

CHAIRPERSON'S STATEMENT

Dear Shareholder,

For the six months ended March 31, 2023, the Bank recorded net Profit after Tax of \$6.16 million, a decrease of \$0.84 million from the \$7.00 million recorded for the corresponding period last year. Interest income and non-interest income increased by 16.6% during the period, but these were offset by increased investments in new technology systems and provisions for expected credit losses.

As at March 31, 2023, total assets stood at \$2.10 billion, an increase of \$0.17 billion over the \$1.93 billion reported as at September 30, 2022. The Bank remains well capitalised with Tier 1 capital ratio of 11.6%.

Based on the Bank's performance for the half year ended March 31, 2023, the Board of Directors has declared an interim dividend of \$0.80 per share payable on May 15, 2023, to shareholders on record as at April 28, 2023.

Notwithstanding significant global uncertainties, the economic outlook for Grenada for 2023 remains positive with projected growth of 3.6% driven mainly by activity in the tourism and construction sectors.

The Bank remains well positioned to continue generating benefits to its stakeholders.



Karen Yip Chuck
CHAIRPERSON
April 17, 2023

Republic Bank (Grenada) Limited
 Statement Of Financial Position

Expressed in thousands of Eastern Caribbean dollars

	UNAUDITED Mar-31-23 \$'000	UNAUDITED Mar-31-22 \$'000	AUDITED Sept-30-22 \$'000
ASSETS			
Cash resources	651,181	608,823	584,280
Advances	960,119	875,045	901,510
Investment securities	329,133	289,229	318,797
Premises and equipment	39,020	36,622	37,788
Other assets	121,056	82,960	83,343
Total Assets	2,100,509	1,892,679	1,925,718
Liabilities and Equity			
LIABILITIES			
Due to banks	64,712	11,793	47,859
Customers' deposits and other funding instruments	1,766,692	1,597,160	1,615,659
Other liabilities	33,353	50,638	31,471
Total Liabilities	1,864,757	1,659,591	1,694,989
EQUITY			
Stated capital	117,337	117,337	117,337
Statutory reserves	26,256	24,178	26,256
General contingency reserves	3,452	-	3,452
Retained earnings	88,707	91,573	83,684
Total equity	235,752	233,088	230,729
Total Liabilities and Equity	2,100,509	1,892,679	1,925,718

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-31-23 \$'000	Mar-31-22 \$'000	Mar-31-23 \$'000	Mar-31-22 \$'000	Sept-30-22 \$'000
Net interest income	13,064	10,984	26,059	21,787	44,856
Other income	7,351	6,194	14,824	12,179	23,992
Operating income	20,415	17,178	40,883	33,966	68,848
Operating expenses	(16,663)	(13,049)	(31,043)	(25,354)	(55,586)
Operating profit	3,751	4,129	9,840	8,612	13,262
Credit loss (expense)/recovery on financial assets	(1,524)	767	(1,576)	945	451
Profit before taxation	2,227	4,896	8,264	9,557	13,713
Taxation expense	(566)	(1,316)	(2,109)	(2,559)	(3,322)
Net profit after taxation	1,661	3,580	6,155	6,998	10,391
Earnings per share					
Basic	\$0.44	\$0.95	\$1.63	\$1.85	\$2.75
Number of shares ('000)					
Basic	3,774	3,774	3,774	3,774	3,774
Weighted average	3,774	3,774	3,774	3,774	3,774

Republic Bank (Grenada) Limited
Statement of Comprehensive Income

Expressed in thousands of Eastern Caribbean dollars

	UNAUDITED THREE MONTHS ENDED		UNAUDITED SIX MONTHS ENDED		AUDITED YEAR ENDED
	Mar-31-23 \$'000	Mar-31-22 \$'000	Mar-31-23 \$'000	Mar-31-22 \$'000	Sept-30-22 \$'000
Net profit after taxation for the period/year	1,661	3,580	6,155	6,998	10,391
<i>Other comprehensive (loss)/income (net of tax) that will not be reclassified to the income statement in subsequent periods:</i>					
Re-measurement losses on defined benefit plans	-	-	-	-	(1,600)
Total comprehensive income for the period/year, net of taxation	1,661	3,580	6,155	6,998	8,791

