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NEWS HIGHLIGHTS

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

MARCH 21, 2022

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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

Brookfield Asset Management Inc. ("Brookfield") – Brookfield Asset Management Inc.'s investment vehicle, Brookfield Business Partners ("BBU") said it would buy asset manager La Trobe Financial Corporation ("La Trobe Financial") in a US$1.1 billion deal, as the Canadian alternative asset manager looks to expand into Australia. BBU will initially pay $756 million in equity and a part of the $1.1 billion payment will be tied to the business achieving certain milestones. The deal is expected to close in the second quarter of 2022. Founded in 1952, Australia-based La Trobe Financial has more than AU$13 billion (US$9.63 billion) in assets under management. Last month, Bruce Flatt, Brookfield's Chief Executive Officer, said the company was considering spinning off its asset management unit in a deal that could potentially gain a valuation of $70 billion to $100 billion.

Berkshire Hathaway Inc. ("Berkshire") – Berkshire has struck an agreement to buy insurance company Alleghany Corporation ("Alleghany") for US$11.6 billion. Alleghany, whose businesses include reinsurer Transatlantic Holdings Inc., would expand Berkshire's large portfolio of insurers, which includes auto insurer Geico Insurance Company, reinsurer General Reinsurance Corporation ("General Re") and a unit that insures against major catastrophes and unusual risks. "Berkshire will be the perfect permanent home for Alleghany, a company that I have closely observed for 60 years," Buffett, who has run Berkshire since 1965, said in a statement. The acquisition, one of the five largest in Berkshire's history, would reunite Buffett with Joseph Brandon, who led General Re from 2001 to 2008 and became Alleghany's Chief Executive in December. It would also end Buffett's six-year drought of large acquisitions, and help him deploy some of the $146.7 billion of cash and equivalents the conglomerate had at year end. Buffett pledged to keep $30 billion of cash on hand. Berkshire agreed to pay $848.02 in cash per Alleghany share, a 25% premium over Friday's closing price. Alleghany has a 25-day "go-shop" period to find a better offer. Berkshire does not get involved in bidding wars. The transaction is expected to close in the fourth quarter pending regulatory and Alleghany shareholder approvals. Alleghany would operate as an independent Berkshire unit. Insurance typically generates more than 20% of operating profit at Berkshire, whose dozens of businesses also include the BNSF Railway, Berkshire Hathaway Energy and Dairy Queen ice cream. Alleghany is sometimes thought of as a mini-Berkshire, and Buffett said the companies had "many similarities."

Reliance Industries Limited ("Reliance") – Reliance Retail Ventures Limited announced acquisition of 89% equity stake in Purple Panda Fashions Private Limited, which owns and operates the Clovia business, with an investment of Rs 950 crore through a combination of secondary stake purchase and primary investment. The founding team and management will own the balance stake in the company. Launched in 2013, Clovia is India's leading bridge-to-premium brand for millennial women. It commands a strong customer following and is known for its design led fresh styles and sharply priced offerings to customers. Clovia's offerings include 3,500+ product styles, based on its feedback led design approach. Clovia has a strong in-house design process to offer trending designs and innovative styles, while it follows an asset-light outsourced production model.

Reliance Industries Limited ("Reliance") – On March 14, Reliance New Energy Limited, a wholly owned subsidiary of Reliance, has signed definitive agreements to acquire substantially all of the assets of Lithium Werks B.V. ("Lithium Werks") for a total transaction value of US$61 million including funding for future growth. The assets include the entire patent portfolio of Lithium Werks, manufacturing facility in China, key business contracts and hiring of existing employees as a going concern. Founded in 2017, through acquisition of certain assets of Valence and A123 industrial division, the management of Lithium Werks brings 30+ years of battery expertise and nearly 200 Megawatt-hour ("MWh") annual production capacity including coating, cell and custom module manufacturing capability. Lithium Werks is a leading provider of cobalt free and high-performance Lithium iron phosphate ("LFP") batteries. With the recent resurgence in demand for LFP batteries, Lithium Werks is uniquely positioned to take advantage of the global opportunities before it through its integrated portfolio of LFP solutions. Reliance will be leveraging the experience of these senior management teams, together with the technology and know-how gained through acquisition of Faradion Limited and Lithium Werks, to establish an end-to-end battery ecosystem that will allow Reliance to deliver not only manufacturing at large scale certain key supply chain materials, such as cathode, anode, electrolyte, but also a cell manufacturing facility including leading Internet of Things and Artificial Intelligence capabilities giving Reliance the flexibility to produce batteries and battery module systems consisting of different chemistries for various applications across energy storage and mobility.

