



Condensed Interim Financial Statements of

Starlight Hybrid Global Real Assets Trust

For the three and nine months ended September 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 September 30, 2020 (unaudited) and December 31, 2019 (audited)

(In Canadian dollars)

	Notes	September 30, 2020	December 31, 2019
		\$	\$
Assets			
Current Assets			
Cash		70,748	270,808
Investments (Cost: September 30, 2020 - \$39,909,387, December 31, 2019 - \$40,512,420)		40,761,062	43,082,004
Other assets		8,595	8,041
Total Assets		40,840,405	43,360,853
Liabilities			
Current Liabilities			
Distributions payable		174,882	172,248
Accounts payable and accrued liabilities		143,969	224,861
Total Liabilities (excluding net assets attributable to unitholders of redeemable units)		318,851	397,109
Net assets attributable to holders of redeemable units per series			
Series A		10,644,803	15,216,599
Series B		-	376,527
Series C		29,876,751	21,682,443
Series F		-	5,688,175
		40,521,554	42,963,744
Number of redeemable units outstanding			
	4		
Series A		1,093,663	1,491,955
Series B		-	35,650
Series C		2,930,481	2,036,385
Series F		-	538,543
Net assets attributable to holders of redeemable units per unit			
Series A		\$ 9.73	\$ 10.20
Series B		\$ -	\$ 10.56
Series C		\$ 10.20	\$ 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 nine months ended September 30 (unaudited)

(In Canadian dollars)

	Notes	Three months		Nine months	
		2020	2019	2020	2019
		\$	\$	\$	\$
Investment gain (loss)					
Interest for distribution purposes		-	918	310	4,293
Distributions from Partnership		716,957	300,275	2,007,288	1,008,201
Net realized gain (loss) on sale of investments		(9,648)	-	(46,908)	330,867
Net change in unrealized appreciation (depreciation) of investments		768,457	1,537,879	(1,717,909)	2,090,298
Total gain (loss)		1,475,766	1,839,072	242,781	3,433,659
Expenses					
Management fees		102,804	40,776	311,358	78,921
Legal expenses		31,705	(33,093)	41,651	96,156
Fund administration fees		21,130	10,365	40,908	34,861
Trustee fees		11,311	7,726	33,688	22,438
Filing fees		1,311	2,060	33,039	14,674
Audit fees		4,459	6,438	21,367	18,698
Insurance fees		6,533	5,993	19,303	17,465
Harmonized sales tax and other taxes		7,861	(551)	18,518	29,124
Other expenses		5,184	8,500	27,217	53,547
		192,298	48,214	547,049	365,884
Net investment gain (loss)		1,283,468	1,790,858	(304,268)	3,067,775
Increase (decrease) in net assets attributable to holders of redeemable units		1,283,468	1,790,858	(304,268)	3,067,775
Increase (decrease) in net assets attributable to holders of redeemable units per series					
Series A		446,432	1,191,813	(100,770)	2,088,081
Series B		-	-	32,728	-
Series C		837,036	599,045	(574,061)	907,178
Series F		-	-	337,835	72,516
		1,283,468	1,790,858	(304,268)	3,067,775
Weighted average number of units for the period					
Series A		1,419,053	2,194,250	1,491,668	2,138,443
Series B		-	-	35,454	-
Series C		2,546,085	1,162,446	2,211,205	888,993
Series F		-	-	535,584	141,000
Increase (decrease) in net assets attributable to holders of redeemable units per unit					
Series A		\$ 0.31	\$ 0.54	\$ (0.07)	\$ 0.98
Series B		\$ -	\$ -	\$ 0.92	\$ -
Series C		\$ 0.33	\$ 0.52	\$ (0.26)	\$ 1.02
Series F		\$ -	\$ -	\$ 0.63	\$ 0.51

