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NEWS HIGHLIGHTS

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

FEBRUARY 24, 2025

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OWNER OPERATED COMPANIES



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**PORTLAND 15 OF 15
ALTERNATIVE FUND**



**PORTLAND 15 OF 15
ALTERNATIVE FUND
COMPANY NEWS**

Reliance Industries Limited (Reliance)– Jio Platforms Limited (Jio) has partnered with Polygon Labs to upgrade some of its existing offerings with Web3 and blockchain capabilities. Reliance subsidiary Jio and Polygon Labs, the developer arm of Polygon Technology, entered into a strategic partnership for Jio’s Web3 and blockchain debut in India. Speaking to Cointelegraph, Polygon Labs co-founder Sandeep Nailwal said the partnership with Reliance Jio represents a significant step forward for Web3 adoption in India and a signal for the rest of the world to follow suit. Polygon Labs will support Jio and work closely to integrate blockchain across its various applications to unlock the potential of blockchain-based solutions. Polygon Labs will help Jio add Web3 capabilities to some of the existing applications and services, which currently cater to more than 450 million customers.

Reliance - Reliance Jio has rolled out a new JioHotstar entertainment plan. The service provider has rolled out a Rs 195 JioHotstar plan which offers data and validity to the users. The mobile subscription plan aims to enhance the viewing experience for cricket fans, allowing them to stream live matches and enjoy unlimited entertainment throughout the tournament. With the Rs 195 JioHotstar plan, users receive 15GB (gigabyte) of data with a 90-day validity. Additionally, Jio offers a Cricket Offer Unlimited Data Pack for Rs 49, which provides 25GB of data for one day. Apart from this, the telco also offers a Rs 949 plan which comes with a validity of 84 days and includes 2GB of high-speed Fourth

Generation (4G) data per day, along with unlimited 5G data. Additionally, users will benefit from unlimited voice calls and 100 Short Message Service (SMS) per day. The highlight of this plan is the complimentary Jio Hotstar Mobile subscription, valued at Rs 149.

Reliance - Nita Ambani, said the couple’s three children played a key role in succession planning for the future of India’s largest company. The next generation of the Ambani family are involved in various divisions of Reliance based on their own personal interests, Nita Ambani said in an exclusive Bloomberg interview. The three children are becoming more visible in their leadership roles, with son Akash heading up Reliance Jio while his twin sister Isha is a leader of Reliance Retail Limited. Youngest son Anant is leading the group’s green energy projects. The issue of succession has come to the forefront for Reliance in recent years, fueled by memories of the feud Mukesh fought with his younger brother, Anil, for the control of the group after their father died in 2002 without a will. Mukesh continues to groom his children to take over the conglomerate while at the same time needing to convince skeptical investors concerned about the succession planning process for the group. They are also working hard to bring the Olympic Games to India. An increasing number of Indians view sports as a viable career option, she points out, fueling the dream to see their country become a powerhouse in the global sporting arena. India is planning to present its bid to host the 2036 Olympics early this year, she said. Nita Ambani is also the chairperson of the joint venture between Reliance and The Walt Disney Company valued at US\$8.5 billion that will combine their respective digital-streaming and television assets in India. The deal will create one of the leading TV and digital-streaming platforms in India, combining iconic entertainment and sports content through JioCinema and Hotstar. The joint venture will reach more than 750 million viewers across India and cater to the Indian diaspora around the world.

Ares Management Corporation (Ares) – has provided US\$300 million in incremental debt financing to Tempus AI, Inc. (Tempus) a technology company advancing precision medicine through artificial intelligence. This funding supports Tempus' acquisition of Ambry Genetics Corporation, which was finalized on February 3, 2025. Including previous capital injections of \$260 million in 2022 and 2023, Ares Credit funds have extended a total debt package of approximately \$560 million to Tempus. Founded in 2015, Tempus leverages data and artificial intelligence (AI) to enhance clinical care and research. Its business model integrates patient sequencing for therapy and trial matching, data collection through licensing and analytical tools, and diagnostic testing insights. Tempus aims to support physicians and researchers in fields such as oncology, cardiology, pathology, and radiology.

