



Financial Report

Interim 2023



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Management Discussion and Analysis

This interim Management Discussion and Analysis (“MD&A”) supplements the separate financial statements and contains financial highlights but does not reproduce the complete interim separate financial statements of Capital régional et coopératif Desjardins (CRCD). It presents management’s assessment of CRCD’s results for the period reported in the separate financial statements, as well as its financial position and any material changes to it.

CRCD’s interim and compounded returns expressed in this MD&A are net of expenses and income taxes while returns by activity or investment profile represent returns before expenses and income taxes.

This disclosure document contains management’s analysis of forward-looking statements. Caution should be exercised in the interpretation of this analysis and these statements since management often makes reference to objectives and strategies that contain risks and uncertainties. Due to the nature of CRCD’s operations, the associated risks and uncertainties could cause actual results to differ from those anticipated in forward-looking statements. CRCD disclaims any intention or obligation to update or revise such statements based on any new information or new event that may occur after the reporting date.

Copies of the separate interim financial statements may be obtained free of charge, on request, by calling 514-281-2322 or (toll free) 1-866-866-7000, extension 5552322, by writing to 2 Complexe Desjardins, P.O. Box 760, Desjardins Station, Montréal, Québec H5B 1B8, or from our website (www.capitalregional.com) or SEDAR+ at www.sedarplus.com.

Annual financial information may be obtained in the same way.

1.0 Highlights

1.1 Commitments throughout Québec

CRCD and its ecosystem⁽¹⁾ make a real contribution to the economic development of the regions. As at June 30, 2023, the funds committed per region were as follows:

ABITIBI-TÉMISCAMINGUE*
 \$33M → 43 companies
 \$0.6M → 1 cooperative

BAS-SAINT-LAURENT*
 \$69M → 40 companies
 \$0.2M → 1 cooperative

CAPITALE-NATIONALE
 \$199M → 82 companies
 \$9M → 6 cooperatives

CENTRE-DU-QUÉBEC
 \$50M → 21 companies
 \$8M → 3 cooperatives

CHAUDIÈRE-APPALACHES
 \$273M → 72 companies
 \$1M → 3 cooperatives

CÔTE-NORD*
 \$6M → 8 companies

ESTRIE
 \$195M → 66 companies
 \$7M → 3 cooperatives

GASPÉSIE – ÎLES-DE-LA-MADELEINE*
 \$13M → 13 companies

LANAUDIÈRE
 \$42M → 22 companies
 \$5M → 2 cooperatives

LAURENTIANS
 \$36M → 15 companies

LAVAL
 \$106M → 17 companies

MAURICIE*
 \$27M → 14 companies
 \$0.4M → 1 cooperative

MONTÉRÉGIE
 \$305M → 77 companies
 \$39M → 1 cooperative

MONTRÉAL
 \$504M → 110 companies
 \$113M → 3 cooperatives

NORD-DU-QUÉBEC*
 \$7M → 19 companies

OUTAOUAIS
 \$11M → 14 companies

SAGUENAY-LAC-SAINT-JEAN*
 \$113M → 75 companies
 \$0.8M → 5 cooperatives

OUTSIDE QUÉBEC (ex Europe)
 \$16M → 5 companies

EUROPE
 \$29M → 11 companies

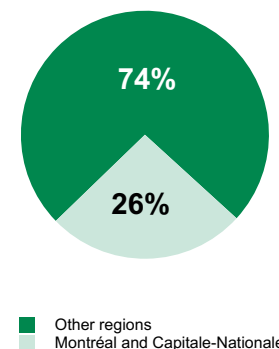
FUNDS
 \$83M → 17 funds

IN TOTAL

770
COMPANIES,
COOPERATIVES AND FUNDS

\$2,301M
BENEFITING SMEs

74%
OF COMPANIES AND
COOPERATIVES ARE FROM
REGIONS OTHER THAN
MONTRÉAL AND
CAPITALE-NATIONALE.

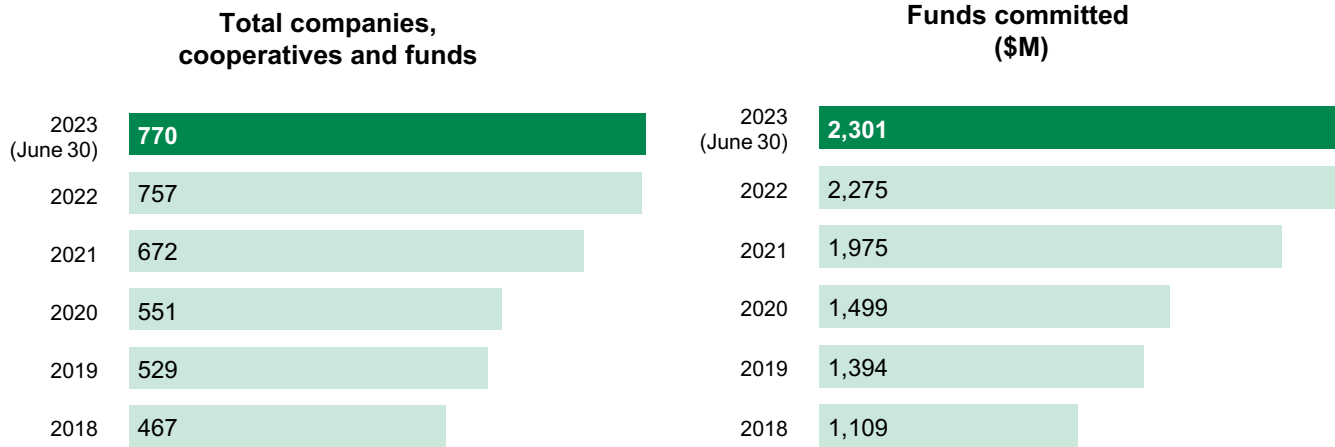


* Resource region

⁽¹⁾ See the Entrepreneurial ecosystem section for a detailed description of the main features of the ecosystem.

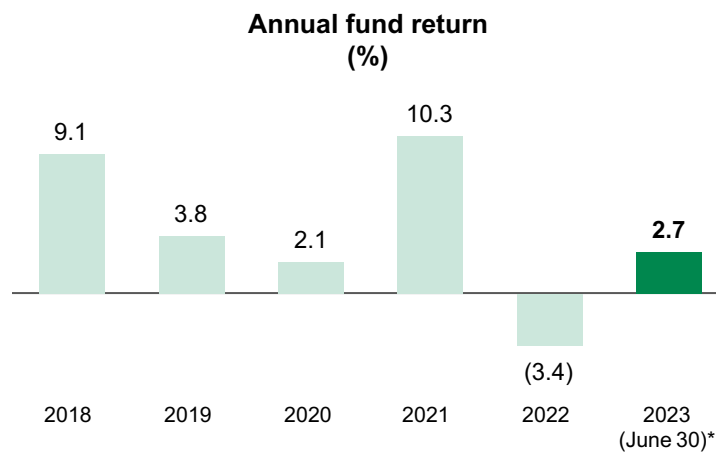
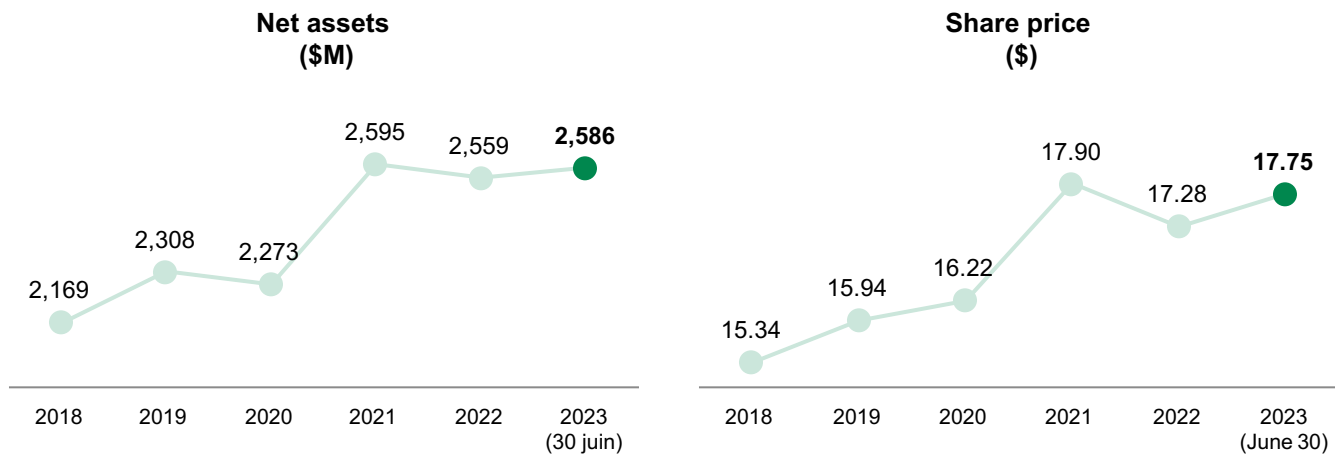
1.2 CRCD and its ecosystem support companies and cooperatives

AS AT JUNE 30, 2023 AND DECEMBER 31



1.3 CRCD financial data

AS AT JUNE 30, 2023 AND DECEMBER 31



*Non-annualized return for the six-month period ended June 30, 2023

2.0 CRCD financial highlights

The following charts present key financial data and are intended to assist in understanding CRCD's financial results for the preceding five fiscal years and for the six-month period ended June 30, 2023. This information is derived from CRCD's separate audited interim and annual financial statements.

2.1 Ratios and supplemental data

(in thousands of \$, unless indicated otherwise)	June 30, 2023 (6 months)	Dec. 31, 2022	Dec. 31, 2021	Dec. 31, 2020	Dec. 31, 2019	Dec. 31, 2018
Revenue	34,363	97,830	67,951	48,233	55,210	70,285
Gains (losses) on investments	60,846	(129,518)	212,275	38,471	63,703	138,632
Net earnings (loss)	68,546	(87,918)	234,476	46,429	81,302	174,894
Net assets	2,585,642	2,559,100	2,594,703	2,272,798	2,308,466	2,168,804
Common shares outstanding (number, in thousands)	145,666	148,099	144,959	140,110	144,849	141,391
Total operating expense ratio and common share issue expense ratio ⁽¹⁾ (%)	2.0	2.0	1.8	1.8	1.6	1.6
Portfolio turnover rate:						
– Investments impacting the Québec economy (%)	4	8	15	13	10	17
– Other investments (%)	24	118	111	100	101	163
Trading expense ratio ⁽²⁾ (%)	—	—	—	—	—	—
Number of shareholders (number)	112,309	113,690	113,039	109,286	109,364	107,862
Issues of common shares – Class A “Issuance”	(7)	140,088	140,155	139,842	140,017	141,179
Exchanges of common shares – Class B “Exchange”	49,885	49,905	99,855	(92)	199,445	—
Common share issue expenses, net of related taxes	—	—	—	—	—	2,523
Redemption of common shares	41,997	87,773	52,726	221,939	81,657	90,088
Investments impacting the Québec economy at cost	1,657,766	1,658,473	1,440,623	1,108,055	1,014,864	838,258
Fair value of Investments impacting the Québec economy	1,949,137	1,938,022	1,796,083	1,298,331	1,249,967	1,080,069
Funds committed but not disbursed including guarantees and suretyships	182,144	222,262	199,130	238,226	237,009	192,169

⁽¹⁾ The ratio of total operating expenses and common share issue expenses is calculated by dividing total operating expenses as shown on the separate statements of comprehensive income and common share issue expenses as shown on the separate statements of changes in net assets by net assets as at the end of the fiscal year or by average net assets for the fiscal year, pursuant to Section 68 of the *Regulation respecting Development Capital Investment Fund Continuous Disclosure*.

⁽²⁾ Trading expense includes brokerage fees and other portfolio transaction costs. These expenses are not material to CRCD.

2.2 Changes in net assets per common share

(in \$)	June 30, 2023 (6 months)	Dec. 31, 2022	Dec. 31, 2021	Dec. 31, 2020	Dec. 31, 2019	Dec. 31, 2018
Net assets per common share, beginning of period / year	17.28	17.90	16.22	15.94	15.34	14.09
Increase (decrease) attributable to operations	0.47	(0.59)	1.67	0.34	0.58	1.28
Interest, dividends, distributions and negotiation fees	0.23	0.67	0.48	0.35	0.39	0.51
Operating expenses	(0.17)	(0.34)	(0.32)	(0.27)	(0.25)	(0.21)
Income taxes	—	(0.02)	—	(0.02)	(0.01)	(0.03)
Realized gains (losses)	0.29	(0.14)	0.34	0.56	0.25	0.79
Unrealized gains (losses)	0.12	(0.76)	1.17	(0.28)	0.20	0.22
Difference attributable to common share issues and redemptions	—	(0.03)	0.01	(0.06)	0.02	(0.03)
Net assets per common share, end of period / year	17.75	17.28	17.90	16.22	15.94	15.34

3.0 Overview

CRCD ended the first six months of 2023 with net earnings of \$68.5 million (net loss of \$95.8 million for the same period in 2022), representing a non-annualized return of 2.7% (negative non-annualized return of 3.7% as at June 30, 2022), resulting in an increase in net assets per share to \$17.75 based on the number of shares outstanding as at June 30, 2023. CRCD aims to strike an appropriate long-term balance between shareholder return and its mission of Québec economic development. The financial asset management strategy adopted by CRCD several years ago is designed to provide a balanced overall profile and limit volatility in periods of substantial market turbulence or due to unfavourable events at partner companies.

Investments impacting the Québec economy posted a non-annualized return of 4.3% for the six-month period ended June 30, 2023, compared with a negative non-annualized return of 1.8% for the same period a year earlier. The positive return from the Investments impacting the Québec economy portfolio was fuelled mainly by the solid performance of portfolio companies. Changes in interest rates also had a positive impact, with rates increasing significantly over the same period in 2022 and leading to lower returns for this portfolio.

As at June 30, 2023, the cost of Investments impacting the Québec economy totalled \$1,657.8 million, of which \$85.2 million was disbursed during the first six months of fiscal 2023. As at June 30, 2023, commitments made but not disbursed, including guarantees and suretyships granted to companies, cooperatives or funds, amounted to \$182.1 million. New commitments for the first six months of 2023 amounted to \$45.1 million.

The Other investments portfolio recorded a non-annualized return of 2.5% for the first six months of 2023. Its performance can be attributed to the turnaround of stock markets as well as to bonds, which provided solid income while generating gains in a relatively stable interest rate environment. For the same period in 2023, the Other investments portfolio posted a negative non-annualized return of 4.9%.

While the issue of Class A ordinary Issuance shares for 2023 will begin in fall, share redemptions during the first six months totalled \$42.0 million, same as for the corresponding period in 2022. As at June 30, 2023, the balance of shares eligible for redemption totalled \$1,008.1 million, while net assets amounted to \$2,585.6 and shareholders numbered 112,309. For more information, please see the Subscriptions section of this MD&A.

3.1 Our vision for Québec entrepreneurship

As in the last six-month period, an overall slowdown in investment activities was observed. Some sectors were more affected than others by the inflationary economic environment as well as labour and supply chain issues, which are however slowly improving. Meanwhile, some sectors had the wind in their sails even though for most organizations the period was more favourable to a tightening of controllable expenditures.

After a very active two-year period in terms of investment, the consultancy services offered to partner companies increased in the first-six months of 2023, in the areas of sound governance, succession planning and more sustainable business processes. This support translated into a significant number of reinvestments, in large part to support growth. The management team was also strengthened with the addition of due diligence resources specializing in human resources and governance to continue supporting portfolio companies. Business transfers remained essential for maintaining and developing the regions, making it necessary to encourage the next generation and business successions. These transactions required more time and effort since buyers were more cautious and sellers had to temper their expectations.

In addition to solidifying preferred relationships with partners, the investment teams were able to return to best practices in business development and on-site presence with the full resumption of business promotion activities. With economic uncertainty still looming, CRCD is there to help Québec entrepreneurs meet the challenges they face.

3.2 Growing businesses stronger

Building on nearly 50 years of expertise, Desjardins Capital, CRCD's manager, is one of the most active players in development and venture capital in Québec. Together, we are an indispensable business partner, supporting over 770 businesses, cooperatives and funds in various industries spanning all Québec regions. In addition to maintaining and stimulating the productivity of Québec SMEs, we are a major economic leader for ensuring the province's vitality.

We leverage our teams' expertise and skills in investment, external funds management, business performance and business expertise and in finance and institutional services. In addition to our activities in investment and promoting Québec SMEs and cooperatives, we offer trainings and products adapted and tailored to their needs. They can also benefit from our vast business

network to support their growth and from our synergy with the whole Desjardins Group, including nearly thirty Desjardins Business centres.

Our closeness with our partner companies, our well-established, trust-based relationships and our deep knowledge of regional issues enable us to play the key role of catalyst in the entrepreneurial ecosystem to support the start up, development, transfer and succession of Québec businesses and flagships.

We work together with entrepreneurs to support them in integrating environmental, social and governance (ESG) criteria, by advocating education and awareness. We perform ESG diagnostics to determine their maturity and areas of support required and then provide recommendations and regularly evaluate their progress.

Inspired by industry best practices in sound governance, we also support entrepreneurs in setting up advisory committees and boards of directors. We offer them support and tools adapted to their realities. Moreover, we recruit and recommend experienced independent directors who can offer expertise related to their company's ambitions. These directors have access to numerous tools and are regularly trained and evaluated to meet the highest standards of collaboration. Our skills in governance and our support, based on agility, simplicity, strategic thinking and alignment with business needs, sets us apart in the market.

Our closeness with the Québec entrepreneurial ecosystem and our specialized support ensures that we are actively contributing to the lasting prosperity of people and communities by investing in the growth and sustainability of local businesses.

3.3 Economic conditions

2023 ECONOMIC ENVIRONMENT

Global economy

The global economy is running out of steam, particularly in terms of the production and trade in goods. The interest rate hikes appear to be gradually having the desired effect. Since March, the U.S. and European banking sectors have also been giving cause for some concern. Total inflation has eased in several countries due to lower energy prices and an easing of pressures on supply chains. It is also noteworthy that the PMIs (Purchasing Managers Index) for the manufacturing sectors of most of the major economies have now fallen below 50, the threshold between growth and contraction in economic activity. Led by Germany, the eurozone's real GDP declined for two consecutive quarters at the end of 2022 and the beginning of 2023. In the UK, the economy continues to skirt recession, with modest growth in real GDP. This being said, inflation in the UK is far from under control. Even Japan is experiencing an inflationary surge, but in contrast to other central banks, the Bank of Japan continues to wait out this new situation.

Economic activity in China appears to be slowing after rallying at the start of the year. Inflation in China has been very low compared to the other major economies. Economic growth should slow further in most countries and, under the weight of interest rate hikes, real GDP rates are expected to decline in late 2023 and early 2024. Global economic growth should improve next year, when inflation will have slowed enough to support real incomes and allow the major central banks to begin cutting their key rates. Following growth of 2.6% in 2023, global real GDP should rise 2.7% in 2024.

The world's main stock market indexes began 2023 on an upward trend, fuelled by falling inflation and a slower pace in rate hikes by central banks. The outlook for corporate earnings deteriorated slightly in response to high interest rates and moderating economic growth. The problems experienced by some U.S. and European banks in March also briefly raised gave cause for concern, but without dampening the momentum of the main indexes in any sustained way. Growing optimism among investors and a change in tone at several central banks also spurred a recovery in government bond yields in the second quarter. In the second half of 2023, however, the economic slowdown could weigh on stock market returns.

United States

For the U.S. economy, 2023 began on a positive, if modest, note. Real GDP continued growing in the second quarter with an annualized gain of 2.4% in the quarter. Close to two million jobs were created in the first half of the year, announcements of more layoffs in certain sectors and rising unemployment insurance claims. The housing market showed signs of stabilizing after significant declines in 2022. So far, the U.S. economy has proved somewhat resilient despite the rate hikes implemented by the Federal Reserve, the problems that emerged in the banking sector in March, and fears – now resolved – around the legislative limit on the federal government's debt.

Rising key interest rates and tighter credit conditions will have a greater impact on economic activity in the U.S. in the second half of 2023, and real GDP is expected to decline for a few quarters, starting in the fall. The situation should improve commencing in the spring of 2024. Real GDP in the U.S. is expected to rise 1.9% in 2023, followed by 0.8% growth in 2024.

Canada

Economic activity in Canada is still outpacing expectations. This prompted the Bank of Canada to end its winter pause and raise key interest rates at its June and July meetings. These increases brought the overnight rate to 5.00%, the highest level recorded since April 2001. The Canadian labour market remains strong, however, and consumption and investment are relatively robust in certain sectors. The Canadian economy, and the housing market in particular, are benefiting from rapid population growth as a result of increased immigration.

According to the Bank of Canada, the full effects of an interest rate hike are not felt for 18 to 24 months. In other words, the restrictive effects of rate hikes will gradually become stronger later in 2023. Under these conditions, the Canadian economy is expected to slip into a mild recession at the end of this year and early in 2024. If inflation continues to fall as forecast, the Bank of Canada could begin gradually reducing its key interest rates in the early months of 2024. After rising by 3.4% in 2022, Canadian real GDP could therefore grow by 1.7% in 2023. Another 0.3% gain is expected in 2024.

Québec

Québec's economy is already showing several signs of weakness. The province has slower population growth than that of the rest of the country, and the demographic impacts seen in Canada are much less present in Québec. The province's real GDP and employment do not have the same momentum as nationally, and several other indicators are clearly weaker. Residential construction continues to plummet in Québec, and the revival of the resale market is proving to be limited. Moreover, business investment and international exports in Québec are in decline, whereas they are holding up fairly well at the national level. However, strong household spending has kept the economy afloat so far. The environment will be less favourable over the next few quarters. Rising interest rates will further erode household borrowing capacity, government financial support will be much more limited, and the labour market seem to have started a period of deterioration. Our scenario assumes a period of contraction in Québec's real GDP that will last until early 2024.

4.0 Management's discussion of financial performance

4.1 Operating results

CRCD'S NET RESULTS AND RETURNS

CRCD ended the first half of the year on June 30, 2023, with net earnings of \$68.5 million, or a non-annualized return of 2.7%, compared with a net loss of \$95.8 million (negative non-annualized return of 3.7%) for the same period in 2022. Based on the number of common shares outstanding, net assets per share increased to \$17.75 as at the end of the six-month period, compared with \$17.28 at the end of fiscal 2022. For illustrative purposes, at the current price of \$17.75, shareholders who invested seven years ago, on August 18, 2016, would obtain an annual after-tax return of more than 10.7%, taking into account the 40% income tax credit as per the rate applicable at that time.

CRCD's results stem primarily from Investments impacting the Québec economy and Other investments, which generated non-annualized returns of 4.3% and 2.5%, respectively. For the same period in 2022, Investments impacting the Québec economy and Other investments posted non-annualized negative returns of 1.8% and 4.9%, respectively. Expenses, net of administrative charges and income taxes had an impact of 1.2% on CRCD's non-annualized return for the six-month period ending June 30, 2023, compared to a 1.0% impact for the same period one year earlier. Financial expenses relating to the use of the operating credit facility had a negligible impact on CRCD's non-annualized return, for both the first six months of 2023 and the first six months of 2022. This line of credit was undrawn as at June 30, 2023 (\$4.5 million as at December 31, 2022). Refer to the Liquidity and capital resources section for details on the credit facility used.

CRCD's asset allocation strategy allows it to enjoy a more balanced overall portfolio profile, while actively contributing to Québec's economic development.

Return by activity

	2023			
	Average assets under management (\$M)	Weighting (%)	Non-annualized return 6 months (%)	Non-annualized contribution 6 months (%)
Activities related to Investments impacting the Québec economy ⁽¹⁾	1,953	76.9	4.3	3.3
Other investments and cash	586	23.1	2.5	0.6
Financial expenses			—	—
	2,539	100.0	3.9	3.9
Expenses, net of administrative charges			(1.2)	(1.2)
Income taxes			—	—
CRCD's return			2.7	2.7

	As at June 30, 2022			
	Average assets under management (\$M)	Weighting (%)	Non-annualized return 6 months (%)	Non-annualized contribution 6 months (%)
Activities related to Investments impacting the Québec economy ⁽¹⁾	1,866	72.3	(1.8)	(1.3)
Other investments and cash	715	27.7	(4.9)	(1.4)
Financial expenses			—	—
	2,581	100.0	(2.7)	(2.7)
Expenses, net of administrative charges			(1.1)	(1.1)
Income taxes			0.1	0.1
CRCD's return			(3.7)	(3.7)

⁽¹⁾ Includes Investments impacting the Québec economy, amounts receivable on disposal of investments, financial liabilities and foreign exchange contracts.

INVESTMENTS IMPACTING THE QUÉBEC ECONOMY

Investments of \$92.9 million and disposals of \$137.9 million (including non-cash items) were made for a negative net balance of \$45.0 million. Combined with unrealized and realized net gains of \$ 54.6 million, these net divestments brought the fair value of the Investments impacting the Québec economy portfolio, including foreign exchange contracts, to \$1,949.1 million as at June 30, 2023 (\$1,938.3 million as at December 31, 2022).

Investments impacting the Québec economy should also be measured taking into account funds committed but not disbursed, including guarantees and suretyships, which amounted to \$182.1 million as at June 30, 2023, compared with \$222.3 million as at December 31, 2022. Commitments already made but not disbursed of \$172.4 million, representing 6.7% of net assets, could eventually be made from the Other investments portfolio and credit facilities and allocated to Investments impacting the Québec economy.

Total commitments at cost as at June 30, 2023, amounted to \$1,839.9 million in 406 companies, cooperatives and funds, of which \$1,657.8 million was disbursed. As at June 30, 2023, backed by its entrepreneurial ecosystem, CRCD supported growth in 770 companies, cooperatives and funds.

During the first six months of fiscal 2023, Investments impacting the Québec economy generated a contribution of \$83.2 million, for a non-annualized return of 4.3%, compared with a negative contribution of \$32.8 million for the same period in 2022 (a negative non-annualized return of 1.8%). The positive return for the first six-months ended June 30, 2023 was fuelled mainly by the solid overall performance of portfolio companies. Changes in interest rates also had a positive impact, with rates increasing significantly over the same period in 2022 and leading to lower returns for this portfolio.

