



**VALUE
PARTNERS**
INVESTMENTS

VPI MORTGAGE POOL

**ANNUAL MANAGEMENT REPORT OF FUND PERFORMANCE
FOR THE YEAR ENDED DECEMBER 31, 2024**

MANAGER

VALUE PARTNERS INVESTMENTS INC.

PORTFOLIO MANAGER

RBC INDIGO ASSET MANAGEMENT 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 13, 2025

Investment Objective and Strategies

VPI Mortgage Pool's objective is to seek to earn a high level of income while protecting invested capital primarily through investments with exposure to residential first mortgages on property in Canada and other debt obligations. To achieve this objective, the Pool currently invests in Institutional Series units of the RBC Indigo Mortgage Fund (the "Underlying Fund").

The Underlying Fund invests primarily in uninsured Canadian-dollar-denominated mortgages. The Underlying Fund may also invest a portion of its assets in other debt obligations such as government bonds, corporate bonds, mortgage-backed securities, debentures and other fixed income securities and may hold cash and cash equivalents. The Underlying Fund may maintain a significant portion of its assets in Canadian and U.S. short-term fixed income securities during periods of high market volatility.

Risk

Overall, the risks associated with investing in the Pool have not materially changed and remain as discussed in the prospectus. During the year, there was no material change to the Underlying Fund that affected the overall risk level of the Underlying Fund. The Pool continues to be suitable for investors who want to earn interest income and protect their capital, have a short-term investment time horizon and have a low tolerance for risk in their returns.

Results of Operations

Net assets of the Pool increased by approximately \$1.4 million for the year ended December 31, 2024 due to an increase in net assets from operations of \$2.8 million. This was offset by distributions paid to unitholders of \$1.4 million. The increase in net assets from operations was due to \$1.2 million of unrealized appreciation in value of investments, \$1.9 million in income distributions from the Underlying Fund and \$0.2 million in net realized gains on the sale of investments. This was offset by \$0.5 million of management fees and operating expenses, net of \$127 thousand of expenses absorbed by Value Partners Investments Inc. (the "Manager").

During the year, the Portfolio Manager purchased and disposed of units in the Underlying Fund as cash proceeds became available, or cash redemptions were required from unitholders. As per the Pool's objective, the only investment made during the year was in units of the Underlying Fund.

Each series of the Pool experienced a gain in the range of 5.6% to 6.8% over the past year relative to the 5.7% gain of the benchmark FTSE Canada Short Term Bond Index.

Revenues and Expenses

Revenues of the Pool amounted to \$1.9 million, representing income distributed from the Underlying Fund. The Pool also experienced \$0.2 million in net realized gains on the sale of investments and \$1.2 million of unrealized appreciation in the value of investments. As well, the Pool incurred \$0.5 million in management fees and operating expenses net of \$127 thousand of expenses absorbed by the Manager to maintain the Pool's MER at a competitive level.



Recent Developments

Economic Conditions

The global economy proved resilient in 2024 despite ongoing concerns that the aggressive rate-hiking cycle of 2022 and 2023 could result in slow or even negative growth in some regions. Moderating inflation gave central banks the justification to begin reducing their policy rates, which has provided greater optimism that the economy can avoid a recession and grow modestly in the next few years. Although the Portfolio Manager remains cautiously optimistic about the current economic environment, the scenario is not devoid of risks. Geopolitical tensions and the potential for policy errors loom as persistent threats to economic stability. The yield curve has normalized, and central banks are expected to persist with the rate-cutting cycle, albeit at a much more measured pace than in 2024. The Portfolio Manager expects Canadian rates to remain lower than U.S. rates due to more robust growth in the U.S.

As the transition begins into 2025, the Portfolio Manager's focus will be on maintaining strong liquidity while seeking opportunities that arise from market dynamics. The Underlying Fund currently holds a historically low allocation to corporate debt given that credit spreads are near their tightest levels since the period following the global financial crisis.

