

Focussed on Canada



2022 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 16, 2023.



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: Haliburton Sunrise

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.

"Haliburton Sunrise" is based on a photo taken at Drag Lake in the Haliburton Highlands, looking out over the lake at sunrise.

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

Dear Fellow Shareholders,

We are pleased to present the 2022 annual report for Canadian General Investments, Limited (CGI or the Company). In this report, you will find information on the performance of CGI for 2022. 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, 2022 is provided as part of CGI's audited financial statements, which are included in this report.

For the 12 months ended December 31, 2022, CGI's common shares recorded a net asset value per share (NAV) total return of -20.0% and a share price total return of -24.1% (share price change plus dividends). By comparison, the total return of its benchmark, the S&P/TSX Composite Index, was -5.8% during the same period.

During 2022, CGI paid four quarterly regular taxable dividends aggregating to \$0.92 per common share. Based on the year-end market price of the common shares, aggregate dividends paid represented a 2.8% yield to shareholders.

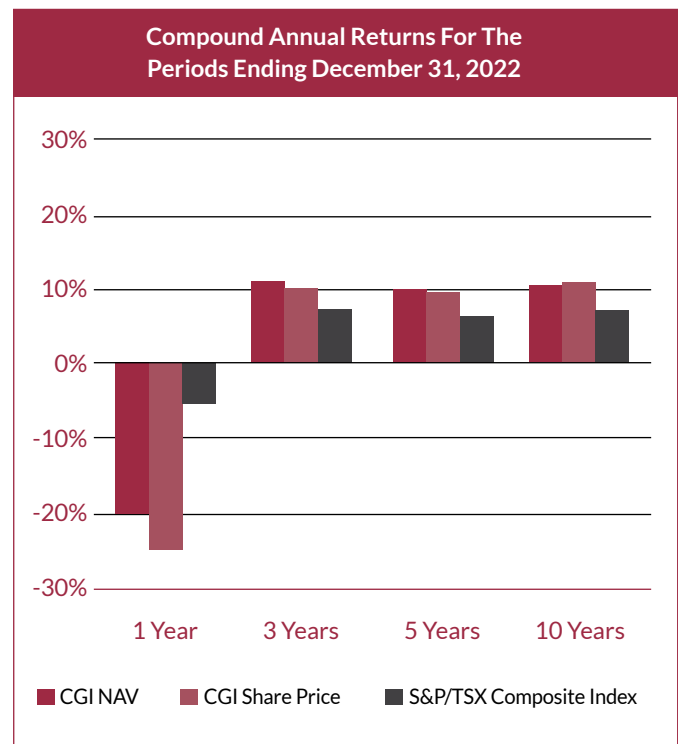
CGI has been managed by Morgan Meighen & Associates Limited (the Manager) since 1956. D. Greg Eckel, Senior Vice-President of the Manager, is the portfolio manager responsible for the management of CGI's investment portfolio.

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

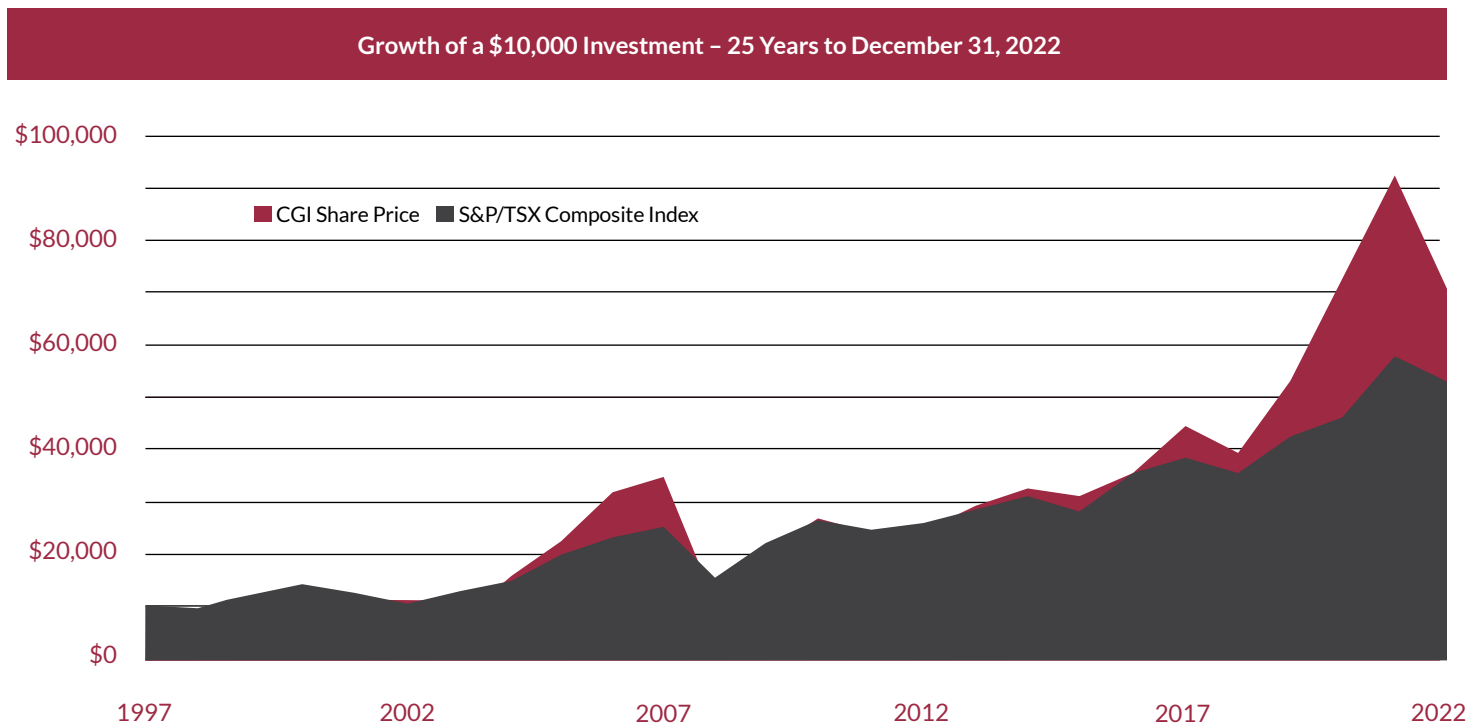


Canadian General Investments, Limited

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 \$70,000 over the 25-year period ended December 31, 2022. This equates to a compound annual average growth rate of 8.1%. By comparison, a \$10,000 investment in the benchmark S&P/TSX Composite Index would have grown to over \$54,000 or a compound average annual growth rate of 7.0%.



