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Portland Special Opportunities Fund

Annual Financial Report

June 30, 2024

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FINANCIAL STATEMENTS

PORTFOLIO MANAGER	**Christopher Wain-Lowe,** BA, MBA Chief Investment Officer, Executive Vice President and Portfolio Manager

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OVERVIEW

The investment objective of the Portland Special Opportunities Fund (the Fund) is to provide above average risk-adjusted returns over the long term by investing directly or indirectly in strategies managed by EnTrust Global (EnTrust) or its affiliates. Portland Investment Counsel Inc. (the Manager) has selected EnTrust as a specialty investment manager. EnTrust is one of the world's larger hedge fund investors and has cultivated relationships with many active hedge fund managers, investment banks and other institutions providing experience and access to a breadth of alternative investment opportunities. This access enables EnTrust to be presented with what EnTrust believed to be the 'best idea' investment opportunities, typically in asset classes where market dislocations or other events have created attractive investment opportunities.

The Fund intends to achieve its investment objective by investing in alternative strategies managed by EnTrust, through investment in the EnTrustPermal Special Opportunities Fund IV Ltd. (EPSO4). Since EPSO4 will seek to invest in the 'best ideas' of EnTrust (rather than in a diversified fund), EPSO4's and the Fund's results can be expected to be more idiosyncratic. EPSO4 can be expected to be more concentrated than a diversified fund and the success or failure of any one investment may have a more material impact on results compared to a more diversified portfolio. EPSO4 invested in a range of investments, including but not limited to, distressed corporate securities, activist equities, municipal bonds, high yield bonds, leveraged loans, unsecured debt, collateralized debt obligations, mortgage-backed securities, direct lending and sovereign debt, real estate, venture capital and private equity-type structures. The approach is to select investments in less efficient and dislocated markets, where a catalyst can be held or controlled to unlock substantial value.

EPSO4 is closed to new subscriptions. The offering memorandum of the Fund notes the intention of the Fund to commit to subsequent products and services offered or managed by EnTrust Global on a direct or indirect basis. The Manager intends to pay special distributions irregularly instead of redeploying received monies into another fund managed by EnTrust. This decision was made because of the extended life of the underlying investment in EPSO4 and its relative underperformance to date, as discussed further below. Once EPSO4 is closed and terminated, with all proceeds distributed to its investors, including the Fund, the Manager intends to terminate the Fund in accordance with the Fund's governing documents and offering memorandum. The Manager believes that this approach is in the best interests of investors. The proposed date for the termination of the Fund is dependent upon receipt of all distributions from EPSO4.

RESULTS OF OPERATIONS

EPSO4 raised approximately US$1.08 billion across all its investment vehicles by May 2019. The Fund committed US$8.5 million to EPSO4 Class A units and US$0.1 million to EPSO4 Class D units as part of the total amount raised and the commitment has been paid in full.

As at March 31, 2024, EPSO4 invested in 51 opportunities (37 equity investment projects, 14 credit investment projects). Of the 51 investments to date, 19 have been exited, 14 of which realized positive returns with effective internal rates of return of ranging between 3.37% and 60.97%, and five realized negative returns with effective internal rates of return of (7.83%), (11.04%), (20.35%), (24.01%), and (38.53%).

For the period of June 30, 2023 to June 30, 2024, the Fund's Series A units had a return of 5.02% and Series F units had a return of 6.22%. For the full period since the launch of the Fund on December 14, 2017, the Fund's annualized return was (2.57%) for Series A units and (1.49%) for Series F units, which is very disappointing.

EPSO4 will not invest in any fund or investment vehicle that has an initial lock-up period or term of more than five years and total lock-up period or term, including applicable extensions, of more than eight years. The offering memorandum for EPSO4 provides that the Fund's capital commitments are subject to a commitment period of three years, entitled to a one-year extension at the discretion of EnTrust, the investment advisor to EPSO4. The initial three-year commitment period of EPSO4 Class A units expired as of March 26, 2021. EnTrust notified the Fund that it extended the commitment period of EPSO4 Class A units for one year, with a revised expiration date of March 26, 2022. The initial three-year commitment period of EPSO4 Class D units expired as of June 2, 2022. EnTrust notified the Fund that it extended the commitment period of EPSO4 Class D units for one year, with a revised expiration date of June 2, 2023.

Now that the commitment period for EPSO4 has expired, proceeds from any exited investments will be distributed to the Fund, rather than being recycled (as is the case during the commitment period).

Of EPSO4's equity investments, EnTrust and their respective investment partners are a top-five shareholder in approximately two-thirds of such positions, have a board seat in almost half, have multiple board seats in more than one quarter, and serve as or have appointed the Chair and/or Vice-Chair of the board in more than one quarter. Of EPSO4's credit investments, EnTrust and their respective co-investment partners have had a leading role in the relevant restructuring/capital structure negotiations in almost 80% of such positions. EnTrust along with co-investment partners, has demonstrated controlling interests in many of their investments evidenced by their largely "activist" investment strategy. While EnTrust continually monitors price movement in the positions they hold, their investment and monetization process is more thesis driven given their level of involvement with respect to each underlying holding. While certain names in the portfolio have performed unsatisfactorily, EnTrust believes there remain levers to pull towards additional upside given company-specific dynamics.

As mentioned, EPSO4 has invested in 51 opportunities of which 19 have been exited at a gross multiple on the invested capital of approximately 1.11x.

The ten realized equity investments have their gross internal rate of return (IRR) for the transaction listed in brackets, and were investments in:

1. **Uber Technologies, Inc. (NYSE: UBER) (-7.83%)** provides ride hailing services. Uber develops applications for road transportation, navigation, ride sharing, and payment processing solutions. The investment was exited through Uber's initial public offering in May of 2019.

2. **Sony Group Corporation (NYSE: SONY) (+29.26%)** produces televisions, cameras, mobiles, audio and video products, game equipment, and more.

3. **Triumph Group, Inc. (NYSE: TGI) (-24.01%)** is an aerospace and defense provider.

4. **Medifast, Inc. (NYSE: MED) (+60.97%)** is a leading health and wellness company, specializing in weight loss management. The investment in Medifast was exited after shares reached target valuation levels.

5. Cardtronics PLC (NASDAQ: CATM) (+13.16%) operates as a cash machine provider and installs, repairs, maintains, and operates automated teller machines in the United Kingdom. It was the subject of competing bids and ultimately acquired by NCR Corporation, the leading U.S. ATM manufacturer.

6. The Hain Celestial Group, Inc. (NASDAQ: HAIN) (+30.14%) is a natural and organic beverage, snack, specialty food, and personal care products company. The investment in Hain Celestial Group was exited in November 2021, after Hain shares reached target valuation levels.

7. Comcast Corporation (NASDAQ: CMCSA) (+4.95%) is a global technology and media giant with key cable and media assets. The investment in Comcast was exited during the first quarter of 2022 due to fears of increasing industry competition and rising capex within the company.

8. Prudential PLC (LSE: PRU) (-20.35%) is an international company which provides a wide assortment of insurance and investment products and services. EnTrust co-invested in Prudential in February 2020, just before the onset of the pandemic. EnTrust and their co-investment partner decided to exit the investment during the second quarter of 2022.

9. Quibi Holdings LLC (-38.53% for Class A, -100.00% for Class D) is a short- form premium content provider intended to become the "Netflix of short-form, premium content", according to EnTrust. Quibi's launch (April 2020) clashed with the emergence of COVID-19, subscription/ user growth fell short of expectations, exacerbating capital needs; in October of 2020, Quibi announced that it would wind down operations and return unencumbered cash as well as any proceeds from the potential sale of company assets to investors. Quibi made its final distribution in the fourth quarter of 2022, with Class A shareholders receiving a total recovery of around 57%. It should be noted that EnTrust was predominately invested in Quibi's Class A units.

10. Argo Group International Holdings, Ltd. (NYSE: ARGO) (-11.04% for Class A, -2.23% for Class D) is a global underwriter of specialty property and casualty insurance and reinsurance. In February 2023, Argo announced a full sale of the business to Brookfield Reinsurance for US$1.1 billion, or US$30 per share. While the transaction was expected to close in the second half of 2023, EnTrust's co-investment partner exited its position in the second quarter given the narrow spread between the deal price and the company's share price, resulting in an overall loss on this investment.

The nine realized credit investments have their gross IRR for the transaction listed in brackets, and were investments in:

i. two direct loans to Aston Martin Lagonda Global Holdings PLC (LSE: AML) (+14.28% and +15.71%), the luxury car manufacturer, which upon a successful initial public offering, fully repaid the first loan and subsequently the second loan;

ii. Thryv, Inc. (NASDAQ: THRY) (+11.88%) a dominant provider of lead generation solutions (primarily directories) and local small business management software;

iii. a corporate loan (+3.37%);

iv. a municipal debt market investment initiated in 2020 (+27.51%);

v. A basis dislocation portfolio (+9.33%);

vi. Blue Ocean (+12.67%), a diverse maritime loan portfolio;

vii. CITGO Petroleum Corporation (+16.87%), a U.S. energy company, and;

viii. a municipal debt market investment initiated in 2022 (+19.57%), which was exclusive to Class D units.

RECENT DEVELOPMENTS AND OUTLOOK

Of the remaining unrealized investments through EPSO4, below we have highlighted unrealized investments which are not bound by confidentiality.

These investments are summarized in two sections (pre-COVID-19 and post-COVID-19); the first are those made prior to January 1, 2020 (before the onset of COVID-19), when EPSO4 had deployed roughly 75% of its committed capital.

INVESTMENTS BEFORE JANUARY 1ST, 2020

Deutsche Bank AG (NYSE:DB)

Deutsche Bank AG (DB) is the largest bank in Germany and one of the largest in the world, operating in over 60 countries with almost 3,000 retail branch locations; the company provides commercial banking, investment banking, and asset management services. DB suffered a protracted number of years recovering from the global financial crisis, and noticeably lagged its U.S. and European peers. In 2018, with EnTrust's investment, Hudson Executive Capital (HEC) was able to collect a 3.1% stake in DB, making them a top-five shareholder. Since HEC's and EnTrust's investment into DB, in 2019, the firm announced its "Compete to Win" plan, the most transformative business plan in decades, where it would exit non-core businesses, reduce excess costs, invest in tech and growth avenues, and liberate capital through a new "Capital Release Unit". The first quarter of 2023 marked the end of the three-year restructuring plan, with the bank achieving significant turnaround in hitting their key targets. DB has reiterated it is on track to meet its key targets for 2025, which include a return on tangible equity (ROTE) of over 10%, a 62% cost-to-income ratio, €30 billion in revenue, and an intention to return up to €8 billion of capital to shareholders. DB posted earnings that were largely in line with expectations for the second quarter of 2024. Revenues for the quarter of €7.59 billion were approximately 2% above consensus, and total costs came in 1% higher than consensus with slightly increased provisions. Profit before tax of €411 million came in 4% higher than consensus, this slight beat was largely driven by strength in the Corporate Bank and Asset Management divisions. In July of 2024, Deutsche confirmed the successful completion of its €675 million share buyback program. The company has identified a further €3 billion of capital of which may be used for share repurchases, to be freed up through 2025 due to greater clarity on the regulatory environment and progress on capital efficiency. In its second quarter earnings release, the company posted a13.5% Common Equity Tier 1 capital ratio, compared to consensus expectations of 13.3%.

IWG PLC (LSE: IWG)

IWG PLC (IWG) is a global owner and provider of serviced workplaces with over 3,200 locations in 1,090 towns and cities, spanning 110 countries at the time of EnTrust's investment. In 2016, a change in leadership led IWG to a challenged condition – evidenced by a large profit downgrade in 2017 which caused a significant retraction in share price. In 2018, share prices were further depressed due to a failed private equity bid, providing an attractive entry point for EnTrust and their co-investment partner. Following EnTrust's investment in September 2018, EnTrust's partner was able to bring their equity stake in the company to 18%, making them the second largest shareholder, only behind the CEO of IWG, Mark Dixon. In the fourth quarter of 2018, IWG publicly announced its intention to move to a franchising model, and that it would explore the sale of non-core assets. Since this announcement, three major regional franchise disposals have been achieved, generating proceeds of £440 million for 190 locations, with IWG retaining the right to collect servicing fees. In the first quarter of 2022, the company announced it would acquire the Instant Group for £270 million, this would build on the firm's digital assets with the intention to create "the world's leading independent, fully integrated workspace platform", according to EnTrust. IWG anticipates the merged company, renamed Worka, will eventually be divested, an initiative expected to help unlock the "sum-of-the-parts discount" that EnTrust believes is currently embedded in the share price. IWG reported strong progress through 2023, and its transition to a capital-light business model has accelerated, with the number of new asset-light locations signed in the first three quarters of 2023 alone being almost 40% higher than the total number signed in all of 2022. In December 2023, IWG gave a medium-term EBITDA target of US$1 billion, and emphasized that the bulk of earnings will flow through to cash flow given the asset-light nature of the business; specifically, management guided that every 1,000 asset-light office openings would add US$100 million to EBITDA upon maturity (within approximately two years post-opening) and US$70-80 million to annual profits. IWG remains focused on cash generation and continues to assess capital allocation priorities. IWG also announced it is reviewing its reporting currency as well as the potential implications of reporting under U.S. GAAP, in what EnTrust expects to be an initial step toward a transition from a U.K. to U.S. listing. Finally, the company reaffirmed its commitment to reducing its ownership stake in Worka over the medium-term.

ThyssenKrupp AG (ETR: TKA)

ThyssenKrupp AG (TKA) is a diversified German industrial conglomerate, with market-leading positions in a variety of attractive industries around the globe, with over 500 subsidiaries, operating in circa 80 countries. TKA operated through five main segments at the time of EnTrust's investment: (i) elevator technology, (ii) components technology, (iii) industrial solutions, (iv) materials services, and (v) Steel Europe. Operational issues, poor investments, and a struggle in the Steel Europe segment, were key contributors to a share price that lagged peers. EnTrust and their co- investment partner believed that the complexity of TKA's multiple business lines hid the company's intrinsic value. EnTrust and their partner advocated that the conglomerate break up in order to simplify their business model and reduce overhead. It was also believed their exposure to steel was depressing the share price, so EnTrust and their partner advised TKA to trim their steel exposure. EnTrust invested in TKA in 2018 with its co-investment partner, achieving an ownership stake of 18% at the time of the investment, making them the second largest shareholder. In the third quarter of 2020, TKA closed a €17.2 billion sale of its elevator division, following EnTrust's efforts to deconsolidate and simplify the business, while giving TKA the cash it needed to pursue its aggressive restructuring efforts. TKA's green hydrogen electrolysis business, Nucera, was finally brought public in the third quarter of 2023, after delays brought on by the outbreak of the Russia-Ukraine war and the resulting unfavorable market conditions. The transaction raised €526 million in gross proceeds in what was Germany's largest IPO of 2023, following the agenda of simplifying its conglomerate structure. TKA retains a 50.2% ownership stake in the business, down from a pre-IPO level of 66%. TKA reported fiscal first quarter 2024 results that were largely in-line with expectations, with impairments in certain segments, including Steel Europe, that led to downgrades in 2024 guidance. The company maintained guidance for adjusted earnings before interest and taxes (EBIT) and free cash flow (FCF) before mergers and acquisitions (M&A), given expectations that continued improvements in operational performance will offset some of what EnTrust believes to be macro-driven losses related to price normalization, slowing demand, volatile energy prices and higher interest rates. In the second quarter of 2024, it was announced that TKA will sell 20% of its steel business to Czech billionaire Daniel Kretinsky. Also during the quarter, private equity firm Carlyle Group Inc. and German development bank KfW announced discussions to jointly buy a majority stake of Thyssenkrupp's Marine Systems segment.

