MEDIA RELEASE

March 6, 2025

SCOTIA GROUP JAMAICA REPORTS FIRST QUARTER OF FISCAL 2025 RESULTS

Scotia Group reports net income of $4.2 billion for the quarter ended January 31, 2025, representing an increase of $1.1 billion or 34.5% over the comparative prior period. The Group's asset base grew by $73.3 billion or 11% to $739.2 billion as at January 2025 and was underpinned by the excellent performance of our loan and investment portfolios.

In furtherance of our objective to continue to return value to our shareholders, the Board of Directors has approved a dividend of 45 cents per stock unit in respect of the first quarter, which is payable on April 17, 2025, to stockholders on record as at March 26, 2025.

Audrey Tugwell Henry, Scotia Group's President and CEO gave the following comments. "Scotia Group has delivered another solid performance for the quarter, and I am very proud of our team for their unwavering dedication and consistent service delivery to our clients. These results signal a strong start to the second year of our five-year strategy, and our goal remains to become our client's most trusted financial partner. We continue to promote the importance of a balanced financial portfolio which incorporates banking, insurance protection and wealth, and we are committed to offering the best financial advice, earning the right to be our clients' primary financial institution and making it easier to do business with us."

Business Performance

Scotiabank continues to perform well with each business unit delivering commendable results for the quarter. Deposits by the public increased by $34.4 billion or 7.5% versus the corresponding period last year. Total loans increased from $275.7 billion to $312.5 billion representing an increase of 13.3%. This includes a 12% increase in Scotia Plan personal banking loans and a 24% increase in mortgage loans. Commercial loans also increased by 5% over the prior year period.

Our insurance subsidiaries continue to make a valuable contribution to the Group's results. Net Insurance Revenues at Scotia Insurance increased by $504 million or 96% year over year and Gross Written Premiums grew by 5%. Sales at our general insurance business, Scotia Protect, increased by 53% while Gross Written Premiums increased by 71% when compared to the previous period.

Scotia Investments continues to assist clients to build wealth and navigate the complexities of the financial markets. Assets Under Management at SIJL increased by 13.3% over the comparative period demonstrating the strength of our investment advisors and asset management team.

As we advance our growth strategy, we are very pleased to see the continued appreciation in our stock price which has shown steady improvement. This demonstrates significant investor confidence in the Group and we are proud to continue returning strong value to our shareholders through both consistent dividend payments as well as capital appreciation.

Environmental Social Governance

In furtherance of our ESG objectives, Scotia Foundation donated $1 million to the Jamaica Environment Trust (JET) to assist with environmental protection projects. JET also conducted a virtual training session for employees focused on combatting plastic pollution and best practices for environmental sustainability.

In November, Scotiabank began issuing bank cards made from 85% recycled plastic as we aim to reduce our environmental impact. The card also introduced a sleek new design and new security features including the removal of all personal information from the front of the card.

Scotia Foundation was pleased to make a significant donation of $12.5 million to Project STAR in December 2024. Funds will be used for Projects STAR's social intervention program as well as the coordination of a new school intervention program on behalf of Scotia Foundation at two schools in underserved communities. The donation was made during the Scotia Christmas in the Park Concert which once again drew large crowds to Emancipation Park to enjoy a night of family entertainment.

In January, we were very pleased to introduce sign language training to our front-line teams to better serve our hearing-impaired clients. Interest in the training program was extremely well received and will continue for other interested team members next month.

We are proud to have delivered another commendable quarter serving our clients and our community. We look forward to the remainder of the year as we advance our strategic goals and our vision to be the financial institution of choice - for every future.

SOCIAL IMPACT

We started the 2025 financial year with renewed focus on uplifting the communities we serve and protecting the environment.

Safeguarding our Natural Resources

A critical component of being an environmental steward is understanding the effect that your actions have on nature, as well as the actions you can take to minimize any negative impact. During November, the Group hosted an informative internal environmental session by Chief Executive Officer of the Jamaica Environment Trust, Dr. Theresa Rodriguez-Moodie.

Scotiabankers across the Group tuned in to the virtual session, which focused on the effects of plastic pollution and our role in environmental sustainability.

Promotional Flyer for the virtual environmentally focused lunch and learn session.

Spreading Yuletide Cheer

Over 100 young entertainers across the performing arts filled Emancipation Park with the sights and sounds of the Festive Season at Scotiabank's Annual Christmas in the Park Musical showcase. The event which was hosted in December, saw hundreds of Jamaicans of all ages in attendance.

With the support of the business community, the Scotia Foundation was able to provide entertainment and the opportunity to sample delectable foods and organic skin care products during the two-hour extravaganza.

During the event, Scotia Foundation also donated JA$12.5 million to Project STAR, the Community Renewal initiative of the Private Sector Organization of Jamaica and the Jamaica Constabulary Force.

The funds are being used towards an intervention programme that is aimed at empowering and improving the resilience of secondary and primary school students in vulnerable communities.

Members of the Beam Dance Troupe showcase their talents during Christmas in the Park.

Building Organizational Resilience

In January, the Foundation handed over J$1 million towards the Jamaica Environment Trust's Schools Environment Programme, which educates young people about a variety of sustainability issues with a focus on the impact of plastic waste.

Through this support, the Foundation is building the capacity and resilience of the NGO, thereby helping to increase the size and depth of its footprint in the Jamaican education system.

Yanique Forbes Patrick, VP of Public Affairs and Communications at Scotiabank (centre) is joined by CEO of JET Dr. Theresa Rodriguez-Moodie and Programme Director Justin Saunders at JET's Head Office, Earth Cottage.

