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NEWS HIGHLIGHTS

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

OCTOBER 3, 2022

OWNER OPERATED COMPANIES

GO TO PORTLAND 15 OF 15 ALTERNATIVE FUND[1]

PORTLAND 15 OF 15 ALTERNATIVE FUND[1] COMPANY NEWS

SoftBank Group Corp ("SoftBank") – SoftBank .has started laying off employees at its loss-making Vision Fund and is expected to cut at least 30% of its staff, according to people familiar with the matter. SoftBank began telling some workers of the reductions Thursday with at least 150 likely to be affected, said the people, asking not to be named as the information is not public. Among those leaving is US-based partners Tom Cheung, who spearheaded the fund's investment in smart window maker View, and Raman Nanda, a long-time SB Energy executive specializing in climate tech, some of the people said. The Vision Fund unit, headquartered in London, had about 500 employees including staff at the Latin America fund. Masayoshi Son, had said in August he would implement cost cuts at his conglomerate and the Vision Fund investment arm after a record loss. Most of the losses came from a decline in the valuations of publicly listed portfolio companies. Internally, SoftBank debated how deeply to cut the Vision Fund unit. It planned staff cuts of at least 20%, while some executives argued for as high as 50%. Son is trying to wait out the technology slump so that he can pull off a successful initial public offering for Arm Ltd., the chip designer that SoftBank bought for US$32 billion. The CEO has said he aims to make the offering the biggest-ever for a chip company.

Reliance Industries Limited ("Reliance") – Mukesh Ambani said Reliance 's 5G network will cover the remotest corners of India by December next year, providing services more affordable than anywhere else in the world. The technology can bring affordable, superior education and skill development to ordinary Indians and deliver high-quality healthcare to rural and remote areas, Ambani said on Saturday at India Mobile Congress, a technology and media forum. Reliance is aiming to become the first in the nation to offer 5G after investing billions of dollars to acquire the airwaves. Carriers agreed to pay US$19 billion just two months ago for airwaves at a government auction, with Reliance's $11 billion bid topping the list. Additionally, the company in August said it will invest 2 trillion rupees ($24.6 billion) to roll out 5G across India as it continues to expand and diversify into newer businesses. It said telecom unit Reliance Jio Infocomm Ltd. will deploy a standalone 5G version that doesn't depend on the earlier 4G network and will deliver speedier connectivity. Ambani also expects the technology will help India become a major exporter of high-value digital solutions and services as 5G can power the country's emergence as the world's intelligence capital. Reliance is counting on countrywide deployment of 5G to help woo high-paying wireless users and boost its e-commerce and media business even though the technology hasn't yet proven profitable for other Asian wireless operators.

Meta Platforms, Inc. ("Meta") - Mark Zuckerberg, Meta's CEO, outlined sweeping plans to reorganize teams and reduce headcount for the first time ever, calling an end to an era of rapid growth at the company. In what would be the first major budget cut since the founding of Facebook in 2004, Zuckerberg said the company will freeze hiring and restructure some teams to trim expenses and realign priorities. Meta will likely be smaller in 2023 than it was this year, he said. He announced the freeze during a weekly Question and Answer session with employees, according to a person in attendance. He added that the company would reduce budgets across most teams, even those that are growing, and that individual teams will sort out how to handle headcount changes. That could mean not filling roles that employees depart, shifting people to other teams, or working to manage out people who aren't succeeding. Zuckerberg said that he had hoped the economy would have more clearly stabilized by now, but from what they are seeing it doesn't yet seem like it has, so they want to plan somewhat conservatively. The further cost cuts and hiring freeze are an admission that advertising revenue growth is slowing amid mounting competition for users' attention. The freeze announced Thursday was necessary because they want to make sure they are not adding people to teams where we don't expect to have roles next year according to Zuckerberg. He said that the company would be somewhat smaller by the end of 2023.

