Financial Statements of

BMO Trust Company

For the year ended October 31, 2025

STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL INFORMATION

Management of BMO Trust Company ("Trust Company") is responsible for the preparation and presentation of the annual financial statements of the Trust Company.

We have prepared these financial statements in accordance with IFRS Accounting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). We also comply with interpretations of IFRS by our regulator, the Office of the Superintendent of Financial Institutions, pursuant to the Trust and Loan Companies Act (Canada).

The financial statements necessarily include amounts based on informed judgments and estimates of the expected effects of current events and transactions with appropriate consideration to materiality. In addition, in preparing the financial information, we must interpret the requirements described above, make determinations as to the relevancy of information to be included, and make estimates and assumptions that affect reported information. Actual results in the future may differ materially from our present assessment of this information because events and circumstances in the future may not occur as expected.

In meeting our responsibility for the reliability and timeliness of financial information, we maintain and rely on a comprehensive system of internal controls, including organizational and procedural controls, disclosure controls and procedures, and internal control over financial reporting. Our system of internal controls includes written communication of our policies and procedures governing corporate conduct and risk management; comprehensive business planning; effective segregation of duties; delegation of authority and personal accountability; escalation of relevant information for decisions regarding public disclosure; careful selection and training of personnel; and accounting policies that we regularly update. Our internal controls are designed to provide reasonable assurance that transactions are authorized, assets are safeguarded, and proper records are maintained and that we are in compliance with all regulatory requirements. The system of internal controls is further supported by a compliance function, which is designed to ensure that we and our employees comply with securities legislation and conflict of interest rules, and by an internal audit staff, which conducts periodic audits of all aspects of our operations.

As at October 31, 2025, we, as the Trust Company's Chief Executive Officer and Chief Financial Officer, have determined that the Trust Company's internal control over financial reporting are effective. In order to provide their opinion on our financial statements, the Shareholder's auditors consider our system of internal controls as it relates to the preparation of the financial statements and conduct work to the extent that they consider appropriate but not for the purpose of expressing an opinion on the effectiveness of the Trust Company's internal control.

The Board of Directors, based on recommendations from the Bank of Montreal's (the "Bank") Audit and Conduct Review Committee, reviews and approves the financial statements. The Board of Directors and its relevant committees oversee management's responsibilities for the preparation and presentation of financial information, maintenance of appropriate internal controls, compliance with legal and regulatory requirements, management and control of major risk areas, and assessment of significant and related party transactions.

The Audit and Conduct Review Committee, which is comprised entirely of independent directors, is also responsible for selecting the Shareholder's auditors and reviewing the qualifications, independence and performance of both the Shareholder's auditors and internal audit. The Shareholder's auditors and the Bank's Chief Auditor have full and free access to the Board of Directors and the Bank's committees to discuss audit, financial reporting and related matters.

Elizabeth Chacalos

Elizabeth Dorsch	Elizabeth Chacalos
Chief Executive Officer	Chief Financial Officer

Toronto, Canada
December 17, 2025

KPMG LLP
Bay Adelaide Centre
333 Bay Street, Suite 4600
Toronto, ON M5H 2S5
Canada
Tel 416-777-8500
Fax 416-777-8818
www.kpmg.ca

INDEPENDENT AUDITOR'S REPORT

To the Shareholder of BMO Trust Company

Opinion

We have audited the financial statements of BMO Trust Company (the Entity), which comprise:

- the balance sheet as at October 31, 2025;
- the statement of income and comprehensive income for the year then ended;
- the statement of changes in shareholder's equity for the year then ended;
- the statement of cash flows for the year then ended;
- and notes to the financial statements, including a summary of material accounting policy information

(Hereinafter referred to as the “financial statements”).

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at October 31, 2025, and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the ***“Auditor's Responsibilities for the Audit of the Financial Statements”*** section of our auditor's report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

Responsibilities of Management and Those Charged with Governance for the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

  The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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

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

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

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

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

KPMG LLP

Chartered Professional Accountants, Licensed Public Accountants

Toronto, Canada
December 17, 2025

BMO Trust Company

Statement of Income and Comprehensive Income

For the Year Ended October 31 (Canadian $ in thousands)		2025		2024
Revenue				
Interest revenue (Note 11)	**$**	**350,957**	$	378,113
Interest expense		**(316,086)**		(336,753)
Net Interest Income	**$**	**34,871**	$	41,360
Estate and trust fees (Note 11)		**105,652**		95,653
Commissions (Note 11)		**30,716**		29,028
Income earned from uninvested cash (Note 11)		**11,005**		8,959
Other (Note 11)		**5,031**		4,013
Non-Interest Revenue	**$**	**152,404**	$	137,653
Total Revenue	**$**	**187,275**	$	179,013
Expenses				
Employee compensation (Notes 9 and 11)		**42,614**		38,941
Computer services (Note 11)		**10,146**		7,259
Premises and equipment (Note 11)		**317**		352
Travel and business development		**576**		405
Communications		**702**		605
Professional fees (Note 11)		**2,074**		1,337
Deposit insurance		**3,511**		2,732
Referral and other related party fees (Note 11)		**3,495**		2,982
Other (Note 11)		**5,922**		2,169
Recoveries (Note 11)		**(6,766)**		(6,272)
Non-Interest Expense	**$**	**62,591**	$	50,510
Income and comprehensive income before provision for income taxes		**124,684**		128,503
Provision for income taxes (Note 10)		**34,737**		35,994
Net income and comprehensive income attributable to shareholder	**$**	**89,947**	$	92,509

