

MEDIA RELEASE

December 10, 2025



SCOTIA GROUP JAMAICA REPORTS

FISCAL 2025 RESULTS

Scotia Group reports net income of \$19.9 billion for the year ended October 31, 2025, representing a decrease of \$256.3 million or 1.3% over the previous year. The Group's asset base grew by \$68.8 billion or 9.8% to \$773.8 billion as at October 2025 and was underpinned by the excellent performance of our loan portfolio.

Aligning with our objective 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 21, 2026, to stockholders on record as at December 30, 2025.

Business Performance

The Group delivered strong financial results for the full year 2025, as we continued to execute on our strategic imperatives which are centered on client primacy and the ongoing streamlining of our operations to deliver quality financial services to our clients. All business lines delivered consistently strong performances during the quarter and throughout the year, resulting in total revenues of \$67.6 billion, a 6.8% increase over prior year.

In our fourth quarter, we recorded non-recurring expenses totaling \$817 million dollars, which included charges related to efficiency efforts, a write down of physical assets and credit provisions related to Hurricane Melissa. We believe that it was prudent to take additional provisions considering the unprecedented impact of the hurricane.

Total deposits increased to \$529.8 billion, reflecting a significant year-over-year growth of 11.3%, signaling sustained client confidence in the Group. Furthermore, our Scotia Plan Loan portfolio expanded by an impressive 16%, while our mortgage portfolio recorded a substantial 20% growth over the previous year, demonstrating our strength in meeting our client needs to finance the acquisition of key assets.

The Commercial segment continues to advance on our strategic objective to grow primary client relationships. This approach has delivered steady growth in deposits, which increased by 10% year-over-year, underpinned by rising transaction volumes through our secure digital channels. Additionally, our commercial loan growth year-over-year reflects our ongoing support for the business sector, with capital deployed to facilitate investments in the productive economy.

Scotia Investments Jamaica Limited (SIJL) delivered a robust performance with Assets Under Management increasing by 12% year over year. SIJL also improved account accessibility through the Scotia Caribbean Banking App and online banking platform where clients are now able to view their investment portfolios.





Scotia Jamaica Life Insurance Company (SJLIC) reported a significant increase in net insurance business revenue of 33% and an increase in Gross Written Premiums of 8% over the previous year driven by the performance of the portfolio. Scotia General Insurance Agency (SGIA) also performed well with Gross Written Premiums increasing by 59% and policy sales increasing by 54% year over year.

Awards and Recognitions

During the period, the Group was recognized with an unprecedented number of prestigious awards from both local and international organizations, acknowledging our excellent business performance and impact.

- **Euromoney Best Bank Award 2025**
- **Global Finance Awards**
 - » **Best Bank**
 - » **Best Corporate / Institutional Digital Bank**
 - » **Best Consumer Digital Bank**
 - » **Best Mobile Banking App**
- **World Finance Pension Award - Best Pension Fund in Jamaica and the Caribbean 2025**
- **The Banker - Bank of the Year 2025**
- **Latin Finance - Bank of the Year 2025**
- **Jamaica Chamber of Commerce – Best of Chamber (Extra Large Enterprise) Award**

These accolades affirm the Group’s unwavering dedication to delivering superior financial services and its vision of being the leading financial institution in Jamaica.

Environment, Social and Governance

Scotia Group is a firm believer in the importance of positively impacting the communities it serves by boosting sustainability and resilience. The Scotia Foundation invested **J\$22 million** in back-to-school activities across Jamaica, benefitting **over 2,000 students**. As part of this effort, **Grade 6 students at 31 primary schools** received essential school supplies, allowing them to begin an important academic year with the tools needed for success. Additionally, under the Scotia Insurance Education Wealth Plan Scholarship Programme, **22 high school and tertiary students** received scholarships to support their academic pursuits.

In celebration of International Coastal Cleanup Day, the Scotia Foundation hosted a major cleanup activity along the coastline behind **Donald Quarrie High School**. Approximately **150 volunteers** participated, removing **138 bags** of garbage and recyclables from the shoreline.



Hurricane Melissa Response



Standing alongside volunteers, Audrey Tugwell Henry, Scotia Group President and CEO, helps pack care packages destined for families in need

The impact of Hurricane Melissa on our operations and the broader Jamaican community has been profound. Scotia Group remains steadfast in its commitment to supporting affected communities as they address significant damage to both the built and natural environments. To ensure the well-being of our team members and the prompt resumption of full branch operations, we have made substantial investments and implemented comprehensive support measures.

