Schedule 2
FORM ECSRC – OR

(Select One)

[X] QUARTERLY FINANCIAL REPORT for the period ended **September 30, 2025**
Pursuant to Section 98(2) of the Securities Act, 2001

OR

[ ]
TRANSITION REPORT
for the transition period from ______________________ to ______________________
Pursuant to Section 98(2) of the Securities Act, 2001
(Applicable where there is a change in reporting issuer's financial year)

BOSVG01061977SV
Issuer Registration Number: ______________________

Bank of St. Vincent and the Grenadines Ltd
____
(Exact name of reporting issuer as specified in its charter)

St. Vincent and the Grenadines
____
(Territory or jurisdiction of incorporation)

Reigate, Granby Street, Kingstown, St. Vincent and the Grenadines
____
(Address of principal executive Offices)

(Reporting issuer's: **784-457-1844**
Telephone number (including area code): ______________________

Fax number: **784-456-2612**

Email address: **info@bosvg.com**

____
(Former name, former address and former financial year, if changed since last report)

(Provide information stipulated in paragraphs 1 to 8 hereunder)

Indicate the number of outstanding shares of each of the reporting issuer's classes of common stock, as of the date of completion of this report. ______________________

CLASS	NUMBER
Common	14,999,844

SIGNATURES

A Director, the Chief Executive Officer and Chief Financial Officer of the company shall sign this Annual Report on behalf of the company. By so doing each certifies that he has made diligent efforts to verify the material accuracy and completeness of the information herein contained.

The Chief Financial Officer by signing this form is hereby certifying that the financial statements submitted fairly state the company's financial position and results Of operations, or receipts and disbursements, as of the dates and period(s) indicated. The Chief Financial Officer further certifies that all financial statements submitted herewith are prepared in accordance with International Accounting Standards consistently applied (except as stated in the notes thereto) and (with respect to year-end figures) including all adjustments necessary for fair presentation under the circumstances.

Name of Managing Director:
Derry Williams

Signature

Date 31. 10. 2025

Name of Director:
Judith Veira

Signature

Date October 31st 2025

Name of Chief Financial Officer (and Deputy Managing Director:
Bennie Stapleton

31. 10. 2025

Date

INFORMATION TO BE INCLUDED IN FORM ECSRC-OR

1. Financial Statements

Provide Financial Statements for the period being reported in accordance with International Accounting Standards. The format of the financial statements should be similar to those provided with the registration statement. Include the following:

(a) Condensed Balance Sheet as of the end of the most recent financial year and just concluded reporting period.

(b) Condensed Statement of Income for the just concluded reporting period and the corresponding period in the previous financial year along with interim three, six and nine months of the current financial year and corresponding period in the previous financial year.

(c) Condensed Statement of Cash Flows for the just concluded reporting period and the corresponding period in the previous financial year along with the interim three, six and nine months of the current financial year and the corresponding period in the previous financial year.

(d) By way of *Notes to Condensed Financial Statements*, provide explanation of items in the financial statements and indicate any deviations from generally accepted accounting practices.

2. Management's Discussion and Analysis of Financial Condition and Results of Operation.

Discuss the reporting issuer's financial condition covering aspects such as liquidity, capital resources, changes in financial condition and results of operations during the reporting period. Discussions of liquidity and capital resources may be combined whenever the two topics are interrelated. Discussion of material changes should be from the end of the preceding financial year to the date of the most recent interim report.

The Management's Discussion and Analysis should disclose sufficient information to enable investors to judge:

1. The quality of earnings;
2. The likelihood that past performance is indicative of future performance; and
3. The issuer's general financial condition and outlook.

It should disclose information over and above that which is provided in the management accounts and should not be merely a description of the movements in the financial statements in narrative form or an otherwise uninformative series of technical responses. It should provide management's perspective of the company that enables investors to view the business from the vantage point of management.

The discussion should focus on aspects such as liquidity; capital resources; changes in financial condition; results of operations; material trends and uncertainties and measures taken or to be taken to address unfavourable trends; key performance indicators; and non-financial indicators.

The period witnessed a range of global and domestic developments that significantly influenced business dynamics. Shifts in monetary and fiscal policies, inflationary pressures, and rising geopolitical tensions created a mix of challenges and opportunities, shaping the global economic landscape. As a result, the world GDP is projected to grow by approximately 3.2%. Meanwhile global trade saw a stronger expansion of 3.7% driven largely by robust growth in services and increased economic activity in developing nations such as India and China.

