

**SCOTIA US EQUITY FUND**  
*(formerly Scotiabank US Growth Fund)*

**UNAUDITED FINANCIAL STATEMENTS**

**QUARTER ENDED SEPTEMBER 30, 2020**

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*(formerly Scotiabank US Growth Fund)*

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**SCOTIA US EQUITY FUND**  
(formerly Scotiabank US Growth Fund)

**UNAUDITED STATEMENT OF FINANCIAL POSITION**

**AS OF SEPTEMBER 30, 2020**

**(expressed in United States dollars)**

	<u>30-Sep-20</u>	<u>30-Jun-20</u>	<u>30-Sep-19</u>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 674,361	\$ 122,759	\$ 760,766
Financial assets at fair value through profit or loss (Cost: \$36,833,189 (June 2020: \$39,656,881; September 2019: \$30,181,948))	38,117,482	37,452,109	40,418,224
Subscriptions receivable	5,246	23,606	35,146
Dividends receivable	-	-	11,375
	<u>38,797,089</u>	<u>37,598,474</u>	<u>41,225,511</u>
<b>LIABILITIES</b>			
Management fee payable	41,754	40,708	51,092
Accrued expenses	28,066	27,714	47,585
Tax withholding liability	-	-	2,373
Liabilities (excluding net assets attributable to holders of redeemable participating shares)	<u>69,820</u>	<u>68,422</u>	<u>101,050</u>
Management shares	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>
<b>Net assets attributable to holders of redeemable participating shares</b>	<b>\$ <u>38,726,269</u></b>	<b>\$ <u>37,529,052</u></b>	<b>\$ <u>41,123,461</u></b>
Net asset value per redeemable participating share			
Class A			
\$31,567,967/1,795,905 shares (June 2020: \$30,528,925/1,858,219 shares; September 2019: \$32,997,766/1,944,058 shares)	<u>\$ 17.58</u>	<u>\$ 16.43</u>	<u>\$ 16.97</u>
Class NU			
\$394,337/22,472 shares (June 2020: \$368,986/22,472 shares; September 2019: \$438,587/25,766 shares)	<u>\$ 17.55</u>	<u>\$ 16.42</u>	<u>\$ 17.02</u>
Class IU			
\$6,763,216/341,642 shares (June 2020: \$6,630,444/359,777 shares; September 2019: \$7,283,396/387,131 shares)	<u>\$ 19.80</u>	<u>\$ 18.43</u>	<u>\$ 18.81</u>
Class IJ			
JMC106,138/558 shares (June 2020: JMC97,472/558 shares; September 2019: JMC54,282,289/288,406 shares)	JMC <u>190.21</u>	JMC <u>174.68</u>	JMC <u>188.21</u>

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

Farried Sulliman  
Farried Sulliman  
Director

Carlos Escamilla  
Carlos Escamilla  
Director

Date : November 9, 2020

**SCOTIA US EQUITY FUND**  
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**UNAUDITED STATEMENT OF COMPREHENSIVE INCOME**

**QUARTER ENDED SEPTEMBER 30, 2020**

**(expressed in United States dollars)**

	<u>30-Sep-20</u>	<u>30-Jun-20</u>	<u>30-Sep-19</u>
<b>Income</b>			
Dividend income	\$ 163,577	\$ 192,547	\$ 163,411
Net realized (loss) gain on financial assets at fair value through profit or loss and foreign currencies	(790,198)	(30,322)	371,027
Net change in unrealized appreciation on financial assets at fair value through profit or loss and foreign currencies	<u>3,489,065</u>	<u>4,922,963</u>	<u>535,212</u>
Total net income	<u>2,862,444</u>	<u>5,085,188</u>	<u>1,069,650</u>
<b>Expenses</b>			
Management fees	127,172	117,692	151,715
Other expenses	17,539	17,092	17,476
Custodian and administration fees	17,381	17,241	17,217
Professional fees	<u>6,716</u>	<u>6,643</u>	<u>7,491</u>
Total operating expenses	<u>168,808</u>	<u>158,668</u>	<u>193,899</u>
Less: expenses reimbursed	<u>-</u>	<u>(567)</u>	<u>-</u>
Net operating expenses	<u>168,808</u>	<u>158,101</u>	<u>193,899</u>
<b>Operating gain</b>	<u>2,693,636</u>	<u>4,927,087</u>	<u>875,751</u>
Withholding taxes on dividend income	<u>(49,073)</u>	<u>(56,598)</u>	<u>(47,963)</u>
<b>Increase in net assets from operations attributable to holders of redeemable participating shares</b>	<u>\$ 2,644,563</u>	<u>\$ 4,870,489</u>	<u>\$ 827,788</u>