Certain comparative figures have been reclassified to conform with the current year's presentation

The accompanying notes are an integral part of these financial statements

BMO Trust Company

Balance Sheet

As at October 31 (Canadian $ in thousands)		2025		2024
Assets				
Cash (Note 2 and 11)	**$**	**604,057**	$	523,113
Cash held in trust on behalf of clients (Note 2)		**498,621**		309,507
Loans (Note 3 and 11)		**5,737,447**		7,867,870
Current tax assets		**10,886**		4,984
Accounts receivable and other items		**49,289**		43,600
Due from related parties (Note 11)		**147,270**		189,075
Deferred tax assets (Note 10)		**373**		8
Total Assets	**$**	**7,047,943**	$	8,938,157
Liabilities and Shareholder's Equity				
Liabilities				
Deposits (Note 5)	**$**	**6,350,323**	$	8,331,376
Accounts payable, accrued expenses and other items		**8,654**		5,303
Due to related parties (Note 11)		**59,136**		57,845
Provisions (Note 12)		**–**		50
Current tax liabilities		**–**		1,693
Total Liabilities	**$**	**6,418,113**	$	8,396,267
Shareholder's Equity				
Share capital (Note 6)		**329,076**		329,076
Contributed surplus		**400**		2,407
Retained earnings		**300,354**		210,407
Total Shareholder's Equity	**$**	**629,830**	$	541,890
Total Liabilities and Shareholder's Equity	**$**	**7,047,943**	$	8,938,157

The accompanying notes are an integral part of these financial statements.

Approved on behalf of the Board:

Director

Director

BMO Trust Company

Statement of Changes in Shareholder's Equity

For the year ended October 31 (Canadian $ in thousands)		2025		2024
Common Shares (Note 6)				
Balance at beginning of year	**$**	**329,076**	$	329,076
Balance at End of Year		**329,076**		329,076
Contributed Surplus				
Balance at beginning of year		**2,407**		2,407
Part VI.1 Tax allocation (Note 11)		**(2,007)**		–
Balance at End of Year		**400**		2,407
Retained Earnings				
Balance at beginning of year		**210,407**		197,898
Net income attributable to shareholder		**89,947**		92,509
Dividends (Note 6)		**–**		(80,000)
Balance at End of Year		**300,354**		210,407
Total Shareholder's Equity	**$**	**629,830**	$	541,890

The accompanying notes are an integral part of these financial statements.

BMO Trust Company

Statement of Cash Flows

For the year ended October 31 (Canadian $ in thousands)		2025		2024
Cash Flows Provided by (Used in) Operating Activities				
Net income attributable to shareholder	$	**89,947**	$	92,509
Adjustments to determine net cash flows provided by (used in) operating activities:				
Cash held in trust on behalf of clients		**(189,114)**		139,289
Changes in operating assets and liabilities:				
Loans		**2,130,423**		(2,718,373)
Current tax assets		**(5,902)**		(504)
Accounts receivable and other items		**(5,689)**		(7,718)
Due from related parties		**41,805**		(74,255)
Deferred tax assets		**(365)**		(8)
Deposits		**(1,981,053)**		2,653,279
Accounts payable, accrued expenses and other items		**3,351**		3,426
Due to related parties		**1,291**		5,698
Current tax liabilities		**(1,693)**		1,693
Provisions		**(50)**		50
Deferred tax liabilities		**—**		(5)
Net Cash Provided by (Used in) Operating Activities		**82,951**		95,081
Cash Flows (Used in) Financing Activities				
Cash dividends paid		**–**		(80,000)
Part VI.1 tax allocation (Note 11)		**(2,007)**		–
Net Cash (Used in) Financing Activities		**(2,007)**		(80,000)
Net increase in cash		**80,944**		15,081
Cash at Beginning of year		**523,113**		508,032
Cash at End of Year	$	**604,057**	$	523,113
Supplemental Disclosure of Cash Flow Information				
Net Cash provided by Operating Activities includes:				
Interest paid in the year	$	**373,149**	$	264,539
Income taxes paid in the year		**43,500**		34,800
Interest income received in the year		**406,272**		307,128

The accompanying notes are an integral part of these financial statements.

Note 1: Basis of Presentation

BMO Trust Company (Trust Company or we) is incorporated in Canada under the Trust and Loan Companies Act (Canada) and is registered to provide trust services throughout Canada. We are a wholly owned subsidiary of Bank of Montreal (the bank). Our primary operations are to act as a trustee for the wealth and trust clients of BMO Private Wealth, selling term Guaranteed Investment Certificates (GICs) from the brokerage and retail channels, as well as, a trustee for all the registered accounts and group registered retirement savings plan accounts within the bank.

