Republic Financial Holdings Limited

Flash Report	Q3 2026 (Jun 2026)				
Last Price (TT$):	$112.02	**52 Wk Range:**	$100.99 - $112.02	**Market Cap (TT$):**	$18.36B
YTD Price Change:	8.14%	**EPS (TTM):**	$13.63	**Dividend Yield (TTM):**	5.36%
Sector:	Banking	**P/E (TTM):**	8.22x	**P/B (TTM):**	1.18x

RFHL's Q3 2026 net revenue grows 6.5% y-o-y, but profit dips 6.2%

Key information

- For the nine months ended June 2026, RFHL's profit attributable to equity holders increased ($24M/1.6%) to $1.53B compared to Q3 2025, mainly driven by growth in the loans and investments of the Group.
- The RFHL Board of Directors declared an interim dividend of $1.00 (payout ratio: 35%) per share, consistent with the corresponding period in 2025 (payout ratio: 33%).

Performance Review (Q3 2026):

- For Q3 2026, RFHL's profit after tax fell ($35M/6.2%) to $529M compared to Q3 2025, as growth in net interest income and other income was more than offset by a sharp rise in credit loss expense.
- For Q3 2026, RFHL's net interest income improved y-o-y by $69M/5.0% to $1.45B. Other income also rose, increasing by $57M/10.5% y-o-y to $600M. As such, net revenue for the Group improved by $126M/6.5% to $2.05B compared to Q3 2025. Net interest margin remained broadly stable at 7.5% versus 7.5% in the prior year.
- Operating expenses rose by $36M (3.4%) y-o-y to $1.10B, driven by ongoing investments in digital transformation and business growth initiatives. As revenue increased at a faster rate of 6.5%, the efficiency ratio improved from 55.2% to 53.6% as the Group continues to optimize its cost base and invest in digital transformation.
- Operating profit grew by $91M/10.5% to $955M in Q3 2026. Despite this improvement, profit before taxation (PBT) fell by $19M/2.6% to $698M as credit loss expense nearly doubled as the ratio increased to 0.33% from 0.18 % y-o-y. As a result, profit after tax fell $35M/6.2% y-o-y to $529M.
- RFHL's balance sheet continues to grow, reflecting the Group's ongoing business expansion. Total assets climbed by $5.64B/4.4% y-o-y to $134.61B, primarily driven by growth in the Group's loan and investment portfolios, with advances up 5.3% to $77.40B and investment securities up 6.0% to $21.93B.
- Total liabilities also rose $4.77B/4.2% to $117.21B, mainly due to a $4.94B/4.6% increase in customers' deposits and other funding instruments to $111.97B. Shareholder equity increased $0.87B/5.3% to $17.40B, driven by a $1.04B/8.8% rise in retained earnings.
- Most of RFHL's subsidiaries performed favourably, with Ghana (+30.9%), Eastern Caribbean (+15.5%), Guyana (+12.7%), Cayman Islands (+5.7%) and Trinidad and Tobago (+4.4%) growing operating income for Q3 2026 versus their performance in Q3 2025.

Financial Highlights (TT$' millions)	Quarter	
	Q3 2025	Q3 2026
Net Revenue	$1,925	$2,051
Operating Profit	$864	$955
Profit before Tax	$717	$698
Profit after Tax*	$564	$529
Total Assets	$128,963	$134,605
Total Liabilities	$112,437	$117,210
Total Equity	$16,526	$17,395
Oper. Margin	44.88%	46.56%
Net Prof. Margin	29.30%	25.79%
Return on Assets	0.44%	0.39%
Return on Equity	3.41%	3.04%
Efficiency Ratio	55.22%	53.58%
Net Int. Margin	7.52%	7.50%
Credit Cost Ratio	0.18%	0.33%

**Attributable to shareholders of the Parent (i.e. excludes non-controlling interests)*

- Barbados (-1.7%) was the only territory to decline y-o-y in Q3 2026, while British Virgin Islands was broadly flat. Nevertheless, the Group's consolidated operating income grew overall given the outperformance of the majority of territories y-o-y.

