RBC Investment Management (Caribbean) Limited

Financial Statements 2025

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Financial Statements
October 31, 2025

Contents

RBC Investment Management (Caribbean) Limited

Statement of Management's Responsibilities

The Financial Institutions Act, 2008 (The Act), requires that management acknowledges responsibility for the following:

- Preparing and fairly presenting the accompanying financial statements of RBC Investment Management (Caribbean) Limited (the 'Company') which comprise the statement of financial position as at October 31, 2025 and the statements of income and other comprehensive income, changes in equity and cash flows for the year then ended, and material accounting policies, estimates and judgements and other explanatory information;

- Ensuring that the Company keeps proper accounting records;

- Selecting appropriate accounting policies and applying them in a consistent manner;

- Implementing, monitoring and evaluating the system of internal control that assures security of the Company's assets, detection/prevention of fraud, and the achievement of Company operational efficiencies;

- Ensuring that the system of internal control operated effectively during the reporting period;

- Producing reliable financial reporting that comply with laws and regulations, including the Companies Act; and

- Using reasonable and prudent judgement in the determination of estimates.

In preparing these audited financial statements, management utilised the IFRS® Accounting Standards, as issued by the International Accounting Standards Board and adopted by the Institute of Chartered Accountants of Trinidad and Tobago. Where IFRS® Accounting Standards presented alternative accounting treatments, management chose those considered most appropriate in the circumstances.

Nothing has come to the attention of management to indicate that the Company will not remain a going concern for the next twelve months from the reporting date; or up to the date the accompanying financial statements have been authorised for issue, if later.

Management affirms that it has carried out its responsibilities as outlined above.

Managing Director and Head Investment Management RBC Investment Management (Caribbean) Limited January 20, 2026	Director, Financial Control - Trinidad and Tobago January 20, 2026

Independent auditor's report

To the shareholder of RBC Investment Management (Caribbean) Limited

Our opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of RBC Investment Management (Caribbean) Limited (the Company) as at 31 October 2025, and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards.

What we have audited

The Company's financial statements comprise:

- the statement of financial position as at 31 October 2025;
- the statement of income and other comprehensive income for the year then ended;
- the statement of changes in equity for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, comprising material accounting policy information and other explanatory information.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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Independence

We are independent of the Company in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code). We have also fulfilled our other ethical responsibilities in accordance with the IESBA Code.

Other information

The directors are responsible for the other information. The other information comprises Chairman's report (but does not include the financial statements and our auditor's report thereon).

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

PricewaterhouseCoopers

Port of Spain
Trinidad and Tobago, West Indies
21 January 2026

RBC Investment Management (Caribbean) Limited

Statement of Financial Position

Expressed in Trinidad and Tobago dollars

	Notes	October 31, 2025 ($'000)	October 31, 2024 ($'000)
Assets			
Cash and cash equivalents	3	371,657	237,873
Intangible assets	4	12	303
Equipment	5	181	218
Corporation tax recoverable		36	2,498
Deferred tax assets	6	2,784	2,655
Due from affiliated companies	19	38,535	38,442
Other assets	7	20,637	22,099
Total assets		433,842	304,088
Liabilities			
Post-retirement benefit obligations	8	7,207	6,714
Current income tax liabilities		20,307	2,991
Deferred tax liabilities	6	499	724
Due to affiliated companies	19	180,513	93,599
Other liabilities	9	8,342	7,656
Total liabilities		216,868	111,684
Equity			
Stated capital	10	15,019	15,019
Statutory reserve	11	15,019	15,019
Retained earnings		186,936	162,366
Total equity		216,974	192,404
Total equity and liabilities		433,842	304,088

The notes on pages 10 to 48 form an integral part of these financial statements.

On January 20, 2026, the Board of Directors of RBC Investment Management (Caribbean) Limited authorised these financial statements for issue.

Director

Director

RBC Investment Management (Caribbean) Limited

Statement of Income and Other Comprehensive Income

Expressed in Trinidad and Tobago dollars

	Notes	Year ended October 31, 2025 ($'000)	2024 ($'000)
Interest income	12	17	67
Non-interest income	13	226,568	188,608
Total revenue		226,585	188,675
Non-interest expenses	14	(69,968)	(67,228)
Total non-interest expenses		(69,968)	(67,228)
Net income before taxation		156,617	121,447
Taxation expense	16	(47,151)	(36,595)
Net income		109,466	84,852
Other comprehensive income, net of taxes:			
Items that may be reclassified subsequently to profit or loss:			
Re-measurement of post-retirement benefit obligations	8.4	178	247
Tax impact		(53)	-
Other comprehensive income for the year		125	247
Total comprehensive income for the year		109,591	85,099

The notes on pages 10 to 48 form an integral part of these financial statements.

RBC Investment Management (Caribbean) Limited

Statement of Changes in Equity

Expressed in Trinidad and Tobago dollars

	Notes	Stated capital ($'000)	Statutory reserves ($'000)	Retained earnings ($'000)	Total equity ($'000)
Year ended October 31, 2025					
As of October 31, 2024		15,019	15,019	162,366	192,404
Net income		-	-	109,466	109,466
Other comprehensive income		-	-	125	125
Total comprehensive income		-	-	109,591	109,591
Dividends	17	-	-	(85,021)	(85,021)
As of October 31, 2025		15,019	15,019	186,936	216,974
Year ended October 31, 2024					
As of October 31, 2023		15,019	15,019	167,267	197,305
Net income		-	-	84,852	84,852
Other comprehensive income		-	-	247	247
Total comprehensive income		-	-	252,366	282,404
Dividends	17	-	-	(90,000)	(90,000)
As of October 31, 2024		15,019	15,019	162,366	192,404

The notes on pages 10 to 48 form an integral part of these financial statements.

RBC Investment Management (Caribbean) Limited

Statement of Cash Flows

Expressed in Trinidad and Tobago dollars

	Year ended October 31, 2025 ($'000)	2024 ($'000)
Net income before taxation	156,617	121,447
Adjustments for:		
Post-retirement benefit obligation	671	(404)
Depreciation and amortisation	373	1,231
Operating income before changes in operating assets and liabilities	157,661	122,274
Decrease/(increase) in other assets	1,462	(2,466)
Increase in due from affiliated companies	(93)	(711)
Increase/(decrease) in operating liabilities:		
Due to affiliated companies	1,893	2,168
Other liabilities	708	3,328
Corporation taxes paid, net of refunds	(27,802)	(48,623)
Cash generated from operating activities	133,829	75,970
Investing activities		
Additions to equipment	(45)	(185)
Cash used in investing activities	(45)	(185)
Net increase in cash and cash equivalents	133,784	75,785
Cash and cash equivalents at beginning of year	237,873	162,088
Cash and cash equivalents at end of year	371,657	237,873

The notes on pages 10 to 48 form an integral part of these financial statements.

Expressed in Trinidad and Tobago dollars

1 Incorporation and business activities of the Company

RBC Investment Management (Caribbean) Limited (the "Company") is incorporated in Trinidad and Tobago. It is a wholly owned subsidiary of RBC Financial (Caribbean) Limited (RBCFCL) which is incorporated in Trinidad and Tobago, with the ultimate parent company being Royal Bank of Canada (RBC).

The Company is a licensed financial institution under the Financial Institutions Act, 2008 of Trinidad and Tobago and has been set up to provide a full range of services pertaining to investment management and support services associated therewith to corporate and individual clients. The address of the Company's registered office is 7-9 St. Clair Avenue, St. Clair, Port-of-Spain, Trinidad.

2 Summary of material accounting policies, estimates and judgements

The material accounting policies used in the preparation of these Financial Statements are summarised below.

These financial statements, in all material respects, have been prepared in accordance with IFRS® Accounting standards which comprise the following authoritative literature:

- IFRS® Accounting Standards,
- IAS® Standards; and
- Interpretations developed by the IFRS® Interpretations Committee (IFRIC® interpretations) or its predecessor body, the Standing Interpretations Committee (SIC® Interpretations).

These IFRS® Accounting Standards have also been adopted by the Institute of Chartered Accountants of Trinidad and Tobago. Except where otherwise noted, the same accounting policies have been applied to all periods presented.

Basis of preparation

Statement of compliance
The Financial Statements are prepared in accordance with IFRS® Accounting Standards as issued by the International Accounting Standards Board.

Historical cost convention
The financial statements have been prepared on a historical cost basis, except for the following:

- certain financial assets and liabilities, certain classes of equipment – measured at fair value or revalued amount.
- assets held for sale – measured at the lower of carrying amount and fair value less costs to sell, and
- post-retirement benefit obligation measured at fair value.

Basis of measurement
The Financial Statements are prepared in Trinidad and Tobago dollars.

2 Summary of material accounting policies, estimates and judgements (continued)

Use of estimates and assumptions
In preparing our Financial Statements, management is required to make subjective estimates and assumptions that affect the reported amount of assets, liabilities, net income, and related disclosures. Estimates made by management are based on historical experience and other assumptions that are believed to be reasonable. Key sources of estimation uncertainty include: determination of fair value of financial instruments, allowance for credit losses, insurance claims and policy benefit liabilities, pensions and other post-employment benefits, income taxes, other intangibles, and provisions. Accordingly, actual results may differ from these and other estimates thereby impacting our future Financial Statements. Refer to the relevant accounting policies in this Note for details on our use of estimates and assumptions.

