

## ***Interim Unaudited Financial Statements***

*For the Six-Month Period Ended September 30, 2022*

*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 iProfile™ U.S. Equity Private Class (“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.*

# IPROFILE™ U.S. EQUITY PRIVATE CLASS

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2022

## STATEMENTS OF FINANCIAL POSITION

at (in \$ 000 except per security amounts)

	Sep. 30 2022	Mar. 31 2022 (Audited)
	\$	\$
<b>ASSETS</b>		
<b>Current assets</b>		
Investments at fair value	899,474	1,015,660
Cash and cash equivalents	–	–
Accounts receivable for investments sold	–	8
Accounts receivable for securities issued	14	–
Taxes recoverable	281	281
<b>Total assets</b>	<b>899,769</b>	<b>1,015,949</b>
<b>LIABILITIES</b>		
<b>Current liabilities</b>		
Bank indebtedness	47	5
Accounts payable for investments purchased	142	–
Accounts payable for securities redeemed	–	–
Due to manager	22	24
<b>Total liabilities</b>	<b>211</b>	<b>29</b>
<b>Net assets attributable to securityholders</b>	<b>899,558</b>	<b>1,015,920</b>

## STATEMENTS OF COMPREHENSIVE INCOME

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

	2022 \$	2021 \$
<b>Income</b>		
Interest income	1	–
Other changes in fair value of investments and other net assets		
Net realized gain (loss)	9,561	1,258
Net unrealized gain (loss)	(108,515)	73,843
<b>Total income (loss)</b>	<b>(98,953)</b>	<b>75,101</b>
<b>Expenses (note 6)</b>		
Class advisory fees	1,314	1,219
Administration fees	1,577	1,463
Audit fees	–	3
Registration fees and expenses	14	52
Securityholder reporting	33	31
Commissions and other portfolio transaction costs	1	1
Independent Review Committee fees	1	–
<b>Expenses before amounts absorbed by Manager</b>	<b>2,940</b>	<b>2,769</b>
Expenses absorbed by Manager	–	–
<b>Net expenses</b>	<b>2,940</b>	<b>2,769</b>
<b>Increase (decrease) in net assets attributable to securityholders from operations before tax</b>	<b>(101,893)</b>	<b>72,332</b>
Foreign withholding taxes paid (recovered)	–	–
Income tax paid (recovered)	–	–
<b>Increase (decrease) in net assets attributable to securityholders from operations</b>	<b>(101,893)</b>	<b>72,332</b>

### Net assets attributable to securityholders (note 3)

	per security		per series	
	Sep. 30 2022	Mar. 31 2022 (Audited)	Sep. 30 2022	Mar. 31 2022 (Audited)
Series I	30.10	33.49	866,026	978,577
Series Ti	14.48	16.92	33,532	37,343
			<b>899,558</b>	<b>1,015,920</b>

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

	per security		per series	
	2022	2021	2022	2021
Series I	(3.36)	2.71	(98,208)	69,239
Series Ti	(1.63)	1.51	(3,685)	3,093
			<b>(101,893)</b>	<b>72,332</b>

