

SCOTIA CANADIAN 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 CANADIAN 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	\$ 578,719	\$ 1,685,749	\$ 77,141
Financial assets at fair value through profit or loss:			
Equity securities: (Cost: \$26,546,090 (December 2021: \$23,880,243; March 2021: \$21,195,150))	37,855,967	33,814,495	27,865,265
Derivatives	6,015	181,990	14,366
Dividends receivable	118,860	67,853	76,646
Receivable from Manager	10,849	15,099	25,713
Subscriptions receivable	<u>1,587</u>	<u>11,976</u>	<u>496</u>
 Total assets	 <u>38,571,997</u>	 <u>35,777,162</u>	 <u>28,059,627</u>
LIABILITIES			
Financial liabilities at fair value through profit or loss:			
Derivatives	320,440	52,108	119,639
Accrued expenses	41,168	57,255	16,976
Management fee payable	63,365	56,814	47,341
Tax withholding liability	30,134	17,323	19,636
Redemptions payable	<u>1,626</u>	<u>-</u>	<u>-</u>
Liabilities (excluding net assets attributable to holders of redeemable participating shares)	<u>456,733</u>	<u>183,500</u>	<u>203,592</u>
Management shares	<u>768</u>	<u>768</u>	<u>768</u>
 Net assets attributable to holders of redeemable participating shares	 <u>\$ 38,114,496</u>	 <u>\$ 35,592,894</u>	 <u>\$ 27,855,267</u>
Net asset value per redeemable participating share			
Class A			
\$31,393,566/8,434,047 shares (December 2021: \$31,122,503/8,623,560 shares; March 2021: \$24,417,439/7,659,990 shares)	<u>\$ 3.72</u>	<u>\$ 3.61</u>	<u>\$ 3.19</u>
Class NU			
\$845,325/228,439 shares (December 2021: \$803,465/223,663 shares; March 2021: \$786,957/247,080 shares)	<u>\$ 3.70</u>	<u>\$ 3.59</u>	<u>\$ 3.19</u>
Class IU			
\$1,324/357 shares (December 2021: \$1,277/357 shares; March 2021: \$1,112/357 shares)	<u>\$ 3.71</u>	<u>\$ 3.58</u>	<u>\$ 3.11</u>
Class AC			
CDN6,219,220/1,174,742 shares (December 2021: CDN3,542,671/680,780 shares; March 2021: CDN2,363,199/517,510 shares)	<u>CDN 5.29</u>	<u>CDN 5.20</u>	<u>CDN 4.57</u>
Class NC			
CDN1,114,231/233,693 shares (December 2021: CDN1,096,575/233,693 shares; March 2021: CDN965,798/233,693 shares)	<u>CDN 4.77</u>	<u>CDN 4.69</u>	<u>CDN 4.13</u>
Class IC			
CDN000/000 shares (December 2021: CDN000/000 shares; March 2021: CDN1,556/320 shares)	<u>CDN 0.00</u>	<u>CDN 0.00</u>	<u>CDN 4.86</u>
Class IJ			
JMC000/000 shares (December 2021: JMC000/000 shares; March 2021: JMC83,761/558 shares)	<u>JMC 0.00</u>	<u>JMC 0.00</u>	<u>JMC 150.11</u>

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

Farrid Sulliman
Farrid Sulliman
Director

Kiyomi Daniel
Kiyomi Daniel
Director

Date: May 12, 2022

SCOTIA CANADIAN EQUITY FUND

UNAUDITED STATEMENT OF COMPREHENSIVE 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	\$ 239,174	\$ 185,386	\$ 180,363
Other income	72	-	146
Net realized gain on financial assets at fair value through profit or loss and foreign currencies	285,115	293,673	187,222
Net change in unrealized appreciation on financial assets at fair value through profit or loss and foreign currencies	<u>932,356</u>	<u>1,688,439</u>	<u>2,023,270</u>
Total net income	<u>1,456,717</u>	<u>2,167,498</u>	<u>2,391,001</u>
Expenses			
Management fees	180,388	166,793	133,919
Other expenses	29,216	21,799	21,386
Custodian and administration fees	24,468	25,012	24,328
Professional fees	<u>6,096</u>	<u>6,231</u>	<u>6,406</u>
Total operating expenses	240,168	219,835	186,039
Less: expenses reimbursed	<u>(10,852)</u>	<u>(15,094)</u>	<u>(21,862)</u>
Net operating expenses	<u>229,316</u>	<u>204,741</u>	<u>164,177</u>
Operating profit	1,227,401	1,962,757	2,226,824
Withholding taxes on dividend income	<u>(59,398)</u>	<u>(45,893)</u>	<u>(44,185)</u>
Increase in net assets from operations attributable to holders of redeemable participating shares	<u>\$ 1,168,003</u>	<u>\$ 1,916,864</u>	<u>\$ 2,182,639</u>

SCOTIA CANADIAN 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	\$ 95,038	\$ 91,945	\$ 80,920
Share Premium	27,160,772	25,810,266	21,881,239
Retained Earnings	9,690,683	7,773,819	3,710,469
Increase in net assets for the quarter	<u>1,168,003</u>	<u>1,916,864</u>	<u>2,182,639</u>
Net assets attributable to holders of redeemable participating shares	<u>\$ 38,114,496</u>	<u>\$ 35,592,894</u>	<u>\$ 27,855,267</u>

SCOTIA CANADIAN 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	\$ 141,580	\$ 142,670	\$ 121,462
Other income received	72	-	146
Operating expenses paid	(249,704)	(212,999)	(202,334)
Reimbursements received from Manager	15,102	56,280	-
Purchase of financial assets at fair value through profit or loss	(2,685,432)	(2,615,311)	(921,430)
Proceeds from sale of financial assets at fair value through profit or loss	304,700	1,292,702	1,085,537
Net change in unrealized (gain) loss on foreign currencies	(443,269)	66,050	98,230
Net change in unrealized depreciation (appreciation) on derivatives	444,307	(65,527)	(98,471)
	<u>(2,472,644)</u>	<u>(1,336,135)</u>	<u>83,140</u>
Net cash (used in) provided by operating activities			
Cash flows from financing activities			
Proceeds from subscriptions of redeemable participating shares	3,361,555	3,761,940	356,080
Payments for redemptions of redeemable participating shares	(1,995,941)	(1,454,430)	(714,222)
	<u>1,365,614</u>	<u>2,307,510</u>	<u>(358,142)</u>
Net cash provided by (used in) financing activities			
Net change in cash and cash equivalents	(1,107,030)	971,375	(275,002)
Cash and cash equivalents at beginning of period	<u>1,685,749</u>	<u>714,374</u>	<u>352,143</u>
Cash and cash equivalents at end of period	<u>\$ 578,719</u>	<u>\$ 1,685,749</u>	<u>\$ 77,141</u>
Supplemental cash flow disclosures			
Tax withheld	<u>\$ 46,587</u>	<u>\$ 47,024</u>	<u>\$ 39,240</u>

SCOTIA CANADIAN EQUITY FUND

UNAUDITED NOTES TO FINANCIAL STATEMENTS

QUARTER ENDED MARCH 31, 2022

1. General

Scotia Canadian Equity Fund (the "Company") was incorporated in the Cayman Islands on June 23, 1994 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 USD Net Asset Value per Share to the CDN or JMC equivalent using the then current rate of exchange. For the quarter ended March 31, 2022, the current rates of exchange are:

<u>Share Class</u>	<u>Currency</u>	<u>Functional Currency</u>	<u>Exchange Rate</u>
CDN		USD	1.248
JMC		USD	153.510