MEDIA RELEASE

March 6, 2024

SCOTIA GROUP JAMAICA REPORTS FIRST QUARTER OF FISCAL 2024 RESULTS

Scotia Group reports net income of $3.13 billion for the quarter ended January 31, 2024. In furtherance of our objectives to return value to our shareholders, the Board of Directors have approved a dividend of 40 cents per stock unit in respect of the first quarter, which is payable on April 17, 2024, to stockholders on record as at March 26, 2024 (Q1 2023 – 25 cents). The Group's performance continues to be anchored by solid growth across our business lines, prudent risk management and efficient management of our operations.

Our asset base grew by $64.2 billion or 10.7% to $665.9 billion as at January 2024 and was underpinned by the excellent performance of our loan portfolio which increased by 17.4% at the end of the quarter. Deposits by the public increased $47.3 billion or 11.6% to $456.7 billion, signaling our clients' continued confidence in the strength and safety of the Scotia Group.

In response to the Group's performance, Scotia Group President and CEO, Audrey Tugwell Henry said "We are very proud to deliver another solid performance for the quarter to our shareholders. Our business lines performed well and we will build on this momentum throughout the fiscal year. We continue to distinguish ourselves in the market by the expertise of our team as well as the quality of the solutions we provide, and we are very pleased that clients are increasingly choosing the Scotia Group as their financial partner. This was evidenced by healthy growth in both total deposits and total loans during the period under review.

The commercial business had a standout quarter with a year over year increase of 17% in the loan portfolio. We are very pleased to see the steady growth taking place in the market and Scotia Group is uniquely well-positioned to support our corporate and commercial clients as they develop and expand their businesses. Similarly, in our retail business, we recorded a 12% increase in personal (Scotia Plan) loans and a 24% increase in mortgages versus the prior year. Our performance is indicative of the service improvements we have made as well as the excellent value that our lending products offer to our clients.

Scotia Investments continues to make a valuable contribution to the Group. Assets Under Management grew by 9% year over year. Our Scotia Premium US$ Indexed Fund, Scotia Premium Fixed Income Fund, Scotia Premium Growth and Premium Short Term JMD funds continue to deliver best-in-class performances ranking in the top two among similar funds.

In December 2023, Scotia Jamaica Life Insurance Company (SJLIC) introduced an innovative new product - Scotia Solace. Solace is a fully digital final expenses plan that can be purchased using our Scotia Mobile App in just a few minutes. This product offers significant convenience and value, and we are confident that it will resonate well with the market. SJLIC's Gross Written Premiums for the period grew by 9% versus the prior year period.

Our newest subsidiary Scotia General Insurance Agency marketed under the brand name ScotiaProtect, offers extremely competitive rates for Scotiabank clients including interest-free installment payments for home, auto or content insurance. Gross written premiums for the quarter were just over $170 million with over 1,000 policies sold.

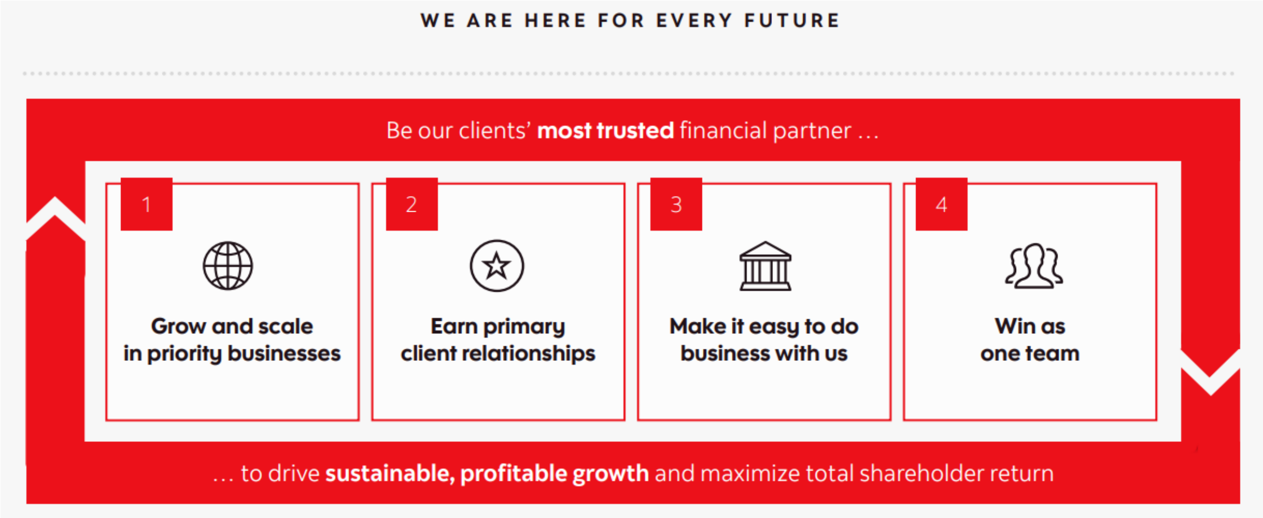
Environmental, Social & Governance

Scotiabank is an ardent supporter of diversity, equity and inclusion both within our organisation as well as within the wider society. In December, the Group coordinated several initiatives in keeping with our commitment to creating social impact. Donations were made to the Salvation Army to assist with their Christmas Kettle appeal for needy families and to purchase braille printers. These printers will significantly assist the production of educational material for students at the Salvation Army School for the Blind. Additionally, in commemoration of International Day of Persons with Disabilities, the Group hosted a career seminar for persons with disabilities offering advice and support for career advancement.

