



ACB CARIBBEAN HOSTS ITS 67TH AGM AMIDST AN ENGAGED SHAREHOLDER BASE

On Thursday March 21, 2024, **ANTIGUA COMMERCIAL BANK LTD.** trading as **ACB CARIBBEAN** (the Group), hosted its **67th ANNUAL GENERAL MEETING (AGM)**, with Shareholders attending, both in – person and online. This hybrid format continues to demonstrate the Group's commitment to ensuring wider Shareholder access to Meetings or Forums, when scheduled.

Over 150 Shareholders attended the AGM and actively participated in discussions on key strategic priorities and developments in the Group's business operations.

DEVELOPED FOR PEOPLE, DRIVEN BY PURPOSE, the Theme for the 67th AGM, reflects the Group's relentless commitment to continuous evolution, innovation and providing personalized solutions to meet the needs of its stakeholders. Led by diverse and dynamic leaders, the Group is driven by the realization of shared success and enduring significance.

2022 was recognized as a challenging period for both the global and local financial industry.

The Group however, maintained its resilience despite lower than expected results. The benefits of a diversification strategy resulted in a **CONSOLIDATED PROFIT of \$8.9 million** for fiscal year 2022. There was an overall year - on -year increase of \$13 million in its Core Operating Income.

The Group's balance sheet remains strong with an Asset Base as at September 30, 2022, of \$2.4 billion, an increase of 7% when compared to the previous fiscal, largely driven by a 9% growth in Deposit Liabilities.

Shareholders approved a **CASH DIVIDEND of \$2.1 million or 21 cents** for each unit of share, as at the record date, February 23, 2024.

With respect to the composition of **ACB CARIBBEAN'S BOARD OF DIRECTORS, RETIRING DIRECTORS, CASSANDRA P. SIMON, DESIREE A. ZACHARIAH and ERIC E. JOSEPH** were re-elected to the Board. **DESIRÉE EDWARDS**, an HR & Training Consultant, was also newly elected to the Board.

The present members of the BOARD OF DIRECTORS are:

- **SANDRA DERRICK - CHAIRMAN**
- **SHARON A. MATTHEW-EDWARDS - VICE CHAIRMAN**
- **CASSANDRA P. SIMON - VICE CHAIRMAN**
- **C. DAVIDSON CHARLES - VICE CHAIRMAN**
- **C. KEVIN SILSTON**
- **C. KAMILAH ROBERTS**
- **DESIREE A. ZACHARIAH**
- **ERIC E. JOSEPH**
- **MAVIS GEORGE**
- **DESIRÉE EDWARDS**

In looking ahead, **ACB CARIBBEAN'S STRATEGY** will continue to be one of "Easy Banking", as guided by its Purpose Statement: **SHAPING SUCCESS; CREATING OPPORTUNITIES; EASY BANKING.**

The focus will remain on automation, and continuous pursuit of its ambitious agenda for growth and profitability, informed by its key strategic priorities under the following pillars:

- **Customer Value & Brand** – enhanced user service experience
- **Financial sustainability** – building financial resilience, growing revenues, lowering operating cost
- **Business Process & Risk** – enhancing operational efficiency and optimizing operational resilience
- **People Culture, Analytics and ESG** – strengthening the HR Value Proposition, building a Strategy Aligned Culture, Strengthening Environmental Social & Governance performance.

The Board, Management and Staff of the ACB Caribbean Group remain committed to exceeding the expectations of all Stakeholders, to include its Shareholders, Customers, Employees, the people of Antigua and Barbuda, Grenada and beyond, and express appreciation to each, for their continued support and loyalty.



Cassandra P. Simon



Desiree A. Zachariah



Eric E. Joseph



Desirée Edwards



Grant Thornton
11 Old Parham Road
P.O. Box 1531
St. John's, Antigua
West Indies
T +1 268 462 3000
F +1 268 462 1902

REPORT OF THE INDEPENDENT AUDITORS ON THE SUMMARY FINANCIAL STATEMENTS

To the Shareholders of
Antigua Commercial Bank Ltd. t/a ACB Caribbean

Opinion

The summary financial statements, which comprise the summary statement of financial position as of September 30, 2022, the summary statements of comprehensive income, changes in equity and cash flows for the year then ended, and the related notes, are derived from the audited financial statements of **Antigua Commercial Bank Ltd. t/a ACB Caribbean** for the year ended September 30, 2022.

