

# IG Mackenzie Quebec Enterprise Fund

## INTERIM UNAUDITED FINANCIAL STATEMENTS

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For the Six-Month Period Ended September 30, 2021

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.sedar.com](http://www.sedar.com). 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 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 Quebec Enterprise Fund

INTERIM UNAUDITED FINANCIAL STATEMENTS | SEPTEMBER 30, 2021

## STATEMENTS OF FINANCIAL POSITION

at (in \$ 000 except per security amounts)

	Sep. 30 2021	Mar. 31 2021 (Audited)
<b>Assets</b>		
<b>Current assets:</b>		
Non-derivative investments	255,513	261,177
Cash and cash equivalents	162	-
Accrued interest receivable	-	-
Dividends receivable	313	481
Accounts receivable for investments sold	-	395
Accounts receivable for securities issued	-	-
Accounts receivable from the Manager	-	-
Margin on derivative contracts	-	-
Derivative assets	-	-
Other assets	-	-
	255,988	262,053
<b>Non-current assets:</b>		
Taxes recoverable	-	-
Other assets	-	-
	-	-
<b>Total assets</b>	255,988	262,053
<b>Liabilities</b>		
<b>Current liabilities:</b>		
Bank indebtedness	-	307
Accounts payable for investments purchased	-	-
Accounts payable for securities redeemed	-	-
Distributions payable	-	-
Accrued expenses and miscellaneous payables	11	13
Dividends payable on investments sold short	-	-
Derivative liabilities	-	-
Taxes payable	-	-
Other liabilities	27	20
<b>Total liabilities</b>	38	340
<b>Net assets attributable to securityholders</b>	255,950	261,713

	Net assets attributable to securityholders			
	per security		per series	
	Sep. 30 2021	Mar. 31 2021 (Audited)	Sep. 30 2021	Mar. 31 2021 (Audited)
Series A	37.55	35.68	37,709	43,576
Series B	36.98	35.13	22,627	25,620
Series C	35.96	34.23	36,900	42,283
Series J DSC	19.97	18.95	28,776	39,061
Series J NL	19.92	18.90	5,342	7,278
Series P	19.76	18.54	28,998	28,815
Series U	18.31	17.26	95,598	75,080
			255,950	261,713

## STATEMENTS OF COMPREHENSIVE INCOME

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

	2021	2020
<b>Income:</b>		
<b>Gains (losses) on derivative and non-derivative investments:</b>		
Dividends	2,481	2,972
Interest income	-	2
Net realized gain (loss)	8,837	(33,720)
Net unrealized gain (loss)	5,569	75,238
Income (loss) from derivatives	-	-
Income (loss) from short selling	-	-
Other	30	41
<b>Net gain (loss) on derivative and non-derivative investments</b>	16,917	44,533
Securities lending income	13	11
Other	-	7
<b>Total income</b>	16,930	44,551
<b>Expenses:</b>		
Management fees	1,735	1,961
Management fee rebates	(7)	(8)
Service fees	260	301
Service fee rebates	(91)	(91)
Administration fees	228	211
Trustee fees	67	62
Commissions and other portfolio transaction costs	22	87
Independent Review Committee costs	-	-
Other	3	2
<b>Expenses before amounts absorbed by Manager</b>	2,217	2,525
Expenses absorbed by Manager	-	-
<b>Net expenses</b>	2,217	2,525
<b>Increase (decrease) in net assets attributable to securityholders</b>		
<b>from operations before tax</b>	14,713	42,026
Foreign withholding taxes paid (recovered)	(5)	7
Foreign income taxes paid (recovered)	-	-
Income tax paid (recovered)	-	-
<b>Increase (decrease) in net assets attributable to securityholders</b>		
<b>from operations</b>	14,718	42,019

	Increase (decrease) in net assets attributable to securityholders from operations			
	per security		per series	
	2021	2020	2021	2020
Series A	2.02	4.61	2,222	8,314
Series B	1.96	4.55	1,294	4,867
Series C	1.94	4.46	2,184	7,089
Series J DSC	1.16	2.46	1,968	7,675
Series J NL	1.19	2.46	394	1,659
Series P	1.24	2.53	1,863	5,069
Series U	0.99	2.31	4,793	7,346
			14,718	42,019