GROUP FINANCIAL PERFORMANCE

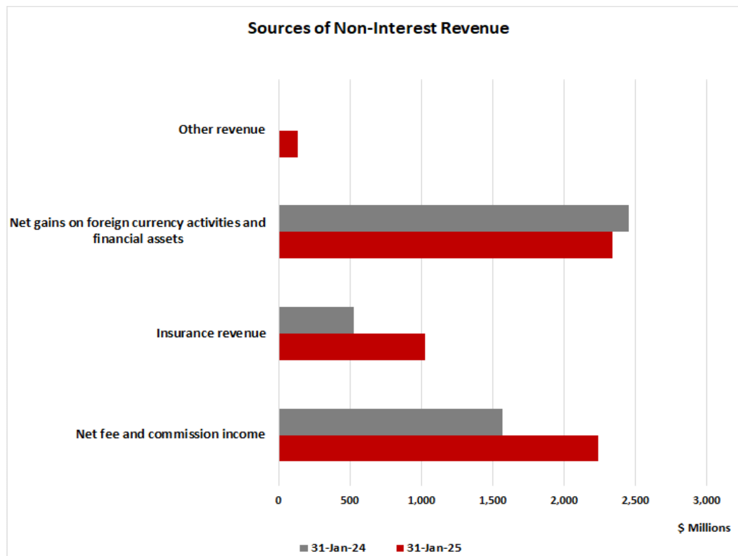
TOTAL REVENUES

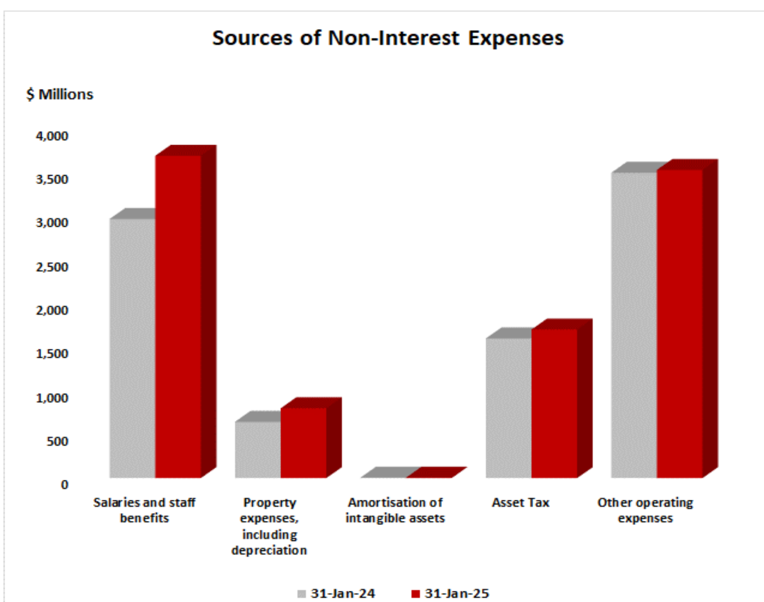
Total revenues excluding expected credit losses for the year ended January 31, 2025, grew by $2.2 billion to $17.1 billion reflecting an increase of 14.9% over the prior year period. This was primarily driven by the strong growth in our loan portfolio which led to an increase in net interest income of $1.1 billion or 10% as well as an increase in other revenue of 26.2%.

OTHER REVENUE

Other income, defined as all revenue other than interest income, increased by $1.2 billion or 26.2%.

- Net fee and commission income for the period amounted to $2.2 Billion and showed an increase of $671.8 million or 42.9% and was primarily driven by the higher volume of client transactions and activities.
- Net insurance revenue increased by $503.8 million or 96.2%, driven by higher contractual service margin releases coupled with lower insurance expenses in keeping with the performance of the portfolio, as well as an increase in transaction volumes stemming from further deepening of our client relationships.
- Net gains on financial assets amounted to $197.2 million, reflecting a year over year increase of $67 million or 51.5%, given improved market performance.





OPERATING EXPENSES

Operating expenses totaled $9.7 billion as at January 2025 and reflected an increase of $1 billion or 11.6% when compared to the prior period. Of note, annual asset taxes recorded during the quarter totaled $1.7 billion, an increase over 2024 of $102 million or 6.4%. Excluding the reduction in the net pension credit on our defined benefit plans, operating expenses increased by $743 million or 8.1% year over year.

Additionally, our investments in technology also contributed to the increase in operating expenses, as the Group continues to expand on our digital capabilities geared towards simplifying and streamlining our processes to make it easier for our clients to do business with us. These investments have enhanced the overall efficiency of our operations and enabled us to generate increased revenues.

CREDIT QUALITY

The Group's credit quality remains strong with no material changes year over year in total non-accrual loans (NALs) or NALs as a percentage of gross loans.

Non-accrual loans (NALs) as at January 2025 totaled $5.1 billion compared to $4.7 billion as at January 2024. The Group's NALs represent 1.6% of gross loans (January 2024 – 1.7%) and 0.7% of total assets (January 2024 – 0.7%). Of note, the Group's NALs as a percentage of gross loans continue to be below the industry average, September 2024 – 2.41%. The Group's accumulated credit loss provisions (ACLs) for loans as at January 2025 was $6.2 billion, representing 122.8% coverage of total non-performing loans.

