



**VALUE
PARTNERS**
INVESTMENTS

VPI VALUE POOL

**ANNUAL MANAGEMENT REPORT OF FUND PERFORMANCE
FOR THE YEAR ENDED DECEMBER 31, 2019**

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 management 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 17, 2020

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.

As of November 6, 2019, the Portfolio Manager of the Pool changed from Patient Capital Management Inc. to Value Partners Investment Inc. The Pool's investment objective has not changed; however, the investment strategies used to achieve the Pool's objective has changed

The new 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

The Portfolio Manager considers risk to be primarily focused on individual business conditions and their prospects for the future as ongoing operating enterprises.

From a macro perspective, risk in 2019 ranged from tariff conflicts to geopolitical concerns involving such locations as North Korea, Iran, and Syria as well as uncertainty regarding Brexit. These types of issues have been and will continue to arise in the future. The Portfolio Manager attempts to mitigate these concerns by concentrating on corporate risks particular to each individual company. By owning companies that fit the Portfolio Manager's investment criteria and are less sensitive to macroeconomic factors, the Portfolio Manager believes that the long-term risk to the business and ultimately its value, is lowered.

The Portfolio Manager believes that market risk is high in the current environment, given historically expensive stock prices. On the political front, 2020 is an election year in the U.S. and there has been sharp division in the country regarding the economy, immigration and foreign policy. The results of the election could potentially impact businesses and stock prices in general. Furthermore, 2020 began with the emergence of a deadly new viral outbreak in China which is currently spreading and could restrict travel, trade and economic production. While it is far too early to predict, this situation could have serious consequences for business and stock prices as well.

Results of Operations

Net assets of the Pool decreased by approximately \$41.4 million for the year ended December 31, 2019. This decrease consisted of \$44.7 million of net redemptions and \$1.3 million of distributions, offset by a \$4.6 million increase in net assets from operations. The increase in net assets from operations can be attributed to \$25.4 million of unrealized appreciation in the value of investments, \$2.9 million in dividend income and \$0.8 million in interest income, offset by \$21.3 million of net realized losses on the sale of investments during the year, a \$0.8 million foreign exchange loss on cash and \$2.4 million in operating expenses.

The Portfolio Manager of the Pool changed on November 6, 2019. All securities previously held to this date in the Pool were sold. The following table shows the additions and dispositions made by the previous Portfolio Manager in 2019 up until this date.

<i>Additions</i>	<i>Dispositions</i>
CVS Health Corporation	Speedway Motorsports
Macy's Inc.	



Results of Operations (continued)

The new Portfolio Manager assumed responsibility of the Pool on November 6, 2019. The following table shows the additions and dispositions made subsequent to this date.

<i>Additions</i>	<i>Dispositions</i>
ADT Inc.	Bank of Nova Scotia
Berkshire Hathaway Inc.	Bed Bath and Beyond Inc.
Howard Hughes Corporation	Canadian Imperial Bank of Commerce
Liberty Broadband Corporation	Canadian Natural Resources
Liberty Sirius XM Group	Canadian Utilities Ltd.
LKQ Corporation	Cenovus Energy Inc.
Six Flags Entertainment Corporation	CVS Health Corporation
	Encana Corporation
	Ensign Energy Services Inc.
	Honda Motor Limited
	Linamar Corporation
	Macy's Inc.
	WPP PLC

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

<i>Sector</i>	<i>Allocation Increase</i>	<i>Sector</i>	<i>Allocation Decrease</i>
Cash & Equivalents	8.4%	Energy	22.9%
Diversified Financials	8.4%	Banks	9.3%
Media & Entertainment	8.0%	Automobiles & Components	6.4%
Real Estate	6.8%	Consumer Services	2.3%
Commercial & Professional Services	5.4%	Utilities	0.8%
Insurance	4.4%		
Retailing	0.7%		

Each series of the Pool (excluding Series B), experienced gains in the range of 3.6% to 5.8% for the year as compared to a 22.9% gain for the S&P/TSX Composite Total Return Index ("Canadian Index") and a 24.8% return for the S&P 500 Total Return Index (C\$) ("US Index").

Canadian Index returns were primarily driven by stocks in the materials and technology sectors. US Index returns were largely driven by a select few technology companies. In many cases, either the fundamentals or the valuations of these businesses did not satisfy the previous Portfolio Manager's investment criteria and accordingly, the Pool did not hold such investments in its portfolio. The Pool did, however, have exposure to the Energy and Retail sectors which underperformed the indices. The Pool also had a very significant cash position during the year. Each of these factors contributed to the Pool's underperformance relative to both indices during 2019. In recent weeks, however, the cash position has served to protect client capital as markets have dropped and provided the opportunity for the new Portfolio Manager to invest in some great businesses at very attractive prices.

