



**VALUE
PARTNERS**
INVESTMENTS

VPI GLOBAL EQUITY POOL

INTERIM FINANCIAL STATEMENTS (UNAUDITED)
SIX-MONTH PERIODS ENDED JUNE 30, 2023 AND 2022

MANAGER
VALUE PARTNERS INVESTMENTS INC.

PORTFOLIO MANAGER
VALUE PARTNERS INVESTMENTS INC.

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS
Value Partners Investments Inc., the Manager of the Pools, appoints independent auditors to audit the Pool's Annual Financial Statements. Under Canadian securities laws (National Instrument 81-106), if an auditor has not reviewed the Interim Financial Statements, this must be disclosed in an accompanying notice. The Pool's independent auditors have not performed a review of these Interim Financial Statements in accordance with standards established by the Chartered Professional Accountants Canada.

VPI GLOBAL EQUITY POOL

Statements of Financial Position

(In thousands of dollars and units, except for per unit amounts)

June 30, 2023 and December 31, 2022 (unaudited)

As at	June 30, 2023	December 31, 2022
Assets		
Financial assets at fair value through profit or loss	\$ 234,611	\$ 198,058
Cash and cash equivalents	24,677	18,172
Accrued dividends receivable	82	120
Subscriptions receivable	310	579
Due from Manager (note 5)	13	9
Options contract	73	–
	\$ 259,766	\$ 216,938
Liabilities		
Accounts payable and accrued liabilities	\$ 71	\$ 83
Redemptions payable	411	124
Management fees payable (notes 4 and 5)	268	236
	750	443
Net assets attributable to holders of redeemable units	\$ 259,016	\$ 216,495
Net assets attributable to holders of redeemable units per series:		
Series A	\$ 154,050	\$ 132,312
Series F	33,537	28,993
Series I	66,282	55,121
Series O	5,147	69
Net assets attributable to holders of redeemable units per unit:		
Series A	\$ 12.76	\$ 11.39
Series F	11.62	10.32
Series I	10.26	9.06
Series O	12.29	10.87
Number of redeemable units outstanding:		
Series A	12,075	11,621
Series F	2,886	2,809
Series I	6,463	6,085
Series O	419	6

The accompanying notes form an integral part of these financial statements.

VPI GLOBAL EQUITY POOL

Statements of Comprehensive Income (Loss)
(In thousands of dollars, except for per unit amounts)

For the six-month periods ended June 30, 2023 and 2022 (unaudited)

	2023	2022
Income:		
Interest income for distribution purposes	\$ 373	\$ 2
Dividend income	3,846	3,835
Foreign exchange loss on cash	(339)	(268)
Other changes in fair value on financial assets and financial liabilities at fair value through profit or loss:		
Net realized gain on sale of investments	3,166	1,230
Net realized gain (loss) on foreign currency forward contracts	(159)	249
Net realized loss on options contracts	(985)	-
Change in unrealized appreciation (depreciation) in value of investments	23,997	(33,759)
Change in unrealized depreciation in options contract	(148)	-
Change in unrealized depreciation in foreign currency forward contracts	-	(134)
	<u>29,751</u>	<u>(28,845)</u>
Expenses:		
Administration	76	78
Audit fees	8	7
Independent review committee fees	6	5
Security holder reporting costs	85	82
Custodian fees	33	32
Filing fees	11	9
Interest expense	1	15
Legal fees	3	3
Management fees (notes 4 and 5)	1,540	1,493
Registered plan fees	3	3
Trustee fees	3	3
Withholding taxes	626	619
Transaction costs	53	63
	<u>2,448</u>	<u>2,412</u>
Absorbed expenses (notes 4 and 5)	(58)	(49)
	<u>2,390</u>	<u>2,363</u>
Increase (decrease) in net assets attributable to holders of redeemable units		
	<u>\$ 27,361</u>	<u>\$ (31,208)</u>
Increase (decrease) in net assets attributable to holders of redeemable units per series:		
Series A	\$ 16,070	\$ (20,583)
Series F	3,692	(4,054)
Series I	7,449	(6,571)
Series O	150	-
Increase (decrease) in net assets attributable to holders of redeemable units per unit:		
Series A	\$ 1.36	\$ (1.61)
Series F	1.29	(1.44)
Series I	1.18	(1.21)
Series O	0.77	-

The accompanying notes form an integral part of these financial statements.

