

SCOTIA US EQUITY FUND
UNAUDITED FINANCIAL STATEMENTS
PERIOD ENDED JUNE 30, 2022

SCOTIA US EQUITY FUND
INDEX TO UNAUDITED FINANCIAL STATEMENTS
PERIOD ENDED JUNE 30, 2022

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SCOTIA US EQUITY FUND

UNAUDITED STATEMENT OF FINANCIAL POSITION

(expressed in United States dollars)

	<u>June 30, 2022</u>	<u>December 31, 2021</u>
ASSETS		
Cash and cash equivalents	\$ 612,917	\$ 1,021,439
Financial assets at fair value through profit or loss (Cost: \$54,531,654 (December 2021: \$49,694,101))	55,943,218	62,776,921
Subscriptions receivable	<u>496</u>	<u>164,044</u>
Total assets	<u>56,556,631</u>	<u>63,962,404</u>
LIABILITIES		
Management fee payable	59,110	63,939
Accrued expenses	39,312	42,481
Redemptions payable	<u>35,591</u>	<u>3,762</u>
Liabilities (excluding net assets attributable to holders of redeemable participating shares)	<u>134,013</u>	<u>110,182</u>
Management shares	<u>1,000</u>	<u>1,000</u>
Net assets attributable to holders of redeemable participating shares	\$ <u>56,421,618</u>	\$ <u>63,851,222</u>
Net asset value per redeemable participating share		
Class A \$43,685,414/\$2,315,515 shares (December 2021: \$48,114,443/2,099,370 shares)	\$ <u>18.87</u>	\$ <u>22.92</u>
Class NU \$456,877/\$24,449 shares (December 2021: \$479,082/21,057 shares)	\$ <u>18.69</u>	\$ <u>22.75</u>
Class IU \$12,278,497/\$562,090 shares (December 2021: \$15,256,698/579,485 shares)	\$ <u>21.84</u>	\$ <u>26.33</u>
Class IJ JMC125,078/558 shares (December 2021: JMC153,922/558 shares)	JMC <u>224.15</u>	JMC <u>275.85</u>

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

Farried Sulliman
Farried Sulliman
Director

Sarah Hobbs
Sarah Hobbs
Director

Date : August 11, 2022

SCOTIA US EQUITY FUND

UNAUDITED STATEMENT OF COMPREHENSIVE (LOSS) INCOME

(expressed in United States dollars)

	<u>For the three month periods ended</u>		<u>For the six month periods ended</u>	
	<u>June 30, 2022</u>	<u>June 30, 2021</u>	<u>June 30, 2022</u>	<u>June 30, 2021</u>
Income				
Dividend income	\$ 249,441	\$ 176,434	\$ 474,271	\$ 341,235
Other Income	-	-	1,297	-
Net realized gain on financial assets at fair value through profit or loss and foreign currencies	1,771	1,321,795	71,708	1,366,080
Net change in unrealized (depreciation) appreciation on financial assets at fair value through profit or loss and foreign currencies	<u>(8,446,798)</u>	<u>1,395,145</u>	<u>(11,671,256)</u>	<u>3,375,656</u>
Total net (loss) income	<u>(8,195,586)</u>	<u>2,893,374</u>	<u>(11,123,980)</u>	<u>5,082,971</u>
Expenses				
Management fees	186,325	158,429	375,199	301,452
Other expenses	17,867	18,075	42,797	36,134
Custodian and administration fees	17,613	16,935	34,367	33,654
Professional fees	<u>6,163</u>	<u>6,147</u>	<u>12,259</u>	<u>12,559</u>
Total operating expenses	<u>227,968</u>	<u>199,586</u>	<u>464,622</u>	<u>383,799</u>
Operating (loss) gain	<u>(8,423,554)</u>	<u>2,693,788</u>	<u>(11,588,602)</u>	<u>4,699,172</u>
Withholding taxes on dividend income	<u>(74,832)</u>	<u>(52,931)</u>	<u>(142,281)</u>	<u>(102,371)</u>
(Decrease) increase in net assets from operations attributable to holders of redeemable participating shares	<u>\$ (8,498,386)</u>	<u>\$ 2,640,857</u>	<u>\$ (11,730,883)</u>	<u>\$ 4,596,801</u>

SCOTIA US EQUITY FUND

UNAUDITED STATEMENT OF CHANGES IN NET ASSETS

(expressed in United States dollars)

	<u>For the six month periods ended</u>	
	<u>June 30, 2022</u>	<u>June 30, 2021</u>
Shareholders' Equity		
Share Capital	\$ 19,016	\$ 13,150
Share Premium	31,673,231	18,394,402
Retained Earnings	36,460,254	27,415,020
(Decrease) increase in net assets for the period	<u>(11,730,883)</u>	<u>4,596,801</u>
Net assets attributable to holders of redeemable participating shares	<u>\$ 56,421,618</u>	<u>\$ 50,419,373</u>

SCOTIA US EQUITY FUND

UNAUDITED STATEMENT OF CASH FLOWS

(expressed in United States dollars)

	<u>For the six month periods ended</u>	
	<u>June 30, 2022</u>	<u>June 30, 2021</u>
Cash flows from operating activities		
Dividend received	\$ 331,990	\$ 238,864
Other income received	1,297	-
Operating expenses paid	(472,620)	(382,251)
Purchase of financial assets at fair value through profit or loss	(5,977,157)	(13,871,867)
Proceeds from sale of financial assets at fair value through profit or loss	<u>1,211,312</u>	<u>10,913,952</u>
Net cash used in operating activities	<u>(4,905,178)</u>	<u>(3,101,302)</u>
Cash flows from financing activities		
Proceeds from subscriptions of redeemable participating shares	7,016,474	4,962,331
Payments for redemptions of redeemable participating shares	<u>(2,519,818)</u>	<u>(2,017,771)</u>
Net cash provided by financing activities	<u>4,496,656</u>	<u>2,944,560</u>
Net change in cash and cash equivalents	(408,522)	(156,742)
Cash and cash equivalents at beginning of period	<u>1,021,439</u>	<u>619,207</u>
Cash and cash equivalents at end of period	<u>\$ 612,917</u>	<u>\$ 462,465</u>
Supplemental cash flow disclosures		
Tax withheld	<u>\$ 142,281</u>	<u>\$ 102,371</u>

SCOTIA US EQUITY FUND

UNAUDITED NOTES TO FINANCIAL STATEMENTS

PERIOD ENDED JUNE 30, 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 period ended June 30, 2022, the current rate of exchange is:

<u>Share Class</u>	<u>Currency</u>	<u>Functional Currency</u>	<u>Exchange Rate</u>
JMC		USD	150.713