



## **Davivienda to integrate Scotiabank operations in Colombia, Costa Rica and Panama, evolving into a Latin-Global Bank.**

- After approval from its Board of Directors, Banco Davivienda has entered into an agreement with Scotiabank to integrate Scotiabank's operations in Colombia, Costa Rica, and Panama into Davivienda. In exchange, Scotiabank will receive an approximately 20% ownership stake in the new combined operations.
- With this agreement, Davivienda will significantly strengthen its position in Latin America while maintaining strong capital ratios.

**Bogota, Colombia. January 6, 2025.** Banco Davivienda S.A. (BVC: PFDAVVNDA, BCS: DAVIVIENCL, SGX: DAVIVI) announces the signing of an agreement with Scotiabank (BNS, the Bank of Nova Scotia) to integrate their operations in Colombia, Costa Rica and Panama ("BNS operations").

This transaction aligns with Davivienda's strategic vision, by evolving into a Latin-global bank and continuing the history of innovation and growth that began in 1972 as a Savings and Loan Corporation.

With this agreement, Davivienda will significantly strengthen its position in Latin America and enrich its customer offering with a more global model. Additionally, Davivienda will be able to diversify its operation further, benefit from scalability and synergies, and explore new business opportunities and potential income sources.

Under the agreement, Davivienda will integrate BNS operations in exchange for an approximate 20% ownership stake in the new combined operations and participation on the Board of Directors.

This transaction is expected to generate value for current Davivienda shareholders, who will benefit from owning an operation around 40% bigger in assets and equity<sup>1</sup>. Additionally, with the agreement, Davivienda will maintain healthy capital ratios with CET1 potentially increasing by around 30 basis points<sup>1</sup>.

The transaction is expected to close in the second semester of 2025, subject to corporate and regulatory approvals.

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<sup>1</sup> Pro forma calculations for the combined operations reflect Davivienda's estimates based on accounting figures and expected changes at the transaction's closing.



Davivienda and Scotiabank intend to enter into strategic referral agreements that will allow Davivienda's customers to access a broad global offering of financial solutions.

*"This agreement demonstrates Davivienda's strength and vision to seize opportunities while creating value for our stakeholders. This transaction allows us to advance our strategy further, grow our business, and support more customers with the added capabilities and offerings of a recognized franchise and partner such as Scotiabank. We are excited about the path ahead."*, said Javier Suárez, CEO of Banco Davivienda.

*"With this agreement, we continue to execute against our five-year plan to improve profitability across our International Banking markets"*, said Francisco Aristeguieta, Group Head, International Banking, Scotiabank. *"Davivienda is a proven operator and a key partner that will deliver scale to the combined entity, while supporting our Global Wealth Management and Global Banking and Markets businesses in the region"*.

## **Additional Information**

- As of September 2024, the consolidated operations of Davivienda amount to USD 43.7 Bn in assets, USD 33.7 Bn in gross loans, USD 31.0 Bn in deposits, and USD 3.8 Bn in equity.
- Total BNS operations in Colombia, Costa Rica, and Panama amount to approximately USD 16.8 Bn in assets, USD 12.4 Bn in gross loans, USD 12.8 Bn in deposits, and USD 1.5 Bn in equity<sup>2</sup>.
- The pro forma combined operations<sup>3</sup> amount to approximately USD 59.7 Bn in assets, USD 45.5 Bn in gross loans, USD 43.2 Bn in deposits, and USD 5.2 Bn in equity.
- The transaction is expected to bring nearly 2.8 million customers to Davivienda<sup>4</sup>.

## **Call for Investors and Analysts**

Davivienda's management team will host an investor and analyst call on January 7th, 2025 at 10:00 a.m. COT (10:00 a.m. EST) to discuss the transaction, followed by a Q&A. Please register in advance by clicking [here](#). Presentation material will be available after the call at [ir.davivienda.com](http://ir.davivienda.com).

### **About Davivienda**

*At Davivienda we believe in a financial world that simplifies life for people, communities, businesses, and cities. As a result, today we are a team of over 17 thousand people in Colombia, Panama, Costa Rica, Honduras, El Salvador and Miami, innovating, investing in knowledge, talent, and technology, partnering and seeking best practices worldwide. We do all this to give everyday solutions and exclusive offers to more than 24.6 million customers, supporting financial inclusion and sustainable development. We are currently*

<sup>2</sup> Davivienda estimates. Colombia and Panama figures under IFRS, Costa Rica under local accounting. Colombia and Costa Rica as of Sep. 24, Panama as of Oct. 24.

<sup>3</sup> Pro Forma calculations for the combined operations reflect Davivienda's estimates based on accounting figures and expected changes at the transaction's closing.

<sup>4</sup> Without excluding mutual customers between entities.



the second largest bank by portfolio in Colombia\*, with a network of over 660 branches and more than 2,800 ATMs in Colombia and in our international subsidiaries. We are proud to be one of the companies of Grupo Bolívar. \*Financial Superintendence of Colombia.

### **About Scotiabank**

Scotiabank's vision is to be our clients' most trusted financial partner and deliver sustainable, profitable growth. Guided by our purpose: "for every future," we help our clients, their families and their communities achieve success through a broad range of advice, products and services, including personal and commercial banking, wealth management and private banking, corporate and investment banking, and capital markets. With assets of approximately CAD 1.4 Trillion (as of October 31, 2024), Scotiabank is one of the largest banks in North America by assets, and trades on the Toronto Stock Exchange (TSX: BNS) and New York Stock Exchange (NYSE: BNS). For more information, please visit [www.scotiabank.com](http://www.scotiabank.com) and follow us on X @Scotiabank.

### **Caution regarding forward-looking statements**

This communication contains certain forward-looking statements within the meaning of applicable securities laws, including, but not limited to, statements regarding the proposed transaction, the anticipated benefits of the transaction, and the expected timing of closing. Forward-looking statements are based on the current expectations, assumptions, and beliefs of the management of the parties involved and are subject to various risks, uncertainties, and factors that could cause actual results or outcomes to differ materially from those expressed or implied in such statements.

These risks and uncertainties include, but are not limited to:

- The ability to obtain regulatory approvals and satisfy other closing conditions in a timely manner or at all.
- The possibility that the proposed transaction may not be completed as expected or at all.
- The impact of the transaction on the financial condition, operating results, and business strategies of the parties involved.
- Economic, market, or industry conditions that may affect the parties' operations post-transaction.
- Unexpected legal or regulatory developments that could delay or prevent the transaction.

Additionally, forward-looking statements are inherently uncertain, as they depend on future events, many of which are outside the control of the parties involved. Readers are cautioned not to place undue reliance on these forward-looking statements.

Except as required by applicable law, neither party undertakes any obligation to publicly update or revise any forward-looking statements to reflect new information, future events, or otherwise after the date of this communication.