Revenues and Expenses

Revenues of the Pool amounted to \$3.7 million, representing dividend and interest income from its holdings. The Pool also incurred \$2.4 million in management fees and operating expenses, realized losses of \$21.3 million on the disposal of investments and experienced \$25.4 million in unrealized appreciation in the value of its investments during the year.



Revenues and Expenses (continued)

Realized losses on the sale of investments during the year are primarily attributable to the turnover of the portfolio holdings subsequent to the change in Portfolio Manager on November 6, 2019:

Holding	Approximate Holding Period	Proceeds (millions)	Cost (millions)	Realized Gain/(Loss) (millions)
Bank of Nova Scotia	3.9 years	\$ 6.3	\$ 4.6	\$ 1.7
Bed Bath and Beyond Inc.	3.9 years	3.7	11.9	(8.2)
Canadian Imperial Bank of Commerce	3.9 years	6.7	5.5	1.2
Canadian Natural Resources	4.2 years	11.0	8.6	2.4
Canadian Utilities Ltd.	1.0 years	1.2	0.9	0.3
Cenovus Energy Inc.	4.9 years	7.9	13.3	(5.4)
CVS Health Corporation	0.7 years	4.6	3.6	1.0
Encana Corporation	8.0 years	4.1	12.5	(8.4)
Ensign Energy Services Inc.	4.8 years	3.7	13.6	(9.9)
Honda Motor Limited	1.1 years	6.9	6.6	0.3
Linamar Corporation	1.1 years	6.4	7.2	(0.8)
Macy's Inc.	0.2 years	2.2	2.0	0.2
Speedway Motorsports	7.7 years	7.9	4.7	3.2
WPP PLC	1.0 years	7.0	6.0	1.0
Partial Dispositions	n/a	8.8	8.7	0.1
Canada Treasury Bills	n/a	217.6	217.6	-
		\$ 306.0	\$ 327.3	\$ (21.3)

Recent Developments

Economic Conditions

In January 2020, the World Health Organization declared the coronavirus a global health emergency and on March 11, 2020, they declared it as a global pandemic. This has presented many uncertainties and the stock market hates uncertainty. In order to contain the virus, countries have implemented quarantines and companies have shut down manufacturing and have disrupted supply chains at an alarming speed. Meanwhile, Russia and Saudi Arabia were unable to agree on curtailing crude oil production and Saudi Arabia responded by reducing their prices and plans to increase production. The result was an unprecedented drop in the price of crude oil of over 30%. Equity markets have reacted with the biggest decline experienced in more than a decade. In response, both the US Federal Reserve and the Bank of Canada quickly reduced their key interest rates by 50 basis points. At this time, governments and businesses around the world are introducing significant new measures to contain and control the spread of the virus.

The full impact of these circumstances on global growth and businesses will not be fully known or understood until time has passed. Exactly how long that will be is unknown, but it is possible that it could be prolonged given the current situation. The markets are not waiting to see what happens. Investors are choosing to sell good businesses at any price. The Portfolio Manager believes that buying stocks in great businesses when the market is down is critical for successful investing. However, when the markets act suddenly, unexpectedly, or violently it can be difficult for most investors to follow through and remain disciplined. The catalyst for each market downturn is often different, the outcome has always been the same. The best time to invest is when others are fearful.

The Pool is in a unique position in that it had approximately 50% of its assets held in cash prior to the recent market downturn. This has proven to protect client capital as share prices have dropped and allowed the Portfolio Manager to make additional investments in great businesses at even cheaper prices. As these events continue to unfold, the Portfolio Manager intends to continue to deploy cash into shares of great businesses in a conservative and rational manner to the long-term benefit of all unitholders.

Series B Units

Effective August 15, 2019, the Pool discontinued sales of its Series B (low load deferred sales charge) units. Subsequently, under a Declaration of Trust, all outstanding Series B units were converted to Series A units on December 2, 2019 at the closing net asset value. There were no costs to unitholders as a result of this change.

Change in Portfolio Manager

As noted previously, effective November 6, 2019, Value Partners Investments Inc. assumed the portfolio management responsibilities of the Pool.



