

GOOD OPPORTUNITIES FUND
FINANCIAL STATEMENTS
December 31, 2022



Independent auditor's report

To the Unitholders and Trustee of Good Opportunities Fund (the Fund)

Our opinion

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2022 and 2021, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (IFRS).

What we have audited

The Fund's financial statements comprise:

- the statements of financial position as at December 31, 2022 and 2021;
- the statements of comprehensive income for the years then ended;
- the statements of changes in net assets attributable to holders of redeemable units for the years then ended;
- the statements of cash flows for the years then ended; and
- the notes to the financial statements, which include significant accounting policies and other explanatory information.

Basis for opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada. We have fulfilled our other ethical responsibilities in accordance with these requirements.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable

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the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.



- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

PricewaterhouseCoopers LLP


Chartered Professional Accountants, Licensed Public Accountants

Toronto, Ontario
March 30, 2023

Good Opportunities Fund

Statements of Financial Position As at December 31, 2022

	December 31, 2022	December 31, 2021
ASSETS		
Current assets		
Investments at fair value through profit or loss (Note 3)	\$ 115,779,405	\$ 153,654,821
Cash and cash equivalents (Note 6)	95,058,886	114,106,371
Interest and dividends receivable	338,607	43,263
Subscription receivable	478,870	1,370,088
HST receivable	536	—
	<u>211,656,304</u>	<u>269,174,543</u>
LIABILITIES		
Current liabilities		
Investments sold short at fair value through profit or loss (Note 3)	7,015,240	—
Due to broker (Note 5)	87,349,626	110,831,689
Accounts payable and accrued liabilities	53,831	46,065
Management fees payable (Note 7)	120,098	170,506
Performance fees payable (Note 7)	—	308,854
Interest and dividends payable	366,644	55,359
Redemption payable	338,870	346,617
HST payable	—	2,507
	<u>95,244,309</u>	<u>111,761,597</u>
Net Assets Attributable to Holders of Redeemable Units	\$ 116,411,995	\$ 157,412,946
Net Assets Attributable to Holders of Redeemable Units per Class		
Class A	\$ 3,931,281	\$ 5,323,889
Class F	58,729,893	87,368,703
Class G	53,750,821	64,720,354
	<u>\$ 116,411,995</u>	<u>\$ 157,412,946</u>
Number of Redeemable Units Outstanding		
Class A	118,839	119,956
Class F	2,419,860	2,701,246
Class G	5,947,594	5,410,234
Net Assets Attributable to Holders of Redeemable Units per Unit		
Class A	\$ 33.08	\$ 44.38
Class F	24.27	32.34
Class G	9.04	11.96

Approved on the behalf of the Trust,  Trustee/Manager
GFI Investment Counsel Ltd.

DocuSigned by:

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Good Opportunities Fund

Statements of Comprehensive Income For the years ended December 31

	2022	2021
Income		
Net change in unrealized (depreciation) appreciation in value of investments	\$ (25,367,101)	\$ 18,560,161
Net realized (loss) gain on investments transactions	(5,312,778)	9,170,575
Foreign exchange (loss) gain on cash	(7,488,461)	204,136
Dividends	968,384	822,434
Interest income for distribution purposes	1,991,286	292,499
Other income	14,914	781
	<u>(35,193,756)</u>	<u>29,050,586</u>
Expenses		
Interest and borrow fees	2,185,322	562,557
Management fees (Note 7)	1,524,163	1,717,732
Dividends on investments sold short	110,520	12,000
Withholding tax	98,857	80,700
Operating costs	63,602	60,916
Administrator fees	47,864	46,931
Audit fees	30,379	27,973
Commissions and other portfolio transaction costs	25,663	40,070
Legal fees	85	1,752
Amortization of Offering Cost	-	6,021
Performance fees (Note 7)	-	3,948,462
	<u>4,086,455</u>	<u>6,505,114</u>
(Decrease) Increase in Net Assets Attributable to Holders of Redeemable Units	<u>\$ (39,280,211)</u>	<u>\$ 22,545,472</u>
(Decrease) Increase in Net Assets Attributable to Holders of Redeemable Units per Class		
Class A	\$ (1,355,022)	\$ 826,428
Class F	(20,473,312)	12,638,590
Class G	<u>(17,451,877)</u>	<u>9,080,454</u>
	<u>\$ (39,280,211)</u>	<u>\$ 22,545,472</u>
Weighted Average of Redeemable Units Outstanding During the Year		
Class A	119,733	122,789
Class F	2,469,710	2,529,140
Class G	5,970,626	4,479,996
(Decrease) Increase in Net Assets Attributable to Holders of Redeemable Units per Unit		
Class A	\$ (11.32)	\$ 6.73
Class F	(8.29)	5.00
Class G	(2.92)	2.03

Good Opportunities Fund

Statements of Changes in Net Assets Attributable to Holders of Redeemable Units For the years ended December 31

	Net assets attributable to holders of redeemable units, beginning of year	Proceeds from redeemable units issued and switch-in*	Redemption of redeemable units and switch-out*	Decrease in net assets attributable to holders of redeemable units	Net assets attributable to holders of redeemable units, end of year
December 31, 2022					
Class A	\$ 5,323,889	\$ –	\$ (37,586)	\$ (1,355,022)	\$ 3,931,281
Class F	87,368,703	5,050,792	(13,216,290)	(20,473,312)	58,729,893
Class G	64,720,354	9,400,983	(2,918,639)	(17,451,877)	53,750,821
	<u>\$ 157,412,946</u>	<u>\$ 14,451,775</u>	<u>\$ (16,172,515)</u>	<u>\$ (39,280,211)</u>	<u>\$ 116,411,995</u>

* Total proceeds from redeemable units relating to switch-ins and redemptions of redeemable units relating to switch-outs for the year ended December 31, 2022 were \$6,717,888 and \$(6,717,888), respectively.

