Management report

Consolidated Income Statement and Balance Sheet
Management is pleased to report that in 2024 both Profit before tax and Shareholder's Equity (Capital) continued to grow further. The Bank ended the year 2024 with a Profit before tax of ANG 2.2 million and a Capital of ANG 193.2 million.

The year 2024 was a transition year for the Bank. On December 23, 2024 the Bank's operations in Aruba were sold to AIB Bank N.V. The sale of the Aruba operations marks an important point in the Bank's new strategic orientation to focus more on the Bank's operations specifically in the Monetary Union of Curaçao and Sint Maarten and the Dutch special municipal Bonaire.

The Profit before tax of the Bank's continued operations grew from ANG 1.3 million in 2023 to ANG 2.2 million in 2024. The Bank's continued operations comprise its operations in Curaçao, Sint Maarten and Bonaire. The growth of the Bank's Profit before tax from continued operations was mainly the result of lower total operating expenses compared to 2023. In 2024 the Bank's total net income decreased slightly (2024: ANG 56.9 million vs. 2023: ANG 57.5 million) and also the Bank's total operating expenses decreased slightly (2024: ANG 54.7 million vs. 2023: ANG 56.2 million).

As to the Bank's Aruba operations (the 'discontinued operations') the 2024 profit ended up lower than 2023. This was mainly caused by additional provisions that the Bank took on the divested Aruban loans portfolio (2024: net addition to provisions of ANG 1.3 million vs. 2023: net release of provisions of ANG 1.0 million). Notwithstanding the latter the Bank's overall net profit in the year and the revaluation of buildings contributed to a healthy growth of the Bank's Capital (2024: ANG 193.2 million vs. 2023: ANG 184.9 million). A Capital base that translates to a Solvency that stands solidly above the general solvency limit requirement for commercial banks in the Monetary Union of Curaçao and St. Maarten.

As a consequence of the deconsolidation of the Aruba operations the consolidated balance sheet total of the Bank shows a decrease of ANG 1.6 billion in 2023 to ANG 1.4 billion in 2024. This also explains the decrease of the Bank's consolidated Loans and advances to customers and consolidated Customers' Deposits base during 2024. Excluding the effects of deconsolidation, Management can proudly report that in all markets the Bank realized growth of its Loans and advances to customers and its Customers' Deposits base in 2024. This growth underpins the Bank's strong position in all its markets.

Looking back to 2024 Management is very grateful to all the Bank's stakeholders for the trust placed in the Bank throughout the year. In particular, Management is thankful for the dedication and support of the Bank's staff and Supervisory Board.

Outlook
For 2025 Management will maintain its focus on strict cost management and the implementation of technological solutions to further increase overall efficiency of the Bank. Furthermore, Management will continue its commercial initiatives aimed at increasing the Bank's non-interest income base and network of strategic partnerships. With all these initiatives the Bank will continue to enhance its clients ease and joy of banking. Furthermore the Bank will continue to support socio-cultural and sports projects as part of its commitment to corporate citizenship in the markets it serves.

As to the economic growth of Curaçao, Sint Maarten and Bonaire, Management expects economic growth to remain strong and robust. The economic growth will be driven mainly by further growth of the tourism industries and growth in real estate construction activities. Despite the positive outlook for the economies of the islands, it is important to also factor in the risks that the challenging international geopolitical developments pose for the islands' economies. In particular, the international developments with regard to trade tariffs can negatively impact the economies and inflation in Curaçao, Sint Maarten and Bonaire. Also conditions in the financial markets are expected to remain volatile for 2025 due to the uncertainties caused by the aforementioned challenging international geopolitical environment.

Curaçao, June 20, 2025
Managing Board of Directors of Banco di Caribe N.V.
Eduardo A. de Kort, Milouzka N.S. Sprock

Independent Auditor's Report On The Consolidated Financial Highlights

To the Shareholder and Board of Directors of Banco di Caribe N.V.

Opinion
The accompanying consolidated financial highlights, which comprise the consolidated statement of financial position as at December 31, 2024, the consolidated income statement for the year then ended, and related notes, are derived from the audited consolidated financial statements of Banco di Caribe N.V. for the year ended December 31, 2024.
In our opinion, the accompanying consolidated financial highlights are consistent, in all material respects, with the audited consolidated financial statements of Banco di Caribe N.V., in accordance with the Provision for the Disclosure of Consolidated Financial Highlights of Domestic Banking Institutions, as set by the Central Bank of Curaçao and St. Maarten ("CBCS").

Consolidated financial highlights
The accompanying consolidated financial highlights do not contain all the disclosures required by International Financial Reporting Standards. Reading the accompanying consolidated financial highlights and our report thereon, therefore, is not a substitute for reading the audited consolidated financial statements of Banco di Caribe N.V. and our auditor's report thereon.

The audited consolidated financial statements and our auditor's report thereon
We expressed an unmodified opinion on the consolidated financial statements 2024 of Banco di Caribe N.V. in our auditor's report dated June 20, 2025. That report includes an emphasis of matter paragraph, where we draw attention to note 28 Related Parties in the audited consolidated financial statements, which discloses a significant transaction entered into during the year with a related party, as a result of the sale of Banco di Caribe (Aruba) N.V. This matter is addressed in note 5 of the consolidated financial highlights. Our opinion is not modified in respect of this matter.

