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NEWS HIGHLIGHTS

EST. 2007

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

NOVEMBER 3, 2025

OWNER OPERATED COMPANIES

GO TO PORTLAND 15 OF 15 ALTERNATIVE FUND[1]

PORTLAND 15 OF 15 ALTERNATIVE FUND[1] COMPANY NEWS

Ares Management Corporation (Ares) – Ares and Slate Asset Management Limited Partnership have agreed to acquire a portfolio of 36 convenience led retail parks across Poland from Trei Real Estate Gesellschaft mit beschränkter Haftung (GmbH). The portfolio if valued in excess of €300 million, consisting of recently developed, fully occupied assets strategically located in major Polish metropolitan areas, with inflation protected Consumer Price Index (CPI) linked lease agreements and tenants anchored in essential goods and retail. Ares highlighted that the transaction reinforces its long standing conviction in Polish real estate and the broader European retail sector, where it has invested for more than two decades. The transaction reflects the growing investor appetite for essential retail infrastructure in Central Europe and underscores the value of retail parks with strong occupancies and defensive tenants amid changing macro conditions. The deal remains subject to customary regulatory approvals and is expected to close by December 31, 2025.

Berkshire Hathaway Inc. (Berkshire) reported net earnings of US$30.8 billion in third quarter (Q3) 2025, up from US$26.3 billion in Q3 2024, driven primarily by stronger equity investment gains despite a decline in operating profit. Insurance underwriting income rose sharply to US$2.37 billion from US$750 million a year earlier, with both GEICO and Berkshire Hathaway Reinsurance Group posting solid results. However, investment income declined to US$3.18 billion from US$3.66 billion, reflecting lower short-term interest rates and reduced income following capital distributions from insurance subsidiaries. Float increased to approximately US$176 billion, while the cost of float remained negative thanks to underwriting gains. Berkshire's cash holdings totaled US$72 billion, and short-term investments (largely U.S. Treasury Bills) stood at US$305 billion, marking record liquidity. The company made no share repurchases during the first nine months of 2025, continuing its conservative capital allocation stance amid high valuations and abundant cash reserves. Burlington Northern Santa Fe Railway Company (BNSF) and Berkshire Hathaway Energy experienced margin pressure, with energy subsidiaries facing weaker utility results and regulatory headwinds. Earlier in the year, Berkshire trimmed its long-held stake in DaVita, selling shares after the dialysis company issued disappointing 2025 guidance, though Berkshire remains a top shareholder in the firm. Comprehensive income attributable to shareholders reached US$30.2 billion, up from US$26.4 billion a year ago, aided by modest unrealized investment gains and positive currency translation effects.

Reliance Industries Limited (RIL) announced a pact with Google that will provide its telecom unit's subscribers with 18 months of free access to Google's Artificial Intelligence (AI) pro platform, as the company seeks to lure more users in the world's most populous nation. Eligible customers of Reliance Jio Infocom Limited will have premium access to Google's Gemini 2.5 Pro model, expanded access to Notebook LM for study and research as well as 2 terabytes of cloud storage, the Indian company said in a statement Thursday. This move signals an escalating race among AI model builders to secure users and valuable, human-generated data from India's hundreds of millions of English speakers. Jio's offer follows OpenAI Inc. that is offering a free year of its ChatGPT Go service and Perplexity AI, which is partnering with rival Bharti Airtel Limited for free premium access. This 18-month offer is worth 35,100 rupees (US$396) and will be rolled out first for 18 to 25 year old Jio users, it added. Google-parent Alphabet Inc. is one of the investors in Reliance Jio, which is gearing for a public listing next year. "This expanded collaboration also establishes Reliance Intelligence as a strategic go-to-market partner for Google Cloud, driving the adoption of Gemini Enterprise across Indian organizations," Reliance said in the statement.

