MEDIA RELEASE

December 13, 2024

SCOTIA GROUP JAMAICA REPORTS FISCAL 2024 RESULTS

Scotia Group reports net income of $20.2 billion for the year ended October 31, 2024, representing an increase of $2.9 billion or 17% over the previous year. Net income for the quarter of $6.2 billion reflected an increase of $703.4 million or 13% over the previous quarter. The Group's asset base grew by $40.3 billion or 6% to $705 billion as at October 2024 and was underpinned by the excellent performance of our loan portfolio.

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 fourth quarter, which is payable on January 24, 2025, to stockholders on record as at January 2, 2025.

President and CEO of Scotia Group, Audrey Tugwell Henry commenting on the year's performance said "I am extremely pleased with our performance for the year. I am very grateful to our clients for decisively choosing Scotia Group to support their financial needs in 2024. Our results are a testament to the effectiveness of the execution of our strategy. The growth across the business reflects the hard work and dedication of our team and our commitment to simplifying our business and offering the best financial solutions in the market."

Business Performance

Under the leadership of our executive team, each business line made a strong contribution to the overall performance of the Group. Deposits increased by $31.2 billion or 7% to $476.1 billion, signaling our clients' continued confidence in the strength and safety of the Scotia Group.

Total loans increased by 16.3% year over year. This includes an increase of 13% in our Scotia Plan personal banking loans and an impressive 26% increase in mortgages when compared with the prior year. Our commercial banking unit continues to stand out in the market with our commercial loan portfolio increasing 11% over the previous year. We believe our commercial solutions are the best in the industry and we look forward to continuing to help local businesses to grow and succeed. In Q4, our Commercial Unit hosted a digital payments solutions seminar in conjunction with Mastercard for clients in Montego Bay. The merchant services business is a significant component of our business and will remain a key area of focus next year.

All our business lines have delivered consistently strong results throughout the fiscal. Scotia Insurance reported a significant increase in net insurance business revenue of 40% year over year driven by a combination of favorable factors including higher contractual service margin (CSM) releases from our strong inforce book of business and increases in our premium revenue from creditor life. A 20% increase was also recorded in the number of policies sold when compared to the previous fiscal year.

Our newest subsidiary, Scotia Protect, has been on a continued growth trajectory since launch. Clients are very satisfied with our insurance offerings and particularly our interest-free payment options for insurance premiums. Total revenue for ScotiaProtect increased by 230% year over year and Gross Written Premiums were up 143% year over year.

At Scotia Investments, our investment advisors continue to assist our clients to navigate the market with bespoke financial advice and solutions. Assets Under Management at Scotia Investments increased by 14.4% over prior year evidencing our investor's confidence.

During the quarter, the Group continued to advance its strategic agenda. In furtherance of our goal to make it easier to do business with us, we were pleased to launch digital onboarding for new bank clients. Clients interested in banking with us can now open a Scotiabank account online in just a few minutes. The digitization of new deposit account opening, will positively impact wait time in branch and will increase the capacity of our branch staff to serve clients more efficiently.

Services at our contact centre were also enhanced allowing clients to conduct more transactions and resolve more issues remotely. This includes transactions for both the bank and the life insurance company.

Environmental Social Governance

Scotia Foundation was pleased to partner with the Jamaica Environment Trust for International Coastal Clean Up Day. Over 100 team members joined the clean-up efforts at the Donald Quarrie Coastline and collected approximately 100 bags of garbage. As an organization, we are proponents of environmental protection, and we will continue to support initiatives such as these.

As we celebrated 135 years of unbroken service to Jamaica in August, we used the opportunity to increase our donations to the communities we serve. This year, we awarded 3,000 students from 28 schools with book vouchers and school supplies valued at $20 million. This was an increase of $10 million in support of education to Jamaican students.

ScotiaRISE, the bank's global philanthropy program in partnership with SOS Children's Villages Canada announced the launch of Youth RISE, a three-year project with a goal to reach some of the most disadvantaged young people in Jamaica and Mexico, enabled by funding from Scotiabank's ScotiaRISE initiative. Through Scotiabank's donation of CAD$950,000 (J$106 million) over three years, the YouthRISE project will provide nearly 800 youth with the essential support, skills and opportunities they need to overcome barriers to education, post-secondary participation, and workforce integration – helping them transition to becoming independent, self-reliant and thriving adults.

Scotia Group received significant accolades at the recently held Jamaica Stock Exchange Best Practice Awards. Scotia received five awards and walked away with the coveted Governor General's Award for Excellence, Corporate Disclosure and Investor Relations Award (Main Market) and the PSOJ/JSE Corporate Governance Award (Main Market). The Group also received 2nd runner up member dealer awards for Investor Relations and Website for their Scotia Investments Jamaica Limited subsidiary. Group CEO Audrey Tugwell Henry, was also recognized by the JSE for Leadership and Sterling Contribution to the business and financial sector.