For the 50 years ended December 31, 2022, a \$10,000 investment would have grown to over \$1.8 million, representing a compound average annual return of 11.0%. The values for the benchmark for the same period were \$735,000 and 9.0%, 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

Investors had to endure one of the most challenging years in quite some time in 2022. Several issues, some new, some old, caused major global equity markets to peak early and then channel downwards for most of the year. The new world order now includes COVID-19, an issue which lingers and simmers as a constant with influence that persists both in present day practices and in dealing with repercussions of its past. It is undeniable that some of the necessary remedies used to counteract many of the pandemic's challenges and disruptions of the last couple of years had consequences of their own and these could be partially to blame for 2022's difficulties. Government stimulus and easy monetary policy probably saved the world from an impending economic collapse, but they created an unsustainable and artificial environment that needed to be unwound at some point. Underlying areas of excesses were allowed to build and fester and turned positive outcomes into negatives, eventually creating a situation that was over-stimulated. Inflation surged to multi-decade highs and prompted the onset of a persistent and aggressive central bank monetary policy tightening cycle not seen in decades. The fallout was universal and changed the discussion from a celebration of global economic survival into worries for global economic recession.

The markets also had to absorb other factors of distress during the year. Russia's invasion of Ukraine in February had multiple challenges and far-reaching implications and China's persistence in its zero-COVID policy throughout the year came with extreme lockdown events that reverberated both domestically and internationally. In response to the many changing scenarios, there were often extreme and rapid adjustments to interest rates and asset valuations that added to the market volatility, increased confusion, and eroded the confidence of investors.

It was a difficult year for all asset classes. Alongside falling stock prices, the dramatic rise in interest rates caused an unusually large-sell off in income-related products as well. As an illustration of the difficulty of avoiding value destruction anywhere, the situation produced the

extremely rare result in which both U.S. treasuries and the S&P 500 finished in the red for the year, something that has only occurred five times in the last 100 years. It highlighted the fact that opportunities were limited and that the optionality in areas of the equity market that are traditionally used as protection in periods of distress was severely reduced. There were few places to hide.

The main global developed indices all followed similar trends. In North America, Wall Street's three main indices booked their first yearly drop since 2018 and it marked their biggest yearly declines since the 2008 financial crisis. The Dow Jones Industrial Average, the S&P 500 and the Nasdaq Composite dropped 8.8%, 19.4% and 33.1%, respectively. In Canada, the S&P/TSX fared better than almost all its global peers with strong support from its large Energy component and posted a negative 5.8% total return for the year. CGI's net asset value (NAV) return, with dividends reinvested, by comparison, was a negative 20.0%.

For the S&P/TSX, it was another year in which the overall return number was skewed by its concentration factor. With the Energy, Financials and Materials groups making up more than 60% of the index weighting, a runaway performance by one of these sectors can have a noticeable impact. For the second year in a row, the Energy sector had that type of year and led the way by a considerable margin with

another outsized performance relative to the other sectors. Its 30.3% return for the year dwarfed what was available elsewhere. Next closest was Consumer Staples at 10.0% with Industrials and Materials under 2% and the rest of the sectors were in the negative. Combining return with its 18% weighting, the Energy group dominated the positivity contribution in the overall index and masked what was available elsewhere. For a diversified portfolio like CGI, this type of situation always provides headwinds on the relative measure.

CGI has often been able to offset return concentration and macro dominance with a diversification strategy that includes a bottom-up technique, but the market was particularly unforgiving in 2022 and gave little opportunity in this manner. With more than 60% of the index members in the negative for the year and more than a third of those in the positive coming from Energy, the subset of available prospects was made extraordinarily thin.

The table below illustrates the weightings of the five largest sectors in CGI's portfolio at December 31, 2022, compared with year end 2021, 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, 2022 the portfolio was overweight Consumer Discretionary, Industrials, Information Technology and Materials,

SECTOR	CGI		S&P/TSX	
	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
Industrials	21.5%	20.2%	13.3%	12.0%
Information Technology	17.3%	23.8%	5.7%	10.7%
Materials	17.2%	17.7%	12.0%	11.5%
Consumer Discretionary	12.2%	11.7%	3.7%	3.6%
Energy	11.8%	5.9%	18.1%	13.1%

and underweight Energy, as compared to the sector weightings in the S&P/TSX.

After many years of neglect due to underperformance and pressures from environmentalists, the increasing emphasis on Environmental, Social and Governance (ESG) issues and the energy transition, investors have started to rethink their exposure to the Energy group. The Russian invasion of Ukraine put a spotlight on the supply of oil and natural gas and exposed the fragility and necessity of both commodities in the world arena. Stocks followed the huge spikes in commodity pricing starting in mid-February and continued to run higher for most of the first half. They tailed off somewhat in sympathy with the commodities later in the year but retained a good portion of their earlier gains. Their dominance in the index was indisputable as Energy names filled 18 of the top 20 spots of performers for the year. CGI, with an 11.8% weighting in the group at December 31, 2022, had participation in the general sector uplift but being significantly underweight the index throughout the year caused the portfolio's total return to suffer in relative terms.

