

UNITED CORPORATIONS LIMITED

ANNUAL REPORT

**2022**





**THE FISCAL YEAR AT A GLANCE**

Year ended March 31	2022	2021
Net equity value per Common Share <sup>1</sup>	\$ <b>166.49</b>	\$ 170.66
Net investment income per Common Share <sup>1</sup>	\$ <b>0.30</b>	\$ 2.31
Net income (loss) per Common Share	\$ <b>(1.94)</b>	\$ 34.88
Cash dividends paid per Common Share		
Quarterly	\$ <b>1.20</b>	\$ 1.20
Additional <sup>2</sup>	\$ <b>1.11</b>	\$ 1.09
Net assets <sup>3</sup>	\$ <b>2,018,799</b>	\$ 2,072,040
Net investment income <sup>1,3</sup>	\$ <b>3,989</b>	\$ 28,349
Number of Common Shares outstanding at year end	<b>12,078,793</b>	12,096,093

<sup>1</sup> See Management's Discussion and Analysis for Use of Non-GAAP measures.

<sup>2</sup> This additional dividend represents the annual distribution of the prior year's annual net investment income after payment of Preferred Share dividends and quarterly dividends.

<sup>3</sup> In thousands of Canadian dollars.

**ANNUAL MEETING OF SHAREHOLDERS**

The Annual Meeting of Shareholders ("AGM") will be held Thursday, June 23, 2022 at 11:30 a.m (Toronto time). The AGM will be held as a virtual-only meeting in order to comply with legal requirements and social distancing best practices in light of the COVID-19 pandemic. All shareholders are invited to attend.

# UNITED CORPORATIONS LIMITED

## **BOARD OF DIRECTORS**

---

DUNCAN N. R. JACKMAN  
Chairman and President  
United Corporations Limited

CHRISTOPER A. ALEXANDER  
Chairman and CEO  
Globestage Partners Inc.

DAVID J. DAWSON  
Managing Director  
Protiviti

C.O. TRINITY JACKMAN  
Instructor, History Department  
York University

FAHAD KHAN  
Vice-President, Investments  
E-L Financial Corporation Limited

KIM SHANNON  
President and Co-Chief Investment Officer  
Sionna Investment Managers Inc.

MICHAEL J. WHITE  
Chairman of the Board  
Addenda Capital Inc.

DAVID R. WINGFIELD  
Partner  
Strosberg Sasso Sutts LLP

---

## **HONORARY DIRECTOR**

THE HONOURABLE HENRY N. R. JACKMAN  
Honorary Chairman  
The Empire Life Insurance Company

---

## **OFFICERS**

DUNCAN N. R. JACKMAN  
Chairman and President

SCOTT F. EWERT  
Vice-President

RICHARD B. CARTY  
Corporate Secretary

FRANK J. GLOSNEK  
Treasurer

# UNITED CORPORATIONS LIMITED

## MANAGEMENT'S DISCUSSION AND ANALYSIS

This document has been prepared for the purpose of providing Management's Discussion and Analysis ("MD&A") of the financial performance and financial condition for the years ended March 31, 2022 and 2021. This MD&A should be read in conjunction with the March 31, 2022 year-end financial statements of United Corporations Limited ("United" or the "Company") which form part of this Annual Report dated May 6, 2022. These financial statements have been prepared in compliance with International Financial Reporting Standards, as issued by the International Accounting Standards Board ("IFRS"). The reporting currency for the Company is the Canadian dollar, and all amounts in the following discussion are in Canadian dollars.

This MD&A may contain certain forward-looking statements that are subject to risks and uncertainties that may cause the results or events mentioned in this discussion to differ materially from actual results or events. No assurance can be given that results, performance or achievement expressed in, or implied by, any forward-looking statements within this disclosure will occur, or if they do, that any benefits may be derived from them.

### The Company

The Company has been a closed-end investment corporation since 1929. The Common Shares have persistently traded at a discount to their net asset value, ranging from approximately a 20% discount to a 40% discount over the past 10 years. Management believes that shareholders who have invested in the Common Shares of the Company recognize that the Common Shares of the Company usually trade at a discount to their net asset value. On March 9, 2022, the Company renewed its normal course issuer bid ("NCIB"). Further information is included on page 9 of this annual report.

Closed-end investment corporations have the following benefits: they often allow investors the opportunity to purchase assets at a discounted price; they have management expense ratios which are generally much lower than those for actively-managed open-ended funds; and the management of a closed-end investment corporation's portfolio is not impacted by shareholder subscription or redemption activities.

United has no plans to become an open-ended investment fund.

The majority of the Company's investment portfolio is actively managed by Comgest Asset Management International Limited ("Comgest"), Harding Loevner LP ("Harding Loevner"), Causeway Capital Management LLC ("Causeway") and Neuberger Berman Canada ULC ("Neuberger Berman Canada"). Each of these managers has a global equity mandate. As of March 31, 2022, \$547,731,000 (2021 - \$770,341,000), \$547,461,000 (2021 - \$785,480,000), \$413,477,000 (2021 - \$427,880,000) and \$393,865,000 (2021 - \$nil) of equity investments were managed by Comgest, Harding Loevner, Causeway, and Neuberger Berman Canada respectively. During March 2022, the Company announced that it appointed Neuberger Berman Canada to provide portfolio management services for a portion of its assets previously managed by Comgest and Harding Loevner.

Comgest is part of the Comgest group which is an independent, international asset management group, with headquarters in Paris and offices in Amsterdam, Boston, Brussels, Dublin, Düsseldorf, Hong Kong, Milan, Singapore, Tokyo and a representative office in London. Since inception in 1985, Comgest has pursued a long-term 'Quality Growth' investment style with the objective of selecting quality companies with solid prospects for sustainable growth. With more than 180 employees of 30 different nationalities, Comgest serves a diverse global client base and manages assets of over \$46.9 billion USD (estimated data as of December 31, 2021). The portfolio will generally hold between 30 - 40 companies.

Harding Loevner is a global investment manager and is based out of Bridgewater, New Jersey, USA. The investment philosophy emphasizes the merits of long-term investment in high-quality, growing businesses, and the investment approach relies on in-depth fundamental research including analysis of the competitive structure of global industries and the competitive position of individual companies. The portfolio will generally hold between 35 - 75 companies.

Causeway Capital is a global investment manager and is based out of Los Angeles, California, USA. The investment philosophy emphasizes the merits of value investing and combines both fundamental and quantitative research to identify investment opportunities in equity markets around the world. The portfolio will generally hold between 40 - 60 companies.

Neuberger Berman Canada is an investment management firm headquartered in Toronto. Neuberger Berman Canada manages its portfolio by investing in global equities tracking the MSCI All Country World Index. Neuberger Berman Canada is a business of Neuberger Berman. Neuberger Berman, founded in 1939, is a private, independent, employee-owned investment manager headquartered in New York. The firm manages a range of strategies including equity, fixed income, quantitative and multi-asset class, private equity, real estate and hedge funds on behalf of institutions, advisors and individual investors globally. With offices in 25 countries, Neuberger Berman's diverse team has over 2,400 professionals. The firm manages US\$460 billion in client assets as of December 31, 2021.

# UNITED CORPORATIONS LIMITED

## MANAGEMENT'S DISCUSSION AND ANALYSIS

The Company also has a long-term investment in Algoma Central Corporation ("Algoma"), a public shipping company. Algoma is a related party and is a reporting issuer which trades on the Toronto Stock Exchange with a profile on SEDAR. The investment in Algoma is consistent with the Company's investment strategy and contributes to achieving the investment objective of the Company.

### Investment Strategy

The objective of the Company is to earn an above-average rate of return, primarily through long-term capital appreciation and dividend income. Short-term volatility is expected and tolerated. Management remains confident that the Company's investment strategy will reward shareholders over the long term.

The investment portfolio of the Company comprises primarily foreign equities. Net equity value and net investment income may vary significantly from period to period depending on the economic environment and market conditions.

### Use of Non-GAAP Measures

This MD&A contains references to "net equity value per Common Share", "growth in net equity value per Common Share", "net investment income", and "net investment income per Common Share". These terms do not have any standardized meanings in GAAP (generally accepted accounting principles) and therefore may not be comparable to similar measures presented by other companies. The Company believes that these measures provide information useful to our shareholders in evaluating the Company's financial results.

Net equity value per Common Share is used by investors and management as a comparison to the market price of its Common Shares to determine the discount or premium at which the Company's Common Shares are trading, relative to the net equity value per Common Share. In order to determine its net equity value per Common Share, the Company deducts the cost of redemption of its Preferred Shares from its net assets.

Net investment income per Common Share is used by investors and management to assess the approximate amount of dividends to be distributed on Common Shares. In order to determine its net investment income per Common Share, the Company deducts the dividends paid and accrued on its Preferred Shares from net investment income.

Net equity value per Common Share is calculated as follows (in thousands of dollars, except number of Common Shares and per Common Share amounts):

	<b>March 31 2022</b>	March 31 2021
Net assets	<b>\$ 2,018,799</b>	\$ 2,072,040
Deduct:		
Cost of redemption		
First Preferred Shares	<b>1,567</b>	1,567
1959 and 1963 Series Second Preferred Shares	<b>6,180</b>	6,180
	<b>7,747</b>	7,747
Net equity value	<b>\$ 2,011,052</b>	\$ 2,064,293
Common Shares outstanding	<b>12,078,793</b>	12,096,093
Net equity value per Common Share	<b>\$ 166.49</b>	\$ 170.66

# UNITED CORPORATIONS LIMITED

## MANAGEMENT'S DISCUSSION AND ANALYSIS

### Use of Non-GAAP Measures (continued)

Net investment income per Common Share is calculated as follows (in thousands of dollars, except number of Common Shares and per Common Share amounts):

	Three months ended March 31		Year ended March 31	
	2022	2021	2022	2021
Net income (loss)	\$ (226,341)	\$ 11,595	\$ (23,092)	\$ 422,620
Add (deduct):				
Other net fair value changes in investments	261,261	(7,724)	30,313	(456,154)
Tax on other net fair value changes in investments	(34,622)	1,016	(3,232)	60,245
Net investment income of a limited partnership <sup>1</sup>	—	66	—	1,638
Net investment income <sup>2</sup>	298	4,953	3,989	28,349
Dividends paid on Preferred Shares	94	94	378	378
Net investment income, net of dividends paid on Preferred Shares <sup>2</sup>	\$ 204	\$ 4,859	\$ 3,611	\$ 27,971
Weighted average Common Shares outstanding	12,085,404	12,098,216	12,092,086	12,105,593
Net investment income per Common Share <sup>2</sup>	\$ 0.02	\$ 0.40	\$ 0.30	\$ 2.31

<sup>1</sup> Represents allocation of dividends net of expenses of a limited partnership.

<sup>2</sup> On an after-tax basis.

### Net Equity Value per Common Share

The Company's net equity value per Common Share decreased to \$166.49 at March 31, 2022 from \$170.66 at the prior fiscal year end.

With dividends reinvested at month-end net equity values, the Company's net equity value decline was 1.2% in fiscal 2022, compared to positive growth of 25.5% in fiscal 2021.

Investments managed by Comgest, Harding Loevner and Causeway, had pre-tax fiscal year total returns of negative 1.0% (2021 – negative 5.2% since appointment in January of 2021), negative 0.5% (2021 – positive 42.0%), and nil% (2021 – positive 62.1%), respectively. The investments previously managed by Macquarie Investment Management Europe S.A. had a fiscal year-to-date total return of 14.0% to December 31, 2020 in the prior fiscal year.

As the Company is a taxable Canadian corporation, the Company's net equity value is reduced by a current income tax provision on net investment income and net realized gains on investments, and net of a deferred income tax provision on its unrealized appreciation of investments.

In Canadian dollar terms, total returns (capital gains plus dividends) for stock market indices, were as follows:

	Year ended March 31, 2022	Year ended March 31, 2021
	(%)	
MSCI All Country World Index	7.0	37.0
S&P 500 Index	14.9	38.6
S&P/TSX Composite Index	20.2	44.3
MSCI Emerging Markets	(11.6)	40.9

# UNITED CORPORATIONS LIMITED

## MANAGEMENT'S DISCUSSION AND ANALYSIS

### Growth in Net Equity Value ("NAV")

Set out below is a table that shows annual growth in NAV in each of the past 10 fiscal years:

Annual growth in NAV*	NAV per Common Share	Annual Growth %
2013	\$ 82.03	15.7
2014	99.50	23.2
2015	117.86	20.2
2016	120.66	4.0
2017	132.32	11.6
2018	138.40	6.4
2019	146.99	7.7
2020	137.95	(4.7)
2021	170.66	25.5
2022	166.49	(1.2)
<b>Compound annual growth*</b>		
2013 - 2022 - 10 years		10.4

\*This chart was drawn from the individual annual reports and any NAV amounts prior to 2014 have not been restated for any subsequent changes in accounting policies. Growth in NAV is determined by the percentage change in NAVs for the period with dividends paid by the Company reinvested at month-end NAVs.

### Operating Results - Fiscal 2022

#### Net Income

The Company's net loss for fiscal 2022 was \$23,092,000 compared to net income of \$422,620,000 in the prior year. On a per Common Share basis, net loss decreased to \$1.94 from net income of \$34.88 in the prior year.

Other net fair value changes in investments for the portfolio decreased to a net loss of \$30,313,000 for the current fiscal year compared to a net gain of \$456,154,000 for the prior year. Other net fair value gains in North America of \$80,295,000 were offset by other net fair value losses in Emerging Markets of \$87,972,000, Japan \$13,740,000, Europe \$4,554,000, United Kingdom \$2,322,000 and Australia \$2,020,000.

