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PORTLAND GLOBAL ALTERNATIVE FUND
ANNUAL MANAGEMENT REPORT OF FUND PERFORMANCE

SEPTEMBER 30, 2022

PORTFOLIO
MANAGEMENT TEAM

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

Kyle Ostrander
Portfolio Manager

Management Discussion of Fund Performance Portland Global Alternative 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 September 30, 2022 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 from that of the Series F units due to differing fees.

INVESTMENT OBJECTIVE AND STRATEGIES

The investment objective of the Portland Global Alternative Fund (the Fund) is to provide positive long-term total returns consisting of both income and capital gains by investing primarily in a portfolio of global equities and debt-like 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) of, or that provide exposure to, banks located anywhere in the world.

The Fund is considered an "alternative mutual fund" according to National Instrument 81-102, meaning it is permitted to use strategies generally prohibited by conventional mutual funds, such as the ability to invest up to 20% of its net asset value in securities of a single issuer (rather than 10% for conventional mutual funds); 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, up to 50% of its net asset value, cash 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.

RISK

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

RESULTS OF OPERATIONS

For the year ended September 30, 2022, the Fund's Series F units had a return of (12.1%). For the same period, the MSCI All Country World Index (the Index), had a return of (13.9%). For the period of April 20, 2020 to September 30, 2022, the Fund's Series F units had an annualized return of 0.4%. For the same period, the Index had an annualized return of 7.2%. Unlike the Index, the Fund's return is after the deduction of its fees and expenses.

The Fund's net asset value as at September 30, 2022 was \$1.5 million. The top five sector holdings as at September 30, 2022 were consumer

staples, 30.4%; financials, 17.6%; consumer discretionary, 15.5%; health care, 15.3%; and information technology, 11.2%. By geography, assets were invested in securities of issuers based in the United States, 78.3%; United Kingdom, 17.9%; Canada, 8.8%; Switzerland, 6.0%; Denmark, 3.2%; Germany, 2.8%; France, 1.7%; Spain, 1.7%; and Cash & Other Net Assets (Liabilities) (20.4%).

The top three contributors to the Fund's performance during the year ended September 30, 2022 were Consolidated Edison, Inc., Hormel Foods Corporation, and Costco Wholesale Corporation. The bottom three contributors to the Fund's performance during the year ended September 30, 2022 were Amazon.com, Inc., JPMorgan Chase & Co., and Coloplast A/S.

The sectors contributing positively to the Fund's return for the period from September 30, 2021 to September 30, 2022 were utilities (Consolidated Edison, Inc.), consumer staples (Hormel Foods Corporation), and industrials (Marubeni Corporation). The sectors contributing negatively to the Fund's return for the period were real estate (American Tower Corporation), financials (JPMorgan Chase & Co.), consumer discretionary (Target Corporation), information technology (Halma PLC), health care (Fresenius Medical Care AG & Co. KGaA), and communication services (Vodafone Group PLC).

We believe there will be opportunities to deploy cash in attractively priced equities throughout 2022. We expect central banks globally to continue to increase interest rates in order to reduce inflation. These actions will eventually create buying opportunities throughout equity markets. We look forward to taking advantage of these buying opportunities when they occur.

RECENT DEVELOPMENTS

The impact of the COVID-19 pandemic has already been reflected in securities prices so it is not expected to have any material impact on the investments in the Fund. The Fund will seek to hold some of the best ideas across the globe. Primarily, it will seek out what we identify as the best global investment ideas that may have a history of growing dividends and/or share buybacks over the long-term, will focus on principles espoused by Warren Buffett and will target returns that will limit a reasonable amount of volatility. We will tend to have a bias towards low beta securities that are within defensive sectors including the utilities, real estate and consumer staples sectors. Beta is a measure of the volatility, or systematic risk, of an individual stock in comparison to the unsystematic risk of the entire market. In statistical terms, beta represents the slope of the line through a regression of data points from an individual stock's returns against those of the market. We believe these securities have the best opportunity to minimize portfolio volatility and benefit from low interest rates. As at September 30, 2022, the portfolio's weighted average beta was 1.08. We will focus on producing a concentrated, diversified portfolio of between 20 to 30 businesses. The Manager aims to follow its Five Laws of Wealth Creation (noted below) and will continue to resonate these policies throughout the portfolio investments of the Fund. We seek to own a few high-quality businesses, that we thoroughly understand, that are domiciled in strong, long-term growth industries; that use other people's money, prudently, and that are bought at attractive valuations and held as long as the company remains high quality and at a reasonable valuation.

