VPI VALUE POOL

ANNUAL MANAGEMENT REPORT OF FUND PERFORMANCE
FOR THE YEAR ENDED DECEMBER 31, 2020

MANAGER
VALUE PARTNERS INVESTMENTS INC.

PORTFOLIO MANAGER
VALUE PARTNERS INVESTMENTS INC.

This annual management report of fund performance contains financial highlights but does not contain the complete annual financial statements of the Pool. If you have not received a copy of the annual financial statements with this annual manage-ment report of fund performance, you may obtain a copy at your request, and at no cost, by calling toll-free at 1-866-323-4235, by writing to us at 300-175 Hargrave Street, R3C 3R8, by visiting our website at www.valuepartnersinvestments.ca or by visiting the SEDAR website at www.sedar.com. You may also contact us using one of these methods to request a copy of the Pool's interim financial report, proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

Annual Management Discussion of Fund Performance
March 22, 2021

Investment Objective and Strategies
VPI Value Pool's objective is to provide unitholders with long-term growth while preserving capital. The Portfolio Manager seeks to achieve the objectives of the Pool by investing in a diversified, but concentrated, portfolio of North American and International-based equity securities.

The Portfolio Manager emphasizes searching for companies that have several key characteristics, the most critical of which include:

(i) a sustainable competitive advantage;
(ii) a repeatable "subscription-like" revenue stream;
(iii) a large and growing free cash flow;
(iv) a talented, hardworking, and ethical management team working on behalf of all shareholders; and
(v) less sensitivity to macroeconomic changes.

In the absence of opportunities that meet its criteria, the Portfolio Manager may hold significant cash or short-term debt securities until appropriate investment opportunities become available.

Risk
Overall, the risks associated with investing in the Pool have not materially changed and remain as discussed in the Prospectus. The Pool is considered suitable for investors with a medium tolerance for risk.

Market risk is at historically high levels. The U.S. stock market, which experienced a sharp decline in March of 2020, rebounded sharply shortly after, ending the year up over 16% at all-time highs. One standard statistic, the Shiller PE Ratio is now at its second highest level ever at 35.8X, approaching the high of 43.8X in 2000. This also exceeds the high of 32.6X experienced in 1929. . Many other broad valuations are also at record highs. The "Buffett Valuation Indicator", which shows U.S. total market capitalization to GDP Ratio, far exceeded its previous all-time high reached in 2000. How high valuations will go and for how long is unknown, but there is reason for concern.

The Portfolio Manager believes that one of the main drivers of such high values is historically low interest rates. With rates not far from 0%, investors desperate to get a return have been willing to pay higher prices for stocks. Furthermore, almost 30% of the S&P 500 Index is concentrated in just seven companies' stocks with the remainder scattered throughout the remaining 493 stocks. If any of these seven companies have future economic and business problems, it would have a material impact on markets.

The election of Joe Biden in the U.S. is already showing a shift in policy from the previous administration, especially in the economic front. Rising geopolitical tensions, especially between China and the U.S., India and China, Iran, and its neighbours, both near and far, have increased the risk of military conflict. Iran's rapid movement towards completing the development of a nuclear bomb appears to be accelerating and its collaboration with North Korea on developing missiles is another risk factor.

The Portfolio Manager attempts to mitigate these concerns by concentrating on individual company risk, rather than macroeconomic factors. By owning companies that fit its investment criteria, which are less impacted by big picture economic and geopolitical risks, the Portfolio Manager believes long-term risk to the business and ultimately, the stock price, is lowered.

Results of Operations
Net assets of the Pool decreased by approximately $22.7 million for the year ended December 31, 2020. This decrease consisted of $15.9 million of net redemptions and a $6.8 million decrease in net assets from operations. The decrease in net assets from operations can be attributed to $6.8 million of net realized losses on the sale of investments during the year, $1.5 million in management fees and operating expenses and a $0.3 million foreign exchange loss on cash offset by $1.5 million of appreciation in the value of investments and $0.3 million of dividend and interest income.

There were several changes made to the Pool's equity holdings during the year. The following table summarizes the businesses that were added and/or removed from the portfolio:

Additions	*Dispositions*
Alphabet Inc., Class A	ADT Inc.
Domino's Pizza Company PLC	Equity Commonwealth
Markel Corporation	Howard Hughes Corporation
Equity Commonwealth	Six Flags Entertainment
T-Mobile US Inc.	