Significant judgements
Significant judgements have been made in the following areas and discussed as noted in the Financial Statements:

• Employee benefits	Note 2, Note 8
• Share based compensation	Note 2, Note 15
• Income taxes	Note 2, Note 6
• Intangible assets	Note 2, Note 4

Future changes in accounting policy and disclosure

Amendments to the Classification and Measurement of Financial Instruments
In May 2024, the IASB issued *Amendments to the Classification and Measurement of Financial Instruments* which amends IFRS 9 *Financial Instruments* and IFRS 7 *Financial Instruments: Disclosures* (the Amendments). The Amendments clarify the recognition and derecognition of financial instruments and introduce an accounting policy option for financial liabilities settled through electronic payment systems. The Amendments also clarify classification guidance for financial assets with contingent features not directly related to changes in basic lending risks and introduce additional related disclosure requirements for financial instruments with such contingent features. The Amendments will be effective for us on November 1, 2026 and will be applied retrospectively with no restatement of comparative periods required. To manage the implementation of the Amendments, we established a program to assess the impact on systems, processes and financial reporting. We continue to assess the impact of adopting the Amendments on our Financial Statements.

IFRS 18 Presentation and Disclosure in Financial Statements (IFRS 18)
In April 2024, the IASB issued IFRS 18, which sets out requirements for the presentation and disclosure of information in the financial statements. IFRS 18 will replace *IAS 1 Presentation of Financial Statements* and accompanies limited amendments to other standards which will be effective upon the adoption of the new standard. The standard introduces new defined subtotals to be presented in the Statement of Income, disclosure of management-defined performance measures and requirements for aggregation and disaggregation of information. This standard will be effective for us on November 1, 2027 and will be applied retrospectively. To manage the transition to IFRS 18, we established a program to assess the impact on systems, processes and financial reporting required for adoption. We continue to assess the impact of adopting this standard on our Financial Statements.

2 Summary of material accounting policies, estimates and judgements (continued)

Other material accounting policies

The following accounting policies are applicable to all periods presented:

Classification of financial assets

Financial assets are measured at initial recognition at fair value, and are classified and subsequently measured at fair value through profit or loss (FVTPL), fair value through other comprehensive income (FVOCI) or amortised cost based on the Company's business model for managing the financial assets and the contractual cash flow characteristics of the instrument.

Business model assessment

The Company determines the business models at the level that best reflects how the Company manages portfolios of financial assets to achieve business objectives. Judgement is used in determining the business models, which is supported by relevant, objective evidence including:

- The significant risks affecting the performance of the businesses, for example, market risk, credit risk, or other risks as described in the Risk Management Note 20, and the activities taken to manage those risks;
- Historical and future expectations of the receivables managed as part of a business model; and
- The compensation structures for managers of the businesses within the Company, to the extent that these are directly linked to the economic performance of the business mode.

The Company's business model for receivables is HTC: the objective of this business model is to hold receivables to collect contractually due cash flows.

SPPI assessment

Instruments held within a HTC business model are assessed to evaluate if their contractual cash flows are comprised of solely payments of principal and interest. SPPI payments are those which would typically be expected for basic lending arrangements. Principal amounts include the fair value of the financial asset at initial recognition from lending and financing arrangements, and interest primarily relates to basic lending return, including compensation for credit risk and the time value of money associated with the principal amount outstanding over a period of time. Interest can also include other basic lending risks and costs (for example, liquidity risk, servicing or administrative costs) associated with holding the financial asset for a period of time, and a profit margin.

2 Summary of material accounting policies, estimates and judgements (continued)

Other material accounting policies (continued)

Commissions and fees

Revenue is recognised when a service is provided to a customer. Service contracts are assessed by taking the following factors into consideration sequentially, which individually will vary based on the facts and circumstances present in a contract with a customer and will require the exercise of management judgement:

1. Identified all contracts with customers;
2. Identified the separate performance obligations under a contract;
3. Determined the transaction price of the contract;
4. Allocated the transaction price to each of the separate performance obligations; and
5. Recognised the revenue as each performance obligation is satisfied.

The Company adopts the portfolio approach, as an operational expedient, where contracts are assessed as a portfolio as opposed to individually assessed when the characteristics of each contract is similar. The Company reviews the services provided as part of the contract, the contract duration, the terms and conditions for the contract, the amount, form and timing of consideration and the timing of the transfer of the service. Due to the high volume of The Company's contracts that are identical or have similar contractual terms (for example standardised banking agreements with retail customers), the expedient is applied to many of The Company's current revenue streams.

In addition, the Company does not adjust for the effects of a significant financing component for contracts with a 12 month or less expected time difference between when we provide the service to the customer and the receipt of the contract consideration.

The Company expenses incremental costs to obtain a contract if the expected amortization period of the asset the Company would have recognised is 12 months or less. Anticipated contract renewals and amendments with the same customer are considered when determining whether the period of benefit, and therefore the period of amortization, is 12 months or less. Income which falls under the scope of revenue recognition is not netted off against related expense. The Company does not incur material costs to obtain contracts with customers such as sales commissions.

Commission and fees primarily relate to investment management and custodial fees and mutual fund revenue and are recognised based on the applicable service contracts with customers.

Trust and investment management related fees, which includes custodial fees and mutual fund revenue, are generally calculated as a percentage of daily or period-end net asset values based on the terms of the contract with customers and are received monthly, quarterly, semi-annually or annually, depending on the terms of the contract. Investment management and custodial fees are generally derived from assets under management (AUM) when our clients solicit the investment capabilities of an investment manager or from assets under administration (AUA) where the investment strategy is directed by the client or a designated third party manager. Mutual fund revenue is derived as a percentage of the daily net asset value (NAV) of the mutual funds under management with each mutual fund having a management fee rate based on an approved fee structure. Investment management and custodial fees and mutual fund revenue are recognised over time when the service is provided.

2 Summary of material accounting policies, estimates and judgements (continued)

<u>**Other material accounting policies**</u> **(continued)**

Commissions and fees (continued)
When service fees and other costs are incurred in relation to commissions and fees earned, we record these costs on a gross basis in Non-interest expense based on our assessment of whether we have primary responsibility to fulfill the contract with the customer and have discretion in establishing the price for the commissions and fees earned, which may require judgment.

Accounts receivable
For accounts receivable, the Company applies the simplified approach permitted by IFRS 9 Financial Instruments, which requires expected lifetime losses to be recognised from the initial recognition of receivables. To measure the expected credit losses, accounts receivable has been grouped based on shared credit risk characteristics and days past due.

The expected loss rates are based on payment terms and corresponding historical credit losses experienced. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the customer's ability to settle the receivables. Macroeconomic variables used include, but are not limited to unemployment rate, gross domestic product (GDP) and inflation rate.

Interest
Interest is recognised in Interest income in the Statement of Income and Other Comprehensive Income for all interest-bearing financial instruments using the effective interest method. The effective interest rate is the rate that discounts estimated future cash flows over the expected life of the financial asset or liability to the net carrying amount upon initial recognition. Judgement is applied in determining the effective interest rate due to uncertainty in the timing and amounts of future cash flows.

Offsetting financial assets and financial liabilities
Financial assets and financial liabilities are offset on the Statement of Financial Position when there exists both a legally enforceable right to offset the recognised amounts and an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

Cash and cash equivalents
Cash and cash equivalents comprises cash and demand deposits with banks together with short-term highly liquid investments that are readily convertible to known amounts of cash and subject to insignificant risk of change in value. Such investments are normally those with original maturities up to three months from the date of acquisition. The Company did not hold any short-term liquid investments at the end of period.

Derecognition of financial assets
Financial assets are derecognised from our Statement of Financial Position when our contractual rights to the cash flows from the assets have expired, when we retain the rights to receive the cash flows of the assets but assume an obligation to pay those cash flows to a third party subject to certain pass-through requirements or when we transfer our contractual rights to receive the cash flows and substantially all of the risk and rewards of the assets have been transferred. When we retain substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised from our Statement of

2 Summary of material accounting policies, estimates and judgements (continued)

Other material accounting policies (continued)

Derecognition of financial assets (continued)

Financial Position and are accounted for as secured financing transactions. When we neither retain nor transfer substantially all risks and rewards of ownership of the assets, we derecognise the assets if control over the assets is relinquished. If we retain control over the transferred assets, we continue to recognise the transferred assets to the extent of our continuing involvement.

We derecognise transferred financial assets if we transfer substantially all the risk and rewards of the ownership in the assets. When assessing whether we have transferred substantially all of the risk and rewards of the transferred assets, management considers the entity exposure before and after the transfer with the variability in the amount and timing of the net cash flows of the transferred assets. In transfers that we retain the servicing rights, management has applied judgement in assessing the benefits of servicing against market expectations. When the benefits of servicing are greater than fair market value, a servicing asset is recognised in Other assets in our Statement of Financial Position. When the benefits of servicing are less than fair market value, a servicing liability is recognised in Other liabilities in our Statement of Financial Position.

Derecognition of financial liabilities

We derecognise a financial liability from our Statement of Financial Position when our obligation specified in the contract expires, or is discharged or cancelled. We recognise the difference between the carrying amount of a financial liability transferred and the consideration paid in our Statement of Income and Other Comprehensive Income.

Translation of foreign currencies

Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates (the 'functional' currency). The financial statements are presented in Trinidad and Tobago dollars, which is the Company's functional and presentation currency.

Transactions and balances

In preparing the financial statements of the Company, transactions that occur in a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position ,
- income and expenses for each statement of profit or loss and statement of comprehensive income are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions).

Foreign exchange gains and losses resulting from the translation and settlement of these items are recognised in non-interest income in the Statement of Income.

2 Summary of material accounting policies, estimates and judgements (continued)

Other material accounting policies (continued)

Equipment
Equipment includes computer equipment, furniture, fixtures and other equipment, and are stated at cost less accumulated depreciation and accumulated impairment losses. Cost comprises the purchase price, any costs directly attributable to bringing the asset to the location and condition necessary for its intended use, and the initial estimate of any disposal costs. Depreciation is recorded principally on a straight–line basis over the estimated useful lives of the assets, which are 3 to 10 years for computer equipment, and 5 to 15 years for furniture, fixtures and other equipment. Gains and losses on disposal are recorded in Non–interest income.