Contribution generated by Investments impacting the Québec economy

(in thousands of \$)	June 30, 2023	June 30, 2022
Revenue	28,650	25,974
Gains and losses	54,559	(58,776)
Total	83,208	(32,802)

Revenue includes interest, dividends and negotiation fees related to Investments impacting the Québec economy. Negotiation fees, which amounted to \$ 2.2 million for the six-month period ended June 30, 2023 (\$2.6 million for the same period in 2022), are earned by the manager, Desjardins Capital, and a credit for that amount is applied against the management fees paid to Desjardins Capital by CRCD. Negotiation fees are included in the contribution generated by the Investments impacting the Québec economy as they are included in the profitability analysis of the investments. The profile of the investments held by CRCD places significant importance on the amounts injected into its ecosystem funds (see the following section for more details). Therefore, investments held by these ecosystem funds generate revenue in addition to the revenue generated by CRCD's direct investments. This revenue, of which CRCD's share amounted to \$11.9 million for the first six months of fiscal 2023 (\$9.4 million for the same period in 2022), is reported as Gains and losses as it makes a positive contribution to the fair value of CRCD's interest in these funds.

CRCD accounts for its Investments impacting the Québec economy at fair value. Two comprehensive portfolio reviews are carried out each year, with one covering the six-month period ending June 30 and the other covering the six-month period ending December 31.

CRCD recorded a realized and unrealized gain of \$54.6 million for the first six-month period in 2023 compared with a loss of \$58.8 million for the same period in 2022. For more information, please see Entrepreneurial ecosystem performance in the following section.

As at June 30, 2023, the overall risk level of the Investments impacting the Québec economy portfolio was relatively stable compared with its December 31, 2022 level, as discussed in the Credit and counterparty risk section.

ENTREPRENEURIAL ECOSYSTEM

CRCD invests directly in Québec companies and also fulfills its economic development role via investments through the funds it has helped create with its manager, each of which has a specific mission. With this approach of seeking capital from various partners, CRCD can leverage its resources, thereby enhancing its positive impact on Québec's economic development.

MAIN FUNDS OF THE ENTREPRENEURIAL ECOSYSTEM



These funds, which are also managed by CRCD's manager, Desjardins Capital, are detailed below:

- The main goal of Desjardins Capital PME s.e.c. fund (DCPME), created on January 1, 2018, is to invest in Québec's small- and medium-sized businesses. This sustainable fund is an open-ended limited partnership, allowing the number of limited partners to vary. The limited partners' commitments are generally made on an annual basis. As at June 30, 2023, CRCD's interest in the DCPME fund was 39.5%, while the interests of the other three limited partners, the DIM Private Completion Strategy Fund (DIM), Desjardins Holding Financier (DHF), and Desjardins Québec Balanced Fund (DQBF), were 60.5%, collectively. As at June 30, 2023, CRCD has disbursed \$185.6 million (\$185.6 million as at December 31, 2022) allowing a total of 270 companies to benefit from \$577.7 million committed by the DCPME fund.
- Jointly with France-based Groupe Siparex, on July 4, 2018, Desjardins Capital created two funds: the Desjardins Capital Transatlantic, L.P. fund (DC Transatlantic) and the Siparex Transatlantique – Fonds professionnel de Capital Investissements fund. The purpose of these funds is to co-invest in SMEs in Québec and Europe to support them in their marketing or acquisition efforts on both sides of the Atlantic. CRCD and other investor partners such as Export Development Canada (EDC), Groupe Siparex and French public investment bank BPIFrance committed a total of €75 million, or approximately \$108 million to the two funds. DC Transatlantic's investment period, initially for a period of five years, was extended for one additional year ending July 9, 2024. CRCD has a 60.7% interest in DC Transatlantic. As at June 30, 2023, CRCD had disbursed \$30.4 million (\$25.4 million as at December 31, 2022) of its total commitment of \$32.9 million (€22.8 million), allowing 16 companies to benefit from \$41.3 million committed by the fund.
- The objective of the Société en commandite Essor et Coopération (Essor et Coopération), established on January 1, 2013, and whose investment period had ended, was to support the creation, growth and capitalization of cooperatives in Québec. CRCD and other partners, including three from the cooperative sector, had made commitments totalling \$89.9 million. CRCD has a 94.6% interest in the Essor et Coopération fund. Since the fund's inception, CRCD has disbursed \$54.6 million of its total commitment of \$85 million. As at June 30, 2023, despite the close of the investment period, CRCD maintained a commitment of \$16.3 million which will be used for reinvestment and to pay the fund's operating expenses until its winding-up. As at June 30, 2023, Essor et Coopération had made commitments totalling \$36.8 million to support 25 cooperatives.
- CRCD is also the joint sponsor of the Desjardins-Innovatech S.E.C. fund (DI) with the Economic Development Fund. Initially, DI undertook to inject a total of \$85 million to support Québec technology or innovation businesses through each stage of their development. CRCD's interest in DI is 54.5%. In addition to this interest, CRCD has agreed to make an additional investment in the form of a note for a maximum amount of \$5.0 million in DI of which \$0.2 million was disbursed during the first six months of 2023 for a total disbursement of \$3.7 million. This note does not affect the units held by CRCD in this fund. DI continues to support companies, especially those that use technological innovations or that capitalize on new uses of technologies. As at June 30, 2023, DI had made commitments of \$58.8 million to support a total of 41 companies and funds.

- The Capital croissance PME s.e.c. and Capital croissance PME II s.e.c. funds (collectively, the “CCPME” funds), created in 2010 and 2014, respectively, and whose investment periods have closed, had an investment policy similar to that of the DCPME fund, which is to make capital available to Québec companies. CRCD and the Caisse de dépôt et placement du Québec (CDPQ), as sponsors of the funds, had agreed to invest, on a 50/50 basis, a total amount of \$540 million. As at June 30, 2023, CRCD had disbursed \$256.6 million of its total commitment of \$270 million. Funds committed but not disbursed will be used for reinvestment and to pay the CCPME funds’ operating expenses until their winding-up. A total of 100 companies and funds benefited from \$68.2 million committed by the CCPME funds as at June 30, 2023. Since their inception, the funds have committed \$460.4 million to 376 companies.

In total, as at June 30, 2023, CRCD and its ecosystem supported the growth of 770 companies, cooperatives and funds in various industries spanning all Québec regions with commitments of \$2,301.2 million. Of that total, 29 cooperatives benefited from commitments of \$183 million. In this way, CRCD and its ecosystem have helped to create and retain many thousands of jobs.

Given the size of the amounts allocated to these funds and to better manage and track operations, CRCD monitors changes in asset allocation and performance by investment profile.

Each investment profile includes assets held by CRCD together with similar assets held by the funds in its ecosystem based on CRCD’s proportionate share in each fund.

The investment profiles related to Investments impacting the Québec economy are as follows:

- Debt: investments in the form of advances and/or mainly unsecured loans and/or non-participating preferred shares;
- Equity: investments comprising common shares and limited partnership units that may be combined with advances and/or mainly unsecured loans and preferred shares in companies other than those included under the Startup and technology innovation profile;
- External funds: investments in funds outside CRCD’s entrepreneurial ecosystem; and
- Startup and technology innovation: investments in companies in pre-startup, startup or post-startup stages.

Return by investment profile

	2023			
	Average assets under management	Weighting	Non-annualized return 6 months	Non-annualized contribution 6 months
	(\$M)	(%)	(%)	(%)
Debt	560	22.0	2.8	0.6
Equity	1,051	41.4	6.8	2.8
External funds	59	2.3	(10.7)	(0.2)
Startup and technology innovation	279	11.0	0.8	0.1
Investment profiles subtotal	1,949	76.7	4.3	3.3
Other asset items held by ecosystem funds	4	0.2	2.0	—
Ecosystem total	1,953	76.9	4.3	3.3

As at June 30, 2022

	Average assets under management (\$M)	Weighting (%)	Non-annualized return 6 months (%)	Non-annualized contribution 6 months (%)
Debt	506	19.6	(1.6)	(0.3)
Equity	1,023	39.6	(2.0)	(0.7)
External funds	52	2.0	13.7	0.2
Startup and technology innovation	268	10.4	(4.7)	(0.5)
Investment profiles subtotal	1,849	71.6	(1.9)	(1.3)
Other asset items held by ecosystem funds	17	0.7	0.7	—
Ecosystem total	1,866	72.3	(1.8)	(1.3)

The 4.3% non-annualized return of the Investments impacting the Québec economy portfolio for the first six months of fiscal 2023 stemmed mainly from the Equity and Debt investment profiles, which overall, performed well during the period. For the Debt profile, the first six months of 2022 was negatively affected by the increase in the corporate bond rates whereas they remained stable in the first six months of 2023. For the Equity profile, the uptrend observed resulted from the solid overall performance of the companies making up the profile and the financing rounds anticipated in the short term, with new investors in certain portfolio companies generating unrealized capital gains as at June 30, 2023. The External funds profile saw a negative performance for the first six months of 2023 in relation to the same period the year earlier, owing mainly to depreciation in two interests in external funds due to venture capital market conditions. To a lesser extent, the Startup and technological innovations profile continues to experience a loss of investor appetite for this sector, making it difficult for sector companies to raise new financing.

OTHER INVESTMENTS

Managing the Other investments portfolio involves the portion of assets not earmarked for Investments impacting the Québec economy, including temporarily available cash resources prior to their investment in companies.

CRCD has implemented management strategies for the Other investments portfolio to optimize potential returns while retaining the required liquidity to meet liquidity needs arising from redemption requests from shareholders and Investments impacting the Québec economy it expects to make. This portfolio, consisting primarily of liquid assets, includes fixed-income securities, Canadian equity funds, real estate funds, an infrastructure fund, a market neutral equity fund as well as various equity holdings and short sales. The latter are managed on a discretionary basis as part of a market-neutral equity strategy overlaid on the bond portfolio. The Other investments portfolio provides stable current revenue for CRCD and ensures sound diversification.

As at June 30, 2023, CRCD's Other investments portfolio, including cash, but excluding foreign exchange contracts, totalled \$591.8 million (\$566.7 million as at December 31, 2022) and consisted of the following:

Other investments portfolio

	As at June 30, 2023		As at December 31, 2022	
	Fair value (\$M)	% of portfolio	Fair value (\$M)	% of portfolio
Cash and money market instruments	16.7	2.8	6.6	1.1
Bonds	283.0	47.8	274.1	48.4
Canadian equity funds	55.7	9.4	57.7	10.2
Real estate funds	111.7	18.9	126.9	22.4
Infrastructure funds	50.3	8.5	28.9	5.1
Market neutral equity funds	74.4	12.6	72.5	12.8
Market neutral equity strategy				
Listed securities	19.0	3.2	—	—
Obligations related to securities sold short	(19.0)	(3.2)	—	—
Portfolio total	591.8	100.0	566.7	100.0

As at June 30, 2023, 99.7% of portfolio bond securities were government guaranteed (99.7% as at December 31, 2022).

The Other investments portfolio accounted for 22.9% of total net assets at the end of the first six months of 2023 (22.1% as at December 31, 2022). This increase was mainly due to the increase in the amount disbursed to the Infrastructure Fund, which represented approximately 80% of the \$60 million commitment to this fund. The increase in the fair value of the bond portfolio was offset by the divestment of \$12 million from real estate funds as part of an asset allocation rebalancing in the first six months of 2023. In the first six months of 2023, a new market-neutral equity strategy was introduced to overlay the bond portfolio. This strategy, which aims to generate returns through capital appreciation, involves investing in long and short positions in order to neutralize market movements and thus limit the volatility of returns. CRCD aims to maintain an overall asset allocation of approximately 30% in fixed-income securities and market-neutral equity strategy funds. Changes are made to the Other investments portfolio from time to time to adjust to changes in the Investments impacting the Québec economy portfolio.

Contribution generated by Other investments

(in thousands of \$)	June 30, 2023	June 30, 2022
Revenue	7,896	8,349
Gains and losses	6,287	(45,224)
Total	14,183	(36,875)

Revenue consists mainly of interest and distributions related to Other investments. Interest income (primarily from bonds) is recognized at the bond rate in effect at the acquisition date.

The \$0.5 million decrease in revenue for the first six months of 2023 compared with the same period in 2022 is explained by the distributions on the Canadian equity funds received earlier in 2022, offset by the first distributions received during the six months ended June 30, 2023 from the global real estate fund and by the increase in the effective interest rate on the bond portfolio.

Gains of \$6.3 million in the first six months of 2023 stemmed mainly from the following financial assets:

- Bonds recorded a gain of \$4.2 million, mainly due to the judicious positioning of provincial securities on the yield curve, thereby benefiting from a narrowing of credit spreads during the first six months.
- In the wake of resilient equity markets, Canadian equity funds benefited from their defensive approach with a gain of \$4.0 million for the first six months.
- Real estate funds recorded a loss of \$4.2 million, mainly due to the impact of revaluations of portfolio properties in all sectors.

The financial asset management strategy is designed to use the Other investments portfolio to provide a balanced overall profile and limit volatility in periods of substantial market turbulence or unfavourable events at partner companies. Furthermore, CRCD seeks to match the average maturity of the bond portfolio with the average maturity of expected cash outflows, thereby limiting the long-term effect of changes in bond rates on CRCD's results.

SUBSCRIPTION

CRCD offers its common shares for subscription through the Desjardins caisse network in Québec and via AccèsD Internet.

Under its constituting act, share issues are limited to an amount equal to the cost of the preceding issue period's redemptions, up to a maximum of \$150 million, unless the Québec government grants CRCD exceptional measures altering the authorized capitalization amount. Each issue period lasts 12 months and runs from March 1 to the last day of February of the following year.

In March 2021, CRCD had obtained the right to issue \$140 million in Class A "Issuance" shares for the 2021 and 2022 issues and allocate a 30% tax credit rate for the purchase of such shares. To allow as many shareholders as possible to buy such shares, the maximum annual subscription amount allowable was capped at \$3,000 per investor, for a tax credit of \$900.

In the same announcement, the provincial government also extended CRCD's share exchange program, which offers a shareholder who defers the redemption of eligible shares for seven years the option to take advantage of a new tax credit. CRCD was authorized, for the 2021 and 2022 issue periods, to exchange shares up to an annual maximum of \$50 million. The program allowed CRCD shareholders who had never redeemed shares to exchange their current eligible Class A "Issuance" shares, up to a

value of \$15,000 annually, for new Class B “Exchange” shares that they would also be required to hold for seven years, as consideration for a provincial tax credit of 10% of the amounts exchanged.

These exceptional capitalization measures came to an end on February 28, 2023. Thus, for the 2023 issue, CRCD is authorized to raise almost \$59.8 million, an amount equivalent to the cost of redemptions made during the 2022 issue, with a provincial 30% tax credit. The share exchange program was not renewed in 2023.

Accordingly, CRCD’s share capital now comprises two classes of shares: Class A “Issuance” and Class B “Exchange”. Class A shares are issued to raise capital, while Class B shares are designed to be exchanged for Class A shares.

The minimum holding period for CRCD shares, regardless of their class, before a shareholder would normally be eligible for a redemption is seven years to the day from the date of purchase or exchange. Note, however, that shareholders who withdraw some or all of their shares after the seven-year holding period may no longer claim a tax credit for any subscription or exchange for which the tax credit would apply in the current tax year or in any subsequent tax year. A special tax is payable by CRCD if it fails to comply with the authorized issuance or exchange amounts, and control mechanisms have been implemented by CRCD to ensure compliance. For the first six months of 2023 and for fiscal 2022, no special tax was paid.

As at June 30, 2023, CRCD had \$1,955.8 million in share capital (\$1,963.9 million as at December 31, 2022) for 145,665,734 common shares outstanding (148,098,572 as at December 31, 2022).

Considering that the subscription period for the 2023 issuance will begin in the fall, CRCD did not collect the amount related to the Class A Issuance shares in the first six months of 2023.

The exchange registration period for the 2022 taxation year took place in the fall of 2022 and acceptance of applications was completed and recorded in January 2023 for an authorized amount of \$50 million.

During the first six months of 2023, common share redemptions totalled \$42.0 million an amount equal to that of the same period in 2022.

As at June 30, 2023, the balance of shares eligible for redemption amounted to \$1,008.1 million. During the last six months of 2023, additional shares valued at approximately \$180.1 million will also become eligible for redemption bringing total potential redemptions to \$1,188.2 million. However, this balance will be reduced by the amount of shares that will be redeemed in the last six months of fiscal 2023.

As at June 30, 2023, shareholders numbered 112,309 compared with 113,690 as at December 31, 2022.

CRCD’s policy is to reinvest income from operations and proceeds from disposals rather than pay dividends to its shareholders in order to increase the capital available for investment in eligible entities and to create share value appreciation.

EXPENSES AND INCOME TAXES

Expenses

(in thousands of \$)	June 30, 2023	June 30, 2022
Management fees	14,083	14,006
Other operating expenses	5,173	5,620
Shareholder services	6,292	6,403
Total	25,548	26,029

CRCD has entrusted the management of its operations, including the management of its Investments impacting the Québec economy and Other investments portfolios, to Desjardins Capital, pursuant to the terms of a management agreement concluded between them. Under this agreement, CRCD pays Desjardins Capital management fees equivalent to a maximum rate of 1.75% of CRCD’s annual average assets’ value, after deduction of any amounts payable related to Investments impacting the Québec economy and Other investments. An adjustment is made to the management fees to avoid double billing relative to CRCD’s interest in other investment funds, whether in the Investments impacting the Québec economy portfolio or in Other investments. Desjardins Capital and CRCD have agreed that, for a given fiscal year, an adjustment could also be made to allow CRCD to benefit from economies of scale realized by Desjardins Capital in particular in relation to the growth in CRCD’s assets. Such a downward adjustment of \$3.7 million was made for the six-month period ended June 30, 2023. The trading fees from the portfolio companies

are earned by Desjardins Capital, and the management fees CRCD is required to pay are reduced by an equivalent amount. Management fees remained stable, in line with CRCD's average assets under management, which were comparable in the first six months of 2023 and the same period in 2022.

The \$0.4 million decrease in operating expenses compared with the same period in 2022 was mainly due to lower costs related to the IT master plan.

Expenditures on shareholder services remained relatively stable compared with the same period in 2022. The main expense regarding shareholder services is the compensation paid by CRCD to the caisses for all shareholder advisory services, determined annually based on CRCD's net assets and the degree to which share subscription and redemption transactions are automated.

The majority of the services provided to CRCD are provided by Desjardins Group entities, namely the management and operation of CRCD, management and distribution of shares, registrar services and custodial services. With the exception of the management agreement with Desjardins Capital, these agreements have been amended and recast with an agreement date of January 1, 2023. The impact of these renewals on expenses was not material.

For the first six months of fiscal 2023, an income tax expense of \$0.4 million was recorded, compared with an income tax recovery of \$3.1 million for the same period of 2022. The nature of the income has a significant impact on the income tax expense (recovery) since, unlike interest income, dividends are generally not taxable and capital gains are eligible for tax deductions and refund mechanisms. CRCD's strategy is to optimize the after-tax return taking into account these rules.

LIQUIDITY AND CAPITAL RESOURCES

For the six-month period ended June 30, 2023, cash outflows from share issues net of redemptions amounted to \$42.0 million (net cash outflows of \$41.8 million for the same period in 2022). For the same six-month period, operating activities combined with fees for the development of intangible assets generated net cash inflows of \$56.7 million (net cash outflows of \$178.3 million for the same period in 2022). After including disbursements and proceeds from disposals from Investments impacting the Québec economy, CRCD reported net cash inflows of \$60.0 million in the first six months (net cash outflow of \$170.3 million for the same period in 2022). Other investments reported a net cash outflow of \$4.0 million in the first six months ended June 30, 2023, net cash inflows of \$6.6 million for the same period in 2022).

As at June 30, 2023, cash and cash equivalents totalled \$16.2 million (\$1.5 million as at December 31, 2022).

CRCD had an authorized line of credit of \$300 million as at June 30, 2023. This line of credit was used during the first six months of 2023 to bridge the gap between cash inflows and outflows, especially for Investments impacting the Québec economy. This line of credit was undrawn as at June 30, 2023 (\$4.5 million as at December 31, 2022). For the first six months of 2023, the average balance for the operating credit facility was \$36.4 million (\$115.9 million for the first six months of 2022). Although CRCD could have disposed of sufficient other investments to avoid using the credit facility, CRCD plans to draw on it, as needed, to maintain a sound allocation of its assets, and to avoid having to make disposals under potentially unfavourable conditions.

Given the management approach for Other investments of matching the average maturity of bonds held with the average maturity of its expected cash outflows and taking into account the available credit facility, CRCD does not anticipate any shortfall in liquidity in the short or medium term and expects to be able to redeem eligible shares from those shareholders who make such a request.

4.2 CRCD's mission, vision, strategic priorities and strategies

CRCD was founded on the July 1, 2001 effective date of the *Act constituting Capital régional et coopératif Desjardins* (the Act) adopted on June 21, 2001 by Québec's National Assembly, on the initiative of Desjardins Group. Its affairs are managed by its manager, Desjardins Capital.

CRCD's vision, mission, objectives and strategies remain substantially similar to those described in its most recent annual MD&A.

Under its constituting act, CRCD is required to fulfill its mission within certain guidelines, which include investing 65% of its average net assets in eligible Québec companies as at December 31 of each year. In addition, 35% of eligible investments must be made in Québec's resource regions or in eligible cooperatives. If these requirements are not met as at December 31 of each year, the authorized issue of capital for the capitalization period following the end of the fiscal year could be reduced. As at June 30, 2023, and December 31, 2022, all of those rules were met.

Finally, in its 2023-2024 budget, the Québec government announced a review of the intervention frameworks and investment requirements for tax-advantaged funds in order to change the eligibility rules, with effect from January 1, 2024. For more information, please see the Recent events section of this MD&A.

4.3 Governance

BOARD OF DIRECTORS

The Board has the general authority to manage the affairs of CRCD and oversee the fulfillment of its mission. In this capacity, it is responsible for guiding and overseeing all of CRCD's affairs and risks, including strategic risk oversight.

The Board is involved in and makes decisions on matters such as governance, strategic planning, investment, financial reporting, financial asset management, risk management, capitalization, shareholder relations and contracts.

To this end, the Board is supported by six committees that regularly report to it and make appropriate recommendations. Also, the manager reports on outsourced activities through its executives who attend meetings of the Board and the committees.

The committee roles and responsibilities remain substantially similar to those described in the most recent annual MD&A.

4.4 Risk management

PRACTICES AND POLICIES

Sound risk management practices are critical to the success of CRCD. The *Risk Management Policy* adopted by CRCD provides the capacity to anticipate and be proactive in mitigating the impact of risk events.

NOTE TO THE READER

The following sections regarding market risks, credit and counterparty risks, concentration risks and liquidity risks have been reviewed by CRCD's independent auditor as part of the audit of the separate financial statements concerning which an independent auditor's report was issued on August 17, 2023.

MARKET RISKS

Market risks pertain to CRCD's role in the capital markets and, indirectly, to general changes in economic conditions. They also pertain to the impact of capital market movements on the value of CRCD's assets. The various risks that make up market risks directly impacting CRCD are listed below.

In accordance with CRCD's global financial asset management approach, the impact of these interest rates and stock market risks and their interrelatedness are taken into account when determining overall asset allocation.

Interest rate risk

Interest rate fluctuations have an impact on the market value of fixed-income securities, real estate funds and infrastructure funds held in the portfolio for which fair value is determined based on market conditions. The fair value of these assets as at June 30, 2023, was \$859.0 million (\$829.4 million as at December 31, 2022). Fixed-income securities held in the Other investments portfolio include money market instruments and bonds. Fixed-income securities held in the Investments impacting the Québec economy portfolio include loans and advances and preferred shares.

Money market instruments with a fair value of \$1.1 million (\$0.8 million as at December 31, 2022) are not valued based on changes in interest rates, given their short maturities.

Bonds with a fair value of \$283.0 million (\$274.1 million as at December 31, 2022) are directly affected by changes in interest rates. A 1% increase in interest rates would have resulted in a decrease of \$32.8 million in net earnings, representing a 1.3% decrease in CRCD's share price as at June 30, 2023 (\$32.6 million for 1.3% as at December 31, 2022). Similarly, a 1% decrease in interest rates would have had the opposite effect, resulting in a \$37.8 million increase in net earnings, representing a 1.5% increase in the share price (\$37.6 million for 1.5% as at December 31, 2022). CRCD's financial asset management strategy aims to diversify the portfolio securities, thereby limiting exposure to long-term bonds. Given that CRCD matches the maturities of bonds

held in its portfolio with the average maturity of expected cash outflows, the long-term effect of interest rates on results should be limited.

Real estate funds and infrastructure funds with fair values of \$111.7 million and \$50.3 million, respectively, as at June 30, 2023 (\$126.9 million and \$28.9 million as at December 31, 2022) may also be affected by interest rate fluctuations. However, unlike bonds, there is no direct correlation between interest rate fluctuations and changes in the fair value of these classes of assets.

In the Investments impacting the Québec economy portfolio, loans and advances and preferred shares for which CRCD also holds participating shares in the same company and those that are discounted, totalling a fair value of \$449.9 million (\$508.3 million as at December 31, 2022), are not sensitive to changes in interest rates. Conversely, the other loans and advances and preferred shares included in the portfolio, totalling a fair value of \$412.9 million (\$398.8 million as at December 31, 2022), are sensitive to changes in interest rates. As a result, for those interest-rate-sensitive loans and advances and preferred shares, a 1% increase in interest rates would have resulted in an \$8.1 million decrease in net earnings, representing a 0.3% decrease in CRCD's share price (\$8.7 million for 0.3% as at December 31, 2022). A 1% decrease in interest rates would have had the opposite effect, resulting in an \$8.4 million increase in net earnings, representing a 0.3% increase in CRCD's share price (\$9.0 million for 0.4% as at December 31, 2022).

Stock market risk

Stock market trends have a twofold impact on CRCD. In addition to the direct impact on the market values of publicly traded stocks and the obligations associated with securities sold short, the valuations of private portfolio companies may also be affected by changes in stock prices.

As at June 30, 2023, Canadian equity funds, valued at \$55.7 million (\$57.7 million as at December 31, 2022), held in the Other investments portfolio, consisted primarily of listed equities. Accordingly, a 10% increase or decrease in the quoted market prices of listed equities would have resulted in a \$5.6 million increase or decrease in net earnings, representing a 0.2% increase or decrease in CRCD's share price (\$5.8 million for 0.2% as at December 31, 2022).

The market-neutral equity fund, valued at \$74.4 million as at June 30, 2023 (\$72.5 million as at December 31, 2022), does not have a significant exposure to stock market fluctuations as they minimize market risk. As such, any stock market fluctuations would not have a significant direct impact on CRCD's net earnings. The same applies for listed shares valued at \$19.0 million as well as for the obligations related to securities sold short valued at \$19.0 million as part of the market-neutral equity strategy implemented during the first six months of 2023.

