

PORTLAND 15 OF 15 FUND

(as at November 30, 2018)



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	Series Start Date	MER (after absorptions as at March 31, 2018) ⁴	Net Asset Value Per Unit (as at November 30, 2018)	PERFORMANCE (as at November 30, 2018)				
				3 Months	6 Months	Calendar Year-to-Date	1 Year	Since Inception ⁴
Portland 15 of 15 Fund - Series A	April 28, 2017	2.83%	\$9.5359	(3.9%)	(2.4%)	(4.0%)	(5.4%)	(2.9%)
Portland 15 of 15 Fund - Series F	April 28, 2017	1.70%	\$9.7074	(3.6%)	(1.9%)	(3.0%)	(4.3%)	(1.8%)
S&P 500 Total Return Index ⁵	-	-	-	(2.6%)	5.8%	11.6%	9.6%	10.0%

FUND FACTS

Fund Net Assets	\$1.4 million
CIFSC* Asset Class	Global Equity
Risk Tolerance	Medium

KEY REASONS TO INVEST

- Close adherence to a set of 15 investment criteria, including 5 laws of wealth creation and 10 attributes of successful businesses.
- Founder-led companies and companies with a high degree of ownership engagement tend to outperform over the long run.
- Experienced management team has studied wealth creation and practiced focused investing since 1986.

HOW THE FUND IS MANAGED

- The investable universe, primarily North American listed equity securities, are screened for adherence to the 15 investment criteria.
- Investment decisions incorporate fundamental analysis and valuation considerations.
- Investments are managed with a long term focus.

PORTFOLIO COMPOSITION

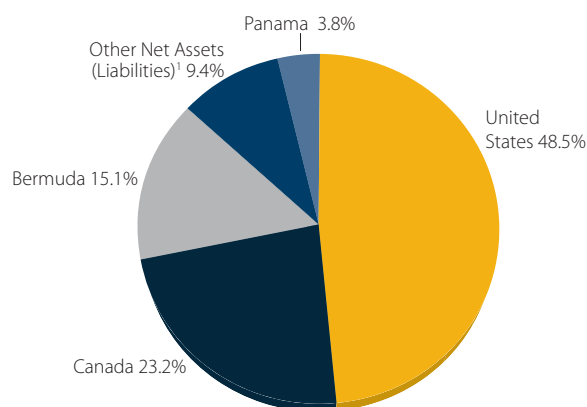
- Concentrated portfolio that invests primarily in North American equity securities.
- Quality companies which are growing, profitable, stable and shareholder friendly.
- Businesses which are owner operated, that have concentrated ownership, that employ autocratic and/or entrepreneurial management, that have low management turnover, that have long term business goals and whose value is driven by fundamentals.
- Seeking reasonable diversification in the context of a focused strategy (generally 10 to 20 investments), which should limit variability of returns.

PORTFOLIO MANAGERS

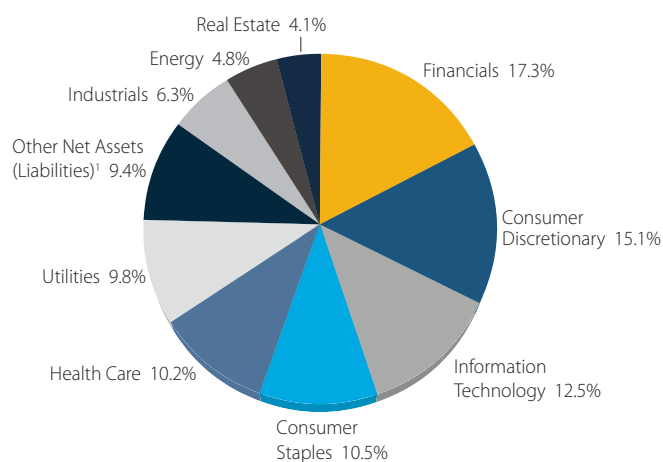
Michael Lee-Chin, B.Eng., LL.D (Honorary)
Executive Chairman, Chief Executive Officer
and Portfolio Manager