VPI GLOBAL EQUITY POOL

Statements of Changes in Net Assets Attributable to Holders of Redeemable Units
(In thousands of dollars and units)

For the six-month periods ended June 30, 2023 and 2022 (unaudited)

	Series A		Series F		Series I		Series O		Total	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Net assets attributable to holders of redeemable units, beginning of period	\$ 132,312	\$ 158,118	\$ 28,993	\$ 29,150	\$ 55,121	\$ 50,123	\$ 69	\$ –	\$ 216,495	\$ 237,391
Increase (decrease) in net assets attributable to holders of redeemable units	16,070	(20,583)	3,692	(4,054)	7,449	(6,571)	150	–	27,361	(31,208)
Redeemable unit transactions:										
Proceeds from redeemable units issued	13,096	7,365	3,057	4,358	6,925	5,682	5,149	–	28,227	17,405
Reinvestment of distributions to holders of redeemable units	225	246	37	36	–	–	–	–	262	282
Redemption of redeemable units	(7,653)	(19,617)	(2,242)	(2,761)	(3,213)	(3,861)	(221)	–	(13,329)	(26,239)
	5,668	(12,006)	852	1,633	3,712	1,821	4,928	–	15,160	(8,552)
Net increase (decrease) in net assets attributable to holders of redeemable units	21,738	(32,589)	4,544	(2,421)	11,161	(4,750)	5,078	–	42,521	(39,760)
Net assets attributable to holders of redeemable units, end of period	\$ 154,050	\$ 125,529	\$ 33,537	\$ 26,729	\$ 66,282	\$ 45,373	\$ 5,147	\$ –	\$ 259,016	\$ 197,631
Increase (decrease) in redeemable units outstanding:										
Beginning of period	11,621	13,203	2,809	2,685	6,085	5,264	6	–	20,521	21,152
Issued	1,052	645	273	418	702	616	432	–	2,459	1,679
Issued on reinvestment of distributions	18	22	3	4	–	–	–	–	21	26
Redeemed	(616)	(1,746)	(199)	(273)	(324)	(425)	(19)	–	(1,158)	(2,444)
Redeemable units outstanding, end of period	12,075	12,124	2,886	2,834	6,463	5,455	(419)	–	21,843	20,413
Weighted average units outstanding, during the period	11,812	12,770	2,856	2,810	6,288	5,438	194	–		

The accompanying notes form an integral part of these financial statements.

VPI GLOBAL EQUITY POOL

Statements of Cash Flows
(In thousands of dollars)

For the six-month periods ended June 30, 2023 and 2022 (unaudited)

	2023	2022
Cash flows from (used in) operating activities:		
Increase (decrease) in net assets attributable to holders of redeemable units	\$ 27,361	\$ (31,208)
Adjustments for:		
Foreign exchange loss on cash	339	268
Net realized gain on sale of investments	(3,166)	(1,230)
Net realized (loss) gain on derivatives	985	–
Transaction costs	53	63
Change in unrealized depreciation (appreciation) in value of investments	(23,997)	33,759
Change in unrealized depreciation in option contract	148	–
Change in unrealized depreciation in foreign currency forward contracts	–	134
Purchase of investments	(23,224)	(21,850)
Proceeds from sale of investments	12,575	20,152
Accrued dividends receivable	38	(59)
Due from Manager	(4)	–
Management fees payable	32	(55)
Accounts payable and accrued liabilities	(12)	2
Due to Manager	–	(1)
Net cash used in operating activities	(8,872)	(25)
Cash flows from financing activities:		
Distributions paid to holders of redeemable units, net of reinvested distributions	262	282
Proceeds from redeemable units issued	27,642	16,587
Redemption of redeemable units	(12,188)	(25,250)
Net cash from (used in) financing activities	15,716	(8,381)
Foreign exchange loss on cash	(339)	(268)
Net increase (decrease) in cash and cash equivalents	6,505	(8,674)
Cash and cash equivalents, beginning of period	18,172	10,724
Cash and cash equivalents, end of period	\$ 24,677	\$ 2,050
Supplementary information:		
Dividends received, net of withholding tax	\$ 3,258	\$ 3,157
Interest received	373	2

The accompanying notes form an integral part of these financial statements.

VPI GLOBAL EQUITY POOL

Schedule of Investment Portfolio

(In thousands of dollars, except for unit amounts)

June 30, 2023 (unaudited)

Number of units or shares	Description	Average cost	Fair value	% of net assets
Equities:				
Automobiles and Components:				
38,000	Toyota Motor Corp. ADR	\$ 7,237	\$ 8,083	3.12
Banks:				
10,000,000	Bank Central Asia Tbk PT	5,984	8,076	
100,000	HDFC Bank Ltd.	7,813	9,223	
		13,797	17,299	6.68
Capital Goods:				
180,000	ITOCHU Corp.	7,281	9,372	
225,000	Komatsu Ltd.	6,934	7,995	
60,000	Siemens AG ADR	5,431	6,622	
45,000	Vinci S.A.	5,946	6,911	
		25,592	30,900	11.93
Consumer Durables and Apparel:				
30,000	LVMH Moet Hennessy Louis Vuitton SE ADR	4,830	7,496	
65,000	Sony Group Corp.	9,705	7,715	
		14,535	15,211	5.87
Consumer Services:				
100,000	Yum China Holdings Inc.	6,460	7,476	2.89
Diversified Financials:				
60,000	London Stock Exchange Group PLC	7,000	8,445	
300,000	UBS Group AG	5,858	8,047	
		12,858	16,492	6.37
Energy:				
85,000	Total Energies SE ADR	5,290	6,483	2.50
Food, Beverage and Tobacco:				
62,000	Fomento Economico Mexicano ADR	5,500	9,093	
50,000	Nestle SA	8,635	7,957	
		14,135	17,050	6.58
Health Care Equipment and Services:				
70,000	Medtronic PLC	9,266	8,160	
300,000	Olympus Corp	8,094	6,224	
200,000	Sonic Healthcare Ltd	8,204	6,266	
		25,564	20,650	7.98
Household and Personal Products:				
81,000	Reckitt Benckiser Group PLC	8,386	8,056	3.11

