

INDEPENDENT AUDITORS' REPORT

 To the Shareholders of East Caribbean Financial Holding Company Limited
 Report on the Audit of the Summary Consolidated Financial Statements

Opinion

The summary consolidated financial statements, which comprise the summary consolidated statement of financial position as at 31 December 2018, the summary consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and related notes, are derived from the audited consolidated financial statements of East Caribbean Financial Holding Company Limited and its subsidiary ("the Group") for the year ended 31 December 2018.

In our opinion, the accompanying summary consolidated financial statements are consistent, in all material respects, with the audited consolidated financial statements, in accordance with 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. Reading the summary consolidated financial statements and our report thereon, therefore, is not a substitute for reading the audited consolidated financial statements and our 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 21 March 2019. That report also includes the communication of key

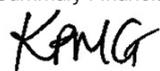
audit matters. Key audit matters are those matters that in our professional judgement, were of most significance in our audit of the financial statements for the current period. That report further includes an Other Matter paragraph which indicates that the consolidated financial statements of the Group for the year ended 31 December 2017, were audited by another auditor who expressed an unmodified opinion on those consolidated financial statements on 22 March 2018.

Management's Responsibility for the Summary Consolidated Financial Statements

Management is responsible for the preparation of the summary consolidated financial statements on the basis of their established criteria as described in Note 1.

Auditors' Responsibility

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."



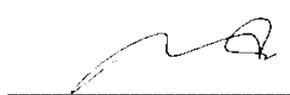
 Chartered Accountants
 Saint Lucia
 21 March 2019

SUMMARY CONSOLIDATED STATEMENT OF FINANCIAL POSITION

 As at 31 December 2018
 (Expressed in Eastern Caribbean dollars)

	2018 \$'000	2017 \$'000
Assets		
Cash, balances with Central Bank and due from banks	416,985	449,994
Investment securities	712,392	584,607
Loans and receivables	849,215	874,051
Property and equipment	45,606	45,885
Investment properties	31,955	37,455
Other assets	131,069	125,998
Total assets	2,187,222	2,117,990
Liabilities		
Due to customers	1,885,121	1,856,589
Borrowings	71,519	79,181
Other liabilities	40,661	33,647
Total liabilities	1,997,301	1,969,417
Equity		
Share capital	170,081	170,081
Reserves	19,840	(21,508)
Attributable to the Company's equity holders	189,921	148,573
Total equity	189,921	148,573
Total liabilities and equity	2,187,222	2,117,990

Approved by the Board of Directors on 21 March 2019:

 Director
  Director

SUMMARY CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

 For the year ended 31 December 2018
 (Expressed in Eastern Caribbean dollars)

	2018 \$'000	2017 \$'000
Continuing operations		
Net interest income	56,238	48,358
Other operating income	57,173	56,842
Impairment losses	(8,920)	(16,431)
Operating expenses	(64,303)	(62,524)
Share of profit of associates	5,424	3,074
Dividends on preference shares	(291)	(291)
Profit for the year before income tax	45,321	29,028
Income tax (expense)/ recovery	(355)	2,806
Profit for the year from continuing operations	44,966	31,834
Discontinued operations		
Profit from discontinued operations	-	683
Gain on disposal of controlling interest of subsidiary	-	4,472
Profit for the year	44,966	36,989
Profit per share from continuing operations for earnings attributable to the equity holders of the Company during the year:		
-basic	1.84	1.30
-diluted	1.83	1.26
Other comprehensive income		
Unrealised (loss)/gain on investments	(7,242)	7,810
Re-measurement (loss)/gain on defined benefit pension plan (net of tax)	(3,835)	521
Total comprehensive income for the year	33,889	45,320

SUMMARY CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

 For the year ended 31 December 2018
 (Expressed in Eastern Caribbean dollars)

	Ordinary shares \$'000	Reserves \$'000	Total \$'000	Non- con- trolling interests \$'000	Total equity \$'000
Balance at 1 Jan. 2017	170,081	(76,357)	93,724	51,858	145,582
Total comprehensive income for the year	-	45,320	45,320	-	45,320
Contributions to student loan guarantee fund	-	9,529	9,529	-	9,529
Disposal of subsidiary	-	-	-	(51,858)	(51,858)
Balance at 31 Dec. 2017	170,081	(21,508)	148,573	-	148,573
Balance at 1 Jan. 2018	170,081	(21,508)	148,573	-	148,573
Changes on adoption of IFRS 9	-	17,480	17,480	-	17,480
Total comprehensive income for the year	-	33,889	33,889	-	33,889
Contributions withdrawn	-	(10,021)	(10,021)	-	(10,021)
Balance at 31 Dec. 2018	170,081	19,840	189,921	-	189,921

NOTES TO THE SUMMARY CONSOLIDATED FINANCIAL STATEMENTS
Note 1. Basis of presentation

The summary consolidated financial statements are prepared in accordance with criteria developed by management. Under management's established criteria, management discloses the summary consolidated statement of financial position, summary consolidated statement of profit or loss and other comprehensive income, summary consolidated statement of changes in equity and summary consolidated statement of cash flows. These summary consolidated financial statements are derived from the audited consolidated financial statements of East Caribbean Financial Holding Company Limited and its subsidiary for the year ended 31 December 2018.

These summary consolidated financial

statements have been prepared in accordance with the accounting policies set out in "Note 2" of the 31 December 2018 audited consolidated financial statements.

IFRS 9 was implemented in 2018 and in accordance with the provisions of the standard, comparative figures for the prior period have not been restated. Differences in carrying amounts of financial assets resulting from the adoption of the standard are recognized in retained earnings as at 1 January 2018. Any other new Accounting Standards or interpretations which became effective in this financial year have had no material impact on the Group. The areas of critical accounting estimates and judgments as disclosed in "Note 4" of the 31 December 2018 audited consolidated financial statements, have also remained unchanged.

SUMMARY CONSOLIDATED STATEMENT OF CASH FLOWS

 For the year ended 31 December 2018
 (Expressed in Eastern Caribbean dollars)

	2018 \$'000	2017 \$'000
Net cash from operating activities and net FX movement in investments	60,256	116,339
Net cash used in investing activities	(143,655)	(600,268)
Net cash used in financing activities	(17,683)	(5,500)
Decrease in cash and cash equivalents	(101,082)	(489,429)
Cash and cash equivalents at beginning of year	351,045	840,474
Cash and cash equivalents at end of year	249,963	351,045