Focussed on Canada

CANADIAN GENERAL INVESTMENTS, LIMITED

2021 Annual Report

Responsibility Statement

In accordance with the Disclosure and Transparency Rules of the United Kingdom Financial Services Authority, the Board of Directors confirms that to the best of its knowledge:

i. the financial statements have been prepared in accordance with International Financial Reporting Standards and give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company;

ii. the management report of fund performance includes a fair review of the development and performance of the business and the position of the Company, together with a description of the principal risks and uncertainties that the Company faces.

The financial statements and management report of fund performance were approved by the Board of Directors on February 17, 2022.

Vanessa L. Morgan
Chair

Certain financial information contained in this report, including investment growth rates, rates of return and other such statistical information, are historical values; past performance is no assurance or indicator of future returns. Share prices, net asset values and investment returns will fluctuate. Stated historical returns assume the reinvestment of all distributions. Such financial information does not reflect any broker commissions, transaction costs or such other fees and expenses which may have been applicable nor income taxes payable by any shareholder, which would have the effect of reducing such historical returns. Stated returns for periods greater than one year are compound average annual rates of return. Further information concerning risk can be found in the Company's Annual Information Form which is available on the Company's website at **www.canadiangeneralinvestments.ca** or on SEDAR at **www.sedar.com**.

The Company is an investment fund, and as such, this annual report to shareholders carries a variety of information concerning stocks and other investments, all for informational purposes only. The reader should assume that the Company and all individuals and entities (including the Manager and members of its staff) who have contributed to this publication may have a conflict of interest. Readers should therefore not rely solely on this report in evaluating whether or not to buy or sell securities discussed herein.

Benchmark of S&P/TSX Composite Index: This is an index of the equity prices of the largest companies listed on the Toronto Stock Exchange (TSX) and is comprised of about 70% of market capitalization for all Canadian-based companies listed on the TSX. Index returns cited are on a total return basis (including reinvestment of distributions).

Cover: **Light Through the Trees, Belmont Lake**

Toronto artist Helen Pare works in acrylic paints in both impressionistic and abstract styles. She begins a landscape by referencing a photograph she has taken, embellishing the colours with distinct design as she remembers it in her mind's eye. Helen loves the beautiful colours and views that can be found in Ontario landscapes throughout the seasons.

"Light Through the Trees, Belmont Lake" is based on a photo taken in the Kawarthas, looking up from the dock through the large overhanging trees at the sun peeking through.

Helen is also a long-time employee of Morgan Meighen & Associates Limited.

From left to right:

Vanessa L. Morgan, Chair;
President & CEO of the Manager

Jonathan A. Morgan, President & CEO;
Executive VP & COO of the Manager

D. Greg Eckel, Portfolio Manager;
Senior VP of the Manager

Michael A. Smedley, Director;
Executive VP & CIO of the Manager

Dear Fellow Shareholders,

We are pleased to present the 2021 annual report for Canadian General Investments, Limited (CGI or the Company). In this report, you will find information on the performance of CGI for 2021. The management report of fund performance contains a management discussion of fund performance, a financial highlights section incorporating per share information as well as various financial ratios, historical returns and a summary of investment portfolio which includes the top 25 holdings as at the end of the year. The full investment portfolio as at December 31, 2021 is provided as part of CGI's audited financial statements, which are included in this report.

For the 12 months ended December 31, 2021, CGI's common shares recorded a net asset value per share (NAV) total return of 24.6% and a share price total return of 29.4% (share price change plus dividends). By comparison, the total return of its benchmark, the S&P/TSX Composite Index, was 25.1% during the same period.

During 2021, CGI paid two quarterly regular taxable dividends aggregating to $0.44 per common share and two quarterly capital gains dividends aggregating to $0.44 for an annual total of $0.88. Based on the year-end market price of the common shares, aggregate dividends paid represented a 2.0% yield to shareholders.

CGI has been managed by Morgan Meighen & Associates Limited (the Manager) since 1956. D. Greg Eckel, Senior Vice-President of the Manager, is the portfolio manager responsible for the management of CGI's investment portfolio.

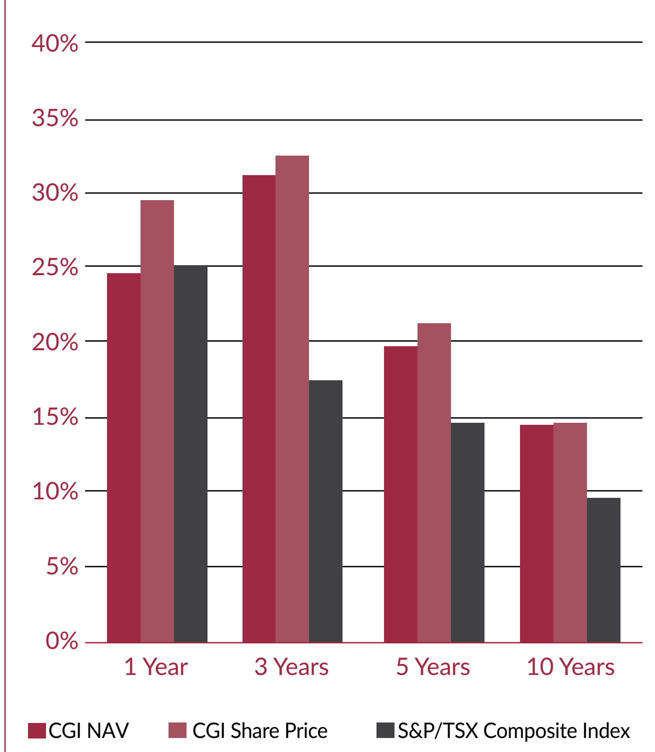
Further information about CGI, including the most recent NAV and market price, current performance, the portfolio's weekly top 10 holdings, historical dividend payments, as well as various financial and regulatory reports, can be found at www.canadiangeneralinvestments.ca.

We appreciate your investment in CGI.

Vanessa L. Morgan
Chair

Jonathan A. Morgan
President & CEO

Compound Annual Returns For The Periods Ending December 31, 2021



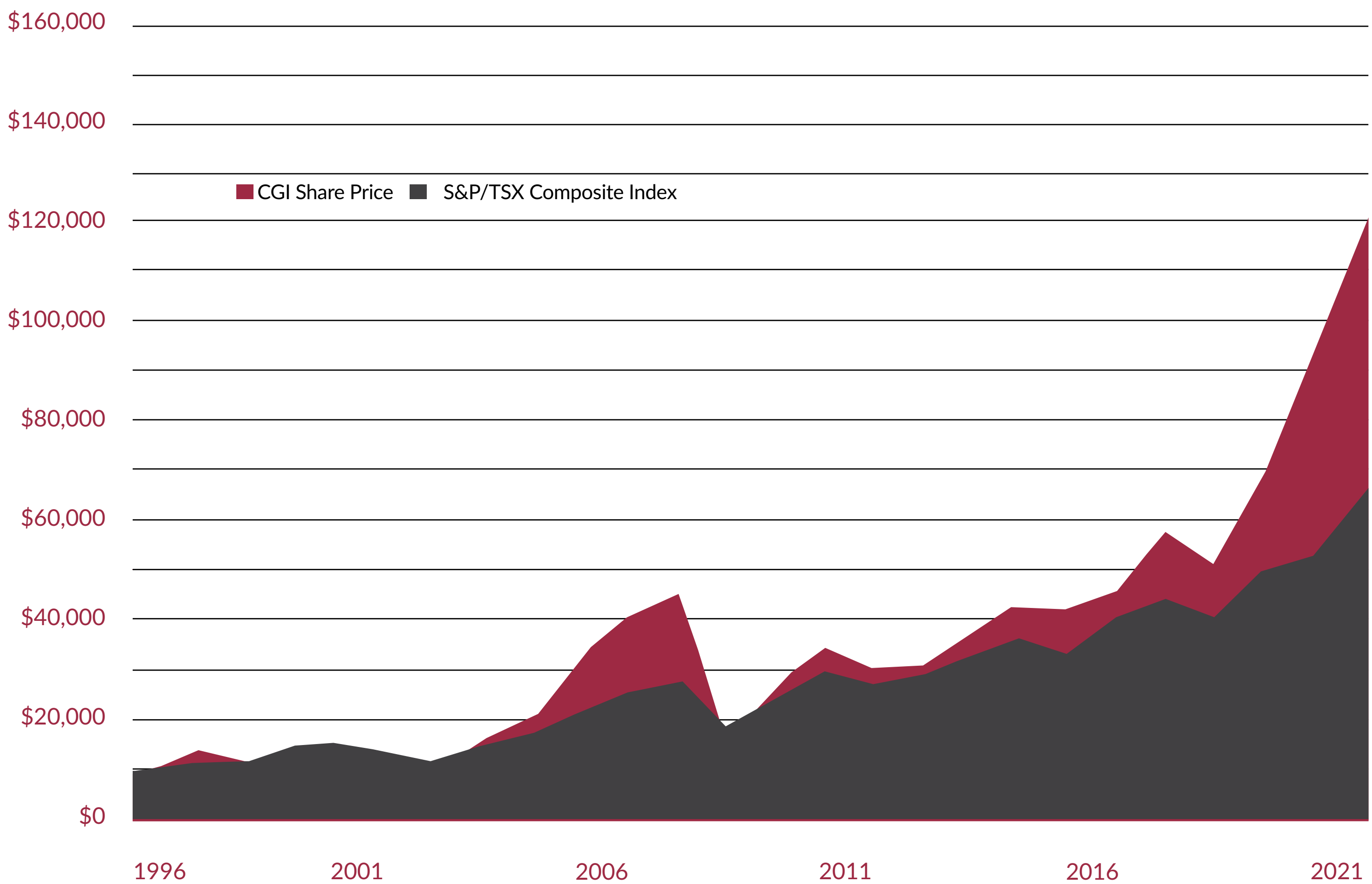
Canadian General Investments, Limited

CGI is a closed-end equity fund focussed on medium- to long-term investments in primarily Canadian companies. It strives, through prudent security selection, timely recognition of capital gains/losses and appropriate income-generating instruments, to provide better than average returns to investors.

CGI was established in 1930 and has been managed since 1956 by Morgan Meighen & Associates Limited (www.mmainvestments.com).

