SCOTIA SUSTAINABLE GLOBAL EQUITY FUND

FINANCIAL STATEMENTS

DECEMBER 31, 2024

SCOTIA SUSTAINABLE GLOBAL EQUITY FUND

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DECEMBER 31, 2024

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Independent auditor's report

To the Board of Directors of Scotia Sustainable Global Equity Fund

Our opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Scotia Sustainable Global Equity Fund (the Fund) as at December 31, 2024, and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards.

What we have audited

The Fund's financial statements comprise:

- the statement of financial position as at December 31, 2024;
- the statement of comprehensive income for the year then ended;
- the statement of changes in net assets attributable to holders of investment shares for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, comprising material accounting policy information and other explanatory information.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Fund in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code). We have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

Responsibilities of management for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the

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going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Auditor’s responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund’s internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Other matter

This report, including the opinion, has been prepared for and only for the Fund in accordance with the terms of our engagement letter and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

PricewaterhouseCoopers

March 28, 2025

SCOTIA SUSTAINABLE GLOBAL EQUITY FUND

STATEMENT OF FINANCIAL POSITION

AT DECEMBER 31, 2024

(Expressed in United States dollars)

		2024		2023
ASSETS				
Cash and cash equivalents	$	108,328	$	689,733
Financial assets at fair value through profit and loss				
(Cost: $21,795,895; 2023: $16,365,837) (Notes 3, 7 and 8)		25,191,083		19,065,471
Dividends receivable		17,999		11,527
Receivable from Manager (Note 4)		12,976		17,507
Total assets		25,330,386		19,784,238
LIABILITIES				
Accrued expenses		45,834		46,218
Tax withholding liability		5,400		3,135
Management fees (Note 4)		4,386		3,331
Liabilities (excluding net assets attributable to holders of investment shares)		55,620		52,684
Net assets attributable to holders of investment shares (Notes 6 and 7)	$	25,274,766	$	19,731,554
Net asset value per investment share (Note 6)				
Class I				
$25,272,398/2,081,655 shares (2023: $19,729,359/1,762,327 shares)	$	12.14	$	11.20
Class F				
$1,177/100 shares (2023: $1,095/100 shares)	$	11.77	$	10.95
Class K				
$1,191/100 shares (2023: $1,100/100 shares)	$	11.91	$	11.00

Approved for issuance on behalf of Scotia Sustainable Global Equity Fund's Board of Directors

Farried Sulliman
Farried Sulliman
Director

Sarah Hobbs
Sarah Hobbs
Director

Date: March 28, 2025

The accompanying notes are an integral part of these financial statements.

SCOTIA SUSTAINABLE GLOBAL EQUITY FUND

STATEMENT OF COMPREHENSIVE INCOME

YEAR ENDED DECEMBER 31, 2024

(Expressed in United States dollars)

	2024	2023
Income		
Dividend income	$ 266,054	$ 230,403
Other income	16,785	21,754
Net realized gain on financial assets at fair value through profit or loss and foreign currencies	880,707	1,163,327
Net change in unrealized appreciation on financial assets at fair value through profit or loss and foreign currencies	695,519	3,556,623
Total net income	1,859,065	4,972,107
Expenses		
Custodian and administration fees	66,991	70,577
Management fees (Note 4)	43,819	39,337
Other expenses	35,328	29,730
Professional fees	24,600	21,551
Total operating expenses	170,738	161,195
Less: expenses reimbursed (Note 4)	(61,330)	(62,852)
Net operating expenses	109,408	98,343
Operating profit	1,749,657	4,873,764
Withholding taxes	(56,972)	(49,483)
Increase in net assets from operations attributable to holders of investment shares	$ 1,692,685	$ 4,824,281

The accompanying notes are an integral part of these financial statements.