Samsung Electronics Co., Ltd ("Samsung")- South Korea's semiconductor output fell for the first time in more than four years in a sign that chipmakers are bracing for a slowdown in global demand. Semiconductor production slid 1.7% in August from a year earlier, a sharp reversal from the 17.3% gain reported in July, Statistics Korea data showed Friday. The first fall in output since January 2018 coincides with chip inventories soaring 67.3%, suggesting producers are adjusting to a deteriorating international outlook. Factory shipments also fell for a second consecutive month in August, dropping 20.4%, the statistics office said. The trio of indicators offers the latest evidence that the global economy is headed toward a downturn, led by cooling electronics demand that has been a major source of economic growth. In the U.S., Micron Technology, Inc.delivered a weak forecast for the current quarter, saying it's acting swiftly to cope with the weakening demand, including slowing production. Earlier this month, Samsung also warned of a gloomy outlook for the second half of the year. The market for dynamic random access memory is declining so fast that it halved in size between May and July, according to IC Insights Inc.

Berkshire Hathaway Inc. ("Berkshire") – Warren Buffett's Berkshire bought another 5.99 million shares of Occidental Petroleum Corporation ("Occidental") , boosting its stake to 20.9% after the oil company's shares lost about a fifth of their value in less than a month. The purchases were made between September 26th and September 28th and cost about US$352 million, Berkshire said in a regulatory filing. Following the purchases, Berkshire now owns about 194.4 million Occidental shares worth approximately $11.9 billion. Berkshire had gone seven weeks since its last purchase of Occidental shares, which pushed its stake above 20%. The Houston-based oil company's share price later rose, peaking at $77.11 on August 29th, before declining amid broader weakness in U.S. equity markets. Berkshire paid in the high-50s to low-60s per share in this week's purchases. Occidental's share price has more than doubled this year, benefiting from rising oil prices following Russia's February 24th invasion of Ukraine. Berkshire's stake would allow Buffett's Omaha, Nebraska-based conglomerate to report its proportionate share of Occidental's earnings with its own operating results, through the so-called equity method of accounting. In August, a U.S. energy regulator gave Berkshire permission to buy up to 50% of Occidental's common stock. Berkshire also owns $10 billion of Occidental preferred stock, which generates $800 million of annual dividends.

Brookfield Asset Management Inc. ("Brookfield") – Brookfield Renewable Corporation disclosed the acquisition of two clean power companies for about US$1.54 billion as the alternative energy investor seeks to expand its renewables portfolio. Brookfield said it would acquire Scout Clean Energy ("Scout") from investment manager Quinbrook Infrastructure Partners Pty Ltd for $1 billion, while it had closed the buyout of Standard Solar, Inc. ("Standard Solar") for about $540 million. This comes a month after the passage of the $430-billion Inflation Reduction Act, seen as the biggest climate change package in U.S. history, which has led to increased dealmaking in the renewables sector as it provides substantial tax credits for up to a decade. "We underwrote both transactions without the benefit of the Inflation Reduction Act so the additional incentives now available represent a significant boost to each business," Connor Teskey, Brookfield Renewable Chief Executive Officer, said. Brookfield Renewable, a unit of Brookfield, said it could also invest $350 million and $160 million in Scout and Standard Solar, respectively. Colorado-based Scout's portfolio includes over 1,200 megawatts ("MW") of operational wind assets, and a pipeline of over 22 GW of wind, solar and storage projects across 24 states, including almost 2,500 MW of under construction and late-stage projects. Maryland-based Standard Solar has about 500 MW of operational and under-construction assets and a development pipeline of almost 2,000 MW. Brookfield owns and operates an almost 65 GW diversified portfolio of renewables in the U.S. and has invested or allocated $3.5 billion to the North American clean energy sector this year.