Berkshire Hathaway Inc. (Berkshire) – reported fourth-quarter (Q4) earnings of US\$19.7 billion, down from \$37.6 billion in 2023, while operating earnings surged 71% for the quarter and rose 27% for the year. Per-share operating income increased by 28%, benefiting from share repurchases. The insurance segment led growth, with operating earnings up 51% and investment income rising 43% due to higher short-term balances. Government Employees Insurance Company (GEICO) improved under Todd Combs, with policies increasing in the second half of the year. Despite hurricane losses, GEICO, Berkshire Hathaway Primary Group, and Berkshire Hathaway Reinsurance Group all posted underwriting profits, while the company's insurance float grew by \$5 billion to \$171 billion. BNSF Railway Company (BNSF) Railroad's operating earnings fell 1% due to labour agreements and litigation, though productivity gains improved its operating ratio. Berkshire Hathaway Energy posted a 60% increase in operating earnings, partly due to reduced wildfire accruals. Manufacturing, Services, and Retailing earnings fell 4.2%, with declines at TTI Inc., aviation services, and XTRA Corporation. Retailing, led by Berkshire Hathaway Automotive, reported 7.9% earnings drop, while consumer products and Precision Castparts delivered gains of 10.9% and 24.4%, respectively. Pilot Travel Centers LLC, now fully owned by Berkshire, saw a 41.9% decline due to lower fuel prices.

Brookfield Asset Management Ltd. (Brookfield) – is reportedly in talks to invest approximately US \$1 billion in Spring Education Group, Inc. (Spring Education) a private school operator, according to sources familiar with the matter. The potential investment is structured as debt financing and would support Spring Education's network of private schools, which span from early childhood to high school, along with its online education division. Led by Chief Executive Officer (CEO) Michael Collins, the company operates across 19 US states and has a presence in Asia. Negotiations are ongoing and may still face delays or fail to materialize. If finalized, the transaction would build on Brookfield's investment last year in Global Education Management Systems (GEMS) Education, a Dubai-based, family-owned private school provider.



DIVIDEND PAYERS



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PORTLAND CANADIAN
BALANCED FUND¹

Nutrien Ltd. (Nutrien) - announced its Q4 2024 results, with net earnings of US\$118 million (\$0.23 diluted net earnings per share). Q4 2024 adjusted EBITDA was \$1.1 billion and adjusted net earnings per share was \$0.31. "Nutrien delivered higher upstream fertilizer sales volumes, accelerated operational efficiency and cost savings initiatives and increased downstream Retail earnings in 2024, demonstrating significant progress towards our 2026 performance targets. We took a disciplined and intentional approach to our capital allocation decisions, further optimizing capital expenditures and returning \$1.2 billion to shareholders through dividends and share repurchases," commented Ken Seitz, Nutrien's President and CEO. The company generated net earnings of \$700 million (\$1.36 diluted net earnings per share) and adjusted EBITDA of \$5.4 billion (\$3.47 adjusted net earnings per share) for the full year of 2024. Retail adjusted EBITDA increased to \$1.7 billion in 2024 supported by higher product margins and lower expenses, as the continued to simplify the business and accelerate downstream network optimization initiatives.



LIFE SCIENCES



GO TO
PORTLAND LIFE
SCIENCES
ALTERNATIVE FUND¹

Amgen Inc. (Amgen) - has announced an investment of US\$200 million in a new "technology and innovation" facility in Hyderabad, India, aimed at increasing the use of AI and data science to support the development of new medicines. This initial investment in 2025 is part of a broader strategy, with plans for further substantial investments in the coming years. The facility's inauguration was attended by Telangana Chief Minister A. Revanth Reddy, who emphasized the state's vision to transform into a \$1 trillion economy and position itself as a "China Plus One" destination for businesses diversifying supply chains beyond China.

Clarity Pharmaceuticals Ltd. (Clarity) - has received Fast Track Designation (FTD) from the United States Food and Drug Administration (FDA) for 67Cu-SAR-bisPSMA, (Copper 67, Sacrophagine bi Prostate-Specific Membrane Antigen) a treatment for metastatic castration-resistant prostate cancer (mCRPC) patients previously treated with androgen receptor pathway inhibition. This designation accelerates development and regulatory review of the drug, building on Clarity's previous Fast Track Designations (FTDs) for the diagnostic 64Cu-SAR-bisPSMA. Early data from the Phase I/IIa SECURE study shows Prostate-Specific Antigen (PSA) reductions in most patients. The drug has demonstrated a favorable safety profile.

Danaher Corporation (Danaher) - announced that its Board of Directors has approved a regular quarterly cash dividend of US\$0.32 per share of its common stock, representing a 18.5% increase over previous dividend payment of \$0.27. Additionally, Danaher has appointed Charles Lamanna to its Board of Directors and its Science & Technology Committee. Lamanna is currently the Corporate Vice President of Business & Industry Copilot at Microsoft Corporation (Microsoft), where he leads product innovation in AI-powered business applications, low-code platforms, and autonomous agents. He previously founded and served as CEO of MetricsHub, which was acquired by Microsoft in 2013.