Team members from Scotia Group Corporate and Legal Affairs, Corporate Communications and Scotia Investments proudly pose with the Group's awards including the top prize at the recently held Jamaica Stock Exchange Awards.

GROUP FINANCIAL PERFORMANCE

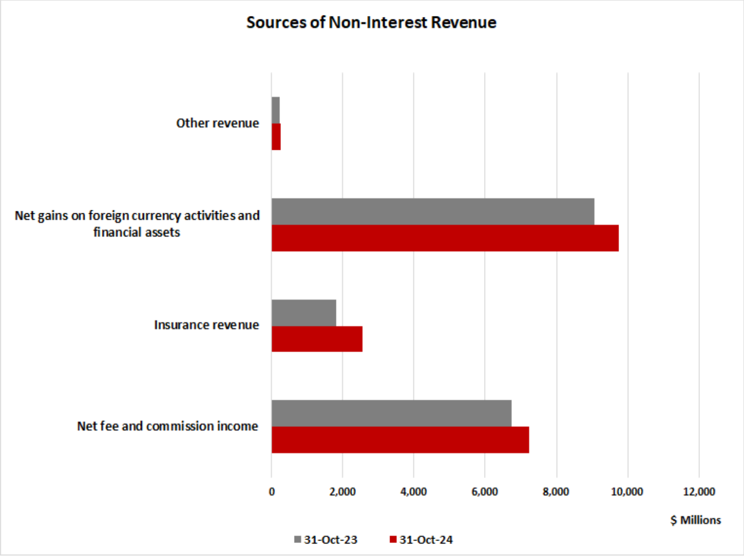
TOTAL REVENUES

Total revenues excluding expected credit losses for the year ended October 31, 2024, grew by $7.8 billion to $63.3 billion reflecting an increase of 14.1% over the previous year. This was primarily driven by an increase in net interest income of $6.8 billion or 17.4% stemming from the strong growth in our loan portfolio, higher net insurance revenue, higher gains on foreign currency activities, higher fee and commission income as well as higher net gains on financial assets.

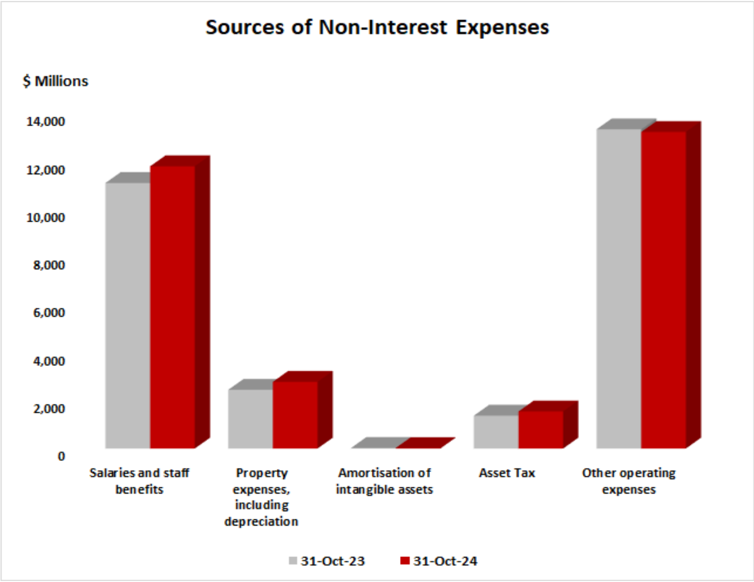
OTHER REVENUE

Other income, defined as all revenue other than interest income, increased by $1.9 billion or 10.8%.

- Net insurance revenue increased by $730 million or 40.2% 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 year amounted to $7.2 billion and showed an increase of $491.1 million or 7.3% and was primarily driven by the higher volume of client transactions and activities.
- Net gains on financial assets amounted to $417 million reflecting a year over year increase of $104.5 million or 33.5%, given improved market performance.



OPERATING EXPENSES



Operating expenses continue to be anchored by the Group's expense management initiatives and totaled $29.4 billion as at October 2024 reflecting an increase of $1.8 billion or 6.5% driven by annual inflationary increases, higher asset taxes associated with the year over year growth in the asset base as well as higher security and technology expenses as we continue to streamline our processes and make it easier for clients to do business with us.

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 October 2024 totaled $5.0 billion compared to $4.5 billion as at October 2023. The Group's NALs represent 1.6% of gross loans (October 2023 – 1.6%) and 0.7% of total assets (October 2023 – 0.7%). Of note, the Group's NALs as a percentage of gross loans continue to be below the industry average, September 2024 – 2.41%. The Group's accumulated credit loss provisions (ACLs) for loans as at October 2024 was $6.6 billion, representing 131.4% coverage of total non-performing loans.