In addition, Scotia Group is actively contributing to the national rebuilding efforts by providing an initial allocation of JM\$165 million to facilitate relief and foster stronger recovery in partnership with trusted organizations. Scotiabank has also launched its Client Assistance Programme, offering eligible clients the opportunity to defer loan and credit card payments for up to three months, thereby alleviating immediate financial pressures.

We remain confident in Jamaica's resilience and ability to recover from this disaster, emerging even stronger than before.

As we reflect on 2025 and look ahead to our new fiscal year, we remain encouraged by the strength of our business and the dedication of our people. We extend sincere appreciation to our Scotia Group team for their commitment, and to our Board of Directors for their steady leadership. Above all, we thank our clients and shareholders for their continued partnership and confidence. Scotia Group remains focused on supporting Jamaica's recovery, while building an even stronger future for the communities we serve.



SOCIAL IMPACT INITIATIVES

During the fourth quarter, Scotia Group Jamaica advanced its mission to uplift communities through targeted investments in education, youth empowerment, financial resilience, and environmental sustainability. The period saw the execution of several impactful initiatives that strengthened families, supported students, and deepened the organization's engagement with communities across the island.

Back-to-School Support and Community Treats



The Scotia Foundation invested **J\$22 million** in back-to-school activities across Jamaica, benefitting **over 2,000 students**. As part of this effort, **Grade 6 students at 31 primary schools** received essential school supplies, allowing them to begin an important academic year with the tools needed for success.

The Foundation also hosted vibrant **Back-to-School Treats** at **Barracks Road Primary** and **Holy Family Primary**. Students enjoyed rides, games, and snacks, while parents received practical financial guidance from Scotiabank team members. The sessions focused on saving towards their children's education and safeguarding their long-term financial wellbeing, reinforcing the bank's commitment to supporting families at every stage.

Both students and parents enjoyed the offerings at the Scotia Foundation's Back to School treats held at Barracks Road Primary in St. James and Holy Family Primary in Kingston.

Financial Literacy Session at Port Antonio High School



The Scotia Foundation continued its thrust to empower individuals with information to make sound financial decisions with an in-depth presentation to parents at the **Port Antonio High School's Parent Teachers' Association meeting** in October. The session, which covered the basics of **budgeting, saving and investing** was attended by approximately **200 parents and guardians**.

The Scotia Foundation also donated **\$500,000** to the school to support the procurement of learning materials which will be used as part of the school's literacy and numeracy programmes.

The Scotiabank Foundation donated \$500,000 to Port Antonio High School and provided parents and guardians with useful tips on budgeting and saving during the school's October PTA meeting





Motivational Visit to Kingston Technical High School



Deleen Powell, Public Affairs and Communications Manager, Scotia Group (third right) poses alongside Myshka Allen of Project STAR (second left) and student leaders at KTHS.

At the start of the new school year, the Scotia Foundation visited **Kingston Technical High School**, offering words of encouragement and motivation to the school's population of **more than 1,000 students**. The visit was particularly meaningful as Kingston Technical is one of two schools where the Foundation funds the **Student Education and Empowerment Programme (SEEP)**. SEEP - executed by **Project STAR** and funded by the Foundation at **J\$7.5 million annually**, supports students in Grades 8, 9, and 10 by strengthening literacy, numeracy, and social development skills.

Education Wealth Programme Scholarships

Under the Scotia Insurance Education Wealth Programme, **22 high school and tertiary students** received scholarships to support their academic pursuits. This initiative continues to play a key role in advancing educational access, easing financial pressure on families, and helping young people realize their long-term aspirations.

The Scotia Insurance Education Scholarship supports young persons in pursuing their academic dreams at the secondary and tertiary levels. 28 recipients are selected each year, and are each awarded scholarships amounting to \$150,000. To be eligible persons must have either a ScotiaMINT or ScotiaELEVATE product for at least 12 months and have maintained 12 months consecutive minimum Pre-Authorised Payments.



Education Wealth Plan Scholarship recipient Renaldo Graham is all smiles as he is presented with a ceremonial cheque by President of Scotia Jamaica Life Insurance Debra Lopez-Spence.



