

SEMI-ANNUAL FINANCIAL STATEMENTS 2023

CLARICA
SEGREGATED FUNDS

JUNE 30, 2023

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CI Investments Inc., the Manager of the Funds, appoints independent auditors to audit the Funds' Annual Financial Statements. Under Canadian securities laws (National Instrument 81-106), if an auditor has not reviewed the Semi-Annual Financial Statements, this must be disclosed in an accompanying notice.

The Funds' independent auditors have not performed a review of these Semi-Annual Financial Statements in accordance with standards established by the Chartered Professional Accountants of Canada.

To request an alternate format of this document, please contact us at service@ci.com or 1-800-792-9355.

Clarica CI Select Canadian Equity Benefit Fund

Financial Statements (unaudited)

Statements of Financial Position

as at June 30, 2023 and December 31, 2022

(in \$000's except for per unit amounts)

	2023	2022
Assets		
Current assets		
Investments*	17,031	16,594
Cash	86	44
Fees rebate receivable	-	-
Interest receivable	-	-
Receivable for investments sold	-	-
Receivable for unit subscriptions	-	-
	17,117	16,638
Liabilities		
Current liabilities		
Bank overdraft	-	-
Payable for investments purchased	3	-
Payable for unit redemptions	-	-
Management fees payable	6	-
Administration fees payable	3	-
Insurance fees payable	3	-
	15	-
Net assets attributable to contractholders	17,102	16,638
*Investments at cost	15,266	15,504
Net assets attributable to contractholders per unit:		
Class A	1,646.33	1,552.75

Statements of Comprehensive Income

for the periods ended June 30

(in \$000's except for per unit amounts and number of units)

	2023	2022
Income		
Net gain (loss) on investments		
Income distributions from investments	312	397
Capital gain distributions from investments	-	1,182
Net realized gain (loss) on sale of investments	96	172
Change in unrealized appreciation (depreciation) in value of investments	674	(3,849)
Other income		
Interest	1	-
Fees rebate (Note 6)	-	-
	1,083	(2,098)
Expenses (Note 6)		
Management fees	34	36
Administration fees	17	18
Insurance fees	17	18
Harmonized sales tax	7	7
	75	79
Increase (decrease) in net assets from operations attributable to contractholders	1,008	(2,177)
Increase (decrease) in net assets from operations attributable to contractholders per unit:		
Class A	96.18	(196.30)
Weighted average number of units:		
Class A	10,478	11,091

For inception date of the Fund, please refer to Note 1 in the Notes to the Financial Statements.
The accompanying notes are an integral part of these financial statements.

Clarica CI Select Canadian Equity Benefit Fund

Financial Statements (unaudited)

Statements of Changes in Net Assets Attributable to Contractholders

for the periods ended June 30 (in \$000's)

	2023	2022
Net assets attributable to contractholders at the beginning of period	16,638	19,047
Increase (decrease) in net assets from operations attributable to contractholders	1,008	(2,177)
Unit transactions		
Proceeds from issuance of units	121	54
Amounts paid on redemption of units	(665)	(711)
Net increase (decrease) from unit transactions	(544)	(657)
Net assets attributable to contractholders at the end of period	17,102	16,213

Statements of Cash Flows

for the periods ended June 30 (in \$000's)

	2023	2022
Cash flows from (used in) operating activities		
Increase (decrease) in net assets from operations attributable to contractholders	1,008	(2,177)
Adjustments for:		
Net realized (gain) loss on sale of investments	(96)	(172)
Change in unrealized (appreciation) depreciation in value of investments	(674)	3,849
Proceeds from sale of investments	802	695
Purchase of investments	(154)	(78)
Non-cash distributions from investments	(312)	(1,579)
(Increase) decrease in interest receivable	-	-
Increase (decrease) in management fees payable	6	-
Increase (decrease) in administration fees payable	3	-
Increase (decrease) in insurance fees payable	3	-
(Increase) decrease in fees rebate receivable	-	-
Net cash from (used in) operating activities	586	538
Cash flows from (used in) financing activities		
Proceeds from issuance of units	121	54
Amounts paid on redemption of units	(665)	(680)
Net cash from (used in) financing activities	(544)	(626)
Net increase (decrease) in cash	42	(88)
Cash (bank overdraft), beginning of period	44	127
Cash (bank overdraft), end of period	86	39
Supplementary Information:		
Interest received*	1	-
Interest paid*	-	-

*Interest received as well as interest paid relate to operating activities of the Fund.
The accompanying notes are an integral part of these financial statements.

Clarica CI Select Canadian Equity Benefit Fund

Schedule of Investment Portfolio (unaudited)

as at June 30, 2023

No. of Shares/ Units	Description	Average Cost (\$)	Fair Value (\$)	% of Net Assets
UNDERLYING FUND(S)				
682,904	CI Select Canadian Equity Corporate Class (I Shares)	15,266,295	17,031,005	99.6
Total Investment Portfolio		15,266,295	17,031,005	99.6
Other Net Assets (Liabilities)			70,764	0.4
Net Assets Attributable to Contractholders			17,101,769	100.0

Top 25 Holdings of the Underlying Fund

as at June 30, 2023 (unaudited)

Number of Units/Shares or Par Value	Description	Average Cost (\$)	Fair Value (\$)
787,165	Manulife Financial Corp.	17,466,522	19,710,612
914,229	CI Global Financial Sector ETF (Common Units)	22,294,202	19,486,791
207,408	Canadian Natural Resources Ltd.	8,275,625	15,447,748
14,877	Fairfax Financial Holdings Ltd.	8,390,087	14,762,298
192,574	Bank of Nova Scotia (The)	13,472,562	12,763,805
252,553	Enbridge Inc.	12,131,541	12,435,710
103,385	Bank of Montreal	11,413,797	12,368,981
145,547	Toronto-Dominion Bank (The)	11,645,161	11,950,864
518,633	Cenovus Energy Inc.	7,549,100	11,669,243
201,435	Wheaton Precious Metals Corp.	7,362,619	11,540,211
96,647	Canadian Pacific Kansas City Ltd.	5,821,143	10,341,229
265,393	Suncor Energy Inc.	9,359,415	10,313,172
62,096	Advanced Micro Devices Inc.	2,017,237	9,370,428
133,799	Alimentation Couche-Tard Inc.	3,041,072	9,088,966
144,065	US Foods Holding Corp.	6,543,908	8,397,405
310,591	TELUS Corp.	8,643,937	8,007,036
56,339	Royal Bank of Canada	7,141,616	7,128,010
40,839	Amazon.com Inc.	2,969,492	7,052,667
10,276	UnitedHealth Group Inc.	4,562,837	6,543,015
37,293	WSP Global Inc.	4,091,190	6,527,021
139,945	Brookfield Corp.	8,136,318	6,241,547
38,330	Alphabet Inc., Class A	6,422,695	6,078,087
108,562	Teck Resources Ltd., Class B	3,182,812	6,051,246
70,633	Shopify Inc., Class A	6,924,176	6,047,597
20,920	Apple Inc.	1,469,426	5,375,640

Financial statements for the CI Investments Inc. Underlying Fund(s), including information on the holdings of the Underlying Fund(s), are available in electronic format on the Underlying Fund(s) manager's website at www.ci.com.

Percentages shown in the Schedule of Investment Portfolio relate investments at fair value to net assets attributable to contractholders of the Fund. The accompanying notes are an integral part of these financial statements.

