

IG MACKENZIE MORTGAGE AND SHORT TERM INCOME FUND

Interim Unaudited Financial Statements

For the Six-Month Period Ended September 30, 2025

These Interim Unaudited Financial Statements do not contain the Interim Management Report of Fund Performance (“MRFP”) of the investment fund. You may obtain a copy of the Interim MRFP, at no cost, by contacting us using one of the methods noted under Other Information note or by visiting the SEDAR+ website at www.sedarplus.ca. Copies of the Annual Financial Statements or Annual MRFP may also be obtained, at no cost, using any of the methods outlined above.

Securityholders may also contact us using one of these methods to request a copy of the investment fund’s proxy voting policies and procedures, proxy voting disclosure record or quarterly portfolio disclosure.

NOTICE OF NO AUDITOR REVIEW OF THE INTERIM FINANCIAL STATEMENTS

I.G. Investment Management, Ltd., the Manager of the IG Mackenzie Mortgage and Short Term Income Fund (the “Fund”), appoints independent auditors to audit the Fund’s Annual Financial Statements. Under Canadian securities laws (National Instrument 81-106), if an auditor has not reviewed the Interim Financial Statements, this must be disclosed in an accompanying notice.

The Fund’s independent auditors have not performed a review of these Interim Financial Statements in accordance with standards established by the Chartered Professional Accountants of Canada.

IG MACKENZIE MORTGAGE AND SHORT TERM INCOME FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2025

STATEMENTS OF FINANCIAL POSITION

at (in \$ 000 except per security amounts)

	Sep. 30 2025	Mar. 31 2025 (Audited)
	\$	\$
ASSETS		
Current assets		
Investments at fair value	3,278,980	3,099,435
Cash and cash equivalents	71,893	65,252
Accrued interest receivable	16,483	13,800
Accounts receivable for investments sold	50,554	61,740
Accounts receivable for securities issued	–	–
Due from manager	13	14
Margin on derivatives	2,167	2,533
Derivative assets	157	270
Total assets	3,420,247	3,243,044
LIABILITIES		
Current liabilities		
Accounts payable for investments purchased	76,309	77,777
Accounts payable for securities redeemed	–	–
Due to manager	17	48
Liability for options written	185	–
Derivative liabilities	180	303
Total liabilities	76,691	78,128
Net assets attributable to securityholders	3,343,556	3,164,916

STATEMENTS OF COMPREHENSIVE INCOME

for the periods ended September 30 (in \$ 000 except per security amounts)

	2025 \$	2024 \$
Income		
Dividends	2,535	295
Interest income for distribution purposes	55,832	64,824
Other changes in fair value of investments and other net assets		
Net realized gain (loss)	8,653	5,266
Net unrealized gain (loss)	6,601	79,853
Securities lending income	66	88
Fee rebate income	2	8
Total income (loss)	73,689	150,334
Expenses (note 6)		
Management fees	1,477	1,467
Management fee rebates	(1)	(1)
Administration fees	235	194
Interest charges	16	–
Trustee fees	144	118
Mortgage administration and servicing fees	1,178	1,215
Commissions and other portfolio transaction costs	25	42
Independent Review Committee fees	–	4
Other	1	1
Expenses before amounts absorbed by Manager	3,075	3,040
Expenses absorbed by Manager	–	–
Net expenses	3,075	3,040
Increase (decrease) in net assets attributable to securityholders from operations before tax	70,614	147,294
Foreign withholding tax expense (recovery)	–	6
Foreign income tax expense (recovery)	–	–
Increase (decrease) in net assets attributable to securityholders from operations	70,614	147,288

Net assets attributable to securityholders (note 3)

	per security		per series	
	Sep. 30 2025	Mar. 31 2025 (Audited)	Sep. 30 2025	Mar. 31 2025 (Audited)
Series A	–	–	–	–
Series B	9.50	9.46	37,333	40,094
Series C	4.85	4.83	25,961	27,156
Series F	9.76	9.72	415,031	345,597
Series J DSC	–	–	–	–
Series J NL	9.56	9.51	16,783	17,628
Series P	10.72	10.67	2,796,640	2,682,811
Series S	9.69	9.64	51,808	51,630
			3,343,556	3,164,916

Increase (decrease) in net assets attributable to securityholders from operations (note 3)

	per security		per series	
	2025	2024	2025	2024
Series A	–	0.01	–	17
Series B	0.12	0.35	488	1,514
Series C	0.06	0.16	340	1,018
Series F	0.20	0.40	7,965	11,595
Series J DSC	–	–	–	4
Series J NL	0.14	0.38	242	674
Series P	0.24	0.45	60,849	130,657
Series S	0.14	0.33	730	1,809
			70,614	147,288

The accompanying notes are an integral part of these financial statements.

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STATEMENTS OF CASH FLOWS

for the periods ended September 30 (in \$ 000)

	2025	2024
	\$	\$
Cash flows from operating activities		
Net increase (decrease) in net assets attributable to securityholders from operations	70,614	147,288
Adjustments for:		
Net realized loss (gain) on investments	(8,693)	(4,155)
Change in net unrealized loss (gain) on investments	(6,601)	(79,853)
Distributions received in-kind from underlying funds	(1,053)	(8)
Purchase of investments	(1,374,270)	(741,569)
Proceeds from sale and maturity of investments	1,220,958	776,774
(Increase) decrease in accounts receivable and other assets	(2,316)	2,482
Increase (decrease) in accounts payable and other liabilities	(31)	19
Net cash provided by (used in) operating activities	(101,392)	100,978
Cash flows from financing activities		
Proceeds from securities issued	302,031	212,505
Payments on redemption of securities	(190,100)	(198,431)
Distributions paid net of reinvestments	(3,905)	(3,054)
Net cash provided by (used in) financing activities	108,026	11,020
Net increase (decrease) in cash and cash equivalents	6,634	111,998
Cash and cash equivalents at beginning of period	65,252	60,603
Effect of exchange rate fluctuations on cash and cash equivalents	7	(608)
Cash and cash equivalents at end of period	71,893	171,993
Cash	7,060	62,363
Cash equivalents	64,833	109,630
Cash and cash equivalents at end of period	71,893	171,993
Supplementary disclosures on cash flow from operating activities:		
Dividends received net of withholding taxes	2,535	306
Foreign taxes paid (recovered)	–	–
Interest received net of withholding taxes	53,149	68,060
Interest paid	16	–

The accompanying notes are an integral part of these financial statements.

IG MACKENZIE MORTGAGE AND SHORT TERM INCOME FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2025

SCHEDULE OF INVESTMENTS

as at September 30, 2025

Investment Name	Country	Sector	Par Value/ Number of Shares/Units	Average Cost (\$ '000)	Fair Value (\$ '000)
MORTGAGES	Canada	See Schedules 1-5	1,559,806,810	1,562,623	1,541,146
BONDS					
Algonquin Power & Utilities Corp. F/R 01-18-2082	Canada	Corporate - Non Convertible	1,828,000	1,828	1,830
Allied Properties Real Estate Investment Trust 4.81% 02-24-2029	Canada	Corporate - Non Convertible	9,226,000	9,219	9,471
AltaGas Ltd. F/R 01-11-2082	Canada	Corporate - Non Convertible	1,130,000	1,130	1,135
ATCO Ltd. F/R 11-01-2078 Callable 2028	Canada	Corporate - Non Convertible	1,710,000	1,681	1,770
Athene Global Funding 2.47% 06-09-2028	United States	Corporate - Non Convertible	12,075,000	11,240	11,842
Bank of Montreal 4.42% 07-17-2029	Canada	Corporate - Non Convertible	9,979,000	9,979	10,399
Bank of Montreal F/R 06-03-2031	Canada	Corporate - Non Convertible	8,792,000	8,803	8,903
Bank of Montreal F/R 03-05-2035	Canada	Corporate - Non Convertible	890,000	890	902
Bank of Montreal F/R 11-26-2082	Canada	Corporate - Non Convertible	4,667,000	4,672	4,966
The Bank of Nova Scotia F/R 09-26-2030	Canada	Corporate - Non Convertible	16,761,000	16,804	17,089
The Bank of Nova Scotia F/R 06-27-2031	Canada	Corporate - Non Convertible	35,000,000	34,957	35,432
The Bank of Nova Scotia F/R 08-02-2033	Canada	Corporate - Non Convertible	1,990,000	1,990	2,112
Bell Canada 3.60% 09-29-2027 Callable 2027	Canada	Corporate - Non Convertible	13,103,000	12,219	13,225
Bell Telephone Co. of Canada 3.65% 08-14-2029	Canada	Corporate - Non Convertible	12,642,000	12,636	12,750
BNP Paribas SA F/R 09-03-2035	France	Corporate - Non Convertible	550,000	550	559
Brookfield Infrastructure Finance ULC 4.20% 09-11-2028 Callable 2028	Canada	Corporate - Non Convertible	22,000	21	23
Brookfield Renewable Partners ULC F/R 09-10-2055	Canada	Corporate - Non Convertible	2,460,000	2,461	2,497
Canadian Core Real Estate LP 4.48% 10-16-2029	Canada	Corporate - Non Convertible	1,680,000	1,680	1,721
Canadian Imperial Bank of Commerce 4.95% 06-29-2027	Canada	Corporate - Non Convertible	10,030,000	10,118	10,356
Canadian Imperial Bank of Commerce F/R 06-20-2031	Canada	Corporate - Non Convertible	5,606,000	5,602	5,715
Canadian Imperial Bank of Commerce F/R 01-16-2034	Canada	Corporate - Non Convertible	2,990,000	2,990	3,155
Canadian Imperial Bank of Commerce F/R 04-02-2035	Canada	Corporate - Non Convertible	5,400,000	5,392	5,488
Canadian Imperial Bank of Commerce 4.38% 10-28-2080	Canada	Corporate - Non Convertible	6,416,000	6,243	6,416
Canadian Imperial Bank of Commerce F/R 07-28-2082	Canada	Corporate - Non Convertible	3,447,000	3,438	3,617
Canadian Imperial Bank of Commerce F/R 04-28-2085	Canada	Corporate - Non Convertible	6,548,000	6,648	6,774
Canadian National Railway Co. 3.50% 06-10-2030	Canada	Corporate - Non Convertible	8,095,000	8,081	8,164
Canadian Natural Resources Ltd. 4.15% 12-15-2031	Canada	Corporate - Non Convertible	340,000	339	345
Canadian Western Bank 5.95% 01-29-2034	Canada	Corporate - Non Convertible	1,650,000	1,651	1,775
Cannabist Co. Holdings Inc. 9.25% 12-31-2028	Canada	Corporate - Convertible	USD 391,000	342	297
Cargojet Inc. 4.60% 06-30-2030	Canada	Corporate - Non Convertible	616,000	616	629
Cenovus Energy Inc. 3.50% 02-07-2028 Callable 2027	Canada	Corporate - Non Convertible	4,770,000	4,678	4,794
Central 1 Credit Union 4.65% 02-07-2028	Canada	Corporate - Non Convertible	2,773,000	2,773	2,858
CGI Inc. 3.99% 09-07-2027	Canada	Corporate - Non Convertible	3,070,000	3,070	3,125
Chartwell Retirement Residences 3.65% 05-06-2028	Canada	Corporate - Non Convertible	2,030,000	2,027	2,046
Choice Properties Real Estate Investment Trust 2.85% 05-21-2027	Canada	Corporate - Non Convertible	313,000	285	313
CIFI Holdings Group Co. Ltd. 6.00% 12-30-2025	China	Corporate - Non Convertible	USD 1,375,000	443	198
Citigroup Inc. F/R 06-03-2035	United States	Corporate - Non Convertible	2,420,000	2,420	2,473
CNH Industrial Capital Canada Ltd. 4.00% 04-11-2028	United States	Corporate - Non Convertible	18,573,000	18,587	18,902
CNH Industrial Capital Canada Ltd. 3.75% 06-05-2029	United States	Corporate - Non Convertible	10,737,000	10,740	10,828
Coast Capital Savings Federal Credit Union 4.52% 10-18-2027	Canada	Corporate - Non Convertible	5,961,000	5,961	6,082
Coast Capital Savings Federal Credit Union 4.15% 02-01-2028	Canada	Corporate - Non Convertible	6,172,000	6,172	6,259
Coast Capital Savings Federal Credit Union F/R 05-02-2033	Canada	Corporate - Non Convertible	4,650,000	4,650	4,968
Coastal Gaslink Pipeline LP 4.69% 09-30-2029	Canada	Corporate - Non Convertible	8,512,000	8,759	8,964
Cogeco Communications Inc. 6.13% 02-27-2029	Canada	Corporate - Non Convertible	11,589,000	11,886	12,037
Cologix Data Centers Issuer LLC 4.94% 01-25-2052	Canada	Mortgage Backed	79,000	79	78
Cologix Data Centers Issuer LLC 5.68% 01-25-2052	Canada	Mortgage Backed	187,000	187	183
CommScope Inc. 4.75% 09-01-2029 144A	United States	Corporate - Non Convertible	USD 137,000	171	190
CommScope Technologies Finance LLC 8.25% 03-01-2027 144A	United States	Corporate - Non Convertible	USD 116,000	152	163
Corus Entertainment Inc. 5.00% 05-11-2028	Canada	Corporate - Non Convertible	641,000	641	207
Country Garden Holdings Co. Ltd. 2.70% 07-12-2026	China	Corporate - Non Convertible	USD 2,375,000	2,021	352
Curaleaf Holdings Inc. 8.00% 12-15-2026	United States	Corporate - Non Convertible	USD 2,925,000	3,750	3,887
Daimler Truck Finance Canada Inc. 3.48% 10-13-2028	Germany	Corporate - Non Convertible	17,153,000	17,151	17,292
Definity Financial Corp. 3.71% 09-12-2030	Canada	Corporate - Non Convertible	1,990,000	1,990	2,002
Dollarama Inc. 3.85% 12-16-2030	Canada	Corporate - Non Convertible	2,070,000	2,070	2,105
Dream Industrial Real Estate Investment Trust 2.06% 06-17-2027	Canada	Corporate - Non Convertible	2,808,000	2,704	2,760
The Empire Life Insurance Co. 5.50% 01-13-2033	Canada	Corporate - Non Convertible	1,870,000	1,870	1,954
The Empire Life Insurance Co. 3.63% 04-17-2081	Canada	Corporate - Non Convertible	500,000	500	471
Enbridge Inc. 3.55% 02-25-2028	Canada	Corporate - Non Convertible	7,643,000	7,641	7,720
Enbridge Inc. 5.37% 09-27-2077 Callable 2027	Canada	Corporate - Non Convertible	7,348,000	6,613	7,517
ENMAX Corp. 3.77% 06-06-2030	Canada	Corporate - Non Convertible	3,000,000	3,000	3,036