The graph below is presented to illustrate the benefit of a long-term investment In CGI's common shares. A $10,000 investment in CGI would have grown to over $121,000 over the 25-year period ended December 31, 2021. This equates to a compound annual average growth rate of 10.5%. By comparison, a $10,000 investment in the benchmark S&P/TSX Composite Index would have grown to over $66,000 or a compound average annual growth rate of 7.9%.

Growth of a $10,000 Investment – 25 Years to December 31, 2021



For the 50 years ended December 31, 2021, a $10,000 investment would have grown to over $3.0 milion, representing a compound average annual return of 12.1%. The values for the benchmark for the same period were $994,000 and 9.6%, respectively.

This annual management report of fund performance contains financial highlights and should be read in conjunction with the complete audited annual financial statements of the Company that follow this report. Securityholders may request a copy of the Company's interim financial report, proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure, at no cost, by calling 416-366-2931 (Toll-free: 1-866-443-6097), by writing to the Company at 10 Toronto Street, Toronto, Ontario M5C 2B7 or by visiting the Company's website at **www.canadiangeneralinvestments.ca**. The interim report is also available on SEDAR at **www.sedar.com.**

This report may contain forward-looking statements about the Company and markets that reflect the Manager's current expectations of future events. Forward-looking statements include statements that are predictive in nature, depend upon future events or conditions, or include words such as "expects", "anticipates", "intends", "plans", "believes", "estimates", or similar expressions. Forward-looking statements are subject to risks, uncertainties and assumptions with respect to the Company and economic factors and actual results may differ materially for many reasons, including, but not limited to, market and general economic conditions, interest rates, foreign exchange rates, changes in government regulations and catastrophic events. As a result, the reader is cautioned not to place undue reliance on forward-looking statements. Further, any forward-looking information is current only as of the date of this report and there should be no expectation that such information will be updated as a result of new information, changing circumstances or future events, unless required by applicable law.

Management Discussion Of Fund Performance

Investment Objective and Strategies

Canadian General Investments, Limited (CGI or the Company) is a closed-end equity fund, focussed on medium- to long-term investments in primarily Canadian corporations. Its objective is to provide better than average returns to investors through prudent security selection, timely recognition of capital gains/losses and appropriate income-generating instruments.

The Manager, Morgan Meighen & Associates Limited (MMA), utilizes a bottom-up investment strategy in an effort to achieve CGI's objective. With this type of investment strategy, the Manager first seeks individual companies with attractive investment potential, then proceeds to consider the larger industry, economic and global trends affecting those companies. This investment style allows for sector weightings that can differ from those of the benchmark, the S&P/TSX Composite Index (S&P/TSX).

Risk

The risks associated with an investment in the Company are as disclosed in the Company's Annual Information Form which is available on the Company's website at **www.canadiangeneralinvestments.ca** or on SEDAR at **www.sedar.com**.

Results of Operations

Performance

It was another year in which COVID-19 remained a dominant force everywhere. After almost two years, this unprecedented global phenomenon continues to disrupt lives and creates substantial challenges around the world. Efforts to contain it were given a boost with the important development of vaccines, but it is still too early to determine their overall effect on the spread of the disease. Ultimately, success will be influenced by the speed and scale of their deployment, as well as their yet-to-be-determined durable effectiveness against the virus's innate mutability. Medical initiatives, in the form of therapeutics and other treatments, are also being developed and will be required to moderate the effects of COVID-19, even in a potential endemic phase. These collective efforts, and likely more, will be needed to resume some semblance of pre-pandemic activities in a safe and normal way. Despite its persistence, there have been some notable changes in response to the pandemic. Whereas in early 2020, quarantines and complete lockdowns were used almost everywhere as the standard of defence, a variety of approaches, not entirely science-based, have subsequently been taken in different countries. This has had a noticeable effect on regional economics, an important factor in global markets.

Equity markets have shown a remarkable resilience since the emergence of COVID-19. After the initial checkback in early 2020, investors have adopted a look-through approach and brushed off news that would have derailed stocks in years past. This feat was aided primarily by overwhelming support from massive government programs and various policy initiatives which so far have mitigated the potential for devastating and long-term damage to the economy on a global scale and might have provided a steady underpinning going forward. Encouraged by these developments, investors seemed to gain confidence and became more optimistic that the world would be able to re-open in a manageable manner without incurring excessive collateral damage. While 2020 could have been characterised as a very constructive year based on the scale of the intra-year revival, 2021 was a year of decisive advancement for developed markets around the world.

Canadian and most global markets saw one of the sharpest recoveries on record in 2021. North American markets, in particular, were boosted by strong economic growth in the region and led the way in terms of performance. Part of the outperformance relative to their global peers was due, not just to the strong GDP growth, as influenced by COVID-19 case prevalence, but also to the divergent governmental and societal responses. Whereas some developed markets were held back in this regard, the United States was not and had its best year of economic growth since 1984 while Canada had its third-best. This provided added stimulus for equities in both markets.

Like many of its global peers, the S&P/TSX ascended steadily throughout 2021 and, in the process, recorded many new all-time highs. The emergence of new COVID-19 variants and the ongoing battle with the pandemic threw up some roadblocks along the way, but the markets grew adept at discounting potential damage. By year end, the S&P/TSX had added onto its 5.6% total return for 2020 with 25.1% in 2021. By comparison, CGI followed up on its impressive 2020 net asset value (NAV) return, with dividends reinvested, of 38.1% with 24.6% in 2021.

In Canada, the headline index returns are occasionally skewed by the weightings of its top two sectors, Financials and Energy, which represent about 45% of the S&P/TSX. For portfolios like CGI's, that consistently provide a different and more diversified exposure to the Canadian market for its shareholders, this sometimes provides a headwind on the relative measure. This happened in 2021 when more than 60% of the total index return was attributed to these two groups. Despite its relative underweighting in both of these sectors, CGI was able to compensate for this difference in 2021.

The table below illustrates the weightings of the five largest sectors in CGI's portfolio at December 31, 2021, compared with year end 2020, and with the S&P/TSX. The weightings for CGI represent the market value of each sector as a percentage of the total investment portfolio. At December 31, 2021 the portfolio was overweight Consumer Discretionary, Industrials, Information Technology and Materials, and underweight Financials, as compared to the sector weightings in the S&P/TSX.

Overall, it was a good year for all sectors in the Canadian market except for Health Care, which was negative, but this was insignificant to the overall results, given that its index weighting is less than 1%. Of the eleven index sectors, eight had double-digit positive returns but only three, Energy, Real Estate and Financials, beat the index. A similar dynamic carried through on the micro level as well. Higher individual returns were dominated by energy and financial companies and, although over 70% of the index components had positive returns, less than half matched the index return.

	CGI		S&P/TSX	
SECTOR	**December 31, 2021**	**December 31, 2020**	**December 31, 2021**	**December 31, 2020**
Information Technology	23.8%	28.1%	10.7%	10.3%
Industrials	20.2%	22.7%	12.0%	12.5%
Materials	17.7%	16.4%	11.5%	13.7%
Consumer Discretionary	11.7%	11.4%	3.6%	3.9%
Financials	10.6%	9.4%	32.2%	30.2%

It was a comeback year for the Energy sector. The group is renowned for it volatility and this was the case once again. The sector went from worst to first in year-over-year overall rankings and the comparative numbers were striking, down 30% in 2020 and then up more than 41% in 2021. These stocks were buoyed by increases in the prices of oil and gas. Coming out of the most severe of self-induced pandemic restrictions, many activities around the world have been re-started and a natural demand for the commodities has begun to pick up. At the same time, a disciplined effort by OPEC+ to better influence the supply/demand balance has had more success than efforts of the past, while the previous and prolonged lower price environment resulted in production cutbacks and fiscal discipline on the part of non-OPEC producers. This combination means it is unlikely additional supply will come to market, drawing attention to the group. CGI has been underweight Energy, a perennial laggard, since 2011. This stance has benefitted the portfolio for a long time, but it worked against it this year.

Exposure to the Energy sector was increased during the year with the introduction into the portfolio of a new investment in Enerplus Corporation. Enerplus is an oil and gas producer with a bias to liquids production (70%) and has established a concentrated position in the North Dakota Bakken basin known for its light oil. Other interests are held in Canada and the United States but are non-core and could be sold to concentrate and further consolidate this desirable focus area. Almost 90% of its production comes from its U.S. operations which differentiates it from most of its Canadian peers who have ongoing takeaway capacity issues, pricing discounts and additional transport costs. With a long-term drilling inventory, strong balance sheet and resilient production, its future sustainable growth prospects should allow for increased returns of capital to its shareholders. A dual listing in Toronto and New York also allows for an expanded investor base and trading liquidity, two attributes that are usually prized. An addition was also made to the Tourmaline Oil Corp. position which has been a long-term holding in the portfolio. Tourmaline is not an oil-based producer as its name would suggest, rather it is the largest natural gas producer in Canada and one of its senior E&P companies. It is dominant in the Alberta Deep, Peace River High and the Montney basins and is the lowest cost operator in these areas. Scale, operatorship, and integrated infrastructure allows Tourmaline to move forward on its multi-year production growth potential at a pace, influenced by the environment, but controlled internally. Ranked highly by investors, Tourmaline offers the premium go-to play for Canadian gas exposure with good leverage to increasing pricing levels. Profitable and sustainable growth with increasing free cash flows allows for steady full-cycle dividend increases and ample opportunity for additional capital returns to shareholders, including a welcome corporate preference for distributions in the desirable form of special dividends.

Uncharacteristically, Financials underperformed the general market in 2020 but, led by the major Canadian bank stocks, bounced back strongly in 2021. Affected at the onset of the pandemic by concerns for the economy and related business considerations, the outlook for banks was uncertain and their stocks were pressured by the introduction of high loan loss provisioning and regulatory tightening measures. Over time many of these initial concerns eventually faded away. Investors returned to bid them higher in 2021. CGI did not fully participate in either the downturn or the upturn, as it is underweight the large 22% presence the banks hold in the index. However, two non-bank holdings in the portfolio had particularly good returns and helped to offset this relative positioning in the current year. Goeasy Ltd., a provider of non-prime leasing and lending services, was a top performer in the portfolio, up more than 70% and Brookfield Asset Management Inc. (+44%) had another good year as one of the top performers in the entire Financials group. Additions to both investments were made during the year.