January 2023 marked the two-year anniversary of the Scotiabank Women Initiative. The initiative has proven to be a great success helping over 500 women to develop their business acumen and achieve their objectives. Over $1.5 billion has been allocated in funding to upscale and grow women-led businesses as part of the programme. We look forward to increased enrollment in the program in the coming year as we believe the empowerment of women in business can have a transformative impact on the wider society.

Refreshed Global Strategy

In December 2023, our global bank outlined its new strategic priorities under the leadership of our new Global President and CEO, Scott Thomson. We were very pleased to welcome Scott along with Scotiabank Group Head of International Banking, Francisco Aristeguieta to Jamaica in January 2024 where they met with important stakeholders, outlined the vision and reaffirmed the Bank's commitment to Jamaica and the Caribbean. Our new strategy is relevant and timely and leverages the strengths of our longstanding institution. In summary:



L-R Anya Schnoor, Chair, Scotia Group Jamaica and Executive Vice President for Scotiabank Caribbean and Central America, Audrey Tugwell Henry, President and CEO, Scotia Group Jamaica, Francisco Aristeguieta Scotiabank Group Head International Banking, Scott Thomson, Scotiabank Global President and CEO, Richard Byles, Governor, Bank of Jamaica, Dr. Wayne Robinson, Senior Deputy Governor, Bank of Jamaica.

In the coming months, we will be making enhancements throughout the organisation that will allow us to continue to innovate and provide our clients with solutions for every future.

Our business continues to grow thanks to the commitment of our talented team of Scotiabankers. We are grateful to our Board which continues to provide sound direction for our business. We continue to thank our clients for choosing the Scotia Group as their financial partner and our shareholders for their continued confidence. "

GROUP FINANCIAL PERFORMANCE

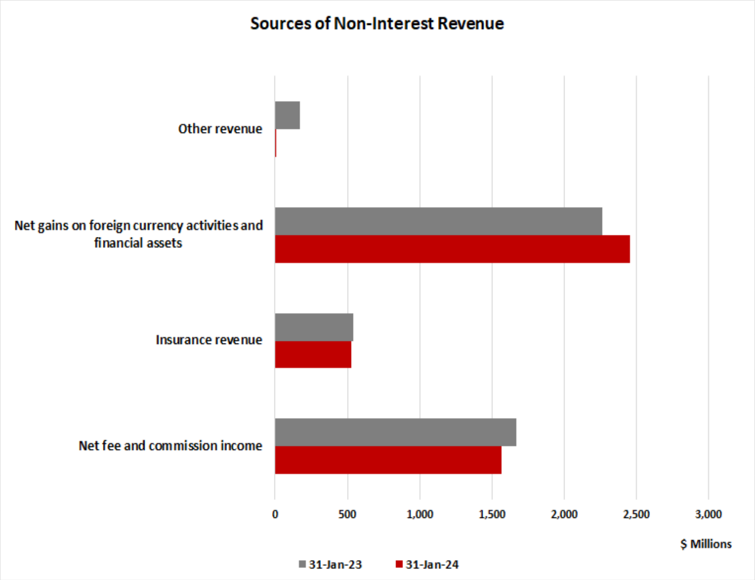
TOTAL REVENUES

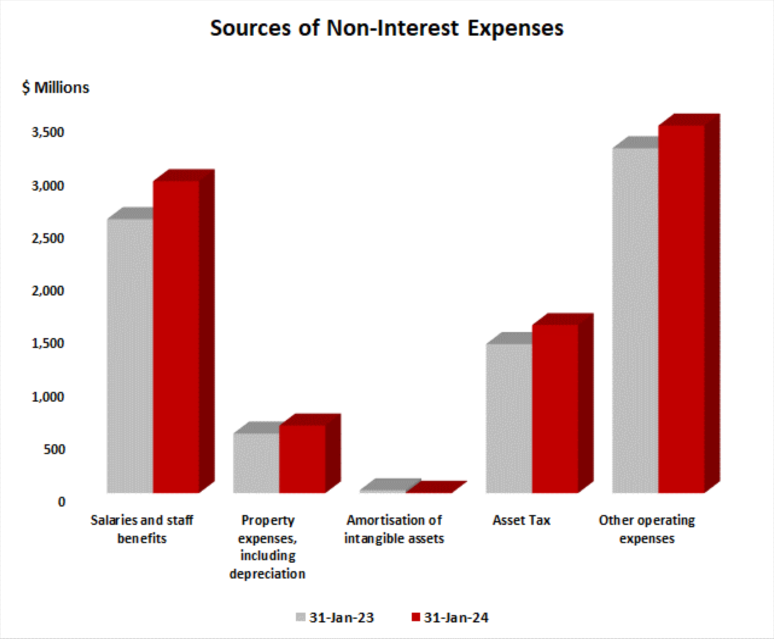
Total revenues excluding expected credit losses for the quarter ended January 31, 2024, grew by $1.2 billion to $14.9 billion reflecting an increase of 8.5% over the prior year period. This was primarily driven by an increase in net interest income of $1.8 billion stemming from the strong growth in our loan portfolio and higher gains on foreign currency activities.

OTHER REVENUE

Other income, defined as all revenue other than interest income, declined marginally by $81.9 Million or 1.8%.

