COMMONWEALTH BANK

CHAIRMAN'S REPORT ON UNAUDITED RESULTS
JUNE 30, 2026

Commonwealth Bank Limited reported consolidated net profit of $39.2 million for the six months ended June 30, 2026, compared with $35.6 million for the same period in 2025, representing year-over-year growth of approximately 10%.

The Bank's first-half performance reflects strong second-quarter momentum, steady revenue expansion and disciplined balance sheet management. Gross interest income increased by 6% compared with the first half of 2025, supported by continued loan growth and the Bank's ongoing focus on prudent underwriting. Net interest income also benefitted from controlled funding costs and changes in the mix of demand and term deposits, with interest expense 9% lower than in the comparable period of 2025.

Non-interest income increased by 11% during the period, reflecting growth in credit life insurance premiums and higher activity across transaction-based revenue streams. Net credit life insurance premiums increased by 7%, in line with loan book expansion. Fee income was also supported by increased customer utilisation of the Bank's digital payment services. The continued shift toward digital and card-based payments, including foreign purchase activity, also contributed to stronger foreign exchange-related fee income. We are pleased to have expanded into Central and North Andros, providing residents with account and ATM services, which have also contributed to our fee income.

The results were further supported by reversals of impairment losses of $2.1 million, reflecting continued improvement in credit quality and a stronger delinquency profile across the Bank's loan portfolio.

Operating expenses increased by 7% over the comparative period, primarily reflecting continued investment in technology and physical infrastructure improvements designed to strengthen the customer experience and operational resilience and efficiency.

Commonwealth Bank remains well capitalised and highly liquid. As at June 30, 2026, the Bank reported a liquidity ratio of 63%, significantly above the 20% regulatory minimum, and a capital adequacy ratio exceeding 30%, compared with the regulatory requirement of 17%.

During the period, the Board of Directors approved a 50% increase in the regular quarterly dividend, from 3 cents per share to 4.5 cents per share. The second quarter dividend totalled approximately $13.1 million, and was paid on June 30, 2026 to shareholders of record as at June 18, 2026. The increase underscores the Bank's continued commitment to delivering sustainable value to shareholders.

These results reflect the strength of our bank, the discipline of our strategy and the dedication of our people. We remain focused on prudent growth, sound risk management, innovation and service excellence as we build on our legacy of Bahamians helping Bahamians. I extend sincere thanks to our employees, shareholders, directors and customers for their continued confidence and support.

William B. Sands, Jr., DM
Executive Chairman

COMMONWEALTH BANK LIMITED
Consolidated Statement of Financial Position
(Expressed in B$ '000s) (Unaudited)

	June 30, 2026	December 31, 2025
Assets		
Cash and deposits with banks	$ 209,072	$ 241,086
Investments, net	728,526	738,509
Loans and advances to customers, net	966,406	925,241
Other assets	22,424	15,474
Right of use assets	1,444	1,600
Premises and equipment	42,751	44,344
Total Assets	$ 1,970,623	$ 1,966,254
Liabilities and Equity		
Liabilities:		
Deposits from customers	$ 1,587,226	$ 1,601,599
Lease liabilities	1,534	1,662
Other liabilities	25,707	19,857
Total liabilities	1,614,467	1,623,118
Equity:		
Share capital	1,938	1,938
Share premium	4,718	4,718
Retained earnings	349,500	336,480
Total equity	356,156	343,136
Total Liabilities and Equity	$ 1,970,623	$ 1,966,254

COMMONWEALTH BANK LIMITED
Consolidated Statement of Profit or Loss and Other Comprehensive Income
(Expressed in B$ '000s) (Unaudited)

	6 months ended June 30, 2026	6 months ended June 30, 2025
Income		
Interest income, effective interest method	$ 76,206	$ 71,907
Interest expense	(7,143)	(7,846)
Net interest income	69,063	64,061
Fees and other income	20,777	18,655
Net change in unrealised gain/(loss) on equity investment	(2)	4
Total income	89,838	82,720
Non-Interest Expense		
General and administrative	50,345	47,209
Reversals of impairment losses on financial assets	(2,141)	(2,132)
Depreciation on right of use assets	229	282
Other depreciation	1,977	1,609
Finance cost on lease liabilities	48	18
Directors' costs	201	164
Total non-interest expense	50,659	47,150
Total Profit	**$ 39,179**	**$ 35,570**
Other Comprehensive Income		
Remeasurement of Defined Benefit Obligation	-	-
Total Comprehensive Income	**$ 39,179**	**$ 35,570**
Earnings Per Common Share (expressed in dollars)	**$ 0.13**	**$ 0.12**

COMMONWEALTH BANK LIMITED
Consolidated Statement of Profit or Loss and Other Comprehensive Income
(Expressed in B$ '000s) (Unaudited)

	3 months ended June 30, 2026	3 months ended June 30, 2025
Income		
Interest income, effective interest method	$ 38,149	$ 35,962
Interest expense	(3,537)	(3,902)
Net interest income	34,612	32,060
Fees and other income	10,840	9,473
Net change in unrealised gain on equity investment	11	-
Total income	45,463	41,533
Non-Interest Expense		
General and administrative	25,886	24,210
Reversals of impairment losses on financial assets	(554)	(837)
Depreciation on right of use assets	101	142
Other depreciation	1,283	826
Finance cost on lease liabilities	17	15
Directors' costs	112	82
Total non-interest expense	26,845	24,438
Total Profit	**$ 18,618**	**$ 17,095**
Other Comprehensive Income		
Remeasurement of Defined Benefit Obligation	-	-
Total Comprehensive Income	**$ 18,618**	**$ 17,095**
Earnings Per Common Share (expressed in dollars)	**$ 0.06**	**$ 0.06**

