

Capital régional et coopératif Desjardins

Audited schedule of cost of investments impacting
the Québec economy

As at December 31, 2019



Independent auditor's report

To the Shareholders of Capital régional et coopératif Desjardins

Our opinion

In our opinion, the accompanying schedule of cost of investments impacting the Quebec economy (the Schedule) of Capital régional et coopératif Desjardins (CRCD) as at December 31, 2019 is prepared, in all material respects, in accordance with the dispositions of Article 18 of the Regulation respecting Development Capital Investment Fund Continuous Disclosure.

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 Schedule* 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 Schedule in Canada. We have fulfilled our other ethical responsibilities in accordance with these requirements.

Emphasis of matter – basis of accounting

We draw attention to note to the Schedule, which describes the basis of accounting. The Schedule is prepared in order to comply with the dispositions of Article 18 of the Regulation respecting Development Capital Investment Fund Continuous Disclosure. As a result, the Schedule may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Responsibilities of management and those charged with governance for the Schedule

Management is responsible for the preparation and fair presentation of the Schedule in accordance with the dispositions of Article 18 of the Regulation respecting Development Capital Investment Fund Continuous Disclosure, and for such internal control as management determines is necessary to enable the preparation of a Schedule that is free from material misstatement, whether due to fraud or error.

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In preparing the Schedule, 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 the CRCD's financial reporting process.

Auditor's responsibilities for the audit of the Schedule

Our objectives are to obtain reasonable assurance about whether the Schedule 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 Schedule.

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 Schedule, 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 Schedule 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 Schedule, including the disclosures, and whether the Schedule represents the underlying transactions and events in a manner that achieves fair presentation.



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

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

PricewaterhouseCoopers LLP¹

Montréal, Quebec
February 13, 2020

¹ CPA auditor, CA, public accountancy permit No. A111799

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(in thousands of dollars)

	Initial investment year	Industry segment	Unsecured investments		Secured investments		Total \$
			Common and Preferredshares and funds units \$	Loans, advances and notes \$	Loans, advances and notes \$		
Abitibi-Témiscamingue							
9212-9402 Québec inc.(Construction Francis Roy inc.)	2019	S	-	500	-	-	500
Groupe financier Pentagone inc.	2019	S	-	1,500	-	-	1,500
Ressources minières Radisson inc.	2019	M	105	-	-	-	105
Trim Line de l'Abitibi inc.	2009	S	125	-	-	-	125
Total Abitibi-Témiscamingue			230	2,000	-	-	2,230
Bas-Saint-Laurent							
2862-2272 Québec inc. (Quincaillerie Home Hardware Rimouski)	2018	S	-	126	-	-	126
Domaine Élie-Raphaël inc.	2018	S	-	550	-	-	550
Total Bas-Saint-Laurent			-	676	-	-	676
Capitale-Nationale							
9038-6418 Québec inc. (Etaltech)	2019	S	-	200	-	-	200
AxesNetwork Solutions inc.	2019	TI	-	-	1,001	-	1,001
Boutique Le Pentagone inc.	2008	S	2,951	-	-	-	2,951
Flash Romeo inc. (Voilà)	2019	TI	-	660	-	-	660
Gecko Alliance Group inc.	2016	M	14,773	6,482	-	-	21,255
Groupe conseil NOVO SST inc.	2013	S	750	99	-	-	849
Jobillico inc.	2015	S	1,020	4,996	-	-	6,016
Latéral Innovations inc.	2019	M	-	250	-	-	250
Nuutok Entreprise inc.	2019	TI	-	795	-	-	795
Qohash inc.	2019	TI	1,000	-	-	-	1,000
TB4 inc.	2019	S	-	300	-	-	300
Total Capitale-Nationale			20,494	13,782	1,001	-	35,277
Centre-du-Québec							
Avjet Holding inc.	2009	S	3,732	-	-	-	3,732
CBR Laser inc.	2012	M	-	9,660	-	-	9,660
Citadelle, Maple Syrup producer's Cooperative	2016	M	7,500	-	-	-	7,500
Farinart inc.	2010	M	924	200	-	-	1,124
Fruit d'or inc.	2018	M	20,000	-	-	-	20,000
Groupe Anderson inc.	2007	M	3,740	-	-	-	3,740
Total Centre-du-Québec			35,896	9,860	-	-	45,756
Chaudière - Appalaches							
Amisco Industries Ltd.	2018	M	17,220	-	-	-	17,220
C.I.F. Métal Itée	2005	M	1,008	-	-	-	1,008
Cycles Lambert inc.	2018	S	-	-	3,800	-	3,800
Fertilec Ltd.	2019	M	-	500	-	-	500
Fournier Industries Group inc.	2013	M	17,000	747	-	-	17,747
Grondin et Nadeau inc.	2019	S	-	500	-	-	500
Groupe Filgo inc.	2012	S	11,735	-	-	-	11,735
Hortau inc.	2010	M	2,167	-	-	-	2,167
Industries Radisson inc. (Les)	2019	M	-	500	-	-	500
Liberty Spring inc.	2019	M	22,500	5,700	-	-	28,200
Marquis Book Printing inc.	2007	M	2,850	1,075	-	-	3,925
Total Chaudière - Appalaches			74,480	9,022	3,800	-	87,302
Eastern Townships							
Clôtures Orford inc.	2019	S	-	385	-	-	385
Coopérative funéraire de l'Estrie	2006	S	-	275	-	-	275
Demtroys Technology inc.	2019	M	-	400	-	-	400
Engrenages Sherbrooke inc. (Les)	2013	M	-	25	-	-	25
Exo-s-inc.	2012	M	20,572	-	-	-	20,572
FilSpec inc.	2004	M	1,291	-	-	-	1,291
Imprimerie Précé-Grafik inc.	2009	M	1,500	519	250	-	2,269
Kemestrie inc.	2010	TI	527	-	-	-	527
Leadfox technologie inc.	2019	TI	-	1,034	-	-	1,034
Technic-Eau Drillings inc.	2017	M	12,362	3,298	-	-	15,660
The Sustainable Development Enterprises Energy Solutions & Associates i	2019	M	500	-	-	-	500
Total Eastern Townships			36,752	5,936	250	-	42,938

