



**VALUE
PARTNERS**
INVESTMENTS

VPI CORPORATE BOND POOL

**ANNUAL MANAGEMENT REPORT OF FUND PERFORMANCE
FOR THE YEAR ENDED DECEMBER 31, 2023**

MANAGER

VALUE PARTNERS INVESTMENTS INC.

PORTFOLIO MANAGER

CANSO INVESTMENT COUNSEL LTD.

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 14, 2024

Investment Objective and Strategies

VPI Corporate Bond Pool's objective is to preserve capital while providing a reasonable level of income and the potential for long-term capital growth by investing primarily in fixed income securities.

The Portfolio Manager will use a flexible approach to investing in fixed income securities with no geographic restrictions. Fixed income securities may include, but are not limited to corporate bonds, convertible bonds, government bonds, loans, notes and other evidence of indebtedness. In the event that the Portfolio Manager is unable to find fixed income securities that meet its investment criteria in terms of quality and value, the Portfolio Manager will choose to hold cash and/or cash equivalents until the right opportunity comes available. This approach is used to protect investor capital and avoid the potential for long-term capital losses.

Risk

The Pool is considered suitable for investors with a low tolerance for risk. The risks of investing in the Pool remain as discussed in the Prospectus and there were no significant changes to the Pool that materially affected its overall level of risk during the reporting period.

Results of Operations

The net assets for the Pool increased by approximately \$132.8 million for the year ended December 31, 2023. This increase was primarily due to a \$40.3 million increase in net assets from operations and net sales of \$115.0 million. This was offset by \$22.5 million of distributions to unitholders. The increase in net assets from operations resulted from \$6.4 million of realized net gains on the sale of investments and currency forward contracts, \$12.0 million of unrealized appreciation on the value of investments and currency forward contracts and \$25.1 million of interest and dividend income. This was offset by \$3.2 million of management fees and operating expenses.

Each series of the Pool experienced a gain in the range of 7.7% to 9.5% relative to the 6.7% gain of the FTSE Canada Universe Bond Index.

A strong fourth quarter capped off a comeback year in 2023. Investment grade bonds also rose as higher starting yields, declining government rates and narrowing credit spreads ultimately pushed returns higher. The Pool also benefited from spread narrowing in Spirit Aerosystems and American Airlines.

The Portfolio Manager continued to add to holdings of government issues but also participated in new issues of Spirit Aerosystems, American Airlines and an RBC covered bond that represented good value. The Portfolio Manager also added to holdings in both WTH Car Rental and Hertz on opportunity. The Portfolio Manager trimmed holdings of UBS bonds that have rallied significantly since the closing of the purchase of Credit Suisse. Additionally, Morgan Stanley was sold and reduced holdings in both Ford and Delta Airlines. A Bombardier issue was called in the fourth quarter as was a 2025 maturity of Spirit Aerosystems. Postmedia continued to pay down its debt, reducing the portfolio holdings.

Revenues and Expenses

Revenues of the Pool amounted to \$25.1 million for the year, which can be primarily attributed to interest income from its holdings. The Pool experienced \$6.4 million in realized net gains on the sale of investments and currency forward contracts and \$12.0 million of unrealized appreciation in the value of investments and currency forward contracts. The Pool also incurred \$3.2 million in management fees and operating expenses net of \$139 thousand of expenses absorbed by the Manager.



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Recent Developments

Economic Conditions

The U.S. Federal Reserve System's (the "Fed") about-face on interest rates in the fourth quarter of 2023 fueled a rally in almost every asset class, from speculative technology shares to junk bonds. The treasury market posted its first annual gain since 2020 as slowing inflation bolstered views that the Fed's campaign of interest rate increases is likely over. The Fed acknowledged that economic activity had slowed, and job gains moderated. The Fed also sketched out a potential path towards rate cuts.

The market may have gotten ahead of itself as investors clamored to invest cash before year end. The market is forecasting six quarter-point rate cuts throughout 2024. Investors have also been puzzled by the failure of a widely anticipated recession to materialize.

