NEWS HIGHLIGHTS

Portland Investment Counsel®
Buy. Hold. And Prosper.®

EST. 2007

OUR VIEWS ON ECONOMIC AND OTHER EVENTS AND THEIR EXPECTED IMPACT ON INVESTMENTS

APRIL 26, 2021

The views of the Portfolio Management Team contained in this report are as of April 26, 2021 and this report is not intended to provide legal, accounting, tax or specific investment advice. Views, portfolio holdings and allocations may have changed subsequent to this date. This research and information, including any opinion, is compiled from 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. The contents of this Newsletter reflect the different assumptions, views and analytical methods of the analysts who prepared them.

OWNER OPERATED COMPANIES

GO TO PORTLAND 15 OF 15 ALTERNATIVE FUND

PORTLAND 15 OF 15 ALTERNATIVE FUND COMPANY NEWS

Danaher Corporation announced results for the first quarter 2021. For the quarter ended April 2, 2021, net earnings were US$1.7 billion, or $2.29 per diluted common share which represents a 182.5% year-over-year increase from the comparable 2020 period. Non-GAAP (Generally Accepted Accounting Principles) adjusted diluted net earnings per common share were $2.52, which represents a 140.0% increase over the comparable 2020 period. Revenues increased 58.0% year-over-year to $6.9 billion, with 30.0% non-GAAP core revenue growth including Cytiva. Operating cash flow was $1.9 billion, representing a 126.5% increase year-over-year, and non-GAAP free cash flow was $1.6 billion, representing a 135.0% increase year-over-year. For the second quarter 2021, the company anticipates that non-GAAP core revenue growth will be in the mid-20 percent range. For the full year 2021, the company now anticipates that the non-GAAP core revenue growth rate including Cytiva will be in the high-teens percent range. Rainer M. Blair, President and Chief Executive Officer, stated, "We had a very strong start to the year, delivering better-than-expected first quarter results across our portfolio. This broad-based outperformance was driven by double-digit core revenue growth in our base business, and our ongoing contributions to the development and production of COVID-19 vaccines, therapeutics and diagnostic tests. Our record top-line performance contributed to strong earnings per share growth and cash flow generation and, we believe, continued market share gains in many of our businesses."

Danaher announced the formation of a Scientific Advisory Board (Board) to support its innovation and investment strategy. The Board will help the company protect and grow existing scientific innovations, support its development of new technologies and bring unique perspectives to rapidly emerging science and technology trends impacting Danaher. The Board is comprised of preeminent scientists, including two Nobel laureates, with global experience and research expertise across all areas of health sciences. The Board will work with Danaher's executive leadership team and its Board of Directors to assess opportunities for mergers and acquisitions and to prioritize early-stage investments in strategic areas. They will also be tasked with collaborating with Danaher's own scientific community to create proprietary insights and develop promising innovations to support customers. Rainer Blair, Danaher President & CEO, said: "An important part of Danaher's competitive advantage and key to our long-term success is the innovative expertise that we bring to bear on our customers' most pressing global health and safety needs. The scientists who have generously agreed to join our Scientific Advisory Board will play an inspirational role, working closely alongside our own teams to challenge, validate and guide our scientific agenda – aligning our priorities with our customers' and the world's ever-evolving needs." "We are at a critical inflection point in the acceleration of science and technology," added JC Gutiérrez-Ramos, Danaher Chief Science Officer. "We are witnessing the convergence of scientific disciplines hastening opportunities to affect human health at scale, increase access to health care, reduce suffering and improve health outcomes around the world. At Danaher, we are pleased to have such an esteemed group of minds partnering with us to envision and shape that future."

D.R. Horton, Inc. raised its full-year outlook for home deliveries and reported a better-than-expected quarterly profit, as strong housing demand and low mortgage rates boosted the top U.S. homebuilder's sales. The U.S. housing sector has seen a sharp rebound from the COVID-19 crisis, as more people worked from home and schools shifted to online classes. "Housing market conditions remain very robust, and we are focused on maximizing returns," noted Chairman Donald Horton. Home orders, an indicator of future revenue, jumped 35% to 27,059 in the second-quarter ended March 31, beating analysts' average estimate of 23,239 homes. Deliveries jumped approximately 36% to 19,701 homes in the quarter. D.R. Horton explained that it now expects full-year home deliveries between 82,500 and 84,500, up from the previous forecast of 80,000 to 82,000. Net income attributable to the company rose to US$929.5 million, or $2.53 per share, in the second quarter ending March 31, from $482.7 million, or $1.30 per share, a year earlier. The company's profit was hit last year due to the COVID-19 pandemic. Revenue rose 43% to $6.45 billion.