SoftBank Group Corp. ("SoftBank") – General Motors Company ("GM") bought out the SoftBank Vision Fund 1's stake in self-driving start-up Cruise LLC ("Cruise") for US$2.1 billion, ending the Japanese investment firm's involvement in the business and giving the Detroit automaker 80% ownership. GM also said Friday it will invest another $1.35 billion in Cruise, which makes up for the amount that SoftBank had pledged to invest in the start-up once the company deploys vehicles in a ride-sharing business, something it is preparing to do. The deal consolidates GM's ownership and control over Cruise, and reverses a capital diversification play by former Chief Executive Officer ("CEO") Dan Ammann, who was fired in December after pushing for an initial public offering ("IPO"). GM CEO Mary Barra and Cruise founder Kyle Vogt, who replaced Ammann as CEO, have said an IPO isn't in the offing at this time and likely won't be anytime soon. For SoftBank, the sale marks a nice return on a nearly four-year investment. The fund initially committed $2.25 billion for an 11% stake in Cruise in May 2018. The first $900 million was to come at once, with $1.35 billion payable once vehicles were ready for commercialization. SoftBank contributed about $300 million in additional funding subsequently. When Cruise started offering free rides to the public without a safety driver in late January, it triggered SoftBank's second investment requirement, GM said on its fourth-quarter earnings call. SoftBank didn't make the investment and GM bought out its stake. The managing partner at the Vision Fund who championed the investment and several other transportation bets, former Goldman Sachs banker Michael Ronen, left two years ago. Since then many of his portfolio companies have lacked a clear advocate at the firm.

SoftBank Group Corp. ("SoftBank") – Munish Varma, a managing partner at SoftBank Group Corp.'s Vision Fund, stepped down from the board of One97 Communications Ltd., the parent company of India payments pioneer Paytm. Varma resigned on March 14 due to personal commitments and other pre-occupations, explained Paytm in an exchange filing late Tuesday. Varma also quit from the board of PB Fintech Limited. the same day, according to a company filing. Paytm pulled off the largest-ever initial public offering in India in November but has since suffered a raft of challenges. On Friday, the Reserve Bank of India ("RBI") barred the company's Paytm Payments Bank venture from accepting new customers, adding pressure to the company's stock. The RBI decision is based on certain material supervisory concerns and the restrictions will continue pending a comprehensive audit of its information-technology systems, the central bank said in a statement. Paytm said in response that it is taking steps to comply, including the appointment of an external auditor. Existing customers are not affected.

Meta Platforms Inc. ("Meta") - Mark Zuckerberg, Meta's Chief Executive Officer, confirmed that the company is building the technical functionality so that users can display their non-fungible token's ("NFT") on Instagram and even "mint" some NFTs within the app. Zuckerberg made the comments during an interview at the South by Southwest conference Tuesday but declined to share specifics on when and how the feature might work. Zuckerberg spent most of the conversation talking about the metaverse, his vision for a more immersive version of the internet. David Marcus, Former Meta executive, said last August that the company was looking into building NFT features alongside the company's Novi digital wallet.

