

SCOTIA US EQUITY FUND
UNAUDITED FINANCIAL STATEMENTS
QUARTER ENDED MARCH 31, 2022

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INDEX TO UNAUDITED FINANCIAL STATEMENTS
QUARTER ENDED MARCH 31, 2022

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SCOTIA US EQUITY FUND

UNAUDITED STATEMENT OF FINANCIAL POSITION

AS OF MARCH 31, 2022

(expressed in United States dollars)

	<u>31-Mar-22</u>	<u>31-Dec-21</u>	<u>31-Mar-21</u>
ASSETS			
Cash and cash equivalents	\$ 645,631	\$ 1,021,439	\$ 1,256,455
Financial assets at fair value through profit or loss (Cost: \$53,638,401 (December 2021: \$46,694,101; March 2021: \$38,400,543))	63,496,763	62,776,921	45,550,245
Subscriptions receivable	<u>9,045</u>	<u>164,044</u>	<u>496</u>
Total assets	<u>64,151,439</u>	<u>63,962,404</u>	<u>46,807,196</u>
LIABILITIES			
Management fee payable	65,329	63,939	49,765
Accrued expenses	22,686	42,481	14,066
Redemptions payable	3,407	3,762	99,200
Payable for investments purchased	<u>-</u>	<u>-</u>	<u>680,183</u>
Liabilities (excluding net assets attributable to holders of redeemable participating shares)	<u>91,422</u>	<u>110,182</u>	<u>843,214</u>
Management shares	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>
Net assets attributable to holders of redeemable participating shares	<u>\$ 64,059,017</u>	<u>\$ 63,851,222</u>	<u>\$ 45,962,982</u>
Net asset value per redeemable participating share			
Class A \$49,003,094/\$2,254,256 shares (December 2021: \$48,114,443/2,099,370 shares; March 2021: \$37,197,187/1,844,719 shares)	<u>\$ 21.74</u>	<u>\$ 22.92</u>	<u>\$ 20.16</u>
Class NU \$527,032/\$24,449 shares (December 2021: \$479,082/21,057 shares; March 2021: \$434,993/21,658 shares)	<u>\$ 21.56</u>	<u>\$ 22.75</u>	<u>\$ 20.08</u>
Class IU \$14,527,939/\$579,485 shares (December 2021: \$15,256,698/579,485 shares; March 2021: \$8,329,935/363,940 shares)	<u>\$ 25.07</u>	<u>\$ 26.33</u>	<u>\$ 22.89</u>
Class IJ JMC146,140/558 shares (December 2021: JMC153,922/558 shares; March 2021: JMC126,360/558 shares)	<u>JMC 261.90</u>	<u>JMC 275.85</u>	<u>JMC 226.45</u>

Approved for issuance on behalf of Scotia US Equity Fund's Board of Directors by:

Farried Sulliman
Farried Sulliman
Director

Kiyomi Daniel
Kiyomi Daniel
Director

Date : May 12, 2022

SCOTIA US EQUITY FUND

UNAUDITED STATEMENT OF COMPREHENSIVE (LOSS) INCOME

QUARTER ENDED MARCH 31, 2022

(expressed in United States dollars)

	<u>31-Mar-22</u>	<u>31-Dec-21</u>	<u>31-Mar-21</u>
Income			
Dividend income	\$ 226,127	\$ 273,064	\$ 164,801
Net realized gain on financial assets at fair value through profit or loss and foreign currencies	69,937	-	44,285
Net change in unrealized (depreciation) appreciation on financial assets at fair value through profit or loss and foreign currencies	<u>(3,224,458)</u>	<u>5,162,419</u>	<u>1,980,511</u>
Total net (loss) income	<u>(2,928,394)</u>	<u>5,435,483</u>	<u>2,189,597</u>
Expenses			
Management fees	188,874	184,064	143,023
Other expenses	24,930	18,261	18,059
Custodian and administration fees	16,754	17,126	16,719
Professional fees	<u>6,096</u>	<u>6,231</u>	<u>6,412</u>
Total operating expenses	<u>236,654</u>	<u>225,682</u>	<u>184,213</u>
Operating (loss) gain	<u>(3,165,048)</u>	<u>5,209,801</u>	<u>2,005,384</u>
Withholding taxes on dividend income	<u>(67,449)</u>	<u>(81,633)</u>	<u>(49,440)</u>
(Decrease) increase in net assets from operations attributable to holders of redeemable participating shares	<u>\$ (3,232,497)</u>	<u>\$ 5,128,168</u>	<u>\$ 1,955,944</u>

