



## **FINANCIAL PERFORMANCE FOR THE PERIOD ENDED DECEMBER 31, 2024**

Boasting \$1.0 billion dollars in total assets, Bank of the Bahamas Limited (the “Bank”) has reached another milestone as it continues its upward trajectory in its financial performance. Given its current momentum, the Bank is on pace to achieve its fiscal year financial targets. This achievement in total assets, along with a net income of \$8.4 million for the period ended December 31, 2024, are a testament of the Bank’s progression and focus on its strategic priorities to ensure sustainable growth. Numerous sales initiatives combined with enhanced focus on other non-interest related products and services served as the primary catalysts for its strong performance.

The Bank’s overall operating income showed a \$5.4 million boost compared to the previous fiscal year. This growth was largely fueled by a \$3.9 million rise in interest income, driven by strategic lending efforts and the effective deployment of excess liquidity. Additionally, a \$1.6 million increase in non-interest revenue from ancillary products and services. Notable increases were seen in the debit card product and merchant services. The Bank’s rapidly growing customer base also bolstered this robust performance.

As a banking institution, the overall financial results are closely tied to credit performance. For the period ended December 2024, a net impairment loss of \$1.8 million was recorded compared to a net impairment reversal of \$0.4 million in the prior period. Despite the decrease in credit loss expense on loans and advances year-over-year, this shift was driven by an increase in impairment losses on its sovereign assets coupled with reduced recoveries. The Bank remains focused on strategically managing its credit portfolio, balancing growth, mitigating credit risk, and strengthening collections and recovery efforts.

The Bank is focused on planning and managing the costs associated with running the business. Operating expenses increased year over year, however expenses remained within budget, reflecting the Bank’s continued investment in its employees. Despite the overall increase, reductions observed in the period were attributed to lower operating costs specifically in the areas of information technology, administrative costs, and licensing fees. Committed to delivering exceptional customer service, the Bank continues to prioritize investments in its staff, physical branches, and technological advancements.

As of December 31, 2024, the Bank stands solidly in a robust financial position, with total assets reaching \$1.0 billion, of which \$430.0 million comprises loans and advances to customers. Total equity closed at \$207.2 million, supported by an impressive CET1 capital ratio of 42.7%, well above the Central Bank’s minimum requirement of 18%. The Bank remains steadfast in maintaining strong capital and liquidity levels, reinforcing its stability and strength.

We remain committed to increasing and improving our delivery channels, increasing our products and services offerings, driving innovation in digital banking, and improving our brand. The Bank is eternally grateful for our loyal clients, senior management team, directors, valued shareholders, and the incredible BOB team for their staunch support and partnership throughout the years.

Neil Strachan, Managing Director