Portfolio Allocation

Cash	56.0%	Canadian Equities	4.4%
US Equities	39.9%	Other Net Assets	-0.3%

Sector Allocation

Cash	56.0%	Consumer Services	3.2%
Media & Entertainment	13.0%	Retailing	3.1%
Diversified Financials	8.4%	Other Net Assets	-0.3%
Real Estate	6.8%		
Commercial & Professional Services	5.4%		
Insurance	4.4%		

Top 25 Holdings

Issuer	Maturity Date	Percentage of Net Assets
Cash		56.0%
Berkshire Hathaway Inc., Class B		8.4%
Liberty Broadband Corporation		7.0%
Howard Hughes Corporation		6.8%
Liberty Sirius XM Group		6.0%
ADT Inc.		5.4%
Fairfax Financial Holdings Ltd		4.4%
Six Flags Entertainment Corporation		3.2%
LKQ Corporation		3.1%
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.



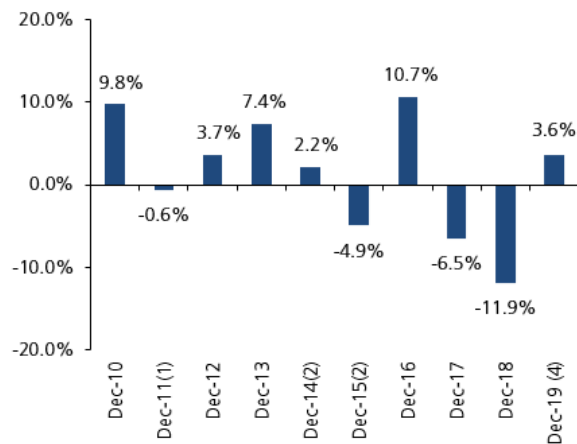
Past Performance

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.

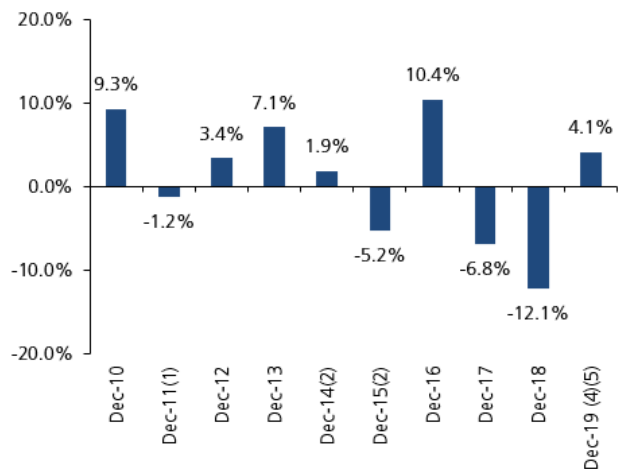
Year-by-Year Return

The bar charts below show the performance of each series of the Pool (net of fees) for the year ended December 31, 2019, 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.

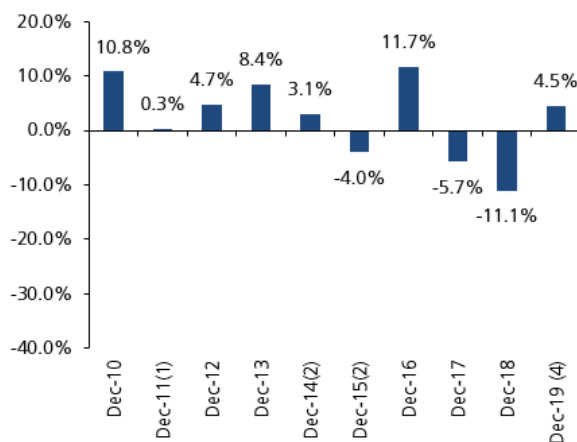
Series A



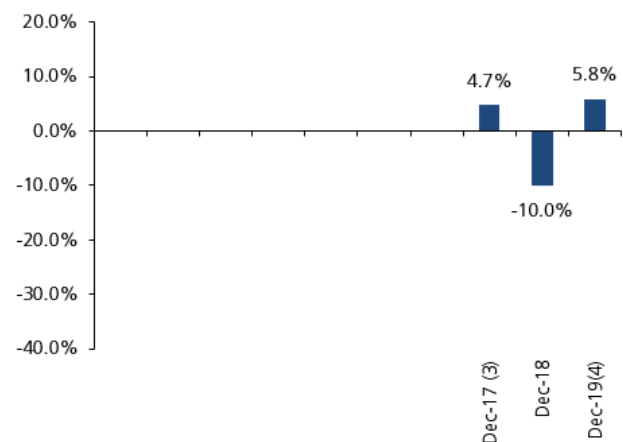
Series B



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 the portfolio management responsibilities of the Pool on November 6, 2019.