Amazon.com, Inc. ("Amazon") - Amazon recently announced several new products and features at its annual fall hardware event, including new iterations of its Echo, Kindle, and Ring devices. For the first time, Amazon will begin selling Kindle's with a stylus via its forthcoming Scribe device that will be made available later this year for US$339. As for the Echo, the company introduced a redesigned Echo Studio that features a new spatial audio processor that Amazon says allows the speaker to deliver better stereo, and the company also introduced two new cameras from Ring, the Spotlight Cam Pro and Spotlight Cam Plus, both of which include Ring's advanced Bird's Eye View motion detection technology. Blink, Amazon's other home security company, also released new products including a Wired Floodlight Camera and a pan-and-tilt mount for it that expands the camera's coverage. Additional announcements included a new feature that turns Amazon's new Echo Dot speakers into Eero WiFi extenders, a new "no-contact" sleep tracker called the Halo Rise, and a new model of the Fire TV Cube. Lastly, Amazon also announced that it's working with Bayerische Motoren Werke AGto build the next version of its in-vehicle voice assistant using Alexa as a base.

LIFE SCIENCES

GO TO PORTLAND LIFE SCIENCES ALTERNATIVE FUND[1]

OncoBeta GmbH ("OncoBeta") – announced that King's College Hospital in London, United Kingdom, is the latest medical facility to participate in the global phase IV Efficacy of Personalised Irradiation with Rhenium-SCT for the treatment of non-melanoma skin cancer ["NMSC"] (EPIC-Skin Study) . The first United Kingdom patients treated with Rhenium-SCT at King's College are among 210 adults participating in the international study that will follow their progress over the next 24 months. The EPIC-Skin study is also being conducted through study centres located in Australia, Austria and Germany. Dr. Nicola Mulholland, Consultant Nuclear Medicine Physician at King's College Hospital and study chief investigator says, "With rates of NMSC on the rise around the world, it's vitally important that new treatments are developed and tested. We are very pleased to be able to offer new therapies to patients involved in studies and trials, with the hope of advancing treatment for skin cancer."

OncoBeta announced that the Sydney Brachytherapy Group is the first private clinic in New South Wales performing Rhenium-SCT for patients with non-melanoma skin cancers ("NMSCs"). Dr. Joseph Gracé, Medical Director of Sydney Brachytherapy Group says, "NMSC is a significant health concern here in Australia (especially for those with Fitzpatrick Skin Types I–III), and we are excited to offer Rhenium-SCT to our patients with NMSC. The non-invasive nature of this treatment, especially for tumours in hard-to-reach anatomical locations, is one of the main reasons for using Rhenium-SCT." Shannon D. Brown III, CEO and Managing Director at OncoBeta, says, "This is a significant milestone in the international availability of Rhenium-SCT for patients in Australia, and yet another step in having Rhenium-SCT offered in the suite of treatments available to patients suffering with NMSCs."

Telix Pharmaceuticals Ltd ("Telix") – announced that a first patient has been enrolled in the Phase II ProstACT TARGET study of Telix's prostate cancer antibody therapy candidate TLX591 (177Lu-DOTA-rosopatamab), in patients experiencing a first recurrence of prostate-specific antigen after initial therapy for prostate cancer. Telix's ProstACT therapeutic program is evaluating the efficacy of the Company's prostate-specific membrane antigen- ("PSMA"-) targeting lutetium-177-labelled therapeutic antibody, TLX591, in various stages of prostate cancer, from the first recurrence to advanced metastatic disease. The primary focus of the ProstACT series of studies is to complete the pivotal Phase III ProstACT GLOBAL study in a second-line setting in patients with metastatic castration-resistant prostate cancer ("Mcrpc") progressing on first-line novel androgen agents. The TARGET study, a collaboration between Telix and research partner, GenesisCare, is exploring the potential of TLX591 in combination with external radiation in patients at an earlier stage in their prostate cancer, providing direction for future indication expansion. The study, which targets enrolment of 50 patients across multiple Australian sites, enrolled the first patient at GenesisCare's integrated cancer centre at the St John of God Hospital's Murdoch campus in Western Australia. The clinical trial is being run through GenesisCare's global Contract Research Organisation and its Australian network of dedicated theranostics centres. The third concurrent study in the ProstACT program, ProstACT SELECT, is a theranostic (imaging and therapy) Phase I radiogenomics study to demonstrate the utility of Telix's imaging agent Illuccix (kit for the preparation of gallium-68 (68Ga) Glu-urea-Lys(ahx)-hbed-CC, also known as 68Ga-PSMA-11 injection) to select patients for TLX591 therapy given as two doses 14 days apart.

