



Condensed Interim Financial Statements of

Starlight Hybrid Global Real Assets Trust

For the three and six months ended June 30, 2020 and 2019 (unaudited)

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NOTICE OF NO AUDITOR REVIEW OF THE QUARTERLY FINANCIAL STATEMENTS

Starlight Investment Capital GP Inc., the Manager of Starlight Hybrid Global Real Assets Trust (the "Trust"), appoints independent auditors to audit the Trust's annual financial statements.

The Trust's independent auditors have not performed a review of these condensed interim financial statements in accordance with standards established by the Chartered Professional Accountants of Canada.

Starlight Hybrid Global Real Assets Trust
Condensed Interim Statements of Financial Position

As at June 30, 2020 (unaudited) and December 31, 2019 (audited)

(In Canadian dollars)

	Notes	June 30, 2020	December 31, 2019
		\$	\$
Assets			
Current Assets			
Cash		60,547	270,808
Investments (Cost: June 30, 2020 – \$40,475,100, December 31, 2019 – \$40,512,420)		40,558,318	43,082,004
Other assets		15,128	8,041
		40,633,993	43,360,853
Liabilities			
Current Liabilities			
Distributions payable		175,252	172,248
Payable for unit redemptions		556,065	-
Accounts payable and accrued liabilities		142,021	224,861
Total Liabilities (excluding net assets attributable to unitholders of redeemable units)		873,338	397,109
Net assets attributable to holders of redeemable units per series			
Series A		13,535,161	15,216,599
Series B		-	376,527
Series C		26,225,494	21,682,443
Series F		-	5,688,175
		39,760,655	42,963,744
Number of redeemable units outstanding			
Series A	4	1,417,571	1,491,955
Series B		-	35,650
Series C		2,621,052	2,036,385
Series F		-	538,543
Net assets attributable to holders of redeemable units per unit			
Series A		\$ 9.55	\$ 10.20
Series B		\$ -	\$ 10.56
Series C		\$ 10.01	\$ 10.65
Series F		\$ -	\$ 10.56

Approved on behalf of the Board of Trustees

Signed "Denim Smith"

Trustee

Signed "Harry Rosenbaum"

Trustee

Starlight Hybrid Global Real Assets Trust
Condensed Interim Statements of Comprehensive Income

For the three and six months ended June 30 (unaudited)

(In Canadian dollars)

	Notes	Three months		Six months	
		2020	2019	2020	2019
		\$	\$	\$	\$
Investment gain (loss)					
Interest for distribution purposes		10	554	310	3,375
Distributions from Partnership		680,986	507,926	1,290,331	707,926
Net realized gain (loss) on sale of investments		(154,416)	330,867	(37,260)	330,867
Net change in unrealized appreciation (depreciation) of investments		3,332,558	(724,360)	(2,486,366)	552,419
Total gain (loss)		3,859,138	114,987	(1,232,985)	1,594,587
Expenses					
Management fees		98,013	21,878	208,554	38,145
Filing fees		2,486	4,114	31,728	12,614
Trustee fees		11,189	7,479	22,377	14,712
Fund administration fees		6,889	19,034	19,778	24,496
Audit fees		8,454	6,233	16,908	12,260
Insurance fees		6,462	5,800	12,770	11,472
Harmonized sales tax and other taxes		3,557	15,541	10,657	29,675
Legal expenses		4,972	49,314	9,946	129,249
Other expenses		7,957	31,846	22,033	45,047
		149,979	161,239	354,751	317,670
Net investment gain (loss)		3,709,159	(46,252)	(1,587,736)	1,276,917
Increase (decrease) in net assets attributable to holders of redeemable units		3,709,159	(46,252)	(1,587,736)	1,276,917
Increase (decrease) in net assets attributable to holders of redeemable units per series					
Series A		1,363,099	(10,857)	(547,202)	903,221
Series B		79,161	-	32,728	-
Series C		1,227,622	(23,645)	(1,411,097)	312,930
Series F		1,039,277	(11,750)	337,835	60,766
		3,709,159	(46,252)	(1,587,736)	1,276,917
Weighted average number of units for the period					
Series A		1,531,831	2,179,655	1,530,848	2,110,077
Series B		35,258	-	35,454	-
Series C		2,004,344	750,000	2,002,329	750,000
Series F		532,625	-	535,584	141,000
Increase (decrease) in net assets attributable to holders of redeemable units per unit					
Series A		\$ 0.89	\$ 0.00	\$ (0.36)	\$ 0.43
Series B		\$ 2.25	\$ -	\$ 0.92	\$ -
Series C		\$ 0.61	\$ (0.03)	\$ (0.70)	\$ 0.42
Series F		\$ 1.95	\$ -	\$ \$0.63	\$ 0.43

