MEDIA RELEASE

June 6, 2024

SCOTIA GROUP JAMAICA REPORTS SECOND QUARTER OF FISCAL 2024 RESULTS

Scotia Group reports net income of $8.54 billion for the six months ended April 30, 2024, representing an increase of $1.1 billion or 14.0% over the comparative prior period. Net income for the quarter of $5.4 billion reflected an increase of $2.3 billion over the previous quarter. In furtherance of our objective to return value to our shareholders, the Board of Directors has approved a dividend of 40 cents per stock unit in respect of the second quarter, which is payable on July 18, 2024, to stockholders on record as at June 26, 2024 (Q2 2023 – 35 cents). The Group's performance continues to be anchored by solid growth across our business lines, prudent risk management and efficient management of our operations.

Our asset base grew by $46.2 billion or 7.3% to $676.5 billion as at April 2024 and was underpinned by the excellent performance of our loan portfolio. Deposits from our clients increased by $26.9 billion or 6.1% to $464.4 billion, signaling our clients' continued confidence in the strength and safety of the Scotia Group.

President and CEO of the Scotia Group, Audrey Tugwell Henry, commenting on the Group's performance said, "We are very proud to have delivered another strong quarter to our stakeholders. There has been strong growth across all business lines which is a testament to the health of our business and the effectiveness of the execution of our strategy. We remain focused on supporting our clients and cultivating a winning team culture which we believe is key to continued growth and success.

We were very proud to have been bestowed with the coveted Best Bank award from the prestigious Global Finance Magazine for 2024 as well as the Best International Private Bank award. These achievements give credence to our position as the preferred financial institution for Jamaicans.

Business Performance

Total loans increased by $35 billion or 14% over the prior year period indicating strong demand for our products and services. Our commercial solutions are best-in-class and we continue to see increased interest from our business clients as evidenced by the 8% growth in our portfolio when compared to the prior period. The retail business also performed well with a 13% increase in Scotia Plan Loans and another stellar performance in our mortgage portfolio which grew by 24% compared to 2023. We have also noted commensurate improvements in client feedback across the Group as we continue to enhance our service levels.

Scotia Investments made a solid contribution to the overall performance of the Group with Assets Under Management increasing by 10% year over year. Our funds have also performed very well with our Scotia Premium JMD Fixed Income Fund and our Scotia Premium USD-Indexed Fund ranking first among their peers for the quarter. We will continue to engage our clients on the opportunities in the investment landscape.

Scotia Insurance, our life insurance business, continues to distinguish itself in the market by offering a strong value proposition to clients. As at the end of the quarter, gross written premiums increased by 7% year over year and the number of policies sold grew by a strong 24% when compared to the prior period. Our general insurance agency, Scotia Protect, has demonstrated steady performance since its formal launch last year. There has been significant growth in digital sales via our online platform where clients can receive a quote and purchase home and motor insurance from the comfort of their homes. The team has focused their efforts on increasing client awareness about the company's various products and has been very efficient in targeting the Bank's existing clients. The results have been extremely positive with sales increasing by 185% and annualized gross written premiums by 205% over the prior year comparative period.

In furtherance of our objective of making it easier for our clients to do business with us, we recently opened a new Private Banking location in Montego Bay to provide clients on the western side of the Island – with complex financial needs, more convenient access to our advisors.

We completed full migration of our clients from the previous online platform to our newly upgraded native online banking platform. This upgrade now allows clients to seamlessly conduct their online banking transactions as well as to share feedback directly with us via our mobile or online platforms.

As part of our Winning Team strategy, we took another step towards creating optimal work-life balance by enhancing our parental leave policy. In February, we increased maternity leave from 14 to 16 weeks while paternity leave was increased from 4 to 8 weeks. We are very proud to be a leader in this area and to support our team members and their families.

Environment, Social and Governance (ESG)

During the quarter, we executed new initiatives to support our ESG goals. In March, in commemoration of International Women's Day, the Group hosted a breakfast for female students from underserved communities to advise and inspire them to maximize their potential. Keynote speaker for the event was Dr. Kasan Troupe from the Ministry of Education and Youth.

Our proprietary women's business development programme, the Scotia Women's Initiative (SWI) is fulfilling its mandate by assisting women-led and owned businesses to thrive. Since inception, the SWI has deployed approximately $2 billion in capital to assist women to scale and reinvest in their businesses. We are proud to be making a real difference in this area as we believe that supporting women in business indirectly supports the development of the wider economy.

We continue to execute on global initiatives to support efforts to address the risks related to climate change. In April the Bank also announced a call for entries to our global Net Zero Research Fund which supports the efforts of registered charities and non-profit organisations leading decarbonization initiatives.

Additionally, in support of our efforts to protect the environment, in April, we joined forces with the GK Foundation for the Great Mangrove Clean-up. Over 200 Scotiabank volunteers collected in excess of 3,200 lbs of garbage from Sirgany beach in Kingston.

Scotia volunteers clearing debris from Sirgany Beach on Earth Day

Acknowledgements

We look forward to the second half of our fiscal year with optimism as we continue to deliver real value to our clients and support them in attaining their financial goals.