- Net insurance revenue decreased by $13.5 million or 2.5% from $537.5 million to $524.0 million driven by higher insurance service expenses which was offset by higher contractual service margin releases and higher revenue generated from our Creditor Life portfolio given an increase in transaction volumes stemming from further deepening of our client relationships.
- Net fee and commission income for the period amounted to $1.6 billion, a reduction of $98.1 million or 5.9% given higher deposit payment service expenses.





OPERATING EXPENSES

Operating expenses continue to be anchored by the Group's expense management initiatives and totaled $8.7 billion as at January 2024 reflecting an increase of $807 million or 10.3% driven by higher asset taxes associated with the year over year growth in the asset base, higher billings associated with deposit processing arising from an increase in transaction volumes and annual inflationary increases.

CREDIT QUALITY

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

Non-accrual loans (NALs) as at January 2024 totaled $4.7 billion compared to $4.1 billion as at January 2023. This represents an increase of $627.5 million or 15.4%. The Group's NALs represent 1.7% of gross loans when compared to January 2023 (1.7%) and 0.7% of total assets (January 2023 – 0.7%). Of note, the Group's NALs as a percentage of gross loans continue to be below the industry average. The Group's accumulated credit loss provisions (ACLs) for loans as at January 2024 was $5.9 billion, representing 126.1% coverage of total non-performing loans.

GROUP FINANCIAL CONDITION

ASSETS

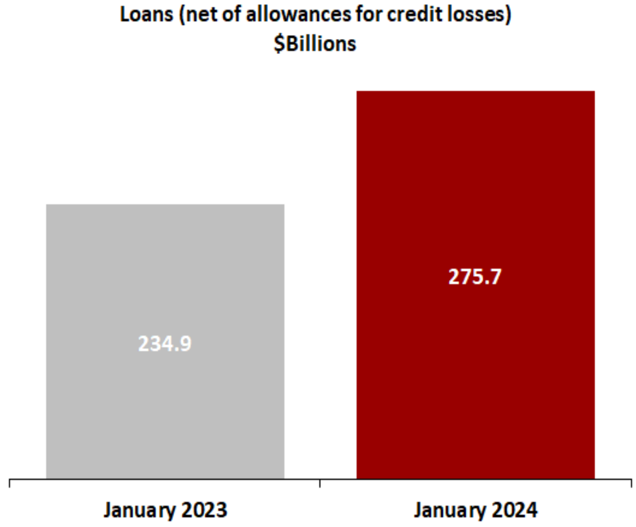
The Group's asset base grew by $64.2 billion or 10.7% to $665.9 billion as at January 2024. This was predominantly as a result of the significant growth in our loan portfolio of $40.8 billion or 17.4%; higher cash resources of $36.3 billion or 21.9%; and higher carrying value of the retirement benefit asset of $3.6 billion or 25.5%. This was partially offset by a reduction in pledged assets of $11.3 billion or 67.8% as well as lower investment securities of $8.5 billion or 5.6%.

Cash Resources

Our cash resources held to meet statutory reserves and the Group's prudential liquidity targets stood at $202.1 billion and reflected a year over year increase of $36.3 billion or 21.9%. The increase noted was primarily attributable to the growth in our core deposits. The Group maintains a strong liquidity position, which enables us to respond effectively to changes in our cash flow requirements.

Loans

Our loan portfolio increased by $40.8 billion or 17.4% compared to January 2023, with loans net of allowances for credit losses increasing to $275.7 billion. Our core loan book continues to perform well with mortgages increasing year over year by 24%, consumer loans by 12%, credit cards by 12% and commercial loans by 17%.

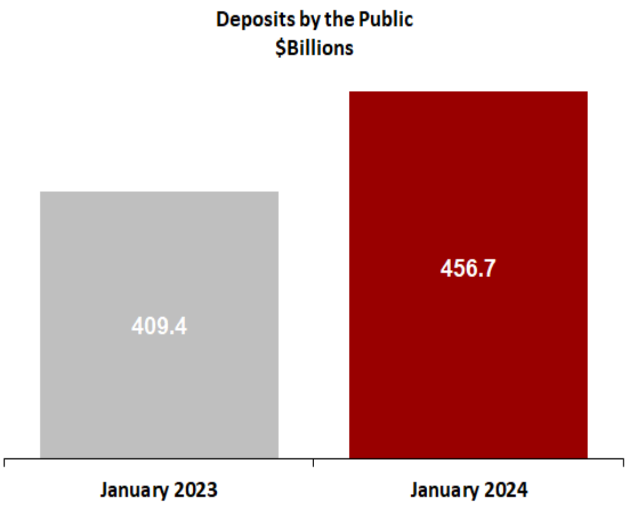


LIABILITIES

Total liabilities were $544.5 billion as at January 2024 and showed an increase of $46.9 billion or 9.4%. The increase noted was driven mainly by the growth in client deposits.

Deposits

Deposits by the public increased to $456.7 billion. The $47.3 billion or 11.6% 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 January 2024 our asset management portfolios showed an increase of $15.9 billion or 8.7% and was attributable to the growth in the net asset value of the Scotia Premium Short Term Income Funds (JMD & USD), the Scotia Premium Fixed Income Fund and the Scotia Money Market Fund as well as higher Institutional assets under management.