The Investments impacting the Québec economy portfolio included listed equities in the amount of \$18.2 million (\$16.1 million as at December 31, 2022). For these listed equities, a 10% increase or decrease in their market prices would have resulted in a \$1.8 million increase or decrease in net earnings, representing a 0.1% increase or decrease in CRCD's share price (\$1.6 million for 0.1% as at December 31, 2022).

Currency risk

Changes in currency values have an impact on the activities of a number of CRCD's partner companies. The net effect of an appreciation in the Canadian dollar is not necessarily always negative for these companies, nor is a depreciation necessarily positive. However, rapid fluctuations in the Canadian dollar heighten the difficulties faced by these companies.

Currency fluctuations impact the fair value of assets valued initially in a foreign currency and subsequently translated into Canadian dollars at the prevailing rate of exchange. In the portfolio of Investments impacting the Québec economy, assets whose values fluctuate due to changes in foreign exchange rates represented a fair value of \$118.5 million or 4.6% of net assets as at June 30, 2023, compared with \$115.6 million or 4.5% of net assets as at December 31, 2022.

CRCD aims to systematically hedge currency risk for assets measured in foreign currency, unless the exposure stems from the long-term expected returns of certain asset classes. A \$10 million line of credit has been granted to CRCD for its foreign exchange contract transactions. As at June 30, 2023, CRCD held a foreign exchange contract under which it will be required to deliver US\$66.5 million (US\$80.0 million as at December 31, 2022), at the rate of CAD/USD 1.3215 (CAD/USD 1.3586 as at December 31, 2022), as well as a foreign exchange contract under which it will be required to deliver €22.3 million (€18.7 million as at December 31, 2022) at the rate of CAD/EUR 1.4490 (CAD/EUR 1.4523 as at December 31, 2022) on December 29, 2023. As at June 30, 2023, CRCD had nil collateral on its foreign exchange contracts (\$3.8 million as at December 31, 2022).

As at June 30, 2023, the net exposure of CRCD's Investments impacting the Québec economy portfolio and accounts receivable to foreign currencies was thus limited to \$1.7 million (\$19.8 million as at December 31, 2022). Any fluctuation in the Canadian dollar will therefore not have a significant impact on CRCD's results.

For the Other investments portfolio, the net exposure of investments to foreign currencies amounted to \$79.4 million (\$62.6 million as at December 31, 2022). Accordingly, a 10% decrease (increase) in value of the Canadian dollar relative to all other foreign currencies would have resulted in a \$7.9 million increase (decrease) in net earnings, representing a 0.3% increase (decrease) in CRCD's share price (\$6.3 million for 0.3% as at December 31, 2022).

CREDIT AND COUNTERPARTY RISKS

In pursuing its Investments impacting the Québec economy mission, CRCD is exposed to credit and counterparty risks related to potential financial losses if a partner company fails to fulfill its commitments or experiences a deterioration of its financial position. By diversifying its investments by investment profile, and by limiting the potential risk of each partner company, CRCD has limited portfolio volatility due to the possibility of negative events.

To comply with eligibility requirements for Investments impacting the Québec economy, CRCD generally does not require collateral to limit the credit risk on its loans.

The maximum credit risk is the carrying amount of the financial instruments at the end of the reporting period, in addition to funds committed but not disbursed, including guarantees and securities. The risk ratings below are generated and updated based on our portfolio companies' annual financial documents. There is therefore a lag between the current economic reality and the risk ratings.

Investments impacting the Québec economy, except those carried out through funds, are first ranked by risk from 1 to 9 based on the criteria defined by Moody's CreditLens tool. Subsequently, all the investments are reviewed every quarter to identify those that meet the criteria for a ranking of 10.

Risk ratings for Investments impacting the Québec economy in the form of funds are based on a number of criteria specific to this asset class. Most of these investments are reported in the Low to acceptable risk category due to the structure of this type of product, and because they generally involve no leverage.

The table below shows the movement in the Investments impacting the Québec economy, ranked by risk (fair value amounts):

Rating	As at June 30, 2023		As at December 31, 2022		
	(in thousands of \$)	(in %)	(in thousands of \$)	(in %)	
1 to 6.5	Low to acceptable risk	1,759,133	90.2	1,741,466	89.9
7 to 9	At risk	178,673	9.2	169,194	8.7
10	High risk and insolvent	11,331	0.6	27,362	1.4

Furthermore, CRCD is exposed to credit risk on financial instruments not recognized in assets, which are funds committed but not disbursed, including guarantees and suretyships, in connection with the Investments impacting the Québec economy portfolio. The table below shows the breakdown, by risk rating, of funds committed but not disbursed, including guarantees and suretyships, as at the reporting date:

Rating	As at June 30, 2023		As at December 31, 2022		
	(in thousands of \$)	(in %)	(in thousands of \$)	(in %)	
1 to 6.5	Low to acceptable risk	153,874	84.5	179,936	81.0
7 to 9	At risk	22,037	12.1	36,093	16.2
10	High risk and insolvent	6,233	3.4	6,233	2.8

For the bonds, which represented 49.1% of the fair value of the Other investments portfolio (48.8% as at December 31, 2022), credit risk is managed by diversification across numerous issuers with credit ratings as follows:

Rating ⁽¹⁾	As at June 30, 2023	As at December 31, 2022
	(in thousands of \$)	(in thousands of \$)
AAA	135,543	131,891
AA	134,694	127,225
A	12,733	14,946

⁽¹⁾ Credit risk ratings are established by recognized credit agencies.

Consistent with the *Global Financial Asset Management Policy*, money market instruments have a minimum credit rating of R-1 (low), thus limiting the credit risk associated with these financial instruments.

Counterparty risk is limited to the immediate short term and is associated with CRCD's counterparty when entering into cash transactions.

Counterparty risk is low for foreign exchange contracts given the amounts in question and that the contract counterparty is Fédération des caisses Desjardins du Québec.

CONCENTRATION RISKS

Concentration risks arise from the possibility that a significant portion of CRCD's Investments impacting the Québec economy portfolio or Other investments portfolio might become concentrated in a single entity, industry, region or financial product, which could render CRCD vulnerable to any financial difficulties experienced by such entity, industry, region or financial product.

Risk of concentration in an entity

Pursuant to its constituting act, policies and internal guidelines, the amount that CRCD may invest in any one entity or in a group of associates is limited to a percentage of its assets for both the Investments impacting the Québec economy and Other investments portfolios.

The concentration of the five largest Investments impacting the Québec economy and the five largest Other investments is as follows (percentages are based on fair asset value and funds committed but not disbursed, including guarantees and suretyships):

	As at June 30, 2023		As at December 31, 2022	
	% of portfolio	% of net assets	% of portfolio	% of net assets
Investments impacting the Québec economy ⁽¹⁾	26.4	21.7	28.0	23.7
Other investments ⁽²⁾	64.9	15.4	65.5	14.4

⁽¹⁾ CRCD's interest in the ecosystem funds accounted for 45% (46% as at December 31, 2022) of the five largest Investments impacting the Québec economy.

⁽²⁾ Government issuers and issues guaranteed by government entities, as well as diversified investment funds, represented 49% and 51% respectively (46% and 54% as at December 31, 2022) of the five largest issuers or counterparties in the Other investments portfolio.

Risk of concentration by region

In keeping with its mission of Québec economic development, the Investments impacting the Québec economy portfolio chiefly comprises businesses whose employees are, in the majority, residents of Québec. Furthermore, at least 35% of its investments must be made in companies located in the resource regions or in eligible cooperatives. Portfolio performance therefore depends heavily on economic conditions in Québec and the resource regions. As at June 30, 2023, the Investments impacting the Québec economy portfolio represented 75.5% of net assets (76.3% as at December 31, 2022).

Note that in its 2023-2024 budget, the Quebec government announced a review of the intervention frameworks and investment requirements for tax-advantaged funds in order to change the eligibility rules, with effect from January 1, 2024. For more information, please see the Recent events section of this MD&A.

CRCD has adopted a *Global Financial Asset Management Policy* and investment guidelines to govern the holding of foreign securities within the Other investments portfolio. As at June 30, 2023, the Other investments portfolio included a portion of foreign securities resulting primarily from its interest in real estate and infrastructure funds and comprised 86.6% of Canadian securities (89.0% as at December 31, 2022). Other investments portfolio performance therefore depends heavily on economic conditions in Canada. As at June 30, 2023, the Other investments portfolio represented 22.9% of net assets (22.1% as at December 31, 2022).

Risk of concentration in a financial product

The *Global Financial Asset Management Policy* favours global integrated management of the Investments impacting the Québec economy and Other investments portfolios. The policy establishes limits by asset class and these limits are applied by the manager. As at June 30, 2023, bond securities represented 10.9% of net assets (10.7% as at December 31, 2022).

The portfolio summary presented at the end of this MD&A also provides relevant information for assessing concentration risk.

LIQUIDITY RISKS

CRCD must maintain sufficient liquid assets to fund share redemptions and committed Investments impacting the Québec economy. If it failed to do so, CRCD would be dependent on the markets and could be forced to carry out transactions under unfavourable conditions. With target liquid investments that should represent approximately 25% of assets under management,

and using a management approach that ensures that the average maturity of bonds is close to the average maturity of expected outflows, CRCD can confirm that liquidity risks are adequately covered. Furthermore, a credit facility has been put in place to provide greater cash management flexibility. To maintain some flexibility for CRCD's current operating financing requirements, this credit facility was used in the first six months of 2023 to bridge the gap between disbursements and disposals of Investments impacting the Québec economy.

Given the significant balance of redeemable shares of CRCD, new temporary measures were announced by the Québec government to allow eligible CRCD shareholders to commit their redeemable capital for an additional seven-year period. With an authorized annual amount of \$50 million for the 2021 and 2022 issues, this initiative has allowed greater availability of capital for Investments impacting the Québec economy by reducing cash requirements related to share redemptions. This initiative has been well received by shareholders as the authorized amounts have been fully subscribed. See the Subscription section for more information.

In the first six months of 2023, CRCD implemented a new market-neutral equity strategy consisting mostly of borrowing securities for short sales. The equities held as part of this strategy and the overlay on the bond portfolio limit the liquidity risk associated with borrowing these securities. As at June 30, 2023, the amount of collateral used amounted to \$22.2 million.

CRCD, through its balanced financial strategy, authorized line of credit, and integrated risk management, has the necessary sources of funding to cover its financial obligations and pursue its mission among Québec businesses.

5.0 Recent events

The uncertain economy described in this MD&A could affect performance in CRCD's next six-month periods. CRCD is continuing to actively monitor the situation and the impacts on its operations.

In the 2023-2024 budget tabled on March 21, 2023, the Québec government announced amendments to the Act that will take effect on January 1, 2024, simplifying the applicable investment requirements.

Among these changes, the calculation of the minimum requirement of 65% (average net asset value) will take into account an additional year to establish the average. This calculation will take into account three years rather than two by considering eligible investments at the beginning of the year and assets at the beginning of the second preceding fiscal year.

The Act will also be amended to increase from 35% to 50% the proportion of investments that must be made in eligible cooperatives or in entities located in the resource regions of Québec and to provide that the regions eligible for the calculation of this investment requirement specific to the fund will include all regions of Québec, with the exception of municipalities in the Montréal and Québec metropolitan communities.

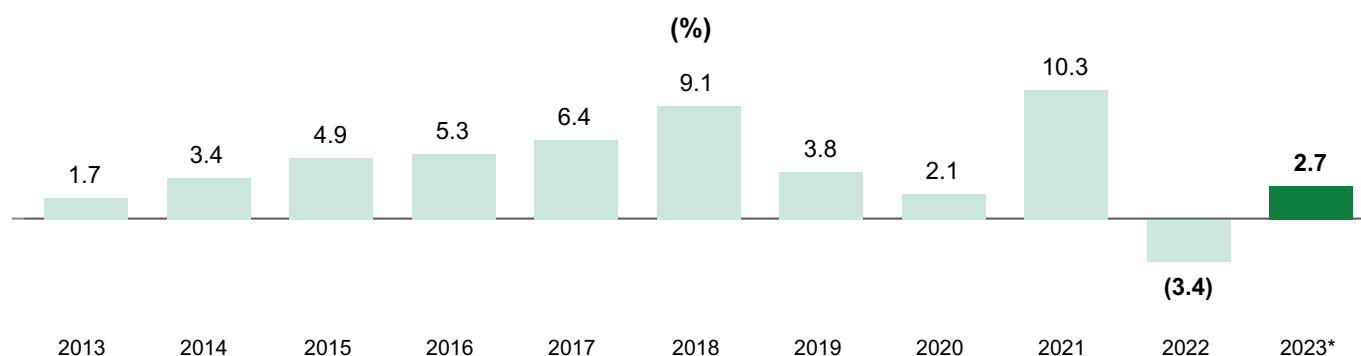
To ensure better governance of the investment requirements, the current eligible investment categories will be grouped into three new investment categories.

6.0 Past performance

This section presents CRCD's historical returns. These returns do not include the \$50 administration fee paid by shareholders or the tax credit they enjoy as a result of their investment. Past performance is not necessarily indicative of future returns.

6.1 Annual return

The following chart shows CRCD's annual returns and illustrates the change in returns from one period to the next for the past ten fiscal years and for the six-month period ended June 30, 2023. Annual return is calculated by dividing earnings (loss) per share for the period by the share price at the beginning of the period.



*Non-annualized return for the six-month period ended June 30, 2023.

6.2 Compounded return of the common share as at June 30, 2023

The compounded return is calculated based on the annualized change in the price of a common share for each of the periods shown.

10 YEARS	7 YEARS	5 YEARS	3 YEARS	1 YEAR
4.5%	4.6%	3.9%	5.6%	3.0%

7.0 Portfolio summary

7.1 Core investment profiles

As at June 30, 2023, assets in CRCD's Investments impacting the Québec economy and Other Investments portfolios were allocated, on a fair value basis, as follows:

Investment profile	% of net assets
INVESTMENTS IMPACTING THE QUÉBEC ECONOMY *	
Debt	22.0
Equity	40.4
External funds	2.3
Startup and technology innovation	11.0
Other asset items held by ecosystem funds	(0.2)
Total - Investments impacting the Québec economy	75.5
OTHER INVESTMENTS	
Cash and money market instruments	0.6
Bonds	11.0
Canadian equity funds	2.2
Real estate funds	4.3
Infrastructure funds	1.9
Market neutral equity funds	2.9
Market neutral equity strategy	
Listed securities	0.7
Obligations related to securities sold short	(0.7)
Total - Other investments	22.9

* Including foreign exchange contracts

Net assets are made up of 98.4% investment profiles listed above, and 1.6% of other asset items.

7.2 Main investments held

As at June 30, 2023, on a fair value basis, the issuers of the 25 main investments held by CRCD were as follows:

Issuers as at June 30, 2023	% of net assets
Investments impacting the Québec economy – 19 issuers*	43.9
Government of Canada	4.8
Fiera Properties CORE Fund	3.1
CC&L market neutral funds	2.9
Province of Ontario	2.7
DGAM Global Private Infrastructure Fund	1.9
Invesco Global Direct Real Estate Feeder Fund	1.2

* The 19 issuers which collectively represent 43.9% of CRCD's net assets are:

9349-6347 Québec inc. (Habitations Trigone)
9388-7628 Québec inc.
Agropur Coopérative
Avjet Holding inc.
Capital croissance PME II s.e.c.
DC Immo 1ère S.E.C.
Desjardins – Innovatech S.E.C.
Desjardins Capital PME s.e.c.
Exo-s-inc.
Fonds Qscale s.e.c.
Technic-Eau Drillings Inc.
Fournier Group Holding inc.
Gestion Jérico inc.
Groupe Filgo inc.
Norbec Group Inc.
SJM Group Inc.
Groupe Solotech inc.
Investissement Groupe Champlain RPA, S.E.C
Sollio Groupe Coopératif

This summary of CRCD's portfolio may change at any time due to transactions carried out by CRCD.

August 17, 2023

8.0 Management's report

August 17, 2023

CRCD's separate financial statements together with the financial information contained in this interim report are the responsibility of the Board of Directors, which delegates the preparation thereof to management.

In discharging its responsibility for the integrity and fairness of the separate financial statements, management has ensured that the manager maintains an internal control system to provide reasonable assurance that the financial information is reliable, that it provides an adequate basis for the preparation of the separate financial statements and that the assets are properly accounted for and safeguarded.

Furthermore, the Desjardins Group Relations director and Chief Financial Officer have certified that the method used to determine the fair value of each of the Investments impacting the Québec economy complies with the requirements of the Autorité des marchés financiers and have confirmed the reasonableness of the aggregate fair value of the portfolio of Investments impacting the Québec economy.

The Board of Directors fulfills its responsibility for the separate financial statements principally through its Audit and Risk Management Committee. The Committee meets with the independent auditor appointed by the shareholders with and without management present to review the separate financial statements, discuss the audit and other related matters and make appropriate recommendations to the Board of Directors. The Committee also analyzes the management discussion and analysis to ensure that the information therein is consistent with the separate financial statements.

The separate financial statements present the financial information available as at June 30, 2023. Prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board, these statements have been audited by PricewaterhouseCoopers LLP.

The Board of Directors has approved the separate financial statements, together with the information in the management discussion and analysis. The financial information presented elsewhere in this report is consistent with CRCD's separate financial statements.

(signed) Yves Calloc'h, CPA

Chief Financial Officer

Capital régional et coopératif Desjardins

Separate Financial Statements

June 30, 2023 and 2022

(in thousands of Canadian dollars)



Independent auditor's report

To the Shareholders of Capital régional et coopératif Desjardins

Our opinion

In our opinion, the accompanying separate financial statements present fairly, in all material respects, the financial position of Capital régional et coopératif Desjardins (CRCD) as at June 30, 2023 and December 31, 2022, and its financial performance and its cash flows for the six-month periods ended June 30, 2023 and 2022 in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (IFRS).

What we have audited

CRCD's separate financial statements comprise:

- the balance sheets as at June 30, 2023 and December 31, 2022;
- the statements of comprehensive income for the six-month periods ended June 30, 2023 and 2022;
- the statements of changes in net assets for the six-month periods ended June 30, 2023 and 2022;
- the statements of cash flows for the six-month periods ended June 30, 2023 and 2022; and
- the notes to the separate financial statements, which include significant accounting policies and other explanatory information.

Certain required disclosures have been presented elsewhere in the Management's Discussion and Analysis, rather than in the notes to the separate financial statements. These disclosures are cross-referenced from the separate financial statements and are identified as audited.

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

PricewaterhouseCoopers LLP
1250 René-Lévesque Boulevard West, Suite 2500, Montréal, Quebec, Canada H3B 4Y1
T: +1 514 205 5000, F: +1 514 876 1502, ca_montreal_main_fax@pwc.com

"PwC" refers to PricewaterhouseCoopers LLP, an Ontario limited liability partnership.



Other information

Management is responsible for the other information. The other information obtained prior to the date of this auditor's report comprises the Management's Discussion and Analysis.

Our opinion on the separate 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 separate financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the separate financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, 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 separate financial statements

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

In preparing the separate financial statements, management is responsible for assessing CRCD'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 CRCD or to cease operations, or has no realistic alternative but to do so.

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

Auditor's responsibilities for the audit of the separate financial statements

Our objectives are to obtain reasonable assurance about whether the separate 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 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 separate 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 separate 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 CRCD'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 CRCD'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 separate 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 CRCD to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the separate financial statements, including the disclosures, and whether the separate 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.

/s/PricewaterhouseCoopers LLP¹

Montréal, Quebec
August 17, 2023

¹ CPA auditor, public accountancy permit No. A117693

Balance Sheets

(in thousands of Canadian dollars, except for number of common shares outstanding and net asset value per common share)	Notes	As at June 30, 2023 \$	As at December 31, 2022 \$
ASSETS			
Investments impacting the Québec economy	7	1,949,137	1,938,022
Other investments	8	595,151	561,112
Intangible assets	10	3,699	5,102
Income taxes receivable	17	35,696	38,034
Accounts receivable	11	28,053	29,967
Cash	12	15,623	5,824
		2,627,359	2,578,061
LIABILITIES			
Other investments - Obligations related to securities sold short	8	18,995	—
Financial liabilities		—	2,197
Income taxes payable	17	1,017	1,655
Accounts payable		21,705	10,642
Bank overdraft	12 and 13	—	4,467
		41,717	18,961
NET ASSETS	14	2,585,642	2,559,100
NUMBER OF COMMON SHARES OUTSTANDING		145,665,734	148,098,572
NET ASSET VALUE PER COMMON SHARE		17.75	17.28

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

On behalf of the Board of Directors of Capital régional et coopératif Desjardins,

(signed) Bernard Bolduc, B.A.A. Finance, ICD.D., Director

(signed) Jean-Guy Senécal, FCPA, B.A.A., Director

Statements of Comprehensive Income

For the six-month periods ended June 30

(in thousands of Canadian dollars, except for weighted average number of common shares and net earnings per common share)	Notes	2023 \$	2022 \$
REVENUE			
Interest	7 and 8	23,292	19,424
Dividends and distributions		11,015	12,348
Administrative charges		56	65
		34,363	31,837
GAINS (LOSSES) ON INVESTMENTS			
Realized		43,238	(40,188)
Unrealized		17,608	(63,812)
		60,846	(104,000)
Financial Fees	13	(761)	(719)
TOTAL NET REVENUE AND GAINS (LOSSES) ON INVESTMENTS		94,448	(72,882)
OPERATING EXPENSES			
Management fees		14,083	14,006
Other operating expenses	16	5,173	5,620
Shareholder services	16	6,292	6,403
		25,548	26,029
EARNINGS (LOSSES) BEFORE INCOME TAXES		68,900	(98,911)
Income taxes (recovery)	17	354	(3,106)
NET EARNINGS (NET LOSSES) FOR THE PERIOD		68,546	(95,805)
WEIGHTED AVERAGE NUMBER OF COMMON SHARES		146,588,432	143,908,455
NET EARNINGS (NET LOSSES) PER COMMON SHARE		0.47	(0.67)

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

Statements of Changes in Net Assets

For the six-month periods ended June 30

(in thousands of Canadian dollars)	Share capital (note 14)						Retained earnings	Net assets
	"Issuance" Shares ⁽¹⁾		"Exchange" Shares ⁽¹⁾		Total			
	Number	\$	Number	\$	Number	\$		
BALANCE - DECEMBER 31, 2022	125,467,215	1,616,925	22,631,357	347,006	148,098,572	1,963,931	595,169	2,559,100
Net earnings for the period	—	—	—	—	—	—	68,546	68,546
Share capital transactions								
Issuance of common shares	(406)	(7)	—	—	(406)	(7)	—	(7)
Redemption of common shares ⁽²⁾	(2,393,369)	(26,426)	(39,063)	(600)	(2,432,432)	(27,026)	(14,971)	(41,997)
Exchange of common shares	(2,895,253)	(31,028)	2,895,253	49,885	—	18,857	(18,857)	—
BALANCE - JUNE 30, 2023	120,178,187	1,559,464	25,487,547	396,291	145,665,734	1,955,755	629,887	2,585,642
BALANCE - DECEMBER 31, 2021	125,101,939	1,561,304	19,857,252	298,301	144,959,191	1,859,605	735,098	2,594,703
Net loss for the period	—	—	—	—	—	—	(95,805)	(95,805)
Share capital transactions								
Issuance of common shares	10,767	189	—	—	10,767	189	—	189
Redemption of common shares ⁽²⁾	(2,321,047)	(25,868)	(34,562)	(521)	(2,355,609)	(26,389)	(15,623)	(42,012)
Exchange of common shares	(2,853,370)	(29,599)	2,853,370	49,905	—	20,306	(20,306)	—
BALANCE - JUNE 30, 2022	119,938,289	1,506,026	22,676,060	347,685	142,614,349	1,853,711	603,364	2,457,075

⁽¹⁾ Issuance shares refer to Class A "Issuance" common shares and Exchange shares refer to Class B "Exchange" common shares; collectively referred as common shares.

⁽²⁾ This data does not include the redemption requests made within 30 days of subscription.

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

Statements of Cash Flows

For the six-month periods ended June 30

(in thousands of Canadian dollars)	Notes	2023 \$	2022 \$
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES			
Net earnings (net loss) for the period		68,546	(95,805)
Non-cash items:			
Losses (gains) on investments		(60,846)	104,000
Amortization of premiums and discounts on Other investments		(1,307)	(427)
Amortization of intangible assets		1,571	1,577
Deferred taxes		(4,130)	177
Capitalized interest and other non-cash items		(7,665)	(8,054)
Changes in operating assets and liabilities			
Income taxes		5,830	(9,488)
Accounts receivable		(11,287)	(2,634)
Accounts payable		10,180	(2,943)
Acquisition of Investments impacting the Québec economy		(85,216)	(219,683)
Proceeds from disposals of Investments impacting the Québec economy		145,247	49,423
Acquisition of Other investments		(139,417)	(452,135)
Proceeds on disposal of Other investments		135,430	458,713
		56,936	(177,279)
CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES			
Acquisition of intangible assets		(168)	(1,002)
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES			
Issuance of common shares		(7)	189
Redemption of common shares		(41,997)	(42,012)
		(42,004)	(41,823)
Net change in cash and cash equivalents during the period		14,764	(220,104)
Cash and cash equivalents – Beginning of period		1,456	26,295
CASH AND CASH EQUIVALENTS – END OF PERIOD	12	16,220	(193,809)
Supplemental information about cash flows from operating activities			
Interest received		17,828	12,746
Dividends and distributions received		9,140	8,133
Income taxes received (paid)		1,373	(6,205)

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

Notes to Separate Financial Statements

Note 1 – Governing statute, administration and investments

Governing statute

Capital régional et coopératif Desjardins (“CRCD”) is constituted by an Act assented to by the National Assembly of Québec (C.Q.L.R. chapter C 6.1) (the “Act”) and is deemed to have been constituted by the filing of articles on July 1, 2001. CRCD began its activities on November 5, 2001 and is a legal person with share capital. CRCD has business offices at 2 Complexe Desjardins, East Tower, Suite 1717, Montréal, Québec, Canada, and its head office is located at 100 Rue des Commandeurs, Lévis, Québec, Canada.

