MEDIA RELEASE

Scotiabank®

December 9, 2022

SCOTIA GROUP JAMAICA REPORTS FISCAL 2022 RESULTS

Scotia Group reports net income of $11.7 billion for the year ended October 31, 2022, representing an increase of $3.0 billion or 35.2% over the previous year. The Group's strong financial performance was anchored by growth across core business lines and is supported by our prudent expense management framework. In keeping with our commitment to deliver shareholder value, the Board of Directors approved a dividend of 35 cents per stock unit in respect of the fourth quarter, which is payable on January 20, 2023, to stockholders on record as at December 29, 2022.

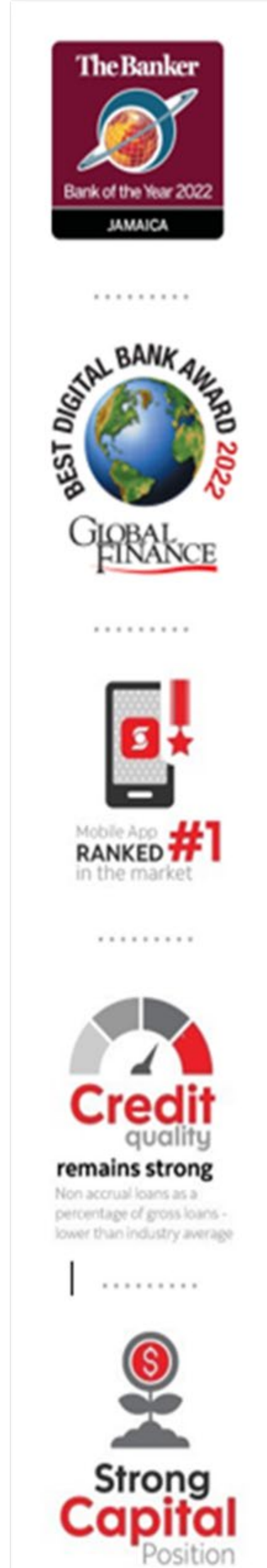
"I am pleased to report a very strong performance for the Group this year. Our business performance in conjunction with continuous enhancements in customer service delivery have resulted in the Bank being named **Bank of the Year for 2022** by renowned international publication The Banker" said Audrey Tugwell Henry, President and CEO of Scotia Group Jamaica. She further stated, "Our strong performance in 2022, reflects the resilience of our organization, exemplary execution of our customer-focused strategy, our investments in digital transformation as well as increased coordination across the business. All business lines have delivered commendable results as we continue to offer strong value to the market and support our customers as the economy rebounds.

Total loans increased by 14% over prior year due to the hard work of our retail and corporate banking teams. Our Corporate and Commercial Banking segment had an excellent fourth quarter which resulted in total commercial loans growing by 7% when compared to the previous year. During the quarter we also launched our eCom+ suite of e-commerce solutions which has been well received by both small and large enterprises as more companies enhance their online channels to satisfy customer demand.

Our flagship Scotia Plan Loan portfolio grew by 17% over last year. This was driven by our strong service delivery including increased product fulfillment via our digital channels as well as our attractive product offerings and a renewed demand for our retail lending products. We continue to help Jamaicans to own their own homes which resulted in significant growth in mortgages throughout the year. At the end of the fiscal year, our mortgage business recorded 28% growth over the prior year.

Scotia Insurance continues to assist our customers with high-value protection solutions. Gross written premiums were up 8% year over year driven by heightened creditor protection and insurance planning advice and solutions. During the quarter we also piloted our Solace policy, an affordable policy for anyone aged 18 – 70 with no medical exam required. We believe this will help many more customers to access life insurance which remains an important area of focus for us.

Scotia Investments also made strong contributions to the Group's performance throughout the year. Our Corporate Advisory team continue to support our clients' need for financing options with tailored capital solutions which included a $1B debt restructuring for T Geddes Grant in September.



We remain very committed to assisting customers to navigate the present complexities of the market and enabling them to maximize their investments. In November, we enhanced our online capabilities by giving customers the ability to view their entire investment portfolio via our mobile banking app.

Customer Experience remains a critical area of our business and we extensively increased our Customer Experience unit to focus on improving our processes and addressing customer concerns. We have simplified and streamlined our complaint handling and dispute resolution process in the past year and are already seeing improvements in this area. There has been a marked reduction in overall resolution turnaround times, number of cases reported as well as significant improvement in our customer feedback metrics.

Leveraging digital technology underpins our Customer First Strategy and we have made continuous investments in this area as our customers have signaled their preference for online and electronic channels. Online transactions increased by 50% year over year with digital transactions now representing the largest category and accounted for 39% of total transactions. In September, we launched our new online banking platform which offers increased fraud monitoring and protection for retail banking customers. Our advancements in digital transformation were acknowledged by Global Finance Magazine which named Scotiabank Jamaica as the Best Consumer Digital Bank for 2022. We are extremely proud of our achievements, and we are committed to continuous improvements in our business as we strive to become the bank for every future.