SoftBank Group Corporation – SoftBank Vision Fund portfolio company Mapbox Inc. is in talks to go public via a special purpose acquisition company also overseen by SoftBank Group Corp., according to a person familiar with the situation. Mapbox, which makes mapping tools used by Instacart Inc. and Snap Inc., is in discussions with SoftBank Vision Fund at a valuation of as much as US$2 billion, according to Sky News, which earlier reported the negotiations. Mapbox is talking with several SPACs (Special Purpose Acquisition Company) and no deal has been finalized, explained a person, who asked not to be identified since the discussions are private. The San Francisco-based startup is taking on Alphabet Inc.'s Google Maps, trying to establish itself as the center of car navigation systems. Mapbox announced a deal with General Motors Company this week in addition to reaching an an agreement last year with BMW Group for in-car navigation. It's looking to unveil deals with a half-dozen additional carmakers this year.

Bloomberg News reported in March that the company was valued at more than $1 billion and should be on track for revenue of more than $100 million this year. In February, SoftBank said it would raise as much as $630 million through two SPACs, on top of a $525 million blank-check company unveiled at the end of last year.

SoftBank Group Corporation– TikTok parent ByteDance Ltd's plans for an initial public offering (IPO) have been placed on hold as it seeks to comply with regulatory demands from both China and the U.S., reported the South China Morning Post (SCMP) citing unidentified sources. The owner of China's most popular video app Douyin faces difficulties in finding a business structure that can please both Beijing and Washington, explained the SCMP report. One major challenge lies in separating Douyin's China-based operations from TikTok's global operations given that both apps share the same algorithm, according to one of the sources in the report. An unnamed Beijing-based government official involved in regulating ByteDance said the IPO had to be postponed because of tensions between the U.S. and China, the newspaper reported. ByteDance and TikTok declined to comment to the SCMP. Following weeks of speculation that a public offering was getting closer, the world's most valuable startup stated on Friday that it currently has no plans to seek an IPO, adding that it conducted a careful study and concluded that it does not meet listing conditions for the time being. Beijing-based ByteDance had been working with advisers on a float of some of its flagship domestic assets such as Douyin, news aggregator Toutiao and video platform Xigua that could raise billions, Bloomberg News reported earlier this month. Last month the company hired its first chief financial officer -- Chew Shou Zi, who oversaw Xiaomi Corporation's IPO as finance chief more than two years ago. The appointment fueled speculation over the social media giant's plans to go public. Its value has soared in recent weeks, with shares changing hands in the secondary market at a valuation of more than US$250 billion. Video-sharing app TikTok, which is hugely popular in the U.S., has been a source of tension between the world's two biggest economies, with Washington claiming it's a potential security threat if the app is used for propaganda or if the Chinese government uses collected data to create profiles of Americans. ByteDance was under pressure to sell its U.S. operations and it struck a deal with American companies including Oracle Corporation. and Walmart Inc. last year. That is now on hold, as the Biden administration reviews its policies toward China.

DIVIDEND PAYERS

GO TO PORTLAND GLOBAL ALTERNATIVE FUND[1]

GO TO PORTLAND GLOBAL ARISTOCRATS PLUS FUND[1]

GO TO PORTLAND GLOBAL BALANCED FUND[1]

AT&T Inc. quarter's results were impressive, especially at Mobility EBITDA beat consensus by 590 basis points) and HBO (net adds of 2. 7 million beat consensus' 1.3 million) which we believe are AT&T's two most important business segments. Mobility Results: Every line-item beat – revenue by 502 basis points, EBITDA by 590 basis points, postpaid adds by 462,000 (+823,000), and prepaid adds by 243,000 (+279,000). HBO Max added nearly 3 million subscribers again this quarter: This significantly beat street expectations (1.3 million). The theatrical releases of Zack Snyder's Justice League and Godzilla vs Kong gave a boost which we expect to continue for the full year Increased HBO Max net ads to 5.6 million from 5 million. Pay-TV ads were down -620, 000 and similar to the -644,000 in Q4 and the -627,000 posted in Q3 that have seemingly stabilized at a year-over-year decline of down mid-teens.

Bunzl plc – Q1 organic growth excluding trading days was +1.4%, slightly ahead of circa +1% estimate. Within this contribution from COVID-19 products was +6.4%, a little lower than consensus circa 7.5% forecast, but the base business at -5% was better than the consensus forecasted -6.5%. Guidance is unchanged from that given at the full year results. Overall revenue growth excluding trading days was +0.7%, in-line with forecasts with foreign exchange at -5% and mergers and acquisitions at +4.3%. Extra trading day's added +4.7% to reported revenue growth in the period giving Q1 a reported revenue growth of +5.4%. North America demand was supported by COVID-19 related products. We would expect this to moderate further, in coming quarters given the recent commentary from U.S. industrial peer Fastenal Company, which saw a considerable slowdown in safety products & masks in March. On the flip side, however, management notes activity is starting to resume in some end markets with teams increasingly supporting customers to reopen their businesses.