MGM Resorts International (NYSE: MGM)

MGM Resorts International (MGM) is a leading globally integrated resort, gaming, and entertainment company with assets in the U.S. and China. At the time of EnTrust's investment in June 2019, MGM owned four casinos in the U.S., had partial ownership in four properties globally (two in Macau and Cotai, and two in Las Vegas), and leased 14 properties from a publicly traded REIT in which MGM held a 70% stake. EnTrust and their co- investment partner were able to build up their stake to 4% at the time of investment, theorizing MGM had underperformed its peer group largely due to poor operating performance and consistent failure in meeting analyst expectations. EnTrust and their respective co-investment partner believed MGM to be an attractive opportunity given the company's i) strong collection of assets, ii) inflection of cash flows, where previously deployed billions of dollars of capex started to bear fruits, iii) opportunity to improve profits from cost cutting and revenue optimization, and iv) opportunity to increase strategic value through re-evaluating the company's business model. During the first quarter of 2022, MGM and its current largest shareholder, IAC Inc., announced they would each purchase 4.5 million shares of stock from EnTrust's co-investment partner for US$45 per share, for a total aggregate amount of US$405 million. Following the transaction, EnTrust and their co-investment partner owned 1.5% of MGM. The company reported earnings for the fourth quarter of 2023 that, on a consolidated basis, beat consensus estimates for net revenue and adjusted earnings per share (EPS), largely driven by strength in Las Vegas and China. Revenue for MGM China grew 426% year-over-year as the region continues to benefit from the end of COVID-19 lockdowns, and both adjusted earnings before interest, taxes, depreciation, amortization, and restructuring (EBITDAR) and market share (16%) reached all-time highs. The Las Vegas segment also posted a record quarter for both revenue and adjusted EBITDAR, with a boost from the successful Formula 1 event in November 2023. MGM is still facing the lingering negative effects from the September 2023 cyber security attack on their systems, which EnTrust believed should be remedied by insurance. BetMGM achieved EBITDA profitability in the second half 2023, and is now live in 28 U.S. states. However, this profitability was at the expense of market share, which declined from ~17% in August 2023 to ~14% in December 2023, the platform was able to maintain a top three position in the iGaming/online sports betting market in the U.S. with growing global operations via the recent acquisition of LeoVegas AB for US$607 million in 2022. MGM's partnership with Marriott, titled "MGM Collection Marriot Bonvoy", which was expected to attract higher-spending customers for lower cost of acquisition, officially launched in January 2024, and has already positively impacted room bookings. The company recently received approval from Japan to open the country's first casino, paving the way for a US$8.1 billion resort, set to open in 2029. MGM continues to view share repurchases as an attractive opportunity to return value to shareholders, repurchasing US$629 million worth of shares in the final quarter of 2023, which brings total repurchases to US$2.3 billion in 2023, reflecting a 14% float reduction over the financial year.

TEGNA Inc. (NYSE: TGNA)

Tegna Inc. (Tegna) is a broadcasting, digital media, and marketing services company; it is considered the last large, publicly traded local broadcasting company that is not family controlled. In June 2019, EnTrust co-invested in Tegna with Standard General L.P. (SG), an American hedge fund. SG believed Tegna traded below its achievable multiples at the time of investment, as Tegna was trading at 8.1x trailing Broadcasting Cash Flow, compared to similar transactions that were taking place at 10 – 12x. Another component to the investment thesis in Tegna was its attractiveness as an M&A target, even though management at the time was unlikely to sell in the absence of activist pressure. With EnTrust's investment, SG gained over 9% of Tegna's outstanding shares, making them the third largest shareholder. In the first half of 2021, SG capitalized on the company's strong share price, trimming their ownership to just below 5%. In February 2022, Tegna agreed to be acquired by SG affiliates for US$24 per share, representing an equity value of approximately US$5.4 billion and an enterprise value of approximately US$8.6 billion; the acquisition was expected to close in February of 2023 but was blocked by the Federal Communications Commission (FCC) and other regulators. EnTrust believes this action was "unprecedented". Tegna decided to terminate its merger agreement with SG, with SG having to pay US$136 million in termination fees. SG is currently evaluating all its options.

Aramark Corporation (NYSE: ARMK)

Aramark Corporation (Aramark) is a provider of food and facilities management services. Aramark offers uniforms, refreshments, work apparel, and cleanroom services to healthcare institutions, universities, school districts, stadiums, and businesses. The company serves across 19 countries and operates through two segments: (i) food and support services (FSS), and (ii) uniforms. Both segments hold competitive positions in their respective high-quality industries (#2 player in both FSS and uniforms industry), characterized by large addressable markets, recurring revenue streams, and sticky client relationships from long-term contracts and high switching costs. Despite all these favorable traits, Aramark shares sold off in late 2018 due to weak financial results and operational missteps from poor management. This sell-off led the company to reach multi-year lows, which EnTrust believes exacerbated the discount between Aramark and its peers. EnTrust invested in Aramark in 2019 alongside their co-investment partner, summing to a 20% equity stake in the company (second largest shareholder). In the same month of EnTrust's investment, the CEO was replaced by the key candidate endorsed by EnTrust and their respective co-investment partner, who also gained significant board representation as its founder was appointed Vice Chairman of the Board. The company spun-off its Uniforms segment in towards the end of 2023, now named Vestis Corporation (Vestis). Vestis trades publicly as a standalone business, with EnTrust believing the new standalone entity will attract a different group of investors who specifically want uniform-related exposure. Also, in the second half of 2023, EnTrust and their co-investment partner sold down a portion of their shares, and EnTrust's co-investment partner subsequently stepped away from the board. In the first quarter of 2024, Aramark benefitted from better-than-expected revenue growth and margin expansion, as food inflation moderated and net new business continued to outperform expectations. Vestis exhibited a more mixed quarter, driven by a weaker start to the year and concerns that it would miss full-year guidance. EnTrust maintains that the market is underestimating the long-term growth potential and earnings power of both Aramark and Vestis, which should be better realized as the two companies now trade separately.

American Gilsonite Company (AGC)

American Gilsonite Company (AGC) is a private, vertically integrated specialty chemicals producer with key assets in Utah's Uinta Basin. Uinta is the only known source of the natural resource gilsonite, an essential additive to drilling fluids. AGC controls 100% of global gilsonite and has over 200 years of reserves. EnTrust co-invested in AGC with an American hedge fund, who was able to gain 80% of AGC's equity, one third of its subordinated debt, and four of five board seats. EnTrust and their co-investment partner continue to believe that AGC is a desirable target for many strategic/financial buyers: AGC enjoys high margins and free cash flow conversion due to asset scarcity, pricing power, low operating costs, and minimal capital expenditure requirements. AGC also benefits from secular upside given the trend of drilling longer laterals, which require higher quantities of gilsonite. EnTrust's co-investment partner was able to push for price increases and improvements in AGC's product mix. In addition to this, AGC has continued to explore new polymers for the oilfield portfolio that would increase its total addressable market. To help offset recent weakness in the U.S. oil and gas market, AGC made inroads toward roofing and asphalt end markets. Given the extent of de-stocking in the U.S. in the second and third quarters of 2020, EnTrust believes the company is well-positioned to benefit from a rebound in domestic drilling activity as aggregate demand picks up. In the first quarter of 2024, the U.S. rig count was 621, which was significantly higher than the trough of 250 in July 2020. Nonetheless, various political and operational dynamics have resulted in a lower rig count than would be expected when considering the observed higher energy prices in isolation.

The ResCap Liquidating Trust

The ResCap Liquidating Trust (the Trust) is a trust established in December 2013 to liquidate and distribute assets of the debtors in the Residential Capital, LLC (ResCap) bankruptcy cases, and pursue litigation claims to maximize unitholders' recoveries. Before ResCap went bankrupt, it served as the mortgage financing and servicing arm of an auto loan and banking business, largely focusing on purchasing mortgages from banks/originators and selling them downstream to securitization trusts. ResCap filed for bankruptcy in 2012 and, as part of the global settlement effectuated pursuant to its approved bankruptcy plan, general unsecured creditors received units in the Trust. The Trust's assets include future expected recoveries from Residential Mortgage Backed Security (RMBS) litigations, specifically: (i) claims against the banks/originators that sold mortgages to ResCap during the pre-2007 real estate bubble and (ii) warranties made at the time of such RMBS transactions; the Trustee oversees the pursuit of these litigations. The liquidation process is coming to an end as 69 out of 80 defendants have settled with the Trustee thus far. In July 2018, EnTrust and their co-investment partner built a position in the Trust via the secondary market. EnTrust's partner continued to source units for purchase and opportunistically added to the position during 2018, negotiating attractive pricing in connection with block trades as certain large investors sought to divest. EnTrust and their co-investment partner believed various dynamics were likely to incentivize the remaining defendants to settle with the Trustee on an accelerated timeline and at attractive levels, which presented an entry point that offered an asymmetric opportunity relative to EnTrust's conservative expectations regarding the size of future distributions from the Trust. Since EnTrust's investments, the Trustee has distributed to unitholders, as the litigation matters have been resolved; as of March 31, 2024, EnTrust has received distributions that amount to approximately 100% of their original investment. Outside of the RMBS Litigations, there remains one insurance-related matter that is material to recoveries; the resolution of which will also drive timing of the Trust's ultimate winddown and exit of the investment, however a mediation between the parties held in December 2023 failed. The trial date is set for January 2025. Given the trustee's strong case for damages and post-judgment interest, EnTrust has not changed their expectations regarding ultimate recovery even though the timeline has been extended. The remaining exposure to this position is currently a relatively small percentage of the portfolio's net asset value.

Grab Holdings Ltd. (NASDAQ: GRAB)

Grab Holdings Ltd. (Grab) is a leading ride-hailing company in Southeast Asia. The company operates in eight countries: Singapore, Indonesia, Malaysia, Philippines, Vietnam, Thailand, Myanmar, and Cambodia. Grab competed with Uber in ride-hailing until March 2018, when Uber sold its local operations to Grab in exchange for equity in the combined company. Following this transaction, Grab had an almost monopoly in seven of the eight countries it operated in, allowing it to improve profitability. As a ride-hailing company operating in emerging markets, Grab's business model creates jobs for unskilled labour, provides a service in areas that may lack infrastructure to support local populations, reduces congestion, and facilitates tax payments on what were previously cash transactions (taxi rides, etc.). With EnTrust's investment in August of 2018, EnTrust's co-investment partner purchased pre-IPO equity in Grab in the secondary market. In 2020, Grab expanded into digital banking in a joint venture; penetration of traditional banking channels in Southeast Asia is low, providing opportunity for payment platforms such as GrabPay, which had been used in approximately 35% of Grab rides. The company was also granted a highly coveted license to run a digital bank in Singapore. In the fourth quarter of 2021, Grab increased its stake in a leading Indonesian digital wallet, to over 90%. Also in 2021, the firm stepped into electric vehicle (EV) financing/leasing in partnership with Hyundai Motor Company and continued to move into deliveries using the product base from its ride hailing platform. In 2021, Grab listed on the NASDAQ after earlier being acquired by a special purpose acquisition company (SPAC). Grab continues to expand product offerings in its four key business units: Mobility, Deliveries, Financial Services, and Enterprise. Grab reported record consolidated gross merchandise value (GMV) and revenue, as well as positive consolidated net income for fourth quarter of 2023 as a result of cost optimization, disciplined incentive spend, and effective cross-sell initiatives. Grab's core Mobility unit benefited from a recovery in tourism-driven ride-hailing demand and growth in domestic user demand, as well as an improvement in driver supply, allowing the unit to surpass its long-term steady state margin target. Grab's Delivery business (GrabFood and GrabMart) achieved record GMV, revenue, and margin in the fourth quarter of 2023, as a result of improved operational efficiencies and optimized incentive spend, surpassing its long-term margin target of 3%. Grab's Financial Services business continues to offer a wide range of financial products, including proprietary lending offerings to driver and merchant partners. The company continues to invest in digital banking opportunities across key Southeast Asian (SEA) markets, with their Malaysian digital bank opening operations in November of 2023. EnTrust believes the attractive long-term proposition of Grab's diversified platform should increasingly become better understood by the market.

The J.G. Wentworth Company (JGW)

The J.G. Wentworth Company (JGW) is the market leading purchaser of structured settlements, with over 50% of the market share. A structured settlement is a contractual agreement to settle a tort claim, whereby a claimant is compensated for damages through a series of payments over time, giving a claimant preferential tax treatment. As the only player in structured settlements with the requisite scale to access the securitizations market, JGW benefits from the lowest cost of funds in its industry. In 2013, JGW's private equity sponsor recapitalized the business to help take the company public. Unfortunately, this pushed the management team to resign, as they would rather have accepted an existing takeover bid. After management's resignation, JGW's operating performance plummeted, ultimately causing the company to go bankrupt in 2017. In its emergence from bankruptcy, the company's new board re-installed key executives from the previous management team, including the former Chief Executive Officer as Executive Chairman and the former President of Structured Settlements as CEO, with an eye toward re-focusing the company on its profitable legacy business in structured settlements. Between the first and third quarters of 2019, EnTrust, and their co-investment partner collectively built a position in JGW amassing 80% of their equity. In an effort to optimize its settlement business, JGW established facilities with large financial services organizations to effectively "bypass" the securitizations market, which would enable JGW to access structured settlements cheaply, as well as gain better visibility into rates. In the fourth quarter of 2019, JGW retired all its debt and paid two special dividends using excess cash flows and proceeds from a prior successful sale of its home lending business.

Despite a questionable macroeconomic backdrop in 2020, the company's liquidity position enabled it to institute a regular quarterly dividend starting in second quarter 2020; 2020 also provided opportunity for JGW as they began a debt resolution business, which has demonstrated positive growth to date. During 2021, JGW distributed US$25.8 million in aggregate dividends, however in the second quarter of 2022, the dividend was put on hold pending the strategic acquisition of a fintech platform to be utilized by the company's newer debt lending business, the acquisition was completed at the end of 2022. This new lending business finalized an agreement with a regional banking partner toward the end of 2023, which effectively allowed the business to operate across all 50 states. It continues to expand lending operations through the start of 2024 as EnTrust anticipates loan volume will pick up in coming months; however, the initial focus will be on a sub-set of the debt resolution business customers. In the first quarter of 2024, the legacy structured settlements business performed in-line with expectations; the debt resolution business exceeded budget in terms of both revenue and EBITDA, as EnTrust expects it to start contributing meaningfully to EBITDA in 2024.