Equipment is assessed for indicators of impairment at each reporting period. If there is an indication that an asset may be impaired, an impairment test is performed by comparing the asset's carrying amount to its recoverable amount. Where it is not possible to estimate the recoverable amount of an individual asset, we estimate the recoverable amount of the CGU to which the asset belongs and test for impairment at the CGU level. An impairment charge is recorded to the extent the recoverable amount of an asset (or CGU), which is the higher of value in use and fair value less costs of disposal, is less than its carrying amount. Value in use is the present value of the future cash flows expected to be derived from the asset (or CGU). Fair value less costs of disposal is the amount obtainable from the sale of the asset (or CGU) in an orderly transaction between market participants, less costs of disposal.

After the recognition of impairment, the depreciation charge is adjusted in future periods to reflect the asset's revised carrying amount. If an impairment is later reversed, the carrying amount of the asset is revised to the lower of the asset's recoverable amount and the carrying amount that would have been determined (net of depreciation) had there been no prior impairment loss. The depreciation charge in future periods is adjusted to reflect the revised carrying amount.

Leases
At inception of a contract, the Company assesses whether a contract is or contains a lease. A lease is an agreement whereby the lessor conveys to the lessee the right to obtain substantially all of the economic benefits from, and direct the use of, an identified asset for a period of time in return for consideration in the form a payment or series of payments. When we are the lessee in a lease arrangement, we initially record a right-of-use asset and corresponding lease liability, except for short-term leases and leases of low-value assets. Short-term leases are leases with a lease term of 12 months or less. Low-value assets are unspecialised, common, technologically unsophisticated, widely available, and widely used non-infrastructure assets. For short-term leases and leases of low-value assets, we record the lease payments as an operating expense on a straight-line basis over the lease term.

The Company does not apply this accounting treatment to leases of intangible assets.

2 Summary of material accounting policies, estimates and judgements (continued)

Other material accounting policies (continued)

Provisions

Provisions are liabilities of uncertain timing or amount and are recognised when we have a present legal or constructive obligation as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Provisions are measured as the best estimate of the consideration required to settle the present obligation at the reporting date. Significant judgement is required in determining whether a present obligation exists and in estimating the probability, timing and amount of any outflows.

We record provisions related to litigation, and the allowance for off-balance sheet and other items. Provisions are recorded under Other liabilities on our Statement of Financial Position.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, such as an insurer, a separate asset is recognised if it is virtually certain that reimbursement will be received.

Employee benefits – Pensions and other post-employment benefits

Our defined benefit pension expense, which is included in Non-interest expense, consists of the cost of employee pension benefits for the current years' service, net interest on the net defined benefit liability (asset), past service cost and gains or losses on settlement. Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses and return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in other comprehensive income in the period in which they occur. Actuarial gains and losses comprise experience adjustments (the effects of differences between the previous actuarial assumptions and what has actually occurred), as well as the effects of changes in actuarial assumptions. Past service cost is the change in the present value of the defined benefit obligation resulting from a plan amendment or curtailment and is charged immediately to income.

For the defined benefit plan, we recognise the present value of our defined benefit obligations less the fair value of the plan assets, as a defined benefit liability reported on our Statement of Financial Position.

The calculation of defined benefit expenses and obligations requires significant judgement as the recognition is dependent on discount rates and various actuarial assumptions such as healthcare cost trend rates, projected salary increases, retirement age, and mortality and termination rates. Due to the long-term nature of these plans, such estimates and assumptions are subject to inherent risks and uncertainties. For our pension and other post-employment plans, the discount rate is determined by reference to market yields on high quality government bonds. Since the discount rate is based on currently available yields, and involves management's assessment of market liquidity, it is only a proxy for future yields. Actuarial assumptions, set in accordance with current practices in the respective countries of our plans, may differ from actual experience as country specific statistics is only an estimate for future employee behaviour. These assumptions are determined by management and are reviewed by actuaries at least annually. Changes to any of the above assumptions may affect the amounts of benefits obligations, expenses and re-measurements that we recognise.

2 Summary of material accounting policies, estimates and judgements (continued)

Other material accounting policies (continued)

Employee benefits – Pensions and other post-employment benefits (continued)

Our contribution to defined contribution plans are expensed when employees have rendered services in exchange for such contributions. Defined contribution plan expense is included in Non-interest expense.

Share–based compensation

The Company offers share-based compensation plans (the "Plans") to certain key employees, by utilizing the common shares of its ultimate parent company, Royal Bank of Canada (RBC) whose shares are listed on the Toronto and New York Stock Exchanges. The plans are administered by RBC. These plans include performance deferred share plans and RBC share unit plans for its employees. The obligations for the Plans are accrued over their vesting periods. The Plans are generally settled in cash.

For cash-settled awards, the Company's accrued obligations are adjusted to their fair value at each balance sheet date. Changes in obligations, are recorded as Non-interest expense in the Statement of Income with a corresponding change in Other liabilities. Compensation expense is recognised in the year the awards are earned by plan participants based on the vesting schedule of the relevant plans, net of estimated forfeitures.

Green fund levy

Green fund levy is a tax imposed by the Government of Trinidad and Tobago on gross income of companies and partnerships doing business in Trinidad and Tobago. This levy is payable quarterly and is neither a deduction in computing chargeable income nor a credit against corporation tax due. Green fund levy is presented in non-interest expenses in the Statement of Income and Other Comprehensive Income.

Income taxes

Income tax comprises current tax and deferred tax and is recognised in our Statement of Income and Other Comprehensive Income except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current income tax payable on profits is recognised as an expense based on the applicable tax laws in the period in which profits arise, calculated using tax rates enacted or substantively enacted by the Statement of Financial Position date. Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities for accounting purposes compared with tax purposes. A deferred income tax asset or liability is determined for each temporary difference. Deferred tax assets and liabilities are determined based on the tax rates that are expected to be in effect in the period that the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the Statement of Financial Position date. Current tax assets and liabilities are offset when they are levied by the same taxation authority on either the same taxable entity or different taxable entities within the same tax reporting group (which intends to settle on a net basis), and when there is a legal right to offset. Deferred tax assets and liabilities are offset when the same conditions are satisfied.

The Statement of Income and Other Comprehensive Income include items that are non-taxable or non-deductible for income tax purposes and, accordingly, this causes the income tax provision to be different from what it would be if based on statutory rates.

2 Summary of material accounting policies, estimates and judgements (continued)

Other material accounting policies (continued)

Income taxes (continued)
Deferred income taxes accumulated as a result of temporary differences and tax loss carry forwards are included on the Statement of Financial Position. On a quarterly basis, we review our deferred income tax assets to determine whether it is probable that the benefits associated with these assets will be realised; this review involves evaluating both positive and negative evidence.

We are subject to income tax laws in various jurisdictions where we operate, and the complex tax laws are potentially subject to different interpretations by the relevant taxation authorities and the Company. Significant judgement is required in the interpretation of the relevant tax laws, and in assessing the probability of acceptance of our tax positions to determine our tax provision, which includes our best estimate of tax positions that are under audit or appeal by relevant taxation authorities. We perform a review on a quarterly basis to incorporate our best assessment based on information available, but additional liability and income tax expense could result based on decisions made by relevant tax authorities. The determination of our deferred income tax asset or liability also requires significant management judgement as the recognition is dependent on our projection of future taxable profits and tax rates that are expected to be in effect in the period the asset is realised or the liability is settled. Any changes in our projection will result in changes in deferred tax assets or liabilities on our Statement of Financial Position, and also deferred tax expense in our Statement of Income and Other Comprehensive Income.

The Company complies with IFRIC 23 which provides guidance on the recognition and measurement of tax assets and liabilities under IAS 12 Income taxes when there is uncertainty over income tax treatments, replacing our application of IAS 37 Provisions, contingent liabilities and contingent assets for uncertain tax positions. The Company is subject to income tax laws in various jurisdictions where The Company operates, and the complex tax laws are potentially subject to different interpretations by management and the relevant taxation authorities. Significant judgement is required in the interpretations of the relevant tax laws and in assessing the probability of acceptance of the Company's tax positions, which includes the Company's best estimate of tax positions that are under audit or appeal by relevant taxation authorities. The Company performs a review on a quarterly basis to incorporate management's best assessment based on information available, but additional liability and income tax expense could result based on the non acceptance of the Company's tax positions by the relevant taxation authorities. The Company performs a review on a quarterly basis to incorporate management's best assessment based on information available, but additional liability and income tax expense could result based on the non acceptance of The Company's tax positions by the relevant taxation authorities.

The IASB issued amendments to IAS 12 Income Taxes (IAS 12) in May 2023 to address the Pillar Two Model Rules for International Tax Reform, including a global 15% minimum tax. Pillar Two income taxes may arise in or in relation to the jurisdiction where the operations of a multinational enterprise such as Royal Bank of Canada, the ultimate parent entity, have an effective tax rate below 15%. The Company has not introduced a domestic minimum tax as the effective tax rate is above 15%. Therefore, no impact would have arisen for the Company had the Pillar Two legislation applied to the fiscal year ended October 31, 2025.

2 Summary of material accounting policies, estimates and judgements (continued)

Other material accounting policies (continued)

Other intangibles

Intangible assets represent identifiable non-monetary assets acquired separately. The cost of a separately acquired intangible asset includes its purchase price and directly attributable costs of preparing the asset for its intended use. After initial recognition, an intangible asset is carried at its cost less any accumulated amortization and accumulated impairment losses, if any. Intangible assets with a finite life are amortised on a straight-line basis over their estimated useful lives as follows: computer software – 3 to 10 years. There are no intangible assets with indefinite lives.