The Caribbean faces heightened vulnerability due to its reliance on U.S. trade and tourism, prompting urgent calls for economic diversification. Locally, fiscal policy debates have intensified ahead of elections, while climate risks and structural inefficiencies persist despite cautious optimism from growth in tourism and construction.

Despite the uncertainties that defined the period, Bank of St. Vincent and the Grenadines Ltd. delivered a strong financial performance, recording profit before tax of $34.4 million, 16.6% year-on-year with a solid return on equity of 20.2%. Earnings per share increased from $1.65 to $1.93 per share and, this momentum was reflected in our share price, which traded at $11.20. Our top line numbers underscore the strength and resilience of our operations, primarily driven by a 11.6% growth in net interest income, which ended at $57.6 million. The quality of these earnings enabled the group to absorb an accounting provision of $3.3 million related to a potential $8.5 million exposure. This exposure was managed within existing financial parameters and did not materially impact the group's overall results.

Through strategic optimization of our $2.2 billion balance sheet, the group has fortified it credit portfolios and interest earning assets. By leveraging well priced deposits, the group enabled disciplined credit expansion and enhanced overall earnings. Beyond financial performance, we remain firmly dedicated to fortifying our risk management framework, ensuring that our growth trajectory remains both responsible and sustainable.

The Group also recorded notable improvements across the majority of its key performance ratios compared to prior years. By strategically leveraging effective risk pricing, asset mixed, and favorable interest rate conditions, a healthy net interest margin of 3.5% was sustained. Operational efficiency was well maintained at 59.6%, even with a $5.3 million (12.5%) increase in operating expenses, cost remained within budget demonstrating disciplined cost control and the positive impact of revenue generation.

Credit quality remains robust, with nonperforming exposures reduced to $39.9 million (4.0%). Enhanced credit processes and proactive sales efforts contributed $1.7 million in recovery income, resulting in a significantly lower net impairment provision of $3.2 million down from $7.5 million in the previous period. The Group continue to prioritize effective credit portfolio management, risk mitigation, and recovery initiatives to support sustainable performance.

The Group's balance sheet position at the end of September 30, 2025 remained solid, having delivered a total asset position of $2.2 billion, including $1,005.9 million in loans and advances, $720.8 million in investment securities, and a liquid asset-to-deposit ratio of 24.5%. Total equity stands at $201.4 million, supported by a capital adequacy ratio of 21.1%, well above regulatory requirements reflecting continued financial prudence and strong capital management. Customer deposits grew by $150.8 million (8.6%) to $1.89 billion, driven by US inflows and enhanced digital banking capabilities.

Beyond the financial metrics, the period also marked important progress in the evolution of our strategic agenda and digital transformation journey. Our mobile and online banking platforms were upgraded with innovative features and we have rebranded our ATMs. For our diaspora customers several engagement sessions were conducted to encourage Vincentians abroad to connect with BOSVG. Additionally, we expanded our payment gateway solutions to better serve merchants and small taxi operators empowering them with flexible, secure, and modern payment options to support their growth.

The Group has also made significant progress in implementing its succession plan through targeted programs for critical positions and the rollout of a HR Plus software Performance Management Module to manage talent development and leadership. Of note also, a redesign of the organizational structure is nearing completion. The Bank also continue to uplift communities through impactful initiatives such as Financial Literacy School Program and sponsorship of sports and culture. Through these, we reaffirm our duty to act responsibly, lead ethically, and create shared prosperity across all our stakeholder groups.

As we enter the final quarter of 2025, we expect balance sheet growth to remain healthy, driven by similar advances and deposits growth. However, net interest income is expected to be slightly weaker as the impact of moderate rate cuts in the financial markets materialized. The Group overall credit performance should trend better, driven by continued improvement in retail lending and delinquency management. It is presumed that allowances for expected losses will remain low in 2025. Expectations are supported by a lower level of non-performing loans and considerable model adjustments for Beryl customers. The group remain committed to sustaining this momentum with continued focus on enhancing asset quality, further expanding our digital channels to capture untapped market segments, deepening our customer centric agenda, strengthening operational excellence to remain agile and competitive and investing in talent development to ensure performance excellence and a future ready workforce.

