

**SCOTIA US EQUITY FUND**  
**UNAUDITED FINANCIAL STATEMENTS**  
**QUARTER ENDED DECEMBER 31, 2020**

**SCOTIA US EQUITY FUND**  
**INDEX TO UNAUDITED FINANCIAL STATEMENTS**  
**QUARTER ENDED DECEMBER 31, 2020**

**CONTENTS**

	<b>PAGE</b>
UNAUDITED STATEMENT OF FINANCIAL POSITION	1
UNAUDITED STATEMENT OF COMPREHENSIVE INCOME	2
UNAUDITED STATEMENT OF CHANGES IN NET ASSETS	3
UNAUDITED STATEMENT OF CASH FLOWS	4
UNAUDITED NOTES TO FINANCIAL STATEMENTS	5

**SCOTIA US EQUITY FUND**  
**UNAUDITED STATEMENT OF FINANCIAL POSITION**  
**AS OF DECEMBER 31, 2020**  
**(expressed in United States dollars)**

	<u>31-Dec-20</u>	<u>30-Sep-20</u>	<u>31-Dec-19</u>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 619,207	\$ 674,361	\$ 998,044
Financial assets at fair value through profit or loss (Cost: \$37,131,843 (September 2020: \$36,833,189; December 2019: \$40,815,053))	42,301,034	38,117,482	42,327,257
Subscriptions receivable	70,537	5,246	21,334
Dividends receivable	-	-	2,092
	<u>42,990,778</u>	<u>38,797,089</u>	<u>43,348,727</u>
<b>LIABILITIES</b>			
Management fee payable	46,937	41,754	48,527
Accrued expenses	34,330	28,066	66,602
Redemptions payable	6,321	-	1,393
Tax withholding liability	-	-	627
Liabilities (excluding net assets attributable to holders of redeemable participating shares)	<u>87,588</u>	<u>69,820</u>	<u>117,149</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>42,902,190</u></b>	<b>\$ <u>38,726,269</u></b>	<b>\$ <u>43,230,578</u></b>
Net asset value per redeemable participating share			
Class A			
\$35,237,397/1,824,618 shares (September 2020: \$31,567,967/1,795,905 shares; December 2019: \$34,883,035/1,935,097 shares)	<u>\$ 19.31</u>	<u>\$ 17.58</u>	<u>\$ 18.03</u>
Class NU			
\$417,076/21,658 shares (September 2020: \$394,337/22,472 shares; December 2019: \$405,785/22,472 shares)	<u>\$ 19.26</u>	<u>\$ 17.55</u>	<u>\$ 18.06</u>
Class IU			
\$7,246,890/331,879 shares (September 2020: \$6,763,216/341,642 shares; December 2019: \$7,511,232/374,374 shares)	<u>\$ 21.84</u>	<u>\$ 19.80</u>	<u>\$ 20.06</u>
Class IJ			
JMC117,151/558 shares (September 2020: JMC106,138/558 shares; December 2019: JMC57,058,640/288,406 shares)	<u>JMC 209.95</u>	<u>JMC 190.21</u>	<u>JMC 197.84</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 : February 12, 2021