SCOTIA US EQUITY FUND

UNAUDITED STATEMENT OF CHANGES IN NET ASSETS

QUARTER ENDED MARCH 31, 2022

(expressed in United States dollars)

	<u>31-Mar-22</u>	<u>31-Dec-21</u>	<u>31-Mar-21</u>
Shareholders' Equity			
Share Capital	\$ 18,578	\$ 16,995	\$ 12,299
Share Premium	30,812,682	27,373,973	16,579,719
Retained Earnings	36,460,254	31,332,086	27,415,020
(Decrease) increase in net assets for the quarter	<u>(3,232,497)</u>	<u>5,128,168</u>	<u>1,955,944</u>
Net assets attributable to holders of redeemable participating shares	<u>\$ 64,059,017</u>	<u>\$ 63,851,222</u>	<u>\$ 45,962,982</u>

SCOTIA US EQUITY FUND
UNAUDITED STATEMENT OF CASH FLOWS
QUARTER ENDED MARCH 31, 2022
(expressed in United States dollars)

	<u>31-Mar-22</u>	<u>31-Dec-21</u>	<u>31-Mar-21</u>
Cash flows from operating activities			
Dividend received	\$ 158,678	\$ 191,431	\$ 115,361
Operating expenses paid	(255,059)	(321,922)	(201,649)
Purchase of financial assets at fair value through profit or loss	(4,190,377)	(2,826,278)	(844,613)
Proceeds from sale of financial assets at fair value through profit or loss	316,014	-	300,381
	<u>(3,970,744)</u>	<u>(2,956,769)</u>	<u>(630,520)</u>
Cash flows from financing activities			
Proceeds from subscriptions of redeemable participating shares	4,570,084	4,721,059	2,558,120
Payments for redemptions of redeemable participating shares	(975,148)	(1,497,034)	(1,290,352)
	<u>3,594,936</u>	<u>3,224,025</u>	<u>1,267,768</u>
Net change in cash and cash equivalents	(375,808)	267,256	637,248
Cash and cash equivalents at beginning of period	<u>1,021,439</u>	<u>754,183</u>	<u>619,207</u>
Cash and cash equivalents at end of period	<u>\$ 645,631</u>	<u>\$ 1,021,439</u>	<u>\$ 1,256,455</u>
Supplemental cash flow disclosures			
Tax withheld	<u>\$ 67,449</u>	<u>\$ 81,633</u>	<u>\$ 49,440</u>

SCOTIA US EQUITY FUND

UNAUDITED NOTES TO FINANCIAL STATEMENTS

QUARTER ENDED MARCH 31, 2022

1. General

Scotia US Equity Fund (the "Company") was incorporated in the Cayman Islands on October 27, 1999 and registered under the Mutual Fund Law (revised) of the Cayman Islands. The Company is an open ended investment company which may issue and redeem its shares at a price based on the underlying net asset value. The registered office of the Fund is located at 18 Forum Lane, 2nd Floor, Camana Bay, Grand Cayman, P.O. Box 501, KY1-1106. The Company has no employees.

2. Significant accounting policies

The financial statements have been prepared in accordance with the International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board. Security transactions are accounted for on a trade date basis. Realized gains and losses on the sales of portfolio securities are calculated on an average cost basis. Interest is recorded on an accrual basis and dividend income is recognized on the ex-dividend date.

3. Foreign currency share classes

For the classes of shares denominated in currencies other than the functional currency of the Company, the Net Asset Values are calculated by converting the US dollar Net Asset Value per Share to the JMC equivalent using the then current rate of exchange. For the quarter ended March 31, 2022, the current rate of exchange is:

<u>Share Class</u>	<u>Currency</u>	<u>Functional Currency</u>	<u>Exchange Rate</u>
JMC		USD	153.510