The evolving economic landscape promises both challenges and growth avenues that inform our strategic direction. Globally, geopolitical tensions and their results will continue to influence trade, and capital flows, as well as financial market dynamics. In the United States, foreign policy changes, the ongoing trade wars, and the push for de-dollarization of global trade may induce economic headwinds and negatively impact the country’s growth prospects. Nonetheless, with a strong foundation, clear vision, and a dedicated team, we are confident in our ability to deliver sustained value and long-term growth as we navigate the course with excellence and build on our achievements

Liquidity and Capital Resources

Provide a narrative explanation of the following (but not limited to):

i) The reporting issuer's financial condition covering aspects such as liquidity, capital resources, changes in financial condition and results of operations.

ii) Any known trends, demands, commitments, events or uncertainties that will result in, or that are reasonably likely to result in, the issuer's liquidity increasing or decreasing in any material way. If a deficiency is identified, indicate the course of action that the reporting issuer has taken or proposes to take to remedy the deficiency.

iii) The issuer's internal and external sources of liquidity and any material unused sources of liquid assets.

iv) Provisions contained in financial guarantees or commitments, debt or lease agreements or other arrangements that could trigger a requirement for an early payment, additional collateral support, changes in terms, acceleration of maturity, or the creation of an additional financial obligation such as adverse changes in the issuer's financial ratios, earnings, cash flows or stock price or changes in the value of underlying, linked or indexed assets.

v) Circumstances that could impair the issuer's ability to continue to engage in transactions that have been integral to historical operations or are financially or operationally essential or that could render that activity commercially impracticable such as the inability to maintain a specified level of earnings, earnings per share, financial ratios or collateral.

vi) Factors specific to the issuer and its markets that the issuer expects will affect its ability to raise short-term and long-term financing, guarantees of debt or other commitment to third parties, and written options on non-financial assets.

vii) The relevant maturity grouping of assets and liabilities based on the remaining period at the balance sheet date to the contractual maturity date. Commentary should provide information about effective periods and the way the risks associated with different maturity and interest profiles are managed and controlled.

viii) The issuer's material commitments for capital expenditures as of the end of the latest 'fiscal period, and indicate the general purposes of such commitments and the anticipated source of funds needed to fulfil such commitments.

ix) Any known material trends, favorable or unfavorable, in the issuer's capital resources, including any expected material changes in the mix and relative cost of capital resources, considering changes between debt, equity and any off-balance sheet financing arrangements.

Discussion of Liquidity and Capital Resources

The capital ratios for BOSVG as at September 30, 2025 are above the minimum regulatory requirements and within Board risk appetite. The Group remains adequately capitalized with total capital adequacy and tier 1 capital ratios of 21.1% and 14.8%, (September 2024: 18.6% and 12.9%). The movement in the capital ratios reflects the impact of the organic generation of profits, increased risk weighted assets, return of $17.5 million in dividend and conservative capital management.

Liquidity is managed proactively in order to ensure the Group is able to meet its financial obligations and to continue under extreme conditions. Through our ongoing focus, the Group was able to maintain healthy liquidity risk indicators, with a coverage ratio of 24.5% (June 2025:25.8% and September 2024: 25.7%%) and a loan to deposit ratio of 53.0%.

The Group's primary source of funding is customers deposits, which totaled $1.89 billion representing 94.5% of the funding base. A significant portion of these deposits comprises regular savings account from households and approximately 24.5% from institutional depositors.

Off Balance Sheet Arrangements

Provide a narrative explanation of the following (but not limited to):

i) Disclosures concerning transactions, arrangements and other relationships with unconsolidated entities or other persons that are reasonably likely to materially affect liquidity or the availability of, or requirements for capital resources.

ii) The extent of the issuer's reliance on off-balance sheet arrangements should be described fully and clearly where those entities provide financing, liquidity, market or credit risk support, or expose the issuer to liability that is not reflected on the face of the financial statements.

iii) Off-balance sheet arrangements such as their business purposes and activities, their economic substance, the key terms and conditions of any commitments, the initial on-going relationship with the issuer and its affiliates and the potential risk exposures resulting from its contractual or other commitments involving the off-balance sheet arrangements.

iv) The effects on the issuer's business and financial condition of the entity's termination if it has a finite life or it is reasonably likely that the issuer's arrangements with the entity may be discontinued in the foreseeable future.

The following off balance sheet items will result in a future cash outflow subsequent to reporting date. As a going concern, these outflows will be offset by future cash inflows.