As a result, there were significant shifts in the portfolio allocation from the prior year as indicated in the following table:

Sector	*Allocation Increase*	*Sector*	*Allocation Decrease*
Telecommunication Services	7.3%	Cash	13.2%
Media & Entertainment	6.3%	Real Estate	6.8%
Insurance	4.3%	Commercial & Professional Services	5.4%
Consumer Services	3.5%		
Diversified Financials	2.8%		
Retailing	1.2%		

Each series of the Pool, experienced losses in the range of -7.5% to -9.5% for the year as compared to a 5.6% gain for the S&P/TSX Composite Total Return Index ("Canadian Index") and a 16.3% return for the S&P 500 Total Return Index (C$) ("US Index").

The Canadian Index's positive performance was primarily impacted by the metals and mining sector as well as one technology company, Shopify. The metals and mining sector contributed over 4% and Shopify contributed approximately 5.5% to the Canadian Index return. The absence of these holdings from the Pool, which do not meet the Portfolio Manager's requirements for quality and valuation, contributed to the Pool's underperformance relative to the Canadian Index during the year.

The US Index's positive performance was largely driven by a handful of technology and technology-related stocks. During the year, approximately 9.6% of the US Index return was attributed to the 5 FAANG stocks (Facebook, Amazon, Apple, Netflix, Google). With the exception of Google, the Pool did not hold any of these securities during the year as they were deemed to be overvalued.

Other factors contributing to the Pool's relative underperformance were investments in Six Flags Entertainment Corporation and The Howard Hughes Corporation, which were significantly impacted by COVID-19 restrictions as well as a significant drop in the U.S. currency relative to the Canadian dollar and the Pool's cash weighting during a year of rising markets.

Revenues and Expenses
Revenues of the Pool amounted to $0.3 million, representing dividend and interest income from its holdings. The Pool also incurred $1.5 million in management fees and operating expenses, realized losses of $6.8 million on the disposal of investments and experienced $1.5 million in unrealized appreciation in the value of its investments during the year.

The realized losses on sale of investments of $6.8 million is attributable to four completed dispositions as well as several partial dispositions of shares from the portfolio during the year.

Holding	Approximate Holding Period	Proceeds (millions $)	Cost (millions $)	Realized Gain/(Loss) (millions $)
ADT Inc.	0.5 years	5.1	5.9	(0.8)
Equity Commonwealth	0.1 years	2.1	1.7	0.4
Howard Hughes Corporation	1.0 years	3.7	5.5	(1.8)
Six Flags Entertainment	0.3 years	1.9	5.0	(3.1)
Partial Dispositions		9.8	11.3	(1.5)
		22.6	29.4	(6.8)

Recent Developments
Economic Conditions
The past year of 2020 has been one of extreme and wild change, the likes of which none have seen for many decades. The central disrupting factor was the emergence of the COVID-19 pandemic on a worldwide basis. As of February 2021, there were over 110 million cases and 2.4 million deaths globally due to COVID-19. The economic impact has been huge bringing economic activity to a near-standstill as countries imposed tight restrictions on movement to halt the spread of the virus. The U.S. economy, as measured by GDP during the year decreased 3.5% compared to an increase of 2.2% in 2019. The decrease reflected declines across a broad area of the economy among which were personal consumption expenditures, exports, private inventory investment, non-residential fixed investment and state and local government.

Few, if any, economic sectors have gone unscathed. Demand for commodities dropped dramatically. In the U.S. over 100 thousand permanent business closures occurred since March of 2020. The result was massive job losses worldwide. In the U.S., initial jobless weekly claims reached almost one million, a third higher than during the 2009 recession peak. Because of the highly contagious nature of the disease, workers made a major shift to working from home instead of the office to avoid contact with those potentially infected with the virus. On a positive note, the past year saw the successful development of several effective vaccines. At this stage, we are not able to determine the outcome or the length of time it will take to eradicate the disease. It continues to require huge amounts of government borrowing to supplement employees without regular paychecks.

There have also been some other new strange occurrences in the marketplace recently, including the rise of "Robin Hood" traders who as a group are squeezing short sellers out of their positions, and driving stock prices up for companies in serious financial trouble. So far, there has been over 13 million+ active participants in Robin Hood alone. Another financial instrument which has seen a huge revival, the SPAC (Special Purpose Acquisition Company), also known as "blank check companies," These are publicly traded companies created for the purpose of acquiring or merging existing dollars. They have recently raised over $300 billion through initial public offerings.