COMMONWEALTH BANK LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
(Expressed in B$ '000s) (Unaudited)

	6 months ended June 30, 2026	6 months ended June 30, 2025
Share Capital		
Balance at beginning of period	$ 1,938	$ 1,940
Repurchase of common shares	-	(2)
Balance at end of period	1,938	1,938
Share Premium		
Balance at beginning of period	4,718	6,420
Repurchase of common shares	-	(1,702)
Balance at end of period	4,718	4,718
Retained Earnings		
Balance at beginning of period	336,480	337,325
Total comprehensive income	39,179	35,570
Common share dividends	(26,159)	(35,030)
Balance at end of period	349,500	337,865
Equity at End of Period	$ 356,156	$ 344,521

COMMONWEALTH BANK LIMITED
Consolidated Statement of Cash Flows
(Expressed in B$ '000s) (Unaudited)

	6 months ended June 30, 2026	6 months ended June 30, 2025
Cash Flows from Operating Activities		
Total profit	$ 39,179	$ 35,570
Adjustments for:		
Depreciation on right of use assets	229	282
Other depreciation	1,977	1,609
Finance cost on lease liabilities	48	18
Reversals of impairment losses on financial assets	(2,141)	(2,132)
Interest income	(76,206)	(71,907)
Interest expense	7,143	7,846
Net change in unrealised gain/(loss) on equity investments	2	(4)
	(29,769)	(28,718)
Change in loans and advances to customers	(39,280)	(13,062)
Change in minimum reserve requirement	(2,351)	(3,464)
Change in assets	(7,023)	(5,925)
Change in liabilities	5,749	(6,716)
Change in deposits from customers	(13,711)	15,498
Interest received	77,605	72,519
Interest paid	(7,804)	(3,785)
Net cash (used in)/from operating activities	(16,584)	26,347
Cash Flows from/(used in) Investing Activities		
Purchase of investments	(333,232)	(466,412)
Redemption of investments	342,069	476,263
Purchases of premises and equipment	(385)	(1,528)
Net proceeds from sale of premises and equipment	-	5
Net cash from investing activities	8,452	8,328
Cash Flows from Financing Activities		
Dividends paid	(26,159)	(35,030)
Repurchase of common shares	-	(1,704)
Payment of lease liabilities	(75)	(307)
Net cash used in financing activities	(26,234)	(37,041)
Net Decrease in Cash and Cash Equivalents	(34,366)	(2,366)
Cash and Cash Equivalents, Beginning of Period	180,455	138,086
Cash and Cash Equivalents, End of Period	$ 146,089	$ 135,720

COMMONWEALTH BANK LIMITED
NOTES TO UNAUDITED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
SIX MONTHS ENDED JUNE 30, 2026 WITH CORRESPONDING FIGURES FOR 2025
(Expressed In B$ '000s) (Unaudited)

1. Accounting Policies

These consolidated interim condensed financial statements have been prepared in accordance with International Accounting Standard 34 *Interim Financial Reporting.*

The significant accounting policies and methods of computation applied in these condensed interim financial statements are consistent with those applied in the preparation of the annual audited consolidated financial statements for the year ended December 31, 2025.

The consolidated financial statements include the accounts of Commonwealth Bank Limited ("the Bank") and its wholly owned subsidiary companies. The subsidiaries are Laurentide Insurance and Mortgage Company Limited, Laurentide Insurance Agency Limited, C.B. Securities Ltd., and C.B. Holding Co. Ltd. C. B. Securities is currently in the process of being liquidated.

2. Dividends

The Bank has declared a quarterly dividend for common shares, to all shareholders of record as of June 18, 2026, and paid the dividend of 4.5 cents per share, totaling $13.1 million on June 30, 2026. Total dividends paid during the six months ended June 30, 2026 is $26.2 million (2025: $35.0 million).

3. Business Segments

For management purposes, the Bank, including its subsidiaries, is organized into five operating units – Retail Bank, Credit Life Company, Real Estate Holdings, Investment Holdings and Insurance Agency Operations. The following table shows financial information by business segment:

2026

	Retail Bank	Credit Life Company	Real Estate Holdings	Investment Holdings	Insurance Agency Operations	Eliminations	Consolidated
Total Income							
External	$ 85,526	$ 4,312	$ -	$ -	$ -	$ -	$ 89,838
Internal	113	-	1,752	-	351	(2,216)	-
Total income (loss)	$ 85,639	$ 4,312	$ 1,752	$ -	$ 351	$ (2,216)	$ 89,838
Total profit (loss)							
Internal & External	$ 35,915	$ 2,235	$ 862	$ -	$ 166	$ 1	$ 39,179

2025

	Retail Bank	Credit Life Company	Real Estate Holdings	Investment Holdings	Insurance Agency Operations	Eliminations	Consolidated
Total Income							
External	$ 78,753	$ 3,967	$ -	$ -	$ -	$ -	$ 82,720
Internal	332	2	2,051	(553)	318	(2,150)	-
Total income (loss)	$ 79,085	$ 3,969	$ 2,051	$ (553)	$ 318	$ (2,150)	$ 82,720
Total profit (loss)							
Internal & External	$ 33,463	$ 1,965	$ 766	$ (570)	$ 147	$ (201)	$ 35,570