Intangible assets are assessed for indicators of impairment at each reporting period. If there is an indication that an intangible asset may be impaired, an impairment test is performed by comparing the carrying amount of the intangible asset to its recoverable amount. Where it is not possible to estimate the recoverable amount of an individual asset, we estimate the recoverable amount of the Cash Generating Unit (CGU) to which the asset belongs. If the recoverable amount of the asset (or CGU) is less than its carrying amount, the carrying amount of the intangible asset is written down to its recoverable amount as an impairment loss.

An impairment loss recognised previously is reversed if there is a change in the estimates used to determine the recoverable amount of the asset (or CGU) since the last impairment loss was recognised. If an impairment loss is subsequently reversed, the carrying amount of the asset (or CGU) is revised to the lower of its recoverable amount and the carrying amount that would have been determined (net of amortization) had there been no prior impairment. Due to the subjective nature of these estimates, significant judgement is required in determining the useful lives and recoverable amounts of our intangible assets, and assessing whether certain events or circumstances constitute objective evidence of impairment. Estimates of the recoverable amounts of our intangible assets rely on certain key inputs, including future cash flows and discount rates. Future cash flows are based on sales projections and allocated costs, which are estimated, based on forecast results and business initiatives. Discount rates are based on the company-wide cost of capital, adjusted for asset-specific risks. Changes in these assumptions may impact the amount of impairment loss recognised in Non-interest expense.

Stated capital

Financial instruments issued by us are classified as equity instruments when there is no contractual obligation to transfer cash or other financial assets. Incremental costs directly attributable to the issue of equity instruments are included in equity as a deduction from the proceeds, net of tax.

Comparative information

Where necessary comparative information has been adjusted to conform to the presentation in the current year.

3 Cash and cash equivalents

	2025 ($'000)	2024 ($'000)
Cash at bank	371,657	237,873
	371,657	237,873

Cash and cash equivalents represent deposits held on demand with affiliated company.

4 Intangible assets

	2025 ($'000)	2024 ($'000)
Opening net book value	303	1,421
Amortisation charge	(291)	(1,118)
Closing net book value	12	303
Total cost	8,604	8,606
Accumulated amortisation	(8,592)	(8,303)
	12	303

5 Equipment

	Computer equipment ($'000)	Work in progress ($'000)	Total ($'000)
Year ended October 31, 2025			
Opening net book value	190	28	218
Additions	-	45	45
Transfers	34	(34)	-
Depreciation charge	(82)	-	(82)
Closing net book value	142	39	181
Year ended October 31, 2025			
Total Cost	527	39	566
Accumulated depreciation	(385)	-	(385)
Net book value	142	39	181

	Computer equipment ($'000)	Work in progress ($'000)	Total ($'000)
Year ended October 31, 2024			
Opening net book value	146	-	146
Additions	157	(157)	-
Transfers	-	185	185
Depreciation charge	(113)	-	(113)
Closing net book value	190	28	218
Year ended October 31, 2024			
Total Cost	506	28	534
Accumulated depreciation	(316)	-	(316)
Net book value	190	28	218

During the year, assets fully depreciated and retired amounted to $0.01MM (2024 - $0.4MM)

6 Deferred tax assets and liabilities

The following amounts are shown in the Statement of Financial Position:

	2025 ($'000)	2024 ($'000)
Deferred tax assets	2,784	2,655
Deferred tax liability	(499)	(724)
	2,285	1,931
At beginning of year	1,931	1,835
Credit to Statement of Income (Note 16)	407	96
Charge to Statement of Other Comprehensive Income	(53)	-
At end of year	2,285	1,931

Deferred tax assets and liabilities are attributable to the following:

	2025 ($'000)	2024 ($'000)
Deferred tax assets		
Post-retirement benefits	2,232	2,084
Accelerated tax depreciation	224	254
Other	328	317
	2,784	2,655
Deferred tax liabilities		
Foreign exchange translation	(499)	(724)
	(499)	(724)

7 Other assets

	2025 ($'000)	2024 ($'000)
Accounts receivable	16,735	18,946
Prepayments	3,902	3,153
	20,637	22,099
Current	20,637	22,099

The Company applies the IFRS 9 simplified approach to measuring expected credit losses (general provision) which uses a lifetime expected loss allowance for all accounts receivable balances. The resulting general provision at 31 October 2025 was negligible (2024: Negligible).

8 Post-retirement benefit obligations

Plan characteristics

The Company, through its parent, RBC Financial (Caribbean) Limited, sponsors pension and post-employment benefits to eligible employees. The pension arrangements including investment, plan benefits and funding decisions are governed by a local pension committee. The pension and other post-employment plans are managed on a Group basis.

The defined benefit pension plans provide pension benefits based on years of service, contributions and earnings at retirement. The defined benefit pension plan is closed to new members. New employees are generally eligible to join defined contribution pension plans. Our other post-retirement benefit plans provide health, dental and life insurance coverage for current and retired employees. These plans are funded by the Company and valuations of the plans are performed at each fiscal year end by independent actuaries. The liability in the Statement of Financial Position is allocated to all legal entities participating in the plans based on their participating membership headcount.

Risks

By their design, the defined benefit pension plans expose the Company to risks such as investment performance, reductions in discount rates used to value the obligations, increased longevity of plan members, future inflation levels impacting future salary increases as well as future increases in healthcare costs. By closing our principal defined benefit pension plan and migrating to defined contribution pension plans, the volatility associated with future service costs reduces over time.

8.1 The amounts recognised in the Statement of Financial Position are as follows:

October 31, 2025	Other post-employment plans ($'000)	Pension ($'000)	Total ($'000)
Fair value of plan assets	-	(4)	(4)
Post-retirement benefit obligation	5,741	1,470	7,211
Liability in the Statement of Financial Position	5,741	1,466	7,207

October 31, 2024	Other post-employment plans ($'000)	Pension ($'000)	Total ($'000)
Fair value of plan assets	-	(4)	(4)
Post-retirement benefit obligation	5,669	1,049	6,718
Liability in the Statement of Financial Position	5,669	1,045	6,714

8 Post-retirement benefit obligations (continued)

8.2 The movements in the fair value of pension plan assets over the period are as follows:

October 31, 2025	Pension ($'000)	Total ($'000)
At beginning of year	(4)	(4)
Re-measurement gain	-	-
At end of year	(4)	(4)

October 31, 2024	Pension ($'000)	Total ($'000)
At beginning of year	(4)	(4)
Re-measurement gain	-	-
At end of year	(4)	(4)

8.3 The movements in the post-retirement benefit obligation over the period are as follows:

October 31, 2025	Other post-employment plans ($'000)	Pension ($'000)	Total ($'000)
At beginning of year	5,669	1,049	6,718
Current service cost	28	42	70
Past service cost	-	-	-
Interest cost	349	94	443
Remeasurements:			
Effect of changes in demographic assumptions	126	-	126
Effect of changes in financial assumptions	(213)	(135)	(348)
Effect of experience adjustments	(117)	161	44
Benefits paid	(106)	-	(106)
Other	5	259	264
At end of year	5,741	1,470	7,211

October 31, 2024	Other post-employment plans ($'000)	Pension ($'000)	Total ($'000)
At beginning of year	6,319	1,050	7,369
Current service cost	30	22	52
Past service cost	-	-	-
Interest cost	383	54	437
Remeasurements:			
Effect of changes in demographic assumptions	107	(3)	104
Effect of changes in financial assumptions	(72)	(33)	(105)
Effect of experience adjustments	(55)	58	3
Benefits paid	(102)	(1)	(103)
Other	(941)	(98)	(1,039)
At end of year	5,669	1,049	6,718

8 Post-retirement benefit obligations (continued)

8.4 The amounts recognised in the Statement of Income and Other Comprehensive Income are as follows:

October 31, 2025	Other post-employment plans ($'000)	Pension ($'000)	Total ($'000)
Current service cost	28	42	70
Past service cost	-	-	-
Net interest expense	349	94	443
Benefits paid	(106)	-	(106)
Other	5	259	264
Components of defined benefit costs recognized in profit or loss	276	395	671
Remeasurement on the net liability:			
Effect of changes in demographic assumptions	126	-	126
Effect of changes in financial assumptions	(213)	(135)	(348)
Effect of experience adjustments	(117)	161	44
Components of defined benefit costs recognized in other comprehensive income	(204)	26	(178)
Total	72	421	493

October 31, 2024	Other post-employment plans ($'000)	Pension ($'000)	Total ($'000)
Current service cost	30	22	52
Past service cost	-	-	-
Net interest expense	383	54	437
Benefits paid	(102)	-	(102)
Other	(941)	(98)	(1,039)
Components of defined benefit costs recognized in profit or loss	(630)	(22)	(652)
Remeasurement on the net liability:			
Effect of changes in demographic assumptions	107	(2)	105
Effect of changes in financial assumptions	(72)	(33)	(105)
Effect of experience adjustments	(55)	58	3
Components of defined benefit costs recognized in other comprehensive income	(20)	23	3
Total	(650)	1	(649)

8 Post-retirement benefit obligations (continued)

8.5 Investment policy and strategies

Defined benefit pension plan assets are invested prudently in order to meet our long term pension obligations at a reasonable cost. The asset mix policy was developed within an asset/liability framework. Factors taken into consideration in developing our asset allocation include but are not limited to the following:

(v) the nature of the underlying benefit obligations, including the duration and term profile of the liabilities;
(ii) the member demographics, including normal retirements, terminations and deaths;
(iii) the financial position of the pension plans;
(iv) the diversification benefits obtained by the inclusion of multiple asset classes; and
(v) expected asset returns, including assets and liability volatility and correlations.

To implement our asset allocation policy, we may invest in equities and fixed income securities.

