

Readers are referred to the disclaimer regarding Forward-Looking Statements, Non-IFRS Financial Measures and Other Financial Measures at the end of this Release.

IGM FINANCIAL REPORTS FOURTH QUARTER AND 2023 EARNINGS

Winnipeg – February 15, 2024: IGM Financial Inc. (IGM or the Company) (TSX:IGM) today announced earnings results for the fourth quarter and the year ended December 31, 2023.

IGM HIGHLIGHTS

- **Fourth quarter net earnings of \$419.6 million or 176 cents per share** compared to \$224.7 million or 94 cents per share in 2022. **Adjusted net earnings, excluding a gain on the sale of IPC of \$220.7 million,¹ were \$198.9 million or 84 cents per share** for the fourth quarter of 2023 compared to \$224.7 million or 94 cents per share in 2022.
- **Annual net earnings of \$1,148.9 million or \$4.82 per share** compared to \$867.2 million or \$3.63 per share in 2022. **Annual adjusted net earnings, excluding other items,¹ were \$820.7 million or \$3.44 per share** compared to \$867.2 million or \$3.63 per share in 2022.
- **Assets under management and advisement of \$240.2 billion, up 5.6% from the prior quarter** and up 7.1% from the fourth quarter of 2022.²
- IGM's assets under management and advisement **including strategic investments were \$389.4 billion** as at December 31, 2023, compared with \$372.9 billion at September 30, 2023 and \$288.3 billion at December 31, 2022.²
- Net outflows were \$1.2 billion compared to net outflows of \$520 million in 2022.²

"Strong client returns in 2023 and our focus on managing year over year expense growth to less than 2% were key contributors to 2023 earnings," said James O'Sullivan, President and Chief Executive Officer of IGM Financial Inc. "In the fourth quarter of 2023, we were pleased to announce the closing of the sale of Investment Planning Counsel for approximately \$575 million resulting in a gain on sale of \$221 million."

Fourth quarter earnings included a negative fair value adjustment of \$9 million (pre-tax) associated with declining interest rates and IG Wealth Management's mortgage banking operations. The Company hedges certain of its exposures to interest rates in this business. "From time to time an effective economic hedge will not qualify for hedge accounting under IFRS," said Keith Potter, Executive Vice-President and Chief Financial Officer of IGM Financial Inc. "As a result, the Company will realize higher income going forward which offsets the negative fair value adjustments."

In the fourth quarter, the Company has realigned its reportable segments to better characterize and simplify the Company's business lines into wealth management and asset management segments. The revised segments reflect a realignment of Rockefeller and Wealthsimple to the wealth management segment and ChinaAMC and Northleaf to the asset management segment.

WEALTH MANAGEMENT

Reflects the activities of its core business and strategic investments that are principally focused on providing financial planning and related services. This segment includes the activities of IG Wealth Management, the Company's investments in Rockefeller Capital Management (Rockefeller) and Wealthsimple Financial Corp. (Wealthsimple), and Investment Planning Counsel (IPC), which has been reclassified as discontinued operations.

Adjusted net earnings available to common shareholders in the fourth quarter of 2023 were \$104.2 million, a decrease of 3.0% compared to the fourth quarter of 2022, and represented 52.4% of IGM's adjusted net earnings available to common shareholders.

Assets under advisement including strategic investments at December 31, 2023 were \$161.9 billion, an increase of 7.1% from \$151.2 billion at September 30, 2023 and an increase of 40.5% from \$115.3 billion at December 31, 2022.

IG Wealth Management

Assets under advisement at December 31, 2023 were \$121.2 billion, an increase of 6.1% from \$114.2 billion at September 30, 2023 and an increase of 9.4% from \$110.8 billion at December 31, 2022.

Quarterly net client outflows were \$228 million, compared to net client inflows of \$429 million in the fourth quarter of 2022.

Quarterly gross client inflows were \$3.1 billion, up 1.9% from \$3.0 billion in 2022.

Wealthsimple

The fair value of the Company's investment in Wealthsimple was \$607 million at December 31, 2023 compared to \$492 million at September 30, 2023, which is largely due to a fair value increase of 20% and an incremental investment in the quarter. The increase in fair value is consistent with the increase in public market peer valuations, as well as Wealthsimple's business performance and revised revenue expectations.

ASSET MANAGEMENT

Reflects the activities of its core business and strategic investments primarily focused on providing investment management services. This segment includes the operations of Mackenzie Investments and the Company's investments in China Asset Management Co., Ltd. (ChinaAMC) and Northleaf Capital Group Ltd. (Northleaf).

