



Republic Bank
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CHAIRMAN'S STATEMENT

Dear Shareholder,

For the six months ended March 31, 2021, the Bank recorded net Profit after Tax of \$4.63 million, a 24.1% increase from the \$3.73 million recorded for the corresponding period last year. The increase in profitability is mainly driven by the reduction in provisioning for credit losses of \$2.83 million. Total assets decreased by \$24M or 1.34% during the six months to March 31, 2021.

While the Bank remains well capitalized with a Tier 1 capital ratio of 15.1%, the full impact of COVID-19 is still unfolding and hence no interim dividend has been declared for the half year ended March 31, 2021.

The International Monetary Fund (IMF) projects economic growth at 6.25% for Grenada in 2021, compared to a contraction of 13% projected for 2020. We continue to provide support to our customers as needed, to assist in the recovery process.

Gregory I. Thomson
CHAIRMAN
April 15, 2021

UNAUDITED HALF YEAR FINANCIAL STATEMENTS ENDED MARCH 31, 2021

Republic Bank (Grenada) Limited

Statement Of Financial Position

Expressed in thousands of Eastern Caribbean dollars

	UNAUDITED Mar-31-21 \$'000	UNAUDITED Mar-31-20 \$'000	UNAUDITED Sept-30-20 \$'000
ASSETS			
Cash resources	646,617	539,163	609,232
Advances	849,293	834,367	837,077
Investment securities	157,777	280,423	231,418
Premises and equipment	38,584	38,817	38,795
Other assets	76,137	74,190	75,761
Total Assets	1,768,408	1,766,960	1,792,283
Liabilities and Equity			
LIABILITIES			
Due to banks	6,807	11,729	8,024
Customers' deposits and other funding instruments	1,515,259	1,517,009	1,538,749
Other liabilities	20,592	21,466	24,389
Total Liabilities	1,542,658	1,550,204	1,571,162
EQUITY			
Stated capital	117,337	117,337	117,337
Statutory reserve	22,816	20,745	22,816
Retained earnings	85,597	78,674	80,968
Total equity	225,750	216,756	221,121
Total Liabilities and Equity	1,768,408	1,766,960	1,792,283

Republic Bank (Grenada) Limited

Statement of Income

Expressed in thousands of Eastern Caribbean dollars

	UNAUDITED THREE MONTHS ENDED		UNAUDITED SIX MONTHS ENDED		AUDITED YEAR ENDED
	Mar-31-21 \$'000	Mar-31-20 \$'000	Mar-31-21 \$'000	Mar-31-20 \$'000	Sept-30-20 \$'000
Net interest income	10,990	11,801	22,331	22,246	48,201
Other income	5,067	5,835	10,138	11,988	19,415
Operating income	16,057	17,636	32,469	34,234	67,616
Operating expenses	(12,494)	(12,748)	(24,665)	(25,623)	(51,284)
Operating profit	3,563	4,888	7,804	8,611	16,332
Credit loss on financial assets	(559)	(4,631)	(2,151)	(4,983)	(5,539)
Profit before taxation	3,004	257	5,653	3,628	10,793
Taxation (expense)/recovery	(731)	870	(1,024)	100	(2,511)
Net profit after taxation	2,273	1,127	4,629	3,728	8,282
Earnings per share					
Basic	\$0.60	\$0.67	\$1.23	\$2.23	\$3.04
Number of shares ('000)					
Weighted average number of shares	3,774	1,675	3,774	1,675	2,724
Number of share outstanding at period end	3,774	3,774	3,774	3,774	3,774



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Statement of Comprehensive Income