Our registered office address is: 100 King Street West, 9th Floor, Toronto, Ontario M5X 1A1.

We have prepared these financial statements in accordance with IFRS Accounting Standards (IFRS) as issued by the International Accounting Standards Board (IASB). We also comply with interpretations of IFRS by our regulator, the Office of the Superintendent of Financial Institutions, pursuant to the Trust and Loan Companies Act (Canada). Our financial statements have been prepared on a historic cost basis.

These financial statements were authorized for issue by the Board of Directors on December 17, 2025.

Material Accounting Policies

To facilitate a better understanding of our financial statements, we have disclosed our material accounting policies throughout the following notes with the related financial disclosures by major caption:

Translation of Foreign Currencies

We conduct business in both Canadian and United States currencies and present our financial statements in Canadian dollars, which is our functional currency. Monetary assets and liabilities, as well as non-monetary assets and liabilities measured at fair value, that are denominated in foreign currencies are translated into Canadian dollars at the exchange rate in effect at the balance sheet date. Non-monetary assets and liabilities not measured at fair value are translated into Canadian dollars at historical rates. Revenue and expenses denominated in foreign currencies are translated using the average exchange rate for the year.

Revenue

Estate and trust fees are based primarily on the balance of assets under management and administration, as at the period end, for estate and trustee services provided. Fees are recorded over the period the services are performed.

Commissions are earned on brokerage transactions executed for customers, generally as a fixed fee per share traded where the commissions and related clearing expense are recognized on trade date. Commissions are also earned on GICs sold to the bank based on average balances and are recognized in the period they are earned.

Leases

We account for short-term leases and low dollar value leases as executory contracts with lease expense recorded over the lease term and no corresponding right-of-use asset or lease liability. We exclude intangibles from the scope of lease accounting. We have not identified any contracts that resulted in a lease liability or a corresponding right-of-use asset.

Assets under Management and Administration

Client assets administered by us include estates and personal trusts, pension and other amounts. Such assets are maintained separately and are not included in the balance sheet, as they belong to clients, except for any cash component, which is deposited with us, and is included in deposits. Total assets under management and administration as at October 31, 2025 are $73.6 billion ($57.6 billion in 2024). Fees for managing client assets are included in our Statement of Income and Comprehensive Income in estate and trust fees revenue over the period services are preformed.

Use of Estimates and Judgments

The preparation of the financial statements requires management to make estimates and judgments that affect the carrying amounts of certain assets and liabilities, certain amounts reported in net income and other related disclosures.

The most significant assets and liabilities for which we must make estimates and judgments include income taxes and deferred tax assets and provisions. If actual results were to differ from the estimates, the impact would be recorded in future periods.

The economic outlook is subject to several risks that could lead to a less favourable outcome for North America. The most immediate threats stem from a possible escalation of U.S. tariffs. Canadian businesses face longer-term risks if renegotiation of the United States-Mexico-Canada Agreement is unsuccessful, as significant tariffs could then apply to more goods exported to the U.S., rather than a small fraction, likely leading to a recession in Canada. Other risks include an escalation of the Russia-Ukraine war or renewed conflict in the Middle East. Substantial business spending on AI is providing crucial support to the economy, but also presents new risks for workers. While AI has not yet led to material job losses. It could increasingly influence hiring decisions and cause dramatic shifts in workforce composition, requiring unemployed individuals to learn new skills. The impacts on our business, results of operations, reputation, financial performance and condition, including the potential for credit, counterparty and mark-to-market losses, and regulatory capital and liquidity ratios, as well as the impacts on our customers and competitors, will depend on future developments, which remain uncertain. By their very nature, the estimates and judgments we make for the purposes of preparing our financial statements relate to matters that are inherently uncertain. However, we have detailed policies and internal controls in place that are intended to ensure the judgments made in estimating these amounts are well controlled and independently reviewed, and that our policies are consistently applied from period to period. We believe that our estimates of the value of our assets and liabilities are appropriate as at October 31, 2025.

Allowance for Credit Losses

The expected credit loss (ECL) model requires the recognition of credit losses generally based on 12 months of expected losses for performing loans and the recognition of lifetime losses on performing loans that have experienced a significant increase in credit risk since origination.

The determination of a significant increase in credit risk takes into account many different factors and varies by product and risk segment. In determining whether there has been a significant increase in credit risk and in calculating the amount of ECL, we must rely on estimates and exercise judgment, based on what we know at the end of the reporting period, regarding matters for which the ultimate outcome is unknown. These judgments include changes in circumstances that may cause future assessments of credit risk to be materially different from current assessments, which could require an increase or decrease in the allowance for credit losses.

Additional information regarding the allowance for credit losses is included in Note 3.

Financial Instruments Measured at Fair Value

Fair value measurement techniques are used to value various financial assets and financial liabilities. Additional information regarding our fair value measurement techniques is included in Note 7.

