

SCOTIA SUSTAINABLE EMERGING MARKETS EQUITY FUND

UNAUDITED FINANCIAL STATEMENTS

PERIOD ENDED SEPTEMBER 30, 2023

SCOTIA SUSTAINABLE EMERGING MARKETS EQUITY FUND

INDEX TO UNAUDITED FINANCIAL STATEMENTS

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CONTENTS

	PAGE
UNAUDITED STATEMENT OF FINANCIAL POSITION	1
UNAUDITED STATEMENT OF COMPREHENSIVE 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>September 30, 2023</u>	<u>December 31, 2022</u>
ASSETS		
Cash and cash equivalents	\$ 82,163	\$ 84,527
Financial assets at fair value through profit and loss (Cost: \$2,872,771 (December 2022: \$2,941,474))	2,176,693	2,270,919
Receivable from Manager	68,744	26,486
Dividends receivable	4,643	936
Total assets	<u>2,332,243</u>	<u>2,382,868</u>
LIABILITIES		
Accrued expenses	26,347	45,058
Tax withholding liability	459	202
Management fee payable	397	398
Liabilities (excluding net assets attributable to holders of investment shares)	<u>27,203</u>	<u>45,658</u>
Net assets attributable to holders of investment shares	\$ <u>2,305,040</u>	\$ <u>2,337,210</u>
Net asset value per investment share		
Class I \$2,141,210/299,800 shares (December 2022: \$2,213,963/299,800 shares)	<u>\$ 7.14</u>	<u>\$ 7.38</u>
Class F \$700/100 shares (December 2022: \$728/100 shares)	<u>\$ 7.00</u>	<u>\$ 7.28</u>
Class K \$163,130/23,243 shares (December 2022: \$122,519/16,869 shares)	<u>\$ 7.02</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: November 9, 2023

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

	For the three month periods ended		For the nine month periods ended	
	September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
Income				
Dividend income	\$ 13,322	\$ 7,798	\$ 39,779	\$ 34,969
Other income	322	-	692	-
Net realized loss on financial assets at fair value through profit or loss and foreign currencies	(82)	9,130	(66,532)	(68,375)
Net change in unrealized depreciation on financial assets at fair value through profit or loss and foreign currencies	(174,342)	(327,138)	(25,712)	(773,004)
Total net loss	(160,780)	(310,210)	(51,773)	(806,410)
Expenses				
Custodian and administration fees	13,303	27,893	46,179	64,286
Other expenses	9,720	(5,790)	26,697	15,936
Professional fees	5,475	7,556	15,991	19,449
Management fees	1,262	1,071	3,730	2,750
Total operating expenses	29,760	30,730	92,597	102,421
Less: expenses reimbursed	(12,634)	(27,792)	(68,744)	(93,307)
Net operating expenses	17,126	2,938	23,853	9,114
Operating loss	(177,906)	(313,148)	(75,626)	(815,524)
Withholding taxes	(1,928)	(962)	(5,044)	(4,295)
Decrease in net assets from operations attributable to holders of investment shares	\$ (179,834)	\$ (314,110)	\$ (80,670)	\$ (819,819)

SCOTIA SUSTAINABLE EMERGING MARKETS EQUITY FUND

UNAUDITED STATEMENT OF CHANGES IN NET ASSETS

(expressed in United States dollars)

	For the nine month periods ended	
	<u>September 30, 2023</u>	<u>September 30, 2022</u>
<u>Shareholders' Equity</u>		
Share Premium	\$ 3,168,500	\$ 3,000,000
Accumulated deficit	(782,790)	(301,154)
Decrease in net assets for the period	<u>(80,670)</u>	<u>(819,819)</u>
Net assets attributable to holders of investment shares	\$ <u>2,305,040</u>	\$ <u>1,879,027</u>

SCOTIA SUSTAINABLE EMERGING MARKETS EQUITY FUND

UNAUDITED STATEMENT OF CASH FLOWS

(expressed in United States dollars)

	For the nine month periods ended	
	September 30, 2023	September 30, 2022
Cash flows from operating activities		
Dividend received	\$ 31,285	\$ 28,875
Other income received	692	-
Operating expenses paid	(111,309)	(123,860)
Reimbursements received from Manager	26,486	37,410
Purchase of financial assets at fair value through profit and loss	(71,758)	(215,205)
Proceeds from sale of financial assets at fair value through profit and loss	73,740	227,098
	<u>(50,864)</u>	<u>(45,682)</u>
Net cash used in operating activities		
Cash flows from financing activities		
Proceeds from subscriptions of investment shares	52,000	-
Payments for redemptions of investment shares	(3,500)	-
	<u>48,500</u>	<u>-</u>
Net cash provided by financing activities		
Net change in cash and cash equivalents	(2,364)	(45,682)
Cash and cash equivalents at beginning of period	<u>84,527</u>	<u>64,796</u>
Cash and cash equivalents at end of period	<u>\$ 82,163</u>	<u>\$ 19,114</u>
Supplemental cash flow disclosures		
Tax withheld	<u>\$ 4,787</u>	<u>\$ 4,207</u>

SCOTIA SUSTAINABLE EMERGING MARKETS EQUITY FUND

UNAUDITED NOTES TO FINANCIAL STATEMENTS

PERIOD ENDED SEPTEMBER 30, 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.