GROUP FINANCIAL CONDITION

ASSETS

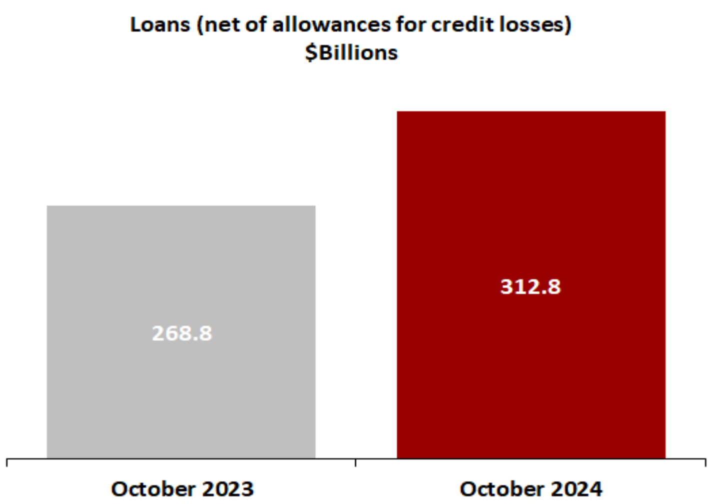
The Group's asset base grew by $40.3 billion or 6.1% to $705 billion as at October 2024. This was predominantly as a result of the significant growth in our loan portfolio of $43.9 billion or 16.3% and higher investment securities of $25.7 billion or 16.2%. This was partially offset by the lower carrying value of the retirement benefit asset of $10.9 billion or 35.1% and lower cash resources of $17.9 billion or 10%.

Cash Resources

Our cash resources held to meet statutory reserves and the Group's prudential liquidity targets stood at $160.8 billion and reflected a year over year decrease of $17.9 billion or 10%. 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 $43.9 billion or 16.3% compared to October 2023, with loans net of allowances for credit losses increasing to $312.8 billion. Our core loan book continues to perform well with mortgages increasing year over year by 26%, consumer loans by 13%, credit cards by 12% and commercial loans by 11%.

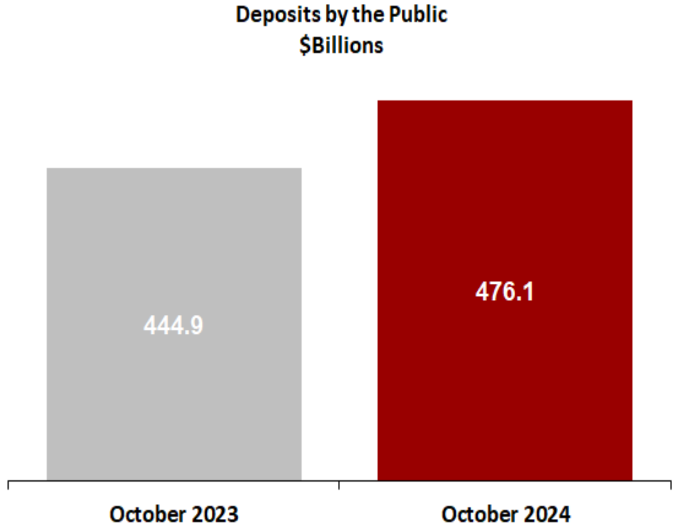


LIABILITIES

Total liabilities were $566.5 billion as at October 2024 and showed an increase of $28.4 billion or 5.3%. The increase noted was driven mainly by the growth in client deposits.

Deposits

Deposits by the public increased to $476.1 billion. The $31.2 billion or 7% 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 October 2024 our asset management portfolios showed an increase of $27.1 billion or 14.4% 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 Money Market Fund, the Scotia Premium Fixed Income Fund and the Caribbean Income Fund .

Insurance Contract Liabilities/Segregated Funds

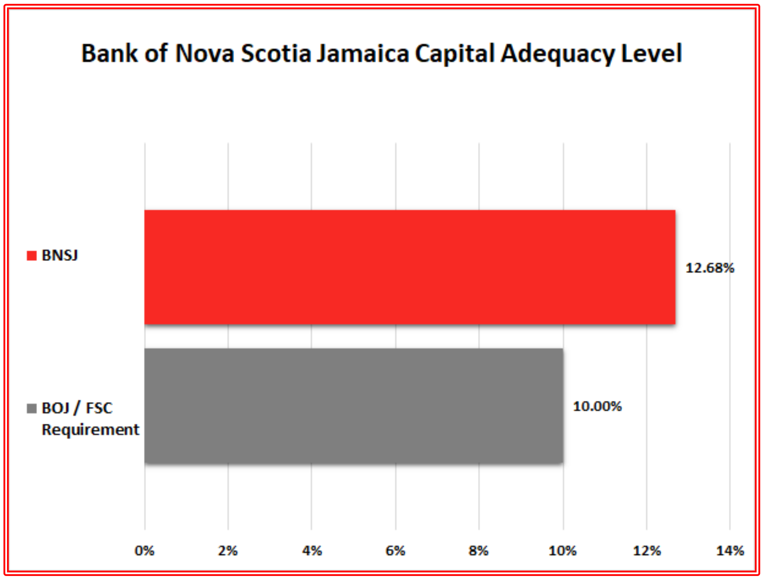
Insurance contract liabilities primarily relates to our flagship product ScotiaMint with a balance of $50.2 billion as at October 2024 and reflected a year over year increase of $716.2 million or 1.4%. Our segregated fund balance primarily relates to our Scotia Affirm product which continues to perform well, growing by $477.6 million or 37% 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.