Nestle S.A. - Q1 like-for-like revenues: +7.7% (consensus +3.3%), of which 1.2% is price/mix. Despite being impacted by difficult comparatives in North America and Europe due to pantry-loading last March, Nestle recorded 5.0% growth in developed markets (benefitting from continued elevated at-home demand) and 11.4% growth in emerging markets (helped by recovery in the out-of-home channel). The latter driven by a strong rebound in China (easy comparative and later Chinese New Year) and double digit growth in Latin America. By category, growth was driven by double digit performances in coffee (Nespresso

+17%), culinary, dairy and confectionery, which was partially offset by a slight decline in Nutrition (China positive) and mid-single digit decline in waters. Management maintained fiscal year 2021 top-line expectations of an increase "towards a mid-single digit rate" (consensus 4.2%).

Procter & Gamble reported F3Q21 Core EPS of $1.26, which compares to consensus $1.19. The total company organic sales growth was +4% with better than expected performance stemming from Fabric & Home and Baby, Fem & Family Care. Health Care organic sales +3% which were influenced by a decline in Personal Health Care (lapping pantry loading and lower than average flu season). Operating leverage benefit to margins 200 basis points (versus expected 130 basis points). Gross margins +30 basis points (versus expected +125 basis points) with biggest delta stemming from foreign exchange. Guidance: Implied Q4 2021 EPS: $1.00-$1.10. Current consensus stands at $1.21. Fiscal year 2021 Guidance: Core EPS Growth +8-10% (unchanged) and Organic Sales Growth +5-6% (unchanged) but with currency now expected to be a $150 million after-tax headwind to bottom-line (versus $100 million headwind prior). Share repurchase now ~$11 billion (from "up to" $10 billion previously) and Adjusted Free Cash Flow Productivity now "over" 100% (up from 95-100% previously).

LIFE SCIENCES

Telix Pharmaceuticals Limited announced that the Phase I component of the company's Phase I/II 'ZIRDAC-JP' clinical study of its renal cancer imaging product has reported results that met the study objectives, demonstrating safety and tolerability of TLX250-CDx (89Zr-girentuximab) in Japanese patients. The ZIRDAC-JP study (Zirconium Dosing and Comparison in Japan) is a Japanese Phase I/II study to evaluate the safety, tolerability, radiation dosimetry and pharmacokinetics of TLX250-CDx in Japanese patients. The Phase I component of the ZIRDAC-JP study was conducted at Yokohama City University Hospital in Yokohama, Japan and all the data was reviewed by the study's independent Data and Safety Monitoring Board (DSMB). In total, six patients with an indeterminate renal mass identified on pre-study Computed Tomography (CT) or Magnetic Resonance Imaging (MRI) imaging were enrolled from August to November 2020. All patients underwent dosing with TLX250-CDx followed by multi-time point positron emission tomography (PET) imaging. All enrolled patients completed the study. No adverse events (AEs) or serious adverse events (SAEs) were observed in any of the study patients. The whole-body and organ-specific radiation dosimetry of TLX250-CDx demonstrated no difference between Japanese and Caucasian patient populations. The pharmacology of TLX250- CDx in Japanese patients was comparable to that of previous studies reported in other patient ethnic groups. Telix Chief Medical Officer Dr. Colin Hayward stated, "We are highly encouraged by both the safety and tolerability profile, as well as the comparability of the dosing and pharmacology of TLX250-CDx between Japanese and Caucasian patient populations. We now plan to consult with the Japanese regulator to confirm the design of the next stage of development for TLX250-CDx, with the objective of bridging to Telix's international Phase III ZIRCON study, currently enrolling patients at 36 sites globally. We wish to express our appreciation to the study's principal investigator at Yokohama City University Hospital, Dr. Nakaigawa, his research team and the patients who participated in this study."

