

SCOTIA SUSTAINABLE EMERGING MARKETS EQUITY FUND

UNAUDITED FINANCIAL STATEMENTS

PERIOD ENDED MARCH 31, 2023

SCOTIA SUSTAINABLE EMERGING MARKETS EQUITY FUND

INDEX TO UNAUDITED FINANCIAL STATEMENTS

PERIOD ENDED MARCH 31, 2023

CONTENTS

	PAGE
UNAUDITED STATEMENT OF FINANCIAL POSITION	1
UNAUDITED STATEMENT OF COMPREHENSIVE INCOME (LOSS)	2
UNAUDITED STATEMENT OF CHANGES IN NET ASSETS	3
UNAUDITED STATEMENT OF CASH FLOWS	4
UNAUDITED NOTES TO FINANCIAL STATEMENTS	5

SCOTIA SUSTAINABLE EMERGING MARKETS EQUITY FUND

UNAUDITED STATEMENT OF FINANCIAL POSITION

(expressed in United States dollars)

	<u>March 31, 2023</u>	<u>December 31, 2022</u>
ASSETS		
Cash and cash equivalents	\$ 41,791	\$ 84,527
Financial assets at fair value through profit and loss (Cost: \$2,899,945 (December 2022: \$2,941,474))	2,385,055	2,270,919
Receivable from Manager	52,576	26,486
Dividends receivable	4,725	936
Total assets	<u>2,484,147</u>	<u>2,382,868</u>
LIABILITIES		
Accrued expenses	18,607	45,058
Tax withholding liability	1,004	202
Management fee payable	414	398
Liabilities (excluding net assets attributable to holders of investment shares)	<u>20,025</u>	<u>45,658</u>
Net assets attributable to holders of investment shares	\$ <u>2,464,122</u>	\$ <u>2,337,210</u>
Net asset value per investment share		
Class I \$2,334,236/299,800 shares (December 2022: \$2,213,963/299,800 shares)	\$ <u>7.79</u>	\$ <u>7.38</u>
Class F \$766/100 shares (December 2022: \$728/100 shares)	\$ <u>7.66</u>	\$ <u>7.28</u>
Class K \$129,120/16,869 shares (December 2022: \$122,519/16,869 shares)	\$ <u>7.65</u>	\$ <u>7.26</u>

Approved for issuance on behalf of Scotia Sustainable Emerging Markets Equity Fund's Board of Directors by:

Farried Sulliman
Farried Sulliman
Director

Sarah Hobbs
Sarah Hobbs
Director

Date: May 12, 2023

SCOTIA SUSTAINABLE EMERGING MARKETS EQUITY FUND
UNAUDITED STATEMENT OF COMPREHENSIVE INCOME (LOSS)
(expressed in United States dollars)

	For the three month periods ended	
	March 31, 2023	March 31, 2022
Income		
Dividend income	\$ 7,719	\$ 8,970
Other income	370	-
Net realized loss on financial assets at fair value through profit or loss and foreign currencies	(31,801)	(42,920)
Net change in unrealized appreciation (depreciation) on financial assets at fair value through profit or loss and foreign currencies	<u>155,487</u>	<u>(213,471)</u>
Total net income (loss)	<u>131,775</u>	<u>(247,421)</u>
Expenses		
Custodian and administration fees	15,203	18,891
Other expenses	7,862	13,559
Professional fees	5,178	6,657
Management fees	<u>1,240</u>	<u>557</u>
Total operating expenses	<u>29,483</u>	<u>39,664</u>
Less: expenses reimbursed	<u>(26,090)</u>	<u>(36,582)</u>
Net operating expenses	<u>3,393</u>	<u>3,082</u>
Operating income (loss)	<u>128,382</u>	<u>(250,503)</u>
Withholding taxes	<u>(1,470)</u>	<u>(1,805)</u>
Increase (decrease) in net assets from operations attributable to holders of investment shares	<u>\$ 126,912</u>	<u>\$ (252,308)</u>

SCOTIA SUSTAINABLE EMERGING MARKETS EQUITY FUND

UNAUDITED STATEMENT OF CHANGES IN NET ASSETS

(expressed in United States dollars)

	For the three month periods ended	
	<u>March 31, 2023</u>	<u>March 31, 2022</u>
<u>Shareholders' Equity</u>		
Share Premium	\$ 3,120,000	\$ 3,000,000
Accumulated deficit	(782,790)	(301,154)
Increase (decrease) in net assets for the period	<u>126,912</u>	<u>(252,308)</u>
Net assets attributable to holders of investment shares	<u>\$ 2,464,122</u>	<u>\$ 2,446,538</u>

SCOTIA SUSTAINABLE EMERGING MARKETS EQUITY FUND

UNAUDITED STATEMENT OF CASH FLOWS

(expressed in United States dollars)

	For the three month periods ended	
	<u>March 31, 2023</u>	<u>March 31, 2022</u>
Cash flows from operating activities		
Dividend received	\$ 3,262	\$ 2,299
Other income received	370	-
Operating expenses paid	(55,918)	(57,437)
Reimbursements received from Manager	-	37,408
Purchase of financial assets at fair value through profit and loss	(53,209)	(105,883)
Proceeds from sale of financial assets at fair value through profit and loss	62,759	119,465
	<u>(42,736)</u>	<u>(4,148)</u>
Net cash used in operating activities		
	(42,736)	(4,148)
Net change in cash and cash equivalents		
	(42,736)	(4,148)
Cash and cash equivalents at beginning of period		
	84,527	64,796
Cash and cash equivalents at end of period		
	<u>\$ 41,791</u>	<u>\$ 60,648</u>
Supplemental cash flow disclosures		
Tax withheld	<u>\$ 668</u>	<u>\$ 482</u>

SCOTIA SUSTAINABLE EMERGING MARKETS EQUITY FUND

UNAUDITED NOTES TO FINANCIAL STATEMENTS

PERIOD ENDED MARCH 31, 2023

1. General

Scotia Sustainable Emerging Markets Equity Fund (the "Company") was incorporated in the Cayman Islands on October 29, 2020 and registered under the Mutual Fund Law (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 located at 18 Forum Lane, 2nd 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.