Income Taxes and Deferred Tax Assets

The provision for income taxes is calculated based on the expected tax treatment of transactions recorded in our Statement of Income and Comprehensive Income. In determining the provision for income taxes, we interpret tax legislation, case law and administrative positions in numerous jurisdictions and, based on our judgment, record our estimate of the amount required to settle tax obligations. We also make assumptions about the expected timing of the reversal of deferred tax assets and liabilities. If our interpretations and assumptions differ from those of tax authorities, or if the timing of reversals is not as expected, our provision for income taxes could increase or decrease in future periods. The amount of any such increase or decrease cannot be reasonably estimated.

Deferred tax assets are recognized only when it is probable that sufficient taxable profit will be available in future periods against which deductible temporary differences or unused tax losses and tax credits may be utilized. We are required to assess whether it is probable that our deferred tax assets will be realized. The factors used to assess the probability of realization are our past experience of income and capital gains, our forecast of future net income before taxes, and the remaining expiration period of tax loss carryforwards and tax credits. Changes in our assessment of these factors could increase or decrease our provision for income taxes in future periods.

Additional information regarding our accounting for income taxes is included in Note 10.

Provisions

A provision, including those for legal proceedings and restructuring charges, is recognized if, as a result of a past event, we have a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. A provision is recorded at the best estimate of the amount required to settle an obligation as at the balance sheet date, taking into consideration the risks and uncertainties associated with the obligation. Management and external experts are involved in estimating any provision, as necessary. The actual costs of settling some obligations may be substantially higher or lower than the amounts of the provisions.

Additional information regarding provisions is provided in Note 12.

Future Changes in IFRS and Accounting Policies

Amendments to the Classification and Measurement of Financial Instruments

In May 2024, the IASB issued Amendments to the Classification and Measurement of Financial Instruments, which amended IFRS 9 Financial Instruments (IFRS 9) and IFRS 7 Financial Instruments: Disclosures. These amendments clarify how to assess the contractual cash flow characteristics of financial assets that include contingent features, and the treatment of non-recourse assets and contractually linked instruments.

The amendments also introduce an accounting policy choice to derecognize certain financial instruments settled using an electronic payment system before the settlement date if certain conditions are met. The amendments will be effective for our fiscal year beginning November 1, 2026. To meet the requirements of the amendments, the Bank has established an enterprise-wide project and are currently evaluating the impact of adoption.

IFRS 18 Presentation and Disclosure in Financial Statements

In April 2024, the IASB issued IFRS 18 Presentation and Disclosure in Financial Statements (IFRS 18), which will replace IAS 1 Presentation of Financial Statements, and will be effective for our fiscal year beginning November 1, 2027. IFRS 18 will modify the format of our Statement of Income with the presentation of income and expenses under new subtotals. IFRS 18 also requires certain management-defined performance measures (MPMs) to be disclosed in the notes to financial statements, if these MPMs are disclosed publicly in other documents. We do not have any publicly disclosed MPMs. To meet the requirements of the amendments, the Bank has established an enterprise-wide project and are currently evaluating the impact of adoption.

Note 2: Cash and Cash Held in Trust

Cash comprises balances including cash deposits with the bank and cheques and other items in transit.

Cheques and other items in transit are recorded at cost and represent the net position of the uncleared cheques and other items in transit between us and other entities.

Cash held in trust on behalf of clients represents uninvested client cash, which is restricted in its usage.

Note 3: Loans

The bank has an agreement with the Trust Company to purchase an equal and offsetting financial instrument with the same terms as the GICs that the Trust Company issues to its customers. This is recorded as loans that are initially measured at fair value plus directly attributable costs and are subsequently measured at amortized cost using the effective interest method. The effective interest method allocates interest income over the expected term of the loan by applying the effective interest rate to the carrying amount of the loan. The effective interest rate is defined as the rate that exactly discounts estimated future cash receipts through the expected term of the loan to the net carrying amount of the loan. Under the effective interest method, the amount recognized in interest, dividend and fee income, loans, varies over the term of the loan based on the principal outstanding.

An allowance for credit losses is maintained at a level that we consider adequate to absorb credit related losses on our loans. Loans are classified as impaired when we are no longer reasonably assured that principal or interest will be collected in its entirety on a timely basis. No loans were classified as impaired as at October 31, 2025 and 2024.

Note 4: Risk Management

We have an approach to the identification, assessment, management (including mitigation), monitoring and reporting of risks faced across our organization similar to the bank's. The Risk Review Committee of the Board of Directors of the bank oversees the risk management process and receives regular reports on material risk activities on our behalf. The head of the bank's Risk Management Committee establishes risk management policies, assesses the risk exposure and reviews the effectiveness of internal control processes, which are tested by the Corporate Audit Division of the bank. The key risks related to our financial instruments are classified as credit and counterparty, market, liquidity and funding risk, and interest rate risk.

Credit and Counterparty Risk

Credit and counterparty risk is the potential for financial loss due to the failure of a borrower, endorser, guarantor or counterparty to repay a loan or honour another predetermined financial obligation. Credit risk arises predominantly with respect to our loans. These loans are GICs issued by the bank. The Trust Company does not expect the bank to fail to meet its obligations given its credit rating of A+ (S&P) as at October 31, 2025.