Venezuelan Debt

In 2017, EnTrust, alongside their co-investment partner, invested in Venezuelan sovereign and quasi-sovereign debt. Despite having some of the largest oil assets/resources in the world, poor economic policies and resource management have led to deterioration in the nation's balance of payments. The investment in Venezuela was based on the belief that the nation's oil reserves should help the country maintain debt obligations, despite market expectations of a credit event in the near term. In 2019, following the recognition of Juan Guaidó as Venezuela's president, EnTrust and their co-investment partner decided to incrementally increase their exposure to the country's debt. Also in early 2019, the Office of Foreign Asset Control (OFAC), a department of the U.S. Treasury, imposed restrictions on the sale of Venezuelan sovereign/quasi-sovereign bonds to U.S. persons. This forced many benchmarked investors (such as ETF's) to sell their positions in the debt to non-U.S. holders at depressed prices. EnTrust believes investors are looking for action to ease sanctions on Venezuela, allowing the country to replace Russia as a key oil trading partner during the Ukraine conflict. Oil exports from Venezuela (primarily headed to Europe) picked up in the third quarter of 2022, with the U.S. permitting such shipments despite the presence of economic sanctions. Furthermore, the second largest U.S. oil company was granted a license from OFAC in the fourth quarter of 2022, allowing the company to expand its production in Venezuela and bring the South American country's crude oil to the United States, however the decision restricts any cash payments to Venezuela. In late first quarter of 2023, reflecting a positive development, the Maduro administration offered a tolling agreement with respect to the statute of limitations for US$60 billion of Venezuela's bonds, to prevent creditors from filing a wave of lawsuits in order to preserve their claims. In October 2023, after much speculation, the Biden administration issued partial sanctions relief, including removing secondary trading restrictions on U.S. investors. The news resulted in immediate trading and appreciation of the Venezuelan bonds, and in early 2024, JPMorgan Chase & Co. announced its decision to reflate the weightings of Vene/PDVSA bonds in its emerging market indices which were weighted to 0% in June 2019 following the imposition of trading sanctions. In the first half of 2024, EnTrust decided to monetize some of the position as bonds have recently neared target levels following the lifting of U.S. sanctions as well as an improving market outlook for a restructuring of Venezuela's debt. This may result in a small distribution to the Fund by the fourth quarter of 2024.

Puerto Rico Insurance Claims

In September 2017, Puerto Rico's residential, commercial, and industrial infrastructure were devastated by two hurricanes, Irma and Maria, triggering billions of dollars of insured damages. Insurance carriers only successfully paid smaller residential policyholders' claims resulting from the damage, while the more complex pool of commercial policyholders had been unable to receive payments from their carriers. EnTrust and their co-investment partner believed the following factors contributed to the lack of payment on commercial claims: i) it is common practice for carriers to delay or refuse settling claims, often paying only after legal action is initiated ii) the complexity of assessing claims resulting from damages caused by the hurricanes, of which the magnitude was not accounted for in actuary models, and iii) due to the economic damage caused by these disasters, many commercial policyholders lacked the resources to properly file/manage their claims. In March of 2019, EnTrust, alongside their co-investment partner, decided to purchase and resolve a critical mass of unpaid commercial insurance claims, with the goal of establishing sufficient scale to leverage negotiations for global settlements with each carrier. EnTrust's co-investment partner assembled a team of professionals to underwrite, execute, and manage the project, including a claims adjustment/estimation team and an insurance litigation team. Up until the expiration of the statute of limitations for filing claims against the insurance companies for the hurricane damages (September 2019), EnTrust and their co-investment partner continued to build the portfolio through sourcing more claims. EnTrust and their co-investment partner believe the timeline for the investment has extended due to pandemic-driven court closures and other delays, and are working to accelerate the litigation process; in some cases, they have invoked a statutory appraisal procedure (a streamlined alternative dispute resolution process) to mitigate the impact of delays toward ultimate monetization. In the third quarter of 2022, the Puerto Rican Supreme Court denied carriers' challenges to the appraisal motions of EnTrust and their partner, allowing that process to move forward.

Metal Recovery Holdings, formerly known as American Zinc Recycling LLC

American Zinc Recycling LLC (AZR) was a specialty zinc and zinc-based product manufacturer, reliant on recycling dust from electric arc furnaces used in steel production. After AZR's bankruptcy in 2016, EnTrust's co-investment partner became the largest equity holder post reorganization (44%). With EnTrust's participation, this co-investment partner opportunistically funded and repaired the company's zinc refinery in Rutherford County, one of only two zinc refineries in the U.S. This would make AZR a fully integrated producer, with meaningful cost savings. This plan was rolled out but faced some liquidity issues that were eventually bridged by loans from shareholders, and then by a new credit facility. In August of 2021, Befesa SA, a hazardous waste recycler based in Luxembourg, announced the closing of its US$450 million acquisition of AZR. Befesa also announced its intent to invest US$10 million for a minority stake in the Rutherford County facility, of which this investment was contingent on the achievement of two major operating milestones. Achieving the stated operating milestones proved challenging due to inflation and supply chain issues; in third quarter 2022, the company agreed to sell the Rutherford refinery to Befesa at a lower valuation than what was previously advised. After the close of this transaction, the only remaining asset is a nickel recycling business, INMETCO, and so AZR was renamed as Metal Recovery Holdings (MRH). During the fourth quarter of 2023, a fire caused by a furnace breach at INMETCO resulted in catastrophic damage to the facility. INMETCO filed for chapter 7 liquidation in January 2024, and a court supervised asset sale is scheduled to be conducted as part of the bankruptcy process. Investors in MRH, including EnTrust, received a distribution consisting of most of the remaining cash at MRH prior to INMETCO's filing for bankruptcy. As an unsecured creditor of INMETCO, EnTrust believes they may benefit from any excess value generated from the sale. Following the resolution of the INMETCO estate, which EnTrust anticipates will be completed toward the end of 2024, any remaining cash will be distributed to investors in the holding company.

Standard Media Group LLC (SMG)

Standard Media Group LLC (SMG) is a group formed to pursue a roll-up strategy for broadcasting assets, an industry that has been historically fragmented. It was formed by Standard General L.P. (SG), a successful investor in the broadcasting space, and Deb McDermott, former Young Broadcasting CEO. SG's strategy focuses largely on local broadcasters, who they believe are well positioned due to: i) durability and growth potential in revenue streams, ii) ATSC 3.0 technology that allows broadcasters to sell targeted advertising (increase viewership and profitability), and iii) an increase in M&A activity tied to deregulating policies from former president Trump. SG also theorized there would be significant upside in retransmission revenues as consolidation among local broadcasters continues. SMG capitalizes on the need for industry consolidation, merging with other companies in the space to grow its asset base: (i) WLNE-TV – American Broadcasting Company (ABC) affiliate in Massachusetts and Rhode Island, (ii) KLKN-TV – ABC affiliate in Nebraska and (iii) two radio stations from Sinclair Broadcasting Group in Kentucky. In the fourth quarter of 2023, SMG's valuation was negatively impacted by a decrease in cash flow for the past 12 months driven by a lack of political advertising and overall soft multiples in the industry. As a merger with Tegna is now off the table, SG is evaluating options in 2024 to grow SMG through a combination of organic and inorganic M&A.

INVESTMENTS AFTER JANUARY 1ST, 2020

Since January 1, 2020, EPSO4 called over 25% of committed capital during a period of high volatility at the onset of COVID-19, and so the expectation is that these investments will be realized over the medium term.

SeaWorld Entertainment, Inc. (NYSE: SEAS)

SeaWorld Entertainment, Inc. (Seaworld) is a theme park and entertainment company. At the time of EnTrust's investment, the company had four animal parks, three theme parks, and five water parks; in May 2023, the fourth SeaWorld Park and the first SeaWorld branded park outside of the U.S. opened in Abu Dhabi. SeaWorld boasts four of the top twenty theme parks by attendance and three of the top ten water parks by attendance in North America. SeaWorld has been notably mismanaged for decades, and as a result its stock price has lagged peers. SeaWorld's EBITDA margins have been around 15% lower than similar companies, with no justifiable or structural reason for this underperformance according to EnTrust. Following their initial investment in 2017, EnTrust and their co-investment partner engaged in a targeted plan to unlock shareholder value, mainly focusing on developments in marketing, pricing/yield management, cost reduction, and capital allocation. In late 2017, EnTrust's co-investment partner elected its founding partner as the chairman of SeaWorld; the co-investment partner was further able to elect two more directors. SeaWorld reported fourth quarter 2023 financial results, which reflected another mixed quarter with attendance roughly in line with estimates, while revenue per capita disappointed slightly, leading to a small revenue and EBITDA miss driven by admissions per capita that declined due to the impact of its product mix. This earnings release was subsequent to a merger announcement between regional theme park peers Six Flags and Cedar Fair, EnTrust believes this deal is material to the competitive landscape in the industry (the merger closed July 1st, 2024) and represents consolidation of another peer that rivals the attendances of its largest competitors, such as Universal Studios and Disney. In the first quarter of 2024, the company approved a new US$500 million share buyback program. SeaWorld enjoys a strong balance sheet with total net leverage of approximately 3.0x (versus peers at approximately 4.0x), long-term debt maturities with a low cost of debt, and significant liquidity and cash flow generation. EnTrust and their co-investment partner have now accumulated a 43% equity stake in the company and will continue to execute on their controlling interests.

Vistry Group PLC (LSE: VTY), formerly known as Countryside Properties UK Limited

Vistry Group PLC (Vistry) is a leading U.K. property developer specializing in building and regenerating residential communities. Vistry (formerly Countryside Properties) historically consisted of two divisions (i) a traditional "Housebuilding" segment, which typically requires upfront capital outlays and land ownership, and (ii) "Partnerships", which regenerates and densifies communities through joint ventures with local, quasi- governmental entities that directly own and provide the land. When compared to the Housebuilding segment, the Partnerships segment is less asset intensive, less cyclical, more promising in growth, has better revenue visibility, and has a higher return on invested capital (ROIC). EnTrust believes Vistry shares are underpinned by a low valuation, clean balance sheet, positive cash flow, high barriers to entry, and secular tailwinds including a shortage of affordable housing and challenged local budgets in the U.K. EnTrust and their co-investment partner believe that divesting the comparatively less attractive Housebuilding business would create a more attractive pure-play Partnerships business. In January 2021, with EnTrust's investment, the co-investment partner accumulated a 4.6% ownership stake in Countryside Properties, which it increased to over 6% by February 2022. In July 2021, Countryside announced that certain Housebuilding assets that meet its Partnership's performance targets (i.e., 15% operating margin and 40% return on capital employed (ROCE)) will be converted into the Partnerships business with surplus assets/developments completed and sold over time. In May of 2022, an offer was made to acquire the entire company for £2.95 per share, Countryside's board rejected this offer, however the offer inspired the company to initiate a formal sale process (announced June 2022). In September of 2022, Countryside announced it would be acquired by U.K. peer "Vistry Group", through a cash and stock offer that values the companies at £1.25 billion (a 9.1% premium to the unaffected share price), the combined company would have the largest Partnership business in the U.K., this transaction closed in November of 2022. In January 2023, the combined company (now Vistry) provided its first update since the merger, providing positive headline numbers and bullish market commentary. While all U.K. homebuilders had reported a year-over-year decline in their forward order books moving into 2023, the company's Partnerships business showed promise. The results began to validate a key part of the thesis that the Partnerships business is not only resilient, but counter-cyclical and can grow through market volatility. In September 2023, Vistry announced that it will focus solely on the Partnerships business and either exit its Housebuilding projects or transition them to Partnerships projects. The plan is expected to free up approximately £1 billion for share buybacks over the next three years, and provide significant additional cash for growth in Partnerships and debt paydown. In October 2023, Vistry provided a trading update that highlighted the company's progress on its updated strategy to fully focus on its high-growth Partnerships model, which was re-affirmed by the company's solid year ended 2023 earnings. In November 2023, Vistry announced a large transaction that represents a material step forward in its transition to a pureplay Partnerships business, where Vistry pre-sold £819 million worth of plots across 70 of its Homebuilding development projects with plans to build over 2,900 mixed tenure homes; delivery began in 2023 and the majority of the homes are expected to be completed within two years. In December 2023, Vistry commenced a £55 million share buyback program, which was completed in three months, and was followed by an announcement of a further £100 million program to be commenced in April 2024, while also leaving the door open for more buybacks throughout the year. Management reiterated the medium-term financial targets of 40% return on capital employed (which was achieved in the financial year ended 2023 when excluding the Housebuilding business), revenue growth of 5-8% per annum, operating profit margin of 12%, and operating profit of £800 million. The company achieved £50 million of the projected £60 million of Countryside acquisition synergies in 2023, with the remaining £10 million to be achieved throughout 2024. In addition, management anticipates more than £15 million of cost savings in 2024 from the integration of Partnerships and Housebuilding, with the full projected annualized run-rate of £25 million expected in 2025. Also during the first quarter of 2024, the U.K.'s antitrust regulatory body, the Competition and Markets Authority (CMA), issued a report regarding the persistent undersupply of affordable housing in the U.K. and launched an investigation into eight U.K. homebuilders, including Vistry. EnTrust believes it is unlikely that the CMA will uncover any market abuse or systemic collusion. Furthermore, EnTrust believes the report's recommendation to streamline the U.K.'s housing planning system and reform the planning permission process should benefit all housebuilders including Vistry, especially given the U.K.'s new governing party appears to be more focused on the delivery of new homes.

DiDi Global Inc. (OTCMKTS: DIDIY)

DiDi Global Inc. (DiDi) is a Chinese vehicle for hire company headquartered in Beijing with over 550 million users and tens of millions of drivers. DiDi provides app-based transportation services, including taxi hailing, private car hailing, social ride-sharing, and bike sharing; on-demand delivery services; and automobile services, including sales, leasing, financing, maintenance, fleet operation, electric vehicle charging, and co-development of vehicles with automakers. In 2016, DiDis main competitor Uber, withdrew from China by merging its operations with DiDi, essentially giving the company a ride-hailing monopoly in the country; this market dominant position has enabled the company to efficiently capture the explosion in ride hailing demand following accelerated urbanization in China. The company has pursued further growth initiatives after solidifying its userbase for its ride-hailing platform, opening similar operations in freight, grocery, and autonomous driving. Since its public debut on the NYSE in June 2021, DiDi has faced scrutiny from the Chinese government on cybersecurity concerns. The investigation from Chinese authorities has materially harmed the company's financial performance, partly resultant of the Chinese government's order to remove DiDis applications from local app stores. In July of 2022, DiDi was fined US$1.2 billion as a result of the cybersecurity investigation; DiDi apps were rectified and submitted for regulatory approval. Following pressure from the Chinese government, DiDi delisted from the NYSE mid-2022, and is set to list on the Hong Kong stock exchange (HKSE) at some point in the near future – no date has been announced as yet. Notably, DiDi's board approved private shares to list directly onto the HKSE, this is the path EnTrust (who owns private pre-IPO shares) plans to pursue to streamline its eventual exit. Throughout the 18-month period where no new users were added as regulatory review ensued, DiDi still maintained a market dominant position. With regulators enabling the registration of new users in January of 2023, DiDi has since rebounded to capture over 75% market share in China's ride-hailing market and exceeded its pre-IPO level ride volume. The regulatory green- light from China's administration is a sign that Xi Jinping's administration, keen to jumpstart an economy after three years of COVID-19 restrictions, sees a need for private sector's support in their broader campaign. In March 2023, DiDi's autonomous driving unit further expanded outside of Shanghai to start serving passengers in Guangzhou, China. In November 2023, DiDi closed the sale of its loss-making electric vehicle (EV) manufacturing subsidiary to Xpeng for all-stock consideration, thereby further reducing cash burn while forming a strategic partnership with Xpeng. In January 2024, DiDi entered a JV partnership with Contemporary Amperex Technology Co., Limited (CATL), the world leader in EV battery manufacturing, aiming to accelerate "EV battery swap" adoption in China. The company's autonomous unit made significant improvement in the past year, targeting a release of its next-gen autonomous vehicles in 2025. DiDi's international business segment continues to accelerate, aided by transaction growth and improved operating efficiency. DiDi, which achieved consolidated net profit in 2023, had only deployed approximately 5% of its US$1 billion share buyback program as of February 2024. While EnTrust believes DiDi's balance sheet enjoys a meaningful capital buffer that provides a significantly longer liquidity runway than its peers, DiDi has been conserving its cash position by rightsizing headcount and business overhead, optimizing capital allocations across business segments, exiting unprofitable international markets, and halting international expansion to certain markets. EnTrust believes DiDi is currently trading at a significant discount to peers but should gradually recover upon its anticipated Hong Kong Stock Exchange re-listing, which is subject to market conditions and regulatory approval.