Significant detractors to the other net fair value investment losses for the current fiscal year included Alibaba Group Holdings Limited, Tencent Holdings Limited, Country Garden Service Holdings Co. Ltd. and Meta Platforms, Inc. Class A with other net fair value investment losses of \$15,332,000, \$14,400,000, \$11,347,000 and \$11,293,000 respectively. The three largest contributors to the investment performance included Alphabet Inc. Class A, Microsoft Corporation, Eli Lilly and Company, and NVIDIA Corporation with other net fair value investment gains of \$19,614,000, \$16,516,000, \$14,712,000 and \$8,106,000 respectively.

The net realized gain was \$82,044,000 for the current fiscal year compared to \$363,997,000 for the prior year. The largest contributors to the net realized gain in fiscal 2022 were from sales of securities in North America for a gain of \$121,891,000, Europe \$14,043,000, and the United Kingdom \$1,455,000 offset by net losses in Emerging Markets of \$50,087,000, Japan \$4,681,000 and Australia \$577,000.

#### Net Investment Income

The Company's net investment income for fiscal 2022 decreased to \$3,989,000 compared to \$28,349,000 for the prior year. On a per Common Share basis, net investment income decreased to \$0.30 in fiscal 2022 compared to \$2.31 in 2021.

In general, foreign dividend income is impacted by changes in the composition of the investment portfolio, variability in foreign exchange rates and dividend yields. During the year, foreign dividend income decreased 39% to \$19,527,000 from \$32,091,000 in fiscal 2021. Dividend income has been impacted by changes in the global investment portfolio as a result of changes made to the investment portfolio managers completed during the fourth quarter of fiscal 2021.

Canadian dividend income decreased to \$2,479,000 from \$11,602,000 in fiscal 2021. During the third fiscal quarter of 2021, the Company recorded a special dividend of \$9,608,000 from its investment in Algoma.

Interest and securities lending income decreased to \$329,000 compared to \$675,000 in the prior year. The decrease occurred primarily as a result of a decrease in securities lending activity.

Expenses of the Company for the year increased to \$15,847,000 compared to \$14,171,000 in the prior year. The majority of the increase relates to a higher investment management and administrative costs resulting from a higher average value in the investment portfolio throughout fiscal 2022. The Company's management expense ratio ("MER") increased in fiscal 2022 to 0.74% of average net assets versus 0.73% in the prior year.

The Company's effective income tax rate decreased during the year by 10.0% due primarily to lower other net fair value changes in investments in the current year compared to the prior year. The effective income tax rate on these amounts is lower compared to net investment income.



# UNITED CORPORATIONS LIMITED

## MANAGEMENT'S DISCUSSION AND ANALYSIS

### Operating Results - Fourth Quarter, Fiscal 2022

The Company's net equity value per Common Share decreased to \$166.49 at March 31, 2022 from \$185.45 at December 31, 2021. With dividends reinvested at month-end net equity values, the Company's net equity value decline was 10.1% in the fourth quarter of fiscal 2022.

Investments managed by Comgest had a pre-tax negative total return of 11.5% (2021 – negative 5.2% since its appointment in January of 2021), Harding Loevner negative 13.2% (2021 – positive 0.5%) and Causeway negative 6.5% (2021 – positive 9.5%), respectively for the fourth quarter of fiscal 2022. During the fourth quarter of fiscal 2022 there was negative investment performance of \$125,000,000 in North America, \$50,295,000 in Europe, \$39,436,000 in Emerging Markets, \$30,192,000 in Japan, \$14,191,000 in the United Kingdom, and \$2,147,000 in Australia.

In Canadian dollar terms, in the fourth quarter of fiscal 2022 total returns for stock market indices were MSCI All Country World Index (6.5%), S&P 500 Index (6.0%), S&P/TSX Composite Index 3.8% and MSCI Emerging Markets (8.3%).

### Three-Year Results

A summary of various financial data for each of the last three fiscal years is as follows (in thousands of dollars, except per share amounts):

	2022	2021	2020
Other net fair value changes in investments <sup>1</sup>	\$ (27,081)	\$ 394,271	\$ (115,022)
Other net fair value changes in investments per Common Share <sup>1</sup>	(2.24)	32.57	(9.44)
Total assets	2,051,470	2,152,756	1,709,455
Net investment income <sup>1,2</sup>	3,989	28,349	28,272
Net investment income per Common Share <sup>2</sup>	0.30	2.31	2.29
Cash dividends paid per Common Share:			
Quarterly	1.20	1.20	1.20
Additional	1.11	1.09	1.05
Cash dividends paid per Preferred Share	1.50	1.50	1.50

<sup>1</sup> On an after-tax basis and after reallocation of net investment income of a limited partnership to net investment income.

<sup>2</sup> See Use of Non-GAAP Measures.

United's investment portfolio is affected by equity markets, stock selection and currency movements.

In fiscal year 2022, returns earned throughout the year pulled back as a result of military hostilities in Ukraine and economic inflationary pressures.

In fiscal year 2021, United benefited from strong equity market returns which followed the global stock market losses experienced towards the end of fiscal 2021.

The fluctuations in net investment income are due primarily to changes in dividend income that is earned by the Company, net of management fees, and due to the receipt of special dividends that occur from time to time. Dividend income in fiscal 2022 has been impacted by changes in the global investment portfolio as a result of changes made to the investment portfolio managers completed during the fourth quarter of fiscal 2021. Dividend income is determined by the dividend policies of the corporations that are held as investments in the Company's total investment portfolio.

# UNITED CORPORATIONS LIMITED

## MANAGEMENT'S DISCUSSION AND ANALYSIS

### Quarterly Review - Fiscal 2022 and 2021

The following tables summarize various financial results on a quarterly basis for the current and prior fiscal years:

	2022 Fiscal Year			
	Quarter ended			
	June 30	Sept. 30	Dec. 31	Mar. 31
	(in thousands of dollars, except per share amounts)			
<b>Investments</b>	<b>\$ 2,149,255</b>	<b>\$ 2,153,753</b>	<b>\$ 2,242,748</b>	<b>\$ 1,965,258</b>
<b>Net investment income (loss) <sup>1,2</sup></b>	<b>3,285</b>	<b>595</b>	<b>(189)</b>	<b>298</b>
<b>Other net fair value changes in investments <sup>1</sup></b>	<b>92,160</b>	<b>34,763</b>	<b>72,635</b>	<b>(226,639)</b>
<b>Per Common Share:</b>				
<b>Net investment income (loss) <sup>1,2</sup></b>	<b>\$ 0.26</b>	<b>\$ 0.05</b>	<b>\$ (0.03)</b>	<b>\$ 0.02</b>
<b>Other net fair value changes in investments <sup>1</sup></b>	<b>7.62</b>	<b>2.87</b>	<b>6.01</b>	<b>(18.74)</b>
<b>Net income (loss)</b>	<b>\$ 7.88</b>	<b>\$ 2.92</b>	<b>\$ 5.98</b>	<b>\$ (18.72)</b>
	2021 Fiscal Year			
	Quarter ended			
	June 30	Sept. 30	Dec. 31	Mar. 31
	(in thousands of dollars, except per share amounts)			
<b>Investments</b>	<b>\$ 1,852,730</b>	<b>\$ 1,905,299</b>	<b>\$ 2,060,823</b>	<b>\$ 2,046,063</b>
<b>Net investment income <sup>1,2</sup></b>	<b>6,531</b>	<b>4,493</b>	<b>12,372</b>	<b>4,953</b>
<b>Other net fair value changes in investments <sup>1</sup></b>	<b>175,977</b>	<b>61,063</b>	<b>150,589</b>	<b>6,642</b>
<b>Per Common Share:</b>				
<b>Net investment income <sup>1,2</sup></b>	<b>\$ 0.53</b>	<b>\$ 0.36</b>	<b>\$ 1.02</b>	<b>\$ 0.40</b>
<b>Other net fair value changes in investments <sup>1</sup></b>	<b>14.52</b>	<b>5.05</b>	<b>12.44</b>	<b>0.56</b>
<b>Net income</b>	<b>\$ 15.05</b>	<b>\$ 5.41</b>	<b>\$ 13.46</b>	<b>\$ 0.96</b>

<sup>1</sup> On an after-tax basis.

<sup>2</sup> See Use of Non-GAAP Measures.

Investment income is derived primarily from dividend income that is earned by the Company. While North American investments usually pay regular quarterly dividends, investments outside of North America often pay less frequently.

In general, dividends earned on investments outside of North America peak in the first quarter of the fiscal year. From time to time, the Company receives additional one-time dividends arising from significant corporate transactions. Dividend income in fiscal 2022 has been impacted by changes in the global investment portfolio as a result of changes made to the investment portfolio managers completed during the fourth quarter of fiscal 2021. There is no guarantee that the Company will receive dividend income on its investments at current dividend payout levels.

Overall returns are determined by the performance of the investment managers of the portfolio and may fluctuate significantly as illustrated by the past eight quarters. The returns generated by the investment managers may not correlate with benchmark returns.

# UNITED CORPORATIONS LIMITED

## MANAGEMENT'S DISCUSSION AND ANALYSIS

### Disclosure Controls and Procedures

The Company's disclosure controls and procedures are designed to provide reasonable assurance that information required to be disclosed by the Company under Canadian securities laws is recorded, processed, summarized and reported within the specified time periods, and include controls and procedures that are designed to ensure that information is accumulated and communicated to management on a timely basis to allow appropriate decisions regarding public disclosure. Under the supervision of management, an evaluation was carried out on the effectiveness of the Company's disclosure controls and procedures as of March 31, 2022. Based on that evaluation, management concluded that the Company's disclosure controls and procedures were effective as at March 31, 2022.

### Internal Control over Financial Reporting

Management is responsible for establishing and maintaining adequate internal control over financial reporting to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with International Financial Reporting Standards. Under the supervision of management, an evaluation of the Company's internal control over financial reporting was carried out as at March 31, 2022. Based on that evaluation, management concluded that the Company's internal control over financial reporting was effective as at March 31, 2022. No changes were made in the Company's internal control over financial reporting during the year ended March 31, 2022, that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

### Risks

As the Company is a closed-end investment corporation, United faces various risks arising from its investments. Under the supervision of the Board of Directors, management has developed policies to identify and monitor these risks. Note 4 to the March 31, 2022 financial statements provides disclosures surrounding risks arising from its financial instruments. These risks include market, liquidity, and credit risks.

#### *Market risk*

The most significant risk that is faced by United is market risk which represents exposures to changes in the fair value of its investment portfolio. As the Company's investment portfolio is represented primarily by global equities, the value of its investments will vary from day to day depending on a number of market factors including economic conditions, global events, market news, and the performance of the issuers of the securities in which the Company invests. Changes in foreign currency exchange rates will also affect the value of investments of non-Canadian dollar securities.

As of March 31, 2022, 58.7% (2021 – 57.5%) of the investment portfolio and cash and cash equivalents was denominated in U.S. dollars, 12.2% (2021 – 9.9%) in euros, 6.1% (2021 – 6.6%) in Japanese yen, and 3.9% (2021 – 7.8%) in Hong Kong dollars. The risks of foreign investments are generally higher in emerging markets. As of March 31, 2022, \$238,946,000 (2021 - \$395,849,000) of investments were included in emerging markets.

#### *Liquidity risk*

Sufficient liquidity is maintained by regular monitoring of cash flow requirements. All liabilities, other than deferred tax liabilities, settle within three months of the year end.

#### *Credit risk*

United participates in securities lending which could expose the Company to the risk of counterparty failure. RBC Investor & Treasury Services ("RBCITS"), the Company's custodian, acts as lending agent. RBCITS is responsible to return the borrowed securities to the Company when required, and RBCITS indemnifies the Company in the event of borrower default. The Company has recourse to the Royal Bank of Canada in the event of a failure by RBCITS to discharge its obligations to the Company.

The Company's exposure to risks is also addressed in the Company's Annual Information Form.

### Share Data

As at March 31, 2022, the following shares were issued and outstanding: 52,237 First Preferred Shares, 80,290 1959 Series Second Preferred Shares, 119,710 1963 Series Second Preferred Shares and 12,078,793 (2021 - 12,096,093) Common Shares.

### Normal Course Issuer Bid

On March 9, 2022, the Company renewed its NCIB. The NCIB provided that the Company may, during the 12-month period commencing March 9, 2022 and ending March 8, 2023, purchase up to 604,194 Common Shares. The price which the Company will pay for any such Common Shares will be the prevailing market price at the time of acquisition.

During the year ended March 31, 2022, 17,300 (2021 - 26,800) Common Shares were purchased under the NCIB at an average price of \$106.36 (2021 - \$93.88) per share for a total consideration of \$1,840,000 (2021 - \$2,516,000).

# UNITED CORPORATIONS LIMITED

## MANAGEMENT'S DISCUSSION AND ANALYSIS

### Liquidity and Capital Resources

The Company's dividend policy is to distribute quarterly Preferred Share dividends of \$0.375 per share and quarterly Common Share dividends of \$0.30 per share. If the annual net investment income is in excess of the quarterly dividends paid, an additional Common Share dividend equal to the excess will be paid following the end of the fiscal year.