CareRX Corporation ("CareRX") reported fourth quarter financial results. Revenue grew 109% year-over-year ("Y/Y") to US$96.9 million, beating consensus of $91.8 million. Growth was driven primarily by mergers and acquisitions ("M&A"). This includes the acquisition of SmartMeds Pharmacy in April of 2021 (2,400 beds; approximately ("~") 3% of revenue in the fourth quarter), Rexall Pharmacy Group Ltd.'s ("Rexall") long term care ("LTC") pharmacy business in June 2021 (4,000 beds; ~4% of revenue in the fourth quarter) and Medical Pharmacies in August 2021 (36,000 beds; ~37% of revenue in the fourth quarter). Revenue growth was further buoyed by the organic addition of over 3,000 beds added through second half of 2021. Average beds serviced increased 97% Y/Y to 96,310. The majority of the top-line beat, stemmed from a higher-than-expected revenue per bed of $4,022 (+6% Y/Y). This was, in part, thanks to Medical Pharmacies' higher priced beds. Adjusted earnings before interest, taxes, depreciation, and amortization ("EBITDA") increased 86% Y/Y to $7.6 million. This missed consensus of $8.9 million, with margin contracting from 9% to 8% Y/Y. The miss and margin contraction were largely due to $1.1 million in non-recurring costs, including certain labour costs related to the integration of Medical Pharmacies, allowances for expected credit losses that were impacted by COVID-19 and inventory cost-related adjustments. Without these non-recurring items, adjusted EBITDA would have been $8.7 million. During the quarter, CareRX consolidated four of Medical Pharmacies' 16 remaining fulfillment centers and expects to consolidate another five centres in 2022. Management is targeting completing the integration by the end of the third quarter of 2022, producing at minimum $5.0 million in annual cost savings synergies ($0.2 million achieved to date). One of the means through which centre consolidation has been made possible is the opening of a new "megasite" in Burlington, Ontario next month. This will be a high-volume fulfillment centre, capable of safely and efficiently servicing at least 30 thousand beds, without additional labour costs, thanks to the use of BD Rowa Dose technology machines. CareRX exited the year with $36.3 million of cash and $78.8 million in debt. The latter only includes the Crown Private Credit and Yorkville facilities. It excludes the convertible debentures held at $23.0 million ($3.00/share conversion price) and the Ewing Morris convertible debentures held at $18.0 million ($5.00/share conversion price), which are both in-the-money and therefore accounted for in a fully diluted share count. Accordingly, CareRx's net debt is estimated to be $42.5 million, equating to a 1.9 times the trailing leverage ratio.

LIFE SCIENCES

GO TO PORTLAND LIFE SCIENCES ALTERNATIVE FUND[1]

BridgeBio Pharma Inc. ("BridgeBio") – The company announced their experimental muscular dystrophy drug currently in development shows positive signs of helping patients. The company reported that once- or twice-daily oral doses improved mobility and biological markers of disease in a 14-patient trial. No serious side effects were reported, according to the company, and no participants stopped treatment because of side effects. The trial didn't compare BridgeBio's drug, called BBP-418, against a placebo, making it harder to determine how patients taking it compare to those whose disease is untreated. BridgeBio said it plans on beginning a Phase 3 clinical trial in the second half of 2022, and will soon begin discussing that study's design with the United States Food and Drug Administration ("FDA") and other regulators. The planned phase 3 trial will be a success determining event for the company which could have long range ramifications for the performance of the stock. Typically, once launched, phase 3 studies will have preliminary, or what is termed 'interim', readouts of the data from the trial. This early release of the data will be pivotal for the company.

Guardant Health Inc. ("Guardant Health") – The company announced that it has received Japanese regulatory approval for its Guardant360 clinical diagnostic liquid biopsy test for tumor mutation profiling. The test was also approved by Japan's Ministry of Health, Labor, and Welfare as a companion diagnostic for patients with microsatellite instability-high, or MSI-high, solid tumors who may benefit from Merck's Keytruda (pembrolizumab) and patients with MSI-high advanced colorectal cancer who may benefit from Bristol Myers Squibb's Opdivo (nivolumab). The company also provided the following statement regarding a lawsuit filed by Illumina that seeks to challenge Guardant Health's ownership and authorship of a portion of its intellectual property and to suppress competition in the market. Commenting on the lawsuit, John Saia, the company's Senior Vice President, General Counsel and Corporate Secretary, said: "At Guardant Health, our mission for the last 10 years has been to develop ground breaking blood tests that improve cancer care and save patients' lives. Nearly a decade after these patents were filed, Illumina's lawsuit frivolously challenges our ownership and authorship of our intellectual property, which is the backbone of our vital work. We believe Illumina is using the courts to retaliate against us for registering concerns about the antitrust implications of Illumina's acquisition of Grail – another provider of blood-based cancer tests – and in an attempt to slow us down in the marketplace as we get ready to launch our blood test to screen for early signs of colorectal cancer. Despite these efforts, our long-term supply agreement with Illumina remains in force and our work for patients will not be interrupted. However, we cannot stand by and allow unfair practices in the marketplace or false claims to be made about our intellectual property, which we will vigorously defend. The stakes are too high for the cancer patients who rely on our important work." The successful approval in Japan will increase the reach and adoption of Guardant Health's clinical diagnostic ("CDx") profiling services and drive top line revenues.

