



PORTLAND GLOBAL ENERGY EFFICIENCY AND RENEWABLE ENERGY FUND LP



PORTLAND
INVESTMENT COUNSEL™

OWNERS. OPERATORS. AND INVESTORS.

December 31, 2017

Performance (as at December 31, 2017)	3 Months	6 Months	1 Year	3 year	Since Inception ¹
Portland Global Energy Efficiency and Renewable Energy Fund LP Series A	1.5%	2.6%	5.4%	7.3%	7.4%
Portland Global Energy Efficiency and Renewable Energy Fund LP Series F	1.7%	2.9%	6.0%	7.9%	7.8%

HOW THE PARTNERSHIP IS MANAGED

The investment objectives of Portland Global Energy Efficiency and Renewable Energy Fund LP (“Partnership”) are to provide income and above average long-term returns by investing primarily in the B units of Global Energy Efficiency and Renewable Energy Fund (“GEEREF”), advised by the European Investment Fund (“EIF”) and sub-advised by the European Investment Bank (“EIB”).

To achieve the investment objectives:

- The Partnership intends primarily to invest in the B units of GEEREF, a private equity and infrastructure fund of funds, investing in Regional Funds, providing equity or quasi equity primarily for energy efficiency and renewable energy projects in developing countries and economies in transition. The B units feature a preferred return mechanism and faster return of capital over the A shares currently held by public sponsors: Germany, Norway, and the EIF (on behalf of the European Commission representing the European Union).
- When the Partnership subscribes for the B units of GEEREF, it is required to commit to investing a fixed amount of capital to GEEREF over time. Pending the full investment of the Partnership’s commitments, which may take several months or years, the Partnership may invest in a variety of other investments, including income producing private and public debt and equity securities, either directly or indirectly through other funds.
- The Manager may hedge part or all of the Partnership’s non-Canadian dollar exposure back to the Canadian dollar from time to time.
- The Partnership may borrow up to 7.5% of its total assets from a bank, prime broker, the Manager or its affiliates.

KEY REASONS TO INVEST

- Opportunity to invest, through the Partnership, alongside Supranational Institutions and Sovereign States (EIB on behalf of the European Union, Germany and Norway)
- Preferred return mechanism of GEEREF’s B units:
 - Faster return of capital than A shareholders
 - Enhanced returns
 - Targets above average long-term returns
- GEEREF has access to specialized infrastructure funds/geographies exposed to high growth
- GEEREF investments increase access to renewable and affordable energy for underserved communities in emerging nations
- GEEREF’s institutional quality oversight and governance
- Targeting 8% distribution per annum to be declared quarterly commencing on or before quarter ended December 2017 and based on the net asset value of the units at that time.

FUND FACTS

Fund Assets	\$24.5 million
Inception Date	October 31, 2013
Fund Type	Alternative Strategies
Offer Document	Offering Memorandum
Legal Type	Limited Partnership
Eligible for Registered Plans	No
Purchases	Monthly until Nov. 30, 2017 at the latest
Expected Term	November 2024 plus up to 4 years of extensions
GEEREF Advisor	European Investment Fund
GEEREF Sub-Advisor	European Investment Bank
Promoter Fee	2%
Agents Commission - Class A	3%
Fund Manager	Portland Investment Counsel Inc.
Administrator	CIBC Mellon Global Securities Services Company
Custodian	CIBC Mellon Trust Company

FUNDSERV CODES	Class A	Class F*	Class 0**
Portland Global Energy Efficiency and Renewable Energy Fund LP- Subscription Code - CDN\$	PTL605	PTL615	PTL625
Portland Global Energy Efficiency and Renewable Energy Fund LP - CDN\$	PTL610	PTL620	PTL630