SCOTIA SUSTAINABLE GLOBAL EQUITY FUND

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF INVESTMENT SHARES

YEAR ENDED DECEMBER 31, 2024

(Expressed in United States dollars)

	Share Premium	Increase in net assets from operations attributable to holders of investment shares	Total net assets attributable to holders of investment shares (at redemption value)
Balance as at December 31, 2022	$ 18,335,736	$ (843,938)	$ 17,491,798
Issue of investment shares	4,674,961	-	4,674,961
Redemption of investment shares	(7,259,486)	-	(7,259,486)
Increase in net assets from operations attributable to holders of investment shares	-	4,824,281	4,824,281
Balance as at December 31, 2023	$ 15,751,211	$ 3,980,343	$ 19,731,554
Issue of investment shares	5,622,000	-	5,622,000
Redemption of investment shares	(1,771,473)	-	(1,771,473)
Increase in net assets from operations attributable to holders of investment shares	-	1,692,685	1,692,685
Balance as at December 31, 2024	$ 19,601,738	$ 5,673,028	$ 25,274,766

The accompanying notes are an integral part of these financial statements.

SCOTIA SUSTAINABLE GLOBAL EQUITY FUND

STATEMENT OF CASH FLOWS

YEAR ENDED DECEMBER 31, 2024

(Expressed in United States dollars)

	2024	2023
Cash flows from operating activities		
Dividend received (net of withholding taxes)	$ 204,875	$ 174,586
Other income received	1,994	21,754
Operating expenses paid	(170,067)	(163,528)
Reimbursements received from Manager	65,861	58,478
Purchase of financial assets at fair value through profit and loss	(10,321,171)	(7,574,813)
Proceeds from sale of financial assets at fair value through profit and loss	5,786,576	9,987,865
Net cash (used in) provided by operating activities	(4,431,932)	2,504,342
Cash flows from financing activities		
Proceeds from subscriptions of investment shares	5,622,000	4,674,961
Payments for redemptions of investment shares	(1,771,473)	(7,259,486)
Net cash provided by (used in) financing activities	3,850,527	(2,584,525)
Net change in cash and cash equivalents	(581,405)	(80,183)
Cash and cash equivalents at beginning of year	689,733	769,916
Cash and cash equivalents at end of year	$ 108,328	$ 689,733
Supplementary information on cash flows from operating activities		
Tax withheld	$ 54,707	$ 46,586

The accompanying notes are an integral part of these financial statements.

1. Incorporation and Principal Activities

Scotia Sustainable Global Equity Fund (the "Company"), was incorporated in the Cayman Islands on October 29, 2020 and is registered under The Mutual Funds 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 address of the registered office is 18 Forum Lane, 2nd Floor, Camana Bay, Grand Cayman, P.O. Box 501, KY1-1106. The Company commenced operations on May 19, 2021.

The Company's objective is to provide capital appreciation over the long-term by investing primarily in the equity securities of companies located around the world.

It is not the intention of the Company to pay dividends and any earnings and profits will be reinvested.

On May 4, 2021, Scotiabank & Trust (Cayman) Ltd. (the "Manager") appointed State Street Cayman Trust Company, Ltd. as sub-administrator (the "Sub-Administrator") and State Street Bank and Trust Company as custodian (the "Custodian").

The Company appointed Jarislowsky, Fraser Limited (the "Portfolio Manager") as the Portfolio Manager. The Portfolio Manager is a related party to the Manager.

2. Significant Accounting Policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to the periods presented, unless otherwise stated.

Basis of preparation:

The financial statements of the Company have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards"). The financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets and financial liabilities (including derivative financial instruments) at fair value through profit or loss.

The preparation of financial statements in conformity with IFRS Accounting Standards requires the use of certain critical accounting estimates. It also requires the Board of Directors to exercise its judgment in the process of applying the Company's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 8.

All references to net assets throughout this document refer to net assets attributable to holders of Investment Shares unless otherwise stated. Net assets per share information as disclosed in the Statement of Financial Position for each class of investment shares disclosed in Note 6 has been determined as total assets less total liabilities (excluding net assets attributable to holders of Investment Shares) divided by the number of outstanding shares of each class of Investment Shares.

2. Significant Accounting Policies (continued)

(a) Standards and amendments to existing standards effective January 1, 2024.

