



# CIBC Caribbean Bank Limited

## Condensed Consolidated Financial Statements

For the nine months ended July 31, 2024 (expressed in thousands of United States Dollars)

### CHIEF EXECUTIVE OFFICER'S REVIEW

We delivered solid third quarter results as we continued to focus on executing our client-focused strategy by leveraging our digital infrastructure, deepening client relationships and promoting a highly connected workforce.

For the third quarter of fiscal 2024, the bank reported net income of \$65.7 million, down from prior year's reported net income of \$72.3 million. After excluding net gains of \$1.0 million relating to previously announced divestitures, adjusted net income was \$64.7 million, down from adjusted net income of \$67.4 million in the prior year.

For the nine months ended July 31, 2024, the bank reported net income of \$217.7 million, up \$0.8 million from prior year's reported net income of \$216.9 million. After excluding \$6.1 million of net expenses (2023 - \$10.5 million of net gains) relating to previously announced divestitures, adjusted net income was \$223.8 million, up \$17.5 million or 8% from prior year's adjusted net income of \$206.3 million.

Our financial performance to date has been positively impacted by increased revenue mainly due to higher net interest margin in our US dollar loan portfolio and volume growth. With the bank's focus on client relationships, strong loan originations in Corporate Banking and Personal & Business Banking during the quarter propelled the loan portfolio to its highest balance in history. However, headwinds from US benchmark rate reductions may impact our revenue momentum. Operating expenses were higher during the quarter and year over year due to higher employee-related costs, spend on strategic investments and activity-based costs. The provision for credit losses was higher this quarter mainly due to an increase in provision in the impaired loan portfolio; but the year-to-date provision for credit losses is significantly down from the prior year mainly due to an earlier non-recurring account recovery in The Bahamas. Overall, the credit quality remains strong.

Economic activity continued at a moderate pace in most of our operating markets during the quarter. The recovery from tourism and gains in other key sectors, like construction, are likely to sustain the activity. A continued softening of regional inflation is projected, although domestic factors in a few markets could cause some divergence. We will continue to monitor the geopolitical tensions, supply chain disruption trends and global growth forecasts, all of which could impact the region's growth prospects.

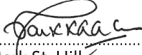
The Board of Directors approved a quarterly dividend of \$0.0125 per share to be paid on October 18, 2024, to shareholders of record on September 26, 2024. At the end of the third quarter, the bank's Tier 1 and Total Capital ratios were 18.1% and 19.5%, respectively, in excess of applicable regulatory requirements.

On May 24, 2024, the bank completed the sale of its banking assets in Curacao to Curacao-based, Orco Bank N.V. We wish to thank our former employees and clients for their years of commitment and loyalty. The sale of banking assets in St. Maarten is expected to close during the second quarter of 2025.

During July 2024, the bank, in conjunction with its parent CIBC, announced a donation of \$100,000 to support hurricane relief efforts in Caribbean islands affected by the passing of Hurricane Beryl. The funds, provided through the bank's charitable arm, ComTrust Foundation, will be directed towards restoration efforts in Grenada, St Vincent and the Grenadines and Jamaica, along with assisting affected fisherfolk in Barbados.

Lastly, on July 11, 2024, the bank's legal entity name officially changed from FirstCaribbean International Bank Limited to CIBC Caribbean Bank Limited.

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

  
Mark St. Hill  
Chief Executive Officer  
September 12, 2024

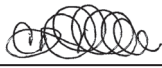
### FORWARD-LOOKING STATEMENT DISCLOSURE

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.cibcfcb.com](http://www.cibcfcb.com).

### CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Unaudited Nine months ended	Unaudited Nine months ended	Audited Year ended
	At Jul 31, 2024	At Jul 31, 2023	At Oct 31, 2023
<b>Assets</b>			
Cash, balances with Central Banks and due from banks	2,353,796	2,614,316	2,261,564
Loans and advances to customers	6,797,959	6,682,555	6,633,855
Securities	3,090,345	2,926,254	2,846,655
Property and equipment	208,872	195,614	210,899
Other assets	215,631	265,604	287,149
Intangible assets	44,372	44,372	44,372
	12,710,975	12,728,715	12,284,494
Assets of disposal group classified as held for sale and discontinued operations	161,992	-	236,614
<b>Total assets</b>	<b>12,872,967</b>	<b>12,728,715</b>	<b>12,521,108</b>
<b>Liabilities</b>			
Customer deposits and other borrowed funds	11,029,739	11,227,892	10,533,327
Other liabilities	201,043	149,484	244,796
Debt securities in issue	-	26,220	26,599
	11,230,782	11,403,596	10,804,722
Liabilities of disposal group classified as held for sale and discontinued operation	123,828	-	363,867
<b>Total liabilities</b>	<b>11,354,610</b>	<b>11,403,596</b>	<b>11,168,589</b>
<b>Equity attributable to equity holders of the parent</b>			
Issued capital and reserves	1,086,201	1,045,276	1,048,296
Retained earnings	395,515	247,797	270,999
	1,481,716	1,293,073	1,319,295
Non-controlling interests	36,641	32,046	33,224
<b>Total equity</b>	<b>1,518,357</b>	<b>1,325,119</b>	<b>1,352,519</b>
<b>Total liabilities and equity</b>	<b>12,872,967</b>	<b>12,728,715</b>	<b>12,521,108</b>