GROUP FINANCIAL CONDITION

ASSETS

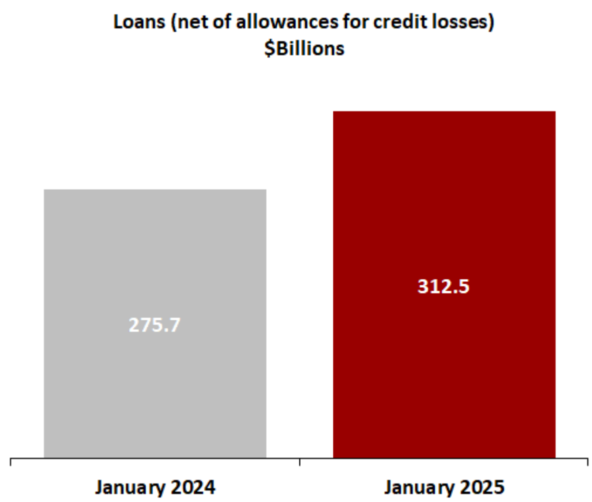
The Group's asset base grew by $73.3 billion or 11% to $739.2 billion as at January 2025. This was predominantly as a result of the significant growth in our loan portfolio of $36.7 billion or 13.3%, higher investment securities of $46.7 billion or 33.4% and a higher carrying value for the retirement benefit asset of $16.1 billion or 89.7%. This was partially offset by lower cash resources held of $24.5 billion or 12.1%.

Cash Resources

Our cash resources held to meet statutory reserves and the Group's prudential liquidity targets stood at $177.6 billion and reflected a year over year decrease of $24.5 billion or 12.1%. Cash resources held were used to fund our growing loan portfolio and placed on investment. The Group maintains a strong liquidity position, which enables us to respond effectively to changes in our cash flow requirements.

Loans

Our loan portfolio increased by $36.7 billion or 13.3% compared to January 2024, with loans net of allowances for credit losses increasing to $312.5 billion. Our core loan book continues to perform well with mortgages increasing year over year by 24%, consumer loans by 12%, credit cards by 11% and commercial loans by 5%.

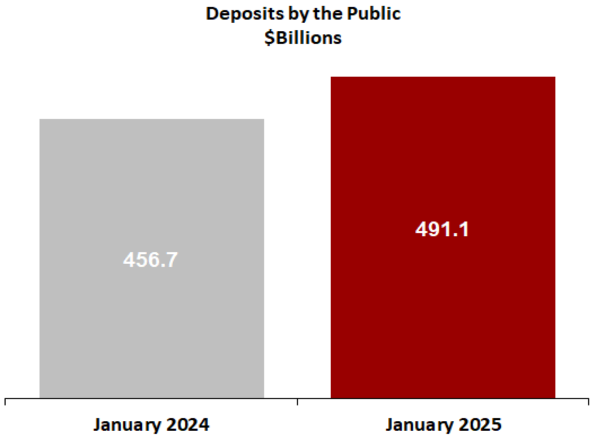


LIABILITIES

Total liabilities were $588.6 billion as at January 2025 and showed an increase of $44.1 billion or 8.1%. The increase noted was driven mainly by the growth in client deposits.

Deposits

Deposits by the public increased to $491.1 billion. The $34.4 billion or 7.5% growth in core deposits was reflected in higher inflows from our retail and commercial clients, signaling our clients' continued confidence in the strength and safety of the Scotia Group.



Funds under Management

Our strategic focus continues to be geared towards growing our off-balance sheet business, namely, mutual funds and unit trusts. As at January 2025 our asset management portfolios showed an increase of $26.1 billion or 13.3% and was attributable to the growth in the net asset value of the Pension Funds, the Scotia Premium Money Market Fund, Scotia Premium Short Term Income Funds (JMD & USD) and the Scotia Premium Fixed Income Fund.

Insurance Contract Liabilities/Segregated Funds

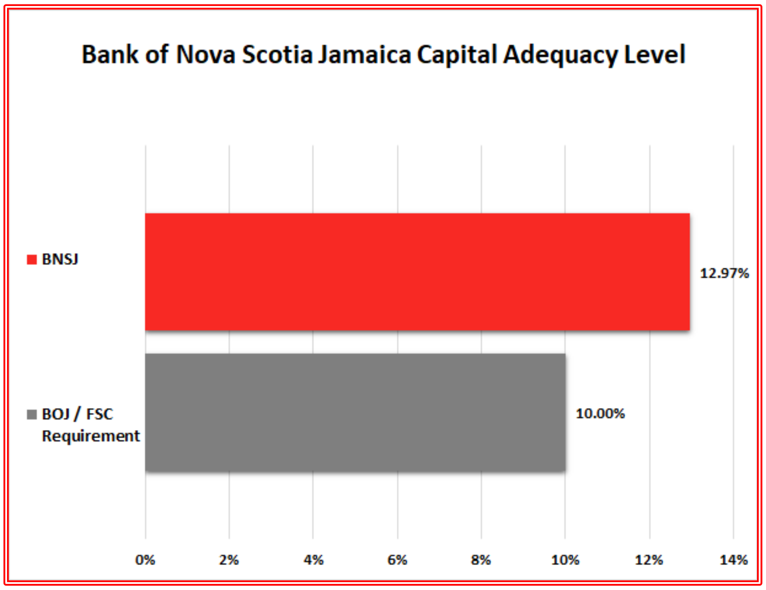
Insurance contract liabilities primarily relates to our flagship product ScotiaMint with a balance of $50 billion as at January 2025 and reflected a year over year increase of $840 million or 1.7%. Our segregated fund balance primarily relates to our Scotia Affirm product which continues to perform well, growing by $483 million or 34.2% year over year. The increase noted was attributable to improved market performance. We continue to encourage our clients to secure adequate insurance protection as part of their overall financial plan.

