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PORTLAND GLOBAL BALANCED FUND
INTERIM MANAGEMENT REPORT OF FUND PERFORMANCE

MARCH 31, 2021

PORTFOLIO
MANAGEMENT TEAM

Christopher Wain-Lowe
Chief Investment Officer, Executive Vice
President and Portfolio Manager

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Portfolio Manager

Management Discussion of Fund Performance Portland Global Balanced 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, 2021 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 Fund's objective is to provide positive long term total returns, consisting of both income and capital gains by investing primarily in a portfolio of global fixed income and equity securities. The Fund seeks to provide income and capital growth while moderating the volatility of equities by investing primarily in a globally diversified portfolio of equities, American Depository Receipts, income securities, preferred shares, options and exchange traded funds (ETFs). The Fund may also invest over 30% in foreign securities in a manner consistent with its investment objective.

RISK

Investors should be able to accept a low to medium level of risk and plan to hold for the medium to long term.

RESULTS OF OPERATIONS

For the six-month period ended March 31, 2021, the Fund's Series F units had a return of 4.4%. For the same period, the Fund's Blended Benchmark (which is a composite consisting of 90% of the return of the MSCI World Total Return Index and 10% of the return of the FTSE Canada Short Term Overall Bond Index Total Return), had a return of 11.2%. For the full period since inception of the Fund on December 17, 2013 to March 31, 2021, the Fund's Series F units had an annualized return of 3.7%. For the same period, the Blended Benchmark had an annualized return of 11.7%. Unlike the Blended Benchmark, the Fund's return is after the deduction of its fees and expenses.

The Fund's net asset value as at March 31, 2021 was \$3.5 million. The top five sector holdings at March 31, 2021 was consumer staples, 25.2%; utilities, 20.7%; industrials, 11.7%; health care, 8.9%; and consumer discretionary, 8.2%. By geography, assets were invested in securities of issuers classified as foreign equity, 79.2%; canadian equity, 8.9%; canadian preferred, 7.0%; foreign preferred, 3.4%; and cash and other net assets (liabilities), 1.5%.

The top three contributors to the Fund's performance during the six-month period ended March 31, 2021 were Brookfield Property Partners LP, Cincinnati Financial Corporation, and Royal Bank of Canada. The bottom three contributors to the Fund's performance during the six-month period ended March 31, 2021 were Consolidated Edison Inc., Walmart Inc., and Nestle S.A.

The sectors contributing positively to the Fund's return for the period are financials (Royal Bank of Canada), utilities (California Water Service Group), consumer discretionary (Compass Group PLC), real estate (Brookfield Property Partners LP), communication services (AT&T Inc.), materials (Linde PLC), industrials (Marubeni Corp), and information technology (Halma PLC). The sectors contributing negatively to the Fund's return for the period are consumer staples (McCormick & Company Inc.) and health care (Fresenius Medical Care AG & Co KGAA).

The Fund has deployed capital during the market recovery that has occurred since the first quarter of 2020. We believe that there will continue to be opportunities to deploy cash in attractively priced equities throughout 2021. The expected re-opening of the U.S. economy and low short term interest rates set by central banks around the world should continue to help produce economic growth. The Fund began the period with no debt and a substantial positive position in cash and cash equivalents and ended the period nearly fully invested.

RECENT DEVELOPMENTS

Portland Global Income Fund updated its investment objectives and was renamed Portland Global Balanced Fund, effective April 20, 2020. In addition, effective April 20, 2020, the management fees decreased from 1.65% and 0.65% to 1.55% and 0.55% on Series A and F, respectively.

The economic impact facing the global economy due to COVID-19 is uncertain. Lockdowns and mandatory quarantines have caused certain economies to expect high unemployment rates, low inflation rates and negative gross domestic product growth rates. The U.S. Federal Reserve cut its overnight interest rate to 0.25% on March 16, 2020. This was followed by the Bank of Canada cutting its overnight interest rate to 0.25% on March 27, 2020. In addition to the monetary policy actions that were taken, many developed countries have unveiled large fiscal stimulus packages. The reduction of the overnight interest rates and the fiscal stimulus spending should help incentivize economic activity. The length of this global economic contraction and time to recovery will depend on many factors including how the COVID-19 virus will continue to spread and the speed with which approved vaccinations can be deployed globally. It is also unknown how long it may take corporate earnings to recover from previous highs. Based on an analysis of previous recessions, it has taken the S&P 500 two to three years for earnings to recover to the level it had attained prior to the recession.