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

# IPROFILE™ U.S. EQUITY PRIVATE CLASS

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2022

## STATEMENTS OF CHANGES IN FINANCIAL POSITION

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

	Total		Series I		Series TI	
	2022	2021	2022	2021	2022	2021
<b>NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS</b>						
<b>Beginning of period</b>	<b>1,015,920</b>	<b>776,661</b>	<b>978,577</b>	<b>742,611</b>	<b>37,343</b>	<b>34,050</b>
Increase (decrease) in net assets from operations	(101,893)	72,332	(98,208)	69,239	(3,685)	3,093
Dividends paid to securityholders:						
Ordinary	–	–	–	–	–	–
Capital gains	–	–	–	–	–	–
Return of capital	(1,695)	(1,321)	–	–	(1,695)	(1,321)
<b>Total dividends paid to securityholders</b>	<b>(1,695)</b>	<b>(1,321)</b>	<b>–</b>	<b>–</b>	<b>(1,695)</b>	<b>(1,321)</b>
Security transactions:						
Proceeds from securities issued	84,174	149,694	80,909	146,863	3,265	2,831
Reinvested dividends	685	569	–	–	685	569
Payments on redemption of securities	(97,633)	(58,823)	(95,252)	(55,956)	(2,381)	(2,867)
<b>Total security transactions</b>	<b>(12,774)</b>	<b>91,440</b>	<b>(14,343)</b>	<b>90,907</b>	<b>1,569</b>	<b>533</b>
<b>Increase (decrease) in net assets attributable to securityholders</b>	<b>(116,362)</b>	<b>162,451</b>	<b>(112,551)</b>	<b>160,146</b>	<b>(3,811)</b>	<b>2,305</b>
<b>End of period</b>	<b>899,558</b>	<b>939,112</b>	<b>866,026</b>	<b>902,757</b>	<b>33,532</b>	<b>36,355</b>
<b>Increase (decrease) in fund securities (in thousands) (note 7):</b>						
<b>Securities outstanding, beginning of period</b>			<b>29,218</b>	<b>24,132</b>	<b>2,207</b>	<b>2,030</b>
Issued			2,587	4,481	217	161
Reinvested dividends			–	–	45	32
Redeemed			(3,033)	(1,709)	(153)	(161)
<b>Securities outstanding – end of period</b>			<b>28,772</b>	<b>26,904</b>	<b>2,316</b>	<b>2,062</b>

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

# IPROFILE™ U.S. EQUITY PRIVATE CLASS

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2022

## STATEMENTS OF CASH FLOWS

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

	2022	2021
	\$	\$
<b>Cash flows from operating activities</b>		
Net increase (decrease) in net assets attributable to securityholders from operations	(101,893)	72,332
Adjustments for:		
Net realized loss (gain) on investments	(9,561)	(1,258)
Change in net unrealized loss (gain) on investments	108,515	(73,843)
Purchase of investments	(27,313)	(91,588)
Proceeds from sale and maturity of investments	44,695	4,229
(Increase) decrease in accounts receivable and other assets	–	3
Increase (decrease) in accounts payable and other liabilities	(2)	5
<b>Net cash provided by (used in) operating activities</b>	<b>14,441</b>	<b>(90,120)</b>
<b>Cash flows from financing activities</b>		
Proceeds from securities issued	82,329	148,379
Payments on redemption of securities	(95,802)	(57,508)
Dividends paid net of reinvestments	(1,010)	(752)
<b>Net cash provided by (used in) financing activities</b>	<b>(14,483)</b>	<b>90,119</b>
<b>Increase (decrease) in cash and cash equivalents</b>	<b>(42)</b>	<b>(1)</b>
Cash and cash equivalents at beginning of period	(5)	–
Effect of exchange rate fluctuations on cash and cash equivalents	–	–
<b>Cash and cash equivalents, end of period</b>	<b>(47)</b>	<b>(1)</b>
Cash	–	–
Cash equivalents	–	–
Bank indebtedness	(47)	(1)
<b>Cash and cash equivalents, end of period</b>	<b>(47)</b>	<b>(1)</b>
<b>Supplementary disclosures on cash flow from operating activities:</b>		
Dividends received	–	–
Foreign taxes paid	–	–
Interest received	1	–
Interest paid	–	–

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

# IPROFILE™ U.S. EQUITY PRIVATE CLASS

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2022

## SCHEDULE OF INVESTMENTS

as at September 30, 2022

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000)	Fair Value (\$ 000)
<sup>1</sup> <b>MUTUAL FUNDS</b>					
iProfile U.S. Equity Private Pool Series P	Canada	Mutual Funds	27,864,404	742,286	899,474
<b>Total mutual funds</b>				<u>742,286</u>	<u>899,474</u>
Transaction costs				–	–
<b>Total investments</b>				<u>742,286</u>	<u>899,474</u>
Bank indebtedness					(47)
Other assets less liabilities					131
<b>Net assets attributable to securityholders</b>					<u>899,558</u>

<sup>1</sup> All mutual funds are managed by the Manager or affiliates of the Manager of the Fund.