Clarica CI Select Canadian Equity Benefit Fund

Fund Specific Notes to Financial Statements (unaudited)

Interest in Underlying Fund(s) (Note 2)

The following tables present the Fund's interest in the Underlying Fund(s).

as at June 30, 2023

Underlying Fund(s)	Fair Value of the Underlying Fund(s) (in \$000's)	Fair Value of the Fund's Investment in the Underlying Fund(s) (in \$000's)	Ownership in the Underlying Fund(s) (%)
CI Select Canadian Equity Corporate Class	471,509	17,031	3.6

as at December 31, 2022

Underlying Fund(s)	Fair Value of the Underlying Fund(s) (in \$000's)	Fair Value of the Fund's Investment in the Underlying Fund(s) (in \$000's)	Ownership in the Underlying Fund(s) (%)
CI Select Canadian Equity Corporate Class	464,899	16,594	3.6

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

Clarica CI Select Canadian Equity Benefit Fund

Fund Specific Notes to Financial Statements (unaudited)

Unit Transactions (Note 5)

for the periods ended June 30

	Class A	
	2023	2022
Number of units at the beginning of period	10,715	11,277
Units issued for cash	75	33
Units redeemed	(402)	(438)
Number of units at the end of period	10,388	10,872

For inception date of the Fund, please refer to Note 1 in the Notes to the Financial Statements.
The accompanying notes are an integral part of these financial statements.

Clarica CI Select Canadian Equity Benefit Fund

Financial Information (for the period ended June 30, 2023 and years ended December 31) (unaudited)

Financial Highlights

The following table/tables shows/show selected key financial information about the Fund and is/are intended to help you understand the Fund's financial performance for the past six periods, as applicable.

	The Fund's Net Asset Value per Unit	Ratios and Supplemental Data			Management Expense Ratio			
		Net assets attributable to contractholders per unit at the end of the period shown (\$)	Net assets (\$000's)	Number of units outstanding	Portfolio turnover rate (%)	Management expense ratio before taxes (%)	Harmonized sales tax (%)	Management expense ratio after taxes (%)
Class A^{(1) (2) (3)}								
2023	1,646.33	17,102	10,388	2.76	0.81	0.08	0.89	9.91
2022	1,552.75	16,638	10,715	6.44	0.80	0.08	0.88	10.16
2021	1,689.00	19,047	11,277	3.30	0.80	0.08	0.88	10.17
2020	1,324.91	16,387	12,368	2.82	0.80	0.08	0.88	10.18
2019	1,227.51	16,394	13,355	6.44	0.80	0.08	0.88	10.20
2018	1,012.00	14,704	14,530	6.42	0.80	0.08	0.88	10.21

(1) This information is provided for the period ended June 30, 2023 and December 31 of the years shown.

(2) The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the period. The higher a fund's portfolio turnover rate in a period, the greater the trading costs payable by the fund in the period, and the greater the chance of a contractholder receiving taxable capital gains in the period. There is not necessarily a relationship between a high turnover rate and the performance of a fund.

(3) Management expense ratio is calculated based on expenses charged directly to the Fund plus, if applicable, expenses of the underlying fund(s), calculated on a weighted average basis on the percentage weighting of the underlying fund(s) and is expressed as an annualized percentage of average net assets for the periods shown. The Effective HST tax rate is calculated using the attribution percentage for each province based on contractholders' residency and can be different from 13%.

For inception date of the Fund, please refer to Note 1 in the Notes to the Financial Statements.

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

Clarica CI Select Canadian Equity Benefit Fund

Fund Specific Notes to Financial Statements (unaudited)

Financial Instruments Risk of the Underlying Fund(s)

The Fund is indirectly exposed to credit risk, liquidity risk, other price risk, currency risk and interest rate risk through its holdings in the Underlying Fund(s), to the extent the Underlying Fund(s) is (are) exposed to these risks. Please refer to Note 8 for an explanation of the management of the financial risks. The detailed risk analyses of the Underlying Fund(s) are disclosed in the financial statements of the Underlying Fund(s).

Clarica CI Select Canadian Equity Fund

Financial Statements (unaudited)

Statements of Financial Position

as at June 30, 2023 and December 31, 2022

(in \$000's except for per unit amounts)

	2023	2022
Assets		
Current assets		
Investments*	33,547	32,201
Cash	47	37
Fees rebate receivable	1	-
Interest receivable	-	-
Receivable for investments sold	1	12
Receivable for unit subscriptions	-	-
	33,596	32,250
Liabilities		
Current liabilities		
Bank overdraft	-	-
Payable for investments purchased	6	3
Payable for unit redemptions	-	17
Management fees payable	19	-
Administration fees payable	2	-
Insurance fees payable	6	-
	33	20
Net assets attributable to contractholders	33,563	32,230
*Investments at cost	30,042	30,063
Net assets attributable to contractholders per unit:		
Class A	1,432.26	1,351.39

Statements of Comprehensive Income

for the periods ended June 30

(in \$000's except for per unit amounts and number of units)

	2023	2022
Income		
Net gain (loss) on investments		
Income distributions from investments	620	764
Capital gain distributions from investments	-	2,291
Net realized gain (loss) on sale of investments	97	328
Change in unrealized appreciation (depreciation) in value of investments	1,367	(7,456)
Other income		
Interest	2	-
Fees rebate (Note 6)	-	-
	2,086	(4,073)
Expenses (Note 6)		
Management fees	100	105
Administration fees	13	14
Insurance fees	34	35
Harmonized sales tax	15	16
	162	170
Increase (decrease) in net assets from operations attributable to contractholders	1,924	(4,243)
Increase (decrease) in net assets from operations attributable to contractholders per unit:		
Class A	81.33	(172.13)
Weighted average number of units:		
Class A	23,653	24,650

For inception date of the Fund, please refer to Note 1 in the Notes to the Financial Statements.
The accompanying notes are an integral part of these financial statements.

Clarica CI Select Canadian Equity Fund

Financial Statements (unaudited)

Statements of Changes in Net Assets Attributable to Contractholders

for the periods ended June 30 (in \$000's)

	2023	2022
Net assets attributable to contractholders at the beginning of period	32,230	36,877
Increase (decrease) in net assets from operations attributable to contractholders	1,924	(4,243)
Unit transactions		
Proceeds from issuance of units	171	85
Amounts paid on redemption of units	(762)	(1,113)
Net increase (decrease) from unit transactions	(591)	(1,028)
Net assets attributable to contractholders at the end of period	33,563	31,606

Statements of Cash Flows

for the periods ended June 30 (in \$000's)

	2023	2022
Cash flows from (used in) operating activities		
Increase (decrease) in net assets from operations attributable to contractholders	1,924	(4,243)
Adjustments for:		
Net realized (gain) loss on sale of investments	(97)	(328)
Change in unrealized (appreciation) depreciation in value of investments	(1,367)	7,456
Proceeds from sale of investments	971	1,179
Purchase of investments	(219)	(125)
Non-cash distributions from investments	(620)	(3,055)
(Increase) decrease in interest receivable	-	-
Increase (decrease) in management fees payable	19	-
Increase (decrease) in administration fees payable	2	-
Increase (decrease) in insurance fees payable	6	-
(Increase) decrease in fees rebate receivable	(1)	-
Net cash from (used in) operating activities	618	884
Cash flows from (used in) financing activities		
Proceeds from issuance of units	171	85
Amounts paid on redemption of units	(779)	(1,105)
Net cash from (used in) financing activities	(608)	(1,020)
Net increase (decrease) in cash	10	(136)
Cash (bank overdraft), beginning of period	37	136
Cash (bank overdraft), end of period	47	-
Supplementary Information:		
Interest received*	2	-
Interest paid*	-	-

*Interest received as well as interest paid relate to operating activities of the Fund.
The accompanying notes are an integral part of these financial statements.