Given the extremes experienced during the year and the uncertainty that still exists, the Portfolio Manager is cautious to make any predictions about future short-term economic trends. However, as a long-term investor, the Portfolio Manager looks out over the next 5-10 years and believes that growth in the U.S. and the world, will resume. The Portfolio Manager's emphasis continues to be on the availability of high-quality businesses at cheap or reasonable prices.

Portfolio Allocation

US Equities	46.5%	Offshore Equities	6.7%
Cash	42.8%	Canadian Equities	4.3%
		Other Net Assets	-0.3%

Sector Allocation

Cash	42.8%	Consumer Services	6.7%
Media and Entertainment	19.2%	Retailing	4.3%
Diversified Financials	11.2%	Other Net Assets	-0.3%
Insurance	8.7%		
Telecommunication Services	7.4%		

Top 25 Holdings

Issuer	Percentage of Net Assets
Cash	42.8%
Berkshire Hathaway Inc., Class B	11.2%
Liberty Broadband Corporation	9.6%
T-Mobile US, Inc.	7.4%
Domino's Pizza Group plc	6.7%
Alphabet Inc.; Class A	5.4%
Markel Corporation	4.4%
Fairfax Financial Holdings Limited	4.3%
The Liberty SiriusXM Group	4.3%
LKQ Corporation	4.2%
Other Net Assets	-0.3%
Total	**100.0%**

The above summary of investment portfolio may change due to ongoing portfolio transactions of the Pool. An update will be made available within 60 days of each subsequent quarter-end.

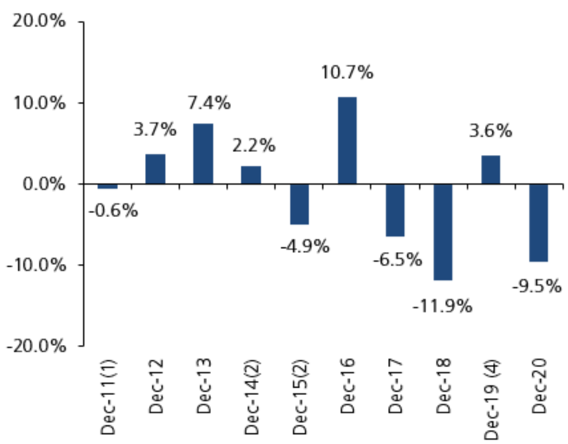
Past Performance

The historical performance information shown below assumes that all distributions were reinvested in the Pool and does not account for any sales, redemptions, distributions or optional charges or income taxes payable by an investor that would have reduced returns. Mutual fund returns are not guaranteed, their values change frequently and past performance may not be repeated.

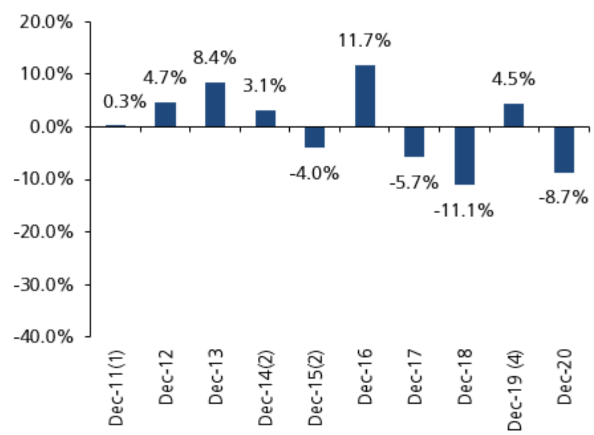
Year-by-Year Return

The bar charts below show the performance of each series of the Pool (net of fees) for the year ended December 31, 2020, and for previous years ended December 31 or since inception to December 31. It shows in percentage terms, how an investment made on January 1 or on inception would have increased or decreased by the end of the respective periods.