VPI GLOBAL EQUITY POOL

Schedule of Investment Portfolio (continued)
(In thousands of dollars, except for unit amounts)

June 30, 2023 (unaudited)

Number of units or shares	Description	Average cost	Fair value	% of net assets
Insurance:				
535,000	AIA Group Ltd.	\$ 7,646	\$ 7,146	2.76
Materials:				
28,000	Air Liquide S.A. ADR	5,451	6,637	
85,000	Holcim Ltd.	5,339	7,568	
		10,790	14,205	5.48
Media and Entertainment:				
120,000	Nintendo Co., Ltd.	7,812	7,187	2.77
Pharmaceuticals, Biotechnology and Life Sciences:				
60,000	NOVARTIS AG	6,278	7,987	3.08
Semiconductors and Semiconductor Equipment:				
8,000	ASML Holding NV	7,554	7,657	
65,000	Taiwan Semiconductor Manufacturing Co., Ltd. ADR	7,468	8,682	
		15,022	16,339	6.31
Software and Services:				
46,500	SAP SE ADR	7,719	8,418	3.25
Technology Hardware and Equipment:				
123,000	Samsung Electronics Co., Ltd.	10,322	8,919	3.44
Telecommunication Services:				
270,000	Deutsche Telekom AG ADR	6,462	7,806	3.01
Utilities:				
1,000,000	Enel SpA	10,197	8,904	3.44
Total equities		216,102	234,611	90.57
Transaction costs		(384)		
Total financial assets at FVTPL		215,718	234,611	90.57
Cash:				
Domestic		16,414	16,414	
Foreign		8,298	8,263	
Total cash		24,712	24,677	9.53
Options contract		220	73	0.03
Liabilities, net of other assets			(345)	(0.13)
Total net assets attributable to holders of redeemable units			\$ 259,016	100.00

The accompanying notes form an integral part of these financial statements.

VPI GLOBAL EQUITY POOL

Schedule of Investment Portfolio (continued)
(In thousands of dollars, except for unit amounts)

June 30, 2023 (unaudited)

Schedule of Derivative Instruments
(In thousands of dollars, except for unit amounts)

As at June 30, 2023

Schedule of Options Purchased

Underlying interest	Number of options	Option type	Expiration date	Strike price (USD)	Premium paid (\$)	Fair value (\$)
iShares MSCI World ETF	2,000	Put	15-Sep-23	\$ 110	\$ 220	\$ 73

VPI GLOBAL EQUITY POOL

Notes to Financial Statements

(In thousands of dollars, except for unit amounts)

For the six-month periods ended June 30, 2023 and 2022 (unaudited)

1. Reporting entity:

- (a) VPI Global Equity Pool (the Pool) is an open-ended mutual fund trust, established on September 26, 2005 by declaration of trust under the laws of the Province of Ontario. As of March 2017, the registered office of the Pool is located at 300-175 Hargrave St., Winnipeg, Manitoba. The trustee of the Pool is RBC Investor Services Trust and the Manager of the Pool is Value Partners Investments Inc. (VPI or the Manager).

The Pool commenced operations on October 20, 2005 with one series of units: Series A. On July 3, 2007, the Pool began offering Series F units. On July 5, 2017, the Pool began offering Series O units and effective June 15, 2022 were renamed as Series I units. Effective June 28, 2022, Series O units of the Pool were qualified for distribution.

The Pool's objective is to generate longer term growth in value through the increase in the value of its holdings, and through the receipt and reinvestment of dividend income from its holdings. It invests in equity securities issued primarily by non-Canadian companies.

On June 13, 2023, it was announced that Value Partners Group Inc. ("VPGI"), the parent company of the Manager, had reached an agreement with The Canada Life Assurance Company ("Canada Life") for Canada Life to acquire VPGI ("the Transaction"). The Transaction is expected to close by the end of 2023 and will result in the indirect acquisition of the Manager of the Pool. The completion of the Transaction is subject to receipt of all required regulatory approvals, as well as satisfaction of customary closing conditions.

