

**Butterfield Select Invest Fund
Limited**

FINANCIAL STATEMENTS
FOR THE YEAR ENDED
JUNE 30, 2022

Butterfield Select Invest Fund Limited

INVESTMENT MANAGER'S REPORT

For the year ended June 30, 2022

Select Invest - Equity

The net asset value (NAV) per share fell from \$22.96 to \$18.68 over the fiscal year to June 30, 2022, representing a -18.64% return for the year, net of all fees and expenses. The benchmark for the Class, the MSCI World Free Net Total Return Index returned -14.34%.

Global equity markets had a strong year in 2021 and were positive in the second half of the year, however, the first six months of 2022 were a painful period for equities with the MSCI World falling by -5.15% in the first quarter and -16.19% in the second quarter. Inflationary pressures grew in the global economy as the world re-opened from the COVID-19 shock due to a combination of government stimulus and supply chain stress. Russia's invasion of Ukraine in February 2022 further exacerbated these inflationary pressures as commodity prices rose in response to sanctions imposed on Russia and Russia's retaliatory measures to reduce flows of natural gas to Europe.

Inflation rates in many Developed Markets reached levels not seen for over three decades and central banks responded by aggressively raising interest rates and removing policy. This hawkish shift presented a serious headwind for equity markets as Price/Earning multiples came under pressure. This shift in policy was particularly negative for Growth stocks, where investor positioning was stretched given multiple years of outperformance. This was negative for some of the more Growth focused managers in the fund, such as American Century Global Growth and Wellington Global Opportunities.

An important dynamic during the weakness in equity markets was the underperformance of the Quality factor. Historically, the Quality factor has performed well on a relative basis when equity markets fall, but that has not been the case in the first six months of 2022. The managers in the Fund generally have a Quality tilt to their process, so this has been a headwind. On the positive side, the Value factor outperformed the Growth factor as interest rates climbed. The Artisan Value fund and MFS US Value fund both contributed to relative performance.

Select Invest - Alternative

The net asset value (NAV) per share increased marginally from \$16.74 to \$16.78 over the fiscal year to June 30, 2022, representing a 0.24% return for the year, net of all fees and expenses. In comparison the Hedge Fund Research HFRX Global Hedge Fund benchmark returned -5.12%.

The Class is sub-advised by GCM Grosvenor and as at June 30, 2022 was allocated to 15 investment managers with an average allocation of approximately 5% to each manager, with the largest allocation to any single manager being just over 13%. The largest sector allocation the Fund had as at June 30, 2022 was to the Equities strategy at around 43%. The equities strategy is allocated across directional, low net equity, fundamental market neutral, event driven and specialist managers.

Relative Value strategies, which included the largest position in the fund, performed well and contributed to overall returns as they were able to exploit market mispricing opportunities. Equity strategies detracted from overall performance over the period as equity market weakness in the first six months of 2022 proved a challenging backdrop for many long-biased managers. Global Macro exposure also detracted from performance as volatility in global bond markets proved challenging to navigate.

The Hedge Fund industry has had mixed performance, but the Butterfield Select Alternative Fund protected capital over the period against a difficult backdrop for both bond and equity markets. Net assets finished the period at \$21.92 million.

Butterfield Select Invest Fund Limited

Select Invest - Global Fixed Income

The net asset value (NAV) per share decreased from \$23.47 to \$20.89 over the fiscal year to 30 June 2022, representing a -10.99% return for the year, net of all fees and expenses. The fund underperformed the BofA Merrill Lynch 5-10 Year AAA-A US Corporate and Government Benchmark Index by -97bps primarily due to the fund's exposure to corporate credit and Emerging Market debt as credit spreads have widened in 2022.

This fiscal year has been extremely volatile with the Federal Reserve pivoting to an aggressive monetary policy in an effort to contain the highest inflation in forty years leading to a rare year of negative returns in both fixed income and equity markets. In addition, the Russian invasion of Ukraine has led to heightened risk premiums and firmer commodity prices which have amplified the pressure on central bankers globally.

With little sign that headline or core inflation are abating and longer-term inflation expectations remaining firm policy makers have guided the market for the fastest pace of monetary tightening in decades. US base rates have been raised from 0.25% at the start of 2022 to 1.75% at the end of the fiscal year with market expectations that the terminal rate will reach 3.50% by the middle of 2023.

As a result, global bond yields have increased at a rapid rate with the risk-free US two-year Treasury now yielding over 3% with similar moves seen in other developed bond markets. The Federal Reserve is also acting to reduce the size of its US\$9tn balance sheet and quantitative tightening has begun and is projected to reach US\$95bn per month by September. With European economies extremely weak due to the energy crisis and Chinese growth constrained by COVID-19 restrictions and an overvalued property market the US economy remains one of the only positive drivers of global growth however, the inevitable slowdown of the US economy has begun.

As we enter the next fiscal year fund positioning remains neutral interest rate duration across the curve which we feel is appropriate given the risks surrounding global growth and the likely weakening of inflation in 2023. In corporate credit we remain overweight vs our benchmark, the weak performance of risk assets this year has subtracted from total return but we remain confident that the fund's current holdings are secure and see no risk of default in the months ahead.

Portfolio duration is neutral vs the benchmark at 6.6 years at the end of June 2022 which is 103% of the benchmark index, the overall credit quality of the fund remains equal to a weighted average S&P rating of BBB+.

Dwayne Outerbridge, CFA
President
Butterfield Select Invest Fund Limited
July, 2022

Independent Auditor's Report

The Board of Directors
Butterfield Select Invest Fund Limited, comprising Cautious Class,
Conservative Class, Balanced Class, Dynamic Class and Growth Class

Opinion

We have audited the financial statements of Butterfield Select Invest Fund Limited, comprising Cautious Class, Conservative Class, Balanced Class, Dynamic Class and Growth Class (collectively referred to as the Fund), which comprise the statement of financial position as at June 30, 2022, and the statement of comprehensive income, statement of changes in net assets attributable to shareholders and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at June 30, 2022, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the *Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information Included in the Fund's 2022 Annual Report

Management is responsible for the other information. Other information consists of the information included in the Annual Report other than the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

We obtained the annual report prior to the date of this auditor's report. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.

Responsibilities of Management and those charged with governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with IFRSs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

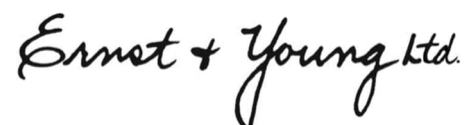
As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditor's report is Jessel Mendes.



November 23, 2022

Butterfield Select Invest Fund Limited

COMPANY INFORMATION

DIRECTORS

Dwayne Outerbridge
Jeffrey Abbott
Richard Foley

INVESTMENT ADVISER

Butterfield Asset Management Limited
65 Front Street
Hamilton HM 12
Bermuda

CUSTODIAN

The Bank of N.T. Butterfield & Son Limited
65 Front Street
Hamilton HM 12
Bermuda

REGISTRAR, TRANSFER AGENT AND ADMINISTRATOR

MUFG Fund Services (Bermuda) Limited
Cedar House, 4th Floor North
41 Cedar Avenue
Hamilton HM 12
Bermuda

AUDITORS

Ernst & Young Ltd.
3 Bermudiana Road
Hamilton HM 08
Bermuda

Butterfield Select Invest Fund Limited

STATEMENT OF FINANCIAL POSITION

As at June 30, 2022

(Expressed in US Dollars)

| | | CAUTIOUS CLASS | |
|---|--------------|------------------|------------------|
| | | June 30, 2022 | June 30, 2021 |
| | | US\$ | US\$ |
| | Notes | | |
| Assets | | | |
| Cash and cash equivalents | 2 h) | 10,296 | 34,511 |
| Financial assets at fair value through profit or loss (Cost: 2022 - \$4,293,296; 2021 - \$4,495,272) | 3, 4 | 4,545,516 | 5,553,961 |
| Prepaid expenses | | 1,108 | 773 |
| Total assets | | 4,556,920 | 5,589,245 |
| Liabilities | | | |
| Redemptions payable | | 3,000 | - |
| Accrued expenses | 6, 7 | 4,801 | 5,458 |
| Subscriptions received in advance | | 525 | 200 |
| Total liabilities | | 8,326 | 5,658 |
| Net assets attributable to shareholders | | 4,548,594 | 5,583,587 |
| Number of redeemable shares in issue | 5 | 315,395 | 338,775 |
| Net asset value per redeemable share | | 14.42 | 16.48 |