Renewed optimism reopened the new issue window, as primary market conditions improved alongside the surging demand for existing high yield bonds. Yields on new issue U.S. high yield bonds fell to 8.9% during the fourth quarter and issuers have been opportunistically upsizing deals to take advantage of strong demand. The market also saw issuers come off the sidelines with unsecured deals, which comes in a year that has been dominated by secured issuance at unprecedented levels. While CCC-rated issuances have been almost non-existent this year, insurance company USI Inc successfully raised US\$620 million on December 29th in the first CCC-rated deal to come to the market since April 2023. This rejuvenation gives the Portfolio Manager the sense that capital is not necessarily scarce in the most speculative ends of the credit market.

The Bank of Canada is concerned that inflationary pressures are broad-based. Economic growth stalled during the middle quarters of 2023 as higher interest rates are restraining consumer spending. The labour market is easing, and job creation has slowed. Wages are still rising at an elevated rate despite a modest increase in the unemployment rate.

Change in Ownership

On September 8, 2023, Great-West Lifeco Inc. and a wholly owned subsidiary of The Canada Life Assurance Company, 14894821 Canada Inc. acquired all the issued and outstanding shares of Value Partners Group Inc. ("VPGI"), the parent company of Value Partners Investments Inc. (the "Manager"), from the previous shareholders of VPGI ("the acquisition"). As a result of the acquisition, there was a change in control of the Manager of the Pool.



VPI CORPORATE BOND POOL

Portfolio Allocation

Corporate Bonds	71.7%	Equities	0.8%
Government Bonds	16.9%	Forwards	0.7%
Mortgage-backed Securities	9.3%	Other Net Assets	0.5%
		Cash	0.1%

Sector Allocation

Corporate Bonds	71.7%	Other Net Assets	0.5%
Government Bonds	16.9%	Capital Goods	0.2%
Mortgage-backed Securities	9.3%	Cash	0.1%
Forwards	0.7%	Media & Entertainment	0.1%
Energy	0.5%		

Top 25 Holdings

Issuer	Maturity Date	Coupon Rate	Percentage of Net Assets
Canadian Government Bond	01-Mar-26	0.3%	7.1%
Air Canada	15-Aug-29	4.6%	5.1%
Canadian Government Bond	01-Dec-30	0.5%	3.9%
Toronto-Dominion Bank	18-Jan-28	4.5%	3.4%
Bank of Nova Scotia, FRN	08-Sep-26	5.6%	3.2%
Goldman Sachs Group Inc, FRN	29-Apr-25	6.0%	3.1%
Ford Credit Canada Co, FRN	21-Mar-24	8.6%	2.6%
Pacific Life Global Funding, FRN	01-Feb-27	6.0%	2.6%
Toronto-Dominion Bank, FRN	08-Jun-26	5.7%	2.5%
Canada Government Real Return Bond	01-Dec-26	4.3%	2.3%
Manulife Financial Corp, FRN	19-Jun-81	3.4%	2.3%
Latam Airlines Group SA	15-Oct-29	13.4%	2.0%
Royal Bank of Canada	22-Dec-25	4.1%	1.9%
Manulife Financial Corp, FRN	19-Mar-82	4.1%	1.8%
Bombardier Inc	01-May-34	7.5%	1.7%
Royal Bank of Canada	21-Dec-26	4.3%	1.7%
Canadian Government Bond	01-Apr-24	0.3%	1.6%
TransCanada Pipelines Ltd, FRN	15-May-67	7.9%	1.6%
AMC Entertainment Holdings	15-Feb-29	7.5%	1.4%
New York Life Global Funding, FRN	30-Jun-26	6.0%	1.4%
Royal Bank of Canada	17-Jan-28	4.6%	1.4%
Bank of Nova Scotia, FRN	04-Aug-26	5.6%	1.3%
Delta Airlines	16-Sep-27	6.5%	1.3%
Toronto-Dominion Bank, FRN	31-Oct-81	3.6%	1.2%
Avis-Budget Car Rental	15-Jul-27	5.8%	1.1%
Total			55.5%

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.