In consideration of this positioning, there had been an initiative underway by the Manager to increase exposure to the group early

in February but shortly after beginning to add to the group, Russia invaded Ukraine. This added a new wrinkle into the thought process when, in the aftermath of this happening, both commodity and stock prices immediately spiked upwards. The sudden change caused concern as there had to be determination of whether the so-called war premium built into the new prices would be temporary or permanent. A decision was made to pause the initiative so as not to get caught in a peak pricing scenario. In hindsight, this course of action has been justified as there was a pull-back in the second half of the year in both commodities and related stocks. As a result of the cautious approach, trading activity was split on the timeline. Prior to the stoppage, a position in Baytex Energy Corp. had been added and returned 10% to the portfolio. Baytex produces about 80,000 boe/d with over 80% liquids and has good leverage to oil pricing. The company has over 10 years of drilling inventory, a good mix of light and heavy oils and steady production from three main core areas including the prolific Eagle Ford basin in Texas and the exciting new play in the Clearwater Formation in Alberta. A renewed capital return to shareholder plan will continue to attract more investor interest.

Later in the year, having waited for and eventually getting the anticipated pull-back, a new position was initiated in Canadian Natural

Resources Ltd. Canadian Natural (+6%) is a natural fit for CGI as it is one of Canada's premium quality, senior energy companies with good liquidity, a highly respected management team and an extremely high reserve life index of about 30 years. The company not only attracts domestic investors but is increasingly a go-to name for foreigners who are looking for exposure to the Canadian oilpatch. The energy trade remains compelling, the longer-term investment risk-reward scenario appears promising and equity valuations are currently favourable. It is a combination that encourages more selective additions.

Materials is the fourth-largest group in the index and, when combined with Energy, gives resources a total weighting of 30% in the Canadian market. Although CGI has basically the same resource weighting overall as the index, its split between the two is almost a mirror image and this diminished CGI's relative return potential in the area in 2022. Materials, of which gold stocks make up more than half, beat the index with a breakeven return for the year but could not keep up with the returns of Energy stocks. The group had a strong start to the year on prospects for an emerging and strong global economy, but the dialogue turned bearish when the outlook for the economy began to change from one of optimism to pessimism and investors started to lose their enthusiasm for late cyclical plays. CGI's total exposure and the number of positions in the group were reduced with the elimination of Copper Mountain Mining Corporation (-54%), Hudbay Minerals Inc. (-39%) and Lundin Mining Corporation (-24%). Some of the proceeds were used to add to the existing Teck Resources Ltd. holding. Teck is one of the few large capitalization stocks in Canada available for commodity exposure and is usually a primary draw for investors in this regard. Recent quarters have produced record profits along with substantial free cash flows and, with its sizeable capex spending years winding down, Teck has turned a focus on shareholder returns. Its large copper expansion known as QB2 is on track for a production ramp-up in 2023 and this will mark the beginning of the company's major transition into more of a copper play from coal. This is expected to result in an upwards valuation rerating for its stock price and investors are warming to this potential. Teck stock was a performance outlier in the group with greater than a 38% return in 2022.

After a couple of very good years, the Forest Products subsector was weighed down with the onset of rising interest rates and their great influence on the housing market's new residential construction activity along with the industry's large repair and remodel revenue segment. This pressured CGI's lumber-related stocks Interfor Corporation (-44%) and West Fraser Timber Co. (-18%).

The Gold sub-industry travelled in somewhat of a bookend fashion during the year with an early uptrend, a middle downtrend and then another late uptrend, leaving it essentially ending flat for the year. CGI has one large gold investment, Franco-Nevada Corporation, which is a perennial top-10 holding and provides about 70% of the index weighting. It not only provides a unique, relatively conservative exposure to the group but has shown remarkable outperformance over many years. No exception this year, Franco-Nevada ranked sixth in the group with a better than 6% return. The holding is a steady performer for CGI in all markets and was a top 10 performer for the Company in 2022.

Other overriding themes affected both the markets and CGI. Rising interest rates factored into valuation concepts, particularly those

dubbed as "long duration" and previously high valuation multiples on many stocks got heavily discounted during this rerating process. Most technology stocks fell into this category and CGI reduced its positioning in the technology group early in the year with long-term profits taken in Amazon.com Inc. (-43%), NVIDIA Corporation (-45%) and Shopify Inc. (-71%). Interest rate considerations were also negative for real estate and affected the stock prices of Colliers International Group Inc. (-34%) and StorageVault Canada Inc. (-16%). In addition, worries of an economic downturn pressured financials and other economically sensitive stocks including investments in goeasy Ltd. (-38%), Brookfield Corporation (-44%) and FirstService Corporation (-33%).

On the positive, there were some individual holdings in random areas that had good years for CGI and included a few of the longer-dated, multi-year performers held in the portfolio. One of these was Canadian Pacific Railway, CGI's largest holding, which had a double-digit gain (12%) and placed in the top five of performers for the year. Canadian Pacific Railway remains one of North America's best run railroad companies and its upcoming acquisition of Kansas City Southern should provide further growth opportunities going forward. Another, Rogers Communication Inc. (8%), displayed the steadiness in its business model and outperformed its telco and communication services peers with a solid, positive return.

A great example of the potential for the long-term durability of rewarding individual stock selection was Dollarama Inc. Originally bought on its IPO in 2009, and a former number one holding, CGI has taken many gains from its investment over the years. Dollarama built on its legacy with another stellar year and added more than 25% to its return record. Complete dominance in its retail niche of offering value to consumers at the lower end price points along with continual market share growth continues to attract investors in any market.

Dividend and interest income was \$19,708,000 for the year, up 33.5% from 2021 due to large special distributions from Tourmaline Oil Corp. and Economic Investment Trust Limited, as well as general dividend rate increases. Management fees, dividends on preference shares, and interest and financing charges, are the largest expenses of the Company. Management fees decreased by 10.0% to \$13,676,000 due to lower average portfolio assets during the period. The dividends on preference shares were consistent year-over-year. Interest and financing charges increased 92.2%, as a result of the increasing rates on the borrowing facility compared to the previous year.

Leverage

On May 12, 2021, the Company had entered into a prime brokerage services agreement with a Canadian chartered bank. Margin borrowing of \$100.0 million under this agreement had been 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. Amounts borrowed under this facility during 2022 ranged from \$70.0 million to \$100.0 million (2021 - \$100.0 million).

