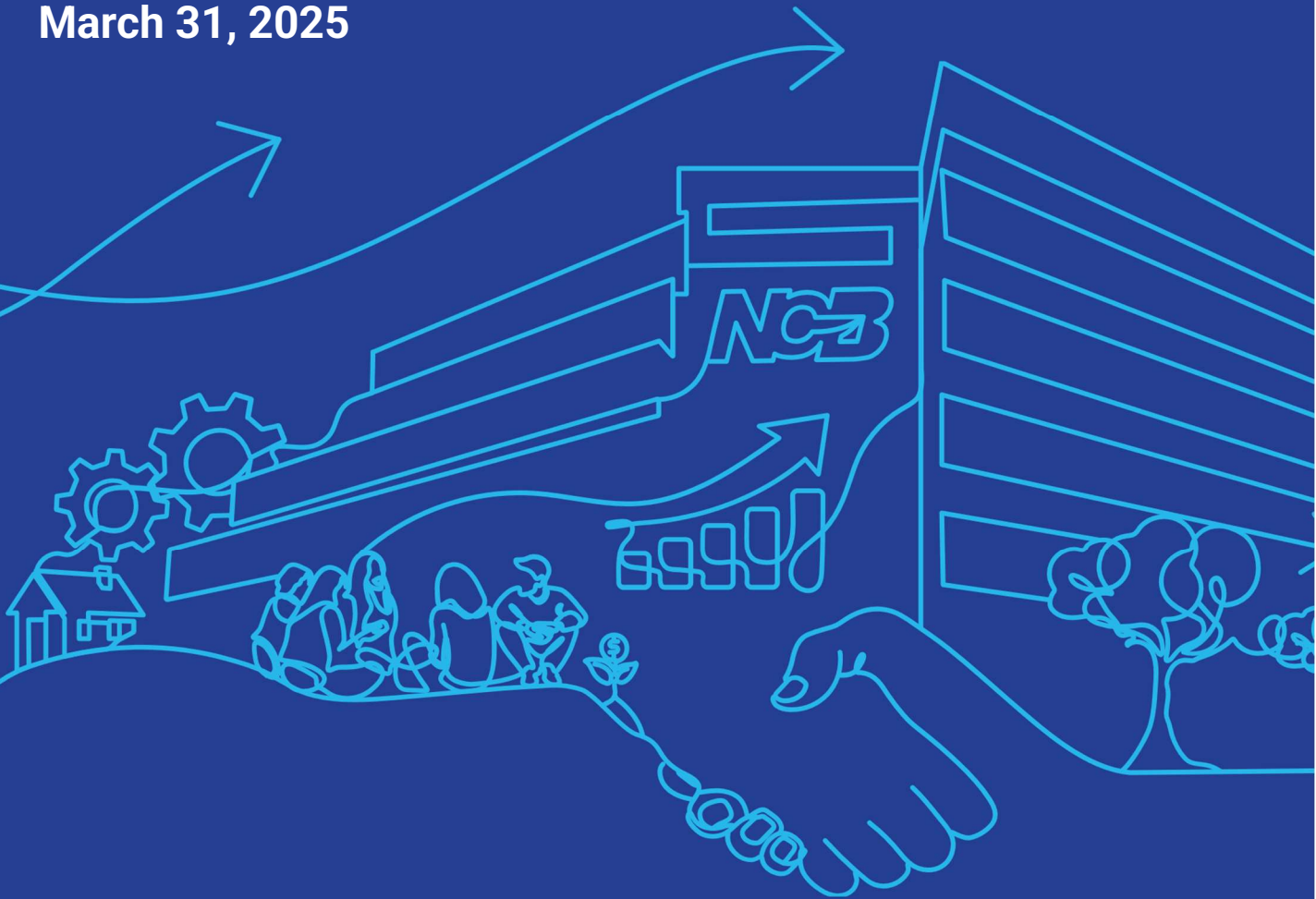


Financial Results

For The Six Months Ended
March 31, 2025





Key Results

Six Months Ended March 31, 2025



Net Profit
\$22.2B



Net Profit
Attributable to Stockholders
of the Company
\$13.3B



Equity
\$230.4B



Equity
Attributable to
Stockholders of the Company
\$182.1B



Total Assets
\$2.35T



EPS
\$5.53



Return on Assets
1.90%



Return on Equity
15.06%



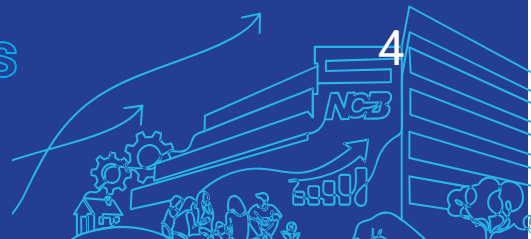
Second Quarter 2025 Report to Shareholders

Kingston, Jamaica - May 8, 2025

The Board of Directors today approved the release of the unaudited interim financial results for NCB Financial Group Limited (NCBFG) and its subsidiaries (the Group) for the six months ended March 31, 2025.

The Group reports consolidated net profit of \$22.2 billion for the six months ended March 31, 2025, an \$11.5 billion or 108% increase over the prior year. Consolidated net profit attributable to stockholders of the Company totaled \$13.3 billion, an improvement of 94% or \$6.5 billion. Consolidated net profit of \$17.0 billion for the March 2025 quarter exceeded the December 2024 quarter by 231% or \$11.9 billion and was \$9.3 billion or 121% higher than the \$7.7 billion recorded in the second quarter of the previous year. Consolidated net profit attributable to stockholders of the Company of \$10.7 billion for the March 2025 quarter exceeded the December 2024 quarter by 308% or \$8.1 billion and was \$5.1 billion or 92% more than the \$5.6 billion recorded in the second quarter of the previous year. Consolidated equity of \$230.4 billion increased by 19% or \$37.0 billion and consolidated equity attributable to stockholders of the Company of \$182.1 billion increased by 12% or \$19.9 billion over the prior year.

The second quarter was impacted by a number of items that we do not expect to be recurring. During the quarter, the Group's main insurance subsidiary, Guardian Holdings Limited (GHL), successfully completed the sale of its Netherlands insurance brokerage business, Thoma Exploitatie B.V. (Thoma Group) which positively impacted consolidated net profit and consolidated net profit attributable to stockholders of the Company by \$15.1 billion and \$9.4 billion, respectively. For the quarter, consolidated net profit and consolidated net profit attributable to stockholders of the Company were adversely impacted in the amounts of \$3.1 billion and \$2.4 billion, net of taxes, respectively, for provisions, expenses and other adjustments related to prior years. We are confident that our focus on improved capital allocation, operational efficiency and customer experience will continue to result in improved core recurring profitability.



Divestment of Subsidiary

As a result of its divestment on January 24, 2025, the Thoma Group will no longer be a part of the Group. Thoma was immaterial to the results of the Group and the consolidated income statement for the year to date include a net loss of \$82.7 million for that entity.

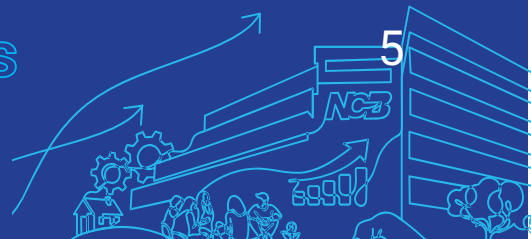
The divestment supports Guardian Group's strategy to concentrate on core markets and business platforms with the highest potential for future growth. Importantly, Guardian Group maintains its commitment to the Netherlands through its general insurance operations under Guardian Group Netherlands.

Group Performance

The Group recorded net operating income of \$77.3 billion, an increase of \$15.3 billion or 25%, while operating expenses increased by 8% or \$3.9 billion over the prior year. The increase in income relative to the growth in operating expense led to a decline in the cost to income ratio, which decreased to 63.18%, from 74.00% in the prior year. Both, net operating income and operating expenses were adversely impacted by the recording of provisions, expenses and other adjustments relating to prior years, while the gain on the sale of the subsidiary favourably impacted the performance. Adjusting for these non-recurring items, the cost to income ratio would have been 71.48%.

The gain from the sale of the subsidiary significantly contributed to the overall net performance for the Group. This resulted in return on assets (ROA) (annualised) increasing to 1.90% from 0.96% and return on equity (ROE) (annualised) improving to 15.06% up from 9.08%.

NCBFG remains focused on enhancing revenue generation through strategic initiatives, including the expansion of our insurance portfolio, interest earning assets together with growth in card transaction volumes for increased interest, net fee and commission income and insurance service revenues.



Group Performance (continued)

Banking and Investment Activities

Net revenues from banking and investment activities of \$78.9 billion increased by 24% or \$15.3 billion over the prior year mainly due to the gain from the sale of subsidiary of \$15.1 billion. Gain on foreign currency and investment activities declined by \$1.4 billion or 12% primarily due to reduced unrealised fair value gains on debt and equity securities. Net interest income increased by \$2.6 billion or 7% primarily driven by enhanced yields on interest-earning assets and the expansion of the investment portfolio. Net fee and commission income of \$15.3 billion, marginally declined by 1% or \$135 million while other operating income improved to \$2.3 billion, up by \$904 million over the prior year.

Credit impairment losses grew by \$2.0 billion or 71% due to increased impairment provisions in our wealth, asset management and investment banking segment due to a reversal in the prior year which did not recur in the current period together with a rise in expected credit losses in the Consumer & SME (CSME) segment.

Insurance Activities

Insurance service result of \$9.6 billion, was 3% or \$241 million higher than the prior year. The performance was impacted by approximately \$2.0 billion in one-off adjustments related to prior periods. Insurance revenue increased across the two insurance segments with most business lines recording improved performance, driven by continued policyholder engagement and premium collections. This growth was, however, tempered by an increase in insurance service expenses and the net expenses from insurance service contracts

Net insurance finance expenses of \$11.2 billion increased by 2% or \$242 million due to higher finance expenses from reinsurance contracts mainly due to fair value adjustments and changes in interest rate assumptions.



Group Performance (continued)

Operating Expenses

Operating expenses totaled \$51.8 billion, increasing by \$3.9 billion or 8% over the prior year. This was mainly due to an overall increase of 28% or \$4.4 billion in other operating expenses primarily owing to one-off operational losses which grew by \$2.7 billion within our banking segment along with other expenses related to information technology maintenance and support costs which rose by approximately \$1.0 billion.

We are committed to disciplined expense management and implementing strategic cost optimisation initiatives that enhance operational efficiency.

Consolidated Statement of Financial Position

The asset base at March 2025 totaled \$2.35 trillion, an increase of 4% or \$84.5 billion over the prior year. The growth in the asset base continues to be bolstered by increased investment securities together with improved liquidity increasing cash in hand and balances at Central Banks. The growth was primarily funded by deposits, insurance contract liabilities and other borrowed funds.

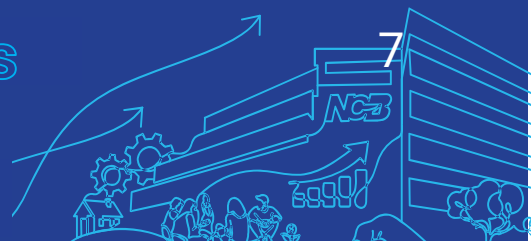
Investment Securities and Reverse Repurchase Agreements

Investment securities, including pledged assets and reverse repurchase agreements, totaled \$1.21 trillion, an increase of 6% or \$74.0 billion over the prior year. Accounting for 52% of total assets, this asset class continues to be the Group's largest interest-bearing portfolio.