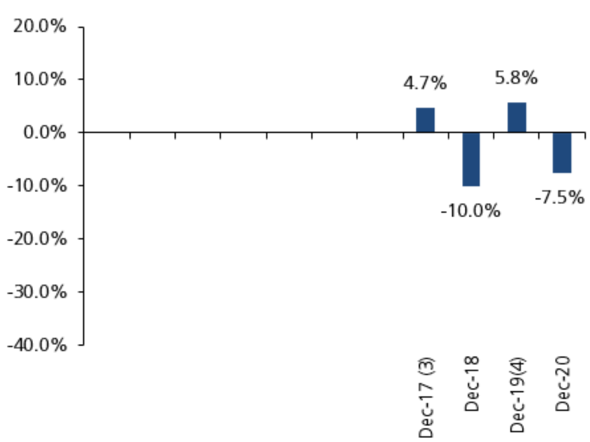
Series A



Series F



Series O



(1) Patient Capital Management was appointed portfolio manager of the Pool on November 1, 2011.
(2) The Pool was capped to new investments from June 30, 2014 to November 2, 2015.
(3) 2017 return since inception on July 5, 2017.
(4) Value Partners Investments Inc. assumed portfolio management responsibilities of the Pool on November 6, 2019.

Annual Compound Returns

The following table shows the annual compound total return of each series of the Pool compared to the S&P/TSX Composite Index and the S&P 500 Index in Canadian dollar terms for the periods shown ended December 31, 2020. All index returns are calculated on a total return basis, meaning that performance was calculated under the assumption that all distributions were reinvested.

	10 Year	5 Year	3 Year	1 Year	Since Inception(5)
Series A(1)(2)(3)(4) *(Inception: October 1, 2007)*	-0.9%	-3.1%	-6.2%	-9.5%	-1.3%
S&P/TSX Composite Index	5.8%	9.3%	5.7%	5.6%	4.7%
S&P 500 Index (C$)	16.8%	13.2%	14.8%	16.3%	11.4%
Series F(1)(2)(3)(4) *(Inception: October 1, 2007)*	0.1%	-2.2%	-5.3%	-8.7%	-0.4%
S&P/TSX Composite Index	5.8%	9.3%	5.7%	5.6%	4.7%
S&P 500 Index (C$)	16.8%	13.2%	14.8%	16.3%	11.4%
Series O(1)(2)(3)(4) *(Inception: July 5, 2017)*	n/a	n/a	-4.1%	-7.5%	-2.3%
S&P/TSX Composite Index	n/a	n/a	5.7%	5.6%	7.3%
S&P 500 Index (C$)	n/a	n/a	14.8%	16.3%	14.9%

(1) The percentage return differs for each series because the management fee rate and expenses differ for each series.
(2) Patient Capital Management Inc. was appointed portfolio manager of the Pool on November 1, 2011.
(3) The Pool was capped to new investments from June 30, 2014 to November 2, 2015.
(4) Value Partners Investments assumed the role of portfolio manager of the Pool on November 6, 2019.
(5) The return since inception for each series will differ when the inception date differs.

The S&P/TSX Composite Index is a broad market indicator of activity for the Canadian equity market. Size and liquidity are among the key criteria for inclusion in the index, with size being assessed on a float market capitalization basis and liquidity being measured relative to liquidity thresholds. The S&P 500 Index has been widely regarded as the best single gauge of the large cap U.S. equities market since the index was first published in 1957. The index includes 500 leading companies in leading industries of the U.S. economy, capturing approximately 80% coverage of available market capitalization.

Management Fees

The Pool pays an annual management fee on each of its series (excluding Series O) to Value Partners Investments Inc. ("the Manager"). The management fee is calculated daily as a percentage of the net asset value of each series as of the close of business on each business day. In consideration for the management fees, the Manager may pay a percentage sales commission and/or trailing commission to registered dealers or brokers for units bought and held in the Pool depending on which series of units were purchased. The Manager also pays a portion of the management fee to the Portfolio Manager for its services in managing the investment portfolio.

For the year ended December 31, 2020, approximately 39% of the management fee revenues received by the Manager from the Pool were paid to registered dealers and brokers as sales and/or trailing commissions. Since each series may have a different commission structure, this percentage may vary by series. For unitholders eligible for the Management Fee Reduction Program, approximately 14% of the gross management fees were returned to unitholders as management fee rebates. The remainder of the management fee revenue, after payment of fees to the Portfolio Manager for its services, was retained by the Manager for corporate purposes.

Related Party Transactions

Value Partners Investments Inc. is the manager of the Pool and is responsible for the overall business and operations of the Pool. For the year ended December 31, 2020, the Pool paid $1.1 million in management fees (excluding taxes) to the Manager.