CGI is overweight Materials, although its heavy bias to the non-precious metals differentiates it from the index and avoided too much exposure to the double-digit return downside of the Golds and Precious Metals groups. Franco-Nevada Corp., CGI's lone gold exposure and a top-ten holding, did relatively well and had a positive return in excess of 10%, one of the very few positives in these sub-groups. Copper and forestry products have been in focus for the portfolio and Copper Mountain Mining Corporation (-22%) was added. It has a low-cost, long-life mine operating in Canada, as well as an exciting near-term development project in Australia. With production expected to triple in five years, the investment provides good leverage to the commodity price. In other copper related holdings, results were mixed. First Quantum Minerals Ltd., a top-ten holding, had a 30% plus return but Hudbay Minerals Inc. was flat (+3%) and Lundin Mining Corporation negative (-9%). In the forestry group, Interfor Corporation (+17%) was introduced into the portfolio to provide additional exposure. It is the fourth-largest lumber producer in North America, with a high exposure to the lucrative U.S. market, and offers a unique, pure-play on lumber. West Fraser Timber Co. Ltd. (+49%), one of the largest positions in CGI's portfolio, has established itself as the largest publicly traded forestry products company available to investors, since its combination with Norbord Inc., and is considered the proven, high-quality name to own in the space. The company expanded its investor reach with a new U.S. listing in 2021 and its return was in excess of 40%.

CGI was mismatched with the weighting and returns in the Canadian market this year and overall results relied more on the Manager's bottom-up stock picking. Individual returns in the market varied widely, even intra-sector, and provided for a diversification that was used to advantage, but there were some disappointments. The so-called energy transition themed stocks had a broad pullback globally and positions in Ballard Power Systems Inc. (-47%), Westport Fuel Systems Inc. (-56%) and Xebec Adsorption Inc. (-71%) counted among some of the portfolio's biggest losers for the year. The effect of COVID-19 on the Canadian airline industry remained significant in 2021 and Air Canada's business plan and stock price suffered (-7%). It remains in the portfolio as a good reopening play and should respond impressively when the outlook improves. More positively, several holdings in the portfolio had double-digit returns, well in excess of the index, and this provided a driving force for CGI's overall return numbers. At the top of the return chart were a couple, NVIDIA Corporation and TFI International Inc., that had huge years and more than doubled. Other notable mentions come from a variety of fields and included lesser-known names such as StorageVault Canada Inc. (+79%), Descartes Systems Group Inc. (+41%), FirstService Corporation (+43%) and, a new IPO addition this year, Neighbourly Pharmacy Inc. (+65%).

Dividend and interest income was $14,763,000 for the year, down 1.9% from 2020. Management fees, dividends on preference shares, and interest and financing charges, are the largest expenses of the Company. Management fees increased by 36.5% to $15,190,000, as a result of higher average monthly portfolio values compared to 2020. The dividends on preference shares were consistent year-over-year. Interest and financing charges decreased 40.2%, as a result of the borrowing facility carrying a lower interest rate compared to the previous year.

Leverage

On May 12, 2021 the Company entered into a prime brokerage services agreement with a Canadian chartered bank. Margin borrowing of $100.0 million under this new agreement was used to extinguish the $100.0 million borrowed under a one-year secured non-revolving term credit facility that was scheduled to mature on May 12, 2021. Amounts borrowed under this agreement bear interest at the one-month Canadian Dollar Offered Rate (CDOR) plus 0.60% per annum. The agreement requires the Company to pledge securities as collateral for margin borrowings and may be terminated immediately by the prime broker upon the occurrence and continuation of an event of default, as defined in the agreement, or by either party with 30 days' notice. The borrowing facility represented 7.8% of CGI's net assets at December 31, 2021 (December 31, 2020 – 9.6%).

In addition to the $100.0 million borrowed under the facility (December 31, 2020 – $100.0 million), CGI also has outstanding $75 million 3.75% cumulative, redeemable Class A preference shares, Series 4, which become redeemable, at par, to the Series 4 shareholders on or after June 15, 2023 (December 31, 2020 – $75 million).

Both the borrowing facility and the preference shares act as leverage to common shareholders. As at December 31, 2021, the combined leverage represented 13.7% of CGI's net assets (December 31, 2020 – 16.8%). This leverage served to increase the effect of overall portfolio returns, positively impacting CGI's NAV return in the years ended December 31, 2021 and December 31, 2020.

Taxation

As a corporate entity, CGI is subject to tax on its taxable income – primarily realized gains on the sale of investments – at an effective rate of approximately 20%. As a result of its investment corporation status under Canadian tax law, CGI can recover taxes paid or payable on its realized taxable capital gains through the payment of capital gains dividends to shareholders. To the extent that taxes paid or payable on taxable income and capital gains in a year are greater than taxes recovered on the payment of capital gains dividends, there will be a negative impact on net assets of the fund. For the year ended December 31, 2021, there was a refundable income tax expense of $8,726,000, compared to $683,000 in the prior year. Taxes paid or payable on realized taxable capital gains may be recovered through the payment of capital gains dividends in future years. As at December 31, 2021, the Company had federal refundable capital gains taxes on hand of approximately $8,594,000 (December 31, 2020 – $2,995,000), which are refundable on payment of capital gains dividends of approximately $61.0 million (December 31, 2020 – $21.3 million) and Ontario refundable capital gains taxes on hand of approximately $4,313,000 (December 31, 2020 – $1,947,000), which are refundable on payment of capital gains dividends of approximately $75.0 million (December 31, 2020 – $33.9 million).

Recent Developments

Outlook

The initial pressure from COVID-19 has receded somewhat and we could slowly transition away from the potential for a catastrophic global event. Unfortunately, the current Omicron variant has shown that the virus is not ready to release its grip on the world just yet and so it remains a major consideration for investors as a risk wildcard in 2022.

Government fiscal and monetary stimulus has played a key role in global stabilization in recent years and the time for a pivot away from those initiatives is approaching. Many of the fiscal supports have already expired and attention is focussed on central banks. A delicate balance is required so as not to disrupt economic recovery while removing the excesses of past policy. Already, unprecedented supply bottlenecks and high demand for goods has resulted in an inflation spike and investors are nervous that the remedies for containment have the potential to tip economies and markets into retreat mode. This must be carefully watched.

If 2021 could be categorized as a year of recovery, 2022 will likely prove to be a year of moderation. Following record economic and spectacular corporate earnings growth, to expect normalization is reasonable. As we have distanced ourselves in time from the onset of the pandemic, some issues and concerns have receded into the background while others are just starting to emerge. This suggests this year could be different from the last two, and it is likely that markets will have to adjust to new and different challenges. Although this heightens the uncertainty, it should not detract entirely from good fundamental underpinnings and favourable trends. If the global economy maintains its growth trajectory, Canadian markets should do well with their generous mix of late cyclicals like Energy, Materials and Financials and CGI, as a proxy, could benefit as a unique and diversified investment vehicle for Canada.

Related Party Transactions

The Company is managed by MMA, a company under common control with CGI. MMA provides continuing advice and investment management services, as well as administration, financial reporting and other ancillary services required by a publicly listed company. For more details concerning the services that are provided by MMA and the management fee that is charged to the Company, see “Management Fees”.

Third Canadian General Investment Trust Limited (Third Canadian), a private, Ontario-based corporation under common control with the Company, has an approximate 37% (December 31, 2020 – 37%) ownership interest in the Company. As a result of its ownership position in the Company, during the year ended December 31, 2021, Third Canadian received dividends from net investment income of $3,357,000 (2020 – $4,807,000) and dividends from net realized gain on investments of $3,357,000 (2020 – $1,602,000).

Financial Highlights

The following tables show selected key financial information about the Company and are intended to help you understand the Company's financial performance for the past five years.

The Company's Net Assets per Share (1)

	2021	2020	2019	2018	2017
Net assets – beginning of year	$50.02	$36.98	$28.87	$33.14	$27.98
Increase (decrease) from operations					
Total revenue	0.74	0.78	0.89	0.82	0.64
Total expenses (excluding common share dividends)	(0.99)	(0.83)	(0.80)	(0.74)	(0.70)
Realized gains for the year	3.95	1.81	1.61	1.36	1.73
Unrealized gains (losses) for the year	8.93	12.15	7.34	(4.91)	4.27
Refundable income tax expense	(0.42)	(0.03)	(0.13)	(0.04)	(0.02)
Total increase (decrease) from operations(2)	12.21	13.88	8.91	(3.51)	5.92
Dividends paid to common shareholders					
Taxable dividends	(0.44)	(0.63)	(0.40)	(0.57)	(0.36)
Capital gains dividends	(0.44)	(0.21)	(0.40)	(0.19)	(0.40)
Total dividends(3)	(0.88)	(0.84)	(0.80)	(0.76)	(0.76)
Net assets – end of year(4)	$61.35	$50.02	$36.98	$28.87	$33.14

(1) This information is derived from the Company's audited annual financial statements.

(2) Net assets and dividends are based on the actual number of shares outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of shares outstanding over the financial period and may not match the financial statements due to rounding.

(3) Dividends were paid in cash.

(4) This is not a reconciliation of the beginning and ending net assets per share.

Ratios and Supplemental Data

	2021	2020	2019	2018	2017
Total net asset value (000's) (1)	$1,279,896	$1,043,463	$771,549	$602,163	$691,440
Number of shares outstanding (1)	20,861,141	20,861,141	20,861,141	20,861,141	20,861,141
Management expense ratio (2) (3)	1.72%	2.11%	2.27%	2.15%	2.31%
Trading expense ratio (4)	0.03%	0.04%	0.05%	0.03%	0.04%
Portfolio turnover rate (5)	6.17%	10.14%	8.00%	2.31%	10.36%
Net asset value per share (1)	$61.35	$50.02	$36.98	$28.87	$33.14
Closing market price (1)	$44.05	$34.81	$26.21	$20.51	$23.73

(1) This information is provided as at the end of the year shown.

(2) Management expense ratio (MER) is based on total expenses (including leverage costs but excluding commissions and other portfolio transaction costs) for the stated period and is expressed as an annualized percentage of daily average net asset value during the period.

(3) Excluding leverage costs (dividends on preference shares and interest and financing charges), the Company's MERs were as follows: 2021 - 1.37%, 2020 - 1.48%, 2019 - 1.53%, 2018 - 1.48%, 2017 - 1.54%.