As of December 31, 2022, the \$75.0 million outstanding under the borrowing facility represented 7.5% of CGI's net assets at December 31, 2022 (December 31, 2021 – 7.8%).

In addition to the \$75.0 million borrowed under the facility at December 31, 2022 (December 31, 2021 – \$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, 2021 – \$75 million).

Both the borrowing facility and the preference shares act as leverage to common shareholders. As at December 31, 2022, the combined leverage represented 14.9% of CGI's net assets (December 31, 2021 – 13.7%). This leverage served to increase the effect of overall portfolio returns, negatively impacting CGI's NAV return for the year ended December 31, 2022 and positively impacting it in the year ended December 31, 2021.

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, 2022, there was a refundable income tax recovery of \$1,901,000, compared to an expense of \$8,726,000 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, 2022, the Company had federal refundable capital gains taxes on hand of approximately \$8,373,000 (December 31, 2021 – \$8,594,000), which are refundable on payment of capital gains dividends of approximately \$60.0 million (December 31, 2021 – \$61.0 million) and Ontario refundable capital gains taxes on hand of approximately \$4,222,000 (December 31, 2021 – \$4,313,000), which are refundable on payment of capital gains dividends of approximately \$73.0 million (December 31, 2021 – \$75.0 million).

As at December 31, 2022, the Company also had approximately \$14,782,000 (December 31, 2021 – \$nil) in unused non-capital losses for tax purposes, which can be used to offset income taxes otherwise payable in future years. These losses expire in 2042.

Recent Developments

Outlook

It was a very tough year for investors. Every major asset class posted negative returns and most tipped into bear markets at some point. The fight against inflation, rising interest rates and geopolitical events rattled markets to their core in 2022. Unfortunately, all these persistent, overarching themes are not going to go away very quickly so the backdrop will remain challenging.

It could also be a year of transitioning into something more positive as markets are forward-looking and have digested much already. As movements are tightly correlated to changing perspectives on the

economic cycle, there is ample reason to remain subdued with no doubt that economic downside risks are on the horizon. But the debate centres on both severity and duration and only through the passage of time will there be a determination of the progression in either good or bad. It will be a while before this progression's final outcomes are known and further tension is likely to keep markets fragile and unsettled in the near term, but a large amount of pessimism has already been priced into markets and eventually the path will open for markets to recover. CGI is well positioned to participate in an upswing. It is probable that, after across-the-board declines in the downturn, the upside experience will be extensive, have greater balance and should provide for more diverse opportunities than were available in 2022. This will allow the portfolio's diversification and selective positioning strategy to come to the fore once again.

Resilience, patience, and consistency are pillars of the Manager's time-tested and proven investment process for CGI. It is a model that has generated a long and successful track record of value creation for shareholders and one which has been developed to continue to do so well into the future.

Changes at the Manager

Michael Smedley, who joined the Manager in 1987, and was its Chief Investment Officer, providing interpretation and guidance concerning portfolio matters, retired effective September 30, 2022. He continues to serve as a Director of MMA. Greg Eckel continues to be the portfolio manager responsible for the day-to-day management of the Company's portfolio, pursuant to policies, guidelines and constraints set out in the investment policy, as approved by the Board of Directors.

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, 2021 – 37%) ownership interest in the Company. As a result of its ownership position in the Company, during the year ended December 31, 2022, Third Canadian received dividends from net investment income of \$7,019,000 (2021 – \$3,357,000 from net investment income and \$3,357,000 from net realized gain on investments).

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⁾

	2022	2021	2020	2019	2018
Net assets – beginning of year	\$61.35	\$50.02	\$36.98	\$28.87	\$33.14
Increase (decrease) from operations					
Total revenue	1.00	0.74	0.78	0.89	0.82
Total expenses (excluding common share dividends)	(0.98)	(0.99)	(0.83)	(0.80)	(0.74)
Realized gains (losses) for the year	(0.12)	3.95	1.81	1.61	1.36
Unrealized gains (losses) for the year	(12.18)	8.93	12.15	7.34	(4.91)
Refundable income tax recovery (expense)	0.09	(0.42)	(0.03)	(0.13)	(0.04)
Total increase (decrease) from operations⁽²⁾	(12.19)	12.21	13.88	8.91	(3.51)
Dividends paid to common shareholders					
Taxable dividends	(0.92)	(0.44)	(0.63)	(0.40)	(0.57)
Capital gains dividends	-	(0.44)	(0.21)	(0.40)	(0.19)
Total dividends⁽³⁾	(0.92)	(0.88)	(0.84)	(0.80)	(0.76)
Net assets – end of year⁽⁴⁾	\$48.24	\$61.35	\$50.02	\$36.98	\$28.87

(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

	2022	2021	2020	2019	2018
Total net asset value (000's) ⁽¹⁾	\$1,006,312	\$1,279,896	\$1,043,463	\$771,549	\$602,163
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⁾	1.89%	1.72%	2.11%	2.27%	2.15%
Trading expense ratio ⁽⁴⁾	0.01%	0.03%	0.04%	0.05%	0.03%
Portfolio turnover rate ⁽⁵⁾	2.10%	6.17%	10.14%	8.00%	2.31%
Net asset value per share ⁽¹⁾	\$48.24	\$61.35	\$50.02	\$36.98	\$28.87
Closing market price ⁽¹⁾	\$32.60	\$44.05	\$34.81	\$26.21	\$20.51

(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: 2022 - 1.38%, 2021 - 1.37%, 2020 - 1.48%, 2019 - 1.53%, 2018 - 1.48%.

(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.