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INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2025

SCHEDULE OF INVESTMENTS (cont'd)

as at September 30, 2025

Investment Name	Country	Sector	Par Value/ Number of Shares/Units	Average Cost (\$ '000)	Fair Value (\$ '000)
BONDS (cont'd)					
EPCOR Utilities Inc. 3.37% 10-01-2030	Canada	Corporate - Non Convertible	10,272,000	10,272	10,299
Equitable Bank 3.99% 03-24-2028	Canada	Corporate - Non Convertible	3,260,000	3,241	3,307
Equitable Bank 3.74% 05-05-2028	Canada	Corporate - Non Convertible	7,712,000	7,712	7,775
Fairfax Financial Holdings Ltd. 4.23% 06-14-2029 Callable 2029	Canada	Corporate - Non Convertible	1,500,000	1,520	1,545
Fédération des Caisses Desjardins du Québec 1.59% 09-10-2026	Canada	Corporate - Non Convertible	20,000,000	19,814	19,812
Fédération des Caisses Desjardins du Québec F/R 01-24-2035	Canada	Corporate - Non Convertible	11,290,000	11,290	11,538
First Capital Real Estate Investment Trust 3.45% 03-01-2028	Canada	Corporate - Non Convertible	11,530,000	11,221	11,573
First Capital Real Estate Investment Trust 4.51% 06-03-2030	Canada	Corporate - Non Convertible	1,090,000	1,090	1,125
Ford Credit Canada Co. 4.61% 09-13-2027	United States	Corporate - Non Convertible	6,913,000	6,921	6,999
Ford Credit Canada Co. 4.82% 09-11-2028	United States	Corporate - Non Convertible	1,500,000	1,500	1,520
George Weston Ltd. 4.19% 09-05-2029	Canada	Corporate - Non Convertible	2,140,000	2,142	2,195
Gibson Energy Inc. F/R 12-22-2080	Canada	Corporate - Non Convertible	750,000	753	751
Gibson Energy Inc. F/R 07-12-2083	Canada	Corporate - Non Convertible	550,000	557	606
Gildan Activewear Inc. 3.63% 03-13-2028	Canada	Corporate - Non Convertible	10,007,000	10,007	10,100
Government of Canada 3.25% 09-01-2028	Canada	Federal Government	90,000,000	91,259	91,785
Government of Canada 2.25% 06-01-2029	Canada	Federal Government	15,000,000	14,573	14,818
Government of Canada 3.50% 09-01-2029	Canada	Federal Government	179,910,000	184,784	185,645
Government of Canada 2.50% 12-01-2032	Canada	Federal Government	19,210,000	18,640	18,649
Granite REIT Holdings LP 4.00% 10-04-2029	Canada	Corporate - Non Convertible	2,150,000	2,150	2,181
Hydro One Inc. 4.91% 01-27-2028	Canada	Corporate - Non Convertible	13,292,000	13,411	13,892
Hyundai Capital Canada Inc. 4.49% 07-26-2027	Canada	Corporate - Non Convertible	14,713,000	14,896	15,074
Hyundai Capital Canada Inc. 3.58% 11-22-2027	Canada	Corporate - Non Convertible	12,895,000	12,895	13,010
iA Financial Corp. Inc. F/R 12-05-2034	Canada	Corporate - Non Convertible	1,960,000	1,968	2,002
iA Financial Corp. Inc. F/R 09-30-2084	Canada	Corporate - Non Convertible	22,663,000	22,663	23,801
Intact Financial Corp. F/R 03-31-2081	Canada	Corporate - Non Convertible	8,155,000	7,994	8,141
Inter Pipeline Ltd. F/R 03-26-2079 Callable 2029	Canada	Corporate - Non Convertible	1,510,000	1,510	1,581
Inter Pipeline Ltd. F/R 11-19-2079 Callable 2029	Canada	Corporate - Non Convertible	210,000	202	219
International Bank for Reconstruction and Development 0% 03-31-2027	Supra - National	n/a	USD 5,450,000	6,495	7,157
John Deere Financial Inc. 3.55% 06-12-2029	United States	Corporate - Non Convertible	25,010,000	25,024	25,330
Kaisa Group Holdings 0.00% 12-31-2025	China	Corporate - Convertible	USD 112,947	5	5
Kaisa Group Holdings 0.00% 12-31-2026	China	Corporate - Convertible	USD 150,584	6	6
Kaisa Group Holdings 7.72% 12-28-2027	China	Corporate - Convertible	USD 150,584	8	6
Kaisa Group Holdings 0.00% 12-31-2027	China	Corporate - Convertible	USD 188,240	7	7
Kaisa Group Holdings 6.25% 12-28-2028	China	Corporate - Convertible	USD 225,878	10	8
Kaisa Group Holdings 0.00% 12-31-2028	China	Corporate - Convertible	USD 301,170	11	10
Kaisa Group Holdings 6.50% 12-28-2029	China	Corporate - Convertible	USD 376,464	14	12
Kaisa Group Holdings 0.00% 12-31-2029	China	Corporate - Convertible	USD 301,170	11	11
Kaisa Group Holdings 6.75% 12-28-2030	China	Corporate - Convertible	USD 451,756	11	11
Kaisa Group Holdings 0.00% 12-31-2030	China	Corporate - Convertible	USD 376,464	13	12
Kaisa Group Holdings 7.00% 12-28-2031	China	Corporate - Convertible	USD 677,634	13	15
Kaisa Group Holdings 0.00% 12-31-2031	China	Corporate - Convertible	USD 376,464	12	12
Kaisa Group Holdings 7.25% 12-28-2032	China	Corporate - Convertible	USD 634,926	11	11
Kaisa Group Holdings 0.00% 12-31-2032	China	Corporate - Convertible	USD 710,220	23	22
Knight Health Holdings LLC Term Loan B 1st Lien F/R 12-17-2028	United States	Term Loans	USD 769,670	919	352
Laurentian Bank of Canada 4.19% 01-23-2028	Canada	Corporate - Non Convertible	1,680,000	1,680	1,706
LGI Homes Inc. 8.75% 12-15-2028 144A	United States	Corporate - Non Convertible	USD 110,000	151	161
Loblaw Companies Ltd. 3.56% 12-12-2029	Canada	Corporate - Non Convertible	13,169,000	13,169	13,318
Logan Group Co. Ltd. 4.70% 07-06-2026	China	Corporate - Non Convertible	USD 4,472,000	3,585	538
Manulife Financial Corp. F/R 03-10-2033	Canada	Corporate - Non Convertible	19,861,000	19,808	20,864
Manulife Financial Corp. F/R 12-06-2034	Canada	Corporate - Non Convertible	19,730,000	19,873	20,126
Manulife Financial Corp. F/R 06-19-2082	Canada	Corporate - Non Convertible	10,696,000	10,681	11,211
Municipal Finance Authority of British Columbia 3.30% 10-02-2030	Canada	Provincial Governments	25,371,000	25,756	25,770
National Bank of Canada F/R 08-15-2028	Canada	Corporate - Non Convertible	5,746,000	5,746	5,773
National Bank of Canada 5.02% 02-01-2029	Canada	Corporate - Non Convertible	5,110,000	5,169	5,411
National Bank of Canada F/R 07-17-2029	Canada	Corporate - Non Convertible	2,490,000	2,490	2,515
National Bank of Canada 5.28% 02-15-2034	Canada	Corporate - Non Convertible	1,770,000	1,770	1,868
Pembina Pipeline Corp. 3.31% 02-01-2030 Callable 2029	Canada	Corporate - Non Convertible	4,260,000	4,166	4,241
Pembina Pipeline Corp. F/R 01-25-2081	Canada	Corporate - Non Convertible	4,170,000	4,170	4,153
Prologis Inc. 4.70% 03-01-2029	United States	Corporate - Non Convertible	3,190,000	3,184	3,340
Province of Alberta 2.05% 06-01-2030	Canada	Provincial Governments	122,000,000	114,638	117,653
Province of British Columbia 2.20% 06-18-2030	Canada	Provincial Governments	55,000,000	52,767	53,348
Province of Ontario 4.00% 03-08-2029	Canada	Provincial Governments	21,767,000	22,166	22,688