I sincerely thank our outstanding team of Scotiabankers for continuing to deliver the best to our clients. I also thank our dedicated Board of Directors for their guidance and our shareholders for the support and trust they have placed in us. Thank you as well to our clients who have chosen Scotia Group to be their financial partner – *for every future*."

GROUP FINANCIAL PERFORMANCE

TOTAL REVENUES

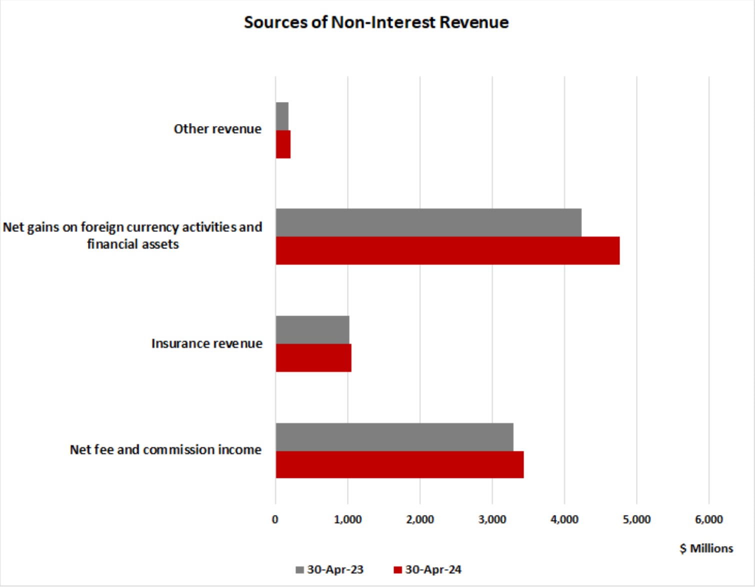
Total revenues excluding expected credit losses for the six months ended April 30, 2024, grew by $3.5 billion to $30.5 billion reflecting an increase of 13.0% over the prior year period. This was primarily driven by an increase in net interest income of $3.5 billion stemming from the strong growth in our loan portfolio, higher gains on foreign currency activities as well as higher fee and commission income.

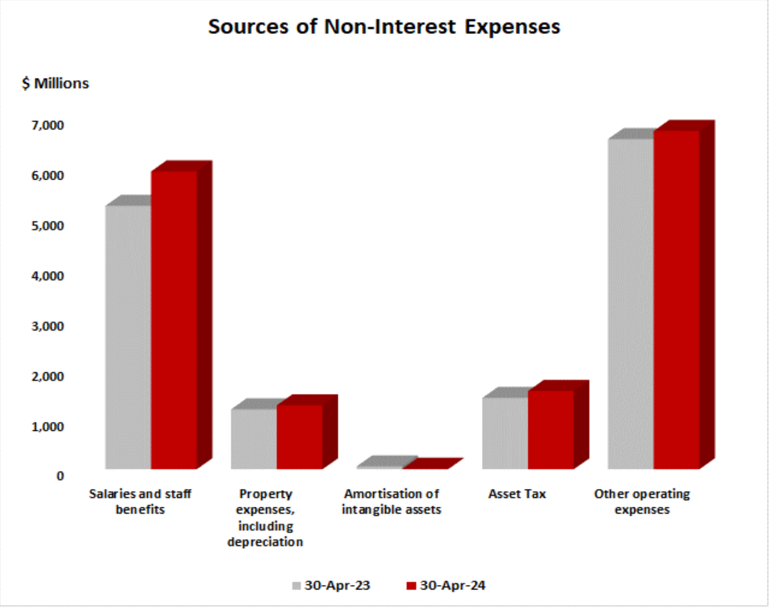
OTHER REVENUE

Other income, defined as all revenue other than interest income, increased by $736.6 Million or 8.4%.

- Net insurance revenue increased by $24.2 million or 2.3% driven by higher contractual service margin releases and higher revenue generated from our Creditor Life portfolio given an increase in transaction volumes stemming from further deepening of our client relationships.

- Net fee and commission income for the period amounted to $3.4 billion and showed an increase of $150.2 million or 4.6% given an increase in customer activities and transaction volumes.





OPERATING EXPENSES

Operating expenses continue to be anchored by the Group's expense management initiatives and totaled $15.5 billion as at April 2024 reflecting an increase of $1.0 billion or 7.1% driven by higher asset taxes associated with the year over year growth in the asset base, higher billings associated with deposit processing arising from an increase in transaction volumes and annual inflationary increases.

CREDIT QUALITY

The Group's credit quality remains strong and we are well provisioned for both our performing and non-performing loans, ensuring adequate coverage for possible future non-performing loans.

Non-accrual loans (NALs) as at April 2024 totaled $4.7 billion compared to $4.2 billion as at April 2023. The Group's NALs represent 1.6% of gross loans when compared to April 2023 (1.7%) and 0.7% of total assets (April 2023 – 0.7%). Of note, the Group's NALs as a percentage of gross loans continue to be below the industry average. The Group's accumulated credit loss provisions (ACLs) for loans as at April 2024 was $6.1 billion, representing 130.7% coverage of total non-performing loans.