Loans and Advances

The Group's loans and advances, net of credit impairment losses, totaled \$623.1 billion, a decline of 1% or \$7.8 billion from the prior year. This was due to lower loan origination within the Corporate and Commercial Banking segments along with repayments of loan facilities within the period.

Non-performing loans (NPLs) totaled \$26.8 billion as at March 31, 2025, an increase of \$440 million or 2% over the prior year. This resulted in a marginal increase in the NPL ratio to 4.19% from 4.10% in the prior year. The Group maintains a prudent credit risk management strategy, ensuring the ongoing stability of the portfolio.



Consolidated Statement of Financial Position (continued)

Deposits

Deposits increased by 6% or \$45.5 billion to \$800.2 billion at March 2025. In our Jamaican banking subsidiary, the number of deposit products opened grew by 7% compared to the prior year. This continues to be our largest source of funding and a demonstration of continued customer confidence.

Insurance Contracts Liabilities

Insurance contracts totaled \$551.6 billion, a 6% or \$32.5 billion increase over the prior year due mainly to continued growth in core business across the Group's diversified product offerings in the English-speaking and Dutch Caribbean markets.

Capital and Liquidity

Equity attributable to stockholders of the Company totaled \$182.1 billion, an increase of \$19.9 billion or 12% over the prior year. The growth in equity was mainly due to increased retained earnings from the rise in profitability. Share capital also grew by \$2.4 billion due to shares issued in the Additional Public Offering and shares issued and allotted to executives of the Group. Issued and fully paid-up ordinary stock units increased by 38,744,335 shares to total 2,584,069,847 at March 31, 2025, from 2,545,325,512 in the prior year.

Our regulated entities consistently exceed capital and liquidity regulatory benchmarks, underscoring our capacity to foster growth, manage market volatility, and maintain financial resilience.

Dividend

The Board of Directors, at its meeting on May 8, 2025, approved an interim dividend of \$0.50 per ordinary stock unit. The dividend is payable on June 9, 2025, to stockholders on record as at May 26, 2025.

Environment, Social and Governance (ESG)

During the second quarter, we continued to actively embed Environmental, Social, and Governance (ESG) practices into our operations. As a testament of our commitment to financial inclusion and local enterprise development, our main banking subsidiary, National Commercial Bank Jamaica Limited



Environment, Social and Governance (ESG) (continued)

(NCBJ) launched a J\$1 billion growth fund facility, targeting micro, small and medium-sized enterprises (MSMEs). The fund aims to unlock growth opportunities by providing affordable financing at lower interest rates, reducing barriers to capital access, and helping MSMEs scale sustainably.

The NCB and Guardian Group Foundations were also instrumental in driving social impact this quarter. The Level Up Grants Programme, designed to equip unemployed and underemployed Jamaicans with digital skills, registered a total of 1,951 new participants. Through the NCB CSEC CAPE National Bursary Programme, the N.C.B. Foundation provided funding for the examination fees in Information Technology and Computer Sciences for students from 26 high schools across Jamaica. Guardian Group also sponsored the HARCON Consulting National Youth Sustainability & ESG Project allowing young participants to take part in an immersive visit to the Tobago Main Ridge Forest Reserve, the oldest legally protected reserve in the world, and the Buccoo Coral Reef and Lagoon.

The Group remained committed to strong governance practices. During the quarter, NCBFG increased its board complement through the appointment of Mrs Arvinder Bharath to its Board of Directors. Mrs Bharath is a digital expert with a wealth of experience across diverse geographies in the banking, regulatory and technology sectors. The board composition now reflects greater diversity, with the majority of members serving as independent non-executive directors. This structure aligns with international best practices, promoting robust governance and balanced oversight.

We continue to focus on sustainability through practical initiatives that benefit both the environment and our operations. Looking ahead, we will continue to align with global best practices and engage our stakeholders to drive responsible growth that delivers long-term value for our customers, communities, and the wider financial eco-system.



ON BEHALF OF THE BOARD

Robert Almeida, Group Chief Executive Officer

NCB Financial Group Limited

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Unaudited Condensed Financial Statements – Six months ended March 31, 2025

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NCB Financial Group Limited

Unaudited Condensed Consolidated Income Statement

Six months ended March 31, 2025

(expressed in Jamaican dollars unless otherwise indicated)

	Note	Quarter ended March 31 2025 \$'000	Quarter ended December 31 2024 \$'000	Year-to-date March 31 2025 \$'000	Quarter ended March 31 2024 \$'000	Restated Year-to-date March 31 2024 \$'000
Operating Income						
Banking and investment activities						
Interest income		30,431,271	32,018,265	62,449,536	29,528,332	58,898,962
Interest expense		(11,441,192)	(12,037,060)	(23,478,252)	(11,053,841)	(22,491,574)
Net interest income	5	18,990,079	19,981,205	38,971,284	18,474,491	36,407,388
Fee and commission income		11,212,601	11,020,406	22,233,007	11,120,134	21,844,567
Fee and commission expense		(3,540,992)	(3,345,431)	(6,886,423)	(3,353,083)	(6,362,610)
Net fee and commission income		7,671,609	7,674,975	15,346,584	7,767,051	15,481,957
Gain on foreign currency and investment activities		4,090,561	6,236,157	10,326,718	7,098,623	11,741,612
Gain on sale of subsidiary	18	15,118,303	-	15,118,303	-	-
Credit impairment losses		(2,192,712)	(2,539,814)	(4,732,526)	(1,888,037)	(2,765,361)
Dividend income		621,010	959,375	1,580,385	174,157	1,372,360
Other operating income		800,186	1,530,609	2,330,795	873,146	1,426,694
		18,437,348	6,186,327	24,623,675	6,257,889	11,775,305
Net income from banking and investment activities		45,099,036	33,842,507	78,941,543	32,499,431	63,664,650
Insurance activities						
Insurance revenue	6.2.1	34,376,067	38,368,063	72,744,130	32,337,816	64,143,631
Insurance service expenses	6.2.1	(26,071,833)	(20,127,790)	(46,199,623)	(21,448,720)	(43,373,194)
Net expenses from reinsurance contracts held	6.2.1	(6,267,669)	(10,725,725)	(16,993,394)	(7,780,736)	(11,460,431)
Insurance service results		2,036,565	7,514,548	9,551,113	3,108,360	9,310,006
Finance expenses from insurance contracts issued		(4,910,622)	(6,129,484)	(11,040,106)	(4,902,451)	(10,989,644)
Finance (expenses)/income from reinsurance contracts held		(60,491)	(129,816)	(190,307)	30,086	1,602
Net insurance finance expenses		(4,971,113)	(6,259,300)	(11,230,413)	(4,872,365)	(10,988,042)
Net operating income		42,164,488	35,097,755	77,262,243	30,735,426	61,986,614
Operating Expenses						
Staff costs		12,584,458	14,036,027	26,620,485	12,985,626	26,570,846
Depreciation and amortisation		1,962,923	1,984,502	3,947,425	1,960,939	4,397,118
Finance cost		418,528	402,736	821,264	446,720	963,326
Other operating expenses		9,100,816	11,316,867	20,417,683	6,360,913	15,987,864
		24,066,725	27,740,132	51,806,857	21,754,198	47,919,154
Operating Profit		18,097,763	7,357,623	25,455,386	8,981,228	14,067,460
Share of profit of associates		431,295	233,901	665,196	183,229	229,516
Profit before Taxation		18,529,058	7,591,524	26,120,582	9,164,457	14,296,976
Taxation		(1,484,420)	(2,442,867)	(3,927,287)	(1,442,799)	(3,603,753)
NET PROFIT		17,044,638	5,148,657	22,193,295	7,721,658	10,693,223
Attributable to:						
Stockholders of the Company		10,715,938	2,625,196	13,341,134	5,577,065	6,882,922
Non-controlling interest		6,328,700	2,523,461	8,852,161	2,144,593	3,810,301
		17,044,638	5,148,657	22,193,295	7,721,658	10,693,223
Earnings per stock unit						
Basic and diluted (expressed in \$)		4.44	1.09	5.53	2.35	2.92

NCB Financial Group Limited

Unaudited Condensed Consolidated Statement of Comprehensive Income

Six months ended March 31, 2025

(expressed in Jamaican dollars unless otherwise indicated)

	Quarter ended	Quarter ended	Year-to-date	Quarter ended	Restated
	March 31 2025	December 31 2024	March 31 2025	March 31 2024	Year-to-date March 31 2024
	\$'000	\$'000	\$'000	\$'000	\$'000
Net Profit	17,044,638	5,148,657	22,193,295	7,721,658	10,693,223
Other Comprehensive Income, net of tax -					
Items that will not be reclassified to profit or loss					
Remeasurements of post-employment benefit obligations	-	174,512	174,512	(118,986)	(966,446)
	-	174,512	174,512	(118,986)	(966,446)
Items that may be reclassified subsequently to profit or loss					
Currency translation gains/(losses)	3,655,768	(3,245,351)	410,417	39,708	(129,826)
Expected credit (losses)/reversals on debt instruments at fair value through other comprehensive income (FVOCI)	(149,686)	40,991	(108,695)	54,500	138,573
Unrealised gains/(losses) on securities designated as FVOCI	2,134,643	(5,049,463)	(2,914,820)	(5,688,074)	15,368,226
Realised fair value (gains)/losses on sale and maturity of securities designated as FVOCI	(129,453)	(420,760)	(550,213)	(3,261,457)	(3,622,003)
Net finance (expense)/income from insurance and reinsurance contracts issued	(396,331)	2,064,856	1,668,525	4,492,512	(309,476)
	5,114,941	(6,609,727)	(1,494,786)	(4,362,811)	11,445,494
Total other comprehensive income/(loss)	5,114,941	(6,435,215)	(1,320,274)	(4,481,797)	10,479,048
TOTAL COMPREHENSIVE INCOME/(LOSS)	22,159,579	(1,286,558)	20,873,021	3,239,861	21,172,271
Total comprehensive income attributable to:					
Stockholders of Company	15,118,865	(2,922,725)	12,196,140	452,198	17,542,723
Non-controlling interest	7,040,714	1,636,167	8,676,881	2,787,663	3,629,548
	22,159,579	(1,286,558)	20,873,021	3,239,861	21,172,271

NCB Financial Group Limited

Condensed Consolidated Statement of Financial Position

March 31, 2025

(expressed in Jamaican dollars unless otherwise indicated)

	N ote	Unaudited March 31 2025 \$'000	Audited September 30 2024 \$'000	Unaudited March 31 2024 \$'000
ASSETS				
Cash in hand and balances at Central Banks		100,946,946	95,650,691	86,115,083
Due from banks		158,364,883	161,388,635	163,271,249
Derivative financial instruments		1,390,059	1,492,033	1,017,707
Reverse repurchase agreements		9,507,051	5,608,887	4,419,638
Loans and advances, net of provision for credit losses	9	623,113,695	626,239,936	630,950,878
Investment securities	7	928,443,663	916,895,767	833,157,495
Pledged assets		276,760,791	257,469,144	303,153,697
Investment in associates		10,172,121	9,758,044	6,920,460
Investment properties		37,492,424	37,486,987	36,629,529
Intangible assets	10	50,002,397	54,290,390	52,975,921
Property, plant and equipment	11	27,429,771	28,373,663	29,726,629
Right-of-use assets		3,748,403	4,234,591	4,394,687
Properties for development and sale		3,531,034	3,653,895	3,936,793
Insurance contract assets	6	3,690,885	2,516,590	2,115,943
Reinsurance contract assets	6	24,248,177	22,884,452	19,607,137
Deferred income tax assets		23,760,295	23,487,618	22,048,610
Income tax recoverable		8,935,078	9,027,033	7,926,961
Letters of credit and undertaking		3,789,636	4,337,120	5,057,783
Other assets		59,277,603	51,215,369	56,689,054
Total Assets		2,354,604,912	2,316,010,845	2,270,115,254