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SCHEDULE OF INVESTMENTS (cont'd)

as at September 30, 2025

Investment Name	Country	Sector	Par Value/ Number of Shares/Units	Average Cost (\$ 000)	Fair Value (\$ 000)
BONDS (cont'd)					
Province of Ontario 1.35% 12-02-2030	Canada	Provincial Governments	31,950,000	29,401	29,499
Province of Quebec 2.75% 09-01-2028	Canada	Provincial Governments	43,239,000	42,105	43,392
Province of Quebec 2.30% 09-01-2029	Canada	Provincial Governments	127,019,000	122,401	124,862
Reliance LP 2.68% 12-01-2027	Canada	Corporate - Non Convertible	730,000	730	724
Reliance LP 4.39% 04-16-2032	Canada	Corporate - Non Convertible	340,000	339	346
RioCan Real Estate Investment Trust 5.61% 10-06-2027	Canada	Corporate - Non Convertible	3,064,000	3,009	3,202
Royal Bank of Canada 5.34% 06-23-2026	Canada	Corporate - Non Convertible	14,350,000	14,638	14,623
Royal Bank of Canada 4.64% 01-17-2028	Canada	Corporate - Non Convertible	6,270,000	6,270	6,501
Royal Bank of Canada F/R 10-17-2030	Canada	Corporate - Non Convertible	8,720,000	8,720	8,948
Royal Bank of Canada F/R 02-01-2033	Canada	Corporate - Non Convertible	12,100,000	11,859	12,572
Royal Bank of Canada F/R 04-03-2034	Canada	Corporate - Non Convertible	16,867,000	17,620	17,736
Royal Bank of Canada F/R 02-04-2035	Canada	Corporate - Non Convertible	4,620,000	4,620	4,729
Royal Bank of Canada F/R 11-24-2080 Callable 2025	Canada	Corporate - Non Convertible	1,070,000	1,012	1,071
Russel Metals Inc. 4.42% 03-28-2030	Canada	Corporate - Non Convertible	1,980,000	1,980	2,007
Sienna Senior Living Inc. 4.44% 10-17-2029	Canada	Corporate - Non Convertible	640,000	640	659
Sienna Senior Living Inc. 4.11% 08-21-2030	Canada	Corporate - Non Convertible	1,100,000	1,100	1,117
Sino-Ocean Group Holding Ltd. 3.00% 03-27-2033	Hong Kong	Corporate - Non Convertible	USD 1,050,540	131	191
Sino-Ocean Group Holding Ltd. 0% 03-27-2027	Hong Kong	Corporate - Convertible	USD 2,496,813	70	43
Sino-Ocean Group Holding Ltd. 0% 03-27-2027 (REGS)	Hong Kong	Corporate - Convertible	USD 298,046	31	2
SmartStop OP LP 3.91% 06-16-2028	United States	Corporate - Non Convertible	6,865,000	6,865	6,960
South Bow Canadian Infrastructure Holdings Ltd. 4.32% 02-01-2030	Canada	Corporate - Non Convertible	15,970,000	16,129	16,411
Sun Life Financial Inc. F/R 11-21-2033	Canada	Corporate - Non Convertible	16,660,000	15,388	16,510
Superior Plus LP 4.50% 03-15-2029 144A	Canada	Corporate - Non Convertible	USD 590,000	751	793
Toronto Hydro Corp. 3.65% 09-24-2032	Canada	Corporate - Non Convertible	21,627,000	21,624	21,655
The Toronto-Dominion Bank 4.34% 01-27-2026	Canada	Corporate - Non Convertible	15,000,000	15,080	15,077
The Toronto-Dominion Bank 5.42% 07-10-2026	Canada	Corporate - Non Convertible	44,923,000	45,883	45,856
The Toronto-Dominion Bank 4.48% 01-18-2028	Canada	Corporate - Non Convertible	15,638,000	15,622	16,149
The Toronto-Dominion Bank F/R 05-29-2031	Canada	Corporate - Non Convertible	3,670,000	3,670	3,735
The Toronto-Dominion Bank F/R 09-10-2031	Canada	Corporate - Non Convertible	57,180,000	57,318	57,519
The Toronto-Dominion Bank F/R 02-01-2035	Canada	Corporate - Non Convertible	4,050,000	4,050	4,132
Toyota Credit Canada Inc. 3.55% 10-04-2027	Canada	Corporate - Non Convertible	11,406,000	11,386	11,544
Toyota Credit Canada Inc. 3.65% 08-19-2030	Canada	Corporate - Non Convertible	10,289,000	10,285	10,413
TransCanada Trust F/R 05-18-2077 Callable 2027	Canada	Corporate - Non Convertible	14,470,000	14,686	14,589
Trulieve Cannabis Corp. 8.00% 10-06-2026	United States	Corporate - Non Convertible	USD 541,000	668	752
Ventas Canada Finance Ltd. 3.30% 12-01-2031	United States	Corporate - Non Convertible	2,474,000	2,231	2,390
Waste Management of Canada Corp. 2.60% 09-23-2026 Callable 2026	Canada	Corporate - Non Convertible	19,222,000	17,912	19,169
Whitecap Resources Inc. 4.38% 11-01-2029	Canada	Corporate - Non Convertible	6,810,000	6,893	6,996
WSP Global Inc. 4.12% 09-12-2029	Canada	Corporate - Non Convertible	2,210,000	2,212	2,271
Total bonds				1,671,087	1,695,880
EQUITIES					
Brookfield Asset Management Inc. Pfd. Series 46	Canada	Financials	39,839	1,013	1,003
Brookfield Renewable Partners LP Pfd. Series 13	Canada	Utilities	31,384	776	791
Cannabist Co. Holdings Inc. NPV	Canada	Industrials	103,712	-	-
Cannabist Co. Holdings Inc.	Canada	Industrials	103,712	-	-
Emera Inc. Pfd. Series J	Canada	Utilities	4,072	102	102
Emera Inc. Pfd. Series L	Canada	Utilities	650	16	13
Frontera Generation Holdings LLC	United States	Energy	9,686	23	5
Fusion Connect Inc.	United States	Communication Services	5	-	-
iQor US Inc.	United States	Information Technology	5,950	100	14
TransAlta Corp. Perp. Pfd. Series C	Canada	Utilities	9,800	183	225
TransAlta Corp. Pfd. Series A	Canada	Utilities	26,272	325	483
Total equities				2,538	2,636
OPTIONS					
Options purchased (see schedule of options purchased)				897	404
Total options				897	404
EXCHANGE-TRADED FUNDS					
¹ Mackenzie AAA CLO ETF	Canada	Exchange-Traded Funds	61,478	3,086	3,091
Total exchange-traded funds				3,086	3,091

IG MACKENZIE MORTGAGE AND SHORT TERM INCOME FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2025

SCHEDULE OF INVESTMENTS (cont'd)

as at September 30, 2025

Investment Name	Country	Sector	Par Value/ Number of Shares/Units	Average Cost (\$ 000)	Fair Value (\$ 000)
MUTUAL FUNDS					
¹ Mackenzie High Quality Floating Rate Fund Series IG	Canada	Mutual Funds	3,627,681	36,267	35,823
Total mutual funds				<u>36,267</u>	<u>35,823</u>
Transaction costs				(18)	–
Total investments				<u>3,276,480</u>	<u>3,278,980</u>
Derivative instruments (see schedule of derivative instruments)					(23)
Liability for options written (see schedule of options written)					(185)
Cash and cash equivalents					71,893
Other assets less liabilities					(7,109)
Net assets attributable to securityholders					<u>3,343,556</u>

¹ This fund is managed by the Manager or affiliates of the Manager of the Fund.

IG MACKENZIE MORTGAGE AND SHORT TERM INCOME FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2025

SUMMARY OF INVESTMENT PORTFOLIO

SEPTEMBER 30, 2025

PORTFOLIO ALLOCATION	% OF NAV
Bonds	54.9
<i>Bonds</i>	50.7
<i>Long bond futures</i>	4.2
<i>Short bond futures</i>	–
Mortgages	46.1
Mutual funds	1.1
Equities	0.1
<i>Equities</i>	0.1
<i>Purchased options</i>	–
Exchange-traded funds	0.1
Purchased currency options	–
Written currency options	–
Purchased swap options	–
Written swap options	–
Other assets (liabilities)	(0.3)
Cash and cash equivalents	(2.0)

REGIONAL ALLOCATION	% OF NAV
Canada	98.6
United States	3.1
Germany	0.5
China	0.1
Other assets (liabilities)	(0.3)
Cash and cash equivalents	(2.0)

SECTOR ALLOCATION	% OF NAV
Financials	46.1
Corporate bonds	28.7
Federal bonds	13.5
Provincial bonds	12.5
Mutual funds	1.1
Supranational bonds	0.2
Exchange-traded funds	0.1
Utilities	0.1
Other assets (liabilities)	(0.3)
Cash and cash equivalents	(2.0)

MORTGAGES BY YEAR OF MATURITY	% OF NAV
2025	2.7
2026	15.4
2027	7.2
2028	4.1
2029	2.4
2030	14.3

BY INTEREST RATE	% OF NAV
less than 2.5%	13.3
2.5 – 3.0%	3.6
3.0 – 3.5%	1.5
greater than 3.5%	27.7

MARCH 31, 2025

PORTFOLIO ALLOCATION	% OF NAV
Bonds	59.5
<i>Bonds</i>	55.4
<i>Long bond futures</i>	4.1
Mortgages	41.3
Mutual funds	1.1
Other assets (liabilities)	0.2
Equities	0.1
Purchased currency options	–
Cash and cash equivalents	(2.2)