LEVERAGE

When a Fund makes investments in derivatives, borrows cash for investment purposes, or uses physical short sales on equities or other

portfolio assets, leverage may be introduced into the Fund. Leverage occurs when the Fund's notional exposure to underlying assets is greater than the amount invested. It is an investment technique that magnifies gains and losses. Consequently, any adverse change in the value or level of the underlying asset, rate or index may amplify losses compared to those that would have been incurred if the underlying asset had been directly held by the Fund and may result in losses greater than the amount invested in the derivative itself. Leverage may increase volatility, may impair the Fund's liquidity and may cause the Fund to liquidate positions at unfavorable times.

To help achieve its investment objective, the Fund exercised leverage through borrowing. During the year ended September 30, 2022, the minimum amount of borrowing exercised by the Fund was \$325,415 and maximum was \$465,470 (September 30, 2021: minimum \$nil, maximum \$632,635).

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 year ended September 30, 2022, the Manager received \$29,480 in management fees from the Fund, net of applicable taxes (September 30, 2021: \$36,482).

The Manager is entitled to receive a performance fee, calculated and accrued on each business day paid monthly. During the year ended September 30, 2022, the Manager received \$6,190 in performance fees from the Fund, net of applicable taxes (September 30, 2021: \$36,519).

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 (loss). 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 year ended September 30, 2022, the Manager was reimbursed \$9,291 for operating expenses incurred on behalf of the Fund, including amounts paid to affiliates, net of applicable taxes (September 30, 2021: \$10,768). The Manager absorbed \$164,250 of operating expenses during the year ended September 30, 2022, net of applicable taxes (September 30, 2021: \$158,923). Affiliates of the Manager provide administrative services associated with the day-to-day operations of the Fund. These affiliates of the Manager were reimbursed \$833 during the year ended September 30, 2022 by the Fund for such services (September 30, 2021: \$775).

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 (IRC), as described below, were not required or obtained for such transactions. As at September 30, 2022, Related Parties owned 2,132 shares of the Fund (September 30, 2021: 2,132).

The Fund has received standing instructions from the Fund's IRC. The standing instructions constitutes a written recommendation from the IRC that permits the Manager to proceed with specific action(s) set out in the standing instructions on an ongoing basis as detailed in the annual IRC Report to Securityholders. The standing instructions are designed to ensure that the Manager's actions are carried out in accordance with National Instrument 81-107 - Independent Review Committee for Investment Funds and the Manager's policies and procedures in order to achieve a fair and reasonable result for the Fund. The IRC reviews reports periodically, at least annually, which assess compliance with applicable conflicts of interest policies and standing instructions.

Except as otherwise noted above, the Fund was not a party to any related party transactions during the year ended September 30, 2022.

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 "may", "should", "will", "anticipate", "believe", "plan", "predict", "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 that may impact the Fund. These forward-looking statements are subject to a number of risks, uncertainties, assumptions and other factors 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 September 30, 2022

Top 25 Investments

	% of Net Asset Value
Microsoft Corporation	7.6%
Berkshire Hathaway Inc., Class B	7.5%
Amazon.com, Inc.	6.7%
Alphabet Inc.	5.7%
Consolidated Edison, Inc.	5.4%
Costco Wholesale Corporation	4.3%
The Procter & Gamble Company	4.1%
Diageo PLC	4.1%
Walmart Inc.	3.9%
JPMorgan Chase & Co.	3.8%
McDonald's Corporation	3.8%
Johnson & Johnson	3.5%
The Coca-Cola Company	3.4%
Canadian National Railway Company	3.4%
Hormel Foods Corporation	3.3%
Royal Bank of Canada	3.3%
Coloplast A/S	3.2%
Compass Group PLC	3.2%
Bunzl PLC	2.9%
American Tower Corporation	2.9%
Vodafone Group PLC	2.9%
Fresenius SE & Co KGaA	2.8%
Visa Inc., Class A	2.4%
SSE PLC	2.3%
Roche Holding AG	2.1%
Grand Total	98.5%