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

# IG Mackenzie Quebec Enterprise Fund

INTERIM UNAUDITED FINANCIAL STATEMENTS | SEPTEMBER 30, 2021

## STATEMENTS OF CHANGES IN FINANCIAL POSITION

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

	TOTAL		SERIES A		SERIES B		SERIES C	
	2021	2020	2021	2020	2021	2020	2021	2020
<b>Net assets attributable to securityholders, beginning of period</b>	261,713	229,792	43,576	46,997	25,620	27,091	42,283	38,976
Increase (decrease) in net assets attributable to securityholders resulting from:								
<b>Operations</b>	14,718	42,019	2,222	8,314	1,294	4,867	2,184	7,089
<b>Distributions:</b>								
Income	-	-	-	-	-	-	-	-
Capital gains	-	-	-	-	-	-	-	-
Return of capital	-	-	-	-	-	-	-	-
Management fee rebates	(7)	(8)	-	-	-	-	-	-
Service fee rebates	(91)	(91)	-	-	-	-	(91)	(91)
<b>Total distributions</b>	(98)	(99)	-	-	-	-	(91)	(91)
<b>Security transactions:</b>								
Proceeds from sale of securities	26,653	13,076	16	198	848	1,827	33	110
Proceeds from securities issued on merger	-	-	-	-	-	-	-	-
Reinvested from distributions	96	93	-	-	-	-	89	85
Payment on redemption of securities	(47,132)	(37,037)	(8,105)	(7,696)	(5,135)	(5,548)	(7,598)	(3,732)
<b>Total security transactions</b>	(20,383)	(23,868)	(8,089)	(7,498)	(4,287)	(3,721)	(7,476)	(3,537)
<b>Increase (decrease) in assets attributable to securityholders</b>	(5,763)	18,052	(5,867)	816	(2,993)	1,146	(5,383)	3,461
<b>Net assets attributable to securityholders, end of period</b>	255,950	247,844	37,709	47,813	22,627	28,237	36,900	42,437
<b>Increase (decrease) in securities outstanding (in thousands):</b>								
<b>Securities outstanding, beginning of period</b>			1,221	1,891	729	1,107	1,235	1,629
Add (deduct):								
Securities sold			-	7	23	69	1	4
Securities issued on merger			-	-	-	-	-	-
Reinvested from distributions			-	-	-	-	3	3
Securities redeemed			(217)	(276)	(140)	(203)	(213)	(138)
<b>Securities outstanding, end of period</b>			1,004	1,622	612	973	1,026	1,498

  

	SERIES J DSC		SERIES J NL		SERIES P		SERIES U	
	2021	2020	2021	2020	2021	2020	2021	2020
<b>Net assets attributable to securityholders, beginning of period</b>	39,061	42,794	7,278	9,189	28,815	26,708	75,080	38,037
Increase (decrease) in net assets attributable to securityholders resulting from:								
<b>Operations</b>	1,968	7,675	394	1,659	1,863	5,069	4,793	7,346
<b>Distributions:</b>								
Income	-	-	-	-	-	-	-	-
Capital gains	-	-	-	-	-	-	-	-
Return of capital	-	-	-	-	-	-	-	-
Management fee rebates	(6)	(7)	(1)	(1)	-	-	-	-
Service fee rebates	-	-	-	-	-	-	-	-
<b>Total distributions</b>	(6)	(7)	(1)	(1)	-	-	-	-
<b>Security transactions:</b>								
Proceeds from sale of securities	31	344	202	617	373	432	25,150	9,548
Proceeds from securities issued on merger	-	-	-	-	-	-	-	-
Reinvested from distributions	6	7	1	1	-	-	-	-
Payment on redemption of securities	(12,284)	(6,414)	(2,532)	(1,849)	(2,053)	(4,485)	(9,425)	(7,313)
<b>Total security transactions</b>	(12,247)	(6,063)	(2,329)	(1,231)	(1,680)	(4,053)	15,725	2,235
<b>Increase (decrease) in assets attributable to securityholders</b>	(10,285)	1,605	(1,936)	427	183	1,016	20,518	9,581
<b>Net assets attributable to securityholders, end of period</b>	28,776	44,399	5,342	9,616	28,998	27,724	95,598	47,618
<b>Increase (decrease) in securities outstanding (in thousands):</b>								
<b>Securities outstanding, beginning of period</b>	2,062	3,252	385	700	1,555	2,123	4,350	3,214
Add (deduct):								
Securities sold	2	24	10	43	19	32	1,392	702
Securities issued on merger	-	-	-	-	-	-	-	-
Reinvested from distributions	-	-	-	-	-	-	-	-
Securities redeemed	(623)	(435)	(127)	(126)	(106)	(321)	(521)	(550)
<b>Securities outstanding, end of period</b>	1,441	2,841	268	617	1,468	1,834	5,221	3,366