NCB Financial Group Limited


Condensed Consolidated Statement of Financial Position (Continued)


March 31, 2025


(expressed in Jamaican dollars unless otherwise indicated)


	Note	Unaudited March 31 2025 \$'000	Audited September 30 2024 \$'000	Unaudited March 31 2024 \$'000
LIABILITIES				
Due to banks		19,829,035	19,610,529	32,239,109
Customer deposits		800,188,037	783,966,976	754,694,369
Repurchase agreements		281,089,720	299,522,341	306,177,213
Obligations under securitisation arrangements	12	88,561,098	92,999,381	94,818,634
Other borrowed funds	13	188,770,595	188,823,509	183,965,593
Deferred income tax liabilities		6,915,870	6,986,478	6,938,496
Third party interest in mutual funds		36,834,516	37,698,993	37,973,978
Investment contract liabilities	8	47,069,150	48,467,665	46,963,426
Reinsurance contract liabilities	6	4,541,453	2,388,610	5,220,225
Insurance contract liabilities	6	551,640,765	543,668,456	519,121,438
Post-employment benefit obligations		7,876,852	8,090,749	9,152,209
Letters of credit and undertaking		3,789,636	4,337,120	5,057,783
Lease liabilities		3,784,143	4,280,559	4,463,947
Other liabilities		83,339,011	64,426,671	69,922,497
Total Liabilities		2,124,229,881	2,105,268,037	2,076,708,917
STOCKHOLDERS' EQUITY				
Share capital		161,170,899	161,170,899	158,757,226
Treasury shares		(25,674,883)	(25,674,883)	(25,674,883)
Reserves from scheme of arrangement		(147,034,858)	(147,034,858)	(147,034,858)
Fair value and capital reserves		1,827,246	5,808,947	1,738,681
Insurance finance reserves		11,261,232	9,592,707	10,056,425
Loan loss reserve		3,506,614	2,954,297	6,429,010
Statutory reserve fund		18,015,903	18,003,840	8,254,227
Retained earnings reserve		65,544,904	65,544,904	75,270,000
Retained earnings		93,464,605	81,928,649	74,433,002
Equity attributable to stockholders of the Company		182,081,662	172,294,502	162,228,830
Non-controlling interest		48,293,369	38,448,306	31,177,507
Total stockholders' equity		230,375,031	210,742,808	193,406,337
Total stockholders' equity and liabilities		2,354,604,912	2,316,010,845	2,270,115,254

Approved for issue by the Board of Directors on May 8, 2025 and signed on its behalf by:


Robert Almeida Group Chief Executive Officer


Malcolm Sadler Chief Financial Officer


Gary Brown Lead Independent Director


Dave Garcia Corporate Secretary

NCB Financial Group Limited

Unaudited Condensed Consolidated Statement of Changes in Equity

Six months ended March 31, 2025

(expressed in Jamaican dollars unless otherwise indicated)

Note	Share Capital	Treasury Shares	Reserves from the Scheme of Arrangement	Insurance Finance Reserves	Fair Value and Capital Reserves	Loan Loss Reserve	Banking Reserve Fund	Retained Earnings Reserve	Retained Earnings	Non-controlling interest	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance as at October 1, 2023 - Restated	153,827,330	(25,674,883)	(147,034,858)	10,365,901	(10,197,042)	5,753,840	6,933,408	75,270,000	72,879,144	28,623,506	170,746,346
Total comprehensive income:											
Net Profit - Restated	-	-	-	-	-	-	-	-	6,882,922	3,810,301	10,693,223
Other comprehensive Income	-	-	-	(309,476)	11,935,723	-	-	-	(966,446)	(180,753)	10,479,048
Transfer to loan loss reserve	-	-	-	-	-	675,170	-	-	(675,170)	-	-
Transfer to statutory reserve	-	-	-	-	-	-	1,320,819	-	(1,320,819)	-	-
Issue of additional shares	4,929,896	-	-	-	-	-	-	-	-	-	4,929,896
Transaction with owners of the Company -											
Dividends	-	-	-	-	-	-	-	-	(2,366,629)	-	(2,366,629)
Dividends paid to non-controlling interest	-	-	-	-	-	-	-	-	-	(1,075,547)	(1,075,547)
Balance March 31, 2024 – Restated (Unaudited)	158,757,226	(25,674,883)	(147,034,858)	10,056,425	1,738,681	6,429,010	8,254,227	75,270,000	74,433,002	31,177,507	193,406,337
Balance as at October 1, 2024	161,170,899	(25,674,883)	(147,034,858)	9,592,707	5,808,947	2,954,297	18,003,840	65,544,904	81,928,649	38,448,306	210,742,808
Total comprehensive income											
Net Profit	-	-	-	-	-	-	-	-	13,341,134	8,852,161	22,193,295
Other comprehensive Income	-	-	-	1,668,525	(3,413,816)	-	-	-	-	992,902	(752,389)
Release of reserves on disposal of subsidiary	-	-	-	-	(567,885)	-	-	-	-	-	(567,885)
Transfer to loan loss reserve	-	-	-	-	-	552,317	-	-	(552,317)	-	-
Statutory reserve fund	-	-	-	-	-	-	12,063	-	(12,063)	-	-
Transaction with owners of the Company -											
Dividends paid	-	-	-	-	-	-	-	-	(1,240,798)	-	(1,240,798)
Balance at March 31, 2025 (Unaudited)	161,170,899	(25,674,883)	(147,034,858)	11,261,232	1,827,246	3,506,614	18,015,903	65,544,904	93,464,605	48,293,369	230,375,031

NCB Financial Group Limited

Unaudited Condensed Consolidated Statement of Cash Flows

Six months ended March 31, 2025

(expressed in Jamaican dollars unless otherwise indicated)

	Note	March 31 2025 \$'000	March 31 2024 \$'000
Cash Flows from Operating Activities			
Net profit		22,193,295	10,693,223
Adjustments to reconcile net profit to net cash provided by operating activities		(4,024,534)	30,660,306
Net cash provided by operating activities	14	18,168,761	41,353,529
Cash Flows from Investing Activities			
Acquisition of property, plant and equipment		(835,702)	(2,148,553)
Acquisition of intangible assets – computer software		(1,668,245)	(2,139,122)
Proceeds from disposal of property, plant and equipment		642,132	17,384
Purchase of investment property		(165,305)	-
Proceeds from disposal of subsidiary	18	17,780,577	-
Sale of investment properties		254,665	36,082
Additions to properties for development and sale		(149,128)	-
Sale of properties for development and sale		313,333	-
Purchase of investment securities		(311,362,810)	(310,496,491)
Sales / maturities of investment securities		322,091,423	291,758,763
Net cash provided by/(used in) investing activities		26,900,940	(22,971,937)
Cash Flows from Financing Activities			
Issue of shares (a)		-	-
Repayment of securitisation arrangements		(3,817,814)	(2,531,975)
Proceeds from other borrowed funds		21,584,087	13,534,265
Repayments of other borrowed funds		(21,714,844)	(8,995,008)
Due to banks		(3,982,844)	97,600
Lease liabilities		(333,120)	(772,726)
Dividends paid		(1,240,798)	(3,442,176)
Net cash used in financing activities		(9,505,333)	(2,110,020)
Net decrease in exchange rate changes on cash and cash equivalents		(845,278)	(606,042)
Net increase in cash and cash equivalents		34,719,090	15,665,530
Cash and cash equivalents at beginning of period		194,242,686	155,681,433
Cash and Cash Equivalents at End of Period		228,961,776	171,346,963
Comprising:			
Cash in hand and balances at Central Banks		47,755,706	35,059,482
Due from banks		150,597,260	159,494,477
Reverse repurchase agreements		9,303,138	1,019,690
Investment securities		41,134,707	316,822
Due to banks		(19,829,035)	(24,543,508)
		228,961,776	171,346,963

Non-Cash adjustment:

- (a) In the prior year, stocks were issued in connection with a separation package of executives where no cash payment was required in the amount of \$4,929,896,000.

NCB Financial Group Limited

Notes to the Unaudited Condensed Financial Statements

March 31, 2025

(expressed in Jamaican dollars unless otherwise indicated)

1. Identification

NCB Financial Group Limited ("the Company"), incorporated in 2016 and domiciled in Jamaica, is licensed to operate as a financial holding company under the Banking Services, Act, 2014. The Company is 46.74% (March 31, 2024 – 48.7%) owned by AIC (Barbados) Limited. Portland Holdings Inc., through its ownership of AIC (Barbados) Limited, holds a majority controlling interest in the Company. Hon. Michael A. Lee-Chin, O.J., Chairman of the Company, holds a controlling interest in Portland Holdings Inc, a corporation incorporated in Canada.

The Company's registered office is located at 32 Trafalgar Road, Kingston 10, Jamaica.

The Company's ordinary stock units are listed on the Jamaica Stock Exchange and the Trinidad and Tobago Stock Exchange.

2. Material Accounting Policies

These condensed consolidated interim financial statements for the six months reporting period ended March 31, 2025 have been prepared in accordance with IAS 34 Interim Financial Reporting.

The interim report does not include all the notes normally included in an annual consolidated financial statements. Accordingly, this report should be read in conjunction with the annual consolidated financial statements for the year ended September 30, 2024.

The accounting policies and methods are consistent with those used in preparation of the audited 2024 annual consolidated financial statements. The principal accounting policies are described in note 2 of those annual consolidated financial statements. No new pronouncements became effective October 1, 2024, that would have a material effect on the Group.

3. Income taxes

Taxation expense in the income statement comprises current and deferred income tax charges.

Current income tax charges are based on taxable profits for the interim period, which differ from the profit before tax reported because it excludes items that are taxable or deductible in other periods, and items that are never taxable or deductible. The Group's liability for current tax is calculated at tax rates that have been enacted or substantively enacted at the date of the interim statement of financial position.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Currently enacted or substantively enacted tax rates are used in the determination of deferred income tax.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax is charged or credited in the income statement, except where it relates to items charged or credited to other comprehensive income or equity, in which case, deferred tax is also dealt with in other comprehensive income or equity.

NCB Financial Group Limited

Notes to the Unaudited Condensed Financial Statements

March 31, 2025

(expressed in Jamaican dollars unless otherwise indicated)

4. Segment Reporting

The Group is organised into the following business segments:

- (a) Consumer & SME banking – This incorporates the provision of banking services to individual and small and medium business clients.
- (b) Payment services – This incorporates the provision of card related and digital/electronic payment services.
- (c) Corporate & commercial banking – This incorporates the provision of banking services to large corporate clients.
- (d) Treasury & correspondent banking – This incorporates the Group's liquidity and investment management function, management of correspondent bank relationships, and relationships with other financial institutions as well as foreign currency dealing activities.
- (e) Wealth, asset management & investment banking – This incorporates stock brokerage, securities trading, investment management and other financial services provided by certain overseas subsidiaries.
- (f) Life and health insurance & pension fund management – This incorporates life insurance, health insurance, pension and investment management services.
- (g) General insurance – This incorporates property and casualty insurance services.

The Group's trustee services and the outstanding transactions and balances of certain inactive subsidiaries are classified as unallocated for segment reporting.

Unallocated assets and liabilities

Unallocated assets and liabilities comprise current income tax payable and recoverable, deferred income tax assets and liabilities and assets and liabilities of support units of the Group that are not allocated to the banking segments.