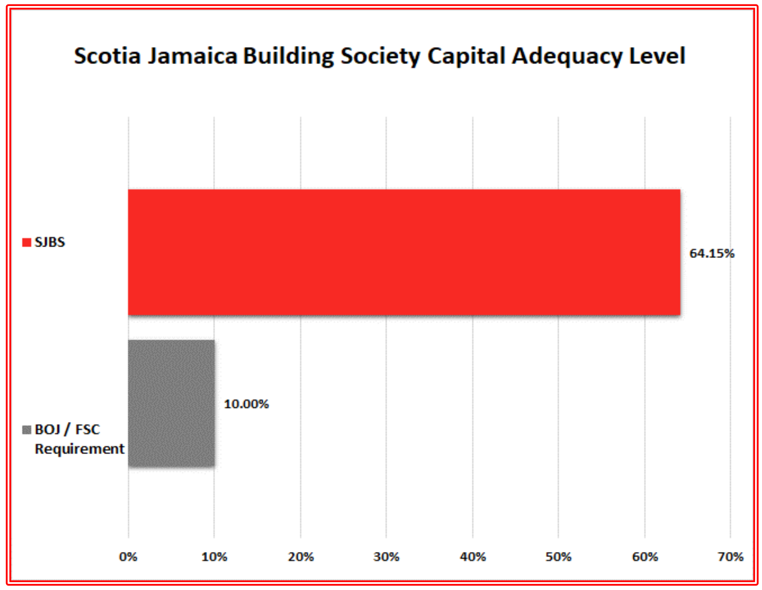
CAPITAL

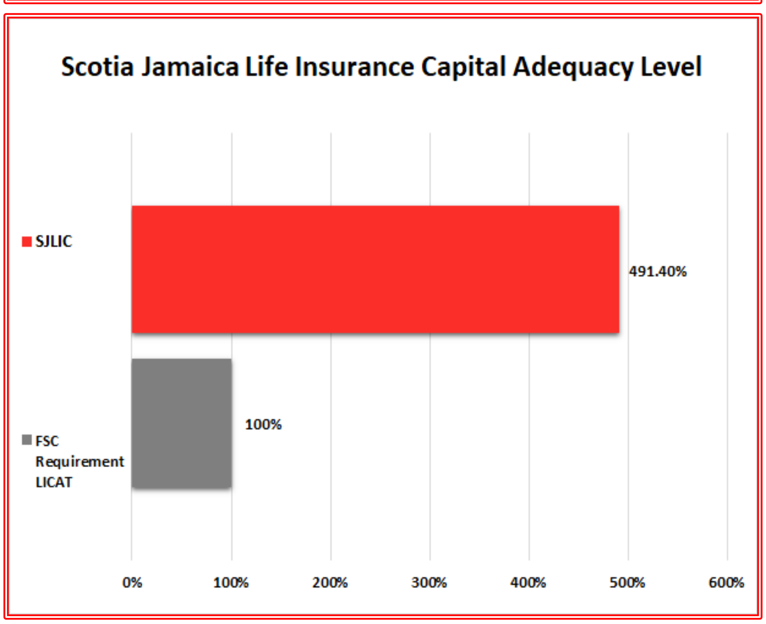
Shareholders' equity available to common shareholders totaled $150.7 billion and reflected an increase of $29.3 billion or 24.1% when compared to January 2024. This was due primarily to the re-measurement of the defined benefit pension plan assets, higher fair value gains on the investment portfolio and higher internally generated profits partially offset by dividends paid.

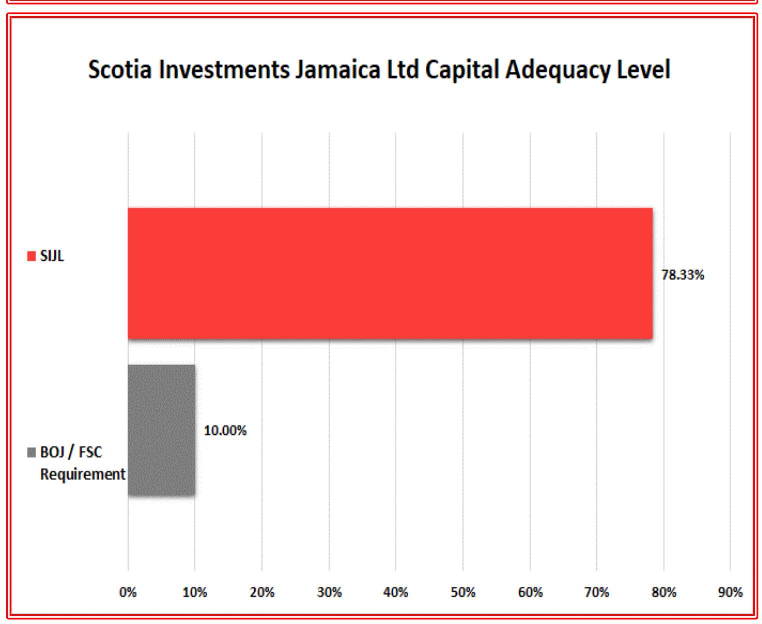
We continue to exceed regulatory capital requirements in all our business lines, and our strong capital position also enables us to manage increased capital adequacy requirements in the future and take advantage of growth opportunities.