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

# IG Mackenzie Quebec Enterprise Fund

INTERIM UNAUDITED FINANCIAL STATEMENTS | SEPTEMBER 30, 2021

## STATEMENTS OF CASH FLOWS

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

	2021	2020
<b>Cash flows from operating activities</b>		
Increase (decrease) in net assets attributable to securityholders from operations	14,718	42,019
<b>Less non-cash impact of:</b>		
Net realized (gain) loss	(8,837)	33,720
Change in net unrealized (gain) loss	(5,569)	(75,238)
<b>Adjustments for:</b>		
Proceeds from sale and maturity of investments	24,593	66,021
Purchases of investments	(4,128)	(43,561)
(Increase) decrease in accounts receivable and other assets	168	235
Increase (decrease) in accounts payable and other liabilities	5	1
<b>Net cash provided by (used in) operating activities</b>	<b>20,950</b>	<b>23,197</b>
<b>Cash flows from financing activities:</b>		
Proceeds from securities issued	2,567	4,001
Proceeds from securities issued on merger	-	-
Payments on redemption of securities	(23,046)	(27,962)
Distributions paid net of reinvestments	(2)	(6)
<b>Net cash provided by (used in) financing activities</b>	<b>(20,481)</b>	<b>(23,967)</b>
<b>Increase (decrease) in cash and cash equivalents</b>	<b>469</b>	<b>(770)</b>
Cash and cash equivalents at beginning of period	(307)	116
Effect of exchange rate fluctuations on cash and cash equivalents	-	-
<b>Cash and cash equivalents, end of period</b>	<b>162</b>	<b>(654)</b>
Cash	162	-
Cash equivalents	-	-
Bank indebtedness	-	(654)
	162	(654)
<b>Supplementary disclosures on cash flow from operating activities:</b>		
Dividends received net of withholding taxes	2,654	3,198
Interest received net of withholding taxes	-	2
Interest paid	-	-