REGIONAL ALLOCATION	% OF NAV
Canada	95.6
United States	5.7
Germany	0.3
China	0.3
Other assets (liabilities)	0.2
United Kingdom	0.1
Cash and cash equivalents	(2.2)

SECTOR ALLOCATION	% OF NAV
Financials	41.3
Corporate bonds	34.7
Provincial bonds	16.1
Federal bonds	8.4
Mutual funds	1.1
Other assets (liabilities)	0.2
Supranational bonds	0.2
Utilities	0.1
Term loans	0.1
Cash and cash equivalents	(2.2)

MORTGAGES BY YEAR OF MATURITY	% OF NAV
2025	7.8
2026	16.8
2027	7.8
2028	3.3
2029	2.5
2030	3.1

BY INTEREST RATE	% OF NAV
less than 2.5%	18.2
2.5 – 3.0%	4.8
3.0 – 3.5%	1.7
greater than 3.5%	16.6

IG MACKENZIE MORTGAGE AND SHORT TERM INCOME FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2025

SCHEDULE OF OPTIONS PURCHASED

as at September 30, 2025

Underlying Interest	Number of Contracts	Option Type	Expiration Date	Strike Price \$	Premium Paid (\$ 000)	Fair Value (\$ 000)
Markit North American Investment Grade CDX Index	21,000,000	Put	Oct. 15, 2025	EUR 312.50	136	3
Markit North American Investment Grade CDX Index	40,925,000	Put	Oct. 15, 2025	USD 57.50	56	4
SPDR S&P 500 ETF Trust	97	Put	Dec. 31, 2025	USD 596.00	77	67
Currency Call Option USD/EUR	31,315,000	Call	Feb. 25, 2026	USD 1.23	410	231
Currency Put Option AUD/USD	17,081,000	Put	Feb. 25, 2026	USD 0.70	218	99
Total options					897	404

SCHEDULE OF OPTIONS WRITTEN

as at September 30, 2025

Underlying Interest	Number of Contracts	Option Type	Expiration Date	Strike Price \$	Premium Received (\$ 000)	Fair Value (\$ 000)
Markit North American Investment Grade CDX Index	(21,000,000)	Written Put	Oct. 15, 2025	EUR 387.50	(58)	(1)
Markit North American Investment Grade CDX Index	(40,925,000)	Written Put	Oct. 15, 2025	USD 80.00	(16)	(1)
Currency Written Call Option USD/EUR	(31,315,000)	Written Call	Feb. 25, 2026	USD 1.26	(294)	(109)
Currency Written Put Option AUD/USD	(17,081,000)	Written Put	Feb. 25, 2026	USD 0.71	(144)	(74)
Total options					(512)	(185)

IG MACKENZIE MORTGAGE AND SHORT TERM INCOME FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2025

SCHEDULE 1 – DISTRIBUTION OF MORTGAGES BY INTEREST RATE

as at September 30, 2025

Rate	Number of loans	Principal value outstanding (\$ 000)	Amortized cost (\$ 000)	Fair Value (\$ 000)
1.251 to 1.500	5	1,261	1,258	1,235
1.501 to 1.750	210	40,320	40,238	39,489
1.751 to 2.000	1,419	197,405	197,277	194,533
2.001 to 2.250	528	108,549	108,380	105,365
2.251 to 2.500	588	108,319	108,158	104,787
2.501 to 2.750	262	57,326	57,141	55,499
2.751 to 3.000	295	66,008	65,712	63,884
3.001 to 3.250	148	39,076	38,702	37,823
3.251 to 3.500	54	12,680	12,541	12,332
3.501 to 3.750	142	36,060	35,931	35,651
3.751 to 4.000	387	99,793	99,717	98,838
4.001 to 4.250	784	215,030	215,547	213,163
4.251 to 4.500	1,096	274,472	276,334	273,194
4.501 to 4.750	524	126,106	127,327	126,122
4.751 to 5.000	190	51,386	51,650	51,492
5.001 to 5.250	149	34,330	34,407	34,496
5.251 to 5.500	131	30,973	31,085	31,297
5.501 to 5.750	116	25,388	25,556	25,923
5.751 to 6.000	89	18,574	18,769	19,025
6.001 to 6.250	38	6,903	6,970	7,054
6.251 to 6.500	28	4,493	4,522	4,537
6.501 to 6.750	20	3,023	3,053	3,056
6.751 to 7.000	14	1,734	1,743	1,747
7.001 to 7.250	4	327	333	333
9.501 to 9.750	3	271	272	271
	7,224	1,559,807	1,562,623	1,541,146

The rates used for determining fair value of NHA and conventional loans as at September 30, 2025 were as follows:

Term	Residential rate	Commercial rate
6 month (open)	9.85%	N/A
6 month (closed)	5.91%	N/A
0 – 12 months (open)	9.75%	N/A
0 – 12 months (closed)	5.91%	3.49%
13 – 24 months	5.21%	3.67%
25 – 36 months	4.56%	3.84%
37 – 48 months	4.71%	4.57%
49 – 60 months	4.51%	5.29%
61 – 84 months	5.84%	N/A
85 – 120 months	6.20%	N/A

SCHEDULE 2 – DISTRIBUTION OF MORTGAGES BY GEOGRAPHIC LOCATION

as at September 30, 2025

	Number of loans	Principal value outstanding (\$ 000)	Fair value (\$ 000)	Percentage total fair value (%)
British Columbia	585	152,541	150,757	9.8
Alberta	683	152,450	150,452	9.8
Saskatchewan	338	63,493	62,606	4.1
Manitoba	445	77,431	76,317	4.9
Ontario	2,455	630,022	622,055	40.4
Quebec	2,215	402,072	398,050	25.8
New Brunswick	158	21,146	20,936	1.4
Nova Scotia	175	28,452	28,165	1.8
Newfoundland and Labrador	106	19,468	19,231	1.2
Prince Edward Island	55	9,614	9,525	0.6
Yukon / Territories	9	3,118	3,052	0.2
	7,224	1,559,807	1,541,146	100.0

IG MACKENZIE MORTGAGE AND SHORT TERM INCOME FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2025

SCHEDULE 3 – DISTRIBUTION OF MORTGAGES BY TYPE OF CONSTRUCTION

as at September 30, 2025

	Number of loans	Principal value outstanding (\$ 000)	Amortized cost (\$ 000)	Fair Value (\$ 000)	Percentage total fair value (%)
Single Family Dwelling	6,297	1,368,628	1,371,032	1,351,851	87.7
Condominiums	924	190,648	191,060	188,781	12.3
Multi-unit Dwelling up to 8 units	3	531	531	514	–
Multi-unit Dwelling over 8 units	–	–	–	–	–
	7,224	1,559,807	1,562,623	1,541,146	100.0

SCHEDULE 4 – DISTRIBUTION OF MORTGAGES BY YEAR OF MATURITY

as at September 30, 2025

	Number of loans	Principal value outstanding (\$ 000)	Fair Value (\$ 000)	Percentage total fair value (%)
2025	672	92,108	91,597	5.9
2026	2,824	527,422	516,298	33.5
2027	1,005	243,796	238,157	15.5
2028	572	136,403	137,280	8.9
2029	294	77,894	78,098	5.1
2030	1,857	482,184	479,716	31.1
	7,224	1,559,807	1,541,146	100.0

SCHEDULE 5 – DISTRIBUTION OF MORTGAGES BY TYPE OF INSURANCE

as at September 30, 2025

	Number of loans	Principal value outstanding (\$ 000)	Fair Value (\$ 000)	Percentage total fair value (%)
Insured by National Housing Act (Canada)	634	55,802	55,111	3.6
Insured by a Private Insurer	361	48,991	48,422	3.1
Uninsured – Conventional	6,229	1,455,014	1,437,613	93.3
	7,224	1,559,807	1,541,146	100.0

IG MACKENZIE MORTGAGE AND SHORT TERM INCOME FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2025

SCHEDULE OF DERIVATIVE INSTRUMENTS

as at September 30, 2025

Schedule of Futures Contracts

Type of Contract	Number of Contracts	Expiration Date	Average Rate of Contracts (\$)	Notional Value* (\$ 000)	Unrealized Gains (\$ 000)	Unrealized Losses (\$ 000)
MSE Canadian 2 Year Bond Future	1,107	Dec. 18, 2025	105.86 CAD	117,198	15	–
MSE Canadian 5 Year Bond Future	200	Dec. 18, 2025	115.31 CAD	23,064	2	–
CBOT U.S. 2 Year Treasury Note	(677)	Dec. 31, 2025	104.26 USD	(196,334)	139	–
Total futures contracts				(56,072)	156	–

* Notional value represents the exposure to the underlying instruments as at September 30, 2025

Schedule of Forward Currency Contracts

Counterparty Credit Rating	Currency to be Received (\$ 000)	Currency to be Delivered (\$ 000)	Settlement Date	Contract Cost (\$ 000)	Current Fair Value (\$ 000)	Unrealized Gains (\$ 000)	Unrealized Losses (\$ 000)
A	448 CAD	(331) USD	Oct. 3, 2025	(448)	(461)	–	(13)
A	331 USD	(460) CAD	Oct. 3, 2025	460	460	–	–
A	227 CAD	(166) USD	Oct. 10, 2025	(227)	(231)	–	(4)
A	2,643 CAD	(1,924) USD	Oct. 17, 2025	(2,643)	(2,675)	–	(32)
A	389 CAD	(279) USD	Oct. 17, 2025	(389)	(388)	1	–
A	2,613 CAD	(1,908) USD	Oct. 24, 2025	(2,613)	(2,652)	–	(39)
A	6,855 CAD	(4,983) USD	Oct. 31, 2025	(6,855)	(6,925)	–	(70)
A	2,339 CAD	(1,705) USD	Jan. 23, 2026	(2,339)	(2,361)	–	(22)
A	457 CAD	(331) USD	Feb. 27, 2026	(457)	(457)	–	–
Total forward currency contracts						1	(180)

Total Derivative assets

157

Total Derivative liabilities

(180)

IG MACKENZIE MORTGAGE AND SHORT TERM INCOME FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2025

NOTES TO FINANCIAL STATEMENTS

1. Organization of the Fund, Fiscal Periods and General Information

The Fund is organized as an open-ended mutual fund trust established under the laws of the Province of Manitoba and governed by a Declaration of Trust as amended and restated from time to time. The address of the Fund's registered office is 447 Portage Avenue, Winnipeg, Manitoba, Canada. The Fund is authorized to issue an unlimited number of units (referred to as "security" or "securities") of multiple series. If issued, Series P and S securities are only available for purchase by other IG Wealth Management Funds or other qualified investors. All series generally share in the operations of the Fund on a pro rata basis except for items that can be specifically attributed to one or more series. Distributions for each series may vary, partly due to the differences in expenses between the series.