There are no standards, amendments to standards or interpretations that are effective for periods beginning on January 1, 2024 that have a material effect on the financial statements of the Company.

(b) New standards, amendments and interpretations effective after January 1, 2024 and have not been early adopted.

A number of new standards, amendments to standards and interpretations are effective for periods beginning after January 1, 2024, and have not been early adopted in preparing these financial statements. None of these are expected to have a material effect on the financial statements of the Company.

Valuation of financial assets at fair value through profit or loss: The Company classifies its investments based on both the Company's business model for managing those financial assets and the contractual cash flow characteristics of the financial assets. The portfolio of financial assets is managed and performance is evaluated on a fair value basis. The Company is primarily focused on fair value information and uses that information to assess the assets' performance and to make decisions. The Company has not taken the option to irrevocably designate any equity securities as fair value through other comprehensive income. The contractual cash flows of the Company's debt securities are solely principal and interest, however, these securities are neither held for the purpose of collecting contractual cash flows nor held both for collecting contractual cash flows and for sale. The collection of contractual cash flows is only incidental to achieving the Company's business model's objective. Consequently, all investments are measured at fair value through profit or loss. Financial assets and financial liabilities at fair value through profit or loss are initially recognized at fair value, which is considered the cost basis of the financial assets. The Company records security transactions on a trade date basis, recognizing the cost or sales proceeds of financial assets sold or purchased on an average cost basis. Financial assets are valued on the valuation date at fair value, using data provided by one or more reputable third party pricing vendors which is in turn based upon (1) last traded price on the exchange upon which such financial assets are traded, (2) valuation models using observable market inputs, or (3) prices quoted by the principal market makers for non-exchange traded financial assets. Management evaluates the reliability of the pricing data received at each report date. All related realized gains and losses are recognized in the Statement of Comprehensive Income as income or loss as they occur.

Functional and presentation currency: The United States Dollar ("USD") is the currency in which the Company measures its performance and reports its results, as well as the currency in which the Company receives the majority of its subscriptions from its investors (the "functional currency"). The Company has adopted USD as its presentation currency.

Accounting for investments and investment income: Security transactions are accounted for on a trade date basis. Realized gains and losses on sales of financial assets are calculated on an average cost basis.

Investment shares and governance shares: Investment shares (the "Investment Shares") are redeemable at the shareholder's option and are classified as financial liabilities. Any distribution on such Investment Shares is recognized in the Statement of Comprehensive Income as finance costs. The Investment Shares can be put back to the Company by the holder at any dealing day for cash equal to a proportionate share of the respective Company's net assets. The Investment Shares are carried at the redemption amount that would be payable at the dealing date if the shareholder exercised its right to put the share back to the Company. Governance shares (the "Governance Shares") are not redeemable, and do not participate in the net income or dividends of the Company as per the Company's articles of association.

2. Significant Accounting Policies (continued)

Dividend income: Dividends are recorded on the ex-dividend date and are included as income on the Statement of Comprehensive Income. Withholding taxes on dividend income are shown as a separate item in the Statement of Comprehensive Income.

Expenses: Expenses directly attributable to the Company are recorded on an accrual basis.

Allocation of gains and losses: Other than the different fee rates discussed in Note 4, profits and losses of the Company are allocated to each class of shares according to their proportionate interest in the Company.

Translation of foreign currency amounts: Assets and liabilities denominated in currencies other than the USD ("foreign currencies") are translated at the rates prevailing on the valuation date and exchange differences are reflected in the Statement of Comprehensive Income in the period in which they arise. Transactions in foreign currencies are translated at prevailing exchange rates at the date of the transaction. The Company does not isolate that portion of the results of operations resulting from changes in foreign exchange rates on investments from the fluctuations arising from changes in market prices of financial assets held. Such fluctuations are included with the net realized gain or loss and net change in unrealized appreciation or depreciation on financial assets at fair value through profit and loss.

Cash and cash equivalents: For the purposes of the Statement of Cash Flows, cash and cash equivalents comprise cash and fixed term deposits with original maturity of less than 90 days.