Administration

The affairs of CRCD are administered by a Board of Directors consisting of 13 members:

- Six members are appointed by the president of the Fédération des caisses Desjardins du Québec;
- Three members are elected by the general meeting of shareholders;
- Three members are appointed by the nine previously appointed members, including one considered to be representative of the eligible cooperatives and another of the eligible entities set out in the Act; and
- One Desjardins Group Relations director is appointed by the twelve directors.

Investments

CRCD may make investments with or without guarantees or suretyships, mainly in eligible entities. Eligible entities include eligible cooperatives and partnerships or a legal person actively operating an enterprise, the majority of whose employees are resident in Québec and whose assets are less than \$100 million or whose net equity is less than or equal to \$50 million. The investment is generally planned for a period of three to twenty years.

CRCD may invest up to 5% of its assets (as established on the basis of the latest valuation by the chartered professional accountants) in the same eligible company or cooperative. The percentage may be increased up to 10% to enable CRCD to acquire securities in an entity carrying on business in Québec but that is not an eligible entity. In such case, CRCD may not, directly or indirectly, acquire or hold shares carrying more than 30% of the voting rights that may be exercised under any circumstances.

Pursuant to the Act, Other investments may qualify, such as investments in certain investment funds, provided the required specific conditions set out in the Act have been met.

CRCD’s eligible investments, as defined in the Act, must represent on average at least 65% of CRCD’s average net assets of the preceding year.

Furthermore, a portion representing at least 35% of that percentage must be made in entities situated in the resource regions of Québec or in eligible cooperatives, as defined in the Act.

If one of these targets is not met at the end of the fiscal year, the authorized issue of capital could be reduced for the capitalization period following the end of this fiscal year.

Note 2 – Basis of presentation

Statement of compliance

CRCD has prepared its separate financial statements (the “financial statements”) in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”). These financial statements were approved by the Board of Directors on August 17, 2023.

Basis of measurement

These financial statements have been prepared on a fair value basis, except with respect to cash, bank overdraft, accounts receivable, accounts payable, intangible assets and taxes, which are measured at amortized cost and at cost.

Investment entity

CRCD has several shareholders that are not related and holds a number of investments directly or indirectly in underlying funds. Ownership interests in CRCD are in the form of redeemable shares, subject to certain conditions, which are reported in the net assets, in accordance with the puttable instrument exemption under IAS 32, *Financial Instruments: Presentation*.

CRCD has concluded that it meets the definition of an investment entity set out in IFRS 10, *Consolidated Financial Statements*, as it obtains funds from multiple shareholders, commits to its shareholders to invest funds for returns from capital appreciation, and measures and evaluates the performance of its investments on a fair value basis. Accordingly, investments in subsidiaries and associates reported in Investments impacting the Québec economy are recognized at fair value.

Presentation and functional currency

These financial statements are expressed in Canadian dollars, which is also the functional currency of CRCD. Dollar amounts reported in the tables of the notes to the financial statements are in thousands of dollars, unless otherwise stated.

Note 3 – Material accounting policies

a) New accounting standard adopted

An IASB publication has resulted in amendments to some paragraphs of the standard IAS 1, *Presentation of financial statements*. These changes include the requirement for the entities to provide material disclosures about their accounting policies rather than their significant accounting policies. The amendments to the standard have been adopted by CRCD as of January 1st, 2023.

b) Financial instruments

CRCD accounts for its financial instruments at fair value on initial recognition. Purchases and sales of financial assets are recognized at the transaction date.

Classification and measurement

Financial assets are classified according to their contractual cash flow characteristics as well as the economic model under which they are held.

Contractual cash flow characteristics

To satisfy the criteria related to the cash flow characteristics for classifying a financial asset, the cash flows related to this asset must consist solely of principal and interest payments on the principal amount outstanding. The principal generally represents the fair value of the financial asset at initial recognition. Interest consists primarily of consideration for the time value of money and credit risk associated with the principal outstanding over a given period.

Business model

CRCD's business models are determined in a manner that reflects how groups of financial assets are managed together to achieve a particular business objective. The business models represent how CRCD manages its financial assets to generate cash flows, that is, they reflect whether the cash flows will arise from the collection of contractual cash flows, the sale of financial assets, or both. CRCD's business models are outlined as follows:

- Held to collect contractual cash flows: The objective of holding financial assets is to collect contractual cash flows;
- Held to collect contractual cash flows and for sale: The objective is achieved by collecting contractual cash flows and by selling financial assets; and
- Other business models: The objective is not consistent with any of the above business models.

The classification and measurement of CRCD's financial assets and liabilities can be summarized as follows :

- Investments impacting the Québec economy, Other investments and amounts receivable on disposals of Investments impacting the Québec economy are classified as at fair value through profit or loss since they are held according to an economic model whose aim is to manage and measure investment performance on a fair value basis.
- Cash, and accounts receivable and amounts receivable on disposal of Other investments are measured at amortized cost, which approximates their fair value, since they are held under a business model whose objective is to collect contractual cash flows and they satisfy the criteria of the cash flow characteristics test, that is, they consist solely of payments of principal and interest.
- Accounts payable, bank overdraft and amounts payable on acquisitions of Other investments are classified and measured at amortized cost which approximates their fair value, while financial liabilities and obligations related to securities sold short are designated at fair value through profit or loss. Financial liabilities are derecognized when the liability is extinguished, which is when the obligation specified in the contract is discharged, cancelled, or expires.

Note 3 – Material accounting policies (*continued*)

c) 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.

Fair value of assets and liabilities traded in a market

The fair value of assets and liabilities traded in a market considered as active is based on the quoted price within the bid-ask spread that is most representative of fair value in the circumstances. In certain cases, if the market is not considered an active market, the most recent quoted price between the bid-ask spread may be adjusted to adequately reflect the fair value.

Fair value of assets and liabilities not traded in a market

When assets and liabilities are not market traded, fair value is determined using valuation techniques chosen based on set criteria and prevailing market conditions at each reporting date. The principal financial instruments not traded in a market are included in Investments impacting the Québec economy. The techniques used are based on valuation principles including guidelines generally used in the industry by business valuation professionals. Those valuation principles have been approved by CRCD's Board of Directors. The valuation method for a financial instrument is generally consistent from period to period, except where a change will result in more accurate estimates of fair value. Given the evolving environment specific to each entity underlying the financial instruments, changes to valuation techniques occur in each reporting period.

Loans and advances, non-participating shares

The fair value of loans and advances and non-participating shares is determined by discounting CRCD's expected contractual cash flows using a discount rate reflecting the return it would demand in light of entity-specific credit risk.

Participating shares

The main technique used to determine the fair value of participating shares is the capitalization of cash flows. Two key variables used in that technique are representative cash flow and the capitalization rate. To determine representative cash flow, recurring cash flows are estimated using the entity's historical results and/or financial forecasts. A risk weight is subsequently applied to each of the cash flows thus determined to reflect its probability of occurrence. The rate used to capitalize the representative cash flow thus obtained reflects the way in which the entity could fund its operations and the risks associated with the occurrence of that representative cash flow.

Where the price of a recent arm's length market transaction between knowledgeable, willing parties is available, this valuation technique is used. It may also be appropriate to use a technique based on a third-party purchase offer when deemed legit and credible. The use of judgment is required in determining whether the fair value of the recent transaction or purchase offer is the best evidence of fair value at the measurement date. The period during which it is deemed appropriate to refer to a past transaction or purchase offer depends on the circumstances specific to each investment.

Another valuation technique used is adjusted net assets, which consists in remeasuring all assets and liabilities on the balance sheet of the entity or fund at their fair value at the measurement date. The key adjustments made are related to the fair value of assets and liabilities, newly available information and significant events that occurred between the balance sheet date of the entity or the fund and the measurement date.

Note 3 – Material accounting policies (*continued*)

b) Fair value measurement (*continued*)

Canadian equities funds, Real estate funds, Infrastructure funds and Market neutral equity funds

Interests in Canadian equities funds, Real estate funds, Infrastructure funds and Market neutral equity funds are recorded at their fair value. Fair value represents the net assets per unit as determined by the funds as at the balance sheet date.

Guarantees and suretyships

When it is likely that CRCD will be required to make a payment under a guarantee or a suretyship it has provided, an expected credit losses equal to the estimated amount payable is recognized as a liability.

Note

The note receivable is related to an Investment impacting the Québec economy and is recognized at fair value, which is the amount that CRCD would receive on the reporting date under the contractual agreement underlying this note.

Obligations related to securities sold short

Securities sold short which represent CRCD's obligation to deliver securities that were not owned at the time of sale, are recorded as liabilities and measured at fair value. Realized and unrealized gains and losses are recorded in profit or loss under gains (losses) on investments at the statement of comprehensive income.

Amounts receivable on disposal of Investments impacting the Québec economy

The fair value of amounts receivable on disposal of Investments impacting the Québec economy is determined by discounting contractual cash flows and considers particularly, the debtor's credit risk. Typically, estimating the amounts receivable and the timing of their collection depends on whether specified future events occur or conditions are met.

Note 3 – Material accounting policies (continued)

d) Share capital

The common shares of CRCD are redeemable at the holder's option subject to certain conditions and therefore constitute financial liabilities. However, they are reported in net assets, as they have all of the following features:

- They entitle the shareholder to a pro rata share of CRCD's net assets in the event of CRCD's liquidation;
- They are in the class of instruments that is subordinate to all other classes of instruments of CRCD; and
- They have identical features to all other instruments in that class;
- Apart from the contractual obligation for CRCD to repurchase or redeem the instrument for cash or another financial asset, they do not include any contractual obligation to deliver cash or another financial asset to another entity, or to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to CRCD, and it is not a contract that will or may be settled in CRCD's shares;
- The total expected cash flows attributable to the shares over their life are based substantially on net earnings, the change in recognized net assets or the change in fair value of the recognized and unrecognized net assets of CRCD over the life of the shares (excluding any effects of the shares).

e) Revenue recognition

Interest

For Investments impacting the Québec economy, interest is recognized at the contractual rate, as collection is reasonably assured. For Other investments, interest is recognized using the effective interest method. Amortization of premiums and discounts, calculated using the effective interest method, is recognized in profit or loss under "Interest."

Dividends and distributions

Dividends are recognized as at the holder-of-record date and when they are declared by the issuing companies or received.

Distributions are recognized when they are declared by the funds in the Other investments portfolio.

Gains and losses

Realized gains and losses on investments are recognized at the time of the sale and represent the difference between sales proceeds and cost. Variations in the fair value of amounts receivable on disposal of investments are considered adjustments to sales proceeds and are therefore recorded as realized gains and losses. Realized gains and losses on a financial liability are recognized when paid and represent the difference between the amount CRCD paid to settle the financial liability and its initial value. The realized gains and losses do not take into account the unrealized gains and losses recognized in previous period, which are reversed and reported in unrealized gains and losses for the current year.

Note 3 – Material accounting policies (*continued*)

f) Foreign exchange contracts

As part of its investment activities, CRCD aims to systematically hedge currency risk for assets measured in foreign currency, unless the exposure stems from the long term expected returns of certain asset classes. CRCD has decided not to apply hedge accounting.

g) Taxes

The income tax expense comprises current taxes and deferred taxes. Income taxes are recognized in the Statements of Comprehensive Income, unless they relate to items that were recognized outside earnings directly in the Statements of Changes in Net Assets.

Current tax is the tax payable on the taxable income for the reporting period, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous periods.

Deferred tax is recognized on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements, except for deferred tax on unrealized gains, discussed in the following paragraph. Deferred tax is calculated on an undiscounted basis using enacted or substantively enacted tax rates and legislation at the end of the reporting period that are expected to apply in the period in which the deferred tax asset will be realized and the deferred tax liability will be settled. Deferred tax assets are generally recognized only to the extent that it is probable that future taxable income will be available against which temporary differences can be utilized.

CRCD is subject to federal and Québec income taxes. It is also subject to the tax rules applicable to mutual fund corporations. For federal tax purposes, CRCD may, in particular, obtain a refund of its tax paid on capital gains through the redemption of its shares. This expected tax refund is recognized as an asset on the balance sheet. CRCD considers it is, in substance, exempt from federal income tax related to capital gains (losses) for the purposes of applying IFRS and, accordingly, does not recognize any deferred taxes relating to unrealized gains (losses) on investments or deferred taxes related to unrealized recoveries resulting from tax mechanisms related to refundable capital gains tax on hand. For Québec tax purposes, realized capital gains (losses) are not taxable (deductible).

Note 4 – Significant judgments, estimates and assumptions

The preparation of financial statements in accordance with IFRS requires CRCD to make judgments, estimates and assumptions that affect the reported amounts of certain assets, liabilities, revenue and expenses and the related disclosures. Changes in assumptions can have a material effect on the financial statements for the period in which those assumptions were changed. CRCD considers the assumptions used to be appropriate and accordingly that its financial statements present fairly its financial position and its results.

The significant accounting policy that required CRCD to make subjective or complex judgments, often about matters that are inherently uncertain, pertains to the fair value measurement of assets and liabilities not traded in an active market.

A significant judgment is made in the assumptions used in the valuation techniques. While those techniques make as much use as possible of observable inputs, fair value is also determined based on internal inputs and estimates (unobservable inputs) that take into account the features specific to the financial instrument and any relevant measurement factor. The use of unobservable inputs requires CRCD to exercise judgment to ensure that those inputs reflect the assumptions that market participants would use to determine fair value based on the best information available in the circumstances. CRCD considers observable data to be market data that is readily available, regularly distributed and updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market. Fair value reflects market conditions on a given date and, for that reason, may not be representative of future fair values.

In accordance with the requirements contained in the *Regulation Respecting Development Capital Investment Fund Continuous Disclosure* issued by the Autorité des marchés financiers, CRCD has implemented various controls and procedures to ensure that financial instruments are appropriately and reliably measured. The valuations have been prepared by a team of qualified valuers relying on a structured process composed of several validation and review stages. The Portfolio Valuation Committee's role, whose members consist mainly of independent qualified valuers, consists in performing semi-annual reviews of all relevant information regarding the valuations of CRCD's portfolio of Investments impacting the Québec economy to provide reasonable assurance that the valuation process meets regulatory requirements. In addition, the Audit and Risk Management Committee monitors operational risk related to non-compliance with the portfolio valuation methodology and informs the Portfolio Valuation Committee in case of non-conformity.

Note 5 – Accounting standards issued but not yet adopted

No accounting standards issued by the IASB and not yet effective as at June 30, 2023 could have a material impact on CRCD's financial statements.

Note 6 – Risks associated with financial instruments

The risks associated with financial instruments that affect CRCD's financial position are discussed in detail in the sections "Market Risks", "Credit and Counterparty Risk", "Concentration Risk" and "Liquidity Risk" of CRCD's Management's Discussion and Analysis and are an integral part of these audited financial statements.

Note 7 – Investments impacting the Québec economy

The audited Schedule of Cost of Investments Impacting the Québec Economy is available on written request to CRCD's head office or on our website at www.capitalregional.com and on SEDAR+ at www.sedarplus.com. The Schedule does not form an integral part of the financial statements.

	As at June 30, 2023		
	Cost \$	Unrealized gain (loss) \$	Fair value \$
Unsecured			
Common shares	545,948	130,502	676,450
Preferred shares	355,643	76,742	432,385
Fund units	294,079	114,035	408,114
Loans and advances	451,939	(28,346)	423,593
Note	534	1,230	1,764
Secured			
Loans and advances	9,623	(2,792)	6,831
Total	1,657,766	291,371	1,949,137

	As at December 31, 2022		
	Cost \$	Unrealized gain (loss) \$	Fair value \$
Unsecured			
Common shares	537,237	90,672	627,909
Preferred shares	333,285	89,565	422,850
Fund units	282,798	118,021	400,819
Loans and advances	494,483	(17,294)	477,189
Note	480	1,666	2,146
Secured			
Loans and advances	10,190	(3,081)	7,109
Total	1,658,473	279,549	1,938,022

Investments impacting the Québec economy include investments valued at fair value in U.S. dollars for an amount of \$87.1 million (\$74.2 million as at December 31, 2022) and in euros for an amount of \$29.0 million (\$24.5 million as at December 31, 2022).

Agreements related to Investments impacting the Québec economy may include clauses providing conversion and redemption options.

Loans and advances bear interest at a weighted average rate of 8.6% (7.5% as at December 31, 2022). The interest rate is fixed for substantially all interest-bearing loans and advances. For the six-month period ended June 30, 2023, interest income recognized at the contractual rate amounted to \$19.4 million (\$15.9 million for the six-month period ended June 30, 2022). Substantially all of the change in the fair value of loans and advances resulted from changes in the rates charged on these types of product and to a lesser extent, changes in credit risk.

Loans and advances have an annual residual maturity of 5.1 years (4.8 years as at December 31, 2022) and the fair market value of the current portion maturing in less than one year is \$11.8 million (\$85.5 million as at December 31, 2022).

Note 7 – Investments impacting the Québec economy (continued)

Allocation of investments and funds committed by segment

Investments and funds committed are allocated by segment as follows:

Segment	As at June 30, 2023				
	Manufacturing \$	Services \$	Technological innovations \$	Funds \$	Total \$
Investments at cost	653,214	559,570	150,369	294,613	1,657,766
Unrealized gain (loss)	125,465	60,776	(10,135)	115,265	291,371
Fair value	778,679	620,346	140,234	409,878	1,949,137
Funds committed but not disbursed ⁽¹⁾	16,401	37,088	1,711	117,211	172,411
Guarantees and suretyships ^{(1) (2)}	3,500	6,233	—	—	9,733
Total	798,580	663,667	141,945	527,089	2,131,281

Segment	As at December 31, 2022				
	Manufacturing \$	Services \$	Technological innovations \$	Funds \$	Total \$
Investments at cost	693,215	546,258	135,722	283,278	1,658,473
Unrealized gain (loss)	127,133	46,841	(14,112)	119,687	279,549
Fair value	820,348	593,099	121,610	402,965	1,938,022
Funds committed but not disbursed ⁽¹⁾	23,111	6,499	14,300	168,619	212,529
Guarantees and suretyships ^{(1) (2)}	3,500	6,233	—	—	9,733
Total	846,959	605,831	135,910	571,584	2,160,284

⁽¹⁾ Funds committed but not disbursed as well as guarantees and suretyships are not included in the balance sheets.

⁽²⁾ Under section 22 of its constituting act, when CRCD makes an investment in the form of a guarantee or a suretyship, it must establish and maintain for the term of this investment a reserve equivalent to not less than 50% of its value. This reserve is funded from the Other investments.

Guarantees and suretyships

As at June 30, 2023 and December 31, 2022, CRCD had provided guarantees totalling \$9.7 million in respect of loans to companies in which CRCD has invested. Such guarantees may be enforced only in the event that a company fails to meet its contractual obligations. The term of these guarantees as of granted date is four to five years (four to five years as at December 31, 2022).

As at June 30, 2023 and December 31, 2022, no amount has been recognized in liabilities as a provision for expected credit losses arising from any such guarantees.

Note 7 – Investments impacting the Québec economy (continued)

Funds committed but not disbursed

Funds committed but not disbursed represent investments that have already been agreed upon and for which amounts have been committed but not disbursed by CRCD at the reporting date. Future disbursements are subject to certain conditions. Assuming that the conditions are met, the estimated instalments over the coming years ended December 31 will be as follows:

2023 (6 months) \$	2024 \$	2025 \$	2026 \$	2027 and thereafter \$	Total \$
106,199	14,595	21,647	25,520	4,450	172,411

Investments in subsidiaries and associates

Subsequent to quantitative and qualitative analyses, CRCD has determined that it has control (subsidiaries) or exercises significant influence (associates) over the following number of entities:

	As at June 30, 2023		As at December 31, 2022	
	Number	Fair value \$	Number	Fair value \$
Subsidiaries				
Partner companies	7	302,490	7	322,905
Associates				
Partner companies	53	629,221	53	606,957
Funds	9	372,675	9	362,576

The principal place of business of these entities is in Québec, and the country of incorporation is Canada.

Interests in the share capital of these partner companies consist of common shares and preferred shares. The percentage of equity securities held by CRCD in each of the partner companies is equal to or over 50% for the subsidiaries, and between 2% and 45% as at June 30, 2023 and December 31, 2022, for associates. As at June 30, 2023, the voting rights are equivalent to the proportion of interests held except for two subsidiaries and nine associates (two subsidiaries and four associates as at December 31, 2022).

As at June 30, 2023 and December 31, 2022, the interests in the funds were made up of units and the holding percentage varied from 13% to 95%.

Note 8 – Other investments

The unaudited Statement of Other Investments is available on written request to CRCD's head office or on our website at www.capitalregional.com and on SEDAR+ at www.sedarplus.com. The Statement does not form an integral part of the financial statements.

	As at June 30, 2023		
	Cost \$	Unrealized gain (loss) \$	Fair value \$
Assets - Other investments			
Bonds			
Federal or guaranteed	140,372	(4,674)	135,698
Provincial, municipal or guaranteed	154,152	(6,880)	147,272
	294,524	(11,554)	282,970
Money market instruments ⁽¹⁾	1,077	—	1,077
Foreign exchange contracts ⁽²⁾	—	(71)	(71)
Canadian equity funds	46,639	9,085	55,724
Real estate funds	102,483	9,219	111,702
Infrastructure funds	47,383	2,958	50,341
Market neutral equity funds	72,048	2,336	74,384
Listed securities	18,683	341	19,024
Total	582,837	12,314	595,151
Liabilities - Other investments			
Obligations related to securities sold short	(18,714)	(281)	(18,995)
Total	(18,714)	(281)	(18,995)

	As at December 31, 2022		
	Cost \$	Unrealized gain (loss) \$	Fair value \$
Bonds			
Federal or guaranteed	136,955	(5,064)	131,891
Provincial, municipal or guaranteed	154,424	(12,253)	142,171
	291,379	(17,317)	274,062
Money market instruments ⁽¹⁾	780	—	780
Foreign exchange contracts ⁽²⁾	—	369	369
Canadian equity funds	51,700	5,982	57,682
Real estate funds	111,948	14,929	126,877
Infrastructure funds	27,311	1,566	28,877
Market neutral equity funds	71,747	718	72,465
Total	554,865	6,247	561,112

Note 8 – Other investments (continued)

Breakdown of bonds by maturity date

	As at June 30, 2023			
	Under 1 year \$	1 to 5 years \$	Over 5 years \$	Total \$
Cost	—	—	294,524	294,524
Par value	—	—	333,577	333,577
Fair value	—	—	282,970	282,970
Average nominal rate ⁽³⁾	—	—	2.08%	2.08%
Average effective rate	—	—	3.36%	3.36%

	As at December 31, 2022			
	Under 1 year \$	1 to 5 years \$	Over 5 years \$	Total \$
Cost	274	—	291,105	291,379
Par value	275	—	326,197	326,472
Fair value	274	—	273,788	274,062
Average nominal rate ⁽³⁾	1.75%	—	2.22%	2.22%
Average effective rate	4.03%	—	3.31%	3.31%

⁽¹⁾ As at June 30, 2023 and December 31, 2022, money market instruments primarily consisted of Treasury bills, commercial paper and bankers' acceptances.

⁽²⁾ Foreign exchange contracts to sell US\$66.5 million (US\$80.0 million as at December 31, 2022) and €22.3 million (€18.7 million as at December 31, 2022) have six-month maturities.

⁽³⁾ Substantially all bonds bear are fixed-interest rate issues.

Other investments include investments which represent foreign currency exposure with a fair value of \$79.4 million (\$62.6 million as at December 31, 2022).

For the six-month period ended June 30, 2023, interest income from bonds recognized at the effective rate amounted to \$4.8 million (\$3.4 million for the six-month period ended June 30, 2022).

Financial assets pledged as collateral

In the course of its operations related to obligations related to securities sold short, financial assets in the form of bonds are pledged as collateral. The financial assets pledged as collateral with a fair value of \$22.2 million as of June 30, 2023 (nil as of December 31, 2022) are not derecognised as substantially all the risks and rewards of the the financial assets are retained.

Funds committed but not disbursed

Funds committed but not disbursed represent investments in the infrastructure fund that have already been agreed upon and for which amounts have been committed but not disbursed by CRCD at the reporting date. The estimated installments over the coming years ended December 31 are as follows:

2023 (6 months) \$	2024 \$	2025 \$	2026 \$	2027 and thereafter \$	Total \$
24,869	—	—	—	—	24,869

Note 9 – Fair value of financial instruments

Hierarchy levels of financial instruments measured at fair value

CRCD categorizes its financial instruments according to the following three hierarchical levels:

- Level 1 : Measurement based on quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 : Inputs are other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices); and
- Level 3 : Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The following tables show the breakdown by level of the fair value measurements of financial instruments recognized at fair value in the Balance Sheets:

	As at June 30, 2023			
	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Financial assets				
Investments impacting the Québec economy	18,168	—	1,930,969	1,949,137
Other investments	431,542	1,566	162,043	595,151
Amounts receivable on disposal of Investments impacting the Québec economy	—	—	4,970	4,970
Total financial assets	449,710	1,566	2,097,982	2,549,258
Financial liabilities				
Other investments - Obligations related to securities sold short	(18,995)	—	—	(18,995)
Total financial liabilities	(18,995)	—	—	(18,995)

	As at December 31, 2022			
	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Financial assets				
Investments impacting the Québec economy	16,143	—	1,921,879	1,938,022
Other investments	403,406	1,952	155,754	561,112
Amounts receivable on disposal of Investments impacting the Québec economy	—	—	18,593	18,593
Total financial assets	419,549	1,952	2,096,226	2,517,727
Financial liabilities				
Other financial liabilities	—	—	(2,197)	(2,197)
Total financial liabilities	—	—	(2,197)	(2,197)

Other financial liabilities are amounts that CRCD would have to pay under contractual agreements and whose fair value is determined according to changes in fair value of certain underlying Investments impacting the Québec economy.

Transfers between hierarchy levels of financial instruments measured at fair value are made at the reporting date. No transfer between hierarchy levels took place during the six-month period ended June 30, 2023 (no transfer during the year ended December 31, 2022).