(4) The trading expense ratio represents total commissions and other portfolio transaction costs as an annualized percentage of daily average net asset value during the period.

(5) The Company's portfolio turnover rate indicates how actively the Manager manages the Company's portfolio investments. A portfolio turnover of 100% is equivalent to the Company buying and selling all of the securities in its portfolio once in the course of the year. The higher a fund's portfolio turnover rate in a year, the greater the trading costs payable by the fund in the year. There is not necessarily a relationship between the turnover rate and the performance of a fund.

Management Fees

The Company pays a management fee that is calculated and paid monthly at 1% per annum of the market value of CGI's investments adjusted for cash, portfolio accounts receivable and portfolio accounts payable. The Company's management fees were used by MMA to pay costs for managing the portfolio and making investment decisions, as well as the provision of administrative services including making brokerage arrangements for the purchase and sale of securities, calculating the daily net asset value of the Company, maintaining financial and corporate records, preparing financial statements and all required regulatory filings and assisting in promotion activities. The officers of the Company are remunerated by MMA in their capacity as directors and/or officers of MMA and receive no compensation from CGI.

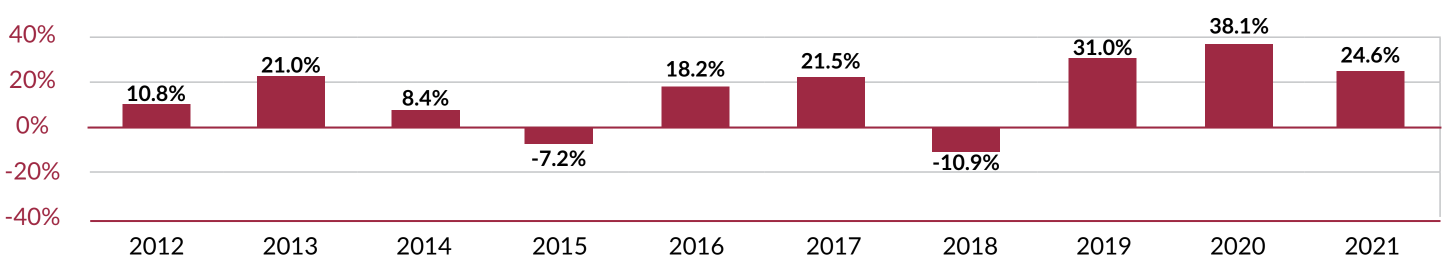
Past Performance

The performance information shown assumes that all dividends paid by CGI to common shareholders were reinvested in additional common shares of the Company. The performance information does not take into account broker commissions or other fees potentially payable by holders of the Company's shares that would have reduced returns or performance. How the Company has performed in the past does not necessarily indicate how it will perform in the future.

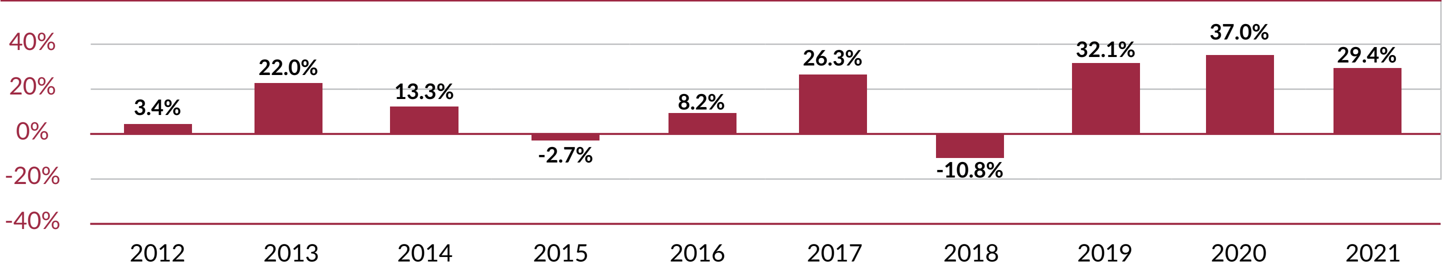
Year-by-Year Returns

The following bar charts show the Company's performance for each of the years shown, and illustrate how the Company's performance has changed from year to year. The bar charts show, in percentage terms, how much an investment made on the first day of each year would have grown or decreased by the last day of each year.

The bar chart below illustrates CGI's net asset value per share return, with dividends reinvested at net asset value per share.



The bar chart below illustrates CGI's share price return, with dividends reinvested at the market price.



Annual Compound Returns

The following table shows the Company's historical annual compound total returns for the periods indicated, compared with the S&P/TSX. The Index return is also calculated on a total return basis, assuming that all distributions are reinvested.

	1 Year	3 Years	5 Years	10 Years
Canadian General Investments, Limited – NAV	24.6%	31.1%	19.5%	14.5%
Canadian General Investments, Limited – Share Price	29.4%	32.8%	21.4%	14.8%
S&P/TSX Composite Index	25.1%	17.5%	10.0%	9.1%

The S&P/TSX Composite Index is a market capitalization-weighted index that provides a broad measure of performance of the Canadian equity market.

Summary Of Investment Portfolio

As at December 31, 2021

Sector Allocation

	% of Net Asset Value*	% of Investment Portfolio
Information Technology	27.2	23.8
Industrials	23.2	20.2
Materials	20.2	17.7
Consumer Discretionary	13.4	11.7
Financials	12.1	10.6
Energy	6.8	5.9
Real Estate	6.2	5.5
Communication Services	2.2	1.9
Health Care	1.7	1.5
Cash & Cash Equivalents	1.3	1.1

Asset Allocation

	% of Net Asset Value*	% of Investment Portfolio
Canadian Equities	87.4	76.4
Foreign Equities	25.6	22.4
Cash & Cash Equivalents	1.3	1.1

Top 25 Holdings

Issuer	Sector	% of Net Asset Value*	% of Investment Portfolio
Shopify Inc.	Information Technology	5.2	4.6
NVIDIA Corporation	Information Technology	5.1	4.5
West Fraser Timber Co. Ltd.	Materials	4.8	4.2
First Quantum Minerals Ltd.	Materials	4.3	3.7
Canadian Pacific Railway Limited	Industrials	4.1	3.6
Franco-Nevada Corporation	Materials	4.0	3.5
TFI International Inc.	Industrials	3.9	3.4
Apple Inc.	Information Technology	3.7	3.2
WSP Global Inc.	Industrials	3.4	2.9
The Descartes Systems Group Inc.	Information Technology	3.3	2.9
Amazon.com, Inc.	Consumer Discretionary	3.0	2.6
Bank of Montreal	Financials	2.9	2.6
FirstService Corporation	Real Estate	2.8	2.5
Mastercard Incorporated	Information Technology	2.8	2.4
goeasy Ltd.	Financials	2.6	2.3
Royal Bank of Canada	Financials	2.6	2.2
SiteOne Landscape Supply, Inc.	Industrials	2.4	2.1
StorageVault Canada Inc.	Real Estate	2.3	2.0
Home Depot, Inc.	Consumer Discretionary	2.1	1.9
BRP Inc.	Consumer Discretionary	2.0	1.7
Toronto-Dominion Bank	Financials	2.0	1.7
Pool Corporation	Consumer Discretionary	2.0	1.7
Block, Inc.	Information Technology	1.9	1.7
Lightspeed Commerce Inc.	Information Technology	1.9	1.6
Neighbourly Pharmacy Inc.	Health Care	1.7	1.5
		76.8*	67.0
Total Net Asset Value* ($000's)			$1,279,896
Total Investment Portfolio* ($000's)			$1,463,688

* Total Net Asset Value represents Total Investment Portfolio adjusted for leverage ($174.7 million) in the form of preference shares and a borrowing facility, other assets and other liabilities. The Total Investment Portfolio includes a receivable on investments sold of $1.1M.

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Company. The most recent quarterly portfolio disclosure may be obtained by visiting the Company's web site at **www.canadiangeneralinvestments.ca**, by calling 416-366-2931 (Toll-free: 1-866-443-6097), or by writing to the Company at 10 Toronto Street, Toronto, Ontario, Canada, M5C 2B7.

Management Report

The accompanying financial statements have been prepared by Management and approved by the Board of Directors of the Company. Management is responsible for the information and representations contained in these financial statements.

The Company maintains appropriate processes to ensure that relevant and reliable financial information is produced. The financial statements have been prepared in accordance with International Financial Reporting Standards and include certain amounts that are based on estimates and judgements. The significant accounting policies, which Management believes are appropriate for the Company, are described in note 3 to the financial statements.

The Board of Directors is responsible for reviewing and approving the financial statements and overseeing Management's performance of its financial reporting responsibilities. An Audit Committee comprised of non-Management Directors is appointed by the Board. The Audit Committee reviews the financial statements, adequacy of internal controls, the audit process and financial reporting with Management and the external Auditor. The Audit Committee reports to the Board of Directors prior to the approval of the audited financial statements for publication.

PricewaterhouseCoopers LLP, the Company's external Auditor, who is appointed by the shareholders, audited the financial statements in accordance with Canadian generally accepted auditing standards to enable them to express to the shareholders their opinion on the financial statements. Their report is set out on pages 11 and 12.

Vanessa L. Morgan
Chair
February 17, 2022

Jonathan A. Morgan
President & CEO

Independent Auditor's Report

To the Shareholders of
Canadian General Investments, Limited

Our opinion

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Canadian General Investments, Limited (the Company) as at December 31, 2021 and 2020, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards (IFRS).

What we have audited
The Company's financial statements comprise:

- the statements of financial position as at December 31, 2021 and 2020;
- the statements of comprehensive income for the years then ended;
- the statements of changes in net assets for the years then ended;
- the statements of cash flows for the years then ended; and
- the notes to the financial statements, which include significant accounting policies and other explanatory information.

Basis for opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence
We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada. We have fulfilled our other ethical responsibilities in accordance with these requirements.

Other information

Management is responsible for the other information. The other information comprises the Management Report of Fund Performance and the information, other than the financial statements and our auditor's report thereon included in the annual report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and

Independent Auditor's Report (continued)

are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditor's report is Derek Hatoum.