No additional Common Share dividend will be paid in the first quarter of fiscal 2023 as net investment income per Common Share for fiscal 2022 is less than quarterly Common Share dividends paid. Net investment income is dependent on the investment decisions that are made by the investment managers. During the first fiscal quarter, the Company paid an additional cash dividend of \$1.11 (2021 - \$1.09) per Common Share, representing the balance of net investment income for the previous fiscal year.

The Company's dividend policy is established by the Board of Directors at its discretion and is subject to change.

### Related Party Information

Included in the Company's Schedule of Investment Portfolio is Algoma, a related party, with a fair value at March 31, 2022 of \$62,724,000 (2021 - \$62,362,000). Dividend income from Algoma for the fiscal year ended March 31, 2022 amounted to \$2,465,000 (2021 - \$11,602,000).

E-L Financial Corporation Limited ("E-L Financial") holds a 52.7% interest in the Company. Included in investment management and administrative costs are fees for administrative services paid to E-L Financial. These fees are calculated at 0.1% per annum of the fair value of the investments managed by the external investment managers and are paid monthly. The total fees for the year ended March 31, 2022 amounted to \$2,401,000 (2021 - \$2,172,000).

The ultimate controlling party of the Company and these related parties is The Honourable Henry N. R. Jackman together with a trust created in 1969 by his father, Henry R. Jackman.

### Critical Accounting Estimates

The preparation of the financial statements require management to make estimates and assumptions that affect the reported amounts of assets, liabilities and earnings. Note 2 to the financial statements describes the significant accounting policies and note 3 contains critical accounting estimates and judgments.

### Significant Developments

The novel coronavirus (or COVID-19) continues to impact international business operations, supply chains, travel, commodity prices, consumer confidence and business forecasts. In addition, the outbreak of military hostilities in Ukraine poses additional risks. These factors have led to higher levels of inflation and have created increased uncertainty and volatility which will impact the performance and expected returns of the investment portfolios.

Management is monitoring the developments in equity markets generally, and their effects on the Company's investment portfolios in particular. The duration and impacts of these events cannot currently be determined. Unexpected developments in financial markets, regulatory environments, may also have adverse impacts on the Company's financial results.

### Additional Information

Additional information relating to United, including the Company's Annual Information Form, is available at [www.sedar.com](http://www.sedar.com).

United's website, [www.ucorp.ca](http://www.ucorp.ca), also provides further information on the Company, including historical information on the net equity value per Common Share which is updated weekly.

# UNITED CORPORATIONS LIMITED

## FINANCIAL HIGHLIGHTS

For each of the years in the five-year period ended March 31, 2022:

	2022	2021	2020	2019	2018
	(Per Common Share)				
NET EQUITY VALUE, beginning of year <sup>1</sup>	<u>\$ 170.66</u>	<u>\$ 137.95</u>	<u>\$ 146.99</u>	<u>\$ 138.40</u>	<u>\$ 132.32</u>
NET INCOME (LOSS) AVAILABLE TO COMMON SHAREHOLDERS					
Net investment income <sup>1</sup>	0.30	2.31	2.29	2.25	1.98
Other net fair value changes in investments <sup>2</sup>	<u>(2.24)</u>	<u>32.57</u>	<u>(9.44)</u>	<u>8.32</u>	<u>6.42</u>
	<u>(1.94)</u>	<u>34.88</u>	<u>(7.15)</u>	<u>10.57</u>	<u>8.40</u>
CASH DIVIDENDS TO COMMON SHAREHOLDERS					
Quarterly	(1.20)	(1.20)	(1.20)	(1.20)	(1.20)
Additional	<u>(1.11)</u>	<u>(1.09)</u>	<u>(1.05)</u>	<u>(0.78)</u>	<u>(1.12)</u>
	<u>(2.31)</u>	<u>(2.29)</u>	<u>(2.25)</u>	<u>(1.98)</u>	<u>(2.32)</u>
ACQUISITION OF COMMON SHARES	<u>0.08</u>	<u>0.12</u>	<u>0.36</u>	<u>—</u>	<u>—</u>
NET EQUITY VALUE, end of year <sup>1</sup>	<u>\$ 166.49</u>	<u>\$ 170.66</u>	<u>\$ 137.95</u>	<u>\$ 146.99</u>	<u>\$ 138.40</u>

<sup>1</sup> Net equity value and net investment income per Common Share are Non-GAAP measures. See Management's Discussion and Analysis on page 4.

<sup>2</sup> After reallocation of net investment income of a limited partnership to net investment income.

# UNITED CORPORATIONS LIMITED

## MANAGEMENT'S REPORT

The accompanying financial statements have been prepared by management and approved by the Board of Directors of the Company. Management is responsible for the information and representations contained in these financial statements and other sections of the Annual Report.


The Company maintains appropriate processes to ensure that relevant and reliable financial information is produced. The financial statements have been prepared in accordance with International Financial Reporting Standards, as issued by the International Accounting Standards Board ("IFRS") and include certain amounts that are based on estimates and judgments. The significant accounting policies which management believes are appropriate for the Company are described in Note 2 to the financial statements. Financial information disclosed elsewhere in the Annual Report is consistent with the financial statements.

The Board of Directors is responsible for reviewing and approving the financial statements and overseeing management's performance of its financial reporting responsibilities. The Board of Directors carries out its responsibilities principally through its Audit Committee. The Audit Committee reviews the financial statements, the adequacy of internal controls, the audit process and financial reporting with management and the external auditor prior to recommending the audited financial statements and related disclosure for approval by the Board of Directors.

The shareholders of the Company appointed the external auditor, PricewaterhouseCoopers LLP. The external auditor audited the financial statements in accordance with Canadian generally accepted auditing standards to enable them to express to the shareholders their opinion on the financial statements. Their report is set out on the following page.



Duncan N.R. Jackman  
Chairman and President  
May 6 2022



Frank J. Glosnek  
Treasurer

# UNITED CORPORATIONS LIMITED

## INDEPENDENT AUDITOR'S REPORT

To the Shareholders of United Corporations Limited

---

### **Our opinion**

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of United Corporations Limited (the Company) as at March 31, 2022 and 2021, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (IFRS).

#### *What we have audited*

The Company's financial statements comprise:

- the statements of financial position as at March 31, 2022 and 2021;
  - the statements of comprehensive income (loss) for the years then ended;
  - the statements of changes in shareholders' equity for the years then ended;
  - the statements of cash flows for the years then ended; and
  - the notes to the financial statements, which include significant accounting policies and other explanatory information.
- 

### **Basis for opinion**

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### *Independence*

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

---

### **Key audit matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the year ended March 31, 2022. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

# UNITED CORPORATIONS LIMITED

Key audit matter	How our audit addressed the key audit matter
<p><b>Valuation of investments</b></p> <p><i>Refer to Note 2 – summary of significant accounting policies, financial instruments and Note 5 – financial instruments, to the financial statements.</i></p> <p>The Company’s investment portfolio included \$1,965 million of publicly listed investments as at March 31, 2022. The Company measures its investments at fair value through profit or loss.</p> <p>The fair value of publicly listed investments is measured by the last traded market price where this price falls within that day’s bid-ask spread. In circumstances where the last traded price is not within the bid-ask spread, the Company determines the point within the bid-ask spread that is most representative of fair value based on the specific facts and circumstances.</p> <p>We considered this a key audit matter due to the significance of the investments, and the high degree of audit effort required in performing audit procedures related to the investments.</p>	<p>Our approach to addressing the matter included the following procedure, among others:</p> <p>Tested and assessed the reasonableness of the fair value of publicly listed investments by independently obtaining market prices from external sources.</p>



## **Other information**

Management is responsible for the other information. The other information comprises the Management's Discussion and Analysis and the information, other than the financial statements and our auditor's report thereon, included in the annual report.

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

---

## **Responsibilities of management and those charged with governance for the financial statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS, 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.

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

Those charged with governance are responsible for overseeing the Company'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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

## UNITED CORPORATIONS LIMITED

- 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 Company'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 Company 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 audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Robert D'Arolfi.

*PricewaterhouseCoopers LLP*

May 6, 2022  
Toronto, Ontario

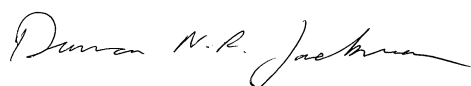
Chartered Professional Accountants, Licensed Public Accountants

# UNITED CORPORATIONS LIMITED

## STATEMENTS OF FINANCIAL POSITION

	<b>March 31</b>	March 31
	<b>2022</b>	2021
	(000's)	
<b>ASSETS</b>		
Cash and cash equivalents (Note 6)	\$ 68,404	\$ 99,271
Investments (Notes 4 and 11)	1,965,258	2,046,063
Receivable in respect of investments sold	11,604	2,082
Dividends and interest receivable	1,844	1,593
Income taxes receivable	944	—
Other assets	3,416	3,787
	<u>2,051,470</u>	<u>2,152,796</u>
<b>LIABILITIES</b>		
Accrued expenses	3,446	2,685
Payable in respect of investments purchased	7,851	5,663
Income taxes payable	—	36,010
Dividends payable (Note 10)	3,718	3,723
Deferred tax liabilities (Note 7)	17,656	32,675
	<u>32,671</u>	<u>80,756</u>
<b>NET ASSETS</b>	<u>\$ 2,018,799</u>	<u>\$ 2,072,040</u>
<b>SHAREHOLDERS' EQUITY</b>		
Share capital (Note 10)	\$ 535,939	\$ 536,697
Retained earnings	1,482,860	1,535,343
<b>TOTAL SHAREHOLDERS' EQUITY</b>	<u>\$ 2,018,799</u>	<u>\$ 2,072,040</u>

APPROVED BY THE BOARD



DUNCAN N.R. JACKMAN  
Director



MICHAEL J. WHITE  
Director

(See accompanying notes)

# UNITED CORPORATIONS LIMITED

## STATEMENTS OF COMPREHENSIVE INCOME (LOSS)

	<u>Year ended March 31</u>	
	<u>2022</u>	<u>2021</u>
	(000's)	
<b>INCOME</b>		
Dividends		
Foreign	\$ 19,527	\$ 32,091
Canadian (Note 11)	<u>2,479</u>	<u>11,602</u>
	<b>22,006</b>	43,693
Interest and securities lending income	329	675
Other net fair value changes in investments (Note 8)	<u>(30,313)</u>	<u>456,154</u>
	<u>(7,978)</u>	<u>500,522</u>
<b>EXPENSES</b>		
Investment management and administrative costs (Note 11)	13,652	12,314
Transfer, registrar and custody fees	1,023	869
Directors' and officer's remuneration (Note 11)	679	552
Office and miscellaneous	392	340
Professional fees	<u>101</u>	<u>96</u>
	<u>15,847</u>	<u>14,171</u>
<b>INCOME (LOSS) BEFORE INCOME TAXES</b>	<b>(23,825)</b>	486,351
Provision for (recovery of) income taxes (Note 7)	<u>(733)</u>	<u>63,731</u>
<b>NET INCOME (LOSS)</b>	<b>\$ (23,092)</b>	<b>\$ 422,620</b>
<b>EARNINGS (LOSS) PER COMMON SHARE</b>		
- BASIC AND DILUTED (Note 12)	<u>\$ (1.94)</u>	<u>\$ 34.88</u>

(See accompanying notes)

# UNITED CORPORATIONS LIMITED

## STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

	Share Capital	Retained Earnings	Total
	(000's)		
<b>At April 1, 2021</b>	<b>\$ 536,697</b>	<b>\$1,535,343</b>	<b>\$2,072,040</b>
<b>Net loss for the year</b>	<b>—</b>	<b>(23,092)</b>	<b>(23,092)</b>
<b>Dividends (Note 10)</b>	<b>—</b>	<b>(28,309)</b>	<b>(28,309)</b>
<b>Repurchase and cancellation of Common Shares (Note 10)</b>	<b>(758)</b>	<b>(1,082)</b>	<b>(1,840)</b>
<b>At March 31, 2022</b>	<b><u>\$ 535,939</u></b>	<b><u>\$1,482,860</u></b>	<b><u>\$2,018,799</u></b>
At April 1, 2020	\$ 537,873	\$1,142,167	\$1,680,040
Net income for the year	—	422,620	422,620
Dividends (Note 10)	—	(28,104)	(28,104)
Repurchase and cancellation of Common Shares (Note 10)	(1,176)	(1,340)	(2,516)
At March 31, 2021	<u>\$ 536,697</u>	<u>\$1,535,343</u>	<u>\$2,072,040</u>

## STATEMENTS OF CASH FLOWS

	Year ended March 31	
	2022	2021
	(000's)	
<b>Net inflow (outflow) of cash related to the following activities:</b>		
<b>Operating</b>		
Net income (loss)	\$ (23,092)	\$ 422,620
Adjustments for:		
Other net fair value changes in investments	30,313	(456,154)
Purchases of investments	(1,161,636)	(1,844,410)
Proceeds from sale of investments	1,204,794	1,908,925
Dividends and interest receivable	(251)	1,981
Deferred taxes	(15,019)	12,815
Net change in other assets and liabilities	(35,822)	40,218
	<u>(713)</u>	<u>85,995</u>
<b>Financing</b>		
Dividends paid to shareholders	(28,314)	(28,112)
Repurchase of Common Shares	(1,840)	(2,516)
	<u>(30,154)</u>	<u>(30,628)</u>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(30,867)</b>	<b>55,367</b>
<b>Cash and cash equivalents at beginning of the year</b>	<b>99,271</b>	<b>43,904</b>
<b>Cash and cash equivalents at end of the year (Note 6)</b>	<b><u>\$ 68,404</u></b>	<b><u>\$ 99,271</u></b>
Additional information for operating activities:		
Interest received	\$ 80	\$ 36
Dividends received, net of withholding taxes	19,710	40,510
Income taxes paid, net of refunds	48,810	6,174

(See accompanying notes)

# UNITED CORPORATIONS LIMITED

## NOTES TO FINANCIAL STATEMENTS

March 31, 2022

### 1. Description of business

United Corporations Limited (“United” or the “Company”) is a closed-end investment corporation. The head office, principal address and registered office of the Company is located at 165 University Avenue, Toronto, Ontario, M5H 3B8.

