

ANNUAL REPORT | 2022



INVESTEE HIGHLIGHT

SPUR PETROLEUM

SECTOR: ENERGY

Spur Petroleum is a private oil & gas company focused on the development and exploration of oil & gas properties in Central Alberta's Clearwater Medium Fairway. The company is well regarded for its operating efficiency and has become a dominant land owner and producer in the region, which has experienced significant growth and is ranked as one of the most economic plays in North America. The previous iteration, Spur Resources, was one of few producers to generate strong returns during a market downturn and achieve a successful liquidity event.

TO OUR VALUED SHAREHOLDERS,

We are excited to report on another successful fiscal year end. The groundwork for this year was laid out through a consistent and conservative investment strategy that has been refined over twenty years and through continued partnerships with world-class management teams.

The combination of these two elements enabled the Fund to weather the effects of COVID-19 and ensure that portfolio companies could emerge stronger in fiscal 2022 and were able to capitalize on opportunities. Although the composition of the portfolio evolves over time and with changes to the economy, the investment strategy is consistent and the desire to partner with strong teams is unwavering. True partnerships with strong portfolio companies has been mutually beneficially to the business community and to our valued unitholders.

While many of the economic hurdles that existed in the last two fiscal years have subsided, some new headwinds may emerge, and others may persist. However, we believe the Fund and individual portfolio companies are properly constructed to withstand these hurdles. The respective strategies are premised on being able to withstand economic volatility, take advantage of opportunities, and create sustainable value.

We believe the Saskatchewan economy is well positioned in the current geopolitical climate. The economy continues to diversify and provides many of the goods and services required to compete in an increasingly complex world. This past fiscal year saw traditional industries rebound and emerging sectors increasingly contribute to the economy. SaskWorks will continue to strive and identify top investment candidates in a variety of sectors.

We continue to be humbled by the support from our loyal unitholders and their investment advisors, which resulted in the earliest sell out in the history of the Fund. This support is not taken for granted and helps ensure existing and future portfolio companies are properly capitalized to take advantage of opportunities resulting from a strong Saskatchewan economy. The portfolio is not possible without this continued support.

Fiscal 2022 saw strong deal placement activity in several diversified industries coupled with realized gains through dispositions. We are grateful to have worked with exited teams and welcome new portfolio companies into the Fund. We believe deal origination will remain strong within Saskatchewan and we

will continue to subject all opportunities to consistent screening and rigour. The Fund's investment team has good depth and breadth and can continue to execute the investment strategy for years to come.

2022 saw the Fund rewarded by its diverse portfolio with gains coming from a variety of sectors and portfolio companies. We will continue to be supportive of the existing portfolio and participate in follow-on activity when presented with the opportunity.

2022 was a strong year for the Fund as we saw the benefits of a consistent investment strategy, maintaining a diversified portfolio, and most importantly, partnering with great portfolio companies. Thank you again for your continued support of SaskWorks. We will continue to invest your capital strategically throughout the regions and industries that drive Saskatchewan's economy, aimed at generating consistent returns, while spurring growth, sustainability, and job creation in our Province for years to come. Please remember that the Fund may continue to sell out early. We recommend you invest early to ensure you receive your 2022 tax credit, along with your investment in SaskWorks.

Sincerely,

Randy Beattie  
President

Terry Schneider  
Chair

We continue to be humbled by the support from our loyal unitholders and their investment advisors, which resulted in the earliest sell out in the history of the Fund.







INVESTEE HIGHLIGHT  
**STEEL REEF INFRASTRUCTURE CORP.**

**SECTOR: ENERGY**

Formed in 2012 and initially capitalized in 2013, Steel Reef Infrastructure Corp. is a privately held business that is focussed on acquiring and developing essential infrastructure for the capture, transportation and processing of associated gas in the Williston Basin (SE Saskatchewan and North Dakota). Funds managed by PFM Capital Inc., including the SaskWorks Venture Fund, were founding shareholders in Steel Reef and have subsequently continued to support the Company with follow-on capital. Since inception, the Company has spent over \$1.0 billion to build and supply their customers with a vertically integrated infrastructure offering and Steel Reef remains focussed on generating a superior return for shareholders while reducing emissions in the basin.

# MANAGEMENT REPORT OF FUND PERFORMANCE

This management report of fund performance contains financial highlights but does not contain the complete annual financial statements of the Fund. The complete annual financial statements of the Fund are included later in this annual report or can be obtained, at no cost to you, by calling 1-306-791-4833, by writing to us at 1925 Victoria Avenue, 2nd Floor, Regina, Saskatchewan, S4P 0R3, or by visiting our website at [www.saskworks.ca](http://www.saskworks.ca) or SEDAR at [www.sedar.com](http://www.sedar.com).

Shareholders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, or annual report.

The Fund will provide promptly and without charge a Statement of Portfolio Transactions – Short-term, Long-term and Venture Investments (unaudited) upon request by any shareholder of the Fund at 1925 Victoria Avenue, 2nd Floor, Regina, Saskatchewan, S4P 0R3.

The purpose of this section is to summarize the performance of SaskWorks Venture Fund Inc. ("SaskWorks" or "the Fund") for the year ended August 31, 2022.

Unless otherwise indicated, references to amounts at August 31, 2022 or to the year ended August 31, 2022 are specific to the Fund's Class A shares and Class R shares in aggregate.

SaskWorks is a publicly accountable enterprise and investment fund to which the Canadian Securities Administrators' National Instrument 81-106, "Investment Fund Continuous Disclosure" is applicable and International Financial Reporting Standards ("IFRS") apply.

Beginning January 2016, the Fund began offering its Class A and Class R shares in series. Class A Series A and Class R Series A shares are no longer available for sale. Class A Series F and Class R Series F do not have trailer commissions.

Beginning December 23, 2021, new redeemable shares, Class A Series B and Class R Series B, were offered for sale to the public. Class A Series B and Class R Series B redeemable shares have a trailer commission associated with them.

Net assets attributable to holders of redeemable shares per share for each series is calculated at the end of each week by dividing the net assets attributable to holders of redeemable shares for each series by its outstanding shares. The net assets attributable to holders of redeemable shares of each series of a class is computed by calculating the value of the series-specific assets and the series' proportionate share of the class's common assets less the series-specific liabilities and the series' proportionate share of the class's common liabilities. Income and expenses directly attributable to a series are charged to that series while common class income and expenses and realized and unrealized gains and losses are allocated to each series. A proportionate share of or allocation to each series of a class is based on that series' pro rata share of the total share capital of that class as at the latest weekly net asset valuation.

## INVESTMENT OBJECTIVE AND STRATEGIES (in thousands of dollars)

The Fund invests in small and medium-sized Saskatchewan eligible businesses, with the objective of achieving long term capital appreciation and/or a recurring income stream. The Fund may also participate in investment groups and consortia in situations where an investment opportunity involves a larger investment than the Fund is allowed or believes prudent to make by itself.

Under *The Labour-sponsored Venture Capital Corporations Act* (Saskatchewan) ("the Saskatchewan Act"):

- › eligible investments for the Fund ("eligible investments") are investments in eligible businesses, defined as taxable corporations or limited partnerships that carry on business in Saskatchewan, that together with related corporations or limited partnerships, do not have more than 500 employees, and that in the taxation year preceding the investment paid at least 25% of all their wages and salaries to employees of their permanent establishment in Saskatchewan;
- › direct investments in public companies with a market capitalization of \$500,000 or more are prohibited. Once an investment has over \$500,000 in capitalization, such investment must be disposed of within five years from the end of the fiscal year of the Fund of such acquisition or merger;
- › new investment in agricultural land acquired primarily for rental or leasing purposes is prohibited; and
- › the Fund is required to have innovation sector investment exposure of 25% of annual net capitalization defined as annual capital raised within the Fund less annual capital redeemed, multiplied by the Fund's 75% pacing requirement.

The Fund may not invest more than 10% of the net assets attributable to the holders of redeemable Class A and Class R shares of the Fund in any one eligible business and may not invest in an eligible business if the Fund and the eligible business are not at arm's length, within the meaning of the Saskatchewan Act. In respect of any investment, the Fund will take into consideration any anticipated follow-on or subsequent investment, either by way of debt or equity. Such a subsequent investment will typically be made only if the investee meets certain tests, such as timing and performance targets that were fixed at the date of the original investment in the eligible business.

The Fund will seek out eligible investments in both rural and urban centers throughout Saskatchewan.

Desirable investment opportunities for the Fund are businesses that provide an opportunity for a return on investment commensurate with the perceived risk. It is anticipated that investments will be in businesses which are at one of the following stages of development:

- › **Expansion Financing.** Investment in businesses that require financing to expand sales, or to launch a new product or service.
- › **Management/Employee Buyouts.** Investment where the proceeds of the financing are used to acquire control of a business that has significant expansion potential that can be realized by adding new management and capital.
- › **Restructurings or Turnarounds.** Investment in businesses which have the potential to succeed if additional investment is received and/or changes in management, staffing, operations, or marketing strategies are made.



## MANAGEMENT REPORT OF FUND PERFORMANCE (CONTINUED)

### › Early-Stage Investments.

Investment will be in businesses which have been in operation for a period but have not yet fully developed their product or service. Typically, funding will be required to address limitations or opportunities that have been identified after the initial business plan.

Prospective eligible investments will be expected to demonstrate some or all of the following characteristics:

- › a strong and experienced management team which is financially committed to and rewarded by the company's success;
- › a strong competitive position because of superior technology, innovative products, comparative cost advantage, established market position, significant barriers to entry and/or dominant distribution in its market;
- › with respect to expansion funding, a reasonable expectation of earnings growth based on past financial performance or a strong likelihood of new market success;
- › with respect to start up or early-stage funding, a sound business concept or plan which presents a convincing opportunity to establish a comparative business advantage in a growth market;
- › with respect to term debt, a reasonable level of unencumbered and disposable net asset security coverage and good interest/principal coverage being generated from current cash flows;
- › with respect to subordinated debt funding, a satisfactory level of current cash flow interest coverage with the likelihood for near term coverage improvement; and,
- › with respect to management buyout opportunities, a strong current cash flow position coupled with the opportunity for near term earnings improvement resulting from a competitively enhanced new business or operating environment.

The Fund's Class A shares will attempt to reduce overall risk by diversification of investments in various sectors within Saskatchewan including but not limited to the following:

- › Industrials and Manufacturing;
- › Consumer Discretionary and Staples;
- › Energy Production and Midstream;
- › Ag Products and Services;
- › Information technology.

The Fund's Class R shares focus on investments in the Province's resources sector - specifically oil and gas development, related services, and mining.

The form of the Fund's investments is selected and negotiated after considering the investment criteria and guidelines of the Fund, the long-term requirements of the investee business, the stage of development of the investee business, the investee business' requirements, the ability to negotiate downside protection, and tax considerations. The Fund diversifies its investment portfolio using such instruments, among others, as common shares, convertible debentures, convertible preferred shares, debt with equity participation, secured debt, funded loan guarantees and bridge loans.

Where the Fund makes an investment by way of a loan, such investment is expected to be secured by a charge over the investee business' assets but may be subordinated to other lenders' security.

The Fund may guarantee loans of eligible businesses and in such circumstances the making of such loan would permit the growth and development of the business without the Fund being the primary investor. The aggregate of loan guarantees may not exceed 10% of the Fund's total assets at the time each loan guarantee is provided. The Fund intends to maintain a liquid reserve of 25% of the guaranteed amount on any loan guarantees. The Fund will maintain liquid reserves in term deposits and high-

quality government and corporate debt obligations.

To the extent possible, investments are diversified by the expected holding period of the investment. Generally, the average holding period is expected to be five to eight years. The Fund may choose to refinance its investment through an arm's length third party where the expected return can be achieved in a shorter time frame. All investment recommendations will include a strategy for realization on investments made. Possible exit strategies include the following:

- › refinancing with conventional lenders or leasing companies;
- › sale of the business or investment to a third-party;
- › a public offering; and,
- › sale of the investment back to the business or its principals through exercise of a put or call contractual provision included within the equity securities arrangement.

### RISK

(in thousands of dollars)

The primary risk related to an investment in the Fund is the fact that the Fund must continually identify and evaluate investment opportunities that meet its eligibility criteria. A further risk is that many of these investments are made in small and medium sized private companies that are by their nature illiquid. In addition, the process of valuing private investments is more complex and subjective than that of valuing publicly traded securities.

Over the course of the year ended August 31, 2022, the Fund continued to demonstrate its ability to identify and close on eligible venture investment opportunities. The Fund's Class A shares purchased \$35,934 (2021 - \$22,745) and the Class R shares purchased \$nil (2021 - \$nil) of

venture investments. In addition, \$43,623 has been committed by the Fund's Class A shares and \$nil by Class R shares to future, but not yet disbursed, transactions.

With respect to liquidity risk, the Fund continues to exit its investments, with \$18,470 (2021 - \$19,207) at cost in dispositions of venture investments from Class A and \$5,540 (2021 - \$3,130) at cost from Class R shares during the year ended August 31, 2022. These exits resulted in a \$28,445 (2021 - \$37,074) net gain for the Class A shares and a \$7,106 net gain (2021 - \$1,932 net loss) for the Class R shares over the life of those investments.

With respect to valuation risk, since inception, the Fund has not exited an investment, whether at a loss or for a gain, at an amount materially less than the carrying value of that investment.

### RESULTS OF OPERATIONS

(in thousands of dollars, except for per share amounts)

The Fund increased its Class A venture investment portfolio at fair value by

\$44,331 (2021 - decreased \$4,909) and increased its Class R portfolio by \$16,248 (2021 - \$14,490) over the year ended August 31, 2021.


Venture investments, at cost, made up 50.8% of Class A's and 40.2% of Class R's net assets attributable to holders of redeemable shares at August 31, 2022, as compared to 51.5% of Class A's and 78.1% of Class R's net assets at August 31, 2021. Venture investments at fair value (cost plus/minus unrealized appreciation/depreciation) comprised 75.2% of Class A's and 100.6% of Class R's net assets at August 31, 2022, as compared to 68.9% of Class A's and 102.6% of Class R's net assets at August 31, 2021.

The Fund's cash, long-term, and short-term investments totaled \$136,244 (2021 - \$152,913) in Class A and \$12,592 in Class R (2021 - \$4,855). When the Fund's objective of maintaining a proportion of share capital in investment grade securities and approved but undisbursed transactions are considered, \$47,470

(2021 - \$101,232) for Class A and \$6,824 (2021 - \$nil) for Class R of these cash, long-term, and short-term investment balances are available for investment in venture transactions. A relatively large cash balance must be maintained to support follow on investments with the Fund's portfolio of investee companies. Lastly, a reserve is maintained to satisfy potential redemption requests related to shares that have matured, but which remain outstanding.

The loan receivable attributable to Class A shares decreased to \$7,792 (2021 - \$9,073) at August 31, 2022 and the loan receivable attributable to Class R shares decreased to \$572 (2021 - \$808). The loan receivable is due from Conexus Credit Union which was the party responsible for administering and paying the base and additional commissions to the Fund's agent and subagents. The loan decreases as Conexus makes annual repayments.

The accrued provision for incentive participation amount in Class A decreased to \$42,668 (2021 - \$43,406) and increased



**INVESTEE HIGHLIGHT**  
**PRAIRIE SOIL SERVICES INC.**

**SECTOR: VALUE-ADDED AG**

Prairie Soil Services provides a variety of value-added services to farming operations in the Yorkton/Canora area, working alongside producers to streamline their input purchases and establish efficiencies in accounting and seeding processes.