Positions in the Fund are expected to be primarily large market-capitalization dividend global aristocrat equities with some Canadian preferred shares to take advantage of higher yields and more advantageous taxation than debt. We also look to take currency exposures that match the Blended Benchmark so that we do not underperform the Blended Benchmark by missing out on currency exposures that the Blended Benchmark enjoys. We prefer defensive

sectors such as utilities, real estate and consumer staples that will likely benefit from interest rate cuts in a poor economic environment. 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.

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 six-month periods ended March 31, 2021, the Manager received \$27,209 in management fees from the Fund, net of applicable taxes (March 31, 2020: \$40,773).

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 six-month periods ended March 31, 2021, the Manager was reimbursed \$9,465 for operating expenses incurred on behalf of the Fund, including amounts paid to affiliates, net of applicable taxes (March 31, 2020: \$13,808). The Manager absorbed \$62,481 of operating expenses during the six-month periods ended March 31, 2021, net of applicable taxes (March 31, 2020: \$60,635). Affiliates of the Manager provide administrative services associated with the day-to-day operations of the Fund. These affiliates of the Manager were reimbursed \$478 during the six-month periods ended March 31, 2021 by the Fund for such services (March 31, 2020: \$634).

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, 2021, Related Parties owned 13,553 shares of the Fund (March 31, 2020: 13,853).

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, 2021

Top 25 Investments*

	% of Net Asset Value
Consolidated Edison, Inc.	4.3%
Cincinnati Financial Corporation	3.8%
Johnson & Johnson	3.3%
Coloplast A/S	3.2%
Walmart Inc.	3.1%
The Procter & Gamble Company	2.7%
Mitsubishi Corporation	2.7%
Royal Bank of Canada	2.6%
Canadian National Railway Company	2.5%
Federal Realty Investment Trust	2.5%
Brookfield Infrastructure Partners LP, Preferred, Series 9, Fixed-Reset	2.4%
SJW Group	2.3%
Fortis, Inc.	2.3%
Nestle S.A.	2.3%
Bunzl PLC	2.3%
Pembina Pipeline Corporation, Preferred, Series 21, Fixed-Reset	2.1%
McDonald's Corporation	2.1%
Linde Public Limited Company	2.1%
Croda International PLC	2.1%
Hormel Foods Corporation	2.1%
Sumitomo Corporation	2.0%
AusNet Services	2.0%
Emera Incorporated, Preferred, Series H, Fixed-Reset	1.9%
Diageo PLC	1.9%
Brookfield Office Properties Inc., Preferred, Series GG, Fixed-Reset	1.9%
Grand Total	62.5%

Total net asset value **\$3,454,392**

* 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	
Consumer Staples	25.2%
Utilities	20.7%
Industrials	11.7%
Health Care	8.9%
Consumer Discretionary	8.2%
Financials	7.5%
Real Estate	5.9%
Materials	5.7%
Energy	2.1%
Cash & Other Net Assets (Liabilities)	1.5%
Communication Services	1.4%
Information Technology	1.2%

Geographic Region	
Foreign Equity	79.2%
Canadian Equity	8.9%
Canadian Preferred	7.0%
Foreign Preferred	3.4%
Cash & Other Net Assets (Liabilities)	1.5%