The accompanying notes are an integral part of these financial statements

Butterfield Select Invest Fund Limited

STATEMENT OF FINANCIAL POSITION (CONTINUED)

As at June 30, 2022

(Expressed in US Dollars)

| | | CONSERVATIVE CLASS | |
|---|--------------|--------------------|------------------|
| | | June 30, 2022 | June 30, 2021 |
| | | US\$ | US\$ |
| | Notes | | |
| Assets | | | |
| Cash and cash equivalents | 2 h) | 23,380 | 33,720 |
| Financial assets at fair value through profit or loss (Cost: 2022 - \$1,321,600; 2021 - \$1,332,292) | 3, 4 | 1,473,254 | 1,715,998 |
| Prepaid expenses | | 453 | 1,160 |
| Total assets | | 1,497,087 | 1,750,878 |
| Liabilities | | | |
| Accrued expenses | 6, 7 | 3,466 | 3,437 |
| Total liabilities | | 3,466 | 3,437 |
| Net assets attributable to shareholders | | 1,493,621 | 1,747,441 |
| Number of redeemable shares in issue | 5 | 120,105 | 125,315 |
| Net asset value per redeemable share | | 12.44 | 13.94 |

The accompanying notes are an integral part of these financial statements

Butterfield Select Invest Fund Limited

STATEMENT OF FINANCIAL POSITION (CONTINUED)

As at June 30, 2022

(Expressed in US Dollars)

| | | BALANCED CLASS | |
|---|--------------|------------------|------------------|
| | | June 30, 2022 | June 30, 2021 |
| | | US\$ | US\$ |
| | Notes | | |
| Assets | | | |
| Cash and cash equivalents | 2 h) | 55,428 | 379,000 |
| Financial assets at fair value through profit or loss (Cost: 2022 - \$6,623,416; 2021 - \$6,489,246) | 3, 4 | 7,374,588 | 8,786,393 |
| Prepaid expenses | | 3,390 | 2,904 |
| Other assets | | 3,109 | - |
| Total assets | | 7,436,515 | 9,168,297 |
| Liabilities | | | |
| Accrued expenses | 6, 7 | 10,963 | 12,080 |
| Subscriptions received in advance | | 636 | 272,800 |
| Total liabilities | | 11,599 | 284,880 |
| Net assets attributable to shareholders | | 7,424,916 | 8,883,417 |
| Number of redeemable shares in issue | 5 | 501,623 | 516,479 |
| Net asset value per redeemable share | | 14.80 | 17.20 |

The accompanying notes are an integral part of these financial statements

Butterfield Select Invest Fund Limited

STATEMENT OF FINANCIAL POSITION (CONTINUED)

As at June 30, 2022

(Expressed in US Dollars)

| | | DYNAMIC CLASS | |
|--|--------------|---------------|---------------|
| | | June 30, 2022 | June 30, 2021 |
| | | US\$ | US\$ |
| | Notes | | |
| Assets | | | |
| Cash and cash equivalents | 2 h) | - | 198 |
| Prepaid expenses | | - | - |
| Total assets | | - | 198 |
| Liabilities | | | |
| Accrued expenses | 6, 7 | - | 198 |
| Total liabilities | | - | 198 |
| Net assets attributable to shareholders | | - | - |
| Number of redeemable shares in issue | 5 | - | - |
| Net asset value per redeemable share | | - | - |

The accompanying notes are an integral part of these financial statements

Butterfield Select Invest Fund Limited

STATEMENT OF FINANCIAL POSITION (CONTINUED)

As at June 30, 2022

(Expressed in US Dollars)

| | | GROWTH CLASS | |
|---|--------------|----------------------|---------------|
| | | June 30, 2022 | June 30, 2021 |
| | | US\$ | US\$ |
| | Notes | | |
| Assets | | | |
| Cash and cash equivalents | 2 h) | - | 32,104 |
| Financial assets at fair value through profit or loss (Cost: 2022 - \$4,050,439; 2021 - \$3,614,602) | 3, 4 | 4,304,548 | 4,760,506 |
| Prepaid expenses | | 1,329 | 766 |
| Total assets | | 4,305,877 | 4,793,376 |
| Liabilities | | | |
| Bank overdraft | | 7,528 | - |
| Accrued expenses | 6, 7 | 2,673 | 3,879 |
| Redemptions payable | | - | 5,000 |
| Subscriptions received in advance | | 5,349 | 14,250 |
| Total liabilities | | 15,550 | 23,129 |
| Net assets attributable to shareholders | | 4,290,327 | 4,770,247 |
| Number of redeemable shares in issue | 5 | 268,090 | 250,389 |
| Net asset value per redeemable share | | 16.00 | 19.05 |

The accompanying notes are an integral part of these financial statements

Butterfield Select Invest Fund Limited

SCHEDULE OF PORTFOLIO INVESTMENTS

As at June 30, 2022

(Expressed in US Dollars)

CAUTIOUS CLASS

| | | 2022 | |
|---|---------------------|---------------|-------------------|
| | Number of Shares | Fair Value | % of Portfolio |
| Investment Funds | | | |
| Butterfield Select Fund Limited – Alternative Class | 45,529 | \$ 763,976 | 16.81% |
| Butterfield Select Fund Limited – Equity Class | 79,592 | 1,486,772 | 32.71% |
| Butterfield Select Fund Limited – Global Fixed Income Class | 109,850 | 2,294,768 | 50.48% |
| TOTAL INVESTMENTS (Cost: 2022 - \$4,293,296) | | \$ 4,545,516 | 100.00% |

CONSERVATIVE CLASS

| | | 2022 | |
|---|---------------------|---------------|-------------------|
| | Number of Shares | Fair Value | % of Portfolio |
| Investment Funds | | | |
| Butterfield Select Fund Limited – Alternative Class | 15,416 | \$ 258,677 | 17.56% |
| Butterfield Select Fund Limited – Equity Class | 10,593 | 197,882 | 13.43% |
| Butterfield Select Fund Limited – Global Fixed Income Class | 48,669 | 1,016,695 | 69.01% |
| TOTAL INVESTMENTS (Cost: 2022 - \$1,321,600) | | \$ 1,473,254 | 100.00% |

BALANCED CLASS

| | | 2022 | |
|---|---------------------|---------------|-------------------|
| | Number of Shares | Fair Value | % of Portfolio |
| Investment Funds | | | |
| Butterfield Select Fund Limited – Alternative Class | 77,427 | \$ 1,299,226 | 17.62% |
| Butterfield Select Fund Limited – Equity Class | 206,598 | 3,859,255 | 52.33% |
| Butterfield Select Fund Limited – Global Fixed Income Class | 106,085 | 2,216,107 | 30.05% |
| TOTAL INVESTMENTS (Cost: 2022 - \$6,623,416) | | \$ 7,374,588 | 100.00% |

The accompanying notes are an integral part of these financial statements

Butterfield Select Invest Fund Limited

SCHEDULE OF PORTFOLIO INVESTMENTS (CONTINUED)

As at June 30, 2022

(Expressed in US Dollars)

GROWTH CLASS

| | | 2022 | |
|---|---------------------|---------------|-------------------|
| | Number of Shares | Fair Value | % of Portfolio |
| Investment Funds | | | |
| Butterfield Select Fund Limited – Alternative Class | 44,865 | \$ 752,834 | 17.49% |
| Butterfield Select Fund Limited – Equity Class | 180,364 | 3,369,201 | 78.27% |
| Butterfield Select Fund Limited – Global Fixed Income Class | 8,737 | 182,513 | 4.24% |
| <hr/> | | | |
| TOTAL INVESTMENTS | | | |
| (Cost: 2022 - \$4,050,439) | | \$ 4,304,548 | 100.00% |