GROUP FINANCIAL CONDITION

ASSETS

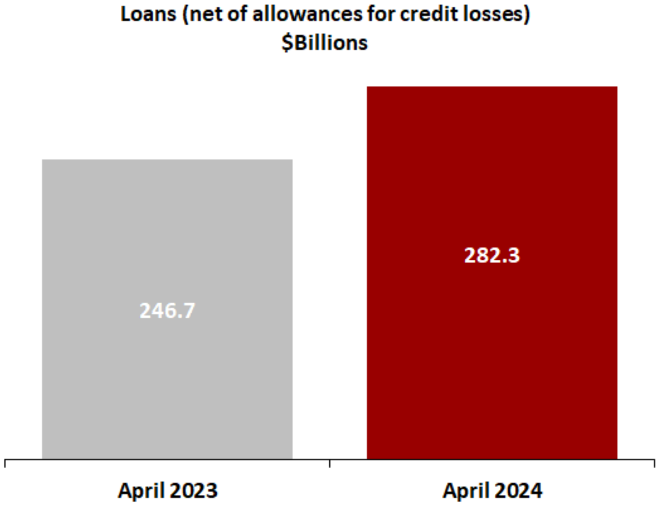
The Group's asset base grew by $46.2 billion or 7.3% to $676.5 billion as at April 2024. This was predominantly as a result of the significant growth in our loan portfolio of $35.5 billion or 14.4%; higher cash resources of $7.9 billion or 4.4%; higher carrying value of the retirement benefit asset of $5.1 billion or 34.4%; and higher investment securities of $4.9 billion or 3.2%. This was partially offset by a reduction in pledged assets of $9.9 billion or 73.6%.

Cash Resources

Our cash resources held to meet statutory reserves and the Group's prudential liquidity targets stood at $188.1 billion and reflected a year over year increase of $7.9 billion or 4.4%. The increase noted was primarily attributable to the growth in our core deposits. 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 $35.5 billion or 14.4% compared to April 2023, with loans net of allowances for credit losses increasing to $282.3 billion. Our core loan book continues to perform well with mortgages increasing year over year by 24%, consumer loans by 13%, credit cards by 15% and commercial loans by 8%.

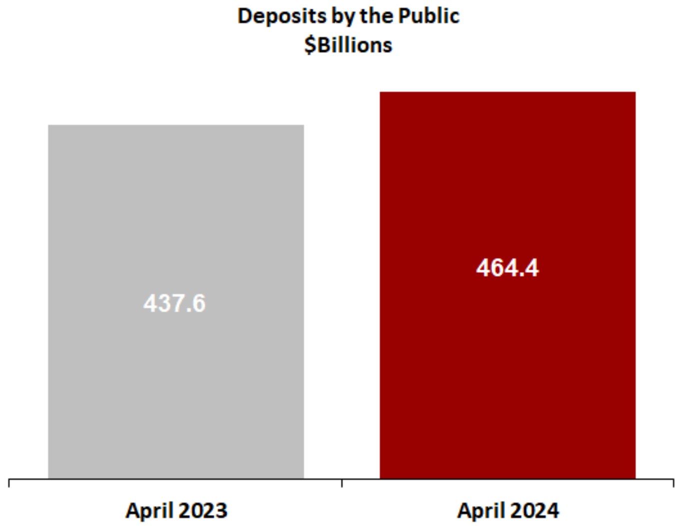


LIABILITIES

Total liabilities were $549.7 billion as at April 2024 and showed an increase of $27.6 billion or 5.3%. The increase noted was driven mainly by the growth in client deposits.

Deposits

Deposits by the public increased to $464.4 billion. The $26.9 billion or 6.1% 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 April 2024 our asset management portfolios showed an increase of $18.7 billion or 10.2% and was attributable to the growth in the net asset value of the Scotia Premium Short Term Income Funds (JMD & USD), the Scotia Premium Fixed Income Fund and the Scotia Premium Money Market Fund as well as higher institutional assets under management.

Insurance Contract Liabilities/Segregated Funds

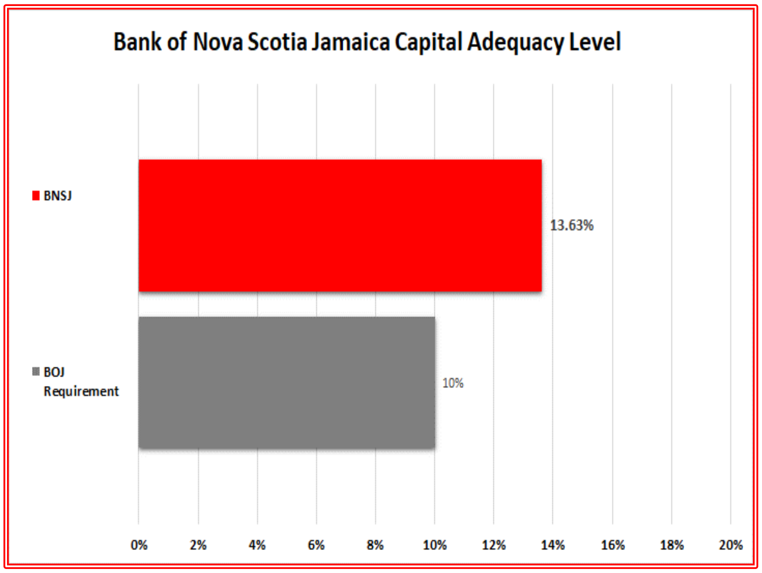
Insurance contract liabilities primarily relates to our flagship product ScotiaMint with a balance of $49.8 billion as at April 2024 and reflected a year over year increase of $1.2 billion or 2.4%. Our segregated fund balance primarily relates to our Scotia Affirm product which continues to perform well, growing by $346.2 million or 30.4% year over year. The increase noted was attributable to improved market performance. In addition, we continue to advise Jamaicans of the importance of having insurance protection as part of their overall financial plan.