Direct allocated costs and unallocated corporate expenses

Costs incurred by the support units of National Commercial Bank Jamaica Limited ("NCBJ") are allocated to the business segments based on certain criteria determined by management. These criteria include staff complement, square footage and time spent providing the service to the business segment. The expenses that are allocated are mainly staff costs, depreciation and amortisation and other operating expenses and are treated as direct allocated costs.

Costs allocated to the banking segments are reported directly by those segments to the President & Group Chief Executive Officer and Board of Directors. Costs allocated to the non-banking segments are not included in the individual internal reports presented by those segments and are treated as unallocated corporate expenses.

Consolidated adjustments

Eliminations comprise inter-segment transactions.

NCB Financial Group Limited

Notes to the Unaudited Condensed Financial Statements

March 31, 2025

(expressed in Jamaican dollars unless otherwise indicated)

4. Segment Reporting (Continued)

Six months ended March 31, 2025	Consumer & SME Banking \$'000	Payment Services \$'000	Corporate & Commercial Banking \$'000	Treasury & Correspondent Banking \$'000	Wealth, Asset Management & Investment Banking \$'000	Life & Health Insurance & Pension Fund Management \$'000	General Insurance \$'000	Other & Consolidation Adjustments \$'000	Total \$'000
External revenue	22,829,275	19,011,668	7,954,231	11,718,464	12,986,178	74,699,341	36,744,072	649,337	186,592,566
Revenue from other segments	10,181,808	4,841	4,373,930	17,296,057	2,710,998	371,816	88,799	(35,028,249)	-
Total revenue	33,011,083	19,016,509	12,328,161	29,014,521	15,697,176	75,071,157	36,832,871	(34,378,912)	186,592,566
Net interest income	15,821,702	3,881,009	3,983,773	4,404,496	3,319,636	14,712,493	887,566	(8,271,624)	38,739,051
Net fee and commission income	3,231,789	6,111,933	965,988	236,317	2,186,938	1,985,225	242,262	(506,762)	14,453,690
Gain/(loss) on foreign currency and investment activities	20,677	255,123	-	3,829,930	1,311,994	4,486,289	100,471	322,235	10,326,719
Gain on sale of subsidiary	-	-	-	-	-	15,118,303	-	-	15,118,303
Insurance service results	-	-	-	-	-	3,797,844	5,234,543	518,726	9,551,113
Insurance finance expenses	-	-	-	-	-	(11,101,257)	(129,156)	-	(11,230,413)
Credit impairment (losses)/reversals	(2,056,335)	(1,127,145)	(67,969)	38,595	(650,205)	(767,402)	2,486	(104,551)	(4,732,526)
Other operating income and dividend income	86,232	30,200	117	9	740,609	798,337	99,592	691,489	2,446,585
Total operating income/(loss)	17,104,065	9,151,120	4,881,909	8,509,347	6,908,972	29,029,832	6,437,764	(7,350,487)	74,672,522
Total operating expenses	9,979,735	3,782,307	1,096,422	1,457,254	4,331,014	5,518,711	1,685,730	2,164,461	30,015,634
Operating profit/(loss) before allocated costs	7,124,330	5,368,813	3,785,487	7,052,093	2,577,958	23,511,121	4,752,034	(9,514,948)	44,656,888
Allocated costs	(6,753,732)	(3,415,861)	(1,004,992)	(583,206)	-	-	-	-	(11,757,791)
Operating profit/(loss) c/fwd	370,598	1,952,952	2,780,495	6,468,887	2,577,958	23,511,121	4,752,034	(9,514,948)	32,899,097

The gain from the disposal of the Thoma subsidiary is included in Life & Health Insurance & Pension Fund Management segment. See Note 18 for additional information surrounding the disposal.

NCB Financial Group Limited

Notes to the Unaudited Condensed Financial Statements

March 31, 2025

(expressed in Jamaican dollars unless otherwise indicated)

4. Segment Reporting (Continued)

Six months ended March 31, 2025	Consumer & SME Banking \$'000	Payment Services \$'000	Corporate & Commercial Banking \$'000	Treasury & Correspondent Banking \$'000	Wealth, Asset Management & Investment Banking \$'000	Life & Health Insurance & Pension Fund Management \$'000	General Insurance \$'000	Other & Consolidation Adjustments \$'000	Total \$'000
Operating profit/(loss) b/fwd	370,598	1,952,952	2,780,495	6,468,887	2,577,958	23,511,121	4,752,034	(9,514,948)	32,899,097
Unallocated corporate expenses									(7,443,711)
Share of profit of associates									665,196
Profit before Taxation									26,120,582
Taxation									(3,927,287)
Net Profit									22,193,295
Segment assets	580,796,600	61,998,400	216,357,343	431,134,144	454,027,253	722,151,518	92,768,236	(247,496,076)	2,311,737,418
Associates									10,172,121
Unallocated assets									32,695,373
Total assets									2,354,604,912
Segment liabilities	523,525,266	27,873,669	169,242,179	471,825,975	409,382,412	577,027,771	51,904,828	(113,468,089)	2,117,314,011
Unallocated liabilities									6,915,870
Total liabilities									2,124,229,881
Capital expenditure	963,709	277,623	32,337	32,773	320,966	397,372	52,777	426,390	2,503,947

NCB Financial Group Limited

Notes to the Unaudited Condensed Financial Statements

March 31, 2025

(expressed in Jamaican dollars unless otherwise indicated)

4. Segment Reporting (Continued)

Six months ended March 31, 2024	Consumer & SME Banking \$'000	Payment Services \$'000	Corporate & Commercial Banking \$'000	Treasury & Correspondent Banking \$'000	Wealth, Asset Management & Investment Banking \$'000	Life & Health Insurance & Pension Fund Management \$'000	General Insurance \$'000	Other & Consolidation Adjustments \$'000	Total \$'000
External revenue	21,508,788	17,230,410	8,026,985	11,770,678	14,851,605	58,575,619	34,737,130	(7,273,389)	159,427,826
Revenue from other segments	2,261,733	7,006	1,910,292	7,271,095	2,469,516	544,249	93,339	(14,557,230)	-
Total revenue	23,770,521	17,237,416	9,937,277	19,041,773	17,321,121	59,119,868	34,830,469	(21,830,619)	159,427,826
Net interest income	14,927,554	3,187,623	4,460,474	3,695,768	2,795,051	13,005,405	817,365	(6,602,476)	36,286,764
Net fee and commission income	3,152,582	5,467,287	942,340	326,441	1,542,129	2,104,787	330,388	1,167,850	15,033,804
Gain/(loss) on foreign currency and investment activities	19,379	243,051	(417)	4,307,894	267,128	7,205,194	143,074	(427,885)	11,757,418
Insurance service results	-	-	-	-	-	4,864,018	3,842,438	603,550	9,310,006
Insurance finance expenses	-	-	-	-	-	(10,256,923)	(731,118)	-	(10,988,041)
Credit impairment (losses)/reversals	(1,338,055)	(1,035,953)	(224,352)	23,849	191,330	(507,191)	48,981	76,030	(2,765,361)
Other operating income and dividend income	111,807	589	395	(1,978)	517,975	1,990,879	148,407	103,335	2,871,409
Total operating income/(loss)	16,873,267	7,862,597	5,178,440	8,351,974	5,313,613	18,406,169	4,599,535	(5,079,596)	61,505,999
Total operating expenses	9,812,232	3,380,917	1,171,927	1,492,957	4,138,386	6,189,225	2,418,026	1,523,012	30,126,682
Operating profit/(loss) before allocated costs	7,061,035	4,481,680	4,006,513	6,859,017	1,175,227	12,216,944	2,181,509	(6,602,608)	31,379,317
Allocated costs	(6,402,754)	(3,087,996)	(922,491)	(550,054)	-	-	-	-	(10,963,295)
Operating profit/(loss) c/fwd	658,281	1,393,684	3,084,022	6,308,963	1,175,227	12,216,944	2,181,509	(6,602,608)	20,416,022

NCB Financial Group Limited

Notes to the Unaudited Condensed Financial Statements

March 31, 2025

(expressed in Jamaican dollars unless otherwise indicated)

4. Segment Reporting (Continued)

Six months ended March 31, 2024	Consumer & SME Banking \$'000	Payment Services \$'000	Corporate & Commercial Banking \$'000	Treasury & Correspondent Banking \$'000	Wealth, Asset Management & Investment Banking \$'000	Life & Health Insurance & Pension Fund Management \$'000	General Insurance \$'000	Other & Consolidation Adjustments \$'000	Total \$'000
Operating (loss)/ profit b/fwd	658,281	1,393,684	3,084,022	6,308,963	1,175,227	12,216,944	2,181,509	(6,602,608)	20,416,022
Unallocated corporate expenses									(6,348,562)
Share of profit of associates									229,516
Profit before Taxation									14,296,976
Taxation									(3,603,753)
Net Profit									10,693,223
Segment assets	551,803,727	70,919,424	200,141,558	413,106,029	438,846,509	668,622,365	102,765,888	(212,986,277)	2,233,219,223
Associates									6,920,460
Unallocated assets									29,975,571
Total assets									2,270,115,254
Segment liabilities	478,903,561	36,436,634	167,938,341	447,858,017	395,689,452	558,483,383	59,995,369	(75,534,336)	2,069,770,421
Unallocated liabilities									6,938,496
Total liabilities									2,076,708,917
Capital expenditure	1,844,206	1,001,426	70,317	100,059	160,696	524,244	54,180	532,547	4,287,675

NCB Financial Group Limited

Notes to the Unaudited Condensed Financial Statements

March 31, 2025

(expressed in Jamaican dollars unless otherwise indicated)

5. Net Interest Income

	March 31	March 31
	2025	2024
	\$'000	\$'000
Interest income		
Loans and advances	31,468,779	29,766,819
Investment securities	29,074,752	27,857,619
Reverse repurchase agreements	303,146	226,527
Deposits and other	1,602,859	1,047,997
	<u>62,449,536</u>	<u>58,898,962</u>
Interest expense		
Customer deposits	4,715,324	4,086,890
Repurchase agreements	7,691,508	7,760,742
Policyholders' benefits	860,426	773,301
Securitisation arrangements	2,692,084	2,887,552
Other borrowed funds and amounts due to banks	7,518,910	6,983,089
	<u>23,478,252</u>	<u>22,491,574</u>
Net interest income	<u><u>38,971,284</u></u>	<u><u>36,407,388</u></u>

NCB Financial Group Limited

Notes to the Unaudited Condensed Financial Statements

March 31, 2025

(expressed in Jamaican dollars unless otherwise indicated)