(5) 2019 return is for the period ending December 2, 2019, the date all Series B units were converted to Series A units.



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, 2019. 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 ⁽⁶⁾
Series A ⁽¹⁾⁽²⁾⁽³⁾⁽⁴⁾ (Inception: October 1, 2007)	1.1%	-2.1%	-5.2%	3.6%	-0.6%
S&P/TSX Composite Index	6.9%	6.3%	6.9%	22.9%	4.7%
S&P 500 Index (C\$)	16.0%	14.2%	14.0%	24.8%	11.0%
Series B ⁽¹⁾⁽²⁾⁽³⁾⁽⁴⁾⁽⁵⁾ (Inception: October 1, 2007)	0.9%	-2.2%	-5.2%	4.1%	-1.0%
S&P/TSX Composite Index	6.9%	6.3%	6.9%	22.9%	4.7%
S&P 500 Index (C\$)	16.0%	14.2%	14.0%	24.8%	11.0%
Series F ⁽¹⁾⁽²⁾⁽³⁾⁽⁴⁾ (Inception: October 1, 2007)	2.0%	-1.2%	-4.3%	4.5%	0.3%
S&P/TSX Composite Index	6.9%	6.3%	6.9%	22.9%	4.7%
S&P 500 Index (C\$)	16.0%	14.2%	14.0%	24.8%	11.0%
Series O ⁽¹⁾⁽²⁾⁽³⁾⁽⁴⁾ (Inception: July 5, 2017)	n/a	n/a	n/a	5.8%	-0.1%
S&P/TSX Composite Index	n/a	n/a	n/a	22.9%	8.0%
S&P 500 Index (C\$)	n/a	n/a	n/a	24.8%	14.4%

- (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) Calculated to December 2, 2019, the date all Series B units were converted to Series A units.
(6) 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, 2019, 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 17% 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, 2019, the Pool paid \$1.8 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 2019	December 31 2018	December 31 2017	December 31 2016	December 31 2015
Net assets, beginning of period	8.43	9.60	10.28	9.51	10.11
Increase (decrease) from operations:					
Total revenue	0.23	0.19	0.14	0.15	0.17
Total expenses	(0.21)	(0.20)	(0.20)	(0.20)	(0.21)
Realized gains for the period	(1.70)	0.04	0.08	0.45	0.24
Unrealized gains (losses) for the period	2.02	(1.09)	(0.72)	0.62	(0.67)
Total increase (decrease) from operations ⁽²⁾	0.34	(1.06)	(0.70)	1.02	(0.47)
Distributions:					
From net investment income (excluding dividends)	-	-	-	-	-
From dividends	(0.11)	-	-	-	-
From capital gains	-	(0.04)	-	(0.26)	(0.09)
Return of capital	-	-	-	-	-
Total annual distributions ⁽³⁾	(0.11)	(0.04)	-	(0.26)	(0.09)
Net assets, end of period	8.62	8.43	9.60	10.28	9.51

Series B ⁽⁵⁾	December 31 2019	December 31 2018	December 31 2017	December 31 2016	December 31 2015
Net assets, beginning of period	8.15	9.33	10.01	9.23	9.73
Increase (decrease) from operations:					
Total revenue	0.19	0.18	0.13	0.15	0.16
Total expenses	(0.20)	(0.22)	(0.22)	(0.22)	(0.23)
Realized gains for the period	(1.58)	0.05	0.09	0.39	0.24
Unrealized gains (losses) for the period	2.01	(0.96)	(0.76)	0.54	(0.62)
Total increase (decrease) from operations ⁽²⁾	0.42	(0.95)	(0.76)	0.86	(0.45)
Distributions:					
From net investment income (excluding dividends)	-	-	-	-	-
From dividends	-	-	-	-	-
From capital gains	-	(0.05)	-	(0.18)	-
Return of capital	-	-	-	-	-
Total annual distributions ⁽³⁾	-	(0.05)	-	(0.18)	-
Net assets, end of period	-	8.15	9.33	10.01	9.23



Financial Highlights (continued)