Insurance Contract Liabilities/Segregated Funds

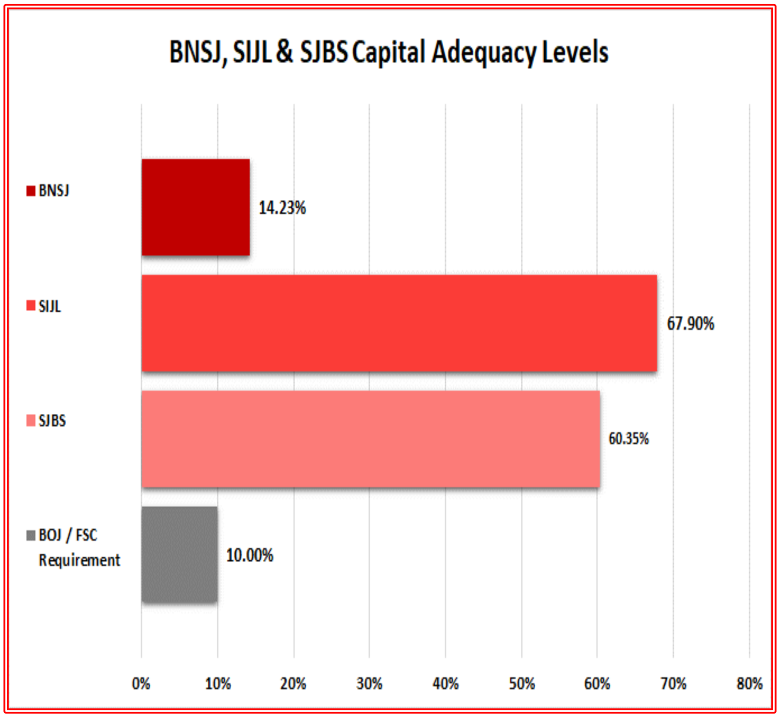
Insurance contract liabilities primarily relates to our flagship product ScotiaMint with a balance of $49.2 billion as at January 2024 and reflected a year over year increase of $811.4 million or 1.7%. Our segregated fund balance primarily relates to our Scotia Affirm product which continues to perform well, growing by $352.4 million or 33.2% year over year. The increase noted was attributable to improved market performance. In addition, we continue to advise Jamaicans of the importance of having insurance protection as part of their overall financial plan.

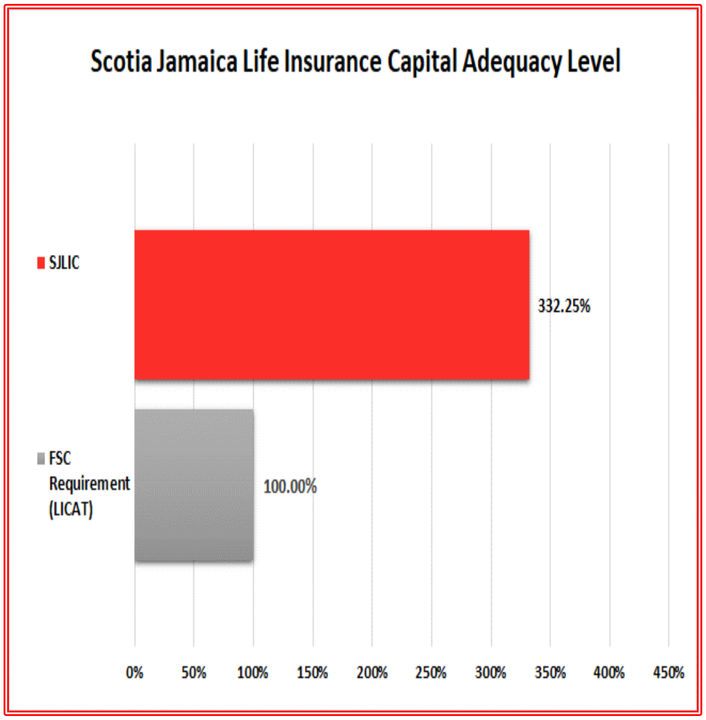
CAPITAL

Shareholders' equity available to common shareholders totaled $121.4 billion and reflected an increase of $17.3 billion or 16.6% when compared to January 2023. This was due primarily to the re-measurement of the defined benefit pension plan asset, lower fair value losses on the investment portfolio, movement in the insurance finance reserve and 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:





OUR COMMITMENT TO THE COMMUNITY

During the first quarter of FY 2024, Scotia Group through the Scotiabank Jamaica Foundation (Scotia Foundation) focused its efforts on supporting youth empowerment and community enrichment during the Yuletide season, by supporting the efforts of the National Child Month Committee (NCMC) and the Salvation Army.

In commemoration of Youth Month in November 2023, a contribution of $700,000 was made to the NCMC for the coordination of the National Youth Forum. The annual event was initiated in 2009 to give young people an opportunity to speak on issues they face, recommend solutions for development and instigate possible policy change. The forum targets students enrolled in secondary schools across the island and helps them to develop their public speaking ability, as the students are tasked with relaying their thoughts and ideas through speeches, debates, cultural items and displays.

Maia Wilson (left), Vice President, Legal Counsel spends time with students in attendance at the National Youth Forum hosted in November 2023.

A scene from the annual Christmas hamper distribution event hosted for over 300 families by the Salvation Army in Downtown, Kingston.

