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NEWS HIGHLIGHTS

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

NOVEMBER 27, 2023

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OWNER OPERATED COMPANIES

GO TO PORTLAND 15 OF 15 ALTERNATIVE FUND[1]

PORTLAND 15 OF 15 ALTERNATIVE FUND[1] COMPANY NEWS

Reliance Industries Limited (Reliance) –Reliance plans to invest 200 billion Indian rupees (US$2.40 billion) in the eastern state of West Bengal over the next three years to expand its telecom, retail and energy businesses there, Chairman Mukesh Ambani said on Tuesday. After having invested close to 450 billion rupees ($5.40 billion) in West Bengal, Reliance would be making additional investments for a rapid roll out of its 5G network, the expansion of retail stores and for setting up compressed biogas plants, Ambani said in a speech at the Bengal Global Business Summit. Reliance's 5G telecom network so far covers 98.8% of the population of the state, enabling the use of artificial intelligence, cloud computing and other disruptive technologies to modernize its economy, Ambani said. The company plans to increase its retail stores in the state to 1,200 over next two years from around 1000 currently. Reliance has been investing in West Bengal over the past five years to grow its retail network and warehouses as well as connecting with small merchants. Reliance also plans to set up compressed bio gas plants in the state as parts of its strategy shift towards green and bio-energy, which will increase state farmers' incomes, Ambani said.

Samsung Electronics Co., Ltd. (Samsung) – Samsung, the world's largest maker of memory chips and smartphones, said Monday it has established a unit tasked with planning future business, as part of the company's annual reshuffle of its top-level executives. The unit will be led by Jun Young-hyun, longtime Samsung executive, currently vice chairman of Samsung SDI Co., Ltd., a display unit of Samsung Group, the company said in a statement. The annual reshuffle saw Han Jong-hee and Kyung Kye-hyun, two co- chief executive officers (CEO) of Samsung Electronics, -- retain their posts, in an apparent move to stabilize the company's leadership, about a year after Chairman Lee Jae-yong took the helm. The unit was created to explore new business opportunities beyond its existing operations, Samsung said in the statement. Under the reshuffle, two vice presidents were also promoted. Yong Seok-woo, who has served in various capacities at the company's display division, was promoted to a president and will be in charge of the display division.

Kim Won-kyong, a former diplomat who joined Samsung in 2012, was promoted to president and will head the company's division on global public affairs. The reshuffle came as a prolonged global economic downturn and a struggling semiconductor industry have affected Samsung ' quarterly performance.

Altice USA, Inc. (Altice) - Altice France has agreed to sell a 70% stake in its data center business for €535 million (US$586 million) as the telecommunications group looks for ways to cut debt. The data centers will be moved into a new company called UltraEdge, controlled by Morgan Stanley Infrastructure Partners, Altice France said in a statement on Tuesday. The assets include 257 data centers and office space from Altice's carrier SFR Belux, it said. Bonds issued by Altice France rose after reports of the deal. Notes due in 2025 gained 1.6 cents on the euro to 93.7 cents, according to data compiled by Bloomberg, set for the largest rise since September.

The sale is significant, because SFR Belux has delivered an actual asset sale, whereas some had been worried it would not be able to deliver much or indeed anything, given some of the elevated rumoured sale prices.

Altice Group is selling off parts of its portfolio of assets to reduce the US$60 billion in debt accumulated by the group through years of aggressive acquisitions. Including debt, UltraEdge will be valued at €764 million, Altice France said. The deal, which is expected to close in the first half of next year, will also include a "build-to-suit" agreement with SFR Belux, which will generate about €175 million in the next seven years.

Brookfield Corporation (Brookfield) – The US$10.6 billion takeover of Origin Energy Limited (Origin) is seemingly impacted by a government plan to accelerate the rollout of renewable energy, announced just hours before a key shareholder vote. The Australian government announced plans to underwrite 32 gigawatts (GW) of new wind, solar and battery projects. The plan to reshape the electricity market, where Origin is the second largest power producer, impacts the outlook for electricity prices, future investments, and existing plants. It was released just before Origin announced a last-minute revised offer from Brookfield and EIG Global Energy Partners as it became clear investors would reject the consortium's earlier bid. Origin's board delayed the vote to December 4 to consider the bid and the impact of the 32 GW scheme. Pension giant AustralianSuper has argued Origin's stake in fast-growing British renewable energy company Octopus Energy, gas assets and millions of customers position the company well for the energy transition.