**SCOTIA US EQUITY FUND**

**UNAUDITED STATEMENT OF COMPREHENSIVE INCOME**

**QUARTER ENDED DECEMBER 31, 2020**

**(expressed in United States dollars)**

	<u>31-Dec-20</u>	<u>30-Sep-20</u>	<u>31-Dec-19</u>
<b>Income</b>			
Dividend income	\$ 190,193	\$ 163,577	\$ 296,839
Net realized (loss) gain on financial assets at fair value through profit or loss and foreign currencies	-	(790,198)	11,249,090
Net change in unrealized appreciation (depreciation) on financial assets at fair value through profit or loss and foreign currencies	<u>3,884,898</u>	<u>3,489,065</u>	<u>(8,724,072)</u>
Total net income	<u>4,075,091</u>	<u>2,862,444</u>	<u>2,821,857</u>
<b>Expenses</b>			
Management fees	133,726	127,172	140,932
Other expenses	21,980	17,539	18,669
Custodian and administration fees	17,064	17,381	17,217
Professional fees	<u>6,717</u>	<u>6,716</u>	<u>7,492</u>
Total operating expenses	<u>179,487</u>	<u>168,808</u>	<u>184,310</u>
Less: expenses reimbursed	<u>(3,331)</u>	<u>-</u>	<u>-</u>
Net operating expenses	<u>176,156</u>	<u>168,808</u>	<u>184,310</u>
<b>Operating gain</b>	<u>3,898,935</u>	<u>2,693,636</u>	<u>2,637,547</u>
Withholding taxes on dividend income	<u>(55,031)</u>	<u>(49,073)</u>	<u>(89,052)</u>
<b>Increase in net assets from operations attributable to holders of redeemable participating shares</b>	<u>\$ 3,843,904</u>	<u>\$ 2,644,563</u>	<u>\$ 2,548,495</u>

**SCOTIA US EQUITY FUND**

**UNAUDITED STATEMENT OF CHANGES IN NET ASSETS**

**QUARTER ENDED DECEMBER 31, 2020**

**(expressed in United States dollars)**

	<u>31-Dec-20</u>	<u>30-Sep-20</u>	<u>31-Dec-19</u>
<b>Shareholders' Equity</b>			
Share Capital	\$ 11,777	\$ 11,596	\$ 16,194
Share Premium	15,475,393	15,143,557	18,441,288
Retained Earnings	23,571,116	20,926,553	22,224,601
Increase in net assets for the quarter	<u>3,843,904</u>	<u>2,644,563</u>	<u>2,548,495</u>
Net assets attributable to holders of redeemable participating shares	<u>\$ 42,902,190</u>	<u>\$ 38,726,269</u>	<u>\$ 43,230,578</u>

**SCOTIA US EQUITY FUND**  
**UNAUDITED STATEMENT OF CASH FLOWS**  
**QUARTER ENDED DECEMBER 31, 2020**  
**(expressed in United States dollars)**

	<b><u>31-Dec-20</u></b>	<b><u>30-Sep-20</u></b>	<b><u>31-Dec-19</u></b>
<b>Cash flows from operating activities</b>			
Dividend received	\$ 135,162	\$ 114,504	\$ 215,324
Operating expenses paid	(168,040)	(167,410)	(167,858)
Reimbursements received from manager	3,331	-	-
Purchase of financial assets at fair value through profit or loss	(298,654)	(3,281,617)	(40,815,053)
Proceeds from sale of financial assets at fair value through profit or loss	<u>-</u>	<u>5,315,111</u>	<u>41,431,038</u>
Net cash (used in) provided by operating activities	<u>(328,201)</u>	<u>1,980,588</u>	<u>663,451</u>
<b>Cash flows from financing activities</b>			
Proceeds from subscriptions of redeemable participating shares	1,504,955	1,039,112	1,478,396
Payments for redemptions of redeemable participating shares	<u>(1,231,908)</u>	<u>(2,468,098)</u>	<u>(1,904,569)</u>
Net cash provided by (used in) financing activities	<u>273,047</u>	<u>(1,428,986)</u>	<u>(426,173)</u>
<b>Net change in cash and cash equivalents</b>	<u>(55,154)</u>	<u>551,602</u>	<u>237,278</u>
<b>Cash and cash equivalents at beginning of period</b>	<u>674,361</u>	<u>122,759</u>	<u>760,766</u>
<b>Cash and cash equivalents at end of period</b>	<u>\$ 619,207</u>	<u>\$ 674,361</u>	<u>\$ 998,044</u>
<b>Supplemental cash flow disclosures</b>			
Tax withheld	<u>\$ 55,031</u>	<u>\$ 49,073</u>	<u>\$ 90,798</u>

**SCOTIA US EQUITY FUND**

**UNAUDITED NOTES TO FINANCIAL STATEMENTS**

**QUARTER ENDED DECEMBER 31, 2020**

**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 quarter ended December 31, 2020, the current rate of exchange is:

<u>Share Class Currency</u>	<u>Functional Currency</u>	<u>Exchange Rate</u>
JMC	USD	141.671