PricewaterhouseCoopers LLP

Chartered Professional Accountants,
Licensed Public Accountants
Toronto, Ontario

February 17, 2022

As at December 31, 2021 and December 31, 2020
(in thousands of Canadian dollars, except per share amounts)

	Note	December 31, 2021	December 31, 2020
Assets			
Current assets			
Investments	5	1,445,969	1,210,828
Cash		16,599	6,932
Receivable on investments sold		1,120	-
Interest and dividends receivable		1,234	1,903
Other assets		193	134
Total assets		1,465,115	1,219,797
Liabilities			
Current liabilities			
Accounts payable and accrued liabilities	12	1,585	1,725
Accrued dividends on preference shares		123	123
Income taxes payable		8,828	773
Borrowing facility	6	100,000	99,239
Total current liabilities		110,536	101,860
Preference shares	7	74,683	74,474
Total liabilities		185,219	176,681
Net assets		1,279,896	1,043,463
Equity			
Share capital	8	128,568	128,568
Retained earnings		1,151,328	914,895
Total equity		1,279,896	1,043,463
Net assets per common share		61.35	50.02

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

Approved by the Board of Directors

Director

Director

Statements of Comprehensive Income

For the years ended December 31
(in thousands of Canadian dollars, except per share amounts)

	Note	2021	2020
Income			
Net gains on investments			
Dividend income		14,762	15,027
Interest		1	24
Net realized gain on sale of investments		82,689	38,088
Net change in unrealized gain on investments		186,311	253,371
Net gains on investments		283,763	306,510
Securities lending revenue	**13**	669	1,316
Total net income		284,432	307,826
Expenses			
Management fees	**12**	15,190	11,128
Dividends on preference shares	**7**	2,813	2,813
Interest and financing charges	**6, 7**	1,379	2,308
Transaction costs on purchases and sales		337	352
Listing and regulatory costs		288	270
Directors' fees and expenses	**12**	234	245
Custodial fees		164	114
Withholding taxes	**10**	160	163
Investor relations		76	93
Legal fees		74	32
Security holder reporting costs		65	47
Audit fees		62	64
Independent review committee fees and expenses	**12**	30	36
Other		43	42
Total operating expenses		20,915	17,707
Investment income before income taxes		263,517	290,119
Refundable income tax expense	**9**	8,726	683
Increase in net assets from operations		254,791	289,436
Increase in net assets from operations, per common share		12.21	13.87

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

For the years ended December 31
(in thousands of Canadian dollars)

	Share Capital	Retained Earnings	Total
At December 31, 2019	128,568	642,981	771,549
Increase in net assets from operations	-	289,436	289,436
Dividends paid to common shareholders from net investment income	-	(13,142)	(13,142)
Dividends paid to common shareholders from net realized gain on investments	-	(4,380)	(4,380)
At December 31, 2020	128,568	914,895	1,043,463
Increase in net assets from operations	-	254,791	254,791
Dividends paid to common shareholders from net investment income	-	(9,179)	(9,179)
Dividends paid to common shareholders from net realized gain on investments	-	(9,179)	(9,179)
At December 31, 2021	128,568	1,151,328	1,279,896

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

Statements of Cash Flows

For the years ended December 31
(in thousands of Canadian dollars)

	Note	2021	2020
Cash flows from (used in) operating activities			
Increase in net assets from operations		254,791	289,436
Adjustments for:			
Amortization of financing charges	6, 7	249	315
Net realized gain on sale of investments		(82,689)	(38,088)
Net change in unrealized gain on investments		(186,311)	(253,371)
Purchases of investments		(83,227)	(100,555)
Proceeds of disposition of investments		115,966	107,132
Interest on margin facility		657	-
Interest on loan facility		472	1,992
Dividends paid to preference shareholders		2,813	2,813
Interest and dividends receivable		669	(801)
Other assets		(59)	7
Income taxes payable	9	8,055	(1,755)
Accounts payable and accrued liabilities		240	242
Net cash flows from operating activities		31,626	7,367
Cash flows from (used in) financing activities			
Proceeds from margin facility		100,000	-
Proceeds from loan facility (net of financing cost)		-	570
Repayment of loan facility (net of financing cost)		(99,279)	-
Interest on margin facility		(568)	-
Interest on loan facility		(941)	(1,711)
Dividends paid to common shareholders		(18,358)	(17,522)
Dividends paid to preference shareholders		(2,813)	(2,813)
Net cash flows used in financing activities		(21,959)	(21,476)
Net increase (decrease) in cash		9,667	(14,109)
Cash at the beginning of the year		6,932	21,041
Cash at the end of the year		16,599	6,932
Items classified as operating activities			
Interest received		1	24
Dividends received, net of withholding taxes		15,302	13,882
Income taxes paid - net	9	671	2,438

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

As at December 31, 2021

Number of Shares	Investment	Cost	Fair Value
		(in thousands of dollars)	
	Communication Services (1.9%)		
	Diversified Telecommunication Services		
440,000	TELUS Corporation	6,057	13,108
	Wireless Telecommunication Services		
250,000	Rogers Communications Inc., B NV	3,505	15,057
	Total Communication Services	9,562	28,165
	Consumer Discretionary (11.7%)		
	Auto Components		
145,000	Magna International Inc.	5,244	14,841
	Distributors		
35,000	Pool Corporation	9,651	25,071
	Internet & Direct Marketing Retail		
9,000	Amazon.com, Inc.	7,516	37,978
	Leisure Products		
230,000	BRP Inc.	14,551	25,484
	Multiline Retail		
310,000	Dollarama Inc.	1,065	19,626
	Specialty Retail		
8,000	AutoZone, Inc.	4,864	21,225
52,000	Home Depot, Inc.	8,740	27,312
	Total Consumer Discretionary	51,631	171,537
	Energy (5.9%)		
	Oil, Gas & Consumable Fuels		
275,000	Enbridge Inc.	2,830	13,588
1,350,000	Enerplus Corporation	12,038	18,009
950,000	Parex Resources Inc.	11,085	20,530
226,000	TC Energy Corporation	6,260	13,296
295,000	Tourmaline Oil Corp.	9,930	12,048
1,263,661	Whitecap Resources Inc.	11,827	9,465
	Total Energy	53,970	86,936
	Health Care (1.5%)		
	Health Care Providers & Services		
557,000	Neighbourly Pharmacy Inc.	13,552	22,247
	Total Health Care	13,552	22,247

Number of Shares	Investment	Cost	Fair Value
		(in thousands of dollars)	
	Financials (10.6%)		
	Banks		
275,000	Bank of Montreal	10,640	37,452
245,000	Royal Bank of Canada	10,190	32,891
260,000	Toronto-Dominion Bank	5,599	25,215
	Capital Markets		
210,000	Brookfield Asset Management Inc., A LV	10,149	16,042
76,900	Economic Investment Trust Ltd.	3,851	9,767
	Consumer Finance		
185,000	goeasy Ltd.	17,140	33,165
	Total Financials	57,569	154,532
	Industrials (20.2%)		
	Air Freight & Logistics		
70,000	Cargojet, Inc.	13,027	11,660
	Airlines		
920,000	Air Canada	4,739	19,440
	Commercial Services & Supplies		
65,000	Boyd Group Services Inc.	13,064	12,975
100,000	Waste Connections, Inc.	11,183	17,240
	Construction & Engineering		
235,000	WSP Global Inc.	10,389	43,153
	Electrical Equipment		
725,000	Ballard Power Systems Inc.	15,253	11,519
	Industrial Conglomerates		
21,000	Roper Technologies, Inc.	10,060	13,072
	Machinery		
2,200,000	Westport Fuel Systems Inc.	13,135	6,622
3,220,000	Xebec Adsorption Inc.	14,313	8,082
	Marine		
332,000	Algoma Central Corporation	2,555	5,654
	Road & Rail		
90,000	Canadian National Railway Company	10,947	13,984
575,000	Canadian Pacific Railway Limited	6,352	52,314
350,000	TFI International Inc.	5,029	49,655
	Trading Companies & Distributors		
100,000	SiteOne Landscape Supply, Inc.	8,233	30,662
	Total Industrials	138,279	296,032

Schedule of Investment Porftolio

As at December 31, 2021

Number of Shares	Investment	Cost	Fair Value
		(in thousands of dollars)	
	Information Technology (23.8%)		
	IT Services		
120,000	Block, Inc.	10,613	24,528
78,000	Mastercard Incorporated, A	5,467	35,470
38,400	Shopify Inc.	2,031	66,881
	Semiconductors & Semiconductor Equipment		
177,000	NVIDIA Corporation	3,118	65,882
	Software		
9,000	Constellation Software Inc.	11,598	21,122
400,000	The Descartes Systems Group Inc.	10,317	41,848
470,000	Lightspeed Commerce Inc.	9,858	24,008
330,000	Open Text Corporation	4,916	19,813
16,738	Topicus.com Inc.	0	1,943
	Technology Hardware, Storage & Peripherals		
208,000	Apple Inc.	1,971	46,743
	Total Information Technology	59,889	348,238
	Materials (17.7%)		
	Containers and Packaging		
240,000	CCL Industries Inc., B NV	6,628	16,279
	Metals & Mining		
3,000,000	Copper Mountain Mining Corporation	13,173	10,260
1,800,000	First Quantum Minerals Ltd.	11,567	54,486
290,000	Franco-Nevada Corporation	13,259	50,733
2,000,000	Hudbay Minerals Inc.	11,199	18,320
1,200,000	Lundin Mining Corporation	8,182	11,856
410,000	Teck Resources Limited, B SV	12,327	14,936
	Paper & Forest Products		
500,000	Interfor Corporation	17,879	20,255
507,125	West Fraser Timber Co. Ltd.	26,691	61,200
	Total Materials	120,905	258,325

Number of Shares	Investment	Cost	Fair Value
		(in thousands of dollars)	
	Real Estate (5.5%)		
	Real Estate Management & Development		
80,000	Colliers International Group Inc.	14,699	15,070
145,000	FirstService Corporation	20,352	36,047
4,000,000	StorageVault Canada Inc.	10,600	28,840
	Total Real Estate	45,651	79,957
	Transaction costs	(973)	-
	Total investments (98.8%)	550,035	1,445,969
	Cash (1.1%)		16,599
	Receivable on investments sold (0.1%)		1,120
	Investment Portfolio (100.0%)		1,463,688

LV: limited voting

NV: non-voting

SV: subordinate voting

For the years ended December 31, 2021 and 2020

1 General Information

Canadian General Investments, Limited (CGI or the Company) is domiciled in Canada and incorporated under the laws of Ontario, Canada. The address of its registered office is 10 Toronto Street, Toronto, Ontario, Canada, M5C 2B7.