	Net assets attributable to holders of redeemable units, beginning of year	Proceeds from redeemable units issued and switch-in**	Redemption of redeemable units and switch-out**	Increase in net assets attributable to holders of redeemable units	Net assets attributable to holders of redeemable units, end of year
December 31, 2021					
Class A	\$ 7,417,228	\$ 278,000	\$ (3,197,767)	\$ 826,428	\$ 5,323,889
Class F	93,997,712	18,224,225	(37,491,824)	12,638,590	87,368,703
Class G	3,000,000	52,639,900	–	9,080,454	64,720,354
	<u>\$ 104,414,940</u>	<u>\$ 71,142,125</u>	<u>\$ (40,689,591)</u>	<u>\$ 22,545,472</u>	<u>\$ 157,412,946</u>

** Total proceeds from redeemable units relating to switch-ins and redemptions of redeemable units relating to switch-outs for the year ended December 31, 2021 were \$36,938,266 and \$(36,938,266), respectively.

Good Opportunities Fund

Statements of Cash Flows For the years ended December 31

	2022	2021
Cash provided by (used in):		
Operating Activities		
(Decrease) Increase in Net Assets Attributable to Holders of Redeemable Units	\$ (39,280,211)	\$ 22,545,472
Adjustments for non-cash items		
Commissions and other portfolio transaction costs	25,663	40,070
Net change in unrealized depreciation (appreciation) in value of investments	25,367,101	(18,560,161)
Net realized loss (gain) on investments transactions	5,312,778	(9,170,575)
Foreign exchange loss on cash	4,832,277	1,614,661
Change in non-cash balances		
(Increase) decrease in interest and dividends receivable	(295,344)	32,250
Decrease in prepaid expense	-	1,353
(Increase) decrease in HST receivable	(536)	1,715
Increase (decrease) in accounts payable and accrued liabilities	7,766	(4,982)
(Decrease) increase in management fees payable	(50,408)	32,731
Decrease in performance fees payable	(308,854)	(1,170,393)
Increase (decrease) in interest and dividends payable	311,285	(13,111)
(Decrease) increase in HST payable	(2,507)	2,507
Proceeds from sale of investments	46,139,872	57,158,181
Purchase of investments	(31,954,758)	(92,376,127)
Cash provided by (used in) operating activities	<u>10,104,124</u>	<u>(39,866,409)</u>
Financing Activities		
Proceeds from issuance of redeemable units	8,625,105	35,265,084
Amount paid on redemption of redeemable units	(9,462,374)	(4,248,833)
Due to Broker	(23,482,063)	46,524,701
Cash (used in) provided by financing activities	<u>(24,319,332)</u>	<u>77,540,952</u>
(Decrease) increase in cash and cash equivalents during the year	(14,215,208)	37,674,543
Foreign exchange loss on cash	(4,832,277)	-
Cash and cash equivalents, beginning of year	<u>114,106,371</u>	<u>76,431,828</u>
Cash and cash equivalents, end of year	<u>\$ 95,058,886</u>	<u>\$ 114,106,371</u>
Supplemental information*		
Interest paid	\$ 1,862,687	\$ 530,806
Interest received	1,699,766	282,787
Dividends paid	97,341	49,245
Dividends received, net of withholding taxes	865,703	783,696

*Included as a part of cash flows from operating activities

Good Opportunities Fund

Schedule of Investment Portfolio As at December 31, 2022

Number of shares/units	Investments owned	Average cost	Fair value	% of net asset value
	Canadian equities			
55,000	Colliers International Group Inc.	\$ 8,322,690	\$ 6,840,900	5.88
5,085	Constellation Software Inc.	3,378,124	10,749,487	9.23
380,000	Ruby Corp.	359,482	1,045,000	0.90
101,292	Topicus.com Inc.	5,950,850	7,200,848	6.19
		<u>18,011,146</u>	<u>25,836,235</u>	<u>22.20</u>
	U.S. equities			
46,000	Alphabet Inc.	7,752,407	5,494,912	4.72
41,900	Apple Inc.	2,750,743	7,370,722	6.33
68,500	Comfort Systems USA Inc.	6,934,918	10,672,767	9.17
35,590	Equifax Inc.	10,150,912	9,365,295	8.04
28,500	Microsoft Corp.	5,448,960	9,253,730	7.95
21,600	Moody's Corp.	7,466,863	8,148,030	7.00
13,575	MSCI Inc.	865,610	8,549,449	7.34
102,700	The Charles Schwab Corp.	5,931,836	11,576,931	9.94
39,300	Visa Inc.	6,002,727	11,054,550	9.50
104,000	XPEL Inc.	6,893,063	8,456,784	7.26
		<u>60,198,039</u>	<u>89,943,170</u>	<u>77.25</u>
	Total investments owned	78,209,185	115,779,405	99.45
Number of shares/units	Investments sold short	Proceeds on short sale	Fair value	% of net asset value
	Canadian equity			
(258,400)	Chartwell Retirement Residences	\$ (2,604,340)	\$ (2,180,896)	(1.87)
	U.S. equities			
(149,000)	Krispy Kreme Inc.	(2,208,814)	(2,081,865)	(1.79)
(535,000)	Pitney Bowes Inc.	(2,909,581)	(2,752,479)	(2.36)
		<u>(5,118,395)</u>	<u>(4,834,344)</u>	<u>(4.15)</u>
	Total investments sold short	(7,722,735)	(7,015,240)	(6.02)
	Commissions and other portfolio transaction costs	(22,641)	—	—
	Net investments owned	<u>\$ 70,463,809</u>	108,764,165	93.43
	Other assets, net		<u>7,647,830</u>	<u>6.57</u>
	Net Assets Attributable to Holders of Redeemable Units		<u>\$ 116,411,995</u>	<u>100.00</u>

