

**SCOTIA US EQUITY FUND**  
**UNAUDITED FINANCIAL STATEMENTS**  
**PERIOD ENDED JUNE 30, 2023**

**SCOTIA US EQUITY FUND**  
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**PERIOD ENDED JUNE 30, 2023**

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**SCOTIA US EQUITY FUND**

**UNAUDITED STATEMENT OF FINANCIAL POSITION**

**(expressed in United States dollars)**

	<u>June 30, 2023</u>	<u>December 31, 2022</u>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 153,497	\$ 285,357
Financial assets at fair value through profit or loss (Cost: \$50,100,896 (December 2022: \$52,084,278))	57,421,922	55,739,488
Subscriptions receivable	11,036	5,596
Receivable from Manager	-	7
	<hr/>	<hr/>
Total assets	57,586,455	56,030,448
	<hr/>	<hr/>
<b>LIABILITIES</b>		
Management fee payable	57,962	59,932
Accrued expenses	38,753	55,241
Redemptions payable	-	21,476
	<hr/>	<hr/>
Liabilities (excluding net assets attributable to holders of redeemable participating shares)	96,715	136,649
	<hr/>	<hr/>
Management shares	1,000	1,000
	<hr/>	<hr/>
<b>Net assets attributable to holders of redeemable participating shares</b>	<b>\$ 57,488,740</b>	<b>\$ 55,892,799</b>
	<hr/>	<hr/>
Net asset value per redeemable participating share		
Class A \$44,466,198/2,112,251 shares (December 2022: \$42,972,167/2,186,252 shares)	\$ 21.05	\$ 19.66
	<hr/>	<hr/>
Class NU \$496,751/23,931 shares (December 2022: \$464,850/23,931 shares)	\$ 20.76	\$ 19.42
	<hr/>	<hr/>
Class IU \$12,524,848/505,752 shares (December 2022: \$12,454,910/542,906 shares)	\$ 24.76	\$ 22.94
	<hr/>	<hr/>
Class IJ JMC145,408/558 shares (December 2022: JMC132,354/558 shares)	JMC 260.59	JMC 237.19
	<hr/>	<hr/>

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, 2023

**SCOTIA US EQUITY FUND**

**UNAUDITED STATEMENT OF COMPREHENSIVE INCOME (LOSS)**

**(expressed in United States dollars)**

	<u>For the three month periods ended</u>		<u>For the six month periods ended</u>	
	<u>June 30, 2023</u>	<u>June 30, 2022</u>	<u>June 30, 2023</u>	<u>June 30, 2022</u>
<b>Income</b>				
Dividend income	\$ 237,114	\$ 249,441	\$ 490,973	\$ 474,271
Other Income	-	-	-	1,297
Net realized gain on financial assets at fair value through profit or loss and foreign currencies	258,962	1,771	402,305	71,708
Net change in unrealized appreciation (depreciation) on financial assets at fair value through profit or loss and foreign currencies	<u>2,326,427</u>	<u>(8,446,798)</u>	<u>3,665,816</u>	<u>(11,671,256)</u>
Total net income (loss)	<u>2,822,503</u>	<u>(8,195,586)</u>	<u>4,559,094</u>	<u>(11,123,980)</u>
<b>Expenses</b>				
Management fees	175,247	186,325	348,326	375,199
Other expenses	18,196	17,867	36,468	42,797
Custodian and administration fees	18,336	17,613	35,745	34,367
Professional fees	<u>6,227</u>	<u>6,163</u>	<u>12,801</u>	<u>12,259</u>
Total operating expenses	<u>218,006</u>	<u>227,968</u>	<u>433,340</u>	<u>464,622</u>
<b>Operating gain (loss)</b>	<u>2,604,497</u>	<u>(8,423,554)</u>	<u>4,125,754</u>	<u>(11,588,602)</u>
Withholding taxes on dividend income	<u>(71,134)</u>	<u>(74,832)</u>	<u>(147,292)</u>	<u>(142,281)</u>
<b>Increase (decrease) in net assets from operations attributable to holders of redeemable participating shares</b>	<u>\$ 2,533,363</u>	<u>\$ (8,498,386)</u>	<u>\$ 3,978,462</u>	<u>\$ (11,730,883)</u>

**SCOTIA US EQUITY FUND**

**UNAUDITED STATEMENT OF CHANGES IN NET ASSETS**

**(expressed in United States dollars)**

	<b><u>For the six month periods ended</u></b>	
	<b><u>June 30, 2023</u></b>	<b><u>June 30, 2022</u></b>
<b>Shareholders' Equity</b>		
Share Capital	\$ 16,415	\$ 19,016
Share Premium	26,453,088	31,673,231
Retained Earnings	27,040,775	36,460,254
Increase (decrease) in net assets for the period	<u>3,978,462</u>	<u>(11,730,883)</u>
Net assets attributable to holders of redeemable participating shares	<u>\$ 57,488,740</u>	<u>\$ 56,421,618</u>

**SCOTIA US EQUITY FUND**

**UNAUDITED STATEMENT OF CASH FLOWS**

**(expressed in United States dollars)**

	<b>For the six month periods ended</b>	
	<b><u>June 30, 2023</u></b>	<b><u>June 30, 2022</u></b>
<b>Cash flows from operating activities</b>		
Dividend received	\$ 343,681	\$ 331,990
Other income received	-	1,297
Operating expenses paid	(451,798)	(472,620)
Reimbursements received from manager	7	-
Purchase of financial assets at fair value through profit or loss	(792,095)	(5,977,157)
Proceeds from sale of financial assets at fair value through profit or loss	<u>3,177,782</u>	<u>1,211,312</u>
Net cash provided by (used in) operating activities	<u>2,277,577</u>	<u>(4,905,178)</u>
<b>Cash flows from financing activities</b>		
Proceeds from subscriptions of redeemable participating shares	2,295,331	7,016,474
Payments for redemptions of redeemable participating shares	<u>(4,704,768)</u>	<u>(2,519,818)</u>
Net cash (used in) provided by financing activities	<u>(2,409,437)</u>	<u>4,496,656</u>
<b>Net change in cash and cash equivalents</b>	(131,860)	(408,522)
<b>Cash and cash equivalents at beginning of period</b>	<u>285,357</u>	<u>1,021,439</u>
<b>Cash and cash equivalents at end of period</b>	<u>\$ 153,497</u>	<u>\$ 612,917</u>
<b>Supplemental cash flow disclosures</b>		
Tax withheld	<u>\$ 147,292</u>	<u>\$ 142,281</u>

**SCOTIA US EQUITY FUND**

**UNAUDITED NOTES TO FINANCIAL STATEMENTS**

**PERIOD ENDED JUNE 30, 2023**

**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, 2<sup>nd</sup> 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, 2023, the current rate of exchange is:

<u>Share Class</u>	<u>Currency</u>	<u>Functional Currency</u>	<u>Exchange Rate</u>
JMC		USD	154.197