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	Initial investment year	Industry segment	Unsecured investments		Secured investments	Total
			Common and Preferredshares and funds units	Loans, advances and notes	Loans, advances and notes	
			\$	\$	\$	\$
Gaspésie-Îles-de-la-Madeleine						
Les Entreprises Leblanc 3 inc.	2018	S	-	498	-	498
Total Gaspésie-Îles-de-la-Madeleine			-	498	-	498
Lanaudière						
Groupe Composites VCI inc.	2007	M	2,250	117	-	2,367
Xpertdoc Technologies inc.	2018	S	3,000	979	-	3,979
Total Lanaudière			5,250	1,096	-	6,346
Laval						
Ionodes inc.	2019	TI	-	392	-	392
Total Laval			-	392	-	392
Mauricie						
Classement Luc Beaudoin inc.	2013	S	-	288	-	288
Innovations Voltflex inc.	2006	M	17	-	-	17
Total Mauricie			17	288	-	305
Montérégie						
9349-6347 Québec inc. (Habitations Trigone)	2019	S	-	13,500	-	13,500
9523383 Canada inc. (C.A.T.)	2016	S	8,224	-	-	8,224
A. & D. Prévost inc.	2011	M	5,589	-	-	5,589
A.T.L.A.S. Aéronautique inc.	2010	M	6,000	-	-	6,000
Agropur Coopérative	2014	M	74,947	-	-	74,947
Atis Group inc.	2015	M	34,231	1,855	-	36,086
Câbles Ben-Mor inc. (Les)	2009	M	-	1,147	-	1,147
Dose Juices inc.	2019	M	1,000	750	-	1,750
Groupe Jafaco Gestion inc.	2019	M	-	7,500	-	7,500
Norbec Group inc.	2017	M	7,450	1,200	-	8,650
Novo Poultry inc.	2017	M	1,200	795	-	1,995
NSE Automatech inc.	2013	M	2,639	-	-	2,639
Nutri Group inc.	2018	M	15,000	-	-	15,000
Spectra Premium Industries inc.	2006	M	2,589	-	-	2,589
Unicel Architectural Corp.	2017	M	6,000	1,213	-	7,213
Valtech Fabrication inc.	2017	M	14,891	5,377	-	20,268
Total Montérégie			179,760	33,337	-	213,097