Starlight Hybrid Global Real Assets Trust

Condensed Interim Statements of Changes in Net Assets Attributable to Holders of Redeemable Units

For the six months ended June 30 (unaudited) (see Note 1)

(In Canadian dollars)

	Notes	Series A 2020 \$	Series B 2020 \$	Series C 2020 \$	Series F 2020 \$	Total 2020 \$
Net assets attributable to holders of redeemable units at beginning of period		15,216,599	376,527	21,682,443	5,688,175	42,963,744
Increase (decrease) in net assets attributable to holders of redeemable units per series		(547,202)	32,728	(1,411,097)	337,835	(1,587,736)
Distributions to holders from redeemable units						
Return of capital		(172,997)	(4,094)	(231,274)	(61,762)	(470,127)
From net investment income		(218,402)	(5,168)	(291,975)	(77,973)	(593,518)
		(391,399)	(9,262)	(523,249)	(139,735)	(1,063,645)
Redeemable unit transactions	4					
Redesignation of units		(336,692)	(399,993)	6,582,188	(5,845,503)	-
Reinvestments		4,356	-	-	-	4,356
Amount paid for units redeemed		(410,501)	-	(104,791)	(40,772)	(556,064)
		(742,837)	(399,993)	6,477,397	(5,886,275)	(551,708)
Net increase (decrease) in net assets attributable to holders of redeemable units		(1,681,438)	(376,527)	4,543,051	(5,688,175)	(3,203,089)
Net assets attributable to holders of redeemable units at end of period		13,535,161	-	26,225,494	-	39,760,655
		Series A 2019 \$	Series B 2019 \$	Series C 2019 \$	Series F 2019 \$	Total 2019 \$
Net assets attributable to holders of redeemable units at beginning of period		19,085,354	-	7,370,787	1,358,976	27,815,117
Increase in net assets attributable to holders of redeemable units per series		903,221	-	312,930	60,766	1,276,917
Distributions to holders from redeemable units						
Return of capital		(448,984)	-	(161,048)	-	(610,032)
		(448,984)	-	(161,048)	-	(610,032)
Redeemable unit transactions	4					
Redesignation of units		1,419,742	-	-	(1,419,742)	-
Reinvestments		239	-	-	-	239
		1,419,981	-	-	(1,419,742)	239
Net increase (decrease) in net assets attributable to holders of redeemable units		1,874,218	-	151,882	(1,358,976)	667,124
Net assets attributable to holders of redeemable units at end of period		20,959,572	-	7,522,669	-	28,482,241

Starlight Hybrid Global Real Assets Trust

Condensed Interim Statements of Cash Flows

For the three and six months ended June 30 (unaudited)

(In Canadian dollars)

	Three months		Six months	
	2020	2019	2020	2019
	\$	\$	\$	\$
Operating activities				
Increase (decrease) in net assets attributable to holders of redeemable units from operations	3,709,159	(46,252)	(1,587,736)	1,276,917
Adjustments:				
Purchase of investments	(3,999,999)	(7,720,497)	(5,010,439)	(7,720,497)
Proceeds from disposition of investments	4,000,000	7,734,247	5,010,500	7,734,247
Net realized (gain) loss from investment transactions	154,416	(330,867)	37,260	(330,867)
Net change in unrealized (appreciation) depreciation on investments	(3,332,558)	724,360	2,486,366	(552,419)
	531,018	360,991	935,951	407,381
Net change in non-cash working capital	8,614	(95,336)	(89,927)	(409,412)
	539,632	265,655	846,024	(2,031)
Financing activities				
Distributions paid to holders of redeemable units	(530,980)	(243,895)	(1,056,285)	(487,722)
	(530,980)	(243,895)	(1,056,285)	(487,722)
Net increase (decrease) in cash	8,652	21,760	(210,261)	(489,753)
Cash at beginning of period	51,895	5,001	270,808	516,514
Cash at end of period	60,547	26,761	60,547	26,761
Interest received	\$ 10	\$ 554	\$ 310	\$ 3,375
Distribution received from Partnership	\$ 680,986	\$ 507,926	\$ 1,290,331	\$ 707,926

Starlight Hybrid Global Real Assets Trust

Condensed Interim Schedule of Investment Portfolio

As at June 30, 2020 (unaudited)

(In Canadian dollars)

Number of Shares	Description	Average Cost \$	Fair Value \$	Net Assets %
	Fund(s)			
2,473,051	Starlight Global Real Assets Limited Partnership	25,475,100	24,634,234	
		25,475,100	24,634,234	61.96
	Private Investments			
550	EagleCrest Infrastructure Canada LP	5,500,000	5,974,544	
55,000	Starlight Canadian Residential Growth Fund (Series C)	5,500,000	5,954,020	
400,000	Starlight Private Global Real Estate Pool (Series I)	4,000,000	3,995,520	
		15,000,000	15,924,084	40.05
	Total Investments	40,475,100	40,558,318	102.01
	Other assets less liabilities		(797,663)	(2.01)
	Total Net Assets		39,760,655	100.00