- Undrawn commitments totaled $47.0 million.
- Uncommitted undrawn facilities totaled $83.1million. These commitments are attributable to undrawn overdraft amounts and credit card balances.
- Letters of credit and guarantees to customers amounting to $3.0 million.

Results of Operations

In discussing results of operations, issuers should highlight the company's products and services, facilities and future direction. There should be a discussion of operating considerations and unusual events, which have influenced results for the reporting period. Additionally, any trends or uncertainties that might materially affect operating results in the future should be discussed.

Provide a narrative explanation of the following (but not limited to):

i) Any unusual or infrequent events or transactions or any significant economic changes that materially affected the amount of reported income from continuing operations and, in each case, the extent to which income was so affected.

ii) Significant components of revenues or expenses that should, in the company's judgment, be described in order to understand the issuer's results of operations.

iii) Known trends or uncertainties that have had or that the issuer reasonably expects will have a material favorable or unfavorable impact on net sales or revenues or income from continuing operations.

iv) Known events that will cause a material change in the relationship between costs and revenues (such as price increases, costs of labour or materials), and changes in relationships should be disclosed.

v) The extent to which material increases in net sales or revenues are attributable to increases in prices or to increases in the volume or amount of goods or services being sold or to the introduction of new products or services.

vi) Matters that will have an impact on future operations and have not had an impact in the past.

vii) Matters that have had an impact on reported operations and are not expected to have an impact upon future operations

viii) Off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships that have or are reasonably likely to have a current or future effect on the registrant's financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources.

ix) Performance goals, systems and, controls.

Overview of Results of Operations

<u>Overview of Financial Performance</u>

The preceding nine months of 2025 was a period of further improved profitability, the Group leveraged its diversified portfolio of businesses to deliver sturdy growth across key performance indicators. Profit before tax of $34.4 million recorded a growth of 16.6% when compared to $29.5 million a year ago. This growth was driven by optimization of earning assets during the period. Interest income increased by 7.7% to $74.9 million on the back of margin expansion in the high interest rate environment duly supported by the prudent scaling of our investment portfolio and loan book to maximize returns therefrom. At the same time, net interest income improved to $57.6 million (+11.6%, September 2024: $51.6 million). On a normal basis, non-interest income from transactions increased by 10.2% from $26.3 in 2024 to $29.0 million in 2025, with foreign exchange, card related fees, and funds transfer fees being the primary performance drivers.

Despite a notable increase in operating expenses, our disciplined budget execution and containment efforts helped keep the Group's costs within limits. Key growth drivers of operating expense were personnel, maintenance, bank charges and licenses. Which induced an increase in associated costs over the prior period. The impact of this increase, was tempered by the significant growth in revenues, which translated to a marked reduction in the Group's efficiency ratio to 59.6% down from 63.1% reported in September 2024.

The Group's balance sheet position at the end of the period remained solid, having delivered a total asset position of $2.2 billion, representing a 9.7% increase from the September 2024 prior period amount of $2.0 billion. Loans and advances to customers, which constitute 45.5% of the Group's asset base, declined slightly by 6.6% to $961.7 million. It is worth noting however, during the period Non-Performing Loans (NPLs) was reduced to $39.9 million or 4.0% from $47.2 million a year ago. The Group has activated mechanisms to recover non-performing assets and remains committed in maintaining the NPL ratio below the regulatory threshold of 5%. Of note also, investment securities rose to $720.8 million, an increase of 78.7% over September 2024, as excess liquidity was strategically redeployed.

On the liabilities side, deposits from customers, which support our lending and investment activities, increased to $1.89 billion by September 2025, up from $1.75 billion reported at September 2024, reflecting our customers' continued trust and confidence.

Gross profit

The profit for the nine months of 2025 of $34.4 million was determined by:

Net interest Income

Net interest income grew by 11.6% to $57.6 million from $51.6 million. Net interest income for the third quarter of 2025 amounted to $17.9 million compared to $18.4 million in the same period of 2024. There was a reduction of $3.1 million compared to the second quarter amount of $21.1million. The overall improvement was primarily attributed to the strategical shift in asset mix with robust growth in the investment portfolio and higher yields. However, the reduction on a quarterly basis was primarily as a result of the paydown of overdraft balances.