A $3 million donation was made to the Salvation Army in December 2023, to advance the organization's efforts to provide basic necessities for 80 children aged 3 - 18 living in children's homes managed by the organization. Some 300 families living in and around downtown Kingston, also received Christmas hampers packed with grocery supplies for the yuletide season. Understanding the importance of supporting the local communities, the Scotia Foundation's team of enthusiastic volunteers supported the distribution of the hampers to the members of the community.

A portion of the donation to the Salvation Army was also used to purchase braille machines for the Salvation Army School for the Blind in support of the school's efforts to convert educational materials to braille for the students.

The Group also hosted its annual "Christmas in the Park" event at the Emancipation Park in Kingston on December 6, 2023. The event attracted over 3,000 patrons for the festivities which included performances from students from several schools in the corporate area and established acts.

The Scotia Foundation is committed to supporting the people in the communities we serve and playing our part to remove barriers to opportunity and enhance the livelihood of the vulnerable groups among us.

Audrey Tugwell Henry, President & CEO, Scotia Group, shares a happy moment with patrons in attendance at the annual Christmas in the Park event hosted in December 2023.

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

	For the three months ended		
Unaudited ($ Thousands)	January 2024	Restated October 2023	Restated January 2023
Interest income	11,604,023	11,034,139	9,434,867
Interest expense	(498,959)	(466,484)	(130,555)
Net interest income	11,105,064	10,567,655	9,304,312
Expected credit losses	(1,028,440)	(740,519)	(510,014)
Net interest income after expected credit losses	10,076,624	9,827,136	8,794,298
Finance expenses from insurance contracts	(735,209)	(721,383)	(188,231)
Finance expenses from reinsurance contracts	49	(24)	(17)
Total insurance finance expenses	(735,160)	(721,407)	(188,248)
Insurance revenue	831,665	961,378	660,651
Insurance service expenses	(307,828)	(652,947)	(123,184)
Net expenses from reinsurance contracts	121	117	-
Net insurance revenue	523,958	308,548	537,467
Net fee and commission income	1,566,730	1,801,702	1,664,824
Net gains on foreign currency activities	2,325,713	2,266,096	2,070,110
Net gains / (losses) on financial assets	130,185	37,540	189,775
Other revenue	2,516	29,596	168,783
	4,025,144	4,134,934	4,093,492
Total operating Income	13,890,566	13,549,211	13,237,009
Operating Expenses			
Salaries and staff benefits	2,954,695	3,242,857	2,595,916
Property expenses, including depreciation	641,113	626,918	564,911
Amortisation of intangible assets	5,249	(58,186)	28,354
Asset tax	1,592,386	-	1,412,687
Other operating expenses	3,481,961	2,992,017	3,266,545
	8,675,404	6,803,606	7,868,413
Profit before taxation	5,215,162	6,745,605	5,368,596
Taxation	(2,089,166)	(2,078,770)	(2,000,298)
Profit for the period	3,125,996	4,666,835	3,368,298
Attributable to:-			
Equityholders of the Company	3,125,996	4,666,835	3,368,298
Earnings per share (cents)	100	150	108
Return on average equity (annualized)	10.09%	15.61%	12.80%
Return on assets (annualized)	1.88%	2.81%	2.24%
Productivity ratio	58.15%	47.61%	57.24%

Consolidated Statement of Comprehensive Income
Period ended January 31, 2024

	For the three months ended		
Unaudited ($ Thousands)	January 2024	Restated October 2023	Restated January 2023
Profit for the period	3,125,996	4,666,835	3,368,298
Other comprehensive (loss) / income:			
Items that will not be reclassified to profit or loss:			
Remeasurement of defined benefit plan/obligations	(12,571,112)	14,825,542	(9,460,619)
Taxation	4,190,371	(4,941,847)	3,153,540
	(8,380,741)	9,883,695	(6,307,079)
Items that may be subsequently reclassified to profit or loss:			
Unrealised gains on investment securities	1,079,858	652,509	1,636,098
Realised losses on investment securities	121	11,279	1,866
Foreign currency translation	250	886	994
Finance income from insurance contracts	815,235	289,267	739,512
Expected credit losses on investment securities	(5,861)	(8,329)	135,340
	1,889,603	945,612	2,513,810
Taxation	(530,405)	(278,543)	(732,466)
	1,359,198	667,069	1,781,344
Other comprehensive (loss) / income, net of tax	(7,021,543)	10,550,764	(4,525,735)
Total comprehensive (loss) / income for the period	(3,895,547)	15,217,599	(1,157,437)