On March 28, 2024, the Royal Bank of Canada ("Royal Bank") completed its purchase of all of the issued and outstanding shares of HSBC Bank Canada, resulting in a change of control of HSBC Global Asset Management (Canada) Limited. Upon the completion of the acquisition, HSBC Global Asset Management (Canada) Limited became a wholly owned subsidiary of Royal Bank of Canada and was renamed as RBC Indigo Asset Management Inc. ("RBC Indigo"). All former HSBC Mutual Funds and HSBC Pooled Funds are referred to as RBC Indigo Mutual Funds and RBC Indigo Pooled Funds (collectively, the "RBC Indigo Funds") and renamed.

Qualification of Series P units

Series P units of the Pool were qualified on June 27, 2024 and are available to investors who have discretionary investment management accounts with dealers and whose dealer has executed a Series P agreement with the Manager.

Closure of the Underlying Fund

On January 7, 2025, RBC Indigo Asset Management Inc., the manager of the Underlying Fund, announced that the Underlying Fund will terminate on or about April 17, 2025. As a result, the Manager will launch a new fund, the VPI High Interest Savings Pool on or about March 24, 2025, and propose to merge with the VPI Mortgage Pool on April 16, 2025, pending unitholder approval on this date.



VPI MORTGAGE POOL

Portfolio Allocation

Mutual Funds	97.4%	Cash	2.6%
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Top 25 Holdings

Issuer	Percentage of Net Assets
RBC Indigo Mortgage Fund, Institutional Series	97.4%
Cash	2.6%
Total	100.0%

As of December 31, 2024, the net assets of the Pool were invested primarily in the Underlying Fund. As a result, the top 25 holdings of the Underlying Fund at the end of the period and the major asset classes in which the Underlying Fund was invested are indicated below.

Portfolio Allocation – Underlying Fund

Residential Mortgages	81.1%	Mortgage-backed Securities	0.1%
Bonds	11.6%		
Cash and Equivalents	7.2%		

Top 25 Holdings – Underlying Fund

Issuer	Maturity Date	Coupon Rate	Percentage of Net Assets
Residential Mortgages			81.1%
Canada Housing Trust	15-Dec-31	1.6%	3.8%
National Bank of Canada	2-Jan-25	3.2%	3.7%
Canada Housing Trust	15-Mar-25	2.6%	3.6%
Province of British Columbia T-bill	12-Feb-25		3.4%
CPPIB Capital Inc.	8-Mar-28	3.3%	1.7%
Government of Canada T-Bill	27-Mar-25		1.1%
CPPIB Capital Inc.	1-Dec-31	2.3%	1.0%
CDP Financial Inc.	2-Dec-30	4.2%	0.5%
Royal Bank of Canada	10-Dec-28	3.6%	0.3%
MCAP Commercial LP	25-Aug-25	3.7%	0.3%
CARDS II TRUST	15-Jan-25	2.8%	0.2%
Cash			0.1%
CARDS II TRUST	15-Jan-26	5.1%	0.1%
CARDS II TRUST	15-May-25	5.0%	0.1%
Real Estate Asset Liquidity Trust	12-May-25	3.2%	0.1%
Real Estate Asset Liquidity Trust	12-May-25	3.5%	0.0%
Real Estate Asset Liquidity Trust	12-Oct-25	2.6%	0.0%
Pending Cash			-1.1%
Total			100.0%

The above summary of investment portfolio may change due to ongoing portfolio transactions of the Pool and the Underlying Fund. An update will be made available within 60 days of each subsequent quarter-end. Additional information about the Underlying Fund, including its prospectus, is available at www.sedarplus.ca.



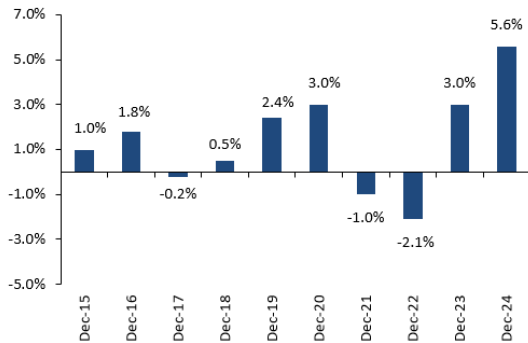
Past Performance

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.