The accompanying notes are an integral part of these financial statements

Butterfield Select Invest Fund Limited

STATEMENT OF COMPREHENSIVE INCOME

For the year ended June 30, 2022

(Expressed in US Dollars)

| | | CAUTIOUS CLASS | |
|---|-------|------------------|----------------|
| | | 2022 | 2021 |
| | | US\$ | US\$ |
| | Notes | | |
| Income | | | |
| Net realised gain on financial assets at fair value through profit or loss | | 162,671 | 138,951 |
| Net change in unrealised (loss)/gain on financial assets at fair value through profit or loss | | (806,469) | 425,824 |
| Total (loss)/income | | (643,798) | 564,775 |
| Expenses | | | |
| Management fee | 6 a) | 13,105 | 11,008 |
| Administration fee | 7 | 7,356 | 6,150 |
| Audit fee | | 1,282 | 1,100 |
| Custodian fee | 6 b) | 2,621 | 2,346 |
| Exchange fee | | 296 | 790 |
| Government fee | | 435 | 350 |
| Other expenses | | 2,203 | 1,969 |
| Total expenses | | 27,298 | 23,713 |
| Net (decrease)/increase in net assets resulting from operations attributable to shareholders | | (671,096) | 541,062 |

The accompanying notes are an integral part of these financial statements

Butterfield Select Invest Fund Limited

STATEMENT OF COMPREHENSIVE INCOME (CONTINUED)

For the year ended June 30, 2022

(Expressed in US Dollars)

| | | CONSERVATIVE CLASS | |
|---|-------|--------------------|----------------|
| | | 2022 | 2021 |
| | | US\$ | US\$ |
| | Notes | | |
| Income | | | |
| Net realised gain on financial assets at fair value through profit or loss | | 58,619 | 770,322 |
| Net change in unrealised loss on financial assets at fair value through profit or loss | | (232,051) | (469,340) |
| Total (loss)/income | | (173,432) | 300,982 |
| Expenses | | | |
| Management fee | 6 a) | 4,215 | 11,072 |
| Administration fee | 7 | 2,365 | 6,193 |
| Audit fee | | 1,285 | 1,100 |
| Custodian fee | 6 b) | 843 | 2,214 |
| Exchange fee | | 207 | 512 |
| Government fee | | 298 | 430 |
| Other expenses | | 1,863 | 2,268 |
| Total expenses | | 11,076 | 23,789 |
| Net (decrease)/increase in net assets resulting from operations attributable to shareholders | | (184,508) | 277,193 |

The accompanying notes are an integral part of these financial statements

Butterfield Select Invest Fund Limited

STATEMENT OF COMPREHENSIVE INCOME (CONTINUED)

For the year ended June 30, 2022

(Expressed in US Dollars)

| | | BALANCED CLASS | |
|---|--------------|-----------------------|-------------|
| | | 2022 | 2021 |
| | | US\$ | US\$ |
| | Notes | | |
| Income | | | |
| Net realised gain on financial assets at fair value through profit or loss | | 375,112 | 1,298,918 |
| Net change in unrealised (loss)/gain on financial assets at fair value through profit or loss | | (1,545,976) | 852,428 |
| Total (loss)/income | | (1,170,864) | 2,151,346 |
| Expenses | | | |
| Management fee | 6 a) | 21,819 | 28,226 |
| Administration fee | 7 | 12,250 | 15,748 |
| Audit fee | | 2,900 | 3,388 |
| Custodian fee | 6 b) | 4,364 | 5,677 |
| Exchange fee | | 2,402 | 2,006 |
| Government fee | | 956 | 1,022 |
| Other expenses | | 4,462 | 5,849 |
| Total expenses | | 49,153 | 61,916 |
| Net (decrease)/increase in net assets resulting from operations attributable to shareholders | | (1,220,017) | 2,089,430 |

The accompanying notes are an integral part of these financial statements

Butterfield Select Invest Fund Limited

STATEMENT OF COMPREHENSIVE INCOME (CONTINUED)

For the year ended June 30, 2022

(Expressed in US Dollars)

| | | DYNAMIC CLASS | |
|---|--------------|---------------|--------------|
| | | 2022 US\$ | 2021 US\$ |
| Income | Notes | | |
| Net realised gain/(loss) on financial assets at fair value through profit or loss | | - | - |
| Net change in unrealised gain/(loss) on financial assets at fair value through profit or loss | | - | - |
| Other income | | - | 989 |
| Total income | | - | 989 |
| Expenses | | | |
| Administration fee | 7 | - | 199 |
| Custodian fee | 6 b) | - | 71 |
| Exchange fee | | - | 19 |
| Government fee | | - | 5 |
| Legal fee | | - | - |
| Other expenses | | - | 115 |
| Total expenses | | - | 409 |
| Net increase in net assets resulting from operations attributable to shareholders | | - | 580 |

The accompanying notes are an integral part of these financial statements

Butterfield Select Invest Fund Limited

STATEMENT OF COMPREHENSIVE INCOME (CONTINUED)

For the year ended June 30, 2022

(Expressed in US Dollars)

| | | GROWTH CLASS | |
|--|-------|------------------|----------------|
| | | 2022 US\$ | 2021 US\$ |
| | Notes | | |
| Income | | | |
| Net realised gain on financial assets at fair value through profit or loss | | 104,244 | 212,010 |
| Net change in unrealised (loss)/ gain on financial assets at fair value through profit or loss | | (891,795) | 752,310 |
| Total (loss)/ income | | (787,551) | 964,320 |
| Expenses | | | |
| Management fee | 6 a) | 12,211 | 9,401 |
| Administration fee | 7 | 6,859 | 5,238 |
| Audit fee | | 540 | 1,020 |
| Custodian fee | 6 b) | 2,442 | 1,880 |
| Exchange fee | | 168 | 507 |
| Government fee | | 28 | 289 |
| Other expenses | | 1,763 | 1,373 |
| Total expenses | | 24,011 | 19,708 |
| Net (decrease)/ increase in net assets resulting from operations attributable to shareholders | | (811,562) | 944,612 |

The accompanying notes are an integral part of these financial statements

Butterfield Select Invest Fund Limited

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the year ended June 30, 2022

(Expressed in US Dollars)

| | CAUTIOUS CLASS | |
|---|-----------------------|-------------|
| | 2022 | 2021 |
| | US\$ | US\$ |
| Net (decrease)/increase in net assets resulting from operations attributable to shareholders | (671,096) | 541,062 |
| Capital stock transactions | | |
| Issue of redeemable shares | 484,636 | 1,495,266 |
| Redemption of redeemable shares | (848,533) | (322,301) |
| (Decrease)/increase in net assets attributable to shareholders from transactions in shares | (363,897) | 1,172,965 |
| Net (decrease)/increase in net assets attributable to shareholders | (1,034,993) | 1,714,027 |
| Net assets attributable to shareholders – beginning of year | 5,583,587 | 3,869,560 |
| Net assets attributable to shareholders – end of year | 4,548,594 | 5,583,587 |

| | CONSERVATIVE CLASS | |
|---|---------------------------|-------------|
| | 2022 | 2021 |
| | US\$ | US\$ |
| Net (decrease)/increase in net assets resulting from operations attributable to shareholders | (184,508) | 277,193 |
| Capital stock transactions | | |
| Issue of redeemable shares | 98,500 | 123,102 |
| Redemption of redeemable shares | (167,812) | (3,320,383) |
| Decrease in net assets attributable to shareholders from transactions in shares | (69,312) | (3,197,281) |
| Net decrease in net assets attributable to shareholders | (253,820) | (2,920,088) |
| Net assets attributable to shareholders – beginning of year | 1,747,441 | 4,667,529 |
| Net assets attributable to shareholders – end of year | 1,493,621 | 1,747,441 |

The accompanying notes are an integral part of these financial statements

Butterfield Select Invest Fund Limited

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS (CONTINUED)

For the year ended June 30, 2022

(Expressed in US Dollars)

| | BALANCED CLASS | |
|---|-----------------------|-------------|
| | 2022 | 2021 |
| | US\$ | US\$ |
| Net (decrease)/increase in net assets resulting from operations attributable to shareholders | (1,220,017) | 2,089,430 |
| Capital stock transactions | | |
| Issue of redeemable shares | 988,935 | 860,087 |
| Redemption of redeemable shares | (1,227,419) | (4,688,723) |
| Decrease in net assets attributable to shareholders from transactions in shares | (238,484) | (3,828,636) |
| Net (decrease)/increase in net assets attributable to shareholders | (1,458,501) | (1,739,206) |
| Net assets attributable to shareholders – beginning of year | 8,883,417 | 10,622,623 |
| Net assets attributable to shareholders – end of year | 7,424,916 | 8,883,417 |

| | DYNAMIC CLASS | |
|--|----------------------|-----------|
| | 2022 | 2021 |
| | US\$ | US\$ |
| Net increase in net assets resulting from operations attributable to shareholders | - | 580 |
| Capital stock transactions | | |
| Issue of redeemable shares | - | - |
| Redemption of redeemable shares | - | (333,250) |
| Decrease in net assets attributable to shareholders from transactions in shares | - | (333,250) |
| Net decrease in net assets attributable to shareholders | - | (332,670) |
| Net assets attributable to shareholders – beginning of year | - | 332,670 |
| Net assets attributable to shareholders – end of year | - | - |