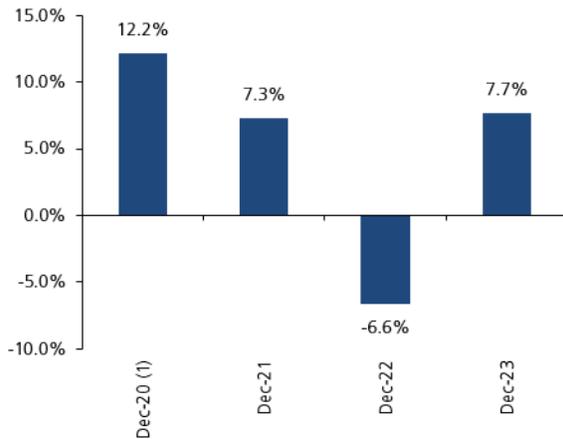
Past Performance

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.

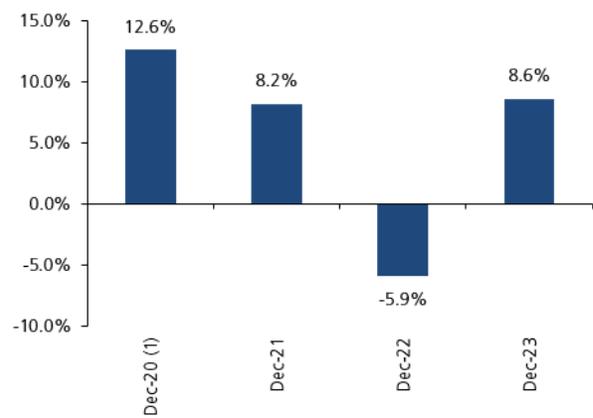
Year-by-Year Returns

The bar charts below show the performance of each series of the Pool (net of fees) for the year ended December 31, 2023, 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.

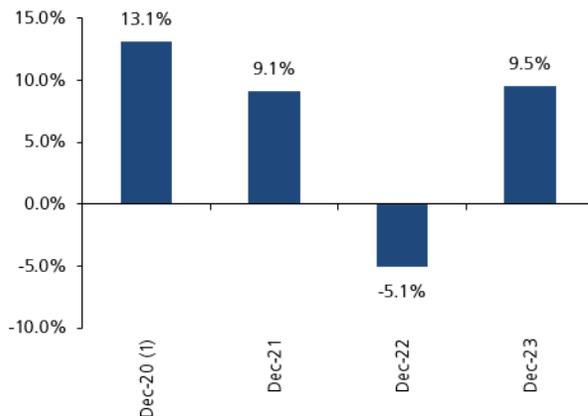
Series A



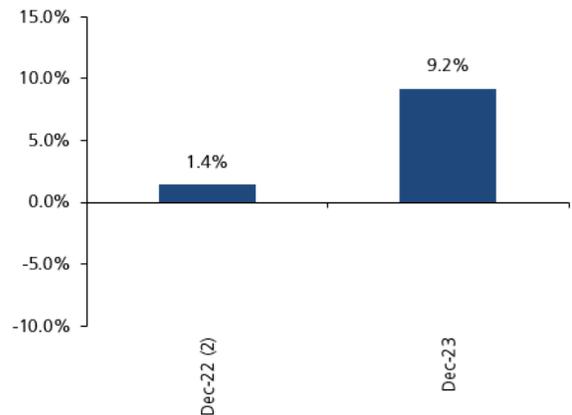
Series F



Series I



Series O



(1) 2020 return is since inception on June 29, 2020

(2) 2022 return is since inception on June 28, 2022.



VPI CORPORATE BOND POOL

Annual Compound Returns

The following table shows the annual compound total return of each series of the Pool compared to the FTSE Canada Universe Bond Index for the periods shown ended December 31, 2023. All index returns are calculated on a total return basis, meaning that performance was calculated under the assumption that all distributions were reinvested.