CLASS	A	F*	0**
Net asset value per unit (CAD\$)	\$66.9714	\$67.9212	\$69.3579
Min. initial investment, accredited investors ¹	\$2,500	\$2,500	Neg.
Min. initial investment, non-individuals	\$150,000	\$150,000	Neg.
Min. subsequent investment ²	\$500	\$500	Neg.
Management fee until Dec. 31, 2017	1.00%	0.60%	Neg.
Management fee Jan. 1, 2018 - Dec. 31, 2020	1.35%	0.75%	Neg.
Management fee Jan. 1, 2020 onward	1.75%	0.75%	Neg.
Trailer fee until Dec. 31, 2017	0.40%	–	–
Trailer fee Jan. 1, 2018 - Dec. 31, 2020	0.60%	–	–
Trailer fee Jan. 1, 2020 onward	1.00%	–	–

PORTFOLIO MANAGER

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

December 31, 2017

ATTRACTIVE RISK/RETURN PROFILE OF GEEREF

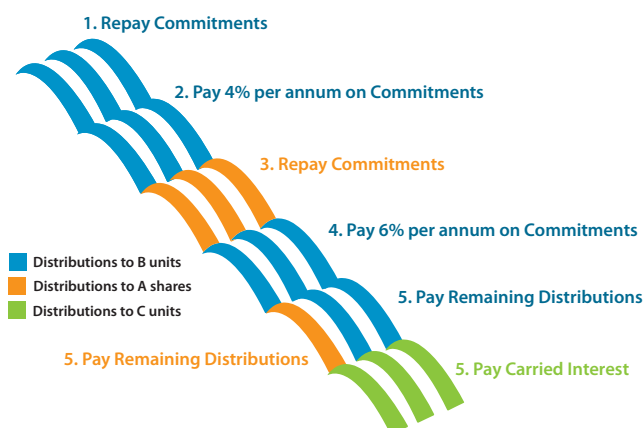
Opportunity to invest, through the Partnership, alongside Supranational Institutions and Sovereign States.

GEEREF was launched in 2008, capitalized with approximately €112 million in A shares from the European Union, Germany and Norway.

Additional €110.1 million has been raised from new private investors in B units of GEEREF, raising GEEREF to €222 million.

The new private investors in B units are a select number of investors and limited partnerships including the Partnership.

A waterfall distribution provides holders of B units of GEEREF (i.e. the Partnership) over 50% downside protection, a preferred return and accelerated liquidity compared to GEEREF A shareholders and seeks to provide enhanced returns as illustrated below.



RISKS

While the Manager and GEEREF's Front Office investment team (GFO), through the advisory services of the EIF and the EIB, exercise due diligence throughout the investing process of the Partnership, no guarantees can be given regarding returns on your investment or the risk of loss.

The Manager believes the following risks are key to the Partnership's performance: no assurance of return, dependence on the Manager, dependence on GFO, illiquidity of the Partnership investments, including those in Regional Funds, equity risk, currency risk, legal jurisdiction, risks related to the Regional Funds and other investments in specific sectors, risk of not meeting capital calls and valuation of the Partnership's investments.

Investors should consult with their financial advisor about the risks prior to investing in the Partnership. Please read the "Risk Factors" section in the Offering Memorandum for a more detailed description of all the relevant risks.

FUND COMMENTARY (as at December 31, 2017)

During the period from December 17, 2013 to May 17, 2015, the Partnership made five commitments to invest a total of €14,250,000 in B Units of GEEREF. In March 2017, the

Partnership, fulfilled a requirement to increase its subscriptions and so currently has contributed €12,267,056 representing 86.08% of its commitment. A significant portion of the €12.3 million investment has been hedged to the Canadian dollar.

GEEREF's objective is to invest in Regional Funds (as defined in the Offering Memorandum) that invest their assets in projects and companies involved in energy efficiency and renewable energy which enhance access to clean energy in developing countries and economies in transition.

As of September 30, 2017, GEEREF had committed to invest approximately €152.3 million in twelve Regional Funds, liquidated and so realized €15.3 million from one Regional Fund and positively received submissions from one successor Regional Fund. The two new Regional Funds which received commitments in 2017 were both successor funds, namely Evolution II (Inspired Evolution Investment Management) and Frontier Energy II (Frontier Investment Management) and the liquidated fund was Emerging Energy Latin America Fund II.