Our regulatory capital adequacy levels versus the minimum requirements are shown below:









Consolidated Statement of Revenue and Expenses
Period ended January 31, 2025

	For the three months ended		
Unaudited ($ Thousands)	January 2025	October 2024	January 2024
Interest income	12,719,306	12,636,359	11,604,023
Interest expense	(499,040)	(533,708)	(498,959)
Net interest income	12,220,266	12,102,651	11,105,064
Expected credit losses	(601,495)	(1,264,942)	(1,028,440)
Net interest income after expected credit losses	11,618,771	10,837,709	10,076,624
Finance expenses from insurance contracts	(812,746)	(785,723)	(735,209)
Finance income from reinsurance contracts	27	49	49
Total insurance finance expenses	(812,719)	(785,674)	(735,160)
Insurance revenue	1,264,270	1,019,222	831,665
Insurance service expenses	(235,981)	(127,664)	(307,828)
Net expenses from reinsurance contracts	(562)	(678)	121
Net insurance revenue	1,027,727	890,880	523,958
Net fee and commission income	2,238,498	2,111,898	1,566,730
Net gains on foreign currency activities	2,142,129	2,482,174	2,325,713
Net gains on financial assets	197,173	139,961	130,185
Other revenue	133,691	18,614	2,516
	4,711,491	4,752,647	4,025,144
Total operating Income	16,545,270	15,695,562	13,890,566
Operating expenses			
Salaries and staff benefits	3,675,613	2,922,345	2,954,695
Property expenses, including depreciation	795,825	815,132	641,113
Amortisation of intangible assets	5,255	5,841	5,249
Asset tax	1,694,450	-	1,592,386
Other operating expenses	3,514,393	3,108,454	3,481,961
	9,685,536	6,851,772	8,675,404
Profit before taxation	6,859,734	8,843,790	5,215,162
Taxation	(2,655,348)	(2,683,773)	(2,089,166)
Profit for the period	4,204,386	6,160,017	3,125,996
Attributable to:-			
Equityholders of the Company	4,204,386	6,160,017	3,125,996
Non-Controlling Interest	-	-	-
Earnings per share (cents)	135	198	100
Return on average equity (annualized)	11.63%	18.22%	10.09%
Return on assets (annualized)	2.27%	3.49%	1.88%
Productivity ratio	56.49%	40.40%	58.15%

Consolidated Statement of Comprehensive Income
Period ended January 31, 2025

	For the three months ended		
Unaudited ($ Thousands)	January 2025	October 2024	January 2024
Profit for the period	4,204,386	6,160,017	3,125,996
Other comprehensive income / (loss):			
Items that will not be reclassified to profit or loss:			
Remeasurement of defined benefit plan/obligations	13,155,004	642,852	(12,571,112)
Unrealised gains on equity securities	6,885	403,245	-
Taxation	(4,387,296)	(348,699)	4,190,371
	8,774,593	697,398	(8,380,741)
Items that may be subsequently reclassified to profit or loss:			
Unrealised gains on investment securities	605,096	1,591,440	1,079,858
Realised (gains) / losses on investment securities	(233)	(6,983)	121
Foreign currency translation	11,415	1,204	250
Finance income / (expense) from insurance contracts	250,877	(20,653)	815,235
Expected credit losses on investment securities	(7,607)	(69,990)	(5,861)
	859,548	1,495,018	1,889,603
Taxation	(228,233)	(446,867)	(530,405)
	631,315	1,048,151	1,359,198
Other comprehensive income / (loss), net of tax	9,405,908	1,745,549	(7,021,543)
Total comprehensive income / (loss) for the period	13,610,294	7,905,566	(3,895,547)

Consolidated Statement of Financial Position
January 31, 2025

Unaudited ($ Thousands)	January 31, 2025	October 31, 2024	January 31, 2024
ASSETS			
CASH RESOURCES, NET OF ALLOWANCES	177,592,955	160,751,881	202,085,263
FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS	1,040,334	954,838	2,569,374
INVESTMENT SECURITIES	186,294,634	184,472,698	139,641,466
PLEDGED ASSETS	4,873,821	3,399,080	5,356,716
LOANS, NET OF ALLOWANCES FOR CREDIT LOSSES	312,457,115	312,755,204	275,725,627
SEGREGATED FUND ASSETS	1,897,259	1,768,210	1,414,302
REINSURANCE CONTRACT ASSETS	657	701	1,336
INSURANCE CONTRACT ASSETS	3,566	20,488	15,827
OTHER ASSETS			
Property and equipment, including right of use assets	9,784,379	9,798,485	9,389,152
Deferred taxation	1,276,298	1,511,118	1,583,616
Taxation recoverable	4,616,144	4,697,196	4,039,069
Retirement benefit asset	33,973,204	20,190,737	17,912,082
Other assets	4,930,704	4,186,358	5,653,779
Intangible assets	504,457	509,711	525,416
	55,085,186	40,893,605	39,103,114
TOTAL ASSETS	**739,245,527**	**705,016,705**	**665,913,025**
LIABILITIES			
Deposits by the public	491,081,536	476,060,200	456,716,707
Amounts due to banks and other financial institutions	2,778,067	3,079,481	2,778,966
	493,859,603	479,139,681	459,495,673
OTHER LIABILITIES			
Deferred taxation	9,388,033	4,735,286	3,076,889
Retirement benefit obligation	4,379,377	4,024,363	3,738,373
Due to Customers and Clients	8,915,177	8,236,504	11,295,134
Other liabilities	20,101,772	18,475,324	16,299,581
	42,784,359	35,471,477	34,409,977
INSURANCE CONTRACT LIABILITIES	50,024,095	50,166,509	49,184,143
REINSURANCE CONTRACT LIABILITIES	557	1,251	1,027
SEGREGATED FUND LIABILITIES	1,897,259	1,768,210	1,414,302
STOCKHOLDERS' EQUITY			
Share capital	6,569,810	6,569,810	6,569,810
Reserve fund	3,249,976	3,249,976	3,249,976
Retained earnings reserve	57,891,770	51,891,770	51,891,770
Capital reserve	11,340	11,340	11,340
Loan loss reserve	333,074	314,649	278,784
Other reserves	9,964	9,964	9,964
Insurance finance reserve	(81,552)	(269,708)	88,006
Translation reserve	51,833	40,418	38,507
Cumulative remeasurement on investment securities	1,080,143	643,808	(2,033,948)
Unappropriated profits	81,563,296	76,007,550	61,303,694
	150,679,654	138,469,577	121,407,903
TOTAL EQUITY AND LIABILITIES	**739,245,527**	**705,016,705**	**665,913,025**