Good Opportunities Fund

Notes to Financial Statements

December 31, 2022

1. TRUST ORGANIZATION AND NATURE OF OPERATIONS

Good Opportunities Fund (the "Trust") is an open-ended investment trust created under the laws of the Province of Ontario by a Declaration of Trust dated January 2, 2008, and as amended and restated on March 1, 2021 (the "Trust Indenture"). The Trust commenced active operations on January 2, 2008. The registered address of the Trust is 45 St. Clair Ave West, Suite 1000, Toronto, ON M4V 1K9.

GFI Investment Counsel Ltd. (the "Trustee" and "Manager"), a corporation incorporated under the laws of Ontario, is the Trustee for the Trust and also acts as the Manager of the Trust. The Trustee/Manager is responsible for managing the ongoing business and administrative affairs of the Trust as well as providing investment management services in accordance with the Trust's investment objective.

The investment objective of the Trust is to achieve above-market returns through the ownership of primarily equity securities of companies with various levels of capitalization predominantly located in North America and also around the world. The investment strategy is to take a value-oriented approach to identifying compelling long and short investments (the "Long/Short Value Strategy") and also utilize a top-down macro methodology to analyze economic trends evolving in various global economies to identify investment opportunities within those markets based on the trends identified ("Global Macro Strategy"). Short positions in equity securities will not exceed 50 percent of the Trust's Net Assets at the time of investment. Leverage will not exceed 25 percent of the Trust's Net Assets at the time of investment.

The prime broker for the Trust is TD Securities Inc.

2. BASIS OF PRESENTATION

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

These financial statements have been prepared on a historical cost basis, except for financial assets and financial liabilities at fair value through profit or loss ("FVTPL") which are presented at fair value. These financial statements were authorized for issue by the Manager on March 30, 2023.

Good Opportunities Fund

Notes to Financial Statements

December 31, 2022

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Instruments - Classification

The Trust classifies its investments in equity securities as financial assets and financial liabilities at FVTPL.

The Trust classifies its investments at FVTPL based on the Trust's business model for managing those financial assets in accordance with the Trust's documented investment strategy. The portfolio of investments is managed and performance is evaluated on a fair value basis and the portfolio of investments is neither held to collect contractual cash flows nor held both to collect contractual cash flows and to sell financial assets. The Trust is primarily focused on fair value information and uses that information to assess the assets' performance and to make decisions.

The Trust's policy requires the Manager/Trustee to evaluate the information about these financial assets and financial liabilities on a fair value basis together with other related financial information. The Trust makes short sales in which a borrowed security is sold in anticipation of a decline in the market value of that security, or it may use short sales for various arbitrage transactions. Short sales are classified as financial liabilities and measured at FVTPL.

Financial Instruments - Recognition, derecognition and measurement

Regular purchases and sales of investments are recognized on the trade date – the date on which the Trust commits to purchase or sell the investment. Financial assets and financial liabilities at FVTPL are initially recognized at fair value. Transaction costs are expensed as incurred in the Statements of Comprehensive Income.

Financial assets are derecognized when the rights to receive cash flows from the investments have expired or the Trust has transferred substantially all risks and rewards of ownership.

When the Trust purchases an option, an amount equal to fair value which is based on the premium paid is recorded as an asset. When the Trust writes an option, an amount equal to fair value which is based on the premium received by the Trust is recorded as a liability. When options are closed, the difference between the premium and the amount paid or received, net of brokerage commissions, or the full amount of the premium if the option expires worthless, is recognized as a gain or loss and is presented in the Statements of Comprehensive Income within net realized gain/loss on investments transactions.

Subsequent to initial recognition, all financial assets and financial liabilities at FVTPL are measured at fair value. Gains and losses arising from changes in the fair value of the financial assets and financial liabilities at FVTPL are presented in the Statements of Comprehensive Income within net changes in unrealized appreciation/depreciation in value of investments in the period in which they arise.

Good Opportunities Fund

Notes to Financial Statements

December 31, 2022

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Cash and cash equivalents

Cash and cash equivalents are comprised of cash and deposits with financial institution and highly liquid investments with original maturities of 90 days or less; it is recorded at amortized cost, which approximates fair value as it is short term in nature. Cash and cash equivalents are held with a financial institution with a credit rating of Aa1 (2021 – Aa1).

