



CIBC Caribbean Bank Limited

Notice of Material Change

Notice issued pursuant to
Section 60(3)(a) of the Securities Act of Barbados
Section 64(1)(b) of the Securities Act of Trinidad and Tobago
Section 98(3) of the Eastern Caribbean Securities Market Act 2001

May 28, 2026, Barbados- CIBC Caribbean Bank Limited (“**CIBC Caribbean**” or the “**Bank**”) announces that its majority shareholder, CIBC, has entered into a definitive agreement with the Bank of N.T. Butterfield & Son Limited (“**Butterfield**”) pursuant to which Butterfield will acquire CIBC’s 91.7% interest in CIBC Caribbean, a relationship bank with a longstanding history serving communities across the Caribbean, to create a leading banking and wealth management platform in international financial centers and attractive Caribbean markets, with approximately \$29 billion in assets. The transaction brings together two complementary banks with deep roots and established relationships across their combined footprint with heightened capacity, greater diversification and scalable growth to drive long-term value for all stakeholders.

Butterfield and CIBC Caribbean’s expanded capabilities and scale are expected to provide enhanced corporate, personal and wealth management services across their combined client bases. Clients can expect greater ability to process cross-border payments, increased consumer and merchant banking capabilities, and continued investments in technology and digital banking infrastructure. Butterfield will maintain both organizations’ operational footprints, including CIBC Caribbean’s regional headquarters in Barbados, ensuring continuity for customers and employees. Butterfield is also committed to its and CIBC Caribbean’s philanthropic, financial education, and sustainability initiatives in each of their geographies, which will continue to provide outsized, tangible and mutually beneficial financial impacts for the combined company and its communities.

Michael Collins, Butterfield’s Chairman and Chief Executive Officer, said: “Since Butterfield’s 2016 listing on the NYSE, we have successfully grown and enhanced profitability through bank and trust acquisitions. This deal combines two storied and complementary banks, with significant local scale advantages and time-honored customer relationships in their respective core jurisdictions. The transaction will offer both scale and diversification to the benefit of all stakeholders, positioning Butterfield as a leading independent bank and wealth manager operating across international financial centers and attractive Caribbean markets. I look forward to welcoming our talented new colleagues and valued clients.”

Mark St. Hill, Chief Executive Officer of CIBC Caribbean, added: “For our clients, employees and communities, this combination brings together two organizations with shared values and a common focus on relationship banking, innovating and community impact. We look forward to building on our legacy as the region’s champion in financial services.”

Harry Culham, President and CEO, CIBC, commented: “The entire CIBC Caribbean team led by Mark St. Hill has built a strong, client-focused bank across the region, and we look forward to realizing the strategic benefits of this transaction to deliver more for all stakeholders.”

Transaction Details

The total consideration to be paid for CIBC Caribbean will be comprised of \$1,091 million in cash and \$703 million in Butterfield shares valued by reference to Butterfield’s 10-day NYSE VWAP of \$55.66 as of May 27, 2026, for an aggregate purchase price of \$1,794 million, or \$1.14 per CIBC Caribbean share.

Under the terms of the agreement, which have been unanimously approved by the Board of Directors of Butterfield, Butterfield will acquire CIBC Investments (Cayman) Limited, the holding company for CIBC’s 91.7% interest in CIBC Caribbean. Butterfield will subsequently commence a mandatory take-over bid for the remaining 8.3% of total outstanding shares of CIBC Caribbean held by minority shareholders, with the objective of acquiring full ownership of CIBC Caribbean, subject to applicable law and regulatory requirements.

CIBC Caribbean’s minority shareholders will be offered equivalent economic terms as CIBC, and will also have the option to elect to receive up to 100% of their consideration in Butterfield shares, providing them with the opportunity to maintain the entirety of their investment in the combined organization, should they choose to do so. Houlihan Lokey, acting as financial advisor to the Special Committee of CIBC Caribbean’s Board of Directors, has provided an opinion to the Special Committee with respect to the fairness from a financial point of view of the consideration to be offered to CIBC Caribbean’s minority shareholders in the mandatory take-over bid. Assuming minority shareholders elect the same mix of cash and shares as CIBC, following completion of the take-over bid they would collectively own approximately 2% of Butterfield.

In connection with the transaction, Butterfield has obtained commitments for \$700 million of Tier 2 capital-qualifying subordinated debt financing expected to be raised prior to closing. Following completion of the transaction, the combined company is expected to maintain capital levels significantly above applicable regulatory thresholds on a consolidated basis, with a pro forma Common Equity Tier 1 (CET1) ratio above 12%, and total capital above 19% at closing.

The transaction is expected to close in the first half of 2027, subject to receipt of Butterfield shareholder and regulatory approvals and the satisfaction of customary closing conditions. Following the transaction, Butterfield’s ordinary shares will continue to be listed on the New York Stock Exchange (NYSE) and the Bermuda Stock Exchange (BSX), and Butterfield intends to undertake additional secondary share listings on the Barbados Stock Exchange (BSE), the Bahamas International Securities Exchange (BISX), and the Trinidad & Tobago Stock Exchange (TTSE), subject to local listing and regulatory requirements.

Following completion of the transaction, CIBC will own an approximately 22% stake in the combined entity. Under the terms of Butterfield and CIBC’s shareholder agreement, CIBC will then initially have the right to appoint two directors to Butterfield’s Board. The shareholder agreement will also provide for certain lockup restrictions with respect to CIBC’s stake in Butterfield, and include customary standstill obligations and registration rights.

The Bermuda Monetary Authority (BMA) will continue to serve as the consolidated regulatory supervisor of Butterfield across all of its locations. Butterfield will also collaborate with all relevant jurisdictional authorities to ensure continuity, market confidence, and access to high-quality financial services within each jurisdiction.

Further details on the transaction are available at <https://www.cibccaribbean.com/binaries/content/assets/news-releases/news-releases-2026/final-cibc-caribbean-news-release-may-28-002.pdf>

Brian Clarke, KC
General Counsel and Group Corporate Secretary

About CIBC Caribbean

CIBC Caribbean is a relationship bank offering a full range of market leading financial services through our Corporate Banking, Personal and Business Banking and Wealth Management segments through its leading digital banking network and locations across the region. CIBC Caribbean is one of the largest regionally listed financial services institutions in the English speaking Caribbean, with US \$13.8 billion in assets and market capitalization of US \$1.8 billion.

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