Starlight Hybrid Global Real Assets Trust

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

For the nine months ended September 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		(100,770)	32,728	(574,061)	337,835	(304,268)
Distributions to holders from redeemable units						
Return of capital		(575,551)	(9,262)	(863,726)	(139,735)	(1,588,274)
		(575,551)	(9,262)	(863,726)	(139,735)	(1,588,274)
Redeemable unit transactions	4					
Redesignation of units		(3,491,390)	(399,993)	9,736,886	(5,845,503)	-
Reinvestments		6,416	-	-	-	6,416
Amount paid for units redeemed		(410,501)	-	(104,791)	(40,772)	(556,064)
		(3,895,475)	(399,993)	9,632,095	(5,886,275)	(549,648)
Net increase (decrease) in net assets attributable to holders of redeemable units		(4,571,796)	(376,527)	8,194,308	(5,688,175)	(2,442,190)
Net assets attributable to holders of redeemable units at end of period		10,644,803	-	29,876,751	-	40,521,554
		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		2,088,081	-	907,178	72,516	3,067,775
Distributions to holders from redeemable units						
Return of capital		(714,478)	-	(305,803)	(11,750)	(1,032,031)
		(714,478)	-	(305,803)	(11,750)	(1,032,031)
Redeemable unit transactions	4					
Redesignation of units		1,419,742	-	-	(1,419,742)	-
Proceeds from sale of units		-	-	4,589,115	-	4,589,115
Reinvestments		707	-	-	-	707
Cost of issuance of units		(43,733)	-	(25,104)	-	(68,837)
		1,376,716	-	4,564,011	(1,419,742)	4,520,985
Net increase (decrease) in net assets attributable to holders of redeemable units		2,750,319	-	5,165,386	(1,358,976)	6,556,729
Net assets attributable to holders of redeemable units at end of period		21,835,673	-	12,536,173	-	34,371,846

Starlight Hybrid Global Real Assets Trust

Condensed Interim Statements of Cash Flows

For the three and nine months ended September 30 (unaudited)

(In Canadian dollars)

	Three months		Nine months	
	2020	2019	2020	2019
	\$	\$	\$	\$
Operating activities				
Increase (decrease) in net assets attributable to holders of redeemable units from operations	1,283,468	1,790,858	(304,268)	3,067,775
Adjustments:				
Purchase of investments	-	(4,375,000)	(5,010,439)	(12,095,497)
Proceeds from disposition of investments	556,064	-	5,566,564	7,734,247
Net realized (gain) loss from investment transactions	9,648	-	46,908	(330,867)
Net change in unrealized (appreciation) depreciation on investments	(768,457)	(1,537,879)	1,717,909	(2,090,298)
	1,080,723	(4,122,021)	2,016,674	(3,714,640)
Net change in non-cash working capital	8,481	82,736	(81,446)	(326,676)
	1,089,204	(4,039,285)	1,935,228	(4,041,316)
Financing activities				
Issuance of units	-	4,589,115	-	4,589,115
Payment on redemption of units	(556,064)	-	(556,064)	-
Distributions paid to holders of redeemable units	(522,939)	(402,929)	(1,579,224)	(890,651)
Cost of issuance	-	(68,837)	-	(68,837)
	(1,079,003)	4,117,349	(2,135,288)	3,629,627
Net increase (decrease) in cash	10,201	78,064	(200,060)	(411,689)
Cash at beginning of period	60,547	26,761	270,808	516,514
Cash at end of period	70,748	104,825	70,748	104,825
Interest received	\$ -	\$ 918	\$ 310	\$ 4,293
Distribution received from Partnership	\$ 716,957	\$ 300,275	\$ 2,007,288	\$ 1,008,201

Starlight Hybrid Global Real Assets Trust

Condensed Interim Schedule of Investment Portfolio

As at September 30, 2020 (unaudited)

(In Canadian dollars)

Number of Shares	Description	Average Cost \$	Fair Value \$	Net Assets %
	Fund(s)			
2,418,133	Starlight Global Real Assets Limited Partnership	24,909,387	24,829,631	
		24,909,387	24,829,631	61.27
	Private Investments			
550	EagleCrest Infrastructure Canada LP	5,500,000	5,882,849	
55,000	Starlight Canadian Residential Growth Fund (Series C)	5,500,000	6,031,542	
400,000	Starlight Private Global Real Estate Pool (Series I)	4,000,000	4,017,040	
		15,000,000	15,931,431	39.32
	Total Investments	39,909,387	40,761,062	100.59
	Other assets less liabilities		(239,508)	(0.59)
	Total Net Assets		40,521,554	100.00

