



PORTLAND
INVESTMENT COUNSEL®

PORTLAND VALUE FUND
INTERIM MANAGEMENT REPORT OF FUND PERFORMANCE

MARCH 31, 2020

PORTFOLIO
MANAGEMENT TEAM

Michael Lee-Chin
Executive Chairman, Chief Executive
Officer and Portfolio Manager

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Portfolio Manager

Management Discussion of Fund Performance Portland Value Fund

This management report of fund performance contains financial highlights, but does not contain either interim or annual financial statements of the investment fund. You can get a copy of the interim or annual financial statements at your request, and at no cost, by calling 1-888-710-4242, by writing to us at info@portlandic.com or 1375 Kerns Road, Suite 100, Burlington, ON L7P 4V7 or visiting our website at www.portlandic.com or SEDAR at www.sedar.com.

Securityholders may also contact us using one of these methods to request a copy of the investment fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

The views of Portland Investment Counsel Inc. (the Manager) contained in this report are as of March 31, 2020 and this report is not intended to provide legal, accounting, tax or specific investment advice. Views, portfolio holdings and allocations may have changed subsequent to this date. For current information please contact us using the above methods. All references to performance relate to Series F units. The performance of other units may be different than that of the Series F units due to differing fees.

INVESTMENT OBJECTIVE AND STRATEGIES

The investment objective of the Portland Value Fund (the Fund) is to generate an above average return by employing a focused investment strategy, primarily in a limited number of long securities positions. The Fund invests in a small number of quality equities, ordinarily selected from liquid, large cap stocks, domiciled in long-term growth industries, which the Manager believes are undervalued and/or have the potential of increased returns due to activist investor campaigns.

The Manager then overlays a risk mitigation strategy based on portfolio construction and value discipline. The Manager has long held the view that the key to wealth creation is owning a few high quality businesses. By using a concentrated investment strategy, the Manager leverages its best investment ideas, which is expected to aid the Fund in meeting its investment objectives.

Activist investors are value investors with a push. They are looking for opportunities to demand a change in a company's strategy in order to unlock shareholder value. Common strategies include demanding a raise in dividends/share buybacks, the divestment of assets and/or the embracing or rejecting of mergers and acquisitions. Activist investors achieve their goals by cooperating with other institutional investors, acquiring board representation and/or changing the management of the target company.

RISK

The overall risk level has not changed for the Fund. Investors should be able to accept a medium level of risk and plan to hold for the medium to long term.

RESULTS OF OPERATIONS

For the six months ended March 31, 2020, the Fund's Series F units had a return of (25.6%). For the same period, the Fund's benchmark, the MSCI World Total Return Index (the Index), had a return of (8.2%). For the full period since inception of the Fund on May 19, 2015 to March 31, 2020,

the Fund's Series F units had an annualized return of (10.5%). For the same period, the Index had an annualized return of 5.7%. Unlike the Index, the Fund's return is after the deduction of its fees and expenses.

The Fund's net asset value at March 31, 2020 was \$0.3 million. Sector mix at March 31, 2020 was cash and other net assets (liabilities), 60.8%; financials, 21.1%; consumer staples, 13.4%; and industrials, 4.7%. By geography, assets were invested in securities of issuers based in British Virgin Islands, 13.4%; Guernsey, 10.5%; United States, 5.7%; Canada, 4.9%; Bermuda, 4.7%; and cash and other net assets (liabilities), 60.8%.

The top contributors to the Fund's performance during the six months ended March 31, 2020 were Pershing Square Holdings Ltd. and Nomad Foods Ltd. The bottom three contributors to the Fund's performance during the six months ended March 31, 2020 were CES Energy Solutions Corp., Linamar Corporation and Baytex Energy Corporation.

During the period, the performance of the Fund was driven chiefly by events unfolding in the first quarter of 2020. The COVID-19 coronavirus moved into the public attention in the second half of January, as it became clear for most observers that the novel coronavirus was likely not going to be localized. The lockdown of Wuhan on January 23, a city the size of London, elevated the alarm levels globally. The economic disruption and level of measures to slow down the virus' spread and its economic impact experienced since then have been unprecedented during modern days' peacetime. Nonetheless, the equity markets were relatively slow to react, with a pronounced sell-off not taking hold until the latter part of February. With the view to protect the Fund's net asset value, we further reduced the equity exposure by exiting the holdings which we believed had experienced and were likely to experience the largest variability, as well as being likely to take the longest to recover, including all the energy holdings, Baytex Energy Corporation, Crescent Point Energy Corp., CES Energy Solutions Corp., as well as Linamar Corporation and Liberty Latin America Ltd.