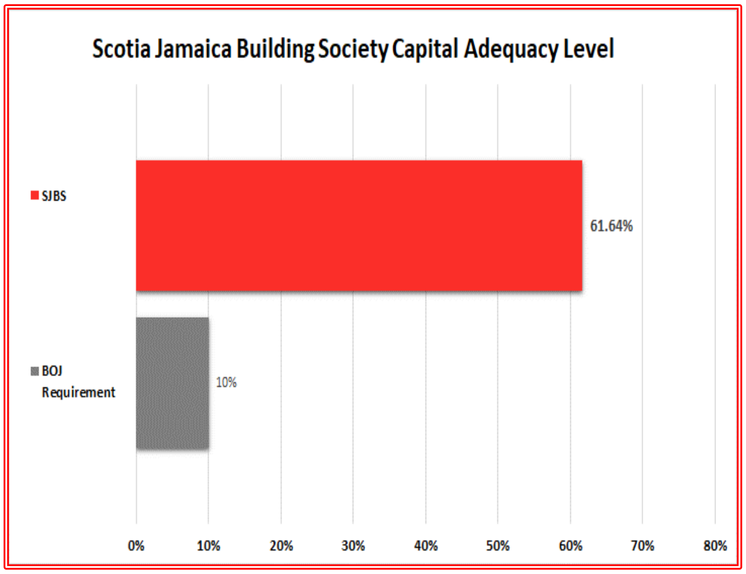
CAPITAL

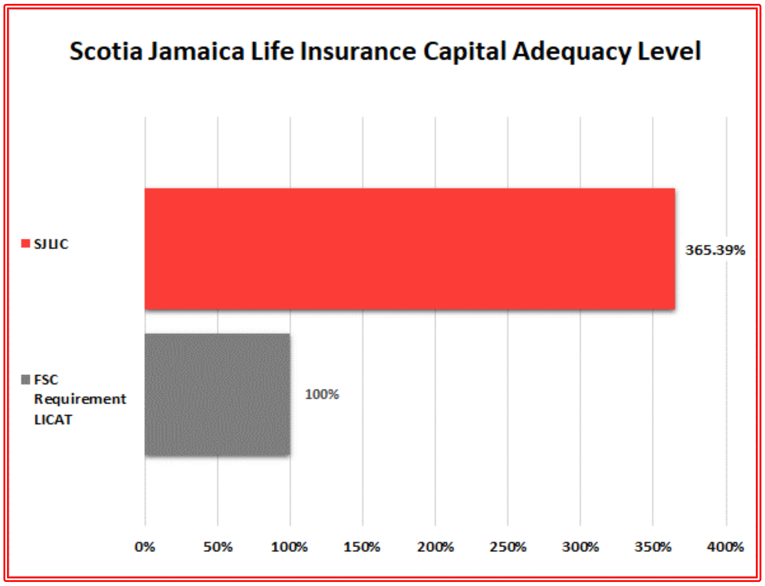
Shareholders’ equity available to common shareholders totaled $126.8 billion and reflected an increase of $18.7 billion or 17.3% when compared to April 2023. This was due primarily to the re-measurement of the defined benefit pension plan asset, lower fair value losses on the investment portfolio, movement in the insurance finance reserve and internally generated profits partially offset by dividends paid.

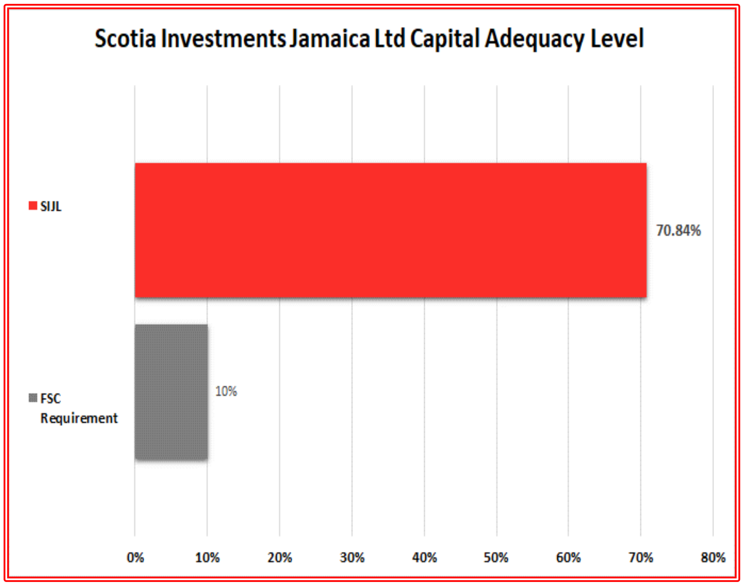
We continue to exceed regulatory capital requirements in all our business lines, and our strong capital position also enables us to manage increased capital adequacy requirements in the future and take advantage of growth opportunities.