Responsibilities of management for the consolidated financial highlights
Management is responsible for the preparation of the accompanying consolidated financial highlights in accordance with the Provision for the Disclosure of Consolidated Financial Highlights of Domestic Banking Institutions, as set by the CBCS.

Auditor's responsibilities
Our responsibility is to express an opinion on whether the accompanying consolidated financial highlights are consistent, in all material respects, with the audited consolidated financial statements of Banco di Caribe N.V. based on our procedures, which were conducted in accordance with International Standards on Auditing (ISA) 810 (Revised), "Engagements to Report on Summary Financial Statements".

Curaçao, June 20, 2025
for Baker Tilly
C.S.S. da Silva de Jesus RA

Consolidated Balance Sheet

As at December 31, 2024 (in '000 Antillean Guilders)

Assets	*2024*	*2023**
Cash and due from banks	329,057	314,069
Amount due from related party	35,000	-
Investment securities	39,655	95,006
Investment property	8,004	6,432
Loans and advances to customers	896,775	1,139,455
Bank premises and equipment	60,496	73,509
Customers' liability under acceptances	1,659	5,056
Deferred tax assets	-	541
Other assets	30,209	12,713
Total assets	**1,400,855**	**1,646,781**
Shareholder's equity and liabilities		
Liabilities		
Customers' deposits	1,183,191	1,432,576
Acceptances outstanding	1,659	5,056
Deferred tax liabilities	7,505	7,877
Current tax liabilities	277	1,268
Payables and other financial liabilities	13,755	12,991
Provisions	1,288	2,082
Total liabilities	**1,207,675**	**1,461,850**
Shareholder's equity		
Share capital and share premium	96,427	96,427
Other reserves	55,849	47,713
Retained earnings	40,904	40,791
Total shareholder's equity	**193,180**	**184,931**
Total liabilities and shareholder's equity	**1,400,855**	**1,646,781**

** Prior year figures restated*

Explanatory Notes to the Consolidated Financial Highlights of Banco di Caribe N.V.

As at December 31, 2024

A. Accounting Policies

1. General

The principal accounting policies adopted in the preparation of the Consolidated Financial Highlights of Banco di Caribe N.V. and its subsidiaries (the "Bank") are set out below. These explanatory notes are an extract of the detailed notes included in the consolidated financial statements and are consistent in all material respects with those from which they have been derived.

2. Basis of Preparation

The consolidated financial statements, from which these Consolidated Financial Highlights have been derived, have been prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB). The figures presented in these highlights are prepared in thousands of Antillean Guilders (ANG). The policies used have been consistently applied by the Bank and are consistent, in all material respects, with those used in previous years. For financial statement presentation purposes certain amounts of 2023 have been adjusted.

3. Basis of Consolidation

Subsidiaries are those enterprises controlled by the Bank. Control exists when the Bank has the power, directly or indirectly, to govern the financial and operating policies of the enterprise so as to obtain benefits from its activities.

The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. The consolidated financial statements incorporate the assets, liabilities, revenues and expenses of Banco di Caribe N.V. and its subsidiaries, except for the assets and liabilities of N.V. Trustmaatschappij van Banco di Caribe relating to the securities this subsidiary holds on behalf of its customers. The Bank is the sole shareholder of all of its subsidiaries. All significant intercompany assets, liabilities, revenues and expenses have been eliminated in preparing the consolidated financial statements.

4. Classification and Subsequent Measurement of Financial Assets

Classification and subsequent measurement of the financial assets depend on:

- *(i) the Bank's business model for managing the asset; and*
- *(ii) the cash flow characteristics of the asset.*

Business Model Assessment
The business model reflects how the Bank manages the assets in order to generate cash flows. That is, whether the Bank's objective is solely to collect the contractual cash flows from the assets or is to collect both the contractual cash flows and cash flows arising from the sale of assets. If neither of these is applicable (e.g. financial assets are held for trading purposes), then the financial assets are classified as part of 'other' business model and measured at Fair Value Through Profit or Loss (FVPL)

SPPI
Where the business model is to hold assets to collect contractual cash flows or to collect contractual cash flows and sell, the Bank assesses whether the financial instruments' cash flows represent solely payments of principal and interest (the 'SPPI test'). In making this assessment, the Bank considers whether the contractual cash flows are consistent with a basic lending arrangement i.e. interest includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement. Based on these factors, the Bank classified its debts instruments into the following measurement category:

- *Amortized cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest ('SPPI'), and that are not designated at FVPL, are measured at amortized cost. The carrying amount of these assets is adjusted by any expected credit loss allowance as further described below. Interest income from these financial assets is included in 'Interest and similar income' using the effective interest rate method.*

And the Bank's equity instruments are classified into the following measurement categories:

- *Fair value through other comprehensive income ("FVOCI")*
  Assets measured at FVOCI include equity instruments for which the fair value option is elected. FVOCI instruments are initially measured at fair value, with subsequent unrealized changes recognized in other comprehensive income.
- *Fair value through profit or loss ("FVPL")*
  Assets measured at FVPL include instruments held for trading, derivatives, equity instruments for which the FVOCI option is not elected and instruments whose cash flows do not meet the SPPI requirements. Changes in the fair value of these instruments are directly recognized in the income statement.