Starlight Global Real Assets Limited Partnership

Schedule of Investment Portfolio of underlying limited partnership as at September 30, 2020

Number of Shares	Description	Average Cost \$	Fair Value \$	Net Assets* %
	Real Estate			
2,397	Alexandria Real Estate Equities Inc.	412,479	512,289	
2,089	American Tower Corporation	628,543	674,521	
6,942	Americold Realty Trust	296,197	331,503	
24,990	Brookfield Property Partners LP	491,688	400,590	
5,224	Camden Property Trust	682,248	620,900	
16,332	Canadian Apartment Properties REIT	767,501	758,621	
600	Crown Castle International Corporation	125,662	133,442	
9,398	Duke Realty Corporation	407,169	463,222	
656	Equinix Inc.	508,941	666,067	
3,220	Equity Lifestyle Properties Inc.	274,838	263,659	
151,426	European Residential Real Estate Investment Trust	672,919	648,103	
24,693	Goodman Group	325,390	424,123	
7,253	Granite Real Estate Investment Trust	434,894	560,512	
50,672	InterRent Real Estate Investment Trust	742,432	638,467	
6,485	Invitation Homes Inc.	241,696	242,460	
40,005	Killam Apartment Real Estate Investment Trust	837,543	694,487	
37,707	Minto Apartment Real Estate Investment Trust	729,401	689,284	
3,805	Prologis Inc.	372,306	511,406	
8,948	QTS Realty Trust Inc.	738,766	753,236	
3,960	Rexford Industrial Realty Inc.	222,274	242,052	
3,215	Safehold Inc.	224,360	266,686	
1,343	SBA Communications Corporation	525,817	571,328	
24,384	Summit Industrial Income REIT	276,854	313,091	
1,150	Sun Communities Inc.	209,576	215,994	
3,797	Terreno Realty Corporation	281,260	277,735	
		11,430,754	11,873,778	47.81

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

As at September 30, 2020 (unaudited)

(In Canadian dollars)

Starlight Global Real Assets Limited Partnership
Schedule of Investment Portfolio of underlying limited partnership as at September 30, 2020 (continued)

Number of Shares	Description	Average Cost \$	Fair Value \$	Net Assets* %
Utilities				
1,677	American Water Works Co Inc.	270,184	324,540	
15,667	Boralex Inc.	350,413	603,023	
4,850	Brookfield Infrastructure Partners LP	231,260	307,927	
6,206	CMS Energy Corporation	485,087	509,070	
7,045	Fortis Inc.	376,344	383,530	
26,129	Iberdrola S.A.	356,931	430,149	
1,048	NextEra Energy Inc.	327,814	388,548	
12,745	Northland Power Inc.	320,762	513,369	
1,775	Sempra Energy	284,894	280,628	
		3,003,689	3,740,784	15.07
Industrials				
6,557	Brookfield Business Partners LP	281,266	266,345	
716	Canadian Pacific Railway Ltd.	191,988	290,016	
1,891	Cargojet Inc.	152,004	360,633	
9,251	Deutsche Post AG	380,996	563,679	
9,531	Ferrovial S.A.	304,427	309,778	
10,812	Fortress Transportation and Infrastructure Investors LLC	102,406	247,395	
3,482	Vinci S.A.	422,948	390,077	
4,946	Waste Connections Inc.	548,389	684,526	
		2,384,424	3,112,449	12.54
Information Technology				
2,654	Fiserv Inc.	347,306	365,322	
767	Mastercard Inc.	275,735	346,463	
1,029	Microsoft Corporation	230,947	289,097	
67,041	NEXTDC Ltd.	446,413	788,197	
30,556	Switch Inc.	700,792	637,128	
1,557	Visa Inc.	376,403	415,892	
		2,377,596	2,842,099	11.45
Communication Services				
7,297	Comcast Corporation	393,888	450,897	
33,805	Infrastrutture Wireless Italiane SpA	475,695	499,858	
		869,583	950,755	3.83
Financials				
11,746	Brookfield Asset Management Inc.	528,781	517,529	
		528,781	517,529	2.08
Energy				
9,473	Gibson Energy Inc.	245,452	204,427	
6,602	Parkland Corporation	276,494	232,456	
11,422	Pembina Pipeline Corporation	374,998	322,786	
		896,944	759,669	3.06

