MEDIA RELEASE

September 6, 2024

SCOTIA GROUP JAMAICA REPORTS
THIRD QUARTER OF FISCAL 2024 RESULTS

Scotia Group reports net income of $14 billion for the nine months ended July 31, 2024, representing an increase of $1.4 billion or 11.4% over the comparative prior period. Net income for the quarter of $5.5 billion reflected an increase of $41.5 million over the previous quarter. Our asset base grew by $48.7 billion or 7.6% to $692.2 billion as at July 2024 and was underpinned by the excellent performance of our loan portfolio. Deposits from our clients increased by $27 billion or 6.1% to $472.2 billion, signaling our clients' continued confidence in the strength and safety of the Scotia Group.

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 third quarter, which is payable on October 18, 2024, to stockholders on record as at September 26, 2024 (Q2 2024 – 40 cents).

Commenting on the Group's performance, President and CEO of the Scotia Group, Audrey Tugwell Henry said, "We are very proud of our business performance for the quarter. The Group's performance continues to reflect growth across our business lines, prudent risk management and efficient management of our operations. Our growth underscores the successful execution of our strategic initiatives and our commitments to delivering relevant financial service solutions to our clients as well as strong returns for our stakeholders.

This was a challenging quarter as Jamaica navigated the effects of Hurricane Beryl. We are pleased that we were able to offer appropriate financial solutions to assist our clients to manage through the difficult circumstances.

One of our strategic objectives is to make it easy for our clients to do business with us. To support this objective, we continue to make significant investments in optimizing our network. During the quarter we concluded maintenance work on all our ABMs and started the process of rolling out 58 new ABMs to replace older ABMs in our fleet. When completed, this will lead to a marked improvement in overall access and client experience at the channel. Additionally, in recognition of the importance of the branch experience to our overall client experience, we were very pleased to complete renovation works at our University of the West Indies, Port Maria, Falmouth and Portmore branches in recent months.

The Group's strong business and financial performance have earned international recognition and accolades. During the quarter, the institution was recognized as Best Bank for 2024 by the acclaimed Global Finance and Euromoney publications. Additionally, the Bank also won Best Digital Bank by Global Finance Magazine.

As we move into our final quarter of the financial year, we remain optimistic about the future, as our team of professional Scotiabankers continues to deliver best in class financial products and services to our clients."

Business Performance

All business lines reported strong performances during the reporting period despite the challenges in the market. Total loans have grown steadily throughout the year and increased by 13.5% versus prior year. This includes a 12% increase in Scotia Plan Loans and an impressive 25% increase in the mortgage portfolio. Improvements in service delivery along with competitive interest rates have positively contributed to these results and we look forward to maintaining this performance throughout the remainder of the fiscal year. Commercial loans also performed well resulting in a 5% increase year over year due to steady demand for our high-quality commercial solutions.

Scotia Investments Jamaica Limited's (SIJL's) Assets Under Management increased by 12% over prior year, demonstrating both its management expertise and investor confidence. SIJL continues to support clients in growing their wealth through various initiatives. During the quarter, SIJL hosted a Global Investment Advisory Summit which brought together key investment experts to discuss global and local economic opportunities and investment advice.

Both of the Group's insurance businesses yielded commendable results during the quarter. Scotia Jamaica Life Insurance Company (SJLIC) delivered net insurance revenue totaling $1.7 billion, representing a year over year increase of 10%. Gross Written Premiums increased by 6% while the number of policies sold increased by a strong 22% versus prior year. Scotia Protect continued to assist clients with the protection of their assets through its home, contents and auto insurance products. The business turned its attention to financial education efforts during the quarter, encouraging adequate asset protection especially as the frequency and severity of natural disasters are expected to increase. Sales at Scotia Protect increased by 148% while Gross Written Premiums increased by 157% when compared with the previous year.

Environment, Social and Governance (ESG)

The business remains committed to supporting our communities through our environmental social and governance programme. The Scotiabank Women Initiative (SWI) continued to deliver on its mandate to support the growth of women-led and women-owned businesses through access to capital, advisory and tailored education. The special fund of $3 billion, earmarked for the period January 2022 to December 2024 has been fully committed. SWI hosted the 'Going for Growth' seminar on May 7, 2024, featuring Scotiabank executives, as well as Dr. Marlene Street Forrest, Managing Director of the Jamaica Stock Exchange and Scotia Group Board Director, Audrey Richards in her capacity as Private Capital Specialist with the Development Bank of Jamaica. Attendees affirmed how meaningful the workshop was to them as they received invaluable insights into approaches to business growth, strategy, future planning, governance and taking a company public.

Members of the Scotiabank Team along with Dr. Marlene Street Forrest of the Jamaica Stock Exchange at the recently held 'Going for Growth' seminar.