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Montréal							
10337803 Canada inc. (Arbell Electronics inc.)	2019	S	-	-	2,250	-	2,250
360 Agency inc.	2016	S	9,950	-	-	-	9,950
9337-4791 Québec inc (Motorleaf)	2018	TI	866	-	-	-	866
9493662 Canada inc (Ananda Devices)	2019	TI	375	-	-	-	375
9813063 Canada inc. (My Intelligent Machines (MIMs))	2019	TI	-	821	-	-	821
Agriculture Concentric inc.	2018	M	2,469	-	1,080	-	3,549
Alaya Care inc.	2019	TI	1,030	-	-	-	1,030
Alithya Group inc.	2015	S	22,217	-	-	-	22,217
Azimet Exploration inc.	2019	M	140	-	-	-	140
Courchesne, Larose ltée	2015	M	-	6,624	-	-	6,624
Emballages Deltapac inc. (Les)	2005	M	42	-	-	-	42
Emovi inc.	2018	M	824	-	-	-	824
Entreprise Nexmoov inc.	2018	TI	-	826	-	-	826
Fluent.ai inc.	2019	TI	-	674	-	-	674
Groupe Solotech inc.	2013	S	23,812	-	-	-	23,812
Haleo Preventive Health Solutions inc.	2019	TI	-	127	-	-	127
Imagia Cybernetics Inc.	2019	TI	1,447	-	-	-	1,447
Innovative Imaging Technologies inc.	2019	TI	-	1,014	-	-	1,014
Keatext inc.	2018	TI	-	1,091	-	-	1,091
La Coop fédérée	2005	M	95,000	-	-	-	95,000
Mylo Financial Technologies inc.	2017	TI	4,075	-	-	-	4,075
nGUVU Technologies inc.	2018	TI	-	278	-	-	278
Ni2 inc.	2017	TI	5,084	-	990	-	6,074
o3d inc.	2019	TI	-	253	-	-	253
Optina Diagnostics inc.	2018	TI	868	-	-	-	868
Phildan inc.	2015	M	8,250	3,171	-	-	11,421
Potloc inc.	2018	TI	2,815	-	-	-	2,815
Rekruti Solutions inc.	2018	TI	-	544	-	-	544
Résidences pour aînés Immo 1ere inc.	2019	S	788	-	-	-	788
SJM Group inc.	2019	M	16,250	15,800	-	-	32,050
Sofdesk inc.	2019	TI	1,000	-	-	-	1,000
Technologies Heyday Inc.	2019	TI	500	-	-	-	500
Tekalia Aéronautik (2010) inc.	2019	S	3,108	-	-	-	3,108
Télécon inc.	2011	S	45,441	-	-	-	45,441
Thorasys Thoracic Medical Systems inc.	2018	TI	585	256	-	-	841
Total Montréal			246,936	31,479	4,320		282,735
Nord-du-Québec							
Harfang Exploration inc.	2019	M	100	-	-	-	100
Maple Gold Mines Ltd	2018	M	150	-	-	-	150
Sirios Resources inc.	2019	M	150	-	-	-	150
Stelmine Canada Ltd.	2019	M	98	-	-	-	98
Total Nord-du-Québec			498	-	-		498
Outaouais							
Agrisoma Biosciences inc.	2018	M	-	-	3,613	-	3,613
Construction Michel Lacroix inc. / Michel Lacroix Construction inc.	2019	S	-	425	-	-	425
Signalisation Prosign Québec inc.	2019	S	-	200	-	-	200
Total Outaouais			-	625	3,613		4,238
Outside of Canada							
Pharmaxis Ltd.	2010	TI	2,360	-	-	-	2,360
Total Outside of Canada			2,360	-	-		2,360
Saguenay-Lac-Saint-Jean							
11077422 Canada inc. (Congèlerie l'Héritier)	2019	M	-	1,000	-	-	1,000
9366-5099 Québec inc. (Voie maltée Laurier)	2018	S	-	-	494	-	494
Groupe Canmec inc.	2004	M	7,014	-	-	-	7,014
L.S.M. Son & Lumières inc.	2019	S	-	500	-	-	500
Nature ALU inc.	2019	M	-	1,000	-	-	1,000
Produits sanitaires Lépine inc. (Les)	2010	M	1,431	-	-	-	1,431
S.E.C. Lokia Sélection Sherbrooke	2019	S	-	5,156	-	-	5,156
Senneco inc.	2013	S	-	286	-	-	286
Total Saguenay-Lac-Saint-Jean			8,445	7,942	494		16,881

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	Initial investment year	Industry segment	Unsecured investments		Secured investments	Total
			Common and Preferredshares and funds units	Loans, advances and notes	Loans, advances and notes	
			\$	\$	\$	\$
Funds						
Capital croissance PME II s.e.c.	2014	F	69,761	-	-	69,761
DC Immo 1ère S.E.C.	2019	F	11,075	18,600	-	29,675
Desjardins - Innovatech S.E.C.	2005	F	38,338	2,461	-	40,799
Desjardins Capital PME s.e.c.	2018	F	72,200	-	-	72,200
Desjardins Capital Transatlantique, L.P.	2018	F	11,335	-	-	11,335
FIER Partenaires, s.e.c.	2005	F	3,457	-	-	3,457
Fonds de transfert d'entreprise du Québec, s.e.c.	2011	F	2,620	-	-	2,620
Fonds d'investissement MSBI, s.e.c.	2004	F	4,103	-	-	4,103
Fonds d'investissement pour la relève agricole (FIRA)	2011	F	10,740	-	-	10,740
Fonds Ecofuel I S.E.C.	2018	F	667	-	-	667
Luge Investment Fund 1, L.P.	2018	F	575	-	-	575
Novacap Industries III, L.P.	2007	F	25	-	-	25
RVOMTL17 Limited Partnership	2017	F	1,952	-	-	1,952
Siparex Transatlantique - Fonds Professionnel de Capital Investissement	2018	F	2,476	-	-	2,476
Société en commandite Essor et Coopération	2013	F	22,950	-	-	22,950
Total Funds			252,274	21,061	-	273,335
Total cost			863,392	137,994	13,478	1,014,864

Industry segment legend

M: Manufacturing
S: Services
TI: 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 December 31, 2019.