## MANAGEMENT REPORT OF FUND PERFORMANCE (CONTINUED)

in Class R to \$13,234 (2021 - \$6,543)

These changes are due to the performance of the portfolio over the year ended August 31, 2022, and the payment to the fund manager in September 2021 of a portion of the accrued bonus that pertained to realized gains occurring in the 2021 fiscal year. Of the incentive participation amount at August 31, 2022, \$8,646 (Class A) and \$2,481 (Class R) relates to profitably exited investments which meet the incentive participation amount criteria. The balance is an accrual amount dependent on the future carrying values and performance of the remaining venture investment portfolio.

Proceeds from the issuance of Class A Series A shares were \$27,027 during the year ending August 31, 2022, an 18% decrease over the same period in 2021. Effective June 1, 2022, Class A Series A shares were no longer available for sale. Proceeds on the issue of Class A Series B shares, a new offering in 2022, were \$4,039 and proceeds on the issue of Class A Series F shares were \$3,225 (2021 - \$2,860)

Proceeds from the issuance of Class R Series A shares were \$881 during the year ending August 31, 2022, a 10% decrease over 2021. Effective June 1, 2022 Class R Series A shares were no longer available for sale. Proceeds on the issue of Class R Series B shares, a new offering in 2022, were \$203. Proceeds on issue of Class R Series F were \$40 (2021 - \$36) for the same period.

Redemptions of Class A Series A shares were \$49,703 during the year ending August 31, 2022, compared to \$56,177 during the same period in 2021. Redemptions of Class A Series F shares were \$184 (2021 - \$49) during the period.

Redemptions of Class R Series A shares were \$9,915 during the year ending August 31, 2022, as compared to \$9,064 for the same period in 2021.

As in past years, a significant portion of the shareholders who redeemed shares during the period re-invested in the Fund.

The Fund's revenues related to Class A shares increased from \$11,324 for the year ended August 31, 2021, to \$12,512 for the same period in 2022. As a component of revenues, income from the Fund's venture investments increased from \$8,750 to \$10,338 for Class A shares.

Revenues related to Class R shares increased from \$195 in 2021 to \$1,120 in 2022. As a component of revenues, income from venture investments increased from \$122 to \$948 for Class R shares over the reporting period. The increase in income from venture investments in Class A and Class R was a result of a change in the number of income-producing investments in the portfolio as well as the magnitude of payments from some investments.

The expenses of the Fund, excluding incentive participation amount, related to Class A shares increased from \$15,653 for the year ended August 31, 2021, to \$17,329 in 2022

Expenses, excluding incentive participation amount, related to Class R shares increased from \$1,819 in 2021 to \$2,181 in 2022.

Most of the Fund's recurring expenses are a function of amount of net assets throughout the year or the level of share activity during the year. As net assets and/or share activity increase or decrease so to do those recurring expenses increase or decrease.

The net investment loss of the Fund attributable to Class A shares for the year, before gains and losses on dispositions of venture investments, net changes in unrealized appreciation on venture investments and provision for incentive participation amount, was \$5,250 (2021 - \$5,241). Once gains and losses on

dispositions of venture investments, the net change in unrealized appreciation on venture investments, and the provision for incentive participation amount is considered, the Class A shares had an increase in net assets from operations for the year of \$42,890 (2021 - \$36,279). The comparative period in 2022 featured significantly more unrealized appreciation than the same period in 2021 as the investment portfolio benefited from a strong Saskatchewan economy

The net investment loss of the Fund attributable to Class R shares for the year, before gains and losses on dispositions of venture investments, net changes in unrealized appreciation on venture investments and provision for incentive participation amount, was \$1,061 (2021 - \$1,643). When gains and losses on dispositions of venture investments, the net change in unrealized appreciation on venture investments, and the provision for incentive participation amount are considered, the Class R shares had an increase in net assets attributable to the R shares from operations for the year of \$25,850 (2021 - \$12,731). This increase is attributable to significantly more appreciation on the investment portfolio as investee companies benefited from a strong Saskatchewan economy and net gains on the disposition of venture investments.

### RECENT DEVELOPMENTS

(in thousands of dollars)

At the Fund's Annual General Meeting of Shareholders held on December 17, 2021, the Fund's sponsor, as the holder of the Class B shares, resolved to re-elect Ron Carlson and Dave Meyers as directors, each for a three-year term. The holders of Class A and R shares resolved to re-elect Doug Frondall as directors, each for a three-year term.

National Instrument 81-107 ("NI 81-107") requires an Independent Review Committee

to be established which is mandated to review conflict of interest situations which may arise for a fund manager, particularly in cases where management involves different segments within a fund and/or management of related funds.

In accordance with NI 81-107, the initial members of the Independent Review Committee were appointed by SaskWorks by May 1, 2007, and full compliance with NI 81-107 was achieved by November 1, 2007. Effective May 1, 2007, the Manager established an Independent Review Committee comprised of three independent and unrelated persons, appointed on a rotating term basis. The three members of the Independent Review Committee are Berny Gross, of Regina, Saskatchewan, an entrepreneur, and owner of a mechanical contracting company, (term expires November 2022); William Johnson, Q.C., B.A., LL.B., B.C.L. (OXON), lawyer and partner of the law firm of Gerrand Rath Johnson of Regina, Saskatchewan (term expires November 2023); and Douglas Johnson, CPA, CA,

of Regina, Saskatchewan (term expires November 2023).

The Independent Review Committee is responsible to report annually to shareholders and an annual committee report is required to be filed on SEDAR. This annual committee report was made available to shareholders following the August 31, 2021, fiscal year end.

Amendments to National Instrument 81-105, Mutual Fund Sales Practises, were effective June 1, 2022. The primary change was the discontinuance of embedded sales commissions on all Canadian mutual funds. As a result, sales of Class A Series A and Class B Series B were discontinued effective that date. In December, 2021, SaskWorks introduced Class A Series B and Class R Series B shares to support the regulatory change.

The Provincial Government continues its support for the labour-sponsored program in Saskatchewan, with the provincial tax credit at 17.5% and a maximum annual sales cap of \$35,000. The federal tax credit remains at 15%.

### RELATED PARTY TRANSACTIONS

(in thousands of dollars)

PFM Venture Capital Operations Inc., the manager of the Fund, was paid \$10,374 (2021 - \$9,674) in management fees, including applicable taxes, related to Class A shares during the year ended August 31, 2022. In addition, the provision for the incentive participation amount payable to the manager, subject to the fulfillment of specific payment criteria, decreased \$738 related to Class A shares, to a total provision, including applicable taxes, of \$42,668 in Class A.

PFM Venture Capital Operations Inc. was paid \$1,422 (2021 - \$1,055) in management fees, including applicable taxes, related to Class R during the year ended August 31, 2022. In addition, the provision for the incentive participation amount payable to the manager, subject to the fulfillment of specific payment criteria, increased \$6,691 related to Class R shares for the 2022 fiscal year, to a total provision, including applicable taxes, \$13,234 in Class R.

# We're going green.

SaskWorks continues to offer paperless delivery of fund documents. Sign up for electronic delivery of materials and access all of your SaskWorks information using your Shareholder Portal at [saskworks.ca](https://saskworks.ca).



Scan the QR code to go paperless today!



## FINANCIAL HIGHLIGHTS

(in thousands of dollars except number of shares and per share amounts)

The following tables show selected key financial information about the Fund's share class series and are intended to help you understand the Fund's annual (or interim if indicated) financial performance for the past five years. This information is derived from the Fund's annual audited or interim financial statements.

### The Fund's Net Assets per Class A Shares

Series A	2022	2021	2020	2019	2018
Net Assets, beginning of period <sup>(1)</sup>	\$ 22.03	\$ 19.99	\$ 21.07	\$ 20.79	\$ 18.24
<b>Increase (decrease) from operations:</b> <sup>(2)</sup>					
Total revenue	\$ 0.72	\$ 0.62	\$ 0.67	\$ 0.60	\$ 0.65
Total expenses	\$ (1.78)	\$ (1.46)	\$ (0.88)	\$ (1.19)	\$ (1.84)
Realized gains (losses) for the period	\$ 1.63	\$ 2.02	\$ 0.64	\$ 0.61	\$ 3.97
Unrealized gains (losses) for the period	\$ 1.89	\$ 0.79	\$ (1.48)	\$ 0.26	\$ (0.24)
<b>Total increase (decrease) from operations</b>	<b>\$ 2.46</b>	<b>\$ 1.97</b>	<b>\$ (1.05)</b>	<b>\$ 0.28</b>	<b>\$ 2.54</b>
<b>Net Assets, end of period</b> <sup>(1)</sup>	<b>\$ 24.52</b>	<b>\$ 22.03</b>	<b>\$ 19.99</b>	<b>\$ 21.07</b>	<b>\$ 20.79</b>

Series B	2022	2021	2020	2019	2018
Net Assets, beginning of period <sup>(1)</sup>	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Increase (decrease) from operations:</b> <sup>(2)</sup>					
Total revenue	\$ 1.56	\$ -	\$ -	\$ -	\$ -
Total expenses	\$ (3.87)	\$ -	\$ -	\$ -	\$ -
Realized gains (losses) for the period	\$ 3.55	\$ -	\$ -	\$ -	\$ -
Unrealized gains (losses) for the period	\$ 4.11	\$ -	\$ -	\$ -	\$ -
<b>Total increase (decrease) from operations</b>	<b>\$ 5.35</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Net Assets, end of period</b> <sup>(1)</sup>	<b>\$ 25.51</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

Series F	2022	2021	2020	2019	2018
Net Assets, beginning of period <sup>(1)</sup>	\$ 25.00	\$ 22.23	\$ 23.04	\$ 22.20	\$ 18.96
<b>Increase (decrease) from operations:</b> <sup>(2)</sup>					
Total revenue	\$ 1.03	\$ 0.96	\$ 0.63	\$ 2.21	\$ 0.80
Total expenses	\$ (2.54)	\$ (2.26)	\$ (0.83)	\$ (4.43)	\$ (2.26)
Realized gains (losses) for the period	\$ 2.33	\$ 3.14	\$ 0.61	\$ 2.28	\$ 4.88
Unrealized gains (losses) for the period	\$ 2.70	\$ 1.24	\$ (1.40)	\$ 0.96	\$ (0.29)
<b>Total increase (decrease) from operations</b>	<b>\$ 3.52</b>	<b>\$ 3.08</b>	<b>\$ (0.99)</b>	<b>\$ 1.02</b>	<b>\$ 3.13</b>
<b>Net Assets, end of period</b> <sup>(1)</sup>	<b>\$ 28.42</b>	<b>\$ 25.00</b>	<b>\$ 22.23</b>	<b>\$ 23.04</b>	<b>\$ 22.20</b>

<sup>(1)</sup> This information is derived from the Fund's audited annual and unaudited interim (if applicable) financial statements. Class A Series B shares were first offered for sale in December 2021 and sold in December 2021.

<sup>(2)</sup> Net assets is based on the actual number of shares outstanding at the relevant time. The increase from operations is based on the weighted average number of shares outstanding over the financial period.

### Ratios and Supplemental Data - Class A Shares

Series A	2022	2021	2020	2019	2018
Total net asset value (000's) <sup>(1)</sup>	\$ 386,589	\$ 368,742	\$ 357,227	\$ 391,481	\$ 395,181
Number of shares outstanding <sup>(1)</sup>	15,765,271	16,739,497	17,869,854	18,576,382	19,006,174
Management expense ratio <sup>(2)</sup>	7.91%	7.27%	4.29%	6.06%	9.29%
Management expense ratio excluding IPA <sup>(3)</sup>	4.42%	4.27%	4.29%	4.22%	4.25%
Trading expense ratio <sup>(6)</sup>	0.00%	0.00%	0.00%	0.01%	0.07%
Net asset value per share	\$ 24.52	\$ 22.03	\$ 19.99	\$ 21.07	\$ 20.79

Series B	2022	2021	2020	2019	2018
Total net asset value (000's) <sup>(1)</sup>	\$ 4,216	\$ -	\$ -	\$ -	\$ -
Number of shares outstanding <sup>(1)</sup>	165,292	-	-	-	-
Management expense ratio <sup>(2)</sup>	7.62%	-	-	-	-
Management expense ratio excluding IPA <sup>(3)</sup>	4.26%	-	-	-	-
Management expense ratio before waiver <sup>(4)</sup>	37.40%	-	-	-	-
Management expense ratio before waiver and excluding IPA <sup>(5)</sup>	34.05%	-	-	-	-
Trading expense ratio <sup>(6)</sup>	0.00%	-	-	-	-
Net asset value per share	\$ 25.51	\$ -	\$ -	\$ -	\$ -

Series F	2022	2021	2020	2019	2018
Total net asset value (000's) <sup>(1)</sup>	\$ 19,364	\$ 14,142	\$ 9,814	\$ 8,131	\$ 5,756
Number of shares outstanding <sup>(1)</sup>	681,319	565,649	441,402	352,955	259,165
Management expense ratio <sup>(2)</sup>	5.90%	5.81%	3.10%	5.26%	7.82%
Management expense ratio excluding IPA <sup>(3)</sup>	3.24%	3.33%	3.10%	3.64%	3.53%
Trading expense ratio <sup>(6)</sup>	0.00%	0.00%	0.00%	0.01%	0.07%
Net asset value per share	\$ 28.42	\$ 25.00	\$ 22.23	\$ 23.04	\$ 22.20

<sup>(1)</sup> This information is provided as at end of fiscal period shown. Series B shares were first offered for sale and sold in December 2021.

<sup>(2)</sup> Management expense ratio is based on total expenses for the stated period and is expressed as an annualized percentage (Series A & F - 52 weeks, Series B - 36 weeks) of average weekly net asset value during the period.

<sup>(3)</sup> Management expense ratio excluding Incentive Participation Amount (IPA) is based on total expenses, less incentive participation amount, for the stated period and is expressed as an annualized percentage of average weekly net asset value during the period.

<sup>(4)</sup> Management expense ratio before waiver is based on total expenses before agent's 1% commission waived for the stated period and is expressed as an annualized percentage of average weekly net asset value during the period.

<sup>(5)</sup> Management expense ratio before waiver and excluding Incentive Participation Amount (IPA) is based on total expenses before agent's 1% commission waived, less incentive participation amount, for the stated period and is expressed as an annualized percentage of average weekly net asset value during the period.

<sup>(6)</sup> The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of weekly average net asset value during the period.



