



FINANCIAL PERFORMANCE FOR THE PERIOD ENDED SEPTEMBER 30, 2023

In this new fiscal year, Bank of the Bahamas Limited (the “Bank”) continued its strides that have yielded positive results during the first quarter. We are pleased to report that the Bank recorded net income of \$4.1 million for the period ended September 30, 2023, compared to the previous year’s first quarter net income of \$2.5 million which depicts the Bank’s continuous focus and progress.

The Bank’s total operating income grew by \$2.0 million compared to the same period in the previous year. This improved performance is attributed to higher interest income derived from the Bank’s loan growth, and investment of its excess liquidity. Furthermore, the Bank’s non-interest revenue contributed to the overall positive variance as the Bank recorded higher income from fees and commissions, merchant services and prepaid cards.

This first quarter financial performance was also positively impacted by the net impairment reversal of \$0.4 million compared to a net impairment loss of \$1.3 million for the same period in prior year. Net impairment reversal is attributed to the note receivable balance where the Bank adjusted its provisions assumptions based on the interest payments performance, the economy, and its related positive indicators.

Operating expenses increased by \$2.2 million mostly due to employee and occupancy expenses, other administrative costs, banking and business licenses and depreciation expenses. Regulatory and statutory license fees increased along with additional building insurance and administrative expenses. The Bank continues to invest in its technology and physical premises to better serve our customers.

The Bank’s financial position continues to be strong with total assets of \$951.3 million, of which loans and advances, net accounted for \$363.2 million as at September 30, 2023. Total equity closed at \$185.0 million, with CET1 ratio of 46.3%, which is well above the Central Bank’s minimum requirement of 18.0%. The Bank’s capital and liquidity positions remain strong.

We will continue to execute our customer-centric strategic plan and pursue ongoing digital innovation. We express our gratitude to the BOB team, senior management, directors, shareholders, and our devoted customers who have supported the Bank throughout the years.

Neil Strachan, Managing Director