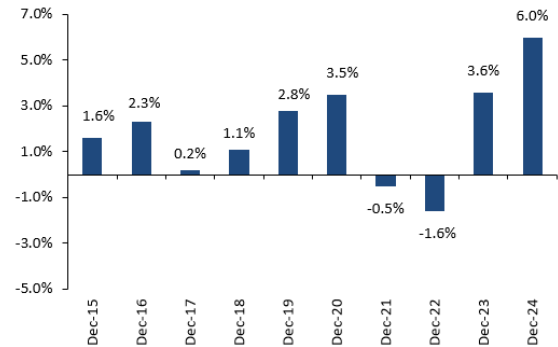
Year-by-Year Returns

The bar charts below show the performance of each series of the Pool (net of fees) for the year ended December 31, 2024, and the 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.

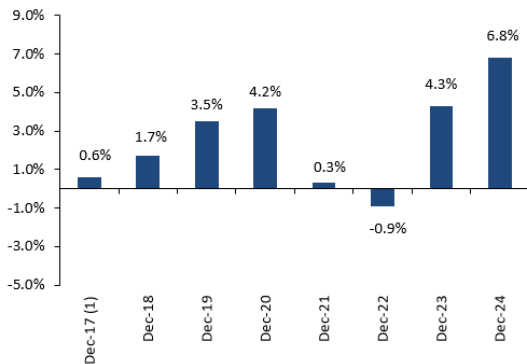
Series A



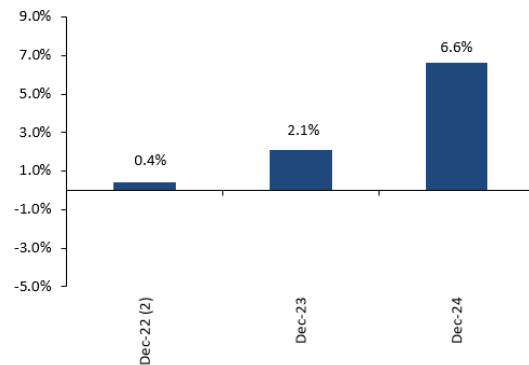
Series F



Series I



Series O



- (1) 2017 return is since inception on July 5, 2017.
- (2) 2022 return is since inception on June 28, 2022.

The past performance for the Underlying Fund is available in the Underlying Fund’s annual and interim management report of fund performance and its annual and interim financial statements, all available on www.sedarplus.ca



Annual Compound Returns

The following table shows the annual compound total return of each series of the Pool compared to the FTSE Canada Short Term Bond Index for the periods shown ended December 31, 2024. 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 ⁽²⁾
Series A⁽¹⁾⁽²⁾ (Inception: October 30, 2012)	1.4%	1.7%	2.1%	5.6%	1.3%
FTSE Canada Short-Term Bond Index	1.9%	2.1%	2.1%	5.7%	2.0%
Series F⁽¹⁾⁽²⁾ (Inception: October 30, 2012)	1.9%	2.2%	2.6%	6.0%	1.8%
FTSE Canada Short-Term Bond Index	1.9%	2.1%	2.1%	5.7%	2.0%
Series I⁽¹⁾⁽²⁾ (Inception: July 5, 2017)	n/a	2.9%	3.4%	6.8%	2.7%
FTSE Canada Short-Term Bond Index	n/a	2.1%	2.1%	5.7%	2.1%
Series O⁽¹⁾⁽²⁾ (Inception: June 28, 2022)	n/a	n/a	n/a	6.6%	3.6%
FTSE Canada Short-Term Bond Index	n/a	n/a	n/a	5.7%	4.4%

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

(2) The return since inception for each series will differ when the inception date differs.

The FTSE Canada Short-Term Bond Index is a broad measure of the total return for the Canadian short-term bond market, covering marketable Canadian bonds with a term-to-maturity between one and five years.