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









SOCIAL IMPACT

Participants of the Scotiabank International Women's Day Empower Her forum mimic the symbol for IWD 2024 celebration.

In March in an effort to "invest in women", Scotiabank hosted 50 high school girls from within the corporate area at a breakfast seminar hosted at our corporate headquarters aimed at providing motivation and inspiration to the attendees. Among the 50, was 14-year-old Jada Wright, the youngest student in history to be accepted to the University of Technology.

The day's panel consisted of Scotia Group President & CEO Audrey Tugwell Henry, Permanent Secretary in the Ministry of Education, Youth and Information, Dr. Kasan Troupe and Founder of Dress for Success Jamaica, Charmaine Lewis. Discussions surrounded the importance of investing in women and girls and reminders to the young ladies to never accept limitations. The educators and students all expressed gratitude to Scotiabank for the invaluable and empowering experience.

Scotiabank's excited volunteers coming together for a quick photo mid-cleanup.

In the second quarter of FY 2024, Scotiabank Group, through the Scotiabank Jamaica Foundation (Scotia Foundation), enlisted its staff volunteers for the 2024 Earth Day Beach and Mangrove Clean-Up at the Sirgany Beach. This initiative was conducted in partnership with the Grace Kennedy Foundation in efforts to rid the wider Kingston Harbour area of plastics and other pollutants.

Over 200 volunteers, inclusive of Scotiabank employees and their friends and family participated and made a noticeable difference by cleaning up the majority of the legacy waste on the beach. The team managed to successfully clear approximately 3,250 pounds of garbage from the location. This number serves as an indication of Scotiabank's effort and determination to protect our coastal ecosystems.

Scotiabank®

Consolidated Statement of Revenue and Expenses
Period ended April 30, 2024

	For the three months ended			For the period ended	
Unaudited ($ Thousands)	April 2024	Restated January 2024	Restated April 2023	April 2024	Restated April 2023
Interest income	11,708,432	11,604,023	9,932,185	23,312,455	19,367,052
Interest expense	(459,007)	(498,959)	(369,450)	(957,966)	(500,005)
Net interest income	11,249,425	11,105,064	9,562,735	22,354,489	18,867,047
Expected credit losses	(1,005,590)	(1,028,440)	(665,080)	(2,034,030)	(1,175,094)
Net interest income after expected credit losses	10,243,835	10,076,624	8,897,655	20,320,459	17,691,953
Finance expenses from insurance contracts	(587,154)	(735,209)	(424,335)	(1,322,363)	(612,566)
Finance (expenses) / income from reinsurance contracts	(9)	49	(15)	40	(32)
Total insurance finance expenses	(587,163)	(735,160)	(424,350)	(1,322,323)	(612,598)
Insurance revenue	825,891	831,665	573,451	1,657,556	1,234,102
Insurance service expenses	(295,413)	(307,828)	(80,815)	(603,241)	(203,999)
Net (expenses) / income from reinsurance contracts	(180)	121	-	(59)	-
Net insurance revenue	530,298	523,958	492,636	1,054,256	1,030,103
Net fee and commission income	1,873,939	1,566,730	1,625,641	3,440,669	3,290,465
Net gains on foreign currency activities	2,233,995	2,325,713	1,944,911	4,559,708	4,015,021
Net gains on financial assets	72,306	130,185	33,435	202,491	223,210
Other revenue	213,861	2,516	9,345	216,377	178,128
	4,394,101	4,025,144	3,613,332	8,419,245	7,706,824
Total operating Income	14,581,071	13,890,566	12,579,273	28,471,637	25,816,282
Operating Expenses					
Salaries and staff benefits	2,956,103	2,954,695	2,630,514	5,910,798	5,226,430
Property expenses, including depreciation	628,122	641,113	622,867	1,269,235	1,187,778
Amortisation of intangible assets	5,207	5,249	27,361	10,456	55,715
Asset tax	(39,699)	1,592,386	1,909	1,552,687	1,414,596
Other operating expenses	3,231,867	3,481,961	3,284,123	6,713,828	6,550,668
	6,781,600	8,675,404	6,566,774	15,457,004	14,435,187
Profit before taxation	7,799,471	5,215,162	6,012,499	13,014,633	11,381,095
Taxation	(2,384,329)	(2,089,166)	(1,890,060)	(4,473,495)	(3,890,358)
Profit for the period	5,415,142	3,125,996	4,122,439	8,541,138	7,490,737
Attributable to:-					
Equityholders of the Company	5,415,142	3,125,996	4,122,439	8,541,138	7,490,737
Earnings per share (cents)	174	100	132	274	241
Return on average equity (annualized)	17.45%	10.09%	15.54%	13.67%	14.11%
Return on assets (annualized)	3.20%	1.88%	2.62%	2.53%	2.38%
Productivity ratio	43.51%	58.15%	49.58%	50.67%	53.48%

