



# CIBC Caribbean Bank (Bahamas) Limited Condensed Consolidated Financial Statements

For the six months ended April 30, 2026

## CHIEF EXECUTIVE OFFICER'S REVIEW OF THE RESULTS

The Bank continued to deliver solid financial results, underpinned by steady progress on our strategic priorities. We remain focused on deepening our client relationships, enhancing digital solutions, and strengthening operational resilience, while maintaining disciplined risk management in a dynamic operating environment.

The economic outlook remains cautiously optimistic. Activity is projected to continue expanding, although growth may moderate amid capacity constraints in stay-over tourism and a softening of cruise sector growth. Further, challenges such as elevated import costs, climate-related risks, and exposure to global economic fluctuations persist. Despite these pressures, underlying market conditions remain stable with improving consumer confidence and increasing investment activity.

The Bank reported net income of \$25.1 million for the second quarter of fiscal 2026, down \$5.1 million or 17% from the second quarter a year ago. Net income was down primarily due to higher operating expenses and higher provision for credit losses however, the core business remains strong.

For the six months ended April 30, 2026, net income was \$50.7 million, down \$9.2 million or 15% from the same period a year ago, primarily due to higher operating expenses related to investment in key strategic initiatives, business taxes, and credit losses. Total revenue declined slightly by 0.3% to \$140.9 million, as steady growth in interest-bearing assets was offset by lower interest margins and lower transaction-based fees.

At the end of the second quarter, the Bank's Tier 1 and Total Capital ratios stood at 26.1%, and remain well above regulatory requirements. The Board of Directors has approved an interim dividend of nine cents (\$0.09) per share subject to regulatory approval.

On May 28, 2026, CIBC Caribbean Bank Limited ("CIBC Caribbean" or "our Parent") announced that its majority shareholder, CIBC, entered into a definitive agreement with the Bank of N.T. Butterfield & Son Limited ("Butterfield") pursuant to which Butterfield will acquire CIBC's 91.7% controlling interest in CIBC Caribbean, to create a leading banking and wealth management platform in the Caribbean, Atlantic and international financial markets with approximately \$29 billion in assets. The transaction brings together two complementary banks with deep roots and established relationships across their combined footprint, with heightened capacity, greater diversification, and scalable growth to drive long-term value for all stakeholders.

The expanded capabilities and scale are expected to provide enhanced corporate, personal and wealth management services across the combined client bases. Clients can expect greater ability to process cross-border payments, increased consumer and merchant banking capabilities, and continued investments in technology and digital banking infrastructure. Butterfield will maintain both organizations' operational footprints, including CIBC Caribbean's regional headquarters in Barbados, ensuring continuity for customers and employees. Butterfield is also committed to its and CIBC Caribbean's philanthropic, financial education, and sustainability initiatives in each of its geographies, which will continue to provide outsized, tangible and mutually beneficial financial impacts for the combined company and its communities.

Under the terms of the agreement, Butterfield will acquire CIBC's 91.7% interest in our Parent for an aggregate purchase price of US\$1,794 million, comprising US\$1,091 million in cash and US\$703 million in Butterfield shares, or US\$1.14 per CIBC Caribbean share. Following closing of the transaction, Butterfield will commence a mandatory take-over bid for the remaining 8.33% of total outstanding shares of CIBC Caribbean held by minority shareholders. CIBC Caribbean's minority shareholders will be offered equivalent economic terms to those obtained by CIBC. Minority shareholders will also have the option to elect to receive up to 100% of their consideration in Butterfield shares.

The transaction is expected to close in the first half of 2027, subject to regulatory approvals and customary closing conditions. Following completion, CIBC will own an approximate 22% stake in the combined entity.

Until closing, CIBC Caribbean will continue to operate under the leadership of its existing senior executive team with the existing functions continuing to support its strategic business units and operating companies across the region.

