MEDIA RELEASE

June 5, 2025

SCOTIA GROUP JAMAICA REPORTS SECOND QUARTER OF FISCAL 2025 RESULTS

Scotia Group reports net income of $9.2 billion for the six months ended April 30, 2025, representing an increase of $665.6 million or 7.8% over the prior year. Net income for the quarter of $5 billion reflected an increase of $797.9 million or 19% over the previous quarter. The Group's asset base grew by $87 billion or 12.9% to $763.5 billion as at April 2025 and was underpinned by the excellent performance of our loan and investment portfolios.

In furtherance of our objective to continue to return value to our shareholders, the Board of Directors has approved a dividend of 45 cents per stock unit in respect of the second quarter, which is payable on July 17, 2025, to stockholders on record as at June 25, 2025.

Commenting on the Group's performance, Scotia Group's President and CEO, Audrey Tugwell Henry said "I am very pleased with our Q2 performance. Our business continues to grow as we prioritize our clients' needs, offering them the best financial services and solutions in the market. We are also very proud that our performance has been recognized by renowned international financial publications. Scotiabank Jamaica has been named Best Performing Bank by the prestigious publication, The Banker Magazine, as well as the Best International Private Bank 2025 by Euromoney, and The Best Bank in Jamaica by Global Finance Magazine. These accolades are a testament to the effectiveness of our strategy and the excellence of our people. We are buoyed by these awards and motivated to continue to strive toward our ultimate goal of being our clients' most trusted financial partner.

Business Performance

All business lines continue to perform well and made significant contributions to the Group. Our retail banking business boasts some of the best solutions in the market and our clients are increasingly choosing Scotia Group for their financing needs. Our flexible retail loans and mortgages offer among the lowest interest rates in the market. Our Scotia Plan loan portfolio grew 14% over the previous year and our mortgage portfolio grew by 24% over the same period.

The Corporate and Commercial Banking unit continues to provide significant support to the business sector. While the uncertainties of the geo-political environment remain a concern, Scotiabank is uniquely positioned to help our clients by leveraging insights from our global bank to support them in navigating the challenges in the market. In Q2, our commercial loan book grew by 7 % over the previous year.

Scotia Investments Jamaica Limited delivered another commendable performance with Assets Under Management increasing by 12% year over year. In March, SIJL's corporate solutions unit was the lead arranger for a $950 Million bond raise for Fontana Pharmacy. The coordinated collaboration between our corporate banking and corporate solutions business units continue to yield strong results for the Group.

Scotia Jamaica Life Insurance Company (SJLIC) reported an increase in net insurance business revenue of 76% over the previous year driven by the performance of the portfolio. Scotia General Insurance Agency (SGIA) also made strong contributions to the quarter's results with Gross Written Premiums increasing by 64% and policy sales increasing by 55% year over year.

Environmental Social Governance

The Group continues to execute on our Environmental Social and Governance goals. During the second quarter, several initiatives were coordinated in support of environmental protection and positive social impact. In April, over 100 volunteers collected 114 bags of garbage from the Palisadoes strip as we partnered with the National Environmental and Planning Agency (NEPA) in commemoration of Earth Day. We also partnered with the Forestry Department to distribute 1,000 fruit and ornamental trees to clients to support their climate change efforts.

In April, Scotiabank was also proud to announce our partnership with Cyber Nations in Canada to upskill 100 individuals with the requisite skills to begin careers in the cyber security industry. The six months course will commence in June 2025 and will be facilitated through extensive online training. Participants will also receive laptop computers, free of cost, to ensure that they are adequately equipped to be successful in the programme. This programme valued at approximately $100 million will not only create significant career opportunities for participants but will also help to bolster cyber security locally.

As we look toward the second half of this fiscal year, we are optimistic about the opportunities in the market and Scotia Group remains very well positioned to support our clients' financial goals. We look forward to the months ahead as we continue to build our bank – for every future."

SOCIAL IMPACT

During Q2, Scotiabank Jamaica continued to advance its mission of creating real, positive change in the communities we serve. Through the Scotia Foundation and strategic partnerships, we supported a series of impactful programmes focused on education, financial literacy, gender equity, environmental stewardship, and digital upskilling.

Supporting the next Generation

The quarter began with a focus on youth and national pride. On February 28, Scotiabank team members joined Kingston Technical High School in celebrating Jamaica Day. We brought greetings on behalf of the Scotia Foundation, engaged with students, and took part in the school's festivities. This partnership reflects our belief in fostering cultural awareness and school spirit among Jamaica's next generation.

Yanique Forbes Patrick, VP of Public Affairs and Communications, Scotia Group, is joined by Project STAR's Kalando Wilmoth at Kingston Technical's Jamaica Day celebrations

Also in February, we expanded our efforts in financial literacy by hosting workshops in collaboration with SOS Children's Villages for residents of their Kingston and Montego Bay locations. These sessions formed part of the Scotia Foundation-financed Youth Rise Programme and focused on foundational financial principles such as budgeting, responsible spending, and debt management. The workshops were designed to prepare young people for financial independence and long-term success.

Members of the SOS Children's Villages Jamaica team, youth participants from SOS Children's Villages Stony Hill, and Scotiabank representatives

In March, Scotiabank deepened its support for families by partnering with Project STAR for a parenting workshop held on March 27 at Holy Family Primary School. More than 30 parents participated in the event, which was conducted under the Scotiabank Student Educational Empowerment Programme (SEEP). The session provided tools and guidance to help parents support their children's emotional and academic development—further reinforcing our commitment to community upliftment through education and family support.