The portfolios of each of the twelve Regional Funds comprise a total of 103 investments. Three of these Regional Funds have finalized their investment periods and begun the process of divesting. On March 31, 2017 and August 18, 2017, the Partnership received its second and third distributions of €347,045 and €1,070,339 respectively, in lieu of partial divestments from Regional Funds.

The Partnership paid its first distribution of \$0.40 per Unit for Series A and \$0.45 per Unit for Series F effective December 29, 2017 and payable on or about January 8, 2018. The distribution rate represents an initial annualized return of approximately 7% and 7.8% for Series A and Series F, respectively, based on the November 30, 2017 net asset value per unit. Thereafter, distributions will be paid quarterly commencing quarter end March 2018. All distributions will be paid in cash.

The Manager will review the distribution payments at least annually and changes may occur due to the performance, return of capital and distributions received from its underlying investment in GEEREF.

Over the last year, as the Partnership welcomed an increasing number of investors and existing investors who increased their investment, the Partnership's net assets have risen. Also, given the GEEREF offer is now closed, the Partnership's commitment is now capped. Therefore, the Manager has looked to complete the investment objectives of the Partnership by investing primarily in the B units of GEEREF plus a portfolio of income producing private and public debt and equity securities.

In September 2016, the Partnership initiated a commitment to invest in Newlook Capital Industrial Services LP (Newlook). Headquartered in Burlington, Ontario, Newlook has been created to provide an opportunity for investors, by way of a tiered investment structure, to invest in a portfolio of Canadian industrial services companies. Newlook's investment strategy



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consists of sourcing and acquiring interests in companies that have a component of their revenue arising from recurring service provision, which assures code compliance, a sustainable competitive position, high relative market share and a history of generating positive cash flow, and where Newlook's management see an opportunity to enhance value by driving operational improvements. Initially, Newlook has majority ownership of three industrial companies: Multiservice Group Inc. (Multiservice), Direct Elevator Service Ltd. (Direct) and True Canadian Elevator Maintenance Company Ltd. (True Canadian). Multiservice, founded in 1985, operates in Western Canada with offices in Edmonton and Calgary, installs, and regularly inspects gas detection systems as mandated by the Alberta Fire code, serving over 1,600 customers. Direct, founded in 1988, is an elevator maintenance company based in Scarborough and servicing the Greater Toronto Area. Similarly, True Canadian, managed by a technician with 30 years of experience is in the elevator maintenance and modernization business, based in Etobicoke. The management of Newlook will seek to divest its investments at higher values than those paid on acquisition after growing them into larger businesses that are strategically relevant for corporate buyers or larger private equity groups. Newlook is expected to be terminated in 5 years, effectively by end September 2021, subject to three potential one year extensions at the discretion of the General Partner of Newlook. The Partnership is also a modest shareholder of the General Partner of Newlook. As at December 31, 2017, the investment in Newlook represented about 9.0% of the Partnership. In keeping with its investment strategies, the Partnership intends primarily to invest in the B Units of GEEREF and so whilst pleased at this opportunity, currently anticipates that its investment in Newlook will eventually be up to about 10% of the Partnership and the Partnership's stake to be about 5% of Newlook.

In August 2017, Multigas acquired all the assets of Fire Shield Technologies Ltd., a fire alarm systems and sales provider based in Regina and providing service across Saskatchewan. Fire Shield also provides sprinkler system and fire suppression services and is a member of the Canadian Fire Alarm Association. In October 2017, Newlook also announced it had acquired all the assets and business operations of Valley Technologies Ltd., a gas and fire detection sales and service business headquartered in Winnipeg with service across Manitoba since 2002.

Market Overview

Renewable energy is a fundamental and growing part of the world's ongoing energy transformation. Governments all over the world are joining that consensus with the notable recent exception of the U.S.A. The use of renewables is their prime choice for enhancing access to an affordable reliable and cleaner source of modern energy services.

The Paris Agreement, now embracing 169 countries has established renewable energy targets and nearly 150 countries have enacted policies to catalyze investments in renewable

energy technologies. GEEREF's experience concludes that poor regulatory framework remains the most important bottleneck.