The information provided in these financial statements and notes thereto is for the six-month periods ended or as at September 30, 2025 and 2024. In the year a Fund or series is established or reinstated, 'period' represents the period from inception or reinstatement. Where a series of the Fund was terminated during either period, the information for the series is provided up to close of business on the termination date. Refer to Note 10 (a) for the formation date of the Fund and the inception date of each series.

I.G. Investment Management, Ltd. is the Manager and Trustee of the Fund. Effective July 1, 2025, the Fund is distributed by IG Wealth Management Inc. (the "Distributor"). Prior to this date, the Fund was distributed by Investors Group Financial Services Inc. and Investors Group Securities Inc., which merged together effective July 1, 2025, to form the Distributor. Mackenzie Financial Corporation ("Mackenzie") has been engaged as sub-advisor to provide investment services to the Fund. These companies are, indirectly, wholly owned subsidiaries of IGM Financial Inc.

IGM Financial Inc. is a subsidiary of Power Corporation of Canada. Companies related to Power Corporation of Canada are therefore considered affiliates of the Trustee, the Manager and the Distributor. The Fund may invest in certain securities within the Power Group of Companies, subject to certain governance criteria, and these holdings, as at the end of the period, have been identified on the Schedule of Investments for the Fund. Any transactions during the periods, other than transactions with unlisted open-ended mutual funds, were executed through market intermediaries and under prevailing market terms and conditions.

2. Basis of Preparation and Presentation

These unaudited interim financial statements ("financial statements") have been prepared in accordance with IFRS Accounting Standards ("IFRS"), including International Accounting Standard ("IAS") 34, *Interim Financial Reporting*, as issued by the International Accounting Standards Board ("IASB"). These financial statements were prepared using the same accounting policies, critical accounting judgements and estimates as applied in the Fund's most recent audited annual financial statements for the year ended March 31, 2025. A summary of the Fund's material accounting policies under IFRS is presented in Note 3.

These financial statements are presented in Canadian dollars, which is the Fund's functional and presentation currency, and rounded to the nearest thousand unless otherwise indicated. These financial statements are prepared on a going concern basis using the historical cost basis, except for financial instruments that have been measured at fair value.

These financial statements were authorized for issue by the Board of Directors of the Manager on November 10, 2025.

3. Material Accounting Policies

(a) Financial instruments

Financial instruments include financial assets and liabilities such as debt and equity securities, investment funds and derivatives. The Fund classifies and measures financial instruments in accordance with IFRS 9, *Financial Instruments* ("IFRS 9"). Upon initial recognition, financial instruments are classified as fair value through profit or loss ("FVTPL"). All financial assets and liabilities are recognized in the Statement of Financial Position when the Fund becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Fund has transferred substantially all risks and rewards of ownership. Financial liabilities are derecognized when the obligation is discharged, cancelled and expires. Investment purchase and sale transactions are recorded as of the trade date.

Financial instruments are subsequently measured at FVTPL with changes in fair value recognized in the Statement of Comprehensive Income – Other changes in fair value of investments and other net assets – Net unrealized gain (loss). The cost of investments, other than mortgages, is determined on a weighted average cost basis. The cost of mortgages is amortized cost.

Amortized cost is the principal cost of mortgages purchased net of amortized premium or discount. Realized and unrealized gains and losses on investments are calculated based on the weighted average cost of investments and exclude commissions and other portfolio transaction costs, which are separately reported in the Statement of Comprehensive Income – Commissions and other portfolio transaction costs.

Gains and losses arising from changes in the fair value of the investments are included in the Statement of Comprehensive Income for the period in which they arise.

The Fund accounts for its holdings in unlisted open-ended investment funds, private funds ("Underlying Funds") and Exchange-Traded Funds ("ETFs"), if any, at FVTPL. For private funds, the Manager will rely on the valuations provided by the managers of the private funds, which represents the Fund's proportionate share of the net assets of these private funds. The Fund's investment in Underlying Funds and ETFs, if any, is presented in the Schedule of Investments at fair value which represents the Fund's maximum exposure on these investments.

The Fund's redeemable securities contain multiple dissimilar contractual obligations and entitle securityholders to the right to redeem their interest in the Fund for cash equal to their proportionate share of the net asset value of the Fund and therefore meet the criteria for classification as financial liabilities under IAS 32, *Financial Instruments: Presentation*. The Fund's obligation for net assets attributable to securityholders is presented at the redemption amount.

IAS 7, *Statement of Cash Flows*, requires disclosures related to changes in liabilities and assets, such as the securities of the Fund, arising from financing activities. Changes in securities of the Fund, including both changes from cash flows and non-cash changes, are included in the Statement of Changes in Financial Position. Any changes in the securities not settled in cash as at the end of the period are presented as either Accounts receivable for securities issued or Accounts payable for securities redeemed in the Statement of Financial Position. These accounts receivable and accounts payable amounts typically settle shortly after period-end.

IG MACKENZIE MORTGAGE AND SHORT TERM INCOME FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2025

NOTES TO FINANCIAL STATEMENTS

3. Material Accounting Policies (cont'd)

(b) Fair value measurement

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

All mortgages are recorded at FVTPL, which is the principal amount required to produce a yield to maturity equal to or not less than one-quarter of one percent below the interest rate at which major lending institutions are making commitments on the date of valuation. All mortgages are subject to pre-payment with appropriate penalties being remitted. The Manager retains credit risk on all mortgages sold to the Fund and therefore mortgage valuations do not include expected credit losses.

Investments listed on a public securities exchange or traded on an over-the-counter market, including ETFs, are valued on the basis of the last traded market price or closing price recorded by the security exchange on which the security is principally traded, where this price falls within the quoted bid-ask spread for the investment. In circumstances where this price is not within the bid-ask spread, Mackenzie determines the point within the bid-ask spread that is most representative of fair value based on the specific facts and circumstances. Mutual fund securities of an underlying fund are valued on a business day at the price calculated by the manager of such underlying fund in accordance with the constating documents of such underlying fund. Unlisted or non-exchange traded investments, or investments where a last sale or close price is unavailable or investments for which market quotations are, in Mackenzie's opinion, inaccurate, unreliable, or not reflective of all available material information, are valued at their fair value as determined by Mackenzie using appropriate and accepted industry valuation techniques including valuation models. The fair value determined using valuation models requires the use of inputs and assumptions based on observable market data including volatility and other applicable rates or prices. In limited circumstances, the fair value may be determined using valuation techniques that are not supported by observable market data.

Cash and cash equivalents which includes cash on deposit with financial institutions and short-term investments that are readily convertible to cash, are subject to an insignificant risk of changes in value, and are used by the Fund in the management of short-term commitments. Cash and cash equivalents and short-term investments are reported at fair value which closely approximates their amortized cost due to their nature of being highly liquid and having short terms to maturity. Bank overdraft positions are presented under current liabilities as bank indebtedness in the Statement of Financial Position. Short-term investments that are not considered cash equivalents are separately disclosed in the Schedule of Investments.

The Fund may use derivatives (such as written options, futures, forward contracts, swaps or customized derivatives) to hedge against losses caused by changes in securities prices, interest rates or exchange rates. The Fund may also use derivatives for non-hedging purposes in order to invest indirectly in securities or financial markets, to gain exposure to other currencies, to seek to generate additional income, and/or for any other purpose considered appropriate by the Fund's portfolio manager(s), provided that the use of the derivative is consistent with the Fund's investment objectives. Any use of derivatives will comply with Canadian mutual fund laws, subject to the regulatory exemptions granted to the Fund, as applicable.

Valuations of derivative instruments are carried out daily, using normal exchange reporting sources for exchange-traded derivatives and specific broker enquiry for over-the-counter derivatives.

The value of forward contracts is the gain or loss that would be realized if, on the valuation date, the positions were to be closed out. The change in value of forward contracts is included in the Statement of Comprehensive Income – Other changes in fair value of investments and other net assets – Net unrealized gain (loss).

The daily fluctuation of futures contracts or swaps, along with daily cash settlements made by the Fund, where applicable, are equal to the change in unrealized gains or losses that are best determined at the settlement price. These unrealized gains or losses are recorded and reported as such until the Fund closes out the contract or the contract expires. Margin paid or deposited in respect of futures contracts or swaps is reflected as a receivable in the Statement of Financial Position – Margin on derivatives. Any change in the variation margin requirement is settled daily.

Premiums paid for purchasing an option are recorded in the Statement of Financial Position – Investments at fair value.

Premiums received from writing options are included in the Statement of Financial Position as a liability and subsequently adjusted daily to fair value. If a written option expires unexercised, the premium received is recognized as a realized gain. If a written call option is exercised, the difference between the proceeds of the sale plus the value of the premium, and the cost of the security is recognized as a realized gain or loss. If a written put option is exercised, the cost of the security acquired is the exercise price of the option less the premium received.

Refer to the Schedule of Derivative Instruments and Schedule of Options Purchased/Written, as applicable, included in the Schedule of Investments for a listing of derivative and options positions as at September 30, 2025.

The Fund categorizes the fair value of its assets and liabilities into three categories, which are differentiated based on the observable nature of the inputs and extent of estimation required.

Level 1 – 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. Examples of Level 2 valuations include quoted prices for similar securities, quoted prices on inactive markets and from recognized investment dealers, and the application of factors derived from observable data to non-North American quoted prices in order to estimate the impact of differences in market closing times.

Financial instruments classified as Level 2 investments are valued based on the prices provided by an independent reputable pricing services company who prices the securities based on recent transactions and quotes received from market participants and through incorporating observable market data and using standard market convention practices. Short-term investments classified as Level 2 investments are valued based on amortized cost plus accrued interest which closely approximates fair value.

The estimated fair values for these securities may be different from the values that would have been used had a ready market for the investment existed; and

Level 3 – Inputs that are not based on observable market data.

The inputs are considered observable if they are developed using market data, such as publicly available information about actual events or transactions, and that reflect the assumption that market participants would use when pricing the asset or liability.

See Note 10 for the fair value classifications of the Fund.

IG MACKENZIE MORTGAGE AND SHORT TERM INCOME FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2025

NOTES TO FINANCIAL STATEMENTS

3. Material Accounting Policies (cont'd)

(c) Income recognition

Interest income for distribution purposes represents the coupon interest received by the Fund which is accounted for on an accrual basis. The Fund does not amortize premiums paid or discounts received on the purchase of fixed income securities except for zero coupon bonds, which are amortized on a straight-line basis. Dividends are accrued as of the ex-dividend date. Unrealized gains or losses on investments, realized gains or losses on the sale of investments, including foreign exchange gains or losses on such investments, are calculated on a weighted average cost basis. Distributions received from an underlying fund are included in Interest income for distribution purposes, Dividends income, Net realized gains (losses) or Fee rebate income, as appropriate, on the ex-dividend or distribution date.

Income, realized gains (losses) and unrealized gains (losses) are allocated daily among the series on a pro-rata basis.