MANAGEMENT REPORT OF FUND PERFORMANCE (CONTINUED)

**The Fund's Net Assets per Class R Shares**

<b>Series A</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>
Net Assets, beginning of period <sup>(1)</sup>	\$ 12.93	\$ 9.46	\$ 11.65	\$ 11.57	\$ 11.43
<b>Increase (decrease) from operations:</b> <sup>(2)</sup>					
Total revenue	\$ 0.34	\$ 0.05	\$ 0.14	\$ 0.18	\$ 0.16
Total expenses	\$ (2.70)	\$ (1.38)	\$ (0.14)	\$ (0.76)	\$ (0.85)
Realized (losses) gains for the period	\$ 2.16	\$ (0.48)	\$ -	\$ 1.45	\$ (0.32)
Unrealized gains (losses) for the period	\$ 8.07	\$ 4.99	\$ (2.02)	\$ (0.79)	\$ 1.15
<b>Total increase (decrease) from operations</b>	<b>\$ 7.87</b>	<b>\$ 3.18</b>	<b>\$ (2.02)</b>	<b>\$ 0.08</b>	<b>\$ 0.14</b>
<b>Net Assets, end of period</b> <sup>(1)</sup>	<b>\$ 21.07</b>	<b>\$ 12.93</b>	<b>\$ 9.46</b>	<b>\$ 11.65</b>	<b>\$ 11.57</b>

<b>Series B</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>
Net Assets, beginning of period <sup>(1)</sup>	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Increase from operations:</b> <sup>(2)</sup>					
Total revenue	\$ 0.53	\$ -	\$ -	\$ -	\$ -
Total expenses	\$ (4.21)	\$ -	\$ -	\$ -	\$ -
Realized (losses) gains for the period	\$ 3.37	\$ -	\$ -	\$ -	\$ -
Unrealized gains for the period	\$ 12.56	\$ -	\$ -	\$ -	\$ -
<b>Total increase increase from operations</b>	<b>\$ 12.25</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Net Assets, end of period</b> <sup>(1)</sup>	<b>\$ 23.21</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

<b>Series F</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>
Net Assets, beginning of period <sup>(1)</sup>	\$ 13.53	\$ 10.45	\$ 12.16	\$ 11.96	\$ 11.73
<b>Increase (decrease) from operations:</b> <sup>(2)</sup>					
Total revenue	\$ 0.34	\$ 0.05	\$ 0.13	\$ 0.54	\$ 0.26
Total expenses	\$ (2.70)	\$ (1.53)	\$ (0.13)	\$ (2.29)	\$ (1.40)
Realized (losses) gains for the period	\$ 2.16	\$ (0.53)	\$ -	\$ 4.34	\$ (0.53)
Unrealized gains (losses) for the period	\$ 8.07	\$ 5.53	\$ (1.82)	\$ (2.35)	\$ 1.89
<b>Total increase (decrease) increase from operations</b>	<b>\$ 7.87</b>	<b>\$ 3.52</b>	<b>\$ (1.82)</b>	<b>\$ 0.24</b>	<b>\$ 0.22</b>
<b>Net Assets, end of period</b> <sup>(1)</sup>	<b>\$ 21.37</b>	<b>\$ 13.53</b>	<b>\$ 10.45</b>	<b>\$ 12.16</b>	<b>\$ 11.96</b>

<sup>(1)</sup> This information is derived from the Fund's audited annual and unaudited interim (if applicable) financial statements. Class R Series B shares were first offered for sale in December 2021 and sold in January 2022.

<sup>(2)</sup> Net assets is based on the actual number of shares outstanding at the relevant time. The increase (decrease) from operations is based on the weighted average number of shares outstanding over the financial period.

**Ratios and Supplemental Data - Class R Shares**

<b>Series A</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>
Total net asset value (000's) <sup>(1)</sup>	\$ 61,612	\$ 44,954	\$ 40,352	\$ 61,118	\$ 70,004
Number of shares outstanding <sup>(1)</sup>	2,923,856	3,477,145	4,266,594	5,245,264	6,052,222
Management expense ratio <sup>(2)</sup>	16.35%	13.70%	1.40%	6.82%	7.50%
Management expense ratio excluding IPA <sup>(3)</sup>	4.02%	4.52%	4.71%	4.69%	4.85%
Trading expense ratio <sup>(6)</sup>	0.00%	0.00%	0.00%	0.03%	0.08%
Net asset value per share	\$ 21.07	\$ 12.93	\$ 9.46	\$ 11.65	\$ 11.57

<b>Series B</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>
Total net asset value (000's) <sup>(1)</sup>	\$ 225	\$ -	\$ -	\$ -	\$ -
Number of shares outstanding <sup>(1)</sup>	9,694	-	-	-	-
Management expense ratio <sup>(2)</sup>	16.83%	-	-	-	-
Management expense ratio excluding IPA <sup>(3)</sup>	4.20%	-	-	-	-
Management expense ratio before waiver <sup>(4)</sup>	61.82%	-	-	-	-
Management expense ratio before waiver and excluding IPA <sup>(5)</sup>	49.19%	-	-	-	-
Trading expense ratio <sup>(6)</sup>	0.00%	-	-	-	-
Net asset value per share	\$ 23.21	\$ -	\$ -	\$ -	\$ -

<b>Series F</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>
Total net asset value (000's) <sup>(1)</sup>	\$ 394	\$ 218	\$ 135	\$ 135	\$ 78
Number of shares outstanding <sup>(1)</sup>	18,436	16,117	12,912	11,072	6,582
Management expense ratio <sup>(2)</sup>	12.88%	10.97%	1.00%	5.51%	5.89%
Management expense ratio excluding IPA <sup>(3)</sup>	3.14%	3.49%	3.27%	3.80%	3.81%
Trading expense ratio <sup>(6)</sup>	0.00%	0.00%	0.00%	0.03%	0.08%
Net asset value per share	\$ 21.37	\$ 13.53	\$ 10.45	\$ 12.16	\$ 11.96

<sup>(1)</sup> This information is provided as at end of fiscal period shown. Series B shares were first offered for sale in December 2021 and sold in January 2022.

<sup>(2)</sup> Management expense ratio is based on total expenses for the stated period and is expressed as an annualized percentage (Series A & F - 52 weeks, Series B - 33 weeks) of average weekly net asset value during the period.

<sup>(3)</sup> Management expense ratio excluding Incentive Participation Amount (IPA) is based on total expenses, less incentive participation amount, for the stated period and is expressed as an annualized percentage of average weekly net asset value during the period.

<sup>(4)</sup> Management expense ratio before waiver is based on total expenses before agent's 1% commission waived for the stated period and is expressed as an annualized percentage of average weekly net asset value during the period.

<sup>(5)</sup> Management expense ratio before waiver and excluding Incentive Participation Amount (IPA) is based on total expenses before agent's 1% commission waived, less incentive participation amount, for the stated period and is expressed as an annualized percentage of average weekly net asset value during the period.

<sup>(6)</sup> The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of weekly average net asset value during the period.

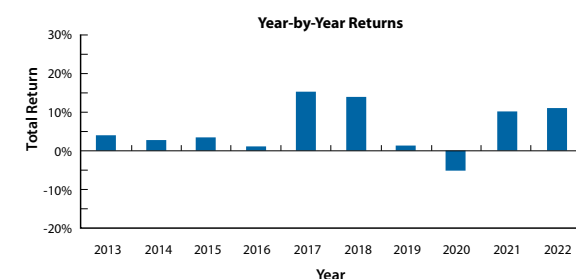
## MANAGEMENT REPORT OF FUND PERFORMANCE (CONTINUED)

### MANAGEMENT FEES

The manager (PFM Venture Capital Operations Inc.), as compensation to manage and administer the business affairs of SaskWorks, including management of its' venture investment portfolio, receives an annual management fee equal to 2.5% of the aggregate net asset value of the Class A Series A, Class A Series F, Class R Series A and Class R Series F shares, as at each weekly valuation date. The fee is calculated and payable monthly in arrears.

The manager is also entitled to an incentive participation amount, subject to satisfying certain conditions, equal to 20% of the return, before expenses, based on realized gains and cumulative performance of individual venture investments. An incentive participation amount is due only upon realization of an individual venture investment and payable on an annual basis.

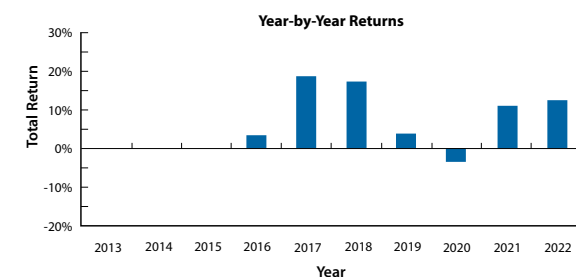
#### Class A Series A Shares



#### Class A Series B Shares <sup>(1)</sup>

<sup>(1)</sup> Class A Series B shares were first available for sale in December 2021. As a result, 12 months of data is not available to calculate annual returns. August 31, 2022 year to date returns are 10.78%.

#### Class A Series F Shares



Class A Series F shares were first available for sale beginning January 1, 2016.

### PAST PERFORMANCE

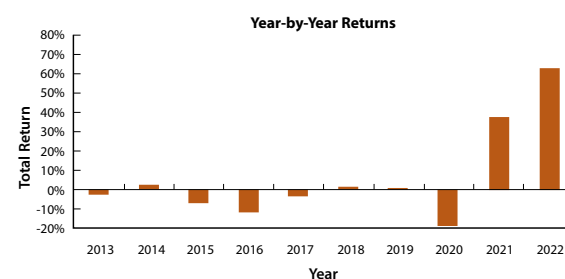
#### General

The past performance of the Fund does not necessarily indicate how the Fund will perform in the future

The following charts illustrate:

- ▶ the annualized performance of each series of class of shares for the periods shown, and how the series' performance has changed from period to period (September 1 to August 31 or September 1 to February 28/29 for interim); and
- ▶ in percentage terms, how much an investment made in each series of shares on the first day of each fiscal period (September 1) would have increased or decreased by the last day of the fiscal period (August 31 or February 28/29 for interim).

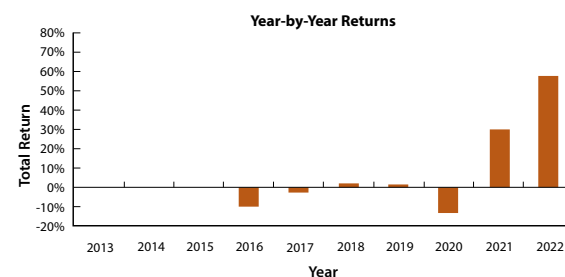
#### Class R Series A Shares



#### Class R Series B Shares <sup>(2)</sup>

<sup>(2)</sup> Class R Series B shares were first available for sale in December 2021. As a result, 12 months of data is not available to calculate annual returns. August 31, 2022 year to date returns are 51.25%.

#### Class R Series F Shares



Class R Series F shares were first available for sale beginning January 1, 2016.

### ANNUAL COMPOUND RETURNS

The table below shows the annual compound returns of the Fund for varying time periods for each of the years since the inception of the Fund. The Canadian Investment Funds Standards Committee ("CIFSC") Retail Venture Capital Index is used as a reference. Funds in the Retail Venture Capital Index include but are not limited to Labour Sponsored Investment Funds (LSIF) and other related funds that receive special tax benefits for investing in Canadian venture capital.

Class A Series A	2022	2021	2020	2019	2018
One year	11.32%	10.19%	(5.14%)	1.36%	13.97%
Three year	5.18%	1.94%	3.09%	10.03%	9.95%
Five year	6.09%	6.84%	5.03%	6.87%	7.17%
Ten year	5.66%	4.54%	4.17%	5.16%	5.02%
Since inception	4.16%	3.83%	3.52%	4.00%	4.15%

#### Class A Series B <sup>(1)</sup>

Class A Series F <sup>(2)</sup>	2022	2021	2020	2019	2018
One year	13.67%	12.45%	(3.49%)	3.75%	17.09%
Three year	7.25%	4.04%	5.45%	12.90%	12.34%
Five year	8.43%	9.33%	7.26%		
Since inception	8.89%	8.11%			

#### Class R Series A

One year	62.99%	36.69%	(18.83%)	0.74%	1.24%
Three year	21.83%	3.78%	(6.10%)	(0.56%)	(5.09%)
Five year	13.02%	1.76%	(6.91%)	(4.08%)	(3.83%)
Ten year	3.91%	(1.74%)	(3.77%)	(0.99%)	(0.75%)
Since inception	4.48%	1.62%	(0.37%)	1.10%	1.13%

#### Class R Series B <sup>(1)</sup>

Class R Series F <sup>(2)</sup>	2022	2021	2020	2019	2018
One year	57.95%	29.47%	(14.02%)	1.62%	2.02%
Three year	20.70%	4.20%	(3.76%)	0.34%	(2.38%)
Five year	12.76%	2.37%	(4.06%)		
Since inception	7.53%	0.86%			

#### CIFSC Retail Venture Capital Index <sup>(3)</sup>

One year	0.20%	3.37%	(27.53%)	(9.57%)	(1.67%)
Three year	(3.93%)	(4.85%)	(13.53%)	(5.08%)	(2.88%)
Five year	(2.31%)	(1.88%)	(11.53%)	(8.62%)	(7.14%)
Ten year	(2.41%)	(1.96%)	(7.12%)	(7.60%)	(8.24%)

<sup>(1)</sup> Class A Series B and Class R Series B were first available for sale in December 2021. As a result, 12 months of performance data is not available for fiscal 2022. YTD returns for Class A Series A is 10.78% and 51.25% for Class R Series B.

<sup>(2)</sup> Class A Series F and Class R Series F were first offered for sale beginning January 1, 2016.

<sup>(3)</sup> Average return of the CIFSC Retail Venture Capital Index combining Retail Venture Capital Funds



## MANAGEMENT REPORT OF FUND PERFORMANCE (CONTINUED)

### SUMMARY OF INVESTMENT PORTFOLIO

(in thousands of dollars)

The table below summarizes the 25 largest investment holdings of the Fund's Class A Shares.

Investee	Coupon	Description of Security/Maturity	Investment at cost	% of net asset value
1 Steel Reef Infrastructure Fund		Class A common, voting shares	\$ 39,690	9.68%
2 GHC Systems Inc.		Class A common, voting shares	15,330	3.74%
3 Auctus Property Fund LP		Partnership units	14,845	3.62%
4 All-Fab Building Components Inc.		Class A common, voting shares	11,685	2.85%
5 Hi-Tec Profiles Inc.		Class A common, voting shares	11,404	2.78%
6 TAM International Inc.		Class A common, voting shares	8,770	2.14%
7 James Hill Road Villa LP		Partnership units	7,208	1.76%
8 Vendasta Technologies Inc.		Preferred shares	6,664	1.62%
9 James Hill Road Villa LP	4.05%	Term loan	5,429	1.32%
10 New Community Credit Union Term Deposit	1.50%	10-Jan-23	5,331	1.30%
11 Weyburn Credit Union Term Deposit	1.10%	28-Mar-22	5,000	1.22%
12 Concentra Bank Term Deposit	1.26%	26-Apr-22	5,000	1.22%
13 Conexus Credit Union Term Deposit	2.00%	13-Jun-22	5,000	1.22%
14 Affinity Credit Union Term Deposit	1.15%	18-Aug-22	5,000	1.22%
15 Affinity Credit Union Term Deposit	1.15%	18-Aug-22	5,000	1.22%
16 Affinity Credit Union Term Deposit	1.25%	14-Sep-22	5,000	1.22%
17 Concentra Bank Term Deposit	1.35%	26-Oct-22	5,000	1.22%
18 Affinity Credit Union Term Deposit	1.50%	23-Nov-22	5,000	1.22%
19 Affinity Credit Union Term Deposit	1.20%	16-Dec-22	5,000	1.22%
20 Concentra Bank Term Deposit	1.51%	6-Mar-23	5,000	1.22%
21 TCU Financial Group Credit Union Term Deposit	1.60%	27-Mar-23	5,000	1.22%
22 TCU Financial Group Credit Union Term Deposit	1.40%	13-Apr-23	5,000	1.22%
23 Affinity Credit Union Term Deposit	2.00%	23-Jun-23	5,000	1.22%
24 TCU Financial Group Credit Union Term Deposit	1.45%	2-Sep-23	5,000	1.22%
25 Affinity Credit Union Term Deposit	1.45%	14-Sep-23	5,000	1.22%
			<b>\$ 201,356</b>	<b>49.11%</b>

The following table provides a breakdown of the Fund's Class A Shares venture investment portfolio by industry sector.

Sector	Cost	% of Venture Portfolio
Energy	\$ 64,506	30.98%
Industrials, Information Technology, Telecommunications and Consumer Staples	70,833	34.02%
Real Estate	32,799	15.76%
Consumer Discretionary	40,061	19.24%
	<b>\$ 208,199</b>	<b>100.00%</b>

The table below summarizes the investment holdings of the Fund's Class R Shares.

