



INTERIM REPORT

MARCH 31, 2023

CHAIRMAN'S REPORT

INTERIM REPORT

Citizens Bank Guyana Inc. delivered solid results for the first six (6) months of fiscal 2023 recording a Profit After Taxation for the six months ended March 31, 2023 of \$838.2 million compared to \$722.2 million for the corresponding period last year representing an increase of \$116.0 million or 16.1%.

Interest Income for the six-month period was \$2.1 billion, while Interest Expense was \$131.2 million, resulting in Net Interest Income of \$2.0 billion, compared to \$1.7 billion for the corresponding period last year. Other Income was \$494.7 million, resulting in a surplus before Non-interest Expenses of \$2.5 billion; this represents an increase of \$366.3 million or 17.2% over the corresponding period last year.

The Bank's Operating Expenses were \$992.5 million, reflecting an increase of 19.0% over the corresponding period last year on account of increased personnel cost, as well as the cost of goods and services. Net impairment on financial assets was \$82.8 million compared to \$83.5 million for the corresponding period last year.

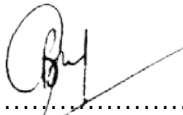
At March 31, 2023, the net loans and advances balance was \$43.1 billion, compared to \$34.0 billion at March 31, 2022. Net investments were \$25.2 billion, compared to \$23.8 billion at March 31, 2022.

Total deposits balance was \$79.4 billion, compared to \$72.1 billion at March 31, 2022.

The Board of Directors has approved an Interim Dividend of \$1.15 per share, compared to \$1.00 for the corresponding period in 2022.

The Guyana economy is projected to continue its trajectory of economic growth during fiscal 2023. Citizens Bank Guyana Inc remains ready to respond to the opportunities that will be presented, and is optimistic about a satisfactory performance during the remaining six months of the financial year.

I take this opportunity to thank our customers for their support, the management and staff for their dedication and hard work, our shareholders and fellow Directors for their co-operation and assistance.



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CLIFFORD B. REIS
CHAIRMAN

STATEMENT OF INCOME

For The Half Year Ended 31 March 2023

Thousands of Guyana Dollars	Unaudited For the three months ended 31-Mar-23	Unaudited For the three months ended 31-Mar-22	Unaudited For the six months ended 31-Mar-23	Unaudited For the six months ended 31-Mar-22	Audited For the year ended 30-Sep-22
INTEREST INCOME	1,094,509	906,775	2,136,820	1,838,348	3,885,550
INTEREST EXPENSE	(66,927)	(73,619)	(131,227)	(157,643)	(308,641)
NET INTEREST INCOME	1,027,582	833,156	2,005,593	1,680,705	3,576,909
OTHER INCOME	292,469	209,377	494,750	453,366	961,647
TOTAL NET INCOME	1,320,051	1,042,533	2,500,343	2,134,071	4,538,556
OPERATING EXPENSES	(490,685)	(413,213)	(992,544)	(834,352)	(1,675,582)
NET MOVEMENT IN IMPAIRMENT OF FINANCIAL ASSETS	(41,400)	(41,745)	(82,800)	(83,495)	137,994
PROFIT BEFORE TAXATION	787,966	587,575	1,424,999	1,216,224	3,000,968
TAXATION CHARGE	(324,536)	(238,138)	(586,774)	(494,021)	(1,201,064)
PROFIT AFTER TAXATION	463,430	349,437	838,225	722,203	1,799,904
EARNINGS PER SHARE	\$7.79	\$5.87	\$14.09	\$12.14	\$30.26

STATEMENT OF COMPREHENSIVE INCOME

For The Half Year Ended 31 March 2023

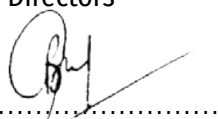
Thousands of Guyana Dollars	Unaudited For the three months ended 31-Mar-23	Unaudited For the three months ended 31-Mar-22	Unaudited For the six months ended 31-Mar-23	Unaudited For the six months ended 31-Mar-22	Audited For the year ended 30-Sep-22
PROFIT AFTER TAXATION	463,430	349,437	838,225	722,203	1,799,904
<i>Items that may not be reclassified to profit or loss:</i>					
Revaluation of property	0	0	0	0	882,190
Deferred tax charge arising on revaluation of property	0	0	0	0	(226,494)
OTHER COMPREHENSIVE INCOME	0	0	0	0	655,696
TOTAL COMPREHENSIVE INCOME	463,430	349,437	838,225	722,203	2,455,600