Net fee and commission income and other income

Net fee commission and other income totaled $25.7 million, following an extraordinary net off of $3.5 million for card related fees. On a quarterly basis net fee and commission income for the period was $6.5 million, in comparison with $9.3 million earned in the third quarter of 2024 and the preceding quarter earnings of $8.7 million. The enlarged business operations, together with enhanced digital capabilities, generated stronger performance in foreign exchange earnings and ancillary products and services, particularly transactional volumes from debit card revenue and merchant services. The continued growth in the customers' deposits further reinforced transactional services and this financial outcome.

Credit loss on financial assets

Asset quality remains within the Group's appetite limits, with non-performing loans and advances reduced to $39.9 million, compared to $47.2 million at September 30, 2024. Of note also, there was a reduction in the provision charge from $7.5 million to $3.5 million. This was primarily driven by net recoveries of $1.7 million from previously written off exposures, in model ECL reduction due to release of overlays as anticipated Beryl ECLs have occurred and was offset by higher stage 2 impairments. The Group's balance sheet expected credit loss (ECLs) increased by 6.6% to $44.3 million, reflecting prudent provisioning. Overall, the provision coverage remains adequate at 140.3%, inclusive of reserves, against non-performing loans and advances comprising 4.0% of the portfolio. The Group remains committed to the management of its credit portfolio, effective risk mitigation, and enhanced collections and recovery initiatives.

Operating Expenses

Operating expenses totaled $47.5 million reflecting a 12.5% increase over the comparative period. While on a quarterly basis expense for the third quarter ending September 2025 was $15.3 million in comparison with $17 million for the second quarter and $15.2 million in the first quarter of 2025. Overall cost growth reflects strategic investments in its employees, physical branches, and technological advancements. Major increases were noted as follows:

- Interest levy- driven by the increase in the deposit portfolios.
- Employee benefit cost as a result of increase head count and provisions for union adjustment and staff supplement.
- Computer expense- improvement to the disaster recovery system and ATM infrastructure to ensure resilience and stability.
- Repairs and maintenance- remedial work to the Grenadine branches from the impact of hurricane Beryl.
- Licenses and membership fees- the growth rate in the related amortization charge related to IT contracts arising from the increase in asset size.

Total Assets

Total assets increased by 9.7% to $2.21 billion (September 2024: $2.02 billion) and was relatively stable with the June 2025 balance. This growth was driven mainly by increases in the investment portfolio and funded through the growth in customer deposits. This also reflects our ability to identify and optimize market opportunities towards enhancing the overall earnings.

Loans and advances

Net loans and advances totaled $961.7 million, compared to $1,029 million in September 2024 and $980.8 million at December 2024. The 1.9% decline since year-end primarily reflects reductions in short-term credit lines, particularly overdraft balances. In line with the focus on ensuring quality risk assets portfolio, prompt proactive steps have been taken to ensure a resilient and sustainably portfolio as we continue to de-risk our credit portfolio. NPL is in line with expectations as we continue to improve our capabilities and practices towards ensuring a well-managed credit portfolio.

Investments

Investment securities rose significantly to $714.8 million (September 2024: $393.1 million; December 2024: $570.1 million), an increase of 25.3% since year-end. This reflects the continued strategic redeployment of surplus liquidity into higher-yielding, interest-earning instruments.

3. Disclosure about Risk Factors.

Provide a discussion of the risk factors that may have an impact on the results from operations or on the financial conditions. Avoid generalised statements. Typical risk factors include untested products, cash flow and liquidity problems, dependence on a key supplier or customer, management inexperience, nature of business, absence of a trading market (specific to the securities of the reporting issuer), etc. Indicate if any risk factors have increased or decreased in the time interval between the previous and current filing.

Overview

As a financial institution, the Group is exposed to a range of risks across its operation. The Board and Management receive regular reports on key risk areas, including credit, market, liquidity, strategic, cybersecurity and regulatory. Positivity remains evident around corporate governance, risk management practices, internal controls, and regulatory and balance sheet profiles. Known risks across the Group are identified, assessed, documented, managed, reported, and reviewed in line with the Group's Enterprise Risk Management Framework (ERMF) and governance protocols.

The Bank's capital and liquidity indicators are sound with market risk exposure on the moderate side. The credit strategy remains focused on lending to customers with predictable income streams and sound collateral while scaling its investment portfolio. Loans and advances and investments to deposits stood at 91% while the Group continues to hold a significant portion of cash and near cash investments in short duration highly liquid assets and deposits with the Central Bank. Although, reliance is placed on institutional deposits, the Group continued to diversify its funding base and complement the other liability channels by focusing, where appropriate, on tenor and currency as part of a long-term strategic plan.