In May, Scotiabankers also joined schools to promote literacy during Read Across Jamaica Day. Over 90 volunteers visited 21 schools to engage and motivate students. Book vouchers were given to schools to purchase new books and teaching materials for their libraries. The Scotia volunteer corps also gave support to 2 early childhood institutions on Labour Day. Painting and upgrades were made at the Busy Bee Early Childhood Institute in St. Thomas and the Young Achievers Pre-School in St. James.

In July, the Group announced that the Scotia Foundation would be donating over $45 million to assist several schools affected by Hurricane Beryl with financial support for repairs as well as to offer support to students through Back-to-School support activities across the island. These contributions to disaster recovery, follow initial donations made by Scotiabank Canada of CAD$25,000 to the United Way Jamaica to assist small farmers, as well as a CAD$100,000 donation to the Canadian Red Cross to support the members of the Caribbean regional Red Cross federation in their post-hurricane relief efforts."

GROUP FINANCIAL PERFORMANCE

TOTAL REVENUES

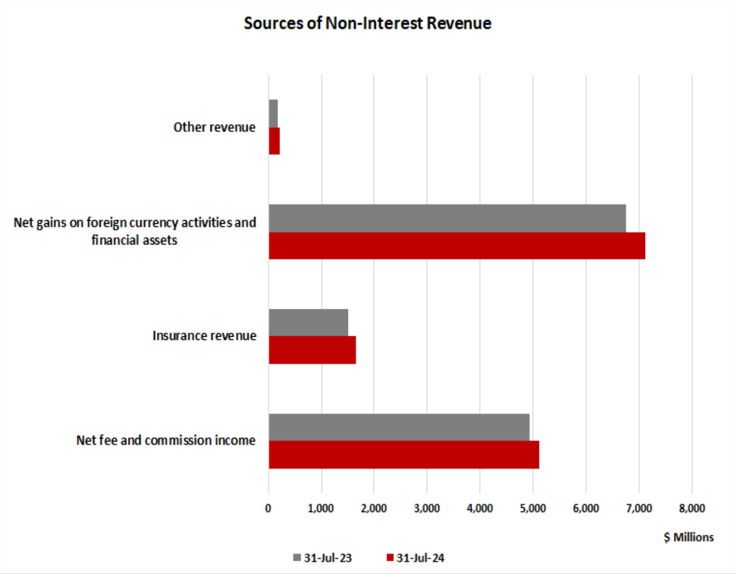
Total revenues excluding expected credit losses for the nine months ended July 31, 2024, grew by $5.1 billion to $46.3 billion reflecting an increase of 12.5% over the prior year period. This was primarily driven by an increase in net interest income of $5.3 billion stemming from the strong growth in our loan portfolio, higher gains on foreign currency activities, higher fee and commission income as well as higher net insurance revenue.

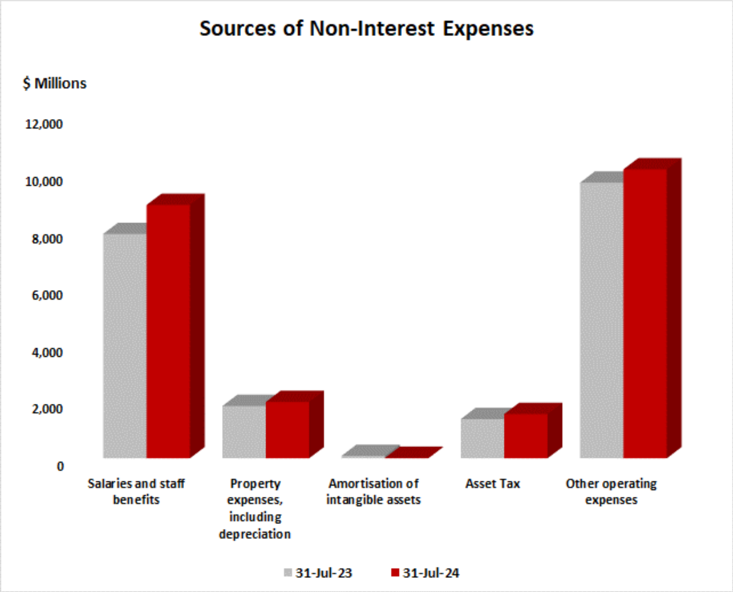
OTHER REVENUE

Other income, defined as all revenue other than interest income, increased by $719.9 Million or 5.4%.

- Net insurance revenue increased by $147.6 million or 9.8% 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 $5.1 billion and showed an increase of $180.9 million or 3.7% and was primarily driven by the higher volume of customer transactions and activities.





OPERATING EXPENSES

Operating expenses continue to be anchored by the Group's expense management initiatives and totaled $22.6 billion as at July 2024 reflecting an increase of $1.7 billion or 8.4% driven by higher asset taxes associated with the year over year growth in the asset base, higher costs associated with deposit processing activities arising from an increase in transaction volumes as well as annual inflationary increases.

