

SCOTIA CARIBBEAN INCOME FUND INC.

UNAUDITED FINANCIAL STATEMENTS

PERIOD ENDED MARCH 31, 2026

SCOTIA CARIBBEAN INCOME FUND INC.
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SCOTIA CARIBBEAN INCOME FUND INC.

UNAUDITED STATEMENT OF FINANCIAL POSITION

(expressed in United States Dollars)

<u>Assets</u>	<u>March 31, 2026</u>	<u>March 31, 2025</u>
Cash and cash equivalents	\$ 2,314,705	\$ 420,365
Securities purchased under resale agreements	10,424,767	9,172,664
Financial assets at fair value through profit or loss	127,521,993	114,293,809
Other receivables	61,862	120,690
Interest receivable	-	151,107
Total assets	<u>\$ 140,323,327</u>	<u>\$ 124,158,635</u>
<u>Equity</u>		
Share Capital	\$ 1,000	\$ 1,000
<u>Liabilities</u>		
Balance due to brokers	\$ 1,500,010	\$ -
Due to related parties	545,338	484,449
Other payables	245,420	180,388
Redemptions payable	4,000	9,417
Tax withholding liability	863	31,671
Total Liabilities (excluding net assets attributable to holders of investment shares)	<u>\$ 2,295,631</u>	<u>\$ 705,925</u>
Net assets attributable to holders of investment shares	<u>\$ 138,026,696</u>	<u>\$ 123,451,710</u>
Value per investment share based on number of shares		
Class A shares issued and outstanding as at March 31, 2026 39,870,769 (March 2025: 36,480,136)	<u>\$ 3.4616</u>	<u>\$ 3.3839</u>
Class I shares issued and outstanding as at March 31, 2026 1,793 (March 2025: 1,710)	<u>\$ 4.7441</u>	<u>\$ 4.6378</u>

Issuance approved on behalf of Scotia Caribbean Income Fund Inc.'s Board of Directors by:



Lisl Lewis
Director



Roger Best
Director

Date : April 23, 2026

SCOTIA CARIBBEAN INCOME FUND INC.

UNAUDITED STATEMENT OF COMPREHENSIVE INCOME

(expressed in United States dollars)

	For the three month periods ended		Year ended	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
<u>Investment income</u>				
Interest income	\$ 1,700,191	\$ 1,639,074	\$ 6,667,518	\$ 6,324,769
Other income	820	2,445	3,837	13,317
Net realized gain (loss) on financial assets at fair value through profit or loss and foreign currencies	64,051	5,238	578,679	(1,309,944)
Net change in unrealized gain on financial assets at fair value through profit or loss and foreign currencies	<u>(1,703,429)</u>	<u>990,104</u>	<u>2,116,651</u>	<u>2,083,275</u>
Net investment income	\$ 61,633	\$ 2,636,861	\$ 9,366,685	\$ 7,111,417
 <u>Expenses</u>				
Management fees	\$ (545,338)	\$ (484,449)	\$ (2,095,148)	\$ (1,924,950)
Trailer fees	(139,945)	(113,543)	(503,182)	(451,157)
Custodian & Administrator fees	(58,108)	(51,187)	(233,278)	(211,423)
Professional fees	(15,972)	(19,649)	(64,630)	(64,637)
Other expenses	<u>(45,206)</u>	<u>(42,996)</u>	<u>(119,750)</u>	<u>(147,007)</u>
Total operating expenses	\$ (804,569)	\$ (711,824)	\$ (3,015,988)	\$ (2,799,174)
Operating gain before finance costs	\$ (742,936)	\$ 1,925,037	\$ 6,350,697	\$ 4,312,243
Finance costs				
Dividends to holders of investment shares	<u>\$ (857,353)</u>	<u>\$ (933,312)</u>	<u>\$ (3,630,854)</u>	<u>\$ (3,551,442)</u>
Total finance costs	\$ (857,353)	\$ (933,312)	\$ (3,630,854)	\$ (3,551,442)
Net comprehensive income for the period	<u>\$ (1,600,289)</u>	<u>\$ 991,725</u>	<u>\$ 2,719,843</u>	<u>\$ 760,801</u>

SCOTIA CARIBBEAN INCOME FUND INC.