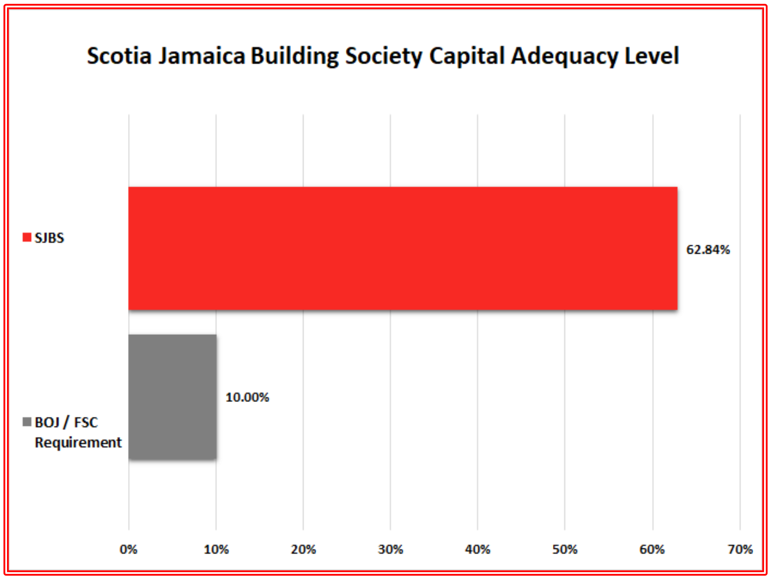
CAPITAL

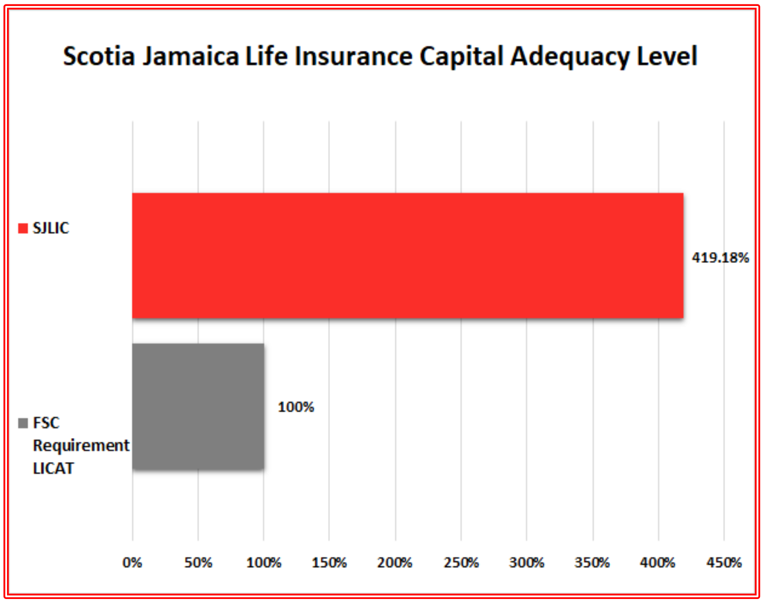
Shareholders' equity available to common shareholders totaled $138.5 billion and reflected an increase of $11.9 billion or 9.4% when compared to October 2023. This was due primarily to the re-measurement of the defined benefit pension plan asset, higher fair value gains on the investment portfolio, movement in the insurance finance reserve and higher internally generated profits partially offset by dividends paid.

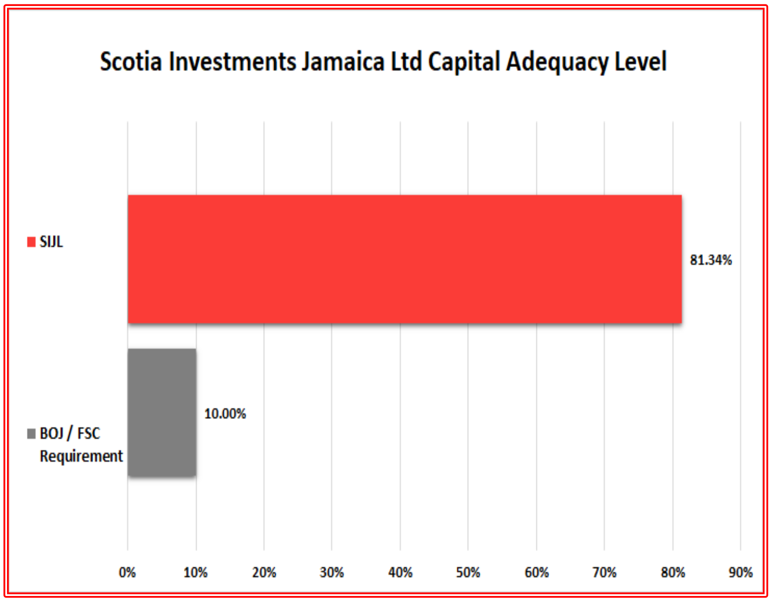
We continue to exceed regulatory capital requirements in all our business lines, and our strong capital position also enables us to manage increased capital adequacy requirements in the future and take advantage of growth opportunities.

