



Ernst & Young
P.O. Box 158
5/7 Sweet Briar Road
St. Clair, Port of Spain
Trinidad

Tel: +1 868 628 1105
Fax: +1 868 622 1153
ey.com

REPORT OF THE INDEPENDENT AUDITOR ON THE SUMMARY CONSOLIDATED FINANCIAL STATEMENTS

TO THE SHAREHOLDERS OF REPUBLIC FINANCIAL HOLDINGS LIMITED

Opinion

The summary consolidated financial statements, which comprise the summary consolidated statement of financial position as at September 30, 2018, the summary consolidated statement of comprehensive income, summary consolidated statement of changes in equity and summary consolidated statement of cash flows for the year then ended and related notes, are derived from the complete audited consolidated financial statements of Republic Financial Holdings Limited (“the Group”) for the year ended September 30, 2018.

In our opinion, the accompanying summary consolidated financial statements are consistent, in all material respects, with the audited consolidated financial statements, on the basis described in Note 1.

Summary Consolidated Financial Statements

The summary consolidated financial statements do not contain all the disclosures required by International Financial Reporting Standards (“IFRSs”). Reading the summary consolidated financial statements and the auditor’s report thereon, therefore, is not a substitute for reading the audited consolidated financial statements and the auditor’s report thereon.

The Audited Consolidated Financial Statements and Our Report Thereon

We expressed an unmodified audit opinion on the audited consolidated financial statements in our report dated November 8, 2018. That report also includes the communication of Key Audit Matters. Key Audit Matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period.

The audited consolidated financial statements and the summary consolidated financial statements do not reflect the effects of events that occurred subsequent to the date of our report on the audited consolidated financial statements.

Responsibilities of Management for the Summary Consolidated Financial Statements

Management is responsible for the preparation of the summary consolidated financial statements in accordance with IFRSs.

Auditor’s Responsibilities for the Audit of the Summary Consolidated Financial Statements

Our responsibility is to express an opinion on whether the summary consolidated financial statements are consistent, in all material respects, with the audited consolidated financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (ISA) 810 (Revised), Engagements to Report on Summary Financial Statements.

Port of Spain,
TRINIDAD:
November 8, 2018

Audited Annual Group Results

	September 30, 2018	September 30, 2017
	\$ '000	\$ '000
Profit attributable to equity holders of the parent	1,322,850	1,252,128
Total Assets	70,465,620	68,751,070
Total Liabilities	60,367,838	58,605,065
Total Equity	10,097,782	10,146,005
Earnings per share (expressed in \$ per share)	\$8.17	\$7.75
Diluted earnings per share (expressed in \$ per share)	\$8.16	\$7.74
Dividends per share (expressed in \$ per share)	\$4.40	\$4.40
Return on average assets (expressed as a %)	2.00%	1.94%
Return on average equity (expressed as a %)	13.80%	13.31%

Note 1

These financial highlights are prepared in accordance with criteria developed by management. Under these criteria, management discloses extracts from the consolidated statement of financial position and consolidated statement of income. These financial highlights are derived from the audited consolidated financial statements of Republic Financial Holdings Limited and its subsidiaries for the year ended September 30, 2018 which have been prepared in accordance with International Financial Reporting Standards.

CHAIRMAN'S HIGHLIGHTS



Republic Financial Holdings Limited (RFHL) recorded profit attributable to equity holders of \$1.32 billion for the year ended September 30, 2018, an increase of \$70.7 million or 5.6% over the profit reported in the previous financial year. The Group's operations in the Cayman Islands and the Eastern Caribbean were the major contributors to the increase in profitability, generating \$55 million, followed by stronger performances in Suriname and Ghana. Total assets stood at \$70.5 billion at September 30, 2018, an increase of 2.5% over 2017.

Following the adoption of International Financial Reporting Standard No. 9 (Financial Instruments) the Group charged through opening equity \$865 million in expected credit losses (ECL) for loans and investments, of which \$658.4 million was accounted for in Republic Bank (Barbados) Limited (RBBL). The increase in ECL in RBBL was mainly as a result of the Government of Barbados restructuring its local currency obligations.

The Board of Directors has declared a final dividend of \$3.15 (2017: \$3.15), which brings the total dividend to \$715.1 million or \$4.40 (2017: \$4.40) per share for the fiscal year. This final dividend will be paid on December 3, 2018 to all shareholders of record on November 19, 2018.

The Group continued its expansion activities during the year and in September 2018 made an offer to acquire a minimum of 51% and up to 74.99% of the ordinary shares of Cayman National Corporation Limited, the parent company of Cayman National Bank Limited, at a cost not to exceed US\$198 million. As at November 7, 2018, 81.37% of shareholders accepted the offer. The acquisition is now subject to all necessary government and regulatory approvals.

The shareholding in Republic Bank (Ghana) Limited was increased to 66.54%, with an additional investment of US\$47.3 million, which will satisfy the new minimum local regulatory capital requirement and significantly strengthen the bank's capital base.

The Group's focus remains on building resiliency into its operations and earnings capacity. To this end, the Group is implementing a common IT platform across all of its Caribbean subsidiaries which will be the platform for the introduction of a shared support services infrastructure for improved efficiency. These initiatives, combined with our expansion into new markets through acquisitions, will position the Group for continued improvement in performance.

Chairman
Ronald F. deC. Harford
November 8, 2018