BANK OF THE BAHAMAS LIMITED
Unaudited Condensed Financial Statements
For the Period Ended September 30, 2026

BANK OF THE BAHAMAS LIMITED

UNAUDITED STATEMENT OF FINANCIAL POSITION

As at September 30, 2026 with comparative figures as at June 30, 2026
(Expressed in Bahamian Dollars)

		September 30, 2026		June 30, 2026
ASSETS				
Cash and account with The Central Bank	$	155,307,745	$	108,038,099
Cash equivalents - Treasury Bills, net		21,897,822		81,514,986
Due from banks		122,934,186		124,421,802
Investment securities, net		139,802,692		167,771,635
Loans and advances to customers, net		614,676,827		597,459,759
Note receivable, net		164,702,713		166,013,686
Investment property		7,112,000		7,112,000
Other assets		25,943,357		17,243,757
Property and equipment, net		16,924,966		15,631,837
Right-of-use assets, net		4,769,735		5,238,351
Computer software, net		4,712,015		4,931,811
TOTAL	**$**	**1,278,784,058**	**$**	**1,295,377,722**
LIABILITIES				
Deposits from customers and banks	$	988,038,245	$	1,013,122,214
Other liabilities		22,264,225		20,400,078
Lease liabilities		4,843,202		5,377,597
Deferred loan fees		5,285,049		5,528,052
Total liabilities		**1,020,430,721**		**1,044,427,941**
EQUITY				
Share capital		43,194,515		43,194,515
Share premium		81,950,384		81,950,384
Treasury shares		(1,318,224)		(1,318,224)
Special retained earnings		172,122,932		172,122,932
Accumulated deficit		(37,596,270)		(44,999,826)
Total equity		**258,353,337**		**250,949,781**
TOTAL	**$**	**1,278,784,058**	**$**	**1,295,377,722**

BANK OF THE BAHAMAS LIMITED

UNAUDITED STATEMENT OF COMPREHENSIVE INCOME

For the three months ended September 30, 2026
with comparatives for the three months ended September 30, 2025
(Expressed in Bahamian Dollars)

	Three Months	
	2026	**2025**
Interest and similar income	$ 17,012,001	$ 14,421,677
Interest and similar expense	(1,278,433)	(1,107,935)
Net interest income	**15,733,568**	**13,313,742**
Fees and commission income	4,010,736	3,917,322
Fees and commission expense	(35,261)	(82,585)
Net fees and commission income	**3,975,475**	**3,834,737**
Other operating income	1,159,980	1,242,575
Total operating income	**20,869,023**	**18,391,054**
Operating expenses	(12,263,021)	(12,018,238)
Net impairment losses	(1,202,446)	(2,240,764)
Net income	**$ 7,403,556**	**$ 4,132,052**
EARNINGS PER SHARE CALCULATION:		
COMMON SHARES	**42,959,494**	**42,959,494**
EARNINGS PER SHARE	**$ 0.17**	**$ 0.10**

BANK OF THE BAHAMAS LIMITED

UNAUDITED STATEMENT OF CHANGES IN EQUITY

For the three months ended September 30, 2026
with comparatives for the three months ended September 30, 2025
(Expressed in Bahamian Dollars)

	Share Capital	Share Premium	Treasury Shares	Special Retained Earnings	Accumulated Deficit	Total
Balance at June 30, 2025	$ 43,194,515	$ 81,950,384	$ (1,318,224)	$ 172,122,932	$ (67,457,132)	$ 228,492,475
Total comprehensive income:						
Net income for the period	-	-	-	-	4,132,052	4,132,052
Balance at September 30, 2025	**$ 43,194,515**	**$ 81,950,384**	**$ (1,318,224)**	**$ 172,122,932**	**$ (63,325,080)**	**$ 232,624,527**
Balance at June 30, 2026	$ 43,194,515	$ 81,950,384	$ (1,318,224)	$ 172,122,932	$ (44,999,826)	$ 250,949,781
Total comprehensive income:						
Net income for the period	-	-	-	-	7,403,556	7,403,556
Dividends paid to common shareholders	-	-	-	-	-	-
Balance at September 30, 2026	**$ 43,194,515**	**$ 81,950,384**	**$ (1,318,224)**	**$ 172,122,932**	**$ (37,596,270)**	**$ 258,353,337**

BANK OF THE BAHAMAS LIMITED

UNAUDITED STATEMENT OF CASH FLOWS

For the three months ended September 30, 2026
with comparatives for the three months ended September 30, 2025
(Expressed in Bahamian Dollars)