Forward foreign currency contracts: The Company may enter into forward foreign currency contracts as hedges against financial assets as well as for speculative purposes. All commitments are "marked to market" on each valuation day at the applicable foreign exchange rate and any resulting unrealized gain or loss is recorded on such date. Realized gains and losses are recorded at the time forward contracts are closed or by entering into an offsetting contract.

Capital risk management: The capital of the Company is represented by the net assets attributable to holders of Investment Shares. The amount of net assets attributable to holders of Investment Shares can change significantly on a daily basis as the Company is subject to daily subscriptions and redemptions at the discretion of shareholders. The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain a strong capital base to support the development of the investment activities of the Company. In order to maintain or adjust the capital structure, the Company's policy is to perform the following:

- Monitor the level of daily subscriptions and redemptions relative to the liquid assets and adjusts the amount of distributions the Company pays to redeemable shareholders.

- Redeem and issue new shares in accordance with the constitutional documents of the Company, which include the ability to restrict redemptions and require certain minimum holdings and subscriptions.

The Board of Directors and the Portfolio Manager monitor capital on the basis of the value of net assets attributable to Investment Shares.

SCOTIA SUSTAINABLE GLOBAL EQUITY FUND

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2024

3. Financial Assets at Fair Value through Profit or Loss

At December 31, 2024 and 2023, the financial assets comprised the following securities:

	2024		2023	
	Cost	Fair Value	Cost	Fair Value
Equity Securities	$ 21,188,919	$ 24,583,975	$ 16,365,837	$ 19,065,471
Fixed Income Securities	606,976	607,108	-	-
Total financial assets at fair value through profit and loss	$ 21,795,895	$ 25,191,083	$ 16,365,837	$ 19,065,471

At December 31, 2024, the portfolio consists of 49 positions (2023: 45) with no one position or issuer accounting for more than 6.46% of the portfolio value (2023: 6.80%).

The investment portfolio of the Company comprises of a diverse portfolio of exchange traded equity securities and debt securities at December 31, 2024 and 2023. The following summarizes the investment portfolio segregated by country of issuer:

	2024		2023	
Financial assets at fair value	Fair Value	% of total portfolio	Fair Value	% of total portfolio
Canada	$ 1,350,339	5.36%	$ 1,001,757	5.25%
France	1,097,560	4.36%	949,700	4.98%
Hong Kong	531,422	2.11%	339,091	1.78%
India	437,824	1.74%	388,298	2.04%
Ireland	468,584	1.86%	442,848	2.32%
Japan	1,000,622	3.97%	624,323	3.27%
Netherlands	490,337	1.95%	413,189	2.17%
Spain	366,852	1.45%	314,221	1.65%
Sweden	308,747	1.23%	294,804	1.55%
Switzerland	789,682	3.13%	1,223,143	6.41%
United Kingdom	2,508,361	9.96%	1,875,374	9.84%
United States	15,840,753	62.88%	11,198,723	58.74%
Total financial assets at fair value through profit or loss	$ 25,191,083	100.00%	$ 19,065,471	100.00%

3. Financial Assets at Fair Value through Profit or Loss (continued)

The following is a summary of the financial assets segregated by the industry sectors:

Financial Assets at fair value		2024 Fair Value	2024 % of total portfolio		2023 Fair Value	2023 % of total portfolio
Common Stock						
Communication Services	$	1,368,828	5.43%	$	584,044	3.06%
Consumer Discretionary		2,034,890	8.08%		2,401,245	12.60%
Consumer Staples		2,356,859	9.36%		1,969,787	10.33%
Financials		5,477,700	21.74%		4,164,642	21.84%
Health Care		4,132,866	16.41%		3,289,429	17.25%
Industrials		3,499,245	13.89%		2,532,974	13.29%
Information Technology		4,596,037	18.24%		3,003,251	15.75%
Materials		1,117,550	4.44%		1,120,099	5.88%
Fixed Income						
Government		607,108	2.41%		-	-
Total financial assets at fair value through profit or loss	$	25,191,083	100.00%	$	19,065,471	100.00%

At December 31, 2024 and 2023, there are no assets and liabilities subject to offsetting enforceable under a master netting arrangement.

