

CHAIRPERSON'S STATEMENT

Dear Shareholder,

For the six months ended March 31, 2024, the Bank recorded net Profit after Tax of \$11.15 million, an 81.2% increase from the \$6.16 million recorded for the corresponding period last year. This improved result is mainly driven by a 21.3% increase in Interest income from loans, advances and investments during the period. Total assets increased by \$0.104 billion over the \$2.07 billion reported as at September 30, 2023. The Bank remains well capitalised with a total capital ratio of 12.35%.

Based on the Bank's performance for the half year ended March 31, 2024, the Board of Directors has declared an interim dividend of \$1.20 per share payable on May 15, 2024, to shareholders on record as at April 30, 2024.

The outlook for Grenada remains positive with projected economic growth of 3.6% driven mainly by activities in the tourism and construction sectors. The Bank remains well positioned to benefit from this positive trend.



Karen Yip Chuck
CHAIRPERSON

April 15, 2024

Republic Bank (Grenada) Limited
Statement Of Financial Position

Expressed in thousands of Eastern Caribbean dollars

| | UNAUDITED Mar-31-24 \$'000 | UNAUDITED Mar-31-23 \$'000 | AUDITED Sept-30-23 \$'000 |
|---|----------------------------------|----------------------------------|---------------------------------|
| ASSETS | | | |
| Cash resources | 601,591 | 651,181 | 587,136 |
| Advances | 1,071,004 | 960,119 | 1,022,970 |
| Investment securities | 374,627 | 329,133 | 333,096 |
| Premises and equipment | 42,151 | 39,020 | 39,942 |
| Other assets | 87,416 | 121,055 | 89,299 |
| Total Assets | 2,176,789 | 2,100,509 | 2,072,443 |
| Liabilities and Equity | | | |
| LIABILITIES | | | |
| Due to banks | 163,659 | 64,712 | 119,339 |
| Customers' deposits and other funding instruments | 1,744,232 | 1,766,692 | 1,685,994 |
| Other liabilities | 27,766 | 33,353 | 32,225 |
| Total Liabilities | 1,935,657 | 1,864,757 | 1,837,558 |
| EQUITY | | | |
| Stated capital | 117,337 | 117,337 | 117,337 |
| Statutory reserve | 29,362 | 26,256 | 29,362 |
| General contingency reserve | 16,639 | 3,452 | 16,639 |
| Retained earnings | 77,794 | 88,707 | 71,547 |
| Total equity | 241,132 | 235,752 | 234,885 |
| Total Liabilities and Equity | 2,176,789 | 2,100,509 | 2,072,443 |

Republic Bank (Grenada) Limited
Statement of Income

Expressed in thousands of Eastern Caribbean dollars

| | UNAUDITED THREE MONTHS ENDED | | UNAUDITED SIX MONTHS ENDED | | AUDITED YEAR ENDED |
|--|------------------------------------|---------------------|----------------------------------|---------------------|--------------------------|
| | Mar-31-24 \$'000 | Mar-31-23 \$'000 | Mar-31-24 \$'000 | Mar-31-23 \$'000 | Sept-30-23 \$'000 |
| Net interest income | 17,009 | 13,064 | 33,097 | 26,059 | 55,164 |
| Other income | 7,335 | 7,351 | 14,477 | 14,824 | 28,373 |
| Operating income | 24,344 | 20,415 | 47,574 | 40,883 | 83,537 |
| Operating expenses | (16,345) | (16,663) | (32,659) | (31,043) | (65,532) |
| Operating profit | 7,999 | 3,751 | 14,915 | 9,840 | 18,005 |
| Credit loss (expense)/recovery on financial assets | (808) | (1,524) | (547) | (1,576) | 2,069 |
| Profit before taxation | 7,191 | 2,227 | 14,368 | 8,264 | 20,074 |
| Taxation expense | (1,553) | (566) | (3,215) | (2,109) | (4,544) |
| Net profit after taxation | 5,638 | 1,661 | 11,153 | 6,155 | 15,530 |
| Earnings per share | | | | | |
| Basic | \$1.49 | \$0.44 | \$2.96 | \$1.63 | \$4.11 |
| Number of shares ('000) | | | | | |
| Basic | 3,774 | 3,774 | 3,774 | 3,774 | 3,774 |
| Weighted average | 3,774 | 3,774 | 3,774 | 3,774 | 3,774 |