Investee	Coupon	Description of Security/Maturity	Investment at cost	% of net asset value
1 Avalon Oil & Gas Ltd.		Class A common, voting shares	\$ 5,670	9.11%
2 Stampede Drilling Inc.		Class A common, voting shares	4,735	7.61%
3 Surge Energy Inc.		Class A common, voting shares	4,459	7.17%
4 Steel Reef Infrastructure Fund		Class A common, voting shares	3,735	6.00%
5 Karve Energy Inc.		Class A common, voting shares	2,300	3.70%
6 Chronos Resources Ltd.		Class A common, voting shares	1,474	2.37%
7 Burgess Creek Exploration Inc.		Class A common, voting shares	1,430	2.30%
8 Sun Country Well Servicing Inc.		Class A common, voting shares	976	1.57%
9 TAM International Inc.		Class A common, voting shares	186	0.30%
10 Gidon Royalty Coirp.		Class A common, voting shares	74	0.12%
11 Spur Petroleum Ltd.		Class A common, voting shares	1	0.00%
			<b>\$ 25,040</b>	<b>40.25%</b>

The following table provides a breakdown of the Fund's Class R Shares venture investment portfolio by industry sector.

Sector	Cost	% of Venture Portfolio
Energy	\$ 25,040	100.00%
	<b>\$ 25,040</b>	<b>100.00%</b>

## MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

To the Shareholders of **SaskWorks Venture Fund Inc.**:

The accompanying financial statements of **SaskWorks Venture Fund Inc.** (the "Fund") and other financial information contained in the annual report are the responsibility of management. The financial statements have been prepared by management based on the information available to October 13, 2022, are in accordance with International Financial Reporting Standards, and reflect management's best estimates and judgments.

Management has established systems of internal controls which are designed to provide reasonable assurance those assets are safeguarded from loss or unauthorized use and to produce reliable accounting records for the preparation of financial information.

The Board of Directors discharges its responsibility for the financial statements primarily through the activities of the Audit and Valuation Committee (the "Committee"), which is comprised of members of the Board of Directors.

The Fund determines the value of its Class A Series A, Class A Series B, Class A Series F, Class R Series A, Class R Series B, and Class R Series F shares on an annual basis by means of a valuation that is reviewed by the Fund's external auditors.

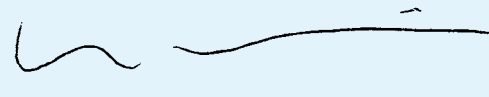
The Committee meets with management and the external auditors to discuss the results of the valuation and the audit examination with respect to the adequacy of internal controls and to review the financial statements of the Fund. The Committee also considers, for review by the Board of Directors and approval by the shareholders, the engagement or reappointment of the external auditors.

The accompanying financial statements have been approved by the Board of Directors and have been audited by MNP LLP, Chartered Professional Accountants. The auditors' report outlines the scope of their audit and their opinion on the financial statements.

October 13, 2022



Randy Beattie  
President and Chief Executive Officer



Rob Duguid  
Chief Financial Officer and  
Corporate Secretary

## INDEPENDENT AUDITORS' REPORT

### Independent Auditors' Report

To the Shareholders of SaskWorks Ventures Fund Inc.:

### Opinion

We have audited the financial statements of SaskWorks Venture Fund Inc. (the "Fund"), which comprise, for both Class A and Class R shares, the statements of financial position as at August 31, 2022 and August 31, 2021, and the statements of comprehensive income, changes in net assets attributable to holders of redeemable shares and cash flows for the years then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at August 31, 2022 and August 31, 2021, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards.

### Basis for Opinion

We conducted our audits in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audits of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report and management report of fund performance, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audits of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audits or otherwise appears to be materially misstated.

When we read the annual report report and management report of fund performance, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

### Responsibilities of Management and Those Charged with Governance for the Financial Statements

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

## INDEPENDENT AUDITORS' REPORT (CONTINUED)

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

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

### Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Regina, Saskatchewan  
October 13, 2022

**MNP LLP**

Chartered Professional Accountants

SASKWORKS VENTURE FUND INC.  
(Incorporated under the laws of Saskatchewan)

## STATEMENTS OF FINANCIAL POSITION - CLASS A

As at August 31

(in thousands of dollars except number of shares and per share amounts)

	2022	2021
<b>Assets</b>		
Cash	\$ 80,913	\$ 77,913
Accounts receivable and accrued income	3,393	3,169
Other assets	80	80
Short-term investments	45,331	55,000
Long-term investments	10,000	20,000
Venture investments (Note 5)	308,264	263,933
Loan receivable (Note 6)	7,792	9,073
	<b>455,773</b>	<b>429,168</b>
<b>Liabilities</b>		
Accrued provision for incentive participation amount	42,668	43,406
Accounts payable and accrued liabilities	2,936	2,878
	<b>45,604</b>	<b>46,284</b>
<b>Net assets attributable to holders of redeemable shares</b>	<b>\$ 410,169</b>	<b>\$ 382,884</b>
<b>Redeemable shares outstanding (Note 7)</b>		
Series A	15,765,271	16,739,497
Series B	165,292	-
Series F	681,319	565,649
<b>Net assets attributable to holders of redeemable shares</b>		
Series A	\$ 386,589	368,742
Series B	4,216	-
Series F	19,364	14,142
<b>Net assets attributable to holders of redeemable shares per share</b>		
Series A	\$ 24.52	22.03
Series B	25.51	-
Series F	28.42	25.00

Commitments (Note 15)

See accompanying notes to the financial statements

On behalf of the Board:

Director

Director



## STATEMENTS OF COMPREHENSIVE INCOME - CLASS A

For the Years Ended August 31

(in thousands of dollars except per share amounts)

	2022	2021
<b>Income</b>		
Investment income - Dividends and distributions	\$ 7,077	\$ 6,068
Investment income - Interest	3,261	2,682
Interest income - Cash, long-term, and short-term investments	2,132	2,548
Other income	42	26
	<u>12,512</u>	<u>11,324</u>
<b>Expenses</b>		
Management fees (Note 8)	10,374	9,674
Service fees	3,080	2,433
Trailer commissions	1,899	1,781
Shareholder recordkeeping and marketing	832	821
Provision for incentive participation amount (Note 8)	433	912
Legal fees	306	105
Shareholder reporting	254	239
Professional fees	232	282
Custodial fees	109	129
Directors fees and expenses	89	74
Audit fees	82	66
Other	68	47
Independent review committee fees	4	2
	<u>17,762</u>	<u>16,565</u>
<b>Net investment loss</b>	(5,250)	(5,241)
Realized gain on disposition of venture investments	34,723	59,161
Realized loss on disposition of venture investments	(6,278)	(22,087)
Net change in unrealized appreciation of venture investments	32,937	14,577
Provision for incentive participation amount (Note 8)	(13,242)	(10,131)
	<u>42,890</u>	<u>36,279</u>
<b>Increase in net assets attributable to holders of redeemable shares from operations</b>	\$ 42,890	\$ 36,279
<b>Increase in net assets attributable to holders of redeemable shares from operations</b>		
Series A	\$ 40,523	34,759
Series B	186	-
Series F	2,181	1,520
<b>Increase in net assets attributable to holders of redeemable shares from operations per average share outstanding</b>		
Series A	\$ 2.49	2.01
Series B	2.25	-
Series F	3.50	3.02

See accompanying notes to the financial statements

## STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE SHARES - CLASS A

For the Years Ended August 31

(in thousands of dollars)

	2022	2021
<b>Series A</b>		
<b>Operating activities</b>		
Increase in net assets attributable to holders of redeemable shares from operations	\$ 40,523	\$ 34,759
<b>Capital transactions</b>		
Proceeds on issue of shares	27,027	32,933
Redemption of shares	(49,703)	(56,177)
	<u>(22,676)</u>	<u>(23,244)</u>
<b>Increase in net assets attributable to holders of redeemable shares</b>	17,847	11,515
Net assets attributable to holders of redeemable shares, beginning	368,742	357,227
<b>Net assets attributable to holders of redeemable shares, ending</b>	<u>\$ 386,589</u>	<u>\$ 368,742</u>
<b>Series B</b>		
<b>Operating activities</b>		
Increase in net assets attributable to holders of redeemable shares from operations	\$ 186	-
<b>Capital transactions</b>		
Proceeds on issue of shares	4,039	-
Redemption of shares	(9)	-
	<u>4,030</u>	<u>-</u>
<b>Increase in net assets attributable to holders of redeemable shares</b>	4,216	-
Net assets attributable to holders of redeemable shares, beginning	-	-
<b>Net assets attributable to holders of redeemable shares, ending</b>	<u>\$ 4,216</u>	<u>\$ -</u>
<b>Series F</b>		
<b>Operating activities</b>		
Increase in net assets attributable to holders of redeemable shares from operations	\$ 2,181	\$ 1,520
<b>Capital transactions</b>		
Proceeds on issue of shares	3,225	2,860
Redemption of shares	(184)	(49)
	<u>3,041</u>	<u>2,811</u>
<b>Increase in net assets attributable to holders of redeemable shares</b>	5,222	4,331
Net assets attributable to holders of redeemable shares, beginning	14,142	9,811
<b>Net assets attributable to holders of redeemable shares, ending</b>	<u>\$ 19,364</u>	<u>\$ 14,142</u>

See accompanying notes to the financial statements

## STATEMENTS OF CASH FLOWS - CLASS A

For the Years Ended August 31

(in thousands of dollars)

	2022	2021
<b>Cash provided by (used in):</b>		
<b>Operating activities</b>		
Increase in net assets attributable to holders of redeemable shares from operations	\$ 42,890	\$ 36,279
Purchases of venture investments	(35,934)	(22,745)
Repayments from venture investments	413	202
Repayments on disposition of venture investments	18,470	19,207
Purchase of long-term and short-term investments	(35,331)	(45,000)
Matured long-term and short-term investments	55,000	52,000
Items not affecting cash:		
Realized gain on disposition of venture investments	(294)	-
Realized loss on disposition of venture investments	6,278	23,074
Net amortization of discount/premium on venture investment debt	(327)	(252)
Net change in unrealized appreciation of venture investments	(32,937)	(14,577)
Net change in balances other than cash and investments (Note 9)	377	8,254
	<b>18,605</b>	<b>56,442</b>
<b>Financing activities</b>		
Proceeds on issue of shares - Series A	27,027	32,933
Proceeds on issue of shares - Series B	4,039	-
Proceeds on issue of shares - Series F	3,225	2,860
Redemption of shares - Series A	(49,703)	(56,177)
Redemption of shares - Series B	(9)	-
Redemption of shares - Series F	(184)	(49)
	<b>(15,605)</b>	<b>(20,433)</b>
<b>Increase in cash</b>	<b>3,000</b>	<b>36,009</b>
Cash, beginning	77,913	41,904
<b>Cash, ending</b>	<b>\$ 80,913</b>	<b>\$ 77,913</b>

See accompanying notes to the financial statements

Interest received	\$ 2,248	\$ 1,982
Dividends received	1,312	1,701

## STATEMENT OF INVESTMENT PORTFOLIO - CLASS A SHARES

As at August 31, 2022 (in thousands of dollars)

Venture Investments					
Investee	Instrument	Interest Rate	Maturity Date	Outstanding at Cost	Fair Value
<b>Energy</b>					
Avalon Oil & Gas Ltd.	Class A common, voting shares			\$ 2,726	
	Subordinated loan			500	
Burgess Creek Exploration Inc.	Class A common, voting shares			1,430	
Chronos Resources Ltd.	Class A common, voting shares			3,300	
Gidon Royalty Corp.	Class A common, voting shares			151	
Karve Energy Inc.	Class A common, voting shares			2,300	
Stampede Drilling Inc.	Class A common, voting shares			1,729	
Spur Petroleum Ltd.	Class A common, voting shares			656	
Steel Reef Infrastructure Fund	Class A common, voting shares			39,690	
Surge Energy Inc.	Class A common, voting shares			3,254	
TAM International Inc.	Class A common, voting shares			8,770	
				<b>\$ 64,506</b>	<b>\$ 124,681</b>
<b>Real Estate</b>					
255 2nd Ave. North Properties Ltd.	Class A common, voting shares			\$ 590	
	Subordinated loan	8.75%	1-Sep-23	4,050	
Agco Ag Ventures LP	Partnership units			1,804	
Auctus Property Fund LP	Partnership units			14,845	
Foundation Developments Inc.	Class A common, voting shares			1,164	
	Subordinated loan	12.00%	1-Jun-22	3,990	
Parkside Townhomes	Class A common, voting shares			2,915	
Urban Heights Inc.	Preferred shares			911	
	Class A common, voting shares			2,530	
				<b>\$ 32,799</b>	<b>\$ 41,219</b>

## STATEMENT OF INVESTMENT PORTFOLIO - CLASS A SHARES (CONTINUED)

As at August 31, 2022 (in thousands of dollars)

Venture Investments					
Investee	Instrument	Interest Rate	Maturity Date	Outstanding at Cost	Fair Value
<b>Consumer Discretionary</b>					
Arctic Shelf Inc.	Convertible promissory note			\$ 108	
Biktrix Enterprises Inc.	Preferred shares			1,000	
	Subordinated loan	10.00%	7-Feb-26	1,137	
Cadence Final Documents Services Ltd.	Preferred shares			122	
Curbie Cars Inc.	Subordinated loan			43	
GHC Systems Inc.	Class A common, voting shares			15,330	
James Hill Road Villa LP	Partnership units			7,208	
	Subordinated loan	15.00%	1-Dec-22	1,751	
	Subordinated loan	2.45%	On demand	175	
	Subordinated loan	15.00%	On demand	196	
	Term loan	4.05%	On demand	5,429	
	Partnership units			2,669	
	Promissory note	0.00%	On demand	35	
	Promissory note	0.00%	On demand	946	
Paddock Wood Brewing Supplies Inc.	Term loan	11.00%	2-Dec-26	800	
Pines Power Sports & Marine Ltd.	Class A common, voting shares			300	
	Subordinated loan	12.00%	31-Dec-23	1,841	
	Subordinated loan	6.00%	31-Dec-23	718	
Pivot Furniture Technologies Inc.	Preferred shares			218	
Village Care Home Inc.	Class A common, voting shares			35	
				\$ 40,061	\$ 32,139

## STATEMENT OF INVESTMENT PORTFOLIO - CLASS A SHARES (CONTINUED)

As at August 31, 2022 (in thousands of dollars)