I would like to say a huge thank you to the outstanding team of Scotiabankers including our strong cadre of leaders. They have been key to our success in 2022. I would like to express my gratitude to our esteemed Board of Directors for their guidance throughout the year especially our Chair, Jeffrey Hall, who has indicated his intention to retire at the end of the year. Thank you to our loyal customers for choosing Scotia Group as your financial partner and to our shareholders for your continued confidence."

GROUP FINANCIAL PERFORMANCE

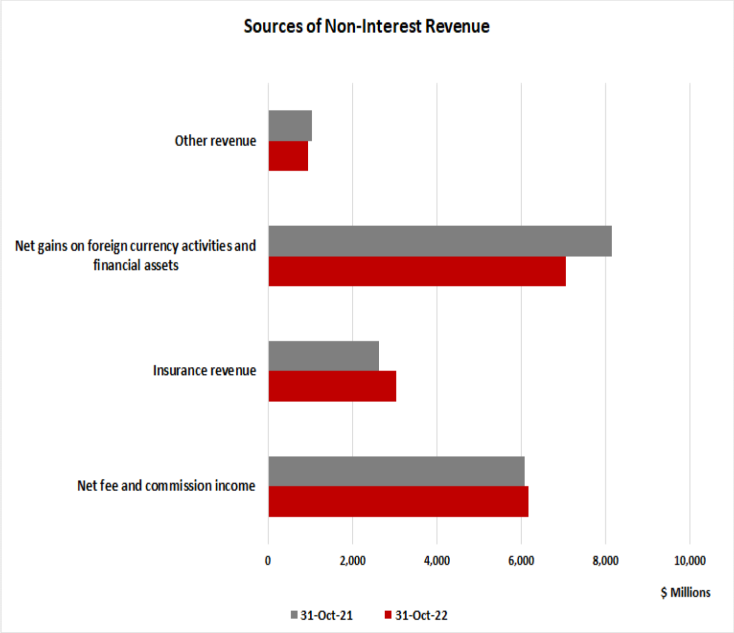
TOTAL REVENUES

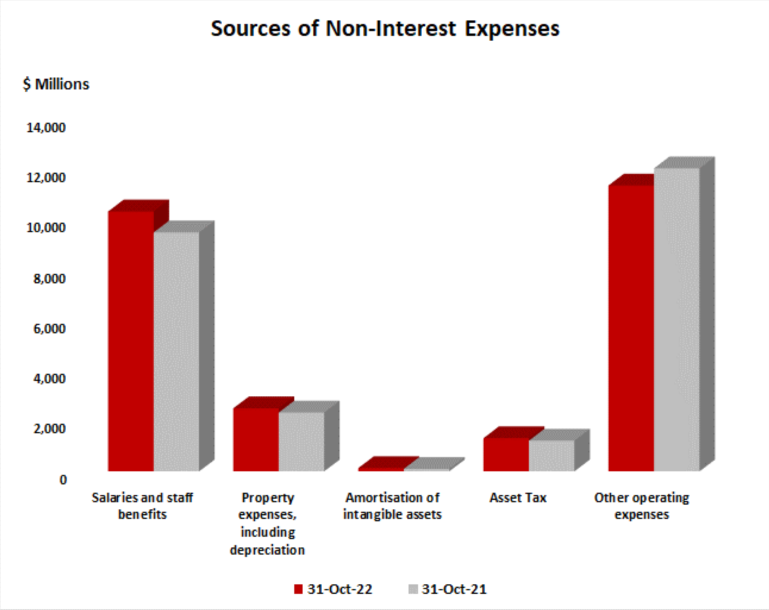
Total revenues excluding expected credit losses for the year ended October 31, 2022, grew by $5.2 billion to $45.9 billion reflecting an increase of 12.9% over the previous year. This was primarily driven by growth in net interest income of $5.9 billion stemming from higher interest earned on our loan and investment portfolios.

OTHER REVENUE

Other income, defined as all income other than interest income reduced by $673.4 million or 3.8%.

- Net fee and commission income for the year amounted to $6.2 billion and showed an increase of $88 million or 1.5% given an increase in customer activities.
- Insurance revenues increased by $402.9 million or 15.3% to $3.0 billion given higher transaction volumes stemming from further deepening of our customer relationships.
- Net gains on foreign currency activities and financial assets amounted to $7.1 billion, reflecting a reduction of $1.1 billion or 13.4%.
- Other revenue decreased by $72.3 million or 7.1%.





OPERATING EXPENSES

Operating expenses continue to be anchored by the Group's strong expense management initiatives and totaled $25.6 billion as at October 2022 reflecting an increase of $451.5 million or 1.8%.

CREDIT QUALITY

Expected credit losses for the period showed an increase of $248.1 million or 8.8% when compared to Q4 2021. 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 October 2022 totaled $4.0 billion compared to $6.0 billion as at October 2021. This represents a reduction of $2.0 billion or 33.4%. The Group's NALs represent 1.7% of gross loans when compared to October 2021 (2.8%) and 0.7% of total assets (October 2021 – 1.03%). 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 October 2022 was $5.9 billion, representing 146.9% coverage of total non-performing loans.