	3 Year	1 Year	Since Inception
Series A ⁽¹⁾ (Inception: July 2, 2020)	2.6%	7.7%	5.6%
FTSE Canada Universe Bond Index	-2.8%	6.7%	-2.1%
FTSE Canada All Corporate Bond Index	-1.2%	8.4%	-0.2%
Series F ⁽¹⁾ (Inception: July 2, 2020)	3.4%	8.6%	6.5%
FTSE Canada Universe Bond Index	-2.8%	6.7%	-2.1%
FTSE Canada All Corporate Bond Index	-1.2%	8.4%	-0.2%
Series I ⁽¹⁾ (Inception: July 2, 2020)	4.3%	9.5%	7.4%
FTSE Canada Universe Bond Index	-2.8%	6.7%	-2.1%
FTSE Canada All Corporate Bond Index	-1.2%	8.4%	-0.2%
Series O ⁽¹⁾ (Inception: June 28, 2022)	n/a	9.2%	7.0%
FTSE Canada Universe Bond Index	n/a	6.7%	4.9%
FTSE Canada All Corporate Bond Index	n/a	8.4%	6.4%

(1) The percentage return differs for each series because the management fee rate and expenses differ for each series.

The FTSE Canada Universe Bond Index is a broad market indicator of activity for the Canadian fixed income market. It measures the total return of Canadian bonds with terms to maturity greater than one year, and it includes approximately 1,000 federal, provincial, municipal, and corporate bonds rated BBB or higher.

The FTSE Canada All Corporate Bond Index consists of Canadian investment-grade, fixed-rate, corporate bonds. Eligible securities must have greater than one year to maturity and 100 million units outstanding.



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Management Fees

The Pool pays an annual management fee on each of its series (excluding Series I & Series O) to 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. Series O units of the Pool pay a portfolio management fee based on a percentage of the net asset value of Series O units as of the close of business on each business day calculated at a rate of 0.30% annually.

For the period ended December 31, 2023, approximately 44% 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 11% 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 period ended December 31, 2023, the Pool paid \$2.6 million in management fees (excluding taxes) to the Manager. In addition, the Manager also held 1 Series O unit as of December 31, 2023. As well, the Pool held 1,586,660 units of a mortgage-backed security issued by I.G Investment, a related party to the Manager and 4,712,000 units of a corporate bond issued by Great-West Lifco Inc., a controlling company of 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 year ended December 31 or since inception to 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 2023	December 31 2022	December 31 2021
Net assets, beginning of period⁽⁴⁾	9.86	10.88	10.78
Increase (decrease) from operations:			
Total revenue	0.53	0.41	0.50
Total expenses	(0.18)	(0.17)	(0.18)
Realized gains (losses) for the period	0.15	(0.21)	0.44
Unrealized gains (losses) for the period	0.26	(0.73)	(0.12)
Total increase (decrease) from operations ⁽²⁾	0.76	(0.70)	0.64
Distributions:			
From net investment income (excluding dividends)	(0.31)	(0.20)	(0.28)
From dividends	-	-	-
From capital gains	-	(0.43)	(0.40)
Return of capital	-	-	-
Total annual distributions ⁽³⁾	(0.31)	(0.63)	(0.68)
Net assets, end of period	10.41	9.86	10.88



Financial Highlights (continued)

Series F	December 31 2023	December 31 2022	December 31 2021
Net assets, beginning of period (4)	9.87	10.84	10.78
Increase (decrease) from operations:			
Total revenue	0.53	0.41	0.50
Total expenses	(0.09)	(0.09)	(0.10)
Realized gains (losses) for the period	0.13	(0.22)	0.42
Unrealized gains (losses) for the period	0.26	(0.71)	(0.18)
Total increase (decrease) from operations (2)	0.83	(0.61)	0.64
Distributions:			
From net investment income (excluding dividends)	(0.44)	(0.33)	(0.41)
From dividends	-	-	-
From capital gains	-	(0.43)	(0.40)
Return of capital	-	-	-
Total annual distributions (3)	(0.44)	(0.76)	(0.81)
Net assets, end of period	10.26	9.87	10.84