Director

Director

Consolidated Statement of Changes in Shareholders' Equity
as at January 31, 2025

Unaudited ($ Thousands)	Share Capital	Reserve Fund	Retained Earnings Reserve	Capital Reserves	Cumulative Remeasurement on Investment Securities	Loan Loss Reserve	Other Reserves	Insurance Finance Reserve	Translation Reserve	Unappropriated Profits	Total
Balance as at 31 October 2023	**6,569,810**	**3,249,976**	**49,891,770**	**11,340**	**(2,756,700)**	**269,386**	**9,964**	**(548,190)**	**38,257**	**69,812,474**	**126,548,087**
Net Profit	-	-	-	-	-	-	-	-	-	3,125,996	3,125,996
Other comprehensive income/ (loss)											
Re-measurement of defined benefit plan / obligations	-	-	-	-	-	-	-	-	-	(8,380,741)	(8,380,741)
Foreign Currency Translation	-	-	-	-	-	-	-	-	250	-	250
Unrealised gains on investment securities, net of taxes and provisions	-	-	-	-	722,591	-	-	-	-	-	722,591
Realised losses on investment securities, net of taxes	-	-	-	-	161	-	-	-	-	-	161
Finance income on insurance contracts	-	-	-	-	-	-	-	636,196	-	-	636,196
Total comprehensive loss	**-**	**-**	**-**	**-**	**722,752**	**-**	**-**	**636,196**	**250**	**(5,254,745)**	**(3,895,547)**
Transfers between reserves											
Transfer to Retained Earnings Reserve	-	-	2,000,000	-	-	-	-	-	-	(2,000,000)	-
Transfer to loan loss reserve	-	-	-	-	-	9,398	-	-	-	(9,398)	-
Dividends paid	-	-	-	-	-	-	-	-	-	(1,244,637)	(1,244,637)
Balance as at 31 January 2024	**6,569,810**	**3,249,976**	**51,891,770**	**11,340**	**(2,033,948)**	**278,784**	**9,964**	**88,006**	**38,507**	**61,303,694**	**121,407,903**
Balance as at 31 October 2024	**6,569,810**	**3,249,976**	**51,891,770**	**11,340**	**643,808**	**314,649**	**9,964**	**(269,708)**	**40,418**	**76,007,550**	**138,469,577**
Net Profit	-	-	-	-	-	-	-	-	-	4,204,386	4,204,386
Other comprehensive income											
Re-measurement of defined benefit plan / obligations	-	-	-	-	-	-	-	-	-	8,770,002	8,770,002
Foreign Currency Translation	-	-	-	-	-	-	-	-	11,415	-	11,415
Unrealised gains on investment securities, net of taxes and provisions	-	-	-	-	436,491	-	-	-	-	-	436,491
Realised gains on investment securities, net of taxes	-	-	-	-	(156)	-	-	-	-	-	(156)
Finance income on insurance contracts	-	-	-	-	-	-	-	188,156	-	-	188,156
Total comprehensive income	**-**	**-**	**-**	**-**	**436,335**	**-**	**-**	**188,156**	**11,415**	**12,974,388**	**13,610,294**
Transfers between reserves											
Transfer to Retained Earnings Reserve	-	-	6,000,000	-	-	-	-	-	-	(6,000,000)	-
Transfer to loan loss reserve	-	-	-	-	-	18,425	-	-	-	(18,425)	-
Dividends paid	-	-	-	-	-	-	-	-	-	(1,400,217)	(1,400,217)
Balance as at 31 January 2025	**6,569,810**	**3,249,976**	**57,891,770**	**11,340**	**1,080,143**	**333,074**	**9,964**	**(81,552)**	**51,833**	**81,563,296**	**150,679,654**

Condensed Statement of Consolidated Cash Flows
as at January 31, 2025

Unaudited ($ Thousands)	**January 2025**	**January 2024**
Cash flows provided by operating activities		
Profit for the period	4,204,386	3,125,996
Items not affecting cash:		
Expected credit losses	969,054	1,284,103
Depreciation and amortisation of right of use assets	289,502	262,991
Amortisation of intangible assets	5,255	5,249
Taxation	2,655,348	2,089,166
Net interest income	(12,220,266)	(11,105,064)
Gain on disposal of property	(130,562)	-
Increase in retirement benefit assets / obligations	(228,804)	(495,456)
	(4,456,087)	(4,833,015)
Changes in operating assets and liabilities		
Loans	(800,675)	(8,084,830)
Deposits	14,851,031	11,666,529
Insurance contracts	124,733	571,402
Due to customers and clients	678,673	733,734
Financial assets at fair value through profit and loss	(82,309)	326,050
Interest received	12,542,558	10,955,757
Interest paid	(320,627)	(316,715)
Taxation paid	(1,671,610)	(1,321,867)
Amounts with parent and fellow subsidiaries	(9,337,950)	(566,884)
Other	(1,211,338)	(4,517,457)
	10,316,399	4,612,704
Cash flows (used in) / provided by investing activities		
Purchase of investment securities	(13,869,457)	(5,830,145)
Proceeds from maturities / sales of investment securities	11,675,600	24,508,882
Purchase of property, equipment and intangibles	(303,223)	(151,351)
Proceeds on sale of property and equipment	161,225	-
	(2,335,855)	18,527,386
Cash flows used in financing activities		
Dividends paid	(1,400,217)	(1,244,637)
Lease payments on right of use asset	(47,082)	(45,848)
	(1,447,299)	(1,290,485)
Effect of exchange rate on cash and cash equivalents	(669,049)	547,669
Net change in cash and cash equivalents	5,864,196	22,397,274
Cash and cash equivalents at beginning of year	59,124,093	123,838,823
Cash and cash equivalents at the end of the period	**64,988,289**	**146,236,097**
Represented by :		
Cash resources, net of expected credit losses	177,592,955	202,085,263
Less statutory reserves at Bank of Jamaica	(46,062,446)	(43,179,811)
Less amounts due from other banks greater than ninety days	(61,909,862)	(9,031,341)
Expected credit losses on cash resources	47,311	45,381
Less accrued interest on cash resources	(1,122,799)	(373,992)
Cheques and other instruments in transit, net	(3,556,870)	(3,309,403)
Cash and cash equivalents at the end of the period	**64,988,289**	**146,236,097**

