



**VALUE
PARTNERS**
INVESTMENTS

VPI GLOBAL EQUITY POOL

INTERIM MANAGEMENT REPORT OF FUND PERFORMANCE
FOR THE PERIOD FROM MARCH 6, 2020 TO
JUNE 30, 2020

MANAGER

VALUE PARTNERS INVESTMENTS INC.

PORTFOLIO MANAGER

VALUE PARTNERS INVESTMENTS INC.

This interim management report of fund performance contains financial highlights but does not contain either interim or annual financial statements of the Pool. If you have not received a copy of the interim financial statements with this interim 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.



Interim Management Discussion of Fund Performance

August 20, 2020

The Interim Management Report of Fund Performance presents management’s view of the significant factors and developments affecting the Pool’s performance and outlook since March 2020 when the Pool was first established and began operations.

Results of Operations

Net assets of the Pool increased by approximately \$4.9 million for the period ended June 30, 2020 due to \$4.8 million of net sales and a \$99 thousand increase in net assets from operations. The increase in net assets from operations was due to \$26 thousand of dividend income, a \$3 thousand net realized gain on the sale of investments and \$170 thousand of unrealized appreciation in the value of investments. This was offset by an \$89 thousand foreign exchange loss on cash and \$11 thousand in management fees and operating expenses, net of \$32 thousand of absorbed expenses

Realized gains on the sale of investments during the period are attributable to one disposition in the portfolio as noted below:

Holding	Proceeds (thousands)	Cost (thousands)	Realized Gain (thousands)
Wirecard AG	\$ 112.8	\$ 109.8	\$ 3.0

The Portfolio Manager cautiously established the Pool’s portfolio of holdings during the period as markets were quite volatile and uncertain. By the end of the period, the Pool was fully invested in the Portfolio Manager’s selected holdings.

Recent Developments

Economic Conditions

The World Health Organization declared COVID-19 a global pandemic on March 12, 2020. The onset of the pandemic led to a rapid decline in global economic activity. This along with actions taken by Saudi Arabia and Russia led to a precipitous decline in global oil prices as supply far outstripped demand. Central Banks and government bodies around the world decreased policy rates dramatically and instituted some of the largest stimulus plans seen in history to support the economy. Declines across numerous economic indicators have led to preliminary declarations that major economies around the world, including Canada and the US, entered recessions in the first half of the year. The unemployment rate in Canada grew from 5.6% in January 2020 to 12.3% in June, after peaking at 13.7% in May. The U.S. had a similar experience with unemployment rates growing from 3.5% in January 2020 to 11.1% in June after peaking at 14.7% in April.

The scope of the recession is widespread and there remains a high level of uncertainty regarding the shape of the recovery. Government spending programs have been effective at helping contain the effects of the economic crisis, but consequences of such stimulus programs remain unknown. Meanwhile valuations across many sectors continue to escalate into increasingly risky territory. The Portfolio Manager believes there are good opportunities available in several industries; however, caution is essential given volatile economic and market conditions as well as escalating valuation risks. The Portfolio Manager continues to seek opportunities that meet the Pool’s investment criteria.

Qualification of Pool

The Pool was created on March 6, 2020 as a private pool offered only by way of prospectus exemptions. The Pool was qualified by way of a prospectus dated June 29, 2020.

New Series

On June 29, 2020, the Pool established two new series of units: Series A and Series F.



VPI GLOBAL EQUITY POOL

Portfolio Allocation

Offshore Equities	63.2%	Other Net Assets	-0.1%
US Equities	32.7%		
Cash	4.2%		

Sector Allocation

Capital Goods	11.9%	Media and Entertainment	5.9%
Pharmaceuticals, Biotechnology and Life Sciences	9.2%	Food, Beverage and Tobacco	5.4%
Semiconductors and Semiconductor Equipment	8.6%	Telecommunication Services	5.0%
Software and Services	8.6%	Cash	4.2%
Diversified Financials	6.5%	Energy	3.7%
Health Care Equipment and Services	6.4%	Consumer Durables and Apparel	3.4%
Materials	6.0%	Retailing	3.3%
Banks	6.0%	Automobiles and Components	3.2%
		Food and Staples Retailing	2.8%
		Other Net Assets	-0.1%

Top 25 Holdings

Issuer	Percentage of Net Assets
SAP SE	5.0%
Taiwan Semiconductor Manufacturing Company Limited - ADR	4.6%
Cash	4.2%
Broadcom Inc.	4.0%
TOTAL S.A. - ADR	3.7%
Visa Inc., Class A	3.6%
Eli Lilly and Company	3.5%
UBS Group AG	3.5%
LVMH Moët Hennessy - Louis Vuitton, Société Européenne - ADR	3.4%
UnitedHealth Group Incorporated	3.4%
The Home Depot, Inc.	3.3%
JPMorgan Chase & Co.	3.2%
Toyota Motor Corporation	3.2%
Symrise AG - ADR	3.2%
Tencent Holdings Limited - ADR	3.1%
Ashtead Group plc - ADR	3.1%
Siemens Aktiengesellschaft - ADR	3.0%
Medtronic plc	3.0%
S&P Global Inc.	3.0%
Honeywell International Inc.	2.9%
Amgen Inc.	2.9%
L'Air Liquide S.A. -ADR	2.9%
Comcast Corporation, Class A	2.8%
Deutsche Telekom AG	2.8%
Techtronic Industries Company Limited - ADR	2.8%
Total	84.1%

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

Past performance for the Pool is not available as the Pool was not a reporting issuer at all times during the interim period.

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.

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. The Manager or parent company of the Manager held 50,001 Series O units as of June 30, 2020.

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 period since inception on March 6, 2020 to June 30, 2020. *This information is derived from the Pool’s 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 O ⁽⁴⁾	June 30, 2020
Net assets, beginning of period ⁽⁴⁾	10.00
Increase (decrease) from operations:	
Total revenue	(0.19)
Total expenses	(0.03)
Realized gains (losses) for the period	0.01
Unrealized gains (losses) for the period	0.21
Total increase (decrease) from operations ⁽²⁾	-
Distributions:	
From net investment income (excluding dividends)	-
From dividends	-
From capital gains	-
Return of capital	-
Total annual distributions ⁽³⁾	-
Net assets, end of period	10.21

(1) This information is derived from the Pool’s interim unaudited 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) The Pool was established on March 6, 2020.



Ratios and Supplemental Data

Series O	June 30, 2020
Total net asset value (000's) ⁽¹⁾	\$4,924
Number of units outstanding (000's) ⁽¹⁾	482
Management expense ratio ⁽²⁾	0.00%
Management expense ratio before waivers or absorptions	3.31%
Trading expense ratio ⁽³⁾	0.30%
Portfolio turnover rate ⁽⁴⁾	6.37%
Net asset value per unit ⁽¹⁾	\$10.21

(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 37.4% 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 June 30, 2020, sales representatives of LP Financial held, in aggregate, Class A1 shares representing 18.3% 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.