

The East Caribbean Financial Holding Company is pleased to report another strong half year performance despite the global uncertainties. Net income after tax for the period was reported at \$34.9M and \$1.42 in basic EPS adding value for our shareholders. This compares to net income of \$38.4 million, or \$1.56 basic earnings per share for the half year June 2024. While the performance for the year is below the comparative period, growth was recorded in all but one revenue line item and growth was also realized in other aspects of the business.

These results were generated from a strong balance sheet which grew from \$3.6B at December 2024 to \$3.8B at June 2025; an increase of \$229.6M or 6.3%. This growth was driven primarily by customer deposits, which moved from \$3.0B in December 2024 to \$3.3B in June 2025, an increase of \$290.0M, signaling our customers' continued confidence in the Group. The growth in deposits was utilized in the pursuit of new investment opportunities and to meet loan disbursements.

The productive loan portfolio increased by \$38.8M since December 2024, driven primarily by growth in retail lending. We are pursuing a pipeline of promising opportunities expected to further strengthen the loan book. The Non-Performing Loan (NPL) portfolio declined by \$4.7M over the same period, with balance sheet provisions decreasing marginally by \$716K. The NPL ratio improved from 7.5% in June 2024 to 6.3% in June 2025, reflecting continued recovery success supported by enhanced loan quality and underwriting standards.

The investment portfolio recorded significant growth of \$275.1M, or 21.9%, since December, driven by the deployment of cash from deposit growth into productive uses. We continue to actively manage the portfolio's maturity profile by allocating funds to longer-term securities, locking in favorable rates ahead of potential interest rate cuts.

The net income after projected tax of \$34.9M, a reduction of 9.1% from the comparative 2024 period, was influenced by several factors:

Net interest income was \$52.7 million, an increase of \$8.2 million or 18% from the prior year. Net interest income benefited from the continued high international interest rates and growth in the investment portfolio driven by deposit growth. An increase of 28.8% was recorded over June 2024 in interest income from investments and bank deposits. The growth in interest expense was contained at 2% or \$318.6k from June 2024 despite the significant increase in customer deposits as most of the deposit growth was attributed to non-interest-bearing demand deposits.

Fee and commission income realized a 26.5% or \$6.4M decrease from the comparative 2024 period driven by decreased client maintenance fees and card related fees and commissions. While we recorded increased card activity, this did not translate to increased revenue as fees from the increased debit card activity partially eroded the gains from the credit card transaction volume increase.

Net foreign exchange income increased by \$957k or 16% with the USD, CAD and GBP exchange income contributing largely to this.

Our provisions for loan losses decreased by \$2.8M from the prior year due to reversal of provisions from loans recovered and general improvement in the credit risk of the portfolio. Provisions for investment impairment were recorded at \$538k while June 2024 recorded a recovery of \$411k – resulting in an increase of \$949.2k for the period.


Evaristus Jn Marie Chairman


Rolf K. Phillips Managing Director

Operating costs increased \$3.8M or 9.4% driven by increased staff costs and software licenses and costs incurred in pursuit of strategic initiatives.

Return on assets and return on equity were 1.87% and 15.28% respectively, a reduction from the comparative period of 2.46% and 20.87%. The ratios were adversely impacted by the lower profits and further compounded by the increased assets and equity. We continue to maintain strong levels of liquidity and robust capital adequacy levels in excess of the ECCB's requirement.

We have made good progress on strategic initiatives to bring more value to stakeholders. With the launch of our new purpose- empowering people to succeed in every aspect of their lives, we have made significant strides in delivering solutions that meet our customers' evolving needs.

We recently launched a suite of targeted mortgage loan campaigns, tailored to support customers at various stages of their life journey. These campaigns are designed to make home ownership more accessible and meaningful, whether for first-time buyers, growing families, or those looking to refinance. The BOSL Fund Management Company (BFMC) continues to grow its footprint in the market by delivering value-focused wealth creation solutions. BFMC has onboarded new clients and is actively pursuing opportunities in pension fund administration and portfolio management services.

We remain focused on deepening digital engagement to better serve our customers. Work is well underway on the implementation of a Customer Relationship Management (CRM) system, which is on track for launch before the end of the financial year. This tool will enable us to strengthen our relationships and respond more effectively to customer needs.

At the same time, we have embarked on a broader Digital Transformation Project, now in its early implementation phase. This initiative will integrate Artificial Intelligence into our operations to drive greater efficiency, streamline processes, and create a more seamless and intuitive customer experience.

As we advance our strategy, we enter the second half of the year with enthusiasm and optimism. The initiatives already underway position us to deliver even greater value to all our stakeholders – our dedicated and committed staff, our loyal customers, and our shareholders who continue to place their trust in us.