Consolidated Statement of Comprehensive Income
Period ended April 30, 2024

	For the three months ended			For the period ended	
Unaudited ($ Thousands)	April 2024	Restated January 2024	Restated April 2023	April 2024	Restated April 2023
Profit for the period	5,415,142	3,125,996	4,122,439	8,541,138	7,490,737
Other comprehensive income / (loss):					
Items that will not be reclassified to profit or loss:					
Remeasurement of defined benefit plan/obligations	1,517,509	(12,571,112)	186,752	(11,053,603)	(9,273,867)
Taxation	(505,837)	4,190,371	(62,251)	3,684,534	3,091,289
	1,011,672	(8,380,741)	124,501	(7,369,069)	(6,182,578)
Items that may be subsequently reclassified to profit or loss:					
Unrealised gains on investment securities	694,533	1,079,858	954,380	1,774,391	2,590,478
Realised (gains) / losses on investment securities	(5,528)	121	7,027	(5,407)	8,893
Foreign currency translation	331	250	(707)	581	287
Finance (expenses) / income from insurance contracts	(290,138)	815,235	(189,170)	525,097	550,341
Expected credit losses on investment securities	11,975	(5,861)	35,211	6,114	170,552
	411,173	1,889,603	806,741	2,300,776	3,320,551
Taxation	(182,994)	(530,405)	(261,155)	(713,399)	(993,621)
	228,179	1,359,198	545,586	1,587,377	2,326,930
Other comprehensive income / (loss), net of tax	1,239,851	(7,021,543)	670,087	(5,781,692)	(3,855,648)
Total comprehensive income /(loss) for the period	6,654,993	(3,895,547)	4,792,526	2,759,446	3,635,089

Consolidated Statement of Financial Position
April 30, 2024

Unaudited	April 30, 2024	October 31, 2023	Restated April 30, 2023
($ Thousands)			
ASSETS			
CASH RESOURCES, NET OF ALLOWANCES	188,094,312	178,614,196	180,175,184
FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS	2,832,305	2,841,833	2,521,862
INVESTMENT SECURITIES	156,497,110	158,755,546	151,634,799
PLEDGED ASSETS	3,565,367	3,521,127	13,482,777
GOVERNMENT SECURITIES PURCHASED UNDER RESALE AGREEMENTS	-	330,075	-
LOANS, NET OF ALLOWANCES FOR CREDIT LOSSES	282,280,828	268,829,718	246,732,978
SEGREGATED FUND ASSETS	1,486,655	1,290,656	1,140,406
REINSURANCE CONTRACT ASSETS	1,336	1,356	1,096
INSURANCE CONTRACT ASSETS	17,460	14,469	15,087
OTHER ASSETS			
Property and equipment, including right of use assets	9,407,285	9,527,847	9,434,816
Deferred taxation	1,659,280	1,890,023	1,907,485
Taxation recoverable	4,350,859	3,098,152	3,579,211
Retirement benefit asset	20,085,113	31,094,511	14,947,298
Other assets	5,710,568	4,396,788	4,193,409
Intangible assets	520,209	530,665	499,823
	41,733,314	50,537,986	34,562,042
TOTAL ASSETS	**676,508,687**	**664,736,962**	**630,266,231**
LIABILITIES			
Deposits by the public	464,414,648	444,875,527	437,552,259
Amounts due to banks and other financial institutions	2,806,457	4,487,011	2,336,320
	467,221,105	449,362,538	439,888,579
OTHER LIABILITIES			
Capital management and government securities funds	-	-	11,115,059
Deferred taxation	3,855,458	6,839,089	1,191,273
Retirement benefit obligation	3,858,364	4,879,478	4,485,706
Due to clients	8,518,526	10,561,400	2,353,859
Other liabilities	14,959,171	15,803,277	13,330,111
	31,191,519	38,083,244	32,476,008
INSURANCE CONTRACT LIABILITIES	49,790,080	49,450,309	48,628,125
REINSURANCE CONTRACT LIABILITIES	1,070	2,128	2,155
SEGREGATED FUND ASSETS	1,486,655	1,290,656	1,140,406
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	51,891,770	49,891,770	46,891,770
Capital reserve	11,340	11,340	11,340
Loan loss reserve	247,576	269,386	444,749
Other reserves	9,964	9,964	9,964
Insurance finance reserve	(154,368)	(548,190)	(787,948)
Translation reserve	38,838	38,257	35,222
Cumulative remeasurement on investment securities	(1,563,726)	(2,756,700)	(3,517,781)
Unappropriated profits	66,517,078	69,812,474	55,223,856
	126,818,258	126,548,087	108,130,958
TOTAL EQUITY AND LIABILITIES	**676,508,687**	**664,736,962**	**630,266,231**