# IPROFILE™ U.S. EQUITY PRIVATE CLASS

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2022

## SUMMARY OF INVESTMENT PORTFOLIO OF THE UNDERLYING FUND\*

SEPTEMBER 30, 2022

<b>EFFECTIVE PORTFOLIO ALLOCATION</b>	<b>% OF NAV</b>
Equities	94.0
Cash and cash equivalents	2.2
Private funds	3.4
Exchange-traded funds	0.2
Other assets (liabilities)	0.2

<b>EFFECTIVE REGIONAL ALLOCATION</b>	<b>% OF NAV</b>
United States	94.1
Cash and cash equivalents	2.2
Netherlands	1.2
United Kingdom	0.7
France	0.6
Ireland	0.5
Canada	0.3
Other assets (liabilities)	0.2
Switzerland	0.1
Bermuda	0.1

<b>EFFECTIVE SECTOR ALLOCATION</b>	<b>% OF NAV</b>
Information technology	21.7
Health care	15.9
Financials	14.4
Consumer discretionary	9.9
Industrials	9.0
Consumer staples	6.6
Communication services	6.1
Energy	4.4
Utilities	3.4
Materials	3.2
Real estate	2.8
Cash and cash equivalents	2.2
Other assets (liabilities)	0.2
Other	0.2

MARCH 31, 2022

<b>PORTFOLIO ALLOCATION</b>	<b>% OF NAV</b>
Equities	97.1
Exchange-traded funds	0.5
Private funds	0.3
Cash and cash equivalents	2.2
Other net assets (liabilities)	(0.1)

<b>REGIONAL ALLOCATION</b>	<b>% OF NAV</b>
United States	93.7
Other	3.4

<b>SECTOR ALLOCATION</b>	<b>% OF NAV</b>
Information technology	25.0
Health care	14.3
Financials	11.5
Consumer discretionary	11.2
Industrials	9.8
Communication services	6.1
Real estate	6.0
Consumer staples	5.6
Energy	4.0
Materials	3.6

\* The Fund is currently fully invested in iProfile™ U.S. Equity Private Pool (the "Underlying Fund").

As at September 30, 2022, the effective allocation shows the portfolio, regional or sector exposure of the Underlying Fund calculated by combining its direct and indirect investments.

# IPROFILE™ U.S. EQUITY PRIVATE CLASS

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2022

## NOTES TO FINANCIAL STATEMENTS

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

#### (a) Organization of the Corporation and the Fund

Investors Group Corporate Class Inc. (the "Corporation") is a mutual fund corporation incorporated under the laws of Canada on July 17, 2002. The address of the Corporation's registered office is 447 Portage Avenue, Winnipeg, Manitoba, Canada. The Fund is a class of shares of the Corporation. The Corporation is authorized to issue an unlimited number of common shares and mutual fund shares. 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. Dividends 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, 2022 and 2021, except for the comparative information presented in the Statements of Financial Position and notes thereto, which is as at March 31, 2022, 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 Administrative Manager (or "Manager") and Portfolio Advisor of 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 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, 2022. 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 14, 2022.

### 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 is determined on a weighted average cost basis.

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 ("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 either the definition of a structured entity or the definition of an associate. 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. 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.

#### (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.

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.

# IPROFILE™ U.S. EQUITY PRIVATE CLASS

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2022

## NOTES TO FINANCIAL STATEMENTS

### 3. Significant Accounting Policies (cont'd)

#### (b) Fair value measurement (cont'd)

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.

The Fund determines fair value of securities in an Underlying Fund as the net asset value per security calculated in accordance with the offering documents of the Underlying Fund. This fair value measurement is classified as Level 1 (unadjusted quoted prices in active markets for identical assets or liabilities) in accordance with IFRS 13, *Fair Value Measurement*. There were no transfers in or out of Level 1 during the periods.