United trades on the Toronto Stock Exchange under the symbols UNC, UNC.PR.A, UNC. PR.B and UNC.PR.C. United is an investment vehicle for long-term growth through investments in common equities, as management believes that over long periods of time, common equities, as an asset class, will outperform fixed-income instruments or balanced funds. From time to time, however, assets of the Company may be invested in interest-bearing short-term securities pending the selection of suitable equity investments.

The financial statements are presented in Canadian dollars which is the functional and presentation currency. These financial statements were approved by the Company’s Board of Directors on May 5, 2022.

### 2. Summary of significant accounting policies

#### *Basis of presentation*

These financial statements have been prepared in compliance with International Financial Reporting Standards (“IFRS”), as issued by the International Accounting Standards Board. The financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets and liabilities at fair value through profit or loss (“FVTPL”).

#### *Investment entity*

The Company has determined that it meets the definition of investment entity. An investment entity is an entity that (i) obtains funds from one or more investors for the purposes of providing them with investment management services; (ii) commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and (iii) measures and evaluates the performance of substantially all of its investments on a fair value basis.

#### *Financial instruments*

The Company classifies its investments based on both the Company’s business model for managing those financial assets and the contractual cash flow characteristics of the financial assets. The portfolio of financial assets is managed and performance is evaluated on a fair value basis. The Company is primarily focused on fair value information and uses that information to assess the assets’ performance and to make decisions. The collection of contractual cash flows is only incidental to achieving the Company’s business model objective. Consequently, all investments are classified and measured at FVPTL.

All other financial assets and liabilities are measured at amortized cost. 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 cost of each investment and realized and unrealized gains and losses from investment transactions are determined on an average cost basis. Realized and unrealized gains and losses from investments are presented in the Statement of Comprehensive Income (Loss) within Other net fair value changes in investments in the period in which they arise.

Financial assets are derecognized when the rights to receive cash flows from the investments have expired or the Company has transferred substantially all risks and rewards of ownership.

Interest income from short-term investments is recognized at the effective interest rate. Dividends are recognized as income on the ex-dividend date.

Purchases and sales of financial assets are recognized at their trade date. Receivables in respect to investments sold and payables in respect to investments purchased represent unsettled investment transactions.

#### *Fair value measurement*

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

For publicly listed investments, the Company uses the last traded market price where this price falls within that day’s bid-ask spread. In circumstances where the last traded price is not within the bid-ask spread, the Company determines the point within the bid-ask spread that is most representative of fair value based on the specific facts and circumstances.

# UNITED CORPORATIONS LIMITED

## NOTES TO FINANCIAL STATEMENTS

March 31, 2022

### 2. Summary of significant accounting policies (continued)

#### *Foreign currency translation*

Foreign currency transactions are translated into Canadian dollars using the exchange rates prevailing at the dates that transactions occur. Assets and liabilities denominated in a foreign currency are translated into Canadian dollars using the exchange rate prevailing at the measurement date. Foreign exchange gains and losses relating to financial assets and liabilities are included as a component of the "Other net fair value changes in investments" in the Statement of Comprehensive Income (Loss).

#### *Cash and cash equivalents*

Cash and cash equivalents includes cash on hand and short term, highly liquid instruments with maturities of three months or less from the date of acquisition.

#### *Securities lending income*

Securities lending income is recognized as earned.

#### *Comprehensive income (loss)*

The Company does not have any other comprehensive income (loss) and therefore comprehensive income (loss) equals net income (loss) which it reports in its Statement of Comprehensive Income (Loss).

#### *Earnings per Common share ("EPS")*

Basic and diluted EPS is calculated by dividing the net income (loss), less preferred dividends, by the weighted average number of Common Shares outstanding for the period. Refer to Note 12 for the calculation.

#### *Income taxes*

Income tax comprises both current and deferred tax. Income tax is recognized in the Statement of Comprehensive Income (Loss).

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute these amounts are those that are enacted or substantively enacted at the end of each reporting period.

Deferred income tax assets and liabilities are recorded for the expected future income tax consequences of events that have been reflected in the statements or income tax returns.

Deferred income taxes are provided for using the liability method. Under the liability method, deferred income taxes are recognized for all significant temporary differences between the tax and financial statement bases for assets and liabilities and for certain carry-forward items.

Deferred income tax assets are recognized only to the extent that, in the opinion of management, it is probable that the deferred income tax assets will be realized. Deferred income tax assets and liabilities are adjusted for the effects of changes in tax laws and rates, on the date of the enactment or substantive enactment.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets and they relate to income taxes levied by the same tax authority on the same taxable entity.

The Company currently incurs withholding taxes imposed by certain countries on investment income. Such income is recorded on a gross basis and the related withholding taxes are reflected within the provision for (recovery of) income taxes in the Statement of Comprehensive Income (Loss).

#### *Future accounting changes*

Certain new standards, amendments to standards and interpretations are effective for annual periods beginning after April 1, 2022, and have not been early adopted in preparing these financial statements. None of these are expected to have a material effect on the financial statements.

# UNITED CORPORATIONS LIMITED

## NOTES TO FINANCIAL STATEMENTS

March 31, 2022

### 3. Critical accounting estimates and judgments

The preparation of financial statements requires management to use judgment in applying its accounting policies and to make estimates and assumptions about the future. The following discusses the most significant accounting judgments and estimates that the Company has made in preparing the financial statements:

#### *Deferred taxes*

Estimates and assumptions are used primarily in the determination of the Company's deferred tax liabilities, as the income tax rates used in determining the liability is dependent on an assumption as to when a deferred tax liability is expected to be realized.

### 4. Risks associated with financial instruments

The Company faces various risks arising from its financial instruments. Under the supervision of the Board of Directors, management has developed policies to identify, measure and monitor these risks. These risks and their management are described below:

#### *Credit risk*

Credit risk is the risk of financial loss resulting from a counterparty's failure to discharge an obligation. The Company has a securities lending agreement with its custodian, RBC Investor & Treasury Services ("RBCITS"), whereby RBCITS lends securities to borrowers for a fee, which is shared with the Company. RBCITS receives fixed income securities and equities as collateral from borrowers, of at least 105% of the value of the securities loaned. In the event that the loaned securities are not returned to the Company by the borrower, RBCITS is responsible to restore the securities or pay to the Company the market value of the loaned securities. If the collateral is not adequate to pay the market value to the Company, RBCITS indemnifies the Company for the difference. The Company has recourse to the Royal Bank of Canada should RBCITS fail to discharge its obligations to the Company. At March 31, 2022 the Company had loaned securities with a fair value of approximately \$115,007,000 (2021 - \$188,100,000) and RBCITS received approximately \$120,757,000 (2021 - \$197,506,000) in collateral. There was no significant exposure to credit risk to other receivable balances because of their short-term nature.

#### *Liquidity risk*

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they come due. Sufficient liquidity is maintained by regular monitoring of cash flow requirements. All liabilities, other than deferred tax liabilities, settle within three months of the year end.

#### *Market risk*

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices which includes interest rate risk, foreign currency risk and other price risk.

The Company is not subject to significant interest rate risk, as its only fixed-interest investments are short term in nature.

Currency risk arises from financial instruments denominated in foreign currencies. IFRS 7 - "Financial Instrument Disclosures" considers the foreign exchange exposures relating to non-monetary financial instruments to be a component of other price risk. The Company's distribution of underlying currency exposure of investments is as follows:

	<u>2022</u>	<u>2021</u>
		(000's)
U.S. dollar	<b>\$ 1,179,605</b>	\$ 1,214,729
European Union euro	<b>248,400</b>	212,211
Japanese yen	<b>124,258</b>	141,137
British pound sterling	<b>90,330</b>	49,797
Hong Kong	<b>78,300</b>	167,186
Canadian dollar	<b>74,298</b>	70,178
Swiss franc	<b>68,307</b>	81,180
Other	<b>101,760</b>	109,645
	<u><b>\$ 1,965,258</b></u>	<u><b>\$ 2,046,063</b></u>

The Company has a Canadian equivalent of \$13,338,000 US dollars held as cash as of the year end.



# UNITED CORPORATIONS LIMITED

## NOTES TO FINANCIAL STATEMENTS

March 31, 2022

### 4. Risks associated with financial instruments (continued)

The Company is exposed to other price risk through its investment in equity securities. These risks are mitigated by investing in a diversified portfolio of securities. The following is a summary of the concentrations of investments by geographic region:

	<u>2022</u>	<u>2021</u>
United States	<b>53.0%</b>	50.1%
Europe, excluding United Kingdom	<b>18.8%</b>	18.1%
Emerging markets	<b>12.2%</b>	19.3%
Japan	<b>6.3%</b>	6.9%
United Kingdom	<b>5.3%</b>	2.2%
Canada	<b>3.8%</b>	3.4%
Australia	<b>0.6%</b>	—
	<u><b>100.0%</b></u>	<u>100.0%</u>

Investments are categorized by geographic location of headquarters.

A 10% fluctuation in market risk, assuming all other factors are constant, would have an after-tax impact of approximately \$170,486,000 (2021 - \$177,496,000) on net income.

### 5. Financial instruments

The Company classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

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

At March 31, 2022, the Company had \$1,965,258,000 (2021 - \$2,046,063,000) of Level 1 equity investments. There were no year-to-date transfers between Level 1, 2 or 3 equity investments.

The other net fair value changes in financial instruments at FVTPL by category for the year end March 31, 2022 was a net loss of \$30,313,000 (2021 - a net gain of \$456,154,000) on financial assets at FVTPL.

Cash equivalents are Level 2 financial instruments. The carrying values of cash and cash equivalents, receivable in respect of investments sold, dividends and interest receivable, income taxes receivable, accrued expenses, payable in respect of investments purchased, and dividends payable approximate their fair values due to their short-term nature.

### 6. Cash and cash equivalents

Components of cash and cash equivalents for purposes of the statements of cash flows are as follows:

	<u>2022</u>	<u>2021</u>
	(000's)	
Cash	<b>\$ 48,404</b>	\$ 74,258
Cash equivalents	<b>20,000</b>	25,013
	<u><b>\$ 68,404</b></u>	<u>\$ 99,271</u>

The following table presents cash and cash equivalents classified by the fair value hierarchy:

	Level 1	Level 2	Level 3	Total fair value
	(000's)			
<b>March 31, 2022</b>	<b>\$ 48,404</b>	<b>\$ 20,000</b>	<b>\$ —</b>	<b>\$ 68,404</b>
March 31, 2021	\$ 74,258	\$ 25,013	\$ —	\$ 99,271

# UNITED CORPORATIONS LIMITED

## NOTES TO FINANCIAL STATEMENTS March 31, 2022

### 7. Income taxes

The Company is a public corporation under the Income Tax Act and is subject to tax at normal corporate rates on its taxable net realized gains (Note 9) and on investment income other than taxable dividends received from corporations resident in Canada. Income taxes are assessed on income before income taxes. The current enacted corporate tax rates as they impact the Company in fiscal 2022 stand at 26.5%. The effective tax rate varies from the combined statutory rate as follows:

	<u>2022</u>	<u>2021</u>
	(000's)	
Income taxes at statutory rate	<b>\$ (6,314)</b>	\$ 128,883
Variance as a result of:		
Non-taxable portion of other net fair value changes in investments	<b>4,016</b>	(60,440)
Tax-paid dividends	<b>(657)</b>	(3,075)
Other	<b>2,222</b>	(1,637)
Provision for (recovery of) income taxes	<b><u>\$ (733)</u></b>	<b><u>\$ 63,731</u></b>

The Company's provision for (recovery of) income taxes includes provisions (recoveries) for current and deferred income taxes as follows:

	<u>2022</u>	<u>2021</u>
	(000's)	
Current	<b>\$ 14,286</b>	\$ 50,916
Deferred	<b>(15,019)</b>	12,815
Provision for (recovery of) income taxes	<b><u>\$ (733)</u></b>	<b><u>\$ 63,731</u></b>

Deferred tax liabilities arise primarily from differences between the carrying value and the tax cost of the investments as well as from the timing of the inclusion of accrued dividends for income tax purposes. Details of the deferred tax liabilities as at March 31 are as follows:

	<u>2022</u>	<u>2021</u>
	(000's)	
Unrealized appreciation of investments	<b>\$ 17,166</b>	\$ 32,253
Accrued dividends	<b>490</b>	422
Deferred tax liabilities	<b><u>\$ 17,656</u></b>	<b><u>\$ 32,675</u></b>

Deferred tax expense included in net income represents movements related to the following items:

	<u>2022</u>	<u>2021</u>
	(000's)	
Investments	<b>\$ (15,087)</b>	\$ 13,340
Accrued dividends	<b>68</b>	(525)
Deferred tax liabilities	<b><u>\$ (15,019)</u></b>	<b><u>\$ 12,815</u></b>

During the year ended March 31, 2022, the Company paid tax instalments and assessments totaling \$49,386,000 (2021- \$11,694,000) and received income tax refunds totaling \$576,000 (2021 - \$5,520,000). These items are classified as cash flows from operating activities in the cash flow statement.