Segmental Financial Information

January 31, 2025

Unaudited ($ Thousands)	Banking							
	Treasury	Retail	Corporate and Commercial	Investment Management Services	Insurance Services	Other	Eliminations	Group
Net external revenues	3,722,780	6,855,891	4,243,429	766,637	1,519,555	38,473	-	17,146,765
Revenues from other segments	(2,318,848)	325,850	1,728,005	108,219	166,094	-	(9,320)	-
Total revenues	1,403,932	7,181,741	5,971,434	874,856	1,685,649	38,473	(9,320)	17,146,765
Expenses	(731,980)	(5,872,135)	(2,809,603)	(512,706)	(285,501)	(89,098)	13,992	(10,287,031)
Profit before tax	671,952	1,309,606	3,161,831	362,150	1,400,148	(50,625)	4,672	6,859,734
Taxation								(2,655,348)
Profit for the period								**4,204,386**
Segment assets	275,049,475	233,244,926	110,874,883	24,489,947	77,222,555	23,235,937	(46,046,728)	698,070,995
Unallocated assets								41,174,532
Total assets								**739,245,527**
Segment liabilities	-	271,404,483	254,426,623	12,419,932	52,634,028	238,297	(30,531,957)	560,591,406
Unallocated liabilities								27,974,467
Total liabilities								**588,565,873**
Other Segment items:								
Net interest income	988,794	5,885,539	3,774,368	198,284	1,260,840	107,425	5,016	12,220,266
Capital expenditure	-	230,081	73,142	-	-	-	-	303,223
Expected credit losses	6,410	554,089	38,139	469	2,388	-	-	601,495
Depreciation and amortisation	2,541	189,724	96,491	5,728	273	-	-	294,757

Segmental Financial Information

January 31, 2024

Unaudited ($ Thousands)	Banking: Treasury	Banking: Retail	Banking: Corporate and Commercial	Investment Management Services	Insurance Services	Other	Eliminations	Group
Net external revenues	3,767,976	5,356,409	3,881,969	754,439	1,010,714	147,499	-	14,919,006
Revenues from other segments	(2,880,144)	561,751	2,090,203	81,822	153,590	-	(7,222)	-
Total revenues	887,832	5,918,160	5,972,172	836,261	1,164,304	147,499	(7,222)	14,919,006
Expenses	(696,475)	(5,759,315)	(2,479,561)	(469,737)	(236,781)	(75,090)	13,115	(9,703,844)
Profit before tax	191,357	158,845	3,492,611	366,524	927,523	72,409	5,893	5,215,162
Taxation								(2,089,166)
Profit for the period								**3,125,996**
Segment assets	259,917,464	197,252,653	108,647,358	26,876,236	70,841,831	22,778,553	(45,280,529)	641,033,566
Unallocated assets								24,879,459
Total assets								**665,913,025**
Segment liabilities	-	250,185,408	238,914,237	15,954,500	50,953,789	182,400	(29,744,614)	526,445,720
Unallocated liabilities								18,059,402
Total liabilities								**544,505,122**
Other Segment items:								
Net interest income	296,572	5,145,459	4,071,972	203,408	1,254,009	127,402	6,242	11,105,064
Capital expenditure	-	114,425	36,657	269	-	-	-	151,351
Expected credit losses	2,125	998,701	21,322	8,600	(2,308)	-	-	1,028,440
Depreciation and amortisation	2,177	171,738	87,308	6,130	887	-	-	268,240

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
January 31, 2025

1. Identification

Scotia Group Jamaica Limited (the Company) is a 71.78% subsidiary of Scotiabank Caribbean Holdings Limited, which is incorporated and domiciled in Barbados. The Bank of Nova Scotia, which is incorporated and domiciled in Canada, is the ultimate parent.

The Company is the parent of The Bank of Nova Scotia Jamaica Limited (100%) and Scotia Investments Jamaica Limited (100%). All subsidiaries are incorporated in Jamaica, except for Scotia Asset Management (Barbados) Inc.

2. Significant accounting policies

(a) Basis of presentation

Statement of compliance

The condensed interim consolidated financial statements have been prepared in accordance with IAS 34, 'Interim financial reporting'. The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those applied in the preparation of the Group's annual audited consolidated financial statements for the year ended October 31, 2024, which was prepared in accordance with International Financial Reporting Standards (IFRS).

Functional and presentation currency

The condensed interim consolidated financial statements are presented in Jamaican dollars, which is the Group's functional currency. All financial information has been expressed in thousands of Jamaican dollars unless otherwise stated.

Basis of consolidation

The consolidated financial statements include the assets, liabilities, and results of operations of the Company and its subsidiaries presented as a single economic entity. Intra-group transactions, balances, and unrealized gains and losses are eliminated in preparing the consolidated financial statements.