Derecognition of Financial Assets
The Bank sometimes renegotiates otherwise modifies the contractual cash flows of loans to customers. When this happens, the Bank assesses whether or not the new terms are substantially different to the original terms. If the terms are substantially different, the Bank derecognizes the original financial asset and recognizes a 'new' asset at fair value and recalculates a new effective interest rate for the asset.

Financial assets are derecognized when the rights to receive cash flows from the investments have expired or have been transferred and the Bank has transferred substantially all risks and rewards of ownership.

Expected Credit Loss Principles
Based on IFRS9, the loans, including related party receivables, are grouped into Stage 1, Stage 2 and Stage 3, as described below:

- *Stage 1: When loans are first recognized, the Bank recognizes an allowances based on 12 month's ECL's. Stage 1 loans also include facilities where the credit risk has improved and the loan has been reclassified from Stage 2;*
- *Stage 2: When a loan has shown a significant increase in credit risk since origination, the Bank records an allowance for the Lifetime ECL's. Stage 2 loans also include facilities, where the credit risk has improved and the loan has been reclassified from Stage 3;*
- *Stage 3: Loans considered credit-impaired. The Bank records an allowance for the Lifetime ECL's.*

Calculation of Expected Credit Losses
The key elements of the ECL calculations are as follows:

- *The Probability of Default (PD) is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period.*
- *The Exposure at Default (EAD) is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, expected drawdowns on committed facilities, and accrued interest from missed payments.*
- *The Loss Given Default (LGD) is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realization of any collateral. It is expressed as a percentage of the EAD.*

In its ECL models, the Bank relies on a broad range of forward looking information, available at reporting date, such as economic inputs such as GDP growth, Unemployment rates and the Consumer Price Index. The input and models used for calculating ECL's may not always capture all characteristics of the market at the date of the financial statements. To reflect this, qualitative adjustments or overlays are occasionally made as temporary adjustments when such differences are significantly material.

5. Sale of Banco di Caribe Aruba N.V.

On December 23, 2024 the Bank sold Banco di Caribe Aruba N.V ("BdCA") to its parent, United Group Holdings B.V. who subsequently sold BdCA to AIB Bank N.V..

As per year end, the amount receivable from United Group Holdings B.V. is reflected in the balance sheet as 'Amount due from related party'. The former subsidiary was de-consolidated during 2024.

In accordance with IFRS 5 requirements:

- *The comparative figures in the consolidated statement of profit or loss and other comprehensive income for the year ended 31 December 2023 have been restated to present the results of the discontinued operation separately from those of continuing operations. The amounts related to the operations of BdCA are reported in total on the line item 'Profit for the year from Discontinued operations'.*
- *The comparative figures in the consolidated statement of financial position have not been restated. The Consolidated statement of financial position for the year ended December 31, 2023 includes the amounts of BdCA.*

Consolidated income statement and statement of other comprehensive income.

For the year ended December 31, 2024 (in '000 Antillean Guilders)

	2024	*2023**
Continuing Operations		
Revenues		
Interest income	58,371	56,684
Interest expense	16,849	13,099
Net interest income	**41,522**	**43,585**
Fee and commission income	19,184	17,615
Fee and commission expense	9,710	7,259
Net fees and commission income	**9,474**	**10,356**
Other operating income	5,857	3,603
Operating income	**56,853**	**57,544**
Personnel expenses	31,222	31,894
Operating expenses	24,843	24,576
Net impairment on loans and advances	(1,381)	(222)
Operating expenses	**54,684**	**56,248**
Net result from operations	**2,169**	**1,296**
Corporate Income tax expenses	1,435	(583)
Profit for the year from Continued Operations	734	1,879
Profit for the year from Discontinued operations	394	1,765
Profit for the year	**1,128**	**3,644**

**Adjusted for comparison purposes in connection with Discontinued Operations.*

B. Specification of Accounts

(in '000 Antillean Guilders)

I. Assets

Investment Securities	*2024*	*2023*
Measured at amortized costs investment securities	38,214	91,937
FVOCI – equity securities	1,441	3,069
Total investment securities	**39,655**	**95,006**

Loans and Advances to Customers	*2024*	*2023*
Retail customers	474,237	609,902
Corporate customers	499,641	626,622
Gross loans and advances to customers	**973,878**	**1,236,524**
Less: allowance for loan impairment	(77,103)	(97,069)
Net loans and advances to customers	**896,775**	**1,139,455**

II. Liabilities

Customers' Deposits	*2024*	*2023*
Retail customers	596,134	632,179
Corporate customers	529,757	698,055
Other	57,300	102,342
Total customers' deposits	**1,183,191**	**1,432,576**

2024

Banco di Caribe N.V.
Consolidated Financial Highlights

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BANCO DI CARIBE