Chief performance detractors during the period were the Fund's energy holdings. Crude oil prices had been trending lower as investors had become increasingly concerned with demand destruction caused by the global concerted effort to slow down the spread of the COVID-19 coronavirus through drastic lockdown measures. The West Texas Intermediate (WTI), the North American crude oil price benchmark, deteriorated over the course of the first two months of 2020, reaching \$41.28/barrel by March 6. Then, on Sunday, March 8, following failed discussions between OPEC and Russia to deepen and extend production cuts in effect at the time, it was revealed that Saudi Arabia and Russia would be pursuing a strategy of flooding the market with crude oil supply. WTI dropped nearly 25% on the resumption of trade. Given the extreme adversity the Canadian producers have been facing, not the least of which being the neglect from the federal government, as well as the loss of ability to use leverage due to security prices below regulatory thresholds on borrowing, we exited our investments in the energy sector.

The Fund maintained its holdings of Pershing Square Holdings Ltd. during the period. Bill Ackman, who hedged his Pershing Square Capital management portfolio to guard against coronavirus-inspired panic selling reported significant returns on his fund's hedges. The Pershing

Square LP fund reportedly gained a net 6.8% from beginning of March to March 25, 2020. Pershing earned \$2.6 billion in proceeds from the hedges and said that he had reinvested most of the money in existing holdings Agilent Technologies, Inc., Berkshire Hathaway Inc., Hilton Worldwide Holdings Inc. and Lowe's Companies, Inc. Last year his fund earned a 58% return.

During the period, Nomad Foods Ltd., Western Europe's leading frozen food company, posted quarterly earnings results for the last quarter of 2019, which included reported \$0.32 earnings per share. The business had revenue of \$628.00 million during the quarter, compared to the consensus estimate of \$626.95 million. Nomad Foods had a net margin of 6.59% and a return on equity of 9.58%. Nomad Foods's revenue for the quarter was up 2.1% compared to the same quarter last year.

RECENT DEVELOPMENTS

A special meeting of unitholders held on March 26, 2020, resulted in Unitholders voting in favour of the Fund merging into Portland Global Dividend Fund, and Portland Global Dividend Fund then converting into an alternative mutual fund and being renamed Portland 15 of 15 Alternative Fund, effective on the close of business day on April 17, 2020.

The Portland 15 of 15 Alternative Fund's objective is to provide positive long-term total returns by investing primarily in a portfolio of global equities and debt-like securities. In selecting its investment, the Fund considers 15 principles/attributes which the Manager believes will result in successful wealth creation. The Fund may also engage in borrowing for investment purposes. The Fund seeks to provide capital growth and income by primarily investing in a portfolio of equities/ADRs and which may include ETFs with a focus on North American listed companies.

Alternative mutual funds are permitted to use strategies generally prohibited for conventional mutual funds, such as the ability to invest more than 10% of its net asset value in securities of a single issuer; the ability to invest up to 100% or more of its net asset value in physical commodities either directly or through the use of specified derivatives; borrow cash, up to 50% of its net asset value, to use for investment purposes; sell, up to 50% of its net asset value, securities short (the combined level of cash borrowing and short selling is limited to 50% in aggregate); and aggregate exposure up to 300% of its net asset value; among other things.

The Manager expects that the investable universe of the Portland 15 of 15 Alternative Fund would be primarily, though not exclusively, consisting of U.S. listed equity securities, screened for adherence to the 15 investment criteria. The 15 criteria are used to drive the Manager's investment behaviour (the five laws of wealth creation) and the Manager's security selection process (the ten traits of successful private and private-like businesses). To detail, the Manager believes that wealth is being created by owning a few businesses, which are well understood, reside in long-term growth industries, use other people's money prudently and which are held for the long term. Quality businesses are led by an owner/operator, have concentrated and easily identifiable ownership, exhibit autocratic and entrepreneurial management and board which are focused on growth, allow low turnover in its managerial ranks, have risks and rewards which are symmetrically distributed and focus on long-term goals and business fundamentals. Investment decisions incorporate fundamental analysis and adhere to a value discipline. Investments are managed with a long term focus, which result in a low turnover, concentrated portfolio. The Fund's investments are expected to be concentrated in, but not limited to, the financial services, healthcare and technology sectors.

