

Independent Auditors' Report on the Summary Consolidated Financial Statements

To the Shareholder of Republic Bank (EC) Limited

Opinion

The summary consolidated financial statements, which comprise the summary consolidated statement of financial position as at September 30, 2020, the summary consolidated statements of income and comprehensive income, changes in equity and cash flows for the eleven month period then ended, are derived from the audited consolidated financial statements of Republic Bank (EC) Limited ("the Bank") for the eleven month period ended September 30, 2020.

In our opinion, the accompanying summary consolidated financial statements are consistent, in all material respects, with the audited consolidated financial statements.

Summary Consolidated Financial Statements

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

The Audited Consolidated Financial Statements and Our Report Thereon

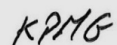
We expressed an unmodified audit opinion on the audited consolidated financial statements in our report dated November 27, 2020.

Managements' Responsibility for the Summary Consolidated Financial Statements

Management is responsible for the preparation of the summary consolidated financial statements.

Auditors' Responsibility

Our responsibility is to express an opinion on whether the summary consolidated financial statements are consistent, in all material respects, with the audited consolidated 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
Saint Lucia
November 27, 2020

SUMMARY CONSOLIDATED FINANCIAL STATEMENTS SEPTEMBER 30, 2020

SUMMARY CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at September 30, 2020

Expressed in thousands of Eastern Caribbean dollars (\$'000)

	2020 \$'000
ASSETS	
Cash on hand	117,418
Statutory deposits with Central Banks	660,921
Due from banks	568,545
Treasury Bills	5,933
Advances	2,308,082
Investment securities	318,087
Investment interest receivable	150
Premises and equipment	28,092
Right-of-use assets	23,983
Intangible assets	82,628
Deferred tax assets	205
Other assets	25,730
TOTAL ASSETS	<u>4,139,774</u>
LIABILITIES	
Due to banks	290,658
Customers' current, savings and deposit accounts	3,338,601
Lease liabilities	24,650
Taxation payable	2,124
Accrued interest payable	2,878
Other liabilities	61,325
TOTAL LIABILITIES	<u>3,720,236</u>
EQUITY	
Stated capital	402,894
Statutory reserves	3,329
Retained earnings	13,315
TOTAL EQUITY	<u>419,538</u>
TOTAL LIABILITIES AND EQUITY	<u>4,139,774</u>

These summary consolidated financial statements were approved by the board of directors on November 27, 2020 and signed on its behalf by:



Derwin Howell, Chairman



Michelle Palmer-Keizer, Managing Director



Ian De Souza, Director



Janelle Bernard, Corporate Secretary

SUMMARY CONSOLIDATED STATEMENT OF INCOME AND COMPREHENSIVE INCOME

For Eleven Months Ended September 30, 2020
Expressed in thousands of Eastern Caribbean dollars (\$'000)

	2020 \$'000
Interest income	143,242
Interest expense	<u>(35,914)</u>
Net interest income	107,328
Other income	<u>47,758</u>
	155,086
Operating expenses	<u>(109,981)</u>
Operating profit	45,105
Credit loss expense on financial assets	<u>(17,019)</u>
Net profit before taxation	28,086
Taxation expense	<u>(11,442)</u>
Net profit after taxation	<u>16,644</u>
Attributable to:	
Equity holders of the parent	<u>16,644</u>

SUMMARY CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For Eleven Months Ended September 30, 2020
Expressed in thousands of Eastern Caribbean dollars (\$'000)

	Stated Capital \$'000	Statutory Reserves \$'000	Retained Earnings \$'000	Total Equity \$'000
Total comprehensive income for the period	–	–	16,644	16,644
Issue of shares	402,894	–	–	402,894
Transfer to statutory reserves	<u>–</u>	<u>3,329</u>	<u>(3,329)</u>	<u>–</u>
Balance at September 30, 2020	<u>402,894</u>	<u>3,329</u>	<u>13,315</u>	<u>419,538</u>

SUMMARY CONSOLIDATED STATEMENT OF CASH FLOWS

For Eleven Months Ended September 30, 2020
Expressed in thousands of Eastern Caribbean dollars (\$'000)

	2020 \$'000
Operating activities	
Net profit before taxation	28,086
Adjustments for:	
Depreciation of premises and equipment and right-of-use assets	5,853
Credit loss expense on financial assets	17,019
Amortisation of intangibles	6,030
Increase in advances	(88,614)
Decrease in customers' deposits and other fund raising instruments	(10,348)
Increase in statutory deposits with Central Banks	(331,635)
Decrease in other assets and investment interest receivable	37,463
Increase in other liabilities and accrued interest payable	13,699
Taxes paid, net of refund	<u>(9,523)</u>
Cash used in operating activities	<u>(331,970)</u>
Investing activities	
Purchase of investment securities	(316,869)
Acquisition of subsidiary and branches, net of cash acquired	1,365,754
Additions to premises and equipment	<u>(9,578)</u>
Cash provided by investing activities	<u>1,039,307</u>
Financing activities	
Decrease in balances due to other banks	(414,844)
Repayment of lease liabilities	<u>(3,491)</u>
Cash used in financing activities	<u>(418,335)</u>
Net increase in cash and cash equivalents	289,002
Cash and cash equivalents at beginning of period	<u>402,894</u>
Cash and cash equivalents at end of period	<u>691,896</u>
Cash and cash equivalents at end of period are represented by:	
Cash on hand	117,418
Due from banks	568,545
Treasury Bills - original maturities of three months or less	<u>5,933</u>
	<u>691,896</u>
Supplemental information:	
Interest received during the period	97,805
Interest paid during the period	<u>(33,036)</u>