

Sale of NCBFG's Cayman subsidiary cancelled



NCBFG chairman Michael Lee-Chin

NCB Financial Group (NCBFG) announced on Monday that the share purchase agreement for the sale of its 100 per cent stake in NCB (Cayman) has been terminated.

In a notice that was published on the Jamaica Stock Exchange on Monday, NCBFG pointed out that the agreement to sell the Cayman financial services operation was executed on February 2, 2024, between the group's Jamaican banking subsidiary National Commercial Bank Jamaica (NCBJ) and Berkeley Financial Holdings, a privately held company based in London, United Kingdom, "The termination of the agreement between NCBJ and Berkeley arises from the agreement not reaching completion within the agreed time and in the specific manner contemplated by them.

The intention is therefore to explore alternatives at this juncture,” said NCBSG in its notice.

NCB Cayman remains a wholly-owned subsidiary of NCBSG domiciled in the Cayman Islands, which currently operates under a Category “A” banking licence, the financial holding company said, adding that the Cayman operation offers an array of investment banking, wealth and asset management services and intends to maintain its focus on providing enhanced value to its customers.

Responding to questions from Guardian Media yesterday, NCBJ said it entered the agreement with Berkeley Financial to sell the Cayman entity “as part of its strategic focus on optimising capital allocation, generating financial inflows, and prioritising growth in its core business areas. The sale was intended to boost the group’s ability to allocate resources efficiently, while maintaining its dedication to delivering value across its operations.”

NCBJ said the non-completion of the agreement does not have any material impact on NCBSG’s balance sheet.

“While the sale presented a strategic opportunity, the group maintains strong financial stability and continues to deliver value through its diverse operations, including NCB (Cayman),” said NCBJ.