Inspiring Inclusion

Throughout March, we also recognized International Women's Day by supporting several key initiatives aimed at promoting gender equity. Scotiabank sponsored the UWI Legal Aid Clinic's public forum on domestic violence, offering a platform for critical discussions and access to legal resources.

We also supported the Women in Finance Breakfast Forum, which enabled over two dozen of our female team members to attend and benefit from professional development and networking opportunities. In addition, Scotiabank backed the Women's Leadership Initiative Awards Brunch, which celebrated women making significant contributions in their fields.

The Scotia Group Team at the Women's Leadership Initiative International Women's Day Brunch

To expand the reach of these conversations, we also sponsored the airing of a televised special from the Scotia Women Initiative's "State of the Jamaican Woman" Public Forum, ensuring that more Jamaicans could engage with the vital issues discussed at the event.

Safeguarding our Natural Resources

Conrad Wright, Manager, Scotia Centre Branch (right) hands an Otaheite apple seedling to a lucky Scotiabank client

As Earth Day approached in April, Scotiabank reaffirmed its commitment to environmental sustainability with a suite of impactful activities. A "Lunch and Learn" session was hosted for employees across Jamaica and the wider region—including attendees from the Bahamas, Turks and Caicos, and the Cayman Islands. The featured speaker, Ainsley Henry, Executive Director of the Forestry Department, gave an insightful presentation on the importance of trees in fighting climate change and the role individuals and organizations play in safeguarding the environment. Over 100 team members joined in the interactive and informative one-hour session.

In collaboration with the Forestry Department, we also distributed 1,000 seedlings to customers in Kingston and St. Andrew, Mandeville, and Montego Bay to encourage tree planting in both urban and rural communities.

Providing Opportunities for Growth

In parallel with our sustainability efforts, we continued to invest in digital capacity building. In April, Scotiabank opened applications for the CyberNauts Programme, which is being implemented in partnership with Cyber Nations. This initiative, funded by Scotiabank, will see approximately 60 Jamaicans receive training and certification in cybersecurity, starting in June. The programme was significantly oversubscribed, indicating strong national demand for digital skills development.

Finally, as the academic year drew to a close, we hosted an inspirational session for the current cohort of UWI Toronto Gala Scholarship recipients. These high-achieving students were given the opportunity to connect with senior Scotiabank executives, who offered mentorship and motivation ahead of their final examinations. It was a meaningful reminder of the bank's long-standing commitment to nurturing future leaders through education and support.

UWI Toronto Gala Scholarship Recipients joined by Scotia Group Executives

GROUP FINANCIAL PERFORMANCE

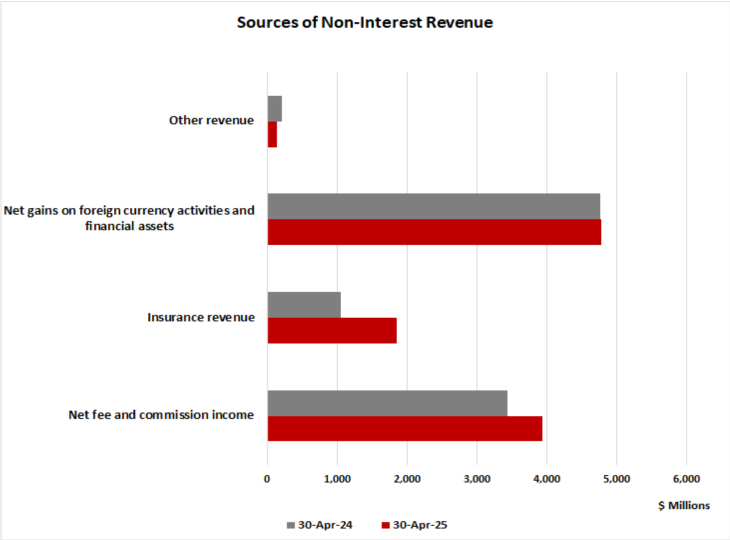
TOTAL REVENUES

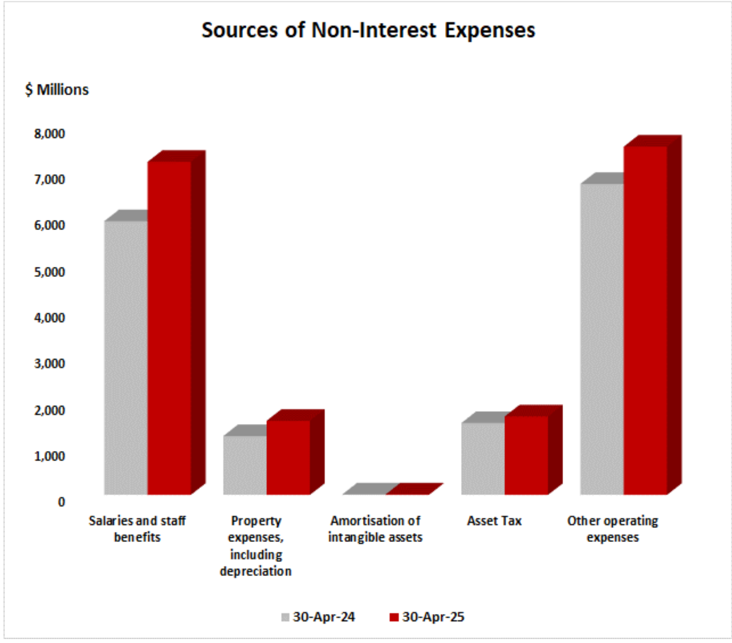
Total revenues excluding expected credit losses for the six months ended April 30, 2025, grew by $2.9 billion to $33.4 billion, reflecting an increase of 9.5% over the prior year period. This was primarily driven by the strong growth in our loan portfolio which led to an increase in net interest income of $1.9 billion or 8.5% as well as an increase in other revenue of 13.1%.