StubHub, Inc.

StubHub, Inc. (StubHub) is a leading ticket marketplace in the U.S., acquired by Viagogo (international ticket marketplace) in 2019. The companies proved geographic complements to one another, with 90% of StubHub's gross merchandise sales (GMS) coming from the U.S., and 90% of Viagogo's GMS coming from outside the U.S. The entities also proved to be operational complements, with StubHub being subject to poor management and strong brand awareness, but Viagogo being subject to the opposite, with strong management and poor brand awareness. Because of the complementary nature of these companies, EnTrust believed there was an opportunity to generate key synergies in marketing, fixed overhead, headcount, and payment processing. The merged company has a leading market share in over 170 countries, with pro forma revenues of almost US$1.5 billion. EnTrust's co-investment partner has enjoyed a long-standing relationship with Eric Baker, the founder of both StubHub and Viagogo, enabling the co-investment partner to serve on Viagogo's board on invitation of Mr. Baker since 2016. The ticketing industry has been growing faster than the gross domestic product (GDP) of the U.S., and live event spending has proven resilient over time (evidenced by its growth during the 2008 recession). EnTrust believes the ticketing business model is attractive due to (i) healthy/stable take rates, (ii) robust FCF generation from asset-light operations, and (iii) high barriers to entry created by powerful network effects enjoyed by established players. EnTrust contributed equity financing to fund Viagogo's acquisition of StubHub, which closed early 2020. EnTrust and their respective co-investment partner became a top-five shareholder in the newly merged entity. Soon after the transaction was completed, the pandemic hit, significantly reducing ticket sales. In the second quarter of 2022, StubHub raised further capital, solidifying its 2021 step-up in valuation. As EnTrust expected, the overall industry environment demonstrated resiliency and even growth, in a time where the macroeconomic backdrop was pointing to potential declines in the consumer environment. In the first quarter of 2024, StubHub demonstrated further above-market growth, driven by its improved competitive positioning and upgraded technology. EnTrust believes the company's balance sheet, competitive positioning, and upgrades to the business will continue resulting in increased market share amidst the weaker competitive landscape, while also affording it ancillary opportunities to grow new initiatives, diversify revenue streams, and prepare for a potential IPO.

Invesco Ltd. (NYSE: IVZ) and Janus Henderson Group (NYSE: JHG)

Invesco Ltd. (Invesco) is an American independent investment management company; Janus Henderson Group (Janus) is a British global asset management group. EnTrust made these investments alongside Trian Partners (Trian), an American hedge fund with experience as an activist shareholder in the asset management industry. The asset management industry has had relatively high M&A activity in recent history, with eight major mergers of publicly listed firms having occurred since 2008, a trend that EnTrust expects to continue and accelerate into the future. EnTrust believes benefits of mergers in the space include (1) cost synergies, (2) increased distribution to bolster sales platforms, (3) wider breadth of offerings across strategies, (4) better research and corporate access, and (5) improved ability to attract and retain talent. In October 2020, with EnTrust Global's investment, Trian disclosed 9.9% ownership stakes in both Invesco and Janus. These initial ownership stakes made Trian among the largest shareholders in these companies. Currently, the ownership stake in Janus is over 19%, making it the company's largest shareholder, while the Invesco stake is around 7.41%. Trian has been active in executive decision making in both ventures, upgrading management/directors, and demonstrating improvement in operational performance and capital allocation. In the fourth quarter of 2020, Invesco appointed Trian founding partners Nelson Peltz and Ed Garden to its Board. Similarly, in the first quarter of 2022, Janus appointed Mr. Peltz and Mr. Garden to its board, both Trian representatives subsequently resigned from Invesco's Board. Trian continues to prioritize the Janus investment where they have direct board representation. A new strategic roadmap was implemented at Janus in early 2023, and the company reported fourth quarter 2023 earnings that largely beat consensus estimates with EPS, revenue, and net flows all exceeding expectations. Within his first year, Janus's Trian-selected CEO, Ali Dibadj, has demonstrated his ability to point the business in the right direction with the company achieving cost efficiencies of over US$50 million in 2023, above and ahead of expectations of US$40-45 million by the end of 2024. Conversely, Invesco reported mixed results for the fourth quarter of 2023, reflecting market volatility and shifting macro trends. While adjusted EPS was above expectations (US$0.47 versus estimated US$0.40), net revenue and net flows were below consensus estimates (US$1.05 billion versus estimated US$1.12 billion and -US$8.3 billion versus estimated +$US8.78 billion, respectively). For both companies, attention is turning toward capital allocation as EnTrust and their partner continue to believe that balance sheet strength enables optionality. Invesco maintains available cash balances in excess of US$1.5 billion with near zero net debt, enabling plans to begin a more regular stock buyback program. As Janus's balance sheet has remained strong with over US$1.2 billion of net cash on the balance sheet, M&A is an option for the company moving forward, according to EnTrust.

OakNorth Bank

OakNorth Bank (OakNorth) is a "challenger bank" in the U.K. created to help fast-growing businesses; a segment that has been turned away by traditional banks. Since the company's launch in 2013, OakNorth has lent over £9.7 billion to entrepreneurs throughout the U.K., creating over 36,000 new jobs and over 25,000 new homes. The company owns its own proprietary loan analytics platform, "OakNorth Enterprise", which allows it to operate a more efficient underwriting process, particularly for small and medium-sized enterprise borrowers (SME borrowers). By focusing on the underpenetrated SME market, EnTrust believes OakNorth has been able to selectively underwrite highly profitable, less risky, bespoke loans (yielding around 8%), typically originating loans at approximately 52% loan-to-value (LTV), versus an industry average of around 75%. In the third quarter of 2020, EnTrust, along with their co-investment partner, gained a 7.4% equity stake in the company, making them the 6th largest shareholder. EnTrust and their co-investment partner viewed OakNorth as an accretive opportunity, where the company had been endeavoring to license its technology to credit institutions globally. Due to its capital buffers, steady loan growth, and stable margins, OakNorth continues to maintain liquidity and generate free cash flow. Given the resilient credit quality of its loan book to date (where over 90% of loans are fully collateralized), OakNorth only had one minor loan loss since inception, and EnTrust believes its credit underwriting could significantly mitigate future loan losses if the U.K. enters a recession. OakNorth has rolled out more value-added bank products, such as current accounts, to expand its existing offerings, lower cost of funding, and attract a stickier user base. Due to challenges in securing new clients, OakNorth Enterprise has shifted its focus to serving its existing client base and trimming cash burn related to its expansion. To replicate its U.K success, OakNorth started deploying capital in the U.S. in the second half of 2023, achieving breakeven in the fourth quarter of 2023. EnTrust believes strategic acquisitions of FinTechs or U.S. banks at distressed valuations may provide a further near-term growth opportunity for the company. EnTrust maintains that an IPO could prove a viable exit route, however this is largely subject to market conditions.

Centene Corporation (NYSE: CNC)

Centene Corporation (Centene) is a leading managed care organization (MCO) that provides fully integrated services to government-sponsored and commercial healthcare programs. Its two key segments are i) managed care, contributing over 85% of total revenue, and ii) specialty services, which accounts for nearly 15% of total revenue. Centene is an industry leader, capitalizing on the growth and developing regulatory framework in the rising MCO industry. The company currently serves over 25.5 million under-insured and uninsured individuals. EnTrust invested alongside Politan Capital Management LP (a U.S. hedge fund with experience in shareholder activism), to acquire 2.2% of Centene, making them a top shareholder. Despite an established market presence, EnTrust believes Centene trades below its peers due to poor management decisions, costly M&A, and depressed margins. In October 2023, the Centers for Medicare & Medicaid Services released 2024 Medicare Advantage Star ratings for Centene that were consistent with management's expectations and reflected year-over-year improvements despite being poor compared to peers. Management reiterated confidence in its revised target of 85% of members enrolled in 3.5-star plans by October 2025. Centene reported fourth quarter 2023 results largely in-line with consensus estimates. Revenue outperformance was mostly driven by continued strength in marketplace membership growth as Centene captured a greater share of this growing segment (from November 2023 to January 2024, Centene's market share increased from 23% to 26%), this was partially offset by Medicaid membership losses due to redeterminations as well as divestitures. The year end 2023 adjusted EPS was US$6.68, slightly ahead of management's prior guidance of a US$6.60 floor. Importantly, this represents a 15.6% year-over-year growth rate, in-line with the company's long-term EPS growth rate target of 12-15%. To reflect continued expected growth in Marketplace, the company raised its 2024 Premium & Services revenue guidance to US$134.5-137.5 billion, representing a US$2.5 billion increase at the midpoint. In February 2024, the Centers for Medicare and Medicaid Services (CMS) released its preliminary figure for the 2025 Medicare Advantage rate (the percentage increase in premium revenue CMS will distribute to insurers), which was later finalized in April. The rate is lower than expected, which will be a sector-wide headwind to 2025 revenue. The company continues to execute on its Value Creation Plan (VCP) through portfolio rationalization, which includes the US$1.2 billion divestiture of Circle Health announced during the first quarter of 2024. Since the start of the VCP in June 2021, Centene has completed at least seven divestitures and reduced its real estate portfolio by at least 70%. In 2023, the company repurchased 22.9 million shares for US$1.58 billion, slightly ahead of its US$1.5 billion goal. The company maintains that proceeds from further divestitures will be used to repurchase stock.

Dollar Tree, Inc. (NASDAQ: DLTR)

Dollar Tree, Inc. (DLTR) is a discount retailer that operates two banners

i. Dollar Tree – a low price retailer known for pricing items at US$1, and

ii. Family Dollar – a low price retailer with a broader merchandise, pricing from US$1-$10.

EnTrust believed cost inflation (with fixed price points) and underperformance relative to peers were responsible for the company's decline in operational metrics. In October of 2021, EnTrust and their co-investment partner built a position of 5.7% in the company, making them a top-five shareholder. The partnership believed an activist campaign based on a Board refreshment initiative would help improve operations and narrow the valuation gap versus competitors. In early 2022, DLTR rolled out an increased price point of US$1.25 for the Dollar Tree banner, which EnTrust believes contributed meaningfully to the strong second quarter results for 2022. In March of 2022, the founder of EnTrust's co-investment partner, as well as five other persons nominated by EnTrust's co-investment partner, joined DLTR's 12-member Board. DLTR announced "messy" fourth quarter 2023 earnings that included multiple, one-time cost impairments along with continued difficulty in shrink (i.e., theft) and sales mix at both banners. Management announced the planned closure of approximately 600 Family Dollar stores in the first half of 2024, and guided to the mid-range of 2024 targets, with the expectation that shrink and sales mix will continue to be headwinds, while increases in foot traffic and volume will by offsetting factors. Looking ahead, EnTrust expects Family Dollar will remain challenged in the near term, reflecting the unfavorable macroenvironment for low-income households and continued weakness in discretionary spending. EnTrust's longer-term outlook for the Dollar Tree banner is positive, as consumers continue to embrace the new multi-price strategy and the business benefits from incremental freight savings. EnTrust and their co-investment partner will continue to exercise their controlling interests towards significant operational improvements for both banners in the future.

Bally's Corporation (NYSE: BALY)

Bally's Corporation (Bally's) is an owner and operator of physical gaming assets across the U.S., with a growing presence in online sports betting and iGaming. After a period of expansion and diversification through M&A, Bally's has continued to evolve from a single asset in Rhode Island, to a premier, global, and fully integrated omni-channel gaming operator that is well-positioned to take advantage of the transformative opportunity presented by online sports betting and iGaming. EnTrust first invested in the company alongside Standard General (SG) in 2016, since then, SG/ EnTrust have been the largest shareholder (around 21%), with SG's founder serving as Bally's chairman. In October of 2021, the company acquired U.K. gaming iGaming company, Gamesys, effectively doubling cash flow and building on the intellectual and technological assets of the firm. The company continues to expand its presence globally, as a global omni- channel gaming operator. Despite the attractiveness of its assets, Bally trades cheapest among its peer group. EnTrust and their co-investment partner believe this is due to the market's failure to capture potential upside from its online sports betting and iGaming divisions in its price. EnTrust believed this value disconnect stemmed from the following: (i) Bally's was still digesting the recent Gamesys acquisition; (ii) the company just began to receive bulge bracket sell-side coverage; and (iii) a lack of news coverage ahead of the 2022 launch of an updated version of Bally Bet, the company's online betting sportsbook. EnTrust and their co-investment partner also identified exciting potential catalysts on the land-based retail side of the business, including, subject to regulatory approval, expansion into the New York and Chicago markets. Bally's reported third quarter 2023 results in-line with consensus and demonstrated some improvements over the prior year. Results were driven by the International Interactive segment as the platform gained market share in the U.K. and posted strong EBITDA margins. This was offset by underperformance in the Casinos & Resorts segment and losses from the North America Interactive segment. For iGaming, the platform is on track to achieve the company's target market share of 6-8% in New Jersey and has experienced a successful ramp-up in Pennsylvania. Additionally, Bally's will be the sole provider of iGaming in Rhode Island starting in early 2024. Bally's online sports betting product is live in four states and five retail locations. Additionally, the company was able to eliminate headcount related to technology development after moving its product, Bally.Bet, onto the platforms of technology partners Kambi and White Hat Gaming in late summer 2023, which should help reduce losses for the segment in 2024. Bally's intends to leverage these platforms to launch online sports betting in the U.K. and Europe in 2024. Results from the temporary Chicago casino, which opened in the third quarter of 2023, have been promising and management reiterated confidence in the facility's US$50 million run-rate EBITDA contribution. Despite regulatory issues that delayed the facility's opening, the permanent casino remains on track to open in 2026. During the third quarter of 2023, the Major League Baseball (MLB) announced its approval for the Oakland A's to relocate to Las Vegas. Bally's and the Oakland A's had previously reached an agreement to build the team's new stadium at Bally's Tropicana Las Vegas property upon approval of the team's relocation. This property is a valuable asset for Bally's, and the company can choose to sell the lease rights to the land or build a casino/resort adjacent to the stadium. Also Bally's took over concession of the Trump Golf Links Ferry Point (now renamed Bally's Golf Links), which is operating profitably. In July of 2024, Bally's agreed to have all of its outstanding shares purchased by SG at US$18.25. SG plans to merge the Bally's asset with another regional casino operator under its ownership. According to EnTrust, SG's rationale for the transaction is to create nearer-term paths to liquidity and value for investors as they gain majority ownership and therefore control of Bally's cash flow, which it can then allocate at its discretion, including returning capital to shareholders. The transaction is anticipated to close in the first half of 2025, subject to a shareholder vote and regulatory approvals.