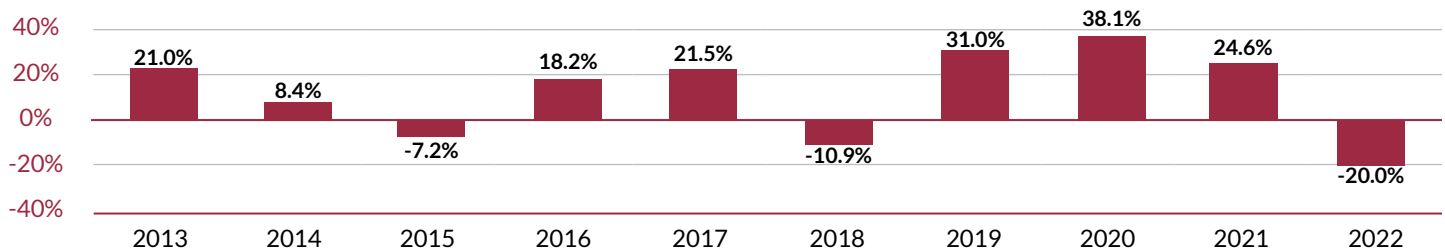
Past Performance

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.

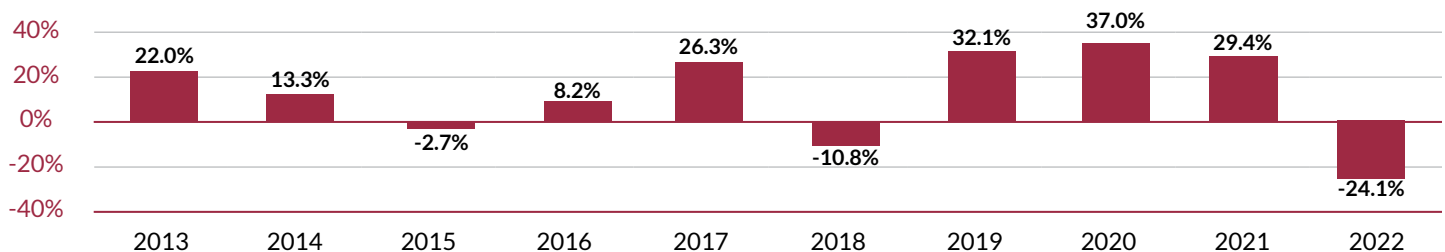
Year-by-Year Returns

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	-20.0%	11.3%	10.0%	10.9%
Canadian General Investments, Limited – Share Price	-24.1%	10.4%	9.7%	11.3%
S&P/TSX Composite Index	-5.8%	7.5%	6.8%	7.7%

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, 2022

Sector Allocation			Asset Allocation		
	% of Net Asset Value*	% of Investment Portfolio		% of Net Asset Value*	% of Investment Portfolio
Industrials	24.6	21.5	Canadian Equities	92.8	81.0
Information Technology	19.8	17.3	Foreign Equities	21.5	18.7
Materials	19.8	17.2	Cash & Cash Equivalents	0.4	0.3
Consumer Discretionary	14.0	12.2			
Energy	13.5	11.8			
Financials	12.8	11.1			
Real Estate	5.8	5.0			
Communication Services	2.7	2.4			
Health Care	1.3	1.2			
Cash & Cash Equivalents	0.4	0.3			

Top 25 Holdings				
Issuer	Sector		% of Net Asset Value*	% of Investment Portfolio
Canadian Pacific Railway Limited	Industrials		5.8	5.0
Franco-Nevada Corporation	Materials		5.3	4.6
First Quantum Minerals Ltd.	Materials		5.1	4.4
West Fraser Timber Co. Ltd.	Materials		4.9	4.3
TFI International Inc.	Industrials		4.7	4.1
The Descartes Systems Group Inc.	Information Technology		3.8	3.3
WSP Global Inc.	Industrials		3.7	3.2
Mastercard Incorporated	Information Technology		3.6	3.2
Apple Inc.	Information Technology		3.6	3.2
Bank of Montreal	Financials		3.4	2.9
NVIDIA Corporation	Information Technology		3.3	2.9
Enerplus Corporation	Energy		3.2	2.8
Royal Bank of Canada	Financials		3.1	2.7
AutoZone, Inc.	Consumer Discretionary		2.7	2.3
Teck Resources Limited	Materials		2.4	2.1
Dollarama Inc.	Consumer Discretionary		2.4	2.1
StorageVault Canada Inc.	Real Estate		2.4	2.1
FirstService Corporation	Real Estate		2.4	2.1
BRP Inc.	Consumer Discretionary		2.4	2.1
Toronto-Dominion Bank	Financials		2.3	2.0
Home Depot, Inc.	Consumer Discretionary		2.2	1.9
Tourmaline Oil Corp.	Energy		2.0	1.7
goeasy Ltd.	Financials		2.0	1.7
Parex Resources Inc.	Energy		1.9	1.7
Constellation Software Inc.	Information Technology		1.9	1.6
			80.5*	70.0
Total Net Asset Value* (\$000's)				\$1,006,312
Total Investment Portfolio* (\$000's)				\$1,153,780

* Total Net Asset Value represents Total Investment Portfolio adjusted for leverage (\$149.9 million) in the form of preference shares and a borrowing facility, other assets and other liabilities.

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.

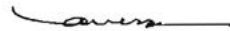
Management Report

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 16, 2023



Jonathan A. Morgan
President & CEO

Independent Auditor's Report

To the Shareholders of
Canadian General Investments, Limited (the Company)

Our opinion

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2022 and 2021 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, 2022 and 2021;
- 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 are

Independent Auditor's Report (continued)

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 16, 2023

As at December 31, 2022 and December 31, 2021
 (in thousands of Canadian dollars, except per share amounts)

	Note	December 31, 2022	December 31, 2021
Assets			
Current assets			
Investments	5	1,150,182	1,445,969
Cash		3,598	16,599
Receivable on investments sold		-	1,120
Interest and dividends receivable		1,876	1,234
Other assets		292	193
Income taxes recoverable		1,901	-
Total assets		1,157,849	1,465,115
Liabilities			
Current liabilities			
Accounts payable and accrued liabilities	12	1,513	1,585
Accrued dividends on preference shares		123	123
Income taxes payable		-	8,828
Borrowing facility	6	75,000	100,000
Preference shares	7	74,901	-
Total current liabilities		151,537	110,536
Preference shares	7	-	74,683
Total liabilities		151,537	185,219
Net assets		1,006,312	1,279,896
Equity			
Share capital	8	128,568	128,568
Retained earnings		877,744	1,151,328
Total equity		1,006,312	1,279,896
Net assets per common share		48.24	61.35

