



CHAIRMAN'S STATEMENT

Dear Shareholder,

For the three months ended December 31, 2021, the Bank recorded Net Profit after Tax of \$3.42 million, a 45% increase over the \$1.06 million recorded for the corresponding period last year. Our performance was positively impacted by a reduction in provisions for credit losses and increase in non-interest income. However, these were partly offset by reduced investments income. Total assets stood at \$1.86 billion.

Our Halifax Street and Grand Anse branches were successfully converted to the new Republic Financial Holdings Limited suite of technology platforms on February 1, 2022. We look forward to extending this new banking experience to our remaining customers in the coming months.

The outlook for 2022 remains positive. Downside risks to this outlook continue to be the ongoing COVID-19 pandemic and its ongoing impact. Notwithstanding, the Bank is well poised to benefit from any improvement in economic activity.

I would like to thank our customers, staff and other stakeholders for their continued support.

Gregory I. Thomson
CHAIRMAN
February 24, 2022

UNAUDITED FIRST QUARTER FINANCIAL STATEMENTS

THREE MONTHS ENDED DECEMBER 31, 2021

Statement of Financial Position

as at December 31, 2021

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

	UNAUDITED Dec-31-21 \$'000	UNAUDITED Dec-31-20 \$'000	AUDITED Sept-30-21 \$'000
Assets			
Cash resources	643,358	584,383	591,777
Advances	868,274	839,523	863,140
Investment securities	208,192	199,654	223,039
Premises and equipment	36,284	36,528	36,100
Other assets	100,753	85,555	86,212
Total Assets	1,856,861	1,745,643	1,800,268
Liabilities and Equity			
Liabilities			
Due to banks	10,149	6,914	10,090
Customers' deposits and other funding instruments	1,596,074	1,494,096	1,541,461
Other liabilities	20,008	20,990	21,505
Total Liabilities	1,626,231	1,522,000	1,573,056
Equity			
Stated capital	117,337	117,337	117,337
Statutory reserve	24,178	22,816	24,178
Retained earnings	89,115	83,490	85,697
Total equity	230,630	223,643	227,212
Total Liabilities and Equity	1,856,861	1,745,643	1,800,268

Gregory I. Thomson,
Chairman

Naomi De Allie,
Managing Director



UNAUDITED FIRST QUARTER FINANCIAL STATEMENTS THREE MONTHS ENDED DECEMBER 31, 2021

Statement of Income

For the period ended December 31, 2021
Expressed in thousands of Eastern Caribbean dollars (\$'000)

	UNAUDITED THREE MONTHS ENDED		AUDITED YEAR ENDED
	Dec-31-21 \$'000	Dec-31-20 \$'000	Sept-30-21 \$'000
Net interest income	10,803	11,341	43,778
Other income	5,985	5,071	21,478
Operating income	16,788	16,411	65,256
Operating expenses	(12,305)	(12,170)	(50,488)
Operating profit	4,483	4,242	14,768
Credit recovery/(loss expense) on financial assets	178	(1,592)	(6,682)
Profit before taxation	4,661	2,649	8,086
Taxation expense	(1,243)	(293)	(1,275)
Net profit after taxation	3,418	2,356	6,811
Earnings per share			
Basic	\$0.91	\$0.62	\$1.80
Number of shares ('000)			
Basic	3,774	3,774	3,774

Statement of Comprehensive Income

For the period ended December 31, 2021
Expressed in thousands of Eastern Caribbean dollars (\$'000)

	UNAUDITED THREE MONTHS ENDED		AUDITED YEAR ENDED
	Dec-31-21 \$'000	Dec-31-20 \$'000	Sept-30-21 \$'000
Net profit after taxation for the period/year	3,418	2,356	6,811
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	-	-	(886)
Total comprehensive income for the period/year, net of taxation	3,418	2,356	5,925

Statement of Changes in Equity

For the period ended December 31, 2021
Expressed in thousands of Eastern Caribbean dollars (\$'000)