Consolidated Statement of Financial Position
January 31, 2024

Unaudited	January 31, 2024	October 31, 2023	Restated January 31, 2023
($ Thousands)			
ASSETS			
CASH RESOURCES, NET OF ALLOWANCES	202,085,263	178,614,196	165,778,097
FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS	2,569,374	2,841,833	3,087,837
INVESTMENT SECURITIES	139,641,466	158,755,546	147,628,868
PLEDGED ASSETS	5,356,716	3,521,127	16,657,008
GOVERNMENT SECURITIES PURCHASED UNDER RESALE AGREEMENTS	-	330,075	-
LOANS, NET OF ALLOWANCES FOR CREDIT LOSSES	275,725,627	268,829,718	234,883,315
SEGREGATED FUND ASSETS	1,414,302	1,290,656	1,061,951
REINSURANCE CONTRACT ASSETS	1,336	1,356	1,204
INSURANCE CONTRACT ASSETS	15,827	14,469	12,735
OTHER ASSETS			
Property and equipment, including right of use assets	9,389,152	9,527,847	9,516,080
Deferred taxation	1,583,616	1,890,023	2,039,230
Taxation recoverable	4,039,069	3,098,152	2,962,239
Retirement benefit asset	17,912,082	31,094,511	14,270,043
Other assets	5,653,779	4,396,788	3,318,798
Intangible assets	525,416	530,665	527,185
	39,103,114	50,537,986	32,633,575
TOTAL ASSETS	**665,913,025**	**664,736,962**	**601,744,590**
LIABILITIES			
Deposits by the public	456,716,707	444,875,527	409,407,258
Amounts due to banks and other financial institutions	2,778,966	4,487,011	1,877,860
	459,495,673	449,362,538	411,285,118
OTHER LIABILITIES			
Capital management and government securities funds	-	-	14,372,252
Deferred taxation	3,076,889	6,839,089	741,255
Retirement benefit obligation	3,738,373	4,879,478	4,365,395
Due to clients	11,295,134	10,561,400	919,232
Other liabilities	16,299,581	15,803,277	16,508,129
	34,409,977	38,083,244	36,906,263
INSURANCE CONTRACT LIABILITIES	49,184,143	49,450,309	48,372,773
REINSURANCE CONTRACT LIABILITIES	1,027	2,128	2,155
SEGREGATED FUND ASSETS	1,414,302	1,290,656	1,061,951
STOCKHOLDERS' EQUITY			
Share capital	6,569,810	6,569,810	6,569,810
Reserve fund	3,249,976	3,249,976	3,249,976
Retained earnings reserve	51,891,770	49,891,770	46,891,770
Capital reserve	11,340	11,340	11,340
Loan loss reserve	278,784	269,386	361,367
Other reserves	9,964	9,964	9,964
Insurance finance reserve	88,006	(548,190)	(646,069)
Translation reserve	38,507	38,257	35,929
Cumulative remeasurement on investment securities	(2,033,948)	(2,756,700)	(4,205,953)
Unappropriated profits	61,303,694	69,812,474	51,838,196
	121,407,903	126,548,087	104,116,330
TOTAL EQUITY AND LIABILITIES	**665,913,025**	**664,736,962**	**601,744,590**

Director

Director

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

Unaudited ($ Thousands)	Share Capital	Reserve Fund	Retained Earnings Reserve	Capital Reserves	Cumulative Remeasurement on Investment Securities	Loan Loss Reserve	Other Reserves	Insurance Finance Reserve	Translation Reserve	Unappropriated Profits	Total
Balance as at 31 October 2022	**6,569,810**	**3,249,976**	**45,891,770**	**11,340**	**(5,431,669)**	**361,367**	**9,964**	**(1,200,703)**	**34,935**	**56,866,035**	**106,362,825**
Net Profit	-	-	-	-	-	-	-	-	-	3,368,298	3,368,298
Other comprehensive income/ (loss)											
Re-measurement of defined benefit plan / obligations	-	-	-	-	-	-	-	-	-	(6,307,079)	(6,307,079)
Foreign Currency Translation	-	-	-	-	-	-	-	-	994	-	994
Unrealised gains on investment securities, net of taxes and provisions	-	-	-	-	1,224,472	-	-	-	-	-	1,224,472
Realised losses on investment securities, net of taxes	-	-	-	-	1,244	-	-	-	-	-	1,244
Finance income on insurance contracts	-	-	-	-	-	-	-	554,634	-	-	554,634
Total comprehensive loss	-	-	-	-	1,225,716	-	-	554,634	994	(2,938,781)	**(1,157,437)**
Transfers between reserves											
Transfer to loan Retained Earnings Reserve	-	-	1,000,000	-	-	-	-		-	(1,000,000)	-
Dividends paid	-	-	-	-	-	-	-	-	-	(1,089,058)	(1,089,058)
Balance as at 31 January 2023, as restated	**6,569,810**	**3,249,976**	**46,891,770**	**11,340**	**(4,205,953)**	**361,367**	**9,964**	**(646,069)**	**35,929**	**51,838,196**	**104,116,330**
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	-	-	-	-	-	-	-	-	-	3,125,996	3,125,996
Other comprehensive income/ (loss)											
Re-measurement of defined benefit plan / obligations	-	-	-	-	-	-	-	-	-	(8,380,741)	(8,380,741)
Foreign Currency Translation	-	-	-	-	-	-	-	-	250	-	250
Unrealised gains on investment securities, net of taxes and provisions	-	-	-	-	722,591	-	-	-	-	-	722,591
Realised losses on investment securities, net of taxes	-	-	-	-	161	-	-	-	-	-	161
Finance income on insurance contracts	-	-	-	-	-	-	-	636,196	-	-	636,196
Total comprehensive loss	**-**	**-**	**-**	**-**	**722,752**	**-**	**-**	**636,196**	**250**	**(5,254,745)**	**(3,895,547)**
Transfers between reserves											
Transfer to retained earnings reserve	-	-	2,000,000	-	-	-	-		-	(2,000,000)	-
Transfer to loan loss reserve	-	-	-	-	-	9,398	-		-	(9,398)	-
Dividends paid	-	-	-	-	-	-	-		-	(1,244,637)	(1,244,637)
Balance as at 31 January 2024	**6,569,810**	**3,249,976**	**51,891,770**	**11,340**	**(2,033,948)**	**278,784**	**9,964**	**88,006**	**38,507**	**61,303,694**	**121,407,903**