GROUP FINANCIAL PERFORMANCE

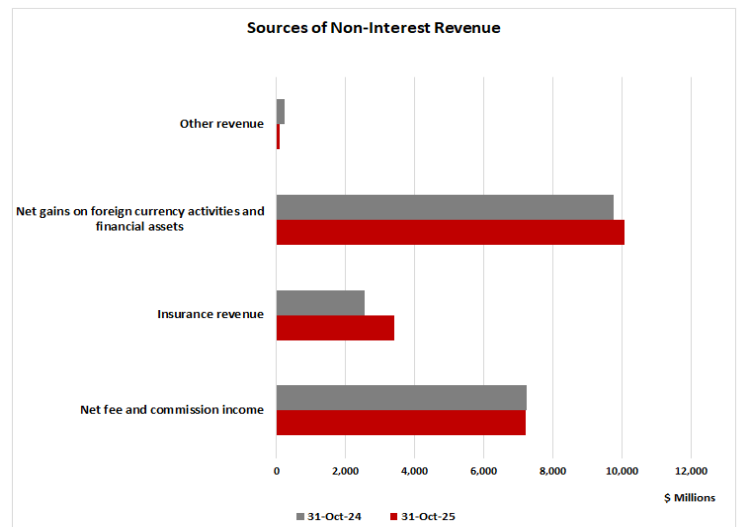
TOTAL REVENUES

Total revenues excluding expected credit losses for the year ended October 31, 2025, grew by \$4.3 billion to \$67.6 billion reflecting an increase of 6.8% over the previous year. This was primarily driven by the strong growth in our loan portfolio, resulting in an increase in net interest income of \$3.7 billion or 8% coupled with an increase in other revenue of 5%.

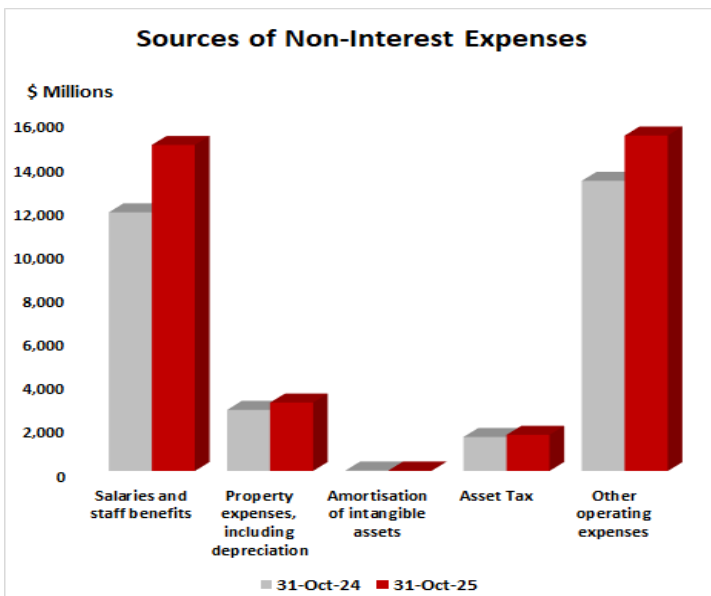
OTHER REVENUE

Other income, defined as all revenue other than interest income, increased by \$1 billion or 5%.

- Net fee and commission income of \$7.2 billion was on par with prior year.
- Net insurance revenue increased by \$846.2 million or 33.2%, driven by higher contractual service margin releases, 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 \$526.5 million, reflecting a year-over-year increase of \$109.5 million or 26.3%, given improved market performance.



OPERATING EXPENSES



Operating expenses totaled \$35 billion as at October 2025 and reflected an increase of \$5.6 billion or 19% when compared to prior year. Of note, annual asset taxes recorded during the year totaled \$1.7 billion, an increase over 2024 of \$98.6 million or 6.4%. Excluding the reduction in the net pension credit on our defined benefit plans and provisions recorded in relation to operational efficiency projects, operating expenses increased by \$3.9 billion or 12.5% year over year.

Additionally, higher billings associated with cash in transit services and deposit processing as well as our investments in technology also contributed to the increase noted in 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 year over year in total non-accrual loans (NALs).

Non-accrual loans (NALs) as at October 2025 totaled \$4.8 billion compared to \$5 billion as at October 2024. The Group's NALs represent 1.3% of gross loans (October 2024 – 1.6%) and 0.6% of total assets (October 2024 – 0.7%). Of note, the Group's NALs as a percentage of gross loans continue to be below the industry average, September 2025 – 2.7%. The Group's accumulated credit loss provisions (ACLs) for loans as at October 2025 was \$5.9 billion, representing 123.3% coverage of total non-performing loans.