4. Management Agreement

Under the terms of the management agreement dated April 30, 2021, the Company appointed the Manager to manage the affairs and investments of the Company subject to the overall supervision and control of the Board of Directors of the Company.

The Manager has responsibility for the general administration of the Company, but has delegated the performance of most tasks to third parties.

The Manager is entitled to a fee (the "management fee") at rates disclosed in the table below. The management fee paid by the Company is paid out of the assets of the Company and are accrued daily and paid monthly in arrears. Out of this fee, the Manager is required to pay the fees of the Portfolio Manager and any other person to whom functions are delegated by the Manager, along with all investment related direct expenses. The Manager may also pay trailing commissions to sub-distributors out of the management fee. The Manager may choose from time to time to absorb any portion of the annual management fees on any class of shares of the Company.

The Manager is entitled to a management fee from the classes of Investment Shares as listed below as of December 31, 2024:

Class	**Management fee per annum**
F	0.95% (2023: 0.95%)
I	0.20% (2023: 0.20%)
K	0.28% (2023: 0.28%)

4. Management Agreement (continued)

No management fees were charged on Class I shares. Instead, Class I investors negotiated a separate fee that was paid directly to the Manager.

The Company also incurs certain operating expenses. Such expenses may include, but are not limited to, administrative costs, interest on borrowed funds, auditing expenses, legal expenses, insurance, licensing, accounting, fees and disbursement of transfer agents, registrars, custodians, sub-custodians and escrow agents and the annual registration fee payable in the Cayman Islands. The Manager may at its sole discretion choose to absorb any of these expenses, at any time.

For the year ended December 31, 2024, the Manager voluntarily applied an expense ratio cap of 1.25% for Class F shares (2023: 1.25%), 0.50% for Class I shares (2023: 0.50%) and 0.58% for Class K shares (2023: 0.58%). As a result of expense ratio cap, total operating expenses reimbursed by the Manager for the year ending December 31, 2024 was $61,330 (2023: $62,852) which is recorded as expenses reimbursed in the Statement of Comprehensive Income, of which $12,976 (2023: $17,507) is receivable at the end of the period. The Manager may decide to change or cease the expense ratio cap at any time.

5. Other Related Party Transactions

Under the terms of the distributorship agreement dated March 31, 2021, the Manager, Scotiabank & Trust (Cayman) Ltd. (the “Distributor”) is responsible for the distribution of Investment Shares of the Company in accordance with the terms of the Prospectus. The Distributor is entitled to all initial subscription charges levied against subscribers. No initial subscription charge is levied against Class K, Class F and Class I subscribers.

6. Share Capital

	2024	2023
Authorized:		
100 Governance Shares of $1.00 par value each	$ 1,000	$ 1,000
100,000,000 Investment Shares of $0.01 par value each	1,000,000	1,000,000
	$ 1,001,000	$ 1,001,000

6. Share Capital (continued)

Total units issued or redeemed during the period and the corresponding share capital and share premium amounts can be summarized as follows:

	2024		2023	
Governance Shares	Units	$	Units	$
Shares issued during the year	-	-	-	-
Shares redeemed during the year	-	-	-	-

	2024		2023	
Investment Shares	Units	$	Units	$
Class F				
Shares issued during the year	-	-	-	-
Shares redeemed during the year	-	-	-	-
Class I				
Shares issued during the year	471,622	5,622,000	453,592	4,674,961
Shares redeemed during the year	(152,294)	(1,771,473)	(683,507)	(7,259,486)
Class K				
Shares issued during the year	-	-	-	-
Shares redeemed during the year	-	-	-	-

The Governance Shares are held exclusively by the Manager, who holds all the voting power of the Company but is entitled only to a return of capital in the event of liquidation.

Shares that are redeemed within 90 days of purchase may be subject to a redemption fee up to 2% of the redemption amount. No redemption fees were levied during the year ended December 31, 2024 (2023: NIL).