Telix announced the first commercial dose in New Zealand of its prostate cancer imaging agent, Illuccix (Kit for Preparation of Ga-68 Glu-urea-Lys (ahx)-hbed-CC Injection), also known as 68Ga-PSMA-11 injection. As Illuccix rolls out to positron emission tomography ("PET") sites across the country, Mercy Radiology in Auckland became the first to administer this new PSMA PET imaging agent that can help health care professionals diagnose the stage and spread of disease – an important step for the optimal care of men with prostate cancer. Prostate cancer is New Zealand's most common cancer, and with one in eight men diagnosed during their lifetime, New Zealand has amongst the highest rates in the world. Illuccix is the only gallium-based PSMA-targeting PET agent available in New Zealand for the diagnostic imaging of men with prostate cancer. Dr. Remy Lim, Medical Director at Mercy Radiology stated, "We are pleased to have administered this first dose of Illuccix in New Zealand, opening up the potential for more equitable access to this new game changing imaging diagnostic scan for Kiwi men with prostate cancer. One of the main benefits of Illuccix is that the radioisotope (gallium-68) can be produced in a generator and preparation taking just a few minutes onsite with minimal equipment. This will enable greater service delivery and scheduling flexibility in our two Auckland PET/CT centres. The ease of preparation will eventually also allow us to bring PSMA PET/CT to NZ's regional centres when our mobile PET/CT service is launched in 2023."

Telix announced the first commercial dose in Australia of the company's prostate cancer imaging agent, Illuccix. With Illuccix now available for delivery to all PET imaging sites in Australia, Austin Health in Melbourne became the first to administer this new PSMA PET imaging agent that can help health care professionals diagnose the stage and spread of disease – an important step for the optimal care of men with prostate cancer. The Australian launch of Telix's lead imaging product follows the recent listing of PSMA PET imaging for patients with prostate cancer on the Medicare Benefits Schedule ("MBS"). MBS funding covers the initial staging of intermediate to high-risk patients with prostate cancer and the re-staging of patients with recurrent prostate cancer, commensurate with the broad clinical indications granted in Australia for Illuccix.

Telix has withdrawn its application to market its Illuccix product in Europe. This comes after the Danish Medicines Agency asked for additional chemistry, manufacturing and control data. Telix said that while it was capable of providing additional data, the requests could not be delivered within the prescribed review timeframe. Telix said this was an "unexpected and extremely disappointing" result considering Illuccix has been approved by other major global regulators for treating men with prostate cancer. "This is not the outcome we expected, despite our best efforts to meet all regulator information requests," Christian Behrenbruch, Group CEO and Managing Director, said. "The outcome is reflective of the novelty of our submission approach and the specific nuances of European product approval requirements (EU Pharmacopoeia)," Dr. Behrenbruch added. Telix intends to resubmit a marketing authorisation application for Illuccix in Europe in the future. The company added that because full commercial sales weren't going to begin until midway through next year, and with commercial sales underway in the US and Australia, it did not expect this setback to have much of a financial impact on its 2023 fiscal year results.

Telix announced that the Chinese National Medical Products Administration Center for Drug Evaluation has approved a pivotal Phase III registration study that will bridge to Telix's global Phase III 'ZIRCON' trial of TLX250-CDx (89Zr-girentuximab), for the imaging of clear cell renal cell carcinoma with PET. The investigational new drug application was submitted by Telix's partner in the Greater China region, Grand Pharmaceutical Group Ltd. The bridging study is required to provide "supplementary" data obtained in a Chinese population to establish that the diagnostic efficacy of this investigational product is equivalent in Chinese and Western populations. A dosimetry study enrolling 10 patients will precede the multi-centre Phase III bridging study, which is expected to enrol 100 patients. A successful outcome from Telix's global ZIRCON trial combined with positive data from this Phase III bridging study will support a future marketing authorisation application for TLX250-CDx in China.