GROUP FINANCIAL CONDITION

ASSETS

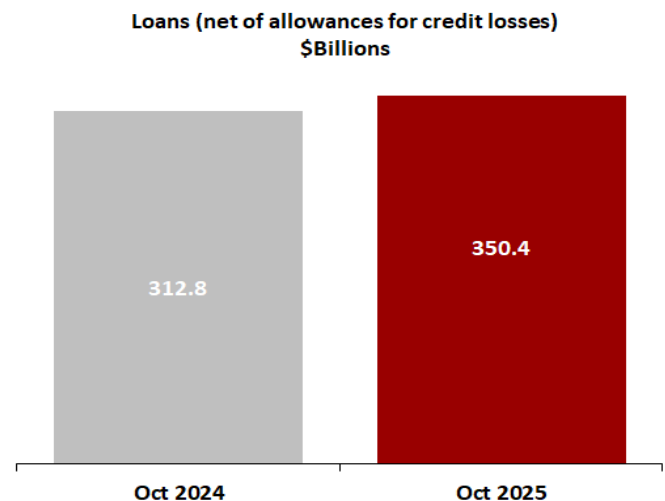
The Group's asset base grew by \$68.8 billion or 9.8% to \$773.8 billion as at October 2025. This was predominantly as a result of the significant growth in our loan portfolio of \$37.7 billion or 12.1%, higher cash resources held of \$41 billion or 25.5%, higher taxation recoverable of \$1.9 billion or 40.4% and higher sundry assets of \$3 billion partially offset by lower investment securities of \$14.6 billion or 7.9% and lower carrying value for the retirement benefit asset of \$2.1 billion or 10.5%.

Cash Resources

Our cash resources held to meet statutory reserves and the Group's prudential liquidity targets stood at \$201.8 billion and reflected a year over year increase of \$41 billion or 25.5%. Cash resources held were used to fund our growing loan portfolio. 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 \$37.7 billion or 12.1% compared to October 2024, with loans net of allowances for credit losses increasing to \$350.4 billion. Our core loan book continues to perform well with mortgages increasing year over year by 20%, consumer loans by 16%, credit cards by 9% and commercial loans by 2%.



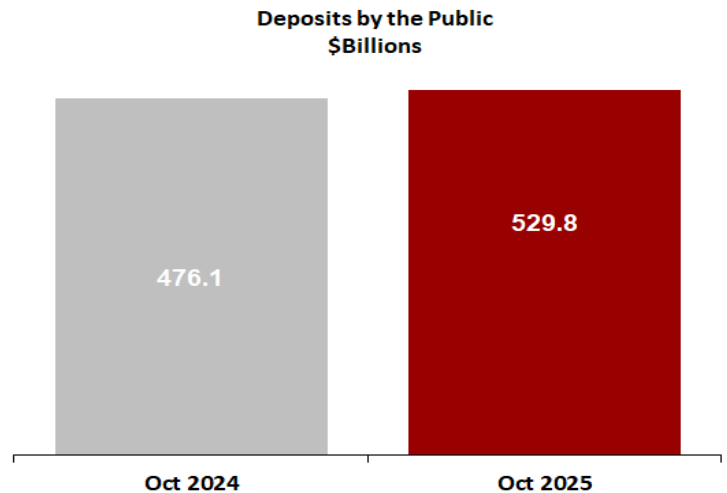


LIABILITIES

Total liabilities were \$623.3 billion as at October 2025 and showed an increase of \$56.7 billion or 10%. The increase noted was driven mainly by the growth in client deposits.

Deposits

Deposits by the public increased to \$529.8 billion. The \$53.7 billion or 11.3% 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 2025 our asset management portfolios showed an increase of \$24.8 billion or 12% 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 \$51.4 billion as at October 2025 and reflected a year over year increase of \$1.2 billion or 2.5%. Our segregated fund balance primarily relates to our Scotia Affirm product which continues to perform well, growing by \$489.4 million or 27.7% 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.