CGI is a closed-end equity fund focussed on medium- to long-term investments in primarily Canadian corporations. Its objective is to provide better than average returns to investors through prudent security selection, timely recognition of capital gains and appropriate income-generating instruments.

The Company's investment and administration activities are managed by Morgan Meighen & Associates Limited (the Manager).

The Company's common and preference shares are publicly listed and trade on the Toronto Stock Exchange (symbols CGI, CGI.PR.D). The common shares also trade on the London Stock Exchange (symbol CGI). The closing price of the common shares on December 31, 2021 was $44.05.

These financial statements were authorized for issue by the Board of Directors on February 17, 2022.

2 Basis of Presentation

The Company's financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS).

3 Summary of Significant Accounting Policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the periods presented.

3.1 Financial Assets and Financial Liabilities

Classification

The Company recognizes financial instruments at fair value upon initial recognition, plus transaction costs in the case of financial instruments measured at amortized cost. Investment transactions are recorded on the trade date. The Company measures securities at fair value through profit or loss (FVTPL). The portfolio of financial assets is managed and performance is evaluated on a fair value basis. The Company and the Manager are primarily focussed on fair value information and use that information to assess the assets' performance and to make decisions. The Company has not taken the option to irrevocably designate any equity securities as fair value through other comprehensive income. Consequently, all investments are measured at FVTPL.

All other financial assets and liabilities are classified at amortized cost or financial liabilities, as applicable, and are measured at amortized cost and reflect the amount to be received or paid, discounted, when appropriate, at the contract's effective interest rate.

Fair value measurement

Fair value is 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.

When available, the Company measures the fair value of an instrument using quoted prices in an active market for that instrument. A market is regarded as active if quoted prices are readily and regularly available and represent actual and regularly occurring market transactions on an arm's length basis. Publicly listed securities are valued at the last traded market price on the reporting date, where the last traded price falls within the day's bid-ask spread. In circumstances where the last traded price is not within the bid-ask spread, the Manager determines the point within the bid-ask spread that is most representative of fair value based on the specific facts and circumstances. The Company's policy is to recognize transfers into and out of the fair value hierarchy as of the date of the event or change in circumstances giving rise to the transfer.

Unlisted securities that trade on an over-the-counter market and other securities, in special circumstances where a market quotation is not readily available or is considered inappropriate (such as a stale price), are valued using available sources of information and commonly used valuation techniques, using primarily observable inputs. The Company considers observable inputs to be market data that is readily available, regularly distributed or updated, reliable and verifiable, and provided by independent sources.

The best evidence of the fair value of a financial instrument at initial recognition is the transaction price, i.e. the fair value of the consideration given or received, unless the fair value of that instrument is evidenced by comparison with other observable current market transactions in the same instrument (i.e. without modification or repackaging) or based on a valuation technique whose variables include only data from observable markets.

3 Summary of Significant Accounting Policies (continued)

3.2 Foreign Currencies

Assets and liabilities denominated in foreign currencies are translated into Canadian dollars at period-end exchange rates. Purchases and sales of investments, investment income and expenses are calculated at the exchange rates prevailing on the dates of the transactions. The Canadian dollar is the Company's functional and presentation currency.

3.3 Investment Income

Dividend income is recorded on the ex-dividend date. Interest is recognized on an accrual basis. Securities lending revenue is recognized as earned.

3.4 Securities Lending

Securities lent are not derecognized in the Company's statement of financial position as the Company retains substantially all the risks and rewards of ownership.

3.5 Cash

Cash is comprised of demand deposits with reputable financial institutions.

3.6 Preference Shares

The Company classifies financial instruments issued as financial liabilities or equity instruments in accordance with the substance of the contractual terms of the instruments.

The Company has one series of its Class A preference shares in issue: Series 4. The preference shares have priority over the common shares with respect to the payment of dividends and the return of capital and the distribution of assets in the event of liquidation. The preference shares provide investors with the right to require redemption, or the right for the Company to redeem, for cash at values and dates set out in the table in note 7 and also in the event of the Company's liquidation.

The preference shares are classified as financial liabilities and are stated at amortized cost using the effective interest method.

3.7 Increase (Decrease) in Net Assets From Operations, Per Common Share

The increase (decrease) in net assets from operations, per common share is calculated by dividing increase (decrease) in net assets from operations by the weighted-average number of common shares outstanding during the period.

3.8 Taxation

The Company qualifies as an investment corporation under Section 130 of the Income Tax Act (Canada) (the Act) and, as such, is subject to a reduced rate of income tax on its net investment income other than dividends received from taxable Canadian corporations. Taxes paid on taxable dividends paid from corporations resident in Canada are refundable on the payment of taxable dividends to shareholders related to these dividends.

Income taxes are paid by the Company on net capital gains realized at the rate of approximately 20%. These income taxes are recoverable by the Company as long as it continues to qualify as an investment corporation and pays out sufficient dividends related to these realized gains. Refundable income taxes paid or recovered are recorded as an expense or recovery in the period in which such tax becomes payable or receivable.

In addition, temporary differences between the carrying values of assets and liabilities for accounting and income tax purposes give rise to deferred income tax assets and liabilities. The most significant temporary difference is that between the reported fair value of the Company's investment portfolio and its adjusted cost base (ACB) for income tax purposes. To the extent that the fair value of the Company's portfolio exceeds its ACB, a deferred tax liability arises which is fully offset by the future refundable taxes available to the Company as an investment corporation. Conversely, when the ACB exceeds the fair values of the portfolio, a deferred tax asset is generated. A deferred tax asset is also generated to the extent that the Company has available and unutilized capital and non-capital tax losses. However, these net deferred tax assets have not been recorded in the statements of financial position since, with the exception of refundable income taxes described above, the Company does not record income taxes since it is, in substance, not taxable.

3.9 Investment in Associates and Subsidiaries

The Company has determined that it meets the definition of "investment entity". An investment entity is an entity that (i) obtains funds from one or more investors for the purpose of providing them with investment management services; (ii) commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income, or both; and (iii) measures and evaluates the performance of substantially all of its investments on a fair value basis. The most significant judgement that the Company has made in determining that it meets this definition is that fair value is used as the primary measurement attribute to measure and evaluate the performance of substantially all of its investments.

Subsidiaries are entities over which the Company has control through its exposure or rights to variable returns and has the ability to affect those returns through its power over the entities. As the Company meets the definition of an investment entity, all subsidiaries, if any,

3 Summary of Significant Accounting Policies (continued)

are measured at FVTPL. The Company's investments may also include associates over which the Company has significant influence and these are measured at FVTPL. As at December 31, 2021 and December 31, 2020, the Company has no investment in associates or subsidiaries.

3.10 New standards

The International Accounting Standards Board issued amendments to various standards, including IFRS 9 Financial Instruments, IFRS 7 Financial Instruments: Disclosures and IFRS 16 Leases, to address the accounting impacts and treatment in relation to the effects of transition from benchmark interest rate. The amendments are applicable for financial years commencing on or after January 1, 2021. The Company has determined the amendments did not have a material impact on its financial statements. The Company continues to monitor future accounting standards and analyze the effect the standards may have on the Company's operations.

4 Critical Accounting Estimates & Judgements

The preparation of the financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

5 Financial Risk Management

5.1 Financial Risk Factors

In the normal course of operations, the Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk (including interest rate risk, currency risk and price risk). Market prices and the fair value of investments in the Company's portfolio fluctuate on a daily basis as a result of changes in interest rates, economic conditions, market and company news, political conditions, natural disasters, and public health emergencies, including an epidemic or pandemic. In general, the Manager seeks to minimize the potential adverse effects of these risks on the Company's performance by employing professional, experienced portfolio managers, by ongoing monitoring of the Company's positions and market events, and by diversifying the investment portfolio within the policies and guidelines set by the Board of Directors of the Company, in a manner consistent with the investment objective. Pursuant to the Manager's bottom-up selection mandate, security selection is the primary criteria for managing risk. In order to mitigate risk, depending on conditions, the Manager considers other criteria such as asset class, industry, country and currency.

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company's main exposure to credit risk may consist of investments in debt instruments, including short-term securities, bonds, preferred shares, interest and dividends receivable, amounts due from brokers, securities on loan as part of the Company's securities lending program, as well as securities held in a separate control account with the Company's custodian, as part of its margin facility. The fair value of debt instruments includes consideration of the creditworthiness of the debt issuer. The carrying amount of cash, interest and dividends receivable and other assets represents the maximum credit risk exposure as at December 31, 2021 and December 31, 2020. As at December 31, 2021 and December 31, 2020, the Company had no investments in debt instruments.

Credit risk related to cash is considered low as it is held at AA-rated Canadian banks (consistent with prior year). All transactions in securities are settled/paid for on delivery using approved brokers. The risk of default is considered minimal, as delivery of securities sold is only made once the Company's custodian has received payment. Payment is made on a purchase once the securities have been received by the Company's custodian. The trade will fail if either party fails to meet its obligation.

Credit risk with respect to the Company's securities lending program is considered minimal given the nature of the collateral, as well as the indemnification provided by the agent administering the program (note 13).

Credit risk related to the Company's margin facility is considered low given the nature of the tri-party agreement between the Company, its custodian, and the bank (note 6).

5 Financial Risk Management (continued)

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities.

As the Company is a publicly traded, closed-end investment fund with a fixed number of common shares outstanding, unlike an open-ended mutual fund, it is not exposed to the liquidity risk associated with daily cash redemptions of securities. However, as part of a leverage strategy, the Company currently has one series of Class A preference shares outstanding: Series 4 for $75 million with a redemption date of June 15, 2023 and $100 million borrowed through a margin facility (which replaced a $100 million loan facility in May 2021). Included in the Series 4 preference share provisions is a restriction which precludes payment of a common share dividend unless, after giving effect thereto, the ratio of assets to obligations (both as defined in the preference share prospectus) exceeds 2.5 times. At December 31, 2021 the ratio was 8.4 times (December 31, 2020 – 7.0 times). As at December 31, 2021, the combined leverage represented 13.7% of CGI's net assets (December 31, 2020 – 16.8%), while the borrowing facility represented 7.8% of CGI's net assets (December 31, 2020 – 9.6%).