Reliance Industries (RIL)- Moody's Investors Service has reaffirmed its Baa2 credit rating with a stable outlook for RIL's Senior Unsecured U.S. Dollar Denominated Fixed Rate Notes. The rating indicates moderate credit risk and medium-grade obligations. RIL also maintains high ratings for various debt instruments, including AAA/Stable for non-convertible debentures and long-term bank loans, and A1+ for commercial paper and short-term bank loans. These ratings reflect RIL's strong financial position and stability across its diverse business sectors.

DIVIDEND PAYERS

GO TO PORTLAND CANADIAN BALANCED FUND[1]

Cigna Group – Released Q3 2025 earnings on Thursday October 30th, total revenues for the quarter increased 10% year-on-year to US$69.7 billion. Adjusted income from operations was $2.1 billion, or US$7.83 per share. Medical care ratio for the company increased to 84.8% now up 200 basis points year-on-year. Management has re-affirmed adjusted earnings per share projections of at least US$29.60 for 2025. The company announced a new rebate-free pharmacy model designed to lower costs, improve transparency, and support local pharmacies.

Magna International Inc. (Magna) – Announced Q3 2025 earnings on October 31st. Sales for the quarter were US$10.5 billion, up 2% from Q3 2024. Diluted earnings per share (EPS) were US$1.08 compared to US$1.68 for the same period in 2024. Adjusted diluted EPS were US$1.33 compared to US$1.28 in 2024. Management adjusted their guidance for the full year 2025, increasing sales, adjusted Earnings Before Interest and Taxes (EBIT) margin, and adjusted net income attributable to Magna.

United Parcel Service (UPS) – Announced Q3 2025 earnings on October 28th, consolidated revenues were US$21.4 billion, consolidated operating profit was US$1.8 billion. Diluted earnings per share were US$1.55 for the quarter compared to US$1.80 in 2024; adjusted diluted earnings per share were US$1.74 compared to US$1.76 in 2024. In Q3 UPS entered a sale-leaseback transaction related to 5 properties, which contributed US$0.30 to diluted earnings per share. This transaction was part of the company's broader capital strategy to monetize real estate assets to reinvest for growth with the leases structured to maintain operational continuity.

Verizon Communications Inc. – Reported Q3 earnings on October 29th, total operating revenue was US$33.8 billion, up 1.5% year-on-year. Adjusted earnings per share (EPS) were US$1.21 compared to US$1.19 for the same period in 2024. Management reaffirmed their prior 2025 guidance for revenue growth +2.0-2.8%, adjusted EPS growth 2.5-3.5%, and free cash flow of US$19.5-US$20.5 billion.

LIFE SCIENCES

GO TO PORTLAND LIFE SCIENCES ALTERNATIVE FUND[1]

Amgen Inc. – announced that Phase 3 results from the VESALIUS-CV trial of Repatha (evolocumab) met its dual primary endpoints, showing that Repatha significantly reduced major adverse cardiovascular events (MACE) in high-risk patients with no prior heart attack or stroke, making it the first Proprotein Convertase Subtilisin/Kexin Type 9 (PCSK9) inhibitor to achieve this. Additional real-world data from the VESALIUS-REAL and REPATHA-CE studies will further validate Repatha's long-term benefits, demonstrating consistent reductions in MACE across diverse populations and reinforcing its role as a leading Low-Density Lipoprotein Cholesterol (LDL-C) lowering therapy for cardiovascular risk prevention.

Iovance Biotherapeutics Inc. – reported interim Phase 2 data for its therapy lifileucel in previously treated advanced nonsquamous non-small cell lung cancer (NSCLC), showing a 26% objective response rate (ORR) with median duration of response not yet reached after 25 months of follow-up. The therapy demonstrated an improved safety profile under a reduced lymphodepletion regimen, lowering hospitalization times and cytopenias. With Food and Drug Administration (FDA) feedback supporting the trial design, Iovance plans to file a supplemental biological license application in 2026 and anticipates a commercial launch in second half of 2027.