The accompanying notes are an integral part of these financial statements

Butterfield Select Invest Fund Limited

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS (CONTINUED)

For the year ended June 30, 2022

(Expressed in US Dollars)

| | GROWTH CLASS | |
|---|------------------|--------------|
| | 2022 US\$ | 2021 US\$ |
| Net (decrease)/increase in net assets resulting from operations attributable to shareholders | (811,562) | 944,612 |
| Capital stock transactions | | |
| Issue of redeemable shares | 831,010 | 1,727,716 |
| Redemption of redeemable shares | (499,368) | (871,843) |
| Increase in net assets attributable to shareholders from transactions in shares | 331,642 | 855,873 |
| Net (decrease)/increase in net assets attributable to shareholders | (479,920) | 1,800,485 |
| Net assets attributable to shareholders – beginning of year | 4,770,247 | 2,969,762 |
| Net assets attributable to shareholders – end of year | 4,290,327 | 4,770,247 |

The accompanying notes are an integral part of these financial statements

Butterfield Select Invest Fund Limited

STATEMENT OF CASH FLOWS

For the year ended June 30, 2022

(Expressed in US Dollars)

| | CAUTIOUS CLASS | |
|---|-----------------------|-------------|
| | 2022 | 2021 |
| | US\$ | US\$ |
| Cash flows from operating activities | | |
| Net (decrease)/increase in net assets resulting from operations attributable shareholders | (671,096) | 541,062 |
| <i>Adjustments for:</i> | | |
| Purchase of financial assets | (583,886) | (1,804,416) |
| Net proceeds from sale of financial assets | 948,533 | 646,101 |
| Net realised gain on financial assets | (162,671) | (138,951) |
| Net change in unrealised loss/(gain) on financial assets | 806,469 | (425,824) |
| Changes in: | | |
| Prepaid expenses | (335) | 351 |
| Accrued expenses | (657) | 380 |
| Net cash provided by/(used in) operating activities | 336,357 | (1,181,297) |
| Cash flows from financing activities | | |
| Proceeds from issuance of shares | 484,636 | 1,495,266 |
| Payments on redemption of shares | (845,533) | (322,301) |
| Changes in subscriptions received in advance | 325 | - |
| Net cash (used in)/provided by financing activities | (360,572) | 1,172,965 |
| Net decrease in cash and cash equivalents | (24,215) | (8,332) |
| Cash and cash equivalents – beginning of year | 34,511 | 42,843 |
| Cash and cash equivalents – end of year | 10,296 | 34,511 |

The accompanying notes are an integral part of these financial statements

Butterfield Select Invest Fund Limited

STATEMENT OF CASH FLOWS (CONTINUED)

For the year ended June 30, 2022

(Expressed in US Dollars)

| | CONSERVATIVE CLASS | |
|---|--------------------|--------------------|
| | 2022 US\$ | 2021 US\$ |
| Cash flows from operating activities | | |
| Net (decrease)/increase in net assets resulting from operations attributable shareholders | (184,508) | 277,193 |
| <i>Adjustments for:</i> | | |
| Purchase of financial assets | (163,500) | (358,702) |
| Net proceeds from sale of financial assets | 232,812 | 3,579,883 |
| Net realised gain on financial assets | (58,619) | (770,322) |
| Net change in unrealised loss on financial assets | 232,051 | 469,340 |
| Changes in: | | |
| Prepaid expenses | 707 | 310 |
| Accrued expenses | 29 | (2,311) |
| Net cash provided by operating activities | 58,972 | 3,195,391 |
| Cash flows from financing activities | | |
| Proceeds from issuance of shares | 98,500 | 123,102 |
| Payments on redemption of shares | (167,812) | (3,320,383) |
| Net cash used in financing activities | (69,312) | (3,197,281) |
| Net decrease in cash and cash equivalents | (10,340) | (1,890) |
| Cash and cash equivalents – beginning of year | 33,720 | 35,610 |
| Cash and cash equivalents – end of year | 23,380 | 33,720 |

The accompanying notes are an integral part of these financial statements

Butterfield Select Invest Fund Limited

STATEMENT OF CASH FLOWS (CONTINUED)

For the year ended June 30, 2022

(Expressed in US Dollars)

| | BALANCED CLASS | |
|---|-----------------------|-------------|
| | 2022 | 2021 |
| | US\$ | US\$ |
| Cash flows from operating activities | | |
| Net (decrease)/increase in net assets resulting from operations attributable shareholders | (1,220,017) | 2,089,430 |
| <i>Adjustments for:</i> | | |
| Purchase of financial assets | (1,287,540) | (1,701,688) |
| Net proceeds from sale of financial assets | 1,528,481 | 5,620,923 |
| Net realised gain on financial assets | (375,112) | (1,298,918) |
| Net change in unrealised loss/(gain) on financial assets | 1,545,976 | (852,428) |
| Changes in: | | |
| Prepaid expenses | (486) | (308) |
| Other assets | (3,109) | - |
| Accrued expenses | (1,117) | 39 |
| Net cash provided by operating activities | 187,076 | 3,857,050 |
| Cash flows from financing activities | | |
| Proceeds from issuance of shares | 988,935 | 860,087 |
| Payments on redemption of shares | (1,227,419) | (4,688,723) |
| Changes in subscriptions received in advance | (272,164) | 272,300 |
| Net cash used in financing activities | (510,648) | (3,556,336) |
| Net (decrease)/increase in cash and cash equivalents | (323,572) | 300,714 |
| Cash and cash equivalents – beginning of year | 379,000 | 78,286 |
| Cash and cash equivalents – end of year | 55,428 | 379,000 |

The accompanying notes are an integral part of these financial statements

Butterfield Select Invest Fund Limited

STATEMENT OF CASH FLOWS (CONTINUED)

For the year ended June 30, 2022

(Expressed in US Dollars)

| | DYNAMIC CLASS | |
|---|---------------|------------------|
| | 2022 US\$ | 2021 US\$ |
| Cash flows from operating activities | | |
| Net increase in net assets resulting from operations attributable shareholders | - | 580 |
| <i>Adjustments for:</i> | | |
| Changes in: | | |
| Prepaid expenses | - | 65 |
| Accrued expenses | (198) | (543) |
| Net cash (used in)/provided by operating activities | (198) | 102 |
| Cash flows from financing activities | | |
| Payments on redemption of shares | - | (333,250) |
| Net cash used in financing activities | - | (333,250) |
| Net decrease in cash and cash equivalents | (198) | (333,148) |
| Cash and cash equivalents – beginning of year | 198 | 333,346 |
| Cash and cash equivalents – end of year | - | 198 |

The accompanying notes are an integral part of these financial statements

Butterfield Select Invest Fund Limited

STATEMENT OF CASH FLOWS (CONTINUED)

For the year ended June 30, 2022

(Expressed in US Dollars)

| | GROWTH CLASS | |
|---|------------------|------------------|
| | 2022 US\$ | 2021 US\$ |
| Cash flows from operating activities | | |
| Net (decrease)/increase in net assets resulting from operations attributable shareholders | (811,562) | 944,612 |
| <i>Adjustments for:</i> | | |
| Purchase of financial assets | (860,961) | (1,869,826) |
| Net proceeds from sale of financial assets | 529,368 | 1,021,243 |
| Net realised gain on financial assets | (104,244) | (212,010) |
| Net change in unrealised loss/(gain) on financial assets | 891,795 | (752,310) |
| Changes in: | | |
| Prepaid expenses | (563) | 166 |
| Accrued expenses | (1,206) | 296 |
| Net cash used in operating activities | (357,373) | (867,829) |
| Cash flows from financing activities | | |
| Proceeds from issuance of shares | 831,010 | 1,727,716 |
| Payments on redemption of shares | (499,368) | (871,843) |
| Redemptions payable | (5,000) | 5,000 |
| Changes in subscriptions received in advance | (8,901) | 11,750 |
| Net cash provided by financing activities | 317,741 | 872,623 |
| Net (decrease)/increase in cash and cash equivalents | (39,632) | 4,794 |
| Cash and cash equivalents – beginning of year | 32,104 | 27,310 |
| Cash and cash equivalents – end of year | (7,528) | 32,104 |

The accompanying notes are an integral part of these financial statements

Butterfield Select Invest Fund Limited

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2022

1. CORPORATE INFORMATION

Butterfield Select Invest Fund Limited (the "Fund") is a mutual fund which was incorporated as an exempted company with limited liability and with unlimited duration under the laws of Bermuda on September 1, 2005.