Financial Highlights

The following tables show selected key financial information about each series of the Pool and are intended to help you understand the Pool's financial performance for the past five years ended December 31. This information is derived from the Pool's audited annual financial statements and is not intended to be a reconciliation of the net asset value per unit.

The Pool's Net Assets Per Unit ($)[1]

Series A	**December 31 2020**	**December 31 2019**	**December 31 2018**	**December 31 2017**	**December 31 2016**
Net assets, beginning of period	**8.62**	**8.43**	**9.60**	**10.28**	**9.51**
Increase (decrease) from operations:					
Total revenue	-	0.23	0.19	0.14	0.15
Total expenses	(0.19)	(0.21)	(0.20)	(0.20)	(0.20)
Realized gains for the period	(0.78)	(1.70)	0.04	0.08	0.45
Unrealized gains (losses) for the period	0.19	2.02	(1.09)	(0.72)	0.62
Total increase (decrease) from operations [2]	**(0.78)**	**0.34**	**(1.06)**	**(0.70)**	**1.02**
Distributions:					
From net investment income (excluding dividends)	-	-	-	-	-
From dividends	-	(0.11)	-	-	-
From capital gains	-	-	(0.04)	-	(0.26)
Return of capital	-	-	-	-	-
Total annual distributions [3]	**-**	**(0.11)**	**(0.04)**	**-**	**(0.26)**
Net assets, end of period	**7.79**	**8.62**	**8.43**	**9.60**	**10.28**

Financial Highlights (continued)

Series F	December 31 2020	December 31 2019	December 31 2018	December 31 2017	December 31 2016
Net assets, beginning of period	**9.21**	**9.04**	**10.22**	**10.83**	**9.97**
Increase (decrease) from operations:					
Total revenue	-	0.25	0.20	0.15	0.17
Total expenses	(0.12)	(0.14)	(0.12)	(0.12)	(0.12)
Realized gains for the period	(0.84)	(1.80)	0.05	0.06	0.50
Unrealized gains (losses) for the period	0.14	2.12	(1.19)	(0.72)	0.72
Total increase (decrease) from operations (2)	**(0.82)**	**0.43**	**(1.06)**	**(0.63)**	**1.27**
Distributions:					
From net investment income (excluding dividends)	-	-	-	-	-
From dividends	-	(0.24)	-	-	-
From capital gains	-	-	(0.05)	-	(0.31)
Return of capital	-	-	-	-	-
Total annual distributions (3)	-	**(0.24)**	**(0.05)**	**-**	**(0.31)**
Net assets, end of period	**8.41**	**9.21**	**9.04**	**10.22**	**10.83**

Series O(4)	December 31 2020	December 31 2019	December 31 2018	December 31 2017
Net assets, beginning of period(4)	**9.60**	**9.36**	**10.47**	**10.00**
Increase (decrease) from operations:				
Total revenue	0.02	0.25	0.22	0.35
Total expenses	-	-	-	-
Realized gains for the period	(1.00)	(0.15)	0.05	-
Unrealized gains (losses) for the period	(0.02)	1.40	(1.40)	(0.06)
Total increase (decrease) from operations (2)	**(1.00)**	**1.50**	**(1.13)**	**0.29**
Distributions:				
From net investment income (excluding dividends)	-	-	-	-
From dividends	-	(0.81)	-	-
From capital gains	-	-	(0.06)	-
Return of capital	-	-	-	-
Total annual distributions (3)	-	**(0.81)**	**(0.06)**	**-**
Net assets, end of period	**8.17**	**9.60**	**9.36**	**10.47**

(1) This information is derived from the Pool's audited annual financial statements.
(2) Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period.
(3) Distributions were paid in cash/reinvested in additional units of the Pool, or both.
(4) Inception date: July 5, 2017

Ratios and Supplemental Data

Series A	December 31 2020	December 31 2019	December 31 2018	December 31 2017	December 31 2016
Total net asset value (000's) (1)	$42,225	$61,583	$91,514	$138,250	$158,171
Number of units outstanding (000's) (1)	5,418	7,147	10,860	14,394	15,391
Management expense ratio (2)	2.25%	2.14%	2.10%	2.06%	2.05%
Management expense ratio before waivers or absorptions	2.25%	2.14%	2.10%	2.06%	2.05%
Trading expense ratio (3)	0.12%	0.12%	0.00%	0.00%	0.00%
Portfolio turnover rate (4)	68.3%	90.40%	2.91%	2.54%	10.45%
Net asset value per unit (1)	$7.79	$8.62	$8.43	$9.60	$10.28