OTHER REVENUE

Other income, defined as all revenue other than interest income, increased by $1.2 billion or 13.1%.

- Net fee and commission income for the period amounted to $3.9 billion, reflecting an increase of $501.1 million or 14.6%. This growth was fueled by higher volumes of client transactions and activities.
- Net insurance revenue increased by $797.4 million or 75.6%, driven by higher contractual service margin releases coupled with lower insurance expenses in keeping with the performance of the portfolio, as well as an increase in transaction volumes stemming from further deepening of our client relationships.
- Net gains on financial assets amounted to $288 million, reflecting a year over year increase of $85.5 million or 42.2%, given improved market performance.





OPERATING EXPENSES

Operating expenses totaled $18 billion as at April 2025 and reflected an increase of $2.6 billion or 16.6% when compared to the prior period. Of note, annual asset taxes recorded during the period totaled $1.7 billion, an increase over 2024 of $140.1 million or 9%. Excluding the reduction in the net pension credit on our defined benefit plans, operating expenses increased by $2 billion or 12.3% year over year.

Additionally, higher billings associated with cash transportation services and deposit processing as well as our investments in technology also contributed to the increase noted in other operating expenses. The Group continues to expand on our digital capabilities geared towards simplifying and streamlining our processes to make it easier for our clients to do business with us.

CREDIT QUALITY

The Group's credit quality remains strong with no material changes in non-accrual loans (NALs) year over year.

Non-accrual loans (NALs) as at April 2025 totaled $4.8 billion compared to $4.7 billion as at April 2024. The Group's NALs represent 1.4% of gross loans (April 2024 – 1.6%) and 0.6% of total assets (April 2024 – 0.7%). Of note, the Group's NALs as a percentage of gross loans continue to be below the industry average, March 2025 – 2.52%. The Group's accumulated credit loss provisions (ACLs) for loans as at April 2025 was $6 billion, representing 126.6% coverage of total non-performing loans.

GROUP FINANCIAL CONDITION

ASSETS

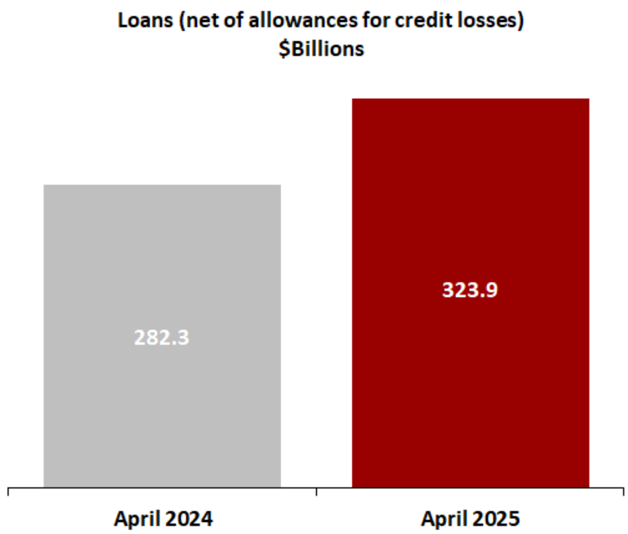
The Group's asset base grew by $87 billion or 12.9% to $763.5 billion as at April 2025. This was predominantly as a result of the significant growth in our loan portfolio of $41.6 billion or 14.7%, higher investment securities of $19 billion or 12.2%, higher carrying value for the retirement benefit asset of $17.1 billion or 84.9% and higher cash resources held of $7 billion or 3.7%.

Cash Resources

Our cash resources held to meet statutory reserves and the Group's prudential liquidity targets stood at $195.1 billion and reflected a year over year increase of $7 billion or 3.7%. 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 $41.6 billion or 14.7% compared to April 2024, with loans net of allowances for credit losses increasing to $323.9 billion. Our core loan book continues to perform well with mortgages increasing year over year by 24%, consumer loans by 14%, credit cards by 8% and commercial loans by 7%.

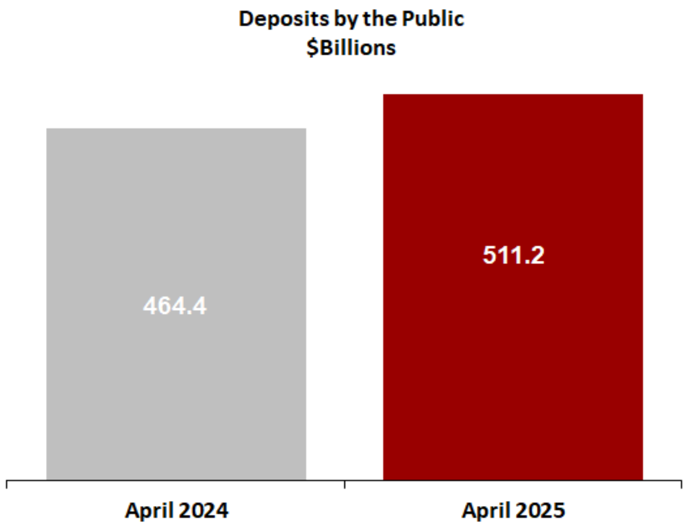


LIABILITIES

Total liabilities were $607.6 billion as at April 2025 and showed an increase of $57.9 billion or 10.5%. The increase noted was driven mainly by the growth in client deposits.