**SCOTIA US EQUITY FUND**  
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**UNAUDITED STATEMENT OF CHANGES IN NET ASSETS**

**QUARTER ENDED SEPTEMBER 30, 2020**

**(expressed in United States dollars)**

	<u>30-Sep-20</u>	<u>30-Jun-20</u>	<u>30-Sep-19</u>
<b>Shareholders' Equity</b>			
Share Capital	\$ 11,596	\$ 12,400	\$ 16,444
Share Premium	15,143,557	16,590,099	18,882,416
Retained Earnings	20,926,553	16,056,064	21,396,813
Increase in net assets for the quarter	<u>2,644,563</u>	<u>4,870,489</u>	<u>827,788</u>
Net assets attributable to holders of redeemable participating shares	<u>\$ 38,726,269</u>	<u>\$ 37,529,052</u>	<u>\$ 41,123,461</u>

**SCOTIA US EQUITY FUND**  
*(formerly Scotiabank US Growth Fund)*

**UNAUDITED STATEMENT OF CASH FLOWS**

**QUARTER ENDED SEPTEMBER 30, 2020**

**(expressed in United States dollars)**

	<b><u>30-Sep-20</u></b>	<b><u>30-Jun-20</u></b>	<b><u>30-Sep-19</u></b>
<b>Cash flows from operating activities</b>			
Dividend received	\$ 114,504	\$ 135,949	\$ 114,850
Operating expenses paid	(167,410)	(164,794)	(163,745)
Reimbursements received from manager	-	567	-
Purchase of financial assets at fair value through profit or loss	(3,281,617)	-	(38,260)
Proceeds from sale of financial assets at fair value through profit or loss	<u>5,315,111</u>	<u>366,369</u>	<u>1,554,005</u>
Net cash provided by operating activities	<u>1,980,588</u>	<u>338,091</u>	<u>1,466,850</u>
<b>Cash flows from financing activities</b>			
Proceeds from subscriptions of redeemable participating shares	1,039,112	305,295	751,975
Payments for redemptions of redeemable participating shares	<u>(2,468,098)</u>	<u>(1,008,772)</u>	<u>(3,411,459)</u>
Net cash used in financing activities	<u>(1,428,986)</u>	<u>(703,477)</u>	<u>(2,659,484)</u>
<b>Net change in cash and cash equivalents</b>	551,602	(365,386)	(1,192,634)
<b>Cash and cash equivalents at beginning of period</b>	<u>122,759</u>	<u>488,145</u>	<u>1,953,400</u>
<b>Cash and cash equivalents at end of period</b>	<u><u>\$ 674,361</u></u>	<u><u>\$ 122,759</u></u>	<u><u>\$ 760,766</u></u>
<b>Supplemental cash flow disclosures</b>			
Tax withheld	<u><u>\$ 49,073</u></u>	<u><u>\$ 56,598</u></u>	<u><u>\$ 47,707</u></u>

**SCOTIA US EQUITY FUND**  
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**UNAUDITED NOTES TO FINANCIAL STATEMENTS**

**QUARTER ENDED SEPTEMBER 30, 2020**

**1. General**

Scotia US Equity Fund (formerly Scotiabank US Growth 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 quarter ended September 30, 2020, the current rate of exchange is:

<u>Share Class Currency</u>	<u>Functional Currency</u>	<u>Exchange Rate</u>
JMC	USD	141.674