Risk Factors

- Domestic equity market is inhibited by low liquidity and market depth.
- Margin compression due to increased funding costs and competitive pressures on lending rates.
- The Group is currently undergoing digitization efforts which is increasing operating expenses leading to overall cost escalation. Close monitoring is necessary because if left unchecked, this can negatively impact the Group's profitability.
- Local liquidity constraints may challenge the Trinidad operations.
- Persistent FX shortages continue to hamper Trinidad and Guyana subsidiaries.
- The geographic concentration of RFHL within the Caribbean region exposes the company to the effects of natural disasters.
- Rising delinquency rates may increase credit losses and adversely impact earnings.

Chart 1: RFHL Share Price and Volume Traded

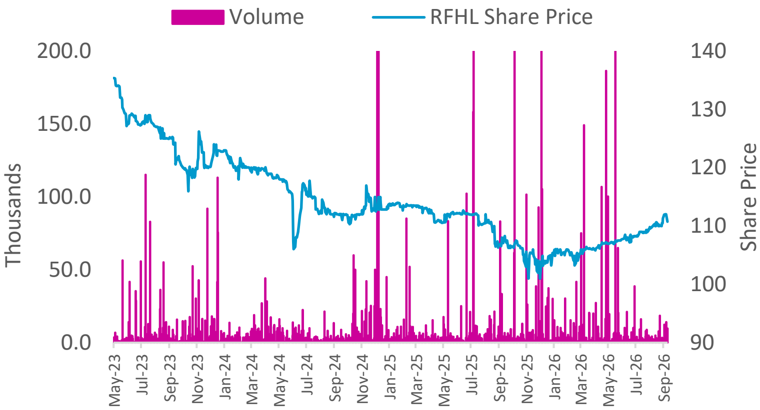


Chart 2: RFHL's EPS, DPS and Dividend Yield

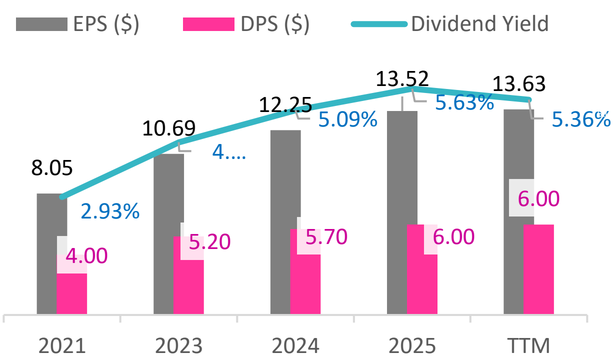
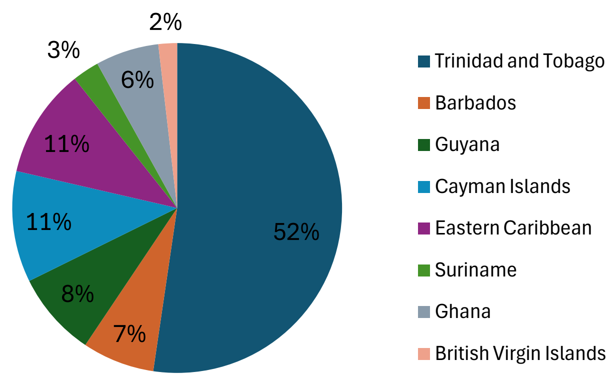


Chart 3: RFHL's operating income by geography- Q3 2026 (TT$'000)

Operating Income (Mn)	Q3 2026	Q3 2025
Trinidad and Tobago	3,856	3,694
Barbados	522	531
Guyana	612	543
Cayman Islands	803	760
Eastern Caribbean	791	685
Suriname	193	190
Ghana	458	350
British Virgin Islands	135	135
Less adjustments	(1,287)	(1,233)
Total	6,083	5,655

Chart 4: RFHL's operating income by geography – Q3 2026



Disclosure:

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