Dragos Berbecel, CFA, MBA
Portfolio Manager

Geographic Mix



Sector Mix



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Top Holdings²

Cash	9.5%
Berkshire Hathaway Inc.	7.8%
Liberty Latin America Ltd.	6.5%
Danaher Corporation	6.5%
Fortive Corporation	6.3%
Walgreens Boots Alliance, Inc.	6.3%
Fortis Inc.	5.3%
BlackRock, Inc.	4.9%
Linamar Corporation	4.8%
Whitecap Resources, Inc.	4.8%
Brookfield Asset Management Inc.	4.6%
Brookfield Infrastructure Partners L.P.	4.5%
Facebook, Inc.	4.3%
Oracle Corporation	4.3%
The Kraft Heinz Company	4.2%
Brookfield Property Partners L.P.	4.1%
Alphabet Inc.	3.9%
Carnival Corporation	3.8%
Canopy Growth Corporation	3.7%

THE 15 CRITERIA FOR WEALTH CREATION

First, there are the **Five Laws of Wealth Creation**:

1. Own a few high quality businesses;
2. Thoroughly understand these businesses;
3. Ensure these businesses are domiciled in strong, long-term growth industries;
4. Use other people's money prudently;
5. Hold these businesses for the long run;

But at Portland we use **Ten more** principles to filter out the **best public/traditional and private/alternative investment opportunities**.

6. Owner of the business is also the Operator of the business;
7. Ownership is heavily concentrated;
8. Key stakeholders are personified in the company and vice versa;
9. Autocratic management style;
10. Entrepreneurial management style;
11. Low turnover in management positions;
12. Symmetrical risk and reward for management;
13. Business set goals for the long term;
14. Board focus on growth; and
15. Value of the business is based on fundamentals: sales, market share and margins.

FUND COMMENTARY (As at September 30, 2018)

For the period of June 30, 2018, to September 30, 2018, the Fund's benchmark, the S&P 500 Total Return Index had a return of 6.4%. For the same period, the Fund's Series F units had a return of 3.7%. Unlike the Index, the Fund's return is after the deduction of its fees and expenses. The Fund's key relative performance detractors during the period were Whitecap Resources, Inc. and The Kraft Heinz Company while the Fund's relative performance contributors were Walgreens Boots Alliance Inc., Berkshire Hathaway Inc. and Oracle Corporation.

The Fund's net asset value at September 30, 2018, was \$1.5 million.

The Fund aims to provide positive long-term total returns by investing in a focused portfolio of global quality equities, with an emphasis on U.S. and Canadian listed companies. In selecting its investments, the Fund employs a comprehensive set of 15 criteria which are used to drive the manager's investment behavior (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.

From a macro-economic perspective, even though the exceptionally accommodative conditions are subsiding, bound by an accelerating economy and record tight labour markets, we are still in uncharted territory. The U.S. unemployment rate has dropped to levels not seen since the 1960s and wage growth has finally picked up, more recently to a 2.9% pace. Coupled with a more than 50% price increase in crude oil and its related derivatives, but also an increase in prices of some of the core goods and services, and, possibly, the imposition of tariffs, the ingredients for a more buoyant inflation environment are in place. As the U.S. Fed feels compelled to continue on its tightening path and as the policy rates are approaching their current or longer-run equilibrium levels, the chance for a miscalculation increases. The fallout from a monetary policy misstep is unlikely to be significant in such a robust economic environment, however, when coupled with other potential policy errors, perhaps around trade tariffs; it could trigger more serious economic consequences. Improving economic prospects and a pick-up in the inflation pace has boosted our outlook for U.S. equity returns in nominal terms, though the risk factors mentioned earlier, in particular trade related developments and the pace of monetary tightening, could materially affect the ultimate outcome.