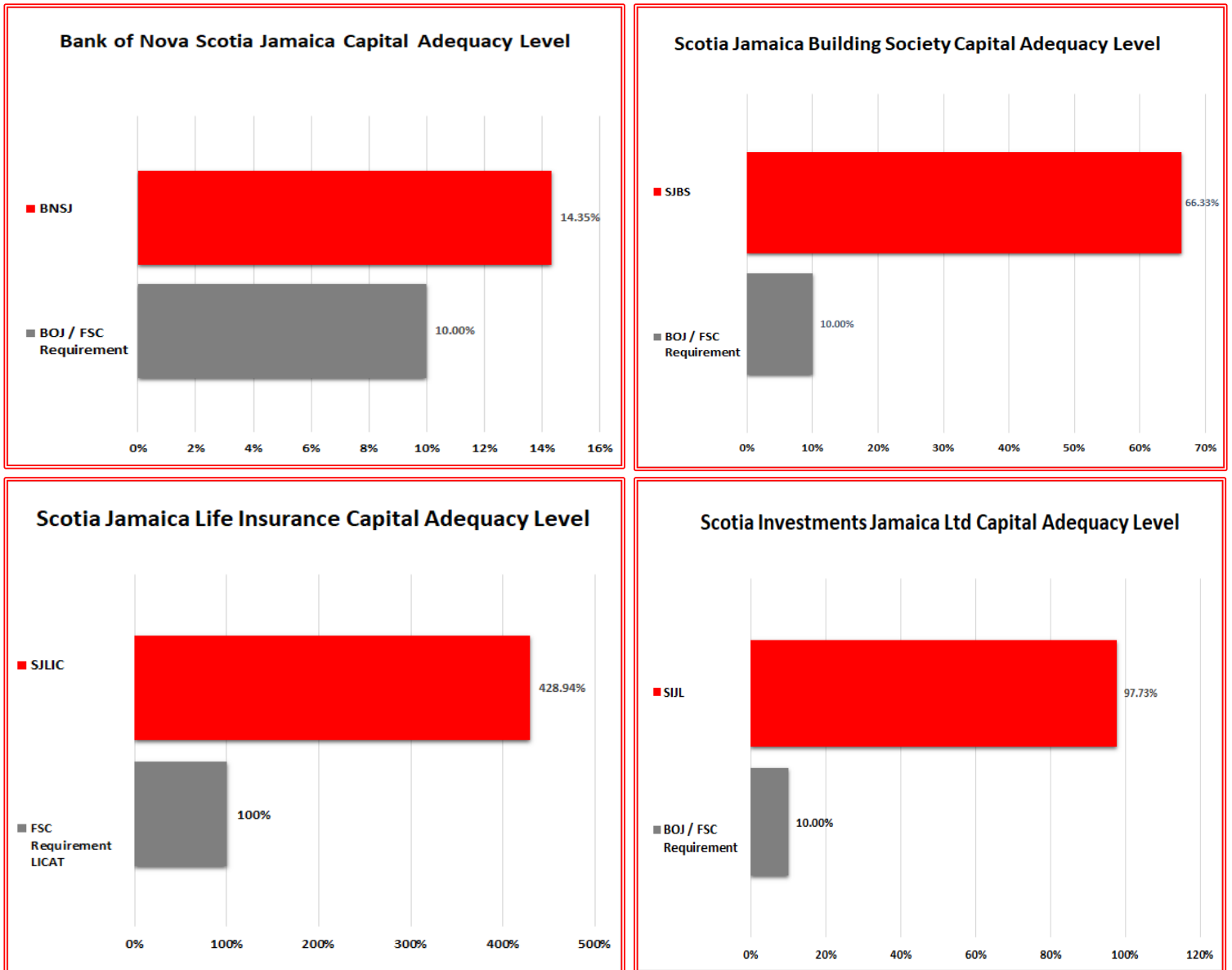


CAPITAL

Shareholders' equity available to common shareholders totaled \$150.5 billion and reflected an increase of \$12 billion or 8.7% when compared to October 2024. This was due primarily to higher internally generated profits, re-measurement of the defined benefit pension plan assets partially offset by dividends paid and lower fair value gains on the investment portfolio.

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
Year ended October 31, 2025