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CREDIT QUALITY

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

Non-accrual loans (NALs) as at July 2024 totaled $4.8 billion compared to $4.3 billion as at July 2023. The Group's NALs represent 1.6% of gross loans (July 2023 – 1.6%) and 0.7% of total assets (July 2023 – 0.7%). Of note, the Group's NALs as a percentage of gross loans continue to be below the industry average, June 2024 – 2.41%. The Group's accumulated credit loss provisions (ACLs) for loans as at July 2024 was $6.3 billion, representing 130.4% coverage of total non-performing loans.

GROUP FINANCIAL CONDITION

ASSETS

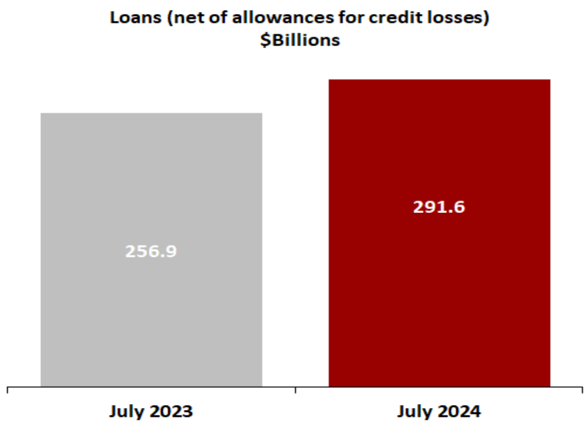
The Group's asset base grew by $48.7 billion or 7.6% to $692.2 billion as at July 2024. This was predominantly as a result of the significant growth in our loan portfolio of $34.8 billion or 13.5%; higher investment securities of $19.4 billion or 12.3% and higher carrying value of the retirement benefit asset of $5.4 billion or 34.3%. This was partially offset by a reduction in pledged assets of $7.7 billion or 70.1% and lower cash resources of $8.3 billion or 4.6%.

Cash Resources

Our cash resources held to meet statutory reserves and the Group's prudential liquidity targets stood at $171.7 billion and reflected a year over year decrease of $8.3 billion or 4.6%. 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 $34.8 billion or 13.5% compared to July 2023, with loans net of allowances for credit losses increasing to $291.6 billion. Our core loan book continues to perform well with mortgages increasing year over year by 24.7%, consumer loans by 12.4%, credit cards by 11.9% and commercial loans by 5%.

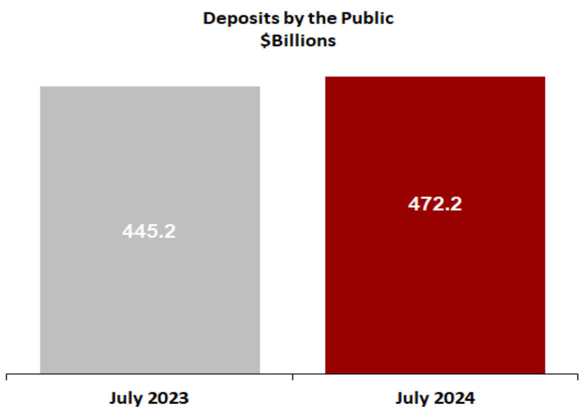


LIABILITIES

Total liabilities were $560.2 billion as at July 2024 and showed an increase of $29.3 billion or 5.5%. The increase noted was driven mainly by the growth in client deposits.

Deposits

Deposits by the public increased to $472.2 billion. The $27.0 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 July 2024 our asset management portfolios showed an increase of $21.8 billion or 11.8% and was attributable to the growth in the net asset value of the Pension Funds, 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

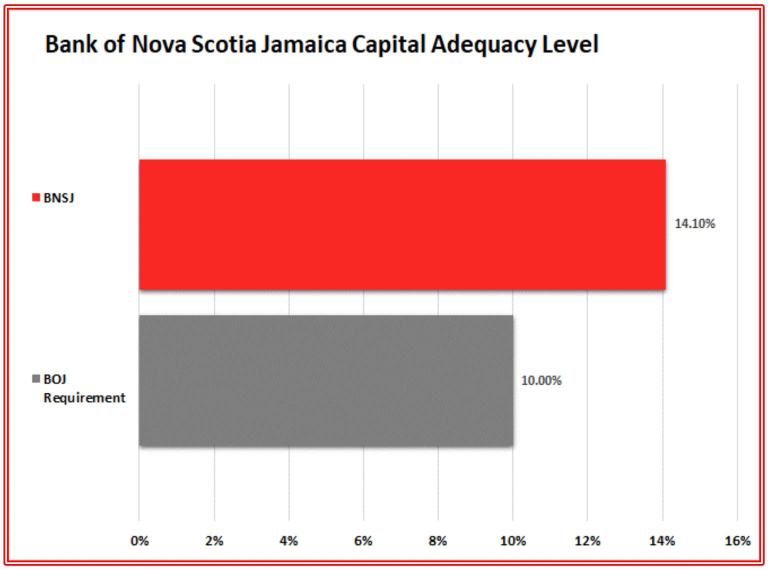
Insurance contract liabilities primarily relates to our flagship product ScotiaMint with a balance of $50.1 billion as at July 2024 and reflected a year over year increase of $1.1 billion or 2.3%. Our segregated fund balance primarily relates to our Scotia Affirm product which continues to perform well, growing by $419.6 million or 35.2% 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.