- (b) Redeemable units issued and outstanding are considered to be capital of the Pool. The Pool's authorized capital consists of an unlimited number of units and series without par value. The number of outstanding units of each series is disclosed in the statements of financial position.

Series A units are subject to a negotiated sales commission payable by the investor at the time of purchase. Series F units are only available to investors that have a fee-based account with a dealer that has signed a Series F agreement with the Manager. Series I units are available to investors who have, or whose dealer has, entered into an agreement directly with the Manager to purchase Series I units and who make the required minimum investment and minimum additional investment as set out by the Manager from time to time.

VPI GLOBAL EQUITY POOL

Notes to Financial Statements (continued)
(In thousands of dollars, except for unit amounts)

For the six-month periods ended June 30, 2023 and 2022 (unaudited)

1. Reporting entity (continued):

Such investors may include investors who opened a discretionary investment management account with the Manager prior to on or about September 30, 2022, certain institutional investors as approved by the Manager and other mutual funds managed by the Manager. Series O units of the Pool are available to investors who have entered into a discretionary investment management account with the Manager.

Except for Series I units, each series of units pays its proportionate share of common expenses of the Pool, in addition to expenses that are unique to that series. Proportionate fund expenses for Series I, both common fund expenses, as well as expenses unique to Series I, are paid by the Manager. Distributions of each series may vary due to the differences in expenses between the series.

- (c) Unitholders may redeem all or part of their units by delivering a written request to do so to the Manager or Trustee or to an investment dealer, securities dealer or mutual fund dealer for delivery to the Manager or Trustee. Units will be redeemed at the net asset value per unit as determined on the next valuation date. Requests for redemption received after 4:00 p.m., Toronto time, on any day are deemed to be received on the first business day following the date of the actual receipt.

2. Basis of preparation:

These financial statements have been prepared in compliance with International Financial Reporting Standards (IFRS).

The financial statements were authorized for issue by the Manager on behalf of the board of directors on August 22, 2023.

- (a) Basis of measurement:

The financial statements have been prepared on an historical cost basis except for investments at fair value through profit or loss, which are measured at fair value.

- (b) Functional and presentation currency:

These financial statements are presented in Canadian dollars, which is the Pool's functional currency. All financial information presented in Canadian dollars has been rounded to the nearest thousand.

VPI GLOBAL EQUITY POOL

Notes to Financial Statements (continued)
(In thousands of dollars, except for unit amounts)

For the six-month periods ended June 30, 2023 and 2022 (unaudited)

2. Basis of preparation (continued):

(c) Use of estimates and judgments:

The preparation of the financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

The most significant judgments made by the Manager in preparing these financial statements is in determining the fair value of financial instruments not traded in an active market, if any, under IFRS 13 - *Fair Value Measurement* (IFRS 13).

3. Significant accounting policies:

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

(a) Financial instruments:

(i) Classification and measurement:

Financial assets are required to be classified into one of the following categories: fair value through profit or loss (FVTPL), amortized cost or fair value through other comprehensive income (FVOCI) based on the entity's business model for managing financial assets and the contractual cash flow characteristics of the financial assets. Financial liabilities are measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is derivative or it is designated as such on initial recognition.

Assessment and decision on the business model approach used is an accounting judgement.

All financial instruments are measured at fair value on initial recognition. Measurement in subsequent periods depends on the classification of the financial instrument. Transaction costs are included in the initial carrying amount of financial instruments except for financial instruments classified as FVTPL, in which case transaction costs are expensed as incurred.

VPI GLOBAL EQUITY POOL

Notes to Financial Statements (continued)
(In thousands of dollars, except for unit amounts)

For the six-month periods ended June 30, 2023 and 2022 (unaudited)

3. Significant accounting policies (continued):

Financial instruments held-for trading or at FVTPL are recognized initially on the trade date, which is the date on which the Pool becomes a party to the contractual provisions of the instrument. Other financial assets and financial liabilities are recognized on the date on which they are originated. The Pool derecognizes a financial liability when its contractual obligations are discharged, cancelled or expire.

Financial assets and liabilities are offset and the net amount presented in the statements of financial position only when the Pool has a legal right to offset the amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

At June 30, 2023 and December 31, 2022, no amounts have been offset in the statements of financial position.

(ii) FVTPL:

Financial instruments classified as FVTPL are subsequently measured at fair value at each reporting period with changes in fair value recognized in the statements of comprehensive income (loss) in the period in which they occur. The Pool has classified its investments in securities, derivative financial assets and derivative financial liabilities as FVTPL.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value of financial assets and liabilities traded in active markets (such as publicly traded derivatives and marketable securities) are based on quoted market prices at the close of trading on the reporting date. The Pool uses the last traded market price for both financial assets and financial liabilities where the last traded price falls within that day's bid-ask spread. In circumstances where the last traded price is not within the bid-ask spread, the Manager determines the point within the bid-ask spread that is most representative of fair value based on the specific facts and circumstances. The Pool's policy is to recognize transfers into and out of the fair value hierarchy levels as of the date of the event or change in circumstances giving rise to the transfer.