Roche Holding AG – Q1 Group sales grew +3%cc to CHF 14.9 billion, broadly in line with consensus. We believe that Roche reported solid Q1 2021 sales,. Pharma sales declined 9% cc year-over-year, in line with consensus driven by impact of biosimilars (CHF 1.6 billion drag) and a tough comparison in Q1 2020. However, this was offset by strong Diagnostics (55% year-over-year), which came in +6% ahead of consensus, as it benefited from higher COVID-19 sales.. 2021 guidance is for sales to grow at low-to-mid single digit percentage and Core EPS to grow broadly in line with sales. Pharma: strong new product growth. Collectively new medicines grew +20%cc year-over-year (Tecentriq (+26%cc year-over-year) was 2% above consensus expectations helped by growth in early lung cancer, liver and triple-negative breast cancer indications across all regions; Sales for Ocrevus (+16%cc year-over-year) were 3% ahead of consensus driven by significantly better U.S. performance with growth in earlier lines (4% ahead of consensus). COVID-19 continues to depress new patient starts; and Hemlibra sales (+33%cc year-over-year) broadly in line with consensus driven by strong demand globally, with an uptake in non-inhibitor patients. There are now >11,000 patients treated globally (was >9,500 patients at fiscal year 2020). Diagnostics Q1 2021 sales of CHF 4,330 million grew 55% (+50% reported) driven by Roche's broad portfolio of COVID-19 tests in all regions. Routine diagnostics also recorded strong growth. Core Lab was up 31% (driven by immunodiagnostics), Molecular Lab up 86% (mainly from COVID-19 polymerase chain reaction test), Diabetes +13% (driven by blood glucose monitoring) and pathology +9% (growth in companion Diagnostics). The COVID-19 rapid antigen test drove the CHF 716 million of sales in Point of Care (+281%). Recent additions to Roche's Diagnostics portfolio include an Epstein-Barr Virus immunoassay panel and an anti-p53 immunoassay.

ECONOMIC CONDITIONS

The Canadian budget - The deficit for 2021/22 is projected at CA$155 billion (6.4% of GDP) up from fall estimates of $121 billion. Going forward the deficit is expected to narrow to 1.1% of GDP by 2025/26. The government committed to $100 billion in new fiscal spending over the next 3 years. Included in the $100 billion is spending on extended wage and rent subsidies; Employment Insurance maintenance post the pandemic and for child care. A minimum wage increase to $15. A 1% tax increase on vacant residential property held by non-residents. The bigger deficit means a bigger bond issuance. Issuance of 10 year bonds were increased by $10 billion (to $84 billion) while 30 year bonds were unchanged at $32 billion.

U.S. existing home sales were down 3.7% to 6.01 million units annualized in March, the lowest since August, but they are still 12.3% above a year ago, or 14.5% above two years ago. All the decline was based on single-family homes (in high demand), while condos perked up 1.4%. This decline has been a supply issue for a long time and it is still the case... Although inventories rose for the first time in about a year (+3.4% for singles), there are only two months' supply out there..... Which is exceptionally low. And we know what low supplies do to prices ... the median price is up nearly 20% year-over-year. Despite fewer choices, higher prices, and lower affordability, first-timers are resilient ... they made up 32% of total sales. And those with deep pockets (all-cash) saw their share pick up to 23%, the highest in 2½ years. Repeat homebuyers' share of sales fell to 45%, the lowest since 2012.

U.K.'s employment report, better than expected with the **jobless rate** dropping 0.1 percentage point to 4.9% in the three months to February. Over the same period, **employment** fell by 73,000 - much better than the expected decrease of 145,000. **Average weekly earnings** excluding bonuses were up 4.4% over year-ago levels, and the three months to January were also revised up a tick to +4.3% year-over-year. The job market picture appears to be rosier for March, as **jobless claims** were up by only 10,100, similar to the pre-pandemic realm. Though this indicator has been volatile over the last year, February's increase was also revised down to 67,300— signaling another step in the right direction.

U.S. versus U.K. jobless - U.S. jobless had fallen to a 50 year low of 3.5% pre COVID-19 and then escalated to 14.8% with it now improving to 6% …. By comparison the U.K. jobless rate had fallen to a 45 year low of 3.8% pre COVID-19 and then increased to 'just' 5.1% and now improving to 4.9% …. As the U.K. government kept more workers on the payroll during the pandemic.

U.K. Core Consumer Price Index printed in line with consensus at 1.1% year-over-year, while headline Consumer Price Index was just a tenth weaker at 0.7% year-over-year.

European Union's vaccine task force chief, Thierry Breton, says the EU can reach herd immunity (70% of the adult population) by mid-July with more than 400 million vaccines doses expected to be distributed in Q2. He says vaccine production is doubling every month and will reach 3 billion doses per year by end of 2021.

The COVID-19 fight between rolling out vaccinations and the virus spreading has all eyes focused on India which reported 353,000 new cases Sunday and over 1 million new cases in the last three days. Deaths were also at the highest level in India.