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

Summary Financial Statements

The summary financial statements do not contain all the disclosures required by International Financial Reporting Standards. Reading the summary financial statements and the auditors' report thereon, therefore, is not a substitute for reading the audited financial statements and the auditors' report thereon.

The Audited Financial Statements and Our Report Thereon

We expressed an unmodified audit opinion on the audited financial statements in our report dated January 5, 2024. The audited financial statements are included in the 2022 Annual Report.

Management's Responsibility for the Summary Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on whether the summary financial statements are consistent, in all material respects, with the audited 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*.

[Signature]
Chartered Accountant
January 5, 2024
St. John's, Antigua

Partners
Antigua
Charles Mullen - Managing partner
Robert Williams
Rafael David

St. Kitts
Jefferson Hurte
Lisa Roberts

Barbados
Jefferson Hurte

Audit | Tax | Advisory
Member firm of Grant Thornton International Ltd.
Grant Thornton International Ltd (GTIL) and the member firms are not a worldwide partnership. GTIL and each member firm is a separate legal entity. Services are delivered independently by the member firms. GTIL does not provide services to clients. GTIL and its member firms are not agents of, and do not obligate, one another and are not liable for one another's acts or omissions.

grantthornton.org

Antigua Commercial Bank Ltd. t/a ACB Caribbean

Summary Statement of Financial Position

As of September 30, 2022

(expressed in Eastern Caribbean dollars)

	2022 \$	2021 \$
Assets		
Cash and balances with the Central Bank	622,431,203	488,442,651
Due from other banks	212,204,752	286,596,330
Treasury bills	89,705,718	99,234,435
Statutory Deposit	7,247,111	7,224,550
Loans and advances	1,047,309,739	1,012,986,370
Other assets	37,451,463	45,969,520
Investment securities	253,977,351	170,147,641
Goodwill	14,539,983	14,539,983
Property and equipment	48,720,046	47,380,928
Right-of-use assets	1,888,131	781,178
Core intangible assets	12,496,517	13,756,893
Pension asset	5,110,172	8,946,108
Total Assets	2,353,082,186	2,196,006,587
Liabilities and Equity		
Liabilities		
Income tax payable	7,838,131	3,717,034
Customers' deposits	1,982,270,725	1,819,203,598
Lease liabilities	2,125,115	785,082
Provisions and other liabilities	33,689,568	47,410,264
Deferred tax liability	5,737,775	10,063,249
Total Liabilities	2,031,661,314	1,881,179,227
Equity		
Stated capital	36,000,000	36,000,000
Statutory reserve	30,832,845	30,171,043
Other reserves	74,265,497	73,577,890
Retained earnings	154,461,938	149,888,302
Equity attributed to owners of the Bank	295,560,280	289,637,235
Non-controlling interest	25,860,592	25,190,125
Total Equity	321,420,872	314,827,360
Total Liabilities and Equity	2,353,082,186	2,196,006,587

Approved for issue by the Board of Directors on January 2, 2024 and signed on its behalf by:

[Signature] Chairman *[Signature]* Director
[Signature] Director

Antigua Commercial Bank Ltd. t/a ACB Caribbean

Summary Statement of Comprehensive Income

For the year ended September 30, 2022

(expressed in Eastern Caribbean dollars)

	2022 \$	2021 \$
Interest income		
Income from loans and advances	63,329,761	58,267,100
Income from deposits with other banks and investments	14,265,305	9,828,249
	77,595,066	68,095,349
Interest expense		
Savings accounts	18,919,085	14,743,883
Time deposits and current accounts	4,441,189	5,696,568
Lease liabilities	24,203	13,225
Investment Expenses	36,748	36,062
	23,421,225	20,489,738
Net interest income	54,173,841	47,605,611
Other operating income	15,512,479	25,578,693
Total income	69,686,320	73,184,304
Operating expenses		
General and administrative expenses	54,306,742	48,959,139
Provision for impairment of other financial assets	3,507,420	2,106,493
Recovery of credit losses	(3,605,673)	(15,888,895)
Amortization of intangible assets	1,260,375	650,307
Depreciation of property and equipment	3,097,053	2,204,565
Depreciation of right-of-use assets	694,856	539,453
Directors' fees and expenses	1,177,577	1,032,319
Gain on bargain purchases	—	(23,467,104)
Total expenses	60,438,350	16,136,277
Net Income before taxation	9,247,970	57,048,027
Taxation charge		
Current tax expense	4,358,186	4,736,257
Deferred tax (credit)/expense	(3,415,612)	2,939,297
Total taxation charge	942,574	7,675,554
Net income after taxation	8,305,396	49,372,473