Valuation of investments

The fair value of financial assets and financial liabilities traded in active markets (such as publicly traded derivatives and trading securities) is based on quoted market prices. In accordance with the provisions of the Trust's Offering Memorandum, investment positions are valued based on the last traded market price for the purpose of determining the net asset value per unit for subscriptions and redemptions. For financial reporting purposes, the Trust 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 circumstance 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. When the Trust holds derivatives with offsetting market risks, it uses mid-market prices as a basis for establishing fair values for the offsetting risk positions and applies this bid or ask price to the net open position, as appropriate.

The fair value of financial assets and financial liabilities that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques. The Trust uses a variety of methods and makes assumptions that are based on market conditions existing at each Statements of Financial Position date. Valuation techniques used include the use of comparable recent arm's-length transactions, discounted cash flow analysis, option pricing models and other valuation techniques commonly used by market participants.

Investments in private companies and other assets for which no published market exists are initially valued at cost and adjusted at each reporting period, when appropriate, to reflect the most recent value at which such securities have been exchanged in an arm's length transaction which approximates a trade effected in a published market, unless a different fair market value is otherwise determined to be appropriate by the Manager.

Commissions and other portfolio transaction costs

Commissions and other portfolio transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of an investment, which include fees and commissions paid to agents, advisors, brokers and dealers, levies by regulatory agencies and securities exchanges, and transfer taxes and duties. Such costs are expensed and are included in "Commissions and other portfolio transaction costs" in the Statements of Comprehensive Income.

Good Opportunities Fund

Notes to Financial Statements

December 31, 2022

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Cost of investments

The cost of investments represents the amount paid for each security and is determined on an average cost basis excluding commissions and other portfolio transaction costs.

Revenue recognition

The interest income for distribution purposes shown on the Statements of Comprehensive Income represents the coupon interest received by the Trust accounted for on an accrual basis. The Trust does not amortize premiums paid or discounts received on the purchase of fixed income securities except for zero coupon bonds.

Dividends earned and dividend expense on short positions are recognized on the ex-dividend date.

Realized gain/loss on investments transactions and unrealized appreciation/depreciation in value of investments are determined on an average cost basis. Average cost does not include amortization of premiums or discounts on fixed income securities with the exception of zero coupon bonds.

Translation of foreign currency

The functional and presentation currency of the Trust is the Canadian dollar. The fair value of foreign investments and other assets and liabilities denominated in foreign currencies are translated into Canadian dollars at the exchange rates prevailing at 4:00pm Eastern Standard Time (the "closing rate") on each valuation day. Purchases and sales of foreign securities denominated in foreign currencies and the related income are translated into Canadian dollars at rates of exchange prevailing on the respective dates of such transactions.

Net assets attributable to holders of redeemable units per unit

The net assets attributable to holders of redeemable units per unit is calculated by dividing the net assets attributable to holders of redeemable units of a particular class of redeemable units by the total number of redeemable units of that particular class outstanding at the end of the year.

The Trust is responsible for the payment of all fees and expenses relating to its operation, including audit, accounting, administration, recordkeeping, legal fees and expenses, custody and safekeeping charges, providing financial and other reports to unitholders and convening and conducting meetings of unitholders, all taxes, assessments or other governmental charges levied against the Trust, interest and all brokerage and other fees relating to the purchase and sale of the assets of the Trust.

Common expenses will be allocated to each class of Units based on their respective net asset values. Expenses specific to a class of units will generally be allocated to and deducted from the net asset value of that class only.

Good Opportunities Fund

Notes to Financial Statements

December 31, 2022

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Net assets attributable to holders of redeemable units (Cont'd)

The Trust issues three classes of redeemable units, which are redeemable at the holder's option and do not have identical rights. Such units are classified as financial liabilities. Redeemable units can be put back to the Trust at any dealing date for cash equal to a proportionate share of the Trust's net asset value attributable to the unit class. Units are redeemable monthly. The redeemable units are carried at the redemption amount that is payable at the Statements of Financial Position date if the holder exercises the right to put the share back to the Trust. Redeemable units are issued and redeemed at the holder's option at prices based on the Trust's net asset value at the time of issue or redemption. The Trust's net asset value is calculated by dividing the net assets attributable to the holders of each class of redeemable units with the total number of outstanding redeemable units for each respective class. Investment positions are valued based on the last traded market price for the purpose of determining the net asset value for transactions with unitholders.

Written call options

The premium received upon writing a call option is recorded as a deferred credit. Upon expiry of the written call option or when the written call option is exercised by its holder, the premium is recognized as a gain and is included in "Net realized (loss) gain on investments transactions" in the Statements of Comprehensive Income.

Other assets and liabilities

Interest and dividends receivable, subscription receivable and HST receivable are classified and subsequently measured at amortized cost and recorded at cost or amortized cost. A financial asset is classified at amortized cost only if both of the following criteria are met:

- i. the asset is held within a business model whose objective is to hold assets to collect contractual cash flows, and
- ii. the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding.

Due to broker, accounts payable and accrued liabilities, management fees payable, performance fees payable, interest and dividends payable, redemption payable and HST payable are designated as financial liabilities and reported at amortized cost. Other assets and liabilities are short-term in nature, and are carried at amortized cost which approximates fair value.

