

SCOTIA CARIBBEAN INCOME FUND INC.

UNAUDITED FINANCIAL STATEMENTS

PERIOD ENDED DECEMBER 31, 2025

SCOTIA CARIBBEAN INCOME FUND INC.  
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PERIOD ENDED DECEMBER 31, 2025

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SCOTIA CARIBBEAN INCOME FUND INC.

UNAUDITED STATEMENT OF FINANCIAL POSITION

(expressed in United States dollars)

<u>Assets</u>	<u>December 31, 2025</u>	<u>March 31, 2025</u>
Cash and cash equivalents	\$ 850,625	\$ 420,365
Securities purchased under resale agreements	11,639,648	9,172,664
Financial assets at fair value through profit or loss	123,893,322	114,293,809
Other receivables	72,995	120,690
Interest receivable	19,906	151,107
<b>Total assets</b>	<b>\$ 136,476,496</b>	<b>\$ 124,158,635</b>
<u>Equity</u>		
Share Capital	\$ 1,000	\$ 1,000
<u>Liabilities</u>		
Due to related parties	\$ 538,074	\$ 484,449
Other payables	225,891	180,388
Redemptions payable	8,250	9,417
Tax withholding liability	6,757	31,671
<b>Total Liabilities (excluding net assets attributable to holders of investment shares)</b>	<b>\$ 778,972</b>	<b>\$ 705,925</b>
<b>Net assets attributable to holders of investment shares</b>	<b>\$ 135,696,524</b>	<b>\$ 123,451,710</b>
Value per investment share based on number of shares		
Class A shares issued and outstanding as at December 31, 2025		
38,748,332 (March 2025: 36,480,136)	\$ 3.5018	\$ 3.3839
Class I shares issued and outstanding as at December 31, 2025		
1,773 (March 2025: 1,710)	\$ 4.7986	\$ 4.6378

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



Sunil Chatrani  
Director



Lisl Lewis  
Director

Date: January 22, 2026

SCOTIA CARIBBEAN INCOME FUND INC.

UNAUDITED STATEMENT OF COMPREHENSIVE INCOME

PERIOD ENDED DECEMBER 31, 2025

(expressed in United States dollars)

	For the three month periods ended		For the nine month periods ended	
	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
<b><u>Investment income</u></b>				
Interest income	\$ 1,680,833	\$ 1,626,764	\$ 4,967,327	\$ 4,685,695
Other income	2,421	2,666	3,017	10,872
Net realized gain (loss) on financial assets at fair value through profit or loss and foreign currencies	(114,609)	20,800	514,628	(1,315,182)
Net change in unrealized gain on financial assets at fair value through profit or loss and foreign currencies	83,490	(2,254,988)	3,820,080	1,093,171
<b>Net investment income</b>	<b>\$ 1,652,135</b>	<b>\$ (604,758)</b>	<b>\$ 9,305,052</b>	<b>\$ 4,474,556</b>
<b><u>Expenses</u></b>				
Management fees	\$ (538,074)	\$ (493,194)	\$ (1,549,810)	\$ (1,440,501)
Trailer fees	(126,111)	(115,592)	(363,237)	(337,614)
Custodian & Administrator fees	(65,289)	(51,999)	(175,170)	(160,236)
Professional fees	(16,402)	(18,219)	(48,658)	(44,988)
Other expenses	(17,927)	(35,046)	(74,544)	(104,011)
<b>Total operating expenses</b>	<b>\$ (763,803)</b>	<b>\$ (714,050)</b>	<b>\$ (2,211,419)</b>	<b>\$ (2,087,350)</b>
<b>Operating gain before finance costs</b>	<b>\$ 888,332</b>	<b>\$ (1,318,808)</b>	<b>\$ 7,093,633</b>	<b>\$ 2,387,206</b>
<b>Finance costs</b>				
Dividends to holders of investment shares	\$ (919,849)	\$ (919,505)	\$ (2,773,501)	\$ (2,618,130)
<b>Total finance costs</b>	<b>\$ (919,849)</b>	<b>\$ (919,505)</b>	<b>\$ (2,773,501)</b>	<b>\$ (2,618,130)</b>
<b>Net comprehensive income (loss) for the period</b>	<b>\$ (31,517)</b>	<b>\$ (2,238,313)</b>	<b>\$ 4,320,132</b>	<b>\$ (230,924)</b>

SCOTIA CARIBBEAN INCOME FUND INC.

UNAUDITED STATEMENT OF CHANGES IN NET ASSETS

PERIOD ENDED DECEMBER 31, 2025

(expressed in United States dollars)

	For the nine month periods ended	
	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Beginning Balance	\$ 123,451,710	\$ 116,023,851
Net comprehensive income (loss) for the period	4,320,132	(230,924)
Subscriptions	11,701,966	10,028,349
Reinvestments	2,215,689	2,046,651
Redemptions	<u>(5,992,973)</u>	<u>(5,677,903)</u>
<b>Ending Balance</b>	<u>\$ 135,696,524</u>	<u>\$ 122,190,024</u>

**STATEMENT OF CASH FLOWS**  
**PERIOD ENDED DECEMBER 31, 2025**  
(expressed in United States dollars)

	For the nine month periods ended	
	December 31, 2025	December 31, 2024
<b>Cash flows from operating activities</b>		
Increase/(decrease) in net assets attributable to holders of investment shares after income tax	\$ 4,320,132	\$ (230,924)
<b>Adjustments for:</b>		
Dividends paid to holders of investment shares	2,773,501	2,618,130
Net realized (gain)/loss on financial assets at fair value through profit or loss and foreign currencies	(514,628)	1,315,182
Net change in unrealized gain on financial assets at fair value through profit or loss	(3,820,080)	(1,093,171)
Net change in unrealized (loss)/gain on foreign currencies	(9)	83
	2,758,916	2,609,300
Interest received	465,022	530,705
Proceeds from sale of investments	30,314,568	17,786,063
Purchase of investments	(35,913,185)	(29,111,089)
Net non-interest payments for purchase and resale agreements	(2,466,984)	4,704,629
Decrease/(increase) in other receivables	47,695	(258,889)
Increase/(decrease) in due to related parties	53,625	(411,384)
Increase/(decrease) in other payables	45,503	(4,202)
(Decrease)/increase in tax withholding liability	(24,914)	14,315
<b>Net cash used in operating activities</b>	(4,719,754)	(4,140,552)
<b>Cash flows from financing activities</b>		
Proceeds from issue of investment shares	11,701,966	10,028,349
Proceeds from reinvested investment shares	2,215,689	2,046,651
Payments on redemption of investment shares	(5,994,140)	(5,658,380)
Dividends paid to holders of investment shares	(2,773,501)	(2,618,130)
<b>Net cash provided by financing activities</b>	5,150,014	3,798,490
<b>Net increase/(decrease) in cash and cash equivalents</b>	430,260	(342,062)
Cash and cash equivalents at beginning of period	420,365	1,210,575
<b>Cash and cash equivalents at end of period</b>	\$ 850,625	\$ 868,513

**SCOTIA CARIBBEAN INCOME FUND INC.**  
**UNAUDITED NOTES TO FINANCIAL STATEMENTS**  
**PERIOD ENDED DECEMBER 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.

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.