6. Insurance Contracts

6.1 Composition of the consolidated statement of financial position

	Traditional life and interest sensitive without guarantees \$'000	Annuities \$'000	Unit linked life and interest sensitive with guarantees \$'000	Short- term group life and health contracts \$'000	Property and casualty \$'000	Total \$'000
As at March 31, 2025						
<i>Net Insurance contract liabilities</i>						
- Insurance contract liabilities excluding insurance acquisition cash flows assets and other pre-recognition cash flows	82,984,537	380,558,030	41,738,650	4,577,472	38,091,191	547,949,880
As represented by:						
- Insurance contract liability	84,443,567	380,558,030	41,940,454	6,165,497	38,533,217	551,640,765
- Insurance contract asset	(1,459,030)	-	(201,804)	(1,588,025)	(442,026)	(3,690,885)
	82,984,537	380,558,030	41,738,650	4,577,472	38,091,191	547,949,880
As at September 30, 2024						
<i>Net Insurance contract liabilities</i>						
- Insurance contract liabilities excluding insurance acquisition cash flows assets and other pre recognition cash flows	83,750,228	371,191,586	39,434,001	4,209,843	42,566,208	541,151,866
As represented by:						
- Insurance contract liability	85,330,886	371,191,961	39,700,945	4,832,697	42,611,967	543,668,456
- Insurance contract asset	(1,580,658)	(375)	(266,944)	(622,854)	(45,759)	(2,516,590)
	83,750,228	371,191,586	39,434,001	4,209,843	42,566,208	541,151,866
As at March 31, 2024						
<i>Net Insurance contract liabilities</i>						
- Insurance contract liabilities excluding insurance acquisition cash flows assets and other pre recognition cash flows	81,734,557	358,651,490	36,907,518	4,836,642	34,875,288	517,005,495
As represented by:						
- Insurance contract liability	82,906,589	358,651,490	37,145,885	5,493,417	34,924,057	519,121,438
- Insurance contract asset	(1,172,032)	-	(238,367)	(656,775)	(48,769)	(2,115,943)
	81,734,557	358,651,490	36,907,518	4,836,642	34,875,288	517,005,495

NCB Financial Group Limited

Notes to the Unaudited Condensed Financial Statements

March 31, 2025

(expressed in Jamaican dollars unless otherwise indicated)

6. Insurance Contracts (Continued)

6.1 Composition of the consolidated statement of financial position (continued)

	March 31 2025 \$'000	September 30 2024 \$'000	March 31 2024 \$'000
Insurance contract liability			
Current portion	36,724,249	36,659,764	33,269,198
Non-current portion	514,916,516	507,008,692	485,852,240
	<u>551,640,765</u>	<u>543,668,456</u>	<u>519,121,438</u>
Insurance contract asset			
Current portion	1,809,729	908,673	628,660
Non-current portion	1,881,156	1,607,917	1,487,283
	<u>3,690,885</u>	<u>2,516,590</u>	<u>2,115,943</u>

NCB Financial Group Limited

Notes to the Unaudited Condensed Financial Statements

March 31, 2025

(expressed in Jamaican dollars unless otherwise indicated)

6. Insurance Contracts (Continued)

6.1 Composition of the consolidated statement of financial position

	Traditional life and interest sensitive without guarantees \$'000	Annuities \$'000	Unit linked life and interest sensitive with guarantees \$'000	Short- term group life and health contracts \$'000	Property and casualty \$'000	Total \$'000
As at March 31, 2025						
<i>Net Reinsurance contract assets</i>						
- Reinsurance contract assets excluding other pre-recognition cash flows	1,104,014	-	-	1,306,778	17,295,932	19,706,724
As represented by:						
- Reinsurance contract liability	(441,042)	-	-	(146,179)	(3,954,232)	(4,541,453)
Reinsurance contract asset	1,545,056	-	-	1,452,957	21,250,164	24,248,177
	1,104,014	-	-	1,306,778	17,295,932	19,706,724
As at September 30, 2024						
<i>Net Reinsurance contract assets</i>						
- Reinsurance contract assets excluding other pre-recognition cash flows	657,349	-	-	1,726,717	18,111,776	20,495,842
As represented by:						
- Reinsurance contract liability	(374,387)	-	-	(118,988)	(1,895,235)	(2,388,610)
Reinsurance contract asset	1,031,736	-	-	1,845,705	20,007,011	22,884,452
	657,349	-	-	1,726,717	18,111,776	20,495,842
As at March 31, 2024						
<i>Net Reinsurance contract assets</i>						
- Reinsurance contract assets excluding other pre-recognition cash flows	339,319	-	-	1,494,280	12,553,313	14,386,912
As represented by:						
- Reinsurance contract liability	(540,338)	-	-	(158,676)	(4,521,211)	(5,220,225)
Reinsurance contract asset	879,657	-	-	1,652,956	17,074,524	19,607,137
	339,319	-	-	1,494,280	12,553,313	14,386,912

NCB Financial Group Limited

Notes to the Unaudited Condensed Financial Statements

March 31, 2025

(expressed in Jamaican dollars unless otherwise indicated)

6. Insurance Contracts (Continued)

6.1 Composition of the consolidated statement of financial position (continued)

	March 31 2025 \$'000	September 30 2024 \$'000	March 31 2024 \$'000
Reinsurance contract liability			
Current portion	2,070,316	1,061,758	2,256,195
Non-current portion	2,471,137	1,326,852	2,964,030
	<u>4,541,453</u>	<u>2,388,610</u>	<u>5,220,225</u>
Reinsurance contract asset			
Current portion			
Non-current portion	12,247,558	11,115,402	9,171,258
	<u>12,000,619</u>	<u>11,769,050</u>	<u>10,435,879</u>
	<u>24,248,177</u>	<u>22,884,452</u>	<u>19,607,137</u>

NCB Financial Group Limited

Notes to the Unaudited Condensed Financial Statements

March 31, 2025

(expressed in Jamaican dollars unless otherwise indicated)

6. Insurance Contracts

6.2 Insurance revenue and expenses

6.2.1 Insurance revenue and insurance service result

	Traditional life and interest sensitive without guarantees \$'000	Annuities \$'000	Unit linked life and interest sensitive with guarantees \$'000	Short-term group life and health contracts \$'000	Property and casualty \$'000	Total \$'000
For the six months ended March 31, 2025						
<i>Insurance revenue</i>						
Expected incurred claims and other directly attributable expenses	3,400,303	7,442,794	2,656,501	-	-	13,499,598
Change in the risk adjustment for non- financial risk for risk expired	440,923	73,037	539,215	-	-	1,053,175
- CSM recognised for the services provided	1,740,928	1,723,837	1,573,713	-	-	5,038,478
Insurance acquisition cash flow recovery	905,847	195,339	686,935	-	-	1,788,121
Insurance revenue from contracts not measured under PAA	6,488,001	9,435,007	5,456,364	-	-	21,379,372
Insurance revenue from contracts measured under PAA	-	-	-	15,791,230	35,573,528	51,364,758
Total insurance revenue	6,488,001	9,435,007	5,456,364	15,791,230	35,573,528	72,744,130
<i>Insurance service expenses</i>						
Incurred claims and other directly attributed expenses	(3,319,570)	(10,739,113)	(2,877,402)	(11,443,457)	(11,253,881)	(39,633,423)
Changes that relate to past service – changes in the FCF relating to the LIC	-	-	-	536,268	3,182,124	3,718,392
Losses on onerous contracts and reversal of those losses	(236,333)	(1,271,780)	(116,119)	-	-	(1,624,232)
Insurance acquisition cash flows amortisation	(890,976)	(192,132)	(675,658)	(899,790)	(6,001,804)	(8,660,360)
Total insurance service expenses	(4,446,879)	(12,203,025)	(3,669,179)	(11,806,979)	(14,073,561)	(46,199,623)

NCB Financial Group Limited

Notes to the Unaudited Condensed Financial Statements

March 31, 2025

(expressed in Jamaican dollars unless otherwise indicated)

6. Insurance Contracts (Continued)

6.2 Insurance revenue and expenses (continued)

6.2.1 Insurance revenue and insurance service result (continued)

	Traditional life and interest sensitive without guarantees \$'000	Annuities \$'000	Unit linked life and interest sensitive with guarantees \$'000	Short-term group life and health contracts \$'000	Property and casualty \$'000	Total \$'000
For the six months ended March 31, 2025						
<i>Amounts relating to the changes in the remaining coverage:</i>						
Expected incurred claims and other directly attributable expenses recovery	(649,005)	-	-	-	-	(649,005)
- CSM recognised for the services received	(129,459)	-	-	-	-	(129,459)
Experience adjustments- arising from premiums received in the period other than those that relate to future service	(49,460)	-	-	-	-	(49,460)
Reinsurance expenses – contracts not measured under PAA	(827,924)	-	-	-	-	(827,924)
Reinsurance expenses – contracts not measured under PAA	-	-	-	(1,182,468)	(18,484,412)	(19,666,880)
Other incurred directly attributable expenses	(15,925)	-	-	(16,098)	(80,158)	(112,181)
Incurred claims recovery	487,115	-	-	644,588	4,583,594	5,715,297
Changes that relates to past service- changes in the FCF relating to incurred claims recovery	-	-	-	(21,895)	(2,076,327)	(2,098,222)
Income on initial recognition of onerous underlying contracts	11,274	-	-	-	-	11,274
Reinsurance contracts held under the GMM: Changes in the FCF of reinsurance contracts held from onerous underlying contracts	(14,758)	-	-	-	-	(14,758)
Total net income						
(expenses) from reinsurance contract held	(360,218)	-	-	(575,873)	(16,057,303)	(16,993,394)
Total Insurance service result	1,680,904	(2,768,018)	1,787,185	3,408,378	5,442,664	9,551,113

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6. Insurance Contracts (Continued)

6.2 Insurance revenue and expenses (continued)

6.2.1 Insurance revenue and insurance service result (continued)

	Traditional life and interest sensitive without guarantees	Annuities	Unit linked life and interest sensitive with guarantees	Short-term group life and health contracts	Property and casualty	Total
For the six months ended March 31, 2024	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Insurance revenue						
Amounts relating to the charges in the LRC:						
- Expected incurred claims and other directly attributable expenses	2,517,017	6,870,052	411,831	-	-	9,798,900
- Change in the risk adjustment for non-financial risk for the risk expired	366,597	63,820	223,829	-	-	654,246
- CSM recognised for the services provided	1,438,441	1,149,446	2,613,409	-	-	5,201,296
- Insurance acquisition cash flows recovery	765,699	66,701	534,319	-	-	1,366,719
Insurance revenue from contracts not measured under the PAA	5,087,754	8,150,019	3,783,388	-	-	17,021,161
Insurance revenue from contracts measured under the PAA	-	-	-	13,778,098	33,344,372	47,122,470
Total insurance revenue	5,087,754	8,150,019	3,783,388	13,778,098	33,344,372	64,143,631
Insurance service expenses						
Incurred claims and other directly attributable expenses	(2,549,381)	(6,215,834)	(5,689,811)	(11,274,977)	(8,685,585)	(34,415,588)
Changes that relate to past service –						
changes in the FCF relating to the LIC	-	-	-	951,139	(550,920)	400,219
Losses on onerous contracts and reversal of those losses	(145,776)	(289,459)	(691,776)	-	-	(1,127,011)
Insurance acquisition cash flows amortization	(765,616)	(66,693)	(534,261)	(1,510,411)	(5,353,833)	(8,230,814)
Total insurance service expenses	(3,460,773)	(6,571,986)	(6,915,848)	(11,834,249)	(14,590,338)	(43,373,194)

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(expressed in Jamaican dollars unless otherwise indicated)