VISION
to
VALUE

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 **ECFH**
East Caribbean Financial Holding Company Limited

**2025 HALF YEAR REPORT
TO SHAREHOLDERS**



INTERIM CONSOLIDATED BALANCE SHEET				
As at June 30, 2025 (expressed in Eastern Caribbean dollars)				
	(Unaudited) June 30 2025 \$'000	(Audited) December 31 2024 \$'000	(Unaudited) June 30 2024 \$'000	12 mths Change %
Assets				
Cash and balances with Central Bank	360,814	318,586	393,624	-8%
Due from other banks	576,642	654,409	564,618	2%
Financial assets held for trading	-	-	55,596	-100%
Deposits with non-bank financial institutions	47,918	68,998	30,545	57%
Loans & advances to customers	942,439	909,020	906,303	4%
Investments securities	1,531,166	1,256,041	948,822	61%
Investment in associated undertaking	88,353	91,862	74,576	18%
Property plant and equipment & intangibles	75,896	73,418	70,798	7%
Right of use leased asset	243	485	728	-67%
Investment properties	31,463	31,463	31,282	1%
Other assets	176,909	206,105	156,619	13%
Income tax recoverable	8,149	-	-	0%
Retirement benefit asset	14,242	14,242	14,738	-3%
Total assets	3,854,234	3,624,630	3,248,249	19%
Liabilities				
Deposits from banks	16,536	17,025	18,021	-8%
Due to customers	3,251,699	2,962,109	2,761,938	18%
Preference shares	4,150	4,150	4,150	0%
Other liabilities	103,994	189,057	80,250	30%
Lease liability	327	589	843	-61%
Dividends payable	291	581	291	0%
Income tax payable	-	7,560	249	0%
Deferred tax liabilities	3,396	3,397	2,148	0%
Total Liabilities	3,380,393	3,184,468	2,867,890	18%
Shareholder' Equity				
Share capital	170,081	170,081	170,081	0%
Contributed capital	1,118	1,118	1,118	0%
OCI reserve	(4,239)	(21,358)	(24,067)	-82%
Revaluation reserve	29,145	29,145	26,428	10%
Reserves	207,574	207,574	192,969	8%
Retained earnings/ (accumulated deficit)	35,253	(38,782)	(24,584)	-243%
Profit for the period after taxes	34,909	92,384	38,414	-9%
Parent shareholders' equity	473,841	440,162	380,359	25%
Total equity and liabilities	3,854,234	3,624,630	3,248,249	19%

INTERIM CONSOLIDATED STATEMENT OF INCOME				
SIX MONTH PERIOD ENDED JUNE 30, 2025				
(expressed in Eastern Caribbean dollars)				
	(Unaudited) 6 mths To June 30, 2025 \$'000	(Audited) 12 mths To December 31, 2024 \$'000	(Unaudited) 6 mths To June 30, 2024 \$'000	12 months % Change
Interest income	66,766	122,094	58,216	15%
Interest expense	14,017	28,122	13,699	2%
Net interest income	52,749	93,972	44,517	18%
Other income	43,368	108,282	46,268	-6%
Operating income	96,117	202,254	90,785	6%
Impairment loss- loans & investments	577	(8,918)	(3,158)	-118%
Other operating expenses	54,743	99,206	48,746	12%
Profit for the period before taxation & dividends	40,797	111,966	45,197	-10%
Dividends on preference Shares	-	291	-	0%
Provision for Tax	5,888	19,291	6,783	-13%
Profit for the period	34,909	92,384	38,414	-9.1%
Earnings per share				
- basic	1.42	3.78	1.56	
- diluted	1.37	3.65	1.51	
INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY				
FOR THE SIX MONTH PERIOD ENDED JUNE 30, 2025				
(expressed in Eastern Caribbean dollars)				
	Ordinary Shares \$'000	Contributed Capital \$'000	Reserves \$'000	Revaluation Reserve \$'000
Balance at 1 January 2024	170,081	1,118	192,969	26,428
Total comprehensive income for the year	-	-	-	3,902
Transfers to reserves	-	-	14,605	-
Dividends paid	-	-	-	-
Balance at 31 December 2024	170,081	1,118	207,574	29,145
Balance at 1 January 2025	170,081	1,118	207,574	29,145
Total comprehensive income for the period	-	-	-	17,119
Dividens paid	-	-	-	-
Balance at 30 June 2025	170,081	1,118	207,574	46,263

INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE SIX MONTH PERIOD ENDED JUNE 30, 2025 (expressed in Eastern Caribbean dollars)			
	(Unaudited) 6 mths to June 30, 2025 \$'000	(Audited) 12 mths to December 31, 2024 \$'000	(Unaudited) 6 mths to June 30, 2024 \$'000
Operating Activities			
Profit after income tax	34,909	92,384	38,414
Adjustments for items not affecting cash, changes in non-cash working capital components and other items, net	161,271	450,718	204,738
Cash flows from operating activites	196,180	543,102	243,152
Cash flows used in investing activites	(213,459)	(309,672)	(115,513)
Cash flows used in financing activities	(18,901)	(41,139)	(40,885)
Net (decrease)/increase in cash and cash equivalents	(36,180)	192,291	86,755
Cash and cash equivalents at beginning of period	563,511	371,220	371,220
Cash and cash equivalents at end of period	527,331	563,511	457,975