Operational risks that arise through the Group's operations remain highly topical and continue to receive a significant amount of management's focus, particularly in light of the evolving technological and regulatory landscape. Operational risk is managed across the business through an internal control environment, with a view to limiting the risk to acceptable residual risk levels.

The importance of operational resilience to ensure minimal disruption is paramount. We take a highly disciplined approach to recovery and resolution planning and remain focused on managing conduct, reputational and operational risks. Keeping abreast of industry-wide trends with respect to artificial intelligence (AI) developments, cyber threats and data management as well as increased reliance on big tech and cloud platforms remains an area of focus. Therefore, significant time is spent ensuring we have the appropriate expertise to assess potential threats and opportunities.

The Group remains cognizant of the emerging risks arising from technological advances and continually aims to strengthen and test our systems and controls to mitigate cyber risk and fulfil our moral and regulatory obligations to combat money laundering, fraud and corruption.

The Bank's overall risk profile during the period has been stable at medium high and management remains focused on maintaining the sound underlying balance sheet. Going forward, we are closely monitoring developments with respect to the global geopolitical outlook, including any potential impact from the outcomes of the local elections. Locally, both political parties are in the midst of campaigning for the 2025 election cycle. Elections which are constitutionally due by February 2026 is set for November 27, 2025. The incumbent party is looking for a sixth (6^{th}) consecutive term in office.

Of particular note this quarter, is the rising geopolitical tensions in the southern Caribbean region. Concerns regarding US military presence which is being supported by Trinidad that is ostensibly targeting narco-traffickers from Venezuela is creating unease throughout Caricom. Rhetoric between Trinidad and Tobago / Venezuela has been escalating with Caricom territories being drawn into the fray. As member of Caricom and based on proximity to Trinidad and Tobago and Venezuela, the country on whole is carefully monitoring the situation which could be disruptive to economic activity.

Capital and Liquidity Risk

The Group has a robust balance sheet, reinforced by solid capital and liquidity positions, including sufficient buffers to meet both regulatory mandates and internal risk thresholds. Overall, the Group remains conservative in its approach to liquidity and funding as well as capital and leverage. Our concerted efforts have bolstered financial performance through proactive risk management, fostering business expansion, delivering value to customers and stakeholders, ensuring capital sufficiency, and instilling confidence in the market. BOSVG continues its efforts to build discipline around management of capital and liquidity by strengthening policies, measurements and monitoring.

As of September 30, 2025, the Group maintained a liquidity coverage ratio (LCR) of 24.5% and a Tier 1 Capital ratio of 14.8%.

We continuously reassess contingent funding strategies, forecasting methods, and early warning indicators to ensure their relevance and adequacy. Nonetheless, residual risks persist, particularly concerning funding costs, concentrations, inflation, and potential investment downgrades amid market volatility.

Recognizing resilience as a cornerstone of sustainability and success, the Group is committed to formulating a comprehensive capital plan and its effective execution. Leveraging our strong balance sheet position, we will pursue growth opportunities while prioritizing optimization of risk-weighted assets and enhancing forecasting accuracy.

Stress Testing

In assessing the resilience of our balance sheet, liquidity, and capital adequacy, and to glean actionable insights into performance, we subjected both credit and deposit portfolios to stress tests across a range of scenarios. These scenarios factored in the exposure and concentration of specific sectors on the Group's balance sheet. Concurrently, we continue to assess the potential ramifications of the Basel II and III proposals on our capital ratios, systems, and procedures.

Change Management

People risk remains heightened as the Group seeks to undertake a range of change programs and transformation activities. The Group is nearing the completion of its organizational structure redesign. This project has identified critical skills and the future needs of the organization. Our proactive talent management efforts have effectively preserved organizational value by integrating enterprise-wide succession planning alongside targeted engagement interventions. An enhanced human resource function to manage change processes, as well as an oversight framework to address operational and capacity challenges is being implemented.

Customer Support & Management

The Group has in place a functional back-office support center and customer help desk to resolve complaints and disputes from customers. During the period the Group continued to make significant investment in enhancing its mobile banking platform, merchant terminals and provided training to customers on how to use the available technology platforms. Of note, the Group partnered with Invest SVG to conduct outreach activities in the United Kingdom, Canada and the United States to deepen our international brand presence.