Each of the classes are denominated in USD, however, any new classes of shares may be denominated in a different currency.

For classes of shares denominated in currencies other than the functional currency of the Company, the Net Asset Values are calculated by converting the USD Net Asset Value per Share to the base currency equivalent using the current rate of exchange.

Each of the classes of Investment Shares are issued and redeemable daily at a price equal to the net asset value per share on the valuation day on which the notification is received, as long as it is received before the Company's close of business. The net asset value per share for any valuation date is determined by dividing the value of the assets of the respective share class less its liabilities at the close of business on such valuation day by the number of Investment Shares outstanding of the share class on that date.

The Investment Shares confer no voting rights and no entitlement to receive notice of, or attend at, general meetings of the Company. The Investment Shares carry the right to participate in dividends and all other distributions of the Company.

The Company's capital is primarily represented by these Investment Shares. In accordance with the objectives outlined in Note 1 and the risk management policies in Note 7, the Company endeavours to invest the subscriptions received from Investment Shareholders into appropriate investments while maintaining sufficient liquidity to meet redemptions, being augmented by disposal of listed securities where necessary.

As of December 31, 2024, 77% (2023: 75%) of the Company's capital was attributable to four investors (2023: three investors). The actions of these investors may have a material impact on the Company.

7. Financial Risk Management

The Company's investment activities expose it to various types of risk which are associated with the financial assets and markets in which it invests.

Price risk: All financial assets present a risk of loss of capital. The Portfolio Manager moderates this risk through a careful selection of the assets within specified limits. The Company's overall market positions are monitored on a daily basis by the Portfolio Manager. The Company's equity securities are susceptible to market price risk arising from uncertainties about future prices of the investments. Maximum risk resulting from financial assets is determined by the fair value of the financial assets.

At December 31, 2024 and 2023, the Company's market risk is affected by two main components: change in actual market prices and foreign currency movements. The sensitivity analysis presented is based upon the investment portfolio composition as at December 31, 2024 and 2023. The composition of the Company's investment portfolio is expected to change over time. Accordingly, the sensitivity analysis prepared as of December 31, 2024 and 2023 is not necessarily indicative of the effect on the Company's net assets attributed to Investment Shares of future movements.

As at December 31, 2024, if the market price of the Company's investments increased by 10% with all other variables held constant, this would have increased the net assets attributable to holders of Investment Shares by approximately $2,458,398, ignoring the effects of any management fees. Conversely, if the market price had decreased by 10%, this would have decreased by 10%, this would have decreased the net assts attributable to holders of Investment Shares by approximately $2,458,398, ignoring the effects of management fees.

For the year ended December 31, 2023, the Portfolio Manager used the MSCI World Index (in USD) as a reference point in making investment decisions. However, the Portfolio Manager did not manage the Company's investment strategy to track MSCI World Index (in USD) or any other index or external benchmark. If the MSCI World Index (in USD) at December 31, 2023 had increased by 10% with all other variables held constant, this would have increased net assets attributable to holders of Investment Shares by approximately $1,805,500, ignoring the effects of any management fees. Conversely, if the MSCI World Index (in USD) at December 31, 2023 had decreased by 10%, this would have decreased net assets attributable to holders of Investment Shares by approximately $1,805,500, ignoring the effects of any management fees.

The overall market exposures as at December 31, 2024 is presented in Note 3.

Currency risk: The Company invests in assets denominated in currencies other than the functional currency. Consequently, the Company is exposed to risks that the exchange rate of the USD relative to other currencies may change in a manner which has an adverse effect on the reported value of the Company's assets which are denominated in currencies other than the USD. The financial assets at fair value through profit and loss are foreign currencies denominated, except for $16,854,902 (2023: $13,002,216) of equity and debt investments, cash equivalents and currency, which are USD denominated. Increases or decreases in the exchange rate of the USD relative to the foreign currencies will correlate closely to decreases or increases in the value of net assets attributable to holders of Investment Shares.