Adjusted net earnings available to common shareholders in the fourth quarter of 2023 were \$76.8 million, an increase of 6.2% compared to the fourth quarter of 2022, and represented 38.6% of IGM's adjusted net earnings available to common shareholders.

Assets under management including strategic investments at December 31, 2023 were \$305.1 billion, an increase of 3.2% from \$295.6 billion at September 30, 2023 and an increase of 23.6% from \$246.9 billion at December 31, 2022.

Mackenzie Investments

Total assets under management were \$195.7 billion, an increase of 5.0% from \$186.3 billion at September 30, 2023 and an increase of 4.9% from \$186.6 billion at December 31, 2022. Third party assets under management were \$118.9 billion at December 31, 2023, an increase of 6.2% from September 30, 2023 and an increase of 5.2% from December 31, 2022.

Investment fund net redemptions were \$826 million compared to net redemptions of \$832 million in the fourth quarter of 2022.

Mutual fund gross sales were \$1.7 billion, up 11.4% from the fourth quarter of 2022.

ETF business – ETF assets under management totalled \$12.9 billion at December 31, 2023, up from \$12.5 billion at September 30, 2023 and up from \$12.4 billion at December 31, 2022. Excluding investment in ETFs by IGM’s managed products, ETF assets under management were \$5.5 billion at December 31, 2023, compared to \$5.1 billion at September 30, 2023 and \$5.2 billion at December 31, 2022.

ChinaAMC

The Company’s proportionate share of ChinaAMC’s fourth quarter earnings was \$23.7 million compared to \$14.2 million in the fourth quarter of 2022.

On January 12, 2023, the Company closed the previously announced transaction to acquire Power Corporation of Canada’s 13.9% interest in ChinaAMC, increasing the Company’s overall investment in ChinaAMC to 27.8%, and to sell a portion of the Company’s investment in Lifeco, reducing it from 4.0% to 2.4%.

CORPORATE AND OTHER

Represents the investments in Great-West Lifeco Inc. (Lifeco) and Portage Ventures LPs, as well as unallocated capital.

Lifeco – The Company’s proportionate share of Lifeco’s fourth quarter earnings was \$19.1 million³ compared to \$40.9 million in the fourth quarter of 2022. This included an increase of \$0.8 million to adjust third quarter earnings to the actual earnings disclosed by Lifeco.

DIVIDENDS

The Board of Directors has declared a dividend of 56.25 cents per share on the Company’s common shares which is payable on April 30, 2024 to shareholders of record on March 28, 2024.

¹ Other items in 2023 consisted of:

- A gain on the sale of IPC of \$220.7 million recorded in the fourth quarter.
- Restructuring and other charges of \$76.2 million after-tax (\$103.3 million pre-tax) recorded in the second quarter resulting from streamlining and simplifying the business to more effectively align with business priorities. The charge includes the Company’s changes to the organizational structure to advance the growing needs of the business, digital transformation by retiring duplicate systems and modernizing information technology and an effort to consolidate its real estate footprint to better reflect client and advisor needs.
- A gain on the sale of a portion of the Company’s investment in Lifeco of \$168.6 million after-tax (\$172.9 million pre-tax) consisting of \$174.8 million recorded in the first quarter and a decrease of \$6.2 million that was recorded on a prospective basis in the second quarter.
- Lifeco IFRS 17 adjustment of \$15.1 million, recorded in the second quarter, representing a change of estimate which has been recorded on a prospective basis.

² Assets under management and advisement and net flows exclude discontinued operations (IPC). Including discontinued operations:

- IGM assets under management and advisement were \$253.4 billion at September 30, 2023 and \$249.4 billion at December 31, 2022.
- IGM assets under management and advisement including strategic investments were \$398.8 billion at September 30, 2023 and \$313.4 billion at December 31, 2022
- IGM net outflows including discontinued operations were \$835 million in the fourth quarter of 2023 compared to net outflows of \$440 million in the fourth quarter of 2022.

³ In the fourth quarter of 2023, the Company recorded its proportionate share of fourth quarter Lifeco earnings based on actual earnings.

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 Financial Inc.'s (IGM Financial, IGM or the Company) 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 operations, business, financial condition, expected financial results, performance, prospects, opportunities, priorities, targets, goals, ongoing objectives, strategies and outlook of the Company, as well as the outlook for North American and international economies, for the current fiscal year and subsequent periods. 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 the Company 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 the Company's and its subsidiaries' control, affect the operations, performance and results of the Company and its subsidiaries, and their 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), the Company's ability to complete strategic transactions, integrate acquisitions and implement other growth strategies, and the Company'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 the Company'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, the Company 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 the Company's business 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.sedarplus.ca.