The fair value of financial assets and liabilities that are not traded in an active market, including derivative instruments, is determined using valuation techniques. Valuation techniques also include the use of comparable recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, and others commonly used by market participants and which make the maximum use of observable inputs.

VPI GLOBAL EQUITY POOL

Notes to Financial Statements (continued)
(In thousands of dollars, except for unit amounts)

For the six-month periods ended June 30, 2023 and 2022 (unaudited)

3. Significant accounting policies (continued):

Should the value of the financial asset or liability, in the opinion of the Manager, be inaccurate, unreliable or not readily available, the fair value is estimated on the basis of the most recently reported information of a similar financial asset or liability.

The Pool's accounting policies for measuring the fair value of investments are consistent with those used for measuring its net asset value for transactions with unitholders.

(iii) Amortized cost:

Financial instruments classified under amortized cost include financial assets that are held to collect contractual cash flows and are expected to give rise to cash flows representing solely payments of principal and interest and financial liabilities not classified as FVTPL. Such financial assets and liabilities are recognized initially at fair value plus any directly attributable transaction costs. Subsequent measurement of these financial assets and financial liabilities is at amortized cost using the effective interest method, less any impairment losses. Interest income is recognized by applying the effective interest rate. The Pool classifies cash, accrued dividends receivable, subscriptions receivable, due from Manager, accounts payable and accrued liabilities, redemptions payable and management fees payable as amortized cost. Cash includes cash on deposit with the custodian.

The effective interest method is a method of calculating the amortized cost of a financial asset or liability and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that discounts estimated future cash payments through the expected life of the financial asset or liability, or where appropriate, a shorter period.

(iv) Impairment:

For financial assets measured at amortized cost, the Pool uses an expected credit loss (ECL) impairment model. The ECL model uses an allowance for expected credit losses being recorded regardless of whether or not there has been an actual loss event.

The Pool measures the loss allowance at an amount equal to lifetime ECL for trade and other receivables. Lifetime ECL's are the ECL's that result from all possible default events over the expected life of the trade and other receivables. ECL's are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (that being the difference between the cash flows due to the Pool in accordance with the contract and the cash flows that the Pool expects to receive). ECL's are discounted at the effective interest rate of the financial asset.

VPI GLOBAL EQUITY POOL

Notes to Financial Statements (continued)
(In thousands of dollars, except for unit amounts)

For the six-month periods ended June 30, 2023 and 2022 (unaudited)

3. Significant accounting policies (continued):

(v) Foreign currency forward contracts:

The value of a foreign currency forward contract is the gain or loss that would be realized if, on the date that valuation is made, the positions were closed out. It is reflected in the statements of financial position as part of “foreign currency forward contracts” and the change in value over the period is reflected in the statements of comprehensive income (loss) as part of “change in unrealized appreciation (depreciation) in foreign currency forward contracts”. When the foreign currency forward contracts are closed out, gains and losses are realized and are included in the “net realized gain (loss) on foreign currency forward contracts” in the statements of comprehensive income (loss).

(b) Redeemable units:

The Pool classifies financial instruments issued as financial liabilities or equity instruments in accordance with the substance of the contractual terms of the instruments. The Pool has multiple classes of redeemable units that do not have identical features and therefore, does not qualify as equity under International Accounting Standard (IAS) 32, *Financial Instruments - presentation* (IAS 32). The redeemable units, which are measured at the redemption amounts and are considered a residual amount of the net assets attributable to holders of redeemable units, provide investors with the right to require redemption, subject to available liquidity, for cash at a unit price based on the Pool’s valuation policies at each redemption date.

(c) Foreign currency:

The Pool’s subscriptions and redemptions are denominated in Canadian dollars, which is also its functional and presentation currency. Foreign denominated investments and other foreign denominated assets and liabilities are translated into Canadian dollars using the exchange rates prevailing on each valuation date. Purchases and sales of investments, as well as income and expense transactions denominated in foreign currencies, are translated using exchange rates prevailing on the date of the transaction. Foreign exchange gains and losses relating to cash are presented as ‘Foreign exchange gain (loss) on cash’ and those relating to other financial assets and liabilities are presented within ‘Net realized gain’ and ‘Change in unrealized appreciation (depreciation)’ in the statements of comprehensive income (loss).

VPI GLOBAL EQUITY POOL

Notes to Financial Statements (continued)
(In thousands of dollars, except for unit amounts)

For the six-month periods ended June 30, 2023 and 2022 (unaudited)

3. Significant accounting policies (continued):

(d) Investment transactions and revenue recognition:

Interest income for distribution purposes from investments in bonds and short-term investments represents the coupon interest received by the Pool accounted for on an accrual basis. The Pool does not use the effective interest method to amortize premiums paid or discounts received on the purchase of fixed-income securities. Dividend income is recognized on the date that the right to receive payment is established, which for quoted equity securities is usually the ex-dividend date. Portfolio transactions are recorded on the trade date. Realized gains and losses arising from the sale of investments are determined on the average cost basis of the respective investments.