GROUP FINANCIAL CONDITION

ASSETS

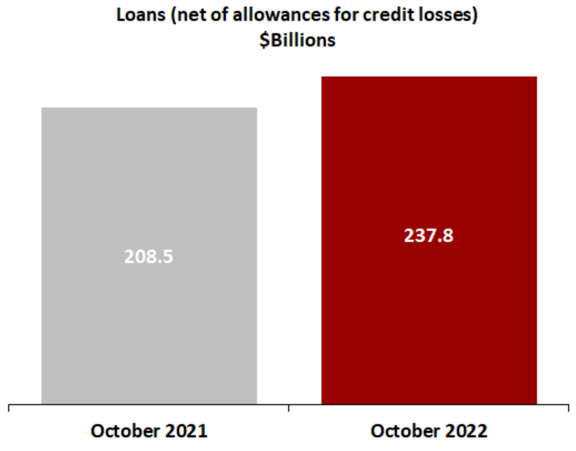
The Group's asset base grew by $10.0 billion or 1.7% to $595.6 billion as at October 2022. This was predominantly as a result of the growth in our loan portfolio of $29.3 billion or 14% and our investment portfolio of $7.3 billion or 4.5%, due to increased deposits driven by the continued confidence of our customers in the Group. This was partially offset by a reduction in cash resources of $19.7 billion, and other assets of $6.8 billion or 14.4% on account of the lower carrying value of the retirement benefit asset.

Cash Resources

Our cash resources held to meet statutory reserves and the Group's prudential liquidity targets stood at $149 billion and reflected a year over year decrease of $19.7 billion or 11.7%. 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 $29.3 billion or 14% compared to October 2021, with loans net of allowances for credit losses increasing to $237.8 billion. Our core loan book continues to perform well with mortgages increasing year over year by 28%, consumer loans by 17% and commercial loans by 7%. Of note, our loan portfolio grew quarter over quarter by 8% as economic activity continues to increase.

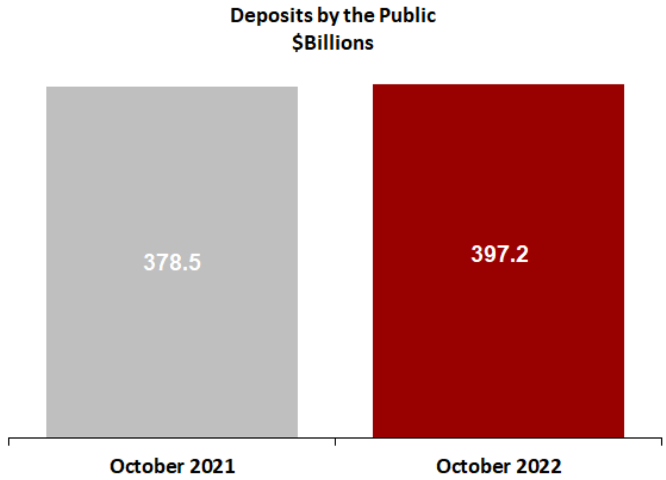


LIABILITIES

Total liabilities were $484.7 billion as at October 2022 and showed an increase of $13.2 billion or 2.8%. The increase noted was driven mainly by increased customer deposits.

Deposits

Deposits by the public increased to $397.2 billion, up from $378.5 billion as at October 2021. The $18.7 billion or 4.9% growth in core deposits was reflected in higher inflows from our retail and commercial customers, signaling continued confidence in the strength of the Group.



Obligations related to repurchase agreements, capital management and government securities funds

Net obligations decreased by $4.7 billion or 24.9%. Our strategic focus continues to be geared towards growing our off-balance sheet business, namely, mutual funds and unit trusts. As at October 2022 our asset management portfolios showed a reduction of $7.6 billion or 4.0% given the fall off in the fair value of the funds stemming from the significant increase in interest rates.

Policyholders' Fund

The Policyholders' Fund reflects the insurance contract liabilities held at Scotia Insurance for our flagship product ScotiaMINT. The Fund stood at $46.3 billion as at October 2022 compared to $45.9 billion as at October 2021. Our Scotia Affirm product continues to perform well, growing by 15.6% year over year with a current net asset value of $1.3 billion. The increase noted was attributable to our strong sales effort coupled with the improved performance of the stock market.