Deposits

Deposits by the public increased to $511.2 billion. The $46.8 billion or 10.1% growth in core deposits was reflected in higher inflows from our retail and commercial clients, signaling our clients' continued confidence in the strength and safety of the Scotia Group.



Funds under Management

Our strategic focus continues to be geared towards growing our off-balance sheet business, namely, mutual funds and unit trusts. As at April 2025 our asset management portfolios showed an increase of $24.1 billion or 11.9% and was attributable to the growth in the net asset value of the Pension Funds, the Scotia Premium Money Market Fund, Scotia Premium Fixed Income Fund and the Scotia Premium Short Term Income Funds (JMD & USD).

Insurance Contract Liabilities/Segregated Funds

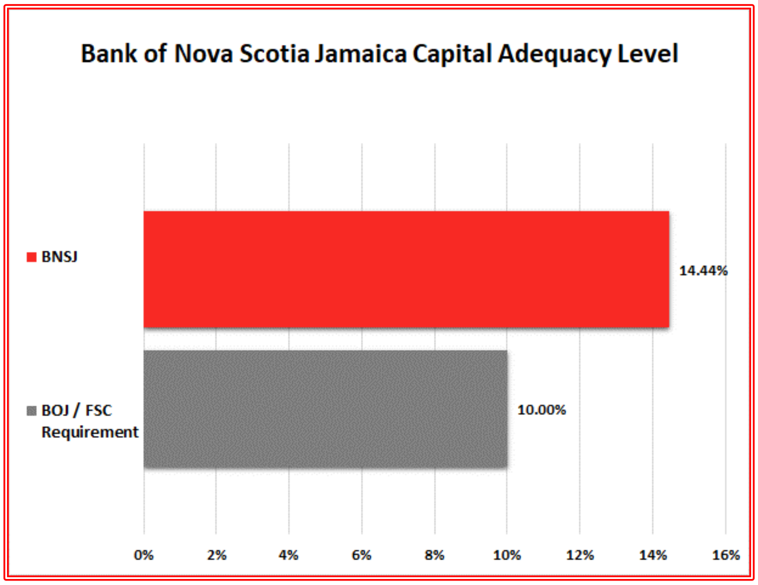
Insurance contract liabilities primarily relate to our flagship product ScotiaMint with a balance of $50.5 billion as at April 2025 and reflected a year over year increase of $729.6 million or 1.5%. Our segregated fund balance primarily relates to our Scotia Affirm product which continues to perform well, growing by $517.3 million or 34.8% 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.

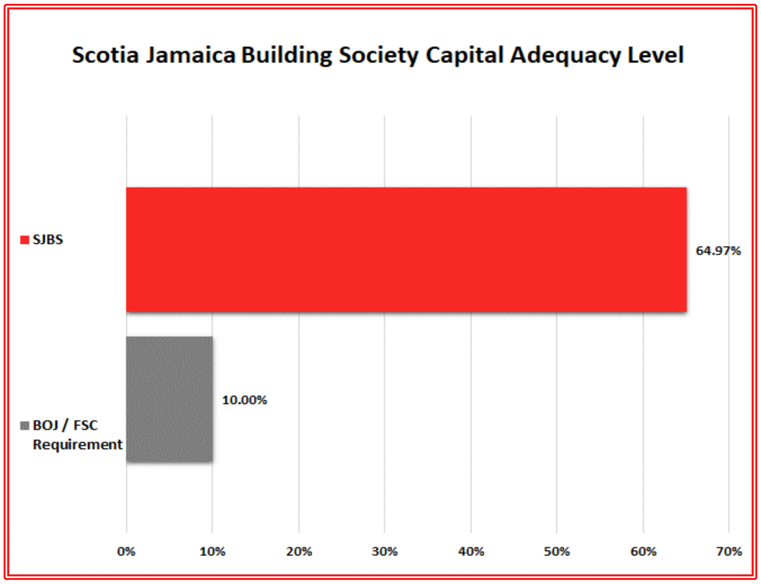
CAPITAL

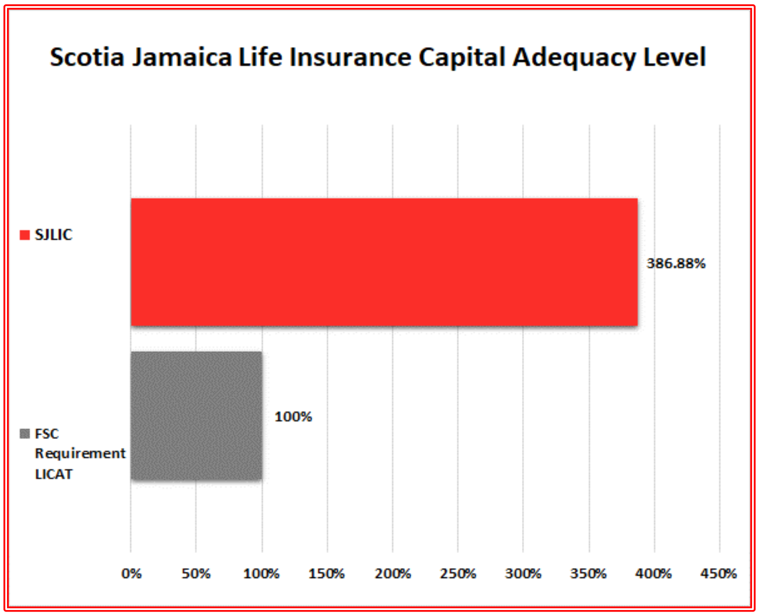
Shareholders’ equity available to common shareholders totaled $155.9 billion and reflected an increase of $29.1 billion or 22.9% when compared to April 2024. This was due primarily to the re-measurement of the defined benefit pension plan assets, higher fair value gains on the investment portfolio and higher internally generated profits partially offset by dividends paid.