Director

Director

Consolidated Statement of Changes in Shareholders' Equity
as at April 30, 2024

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 2022	**6,569,810**	**3,249,976**	**45,891,770**	**11,340**	**(5,431,669)**	**361,367**	**9,964**	**(1,200,703)**	**34,935**	**56,866,035**	**106,362,825**
Net Profit	-	-	-	-	-	-	-	-	-	7,490,737	7,490,737
Other comprehensive income/ (loss)											
Re-measurement of defined benefit plan / obligations	-	-	-	-	-	-	-	-	-	(6,182,578)	(6,182,578)
Foreign Currency Translation	-	-	-	-	-	-	-	-	287	-	287
Unrealised gains on investment securities, net of taxes and provisions	-	-	-	-	1,907,959	-	-	-	-	-	1,907,959
Realised losses on investment securities, net of taxes	-	-	-	-	5,929	-	-	-	-	-	5,929
Finance income on insurance contracts	-	-	-	-	-	-	-	412,755	-	-	412,755
Total comprehensive income	**-**	**-**	**-**	**-**	**1,913,888**	**-**	**-**	**412,755**	**287**	**1,308,159**	**3,635,089**
Transfers between reserves											
Transfer to Retained Earnings Reserve	-	-	1,000,000	-	-	-	-		-	(1,000,000)	-
Transfer to loan loss reserve	-	-	-	-	-	83,382	-	-	-	(83,382)	-
Dividends paid	-	-	-	-	-	-	-	-	-	(1,866,956)	(1,866,956)
Balance as at 30 April 2023, as restated	**6,569,810**	**3,249,976**	**46,891,770**	**11,340**	**(3,517,781)**	**444,749**	**9,964**	**(787,948)**	**35,222**	**55,223,856**	**108,130,958**
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	-	-	-	-	-	-	-	-	-	8,541,138	8,541,138
Other comprehensive income/ (loss)											
Re-measurement of defined benefit plan / obligations	-	-	-	-	-	-	-	-	-	(7,369,069)	(7,369,069)
Foreign Currency Translation	-	-	-	-	-	-	-	-	581	-	581
Unrealised gains on investment securities, net of taxes and provisions	-	-	-	-	1,198,115	-	-	-	-	-	1,198,115
Realised gains on investment securities, net of taxes	-	-	-	-	(5,141)	-	-	-	-	-	(5,141)
Finance income on insurance contracts	-	-	-	-	-	-	-	393,822	-	-	393,822
Total comprehensive income	**-**	**-**	**-**	**-**	**1,192,974**	**-**	**-**	**393,822**	**581**	**1,172,069**	**2,759,446**
Transfers between reserves											
Transfer to retained earnings reserve	-	-	2,000,000	-	-	-	-		-	(2,000,000)	-
Transfer from loan loss reserve	-	-	-	-	-	(21,810)	-		-	21,810	-
Dividends paid	-	-	-	-	-	-	-		-	(2,489,275)	(2,489,275)
Balance as at 30 April 2024	**6,569,810**	**3,249,976**	**51,891,770**	**11,340**	**(1,563,726)**	**247,576**	**9,964**	**(154,368)**	**38,838**	**66,517,078**	**126,818,258**

Scotiabank®

Condensed Statement of Consolidated Cash Flows
as at April 30, 2024

Unaudited ($ Thousands)	2024	Restated 2023
Cash flows provided by operating activities		
Profit for the period	8,541,138	7,490,737
Items not affecting cash:		
Expected credit losses	2,436,475	1,728,890
Depreciation and amortisation of right of use assets	505,741	495,168
Amortisation of intangible assets	10,456	55,715
Taxation	4,473,495	3,890,358
Net interest income	(22,354,489)	(18,867,047)
Gain on disposal of property	(211,986)	(159,873)
Increase in retirement benefit assets / obligations	(990,913)	(658,570)
	(7,590,083)	(6,024,622)
Changes in operating assets and liabilities		
Loans	(15,683,726)	(13,621,355)
Deposits	19,526,808	37,358,338
Insurance contracts	860,838	(110,872)
Due to customers and clients	(2,042,874)	1,403,253
Financial assets at fair value through profit and loss	5,542	529,734
Interest received	22,720,641	18,903,577
Interest paid	(930,099)	(480,338)
Taxation paid	(4,535,913)	(4,575,099)
Amounts with parent and fellow subsidiaries	(957,602)	(406,059)
Other	(5,631,998)	(7,743,211)
	5,741,534	25,233,346
Cash flows provided by investing activities		
Purchase of investment securities	(31,463,799)	(68,184,090)
Proceeds from maturities / sales of investment securities	35,626,811	73,815,309
Purchase of property, equipment and intangibles	(462,539)	(581,800)
Proceeds on sale of property and equipment	296,634	189,593
	3,997,107	5,239,012
Cash flows used in financing activities		
Dividends paid	(2,489,275)	(1,866,956)
Lease payments on right of use asset	(92,291)	(88,329)
	(2,581,566)	(1,955,285)
Effect of exchange rate on cash and cash equivalents	660,056	243,983
Net change in cash and cash equivalents	7,817,131	28,761,056
Cash and cash equivalents at beginning of year	123,838,823	102,861,158
Cash and cash equivalents at end of period	**131,655,954**	**131,622,214**
Represented by :		
Cash resources, net of expected credit losses	188,094,312	180,175,184
Less statutory reserves at Bank of Jamaica	(43,832,171)	(39,371,332)
Less amounts due from other banks greater than ninety days	(9,309,672)	(8,638,910)
Expected credit losses on cash resources	42,507	43,831
Less accrued interest on cash resources	(459,904)	(363,868)
Pledged assets, investment securities and repurchase agreements assets less than ninety da	-	3,251,178
Cheques and other instruments in transit, net	(2,879,118)	(3,473,869)
Cash and cash equivalents at the end of the period	**131,655,954**	**131,622,214**