Oncobeta GmbH ("Oncobeta") – The company announced the first Austrian patients have been treated in the global phase IV EPIC-Skin Study (Efficacy of Personalised Irradiation with Rhenium-SCT– for the treatment of non-melanoma skin cancer). Today's patients are some of the first to be enrolled in the study with histologically confirmed stage I or II Nonmelanoma skin cancer ("NMSC"), and their progress will be followed up over a period up to 24 months. The international study will be conducted through study centres located in Austria, Australia, Germany, and the United Kingdom, with a planned total of 200 adult patients. The EPIC-Skin study has an emphasis on Patient Reported Outcome Measures such as quality of life, treatment comfort and cosmetic outcomes, as well as further evaluating the efficacy of Rhenium-SCT for the treatment of NMSC. Patients in the study will utilise OncoBeta's clinical study app, providing a simple and streamlined way to record their experiences.

POINT Biopharma Global ("POINT Biopharma") – The company announced publication of the dosimetry results from the lead-in cohort of the Phase III metastatic Castration Resistant Prostate Cancer ("mCRPC") SPLASH study. The findings presented by Dr. Jean-Mathieu Beauregard concluded that "PNT2002 has a favorable and safe dosimetry profile in the patient population and dose regimen being studied." Radiation dosimetry is a powerful tool to estimate the safety of radiopharmaceutical therapies. Measuring the amount of radiation absorbed in both normal organ tissues and tumor can optimize dose selection and assess the potential for tumor response and normal organ toxicities. However, the methodology of dosimetry is not a one-size-fits-all solution; the measurements are computationally and resource complex. A better understanding of dosimetry across the multi-disciplinary field of oncology care could enable the full potential of targeted radiopharmaceutical imaging and therapy in the clinic. The preliminary dosimetry results are critical to tune the necessary dosing of the therapeutic which will be used during the Phase III SPLASH trial.

ECONOMIC CONDITIONS

Ukraine-Russia war will continue to dominate until there is a ceasefire. There is a continued lack of positive development, Ukraine rejected Russia's demand to surrender Mariupol and unfortunately that may mean no humanitarian corridor. A large shopping center on the outskirts of Kyiv was hit. Negotiations are again tentatively scheduled, but death numbers keep increasing. China is playing passively, they reported that they will 'do everything' to de-escalate the war but that its relationship with Russia 'isn't part of the problem'.

Canada's railways: Reuters highlighted that Canada's number 2 railroad, Canadian Pacific Railway ("CP" rail), has halted operations after talks with workers' union failed. Negotiations continued on Sunday with federal mediators at the table. According to the article, the work stoppage is set to aggravate a shortage of commodities sparked by Russia's invasion of Ukraine, and a prolonged lockdown could hurt farmers ahead of the spring planting season. Canada, the largest country by area after Russia, depends heavily on rail to move commodities and manufactured goods to port. With 75% of all fertilizer in Canada moved by rail, the farm sector will feel the heat, the industry body of Fertilizer Canada explained. The agricultural sector is already facing shortages and higher prices due to Western economic sanctions on Russia and Belarus, two major fertilizer producers. The article points out that the impact of the strike could be felt south of the border as CP's rail network runs as far south as Kansas City in the United States. A CP work stoppage would bring added uncertainty to fertilizer markets in the U.S., which imports roughly 86% of its potash from Canada, much of it by rail. Fertilizer Canada noted that an eight-day strike at Canadian National Railway Company in 2019 cost the fertilizer industry between CA$200 million and CA$300 million.