Expressed in thousands of Eastern Caribbean dollars

	UNAUDITED THREE MONTHS ENDED		UNAUDITED SIX MONTHS ENDED		AUDITED YEAR ENDED
	Mar-31-21 \$'000	Mar-31-20 \$'000	Mar-31-21 \$'000	Mar-31-20 \$'000	Sept-30-20 \$'000
Net profit after taxation for the period/year	2,273	1,127	4,629	3,728	8,282
Other comprehensive income (net of tax) that will not be reclassified to profit and loss in subsequent periods:					
Re-measurement losses on defined benefit plans	-	-	-	-	(189)
Total comprehensive income for the period/year, net of taxation	2,273	1,127	4,629	3,728	8,093

Republic Bank (Grenada) Limited

Statement Of Cash Flows

Expressed in thousands of Eastern Caribbean dollars

	UNAUDITED SIX MONTHS ENDED		AUDITED YEAR ENDED
	Mar-31-21 \$'000	Mar-31-20 \$'000	Sept-30-20 \$'000
Operating Activities			
Profit before taxation	5,653	3,628	10,793
Adjustments for non-cash items	4,659	6,836	11,315
Decrease/(Increase) in operating assets	39,597	(38,651)	(94,572)
(Decrease)/Increase in operating liabilities	(25,572)	39,059	62,195
Taxes paid	(2,879)	(1,133)	(1,646)
Cash provided by (used in) operating activities	21,458	9,739	(11,915)
Investing Activities			
Net decrease/(increase) in investments	71,081	(2,111)	43,295
Additions to fixed assets	(1,258)	(1,022)	(2,750)
Proceeds from sale of fixed assets	179	69	261
Net cash inflow from acquisition of branches	-	193,399	193,399
Cash provided by investing activities	70,002	190,335	234,205
Financing Activities			
(Decrease)/increase in balances due to other banks	(1,217)	2,629	(1,076)
Dividends Paid	-	(1,872)	(1,872)
Repayment of principal portion of lease liabilities	(548)	-	(1,379)
Proceeds from Share Issue	-	96,592	96,592
Cash (used in)/provided by financing activities	(1,765)	97,349	92,265
Net increase in cash resources	89,695	297,423	314,555
Cash and cash equivalents at beginning of period/year	424,735	110,180	110,180
Cash and cash equivalents at end of period/year	514,430	407,603	424,735
Cash and cash equivalents at the end of the period/year are represented by:			
Cash on hand	21,129	21,687	18,813
Due from banks	472,959	375,136	397,598
Treasury Bills - Original maturities of three month or less	20,342	10,780	8,324
	514,430	407,603	424,735

UNAUDITED HALF YEAR FINANCIAL STATEMENTS

ENDED MARCH 31, 2021

Republic Bank (Grenada) Limited

Statement of Changes in Equity

Expressed in thousands of Eastern Caribbean dollars

	Stated Capital \$'000	Statutory Reserve \$'000	Retained Earnings \$'000	Total Equity \$'000
Unaudited period ended March 31, 2021				
Balance at October 1, 2020	117,337	22,816	80,968	221,121
Total comprehensive income for the period	-	-	4,629	4,629
Balance at March 31, 2021	117,337	22,816	85,597	225,750
Unaudited period ended March 31, 2020				
Balance at October 1, 2019	20,745	20,745	76,818	118,308
Total comprehensive income for the period	-	-	3,728	3,728
Dividends paid	-	-	(1,872)	(1,872)
Right Issue	96,592	-	-	96,592
Balance at March 31, 2020	117,337	20,745	78,674	216,756
Audited year ended September 30, 2020				
Balance at October 1, 2019	20,745	20,745	76,818	118,308
Total comprehensive income for the year	-	-	8,093	8,093
Dividends paid	-	-	(1,872)	(1,872)
Issue of shares	96,592	-	-	96,592
Transfer to Statutory reserve	-	2,071	(2,071)	-
Balance at September 30, 2020	117,337	22,816	80,968	221,121

Republic Bank (Grenada) Limited

NOTES TO THE FINANCIAL STATEMENTS

Expressed in thousands of Eastern Caribbean dollars

1. Corporate information

Republic Bank (Grenada) Limited (the Bank) is incorporated in Grenada and provides banking services through eight branches in Grenada and Carriacou. The Bank was continued under the provision of the Companies Ordinance Section 365, 1995 on March 23, 1998 and its registered office is located at Republic House, Grand Anse, St. George, Grenada. It is a subsidiary of Republic Financial Holdings Limited of Trinidad and Tobago formerly Republic Bank Limited.