Clarica CI Select Canadian Equity Fund

Schedule of Investment Portfolio (unaudited)

as at June 30, 2023

No. of Shares/ Units	Description	Average Cost (\$)	Fair Value (\$)	% of Net Assets
UNDERLYING FUND(S)				
1,345,153	CI Select Canadian Equity Corporate Class (I Shares)	30,041,745	33,546,910	100.0
Total Investment Portfolio		30,041,745	33,546,910	100.0
Other Net Assets (Liabilities)			15,716	0.0
Net Assets Attributable to Contractholders			33,562,626	100.0

Top 25 Holdings of the Underlying Fund

as at June 30, 2023 (unaudited)

Number of Units/Shares or Par Value	Description	Average Cost (\$)	Fair Value (\$)
787,165	Manulife Financial Corp.	17,466,522	19,710,612
914,229	CI Global Financial Sector ETF (Common Units)	22,294,202	19,486,791
207,408	Canadian Natural Resources Ltd.	8,275,625	15,447,748
14,877	Fairfax Financial Holdings Ltd.	8,390,087	14,762,298
192,574	Bank of Nova Scotia (The)	13,472,562	12,763,805
252,553	Enbridge Inc.	12,131,541	12,435,710
103,385	Bank of Montreal	11,413,797	12,368,981
145,547	Toronto-Dominion Bank (The)	11,645,161	11,950,864
518,633	Cenovus Energy Inc.	7,549,100	11,669,243
201,435	Wheaton Precious Metals Corp.	7,362,619	11,540,211
96,647	Canadian Pacific Kansas City Ltd.	5,821,143	10,341,229
265,393	Suncor Energy Inc.	9,359,415	10,313,172
62,096	Advanced Micro Devices Inc.	2,017,237	9,370,428
133,799	Alimentation Couche-Tard Inc.	3,041,072	9,088,966
144,065	US Foods Holding Corp.	6,543,908	8,397,405
310,591	TELUS Corp.	8,643,937	8,007,036
56,339	Royal Bank of Canada	7,141,616	7,128,010
40,839	Amazon.com Inc.	2,969,492	7,052,667
10,276	UnitedHealth Group Inc.	4,562,837	6,543,015
37,293	WSP Global Inc.	4,091,190	6,527,021
139,945	Brookfield Corp.	8,136,318	6,241,547
38,330	Alphabet Inc., Class A	6,422,695	6,078,087
108,562	Teck Resources Ltd., Class B	3,182,812	6,051,246
70,633	Shopify Inc., Class A	6,924,176	6,047,597
20,920	Apple Inc.	1,469,426	5,375,640

Financial statements for the CI Investments Inc. Underlying Fund(s), including information on the holdings of the Underlying Fund(s), are available in electronic format on the Underlying Fund(s) manager's website at www.ci.com.

Percentages shown in the Schedule of Investment Portfolio relate investments at fair value to net assets attributable to contractholders of the Fund. The accompanying notes are an integral part of these financial statements.

Clarica CI Select Canadian Equity Fund

Fund Specific Notes to Financial Statements (unaudited)

Interest in Underlying Fund(s) (Note 2)

The following tables present the Fund's interest in the Underlying Fund(s).

as at June 30, 2023

Underlying Fund(s)	Fair Value of the Underlying Fund(s) (in \$000's)	Fair Value of the Fund's Investment in the Underlying Fund(s) (in \$000's)	Ownership in the Underlying Fund(s) (%)
CI Select Canadian Equity Corporate Class	471,509	33,547	7.1

as at December 31, 2022

Underlying Fund(s)	Fair Value of the Underlying Fund(s) (in \$000's)	Fair Value of the Fund's Investment in the Underlying Fund(s) (in \$000's)	Ownership in the Underlying Fund(s) (%)
CI Select Canadian Equity Corporate Class	464,899	32,201	6.9

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

Clarica CI Select Canadian Equity Fund

Fund Specific Notes to Financial Statements (unaudited)

Unit Transactions (Note 5)

for the periods ended June 30

	Class A	
	2023	2022
Number of units at the beginning of period	23,849	25,055
Units issued for cash	121	60
Units redeemed	(537)	(778)
Number of units at the end of period	23,433	24,337

For inception date of the Fund, please refer to Note 1 in the Notes to the Financial Statements.
The accompanying notes are an integral part of these financial statements.

Clarica CI Select Canadian Equity Fund

Financial Information (for the period ended June 30, 2023 and years ended December 31) (unaudited)

Financial Highlights

The following table/tables shows/show selected key financial information about the Fund and is/are intended to help you understand the Fund's financial performance for the past six periods, as applicable.

	<u>The Fund's Net Asset Value per Unit</u>	<u>Ratios and Supplemental Data</u>			<u>Management Expense Ratio</u>			
	Net assets attributable to contractholders per unit at the end of the period shown (\$)	Net assets (\$000's)	Number of units outstanding	Portfolio turnover rate (%)	Management expense ratio before taxes (%)	Harmonized sales tax (%)	Management expense ratio after taxes (%)	Effective HST rate for the period (%)
Class A^{(1) (2) (3)}								
2023	1,432.26	33,563	23,433	2.52	0.89	0.09	0.98	10.40
2022	1,351.39	32,230	23,849	6.29	0.88	0.09	0.97	10.45
2021	1,471.85	36,877	25,055	3.11	0.88	0.09	0.97	10.52
2020	1,155.09	30,555	26,453	3.12	0.88	0.09	0.97	10.59
2019	1,070.89	29,470	27,519	6.34	0.88	0.09	0.97	10.65
2018	883.82	25,824	29,219	6.29	0.88	0.09	0.97	10.59

(1) This information is provided for the period ended June 30, 2023 and December 31 of the years shown.

(2) The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the period. The higher a fund's portfolio turnover rate in a period, the greater the trading costs payable by the fund in the period, and the greater the chance of a contractholder receiving taxable capital gains in the period. There is not necessarily a relationship between a high turnover rate and the performance of a fund.

(3) Management expense ratio is calculated based on expenses charged directly to the Fund plus, if applicable, expenses of the underlying fund(s), calculated on a weighted average basis on the percentage weighting of the underlying fund(s) and is expressed as an annualized percentage of average net assets for the periods shown. The Effective HST tax rate is calculated using the attribution percentage for each province based on contractholders' residency and can be different from 13%.

For inception date of the Fund, please refer to Note 1 in the Notes to the Financial Statements.

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

Clarica CI Select Canadian Equity Fund

Fund Specific Notes to Financial Statements (unaudited)

Financial Instruments Risk of the Underlying Fund(s)

The Fund is indirectly exposed to credit risk, liquidity risk, other price risk, currency risk and interest rate risk through its holdings in the Underlying Fund(s), to the extent the Underlying Fund(s) is (are) exposed to these risks. Please refer to Note 8 for an explanation of the management of the financial risks. The detailed risk analyses of the Underlying Fund(s) are disclosed in the financial statements of the Underlying Fund(s).