The Fund commenced operations on October 6, 2005. The Bank of N. T. Butterfield & Son Limited acts as custodian (the "Custodian" or the "Bank"). Butterfield Asset Management Limited acts as investment adviser (the "Investment Adviser"). MUFG Fund Services (Bermuda) Limited acts as registrar and transfer agent and as accountants/administrator (the "Registrar and Transfer Agent" or "Administrator") for the Fund. The Investment Adviser is a wholly owned subsidiary of the Bank.

The registered address of the Fund is c/o MUFG Fund Services (Bermuda) Limited, Cedar House, 4th Floor North, 41 Cedar Avenue, Hamilton HM 12, Bermuda.

The Investment Adviser and Custodian maintain separate business units, roles and responsibilities to ensure segregation between different functions.

The objective of the Fund is to act as a fund of funds, allocating its assets to either the Butterfield Select Fund Limited's (BFSL) Share Classes, an affiliated fund, which offers a convenient and efficient vehicle for investing in mutual funds and index instruments which are anticipated to provide the best opportunity for capital appreciation having regard to diversification; or mutual funds and exchange traded funds. The Fund may also hold money market instruments, other investments or mutual funds for cash management purposes.

The Fund offers five classes, namely, Cautious, Balanced, Conservative, Dynamic and Growth. Each of the Cautious, Balanced, Conservative, and Growth share classes invests in various weightings of BFSL share classes. In addition, the Dynamic Class may invest directly in mutual funds and exchange-traded funds outside the classes of BFSL. During the year ended June 30, 2021 the Dynamic Class's investors have fully redeemed from the Fund and the class is no longer active.

2. BASIS OF PREPARATION

Accounting convention

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB"). The financial statements have been prepared on a historical-cost basis, except for financial assets held at fair value through profit or loss.

The financial statements are presented in United States dollars, which is the functional currency of the Fund, and all values are rounded to the nearest dollar, except when otherwise stated.

The Fund presents its statement of financial position in order of liquidity.

Summary of significant accounting policies

a) Significant accounting judgements, estimates and assumptions

The preparation of financial statements in conformity with IFRS requires the Fund's management to make judgements, estimates and assumptions that affect the amounts reported and disclosures made in the financial statements, and accompanying notes. Management believes that the estimates and assumptions utilised in preparing the Fund's financial statements are reasonable and prudent. Actual results could differ materially from these estimates.

Butterfield Select Invest Fund Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended June 30, 2022

2. BASIS OF PREPARATION (CONTINUED)

Summary of significant accounting policies (continued)

b) Financial instruments

i. Classification

In accordance with IFRS 9, the Fund classifies its financial assets and financial liabilities at initial recognition into the categories of financial assets and financial liabilities discussed below.

In applying that classification, a financial asset or financial liability is considered to be held for trading if:

- (a) It is acquired or incurred principally for the purpose of selling or repurchasing it in the near term or
- (b) On initial recognition, it is part of a portfolio of identified financial instruments that are managed together and for which, there is evidence of a recent actual pattern of short-term profit-taking or
- (c) It is a derivative (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument)

Financial assets

The Fund classifies its financial assets as subsequently measured at amortised cost or measured at fair value through profit or loss on the basis of both:

- The entity's business model for managing the financial assets
- The contractual cash flow characteristics of the financial asset

Financial assets measured at amortised cost

A debt instrument is measured at amortised cost if it is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Fund includes in this category short-term non-financing receivables including cash collateral posted on derivative contracts, accrued income and other receivables.

Financial assets measured at fair value through profit or loss (FVPL)

A financial asset is measured at fair value through profit or loss if:

- (a) Its contractual terms do not give rise to cash flows on specified dates that are solely payments of principal and interest (SPPI) on the principal amount outstanding or
- (b) It is not held within a business model whose objective is either to collect contractual cash flows, or to both collect contractual cash flows and sell or
- (c) At initial recognition, it is irrevocably designated as measured at FVPL when doing so eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

Butterfield Select Invest Fund Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended June 30, 2022

2. BASIS OF PREPARATION (CONTINUED)

Summary of significant accounting policies (continued)

b) Financial instruments (continued)

i. Classification (continued)

Financial assets measured at fair value through profit or loss (FVPL) (continued)

The Fund includes in this category:

Debt instruments: These include investments that are held under a business model to manage them on a fair value basis for investment income and fair value gains.

Instruments held for trading: This category includes equity instruments and debt instruments which are acquired principally for the purpose of generating a profit from short-term fluctuations in price. This category also includes derivative contracts in an asset position.

Financial liabilities

Financial liabilities measured at fair value through profit or loss (FVPL)

A financial liability is measured at fair value through profit or loss if it meets the definition of held for trading.

The Fund includes in this category, derivative contracts in a liability position and equity and debt instruments sold short since they are classified as held for trading.

Financial liabilities measured at amortised cost

This category includes all financial liabilities, other than those measured at fair value through profit or loss. The Fund includes in this category other short-term payables.

Receivables and Loans

Receivables and Loans are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. The Fund includes in this category collateral on derivatives, securities borrowed and other short-term receivables.

Other financial liabilities

This category includes all financial liabilities, other than those classified at FVPL. The Fund includes in this category debentures, collateral on derivatives, securities lent and other short-term payables.

ii. Recognition

The Fund recognises a financial asset or a financial liability when it becomes a party to the contractual provisions of the instrument.

Purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Fund commits to purchase or sell the asset.

Butterfield Select Invest Fund Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended June 30, 2022

2. BASIS OF PREPARATION (CONTINUED)

Summary of significant accounting policies (continued)

b) Financial instruments (continued)

iii. Initial measurement

Financial assets and financial liabilities at FVPL are recorded in the statement of financial position at fair value. All transaction costs for such instruments are recognised directly in profit or loss.

Financial assets and liabilities (other than those classified at FVPL) are measured initially at their fair value plus any directly attributable incremental costs of acquisition or issue.

iv. Subsequent measurement

After initial measurement, the Fund measures financial instruments which are classified as FVPL, at fair value. Subsequent changes in the fair value of those financial instruments are recorded in net change in unrealised loss on financial assets at fair value through profit or loss in the statement of comprehensive income. Interest and dividends earned or paid on these instruments are recorded separately in interest revenue or expense and dividend revenue or expense in the statement of comprehensive income.

Financial liabilities, other than those classified at FVPL, are measured at amortised cost using the effective interest method ("EIR"). Gains and losses are recognised in the statement of comprehensive income when the liabilities are derecognised, as well as through the amortisation process.

The EIR is a method of calculating the amortised cost of a financial asset or a financial liability and of allocating and recognising the interest income or interest expense in profit or loss over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset or financial liability to the gross carrying amount of the financial asset or to the amortised cost of the financial liability. When calculating the effective interest rate, the Fund estimates cash flows considering all contractual terms of the financial instruments, but does not consider expected credit losses. The calculation includes all fees paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums or discounts.

v. Derecognition

A financial asset (or, where applicable, a part of a financial asset or a part of a group of similar financial assets) is derecognised when the rights to receive cash flows from the asset have expired, or the Fund has transferred its rights to receive cash flows from the asset, or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a pass-through arrangement and the Fund has:

(a) Transferred substantially all of the risks and rewards of the asset, or

(b) Neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

Butterfield Select Invest Fund Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended June 30, 2022

2. BASIS OF PREPARATION (CONTINUED)

Summary of significant accounting policies (continued)

b) Financial instruments (continued)

v. Derecognition (continued)

When the Fund has transferred its right to receive cash flows from an asset (or has entered into a pass-through arrangement), and has neither transferred nor retained substantially all of the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Fund's continuing involvement in the asset. In that case, the fund also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the fund has retained.