	2026	2025
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	$ 7,403,556	$ 4,132,052
Adjustments for:		
Interest income	(17,012,001)	(14,421,677)
Interest expense	1,278,433	1,107,935
Depreciation and amortization	1,356,246	1,604,996
Gain on revaluation of investment securities FVTPL	(110,441)	(105,666)
Impairment losses, net	1,202,446	2,240,764
	(5,881,761)	(5,441,596)
Changes in:		
Loans and advances to customers, net	(18,229,421)	(6,534,325)
Deposits from customers and banks	(25,375,146)	55,948,221
Other assets	(8,844,864)	(3,914,218)
Other liabilities	1,864,147	3,642,664
Deferred loan fees	(243,003)	84,691
Mandatory reserve deposits with the Central Bank	(1,785,930)	(734,850)
	(52,614,217)	48,492,183
Interest received	18,131,574	15,671,061
Interest paid	(987,256)	(937,725)
Net cash (used in)/provided by operating activities	(41,351,660)	57,783,923
CASH FLOWS FROM INVESTING ACTIVITIES:		
Acquisition of property and equipment	(1,782,481)	(239,161)
Acquisition of computer software	(178,483)	(151,423)
Purchase of investment securities	15,000,000	(18,000,000)
Proceeds from maturity of investment securities	13,002,400	16,986,500
Proceeds from sale of investment securities	223,555	-
Net cash provided by/(used in) investing activities	26,264,991	(1,404,084)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Payment of lease liabilities	(534,395)	(582,551)
Net cash used in financing activities	(534,395)	(582,551)
Net (decrease)/increase in cash and cash equivalents	(15,621,064)	55,797,288
Cash and cash equivalents, beginning of year	278,848,454	183,430,852
Cash and cash equivalents, end of period	**$ 263,227,390**	**$ 239,228,140**

BANK OF THE BAHAMAS LIMITED
Selected Explanatory Notes to the Unaudited Condensed Financial Statements

For the period ended September 30, 2026
(Expressed in Bahamian Dollars)

1. Corporate Information

Bank of The Bahamas Limited (the "Bank") is incorporated under the laws of The Commonwealth of The Bahamas and is licensed by The Central Bank of the Bahamas to conduct banking business in The Bahamas under the provisions of the Banks and Trust Companies Regulations Act, 2020. The Bank is also licensed as an authorized dealer pursuant to the Exchange Control Regulations Act.

The Bank's shares are publicly traded and listed on The Bahamas International Securities Exchange. As at September 30, 2026, The Government of The Commonwealth of The Bahamas (the "Government") and The National Insurance Board ("NIB") owned approximately 82.6% of the issued common shares. The remaining common shares are owned by approximately 3,000 Bahamian shareholders.

The Bank's head office is located at Claughton House, corner of Shirley Street and Charlotte Street, Nassau, Bahamas. The registered office is located at Sassoon House, corner of Shirley Street and Victoria Avenue, Nassau, Bahamas.

During fiscal 2025, the Bank established Agency Banking in Abaco. Effective August 1, 2025, the Bank discontinued its acceptance and processing of American Express cardholder payments under the card remittance service agreement. As at September 30, 2026, the Bank has twelve branches: four in New Providence, one in Grand Bahama, two in Andros, one in San Salvador, one in Inagua, one in Cat Island, one in Eleuthera and one in Bimini.

2. Significant Accounting Policies

The significant accounting policies and methods of computation followed in the preparation of these interim financial statements are the same as those followed in the preparation of the annual financial statements of the Bank for the year ended June 30, 2026. These financial statements have been prepared in accordance with International Accounting Standard 34 Interim Financial Reporting.

During the prior year, on May 1, 2025, the Board of Directors approved the dissolution of all of the Bank's subsidiaries, and consequently, the Statement of Financial Position is prepared on a standalone basis. The comparative information includes amounts relating to the former consolidated group for the period prior to the dissolution of the subsidiaries.

2. Significant Accounting Policies *(continued)*

The annual financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS"). The preparation of the financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Bank's accounting policies.

3. Dividends

Dividends to the Bank's shareholders are recognized as a liability in the period in which they are declared by the Board of Directors and approved by the Bank's Regulator. The Bank did not declare dividends during the period (June 30, 2026: $1.3 million).