Series I	December 31 2023	December 31 2022	December 31 2021
Net assets, beginning of period (4)	9.89	10.87	10.82
Increase (decrease) from operations:			
Total revenue	0.52	0.41	0.51
Total expenses	-	-	-
Realized gains (losses) for the period	0.14	(0.19)	0.48
Unrealized gains (losses) for the period	0.24	(0.80)	(0.03)
Total increase (decrease) from operations (2)	0.90	(0.58)	0.96
Distributions:			
From net investment income (excluding dividends)	(0.56)	(0.43)	(0.52)
From dividends	-	-	-
From capital gains	-	(0.43)	(0.40)
Return of capital	-	-	-
Total annual distributions (3)	(0.56)	(0.86)	(0.92)
Net assets, end of period	10.25	9.89	10.87



Financial Highlights (continued)

Series O	December 31 2023	December 31 2022
Net assets, beginning of period⁽⁵⁾	9.89	10.00
Increase (decrease) from operations:		
Total revenue	0.52	0.25
Total expenses	(0.04)	(0.01)
Realized gains (losses) for the period	0.16	(0.29)
Unrealized gains (losses) for the period	0.24	0.05
Total increase (decrease) from operations⁽²⁾	0.88	-
Distributions:		
From net investment income (excluding dividends)	(0.53)	(0.24)
From dividends	-	-
From capital gains	-	(0.18)
Return of capital	-	-
Total annual distributions⁽³⁾	(0.53)	(0.42)
Net assets, end of period	10.24	9.89

(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: June 29, 2020

(5) Inception date: June 28, 2022



Ratios and Supplemental Data

Series A	December 31 2023	December 31 2022	December 31 2021
Total net asset value (000's) ⁽¹⁾	\$171,608	\$132,649	\$122,753
Number of units outstanding (000's) ⁽¹⁾	16,485	13,313	11,280
Management expense ratio ⁽²⁾	1.69%	1.69%	1.64%
Management expense ratio before waivers or absorptions	1.69%	1.69%	1.64%
Trading expense ratio ⁽³⁾	0.00%	0.01%	0.00%
Portfolio turnover rate ⁽⁴⁾	45.76%	67.59%	43.09%
Net asset value per unit ⁽¹⁾	\$10.41	\$9.86	\$10.88

Series F	December 31 2023	December 31 2022	December 31 2021
Total net asset value (000's) ⁽¹⁾	\$46,109	\$37,039	\$31,758
Number of units outstanding (000's) ⁽¹⁾	4,496	3,752	2,931
Management expense ratio ⁽²⁾	0.90%	0.90%	0.86%
Management expense ratio before waivers or absorptions	0.90%	0.90%	0.86%
Trading expense ratio ⁽³⁾	0.00%	0.01%	0.00%
Portfolio turnover rate ⁽⁴⁾	45.76%	67.59%	43.09%
Net asset value per unit ⁽¹⁾	\$10.26	\$9.87	\$10.84

Series I	December 31 2023	December 31 2022	December 31 2021
Total net asset value (000's) ⁽¹⁾	\$297,442	\$229,067	\$271,716
Number of units outstanding (000's) ⁽¹⁾	29,024	23,167	24,998
Management expense ratio ⁽²⁾	0.00%	0.00%	0.00%
Management expense ratio before waivers or absorptions	0.05%	0.05%	0.06%
Trading expense ratio ⁽³⁾	0.00%	0.01%	0.00%
Portfolio turnover rate ⁽⁴⁾	45.76%	67.59%	43.09%
Net asset value per unit ⁽¹⁾	\$10.25	\$9.89	\$10.87

Series O	December 31 2023	December 31 2022
Total net asset value (000's) ⁽¹⁾	\$16,584	\$162
Number of units outstanding (000's) ⁽¹⁾	1,619	16
Management expense ratio ⁽²⁾	0.30%	0.30%
Management expense ratio before waivers or absorptions	0.36%	0.35%
Trading expense ratio ⁽³⁾	0.00%	0.01%
Portfolio turnover rate ⁽⁴⁾	45.76%	67.59%
Net asset value per unit ⁽¹⁾	\$10.24	\$9.89



Ratios and Supplemental Data (continued)

(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.

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.