The Fund derecognises a financial liability when the obligation under the liability is discharged, cancelled or expired.

c) Fair value measurement

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. The fair value for financial instruments traded in active markets at the reporting date is based on their quoted price or dealer price quotations, without any deduction for transaction costs.

It is the policy of the Fund to value any asset quoted, listed, traded or dealt with on an exchange or market by reference to the last traded price on or prior to the relevant Valuation Day on the major exchange or market in which the assets are dealt, to the extent that such valuation is based on a price within the bid-ask spread that is most representative of fair value on valuation date.

In circumstances where the last traded price is not within the bid-ask spread, the Directors will determine the point within the bid-ask spread that is most representative of fair value.

Investments in underlying funds are carried at fair value, which is based on the net asset value ("NAV") of each share of the Fund's investments in or the pro-rata interest in the net assets of such investment funds as published or otherwise reported by the investment fund's administrators. The underlying investments of each fund are accounted for at fair value as described in each investment fund's financial statements.

The Directors at their absolute discretion may permit some other method of valuation to that described above if they consider such valuation better reflects the fair value of any investment.

d) Impairment of financial assets

The Fund holds only trade receivables with no financing component and which have maturities of less than 12 months at amortised cost and, as such, has chosen to apply an approach similar to the simplified approach for expected credit losses (ECL) under IFRS 9 to all its trade receivables. Therefore the Fund does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. As at June 30, 2022 and 2021, the Fund had no ECLs and had, therefore, not recognised a loss allowance.

The Fund's approach to ECLs reflects a probability-weighted outcome, the time value of money and reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

Butterfield Select Invest Fund Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended June 30, 2022

2. BASIS OF PREPARATION (CONTINUED)

Summary of significant accounting policies (continued)

d) Impairment of financial assets (continued)

The Fund uses the provision matrix as a practical expedient to measuring ECLs on trade receivables, based on days past due for groupings of receivables with similar loss patterns. Receivables are grouped based on their nature. The provision matrix is based on historical observed loss rates over the expected life of the receivables and is adjusted for forward-looking estimates.

e) Functional and presentation currency

The Fund's functional currency is the United States Dollar (US Dollar), which is the currency of the primary economic environment in which it operates. The Fund's performance is evaluated and its liquidity is managed in US Dollars. Therefore, the US Dollar is considered as the currency that most faithfully represents the economic effects of the underlying transactions, events and conditions. The Fund's presentation currency is also the US Dollars.

f) Offsetting and financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Management has determined that, as at June 30, 2022 and 2021, there were no assets and liabilities offset in the statement of financial position, nor were there any assets or liabilities available for offset. The Fund does not have a legally enforceable right to offset, nor does it have master netting agreements or similar arrangements that would allow for related amounts to be set off.

g) Foreign currency translations

Assets and liabilities that are denominated in foreign currencies are translated into United States dollars at rates of exchange on the period end date. Transactions during the period are translated at the rate in effect at the date of the transaction. Foreign currency translation gains and losses are included in the statement of comprehensive income.

The Fund does not isolate that portion of gains and losses on investments which is due to changes in foreign exchange rates from that which is due to changes in market prices of the investments. Such fluctuations are included in the net realised and change in unrealised gain/(loss) on investments in the statement of comprehensive income.

h) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and short-term deposits in banks that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, with original maturities of three months or less and bank overdrafts. Bank overdrafts (if any) are shown in liabilities in the statement of financial position.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts when applicable. As at June 30, 2022 and 2021, there was no restricted cash held.

i) Interest income and expense

Interest income and expense are recognised in the statement of comprehensive income for all interest-bearing financial instruments using the EIR.

Butterfield Select Invest Fund Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended June 30, 2022

2. BASIS OF PREPARATION (CONTINUED)

Summary of significant accounting policies (continued)

j) Dividend income and expense

Dividend income is recognised on the date on which the investments are quoted ex-dividend or, where no ex-dividend date is quoted, when the Fund's right to receive the payment is established. Dividend income is presented gross of any non-recoverable withholding taxes, which are disclosed separately in the statement of comprehensive income. Dividend expense relating to equity securities sold short is recognised when the shareholders' right to receive the payment is established.

k) Realised and change in unrealised gains and losses

Realised and change in unrealised gains/(losses) on financial assets at fair value through profit or loss are recognised in the statement of comprehensive income. The cost of investments sold is accounted for using the average cost basis.

l) Expenses

All expenses (including management fees) are recognised in the statement of comprehensive income on an accrual basis.

m) Going concern

The Fund's management has assessed the Fund's ability to continue as a going concern and is satisfied that the Fund has the resources to continue in business for the foreseeable future. Furthermore, management is not aware of any material uncertainties that may cast significant doubt upon the Fund's ability to continue as a going concern. Therefore, the financial statements continue to be prepared on the going concern basis.

n) Redeemable participating shares

Redeemable participating shares are redeemable at the shareholder's option and are classified as financial liabilities. The redeemable participating shares can be put back to the Fund on any dealing day (normally the next business day following the Valuation Day, which is on Thursday in each week) at a value equal to a proportionate share of the Fund's NAV. The Fund's net asset value per share is calculated by dividing the net assets attributable to shareholders with the total number of outstanding redeemable shares.

o) Investment entity

IFRS 10 defines an investment entity and requires a reporting entity that meets the definition of an investment entity not to consolidate but instead to measure its investments at fair value through profit or loss in its financial statements.

To qualify as an investment entity, a reporting entity is required to:

- Obtain funds from one or more investors for the purpose of providing them with investment management services;
- Commit to its investor(s) that its business purpose is to invest funds solely for returns from capital appreciation, investment income, or both; and
- Measure and evaluate performance of substantially all of its investments on a fair value basis.

Management has determined that the Fund meets the definition of an investment entity and recognizes all investments at fair value through profit and loss.

p) Impact of new accounting pronouncements

For the year ended June 30, 2022, there are no new accounting pronouncements that are expected to have a material impact on the financial statements.

Butterfield Select Invest Fund Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended June 30, 2022

2. BASIS OF PREPARATION (CONTINUED)

Summary of significant accounting policies (continued)

q) Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below. The Fund based its assumptions and estimates on parameters available when the financial statements were prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising beyond the control of the Fund. Such changes are reflected in the assumptions when they occur.

Fair value

For fair value of financial instruments please refer to Note 4.

3. FINANCIAL RISK MANAGEMENT

The Fund's overall risk management approach includes formal guidelines to govern the extent of exposure to various types of risk. The Investment Adviser also has various internal controls to oversee the Fund's investment activities, including monitoring compliance with the investment objective and strategies, internal guidelines and securities regulations.

Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. Financial instruments that potentially expose the Fund to credit and counterparty risk consist primarily of cash and cash equivalents and balances held at brokers.

The value of such balances on the statement of financial position includes consideration of the creditworthiness of the issuer, and, accordingly represents the maximum credit risk exposure of the Fund.

Substantially all of the assets of the Fund are held by the Fund's Custodian. The Fund monitors its risk by monitoring the credit quality of the Custodian. As at June 30, 2022, the credit rating of the Custodian, as provided by Standard and Poor's, was BBB+ (2021 – BBB+).

Currency Risk

Currency risk is the risk that the value of an investment will fluctuate due to changes in foreign exchange rates. When the Fund enters into transactions which are denominated in currencies other than the Fund's reporting currency, the Investment Adviser attempts to mitigate the associated currency risk, which may include the use of forward currency contracts.

As at June 30, 2022 and 2021, the Fund's exposure to currencies other than the Fund's reporting currency was limited to small balances of cash and cash equivalents denominated in foreign currencies which are not significant to the class as a whole.

Butterfield Select Invest Fund Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended June 30, 2022

3. FINANCIAL RISK MANAGEMENT (CONTINUED)

Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Fund's exposure to cash flow interest rate risk is limited to its cash and cash equivalents or bank overdrafts which represent 0.23% (2021 – 0.62%) for Cautious Class, 1.57% (2021 – 1.93%) for the Conservative Class; 0.75% (2021 – 4.27%) for the Balanced Class; and 0.18% (2021 – 0.67%) for the Growth Class; of each of the respective Class' net assets. For the Dynamic Class as the last investor fully redeemed during the year ended June 30, 2021, there was no interest rate risk at June 30, 2022 and 2021. The Fund does not have any other significant interest-bearing assets or liabilities.