See Note 10 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, respectively, are included in the Statement of Comprehensive Income – Dividends and Interest Income. 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 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.

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

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.

#### (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 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.

#### (g) 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.

#### (h) 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.

#### (i) 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. 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.



## NOTES TO FINANCIAL STATEMENTS

### 4. Critical Accounting Estimates and Judgments (cont'd)

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. Income Taxes

The Corporation qualifies as a mutual fund corporation under the provisions of the *Income Tax Act* (Canada). As a mutual fund corporation, the Corporation computes its net income (loss) and net capital gains (losses) for income tax purposes as a single entity, not on a fund-by-fund basis.

Therefore, net loss for income tax purposes of one Fund in the Corporation may be used to offset net income for tax purposes of another Fund in the Corporation to reduce the total net income for tax purposes of the Corporation as a whole. The Corporation maintains a December year-end for tax purposes.

The general income tax rules associated with a public corporation also apply to a mutual fund corporation with the exception that income taxes payable on capital gains are refundable on a formula basis when issued shares of the Corporation are redeemed or capital gain dividends are paid. The Corporation is subject to a refundable tax at a rate of 38.33% of dividends from certain taxable Canadian corporations. This tax is refundable at the rate of \$1 for every \$2.61 of ordinary dividends paid. To the extent there is net income for tax purposes from other sources (such as interest and foreign income), it is taxed at the full general corporate rate before the general rate reductions. In the event that there is an overall net loss for tax purposes for the Corporation, this loss can be carried back three years or forward to a subsequent year and used to reduce taxes payable for those years. As of the end of the last taxation year, the Corporation had no losses available to offset future years' capital gains or income.

The Corporation and the Fund follow the asset and liability method of accounting for income taxes whereby deferred income tax assets and liabilities reflect the expected future tax consequences of temporary differences between the carrying amounts of assets and liabilities and their tax bases. Deferred income tax assets and liabilities are measured based on the enacted or substantively enacted tax rates which are expected to be in effect when the underlying items of income or expense are expected to be realized.

Temporary differences between the carrying value of assets and liabilities for accounting and tax purposes give rise to deferred income tax assets and liabilities. Where the fair value of investments exceeds their cost, a deferred tax liability arises. This deferred tax liability for refundable taxes payable is offset with the refund expected upon payment of capital gains dividends. Where the cost of investments exceeds their fair value, a deferred tax asset is generated. A full valuation allowance is taken to offset this asset given the uncertainty that such deferred assets will ultimately be realized by the Fund.

### 6. Fees and Other Expenses

- (a) The Fund is responsible for the payment of all expenses related to its operation. 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. Common expenses of the Corporation are allocated across all Classes of the Corporation on a pro rata basis.
- (b) The Portfolio Advisor provides or arranges for the provision of investment and advisory services for a Class advisory fee. See Note 10 for the annual rates paid (as a percent of average assets) by the Fund.
- (c) The Manager is paid an administration fee to compensate it for providing or arranging for the provision of services to the Fund such as transfer agency, fund accounting and other administrative services. See Note 10 for the annual rates paid (as a percent of average assets) by the Fund.

# IPROFILE™ U.S. EQUITY PRIVATE CLASS

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## NOTES TO FINANCIAL STATEMENTS

### 6. Fees and Other Expenses (cont'd)

- (d) 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.
- (e) The Distributors are paid an advisory fee based on iProfile Programs assets. This amount is paid directly by securityholders in the Program and not by the Fund.
- (f) Other expenses are comprised of bank charges and other miscellaneous expenses.
- (g) The Manager may, at its discretion, pay certain expenses of the Fund so 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.
- (h) Investment 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.
- (i) Agreements between the individual members of the Fund's Independent Review Committee ("IRC") and the Manager, 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, 2022 and 2021 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, *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, 2022, 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).