Starlight Global Real Assets LP

Schedule of Investment Portfolio of underlying partnership as at June 30, 2020 (unaudited)

Number of Shares	Description	Average Cost \$	Fair Value \$	Net Assets* %
	Real Estate			
3,187	Alexandria Real Estate Equities Inc.	541,455	704,282	
1,709	American Tower Corporation Class A	500,311	601,796	
11,162	Americold Realty Trust	476,254	551,859	
41,050	Brookfield Property Partners LP	807,675	552,123	
5,224	Camden Property Trust	682,248	649,042	
15,747	Canadian Apartment Properties Real Estate Investment Trust	739,529	765,144	
11,603	Duke Realty Corporation	495,397	559,282	
588	Equinix Inc.	441,157	562,445	
156,701	European Residential Real Estate Investment Trust	700,378	645,608	
43,793	Goodman Group	577,078	609,839	
10,778	Granite Real Estate Investment Trust	646,255	755,107	
47,307	InterRent Real Estate Investment Trust	696,432	677,909	
40,005	Killam Apartment Real Estate Investment Trust	837,543	700,888	
35,352	Minto Apartment Real Estate Investment Trust	685,758	703,505	
4,935	Prologis Inc.	482,873	627,319	
8,611	QTS Realty Trust Inc. Class A	701,115	751,664	
9,035	Rexford Industrial Realty Inc.	512,894	509,827	
1,227	SBA Communications Corporation	479,500	497,879	
54,479	Summit Industrial Income Real Estate Investment Trust	618,550	623,785	
1,120	Sun Communities Inc.	203,285	206,973	
5,442	Terreno Realty Corporation	403,559	390,170	
		12,229,246	12,646,446	51.34
	Utilities			
2,472	American Water Works Co Inc.	398,267	433,183	
24,367	Boralex Inc. Class A	470,719	752,940	
2,267	Brookfield Infrastructure Corporation	123,785	140,237	
11,096	Brookfield Infrastructure Partners LP	529,084	619,934	
6,206	CMS Energy Corporation	485,087	493,802	
26,129	Iberdrola S.A.	356,931	412,494	
2,026	NextEra Energy Inc.	608,074	662,732	
20,077	Northland Power Inc.	481,069	682,216	
		3,453,016	4,197,538	17.04

Starlight Hybrid Global Real Assets Trust
Condensed Interim Schedule of Investment Portfolio

As at June 30, 2020 (unaudited)

(In Canadian dollars)

Starlight Global Real Assets LP

Schedule of Investment Portfolio of underlying partnership as at June 30, 2020 (unaudited) (continued)

Number of Shares	Description	Average Cost \$	Fair Value \$	Net Assets* %
Industrials				
5,570	Brookfield Business Partners LP	279,009	232,770	
716	Canadian Pacific Railway Ltd.	191,988	247,249	
3,357	Cargojet Inc.	269,846	537,120	
9,251	Deutsche Post AG	380,996	460,632	
9,531	Ferrovial S.A.	304,427	345,543	
17,524	Fortress Transportation and Infrastructure Investors LLC	165,979	310,043	
3,482	Vinci S.A.	422,948	436,775	
6,082	Waste Connections Inc.	668,594	773,570	
		2,683,787	3,343,702	13.57
Information Technology				
768	Mastercard Inc. Class A	258,248	309,309	
1,147	Microsoft Corporation	247,864	317,928	
69,250	NEXTDC Ltd.	461,123	641,595	
1,240	Visa Inc. Class A	291,484	326,243	
		1,258,719	1,595,075	6.48
Communication Services				
5,828	Comcast Corporation Class A	309,111	309,415	
29,019	Infrastrutture Wireless Italiane SpA	412,506	395,970	
		721,617	705,385	2.86
Financials				
12,879	Brookfield Asset Management Inc. Class A	579,786	575,434	
		579,786	575,434	2.34
Energy				
14,879	Gibson Energy Inc.	394,991	314,393	
5,534	Parkland Corporation	255,623	186,551	
		650,614	500,944	2.03
	Brokerage commissions	(21,616)	-	
	Total Investments	21,555,169	23,564,524	95.66
Forward contracts				
	Foreign currency forward contracts (see Schedule A)		(38,591)	(0.16)
	Other assets less liabilities		1,108,301	4.50
	Total Net Assets		24,634,234	100.00

* Percentage of net assets shown relates to the amounts at fair value to the Partnership's net assets attributable to holders of redeemable securities.