Management Fees

The Pool pays an annual management fee on each of its series (excluding Series I, Series O and Series P) 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 0.10% annually.

For the period ended December 31, 2024, approximately 27% 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 18% 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

The Manager of the Pool is responsible for the overall business and operations of the Pool. For the year ended December 31, 2024, the Pool paid \$386 thousand in management fees (excluding taxes) to the Manager. For the year ended December 31, 2024, the Manager absorbed \$127 thousand of the Pool's operating expenses. In addition, the parent company of the Manager also held 1 Series I unit, 1 Series O unit and 1 Series P unit of the Pool as of December 31, 2024.



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 2024	December 31 2023	December 31 2022	December 31 2021	December 31 2020
Net assets, beginning of period	9.80	9.69	9.97	10.13	9.93
Increase from operations:					
Total revenue	0.39	0.33	0.22	0.19	0.24
Total expenses	(0.13)	(0.12)	(0.12)	(0.13)	(0.13)
Realized gains (losses) for the period	0.04	(0.14)	(0.13)	0.02	0.03
Unrealized gains (losses) for the period	0.24	0.23	(0.21)	(0.18)	0.15
Total increase from operations ⁽²⁾	0.54	0.30	(0.24)	(0.10)	0.29
Distributions:					
From net investment income (excluding dividends)	(0.23)	(0.18)	(0.07)	(0.04)	(0.18)
From dividends	-	-	-	-	-
From capital gains	-	(0.21)	-	(0.22)	-
Return of capital	-	-	-	-	-
Total annual distributions ⁽³⁾	(0.23)	(0.39)	(0.07)	(0.26)	(0.18)
Net assets, end of period	10.11	9.80	9.69	9.97	10.13
Series F	December 31 2024	December 31 2023	December 31 2022	December 31 2021	December 31 2020
Net assets, beginning of period	9.34	9.28	9.61	9.82	9.68
Increase from operations:					
Total revenue	0.36	0.31	0.21	0.18	0.23
Total expenses	(0.07)	(0.07)	(0.07)	(0.07)	(0.07)
Realized gains (losses) for the period	0.04	(0.13)	(0.13)	0.02	0.02
Unrealized gains (losses) for the period	0.23	0.22	(0.19)	(0.17)	0.16
Total increase from operations ⁽²⁾	0.56	0.33	(0.18)	(0.04)	0.34
Distributions:					
From net investment income (excluding dividends)	(0.33)	(0.27)	(0.17)	(0.14)	(0.27)
From dividends	-	-	-	-	-
From capital gains	-	(0.20)	-	(0.21)	-
Return of capital	-	-	-	-	-
Total annual distributions ⁽³⁾	(0.33)	(0.47)	(0.17)	(0.35)	(0.27)
Net assets, end of period	9.56	9.34	9.28	9.61	9.82



Financial Highlights (continued)

Series I	December 31 2024	December 31 2023	December 31 2022	December 31 2021	December 31 2020
Net assets, beginning of period	9.26	9.26	9.64	9.85	9.77
Increase from operations:					
Total revenue	0.35	0.25	0.21	0.18	0.23
Total expenses	-	-	-	-	-
Realized gains (losses) for the period	0.04	(0.14)	(0.13)	0.01	0.03
Unrealized gains (losses) for the period	0.24	0.27	(0.21)	(0.21)	0.14
Total increase from operations ⁽²⁾	0.63	0.38	(0.13)	(0.02)	0.40
Distributions:					
From net investment income (excluding dividends)	(0.44)	(0.39)	(0.30)	(0.24)	(0.38)
From dividends	-	-	-	-	-
From capital gains	-	(0.20)	-	(0.21)	-
Return of capital	-	-	-	-	-
Total annual distributions ⁽³⁾	(0.44)	(0.59)	(0.30)	(0.45)	(0.38)
Net assets, end of period	9.45	9.26	9.26	9.64	9.85