(\$ Thousands)	For the three months ended			For the year ended	
	October 2025	July 2025	October 2024	October 2025	October 2024
Interest income	13,594,925	13,279,084	12,636,359	52,065,220	48,344,530
Interest expense	(553,770)	(563,530)	(533,708)	(2,055,656)	(2,040,235)
Net interest income	13,041,155	12,715,554	12,102,651	50,009,564	46,304,295
Expected credit losses	(682,895)	(948,676)	(1,264,942)	(2,884,307)	(4,157,392)
Net interest income after expected credit losses	12,358,260	11,766,878	10,837,709	47,125,257	42,146,903
Finance expenses from insurance contracts	(832,340)	(761,685)	(785,723)	(3,156,870)	(2,784,381)
Finance income from reinsurance contracts	4	6	49	38	78
Total insurance finance expenses	(832,336)	(761,679)	(785,674)	(3,156,832)	(2,784,303)
Insurance revenue	1,061,185	1,041,648	1,019,222	4,383,645	3,509,830
Insurance service expenses	(257,593)	(302,783)	(127,664)	(988,679)	(962,074)
Net expenses from reinsurance contracts	(455)	(510)	(678)	(1,817)	(829)
Net insurance revenue	803,137	738,355	890,880	3,393,149	2,546,927
Net fee and commission income	1,362,891	1,908,113	2,111,898	7,212,724	7,228,799
Net gains on foreign currency activities	2,508,370	2,517,511	2,482,174	9,519,975	9,318,933
Net gains on financial assets	142,874	95,652	139,961	526,540	417,033
Other revenue	(33,996)	(10,522)	18,614	91,048	244,423
	3,980,139	4,510,754	4,752,647	17,350,287	17,209,188
Total operating income	16,309,200	16,254,308	15,695,562	64,711,861	59,118,715
Operating expenses					
Salaries and staff benefits	4,214,794	3,477,440	2,922,345	14,883,981	11,807,236
Property expenses, including depreciation	752,436	770,836	815,132	3,122,682	2,790,594
Amortisation of intangible assets	5,254	5,255	5,841	20,954	20,954
Asset tax	(41,451)	-	-	1,651,302	1,552,687
Other operating expenses	3,884,961	3,908,541	3,108,454	15,314,458	13,243,542
	8,815,994	8,162,072	6,851,772	34,993,377	29,415,013
Profit before taxation	7,493,206	8,092,236	8,843,790	29,718,484	29,703,702
Taxation	(2,353,231)	(2,537,427)	(2,683,773)	(9,816,990)	(9,545,911)
Profit for the year	5,139,975	5,554,809	6,160,017	19,901,494	20,157,791
Attributable to:-					
Equityholders of the Company	5,139,975	5,554,809	6,160,017	19,901,494	20,157,791
Earnings per share (cents)	165	179	198	640	648
Return on average equity (annualized)	13.82%	14.67%	18.22%	13.18%	15.55%
Return on assets (annualized)	2.66%	2.95%	3.49%	2.57%	2.86%
Productivity ratio	51.88%	47.45%	40.40%	51.77%	46.49%





Consolidated Statement of Comprehensive Income
Year ended October 31, 2025

(\$ Thousands)	For the three months ended			For the year ended	
	October 2025	July 2025	October 2024	October 2025	October 2024
Profit for the year	5,139,975	5,554,809	6,160,017	19,901,494	20,157,791
Other comprehensive income / (loss):					
Items that will not be reclassified to profit or loss:					
Remeasurement of defined benefit plan	243,162	(19,371,658)	642,852	(3,158,542)	(10,174,985)
Unrealised (losses) / gains on equity securities	(101,109)	35,398	403,245	(20,409)	403,245
Taxation	(47,350)	6,445,420	(348,699)	1,059,651	3,257,247
	94,703	(12,890,840)	697,398	(2,119,300)	(6,514,493)
Items that may be subsequently reclassified to profit or loss:					
Unrealised (losses) / gains on investment securities	(328,346)	(315,711)	1,591,440	(361,880)	4,584,012
Realised (gains) / losses on investment securities	(373)	(766)	(6,983)	(3,796)	17,449
Foreign currency translation	255	1,150	1,204	1,733	2,161
Finance income / (expense) from insurance contracts	(16,034)	(36,707)	(20,653)	137,418	371,310
Expected credit losses on investment securities	(14,903)	5,763	(69,990)	14,888	(9,418)
	(359,401)	(346,271)	1,495,018	(211,637)	4,965,514
Taxation	103,885	105,354	(446,867)	73,903	(1,553,193)
	(255,516)	(240,917)	1,048,151	(137,734)	3,412,321
Other comprehensive loss, net of tax	(160,813)	(13,131,757)	1,745,549	(2,257,034)	(3,102,172)
Total comprehensive income for the year	4,979,162	(7,576,948)	7,905,566	17,644,460	17,055,619