Starlight Hybrid Global Real Assets Trust
Condensed Interim Schedule of Investment Portfolio (continued)

As at June 30, 2020 (unaudited)

(In Canadian dollars)

Starlight Global Real Assets LP

Schedule A (unaudited)

Foreign Currency Forward Contract(s) (0.16%)

Contract(s)	Counterparty	Credit Rating of the Counterparty	Settlement Date	Contract Rate (\$)	Pay (\$)	Receive (\$)	Unrealized Gain (Loss) (\$)
1	Royal Bank of Canada	AA	August 28, 2020	0.7469	(1,783,750) USD	2,388,345 CAD	(40,792)
1	Royal Bank of Canada	AA	August 28, 2020	0.7350	(2,426,965) CAD	1,783,750 USD	2,201
Total Foreign Currency Forward Contract(s) Value							(38,591)

Starlight Hybrid Global Real Assets Trust

Notes to the Condensed Interim Financial Statements (unaudited)

Three and six months ended June 30, 2020 and 2019

(In Canadian dollars)

1. Establishment of the Trust

Starlight Hybrid Global Real Assets Trust (the “Trust”) is an investment trust established as a trust under the laws of the Province of Ontario pursuant to a declaration of trust amended and restated dated as of December 13, 2018. Starlight Global Real Assets LP (the “Public Portfolio LP”) is a limited partnership formed pursuant to a limited partnership agreement dated November 28, 2018, governed by the laws of the Province of Ontario. The Trust is the only limited partner of the Public Portfolio LP. The Trust is authorized to issue an unlimited number of Series A, Series B, Series F and Series C units (the “Units”). The Trust can also issue preferred units (“Preferred Units”) from time to time after the later of (i) January 1, 2021 and (ii) the net asset value (“NAV”) of the Trust reaches \$500 million. The Trust was inactive until, it issued a final prospectus dated November 28, 2018, whereby the Trust offered a minimum of 2,000,000 and a maximum of 10,000,000 Series A units and/or Series C units and/or Series F units to the public (the “Offering”). See Note 4 - *Redeemable Units*.

Concurrent with the Offering, the original declaration of trust dated October 11, 2018 was amended and restated effective December 13, 2018.

The manager and investment manager of the Trust are Starlight Investments Capital GP Inc. (the “Manager”) and Starlight Investments Capital LP (the “Investment Manager”), respectively. The Investment Manager is responsible for providing investment management advice, including advice in respect of the Trust asset mix and security selection for the public portfolio in the Public Portfolio LP, subject to the Trust’s investment restrictions.

The Trust is listed on NEO Exchange Inc. (the “Exchange”) under the symbol SCHG.UN. The Trust’s registered address is 3280 Bloor Street West, Centre Tower, Suite 1400, Toronto, Ontario M8X 2X3. RBC Investor Services Trust acts as custodian and administrator of the Trust. The Trust is currently offered in Canadian-dollar-denominated units, which is the functional currency of the Trust.

The Trust’s investment objective is to provide unitholders with stable monthly cash distributions and long-term capital appreciation through exposure to institutional quality real assets in the global real estate and global infrastructure sectors.

Financial Reporting date

The information provided in these financial statements and notes thereto is as at June 30, 2020 or for the three and six months ended June 30, 2020. The prior period information is as at December 31, 2019 or for the three and six months ended June 30, 2019. The consolidated interim financial statements were authorized for issuance by the Board of Trustees on August 13, 2020.

2. Statement of compliance and basis of presentation

These unaudited condensed interim financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) and in accordance with International Accounting Standard – Interim Financial Reporting (“IAS 34”), as issued by the International Accounting Standards Board, and as required by Canadian securities legislation and the Canadian Accounting Standards Board.

These condensed interim financial statements do not include all the information required for full annual financial statements and should be read in conjunction with the Trust’s annual financial statements for the year ended December 31, 2019, prepared in accordance with IFRS. These condensed interim financial statements follow the same accounting policies and methods of application as the annual financial statements for the year ended December 31, 2019.

Starlight Hybrid Global Real Assets Trust
Notes to the Condensed Interim Financial Statements (unaudited)

Three and six months ended June 30, 2020 and 2019

(In Canadian dollars)

3. Fair value disclosure

The Trust's financial assets measured at fair value have been categorized based upon a fair value hierarchy. The Trust has established a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurement) and the lowest priority to unobservable inputs (level 3 measurement). The three levels of the fair value hierarchy are as follows.

Level 1 - Inputs that reflect unadjusted quoted prices in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly, including inputs in markets that are not considered to be active.

Level 3 - Inputs that are unobservable. There is little if any market activity. Inputs into the determination of fair value require significant management judgment or estimation.