Republic Bank (Grenada) Limited
Statement of Comprehensive Income
Expressed in thousands of Eastern Caribbean dollars

| | UNAUDITED THREE MONTHS ENDED | | UNAUDITED SIX MONTHS ENDED | | AUDITED YEAR ENDED |
|--|------------------------------------|---------------------|----------------------------------|---------------------|--------------------------|
| | Mar-31-24 \$'000 | Mar-31-23 \$'000 | Mar-31-24 \$'000 | Mar-31-23 \$'000 | Sept-30-23 \$'000 |
| Net profit after taxation for the period/year | 5,638 | 1,661 | 11,153 | 6,155 | 15,530 |
| <i>Other comprehensive (loss)/income (net of tax) that will not be reclassified to the income statement in subsequent periods:</i> | | | | | |
| Re-measurement losses on defined benefit plans | - | - | - | - | (7,223) |
| Total comprehensive income for the period/year, net of taxation | 5,638 | 1,661 | 11,153 | 6,155 | 8,307 |

Republic Bank (Grenada) Limited
Statement Of Cash Flows
Expressed in thousands of Eastern Caribbean dollars

| | UNAUDITED SIX MONTHS ENDED | | AUDITED YEAR ENDED |
|--|----------------------------------|---------------------|--------------------------|
| | Mar-31-24 \$'000 | Mar-31-23 \$'000 | Sept-30-23 \$'000 |
| Operating Activities | | | |
| Profit before taxation | 14,368 | 8,264 | 20,074 |
| Adjustments for non-cash items | 3,059 | 3,015 | 5,701 |
| Increase in operating assets | (51,073) | (107,165) | (141,251) |
| Increase in operating liabilities | 95,549 | 170,119 | 141,371 |
| Taxes paid | (1,984) | (2,704) | (4,284) |
| Cash provided by operating activities | 59,919 | 71,529 | 21,611 |
| Investing Activities | | | |
| Net increase in investments | (40,003) | (10,078) | (18,134) |
| Additions to fixed assets | (3,624) | (3,811) | (6,547) |
| Proceeds from sale of fixed assets | - | 2,130 | 1,720 |
| Cash used in investing activities | (43,627) | (11,759) | (22,961) |
| Financing Activities | | | |
| Dividends paid | (4,906) | (1,132) | (4,151) |
| Repayment of principal portion of lease liabilities | (494) | (464) | (1,180) |
| Cash used in financing activities | (5,400) | (1,596) | (5,331) |
| Net increase/(Decrease) in cash resources | 10,892 | 58,174 | (6,681) |
| Cash and cash equivalents at beginning of period/year | 448,022 | 454,703 | 454,703 |
| Cash and cash equivalents at end of period/year | 458,914 | 512,877 | 448,022 |
| Cash and cash equivalents at the end of the period/year are represented by: | | | |
| Cash on hand | 26,165 | 28,309 | 29,924 |
| Due from banks | 408,605 | 451,384 | 366,981 |
| Treasury Bills - Original maturities of three months or less | 24,144 | 33,184 | 51,117 |
| | 458,914 | 512,877 | 448,022 |

Republic Bank (Grenada) Limited
Statement of Changes in Equity
Expressed in thousands of Eastern Caribbean dollars

| | Stated Capital \$'000 | Statutory Reserve \$'000 | General Contingency Reserve \$'000 | Retained Earnings \$'000 | Total Equity \$'000 |
|--|-----------------------------|--------------------------------|---|--------------------------------|---------------------------|
| Unaudited period ended March 31, 2024 | | | | | |
| Balance at October 1, 2023 | 117,337 | 29,362 | 16,639 | 71,547 | 234,885 |
| Total comprehensive income for the period | - | - | - | 11,153 | 11,153 |
| Dividends paid | - | - | - | (4,906) | (4,906) |
| Balance at March 31, 2024 | 117,337 | 29,362 | 16,639 | 77,794 | 241,132 |
| Unaudited period ended March 31, 2023 | | | | | |
| Balance at October 1, 2022 | 117,337 | 26,256 | 3,452 | 83,684 | 230,729 |
| Total comprehensive income for the period | - | - | - | 6,155 | 6,155 |
| Dividends paid | - | - | - | (1,132) | (1,132) |
| Balance at March 31, 2023 | 117,337 | 26,256 | 3,452 | 88,707 | 235,752 |
| Audited year ended September 30, 2023 | | | | | |
| Balance at October 1, 2022 | 117,337 | 26,256 | 3,452 | 83,684 | 230,729 |
| Total comprehensive income for the year | - | - | - | 8,307 | 8,307 |
| Transfer to general contingency reserve | - | - | 13,187 | (13,187) | - |
| Transfer to Statutory reserve | - | 3,106 | - | (3,106) | - |
| Dividends paid | - | - | - | (4,151) | (4,151) |
| Balance at September 30, 2023 | 117,337 | 29,362 | 16,639 | 71,547 | 234,885 |