Liquidity risk is managed by investing the majority of the Company's assets in investments that are traded in an active market and which can be readily disposed of, and by retaining sufficient cash and cash equivalent positions to maintain liquidity. Restricted and unlisted securities, if any, are identified in the schedule of investment portfolio. There are no restricted securities as at December 31, 2021 or December 31, 2020.

Leverage decisions, whether in the form of a borrowing facility or bond or preference share issues from treasury, are at the discretion of the Company's Board of Directors.

As at December 31, 2021 and December 31, 2020, all financial liabilities of the Company, except for the Class A preference shares, Series 4, fall due within twelve months.

Market risk

The Company's investments are subject to market risk which is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The following include sensitivity analyses that show how the net assets would have been affected by a possible change in the relevant risk at each reporting date. In practice, the actual results may differ and the differences could be material.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's interest-bearing financial assets and financial liabilities expose it to risks associated with the effects of fluctuations in the prevailing levels of market interest rates on its financial position and cash flows.

Although the Company may invest in interest-bearing financial instruments, the substantial majority of the Company's financial assets are non-interest bearing or have short maturities. As a result, the Company is not subject to significant amounts of risk on its investments due to fluctuations in the prevailing levels of market interest rates.

As at December 31, 2021 and December 31, 2020, the Company had no investments in debt instruments.

The Company's most significant financial liabilities are its Class A preference shares and a borrowing facility.

The Company's Class A preference shares outstanding have a fixed coupon rate. While they themselves do not subject the Company to interest rate risk, any new issues, whether or not in connection with the redemption date of the preference shares, will be subject to the prevailing interest rate environment at that time.

With respect to the Company's borrowing facility, interest rates on these borrowings are short-term. For the year ended December 31, 2021, a 1% increase or decrease in the interest rate, with all other variables held constant, would have resulted in the interest and financing charges increasing or decreasing, respectively, by approximately $1,000,000 (December 31, 2020 – $993,000).

Currency risk

Currency risk arises from financial instruments that are denominated in a currency other than the Canadian dollar. The Company is exposed to the risk that the value of securities denominated in other currencies will fluctuate due to changes in exchange rates. Securities trading in foreign markets are also exposed to currency risk, as the price in local terms in the foreign market is converted to Canadian dollars to determine fair value. The Company's policy is not to enter into any hedging arrangements.

As at December 31, 2021, the Company`s investment portfolio had a 22.4% (December 31, 2020 – 21.8%) weighting in U.S. dollars. As at December 31, 2021, had the Canadian dollar strengthened or weakened by 5% in relation to all currencies represented in the portfolio, with all other variables held constant, net assets would have decreased or increased, respectively, by approximately $16,397,000 or approximately 1.3% (December 31, 2020 – $13,256,000 or approximately 1.3%).

Price risk

Price risk is the risk that the fair 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 these changes are caused by factors specific to an individual investment or its issuer, or by factors affecting all similar instruments traded in a market or market segment. All securities present a risk of loss of capital. The Manager moderates this risk through careful selection of securities and other financial instruments within the parameters of the investment strategy and by maintaining a well diversified portfolio. The maximum risk resulting from financial instruments is equivalent to their fair value. The Company's equity

5 Financial Risk Management (continued)

and debt (if any) instruments are susceptible to other price risk arising from uncertainty about future prices of the instruments.

As at December 31, 2021, a 5% increase or decrease in market prices in the investment portfolio, excluding cash and short-term securities, with all other variables held constant, would have resulted in the Company's net assets increasing or decreasing, respectively, by approximately $72,298,000 or approximately 5.6% (December 31, 2020 – $60,541,000 or approximately 5.8%).

Concentration risk

Concentration risk arises as a result of the concentration of exposures within the same category, whether it is geographical location, product type, industry sector or counterparty type. The following is a summary of the Company's concentration by sector in the investment portfolio:

Industry Sector	December 31, 2021	December 31, 2020
Information Technology	23.8%	28.1%
Industrials	20.2%	22.7%
Materials	17.7%	16.4%
Consumer Discretionary	11.7%	11.4%
Financials	10.6%	9.4%
Energy	5.9%	4.3%
Real Estate	5.5%	3.4%
Communication Services	1.9%	2.1%
Health Care	1.5%	1.1%
Cash	1.1%	0.6%
Utilities	0.0%	0.5%
Receivable on investments sold	0.1%	0.0%
	100.0%	100.0%

Sensitivity analyses are provided for information purposes only. In practice, the actual trading results may differ from this sensitivity analysis and the difference could be material.

5.2 Capital Risk Management

The Company considers capital to be composed of its equity, as well as its outstanding preference shares and borrowing facility. The Company's primary objective when managing its capital is to ensure that activities are carried out in accordance with the investment objective of the Company, as described in note 1. In addition, the Company monitors its adherence to the provisions of its outstanding Class A preference shares and borrowing facility. In particular, included in the preference shares provisions is a dividend payment restriction, which provides that the Company shall not pay a dividend on its common shares unless after giving effect thereto, the ratio of assets to obligations (both as defined in the preference share prospectus) exceeds 2.5 times. All common share dividend payments made in 2021 and 2020 were in compliance with this provision. With respect to the margin facility, the Company is required to maintain sufficient collateral in the form of securities in a separate control account with the Company's custodian, based on margin requirements established by the prime broker. There has been no event of default since the prime brokerage services agreement was entered into effective May 12, 2021.

5.3 Fair Value Measurements

The Company classifies its investments within a fair value hierarchy, based on the inputs used in their fair value measurement. The hierarchy of inputs is summarized below:

Level 1: Unadjusted quoted prices at the measurement date in active markets for identical assets

Level 2: Directly or indirectly observable inputs other than quoted prices included in Level 1, such as quoted prices for identical or similar assets in markets that are not active

Level 3: Inputs for the assets that are not based on observable market data

5 Financial Risk Management (continued)

Level 2 investments include positions that are not traded in active markets and/or subject to transfer restrictions, and valuations may be adjusted to reflect illiquidity and/or non-transferability, which are generally based on available market information and commonly used valuation techniques.

All other financial instruments of the Company, which may include cash, receivable on investments sold or payable on investments purchased, interest and dividends receivable, accounts payable and accrued liabilities, accrued dividends on preference shares, borrowing facility and preference shares are carried at amortized cost.

(in thousands of dollars)	Level 1	Level 2	Level 3	Total
As at December 31, 2021				
Financial assets at FVTPL:				
Investments	1,445,969	-	-	1,445,969
As at December 31, 2020				
Financial assets at FVTPL:				
Investments	1,210,828	-	-	1,210,828

During the year ended December 31, 2021, there were no investments transferred between the levels.

During the year ended December 31, 2020 an investment with a fair value of $1,360,000, was transferred from Level 2 to Level 1 following the listing and commencement of trading for those securities.

The Manager is responsible for performing fair value measurements included in the financial statements of the Company, including Level 3 measurements, if any. The Manager obtains pricing from a third party pricing vendor.

6 Borrowing Facility

Subject to approval by the Board of Directors, the Company may use various forms of leverage, including by way of a margin facility with a prime broker or a loan facility with a bank.

Margin facility

On May 12, 2021 the Company entered into a prime brokerage services agreement with a Canadian chartered bank. Margin borrowing of $100 million under this new agreement was used to extinguish the $100 million borrowed under a one-year secured non-revolving term credit facility that was scheduled to mature on May 12, 2021.

Amounts borrowed under this agreement bear interest at the one-month Canadian Dollar Offered Rate (CDOR) plus 0.60% per annum. The agreement requires the Company to pledge securities as collateral for margin borrowings and may be terminated immediately by the prime broker upon the occurrence and continuation of an event of default, as defined in the agreement, or by either party with 30 days' notice.

As at December 31, 2021, the Company had pledged securities as collateral to the prime broker equal to $114,637,000 on the borrowings of $100,000,000 plus accrued interest of $89,000.

Loan facility

On May 12, 2020, the Company received notice from its lender, a Canadian chartered bank, that its $100 million one-year non-revolving term credit facility, was being converted into a fixed-term facility with a maturity date of May 12, 2021. This facility had included an evergreen feature, which allowed the Company to continue use of the facility indefinitely (beyond the initial one-year term), provided the bank had not given the Company one-year's notice of terminating the facility.

As at December 31, 2020, $93,000 of debt-issuance costs incurred on the facility had been capitalized and was being amortized. Amounts were borrowed under this facility through prime-rate loans, which bore interest at the greater of the bank's prime rate and the CDOR plus 1.00% per annum, or bankers' acceptances, which bore interest at CDOR plus 0.75% per annum. Accrued interest as of December 31, 2020 amounted to $469,000.

The facility was secured with a first-ranking charge on the Company's property and assets, including the investment portfolio and required the Company to comply with certain covenants including maintenance of asset coverage ratios. The Company was in compliance with all of the covenants as at December 31, 2020. On May 12, 2021, this facility was repaid.

6 Borrowing Facility (continued)

The loan facility consisted of the following:

(in thousands of dollars)	December 31, 2021	December 31, 2020
Bankers' acceptances, maturing March 4, 2021	-	99,281
Less: Unamortized debt-issuance costs	-	42
	-	99,239

7 Preference Shares

The Company is authorized to issue, in series, a class of preference shares of which the following are outstanding:

Class A preference shares	December 31, 2021 Number of shares	December 31, 2020 Number of shares	Stated amount per share $	Cumulative annual dividend rate %	Date of issue	December 31, 2021 Amount $ (In thousands)	December 31, 2020 Amount $ (In thousands)
Series 4	3,000,000	3,000,000	25.00	3.75	May 30, 2013	75,000	75,000
						75,000	75,000
Deferred issuance costs (net of amortization of $1,561,000 (December 31, 2020 – $1,352,000))						317	526
						74,683	74,474

The Company may redeem for cash, the Series 4 shares, in whole or in part, at the following prices during the defined periods:

	$25.25	$25.00
Series 4	June 15, 2021 to June 14, 2022	June 15, 2022 and thereafter (1)

(1) The holders may require the Company to redeem the Series 4 shares on or after June 15, 2023 for a cash price of $25.00 per share.

Subsequent to December 31, 2021, the Company declared a quarterly dividend of $0.23438 per share payable on March 15, 2022 to Series 4 shareholders of record at the close of business on February 28, 2022.