Composition of defined benefit pension plan assets

	October 31, 2025		October 31, 2024	
Debt securities	**Fair value ($'000)**	**Percentage of total plan assets %**	**Fair value ($'000)**	**Percentage of total plan assets %**
Alternative investments	(4)	100	(4)	100
	(4)	100	(4)	100

Significant assumptions
Our methodologies to determine significant assumptions used in calculating the defined benefit pension and other post-employment expense are as follows:

Overall expected long-term rate of return on assets
The assumed expected rate of return on assets is determined by considering long-term returns on fixed income securities combined with an estimated equity risk premium. The expected long-term return for each asset class is then weighted based on the target asset allocation to develop the expected long-term rate of return on assets assumption for the portfolio.

Discount rate
All future expected benefit payments at each measurement date are discounted at spot rates based on local bond market derived yield curve. The discount rate is the equivalent single rate that produces the same discounted value as that determined using the entire discount curve. This methodology does not rely on assumptions regarding reinvestment returns.

8 Post-retirement benefit obligations (continued)

8.5 Investment policy and strategies (continued)

Summary of principal assumptions	2025 ($'000)	2024 ($'000)
Discount rates - medical and life	6.60%	6.30%
Discount rates - pension	6.60%	6.30%
Salary increases	2.50%	2.50%
Health care cost trend rates		
- Immediate trend rate	5.00%	5.00%
- Ultimate trend rate	5.00%	5.00%

8.6 Sensitivity analysis

Assumptions adopted can have a significant effect on the obligations and expense for defined benefit pension and post-employment benefit plans. The following table presents the sensitivity analysis of key assumptions holding all other factors constant:

	Increase / (decrease) in obligation 2025 ($'000)	Increase / (decrease) in obligation 2024 ($'000)
Pension plan:		
Impact of 1.0% (2024: 1.0%) increase in discount rate	551	374
Impact of 1.0% (2024: 1.0%) decrease in discount rate	(376)	(251)
Impact of 0.5% (2024: 0.5%) decrease in rate of increase in future compensation	(58)	(33)
Impact of 0.5% (2024: 0.5%) increase in rate of increase in future compensation	71	50
Impact of 1 year decrease in life expectancy	(60)	(40)
Impact of 1 year increase in life expectancy	69	46
Other post-retirement plans:		
Impact of 1.0% (2024: 1.0%) decrease in discount rate	762	792
Impact of 1.0% (2024: 1.0%) increase in discount rate	(627)	(648)
Impact of 1% (2024: 1.0%) decrease in health care cost trend rate	(243)	(253)
Impact of 1% (2024: 1.0%) increase in health care cost trend rate	288	302
Impact of 1 year increase in life expectancy	2	5

9 Other liabilities

	2025 ($'000)	2024 ($'000)
Accounts payable and accruals	4,042	4,194
Employee related costs	4,300	3,462
	8,342	7,656
Current	8,342	7,656

10 Stated capital

	2025 ($'000)	2024 ($'000)
The total authorized number of ordinary shares at year end was unlimited with no-par value		
Issued and fully paid:		
225,019,100 ordinary shares of no-par value	15,019	15,019

The total authorised number of ordinary shares at year end was unlimited with no par value.

11 Statutory reserve

The Financial Institutions Act, 2008 requires financial institutions in Trinidad and Tobago to transfer annually a minimum of 10% of its profit after taxation to a reserve fund until the balance on this reserve is not less than the paid-up capital of the institution.

12 Interest income

	2025 ($'000)	2024 ($'000)
Cash and cash equivalents	17	67
	17	67

13 Non-interest income

The Company derives revenue over time and at a point in time within the following categories.

	2025 ($'000)	2024 ($'000)
Non-interest income over time:		
Trust and investment management related fees	227,308	188,576
Non-interest income at a point in time:		
Foreign exchange earnings	(749)	32
Sundry income	9	-
	226,568	188,608

14 Non-interest expenses

	2025 ($'000)	2024 ($'000)
Staff costs (Note 14.1)	20,003	17,550
Equipment and intangible assets expenses, excluding depreciation and amortisation	10,346	7,381
Advertising and public relations	948	773
Amortisation and depreciation	373	1,231
Directors' fees	555	473
Auditor's fees (Note 14.2)	552	523
Management fees	30,917	31,214
Business and capital tax	3,939	3,974
Green fund levy	697	548
Other operating expenses	1,638	3,561
	69,968	67,228

14.1 Staff costs

	2025 ($'000)	2024 ($'000)
Wages and salaries including bonuses	17,965	16,158
Employees' other post-retirement benefit costs (Note 8.4)	671	(404)
Employees' defined contribution pension expense	1,111	1,012
Share option plan-value of services provided	256	784
	20,003	17,550

14 Non-interest expenses

14.2 Audit fees

In connection with the audit of the financial statements, the following fees were paid or are payable to PricewaterhouseCoopers (PwC) and other PwC Network firms:

	2025 ($'000)	2024 ($'000)
Audit of the financial statements for the year ended October 31	552	429
Other services provided to RBC Investment Management (Caribbean) Limited for the year ended October 31	-	94
	552	523

15 Share–based compensation

The Company offers share-based compensation plans (the "Plans"), which consists of shares issued by the Company's ultimate parent company, Royal Bank of Canada (RBC). The Plans are administered by RBC.

The Company offers permanent eligible employees in Trinidad and Tobago an opportunity to elect to purchase RBC common shares through a share ownership plan. Under this plan, the employees can generally contribute between 25% and 100% of their annual short-term incentive compensation from the Company's annual incentive program, all of which vest at the end of five years.

The Company offers performance deferred share award plans to certain key employees, all of which vest at the end of three years. Upon vesting, the award is paid in cash and is based on the original number of RBC share units granted plus accumulated dividends valued using the average closing price of RBC common shares during the five trading days immediately preceding the vesting date. A portion of the award under certain plans may be increased or decreased up to 25%, depending on our total shareholder return compared to a defined peer group of global financial institutions.

At year end an accrual is booked to other liabilities until cash is remitted for payment.

15 Share–based compensation

15.1 Units granted under share-based compensation plans

The following table presents the units granted under share-based compensation plans for the year:-

	October 31, 2025		October 31, 2024	
	Units granted	Weighted average fair value per unit ($)	Units granted	Weighted average fair value per unit ($)
Performance deferred share unit plans	197	853	320	604
RBC share unit plans	-	-	526	644
	197		846	

The liabilities for the awards granted under the share-based compensation plans are measured at fair value, determined based on the quoted market price of the RBC common shares. Annually, the obligation is increased by additional units earned by plan participants, and is reduced by forfeitures, cancellations, and the settlement of vested units. In addition, the obligation is impacted by fluctuations in the market price of RBC common shares. For performance deferred share award plans, the estimated outcome of meeting the performance conditions also impacts the obligation.

The following tables present the units that have been earned by the participants, the obligations for these earned units under the share-based compensation plans, and the related compensation expenses (recoveries) recognised for the year.

15.2 Obligations under share-based compensation plans

	October 31, 2025		October 31, 2024	
	Units	Carrying amount ($'000)	Units	Carrying amount ($'000)
Performance deferred share unit plans	570	563	680	559
RBC share unit plans	514	508	574	472
	1,084	1,071	1,254	1,031

15.3 Compensation expenses recognised under share-based compensation plans

	2025 ($'000)	2024 ($'000)
Performance deferred share unit plans	4	449
RBC share unit plans	252	335
	256	784

16 Taxation expense

	2025 ($'000)	2024 ($'000)
Current tax charge	47,558	36,691
Deferred tax credit (Note 6)	(407)	(96)
	47,151	36,595

	2025 ($'000)	2024 ($'000)
Net income before taxation	156,617	121,447
Prima facie tax at the rate of 30% (2024: 30%)	46,985	36,434
Other	166	161
	47,151	36,595

The deferred tax credit for the year comprises the following temporary differences:

	2025 ($'000)	2024 ($'000)
Accelerated tax depreciation	30	(161)
Post-retirement benefits	(201)	131
Other temporary differences	(236)	(66)
	(407)	(96)

17 Dividends

During the year, dividends in the amount of $85 million were declared however not yet paid to the shareholder (2024: $90 million, declared and not paid).

Dividends are accounted for as an appropriation of retained earnings when declared.

18 Contingent liabilities

As at October 31, 2025 there were no contingent liabilities (2024 - $Nil).

19 Related party transactions

Related parties include the ultimate parent company, Royal Bank of Canada, associated companies, post-employment benefit plans for the benefit of our employees, key management personnel, the Board of Directors (Directors), close family members of key management personnel and Directors, and entities which are, directly or indirectly, controlled by, jointly controlled by or significantly influenced by key management personnel, Directors or their close family members.

We have applied the low credit risk exemption on all loans and receivables, deposits and liabilities to associates and joint ventures and amounts due to and from associates and affiliates, as they demonstrate a low risk of default and the related RBC entity has a strong capacity to meet its contractual cash flow obligations. As a result, any ACL is deemed to be insignificant.

	2025 ($'000)	2024 ($'000)
Cash and cash equivalents		
Other affiliated companies	371,657	237,873
Other assets		
Other affiliated companies	2,308	4,184
Due from affiliate		
Other affiliated companies	37,049	37,032
Due to RBCFCL	1,486	1,410
	38,535	38,442
Other liabilities		
Due to RBCFCL	180,513	93,599
Non-Interest income		
Due to RBCFCL	2,565	2,430
Other affiliated companies	181,449	142,103
	184,014	144,533
Interest income		
Other affiliated companies	17	67
Dividends		
Due to RBCFCL	85,021	90,000
Other operating expenses		
Due to RBCFCL	32,305	32,584
Other affiliated companies	343	343
	32,648	32,927

19 Related party transactions (continued)

Key management personnel and Directors

Key management personnel are defined as those persons having authority and responsibility for planning, directing, and controlling the activities of the Company directly or indirectly. They include the senior executives called the Operating Committee (OC) (formerly Executive Management Committee (EMC)). The OC is comprised of the Chief Executive Officer, Caribbean Banking and those individuals that report to him, including the Chief Financial Officer, Head Human Resources, Chief Risk Officer, and heads of business and functional units. The OC is ultimately responsible for all material decisions. The OC is also responsible for establishing the overall strategic direction of the Company and, in that regard, sets global parameters for the Company within which the board of directors and management of each subsidiary in the Company exercise their respective discretion to make decisions concerning the strategic direction and day-to-day management of the particular subsidiary. The Directors of RBC Investment Management (Caribbean) Limited do not plan, direct, or control the activities of the Company; they oversee the management of the business and provide stewardship.