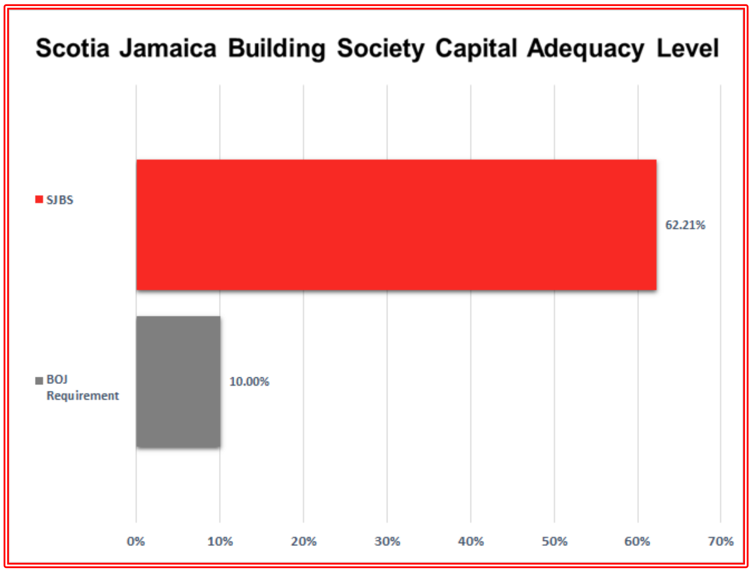
CAPITAL

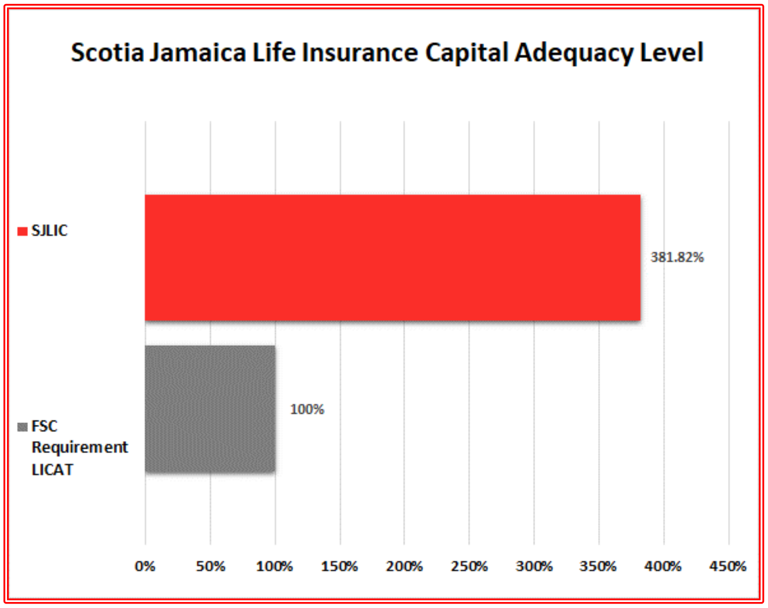
Shareholders' equity available to common shareholders totaled $132 billion and reflected an increase of $19.4 billion or 17.2% when compared to July 2023. This was due primarily to the re-measurement of the defined benefit pension plan asset, lower fair value losses on the investment portfolio, movement in the insurance finance reserve and internally generated profits partially offset by dividends paid.