There were no transfers between levels during the period ended June 30, 2020. The Trust's policy is to recognize transfers in and out and between Levels 1 and 2 as per the value at the end of the reporting period and for transfers in and out of Level 3 as per the value at the date of transfer.

	Level 1	Level 2	Level 3
	\$	\$	\$
Investments as at June 30, 2020	–	28,629,754	11,928,564
Investments as at December 31, 2019	–	32,617,601	10,464,403

All fair value measurements above are recurring. The carrying values of cash, dividends receivable approximate their fair values due to their short-term nature. Fair values are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3.

The table below summarizes the movement in financial instruments classified as Level 3.

For the six months ended June 30, 2020:

	Balance at December 31, 2019	Purchases	Sales	Net transfers	Realized gain (loss)	Unrealized gain (loss)	Balance at June 30, 2020
	\$	\$	\$	\$	\$	\$	\$
Equities	10,464,403	1,010,440	–	–	–	453,721	11,928,564
Total	10,464,403	1,010,440	–	–	–	453,721	11,928,564

For the three months ended June 30, 2020:

	Balance at March 31, 2020	Purchases	Sales	Net transfers	Realized gain (loss)	Unrealized gain (loss)	Balance at June 30, 2020
	\$	\$	\$	\$	\$	\$	\$
Equities	11,531,284	–	–	–	–	397,280	11,928,564
Total	11,531,284	–	–	–	–	397,280	11,928,564

Starlight Hybrid Global Real Assets Trust
Notes to the Condensed Interim Financial Statements (unaudited)

Three and six months ended June 30, 2020 and 2019
(In Canadian dollars)

4. Redeemable units

The Trust's outstanding Units are classified as a financial liability since the Trust has a contractual obligation to repurchase or redeem its Units for cash or another financial asset and to distribute their income to minimize taxes such that they have no discretion to avoid cash distributions.

The capital of the Trust is divided into an unlimited number of units of each series, initially consisting of Series A Units, Series B Units, Series C Units and Series F Units. The Trust may offer additional classes or series of Units, including Preferred Units, at the discretion of the Manager, subject to any necessary regulatory approval.

In accordance with the objectives and the risk management policies outlined in Note 7 - *Financial Risk Management*, the Trust endeavours to invest the subscriptions received in appropriate investments while maintaining sufficient liquidity to meet redemptions, such liquidity being managed by investing sufficient assets in investments that can be readily disposed.

Annual redemption

Beginning in 2020, up to 5% of the aggregate outstanding redeemable Units may be surrendered annually (the "Annual Redemption"), during the period from the first day of June until the tenth business day before the last business day in June (the "Annual Notice Period") for redemption.

Monthly redemption

Up to \$50,000 of the redeemable Units may also be surrendered at any time other than during the Annual Notice Period to the registrar and transfer agent for redemptions (a "Monthly Redemption").

Redeemable unit transactions

On March 29, 2019 Series F Units were redesignated as Series A Units with a NAV of \$1,419,742. Series F unitholders received 144,746 Series A Units with a NAV per unit of \$9.81 in exchange for 141,000 Series F Units with a NAV per unit of \$10.07.

On July 5, 2019, pursuant to a private placement 446,412 Series C Units were issued at a NAV per unit of \$10.28 for gross proceeds of \$4,589,115.

On December 17, 2019, pursuant to a private placement 35,650 Series B Units, 538,543 Series F Units, and 183,486 Series C Units were issued at a NAV per unit of \$11.22, \$10.93 and \$10.90, respectively for gross proceeds of \$8,286,265.

On December 31, 2019, 687,871 Series A Units were redesignated as Series C Units with a NAV of \$6,967,721. Series A unitholders received 656,487 Series C Units with a NAV per unit of \$10.61 in exchange for 687,871 Series A Units with a NAV per unit of \$10.13.

On June 29, 2020, 43,020 Series A Units, 10,483 Series C Units and 4,117 Series F Units were redeemed under the Annual Redemption with a NAV of \$410,501, \$104,791, and \$40,772 respectively for total proceeds of \$556,064.

On June 30, 2020, 75,023 Series A Units, 35,650 Series B Units and 534,426 Series F Units were redesignated as Series C Units as follows:

	Units redesignated	NAV per unit	Series C units received	NAV per unit
		\$		\$
Series A unitholders	75,023	9.55	71,591	10.01
Series B unitholders	35,650	9.91	35,308	10.01
Series F unitholders	534,426	9.91	529,432	10.01

Dividend Reinvestment Plan ("DRIP")

Pursuant to the DRIP, eligible unitholders can elect to reinvest cash distributions into additional Series A Units at the greater of either the NAV per Series A Unit or 97% of the volume weighted average closing price of the Series A Units on the Exchange for the five trading days immediately preceding the applicable date of distribution.