Canada's population: Bloomberg highlighted that Canada's population grew by nearly half a million people last year, sharply higher than depressed 2020 levels as international migration returned to historically elevated pre-pandemic numbers. According to data released by Statistics Canada ("StatCan"), the number of people living in Canada rose by 1.2%, or 457,888, to 38.5 million in 2021. That's up from 160,273 the previous year, and closer to the record population-growth levels in the years before the COVID-19 pandemic. Most of the population gain came from international migration as the Canadian government eased most travel restrictions for those coming to the country for work, school or family reunification. Further, net international migration levels jumped to 400,176 last year, almost four times as many as in 2020.

Canadian retail sales rose 3.2% in January, more than the 2.4% increase initially estimated by StatCan. Autos led the way with a hefty 5.3% gain, though the headline increase was broad-based as sales were up in nine of 11 sectors. One of the exceptions was gasoline stations, where sales were unchanged despite rising prices as Omicron-related restrictions persisted through the new year. Excluding autos, retail sales were up 2.5%, while sales excluding autos & gas posted a larger 2.9% gain. StatCan's early estimate for February retail sales calls for a 0.5% decline as much of the country saw restrictions loosen in the month, and that will look much deeper in volume terms. Regionally, nine of ten provinces posted increases in January, led by Ontario (+3.1%) and Quebec (+3.9%).

Canadian existing home sales rose 4.6% in seasonally-adjusted terms in February (-8.2% Y/Y), as demand remained ferocious ahead of Bank of Canada interest rate liftoff in early March. February's sales level sitting roughly 35% above pre-COVID-19 norms. New listings came to market at a strong pace for the middle of winter, with seasonally-adjusted listings jumping 23.7% in the month. That actually helped improve the market balance, with the sales-to-new listings ratio pulling back to 75.3%, from 89% in the prior month. In our view, that's still a very, very, tight market, but could be a preview of how quickly the balance can change when sentiment changes.

U.S. housing starts jumped more than expected, up 6.8% to 1.769 million annualized in February. That marks the highest level since the summer of 2006 as pandemic-related worker absenteeism eased, enabling progress in building activity, and January's extreme cold spell ended. The volatile multi-unit category rebounded 9.3%, while single-family home construction halted two-straight months of decline, with a 5.7% bounce-back. On a regional basis, the densely populated South rose 11.4% surpassing 1 million annualized units for the first time since March 2006. The Midwest and Northeast also posted nice gains, though the West bucked the general upward trend, with an 11.4% drop. Meanwhile, building permits, dropped 1.9% to 1.859 million annualized marking the first decline in five months. Still, permits remain above starts which should signal greater homebuilding ahead in our view. (source: BMO Capital Markets)

U.S. industrial production ticked up 0.5% in February, matching consensus. That leaves production 2.3% above its pre-pandemic level—an impressive feat given the maze of supply-chain disruptions that firms have had to navigate over the past year. Manufacturing output rose 1.2%, which was twice as fast as expected and is a welcome change after two months of flat lining. It was not all good news for the manufacturing sector, however, as motor vehicle assembly fell to 8.43 million annual units in February, compared to 9.01 million units in January. With a return to more typical seasonal weather in February, utilities saw output fall 2.7%, but that follows an upwardly-revised 10.4% advance in January. Despite highly supportive oil and base metal prices, mining output nudged up only 0.1%. (source: BMO Capital markets)

UK unemployment is for the first time dropping below pre-pandemic levels. Unemployment rate fell to 3.9% and 275 thousand jobs were added in February which is more than double what was predicted.

Australian unemployment: The Jobs report for February was stellar with headline +77.4 thousand, much higher than market expectations (consensus at +37.0 thousand), with full-time jobs posting a strong 121.9 thousand rise (part time -44.5 thousand decline in part-time jobs). Employment is now +202 thousand above the pre-Delta high back in June 2021, reflecting the modest impact the Omicron disruption had on the labour market reinforcing demand for labour is elevated. The unemployment rate fell to 4.0% (consensus at 4.1%) despite the jump in in the participation rate to 66.4% (January: 66.2%) a record high.