LVMH Moët Hennessy - Louis Vuitton, Société Européenne (LVMH) – Antoine Arnault, one of Bernard Arnault's five children, will step back from the day-to-day management of upmarket menswear label Berluti in January, fuelling speculation about his next role. All the LVMH CEO's children hold important positions in the luxury goods group and are closely watched for any signs that one could become favourite to succeed the 74-year-old, who has not indicated he plans to step down. Although Antoine, 46, has the highest profile, the others are stepping more into the public eye as they move up the LVMH ranks, including his older sister Delphine, who became CEO of its second-biggest fashion label Dior in February. Antoine is also in charge of image and environment at LVMH and credited with negotiating a high-profile deal for the company to sponsor next summer's Paris Olympic Games. He will remain chairman of Berluti, which he has managed since 2012, as well as fashion brand Loro Piana. "From its heritage as a shoe specialist, Berluti has come a long way to become a full-fledged Maison for men," said Toni Belloni, LVMH group managing director, citing "remarkable" revenue and profit growth at the label. LVMH does not give financial figures for individual brands. Berluti will design the Olympics and Paralympics opening ceremony uniforms for the French teams, raising the profile of the brand known for its buffed leather shoes and tailored suits. Jean-Marc Mansvelt, CEO of historic jewellery label Chaumet, will become CEO of Berluti, while Charles Leung, CEO of jewellery label Fred, will become CEO of Chaumet. LVMH said it will seek a successor for Leung, who recently created a buzz by introducing high-end jewellery featuring lab-created diamonds.

LIFE SCIENCES

GO TO PORTLAND LIFE SCIENCES ALTERNATIVE FUND[1]

Arvinas, Inc. (Arvinas) – announced that it has Arvinas entered into a securities purchase agreement with a select group of institutional accredited investors to sell 12,963,542 shares of common stock at a price of US$21.36 per share and, in lieu of common stock, pre-funded warrants to purchase up to 3,422,380 shares of common stock at a price of $21.359 per pre-funded warrant, in a private placement. Each pre-funded warrant will have an exercise price of $0.001 per share, will be exercisable immediately and will be exercisable until exercised in full. The aggregate gross proceeds from the offering are expected to be approximately $350 million, before deducting placement agent fees and offering expenses. The private placement was co-led by EcoR1 Capital and entities managed by RTW Investments, LP, with participation by new and existing investors, including Adage Capital Partners, L.P., ArrowMark Partners, Avidity Capital, BB Biotech AG, Boxer Capital, Citadel Global Equities, Great Point Partners, Nextech Invest, on behalf of one or more funds managed by it, RA Capital Management and Surveyor Capital (a Citadel company), among others. Arvinas expects to use net proceeds from the private placement to advance its clinical development programs and preclinical pipeline, and for working capital and other general corporate purposes.

BeiGene, Ltd. (BeiGene) – BeiGene has acquired an exclusive global licence to an oral cyclin-dependent kinase-2 (CDK2) inhibitor to treat breast cancer from Boston-based Ensem Therapeutics (Ensem). As part of the agreement, Ensem will receive an undisclosed upfront payment and will be eligible for additional payments upon the achievement of defined milestones, in a total of up to US$1.33 billion, in addition to tiered royalties. According to the company, the new candidate is investigational new drug application-ready. CDK inhibitors block the activity of CDKs, which play a crucial role in breast cancer by promoting abnormal cell cycle progression, contributing to uncontrolled cell growth and tumour formation. Ensem and BeiGene's CDK2 candidate was developed leveraging Ensem's Kinetic Ensemble platform, a computational and artificial intelligence (AI)-based drug discovery platform, used to develop small molecule precision medicines for oncology. The Boston-based biotech raised $67 million in Series A financing to develop small molecule medicines for difficult-to-drug targets last year.

BridgeBio Pharma, Inc. (BridgeBio) — BridgeBio presented additional Phase 3 data from ATTRibute-CM, its study of acoramidis in transthyretin amyloid cardiomyopathy, or ATTR-CM, at the American Heart Association Scientific Sessions 2023. ATTRibute-CM was designed to study the efficacy and safety of acoramidis, an investigational, next-generation, orally-administered, highly potent, small molecule stabilizer of transthyretin. The company intends to submit a non-disclosure agreements for acoramidis to the U.S. Food and Drug Administration before the end of 2023, with regulatory filings in additional markets to follow in 2024. Acoramidis is estimated to have intellectual property protection out to at least 2039.