RELATED PARTY TRANSACTIONS

The Manager is responsible for the day-to-day operation of and for providing investment management services to the Fund. The Manager receives a fee for providing these services. This is calculated daily based on the net asset value of the Fund and paid monthly. During the period ended March 31, 2020, the Manager received \$2,936 in management fees from the Fund, net of applicable taxes (March 31, 2019: \$4,161).

Any administrative services paid for or provided by the Manager are charged to the Fund and are grouped and presented by expense type in the statements of comprehensive income. Depending on their nature, some expenditures are allocated to the Fund based on a variety of methods including net asset value or actual costs incurred. During the period ended March 31, 2020, the Manager was reimbursed \$1,144 for operating expenses incurred on behalf of the Fund, including amounts paid to affiliates, net of applicable taxes (March 31, 2019: \$1,339). The Manager absorbed \$48,505 of operating expenses during the period ended March 31, 2020, net of applicable taxes (March 31, 2019: \$45,580). Affiliates of the Manager provide administrative services associated with the day-to-day operations of the Fund. These affiliates of the Manager were reimbursed \$413 during the period ended March 31, 2020 by the Fund for such services (March 31, 2019: \$246).

The Manager and/or its affiliates and key management personnel of the Manager and their family (collectively referred to as Related Parties) may invest in units of the Fund from time to time in the normal course of business. Transactions to purchase or redeem units are made at net asset value per unit. Standing instructions from the independent review committee were not required or obtained for such transactions. As at March 31, 2020, Related Parties owned 39,131 shares of the Fund (March 31, 2019: 22,163).

The Board of Directors of the Manager is responsible for reviewing and approving the financial statements and overseeing management's performance of its financial reporting responsibilities.

Notes

Certain statements included in this Management Discussion of Fund Performance constitute forward-looking statements, including those identified by the expressions "anticipate," "believe," "plan," "estimate," "expect," "intend" and similar expressions to the extent they relate to the Fund. These forward-looking statements are not historical facts, but reflect the current expectations of the portfolio management team regarding future results or events of the Fund. These forward-looking statements are subject to a number of risks and uncertainties that could cause actual results or events to differ materially from current expectations. The portfolio management team has no specific intention of updating any forward-looking statements whether as a result of new information, future events or otherwise, except as required by securities legislation.

Certain research and information about specific holdings in the Fund, including any opinion, is based upon various sources believed to be reliable, but it cannot be guaranteed to be current, accurate or complete. It is for information only, and is subject to change without notice.

Summary of Investment Portfolio as at March 31, 2020

Top 25 Investments*

	% of Net Asset Value
Cash	61.2%
Nomad Foods Ltd.	13.4%
Pershing Square Holdings Ltd.	10.5%
Berkshire Hathaway Inc.	5.7%
Brookfield Asset Management Inc.	4.8%
Brookfield Business Partners L.P.	4.7%
Crescent Point Energy Corp.	0.0%
Grand Total	100.3%
Total net asset value	\$340,302

* Where the Fund holds less than 25 holdings, all investments have been disclosed. There may be other assets and liabilities which are not included, and therefore the summary may not add up to 100%.

The investment portfolio may change due to ongoing portfolio transactions of the investment fund. Quarterly updates are available within 60 days of each quarter end by visiting www.portlandic.com or contacting us at 1-888-710-4242.

Portfolio Composition

Sector

Cash and Other Net Assets (Liabilities)	60.8%
Financials	21.1%
Consumer Staples	13.4%
Industrials	4.7%

Geographic Region

Cash and Other Net Assets (Liabilities)	60.8%
British Virgin Islands	13.4%
Guernsey	10.5%
United States	5.7%
Canada	4.9%
Bermuda	4.7%

Other Net Assets (Liabilities) refers to cash on hand plus all other assets and liabilities in the Fund excluding portfolio investments.

