

**Independent Auditors' Report
on the Summary Consolidated
Financial Statements**

To the Shareholder of Republic Bank (EC) Limited

Opinion

The summary consolidated financial statements, which comprise the consolidated statement of financial position as at September 30, 2023, and the consolidated statements of comprehensive income, changes in equity and cash flows for the year then ended, and related summary notes, are derived from the complete audited consolidated financial statements of Republic Bank (EC) Limited and its subsidiaries ("the Group") for the year ended September 30, 2023.

In our opinion, the accompanying summary consolidated financial statements are consistent, in all material respects, with the audited consolidated financial statements, on the basis described in Note 1.

Summary Consolidated Financial Statements

The summary consolidated financial statements do not contain all the disclosures required by International Financial Reporting Standards ("IFRSs"). Reading the summary consolidated financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited consolidated financial statements and the auditor's report thereon.

The Audited Consolidated Financial Statements and Our Report Thereon

We expressed an unmodified audit opinion on the audited consolidated financial statements in our report dated December 5, 2023.

Responsibility of Management for the Summary Consolidated Financial Statements

Management is responsible for the preparation of the summary consolidated financial statements on the basis described in Note 1.

Auditor's Responsibility for the Audit of the Summary Consolidated Financial Statements

Our responsibility is to express an opinion on whether the summary consolidated financial statements are consistent, in all material respects, with the audited consolidated financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (ISA) 810 (Revised), Engagements to Report on Summary Financial Statements.



Rodney Bay, Gros Islet,
ST. LUCIA, W.I.
December 5, 2023

A member firm of Ernst & Young Global Limited.

STATEMENT OF FINANCIAL POSITION

As at September 30, 2023

Expressed in thousands of Eastern Caribbean dollars (\$'000)

	Sep 30, 2023 \$'000	Restated Sep 30, 2022 \$'000
ASSETS		
Cash on hand	50,100	47,460
Statutory deposits with Central Banks	287,323	280,632
Due from banks	816,123	692,387
Treasury Bills	146,624	94,214
Advances	2,820,418	2,604,643
Investment securities	433,636	449,883
Investment interest receivable	4,025	1,972
Premises and equipment	28,506	29,312
Right-of-use assets	13,147	15,127
Intangible assets	69,136	75,716
Deferred tax assets	13,841	18,168
Taxation recoverable	6,935	1,444
Other assets	110,497	136,309
TOTAL ASSETS	<u>4,800,311</u>	<u>4,447,267</u>
LIABILITIES & EQUITY		
LIABILITIES		
Due to banks	126,865	196,911
Customers' current, savings and deposit accounts	4,038,022	3,617,474
Lease liabilities	14,705	16,566
Taxation payable	2,506	14,481
Deferred tax liabilities	9,967	11,902
Accrued interest payable	3,319	2,568
Other liabilities	97,786	123,851
TOTAL LIABILITIES	<u>4,293,170</u>	<u>3,983,753</u>
EQUITY		
Stated capital	402,894	402,894
Statutory reserves	27,494	18,768
Other reserves	66,708	35,627
Retained earnings	10,045	6,225
TOTAL EQUITY	<u>507,141</u>	<u>463,514</u>
TOTAL LIABILITIES & EQUITY	<u>4,800,311</u>	<u>4,447,267</u>

These summary consolidated financial statements were approved by the Board of Directors on **December 4, 2023** and signed on its behalf by:



Karen Yip Chuck, Chairman



Tracy Bartholomew, Managing Director



Pasquale Minicucci, Director



Henri-Jacques Mangal, Assistant Corporate Secretary

STATEMENT OF COMPREHENSIVE INCOME

For The Year Ended September 30, 2023

Expressed in thousands of Eastern Caribbean dollars (\$'000)

	Sep 30, 2023 \$'000	Restated Sep 30, 2022 \$'000
Interest income	198,140	172,565
Interest expense	(35,136)	(32,524)
Net interest income	163,004	140,041
Other income	85,664	78,293
	248,668	218,334
Operating expenses	(173,516)	(150,815)
Operating profit	75,152	67,519
Credit loss expense on financial assets	(11,448)	(3,634)
Net profit before taxation	63,704	63,885
Taxation expense	(20,077)	(20,411)
Net profit after taxation being total comprehensive income for the year	<u>43,627</u>	<u>43,474</u>
Attributable to:		
Equity holders of the parent company	<u>43,627</u>	<u>43,474</u>

STATEMENT OF CHANGES IN EQUITY

For The Year Ended September 30, 2023

Expressed in thousands of Eastern Caribbean dollars (\$'000)