(d) Commissions and other portfolio transaction costs

Commissions and other portfolio transaction costs are costs incurred to acquire, issue or dispose of financial assets or liabilities. They include fees and commissions paid to agents, exchanges, brokers, dealers and other intermediaries. The total brokerage commissions incurred by the Fund in connection with portfolio transactions for the periods, together with other transaction charges, is disclosed in the Statement of Comprehensive Income. Brokerage business is allocated to brokers based on the best net result for the Fund. Subject to this criteria, commissions may be paid to brokerage firms which provide (or pay for) certain services, other than order execution, which may include investment research, analysis and reports, and databases or software in support of these services. Where applicable and ascertainable, the value of these services generated during the periods is disclosed in Note 10. The value of certain proprietary services provided by brokers cannot be reasonably estimated.

(e) Securities lending and repurchase transactions

The Fund is permitted to enter into securities lending, repurchase and reverse repurchase transactions as set out in the Fund's Simplified Prospectus. These transactions involve the temporary exchange of securities for collateral with a commitment to redeliver the same securities on a future date.

Income is earned from these transactions in the form of fees paid by the counterparty and, in certain circumstances, interest paid on cash or securities held as collateral. Income earned from these transactions is included in the Statement of Comprehensive Income and recognized when earned. Securities lending transactions are administered by The Bank of New York Mellon (the "Securities Lending Agent"). The value of cash or securities held as collateral must be at least 102% of the fair value of the securities loaned, sold or purchased.

Note 10 summarizes the details of securities loaned and collateral received as at the end of period, as well as a reconciliation of securities lending income during the period, if applicable. Collateral received is comprised of debt obligations of the Government of Canada and other countries, Canadian provincial and municipal governments, and financial institutions.

(f) Offsetting

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position only when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously. In the normal course of business, the Fund enters into various master netting agreements or similar agreements that do not meet the criteria for offsetting in the Statement of Financial Position but still allow for the related amounts to be set off in certain circumstances, such as bankruptcy or termination of the contracts. Note 10 summarizes the details of such offsetting, if applicable, subject to master netting arrangements or other similar agreements and the net impact to the Statement of Financial Position if all such rights were exercised.

Income and expenses are not offset in the Statement of Comprehensive Income unless required or permitted to by an accounting standard, as specifically disclosed in the IFRS policies of the Fund.

(g) Currency

The functional and presentation currency of the Fund is Canadian dollars. Foreign currency purchases and sales of investments and foreign currency dividend and interest income and expenses are translated to Canadian dollars at the rate of exchange prevailing at the time of the transactions.

Foreign exchange gains (losses) on purchases and sales of foreign currencies are included in the Statement of Comprehensive Income – Other changes in fair value of investments and other net assets – Net realized gain (loss).

The fair value of investments and other assets and liabilities, denominated in foreign currencies, are translated to Canadian dollars at the rate of exchange prevailing on each business day.

(h) Net assets attributable to securityholders per security

Net assets attributable to securityholders per security is computed by dividing the net assets attributable to securityholders of a series of securities on a business day by the total number of securities of the series outstanding on that day.

(i) Net asset value per security

The daily Net Asset Value ("NAV") of an investment fund may be calculated without reference to IFRS as per the Canadian Securities Administrators' ("CSA") regulations. The difference between NAV and Net assets attributable to securityholders (as reported in the financial statements), if any, is mainly due to differences in fair value of investments and other financial assets and liabilities and is disclosed in Note 10, if applicable.

(j) Increase (decrease) in net assets attributable to securityholders from operations per security

Increase (decrease) in net assets attributable to securityholders from operations per security in the Statement of Comprehensive Income represents the increase (decrease) in net assets attributable to securityholders from operations for the period, divided by the weighted average number of securities outstanding during the period.

(k) Mergers

In a fund merger, the Fund acquires all of the assets and assumes all of the liabilities of the terminating fund at fair value in exchange for securities of the Fund on the effective date of the merger.

IG MACKENZIE MORTGAGE AND SHORT TERM INCOME FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2025

NOTES TO FINANCIAL STATEMENTS

3. Material Accounting Policies (cont'd)

(l) Future accounting changes

i) Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7)

In May 2024, the International Accounting Standards Board (“IASB”) issued amendments to IFRS 9 and IFRS 7, *Financial Instruments: Disclosures* (“IFRS 7”). These amendments relate to classification of financial assets and accounting for settlement by electronic payments in the context of the classification and measurement requirements of IFRS 9. The potential impact may include, but is not limited to, a change in timing of recognition and derecognition of financial instruments in certain situations in which settlement takes more than a day. These amendments also introduced an accounting policy choice to derecognize financial liabilities settled using an electronic payment system before the settlement date. These amendments are effective for annual periods beginning on or after January 1, 2026, with early adoption permitted.

ii) IFRS 18, *Presentation and Disclosure in Financial Statements* (“IFRS 18”)

In April 2024, the IASB issued IFRS 18. IFRS 18, which replaces IAS 1, *Presentation of financial statements*, introduces new requirements to present specified categories and defined subtotals in the statement of comprehensive income, new disclosure for management-defined performance measures, and additional requirements for aggregation and disaggregation of information. The standard is effective for annual periods beginning on or after January 1, 2027, with early adoption permitted.

The Manager is currently assessing the impact of the adoption of the above standards. No other new standards, amendments and interpretations are expected to have a material effect on the financial statements of the Fund.

4. Critical Accounting Estimates and Judgments

The preparation of these financial statements requires management to make estimates and assumptions that primarily affect the valuation of investments. Estimates and assumptions are reviewed on an ongoing basis. Actual results may differ from these estimates.

The following discusses the most significant accounting judgments and estimates made in preparing the financial statements:

Use of Estimates

Fair value of securities not quoted in an active market

The Fund may hold financial instruments that are not quoted in active markets and are valued using valuation techniques that make use of observable data, to the extent practicable. Various valuation techniques are utilized, depending on a number of factors, including comparison with similar instruments for which observable market prices exist and recent arm's length market transactions. Key inputs and assumptions used are company specific and may include estimated discount rates and expected price volatilities. Changes in key inputs, could affect the reported fair value of these financial instruments held by the Fund.

Use of Judgements

Classification and measurement of investments

In classifying and measuring financial instruments held by the Fund, the Manager is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9. The Manager has assessed the Fund's business model, the manner in which all financial instruments are managed and performance evaluated as a group on a fair value basis, and concluded that FVTPL in accordance with IFRS 9 provides the most appropriate measurement and presentation of the Fund's financial instruments.

Functional currency

The Fund's functional and presentation currency is the Canadian dollar, which is the currency considered to best represent the economic effects of the Fund's underlying transactions, events and conditions taking into consideration the manner in which securities are issued and redeemed and how returns and performance by the Fund are measured.

Interest in unconsolidated structured entities

In determining whether an Underlying Fund or an ETF in which the Fund invests, but that it does not consolidate, meets the definition of a structured entity, the Manager is required to make significant judgments about whether these underlying funds have the typical characteristics of a structured entity. These Underlying Funds do meet the definition of a structured entity because:

- I. The voting rights in the Underlying Funds are not dominant factors in deciding who controls them;
- II. the activities of the Underlying Funds are restricted by their offering documents; and
- III. the Underlying Funds have narrow and well-defined investment objectives to provide investment opportunities for investors while passing on the associated risks and rewards.

As a result, such investments are accounted for at FVTPL. Note 10 summarizes the details of the Fund's interest in these Underlying Funds, if applicable.

5. Income Taxes

The Fund qualifies as a mutual fund trust under the provisions of the Income Tax Act (Canada) and, accordingly, is subject to tax on its income including net realized capital gains in the taxation year, which is not paid or payable to its securityholders as at the end of the taxation year. The Fund maintains a December year-end for tax purposes. The Fund may be subject to withholding taxes on foreign income. In general, the Fund treats withholding tax as a charge against income for tax purposes. The Fund will distribute sufficient amounts from net income for tax purposes, as required, so that the Fund will not pay income taxes other than refundable tax on capital gains, if applicable.

Losses of the Fund cannot be allocated to investors and are retained in the Fund for use in future years. Non-capital losses may be carried forward up to 20 years to reduce taxable income and realized capital gains of future years. Capital losses may be carried forward indefinitely to reduce future realized capital gains. Refer to Note 10 for the Fund's loss carryforwards.

IG MACKENZIE MORTGAGE AND SHORT TERM INCOME FUND

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2025

NOTES TO FINANCIAL STATEMENTS

6. Management Fees and Other Expenses

- (a) Each series of the Fund will incur expenses that can be specifically attributed to that series. Common expenses of the Fund are allocated across the series of the Fund on a pro rata basis.
- (b) The Manager provides or arranges for the provision of investment and advisory services for a management fee. See Note 10 for the annual rates paid (as a percent of average assets) by the Fund.
- (c) The Fund pays the Manager an administration fee and in return the Manager will bear the operating expenses of the Fund, other than certain specified costs. See Note 10 for the annual rates paid (as a percent of average assets) by the Fund.
Other Fund costs include taxes (including but not limited to GST/HST and income tax), transaction costs related to the purchase and sale of investments and derivatives, interest and borrowing costs, and Independent Review Committee (“IRC”) costs.
- (d) The Fund may pay the Distributor a service fee to compensate it for providing or arranging for the provision of services to the Fund. A portion of the service fee related to Series C and Tc is rebated by the Distributor to the Fund on a quarterly basis as outlined in the Fund’s Prospectus.
The rebate is distributed as a capital distribution to eligible securityholders and is reinvested in additional Series C or Tc securities of the Fund or another distributing fund held by the securityholder. See Note 10 for the annual rates paid (as a percent of average assets) by the Fund.
- (e) The Trustee is responsible for overall direction and management of the affairs of the Fund. See Note 10 for the annual rates paid (as a percent of average assets) to the Trustee by the Fund.
- (f) The Fund pays the Manager a mortgage administration and servicing fee of up to 0.15% annually, applicable to the value of mortgages held by the Fund that are originated and serviced by the Manager.
- (g) An advisory fee is charged by the Distributor for investment advice and administrative services related to Series U and Tu, if issued. The advisory fee is payable monthly directly by investors in Series U and Tu, and not by the Fund.
- (h) GST/HST paid by the Fund on its expenses is not recoverable. In these financial statements, reference to GST/HST includes QST (Quebec sales tax), as applicable.
- (i) Other expenses are comprised of interest and borrowing charges and other miscellaneous expenses.
- (j) The Manager may, at its discretion, pay certain expenses of the Fund so that the Fund’s performance remains competitive; however, there is no assurance that this will occur in the future. Any expenses absorbed by the Manager during the periods have been reported in the Statements of Comprehensive Income.
- (k) Investment, if any, in Underlying Funds will be in series that do not pay fees. The ETFs into which the Fund may invest may have their own fees and expenses which reduce the value of the ETF. Generally, the Manager has determined that fees paid by an ETF are not duplicative with the fees paid by the Fund. However, where the ETF is managed by Mackenzie, the ETF may distribute a fee rebate to the Fund to offset fees paid within the ETF. There is no assurance that these distributions will continue in the future.
- (l) Agreements between the individual members of the Fund’s IRC and the Trustee, on behalf of the Fund, provides for the indemnification of each IRC member by the Fund from and against liabilities and costs in respect of any action or suit against the member by reason of being or having been a member of the IRC, provided that the member acted honestly and in good faith with a view to the best interest of the Fund, or, in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, that they had reasonable grounds for believing that his/her conduct was lawful. No claims with respect to such occurrences have been made and, as such, no amount has been recorded in these financial statements with respect to these indemnifications.