Hasbro, Inc. (NASDAQ: HAS)

Hasbro, Inc. (Hasbro) is a leading global entertainment company, offering a variety of consumer products (toys, games, etc.), television programs, movies, digital gaming, and other experiences. The company operates three key business segments (i) "Wizards of the Coast" (WOTC), a gaming business (ii) Consumer Products, a legacy business that makes toys and games, and (iii) eOne, a production studio. Even though the majority of the stock's implied value is derived from its WOTC segment, which presents high growth characteristics, the company still trades like a mature/slow-growth consumer toy business. In addition to this, high CEO turnover and the death of the former CEO at the end of 2021 faced the company with further issues in planning and execution. Despite its strong market position, Hasbro has noticeably lagged its peers, EnTrust believes this is largely driven by poor management decisions and lack of disclosures on the highly valuable WOTC segment (Hasbro fails to disseminate key financial/operating metrics of WOTC, leading to confusion within the investment community). EnTrust entered the investment alongside their co-investment partner in February of 2022, amassing a 2.5% stake in the business, making them a top-five shareholder. Addressing the issues stemming from an inexperienced board, EnTrust and their co-investment partner added two gaming executives to the Board, and plan to highlight and expand the value potential of WOTC. EnTrust believes this could give way to a tax-free spinoff of the segment. In the fourth quarter of 2022, EnTrust's co-investment partner ended its activist campaign; however, EnTrust retained its exposure with the view that Hasbro's share price continued to reflect an undervaluation of its core businesses. In the third quarter of 2023, the company announced the sale of eOne to Lions Gate for US$500 million, which was below expectations and may have been negatively impacted by the Writers Guild of America strike; Hasbro is using proceeds from the deal, which closed in the fourth quarter of 2023, to pay down at least US$400 million in floating rate debt, which EnTrust believes will aid margin expansion. Hasbro reported disappointing 2023 year end earnings, as the company continued to grapple with a weaker-than-expected toy industry amidst a decline in discretionary consumer spending. While WOTC and digital gaming revenue increased, Consumer Products revenue declined. Hasbro missed both top and bottom-line metrics with adjusted EPS and net revenue below estimates. To address recent performance, management took an aggressive line to reset the business in the fourth quarter, including steps to improve inventory and the cost structure. Inventory and stock keeping unit (SKU) count is now below pre-COVID-19 levels, which set the company up for a clean slate entering 2024. In conjunction with the company's cost savings strategy, in December, management announced an increase in planned layoffs which will equate to approximately 20% of the workforce. Although the company achieved US$200 million in cost savings in 2023, the benefits have not yet flowed through to EPS due to one-time items, which EnTrust expects will be a tailwind moving forward. Despite Hasbro guiding to weaker top-line metrics in 2024, a key focus for the company is improved profitability and operating margins. The positive impact from the cost structure reset, as well as the conclusion of the one-time inventory cleanup in 2023, EnTrust believes, is more than able to offset the revenue decline and cost inflation, leading to higher EBITDA. In March of 2024, Hasbro announced the appointment of three new Board members expected to aid its digital transformation. Frank Gibeau and Owen Mahoney bring extensive experience in the digital gaming space, while Darin Harris has a deep retail background.

Axonic Capital LLC

Axonic Capital LLC (Axonic) is a structured credit manager that allocates across various sectors. Market volatility amidst the pandemic created selling pressures across structured credit markets, in particular residential mortgage assets, commercial mortgage assets, and asset backed securities. This created significant discounts to par, that the company believes offered an attractive risk- return profile for investors who have cash. By investing in these assets that are discounted 30%-50% from par, EnTrust believes, investors would be compensated as if they were taking on significant credit risk, when in reality, the intrinsic credit risk was closer to investment grade. The specific securities Axonic believed attractive were residential mortgage-backed securities (RMBS), commercial mortgage-backed securities (CMBS), asset backed securities (particularly A/BB auto loans), and commercial real estate loans (CRE loans). With EnTrust's investment during April 2020, Axonic began opportunistically increasing its exposures to its target assets. While majority of the portfolio was expected to be investment grade at original issuance, EnTrust also anticipated nimbly moving across capital structures as the opportunity set evolved into lower rated instruments. Axonic continues to capitalize on what EnTrust believes to be performance lags in structured credit markets relative to corporate credit markets, particularly as it relates to residential and commercial mortgages. Housing showed signs of stabilization in the first quarter of 2024. According to the CoreLogic, Inc. data for February 2024, American home prices are up 5.8% year-over-year and up 0.8% year to date. However, with increased home prices and high mortgage rates, affordability will be further challenged, and Axonic expects housing activity to remain sluggish. As certain securities reach their price targets, Axonic continues to rotate into attractive structured credit opportunities that they believe offer more than double the return profile of traditional high-yield corporate credit instruments. With the U.S. Federal Reserve's rate hiking cycle kicking off in earnest starting in the second quarter of 2022, investors continue to focus on the impact of higher interest rates, which has created volatility across the fixed income market. A large percentage of the portfolio is invested in floating rate securities, providing higher levels of interest income as the front end of the yield curve moves higher. In addition, Axonic is largely exposed to hard assets that benefit from stable and robust cash flows, of which EnTrust believes to be evidence of their intent to protect themselves throughout the interest rate volatility.

CCS Medical, Inc.

CCS Medical, Inc. (CCS), is a market-leading, broadline U.S. mail order distributor of medical products and supplies; the company focuses mainly on diabetes testing equipment for Type 1 diabetics. Other key products include glucose testing strips (to measure blood glucose levels), and pumps that administer insulin to patients. CCS has functionality as a liaison between device manufacturers, patients/providers, and insurance companies; the company presents industry leading statistics in conversion/ retention rates. EnTrust and their co-investment partner collectively own 75% of the company's equity, and approximately 77% of its first lien notes. The partnership also has strong board representation, with three out of seven directors (including the chair). As the largest independent distribution platform, CCS should be well-positioned to benefit from an active medical device M&A environment amid an expanding universe of potential strategic buyers that have transacted at attractive valuations. EnTrust believes CCS is positioned to benefit from the tailwinds related to Continuous Glucose Monitoring (CGM), a newer, wearable, chemically-enabled technology that is quickly becoming the standard of care in diabetes management. In the first quarter of 2024, CCS performed in-line with expectations in terms of revenue and margins. Project Lightning, a workflow overhaul to drive operational efficiency and process automation, has been completed, and management has identified further cost cuts that may be implemented in the future. EnTrust continues to believe that CCS will be an attractive target for several strategic and financial acquirors in the near- to medium-term. Given interest rate increases during 2022 and 2023, CCS will continue to delay a potential refinancing of the capital structure while it focuses on growing revenues and improving costs.

Masimo Corporation (NASDAQ: MASI) - exclusive to Class D units

Masimo Corporation (Masimo) develops, manufactures, and markets a variety of monitoring technologies and hospital automation solutions. The company's core business is pulse oximetry, a technology that uses noninvasive sensors to measure oxygen levels in the blood and is a critical component of patient care and diagnostics. The company has consistently underperformed its peers, which EnTrust believes has been caused by a poor capital allocation strategy from funding unprofitable non-core ventures. EnTrust and their co-investment partner believe Masimo shares are underpinned by a low valuation, and have an added layer of resiliency from their industry leading core pulse oximetry business, which benefits from an 80% recurring revenue base, high barriers to entry, tailwinds in the continuous monitoring space, and an over 50% market share. EnTrust and their partner began acquiring Masimo shares in May of 2022, growing their stake of around 9% after a 13D filing in August of 2022. After EnTrust and their partner had made it clear they intended to pursue an activist strategy, Masimo took the defensive, changing its by-laws to protect against shareholder activism. In June 2023, following a highly publicized and contentious proxy contest, both of EnTrust's director nominees were overwhelmingly elected to Masimo's board. Masimo reported year end 2023 earnings that exceeded expectations on both revenue and profit following what management deemed to be "a transition year" for the business. Despite a financially uneven 2023 and facing industry and macroeconomic challenges, Masimo gained market share in its healthcare business, ending the year with record contract wins. The strong performance was driven by increased sensor volumes and the normalization of hospital census and elective operations post-COVID-19. However, the non-healthcare segment detracted from overall performance, with significant revenue declines in the fourth quarter compared to the prior year, negatively impacting gross margins. Even though the core business continues to drive performance, management remains committed to growing the non-healthcare segment and transforming Masimo into a consumer MedTech company. In the second half of 2023, in connection with Masimo's litigation against Apple Ina., a U.S. International Trade Commission judge ruled in favor of the company, finding that Apple violated its patents related to measuring blood oxygen levels in certain Apple Watch products. As a result, Apple faces an import ban and an order to stop selling any products that possess such technology. Management provided 2024 guidance at the midpoint of consensus, primarily driven by continued strong performance in the healthcare segment and its ability to capture market share from competitors. Additionally, Masimo announced it would explore separating its consumer business, Sound United, to focus on the core healthcare segment. EnTrust and their co-investment partner support the review of Sound United, and plans to nominate two director candidates to the board at the upcoming annual meeting. As this investment is exclusive to Class D units, the Manager believes the Fund is minimally exposed.

Chuck E. Cheese

Founded in 1977, Chuck E. Cheese (CEC) is an interactive entertainment and restaurant chain with over 600 locations in 47 U.S. states and 17 international territories. In 2014, the company was taken private through a leveraged buyout led by Apollo Asset Management. The founder of Hill Path Capital (EnTrust's co-investment partner for this transaction), Scott Ross, was previously a partner at Apollo and intimately involved in the buyout, gaining deep insights into the company and the broader industry as a result. In June 2020, after COVID lockdowns forced its operations to a halt, CEC filed for chapter 11 bankruptcy. As part of this process, CEC issued a first lien exit facility (the "Exit Facility") that, upon the company's emergence from bankruptcy in January 2021, converted to equity. Hill Path extended capital to CEC during the restructuring process, adding capital to an existing first lien term loan and investing in the new Exit Facility, while holding a position on the Steering Committee of CEC. Hill Path also actively engaged with the company's advisors on the restructuring plan and its management on business strategy. Given the convertible nature of the Exit Facility, Hill Path identified several lenders who were likely to become forced sellers as they were not natural holders of CEC's post-reorganizing equity. Hill Path, given its knowledge and involvement with CEC, sought to increase its ownership by purchasing the equity stakes of such forced sellers at what EnTrust believes to be compelling prices. Hill Path's conviction in CEC was supported by the company's pace of recovery after initial COVID-driven concerns had subsided. From May 2021 to April 2022, Hill Path, together with EnTrust's investment, purchased additional Chuck E. Cheese equity, bringing its total ownership stake to 9.7% of the company. The combination of strong business fundamentals and motivated sellers created an attractive entry point to purchase a high-quality business. CEC released its fourth quarter results for quarter ended February 2024 with revenue growing approximately 1% to reach US$883 million, while adjusted EBITDA and adjusted EBITDA margin remained essentially flat at US$181 million and 20.5%, respectively. In February 2024, food/beverage and entertainment/merchandise sales declined year-over-year by (6.3%) and (1.2%), respectively. However, same-store sales returned to 2019 levels in February, after several months of underperformance versus 2019. Despite a weaker economic outlook, EnTrust believes the overall entertainment and restaurant sector has fared well throughout 2023. In December 2023, it was reported that Chuck E. Cheese was exploring a potential sale process.

Dave & Buster's Entertainment, Inc. (NASDAQ: PLAY) - exclusive to Class D units

Founded in 1982, Dave & Buster's Entertainment ("D&B") is an owner and operator of over 140 entertainment and dining venues across North America. The company offers an array of amusement and gaming products alongside a restaurant and bar. In April 2022, D&B announced the acquisition of Main Event, a bowling-themed arcade operator with over 50 locations throughout the U.S. Upon closing of the transaction, Main Event CEO Chris Morris was named CEO of the combined company. Prior to Main Event, Morris held the CFO position at entertainment and restaurant chain Chuck E. Cheese. EnTrust's co-investment partner joined the Board of Directors at D&B in December of 2020, identifying several organic growth opportunities including marketing optimization, improved food and beverage menu, venue remodels, dynamic game pricing, special events growth, and technology/infrastructure improvements. Due to the impacts of COVID in 2020 and 2021, and investors' fear of recessionary weakness in 2022, EnTrust believed D&B traded at a significant discount based on historical multiples and comparable peers. This created an attractive entry point for EnTrust's co- investment partner to build on their position, and together with EnTrust's investment, was able to grow their stake in the company to 20%. D&B has since made progress with respect to its growth initiatives, and in June 2023, laid out its long- term strategic plan for the business, citing organic growth opportunities, new unit builds, and disciplined cost management as levers to achieve a US$1 billion adjusted EBITDA target over the next several years – of which management remains confident in. D&B reported fourth quarter 2023 results that missed consensus estimates for revenue, but beat consensus estimates for adjusted EBITDA. The company generated US$599.1 million in revenue and US$151.8 million in adjusted EBITDA for the quarter. Although revenue grew 6.3% year-over-year, results were negatively impacted by poor weather at the end of the quarter that led to full and partial closures of over 60 stores. Despite a lower topline, a focus on cost efficiencies has reduced recurring expenses and allowed for 80 basis points of EBITDA margin expansion year-over-year. D&B continues to implement and progress on several strategic initiatives to drive sales, including organic growth initiatives and new store openings. Throughout 2023, the company repurchased 8.5 million shares, or approximately 17.5% of year-end 2022 shares outstanding, for US$300 million. The Board also approved an additional US$100 million for buybacks in 2024, bringing the total to US$200 million authorized for the current buyback program.

First American Financial (NYSE: FAF)

First American Financial (FAF) is a financial services company that provides housing-related insurance products. More than 90% of the company's revenue is attributable to its title insurance segment, which issues title insurance for commercial and residential real estate transactions in the U.S. and abroad. FAF's title insurance-related services include escrow, closing, exchange, documentation, and banking. Given that FAF's revenue is primarily attributable to the core title insurance segment, EnTrust believes the company is viewed as a pureplay title insurance company, however, the company has other attractive business units. Some of these business units, EnTrust believes, are not fully understood by the market and are therefore not adequately reflected in the share price, leading to the thesis that these business units have caused FAF to trade below its fundamental value. These attractive non- core business units are: (i) a data business that helps with the underwriting policy and research; (ii) a digital solutions unit that helps automate mortgage closing and title procurement; (iii) a home warranty unit that is the #2 home warranty provider in the U.S.; and (iv) a venture capital portfolio that focuses on growth stage companies in the real estate sector. EnTrust believes that the investment in FAF has meaningful downside protection, as the company's valuation, excluding non-core assets, implies a material discount to the comparable multiples of competitors. EnTrust invested in FAF during the third quarter of 2021, helping their co-investment partner accumulate roughly 10% of the outstanding shares. This makes EnTrust and their co-investment partner the largest non-passive shareholder in the company. In August 2023, EnTrust and their co-investment partner tactically trimmed approximately one fifth of their exposure given macroeconomic uncertainty, but they remain constructive on the longer-term appreciation of FAF's stock based on its view that the company remains an attractive target for a strategic or financial acquiror. In the first quarter of 2024, FAF traded alongside U.S. housing sensitive stocks, and the company continues to buy back shares at what EnTrust believes to be depressed stock prices. During 2022, FAF purchased 7% of shares outstanding, and during 2023, purchased a total of around 1% of outstanding shares, with authorization to purchase an additional US$177 million (approximately 3% of outstanding shares). Although rising rates have negatively impacted FAF's residential title business, the rate increases have meaningfully benefitted the company's escrow portfolio. FAF's commercial business continues to perform in-line with expectations, helping to offset a portion of the decline in the residential title business.