Other Liabilities

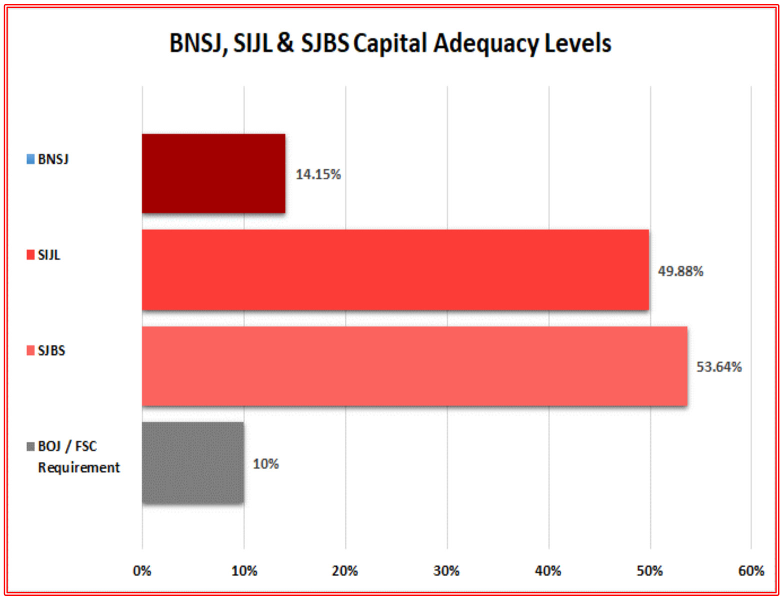
Other liabilities totaled $25.6 billion as at October 2022 and showed a reduction of $886.7 million or 3.4% over prior year. The year over year movement was primarily attributable to the reduction in deferred taxation of $4.0 billion or 53.4 % due to the change in the retirement benefit asset based on the revised assumptions used in the actuarial valuation.

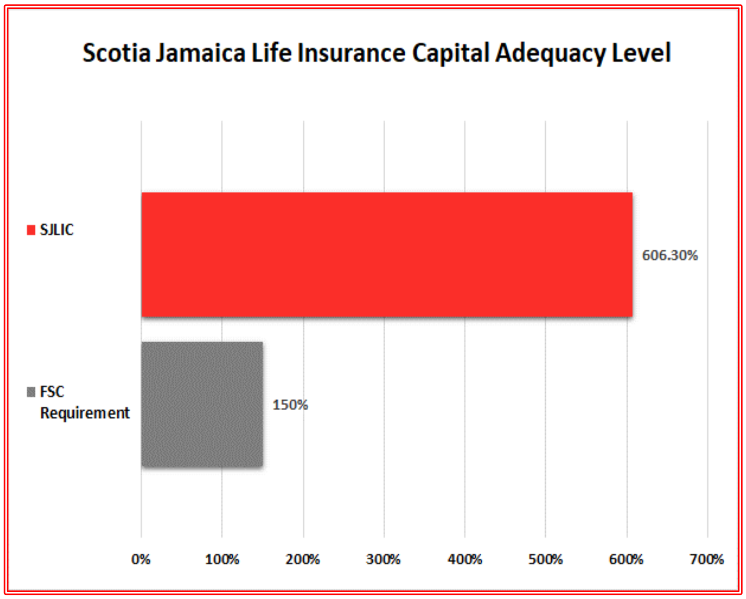
CAPITAL

Shareholders' equity available to common shareholders totaled $110.9 billion and reflected a reduction of $3.1 billion or 2.8% when compared to October 2021. This was due primarily to the reduction in the carrying value of the defined benefit pension plan assets, reduction in the fair value of the investment portfolio, and dividends paid which was partially offset by internally generated profits.

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 requirement is shown below:





SCOTIABANK COMMITMENT TO THE COMMUNITY

EDUCATION

BACK TO SCHOOL

During the fourth quarter, Scotia Group invested in youth education by providing assistance to 1,000 students enrolled in grade six at eight primary schools across the island. Each student received book vouchers valued at $5,000, stationery including backpacks and, in some parishes, dental services and supplies from the Foundation's partners – the Kingston & St. Andrew Health Department and Colgate Palmolive.

Photo 1 *-Scotiabank volunteers take a picture with excited students from the McAuley Primary School in St. Catherine following the back-to-school distribution there.*

More than $8.5 million was provided by the Scotia Foundation to assist students attending schools located in proximity to the Bank's island wide network of branches including St. Aloysius Primary School in Kingston, Corinaldi Primary School and Flankers Primary and Junior High School in Montego Bay, Mandeville Primary & Junior High School in Mandeville, St. Ann's Bay Primary School, Time and Patience Primary School in Linstead, McAuley Primary School in Spanish Town and the Port Maria Primary School in St. Mary. Staff volunteers from the Bank also played a key role in organizing and executing a series of back-to-school treats which concluded on September 9. The back-to-school tour was hosted in celebration of Scotiabank's 133rd anniversary. A mini fair with rides and treats was also hosted at three of the eight locations for students.

Photo 2 *- Craig Richards, Scotia Foundation Volunteer and Branch Manager for the Scotiabank May Pen location presents school supplies to this student of the Mandeville Primary School and her parent.*

SCHOLARSHIPS

The Scotia Foundation renewed scholarships for four high school students under its Shining Star scholarship programme ahead of the 2022/2023 academic year. The Bank also invested over J$800,000 to support four families as they finance their children's education. Each child was awarded a scholarship valued at J$205,000 to cover back-to-school expenses for the new school year.

