

**SCOTIA CANADIAN EQUITY FUND**  
**UNAUDITED FINANCIAL STATEMENTS**  
**PERIOD ENDED SEPTEMBER 30, 2023**

**SCOTIA CANADIAN EQUITY FUND**  
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**SCOTIA CANADIAN EQUITY FUND**

**UNAUDITED STATEMENT OF FINANCIAL POSITION**

**(expressed in United States dollars)**

	<u>September 30, 2023</u>	<u>December 31, 2022</u>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 123,938	\$ 764,191
Financial assets at fair value through profit or loss:		
Equity securities: (Cost: \$28,850,835 (December 2022: \$28,819,605))	34,186,801	33,695,312
Derivatives	255,102	95,294
Dividends receivable	106,649	100,839
Receivable for investments sold	31,287	-
Receivable from Manager	19,470	7,761
Subscriptions receivable	927	130,073
	<hr/>	<hr/>
Total assets	34,724,174	34,793,470
	<hr/>	<hr/>
<b>LIABILITIES</b>		
Financial liabilities at fair value through profit or loss:		
Derivatives	1,866	100,994
Management fee payable	59,238	60,180
Accrued expenses	42,817	60,751
Tax withholding liability	26,723	25,740
Payable for investments purchased	26,343	-
Redemptions payable	5,274	80
Liabilities (excluding net assets attributable to holders of redeemable participating shares)	<hr/>	<hr/>
	162,261	247,745
	<hr/>	<hr/>
Management shares	768	768
	<hr/>	<hr/>
<b>Net assets attributable to holders of redeemable participating shares</b>	<b>\$ 34,561,145</b>	<b>\$ 34,544,957</b>
	<hr/>	<hr/>
Net asset value per redeemable participating share		
Class A		
\$27,202,820/7,995,833 shares (December 2022: \$26,786,658/8,151,936 shares)	\$ 3.40	\$ 3.29
	<hr/>	<hr/>
Class NU		
\$714,044/212,722 shares (December 2022: \$692,239/212,722 shares)	\$ 3.36	\$ 3.25
	<hr/>	<hr/>
Class IU		
\$1,251/357 shares (December 2022: \$1,188/357 shares)	\$ 3.50	\$ 3.33
	<hr/>	<hr/>
Class AC		
CDN7,896,383/1,505,429 shares (December 2022: CDN8,498,993/1,677,968 shares)	CDN 5.25	CDN 5.07
	<hr/>	<hr/>
Class NC		
CDN1,095,954/233,693 shares (December 2022: CDN1,062,251/233,693 shares)	CDN 4.69	CDN 4.55
	<hr/>	<hr/>

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

Faried Sulliman  
Faried Sulliman  
Director

Sarah Hobbs  
Sarah Hobbs  
Director

Date: November 9, 2023

**SCOTIA CANADIAN EQUITY FUND**

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

**(expressed in United States dollars)**

	For the three month periods ended		For the nine month periods ended	
	September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
<b>Income</b>				
Dividend income	\$ 238,848	\$ 221,277	\$ 704,563	\$ 674,096
Interest income	-	264	146	264
Other income	-	(296)	-	966
Net realized gain on financial assets at fair value through profit or loss and foreign currencies	184,400	384,278	664,718	857,429
Net change in unrealized appreciation (depreciation) on financial assets at fair value through profit or loss and foreign currencies	<u>(1,851,397)</u>	<u>(1,799,969)</u>	<u>717,524</u>	<u>(5,799,127)</u>
Total net income (loss)	<u>(1,428,149)</u>	<u>(1,194,446)</u>	<u>2,086,951</u>	<u>(4,266,372)</u>
<b>Expenses</b>				
Management fees	183,746	185,138	541,814	551,855
Custodian and administration fees	24,529	30,588	69,753	77,807
Other expenses	14,959	9,005	52,149	60,505
Professional fees	<u>7,478</u>	<u>(1,783)</u>	<u>20,268</u>	<u>10,476</u>
Total operating expenses	230,712	222,948	683,984	700,643
Less: expenses reimbursed	<u>(5,403)</u>	<u>(5,886)</u>	<u>(19,470)</u>	<u>(22,779)</u>
Net operating expenses	<u>225,309</u>	<u>217,062</u>	<u>664,514</u>	<u>677,864</u>
Operating profit (loss)	(1,653,458)	(1,411,508)	1,422,437	(4,944,236)
Withholding taxes on dividend income	<u>(58,560)</u>	<u>(55,233)</u>	<u>(173,283)</u>	<u>(167,641)</u>
Increase (decrease) in net assets from operations attributable to holders of redeemable participating shares	<u>\$ (1,712,018)</u>	<u>\$ (1,466,741)</u>	<u>\$ 1,249,154</u>	<u>\$ (5,111,877)</u>