RadNet, Inc. (RadNet) – RadNet announced the launch of DeepHealth, a health informatics portfolio designed to dramatically drive efficiency and transform radiology's role in healthcare. DeepHealth aims to address this paradigm shift by introducing a pioneering cloud-native operating system (OS), powered by clinical AI, that improves disease detection and that leverages operational generative AI, to efficiently orchestrate patient engagement and care delivery. The newly launched portfolio builds on the strengths of RadNet's existing digital health businesses and products, including eRAD Radiology Information and Image Management Systems, Aidence lung AI, Quantib prostate AI and DeepHealth breast AI. This synergy, combined with RadNet's extensive data, clinical and operational expertise, position our DeepHealth portfolio to deliver scalable solutions for patients and professionals in the care continuum. At the heart of the DeepHealth portfolio is DeepHealth OS, a cloud-native workflow engine intended to integrate data across an enterprise with application programming interface -based modules and to offer personalized workflow applications for a multitude of roles. DeepHealth OS embeds AI-powered clinical insights and automation for each clinical professional—radiologists, technologists and referring physicians. Additionally, DeepHealth intends to provide operational professionals, such as practice managers, schedulers, patient liaisons and revenue cycle teams, their own AI-enabled applications to manage care delivery more efficiently and effectively. These personalized applications on a common workflow engine can simplify the care delivery experience, orchestrate collaboration and help to elevate every professional's performance. "The technology and value proposition of the DeepHealth portfolio reflects the needs of the imaging practice—that clinical and operational functions are never truly separate in the care delivery continuum. The improvements we and our current and future customer base can achieve with the new operating system will open greater possibilities for innovation in imaging," said Howard Berger, M.D, RadNet's President and CEO.

NUCLEAR ENERGY

Johnson Matthey Plc (Johnson Matthey) – Johnson Matthey disclosed its half-year results for the six months ending September 30, 2023. During this period, the company experienced a 14% decline in revenue, primarily influenced by lower average prices for platinum group metals. Despite the revenue downturn, the operating profit exhibited a substantial increase, reaching £211 million, largely attributable to the absence of a one-off impairment related to Battery Materials that occurred in the previous period. The profit before tax showed a notable improvement, totalling £188 million compared to a loss of £4 million in the prior period, reflecting the higher operating profit due to the absence of the Battery Materials impairment. The reported earnings per share (continuing) stand at 82.0 pence. Additionally, the company reported a cash inflow from operating activities of £145 million, a decrease from £412 million in the first half of the previous fiscal year (2021/22). Despite the challenging financial landscape, Johnson Matthey has declared an interim dividend of 22.0 pence per share, maintaining stability year-on-year. Johnson Matthey is set to cut approximately 600 jobs and reduce up to 30% of its management team as part of ongoing cost-cutting and business reshaping efforts. The London-based global company, known for producing catalytic converters for vehicles, aims to shift its focus towards becoming a global energy transition company. The job cuts will primarily affect support functions as the company looks to outsource more work. This announcement follows the earlier elimination of 900 roles and the closure of four manufacturing sites, including three overseas locations earlier in the year. Johnson Matthey, with a workforce of around 12,600 people in over 30 countries as of March, is realigning its organizational structure to align with its strategic shift. A company spokesperson emphasized the transition to a global energy transition focus, concentrating on core precious metals and catalyzing technologies.

ECONOMIC CONDITIONS

Online shopping for Black Friday in the U.S. hit a record US$9.8 billion in sales, up 7.5% year over year according to Adobe Analytics, helped by deep discounts and the expansion of flexible payment options. On Thursday, U.S. consumers spent $5.6 billion, up 5.5% according to Adobe Inc. (Adobe), and Salesforce, Inc. (Salesforce), which uses different metrics to Adobe, also said that Black Friday online sales exceeded its expectations. Specifically, Salesforce measured $16.4 billion in U.S. sales and $70.9 billion globally, with a record 79% of all shopping traffic carried out on mobile handsets. Given that Black Friday is a bellwether shopping day, many retailers will be evaluating this shopping data to gauge consumer sentiment. "Black Friday online sales performance exceeded any retail executive's expectations," said Rob Garf, Vice President and General Manager of Retail at Salesforce, in a statement. "Retailers stepped up their discounting game and shoppers, in turn, clicked the buy button."

The Canadian Consumer Price Index increased 0.1% in October, in line with consensus expectations (not seasonally adjusted). In seasonally adjusted terms, headline prices were down 0.1% after a 0.1% increase the prior month. This translates to an annual inflation rate of 3.1%, down from 3.8% in September and the lowest since June with much of the improvement coming from energy prices, as non-seasonally adjusted gasoline prices posted their largest decline since December 2022. Prices increased in 5 of the 8 categories surveyed, led by shelter (+0.9%), recreation/education (+0.6%) and food (+0.2%). Price increases in health/personal care (+0.1%) and alcohol/tobacco (+0.1%), meanwhile, were more moderate. For their part, prices in transportation (-1.5%), clothing/footwear (-0.6%) and household operations (-0.1%) registered monthly declines. Annual inflation was above the national average in Québec (+4.2%) and Ontario (+3.3%), while it was below that mark in British Columbia (+2.7%) and Alberta (+2.1%).

