

ACB CARIBBEAN REPORTS EXCEPTIONAL FINANCIAL PERFORMANCE TO ITS SHAREHOLDER BASE

On Thursday December 19, 2024, the **ACB CARIBBEAN GROUP** (the Group), hosted its **68th ANNUAL GENERAL MEETING (AGM)**, under the theme, **INVESTED IN PEOPLE ... UNYIELDING IN PROGRESS**. The Group reaffirmed its commitment to foster a dynamic and supportive environment for its Team Members as an Employer of Choice and create opportunities for its Shareholders and Customers to thrive.

The financial year ended September 30, 2023, was marked by strong financial performance and operational improvements, aligned to the Group's strategic objectives.

The Group recorded a **CONSOLIDATED NET PROFIT** of **\$41.2 million**, the **SECOND HIGHEST REPORTED PROFIT IN ITS HISTORY**. This result was driven primarily by the Parent Company (Antigua Commercial Bank Ltd. trading as ACB Caribbean), which published its **HIGHEST-EVER NET PROFIT** of **\$35.9 million**.

It was recognized that among other factors, the Group's performance was bolstered by the economic growth in Antigua and Barbuda (3.9%) and Grenada (3.6%).



Through its **INVESTMENT IN PEOPLE**, substantive benefits have been realized, laying a strong foundation for sustained success and growth.

Bolstering another first for the Group, Shareholders approved a **CASH DIVIDEND** of **\$10 million or \$1.00 for each unit of share**, as at the record date, November 15, 2024. This dividend payout is the **HIGHEST IN THE GROUP'S NEARLY 70 - YEAR HISTORY** and remains consistent with its long - term strategic objective to maximize dividend payout to Shareholders, while responsibly managing its capital.

With respect to the composition of **ACB CARIBBEAN'S BOARD OF DIRECTORS**, **RETIRING DIRECTORS**, **SANDRA DERRICK**, **SHARON A. MATTHEW – EDWARDS** and **C. DAVIDSON CHARLES** were re-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"** through digital transformation of its operations. The intention is to make banking more easily accessible through all channels and substantially improve the customer experience at all touch points.

We are immensely appreciative of the support and loyalty of our Shareholders, Customers, Employees, and the people of Antigua and Barbuda, Grenada and beyond.

We also recognize the Government of Antigua and Barbuda for its steadfast support of the banking sector and its confidence in the ACB Caribbean Group as an indigenous financial institution, as it continues to create an enabling environment for wealth creation in Antigua and Barbuda.

The Group is well-positioned to capitalize on new opportunities and build on the reported achievements of fiscal 2023.

BY ORDER OF THE BOARD

RHODETTE PAIGE
LEGAL COUNSEL/CORPORATE SECRETARY

January 3, 2025

68th AGM
ANNUAL GENERAL MEETING


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, 2023, 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, 2023.

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 the IFRS Accounting 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 November 7, 2024. The audited financial statements are included in the 2023 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*.


Chartered Accountants
November 7, 2024
St. John's, Antigua

Partners:
Antigua
Charles Wilson - Managing partner
Robert Wilson
Kathy David

St. Kitts
Jefferson Hunt

Built + Tax + Advisory
Member of Grant Thornton International Ltd

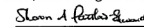
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Antigua Commercial Bank Ltd. t/a ACB Caribbean
Summary Statement of Financial Position
As of September 30, 2023

(expressed in Eastern Caribbean dollars)

	2023 \$	2022 \$
Assets		
Cash and balances with the Central Bank	439,910,919	622,431,203
Due from other banks	345,462,205	212,204,752
Treasury bills	89,801,683	89,705,718
Statutory Deposit	7,607,879	7,247,111
Loans and advances	1,040,924,394	1,047,309,739
Other assets	37,441,226	37,451,463
Investment securities	290,271,538	253,977,351
Goodwill	14,539,983	14,539,983
Property and equipment	49,831,895	48,720,046
Right-of-use assets	1,544,293	1,888,131
Core intangible assets	11,406,725	12,496,517
Deferred tax asset	4,261,229	—
Pension asset	—	5,110,172
Total Assets	2,333,003,969	2,353,082,186
Liabilities and Equity		
Liabilities		
Income tax payable	5,336,349	7,838,131
Customers' deposits	1,936,710,424	1,982,270,725
Lease liabilities	1,491,183	2,125,115
Provisions and other liabilities	30,028,306	33,689,568
Pension liability	5,006,402	—
Deferred tax liability	—	5,737,775
Total Liabilities	1,978,572,664	2,031,661,314
Equity		
Stated capital	36,000,000	36,000,000
Statutory reserve	37,321,270	30,832,845
Other reserves	89,311,836	82,061,846
Retained earnings	165,147,776	146,665,589
Equity attributed to owners of the Bank	327,780,882	295,560,280
Non-controlling interest	26,650,423	25,860,591
Total Equity	354,431,305	321,420,871
Total Liabilities and Equity	2,333,003,969	2,353,082,186