Credit Administration and Credit Risk Management

Enhancement of credit administration and management processes across the Group remained a key priority. The focus during the quarter was primarily on maintaining asset quality as well as managing the remnants from hurricane Beryl and other legacy issues. Large exposures and key concentrations were continuously monitored to ensure that the exposures remained within acceptable ranges and that provisions were adequate.

Credit risk, inherent in our lending operations, remains a principal concern. During the period, we observed no significant fluctuations in our portfolios concerning specific industries, or major borrowers, apart from the government. The Group continued to grow its credit portfolio while ensuring its resilience, and is strategically positioned to pursue disciplined growth. The Group commenced the development of a loan pricing model which will assist with improving our pricing strategy.

Additionally, the Group's asset quality indicators have shown a marked improvement throughout the period with focused management interventions, including improved collection and loan origination processes. Asset quality ratios reflect the current operating environment although there have been isolated individual customer default incidents across sectors, there are no specific trends evident. The staging of credit and migrations into NPL status are within historical ranges. The customer credit risk profile of the portfolio remains stable.

Operational Risk

During the reporting period, the Group effectively managed key operational risks within all major Board-approved operational risk appetite limits. These risks included business disruption, information security, technology risk, regulatory compliance, third-party risk, and processing and execution risk.

Information security and cyber threats were well-controlled, with no material impacts or losses reported. The Group strengthened due diligence and risk management practices for third-party services. IT capabilities remained stable and resilient, ensuring minimal disruption to customers and business operations during service restoration following any system outages.

The Group continued to enhance its IT risk management program with a heightened focus on emerging digital and IT risks, including outsourcing, critical third parties, IT risk appetite and cloud computing. Measures were also implemented to reduce processing and execution risks, further safeguarding customer transactions.

Cybersecurity risk management remained robust, with no breaches detected despite heightened risks. Continuous improvements and updates to prevention, detection, investigation, and risk management processes underscore our commitment to safeguarding the Group's assets, reputation and customers.

The Group operates in a legal and regulatory environment that exposes it to litigation risks. As a result, the Group is involved in disputes and legal proceedings which arise in the course of business. The Group evaluates all facts, the probability of the outcome of legal proceedings and advice from internal and external legal counsel when considering the financial implications.

IT Security Risk

The Group is continuously enhancing its IT strategies and risk management program to enable it to remain resilient. The financial industry continues to face a balancing act between digital transformation to better serve customers and the attendant threats. Artificial intelligence and machine learning while promising new and exciting opportunities, brings new risks and vulnerabilities into our environment. The Bank is embarking on the development AI framework and developing a program to effectively mitigate the risks. Ransomware, phishing attacks and fraud scams targeting critical infrastructure and customers remain am ever present threat. The overall trend continues to point to greater sophistication and velocity of attacks that exploit interconnected systems and human weaknesses.

Regulatory Change

The Group remains committed to fulfilling all regulatory obligations and adhering to best practices. The Bank in engages in continuous reviews and improvements to is compliance programs in support of this commitment. This includes regular independent assessments, program development / management and training.

Recent amendments to the Banking Act and various regulatory guidelines continue to impact how we operate and serve of customers. In the upcoming quarters, the Bank will be working to implement the required changes to align with regulatory expectations.

Legal Proceedings.

A legal proceeding need only be reported in the ECSRC – OR filed for the period in which it first became a reportable event and in subsequent interim reports in which there have been material developments. Subsequent Form ECSRC – OR filings in the same financial year in which a legal proceeding or a material development is reported should reference any previous reports in that year. Where proceedings have been terminated during the period covered by the report, provide similar information, including the date of termination and a description of the disposition thereof with respect to the reporting issuer and its subsidiaries.

ALISHA BESS-COLLINS v BOSVG LTD. CLAIM# HCV2025/0015

On 7th February, 2025 the Bank received a Statement of Claim filed at the High Court by Mrs. Bess-Collins claiming breach of trust by the Bank because the Bank did not follow through with Steve Tyril's instruction to settle her Bill of Sale Mortgage. The sum being claimed is three hundred and seventy-five thousand dollars ($375,000.00).

On March 7th 2025 Counsel filed an Acknowledgment of Service and an application to Strike out the Claim on the Bank's behalf.