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

# IG Mackenzie Quebec Enterprise Fund

INTERIM UNAUDITED FINANCIAL STATEMENTS | SEPTEMBER 30, 2021

## SCHEDULE OF INVESTMENTS

as at September 30, 2021

	Country	Sector	Par Value/ No. of Shares/Units	Cost (\$ 000)	Fair Value (\$ 000)
<b>EQUITIES</b>					
5N Plus Inc.	Canada	Materials	110,755	336	306
Agnico-Eagle Mines Ltd.	Canada	Materials	46,447	3,269	3,052
Air Canada	Canada	Industrials	198,126	5,985	4,583
Alimentation Couche-Tard Inc. Class B Sub. voting	Canada	Consumer Staples	211,355	2,405	10,242
Bank of Montreal	Canada	Financials	37,339	2,671	4,722
The Bank of Nova Scotia	Canada	Financials	54,055	3,591	4,214
Barrick Gold Corp.	Canada	Materials	97,011	3,311	2,219
BCE Inc.	Canada	Communication Services	8,365	473	531
Bombardier Inc. Class B Sub. voting	Canada	Industrials	470,875	296	1,017
Boralex Inc. Class A	Canada	Utilities	138,000	1,254	5,161
Brookfield Asset Management Inc. Class A (CAD)	Canada	Financials	46,274	2,173	3,141
BRP Inc.	Canada	Consumer Discretionary	35,283	1,019	4,137
CAE Inc.	Canada	Industrials	195,075	2,246	7,382
Canadian National Railway Co.	Canada	Industrials	92,516	4,257	13,579
Canadian Natural Resources Ltd.	Canada	Energy	125,175	3,988	5,797
Canadian Pacific Railway Ltd.	Canada	Industrials	77,900	3,029	6,443
Cascades Inc.	Canada	Materials	221,109	1,749	3,465
CCL Industries Inc. Class B non-voting	Canada	Materials	25,275	1,083	1,658
Enovus Energy Inc.	Canada	Energy	128,610	2,443	1,642
CGI Inc.	Canada	Information Technology	102,535	3,678	11,032
Cogeco Communications Inc.	Canada	Communication Services	56,435	3,785	6,352
Cominar Real Estate Investment Trust	Canada	Real Estate	55,960	716	559
CT Real Estate Investment Trust	Canada	Real Estate	44,461	573	757
Dollarama Inc.	Canada	Consumer Discretionary	119,256	5,821	6,552
Gildan Activewear Inc.	Canada	Consumer Discretionary	76,220	1,720	3,527
Heroux-Devtek Inc.	Canada	Industrials	461,375	3,238	8,162
IA Financial Corporate Inc.	Canada	Financials	97,256	4,344	6,989
Innergex Renewable Energy Inc.	Canada	Utilities	251,955	2,661	5,115
Intact Financial Corp.	Canada	Financials	14,280	1,405	2,392
Lassonde Industries Inc. Class A Sub. voting	Canada	Consumer Staples	1,790	166	325
Lightspeed Commerce Inc.	Canada	Information Technology	61,355	1,123	7,499
Manulife Financial Corp.	Canada	Financials	193,800	4,728	4,725
Metro Inc.	Canada	Consumer Staples	107,055	1,321	6,626
National Bank of Canada	Canada	Financials	110,726	4,995	10,771
Nutrien Ltd.	Canada	Materials	27,435	1,372	2,255
<sup>1</sup> Power Corp. of Canada Sub. voting	Canada	Financials	112,915	3,748	4,714
Quebecor Inc. Class B Sub. voting	Canada	Communication Services	152,650	1,169	4,673
Richelieu Hardware Ltd.	Canada	Industrials	190,635	1,102	7,942
Royal Bank of Canada	Canada	Financials	96,174	4,025	12,121
Saputo Inc.	Canada	Consumer Staples	102,680	4,066	3,307
Savaria Corp.	Canada	Industrials	101,780	921	2,086
SNC-Lavalin Group Inc.	Canada	Industrials	205,320	7,478	7,223
Stella-Jones Inc.	Canada	Materials	46,850	771	1,998
Suncor Energy Inc.	Canada	Energy	214,854	4,603	5,642
Teck Resources Ltd. Class B	Canada	Materials	24,751	275	780
The Toronto-Dominion Bank	Canada	Financials	115,414	3,424	9,677
Transcontinental Inc. Class A Sub. voting	Canada	Materials	247,807	4,517	4,986
WSP Global Inc.	Canada	Industrials	57,153	1,600	8,668
				124,923	240,746
<b>EXCHANGE TRADED FUNDS</b>					
<sup>2</sup> Mackenzie US Large Cap Equity Index ETF (CAD-Hedged)	Canada	Exchange Traded Funds	99,096	9,741	14,767
<b>COMMISSIONS AND OTHER PORTFOLIO TRANSACTION COSTS</b>				(46)	-
<b>TOTAL NON-DERIVATIVE INVESTMENTS</b>				134,618	255,513
<b>Net Assets (see asset composition):</b>					
Total non-derivative investments					255,513
Cash and cash equivalents					162
Other net assets (liabilities)					275
<b>Net assets attributable to securityholders</b>					255,950

<sup>1</sup> The issuer of this security is related to the Manager of the Fund.