Total net asset value \$1,531,278

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	30.4%
Financials	17.6%
Consumer Discretionary	15.5%
Health Care	15.3%
Information Technology	11.2%
Utilities	10.8%
Communication Services	10.4%
Industrials	6.3%
Real Estate	2.9%
Cash & Other Net Assets (Liabilities)	(20.4%)
Geographic Region	
United States	78.3%
United Kingdom	17.9%
Canada	8.8%
Switzerland	6.0%
Denmark	3.2%
Germany	2.8%
France	1.7%
Spain	1.7%
Cash & Other Net Assets (Liabilities)	(20.4%)

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

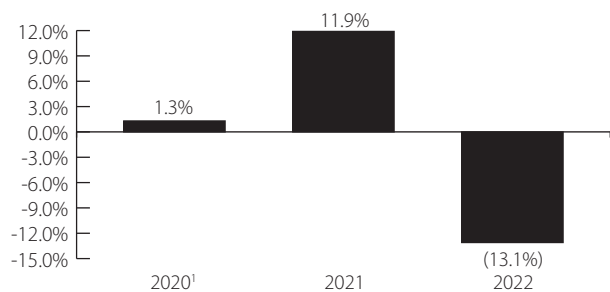
Past Performance

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. On April 20, 2020, the Fund was converted to an alternative mutual fund. Due to this change, the performance was required to be reset from this date.

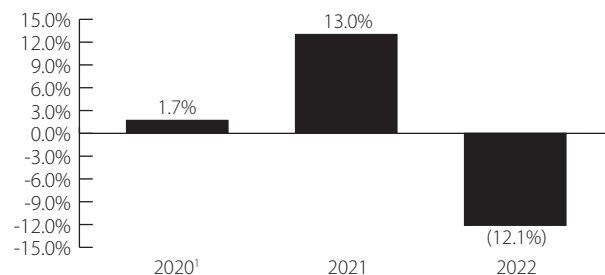
Year-By-Year Returns

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 2020 represents a partial year starting April 20, 2020 to September 30, 2020.

Annual Compound Returns

The table below shows the historical compound returns of the applicable series of units and the MSCI All Country World Index (the Index). The Index is designed to measure the performance of the large and mid cap segments across developed and emerging markets. Performance will vary by series largely due to the extent that fees and expenses may differ between series.

Series of Units	Inception Date	Since Inception	One Year	Three Year	Five Year	Ten Year
Series A	April 20, 2020	(0.6%)	(13.1%)	-	-	-
Index		7.2%	(13.9%)	-	-	-
Series F	April 20, 2020	0.4%	(12.1%)	-	-	-
Index		7.2%	(13.9%)	-	-	-

Comparison to the Index: Since the Fund does not necessarily invest in the same securities as the Index or in the same proportion, the performance of the Fund is not expected to equal that of the Index. Please refer to Management Discussion of Fund Performance - Results of Operations for additional discussion of the Fund's performance compared to the Index.

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	1.75%	74%	-	26%
Series F	0.75%	-	-	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. The information is provided as at September 30 of the year shown.

Series A Units - Net Assets per unit¹

For the periods ended	2022	2021	2020	2019	2018
Net assets, beginning of the period	\$8.67	\$7.75	\$9.49	\$10.75	\$11.37
Increase (decrease) from operations:					
Total revenue	0.18	0.20	0.10	0.38	0.27
Total expenses	(0.28)	(0.40)	(0.22)	(0.31)	(0.33)
Realized gains (losses)	(0.05)	0.36	(0.42)	(1.24)	1.79
Unrealized gains (losses)	(0.58)	0.75	0.48	0.27	(1.75)
Total increase (decrease) from operations ²	(0.73)	0.91	(0.06)	(0.90)	(0.02)
Distributions to unitholders:					
From income	-	-	-	-	-
From dividends	-	-	-	-	-
From capital gains	-	-	-	-	-
Return of capital	-	-	(0.30)	(0.56)	(0.59)
Total annual distributions ³	-	-	(0.30)	(0.56)	(0.59)
Net assets, end of period ⁴	\$7.53	\$8.67	\$7.75	\$9.49	\$10.75