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









SOCIAL IMPACT

Our outreach activities during the quarter revolved around disaster recovery, environmental protection, and educational empowerment.

This youngster from Ocho Rios Primary school is all smiles after receiving a back-to-school boost from Scotiabank.

Island-wide Back to School Support

Hurricane Beryl caused significant damage to communities, negatively impacting infrastructure and livelihoods mere weeks before the start of the 2024/2025 academic year. To help ease the burden associated with back-to-school expenses, Scotiabank provided support to 28 schools, with a focus on the communities most affected by the storm. Through its collective of dedicated volunteers, the Scotia team distributed book vouchers, water bottles, pencil cases and notebooks to almost 3,000 students across the country.

Due to Hurricane Beryl's path, communities along the island's South Coast were among the hardest hit during the storm. To help lift the spirits of community members, Scotia also hosted a back to school treat at the Bull Savannah Primary School in the southern parish of St. Elizabeth.

Scotiabankers Euranique Bailey (left) and Robert Douglas (right) are joined by students of Bull Savannah Primary school at the Scotiabank back to school treat and fun day hosted at the institution.

Scotiabankers pose proudly along with the bags of waste and recyclables removed from the coastline during the beach cleanup exercise.

International Coastal Cleanup 2024

The Donald Quarrie Coastline in Kingston got a much-needed facelift courtesy of Scotiabank's volunteer corp. Over 100 team members removed 93 bags of waste and recyclables from the beach as part of activities to mark International Coastal Cleanup Day (ICCD), which was observed on September 21, 2024.

Scotiabank was supported in its effort by the Jamaica Environment Trust, which is the National Coordinator for ICCD, and members of the St. Boniface Church as well as other corporate entities.

Scotiabankers pose proudly along with the bags of waste and recyclables removed from the coastline during the beach cleanup exercise.

Scotiabank

Consolidated Statement of Revenue and Expenses
Year ended October 31, 2024

	For the three months ended			For the year ended	
($ Thousands)	October 2024	July 2024	October 2023	October 2024	October 2023
Interest income	12,636,359	12,395,716	11,034,139	48,344,530	40,836,714
Interest expense	(533,708)	(548,561)	(466,484)	(2,040,235)	(1,379,907)
Net interest income	12,102,651	11,847,155	10,567,655	46,304,295	39,456,807
Expected credit losses	(1,264,942)	(858,420)	(740,519)	(4,157,392)	(2,395,789)
Net interest income after expected credit losses	10,837,709	10,988,735	9,827,136	42,146,903	37,061,018
Finance expenses from insurance contracts	(785,723)	(676,295)	(721,383)	(2,784,381)	(1,828,708)
Finance income / (expenses) from reinsurance contracts	49	(11)	(24)	78	(131)
Total insurance finance expenses	(785,674)	(676,306)	(721,407)	(2,784,303)	(1,828,839)
Insurance revenue	1,019,222	833,052	673,042	3,509,830	2,788,585
Insurance service expenses	(127,664)	(231,169)	(364,612)	(962,074)	(971,419)
Net expenses from reinsurance contracts	(678)	(92)	118	(829)	(198)
Net insurance revenue	890,880	601,791	308,548	2,546,927	1,816,968
Net fee and commission income	2,111,898	1,676,232	1,801,701	7,228,799	6,737,674
Net gains on foreign currency activities	2,482,174	2,277,051	2,266,096	9,318,933	8,754,339
Net gains on financial assets	139,961	74,581	37,540	417,033	312,510
Other revenue	18,614	9,432	29,596	244,423	214,706
	4,752,647	4,037,296	4,134,933	17,209,188	16,019,229
Total operating Income	15,695,562	14,951,516	13,549,210	59,118,715	53,068,376
Operating expenses					
Salaries and staff benefits	2,922,345	2,974,093	3,242,857	11,807,236	11,109,963
Property expenses, including depreciation	815,132	706,227	626,918	2,790,594	2,459,221
Amortisation of intangible assets	5,841	4,658	(58,186)	20,954	24,874
Asset tax	-	-	-	1,552,687	1,375,620
Other operating expenses	3,108,454	3,421,259	2,992,017	13,243,542	12,658,527
	6,851,772	7,106,237	6,803,606	29,415,013	27,628,205
Profit before taxation	8,843,790	7,845,279	6,745,604	29,703,702	25,440,171
Taxation	(2,683,773)	(2,388,643)	(2,078,769)	(9,545,911)	(8,211,542)
Profit for the year	6,160,017	5,456,636	4,666,835	20,157,791	17,228,629
Attributable to:-					
Equityholders of the Company	6,160,017	5,456,636	4,666,835	20,157,791	17,228,629
Earnings per share (cents)	198	175	150	648	554
Return on average equity (annualized)	18.22%	16.87%	15.61%	15.55%	15.27%
Return on assets (annualized)	3.49%	3.15%	2.81%	2.86%	2.59%
Productivity ratio	40.40%	44.95%	47.61%	46.49%	49.81%