Venture Investments					
Investee	Instrument	Interest Rate	Maturity Date	Outstanding at Cost	Fair Value
<b>Industrials, Information Technology, Telecommunications and Consumer Staples</b>					
54e Dev Studios Inc.	SAFE Notes			\$ 450	
7shifts Inc.	Preferred shares			1,543	
All-Fab Building Components Inc.	Class A common, voting shares			11,685	
Coconut Software Inc.	Preferred shares			2,487	
Curatio Networks Inc.	Preferred shares			-	
DyMark Industries Inc.	Preferred shares			9,093	
	Class A common, voting shares			2,709	
Hi-Tec Profiles Inc.	Class A common, voting shares			11,404	
Hi-Tec Profiles Limited Partnership	Partnership units			1,282	
	Term loan			3,598	
Hi-Tec Holdings Inc.	Promissory note	4.45%	On demand	333	
Horatio Investment Holdings	Class A common, voting shares			294	
IM Wireless Communications Ltd.	Class A common, voting shares			2,663	
	Subordinated loan	7.00%	15-Nov-24	1,553	
Jobbox Software Inc.	Preferred shares			108	
Lazar Equipment Ltd.	Class A common, voting shares			892	
Moody's Equipment Partnership	Partnership units			40	
Prairie Lithium Inc.	Convertible debenture	5.00%	5-Aug-23	2,000	
	Convertible debenture	0.00%		1,088	
Prairie Robotics Inc.	Preferred shares			130	
Prairie Soil Services Inc.	Subordinated loan	12.00%	24-Mar-23	2,790	
	Class A common, voting shares			4,359	
Rivercity Innovations Inc.	Preferred shares			114	
	Convertible note	4.00%	29-Oct-25	65	
SafetyTek Software Ltd.	Convertible debenture	4.00%	19-Sep-22	217	
SalonScale Technology Inc.	Preferred shares			186	
Switch Power Corp.	Convertible debenture	8.00%	12-Nov-22	2,000	
TaiV Inc.	Convertible debenture	4.00%	13-Nov-23	130	
Vendasta Technologies Inc.	Preferred shares			6,664	
Viamo Inc.	Preferred shares			956	
				\$ 70,833	\$ 110,225
<b>Total venture investments</b>				<b>\$ 208,199</b>	<b>\$ 308,264</b>



## STATEMENT OF INVESTMENT PORTFOLIO - CLASS A SHARES (CONTINUED)

As at August 31, 2022 (in thousands of dollars)

## Long-term Investments

Issuer	Interest Rate	Maturity Date	Cost	Fair Value
TCU Financial Group Credit Union Term Deposit	1.45%	2-Sep-23	\$ 5,000	
Affinity Credit Union Term Deposit	1.45%	14-Sep-23	5,000	
<b>Total long-term investments</b>			<b>\$ 10,000</b>	<b>\$ 10,000</b>

## Short-term Investments

Issuer	Interest Rate	Maturity Date	Cost	Fair Value
Affinity Credit Union Term Deposit	1.25%	14-Sep-22	\$ 5,000	
Concentra Bank Term Deposit	1.35%	26-Oct-22	5,000	
Affinity Credit Union Term Deposit	1.50%	23-Nov-22	5,000	
Affinity Credit Union Term Deposit	1.20%	16-Dec-22	5,000	
New Community Credit Union Term Deposit	1.50%	10-Jan-23	5,331	
Concentra Bank Term Deposit	1.51%	6-Mar-23	5,000	
TCU Financial Group Credit Union Term Deposit	1.60%	27-Mar-23	5,000	
TCU Financial Group Credit Union Term Deposit	1.40%	13-Apr-23	5,000	
Affinity Credit Union Term Deposit	2.00%	23-Jun-23	5,000	
<b>Total short-term investments</b>			<b>\$ 45,331</b>	<b>\$ 45,331</b>

<b>Total venture and short-term investments</b>	<b>\$ 218,199</b>	<b>\$ 318,264</b>
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Other net assets		1,905
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<b>Net assets attributable to limited partners</b>	<b>\$ 400,169</b>
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## STATEMENT OF INVESTMENT PORTFOLIO

As at August 31, 2022 (in thousands of dollars)

The venture investments of the Fund were comprised of the following:

## Class A Shares

as at August 31, 2022

Industry sector	Cost	Fair Value	% of Cost	% of Fair Value
Energy	\$ 64,506	\$ 124,681	31.0	40.4
Industrials, Information Technology, Telecommunications and Consumer Staples	70,833	110,225	34.0	35.8
Real Estate	32,799	41,219	15.8	13.4
Consumer Discretionary	40,061	32,139	19.2	10.4
	<b>\$ 208,199</b>	<b>\$ 308,264</b>	<b>100.0</b>	<b>100.0</b>

as at August 31, 2021

Industry sector	Cost	Fair Value	% of Cost	% of Fair Value
Energy	\$ 74,987	\$ 113,471	38.0	43.0
Industrials, Information Technology, Telecommunications and Consumer Staples	53,940	73,810	27.4	27.9
Real Estate	40,749	56,917	20.7	21.6
Consumer Discretionary	27,456	19,735	13.9	7.5
	<b>\$ 197,132</b>	<b>\$ 263,933</b>	<b>100.0</b>	<b>100.0</b>

## STATEMENT OF INVESTMENT PORTFOLIO (CONTINUED)

As at August 31, 2021 (in thousands of dollars)

The venture investments of the Fund were comprised of the following:

## Class A Shares

as at August 31, 2022

	Cost	Fair Value	% of Cost	% of Fair Value
Private equity securities	\$ 167,939	\$ 268,175	80.7	87.0
Private debt securities	35,277	32,157	16.9	10.4
Publicly traded equity securities	4,983	7,932	2.4	2.6
	<b>\$ 208,199</b>	<b>\$ 308,264</b>	<b>100.0</b>	<b>100.0</b>

as at August 31, 2021

	Cost	Fair Value	% of Cost	% of Fair Value
Private equity securities	\$ 161,768	\$ 232,046	82.1	87.9
Private debt securities	33,635	30,853	17.0	11.7
Publicly traded equity securities	1,729	1,034	0.9	0.4
	<b>\$ 197,132</b>	<b>\$ 263,933</b>	<b>100.0</b>	<b>100.0</b>

(Incorporated under the laws of Saskatchewan)

## STATEMENTS OF FINANCIAL POSITION - CLASS R

As at August 31

(in thousands of dollars except number of shares and per share amounts)

	2022	2021
<b>Assets</b>		
Cash	\$ 12,592	\$ 4,855
Other assets	17	17
Venture investments (Note 5)	62,608	46,360
Loan receivable (Note 6)	572	808
	<b>75,789</b>	<b>52,040</b>
<b>Liabilities</b>		
Accrued provision for incentive participation amount	13,234	6,543
Accounts payable and accrued liabilities	324	325
	<b>13,558</b>	<b>6,868</b>
<b>Net assets attributable to holders of redeemable shares</b>	<b>\$ 62,231</b>	<b>\$ 45,172</b>
<b>Redeemable shares outstanding (Note 7)</b>		
Series A	2,923,856	3,477,145
Series B	9,694	-
Series F	18,436	16,117
<b>Net assets attributable to holders of redeemable shares</b>		
Series A	\$ 61,612	\$ 44,954
Series B	225	-
Series F	394	218
<b>Net assets attributable to holders of redeemable shares per share</b>		
Series A	\$ 21.07	\$ 12.93
Series B	23.21	-
Series F	21.37	13.53

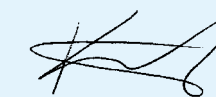
Commitments (Note 15)

See accompanying notes to the financial statements

On behalf of the Board:



Director



Director

## STATEMENTS OF COMPREHENSIVE INCOME - CLASS R

For the Years Ended August 31

(in thousands of dollars except per share amounts)

	2022	2021
<b>Income</b>		
Investment income - Dividends and distributions	\$ 948	\$ 122
Interest income - Cash	165	70
Other income	7	3
	<u>1,120</u>	<u>195</u>
<b>Expenses</b>		
Management fees (Note 8)	1,422	1,055
Trailer commissions	268	200
Service fees	255	292
Shareholder recordkeeping and marketing	110	141
Shareholder reporting	41	42
Legal fees	19	20
Professional fees	19	15
Custodial fees	15	24
Directors fees and expenses	12	12
Audit fees	11	10
Other	8	7
Independent review committee fees	1	1
Provision for incentive participation amount (Note 8)	-	19
	<u>2,181</u>	<u>1,838</u>
<b>Net investment loss</b>	<b>(1,061)</b>	<b>(1,643)</b>
Realized gain on disposition of venture investments	11,813	-
Realized loss on disposition of venture investments	(4,707)	(1,932)
Net change in unrealized appreciation of venture investments	26,495	19,986
Provision for incentive participation amount (Note 8)	(6,690)	(3,680)
	<u>25,850</u>	<u>12,731</u>
<b>Increase in net assets attributable to holders of redeemable shares from operations</b>	<b>\$ 25,850</b>	<b>\$ 12,731</b>
<b>Increase in net assets attributable to holders of redeemable shares from operations</b>		
Series A	\$ 25,692	\$ 12,684
Series B	22	-
Series F	136	47
<b>Increase in net assets attributable to holders of redeemable shares from operations per average share outstanding</b>		
Series A	\$ 8.03	\$ 3.28
Series B	4.54	-
Series F	7.87	3.24

See accompanying notes to the financial statements

## STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE SHARES - CLASS R

For the Years Ended August 31

(in thousands of dollars)

	2022	2021
<b>Series A</b>		
<b>Operating activities</b>		
Increase in net assets attributable to holders of redeemable shares from operations	\$ 25,692	\$ 12,684
<b>Capital transactions</b>		
Proceeds on issue of shares	881	982
Redemption of shares	(9,915)	(9,064)
	<u>(9,034)</u>	<u>(8,082)</u>
<b>Increase in net assets attributable to holders of redeemable shares</b>	<b>16,658</b>	<b>4,602</b>
Net assets attributable to holders of redeemable shares, beginning	44,954	40,352
	<u>61,612</u>	<u>44,954</u>
<b>Series B</b>		
<b>Operating activities</b>		
Increase in net assets attributable to holders of redeemable shares from operations	\$ 22	\$ -
<b>Capital transactions</b>		
Proceeds on issue of shares	203	-
	<u>203</u>	<u>-</u>
<b>Increase in net assets attributable to holders of redeemable shares</b>	<b>225</b>	<b>-</b>
Net assets attributable to holders of redeemable shares, beginning	-	-
	<u>225</u>	<u>-</u>
<b>Series F</b>		
<b>Operating activities</b>		
Increase in net assets attributable to holders of redeemable shares from operations	\$ 136	\$ 47
<b>Capital transactions</b>		
Proceeds on issue of shares	40	36
	<u>40</u>	<u>36</u>
<b>Increase in net assets attributable to holders of redeemable shares</b>	<b>176</b>	<b>83</b>
Net assets attributable to holders of redeemable shares, beginning	218	135
	<u>394</u>	<u>218</u>

See accompanying notes to the financial statements



## STATEMENTS OF CASH FLOWS - CLASS R

For the Years Ended August 31

(in thousands of dollars)

	2022	2021
<b>Cash provided by (used in):</b>		
<b>Operating activities</b>		
Increase in net assets attributable to holders of redeemable shares from operations	\$ 25,850	\$ 12,731
Repayments on disposition of venture investments	5,540	3,130
Items not affecting cash:		
Realized loss on disposition of venture investments	4,707	2,366
Net change in unrealized appreciation of venture investments	(26,495)	(19,986)
Net change in balances other than cash and investments (Note 9)	6,926	3,924
	<u>16,528</u>	<u>2,165</u>
<b>Financing activities</b>		
Proceeds on issue of shares - Series A	881	982
Proceeds on issue of shares - Series B	203	-
Proceeds on issue of shares - Series F	40	36
Redemption of shares - Series A	(9,915)	(9,064)
	<u>(8,791)</u>	<u>(8,046)</u>
<b>Increase (decrease) in cash</b>	<b>7,737</b>	<b>(5,881)</b>
Cash, beginning	4,855	10,736
<b>Cash, ending</b>	<b>\$ 12,592</b>	<b>\$ 4,855</b>

See accompanying notes to the financial statements

Dividends received	\$ 924	\$ 91
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## STATEMENT OF INVESTMENT PORTFOLIO - CLASS R SHARES

As at August 31, 2022 (in thousands of dollars)

Investee	Instrument	Outstanding at Cost	Fair Value
<b>Energy</b>			
Avalon Oil & Gas Ltd.	Class A common, voting shares	\$ 5,670	
Burgess Creek Exploration Inc.	Class A common, voting shares	1,430	
Chronos Resources Ltd.	Class A common, voting shares	1,474	
Gidon Royalty Coirp.	Class A common, voting shares	74	
Karve Energy Inc.	Class A common, voting shares	2,300	
Stampede Drilling Inc.	Class A common, voting shares	4,735	
Spur Petroleum Ltd.	Class A common, voting shares	1	
Steel Reef Infrastructure Fund	Class A common, voting shares	3,735	
Sun Country Well Servicing Inc.	Class A common, voting shares	976	
Surge Energy Inc.	Class A common, voting shares	4,459	
TAM International Inc.	Class A common, voting shares	186	
<b>Total venture investments</b>		<b>\$ 25,040</b>	<b>\$ 62,608</b>

## STATEMENT OF INVESTMENT PORTFOLIO

*As at August 31, 2022 (in thousands of dollars)*

The venture investments of the Fund were comprised of the following

**Class R Shares**as at August 31, 2022

Industry sector	Cost	Fair Value	% of Cost	% of Fair Value
Energy	\$ 25,040	\$ 62,608	100.0	100.0

as at August 31, 2021

Industry sector	Cost	Fair Value	% of Cost	% of Fair Value
Energy	\$ 35,287	\$ 46,360	100.0	100.0

## STATEMENT OF INVESTMENT PORTFOLIO

*As at August 31, 2022 (in thousands of dollars)*

The venture investments of the Fund were comprised of the following

**Class R Shares**as at August 31, 2022

	Cost	Fair Value	% of Cost	% of Fair Value
Private equity securities	\$ 15,846	\$ 49,473	63.3	79.0
Publicly traded equity securities	9,194	13,135	36.7	21.0
	\$ 25,040	\$ 62,608	100.0	100.0

as at August 31, 2021

	Cost	Fair Value	% of Cost	% of Fair Value
Private equity securities	\$ 30,552	\$ 43,527	86.6	93.9
Publicly traded equity securities	4,735	2,833	13.4	6.1
	\$ 35,287	\$ 46,360	100.0	100.0

# NOTES TO THE FINANCIAL STATEMENTS

For the years ended August 31, 2022 and 2021

(in thousands of dollars except number of shares and per share amounts)

## 1. Status of the corporation

SaskWorks Venture Fund Inc. ("SaskWorks" or the "Fund") was incorporated under the laws of the Province of Saskatchewan by articles of incorporation dated September 1, 1999 under the name Prairie Ventures Fund Inc. Effective December 18, 2000 the articles of the Fund were amended to change its corporate designation to Crown Ventures Fund Inc. and effective March 16, 2005 the articles of the Fund were amended to change its corporate designation to SaskWorks Venture Fund Inc. The Fund has received approval for registration as a labour-sponsored venture capital corporation under *The Labour-sponsored Venture Capital Corporations Act* (Saskatchewan) (the "Act"). The Fund commenced active operations on January 29, 2001.

In February 2006, the Fund began offering a second class of redeemable shares, Class R, in addition to its Class A redeemable shares, for sale to the public.

Beginning January 1, 2016, the Fund offered its Class A and Class R redeemable shares in series. The existing Class A and Class R redeemable shares were renamed Class A Series A and Class R Series A redeemable shares, respectively. New redeemable shares, Class A Series F and Class R Series F, began sale to the public. Class A Series A and Class R Series A redeemable shares have a sales and trailer commission associated with them while Class A Series F and Class R Series F redeemable shares do not.

Beginning December 23, 2021, new redeemable shares, Class A Series B and Class R Series B, were offered for sale to the public. Class A Series B and Class R Series B redeemable shares have a trailer commission associated with them.

A separate net asset value is calculated for each of the Class A Series A, Class A Series B, Class A Series F, Class R Series A, Class R Series B, and Class R Series F redeemable shares. The holders of Class A Series A, Class A Series B, Class A Series F, Class R Series A, Class R Series B, and Class R Series F redeemable shares have recourse only to the net assets attributable to the capital raised through the issuance of Class A Series A, Class A Series B, Class A Series F, Class R Series A, Class R Series B, and Class R Series F redeemable shares, respectively.