6. Insurance Contracts (Continued)

6.2 Insurance revenue and expenses (continued)

6.2.1 Insurance revenue and insurance service result (continued)

	Traditional life and interest sensitive without guarantees	Annuities	Unit linked life and interest sensitive with guarantees	Short-term group life and health contracts	Property and casualty	Total
For the six months ended March 31, 2024 (continued)	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Net income (expenses) from reinsurance contracts held						
<i>Amounts relating to the changes in the remaining coverage:</i>						
-Expected incurred claims and other directly attributable expenses recovery	(691,343)	-	-	-	-	(691,343)
- Change in the risk adjustment for non-financial risk for the risk expired	(16,312)	-	-	-	-	(16,312)
Experience adjustments – arising from ceded premiums paid in the period other than those that relate to future service	76,744	-	-	-	-	76,744
- CSM recognised for the services received	(282,164)	-	-	-	-	(282,164)
Reinsurance expenses - contracts not measured under the PAA	(913,075)	-	-	-	-	(913,075)
Reinsurance expenses - contracts measured under the PAA	-	-	-	(1,060,704)	(17,325,902)	(18,386,606)
Other incurred directly attributable expenses	(30,137)	-	-	(11,357)	(91,625)	(133,119)
Effect of changes in the risk of reinsurers non-performance						
Incurred claims recovery	4,423,329	-	-	886,230	2,908,858	8,218,417
Changes that relate to past service – changes in the FCF relating to incurred claims recovery	-	-	-	(55,336)	(181,837)	(237,173)
Income on initial recognition of onerous underlying contracts	18,406	-	-	-	-	18,406
Reinsurance contracts held under the GMM: changes in the FCF of reinsurance contracts held from onerous underlying contracts	(27,281)	-	-	-	-	(27,281)
Total net income (expenses) from reinsurance contracts held	3,471,242	-	-	(241,167)	(14,690,506)	(11,460,431)
Total insurance service result	5,098,223	1,578,033	(3,132,460)	1,702,682	4,063,528	9,310,006

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March 31, 2025

(expressed in Jamaican dollars unless otherwise indicated)

7. Investment Securities

	March 31 2025 \$'000	September 30 2024 \$'000	March 31 2024 \$'000
Investment Securities Classified as FVPL:			
Government of Jamaica debt securities	56,357,917	54,954,226	50,995,637
Other Government securities	110,267,913	112,238,968	108,502,245
Corporate debt securities	24,295,817	21,183,345	17,565,587
Quoted and unquoted equities	110,280,170	106,906,030	103,005,772
Collective Investment Schemes	2,427,357	1,830,604	2,431,127
Interest receivable	3,110,161	3,139,501	3,372,359
	<u>306,739,335</u>	<u>300,252,674</u>	<u>285,872,727</u>
Investment securities at FVOCI:			
Government of Jamaica debt securities	178,578,510	159,297,266	170,545,562
Other Government securities	210,010,090	220,032,747	181,921,116
Corporate debt securities	135,191,533	122,844,347	133,784,754
Interest receivable	6,138,238	6,112,477	6,024,404
	<u>529,918,371</u>	<u>508,286,837</u>	<u>492,275,836</u>
Investment securities at Amortised Cost:			
Government of Jamaica debt securities	160,007,747	165,425,417	170,560,018
Other Government Securities	172,503,719	165,393,659	151,228,426
Corporate Debt Securities	23,250,649	23,013,441	22,937,741
Interest receivable	5,766,820	5,134,711	5,440,709
	<u>361,528,935</u>	<u>358,967,228</u>	<u>350,166,894</u>
Expected credit losses	<u>(1,209,822)</u>	<u>(681,204)</u>	<u>(832,692)</u>
	<u>1,196,976,819</u>	<u>1,166,825,535</u>	<u>1,127,482,765</u>
 Total investment securities, as above	 1,196,976,819	 1,166,825,535	 1,127,482,765
Less: Pledged securities	<u>(268,533,156)</u>	<u>(249,929,768)</u>	<u>(294,325,270)</u>
Amount reported on the statement of financial position	<u>928,443,663</u>	<u>916,895,767</u>	<u>833,157,495</u>

NCB Financial Group Limited

Notes to the Unaudited Condensed Financial Statements

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(expressed in Jamaican dollars unless otherwise indicated)

8. Investment Contract Liabilities

Investment contract liabilities carry floating rates of interest and therefore the carrying amounts approximate their fair values

	March 31 2025 \$'000	September 30 2024 \$'000	March 31 2024 \$'000
The movements in the liabilities arising from investment contracts are summarized below:			
Opening balance	48,467,665	47,085,621	47,085,621
Premiums received	2,289,569	4,602,754	2,198,917
Fees deducted from account balances	(50,568)	(59,529)	34,084
Account balances paid on surrender and other terminations in the year	(4,606,374)	(5,243,546)	(2,689,517)
Interest credited through income	864,980	1,630,281	767,666
Other movements	28,444	(126,271)	(310,548)
Exchange rate adjustments	75,434	578,355	(122,797)
Balance at end of year	<u>47,069,150</u>	<u>48,467,665</u>	<u>46,963,426</u>

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9. Loans and Advances

	March 31 2025 \$'000	September 30 2024 \$'000	March 31 2024 \$'000
Gross loans and advances, includes mortgage loans	638,718,828	640,106,622	642,039,924
Provision for credit losses	(19,546,563)	(17,104,502)	(15,839,058)
	619,172,265	623,002,120	626,200,866
Interest receivable	3,941,430	3,237,816	4,750,012
	<u>623,113,695</u>	<u>626,239,936</u>	<u>630,950,878</u>

The movement in the provision for credit losses determined under the requirements of IFRS is as follows:

	March 31 2025 \$'000	September 30 2024 \$'000	March 31 2024 \$'000
Balance at beginning of period	17,104,502	15,336,258	15,336,258
Provided during the period	4,123,108	9,144,401	2,946,492
Recoveries	(644,196)	(881,481)	(428,545)
Net charge to the income statement	3,478,912	8,262,920	2,517,947
Write-offs	(1,036,851)	(6,494,676)	(2,015,147)
Balance at end of period	<u>19,546,563</u>	<u>17,104,502</u>	<u>15,839,058</u>

The provision for credit losses determined under BOJ regulatory requirements is as follows:

	March 31 2025 \$'000	September 30 2024 \$'000	March 31 2024 \$'000
Specific provision	18,220,257	15,731,010	17,623,154
General provision	4,832,920	4,330,109	4,644,914
	<u>23,053,177</u>	<u>20,061,119</u>	<u>22,268,068</u>
Excess of regulatory provision over IFRS provision recognised in NCBJ reflected in non-distributable loan loss reserve	<u>3,506,614</u>	<u>2,954,297</u>	<u>6,429,010</u>

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10. Intangible Assets

	Trade name \$'000	Core deposit & other customer relationships \$'000	Computer software \$'000	Goodwill \$'000	Other \$'000	Total \$'000
March 31, 2025						
Net book value, at beginning of period	3,265,658	5,509,273	25,110,474	20,350,796	54,189	54,290,390
Additions	-	-	1,668,245	-	-	1,668,245
Translation & forex adjustments	-	-	(157,534)	-	-	(157,534)
Assets disposed from sale of subsidiary	-	(3,012,079)	-	-	-	(3,012,079)
Reclassification & adjustments	-	-	(73,992)	-	-	(73,992)
Amortisation charge	(20,192)	(579,389)	(2,047,446)	-	(65,606)	(2,712,633)
Net book value	3,245,466	1,917,805	24,499,747	20,350,796	(11,417)	50,002,397
Cost	3,683,441	14,201,138	59,122,395	20,350,796	178,157	97,535,927
Accumulated amortisation	(437,975)	(12,283,333)	(34,622,648)	-	(189,574)	(47,533,530)
Closing net book value	3,245,466	1,917,805	24,499,747	20,350,796	(11,417)	50,002,397
As at 30 September 2024						
Cost	3,627,504	16,059,058	74,616,086	20,350,796	115,185	114,768,629
Accumulated amortisation	(361,846)	(10,549,785)	(49,505,612)	-	(60,996)	(60,478,239)
Closing net book value	3,265,658	5,509,273	25,110,474	20,350,796	54,189	54,290,390

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Notes to the Unaudited Condensed Financial Statements

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10. Intangible Assets (Continued)

	Trade name \$'000	Core deposit & other customer relationships \$'000	Computer software \$'000	Goodwill \$'000	Other \$'000	Total \$'000
	March 31, 2024					
Net book value, at beginning of period	3,365,382	8,889,260	21,230,754	20,350,796	145,664	53,981,856
Additions	-	-	2,139,122	-	-	2,139,122
Translation & forex adjustments	-	-	(38,464)	-	(6)	(38,470)
Reclassification & adjustments	-	-	(6,660)	-	-	(6,660)
Amortisation charge	(23,840)	(684,051)	(2,314,579)	-	(77,457)	(3,099,927)
Net book value	3,341,542	8,205,209	21,010,173	20,350,796	68,201	52,975,921
Cost	3,627,504	16,059,058	65,429,777	20,350,796	3,952,309	109,419,444
Accumulated amortisation	(285,962)	(7,853,849)	(44,419,604)	-	(3,884,108)	(56,443,523)
Closing net book value	3,341,542	8,205,209	21,010,173	20,350,796	68,201	52,975,921

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(expressed in Jamaican dollars unless otherwise indicated)

11. Property, Plant and Equipment

	Freehold Land and Buildings and Leasehold Improvements \$'000	Motor Vehicles, Furniture & Equipment \$'000	Work-in- Progress \$'000	Total \$'000
	March 31, 2025			
Cost -				
At September 30, 2024	21,750,210	36,750,142	2,536,658	61,037,010
Translation adjustments	-	(222,862)	-	(222,862)
Additions	11,939	576,060	247,703	835,702
Disposals	-	(1,774,246)	-	(1,774,246)
Transfer	-	63,589	(63,589)	-
Assets disposed from sale of subsidiary	-	(551,645)	-	(551,645)
Reclassification and adjustments	13,786	81,175	38,207	133,168
At March 31, 2025	21,775,935	34,922,213	2,758,979	59,457,127
Accumulated Depreciation -				
At September 30, 2024	5,864,908	26,798,439	-	32,663,347
Charge for the year	135,188	1,099,604	-	1,234,792
Disposals	-	(1,163,954)	-	(1,163,954)
Assets disposed from sale of subsidiary	-	(481,839)	-	(481,839)
Reclassifications and adjustments	(3,563)	(221,427)	-	(224,990)
At March 31, 2025	5,996,533	26,030,823	-	32,027,356
Net Book Value -				
March 31, 2025	15,779,402	8,891,390	2,758,979	27,429,771
September 30, 2024	15,885,302	9,951,703	2,536,658	28,373,663

NCB Financial Group Limited

Notes to the Unaudited Condensed Financial Statements

March 31, 2025

(expressed in Jamaican dollars unless otherwise indicated)

11. Property, Plant and Equipment (Continued)

	Freehold Land and Buildings and Leasehold Improvements \$'000	Motor Vehicles, Furniture & Equipment \$'000	Work-in- Progress \$'000	Total \$'000
Cost -	March 31, 2024			
At September 30, 2023	22,033,522	32,158,932	2,917,097	57,109,551
Translation and forex adjustments	-	(634,482)	-	(634,482)
Additions	48,937	2,099,616	-	2,148,553
Disposals	-	(2,992,224)	-	(2,992,224)
Transfers	-	166,762	(166,762)	-
Reclassification and adjustments	25,194	31,614	299,487	356,295
At March 31, 2024	22,107,653	30,830,218	3,049,822	55,987,693
Accumulated Depreciation -				
At September 30, 2023	4,196,456	23,769,738	-	27,966,194
Charge for the year	129,844	1,167,347	-	1,297,191
Disposals	-	(2,980,110)	-	(2,980,110)
Reclassifications and adjustments	(22,211)	-	-	(22,211)
At March 31, 2024	4,304,089	21,956,975	-	26,261,064
Net Book Value -				
March 31, 2024	17,803,564	8,873,243	3,049,822	29,726,629
September 30, 2023	17,837,066	8,389,194	2,917,097	29,143,357

NCB Financial Group Limited

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12. Obligations Under Securitisation Arrangements

	March 31 2025 \$'000	September 30 2024 \$'000	March 31 2024 \$'000
Diversified payment rights			
Principal outstanding – US\$210,089,000 (March 2024 – US\$250,000,000)	33,124,888	35,723,893	38,478,100
Merchant voucher receivables			
Principal outstanding – US\$350,476,000 (March 2024 – US\$365,902,000)	55,259,795	57,166,494	56,316,824
	88,384,683	92,890,387	94,794,924
Unamortised transaction fees	(670,266)	(763,027)	(860,082)
	87,714,417	92,127,360	93,934,842
Interest payable	846,681	872,021	883,792
Net liability	88,561,098	92,999,381	94,818,634

Diversified Payment Rights

NCBJ has entered into a structured financing transaction involving securitisation of its Diversified Payment Rights. A Diversified Payment Right (“DPR”) is a right of NCBJ to receive payments from correspondent banks based overseas whenever a payment order is initiated by a person or entity situated overseas in favour of a person or entity situated in Jamaica. Under these securitisation transactions, NCBJ assigns its rights to all present and future DPRs to an offshore special purpose vehicle, Jamaica Diversified Payment Rights Company Limited (“JDPR”), which then issues notes which are secured by the DPR flows. The cash flows generated by the DPRs are used by JDPR to make scheduled principal and interest payments to the note holders and any excess cash is transferred to NCBJ, provided no early amortisation event or default has occurred under the terms of the notes.