Canada affords a somewhat different perspective. At more than 170% of disposable income, Canadian household credit

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continues to be stubbornly high, with the recently announced normative measures just about managing to put a dent into Canadian's propensity for accessing credit. The household credit growth slowed down at the end of 2017 and into 2018. On this background, recent retail sales growth has slowed down in Canada, and it is unlikely to recover, unless the diminished "wealth effect" from housing cooling down is replaced by either recovery in the resources space and/or acceleration of activity in manufacturing and services outside of the white-hot residential investment (housing) sector. Canada has seen significant losses in relative competitiveness as the U.S. administration implemented drastic pro-business measures, not the least of which being massive tax cuts and deregulation. During the period, U.S., Canada and Mexico have negotiated a new trade agreement, the U.S.-Mexico-Canada Agreement (USMCA), which still needs to be ratified by the legislatures. The new agreement's provisions do not seem to be a significant departure from NAFTA. Canada is significantly more dependent on favourable trade terms with the U.S. and Mexico due to foreign trade's larger contribution in the creation of GDP, but also because of its reduced relative competitiveness, slower economic growth and self-inflicted infrastructure shortcomings (chiefly lack of pipeline capacity). The country's abundant natural resources are presently severely restricted from reaching the fast growing Asian markets. Subsequent to the quarter end, a consortium led by Royal Dutch Shell PLC announced a final investment decision for LNG Canada, a major liquefied natural gas export project which will help debottleneck the prolific Montney gas basin. Though not fully functional until about 2025, it is a ray of hope. The pick-up in inflation has marginally increased our outlook for nominal returns in Canadian equities, assuming the key risk factors, including further trade negotiations, buildout of key infrastructure projects, the state of the housing market and the pace of monetary tightening, remain balanced.

We believe that investing in the equity markets is likely to become a significantly more discerning affair, an environment far more benefiting active management and value-focused investors. With valuations getting ahead of the fundamentals in certain areas of the market, the Manager believes that founder led companies and companies with a high degree of ownership engagement have the ability to stand out by adapting quicker to market forces and improving their profitability through both operational changes and balance sheet optimization. Such companies are also likely to avoid the mistake of endangering long-term goals for short-term success.

As expected, given the Fund's value focused mandate, the performance is mainly driven by company specific developments, the most important of which are detailed below.

Kraft Heinz exceeded quarterly profit and revenue estimates as the company raised prices of its products and posted higher-than-expected sales in the U.S., the company's first better-than-expected U.S. sales performance in at least five quarters. Kraft Heinz raised prices of its packaged foods and condiments as rising input expenses, including higher transport and commodity costs, weighed on the company's margins. Nonetheless, investor

concerns which have been plaguing the retail and consumer packaged sectors have resurfaced, as consumer trends in the age of online shopping and more health conscious behavior are being weighed against the currently depressed valuations. Activism has increased in the sector, with Daniel Loeb's Third Point is increasing pressure at Campbell Soup Co., a potential acquisition target for Kraft Heinz. Disappointing results and outlook from industry peers such as General Mills Inc., Conagra Brands, Inc. and McCormick & Company have also pressured valuations during the quarter.

Whitecap Resources, Inc. continued to deliver strong operational performance and cash flow, which has been supporting its very rational buy-back program. Moreover, over the course of the past three months, the energy markets have continued their journey towards recovery, meandering around news related to the Organization of Petroleum Exporting Countries (OPEC)/ Russia agreed production caps, production related developments in the U.S. shale (in particular the Permian basin) and weekly crude oil and refined product U.S. inventory levels. Unfortunately, the performance of the Canadian oil and gas producing sector lagged during the period. The Western Canadian producers continue to grapple with serious market access issues (lack of transportation infrastructure, in particular pipelines) which have caused crude oil price differential between the WTI and Western Canadian Select, for heavy crude, and Edmonton Par, for light crude, to expand dramatically. To this point, as we write this, a Canadian Heavy producer is only receiving about 40% of the WTI price for its crude. The causes for such a discrepancy are numerous, with some more transitory, but substantially related to the lack of regulatory and governmental support for new pipelines. During the period, the Trans Mountain expansion project, which the Canadian federal government acquired for roughly CAD \$5 billion from Kinder Morgan Canada Ltd., was stopped in its tracks by a court ruling. Other factors impacting the differential were an increase in the heavy oil production from some of Suncor Energy Inc.'s properties, a key refinery temporary shut-down, maintenance work at refineries and lower than expected shipments of crude by rail.