7. Fund’s Capital

The capital of the Fund, which is comprised of the net assets attributable to securityholders, is divided into different series with each series having an unlimited number of securities. The securities outstanding for the Fund as at September 30, 2025 and 2024 and securities issued, reinvested and redeemed for the periods are presented in the Statement of Changes in Financial Position. The Manager manages the capital of the Fund in accordance with the investment objectives as discussed in Note 10.

8. Financial Instruments Risk

(a) Risk management

The Fund’s investment activities expose it to a variety of financial risks, as defined in IFRS 7. The Fund’s exposure to financial risks is concentrated in its investments, which are presented in the Schedule of Investments, as at September 30, 2025, grouped by asset type, with geographic and sector information.

The Manager seeks to minimize potential adverse effects of financial instrument risks on the Fund’s performance by employing professional, experienced portfolio advisors, daily monitoring of the Fund’s positions and market events, and diversifying the investment portfolio within the constraints of the investment objective. To assist in managing risk, the Manager also uses internal guidelines that identify the target exposures for each type of risk, maintains a governance structure that oversees the Fund’s investment activities and monitors compliance with the Fund’s stated investment strategy, internal guidelines and securities regulations.

(b) Liquidity risk

Liquidity risk arises when the Fund encounters difficulty in meeting its financial obligations as they become due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable securities. In order to monitor the liquidity of its assets, the Fund utilizes a liquidity risk management program that calculates the number of days to convert the investments held by the Fund into cash using a multi-day liquidation approach. This liquidity risk analysis assesses the Fund’s liquidity against predetermined minimum liquidity percentages, established for different time periods, and is monitored quarterly. In addition, the Fund has the ability to borrow up to 5% of its net assets for the purposes of funding redemptions. In order to comply with securities regulations, the Fund must maintain at least 85% of its assets in liquid investments (i.e., investments that can be readily sold).

IG MACKENZIE MORTGAGE AND SHORT TERM INCOME FUND

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NOTES TO FINANCIAL STATEMENTS

8. Financial Instruments Risk (cont'd)

(c) Currency risk

Currency risk is the risk that financial instruments which are denominated or exchanged in a currency other than the Canadian dollar, which is the Fund's functional currency, will fluctuate due to changes in exchange rates. Generally, foreign denominated investments increase in value when the value of the Canadian dollar (relative to foreign currencies) falls. Conversely, when the value of the Canadian dollar rises relative to foreign currencies, the values of foreign denominated investments fall.

Note 10 indicates the foreign currencies, if applicable, to which the Fund had significant exposure, including both monetary and non-monetary financial instruments, and illustrates the potential impact, in Canadian dollar terms, to the Fund's net assets had the Canadian dollar strengthened or weakened by 5% relative to all foreign currencies, all other variables held constant. In practice, the actual trading results may differ and the difference could be material.

The Fund's sensitivity to currency risk illustrated in Note 10 includes potential indirect impacts from Underlying Funds and ETFs in which the Fund invests, and/or derivative contracts including forward currency contracts. Other financial assets and liabilities (including dividends and interest receivable, and receivables/payables for investments sold/purchased) that are denominated in foreign currencies do not expose the Fund to significant currency risk.

(d) Interest rate risk

Interest rate risk arises on interest-bearing financial instruments. The Fund is exposed to the risk that the value of interest-bearing financial instruments will fluctuate due to changes in the prevailing levels of market interest rates. Generally, these securities increase in value when interest rates fall and decrease in value when interest rates rise.

If significant, Note 10 summarizes the Fund's interest-bearing financial instruments by remaining term to maturity and illustrates the potential impact to the Fund's net assets had prevailing interest rates increased or decreased by 1%, assuming a parallel shift in the yield curve, all other variables held constant.

The Fund's sensitivity to interest rate changes was estimated using weighted average duration, and a valuation model that estimates the impact to the fair value of mortgages based on changes in prevailing interest rates in a manner consistent with the valuation policy for mortgages. In practice, the actual trading results may differ and the difference could be material.

The Fund's sensitivity to interest rate risk illustrated in Note 10 includes potential indirect impacts from Underlying Funds and ETFs in which the Fund invests, and/or derivative contracts. Cash and cash equivalents and other money market instruments are short term in nature and are not generally subject to significant amounts of interest rate risk.

(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 Fund.

Note 10 summarizes the Fund's exposure, if applicable and significant, to credit risk. If presented, credit ratings and rating categories are based on ratings issued by a designated rating organization. Indirect exposure to credit risk may arise from fixed-income securities, such as bonds, held by Underlying Funds and ETFs, if any. The fair value of debt securities includes consideration of the creditworthiness of the debt issuer.

To minimize the possibility of settlement default, securities are exchanged for payment simultaneously, where market practices permit, through the facilities of a central depository and/or clearing agency where customary. The carrying amount of investments and other assets represents the maximum credit risk exposure as at the date of the Statement of Financial Position.

The Fund may enter into securities lending transactions with counterparties and it may also be exposed to credit risk from the counterparties to the derivative instruments it may use. Credit risk associated with these transactions is considered minimal as all counterparties have a rating equivalent to a designated rating organization's credit rating of not less than A-1 (low) on their short-term debt and of A on their long-term debt, as applicable.

Legislation requires that any mortgage loan with a loan to value ratio greater than 80% at time of funding must be insured by an approved mortgage default insurance provider. The Manager may also, on a case by case basis, utilize mortgage default insurance to mitigate any unique or unusual risk associated with the nature or the location of property pledged as security. In either case, the mortgage default insurance provides coverage on any losses incurred in the event of credit default resulting from the enforcement and disposition of the property. Schedule 6 to the Schedule of Investments provides information on the type of mortgage insurance in place and the value. As of September 30, 2025 and 2024 there were no mortgages in arrears by 90 days or more. Due to the quality of mortgages held and the retention of credit risk by the Manager on all mortgages sold to the Fund, defaults and other credit losses are not considered a significant risk to the Fund.

(f) Other price risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk), whether caused by factors specific to an individual investment, its issuer or other factors affecting all instruments traded in a market or market segment. All investments present a risk of loss of capital. The Manager manages this risk through a careful selection of securities and other financial instruments within the parameters of the investment strategies. Except for certain derivative contracts, the maximum risk resulting from financial instruments is equivalent to their fair value. The maximum risk of loss on certain derivative contracts such as forwards, swaps and futures contracts is equal to their notional values. In the case of written call (put) options and futures contracts sold short, the maximum loss to the Fund increases, theoretically without limit, as the fair value of the underlying security increases (decreases). However, these instruments are generally used within the overall investment management process to manage the risk from the underlying investments and do not typically increase the overall risk of loss to the Fund. This risk is mitigated by ensuring that the Fund holds a combination of the underlying interest, cash cover and/or margin that is equal to or greater than the value of the derivative contract.

Other price risk typically arises from exposure to equity and commodity securities. If significant, Note 10 illustrates the potential increase or decrease in the Fund's net assets, had the prices on the respective exchanges for these securities increased or decreased by 10%, all other variables held constant. In practice, the actual trading results may differ and the difference could be material.

The Fund's sensitivity to other price risk illustrated in Note 10 includes potential indirect impacts from Underlying Funds and ETFs in which the Fund invests, and/or derivative contracts.

IG MACKENZIE MORTGAGE AND SHORT TERM INCOME FUND

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NOTES TO FINANCIAL STATEMENTS

8. Financial Instruments Risk (cont'd)

(f) Other price risk (cont'd)

In addition, if the Fund invests in IG Mackenzie Real Property Fund, the Fund is exposed to the risk that the value of IG Mackenzie Real Property Fund could change as a result of changes in the valuation of real properties. Valuations of real properties are sensitive to changes in capitalization rates. Note 10 also indicates the Fund's sensitivity, if any, to a 25 basis point change in the weighted average capitalization rates.

(g) Underlying funds

The Fund may invest in underlying funds and may be indirectly exposed to currency risk, interest rate risk, other price risk and credit risk from fluctuations in the value of financial instruments held by the underlying funds. Note 10 summarizes the Fund's exposure, if applicable and significant, to these risks from underlying funds.

9. Other Information

(a) Abbreviations

Foreign currencies, if any, are presented in these financial statements using the following abbreviated currency codes:

Currency Code	Description	Currency Code	Description	Currency Code	Description
AED	United Arab Emirates Dirham	HUF	Hungarian forint	PHP	Philippine peso
AUD	Australian dollars	IDR	Indonesian rupiah	PKR	Pakistani rupee
BRL	Brazilian real	ILS	Israeli sheqel	PLN	Polish zloty
CAD	Canadian dollars	INR	Indian rupee	RON	Romanian leu
CHF	Swiss franc	JPY	Japanese yen	RUB	Russian ruble
CZK	Czech koruna	KOR	South Korean won	SAR	Saudi riyal
CLP	Chilean peso	MXN	Mexican peso	SEK	Swedish krona
CNY	Chinese yuan	MYR	Malaysian ringgit	SGD	Singapore dollars
COP	Colombian peso	NGN	Nigerian naira	THB	Thailand baht
DKK	Danish krone	NOK	Norwegian krona	TRL	Turkish lira
EUR	Euro	NTD	New Taiwan dollar	USD	United States dollars
GBP	United Kingdom pounds	NZD	New Zealand dollars	ZAR	South African rand
HKD	Hong Kong dollars	PEN	Peruvian nuevo sol	ZMW	Zambian kwacha

(b) Additional information available

A copy of the Fund's current Simplified Prospectus, Annual Information Form and/or Management Report of Fund Performance, will be provided, without charge, by writing to: IG Wealth Management Inc., 447 Portage Avenue, Winnipeg, Manitoba, R3B 3H5 or, in Quebec, 1360, boulevard René-Lévesque Ouest, Suite 300, Montreal (Quebec), H3G 2W4, or by calling toll-free 1-888-746-6344 (in Quebec 1-800-661-4578), or by visiting the IG Wealth Management website at www.ig.ca or SEDAR+ at www.sedarplus.ca. Copies of financial statements for all IG Wealth Management Funds are also available upon request or by visiting the IG Wealth Management website at www.ig.ca or SEDAR+ at www.sedarplus.ca.