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	2022	2021
Income			
Net gains (losses) on investments			
Dividend income		19,700	14,762
Interest		8	1
Net realized gain (loss) on sale of investments		(2,419)	82,689
Net change in unrealized gain on investments		(254,131)	186,311
Net gains (losses) on investments		(236,842)	283,763
Securities lending revenue	13	1,121	669
Total net income (loss)		(235,721)	284,432
Expenses			
Management fees	12	13,676	15,190
Dividends on preference shares	7	2,813	2,813
Interest and financing charges	6,7	2,650	1,379
Listing and regulatory costs		287	288
Directors' fees and expenses	12	268	234
Withholding taxes	10	199	160
Transaction costs on purchases and sales		153	337
Custodial fees		153	164
Investor relations		114	76
Audit fees		68	62
Security holder reporting costs		60	65
Independent review committee fees and expenses	12	31	30
Legal fees		29	74
Other		70	43
Total operating expenses		20,571	20,915
Investment income (loss) before income taxes		(256,292)	263,517
Refundable income tax expense (recovery)	9	(1,901)	8,726
Increase (decrease) in net assets from operations		(254,391)	254,791
Increase (decrease) in net assets from operations, per common share		(12.19)	12.21

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, 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
Decrease in net assets from operations	-	(254,391)	(254,391)
Dividends paid to common shareholders from net investment income	-	(19,193)	(19,193)
At December 31, 2022	128,568	877,744	1,006,312

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	2022	2021
Cash flows from (used in) operating activities			
Increase (decrease) in net assets from operations		(254,391)	254,791
Adjustments for:			
Amortization of financing charges	6, 7	218	249
Net realized gain (loss) on sale of investments		2,419	(82,689)
Net change in unrealized gain on investments		254,131	(186,311)
Purchases of investments		(26,071)	(83,227)
Proceeds of disposition of investments		66,428	115,966
Interest on margin facility		2,431	657
Interest on loan facility		-	472
Dividends paid to preference shareholders		2,813	2,813
Interest and dividends receivable		(642)	669
Other assets		(99)	(59)
Income taxes payable (recoverable)	9	(10,729)	8,055
Accounts payable and accrued liabilities		(316)	240
Net cash flows from operating activities		36,192	31,626
Cash flows from (used in) financing activities			
Proceeds from margin facility		5,000	100,000
Repayment of margin facility		(30,000)	-
Repayment of loan facility (net of financing cost)		-	(99,279)
Interest on margin facility		(2,187)	(568)
Interest on loan facility		-	(941)
Dividends paid to common shareholders		(19,193)	(18,358)
Dividends paid to preference shareholders		(2,813)	(2,813)
Net cash flows used in financing activities		(49,193)	(21,959)
Net increase (decrease) in cash		(13,001)	9,667
Cash at the beginning of the year		16,599	6,932
Cash at the end of the year		3,598	16,599
Items classified as operating activities			
Interest received		8	1
Dividends received, net of withholding taxes		18,910	15,302
Income taxes paid - net	9	8,829	671

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

As at December 31, 2022

Number of Shares	Investment	Cost (in thousands of dollars)	Fair Value
Communication Services (2.4%)			
Diversified Telecommunication Services			
440,000	TELUS Corporation	6,057	11,497
Wireless Telecommunication Services			
250,000	Rogers Communications Inc., B NV	3,506	15,843
	<i>Total Communication Services</i>	9,563	27,340
Consumer Discretionary (12.2%)			
Auto Components			
145,000	Magna International Inc.	5,244	11,028
Distributors			
35,000	Pool Corporation	9,651	14,320
Internet & Direct Marketing Retail			
162,000	Amazon.com, Inc.	6,764	18,416
Leisure Products			
230,000	BRP Inc.	14,551	23,742
Multiline Retail			
310,000	Dollarama Inc.	1,065	24,549
Specialty Retail			
8,000	AutoZone, Inc.	4,864	26,700
52,000	Home Depot, Inc.	8,741	22,227
	<i>Total Consumer Discretionary</i>	50,880	140,982
Energy (11.8%)			
Oil, Gas & Consumable Fuels			
2,250,000	Baytex Energy Corp.	12,460	13,680
140,000	Canadian Natural Resources Limited	10,066	10,527
275,000	Enbridge Inc.	2,830	14,553
1,350,000	Enerplus Corporation	12,038	32,264
950,000	Parex Resources Inc.	11,085	19,142
226,000	TC Energy Corporation	6,260	12,199
295,000	Tourmaline Oil Corp.	9,930	20,154
1,263,661	Whitecap Resources Inc.	11,827	13,572
	<i>Total Energy</i>	76,496	136,091
Health Care (1.2%)			
Health Care Providers & Services			
572,000	Neighbourly Pharmacy Inc.	13,986	13,379
	<i>Total Health Care</i>	13,986	13,379