Liquidity Risk

Liquidity risk is the risk that the Fund will encounter difficulty in meeting obligations associated with financial liabilities. The Fund is exposed to liquidity risk by way of weekly cash redemptions of redeemable shares. The Fund invests primarily in other investment companies which could expose the Fund to increased liquidity risk. The investments in the Fund's portfolio are realizable on a daily or a weekly basis which mitigates the risk related to weekly cash redemptions. The Fund may be exposed to additional liquidity risks in extraordinary cases where underlying investment companies had periods in which redemptions are suspended due to adverse market conditions.

As of June 30, 2022 and 2021, all investments held by the Cautious, Conservative, Balanced and Growth Classes offer redemptions on a daily or weekly basis.

Price/Market Risk

Price/market risk is the risk that the value of investments will fluctuate as a result of market conditions. All investments of the Fund are exposed to price/market risk. The Investment Adviser attempts to mitigate price/market risk by selecting appropriate portfolio investments based on the Fund's strategy.

As at June 30, 2022 and 2021, all of the investments held in the Cautious, Conservative, Balanced, and Growth Classes were exposed to changes in portfolio prices. As at June 30, 2022 and 2021, if the portfolio prices had been 5% higher or lower with all other variables held constant the net assets of each class would have been impacted as follows:

| | Impact on Net Assets | |
|--------------------|----------------------|---------|
| | 2022 | 2021 |
| | US\$ | US\$ |
| Cautious Class | 227,276 | 277,698 |
| Conservative Class | 73,663 | 85,800 |
| Balanced Class | 368,729 | 439,320 |
| Growth Class | 215,227 | 238,025 |

A sensitivity rate of 5% is used when reporting other price/market risk internally to key management personnel and represents management's assessment of possible change in market prices.

Financial risk related to COVID-19

The Investment Adviser continues to monitor developments related to the COVID-19 pandemic and the potential impact on the financial performance of the Fund. The Investment Adviser has evaluated the impact of these events on the financial statements for the year ended June 30, 2022 and 2021 and has determined the impact of COVID-19 has been taken into account where necessary and no material events have been identified which would require further adjustment to or disclosure in the financial statements.

Butterfield Select Invest Fund Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended June 30, 2022

4. FAIR VALUE OF FINANCIAL ASSETS

The following provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable:

- Level 1 - unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 - inputs other than quoted prices included within Level 1 that are market observable for the asset or liability, either directly or indirectly; and
- Level 3 - inputs for the asset or liability that are not based on observable market data, including the Fund's own assumptions in determining the fair value of investments.

For the year ended June 30, 2022, all of the investments held in the Cautious, Conservative, Balanced and Growth Classes were classified as Level 2. For the year ended June 30, 2021, all of the investments held in the Cautious, Conservative, Balanced and Growth Classes were classified as Level 2 (Dynamic investors fully redeemed in the year ended June 30, 2021).

Financial assets and liabilities transferred from Level 1 to Level 2 are the result of the securities no longer being traded in an active market. There were no transfers of financial assets and liabilities from Level 1 to Level 2 during the years ended June 30, 2022 and 2021. Financial assets and liabilities transferred from Level 2 to Level 1 are the result of the securities now being traded in an active market. There were no transfers of financial assets and liabilities from Level 2 to Level 1 during the years ended June 30, 2022 and 2021. The Fund did not hold any level 3 investments at the beginning, during, or at the end of the years ended June 30, 2022 and 2021.

5. SHARES ISSUED AND OUTSTANDING

The authorised share capital of the Fund is US\$10,001 (2021 – US\$10,001) divided into:

1,000,000,000 redeemable shares of US\$0.00001 par value each, which have been designated as non-voting, participating shares.

100 organisational shares of US\$.01 par value each, which have been designated as voting, non-participating shares, allotted for cash at par to the Investment Adviser and its nominees.

Under the By-laws, the organisational shares have only nominal rights if and so long as there are any other shares of the Fund in issue.

As of December 7, 2020, the Dynamic Class has closed. Details of shares issued and outstanding during the years ended June 30, 2022 and 2021 are as follows:

| CAUTIOUS CLASS REDEEMABLE SHARES | 2022 | 2021 |
|---|-----------------|-------------|
| Balance – beginning of year | 338,775 | 266,481 |
| Issue of redeemable shares | 29,748 | 93,229 |
| Redemption of redeemable shares | (53,128) | (20,935) |
| Balance – end of year | 315,395 | 338,775 |

Butterfield Select Invest Fund Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended June 30, 2022

5. SHARES ISSUED AND OUTSTANDING (CONTINUED)

CONSERVATIVE CLASS REDEEMABLE SHARES

| | 2022 | 2021 |
|---------------------------------|----------|-----------|
| Balance – beginning of year | 125,315 | 357,965 |
| Issue of redeemable shares | 7,015 | 9,044 |
| Redemption of redeemable shares | (12,225) | (241,694) |
| Balance – end of year | 120,105 | 125,315 |

BALANCED CLASS REDEEMABLE SHARES

| | 2022 | 2021 |
|---------------------------------|----------|-----------|
| Balance – beginning of year | 516,479 | 745,447 |
| Issue of redeemable shares | 57,545 | 53,143 |
| Redemption of redeemable shares | (72,401) | (282,111) |
| Balance – end of year | 501,623 | 516,479 |

DYNAMIC CLASS REDEEMABLE SHARES

| | 2022 | 2021 |
|---------------------------------|------|----------|
| Balance – beginning of year | - | 25,000 |
| Issue of redeemable shares | - | - |
| Redemption of redeemable shares | - | (25,000) |
| Balance – end of year | - | - |

GROWTH CLASS REDEEMABLE SHARES

| | 2022 | 2021 |
|---------------------------------|----------|----------|
| Balance – beginning of year | 250,389 | 202,348 |
| Issue of redeemable shares | 44,720 | 99,967 |
| Redemption of redeemable shares | (27,019) | (51,926) |
| Balance – end of year | 268,090 | 250,389 |

Redeemable shares are allotted to subscribers at a value determined by reference to the weekly valuation of the net assets of the class. Redeemable shares may be redeemed for an amount equal to the net asset value per share as at the close of business on the Valuation Day, following receipt of the properly completed request for redemption, subject to the power of the directors to deduct therefrom an amount sufficient in their opinion to meet sale and fiscal charges incurred in realising assets to provide funds to meet the request.

Capital Management

As a result of the ability to issue, repurchase and resell shares, the capital of the Fund can vary depending on the demand for redemptions and subscriptions to the Fund. The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue, repurchase or resale of redeemable shares beyond those included in the Fund's Prospectus.

Butterfield Select Invest Fund Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended June 30, 2022

6. RELATED PARTY TRANSACTIONS

a) Management Fee

The Investment Adviser is related to the Fund through common directorship.

Under the terms of the Investment Advisory Agreement, the Investment Adviser is entitled to receive a monthly fee calculated at the rate of no more than 1.0% per annum of the average valuation of the net assets of each class in each month, 0.25% was charged during the year (2021: 0.25%) and will be paid on the last Valuation Day in each month. During the years ended June 30, 2022 and 2021, the Dynamic Class was charged no Management Fee.

| Class | Management fees charged | | Management fees payable | |
|---------------------|-------------------------|--------|-------------------------|-------|
| | 2022 | 2021 | 2022 | 2021 |
| | US\$ | US\$ | US\$ | US\$ |
| Cautious | 13,105 | 11,008 | 1,103 | 1,296 |
| Conservative | 4,215 | 11,072 | 360 | 406 |
| Balanced | 21,819 | 28,226 | 1,819 | 2,062 |
| Growth | 12,211 | 9,401 | 1,057 | 1,096 |

b) Custodian Fee

In accordance with the custodian agreement, the Custodian receives a fee based on the fair value of assets under administration at the rate of 3.25 basis points per annum, subject to a minimum of \$1,250 for each of the Select Invest classes. On March 1, 2018 this rate increased to 5 basis points per annum. Details of custodian fees charged and payable, as at June 30, 2022 and 2021 for each class are set out in the table below.

| Class | Custodian fees charged | | Custodian fees payable | |
|---------------------|------------------------|-------|------------------------|------|
| | 2022 | 2021 | 2022 | 2021 |
| | US\$ | US\$ | US\$ | US\$ |
| Cautious | 2,621 | 2,346 | 221 | 259 |
| Conservative | 843 | 2,214 | 72 | 81 |
| Balanced | 4,364 | 5,677 | 364 | 413 |
| Dynamic | - | 71 | - | 3 |
| Growth | 2,442 | 1,880 | 211 | 219 |

c) Others

The Bank owned shares of the Conservative Class, Balanced Class, Dynamic Class and Growth Class, however during the year ended June 30, 2021 the Bank redeemed all of its holdings in these classes as outlined below. The Bank did not own shares in any of the classes as at June 30, 2022 and 2021.