Good Opportunities Fund

Notes to Financial Statements

December 31, 2022

4. MEASUREMENT OF INVESTMENTS

The preparation of financial statements requires management to use judgment in applying its accounting policies and to make estimates and assumptions about the future. The following discusses the most significant accounting judgments and estimates that the Trust has made in preparing the financial statements:

Classification and measurement of investments and application of the fair value option

In classifying and measuring financial instruments held by the Trust, the Manager is required to make significant judgments about whether or not the business of the Trust is to manage its portfolio of investments and evaluate performance on a fair value basis and that the portfolio of investments is neither held to collect contractual cash flows nor held both to collect contractual cash flows and to sell financial assets. The most significant judgments made include assessing and determining the appropriate business model that enables the decision that the Trust's investments are classified as FVTPL, per IFRS 9.

The fair value of financial assets and financial liabilities that are not traded in an active market is determined using valuation techniques. The Trust use a variety of methods and make assumptions that are based on market conditions existing at each reporting date. Valuation techniques used for non-standardized financial instruments such as options, currency swaps and other over-the-counter derivatives, include the use of comparable recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, option pricing models and other valuation techniques commonly used by market participants making the maximum use of market inputs and relying as little as possible on entity-specific inputs.

For instruments for which there is no active market, the Trust may use internally developed models, which are usually based on valuation methods and techniques generally recognized as standard within the industry. Valuation models are used primarily to value unlisted equity, debt securities and other debt instruments for which markets were or have been inactive during the financial period. Some of the inputs to these models may not be market observable and are therefore estimated based on assumptions.

The output of a model is always an estimate or approximation of a value that cannot be determined with certainty, and valuation techniques employed may not fully reflect all factors relevant to the positions the Trust hold. Valuations are therefore adjusted, where appropriate, to allow for additional factors including model risk, liquidity risk and counterparty risk.

Good Opportunities Fund

Notes to Financial Statements

December 31, 2022

5. DUE TO BROKER

Due to broker is a margin account representing cash loans with brokers and are secured by the underlying investments owned by the Trust. The Trust established a revolving margin account with TD Securities Inc. Interest charged is included in "Interest and borrow fees" on the Statements of Comprehensive Income. The margin account permits the Trust to borrow for the purpose of making investments in accordance with its investment objectives and restrictions, and to pledge its assets to secure the borrowings. For the year ended December 31, 2022, the rate on the cash loan varied between 0.58% and 4.83% (December 31, 2021 – between 0.55% and 0.60%). As of December 31, 2022, the amount drawn on the margin was \$64,517,044 USD (\$87,349,626 CAD) (December 31, 2021 – \$87,648,627 USD (\$110,831,689 CAD)), the overdrawn in TD Canadian dollar cash account was \$nil (December 31, 2021 – \$nil). For the year ended December 31, 2022, the Trust recorded interest expense of \$2,160,793 CAD (December 31, 2021 – \$554,939 CAD). The amount of borrowings ranged between \$87,700,000 CAD and \$123,760,000 CAD during the year ended December 31, 2022, (December 31, 2021 – \$62,093,850 CAD and \$110,500,995 CAD). As at December 31, 2022 Canadian cash and cash equivalent were in excess of borrowed USD margin and Canadian dollar cash account overdrawn, resulting in zero net debt.

6. CASH AND CASH EQUIVALENTS

Cash and cash equivalents represent cash balances and short-term, highly liquid investments with original maturities of 90 days or less.

	December 31, 2022	December 31, 2021
Cash at bank	\$ 95,058,886	\$ 114,106,371

7. RELATED PARTY TRANSACTIONS

Management fees

For its services to the Trust, the Manager is entitled to receive the management fee from the Trust. The management fee is charged to the Trust in respect of each class of Units at an annual rate of 2.0 % of the net asset value of the Class A units, 1.35% of the net asset value of the Class F units and 0.75% of the net asset value of the Class G units plus applicable provincial and federal taxes. The management fee is calculated and accrued monthly at a rate of 1/12 of 2% for the Class A units, 1/12 of 1.35% for the Class F units and 1/12 of 0.75% for the class G units and is payable as of each last business date of the month (each a "Valuation Date").

Performance fees

The Trust pays the Trustee/Manager an annual performance fee equal to 20% of the net increase in the net asset value per unit of a unitholder's units for Class A and F and 15% of the net increase in the net asset value per unit of a unitholder's units for Class G during the calendar year (prior to accruals with respect to the performance fee) plus applicable taxes, provided, however, that a performance fee will only be paid with respect to the net increase in the net asset value per unit of the applicable class in excess of the "Prior High NAV per Unit" plus the "Hurdle Rate".

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7. RELATED PARTY TRANSACTIONS (Cont'd)

The Prior High NAV per unit is the net asset value per unit of the applicable class as of the first business day immediately following the last date as of which the performance fee with respect to such unit was payable (or if no performance fee has yet been payable with respect to such unit, the price at which such unit was issued). To the extent that the net asset value of an investor's units decline in any period, the negative amount will be carried forward and deducted from the net asset value used to calculate the performance fee in respect of such units in future periods. To the extent that the class net asset value of a unitholder's units in any period exceeds the Prior High NAV per unit of such units by an amount that is less than the hurdle rate, such class net asset value per unit shall be the Prior High NAV per Unit for the subsequent period (in other words, the performance fee will be based on a "high water mark" net asset value for the units issued on each subscription.)

The hurdle rate is an annual rate of return equal to 6% of the Prior High NAV per Unit (the "Hurdle Rate"). The Hurdle Rate will be prorated monthly, from January 1 of the relevant fiscal year or the date on which such Unit was issued (as applicable) and reset on January 1 of the following year.