# UNITED CORPORATIONS LIMITED

## NOTES TO FINANCIAL STATEMENTS March 31, 2022

### 8. Other net fair value changes in investments

The other net fair value changes in investments is comprised as follows:

	<u>2022</u>	<u>2021</u>
	(000's)	
Net realized gains	\$ 82,044	\$ 363,997
Net change in unrealized appreciation	(112,357)	92,157
	<u>\$ (30,313)</u>	<u>\$ 456,154</u>

### 9. Net realized gain

The following are the details of the net realized gain for the years ended March 31:

	<u>2022</u>	<u>2021</u>
	(000's)	
Proceeds on sales of investments	\$ 1,214,317	\$ 1,904,027
Cost of investments, beginning of the year	1,803,367	1,497,106
Cost of investments purchased during the year	1,163,824	1,846,291
	<u>2,967,191</u>	<u>3,343,397</u>
Cost of investments, end of the year	1,834,918	1,803,367
Cost of investments sold during the year	1,132,273	1,540,030
Net realized gain	<u>\$ 82,044</u>	<u>\$ 363,997</u>

### 10. Share capital

The classes of shares and, where applicable, the maximum number of shares that the Company is authorized to issue are as follows:

- (a) 52,237 First Preferred Shares without nominal or par value redeemable at the option of the Company at \$30.00 each;
- (b) 200,000 Second Preferred Shares without nominal or par value, issuable in series, of which: 80,290 shares are designated 1959 Series Second Preferred Shares, redeemable at the option of the Company at \$30.00 each and 119,710 shares are designated 1963 Series Second Preferred Shares, redeemable at the option of the Company at \$31.50 each;
- (c) Third Preferred Shares without nominal or par value, issuable in series. The maximum number of Third Preferred Shares that may be outstanding at any time shall be that number for which the aggregate stated value does not exceed \$15,000,000; and
- (d) an unlimited number of Common Shares.

The capital stock of the Company is as follows:

	<u>Authorized</u>	<u>Issued and outstanding</u>	<u>2022</u>	<u>2021</u>
	(000's)			
First Preferred Shares	52,237	52,237	\$ 119	\$ 119
Second Preferred Shares	200,000	200,000	6,000	6,000
Common Shares	unlimited	12,078,793 (2021 - 12,096,093)	<u>529,820</u>	<u>530,578</u>
			<u>\$ 535,939</u>	<u>\$ 536,697</u>

# UNITED CORPORATIONS LIMITED

## NOTES TO FINANCIAL STATEMENTS March 31, 2022

### 10. Share capital (Continued)

The changes in share capital are comprised as follows:

	Number of Common Shares	Common Share Capital
		(000's)
At April 1, 2021	<b>12,096,093</b>	<b>\$ 530,578</b>
Repurchase and cancellation of Common Shares	<b>(17,300)</b>	<b>(758)</b>
At March 31, 2022	<b>12,078,793</b>	<b>\$ 529,820</b>
At April 1, 2020	12,122,893	\$ 531,754
Repurchase and cancellation of Common Shares	(26,800)	(1,176)
At March 31, 2021	12,096,093	\$ 530,578

On March 9, 2022, the Company renewed its Normal Course Issuer Bid ("NCIB"). The NCIB provided that the Company may, during the 12-month period commencing March 9, 2022 and ending March 8, 2023, purchase up to 604,194 Common Shares. The price which the Company will pay for any such Common Shares will be the prevailing market price at the time of acquisition. During the year ended March 31, 2022, the Company purchased 17,300 (2021 - 26,800) Common Shares.

Cash dividends paid during the year were as follows:

	2022	2021
	(000's)	
On Preferred Shares:		
52,237 First Preferred Shares - \$1.50 per share	<b>\$ 78</b>	\$ 78
200,000 Second Preferred Shares - \$1.50 per share	<b>300</b>	300
	<b>378</b>	378
On Common Shares:		
Quarterly - \$0.30 quarterly per share	<b>14,511</b>	14,528
Additional - \$1.11 (2021 - \$1.09) per share	<b>13,425</b>	13,206
	<b>27,936</b>	27,734
	<b>\$ 28,314</b>	\$ 28,112

The Company's current dividend policy is to distribute annual net investment income, after payment of Preferred Share dividends. The fiscal 2022 distributions are composed of quarterly dividends of \$0.30 (2021 - \$0.30) together with an additional dividend representing the balance of net investment income for the previous fiscal year, subject to the Board of Directors approval. This additional dividend is paid in the first quarter following the fiscal year end.

The Company's dividend policy is established by the Board of Directors at its discretion and is subject to change.

# UNITED CORPORATIONS LIMITED

## NOTES TO FINANCIAL STATEMENTS

March 31, 2022

### 11. Related party information

Included in the Company's Schedule of Investment Portfolio is Algoma Central Corporation ("Algoma"), a related party, with a fair value at March 31, 2022 of \$62,724,000 (2021 - \$62,362,000). Dividend income from Algoma for the fiscal year ended March 31, 2022 amounted to \$2,465,000 (2021 - \$11,602,000).

E-L Financial holds a 52.7% interest in the Company. Included in investment management and administrative costs are fees for administrative services paid to E-L Financial. These fees are calculated at 0.1% per annum of the fair value of the investments managed by the external investment managers and are paid monthly. The total fees for the year ended March 31, 2022 amounted to \$2,401,000 (2021 - \$2,172,000).

The ultimate controlling party of the Company and these related parties is The Honourable Henry N. R. Jackman together with a trust created in 1969 by his father, Henry R. Jackman.

#### *Compensation of key management personnel*

Key management personnel comprise the Chairman and President and directors of the Company and their remuneration is as follows:

	2022	2021
	(000's)	
Chairman and President's and directors' compensation	\$ 679	\$ 552

### 12. Earnings per Common Share ("EPS")

#### *Basic and diluted EPS*

EPS is calculated by dividing the net income (loss), less preferred dividends, by the weighted average number of Common Shares outstanding for the period.

EPS is calculated as follows (in thousands of dollars, except for weighted average number of Common Shares outstanding and per Common Share amounts):

	2022	2021
Net income (loss)	\$ (23,092)	\$ 422,620
Less: Preferred dividends	378	378
Net income (loss) attributed to common shareholders	\$ (23,470)	\$ 422,242
Weighted average number of Common shares outstanding	12,092,086	12,105,593
Basic and diluted earnings (loss) per Common Share	\$ (1.94)	\$ 34.88

### 13. Capital

The Company's capital comprises shareholders' equity, which is invested primarily in managed diversified portfolios of common shares of publicly-traded global companies. The Company's strategy is to earn an above-average rate of return, primarily through long-term capital appreciation and dividend income. Short-term volatility is expected and tolerated. Management remains confident that the Company's investment strategy will reward shareholders over the long term. The Company monitors its capital via its assessment of shareholders' equity.

### 14. Novel Coronavirus (or COVID-19)

The continued worldwide spread of novel coronavirus (or COVID-19) continues to impact international business operations, supply chains, travel, commodity prices, consumer confidence and business forecasts. This has created increased uncertainty and volatility which will impact the performance and expected returns of the portfolio and the Company in the near term.

# UNITED CORPORATIONS LIMITED

## SCHEDULE OF INVESTMENT PORTFOLIO AS AT MARCH 31, 2022

Number of Shares		Cost	Carrying value	% of Carrying value
			(000's)	
	<b>United States</b>			
3,660	3M Company.....	\$ 682	\$ 681	
9,860	Abbott Laboratories.....	1,450	1,458	
8,670	AbbVie Inc.....	1,740	1,756	
15,256	Adobe Inc.....	9,149	8,686	
8,800	Advanced Micro Devices, Inc.....	1,302	1,202	
4,920	Aflac Incorporated.....	397	396	
2,350	Agilent Technologies, Inc.....	399	389	
1,590	Air Products and Chemicals, Inc.....	478	497	
2,080	Airbnb, Inc. Class A.....	436	446	
1,100	Albermarle Corporation.....	292	304	
34,519	Align Technology, Inc.....	16,865	18,807	
2,570	Allstate Corporation (The).....	445	445	
1,680	Alnylam Pharmaceuticals, Inc.....	344	343	
17,263	Alphabet Inc. Class A.....	35,217	59,999	
4,504	Alphabet Inc. Class C.....	9,849	15,719	
10,570	Altria Group, Inc.....	695	690	
9,043	Amazon.com, Inc.....	35,553	36,838	
4,270	American Electric Power Company, Inc.....	518	532	
3,720	American Express Company.....	878	869	
6,230	American International Group, Inc.....	492	489	
3,100	American Tower Corporation.....	905	973	
46,223	AMETEK, Inc.....	7,156	7,693	
3,250	Amgen Inc.....	965	982	
4,150	Amphenol Corporation.....	390	391	
47,317	Analog Devices, Inc.....	10,512	9,767	
1,370	Anthem, Inc.....	813	841	
113,389	Apple Inc.....	17,448	24,741	
50,341	Applied Materials, Inc.....	9,020	8,291	
3,950	Archer-Daniels-Midland Company.....	447	446	
1,760	Arista Networks, Inc.....	304	306	
43,540	AT&T Inc.....	1,273	1,286	
1,270	Autodesk, Inc.....	333	340	
2,460	Automatic Data Processing, Inc.....	666	699	
140	AutoZone, Inc.....	351	358	
1,450	AvalonBay Communities, Inc.....	441	450	
6,230	Baker Hughes Company.....	302	283	
3,540	Ball Corporation.....	409	398	
37,750	Bank of America Corporation.....	2,042	1,944	
5,600	Bank of New York Mellon Corporation (The).....	365	347	
4,810	Baxter International Inc.....	467	466	
1,980	Becton, Dickinson and Company.....	653	658	
6,410	Berkshire Hathaway Inc.....	2,825	2,827	
138,756	Berry Global Group, Inc.....	11,112	10,050	
3,130	Best Buy Co., Inc.....	378	356	
780	Bill.com Holdings, Inc.....	228	221	
1,520	Biogen Inc.....	405	400	
810	BlackRock, Inc.....	751	773	
3,720	Blackstone Inc.....	586	590	
2,120	Block, Inc.....	356	359	
3,570	Boeing Company (The).....	840	854	
4,418	Booking Holdings Inc.....	11,608	12,965	
10,310	Boston Scientific Corporation.....	553	571	
11,960	Bristol-Myers Squibb Company.....	1,084	1,091	
15,965	Broadcom Inc.....	9,218	12,562	
1,630	Cadence Design Systems, Inc.....	327	335	
2,960	Capital One Financial Corporation.....	501	486	
108,810	Carrier Global Corporation.....	5,485	6,237	
3,210	Caterpillar Inc.....	898	894	
3,440	CBRE Group, Inc. Class A.....	386	393	
4,310	Centene Corporation.....	457	453	
6,880	Charles Schwab Corporation (The).....	784	725	
1,010	Charter Communications, Inc.....	713	688	
9,570	Chevron Corporation.....	1,999	1,947	
250	Chipotle Mexican Grill, Inc.....	485	494	
101,011	Church & Dwight Co., Inc.....	10,799	12,544	
2,040	Cigna Corporation.....	618	611	
23,770	Cisco Systems, Inc.....	1,615	1,656	
84,590	Citigroup Inc.....	6,480	5,645	
1,820	Cloudflare, Inc.....	269	272	
34,956	CME Group Inc.....	8,214	10,390	
22,650	Coca-Cola Co. (The).....	1,726	1,755	
3,890	Cognizant Technology Solutions Corporation.....	445	436	
6,170	Colgate-Palmolive Company.....	570	585	
25,640	Comcast Corporation Class A.....	1,502	1,500	