Market Risk

Market risk is the potential for adverse changes in the value of our assets and liabilities resulting from changes in financial loss as a result of the impact to capital and earnings arising from adverse changes in market variables, such as interest rates, foreign exchange rates, credit spreads, equity and commodity prices and their implied volatilities. We are not exposed to significant market risk.

Interest Rate Risk

We earn interest on interest-bearing assets and we pay interest on interest-bearing liabilities. To the extent that we have assets, liabilities and financial instruments maturing or repricing at different points in time, we are exposed to interest rate risk.

Given the nature of activities and resultant type of assets and liabilities held by us, we do not consider the exposure to interest rate risk significant.

Liquidity and Funding Risk

Liquidity and funding risk is the potential for financial loss if we are unable to meet our financial commitments in a timely manner at reasonable prices as they come due. It is our policy to maintain a level of liquid assets and funding capacity sufficient to meet our financial commitments, even in times of stress. Managing liquidity and funding risk is essential to maintaining enterprise soundness and safety, depositor confidence and earnings stability. We mitigate our liquidity and funding risk on fixed term deposits by purchasing GICs from the bank at equivalent terms and rates. See Note 3 for further details.

The measure we use to evaluate liquidity and funding risk is the OSFI leverage ratio. See Note 8 for further details.

Contractual maturities of financial assets and liabilities are as follows:

(Canadian $ in thousands)	Less than 1 year	1 to 3 years	3 to 5 years	Over 5 years	No fixed maturity	Total
						2025
Loans	**$ 2,396,420**	**$ 1,716,794**	**$ 538,534**	**$ 47,263**	**$ 1,038,436**	**$ 5,737,447**
Total financial assets	**$ 2,396,420**	**$ 1,716,794**	**$ 538,534**	**$ 47,263**	**$ 1,038,436**	**$ 5,737,447**
Deposits	**$ 2,495,202**	**$ 1,716,794**	**$ 538,534**	**$ 47,263**	**$ 1,552,530**	**$ 6,350,323**
Other	**–**	**–**	**–**	**–**	**67,790**	**67,790**
Total financial liabilities	**$ 2,495,202**	**$ 1,716,794**	**$ 538,534**	**$ 47,263**	**$ 1,620,320**	**$ 6,418,113**

(Canadian $ in thousands)	Less than 1 year	1 to 3 years	3 to 5 years	Over 5 years	No fixed maturity	Total
						2024
Loans	$ 3,896,814	$ 2,233,191	$ 833,889	$ 49,430	$ 854,546	$ 7,867,870
Total financial assets	$ 3,896,814	$ 2,233,191	$ 833,889	$ 49,430	$ 854,546	$ 7,867,870
Deposits	$ 4,052,439	$ 2,233,191	$ 833,889	$ 49,430	$ 1,162,427	$ 8,331,376
Other	–	–	–	–	64,841	64,841
Total financial liabilities	$ 4,052,439	$ 2,233,191	$ 833,889	$ 49,430	$ 1,227,268	$ 8,396,217

Note 5: Deposits

Deposits payable on demand totalling $521 million as at October 31, 2025 ($312 million in 2024) are comprised primarily of customers' chequing accounts, on some of which we pay interest and are included in the no fixed maturity bucket. Our customers need not notify us prior to withdrawing money from their chequing accounts.

Deposits payable after notice totalling $1,032 million as at October 31, 2025 ($850 million in 2024) are comprised primarily of our customers' savings accounts, on which we pay interest.

Deposits payable on a fixed date totalling $4,258 million as at October 31, 2025 ($6,665 million in 2024) are comprised primarily of GICs purchased by our customers to earn interest over a fixed period. These certificates are guaranteed as to principal and interest up to a maximum of $12 billion by the bank. These GICs can be issued for terms up to a period of 10 years. Term GICs are sold to brokerage and retail clients.

Deposits totalling $539 million as at October 31, 2025 ($504 million in 2024) can be early redeemed in full by customers without penalty. These are classified as payable on a fixed date, based on their remaining contractual maturities. Refer to Note 4 for contractual maturity information.

Note 6: Share Capital

(Canadian $ in thousands, except as noted)			**2025**			2024
	Number of shares	**Amount**	**Dividend declared per share (1)**	Number of shares	Amount	Dividend declared per share (1)
Common shares	**500,000**	**$ 329,076**	**$ —**	500,000	$ 329,076	$ 160.00

(1) In whole dollars.

We are authorized by our shareholder to issue an unlimited number of common shares without par value, for unlimited consideration. Our common shares are not redeemable or convertible. Dividends are declared by our Board of Directors at their discretion. During the year ended October 31, 2025, we did not declare or pay a dividend to our shareholders ($80 million in 2024).

Note 7: Fair Value of Financial Instruments

We record loans and other non-trading assets and liabilities at amortized cost less allowances. The fair values presented in this note are based upon the amounts estimated for individual assets and liabilities.