Key management personnel compensation		
Share based payment	-	331
Salaries and other short term benefits	1,772,758	1,426

20 Financial risk management

20.1 Risk management

Risk is inherent in the Company's activities, but it is managed through a process of ongoing identification, measurement and monitoring subject to risk limits and other controls. This process of risk management is critical to the Company's continuing profitability and each individual company within the Company is accountable for the risk exposures relating to its responsibilities. The Company is exposed to credit risk, liquidity risk, operational risk and market risk, the latter being subdivided into trading and non-trading risks.

An important component of our risk management approach is to seek to ensure that top and emerging risks, as they evolve, are identified, managed and incorporated into our existing risk management assessment, measurement, monitoring and escalation processes and addressed in our risk frameworks and policies. These practices are intended to ensure a forward-looking risk assessment is maintained by management in the course of business development and as part of the execution of ongoing risk oversight responsibilities. Top and emerging risks are discussed by senior management and the Board on a regular basis. We have developed supplementary internal guidance to support identification and assessment of all material risks. Top and emerging risks encompass those that could materially impact our financial results, financial and operational resilience, reputation, business model or strategy, as well as those that may materially impact us as the risks evolve. The following represents our top and emerging risks:

Information technology and cyber risks

Information technology (IT) risk and cyber risks remain top risks. There is a risk of cyberattacks, data breaches, cyber extortion and similar compromises, due to: (i) the size, scale and nature of our operations; (ii) our heavy reliance on the internet to conduct day-to-day business activities; and (iii) our intricate technological infrastructure. Resulting implications could include business interruptions, client

20 Financial risk management (continued)

20.1 Risk management (continued)

Information technology and cyber risks (continued)
service disruptions, financial loss, theft of intellectual property and confidential information, litigation, enhanced regulatory attention and penalties, as well as reputational damage. Furthermore, the adoption of emerging technologies, such as cloud computing, AI, including GenAI, and robotics, call for continued focus and investment to manage risks effectively.

Geopolitical risks
The Company is exposed to geopolitical risks arising from global and regional political developments, including conflicts, sanctions, trade restrictions, and/or regulatory changes. These risks may adversely impact economic conditions, financial markets, and the Company's operations in affected jurisdictions. Geopolitical events can influence credit quality, liquidity, and market risk through disruptions in supply chains, volatility in commodity prices, and changes in investor confidence. Management continuously monitors geopolitical developments and incorporates forward-looking information into its risk assessment processes. Scenario analysis is performed to evaluate potential impacts on Expected Credit Loss (ECL) models, capital adequacy, and liquidity buffers. The Company's downside scenarios include stress assumptions for heightened geopolitical tensions, which may result in increased probability of default (PD), loss given default (LGD), and exposure at default (EAD). While no judgmental overlays were applied during the current reporting period, the Company remains vigilant and prepared to adjust its models should significant geopolitical events occur. Disclosures reflect management's best estimates based on macroeconomic forecasts from external agencies such as the IMF and local regulators. The Company maintains robust governance through its Risk and Allowance Committees to ensure timely response to emerging risks.

Climate risk
Climate risk is the risk related to the global transition to a net-zero economy (transition risk) and the physical impacts of climate change (physical risk), which includes both chronic (longer-term) risks (e.g., rising sea levels and increases in average temperatures) and acute (event driven) risks (e.g., wildfires and floods). Both we and our clients may be exposed to climate related transition risk, including through emerging regulatory and legal requirements, changing business and consumer sentiment towards products and services, technological developments, and changes in stakeholder expectations. Additionally, we and our clients may be vulnerable to climate-related physical risk through disruptions to operations and services. We continue to make progress in our climate risk management capabilities by integrating climate risk considerations in our risk management processes. Our continued development of our climate risk measurement capabilities is expected to inform the enhancements to our climate risk management practices and advance the integration of climate risks into our policies and procedures.

Risk management structure
The Board of Directors is responsible for providing oversight over the management of risks. The OC is responsible for managing and monitoring risks.

Operating Committee (OC)
The OC is responsible for the overall risk management approach and for approving the risk strategies and principles. The main risks arising from the Company's financial instruments are credit risk, interest rate and market risk, liquidity risk, foreign currency risk and operational risk.

20 Financial risk management (continued)

20.1 Risk management (continued)

Risk Management Unit
A centralised Risk Management Unit provides oversight of the implementation and maintenance of risk related procedures to ensure an independent control process. The unit which is sub-divided into three departments (Group Market Risk, Group Credit Risk and Operational Risk), is also responsible for monitoring compliance with risk policies and limits across the Company in the three key areas of credit risk, market risk and operational risk. These units, are responsible for the independent oversight of risks, including monitoring the risk or exposures against limits and the assessment of risks of new products and structured transactions. These units also ensure the risks are completely captured in the risk measurement and reporting systems.

Group Asset and Liability Committee (ALCO)
The Group ALCO is responsible for the oversight and monitoring of the financial resources of the Company. The committee proactively assesses balance sheet strategies and dynamics in the context of:
- economic data and forecasts;
- business and enterprise strategies;
- risks;
- The Company's legal entity structure;
- market developments;
- accounting pronouncements and
- competitive and regulatory environments.

Considering these dynamics, the ALCO is responsible for reviewing, challenging, approving and recommending policies, frameworks, other relevant documents and benchmark limits pertaining to capital, interest rate risk in the banking book (IRRBB) for both on and off-balance sheet, structural foreign exchange risk, liquidity and funding management, and The Company's investment portfolio, which are all centrally managed by Treasury. For these areas, the ALCO also monitors key metrics and opportunities, providing strategic direction to Treasury and Business platforms.

The committee's mandate also includes the recommendation of policies covering investments, capital, funding and liquidity and market risk to the relevant Senior Management Committee and the Board. In addition, the ALCO is responsible for the monitoring of compliance with risk policies and limits in the areas of credit risk and market risk.

Internal Audit
Risk management processes throughout the Company are audited by the internal audit function that examines both the adequacy of the procedures and the Company's compliance with the procedures. Internal Audit discusses the results of all assessments with management and reports its findings and recommendations to the Board Audit & Risk Committee.

Risk measurement and reporting systems
The Company's risks are measured using methods, which reflect the expected loss likely to arise in normal circumstances.

Monitoring and controlling risks is primarily performed based on limits established by the Company. These limits reflect the business strategy and market environment of the Company as well as the level

20 Financial risk management (continued)

20.1 Risk management (continued)

Risk measurement and reporting systems (continued)
of risk that the Company is willing to accept, with additional emphasis on selected industries and geographies. Information compiled from all the business units is examined and processed in order to identify, analyse and control risks early. This data is presented and explained to the OC, the ALCO, and the head of each business unit. The reports include but are not limited to aggregate credit exposure, open currency positions, and liquidity ratios and risk profile changes. On a quarterly basis, senior management assesses the appropriateness of the allowance for credit losses.
For all levels throughout the Company, specifically tailored risk reports are prepared and distributed in order to ensure that all business units have access to necessary and up-to-date information.

Risk mitigation
As part of its overall risk management, the Company can use derivatives and other instruments to manage exposures resulting from changes in interest rates and foreign currencies.

The risk profile is assessed before entering into hedge transactions, which are authorised by the appropriate level of seniority within the Company. The effectiveness of hedges is assessed by Group Risk Management (GRM) and Finance units (based on economic considerations rather than the IFRS hedge accounting regulations). The effectiveness of all the hedge relationships is monitored by the Group Market Risk Unit monthly. The Company did not hold any derivative instruments during the current or prior reporting periods.

The Company actively uses collateral to reduce its credit risks.

20 Financial risk management (continued)

20.2 Categorization

Assets	2025 ($'000)	2024 ($'000)
Financial assets at amortised cost		
Cash on hand and due from banks	371,657	237,873
Other assets	16,735	18,946
Due from affiliated companies	38,535	38,442
Total financial assets	426,927	295,261
Non-financial assets		
Equipment	181	218
Intangible assets	12	303
Deferred tax assets	2,784	2,655
Other assets	3,902	3,153
Corporation tax recoverable	36	2,498
Total non-financial assets	6,915	8,827
Total assets	433,842	304,088
Liabilities		
Financial liabilities at amortised cost		
Due to affiliated companies	180,513	93,599
Other liabilities	4,549	4,194
Total financial liabilities	185,062	97,793
Non- financial liabilities		
Post-retirement benefit obligations	7,207	6,714
Deferred tax liability	499	724
Current income tax liabilities	20,307	2,991
Other liabilities	3,793	3,462
Total non-financial liabilities	31,806	13,891
Total liabilities	216,868	111,684
Total equity	216,974	192,404
Total equity and liabilities	433,842	304,088

20 Financial risk management (continued)

20.3 Liquidity risk

Liquidity and funding risk (Liquidity risk) is the risk that the Company may be unable to generate sufficient cash or its equivalents in a timely and cost effective manner to meet our commitments as they come due. Liquidity risk arises from mismatches in the timing and value of cash flows. The Company's liquidity profile is structured to ensure that we have sufficient liquidity to satisfy current and prospective commitments in both normal and stressed conditions. Liquidity risk management activities are conducted in accordance with a comprehensive Liquidity Risk Management Framework (LRMF) that includes Liquidity Risk Policy (LRP), Pledging Policy (PP) and Contingency Plan. These policies are in addition to the Company's Ultimate Parent and will identify distinctions within the Caribbean. Additionally, the Liquidity Contingency Plan is intended to provide communication protocols and forums to give consideration to and support implementation of a predetermined suite of liquidity & funding options to effectively manage, anticipate and address increasing funding risks generated by stress events.