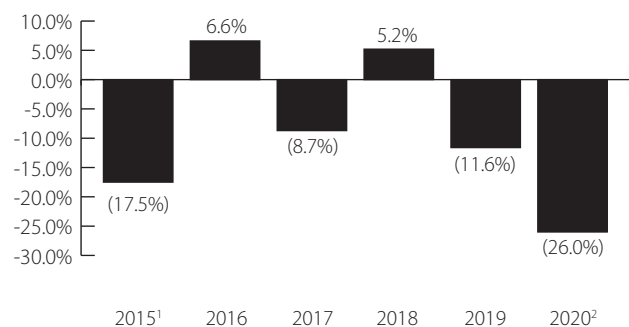
Past Performance

The past performance information shown in this section is calculated using the net asset value per unit and assumes that all distributions made by the Fund in the periods shown were reinvested in additional securities of the Fund. The past performance information does not take into account sales, redemptions, distribution or other optional charges or income taxes payable by the unitholder that would have reduced returns or performance. Investment funds are not guaranteed, their values change frequently and past performance may not be repeated.

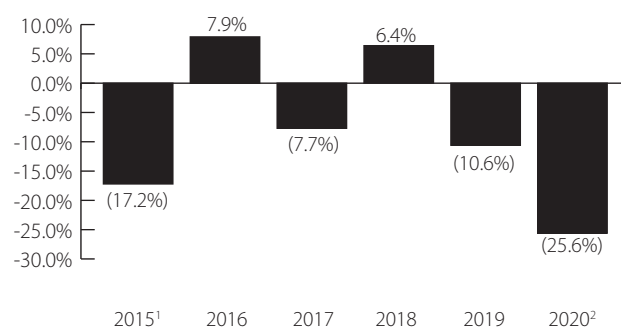
Year-By-Year Returns

The following bar charts show the performance of each series of the Fund for each of the financial years shown and illustrates how the investment fund's performance has changed from year to year. The charts show in percentage terms how an investment made on the first day of each financial year would have increased or decreased by the last day of each financial year.

Series A Units



Series F Units



1. Return for 2015 represents a partial year starting May 19, 2015 to September 30, 2015.

2. Return for 2020 represents a partial year starting October 1, 2019 to March 31, 2020.

Management Fees

The Manager is responsible for the day-to-day management and administration of the Fund. The Manager monitors and evaluates the performance of the Fund, pays for the investment management services of the portfolio adviser and arranges for the administrative services required to be provided to the Fund. As compensation for its service, the Manager is entitled to receive a fee, payable monthly, calculated based on the daily net asset value of the Fund.

Series of Units	Management Fee (%)	Expenses Paid Out of the Management Fee (%)		
		Dealer compensation	General administration, investment advice and profit	Absorbed expenses
Series A	2.00%	10%	-	90%
Series F	1.00%	-	-	100%

Financial Highlights

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past five years. Information for 2020 is presented for the six-month period ended March 31, 2020 and for all other periods, information is as at September 30 of the year shown.

Series A Units - Net Assets per unit^(a)

For the periods ended	2020	2019	2018	2017	2016	2015
Net assets, beginning of the period	\$6.71	\$8.39	\$7.98	\$8.79	\$8.25	\$10.00 ^{(1)(b)}
Increase (decrease) from operations:						
Total revenue	0.03	0.08	0.07	0.08	0.17	0.14
Total expenses	(0.11)	(0.20)	(0.25)	(0.24)	(0.26)	(0.11)
Realized gains (losses)	(2.93)	(0.38)	(0.06)	0.25	0.33	(0.09)
Unrealized gains (losses)	1.22	(0.55)	0.64	(0.86)	(0.22)	(1.55)
Total increase (decrease) from operations ²	(1.79)	(1.05)	0.40	(0.77)	0.02	(1.61)
Distributions to unitholders:						
From income	-	(0.58)	-	-	-	-
From dividends	-	(0.06)	-	-	(0.01)	-
From capital gains	-	-	-	(0.05)	-	-
Return of capital	-	-	-	-	-	-
Total annual distributions ³	-	(0.64)	-	(0.05)	(0.01)	-
Net assets, end of period ⁴	\$4.96	\$6.71	\$8.39	\$7.98	\$8.79	\$8.25