<sup>2</sup> This fund is managed by the Manager or the affiliates of the Manager of the Fund.

# IG Mackenzie Quebec Enterprise Fund

INTERIM UNAUDITED FINANCIAL STATEMENTS | SEPTEMBER 30, 2021

## SUMMARY OF INVESTMENT PORTFOLIO

as at September 30, 2021

	% of net assets
<b>PORTFOLIO ALLOCATION</b>	
Equities	94.0
Exchange Traded Funds	5.8
Cash and cash equivalents	0.1
Other net assets (liabilities)	0.1
<b>Total</b>	<b>100.0</b>

### EQUITIES COUNTRY ALLOCATION

Canada	<b>94.0</b>
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### SECTOR ALLOCATION

Industrials	26.2
Financials	24.8
Materials	8.1
Consumer Staples	8.0
Information Technology	7.2
Consumer Discretionary	5.6
Energy	5.1
Communication Services	4.5
Utilities	4.0
Real Estate	0.5
	<b>94.0</b>

as at March 31, 2021

	% of net assets
<b>PORTFOLIO ALLOCATION</b>	
Equities	94.0
Exchange Traded Funds	5.8
Cash and cash equivalents	(0.1)
Other net assets (liabilities)	0.3
<b>Total</b>	<b>100.0</b>

### EQUITIES COUNTRY ALLOCATION

Canada	<b>94.0</b>
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### SECTOR ALLOCATION

Industrials	27.8
Financials	23.6
Consumer Staples	8.9
Materials	7.2
Information Technology	6.0
Communication Services	5.9
Energy	5.1
Consumer Discretionary	4.4
Utilities	4.3
Real Estate	0.8
	<b>94.0</b>

# IG Mackenzie Quebec Enterprise Fund

NOTES TO THE INTERIM UNAUDITED FINANCIAL STATEMENTS | SEPTEMBER 30, 2021

## 1. ORGANIZATION OF THE FUND, FISCAL PERIODS AND GENERAL INFORMATION

### (a) Organization of the Fund

The Fund is organized as an open-ended mutual fund trust established under the laws of Manitoba and governed by a Declaration of Trust. 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 securities of multiple series. If issued, Series F, 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, 2021 and 2020, except for the comparative information presented in the Statements of Financial Position and notes thereto, which is as at March 31, 2021, as applicable. In the year a Fund or series is established or reinstated, "period" represents the period from inception or reinstatement. Where a series of a Fund was terminated during either period, the information for the series is provided up to close of business on the termination date.

### (b) General information

I.G. Investment Management, Ltd. is the Manager and Trustee of the Fund. I.G. Investment Management, Ltd. and/or Mackenzie Investments Europe Limited acts as Portfolio Advisor(s) to the Fund. In some cases, Mackenzie Financial Corporation and/or Mackenzie Investments Asia Limited has been engaged as sub-advisor to provide investment services to the Fund. The Fund is distributed by Investors Group Financial Services Inc. and Investors Group Securities Inc. (collectively, the Distributors). 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 Distributors. 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 International Financial Reporting 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, 2021. A summary of the Fund's significant accounting policies under IFRS is presented in Note 3.

These financial statements are presented in Canadian dollars, which is the Fund's functional 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 assets and liabilities that have been measured at fair value.

These financial statements were authorized for issue by the Manager on November 12, 2021.

## 3. SIGNIFICANT ACCOUNTING POLICIES

### (a) Financial instruments

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. As such, 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.

The cost of investments (cost) is based on the weighted average cost of investments and excludes commissions and other portfolio transaction costs, which are separately reported in the Statement of Comprehensive Income. Realized gains and losses on disposition, including foreign exchange gains or losses on such investments, are determined based on the cost of investments. 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. Gains and losses realized on certain derivatives, including interest rate and currency swaps, and futures are reported as Income (loss) from derivatives within the Statement of Comprehensive Income.