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

Mark St. Hill  
Chief Executive Officer

## 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 CIBC Caribbean Bank (Bahamas) Limited, please read CIBC Caribbean Bank (Bahamas) Limited's financial and other reports that are available on the Bank's website at [www.cibccaribbean.com](http://www.cibccaribbean.com).

## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Unaudited Apr 30, 2026	Unaudited Apr 30, 2025	Audited Oct 31, 2025
<b>ASSETS</b>			
Cash, balances with The Central Bank and due from banks	1,275,244	1,265,805	1,103,375
Securities	1,671,594	1,680,381	1,561,377
Loans and advances to customers	2,335,576	2,162,816	2,240,248
Property and equipment	42,388	41,972	42,177
Other assets	120,519	111,312	101,566
<b>Total assets</b>	<b>5,445,321</b>	<b>5,262,286</b>	<b>5,048,743</b>
<b>LIABILITIES</b>			
Customer deposits	4,512,149	4,332,228	4,138,013
Other liabilities	93,845	113,346	65,454
<b>Total liabilities</b>	<b>4,605,994</b>	<b>4,445,574</b>	<b>4,203,467</b>
<b>EQUITY</b>			
Issued capital	477,230	477,230	477,230
Reserves	125,473	124,864	123,440
Retained earnings	236,624	214,618	244,606
<b>Total equity</b>	<b>839,327</b>	<b>816,712</b>	<b>845,276</b>
<b>Total liabilities and equity</b>	<b>5,445,321</b>	<b>5,262,286</b>	<b>5,048,743</b>

Director

Director

## CONDENSED CONSOLIDATED STATEMENT OF INCOME

	Unaudited Quarter Ended		Unaudited Six Months Ended		Audited Year Ended
	Apr 30, 2026	Apr 30, 2025	Apr 30, 2026	Apr 30, 2025	Oct 31, 2025
Interest and similar income	57,457	56,387	114,197	113,954	230,065
Interest and similar expense	4,873	5,902	10,374	12,134	24,536
<b>Net interest income</b>	<b>52,584</b>	<b>50,485</b>	<b>103,823</b>	<b>101,820</b>	<b>205,529</b>
Operating income	18,217	20,151	37,125	39,623	76,607
<b>Operating expenses</b>	<b>42,025</b>	<b>37,022</b>	<b>80,452</b>	<b>74,546</b>	<b>151,464</b>
Credit loss expense on financial assets	1,373	56	5,252	1,472	8,120
<b>Income before taxation</b>	<b>27,403</b>	<b>33,558</b>	<b>55,244</b>	<b>65,425</b>	<b>122,552</b>
Income tax expense	2,292	3,371	4,588	5,582	11,219
<b>Net income for the period</b>	<b>25,111</b>	<b>30,187</b>	<b>50,656</b>	<b>59,843</b>	<b>111,333</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)	20.9	25.1	42.1	49.8	92.6

## CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Unaudited Quarter Ended		Unaudited Six Months Ended		Audited Year Ended
	Apr 30, 2026	Apr 30, 2025	Apr 30, 2026	Apr 30, 2025	Oct 31, 2025
Net income for the period	25,111	30,187	50,656	59,843	111,333
<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	(4,383)	6,452	(4,912)	6,871	7,047
<b>Other comprehensive (loss)/income for the period</b>	<b>(4,383)</b>	<b>6,452</b>	<b>(4,912)</b>	<b>6,871</b>	<b>7,047</b>
<b>Other comprehensive income not to be reclassified to net income in subsequent periods</b>					
Re-measurement losses on retirement benefit plans	-	-	-	-	(1,464)
<b>Other comprehensive (loss)/income for the period</b>	<b>(4,383)</b>	<b>6,452</b>	<b>(4,912)</b>	<b>6,871</b>	<b>5,583</b>
<b>Comprehensive income for the period</b>	<b>20,728</b>	<b>36,639</b>	<b>45,744</b>	<b>66,714</b>	<b>116,916</b>

## CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Issued Capital	Reserves	Retained Earnings	Total
<b>Balance at October 31, 2024</b>	<b>477,230</b>	<b>101,439</b>	<b>227,832</b>	<b>806,501</b>
Comprehensive income for the period	-	6,871	59,843	66,714
Dividends	-	-	(56,503)	(56,503)
Transfer to Statutory Reserve Fund - TCI	-	16,575	(16,575)	-
Transfer to Statutory Loan Loss Reserve - BAH	-	(21)	21	-
<b>Balance at April 30, 2025</b>	<b>477,230</b>	<b>124,864</b>	<b>214,618</b>	<b>816,712</b>
<b>Balance at October 31, 2025</b>	<b>477,230</b>	<b>123,440</b>	<b>244,606</b>	<b>845,276</b>
Comprehensive income for the period	-	(4,912)	50,656	45,744
Dividends	-	-	(51,693)	(51,693)
Transfer to Statutory Reserve Fund - TCI	-	4,605	(4,605)	-
Transfer to Statutory Loan Loss Reserve - BAH	-	2,340	(2,340)	-
<b>Balance at April 30, 2026</b>	<b>477,230</b>	<b>125,473</b>	<b>236,624</b>	<b>839,327</b>

## CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Unaudited Six Months Ended		Audited Year Ended
	Apr 30, 2026	Apr 30, 2025	Oct 31, 2025
Net cash from operating activities	311,216	478,322	185,763
Net cash used in investing activities	(90,527)	(256,329)	(108,284)
Net cash used in financing activities	(52,831)	(57,709)	(80,492)
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>167,858</b>	<b>164,284</b>	<b>(3,013)</b>
Cash and cash equivalents, beginning of the year	956,278	959,291	959,291
<b>Cash and cash equivalents, end of the period</b>	<b>1,124,136</b>	<b>1,123,575</b>	<b>956,278</b>

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

### April 30, 2026

#### 1. Basis of preparation and summary of material accounting policies

The accompanying unaudited condensed consolidated financial statements of CIBC Caribbean Bank (Bahamas) Limited (the Bank) should be read in conjunction with the IFRS Accounting Standards (IFRS) consolidated financial statements and notes thereto for the year ended October 31, 2025, included in the Bank's Annual Report 2025. For a description of the Bank's material 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 the 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 condensed 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 (TCI) Limited

#### Income Taxes

In November 2024, The Bahamas has enacted the Qualified Domestic Minimum Top-up Tax ("QDMTT") in accordance with the OECD's Pillar Two initiative; which became applicable for the Bank during fiscal 2025. This regime required the Bank to have an effective tax rate (as calculated under the relevant legislation) of at least 15% of net income. Where the Bank's effective tax rate was less than 15%, an additional Top-up Tax was levied to bring the effective tax rate to 15%.

Additionally, the IASB previously issued "International Tax Reform - Pillar Two Model Rules", which amended IAS 12 to provide a temporary exception from the recognition and disclosure of deferred taxes arising from the implementation of Pillar Two Model Rules, which the Company has applied.

#### 2. Subsequent event

Subsequent to quarter end, CIBC Caribbean Bank Limited ("CIBC Caribbean") announced that its majority shareholder, CIBC, entered into a definitive agreement with the Bank of N.T. Butterfield & Son Limited ("Butterfield") pursuant to which Butterfield will acquire CIBC's 91.7% controlling interest in CIBC Caribbean Bank Limited for an aggregate purchase price of \$1,794 million, comprising US\$1,091 million in cash and US\$703 million in Butterfield shares, or US\$1.14 per CIBC Caribbean share. Following closing of the transaction, Butterfield will commence a mandatory take-over bid for the remaining total outstanding shares of CIBC Caribbean held by minority shareholders. CIBC Caribbean's minority shareholders will be offered equivalent economic terms to those obtained by CIBC. The transaction is expected to close in the first half of 2027, subject to regulatory approvals and customary closing conditions. Following completion, CIBC will own an approximate 22% stake in the combined entity.