Number of Shares	Investment	Cost (in thousands of dollars)	Fair Value
Financials (11.1%)			
Banks			
275,000	Bank of Montreal	10,640	33,731
245,000	Royal Bank of Canada	10,190	31,189
260,000	Toronto-Dominion Bank	5,599	22,794
Capital Markets			
52,500	Brookfield Asset Management Inc.	1,218	2,035
210,000	Brookfield Corporation	8,931	8,942
76,900	Economic Investment Trust Limited	3,851	9,997
Consumer Finance			
185,000	goeasy Ltd.	17,140	19,693
	<i>Total Financials</i>	57,569	128,381
Industrials (21.5%)			
Airlines			
920,000	Air Canada	4,739	17,839
Commercial Services & Supplies			
65,000	Boyd Group Services Inc.	13,064	13,595
100,000	Waste Connections, Inc.	11,183	17,948
Construction & Engineering			
235,000	WSP Global Inc.	10,389	36,916
Electrical Equipment			
725,000	Ballard Power Systems Inc.	15,253	4,698
Industrial Conglomerates			
21,000	Roper Technologies, Inc.	10,060	12,280
Machinery			
2,200,000	Westport Fuel Systems Inc.	13,135	2,288
3,220,000	Xebec Adsorption Inc.	14,313	-
Marine			
332,000	Algoma Central Corporation	2,556	6,049
Road & Rail			
90,000	Canadian National Railway Company	10,947	14,476
575,000	Canadian Pacific Railway Limited	6,352	58,046
350,000	TFI International Inc.	5,030	47,464
Trading Companies & Distributors			
100,000	SiteOne Landscape Supply, Inc.	8,233	15,877
	<i>Total Industrials</i>	125,254	247,476

| Schedule of Investment Portfolio

As at December 31, 2022

Number of Shares	Investment	Cost (in thousands of dollars)	Fair Value	Number of Shares	Investment	Cost (in thousands of dollars)	Fair Value (in thousands of dollars)
Information Technology (17.3%)				Real Estate (5.0%)			
IT Services				Real Estate Management & Development			
78,000	Mastercard Incorporated, A	5,467	36,705	80,000	Colliers International Group Inc.	14,699	9,950
344,000	Shopify Inc.	1,819	16,171	145,000	FirstService Corporation	20,352	24,042
Semiconductors & Semiconductor Equipment				4,000,000	StorageVault Canada Inc.	10,600	24,080
167,000	NVIDIA Corporation	2,942	33,028	<i>Total Real Estate</i>		45,651	58,072
Software				Transaction costs			
9,000	Constellation Software Inc.	11,599	19,026			(903)	-
400,000	The Descartes Systems Group Inc.	10,317	37,756	Total investments (99.7%)			
310,000	Lightspeed Commerce Inc.	6,502	5,999			508,379	1,150,182
330,000	Open Text Corporation	4,916	13,240	Cash (0.3%)			
16,738	Topicus.com Inc.	0	1,190				3,598
Technology Hardware, Storage & Peripherals				Investment Portfolio (100.0%)			
208,000	Apple Inc.	1,971	36,573				1,153,780
<i>Total Information Technology</i>		45,533	199,688				
Materials (17.2%)				NV: non-voting			
Containers and Packaging				SV: subordinate voting			
240,000	CCL Industries Inc., B NV	6,628	13,882				
Metals & Mining							
1,800,000	First Quantum Minerals Ltd.	11,567	50,922				
290,000	Franco-Nevada Corporation	13,259	53,525				
480,000	Teck Resources Limited, B SV	15,477	24,562				
Paper & Forest Products							
300,000	Interfor Corporation	10,728	6,300				
507,125	West Fraser Timber Co. Ltd.	26,691	49,582				
<i>Total Materials</i>		84,350	198,773				

For the years ended December 31, 2022 and 2021

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, 2022 was \$32.60.

These financial statements were authorized for issue by the Board of Directors on February 16, 2023.

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

3 Summary of Significant Accounting Policies (continued)

meets the definition of an investment entity, all subsidiaries, if any, 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, 2022 and December 31, 2021, the Company has no investment in associates or subsidiaries.

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, 2022 and December 31, 2021. As at December 31, 2022 and December 31, 2021, 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).

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 \$75 million (December 31, 2021 - \$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, 2022 the ratio was 7.7 times (December 31, 2021 - 8.4 times). As at December 31, 2022, the

5 Financial Risk Management (continued)

combined leverage represented 14.9% of CGI's net assets (December 31, 2021 – 13.7%), while the preference shares represented 7.4% of CGI's net assets (December 31, 2021 – 5.9%) and the borrowing facility represented 7.5% of CGI's net assets (December 31, 2021 – 7.8%).

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 was one unlisted security as at December 31, 2022 and no restricted or unlisted securities as at December 31, 2021.

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, 2022, all financial liabilities of the Company fall due within twelve months. As at December 31, 2021, 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, 2022 and December 31, 2021, 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, 2022, 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 \$859,000 (December 31, 2021 – \$1,000,000).

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, 2022, the Company's investment portfolio had a 18.7% (December 31, 2021 – 22.4%) weighting in U.S. dollars. As at December 31, 2022, 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 \$10,806,000 or approximately 1.1% (December 31, 2021 – \$16,397,000 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 and debt (if any) instruments are susceptible to other price risk arising from uncertainty about future prices of the instruments.

As at December 31, 2022, 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 \$57,509,000 or approximately 5.7% (December 31, 2021 – \$72,298,000 or approximately 5.6%).

5 Financial Risk Management (continued)

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, 2022	December 31, 2021
Industrials	21.5%	20.2%
Information Technology	17.3%	23.8%
Materials	17.2%	17.7%
Consumer Discretionary	12.2%	11.7%
Energy	11.8%	5.9%
Financials	11.1%	10.6%
Real Estate	5.0%	5.5%
Communication Services	2.4%	1.9%
Health Care	1.2%	1.5%
Cash	0.3%	1.1%
Receivable on investments sold	0.0%	0.1%
	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 2022 and 2021 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

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. Except in respect of the preference shares, amortized cost approximates fair value given the short-term nature of the financial instruments. As at December 31, 2022, the preference shares fair value using the closing quoted market price from the TSX is \$73,710,000 (December 31, 2021 - \$76,800,000).

5 Financial Risk Management (continued)

(in thousands of dollars)	Level 1	Level 2	Level 3	Total
As at December 31, 2022				
Financial assets at FVTPL:				
Investments	1,150,182	-	-	1,150,182
As at December 31, 2021				
Financial assets at FVTPL:				
Investments	1,445,969	-	-	1,445,969

During the year ended December 31, 2022, an investment with a fair value of \$1,642,000 was transferred from Level 1 to Level 2 as a result of a trading suspension, then subsequently from Level 2 to Level 3 at a value of \$225,000 as a result of the delisting of the security. The fair value of the security, while classified as Level 3, was nil.