BHG Group (XSTO: BHG)

BHG Group (BHG) is a leading Nordic consumer e-commerce company with a global presence. The company launched in 2012 with the intention of disrupting the traditional retail channel and has since grown through a series of organic initiatives and approximately 35 acquisitions, including six in 2019 that added SEK 400 million in sales to the platform. In October of 2021, EnTrust and their co-investment partner began adding to their position in BHG, eventually building a 24% stake in the company, making them the largest shareholder. BHG experienced pronounced business disruption as the lasting impacts of the pandemic were compounded by an outbreak of war in Europe. Nonetheless, the business has continued to gain market share, as EnTrust believes, it has withstood market volatility better than competitors. In recognition of the changing business landscape, BHG shifted its key areas of focus to improving profitability, prioritizing cash flow, and strengthening its balance sheet. In the fourth quarter of 2023, EnTrust's co-investment partner ended its campaign with respect to BHG, however EnTrust retained exposure, although monetizing some of the position in early 2024, given their view that shares remain materially undervalued. During the first quarter of 2024, the company announced earnings that continued to show a weak demand backdrop, although with quarter-on-quarter improvement in earnings and margin. While margins remain under pressure, the company restructured its cost basis and working capital, which EnTrust believes has aided cash flow and should flow through to the bottom line once demand returns. BHG has also continued the consolidation of internal business entities/platforms to achieve further cost synergies and simplify its overall business structure. Indeed, the company has shed some of its money-losing businesses, and continues to optimize its inventory balance to bring forward cash flow. While BHG is struggling from weaker consumption, smaller competitors are feeling the effects harder, which has allowed the company to gain market share throughout the year. EnTrust believes a recovery in market dynamics should bolster BHG's earnings, while allowing it to benefit from an improved cost structure and a less competitive environment.

Globalstar Inc. (NYSE: GSAT) - exclusive to Class D units

Globalstar Inc. (GSAT) is a mobile satellite service provider with a constellation of 24 Low Earth Orbit (LEO) satellites, 30 ground stations, and several spectrum licenses. The company's network covers roughly 80% of the globe, with a material economic moat given the high capital expenditure requirements to build the physical assets, as well as the burdensome process of acquiring FCC licenses necessary for spectrum usage. Recently, GSAT signed a long-term agreement with Apple Inc. (Apple) to provide year-round satellite services for the iPhone 14. The agreement requires GSAT to launch 17 new satellites into orbit and allocate 85% of its network for usage by Apple devices. In exchange, Apple is ultimately responsible for 95% of the capital expenditures associated with the satellites. As part of the agreement, GSAT was required to refinance its existing debt and bridge any financing gap related to the satellite buildout. EnTrust, along with their co-investment partner, proposed a senior unsecured debt facility to help GSAT refinance their existing debt, as well as to inject cash into the company's balance sheet to fund the remaining 5% of capital expenditures required for the Apple project. The debt facility closed at the end of the first quarter of 2023, giving GSAT the additional capital needed to refinance their debt and fund their near-term capital expenditures. EnTrust believes some attractive features of the facility include: (i) low entry LTV, (ii) protective covenants, (iii) an original issue discount bond with a 13% coupon, and (iv) various call protections. In the second half of 2023, the company came under pressure from activists calling for the company to monetize its spectrum assets, which EnTrust believes highlights the company's high-quality technology and infrastructure. During the first quarter of 2024, the company announced mixed financial results, with earnings coming in weaker than expected, although 2024 guidance remained in-line with expectations. GSAT's revenue continues to benefit from the Apple deal, as well as several small contract wins, showing a step in the right direction in terms of unlocking value from its assets. The company remains on track for its 2025 satellite launch, which is expected to be the next material catalyst. EnTrust believes GSAT's agreement with Apple offers significant profitability potential, enhancing the overall value of the company while providing additional protection for the debt facility. Given this investment was only made in Class D units, the Manager believes this investment has little effect on the Fund's aggregate performance.

CONCLUSION

The offering memorandum for EPSO4 provides that the Fund's capital commitments are subject to a commitment period of three years and a one- year extension, all of which has now ceased with EnTrust currently focusing on achieving ultimate realized value. EnTrust believes that much of the negative performance exhibited in the past 24 months has been due to elevated uncertainty and negative sentiment across the global markets rather than a longer-term/fundamental change in outlook in EPSO4's specific positions. Until there is further clarity regarding certain macroeconomic dynamics (inflation, interest rates, COVID-19 re-opening, geopolitical issues), EnTrust expects ongoing pockets of volatility.

Although performance to date has been very disappointing, we believe that the Fund sought to take advantage of the dislocations brought by the initial lockdowns from COVID-19, with divergent outcomes. The Manager is encouraged by the reality that the aggregate performance of all realized investments is significantly better than the total performance since inception, as management continues, actively, to encourage change in the ongoing investments. Seeking changes takes time and can result in sizeable unrealized losses during periods when requested changes are being resisted. Nonetheless, on behalf of its investors, the Manager is keen for EnTrust to expedite those changes where possible.

For now, via its leading shareholder stakes and/or proximity to company Boards of Directors, we believe EnTrust has controlling interests in most of its investments, whether that be through board seats, voting power through share ownership, or influential terms as a creditor.

As such, the Manager believes EPSO4's focus is now entirely upon the company-specific situations it holds, where, in partnership with its managers, it will seek to shape, drive, and influence desired outcomes for the benefit of its investors, i.e. the Fund, in a similar way as it has demonstrated with its aggregate performance of realized investment to date. On request, EnTrust provided an estimated timeline of their intention to return about three quarters of the capital for the Class A units by end 2025, nearly one quarter by end 2026, with any residual in 2027. While these estimates are subject to change due to market conditions and unforeseen circumstances, the Manager will continue to seek regular updates given the distributions are driven by the monetization and exit of the underlying investments.

Notes

Sources: Unless noted, information has been compiled from various sources including corporate documents, press releases, annual reports, offering documents, investment updates from EnTrust Global and company websites.

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Certain statements included in this Commentary 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.

Management's Responsibility for Financial Reporting

The accompanying financial statements of Portland Special Opportunities Fund (the Fund) have been prepared by Portland Investment Counsel Inc. (the Manager) in its capacity as manager of the Fund. The Manager of the Fund is responsible for the information and representations contained in these financial statements. The Board of Directors of the Manager, in its capacity as trustee of the Fund, has approved these financial statements.

The Manager maintains appropriate processes to ensure that relevant and reliable financial information is produced. The financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB) and may include certain amounts that are based on estimates and judgments. The significant accounting policies which management believes are appropriate for the Fund are described in note 3 to these financial statements.

KPMG LLP is the external auditor of the Fund. They have audited the financial statements in accordance with Canadian generally accepted auditing standards to enable them to express to the unitholders their opinion on the financial statements. Their report is attached.

"Michael Lee-Chin"

Michael Lee-Chin
Director
September 25, 2024

"Shannon Taylor"

Shannon Taylor
Chief Financial Officer
September 25, 2024

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INDEPENDENT AUDITOR'S REPORT

To the Unitholders of Portland Special Opportunities Fund

Opinion

We have audited the financial statements of Portland Special Opportunities Fund (the Entity), which comprise:

- the statement of financial position as at June 30, 2024
- the statement of comprehensive income (loss) for the year then ended
- the statement of changes in net assets attributable to holders of redeemable units for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of material accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at June 30, 2024, and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as published by the International Accounting Standards Board (IASB).

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the ***"Auditor's Responsibilities for the Audit of the Financial Statements"*** section of our auditor's report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. Other information comprises:

- the information, other than the financial statements and the auditor's report thereon, included in the Entity commentary document.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit and remain alert for indications that the other information appears to be materially misstated.

We obtained the information, other than the financial statements and the auditor's report thereon, included in the Entity commentary document as at the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in the auditor's report.

We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as published by the International Accounting Standards Board (IASB), and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

  The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

KPMG LLP

Chartered Professional Accountants, Licensed Public Accountants

Toronto, Canada

September 25, 2024

Statements of Financial Position

As at June 30,		2024		2023
Assets				
Cash and cash equivalents	$	154,684	$	232,398
Receivable for investments sold		-		305,694
Investments (note 5)		10,502,068		9,872,475
		10,656,752		10,410,567
Liabilities				
Management fees payable		27,570		85,669
Expenses payable		15,038		46,453
Redemptions payable		28,944		48,324
Organization expenses payable		-		2,464
		71,552		182,910
Net Assets Attributable to Holders of Redeemable Units	$	10,585,200	$	10,227,657
Net Assets Attributable to Holders of Redeemable Units Per Series				
Series A		704,966		689,546
Series F		9,880,234		9,538,111
	$	10,585,200	$	10,227,657
Number of Redeemable Units Outstanding (note 6)				
Series A		17,036		17,167
Series F		222,151		223,473
Net Assets Attributable to Holders of Redeemable Units Per Unit				
Series A	$	41.38	$	40.17
Series F	$	44.48	$	42.68

Approved by the Board of Directors of Portland Investment Counsel Inc.

"Michael Lee-Chin" — Director

"Robert Almeida" — Director

The accompanying notes are an integral part of these financial statements.

Statements of Comprehensive Income (Loss)

For the years ended June 30,	2024	2023
Income		
Securityholder redemption fees	$ 1,215	$ 24
Net gain (loss) on investments		
Interest for distribution purposes	10,154	6,773
Net realized gain (loss) on investments	(11,991)	2,447
Change in unrealized appreciation (depreciation) on investments	794,804	(97,153)
	794,182	(87,909)
Other income		
Foreign exchange gain (loss) on cash and other net assets	(1,902)	(18,352)
Total income (loss)	792,280	(106,261)
Expenses		
Management fees (note 8)	108,154	116,147
Securityholder reporting costs	77,107	85,118
Audit fees	23,167	20,736
Independent review committee fees	2,890	2,398
Organization expenses (note 8)	1,937	-
Custodial fees	223	445
Legal fees	-	14,099
Total operating expenses	213,478	238,943
Less: expenses absorbed by Manager (note 10)	(44,424)	(61,755)
Net operating expenses	169,054	177,188
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units	$ 623,226	$ (283,449)
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units per Series		
Series A	$ 34,565	$ (120,757)
Series F	$ 588,661	$ (162,692)
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units per Unit		
Series A	$ 2.02	$ (6.57)
Series F	$ 2.64	$ (0.73)

The accompanying notes are an integral part of these financial statements.

Statements of Changes in Net Assets Attributable to Holders of Redeemable Units

For the years ended June 30,	2024	2023
Net Assets Attributable to Holders of Redeemable Units at Beginning of Year		
Series A	$ 689,546	$ 858,628
Series F	9,538,111	9,730,306
	10,227,657	10,588,934
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units		
Series A	34,565	(120,757)
Series F	588,661	(162,692)
	623,226	(283,449)
Distributions to Holders of Redeemable Units		
From return of capital		
Series A	(13,792)	-
Series F	(190,757)	-
Net Decrease from Distributions to Holders of Redeemable Units	(204,549)	-
Redeemable Unit Transactions		
Proceeds from redeemable units issued		
Series A	-	-
Series F	5,353	-
	5,353	-
Reinvestments of distributions		
Series A	-	-
Series F	246	-
	246	-
Redemptions of redeemable units		
Series A	(5,353)	(48,325)
Series F	(61,380)	(29,503)
	(66,733)	(77,828)
Net Increase (Decrease) from Redeemable Unit Transactions	(61,134)	(77,828)
Net Assets Attributable to Holders of Redeemable Units at End of Year		
Series A	704,966	689,546
Series F	9,880,234	9,538,111
	$ 10,585,200	$ 10,227,657

The accompanying notes are an integral part of these financial statements.

Statements of Cash Flows

For the years ended June 30,		2024		2023
Cash Flows from Operating Activities				
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units	$	623,226	$	(283,449)
Adjustments for:				
Net realized (gain) loss on investments		11,991		(2,447)
Change in unrealized (appreciation) depreciation on investments		(794,804)		97,153
Increase (decrease) in management fees and expenses payable		(89,514)		(248,687)
Increase (decrease) in organization expenses payable		(2,464)		(24,821)
Proceeds from sale of investments		458,914		718,686
Net Cash Generated (Used) by Operating Activities		207,349		256,435
Cash Flows from Financing Activities				
Distributions to holders of redeemable units, net of reinvested distributions		(204,303)		-
Amount paid on redemption of redeemable units (note 3)		(80,760)		(29,504)
Net Cash Generated (Used) by Financing Activities		(285,063)		(29,504)
Net increase (decrease) in cash and cash equivalents		(77,714)		226,931
Cash and cash equivalents - beginning of year		232,398		5,467
Cash and cash equivalents - end of year		154,684		232,398
Cash and cash equivalents comprise:				
Cash at bank	$	35,259	$	540
Short-term investments		119,425		231,858
	$	154,684	$	232,398
From operating activities:				
Securityholder redemption fees	$	1,215	$	24
Interest received, net of withholding tax	$	10,154	$	6,773

The accompanying notes are an integral part of these financial statements.

Schedule of Investment Portfolio

as at June 30, 2024

No. of Shares	Security Name		Average Cost		Fair Value	% of Net Assets Attributable to Holders of Redeemable Units
UNDERLYING FUNDS						
Cayman Islands						
7,307	EnTrustPermal Special Opportunities Fund IV Ltd. Class A	$	10,140,281	$	10,385,303	
85	EnTrustPermal Special Opportunities Fund IV Ltd. Class D		117,735		116,765	
		$	10,258,016		10,502,068	99.2%
	Other assets less liabilities				83,132	0.8%
	NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS			$	10,585,200	100.0%

1. GENERAL INFORMATION

Portland Special Opportunities Fund (the Fund) is an open-end investment fund established under the laws of the Province of Ontario pursuant to an amended and restated master declaration of trust dated as of December 13, 2013, as amended thereafter and as may be amended from time to time. The formation date of the Fund was December 5, 2017 and inception date was December 14, 2017. Portland Investment Counsel Inc. (the Manager) is the Investment Fund Manager, Portfolio Manager and Trustee of the Fund. The head office of the Fund is 1375 Kerns Road, Suite 100, Burlington, Ontario L7P 4V7. These financial statements were authorized for issue by the Board of Directors of the Manager on September 25, 2024.

The Fund offers units to the public on a private placement basis under an offering memorandum. The investment objective of the Fund is to provide above average risk-adjusted returns over the long term by investing directly or indirectly, in strategies managed by EnTrust Global or its affiliates.

The statements of financial position and schedule of investment portfolio of the Fund are as at June 30, 2024 and June 30, 2023. The statements of comprehensive income (loss), changes in net assets attributable to holders of redeemable units and cash flows of the Fund are for the years ended June 30, 2024 and June 30, 2023.