(e) Increase (decrease) in net assets attributable to holders of redeemable units, per unit:

Increase (decrease) in net assets attributable to holders of redeemable units, per unit in the statements of comprehensive income (loss) represents the net increase (decrease) in the net assets from operations for each series for the period divided by the weighted average units outstanding for each series for the period.

(f) Income taxes:

The Pool qualifies as a Mutual Fund Trust as defined in the *Income Tax Act* (Canada). Pursuant to the terms of the Declaration of Trust establishing the Pool, it is considered to distribute annually to the unitholders all of the net taxable income, including net realized gains on sale of investments, and such distributions are immediately reinvested in units of the Pool.

In general, the Pool is subject to income tax, however no income tax is payable on net income and/or net realized capital gains which are distributed to unitholders. In addition, income taxes payable on net realized capital gains is refundable on a formula basis when units of the Pool are redeemed.

Capital losses are available to be carried forward indefinitely and applied against future capital gains. Any non-capital losses that are realized in the taxation year 2006 and after may be carried forward for 20 years and applied against future income and capital gains.

VPI GLOBAL EQUITY POOL

Notes to Financial Statements (continued)
(In thousands of dollars, except for unit amounts)

For the six-month periods ended June 30, 2023 and 2022 (unaudited)

4. Management fees and expenses:

Except for Series I and Series O units, the Manager of each series of units is entitled to a monthly management fee from the Pool based on a percentage of the net asset value of each series of units as of the close of business on each business day calculated at the following annual rates:

Series A	1.80%
Series F	0.90%

The Manager offers a management fee reduction program to qualified investors in Series A and Series F units. If the unitholder qualifies under this program, the management fee charged to the Pool is reduced and the Pool distributes the amount of the reduction to the investor by way of a management fee distribution. Management fee distributions are automatically reinvested in additional units of a particular series of the Pool unless negotiated otherwise with the Manager. No management fee is charged to the Pool with respect to Series I units. Instead, each investor negotiates a separate fee that is paid directly to the Manager. 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 0.20% annually.

Except for Series I units, in addition to the management fee, each series of units pays its proportionate share of common operating expenses of the Pool, in addition to expenses that are unique to that series. These expenses include, but are not limited to audit, legal and filing fees, custodial, recordkeeping and trustee fees, transfer agent fees, investor servicing costs, taxes, compensation and expenses of the Independent Review Committee, and costs of unitholder reports, financial reporting, prospectuses, regulatory filings, and other communications. Brokerage commissions and transaction costs for buying and selling investments for the Pool's portfolio are also paid by the Pool, as well as the costs and expenses related to holding any meeting convened by unitholders. The Manager may, at its own discretion, absorb a portion of the operating expenses of Series A, Series F or Series O units from time to time.

Proportionate fund expenses for Series I units, both common fund expenses, as well as expenses unique to Series I, are fully absorbed by the Manager.

The Manager absorbed a portion of the operating expenses (note 5) of the Pool during the six-month periods ended June 30, 2023 and December 31, 2022.

VPI GLOBAL EQUITY POOL

Notes to Financial Statements (continued)
(In thousands of dollars, except for unit amounts)

For the six-month periods ended June 30, 2023 and 2022 (unaudited)

5. Related party transactions:

Related party balances of the Pool as at June 30, 2023 and December 31, 2022 is as follows:

	2023	2022
Management fees payable	\$ 268	\$ 236
Due from Manager	13	9

Related party transactions of the Pool for the six-month periods ended June 30, 2023 and 2022 is as follows:

	2023	2022
Management fees	\$ 1,540	\$ 1,493
Absorbed expenses	(58)	(49)

These transactions are in the normal course of operations and are measured at the exchange amount which is the amount of consideration established and agreed to by the related parties.

As of June 30, 2023 and December 31, 2022, the Manager or parent company of the Manager held the following number of units in the Pool:

	2023	2022
Series A	—	1
Series F	—	1
Series I	—	68,764
Series O	1	1

6. Brokerage commissions:

Commissions paid to brokers for portfolio transactions for the six-month periods ended June 30, 2023 and 2022 is disclosed in the statements of comprehensive income (loss).

There were \$9 of soft dollar commissions paid during the period ended June 30, 2023 (2022 - \$7).

VPI GLOBAL EQUITY POOL

Notes to Financial Statements (continued)
(In thousands of dollars, except for unit amounts)

For the six-month periods ended June 30, 2023 and 2022 (unaudited)

7. Income taxes:

As of December 31, 2022 and 2021, there are no non-capital losses available for carry forward.