The requirements of National Instrument 81-106, Investment Fund Continuous Disclosure, dictate that because Class A and Class R have separate investment portfolios, they are considered separate investment funds and as such separate financial statements have been prepared for each.

The Fund was formed to make debt and equity investments in Saskatchewan small and medium-sized businesses. The objective of the Fund is to realize long-term capital appreciation from its investments. Targeted investment opportunities include early stage and mature businesses with substantial growth prospects as well as restructurings and management buy-out opportunities that offer superior investment return prospects.

PFM Venture Capital Operations Inc. ("PFMV" or the "Manager") is responsible for the management of the Fund and has engaged PFM Capital (2010) Inc. and TBW Holdings Inc. to assist it to carry out its management obligations.

## 2. Basis of presentation

### (a) Statement of compliance:

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and Interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). The Fund's significant accounting policies under IFRS are presented in Note 3.

The financial statements of the Fund were approved by the Board of Directors on October 13, 2022.

### (b) Basis of measurement

The financial statements have been prepared on the historical cost basis, except for investments at fair value through profit or loss ("FVTPL") which are measured at fair value.

### (c) Investment entity

The Fund has determined that it meets the definition of investment entity and as a result, it measures subsidiaries at FVTPL. An investment entity is an entity that obtains funds from one or more investors for the purpose of providing them with investment management services, commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income, or both, and measures and evaluates the performance of substantially all of its investments on a fair value basis. The most significant judgement that the Fund has made in determining that it meets this definition is that fair value is used as the primary measurement attribute to measure and evaluate the performance of substantially all of its investments.

### (d) Functional and presentation currency

The financial statements are presented in Canadian dollars, which is the Fund's functional currency, and all values are rounded to the nearest thousand dollars except where otherwise indicated.

### (e) Use of judgements and estimates

The preparation of financial statements requires management to use judgement in applying policies and to make estimates and assumptions about the future. The following are the most significant accounting judgements and estimates that the Fund has made in preparing the financial statements:

#### Fair value of investments not quoted in an active market

The Fund holds financial instruments for which no public market exists ("private companies"). Fair values of such instruments are determined using valuation techniques. Where no market data is available, the Fund will value positions using its own models, which are usually based on valuation methods and techniques generally recognized as standard within the industry. The models used for private companies are based mainly on earnings multiples adjusted for a lack of marketability as appropriate.

#### Incentive participation amount

A portion of this amount is based on an estimate of unrealized gains on venture investments. To the extent these unrealized gains fluctuate so will the estimate of incentive participation amount.

#### Investment entity

In determining whether the Fund is an investment entity, the Fund may be required to make significant judgements about whether the Fund has the typical characteristics of an investment entity. The Fund primarily obtains funds from investors for the purpose of providing investment management services, commits to its investors that the business purpose is to invest the funds solely for returns from capital appreciation, investment income or both, and measures and evaluates the performance of its investments on a fair value basis.

## 3. Significant accounting policies

The following policies are considered significant:

### (a) Financial instruments

#### *Initial recognition and measurement*

The Fund recognizes financial instruments at fair value upon initial recognition. Financial assets are initially recognized on the trade date, which is the date on which the Fund becomes a party to the contractual provisions of the instrument. Other financial assets are recognized on the date on which they originated. The Fund's venture investments are measured at FVTPL, including investments in debt instruments which have been designated at FVTPL. All other financial assets and liabilities, including redeemable shares, are measured at amortized cost, which approximates fair value. Under this method, financial assets and liabilities reflect the amount required to be received or paid, discounted, when appropriate, at the contract's effective interest rate. The Fund's accounting policies for measuring the fair value of its venture investments are identical to those used in measuring its net asset value ("NAV") for transactions with shareholders.

#### *Fair value measurement*

The fair values of venture investments in eligible businesses, having quoted market values and being publicly traded on a recognized stock exchange ("publicly traded companies"), are recorded at values based on the closing bid price on the last Thursday of each month, except in August when the last business day of August is used.

The fair value of the Fund's venture investments for which no public market exists ("private companies") is determined as at the last business day of each fiscal quarter based on policies and procedures established by the Board for determining the fair value of such investments. These valuations are updated monthly to consider any material changes in the investments of the Fund since the most recent quarterly valuation.

In determining the fair value of equity investments in private companies ("shares") material changes would include but are not limited to: a subsequent round of financing; an independent valuation; where performance varies adversely relative to the Fund's expectations; where performance indicates the value of the investment has changed; or, a share transaction by an independent third party. Equity investments are carried at fair value and an estimate of fair value is determined based on the expected realizable value of the shares if they were disposed of in an orderly manner over a reasonable period. Fluctuations in fair value are recorded as unrealized appreciation or depreciation until disposal of the equity investment.

Investments in debt instruments ("loans") are carried at fair value. For loans an estimate of fair value is determined using a discounted cash flow methodology with fluctuations in the fair value recorded as a premium or discount, through unrealized appreciation, that is amortized to income.



(b) Investments in associates, joint ventures and subsidiaries

An associate is defined as an investee over whom the Fund has significant influence, being the power to participate in the financial and operating policy decisions of the investee (but not control or joint control). Significant influence exists when the Fund owns between 20% and less than a majority of the voting rights of the investee.

Joint control involves contractually agreed sharing of control and arrangements subject to joint control are classified as a joint venture.

A subsidiary is defined as an investee over whom the Fund can control. The Fund controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and can affect those returns through its power over the investee. Control over an investee:

- exists when the Fund owns a majority of the voting rights of the investee; or
- exists when the Fund has a majority position in any borrowings of the investee and the conditions attached to the borrowings confer on it the right to assume control of the investee in the event of default.

The Fund meets the criteria required to be considered an “investment entity” under IFRS 10 – *Consolidated Financial Statements* and, as such, it accounts for subsidiaries at fair value. Associates and joint ventures have been designated at FVTPL.

Information about the Fund’s interest in associates or unconsolidated subsidiaries is as follows:

Class A Investee	Relationship	Ownership & voting interest %	Senior debt
255 2nd Ave. Properties Ltd.	Associate	50.00%	Yes
All-Fab Building Components Inc.	Associate	33.40%	-
DyMark Industries Inc.	Subsidiary	75.83%	-
Foundation Developments	Subsidiary	60.80%	Yes
GHC Systems Inc.	Associate	27.38%	-
Hi-Tec Profiles Inc.	Subsidiary	54.64%	Yes
IM Wireless Communications Inc.	Associate	33.00%	-
James Hill Road Villa LP	Subsidiary	70.05%	-
Lazar Equipment Ltd.	Subsidiary	53.94%	-
Moody’s Equipment LP	Subsidiary	71.37%	-
Parkside Townhomes	Subsidiary	84.26%	-
Pines Sports & Marine Ltd.	Subsidiary	44.55%	Yes
Prairie Soil Services Inc.	Subsidiary	68.65%	Yes
TAM International Inc.	Associate	43.85%	-
Urban Heights Inc.	Subsidiary	79.93%	-
Village Home Care Inc.	Subsidiary	70.05%	-

All investee companies have Canada as their principal place of business and country of incorporation.

All investee companies for which the Fund is a subordinate lender may have restrictions on dividend and loan repayments if the investee is not within covenants imposed on it by its senior lender(s).

With respect to the above associates and unconsolidated subsidiaries:

- subject to senior lender covenants, if any, there are no significant restrictions on the ability of the associates or subsidiaries to transfer funds to the Fund in the form of cash dividends or to repay loans or advances made to the associates or subsidiaries by the Fund;
- there are no current commitments or intentions to provide financial or other support to the subsidiaries, including commitments or intentions to assist them in obtaining financial support;
- the Fund has not, without the contractual obligation do so, provided any financial or other support to the subsidiaries; and
- other than the original amount approved for investment, there are no contractual arrangements that would require the Fund to provide financial support to the subsidiaries.

(c) Cash

Pending venture investments being made, subscription proceeds are invested in interest bearing accounts yielding interest at the rate of credit union prime minus 1.50% to 1.63%.

(d) Redeemable shares

The Fund classifies financial instruments issued as financial liabilities or equity instruments in accordance with the substance of the contractual terms of the instruments.

The shares, which are classified as financial liabilities and measured at redemption amount, provide shareholders with the right to request redemption, subject to available liquidity.

See Note 7 for details of the Fund’s shares.

(e) Net assets attributable to holders of redeemable shares per share

The net assets attributable to shareholders per Class A Series A, Class A series B, Class A Series F, Class R Series A, Class A Series B, and Class R Series F share is determined by dividing the net assets attributable to shareholders of Class A Series A, Class A Series B, Class A Series F, Class R Series A, Class R Series B, and Class R Series F shares by the number of Class A Series A, Class A Series B, Class A Series F, Class R Series A, Class R Series B, and Class R Series F shares outstanding as at that date.

(f) Increase in net assets attributable to holders of redeemable shares from operations per average share outstanding

The increase in net assets attributable to holders of redeemable shares from operations per average Class A Series A, Class A Series B, Class A Series F, Class R Series A, Class R Series B, and Class R Series F share outstanding is calculated by dividing the increase in net assets attributable to holders of redeemable Class A Series A, Class A Series B, Class A Series F, Class R Series A, Class R Series B, and Class R Series F shares from operations by the average number of Class A Series A, Class A Series B, Class A Series F, Class R Series A, Class R Series B, and Class R Series F shares outstanding during the period.

(g) Revenue recognition

Revenue related to the Fund’s productive venture investments is recorded on an accrual basis. Negotiation fees are recognized upon receipt. A loan on which payments are in arrears for 90 days or more is usually classified as income impaired. Recognition of interest income ceases on income impaired loans until interest is received. Recognition of interest income ceases on principal impaired loans with all cash received applied first to principal, until fully recovered, and then as income.

(h) Long-term and short-term investments

Pending venture investments being made, a portion of subscription proceeds are invested in term deposits or other investments permitted under the Act. Purchases and sales of long-term and short-term investments are recorded on a trade date basis. Term deposits are valued at cost, which approximates fair value.

(i) Commissions

A sales commission, based on the value of a subscription, is paid to the selling agent on the sale of Class A Series A and Class R Series A shares.

An annual trailer commission, based on net assets attributable to the holders of redeemable shares, is paid quarterly to the selling agent for each year that a subscription for Class A Series A, Class A Series B, Class R Series A, and Class R Series B shares is maintained.

An annual additional commission, based on the total value of all subscriptions, is paid annually to the agent for the Fund for subscriptions to all Class A and Class R redeemable shares.

(j) Incentive participation amount

As described in Note 8, an incentive participation amount (“IPA”) will accrue on unrealized eligible venture investments and be paid annually only upon realization of the eligible venture investment.

This amount is an estimate and can vary significantly from year to year. It will be paid, subject to the eligible investment and the investment portfolio as a whole meeting certain minimum return thresholds, only on gains that arise on the realization of an eligible venture investment and the income earned from an eligible venture investment over its life.

(k) Income taxes

SaskWorks uses the liability method of tax allocation for accounting for income taxes. Under this method, future income tax assets and liabilities are determined based on differences between the accounting and tax bases of assets and liabilities and measured using the tax rates and laws that will be in effect when differences are expected to reverse.

(l) Transaction costs

Transaction costs associated with an investment (incremental costs that are directly attributable to acquisition or disposition) are, in most cases, borne by the investee. In those cases where the Fund pays these costs they are expensed in the Statements of Comprehensive Income.

(m) New and revised International Financial Reporting Standards in issue but not yet effective

The following new and revised standards issued but not yet effective are not considered significant to the Fund:

**Effective for annual periods beginning on or after January 1, 2022:**

- Amendments to IFRS 1, *First-time Adoption of IFRS*
- Amendments to IFRS 3, *Business Combinations*
- Amendments to IFRS 17, *Insurance Contracts*
- Amendments to IAS 1, *Presentation of Financial Statements*
- Amendments to IAS 8, *Accounting Policies, Changes in Accounting Estimates and Errors*
- Amendments to IAS 12, *Income Taxes*
- Amendments to IAS 16, *Property, Plant and Equipment*
- Amendments to IAS 37, *Provisions, Contingent Liabilities and Contingent Assets*
- Amendments to IAS 41, *Agriculture*

4. Financial instruments

The Fund classifies fair value measurements within a hierarchy which gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy are:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2: Inputs other than quoted prices within Level 1 that are observable for the asset or liability, either directly or indirectly; and
- Level 3: Inputs are unobservable for the asset or liability.

For the years ended August 31, 2022 and 2021 • (in thousands of dollars except number of shares and per share amounts)

**Class A – Venture investments**

As at August 31, 2022

	Level 1	Level 2	Level 3	Total
Equity investments	\$ 7,932	\$ -	\$ 268,175	\$ 276,107
Debt investments	-	-	32,157	32,157
	\$ 7,932	\$ -	\$ 300,332	\$ 308,264

As at August 31, 2021

	Level 1	Level 2	Level 3	Total
Equity investments	\$ 1,034	\$ -	\$ 232,046	\$ 233,080
Debt investments	-	-	30,853	30,853
	\$ 1,034	\$ -	\$ 262,899	\$ 263,933

**Class R – Venture investments**

As at August 31, 2022

	Level 1	Level 2	Level 3	Total
Equity investments	\$ 13,135	\$ -	\$ 49,473	\$ 62,608
Debt investments	-	-	-	-
	\$ 13,135	\$ -	\$ 49,473	\$ 62,608

As at August 31, 2021

	Level 1	Level 2	Level 3	Total
Equity investments	\$ 2,833	\$ -	\$ 43,527	\$ 46,360
Debt investments	-	-	-	-
	\$ 2,833	\$ -	\$ 43,527	\$ 46,360

The table below summarizes the changes in Level 3 venture investments at fair value using unobservable inputs.

	2022		2021	
	Class A	Class R	Class A	Class R
Balance, beginning	\$ 262,899	\$ 43,527	\$ 208,715	\$ 30,737
Venture investments purchased	36,229	-	24,897	1,272
Venture investments repaid	(28,415)	(14,706)	(35,800)	(6,768)
Net change in unrealized appreciation of venture investments	29,619	20,652	65,087	18,286
<b>Balance, ending</b>	<b>\$ 300,332</b>	<b>\$ 49,473</b>	<b>\$ 262,899</b>	<b>\$ 43,527</b>

For the purposes of the following tables, that disclose Level 3 investment details, debt investments that are current with respect to principal and interest are classified as productive and those that are not current are classified as non-productive. With respect to equity investments, those investments on which the Fund expects to recover the full amount of capital invested are classified as productive while those equity investments on which the Fund does not expect to recover the full amount of capital invested are classified as non-productive.