Scotiabank

Consolidated Statement of Comprehensive Income
Year ended October 31, 2024

	For the three months ended			For the year ended	
($ Thousands)	October 2024	July 2024	October 2023	October 2024	October 2023
Profit for the year	6,160,017	5,456,636	4,666,835	20,157,791	17,228,629
Other comprehensive income / (loss):					
Items that will not be reclassified to profit or loss:					
Remeasurement of defined benefit plan/obligations	642,852	235,766	14,825,542	(10,174,985)	5,739,720
Unrealised gains on equity securities	403,245	-	-	403,245	-
Taxation	(348,699)	(78,588)	(4,941,847)	3,257,247	(1,913,240)
	697,398	157,178	9,883,695	(6,514,493)	3,826,480
Items that may be subsequently reclassified to profit or loss:					
Unrealised gains on investment securities	1,591,440	1,218,181	652,509	4,584,012	3,530,941
Realised (gains) / losses on investment securities	(6,983)	29,840	11,279	17,449	112,505
Foreign currency translation	1,204	376	886	2,161	3,322
Finance income / (expense) from insurance contracts	(20,653)	(133,134)	289,267	371,310	870,016
Expected credit losses on investment securities	(69,990)	54,458	(8,329)	(9,418)	178,110
	1,495,018	1,169,721	945,612	4,965,514	4,694,894
Taxation	(446,867)	(392,927)	(278,543)	(1,553,193)	(1,364,090)
	1,048,151	776,794	667,069	3,412,321	3,330,804
Other comprehensive income / (loss), net of tax	1,745,549	933,972	10,550,764	(3,102,172)	7,157,284
Total comprehensive income for the year	7,905,566	6,390,608	15,217,599	17,055,619	24,385,913

Consolidated Statement of Financial Position
October 31, 2024

($ Thousands)	October 31, 2024	October 31, 2023
ASSETS		
CASH RESOURCES, NET OF ALLOWANCES	160,751,881	178,614,196
FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS	954,838	2,841,833
INVESTMENT SECURITIES	184,472,698	158,755,546
PLEDGED ASSETS	3,399,080	3,521,127
GOVERNMENT SECURITIES PURCHASED UNDER RESALE AGREEMENTS	-	330,075
LOANS, NET OF ALLOWANCES FOR CREDIT LOSSES	312,755,204	268,829,718
SEGREGATED FUND ASSETS	1,768,210	1,290,656
REINSURANCE CONTRACT ASSETS	701	1,356
INSURANCE CONTRACT ASSETS	20,488	14,469
OTHER ASSETS		
Property and equipment, including right of use assets	9,798,485	9,527,847
Deferred taxation	1,511,118	1,890,023
Taxation recoverable	4,697,196	3,098,152
Retirement benefit asset	20,190,737	31,094,511
Other assets	4,186,358	4,396,788
Intangible assets	509,711	530,665
	40,893,605	50,537,986
TOTAL ASSETS	**705,016,705**	**664,736,962**
LIABILITIES		
Deposits by the public	476,060,200	444,875,527
Amounts due to banks and other financial institutions	3,079,481	4,487,011
	479,139,681	449,362,538
OTHER LIABILITIES		
Deferred taxation	4,735,286	6,839,089
Retirement benefit obligation	4,024,363	4,879,478
Due to Customers and Clients	8,236,504	10,561,400
Other liabilities	18,475,324	15,803,277
	35,471,477	38,083,244
INSURANCE CONTRACT LIABILITIES	50,166,509	49,450,309
REINSURANCE CONTRACT LIABILITIES	1,251	2,128
SEGREGATED FUND LIABILITIES	1,768,210	1,290,656
STOCKHOLDERS' EQUITY		
Share capital	6,569,810	6,569,810
Reserve fund	3,249,976	3,249,976
Retained earnings reserve	51,891,770	49,891,770
Capital reserve	11,340	11,340
Loan loss reserve	314,649	269,386
Other reserves	9,964	9,964
Insurance finance reserve	(269,708)	(548,190)
Translation reserve	40,418	38,257
Cumulative remeasurement on investment securities	643,808	(2,756,700)
Unappropriated profits	76,007,550	69,812,474
	138,469,577	126,548,087
TOTAL EQUITY AND LIABILITIES	**705,016,705**	**664,736,962**