JUNIOR ACHIEVEMENT

During the quarter, as a culmination to the Junior Achievement Road to Success programme sponsored by Scotiabank, there was a virtual staging of the annual National Innovation Challenge, which saw three schools vying to advance to the regional competition. Putting into practice what they have learnt during the sessions hosted throughout the year, the students pitched ideas that could encourage their peers to show interest in their financial wellbeing, specifically budgeting and investing.

Scotiabank volunteers represented the bank as part of the judging panel for the event and empowered and encouraged the young inventors to take their big ideas to the next level.

ENVIRONMENT

In keeping with the Bank's commitment to participating in environmentally sustainable initiatives, Scotia Foundation volunteers participated in tree planting initiatives on National Tree Planting Day at the Epping Forrest Primary School and the Munroe College. This exercise was part of the Scotia Foundation's Trees for Life initiative, which was launched on Earth Day and is aimed at planting 1,000 trees in schools in partnership with the United Way of Jamaica, the Forestry Department and the National Secondary Students Council.

Photo 3 *-Taza Elliot (right), Scotia Foundation volunteer and customer service officer with the Scotiabank Junction, St Elizabeth branch, plants a tree at the Epping Forrest Primary School in St Elizabeth with students and Ann-Marie Bromfield from the Forestry Department on National Tree Planting Day.*

Consolidated Statement of Revenue and Expenses
Year ended October 31, 2022

	For the three months ended			For the year ended	
($ Thousands)	October 2022	July 2022	Restated October 2021	October 2022	Restated October 2021
Interest income	8,697,255	8,096,838	6,156,875	30,398,809	24,567,824
Interest expense	(434,172)	(450,397)	(453,548)	(1,779,472)	(1,856,335)
Net interest income	8,263,083	7,646,441	5,703,327	28,619,337	22,711,489
Expected credit losses	(879,533)	(951,508)	(819,226)	(3,057,324)	(2,809,239)
Net interest income after expected credit losses	7,383,550	6,694,933	4,884,101	25,562,013	19,902,250
Net fee and commission income	1,487,594	1,432,456	1,101,782	6,176,328	6,088,320
Insurance revenue	678,842	858,235	608,871	3,035,990	2,633,082
Net gains on foreign currency activities	1,973,632	1,870,917	1,349,687	7,210,517	7,556,774
Net (losses) /gains on financial assets	(179,932)	(11,033)	98,120	(141,278)	604,430
Other revenue	8,053	640,512	18,817	950,666	1,023,004
	3,968,189	4,791,087	3,177,277	17,232,223	17,905,610
Total Operating Income	11,351,739	11,486,020	8,061,378	42,794,236	37,807,860
Operating Expenses					
Salaries and staff benefits	2,784,043	2,517,686	2,164,723	10,307,104	9,475,842
Property expenses, including depreciation	709,468	633,822	648,744	2,510,371	2,331,915
Amortisation of intangible assets	51,433	22,741	24,191	119,654	97,672
Asset tax	-	-	-	1,316,085	1,217,783
Other operating expenses	2,582,900	2,918,662	3,255,107	11,336,958	12,015,469
	6,127,844	6,092,911	6,092,765	25,590,172	25,138,681
Profit before taxation	5,223,895	5,393,109	1,968,613	17,204,064	12,669,179
Taxation	(1,918,915)	(1,386,579)	(618,354)	(5,524,166)	(4,030,327)
Profit for the year	3,304,980	4,006,530	1,350,259	11,679,898	8,638,852
Attributable to:-					
Equityholders of the Company	3,304,980	4,006,530	1,350,259	11,679,898	8,638,852
Earnings per share (cents)	106	129	43	375	278
Return on average equity (annualized)	12.14%	14.47%	4.69%	10.43%	7.47%
Return on assets (annualized)	2.22%	2.72%	0.92%	1.96%	1.48%
Productivity ratio	50.10%	48.99%	68.61%	55.81%	61.89%

Consolidated Statement of Comprehensive Income
Year ended October 31, 2022

	For the three months ended			For the year ended	
($ Thousands)	October 2022	July 2022	Restated October 2021	October 2022	Restated October 2021
Profit for the year	3,304,980	4,006,530	1,350,259	11,679,898	8,638,852
Other comprehensive income:					
Items that will not be reclassified to profit or loss:					
Remeasurement of defined benefit plan/obligations	4,386,954	(15,818,381)	(2,615,630)	(8,463,456)	1,042,798
Taxation	(1,462,318)	5,272,794	871,876	2,821,152	(347,600)
	2,924,636	(10,545,587)	(1,743,754)	(5,642,304)	695,198
Items that may be subsequently reclassified to profit or loss:					
Unrealised losses on investment securities	(2,278,842)	(84,011)	(1,218,424)	(7,013,781)	(2,058,859)
Realised losses/(gains) on investment securities	44,399	-	(2,178)	86,101	41,377
Foreign currency translation	336	(2,633)	1,004	(3,770)	32,091
Expected credit losses on investment securities	(85,651)	111,438	(1,440)	30,685	4,811
	(2,319,758)	24,794	(1,221,038)	(6,900,765)	(1,980,580)
Taxation	698,228	(4,412)	334,575	2,075,001	545,523
	(1,621,530)	20,382	(886,463)	(4,825,764)	(1,435,057)
Other comprehensive income, net of tax	1,303,106	(10,525,205)	(2,630,217)	(10,468,068)	(739,859)
Total comprehensive income for the year	4,608,086	(6,518,675)	(1,279,958)	1,211,830	7,898,993