Capital losses available for carry forward as of December 31, 2022 and 2021 are as follows:

	2022	2021
Capital losses	\$ 22,853	\$ 28,834

8. Financial risk management:

The investment activities of the Pool expose the Pool to various types of financial risks. The Manager seeks to minimize potential adverse effects of these risks on the Pool by contracting a professional, experienced portfolio manager, by monitoring the Pool and market events on a daily basis, and by diversifying the investment portfolio within the parameters of the investment objective and strategy.

The most significant risks include market risk (other price risk, interest rate risk and currency risk), credit risk and liquidity risk. These risks and related risk management practices employed by the Pool are discussed below:

(i) Other price risk:

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. The maximum risk resulting from financial instruments held by the Pool is determined by the fair value of the financial instruments. The portfolio manager moderates this risk through a careful selection of securities within specified parameters established for the Pool.

VPI GLOBAL EQUITY POOL

Notes to Financial Statements (continued)
(In thousands of dollars, except for unit amounts)

For the six-month periods ended June 30, 2023 and 2022 (unaudited)

8. Financial risk management (continued):

For the Pool, the most significant exposure to other price risk arises from investments in equity securities. The following table shows the exposure of the Pool to equity securities and indicates the impact on net assets if the prices of the equity securities on the respective stock exchanges increased or decreased by 5 percent, with all other variables held constant.

	Fair value of equities	% of net assets	Impact on net assets (\$)	Impact on net assets (%)
As at June 30, 2023	\$ 234,611	90.57%	\$ 11,731	4.53%
As at December 31, 2022	\$ 198,058	91.48%	\$ 9,903	4.57%

(ii) Interest rate risk:

Interest rate risk arises on interest-bearing financial instruments such as bonds. The majority of the Pool's financial assets and liabilities are non-interest bearing. As a result, the Pool is not subject to a significant amount of interest rate risk due to fluctuations in the prevailing levels of market interest rates.

(iii) Credit risk:

Credit risk is the risk that the counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Pool. The Pool's greatest concentration of credit risk is in debt securities such as Canada Treasury Bills. The fair value of debt securities includes consideration of the credit worthiness of the debt issuer. The carrying amount of investments represents the maximum credit risk exposure as of June 30, 2023 and December 31, 2022.

All transactions in listed securities are settled/paid for upon delivery using approved brokers. The risk of default is considered minimal, as delivery of securities sold is only made once the broker has received payment. Payment is made on a purchase once the securities have been received by the broker.

The Pool may enter into foreign currency forward contracts to buy and sell currencies for the purpose of settling foreign securities transactions. These are short-term spot settlements carried out with counterparties with a credit rating of at least "A." The exposure to credit risk on these contracts is considered minimal as there are few contracts outstanding at any one time and the transactions are settled and paid for upon delivery.

As at June 30, 2023 and December 31, 2022, the Pool had no significant investments in debt instruments.

VPI GLOBAL EQUITY POOL

Notes to Financial Statements (continued)
(In thousands of dollars, except for unit amounts)

For the six-month periods ended June 30, 2023 and 2022 (unaudited)

8. Financial risk management (continued):

(iv) Liquidity risk:

The Pool is exposed to liquidity risk to the extent that it is subject to daily cash redemptions of redeemable units. Therefore, the Pool invests the majority of its assets in investments that are traded in an active market and can be readily disposed. In addition, the Pool retains sufficient cash positions to maintain liquidity.

(v) Currency risk:

The Pool uses the Canadian dollar as its functional and reporting currency. Currency risk is the risk that the value of monetary assets and liabilities denominated in currencies other than the Canadian dollar (the functional currency of the Pool), will fluctuate due to changes in exchange rates.

The foreign currencies to which the Pool was exposed at June 30, 2023 and December 31, 2022 are included in following tables.

The following tables illustrate the potential impact to the Pool's net assets, all other variables held constant, as a result of a 5 percent change in these currencies relative to the Canadian dollar and include the underlying principal of foreign current forward contracts, if any.

As at June 30, 2023	Foreign currencies (\$)	Foreign currency forward contracts	Net exposure	Impact on net assets (\$)	Impact on net assets (%)
United States dollar	\$ 98,805	\$ –	\$ 98,805	\$ 4,940	1.91%
Euro	32,174	–	32,174	1,609	0.62%
Japanese yen	38,900	–	38,900	1,945	0.75%
British pound	16,549	–	16,549	827	0.32%
Australia dollar	6,340	–	6,340	317	0.12%
Hong Kong dollar	8,715	–	8,715	436	0.17%
Swiss franc	24,551	–	24,551	1,228	0.47%
Korean won	8,918	–	8,918	446	0.17%
Indonesian rupiah	8,076	–	8,076	404	0.16%
	\$ 243,028	\$ –	\$ 243,028	\$ 12,152	4.69%

VPI GLOBAL EQUITY POOL

Notes to Financial Statements (continued)
(In thousands of dollars, except for unit amounts)