Fair value represents an estimate of the amount we would receive, or would be payable in the case of a liability, in an orderly transaction between willing parties at the measurement date. The fair value amounts disclosed represent point-in-time estimates that may change in subsequent reporting periods due to changes in market conditions or other factors. Some financial instruments are not typically exchangeable or exchanged and therefore it is difficult to determine their fair value. Where there is no quoted market price, we determine fair value using management's best estimates based on a range of valuation techniques and assumptions; since they involve uncertainties, the fair values may not be realized in an actual sale or immediate settlement of the asset or liability.

Interest rate changes are the main cause of changes in the fair value of our financial instruments.

Financial Instruments with a Carrying Value Approximating Fair Value

Carrying value is considered to be a reasonable estimate of fair value for our cash and cash held in trust on behalf of clients.

The carrying value of accounts receivable and other items, accounts payable, accrued expenses and other items, and due to and from related parties is a reasonable estimate of fair value due to their short-term nature.

Fair Value Hierarchy

We use a fair value hierarchy to categorize financial instruments according to the inputs we use in the valuation techniques to measure fair value.

Valuation Techniques and Significant Inputs

Loans

In determining the fair value of our fixed rate loans, we discount the remaining contractual cash flows, adjusted for estimated prepayment, at market interest rates currently offered for GICs with similar terms.

Deposits

In determining the fair value of deposits, we incorporate the following assumptions:

- For fixed-rate, fixed maturity, we discount the remaining contractual cash flows for these deposits, adjusted for expected redemptions, at market interest rates currently offered for deposits with similar terms and risk profiles. Where observable inputs are not available, management judgment is required to determine the fair value by assessing other relevant sources of information, such as historical data and proxy information for similar transactions.
- For fixed-rate deposits with no defined maturities, we consider fair value to equal to carrying value, since carrying value is equivalent to the amount payable on the reporting date.
- For floating-rate deposits, changes in interest rates have minimal impact on fair value since deposits reprice to market frequently. On that basis, fair value is assumed to equal carrying value.

Set out in the following table are the fair values of financial instruments not carried at fair value in our balance sheet.

(Canadian $ in thousands)		**2025**		2024
	Carrying value	**Fair value(1)**	Carrying value	Fair value(1)
Loans	**5,737,447**	**5,814,097**	7,867,870	7,961,624
Deposits	**6,350,323**	**6,426,973**	8,331,376	8,425,130

(1) If financial instruments not carried at fair value were categorized based on the fair value hierarchy, all of these financial instruments would be categorized as internal models using observable market information as inputs (Level 2).

Note 8: Capital Management

Our objective is to maintain a strong and optimized capital position in a cost-effective structure that: is appropriate given our target regulatory capital ratios and our internal assessment of required economic capital; underpins our business strategies and considers the market environment; and supports depositor and regulator confidence, while building long-term shareholder value.

Our approach includes establishing limits, targets and performance measures that are applied in managing balance sheet positions, risk levels and capital requirements, as well as issuing and redeeming capital instruments to achieve a cost-effective capital structure.

Regulatory capital requirements are determined in accordance with guidelines issued by OSFI, which are based on the Basel III Framework developed by the Basel Committee on Banking Supervision.

CET1 Capital is the most permanent form of capital. It comprises common shareholder's equity less deductions for goodwill, intangible assets and certain other items.

Tier 1 Capital primarily comprises CET1 Capital, preferred shares and other equity instruments, less regulatory deductions.

Tier 2 Capital primarily comprises subordinated debentures and may include a portion of ECL provisions, less regulatory deductions. Total Capital includes Tier 1 and Tier 2 Capital.

CET1 Capital Ratio, Tier 1 Capital Ratio, Total Capital Ratio and Leverage Ratio are the primary regulatory capital measures.

- CET1 Capital Ratio is defined as CET1 Capital divided by risk-weighted assets.
- Tier 1 Capital Ratio is defined as Tier 1 Capital divided by risk-weighted assets.
- Total Capital Ratio is defined as Total Capital divided by risk-weighted assets.
- Leverage Ratio is defined as Tier 1 Capital divided by a leverage exposures, which consists of on-balance sheet items and specified off-balance sheet items, net of specified adjustments.

Our CET1, Tier 1 Capital, Total Capital Ratios and Leverage Ratio remain above OSFI's stated minimum capital ratios of 7.00%, 8.50%, 10.50% and 3.00%, respectively.

Basel III Regulatory Capital and Risk-Weighted Assets

(Canadian $ in thousands, except as noted)	2025	2024
CET 1 Capital	**$ 628,540**	$ 540,420
Tier 1 Capital	**628,540**	540,420
Total Capital	**628,540**	540,420
Risk-Weighted Assets	**1,496,573**	1,681,377
Leverage Exposures	**$ 7,046,653**	$ 8,936,688
CET 1 Capital Ratio	**42.00 %**	32.14%
Tier 1 Capital Ratio	**42.00 %**	32.14%
Total Capital Ratio	**42.00 %**	32.14%
Leverage Ratio	**8.92 %**	6.05%

Note 9: Employee Compensation - Share-Based Compensation

We offer employees the option of directing a portion of their gross salary toward the purchase of common shares of the bank. We match 50% of employee contributions up to 6% of their individual gross salary to a maximum of $75 thousand. Our contributions during the first two years vest after two years of participation in the plan, with subsequent contributions vesting immediately. The shares held in the employee share purchase plan are purchased on the open market. The dividends earned on bank common shares held by the plan are used to purchase additional bank common shares on the open market. We account for our contribution as employee compensation expense when they are contributed to the plan. Employee compensation expense related to this plan for the year ended October 31, 2025 was $170 thousand ($180 thousand in 2024).