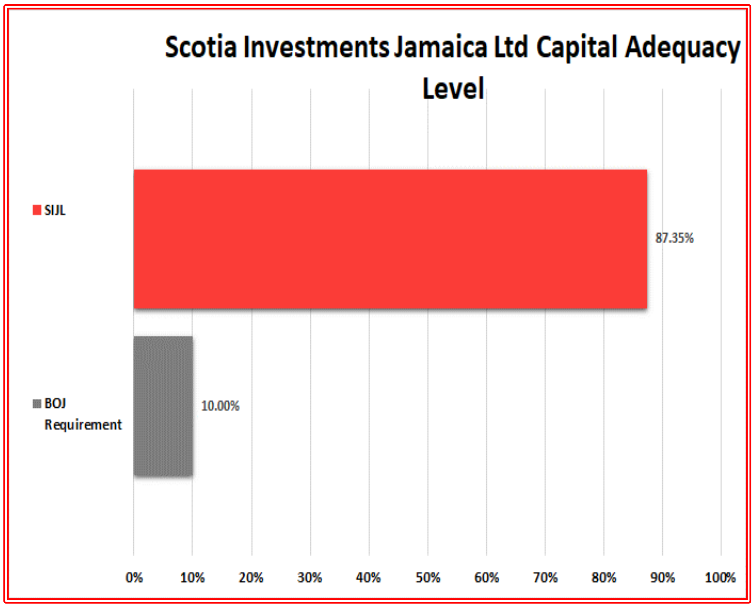
We continue to exceed regulatory capital requirements in all our business lines, and our strong capital position also enables us to manage increased capital adequacy requirements in the future and take advantage of growth opportunities.

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









SOCIAL IMPACT

In May, The Scotiabank Jamaica Foundation (Scotia Foundation) coordinated participation at several schools across the island as part of its support for Read Across Jamaica Day. Ninety-One Scotia Group volunteers took time away from their offices to join teachers in the classrooms at 21 schools to promote the importance of reading and literacy. Youth education and empowerment remains a key area of focus for the Scotia Group and volunteerism forms a key part of our commitment to the communities we serve.

Perrin Gayle, EVP of Retail and Small Business Banking engages children at the Holy Family Infant School during Read Across Jamaica Day

Later in May, Scotia Foundation turned its attention to two schools in need of assistance as part of our Labour Day activities. Painting, repairs and beautification upgrades were made to the facilities at the Busy Bee Early Childhood Institute in St. Thomas and the Young Achievers Pre-School in St. James.

Volunteers help to move gravel at the Busy Bee Early Childhood Institute in St Thomas during Scotia Foundation's Labour Day Project

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Consolidated Statement of Revenue and Expenses
Period ended July 31, 2024

	For the three months ended			For the period ended	
Unaudited ($ Thousands)	July 2024	April 2024	Restated July 2023	July 2024	Restated July 2023
Interest income	12,395,716	11,708,432	10,435,523	35,708,171	29,802,575
Interest expense	(548,561)	(459,007)	(413,418)	(1,506,527)	(913,423)
Net interest income	11,847,155	11,249,425	10,022,105	34,201,644	28,889,152
Expected credit losses	(858,420)	(1,005,590)	(480,176)	(2,892,450)	(1,655,270)
Net interest income after expected credit losses	10,988,735	10,243,835	9,541,929	31,309,194	27,233,882
Finance expenses from insurance contracts	(676,295)	(587,154)	(494,759)	(1,998,658)	(1,107,325)
Finance income / (expenses) from reinsurance contracts	(11)	(9)	(75)	29	(107)
Total insurance finance expenses	(676,306)	(587,163)	(494,834)	(1,998,629)	(1,107,432)
Insurance revenue	833,052	825,891	881,441	2,490,608	2,115,543
Insurance service expenses	(231,169)	(295,413)	(402,808)	(834,410)	(606,807)
Net expenses from reinsurance contracts	(92)	(180)	(316)	(151)	(316)
Net insurance revenue	601,791	530,298	478,317	1,656,047	1,508,420
Net fee and commission income	1,676,232	1,873,939	1,645,508	5,116,901	4,935,973
Net gains on foreign currency activities	2,277,051	2,233,995	2,473,222	6,836,759	6,488,243
Net gains on financial assets	74,581	72,306	51,760	277,072	274,970
Other revenue	9,432	213,861	6,982	225,809	185,110
	4,037,296	4,394,101	4,177,472	12,456,541	11,884,296
Total operating Income	14,951,516	14,581,071	13,702,884	43,423,153	39,519,166
Operating expenses					
Salaries and staff benefits	2,974,093	2,956,103	2,640,676	8,884,891	7,867,106
Property expenses, including depreciation	706,227	628,122	644,525	1,975,462	1,832,303
Amortisation of intangible assets	4,658	5,207	27,345	15,114	83,060
Asset tax	-	(39,699)	(38,976)	1,552,687	1,375,620
Other operating expenses	3,421,259	3,231,867	3,115,842	10,135,087	9,666,510
	7,106,237	6,781,600	6,389,412	22,563,241	20,824,599
Profit before taxation	7,845,279	7,799,471	7,313,472	20,859,912	18,694,567
Taxation	(2,388,643)	(2,384,329)	(2,242,415)	(6,862,138)	(6,132,773)
Profit for the period	5,456,636	5,415,142	5,071,057	13,997,774	12,561,794
Attributable to:-					
Equityholders of the Company	5,456,636	5,415,142	5,071,057	13,997,774	12,561,794
Earnings per share (cents)	175	174	163	450	404
Return on average equity (annualized)	16.87%	17.45%	18.38%	14.73%	15.54%
Return on assets (annualized)	3.15%	3.20%	3.15%	2.70%	2.60%
Productivity ratio	44.95%	43.51%	45.05%	48.72%	50.58%

