

CHAIRMAN'S STATEMENT

Dear Shareholder,

The Bank recorded net Profit after Tax of \$4.49 million for the first quarter ended December 31, 2022, a 31.5% increase from the \$3.42 million recorded for the corresponding period last year. This performance was positively impacted by increases in interest and non-interest income partly offset by increased operating expenses. Total assets increased by \$116 million to \$2.04 billion. The Bank remains well capitalised with a Tier 1 capital ratio of 11.8%.

Following the successful conversion of our operating systems and processes to the Phoenix technology platform, all our customers now benefit from the same digital offerings and ABM interface. We have achieved the promised improvement in service delivery and expect further improvement over the next year. We thank our customers for their patience and understanding during the conversion process.

The Grenada economy is estimated to further expand by 3.6% in 2023 driven mainly by continued recovery in tourism and robust construction activity. The Bank is well poised to benefit as the economy improves.



Gregory I. Thomson
CHAIRMAN
January 12, 2023

Statement of Financial Position

as at December 31, 2022

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

	UNAUDITED Dec-31-22 \$'000	UNAUDITED Dec-31-21 \$'000	UNAUDITED Sept-30-22 \$'000
Assets			
Cash resources	606,473	643,358	584,280
Advances	956,365	868,274	901,510
Investment securities	313,259	208,192	318,797
Premises and equipment	38,995	36,284	37,788
Other assets	126,831	100,753	83,343
Total Assets	2,041,923	1,856,861	1,925,718
Liabilities and Equity			
Liabilities			
Due to banks	45,434	10,149	47,859
Customers' deposits and other funding instruments	1,726,515	1,596,074	1,615,659
Other liabilities	34,752	20,008	31,471
Total Liabilities	1,806,701	1,626,231	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	88,177	89,115	83,684
Total equity	235,222	230,630	230,729
Total Liabilities and Equity	2,041,923	1,856,861	1,925,718



Gregory I. Thomson,
Chairman



Naomi De Allie,
Managing Director

Statement of Income

For the period ended December 31, 2022
Expressed in thousands of Eastern Caribbean dollars (\$'000)

	UNAUDITED THREE MONTHS ENDED		UNAUDITED YEAR ENDED
	Dec-31-22 \$'000	Dec-31-21 \$'000	Sept-30-22 \$'000
Net interest income	12,995	10,803	44,856
Other income	7,473	5,985	23,992
Operating income	20,468	16,788	68,848
Operating expenses	(14,380)	(12,305)	(55,586)
Operating profit	6,088	4,483	13,262
Credit loss (expense)/recovery on financial assets	(52)	178	451
Profit before taxation	6,036	4,661	13,713
Taxation expense	(1,543)	(1,243)	(3,322)
Net profit after taxation	4,493	3,418	10,391
Earnings per share			
Basic	\$1.19	\$0.91	\$2.75
Number of shares ('000)			
Basic	3,774	3,774	3,774
Weighted average	3,774	3,774	3,774

Statement of Comprehensive Income

For the period ended December 31, 2022
Expressed in thousands of Eastern Caribbean dollars (\$'000)

	UNAUDITED THREE MONTHS ENDED		UNAUDITED YEAR ENDED
	Dec-31-22 \$'000	Dec-31-21 \$'000	Sept-30-22 \$'000
Net profit after taxation for the period/year	4,493	3,418	10,391
Other comprehensive income (net of tax) that may be reclassified to profit and loss in subsequent periods or have been transferred to profit and loss in the current period:			
Other comprehensive losses (net of tax) that will not be reclassified to profit and loss in subsequent periods:			
Re-measurement losses on defined benefit plans	-	-	(1,600)
Total comprehensive income for the period/year, net of taxation	4,493	3,418	8,791

Statement of Changes in Equity

For the period ended December 31, 2022
Expressed in thousands of Eastern Caribbean dollars (\$'000)

	Stated Capital \$'000	Statutory Reserve \$'000	General contingency Reserves \$'000	Retained Earnings \$'000	Total Equity \$'000
Unaudited period ended December 31, 2022					
Balance at October 1, 2022	117,337	26,256	3,452	83,684	230,729
Total comprehensive income for the period	-	-	-	4,493	4,493
Balance at December 31, 2022	117,337	26,256	3,452	88,177	235,222
Unaudited period ended December 31, 2020					
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
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

Statement of Cash Flows

For the period ended December 31, 2022
Expressed in thousands of Eastern Caribbean dollars (\$'000)

	UNAUDITED THREE MONTHS ENDED		UNAUDITED YEAR ENDED
	Dec-31-22 \$'000	Dec-31-21 \$'000	Sept-30-22 \$'000
Operating activities			
Profit before taxation	6,036	4,661	13,713
Adjustments for non-cash items	15	1,613	6,996
Increase in operating assets	(90,560)	(22,507)	(38,384)
Increase in operating liabilities	111,475	53,184	118,486
Taxes paid	(790)	(756)	(1,179)
Cash provided by operating activities	26,176	36,195	99,632
Investing activities			
Net decrease/(increase) in investments	5,673	20,566	(101,931)
Additions to fixed assets	(2,637)	(846)	(4,429)
Proceeds from sale of fixed assets	1,720	-	105
Cash provided by/(used in) investing activities	4,756	19,720	(106,255)
Financing activities			
Dividends paid	-	-	(6,869)
Repayment of principal portion of lease liabilities	(329)	(244)	(1,001)
Cash used in financing activities	(329)	(244)	(7,870)
Net increase/(decrease) in cash resources	30,603	55,671	(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	485,306	524,867	454,703

Statement of Cash Flows (Cont'd)

 For the period ended December 31, 2022
Expressed in thousands of Eastern Caribbean dollars (\$'000)

	UNAUDITED THREE MONTHS ENDED		UNAUDITED YEAR ENDED
	Dec-31-22 \$'000	Dec-31-21 \$'000	Sept-30-22 \$'000
Cash and cash equivalents at the end of the period/year are represented by:			
Cash on hand	37,408	30,411	25,132
Due from banks	432,034	466,043	330,889
Treasury Bills - Original maturities of three months or less	15,865	28,413	98,682
	485,306	524,867	454,703

Notes to the Interim Financial Statements
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. It recently launched an insurance subsidiary in Trinidad and Tobago.

2 Basis of preparation

This interim financial report for the period ended December 31, 2022 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		UNAUDITED
	Dec-31-22 \$'000	Dec-31-21 \$'000	Sept-30-22 \$'000
Contracts for outstanding capital expenditure not provided for in the financial statements	419	170	864
Other capital expenditure authorised by the Directors but not yet contracted for	12,158	9,933	6,374

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, 2022.

	UNAUDITED		AUDITED
	Dec-31-22 \$'000	Dec-31-21 \$'000	Sept-30-22 \$'000
Advances, investments and other assets (net of provisions)			
Directors and key management personnel	1,123	1,234	1,160
Other related parties	288,487	316,348	272,113
	289,610	317,582	273,273
Deposits and other liabilities			
Directors and key management personnel	5,138	3,206	3,532
Other related parties	143,149	106,170	143,090
	148,287	109,376	146,622
Interest and other income			
Directors and key management personnel	19	12	53
Other related parties	58	7	250
	77	19	303
Interest and other expense			
Directors and key management personnel	99	119	485
Other related parties	1,683	165	1,722
	1,782	284	2,207
Key management compensation			
Short term benefits	497	484	1,170
Post employment benefits	11	11	48
	508	495	1,218

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) 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 December 31, 2022, 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.