Series A Units - Ratios/Supplemental Data

For the periods ended	2022	2021	2020	2019	2018
Total net asset value	\$1,023,056	\$1,900,821	\$2,335,368	\$252,589	\$428,314
Number of units outstanding	135,881	219,329	301,470	26,623	39,834
Management expense ratio ⁵	3.26%	4.47%	2.66% *	2.83%	2.83%
Management expense ratio excluding performance fees ⁵	2.85%	2.61%	2.36% *	-	-
Management expense ratio before waivers or absorptions ⁵	12.94%	12.54%	5.98% *	6.04%	4.90%
Trading expense ratio ⁶	0.01%	0.08%	0.16%	0.09%	0.04%
Portfolio turnover rate ⁷	1.37%	36.83%	68.03%	3.75%	5.00%
Net asset value per unit	\$7.53	\$8.67	\$7.75	\$9.49	\$10.75

Series F Units - Net Assets per unit¹

For the periods ended	2022	2021	2020	2019	2018
Net assets, beginning of the period	\$9.54	\$8.44	\$10.21	\$11.40	\$11.89
Increase (decrease) from operations:					
Total revenue	0.20	0.20	0.15	0.42	0.29
Total expenses	(0.17)	(0.33)	(0.19)	(0.21)	(0.21)
Realized gains (losses)	(0.14)	0.29	(1.13)	(1.09)	1.99
Unrealized gains (losses)	(2.87)	0.84	(0.26)	0.28	(2.33)
Total increase (decrease) from operations ²	(2.98)	1.00	(1.43)	(0.60)	(0.26)
Distributions to unitholders:					
From income	-	-	-	-	-
From dividends	-	-	-	-	-
From capital gains	-	-	-	-	-
Return of capital	-	-	(0.30)	(0.56)	(0.59)
Total annual distributions ³	-	-	(0.30)	(0.56)	(0.59)
Net assets, end of period ⁴	\$8.39	\$9.54	\$8.44	\$10.21	\$11.40

Series F Units - Ratios/Supplemental Data

For the periods ended	2022	2021	2020	2019	2018
Total net asset value	\$508,222	\$74,049	\$121,250	\$195,549	\$244,470
Number of units outstanding	60,599	7,762	14,363	19,155	21,452
Management expense ratio ⁵	1.90%	3.36%	1.71% *	1.70%	1.69%
Management expense ratio excluding performance fees ⁵	1.80%	1.63%	1.55% *	-	-
Management expense ratio before waivers or absorptions ⁵	11.58%	11.42%	5.03% *	4.90%	3.77%
Trading expense ratio ⁶	0.01%	0.08%	0.16%	0.09%	0.04%
Portfolio turnover rate ⁷	1.37%	36.83%	68.03%	3.75%	5.00%
Net asset value per unit	\$8.39	\$9.54	\$8.44	\$10.21	\$11.40

* Annualized

Explanatory Notes

1. a) The information is derived from the Fund's audited annual financial statements prepared in accordance with International Financial Reporting Standards. The net assets per series presented in the financial statements may differ from the net asset value calculated for fund pricing purposes.
- b) On April 20, 2020, Portland Global Banks Fund converted into an alternative mutual fund and was renamed Portland Global Alternative Fund. On the same date, Series A2 Units were merged into Series A Units. For reporting periods prior to April 20, 2020, the comparative figures included in the financial highlights tables represent the financial performance of Portland Global Banks Fund.
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 ETFs and the MER is calculated taking into consideration the expenses of the Fund allocated to the series including expenses indirectly attributable to its investment in ETFs divided by the average daily net asset value of the series of the Fund during the period.

On April 20, 2020, the management fees decreased from 2.00% and 1.00% to 1.75% and 0.75% 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 that financial year, the MER after waivers or absorptions would have been 2.63% and 1.53% on 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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