CONSERVATIVE CLASS

| | 2022 | 2021 |
|-----------------------------|------|-----------|
| Balance – beginning of year | - | 235,000 |
| Shares purchased | - | - |
| Shares redeemed | - | (235,000) |
| Balance – end of year | - | - |

Butterfield Select Invest Fund Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended June 30, 2022

6. RELATED PARTY TRANSACTIONS (CONTINUED)

| BALANCED CLASS | | |
|-----------------------------|-------------|-----------|
| | 2022 | 2021 |
| Balance – beginning of year | - | 235,000 |
| Shares purchased | - | - |
| Shares redeemed | - | (235,000) |
| Balance – end of year | - | - |

| DYNAMIC CLASS | | |
|-----------------------------|-------------|----------|
| | 2022 | 2021 |
| Balance – beginning of year | - | 25,000 |
| Shares purchased | - | - |
| Shares redeemed | - | (25,000) |
| Balance – end of year | - | - |

| GROWTH CLASS | | |
|-----------------------------|-------------|----------|
| | 2022 | 2021 |
| Balance – beginning of year | - | 25,000 |
| Shares purchased | - | - |
| Shares redeemed | - | (25,000) |
| Balance – end of year | - | - |

The Fund also invests in the Select funds, a related party. Please refer to the schedule of portfolio investments for further details.

7. ADMINISTRATION FEE (INCLUDING ACCOUNTING FEE AND REGISTRAR AND TRANSFER AGENT FEE)

In accordance with the administration agreement, the Administrator receives a fee based upon the nature and extent of the services provided. Administration fee for the year was \$28,830 (2021: \$33,528). Details of administration fees charged and payable, as at June 30, 2022 and 2021 for each class are set out in the table below. Administration fees payable at June 30, 2022 and 2021 are included in accrued expenses in the statements of financial position.

| Class | Administration fees charged | | Administration fees payable | |
|--------------|-----------------------------|--------|-----------------------------|-------|
| | 2022 | 2021 | 2022 | 2021 |
| | US\$ | US\$ | US\$ | US\$ |
| Cautious | 7,356 | 6,150 | 622 | 1,764 |
| Conservative | 2,365 | 6,193 | 203 | 1,128 |
| Balanced | 12,250 | 15,748 | 1,028 | 3,678 |
| Dynamic | - | 199 | - | 6 |
| Growth | 6,859 | 5,238 | 599 | 1,552 |

Butterfield Select Invest Fund Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended June 30, 2022

8. TAXATION

Under current Bermuda law, the Fund is not obligated to pay taxes in Bermuda on either income or capital gains. The Fund has received an undertaking from the Minister of Finance in Bermuda, pursuant to the provisions of the exempted undertaking Tax Protection Act, 1966 which exempted the Fund from any such Bermuda taxes up to March 28, 2016.

In March 2011, the Bermuda Government enacted the Exempted Undertakings Tax Protection Amendment Act 2011, allowing the Minister of Finance to grant assurance up to March 31, 2035. On January 29, 2015 the Minister of Finance granted assurance to the Fund up to that date.

In accordance with IFRIC 23 'Uncertainty over income tax treatments' ("IFRIC 23"), the Fund has analysed its tax positions and has concluded that no asset/liability for unrecognised tax benefits/obligations should be recorded relating to uncertain tax positions for the year ended June 30, 2022. Currently, the only taxes recorded by the Fund are withholding taxes applicable to certain income. For the year ended June 30, 2022 and 2021, no other income tax liability or expense has been recorded in the accompanying financial statements.

9. COMMITMENTS AND CONTINGENCIES

Management has determined that the Fund had no commitments or contingencies as at June 30, 2022 (2021: none).

10. SUBSEQUENT EVENTS

The Fund has evaluated all the events or transactions that occurred after June 30, 2022 through November 23, 2022 the date the financial statements were available to be issued, and concluded that there are no subsequent events requiring disclosure in the financial statements.

Butterfield Select Invest Fund Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended June 30, 2022

11. FINANCIAL HIGHLIGHTS

| 2022 | Cautious Class | Conservative Class | Balanced Class | Growth Class |
|---|-------------------|-----------------------|-------------------|-----------------|
| Per Share Information | | | | |
| Net asset value - beginning of year | \$ 16.48 | \$ 13.94 | \$ 17.20 | \$ 19.05 |
| Net investment income from operations | | | | |
| Net investment loss**** | (0.08) | (0.08) | (0.10) | (0.09) |
| Net realised and unrealised loss on investments | (1.98) | (1.42) | (2.30) | (2.96) |
| Total from investment operations | (2.06) | (1.50) | (2.40) | (3.05) |
| Net asset value - end of year | \$ 14.42 | \$ 12.44 | \$ 14.80 | \$ 16.00 |
| Ratios / Supplemental Data | | | | |
| Total net assets - end of year | \$ 4,548,594 | \$ 1,493,621 | \$ 7,424,916 | \$ 4,290,327 |
| Weighted average net assets* | \$ 5,210,807 | \$ 1,679,506 | \$ 8,676,867 | \$ 4,862,515 |
| Ratio of expenses to weighted average net assets | 0.52% | 0.66% | 0.57% | 0.49% |
| Portfolio turnover rate** | 11.24% | 9.88% | 14.96% | 10.88% |
| Annual rate of return*** | (12.50)% | (10.76)% | (13.95)% | (16.01)% |

* Weighted average net assets are calculated using net assets on the last valuation date of each month.

** Portfolio turnover rate is calculated using the lesser of purchases or sales of investments for the year divided by the weighted average value of investments, calculated using the last valuation date of each month.

*** Annual rate of return is calculated by comparing the end of year net asset value to the beginning of year net asset value.

****Net investment gain/loss represents other income less expenses.

Butterfield Select Invest Fund Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended June 30, 2022

11. FINANCIAL HIGHLIGHTS (CONTINUED)

| 2021 | | Cautious Class | Conservative Class | Balanced Class | Growth Class |
|--|----|----------------|--------------------|----------------|--------------|
| Per Share Information | | | | | |
| Net asset value - beginning of year | \$ | 14.52 | \$ 13.04 | \$ 14.25 | \$ 14.68 |
| Net investment income from operations | | | | | |
| Net investment loss**** | | (0.08) | (0.08) | (0.09) | (0.08) |
| Net realised and unrealised gain on investments | | 2.04 | 0.98 | 3.04 | 4.45 |
| Total from investment operations | | 1.96 | 0.90 | 2.95 | 4.37 |
| Net asset value - end of year | \$ | 16.48 | \$ 13.94 | \$ 17.20 | \$ 19.05 |
| Ratios / Supplemental Data | | | | | |
| Total net assets - end of year | \$ | 5,583,587 | \$ 1,747,441 | \$ 8,883,417 | \$ 4,770,247 |
| Weighted average net assets* | \$ | 4,441,966 | \$ 4,316,095 | \$ 11,173,639 | \$ 3,808,981 |
| Ratio of expenses to weighted average net assets | | 0.53% | 0.55% | 0.55% | 0.52% |
| Portfolio turnover rate** | | 14.81% | 8.44% | 15.35% | 27.00% |
| Annual rate of return*** | | 13.50% | 6.91% | 20.70% | 29.77% |

* Weighted average net assets are calculated using net assets on the last valuation date of each month.

** Portfolio turnover rate is calculated using the lesser of purchases or sales of investments for the year divided by the weighted average value of investments, calculated using the last valuation date of each month.

*** Annual rate of return is calculated by comparing the end of year net asset value to the beginning of year net asset value.

****Net investment gain/loss represents other income less expenses.

12. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the Directors on November 23, 2022.