7. Financial Risk Management (continued)

Currency risk (continued): If the foreign currencies at December 31, 2024 had increased by 10% relative to the USD with all other variables held constant, the impact on cash and cash equivalents, equity and fixed income investments would have been an increase in net assets attributable to holders of Investment Shares of approximately $844,451 (2023: $675,299), ignoring the effects of any management fees. Conversely, if the foreign currencies at December 31, 2024 had decreased by 10% relative to the USD this would have decreased net assets attributable to holders of Investment Shares by approximately $844,451 (2023: $675,299), ignoring the effects of any management fees.

At December 31, 2024 and 2023, the Company did not hold any foreign currency forward contracts.

Investment decisions concerning currencies are made independently of equity or fixed income investments. The Portfolio Manager's strategy involves defensively hedging back to the portfolio's base currency, when its models suggest a foreign currency is materially overvalued.

When an investor invests into a class which is denominated in a different currency to the functional currency of the Company, the currency risk of the investor will be different to the currency risk of the Company.

Political risk: Investing in securities of non-U.S. governments and companies that are generally denominated in non-U.S. currencies involves certain considerations comprising both risks and opportunities not typically associated with investing in securities of the United States government or United States companies. These considerations include changes in exchange rates and exchange control regulations, political and social instability, expropriation, imposition of foreign taxes, less liquid markets and less available information than is generally the case in the United States, higher transaction costs, foreign government restrictions, less government supervision of exchanges, brokers and issuers, greater risks associated with counterparties and settlement, difficulty in enforcing contractual obligations, lack of uniform accounting and auditing standards and greater price volatility.

Interest rate risk: The Company's interest-bearing financial assets and liabilities expose it to risks associated with the effects of fluctuations in the prevailing levels of market interest rates on its financial position and results of operations and cash flows.

All of the Company's financial assets are in equities and short-term debt securities, therefore, the direct impact of changes in interest rates on the market values the investments is significantly mitigated. Accordingly, during the years ended December 31, 2024 and 2023, the Portfolio Manager considers that the Company's direct exposure to interest rate risk is not significant.

Credit and concentration risk: Financial assets which potentially expose the Company to credit risk consist primarily of cash and cash equivalents and financial assets at fair value through profit or loss. The extent of the Company's exposure to credit risk in respect of these financial assets approximates their carrying value as recorded in the Company's Statement of Financial Position.

The Company seeks to mitigate its exposure to credit risk by adhering to investment guidelines which specify the types, credit ratings, maturities and concentrations of investments in which the Company can invest, and by holding cash balances only in highly reputable financial institutions.

The largest concentration by market and strategy is disclosed in Note 3.

7. Financial Risk Management (continued)

Credit and concentration risk (continued): Securities transactions undertaken by the Company are cleared through and held in custody by a reputable custodian. The Company's cash is held by this same custodian. The clearing and depository operations for the Company's security transactions are mainly concentrated with one custodian. The Custodian is a member of a major securities exchange and at December 31, 2024 had a credit rating from S&P of AA- (2023: AA-). The Company is subject to credit risk and possible losses should the Custodian be unable to fulfill its obligations to the Company. At December 31, 2024 and 2023, substantially all cash and cash equivalents balances and financial assets at fair value through profit or loss are either held with or placed in custody with the Custodian.

The Company measures credit risk and expected credit losses using probability of default, exposure at default and loss given default. Management consider both historical analysis and forward looking information in determining any expected credit loss. At December 31, 2024 and 2023, dividends receivable, receivable from manager and cash and cash equivalents are held with counterparties with a credit rating of AA- or higher and are due to be settled within 1 week. Management consider the probability of default to be close to zero as the counterparties have a strong capacity to meet their contractual obligations in the near term. As a result, no loss allowance has been recognised based on 12-month expected credit losses as any such impairment would be wholly insignificant to the Company.

Liquidity risk: Liquidity risk is the risk that an enterprise will encounter difficulty in raising funds to meet commitments associated with financial instruments. Liquidity risk may result from an inability to sell a financial asset quickly close to its fair value.

All liabilities are due on demand or within one year.

