

# BOSVG DELIVERS STRONG HALF-YEAR PERFORMANCE WITH \$25.9M PROFIT BEFORE TAX



## SUMMARY OF FINANCIAL PERFORMANCE

Dear Shareholders,

On behalf of the Board of Directors, I am pleased to present this review of the Group's performance for the first half of 2025. Despite a complex and evolving economic environment, both regionally and globally, Bank of St. Vincent and the Grenadines Ltd. continued to build on the momentum established in 2024, delivering another period of strong earnings, prudent growth, and strategic advancement.

Our results reflect a blend of operational agility, customer-focused innovation, and disciplined execution of our 2024–2026 Strategic Plan—supported by strong governance, robust financial performance, and community-rooted values.

### Financial Performance Highlights

For the six months ended 30 June 2025, the Group recorded profit before tax of \$25.9 million, representing a 33.1% increase over the corresponding period in 2024. This performance was underpinned by growth in assets, increased transactional activity, and disciplined budget execution.

- Net interest income increased by 19.4% to \$39.7 million, benefitting from the growth in the investment portfolio.
- Interest expense was carefully managed at \$11.3 million despite a 7.6% increase in the deposit base.
- Non-interest income grew by 12.4% to \$18.9 million on the strength of growth in foreign exchange earnings and fee-based activities.
- Despite our disciplined budget execution and containment efforts operating expenses grew to \$32.2 million, up 16.8%. However, this was consistent with strategic investments in building human resource capacity and critical technology infrastructure.
- Credit quality remained sound, with non-performing exposures reduced to \$39.7 million or 4.1% of the total portfolio. An amount of \$1.3 million in recoveries was realized during the period through improved credit collections and recoveries.

### Balance Sheet and Capital Strength

- The Group's balance sheet grew by 4.4% over December 2024 and 9.3% over June 2024, reaching \$2.2 billion as at mid-year 2025.
- Customer deposits increased to \$1.9 billion.
- Net loans and advances stood at \$942.9 million, down slightly 3.4% from the previous period due to reductions in short-term overdraft facilities.
- Investment securities increased substantially to \$628.6 million, a 58.4% year-on-year increase, as excess liquidity was strategically redeployed into higher-yielding assets.
- The capital adequacy ratio improved to 20.6%, significantly above regulatory thresholds, supported by profit retention and prudent risk-weighted asset growth.

- Liquidity remained strong at 25.8% albeit moderately lower due to higher deployment towards interest earning assets. The liquidity levels continued to meet all internal and external requirements.

### Strategic and Operational Progress

- Execution of the Group's strategic priorities remained robust. Enhancements to our mobile banking platform and upgrades to our core banking infrastructure further advanced our digital transformation agenda, improving the overall customer experience while bolstering cybersecurity protection.
- A business Impact Assessment and revisions to our Enterprise Risk Management (ERM) framework reinforced our resilience posture.
- We also concluded a comprehensive job evaluation and organizational redesign, improving alignment across functions and laying the groundwork for more effective succession planning.

### Community Engagement and Diaspora Relations

- The Group remained deeply engaged with the communities it serves. During the first half of 2025, we prioritized youth empowerment and financial education through the continued rollout of our Financial Literacy Program, which is now 78% complete.
- To deepen our international reach and maintain strong connections with nationals abroad, we partnered with Invest SVG to conduct outreach activities in the United Kingdom, Canada, and the United States. These sessions provided opportunities for diaspora engagement, customer onboarding, and brand reinforcement.
- Our commitment to community development was further reflected in our sponsorship of key national and youth initiatives.

### Staff Engagement and Culture

Staff engagement remained a fundamental pillar of our operational and strategic progress during the review period. In March 2025, the Group hosted its Annual Staff Rally and Awards Ceremony, which provided an opportunity to celebrate outstanding performance, reinforce our shared values, and foster a deeper sense of unity and motivation across the organization. In addition to this flagship event, we maintained a steady cadence of departmental meetings, leadership updates, and interdepartmental collaboration—ensuring alignment on performance expectations, corporate goals, and operational developments. Several staff members were also nominated to participate in targeted professional development programs aligned with our long-term succession planning strategy. These efforts reflect our ongoing commitment to cultivating a motivated, empowered, and future-ready workforce that is well-equipped to deliver superior service in a dynamic financial services environment.