ECONOMIC CONDITIONS

U.S. durable goods orders fell for the second straight month, down 0.2% in August. Transportation was the biggest drag (-1.1%) amid another retreat in aircraft sales, even as motor vehicles and parts rebounded 0.3%. However, excluding transportation, orders climbed 0.2%, extending gains for the sixth straight month. Primary metals rebounded 0.4%, while machinery (+0.3%) and electrical equipment/appliances (+1.0%) continued to extend record highs. Meantime, computers and electronics (+0.8%) climbed to the highest since 2008. All this suggests that, despite rapidly rising interest rates, businesses are continuing to invest in technology and equipment amid ongoing labour constraints. Core capital goods orders, used to calculate equipment spending in the GDP tally, jumped 1.3%. That follows an upwardly revised 0.7% gain in the prior month and flags a nice rebound in the third quarter capital expenditures.

US new home sales exceeded expectations, surging 28.8% to 685,000 annualized units in August on the back of net upward revisions to the prior three months. That is the biggest one-month increase since June 2020 and the highest level since March. But the headline can swing wildly, and can be followed by an equally sizable decline (not always but often). Although inventories were held to just a 0.4% increase, every region in the country saw sales pickup last month. But the housing market has felt the biggest impact from higher borrowing costs; so, we know that the bigger picture shows slowing activity. Homebuilder confidence is at 8-year lows, outside the pandemic which serves as a warning for the September and/or October sales reportand we could see a headline hit from Hurricane Ian.

Aggregate euro area inflation surprised to the upside in September, with the headline rate increasing to 10.0% year over year (market: 9.7%), and core inflation soaring to 4.8% year over year (market: 4.7%). The drivers were broad based, with services, energy, and food prices pushing the print higher. Strong inflation data was boosted to a significant extent by the end of German subsidies that artificially lowered both headline and core inflation back in June. Subsidies and household support will continue to be a significant driver of euro area inflation prints moving forward. For example, the details of the new German energy aid package, which features a cap on gas and electricity prices, will be of particular importance in our view.

FINANCIAL CONDITIONS

The Bank of England ("BoE") has issued a policy to help stabilise the Gilt market. In summary, the Quantitative Tightening Gilt sales programme due to start next week has been postponed, and the BoE has announced that it will step in and purchase long-dated Gilts "on whatever scale is necessary" to restore orderly market conditions, with purchases starting and scheduled to end by October 14th. The BoE intends to unwind the purchases in a smooth and orderly fashion once market conditions normalise. This doesn't come as a huge surprise to us that they've postponed Gilt sales after trying to calm markets with verbal intervention. The temporary "Quantitative Easing" is a surprise, though, and something that normally doesn't make a lot of sense with policy rates off the lower bound in our view. Seemingly this is a "financial stability" measure rather than an inflation targeting measure, but it will now be something the Monetary Policy Committee needs to take into account when it next sets Bank Rate.

Bank of Japan ("BoJ") boosted its bond purchase amounts at its regular operation last Monday, as the benchmark yield rebounded toward the upper end of the central bank's tolerated trading range. The central bank will buy 550 billion yen (US$3.8 billion) of five-to-10-year notes, up from the 500 billion yen originally planned. Purchase amounts for one-to-three and three-to-five year debt were left unchanged at 475 billion yen each. The BoJ will also conduct a regular operation that offers to buy an unlimited quantity of 10-year notes at a fixed yield of 0.25%, its yield-curve control policy cap.

The U.S. 2 year over10 year treasury spread is now -0.45% and the UK's 2 year over10 year treasury spread is -0.07%. 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 inversion is usually an early warning of an economic slowdown.

The U.S. 30 year mortgage market rate has increased to 6.70%. Existing U.S. housing inventory is at 2.6 months supply of existing houses - well off its peak during the Great Recession of 9.4 months and we consider a more normal range of 4-7 months.

The volatility index ("VIX") is 30.00 and while, by its characteristics, the VIX will remain volatile, we believe a VIX level below 25 bodes well for quality equities.

And finally: *"Some cause happiness wherever they go; others whenever they go" ~Oscar Wilde*

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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

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