	Stated Capital \$'000	Statutory Reserve \$'000	Retained Earnings \$'000	Total Equity \$'000
Unaudited period ended December 31, 2021				
Balance at October 1, 2021	117,337	24,178	85,697	227,212
Total comprehensive income for the period	-	-	3,418	3,418
Balance at December 31, 2021	117,337	24,178	89,115	230,630
Unaudited period ended December 31, 2020				
Balance at October 1, 2020	117,337	22,816	81,134	221,287
Total comprehensive income for the period	-	-	2,356	2,356
Balance at December 31, 2020	117,337	22,816	83,490	223,643
Audited year ended September 30, 2021				
Balance at October 1, 2020	117,337	22,816	81,134	221,287
Total comprehensive income for the year	-	-	5,925	5,925
Transfer to Statutory reserve	-	1,362	(1,362)	-
Balance at September 30, 2021	117,337	24,178	85,697	227,212

Statement of Cash Flows

For the period ended December 31, 2021
Expressed in thousands of Eastern Caribbean dollars (\$'000)

	UNAUDITED THREE MONTHS ENDED		AUDITED YEAR ENDED
	Dec-31-21 \$'000	Dec-31-20 \$'000	Sept-30-21 \$'000
Operating activities			
Profit before taxation	4,661	2,649	8,086
Adjustments for non-cash items	1,613	2,370	12,231
(Increase)/decrease in operating assets	(22,507)	1,223	9,436
Increase/(decrease) in operating liabilities	53,130	(44,668)	2,373
Taxes paid	(756)	(2,189)	(4,329)
Cash provided by/(used in) operating activities	36,141	(40,615)	27,797
Investing activities			
Net decrease in investments	20,566	29,490	17,911
Additions to fixed assets	(846)	(660)	(2,387)
Proceeds from sale of fixed assets	-	90	191
Cash provided by investing activities	19,720	28,920	15,715
Financing activities			
Decrease in balances due to other banks	54	(1,110)	2,061
Repayment of principal portion of lease liabilities	(244)	(203)	(1,112)
Cash (used in)/provided by financing activities	(190)	(1,313)	949
Net increase/(decrease) in cash resources	55,671	(13,008)	44,461
Cash and cash equivalents at beginning of period/year	469,196	424,735	424,735
Cash and cash equivalents at end of period/year	524,867	411,727	469,196


Republic Bank (Grenada) Limited

UNAUDITED FIRST QUARTER FINANCIAL STATEMENTS

THREE MONTHS ENDED DECEMBER 31, 2021

Statement of Cash Flows (Cont'd)

For the period ended December 31, 2021

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

	UNAUDITED THREE MONTHS ENDED		AUDITED YEAR ENDED
	Dec-31-21 \$'000	Dec-31-20 \$'000	Sept-30-21 \$'000
Cash and cash equivalents at the end of the period/year are represented by:			
Cash on hand	30,411	29,289	21,396
Due from banks	466,043	376,679	425,721
Treasury Bills - Original maturities of three months or less	28,413	5,759	22,079
	<u>524,867</u>	<u>411,727</u>	<u>469,196</u>

Notes to the Interim Financial Statements

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, 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 December 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, 2021.

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, 2021.

4 Capital commitments

Contracts for outstanding capital expenditure not provided for in the financial statements
Other capital expenditure authorised by the Directors but not yet contracted for

	UNAUDITED		AUDITED
	Dec-31-21 \$'000	Dec-31-20 \$'000	Sept-30-21 \$'000
Contracts for outstanding capital expenditure not provided for in the financial statements	170	106	88
Other capital expenditure authorised by the Directors but not yet contracted for	9,933	15,975	14,380

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 December 31, 2021.

	UNAUDITED		AUDITED
	Dec-31-21 \$'000	Dec-31-20 \$'000	Sept-30-21 \$'000
Advances, investments and other assets (net of provisions)			
Directors and key management personnel	1,234	1,270	1,290
Other related parties	316,348	45,458	228,422
	<u>317,582</u>	<u>46,728</u>	<u>229,712</u>

Deposits and other liabilities

Directors and key management personnel	3,206	2,841	3,195
Other related parties	106,170	102,984	95,682
	<u>109,376</u>	<u>105,825</u>	<u>98,877</u>

Interest and other income

Directors and key management personnel	12	12	57
Other related parties	7	40	253
	<u>19</u>	<u>52</u>	<u>310</u>

Interest and other expense

Directors and key management personnel	119	117	471
Other related parties	165	174	793
	<u>284</u>	<u>291</u>	<u>1,264</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	484	263	890
Post employment benefits	11	8	39
	<u>495</u>	<u>271</u>	<u>929</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 \$19.1 million (A Treasury Bill valued at \$10M and cash of \$9.1M) to guarantee settlement of all items being cleared through the ECACH.

7 Contingent liabilities

As at December 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.