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

As at September 30, 2020 (unaudited)

(In Canadian dollars)

Starlight Global Real Assets Limited Partnership

Schedule of Investment Portfolio of underlying limited partnership as at September 30, 2020 (continued)

Number of Shares	Description	Average Cost \$	Fair Value \$	Net Assets* %
	Corporate Bonds			
300,000	StorageVault Canada Inc. 5.75% 31JAN26	300,000	274,425	
		300,000	274,425	1.11
	Brokerage commissions	(21,208)	-	
	Total Investments	21,770,563	24,071,488	96.95
	Other assets less liabilities		758,143	3.05
	Total Net Assets		24,829,631	100.00

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

Starlight Hybrid Global Real Assets Trust

Notes to the Condensed Interim Financial Statements (unaudited)

Three and nine months ended September 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 September 30, 2020 or for the three and nine months ended September 30, 2020. The prior period information is as at December 31, 2019 or for the three and nine months ended September 30, 2019. The consolidated interim financial statements were authorized for issuance by the Board of Trustees on November 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 nine months ended September 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 September 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 September 30, 2020	–	24,829,631	15,931,431
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 nine months ended September 30, 2020:

	Balance at December 31, 2019	Purchases	Sales	Net transfers	Realized gain (loss)	Unrealized gain (loss)	Balance at September 30, 2020
	\$	\$	\$	\$	\$	\$	\$
Equities	10,464,403	5,010,440	–	–	–	456,588	15,931,431
Total	10,464,403	5,010,440	–	–	–	456,588	15,931,431

For the three months ended September 30, 2020:

	Balance at March 31, 2020	Purchases	Sales	Net transfers	Realized gain (loss)	Unrealized gain (loss)	Balance at September 30, 2020
	\$	\$	\$	\$	\$	\$	\$
Equities	15,924,084	–	–	–	–	7,347	15,931,431
Total	15,924,084	–	–	–	–	7,347	15,931,431

Starlight Hybrid Global Real Assets Trust

Notes to the Condensed Interim Financial Statements (unaudited)

Three and nine months ended September 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 with a NAV of \$1,419,742 were redesignated as Series A Units. 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 with a NAV of \$6,967,721 were redesignated as Series C Units. 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

On September 30, 2020, 330,823 Series A Units with a NAV of \$3,219,930 were redesignated as Series C Units. Series A unitholders received 315,828 Series C Units with a NAV per unit of \$10.20 in exchange for 330,823 Series A Units with a NAV per unit of \$9.73. In addition, 6,399 Series C Units with a NAV of \$65,231 were redesignated as Series A Units. Series C unitholders received 6,702 Series A Units with a NAV per unit of \$9.73 in exchange for 6,399 Series C Units with a NAV per unit of \$10.20.

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.

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

Three and nine months ended September 30, 2020 and 2019

(In Canadian dollars)

4. Redeemable units (continued)

For the nine months ended September 30, 2020 and 2019, the Trust issued 664 and 72 Series A Units under the DRIP for a stated value of \$6,416 and \$707, respectively.