4. Cash and Cash Equivalents

	September 30, 2026	June 30, 2026
Cash	$ 23,449,870	$ 22,014,826
Deposits with the Central Bank- non-interest bearing	131,857,875	86,023,273
Cash and account with the Central Bank	155,307,745	108,038,099
Cash equivalents - Treasury Bills	21,905,121	81,520,633
Due from banks	122,934,186	124,421,802
Cash, cash equivalents and due from banks	300,147,052	313,980,534
Less: Mandatory reserve deposits with the Central Bank	36,919,662	35,132,080
Total cash and cash equivalents	**$ 263,227,390**	**$ 278,848,454**

Government issued Treasury Bills are presented in the consolidated statement of financial position, net of $5,648 (June 30, 2026: $5,648) allowance for impairment losses.

As at September 30, 2026, the Bank's statutory reserve deposits with The Central Bank of The Bahamas were above Central Bank's regulatory requirement.

5. Loans and advances to customers, net

	September 30, 2026	June 30, 2026
Mortgage residential loans	$ 222,693,220	$ 222,085,256
Mortgage commercial loans	4,281,143	4,389,647
Commercial loans	125,931,737	109,988,268
Consumer loans	259,326,613	258,846,608
Government	26,491,593	24,948,192
Credit cards	4,186,996	4,076,753
Business overdrafts	1,632,999	2,910,698
Personal overdrafts	837,547	473,354
	$ 645,381,848	**$ 627,718,776**
Less: Provision for loan losses		
Provision at beginning of year	$ 32,566,319	$ 34,155,901
Amount written-off/charged off	(1,978,641)	(8,966,317)
Recoveries	1,412,291	4,074,363
Impairment losses, net	1,202,446	3,302,372
Provision at end of period	33,202,415	32,566,319
Accrued interest receivable, net	2,497,394	2,307,302
Loans and advances to customers, net	**$ 614,676,827**	**$ 597,459,759**
Provisions as a percentage of the gross loan portfolio	5.14%	5.31%
Non-accrual loans as a percentage of loan portfolio (net)	4.37%	5.06%
Non-accrual loans as a percentage of loan portfolio (gross)	4.17%	2.45%

6. Note Receivable, net and Special Retained Earnings

On August 31, 2017, Bahamas Resolve Limited ("Resolve"), a special purpose vehicle owned and controlled by the Government, purchased another portfolio of loans from the Bank at a price equivalent to the gross book value of those loans before provisions. This transaction consisted of three tranches and the results are as follows:

- Non-performing loans with a total net book value of approximately $50.6 million was derecognized. Unsecured promissory note of $167.7 million was received and $117.1 million was recognized directly in equity as Special Retained Earnings.
- The Bank has transferred all of its rights and obligations relating to the non-performing loans to Resolve without recourse and will have no rights to future cash flows from the non-performing loans.
- The Bank received an irrevocable Letter of Support from the Government.
- In fiscal 2023, the maturity date of August 31, 2022 was extended to August 31, 2025 at 4% fixed interest rate with quarterly interest payments. In September 2023, the interest rate was changed to 3% with semi-annual interest payment at the end of February and August. In December 2024, the maturity date was further extended to August 31, 2027 with fixed interest rate changed to 3.25%, along with principal payments of $2 million commencing November 30, 2025.
- Accrued interest receivable as at September 30, 2026 amounted to $0.5 million (June 30, 2026: $1.8 million). Provision for impairment losses amounted to $0.2 million as at September 30, 2026 (June 30, 2026: $0.2 million).

7. Regulatory Capital

The Bank's total regulatory capital consists of the sum of total Common Equity Tier 1 capital only, net of regulatory adjustments. CET1 plus capital buffers must be at least 17% and the minimum leverage ratio must be at 6%. The Bank remains compliant with total regulatory capital at 41.1% as at September 30, 2026 (June 30, 2026: 40.3%) and leverage ratio of 18.8% as at September 30, 2026 (June 30, 2026: 17.8%).

8. Commitments and Contingencies

Commitments
The commitment for loans and advances at September 30, 2026 was $81.3 million (June 30, 2026: $94.1 million).

The commitment for capital expenditures at September 30, 2026 was $1.7 million (June 30, 2026: $2.8 million).

The commitment for letters of credit and guarantees at September 30, 2026 was $6.3 million (June 30, 2026: $6.2 million)

Contingencies and Provision
The Bank operates in a regulatory and legal environment that, by nature, has a heightened element of litigation risk inherent in its operations. As a result, the Bank is involved in various litigation proceedings in the ordinary course of its business. The Bank has internal and external legal counsel, and formal controls and policies for managing legal claims. With the benefit of professional legal advice, the Bank provides and/or discloses amounts in accordance with its accounting policies.