Clarica CI Select Canadian Equity Fund B

Financial Statements (unaudited)

Statements of Financial Position

as at June 30, 2023 and December 31, 2022

(in \$000's except for per unit amounts)

	2023	2022
Assets		
Current assets		
Investments*	28,282	27,360
Cash	215	17
Fees rebate receivable	-	-
Interest receivable	-	-
Receivable for investments sold	-	-
Receivable for unit subscriptions	-	-
	28,497	27,377
Liabilities		
Current liabilities		
Bank overdraft	-	-
Payable for investments purchased	5	3
Payable for unit redemptions	1	-
Management fees payable	21	-
Administration fees payable	2	-
Insurance fees payable	5	-
	34	3
Net assets attributable to contractholders	28,463	27,374
*Investments at cost	25,357	25,566
Net assets attributable to contractholders per unit:		
Class A	917.02	866.30

Statements of Comprehensive Income

for the periods ended June 30

(in \$000's except for per unit amounts and number of units)

	2023	2022
Income		
Net gain (loss) on investments		
Income distributions from investments	527	645
Capital gain distributions from investments	-	1,930
Net realized gain (loss) on sale of investments	106	178
Change in unrealized appreciation (depreciation) in value of investments	1,131	(6,174)
Other income		
Interest	2	-
Fees rebate (Note 6)	-	-
	1,766	(3,421)
Expenses (Note 6)		
Management fees	114	118
Administration fees	11	12
Insurance fees	29	30
Harmonized sales tax	17	17
	171	177
Increase (decrease) in net assets from operations attributable to contractholders	1,595	(3,598)
Increase (decrease) in net assets from operations attributable to contractholders per unit:		
Class A	50.83	(111.56)
Weighted average number of units:		
Class A	31,386	32,250

For inception date of the Fund, please refer to Note 1 in the Notes to the Financial Statements.
The accompanying notes are an integral part of these financial statements.

Clarica CI Select Canadian Equity Fund B

Financial Statements (unaudited)

Statements of Changes in Net Assets Attributable to Contractholders for the periods ended June 30 (in \$000's)

	2023	2022
Net assets attributable to contractholders at the beginning of period	27,374	30,685
Increase (decrease) in net assets from operations attributable to contractholders	1,595	(3,598)
Unit transactions		
Proceeds from issuance of units	201	92
Amounts paid on redemption of units	(707)	(431)
Net increase (decrease) from unit transactions	(506)	(339)
Net assets attributable to contractholders at the end of period	28,463	26,748

Statements of Cash Flows for the periods ended June 30 (in \$000's)

	2023	2022
Cash flows from (used in) operating activities		
Increase (decrease) in net assets from operations attributable to contractholders	1,595	(3,598)
Adjustments for:		
Net realized (gain) loss on sale of investments	(106)	(178)
Change in unrealized (appreciation) depreciation in value of investments	(1,131)	6,174
Proceeds from sale of investments	1,117	694
Purchase of investments	(273)	(140)
Non-cash distributions from investments	(527)	(2,574)
(Increase) decrease in interest receivable	-	-
Increase (decrease) in management fees payable	21	-
Increase (decrease) in administration fees payable	2	-
Increase (decrease) in insurance fees payable	5	-
(Increase) decrease in fees rebate receivable	-	-
Net cash from (used in) operating activities	703	378
Cash flows from (used in) financing activities		
Proceeds from issuance of units	201	92
Amounts paid on redemption of units	(706)	(431)
Net cash from (used in) financing activities	(505)	(339)
Net increase (decrease) in cash	198	39
Cash (bank overdraft), beginning of period	17	79
Cash (bank overdraft), end of period	215	118
Supplementary Information:		
Interest received*	2	-
Interest paid*	-	-

*Interest received as well as interest paid relate to operating activities of the Fund.
The accompanying notes are an integral part of these financial statements.

Clarica CI Select Canadian Equity Fund B

Schedule of Investment Portfolio (unaudited)

as at June 30, 2023

No. of Shares/ Units	Description	Average Cost (\$)	Fair Value (\$)	% of Net Assets
UNDERLYING FUND(S)				
1,134,042	CI Select Canadian Equity Corporate Class (I Shares)	25,357,255	28,281,985	99.4
Total Investment Portfolio		25,357,255	28,281,985	99.4
Other Net Assets (Liabilities)			181,172	0.6
Net Assets Attributable to Contractholders			28,463,157	100.0

Top 25 Holdings of the Underlying Fund

as at June 30, 2023 (unaudited)

Number of Units/Shares or Par Value	Description	Average Cost (\$)	Fair Value (\$)
787,165	Manulife Financial Corp.	17,466,522	19,710,612
914,229	CI Global Financial Sector ETF (Common Units)	22,294,202	19,486,791
207,408	Canadian Natural Resources Ltd.	8,275,625	15,447,748
14,877	Fairfax Financial Holdings Ltd.	8,390,087	14,762,298
192,574	Bank of Nova Scotia (The)	13,472,562	12,763,805
252,553	Enbridge Inc.	12,131,541	12,435,710
103,385	Bank of Montreal	11,413,797	12,368,981
145,547	Toronto-Dominion Bank (The)	11,645,161	11,950,864
518,633	Cenovus Energy Inc.	7,549,100	11,669,243
201,435	Wheaton Precious Metals Corp.	7,362,619	11,540,211
96,647	Canadian Pacific Kansas City Ltd.	5,821,143	10,341,229
265,393	Suncor Energy Inc.	9,359,415	10,313,172
62,096	Advanced Micro Devices Inc.	2,017,237	9,370,428
133,799	Alimentation Couche-Tard Inc.	3,041,072	9,088,966
144,065	US Foods Holding Corp.	6,543,908	8,397,405
310,591	TELUS Corp.	8,643,937	8,007,036
56,339	Royal Bank of Canada	7,141,616	7,128,010
40,839	Amazon.com Inc.	2,969,492	7,052,667
10,276	UnitedHealth Group Inc.	4,562,837	6,543,015
37,293	WSP Global Inc.	4,091,190	6,527,021
139,945	Brookfield Corp.	8,136,318	6,241,547
38,330	Alphabet Inc., Class A	6,422,695	6,078,087
108,562	Teck Resources Ltd., Class B	3,182,812	6,051,246
70,633	Shopify Inc., Class A	6,924,176	6,047,597
20,920	Apple Inc.	1,469,426	5,375,640

Financial statements for the CI Investments Inc. Underlying Fund(s), including information on the holdings of the Underlying Fund(s), are available in electronic format on the Underlying Fund(s) manager's website at www.ci.com.

Percentages shown in the Schedule of Investment Portfolio relate investments at fair value to net assets attributable to contractholders of the Fund.
The accompanying notes are an integral part of these financial statements.