The Fund accounts for its holdings in unlisted open-ended investment funds (Underlying Funds) and Exchange Traded Funds (ETFs) at FVTPL. The Fund has concluded that the Underlying Funds and ETFs in which it invests do not meet the definition of structured entities. 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 entitle securityholders the right to redeem their interest in the Fund for cash equal to their proportionate share of the net asset value of the Fund, amongst other contractual rights. The Fund's redeemable securities 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.

### (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. The Fund's valuation policies are as follows:

Fair value for securities listed on a public securities exchange or traded on an over-the-counter market is determined as the last traded market price or close price recorded by the security exchange on which the security is principally traded, where the close price falls within the bid-ask spread of the security.

In situations where the last traded market price is not within the bid-ask spread, the Manager selects the point within the bid-ask spread that is most representative of fair value.

Investments in securities of another investment fund are valued at the net asset value per security calculated in accordance with the offering documents of such investment fund or as reported by that fund's manager.

Unlisted or non-exchange traded securities, or securities for which a last traded market price is unavailable or securities for which market quotations are, in the Manager's opinion, inaccurate, unreliable or not reflective of all available material information, are valued at their estimated fair value, determined by using appropriate and accepted industry valuation techniques including valuation models. The estimated fair value of a security 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 estimated fair value of a security may be determined using valuation techniques that are not supported by observable market data.

Futures and swaps contracts are valued at the gain or loss that would be realized upon closure of the contract. The values for such contracts fluctuate and are best determined at the settlement price.

Margin accounts represent margin deposits held with brokers in respect of open futures and swaps contracts. Any change in the variation margin requirement is settled daily. Margin paid or deposited in respect of futures contracts or swaps is reflected as a receivable at fair value in the Statement of Financial Position.

Forward contracts, including forward currency contracts, are valued at the gain or loss that would arise as a result of closing the position at the reporting date.

Premiums paid for purchasing an option are recorded as an asset in the Statement of Financial Position and premiums received from writing options are included in the Statement of Financial Position as a liability. Subsequently, options contracts are adjusted daily to fair value.

Cash and cash equivalents includes cash on deposit with banks 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 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 as bank indebtedness in current liabilities in the Statement of Financial Position.

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.

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 11 for the fair value classifications of the Fund.

### (c) 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 – 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.

### (d) Income recognition

Interest income and expense from interest bearing investments is recognized using the effective interest method. Dividend income and expense is recognized as of the ex-dividend date. Dividends and interest paid on the short selling of equity and bond securities are included in the Statement of Comprehensive Income – Dividends and Interest Income, respectively. Realized gains or losses on the sale of investments, including foreign exchange gains or losses on such investments, are calculated on an average cost basis. Distributions received from an underlying fund are included in interest income, dividend income, expense, realized gains (losses) on sale of investments 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.

# IG Mackenzie Quebec Enterprise Fund

NOTES TO THE INTERIM UNAUDITED FINANCIAL STATEMENTS | SEPTEMBER 30, 2021

## 3. SIGNIFICANT ACCOUNTING POLICIES (continued)

### (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 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 11 summarizes the details of securities loaned and collateral received, as well as a reconciliation of securities lending income, 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) 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 Statements 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 third-party services that were paid for by brokers during the periods is disclosed in Note 11. The value of certain proprietary services provided by brokers cannot be reasonably estimated.

### (g) Increase (decrease) in net assets attributable to securityholders from operations

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

### (h) 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 11 summarizes the details of such offsetting, if applicable, subject to master netting arrangements or other similar agreements and the net impact to the Statements 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.

### (i) 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.

### (j) 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 11.

### (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.

### (l) Future accounting changes

The Fund has determined there are no material implications to the Fund's financial statements arising from IFRS issued but not yet effective.

## 4. USE OF ACCOUNTING JUDGMENTS AND ESTIMATES

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.

Ongoing uncertainty regarding the duration and long-term impact of the COVID-19 pandemic and the implementation of vaccination programs, as well as the efficacy of government and central bank monetary and fiscal interventions, may continue to affect the Fund's performance in future periods.

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 and application of the fair value option*

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.