2. BASIS OF PRESENTATION

These financial statements have been prepared in compliance with IFRS Accounting Standards as published by the International Accounting Standards Board (IASB). The financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets and financial liabilities (including derivative financial instruments) at fair value through profit or loss (FVTPL).

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES

Financial instruments

(a) Classification

The Fund classifies financial assets based on the business model used for managing such financial assets and the contractual cash flow characteristics of those financial assets. The Fund may be divided into sub-portfolios that have different business models. Where contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding (SPPI test), the financial asset will be classified as a financial asset at amortized cost.

The Fund recognizes financial instruments at fair value upon initial recognition, inclusive of transaction costs in the case of financial instruments not measured at fair value. Purchases and sales of financial assets are recognized as at their trade date. The Fund classifies its investment in equities and fixed income securities as financial assets or financial liabilities at FVTPL. The investment in EnTrust Permal Special Opportunities Fund IV Ltd. (EPSO4) or other investment funds (collectively referred to as Underlying Funds) held by the Fund do not meet the SPPI test and therefore have been classified as financial assets at FVTPL.

All other financial assets and liabilities are recognized at amortized cost and are reflected at the amount required to be paid, discounted to reflect the time value of money when appropriate.

The Fund's obligation for net assets attributable to holders of redeemable units does not meet the criteria for equity treatment and therefore is presented as a liability on the statement of financial position. The Fund has elected to classify its obligation for net assets attributable to holders of redeemable units as a financial liability at FVTPL.

The Fund's accounting policies for measuring the fair value of its investments are similar to those used in measuring net asset value (NAV) for unitholder transactions; except for items attributable to a difference in the valuation methodology applied under IFRS for trading purposes, the treatment of organization expenses and for differences in the month end NAV and financial statement date. Refer to Fair Value Measurement for a description of the methodology applied under IFRS. There is a comparison of the NAV per unit and net assets attributable to holders of redeemable units per unit within note 11.

Financial assets and liabilities may be offset and the net amount reported in the statements of financial position when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously. In the normal course of business, the Fund may enter into various master netting agreements or similar agreements that do not meet the criteria for offsetting in the statements of financial position but still allow for the related amounts to be set off in certain circumstances, such as bankruptcy, certain events of default or termination of the contracts.

(b) Recognition, de-recognition and measurement

Purchases and sales of financial assets are recognized on their trade date - the date on which the Fund commits to purchase or sell the investment. Financial assets and liabilities are initially recognized at fair value. Transaction costs incurred to acquire financial assets at FVTPL are expensed as incurred in the statements of comprehensive income (loss). Subsequent to initial recognition, all financial assets and liabilities at FVTPL are measured at fair value. Unrealized gains and losses arising from changes in fair value of the FVTPL category are presented in the statements of comprehensive income (loss) within 'Change in unrealized appreciation (depreciation) on investments' in the period in which they arise. Financial assets at amortized cost are subsequently measured at amortized cost, less any impairment losses. Transaction costs incurred on financial assets or liabilities at amortized cost are amortized over the life of the asset or liability.

Financial assets are de-recognized when the rights to receive cash flows have expired or the Fund has transferred substantially all the risks and rewards of ownership. Upon disposal, the difference between the amount received and the average cost to acquire the financial asset (for financial assets at FVTPL) or the amortized cost (for financial assets at amortized cost) is included within 'Net realized gain (loss) on investments' in the statements of comprehensive income (loss).

Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

EPSO4 does not trade on an active market hence its fair value is determined using valuation techniques. The fair value is primarily determined based on the latest available price of EPSO4 as reported by Citco Fund Services (Curacao) B.V. (Citco), its administrator. Adjustments may be made, if necessary, based on considerations such as the value date of the price provided, cash flows (calls/distributions) since the latest value date, the estimated total return reported by the manager of EPSO4 if a price is unavailable, restrictions on redemptions and the basis of accounting, if not at fair value. The Manager will monitor these estimates regularly and update them as necessary if macro or individual fund changes warrant any adjustments.

The manager of the underlying funds held within EPSO4 itself uses valuation techniques to determine the fair value of investments in the underlying fund for which market prices are not readily available. Citco relies on financial data furnished to it by the advisor and/or manager of the underlying fund including but not limited to, valuation of such investments. EPSO4 is audited annually by an independent auditor. There is no guarantee that the value ascribed to EPSO4 or any investment held by EPSO4 will represent the value to be realized in the eventual disposition of such investment or that could be realized upon an immediate disposition of such investment. All security valuation techniques are periodically reviewed and approved by the Manager. The Manager provides administration and oversight of the Fund's valuation policies and procedures. These procedures allow the Fund to utilize the latest net asset value pricing available, estimated total returns and other relevant market sources to determine fair value.

Net changes in fair value of securities at FVTPL are included in the statements of comprehensive income (loss) in 'Change in unrealized appreciation (depreciation) on investments'.

Revenue recognition

'Interest for distribution purposes' shown on the statements of comprehensive income (loss) represents the stated rate of interest earned by the Fund on fixed income securities accounted for on an accrual basis, as applicable. The Fund does not amortize premiums paid or discounts received on the purchase of fixed income securities other than zero coupon debt securities which are amortized on a straight line basis. Interest receivable is shown separately in the statements of financial position based on the debt instruments' stated rates of interest. Dividends on equity investments and distributions on investments in Underlying Funds are recognized as income on the ex-dividend date. Redemption fees earned by the Fund as detailed under note 6 are presented as 'Securityholder redemption fees' and are recognized upon the redemption date of the units on the statements of comprehensive income (loss).

Foreign currency translation

The Fund's subscriptions and redemptions are denominated in Canadian dollars, which is also its functional and presentation currency. Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates that transactions occur. Assets and liabilities denominated in a foreign currency are translated into the functional currency using the exchange rate prevailing at the reporting date. Foreign exchange gains and losses related to assets and liabilities at amortized cost are recognized in profit and loss and are presented as 'Foreign exchange gain (loss) on cash and other net assets' on the statements of comprehensive income (loss). Realized foreign exchange gains and losses related to investments are recognized when incurred and are presented in the statements of comprehensive income (loss) within 'Net realized gain (loss) on investments', as applicable.

Unrealized exchange gains or losses on investments are included in 'Change in unrealized appreciation (depreciation) of investments' in the statements of comprehensive income (loss).

'Foreign exchange gain (loss) on cash and other net assets' arises from sale of foreign currencies, change in foreign currency denominated loans, currency gains or losses realized between trade and settlement dates on securities transactions, and the difference between the recorded amounts of dividend, interest and foreign withholding taxes and the Canadian dollar equivalent of the amounts actually received or paid.

Cash and cash equivalents

The Fund considers highly liquid investments with an original maturity of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value to be cash equivalents. Cash is comprised of deposits with financial institutions.

Cost of investments

The cost of investments represents the cost for each security excluding transaction costs. On the schedule of investment portfolio, transaction costs have been deducted in aggregate from the total cost of individual investments, which includes transaction costs.

Redeemable units

The Fund issues multiple series of redeemable units which are redeemable quarterly upon 60 calendar days' notice. Thereafter, units are redeemable at the holder's option but do not have identical rights. Redeemable units can be put back to the Fund at any redemption date for cash equal to a proportionate share of the Fund's NAV attributable to the unit series.

The redeemable units are carried at the redemption amount that is payable at the statements of financial position date if the holder exercises the right to put the units back to the Fund.

Redeemable units are issued and redeemed at the holder's option at prices based on the Fund's NAV per unit at the time of issue or redemption. The Fund's NAV per unit is calculated by dividing the net assets attributable to the holders of each series of redeemable units by the total number of outstanding redeemable units of each respective series.

The Fund's units do not meet the criteria in IAS 32 for classification as equity as the units are redeemable on demand for cash and therefore, have been classified as financial liabilities.

Redemption notes

In certain circumstances, the Fund may issue promissory notes equal to the redemption proceeds with a term of not more than five years from the date of issue (Redemption Notes). Redemption Notes bear an interest rate that is equal to the Bank of Canada overnight rate, reset each year as at January 1, simple interest per annum, calculated from the day the Redemption Note is issued and such other commercially reasonable terms as the Manager may prescribe. Redemption Notes may be prepaid in part or full at any time at the option of the issuer prior to maturity, without notice, bonus or penalty, as determined in the sole discretion of the Manager, provided that the applicable interest shall be paid at the end of the term of the Redemption Note. The total payable balance of Redemption Notes and applicable interest are included in 'Redemption notes' on the statements of financial position.

Interest on Redemption Notes are recorded on an accrual balance.

Expenses

Expenses of the Fund including management fees and other operating expenses are recorded on an accrual basis.

Transaction costs associated with investment transactions for financial assets and liabilities at FVTPL, including brokerage commissions, have been expensed on the statements of comprehensive income (loss).

Organization expenses

Organization expenses including legal fees, time spent by the Manager to create the Fund, and registration fees associated with the formation of the Fund are recoverable from the Fund by the Manager and expensed for NAV purposes in equal installments over 60 months commencing March 31, 2018. For financial reporting purposes, these fees were expensed in their entirety in the first fiscal year of the Fund.

Increase (decrease) in net assets attributable to holders of redeemable units per unit

'Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units per Unit' in the statements of comprehensive income (loss) represents the Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units per Series, divided by the weighted average units outstanding of that series during the reporting period.

Distributions to unitholders

Distributions will be made to unitholders only at such times and in such amounts as may be determined at the discretion of the Manager. The Fund will distribute sufficient net income and net realized capital gains to unitholders annually to ensure that the Fund is not liable for ordinary income taxes. All distributions by the Fund will be automatically reinvested in additional units of the Fund held by the investor at the NAV per unit thereof, unless the investor notifies the Manager in writing that cash distributions are preferred.

Allocation of income and expense, and realized and unrealized gains and losses

Management fees and other costs directly attributable to a series are charged to that series. The Fund's shared operating expenses, income, and realized and unrealized gains and losses are generally allocated proportionately to each series based upon the relative NAV of each series.

Allocation of non-cash items on the statement of cash flows

The Fund includes only the net cash flow impact and does not include non-cash switches between series of the Fund that occurred during the year in 'Proceeds from redeemable units issued' or 'Amount paid on redemption of redeemable units'. There were no non-cash switches that have been excluded from the Fund's operation and financing activities on the statements of cash flows) for the years ending June 30, 2024 and 2023.

Future accounting changes

There are no new accounting standards effective after June 30, 2024 which affect the accounting policies of the Fund.

Changes in material accounting policies

The Fund adopted Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statements 2) from July 1, 2023. Although the amendments did not result in any changes to the accounting policies themselves, they impacted the accounting policy information disclosed in the financial statements.

The amendments require the disclosure of 'material' rather than 'significant' accounting policies. The amendments also provide guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful, entity-specific accounting policy information that users need to understand other information in the financial statements.

The Manager reviewed the accounting policies and noted no material impact on the Fund.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of financial statements requires management to use judgment in applying its accounting policies and to make estimates and assumptions about the future. The following discusses the most significant accounting judgments and estimates the Fund has made in preparing these financial statements.

Fair Value of Underlying Funds

The fair value of Underlying Funds that are not quoted in an active market is determined primarily in reference to the latest available price of such units for each Underlying Fund, as determined by the administrator of such Underlying Fund. The Fund may make adjustments to the reported net asset value of various Underlying Funds based on considerations such as the value date of the price provided, cash flows (calls/distributions) since the latest value date, the estimated total return reported by the manager of the Underlying Fund if a price is unavailable, restrictions on redemptions and the basis of accounting, if not at fair value.

The carrying values of Underlying Funds may be materially different to the values that could be realized as of the financial reporting date or ultimately realized on redemption.

Classification of financial assets and liabilities

Financial assets may be classified as financial assets at amortized cost, financial assets at FVTPL or financial assets at fair value through other comprehensive income (loss). Financial liabilities may be classified as financial liabilities at amortized cost or financial liabilities at FVTPL. In order to classify its financial assets and liabilities in accordance with IFRS 9, the Manager uses judgment to assess the business model of the Fund and the cash flows of its financial assets and liabilities. The classification of financial assets and liabilities of the Fund are outlined in note 3.

5. FINANCIAL INSTRUMENTS

(a) Risk management

The Fund's investment activities may be exposed to various financial risks, including market risk (which includes price risk, interest rate risk and currency risk), concentration risk, liquidity risk and credit risk. The Fund has indirect exposure to various financial risks through its investment in the Underlying Funds. The Manager makes investment decisions after due diligence of an Underlying Fund, its strategy and the overall quality of the Underlying Fund's manager. All of the underlying investments in the Underlying Funds are subject to risks inherent in their industries. In the case of the Underlying Funds, established markets may not exist for these holdings, and therefore may be considered illiquid. The Fund is therefore indirectly exposed to each financial risk of the respective underlying investment in proportion to its investments in such Underlying Fund. The Fund's risk management goals are to ensure that the outcome of activities involving risk is consistent with the Fund's investment objectives and risk tolerance per the Fund's offering memorandum. All investments result in a risk of loss of capital.

The Fund invests in EPSO4. EPSO4 seeks to achieve above-average rates of return and long-term capital growth by investing in highly attractive, select investment opportunities through private investment entities and/or separately managed accounts. EPSO4 expects to invest in a broad range of investments and the Fund is indirectly exposed to risks of these investments. EPSO4 makes investment decisions after an extensive assessment of underlying funds, its strategies and the overall quality of underlying fund managers. EPSO4 is presented with investment opportunities typically in asset classes where market dislocations or other events have created attractive investment opportunities. Since EPSO4 will seek to invest in the that are presented to it (rather than a diversified portfolio), its results can be expected to be more idiosyncratic. The Manager of the Fund reviews EPSO4 and other EnTrust Global funds' investment decisions, comments, news and performance typically on a monthly basis.

Price risk

Price risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market prices (other than those arising from interest rate risk or currency risk). Financial instruments held by the Fund are susceptible to market price risk arising from uncertainties about future prices of the instruments.

If the price of investments held by the Fund on June 30, 2024 had been higher or lower by 10%, the net assets attributable to holders of redeemable units of the Fund would have been higher or lower by $1,050,207 (June 30, 2023: $987,248). Actual results may differ from the above sensitivity analysis and the difference could be material.

The Fund has indirect exposure to price risk through its investment in EPSO4. EPSO4 is susceptible to market price risk caused by increases or decreases in the fair value of its investments arising from uncertainties about future values and events. Previous prices realized on past opportunities may not be indicative of prices realized on current opportunities. As at June 30, 2024, approximately 86% of the committed capital of the portfolio of EPSO4 Class A units and 92% in Class D units is held in an equity strategy (June 30, 2023: Class A units 86%, Class D units 88%).

Concentration risk

Concentration risk arises as a result of the concentration of exposures within the same category, whether it is geographical location, asset type or industry sector. As at June 30, 2024, the Fund has invested 99.2% of the net assets attributable to holders of redeemable units into EPSO4 (June 30, 2023: 96.5%).