Clarica CI Select Canadian Equity Fund B

Fund Specific Notes to Financial Statements (unaudited)

Interest in Underlying Fund(s) (Note 2)

The following tables present the Fund's interest in the Underlying Fund(s).

as at June 30, 2023

Underlying Fund(s)	Fair Value of the Underlying Fund(s) (in \$000's)	Fair Value of the Fund's Investment in the Underlying Fund(s) (in \$000's)	Ownership in the Underlying Fund(s) (%)
CI Select Canadian Equity Corporate Class	471,509	28,282	6.0

as at December 31, 2022

Underlying Fund(s)	Fair Value of the Underlying Fund(s) (in \$000's)	Fair Value of the Fund's Investment in the Underlying Fund(s) (in \$000's)	Ownership in the Underlying Fund(s) (%)
CI Select Canadian Equity Corporate Class	464,899	27,360	5.9

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

Clarica CI Select Canadian Equity Fund B

Fund Specific Notes to Financial Statements (unaudited)

Unit Transactions (Note 5)

for the periods ended June 30

	Class A	
	2023	2022
Number of units at the beginning of period	31,599	32,458
Units issued for cash	223	100
Units redeemed	(783)	(463)
Number of units at the end of period	31,039	32,095

For inception date of the Fund, please refer to Note 1 in the Notes to the Financial Statements.
The accompanying notes are an integral part of these financial statements.

Clarica CI Select Canadian Equity Fund B

Financial Information (for the period ended June 30, 2023 and years ended December 31) (unaudited)

Financial Highlights

The following table/tables shows/show selected key financial information about the Fund and is/are intended to help you understand the Fund's financial performance for the past six periods, as applicable.

	<u>The Fund's Net Asset Value per Unit</u>	<u>Ratios and Supplemental Data</u>			<u>Management Expense Ratio</u>			
	Net assets attributable to contractholders per unit at the end of the period shown (\$)	Net assets (\$000's)	Number of units outstanding	Portfolio turnover rate (%)	Management expense ratio before taxes (%)	Harmonized sales tax (%)	Management expense ratio after taxes (%)	Effective HST rate for the period (%)
Class A^{(1) (2) (3)}								
2023	917.02	28,463	31,039	2.83	1.10	0.12	1.22	10.92
2022	866.30	27,374	31,599	4.55	1.08	0.12	1.20	10.91
2021	945.37	30,685	32,458	3.28	1.08	0.12	1.20	10.93
2020	743.51	24,757	33,298	3.16	1.08	0.12	1.20	10.76
2019	691.15	24,126	34,908	6.24	1.08	0.12	1.20	10.78
2018	571.70	20,836	36,446	6.54	1.08	0.12	1.20	10.76

(1) This information is provided for the period ended June 30, 2023 and December 31 of the years shown.

(2) The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the period. The higher a fund's portfolio turnover rate in a period, the greater the trading costs payable by the fund in the period, and the greater the chance of a contractholder receiving taxable capital gains in the period. There is not necessarily a relationship between a high turnover rate and the performance of a fund.

(3) Management expense ratio is calculated based on expenses charged directly to the Fund plus, if applicable, expenses of the underlying fund(s), calculated on a weighted average basis on the percentage weighting of the underlying fund(s) and is expressed as an annualized percentage of average net assets for the periods shown. The Effective HST tax rate is calculated using the attribution percentage for each province based on contractholders' residency and can be different from 13%.

For inception date of the Fund, please refer to Note 1 in the Notes to the Financial Statements.

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

Clarica CI Select Canadian Equity Fund B

Fund Specific Notes to Financial Statements (unaudited)

Financial Instruments Risk of the Underlying Fund(s)

The Fund is indirectly exposed to credit risk, liquidity risk, other price risk, currency risk and interest rate risk through its holdings in the Underlying Fund(s), to the extent the Underlying Fund(s) is (are) exposed to these risks. Please refer to Note 8 for an explanation of the management of the financial risks. The detailed risk analyses of the Underlying Fund(s) are disclosed in the financial statements of the Underlying Fund(s).

Clarica CI Canadian Bond Fund 2

Financial Statements (unaudited)

Statements of Financial Position

as at June 30, 2023 and December 31, 2022

(in \$000's except for per unit amounts)

	2023	2022
Assets		
Current assets		
Investments*	912	896
Cash	3	3
Fees rebate receivable	-	-
Interest receivable	-	-
Receivable for investments sold	-	-
Receivable for unit subscriptions	-	-
	915	899
Liabilities		
Current liabilities		
Bank overdraft	-	-
Payable for investments purchased	-	-
Payable for unit redemptions	-	-
Management fees payable	1	-
Administration fees payable	-	-
Insurance fees payable	-	-
	1	-
Net assets attributable to contractholders	914	899
*Investments at cost	995	989
Net assets attributable to contractholders per unit:		
Class A	263.57	257.68

Statements of Comprehensive Income

for the periods ended June 30

(in \$000's except for per unit amounts and number of units)

	2023	2022
Income		
Net gain (loss) on investments		
Income distributions from investments	17	14
Capital gain distributions from investments	-	-
Net realized gain (loss) on sale of investments	(1)	(4)
Change in unrealized appreciation (depreciation) in value of investments	10	(133)
Other income		
Interest	-	-
Fees rebate (Note 6)	-	-
	26	(123)
Expenses (Note 6)		
Management fees	3	4
Administration fees	1	1
Insurance fees	1	1
Harmonized sales tax	1	-
	6	6
Increase (decrease) in net assets from operations attributable to contractholders	20	(129)
Increase (decrease) in net assets from operations attributable to contractholders per unit:		
Class A	5.90	(35.43)
Weighted average number of units:		
Class A	3,478	3,648

For inception date of the Fund, please refer to Note 1 in the Notes to the Financial Statements.
The accompanying notes are an integral part of these financial statements.

Clarica CI Canadian Bond Fund 2

Financial Statements (unaudited)

Statements of Changes in Net Assets Attributable to Contractholders for the periods ended June 30 (in \$000's)

	2023	2022
Net assets attributable to contractholders at the beginning of period	899	1,068
Increase (decrease) in net assets from operations attributable to contractholders	20	(129)
Unit transactions		
Proceeds from issuance of units	-	1
Amounts paid on redemption of units	(5)	(27)
Net increase (decrease) from unit transactions	(5)	(26)
Net assets attributable to contractholders at the end of period	914	913

Statements of Cash Flows for the periods ended June 30 (in \$000's)

	2023	2022
Cash flows from (used in) operating activities		
Increase (decrease) in net assets from operations attributable to contractholders	20	(129)
Adjustments for:		
Net realized (gain) loss on sale of investments	1	4
Change in unrealized (appreciation) depreciation in value of investments	(10)	133
Proceeds from sale of investments	10	32
Purchase of investments	-	-
Non-cash distributions from investments	(17)	(14)
(Increase) decrease in interest receivable	-	-
Increase (decrease) in management fees payable	1	-
Increase (decrease) in administration fees payable	-	-
Increase (decrease) in insurance fees payable	-	-
(Increase) decrease in fees rebate receivable	-	-
Net cash from (used in) operating activities	5	26
Cash flows from (used in) financing activities		
Proceeds from issuance of units	-	1
Amounts paid on redemption of units	(5)	(27)
Net cash from (used in) financing activities	(5)	(26)
Net increase (decrease) in cash	-	-
Cash (bank overdraft), beginning of period	3	3
Cash (bank overdraft), end of period	3	3
Supplementary Information:		
Interest received*	-	-
Interest paid*	-	-

*Interest received as well as interest paid relate to operating activities of the Fund.
The accompanying notes are an integral part of these financial statements.