STATEMENT OF FINANCIAL POSITION

As at 31 March 2023

Thousands of Guyana Dollars	Unaudited As at 31-Mar-23	Unaudited As at 31-Mar-22	Audited As at 30-Sep-22
ASSETS			
Cash and balances with Bank of Guyana	16,781,000	20,213,533	10,954,587
Amounts due from other banks	3,819,993	2,273,297	5,265,466
Investment securities	25,164,807	23,833,046	23,726,962
Loans and advances	43,062,843	34,029,452	38,241,268
Other assets	7,173,192	5,493,106	6,541,757
TOTAL ASSETS	96,001,835	85,842,434	84,730,040
LIABILITIES			
Customers' deposits	79,359,094	72,150,986	69,061,643
Other liabilities	2,815,580	2,138,454	2,441,496
TOTAL LIABILITIES	82,174,674	74,289,440	71,503,139
SHAREHOLDERS EQUITY			
Share capital	594,913	594,913	594,913
Statutory reserve	594,913	594,913	594,913
General banking risk reserve	211,941	211,941	211,941
Other reserves	713,757	58,061	713,757
Retained earnings	11,711,637	10,093,166	11,111,377
TOTAL SHAREHOLDERS' EQUITY	13,827,161	11,552,994	13,226,901
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	96,001,835	85,842,434	84,730,040

On behalf of the Board of Directors


 CLIFFORD B. REIS
 CHAIRMAN


 ETON M. CHESTER
 MANAGING DIRECTOR

STATEMENT OF CHANGES IN EQUITY

For The Half Year Ended 31 March 2023

Thousands of Guyana Dollars	Share Capital	Statutory Reserve	Revaluation Reserve	General Banking Risk Reserve	Retained Earnings	Total
For the three months ended 31 March 2022						
As at beginning of period	594,913	594,913	58,061	211,941	9,898,406	11,358,234
Total comprehensive income	0	0	0	0	349,437	349,437
Dividend paid	0	0	0	0	(154,677)	(154,677)
As at end of period	594,913	594,913	58,061	211,941	10,093,166	11,552,994
For the three months ended 31 March 2023						
As at beginning of period	594,913	594,913	713,757	211,941	11,486,172	13,601,696
Total comprehensive income	0	0	0	0	463,430	463,430
Dividend paid	0	0	0	0	(237,965)	(237,965)
As at end of period	594,913	594,913	713,757	211,941	11,711,637	13,827,161
For the six months ended 31 March 2022						
As at beginning of period	594,913	594,913	58,061	211,941	9,525,640	10,985,468
Total comprehensive income	0	0	0	0	722,203	722,203
Dividend paid	0	0	0	0	(154,677)	(154,677)
As at end of period	594,913	594,913	58,061	211,941	10,093,166	11,552,994
For the six months ended 31 March 2023						
As at beginning of period	594,913	594,913	713,757	211,941	11,111,377	13,226,901
Total comprehensive income	0	0	0	0	838,225	838,225
Dividend paid	0	0	0	0	(237,965)	(237,965)
As at end of period	594,913	594,913	713,757	211,941	11,711,637	13,827,161

STATEMENT OF CASH FLOWS

For The Half Year Ended 31 March 2023

Thousands of Guyana Dollars	Unaudited For the three months ended 31-Mar-23	Unaudited For the three months ended 31-Mar-22	Unaudited For the six months ended 31-Mar-23	Unaudited For the six months ended 31-Mar-22	Audited For the year ended 30-Sep-22
OPERATING ACTIVITIES					
Profit before taxation	787,966	587,575	1,424,999	1,216,224	3,000,968
Adjustments to reconcile net profit to net cash provided by operating activities:					
Adjustment for non - cash items	43,195	48,061	88,214	112,330	193,257
Increase in operating assets	(2,936,293)	(218,091)	(5,519,942)	(642,868)	(4,500,231)
(Decrease) / increase in operating liabilities	(5,871,236)	703,409	10,428,807	2,347,690	(848,467)
Reserve requirement with Bank of Guyana	(363,882)	(128,774)	(1,382,339)	(130,362)	(1,139,162)
Fair value (gains) / losses on investment securities	(1,235)	0	24,510	0	(40,543)
Taxes paid	(169,314)	(150,177)	(344,047)	(303,077)	(810,966)
	(8,510,799)	842,003	4,720,202	2,599,937	(4,145,144)
NET CASH (OUTFLOW) / INFLOW - OPERATING ACTIVITIES					
INVESTING ACTIVITIES					
Net movement of investment securities	(1,410,675)	(2,884,399)	(1,462,355)	(14,440,569)	(14,263,164)
Purchase of property and equipment	(12,008)	(3,652)	(22,032)	(11,469)	(645,819)
Purchase of intangible assets	0	0	0	0	(19,135)
Proceeds from sale of property and equipment	750	0	750	0	5,073
	(1,421,933)	(2,888,051)	(1,483,637)	(14,452,038)	(14,923,045)
NET CASH OUTFLOW - INVESTING ACTIVITIES					
FINANCING ACTIVITIES					
Dividends paid	(237,965)	(154,677)	(237,965)	(154,677)	(214,167)
	(237,965)	(154,677)	(237,965)	(154,677)	(214,167)
NET CASH OUTFLOW- FINANCING ACTIVITIES					
NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS	(10,170,697)	(2,200,725)	2,998,600	(12,006,778)	(19,282,356)
CASH AND CASH EQUIVALENTS AS AT BEGINNING OF PERIOD	21,472,239	17,779,245	8,302,942	27,585,298	27,585,298
CASH AND CASH EQUIVALENTS AT END OF PERIOD	11,301,542	15,578,520	11,301,542	15,578,520	8,302,942