The performance fee will be calculated and accrued monthly and will be payable on the last Valuation Date of each calendar year, except where a unitholder redeems units, in which case the performance fee will be payable by the Trust in respect of the redeemed units and the redemption proceeds payable to the unitholder will be reduced by such amount.

8. REDEEMABLE UNITS OF THE TRUST

The Trust is authorized to issue an unlimited number of redeemable units, issuable in an unlimited number of classes, each of which represents an equal, undivided, beneficial interest in the net assets attributable to holders of redeemable units of the Trust. Each unit of each class entitles the holder to vote, with one vote for each \$1 of net asset value attributed to such unit and to participate equally with respect to any and all distributions made by the Trust. Units of a class may be consolidated and/or redesignated by the Trustee/Manager. As at December 31, 2022 and 2021, the Trust has issued Class A, F and G units.

A redemption order received by the Trustee/Manager at least 10 business days prior to the Valuation Date will be effective on that Valuation Date at the net asset value per unit at the same date. Redemption of units prior to the first anniversary of the purchase of such units may be subject to an early redemption fee.

The unit activity during the year ended December 31, 2022 and 2021, were as follows:

	Redeemable Units, beginning of year	Redeemable Units Issued	Redemption of Redeemable Units	Redeemable Units, end of year
December 31, 2022				
Class A	119,956	–	(1,117)	118,839
Class F	2,701,246	188,647	(470,033)	2,419,860
Class G	5,410,234	835,447	(298,087)	5,947,594
December 31, 2021				
Class A	196,294	7,769	(84,107)	119,956
Class F	3,431,577	630,395	(1,360,726)	2,701,246
Class G	300,000	5,110,234	–	5,410,234

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8. REDEEMABLE UNITS OF THE TRUST (Cont'd)

Capital disclosure

The capital of the Trust is represented by issued and redeemable units. The units are entitled to distributions, if any, and to payment of a proportionate share based on the Trust's net asset value per unit upon redemption. The Trust has no restrictions or specific capital requirements on the subscriptions and redemptions of units. The relevant movements are shown on the Statements of Changes in Net Assets Attributable to Holders of Redeemable Units. In accordance with its investment objective and strategy, and the risk management practices outlined in Note 9, the Trust endeavours to invest the subscriptions received in appropriate investments while maintaining sufficient liquidity to meet redemptions, such liquidity being augmented by short-term borrowings or disposal of investments where necessary.

9. FINANCIAL INSTRUMENTS

Management of financial instrument risks

In the normal course of business, the Trust is exposed to a variety of financial risks: credit risk, liquidity risk and market risk (including interest rate risk, other price risk and currency risk). The value of investments within the Trust's portfolio can fluctuate on a daily basis as a result of changes in interest rates, economic conditions, the market and, company news related to specific securities within the Trust. The level of risk depends on the Trust's investment objective and the types of securities it invests in.

COVID-19 and Geopolitical Risk

Significant market disruptions, such as those caused by pandemics (e.g., COVID-19 pandemic), natural or environmental disasters, war (e.g., Russia's invasion of Ukraine), acts of terrorism, or other events, can adversely affect local and global markets and normal market operations. Any such disruptions could have an adverse impact on the value of the Trust's investments and Fund's performance.

The Manager seeks to minimize potential adverse effects of risk on the Trust's performance by employing professional, experienced portfolio advisors; by monitoring of the Trust's positions and market events; by diversifying the investment portfolio within the constraints of the investment objectives.

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9. FINANCIAL INSTRUMENTS (Cont'd)

Risk management

The investment objective of the Trust is to achieve above-market returns through the ownership of primarily equity securities of companies with various levels of capitalization predominantly located in North America and also around the world. The investment strategy is to take a value-oriented approach to identifying compelling long and short investments (the "Long/Short Value Strategy") and also utilize a top-down macro methodology to analyze economic trends evolving in various global economies to identify investment opportunities within those markets based on the trends identified ("Global Macro Strategy"). Short positions in equity securities will not exceed 50 percent of the Trust's Net Assets at the time of investment. Leverage will not exceed 25 percent of the Trust's Net Assets at the time of investment.

Managing risk is the most important factor of the decision-making process and is pervasive throughout the investment process. The Manager attempts to manage risk by diversifying the portfolio by sector and individual security selection (fundamental, bottom-up risk assessment is used). In bottom-up assessment, the Manager focuses attention on a specific company rather than on the industry in which that company operates or on the economy as a whole. The Trust's overall risk management program seeks to minimize the potentially adverse effect of risk on the Trust's financial performance in a manner consistent with the Trust's investment objective.

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 Trust. The main concentration of credit risk would be where the Trust invests in debt instruments and derivatives. The risk of default on transactions with counterparties and brokers related to the purchase and sale of securities is considered minimal.

As at December 31, 2022 and 2021, the Trust had not invested in debt instruments and derivatives that were unrated.

Custodian credit risk

Custodian credit risk is the risk that, in the event of the failure of the custodian, the Trust will not be able to recover the value of its assets that are held at the custodian bank. As of December 31, 2022, the Trust's investments are held at TD Securities Inc., which has a Moody's credit rating of Aa1 (December 31, 2021 – Aa1).

Liquidity risk

Liquidity risk is defined as the risk that the Trust may not be able to settle or meet its obligations on time or at a reasonable price.