	Stated capital \$'000	Statutory reserves \$'000	Other reserves \$'000	Retained earnings \$'000	Total equity \$'000
Balance at					
September 30, 2021	402,894	11,227	1,684	40,875	456,680
Total comprehensive income for the year	-	-	-	54,477	54,477
Transfer to statutory reserves	-	10,895	-	(10,895)	-
Transfer to other reserves	-	-	33,943	(33,943)	-
Dividends (Gross)	-	-	-	(36,640)	(36,640)
Balance at September 30, 2022 (as previously stated)	<u>402,894</u>	<u>22,122</u>	<u>35,627</u>	<u>13,874</u>	<u>474,517</u>
Adjustments to results arising from restatement of Credit Card expenses	-	-	-	(11,003)	(11,003)
Reclassification from Statutory reserves due to adjustments relating to Credit Card Expenses	-	(3,354)	-	3,354	-
Balance at September 30, 2022 (restated)	<u>402,894</u>	<u>18,768</u>	<u>35,627</u>	<u>6,225</u>	<u>463,514</u>
Total comprehensive income for the year	-	-	-	43,627	43,627
Transfer to statutory reserves	-	8,726	-	(8,726)	-
Transfer to other reserves	-	-	31,081	(31,081)	-
Balance at					
September 30, 2023	<u>402,894</u>	<u>27,494</u>	<u>66,708</u>	<u>10,045</u>	<u>507,141</u>

CONSOLIDATED STATEMENT OF CASH FLOWS

For The Year Ended September 30, 2023

Expressed in thousands of Eastern Caribbean dollars (\$'000)

	Sep 30, 2023 \$'000	Restated Sep 30, 2022 \$'000
Operating activities		
Net profit before taxation	63,704	63,885
Adjustments for:		
Depreciation of premises and equipment and right-of-use assets	5,697	6,434
Credit loss expense on financial assets	11,448	3,634
Amortisation of intangibles	6,580	6,580
Translation differences and other adjustments	(29)	-
(Gain)/loss on sale of premises and equipment	(87)	206
Changes in:		
Increase in advances	(227,409)	(114,345)
Increase in customers' deposits and other fund raising instruments	420,548	256,157
Increase in statutory deposits with Central Banks	(6,691)	(17,724)
Decrease/(increase) in other assets and investment interest receivable	23,764	(115,565)
(Decrease)/increase in other liabilities and accrued interest payable	(25,314)	50,522
Taxes paid, net of refund	(35,166)	(6,683)
Cash generated from operating activities	<u>237,045</u>	<u>133,101</u>
Investing activities		
Purchase of investment securities	(447,205)	(517,154)
Redemption of investment securities	441,132	314,804
Additions to premises and equipment	(1,663)	(4,343)
Proceeds from sale of premises and equipment	204	-
Cash (used in) investing activities	<u>(7,532)</u>	<u>(206,693)</u>
Financing activities		
(Decrease)/increase in balances due to banks	(70,046)	41,019
Repayment of principal lease liabilities	(3,186)	(3,400)
Dividends paid to shareholders of the parent net of withholding taxes	-	(30,179)
Cash (used in)/generated from financing activities	<u>(73,232)</u>	<u>7,440</u>
Net increase in cash and cash equivalents	156,281	(66,152)
Cash and cash equivalents at beginning of year	<u>809,961</u>	<u>876,113</u>
Cash and cash equivalents at end of year	<u>966,242</u>	<u>809,961</u>
Cash and cash equivalents at end of year are represented by:		
Cash on hand	50,100	47,460
Due from banks	816,123	692,387
Treasury Bills - original maturities of three months or less	100,019	70,114
	<u>966,242</u>	<u>809,961</u>
Supplemental information:		
Interest received during the year	194,706	195,917
Interest paid during the year	(34,385)	(31,906)

Note 1. Basis of presentation

The summary consolidated financial statements are prepared in accordance with criteria developed by management. Under management's established criteria, management discloses the full primary financial statements which include the consolidated statement of financial position, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows.

These summary consolidated financial statements are derived from the audited consolidated financial statements of Republic Bank (EC) Limited for the year ended September 30, 2023.

These summary financial statements have been prepared in accordance with the accounting policies set out in "Note 2" of the September 30, 2023 audited financial statements. New Accounting Standards or interpretations which became effective in this financial year have had no material impact on the Bank. The areas of critical accounting estimates and judgements as disclosed in "Note 3" of the September 30, 2023 audited financial statements have also remained unchanged.