	74,899	270,455

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Unaudited Three months ended Jan 31, 2024	Unaudited Three months ended Jan 31, 2023	Audited Year ended Oct 31, 2023
Net cash used in operating activities from continuing operations	(56,534)	(237,313)	(671,317)
Net cash from/(used) in investing activities from continuing operations	42,295	(68,344)	163,906
Net cash used in financing activities from continuing operations	(23,566)	(19,853)	(89,526)
Net decrease in cash and cash equivalents for the period from continuing operations	(37,805)	(325,510)	(596,937)
Net decrease in cash from continuing operations	(37,805)	(325,510)	(596,937)
Net (decrease)/increase in cash from discontinuing operations	(11,836)	10,938	134,532
Effect of exchange rate changes on cash and cash equivalents	(1,460)	(509)	(1,082)
Cash and cash equivalents, beginning of the period	1,880,386	2,343,873	2,343,873
Cash and cash equivalents from discontinuing operations	123,538	205,817	132,966
Cash and cash equivalents, end of the period	1,952,823	2,234,609	2,013,352

CONDENSED CONSOLIDATED SEGMENT INFORMATION

	Unaudited January 31, 2024				
	PBB	CIB	WM	Admin	Total
Three Months Ended					
External revenue	41,512	48,572	3,471	38,652	132,207
Internal revenue	9,042	26,320	1,250	(36,612)	-
Net interest income	50,554	74,892	4,721	2,040	132,207
Operating income	21,403	22,779	7,734	(460)	51,456
Total revenue	71,957	97,671	12,455	1,580	183,663
Depreciation	1,859	308	363	6,036	8,566
Operating expenses	21,098	10,247	6,205	58,328	95,878
Indirect expenses	33,043	29,270	2,985	(65,298)	-
Credit loss release on financial assets	2,147	(14,600)	410	(698)	(12,741)
Income before taxation	13,810	72,446	2,492	3,212	91,960
Income tax expense	(383)	5,554	7	528	5,706
Net income for the period from continuing operations	14,193	66,892	2,485	2,684	86,254
Net loss from discontinuing operations	(231)	1,173	(290)	(2,284)	(1,632)
Net income for the period	13,962	68,065	2,195	400	84,622
Balance as at					
Total assets and liabilities by segment are as follows:					
Segment assets	3,702,176	4,054,934	117,333	4,386,873	12,261,316
Segment assets of disposal group classified as held for sale and discontinuing operations	56,980	49,380	1,006	123,539	230,905
Total segment assets	3,759,156	4,104,314	118,339	4,510,412	12,492,221
Segment liabilities	4,285,313	6,008,778	419,947	8,032	10,722,070
Segment liabilities of disposal group classified as held for sale and discontinuing operations	25,813	106,502	138,847	75,160	346,322
Total segment liabilities	4,311,126	6,115,280	558,794	83,192	11,068,392



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Three Months Ended	Unaudited January 31, 2023				
	PBB	CIB	WM	Admin	Total
External revenue	39,961	55,126	2,204	31,522	128,813
Internal revenue	5,462	17,548	3,149	(26,159)	-
Net interest income	45,423	72,674	5,353	5,363	128,813
Operating income	21,521	24,788	8,053	(949)	53,413
Total revenue	66,944	97,462	13,406	4,414	182,226
Depreciation	1,790	537	531	5,879	8,737
Operating expenses	23,237	9,676	6,571	57,851	97,335
Indirect expenses	29,604	30,900	3,810	(64,314)	-
Credit loss expense on financial assets	6,208	(5,043)	(336)	207	1,036
Income before taxation	6,105	61,392	2,830	4,791	75,118
Income tax expense	(1,399)	4,339	(53)	2,008	4,895
Net income for the period from continuing operations	7,504	57,053	2,883	2,783	70,223
Net loss from discontinued operations	(1,085)	259	-	(1,078)	(1,904)
Net loss from discontinuing operations	656	635	-	(1,523)	(232)
Net income for the period	7,075	57,947	2,883	182	68,087

Balance as at

Total assets and liabilities by segment are as follows:

Segment assets	2,563,757	4,039,154	256,817	5,648,001	12,507,729
Segment assets of disposal group classified as held for sale and discontinued operations	121,294	59,519	-	187,781	368,594
Total segment assets	2,685,051	4,098,673	256,817	5,835,782	12,876,323
Segment liabilities	4,214,640	6,327,887	690,896	54,847	11,288,270
Segment liabilities of disposal group classified as held for sale and discontinued operations	219,827	93,997	-	56,548	370,372
Total segment liabilities	4,434,467	6,421,884	690,896	111,395	11,658,642

Year Ended

Year Ended	Audited October 31, 2023				
	PBB	CIB	WM	Admin	Total
External revenue	159,909	194,533	12,850	144,627	511,919
Internal revenue	32,868	98,318	5,585	(136,771)	-
Net interest income	192,777	292,851	18,435	7,856	511,919
Total revenue	275,911	381,780	50,298	7,474	715,463
Depreciation	7,414	1,110	1,436	23,232	33,192
Operating expenses	91,176	40,394	25,825	223,917	381,312
Indirect expenses	126,352	111,620	12,775	(250,747)	-
Credit loss expense on financial assets	28,661	(19,468)	(409)	2,399	11,183
Income before taxation	22,308	248,124	10,671	8,673	289,776
Income tax expense	(3,101)	20,802	(9)	11,323	29,015
Net income for the year from continuing operations	25,409	227,322	10,680	(2,650)	260,761
Net income from discontinued operations	1,226	940	-	2,561	4,727
Net income from discontinuing operations	(1,251)	8,669	1,000	(3,996)	4,422
Net income for the year	25,384	236,931	11,680	(4,085)	269,910

Balance as at

Total assets and liabilities by segment are as follows:

Segment assets	2,674,599	3,986,832	243,239	5,379,824	12,284,494
Segment assets of disposal group classified as held for sale and discontinued operations	17,270	86,070	307	132,967	236,614
Total segment assets	2,691,869	4,072,902	243,546	5,512,791	12,521,108
Segment liabilities	4,225,817	5,904,375	442,696	231,834	10,804,722
Segment liabilities of disposal group classified as held for sale and discontinued operations	29,152	121,230	143,733	69,752	363,867
Total segment liabilities	4,254,969	6,025,605	586,429	301,586	11,168,589

Notes:

1. The Group'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.

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 material 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, 2023, included in the Group's Annual Report 2023. 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 31, 2023, the Bank publicly announced the decision of the Board of Directors to sell the banking assets of CIBC FirstCaribbean International Bank (Cayman) Limited's operations in St. Maarten and Curacao to Orco Bank N.V. On January 15, 2024, regulatory approval of the sale of specific assets and liabilities in Curacao and St. Maarten was received from the Central Bank of Curacao and St. Maarten subject to certain buyer conditions. The sale transaction is also subject to other closing conditions. As at January 31, 2024, the Bank classified the banking assets of the Curacao operations as "Held for Sale" on condensed consolidated statement of financial position, however, the banking operations of St. Maarten was excluded from the classification given the uncertainty surrounding the timing of the completion of the sale.

For the three months ended, January 31, 2024, the associated net income from the Curacao operations has been presented as discontinuing operations on the condensed consolidated statement of income in accordance with International Financial Reporting Standards.

4. Dividends

During the quarter, a final quarterly dividend of one point two five United States cent (\$0.0125) per share was paid on January 18, 2024. The Board of Directors has approved a 2024 first quarter dividend of one point two five United States cents (\$0.0125) per share to be paid on April 25, 2024, to shareholders of record as of March 27, 2024.