Antigua Commercial Bank Ltd. t/a ACB Caribbean

Summary Statement of Comprehensive Income...continued

For the year ended September 30, 2022

(expressed in Eastern Caribbean dollars)

	2022 \$	2021 \$
Profit attributed to:		
Owners of the Bank	7,369,722	48,577,555
Non-controlling interest	935,674	794,918
	8,305,396	49,372,473
Earnings per share	0.74	4.86
Net income after taxation	8,305,396	49,372,473
Other comprehensive income:		
<i>Items net of tax that will never be reclassified subsequently to profit or loss:</i>		
Increase in market value of FVOCI equity securities net of taxes of \$Nil (2021: \$180,271)	2,436,057	2,167,067
Property revaluation adjustment	—	220,413
Actuarial (loss)/gain for the year, net of taxes of \$873,500 (2021: \$44,891)	(3,512,307)	1,816,862
Other comprehensive (loss)/income for the year, net of taxes	(1,076,250)	4,204,342
Total comprehensive income for the year	7,229,146	53,576,815
Total comprehensive income attributed to:		
Owners of the Bank	6,558,680	52,060,430
Non-controlling interest	670,466	1,516,385
	7,229,146	53,576,815

Summary Consolidated Financial Statements

FOR THE YEAR ENDED SEPTEMBER 30, 2022

Antigua Commercial Bank Ltd. t/a ACB Caribbean

Summary Statement of Cash flows...continued

For the year ended September 30, 2022

(expressed in Eastern Caribbean dollars)

	2022 \$	2021 \$
Cash flows from operating activities		
Operating income before taxation	8,305,396	57,048,027
<i>Items not affecting cash</i>		
Depreciation of property and equipment and right-of-use assets	3,791,909	3,394,325
Amortization of intangible assets	1,260,376	—
Recovery of credit losses	(3,605,673)	(12,867,743)
Provision/(recovery of) for impairment of other financial assets	3,507,420	(914,659)
(Gain)/loss on disposal of fixed assets	(1,913)	178,299
Gain on bargain purchase	—	(23,467,104)
Pension income	(162,748)	(383,188)
Interest expense	23,421,225	20,489,738
Interest income	(77,595,066)	(68,095,349)
Cash flows used in operating activities before changes in operating assets and liabilities	(41,079,074)	(24,617,654)
Change in statutory deposit	(1,791,835)	(355,491)
Change in other receivables and other assets	(7,747,745)	(43,979,399)
Change in loans and advances	(41,690,291)	(32,429,062)
Change in customers' deposits	164,654,477	75,705,595
Change in provisions and other liabilities	4,323,993	11,716,039
Cash flows generated from operating activities before interest, taxes and pension contributions	76,669,525	16,385,488
Interest received	84,961,989	67,119,148
Interest paid	(25,008,575)	(19,148,894)
Principal payments of lease liabilities	(823,975)	(727,758)
Pension contributions paid	(412,423)	(430,396)
Net cash flows from operating activities	135,386,541	32,882,128
Cash flows from investing activities		
Acquisitions, net of cash received	—	307,240,451
Net movement in investment securities	(140,754,801)	82,546,748
(Additions to)/disposals of property and equipment	(4,934,984)	5,096,660
Proceeds from disposal of property and equipment	500,728	—
Net cash flows (used in)/generated from investing activities	(145,189,057)	394,883,859

Antigua Commercial Bank Ltd. t/a ACB Caribbean

Summary Statement of Cash flows...continued

For the year ended September 30, 2022

(expressed in Eastern Caribbean dollars)

	2022 \$	2021 \$
Cash flows from financing activities		
Dividends paid during the year	—	(850,000)
Net cash flows generated from/ (used in) financing activities	—	(850,000)
Net (decrease)/increase in cash and cash equivalents	(9,802,516)	426,915,987
Cash and cash equivalents, beginning of year	657,345,487	230,429,500
Cash and cash equivalents, end of year	647,542,971	657,345,487