The matter was heard before Master Vernette Richardson on 7th October, 2025. Mrs. Bess-Collins did not turn up to Court. The Master struck out the case and awarded costs to the Bank.

LYDIA JACKSON v BANK OF SAINT VINCENT AND THE GRENADINES LTD CLAIM # SVGHCV2025/0094

Mrs. Jackson claims the following:

1. Wrongful dismissal,
2. Victimization
3. Discrimination
4. Physical and psychological harm suffered by the employee in the course of employment
5. Costs
6. Compensation up to the date of retirement
7. Further or other reliefs as the Court deems necessary or appropriate.

A defence was filed on July 23, 2025. A court date has not been scheduled.

JANET FERNANDEZ v 1ST NATIONAL BANK ST. LUCIA LIMITED (FIRST DEFENDANT) AND HUGHES DOUGAN (SECOND DEFENDANT) AND ELAINE DOUGAN (THIRD DEFENDANT) AND KHARI DOUGAN (FOURTH DEFENDANT) AND BANK OF SAINT VINCENT AND THE GRENADINES LTD. (FIFTH DEFENDANT) AND BERNARD FERNANDEZ (INTERESTED PARTY) CLAIM #SVGHCV2025/0163

Extract of claim which relates to BOSVG:

An order that the Deed of Mortgage bearing registration number 1675 of 2023 that purports to grant a legal mortgage over the property situate at Villa comprised of two lots, Lot 18 and Lot 20, admeasuring 15,911 sq. ft. from Second, Third and Fourth Defendants to the Fifth Defendant be cancelled;

The Acknowledgment of Service was filed on 14th October 2025.

4. Changes in Securities and Use of Proceeds.

(a) Where the rights of the holders of any class of registered securities have been materially modified, give the title of the class of securities involved. State briefly the general effect of such modification upon the rights of holders of such securities.

N/A

(a) Where the use of proceeds of a security issue is different from that which is stated in the registration statement, provide the following:

- Offer opening date (provide explanation if different from date disclosed in the registration statement)
  N/A

- Offer closing date (provide explanation if different from date disclosed in the registration statement)
  N/A

- Name and address of underwriter(s)
  N/A

- Amount of expenses incurred in connection with the offer N/A

- Net proceeds of the issue and a schedule of its use
  N/A

- Payments to associated persons and the purpose for such payments
  N/A

(c) Report any working capital restrictions and other limitations upon the payment of dividends.

N/A

5. Defaults upon Senior Securities.

(a) If there has been any material default in the payment of principal, interest, a sinking or purchase fund instalment, or any other material default not satisfied within 30 days, with respect to any indebtedness of the reporting issuer or any of its significant subsidiaries exceeding 5 per cent of the total assets of the reporting issuer and its consolidated subsidiaries, identify the indebtedness. Indicate the nature of the default. In the case of default in the payment of principal, interest, or a sinking or purchase fund instalment, state the amount of the default and the total arrears on the date of filing this report.

N/A

(b) If any material arrears in the payment of dividends have occurred or if there has been any other material delinquency not satisfied within 30 days, give the title of the class and state the amount and nature of the arrears or delinquency.

N/A

6. Submission of Matters to a Vote of Security Holders.

If any matter was submitted to a vote of security holders through the solicitation of proxies or otherwise during the financial year covered by this report, furnish the following information:

(a) The date of the meeting and whether it was an annual or special meeting.

N/A

(b) If the meeting involved the election of directors, the name of each director elected at the meeting and the name of each other director whose term of office as a director continued after the meeting.

N/A

(c) A brief description of each other matter voted upon at the meeting and a statement of the number of votes cast for or against as well as the number of abstentions as to each such matter, including a separate tabulation with respect to each nominee for office.

N/A

(d) A description of the terms of any settlement between the registrant and any other participant.

N/A

(e) Relevant details of any matter where a decision was taken otherwise than at a meeting of such security holders.

N/A

7. Other Information.

The reporting issuer may, at its option, report under this item any information, not previously reported in a Form ECSRC – MC report (used to report material changes), with respect to which information is not otherwise called for by this form, provided that the material change occurred within seven days of the due date of the Form ECSRC-OR report. If disclosure of such information is made under this item, it need not be repeated in a Form ECSRC – MC report which would otherwise be required to be filed with respect to such information or in a subsequent Form ECSRC – OR report.