

## WEALTHSIMPLE EQUITY FUNDRAISING REINFORCES MOMENTUM AND ENHANCES VALUE FOR IGM FINANCIAL SHAREHOLDERS

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**Winnipeg – October 14, 2020:** IGM Financial Inc. (“IGM” or “the Company”) (TSX:IGM), one of Canada’s leading diversified wealth and asset management companies, today issued the following statement on Wealthsimple’s announcement of a CAD \$114 million equity fundraising led by TCV, one of the largest growth equity investors focused on technology, along with Greylock, Meritech, Two Sigma Ventures and existing investor Allianz X.

Pro forma for the investment, the new investors will have an ownership stake of 7.4%. The purchase price associated with this fundraising values the common equity of Wealthsimple at \$1.5 billion (\$1.4 billion pre-money valuation).

IGM is the largest shareholder in Wealthsimple and holds (directly and indirectly) a 41% interest and pro forma for this fundraising will hold 36%. IGM has cumulatively invested \$187 million in Wealthsimple and reflects this investment at Fair Value Through Other Comprehensive Income on its financial statements. At June 30, 2020, this investment was recorded at a fair value of \$252 million. With this fundraising, IGM will adjust this fair value assessment by \$298 million to \$550 million, reflecting this revised valuation of Wealthsimple.

Wealthsimple continues to be controlled by the Power Corporation group of companies, which collectively hold 62% of its common shares.

“We’re proud of our relationship with Wealthsimple and are excited about their ongoing growth,” said James O’Sullivan, President & CEO, IGM Financial. “Wealthsimple is a leader and pioneer in the investment services space and is a key strategic investment for IGM. Today’s announcement reinforces the strength of Wealthsimple’s value proposition in the marketplace and its potential to generate ongoing value for our shareholders.”

IGM’s strategic investments, along with its wealth management and asset management businesses, play a key role in positioning the company for future growth. Investments in organizations such as Wealthsimple, China AMC, Portag3 and Great-West Lifeco Inc. enhance the capabilities of IGM’s core operating businesses while giving it exposure to new markets with favorable secular trends.

\*NOTE: All references to percentage ownership are fully-diluted.

### **ABOUT IGM FINANCIAL INC.**

IGM Financial Inc. is one of Canada's leading diversified wealth and asset management companies with approximately \$196 billion in total assets under management and advisement. The company provides a broad range of financial and investment planning services to help more than two million Canadians meet their financial goals. Its activities are carried out principally through IG Wealth Management, Mackenzie Investments and Investment Planning Counsel.

*A MEMBER OF THE POWER CORPORATION GROUP OF COMPANIES.*

## **FOR MORE INFORMATION CONTACT:**

### **Media Relations:**

Nini Krishnappa  
647-828-2553  
[Nini.krishnappa@igmfinancial.com](mailto:Nini.krishnappa@igmfinancial.com)

### **Investor Relations:**

Keith Potter  
204-955-2404  
[investor.relations@igmfinancial.com](mailto:investor.relations@igmfinancial.com)

## **FORWARD-LOOKING STATEMENTS**

*Certain statements in this Release, other than statements of historical fact, are forward-looking statements based on certain assumptions and reflect IGM's current expectations. Forward-looking statements are provided to assist the reader in understanding the Company's financial position and results of operations as at and for the periods ended on certain dates and to present information about management's current expectations and plans relating to the future. Readers are cautioned that such statements may not be appropriate for other purposes. These statements may include, without limitation, statements regarding the potential for future growth of the Company. Forward-looking statements include statements that are predictive in nature, depend upon or refer to future events or conditions, or include words such as "expects", "anticipates", "plans", "believes", "estimates", "seeks", "intends", "targets", "projects", "forecasts" or negative versions thereof and other similar expressions, or future or conditional verbs such as "may", "will", "should", "would" and "could".*

*This information is based upon certain material factors or assumptions that were applied in drawing a conclusion or making a forecast or projection as reflected in the forward-looking statements, including the perception of historical trends, current conditions and expected future developments, as well as other factors that are believed to be appropriate in the circumstances. While IGM considers these assumptions to be reasonable based on information currently available to management, they may prove to be incorrect. By its nature, this information is subject to inherent risks and uncertainties that may be general or specific and which give rise to the possibility that expectations, forecasts, predictions, projections or conclusions will not prove to be accurate, that assumptions may not be correct and that objectives, strategic goals and priorities will not be achieved.*

*A variety of material factors, many of which are beyond IGM's and its subsidiaries' control, affect the operations, performance and results of IGM and its subsidiaries, and their respective businesses, and could cause actual results to differ materially from current expectations of estimated or anticipated events or results. These factors include, but are not limited to: the impact or unanticipated impact of general economic, political and market factors in North America and internationally, interest and foreign exchange rates, global equity and capital markets, management of market liquidity and funding risks, changes in accounting policies and methods used to report financial condition (including uncertainties associated with critical accounting assumptions and estimates), the effect of applying future accounting changes, operational and reputational risks, business competition, technological change, changes in government regulations and legislation, changes in tax laws, unexpected judicial or regulatory proceedings, catastrophic events, outbreaks of disease or pandemics (such as COVID-19), IGM's ability to complete strategic transactions, integrate acquisitions and implement other growth strategies, and IGM's and its subsidiaries' success in anticipating and managing the foregoing factors.*

*The reader is cautioned that the foregoing list is not exhaustive of the factors that may affect any of IGM's forward-looking statements. The reader is also cautioned to consider these and other factors, uncertainties and potential events carefully and not place undue reliance on forward-looking statements.*

*Other than as specifically required by applicable Canadian law, IGM undertakes no obligation to update any forward-looking statements to reflect events or circumstances after the date on which such statements are made, or to reflect the occurrence of unanticipated events, whether as a result of new information, future events or results, or otherwise.*

*Additional information about the risks and uncertainties of IGM's businesses and material factors or assumptions on which information contained in forward-looking statements is based is provided in its disclosure materials filed with the securities regulatory authorities in Canada, available at [www.sedar.com](http://www.sedar.com).*