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

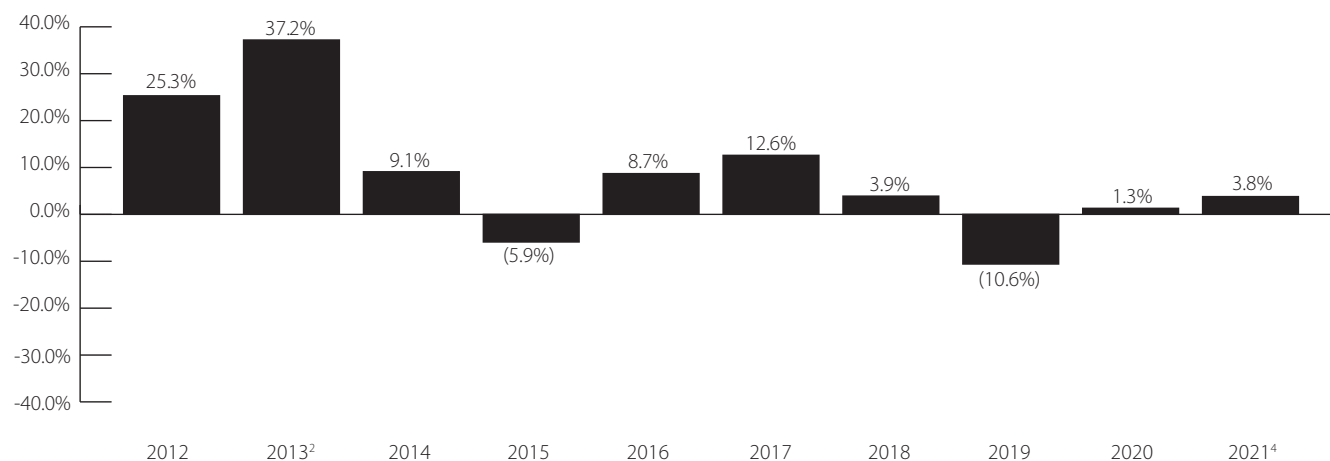
Past Performance

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.

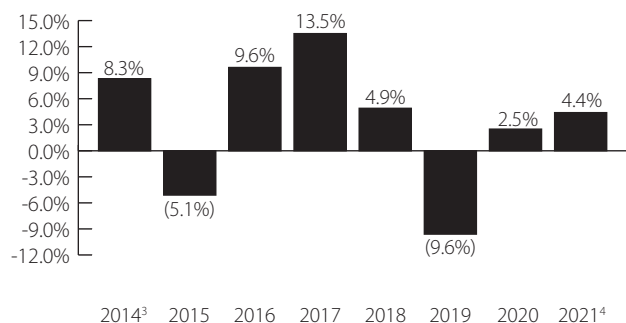
Year-By-Year Returns

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. Note the Fund changed its financial year end from December 31 to September 30 in 2013.

Series A Units¹



Series F Units



1. Prior to December 13, 2013 the Fund operated as Copernican British Banks Fund, a closed-end fund listed on the Toronto Stock Exchange under the symbol CBB.UN. On December 13, 2013 CBB.UN was Restructured, became a multi-class open end mutual fund, and changed its investment objectives and strategies. If the Restructuring had not occurred and the investment objectives and strategies had remained the same, performance since then may have been different.

2. Return for 2013 represents a partial year starting January 1, 2013 to September 30, 2013.

3. Return for 2014 represents a partial year starting December 17, 2013 to September 30, 2014.

4. Return for 2021 represents a partial year starting October 1, 2020 to March 31, 2021.

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 average 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	1.55%	57%	-	43%
Series F	0.55%	-	-	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 2021 is presented for the six-month period ended March 31, 2021 and for all other periods, information is as at September 30 of the year shown.

Series A Units - Net Assets per unit¹

For the periods ended	2021	2020	2019	2018	2017	2016
Net assets, beginning of the period	\$8.18	\$8.54	\$10.10	\$10.21	\$9.53	\$9.26
Increase (decrease) from operations:						
Total revenue	0.13	0.23	0.43	0.42	0.42	0.42
Total expenses	(0.11)	(0.21)	(0.23)	(0.23)	(0.26)	(0.22)
Realized gains (losses)	0.11	(1.62)	(0.19)	0.37	0.23	0.28
Unrealized gains (losses)	0.17	1.67	(1.14)	(0.20)	0.72	0.26
Total increase (decrease) from operations ²	0.30	0.07	(1.13)	0.36	1.11	0.74
Distributions to unitholders:						
From income	-	(0.01)	(0.03)	(0.04)	(0.01)	(0.11)
From dividends	(0.01)	(0.20)	(0.19)	(0.12)	(0.12)	(0.09)
From capital gains	-	-	-	-	-	-
Return of capital	(0.19)	(0.25)	(0.28)	(0.34)	(0.37)	(0.30)
Total annual distributions ³	(0.20)	0.46	(0.50)	(0.50)	(0.50)	(0.50)
Net assets, end of period ⁴	\$8.29	\$8.18	\$8.54	\$10.10	\$10.21	\$9.53

