

SCOTIA SUSTAINABLE EMERGING MARKETS EQUITY FUND

UNAUDITED FINANCIAL STATEMENTS

PERIOD ENDED JUNE 30, 2024

SCOTIA SUSTAINABLE EMERGING MARKETS EQUITY FUND

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SCOTIA SUSTAINABLE EMERGING MARKETS EQUITY FUND

UNAUDITED STATEMENT OF FINANCIAL POSITION

(expressed in United States dollars)

	<u>June 30, 2024</u>	<u>December 31, 2023</u>
ASSETS		
Cash and cash equivalents	\$ 2,251,786	\$ 49,679
Financial assets at fair value through profit or loss (Cost: \$Nil (December 2023: \$2,807,994))	-	2,280,822
Receivable from Manager	54,328	24,325
Dividends receivable	87	1,681
Receivable for investments sold	-	6,137
Total assets	<u>2,306,201</u>	<u>2,362,644</u>
LIABILITIES		
Accrued expenses	29,764	43,530
Management fee payable	374	398
Tax withholding liability	21	236
Liabilities (excluding net assets attributable to holders of investment shares)	<u>30,159</u>	<u>44,164</u>
Net assets attributable to holders of investment shares	<u>\$ 2,276,042</u>	<u>\$ 2,318,480</u>
Net asset value per investment share		
Class I \$2,274,558/299,800 shares (December 2023: \$2,232,104/299,800 shares)	<u>\$ 7.59</u>	<u>\$ 7.45</u>
Class F \$738/100 shares (December 2023: \$728/100 shares)	<u>\$ 7.38</u>	<u>\$ 7.28</u>
Class K \$746/100 shares (December 2023: \$85,648/11,709 shares)	<u>\$ 7.46</u>	<u>\$ 7.31</u>

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

Farried Sulliman
Farried Sulliman
Director

Neil Macdonald
Neil Macdonald
Director

Date: August 8, 2024

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

	For the three month periods ended		For the six month periods ended	
	June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023
Income				
Dividend income	\$ 12,675	\$ 18,738	\$ 19,906	\$ 26,457
Other income	-	-	-	370
Net realized loss on financial assets at fair value through profit or loss and foreign currencies	(397,618)	(34,649)	(491,107)	(66,450)
Net change in unrealized appreciation on financial assets at fair value through profit or loss and foreign currencies	401,328	(6,857)	527,246	148,630
Total net income	16,385	(22,768)	56,045	109,007
Expenses				
Custodian and administration fees	15,346	17,673	30,694	32,876
Other expenses	9,247	9,115	18,238	16,977
Professional fees	5,222	5,338	10,443	10,516
Management fees	1,176	1,228	2,336	2,468
Total operating expenses	30,991	33,354	61,711	62,837
Less: expenses reimbursed	(26,771)	(30,020)	(54,328)	(56,110)
Net operating expenses	4,220	3,334	7,383	6,727
Operating profit	12,165	(26,102)	48,662	102,280
Withholding taxes	(971)	(1,646)	(2,305)	(3,116)
Increase in net assets from operations attributable to holders of investment shares	\$ 11,194	\$ (27,748)	\$ 46,357	\$ 99,164

SCOTIA SUSTAINABLE EMERGING MARKETS EQUITY FUND

UNAUDITED STATEMENT OF CHANGES IN NET ASSETS

(expressed in United States dollars)

	For the six month periods ended	
	June 30, 2024	June 30, 2023
<u>Shareholders' Equity</u>		
Share Premium	\$ 2,990,311	\$ 3,116,500
Accumulated deficit	(760,626)	(782,790)
Increase in net assets for the period	<u>46,357</u>	<u>99,164</u>
Net assets attributable to holders of investment shares	<u>\$ 2,276,042</u>	<u>\$ 2,432,874</u>

SCOTIA SUSTAINABLE EMERGING MARKETS EQUITY FUND

UNAUDITED STATEMENT OF CASH FLOWS

(expressed in United States dollars)

	For the six month periods ended	
	June 30, 2024	June 30, 2023
Cash flows from operating activities		
Dividend received	\$ 18,980	\$ 19,193
Other income received	-	370
Operating expenses paid	(75,501)	(84,643)
Reimbursements received from Manager	24,325	26,486
Purchase of financial assets at fair value through profit or loss	(126,030)	(64,774)
Proceeds from sale of financial assets at fair value through profit or loss	2,449,128	73,718
	<u>2,290,902</u>	<u>(29,650)</u>
Net cash provided by (used in) operating activities		
	<u>2,290,902</u>	<u>(29,650)</u>
Cash flows from financing activities		
Payments for redemptions of investment shares	(88,795)	(3,500)
	<u>(88,795)</u>	<u>(3,500)</u>
Net cash used in financing activities		
	<u>(88,795)</u>	<u>(3,500)</u>
Net change in cash and cash equivalents	2,202,107	(33,150)
Cash and cash equivalents at beginning of period	<u>49,679</u>	<u>84,527</u>
Cash and cash equivalents at end of period	<u>\$ 2,251,786</u>	<u>\$ 51,377</u>
Supplemental cash flow disclosures		
Tax withheld	<u>\$ 2,520</u>	<u>\$ 2,757</u>

SCOTIA SUSTAINABLE EMERGING MARKETS EQUITY FUND

UNAUDITED NOTES TO FINANCIAL STATEMENTS

PERIOD ENDED JUNE 30, 2024

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 Accounting Standards") 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.