Series F	December 31 2020	December 31 2019	December 31 2018	December 31 2017	December 31 2016
Total net asset value (000's) (1)	$17,606	$20,939	$25,413	$38,060	$30,505
Number of units outstanding (000's) (1)	2,094	2,274	2,811	3,724	2,816
Management expense ratio (2)	1.33%	1.23%	1.19%	1.14%	1.13%
Management expense ratio before waivers or absorptions	1.33%	1.23%	1.19%	1.14%	1.13%
Trading expense ratio (3)	0.12%	0.12%	0.00%	0.00%	0.00%
Portfolio turnover rate (4)	68.3%	90.40%	2.91%	2.54%	10.45%
Net asset value per unit (1)	$8.41	$9.21	$9.04	$10.22	$10.83

Series O	December 31 2020	December 31 2019	December 31 2018	December 31 2017
Total net asset value (000's) (1)	$49	$48	$1,864	$785
Number of units outstanding (000's) (1)	6	5	199	75
Management expense ratio (2)	0.00%	0.00%	0.00%	0.00%
Management expense ratio before waivers or absorptions	0.35%	0.29%	0.20%	0.16%
Trading expense ratio (3)	0.12%	0.12%	0.00%	0.00%
Portfolio turnover rate (4)	68.3%	90.40%	2.91%	2.54%
Net asset value per unit (1)	$8.17	$9.60	$9.36	$10.47

(1) This information is provided as at the date shown.
(2) Management expense ratio is based on total expenses for the stated period (excluding distributions, commissions and other portfolio transaction costs) and is expressed as an annualized percentage of daily average net assets during the period. In the period a series is established, the management expense ratio is annualized from the date of inception to December 31.
(3) The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net assets during the period.
(4) The Pool's portfolio turnover rate indicates how actively the Pool's portfolio manager manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Pool buying and selling all of the securities in its portfolio once in the course of the year. The higher the Pool's portfolio turnover rate in a year, the greater the trading costs payable by the Pool in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Pool.

Other Information

Value Partners Group Inc. (VPGI) owns 100% of Value Partners Investments Inc. (VPI) and LP Financial Planning Services Ltd. (LP Financial), formerly Lawton Partners Financial Planning Services Limited, a mutual fund dealer. VPGI is 37.3% owned by Longton Ltd., whose shareholders include specified members of the Lawton family, including Paul and Sean Lawton. Paul Lawton is an officer of VPGI as well as a director and officer of both VPI and LP Financial. Sean Lawton is a director and sales representative of LP Financial.

As of December 31, 2020, sales representatives of LP Financial held, in aggregate, Class A1 shares representing 18.7% and Class C1 shares representing 6.2% of the common equity of VPGI. The remaining common equity of VPGI was held by sales representatives of other dealer firms and employees of VPGI, VPI and LP Financial. No other sales representative held more than 5 percent of the common equity of VPGI. Additional information regarding equity interests may be obtained from the Pool's annual information form or from the Manager's website at http://www.valuepartnersinvestments.ca.

Forward-Looking Statements

This report may contain forward-looking statements about the Pool, including its strategy, expected performance and condition. Forward-looking statements include statements that are predictive in nature, that depend upon or refer to future events or conditions, or that include words such as "expects", "anticipates", "intends", "plans", "believes", "estimates", or negative versions thereof and similar expressions. In addition, any statement that may be made concerning future performance, strategies or prospects, and possible future Pool action, is also a forward-looking statement. Forward-looking statements are based on current expectations and projections about future events and are inherently subject to, among other things, risks, uncertainties and assumptions about the Pool and economic factors.

Forward-looking statements are not guarantees of future performance, and actual events and results could differ materially from those expressed or implied in any forward-looking statements made by the Pool. Any number of important factors could contribute to these digressions, including, but not limited to, general economic, political and market factors in North America and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological change, changes in government regulations, unexpected judicial or regulatory proceedings, and catastrophic events.

We stress that the above-mentioned list of important factors is not exhaustive. We encourage you to consider these and other factors carefully before making any investment decisions and we urge you to avoid placing undue reliance on forward-looking statements. Further, you should be aware of the fact that the Pool has no specific intention of updating any forward-looking statements whether as a result of new information, future events or otherwise.