FINANCIAL CONDITIONS

The Bank of Canada (BoC) opted to keep its main policy rate at the effective lower bound of 0.25%—a decision fully expected by the market. Also consistent with the consensus was the announced trimming of the BoC's weekly pace of its Quantitative Easing program. Purchases will move from CA$4 billion per week to net $3 billion per week (starting week of April 26th). This "reflects the progress made in the economic recovery". With the market focused on the Bank's forward guidance for the policy rate, the Bank now says that "We remain committed to holding the policy interest rate at the effective lower bound until economic slack is absorbed so that the 2% inflation target is sustainably achieved. Based on the Bank's latest projection, this is now expected to happen some time in the second half of 2022." Previously, forward guidance noted that it didn't expect this to happen until into 2023. However, the Governing Council also notes "To gauge the evolution of slack, the Bank will look at a broad spectrum of indicators, including various measures of labour market conditions." That is, policy normalization could be delayed if the labour market is slow to fully recover. As for the economy, the statement noted an improved outlook for the global economy while acknowledging the difficulty of another wave of infections and lockdowns in some regions.

The European Central Bank decided to keep its **Refinancing rate** at 0.00%, its **Marginal lending facility** at 0.25%, its **Deposit rate** at -0.5% and its **Asset Purchase Plan (APP)** of €20 billion/month still going on, for as long as necessary… also purchases made under the **Pandemic Emergency Purchase Program (PEPP)** are still going on at a "significantly" higher pace - and the official word is that purchases will be made under this program until at least the end of March 2022, or until it is judged that the health crisis is over.

The U.S. 2 year/10 year treasury spread is now 1.41% and the U.K.'s 2 year/10 year treasury spread is 0.71%. A narrowing gap between yields on the 2 year and 10 year Treasuries is of concern given its historical track record that when shorter term rates exceed longer dated ones, such an inversion is usually an early warning of an economic slowdown.

The U.S. 30 year mortgage market rate has increased to 2.97%. Existing U.S. housing inventory is at 1.9 months' supply of existing houses - well off its peak during the Great Recession of 9.4 months and what we consider to be a more normal range of 4-7 months.

The VIX (volatility index) is 17.79 which by its characteristics, the VIX will remain volatile, we believe a VIX level below 25 could be encouraging for equities.

Portland Investment Counsel Inc. currently offers Mutual Funds & Private/Alternative Products - visit www.portlandic.com

Individual Discretionary Managed Account Models - SMA

Net Asset Value:

The Net Asset Values (NAV) of our investment funds are published on our Portland website at www.portlandic.com/prices

We want to share our insights with you and welcome your feedback. Our website has the latest, as well as archived videos, company profiles, and press articles. Please visit us at www.portlandic.com

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

Glossary of Terms: 'CET' core equity tier, 'EBITDA' earnings before interest, taxes, depreciation and amortization, 'EPS' earnings per share, 'FCF' free cash flow, 'GDP' gross domestic product, 'ROE' return on equity, 'ROTE' return on common equity, 'ROTCE' return on tangible common equity. 'conjugate' a substance formed by the reversible combination of two or more others.

1.Not all of the funds shown are necessarily invested in the companies listed

This research and information, including any opinion, is based on various sources including corporate press releases,annual reports, public news articles and broker research reports and is 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. This Newsletter is not an offer to sell or a solicitation of an offer to buy any security nor is it necessarily an indication of how the portfolio of any Portland Fund is invested. The securities discussed in the Newsletter may not be eligible for sale in some jurisdictions. The views expressed by any external links and subsequent media, including but not limited to videos, are not necessarily those of Portland Investment Counsel Inc. and are provided for general information purposes only. Portland Investment Counsel Inc. assumes no responsibility for the information provided by external sources.

Use of any third party quotations does not in any way suggest that person endorses Portland Investment Counsel Inc. and/or its products.

RISK TOLERANCE

Risk tolerance measures the degree of uncertainty that an investor can handle regarding fluctuations in the value of their portfolio. The amount of risk associated with any particular investment depends largely on your own personal circumstances including your time horizon, liquidity needs, portfolio size, income, investment knowledge and attitude toward price fluctuations. Investors should consult their financial advisor before making a decision as to whether this Fund is a suitable investment for them.

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

Information presented in this Newsletter should be considered for background information only and should not be construed as investment or financial advice. As each individual's situation is different, you should consult with your own professional investment, accounting, legal and/or tax advisers prior to acting on the basis of the material in the Newsletter. Commissions, management fees and expenses may be associated with investment funds. Investment funds are not guaranteed, their values change frequently and past performance may not be repeated. Please read the prospectus or offering document before investing.

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

PIC21-036-E(04/21)