PORTLAND GLOBAL DIVIDEND FUND

PORTLAND INVESTMENT COUNSEL®

OWNERS. OPERATORS. AND INVESTORS.

(as at September 30, 2017)

	Series Start Date	MER (after absorptions as at March 31, 2017)[4]	Net Asset Value Per Unit (as at September 30, 2017)	PERFORMANCE (as at September 30, 2017) 3 Months	6 Months	Calendar Year-to-Date	1 Year	3 Year[4]	Since Inception[4]
Portland Global Dividend Fund - Series F	May 29, 2014	1.70%	$9.6860	3.4%	5.2%	8.5%	12.0%	5.9%	5.1%
MSCI World Total Return Index	-	-	-	0.7%	2.3%	7.7%	12.5%	11.6%	11.4%

FUND FACTS

Fund Net Assets	$6.1 million
CIFSC* Asset Class	Global Equity
Risk Tolerance	Medium

HOW THE FUND IS MANAGED

- Focused primarily on a portfolio of global dividend paying equities
- Common shares of large global companies with attractive dividend-paying ratios and a strong pedigree of increasing dividends over the long term; selection includes from the members of the S&P Europe 350 Dividend Aristocrats, the S&P 500® Dividend Aristocrats, the S&P Pan Asia Dividend Aristocrats and the S&P /TSX Dividend Aristocrats
- Selective use of options to generate additional returns towards distributions
- Currency hedging of the Fund's non-Canadian Dollar exposure

KEY REASONS TO INVEST

- Income generation and capital growth
- The power of dividend investing combined with the benefits of global investing and sector diversification for reduced volatility
- Monthly distributions targeting 5.0%** per annum which are intended to be funded and characterized as mostly return of capital
- Tax-efficient structure, currently housing tax losses of approximately $27 million

PORTFOLIO MANAGER

Chris Wain-Lowe, BA, MBA
Chief Investment Officer, Executive Vice President and Portfolio Manager

Geographic Mix

United Kingdom	33.3%
Switzerland	20.7%
United States	10.9%
Australia	8.1%
France	7.3%
Germany	6.1%
Other Net Assets (Liabilities)[1]	5.8%
Canada	5.2%
Netherlands	2.6%

Sector Mix

Materials	18.8%
Financials	15.1%
Energy	14.9%
Consumer Discretionary	13.5%
Consumer Staples	12.5%
Industrials	10.8%
Other Net Assets (Liabilities)[1]	5.8%
Health Care	5.3%
Utilities	3.3%
Exchange Traded Funds	0.1%
Short Positions - Derivatives	-0.1%

Top Holdings[2]

Long Positions	
Dufry AG	6.9%
Royal Dutch Shell PLC	6.7%
Cash	6.3%
BHP Billiton PLC	6.2%
GEA Group AG	6.1%
Canfor Corporation	4.8%
Total SA	4.5%
Barclays PLC	3.8%
Prudential PLC	3.5%
Nestlé SA	3.5%
Compass Group PLC	3.4%
Mondelez International Inc.	3.4%
Amcor Limited	3.4%
AusNet Services	3.3%
Aryzta AG	3.2%
BP PLC	3.2%
JPMorgan Chase & Co.	3.0%
Johnson Matthey PLC	3.0%
Rentokil Initial PLC	2.9%
LVMH Moet Hennessy Louis Vuitton SE	2.8%
Novartis AG	2.7%
Roche Holding AG	2.6%
NN Group NV	2.6%
Fifth Street Senior Floating Rate Corp.	2.2%
ABB Ltd	1.8%

Short Positions	
Crescent Point Energy Corp., Put 13, 19/01/2018	-0.1%
ABB Ltd., Call 26, 15/12/2017	0.0%
The Walt Disney Company, Put 92.5, 17/11/2017	0.0%
Wal-Mart Stores Inc., Call 87.5, 15/12/2017	0.0%
Snap Inc., Put 10, 20/10/2017	0.0%
Wal-Mart Stores Inc., Put 70, 15/12/2017	0.0%
Walgreens Boots Alliance, Inc., Put 70, 20/10/2017	0.0%
Diageo PLC, Put 115, 17/11/2017	0.0%
WPP PLC, Put 85, 20/10/2017	0.0%
Mondelez International Inc., Put 37, 17/11/2017	0.0%
The Walt Disney Company, Put 95, 20/10/2017	0.0%
Novartis AG, Call 90, 15/12/2017	0.0%