The Trust's exposure to liquidity risk is concentrated in the periodic cash redemption of units. The Trust primarily invests in securities that are traded in active markets and can be readily disposed of. In addition, the Trust generally retains sufficient cash and cash equivalent positions to maintain adequate liquidity.

The Trust may employ the use of derivatives to moderate certain risk exposures. There is no guarantee that a market will exist for some derivatives and it is possible that the exchanges may impose limits on trading of derivatives.

When the Trust sells a security short, the maximum gain that may be realized is equal to the proceeds received whereas the maximum loss is potentially unlimited. The Trust may have difficulty acquiring shares to cover its short positions at all, or at a reasonable price.

As at December 31, 2022 and 2021, the Trust did not have a significant amount of financial liabilities with maturities greater than 3 months.

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Notes to Financial Statements

December 31, 2022

9. FINANCIAL INSTRUMENTS (Cont'd)

Interest rate risk

As at December 31, 2022 and 2021, the majority of the Trust's financial assets and financial liabilities are non-interest bearing. As at December 31, 2022, the Trust had borrowing of \$87,349,626 and cash of \$95,058,886 and that reduced Trust's exposure to interest rate risk.

Other price risk

As at December 31, 2022, 99% (December 31, 2021 – 97.0%) of the Trust's net assets attributable to holders of redeemable units were invested in securities traded on North American stock exchanges, while 6% (December 31, 2021 – nil%) of the Trust's net assets attributable to holders of redeemable units were sold short against securities on North American stock exchanges. If security prices on the North American stock exchanges had increased or decreased by 10% as at the year end, with all other factors remaining constant, net assets attributable to holders of redeemable units could have increased or decreased by approximately \$10,771,917 (December 31, 2021 – \$15,260,982). In practice, the actual results may differ from this sensitivity analysis and the difference could be material.

Currency risk

The Trust had a net exposure of \$2,240,800 CDN to the United States Dollar as at December 31, 2022.

Currency	Exposure			Impact if CAD strengthened or weakened by 5% in relation to other currencies		
	Monetary	Non-Monetary	Total	Monetary	Non-Monetary	Total
December 31, 2022						
U.S. Dollar	\$ (87,349,626)	\$ 85,108,826	\$ (2,240,800)	\$ (4,367,481)	\$ 4,255,441	\$ (112,040)
% of Net Assets						
Attributable to Holders						
of Redeemable Units	(75.03)	73.11	(1.92)	(3.75)	3.66	(0.09)

The Trust had a net exposure of \$9,681,261 CDN to the United States Dollar as at December 31, 2021.

Currency	Exposure			Impact if CAD strengthened or weakened by 5% in relation to other currencies		
	Monetary	Non-Monetary	Total	Monetary	Non-Monetary	Total
December 31, 2021						
U.S. Dollar	\$ (110,831,689)	\$ 120,512,950	\$ 9,681,261	\$ (5,541,584)	\$ 6,025,648	\$ 484,064
% of Net Assets						
Attributable to Holders						
of Redeemable Units	(70.41)	76.56	6.15	(3.52)	3.83	0.31

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Notes to Financial Statements

December 31, 2022

9. FINANCIAL INSTRUMENTS (Cont'd)

Currency risk (Cont'd)

The amount above is based on the fair value of the Trust's financial instruments (including cash and cash equivalents). Other financial assets (including interest and dividends receivable and receivable for investments sold) and financial liabilities (including payable for investments purchased) that are denominated in foreign currencies do not expose the Trust to significant currency risk.

As at December 31, 2022, if the Canadian dollar had strengthened or weakened by 5% in relation to all currencies, with all other variables held constant, Net Assets attributable to holders of redeemable units would have increased or decreased, respectively, by approximately \$112,040 (December 31, 2021 - \$484,064). In practice, the actual trading results may differ from this sensitivity analysis and the difference could be material.

Concentration risk

Concentration risk arises as a result of the concentration of exposures within the same category, an example of which would be investments in the same industry or investments by geography.

As at December 31, 2022 and 2021, the Fund's investment portfolio concentration can be summarized as follows:

	Percentage of net assets attributable to holders of redeemable units	
	December 31, 2022	December 31, 2021
Investments owned		
Canadian equities	22.20	21.05
U.S. equities	77.25	76.56
	99.45	97.61
Investments sold short		
Canadian equities	(1.87)	—
U.S. equities	(4.15)	—
	(6.02)	—
Total net investments	93.43	97.61
Other assets and liabilities	6.57	2.39
	100.00	100.00

Good Opportunities Fund

Notes to Financial Statements

December 31, 2022

10. CLASSIFICATION OF FINANCIAL INSTRUMENTS – FAIR VALUE MEASUREMENTS

Financial value measurement

The Trust 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 Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2 Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and

Level 3 Inputs are unobservable for the asset or liability.