Republic Financial Holdings Limited the financial holding company for the Republic Group is incorporated in the Republic of Trinidad and Tobago and its registered office is located at Republic House, 9-17 Park Street, Port of Spain. Republic Financial Holdings Limited is listed on the Trinidad and Tobago Stock Exchange.

The Republic Group (the 'Group') is a financial services group comprising several subsidiaries and associated companies. The Group is engaged in a wide range of banking, financial and related activities in the Caribbean Community (CARICOM) region, Cayman Islands, Ghana, St. Maarten, Anguilla and the British Virgin Islands.

2. Basis of preparation

This interim financial report for the period ended March 31, 2021 has been prepared in accordance with IAS 34, 'Interim Financial Reporting' and should be used in conjunction with the annual financial statements for the year ended September 30, 2020.

3. Significant accounting policies

The accounting policies adopted in the preparation of the interim condensed financial statements are consistent with those followed in the preparation of the annual financial statements for the year ended September 30, 2020.

4. Capital commitments

	UNAUDITED Mar-31-21 \$'000	UNAUDITED Mar-31-20 \$'000	AUDITED Sept-30-20 \$'000
Contracts for outstanding capital expenditure not provided for in the financial statements	88	804	131
Other capital expenditure authorised by the Directors but not yet contracted for	15,454	11,106	10,863



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UNAUDITED HALF YEAR FINANCIAL STATEMENTS ENDED MARCH 31, 2021

Republic Bank (Grenada) Limited NOTES TO THE FINANCIAL STATEMENTS

Expressed in thousands of Eastern Caribbean dollars

5. Related parties

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operating decisions. A number of banking transactions are entered into with related parties in the normal course of business. These transactions were carried out on commercial terms and conditions, at market rates.

	UNAUDITED	AUDITED	
	Mar-31-21	Mar-31-20	Sept-30-20
	\$'000	\$'000	\$'000
Advances, investments and other assets (net of provisions)			
Directors and key management personnel	1,303	1,315	1,300
Other related parties	252,845	75,655	89,188
	<u>254,148</u>	<u>76,970</u>	<u>90,488</u>
Deposits and other liabilities			
Directors and key management personnel	3,085	2,532	2,724
Other related parties	97,093	138,739	141,560
	<u>100,178</u>	<u>141,271</u>	<u>144,284</u>
Interest and other income			
Directors and key management personnel	28	31	48
Other related parties	125	168	360
	<u>153</u>	<u>199</u>	<u>408</u>
Interest and other expense			
Directors and key management personnel	375	308	463
Other related parties	338	1,980	2,718
	<u>713</u>	<u>2,288</u>	<u>3,181</u>
Key management compensation			
Short term benefits	478	570	927
Post employment benefits	18	16	32
	<u>496</u>	<u>586</u>	<u>959</u>

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Bank.

6. Deposits with Central Bank

The Eastern Caribbean Automated Clearing House (ECACH) System launched its operations effective September 2014. Republic Bank (Grenada) Limited has deposited three (3) days' collateral with the Eastern Caribbean Central Bank (ECCB) in the amount of \$15.68 million (A Treasury Bill valued at \$10M and cash of \$7.86 million) to guarantee settlement of all items being cleared through the ECACH.

7. Contingent liabilities

As at March 31, 2021, there were certain legal proceedings outstanding against the Bank. No provision has been made as professional advice indicates that it is unlikely that any significant loss will arise or that it would be premature at this stage of the action to determine that eventuality.