**Consolidated Statement of Financial Position
October 31, 2025**

	October 31, 2025	October 31, 2024
(\$ Thousands)		
ASSETS		
CASH RESOURCES, NET OF ALLOWANCES	201,769,520	160,751,881
FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS	973,356	954,838
INVESTMENT SECURITIES	169,900,739	184,472,698
PLEGDED ASSETS	4,259,906	3,399,080
LOANS, NET OF ALLOWANCES FOR CREDIT LOSSES	350,438,350	312,755,204
SEGREGATED FUND ASSETS	2,257,632	1,768,210
REINSURANCE CONTRACT ASSETS	699	701
INSURANCE CONTRACT ASSETS	3,603	20,488
OTHER ASSETS		
Property and equipment, including right of use assets	10,713,471	9,798,485
Deferred taxation	1,167,186	1,511,118
Taxation recoverable	6,594,947	4,697,196
Retirement benefit asset	18,064,854	20,190,737
Other assets	7,143,382	4,186,358
Intangible assets	488,757	509,711
	<u>44,172,597</u>	<u>40,893,605</u>
TOTAL ASSETS	773,776,402	705,016,705
LIABILITIES		
Deposits by the public	529,766,696	476,060,200
Amounts due to banks and other financial institutions	3,123,005	3,079,481
	<u>532,889,701</u>	<u>479,139,681</u>
OTHER LIABILITIES		
Deferred taxation	3,926,316	4,735,286
Retirement benefit obligation	3,976,182	4,024,363
Due to Customers and Clients	10,552,399	8,236,504
Other liabilities	18,258,840	18,475,324
	<u>36,713,737</u>	<u>35,471,477</u>
INSURANCE CONTRACT LIABILITIES	51,401,711	50,166,509
REINSURANCE CONTRACT LIABILITIES	451	1,251
SEGREGATED FUND ASSETS	2,257,632	1,768,210
STOCKHOLDERS' EQUITY		
Share capital	6,569,810	6,569,810
Reserve fund	3,249,976	3,249,976
Retained earnings reserve	65,891,770	51,891,770
Capital reserve	11,340	11,340
Loan loss reserve	428,172	314,649
Other reserves	9,964	9,964
Insurance Finance Reserve	87,091	(269,708)
Translation reserve	42,151	40,418
Cumulative remeasurement on investment securities	387,672	643,808
Unappropriated profits	73,835,224	76,007,550
	<u>150,513,170</u>	<u>138,469,577</u>
TOTAL EQUITY AND LIABILITIES	773,776,402	705,016,705

Director

Director





**Consolidated Statement of Changes in Shareholders' Equity
as at October 31, 2025**

(\$ 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	-	-	-	-	-	-	-	-	-	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
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	-	-	-	-	-	-	-	-	-	19,901,494	19,901,494
Other comprehensive income											
Re-measurement of defined benefit plan / obligations	-	-	-	-	-	-	-	-	-	(2,105,695)	(2,105,695)
Foreign Currency Translation	-	-	-	-	-	-	-	-	1,733	-	1,733
Unrealised losses on investment securities, net of taxes and provisions	-	-	-	-	(253,606)	-	-	-	-	-	(253,606)
Realised gains on investment securities, net of taxes	-	-	-	-	(2,530)	-	-	-	-	-	(2,530)
Finance income on insurance contracts	-	-	-	-	-	-	-	103,064	-	-	103,064
Total comprehensive income	-	-	-	-	(256,136)	-	-	103,064	1,733	17,795,799	17,644,460
Transfers between reserves											
Transfer to Retained Earnings Reserve	-	-	14,000,000	-	-	-	-	-	-	(14,000,000)	-
Transfer to loan loss reserve	-	-	-	-	-	113,523	-	-	-	(113,523)	-
Transfer to Insurance Finance Reserve	-	-	-	-	-	-	-	253,735	-	(253,735)	-
Dividends paid	-	-	-	-	-	-	-	-	-	(5,600,867)	(5,600,867)
Balance as at 31 October 2025	6,569,810	3,249,976	65,891,770	11,340	387,672	428,172	9,964	87,091	42,151	73,835,224	150,513,170