If inputs of different levels are used to measure an asset's or liability's fair value, the classification within the hierarchy is based on the lowest level input that is significant to the fair value measurement. The following table illustrates the classification of the Trust's assets and liabilities measured at fair value within the fair value hierarchy as at December 31, 2022 and December 31, 2021:

December 31, 2022								
	Level 1		Level 2		Level 3		Total	
Assets								
Common Stocks	\$	114,734,405	\$	–	\$	1,045,000	\$	115,779,405
	\$	114,734,405	\$	–	\$	1,045,000	\$	115,779,405
Liabilities								
Common Stocks	\$	7,015,240	\$	–	\$	–	\$	7,015,240
	\$	7,015,240	\$	–	\$	–	\$	7,015,240
December 31, 2021								
	Level 1		Level 2		Level 3		Total	
Assets								
Common Stocks	\$	152,609,821	\$	–	\$	1,045,000	\$	153,654,821
	\$	152,609,821	\$	–	\$	1,045,000	\$	153,654,821

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Notes to Financial Statements

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10. CLASSIFICATION OF FINANCIAL INSTRUMENTS – FAIR VALUE MEASUREMENTS (Cont'd)

Financial value measurement (Cont'd)

All fair value measurements above are recurring. The carrying values of cash and cash equivalents, interest and dividends receivable, subscriptions receivable, prepaid expense, HST receivable, due to broker, management fees payable, performance fees payable, redemption payable, interest and dividends payable, accounts payable and accrued liabilities, HST payable and the Trust's obligation for net assets attributable to holders of redeemable units approximate their fair values due to their short-term nature. Fair values are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3.

There were no financial instruments that were transferred into or out of Level 1, 2, or 3 during the year ended December 31, 2022 and the year ended December 31, 2021.

a) Equities

The Trust's equity positions are classified as Level 1 when the security is actively traded, and a reliable price is observable. Certain of the Trust's equities do not trade frequently and therefore observable prices may not be available. In such cases, fair value is determined using observable market data (e.g. transactions for similar securities of the same issuer) and the fair value is classified as Level 2, unless the determination of fair value requires significant unobservable data, in which case the measurement is classified as Level 3.

The only Level 3 investment held by the Trust is an investment in Ruby Corp. The Trust applies judgment in determining unobservable inputs to calculate the fair value of Level 3 financial instruments. The unobservable inputs used in the valuation of Ruby Corp. primarily represents the financial information of the company. In valuing the private investment, the Manager uses a multi factor valuation model that includes consideration of the original transaction price, recent company events, recent transactions in the same or similar instrument and completed third-party transactions and adjusts the price as deemed necessary. Given the nature of the investment, there is measurement uncertainty in the estimated fair value. The significant unobservable input used in the fair value measurement of this investment was the discount rate of 20% (December 31, 2021- 20%). If relevant inputs increased or decreased by 50%, with all other variables remaining constant, net assets attributable to holders of redeemable units would have possibly increased by approximately \$522,500 or 0.4% (December 31, 2021- \$522,500 or 0.3%) and decreased by approximately \$522,500 or 0.4% (December 31, 2021- \$522,500 or 0.3%).

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10. CLASSIFICATION OF FINANCIAL INSTRUMENTS – FAIR VALUE MEASUREMENTS (Cont'd)

b) Derivative assets and liabilities

Derivative assets and liabilities consist of foreign currency forward contracts which are valued based primarily on the contract notional amount, the difference between the contract rate and the forward market rate for the same currency, interest rates and credit spreads. Contracts for which counterparty credit spreads are observable and reliable, or for which the credit-related inputs are determined not to be significant to fair value, are classified as Level 2.

11. COMPARISON OF NET ASSET VALUE (TRADING NAV) PER UNIT AND NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER CLASS (IFRS):

The primary reason for the difference between the Net Asset Value (Trading NAV) per unit and the net assets attributable to holders of redeemable units per class (IFRS) is that offering costs have been expensed in total amounting to \$6,021 during the year ended December 31, 2021 for financial reporting purposes and amortized over five years for the purpose of calculating the Trading NAV. The Trust's Trading NAV and IFRS NAV at December 31, 2022 and December 31, 2021 are as follows:

	Net Asset Value Per Unit (Trading)	Net Assets Per Unit (IFRS)
December 31, 2022		
Class A	\$ 33.08	\$ 33.08
Class F	24.27	24.27
Class G	9.04	9.04
December 31, 2021		
Class A	\$ 44.38	\$ 44.38
Class F	32.34	32.34
Class G	11.96	11.96

12. EXPENSES

The Trustee/Manager has the power to incur and make payment out of the Trust property any charge or expense which, in the opinion of the Trustee/Manager, is necessary or incidental to, or proper for, carrying out any of the purposes of the Trust Indenture, including without limitation all fees and expenses relating to the management and administration of the Trust. The Trust is responsible for any income or excise taxes and brokerage commissions on portfolio transactions.

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13. INCOME TAXES

The Trust qualifies as a mutual fund trust under the provisions of the Income Tax Act (Canada) (the "Tax Act"), and accordingly, is not subject to tax on its net taxable income for the tax year which ends in December, including net realized capital gains, which is paid or payable to its unitholders as at the end of the tax year. It is the intention of the Trust to distribute all of its income and sufficient net realized capital gains so that the Trust will not be subject to income tax.

Accordingly, the Trust does not record taxes, including the tax benefit of any unused tax losses that maybe carried forward to future years.

Non-capital losses are available to be carried forward for twenty years and applied against future taxable income. Capital losses for income tax purposes may be carried forward indefinitely and applied against future capital gains.

As at the tax year ended December 31, 2022, the Trust has capital losses carried forward in the amount of \$7,069,090 (2021 – \$426,377) and non-capital losses available for income tax purposes of \$4,706,566 (2021 – \$3,383,228).

14. FILING EXEMPTION

The Trust is relying on the exemption pursuant to section 2.11 of National Instrument 81-106 not to file its financial statements with the applicable Provincial Securities Commission.