# UNITED CORPORATIONS LIMITED

## SCHEDULE OF INVESTMENT PORTFOLIO AS AT MARCH 31, 2022

Number of Shares		Cost	Carrying value	% of Carrying value
	<b>United States (continued)</b>		(000's)	
50,146	Concentrix Corporation .....	\$ 6,489	\$ 10,437	
6,110	ConocoPhillips .....	804	763	
6,840	Corning Incorporated .....	328	315	
5,620	Corteva, Inc. ....	411	404	
62,986	CoStar Group, Inc. ....	6,931	5,243	
23,362	Costco Wholesale Corporation .....	10,721	16,811	
1,390	CrowdStrike Holdings, Inc. ....	384	394	
3,290	Crown Castle International Corp. ....	717	759	
13,840	CSX Corporation .....	637	648	
6,430	CVS Health Corporation .....	868	813	
3,390	D.R. Horton, Inc. ....	332	316	
27,986	Danaher Corporation .....	8,606	10,258	
1,590	Datadog, Inc. ....	298	301	
31,310	Deere & Company .....	9,889	16,255	
3,810	Devon Energy Corporation .....	293	282	
700	DexCom, Inc. ....	402	448	
1,460	Diamondback Energy, Inc. ....	262	250	
2,790	Digital Realty Trust, Inc. ....	479	494	
2,340	Discover Financial Services .....	327	322	
64,204	Disney (Walt) Company .....	11,212	11,004	
1,720	Dollar General Corporation .....	477	479	
2,120	Dollar Tree, Inc. ....	414	424	
6,190	Dominion Energy, Inc. ....	640	657	
4,890	Dow Inc. ....	392	389	
5,630	Duke Energy Corporation .....	759	786	
3,770	DuPont de Nemours, Inc. ....	360	347	
5,070	eBay Inc. ....	361	363	
42,520	Ecolab Inc. ....	12,010	9,381	
54,526	Edwards Lifesciences Corporation .....	6,032	8,021	
2,880	Electronic Arts Inc. ....	451	455	
88,274	Eli Lilly and Company .....	21,500	31,589	
3,960	Emerson Electric Co. ....	486	485	
1,280	Enphase Energy, Inc. ....	312	323	
3,310	EOG Resources, Inc. ....	507	493	
720	Equinix, Inc. ....	638	667	
3,850	Equity Residential .....	424	433	
170,095	Essent Group Ltd. ....	9,393	8,759	
1,570	Estee Lauder Companies Inc. (The) .....	542	534	
25,760	Etsy, Inc. ....	4,509	4,001	
8,740	Exelon Corporation .....	486	520	
1,580	Expedia Group, Inc. ....	381	386	
20,940	Exxon Mobil Corporation .....	2,202	2,161	
5,180	Fastenal Company .....	372	384	
1,820	FedEx Corporation .....	510	526	
3,910	Fidelity National Information Services, Inc. ....	472	491	
5,980	Fifth Third Bancorp. ....	344	322	
80,444	First Republic Bank .....	11,799	16,295	
117,966	Fiserv, Inc. ....	16,644	14,947	
24,600	Ford Motor Company .....	519	520	
840	Fortinet, Inc. ....	346	359	
8,640	Freeport-McMoRan Inc. ....	556	537	
850	Generac Holdings Inc. ....	342	316	
1,570	General Dynamics Corporation .....	475	473	
78,129	General Electric Company .....	9,935	8,933	
5,530	General Mills, Inc. ....	458	468	
8,340	General Motors Company .....	464	456	
223,923	Genpact Ltd. ....	11,723	12,175	
8,750	Gilead Sciences, Inc. ....	650	650	
1,890	Global Payments Inc. ....	320	323	
1,640	Goldman Sachs Group, Inc. ....	692	676	
7,490	Halliburton Company .....	360	354	
4,300	Hartford Financial Services Group, Inc. (The) .....	386	386	
1,880	HCA Healthcare, Inc. ....	616	589	
2,520	Hilton Worldwide Holdings Inc. ....	474	478	
5,940	Home Depot, Inc. (The) .....	2,359	2,222	
3,680	Honeywell International Inc. ....	895	895	
8,090	HP Inc. ....	389	367	
490	HubSpot, Inc. ....	287	291	
900	Humana Inc. ....	493	489	
5,460	IBM Corporation .....	883	887	
510	IDEXX Laboratories, Inc. ....	342	349	
2,280	Illinois Tool Works Inc. ....	602	597	
28,131	Illumina, Inc. ....	11,112	12,282	
21,660	Intel Corporation .....	1,380	1,341	

# UNITED CORPORATIONS LIMITED

## SCHEDULE OF INVESTMENT PORTFOLIO AS AT MARCH 31, 2022

Number of Shares		Cost	Carrying value	% of Carrying value
	<b>United States (continued)</b>		(000's)	
3,370	Intercontinental Exchange, Inc.....	\$ 570	\$ 556	
41,453	Intuit Inc.....	21,936	24,907	
18,129	Intuitive Surgical, Inc.....	5,910	6,834	
20,271	IQVIA Holdings Inc.....	4,704	5,857	
87,462	Johnson & Johnson.....	17,989	19,370	
15,080	JPMorgan Chase & Co.....	2,652	2,569	
2,920	Kimberly-Clark Corporation.....	441	449	
16,950	Kinder Morgan, Inc.....	389	401	
800	KLA Corporation.....	361	366	
6,110	Kroger Co. (The).....	437	438	
1,520	L3Harris Technologies, Inc.....	488	472	
810	Lam Research Corporation.....	556	544	
210,974	Las Vegas Sands Corporation.....	12,266	10,247	
78,497	Leidos Holdings, Inc.....	8,576	10,596	
1,710	Lockheed Martin Corporation.....	963	943	
4,320	Lowe's Companies, Inc.....	1,191	1,091	
14,600	Lululemon Athletica Inc.....	5,942	6,663	
3,770	Marathon Petroleum Corporation.....	383	403	
2,230	Marriott International, Inc. Class A.....	476	490	
3,240	Marsh & McLennan Companies, Inc.....	666	690	
4,810	Marvell Technology, Inc.....	435	431	
4,470	MasterCard, Inc. Class A.....	1,939	1,996	
2,000	Match Group, Inc.....	265	272	
4,460	McDonald's Corporation.....	1,337	1,378	
1,000	McKesson Corporation.....	380	383	
4,803	MercadoLibre, Inc.....	7,034	7,139	
14,310	Merck & Co., Inc.....	1,441	1,467	
122,007	Meta Platforms, Inc. Class A.....	37,821	33,901	
5,430	MetLife, Inc.....	479	477	
3,810	Microchip Technology Incorporated.....	366	358	
6,800	Micron Technology, Inc.....	660	662	
167,432	Microsoft Corporation.....	40,215	64,506	
2,270	Moderna, Inc.....	506	489	
98,336	Mondelez International, Inc.....	7,247	7,714	
1,140	Moody's Corporation.....	469	481	
6,410	Morgan Stanley.....	743	700	
1,250	Motorola Solutions, Inc.....	359	378	
600	MSCI Inc.....	372	377	
11,643	Netflix, Inc.....	8,104	5,450	
6,480	Newmont Corporation.....	641	643	
12,000	NextEra Energy, Inc.....	1,256	1,270	
136,985	Nike, Inc. Class B.....	19,918	23,034	
1,630	Norfolk Southern Corporation.....	573	581	
1,180	Northrop Grumman Corporation.....	669	659	
1,800	Nucor Corporation.....	344	334	
28,807	NVIDIA Corporation.....	3,170	9,822	
4,550	Occidental Petroleum Corporation.....	339	323	
1,520	Okta, Inc.....	273	287	
910	Old Dominion Freight Line, Inc.....	361	340	
4,030	ON Semiconductor Corporation.....	315	315	
8,070	Oracle Corporation.....	830	834	
450	O'Reilly Automotive, Inc.....	393	385	
3,580	PACCAR Inc.....	400	394	
610	Palo Alto Networks, Inc.....	470	474	
6,520	Paramount Global.....	308	308	
1,120	Parker-Hannifin Corporation.....	405	397	
2,710	Paychex, Inc.....	432	462	
36,673	PayPal Holdings, Inc.....	4,605	5,300	
7,400	PepsiCo, Inc.....	1,523	1,548	
27,610	Pfizer Inc.....	1,822	1,786	
9,540	Philip Morris International Inc.....	1,103	1,120	
3,570	Phillips 66.....	360	385	
175,157	Pinterest, Inc. Class A.....	9,956	5,387	
1,370	Pioneer Natural Resources Company.....	434	428	
2,430	PNC Financial Services Group, Inc.....	589	560	
2,260	PPG Industries, Inc.....	367	370	
12,830	Procter & Gamble Co. (The).....	2,428	2,450	
3,980	Progressive Corporation (The).....	570	567	
4,690	Prologis, Inc.....	919	946	
2,650	Prudential Financial, Inc.....	396	391	
1,300	Public Storage.....	603	634	
5,940	QUALCOMM Incorporated.....	1,167	1,134	



# UNITED CORPORATIONS LIMITED

## SCHEDULE OF INVESTMENT PORTFOLIO AS AT MARCH 31, 2022

Number of Shares		Cost	Carrying value	% of Carrying value
			(000's)	
	<b>United States (continued)</b>			
7,960	Raytheon Technologies Corporation .....	\$ 1,015	\$ 985	
5,750	Realty Income Corporation .....	482	498	
750	Regeneron Pharmaceuticals, Inc. ....	637	655	
1,220	ResMed Inc. ....	368	370	
9,842	Rockwell Automation Inc. ....	3,461	3,444	
830	Roper Technologies, Inc. ....	480	490	
2,680	Ross Stores, Inc. ....	303	303	
19,170	S&P Global Inc. ....	10,749	9,826	
689,235	Sabre Corporation .....	13,421	9,844	
25,636	Salesforce.com, Inc. ....	5,385	6,802	
1,170	SBA Communications Corporation.....	472	503	
134,629	Schlumberger Limited .....	4,358	6,950	
2,360	Sempra Energy .....	469	496	
960	ServiceNow, Inc. ....	692	668	
1,820	Sherwin-Williams Company .....	568	568	
2,790	Simon Property Group, Inc. ....	455	459	
4,430	Snap Inc. ....	202	199	
1,460	Snowflake Inc. Class A .....	405	418	
7,810	Southern Company .....	678	708	
7,040	Starbucks Corporation .....	764	800	
2,940	State Street Corporation .....	327	320	
2,110	Stryker Corporation .....	692	705	
24,780	SVB Financial Group .....	11,186	17,323	
23,956	Synopsys, Inc. ....	4,797	9,977	
3,950	Sysco Corporation .....	402	403	
1,960	T. Rowe Price Group, Inc. ....	363	370	
2,950	Target Corporation .....	804	782	
35,940	TD SYNNEX Corporation .....	4,748	4,635	
3,600	Tesla, Inc. ....	4,549	4,848	
4,780	Texas Instruments Incorporated.....	1,096	1,096	
17,574	Thermo Fisher Scientific Inc. ....	8,781	12,971	
7,620	TJX Companies, Inc. (The) .....	572	577	
4,440	T-Mobile US, Inc. ....	698	712	
1,280	Tractor Supply Company .....	374	373	
66,474	Trade Desk, Inc. (The) .....	5,909	5,752	
67,593	Tradeweb Markets Inc. ....	4,945	7,422	
1,900	Travelers Companies, Inc. (The).....	437	434	
8,140	Truist Financial Corporation .....	598	577	
6,590	Twitter, Inc. ....	320	319	
8,110	U.S. Bancorp .....	570	539	
9,710	Uber Technologies, Inc. ....	419	433	
3,710	Union Pacific Corporation .....	1,257	1,267	
4,040	United Parcel Service, Inc. Class B .....	1,086	1,083	
690	United Rentals, Inc. ....	310	306	
25,757	UnitedHealth Group Incorporated .....	12,233	16,414	
2,960	Valero Energy Corporation .....	357	376	
1,370	Veeva Systems Inc. ....	337	364	
80,452	Verisk Analytics Inc. Class A .....	13,972	21,577	
25,180	Verizon Communications Inc. ....	1,612	1,603	
46,772	Vertex Pharmaceuticals, Inc. ....	11,502	15,253	
57,679	Visa Inc. ....	15,659	15,984	
1,620	Vulcan Materials Company .....	364	372	
6,460	Walgreens Boots Alliance, Inc. ....	380	361	
9,020	Walmart Inc. ....	1,616	1,679	
42,758	Waste Management, Inc. ....	7,274	8,469	
19,830	Wells Fargo & Company .....	1,278	1,201	
4,310	Welltower Inc. ....	508	518	
163,459	WestRock Company .....	10,495	9,606	
8,440	Weyerhaeuser Company .....	403	400	
10,040	Williams Companies, Inc. (The) .....	414	419	
1,200	Workday, Inc. ....	359	359	
5,130	Xcel Energy Inc. ....	449	463	
3,020	Yum! Brands, Inc. ....	449	447	
48,279	Zimmer Biomet Holdings, Inc. ....	7,526	7,716	
2,710	Zoetis Inc. ....	646	639	
2,450	Zoom Video Communications, Inc. ....	357	359	
1,020	Zscaler, Inc. ....	297	308	
		<u>901,623</u>	<u>1,041,829</u>	53.0