### Structured entities and associates

In determining whether an unlisted open-ended investment fund or an exchange-traded fund in which the Fund invests, but that it does not consolidate, meets the definitions of either a structured entity or of an associate, the Manager is required to make significant judgments about whether these underlying funds have the typical characteristics of a structured entity or of an associate. The Manager has assessed the characteristics of these underlying funds and has concluded that they do not meet the definition of either a structured entity or of an associate because the Fund does not have contracts or financing arrangements with these underlying funds and the Fund does not have an ability to influence the activities of these underlying funds or the returns it receives from investing in these underlying funds.

## 5. 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 11 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 11 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 Distributors a service fee to compensate them 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 Distributors 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 11 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 11 for the annual rates paid (as a percent of average assets) to the Trustee by the Fund.

(f) An advisory fee is charged by the Distributors 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.

(g) 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.

(h) Other expenses are comprised of interest and borrowing charges and other miscellaneous expenses.

(i) 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.

(j) 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 Financial Corporation, 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.



# IG Mackenzie Quebec Enterprise Fund

NOTES TO THE INTERIM UNAUDITED FINANCIAL STATEMENTS | SEPTEMBER 30, 2021

## 6. 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 11 for the Fund's loss carryforwards.

## 7. GUARANTEES AND INDEMNITIES

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.

## 8. CAPITAL MANAGEMENT

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, 2021 and 2020 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 11.

## 9. FINANCIAL INSTRUMENT RISK

### (a) Risk management

The Fund's investment activities expose it to a variety of financial risks, as defined in IFRS 7, Financial Instruments: Disclosures ("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, 2021, 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 come 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).

### (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 11 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 11 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 11 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 11 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 11 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 the 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.

### (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 moderates 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 11 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 11 includes potential indirect impacts from Underlying Funds and ETFs in which the Fund invests, and/or derivative contracts.

In addition, if the Fund invests in Investors Real Property Fund, the Fund is exposed to the risk that the value of the Underlying 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 11 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 11 summarizes the Fund's exposure, if applicable and significant, to these risks from underlying funds.

# IG Mackenzie Quebec Enterprise Fund

NOTES TO THE INTERIM UNAUDITED FINANCIAL STATEMENTS | SEPTEMBER 30, 2021

## 10. 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
AUD	Australian dollars	MXN	Mexican peso
BRL	Brazilian real	MYR	Malaysian ringgit
CAD	Canadian dollars	NGN	Nigerian naira
CHF	Swiss franc	NOK	Norwegian krona
CKZ	Czech koruna	NTD	New Taiwan dollar
CLP	Chilean peso	NZD	New Zealand dollars
CNY	Chinese yuan	PEN	Peruvian nuevo sol
COP	Colombian peso	PHP	Philippine peso
DKK	Danish krone	PLN	Polish zloty
EUR	Euro	RON	Romanian leu
GBP	United Kingdom pounds	RUB	Russian ruble
HKD	Hong Kong dollars	SEK	Swedish krona
HUF	Hungarian forint	SGD	Singapore dollars
IDR	Indonesian rupiah	THB	Thailand baht
ILS	Israeli sheqel	TRL	Turkish lira
INR	Indian rupee	USD	United States dollars
JPY	Japanese yen	ZAR	South African rand
KOR	South Korean won	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: Investors Group Financial Services Inc., 447 Portage Avenue, Winnipeg, Manitoba, R3B 3H5 or, in Quebec, 2001, Robert-Bourassa Boulevard, Bureau 2000, Montreal, Quebec, H3A 2A6, 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](http://www.ig.ca) or SEDAR at [www.sedar.com](http://www.sedar.com). 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](http://www.ig.ca) or SEDAR at [www.sedar.com](http://www.sedar.com).

# IG Mackenzie Quebec Enterprise Fund

NOTES TO THE INTERIM UNAUDITED FINANCIAL STATEMENTS | SEPTEMBER 30, 2021

## 11. FUND SPECIFIC INFORMATION

### (a) Fund and series information (\$ 000)

Series	Date operations commenced	Management fee (%)	Service fee (%)	Administration fee (%)	Trustee fee (%)
Series A	n/a	1.70	0.30	0.17	0.05
Series B	n/a	1.70	0.30	0.17	0.05
Series C	n/a	1.85	up to 0.50	0.17	0.05
Series J DSC	07/13/2012	1.45	0.30	0.17	0.05
Series J NL	07/13/2012	1.45	0.30	0.17	0.05
Series P	06/21/2013	-	-	-	-
Series U	07/12/2013	0.60	-	0.17	0.05

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

Inception dates of the series are shown if within 10½ years.