8 Share Capital

Common Shares

The Company is authorized to issue an unlimited number of common shares. As at December 31, 2021, there are 20,861,141 (December 31, 2020 – 20,861,141) common shares issued and outstanding with no par value.

Subsequent to December 31, 2021, the Company declared a quarterly dividend of $0.23 per share payable on March 15, 2022 to common shareholders of record at the close of business on February 28, 2022.

9 Income Taxes

As at December 31, 2021, the Company had federal refundable capital gains taxes on hand of approximately $8,594,000 (December 31, 2020 – $2,995,000), which are refundable on payment of capital gains dividends of approximately $61.0 million (December 31, 2020 – $21.3 million) and Ontario refundable capital gains taxes on hand of approximately $4,313,000 (December 31, 2020 – $1,947,000), which are refundable on payment of capital gains dividends of approximately $75.0 million (December 31, 2020 – $33.9 million).

The Company is also subject to a special tax of 38-1/3% on taxable dividends received from corporations resident in Canada. This special tax is refundable on payment of taxable dividends to shareholders at the rate of $0.3833 for each $1 of such dividends paid. The Company has $2,208,000 of refundable dividend tax on hand as at December 31, 2021 (December 31, 2020 – $1,287,000).

The Company's refundable income tax expense during the year is determined as follows:

(in thousands of dollars)	2021	2020
Provision for income taxes on investment income before income taxes		
Provision for income taxes based on combined Canadian federal and provincial income tax rate of 39.5%	104,090	114,598
Increase (decrease) in income taxes resulting from:		
Dividends from taxable Canadian companies	(5,409)	(5,506)
Dividends on preference shares	1,111	1,111
Net change in unrealized gain	(73,593)	(100,082)
Non-taxable portion of net realized gain on sale of investments	(16,331)	(7,522)
Increase (decrease) in refundable dividend tax on hand	921	(1,149)
Differences arising from use of different cost bases for income tax and accounting purposes and other items	(250)	98
Income taxes recoverable on dividends from net realized gains on investments	(1,813)	(865)
Refundable income tax expense	8,726	683

In accordance with the Act, a corporation can qualify as an investment corporation if certain tests are satisfied. One of the tests is that the corporation cannot have specified shareholders. A specified shareholder is generally a shareholder, who, along with certain persons to whom the shareholder is considered to be related, has a greater than 25% shareholding. The Company has had specified shareholders since June 20, 1996.

The specified shareholder rules of the Act generally allow the Company to maintain its investment corporation status as long as it does not have any specified shareholders other than those specified shareholders existing on June 20, 1996. In addition, the specified shareholders as at June 20, 1996 cannot, after that date, contribute capital or acquire additional shares of the Company other than through certain specified transactions.

10 Withholding Taxes

The Company incurs withholding taxes imposed by certain countries on investment income. Such income or gains are recorded gross of withholding taxes in the statements of comprehensive income. Withholding taxes are shown as a separate item in the statements of comprehensive income. During year ended December 31, 2021, the average withholding tax rate paid by the Company was 15.0% (December 31, 2020 - 15.0%).

11 Financial Instruments by Category

All of the Company's financial assets were carried at amortized cost, with the exception of investments which is carried at FVTPL. All the Company's financial liabilities were carried at amortized cost. All gains and/or losses recorded on the statement of comprehensive income relate to investments measured at fair value through profit or loss.

12 Related Party Information

Third Canadian General Investment Trust Limited (Third Canadian) owns 36.6% of the common shares of the Company, and is therefore considered a related party. Jonathan A. Morgan and Vanessa L. Morgan, both directors and executive officers of the Company, beneficially own directly or indirectly or exercise control or direction over an aggregate of 100% of the common shares of Third Canadian. Including the holding by Third Canadian, Mr. Morgan and Ms. Morgan together own directly or indirectly or exercise control or direction over an aggregate of 52.5% of the outstanding common shares of the Company, making them the ultimate controlling party.

Transactions With Related Entities

Management fees

The Company's activities are managed by the Manager pursuant to a management agreement dated July 18, 2018. Mr. Morgan and Ms. Morgan together own directly or indirectly 85%, and are both directors and executive officers, of the Manager. Management fees are paid monthly to the Manager for services received in connection with the management of the Company's financial accounts and investment portfolio, among other services. These fees are calculated monthly at 1% per annum of the fair value of the Company's investments adjusted for cash, portfolio accounts receivable and portfolio accounts payable. Values for fee calculation purposes are determined on the basis of the financial statements of the Company as at the last day of the applicable month.

During the year ended December 31, 2021, $15,152,000 (2020 – $11,002,000) was paid to the Manager with $1,379,000 accrued and included in accounts payable and accrued liabilities as at December 31, 2021 (December 31, 2020 – $1,148,000).

Dividends

As a result of its ownership position in the Company, during the year ended December 31, 2021, Third Canadian received dividends from net investment income of $3,357,000 (2020 – $4,807,000) and dividends from net realized gain on investments of $3,357,000 (2020 – $1,602,000).

Key management personnel compensation

No compensation was paid or is payable by the Company to any executive of the Manager in his or her capacity as a director or officer of the Company.

During the year ended December 31, 2021, the independent directors of the Company received directors' fees aggregating $225,000 (2020 – $233,000) from the Company. No other compensation was paid or is payable to the directors of the Company for the year ended December 31, 2021, except for compensation paid by the Company in respect of such persons acting as members of the Independent Review Committee for the Company, aggregating $29,000 (2020 – $35,000).

13 Securities Lending

The Company participates in a securities lending program with its custodian, CIBC Mellon Trust Company. Collateral is held by the custodian as agent for the Company and generally comprises Canadian or provincial government-guaranteed securities or obligations of other governments with appropriate credit ratings, and other short-term securities, of at least 105% of the fair value of securities on loan. In the event that any of the loaned securities are not returned to the Company and the value of the collateral held is less than the fair value of the securities not returned, the custodian shall indemnify the Company for any such shortfall.

At December 31, 2021, the Company had loaned securities with a fair value of $151,388,000 (December 31, 2020 – $81,874,000) and the custodian held collateral of $161,963,000 (December 31, 2020 – $84,029,000). This collateral is not reflected in the statements of financial position and consisted of the following:

	December 31, 2021	December 31, 2020
Securities lending collateral		
Federal government debt securities	36.3%	51.5%
Provincial government debt securities	14.4%	29.5%
U.S. government debt securities	49.3%	17.5%
Foreign government debt securities	0.0%	1.5%
	100.0%	100.0%

A reconciliation of the gross earnings from securities lending to the net earnings from securities lending is as follows:

(in thousands of dollars)	December 31, 2021		December 31, 2020	
Gross securities lending earnings	1,172	100.0%	2,091	100.0%
Fees	(289)	(24.7%)	(712)	(34.1%)
Withholding taxes	(214)	(18.2%)	(63)	(3.0%)
Net securities lending earnings	669	57.1%	1,316	62.9%

CORPORATE INFORMATION

BOARD OF DIRECTORS

James F. Billett
President, J.F. Billett Holdings Ltd.

Marcia Lewis Brown
Board Director

A. Michelle Lally
Partner, Osler, Hoskin & Harcourt LLP

Jonathan A. Morgan
Executive Vice-President and Chief Operating Officer, Morgan Meighen & Associates Limited

Vanessa L. Morgan
President & Chief Executive Officer, Morgan Meighen & Associates Limited

R. Neil Raymond
President, Feejay Corporation Canada Ltd.

Michael A. Smedley
Executive Vice-President & Chief Investment Officer, Morgan Meighen & Associates Limited

AUDIT COMMITTEE

James F. Billett (Chair)
A Michelle Lally
R. Neil Raymond

CORPORATE GOVERNANCE COMMITTEE

Marcia Lewis Brown
Jonathan A. Morgan
R. Neil Raymond (Chair)

INDEPENDENT DIRECTORS COMMITTEE

James F. Billett
Marcia Lewis Brown
A. Michelle Lally (Chair)
R. Neil Raymond

OFFICERS

Vanessa L. Morgan, CFA
Chair

Jonathan A. Morgan, CIM
President & CEO

Frank C. Fuernkranz, CPA, CA, CFA
Secretary & CFO

Christopher J. Esson, CPA, CA, CFA
Treasurer

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MANAGER

Morgan Meighen & Associates Limited
Toronto

AUDITOR

PricewaterhouseCoopers LLP
Toronto

INDEPENDENT REVIEW COMMITTEE

James F. Billett
Marcia Lewis Brown
A. Michelle Lally
R. Neil Raymond (Chair)

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STOCK EXCHANGE LISTINGS

The Toronto Stock Exchange

Trading Symbols:
Common Shares CGI
Preference Shares, Series 4 CGI.PR.D

The London Stock Exchange

Trading Symbol:
Common Shares CGI

PUBLICATION

Net asset value per share (NAV) and/or market price and market return are published daily/weekly in various media in Canada and the U.K.

The Company posts ongoing top 10 portfolio investments (priced at market), together with current NAV and market return information on its website. CGI also posts its top 25 holdings on its website on a quarterly basis. Similar information is available directly from the Company upon request.

DIVIDEND REINVESTMENT AND SHARE PURCHASE PLAN

The Plan, administered by the Company's Canadian Transfer Agent, offers an efficient method of acquiring additional shares. As well as with reinvested dividends, shareholders may purchase additional shares for cash (minimum $100 – maximum $5,000) every quarter. Shares are purchased on the open market, with participants paying the average cost while the Company pays all administrative charges, including commissions. The Plan may be used for self-directed RRSPs. Also, a number of Canadian brokers offer dividend reinvestment plans to CGI shareholders. Note: U.S. shareholders are eligible for the dividend reinvestment segment of the plan only.

ANNUAL MEETING OF SHAREHOLDERS

The Annual General Meeting of shareholders of Canadian General Investments, Limited will be held Thursday, the 14th day of April, 2022 at 9:00 a.m. (Toronto time) solely as a virtual meeting by way of live webcast at https://web.lumiagm.com/445460698. Information concerning how registered shareholders and duly appointed proxyholders may attend, participate and vote at the Meeting, and guests may attend the Meeting, can be found in the Management Information Circular dated February 28, 2022 which is available on the Company's website at www.canadiangeneralinvestments.ca or SEDAR at www.sedar.com.

Managed by:

MORGAN MEIGHEN
& ASSOCIATES
Investment Management

CANADIAN GENERAL INVESTMENTS, LIMITED

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