Scotiabank®

Consolidated Statement of Financial Position
October 31, 2022

($ Thousands)	October 31, 2022	Restated October 31, 2021	Restated October 31, 2020
ASSETS			
CASH RESOURCES, NET OF ALLOWANCES	148,992,184	168,675,612	141,256,766
FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS	3,035,413	3,703,002	3,685,340
INVESTMENT SECURITIES	148,846,066	141,625,200	116,397,816
PLEDGED ASSETS	15,598,720	15,639,678	17,179,792
GOVERNMENT SECURITIES PURCHASED UNDER RESALE AGREEMENTS	751,427	-	1,100,871
LOANS, NET OF ALLOWANCES FOR CREDIT LOSSES	237,786,054	208,523,054	220,726,834
OTHER ASSETS			
Property and equipment, including right of use assets	9,311,741	8,851,961	8,558,323
Deferred taxation	1,443,296	441,444	236,112
Taxation recoverable	2,591,341	2,262,233	2,675,632
Retirement benefit asset	23,561,041	31,254,250	28,242,497
Other assets	3,128,904	4,036,354	2,597,940
Intangible assets	552,036	570,421	668,093
	40,588,359	47,416,663	42,978,597
TOTAL ASSETS	**595,598,223**	**585,583,209**	**543,326,016**
LIABILITIES			
Deposits by the public	397,176,483	378,473,110	336,660,438
Amounts due to banks and other financial institutions	1,561,132	1,957,816	4,713,140
	398,737,615	380,430,926	341,373,578
OTHER LIABILITIES			
Capital management and government securities funds	14,128,403	18,808,108	19,157,775
Deferred taxation	3,501,883	7,508,730	6,960,013
Retirement benefit obligation	4,557,782	5,237,873	4,541,887
Other liabilities	17,537,336	13,737,092	15,073,998
	39,725,404	45,291,803	45,733,673
POLICYHOLDERS' LIABILITIES	46,284,431	45,865,307	45,299,616
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	45,891,770	45,891,770	45,891,770
Capital reserve	11,340	11,340	11,340
Loan loss reserve	361,367	334,797	220,791
Other reserves	9,964	9,964	9,964
Translation reserve	34,935	38,705	6,614
Cumulative remeasurement on investment securities	(5,431,669)	(609,675)	857,473
Unappropriated profits	60,153,280	58,498,486	54,101,411
	110,850,773	113,995,173	110,919,149
TOTAL EQUITY AND LIABILITIES	**595,598,223**	**585,583,209**	**543,326,016**

Director

Director

Scotiabank®

Consolidated Statement of Changes in Shareholders' Equity
as at October 31, 2022

	Share Capital	Reserve Fund	Retained Earnings Reserve	Capital Reserves	Cumulative Remeasurement on Investment Securities	Loan Loss Reserve	Other Reserves	Translation Reserve	Unappropriated Profits	Total
Balance as at 30 October 2020 restated	**6,569,810**	**3,249,976**	**45,891,770**	**11,340**	**857,473**	**220,791**	**9,964**	**6,614**	**54,101,411**	**110,919,149**
Net Profit	-	-	-	-	-	-	-	-	8,638,852	8,638,852
Other Comprehensive Income	-	-	-	-	-	-	-	-	-	
Re-measurement of defined benefit plan/obligations	-	-	-	-	-	-	-	-	695,198	695,198
Foreign currency translation	-	-	-	-	-	-	-	32,091	-	32,091
Unrealised losses on investment securities, net of taxes and provisions	-	-	-	-	(1,494,525)	-	-	-	-	(1,494,525)
Realised Losses on investment securities, net of taxes	-	-	-	-	27,377	-	-	-	-	27,377
Total Comprehensive Income	**-**	**-**	**-**	**-**	**(1,467,148)**	**-**	**-**	**32,091**	**9,334,050**	**7,898,993**
Transfers between reserves										
Transfer to loan loss reserve	-	-	-	-	-	114,006	-	-	(114,006)	-
Dividends Paid	-	-	-	-	-	-	-	-	(4,822,969)	(4,822,969)
Balance as at 31 October 2021	**6,569,810**	**3,249,976**	**45,891,770**	**11,340**	**(609,675)**	**334,797**	**9,964**	**38,705**	**58,498,486**	**113,995,173**
Balance as at 31 October 2021	**6,569,810**	**3,249,976**	**45,891,770**	**11,340**	**(609,675)**	**334,797**	**9,964**	**38,705**	**58,498,486**	**113,995,173**
Net Profit	-	-	-	-	-	-	-	-	11,679,898	11,679,898
Other Comprehensive Income										
Re-measurement of defined benefit plan/obligations	-	-	-	-	-	-	-	-	(5,642,304)	(5,642,304)
Foreign currency translation	-	-	-	-	-	-	-	(3,770)	-	(3,770)
Unrealised losses on investment securities, net of taxes and provisions	-	-	-	-	(4,879,394)	-	-	-	-	(4,879,394)
Realised losses on investment securities, net of taxes	-	-	-	-	57,400	-	-	-	-	57,400
Total Comprehensive Income	**-**	**-**	**-**	**-**	**(4,821,994)**	**-**	**-**	**(3,770)**	**6,037,594**	**1,211,830**
Transfers between reserves										
Transfer to loan loss reserve	-	-	-	-	-	26,570	-	-	(26,570)	-
Dividends Paid	-	-	-	-	-	-	-	-	(4,356,230)	(4,356,230)
Balance as at 31 October 2022	**6,569,810**	**3,249,976**	**45,891,770**	**11,340**	**(5,431,669)**	**361,367**	**9,964**	**34,935**	**60,153,280**	**110,850,773**