Approved for issue by the Board of Directors on November 7, 2024 and signed on its behalf by:

 Chairman  Director

 Director

Antigua Commercial Bank Ltd. t/a ACB Caribbean
Summary Statement of Comprehensive Income
For the year ended September 30, 2023

(expressed in Eastern Caribbean dollars)

	2023 \$	2022 \$
Interest income		
Income from loans and advances	69,845,844	63,329,761
Income from deposits with other banks and investments	22,755,880	14,265,305
	92,601,724	77,595,066
Interest expense		
Savings accounts	19,799,719	18,919,085
Time deposits and current accounts	4,000,429	4,441,189
Lease liabilities	26,945	24,203
Investment Expenses	104,128	36,748
	23,931,221	23,421,225
Net interest income	68,670,503	54,173,841
Other operating income	47,011,916	15,512,479
Total income	115,682,419	69,686,320
Operating expenses		
General and administrative expenses	57,287,157	54,306,742
Provision for impairment of other financial assets	4,430,958	3,507,420
Provision for/ (recovery of) loan impairment	5,064,244	(3,605,673)
Amortization of intangible assets	1,089,792	1,260,375
Depreciation of property and equipment	3,296,221	3,097,053
Depreciation of right-of-use assets	654,311	604,856
Directors' fees and expenses	1,098,722	1,177,577
Total expenses	72,921,405	60,438,350
Net Income before taxation	42,761,014	9,247,970
Taxation charge	1,577,046	942,574
Net income after taxation	41,183,968	8,305,396

Antigua Commercial Bank Ltd. t/a ACB Caribbean
Summary Statement of Comprehensive Income
For the year ended September 30, 2023

(expressed in Eastern Caribbean dollars)

	2023 \$	2022 \$
Profit attributed to:		
Owners of the Bank	39,777,345	7,369,722
Non-controlling interest	1,406,623	935,674
	41,183,968	8,305,396
Earnings per share	3.98	0.74
Net income after taxation	41,183,968	8,305,396
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 \$343,519 (2022: \$65,872)	1,353,022	2,436,057
Actuarial loss the year, net of taxes of \$481,762 (2022: \$960,197)	(1,425,825)	(3,512,307)
Other comprehensive (loss) for the year, net of taxes	(72,803)	(1,076,250)
Total comprehensive income for the year	41,111,165	7,229,146
Total comprehensive income attributed to:		
Owners of the Bank	39,743,645	6,558,680
Non-controlling interest	1,367,520	670,466
	41,111,165	7,229,146

Antigua Commercial Bank Ltd. t/a ACB Caribbean
Summary Statement of Cash flows

For the year ended September 30, 2023

(expressed in Eastern Caribbean dollars)

	2023 \$	2022 \$
Cash flows from operating activities		
Operating income before taxation	42,761,014	9,247,970
<i>Items not affecting cash:</i>		
Depreciation of property and equipment	3,296,221	3,097,053
Depreciation of right-of-use assets	654,311	694,856
Amortization of intangible assets	1,089,792	1,260,376
Provision/(recovery of) credit losses	5,064,244	(3,605,673)
Provision for impairment of other financial assets	4,430,958	3,507,420
Adjustment to cost of property and equipment	8,988	—
Adjustment to cost of right-of-use assets	(310,473)	—
Loss/(gain) on disposal of property and equipment	89,086	(1,913)
Unrealised (gain)/loss on FVTPL investments	(6,173,152)	14,786,641
Realised loss/(gain) on FVTPL investments	1,158,919	(200,856)
Pension income/(expense)	232,531	(162,748)
Interest expense	23,931,221	23,421,225
Interest income	(92,601,724)	(77,595,066)
Cash flows used in operating activities before changes in operating assets and liabilities	(16,368,064)	(25,550,715)
Change in statutory deposit	(360,768)	(1,791,835)
Change in mandatory deposit with Central Bank	3,481,196	—
Change in other receivables and other assets	349,900	(7,747,745)
Change in pension liability	8,505,376	—
Change in loans and advances	1,131,060	(41,690,291)
Change in customers' deposits	(45,653,129)	164,654,477
Change in provisions and other liabilities	(7,509,431)	3,381,419
Cash flows (used in)/generated from operating activities before interest, taxes and pension contributions	(56,423,860)	91,225,310
Interest received	83,739,954	84,961,989
Interest paid	(23,865,338)	(25,008,575)
Principal payments of lease liabilities	(606,987)	(823,975)
Income taxes paid during the year	(13,617,846)	—
Pension contributions paid during the year	(380,560)	(412,423)
Net cash flows from operating activities	(11,154,637)	149,972,326
Cash flows from investing activities		
Purchase of investment securities and term deposits	(323,834,885)	(155,340,586)
Proceeds from disposals of investment securities	107,707,780	—
Purchase of property and equipment	(4,506,144)	(4,934,984)
Proceeds from disposal of property and equipment	—	500,728
Net cash flows (used in)/generated from investing activities	(220,633,249)	(159,774,842)
Cash flows from financing activities		
Dividends paid during the year to non-controlling interest	(577,688)	—
Dividends paid during the year to owners	(7,000,000)	—
Net cash flows used in financing activities	(7,577,688)	—
Net (decrease) in cash and cash equivalents	(239,365,574)	(9,802,516)
Cash and cash equivalents, beginning of year	647,542,971	657,345,487
Cash and cash equivalents, end of year	408,177,397	647,542,971