NOTES TO THE INTERIM FINANCIAL STATEMENTS

For The Half Year Ended 31 March 2023

1 ACCOUNTING POLICIES

These interim financial statements were prepared to comply with Supervision Guideline 10 as issued by the Bank of Guyana. The accounting policies used are consistent with those applied in the annual financial statements for the year ended 30 September 2022.

2 TAXATION

The taxation charge is based on the actual results of the period, adjusted for the provisions of the applicable tax legislation, and includes an allowance for deferred taxation. Deferred taxation is computed using the liability method for all temporary differences arising between the tax bases of the assets and liabilities and their carrying values for financial reporting purposes.

3 DIRECTORS' INTEREST

	Ordinary Shares of No Par Value	
	Beneficial Interest	Associate's Beneficial Interest
Clifford B. Reis	Nil	125,000
Rakesh K. Puri	Nil	9,929,241
Eton M. Chester	Nil	36,251

No other Director or his known associate has any beneficial interest in any shares of the Company.

4 SUBSTANTIAL SHAREHOLDERS

	Ordinary Shares of No Par Value
Banks DIH Limited	30,340,557
Continental Agencies Limited	9,929,241
Hand-in-Hand Pension Scheme	5,802,885
Hand-in-Hand Group	4,205,356

A substantial shareholder is defined as a person or entity entitled to exercise, or control the exercise of five percent (5%) or more of the voting power at any general meeting.

NOTES TO THE INTERIM FINANCIAL STATEMENTS

For The Half Year Ended 31 March 2023

5 RELATED PARTY BALANCES AND TRANSACTIONS

	As at 31-Mar-23 \$'000	As at 31-Mar-22 \$'000	As at 30-Sep-22 \$'000
Loans	184,788	473,229	245,091
Deposits	23,779,026	24,090,761	24,542,458
Guarantees	389,259	158,410	367,259
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	For the six months ended 31-Mar-23 \$'000	For the six months ended 31-Mar-22 \$'000	For the Year ended 30-Sep-22 \$'000
Interest Income	8,336	9,465	18,528
Interest Expense	38,634	69,239	126,795

Related parties include major shareholders, key management personnel and other organisations controlled or significantly influenced by key management personnel.

6 INTRA - GROUP OBLIGATIONS

Banks DIH Limited, the parent company of Citizens Bank Guyana Inc, has outstanding obligations totalling \$315.1 million owing to the Bank as at 31 March 2023 (31 March 2022: \$85.4 million). These obligations are included in balances shown in the Note (5).

7 CAPITAL COMMITMENTS

	As at 31-Mar-23 \$'000	As at 31-Mar-22 \$'000	As at 30-Sep-22 \$'000
Capital commitments for property and equipment:			
Authorised but not contracted for	1,094,180	809,006	1,114,206
Authorised and contracted for	453,077	600,549	601,049

NOTES TO THE INTERIM FINANCIAL STATEMENTS

For The Half Year Ended 31 March 2023

8 FAIR VALUE

Asset carried at fair value

The Company's fair value through profit or loss investment security of \$274.8 million (2022: FVPL - \$300.5 million) is carried at fair value based on a quoted price from an active market. It would therefore be classified as level 1.

Assets and liabilities not carried at fair value

The table below shows the fair values of assets and liabilities which are not carried at fair value on the statement of financial position but for which disclosures of fair value is required.

	IFRS 13 Level	31-Mar-23 Carrying Amount	31-Mar-23 Fair Value	31-Mar-22 Carrying Amount	31-Mar-22 Fair Value
Assets:					
Investment securities (amortised cost)	Level 2	24,890,052	25,033,477	23,532,523	23,674,868
Loans and advances (amortised cost)	Level 2	43,062,843	44,075,046	34,029,452	34,290,744

The fair value of amortised cost investment securities and loans and advances are based on net present values using discount rates reflective of market rates for similar assets.

The fair values of other financial assets and liabilities approximate to their carrying amounts given short term to maturity.

The fair value of the property is considered to approximate the carrying value given its recent acquisition and valuations.

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