Lantheus Holdings Inc.– announced that the FDA has set a Prescription Drug User Fee Act (PDUFA) target date of March 29, 2026, for LNTH-2501 (Ga-68 edotreotide), its Positron Emission Tomography (PET) imaging diagnostic kit for detecting somatostatin receptor-positive (SSTR+) neuroendocrine tumors (NETs) in adults and children. Submitted under the 505(b)(2) pathway, LNTH-2501 leverages existing clinical evidence for Ga-68 edotreotide and aims to expand access to reliable, high-quality imaging for omatostatin Receptor-Positive Neuroendocrine Tumors (SSTR+ NETs).

NUCLEAR ENERGY

BWX Technologies Inc. (BWXT) – announced it received a US$174 million contract from the U.S. Naval Nuclear Propulsion Program in September 2025 to manufacture naval nuclear reactor fuel. The work, carried out by its subsidiary Nuclear Fuel Services (NFS) in Erwin, Tennessee, will supply fuel for U.S. Navy submarines and aircraft carriers across multiple classes, with completion expected by summer 2026. BWXT highlighted the contract as part of its long-standing partnership with the Navy, emphasizing NFS's 60-year history of producing highly enriched uranium fuel at its Nuclear Regulatory Commission (NRC) -licensed, Category I facility.

Cameco Corporation – The United States Department of Commerce has entered into a binding term sheet with Cameco Corporation and Brookfield Asset Management to form a strategic partnership aimed at deploying new Westinghouse reactor technology in the United States. The partnership provides for an aggregate investment of at least US$80 billion in new reactors using Westinghouse technology, including the Advanced Passive

(AP)1000 design, and will include near-term financing for long-lead items. Under the deal the U.S. Government will facilitate financing arrangements, regulatory permitting and approvals for the new reactor fleet. Once the reactors are constructed, the U.S. Government will be entitled to 20% of any cash distributions from Westinghouse that are made in excess of US$17.5 billion. In addition, if by January 2029 the valuation of a future Initial Public Offering (IPO) of Westinghouse is expected to exceed US$30 billion, the U.S. Government will have the right to require the IPO and convert its participation interest into a warrant to purchase up to a 20% equity stake. The deal is framed as part of a national-industrial strategy to revitalize the U.S. nuclear supply chain, create over 100,000 construction jobs and support high-power-demand applications such as AI-data-centers. Although many of the precise financial terms and project-by-project details remain to be finalized in definitive agreements, the term sheet sets a clear framework for large-scale reactor build-out and government participation in upside value.

NuScale Power Corporation (NuScale)– announced its support for ENTRA1 Energy's participation in a US$25 billion initiative under the new US$550 billion U.S.–Japan Framework Agreement, which aims to expand clean energy and critical infrastructure across the U.S. ENTRA1 will develop a fleet of advanced nuclear power plants using NuScale's small modular reactor (SMR) technology to supply reliable, low-carbon baseload energy for AI data centers, manufacturing, and national defense. The program is expected to create thousands of U.S. jobs, enhance energy independence, and build on ENTRA1's earlier partnership with the Tennessee Valley Authority to develop up to 6 GigaWatt (GW) of clean power.

Plug Power Inc. (Plug) – announced a binding agreement with Allied Biofuels FE LLC (ABF) to supply up to 2 GW of its GenEco Proton Exchange Membrane (PEM) electrolyzers for a major electro-sustainable aviation fuel (eSAF) and green diesel project in Uzbekistan. This expands Plug's partnership with Allied entities to 5 GW of total contracted capacity, following a previous 3 GW collaboration with Allied Green Ammonia in Australia.

ECONOMIC CONDITIONS

Canada's Gross Domestic Product (GDP) contracts (0.3%) in August. The expectation was for GDP to be flat, the air Canada Strike and droughts limiting hydro electric generation were special factors weighing on growth. Air transportation was down (4.6%) in August, it's largest decline the pandemic and the utilities sector saw a decline of (2.3%). Notably, 12 out of 20 sectors reported a drop in activity. Wholesale trade was down (1.2%) for it's first decline in 4 months, led by motor vehicle parts wholesale decline (8.3%). Mining, quarrying, oil and gas contracted (0.7%) ending the sectors 2-month run of increases. Goods industries were down (0.6%) month-on-month, services were down (0.1%) month-on-month. Retail trade sector expanded 0.9% with increases in 8 of it's 12 sub sectors. Statistics Canada's flash estimate for September projects GDP to recover slightly growing at 0.1%.