Note 9 – Fair value of financial instruments (continued)

Level 3 financial instruments

The following tables present the reconciliation between the beginning and ending balances of Level 3 financial instruments:

	For the six-month period ended June 30, 2023			
	Investments impacting the Québec economy \$	Other investments \$	Amounts receivable on disposal of Investments impacting the Québec economy \$	Other financial liabilities \$
Fair value as at December 31, 2022	1,921,879	155,754	18,593	(2,197)
Realized gains (losses)	44,187	1,535	7,884	(1,085)
Unrealized gains (losses)	10,182	(4,318)	—	—
Acquisitions/issuances	92,349	21,072	1,550	—
Disposals/repayments	(137,628)	(12,000)	(23,057)	3,282
Fair value as at June 30, 2023	1,930,969	162,043	4,970	—
Unrealized gains (losses) in comprehensive income on investments and financial liabilities as at June 30, 2023	30,308	(4,318)	—	—

	For the six-month period ended June 30, 2022			
	Investments impacting the Québec economy \$	Other investments \$	Amounts receivable on disposal of Investments impacting the Québec economy \$	Other financial liabilities \$
Fair value as at December 31, 2021	1,767,985	79,192	9,668	(1,210)
Realized gains (losses)	(28,735)	—	2,275	349
Unrealized gains (losses)	(22,187)	8,783	—	—
Acquisitions/issuances	248,809	56,281	—	—
Disposals/repayment	(72,981)	—	(1,257)	(698)
Fair value as at June 30, 2022	1,892,891	144,256	10,686	(1,559)
Unrealized gains (losses) in comprehensive income on investments and financial liabilities as at June 30 2022	(59,719)	8,783	—	—

Note 9 – Fair value of financial instruments (continued)

Level 3 financial instruments (continued)

The following tables present the main techniques and inputs used to measure the fair value of Level 3 financial instruments:

	As at June 30, 2023			
	Fair value \$	Main valuation techniques	Unobservable inputs	Input value range (weighted average)
Investment impacting the Québec economy				
Loans and advances	269,852	Discounted cash flows	Required return	6.3% to 15.7% (9.2%)
	39,557	Other ⁽³⁾	—	—
Non-participating shares	114,195	Discounted cash flows	Required return	6.4% to 9.6% (9.1%)
Participating controlling shares	273,565	Capitalized cash flows	Capitalization rate % of representative cash flows ⁽¹⁾	9.2% to 11.6% (10.7%) 5.5% to 13.8% (11.3%)
	86,210	Restated net assets	Entity's net assets	⁽²⁾
Participating non-controlling shares	326,157	Capitalized cash flows	Capitalization rate % of representative cash flows ⁽¹⁾	8.3% to 20.6% (13.4%) 6.0% to 39.5% (14.7%)
	149,926	Recent transactions and bids	Paid/bid price	—
	126,270	Restated net assets	Entity's net assets	⁽²⁾
	135,359	Other ⁽³⁾	—	—
Note	1,764	Restated net assets	Fund's net assets	⁽⁴⁾
Fund units	408,114	Restated net assets	Fund's net assets	⁽²⁾
	1,930,969			
Other investments – Real estate funds and Infrastructure funds	162,043	Restated net assets	Fund's net assets	⁽²⁾
Amounts receivable on disposal of Investments impacting the Québec economy	4,970	Discounted cash flows	Required return	0.0% to 4.5% (3.9%)

Note 9 – Fair value of financial instruments (continued)

	As at December 31, 2022			
	Fair value \$	Main valuation techniques	Unobservable inputs	Input value range (weighted average)
Investment impacting the Québec economy				
Loans and advances	287,560	Discounted cash flows	Required return	6.4% to 15.0% (10.5%)
	8,316	Other ⁽³⁾	—	—
Non-participating shares	121,728	Discounted cash flows	Required return	7.5% to 9.5% (9.1%)
Participating controlling shares	300,921	Capitalized cash flows	Capitalization rate % of representative cash flows ⁽¹⁾	9.3% to 12.1% (10.9%)
	81,599	Restated net assets	Entity's net assets	11.5% to 15.0% (12.8%) ⁽²⁾
Participating non-controlling shares	289,027	Capitalized cash flows	Capitalization rate % of representative cash flows ⁽¹⁾	8.4% to 20.6% (11.9%)
	227,159	Recent transactions and bids	Paid/bid price	5.6% to 41.1% (14.7%)
	135,410	Restated net assets	Entity's net assets	— ⁽²⁾
	67,194	Other ⁽³⁾	—	
Note	2,146	Restated net assets	Fund's net assets	⁽⁴⁾
Fund units	400,819	Restated net assets	Fund's net assets	⁽²⁾
	1,921,879			
Other investments – Real estate funds	155,754	Restated net assets	Fund's net assets	⁽²⁾
Amounts receivable on disposal of Investments impacting the Québec economy	18,593	Discounted cash flows	Required return	4.0% to 8.0% (6.5%)
Financial liabilities	(2,197)	Miscellaneous	—	

⁽¹⁾ As the entities comprising the portfolio vary widely in size, representative cash flows are presented as a percentage of sales.

⁽²⁾ As the entities and funds comprising the portfolio vary widely in size, no input value range is provided for the net assets of the entity/fund.

⁽³⁾ Other valuation techniques include discounted transaction value, redemption value and liquidation value methods.

⁽⁴⁾ The note receivable is related to an investment impacting the Québec economy in a fund.

Note 9 – Fair value of financial instruments (continued)

The main valuation techniques used for participating shares take into account investments made in a single entity in the form of loans and advances, and non-participating shares. Accordingly, the fair value of participating shares includes these mixed investments.

Sensitivity of fair value to unobservable inputs

Although CRCD considers that fair value estimates made for the financial statements are appropriate, if different assumptions were used for unobservable inputs, the results could be different.

Loans and advances, non-participating shares – Discounted cash flows

An increase (decrease) in the required return, all other factors remaining constant, generally results in a decrease (increase) in fair value. According to CRCD, changing one or more reasonably possible assumptions could result in a change in the required return of about 0.5%. However, such a change in the required return would not have a direct material impact on the fair value of loans and advances, and non-participating shares.

Participating shares – Capitalized cash flows

If different assumptions were used for the two unobservable inputs, namely representative cash flows and capitalization rate, to measure a given investment, the fair value of the investment could increase or decrease. However, since these two unobservable inputs are interrelated, the use of different assumptions for one of these inputs generally leads to a revised assumption for the other input, thereby limiting the impact on fair value.

Typically, CRCD determines a range of acceptable fair values for each investment measured and uses the mid-point of the range for financial statement reporting purposes. If all the ranges are summed up, the cumulative difference between the top and bottom acceptable fair values and the investment fair value expressed as a percentage of CRCD's net assets is approximately:

	As at June 30, 2023 \$	As at December 31, 2022 \$
Participating controlling shares	+/- 0.3%	+/- 0.4%
Participating non-controlling shares	+/- 0.5%	+/- 0.4%

According to CRCD, for each investment subject to measurement, the impact of a change in the two unobservable inputs to reflect other reasonably possible assumptions should be less than this percentage on the net assets of CRCD.

Participating shares – Recent transactions and bids

According to these techniques, the fair value of participating shares is based on an observable input, namely the price of a recent transaction negotiated between unrelated parties or the price of a bid received. CRCD must use judgment to determine whether the recent transaction is still representative of the fair value as at the measurement date or whether the bid is serious and credible. CRCD may also, if necessary, make any adjustments considered required and include unobservable inputs in the fair value measurement. The amount of the adjustments is generally immaterial compared with the related transaction or bid price used. CRCD considers that the fair value it could have obtained by using unobservable inputs based on different reasonably possible assumptions would not be materially different from the fair value used.

Note 9 – Fair value of financial instruments (continued)

Sensitivity of fair value to unobservable inputs (continued)

Fund units – Restated net assets

According to this technique, the fair value of fund units is based on an observable input, namely the net assets reported in the most recent audited financial statements of each fund held and adjusted if necessary, to reflect the acquisitions or disposals of fund units made by CRCD between the financial statement reporting date for each fund and the valuation date. In certain circumstances, CRCD must make certain other adjustments that are more judgmental in nature. CRCD considers that the fair value it could have obtained by using unobservable inputs based on different reasonably possible assumptions would not have been materially different from the fair value used.

Other valuation techniques

Since the fair value of assets measured using other techniques is not significant, CRCD considers that the fair value it could have obtained by using unobservable inputs based on different reasonably possible assumptions would not have been materially different from the fair value used.

Note 10 – Intangible assets

Intangible assets primarily consists of costs relating to the development of applications to provide services to shareholders.

These costs are capitalized when the application's development phase begins. The costs incurred prior to this phase are expensed. Intangible assets are amortized on a three year period using a straight line method, as per their estimated useful lives.

	As at June 30, 2023 \$	As at December 31, 2022 \$
Cost	13,415	13,247
Accumulated depreciation	(9,716)	(8,145)
Net carrying value	3,699	5,102

Note 11 – Accounts receivable

	As at June 30, 2023 \$	As at December 31, 2022 \$
Interest, dividends and distributions receivable on investments	22,141	10,772
Amounts receivable on disposal of Investments impacting the Québec economy	4,970	18,593
Amounts receivable on disposal of Other investments	423	—
Other	519	602
Total	28,053	29,967

The changes in credit risk do not have a significant impact on the fair value of amounts receivable on disposal of investments impacting the Québec economy. These amounts receivable include amounts denominated in U.S. dollars for \$2,4 million (\$16,8 million as at December 31, 2022).

Based on the information available as at the reporting date and the assumptions made as to the timing of the collection, CRCD expects to collect accounts receivable with a fair value of \$25.1 million (\$16.8 million as at December 31, 2022) no later than 12 months after the reporting date.

Note 12 – Cash and cash equivalents

Cash and cash equivalents consist of cash, bank overdraft and money market instruments with purchased maturities of less than 90 days.

	As at June 30, 2023 \$	As at December 31, 2022 \$
Cash	15,623	5,824
Bank overdraft	—	(4,467)
Money market instruments	597	99
Total	16,220	1,456

As at June 30, 2023, the cash includes an amount of \$1.0 million in trust (\$0.1 million as at December 31, 2022).

Note 13 – Line of credit

As at June 30, 2023, CRCD had an authorized line of credit of \$300 million (\$300 million December 31, 2022) with the Fédération des caisses Desjardins du Québec (FCDQ), bearing interest at the offered rate of Desjardins plus 0.5% as at June 30, 2023 and December 31, 2022 and renewable annually. The line of credit was used up to an amount of \$71.7 million during the six-month period ended June 30, 2023 (\$223.6 million during the period ended 2022). As at June 30, 2023, no amount was drawn down on this credit line (\$4.5 million as at December 31, 2022). As at June 30, 2023 and December 31, 2022, an amount of \$6.2 million was reserved in the form of a letter of credit in connection with the guarantees and suretyships.

Note 14 – Share capital

Authorized

CRCD's share capital consists of two categories of share, either Class A "Issuance" and Class B "Exchange". These common shares are issued without par value, participating, voting, with the right to elect directors to the Board of Directors, redeemable under certain conditions prescribed by the Act.

On March 26, 2021, the Government of Québec authorized CRCD to issue Class A "Issuance" shares for a maximum annual amount of \$140 million for the capitalization periods ending February 28, 2022 and February 28, 2023 and also extended, for the same periods, the share exchange program for Class B "Exchange" shares for a maximum authorized annual amount of \$50 million.

These exceptional capitalization measures came to an end on February 28, 2023. Thus, for the 2023 issue, CRCD is authorized to raise almost \$59.8 million, an amount equivalent to the cost of redemptions made during the 2022 issue, with a provincial 30% tax credit. The share exchange program was not renewed in 2023.

Each capitalization period, which last 12 months, begins on March 1 of each year.

Issued

The net assets of CRCD as at June 30, 2023 totalled \$2,585.6 million broken down by issue as follows:

Issue	Balance \$M*			Eligible for redemption
	"Issuance" Shares	"Exchange" Shares	Total	
2002 to June 2016	1,008.1	—	1,008.1	Today
July to November 2016	182.1	—	182.1	July to November 2023
2017	171.5	—	171.5	2024
2018	167.8	119.2	287.0	2025
2019	154.0	114.3	268.3	2026
2020	164.1	117.0	281.1	2027
2021	141.6	50.5	192.1	2028
2022	144.0	51.4	195.4	2029
Net assets	2,133.2	452.4	2,585.6	

* Calculated as net asset value per share as at June 30, 2023.

Note 15 – Capital disclosures

CRCD's objective with respect to capital management is to ensure the availability of sufficient cash resources to fund investments in line with its mission and meet shareholders' demands for share redemptions. CRCD's capital consists of its net assets.

CRCD is not subject to any external capital requirements other than those governing the issuance and redemption of its shares, as indicated in note 14.

CRCD's policy is to reinvest the annual earnings generated by its operations and not to pay dividends to its shareholders, with a view to increasing the capital available for investment and enhancing share valuations.

Note 16 – Expenses

	For the six-month periods ended	
	2023	2022
	\$	\$
Other operating expenses		
IT expenses	3,813	4,650
Professional services fees	153	403
Asset management fees	216	—
Compensation of members of the Board of Directors and its committees	358	349
Audit fees	100	96
Custodial and trustee fees	58	62
Other expenses	475	60
Total	5,173	5,620
Shareholder services		
Trustee fees (registration)	1,232	1,133
Reporting to shareholders	397	431
Share distribution fees	2,976	2,650
IT expenses	1,687	2,104
Other expenses	—	85
Total	6,292	6,403

Note 17 – Income taxes

Income tax expense (recovery)

Income tax expense is detailed as follows:

	For the six-month periods ended June 30	
	2023 \$	2022 \$
Current	4,484	(3,283)
Deferred	(4,130)	177
Total	354	(3,106)

Reconciliation of the income tax rate

The actual income tax rate differs from the basic income tax rate for the following reasons:

	For the six-month periods ended June 30	
	2023 \$	2022 \$
Income taxes at the combined basic tax rate of 39.5% in 2023 and 2022	27,216	(39,070)
Permanent differences between earnings before income taxes and taxable income and other items		
Realized and unrealized losses (gains) on investments	(21,578)	41,976
Non-taxable dividends	(3,299)	(2,928)
Other	(1,985)	(3,084)
Total	354	(3,106)

Note 17 – Income taxes (continued)

Income tax balance

Income tax expense recognized in the Balance Sheets is detailed as follows:

	As at June 30, 2023 \$	As at December 31, 2022 \$
Assets		
Refundable tax on hand	33,221	29,249
Income taxes recoverable	—	8,785
Deferred taxes	2,475	—
Total	35,696	38,034
Liabilities		
Income taxes payable	(1,017)	—
Deferred taxes	—	(1,655)
Total	(1,017)	(1,655)

Deferred tax assets (liabilities) are detailed as follows:

	As at June 30, 2023 \$	As at December 31, 2022 \$
Deferred taxes – Share issue expenses and Share distribution fees	3,820	3,639
Deferred taxes – Amounts receivable on disposal of Investments impacting the Québec economy	—	(4,261)
Deferred taxes – Other	(1,345)	(1,033)
Total deferred tax assets (liabilities)	2,475	(1,655)

CRCD expects to receive \$0.3 million (\$10.3 million receivable as at December 31, 2022) in income taxes no later than 12 months after the reporting date.

Note 18 – Related party transactions

Related parties include Desjardins Capital Management Inc. (Desjardins Capital), CRCD's manager, which is a subsidiary of FCDQ and is part of Desjardins Group. CRCD is therefore indirectly related to Desjardins Group. Related parties also include CRCD's key management personnel.

- CRCD has entrusted Desjardins Capital with its management and operations, in accordance with the strategies and objectives approved by the Board of Directors. This management agreement, which had been in effect since January 1, 2018, for a three-year term, has been amended and now provides for automatic renewals of one-year terms, unless terminated by one of the parties. Under this agreement, management fees amount to a maximum rate of 1.75% of CRCD's annual average asset value less any amounts payable related to Investments impacting the Québec economy and Other investments. An adjustment is made to the management fees charged to CRCD to avoid double billing relative to CRCD's interest in other investment funds, whether in the portfolio of Investments impacting the Québec economy or Other investments. Desjardins Capital and CRCD have agreed that, for a given fiscal year, an adjustment could also be made to allow CRCD to benefit from economies of scale realized by Desjardins Capital with regard to the growth in CRCD's assets. The negotiation fees arising from portfolio companies are earned by Desjardins Capital, and their amount is deducted from the management fees payable by CRCD.
- CRCD has appointed Desjardins Trust Inc. as a shareholder registrar and share transfer agent. Desjardins Trust also acts as an intermediary for various shareholder support services. On January 1st, 2023, an amended and restated agreement entered into force with an expiration date of December 31st, 2025. Renewals are automatically granted for one-year terms upon expiration of the term, unless terminated by one of the parties.
- CRCD has entrusted Desjardins Trust Inc. with custody services for its assets. The custody and administration agreement has been amended and restated on January 1st, 2023 for an unlimited period of time, unless terminated by one of the parties.
- CRCD has appointed FCDQ to oversee the distribution of its shares through the Desjardins caisse network and AccesD. On January 1st, 2023, an amended and restated agreement entered into force with an expiration date of December 31st, 2025. Renewals are automatically granted for one-year terms upon expiration of the term, unless terminated by one of the parties. CRCD also agreed to pay, as needed, project fees to cover the work required to upgrade the tools and applications supporting the CRCD share distribution processes.
- CRCD has entrusted the Desjardins caisse network with issuing its shares.
- CRCD has entrusted FCDQ with the banking operations related to its day-to-day activities and its role as counterparty in foreign exchange contracts.
- CRCD has appointed Desjardins Securities as its full service broker, to serve as an intermediary for buying and selling shares traded on public markets.
- CRCD, through its manager, has entrusted Desjardins Technology Group Inc. with its IT development strategy (IT master plan), particularly the upgrading of its investment management software.

Note 18 – Related party transactions (continued)

Related party transactions

CRCD has entered into transactions with other Desjardins Group entities in the normal course of business, and all these transactions are measured at the exchange amount. Unless otherwise indicated, none of the transactions incorporated special terms or conditions. The balances are generally settled in cash. The transactions and balances are detailed as follows:

	As at June 30, 2023			As at December 31, 2021		
	Desjardins Capital \$	Other related parties ⁽¹⁾ \$	Total \$	Desjardins Capital \$	Other related parties ⁽¹⁾ \$	Total \$
Balance Sheets						
Assets						
Other investments	—	(71)	(71)	—	369	369
Intangible assets	—	3,699	3,699	—	5,102	5,102
Accounts receivables	—	423	423	—	—	—
Cash	—	15,522	15,522	—	5,975	5,975
Liabilities						
Accounts payable	1,827	4,260	6,087	1,496	5,072	6,568
Bank overdraft	—	—	—	—	4,467	4,467

	For the six-month periods ended June 30					
	2023			2022		
	Desjardins Capital \$	Other related parties ⁽¹⁾ \$	Total \$	Desjardins Capital \$	Other related parties ⁽¹⁾ \$	Total \$
Statements of Comprehensive Income						
Revenue						
Gains (losses) on investments	—	(2,504)	(2,504)	—	(1,354)	(1,354)
Financial Fees	—	(761)	(761)	—	(719)	(719)
Expenses						
Management fees	14,083	—	14,083	14,006	—	14,006
Other operating expenses	—	4,473	4,473	—	4,314	4,314
Shareholder services	—	5,895	5,895	—	5,890	5,890

⁽¹⁾ Other related parties include FCDQ and its subsidiaries, namely, Desjardins Securities, Desjardins Technology Group Inc, Desjardins Trust, Desjardins Investment and Desjardins Global Asset Management. They also include Desjardins caisse network.

Key management personnel compensation

CRCD's key management personnel are the members of the Board of Directors. For the six-month period ended June 30, 2023, compensation of key management personnel comprised solely short-term benefits in the amount of \$287,704 (\$268,900 for the six-month period ended June 30, 2022).

Note 19 – Comparative figures

Certain comparative figures have been restated to conform with the presentation of the current year.

Capital régional et coopératif Desjardins

Audited schedule of cost of investments impacting
the Québec economy

As at June 30, 2023

(in thousands of Canadian dollars)



Independent auditor's report

To the Board of Directors of Capital régional et coopératif Desjardins

Our opinion

In our opinion, the accompanying financial information of Capital régional et coopératif Desjardins (CRCD) as at June 30, 2023 is prepared, in all material respects, in accordance with the provisions of Section 18 of the Regulation respecting Development Capital Fund Continuous Disclosure.

What we have audited

CRCD's financial information comprises the schedule of cost of investments impacting the Québec economy as at June 30, 2023 and the note to the financial information, which includes 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 information* 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 CRCD in accordance with the ethical requirements that are relevant to our audit of the financial information in Canada. We have fulfilled our other ethical responsibilities in accordance with these requirements.

Emphasis of matter – basis of accounting and restriction on use

We draw attention to the note to the financial information, which describes the basis of accounting. The financial information is prepared to comply with the provisions of Section 18 of the Regulation respecting Development Capital Investment Fund Continuous Disclosure. As a result, the financial information may not be suitable for another purpose. Our report is intended solely for CRCD.

We make no representations or warranties of any kind to any other third party in respect of this report. Our opinion is not modified in respect of this matter.

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"PwC" refers to PricewaterhouseCoopers LLP, an Ontario limited liability partnership.



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

Management is responsible for the preparation of the financial information in accordance with the provisions of Section 18 of the Regulation respecting Development Capital Investment Fund Continuous Disclosure; this includes determining that the applicable financial reporting framework is acceptable for the preparation of the financial information in the circumstances, and for such internal control as management determines is necessary to enable the preparation of financial information that is free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial information

Our objectives are to obtain reasonable assurance about whether the financial information as a whole is 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 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 this financial information.

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 information, 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 CRCD's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates, if any, and related disclosures made by management.

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.

/s/PricewaterhouseCoopers LLP¹

Montréal, Quebec
August 17, 2023

¹ CPA auditor, public accountancy permit No. A117693

Audited schedule of cost of investments impacting the Québec economy
As at June 30, 2023

	Initial investment year	Industry segment	Unsecured investments		Secured investments		Total \$	Guarantees and Suretyships \$
			Common and Preferred shares and funds units \$	Loans, advances and notes \$	Loans, advances and notes \$			
Abitibi-Témiscamingue								
3344541 Canada inc. (Restaurant Pizza-Bella)	2022	S	—	500	—	500	—	
7884257 Canada inc. (Construction Sayer Électrique)	2021	S	—	500	—	500	—	
9031-2976 Québec inc. (Les produits industriels Dumotech)	2021	M	—	500	—	500	—	
9045-2491 Québec inc. (Entreprises Gaétan Jolicoeur)	2021	S	—	500	—	500	—	
9097-7810 Québec inc. (Pro-Portes)	2021	S	—	268	—	268	—	
9145-1625 Québec inc. (MC Industriel)	2021	M	—	475	—	475	—	
9212-9402 Québec inc. (Construction Francis Roy inc.)	2019	S	—	540	—	540	—	
9252-7217 Québec inc. (Roy Hydraulmec)	2022	S	—	500	—	500	—	
9269-2011 Québec inc. (Zone Chasse & Pêche)	2022	S	—	500	—	500	—	
9332-0414 Québec inc. (Garage Patriote)	2022	S	—	250	—	250	—	
Boulons Abitibi Itée	2022	S	—	500	—	500	—	
ESKair J.F.M. inc.	2023	S	—	200	—	200	—	
Ghislain Tremblay (Rouyn) inc. (Maison des Viandes)	2022	S	—	342	—	342	—	
Globale CMAC-Thyssen Global Holding inc.	2021	M	—	5,342	—	5,342	—	
Groupe financier Pentagone inc.	2019	S	—	1,610	—	1,610	—	
Lebleu Communication Humaine inc.	2023	S	—	300	—	300	—	
Probe Gold inc.	2022	M	437	—	—	437	—	
Raymond Beausejour (1989) inc.	2023	S	—	500	—	500	—	
Ressources minières Radisson inc.	2019	M	431	—	—	431	—	
Sogitex inc.	2021	S	—	500	—	500	—	
Total Abitibi-Témiscamingue			868	13,827	—	14,695	—	
Bas-Saint-Laurent								
2550-0364 Québec inc.	2023	S	—	358	—	358	—	
9147-1227 Québec inc.	2022	S	—	250	—	250	—	
A.G.M. Construction inc.	2020	S	—	471	—	471	—	
Alain Tardif photographie inc.	2021	S	—	154	—	154	—	
Aménagements Forêtmax inc. (Les)	2021	S	—	450	—	450	—	
Armand St-Onge inc.	2023	S	—	100	—	100	—	
Arseno & Associés inc.	2022	M	—	500	—	500	—	
Chaussures Rioux inc.	2023	S	—	285	—	285	—	
Distributions B.S.L. inc. (Les)	2021	S	—	1,200	—	1,200	—	
Domaine Élie-Raphaël inc.	2018	S	—	430	—	430	—	
Petits bonheurs de Marguerite inc. (Les)	2023	S	—	190	—	190	—	
Pré-vert Plus inc.	2022	S	—	275	—	275	—	
Premier Tech ltd	2022	M	—	20,529	—	20,529	—	
Prestige Maple Products inc.	2021	S	—	4,986	—	4,986	—	
Produits métalliques A.T. inc. (Les)	2021	M	1,501	—	—	1,501	—	
Résidence St-Louis Lafontaine inc.	2021	S	—	1,000	—	1,000	—	
Total Bas-Saint-Laurent			1,501	31,178	—	32,679	—	
Canada Outside of Québec and Ontario								
HootSuite inc.	2021	IT	4,254	—	—	4,254	—	
Mogo inc.	2021	IT	9,117	—	—	9,117	—	
Total Canada Outside of Québec and Ontario			13,371	—	—	13,371	—	