Condensed Statement of Consolidated Cash Flows
Period ended October 31, 2022

($ Thousands)	2022	2021
Cash flows (used in) / provided by operating activities		
Profit for the year	11,679,898	8,638,852
Items not affecting cash:		
Expected credit losses	4,499,285	3,649,249
Depreciation and amortisation of right of use assets	965,743	930,146
Amortisation of intangible assets	119,654	97,672
Taxation	5,524,166	4,030,327
Net interest income	(28,619,337)	(22,711,489)
Gain on disposal of property	(290,100)	(6,505)
Increase in retirement benefit assets / obligations	(1,287,628)	(1,149,800)
Gain on extinquishment of debt	(629,030)	(953,779)
Impairment of property and equipment	11,871	-
Write-off of property and equipment	-	18,163
	(8,025,478)	(7,457,164)
Changes in operating assets and liabilities		
Loans	(33,869,877)	7,814,096
Deposits	14,034,127	41,475,091
Policyholders reserve	419,124	565,692
Financial assets at fair value through profit and loss	669,519	(7,515)
Interest received	30,167,907	25,126,271
Interest paid	(1,762,569)	(1,842,890)
Taxation paid	(2,479,445)	(4,421,284)
Amounts with parent and fellow subsidiaries	2,768,534	(5,626,507)
Other	(2,014,455)	(5,850,144)
	(92,613)	49,775,646
Cash flows used in investing activities		
Purchase of investment securities	(87,797,501)	(62,278,764)
Proceeds from sale and maturities of investment securities	72,070,585	36,129,898
Lease payments on right of use asset	(166,001)	(204,821)
Purchase of property, plant, equipment and intangibles	(1,453,868)	(1,744,815)
Proceeds on sale of property and equipment	334,069	6,505
	(17,012,716)	(28,091,997)
Cash flows used in financing activities		
Dividends paid	(4,356,230)	(4,822,969)
	(4,356,230)	(4,822,969)
Effect of exchange rate on cash and cash equivalents	(2,114,037)	5,057,398
Net change in cash and cash equivalents	(23,575,596)	21,918,078
Cash and cash equivalents at beginning of year	127,412,619	105,494,541
Cash and cash equivalents at end of year	**103,837,023**	**127,412,619**
Represented by :		
Cash resources, net of expected credit losses	148,992,184	168,675,612
Less statutory reserves at Bank of Jamaica	(34,437,473)	(31,639,786)
Less amounts due from other banks greater than ninety days	(8,476,834)	(9,131,331)
Expected credit losses on cash resources	5,673	1,991
Less accrued interest on cash resources	(216,621)	(20,629)
Pledged assets, investment securities and repurchase agreements assets less than ninety days	1,516,900	2,682,671
Cheques and other instruments in transit, net	(3,546,806)	(3,155,909)
Cash and cash equivalents at the end of the year	**103,837,023**	**127,412,619**