Canada Manufacturing Purchasing Managers Index (PMI) reaches 9-month high in October. Canadian PMI rose to 49.6, up from 47.7 in September. A reading below 50 indicates is still contractionary territory. The output index climbed to 49.8 from 46.4, and new orders jumped to 48.8 from 46.1. These measures still indicate orders and output are declining but at a slower pace than we've seen for most of 2025.

U.S. government shutdown nearing record breaking length. The longest shutdown in history in 2018-2019 lasted 35 days, as of today (November 3, 2025) we are at 34 days. The already weak labour market has been feeling the effects of the shutdown, with approximately 1.4 million federal employees missing out on a paycheque last week, with 730,000 working without pay and 670,000 furloughed. It is estimated each week of shutdown reduces annualized quarterly real GDP growth by (0.1%) to (0.2%), the shutdown has nearly hit 5 weeks. During this shutdown, the Federal Open Market Committee (FOMC) must continue to operate and make decisions without key economic data as reporting is suspended.

China's manufacturing PMI comes in at 49.0 for October. This mark is well below the 49.8 mark for the previous month and sinks further into contractionary territory. The production and new orders index were both down from the previous month coming in at 49.7 and 48.8. The non-manufacturing PMI was up 0.1 to 50.1, and the composite PMI output index stood at 50.0 down 0.6 from September, indicating overall business activities in China remained stable.

FINANCIAL CONDITIONS

Bank of Canada cuts overnight rate by 25 basis points, to 2.25%, in line with expectations. The Bank commented on the near term outlook for policy decisions, "if inflation and economic activity evolve broadly in line with the October projection, Governing Council sees the current policy rate at about the right level to keep inflation close to 2% while helping the economy through this period of structural adjustment". The decision was accompanied by an updated forecast from the Bank which sees them project Canadian GDP to grow at 1.2% in 2025, 1.1% in 2026 and 1.6% in 2027.

U.S. FOMC cuts target federal funds rate by 25 basis points. The new target range is 3.75%-4.0%. The FOMC reiterated its commitment to both sides of it's dual mandate on inflation and employment but noted that the downside risk to employment has risen in recent months. The FOMC also announced an end to its quantitative tightening program as of December 1, 2025. 10 of 12 FOMC members were in favour of a 25-basis point cut to the target, with one preferring a 50-point cut, and one preferring no change.

European Central Bank (ECB) holds rates steady at October meeting. This marks the third straight month of no adjustments, after cutting the rate by 200 basis points total by June this year. The President of the ECB says monetary policy is in "a good place". Growth across the 20 countries that use the euro was 0.2% in Q3 of 2025, which although not stellar is above ECB and consensus projections. Inflation has also settled around the bank's 2% target.

Bank of Japan (BoJ) holds policy rate steady at 0.5% for 6th consecutive meeting. This decision comes in line with consensus projections. Stubbornly high food prices have held inflation above the BoJ's official inflation target of 2% for over 3 years now. The BoJ also revised up its economic growth forecast for the current fiscal year, and projects inflation to reach the 2% target in the latter half of it's 3-year projections through fiscal 2027.

The U.S. 2 year/10 year treasury spread is now 0.51% and the U.K.'s 2 year/10 year treasury spread is 0.64%. 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 is now 6.17%. Existing U.S. housing inventory is at 4.6 months supply of existing houses as of October 23, 2025 - well off its peak during the Great Recession of 11.1 months and we consider a more normal range of 4-7 months.

The VIX (volatility index) is 17.83 and while, by its characteristics, the VIX will remain volatile, we believe a VIX level below 25 bodes well for quality equities.

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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, 'GAAP' Generally Accepted Accounting Principles, '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, 'SG&A' Selling, General, and Administrative expense ratio.

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

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