Note 10: Income Taxes

We report our provision for income taxes in our Statement of Income and Comprehensive Income based upon transactions recorded in our financial statements, regardless of when they are recognized for income tax purposes.

Current tax is the amount of income tax recoverable (payable) in respect of the taxable loss (profit) for a period. Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities for accounting and tax purposes.

Deferred tax assets and liabilities are measured at the expected tax rates when temporary differences reverse. Changes in deferred tax assets and liabilities related to a change in tax rates are recorded in income in the period the tax rate change is substantively enacted, except to the extent that the tax arises from a transaction or event that is recognized either in other comprehensive income or directly in equity. Current and deferred taxes are offset only when they are levied by the same tax authority, on the same entity or group of entities, and when there is legal right to offset.

The components of the total provision for income taxes are as follows:

(Canadian $ in thousands)	2025	2024
Current		
Provision for income taxes for the current period	**$ 34,859**	$ 35,927
Adjustment for prior years	**243**	80
	35,102	36,007
Deferred		
Origination and reversal of temporary differences	**13**	(6)
Adjustment for prior years	**(378)**	(7)
	(365)	(13)
Total Provision for Income Tax	**$ 34,737**	$ 35,994

The components of and movement in the deferred tax asset balances are as follows:

(Canadian $ in thousands)	Balance October 31 2024	Recovery (Expense) to Statement of Income and Comprehensive Income	**Balance October 31 2025**
Premises and equipment	$ 4	$ (2)	**$ 2**
Corporation Minimum Tax (CMT)	–	371	**371**
Contingent Liability	4	(4)	**—**
	$ 8	$ 365	**$ 373**

Set out below is a reconciliation of our statutory tax rates and income taxes that would be payable at this rate and provision for income taxes that we have recorded in the Statement of Income and Comprehensive Income:

(Canadian $ in thousands, except as noted)		**2025**		2024
Income before provision for income taxes	**$ 124,684**		$ 128,503	
Income tax reconciliation				
Tax provision based on statutory rate	**34,850**	**27.95 %**	35,891	27.93 %
Non-taxable/non-deductible items	**17**	**0.01 %**	11	0.01 %
Adjustments related to previous years including the impact of certain Canadian tax measures	**(135)**	**(0.11)%**	73	0.05 %
Other adjustments	**5**	**0.01 %**	19	0.01 %
Provision for income taxes and effective tax rate	**$ 34,737**	**27.86 %**	$ 35,994	28.00 %

Note 11: Related Party Transactions

We enter into various transactions with the bank and/or companies under common control in the normal course of operations.

The following table summarizes our related party transactions and balances as at and for the year ended October 31:

(Canadian $ in thousands)	**2025**	2024
Revenue		
Interest revenue	**$ 350,903**	$ 378,092
Estate and trust fees	**451**	495
Commissions	**31,004**	29,280
Income earned from uninvested cash	**11,005**	8,959
Other	**1,729**	1,393
Expense		
Employee compensation	**42,614**	38,941
Computer services	**(2,762)**	(5,211)
Premises and equipment	**55**	52
Professional fees	**980**	980
Referral and other related party fees	**3,495**	2,982
Recoveries	**(3,567)**	(3,567)
Cash	**604,057**	523,113
Loans	**5,737,447**	7,867,870
Due from related parties	**147,270**	189,075
Due to related parties	**59,136**	57,845

Certain comparative figures have been reclassified to conform with the current year's presentation

Interest revenue consists of interest generated on cash held at the bank and the loans held by the Trust Company, which comprises the GICs issued by the bank. Estate and trust fees consist of fees received from BMOII for trustee services provided on BMO Mutual Funds registered plans. Commissions consists of commissions and fees earned on the GICs sold to the bank. Income earned from uninvested cash includes fees received from BMO Nesbitt Burns Inc. and BMO InvestorLine Inc. for holding uninvested cash on their behalf. Referral and other related party fees consists of trustee fees for registered plans from the bank, BMO Nesbitt Burns Inc., BMO InvestorLine Inc., BMO Private Investment Counsel Inc., and BMOII, and referral fees from BMO Asset Management Inc..

Employee compensation consists of fees paid to the bank for selling our GICs, calculated as a fixed percentage of GIC balances, and reimbursement for employee compensation and benefits paid by the bank to its staff who support our operations. Computer services expenses include fees paid to the bank for software development, product system and back-office support, and workstation support, as well as fees paid to BMO Nesbitt Burns Inc. for vendor services and reimbursement from BMO for activity costs related to projects. Professional fees are incurred for sub-advisory services, from BMO Asset Management Inc. and BMO Private Investment Counsel Inc., related to BMO Private Portfolios. Other expenses consist of fees paid to the bank for management and accounting services, banking activity fees, and referral fees.

