

**SCOTIA SUSTAINABLE GLOBAL CORPORATE BOND FUND**

**UNAUDITED FINANCIAL STATEMENTS**

**PERIOD ENDED DECEMBER 31, 2022**

**SCOTIA SUSTAINABLE GLOBAL CORPORATE BOND FUND**

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**PERIOD ENDED DECEMBER 31, 2022**

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**SCOTIA SUSTAINABLE GLOBAL CORPORATE BOND FUND**

**UNAUDITED STATEMENT OF FINANCIAL POSITION**

**(expressed in United States dollars)**

	<u>December 31, 2022</u>	<u>December 31, 2021</u>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 257,625	\$ 68,868
Financial assets at fair value through profit or loss (Cost: \$47,985,335 (December 2021: \$2,979,405))	47,332,090	3,007,342
Interest receivable	461,482	21,839
Receivable from Manager	13,381	39,065
Total assets	<u>48,064,578</u>	<u>3,137,114</u>
<b>LIABILITIES</b>		
Accrued expenses	40,281	76,275
Management fee payable	6,181	10
Liabilities (excluding net assets attributable to holders of investment shares)	<u>46,462</u>	<u>76,285</u>
<b>Net assets attributable to holders of investment shares</b>	<u>\$ 48,018,116</u>	<u>\$ 3,060,829</u>
Net asset value per investment share		
Class I \$48,016,367/5,450,586 shares (December 2021: \$3,058,799/299,800 shares)	<u>\$ 8.81</u>	<u>\$ 10.20</u>
Class F \$876/100 shares (December 2021: \$1,016/100 shares)	<u>\$ 8.76</u>	<u>\$ 10.16</u>
Class K \$873/100 shares (December 2021: \$000/000 shares)	<u>\$ 8.73</u>	<u>\$ 0.00</u>
Class A \$000/000 shares (December 2021: \$1,014/100 shares)	<u>\$ 0.00</u>	<u>\$ 10.14</u>

Approved for issuance on behalf of Scotia Sustainable Global Corporate Bond Fund's Board of Directors by:

Farried Sulliman  
Farried Sulliman  
Director

Sarah Hobbs  
Sarah Hobbs  
Director

Date : February 9, 2023

**SCOTIA SUSTAINABLE GLOBAL CORPORATE BOND FUND**

**UNAUDITED STATEMENT OF COMPREHENSIVE INCOME (LOSS)**

**(expressed in United States dollars)**

	For the three month periods ended		Year ended	
	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021*
<b>Income</b>				
Interest income	\$ 512,339	\$ 15,282	\$ 860,302	\$ 36,636
Other income	-	-	36,303	-
Net realized loss on financial assets at fair value through profit or loss	(52,746)	(1,832)	(575,433)	(1,832)
Net change in unrealized appreciation (depreciation) on financial assets at fair value through profit or loss	1,337,453	(8,532)	(681,182)	27,937
Total net income (loss)	1,797,046	4,918	(360,010)	62,741
<b>Expenses</b>				
Custodian and administration fees	3,170	19,169	47,989	47,298
Management fees	16,759	4	31,557	10
Other expenses	8,473	13,854	28,288	34,191
Professional fees	5,292	6,805	25,241	16,792
Total operating expenses	33,694	39,832	133,075	98,291
Less: expenses reimbursed	(13,381)	(39,062)	(95,914)	(96,379)
Net operating expenses	20,313	770	37,161	1,912
<b>Operating gain (loss)</b>	1,776,733	4,148	(397,171)	60,829
<b>Increase (decrease) in net assets from operations attributable to holders of investment shares</b>	\$ 1,776,733	\$ 4,148	\$ (397,171)	\$ 60,829

\* The Company commenced operations on May 19, 2021.

**SCOTIA SUSTAINABLE GLOBAL CORPORATE BOND FUND**

**UNAUDITED STATEMENT OF CHANGES IN NET ASSETS**

**(expressed in United States dollars)**

	Year ended	
	<u>December 31, 2022</u>	<u>December 31, 2021*</u>
<b>Shareholders' Equity</b>		
Share Capital	\$ -	\$ 3,000
Share Premium	48,354,458	2,997,000
Retained Earnings	60,829	-
(Decrease) increase in net assets for the period	<u>(397,171)</u>	<u>60,829</u>
Net assets attributable to holders of investment shares	<u>\$ 48,018,116</u>	<u>\$ 3,060,829</u>

\* The Company commenced operations on May 19, 2021.

**SCOTIA SUSTAINABLE GLOBAL CORPORATE BOND FUND**

**UNAUDITED STATEMENT OF CASH FLOWS**

**(expressed in United States dollars)**

	<b>Year ended</b>	
	<b>December 31, 2022</b>	<b>December 31, 2021*</b>
<b>Cash flows from operating activities</b>		
Interest received	\$ 295,402	\$ 31,527
Other income received	36,303	-
Operating expenses paid	(162,898)	(22,006)
Reimbursements received from manager	121,598	57,314
Purchase of financial assets at fair value through profit or loss	(52,282,712)	(3,163,861)
Proceeds from sale of financial assets at fair value through profit or loss	6,826,606	165,894
	<u>(45,165,701)</u>	<u>(2,931,132)</u>
Net cash used in operating activities		
<b>Cash flows from financing activities</b>		
Proceeds from subscriptions of redeemable participating shares	48,431,646	3,000,000
Payments for redemption of redeemable participating shares	(3,077,188)	-
	<u>45,354,458</u>	<u>3,000,000</u>
Net cash provided by financing activities		
<b>Net change in cash and cash equivalents</b>	188,757	68,868
<b>Cash and cash equivalents at beginning of period</b>	<u>68,868</u>	<u>-</u>
<b>Cash and cash equivalents at end of period</b>	<u>\$ 257,625</u>	<u>\$ 68,868</u>

\* The Company commenced operations on May 19, 2021.

**SCOTIA SUSTAINABLE GLOBAL CORPORATE BOND FUND**

**UNAUDITED NOTES TO FINANCIAL STATEMENTS**

**PERIOD ENDED DECEMBER 31, 2022**

**1. General**

Scotia Sustainable Global Corporate Bond Fund (the "Company") was incorporated in the Cayman Islands on October 29, 2020 and registered under the Mutual Fund Act (revised) of the Cayman Islands. The Company is an open ended investment company which may issue and redeem its shares at a price based on the underlying net asset value. The registered office of the Fund is 18 Forum Lane, 2<sup>nd</sup> Floor, Camana Bay, Grand Cayman, P.O. Box 501, KY1-1106. The Company has no employees

**2. Significant accounting policies**

The financial statements have been prepared in accordance with the International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board. Security transactions are accounted for on a trade date basis. Realized gains and losses on the sales of portfolio securities are calculated on an average cost basis. Interest is recorded on an accrual basis and dividend income is recognized on the ex-dividend date.