Scotiabank

Segmental Financial Information

October 31, 2022

($ Thousands)	Banking: Treasury	Banking: Retail	Banking: Corporate and Commercial	Investment Management Services	Insurance Services	Other	Eliminations	Group
Net external revenues	7,698,272	18,912,028	11,270,646	2,806,972	5,192,903	(29,261)	-	45,851,560
Revenues from other segments	(4,713,841)	1,082,677	3,417,952	209,757	11,969	-	(8,514)	-
Total revenues	2,984,431	19,994,705	14,688,598	3,016,729	5,204,872	(29,261)	(8,514)	45,851,560
Expenses	(935,854)	(17,044,885)	(7,555,199)	(1,540,801)	(1,471,074)	(57,136)	(42,547)	(28,647,496)
Profit before tax	2,048,577	2,949,820	7,133,399	1,475,928	3,733,798	(86,397)	(51,061)	17,204,064
Taxation								(5,524,166)
Profit for the period								**11,679,898**
Segment assets	224,971,268	166,557,815	97,050,128	25,718,097	63,242,961	22,264,401	(31,196,966)	568,607,704
Unallocated assets								26,990,519
Total assets								**595,598,223**
Segment liabilities	1,700,279	217,139,551	199,138,624	16,108,749	46,671,066	29,655	(15,694,338)	465,093,586
Unallocated liabilities								19,653,864
Total liabilities								**484,747,450**
Other Segment items:								
Net interest income	1,144,976	15,767,450	8,875,271	636,031	2,084,160	65,790	45,659	28,619,337
Capital expenditure	-	1,027,177	361,226	64,802	663	-	-	1,453,868
Expected credit losses	166,713	2,832,771	66,363	(27,366)	18,843	-	-	3,057,324
Depreciation and amortisation	7,424	630,769	320,719	121,634	4,851	-	-	1,085,397

Segmental Financial Information

October 31, 2021

($ Thousands)	Banking: Treasury	Banking: Retail	Banking: Corporate and Commercial	Investment Management Services	Insurance Services	Other	Eliminations	Group
Net external revenues	3,841,712	17,887,713	10,704,665	3,333,458	4,174,709	674,842	-	40,617,099
Revenues from other segments	(1,393,830)	279,052	954,682	211,423	(14,782)	-	(36,545)	-
Total revenues	2,447,882	18,166,765	11,659,347	3,544,881	4,159,927	674,842	(36,545)	40,617,099
Expenses	(670,674)	(17,128,047)	(7,144,839)	(1,554,083)	(1,395,798)	(40,637)	(13,842)	(27,947,920)
Profit before tax	1,777,208	1,038,718	4,514,508	1,990,798	2,764,129	634,205	(50,387)	12,669,179
Taxation								(4,030,327)
Profit for the period								**8,638,852**
Segment assets	227,235,904	140,983,282	92,342,024	30,560,080	59,744,266	23,027,363	(23,365,363)	550,527,556
Unallocated assets								35,055,653
Total assets								**585,583,209**
Segment liabilities	-	210,149,858	184,034,764	20,447,632	46,314,506	15,188	(10,418,794)	450,543,154
Unallocated liabilities								21,044,882
Total liabilities								**471,588,036**
Other Segment items:								
Net interest income	204,076	14,134,477	6,590,775	522,848	1,194,929	4,567	59,817	22,711,489
Capital expenditure	-	1,098,196	637,741	8,878	-	-	-	1,744,815
Expected credit losses	20,578	2,927,698	(145,416)	4,406	1,973	-	-	2,809,239
Depreciation and amortisation	6,020	585,312	297,305	131,396	7,785	-	-	1,027,818

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
October 31, 2022

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, 2021, 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)	2022	2021
Capital Management and Government Securities funds	13,711	13,811
Securities with regulators, clearing houses and other financial institutions	1,888	1,829
	15,599	**15,640**

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, customer 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 adjustment

Based on the Group's review of the tax treatment applicable to premiums and discounts on the investment portfolio, it was determined that these amounts constitute timing differences based on the requirements of IAS *12 Income Taxes*. This has been accounted for by reflecting the associated deferred tax asset on the balance sheet and income tax expense line items for prior periods.

The following table summarizes the impact on the Group's financial statements. There was no impact on the Company's financial statements.

Statement of financial position

	October 2021			October 2020		
	As previously reported	Adjustments	As Restated	As previously reported	Adjustments	As Restated
Deferred tax assets	302,506	138,938	441,444	149,744	86,368	236,112
Others	585,141,765	-	585,141,765	543,089,904	-	543,089,904
Total Assets	**585,444,271**	**138,938**	**585,583,209**	**543,239,648**	**86,368**	**543,326,016**
Deferred tax liabilities	7,761,915	(253,185)	7,508,730	7,037,160	(77,147)	6,960,013
Others	464,079,306		464,079,306	425,446,854		425,446,854
Total Liabilities	**471,841,221**	**(253,185)**	**471,588,036**	**432,484,014**	**(77,147)**	**432,406,867**
Others	55,496,687		55,496,687	56,817,738		56,817,738
Unappropriated profits	58,106,363	392,123	58,498,486	53,937,896	163,515	54,101,411
Total equity	**113,603,050**	**392,123**	**113,995,173**	**110,755,634**	**163,515**	**110,919,149**
Total Liabilities and Equity	**585,444,271**	**138,938**	**585,583,209**	**543,239,648**	**86,368**	**543,326,016**

Statement of Revenue & Expenses

	October 2021		
	As previously reported	Adjustments	As Restated
Net Profit before tax	12,669,179	-	12,669,179
Income Taxes	(4,258,935)	228,608	(4,030,327)
Net Profit After Tax	**8,410,244**	**228,608**	**8,638,852**