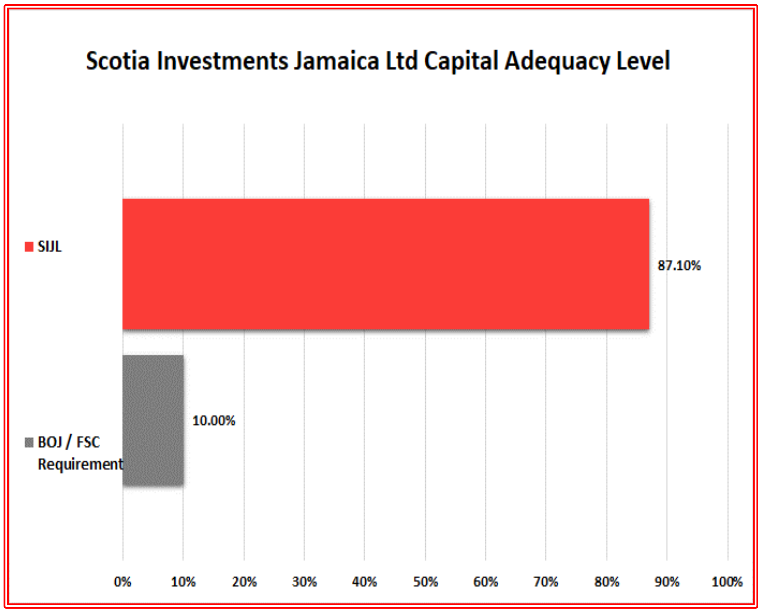
We continue to exceed regulatory capital requirements in all our business lines, and our strong capital position also enables us to manage increased capital adequacy requirements in the future and take advantage of growth opportunities.

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









Consolidated Statement of Revenue and Expenses
Period ended April 30, 2025

	For the three months ended			For the period ended	
Unaudited ($ Thousands)	April 2025	January 2025	April 2024	April 2025	April 2024
Interest income	12,471,905	12,719,306	11,708,432	25,191,211	23,312,455
Interest expense	(439,316)	(499,040)	(459,007)	(938,356)	(957,966)
Net interest income	12,032,589	12,220,266	11,249,425	24,252,855	22,354,489
Expected credit losses	(651,241)	(601,495)	(1,005,590)	(1,252,736)	(2,034,030)
Net interest income after expected credit losses	11,381,348	11,618,771	10,243,835	23,000,119	20,320,459
Finance expenses from insurance contracts	(750,099)	(812,746)	(587,154)	(1,562,845)	(1,322,363)
Finance income from reinsurance contracts	1	27	(9)	28	40
Total insurance finance expenses	(750,098)	(812,719)	(587,163)	(1,562,817)	(1,322,323)
Insurance revenue	1,016,542	1,264,270	825,891	2,280,812	1,657,556
Insurance service expenses	(192,322)	(235,981)	(295,413)	(428,303)	(603,241)
Net expenses from reinsurance contracts	(290)	(562)	(180)	(852)	(59)
Net insurance revenue	823,930	1,027,727	530,298	1,851,657	1,054,256
Net fee and commission income	1,703,222	2,238,498	1,873,939	3,941,720	3,440,669
Net gains on foreign currency activities	2,351,965	2,142,129	2,233,995	4,494,094	4,559,708
Net gains on financial assets	90,841	197,173	72,306	288,014	202,491
Other revenue	1,875	133,691	213,861	135,566	216,377
	4,147,903	4,711,491	4,394,101	8,859,394	8,419,245
Total operating Income	15,603,083	16,545,270	14,581,071	32,148,353	28,471,637
Salaries and staff benefits	3,516,134	3,675,613	2,956,103	7,191,747	5,910,798
Property expenses, including depreciation	803,585	795,825	628,122	1,599,410	1,269,235
Amortisation of intangible assets	5,190	5,255	5,207	10,445	10,456
Asset tax	(1,697)	1,694,450	(39,699)	1,692,753	1,552,687
Other operating expenses	4,006,563	3,514,393	3,231,867	7,520,956	6,713,828
	8,329,775	9,685,536	6,781,600	18,015,311	15,457,004
Profit before taxation	7,273,308	6,859,734	7,799,471	14,133,042	13,014,633
Taxation	(2,270,984)	(2,655,348)	(2,384,329)	(4,926,332)	(4,473,495)
Profit for the period	5,002,324	4,204,386	5,415,142	9,206,710	8,541,138
Attributable to:-					
Equityholders of the Company	5,002,324	4,204,386	5,415,142	9,206,710	8,541,138
Earnings per share (cents)	161	135	174	296	274
Return on average equity (annualized)	13.05%	11.63%	17.45%	12.41%	13.67%
Return on assets (annualized)	2.62%	2.27%	3.20%	2.41%	2.53%
Productivity ratio	51.25%	56.49%	43.51%	53.94%	50.67%