Canada, retail sales increased 0.6% in September to CA$66.5 billion, above consensus expectations for a flat print. Consumer outlays rose in 4 of the 9 subsectors in the ninth month of 2023, propelled by higher sales for motor vehicle/parts dealers (+1.5%), gasoline stations (+3.2%), building materials/garden/supplies (+0.5%) and general merchandise (+0.3%). These progressions were only partially offset by decreases for sporting goods/hobbies/misc. (-1.6%), food/beverage retailers (-0.4%) and clothing/accessories (-1.0%) among others. Excluding autos, retail sales were up 0.2% in the month, 3 ticks better than the print expected by the median economist forecast (-0.1%). On a regional basis, sales were up in eight of the ten provinces, with the biggest gains occurring in Alberta (+0.9%), Ontario (+0.3%) and Quebec (+0.4%). New Brunswick posted the largest decline for its part (-0.2%), while Newfoundland was no better than flat. In real terms, retail sales edged up 0.3% Canada-wide. Of note, Consumer confidence data from the Conference Board shows the percentage of respondents that consider now is a good time to make a major outlay such as a home or a car has reached an all-time low.

U.S. residential market existing home sales fell 4.1% in October to the lowest level since August 2010. That marks the fifth straight decline and was nearly double the 2.2% drop in September. The decrease was broad-based with single family homes falling 4.2% – the biggest drop since November 2022 – and condos/co-ops sliding a more modest 2.4%. Sales slid in the Northeast, South and West but were unchanged in the Midwest. Existing home sales are down 14.6% from a year ago and have fallen annually for 27 months in a row. At the end of October there were 1.15 million homes for sales, down 5.7% from a year earlier. That represents a 3.6-month supply at the current sales pace, well shy of the six months that is typical of a balanced market. Tight inventory is putting upward pressure on home prices with the median price climbing 3.4% year-on-year to an all-time high (on a seasonally-adjusted basis), up from the 2.4% gain in September. The median price has risen annually for the past four months following four straight declines. There is no end in sight to the U.S. housing market slump as long as mortgage rates remain elevated and existing home inventory stays lean, with little incentive for homeowners to list their properties and assume a mortgage with a much higher interest rate.

U.S. durable goods orders fell 5.4% in October erasing the prior month's 4.0% gain. Boeing bookings descended, while motor vehicles and parts fell for the second straight month, bringing the transportation component down 14.8%. Meantime, orders excluding transportation were little changed. Gains in fabricated metals offset declines in primary metals, while most other subsectors barely budged. Core capital goods orders—a gauge for business investment—unexpectedly fell for a second straight month, down 0.1%, while the prior month's 0.5% increase was revised to now show a 0.2% decline. And, the control measure of core shipments (including aircraft)—an input for gross domestic product —dropped 0.3%, suggesting a weak start for business equipment spending in the fourth quarter. While the U.S. economy had a remarkably strong third quarter, data are pointing to a sharp deceleration in the current quarter.

Euro Area manufacturing Purchasing Managers Index (PMI) rose from near 2-year lows in October, up 0.7 percentage points to a 6-month high of 43.8 in November, while services climbed 0.4 percentage points from a 2½-year low of 47.8 to a 2-month high of 48.2; hence, the 0.6 percentage point increase in the composite to 47.1 These results were mildly above expectations, thanks to, for a change, Germany, while France disappointed.

UK economy expanded in November. The services PMI rose 1 percentage point to 50.5 in November, a level it hasn't reached since July. The manufacturing PMI climbed 1.9 percentage points to a 6-month high of 46.7, bringing the composite to a 4-month high of 50.1. Although one result doesn't make a trend, these encouraging figures are causing the market to rethink the timing of any Bank of England rate cuts.

FINANCIAL CONDITIONS

The U.S. 2 year/10 year treasury spread is now -0.51% and the UK's 2 year/10 year treasury spread is -0.43%. 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 7.13%. Existing U.S. housing inventory is at 3.6 months supply of existing houses as of September 30th, 2023 - well off its peak during the Great Recession of 11.1 months and we consider a more normal range of 4-7 months.

The volatility index (VIX) is 12.71 and while, by its characteristics, the VIX will remain volatile, we believe a VIX level below 25 bodes well for quality equities.

And Finally: **"Success consists of going from failure to failure without loss of enthusiasm." ~ Winston Churchill**

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

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