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

Unaudited ($ Thousands)	2024	Restated 2023
Cash flows provided by / (used in) operating activities		
Profit for the period	3,125,996	3,368,298
Items not affecting cash:		
Expected credit losses	1,284,103	868,960
Depreciation and amortisation of right of use assets	262,991	246,502
Amortisation of intangible assets	5,249	28,354
Taxation	2,089,164	2,000,298
Net interest income	(11,103,609)	(9,116,064)
Gain on disposal of property	-	(159,921)
Increase in retirement benefit assets / obligations	(495,456)	(329,285)
	(4,831,562)	(3,092,858)
Changes in operating assets and liabilities		
Loans	(8,084,830)	(1,051,972)
Deposits	11,666,529	12,450,667
Insurance contracts	571,402	(174,807)
Due to clients	733,734	(31,374)
Financial assets at fair value through profit and loss	326,050	21,044
Interest received	10,955,755	9,105,700
Interest paid	(318,168)	(287,294)
Taxation paid	(1,321,867)	(750,829)
Amounts with parent and fellow subsidiaries	(566,884)	(488,610)
Other	(4,517,455)	(524,440)
	4,612,704	15,175,227
Cash flows provided by / (used in) investing activities		
Purchase of investment securities	(5,830,145)	(23,364,687)
Proceeds from maturities / sales of investment securities	24,508,882	30,586,123
Purchase of property, equipment and intangibles	(151,351)	(427,107)
Proceeds on sale of property and equipment	-	189,593
	18,527,386	6,983,922
Cash flows used in financing activities		
Dividends paid	(1,244,637)	(1,089,058)
Lease payments on right of use asset	(45,848)	(45,765)
	(1,290,485)	(1,134,823)
Effect of exchange rate on cash and cash equivalents	547,669	483,014
Net change in cash and cash equivalents	22,397,274	21,507,340
Cash and cash equivalents at beginning of year	123,838,823	102,861,160
Cash and cash equivalents at end of the period	**146,236,097**	**124,368,500**
Represented by :		
Cash resources, net of expected credit losses	202,085,263	165,778,097
Less statutory reserves at Bank of Jamaica	(43,179,811)	(34,145,036)
Less amounts due from other banks greater than ninety days	(9,031,341)	(8,482,430)
Expected credit losses on cash resources	45,381	33,308
Less accrued interest on cash resources	(373,992)	(354,486)
Pledged assets, investment securities and repurchase agreements assets less than ninety days	-	5,010,778
Cheques and other instruments in transit, net	(3,309,403)	(3,471,731)
Cash and cash equivalents at the end of the period	**146,236,097**	**124,368,500**

Scotiabank

Segmental Financial Information

January 31, 2024

Unaudited ($ Thousands)	Banking: Treasury	Banking: Retail	Banking: Corporate and Commercial	Investment Management Services	Insurance Services	Other	Eliminations	Group
Net external revenues	3,767,976	5,356,409	3,881,969	754,439	1,010,714	147,499	-	14,919,006
Revenues from other segments	(2,880,144)	561,751	2,090,203	81,822	153,590	-	(7,222)	-
Total revenues	887,832	5,918,160	5,972,172	836,261	1,164,304	147,499	(7,222)	14,919,006
Expenses	(696,475)	(5,759,315)	(2,479,561)	(469,737)	(236,781)	(75,090)	13,115	(9,703,844)
Profit before tax	191,357	158,845	3,492,611	366,524	927,523	72,409	5,893	5,215,162
Taxation								(2,089,166)
Profit for the year								**3,125,996**
Segment assets	259,917,464	197,252,653	108,647,358	26,876,236	70,841,831	22,778,553	(45,280,529)	641,033,566
Unallocated assets								24,879,459
Total assets								**665,913,025**
Segment liabilities	-	250,185,408	238,914,237	15,954,500	50,953,789	182,400	(29,744,614)	526,445,720
Unallocated liabilities								18,059,402
Total liabilities								**544,505,122**
Other Segment items:								
Net interest income	296,572	5,145,459	4,071,972	203,408	1,254,009	127,402	6,242	11,105,064
Capital expenditure	-	114,425	36,657	269	-	-	-	151,351
Expected credit losses	2,125	998,701	21,322	8,600	(2,308)	-	-	1,028,440
Depreciation and amortisation	2,177	171,738	87,308	6,130	887	-	-	268,240

Scotiabank

Segmental Financial Information
January 31, 2023 (Restated)

Unaudited ($ Thousands)	Banking: Treasury	Banking: Retail	Banking: Corporate and Commercial	Investment Management Services	Insurance Services	Other	Eliminations	Group
Net external revenues	2,727,411	5,200,953	3,478,233	822,472	1,448,426	69,528	-	13,747,023
Revenues from other segments	(1,945,822)	592,781	1,260,407	35,810	59,639	-	(2,815)	-
Total revenues	781,589	5,793,734	4,738,640	858,282	1,508,065	69,528	(2,815)	13,747,023
Expenses	(642,439)	(4,700,162)	(2,213,152)	(466,691)	(288,223)	(57,611)	(10,149)	(8,378,427)
Profit before tax	139,150	1,093,572	2,525,488	391,591	1,219,842	11,917	(12,964)	5,368,596
Taxation								(2,000,298)
Profit for the year								**3,368,298**
Segment assets	232,180,826	178,249,457	89,662,002	25,975,632	65,603,162	22,359,136	(30,394,769)	583,635,446
Unallocated assets								18,109,144
Total assets								**601,744,590**
Segment liabilities	1,000,192	226,339,477	202,448,626	16,168,241	50,036,942	92,233	(14,879,188)	481,206,523
Unallocated liabilities								16,421,737
Total liabilities								**497,628,260**
Other Segment items:								
Net interest income	218,192	4,776,041	2,930,228	250,940	1,051,154	63,672	14,085	9,304,312
Capital expenditure	-	302,815	122,077	2,215	-	-	-	427,107
Expected credit losses	35,770	388,917	8	21,338	63,981	-	-	510,014
Depreciation and amortisation	1,903	161,212	104,094	6,471	1,176	-	-	274,856