Consolidated Statement of Comprehensive Income
Period ended April 30, 2025

	For the three months ended			For the period ended	
Unaudited ($ Thousands)	April 2025	January 2025	April 2024	April 2025	April 2024
Profit for the period	5,002,324	4,204,386	5,415,142	9,206,710	8,541,138
Other comprehensive income / (loss):					
Items that will not be reclassified to profit or loss:					
Remeasurement of defined benefit plan	2,814,950	13,155,004	1,517,509	15,969,954	(11,053,603)
Unrealised gains on equity securities	38,417	6,885	-	45,302	-
Taxation	(951,123)	(4,387,296)	(505,837)	(5,338,419)	3,684,534
	1,902,244	8,774,593	1,011,672	10,676,837	(7,369,069)
Items that may be subsequently reclassified to profit or loss:					
Unrealised gains / (losses) on investment securities	(322,919)	605,096	694,533	282,177	1,774,391
Realised gains on investment securities	(2,424)	(233)	(5,528)	(2,657)	(5,407)
Foreign currency translation	(11,087)	11,415	331	328	581
Finance income / (expense) from insurance contracts	(60,718)	250,877	(290,138)	190,159	525,097
Expected credit losses on investment securities	31,635	(7,607)	11,975	24,028	6,114
	(365,513)	859,548	411,173	494,035	2,300,776
Taxation	92,896	(228,233)	(182,994)	(135,337)	(713,399)
	(272,617)	631,315	228,179	358,698	1,587,377
Other comprehensive income/ (loss), net of tax	1,629,627	9,405,908	1,239,851	11,035,535	(5,781,692)
Total comprehensive income for the period	6,631,951	13,610,294	6,654,993	20,242,245	2,759,446

Consolidated Statement of Financial Position
April 30, 2025

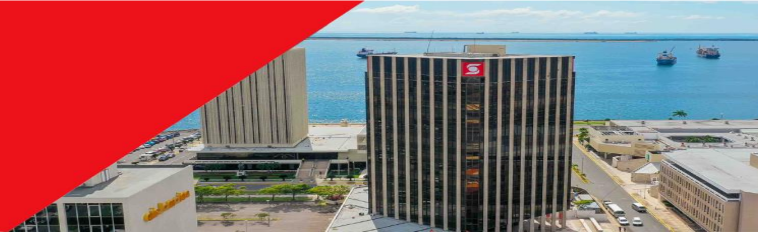
Unaudited	April 30, 2025	October 31, 2024	April 30, 2024
($ Thousands)			
ASSETS			
CASH RESOURCES, NET OF ALLOWANCES	195,114,259	160,751,881	188,094,312
FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS	777,146	954,838	2,832,305
INVESTMENT SECURITIES	175,532,008	184,472,698	156,497,110
PLEDGED ASSETS	4,678,419	3,399,080	3,565,367
GOVERNMENT SECURITIES PURCHASED UNDER RESALE AGREEMENTS	1,000,428	-	-
LOANS, NET OF ALLOWANCES FOR CREDIT LOSSES	323,880,436	312,755,204	282,280,828
SEGREGATED FUND ASSETS	2,003,961	1,768,210	1,486,655
REINSURANCE CONTRACT ASSETS	657	701	1,336
INSURANCE CONTRACT ASSETS	3,581	20,488	17,460
OTHER ASSETS			
Property and equipment, including right of use assets	10,362,425	9,798,485	9,407,285
Deferred taxation	1,459,228	1,511,118	1,659,280
Taxation recoverable	5,324,954	4,697,196	4,350,859
Retirement benefit asset	37,140,632	20,190,737	20,085,113
Other assets	5,741,683	4,186,358	5,710,568
Intangible assets	499,267	509,711	520,209
	60,528,189	40,893,605	41,733,314
TOTAL ASSETS	**763,519,084**	**705,016,705**	**676,508,687**
LIABILITIES			
Deposits by the public	511,206,485	476,060,200	464,414,648
Amounts due to banks and other financial institutions	2,825,045	3,079,481	2,806,457
	514,031,530	479,139,681	467,221,105
OTHER LIABILITIES			
Deferred taxation	10,373,735	4,735,286	3,855,458
Retirement benefit obligation	4,466,859	4,024,363	3,858,364
Due to Customers and Clients	8,759,789	8,236,504	8,518,526
Other liabilities	17,451,988	18,475,324	14,959,171
	41,052,371	35,471,477	31,191,519
INSURANCE CONTRACT LIABILITIES	50,519,723	50,166,509	49,790,080
REINSURANCE CONTRACT LIABILITIES	111	1,251	1,070
SEGREGATED FUND ASSETS	2,003,961	1,768,210	1,486,655
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	65,891,770	51,891,770	51,891,770
Capital reserve	11,340	11,340	11,340
Loan loss reserve	291,094	314,649	247,576
Other reserves	9,964	9,964	9,964
Insurance Finance Reserve	(127,089)	(269,708)	(154,368)
Translation reserve	40,746	40,418	38,838
Cumulative remeasurement on investment securities	889,760	643,808	(1,563,726)
Unappropriated profits	79,084,017	76,007,550	66,517,078
	155,911,388	138,469,577	126,818,258
TOTAL EQUITY AND LIABILITIES	**763,519,084**	**705,016,705**	**676,508,687**