NON-IFRS FINANCIAL MEASURES AND OTHER FINANCIAL MEASURES

This report contains Non-IFRS financial measures and non-IFRS ratios that do not have standard meanings prescribed by IFRS and may not be directly comparable to similar measures used by other companies. These measures and ratios are used to provide management, investors and investment analysts with additional measures to assess earnings performance.

Non-IFRS financial measures include, but are not limited to, “adjusted net earnings available to common shareholders”, “adjusted net earnings”, “adjusted earnings before income taxes”, “adjusted earnings before interest and taxes” (Adjusted EBIT), “earnings before interest, taxes, depreciation and amortization before sales commissions” (EBITDA before sales commissions), and “earnings before interest, taxes, depreciation and amortization after sales commissions” (EBITDA after sales commissions). These measures exclude other items which are items of a non-recurring nature, or that could make the period-over-period comparison of results from operations less meaningful. EBITDA before sales commissions excludes all sales commissions. EBITDA after sales commissions includes all sales commissions and highlights aggregate cash flows.

Non-IFRS ratios include the following:

Ratio	Numerator	Denominator
Adjusted earnings per share (Adjusted EPS)	Adjusted net earnings available to common shareholders	Average number of outstanding common shares on a diluted basis
Return (Adjusted return) on equity (ROE, Adjusted ROE)	Net earnings (Adjusted net earnings) available to common shareholders	Average shareholders’ equity excluding non-controlling interest
ROE (Adjusted ROE) excluding the impact of fair value through other comprehensive income investments	Net earnings (Adjusted net earnings) available to common shareholders	Average shareholders’ equity excluding non-controlling interest and the impact of fair value through other comprehensive income investments net of tax

Refer to the appropriate reconciliations of non-IFRS financial measures, including as components of non-IFRS ratios, to reported results in accordance with IFRS included in IGM Financial Inc.’s most recent Management, Discussion and Analysis.

This report also contains other financial measures which include:

- **Assets Under Management and Advisement (AUM&A)** represents the consolidated AUM and AUA of IGM Financial’s core businesses IG Wealth Management and Mackenzie Investments. In the Wealth Management segment, AUM is a component part of AUA. All instances where the asset management segment is providing investment management services or distributing its products through the Wealth Management segment are eliminated in our reporting such that there is no double-counting of the same client savings held at IGM Financial’s core businesses. AUM&A excludes IPC’s AUM, AUA, sales, redemptions and net flows which have been disclosed as Discontinued operations.
- **Assets Under Advisement (AUA)** are the key driver of the Wealth Management segment. AUA are savings and investment products held within client accounts of our Wealth Management segment core business.
- **Assets Under Management (AUM)** are the key driver of the Asset Management segment. AUM are an additional driver of revenues and expenses within the Wealth Management segment in relation to its investment management activities. AUM are client assets where we provide investment management services, and include investment funds where we are the fund manager, investment advisory mandates to institutions, and other client accounts where we have discretionary portfolio management responsibilities.
- **Assets Under Management and Advisement Including Strategic Investments (AUM&A Including SI)** represents AUM&A including the Company’s proportionate share of the AUM&A of strategic investments based on the Company’s direct and indirect ownership of the strategic investments. The strategic investments included are those whose activities are primarily in asset and wealth management, and include ChinaAMC, Northleaf, Rockefeller and Wealthsimple. Rockefeller client assets include assets under management and advisement as well as assets held for investment purposes and only receiving administrative services.

FOURTH QUARTER WEBCAST AND CONFERENCE CALL

IGM Financial Inc.'s Fourth Quarter 2023 results conference call and webcast will be held on Friday, February 16, 2024 at 8:00 a.m. ET. The webcast and conference call can be accessed respectively through igmfinancial.com/en or you may register to obtain a calendar booking with your dial in numbers, PIN and webcast links. Alternatively, dial 1-800-319-4610 or +1-416-915-3239.

The most recent Consolidated Financial Statements and Management's Discussion and Analysis (MD&A) of operating results are available on IGM Financial Inc.'s website at igmfinancial.com/en.

ABOUT IGM FINANCIAL INC.

IGM Financial Inc. is one of Canada's leading diversified wealth and asset management companies with approximately \$241 billion in total assets under management and advisement at January 31, 2024. The company provides a broad range of financial planning and investment management services to help more than two million Canadians meet their financial goals. Its activities are carried out principally through IG Wealth Management and Mackenzie Investments. IGM Financial is a member of the Power Corporation group of companies.

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