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Consolidated Statement of Comprehensive Income
Period ended July 31, 2024

Unaudited ($ Thousands)	For the three months ended July 2024	April 2024	Restated July 2023	For the period ended July 2024	Restated July 2023
Profit for the period	5,456,636	5,415,142	5,071,057	13,997,774	12,561,794
Other comprehensive income / (loss):					
Items that will not be reclassified to profit or loss:					
Remeasurement of defined benefit plan/obligations	235,766	1,517,509	188,045	(10,817,837)	(9,085,822)
Taxation	(78,588)	(505,837)	(62,682)	3,605,946	3,028,607
	157,178	1,011,672	125,363	(7,211,891)	(6,057,215)
Items that may be subsequently reclassified to profit or loss:					
Unrealised gains on investment securities	1,218,181	694,533	287,954	2,992,572	2,878,432
Realised (gains) / losses on investment securities	29,840	(5,528)	92,333	24,432	101,226
Foreign currency translation	376	331	2,149	957	2,436
Finance income / (expense) from insurance contracts	(133,134)	(290,138)	30,408	391,963	580,749
Expected credit losses on investment securities	54,458	11,975	15,887	60,572	186,439
	1,169,721	411,173	428,731	3,470,496	3,749,282
Taxation	(392,927)	(182,994)	(91,926)	(1,106,326)	(1,085,547)
	776,794	228,179	336,805	2,364,170	2,663,735
Other comprehensive income / (loss), net of tax	933,972	1,239,851	462,168	(4,847,721)	(3,393,480)
Total comprehensive income for the period	6,390,608	6,654,993	5,533,225	9,150,053	9,168,314

Consolidated Statement of Financial Position
July 31, 2024

Unaudited	July 31, 2024	October 31, 2023	Restated July 31, 2023
($ Thousands)			
ASSETS			
CASH RESOURCES, NET OF ALLOWANCES	171,724,077	178,614,196	180,012,821
FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS	2,713,211	2,841,833	2,390,160
INVESTMENT SECURITIES	176,543,175	158,755,546	157,164,764
PLEDGED ASSETS	3,279,002	3,521,127	10,963,742
GOVERNMENT SECURITIES PURCHASED UNDER RESALE AGREEMENTS	-	330,075	500,582
LOANS, NET OF ALLOWANCES FOR CREDIT LOSSES	291,635,746	268,829,718	256,849,781
SEGREGATED FUND ASSETS	1,611,940	1,290,656	1,192,362
REINSURANCE CONTRACT ASSETS	1,336	1,356	1,070
INSURANCE CONTRACT ASSETS	19,389	14,469	13,153
OTHER ASSETS			
Property and equipment, including right of use assets	9,535,744	9,527,847	9,448,855
Deferred taxation	1,591,296	1,890,023	1,848,675
Taxation recoverable	4,671,132	3,098,152	2,727,166
Retirement benefit asset	20,979,455	31,094,511	15,625,053
Other assets	7,387,764	4,396,788	4,293,551
Intangible assets	515,551	530,665	472,479
	44,680,942	50,537,986	34,415,779
TOTAL ASSETS	**692,208,818**	**664,736,962**	**643,504,214**
LIABILITIES			
Deposits by the public	472,191,822	444,875,527	445,172,347
Amounts due to banks and other financial institutions	2,753,269	4,487,011	2,786,392
	474,945,091	449,362,538	447,958,739
OTHER LIABILITIES			
Capital management and government securities funds	-	-	9,381,372
Deferred taxation	4,499,587	6,839,089	1,540,770
Retirement benefit obligation	3,984,056	4,879,478	4,606,018
Due to Customers and Clients	8,851,071	10,561,400	3,124,094
Other liabilities	16,278,508	15,803,277	14,174,165
	33,613,222	38,083,244	32,826,419
INSURANCE CONTRACT LIABILITIES	50,073,155	49,450,309	48,949,412
REINSURANCE CONTRACT LIABILITIES	1,182	2,128	2,156
SEGREGATED FUND ASSETS	1,611,940	1,290,656	1,192,362
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	47,891,770
Capital reserve	11,340	11,340	11,340
Loan loss reserve	199,853	269,386	313,794
Other reserves	9,964	9,964	9,964
Insurance finance reserve	(254,218)	(548,190)	(765,141)
Translation reserve	39,214	38,257	37,371
Cumulative remeasurement on investment securities	(687,459)	(2,756,700)	(3,205,932)
Unappropriated profits	70,933,978	69,812,474	58,462,174
	131,964,228	126,548,087	112,575,126
TOTAL EQUITY AND LIABILITIES	**692,208,818**	**664,736,962**	**643,504,214**