These policies are supported by management limits and authorities that govern the measurement and management of liquidity within our risk appetite. Liquidity risk objectives, policies and risk appetite are reviewed regularly, and updated as required to reflect changes in industry practice and relevant regulatory guidance.

Liquidity risk oversight and management is the responsibility of the Board, OC and the ALCO for the Company. The liquidity management process for the Company is carried out by the Treasury department of each business unit and monitored by Treasury and the ALCO. Liquidity risk management activities are subject to the three lines of defence governance model. Treasury, the first line of defence for all the management of liquidity risk, is subject to independent second line challenge and oversight by GRM. Internal Audit is the third line of defence. The three lines of defence are independent of the business whose activities generate liquidity risks.

The Board and the ALCO regularly reviews information on liquidity positions and recommends the liquidity risk management policies for relevant Board approvals and annually approves the Liquidity Contingency Plan. A robust liquidity risk measurement process is maintained to support timely and frequent reporting of information for management of liquidity positions and oversight of risk. This reporting includes both internal and regulatory metrics and is used to monitor adherence with our risk appetite and limits and position relative to regulatory minimums. The results are monitored monthly by GRM, reported to the ALCO and Regulators. Internally, liquidity is measured monthly via the internally defined net cash flow under both 'Business As Usual' (BAU) and stressed assumptions. This includes the application of scenario-specific assumptions against our assets and liabilities, to project cash flows over varying time horizons and degrees of stress. As an example, government bonds generally can be quickly and easily converted to cash without significant loss of value regardless of their contractual maturity. Similarly, while relationship-based deposits contractually can be withdrawn immediately, in practice, these balances can be relatively stable sources of funding depending on several factors, such as the nature of the client and their intended use. Risk methodologies and underlying assumptions are periodically reviewed and validated to ensure their alignment with our operating environment, expected economic and market conditions, regulatory requirements, and generally accepted industry practices. Liquidity risk appetite sets limits on various metrics over a range of time horizons considering various levels of stress conditions in the development of appropriate contingency, recovery, and resolution plans. The Company's liquidity risk measurement and control activities cover the undermentioned risks.

20 Financial risk management (continued)

20.3 Liquidity risk (continued)

Tactical (shorter-term) liquidity risk
To address potential immediate cash flows risks in times of stress, we use short-term net cash flow limits to control risk of material units, subsidiaries and currencies and perform stress testing assessments. Net cash flow positions are determined by applying results of core assumptions methodology i.e. internally derived risk assumptions and parameters to known and anticipated cash flows for all material unencumbered assets, liabilities and off-balance sheet activities. Encumbered assets are not considered a source of available liquidity.

Structural (longer-term) liquidity risk
To guide our secured and unsecured wholesale term funding activities, we employ an Internal Liquidity Mismatch Metric (ILM) to manage and control the structural alignment between long-term assets and longer-term funding sources from core deposits.

Contingency liquidity risk
Contingency liquidity risk planning assesses the impact of sudden stress events on our liquidity risk position and identifies a range of potential mitigating actions and plans. The Liquidity Contingency Plan (LCP), maintained and administered by Treasury, has been developed to guide our potential responses to liquidity crises. The contingency liquidity risk planning process identifies contingent funding needs and sources under various stress scenarios, and as result informs requirements for our earmarked unencumbered liquid asset portfolios. Also included in the LCP are regional liquidity contingency plans that guide our responses to liquidity crises. Additionally, under the leadership of Treasury, the Liquidity Crisis Teams (LCTs) meet at least annually or more frequently as required to assess our liquidity status, review the LCPs and discuss update market strategies. Under stress conditions, the LCT provides linkages to the front line and other functions to support effective and coordinated crisis management and oversight. The LCTs primary stakeholders informs the ALCO and the Board of the assessment of internal and external events and their potential implications on liquidity risk.

20 Financial risk management (continued)

20.3 Liquidity risk (continued)

20.3.1 Non-derivative cash flows

Financial assets and liabilities less derivatives

The amounts disclosed in the following table are the contractual undiscounted cash flows of all non-derivative financial assets and financial liabilities based on the estimated timing of when the settlement of the amounts are expected to occur at the balance sheet date and excludes any projected interest on securities.

	Less than three months ($'000)	Three to six months ($'000)	Six to twelve months ($'000)	One to five years ($'000)	Over 5 years ($'000)	Total ($'000)
As at October 31, 2025						
Assets						
Cash and cash equivalents	371,657	-	-	-	-	371,657
Due from affiliated companies	-	38,535	-	-	-	38,535
Other assets	9,136	6,617	436	546	-	16,735
Total financial assets	380,793	45,152	436	546	-	426,927
Liabilities						
Due to affiliate	180,513	-	-	-	-	180,513
Other liabilities	1,419	531	-	2,599	-	4,549
Total financial liabilities	181,932	531	-	2,599	-	185,062
Liquidity gap	198,861	44,621	436	(2,053)	-	241,865
Cumulative gap	198,861	243,482	243,918	241,865		

	Less than three months ($'000)	Three to six months ($'000)	Six to twelve months ($'000)	One to five years ($'000)	Over 5 years ($'000)	Total ($'000)
As at October 31, 2024						
Assets						
Cash and cash equivalents	237,873	-	-	-	-	237,873
Due from affiliated companies	-	38,442	-	-	-	38,442
Other assets	17,856	534	429	127	-	18,946
Total financial assets	255,729	38,976	429	127	-	295,261
Liabilities						
Due to affiliated companies	93,599	-	-	-	-	93,599
Other liabilities	2,409	763	300	722	-	4,194
Total financial liabilities	96,008	763	300	722	-	97,793
Liquidity gap	159,721	38,213	129	(595)	-	197,468
Cumulative gap	159,721	197,934	198,063	197,468		

20 Financial risk management (continued)

20.4 Market risk (continued)

The Company takes on exposure to market risks, which is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risks arise from open positions in interest rate, currency and equity products, all of which are exposed to general and specific market movements and changes in the level of volatility of market rates or prices such as interest rates, credit spreads, foreign exchange rates and equity prices. The Company separates exposures to market risk into either trading or non-trading portfolios.

On a monthly basis, Treasury and Finance departments review and approve the valuation of all securities, derivatives and trading liabilities sent by the Valuations department which is resident in RBC.

Trading portfolios include those portfolios arising from market-making transactions where the Company acts as a principal with clients or with the market.

Non-trading portfolios primarily arise from the interest-rate management of the Company's retail and commercial banking assets and liabilities. Non-trading portfolios also consist of interest rate, foreign exchange and equity risks arising from the Company's amortised and FVOCI securities.

20.4.1 Market risk measurement techniques

The major measurement technique used by the Company to measure and control market risk is stress testing.

The Company applies stress tests to provide an indication of the potential size of losses that could arise in extreme conditions. Group Risk Management performs a risk sensitivity analysis by applying possible foreign currency rate stress events on the Company's foreign currency trading portfolio in order to assess potential impacts to foreign exchange earnings.

20.4.2 Interest rate risk

Market risk controls – Interest Rate Risk in the Banking Book (IRRBB) positions

IRRBB arises primarily from traditional customer-originated banking products such as deposits and loans and includes related hedges and interest rate risk from securities held for liquidity management purposes. Factors contributing to IRRBB include mismatches between asset and liability repricing dates, relative changes in asset and liability rates in response to market rate scenarios, and other product features affecting the expected timing of cash flows, such as options to pre-pay loans. IRRBB sensitivities are regularly measured and reported, and subject to limits and controls with independent oversight from GRM. The Board approves the risk appetite for IRRBB, and the ALCO and GRM provide ongoing governance through IRRBB risk policies, limits and other controls. IRRBB reports are reviewed monthly by GRM, the ALCO, and quarterly by the Board.

IRRBB measurement

To monitor and control IRRBB, we assess two primary metrics, Net Interest Income (NII) risk and Economic Value of Equity (EVE) risk, under a range of market shocks, scenarios, and time horizons. Market scenarios include currency-specific parallel and non-parallel yield curve changes, interest rate volatility shocks, and interest rate scenarios prescribed by regulators. In measuring NII risk, detailed banking book balance sheets are dynamically simulated to estimate the impact of market stress scenarios on projected NII. Assets, liabilities and off-balance sheet positions are simulated over various time horizons. The simulations incorporate maturities, renewals, and new originations along with prepayment behaviour. Product pricing and volumes are forecasted based on past experience to

20 Financial risk management (continued)

20.4 Market risk (continued)

20.4.2 Interest rate risk (continued)

IRRBB measurement (continued)

determine response expectations under a given market shock scenario. EVE risk captures the market value sensitivity to changes in rates. In measuring EVE risk, deterministic (single-scenario) and stochastic (multiple-scenario) valuation techniques are applied to spot position data. NII and EVE risks are measured for a range of market risk stress scenarios which include extreme but plausible changes in market rates and volatilities. IRRBB measures assume continuation of existing hedge strategies. Management of NII and EVE risk is complementary and supports our efforts to generate a sustainable high-quality NII stream. NII and EVE risks for all units are measured monthly. A number of assumptions affecting cash flows, product re-pricing and the administration of rates underlie the models used to measure NII and EVE risk. The key assumptions, fixed-rate loan prepayment behaviour and empirically based historical client behaviour with product pricing with consideration and possible forward-looking changes on non-maturity assets and liabilities (deposits). All models and assumptions used to measure IRRBB are subject to independent oversight by GRM.