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
January 31, 2024

1. Identification

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

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

2. Significant accounting policies

(a) Basis of presentation

Statement of compliance

The condensed interim consolidated financial statements have been prepared in accordance with IAS 34, 'Interim financial reporting'. The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those applied in the preparation of the Group's annual audited consolidated financial statements for the year ended October 31, 2023, which was prepared in accordance with International Financial Reporting Standards (IFRS).

Functional and presentation currency

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

Basis of consolidation

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

3. Critical accounting estimates and judgements

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

4. Financial Assets

Financial assets include both debt and equity instruments.

Classification and measurement

Debt instruments

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

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

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

Equity instruments

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

Allowance for expected credit losses

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

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

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

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

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

5. Pledged Assets

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

($ Millions)	2024	2023
Capital Management and Government Securities funds	-	14,192
Securities with regulators, clearing houses and other financial institutions	5,357	2,465
	5,357	**16,657**

6. Insurance and investment contracts

Insurance contracts are those contracts that transfer significant insurance risks. Such contracts may also transfer financial risk. As a general guideline, the Group defines as significant insurance risk, the possibility of having to pay benefits at the occurrence of an insured event that is at least 10% more than the benefits payable if the insured event did not occur.

7. Property and equipment including right of use assets

All property, plant and equipment are stated at cost less accumulated depreciation.

The Group recognizes a right of use asset and a lease liability at the commencement of the lease. The right of use asset is initially measured based on the present value of the lease payments.

8. Cash and cash equivalents

For the purpose of the cash flow statement, cash and cash equivalents include notes and coins on hand, unrestricted balances held with Bank of Jamaica, amounts due from other banks, and highly liquid financial assets with original maturities of less than ninety days, which are readily convertible to known amounts of cash, and are subject to insignificant risk of changes in their fair value.

9. Employee benefits

The Group operates both defined benefit and defined contribution pension plans. The assets of the plans are held in separate trustee-administered funds. The pension plans are funded by contributions from employees and by the relevant group companies, taking into account the recommendations of qualified actuaries.

(i) Defined Benefit Plan

The asset or liability in respect of the defined benefit plan is the difference between the present value of the defined benefit obligation at the reporting date and the fair value of plan assets.

Where a pension asset arises, the amount recognized is limited to the present value of any economic benefits available in the form of refunds from the plan or reduction in future contributions to the plan. The pension costs are assessed using the Projected Unit Credit Method.

9. Employee benefits (continued)

(i) **Defined Benefit Plan (continued)**

Under this method, the cost of providing pensions is charged as an expense in such a manner as to spread the regular cost over the service lives of the employees in accordance with the advice of the actuaries, who carry out a full valuation of the plan every year in accordance with IAS 19. Re-measurements comprising actuarial gains and losses, return on plan assets and changes in the effect of the asset ceiling are reported in other comprehensive income. The pension obligation is measured as the present value of the estimated future benefits of employees, in return for service in the current and prior periods, using estimated discount rates based on market yields on Government securities which have terms to maturity approximating the terms of the related liability.

(ii) Other post-retirement obligations

The Group also provides supplementary health care and insurance benefits to qualifying employees upon retirement. The entitlement to these benefits is usually based on the completion of a minimum service period and the employee remaining in service up to retirement age. The expected costs of these benefits are accrued over the period of employment, using an accounting methodology similar to that for defined benefit pension plans. These obligations are valued annually by qualified independent actuaries.

(iii) Defined contribution plan

Contributions to this plan are charged to the statement of revenue and expenses in the period to which they relate.

10. Segment reporting

The Group is organized into six main business segments:

- Retail Banking – this incorporates personal banking services, personal deposit accounts, credit and debit cards, client loans and mortgages;
- Corporate and Commercial Banking – this incorporates non-personal direct debit facilities, current accounts, deposits, overdrafts, loans and other credit facilities;
- Treasury – this incorporates the Group's liquidity and investment management function, management of correspondent bank relationships, as well as foreign currency trading activities;
- Investment Management Services – this incorporates investments, unit trusts, pension and other fund management, brokerage and advisory services, and the administration of trust accounts.
- Insurance Services – this incorporates the provision of life and medical insurance, individual pension administration and annuities;
- Other operations of the Group comprise the parent company.

Segment assets and liabilities comprise operating assets and liabilities, being the majority of items on the statement of financial position, but exclude items such as taxation, retirement benefits asset and obligation and borrowings. Eliminations comprise intercompany transactions and balances. The Group's operations are located mainly in Jamaica. The operations of subsidiaries located overseas represent less than 10% of the Group's operating revenues and assets.

11. Prior year adjustments

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