Clarica CI Canadian Bond Fund 2

Schedule of Investment Portfolio (unaudited)

as at June 30, 2023

No. of Shares/ Units	Description	Average Cost (\$)	Fair Value (\$)	% of Net Assets
UNDERLYING FUND(S)				
98,121	CI Canadian Bond Fund (Series I)	994,777	912,288	99.8
Total Investment Portfolio		994,777	912,288	99.8
Other Net Assets (Liabilities)			2,114	0.2
Net Assets Attributable to Contractholders			914,402	100.0

Top 25 Holdings of the Underlying Fund

as at June 30, 2023 (unaudited)

Number of Units/Shares or Par Value	Description	Average Cost (\$)	Fair Value (\$)
133,245,000	Province of Ontario, 3.65%, June 02, 2033	132,449,352	129,851,150
104,602,000	Government of Canada, 2.5%, December 01, 2032	97,919,491	98,015,942
102,366,000	Government of Canada, 1.5%, December 01, 2031	88,800,636	88,768,218
79,941,000	Government of Canada, 3%, November 01, 2024	78,576,582	78,061,764
70,955,000	Canada Housing Trust No. 1, 0.95%, June 15, 2025	66,750,442	66,032,018
69,720,000	Canada Housing Trust No. 1, 1.95%, December 15, 2025	66,568,287	65,597,858
69,640,000	Canada Housing Trust No. 1, 2.65%, December 15, 2028	66,314,059	65,348,760
83,267,000	Province of Ontario, 2.55%, December 02, 2052	64,759,308	62,446,830
57,642,000	Province of Ontario, 3.75%, June 02, 2032	57,357,650	56,659,223
46,116,000	Government of Canada, 4%, June 01, 2041	51,770,475	50,958,091
45,919,000	Province of Ontario, 4.65%, June 02, 2041	51,697,126	48,847,255
43,454,000	Government of Canada, 3.5%, December 01, 2045	46,102,079	45,688,121
47,594,000	Province of Quebec, 3.25%, September 01, 2032	46,130,134	44,985,679
53,140,000	Government of Canada, 2%, December 01, 2051	45,500,087	42,073,508
54,756,000	Government of Canada, 1.75%, December 01, 2053	40,009,918	40,413,265
40,581,000	Province of Alberta, 3.1%, June 01, 2050	41,905,734	33,928,872
37,010,000	Province of Quebec, 3.5%, December 01, 2048	33,274,052	33,644,185
38,374,000	Province of British Columbia, 3.2%, June 18, 2044	32,856,678	33,382,921
35,890,000	Canada Housing Trust No. 1, 1.25%, June 15, 2026	33,496,066	32,842,090
37,100,000	Canada Housing Trust No. 1, 1.75%, June 15, 2030	33,717,222	32,519,592
32,385,000	Canada Housing Trust No. 1, 3.65%, June 15, 2033	32,721,871	32,262,532
33,780,000	Province of Ontario, 2.9%, June 02, 2028	32,721,646	32,117,093
33,772,000	Province of Quebec, 2.75%, September 01, 2028	32,656,522	31,825,793
32,715,000	Province of Ontario, 3.75%, December 02, 2053	31,881,704	31,370,254
33,776,000	Government of Canada, 1.25%, June 01, 2030	29,918,556	29,374,254

Financial statements for the CI Investments Inc. Underlying Fund(s), including information on the holdings of the Underlying Fund(s), are available in electronic format on the Underlying Fund(s) manager's website at www.ci.com.

Percentages shown in the Schedule of Investment Portfolio relate investments at fair value to net assets attributable to contractholders of the Fund. The accompanying notes are an integral part of these financial statements.

Clarica CI Canadian Bond Fund 2

Fund Specific Notes to Financial Statements (unaudited)

Interest in Underlying Fund(s) (Note 2)

The following tables present the Fund's interest in the Underlying Fund(s).

as at June 30, 2023

Underlying Fund(s)	Fair Value of the Underlying Fund(s) (in \$000's)	Fair Value of the Fund's Investment in the Underlying Fund(s) (in \$000's)	Ownership in the Underlying Fund(s) (%)
CI Canadian Bond Fund	3,270,710	912	-

as at December 31, 2022

Underlying Fund(s)	Fair Value of the Underlying Fund(s) (in \$000's)	Fair Value of the Fund's Investment in the Underlying Fund(s) (in \$000's)	Ownership in the Underlying Fund(s) (%)
CI Canadian Bond Fund	3,478,738	896	-

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

Clarica CI Canadian Bond Fund 2

Fund Specific Notes to Financial Statements (unaudited)

Unit Transactions (Note 5)

for the periods ended June 30

	Class A	
	2023	2022
Number of units at the beginning of period	3,487	3,659
Units issued for cash	2	2
Units redeemed	(20)	(105)
Number of units at the end of period	3,469	3,556

For inception date of the Fund, please refer to Note 1 in the Notes to the Financial Statements.
The accompanying notes are an integral part of these financial statements.

Clarica CI Canadian Bond Fund 2

Financial Information (for the period ended June 30, 2023 and years ended December 31) (unaudited)

Financial Highlights

The following table/tables shows/show selected key financial information about the Fund and is/are intended to help you understand the Fund's financial performance for the past six periods, as applicable.

	<u>The Fund's Net Asset Value per Unit</u>	<u>Ratios and Supplemental Data</u>			<u>Management Expense Ratio</u>			
	Net assets attributable to contractholders per unit at the end of the period shown (\$)	Net assets (\$000's)	Number of units outstanding	Portfolio turnover rate (%)	Management expense ratio before taxes (%)	Harmonized sales tax (%)	Management expense ratio after taxes (%)	Effective HST rate for the period (%)
Class A ^{(1) (2) (3)}								
2023	263.57	914	3,469	1.16	1.13	0.13	1.26	11.68
2022	257.68	899	3,487	3.01	1.12	0.13	1.25	11.56
2021	291.98	1,068	3,659	2.65	1.12	0.13	1.25	11.50
2020	300.62	1,159	3,856	4.75	1.12	0.13	1.25	11.54
2019	274.93	1,098	3,992	3.05	1.12	0.13	1.25	11.64
2018	259.54	1,115	4,296	3.14	1.12	0.12	1.24	11.04

(1) This information is provided for the period ended June 30, 2023 and December 31 of the years shown.

(2) The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the period. The higher a fund's portfolio turnover rate in a period, the greater the trading costs payable by the fund in the period, and the greater the chance of a contractholder receiving taxable capital gains in the period. There is not necessarily a relationship between a high turnover rate and the performance of a fund.

(3) Management expense ratio is calculated based on expenses charged directly to the Fund plus, if applicable, expenses of the underlying fund(s), calculated on a weighted average basis on the percentage weighting of the underlying fund(s) and is expressed as an annualized percentage of average net assets for the periods shown. The Effective HST tax rate is calculated using the attribution percentage for each province based on contractholders' residency and can be different from 13%.

For inception date of the Fund, please refer to Note 1 in the Notes to the Financial Statements.

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

Clarica CI Canadian Bond Fund 2

Fund Specific Notes to Financial Statements (unaudited)

Financial Instruments Risk of the Underlying Fund(s)

The Fund is indirectly exposed to credit risk, liquidity risk, other price risk, currency risk and interest rate risk through its holdings in the Underlying Fund(s), to the extent the Underlying Fund(s) is (are) exposed to these risks. Please refer to Note 8 for an explanation of the management of the financial risks. The detailed risk analyses of the Underlying Fund(s) are disclosed in the financial statements of the Underlying Fund(s).