#### (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.

The Fund's investment in the Underlying Fund is denominated in Canadian dollars. However, the Underlying Fund is exposed to currency risk to the extent that its investments, including both monetary and non-monetary financial instruments, are denominated or traded in a foreign currency.

Note 10 indicates the Fund's sensitivity, if any, to a 5% movement in foreign currencies relative to the Canadian dollar. In practice, the actual trading results may differ and the difference could be material.

#### (d) Interest rate risk

Interest rate risk arises on interest-bearing financial instruments. The Fund does not directly hold any interest-bearing financial instruments other than a nominal amount of cash and short-term investments. The Fund is indirectly exposed to the risk that the value of interest-bearing financial instruments held by the Underlying Fund 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.

Note 10 summarizes the Fund's sensitivity, if significant, to a 1% movement in interest rates. 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.

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## NOTES TO FINANCIAL STATEMENTS

### 8. Financial Instruments Risk (cont'd)

#### (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. The Fund has no significant direct exposure 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 held by the Underlying Fund. 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.

#### (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. For the investments held by the Fund, maximum risk of loss is equivalent to their fair value.

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.

#### (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
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).

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## NOTES TO FINANCIAL STATEMENTS

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

#### (a) Fund Formation and Series Information

Series	Inception/ Reinstatement Date	Class advisory fee (%)	Service fee (%)	Administration fee (%)
Series I	03/01/2013	0.25	–	up to 0.30
Series Ti	03/01/2013	0.25	–	up to 0.30

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

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

The Manager has engaged the following sub-advisors to assist in investment management and trade execution for the Underlying Fund:

- Putnam Investments Canada ULC (operating as Putnam Management in Manitoba) and its affiliate The Putnam Advisory Company, LLC.
- PanAgora Asset Management, Inc.
- Aristotle Capital Boston, LLC.

PanAgora Asset Management, Inc., Putnam Investments Canada ULC, and The Putnam Advisory Company, LLC, are indirectly affiliated with IGM Financial Inc.

#### (b) Securities Lending

As at September 30, 2022 and March 31, 2022, the Fund did not have any open securities lending, repurchase or reverse repurchase transactions.

#### (c) Commissions

	(\$)
September 30, 2022	–
September 30, 2021	–

#### (d) Risks Associated with Financial Instruments

##### *i. Risk exposure and management*

The Fund aims to provide long-term capital growth through exposure to U.S. equity securities by investing primarily in units of other mutual funds and/or directly in equity securities. Currently, the Fund intends to invest in units of the iProfile™ U.S. Equity Private Pool or any successor mutual fund.

##### *ii. Currency risk*

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

Impact on net assets	Increased by 5%		Decreased by 5%	
	(\$)	(%)	(\$)	(%)
September 30, 2022	(44,820)	(5.0)	44,820	5.0
March 31, 2022	(50,753)	(5.0)	50,753	5.0

##### *iii. Interest rate risk*

As at September 30, 2022 and March 31, 2022, the Fund did not have a significant exposure to interest rate risk.

##### *iv. Other price risk*

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

Impact on net assets	Increased by 10%		Decreased by 10%	
	(\$)	(%)	(\$)	(%)
September 30, 2022	87,831	9.8	(87,831)	(9.8)
March 31, 2022	99,490	9.8	(99,490)	(9.8)

##### *v. Credit risk*

As at September 30, 2022 and March 31, 2022, the Fund did not have a significant exposure to credit risk.

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## NOTES TO FINANCIAL STATEMENTS

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

#### (e) 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, 2022				March 31, 2022			
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Mutual funds	899,474	–	–	899,474	1,015,660	–	–	1,015,660
Total	899,474	–	–	899,474	1,015,660	–	–	1,015,660

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

#### (f) Offsetting of Financial Assets and Liabilities

As at September 30, 2022 and March 31, 2022, there were no amounts subject to offsetting.

#### (g) Comparative Amounts

Certain prior period comparative amounts have been reclassified to conform to the current period's presentation.