For the six months ended June 30, 2020 and 2019, the Trust issued 451 and nil Series A Units under the DRIP for a stated value of \$4,356 and \$Nil, respectively.

Starlight Hybrid Global Real Assets Trust
Notes to the Condensed Interim Financial Statements (unaudited)

Three and six months ended June 30, 2020 and 2019
(In Canadian dollars)

4. Redeemable units (continued)

Unit transactions of the Trust for the period ended June 30, 2020 and 2019 were as follows:

	Series A	Series B	Series C	Series F
Units outstanding, December 31, 2018	2,034,901	–	750,000	141,000
Units redesignated	144,746	–	–	(141,000)
Dividends reinvested	24	–	–	–
Units outstanding, June 30, 2019	2,179,671	–	750,000	–
Units redesignated	(687,871)	–	656,487	–
Units issued	–	35,650	629,898	538,543
Dividends reinvested	155	–	–	–
Units outstanding, December 31, 2019	1,491,955	35,650	2,036,385	538,543
Dividends reinvested	451	–	–	–
Units redesignated	(31,815)	(35,650)	595,150	(534,426)
Units redeemed	(43,020)	–	(10,483)	(4,117)
Units outstanding, June 30, 2020	1,417,571	–	2,621,052	–

Unit transaction amounts of the Trust for the period ended June 30, 2020 and 2019 were as follows:

	Series A	Series B	Series C	Series F
	\$	\$	\$	\$
Units outstanding, December 31, 2018	20,349,010	–	7,500,000	1,419,742
Units redesignated	1,419,742	–	–	(1,419,742)
Dividends reinvested	239	–	–	–
Units outstanding, June 30, 2019	21,768,991	–	7,500,000	–
Units redesignated	(6,967,721)	–	6,967,721	–
Units issued	–	399,993	6,589,110	5,886,275
Dividends reinvested	1,560	–	–	–
Units outstanding, December 31, 2019	14,802,830	399,993	21,056,831	5,886,275
Dividends reinvested	4,356	–	–	–
Units redesignated	(336,692)	(399,993)	6,582,188	(5,845,503)
Units redeemed	(410,501)	–	(104,791)	(40,772)
Units outstanding, June 30, 2020	14,059,993	–	27,534,228	–

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5. Commitments

As at June 30, 2020, the Trust had no commitments. As at December 31, 2019, the Trust had \$1.0 million in commitments.

On March 4, 2019, the Trust entered into a subscription agreement for a \$5.5 million commitment in the private portfolio to invest in Starlight Canadian Residential Growth Fund (“Starlight Residential Fund”). The commitment was callable on demand on a pro-rata basis with other investors. As of December 31, 2019, \$4.5 million had been called. On January 10, 2020, the Trust received a capital call for the remaining commitment amount of \$1.0 million which was paid on February 4, 2020.

6. Capital risk management

Units issued and outstanding are considered to be the capital of the Trust. The Manager manages the capital of the Trust in accordance with the Trust’s investment objectives. The Trust does not have any specific externally imposed capital requirements.

7. Financial risk management

The Trust’s activities expose it to various types of risks that are associated with its investment strategies, financial instruments and markets in which it invests. The risks include market risk (including other price risk, currency risk, and interest rate risk), credit risk, liquidity risk and concentration risk. The Trust has established and maintains a governance structure that oversees the Trust’s investment activities and monitors compliance with the Trust’s stated investment objective and guidelines. These risks and related risk management practices employed by the Trust and the Public Portfolio LP are discussed below.

a. Market risk

Market risk represents the potential loss that can be caused by a change in the fair value of a financial instrument. The investments of the Trust are subject to normal market fluctuations and the risks inherent in investments in the global markets. The Public Portfolio LP’s investment portfolio is monitored on a daily basis by the Investment Manager.

b. Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk) caused by factors specific to a security, its issuer or all factors affecting a market or a market segment. The investments of the Trust are subject to market fluctuations and the risks inherent in financial markets. The maximum risk resulting from financial instruments held by the Trust is determined by the fair value of the financial instruments. The Investment Manager moderates this risk through a careful selection of securities within specified limits and the Trust’s other price risk is managed through diversification of the Trust’s investments. The Investment Manager monitors the Trust’s overall market positions on a daily basis. As at June 30, 2020 and December 31, 2019 the overall market exposures of the Trust, including that of the Public Portfolio LP, were as follows:

	June 30, 2020		December 31, 2019	
	Fair Value \$	% of Total Net Assets	Fair Value \$	% of Total Net Assets
Investments	39,450,017	99.22%	40,307,303	93.82%
Total market exposure	39,450,017	99.22%	40,307,303	93.82%

As at June 30, 2020, had the prices on the respective stock exchanges for the Trust’s securities increased or decreased by 5%, with all other variables held constant, net assets would have increased or decreased by approximately \$1,972,501 or 4.96% of total net assets (December 31, 2019 – \$2,015,365 or 4.69%).