#### 3. Dividends

The unaudited condensed consolidated financial statements as of April 30, 2026 reflect all dividends for which regulatory approval was received during the fiscal period. There are no dividends declared and pending regulatory approval at April 30, 2026.

## CONDENSED CONSOLIDATED SEGMENT INFORMATION

	Unaudited April 30, 2026				
	PBB	CIB	WM	Admin	Total
<b>Six Months Ended</b>					
External revenue	36,817	33,088	1,030	32,888	103,823
Internal revenue	4,470	16,122	248	(20,840)	-
Net interest income	41,287	49,210	1,278	12,048	103,823
Operating income	21,296	16,086	980	(1,237)	37,125
<b>Depreciation</b>	<b>805</b>	<b>-</b>	<b>2</b>	<b>3,684</b>	<b>4,491</b>
Operating expenses	11,429	3,847	826	59,859	75,961
Indirect expenses	32,361	29,282	1,744	(63,387)	-
Credit loss expense on financial assets	1,580	3,064	-	608	5,252
Income before taxation	16,408	29,103	(314)	10,047	55,244
Income tax expense	1,282	2,472	(65)	899	4,588
<b>Net income for the period</b>	<b>15,126</b>	<b>26,631</b>	<b>(249)</b>	<b>9,148</b>	<b>50,656</b>
<b>Balance as at</b>					
Total assets and liabilities by segment are as follows:	24,222	5,916,046	225,315	(720,262)	5,445,321
Segment assets	1,699,716	2,466,061	110,713	329,504	4,605,994
Segment liabilities					
<b>Six Months Ended</b>					
External revenue	36,308	28,485	889	36,138	101,820
Internal revenue	8,881	18,297	640	(27,818)	-
Net interest income	45,189	46,782	1,529	8,320	101,820
Operating income	20,393	18,734	1,115	(619)	39,623
<b>Depreciation</b>	<b>881</b>	<b>-</b>	<b>15</b>	<b>3,518</b>	<b>4,414</b>
Operating expenses	11,130	3,830	817	54,355	70,132
Indirect expenses	28,646	27,624	1,528	(57,798)	-
Credit loss expense/(release) on financial assets	1,145	536	(10)	(199)	1,472
Income before taxation	23,780	33,526	294	7,825	65,425
Income tax expense	2,447	3,421	39	(325)	5,582
<b>Net income for the period</b>	<b>21,333</b>	<b>30,105</b>	<b>255</b>	<b>8,150</b>	<b>59,843</b>
<b>Balance as at</b>					
Total assets and liabilities by segment are as follows:	1,344,500	1,066,123	41,478	2,810,185	5,262,286
Segment assets	1,527,470	2,470,189	94,287	353,628	4,445,574
Segment liabilities					
<b>Year Ended</b>					
External revenue	72,873	58,110	1,793	72,753	205,529
Internal revenue	15,167	33,005	1,075	(49,247)	-
Net interest income	88,040	91,115	2,868	23,506	205,529
Operating income	40,216	33,868	2,372	151	76,607
<b>Depreciation</b>	<b>1,713</b>	<b>-</b>	<b>17</b>	<b>7,168</b>	<b>8,898</b>
Operating expenses	22,850	7,515	1,596	110,605	142,566
Indirect expenses	59,508	54,817	3,176	(117,501)	-
Credit loss (release)/expense on financial assets	(2,591)	7,769	129	2,813	8,120
Income before taxation	46,776	54,882	322	20,572	122,552
Income tax expense	4,683	6,076	32	428	11,219
<b>Net income for the year</b>	<b>42,093</b>	<b>48,806</b>	<b>290</b>	<b>20,144</b>	<b>111,333</b>
<b>Balance as at</b>					
Total assets and liabilities by segment are as follows:	1,352,301	1,171,035	38,032	2,487,375	5,048,743
Segment assets	1,524,060	2,436,276	94,695	148,436	4,203,467
Segment liabilities					

**Notes:**  
The Bank'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.