IG MACKENZIE MORTGAGE AND SHORT TERM INCOME FUND

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NOTES TO FINANCIAL STATEMENTS

10. Fund Specific Information (in '000, except for (a))

(a) Fund Formation and Series Information

Date of Formation: August 3, 1973

The Fund may issue an unlimited number of securities of each series. The number of issued and outstanding securities of each series is disclosed in the Statements of Changes in Financial Position.

Series B securities are offered to retail investors investing a minimum of \$50, who generally have household investments less than \$500,000.

Series F securities are offered to investors investing a minimum of \$50, who have entered into an agreement with a Distributor.

Series J NL securities are offered to investors who generally have household investments of \$500,000 or more.

Series P securities are offered exclusively to mutual funds managed by IGIM (or its affiliates) and certain institutional investors in connection with fund-of-fund arrangements.

Series S securities are offered exclusively to segregated funds managed by The Canada Life Assurance Company (or its affiliates).

Series A and Series J DSC are no longer available for sale. Effective May 3, 2024, Series A was redesignated as Series B; and effective May 10, 2024, Series J DSC was redesignated as Series J NL.

Series C securities are no longer available for sale.

Series	Inception/ Reinstatement Date	Management fee (%)	Service fee (%)	Administration fee (%)	Trustee fee (%)
Series A	None issued	1.55	–	0.08	0.05
Series B	July 13, 2012	1.55	–	0.08	0.05
Series C	August 3, 1973	1.55	–	0.08	0.05
Series F	July 12, 2013	0.20	–	0.08	0.05
Series J DSC	None issued	1.30	–	0.08	0.05
Series J NL	July 13, 2012	1.30	–	0.08	0.05
Series P	July 13, 2009	–	–	–	–
Series S	November 16, 2009	1.30	–	0.10	0.05

The fee rates in the table above are rounded to two decimals.

The original start date was July 13, 2012, for Series A and Series J DSC. Effective May 3, 2024, Series A was redesignated as Series B; and effective May 10, 2024, Series J DSC was redesignated as Series J NL.

(b) Tax Loss Carryforwards

Total Capital Loss \$	Total Non-Capital Loss \$	Expiration Date of Non-Capital Losses													
		2031 \$	2032 \$	2033 \$	2034 \$	2035 \$	2036 \$	2037 \$	2038 \$	2039 \$	2040 \$	2041 \$	2042 \$	2043 \$	2044 \$
279,832	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–

(c) Securities Lending

	September 30, 2025		March 31, 2025	
	(\$)	(%)	(\$)	(%)
Value of securities loaned	131,647		162,303	
Value of collateral received	138,353		171,105	
	September 30, 2025		September 30, 2024	
	(\$)	(%)	(\$)	(%)
Gross securities lending income	80	100.0	107	100.0
Tax withheld	–	–	–	–
	80	100.0	107	100.0
Payments to securities lending agent	(14)	(17.5)	(19)	(17.8)
Securities lending income	66	82.5	88	82.2

(d) Commissions

For the periods ended September 30, 2025 and 2024, commissions paid by the Fund did not generate any third-party services that were provided or paid for by brokers.

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NOTES TO FINANCIAL STATEMENTS

10. Fund Specific Information (in '000, except for (a)) (cont'd)

(e) Risks Associated with Financial Instruments

i. Risk exposure and management

The Fund aims to provide a consistent level of current income by investing primarily in short-term debt securities and mortgages on improved real estate in Canada. Generally, the Fund will not invest more than 50% of its assets in foreign securities.

ii. Currency risk

As at September 30, 2025 and March 31, 2025, the Fund did not have a significant net exposure to currency risk, as the Fund entered into forward currency contracts to hedge the exposure from foreign securities.

iii. Interest rate risk

The tables below summarize the Fund's exposure to interest rate risks from its investments in bonds and derivative instruments by term to maturity.

September 30, 2025	Bonds (\$)	Mortgages (\$)	Derivative Instruments (\$)	Impact on net assets			
				Increase by 1%		Decrease by 1%	
				(\$)	(%)	(\$)	(%)
Less than 1 year	115,630	474,352	(56,072)				
1-3 years	1,109,826	488,112	–				
3-5 years	367,047	578,682	–				
Greater than 5 years	103,377	–	–				
Total	1,695,880	1,541,146	(56,072)				
Total sensitivity to interest rate changes				(34,218)	(1.0)	34,974	1.0

March 31, 2025	Bonds (\$)	Mortgages (\$)	Derivative Instruments (\$)	Impact on net assets			
				Increase by 1%		Decrease by 1%	
				(\$)	(%)	(\$)	(%)
Less than 1 year	202,205	395,027	130,313				
1-3 years	1,105,280	666,034	–				
3-5 years	328,834	246,318	–				
Greater than 5 years	117,833	80	–				
Total	1,754,152	1,307,459	130,313				
Total sensitivity to interest rate changes				(39,850)	(1.3)	40,303	1.3

iv. Other price risk

As at September 30, 2025 and March 31, 2025, the Fund did not have a significant exposure to other price risk.

v. Credit risk

The Fund's greatest concentration of credit risk is in fixed-income securities, such as bonds, and certain derivative contracts, if applicable. The maximum exposure to any one issuer as at September 30, 2025, was 9.3% of the net assets of the Fund (March 31, 2025 – 7.3%).

As at September 30, 2025 and March 31, 2025, debt securities by credit rating are as follows:

Bond Rating*	September 30, 2025	March 31, 2025
	% of Net Assets	% of Net Assets
AAA	10.3	4.5
AA	5.1	16.1
A	22.3	13.9
BBB	7.9	9.3
Less than BBB	0.6	1.0
Unrated	4.5	10.6
Total	50.7	55.4

* Credit ratings and rating categories are based on ratings issued by a designated rating organization

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NOTES TO FINANCIAL STATEMENTS

10. Fund Specific Information (in '000, except for (a)) (cont'd)

(f) Fair Value Classification

The table below summarizes the fair value of the Fund's financial instruments using the fair value hierarchy described in note 3.

	September 30, 2025				March 31, 2025			
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Mortgages	–	1,541,146	–	1,541,146	–	1,307,459	–	1,307,459
Bonds	–	1,695,581	299	1,695,880	–	1,753,950	202	1,754,152
Equities	2,617	–	19	2,636	2,635	–	22	2,657
Options	67	337	–	404	–	64	–	64
Exchange-traded funds/notes	3,091	–	–	3,091	–	–	–	–
Mutual funds	35,823	–	–	35,823	35,103	–	–	35,103
Derivative assets	156	1	–	157	228	42	–	270
Derivative liabilities	–	(180)	–	(180)	–	(303)	–	(303)
Liability for options written	–	(185)	–	(185)	–	–	–	–
Short-term investments	–	64,833	–	64,833	–	60,461	–	60,461
Total	41,754	3,301,533	318	3,343,605	37,966	3,121,673	224	3,159,863

The Fund's policy is to recognize transfers into and transfers out of fair value hierarchy levels as of the date of the event or change in circumstances that caused the transfer.

During the periods, there were no significant transfers between Level 1 and Level 2.

The table below presents a reconciliation of financial instruments measured at fair value using unobservable inputs (Level 3) for the periods ended September 30, 2025 and March 31, 2025:

	September 30, 2025			March 31, 2025		
	Equities (\$)	Bonds (\$)	Total (\$)	Equities (\$)	Bonds (\$)	Total (\$)
Balance – beginning of period	22	202	224	39	265	304
Purchases	–	417	417	–	–	–
Sales	–	(235)	(235)	–	–	–
Transfers in	–	–	–	–	–	–
Transfers out	–	–	–	–	–	–
Gains (losses) during the period:						
Realized	–	(90)	(90)	–	–	–
Unrealized	(3)	5	2	(17)	(63)	(80)
Balance – end of period	19	299	318	22	202	224
Change in unrealized gains (losses) during the period attributable to securities held at end of period	(3)	(74)	(77)	(17)	(63)	(80)

Changing one or more of the inputs to reasonably possible alternative assumptions for valuing Level 3 financial instruments would not significantly affect the fair value of those instruments.

(g) Manager's Investment in the Fund

The investments held by the Manager and other funds managed by the Manager, investing in series P, R or S of the Fund, as applicable (as described in *Fund Formation and Series Information* in note 10), were as follows:

	September 30, 2025	March 31, 2025
	(\$)	(\$)
The Manager	–	–
Other funds managed by the Manager	2,848,448	2,734,441

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NOTES TO FINANCIAL STATEMENTS

10. Fund Specific Information (in '000, except for (a)) (cont'd)

(h) Offsetting of Financial Assets and Liabilities

The tables below present financial assets and financial liabilities that are subject to master netting arrangements or other similar agreements and the net impact on the Fund's Statements of Financial Position if all set-off rights were exercised as part of future events such as bankruptcy or termination of contracts. No amounts were offset in the financial statements.

	September 30, 2025			
	Gross amount of assets/liabilities (\$)	Amount available for offset (\$)	Margin (\$)	Net amount (\$)
Unrealized gains on derivative contracts	157	(1)	–	156
Unrealized losses on derivative contracts	(119)	1	2,167	2,049
Liability for options written	(185)	–	–	(185)
Total	(147)	–	2,167	2,020

	March 31, 2025			
	Gross amount of assets/liabilities (\$)	Amount available for offset (\$)	Margin (\$)	Net amount (\$)
Unrealized gains on derivative contracts	248	(1)	–	247
Unrealized losses on derivative contracts	(287)	1	2,533	2,247
Liability for options written	–	–	–	–
Total	(39)	–	2,533	2,494

(i) Interest in Unconsolidated Structured Entities

The Fund's investment details in the Underlying Funds as at September 30, 2025 and March 31, 2025 are as follows:

September 30, 2025	% of Underlying Fund's Net Assets	Fair Value of Fund's Investment (\$)
Mackenzie AAA CLO ETF	2.3	3,091
Mackenzie High Quality Floating Rate Fund Series IG	11.8	35,823

March 31, 2025	% of Underlying Fund's Net Assets	Fair Value of Fund's Investment (\$)
Mackenzie High Quality Floating Rate Fund Series IG	11.1	35,103

(j) Transactions with the manager

During the period, the Fund acquired mortgages from the Manager valued at \$469,078 at time of purchase (March 31, 2025 – \$213,019). The fair value of the mortgages at acquisition was calculated using the Modified Lender's Rate method. Under the terms of the transaction, the Manager retains the credit risk exposure associated with these mortgages.

(k) Distributions from Investments in ETFs Managed by the Sub-advisor

During the period, the Fund received \$2 (September 30, 2024 – \$8) in income distributions from investments in ETFs managed by the sub-advisor to offset fees paid within the ETFs. There is no assurance that these distributions will continue in the future.

(l) Comparative Amounts

In the financial statements, a prior period comparative amount of \$6 has been reclassified from "Foreign taxes paid (recovered)" to "Interest received net of withholding taxes" to accurately reflect the nature of foreign withholding taxes as a non-cash expense deducted at source, and to align with the current period's presentation.