Currently about one out of every five units of energy delivered to consumers comes from renewable sources. This is remarkably evident in the power sector where renewables are growing at unprecedented rates far outpacing growth in conventional technologies. Since 2012 new generating capacity fueled by renewables has exceeded that fueled by non-renewables by a widening margin. At 154 gigawatts capacity renewables represented 61% of all new power generating capacity added worldwide in 2015.

Renewables are now the first choice option for expanding upgrading and modernizing power systems around the world. Wind and solar power are now competitive with conventional sources of electricity, as their costs have plunged in recent years. The cost of wind turbines has fallen by nearly a third since GEEREF was created in November 2008 and solar photovoltaic modules have fallen by 80% over the same timeframe. These developments are reflected in the levelised cost of electricity with some renewable technologies having reached grid parity. Currently on-shore wind, biomass geothermal and hydropower are all competitive or cheaper than coal, oil and gas-fired power stations even without financial support and despite relatively low oil prices. Countries in the Middle East have included solar as part of their investment into a wider energy portfolio, a possible option in their "post-oil" future.

The drop in crude oil prices has caused many nations to reconsider the allocation of their current subsidies (both towards renewables and towards fossil fuels), which has presented an opportunity for renewable energy to transition from an energy alternative and into an energy staple. With crude oil prices cut by more than half, at least 27 countries have elected to decrease or end subsidies that currently regulate fuel costs for electricity generation (including coal and natural gas). Fossil fuel subsidies have previously been criticized for distorting the energy markets in favor of sources that, without their support, would not be economically viable.

It remains our view that GEEREF is playing its part in meeting the challenge of climate change. Its investors are contributing capital to a first generation of renewable energy projects. These projects are giving greater and cleaner access to electricity to select populations while generating attractive financial returns. Industrial services in Canada are regulated by codes of compliance which by their nature require technical services and generate recurring revenues in areas which benefit and protect the societies they serve. Market drivers for both electricity generation and industrial services like elevator maintenance and gas detection include increasing urbanization and technological development. We believe the Partnership's investments are fulfilling its investment objectives, including the commenced distributions.



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[†] Annualized, Inception Date of October 31, 2013.

*Generally only available through dealers who have entered into a Portland Series F Dealer Agreement

** Generally only available to certain institutional and other investors

1. Accredited Investors as defined under National Instrument 45-106.

2. For investors who are not Accredited Investors, the additional investment must be in an amount that is not less than \$500 if the investor initially acquired Units for an acquisition cost of not less than \$150,000 and, at the time of the additional investment, the Units then held by the investor have an acquisition cost or a net asset value equal to at least \$150,000, or another exemption is available.

Other source: <http://geeref.com>, European Investment Bank, GEEREF Investors Quarterly Report, GEEREF Information Memorandums, June 2013 and June 2014.

Commissions, trailing commissions, management fees and expenses all may be associated with investment funds. The indicated rates of return are the historical annual compounded total returns including changes in units value and reinvestment of all distributions and do not take into account sales, redemption, distribution or optional charges or income taxes payable by any security holder that would have reduced returns. The rates of return are used only to illustrate the effects of the compound growth rate and are not intended to reflect future values of the investment fund or returns on investment in the fund. Investment funds are not guaranteed, their values change frequently and past performance may not be repeated.

The Portland Global Energy Efficiency and Renewable Energy Fund LP (the "Partnership") is not publicly offered. It is only available under prospectus exemptions and other exemptions available to investors who meet certain eligibility or minimum or maximum purchase requirements. Currently these exemptions include the accredited investor exemption and the \$150,000 minimum purchase exemption for institutional investors. Information herein pertaining to the Partnership is solely for the purpose of providing information and is not to be construed as a public offering in any jurisdiction of Canada. The offering of Units of the Partnership is made pursuant to the Confidential Offering Memorandum and the information contained herein is a summary only and is qualified by the more detailed information in the Confidential Offering Memorandum. Commissions, trailing commissions, management fee and expenses may be associated with investments. Products are not guaranteed, their values change frequently and past performance may not be reported.

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PIC2326-E(02/18)