**Audited schedule of cost of investments impacting the Québec economy
As at June 30, 2023**

	Initial investment year	Industry segment	Unsecured investments		Secured investments		Total \$	Guarantees and Suretyships \$
			Common and Preferred shares and funds units \$	Loans, advances and notes \$	Loans, advances and notes \$			
Capitale-Nationale								
9038-6418 Québec inc. (Etaltech)	2019	S	—	136	—	136	—	
9049-3636 Québec inc. (Bello Restaurante)	2022	S	—	500	—	500	—	
9174-1330 Québec inc. (Packaging Capital)	2022	S	—	500	—	500	—	
9317-5578 Québec inc. (La Bûche, Cuisine québécoise)	2022	S	—	500	—	500	—	
9332-2964 Québec inc. (Céramique L'Entrepôt de Québec)	2021	S	—	479	—	479	—	
9370-8956 Québec inc. (Les Constructions 3CR)	2022	S	—	300	—	300	—	
9372-0779 Québec inc.	2022	S	—	150	—	150	—	
9450-4214 Québec inc.	2022	S	4,890	—	—	4,890	—	
Accair inc.	2021	M	—	350	—	350	—	
Ai-Genetika inc. (BioTwin)	2021	IT	—	326	—	326	—	
Atelier Avant-Garde inc. (L')	2021	S	—	146	—	146	—	
Automatisation D2E inc.	2021	S	—	500	—	500	—	
AxesNetwork Solutions inc.	2019	IT	6,821	—	—	6,821	—	
Brilliant Matters Organic Electronics inc.	2023	IT	2,000	—	—	2,000	—	
Clinique de l'auto D.L.H. inc.	2022	S	—	400	—	400	—	
Concept Naval Experts Maritimes inc.	2021	S	—	500	—	500	—	
Concetti Design inc.	2021	M	—	500	—	500	—	
Constructions François Martel inc.	2021	S	—	296	—	296	—	
Coopérative de travailleurs actionnaires EBM Laser et Després	2022	M	—	586	—	586	—	
Coopérative nationale de l'information indépendante, Coop de solidarité	2022	S	—	—	500	500	—	
Demers Bicyclettes et skis de fond inc.	2023	S	—	840	—	840	—	
Flash Romeo inc. (Evolia (MC))	2019	IT	3,860	—	—	3,860	—	
Fokus productions inc.	2021	S	—	1,287	—	1,287	—	
Gecko Alliance Group Limited Partnership	2022	M	11,368	—	—	11,368	—	
Geniarp inc.	2023	S	—	225	—	225	—	
Groupe conseil NOVO SST inc.	2013	S	1,745	2,400	—	4,145	—	
Ingéniarts Technologies inc.	2020	M	5,898	—	—	5,898	3,500	
Inogéni inc.	2021	M	1,475	1,170	—	2,645	—	
JLMD CPA inc.	2023	S	—	500	—	500	—	
KSO inc.	2021	S	2,950	—	—	2,950	—	
Laserax inc.	2020	M	4,620	—	—	4,620	—	
Lauréat Pépin inc.	2021	S	—	400	—	400	—	
LeddarTech inc.	2021	IT	1,994	1,195	—	3,189	—	
Mécanique J. Clair inc.	2021	S	—	500	—	500	—	
Micro Logic Sainte-Foy Itée	2022	S	—	—	500	500	—	
Nuutok Entreprise inc.	2019	IT	—	1,127	—	1,127	—	
OxyNov inc.	2021	IT	1,512	—	—	1,512	—	
Pâtisserie-Traiteur La Mangue Verte inc.	2021	S	—	186	—	186	—	
Prehos inc.	2021	S	—	2,000	—	2,000	—	
Progitek Dev inc.	2021	S	938	750	—	1,688	—	
Qohash inc.	2019	IT	4,733	—	—	4,733	—	
Service de Pneus Central inc.	2021	S	—	175	—	175	—	
Services Denco inc. (Les)	2022	S	—	100	—	100	—	
Smart Mill BD inc.	2022	M	—	500	—	500	—	
Soudure D.G. Tech inc.	2022	S	—	425	—	425	—	
SVI E Solutions inc.	2021	S	—	493	—	493	—	
Syroy Management Consulting inc.	2021	S	—	1,164	—	1,164	—	
TB4 inc.	2019	S	—	229	—	229	—	
Vireo inc.	2021	M	—	806	—	806	—	
Wazo Communications inc.	2021	IT	4,039	—	—	4,039	—	
Womance Style de Vie inc.	2021	S	—	500	—	500	—	
Total Capitale-Nationale			58,843	23,141	1,000	82,984	3,500	

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	Initial investment year	Industry segment	Unsecured investments		Secured investments		Total \$	Guarantees and Suretyships \$
			Common and Preferred shares and funds units \$	Loans, advances and notes \$	Loans, advances and notes \$			
Centre-du-Québec								
9046-8984 Québec inc. (Équipements Tousignant)	2022	S	—	500	—	500	—	
9319-4496 Québec inc. (EBGO)	2021	S	—	500	—	500	—	
Airex Énergie inc.	2022	M	4,050	—	—	4,050	—	
Avjet Holding inc.	2009	S	3,732	—	—	3,732	—	
Citadelle, Maple Syrup producer's Cooperative	2016	M	5,500	—	—	5,500	—	
CR Nouvel-Air 2018 inc.	2022	S	—	398	—	398	—	
Entreprise X Protect inc.	2022	S	—	500	—	500	—	
Fruit d'or inc.	2018	M	20,000	—	—	20,000	—	
Groupe Anderson inc.	2007	M	2,490	—	—	2,490	—	
Maisonsetchaletsalouer.com inc.	2022	S	—	420	—	420	—	
Réfrigération Drummond inc.	2022	S	—	500	—	500	—	
Total Centre-du-Québec			35,772	2,818	—	38,590	—	
Chaudière - Appalaches								
8450765 Canada inc. (Groupe Blu2)	2021	S	—	500	—	500	—	
9148-7579 Québec inc. (Les filtres J.L. Grenier)	2020	M	—	385	—	385	—	
9346-9591 Québec inc. (Construction Des Rivages inc.)	2021	S	—	500	—	500	—	
9349-1256 Québec inc. (Roulez en Vélo de Style)	2022	S	—	500	—	500	—	
9349-6602 Québec inc. (Poissonnerie Tremblay) (anc. Poissonnerie Lauzier inc.)	2022	S	—	175	—	175	—	
9358-9307 Québec inc. (Hôtel-Motel La Différence)	2021	S	—	375	—	375	—	
9375-3226 Québec inc. (OK Pneus La Malbaie)	2020	S	—	458	—	458	—	
9375-3325 Québec inc. (Enviro Jim)	2022	S	—	500	—	500	—	
Amisco Industries Ltd.	2018	M	17,220	—	—	17,220	—	
Caron automobiles inc.	2022	S	—	400	—	400	—	
Centre de production Laflamme inc.	2022	M	—	500	—	500	—	
Fertilec Ltd.	2019	S	—	267	—	267	—	
Fonds Qscale s.e.c.	2021	S	40,000	22,000	—	62,000	—	
Fournier Group Holding inc.	2022	M	13,600	—	—	13,600	—	
Fournier Industries Group inc.	2013	M	—	5,135	—	5,135	—	
Garage Henri-Louis Bégin inc.	2022	S	—	375	—	375	—	
Grondin et Nadeau inc.	2019	S	—	817	—	817	—	
Groupe Filgo inc.	2012	S	11,386	—	—	11,386	—	
Hortau inc.	2010	M	2,617	—	—	2,617	—	
Importation Kayaks Sup inc.	2022	S	—	500	—	500	—	
Industries RAD inc.	2021	M	—	4,688	—	4,688	—	
Inovia inc.	2022	M	—	306	—	306	—	
Liberty Spring inc.	2019	M	22,500	14,692	—	37,192	—	
Métal Duquet (1994) inc.	2022	M	—	500	—	500	—	
Milmonde Kitchen Cabinets inc.	2021	M	—	500	—	500	—	
P.H. Tech inc.	2022	M	2,906	1,059	—	3,965	—	
Pro-Merit inc.	2022	S	—	500	—	500	—	
Quantum Juricomptable inc.	2021	S	—	250	—	250	—	
Québec Peinture inc.	2021	S	—	85	—	85	—	
Réalisations Élite inc.	2022	M	—	300	—	300	—	
Solutions Chemco inc.	2021	S	—	486	—	486	—	
Solutions Mécanique Diesel inc.	2021	S	—	497	—	497	—	
Venture Carpets inc.	2022	M	—	500	—	500	—	
Total Chaudière - Appalaches			110,229	57,750	—	167,979	—	

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			Common and Preferred shares and funds units \$	Loans, advances and notes \$	Loans, advances and notes \$			
Côte-Nord								
2311-7757 Québec inc. (Construction et Ferblanterie J.B. Sept-îles)	2021	S	—	500	—	500	—	
9011-1501 Québec inc. (Location Gestion S.P.)	2021	S	—	500	—	500	—	
9454-0192 Québec inc. (BX Flight Services)	2022	S	—	500	—	500	—	
CJB inc.	2022	S	—	500	—	500	—	
Total Côte-Nord			—	2,000	—	2,000	—	
Eastern Townships								
135456 Canada inc. (Créations Jade)	2022	M	—	500	—	500	—	
9075-8665 Québec inc. (Trevi Granby)	2022	S	—	500	—	500	—	
9155-7280 Québec inc. (Vausco)	2021	S	—	500	—	500	—	
9187-9684 Québec inc. (M.A.G. Express)	2023	S	—	500	—	500	—	
9283-1312 Québec inc. (Vraies Richesses (Les))	2022	M	—	250	—	250	—	
9321691 Canada inc. (Unik Parquet)	2021	S	—	500	—	500	—	
A7 Intégration inc.	2021	M	—	500	—	500	—	
Bornes électriques Québec inc.	2021	M	—	500	—	500	—	
Cdware Technologies inc.	2021	S	—	390	—	390	—	
Centre de rénovation Stanstead inc.	2020	S	—	465	—	465	—	
CFO masqué inc. (Le)	2022	S	—	298	—	298	—	
Clôtures Orford inc.	2019	S	—	299	—	299	—	
Concept Odaxio inc. (Cuisines modernes de l'Estrie inc.)	2020	M	—	325	—	325	—	
Consultants Serge Brochu inc. (Les)	2022	S	—	500	—	500	—	
Demtroys Technology inc.	2019	M	—	1,500	—	1,500	—	
E-Solutions Groupe d'ameublement inc.	2020	M	32,880	10,199	—	43,079	—	
E2Metrix inc.	2022	IT	—	1,088	—	1,088	—	
Emballages Façotek inc. (Les)	2020	M	—	458	—	458	—	
Emballages Poly-Pro inc. (Les)	2023	S	—	500	—	500	—	
Exo-s-inc.	2012	M	20,572	—	—	20,572	—	
Ferblanterie de l'Estrie inc.	2022	S	—	170	—	170	—	
FuturCarb inc.	2022	S	—	500	—	500	—	
Gestion Jérigo inc.	2021	M	—	50,000	—	50,000	—	
Groupe conseil Bribeau 2011 inc.	2022	S	—	500	—	500	—	
Imeka Solutions inc.	2021	IT	—	548	—	548	—	
Imprimerie Précé-Grafik inc.	2009	M	1,500	—	202	1,702	—	
Innomalt inc.	2021	M	1,250	2,000	—	3,250	—	
Installations Électriques R. Théberge inc. (Les)	2023	S	—	250	—	250	—	
Kemestrie inc.	2010	IT	527	—	—	527	—	
Leadfox technologie inc.	2019	IT	—	2,309	—	2,309	—	
Mécanique de performance Panthera Motorsports inc.	2021	M	—	325	—	325	—	
Microbrasserie La Memphré inc.	2021	S	—	450	—	450	—	
Monteurs d'acier inc. (Les)	2022	S	—	100	—	100	—	
Plastique M.P. inc.	2021	M	—	500	—	500	—	
Secur-It Scaffolding inc.	2022	M	—	500	—	500	—	
Soudure Richard St-Amant inc.	2022	M	—	500	—	500	—	
Technic-Eau Drillings inc.	2017	M	11,975	12,337	—	24,312	—	
The Sustainable development enterprises Energy Solutions & Associates inc.	2019	M	500	—	—	500	—	
TherAppx inc.	2022	IT	—	319	—	319	—	
Vistech Estrie inc.	2022	S	—	500	—	500	—	
Total Eastern Townships			69,204	91,580	202	160,986	—	

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			Common and Preferred shares and funds units \$	Loans, advances and notes \$	Loans, advances and notes \$			
Gaspésie-Îles-de-la-Madeleine								
9253-1466 Québec inc. (Lapierre Ancestrale)	2022	S	—	500	—	500	—	
Atelier du Pêcheur inc.	2022	S	—	500	—	500	—	
Entreprises Leblanc 3 inc. (Les)	2018	S	—	442	—	442	—	
Kemer inc.	2022	S	—	400	—	400	—	
Protection Garvex inc.	2021	S	—	500	—	500	—	
Total Gaspésie-Îles-de-la-Madeleine			—	2,342	—	2,342	—	
Lanaudière								
9111-0767 Québec inc. (Gary Schwartz)	2021	S	—	500	—	500	—	
ACGM Mécanique du bâtiment inc.	2022	S	—	500	—	500	—	
Arbo-Design inc.	2022	S	—	350	—	350	—	
Cloud Monitored Objects inc.	2022	S	—	250	—	250	—	
Électricité Kingston inc.	2022	S	—	500	—	500	—	
Équipements JP inc.	2022	S	—	400	—	400	—	
Groupe Composites VCI inc.	2007	M	2,250	203	—	2,453	—	
Machineries Nordtrac Itée	2022	S	—	500	—	500	—	
Pépinières de production Trussard Itée	2022	S	—	500	—	500	—	
Total Lanaudière			2,250	3,703	—	5,953	—	
Laurentians								
9476-5724 Québec inc. (La Moisson)	2022	S	—	500	—	500	—	
Construction Dramis inc.	2021	S	—	500	—	500	—	
Construction Ultimateck inc.	2021	S	—	500	—	500	—	
MFL Électrique inc.	2021	S	—	500	—	500	—	
Total Laurentians			—	2,000	—	2,000	—	
Laval								
6394612 Canada inc. (Basco World)	2022	S	—	500	—	500	—	
9388-7628 Québec inc.	2021	S	40,000	—	—	40,000	—	
DBM Technologies inc.	2020	M	14,979	—	—	14,979	—	
Ionodes inc.	2019	IT	—	2,709	—	2,709	—	
Recharge Véhicule électrique inc.	2022	S	—	500	—	500	—	
Ressources Delta Itée	2020	M	59	—	—	59	—	
Signalisation Kalitec inc.	2021	M	—	500	—	500	—	
Total Laval			55,038	4,209	—	59,247	—	
Mauricie								
Équipements St-Arnaud inc. (Les)	2020	S	—	437	—	437	—	
Gestions Thrace inc. (Les)	2022	S	—	110	—	110	—	
Innovations Voltflex inc.	2006	M	13	—	—	13	—	
Louiseville Specialty Products inc.	2021	M	8,200	—	—	8,200	—	
Nautico La Tuque inc.	2023	S	—	200	—	200	—	
Wood Atmosphere inc.	2022	M	—	500	—	500	—	
Total Mauricie			8,213	1,247	—	9,460	—	

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			Common and Preferred shares and funds units \$	Loans, advances and notes \$	Loans, advances and notes \$			
Montérégie								
9020-5758 Québec inc. (AVRIL)	2021	S	9,919	—	—	9,919	—	
9111-5790 Québec inc. (Moss International)	2023	S	—	500	—	500	—	
9349-6347 Québec inc. (Habitations Trigone)	2019	S	—	32,091	—	32,091	—	
A. & D. Prévost inc.	2011	M	5,589	—	—	5,589	—	
A.T.L.A.S. Aéronautique inc.	2010	M	6,891	—	—	6,891	—	
Agropur Coopérative	2014	M	—	31,435	—	31,435	—	
Angel Host inc.	2021	IT	1,258	—	—	1,258	—	
Denicourt, Arpenteurs-Géomètres inc.	2021	S	—	418	—	418	—	
Distribution Emblème inc.	2021	S	—	400	—	400	—	
Divin Paradis inc.	2021	S	—	500	—	500	—	
Dose Juices inc.	2019	M	1,472	878	—	2,350	—	
Entrepreneurs-Peintres B.S.R. inc. (Les)	2022	S	—	250	—	250	—	
Équipements colpron St-Clet inc. (Les)	2022	S	—	400	—	400	—	
FC Géosynthétiques inc.	2021	S	—	3,125	—	3,125	—	
Frontenac Technologies inc.	2021	M	120	320	—	440	—	
Gazéo inc.	2021	S	—	500	—	500	—	
Gestion Distinct'O inc. (Amerispa)	2021	S	1,222	—	—	1,222	—	
Gestion Max Lavoie inc. (BBQ Québec)	2021	S	—	486	—	486	—	
Gorepas industrie inc.	2022	M	—	500	—	500	—	
Groupe Jafaco Gestion inc.	2019	M	—	19,000	—	19,000	—	
Groupe Llenar inc.	2021	M	—	346	—	346	—	
Industries Rainville inc.	2021	M	—	500	—	500	—	
Investissement Groupe Champlain RPA, S.E.C.	2020	S	51,213	—	—	51,213	—	
Jupiter Machinerie ltée	2023	S	—	500	—	500	—	
Locaplus inc.	2021	S	—	350	—	350	—	
Moulées Bellifrance inc. (Les)	2022	S	—	500	—	500	—	
Mulligan International inc.	2022	S	—	500	—	500	—	
Norbec Group inc.	2017	M	7,450	—	—	7,450	—	
Nutri Group inc.	2018	M	15,000	—	—	15,000	—	
Optima Aero inc.	2021	M	—	500	—	500	—	
Résidence La Verrière (2005) inc.	2020	S	—	763	—	763	—	
Sonoscope inc.	2021	IT	—	377	—	377	—	
Spectra Premium Industries inc.	2006	M	2,589	—	—	2,589	—	
Sécur-Icare inc.	2023	S	—	500	—	500	—	
Tando inc.	2021	S	—	500	—	500	—	
Transport Claude Martel inc.	2021	S	—	418	—	418	—	
Tremcar Technologies inc.	2021	M	—	17,000	—	17,000	—	
Valtech Fabrication inc.	2017	M	5,592	14,158	—	19,750	—	
Volthium Energy inc.	2023	S	—	500	—	500	—	
Total Montérégie			108,315	128,215	—	236,530	—	
Montréal								
10337803 Canada inc. (Arbell)	2019	S	—	—	998	998	—	
2744-0072 Québec inc. (Moving Performance (PMI))	2022	S	—	500	—	500	—	
360 Agency inc.	2016	S	12,692	3,043	—	15,735	—	
9262-9450 Québec inc. (Multi Temp Trans)	2022	S	—	500	—	500	—	
9337-4791 Québec inc. (Motorleaf)	2018	IT	866	—	—	866	—	
9437924 Canada inc. (ÔPLANT Urban Farms)	2022	S	—	582	—	582	—	
9456-1826 Québec inc.	2022	S	12,180	—	—	12,180	—	
Ad Hoc Research inc.	2022	S	—	500	—	500	—	
Agences AirPC inc. (Les)	2022	M	—	300	—	300	—	
Agriculture Concentric inc.	2018	M	2,469	—	1,669	4,138	—	
Alaya Care inc.	2019	IT	3,543	—	—	3,543	—	
Alithya Group inc.	2015	S	22,217	—	—	22,217	—	
Ananda Devices inc.	2019	IT	1,000	824	—	1,824	—	
Axya inc.	2021	IT	548	—	—	548	—	

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Montréal (continued)								
Brainbox AI inc.	2020	IT	9,348	—	—	9,348	—	
C2RO Cloud Robotics inc.	2020	IT	250	—	—	250	—	
CMP Ecom inc. (Naturae Decor)	2021	S	—	500	—	500	—	
Compagnie de location de véhicules récréatifs VanLife	2021	S	—	486	—	486	—	
COOK IT recipes inc.	2022	S	—	5,471	—	5,471	—	
CRI Communications inc.	2022	S	—	500	—	500	—	
DC Immo 1ère S.E.C.	2019	S	6,022	—	—	6,022	—	
Deeplite inc.	2020	IT	891	—	36	927	—	
Distributions Triple A inc. (Les)	2021	S	—	500	—	500	—	
Ditch Labs inc.	2021	IT	—	300	—	300	—	
Emovi inc.	2018	M	1,481	43	—	1,524	—	
Entreprise Nexmoov inc. (Local Logic)	2018	IT	5,417	—	—	5,417	—	
Fluent.ai inc.	2019	IT	3,109	—	—	3,109	—	
G2MC inc.	2022	S	20,000	—	—	20,000	—	
Groupe Solotech inc.	2013	S	49,892	13,805	—	63,697	—	
Haleo Preventive Health Solutions inc.	2019	IT	1,060	—	—	1,060	—	
Imagia Canexia Health inc.	2019	IT	2,447	—	—	2,447	—	
Indalo Studio inc. (o3d)	2019	IT	—	—	116	116	—	
Interloge Lafontaine	2023	S	—	941	—	941	—	
Keatext inc.	2018	IT	—	1,596	—	1,596	—	
Korbit Technologies inc.	2022	IT	2,000	—	—	2,000	—	
Kube Innovation inc.	2022	IT	—	266	—	266	—	
Lexop Solutions inc.	2022	IT	1,500	1,000	—	2,500	—	
Mako Financial Technologies, inc.	2021	IT	1,104	—	—	1,104	—	
MedHelper inc.	2020	IT	—	624	—	624	—	
My Intelligent Machines inc.	2019	IT	2,930	—	260	3,190	—	
MY01 IP Holdings inc.	2021	IT	3,526	—	—	3,526	—	
Neon Clothing Company of Canada inc.	2021	S	295	410	—	705	—	
NeuroServo inc.	2020	IT	—	1,091	—	1,091	—	
Ni2 inc.	2017	IT	5,084	—	1,257	6,341	—	
Optable Technologies inc.	2021	IT	6,200	—	—	6,200	—	
Optina Diagnostics inc.	2018	IT	4,212	—	—	4,212	—	
ORO Health inc.	2021	IT	1,250	—	243	1,493	—	
Orthogone Technologies inc.	2021	S	3,292	—	—	3,292	—	
Pathway Medical inc.	2021	IT	500	—	—	500	—	
Phildan inc.	2015	M	8,250	142	—	8,392	—	
Potloc inc.	2018	IT	8,283	5,106	—	13,389	—	
PreVu3D Technologies inc. (ex. Prevu3D inc.)	2020	IT	3,750	—	—	3,750	—	
Proaction International inc.	2021	S	488	—	9	497	—	
Puzzle Medical Devices inc.	2023	IT	2,661	—	—	2,661	—	
Rekruti Solutions inc.	2018	IT	—	544	—	544	—	
Résidences pour aînés Immo 1ère inc.	2019	S	788	—	—	788	—	
Restock Canada inc.	2022	S	—	1,350	—	1,350	—	
SJM Group inc.	2019	M	16,250	6,833	—	23,083	—	
Sollio Groupe Coopératif	2005	M	105,408	—	—	105,408	—	
Stratuscent inc.	2020	IT	2,000	—	—	2,000	—	
Thorasys Thoracic Medical Systems inc.	2018	IT	585	2,116	—	2,701	—	
Télécon inc.	2011	S	45,441	—	—	45,441	6,233	
Tink Profitabilité Numérique inc.	2021	S	1,125	—	—	1,125	—	
Vital MFG Corp.	2021	M	—	500	—	500	—	
Wrk Technologies inc.	2020	IT	8,453	—	—	8,453	—	
Youville Haussmann Park communications agency inc.	2023	S	—	500	—	500	—	
Zorah Bio Cosmetics inc.	2022	M	2,000	—	—	2,000	—	
Total Montréal			392,807	50,873	4,588	448,268	6,233	

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Nord-du-Québec							
Azimut Exploration inc.	2019	M	459	—	—	459	—
Comet Lithium Corporation (ex. X-Terra Resources inc.)	2021	M	70	—	—	70	—
Doré Copper Mining Corp.	2021	M	350	—	—	350	—
Genius Metals inc.	2020	M	225	—	—	225	—
GeoMegA Resources inc.	2022	S	150	—	—	150	—
Harfang Exploration inc.	2019	M	440	—	—	440	—
Kintavar Exploration inc.	2020	M	334	—	—	334	—
Maple Gold Mines Ltd	2018	M	75	—	—	75	—
Midland Exploration inc.	2022	M	280	—	—	280	—
Quebec Precious Metals Corporation	2021	M	198	—	—	198	—
Sirios Resources inc.	2019	M	300	—	—	300	—
Soudure G.A.M. (Chibougamau) inc.	2022	M	—	500	—	500	—
Stelmine Canada Ltd.	2019	M	173	—	—	173	—
Vior inc.	2020	M	300	—	—	300	—
Total Nord-du-Québec			3,354	500	—	3,854	—
Ontario							
QC Copper and Gold inc.	2023	M	280	—	—	280	—
Total Ontario			280	—	—	280	—
Outaouais							
13993655 Canada inc. (Gascon Équipement)	2022	S	—	450	—	450	—
3863573 Canada inc. (Mechanical PCI)	2021	S	—	500	—	500	—
9198-6455 Québec inc. (Thompson's Corner Store)	2022	S	—	953	—	953	—
Agrisoma Biosciences inc.	2018	M	—	—	3,462	3,462	—
Bas-Canada Brewery inc.	2021	M	—	479	—	479	—
Construction Michel Lacroix inc.	2019	S	—	296	—	296	—
Entreprises d'Électricité Denis Lucas inc.	2021	S	—	500	—	500	—
Rossmann Architecture inc.	2021	S	—	465	—	465	—
Signalisation Prosign Québec inc.	2019	S	—	148	—	148	—
Steamatic Canada inc.	2021	S	—	486	—	486	—
Total Outaouais			—	4,277	3,462	7,739	—
Outside of Canada							
Pharmaxis Ltd	2010	IT	2,360	—	—	2,360	—
Total Outside of Canada			2,360	—	—	2,360	—