  
Mark St. Hill  
Chief Executive Office

  
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
<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
<b>Balance at October 31, 2023</b>	1,193,149	(144,853)	270,999	33,224	1,352,519
Comprehensive income for the period	-	8,836	212,774	4,970	226,580
Transfer to reserves	-	29,069	(29,069)	-	-
Equity dividends	-	-	(59,189)	-	(59,189)
Dividends of subsidiary	-	-	-	(1,553)	(1,553)
<b>Balance at July 31, 2024</b>	1,193,149	(106,948)	395,515	36,641	1,518,357

### CONDENSED CONSOLIDATED STATEMENT OF INCOME

	Unaudited Quarter Ended		Unaudited Nine Months Ended		Audited Year Ended
	Jul 31, 2024	Jul 31, 2023	Jul 31, 2024	Jul 31, 2023	Oct 31, 2023
Total revenue	192,256	190,560	560,348	554,397	715,463
Operating expenses	115,024	105,490	326,263	312,923	414,504
Credit loss expense on financial assets	10,769	9,122	2,683	15,273	11,183
	125,793	114,612	328,946	328,196	425,687
Income before taxation	66,463	75,948	231,402	226,201	289,776
Income tax expense	3,321	5,867	16,705	15,046	29,015
<b>Net income for the period from continuing operations</b>	<b>63,142</b>	<b>70,081</b>	<b>214,697</b>	<b>211,155</b>	<b>260,761</b>
Net income for the period from discontinued operations	5,313	2,201	5,914	5,709	4,727
Net (loss)/income for the period from discontinuing operations	(2,747)	-	(2,878)	-	4,422
<b>Net Income for the period</b>	<b>65,708</b>	<b>72,282</b>	<b>217,733</b>	<b>216,864</b>	<b>269,910</b>
<b>Attributable to:</b>					
Equity holders of the parent	64,114	70,760	212,774	212,507	264,056
Non-controlling interests	1,594	1,522	4,959	4,357	5,854
	65,708	72,282	217,733	216,864	269,910
<b>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)</b>	<b>3.9</b>	<b>4.3</b>	<b>13.3</b>	<b>13.1</b>	<b>16.2</b>
<b>Basic and diluted earnings per share attributable to the equity holders of the parent for the period: (expressed in cents per share)</b>	<b>4.1</b>	<b>4.5</b>	<b>13.5</b>	<b>13.5</b>	<b>16.7</b>





# CIBC Caribbean Bank Limited

## Condensed Consolidated Financial Statements

For the nine months ended July 31, 2024 (expressed in thousands of United States Dollars)

### CONDENSED CONSOLIDATED SEGMENT INFORMATION (continued)

	Audited October 31, 2023				
	PBB	CB	WM	Admin	Total
<b>Year ended</b>					
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
Operating income	83,134	88,929	31,863	(382)	203,544
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
<b>Balance as at</b>					
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 Banking ("CB") 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, CB 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

CIBC Caribbean Bank Limited and its subsidiaries (the "Group") are registered under the relevant financial and corporate legislation of 11 countries in the Caribbean to carry on banking and other related activities. CIBC Caribbean 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 The Cayman Islands. The ultimate parent company is Canadian Imperial Bank of Commerce ("CIBC"). CIBC FirstCaribbean International Bank Limited was renamed CIBC Caribbean Bank Limited on July 11th, 2024.

#### 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.

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.

### NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

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 for the sale was received from the Central Bank of Curacao and St. Maarten, subject to certain closing conditions. The sale of the Curacao operations was completed on May 24, 2024.

As at July 31, 2024, the Bank classified the banking assets of the St. Maarten operations as "Held for Sale" on the condensed consolidated statement of financial position.

For the nine months ended, July 31, 2024, the associated net income from the Curacao and St. Maarten operations have been presented as discontinued and discontinuing operations respectively on the condensed consolidated statement of income in accordance with International Financial Reporting Standards.

#### 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 19, 2024. The Board of Directors has approved a 2024 third quarter dividend of one point two five United States cents (\$0.0125) per share to be paid on October 18, 2024, to shareholders of record as of September 26, 2024.