Segmental Financial Information
April 30, 2024

Unaudited ($ Thousands)	Banking: Treasury	Banking: Retail	Banking: Corporate and Commercial	Investment Management Services	Insurance Services	Other	Eliminations	Group
Net external revenues	7,678,319	11,058,816	7,878,560	1,505,091	2,084,349	300,532	-	30,505,667
Revenues from other segments	(5,764,086)	1,091,011	4,203,981	186,083	298,289	-	(15,278)	-
Total revenues	1,914,233	12,149,827	12,082,541	1,691,174	2,382,638	300,532	(15,278)	30,505,667
Expenses	(784,170)	(10,531,517)	(4,903,244)	(911,401)	(334,182)	(53,317)	26,797	(17,491,034)
Profit before tax	1,130,063	1,618,310	7,179,297	779,773	2,048,456	247,215	11,519	13,014,633
Taxation								(4,473,495)
Profit for the period								**8,541,138**
Segment assets	263,421,774	205,419,870	105,931,356	24,572,092	71,962,732	22,904,257	(45,036,835)	649,175,246
Unallocated assets								27,333,441
Total assets								**676,508,687**
Segment liabilities	-	255,684,468	240,307,463	13,335,793	51,492,073	141,786	(29,506,544)	531,455,039
Unallocated liabilities								18,235,390
Total liabilities								**549,690,429**
Other Segment items:								
Net interest income	756,431	10,483,543	7,994,968	420,421	2,433,608	253,320	12,198	22,354,489
Capital expenditure	-	291,593	170,438	269	239	-	-	462,539
Expected credit losses	23,933	1,759,467	241,598	11,813	(2,781)	-	-	2,034,030
Depreciation and amortisation	4,583	330,122	167,816	11,936	1,740	-	-	516,197

Scotiabank

Segmental Financial Information
April 30, 2023 (Restated)

Unaudited ($ Thousands)	Banking: Treasury	Banking: Retail	Banking: Corporate and Commercial	Investment Management Services	Insurance Services	Other	Eliminations	Group
Net external revenues	5,805,635	10,112,513	6,892,987	1,563,995	2,453,299	162,947	-	26,991,376
Revenues from other segments	(4,098,003)	1,188,492	2,743,425	80,928	92,280	-	(7,122)	-
Total revenues	1,707,632	11,301,005	9,636,412	1,644,923	2,545,579	162,947	(7,122)	26,991,376
Expenses	(672,967)	(9,199,898)	(4,402,072)	(837,934)	(399,940)	(77,088)	(20,382)	(15,610,281)
Profit before tax	1,034,665	2,101,107	5,234,340	806,989	2,145,639	85,859	(27,504)	11,381,095
Taxation								(3,890,358)
Profit for the period								**7,490,737**
Segment assets	253,265,675	177,804,387	99,571,318	24,201,502	66,300,557	22,355,614	(33,185,370)	610,313,683
Unallocated assets								19,952,548
Total assets								**630,266,231**
Segment liabilities	1,901,093	239,397,739	219,813,673	14,316,295	49,929,388	102,800	(17,590,239)	507,870,749
Unallocated liabilities								14,264,524
Total liabilities								**522,135,273**
Other Segment items:								
Net interest income	619,451	9,428,394	6,081,751	480,464	2,011,251	191,657	54,079	18,867,047
Capital expenditure	-	266,770	312,815	2,215	-	-	-	581,800
Expected credit losses	11,387	990,084	65,392	23,542	84,689	-	-	1,175,094
Depreciation and amortisation	3,827	323,609	164,551	56,582	2,314	-	-	550,883

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
April 30, 2024

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, 2023, 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)	2024	2023
Capital Management and Government Securities funds	-	11,019
Securities with regulators, clearing houses and other financial institutions	3,565	2,465
	3,565	**13,483**

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.

Scotiabank

11. Prior year adjustments

Prior period financial statements were updated to align quarterly adjustments relating to the recognition of deferred loan origination fees and IFRS 17 adoption entries. These adjustments were incorporated in the Group's annual audited consolidated financial statements for the year ended October 31, 2023. Previously loan origination fees were recognized in the profit or loss under IFRS 15 as the services were provided. In keeping with IFRS 9, these fees are being deferred and amortised over the life of the loans.