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## Governance and Board Development

During the first half of the year, there were notable changes in the composition of the Board of Directors. The Group formally bid farewell to two long-serving Directors, Dr. Timothy Providence and Mr. Maurice Edwards, whose guidance and service were instrumental to the Group's sustained progress and institutional maturity. We are grateful for their contributions and leadership over the years. At the same time, we were pleased to welcome Ms. Keisha Gonsalves and Mr. Willis Williams to the Board. Their diverse expertise, fresh insights, and professional perspectives will enhance the Board's deliberative capacity and help to guide the institution as it continues to evolve. The Board remains committed to excellence in governance, risk oversight, and strategic alignment, as we pursue long-term growth and stakeholder value.

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## Forward-Looking Considerations

As we move into the second half of the year, the Group is optimistic but mindful of several external risks that may influence the operating environment.

- Among the most notable are the shifting foreign global trade policies which may carry implications for regional tourism, remittances, and economic stability.
- Additionally, the increasing frequency and severity of climate-related disruptions—such as Hurricane Beryl—highlight the urgent need for more resilient infrastructure and disaster planning across the region.
- Regulatory and market expectations around environmental, social, and governance (ESG) considerations are also evolving, requiring the Bank to integrate sustainability more deeply into its operations and strategy.
- Lastly, the digitalization of financial services has brought with it an elevated risk of cyber threats and emerging vulnerabilities, particularly those associated with artificial intelligence and data privacy.
- The Group continues to proactively invest in cybersecurity, digital resilience, and operational safeguards to navigate this risk landscape effectively.

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## Conclusion

The first half of 2025 affirms the strength of our foundation, the soundness of our strategy, and the commitment of our people. As we look ahead to the remainder of the year, we do so with confidence in our direction, measured optimism in our environment, and a steadfast commitment to creating value for our shareholders, customers, and the communities we serve.

We thank you for your continued support and trust.



Judith Veira  
Chairman

**BANK OF ST. VINCENT & THE GRENADINES LTD.**  
**Interim Consolidated Statement of Financial Position**  
**As at June 30, 2025**  
(in thousands of Eastern Caribbean dollars)

	(Unaudited) Jun 30 2025 \$	(Audited) Dec 31 2024 \$	Unaudited Jun 30 2024 \$
<b>Assets</b>			
Cash and balances with Eastern Caribbean Central Bank	225,673	239,506	180,963
Deposits with other banks	263,711	196,074	283,557
Treasury bills	-	-	10,096
Investment securities	628,573	566,672	396,872
Loans & Advances to customers	942,883	943,551	976,267
Other assets	51,981	76,422	81,584
Investment properties	2,262	2,262	2,262
Intangible assets	5,724	5,724	6,224
Property and equipment	64,687	62,533	62,988
Deferred tax asset	5,894	5,894	3,229
<b>Total Assets</b>	<b>2,191,388</b>	<b>2,098,638</b>	<b>2,004,042</b>
<b>Liabilities</b>			
Deposits due to banks	17,817	26,655	17,098
Due to customers	1,866,610	1,795,309	1,733,954
Corporation tax payable	4,154	4,676	3,120
Provisions and other liabilities	100,424	72,759	68,121
Borrowings	8,008	9,106	10,282
<b>Total Liabilities</b>	<b>1,997,013</b>	<b>1,908,505</b>	<b>1,832,575</b>
<b>Equity</b>			
Share capital	20,753	20,753	20,753
Statutory reserves	20,753	20,753	20,753
General provision reserve	11,298	11,298	7,797
Fair value through OCI reserve	19,071	19,088	19,055
Retained earnings	122,500	118,241	103,109
<b>Total Equity</b>	<b>194,375</b>	<b>190,133</b>	<b>171,467</b>
<b>Total Liabilities and Equity</b>	<b>2,191,388</b>	<b>2,098,638</b>	<b>2,004,042</b>

**BANK OF ST. VINCENT AND THE GRENADINES LTD.**  
**Interim Consolidated Statement of Changes in Equity**  
**As at June 30, 2025**  
(in thousands of Eastern Caribbean dollars)