Director

Director

Consolidated Statement of Changes in Shareholders' Equity
as at July 31, 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	-	-	-	-	-	-	-	-	-	12,561,794	12,561,794
Other comprehensive income/ (loss)											
Re-measurement of defined benefit plan / obligations	-	-	-	-	-	-	-	-	-	(6,057,215)	(6,057,215)
Foreign Currency Translation	-	-	-	-	-	-	-	-	2,436	-	2,436
Unrealised gains on investment securities, net of taxes and provisions	-	-	-	-	2,158,253	-	-	-	-	-	2,158,253
Realised losses on investment securities, net of taxes	-	-	-	-	67,484	-	-	-	-	-	67,484
Finance income on insurance contracts	-	-	-	-	-	-	-	435,562	-	-	435,562
Total comprehensive income	**-**	**-**	**-**	**-**	**2,225,737**	**-**	**-**	**435,562**	**2,436**	**6,504,579**	**9,168,314**
Transfers between reserves											
Transfer to Retained Earnings Reserve	-	-	2,000,000	-	-	-	-		-	(2,000,000)	**-**
Transfer from loan loss reserve	-	-	-	-	-	(47,573)	-	-	-	47,573	-
Dividends paid	-	-	-	-	-	-	-	-	-	(2,956,013)	(2,956,013)
Balance as at 31 July 2023, as restated	**6,569,810**	**3,249,976**	**47,891,770**	**11,340**	**(3,205,932)**	**313,794**	**9,964**	**(765,141)**	**37,371**	**58,462,174**	**112,575,126**
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	-	-	-	-	-	-	-	-	-	13,997,774	13,997,774
Other comprehensive income/ (loss)											
Re-measurement of defined benefit plan / obligations	-	-	-	-	-	-	-	-	-	(7,211,891)	(7,211,891)
Foreign Currency Translation	-	-	-	-	-	-	-	-	957	-	957
Unrealised gains on investment securities, net of taxes and provisions	-	-	-	-	2,069,763	-	-	-	-	-	2,069,763
Realised gains on investment securities, net of taxes	-	-	-	-	(522)	-	-	-	-	-	(522)
Finance income on insurance contracts	-	-	-	-	-	-	-	293,972	-	-	293,972
Total comprehensive income	**-**	**-**	**-**	**-**	**2,069,241**	**-**	**-**	**293,972**	**957**	**6,785,883**	**9,150,053**
Transfers between reserves											
Transfer to Retained Earnings Reserve	-	-	2,000,000	-	-	-	-		-	(2,000,000)	-
Transfer from loan loss reserve	-	-	-	-	-	(69,533)	-		-	69,533	-
Dividends paid	-	-	-	-	-	-	-		-	(3,733,912)	(3,733,912)
Balance as at 31 July 2024	**6,569,810**	**3,249,976**	**51,891,770**	**11,340**	**(687,459)**	**199,853**	**9,964**	**(254,218)**	**39,214**	**70,933,978**	**131,964,228**

Condensed Statement of Consolidated Cash Flows
as at July 31, 2024

Unaudited ($ Thousands)	2024	Restated 2023
Cash flows provided by operating activities		
Profit for the period	13,997,774	12,561,794
Items not affecting cash:		
Expected credit losses	3,653,130	2,407,657
Depreciation and amortisation of right of use assets	760,653	769,291
Amortisation of intangible assets	15,114	83,060
Taxation	6,862,138	6,132,773
Net interest income	(34,201,644)	(28,889,152)
Gain on disposal of property	(219,824)	(159,953)
Increase in retirement benefit assets / obligations	(1,486,369)	(987,855)
	(10,619,028)	(8,082,385)
Changes in operating assets and liabilities		
Loans	(26,282,737)	(24,561,747)
Deposits	27,127,086	43,092,415
Insurance contracts	1,008,963	242,786
Due to customers and clients	(1,710,329)	2,173,488
Financial assets at fair value through profit and loss	181,558	712,067
Interest received	34,201,695	29,274,395
Interest paid	(1,292,611)	(733,853)
Taxation paid	(6,379,765)	(6,088,004)
Amounts with parent and fellow subsidiaries	(1,254,654)	(1,503,415)
Other	(7,393,535)	(7,404,586)
	7,586,643	27,121,161
Cash flows (used in)/ provided by investing activities		
Purchase of investment securities	(60,567,785)	(66,018,286)
Proceeds from maturities / sales of investment securities	46,661,958	68,700,807
Purchase of property, equipment and intangibles	(832,472)	(849,411)
Proceeds on sale of property and equipment	318,965	189,593
	(14,419,334)	2,022,703
Cash flows used in financing activities		
Dividends paid	(3,733,912)	(2,956,013)
Lease payments on right of use asset	(141,349)	(135,215)
	(3,875,261)	(3,091,228)
Effect of exchange rate on cash and cash equivalents	927,320	1,238,109
Net change in cash and cash equivalents	(9,780,632)	27,290,745
Cash and cash equivalents at beginning of year	123,838,823	102,861,158
Cash and cash equivalents at end of period	**114,058,191**	**130,151,903**
Represented by :		
Cash resources, net of expected credit losses	171,724,078	180,012,821
Less statutory reserves at Bank of Jamaica	(43,902,577)	(40,612,552)
Less amounts due from other banks greater than ninety days	(9,339,460)	(8,742,140)
Expected credit losses on cash resources	36,141	35,714
Less accrued interest on cash resources	(904,567)	(267,072)
Pledged assets, investment securities and repurchase agreements assets less than ninety days	-	3,195,653
Cheques and other instruments in transit, net	(3,555,424)	(3,470,521)
Cash and cash equivalents at the end of the period	**114,058,191**	**130,151,903**