Republic Bank (Grenada) Limited
NOTES TO THE INTERIM FINANCIAL STATEMENTS
Expressed in thousands of Eastern Caribbean dollars

1. Corporate information

Republic Bank (Grenada) Limited (the Bank) is incorporated in Grenada and provides banking services through seven branches in Grenada and Carriacou. The Bank was continued under the provision of the Companies Ordinance Section 365, 1995 on March 23, 1998 and its registered office is located at Republic House, Grand Anse, St. George, Grenada. It is a subsidiary of Republic Financial Holdings Limited, formerly Republic Bank Limited.

Republic Financial Holdings Limited the financial holding company for the Republic Group is incorporated in the Republic of Trinidad and Tobago and its registered office is located at Republic House, 9-17 Park Street, Port of Spain. Republic Financial Holdings Limited is listed on the Trinidad and Tobago Stock Exchange

The Republic Group (the 'Group') is a financial services group comprising several subsidiaries and associated companies. The Group is engaged in a wide range of banking, financial and related activities mainly in the caribbean community (CARICOM) region, Cayman Islands, Ghana, St. Maarten, Anguilla and the British Virgin Islands.

2. Basis of preparation

This interim financial report for the period ended March 31, 2024 has been prepared in accordance with IAS 34, 'Interim Financial Reporting' and should be used in conjunction with the annual financial statements for the year ended September 30, 2023.

3. Significant accounting policies

The accounting policies adopted in the preparation of the interim condensed financial statements are consistent with those followed in the preparation of the annual financial statements for the year ended September 30, 2023.

4. Capital commitments

| | UNAUDITED Mar-31-24 \$'000 | UNAUDITED Mar-31-23 \$'000 | AUDITED Sept-30-23 \$'000 |
|--|----------------------------------|----------------------------------|---------------------------------|
| Contracts for outstanding capital expenditure not provided for in the financial statements | 3,008 | 1,231 | 3,052 |
| Other capital expenditure authorised by the Directors but not yet contracted for | 9,963 | 10,760 | 3,994 |

Republic Bank (Grenada) Limited
NOTES TO THE INTERIM FINANCIAL STATEMENTS
Expressed in thousands of Eastern Caribbean dollars

5. Related parties

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operating decisions. A number of banking transactions are entered into with related parties in the normal course of business. These transactions were carried out on commercial terms and conditions, at market rates. There are no provisions for related party balances as at March 31, 2024.

| | UNAUDITED | | AUDITED |
|--|---------------------|---------------------|----------------------|
| | Mar-31-24 \$'000 | Mar-31-23 \$'000 | Sept-30-23 \$'000 |
| Advances, investments and other assets (net of provisions) | | | |
| Directors and key management personnel | 5,332 | 1,087 | 1,276 |
| Other related parties | 247,767 | 200,125 | 225,896 |
| | <u>253,099</u> | <u>201,212</u> | <u>227,172</u> |
| Deposits and other liabilities | | | |
| Directors and key management personnel | 1,211 | 4,511 | 3,624 |
| Other related parties | 166,998 | 192,103 | 131,048 |
| | <u>168,209</u> | <u>196,614</u> | <u>134,672</u> |
| Interest and other income | | | |
| Directors and key management personnel | 95 | 27 | 52 |
| Other related parties | 414 | 112 | 190 |
| | <u>509</u> | <u>139</u> | <u>242</u> |
| Interest and other expense | | | |
| Directors and key management personnel | 132 | 194 | 473 |
| Other related parties | 5,826 | 5,031 | 10,822 |
| | <u>5,958</u> | <u>5,225</u> | <u>11,295</u> |
| Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Bank. | | | |
| Key management compensation | | | |
| Short term benefits | 1,547 | 706 | 1,121 |
| Post employment benefits | 22 | 20 | 62 |
| | <u>1,569</u> | <u>726</u> | <u>1,183</u> |

6. Deposits with Central Bank

The Eastern Caribbean Automated Clearing House (ECACH) System launched its operations effective September 2014. Republic Bank (Grenada) Limited has deposited three (3) day's collateral with the Eastern Caribbean Central Bank (ECCB) in the amount of \$26.7 million (Five Treasury Bills valued totaling \$26.9 million) to guarantee settlement of all items being cleared through the ECACH.

7. Contingent liabilities

As at March 31, 2024, there were certain legal proceedings outstanding against the Bank. No provision has been made as professional advice indicates that it is unlikely that any significant loss will arise or that it would be premature at this stage of the action to determine that eventuality.