FUND COMMENTARY (as at September 30, 2017)

For the period September 30, 2016 to September 30, 2017, while the Series F units of the Fund had a return of 12.0%, the Fund's benchmark index, the MSCI World Total Return Index rose 12.5%. For the full period since the launch of the Fund on May 29, 2014 to September 30, 2017, the benchmark had an annualized return of 11.4%. For the same period the Fund's Series F units had an annualized return of 5.1%. Unlike the benchmark, the Fund's return is after the deduction of its fees and expenses. GEA Group AG, Pearson PLC and Aryzta AG detracted most from recent performance. GEA, the German-based provider of equipment and process technology, earlier in the year issued a profit warning as customers slowed orders for their dairy processing equipment. Pearson issued its fifth profit warning in four years following its announced unprecedented decline' in its U.S. business, as fewer Americans went to college as jobs were available and those that did rented rather than bought their books. Frustratingly, Pearson has been slower than its competitors to switch to digital and with a cut in its dividend but no change in management, we have lost patience. Aryzta, the specialty bakery and retailer (57 bakeries across 29 countries) issued a profit warning in early 2017 following the loss of some U.S. bakery clients as it erroneously moved to compete more directly in their markets. Ultimately while we lament the recent execution, we agree with the decision to replace senior management and in the ultimate strategy and ability for Aryzta to focus on its core delivery of frozen bakery to businesses and transform its cash generative profile over the next couple of years. Conversely, Dufry AG, Royal Dutch Shell PLC, LVMH Moet Hennessy Louis Vuitton SE, JPMorgan Chase & Co, and Canfor Corporation contributed most to the Fund's performance. During the period: Dufry a market leading retailer in global air-travel, consolidated its position and improved margins; Shell successfully divested non-core assets thereby reducing debt and upholding a sustainable dividend at prevailing oil prices; LVMH showed deft touch in maintaining demand for its diverse range of luxury goods, while U.S. banks and forestry products appreciated U.S. President Trump's reflationary agenda. Currently, the Fund hedges approximately 35% of its non-Canadian dollar exposure, predominantly reflecting its exposure to the Australian dollar, Swiss franc, Euro, British pound, and U.S. dollar.

The Fund has a target of approximately 5% distribution per annum per unit which it has met since inception. The Fund's earnings from dividends, derivatives and net realized gains exceed the paid distributions. An indicator that the Fund may continue to meet its 5% distribution target includes the dividend yield (a financial ratio that shows how much a company pays out in dividends relative to its share price) of the equities of the Fund. Sourced from Thomson Reuters, the equity component's trailing weighted average dividend yield as at September 30, 2017 was 3.2%, compared to the benchmark's 2.4%.

The Fund's current investment themes place emphasis on:

- Food and Agriculture: Aryzta AG, Compass Group PLC, GEA Group AG, Nestlé SA, Wal-Mart Stores, Inc.;

- Hard Assets and Resources: BHP Billiton PLC, Canfor Corporation, Royal Dutch Shell PLC, South32 Limited, Total SA;
- Rise of emerging markets' consumers: Amcor Limited, Diageo PLC, Dufry AG, Mondelez International Inc., The Walt Disney Company;
- Industrial Efficiency and business services: ABB Ltd, Johnson Matthey PLC, Rentokil Initial PLC;
- Infrastructure: AusNet Services; and
- Healthcare: Novartis AG and Roche Holdings AG.

The Fund's net assets decreased from $7.1 million to $6.1 million during the period. The Manager does not believe the payouts had a material impact upon the management of the Fund and every effort is made to fund payouts in a manner that optimizes the Fund's composition and positions it for the future.

