

Fidelity Bank (Bahamas) Limited
(Incorporated under the laws of the Commonwealth of The Bahamas)

Consolidated Statement of Financial Position (Unaudited)
As of 30 June 2020
(Expressed in Bahamian dollars)

	2020	2019
	\$	\$
ASSETS		
Cash on hand and at banks	165,297,718	165,667,063
Investment securities	82,962,527	83,364,488
Loans and advances to customers	436,441,977	431,080,313
Other assets	4,150,083	928,932
Investments in joint ventures	207,002	204,691
Property, plant and equipment	11,142,702	11,669,397
	<u>11,142,702</u>	<u>11,669,397</u>
Total assets	<u>700,202,009</u>	<u>692,914,884</u>
LIABILITIES		
Deposits from customers	557,453,872	567,607,647
Accrued expenses and other liabilities	14,005,478	3,391,919
Debt securities	24,036,077	24,193,064
	<u>24,036,077</u>	<u>24,193,064</u>
Total liabilities	<u>595,495,427</u>	<u>595,192,630</u>
EQUITY		
Capital – ordinary shares	20,410,050	20,410,050
Capital – preference shares	15,000,000	15,000,000
Revaluation reserve	992,144	1,013,064
Retained earnings	68,304,388	61,299,140
	<u>68,304,388</u>	<u>61,299,140</u>
Total equity	<u>104,706,582</u>	<u>97,722,254</u>
Total liabilities and equity	<u>700,202,009</u>	<u>692,914,884</u>

Fidelity Bank (Bahamas) Limited

Consolidated Statement of Comprehensive Income (Unaudited) For the Six (6) Months Ended 30 June 2020 (Expressed in Bahamian dollars)

	<u>3 Months Ended</u>	<u>6 Months Ended</u>	
	<u>30 June</u>	<u>30 June</u>	<u>30 June</u>
	<u>2020</u>	<u>2020</u>	<u>2019</u>
	\$	\$	\$
INCOME			
Interest income			
Bank deposits, loans and advances	15,953,587	32,271,948	33,144,928
Investment securities	<u>860,469</u>	<u>1,724,338</u>	<u>1,845,602</u>
	16,814,056	33,996,286	34,990,530
Interest expense	<u>(2,781,395)</u>	<u>(5,805,478)</u>	<u>(6,281,552)</u>
Net interest income	14,032,661	28,190,808	28,708,978
Fees and commissions	709,334	1,490,193	1,439,774
Rental income	-	-	20,156
Other income	<u>43,838</u>	<u>92,219</u>	<u>127,903</u>
Total income	<u>14,785,833</u>	<u>29,773,220</u>	<u>30,296,811</u>
EXPENSES			
Provision for loan losses	4,300,410	8,611,334	5,059,338
Salaries and employee benefits	3,473,487	6,608,551	6,276,624
General and administrative	3,223,092	6,484,904	6,192,802
Depreciation and amortisation	<u>301,321</u>	<u>610,064</u>	<u>720,901</u>
Total expenses	<u>11,298,310</u>	<u>22,314,853</u>	<u>18,249,665</u>
Operating profit	3,487,523	7,458,367	12,047,146

Fidelity Bank (Bahamas) Limited

Consolidated Statement of Comprehensive Income (Unaudited)
For the Six (6) Months Ended 30 June 2020
(Continued)
(Expressed in Bahamian dollars)

	<u>3 Months Ended</u>	<u>6 Months Ended</u>	
	<u>30 June</u>	<u>30 June</u>	<u>30 June</u>
	<u>2020</u>	<u>2020</u>	<u>2019</u>
	<u>\$</u>	<u>\$</u>	<u>\$</u>
Share of profits of joint ventures	12,125	12,125	10,476
Net income from continuing operations	3,499,648	7,470,492	12,057,622
Profits of assets held for sale	-	-	1,024,733
Net income	3,499,648	7,470,492	13,082,355
OTHER COMPREHENSIVE INCOME			
<i>Items not reclassified to net income</i>			
Property, plant and equipment revaluation	-	-	-
Total comprehensive income	<u>3,499,648</u>	<u>7,470,492</u>	<u>13,082,355</u>
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Weighted average number of ordinary shares outstanding	28,815,779	28,815,779	28,810,442
Earnings per share	0.11	0.24	0.44