Clients in Series C are entitled to a full or partial rebate of the service fee based on their asset levels held in the Fund and in other IG Wealth Management Funds as outlined in the Fund's Prospectus.

Until June 27, 2021, the annual management fee rates were as follows: Series A and B: 1.75%; Series C: 1.90%; Series J DSC and J NL: 1.50%; Series U: 0.65%.

Series A, C, and J DSC are closed to new investments by securityholders, but still available for reinvested distributions and switches from corresponding series of other IG Wealth Management Funds.

The Manager has engaged Mackenzie Financial Corporation as sub-advisor to assist in investment management and trade execution for the Fund.

During the period, the Fund received \$Nil (September 30, 2020 – \$4) 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.

### (b) Income tax losses (\$ 000)

As at the last taxation year-end, the Fund has capital losses of \$18,405 which may be carried forward indefinitely to reduce future realized capital gains.

There were no non-capital losses available to carry forward for tax purposes.

### (c) Commissions

for the period ended	(\$ 000)
September 30, 2021	3
September 30, 2020	4

### (d) Securities lending

as at	Value of securities loaned (\$ 000)	Value of collateral received (\$ 000)
September 30, 2021	28,642	30,323
March 31, 2021	4,842	5,239

for the period ended	September 30, 2021		September 30, 2020	
	(\$ 000)	(%)	(\$ 000)	(%)
Gross securities lending income	17	100.0	15	100.0
Tax withheld	(1)	(4.9)	(1)	(4.6)
	16	95.1	14	95.4
Payments to securities lending agents	(3)	(17.1)	(3)	(17.2)
Securities lending income	13	78.0	11	78.2

### (e) Financial instrument risk

#### i) Risk exposure management

The Fund aims to provide long term capital growth by investing primarily in the common shares of corporations that have their head office located in Quebec, have their operations based primarily in Quebec or have significant assets in Quebec. The Fund intends to invest from 0% to 30% of its assets in foreign securities, but may invest up to 50%.

#### ii) Currency risk

As at September 30, 2021 and March 31, 2021, the Fund did not have a significant exposure to currency risk.

#### iii) Interest rate risk

As at September 30, 2021 and March 31, 2021, the Fund did not have a significant exposure to interest rate risk.

#### iv) Credit risk

As at September 30, 2021 and March 31, 2021, the Fund did not have a significant exposure to credit risk.

#### v) Other price risk

The table below summarizes the Fund's exposure to other price risk.

Impact on net assets	Increase by 10%		Decrease by 10%	
	(\$ 000)	(%)	(\$ 000)	(%)
September 30, 2021	25,524	10.0	(25,524)	(10.0)
March 31, 2021	26,097	10.0	(26,097)	(10.0)

# IG Mackenzie Quebec Enterprise Fund

NOTES TO THE INTERIM UNAUDITED FINANCIAL STATEMENTS | SEPTEMBER 30, 2021

## 11. FUND SPECIFIC INFORMATION (continued)

### (f) Fair value of investments

The table below summarizes the fair value of the Fund's investments using the fair value categories described in Note 4.

	September 30, 2021 (\$ 000)				March 31, 2021 (\$ 000)			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Bonds	-	-	-	-	-	-	-	-
Mutual funds	-	-	-	-	-	-	-	-
Exchange Traded Funds	14,767	-	-	14,767	15,281	-	-	15,281
Equities	240,746	-	-	240,746	245,896	-	-	245,896
Short-term investments	-	-	-	-	-	-	-	-
Derivative assets	-	-	-	-	-	-	-	-
Derivative liabilities	-	-	-	-	-	-	-	-
Total	255,513	-	-	255,513	261,177	-	-	261,177

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