RECENT DEVELOPMENTS

Regarding the market outlook, and following the U.K.'s notification on March 29, 2017 to withdraw from the E.U., we continue to believe the impact of 'Brexit' will create uncertainties and quite possibly a period of recession as the U.K. adjusts to amended trading relationships and banks domiciled in the U.K. determine how best to do business in the rest of the E.U. The route being navigated by Britain's Prime Minister appears to be to repeal the 1972 European Communities Act which gives direct effect to E.U. law in Britain and seek for all E.U. laws to be transposed into domestic legislation with some inevitable transitional compromises. In stating that the U.K. would become by March 2019 a "fully independent, sovereign" country, the Prime Minister was favoring a willingness to pay a price in terms of economic disruption, although that willingness appears to be receding.

We believe the U.S. has engaged in a long-term recovery plan and its economic prospects for the medium term remain bright. For the U.K. and Eurozone, we are hopeful that the U.K. decision to exit the E.U. will be the catalyst that starts the E.U. on a path of implementing the structural reforms that are so vital if it is to break out of the cycle of consistently poor economic performance that stretches back many years. We therefore hope mature companies adopt bolder agendas to assimilate and integrate workforces around large-scale investment and infrastructure and initiate dramatic reforms of education and training. Energy prices and geopolitical events may engender elevated levels of volatility.

This period since the Great Recession is the third longest stretch of rising markets. Cyclically and inflationary adjusted earnings over the last ten years compared to prices suggests in our view that the current market is fully valued. Therefore, while we do not see a near -term catalyst to initiate a market correction, such as recession or weakening confidence, such a correction is, at least statistically, due in our view and vulnerable to geopolitical events. At such times, we believe a pivot towards 'value' rather than 'growth' criteria is likely to predominate as investors seek businesses that are reasonably priced particularly in a reflationary environment.

The Fund's focus is on value and stable growing companies – those firms able to deliver more consistent and visible (albeit slower) earnings and cash flows. While this theme has recently lagged the overall market, we believe it should reassert leadership and that overall, the Fund is currently well positioned to meet its investment objective for the medium to long term. We will continue to evaluate opportunities that we believe may generate income, enhance returns and/ or reduce risk wherever possible.

POTENTIAL RISKS

The Manager believes the following risks may impact the performance of the Fund: active management risk, concentration risk, currency risk, equity risk, derivatives risk and credit risk. Please read the "Risk Factors" section in the Simplified Prospectus for a more detailed description of all the relevant risks.

PORTLAND GLOBAL DIVIDEND FUND

PORTLAND INVESTMENT COUNSEL®

OWNERS. OPERATORS. AND INVESTORS.

(as at September 30, 2017)

Fund Name	CANADIAN DOLLAR			
	SERIES A		SERIES A2	SERIES F[3]
	DSC	LL	Initial Sales Charge	
Portland Global Dividend Fund	PTL522	PTL523	PTL521	PTL009

Portland Investment Counsel Inc.   portlandinvestmentcounsel   Portland Investment Counsel Inc.   @PortlandCounsel

* Canadian Investment Funds Standards Committee

**The portfolio is expected to generate income from dividends, interest and option writing income , which after deduction of expenses, will be distributed by the Fund to unitholders. The targeted monthly distribution amount is reset at the beginning of each calendar year to provide an approximate yield of 5% per annum based on the NAV per Series A Unit as at December 31 of the prior year. Assuming the expected level of income is received, the portfolio would not be required to appreciate. If the level of income is less than the amount necessary to meet the target distribution, the Manager may either pay out a lower distribution or supplement the amount needed through net realized capital gains from the portfolio or may return a portion of the capital of the Fund to unitholders in which case the distribution would not have been fully funded as the net asset value would be reduced. Distributions are reinvested automatically in additional units of the Fund. No commissions are payable upon automatic reinvestment of distributions.

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 long and short 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.

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 uncertainly 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.

Portland Investment Counsel Inc., 1375 Kerns Road, Suite 100, Burlington, Ontario L7P 4V7 Tel:1-888-710-4242 • Fax: 1-866-722-4242 • www.portlandic.com • info@portlandic.com

PIC2327-E(10/17)