Director

Director

Consolidated Statement of Changes in Shareholders' Equity
as at April 30, 2025

Unaudited ($ Thousands)	Share Capital	Reserve Fund	Retained Earnings Reserve	Capital Reserves	Cumulative Remeasurement on Investment Securities	Loan Loss Reserve	Other Reserves	Insurance Finance Reserve	Translation Reserve	Unappropriated Profits	Total
Balance as at 31 October 2023	**6,569,810**	**3,249,976**	**49,891,770**	**11,340**	**(2,756,700)**	**269,386**	**9,964**	**(548,190)**	**38,257**	**69,812,474**	**126,548,087**
Net Profit	-	-	-	-	-	-	-	-	-	8,541,138	8,541,138
Other comprehensive income											
Re-measurement of defined benefit plan / obligations	-	-	-	-	-	-	-	-	-	(7,369,069)	(7,369,069)
Foreign Currency Translation	-	-	-	-	-	-	-	-	581	-	581
Unrealised gains on investment securities, net of taxes and provisions	-	-	-	-	1,198,115	-	-	-	-	-	1,198,115
Realised gains on investment securities, net of taxes	-	-	-	-	(5,141)	-	-	-	-	-	(5,141)
Finance income on insurance contracts	-	-	-	-	-	-	-	393,822	-	-	393,822
Total comprehensive income	**-**	**-**	**-**	**-**	**1,192,974**	**-**	**-**	**393,822**	**581**	**1,172,069**	**2,759,446**
Transfers between reserves											
Transfer to Retained Earnings Reserve	-	-	2,000,000	-	-	-	-	-	-	(2,000,000)	-
Transfer from loan loss reserve	-	-	-	-	-	(21,810)	-	-	-	21,810	-
Dividends paid	-	-	-	-	-	-	-	-	-	(2,489,275)	(2,489,275)
Balance as at 30 April 2024	**6,569,810**	**3,249,976**	**51,891,770**	**11,340**	**(1,563,726)**	**247,576**	**9,964**	**(154,368)**	**38,838**	**66,517,078**	**126,818,258**
Balance as at 31 October 2024	**6,569,810**	**3,249,976**	**51,891,770**	**11,340**	**643,808**	**314,649**	**9,964**	**(269,708)**	**40,418**	**76,007,550**	**138,469,577**
Net Profit	-	-	-	-	-	-	-	-	-	9,206,710	9,206,710
Other comprehensive income											
Re-measurement of defined benefit plan / obligations	-	-	-	-	-	-	-	-	-	10,646,636	10,646,636
Foreign Currency Translation	-	-	-	-	-	-	-	-	328	-	328
Unrealised gains on investment securities, net of taxes and provisions	-	-	-	-	247,723	-	-	-	-	-	247,723
Realised gains on investment securities, net of taxes	-	-	-	-	(1,771)	-	-	-	-	-	(1,771)
Finance income on insurance contracts	-	-	-	-	-	-	-	142,619	-	-	142,619
Total comprehensive income	**-**	**-**	**-**	**-**	**245,952**	**-**	**-**	**142,619**	**328**	**19,853,346**	**20,242,245**
Transfers between reserves											
Transfer to Retained Earnings Reserve	-	-	14,000,000	-	-	-	-	-	-	(14,000,000)	-
Transfer from loan loss reserve	-	-	-	-	-	(23,555)	-	-	-	23,555	-
Dividends paid	-	-	-	-	-	-	-	-	-	(2,800,434)	(2,800,434)
Balance as at 30 April 2025	**6,569,810**	**3,249,976**	**65,891,770**	**11,340**	**889,760**	**291,094**	**9,964**	**(127,089)**	**40,746**	**79,084,017**	**155,911,388**



Condensed Statement of Consolidated Cash Flows
Period ended April 30, 2025

Unaudited ($ Thousands)	April 2025	April 2024
Cash flows provided by operating activities		
Profit for the period	9,206,710	8,541,138
Items not affecting cash:		
Expected credit losses (Does Not Include Recoveries)	1,806,228	2,436,475
Depreciation and amortisation of right of use assets	551,269	505,741
Amortisation of intangible assets	10,445	10,456
Taxation	4,926,332	4,473,495
Net interest income	(24,252,855)	(22,354,489)
Gain on disposal of property	(130,562)	(211,986)
Increase in retirement benefit assets / obligations	(457,608)	(990,913)
	(8,340,041)	(7,590,083)
Changes in operating assets and liabilities		
Loans	(13,039,636)	(15,683,726)
Deposits	35,107,900	19,526,808
Insurance contracts	559,207	860,838
Due to customers and clients	523,285	(2,042,874)
Financial assets at fair value through profit and loss	180,629	5,542
Interest received	24,883,497	22,720,641
Interest paid	(819,014)	(930,099)
Taxation paid	(6,300,295)	(4,535,913)
Amounts with parent and fellow subsidiaries	(11,154,349)	(957,602)
Other	(4,973,058)	(5,631,998)
	16,628,125	5,741,534
Cash flows provided by investing activities		
Purchase of investment securities	(49,432,316)	(31,463,799)
Proceeds from maturities / sales of investment securities	57,510,897	35,626,811
Purchase of property, equipment and intangibles	(724,962)	(462,539)
Proceeds on sale of property and equipment	161,225	296,634
	7,514,844	3,997,107
Cash flows used in financing activities		
Dividends paid	(2,800,434)	(2,489,275)
Lease payments on right of use asset	(107,373)	(92,291)
	(2,907,807)	(2,581,566)
Effect of exchange rate on cash and cash equivalents	324,368	660,056
Net change in cash and cash equivalents	21,559,530	7,817,131
Cash and cash equivalents at beginning of year	59,124,093	123,838,823
Cash and cash equivalents at the end of the period	**80,683,623**	**131,655,954**
Represented by :		
Cash resources, net of expected credit losses	195,114,259	188,094,312
Less statutory reserves at Bank of Jamaica	(47,460,629)	(43,832,171)
Less amounts due from other banks greater than ninety days	(62,732,843)	(9,309,672)
Expected credit losses on cash resources	42,606	42,507
Less accrued interest on cash resources	(1,623,079)	(459,904)
Pledged assets, investment securities and repurchase agreements assets less than ninety days	1,000,000	-
Cheques and other instruments in transit, net	(3,656,691)	(2,879,118)
Cash and cash equivalents at the end of the period	**80,683,623**	**131,655,954**