For the six-month periods ended June 30, 2023 and 2022 (unaudited)

8. Financial risk management (continued):

As at December 31, 2022	Foreign currencies (\$)	Foreign currency forward contracts	Net exposure	Impact on net assets (\$)	Impact on net assets (%)
United States dollar	\$ 98,009	\$ 134	\$ 98,143	\$ 4,907	2.07%
Euro	27,777	—	27,777	1,389	0.59%
Japanese yen	37,920	—	37,920	1,896	0.80%
British pound	17,282	—	17,282	864	0.36%
Australia dollar	7,223	—	7,223	361	0.15%
Hong Kong dollar	8,305	—	8,305	415	0.17%
Swiss franc	24,301	—	24,301	1,215	0.51%
Korean won	7,738	—	7,738	387	0.16%
Indonesian rupiah	8,216	—	8,216	410	0.17%
	\$ 236,771	\$ 134	\$ 236,905	\$ 11,844	4.98%

(vi) Concentration risk:

Concentration risk arises as a result of the concentration of exposures within the same category, whether it is geographical location, product type, industry sector or counterparty type. The market segments are represented as a percentage of financial assets at FVTPL. The following is a summary of the Pool's concentration risk:

Market segment	June 30, 2023	December 31, 2022
Long	%	%
Automobiles and components	3.45	3.18
Banks	7.37	7.59
Capital goods	13.18	14.38
Consumer durables and apparel	6.48	6.89
Consumer services	3.19	2.80
Diversified financials	—	7.02
Energy	2.76	3.19
Financial Services	7.03	—
Food, beverage and tobacco	7.27	7.39
Health care equipment and services	8.80	7.77
Household and personal products	3.43	3.46
Insurance	3.05	4.37
Materials	6.05	5.89
Media and entertainment	3.06	2.58
Pharmaceuticals, biotechnology and life sciences	3.40	4.02
Semiconductors and semiconductor equipment	6.96	6.00
Software and services	3.59	3.53
Technology hardware equipment	3.80	2.78
Telecommunication services	3.33	3.49
Utilities	3.80	3.67
	100.00	100.00

VPI GLOBAL EQUITY POOL

Notes to Financial Statements (continued)
(In thousands of dollars, except for unit amounts)

For the six-month periods ended June 30, 2023 and 2022 (unaudited)

8. Financial risk management (continued):

(vii) Offsetting financial instruments:

Financial assets and liabilities are offset and the net amount reported in the statements of financial position where the Pool has a legally enforceable right to set-off the recognized amounts and there is an intention to settle on a net basis or realized the asset and settle the liability simultaneously. The Pools has not offset any financial assets and financial liabilities in the statements of financial position.

(viii) Other risk:

Unexpected volatility or illiquidity could occur due to legal, political, regulatory, economic or other developments, such as public health emergencies, including an epidemic or pandemic, natural disasters, war and related geopolitical risks, and may impair the portfolio manager's ability to carry out the objectives of the Pool or cause the Pools to incur losses. Neither the duration nor ultimate effect of any such market conditions, nor the degree to which such conditions may worsen can be predicted.

9. Fair value disclosure:

(i) Valuation models:

The Pool's assets and liabilities recorded at fair value have been categorized based upon a fair value hierarchy.

The fair value of a financial instrument is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Pool's financial instruments are recorded at fair value or at amounts that approximate fair value in the financial statements.

The Pool classifies fair value measurements within a hierarchy which gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy are:

Level 1: Inputs that reflect unadjusted quoted prices in active markets for identical assets or liabilities that the Manager has the ability to access at the measurement date.

Level 2: Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly, including inputs in markets that are not considered to be active.

VPI GLOBAL EQUITY POOL

Notes to Financial Statements (continued)
(In thousands of dollars, except for unit amounts)

For the six-month periods ended June 30, 2023 and 2022 (unaudited)

9. Fair value disclosure (continued):

Level 3: Inputs that are unobservable. There is little if any market activity. Inputs into the determination of fair value require significant management judgment or estimation.

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Changes in valuation methods may result in transfers into, or out of, a financial instrument's assigned level.

(ii) Fair value hierarchy - financial instruments measured at fair value:

The following tables present information about the Pool's assets which are recorded at fair value on a recurring basis as of June 30, 2023 and December 31, 2022:

June 30, 2023	Level 1	Level 2	Level 3	Total
Equities - long	\$ 234,611	\$ -	\$ -	\$ 234,611
Option contracts	73	-	-	73
	\$ 234,684	\$ -	\$ -	\$ 234,684

December 31, 2022	Level 1	Level 2	Level 3	Total
Equities - long	\$ 198,058	\$ -	\$ -	\$ 198,058

During the six-month period ended June 30, 2023 and for the year ended December 31, 2022, there were no transfers between levels. The financial instruments not measured at FVTPL are short-term financial assets and financial liabilities whose carrying amounts approximate fair value.