Series A Units - Ratios/Supplemental Data

For the periods ended	2021	2020	2019	2018	2017	2016
Total net asset value	\$3,132,859	\$3,733,020	\$5,092,010	\$7,288,781	\$4,491,787	\$3,475,041
Number of units outstanding	378,008	456,359	596,518	721,639	440,052	364,590
Management expense ratio ⁵	2.32%	2.38%	2.47%	2.41%	2.41%	2.41%
Management expense ratio before waivers or absorptions ⁵	6.04%	4.94%	4.22%	3.67%	4.19%	4.84%
Trading expense ratio ⁶	0.07%	0.15%	0.04%	0.08%	0.04%	0.07%
Portfolio turnover rate ⁷	24.09%	95.39%	10.59%	20.84%	22.13%	17.39%
Net asset value per unit	\$8.29	\$8.18	\$8.54	\$10.10	\$10.21	\$9.53

Series F Units - Net Assets per unit¹

For the periods ended	2021	2020	2019	2018	2017	2016
Net assets, beginning of the period	\$8.85	\$9.09	\$10.61	\$10.59	\$9.79	\$9.41
Increase (decrease) from operations:						
Total revenue	0.14	0.25	0.45	0.44	0.44	0.43
Total expenses	(0.07)	(0.12)	(0.13)	(0.12)	(0.18)	(0.14)
Realized gains (losses)	0.13	(1.77)	(0.18)	0.34	0.26	0.29
Unrealized gains (losses)	0.15	1.82	(1.36)	(0.19)	0.71	0.27
Total increase (decrease) from operations ²	0.35	0.18	(1.22)	0.47	1.23	0.85
Distributions to unitholders:						
From income	-	(0.08)	(0.01)	(0.04)	(0.13)	(0.10)
From dividends	(0.01)	(0.17)	(0.24)	(0.21)	(0.13)	(0.15)
From capital gains	-	-	-	-	-	-
Return of capital	(0.19)	(0.21)	(0.25)	(0.25)	(0.24)	(0.25)
Total annual distributions ³	(0.20)	(0.46)	(0.50)	(0.50)	(0.50)	(0.50)
Net assets, end of period ⁴	\$9.03	\$8.85	\$9.09	\$10.61	\$10.59	\$9.79

Series F Units - Ratios/Supplemental Data

For the periods ended	2021	2020	2019	2018	2017	2016
Total net asset value	\$321,533	\$489,403	\$835,635	\$1,241,554	\$1,641,865	\$1,115,664
Number of units outstanding	35,603	55,323	91,901	117,069	155,028	113,958
Management expense ratio ⁵	1.18%	1.25%	1.35%	1.43%	1.53%	1.53%
Management expense ratio before waivers or absorptions ⁵	4.90%	3.81%	3.09%	2.69%	3.31%	3.95%
Trading expense ratio ⁶	0.07%	0.15%	0.04%	0.08%	0.04%	0.07%
Portfolio turnover rate ⁷	24.09%	95.39%	10.59%	20.84%	22.13%	17.39%
Net asset value per unit	\$9.03	\$8.85	\$9.09	\$10.61	\$10.59	\$9.79

Explanatory Notes

1. The information for March 31, 2021 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.
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 (MER) 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.

The Fund may hold investments in exchange traded funds (ETFs). The MER is calculated taking into consideration the expenses of the Fund allocated to the series including expenses indirectly attributable to its investment in the ETFs divided by the average daily NAV of the series of the Fund during the period.

Effective April 20, 2020, the management fees decreased from 1.65% and 0.65% to 1.55% and 0.55% on Series A and Series F, respectively. For the year ended September 30, 2020, if the change in management fees had been effective since the start of the financial year, the MER after waivers or absorptions would have been 2.34% and 1.21% Series A and Series F, respectively.

6. The trading expense ratio (TER) 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.

The TER is calculated taking into consideration the costs attributable to its investment in ETFs.

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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