Series A Units - Ratios/Supplemental Data

For the periods ended	2020	2019	2018	2017	2016	2015
Total net asset value	\$95,937	\$166,619	\$353,285	\$383,479	\$470,433	\$46,143
Number of units outstanding	19,336	24,839	42,108	48,059	53,522	5,594
Management expense ratio ⁵	2.02%	2.83%	3.03%	2.84%	2.83%	2.85% *
Management expense ratio before waivers or absorptions ⁵	23.94%	21.97%	19.29%	21.45%	27.83%	85.28% *
Trading expense ratio ⁶	0.36%	0.10%	0.03%	0.02%	0.16%	0.36% *
Portfolio turnover rate ⁷	3.49%	10.65%	6.85%	18.94%	43.57%	0.00%
Net asset value per unit	\$4.96	\$6.71	\$8.39	\$7.98	\$8.79	\$8.25

Series F Units - Net Assets per unit^(a)

For the periods ended	2020	2019	2018	2017	2016	2015
Net assets, beginning of the period	\$6.71	\$8.47	\$8.09	\$8.87	\$8.28	\$10.00 ^{(1)(b)}
Increase (decrease) from operations:						
Total revenue	0.03	0.09	0.07	0.04	0.10	0.14
Total expenses	(0.07)	(0.12)	(0.16)	(0.15)	(0.16)	(0.08)
Realized gains (losses)	(3.64)	(0.16)	(0.07)	0.41	0.44	(0.08)
Unrealized gains (losses)	2.02	(0.61)	0.67	(0.85)	0.38	(1.71)
Total increase (decrease) from operations ²	(1.66)	(0.80)	0.51	(0.55)	0.76	(1.73)
Distributions to unitholders:						
From income	-	(0.70)	-	-	-	-
From dividends	-	(0.07)	-	-	(0.06)	-
From capital gains	-	-	(0.13)	(0.11)	-	-
Return of capital	-	-	-	-	-	-
Total annual distributions ³	-	(0.77)	(0.13)	(0.11)	(0.06)	-
Net assets, end of period ⁴	\$4.99	\$6.71	\$8.47	\$8.09	\$8.87	\$8.28

Series F Units - Ratios/Supplemental Data

For the periods ended	2020	2019	2018	2017	2016	2015
Total net asset value	\$244,381	\$245,368	\$269,970	\$211,192	\$171,350	\$111,150
Number of units outstanding	48,942	36,555	31,862	26,102	19,316	13,417
Management expense ratio ⁵	2.27%	1.70%	1.87%	1.68%	1.70%	1.74% *
Management expense ratio before waivers or absorptions ⁵	24.20%	20.84%	18.13%	20.29%	26.70%	84.29% *
Trading expense ratio ⁶	0.36%	0.10%	0.03%	0.02%	0.16%	0.36% *
Portfolio turnover rate ⁷	3.49%	10.65%	6.85%	18.94%	43.57%	0.00%
Net asset value per unit	\$4.99	\$6.71	\$8.47	\$8.09	\$8.87	\$8.28

† Initial offering price

* Annualized

Explanatory Notes

1. a) The information for March 31, 2020 is derived from the Fund's unaudited interim financial statements. For the remaining periods, the information is derived from the Fund's audited annual financial statements prepared in accordance with International Financial Reporting Standards.

b) The following series of the Fund commenced operations on the following dates, which represents the date upon which securities of a series were first purchased by investors.

Series A Units May 19, 2015

Series F Units May 19, 2015

2. Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted daily average number of units outstanding over the financial period.

3. Distributions are paid out in cash/reinvested in additional units of the Fund, or both.

4. This is not a reconciliation of the beginning and ending net assets per unit.

5. The management expense ratio is based on total expenses (excluding foreign withholding taxes, commissions and other portfolio transaction costs but including management fee distributions paid to certain unitholders in the form of additional units) for the stated period and is expressed as an annualized percentage of daily average net asset value during the period. The Manager may absorb certain expenses otherwise payable by the Fund. The amount of expenses absorbed is determined annually at the discretion of the Manager.

6. The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of the daily average net asset value of the Fund during the period.

7. 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 a 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 an investor receiving taxable capital gains in the period. There is not necessarily a relationship between a high turnover rate and the performance of a fund.

Portfolio turnover rate is calculated based on the lesser of the cumulative cost of purchases or cumulative proceeds of sales divided by the average market value of the portfolio, excluding short-term investments.



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