**Audited schedule of cost of investments impacting the Québec economy
As at June 30, 2023**

	Initial investment year	Industry segment	Unsecured investments		Secured investments	Total \$	Guarantees and Suretyships \$
			Common and Preferred shares and funds units \$	Loans, advances and notes \$	Loans, advances and notes \$		
Saguenay-Lac-Saint-Jean							
10696056 Canada inc. (Widescape(MC))	2021	M	—	958	—	958	—
11077422 Canada inc. (Congèlerie l'Héritier)	2019	M	—	759	—	759	—
9003-2541 Québec inc. (Épicerie - Boucherie Culinaire)	2022	S	—	200	—	200	—
9115-3023 Québec inc. (Voie maltée - Jonquièrre)	2022	S	—	—	371	371	—
9123-6794 Québec inc.	2022	S	12,600	—	—	12,600	—
9311-8818 Québec inc. (Le Lion bleu)	2022	M	—	350	—	350	—
9331-8384 Québec inc. (Okaze)	2021	S	—	425	—	425	—
9340-9415 Québec inc. (Multi DJS)	2022	S	—	100	—	100	—
9367-8126 Québec inc. (Bistro Café Summum Chicoutimi)	2022	S	—	200	—	200	—
9423-1917 Québec inc. (Aquaiford Enterprises)	2021	M	—	300	—	300	—
9445-0210 Québec inc. (Restaurant Bar Mario Tremblay)	2021	S	—	250	—	250	—
9448-9911 Québec inc. (Val-Éo)	2021	S	—	3,548	—	3,548	—
A3 Surfaces inc.	2022	M	—	1,577	—	1,577	—
Béton Dunbrick inc.	2021	M	—	486	—	486	—
Boucherie St-Hilaire (2017) inc.	2021	S	—	581	—	581	—
Chouape inc. (La)	2022	M	—	200	—	200	—
Constructions Unibec inc.	2021	S	—	344	—	344	—
Équipements Pétroliers Claude Pedneault inc. (Les)	2021	S	—	486	—	486	—
Extreme Auto Classic Car inc.	2022	S	—	250	—	250	—
Forestiers G.T. inc.	2022	S	—	275	—	275	—
Gestion Rodrigue Tremblay ltée	2023	S	—	100	—	100	—
Grimard.ca inc.	2021	S	—	500	—	500	—
Groupe Canmec inc.	2004	M	12,166	—	—	12,166	—
Jean Dumas Maximum Sport inc.	2022	S	—	500	—	500	—
L.S.M. Son & Lumières inc.	2019	S	—	427	—	427	—
Lokia MT inc.	2022	S	14,420	—	—	14,420	—
MGS Métal inc.	2021	S	—	500	—	500	—
Nature ALU inc.	2019	M	—	1,045	—	1,045	—
RI d'Éloïse et Destany inc.	2021	S	—	571	—	571	—
Société en commandite Lokia Sherbrooke	2019	S	—	5,698	—	5,698	—
Société en commandite Lokia St-Sacrement	2021	S	—	9,545	—	9,545	—
Spécialité du frein St-Félicien inc.	2022	S	—	175	—	175	—
St-Félicien Diesel (1988) inc.	2022	S	—	500	—	500	—
Structures M.H. inc.	2021	S	—	300	—	300	—
Toitures d'ici inc. (Les)	2021	S	—	279	—	279	—
Transform Moulding inc.	2021	M	—	350	—	350	—
Transport P.L.M. Doucet inc.	2022	S	—	100	—	100	—
V.R. du Lac inc. (Au)	2022	S	—	400	—	400	—
Total Saguenay-Lac-Saint-Jean			39,186	32,279	371	71,836	—

**Audited schedule of cost of investments impacting the Québec economy
As at June 30, 2023**

	Initial investment year	Industry segment	Unsecured investments		Secured investments		Total \$	Guarantees and Suretyships \$
			Common and Preferred shares and funds units \$	Loans, advances and notes \$	Loans, advances and notes \$			
Funds								
Boreal Ventures I, L.P.	2021	F	634	—	—	634	—	
Capital croissance PME s.e.c.	2010	F	—	—	—	—	—	
Capital croissance PME II s.e.c.	2014	F	—	—	—	—	—	
Claridge Food Group, L.P.	2022	F	2,698	—	—	2,698	—	
Desjardins - Innovatech S.E.C.	2005	F	20,830	534	—	21,364	—	
Desjardins Capital PME s.e.c.	2018	F	185,562	—	—	185,562	—	
Desjardins Capital Transatlantique, L.P.	2018	F	23,697	—	—	23,697	—	
FIER Partenaires, s.e.c.	2005	F	16	—	—	16	—	
Fonds d'investissement pour la relève agricole (FIRA)	2011	F	11,511	—	—	11,511	—	
Fonds de transfert d'entreprise du Québec, s.e.c.	2011	F	3,550	—	—	3,550	—	
Fonds Ecofuel I, S.E.C.	2018	F	2,497	—	—	2,497	—	
Gestion FIRA inc.	2011	F	—	—	—	—	—	
Gestion Fonds de transfert d'entreprise du Québec inc.	2011	F	—	—	—	—	—	
Luge Investment Fund 1, L.P.	2018	F	2,192	—	—	2,192	—	
Novacap Industries III, L.P.	2007	F	—	—	—	—	—	
Novacap Technologies III, L.P.	2007	F	—	—	—	—	—	
RVOMTL17 Limited Partnership	2017	F	3,781	—	—	3,781	—	
Siparex Transatlantique - Fonds Professionnel de Capital Investissement	2018	F	5,051	—	—	5,051	—	
Société en commandite Essor et Coopération	2013	F	21,330	—	—	21,330	—	
W Investments Group II L.P.	2022	F	10,730	—	—	10,730	—	
Total Funds			294,079	534	—	294,613	—	
Total cost			1,195,670	452,473	9,623	1,657,766	9,733	

Industry segment legend

M: Manufacturing
S: Services
IT: Technological innovations
F: Funds

The schedule of cost of investments impacting the Québec economy is prepared in accordance with the section 18 of the *Regulation respecting Development Capital Investment Fund Continuous Disclosure*. This audited schedule of cost of investments impacting the Québec economy provides details per entity, of the sums invested by Capital régional et coopératif Desjardins. This amount appears in note 7 to the financial statements of CRCD, as at June 30, 2023. In addition, this schedule presents a list of the guarantees and suretyships granted by Capital régional et coopératif Desjardins.

Capital régional et coopératif Desjardins

Statements of other investments

As at June 30, 2023

(in thousands)

Statement of other investments (unaudited)
As at June 30, 2023

Description			Par value \$	Cost \$	Fair Value \$
Bonds (49.2%)					
Federal and guaranteed bonds (23.6%)					
Canada Housing Trust	03-15-2031	1.10 %	44,075	38,870	36,313
Government of Canada	12-01-2030	0.50 %	66,425	54,902	54,034
	06-01-2031	1.50 %	2,000	1,786	1,745
	06-01-2032	2.00 %	18,020	16,366	16,214
	12-01-2032	2.50 %	6,500	6,088	6,089
	06-01-2033	2.75 %	1,975	1,889	1,890
	06-01-2041	4.00 %	3,900	4,697	4,307
	12-01-2045	3.50 %	2,500	2,934	2,627
	12-01-2048	2.75 %	6,200	5,939	5,787
	12-01-2051	2.00 %	1,628	1,292	1,288
	12-01-2053	1.75 %	6,699	5,155	4,940
	12-01-2055	2.75 %	500	454	464
Total federal and guaranteed bonds			160,422	140,372	135,698
Provincial, municipal or guaranteed bonds (25.6%)					
City of Toronto	09-24-2039	2.60 %	200	199	158
Hydro-Québec	02-15-2060	2.10 %	3,300	2,176	2,111
Province of Alberta	12-01-2033	3.90 %	1,810	1,724	1,786
	12-01-2043	3.45 %	235	273	211
	06-01-2050	3.10 %	4,325	3,901	3,612
Province of British Columbia	06-18-2031	1.55 %	3,100	2,967	2,591
	06-18-2033	3.55 %	7,750	7,467	7,489
	06-18-2044	3.20 %	1,200	1,083	1,043
	06-18-2050	2.95 %	4,500	4,188	3,687
Province of Manitoba	03-05-2043	3.35 %	2,425	2,204	2,129
	09-05-2048	3.40 %	1,850	1,619	1,616
	09-05-2052	2.05 %	527	343	341
Province of New Brunswick	06-03-2030	2.50 %	1,775	1,494	1,345
Province of Newfoundland and Labrador	06-02-2031	2.05 %	7,500	7,341	6,433
	10-17-2050	2.65 %	1,000	989	718
Province of Nova Scotia	12-01-2031	2.40 %	2,500	2,491	2,214
Province of Ontario	06-02-2026	2.40 %	1	1	1
	11-01-2029	1.55 %	5,797	5,105	5,019
	12-02-2030	1.35 %	10,995	9,184	9,159
	06-02-2033	3.65 %	5,110	5,031	4,978
	06-02-2039	4.60 %	5,500	5,424	5,786
	06-02-2043	3.50 %	8,200	7,407	7,492
	06-02-2045	3.45 %	3,400	3,059	3,069
	12-02-2046	2.90 %	13,000	11,945	10,633
	06-02-2049	2.90 %	12,350	9,922	10,031
	12-02-2051	1.90 %	10,375	6,858	6,688
	12-02-2052	2.55 %	7,325	5,693	5,488
	12-02-2053	3.75 %	1,620	1,540	1,552
Province of Québec	09-01-2032	3.25 %	7,050	6,814	6,661
	09-01-2033	3.60 %	3,650	3,585	3,541
	12-01-2045	3.50 %	5,185	4,670	4,713
	12-01-2048	3.50 %	1,600	1,453	1,453
	12-01-2051	3.10 %	11,000	10,566	9,309
	12-01-2053	2.85 %	800	643	641
Province of Saskatchewan	06-02-2033	3.90 %	2,000	1,994	1,985
	02-03-2042	3.40 %	1,400	1,314	1,256
	12-02-2046	2.75 %	9,600	8,581	7,563
	06-02-2048	3.30 %	2,400	2,104	2,087
Translink	07-03-2030	1.60 %	800	800	683
Total provincial, municipal or guaranteed bonds			173,155	154,152	147,272
Total bonds			333,577	294,524	282,970

Statement of other investments (unaudited)
As at June 30, 2023

Description		Par value \$	Cost \$	Fair Value \$
Money market instruments (0.2%)				
Bank of Montreal	08-29-2023 4.80 %	100	99	99
Canadian Imperial Bank of Commerce	09-01-2023 5.02 %	100	99	99
Government of Canada	10-26-2023 4.54 %	285	280	280
Intact Financial Corporation	07-20-2023 4.99 %	100	100	100
National Bank of Canada	08-04-2023 4.94 %	100	100	100
OPB Finance Trust	07-05-2023 4.51 %	100	100	100
Royal Bank of Canada	08-14-2023 4.99 %	100	99	99
Scotiabank	07-31-2023 4.75 %	100	100	100
Toronto Dominion Bank	07-17-2023 4.79 %	100	100	100
Total money market instruments		<u>1,085</u>	<u>1,077</u>	<u>1,077</u>
Foreign exchange contracts (0.0%)				
Fédération des caisses Desjardins du Québec	12-29-2023, 1.32150 CAD/USD	USD 66,477	—	53
	12-29-2023, 1.44899 €/CAD	€ 22,261	—	(124)
Total foreign exchange contracts			<u>—</u>	<u>(71)</u>
Number of units				
Canadian Equity Funds (9.7%)				
BMO Low Volatility Equity ETF		777,023	23,345	27,814
Fidelity Canadian Low Volatility Equity Institutional Trust		1,536,532	23,294	27,910
Total canadian equity funds			<u>46,639</u>	<u>55,724</u>
Market neutral equity funds (12.9%)				
CC&L Q Market Neutral Fund		292,008	72,048	74,384
Total market neutral equity funds			<u>72,048</u>	<u>74,384</u>
Real estate funds (19.4%)				
Fiera Properties CORE Fund		54,390	69,707	79,724
Invesco Global Direct Real Estate Feeder Fund		22,112	32,776	31,978
Total real estate funds			<u>102,483</u>	<u>111,702</u>
Infrastructure Funds (8.6%)				
DGAM Global Private Infrastructure Fund		1	47,383	50,341
Total infrastructure funds			<u>47,383</u>	<u>50,341</u>

Statement of other investments (unaudited)
As at June 30, 2023

Description	Number of shares	Cost \$	Fair Value \$
Market neutral equity strategy (0.0%)			
Listed securities (3.3%)			
AECOM	5,573	627	625
Arch Capital Group Ltd.	4,404	418	437
Bombardier Inc. Class B Subordinate Voting Shares	5,672	338	370
Brookfield Corporation	11,102	475	495
Brookfield Renewable Partners L.P.	7,562	300	296
Cameco Corporation	7,289	303	302
Canadian Pacific Kansas City Limited	2,903	303	311
Colliers International Group Inc. Subordinate Voting Shares	4,799	608	624
Dollar General Corporation	1,325	300	298
Dollarama Inc.	5,698	448	511
FedEx Corporation	1,546	490	508
FirstService Corporation	1,521	300	310
GE HealthCare Technologies Inc.	2,886	311	311
Hydro One Limited	8,099	299	307
iA Financial Corporation Inc.	3,662	301	330
Imperial Oil Limited	9,202	608	624
Invesco S&P 500 Low Volatility ETF	5,500	455	458
Loblaw Companies Limited	7,516	907	912
Meta Platforms Inc.	1,286	482	489
Netflix Inc.	509	297	297
NVIDIA Corporation	837	475	469
Open Text Corporation	5,385	289	297
PepsiCo Inc.	1,214	298	298
Power Corporation of Canada	23,122	834	825
Quebecor Inc. Class B Subordinate Voting Shares	14,106	445	461
RB Global Inc.	7,852	604	624
RB Global Inc. (US)	7,831	606	622
Restaurant Brands International Inc.	5,936	603	610
Rogers Communications Inc. Class B Non-voting Shares	9,545	616	576
S&P Global Inc.	912	476	484
Shopify Inc.	3,482	300	298
SNC-Lavalin Group Inc.	12,969	437	451
SPDR S&P Homebuilders ETF *	2,911	305	310
TC Énergie	11,353	611	608
Teck Resources Limited	10,783	620	601
The Progressive Corporation	2,348	426	412
The Sherwin-Williams Company	1,363	421	478
Thomson Reuters Corporation	5,330	913	953
Tourmaline Oil Corp.	4,859	300	303
WSP Global Inc.	3,024	534	529
Total listed securities		18,683	19,024

* Issuer name: State Street Global Advisors

Statement of other investments (unaudited)

As at June 30, 2023

Description	Number of shares	Cost \$	Fair Value \$
Obligations related to securities sold short (-3.3%)			
3M Company	(1,321)	(192)	(175)
BHP Group Limited	(7,376)	(572)	(583)
Brookfield Infrastructure Partners L.P.	(6,064)	(297)	(294)
Canadian National Railway Company	(3,822)	(603)	(613)
Canadian Tire Corporation Limited Class A Non-Voting Shares	(4,926)	(868)	(892)
CBRE Group Inc.	(5,943)	(604)	(635)
Chubb Limited	(1,590)	(408)	(406)
Enbridge Inc.	(12,496)	(624)	(615)
Financial Select Sector SPDR Fund *	(9,670)	(419)	(432)
FINB BMO équilibré banques	(15,861)	(543)	(533)
Global X Uranium ETF	(10,449)	(301)	(300)
Great-West Lifeco Inc.	(21,630)	(805)	(832)
Industrial Select Sector SPDR Fund *	(9,781)	(1,326)	(1,390)
Invesco QQQ Trust Series **	(1,571)	(762)	(769)
Invesco S&P 500 Equal Weight ETF	(2,442)	(472)	(484)
iShares S&P/TSX 60 Index ETF **	(151,113)	(4,610)	(4,644)
iShares S&P/TSX Capped Energy Index ETF **	(21,176)	(298)	(307)
Materials Select Sector SPDR Fund *	(4,304)	(443)	(473)
Real Estate Select Sector SPDR Fund *	(6,206)	(302)	(309)
SPDR S&P 500 ETF Trust *	(2,360)	(1,352)	(1,386)
Suncor Energy Inc.	(15,947)	(605)	(620)
Technology Select Sector SPDR Fund *	(3,396)	(779)	(782)
TELUS Corporation	(39,201)	(1,042)	(1,011)
United Parcel Service Inc. Class B	(2,148)	(487)	(510)
Total obligations related to securities sold short		<u>(18,714)</u>	<u>(18,995)</u>
Total market neutral equity strategy		<u>294,524</u>	<u>282,970</u>
Total other investments (100.0%)		<u>564,123</u>	<u>576,156</u>

* Issuer name: State Street Global Advisors

** Issuer name: BlackRock

Capital régional et coopératif Desjardins

Index of the Company's share in investments made by
specialized funds and partner funds, at cost

As at June 30, 2023

(in thousands of Canadian dollars)

Index of the Company's share in investments made by specialized funds and partner funds, at cost (unaudited)
As at June 30, 2023

Information from the most recent audited financial reports dated	Equity interest of the Company %	Unsecured investments		Secured investments	Total \$
		Common and Preferred shares and funds units \$	Loans, advances and notes \$	Loans, advances and notes \$	
31-12-2022 Capital croissance PME s.e.c.	50.00				
Centre-du-Québec					
2681871 Canada inc. (Voyages Escapades Victoriaville)		—	58	—	58
Total Centre-du-Québec		—	58	—	58
Chaudière - Appalaches					
Productions Horticoles Demers inc. (Les)		250	—	—	250
Serres Demers inc. (Les)		—	—	220	220
Total Chaudière - Appalaches		250	—	220	470
Côte-Nord					
9160-7671 Québec inc. (Pétroles MB)		600	—	—	600
Total Côte-Nord		600	—	—	600
Eastern Townships					
S.E.2 inc.		125	—	—	125
Total Eastern Townships		125	—	—	125
Funds					
Fonds Prêt à Entreprendre, s.e.c.		165	—	—	165
Total Funds		165	—	—	165
Laval					
8376905 Canada inc. (Paramédic)		—	36	—	36
Total Laval		—	36	—	36
Mauricie					
Ateliers de l'électro-ménager R. Vallée inc.		75	—	9	84
Total Mauricie		75	—	9	84
Montréal					
DEK Canada inc.		518	60	—	578
Total Montréal		518	60	—	578
Nord-du-Québec					
Midland Exploration inc.		32	—	—	32
Total Nord-du-Québec		32	—	—	32

Index of the Company's share in investments made by specialized funds and partner funds, at cost (unaudited)

As at June 30, 2023

Information from the most recent audited financial reports dated	Equity Interest of the Company %	Unsecured investments		Secured investments	Total \$
		Common and Preferred shares and funds units \$	Loans, advances and notes \$	Loans, advances and notes \$	
31-12-2022 Capital croissence PME s.e.c. (cont.)	50.00				
Saguenay-Lac-Saint-Jean					
Sports Guy Dumas inc.		9	—	—	9
Total Saguenay-Lac-Saint-Jean		9	—	—	9
		1,774	154	229	2,157
Funds committed but not disbursed					90
Total Capital croissence PME s.e.c.					2,247

Index of the Company's share in investments made by specialized funds and partner funds, at cost (unaudited)

As at June 30, 2023

Information from the most recent audited financial reports dated	Equity Interest of the Company %	Unsecured investments		Secured investments	Total \$
		Common and Preferred shares and funds units \$	Loans, advances and notes \$	Loans, advances and notes \$	
31-12-2022 Capital croissance PME II s.e.c.	50.00				
Abitibi-Témiscamingue					
9003-4257 Québec inc. (Centre de camping et propane d'Amos)		—	131	—	131
9063-7547 Québec inc. (Usinage Laquerre)		150	—	—	150
Cartier Resources inc.		86	—	—	86
Corporation minière Monarch		79	—	—	79
Falco Resources Ltd.		141	—	—	141
Hôtel des Eskers inc.		—	137	—	137
Osisko Mining inc.		35	—	—	35
Probe Gold inc.		38	—	—	38
Ressources minières Radisson inc.		73	—	—	73
Yorbeau Ressources inc.		53	—	—	53
Total Abitibi-Témiscamingue		655	268	—	923
Bas-Saint-Laurent					
9091-4532 Québec inc. (Cotech)		—	73	—	73
Gestion AFM-Séma inc.		1,823	90	—	1,913
Gestion Brasa inc.		—	—	535	535
Location Jesna inc.		—	127	86	213
Produits métalliques Pouliot Machinerie inc.		—	—	298	298
PVP Média inc.		250	—	—	250
Total Bas-Saint-Laurent		2,073	290	919	3,282
Capitale-Nationale					
9295-4874 Québec inc. (Naterro - Santé, pharma et cie)		37	—	—	37
9306-5779 Québec inc. (Ventilation CDR inc.)		—	92	—	92
9348-0648 Québec inc. (Gestion C.C. Blouin inc.)		—	—	29	29
DMB Distribution alimentaire inc.		823	21	—	844
Groupe Restos Plaisirs inc. (Le)		—	889	—	889
Lasertech industries inc.		—	53	—	53
Panthera Dental inc.		188	—	—	188
Pol R Entreprises inc.		2,713	—	—	2,713
R. Bouffard & Fils inc.		—	—	229	229
Total Capitale-Nationale		3,761	1,055	258	5,074
Centre-du-Québec					
Distribution Pro-Excellence inc.		—	—	127	127
Fromagerie L'Ancêtre inc.		—	4	—	4
Lacal Technologie inc.		—	71	—	71
Mobilicab inc.		—	—	990	990
Total Centre-du-Québec		—	75	1,117	1,192

Index of the Company's share in investments made by specialized funds and partner funds, at cost (unaudited)

As at June 30, 2023

Information from the most recent audited financial reports dated	Equity Interest of the Company %	Unsecured investments		Secured investments	Total \$
		Common and Preferred shares and funds units \$	Loans, advances and notes \$	Loans, advances and notes \$	
31-12-2022 Capital croissance PME II s.e.c. (cont.)	50.00				
Chaudière - Appalaches					
Emballages E.B. Itée (Les)		—	87	—	87
Gestion Maître C inc.		755	—	—	755
Groupe Audaz inc.		—	98	—	98
Humaco Acoustique inc.		—	74	—	74
Productions Horticoles Demers inc. (Les)		188	576	—	764
St-Pierre & Lambert inc. (ex. 2851-8249 Québec inc.)		—	20	—	20
Transport St-Agapit inc.		—	—	222	222
Total Chaudière - Appalaches		943	855	222	2,020
Côte-Nord					
9160-7671 Québec inc. (Pétroles MB)		—	50	—	50
Total Côte-Nord		—	50	—	50
Eastern Townships					
Attraction inc.		—	134	—	134
Avizo Experts-Conseils inc.		—	171	—	171
Innotex inc.		—	44	—	44
Khrome Product - Transport (KPT) inc.		—	228	—	228
S.E.2 inc.		125	—	—	125
Total Eastern Townships		125	577	—	702
Gaspésie-Îles-de-la-Madeleine					
9413-1927 Québec inc. (Solution infomédia)		—	198	—	198
Construction L.F.G. inc.		—	—	749	749
Entreprises Leblanc 3 inc. (Les)		—	—	130	130
Total Gaspésie-Îles-de-la-Madeleine		—	198	879	1,077
Lanaudière					
Cryos Technologies inc.		857	317	—	1,174
Nouveau Monde Graphite inc.		53	—	—	53
Produits de Métal Pointech inc.		—	—	58	58
Total Lanaudière		910	317	58	1,285
Laurentians					
Jean-Jacques Campeau inc.		2,000	120	—	2,120
Multi Online Distribution inc. (Multinautic)		—	308	—	308
Technoflex International inc.		350	—	—	350
Total Laurentians		2,350	428	—	2,778
Laval					
8376905 Canada inc. (Paramédic)		—	141	—	141
Norseco inc.		—	4	—	4
Numesh inc.		—	—	377	377
Total Laval		—	145	377	522

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Information from the most recent audited financial reports dated	Equity Interest of the Company %	Unsecured investments		Secured investments	Total \$
		Common and Preferred shares and funds units \$	Loans, advances and notes \$	Loans, advances and notes \$	
31-12-2022 Capital croissance PME II s.e.c. (cont.)	50.00				
Mauricie					
Ateliers de l'électro-ménager R. Vallée inc.		—	—	23	23
Premont Foods Inc.		—	141	—	141
Total Mauricie		—	141	23	164
Montérégie					
9286-9890 Québec inc. (Groupe Surmesure)		—	58	—	58
Cloisons Corflex inc. (Les)		—	475	—	475
Constructions 3P inc.		—	351	—	351
Éclairages Électroniques C.B.M. inc. (Les)		—	76	18	94
Placements F.I. inc.		—	66	—	66
Pro Action Diesel inc.		—	—	64	64
Rotoplast inc.		—	100	—	100
W. Côté & fils Itée		—	482	—	482
Total Montérégie		—	1,608	82	1,690
Montréal					
9210-2920 Québec inc. (Obox Group)		—	157	—	157
9230-2629 Québec inc. (Groupe Résidence des bâtisseurs)		—	—	3,347	3,347
9272-6751 Québec inc. (Studio Mile End)		—	57	—	57
Abcourt Mines inc. (ex. Pershimex Resources Corporation)		50	—	—	50
Faspac Plastiks inc.		—	175	—	175
Groupe CDREM inc. (Centre du rasoir)		—	253	—	253
Groupe Infopresse inc.		—	38	—	38
Groupe Shemie inc.		—	—	703	703
JSS Medical Research inc.		2,000	305	—	2,305
Masdel inc.		225	42	—	267
Reftech international inc.		—	—	66	66
Sphere Media inc.		1,000	808	—	1,808
Total Montréal		3,275	1,835	4,116	9,226
Nord-du-Québec					
9223-3196 Québec inc. (Rona)		—	—	82	82
Azimet Exploration inc.		64	—	—	64
Comet Lithium Corporation (ex. X-Terra Resources inc.)		113	—	—	113
Dios Exploration inc.		103	—	—	103
GeoMegA Resources inc.		122	—	—	122
Harfang Exploration inc.		103	—	—	103
Kintavar Exploration inc.		156	—	—	156
Midland Exploration inc.		75	—	—	75
Sirios Resources inc.		144	—	—	144
Sphinx Ressources Ltd		50	—	—	50
Stelmine Canada Ltd.		71	—	—	71
Tarku Resources Ltd		48	—	—	48
Vior inc.		24	—	—	24
Total Nord-du-Québec		1,073	—	82	1,155

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Information from the most recent audited financial reports dated	Equity Interest of the Company %	Unsecured investments		Secured investments	Total \$
		Common and Preferred shares and funds units \$	Loans, advances and notes \$	Loans, advances and notes \$	
31-12-2022 Capital croissance PME II s.e.c. (cont.)	50.00				
Saguenay-Lac-Saint-Jean					
130395 Canada Inc. (Nordex)		1,875	—	—	1,875
9216-3146 Québec inc. (Micro Brasserie du Saguenay)		—	—	42	42
9328-9486 Québec inc. (Groupe Démex-Centrem)		103	—	—	103
9348-0739 Québec inc. (L'Usine - VM)		—	—	103	103
9365-4606 Québec inc. (La Voie Maltée)		975	—	—	975
Clinique médicale privée Opti-Soins inc.		—	327	—	327
Communications Télésignal inc.		338	—	—	338
Déménagements Tremblay Express ltée (Les)		208	—	—	208
Équipements industriels Barsatech inc.		—	—	157	157
Gestion R. et G.G. inc.		—	1,161	—	1,161
Imprimeurs Associés ICLT-Commerciale inc. (Les)		—	28	—	28
Pavillon des Mille Fleurs inc.		—	—	561	561
Restaurant La Cuisine inc.		—	64	—	64
Sécur inc.		—	—	17	17
Télénet Informatique inc.		377	—	—	377
Transport Réal Villeneuve inc.		—	87	—	87
Total Saguenay-Lac-Saint-Jean		3,876	1,667	880	6,423
		19,041	9,509	9,013	37,563
Funds committed but not disbursed					—
Total Capital croissance PME II s.e.c.					37,563