In practice, the actual trading results may differ, and the difference could be material.

c. Currency risk

Currency risk is the risk that the value of financial instruments denominated in currencies, other than the functional currency of the Trust and the Public Portfolio LP, will fluctuate due to changes in foreign exchange rates. Equities in foreign markets are exposed to currency risk as the prices denominated in foreign currencies are converted to the Trust’s functional currency in determining fair value.

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7. Financial risk management (continued)

The Public Portfolio LP holds assets and liabilities, including cash and investments in equities that are denominated in currencies other than the Canadian Dollar, the functional currency. It is therefore exposed to currency risk, as the value of the securities denominated in other currencies fluctuate due to changes in exchange rates.

As at June 30, 2020 and December 31, 2019, the Trust indirectly bears the currency risk exposure of the Public Portfolio LP. The table below summarizes the Public Portfolio LP's exposure to currency risk as of June 30, 2020 and December 31, 2019:

June 30, 2020

Currency type	Currency exposure \$	% of Total Net Assets of the Public Portfolio LP %
United States Dollar	9,940,702	40.35%
Euro	2,058,826	8.36%
Australian Dollar	1,256,669	5.10%
Total	13,263,194	53.81%

December 31, 2019

Currency type	Currency exposure \$	% of Total Net Assets of the Public Portfolio LP %
United States Dollar	11,249,149	34.49%
Euro	3,854,003	11.81%
Australian Dollar	1,358,583	4.16%
British Pound	3	0.00%
Total	16,461,738	50.46%

As at June 30, 2020, if the exchange rate between the Canadian Dollar and the foreign currencies increased or decreased by 1%, with all other variables held constant, net assets would have decreased or increased, respectively, by approximately \$132,562 (December 31, 2019 – \$164,617).

In accordance with the Trust's policy, the Investment Manager monitors currency positions as part of the overall portfolio construction and may hedge currencies.

d. Interest rate risk

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or fair values of financial instruments. Interest rate risk arises when the Trust invests in interest-bearing financial instruments. The Trust is exposed to the risk that the value of such financial instruments will fluctuate due to changes in the prevailing levels of market interest rates. The Public Portfolio LP invests in equities and real estate investment trusts (REITs) and the private portfolio invests in direct real estate and infrastructure investments. An increase in interest rates would increase the borrowing cost on the investment properties and have an adverse effect on net income. Availability of financing and fluctuations in borrowing rates will also restrict the real estate companies' ability to acquire attractive properties and hinders their returns. This would indirectly impact distributions and dividends paid to the Public Portfolio LP and the Trust.

The majority of the Trust's and Public Portfolio LP's financial assets and liabilities are non-interest bearing as at June 30, 2020 and December 31, 2019. As a result, the Trust is not subject to a significant amount of direct interest rate risk due to fluctuations in the prevailing level of market interest rates.

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7. Financial risk management (continued)

e. Credit risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Trust or the Public Portfolio LP. All transactions in listed securities are settled or paid for upon delivery using approved brokers. The credit risk related to the associated receivables is considered limited, as delivery of securities sold is only made once the broker has received payment. Payment is made on a purchase once the securities have been received by the broker. The trade will fail if either party fails to meet its obligations.

As at June 30, 2020 and December 31, 2019 the Trust and the Public Portfolio LP had no significant investments in debt instruments and/or derivatives; therefore, credit risk is considered minimal.

f. Liquidity risk

The Trust's main liquidity risk exposure is in meeting redemption and expense requirements on a monthly basis. The Trust's investment manager monitors cash needs on a regular basis. The Trust has daily liquidity with the Public Portfolio LP. Liquidity risk is managed in the Public Portfolio LP by investing sufficient assets of the Public Portfolio LP in investments that are traded in an active market and can be readily disposed of. In addition, the Trust either directly or indirectly through the Public Portfolio LP aims to retain sufficient cash to maintain liquidity.

There can be no assurance that an active trading market for the investments will exist at all times, or that the prices at which the securities trade accurately reflect their values. Thin trading in a security could make it difficult to liquidate holdings quickly. In addition, the Trust or Public Portfolio LP will, from time to time, enter into unlisted securities or may invest into over-the-counter derivative contracts, which are not traded in an organized market and may be illiquid. Securities for which a market quotation could not be obtained and may be illiquid are identified on the Schedule of Investment Portfolio. The proportion of illiquid securities to the NAV of the Trust is monitored by the Manager to ensure it does not significantly affect the liquidity required to meet the Trust's financial obligations. The proportion of illiquid securities to the NAV of the Public Portfolio LP is monitored by the Investment Manager to ensure it does not significantly affect the liquidity required to meet the Public Portfolio LP's financial obligations.