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

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 \$100 million that had been 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, 2022, the Company had pledged securities as collateral to the prime broker equal to \$90,211,000 (December 31, 2021 - \$114,637,000) on the outstanding borrowings of \$75,000,000 (December 31, 2021 - \$100,000,000) plus accrued interest of \$333,000 (December 31, 2021 - \$89,000).

Loan facility

Amounts borrowed under the previous loan facility through prime-rate loans, 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. 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.

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, 2022 Number of shares	December 31, 2021 Number of shares	Stated amount per share \$	Cumulative annual dividend rate %	Date of issue	December 31, 2022 Amount \$ (In thousands)	December 31, 2021 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
						99	317
						74,901	74,683

The Company may redeem for cash, the Series 4 shares, in whole or in part, for \$25.00 on or after June 15, 2022. 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, 2022, the Company declared a quarterly dividend of \$0.23438 per share payable on March 15, 2023 to Series 4 shareholders of record at the close of business on February 28, 2023.

8 Share Capital

Common Shares

The Company is authorized to issue an unlimited number of common shares. As at December 31, 2022, there are 20,861,141 (December 31, 2021 - 20,861,141) common shares issued and outstanding with no par value.

Subsequent to December 31, 2022, the Company declared a quarterly dividend of \$0.24 per share payable on March 15, 2023 to common shareholders of record at the close of business on February 28, 2023.

9 Income Taxes

As at December 31, 2022, the Company had federal refundable capital gains taxes on hand of approximately \$8,373,000 (December 31, 2021 - \$8,594,000), which are refundable on payment of capital gains dividends of approximately \$60.0 million (December 31, 2021 - \$61.0 million) and Ontario refundable capital gains taxes on hand of approximately \$4,222,000 (December 31, 2021 - \$4,313,000), which are refundable on payment of capital gains dividends of approximately \$73.0 million (December 31, 2021 - \$75.0 million).

As at December 31, 2022, the Company has approximately \$14,782,000

(December 31, 2021 - \$nil) in unused non-capital losses for tax purposes, which can be used to offset income taxes otherwise payable in future years. These losses expire in 2042.

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 \$620,000 of refundable dividend tax on hand as at December 31, 2022 (December 31, 2021 - \$2,208,000).

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

(in thousands of dollars)	2022	2021
Provision for (recovery of) income taxes on investment income before income taxes		
Provision for (recovery of) income taxes based on combined Canadian federal and provincial income tax rate of 39.5%	(101,235)	104,090
Increase (decrease) in income taxes resulting from:		
Dividends from taxable Canadian companies	(7,258)	(5,409)
Dividends on preference shares	1,111	1,111
Net change in unrealized gain	100,382	(73,593)
Non-taxable portion of net realized gain/loss on sale of investments	644	(16,331)
Increase (decrease) in refundable dividend tax on hand	(1,589)	921
Differences arising from use of different cost bases for income tax and accounting purposes and other items	-	(250)
Income taxes recoverable on dividends from net realized gains on investments	-	(1,813)
Non-recoverable taxes on taxable loss	6,044	-
Refundable income tax expense (recovery)	(1,901)	8,726

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 the year ended December 31, 2022, the average withholding tax rate paid by the Company was 15.0% (December 31, 2021 - 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. As at December 31, 2022, Mr. Morgan and Ms. Morgan together own directly or indirectly 100% (December 31, 2021 - 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, 2022, \$14,150,000 (2021 - \$15,152,000) was paid to the Manager with \$1,088,000 accrued and included in accounts payable and accrued liabilities as at December 31, 2022 (December 31, 2021 - \$1,379,000).

Dividends

As a result of its ownership position in the Company, during the year ended December 31, 2022, Third Canadian received dividends from net investment income of \$7,019,000 (2021 - \$3,357,000 from net investment income and \$3,357,000 from net realized gain on investments).

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, 2022, the independent directors of the Company received directors' fees aggregating \$250,000 (2021 - \$225,000) from the Company. No other compensation was paid or is payable to the directors of the Company for the year ended December 31, 2022, except for compensation paid by the Company in respect of such persons acting as members of the Independent Review Committee for the Company, aggregating \$30,000 (2021 - \$29,000).

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, 2022, the Company had loaned securities with a fair value of \$46,532,000 (December 31, 2021 - \$151,388,000) and the custodian held collateral of \$49,700,000 (December 31, 2021 - \$161,963,000). This collateral is not reflected in the statements of financial position and consisted of the following:

	December 31, 2022	December 31, 2021
Securities lending collateral		
Federal government debt securities	41.2%	36.3%
Provincial government debt securities	57.7%	14.4%
U.S. government debt securities	1.1%	49.3%
	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, 2022		December 31, 2021	
Gross securities lending earnings	1,913	100.0%	1,172	100.0%
Fees	(486)	(25.4%)	(289)	(24.7%)
Withholding taxes	(306)	(16.0%)	(214)	(18.2%)
Net securities lending earnings	1,121	58.6%	669	57.1%

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
Director, Morgan Meighen & Associates Limited

AUDIT COMMITTEE

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

CORPORATE GOVERNANCE COMMITTEE

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

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

Laura M. Jess, CIM
Assistant Corporate Secretary

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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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To change your address, eliminate multiple mailings or for other shareholder account inquiries, please contact Computershare at the above address. We are pleased to offer you the convenience of Direct Registration System (DRS), a system that allows you to hold securities in 'book entry' form without the need for a physical certificate. To participate, simply send your share certificate to Computershare along with a letter requesting the deposit of the shares into DRS.

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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 20th day of April, 2023 at 9:00 a.m. (Toronto time) at the Ontario Bar Association Conference Centre, Salon 1, 2nd Floor, 20 Toronto Street, Toronto, Ontario, Canada, M5C 2B8.

Managed by:



CANADIAN GENERAL INVESTMENTS, LIMITED

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