The following table shows the potential before-tax impact of an immediate and sustained 100 bps increase or decrease in interest rates on projected EVE and 12-month NII, assuming no subsequent hedging. Interest rate risk measures are based on current on and off-balance sheet positions which can change over time in response to business activity and management actions.

	EVE Risk		NII Risk	
	Local Currency ($'000)	Hard Currency ($'000)	Local Currency ($'000)	Hard Currency ($'000)
As at October 31, 2025				
Impact before tax				
100 bps increase in rates	(264)	(55)	(655)	322
100 bps decrease in rates	266	56	655	(322)

	EVE Risk		NII Risk	
	Local Currency ($'000)	Hard Currency ($'000)	Local Currency ($'000)	Hard Currency ($'000)
As at October 31, 2024				
Impact before tax				
100 bps increases in rates	(181)	(115)	(970)	663
100 bps decreases in rates	182	115	970	(663)

Expressed in Trinidad and Tobago dollars

20 Financial risk management (continued)

20.4 Market risk (continued)

20.4.2 Interest rate risk (continued)

Interest sensitivity of assets and liabilities to repricing risk

The table below summarises the Company's exposure to interest rate repricing risk. It includes the Company's financial instruments at carrying amounts, categorised by the earlier of contractual repricing or maturity dates.

	Up to one year ($'000)	One to five years ($'000)	Over five years ($'000)	Non-Interest bearing ($'000)	Total ($'000)
As at October 31, 2025					
Assets					
Cash and cash equivalents	122,666	-	-	248,991	371,657
Due from affiliated companies	37,049	-	-	1,486	38,535
Other assets	-	-	-	16,735	16,735
Total financial assets	159,715	-	-	267,212	426,927
Liabilities					
Due to affiliated companies	-	-	-	180,513	180,513
Other liabilities	-	-	-	4,549	4,549
Total financial liabilities	-	-	-	185,062	185,062
Interest sensitivity gap	159,715	-	-		

As at October 31, 2024	Up to one year ($'000)	One to five years ($'000)	Over five years ($'000)	Non-Interest bearing ($'000)	Total ($'000)
Assets					
Cash and cash equivalents	78,503	-	-	159,370	237,873
Due from affiliated companies	37,032	-	-	1,410	38,442
Other assets	-	-	-	18,946	18,946
Total financial assets	115,535	-	-	179,726	295,261
Liabilities					
Due to affiliated companies	-	-	-	93,599	93,599
Other liabilities	-	-	-	4,194	4,194
Total financial liabilities	-	-	-	97,793	97,793
Interest sensitivity gap	115,535	-	-		

20 Financial risk management (continued)

20.5 Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Board has set limits on positions by currency. Positions are monitored on a daily basis and hedging strategies are used to ensure positions are maintained within established limits.

20.5.1 Concentrations of currency risk

Assets are primarily funded by like currency liabilities thus reducing the element of cross-currency risk and in most regional markets, US dollar denominated transactions must be officially sanctioned by the relevant authorities thus reducing exposure. Currency exposure resides mainly in trading activity. The table below summarises The Company's exposure to foreign currency exchange rate risk.

At October 31, 2025	TTD ($'000)	USD ($'000)	CAD ($'000)	Other ($'000)	Totals ($'000)
Assets					
Cash and cash equivalents	248,991	122,666	-	-	371,657
Due from affiliated companies	38,535	-	-	-	38,535
Other assets	16,275	459	-	1	16,735
Total financial assets	303,801	123,125	-	1	426,927
Liabilities					
Due to affiliated companies	94,720	85,793	-	-	180,513
Other liabilities	3,717	144	688	-	4,549
Total financial liabilities	98,437	85,937	688	-	185,062
Net statement of financial position	205,364	37,188	(688)	1	241,865

At October 31, 2024	TTD ($'000)	USD ($'000)	CAD ($'000)	Other ($'000)	Totals ($'000)
Assets					
Cash and cash equivalents	159,370	78,503	-	-	237,873
Due from affiliated companies	38,442	-	-	-	38,442
Other assets	18,946	-	-	-	18,946
Total financial assets	216,758	78,503	-	-	295,261
Liabilities					
Due to affiliated companies	93,599	-	-	-	93,599
Other liabilities	4,194	-	-	-	4,194
Total financial liabilities	97,793	-	-	-	97,793
Net statement of financial position	118,965	78,503	-	-	197,468

As at October 31, 2025 if the TT dollar and US dollar increased or decreased by 1% with all other variables held constant, the increase or decrease in profit or loss would amount to $371,892 (2024: $234,300).

20 Financial risk management (continued)

20.6 Credit risk

Credit risk is the risk that the Company will incur a loss because its customers, clients or counterparties failed to discharge their contractual obligations. The Company manages and controls credit risk by setting limits on the amount of exposure it is willing to accept for individual counterparties and for geographical and industry concentrations, and by monitoring exposures in relation to such limits.

The Company has established a credit quality review process to provide early identification of possible changes in the creditworthiness of counterparties, including regular collateral reviews. Counterparty limits for corporate and commercial counterparties are established by the use of a credit risk classification system, which assigns each counterparty a risk rating. Risk ratings are subject to regular revision. For the retail portfolio, the Company has stringent lending criteria, which include conservative debt service coverage, loan to value ratios and stability of earnings. These exposures are continuously monitored to identify any change in the credit worthiness of the borrower. The credit quality review process allows the Company to assess the potential loss as a result of the risks to which it is exposed and take corrective action.

20.6.1 Maximum exposure to credit risk

	Gross maximum exposure	
	2025 ($'000)	2024 ($'000)
Cash and cash equivalents	371,657	237,873
Due from affiliated company	38,535	38,442
Accounts receivable	16,735	18,946
	426,927	295,261

20.6.2 Credit quality by class of financial assets

	Stage 1 ($'000)	Stage 2 ($'000)	Stage 3 ($'000)	Total ($'000)
As at October 31, 2025				
Cash and cash equivalents	371,657	-	-	371,657
Due from affiliated companies	38,535	-	-	38,535
Accounts receivable	16,735	-	-	16,735
Total	426,927	-	-	426,927

	Stage 1 ($'000)	Stage 2 ($'000)	Stage 3 ($'000)	Total ($'000)
As at October 31, 2024				
Cash and cash equivalents	237,873	-	-	237,873
Due from affiliated companies	38,442	-	-	38,442
Accounts receivable	18,946		-	18,946
Total	295,261	-	-	295,261

20 Financial risk management (continued)

20.7 Capital management

Capital management is a proactive process that ensures that the Company has and remains able to generate or raise sufficient capital on a timely and cost-effective basis to underpin its risks and ultimately protect depositors and other creditors from unexpected losses.

Capital adequacy and the use of regulatory capital are monitored by the Company's management, based on an internal risk assessment approach employing techniques based on the guidelines developed by the Basel Committee on Banking Supervision as implemented by the local banking and non-banking regulators of the various territories in which the Company operates.

The Company is governed by the risk-based capital targets set by the Central Bank of Trinidad and Tobago and are required to calculate capital ratios and capital-to-risk adjusted assets multiples using the framework adopted by the Central Bank of Trinidad and Tobago.

Under the local guidelines, adjusted qualifying capital includes core capital and supplementary capital. Core capital mainly consists of fully paid and issued share capital, audited retained earnings, statutory reserve fund, capital reserves excluding asset revaluation reserves less goodwill. Supplementary capital includes subordinated debt, asset revaluation reserves and unaudited profits. Regulatory capital ratios are calculated by dividing core capital by risk-weighted assets and qualifying capital by risk adjusted assets. The required information is filed with the authorities on a monthly basis as prescribed by the regulator.

The Company is required to maintain regulatory capital at a minimum of 12.50% (2024: 12.50%). The Company's regulatory capital ratio is 54.23 % (2024: 45.63%). The 2020 Basel II/III implementation included the Central Bank of Trinidad and Tobago (CBTT) promulgation of the Financial Institutions (Capital Adequacy) Regulations, 2020 with effect from May 2020. The parallel reporting under Basel I was discontinued in August 2020, after the July 2020 reporting cycle.

The table below summarises the composition of regulatory capital and the ratio of the Company at the Statement of Financial Position date. During those two periods, the Company complied with all of the externally imposed capital requirements to which it is subject.

	2025 ($'000)	2024 ($'000)
Tier 1 capital		
Stated capital	15,019	15,019
Statutory reserve	15,019	15,019
Retained earnings	186,936	162,366
Total qualifying Tier 1 capital	216,974	192,404
Tier 2 capital		
Other reserve	-	-
Total qualifying Tier 2 capital	-	-
Total regulatory capital	216,974	192,404
Risk-weighted assets:		
On-Statement of Financial Position	400,043	420,983
Total risk-weighted assets	400,043	420,983
Total regulatory capital to risk weighted assets	54.23%	45.63%

21 Fair value of financial assets and liabilities

Financial assets and liabilities not carried at fair value include cash and cash equivalents, receivables and payables. The following comments are relevant to their fair value.

Carrying amounts of certain financial instruments approximate their fair values due to short-term nature and generally insignificant credit risk of the instruments: (i) cash and cash equivalents; (ii) receivables and payables included in other assets and other liabilities.

22 Financing arrangements

The Company has access to an overdraft facility in the amount of $45 million (2024: $45 million)

23 Administered funds

The Company acts as an investment manager and in that capacity places assets on behalf of individuals, trusts, retirement benefit plans and other institutions. The assets and income arising thereon are excluded from these financial statements, as they are not assets of the Company. Assets under management as at October 31, 2025 totalled $29 billion (2024: $28 billion).

24 Events after the reporting period

No significant events occurred after the statement of financial position date and up to the date of the approval of the financial statements by the Board of Directors.