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Information from the most recent audited financial reports dated	Equity Interest of the Company %	Unsecured investments		Secured investments	Total \$
		Common and Preferred shares and funds units \$	Loans, advances and notes \$	Loans, advances and notes \$	
2023-06-30 Desjardins Capital PME s.e.c.	39.54				
Abitibi-Témiscamingue					
11360345 Canada inc.		—	—	216	216
2732-2304 Québec inc. (Location Dion)		—	79	—	79
9063-7547 Québec inc. (Usinage Laquerre)		—	1,024	—	1,024
Abitibi Geophysics inc.		—	200	—	200
Atelier Rivard inc.		—	—	62	62
Cmac-Thyssen mining group inc.		1,294	1,491	—	2,785
Créations Thermodoor inc.		—	198	—	198
Draperies Réginald inc.		—	90	—	90
Galarnreau Entrepreneur Général inc.		791	—	—	791
Globale CMAC-Thyssen Global Holding inc.		—	247	—	247
Héli Technik inc.		—	10	—	10
P.D.G. Industries inc.		—	—	395	395
Papeterie Commerciale de Val-d'Or inc.		—	66	—	66
Perseus Services-Conseils inc.		—	50	—	50
Transport Jolatem inc.		—	94	—	94
Total Abitibi-Témiscamingue		2,085	3,549	673	6,307
Bas-Saint-Laurent					
3326403 Canada inc. (Méridien Maritime)		—	—	566	566
9024-0177 Québec inc. (Transport Stéphane Ross)		—	—	98	98
André Hallé & fils ltée		—	530	—	530
Bois CFM inc.		—	—	474	474
Créations Verbois inc.		—	803	—	803
Électronique Mercier ltée		—	338	—	338
Fromagerie des Basques inc.		—	553	—	553
Gestion AJ (2003) inc.		—	—	115	115
Gestion Rima 2013 inc.		—	—	100	100
Gestion Rock Morel inc.		—	—	297	297
Groupe Chênevert inc.		—	770	—	770
Maison du Lac Témiscouata inc. (La)		—	73	—	73
Maskinen inc.		—	—	198	198
Produits métalliques A.T. inc. (Les)		—	264	—	264
Services à domicile de la région de Matane (Les)		—	—	199	199
Signalisation B.S.L. inc.		—	—	198	198
St. Laurent Distillery		—	534	—	534
Transport Gérard Hallé inc.		—	91	—	91
Total Bas-Saint-Laurent		—	3,956	2,245	6,201

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Information from the most recent audited financial reports dated	Equity Interest of the Company %	Unsecured investments		Secured investments	Total \$
		Common and Preferred shares and funds units \$	Loans, advances and notes \$	Loans, advances and notes \$	
2023-06-30 Desjardins Capital PME s.e.c. (cont.)	39.54				
Capitale-Nationale					
9333-9455 Québec inc.		—	—	593	593
9450-4214 Québec inc.		2,417	—	—	2,417
Can-Explore inc.		—	348	—	348
Capilex-Beauté Ltd		—	237	—	237
Centre hydraulique GMB inc.		—	41	—	41
Ciao Technologies inc.		—	197	—	197
Clinique d'Expertises Médicales du Québec		—	—	75	75
Connec Outdoors inc.		—	60	—	60
DMB Distribution alimentaire inc.		—	105	—	105
Équipements E.S.F inc.		—	1,977	—	1,977
Gestion 3MS inc.		—	—	181	181
Granite D.R.C. inc.		633	876	—	1,509
Groupe Binani Desbo inc.		—	119	—	119
Groupe Restos Plaisirs inc. (Le)		—	1,230	—	1,230
KSO inc.		3,203	—	—	3,203
Lasertech industries inc.		—	198	—	198
Métafab (1996) inc.		—	175	—	175
Micro Logic Sainte-Foy Itée		—	—	1,977	1,977
Piscines Soucy inc.		—	47	—	47
Pleau inc.		—	224	—	224
Produits Pâtisserie Michaud inc.		—	63	—	63
Progitek Dev inc.		618	494	—	1,112
Pronature inc.		—	196	—	196
Radio-Onde inc.		—	890	—	890
Service d'équipement G.D. inc.		—	—	1,977	1,977
Solugaz inc.		—	1,437	—	1,437
Xeos Imaging inc.		—	297	—	297
Total Capitale-Nationale		6,871	9,211	4,803	20,885
Centre-du-Québec					
9091-8558 Québec inc. (Service Avicole JGL)		—	—	304	304
Académie internationale Zig Zag		—	—	198	198
Buropro Citation inc.		—	949	—	949
Korok Group inc.		575	181	—	756
Maçonneries Blanchette inc. (Les)		—	395	—	395
Sérigraphie Élite inc.		—	205	—	205
Transport Dessaults inc.		—	—	243	243
Warwick International inc.		—	257	—	257
Total Centre-du-Québec		575	1,987	745	3,307

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Information from the most recent audited financial reports dated	Equity Interest of the Company %	Unsecured investments		Secured investments	Total \$
		Common and Preferred shares and funds units \$	Loans, advances and notes \$	Loans, advances and notes \$	
2023-06-30 Desjardins Capital PME s.e.c. (cont.)	39.54				
Chaudière - Appalaches					
9244-6699 Québec inc. (Versaprofiles Products inc.)		1,859	—	—	1,859
AEF Global inc.		—	98	—	98
Ancia Personnel inc.		—	151	—	151
C.I.F. Métal Itée		1,666	—	—	1,666
Camille Blais & Fils Ltd		—	198	—	198
Construction M.G.P. inc.		—	—	492	492
Fabrication P.F.L. inc.		—	—	297	297
Fonderie Poitras Ltd		871	890	—	1,761
Garage Gilmyr inc.		—	—	393	393
Garage S.M. Audet inc.		—	229	—	229
Gestion ABC Adstock inc.		—	—	405	405
Humaco Acoustique inc.		—	158	—	158
Humaco Construction inc.		—	395	—	395
Immobilisation 2010 inc.		—	—	996	996
Industries RAD inc.		—	3,707	—	3,707
Isothermic Doors & Windows inc.		—	560	—	560
J.L. Leclerc et fils inc.		1,342	—	—	1,342
L'entrepôt du pneu de la Mauricie inc.		—	—	593	593
L. & G. Cloutier inc.		—	—	989	989
Litières Ripbec inc. (Les)		—	97	—	97
Madli inc.		—	189	—	189
Mercier Wood Flooring inc.		—	—	1,977	1,977
Métal Méroc inc.		—	—	56	56
Métallifer Aluminium inc.		—	—	2,179	2,179
Nutech inc.		495	700	—	1,195
P.H. Tech inc.		2,985	1,087	—	4,072
Placide Martineau inc.		—	—	434	434
Plate 2000 inc.		—	—	141	141
Productions Horticoles Demers inc. (Les)		1,036	402	168	1,606
R.C.M. Modular inc.		1,977	2,214	—	4,191
SCM-GL inc.		—	—	338	338
Textiles Gauvin inc. (Les)		—	1	—	1
Usitechnov industries inc.		—	395	—	395
Vachon Auto Itée		—	—	1,325	1,325
Total Chaudière - Appalaches		12,231	11,471	10,783	34,485
Côte-Nord					
9115-7115 Québec inc. (Résidence des Bâtisseurs, Sept-Îles)		—	—	391	391
GAUMAR Environnement inc.		—	—	757	757
Pêcheries LD inc.		—	95	—	95
Total Côte-Nord		—	95	1,148	1,243

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		Common and Preferred shares and funds units \$	Loans, advances and notes \$	Loans, advances and notes \$	
2023-06-30 Desjardins Capital PME s.e.c. (cont.)	39.54				
Eastern Townships					
4369530 Canada inc.		—	—	592	592
9045-7631 Québec inc. (Clément Le Gourmand)		—	—	189	189
9055-2647 Québec inc. (Rock Moto Sport)		—	—	593	593
9386-3660 Québec inc. (IND Group)		—	119	—	119
9470-0135 Québec inc.		—	—	395	395
AB Tech Services Polytechniques inc.		—	914	—	914
Agendrix inc.		415	—	297	712
Agri-Services St-Laurent inc.		—	435	—	435
Centrik Capital inc.		237	—	—	237
Cible-Solutions d'affaires inc.		—	—	166	166
DBO Expert inc.		—	192	—	192
Distribution MC Arsenal inc.		—	672	—	672
Group Cabico inc.		1,977	—	—	1,977
Lefko Produits de Plastique inc.		—	792	—	792
Pliages Apaulo inc. (Les)		99	665	—	764
Pompage de béton JPB inc.		—	—	297	297
Wiptec inc.		—	791	—	791
Total Eastern Townships		2,728	4,580	2,529	9,837
Gaspésie-Îles-de-la-Madeleine					
9131-0037 Québec inc. (Manoir du Havre)		—	—	1,143	1,143
9193-6575 Québec inc. (Pit Caribou)		—	—	521	521
9368-8828 Québec inc. (Danis Renaud Pêcheur de Homard)		—	28	—	28
9413-1927 Québec inc. (Solution infomédia)		—	158	—	158
9428-7356 Québec inc. (Constructions M.R.S. inc. (Les))		—	494	—	494
9440-9760 Québec inc.		—	—	122	122
Entreprises Leblanc 3 inc. (Les)		—	—	198	198
Poissons frais des Îles inc.		—	630	—	630
Total Gaspésie-Îles-de-la-Madeleine		—	1,310	1,984	3,294
Lanaudière					
2635-8762 Québec inc. (Express Mondor)		1,977	712	—	2,689
9269-1419 Québec inc. (LabSurface)		—	—	726	726
9293-8927 Québec inc. (Intermarché St-Roch-de-L'Achigan)		—	—	227	227
Cyberimpact inc.		—	633	—	633
Industries Mailhot inc.		—	4,482	—	4,482
Karam Fruits et Légumes inc.		—	—	395	395
Pattes et Griffes inc.		—	—	791	791
Paul Arbec inc.		—	2,321	—	2,321
PEL International Furniture Ltd.		—	263	—	263
Total Lanaudière		1,977	8,411	2,139	12,527

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		Common and Preferred shares and funds units \$	Loans, advances and notes \$	Loans, advances and notes \$	
2023-06-30 Desjardins Capital PME s.e.c. (cont.)	39.54				
Laurentians					
12420015 Canada inc.		—	791	—	791
9364-6297 Québec inc. (Médifice Investissements)		—	2,535	—	2,535
9422-8806 Québec inc.		—	—	3,954	3,954
A1 Imports inc.		—	—	1,977	1,977
Agrikom inc.		—	—	1,186	1,186
Excavation Mastromatteo inc.		—	593	—	593
Flo-Fab inc.		—	110	—	110
Pièces d'autos Léon Grenier (1987) inc. (Les)		—	194	—	194
Total Laurentians		—	4,223	7,117	11,340
Laval					
9257-4607 Québec inc. (Piscine Okéanos Québec)		—	1,114	—	1,114
9388-7628 Québec inc.		3,954	—	—	3,954
Construction Jadco inc.		—	—	2,758	2,758
D'Aronco, Pineau, Hébert, Varin inc.		—	—	1,186	1,186
DBM Technologies inc.		3,954	—	—	3,954
Investissements Odevco inc.		—	—	1,186	1,186
MEDIAVORE interactive inc.		—	119	—	119
Plantes d'intérieur Véronneau inc. (Les)		—	277	—	277
Savons Prolav inc.		—	593	87	680
Total Laval		7,908	2,103	5,217	15,228
Mauricie					
9027-9118 Québec inc. (Trois-Rivières Honda)		—	1,099	—	1,099
Intersis Capital inc.		—	—	753	753
Louiseville Specialty Products inc.		3,954	—	—	3,954
RGF Électrique inc.		—	219	—	219
Solutions Genyk inc.		—	626	—	626
Systèmes hydrauliques T.L.G. inc. (Les)		35	—	—	35
Transport Chainé inc.		52	—	—	52
Total Mauricie		4,041	1,944	753	6,738

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Information from the most recent audited financial reports dated	Equity Interest of the Company %	Unsecured investments		Secured investments	Total \$
		Common and Preferred shares and funds units \$	Loans, advances and notes \$	Loans, advances and notes \$	
2023-06-30 Desjardins Capital PME s.e.c. (cont.)	39.54				
Montérégie					
10310387 Canada inc. (Bathica)		—	989	—	989
3894207 Canada inc. (Barbies TM)		—	150	—	150
4209214 Canada inc. (V12 Trackside International)		—	297	—	297
9020-5758 Québec inc. (AVRIL)		4,283	831	—	5,114
9049-1135 Québec inc. (Propane du Suroît)		—	2,373	—	2,373
9165-1083 Québec inc. (Groupe Chevalier et Séguin)		—	633	—	633
9219-3267 Québec inc. (WeCook Meals)		3,109	420	—	3,529
9378-5962 Québec inc.		237	365	—	602
Alain Royer Consultant inc.		584	—	—	584
Asselin Mécanique Industrielle inc.		—	556	—	556
Atelier d'usinage Richelieu inc.		—	462	—	462
Ben-Mor Cables inc.		—	—	553	553
Bigo inc.		—	74	—	74
Canadian Medical Partners Liaison Langevin & Associates inc.		—	593	—	593
Cloisons Corflex inc. (Les)		—	395	—	395
Construction A.R. Laprade Itée		—	593	—	593
Creos Experts-Conseils inc.		—	—	198	198
ELLE R Cosmétiques inc.		—	593	—	593
Éveil des Sens inc.		—	119	—	119
Excavation Laflamme et Ménard inc.		—	240	—	240
Excellence Hydraulique inc.		—	1,043	—	1,043
Gestion Dclac inc.		—	1,364	—	1,364
Gestion Distinct'O inc. (Amerispa)		822	—	—	822
Groupe Galileo inc.		306	—	—	306
Groupe Icible inc.		—	395	—	395
Groupe Satori inc.		—	534	—	534
Helios Group inc.		—	—	1,859	1,859
Hugo Corporation inc.		—	—	547	547
Import / Export Beauchamp International inc.		—	—	633	633
Location Thomas inc.		—	593	—	593
Martins Industries inc.		—	1,258	—	1,258
Multi Pression L.C. inc.		—	395	—	395
SP Apparel inc.		—	—	1,779	1,779
Talthi inc.		—	395	—	395
Tremcar Technologies inc.		—	3,954	—	3,954
Total Montérégie		9,341	19,614	5,569	34,524

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		Common and Preferred shares and funds units \$	Loans, advances and notes \$	Loans, advances and notes \$	
2023-06-30 Desjardins Capital PME s.e.c. (cont.)	39.54				
Montréal					
7198795 Canada inc. (Au Noir)		—	—	596	596
9286-7373 Québec inc. (Ewool Heated Liners)		—	1,429	—	1,429
9428-1227 Québec inc. (Substance Stratégies Numériques)		—	540	—	540
9459-1054 Québec inc.		—	—	514	514
Carrosseries de Lasalle A.M. inc. (Les)		—	278	—	278
DEK Canada inc.		—	59	—	59
Digitad Group inc.		—	593	—	593
Emballages OnduCorr inc. (Les)		—	554	—	554
Entrepôts Fruigor inc. (Les)		—	845	—	845
Équilibrium inc.		536	593	—	1,129
Fleece Factory inc.		—	—	594	594
G2MC inc.		3,954	—	—	3,954
Gastronomia Aliments Fins inc.		712	1,027	—	1,739
Gorski Group Ltd		—	—	401	401
Groupe Bugatti inc. (Le)		—	1,038	—	1,038
Groupe Canva inc.		1,186	2,228	—	3,414
Groupe Shemie inc.		—	—	1,617	1,617
GTI Canada inc.		—	—	209	209
In-RGY Global Consulting inc.		965	174	—	1,139
Intelligent Solutions AISury inc.		25	—	—	25
IP4B inc.		—	133	—	133
Kim Lam (1982) inc.		—	—	237	237
KS2 Corp inc.		—	—	395	395
Malicis Consultation inc.		—	572	—	572
Minicucci Media Group inc.		—	—	791	791
Momentis Systems inc.		—	281	—	281
Neomed Institute		—	—	476	476
Neon Clothing Company of Canada inc.		1,166	1,617	—	2,783
Orthogone Technologies inc.		2,653	857	—	3,510
Pénéga Communication inc.		—	296	—	296
Physio Extra inc.		—	—	877	877
Proaction International inc.		3,267	—	59	3,326
Reftch international inc.		—	—	890	890
Reftch International Maintenance inc.		—	—	246	246
Résidences pour aînés Immo 1ère inc.		3,757	—	—	3,757
Tink Profitabilité Numérique inc.		741	—	—	741
XcCommerce inc.		868	516	—	1,384
Total Montréal		19,830	13,630	7,902	41,362
Nord-du-Québec					
I.D. Logic inc.		—	198	—	198
Total Nord-du-Québec		—	198	—	198
Outaouais					
7510420 Canada inc.		—	250	—	250
Affichage National inc.		—	—	143	143
Arrosage Outaouais Lawn Care inc.		—	79	—	79
Raymond and Associate Group		—	—	890	890
Total Outaouais		—	329	1,033	1,362

Index of the Company's share in investments made by specialized funds and partner funds, at cost (unaudited)

As at June 30, 2023

Information from the most recent audited financial reports dated	Equity Interest of the Company %	Unsecured investments		Secured investments	Total \$
		Common and Preferred shares and funds units \$	Loans, advances and notes \$	Loans, advances and notes \$	
2023-06-30 Desjardins Capital PME s.e.c. (cont.)	39.54				
Saguenay-Lac-Saint-Jean					
2331-8884 Québec inc. (Advantage Logistic Group)		198	—	—	198
2724600 Canada ltée (Industries Soudex)		—	56	—	56
6348017 Canada inc. (Dynamic Concept)		—	—	237	237
9020-2938 Québec inc. (Service de pneus Potvin)		—	673	—	673
9168-0785 Québec inc. (Pronature)		—	234	—	234
9244-5113 Québec inc. (Perron Télécom)		47	46	—	93
9429-0947 Québec inc. (Fabmec)		—	—	12	12
Charl-Pol inc.		—	791	—	791
Clinique médicale privée Opti-Soins inc.		—	180	—	180
Communications Télésignal inc.		—	202	—	202
Groupe MYK inc.		—	—	435	435
Groupe Ongerneige inc.		—	108	—	108
Inotech Fabrication Normandin inc.		217	694	—	911
Lokia MT inc.		2,206	—	—	2,206
Panorama Helicopters Ltd.		—	—	102	102
Produits sanitaires Lépine inc. (Les)		—	554	—	554
Senneco inc.		—	—	84	84
Service électronique professionnel (S.E.P.) inc.		—	43	—	43
Services internet Sag-Lac Wimax inc. (UniRéso Télécom)		—	198	—	198
Société en commandite Lokia Trois-Rivières		—	—	2,395	2,395
STC Manufacturier inc.		—	78	—	78
Theka Industries inc.		—	633	—	633
Transport Réal Villeneuve inc.		—	133	—	133
Total Saguenay-Lac-Saint-Jean		2,668	4,623	3,265	10,556
		70,255	91,234	57,905	219,394
Funds committed but not disbursed					7,839
Total Desjardins Capital PME s.e.c.					227,233

Index of the Company's share in investments made by specialized funds and partner funds, at cost (unaudited)

As at June 30, 2023

Information from the most recent audited financial reports dated	Equity Interest of the Company %	Unsecured investments		Secured investments	Total \$
		Common and Preferred shares and funds units \$	Loans, advances and notes \$	Loans, advances and notes \$	
31-12-2022 Desjardins Capital Transatlantique, L.P.	60.67				
Laval					
DBM Technologies inc.		2,672	—	—	2,672
Total Laval		2,672	—	—	2,672
Montréal					
9456-1826 Québec inc.		1,583	—	—	1,583
Groupe Solotech inc.		1,303	—	—	1,303
In-RGY Global Consulting inc.		536	169	—	705
Proaction International inc.		1,138	—	—	1,138
Total Montréal		4,560	169	—	4,729
Outside of Canada					
Aldes Aeraulique SAS		1,680	762	—	2,442
Apside Advance		1,430	512	—	1,942
Finakem (Minafin)		717	180	—	897
Ginger Participations		918	423	—	1,341
Rondot Group		886	—	—	886
Texelis Fintex		779	—	—	779
Texelis Mobilitex		—	1,849	—	1,849
Vanoise Stratégie		92	647	—	739
Xtech Holding (OEP French Bidco)		1,047	—	—	1,047
Total Outside of Canada		7,549	4,373	—	11,922
		14,781	4,542	—	19,323
Funds committed but not disbursed					—
Total Desjardins Capital Transatlantique, L.P.					19,323

Index of the Company's share in investments made by specialized funds and partner funds, at cost (unaudited)

As at June 30, 2023

Information from the most recent audited financial reports dated	Equity Interest of the Company %	Unsecured investments		Secured investments	Total \$
		Common and Preferred shares and funds units \$	Loans, advances and notes \$	Loans, advances and notes \$	
31-12-2022 Desjardins - Innovatech S.E.C.	54.49				
7525443 Canada inc. (Nowa inc.)		400	—	—	400
9360-4742 Québec inc. (LONGPREBP Béton Préfabriqué)		—	97	—	97
A3 Surfaces inc.		—	322	—	322
Agriculture Concentric inc.		2,866	—	—	2,866
Airex Énergie inc.		3,179	—	—	3,179
Alaya Care inc.		136	—	—	136
Ananda Devices inc.		153	—	—	153
AppMed inc.		—	—	145	145
AxesNetwork Solutions inc.		2,934	—	—	2,934
Dymedso inc.		—	150	—	150
E2Metrix inc.		318	682	—	1,000
Emovi inc.		153	—	—	153
FjordAl Aluminium inc.		163	—	—	163
Fonds Entrepia Nord, s.e.c. (Le)		305	—	—	305
Fonds Innovexport s.e.c.		262	—	—	262
G.E.T.T. Gold inc.		178	—	—	178
Greybox Solutions inc.		—	141	—	141
Groupe Icible inc.		—	41	—	41
Hortau inc.		368	—	—	368
Imagia Canexia Health inc.		2,725	—	—	2,725
Imeka Solutions inc.		—	262	—	262
Indalo Studio inc. (o3d)		—	—	15	15
Inno-3B inc.		—	801	—	801
Innomalt inc.		351	—	—	351
Interactive Validated Solutions 88 Inc.		1,143	—	202	1,345
Ionodes inc.		316	—	—	316
Kinesiq inc.		—	—	97	97
Kube Innovation inc.		—	166	—	166
Laboratoire M2 inc.		817	—	—	817
Laserax inc.		2,443	319	—	2,762
Leadfox technologie inc.		—	290	—	290
LeddarTech inc.		3,265	—	—	3,265
Mobilus Technologies inc.		—	132	—	132
My Intelligent Machines inc. (ex. 9813063 Canada inc.)		158	—	—	158
Optina Diagnostics inc.		148	—	—	148
OxyNov inc.		612	—	534	1,146
Rekruti Solutions inc.		—	290	—	290
Société de gestion de projets Ecotierra inc.		296	31	—	327
Technologies Intelia inc.		235	680	149	1,064
The Sustainable development enterprises Energy Solutions & Associates inc.		148	—	—	148
Thorasys Thoracic Medical Systems inc.		316	—	—	316
VIMAC Early Stage Fund L.P.		91	—	—	91
Voltra Technologie - Réseau Synapse inc.		—	100	—	100
		<u>24,479</u>	<u>4,504</u>	<u>1,142</u>	<u>30,125</u>
Funds committed but not disbursed					<u>753</u>
Total Desjardins - Innovatech S.E.C.					<u>30,878</u>

Index of the Company's share in investments made by specialized funds and partner funds, at cost (unaudited)

As at June 30, 2023

Information from the most recent audited financial reports dated	Equity Interest of the Company %	Unsecured investments		Secured investments	Total \$
		Common and Preferred shares and funds units \$	Loans, advances and notes \$	Loans, advances and notes \$	
31-12-2022 Société en commandite Essor et Coopération	94.55				
Agropur Coopérative		—	7,091	—	7,091
Bizz Coopérative de solidarité en alimentation locale		75	—	—	75
Café Cambio, coopérative de travail		176	—	—	176
Camping co-op des Érables de Montmagny		207	—	—	207
Central Café - Coop de solidarité		149	—	—	149
Chope Angus - Coop de solidarité (La)		242	—	—	242
Citadelle, Maple Syrup producer's Cooperative		1,954	—	—	1,954
Club coopératif de consommation d'Amos		603	—	—	603
Conformit coopérative		—	524	—	524
Coop Agri-Énergie Warwick		355	—	—	355
Coop Edgar		891	142	—	1,033
Coopérative Actionnaire Les Paramédics d'Urgence Bois-Francis		378	50	—	428
Coopérative de quilleurs et quilleuses Le Dallo de Chicoutimi		73	—	—	73
Coopérative des horticulteurs de Québec (La)		520	—	—	520
Coopérative des travailleurs actionnaires de Xpertdoc Technologies		126	—	—	126
Coopérative forestière de Petit Paris		—	62	—	62
Coopérative Radio Web Média des Sources		75	—	—	75
Coopérative Vision-Éducation		414	—	—	414
École Plein Soleil (Association coopérative)		473	—	—	473
Fédération des coopératives funéraires du Québec		2,525	—	—	2,525
Horisol, coopérative de travailleurs		383	—	—	383
La Coop Avantis		439	—	—	439
Sollio Groupe Coopératif		5,102	—	—	5,102
		15,160	7,869	—	23,029
Funds committed but not disbursed					12,547
Total Société en commandite Essor et Coopération					35,576
30-09-2022 Fonds d'investissement dans la relève agricole (FIRA)					
<i>Holds investments in forty-nine (49) companies</i>	33.33	—	1,571	1,098	2,669
Funds committed but not disbursed					75
Total Fonds d'investissement dans la relève agricole					2,744
31-12-2022 W Investissements Group II L.P.					
<i>Holds investments in ten (10) companies</i>	19.61	9,518	—	—	9,518
Funds committed but not disbursed					1,467
Total W Investissements Group II L.P.					10,985

This unaudited index provides details of investments, as well as the guarantees and suretyships granted, that respect the criteria stated in the *Regulation respecting Development Capital Investment Fund Continuous Disclosure* and are made by:

- partner funds in which Capital régional et coopératif Desjardins (CRCD) holds an equity interest of more than or equal to 50%; or
- specialized funds in which CRCD has invested an amount equal or superior to the highest of 0,2 % of its net asset or \$10M.



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