**Class A**

As at August 31, 2022

Classification	Fair value	Valuation technique	Unobservable Inputs	Weighted average input	Sensitivity +/-	Change in valuation +/-
Productive debt	\$ 24,602	Discounted cash flow	Discounted rate	7.73%	1%	\$ 252/(252)
Non-productive debt	7,555	Estimated realizable value	Impairment provision	25%	25%	1,889/(1,889)
Productive equity	258,546	Capitalization rate of NOI	NOI cap rate	5.25%	0.25%	2,866/(2,590)
		Cost	% variance	91.67%	10.00%	3,347/(3,347)
		Multiple of cash flow	Cash flow multiple	5.40x	0.50x	840(840)
		Multiple of EBITDA	EBITDA multiple	5.89x	0.50x	10,094/(10,079)
		Multiple of production	EV/boe multiple	\$43/boe/d	\$5/boe/d	501/(501)
		Multiple of revenue	EV/Revenue	5.26x	0.53x	2,816/(2,807)
		NAV/unit	% variance	100%	10%	403/(403)
		Net asset value	% variance	97%	8.00%	529/(530)
Non-productive equity	9,629	Capitalization rate of NOI	NOI cap rate	3.75%	0.13%	215/(-)
		Multiple of 1P reserves	EV/boe multiple	\$0.004/boe	\$0.0005/boe	15/(15)
		Multiple of EBITDA	EBITDA multiple	5.27x	0.50x	559/(559)
		Multiple of production	EV/boe multiple	\$37/boe/d	\$5/boe/d	84/(84)
		Net asset value	% variance	100%	10%	-/(16)

boe = Barrels of oil equivalent

EBITDA = Earnings before interest, taxes, depreciation and amortization

EV = Enterprise value

NAV = Net asset value

NOI cap rate = Net operating income capitalization rate

As at August 31, 2021

Classification	Fair value	Valuation technique	Unobservable Inputs	Weighted average input	Sensitivity +/-	Change in valuation +/-
Productive debt	\$ 23,111	Discounted cash flow	Discounted rate	7.82%	1%	\$ 235/(235)
Non-productive debt	7,742	Estimated realizable value	Impairment provision	25%	25%	438/(1,935)
Productive equity	210,024	Capitalization rate of NOI	NOI cap rate	6.08%	0.25%	1,736/(1,575)
		Cost	% variance	100%	10.91%	617/(617)
		Multiple of cash flow	Cash flow multiple	3.23x	0.33x	3,125(3,120)
		Multiple of EBITDA	EBITDA multiple	5.81x	0.50x	10,464/(10,462)
		Multiple of revenue	EV/Revenue	6.70x	0.45x	1,655/(1,640)
		NAV/unit	% variance	100%	10%	2,096/(2,096)
		Net asset value	% variance	95%	7.50%	130/(203)
Non-productive equity	22,022	Capitalization rate of NOI	NOI cap rate	6.25%	0.25%	2,183/(2,046)
		Cost	% variance	100%	10%	-/(-)
		Multiple of 2P reserves	EV/boe multiple	\$0.001/boe	\$0.00025/boe	18/(18)
		Multiple of EBITDA	EBITDA multiple	4.69x	0.50x	997/(1,030)
		Multiple of production	EV/boe multiple	\$32/boe/d	\$5/boe/d	503/(480)

boe = Barrels of oil equivalent

EBITDA = Earnings before interest, taxes, depreciation, and amortization

EV = Enterprise value

NAV = Net asset value

NOI cap rate = Net operating income capitalization rate

For the years ended August 31, 2022 and 2021 • (in thousands of dollars except number of shares and per share amounts)

**Class R**

As at August 31, 2022

Classification	Fair value	Valuation technique	Unobservable Inputs	Weighted average input	Sensitivity +/-	Change in valuation +/-
Productive equity	\$ 47,572	Cost	% variance	100%	10%	\$7/\$(7)
		Multiple of production	EV/boe multiple	\$38/boe/d	\$5/boe/d	438/(439)
		Multiple of cash flow	Cash flow multiple	10.30x	0.50x	3,181/(3,181)
		Multiple of EBITDA	EBITDA multiple	6.65x	0.50x	13/(13)
Non-productive equity	1,901	Multiple of 1P reserves	EV/boe multiple	\$0.004/boe	\$0.0005/boe	31/(31)
		Multiple of production	EV/boe multiple	\$37/boe/d	\$5/boe/d	61/(61)
		Multiple of EBITDA	EBITDA multiple	6.65x	0.50x	12/(12)
		Multiple of TBV	P/TBV multiple	0.30x	0.10x	48/(48)

boe = Barrels of oil equivalent

EBITDA = Earnings before interest, taxes, depreciation, and amortization

EV = Enterprise value

TBV = Tangible book value

As at August 31, 2021

Classification	Fair value	Valuation technique	Unobservable Inputs	Weighted average input	Sensitivity +/-	Change in valuation +/-
Productive equity	\$ 38,897	Cost	% variance	100%	10%	\$7/\$(7)
		Multiple of cash flow	Cash flow multiple	3.23x	0.33x	3,090/(3,085)
		Multiple of EBITDA	EBITDA multiple	7.70x	0.50x	915/(915)
Non-productive equity	4,630	Multiple of 2P reserves	EV/boe multiple	\$0.001/boe	\$0.00025/boe	38/(38)
		Multiple of production	EV/boe multiple	\$32/boe/d	\$5/boe/d	594/(576)
		Multiple of TBV	P/TBV multiple	0.30x	0.10x	45/(-)

boe = Barrels of oil equivalent

EBITDA = Earnings before interest, taxes, depreciation, and amortization

EV = Enterprise value

TBV = Tangible book value

**5. Venture investments**

Venture investments are comprised of the following:

	2022		2021	
	Class A	Class R	Class A	Class R
Equity instruments at cost	\$ 172,923	\$ 25,040	\$ 163,497	\$ 35,287
Debt instruments at cost	35,277	-	33,635	-
<b>Venture investments at cost</b>	<b>208,200</b>	<b>25,040</b>	<b>197,132</b>	<b>35,287</b>
Unrealized appreciation	100,064	37,568	66,801	11,073
<b>Venture investments at fair value</b>	<b>\$ 308,264</b>	<b>\$ 62,608</b>	<b>\$ 263,933</b>	<b>\$ 46,360</b>

During the year, venture investments changed as follows:

	2022		2021	
	Class A	Class R	Class A	Class R
Venture investments at fair value, beginning	\$ 263,933	\$ 46,360	\$ 268,842	\$ 31,870
Venture investments purchased	39,482	4,459	25,440	1,272
Venture investments repaid	(28,415)	(14,706)	(45,178)	(6,768)
Net increase in unrealized appreciation of venture investments	33,264	26,495	14,829	19,986
<b>Venture investments at fair value, end</b>	<b>\$ 308,264</b>	<b>\$ 62,608</b>	<b>\$ 263,933</b>	<b>\$ 46,360</b>

**6. Loan receivable**

For the period beginning February 1, 2004, and ending December 31, 2021, the Fund engaged Conexus Credit Union to pay base commissions on the sale of shares and for the period beginning February 1, 2004, and ending December 31, 2020, pay additional commissions on the sale of shares. The Fund invested sufficient money in Conexus in the form of non-interest-bearing promissory notes to enable it to pay these commissions.

The loan receivable balance is subject to a maximum total limit of \$18,550 (August 31, 2021 - \$21,350) and consists of seven non-interest-bearing promissory notes each repayable in eight equal annual instalments, based on the balance of the note on December 31 of the year issued, beginning January 10 of the year following issuance.

Loan receivable at August 31 is comprised of the following:

Note issued	Instalment	2022		2021	
		Class A	Class R	Class A	Class R
January 1, 2014	\$ -	\$ -	\$ -	\$ 290	\$ 62
January 1, 2015	318	265	53	530	106
January 1, 2016	319	537	101	806	152
January 1, 2017	324	851	122	1,135	162
January 1, 2018	335	1,248	94	1,560	117
January 1, 2019	314	1,484	85	1,781	101
January 1, 2020	234	1,348	59	1,572	68
January 1, 2021	302	2,059	58	1,399	40
		<b>\$ 7,792</b>	<b>\$ 572</b>	<b>\$ 9,073</b>	<b>\$ 808</b>

As remuneration to Conexus for managing the payment of commissions, the Fund agreed to pay a service fee equal to an annual percentage-based payment of 0.75% (0.875% prior to January 1, 2021) of the gross proceeds raised in any calendar year, until December 31, 2021, on the sale of Class A Series A and Class R Series A shares and 0% (0.125% prior to January 1, 2021) of the gross proceeds raised in any calendar year, until December 31, 2021, on the sale of Class A Series F and Class R Series F shares over eight consecutive years.

**7. Share capital and net assets**

Subscription proceeds from the issuance of Class A and Class R shares will be used to make eligible venture investments of that respective class of shares. Venture investments made by each class of shares are held only within that class of shares. Income or losses attributable to a particular venture investment are allocated only to the specific class of shares within which the venture investment is held.

Net asset value per redeemable share for each series is calculated at the end of each week by dividing the net asset value of each series by its redeemable shares outstanding. The net asset value of each series of a class is computed by calculating the value of the series-specific assets and series' proportionate share of the class's common assets less the series-specific liabilities and the series' proportionate share of the class's common liabilities. Income and expenses directly attributable to a series are credited to that series while common class income and expenses and realized and unrealized gains and losses are allocated to each series. A proportionate share of or allocation to each series of a class is based on that series' pro rata share of the total share capital of that class as at the latest available weekly net asset valuation.

Venture investments and share subscription activity have a separate accounting such that the net assets attributable to each of the Class A Series A, Class A Series B, Class A Series F, Class R Series A, Class R Series B, and Class R Series F shares are reflected individually in these financial statements.

Class A and Class R redeemable shares have, in all material respects, the same rights, redemption features, tax credit eligibility, and attributes except for the following:

- The net proceeds from the issuance of Class A redeemable shares will be invested in Saskatchewan eligible businesses in a broad section of the economy whereas the net proceeds from the issuance of Class R redeemable shares will be invested in Saskatchewan eligible businesses in the energy and mining sectors.
- Class A Series A and Class R Series A redeemable shares have sales and trailer commissions associated with them, Class A Series B and Class R Series B have a trailer commission associated with them, and Class A Series F and Class R Series F redeemable shares do not have a sales or trailer commission.
- A separate net asset value is calculated for each of the Class A Series A, Class A Series B, Class A Series F, Class R Series A, Class R Series B, and Class R Series F redeemable shares. The holders of Class A Series A, Class A Series B, Class A Series F, Class R Series A, Class R Series B, and Class R Series F redeemable shares have recourse only to the net assets attributable to the capital raised through the issuance of Class A Series A, Class A Series B, Class A Series F, Class R Series A, Class R Series B, and Class R Series F redeemable shares, respectively.

The authorized share capital of the Fund is:

**Class A and Class R** – Unlimited number of Class A and Class R redeemable shares. The redeemable shares are voting, entitled to receive non-cumulative dividends at the discretion of the directors, entitled to elect all those directors who are not elected by the holder of the Class B shares and have restrictions on redemption. Such restrictions include a provision that the Fund is not required to redeem Class A or Class R shares if total redemptions in the fiscal year exceed 50% of the Class A Series A, Class A Series B, Class A Series F, Class A Series A, Class R Series B, or Class R Series F shares' net earnings after tax for the previous fiscal year. In the event of a redemption before the eighth anniversary of issue, the Fund is required to withhold and remit to the applicable authorities an amount equal to the Federal tax credit and Saskatchewan tax credit, if any, on the Class A or Class R redeemable shares.

**Class B** – 10 Class B shares. Issuable only to the sponsor of the Fund. The shares are voting, redeemable at the purchase price and entitled to elect a simple majority of the directors of the Fund, including replacing or removing any directors elected by the sponsor.

**Class C** – Unlimited number of Class C shares. The shares are issuable in series with rights, privileges, restrictions and conditions subject to directors' resolution. No Class C shares have been issued.



Issued share capital at the end of the period is:

	2022		2021	
	Shares	\$	Shares	\$
<b>Class A Series A</b>				
Balance, beginning	16,739,497	286,695	17,869,854	292,895
Issued	1,180,014	27,027	1,618,610	32,933
Redeemed (at cost)	(2,154,240)	(31,540)	(2,748,967)	(39,133)
Balance, ending	<b>15,765,271</b>	<b>282,182</b>	<b>16,739,497</b>	<b>286,695</b>
<b>Class A Series B</b>				
Balance, beginning	-	-	-	-
Issued	165,679	4,039	-	-
Redeemed (at cost)	(387)	(9)	-	-
Balance, ending	<b>165,292</b>	<b>4,030</b>	-	-
<b>Class A Series F</b>				
Balance, beginning	565,649	11,718	441,402	8,898
Issued	122,669	3,225	126,283	2,860
Redeemed (at cost)	(6,999)	(142)	(2,036)	(40)
Balance, ending	<b>681,319</b>	<b>14,801</b>	<b>565,649</b>	<b>11,718</b>
<b>Class R Series A</b>				
Balance, beginning	3,477,145	45,790	4,266,594	57,475
Issued	56,938	881	96,188	982
Redeemed (at cost)	(610,227)	(8,648)	(885,637)	(12,667)
Balance, ending	<b>2,923,856</b>	<b>38,023</b>	<b>3,477,145</b>	<b>45,790</b>
<b>Class R Series B</b>				
Balance, beginning	-	-	-	-
Issued	9,694	203	-	-
Redeemed (at cost)	-	-	-	-
Balance, ending	<b>9,694</b>	<b>203</b>	-	-
<b>Class R Series F</b>				
Balance, beginning	16,117	191	12,912	155
Issued	2,324	40	3,211	36
Redeemed (at cost)	(5)	(1)	(6)	-
Balance, ending	<b>18,436</b>	<b>230</b>	<b>16,117</b>	<b>191</b>
<b>Class B</b>				
Balance	<b>10</b>	<b>1</b>	<b>10</b>	<b>1</b>

For the years ended August 31, 2022 and 2021 • (in thousands of dollars except number of shares and per share amounts)

At the end of the period, the net assets attributable to the holders of the Fund's Class A shares consists of:

	2022			2021		
	Share Capital	Retained Earnings	Net Assets	Share Capital	Retained Earnings	Net Assets
Class A Series A	\$ 282,182	\$ 104,410	\$ 386,592	\$ 286,695	\$ 82,047	\$ 368,742
Class A Series B	4,030	186	4,216	-	-	-
Class A Series F	14,801	4,563	19,364	11,718	2,424	14,142
	<b>\$ 301,013</b>	<b>\$ 109,159</b>	<b>\$ 410,172</b>	<b>\$ 263,933</b>	<b>\$ 84,471</b>	<b>\$ 382,884</b>

At the end of the period, the net assets attributable to the holders of the Fund's Class R shares consists of:

	2022			2021		
	Share Capital	Retained Earnings	Net Assets	Share Capital	(Deficit)	Net Assets
Class R Series A	\$ 38,023	\$ 23,589	\$ 61,612	\$ 45,790	\$ (836)	\$ 44,954
Class R Series B	203	22	225	-	-	-
Class R Series F	230	164	394	191	27	218
	<b>\$ 38,456</b>	<b>\$ 23,775</b>	<b>\$ 62,231</b>	<b>\$ 45,981</b>	<b>\$ (809)</b>	<b>\$ 45,172</b>

The value of redeemed shares is treated as a reduction of share capital and adjustment to retained earnings or deficit. The original cost of the shares redeemed is a reduction of share capital. The difference between redemption value and original cost of the shares is treated as either a decrease to retained earnings or increase to deficit, if redemption value exceeds original cost, or an increase to retained earnings or decrease to deficit, if redemption value is less than original cost.

#### 8. Related party transactions

The Fund has retained the Manager as the fund manager to manage and administer the business affairs of the Fund, including, among other duties, the management of the Fund's eligible venture investments and short-term and long-term investments and determining the fair value of the Fund's venture investment portfolio. The officers of the Fund are the principals of the Manager and shareholders in the Fund.

The Manager receives an annual management fee, calculated and payable monthly in arrears, equal to 2.5% of the aggregate net assets attributable to holders of redeemable shares of the Class A and Class R redeemable shares, as at each weekly valuation date.

With respect to Class A redeemable shares \$9,880 (2021 - \$9,213) in management fees, plus applicable taxes, was earned, pursuant to the management agreement, by the Fund Manager.

With respect to Class R redeemable shares \$1,354 (2021 - \$1,005) in management fees, plus applicable taxes, was earned, pursuant to the management agreement, by the Fund Manager.