3. Critical accounting estimates and judgements

The preparation of financial statements, in conformity with IFRS requires management to make estimates, apply judgements and make assumptions that affect the reported amount of and disclosures relating to assets, liabilities, income and expenses at the date of the condensed interim consolidated financial statements. Estimates and judgements are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances, and are continually evaluated.

4. Financial Assets

Financial assets include both debt and equity instruments.

Classification and measurement

Debt instruments

Debt instruments, including loans and debt securities, are classified into one of the following measurement categories:

- Amortized cost;
- Fair value through other comprehensive income (FVOCI); or
- Fair value through profit or loss (FVTPL).

Classification of debt instruments is determined based on the business model under which the asset is held and the contractual cash flow characteristics of the instrument.

Equity instruments

Equity instruments are measured at FVTPL, unless an election is made to designate them at FVOCI upon purchase.

Allowance for expected credit losses

The group applies a three-stage approach to measure allowance for credit losses, using an expected credit loss approach as required under IFRS 9. Financial assets migrate through three stages based on the change in credit risk since initial recognition.

The Group's allowance for credit loss calculations are outputs of models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. This impairment model uses a three-stage approach based on the extent of credit deterioration since origination:

Stage 1 – Where there has not been a significant increase in credit risk (SIR) since initial recognition of a financial instrument, an amount equal to 12 months expected credit loss is recorded. The expected credit loss is computed using a probability of default occurring over the next 12 months.

Stage 2 – When a financial instrument experiences a SIR subsequent to origination but is not considered to be in default, it is included in Stage 2. This requires the computation of expected credit loss based on the probability of default over the remaining estimated life of the financial instrument.

Stage 3 – Financial instruments that are considered to be in default are included in this stage. Similar to Stage 2, the allowance for credit losses captures the lifetime expected credit losses.

5. Pledged Assets

Assets are pledged to other financial institutions, regulators, and the clearing house as collateral under repurchase agreements with counterparties.

($ Millions)	2025	2024
Securities with regulators, clearing houses and other financial institutions	4,874	5,357
	4,874	**5,357**

6. Insurance and investment contracts

Insurance contracts are those contracts that transfer significant insurance risks. Such contracts may also transfer financial risk. As a general guideline, the Group defines as significant insurance risk, the possibility of having to pay benefits at the occurrence of an insured event that is at least 10% more than the benefits payable if the insured event did not occur.

7. Property and equipment including right of use assets

All property, plant and equipment are stated at cost less accumulated depreciation.

The Group recognizes a right of use asset and a lease liability at the commencement of the lease. The right of use asset is initially measured based on the present value of the lease payments.

8. Cash and cash equivalents

For the purpose of the cash flow statement, cash and cash equivalents include notes and coins on hand, unrestricted balances held with Bank of Jamaica, amounts due from other banks, and highly liquid financial assets with original maturities of less than ninety days, which are readily convertible to known amounts of cash, and are subject to insignificant risk of changes in their fair value.

9. Employee benefits

The Group operates both defined benefit and defined contribution pension plans. The assets of the plans are held in separate trustee-administered funds. The pension plans are funded by contributions from employees and by the relevant group companies, taking into account the recommendations of qualified actuaries.

(i) Defined Benefit Plan

The asset or liability in respect of the defined benefit plan is the difference between the present value of the defined benefit obligation at the reporting date and the fair value of plan assets.

Where a pension asset arises, the amount recognized is limited to the present value of any economic benefits available in the form of refunds from the plan or reduction in future contributions to the plan. The pension costs are assessed using the Projected Unit Credit Method.

9. **Employee benefits (continued)**

(i) **Defined Benefit Plan (continued)**

Under this method, the cost of providing pensions is charged as an expense in such a manner as to spread the regular cost over the service lives of the employees in accordance with the advice of the actuaries, who carry out a full valuation of the plan every year in accordance with IAS 19. Re-measurements comprising actuarial gains and losses, return on plan assets and changes in the effect of the asset ceiling are reported in other comprehensive income. The pension obligation is measured as the present value of the estimated future benefits of employees, in return for service in the current and prior periods, using estimated discount rates based on market yields on Government securities which have terms to maturity approximating the terms of the related liability.

(ii) Other post-retirement obligations

The Group also provides supplementary health care and insurance benefits to qualifying employees upon retirement. The entitlement to these benefits is usually based on the completion of a minimum service period and the employee remaining in service up to retirement age. The expected costs of these benefits are accrued over the period of employment, using an accounting methodology similar to that for defined benefit pension plans. These obligations are valued annually by qualified independent actuaries.

(iii) Defined contribution plan

Contributions to this plan are charged to the statement of revenue and expenses in the period to which they relate.

10. **Segment reporting**

The Group is organized into six main business segments:

- Retail Banking – this incorporates personal banking services, personal deposit accounts, credit and debit cards, client loans and mortgages;
- Corporate and Commercial Banking – this incorporates non-personal direct debit facilities, current accounts, deposits, overdrafts, loans and other credit facilities;
- Treasury – this incorporates the Group's liquidity and investment management function, management of correspondent bank relationships, as well as foreign currency trading activities;
- Investment Management Services – this incorporates investments, unit trusts, pension and other fund management, brokerage and advisory services, and the administration of trust accounts.
- Insurance Services – this incorporates the provision of life and medical insurance, individual pension administration and annuities;
- Other operations of the Group comprise the parent company.

Segment assets and liabilities comprise operating assets and liabilities, being the majority of items on the statement of financial position, but exclude items such as taxation, retirement benefits asset and obligation and borrowings. Eliminations comprise intercompany transactions and balances. The Group's operations are located mainly in Jamaica. The operations of subsidiaries located overseas represent less than 10% of the Group's operating revenues and assets.