The Company is exposed to daily cash redemptions of Investment Shares. It therefore invests predominantly in investments that are traded in an active market and can be readily disposed of; it is permitted to invest only a limited proportion of its financial assets in investments that are not actively traded in a secondary market.

Under certain circumstances the Directors of the Company have the ability to suspend the determination of the net asset attributable to holders of Investment Shares, if it is considered in the best interest of the shareholder group as a whole. During the suspension of the net asset attributable to holders of Investment Shares, the subscription and redemption of shares would also be suspended.

Fair values: At December 31, 2024 and 2023, investments are carried at fair value and the carrying amounts of all other assets and liabilities on the Statement of Financial Position approximated their fair values.

8. Fair Value Disclosure

IFRS Accounting Standards 13 requires the Company to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements.

The fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1).
- Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

8. Fair Value Disclosure (continued)

Transfers between levels of the fair value hierarchy are deemed to have occurred at the beginning of the reporting period.

The level in the fair value hierarchy within which the fair value measurement is categorized in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a Level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgment, considering factors specific to the asset or liability.

The determination of what constitutes 'observable' requires significant judgment by the Portfolio Manager. The Portfolio Manager considers observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

The following table analyses within the fair value hierarchy the Company's financial assets (by class) measured at fair value:

At December 31, 2024

	Level 1	Level 2	Level 3	Total Balance
Financial assets at fair value through profit or loss				
Equity Securities	$ 24,583,975	$ -	$ -	$ 24,583,975
Fixed Income Securities	-	607,108	-	607,108
Total financial assets at fair value through profit or loss	$ 24,583,975	$ 607,108	$ -	$ 25,191,083

At December 31, 2023

	Level 1	Level 2	Level 3	Total Balance
Cash Equivalents	$ -	$ 628,021	$ -	$ 628,021
Financial assets at fair value through profit or loss				
Equity Securities	$ 19,065,471	$ -	$ -	$ 19,065,471
Total financial assets at fair value through profit or loss	$ 19,065,471	$ -	$ -	$ 19,065,471

8. Fair Value Disclosure (continued)

In relation to the above table, further details of the country and industry classifications are disclosed in Note 3.

Financial assets at fair value through profit and loss (“investments”) whose values are based on quoted market prices in active markets, and therefore classified within Level 1, would include active listed equities and most exchange traded derivatives. The Company does not adjust the quoted price for these investments.

Investments that trade in markets that are not considered to be active but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs would be classified within Level 2. These include most commercial paper, U.S. treasury bills, investment-grade corporate bonds, investments in other funds where redemption is not restricted, certain non-U.S. sovereign obligations, thinly traded listed equities and some over-the-counter derivatives. As Level 2 investments include positions that are not traded in active markets and/or are subject to transfer restrictions, valuations may be adjusted to reflect illiquidity and/or non-transferability, which are generally based on available market information.

Investments classified within Level 3 have significant unobservable inputs, as they trade infrequently or not at all. Level 3 investments would include private equity, certain restricted investments in other funds, and certain corporate debt securities. As observable prices are not available for these investments, if any such investments were held, the Company would use valuation techniques to derive the fair value.

The Company does not hold any investments classified within Level 3 as of December 31, 2024 and 2023.

There were no transfers between Levels during the years ended December 31, 2024 and 2023.

For other assets and liabilities carried at amortized cost, their carrying values are a reasonable approximation of fair value, and are classified as Level 2. Redeemable investment share values are based on the amount payable on demand and are classified as Level 2.

9. Taxation

The Company is not subject to any income, withholding or capital gains taxes in the Cayman Islands. Generally, the Company intends to conduct its affairs so as not to be liable to taxation in any other jurisdiction; however, it may invest in securities whose income is subject to non-refundable foreign withholding taxes.

As at December 31, 2024, the Company has measured tax expenses with respect to withholding taxes on dividend income for $56,972 (2023: $49,483), of which $5,400 (2023: $3,135) is payable at the end of the year.

10. Subsequent Events

From January 1, 2025 to March 28, 2025, the Company received subscriptions of $2,400,000.

There are no other subsequent events.