Series F	December 31 2019	December 31 2018	December 31 2017	December 31 2016	December 31 2015
Net assets, beginning of period	9.04	10.22	10.83	9.97	10.62
Increase (decrease) from operations:					
Total revenue	0.25	0.20	0.15	0.17	0.18
Total expenses	(0.14)	(0.12)	(0.12)	(0.12)	(0.12)
Realized gains for the period	(1.80)	0.05	0.06	0.50	0.23
Unrealized gains (losses) for the period	2.12	(1.19)	(0.72)	0.72	(0.71)
Total increase (decrease) from operations ⁽²⁾	0.43	(1.06)	(0.63)	1.27	(0.42)
Distributions:					
From net investment income (excluding dividends)	-	-	-	-	-
From dividends	(0.24)	-	-	-	-
From capital gains	-	(0.05)	-	(0.31)	(0.22)
Return of capital	-	-	-	-	-
Total annual distributions ⁽³⁾	(0.24)	(0.05)	-	(0.31)	(0.22)
Net assets, end of period	9.21	9.04	10.22	10.83	9.97

Series O ⁽⁴⁾	December 31 2019	December 31 2018	December 31 2017
Net assets, beginning of period ⁽⁴⁾	9.36	10.47	10.00
Increase (decrease) from operations:			
Total revenue	0.25	0.22	0.35
Total expenses	-	-	-
Realized gains for the period	(0.15)	0.05	-
Unrealized gains (losses) for the period	1.40	(1.40)	(0.06)
Total increase (decrease) from operations ⁽²⁾	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	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

(5) Series B units were converted to Series A units on December 2, 2019.



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Ratios and Supplemental Data

Series A	December 31 2019	December 31 2018	December 31 2017	December 31 2016	December 31 2015
Total net asset value (000's) ⁽¹⁾	\$61,583	\$91,514	\$138,250	\$158,171	\$144,424
Number of units outstanding (000's) ⁽¹⁾	7,147	10,860	14,394	15,391	15,179
Management expense ratio ⁽²⁾	2.14%	2.10%	2.06%	2.05%	2.05%
Management expense ratio before waivers or absorptions	2.14%	2.10%	2.06%	2.05%	2.05%
Trading expense ratio ⁽³⁾	0.12%	0.00%	0.00%	0.00%	0.02%
Portfolio turnover rate ⁽⁴⁾	90.40%	2.91%	2.54%	10.45%	20.28%
Net asset value per unit ⁽¹⁾	\$8.62	\$8.43	\$9.60	\$10.28	\$9.51

Series B ⁽⁵⁾	December 31 2019	December 31 2018	December 31 2017	December 31 2016	December 31 2015
Total net asset value (000's) ⁽¹⁾	-	\$5,204	\$10,728	\$16,601	\$20,254
Number of units outstanding (000's) ⁽¹⁾	-	639	1,150	1,659	2,195
Management expense ratio ⁽²⁾⁽⁶⁾	2.44%	2.38%	2.32%	2.30%	2.29%
Management expense ratio before waivers or absorptions ⁽⁶⁾	2.44%	2.38%	2.32%	2.30%	2.29%
Trading expense ratio ⁽³⁾⁽⁶⁾	0.12%	0.00%	0.00%	0.00%	0.02%
Portfolio turnover rate ⁽⁴⁾⁽⁶⁾	86.07%	2.91%	2.54%	10.45%	20.28%
Net asset value per unit ⁽¹⁾	-	\$8.15	\$9.33	\$10.01	\$9.23

Series F	December 31 2019	December 31 2018	December 31 2017	December 31 2016	December 31 2015
Total net asset value (000's) ⁽¹⁾	\$20,939	\$25,413	\$38,060	\$30,505	\$19,808
Number of units outstanding (000's) ⁽¹⁾	2,274	2,811	3,724	2,816	1,986
Management expense ratio ⁽²⁾	1.23%	1.19%	1.14%	1.13%	1.13%
Management expense ratio before waivers or absorptions	1.23%	1.19%	1.14%	1.13%	1.13%
Trading expense ratio ⁽³⁾	0.12%	0.00%	0.00%	0.00%	0.02%
Portfolio turnover rate ⁽⁴⁾	90.40%	2.91%	2.54%	10.45%	20.28%
Net asset value per unit ⁽¹⁾	\$9.21	\$9.04	\$10.22	\$10.83	\$9.97

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

(5) Series B units were converted to Series A units on December 2, 2019.

(6) 2019 figures are annualized for the period ending December 2, 2019.



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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, 2019, sales representatives of LP Financial held, in aggregate, Class A1 shares representing 18.2% 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 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.