Antigua Commercial Bank Ltd. t/a ACB Caribbean
Summary Statement of Changes in Equity

For the year ended September 30, 2023

(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, 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	—	—	—	—	—	(3,174,134)	(3,174,134)	(338,173)	(3,512,307)
- Actuarial loss on pension securities	—	—	—	—	—	(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	6,538,680	670,466	7,229,146
Transfer to statutory reserve	—	661,802	—	—	—	(661,802)	—	—	—
Reserve for interest on impaired loans	—	—	—	—	9,039,693	(9,675,328)	(635,635)	—	(635,635)
Decrease in pension reserve	—	—	—	(2,918,829)	—	2,918,829	—	—	—
Decrease in revaluation reserve-property	—	—	—	—	—	—	—	—	—
Balance as of September 30, 2022	36,000,000	30,832,845	27,102,595	18,324,457	36,634,794	146,665,589	295,560,280	25,860,591	321,420,871

Antigua Commercial Bank Ltd. t/a ACB Caribbean
Consolidated Statement of Changes in Equity...continued

For the year ended September 30, 2023

(expressed in Eastern Caribbean dollars)

	Stated Capital \$	Statutory Reserve \$	Revaluation Reserve: FVOCI Investments \$	Capital & Revaluation Reserve: PPE & Pension \$	Regulatory Loan Loss Reserve \$	Retained Earnings \$	Attributable to equity holders \$	Non-controlling interest \$	Total \$
Balance as of September 30, 2022	36,000,000	30,832,845	27,102,595	18,324,457	36,634,794	146,665,589	295,560,280	25,860,591	321,420,871
Net income after taxation for the year	—	—	—	—	—	39,777,345	39,777,345	1,406,623	41,183,968
Other comprehensive income for the year	—	—	—	—	—	(1,381,556)	(1,381,556)	(44,269)	(1,425,825)
- Actuarial loss on pension securities	—	—	—	—	—	(1,381,556)	(1,381,556)	(44,269)	(1,425,825)
- Increase in FVOCI securities	—	—	1,347,856	—	—	—	1,347,856	5,166	1,353,022
Total comprehensive income for the year	—	—	1,347,856	—	—	38,395,789	39,743,645	1,367,520	41,111,165
Transfer to statutory reserve	—	6,488,425	—	—	—	(6,488,425)	—	—	—
Reserve for interest on impaired loans	—	—	—	—	7,349,171	(7,872,214)	(523,043)	—	(523,043)
Decrease in pension reserve	—	—	—	(1,447,037)	—	1,447,037	—	—	—
Transfers with owners	—	—	—	—	—	(7,000,000)	(7,000,000)	(577,688)	(7,577,688)
Dividends paid during the year	—	—	—	—	—	(7,000,000)	(7,000,000)	(577,688)	(7,577,688)
Balance as of September 30, 2023	36,000,000	37,321,270	28,450,451	16,877,420	43,983,965	165,147,776	327,780,882	26,650,423	354,431,305

Antigua Commercial Bank Ltd. t/a ACB Caribbean
Note to Summary Consolidated Financial Statement

As of September 30, 2023

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, 2023.

The summary financial statements do not contain all the disclosures required by the IFRS Accounting 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 November 7, 2024.