Antigua Commercial Bank Ltd. t/a ACB Caribbean

Summary Statement of Changes in Equity

For the year ended September 30, 2022

(expressed in Eastern Caribbean dollars)

	Stated Capital \$	Statutory Reserve \$	Revaluation Reserve: FVOCI \$	Capital & Revaluation – PPE & Pension \$	Regulatory Loan Loss Reserve \$	Retained Earnings \$	Attributable to equity holders \$	Non- controlling interest \$	Total \$
Balance as of September 30, 2020	36,000,000	26,059,962	22,572,436	20,493,775	27,912,286	105,550,590	238,589,049	—	238,589,049
Non-controlling interest arising on business combination	—	—	—	—	—	—	—	23,579,099	23,579,099
Net income after taxation for the year	—	—	—	—	—	48,577,555	48,577,555	794,918	49,372,473
Property valuation	—	—	—	136,832	—	—	136,832	83,581	220,413
Actuarial gain	—	—	—	—	—	1,178,976	1,178,976	637,886	1,816,862
Increase in Fair value-FVOCI	—	—	2,167,067	—	—	—	2,167,067	—	2,167,067
Total comprehensive income for the year	—	—	2,167,067	136,832	—	49,756,531	52,060,430	1,516,385	53,576,815
Transfer to statutory reserve	—	4,111,081	—	—	—	(4,111,081)	—	—	—
Decrease in reserve for loan	—	—	—	—	—	154,941	154,941	94,641	249,582
Reserve for interest on impaired loans	—	—	—	—	(317,185)	—	(317,185)	—	(317,185)
Increase in pension reserve	—	—	—	612,679	—	(612,679)	—	—	—
<i>Transaction with owners</i>									
Dividends paid during the year	—	—	—	—	—	(850,000)	(850,000)	—	(850,000)
Balance as of September 30, 2021	36,000,000	30,171,043	24,739,503	21,243,286	27,595,101	149,888,302	289,637,235	25,190,125	314,827,360

Antigua Commercial Bank Ltd. t/a ACB Caribbean

Consolidated Statement of Changes in Equity...continued

For the year ended September 30, 2022

(expressed in Eastern Caribbean dollars)

	Stated Capital \$	Statutory Reserve \$	Revaluation Reserve; FVOCI Investments \$	Capital & Revaluation Reserve; PPE & Pension	Regulatory Loan Loss Reserve \$	Retained Earnings \$	Attribut- able to equity holders \$	Non- controlling interest \$	Total \$
Balance as of September 30, 2021	36,000,000	30,171,043	24,739,503	21,243,286	27,595,101	149,888,302	289,637,235	25,190,125	314,827,360
Net income after taxation for the year	—	—	—	—	—	7,369,722	7,369,722	935,674	8,305,396
Other comprehensive income for the year									
- Actuarial loss on pension	—	—	—	—	—	(3,174,134)	(3,174,134)	(338,173)	(3,512,307)
- Increase in FVOCI securities	—	—	2,363,092	—	—	—	2,363,092	72,965	2,436,057
Total comprehensive income for the year	—	—	2,363,092	—	—	4,195,588	6,558,680	670,466	7,229,146
Transfer to statutory reserve	—	661,802	—	—	—	(661,802)	—	—	—
Reserve for interest on impaired loans	—	—	—	—	1,243,344	(1,878,979)	(635,635)	—	(635,635)
Decrease in pension reserve	—	—	—	(2,781,997)	—	2,781,997	—	—	—
Decrease in revaluation reserve-property	—	—	—	(136,832)	—	136,832	—	—	—
Balance as of September 30, 2022	36,000,000	30,832,845	27,102,595	18,324,457	28,838,445	154,461,938	295,560,280	25,860,591	321,420,871

Antigua Commercial Bank Ltd. t/a ACB Caribbean

Note to Summary Consolidated Financial Statement

As of September 30, 2022

Expressed in Eastern Caribbean dollars

1 Basis of preparation

These summary financial statements are derived from the audited financial statements of Antigua Commercial Bank Ltd. t/a ACB Caribbean for the year ended September 30, 2022.

The summary financial statements do not contain all the disclosures required by International Financial Reporting Standards. Reading these summary financial statements and the auditors' report thereon, therefore is not a substitute for reading the audited financial statements and the auditors' report thereon dated January 5, 2024.