We have agreements with BMO Private Investment Counsel Inc. to pay certain expenses on their behalf and to provide administrative support services. These expenses and costs associated with providing the services are recoverable and are recorded as expenses and recoveries as incurred.

We maintain a current cash account with the bank and it serves daily operational needs including payment processing, settlements and other routine transactions. Interest revenue is earned based on the Funds Transfer Pricing (FTP) rate set by the bank and is recorded in our Statements of Income and Comprehensive Income. The bank has an agreement with the Trust Company to purchase an equal and offsetting financial instrument with the same terms as the GICs that the Trust Company issues to its customers. This is recorded as loans that are initially measured at fair value plus directly attributable costs and are subsequently measured at amortized cost using the effective interest method.

Due from related parties consists of interest receivable on loans held by the Trust Company, interest receivable on cash balances, and commissions revenue and fees receivable from the bank, BMO Nesbitt Burns Inc. and BMO InvestorLine Inc., and cash on demand from BMO Nesbitt Burns Inc.. Due to related parties consists of fees payable to the bank for selling our GICs, computer expenses, workstation support, fees payable to BMO Private Investment Counsel Inc. for investment administration, and fees payable to BMO Nesbitt Burns Inc. and BMO InvestorLine Inc. for their uninvested cash. These balances are recorded at their stated amounts and are non-interest bearing and due on demand.

Part VI.1 Tax

In fiscal 2025, the Trust Company entered into an agreement with the bank, under which the bank transferred to the Trust Company its liability for Part VI.1 Tax of $36.5 million ($nil in 2024). As a result, the Trust Company became entitled to an additional income deduction equal to 3.5 times the Part VI.1 Tax paid for the year ended October 31, 2024, which reduced Federal Part 1 Tax and provincial income taxes payable by the Trust Company. The Trust Company recovered Federal Part 1 Tax and provincial taxes of $35.7 million ($nil in 2024) for a net payable of $0.8 million ($nil in 2024). The impact of this agreement was reflected as a decrease in contributed surplus of $0.8 million.

In fiscal 2021, the Bank entered into an agreement to transfer to its subsidiary, BMO Mortgage Corp (“BMO MC”), the Bank’s liability for Part VI.1 Tax for the year ended October 31, 2020 (“fiscal 2020”). In the fourth quarter of 2025, the Bank amended this agreement (the “Amended Agreement”) to remove the liability transferred to BMO MC. Under the Amended Agreement, the Bank transferred to the Trust Company some of its fiscal 2020 Part VI.1 Tax liability of $16.9 million and therefore the Trust Company became entitled to an additional income deduction (equal to 3.5 times the Part VI.1 Tax paid for fiscal 2020), reducing Federal Part I Tax and provincial income taxes payable by the Trust Company. The Trust Company recovered Federal Part I Tax and provincial taxes of $15.7 million, for a net payable of $1.2 million. The impact of this agreement was reflected as a decrease in contributed surplus of $1.2 million.

Key Management Personnel and Their Close Family Members

We have no employees and no key management personnel; therefore, the Trust Company does not remunerate key management personnel. Key decision makers of the Trust Company are all employees of our ultimate parent, the bank. Throughout the year, the bank incurs compensation expenses, a portion of which are recharged to the Trust Company as part of a cost sharing agreement. These costs are reflected in the above table as part of the Employee compensation line.

Note 12: Provisions and Contingent Liabilities

Provisions and Contingent Liabilities

Provisions are recognized when we have a legal or constructive obligation, as a result of past events, such as contractual commitments, legal or other obligations where we can reliably estimate the obligation, and it is probable we will be required to settle the obligation. We recognize as a provision our best estimate of the amount required to settle the obligations as of the balance sheet date, taking into account the risks and uncertainties surrounding the obligations.

Contingent liabilities are potential obligations arising from past events, the existence of which will only be confirmed by the occurrence or non-occurrence of one or more future events not wholly within our control. There were no contingent liabilities as at October 31, 2025 and 2024.

Legal Proceedings

We are party to legal proceedings, including regulatory investigations, in the ordinary course of business. We review the status of these proceedings regularly and establish provisions when in our judgment it becomes probable that we will incur a loss and the amount can be reliably estimated. While it is inherently difficult to predict the ultimate outcome of these proceedings, based on our current knowledge, we do not expect the outcome of any of these proceedings, individually or in the aggregate, to have a material adverse effect on the financial position or the results of the operations of the Trust Company.

Changes in the provision balance during the year are as follows:

(Canadian $ in thousands)	**2025**	2024
Balance at beginning of year	**$ 50**	$ —
Additional provisions/increase in provision	**2,984**	50
Amount utilized	**(2,984)**	—
Amount reversed	**(50)**	—
Balance at end of year	**$ —**	$ 50