**SCOTIA CANADIAN EQUITY FUND**

**UNAUDITED STATEMENT OF CHANGES IN NET ASSETS**

**(expressed in United States dollars)**

	<b>For the nine month periods ended</b>	
	<b><u>September 30, 2023</u></b>	<b><u>September 30, 2022</u></b>
<b>Shareholders' Equity</b>		
Share Capital	\$ 93,805	\$ 98,834
Share Premium	27,001,366	28,729,687
Retained Earnings	6,216,820	9,690,683
Increase (decrease) in net assets for the period	<u>1,249,154</u>	<u>(5,111,877)</u>
Net assets attributable to holders of redeemable participating shares	<u>\$ 34,561,145</u>	<u>\$ 33,407,327</u>

**SCOTIA CANADIAN EQUITY FUND**

**UNAUDITED STATEMENT OF CASH FLOWS**

**(expressed in United States dollars)**

	<b>For the nine month periods ended</b>	
	<b>September 30, 2023</b>	<b>September 30, 2022</b>
<b>Cash flows from operating activities</b>		
Dividend received	\$ 526,453	\$ 494,747
Interest received	146	264
Other income received	-	966
Operating expenses paid	(702,860)	(694,958)
Reimbursements received from Manager	7,761	15,099
Purchase of financial assets at fair value through profit or loss	(6,597,394)	(6,232,729)
Proceeds from sale of financial assets at fair value through profit or loss	7,484,055	1,856,793
Net change in unrealized (loss) gain on foreign currencies	(852)	656,514
Net change in unrealized appreciation on derivatives	(258,936)	(663,567)
	<u>458,373</u>	<u>(4,566,871)</u>
Net cash provided by (used in) operating activities		
<b>Cash flows from financing activities</b>		
Proceeds from subscriptions of redeemable participating shares	785,549	6,681,585
Payments for redemptions of redeemable participating shares	(1,884,175)	(3,758,501)
	<u>(1,098,626)</u>	<u>2,923,084</u>
Net cash (used in) provided by financing activities		
<b>Net change in cash and cash equivalents</b>	(640,253)	(1,643,787)
<b>Cash and cash equivalents at beginning of period</b>	<u>764,191</u>	<u>1,685,749</u>
<b>Cash and cash equivalents at end of period</b>	<u>\$ 123,938</u>	<u>\$ 41,962</u>
<b>Supplemental cash flow disclosures</b>		
Tax withheld	<u>\$ 172,300</u>	<u>\$ 163,521</u>

**SCOTIA CANADIAN EQUITY FUND**

**UNAUDITED NOTES TO FINANCIAL STATEMENTS**

**PERIOD ENDED SEPTEMBER 30, 2023**

**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, 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 USD Net Asset Value per Share to the CDN equivalent using the then current rate of exchange. For the period ended September 30, 2023, the current rate of exchange is:

<u>Share Class</u>	<u>Currency</u>	<u>Functional Currency</u>	<u>Exchange Rate</u>
	CDN	USD	1.354