Condensed Statement of Consolidated Cash Flows
Year ended October 31, 2025

(\$ Thousands)	October 2025	October 2024
Cash flows provided by operating activities		
Profit for the year	19,901,494	20,157,791
Items not affecting cash:		
Expected credit losses	4,534,194	5,087,938
Depreciation and amortisation of right of use assets	1,180,383	1,127,534
Amortisation of intangible assets	20,954	20,954
Taxation	9,816,990	9,545,911
Net interest income	(50,009,564)	(46,304,295)
Gain on disposal of property	(80,963)	(216,475)
Increase in retirement benefit assets / obligations	(909,176)	(1,981,826)
	<u>(15,545,688)</u>	<u>(12,562,468)</u>
Changes in operating assets and liabilities		
Loans	(42,107,861)	(48,606,724)
Deposits	53,698,007	31,159,607
Insurance contracts	1,388,731	1,081,269
Due to customers and clients	2,315,895	(2,324,896)
Financial assets at fair value through profit and loss	(12,496)	1,852,887
Interest received	50,167,461	46,515,044
Interest paid	(1,968,775)	(1,979,888)
Taxation paid	(10,952,613)	(8,294,731)
Amounts with parent and fellow subsidiaries	(18,433,938)	(44,218,014)
Other	(7,888,095)	(2,231,636)
	<u>10,660,628</u>	<u>(39,609,550)</u>
Cash flows provided by/ (used in) investing activities		
Purchase of investment securities	(67,993,336)	(90,255,537)
Proceeds from maturities / sales of investment securities	81,560,964	70,021,954
Purchase of property, equipment and intangibles	(1,789,615)	(1,199,582)
Proceeds on sale of property and equipment	177,153	323,326
	<u>11,955,166</u>	<u>(21,109,839)</u>
Cash flows used in financing activities		
Dividends paid	(5,600,867)	(5,134,129)
Lease payments on right of use asset	(216,000)	(188,489)
	<u>(5,816,867)</u>	<u>(5,322,618)</u>
Effect of exchange rate on cash and cash equivalents	1,008,559	1,327,277
Net change in cash and cash equivalents	17,807,486	(64,714,730)
Cash and cash equivalents at beginning of year	59,124,093	123,838,823
Cash and cash equivalents at the end of the year	76,931,579	59,124,093
Represented by :		
Cash resources, net of expected credit losses	201,769,520	160,751,881
Less statutory reserves at Bank of Jamaica	(49,324,414)	(45,004,128)
Less amounts due from other banks greater than ninety days	(69,328,242)	(51,902,863)
Expected credit losses on cash resources	51,323	38,476
Less accrued interest on cash resources	(2,928,969)	(1,288,970)
Cheques and other instruments in transit, net	(3,307,639)	(3,470,303)
Cash and cash equivalents at the end of the year	76,931,579	59,124,093



Segmental Financial Information

October 31, 2025

(\$ Thousands)	Banking		Corporate and Commercial	Investment Management Services	Insurance Services	Other	Eliminations	Group
	Treasury	Retail						
Net external revenues	15,503,655	26,050,109	17,047,244	3,548,305	4,877,199	569,656	-	67,596,168
Revenues from other segments	(9,523,065)	1,135,474	7,380,235	534,463	520,602	-	(47,709)	-
Total revenues	5,980,590	27,185,583	24,427,479	4,082,768	5,397,801	569,656	(47,709)	67,596,168
Expenses	(998,857)	(23,181,067)	(10,976,564)	(1,966,301)	(691,716)	(129,067)	65,888	(37,877,684)
Profit before tax	4,981,733	4,004,516	13,450,915	2,116,467	4,706,085	440,589	18,179	29,718,484
Taxation								(9,816,990)
Profit for the period								19,901,494
Segment assets	287,078,721	258,108,432	121,924,209	24,341,319	80,530,675	23,722,653	(50,128,826)	745,577,183
Unallocated assets								28,199,219
Total assets								773,776,402
Segment liabilities	1,268,958	296,173,633	273,424,959	11,470,744	54,180,836	133,933	(34,627,567)	602,025,496
Unallocated liabilities								21,237,736
Total liabilities								623,263,232
Other Segment items:								
Net interest income	3,557,235	24,884,998	15,715,208	841,582	4,575,303	415,859	19,379	50,009,564
Capital expenditure	-	1,204,862	572,119	5,612	7,022	-	-	1,789,615
Expected credit losses	48,560	2,513,611	293,047	6,797	22,292	-	-	2,884,307
Depreciation and amortisation	10,293	772,449	392,850	22,858	2,888	-	-	1,201,338



Segmental Financial Information
October 31, 2024

(\$ Thousands)	Banking		Corporate and Commercial	Investment Management Services	Insurance Services	Other	Eliminations	Group
	Treasury	Retail						
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





NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

October 31, 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, 2025, 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)	<u>2025</u>	<u>2024</u>
Securities with regulators, clearing houses and other financial institutions	<u>3,392</u>	<u>2,691</u>
	<u>3,392</u>	<u>2,691</u>

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.