UNAUDITED STATEMENT OF CHANGES IN NET ASSETS

(expressed in United States dollars)

	Year ended	
	<u>March 31, 2026</u>	<u>March 31, 2025</u>
Beginning Balance	\$ 123,451,710	\$ 116,023,851
Net comprehensive income for the period	2,719,843	760,801
Subscriptions	16,633,082	12,148,375
Reinvestments	2,908,754	2,783,371
Redemptions	<u>(7,686,693)</u>	<u>(8,264,688)</u>
Ending Balance	<u>\$ 138,026,696</u>	<u>\$ 123,451,710</u>

SCOTIA CARIBBEAN INCOME FUND INC.

STATEMENT OF CASH FLOWS

(expressed in United States dollars)

	Year ended	
	March 31, 2026	March 31, 2025
Cash flows from operating activities		
Increase in net assets attributable to holders of investment shares after income tax	\$ 2,719,843	\$ 760,801
Adjustments for:		
Dividends paid to holders of investment shares	3,630,854	3,551,442
Net realized (gain)/loss on financial assets at fair value through profit or loss and foreign currencies	(578,679)	1,309,944
Net change in unrealized gain on financial assets at fair value through profit or loss	(2,116,651)	(2,083,275)
Net change in unrealized loss on foreign currencies	(18)	(2)
	<u>3,655,349</u>	<u>3,538,910</u>
Interest received	647,262	591,689
Proceeds from sale of investments	46,946,515	19,731,417
Purchase of investments	(56,475,496)	(32,945,371)
Net non-interest payments for purchase and resale agreements	(1,252,103)	5,566,501
Decrease/(increase) in other receivables	58,828	(21,870)
Increase/(decrease) in due to related parties	60,889	(420,129)
Increase in other payables	65,032	29,345
(Decrease)/increase in tax withholding liability	(30,808)	14,265
Net cash used in operating activities	<u>(6,324,532)</u>	<u>(3,915,243)</u>
Cash flows from financing activities		
Proceeds from issue of investment shares	16,633,082	12,148,375
Proceeds from reinvested investment shares	2,908,754	2,783,371
Payments on redemption of investment shares	(7,692,110)	(8,255,271)
Dividends paid to holders of investment shares	(3,630,854)	(3,551,442)
Net cash provided by financing activities	<u>8,218,872</u>	<u>3,125,033</u>
Net increase/(decrease) in cash and cash equivalents	1,894,340	(790,210)
Cash and cash equivalents at beginning of period	<u>420,365</u>	<u>1,210,575</u>
Cash and cash equivalents at end of period	<u>\$ 2,314,705</u>	<u>\$ 420,365</u>

SCOTIA CARIBBEAN INCOME FUND INC.
UNAUDITED NOTES TO FINANCIAL STATEMENTS
PERIOD ENDED MARCH 31, 2026

1. General

Scotia Caribbean Income Fund Inc. (the "Fund") was incorporated on March 29, 2006 in Saint Lucia. The Fund was also licensed under the Saint Lucia International Mutual Fund Act as a public international mutual fund. On November 27, 2006 and on January 11, 2007; the Fund was registered under the Companies Act of Jamaica and Trinidad and Tobago, respectively. The Fund is registered under the Trinidad and Tobago Securities & Exchange Commission (SEC) as a reporting issuer. On September 7, 2009, the Fund was registered under the Companies Law of the Cayman Islands and on September 17, 2009, the Fund was registered under the Mutual Funds Law of the Cayman Islands.

The registered office of the Fund is located at 1st Floor CGI Tower, Warrens, St. Michael, Barbados.

Effective June 11, 2021, the Fund was re-domiciled and transitioned from a corporation under the laws of Saint Lucia to a company continued in and licensed as a mutual fund under the laws of Barbados. The transition did not affect the assets of the Fund or the value of the investments.

Effective January 11, 2022, the Fund de-registered with the Cayman regulator as a registered mutual fund. The Fund's investment objective is to provide a regular stream of income and modest capital gains by investing primarily in US dollar denominated fixed income securities issued or guaranteed by governments or government sponsored agencies of a country in the Caribbean region, as well as money market and longer term fixed income securities issued by non-government issuers in accordance with the Investment Policy below. The Fund may also invest in other income generating securities, which may include dividend paying shares.

The investment activities of the Fund are managed by Scotia Asset Management (Barbados) Inc. (the "Fund Administrator"), a company incorporated in Barbados. The custodian activities are performed by State Street Bank and Trust Company Ltd (the "Custodian"), which is an independent entity and is not a related party to the Fund Administrator or the Fund Manager. The Fund Administrator has appointed State Street Cayman Trust Company Ltd., a trust company duly organised under the laws of the Cayman Islands as Fund Sub-Administrator. The Fund has no employees.

2. Significant accounting policies

These statements are prepared using the International Accounting Standards. 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.