	Share Capital \$	Statutory Reserves \$	General Provision Reserves \$	Fair value through OCI Reserve \$	Retained Earnings \$	Total \$
<b>Balance at January 1, 2024</b>	<b>20,753</b>	<b>20,753</b>	<b>7,797</b>	<b>19,029</b>	<b>98,278</b>	<b>166,610</b>
Profit for the period	-	-	-	-	35,014	35,014
Change in fair value of FVOCI investments	-	-	-	59	-	59
Transfer to general reserves	-	-	3,501	-	(3,501)	-
Dividend paid	-	-	-	-	(11,550)	(11,550)
<b>Balance at December 31, 2024</b>	<b>20,753</b>	<b>20,753</b>	<b>11,298</b>	<b>19,088</b>	<b>118,241</b>	<b>190,133</b>
<b>Balance at January 1, 2025</b>	<b>20,753</b>	<b>20,753</b>	<b>11,298</b>	<b>19,088</b>	<b>118,241</b>	<b>190,133</b>
Profit for the period	-	-	-	-	21,809	21,809
Change in fair value of FVOCI investments	-	-	-	(17)	-	(17)
Dividend paid	-	-	-	-	(17,550)	(17,550)
<b>At June 30, 2025</b>	<b>20,753</b>	<b>20,753</b>	<b>11,298</b>	<b>19,071</b>	<b>122,500</b>	<b>194,375</b>

**BANK OF ST. VINCENT AND THE GRENADINES LTD.**  
**Interim Consolidated Statement of Income**  
**For the period ended June 30, 2025**  
(in thousands of Eastern Caribbean dollars)

	(Unaudited) Jun 30 2025 \$	(Audited) Dec 31 2024 \$	(Unaudited) Jun 30 2024 \$
Interest income	50,944	98,060	45,376
Interest expense	(11,291)	(22,013)	(12,163)
<b>Net interest income</b>	<b>39,653</b>	<b>76,047</b>	<b>33,213</b>
Fee, commission and other income	18,945	35,354	16,860
Dividend income	239	523	178
Net gains from financial instruments at FVTPL	1,471	1,523	661
<b>Operating Income</b>	<b>60,308</b>	<b>113,447</b>	<b>50,912</b>
Allowances for credit losses on financial assets	(2,125)	(11,357)	(3,817)
Operating expenses	(32,220)	(60,968)	(27,593)
<b>Profit before income tax</b>	<b>25,963</b>	<b>41,122</b>	<b>19,502</b>
Income tax expense	(4,154)	(6,108)	(3120)
<b>Profit for the period</b>	<b>21,809</b>	<b>35,014</b>	<b>16,382</b>
<b>Basic and diluted earnings per share</b>	<b>1.45</b>	<b>2.33</b>	<b>1.09</b>

**BANK OF ST. VINCENT AND THE GRENADINES LTD.**  
**Interim Consolidated Cash Flows**  
**For the period ended June 30, 2025**  
(in thousands of Eastern Caribbean dollars)

	(Unaudited) 6mths to Jun 30 2025 \$	(Audited) 12mths to Dec 31 2024 \$	(Unaudited) 6mths to Jun 30 2024 \$
<b>Cash flows from operating activities</b>	<b>132,744</b>	<b>147,194</b>	<b>15,395</b>
Cash flows used in investing activities	(73,169)	(155,760)	(74,394)
Cash flows used in financing activities	(18,604)	(15,021)	(13,852)
<b>Net (increase)/decrease in cash and cash equivalents</b>	<b>40,971</b>	<b>(23,587)</b>	<b>(72,851)</b>
<b>Cash and cash equivalents at beginning of the period</b>	<b>270,256</b>	<b>293,843</b>	<b>293,843</b>
<b>Cash and cash equivalents at end of the period</b>	<b>311,227</b>	<b>270,256</b>	<b>220,992</b>

**Note 1**  
These summary consolidated financial statements are prepared in accordance with the criteria developed by management. Under management's established criteria, management discloses the summary consolidated statement of financial position, summary consolidated statement of income, summary consolidated statement of changes in equity and summary consolidated statement of cash flows. These summaries of consolidated financial statements are derived from the consolidated financial statements of Bank of St. Vincent and the Grenadines Ltd. for the period ended June 30, 2025, which are prepared in accordance with International Financial Reporting Standards (IFRSs). The accounting policies that we applied for these interim consolidated financial statements are consistent with those described on pages 63 to 137 of the Annual Report and Accounts 2024, as are the method of computation.