The Trust is exposed to monthly cash redemptions and beginning in June 2020 annual cash redemptions. However, the monthly redemptions are limited to a fixed dollar amounts and the annual redemption is limited to a fixed percentage of the Trust's assets reducing the liquidity requirements of the Trust. The Trust's investments in the Public Portfolio LP are considered readily realizable and highly liquid, therefore the Trust's liquidity risk is considered minimal.

As at June 30, 2020 the Trust's accounts payable and accrued liabilities were expected to be liquidated within 90 days.

The Trust's liquid investments are considered to be in excess of the redemption and expense requirements.

g. Concentration risk

Concentration risk arises as a result of the concentration of exposures within the same category, whether it is geographical location, product type, industry sector or counterparty type. As at June 30, 2020 and December 31, 2019, the Trust's exposure to concentration risk, including that of the Public Portfolio LP, is summarized in the table below:

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7. Financial risk management (continued)

g. Concentration risk (continued)

	June 30, 2020	December 31, 2019
Portfolio by Industry Classification	% of Total Net Assets	% of Total Net Assets
Real Estate	31.81	34.48
Private Investments	40.05	24.36
Utilities	10.56	7.98
Industrials	8.41	14.69
Information Technology	4.01	–
Communication Services	1.77	1.94
Financials	1.45	4.87
Energy	1.26	5.50
Foreign currency forward contracts	(0.10)	–
Other Assets Less Liabilities	0.78	6.18
Total	100.00	100.00

8. Interest in non-consolidated structured entities

	June 30, 2020	
	Fair Value of investment in Underlying Funds \$	Percentage of ownership %
Non-consolidated structured entities		
Starlight Global Real Assets LP	24,634,234	100
EagleCrest Infrastructure Canada LP	5,974,544	<1
Starlight Canadian Residential Growth Fund (Series C)	5,954,020	<2
Starlight Private Global Real Estate Pool (Series I)	3,995,520	<55

	December 31, 2019	
	Fair Value of investment in Underlying Funds \$	Percentage of ownership %
Non-consolidated structured entities		
Starlight Global Real Assets LP	32,617,601	100
EagleCrest Infrastructure Canada LP	5,711,194	<1
Starlight Canadian Residential Growth Fund (Series C)	4,753,209	<2

Starlight Hybrid Global Real Assets Trust

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9. Related parties

(a) *Management fees*

The Trust's investment activities are managed by the Manager. The management fees for the three and six months ended June 30, 2020 amounted to \$98,013 and \$208,554 respectively (three and six months ended June 30, 2019 – \$21,878 and \$38,145 respectively), with \$36,327 in outstanding accrued fees due to the Manager at June 30, 2020 (December 31, 2019 – \$35,685).

(b) *Investments*

The Investment Manager is responsible for providing investment management advice for the Public Portfolio LP. To achieve its objectives, the Trust invests no less than 60% of the net capital raised in the Public Portfolio LP. As at June 30, 2020 the fair value of the amount invested was \$24,634,234 (December 31, 2019 – \$32,617,601).

The Investment Manager is also responsible for the provision of management services for Starlight Private Global Real Estate Pool. As at June 30, 2020 the Trust had an investment with a fair value of \$3,995,520 (December 31, 2019 – \$nil) in the Starlight Private Global Real Estate Pool.

(c) *Unit transactions with related parties*

Officers, directors and related entities of the Manager invest in Units from time to time in the normal course of business on the same basis as arms-length investors. As at June 30, 2020, the Manager, including officers and directors, owned 515,365 (December 31, 2019 – 515,365) Units.

10. COVID-19

Since the latter part of February 2020, financial markets have experienced significant volatility in response to the developing COVID-19 pandemic. Equity markets in particular have experienced significant declines and elevated volatility. The Public Portfolio has also experienced similar declines in value and elevated volatility to that of the equity markets. As a result, trading volumes in the Public Portfolio have increased significantly as the Investment Manager continues to manage the underlying investment portfolios and take advantage of investment opportunities brought about by the elevated level of market volatility. The Investment Manager continues to review the portfolio and the value of its securities and remains committed to owning high-quality businesses with long term growth potential.

It is impossible to forecast the duration and full scope of the economic impact of COVID-19 and other consequential changes it will have on the Trust's business, both in the short term and in the long term. At this time, the full potential impact of COVID-19 on the portfolio is not known and may result in further equity market declines and declines in the portfolio.

While the situation continues to evolve and has resulted in unprecedented market and economic volatility, it has not impacted the Trust's ability to continue as a going concern. The Trust is confident that it is well positioned to navigate through these challenging times and to continue to provide value to unitholders.