Unit transactions of the Trust for the period ended September 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	–	446,412	(141,000)
Dividends reinvested	72	–	–	–
Units outstanding, September 30, 2019	2,179,719	–	1,196,412	–
Units redesignated	(687,871)	–	210,075	–
Units issued	–	35,650	629,898	538,543
Dividends reinvested	107	–	–	–
Units outstanding, December 31, 2019	1,491,955	35,650	2,036,385	538,543
Dividends reinvested	664	–	–	–
Units redesignated	(355,936)	(35,650)	904,579	(534,426)
Units redeemed	(43,020)	–	(10,483)	(4,117)
Units outstanding, September 30, 2020	1,093,663	–	2,930,481	–

Unit transaction amounts of the Trust for the period ended September 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	–	4,589,115	(1,419,742)
Dividends reinvested	707	–	–	–
Units outstanding, September 30, 2019	21,769,459	–	12,089,115	–
Units redesignated	(6,967,721)	–	2,378,606	–
Units issued	–	399,993	6,589,110	5,886,275
Dividends reinvested	1,092	–	–	–
Units outstanding, December 31, 2019	14,802,830	399,993	21,056,831	5,886,275
Dividends reinvested	6,416	–	–	–
Units redesignated	(3,491,390)	(399,993)	9,736,886	(5,845,503)
Units redeemed	(410,501)	–	(104,791)	(40,772)
Units outstanding, September 30, 2020	14,062,053	–	30,688,926	–

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5. Commitments

As at September 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 September 30, 2020 and December 31, 2019 the overall market exposures of the Trust, including that of the Public Portfolio LP, were as follows:

	September 30, 2020		December 31, 2019	
	Fair Value \$	% of Total Net Assets	Fair Value \$	% of Total Net Assets
Investments	40,002,919	98.72%	40,307,303	93.82%
Total market exposure	40,002,919	98.72%	40,307,303	93.82%

As at September 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 \$2,000,146 or 4.94% 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 September 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 September 30, 2020 and December 31, 2019:

September 30, 2020

Currency type	Currency exposure \$	% of Total Net Assets of the Public Portfolio LP
United States Dollar	11,050,387	44.50%
Euro	2,194,070	8.84%
Australian Dollar	1,306,460	5.26%
Total	14,550,917	58.60%

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 September 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 \$145,509 (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 September 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 September 30, 2020 and December 31, 2019, the Trust indirectly bears the credit risk exposure of the Public Portfolio LP. As at December 31, 2019 the Public Portfolio LP had no significant investments in debt instruments and/or derivatives; therefore, credit risk is considered minimal. The table below summarizes the Public Portfolio LP's exposure to credit risk as of September 30, 2020:

Debt Instruments by Credit Rating	Percentage of net assets
Not rated	1.11%
Total	1.11%

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 September 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 September 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)

	September 30, 2020	December 31, 2019
Portfolio by Industry Classification	% of Total Net Assets	% of Total Net Assets
Private Investments	39.32	24.36
Real Estate	29.30	34.48
Utilities	9.23	7.98
Industrials	7.68	14.69
Information Technology	7.01	–
Communication Services	2.35	1.94
Energy	1.87	5.50
Financials	1.28	4.87
Corporate Bonds	0.68	–
Other Assets Less Liabilities	1.28	6.18
Total	100.00	100.00

8. Interest in non-consolidated structured entities

	September 30, 2020	
	Fair Value of investment in Underlying Funds \$	Percentage of ownership %
Non-consolidated structured entities		
Starlight Global Real Assets LP	24,829,631	100
EagleCrest Infrastructure Canada LP	5,882,849	<1
Starlight Canadian Residential Growth Fund (Series C)	6,031,542	<2
Starlight Private Global Real Estate Pool (Series I)	4,017,040	<51

	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 nine months ended September 30, 2020 amounted to \$102,804 and \$311,358 respectively (three and nine months ended September 30, 2019 – \$40,776 and \$78,921 respectively), with \$33,798 in outstanding accrued fees due to the Manager at September 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 September 30, 2020 the fair value of the amount invested was \$24,829,631 (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 September 30, 2020 the Trust had an investment with a fair value of \$4,017,040 (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 September 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 COVID-19 pandemic. Equity markets in particular have experienced 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, we have entered Phase 2 of the Covid-19 pandemic, 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.