Fidelity Bank (Bahamas) Limited

Consolidated Statement of Changes in Equity (Unaudited) For the Six (6) Months Ended 30 June 2020 (Expressed in Bahamian dollars)

	Capital – Ordinary Shares \$	Capital – Preference Shares \$	Revaluation Reserve \$	Retained Earnings \$	Total \$
As of 1 January 2020	<u>20,410,050</u>	<u>15,000,000</u>	<u>1,013,064</u>	<u>61,299,140</u>	<u>97,722,254</u>
Comprehensive income					
Net income	-	-	-	7,470,492	7,470,492
<i>Other comprehensive income</i>					
Property, plant and equipment revaluation	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total comprehensive income	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,470,492</u>	<u>7,470,492</u>
Transfers					
Depreciation transfer	<u>-</u>	<u>-</u>	<u>(20,920)</u>	<u>20,920</u>	<u>-</u>
Total transfers	<u>-</u>	<u>-</u>	<u>(20,920)</u>	<u>20,920</u>	<u>-</u>
Transactions with owners					
Issuance of ordinary shares	-	-	-	-	-
Dividends – preference shares	-	-	-	-	-
Dividends – ordinary shares	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total transactions with owners	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
As of 30 June 2020	<u>20,410,050</u>	<u>15,000,000</u>	<u>992,144</u>	<u>68,304,388</u>	<u>104,706,582</u>
Dividends per share	<u>-</u>	<u>-</u>			

Fidelity Bank (Bahamas) Limited

Consolidated Statement of Changes in Equity (Unaudited) For the Year Ended 31 December 2019 (Expressed in Bahamian dollars)

	Capital – Ordinary Shares \$	Capital – Preference Shares \$	Revaluation Reserve \$	Retained Earnings \$	Total \$
As of 1 January 2019	20,380,694	15,000,000	330,695	54,156,529	89,867,918
Comprehensive income					
Net income	-	-	-	32,822,573	32,822,573
<i>Other comprehensive income</i>					
Property, plant and equipment revaluation	-	-	725,349	-	725,349
Total comprehensive income	-	-	-	32,822,573	33,547,922
Transfers					
Depreciation transfer	-	-	(42,980)	42,980	-
Total transfers	-	-	(42,980)	42,980	-
Transactions with owners					
Issuance of ordinary shares	29,356	-	-	77,394	106,750
Dividends – preference shares	-	-	-	(975,000)	(975,000)
Dividends – ordinary shares	-	-	-	(24,825,336)	(24,825,336)
Total transactions with owners	29,356	-	-	(25,722,942)	(25,693,586)
As of 31 December 2019	20,410,050	15,000,000	1,013,064	61,299,140	97,722,254
Dividends per share	0.86	0.65			

Fidelity Bank (Bahamas) Limited

Notes to the Consolidated Financial Statements (Unaudited) For the Six (6) Months Ended 30 June 2020 (Expressed in Bahamian dollars)

Corresponding Figures

Where necessary, corresponding figures are adjusted to conform with changes in presentation in the current year. Further, corresponding figures presented in the consolidated statement of financial position and related notes are as of 31 December 2019.

Capital Management

The objectives of Fidelity Bank (Bahamas) Limited (the Bank) when managing capital, which comprises total equity on the face of the consolidated statement of financial position, are:

- To comply with the capital requirements set by the Central Bank of The Bahamas (the Central Bank).
- To safeguard the Bank's ability to continue as a going concern so that it can continue to provide returns for its shareholders and benefits for other stakeholders; and
- To maintain a strong capital base to support the development of its business.

Capital adequacy and the use of regulatory capital are monitored by the Bank's management, employing techniques designed to ensure compliance with guidelines established by the Central Bank, including quantitative and qualitative measures. The required information is filed with the Central Bank on a quarterly basis.

The Central Bank, the Bank's principal regulator, requires that the Bank maintains a ratio of total regulatory capital to risk-weighted assets at or above a minimum of 14.00%. For the six (6) months ended 30 June 2020 and the year ended 31 December 2019, the Bank complied with all of the externally imposed capital requirements to which it is subject.

Subsequent Events

Subsequent to 30 June 2020, the Directors approved a dividend on ordinary shares in the amount of \$0.11 per share.