# UNITED CORPORATIONS LIMITED

## SCHEDULE OF INVESTMENT PORTFOLIO AS AT MARCH 31, 2022

Number of Shares		Cost	Carrying value	% of Carrying value
		(000's)		
	<b>Europe, excluding United Kingdom</b>			
90	A.P. Moller - Mørsk A/S.....	\$ 367	\$ 341	
16,340	AB Volvo.....	396	386	
12,210	ABB Limited.....	531	499	
27,554	Accenture plc Class A.....	9,532	11,611	
1,490	Adidas AG.....	432	440	
5,743	Adyen N.V.....	15,369	14,392	
23,593	Aena SME, S.A.....	4,825	4,937	
4,220	Airbus SE.....	625	645	
9,317	Air Liquide S.A.....	2,015	2,051	
50,617	Akzo Nobel N.V.....	5,529	5,485	
174,028	Alcon Inc.....	16,283	17,320	
2,580	Allianz SE.....	757	776	
178,226	Alstom SA.....	7,282	5,251	
4,780	Amadeus IT, Group S.A.....	373	392	
6,880	Anheuser-Busch InBev SA/NV.....	507	517	
1,610	Aon plc.....	639	655	
32,405	ASML Holding N.V.....	27,909	27,282	
88,865	Atlas Copco AB Class A.....	6,454	5,838	
178,588	Axa S.A.....	5,478	6,572	
59,280	Banco Bilbao Vizcaya Argentaria, S.A.....	423	428	
117,760	Banco Santander, S.A.....	502	506	
6,780	BASF SE.....	493	486	
6,070	Bayer AG.....	499	521	
3,540	Bayerische Motoren Werke AG.....	382	385	
8,400	BNP Paribas SA.....	599	604	
1,460	Capgemini SE.....	385	410	
138,130	Carrefour SA.....	3,503	3,759	
5,750	Cellnex Telecom, S.A.....	336	348	
2,840	Chubb Limited.....	757	759	
5,080	Compagnie de Saint-Gobain S.A.....	395	382	
11,277	Compagnie Financière Richemont SA.....	1,413	1,802	
143,649	Credit Suisse Group AG.....	1,918	1,428	
7,530	CRH plc.....	405	379	
6,360	Danone S.A.....	455	441	
6,240	Dassault Systèmes SE.....	389	387	
1,780	Deutsche Börse AG.....	391	402	
7,750	Deutsche Post AG.....	480	467	
22,830	Deutsche Telekom AG.....	528	535	
1,690	DSV A/S.....	410	409	
26,000	E.ON SE.....	374	379	
2,720	Eaton Corporation plc.....	522	516	
1,081,874	Enel S.p.A.....	11,697	9,094	
22,090	Engie SA.....	361	365	
224,602	Epiroc Aktiebolag.....	6,185	6,067	
8,190	Equinor ASA.....	382	387	
59,980	EssilorLuxottica.....	13,935	13,818	
2,090	Evolution AB (publ).....	293	270	
2,140	Flutter Entertainment plc.....	317	311	
10,246	Genmab A/S.....	4,998	4,700	
80	Givaudan SA.....	417	415	
54,424	HelloFresh SE.....	6,818	3,099	
240	Hermès International S.A.....	400	429	
394,718	Hexagon AB Class B.....	6,454	7,000	
2,510	Horizon Therapeutics Public Limited Company.....	344	330	
45,970	Iberdrola, S.A.....	605	632	
12,250	Industria de Diseño Textil, S.A.....	352	336	
9,840	Infineon Technologies AG.....	410	419	
435,957	ING Groep N.V.....	5,859	5,744	
143,190	Intesa Sanpaolo S.p.A.....	403	413	
17,690	Investor AB Class B.....	482	487	
4,990	Johnson Controls International plc.....	410	409	
590	Kering SA.....	474	470	
8,620	Koninklijke Ahold Delhaize N.V.....	339	348	
1,740	Koninklijke DSM N.V.....	386	392	
9,330	Koninklijke Philips N.V.....	350	358	
31,962	Linde plc.....	13,064	12,854	
580	Lonza Group AG.....	513	528	
49,226	L'Oréal S.A.....	22,103	24,812	
21,833	LVMH Moët Hennessy Louis Vuitton SA.....	18,680	19,641	
7,890	Medtronic plc.....	1,050	1,094	
6,150	Mercedes-Benz Group AG.....	537	541	
1,480	MERCK Kommanditgesellschaft auf Aktien.....	371	389	

# UNITED CORPORATIONS LIMITED

## SCHEDULE OF INVESTMENT PORTFOLIO AS AT MARCH 31, 2022

Number of Shares		Cost	Carrying value	% of Carrying value
		(000's)		
<b>Europe, excluding United Kingdom (continued)</b>				
15,210	Nestle S.A. ....	\$ 2,451	\$ 2,476	
30,430	Nordea Bank Abp. ....	420	396	
127,701	Novartis AG. ....	14,460	14,051	
9,530	Novo Nordisk A/S. ....	1,297	1,328	
1,920	NXP Semiconductors N.V. ....	454	444	
2,230	Orsted A/S. ....	321	352	
290	Partners Group Holding AG. ....	444	453	
1,780	Pernod Ricard SA. ....	462	491	
6,880	Prosus N.V. ....	469	463	
37,336	Roche Holding AG. ....	13,811	18,528	
95,749	RWE AG. ....	4,870	5,218	
40,166	Ryanair Holdings plc ADR. ....	4,278	4,373	
2,940	Safran SA. ....	422	437	
12,530	Sandvik AB (publ). ....	359	336	
80,015	Sanofi S.A. ....	10,038	10,254	
82,562	SAP AG. ....	13,228	11,506	
68,582	Schneider Electric SE. ....	12,233	14,456	
4,910	Siemens AG. ....	884	853	
28,445	Sika AG. ....	13,543	11,841	
17,450	Stellantis N.V. ....	349	358	
2,750	TE Connectivity Ltd. ....	451	450	
61,110	Telefónica, S.A. ....	355	371	
206,320	TotalEnergies SE. ....	11,907	13,156	
2,270	Trane Technologies plc. ....	439	433	
24,420	UBS Group AG. ....	583	600	
860,296	UniCredit S.p.A. ....	12,679	11,745	
10,304	VAT Group AG. ....	3,579	4,945	
9,380	Vestas Wind Systems A/S. ....	337	349	
4,250	VINCI SA. ....	540	547	
1,760	Volkswagen AG. ....	369	383	
7,200	Vonovia SE. ....	424	422	
1,220	Willis Towers Watson Public Limited Company. ....	359	360	
1,040	Zurich Insurance Group AG. ....	626	643	
		<u>367,292</u>	<u>370,293</u>	18.8
<b>Emerging Markets</b>				
1,285,266	AIA Group Limited. ....	18,043	16,902	
1,473,200	B3 S.A. ....	6,037	6,091	
17,539	Baidu, Inc. ADR. ....	3,535	2,900	
101,611	CD Projekt S.A. ....	11,509	5,259	
1,289,000	Country Garden Service Holdings Co. Ltd. ....	14,597	6,908	
15,200	DBS Group Holdings Ltd. ....	498	502	
84,776	HDFC Bank Ltd. ADR. ....	5,482	6,497	
421,816	Housing Development Finance Corporation Limited. ....	18,824	16,598	
2,228,879	Inner Mongolia Yili Industrial Co., Ltd. ....	19,467	16,206	
608,560	iShares Core MSCI Emerging Markets ETF. ....	42,495	42,243	
6,529	JD.com, Inc. ....	369	244	
16,932	Kweichow Moutai Co., Ltd. ....	6,205	5,737	
861,955	NetEase, Inc. ADR. ....	22,325	19,770	
35,700	Oversea-Chinese Banking Corporation Limited. ....	406	408	
11,420,200	PT Bank Central Asia Tbk. ....	5,662	7,924	
3,450	Royal Caribbean Cruises Ltd. ....	329	361	
195,510	Samsung Electronics Co., Ltd. ....	14,244	14,002	
2,962	Samsung Electronics Co., Ltd. (Voting) GDR. ....	7,532	5,252	
2,330	Sea Limited. ....	356	349	
40,342	SK hynix Inc. ....	4,968	4,898	
195,104	Taiwan Semiconductor ADR. ....	30,570	25,419	
307,305	Tencent Holdings Limited. ....	27,321	18,341	
399,500	WuXi AppTec Co., Ltd. - H share. ....	11,332	7,933	
790,500	WuXi Biologics (Cayman) Inc. ....	13,584	8,202	
		<u>285,690</u>	<u>238,946</u>	12.2

# UNITED CORPORATIONS LIMITED

## SCHEDULE OF INVESTMENT PORTFOLIO AS AT MARCH 31, 2022

Number of Shares		Cost	Carrying value	% of Carrying value
		(000's)		
<b>Japan</b>				
21,600	Astellas Pharma Inc. ....	\$ 436	\$ 424	
8,100	Bridgestone Corporation .....	381	396	
12,900	Canon Inc. ....	384	397	
94,900	Chugai Pharmaceutical Co., Ltd. ....	6,163	3,997	
16,900	Daiichi Sankyo Company, Limited .....	447	466	
47,466	Daikin Industries, Ltd. ....	13,805	10,935	
58,100	Fanuc Corporation .....	14,479	12,928	
600	Fast Retailing Co., Ltd. ....	388	388	
2,100	Fujitsu Limited .....	395	398	
8,300	Hitachi, Ltd. ....	525	526	
14,900	Honda Motor Co., Ltd. ....	525	534	
123,639	HOYA Corporation .....	21,368	17,832	
11,200	ITOCHU Corporation .....	478	477	
12,400	KDDI Corporation .....	528	511	
27,938	Keyence Corporation .....	15,026	16,442	
62,500	Misumi Group Inc. ....	2,534	2,355	
10,400	Mitsubishi Corporation .....	494	492	
87,000	Mitsubishi UFJ Financial Group, Inc. ....	713	680	
14,100	Mitsui & Co., Ltd. ....	486	482	
13,200	Mitsui Fudosan Co., Ltd. ....	368	356	
25,500	Mizuho Financial Group, Inc. ....	429	411	
55,900	Murata Manufacturing Co., Ltd. ....	5,461	4,664	
4,400	Nidec Corporation .....	443	441	
800	Nintendo Co., Ltd. ....	528	507	
15,100	Nippon Steel Corporation .....	349	337	
10,600	Nippon Telegraph and Telephone Corporation .....	398	386	
2,600	Nippon Yusen Kabushiki Kaisha .....	299	288	
15,900	Olympus Corporation .....	376	382	
1,900	Oriental Land Co., Ltd. ....	469	459	
15,800	ORIX Corporation .....	400	398	
30,700	Panasonic Corporation .....	376	375	
216,103	Recruit Holdings Co., Ltd. ....	13,285	12,027	
77,673	Shin-Etsu Chemical Co., Ltd. ....	17,582	15,003	
600	SMC Corporation .....	431	425	
9,400	SoftBank Group Corp. ....	526	537	
7,800	Sony Group Corporation .....	1,024	1,021	
11,800	Sumitomo Mitsui Financial Group, Inc. ....	512	474	
56,500	Systemex Corporation .....	4,338	5,183	
207,500	Takeda Pharmaceutical Company Limited .....	9,722	7,462	
5,800	Tokio Marine Holdings, Inc. ....	445	425	
1,000	Tokyo Electron Limited .....	636	650	
60,700	Toyota Motor Corporation .....	1,360	1,387	
		139,312	124,258	6.3
<b>United Kingdom</b>				
313,044	Abcam plc .....	6,214	7,118	
8,940	Anglo American plc .....	585	583	
2,600	Aptiv plc .....	386	389	
3,950	Ashtead Group plc .....	342	313	
8,860	AstraZeneca plc .....	1,444	1,474	
2,538,343	Barclays plc .....	7,143	6,180	
118,530	BP plc .....	770	730	
14,230	British American Tobacco plc .....	767	746	
14,800	Compass Group plc .....	412	401	
14,080	Diageo plc .....	880	893	
336,142	Experian plc .....	15,619	16,285	
2,140	Ferguson plc .....	387	365	
31,590	GlaxoSmithKline plc .....	852	854	
69,180	Glencore plc .....	571	568	
116,160	HSBC Holdings plc .....	997	1,002	
548,280	Lloyds Banking Group plc .....	452	424	
3,220	London Stock Exchange Group plc .....	420	421	
28,630	National Grid plc .....	533	551	
583,350	Prudential plc .....	11,919	10,860	
87,418	Reckitt Benckiser Group plc .....	9,022	8,370	
13,230	RELX plc .....	511	518	
6,170	Rio Tinto plc .....	603	616	
8,334,984	Rolls-Royce Group plc .....	18,396	13,834	

# UNITED CORPORATIONS LIMITED

## SCHEDULE OF INVESTMENT PORTFOLIO AS AT MARCH 31, 2022

Number of Shares		Cost	Carrying value	% of Carrying value
		(000's)		
	<b>United Kingdom (continued)</b>			
411,138	Shell plc.....	\$ 12,376	\$ 14,215	
13,295	Spirax Engineering plc.....	2,692	2,736	
1,655,506	SSP Group plc.....	7,378	6,175	
16,500	Unilever plc.....	928	936	
220,300	Vodafone Group plc.....	458	452	
234,984	WH Smith plc.....	6,523	5,540	
		<u>109,580</u>	<u>103,549</u>	5.3
	<b>Canada</b>			
4,930	Agnico Eagle Mines Limited.....	388	377	
3,625,680	Algoma Central Corporation <sup>1</sup> .....	6,201	62,724	
9,040	Alimentation Couche-Tard Inc.....	481	508	
4,450	Bank of Montreal.....	662	655	
7,760	Bank of Nova Scotia.....	707	695	
15,860	Barrick Gold Corporation.....	491	484	
9,110	Brookfield Asset Management Inc.....	641	644	
3,000	Canadian Imperial Bank of Commerce.....	478	455	
4,400	Canadian National Railway Company.....	738	738	
7,160	Canadian Natural Resources Limited.....	567	554	
5,850	Canadian Pacific Railway Limited.....	599	604	
170	Constellation Software Inc.....	363	363	
12,870	Enbridge Inc.....	732	741	
14,380	Manulife Financial Corporation.....	376	383	
4,060	Nutrien Ltd.....	545	527	
8,260	Royal Bank of Canada.....	1,162	1,137	
590	Shopify Inc. Class A.....	519	499	
9,780	Suncor Energy, Inc.....	404	398	
6,590	TC Energy Corporation.....	470	465	
6,060	Teck Resources Limited.....	310	306	
10,500	Toronto-Dominion Bank.....	1,061	1,041	
		<u>17,895</u>	<u>74,298</u>	3.8
	<b>Australia</b>			
22,550	Australia and New Zealand Banking Group Limited.....	588	583	
27,830	BHP Group Limited.....	1,291	1,349	
10,670	Commonwealth Bank of Australia.....	1,075	1,057	
3,320	CSL Limited.....	833	834	
17,990	Fortescue Metals Group Limited.....	321	348	
22,930	Goodman Group.....	490	491	
2,810	Macquarie Group Limited.....	521	535	
24,080	National Australia Bank Limited.....	719	729	
3,370	Rio Tinto Group.....	368	376	
10,160	Wesfarmers Limited.....	482	480	
29,000	Westpac Banking Corporation.....	650	658	
48,278	Xero Limited.....	6,188	4,645	
		<u>13,526</u>	<u>12,085</u>	0.6
	<b>Total investments</b> .....	<u>\$1,834,918</u>	<u>\$1,965,258</u>	<u>100.0</u>

<sup>1</sup> This company and United are related parties.