On September 30, 2020, NCBJ raised US\$250 million through the DPR Securitisation (Series 2020-1 Notes). The transaction was structured on a mortgage-style amortisation basis with an interest-only period of 3.25-year (13 quarters) and thereafter quarterly principal amortisation, beginning March 15, 2024 to final maturity on September 15, 2030. Interest is due and payable on a quarterly basis calculated at a rate of 5.25% beginning December 15, 2020.

The above arrangements require the Bank to maintain a minimum capital adequacy of 12.5%. As at the period end, the Bank’s capital adequacy ratio exceeded 14%.

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12. Obligations Under Securitisation Arrangements (continued)

Merchant Voucher Receivables

NCBJ has entered into a structured financing transaction involving securitisation of its Merchant Voucher Receivables (MVR). This arrangement involves the sale of future flows due from Visa International Service Association (Visa) and MasterCard International Incorporated (MasterCard) related to international merchant vouchers acquired by NCBJ in Jamaica.

A merchant voucher is created when an international Visa or MasterCard cardholder pays for goods or services at an NCB merchant. NCB approves the charge, pays the merchant under contractual terms, and submits the merchant voucher information to Visa or MasterCard for settlement. Upon approval and receipt of the charge information, Visa or MasterCard is obligated to pay the amounts due, and this represents a receivable under the transaction.

Arising from this arrangement, NCBJ transferred its rights to all future receivables to an off-shore special purpose company (SPC), Jamaica Merchant Voucher Receivables Limited ("JMVR"), which then issues notes which are secured by the MVR flows. The cash flows generated by the MVR are used by JMVR to make scheduled principal and interest payments to the note holders and any excess cash is transferred to NCBJ, provided no early amortisation event or default has occurred under the terms of the notes.

On November 21, 2016, NCBJ raised an additional US\$150 million through the MVR securitisation transaction (Series 2016-1 Notes). The transaction was structured on a mortgage-style amortisation basis with an interest-only period of forty-one months and thereafter quarterly principal amortisation, beginning July 7, 2022 to final maturity on January 8, 2027. Interest is due and payable on a quarterly basis calculated at a rate of 5.625% beginning January 9, 2021.

On August 30, 2022, NCBJ raised an additional US\$300 million through the MVR securitisation transaction (Series 2022-1 Notes). The transaction was structured on a mortgage-style amortisation basis with an interest-only period of thirty-nine months and thereafter quarterly principal amortisation, beginning April 7, 2026 to final maturity on October 7, 2032. Interest is due and payable on a quarterly basis calculated at a rate of 6.12% beginning October 7, 2022.

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13. Other Borrowed Funds

	March 31	September 30	March 31
	2025	2024	2024
	\$'000	\$'000	\$'000
(a) Development Bank of Jamaica	7,006,446	6,944,995	6,795,359
(b) Corporate notes	170,992,979	154,006,665	157,739,797
(c) National Housing Trust	5,127,514	5,223,681	5,320,711
(d) Other	4,730,115	21,692,035	13,084,253
	<u>187,857,054</u>	<u>187,867,376</u>	<u>182,940,120</u>
Unamortised transaction fees	(644,284)	(514,405)	(464,678)
Interest payable	<u>1,557,825</u>	<u>1,470,538</u>	<u>1,490,151</u>
	<u><u>188,770,595</u></u>	<u><u>188,823,509</u></u>	<u><u>183,965,593</u></u>

- (a) The loans from Development Bank of Jamaica are granted in both Jamaican and US dollars and are utilised by the Group to finance customers with viable ventures in agricultural, agro-industrial, construction, manufacturing, mining and tourism sectors of the economy. These loans are for terms up to 12 years and at rates ranging from 3.5% - 7%.
- (b) Corporate notes are both unsecured and secured variable and fixed rate notes issued in a combination of Jamaican dollars and United States dollars. The notes are repayable between 2025 and 2030. The fixed rate notes attract interest between 6.75% and 12.50% and the variable rate notes attract interest based on weighted average treasury bill yield plus 2.25% - 2.5% per annum.
- (c) The loans from National Housing Trust (NHT) are granted as part of the Joint Financing Mortgage Programme. Under the partnership agreement, NHT contributors were able to access their NHT loans directly from NCBJ at the prevailing interest rate offered by NHT. These loans are for the terms up to 25 years at rates ranging from 0% - 4%. The Joint Financing Mortgage Programme (JFMP) was discontinued and replaced by the External Financing Mortgage Programme, EFMP which was fully implemented in August 2023. The final disbursement under the JFMP was in December 2023 on which the final payment is due and payable in December 2048.

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14. Cash Flows from Operating Activities

	March 31 2025 \$'000	March 31 2024 \$'000
Net profit	22,193,295	10,693,223
Adjustments to reconcile net profit to net cash flow (used in)/provided by operating activities:		
Depreciation	1,234,792	1,297,191
Amortisation of intangible assets	2,712,633	3,099,927
Credit impairment losses	4,732,526	2,765,361
Gain on disposal of subsidiary	(15,118,303)	-
Foreign exchange gains on disposal of subsidiary	(406,991)	-
Share of after-tax profits of associates	(665,196)	(229,516)
Interest income	(62,449,536)	(58,898,962)
Interest expense	23,478,252	22,491,574
Income tax expense	3,927,287	3,603,753
Unrealised exchange gains on securitisation arrangements	(687,890)	(922,438)
Amortisation of upfront fees on securitisation arrangements	92,761	102,199
Amortisation of upfront fees on other borrowed funds	(33,508)	(380,641)
Unrealised exchange losses on other borrowed funds	157,849	193,940
Change in post-employment benefit obligations	838,917	2,988,724
Foreign exchange losses	(3,388,122)	(3,467,111)
Gain on disposal of property, plant and equipment and intangible assets	(31,840)	(5,446)
Fair value and foreign exchange gains on investment property	(167,418)	(519,042)
Fair value losses on derivative financial instruments	101,974	(200,161)
Changes in operating assets and liabilities:		
Statutory reserves at Central Bank	(3,178,541)	(2,153,757)
Pledged assets included in due from banks	(688,263)	14,286
Restricted cash included in due from banks	3,272	(789,107)
Reverse repurchase agreements	5,144,566	1,013,381
Loans and advances	(912,536)	(19,765,640)
Customer deposits	16,000,841	6,243,714
Repurchase agreements	(17,290,442)	26,049,845
Insurance contract assets/liabilities	6,573,794	8,041,781
Reinsurance contract assets/liabilities	2,152,843	1,711,853
Other	4,776,006	10,490,412
Cash (used in)/generated from operations	(33,090,273)	2,776,120
Interest received	60,820,279	57,069,198
Interest paid	(24,291,683)	(21,876,564)
Income tax paid	(7,462,857)	(7,308,448)
	<u>(4,024,534)</u>	<u>30,660,306</u>
Net cash provided by operating activities	<u>18,168,761</u>	<u>41,353,529</u>

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15. Fair Values of Financial Instruments

The Group measures fair values using the following fair value hierarchy which reflects the significance of the inputs used in making the measurements:

- Level 1 – inputs that are quoted market prices (unadjusted) in active markets for identical instruments.
- Level 2 – inputs other than quoted market prices included within level 1 that are observable, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
- Level 3 – inputs that are unobservable.

The objective of valuation techniques is to arrive at a fair value measurement that reflects the price that would be received to sell the asset or paid to transfer the liability in an orderly transaction between market participants at the measurement date.

The fair value of financial instruments traded in active markets is based on quoted market prices at the date of the statement of financial position. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets is the current bid price. These instruments are grouped in Level 1 and comprise most equity securities that are quoted on the Jamaica Stock Exchange.

The fair value of financial instruments not traded in an active market is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2. This category includes government bonds, certificates of deposit, commercial paper and most liquid corporate bonds. Indicative prices or yields of these instruments are obtained from regular, publicly available quotes by reputable pricing services, dealers and brokers, such as Bloomberg and Oppenheimer. The Group's derivatives are also included in Level 2. The embedded put option is valued using a discounted cash flow model representing the difference between the present values of future cash flows with and without exercise of the put option using observable market yields for government bonds of similar tenure. Equity-linked options are valued using standard option pricing models using observable market data from Bloomberg.

If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

Unquoted equities are carried at cost as the fair value cannot be reliably determined. These securities are classified at level 3.

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15. Fair Values of Financial Instruments (Continued)

The following tables provide an analysis of financial instruments held as at the date of the statement of financial position that, subsequent to initial recognition, are measured at fair value. The financial instruments are classified in the fair value hierarchy into which the fair value measurement is categorised:

	The Group			
	Level 1	Level 2	Level 3	Total
	\$'000	\$'000	\$'000	\$'000
At March 31, 2025				
Financial assets				
<i>Investment securities classified as FVOCI</i>				
Government of Jamaica debt securities	-	178,578,510	-	178,578,510
Other Government Securities	47,075,170	160,587,616	2,347,304	210,010,090
Corporate Debt Securities	6,843,448	83,775,461	44,572,624	135,191,533
	53,918,618	422,941,587	46,919,928	523,780,133
<i>Investment securities at fair value through profit or loss</i>				
Government of Jamaica debt securities	-	56,357,917	-	56,357,917
Other Government Securities	7,049,637	103,218,276	-	110,267,913
Corporate Debt Securities	2,912,913	20,115,338	1,267,566	24,295,817
Quoted & Unquoted equity securities	95,761,719	2,642,364	14,303,444	112,707,527
	105,724,269	182,333,895	15,571,010	303,629,174
Derivative financial instruments	-	1,390,059	-	1,390,059
	159,642,887	606,665,541	62,490,938	828,799,366

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15. Fair Values of Financial Instruments (Continued)

	The Group			
	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
At September 30, 2024				
Financial assets				
<i>Investment securities classified as FVOCI</i>				
Government of Jamaica debt securities	-	158,880,525	416,741	159,297,266
Other Government Securities	56,596,843	150,366,680	13,069,224	220,032,747
Corporate Debt Securities	4,557,463	88,274,628	30,012,256	122,844,347
	61,154,306	397,521,833	43,498,221	502,174,360
<i>Investment securities at fair value through profit or loss</i>				
Government of Jamaica guaranteed corporate bonds	-	54,954,226	-	54,954,226
Other Government Securities	12,574,613	99,664,355	-	112,238,968
Corporate Debt Securities	2,539,540	18,643,805	-	21,183,345
Quoted & Unquoted equity securities	86,989,861	1,918,897	17,997,272	106,906,030
Other securities	9,133	1,656,185	165,286	1,830,604
	102,113,147	176,837,468	18,162,558	297,113,173
Derivative financial instruments	-	1,462,068	-	1,462,068
	163,267,453	575,821,369	61,660,779	800,749,601