The Fund has indirect exposure to concentration risk through its investment in EPSO4. EPSO4 is not restricted in the investment strategies that it may employ and is agnostic in terms of sector, geography, strategy, asset class, theme, etc. No formalized or pre-existing allocation framework with respect to such categories lends itself to diversified exposure. Based on this flexible mandate which is aimed for nimble deployment of capital across a broad range of ideas, EPSO4's asset allocations change over time based on the market environment and the opportunities they believe provide the best risk/reward in each environment. EPSO4 generally targets 3% to 7% for any single idea, and a majority of co-investments are in marketable and/

or listed equities and credits. When EPSO4 has exposure to certain pre-IPO/private positions, such opportunities have tended to be sized at or below the low end of the foregoing range at around 2%, upon inception. As at June 30, 2024, unrealized investments and committed capital in Class A units and Class D units of EPSO4 comprised 29 investments and 25 investments, respectively, and approximately 86% of committed capital was held in an equity strategy and 14% in a credit strategy in various sectors and geographic regions for Class A units and approximately 92% of committed capital was held in an equity strategy and 8% in a credit strategy for Class D units (June 30, 2023: Class A units 29 investments, 86% equity strategy, 14% credit strategy, Class D units 26 investments, 88% equity strategy, 12% credit strategy).

Interest rate risk

Interest rate risk arises on interest-bearing financial instruments held by the Fund. The fair value and future cash flows of such instruments held by the Fund will fluctuate due to changes in market interest rates. As at June 30, 2024 and June 30, 2023, the Fund did not have significant exposure to interest rate risk.

Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. Securities included in the Fund may be valued in or have exposure to currencies other than the Canadian dollar and when measured in Canadian dollars, be affected by fluctuations in the value of such currencies relative to the Canadian dollar.

The tables below indicate the foreign currencies to which the Fund had significant exposure as at June 30, 2024 and 2023, in Canadian dollar terms. The tables also illustrate the potential impact on the net assets attributable to holders of redeemable units if the Canadian dollar had strengthened or weakened by 10% in relation to each of the other currencies, with all other variables held constant.

	Exposure			Impact on net assets attributable to holders of redeemable units		
June 30, 2024	Monetary ($)	Non-monetary ($)	Total ($)	Monetary ($)	Non-monetary ($)	Total ($)
United States Dollar	-	10,502,068	10,502,068	-	1,050,207	1,050,207
Total	**-**	**10,502,068**	**10,502,068**	**-**	**1,050,207**	**1,050,207**
% of net assets attributable to holders of redeemable units	**-**	**99.2%**	**99.2%**	**-**	**9.9%**	**9.9%**

	Exposure			Impact on net assets attributable to holders of redeemable units		
June 30, 2023	Monetary ($)	Non-monetary ($)	Total ($)	Monetary ($)	Non-monetary ($)	Total ($)
United States Dollar	305,694	9,872,475	10,178,169	30,569	987,248	1,017,817
Total	**305,694**	**9,872,475**	**10,178,169**	**30,569**	**987,248**	**1,017,817**
% of net assets attributable to holders of redeemable units	**3.0%**	**96.5%**	**99.5%**	**0.3%**	**9.7%**	**10.0%**

Liquidity risk

Liquidity risk is the risk that the Fund, or the Underlying Fund, will encounter difficulty in meeting their obligations associated with financial liabilities. The Fund is exposed to quarterly cash redemptions and may borrow on margin to make investments. The Manager monitors the Fund's liquidity positions on an ongoing basis.

The Fund has the option to pay redemptions through the issuance of Redemption Notes. As at June 30, 2024, the Fund does not have any Redemption Notes outstanding.

The Fund is committed and invested in an unlisted Underlying Fund, which does not permit redemptions during the three years following its initial commitment, plus a potential one-year extension. Following this period, the Fund may redeem shares of EPSO4 quarterly upon 95 days' notice. As a result, the Fund may not be able to quickly liquidate its investment in EPSO4 at amounts, which approximate fair value, or be able to respond to specific events such as deterioration of creditworthiness of the issuer. As at June 30, 2024, the Fund's total commitment to EPSO4 was US$8,500,000 for Class A units and US$100,000 for Class D units and commitments are paid in full. The commitment period of Class A and Class D units expired March 26, 2022 and June 2, 2023, respectively. The Fund has indirect exposure to liquidity risk through its investment in EPSO4. EPSO4 may invest in portfolios that may be subject to a lock-up and redemption policies, and may not be able to sell investments quickly or at fair value.

Credit risk

Credit risk is the risk that a party to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. All transactions in listed securities are settled or paid for upon delivery using approved brokers. The risk of default is considered minimal, as delivery of securities sold is only made once the broker has received payment. Payment is made on a purchase once the broker has received the securities. The trade will fail if either party fails to meet its obligation.

As at June 30, 2024 and 2023, the Fund did not have significant exposure to credit risk. The Fund has indirect exposure to credit risk through its investment in EPSO4 through its direct investments with counterparties or those investments through a portfolio with other counterparties that may not be able to fulfill contractual obligations. As at June 30, 2024, approximately 14% and 8% of the committed capital of the portfolio of EPSO4 Class A and Class D units, respectively, are held in a credit strategy (June 30, 2023: Class A units 14%, Class D units 12%).

(b) Fair value of financial instruments

Financial instruments measured at fair value are classified according to a fair value hierarchy that reflects the importance of the inputs used to perform each valuation. The fair value hierarchy is made up of the following levels:

Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2 - inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and

Level 3 - inputs are unobservable for the asset or liability.

The fair value hierarchy requires the use of observable market data each time such data exists. A financial instrument is classified at the lowest level of the hierarchy for which significant input has been considered in measuring fair value. Fair values are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. The Fund's policy is to recognize transfers into and out of the fair value hierarchy levels as of the date of the event or change in circumstances giving rise to the transfer.

The following tables illustrates the classification of the Fund's financial instruments within the fair value hierarchy as at June 30, 2024 and 2023:

	Assets (Liabilities)			
June 30, 2024	Level 1 ($)	Level 2 ($)	Level 3 ($)	Total ($)
Underlying Funds	-	10,502,068	-	10,502,068
Total	**-**	**10,502,068**	**-**	**10,502,068**

	Assets (Liabilities)			
June 30, 2023	Level 1 ($)	Level 2 ($)	Level 3 ($)	Total ($)
Underlying Funds	-	9,872,475	-	9,872,475
Total	**-**	**9,872,475**	**-**	**9,872,475**

(c) Structured entities

A structured entity is an entity that has been designed so that voting or similar rights are not the dominant factor in deciding who controls the entity, such as when any voting rights relate to administrative tasks only and the relevant activities are directed by means of contractual arrangements. A structured entity often has some or all of the following features or attributes:

i) restricted activities;

ii) a narrow and well-defined objective, such as to provide investment opportunities for investors by passing on risks and rewards associated with the assets of the structured entity to investors;

iii) insufficient equity to permit the structured entity to finance its activities without subordinate financial support; and

iv) financing in the form of multiple contractually linked instruments to investors that create concentrations of credit or other risks (tranches).

The Fund considers its investment in EPSO4 to be an investment in an unconsolidated structured entity. EPSO4 is valued as per above section on Fair Value Measurement. The change in fair value of the structured entity is included in the statements of comprehensive income (loss) in 'Change in unrealized appreciation (depreciation) on investments'. The Fund's investment in EPSO4 is subject to the terms and conditions of its offering documents and are susceptible to market price risk arising from uncertainties about future values. The Manager makes investment decisions after extensive due diligence on the strategy and overall quality of the Underlying Fund's manager.

The exposure to investment in EPSO4 at fair value as at June 30, 2024 and 2023 are presented in the following tables. This investment is included at fair value in financial assets at FVTPL in the statements of financial position. The Manager's best estimate of the maximum exposure to loss from the Fund's investment in EPSO4 (in Canadian dollars) is the fair value below.

June 30, 2024	Investment at Fair Value ($)	Net Asset Value ($)	% of Net Asset Value
EnTrustPermal Special Opportunities Fund IV Ltd. Class A	10,385,303	909,171,829	1.1%
EnTrustPermal Special Opportunities Fund IV Ltd. Class D	116,765	42,546,355	0.3%

June 30, 2023	Investment at Fair Value ($)	Net Asset Value ($)	% of Net Asset Value
EnTrustPermal Special Opportunities Fund IV Ltd. Class A	9,755,383	868,408,067	1.1%
EnTrustPermal Special Opportunities Fund IV Ltd. Class D	117,092	39,511,224	0.3%

6. REDEEMABLE UNITS

The Fund is permitted to issue an unlimited number of redeemable units issuable in Series A, Series F and Series O, having such terms and conditions as the Manager may determine. Additional series may be offered in the future on different terms, including different fee and dealer compensation terms and different minimum subscription levels. Each unit of a series represents an undivided ownership interest in the net assets of the Fund attributable to that series of units.

The Fund's NAV per unit is determined on the last business day of each quarter at the close of regular trading on the Toronto Stock Exchange or on such other date as determined by the Manager (each, a Valuation Date). Unitholders may redeem their units on any Valuation Date by submitting a request for redemption no later than the day that is 60 days prior to the Valuation Date in order for the redemption to be accepted as at that Valuation Date; otherwise, the redemption will be processed as at the next Valuation Date. If a unitholder redeems his or her units within the first 60 months from initial purchase, the Manager may, in its discretion, charge a redemption penalty equal to 5% of the NAV of such units redeemed which will be deducted from the redemption proceeds and retained by the Fund.

The Fund endeavors to invest capital in appropriate investments in conjunction with its investment objectives. The Fund maintains sufficient liquidity to meet redemptions, such liquidity being augmented by short-term borrowings or disposal of investments, where necessary.

The principal difference between the series of units relates to the management fee payable to the Manager, minimum investment requirements and the compensation paid to dealers. All units are entitled to participate in the Fund's liquidation of assets on a series basis. Units are issued as fully paid and non-assessable and are redeemable at the NAV per unit of the applicable series of units being redeemed, determined at the close of business on the redemption date, as outlined in the offering memorandum.

Series A Units are available to investors who meet eligibility requirements and who invest a minimum of $10,000.

Series F Units are available to investors who meet eligibility requirements and who invest a minimum of $10,000, who participate in fee-based programs through their dealer and whose dealer has signed a Series F Agreement with the Manager, investors for whom the Fund does not incur distribution costs, or individual investors approved by the Manager.

Series O Units are available to certain institutional investors making a minimum investment of $500,000. The Fund has not yet issued any Series O Units.

The number of units issued and outstanding for the years ended June 30, 2024 and June 30, 2023 was as follows:

June 30, 2024	Beginning Balance	Units Issued Including Switches from Other Series	Units Reinvested	Units Redeemed Including Switches to Other Series	Ending Balance	Weighted Average Number of Units
Series A Units	17,167	-	-	131	17,036	17,133
Series F Units	223,473	122	6	1,450	222,151	223,103

June 30, 2023	Beginning Balance	Units Issued Including Switches from Other Series	Units Reinvested	Units Redeemed Including Switches to Other Series	Ending Balance	Weighted Average Number of Units
Series A Units	18,370	-	-	1,203	17,167	18,370
Series F Units	224,082	-	-	609	223,473	223,940

7. TAXATION

The Fund qualifies as a mutual fund trust within the meaning of the Income Tax Act (Canada) (the Tax Act).

The Fund calculates taxable and net capital gains/(losses) in accordance with the Tax Act and intends to distribute sufficient net income and net realized capital gains, if any, to ensure it does not pay ordinary income tax. As a result, the Fund does not record income taxes. Since the Fund does not record income taxes, the tax benefit of capital and non-capital losses, if any, has not been reflected in the statements of financial position as a deferred income tax asset.

The taxation year end of the Fund is December 31.

As at December 31, 2023, the Fund has $86,553 of unused capital losses which can be carried forward indefinitely and $770,630 of non-capital losses.

8. FEES AND EXPENSES

Pursuant to the Fund's offering memorandum, the Fund agrees to pay management fees to the Manager, calculated and accrued on each Valuation Date. The annual management fee rate of the respective series of units are 1.85% for Series A Units and 0.85% for Series F Units.

Management fees on Series O Units are negotiated with the Manager. Such fees are paid directly to the Manager and are not deducted from the NAV of Series O.

The Manager is reimbursed for any operating expenses it incurs on behalf of the Fund, including regulatory filing fees, custodian fees, legal and audit fees, costs associated with the independent review committee, bank charges, the cost of financial reporting, expenses related to conducting unitholder meetings, costs associated with providing Fundserv access for registered dealers and all related sales taxes. The Manager also provides key management personnel to the Fund. The Manager may charge the Fund for actual time spent by its personnel (or those of its affiliates) in overseeing the day-to-day business affairs of the Fund. The amount charged for time spent by personnel is determined based on fully allocated costs and does not include a mark-up or administration fee. The Manager may waive or absorb management fees and operating expenses at its discretion but is under no obligation to do so.

The Fund is also responsible for all costs associated with its creation and organization of the Fund including but not limited to legal and audit costs, registration and regulatory filing fees, costs associated with due diligence by registered dealers, printing costs, postage and courier costs and time spent by personnel of the Manager at fully allocated costs. The Manager has paid the costs associated with the formation and creation of the Fund and the offering of units and is entitled to reimbursement from the Fund for such costs.

All management fees, operating expenses and organization expenses payable by the Fund to the Manager are subject to GST and/or HST as applicable and will be deducted as an expense of the applicable series of units in the calculation of the NAV of such series of units.

9. SOFT DOLLARS

Allocation of business to broker dealers of the Fund is made on the basis of coverage, trading ability and fundamental research expertise. The Manager may choose to execute portfolio transactions with broker dealers who provide research, statistical and other similar services to the Fund or to the Manager at prices which reflect such services (termed proprietary research). The broker dealers do not provide the Manager with an estimate of the cost of the research, statistical and other similar services (referred to as soft dollars).

10. RELATED PARTY TRANSACTIONS

The following table outlines the management fees, operating expenses and organization expenses that were paid to the Manager by the Fund during the years ended June 30, 2024 and June 30, 2023. The table includes the amount of operating expense reimbursement that was paid to affiliates of the Manager. All of the dollar amounts in the tables below exclude applicable GST or HST.

	Management Fees ($)	Operating Expense Reimbursement ($)	Absorbed Operating Expenses ($)	Operating Expense Reimbursed to Affiliates of the Manager ($)
June 30, 2024	95,797	52,226	39,348	1,533
June 30, 2023	102,840	55,761	54,680	1,334

The Fund owed the following amounts to the Manager excluding the applicable GST or HST.

As at	Management Fees ($)	Operating Expense Reimbursement ($)	Organizational Expenses ($)
June 30, 2024	24,420	13,321	1,714
June 30, 2023	75,861	41,137	24,146

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. As at June 30, 2024 and 2023, Related Parties held 11,014 units of Series F units of the Fund.

11. RECONCILIATION OF NAV PER UNIT AND NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER UNIT

There was no difference as of June 30, 2024 and 2023.

12. COMMITMENTS

On March 16, 2018, the Fund committed to invest US$8,300,000 in EPSO4 Class A units. Following the close of business on July 31, 2020, Portland Value Plus Fund merged into the Fund and the Fund acquired a US$200,000 commitment of EPSO4 as a result of the merger. As at June 30, 2024, the Fund's total commitment to the EPSO4 Class A units was paid in full.

On May 22, 2019, the Fund committed to invest an additional US$100,000 in EPSO4 Class D units. As at June 30, 2024, the Fund's total commitment to the EPSO4 Class D units was paid in full.

13. EXEMPTION FROM FILING

The Fund is relying on the exemption contained within National Instrument 81-106, Part 2.11 to not file its financial statements with the applicable securities regulatory authorities.

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