Director

Director

Consolidated Statement of Changes in Shareholders' Equity
as at October 31, 2024

($ 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	-	-	-	-	-	-	-	-	-	17,228,629	17,228,629
Other comprehensive income											
Re-measurement of defined benefit plan / obligations	-	-	-	-	-	-	-	-	-	3,826,480	3,826,480
Foreign Currency Translation	-	-	-	-	-	-	-	-	3,322	-	3,322
Unrealised gains on investment securities, net of taxes and provisions	-	-	-	-	2,592,041	-	-	-	-	-	2,592,041
Realised losses on investment securities, net of taxes	-	-	-	-	82,928	-	-	-	-	-	82,928
Finance income on insurance contracts	-	-	-	-	-	-	-	652,513	-	-	652,513
Total comprehensive income	**-**	**-**	**-**	**-**	**2,674,969**	**-**	**-**	**652,513**	**3,322**	**21,055,109**	**24,385,913**
Transfers between reserves											
Transfer to Retained Earnings Reserve	-	-	4,000,000	-	-	-	-	-	-	(4,000,000)	-
Transfer from loan loss reserve	-	-	-	-	-	(91,981)	-	-	-	91,981	-
Dividends paid	-	-	-	-	-	-	-	-	-	(4,200,651)	(4,200,651)
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**
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	-	-	-	-	-	-	-	-	-	20,157,791	20,157,791
Other comprehensive income											
Re-measurement of defined benefit plan / obligations	-	-	-	-	-	-	-	-	-	(6,783,323)	(6,783,323)
Foreign Currency Translation	-	-	-	-	-	-	-	-	2,161	-	2,161
Unrealised gains on investment securities, net of taxes and provisions	-	-	-	-	3,388,875	-	-	-	-	-	3,388,875
Realised losses on investment securities, net of taxes	-	-	-	-	11,633	-	-	-	-	-	11,633
Finance income on insurance contracts	-	-	-	-	-	-	-	278,482	-	-	278,482
Total comprehensive income	**-**	**-**	**-**	**-**	**3,400,508**	**-**	**-**	**278,482**	**2,161**	**13,374,468**	**17,055,619**
Transfers between reserves											
Transfer to Retained Earnings Reserve	-	-	2,000,000	-	-	-	-	-	-	(2,000,000)	-
Transfer to loan loss reserve	-	-	-	-	-	45,263	-	-	-	(45,263)	-
Dividends paid	-	-	-	-	-	-	-	-	-	(5,134,129)	(5,134,129)
Balance as at 31 October 2024	**6,569,810**	**3,249,976**	**51,891,770**	**11,340**	**643,808**	**314,649**	**9,964**	**(269,708)**	**40,418**	**76,007,550**	**138,469,577**

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

($ Thousands)	October 2024	October 2023
Cash flows (used in)/provided by operating activities		
Profit for the year	20,157,791	17,228,629
Items not affecting cash:		
Expected credit losses	5,087,938	3,311,567
Depreciation and amortisation of right of use assets	1,127,534	1,010,988
Amortisation of intangible assets	20,954	24,874
Taxation	9,545,911	8,211,542
Net interest income	(46,304,295)	(39,456,807)
Gain on disposal of property	(216,475)	(159,953)
Increase in retirement benefit assets / obligations	(1,981,826)	(1,317,140)
	(12,562,468)	(11,146,300)
Changes in operating assets and liabilities		
Loans	(48,606,724)	(36,607,451)
Deposits	31,159,607	33,561,010
Insurance contracts	1,081,269	1,031,319
Due to customers and clients	(2,324,896)	9,610,794
Financial assets at fair value through profit and loss	1,852,887	185,345
Interest received	46,515,044	39,944,236
Interest paid	(1,979,888)	(1,338,880)
Taxation paid	(8,294,731)	(7,368,358)
Amounts with parent and fellow subsidiaries	(44,218,014)	(1,682,289)
Other	(2,231,636)	(7,233,743)
	(39,609,550)	18,955,683
Cash flows (used in)/ provided by investing activities		
Purchase of investment securities	(90,255,537)	(66,028,793)
Proceeds from maturities / sales of investment securities	70,021,954	72,191,827
Purchase of property, equipment and intangibles	(1,199,582)	(1,108,927)
Proceeds on sale of property and equipment	323,326	203,391
	(21,109,839)	5,257,498
Cash flows used in financing activities		
Dividends paid	(5,134,129)	(4,200,651)
Lease payments on right of use asset	(188,489)	(181,861)
	(5,322,618)	(4,382,512)
Effect of exchange rate on cash and cash equivalents	1,327,277	1,146,996
Net change in cash and cash equivalents	(64,714,730)	20,977,665
Cash and cash equivalents at beginning of year	123,838,823	102,861,158
Cash and cash equivalents at end of year	**59,124,093**	**123,838,823**
Represented by :		
Cash resources, net of expected credit losses	160,751,881	178,614,196
Less statutory reserves at Bank of Jamaica	(45,004,128)	(42,530,215)
Less amounts due from other banks greater than ninety days	(51,902,863)	(9,012,126)
Expected credit losses on cash resources	38,476	41,187
Less accrued interest on cash resources	(1,288,970)	(211,603)
Pledged assets, investment securities and repurchase agreements assets less than ninety days	-	330,000
Cheques and other instruments in transit, net	(3,470,303)	(3,392,616)
Cash and cash equivalents at the end of the year	**59,124,093**	**123,838,823**