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15. Fair Values of Financial Instruments (Continued)

	The Group			
	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
At March 31, 2024				
Financial assets				
<i>Investment securities classified as FVOCI</i>				
Government of Jamaica debt securities	-	170,028,311	517,251	170,545,562
Other Government Securities	6,197,804	173,421,660	2,301,652	181,921,116
Corporate Debt Securities	6,783,601	81,667,194	45,333,959	133,784,754
	12,981,405	425,117,165	48,152,862	486,251,432
<i>Investment securities at fair value through profit or loss</i>				
Government of Jamaica guaranteed corporate bonds	-	50,995,637	-	50,995,637
Other Government Securities	11,178,796	97,323,449	-	108,502,245
Corporate Debt Securities	3,568,585	12,720,896	1,276,106	17,565,587
Quoted & Unquoted equity securities	80,748,171	9,398,934	12,858,667	103,005,772
Other securities	38,836	2,230,392	161,899	2,431,127
	95,534,388	172,669,308	14,296,672	282,500,368
Derivative financial instruments	-	1,017,707	-	1,017,707
	108,515,793	598,804,180	62,449,534	769,769,507

The fair values for other financial instruments approximate their carrying values and also fall within Level 2 based on the following:

- The fair value of liquid assets and other assets maturing within one year (such as cash and balances at Central Banks and amounts due from banks) is assumed to approximate their carrying amount. This assumption is applied to liquid assets and the short-term elements of all other financial assets and financial liabilities.
- The fair value of demand deposits and savings accounts with no specific maturity is assumed to be the amount payable on demand at the date of the statement of financial position.
- The fair value of variable rate loans is assumed to approximate their carrying amounts and management does not believe that, after deduction of provision for credit losses, there is any significant difference between the fair value of fixed rate loans and their carrying values as interest rates approximate current market rates offered on similar loans.

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16. Litigation and Contingent Liabilities

The Group is subject to various claims, disputes and legal proceedings, as part of the normal course of business. Provision is made for such matters when, in the opinion of management and its professional advisors, it is probable that a payment will be made by the Group, and the amount can be reasonably estimated.

In respect of claims filed against the Group for which, according to the principles outlined above, no provision has been made, management is of the opinion that such claims are without merit and can be successfully defended. Significant matters are as follows:

- a) Suit has been filed by a customer against National Commercial Bank Jamaica Limited ("the Bank") for unlawful, wrongful and/or improper use of power in the appointment of a Receiver and manager of the customer's business property and assets. Damages, interest and costs have been claimed against the Bank. No provision has been made in the financial statements for this claim as the Bank's attorneys are of the opinion that the claim is unlikely to succeed.
- b) Suit was filed by a claimant seeking specific performance, damages for breach of contract, interest and costs. At the time of trial, the claim against National Commercial Bank Jamaica Limited ("the Bank") was quantified by the Claimant at approximately J\$31.4 billion plus interest and costs. The Supreme Court issued judgment in the Bank's favour, with the Court ordering a company (placed by the Bank into receivership) to pay the Claimant J\$5 million plus interest. However, the claim had to be re-tried due to the retirement of the trial judge. Following the re-trial, in January 2023, the Supreme Court handed down its decision in which the company the Bank had placed into receivership was ordered to pay the Claimant J\$2.5 million plus interest, while no adverse orders were made against the Bank. The Claimants appealed that decision. No provision has been made for this claim as the Bank's attorneys are of the view that the Bank ought to succeed in defending the judgment on appeal.
- c) Suit was filed against Guardian Life Limited (Jamaica) by a claimant seeking damages for, among other things, wrongful dismissal. No provision has been recommended.
- d) The Board of Inland Revenue ("BIR") sought to tax the profit on the sale of investments of certain Guardian Life of the Caribbean Limited ("GLOC") products earned for the years 1994-2001. GLOC has appealed BIR's adverse decisions. Provision in the amount of TT\$105M has been made.
- e) Guardian Life of the Caribbean Limited (GLOC) denied four claims submitted by beneficiaries of deceased policyholders on the basis of, among other things, misrepresentation and non-disclosure of material facts. GLOC's attorneys have recommended a provision of approximately TT\$7.14 million for two of the four claims. No provision was recommended for the other two claims as the attorneys were of the opinion that those two claims were unlikely to succeed.

A number of other suits have been filed by stakeholders of the Group. In some instances, counter-claims have been filed by the Group. No provision has been made where the Group's attorneys are of the view that the Group has a good defence against these claims.

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(expressed in Jamaican dollars unless otherwise indicated)

17. Dividends

The following dividends were paid by NCB Financial Group Limited during the year.

\$0.50 per ordinary stock unit was paid in December 2024 (Six months ended March 2024: \$1.00)

18. Sale of Subsidiary

- (a) The Group's main insurance subsidiary, Guardian Holdings Limited, announced the successful completion of the sale of its Netherlands insurance brokerage business, Thoma Exploitatie B.V. (Thoma Group) to PIB Group Limited on January 24, 2025.
- (b) The below financial performance presented reflects the operations for the six months ended March 31, 2025.

These figures are included in the line "Gain on foreign currency and investment activities."

	Six months ended March 31 2025 \$'000
Revenue	457,082
Expenses	(508,489)
Operating loss before tax	(51,407)
Income tax expense	(31,327)
Loss from operations on subsidiary disposed of	<u>(82,734)</u>
	2025 \$'000
Assets held for sale	
Property, plant and equipment	69,806
Intangible assets	3,012,079
Loans and receivables	39,642
Cash and cash equivalents	2,697,826
Other assets	222,793
Assets held for sale	<u>6,042,146</u>
Liabilities related to assets held for sale	
Other liabilities	<u>1,089,037</u>
Net assets held for sale	<u>4,953,109</u>

NCB Financial Group Limited

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March 31, 2025

(expressed in Jamaican dollars unless otherwise indicated)

18. Sale of Subsidiary (continued)

(c) Details of the sale of the subsidiary.

	2025 \$'000
Gross consideration	21,009,543
Less expenses	<u>(531,140)</u>
Net consideration	20,478,403
Less net assets of Thoma	(4,953,109)
Translation reserves	<u>(406,991)</u>
Gain on disposal of Thoma Group	<u>15,118,303</u>

(d) Purchase consideration – cash inflow

	2025 \$'000
Cash consideration	20,478,403
Less cash and bank balances disposed of	<u>(2,697,826)</u>
Net inflow of cash – investing activities	<u>17,780,577</u>

19. Divestment of Subsidiaries

(a) Expiration of Agreement for Sale of Controlling Interest in Clarien Group Limited

On May 8, 2025, NCB Financial Group Limited (NCBFG) announced that the Share Purchase Agreement executed on June 11, 2024, with Cornerstone Financial Holdings Limited (Cornerstone), a privately held company based in Barbados, for the sale of 30.20% of its stake in Clarien Group Limited (Clarien) has expired with the parties not extending the agreement. Clarien remains a subsidiary of NCBFG domiciled in Bermuda.

(b) Cancellation of Agreement for Divestment of NCB (Cayman) Limited

On January 13, 2025, NCB Financial Group Limited (NCBFG) announced that the Share Purchase Agreement executed on February 2, 2024 between its Jamaican banking subsidiary National Commercial Bank Jamaica Limited (NCBJ) and Berkeley Financial Holdings Limited (Berkeley), a privately held company based in London, United Kingdom, for the sale of its 100% stake in NCB (Cayman) Limited (NCB Cayman) has terminated. The termination of the agreement between NCBJ and Berkeley arises from the agreement not reaching completion within the agreed time and in the specific manner contemplated by the parties. The intention is therefore to explore alternatives at this juncture. NCB Cayman remains a wholly-owned subsidiary of NCBFG domiciled in the Cayman Islands. It currently operates under a Category “A” Banking licence offering an array of investment banking, wealth and asset management services.



Interest/Ownership of Stock Units by Directors of NCB Financial Group Limited as at March 31, 2025

Directors ^{1.}	Total	Direct	Connected Parties
Robert Almeida	69,874,416	1,586,684	68,287,732
Arvinder Bharath	68,287,732	0	68,287,732
Bruce Bowen	68,484,582	196,850	68,287,732
Gary Brown	68,287,732	0	68,287,732
Sanya Goffe	68,359,732	72,000	68,287,732
Hon. Michael Lee-Chin, OJ	1,415,964,086	146,698	1,415,817,388
Thalia Lyn, OD ^{2.}	133,575,814	460,799	133,115,015
Howard Shearer	68,287,732	0	68,287,732
Dave Garcia (Corporate Secretary)	175,027	175,027	0

Interest/Ownership of Stock Units by Executives/Senior Managers of NCB Financial Group Limited as at March 31, 2025

Executives	Total	Direct	Connected Parties
Robert Almeida ^{1.}	69,874,416	1,586,684	68,287,732
Dave Garcia	175,027	175,027	0
Richard Look Kin	106,250	106,250	0
Malcolm Sadler ^{2.}	64,756,050	50,004	64,706,046
Misheca Seymour-Senior	27,655	27,655	0
Mukisa Wilson Ricketts	87,552	87,552	0

Interest/Ownership of Stock Units by Executives/Senior Managers of subsidiaries of NCB Financial Group Limited as at March 31, 2025

Executives	Total	Direct	Connected Parties
Bruce Bowen ^{1.}	68,484,582	196,850	68,287,732
Danielle Cameron Duncan	99,617	99,617	0
Ian Chinapoo	0	0	0
Jacqueline De Lisser	30,606	30,606	0
Perrin Gayle	830	830	0
Hopelin Hines	10,571	10,571	0
Sheree Martin	9,666	9,666	0
Taryn Minott	2,550	2,550	0
Jason Saunders	29,470	29,470	0
Antonio Spence	0	0	0
Ian Truran	0	0	0
Tanya Watson Francis	156,791	156,791	0
Angus Young	2,106	2,106	0

1. Connected parties for all directors include shares of 68,287,732 held by subsidiaries and managed funds for the Guardian Group.

2. Connected parties for Thalia Lyn and Malcolm Sadler include shares of 64,675,993 held as trustees of the N.C.B. Staff Pension Fund.



10 Largest Shareholders of NCB Financial Group Limited as at March 31, 2025

Name of Shareholder	Units	Percentage Ownership
AIC (Barbados) Limited	1,207,737,748	46.74%
MF&G Asset Management Limited - NCB Share Scheme	101,406,205	3.92%
National Insurance Fund	90,864,532	3.52%
Sagicor PIF Equity Fund	62,139,507	2.40%
NCB Insurance Agency & Fund Managers Limited WT 109	54,715,172	2.12%
Harprop Limited	46,434,102	1.80%
AIC Global Holdings Inc.	45,449,690	1.76%
Cornerstone Financial Holdings Limited	42,166,400	1.63%
Patrick Hylton	37,443,219	1.45%
Ideal Portfolio Services Company Limited	32,343,523	1.25%

Shareholder Profile of NCB Financial Group Limited as at March 31, 2025

Number of Shareholders	Ownership of Each Shareholder	Percentage Ownership	Number of Units
One shareholder with five accounts	46.74%	46.74%	1,207,737,748
12	1 - 5%	23.17%	598,731,452
47,685	Less than 1%	30.10%	777,600,647
47,698		100.00%	2,584,069,847




For more Information

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