

SCOTIA CARIBBEAN INCOME FUND INC.

UNAUDITED FINANCIAL STATEMENTS

PERIOD ENDED MARCH 31, 2025

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, 2025</u>	<u>March 31, 2024</u>
Cash and cash equivalents	\$ 420,365	\$ 1,210,575
Securities purchased under resale agreements	9,172,664	14,739,165
Financial assets at fair value through profit or loss	114,293,809	101,443,331
Interest receivable	151,107	-
Other receivables	120,690	98,820
Total assets	\$ 124,158,635	\$ 117,491,891
<u>Equity</u>		
Share Capital	\$ 1,000	\$ 1,000
<u>Liabilities</u>		
Due to related parties	\$ 484,449	\$ 904,578
Other payables	180,388	151,043
Tax withholding liability	31,671	17,406
Redemptions payable	9,417	-
Balance due to brokers	-	394,013
Total Liabilities (excluding net assets attributable to holders of investment shares)	\$ 705,925	\$ 1,467,040
Net assets attributable to holders of investment shares	\$ 123,451,710	\$ 116,023,851
Value per investment share based on number of shares		
Class A shares issued and outstanding as at March 31, 2025 36,480,136 (March 2024: 34,512,542)	\$ 3.3839	\$ 3.3616
Class I shares issued and outstanding as at March 31, 2025 1,710 (March 2024: 1,627)	\$ 4.6378	\$ 4.6082

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



Roger Best
Director



Lisl Lewis
Director

Date : April 24, 2025

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, 2025	March 31, 2024	March 31, 2025	March 31, 2024
<u>Investment income</u>				
Interest income	\$ 1,639,074	\$ 1,369,753	\$ 6,324,769	\$ 6,080,766
Other income	2,445	379	13,317	725
Net realized loss on financial assets at fair value through profit or loss and foreign currencies	5,238	22,377	(1,309,944)	(48,791)
Net change in unrealized gain on financial assets at fair value through profit or loss and foreign currencies	990,104	(40,984)	2,083,275	3,556,190
Net investment income	\$ 2,636,861	\$ 1,351,525	\$ 7,111,417	\$ 9,588,890
<u>Expenses</u>				
Management fees	\$ (484,449)	\$ (454,839)	\$ (1,924,950)	\$ (1,840,006)
Trailer fees	(113,543)	(107,486)	(451,157)	(431,247)
Custodian & Administrator fees	(51,187)	(50,758)	(211,423)	(214,742)
Professional fees	(19,649)	(22,156)	(64,637)	(68,296)
Other expenses	(42,996)	(29,632)	(147,007)	(123,266)
Total operating expenses	\$ (711,824)	\$ (664,871)	\$ (2,799,174)	\$ (2,677,557)
Operating gain before finance costs	\$ 1,925,037	\$ 686,654	\$ 4,312,243	\$ 6,911,333
<u>Finance costs</u>				
Dividends to holders of investment shares	\$ (933,312)	\$ (698,642)	\$ (3,551,442)	\$ (3,219,798)
Total finance costs	\$ (933,312)	\$ (698,642)	\$ (3,551,442)	\$ (3,219,798)
Net comprehensive income for the period	\$ 991,725	\$ (11,988)	\$ 760,801	\$ 3,691,535

SCOTIA CARIBBEAN INCOME FUND INC.

UNAUDITED STATEMENT OF CHANGES IN NET ASSETS

(expressed in United States dollars)

	Year ended	
	March 31, 2025	March 31, 2024
Beginning Balance	\$ 116,023,851	\$ 117,247,158
Net comprehensive income for the period	760,801	3,691,535
Subscriptions	12,148,375	7,462,284
Reinvestments	2,783,371	2,601,809
Redemptions	<u>(8,264,688)</u>	<u>(14,978,935)</u>
Ending Balance	<u>\$ 123,451,710</u>	<u>\$ 116,023,851</u>

SCOTIA CARIBBEAN INCOME FUND INC.
UNAUDITED STATEMENT OF CASH FLOWS
(expressed in United States dollars)

	Year ended	
	March 31, 2025	March 31, 2024
Cash flows from operating activities		
Increase in net assets attributable to holders of investment shares after income tax	\$ 760,801	\$ 3,691,535
Adjustments for:		
Dividends paid to holders of investment shares	3,551,442	3,219,798
Net realized loss on financial assets at fair value through profit or loss and foreign currencies	1,309,944	48,791
Net change in unrealized gain on financial assets at fair value through profit or loss	(2,083,275)	(3,556,190)
Net change in unrealized (loss)/gain on foreign currencies	(2)	11
	<u>3,538,910</u>	<u>3,403,945</u>
Interest received	591,689	1,102,465
Proceeds from sale of investments	19,731,417	22,061,057
Purchase of investments	(32,945,371)	(17,347,018)
Net non-interest payments for purchase and resale agreements	5,566,501	(801,303)
Increase in other receivables	(21,870)	(98,820)
(Decrease)/increase in due to related parties	(420,129)	436,219
Increase in other payables	29,345	40,084
Increase in tax withholding liability	14,265	13,304
Net cash (used in)/provided by operating activities	<u>(3,915,243)</u>	<u>8,809,933</u>
Cash flows from financing activities		
Proceeds from issue of investment shares	12,148,375	7,462,284
Proceeds from reinvested investment shares	2,783,371	2,601,809
Payments on redemption of investment shares	(8,255,271)	(15,070,792)
Dividends paid to holders of investment shares	(3,551,442)	(3,219,798)
Net cash provided by/(used in) by financing activities	<u>3,125,033</u>	<u>(8,226,497)</u>
Net (decrease)/increase in cash and cash equivalents	(790,210)	583,436
Cash and cash equivalents at beginning of period	1,210,575	627,139
Cash and cash equivalents at end of period	<u>\$ 420,365</u>	<u>\$ 1,210,575</u>

SCOTIA CARIBBEAN INCOME FUND INC.
UNAUDITED NOTES TO FINANCIAL STATEMENTS
PERIOD ENDED MARCH 31, 2025

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.

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.

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

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.