Scotiabank

Segmental Financial Information

July 31, 2024

Unaudited ($ Thousands)	Banking: Treasury	Banking: Retail	Banking: Corporate and Commercial	Investment Management Services	Insurance Services	Other	Eliminations	Group
Net external revenues	11,765,771	16,827,651	11,722,783	2,296,247	3,247,437	455,714	-	46,315,603
Revenues from other segments	(8,062,043)	1,375,810	6,004,264	280,514	424,426	-	(22,971)	-
Total revenues	3,703,728	18,203,461	17,727,047	2,576,761	3,671,863	455,714	(22,971)	46,315,603
Expenses	(817,102)	(15,565,742)	(7,237,672)	(1,325,418)	(484,085)	(65,903)	40,231	(25,455,691)
Profit before tax	2,886,626	2,637,719	10,489,375	1,251,343	3,187,778	389,811	17,260	20,859,912
Taxation								(6,862,138)
Profit for the period								**13,997,774**
Segment assets	263,465,304	213,112,936	107,749,525	23,726,172	73,297,217	23,048,641	(42,345,220)	662,054,575
Unallocated assets								30,154,243
Total assets								**692,208,818**
Segment liabilities	-	261,555,121	241,389,513	12,057,303	51,944,702	155,629	(26,820,669)	540,281,599
Unallocated liabilities								19,962,991
Total liabilities								**560,244,590**
Other Segment items:								
Net interest income	1,996,559	15,815,307	11,704,298	624,545	3,665,145	377,385	18,405	34,201,644
Capital expenditure	-	477,794	354,170	269	239	-	-	832,472
Expected credit losses	(8,249)	2,568,708	290,087	12,737	29,167	-	-	2,892,450
Depreciation and amortisation	6,854	496,360	252,321	17,575	2,657	-	-	775,767

Segmental Financial Information

July 31, 2023 (Restated)

Unaudited ($ Thousands)	Banking: Treasury	Banking: Retail	Banking: Corporate and Commercial	Investment Management Services	Insurance Services	Other	Eliminations	Group
Net external revenues	9,097,757	15,213,729	10,620,832	2,376,700	3,480,048	385,370	-	41,174,436
Revenues from other segments	(5,760,040)	1,572,142	3,900,885	118,595	181,735	-	(13,317)	-
Total revenues	3,337,717	16,785,871	14,521,717	2,495,295	3,661,783	385,370	(13,317)	41,174,436
Expenses	(698,528)	(13,411,814)	(6,549,578)	(1,180,298)	(538,346)	(71,104)	(30,201)	(22,479,869)
Profit before tax	2,639,189	3,374,057	7,972,139	1,314,997	3,123,437	314,266	(43,518)	18,694,567
Taxation								(6,132,773)
Profit for the period								**12,561,794**
Segment assets	257,100,622	185,720,872	100,262,617	23,498,574	67,871,628	22,484,983	(33,492,709)	623,446,587
Unallocated assets								20,057,627
Total assets								**643,504,214**
Segment liabilities	-	241,542,732	227,891,444	13,236,511	50,304,230	93,212	(17,881,558)	515,186,571
Unallocated liabilities								15,742,517
Total liabilities								**530,929,088**
Other Segment items:								
Net interest income	1,660,355	14,035,432	9,067,671	701,535	3,094,141	306,043	23,975	28,889,152
Capital expenditure	-	354,832	492,363	2,216	-	-	-	849,411
Expected credit losses	(14,200)	1,415,874	140,158	15,662	97,776	-	-	1,655,270
Depreciation and amortisation	5,828	502,876	255,721	84,473	3,453	-	-	852,351

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
July 31, 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	-	9,385
Securities with regulators, clearing houses and other financial institutions	3,279	1,579
	3,279	**10,964**

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.

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.