Republic Bank (Grenada) Limited
Statement Of Cash Flows

Expressed in thousands of Eastern Caribbean dollars

	UNAUDITED SIX MONTHS ENDED		AUDITED YEAR ENDED
	Mar-31-23 \$'000	Mar-31-22 \$'000	Sept-30-22 \$'000
Operating Activities			
Profit before taxation	8,264	9,557	13,713
Adjustments for non-cash items	3,015	848	6,996
Increase in operating assets	(107,165)	(7,724)	(38,384)
Increase in operating liabilities	170,119	86,009	118,486
Taxes paid	(2,704)	(726)	(1,179)
Cash provided by operating activities	71,529	87,964	99,632
Investing Activities			
Net increase in investments	(10,078)	(88,638)	(101,931)
Additions to fixed assets	(3,811)	(1,863)	(4,429)
Proceeds from sale of fixed assets	2,130	22	105
Cash used in investing activities	(11,759)	(90,479)	(106,255)
Financing Activities			
Dividends paid	(1,132)	(2,717)	(6,869)
Repayment of principal portion of lease liabilities	(464)	(497)	(1,001)
Cash used in financing activities	(1,596)	(3,214)	(7,870)
Net increase/(decrease) in cash resources	58,174	(5,729)	(14,493)
Cash and cash equivalents at beginning of period/year	454,703	469,196	469,196
Cash and cash equivalents at end of period/year	512,877	463,467	454,703
Cash and cash equivalents at the end of the period/year are represented by:			
Cash on hand	28,309	26,030	25,132
Due from banks	451,384	411,620	330,889
Treasury Bills - Original maturities of three months or less	33,184	25,817	98,682
	512,877	463,467	454,703

Republic Bank (Grenada) Limited
Statement of Changes in Equity

Expressed in thousands of Eastern Caribbean dollars

	Stated Capital \$'000	Statutory Reserve \$'000	General Contingency Reserve \$'000	Retained Earnings \$'000	Total Equity \$'000
Unaudited period ended March 31, 2023					
Balance at October 1, 2022	117,337	26,256	3,452	83,684	230,729
Total comprehensive income for the period	-	-	-	6,155	6,155
Dividends paid	-	-	-	(1,132)	(1,132)
Balance at March 31, 2023	117,337	26,256	3,452	88,707	235,752
Unaudited period ended March 31, 2022					
Balance at October 1, 2021	117,337	24,178	-	87,292	228,807
Total comprehensive income for the period	-	-	-	6,998	6,998
Dividends paid	-	-	-	(2,717)	(2,717)
Balance at March 31, 2022	117,337	24,178	-	91,573	233,088
Audited year ended September 30, 2022					
Balance at October 1, 2021 restated	117,337	24,178	-	87,292	228,807
Total comprehensive income for the year	-	-	-	8,791	8,791
Transfer to general contingency reserve	-	-	3,452	(3,452)	-
Transfer to Statutory reserve	-	2,078	-	(2,078)	-
Dividends paid	-	-	-	(6,869)	(6,869)
Balance at September 30, 2022	117,337	26,256	3,452	83,684	230,729

Republic Bank (Grenada) Limited
NOTES TO THE INTERIM 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 seven 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, 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 mainly 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, 2023 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, 2022.

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, 2022.

4. Capital commitments

	UNAUDITED Mar-31-23 \$'000	UNAUDITED Mar-31-22 \$'000	AUDITED Sept-30-22 \$'000
Contracts for outstanding capital expenditure not provided for in the financial statements	1,231	354	864
Other capital expenditure authorised by the Directors but not yet contracted for	10,760	8,758	6,374

Republic Bank (Grenada) Limited
 NOTES TO THE INTERIM 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. There are no provisions for related party balances as at March 31, 2023.

	UNAUDITED		AUDITED
	Mar-31-23 \$'000	Mar-31-22 \$'000	Sept-30-22 \$'000
Advances, investments and other assets (net of provisions)			
Directors and key management personnel	1,087	1,202	1,160
Other related parties	200,125	277,077	272,113
	<u>201,212</u>	<u>278,279</u>	<u>273,273</u>
Deposits and other liabilities			
Directors and key management personnel	4,511	3,487	3,532
Other related parties	192,103	116,472	143,090
	<u>196,614</u>	<u>119,959</u>	<u>146,622</u>
Interest and other income			
Directors and key management personnel	27	26	53
Other related parties	112	118	250
	<u>139</u>	<u>144</u>	<u>303</u>
Interest and other expense			
Directors and key management personnel	194	345	485
Other related parties	5,031	647	1,722
	<u>5,225</u>	<u>992</u>	<u>2,207</u>
Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Bank.			
Key management compensation			
Short term benefits	706	714	1,170
Post employment benefits	20	22	48
	<u>726</u>	<u>736</u>	<u>1,218</u>

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) day's collateral with the Eastern Caribbean Central Bank (ECCB) in the amount of \$22.8 million (Four Treasury Bills valued at \$10.0M, \$2.4M, \$3.7M and \$8.2M) to guarantee settlement of all items being cleared through the ECACH.

7. Contingent liabilities

As at March 31, 2023, 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.