Walgreens enjoyed a strong recovery in the quarter after markets overreacted, we believe, to the announcement of Amazon seeking to enter the drug distribution business. Over the past three months investors seem to have realized the likely impact Amazon may have on the industry is not expected to affect Walgreens as much as previously believed, as the company is still likely to be the go to place for an elderly population used to buy their medicine from their favourite corner store. During the period, Walgreens announced a pilot program with The Kroger Co., partnering in a new store format which would combine Kroger's expertise in grocery with Walgreens' health and beauty focus.

Berkshire Hathaway Inc. bought back its own stock for the first time since 2012 and added to its already huge stake in Apple Inc. during the quarter. Absent any major acquisitions recently, the buy-back program offers, we believe, a sensible way of deploying a part of the over \$110 billion of cash sitting on the

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company's balance sheet.

Oracle Corporation continued to focus its efforts on growing its cloud business, which improved in the quarter, though fell slightly short of the expectations. The company is still in contention for a large Pentagon contract, primarily against Amazon, as Alphabet Inc. bowed out on artificial intelligence ethics concerns. Net income rose to \$2.27 billion, or \$0.57 per share, in the reported quarter ended August 31 from \$2.14 billion, or \$0.50 per share, a year earlier. Excluding items, the company earned \$0.71 per share, ahead of the expectations, while total revenue rose 1% to \$9.19 billion.

During the quarter we initiated an investment in Canopy Growth Corporation.

As at September 30, 2018, the top 5 sector exposure was constituted by consumer discretionary 15.1%, financials 14.8%, information technology 10.9%, consumer staples 9.8% and utilities 8.8%.

Going forward, we believe the Fund is well positioned to meet its investment objectives, which are to provide positive long-term total returns, with a focused investment, primarily in a limited number of long security positions.

POTENTIAL RISKS

The Manager believes the following risks may impact the performance of the Fund: active management risk, concentration risk, currency risk, equity risk and ETF risk. Please read the "Risk Factors" section in the Simplified

Prospectus for a more detailed description of all the relevant risks.

Fund Name	SERIES A			SERIES F ³
	Code - Initial Sales Charge	Code - DSC	Code - LL	
Portland 15 of 15 Fund	PTL215	PTL315	PTL415	PTL115

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* Canadian Investment Funds Standards Committee

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

2. 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 does not add up to 100%.

3. Generally available through dealers who have entered into a Portland Series F Dealer Agreement.

4. Annualized.

5. Effective April 30, 2018, the Fund's benchmark was changed from MSCI Total Return World Index to S&P 500 Total Return Index. This change in benchmark is to align better our approach to rating the Fund's risk and return with its underlying investments.

Commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments. Please read the prospectus before investing. The indicated rates of return are the historical annual compounded total returns including changes in unit value and reinvestment of all distributions [dividends] and does not take into account sales, redemptions, distributions or optional charges or income taxes payable by any securityholder in respect of a participating fund that would have reduced returns. Mutual funds are not guaranteed, their values change frequently and past performance may not be repeated. Risk tolerance measures the degree of uncertainty that an investor can handle regarding fluctuations in the value of their portfolio. The amount of risk associated with any particular investment depends largely on your own personal circumstances including your time horizon, liquidity needs, portfolio size, income, investment knowledge and attitude toward price fluctuations. Investors should consult their Financial Advisor before making a decision as to whether this Fund is a suitable investment for them.

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