# UNITED CORPORATIONS LIMITED

## **COMPANY BACKGROUND (Unaudited)**

Consolidated Investment Corporation of Canada was incorporated in February 1929 and its bonds and preferred shares were offered for sale to the public. The Company was capitalized with \$15,000,000 4½% First Collateral Trust Gold Bonds due 1959, and \$10,000,000 (\$100 par) of 5% Cumulative Preferred Shares. 1,375,000 Common Shares (no par value) were issued of which 375,000 were deposited in trust or reserved for sale to the Company's senior security holders. The Company's securities were sold for \$32,000,000 plus accrued interest and organizational expenses.

The trust deed securing the First Collateral Trust Gold Bonds covenanted that assets pledged with the trustee should at all times be equal to 125% of the principal amount of bonds outstanding. With the decline in security values beginning in late 1929, the Company attempted to satisfy this covenant by purchasing the Company's bonds for cancellation at discount prices. The continued deterioration of security markets into 1932 made the continuation of this policy impracticable. The Company therefore defaulted under its covenants and the Company was reorganized.

Under the February 13, 1933 arrangement, the Company's remaining \$6,427,000 4½% Gold Bonds (\$8,573,000 out of the original \$15,000,000 had been purchased for cancellation) received 70% of their face value in a new issue of 5% "Income" Bonds due 1953, and 30% of their face value in Class "A" 5% "Preferred" Shares. The bondholders were also given 53.61% of the common equity (Class "B" Shares) with the old preferred shareholders and common shareholders receiving 41.70% and 4.69% of the new equity respectively.

Under the February 13, 1933 reorganization, the Company's name was changed to United Corporations Limited.

On December 23, 1959, United Corporations Limited acquired all of the assets of London Canadian Investment Corporation for \$7,925,483. Consideration was satisfied by issuing \$2,408,700 par value of 5% Preferred Shares (1959 Series) and Common (Class B) Shares equal to 15.7% of the total Common Shares to be outstanding after the completion of this transaction.

# UNITED CORPORATIONS LIMITED

## FINANCIAL RECORD: 1929 - 2022 (Unaudited)

Year	Total Net Assets * (000's)	Funded Debt (000's)	Preferred Shares = (000's)	Net Equity Value (000's)	Net Equity Value per Common Share**	Net Investment Income Available for Common Shares (000's)	Net Investment Income per Common Share**
Consolidated Investment Corporation of Canada							
Feb 1929	\$ 32,000	\$ 15,000	\$ 10,000	\$ 7,000	\$ N/A	\$ N/A	\$ N/A
Dec 1931	9,616	7,161	10,000	(7,545)	N/A	N/A	N/A
1932	4,726	6,427	10,000	(11,701)	N/A	N/A	N/A
United Corporations Limited							
1933	6,120	4,499	2,000	(379)	(0.04)	—	—
1934	8,147	4,499	2,097	1,551	0.16	(95)	(0.01)
1935	9,378	4,499	2,161	2,718	0.28	(13)	—
1936	12,892	4,499	2,097	6,296	0.64	49	0.01
1937	9,542	4,499	1,928	3,115	0.32	109	0.01
1938	9,485	3,779	1,620	4,087	0.41	44	0.01
1939	9,844	3,705	1,588	4,550	0.46	58	0.01
1940	8,676	3,705	1,588	3,383	0.34	48	0.01
1941	8,175	3,599	1,588	2,988	0.30	82	0.01
1942	8,712	3,499	1,580	3,633	0.37	108	0.01
1943	9,746	3,000	1,580	5,166	0.52	78	0.01
1944	11,298	2,900	1,580	6,818	0.69	155	0.02
1945	14,444	2,800	1,580	10,064	1.02	173	0.02
1946	14,059	2,700	1,580	9,779	0.99	243	0.03
1947	13,668	2,600	1,580	9,489	0.96	339	0.03
1948	13,443	2,500	1,567	9,376	0.95	370	0.04
1949	14,772	2,400	1,567	10,805	1.10	385	0.04
1950	17,410	2,300	1,567	13,543	1.37	564	0.06
1951	20,392	2,200	1,567	16,625	1.69	578	0.06
1952	19,360	2,000	1,567	15,793	1.60	614	0.06
1953	19,130	1,900	1,567	15,663	1.59	639	0.07
1954	25,101	1,800	1,567	21,734	2.21	699	0.07
1955	29,015	1,700	1,567	25,748	2.62	732	0.07
1956	28,054	1,316	1,567	25,171	2.56	779	0.08
1957	24,447	879	1,567	22,001	2.24	834	0.09
1958	30,381	—	1,567	28,814	2.93	898	0.09
1959	38,197	—	3,976	34,221	2.93	900	0.08
1960	37,600	—	3,976	33,624	2.88	1,110	0.10
1961	44,352	—	3,976	40,376	3.44	1,117	0.10
1962	41,868	—	3,976	37,893	3.22	1,141	0.10
1963	52,321	—	7,747	44,574	3.75	1,179	0.10
1964	62,861	—	7,747	55,114	4.64	1,348	0.11
1965	66,117	—	7,747	58,370	4.91	1,503	0.13
1966	63,156	—	7,747	55,409	4.66	1,583	0.13
1967	74,757	—	7,747	67,010	5.59	1,741	0.15
1968	84,930	—	7,747	77,174	6.43	1,714	0.14
1969	78,769	—	7,747	71,022	5.90	1,866	0.16
1970	71,202	—	7,747	63,456	5.28	1,981	0.17
1971	73,401	—	7,747	65,655	5.46	1,669	0.14
1972	86,757	—	7,747	79,010	6.57	1,724	0.14
1973(a)	83,758	—	7,747	76,012	6.32	374	0.03
1974	82,457	—	7,747	74,711	6.21	1,996	0.17
1975	71,674	—	7,747	63,928	5.31	2,791	0.23
1976	80,075	8,000	7,747	64,544	5.36	2,522	0.21

# UNITED CORPORATIONS LIMITED

## FINANCIAL RECORD: 1929 - 2022 (Unaudited)

Year	Total Net Assets * (000's)	Funded Debt (000's)	Preferred Shares = (000's)	Net Equity Value (000's)	Net Equity Value per Common Share**	Net Investment Income Available for Common Shares (000's)	Net Investment Income per Common Share**
1977	\$ 78,614	\$ 8,000	\$ 7,747	\$ 63,083	\$ 5.24	\$ 2,116	\$ 0.18
1978	82,829	8,000	7,747	67,298	5.59	2,335	0.19
1979	116,793	9,506	7,747	100,285	8.32	1,478	0.12
1980	141,700	9,657	7,747	129,232	10.60	3,703	0.30
1981	197,143	8,000	7,747	194,350	15.94	4,808	0.39
1982	127,643	8,000	7,747	121,412	9.95	4,437	0.36
1983	182,227	8,000	7,747	174,692	14.31	4,468	0.37
1984	201,172	8,000	7,747	191,984	15.73	3,934	0.32
1985	247,596	8,000	7,747	234,514	19.22	4,788	0.39
1986	327,327	8,000	7,747	319,783	26.21	4,816	0.40
1987	370,718	—	7,747	371,437	30.44	4,841	0.40
1988	316,009	—	7,747	322,434	26.43	6,785	0.56
1989	329,082	—	7,747	321,668	26.37	8,778	0.72
1990	340,980	—	7,747	343,482	28.16	16,989	1.39
1991	311,586	—	7,747	304,079	24.93	9,339	0.77
1992	308,237	—	7,747	300,992	24.68	7,880	0.65
1993	314,603	—	7,747	308,617	25.30	7,617	0.63
1994	359,673	—	7,747	363,496	29.80	7,192	0.59
1995	355,050	—	7,747	352,874	28.94	7,963	0.65
1996	396,725	—	7,747	399,853	32.79	7,969	0.65
1997	478,172	—	7,747	475,416	38.99	8,960	0.74
1998	649,802	—	7,747	667,137	54.71	9,174	0.75
1999	612,872	—	7,747	620,107	50.85	9,635	0.79
2000	774,519	—	7,747	784,932	64.37	8,403	0.69
2001	723,950	—	7,747	718,712	58.94	10,640	0.87
2002	758,055	—	7,747	750,308	61.53	11,606	0.95
2003	609,269	—	7,747	601,522	49.33	11,772	0.97
2004	755,491	—	7,747	747,744	61.32	11,041	0.91
2005	826,344	—	7,747	818,597	67.13	12,462	1.02
2006	940,068	—	7,747	932,321	76.46	12,676	1.04
2007	1,056,872	—	7,747	1,049,125	86.03	15,121	1.24
2008	948,929	—	7,747	941,182	77.18	15,909	1.30
2009	676,149	—	7,747	668,402	54.81	15,420	1.26
2010	828,840	—	7,747	821,093	67.33	14,155	1.16
2011	883,576	—	7,747	875,829	71.82	14,987	1.23
2012	889,646	—	7,747	881,899	72.32	17,412	1.43
2013	1,008,012	—	7,747	1,000,265	82.03	17,414	1.43
2014	1,220,612	—	7,747	1,212,865	99.46	18,686	1.53
2015	1,444,951	—	7,747	1,437,204	117.86	21,971	1.80
2016	1,479,121	—	7,747	1,471,374	120.66	25,967	2.13
2017	1,621,302	—	7,747	1,613,555	132.32	23,463	1.92
2018	1,695,470	—	7,747	1,687,723	138.40	24,124	1.98
2019	1,800,185	—	7,747	1,792,438	146.99	27,462	2.25
2020	1,680,040	—	7,747	1,672,293	137.95	27,894	2.29
2021	2,072,040	—	7,747	2,064,293	170.66	27,971	2.31
2022	2,018,799	—	7,747	2,011,052	166.49	3,611	0.30

This chart is drawn from the individual annual reports and has not been restated for any subsequent changes in accounting policies.

= Preferred Shares at the cost of redemption, including dividend arrears in 1933 - 1936.

\* Total assets less liabilities.

\*\* Includes the impact of historical stock dividends.

(a) For three months ended March 31, 1973. Figures in this table are for fiscal years ended December 31 prior to 1973 and March 31 thereafter.



# UNITED CORPORATIONS LIMITED

## FINANCIAL RECORD: 1929 - 2022 (Unaudited)

### Historical Stock Dividends

<u>Date</u>	<u>Stock dividend rate</u>	<u>Issue price</u>	<u>Date</u>	<u>Stock dividend rate</u>	<u>Issue price</u>	<u>Date</u>	<u>Stock dividend rate</u>	<u>Issue price</u>
1953	4 for 1	Split	1988	1 for 15	\$ 65.46	1998	1 for 33.1645	\$ 76.61
1964	3 for 1	Split	1989	1 for 8	54.53	1999	1 for 13.5404	78.67
1982	1 for 6.4725	\$ 38.81	1989	1 for 55	48.30	2000	1 for 20.9744	69.74
1984	1 for 10	40.41	1991	1 for 16	50.72	2001	1 for 20.94286	80.63
1985	1 for 10	40.93	1993	1 for 38	42.18	2001	1 for 7.9472	76.77
1986	1 for 30	46.53	1995	1 for 16.42525	49.44	2002	1 for 15.3238	64.36
1987	1 for 13	60.52	1997	1 for 14.47926	62.84			

# UNITED CORPORATIONS LIMITED

## CORPORATE INFORMATION

### HEAD OFFICE

Tenth Floor, 165 University Avenue  
Toronto, Ontario, M5H 3B8  
Tel: 416-947-2578  
Fax: 416-362-2592

### EXTERNAL INVESTMENT MANAGERS

Causeway Capital Management LLC, Los Angeles  
Comgest Asset Management International Limited, Dublin  
Harding Loevner LP, Bridgewater, New Jersey  
Neuberger Berman Canada ULC, Toronto

### AUDITOR

PricewaterhouseCoopers LLP, Toronto

### CUSTODIAN

RBC Investor & Treasury Services

### TRANSFER AGENT AND REGISTRAR

Computershare Investor Services Inc.  
100 University Avenue, 8th Floor  
Toronto, Ontario M5J 2Y1  
Toll Free: 1-800-564-6253  
[www.computershare.com](http://www.computershare.com)

### TORONTO STOCK EXCHANGE LISTINGS

	<u>Ticker Symbol</u>
Common	UNC
First Preferred	UNC.PR.A
Second Preferred, 1959 Series	UNC.PR.B
Second Preferred, 1963 Series	UNC.PR.C

### NET EQUITY VALUE

The Company's Net Equity Value per Common Share is published on the Company's website.

### REPORTING PROCEDURE FOR ACCOUNTING AND AUDITING MATTERS

If you have a complaint regarding accounting, internal controls or auditing matters or a concern regarding questionable accounting or auditing matters, you should submit your written complaint or concern to:

Mr. Michael J. White  
Chairman of the Audit Committee  
United Corporations Limited  
165 University Avenue, 10th Floor  
Toronto, Ontario  
M5H 3B8  
Email: [michaeljwhite@sympatico.ca](mailto:michaeljwhite@sympatico.ca)  
Phone: 416-505-2677

You may submit your complaint or concern anonymously. Your submission will be kept confidential and will be treated in accordance with the Company's policy for reporting accounting or auditing matters.

### WEBSITE

[www.ucorp.ca](http://www.ucorp.ca)