Scotiabank

Segmental Financial Information

October 31, 2024

($ Thousands)	Banking: Treasury	Banking: Retail	Banking: Corporate and Commercial	Investment Management Services	Insurance Services	Other	Eliminations	Group
Net external revenues	15,752,381	23,117,910	15,828,579	3,141,234	4,757,524	678,479	-	63,276,107
Revenues from other segments	(10,005,003)	1,640,956	7,434,407	388,815	572,561	-	(31,736)	-
Total revenues	5,747,378	24,758,866	23,262,986	3,530,049	5,330,085	678,479	(31,736)	63,276,107
Expenses	(891,705)	(20,798,084)	(9,546,382)	(1,763,020)	(534,947)	(92,373)	54,106	(33,572,405)
Profit before tax	4,855,673	3,960,782	13,716,604	1,767,029	4,795,138	586,106	22,370	29,703,702
Taxation								(9,545,911)
Profit for the year								**20,157,791**
Segment assets	259,715,621	223,433,529	119,632,412	23,846,082	75,509,174	23,251,386	(46,855,238)	678,532,966
Unallocated assets								26,483,739
Total assets								**705,016,705**
Segment liabilities	-	264,616,905	247,189,760	11,902,392	52,435,928	188,809	(31,335,797)	544,997,997
Unallocated liabilities								21,549,131
Total liabilities								**566,547,128**
Other Segment items:								
Net interest income	3,416,389	21,257,973	15,224,742	834,210	5,047,219	499,952	23,810	46,304,295
Capital expenditure	-	160,300	1,035,972	1,688	1,622	-	-	1,199,582
Expected credit losses	5,967	3,805,979	377,076	9,482	(41,112)	-	-	4,157,392
Depreciation and amortisation	9,956	736,856	374,651	23,242	3,783	-	-	1,148,488

Segmental Financial Information

October 31, 2023

($ Thousands)	Banking: Treasury	Banking: Retail	Banking: Corporate and Commercial	Investment Management Services	Insurance Services	Other	Eliminations	Group
Net external revenues	12,678,047	20,726,781	14,218,489	3,087,308	4,205,575	547,965	-	55,464,165
Revenues from other segments	(8,332,020)	2,207,619	5,683,005	171,606	289,283	-	(19,493)	-
Total revenues	4,346,027	22,934,400	19,901,494	3,258,914	4,494,858	547,965	(19,493)	55,464,165
Expenses	(773,211)	(18,268,307)	(8,802,981)	(1,528,147)	(624,872)	(71,786)	45,310	(30,023,994)
Profit before tax	3,572,816	4,666,093	11,098,513	1,730,767	3,869,986	476,179	25,817	25,440,171
Taxation								(8,211,542)
Profit for the year								**17,228,629**
Segment assets	257,791,966	191,342,215	107,223,967	25,942,171	69,460,320	22,653,882	(45,534,605)	628,879,916
Unallocated assets								35,857,046
Total assets								**664,736,962**
Segment liabilities	-	244,182,141	235,136,403	15,380,403	50,965,663	111,468	(29,992,794)	515,783,284
Unallocated liabilities								22,405,591
Total liabilities								**538,188,875**
Other Segment items:								
Net interest income	2,059,974	19,331,860	12,452,022	888,761	4,270,475	423,503	30,212	39,456,807
Capital expenditure	-	345,167	753,836	8,769	1,155	-	-	1,108,927
Expected credit losses	7,107	2,071,627	208,042	9,635	99,378	-	-	2,395,789
Depreciation and amortisation	7,606	658,588	335,507	27,599	6,562	-	-	1,035,862

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
October 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, 2024, which was prepared in accordance with International Financial Reporting Standards (IFRS).

Functional and presentation currency

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

Basis of consolidation

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

3. Critical accounting estimates and judgements

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

4. Financial Assets

Financial assets include both debt and equity instruments.

Classification and measurement

Debt instruments

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

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

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

Equity instruments

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

Allowance for expected credit losses

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

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

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

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

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

5. Pledged Assets

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

($ Millions)	2024	2023
Securities with regulators, clearing houses and other financial institutions	3,399	3,521
	3,399	**3,521**

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.