FINANCIAL CONDITIONS

U.S. Rates after two full years of an effective lower bound policy setting, the Federal Open Markets Committee voted to increase the target range for the federal funds rate by 25 basis points ("bps") to 0.25% to 0.50%. The interest rate paid on reserve balances ("IORB") will be raised by a proportional 25 bps to 0.40%. While the Fed didn't opt to start the quantitative tightening process immediately, it indicated that this would begin in the not-so-distant future: "the Committee expects to begin reducing its holdings of Treasury securities and agency debt and agency mortgage-backed securities at a coming meeting." For now, it will roll over all of the principal payments from its maturing Treasury and mortgage back securities ("MBS") securities. In addition to the marginal guidance on quantitative tightening, there were a number of other noteworthy changes made to the statement:

- A broadening of inflationary pressure was noted: "Inflation remains elevated, reflecting supply and demand imbalances related to the pandemic, higher energy prices, and roader price pressures."
- The statement now flags the Russia-Ukraine conflict as a key risk: "The implications for the U.S. economy are highly uncertain, but in the near term the invasion and related events are likely to create additional upward pressure on inflation and weigh on economic activity."
- The statement's long-used paragraph about COVID-19 and the virus was eliminated.
- Unsurprisingly, the Federal Reserve expects to bring inflation back to target, though no clear timeline was provided. "With appropriate firming in the stance of monetary policy, the Committee expects inflation to return to its 2 percent objective and the labor market to remain strong."

- The Committee now anticipates that "ongoing increases in the target range will be appropriate."

One of the key focuses leading up to today's statement was the Fed's updated Summary of Economic Projections (SEP) and dot plot. A reduction in the growth estimate for 2022 was expected considering current geopolitical developments, but the size of the revision was much larger than anticipated, from 4.0% to 2.8%. PCE inflation, on the other hand, was marked up significantly, from 2.6% to 4.3%. The Fed also penciled in above-target inflation for next year (+2.7%). The unemployment rate projection remained roughly unchanged throughout the forecast horizon. (source: National Bank)

The Bank of England increased its rate by 25 bps to 0.75%, as expected. However, the voting composition was far less hawkish than many expected. Most had expected 3 dissenters looking for 50 bps, and instead, there was one dissenter (Cunliffe) who wanted no change in rates.

The Bank of Japan ("BoJ") kept its policy settings unchanged as expected, with the policy balance rate maintained at -0.1% and 10 year yield target at "about 0%" in an 8-1 vote. BoJ also downgraded its economic assessment due to caution over consumer spending, noting that the pick-up in private consumption has paused and that the jobs, income situation remains weak, even as it expects the economy to recover. BoJ highlighted risks and volatility from the "Ukraine situation", especially on prices. Indeed, the language on inflation was changed to note, "CPI to increase clearly in positive territory", and that the Bank expects underlying inflation pressure to increase. Overall, despite the hawkish shift in inflation risks, the BoJ is showing no inclination to normalise policy settings.

The Central Bank of Russia: The introduction of capital controls in Russia was a forced decision, the central bank governor Elvira Nabiullina said on Friday, after keeping its key interest rate unchanged at 20%. Nabiullina, who was proposed by President Vladimir Putin to be re-appointed for a third term on Friday, said the Moscow Exchange would resume trading OFZ (Federal Loan Obligations) state rouble treasury bonds from Monday and that the central bank plans to buy there. (Reuters)

The U.S. 2 year/10 year treasury spread is now 0.21% and the U.K.'s 2 year/10 year treasury spread is 0.32%. 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 could be an early warning of an economic slowdown.

The U.S. 30 year mortgage market rate has increased to 4.16%. 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 believe a more normal range of 4-7 months.

The VIX (volatility index) is 23.14 and while, by its characteristics, the VIX will remain volatile, we believe a VIX level below 25 could be encouraging for quality equities.

And finally: *"It takes considerable knowledge just to realize the extent of your own ignorance." – Thomas Sowell*

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

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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.

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