Series O ⁽⁴⁾	December 31 2024	December 31 2023	December 31 2022
Net assets, beginning of period⁽⁴⁾	9.72	9.90	10.00
Increase from operations:			
Total revenue	0.37	0.03	0.11
Total expenses	-	-	-
Realized gains (losses) for the period	0.04	(0.01)	(0.05)
Unrealized gains (losses) for the period	0.18	(0.02)	(0.06)
Total increase from operations ⁽²⁾	0.59	-	-
Distributions:			
From net investment income (excluding dividends)	(0.45)	(0.38)	(0.14)
From dividends	-	-	-
From capital gains	-	(0.22)	-
Return of capital	-	-	-
Total annual distributions ⁽³⁾	(0.45)	(0.60)	(0.14)
Net assets, end of period	9.91	9.72	9.90

(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 28, 2022



VPI MORTGAGE POOL

Ratios and Supplemental Data

Series A	December 31 2024	December 31 2023	December 31 2022	December 31 2021	December 31 2020
Total net asset value (000's) ⁽¹⁾	\$29,888	\$29,751	\$29,603	\$33,569	\$37,456
Number of units outstanding (000's) ⁽¹⁾	2,957	3,036	3,054	3,367	3,699
Management expense ratio ⁽²⁾	1.38%	1.38%	1.38%	1.38%	1.38%
Management expense ratio before waivers or absorptions	1.51%	1.53%	1.43%	1.51%	1.53%
Trading expense ratio ⁽³⁾	n/a	n/a	n/a	n/a	n/a
Portfolio turnover rate ⁽⁴⁾	51.44%	64.20%	28.99%	54.13%	31.78%
Net asset value per unit ⁽¹⁾	\$10.11	\$9.80	\$9.69	\$9.97	\$10.13

Series F	December 31 2024	December 31 2023	December 31 2022	December 31 2021	December 31 2020
Total net asset value (000's) ⁽¹⁾	\$20,410	\$19,018	\$21,488	\$30,339	\$21,743
Number of units outstanding (000's) ⁽¹⁾	2,135	2,037	2,315	3,156	2,215
Management expense ratio ⁽²⁾	0.88%	0.88%	0.88%	0.88%	0.88%
Management expense ratio before waivers or absorptions	0.98%	1.00%	0.90%	0.98%	1.00%
Trading expense ratio ⁽³⁾	n/a	n/a	n/a	n/a	n/a
Portfolio turnover rate ⁽⁴⁾	51.44%	64.20%	28.99%	54.13%	31.78%
Net asset value per unit ⁽¹⁾	\$9.56	\$9.34	\$9.28	\$9.61	\$9.82

Series I	December 31 2024	December 31 2023	December 31 2022	December 31 2021	December 31 2020
Total net asset value (000's) ⁽¹⁾	\$597	\$1,073	\$1,242	\$2,219	\$1,389
Number of units outstanding (000's) ⁽¹⁾	63	116	134	230	141
Management expense ratio ⁽²⁾	0.13%	0.13%	0.13%	0.13%	0.13%
Management expense ratio before waivers or absorptions	0.46%	0.47%	0.50%	0.45%	0.46%
Trading expense ratio ⁽³⁾	n/a	n/a	n/a	n/a	n/a
Portfolio turnover rate ⁽⁴⁾	51.44%	64.20%	28.99%	54.13%	31.78%
Net asset value per unit ⁽¹⁾	\$9.45	\$9.26	\$9.26	\$9.64	\$9.85



Ratios and Supplemental Data (continued)

Series O	December 31 2024	December 31 2023
Total net asset value (000's) ⁽¹⁾	\$294	-
Number of units outstanding (000's) ⁽¹⁾	30	-
Management expense ratio ⁽²⁾	0.33%	-
Management expense ratio before waivers or absorptions	0.57%	-
Trading expense ratio ⁽³⁾	n/a	-
Portfolio turnover rate ⁽⁴⁾	51.44%	-
Net asset value per unit ⁽¹⁾	\$9.91	-

Series O data has not been included as at December 31, 2023 given the only unit issued was held by the Manager.

Series P data has not been included as at December 31, 2024 given the only unit issued was held by the Manager.

(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.