Notes to the Financial Statements (unaudited)

1. THE FUNDS

The following Clarica Segregated Funds were created by a board resolution of Sun Life Assurance Company of Canada (Sun Life) or its predecessor; Clarica Life Insurance Company (Clarica) as of the dates as indicated below:

Funds	Date
Clarica CI Canadian Bond Fund 2	June 1, 1974
Clarica CI Select Canadian Equity Benefit Fund	September 1, 1963
Clarica CI Select Canadian Equity Fund B	October 1, 1971
Clarica CI Select Canadian Equity Fund	March 1, 1962

(the Fund or collectively the Funds or the Clarica Segregated Funds)

Sun Life, a wholly owned subsidiary of Sun Life Financial Inc., is the sole issuer of the individual variable insurance contract providing for investment in each Fund. The assets of each of the Funds are owned by Sun Life and are segregated from Sun Life's other assets. The Funds are not separate legal entities but are separate reporting entities.

Sun Life has appointed CI Investments Inc. (CI or the Manager) to perform certain administrative and management services on its behalf in relation to the Funds and the contracts. CI is a subsidiary of CI Financial Corp.

These financial statements were authorized for issue by the Manager on September 29, 2023.

All Funds had a Retail Class and an Institutional Class, and effective January 17, 2003, the Institutional Classes for all Funds were fully redeemed. The Funds were converted from an asset-based fund structure to a fund-of-fund structure on February 10, 2003.

The Statements of Financial Position are as at June 30, 2023 and December 31, 2022. The Statements of Comprehensive Income, Statements of Changes in Net Assets Attributable to Contractholders and Statements of Cash Flows are for the periods ended June 30, 2023 and 2022. The Schedules of Investment Portfolio are as at June 30, 2023. The Fund Specific Notes to Financial Statements for each Fund consist of Interest in Underlying Fund(s) as at June 30, 2023 and December 31, 2022, Unit Transactions for the periods ended June 30, 2023 and 2022, and Financial Instruments Risks as at June 30, 2023 and December 31, 2022.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in compliance with *International Financial Reporting Standards* (IFRS) as published by the International Accounting Standards Board (IASB).

The following is a summary of the significant accounting policies of the Funds:

a. Classification and recognition of financial instruments

Investment fund(s) held by the Funds are measured at fair value through profit or loss (FVTPL) in accordance with IFRS 9, *Financial Instruments*. Purchases and sales of financial assets are recognized at their trade date. The Funds' obligations for net assets attributable to contractholders are presented at the redemption amount, which approximates their fair value. All other financial assets and liabilities are measured at amortized cost, which approximates their fair value. Under this method, financial assets and liabilities reflect the amount required to be received or paid, discounted, when appropriate, at the effective rate of interest.

b. Fair value of financial investments

At the financial reporting date, listed securities are valued based on the last traded market price for financial assets and financial liabilities where the last traded price falls within the 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 existing market conditions. Unlisted securities are valued based on price quotations received from recognized investment dealers, or failing that, their fair value is determined by the Manager based on the latest reported information available. Underlying fund(s) are valued on each business day at their net asset value (NAV) as reported by the underlying fund(s)' manager.

c. Cash

Cash comprises of cash on deposit. Bank overdrafts are shown in current liabilities in the Statements of Financial Position.

d. Cost of investments

Cost of investments represents the amount paid for each security and is determined on an average cost basis.

e. Investment transactions

Investment transactions are accounted for on the trade date. Realized gains and losses on sales of investments and unrealized appreciation or depreciation in value of investments are calculated on an average cost basis.

f. Income recognition

Distributions from investments are recorded on the ex-distribution date and interest income is accrued on a daily basis.

Distributions received from investment fund holdings are recognized by the Funds in the same form in which they were received from the underlying fund(s).

g. Functional and presentation currency

The Funds' subscriptions and redemptions are denominated in Canadian dollars, which is also the Funds' functional and presentation currency.

h. Classification of units

The units of the Funds are classified as financial liabilities in accordance with IAS 32, *Financial Instruments: Presentation* (IAS 32), as they do not meet the definition of puttable instruments to be classified as equity in accordance with IAS 32 for financial reporting purposes.

i. Net asset value per unit

NAV per unit for each class is calculated at the end of each day on which the Manager is open for a full day of business by dividing the total NAV of each Fund by its outstanding units.

j. Increase (decrease) in net assets from operations attributable to contractholders per unit

"Increase (decrease) in net assets from operations attributable to contractholders per unit" is calculated by dividing the increase (decrease) in net assets from operations attributable to contractholders of each of the Funds by the weighted average number of units outstanding during the period.

Notes to the Financial Statements (unaudited) (cont'd)

k. Consolidated financial statements

Under IFRS 10, *Consolidated Financial Statements* (IFRS 10), a Fund is required to provide consolidated financial statements if it has control over the entities it invests in. In October 2013, the IASB issued an "Investment Entity" amendment to IFRS 10, which provides an exception to consolidation for an entity that meets the definition of Investment Entity. The Manager has determined that all Funds satisfy the criteria of an Investment Entity.

l. Investments in associates, joint ventures, subsidiaries and unconsolidated structured entities

Subsidiaries are entities, including investments in other investment entities, over which the Fund has control. A Fund controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity, and has the ability to affect those returns through its power over the entity. Associates and joint ventures are investments over which a Fund has significant influence or joint control. Conversely, structured entities are entities that have been designed such that voting or similar rights are not the dominant factors in determining control over the entity, such as when voting rights relate to administrative tasks only and the relevant activities are directed by means of contractual arrangements.

For all Funds that invest in the underlying fund(s), the Manager has determined that the bottom investee fund(s) meet the definition of a structured entity to the top investing fund(s).

Investment exposure related to the Funds' Interest in Underlying Fund(s) for each Fund appears under the Fund Specific Notes to Financial Statements.

m. Non-zero amounts

Some of the balances reported in the financial statements include amounts that are rounded to zero.

3. USE OF ACCOUNTING JUDGMENTS AND ESTIMATES

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities at the reporting date and the reported amounts of income and expenses during the reporting period.

The following discusses the most significant accounting judgments and estimates that the Funds have made in preparing their financial statements:

Fair value measurement of investments not quoted in active market

The fair value of investments in the underlying fund(s) that are not quoted in active markets is determined primarily by reference to the latest available NAV of such units for each of the underlying fund, as determined by the underlying fund(s)' managers.

4. INCOME TAXES

Each Fund is deemed to be a trust, referred to as a "related segregated fund trust" under the provisions of the *Income Tax Act* (Canada) and is deemed to have allocated its income to the beneficiaries. Each Fund's net capital gains (losses) are deemed to be those of the beneficiaries. Accordingly, the Funds are not subject to income tax on their net income, including net realized capital gains for the year.

5. CONTRACTHOLDERS UNITS

Units issued and outstanding represent the capital of each Fund.

The relevant changes pertaining to subscriptions and redemptions of each Fund's units are disclosed in the Statements of Changes in Net Assets Attributable to Contractholders. In accordance with the objectives and risk management policies outlined in Note 8, the Funds endeavour to invest subscriptions received in appropriate investments while maintaining sufficient liquidity to meet redemptions by disposal of investments when necessary.