Segmental Financial Information

April 30, 2025

Unaudited ($ Thousands)	Banking: Treasury	Banking: Retail	Banking: Corporate and Commercial	Investment Management Services	Insurance Services	Other	Eliminations	Group
Net external revenues	7,663,809	12,864,142	8,299,741	1,686,808	2,646,686	239,903	-	33,401,089
Revenues from other segments	(4,886,272)	688,671	3,713,949	285,299	218,920	-	(20,567)	-
Total revenues	2,777,537	13,552,813	12,013,690	1,972,107	2,865,606	239,903	(20,567)	33,401,089
Expenses	(791,495)	(11,401,205)	(5,591,625)	(975,025)	(424,328)	(114,091)	29,722	(19,268,047)
Profit before tax	1,986,042	2,151,608	6,422,065	997,082	2,441,278	125,812	9,155	14,133,042
Taxation								(4,926,332)
Profit for the period								**9,206,710**
Segment assets	287,865,834	241,235,669	114,067,184	24,487,040	78,041,109	23,350,742	(50,948,582)	718,098,996
Unallocated assets								45,420,088
Total assets								**763,519,084**
Segment liabilities	-	280,795,621	270,142,797	12,126,678	52,894,015	179,341	(35,438,295)	580,700,157
Unallocated liabilities								26,907,539
Total liabilities								**607,607,696**
Other Segment items:								
Net interest income	1,602,175	12,005,604	7,707,071	390,047	2,327,260	210,959	9,739	24,252,855
Capital expenditure	-	585,018	139,944	-	-	-	-	724,962
Expected credit losses	(10,755)	1,124,906	110,203	3,652	24,730	-	-	1,252,736
Depreciation and amortisation	4,856	361,183	183,683	11,453	539	-	-	561,714

Segmental Financial Information

April 30, 2024

Unaudited ($ Thousands)	Banking: Treasury	Banking: Retail	Banking: Corporate and Commercial	Investment Management Services	Insurance Services	Other	Eliminations	Group
Net external revenues	7,678,319	11,058,816	7,878,560	1,505,091	2,084,349	300,532	-	30,505,667
Revenues from other segments	(5,764,086)	1,091,011	4,203,981	186,083	298,289	-	(15,278)	-
Total revenues	1,914,233	12,149,827	12,082,541	1,691,174	2,382,638	300,532	(15,278)	30,505,667
Expenses	(784,170)	(10,531,517)	(4,903,244)	(911,401)	(334,182)	(53,317)	26,797	(17,491,034)
Profit before tax	1,130,063	1,618,310	7,179,297	779,773	2,048,456	247,215	11,519	13,014,633
Taxation								(4,473,495)
Profit for the period								**8,541,138**
Segment assets	263,421,774	205,419,870	105,931,356	24,572,092	71,962,732	22,904,257	(45,036,835)	649,175,246
Unallocated assets								27,333,441
Total assets								**676,508,687**
Segment liabilities	-	255,684,468	240,307,463	13,335,793	51,492,073	141,786	(29,506,544)	531,455,039
Unallocated liabilities								18,235,389
Total liabilities								**549,690,428**
Other Segment items:								
Net interest income	756,431	10,483,543	7,994,968	420,421	2,433,608	253,320	12,198	22,354,489
Capital expenditure	-	291,593	170,438	269	239	-	-	462,539
Expected credit losses	23,933	1,759,467	241,598	11,813	(2,781)	-	-	2,034,030
Depreciation and amortisation	4,583	330,122	167,816	11,936	1,740	-	-	516,197

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
April 30, 2025

1. **Identification**

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

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

2. **Significant accounting policies**

(a) Basis of presentation

Statement of compliance

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

Functional and presentation currency

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

Basis of consolidation

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

3. **Critical accounting estimates and judgements**

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

4. Financial Assets

Financial assets include both debt and equity instruments.

Classification and measurement

Debt instruments

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

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

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

Equity instruments

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

Allowance for expected credit losses

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

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

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

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

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

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

($ Millions)	2025	2024
Securities with regulators, clearing houses and other financial institutions	4,678	3,565
	4,678	**3,565**

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.