IPA is a provision for fees payable to the Manager and is based on the realized/unrealized gains and income earned from eligible venture investments and is payable annually only upon disposition of an eligible venture investment. Before any IPA is paid on the realization of an eligible venture investment, the Fund must have:

- earned sufficient income, on all eligible venture investments, to generate a rate of return, before expenses, greater than the five-year average GIC rate plus 1% on an annualized basis. The income on eligible venture investments includes investment gains and losses (realized and unrealized) earned and incurred since the inception of the Fund, and negotiation fees, interest, dividends, royalties, distributions and earnings of any other kind from eligible venture investments;
- earned sufficient income from the eligible venture investment to provide a cumulative investment return, before expenses, at an average annual rate in excess of 10% since investment; and
- fully recouped an amount from the eligible venture investment, through income earned, liquidation of the investment, or otherwise, equal to or greater than the entire principal invested in the eligible investee.

Subject to satisfying all the above conditions, the IPA is equal to 20% of the return derived from the eligible venture investment.

For Class A redeemable shares \$13,727 (2021 - \$2,555), plus applicable taxes, of IPA was paid to the Fund Manager.

For Class R redeemable shares \$nil (2021 - \$nil), plus applicable taxes, of IPA was paid to the Fund Manager.

For Class A redeemable shares, the accrued provision for IPA is \$42,668 (2021 - \$43,406), a decrease of \$738 (2021 – increase \$8,360). During the period payments of IPA were \$14,413 (2021 - \$2,684) and in respect of realized and unrealized gains, the provision for IPA increased by \$13,242 (2021– \$10,131) and in respect of income earned, the provision for IPA increased by \$433 (2021 – \$912).

For Class R redeemable shares, the accrued provision for IPA is \$13,234 (2021 - \$6,543), an increase of \$6,690 (2021 – \$3,699). There were \$nil (2021 - \$nil) payments of IPA in the period. In respect of realized and unrealized gains, the provision for IPA increased by \$6,690 (2021 – \$3,680) and in respect of income earned, the provision for IPA increased by \$nil (2021 - \$19) during the period.

Other amounts and transactions due to (from) related parties are described separately in these financial statements.

These transactions are in the normal course of operations and have been valued in these financial statements at the exchange amount which is the amount of consideration established and agreed to by the related parties.

**9. Net change in balances other than cash and investments**

	2022		2021	
	Class A	Class R	Class A	Class R
Loan receivable	\$ 1,281	\$ 236	\$ 552	\$ 302
Accounts receivable and accrued income	(224)	-	(382)	-
Accrued provision for incentive participation amount	(738)	6,691	8,360	3,698
Accounts payable and accrued liabilities	58	(1)	(276)	(76)
	<b>\$ 377</b>	<b>\$ 6,926</b>	<b>\$ 8,254</b>	<b>\$ 3,924</b>

**10. Risks associated with financial instruments**

The Fund's financial instruments consist primarily of cash, accounts receivable and accrued income, loan receivable, short-term and long-term investments, venture investments, accrued provision for incentive participation amount, and accounts payable and accrued liabilities. Short-term and long-term investments consist of term deposits. Venture investments in public and private companies consist of equity and debt instruments. The Fund focuses on investing in eligible Saskatchewan businesses with emphasis on expansion financing, management buyouts, restructurings, turnarounds, and early-stage investments. There is no assurance that the Fund will be able to find enough suitable investment opportunities and the Fund may face competition from other funds and investors.

There is no guarantee that an investment in shares of the Fund will earn a specified rate of return or any return in the short or long term. The shares are not eligible for resale and are subject to redemption restrictions resulting in a longer commitment than for freely tradable securities.

SaskWorks' primary business is the raising of capital from Saskatchewan residents and placing these funds in new and expanding Saskatchewan businesses. This entails exposure to market risk, credit risk, interest rate risk and liquidity risk. These risk factors may impact upon SaskWorks' ability to redeem its Class A and Class R redeemable shares when required.

*Market Risk*

The market risk faced by SaskWorks is the risk that the fair value of its venture investments may decline due to a reduction in the anticipated earnings generated by the businesses in which SaskWorks invests or a decrease in the quoted market share price of publicly traded venture investments held by SaskWorks. Class A redeemable shares invest in a diversified portfolio of companies in various sectors of the economy while Class R redeemable shares invest in the oil & gas sector. Some of the companies in which SaskWorks invests are dependent upon a single product or industry. SaskWorks manages these risks through careful due diligence prior to committing funds to the investment, ensuring that the overall portfolio is properly diversified across various industry sectors, and investing no more than 10% of the Class A redeemable shares and Class R redeemable shares total net assets attributable to holders of redeemable shares in any one eligible business.

The Fund's venture investments in publicly traded companies are companies which were private when the Fund made its initial investment, and which became publicly traded shares through initial public offerings, reverse takeovers, or acquisitions by public companies. The fair values of these venture investments in publicly traded companies are based on movements in the stock market and to the success or failure of the companies. In some circumstances, it may prove difficult for the Fund to quickly liquidate investments in restricted or thinly traded publicly traded securities without unduly affecting the market prices of those securities. For these publicly traded companies, the Fund attempts to limit its exposure to fluctuations in market prices through managing the sales of these shares on the open market.

*Credit Risk*

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Most of the credit risk to which the Fund is exposed arises from cash, long-term and short-term investments, and venture investments in debt securities, including accrued interest receivable on venture investment debt securities.

The majority of cash on deposit is held in Saskatchewan credit unions. These deposits are 100% guaranteed by the Credit Union Deposit Guarantee Corporation of Saskatchewan through the issuing credit union. Cash not held on deposit at credit unions is held at a Schedule A Canadian chartered bank.

The principal and interest associated with the Fund's long-term and short-term investments are 100% guaranteed by the Credit Union Deposit Guarantee Corporation of Saskatchewan through the issuing credit union.

SaskWorks conducts a thorough due diligence process prior to committing to the venture investment and actively monitors the financial health of its investments on an on-going basis. Changes in commodity prices and foreign currency exchange rates may significantly affect the financial position of investee companies. SaskWorks manages credit risk by diversifying its investments among industries. Although all investee companies are based primarily in Saskatchewan, most of the companies have significant sales in other provinces and/or international markets thereby mitigating most of the economic risks specific to Saskatchewan.

The maturity of each debt investment is disclosed in the respective share class Statement of Investment Portfolio. Such debt investments represent the main concentration of credit risk for the respective share class and, accordingly, represent the maximum credit risk exposure of the respective share class.

*Interest Rate Risk*

Interest rate risk reflects the risk that SaskWorks' earnings will be affected by fluctuations in interest rates. SaskWorks primary interest rate risk relates to the investment of cash in short-term investments, long-term investments, and venture investment debt instruments.

Based on average cash balances and holdings of long-term and short-term investments held during the period, a 1% increase/decrease in interest rates (with all other variables held constant) would have resulted in an increase/decrease in net assets of \$1,388 (2021 - \$1,670) with respect to Class A shares. The effective of a change in interest rates on venture debt investments is detailed in Note 4.

Based on average cash balances and holdings of long-term and short-term investments held during the period, a 1% increase/decrease in interest rates (with all other variables held constant) would have resulted in an increase/decrease in net assets of \$107 (2021 - \$68) with respect to Class R shares. The effective of a change in interest rates on venture debt investments is detailed in Note 4.

SaskWorks manages the risk of interest rate changes by matching the duration of short-term investments, long-term investments, and venture debt investments to known liquidity requirements.

*Liquidity Risk*

Liquidity risk is the risk that SaskWorks will encounter difficulty in liquidating its venture investments at an amount close to fair value at the time it requires liquidity to satisfy requests by holders of Class A and Class R shares for redemption. There is no assurance that any venture investment will be able to successfully complete its business plan or sustain operations over the short term or an extended period. The Fund manages liquidity risk by becoming, if necessary, actively involved in their venture investments and continually monitoring the value of their investments. In the event of difficulty in liquidating its venture investments, SaskWorks may be required to delay the redemption of Class A and/or Class R shares tendered for redemption.

The financial liabilities of the Fund mature in less than one year except for accrued provision for incentive participation amount. The maturity of accrued provision for incentive participation amount is uncertain and is dependent upon realization of venture investments.

**11. Restrictions**

Under the Act:

- Eligible businesses for the Fund are investments in businesses, defined as taxable corporations or limited partnerships that carry on business in Saskatchewan, that together with related corporations or limited partnerships, do not have more than 500 employees, and that in the taxation year preceding the investment, paid at least 25% of all their wages and salaries to employees of their permanent establishment in Saskatchewan;
- An amount equal to the tax credits paid by the Saskatchewan government, being 17.5% of the capital raised by the sale and issuance of Class A and Class R shares to Saskatchewan residents, must be set aside until the Fund has met its pacing requirement. In 2022 and 2021 the Fund met the investment pacing requirement throughout the period;
- Direct investments in public companies with a market capitalization of \$500,000 or more are prohibited. If an investment is acquired through acquisitions or mergers and the resulting investment has over \$500,000 in capitalization, such investment must be disposed of within five years from the end of the fiscal year of the Fund of such acquisition or merger;
- New investment in agricultural land acquired primarily for rental or leasing purposes is prohibited; and
- The Fund is required to maintain a level of innovation sector investment exposure of 25% of annual net capitalization defined as annual capital raised within the Fund less annual capital redeemed, multiplied by the Fund's 75% pacing requirement. The Fund did meet its innovation pacing requirement on August 31, 2022 and August 31, 2021. If the fund does not meet its innovation pacing requirement any new investments will not count towards the Fund's overall 75% pacing requirement until the Fund is onside with the innovation pacing requirement.

The Fund may not invest more than 10% of the Class A and Class R redeemable shares' total net assets attributable to holders of redeemable shares in any one eligible business and may not invest in an eligible business if the Fund and the eligible business are not at arm's length.

Class A and Class R redeemable shares issued by the Fund can be redeemed at the option of the holder after a specific hold period, or earlier in limited circumstances.

As part of its banking relationship with Conexus Credit Union, the Fund is required to maintain a minimum of \$18,550 (August 31, 2021 - \$21,350) on deposit.

The Fund is in compliance with all the above restrictions.

**12. Income taxes**

Under the Income Tax Act (Canada), no income taxes are payable by the Fund on dividends received from Canadian corporations, and income taxes payable on capital gains will be fully refundable on a formula basis when Class A or Class R redeemable shares of the Fund are redeemed, or capital gains dividends are paid or deemed to be paid by the Fund to its Class A or Class R shareholders. Income taxes payable on investment income are partially refundable upon the payment or deemed payment of taxable dividends.

The Fund's Class A and Class R redeemable shares record the refundable portion of their income taxes as an asset, as they intend to recover all of the refundable income taxes through the deemed payment of a dividend by capitalizing the appropriate amount of its income or realized capital gains pro-rata to the stated capital account for its Class A or Class R redeemable shares. If the Fund increases the stated capital of the Class A or Class R redeemable shares, the holder of the Class A or Class R redeemable shares will be deemed to have received a dividend or a realized capital gain and the adjusted cost base of the shareholders' Class A or Class R redeemable shares will be increased by the amount of any deemed dividend.

The Fund's Class A and Class R redeemable shares have estimated non-capital losses that may be carried forward and used to reduce taxable income in future years. These losses, if not utilized, expire as follows:

	Class A	Class R
2034	\$ -	\$ 2,411
2035	-	7,234
2036	-	7,728
2039	3,208	7,085
2040	11,842	1,966
2041	3,004	2,720
	<b>\$ 18,054</b>	<b>\$ 29,144</b>

**13. Non-monetary transactions**

The Fund, as part of regular purchases and dispositions of venture investments, will at times receive non-monetary consideration on the disposition of some venture investments. The non-monetary consideration can be debt instruments, shares in a publicly traded company, shares in a private company, or, on occasion, a combination of them. Non-monetary transactions are measured at the fair value of the asset received unless the fair value of the item given up is more clearly measurable. During the period the following non-monetary transactions occurred:

	2022		2021	
	Class A	Class R	Class A	Class R
Non-monetary purchases of ventures investments	\$ (3,548)	\$ (4,459)	\$ (2,695)	\$ (1,272)
Non-monetary repayments on disposition of venture investments	3,254	4,459	2,695	1,272

**14. Commitments**

The Fund has committed to advance \$43,623 (2021 - \$6,919) of additional financing to existing Class A investees, to fund, for example, working capital requirements or suitable acquisition opportunities.

The Fund has committed to advance \$nil (2021 - \$410) of additional financing to Class R existing investees, to fund, for example, working capital requirements or suitable acquisition opportunities.

As described in Note 6, the Fund has committed to pay Conexus, subject to the performance of certain duties, a \$2,300 average annual service fee based on past subscriptions to the Fund.

**15. Capital management**

Share capital is the source of capital for the Fund. The Province of Saskatchewan has authorized the Fund to issue up to \$35,000 (2021 - \$35,000) of share capital during the period from April 1, 2022 to March 31, 2023 and annually thereafter.

The Fund's capital management objectives are to enhance the net assets of the Fund through managing its funds to maximize cash flows from investments and for sufficient liquidity to:

- fund venture investments in new eligible companies and follow-on investments in existing companies;
- meet the annual investment obligations required in The Labour-sponsored Venture Capital Corporations Act (Saskatchewan);
- fund the redemption of shares requested by shareholders; and
- fund ongoing operations.

The Fund actively monitors the cash position and financial performance of the Fund to ensure there are sufficient resources to meet venture investment requirements and shareholder redemptions. However, in the event of insufficient resources, SaskWorks may be required to delay the redemption of Class A Series A, Class A Series B, Class A Series F, Class R Series A, Class R Series B, and Class R Series F redeemable shares.

There were no changes in capital management policies during the period.

**16. Net assets of the Fund**

In 2022 and 2021, the Fund's auditors, MNP LLP, Chartered Professional Accountants, as an integral part of their audit procedures, reviewed the fair value of the Fund's portfolio in the aggregate, as presented in the Statements of Investment Portfolio, to determine that such fair value is, in all material respects, reasonable. The auditors employ a Chartered Business Valuator as a member of the audit team.

# CORPORATE INFORMATION

**DIRECTORS**

Terry Schneider

*Chair*

Brent Banda <sup>2</sup>

*Vice-Chair*

Ron Carlson <sup>2, 3</sup>

Jan McLellan Folk <sup>1</sup>

Doug Frondall <sup>1, 3</sup>

David Meyers <sup>3</sup>

Daryl Schwartz <sup>2</sup>

Kevin Stangeland <sup>1, 2</sup>

Kathy Zwick <sup>3</sup>

<sup>1</sup> Audit/Valuation Committee

<sup>2</sup> Investment Committee

<sup>3</sup> Governance and Nominating Committee

**OFFICERS**

Randy Beattie

*President*

Rob Duguid

*Chief Executive Officer, Chief Financial Officer & Corporate Secretary*

Jeff Linner

*Chief Investment Officer*

Mike Merth

*Chief Compliance Officer*

Jason Moser

*Vice President*

Johanna Salloum

*Vice President*

**AGENT**

iA Private Wealth Inc.

*Saskatoon, Saskatchewan*

**AUDITORS**

MNP LLP

*Regina, Saskatchewan*

**LEGAL COUNSEL**

MLT Aikins LLP

*Regina, Saskatchewan*

**REGISTRAR & TRANSFER AGENT**

Prometa Fund Support Services Inc.

*Winnipeg, Manitoba*

**CUSTODIAN**

Concentra Trust

*Saskatoon, Saskatchewan*

**SPONSOR**



SaskWorks Federation of Unions

*Regina, Saskatchewan*





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