Unit Transactions information for each Fund appears under the Fund Specific Notes to Financial Statements.

6. FEES AND OTHER EXPENSES

The Manager, in consideration of management fees received, provides management services that are required in the day-to-day operations of the Funds.

The management fee is calculated as an annual percentage of the total NAV of each class of each Fund at the end of each day and is paid at the end of each month.

The Funds that invest in an underlying fund other than a CI mutual fund pay management fee to a third-party portfolio manager.

In addition to the management fee, each Fund and each underlying fund is charged an annual administration fee. In return for an annual administration fee, the Manager bears all of the operating expenses of each Fund and each underlying fund (other than certain taxes, borrowing costs, certain new governmental fees and costs and expenses of reports and information folders required to comply with laws and regulatory guidelines regulating the issuance or sale of variable annuity contracts).

The administration fee is calculated as an annual percentage of the total NAV of each class of each Fund at the end of each business day and is paid at the end of each month.

A Fund that invests in units of an underlying fund will not pay a duplicate management and administration fee on the portion of assets that are invested in units of the underlying fund. During the reporting period, a Fund may have received a management and/or administration fee rebate from the underlying fund's Manager relating to its investment in an underlying fund. The rebates are included in "Fees rebate receivable" and in "Fees rebate" as reflected in the Statements of Financial Position and Statements of Comprehensive Income of each Fund, as applicable. The management fees and the fee rebates reported in the Statements of Comprehensive Income of each Fund are each presented on a gross basis.

The Funds pay an insurance fee to Sun Life. The insurance fee of each class of the Fund is a charge by Sun Life for the applicable Guarantee Option in respect of that Fund Class. The insurance fees payable at period-end are included in the "Insurance fees payable" in the Statements of Financial Position, while insurance fees expense for the period are included in the "Insurance fees" in the Statements of Comprehensive Income.

7. RELATED PARTY TRANSACTIONS

A Fund may invest in an underlying fund that is also managed by CI, the Manager of the Funds. For details, refer to the Fund Specific Notes to Financial Statements or the Schedule of Investment Portfolio of each Fund.

Notes to the Financial Statements (unaudited) (cont'd)

The management and administration fees paid to CI are also considered a related party transaction. For more details, refer to Note 6.

8. FINANCIAL INSTRUMENTS RISK

Ukraine-Russian Federation conflict

The conflict between Ukraine and the Russian Federation has resulted in significant volatility and uncertainty in financial markets. NATO, EU and G7 member countries, including Canada, have imposed severe and coordinated sanctions against Russia. Restrictive measures have also been imposed by Russia and some securities have materially declined in value and/or may no longer be tradable. These actions have resulted in significant disruptions to investing activities and businesses with operations in Russia. The longer-term impact to geopolitical norms, supply chains and investment valuations is uncertain.

While the situation remains fluid, the Manager continues to monitor ongoing developments and the impact to investment strategies.

Risk management

The Funds invest in units of the underlying fund(s) and are indirectly exposed to a variety of financial instruments risks: concentration risk, credit risk, liquidity risk and market risk (including other price risk, currency risk and interest rate risk). The level of risk to which each Fund is exposed to depends on the investment objective and the type of investments held by the underlying fund(s). The value of investments within an underlying fund portfolio can fluctuate daily as a result of changes in prevailing interest rates, economic and market conditions, and company-specific news related to investments held by the underlying fund, which affects the value of each of the Funds. The Manager of the underlying fund(s) may minimize potential adverse effects of these risks by, but not limited to, regular monitoring of the underlying fund(s)' positions and market events, diversification of the investment portfolio by asset type, country, sector, term to maturity within the constraints of the stated objectives, and through the usage of derivatives to hedge certain risk exposures.

Concentration risk

Concentration risk arises as a result of the concentration of exposures within the same category, whether it is a geographical allocation, asset type, industry sector or counterparty.

Details of each of the Fund's exposure to concentration risk are available in the Fund Specific Notes to Financial Statements.

Credit risk

Credit risk is the risk that a security issuer or counterparty to a financial instrument will fail to meet its financial obligations. The fair value of a debt instrument includes consideration of the creditworthiness of the debt issuer. The carrying amount of debt instruments represents the credit risk exposure of each underlying fund. Credit risk exposure for derivative instruments is based on each underlying fund(s)' unrealized gain on the contractual obligations with the counterparty as at the reporting date. The credit risk exposure of the Fund(s)' other assets is represented by their carrying amount as disclosed in the Statements of Financial Position.

Liquidity risk

Liquidity risk is the risk that a Fund may not be able to settle or meet its obligations, on time or at a reasonable price. The Funds are exposed to daily cash redemptions of redeemable units. The Funds invest all of their assets in the underlying fund(s) which can be readily disposed of.

Market risk

The Funds' investments are subject to market risk, which is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in market conditions.

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 currency risk or interest rate risk). The value of each investment is influenced by the outlook of the issuer and by general economic and political conditions, as well as industry and market trends. All securities present a risk of loss of capital.

Other assets and liabilities are monetary items that are short-term in nature and therefore are not subject to other price risk.

Currency risk

Currency risk arises from financial instruments that are denominated in a currency other than Canadian dollars, which is the functional currency of the Funds and the underlying fund(s). As a result, the underlying fund(s) may be exposed to the risk that the value of securities denominated in other currencies will fluctuate due to changes in exchange rates. Equities traded in foreign markets are also exposed to currency risk as the prices denominated in foreign currencies are converted to the underlying fund(s)' functional currency to determine their fair value.

Interest rate risk

Interest rate risk is the risk that the fair value of interest-bearing investments will fluctuate due to changes in prevailing levels of market interest rates. As a result, the value of the underlying fund(s) that invest in debt securities and/or income trusts will be affected by changes in applicable interest rates. If interest rates fall, the fair value of existing debt securities may increase due to the increase in yield. Alternatively, if interest rates rise, the yield of existing debt securities may decrease which may then lead to a decrease in their fair value. The magnitude of the decline will generally be greater for long-term debt securities than for short-term debt securities.

Interest rate risk also applies to convertible securities. The fair value of these securities varies inversely with interest rates, similar to other debt securities. However, since they may be converted into common shares, convertible securities are generally less affected by interest rate fluctuations than other debt securities.

The Funds' exposure to interest rate sensitivity on short-term interest-bearing investments is minimal due to their short-term nature.

Fair value hierarchy

The Funds are required to classify financial instruments measured at fair value using a fair value hierarchy. Investments whose values are based on quoted market prices in active markets are classified as Level 1. This level includes publicly traded equities, exchange-traded and retail mutual fund(s), exchange-traded warrants, futures contracts and traded options.

Financial instruments that trade in markets that are not considered to be active but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified as Level 2. These include fixed-income securities, mortgage-backed securities, short-term instruments, non-traded warrants, over-the-counter options, structured notes of indexed securities, if applicable, foreign currency forward contracts and swap instruments.

Notes to the Financial Statements (unaudited) (cont'd)

Investments classified as Level 3 have significant unobservable inputs. Level 3 instruments include private equities, private term loans, private equity fund(s) and certain derivatives. As observable prices are not available for these securities, the Funds may use a variety of valuation techniques to derive the fair value.

The Funds invest only in other investment fund(s) and these investments are classified as Level 1.

Details of each Fund's exposure to financial instruments risks are available in the Fund Specific Notes to Financial Statements for each Fund.

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