ICON plc - reported its Q4 and full-year 2024 financial results. For Q4, net business wins were US\$2,413 million, with revenue of \$2,041.1 million, a 1.2% decrease from the previous year. Full-year revenue reached \$8,282 million, marking a 2% increase year-over-year. Adjusted EBITDA for Q4 was \$422.6 million, while full-year adjusted EBITDA stood at \$1,735.8 million, reflecting a 2.5% increase. GAAP net income for the quarter was \$260 million, up 21.5% from the prior year.

Olema Pharmaceuticals, Inc. - has appointed Shawnte M. Mitchell, J.D., as its new Chief Legal Officer and Corporate Secretary. Mitchell, a seasoned leader with 20 years of experience in the healthcare and life sciences industries, will lead the company's legal function as it advances its clinical programs. She previously served as Chief Legal Officer at Genomatica, Inc. and held senior roles at Zogenix, Inc. and Aptevo Therapeutics Inc. She holds a B.S. in Biological Sciences from Stanford University and a J.D. from George Washington University Law School.

Telix Pharmaceuticals Limited (Telix) - reported a record financial performance for fiscal year (FY)2024, with total revenue of AU\$783.2 million, a 56% increase from AU\$502.5 million in 2023, driven primarily by Illuccix® sales. The company achieved its second year of profitable growth despite significant investments, including AU\$194.6 million in research and development (R&D) and AU\$15.8 million in manufacturing and distribution. Adjusted EBITDA for the year rose by 70% to AU\$99.3 million. Key achievements included preparing for the launch of three new products in 2025, expanding global infrastructure through acquisitions, and advancing late-stage therapeutic trials. Telix also provided FY2025 guidance, projecting revenue of up to AU\$1.23 billion.



NUCLEAR ENERGY

Bloom Energy Corporation - has expanded its partnership with Equinix, Inc. (Equinix) to provide over 100MW (Megawatt) of electricity capacity for Equinix's International Business Exchange™ (IBX®) data centers across the U.S. The collaboration, which began in 2015 with a 1MW pilot in Silicon Valley, has grown significantly, with approximately 75MW operational and 30MW under construction.

Cameco Corporation (Cameco) - reported strong 2024 results, with net earnings of US\$172 million, adjusted net earnings of \$292 million, and operating cash flow of \$905 million. Adjusted EBITDA rose 73% to \$1.5 billion, including \$483 million from Westinghouse Electric Company LLC (Westinghouse). Q4 net earnings were \$135 million, with adjusted earnings of \$157 million. Cameco delivered 33.6 million pounds of uranium at \$79.70 per pound, with Key Lake mill achieving a record

20.3 million pounds. Joint Venture Inkai LLP (JV Inkai) faced production disruptions but resumed operations on January 23. Long-term uranium contracts total 220 million pounds, with Uranium Hexafluoride (UF6) contracts exceeding 85 million kilograms of Uranium (kgU). Westinghouse posted a \$218 million loss due to purchase accounting impacts but had \$483 million in adjusted EBITDA and resolved a technology dispute with Korean partners. Cameco holds \$600 million in cash, \$1.3 billion in debt, and a \$1 billion credit facility. The US\$600 million Westinghouse loan was fully repaid by January 2025. JV Inkai paid a \$129 million USD dividend, and Cameco raised its annual dividend from \$0.12 to \$0.16 per share, with plans to increase to \$0.24 by 2026. For 2025, Cameco targets 18 million pounds of uranium production at McArthur River/Key Lake and Cigar Lake, with fuel services production of 13-14 million kgU, supported by favorable market conditions and long-term contracts.

Constellation Energy Corporation (Constellation) - reported strong 2024 results, with GAAP net income of \$11.89 per share (up from \$5.01 in 2023) and adjusted operating earnings of US\$8.67 per share (up from \$6.28). Q4 GAAP net income was \$2.71 per share, with adjusted earnings of \$2.44. The company reaffirmed its 2025 earnings guidance of \$8.90 to \$9.60 per share. Key developments include the planned acquisition of Calpine Corporation, combining clean energy production with natural gas assets, and a 20-year power purchase agreement with Microsoft. Constellation repurchased \$1 billion in shares in 2024, totaling \$2 billion since 2023, with \$1 billion remaining. Moody's Corporation upgraded its credit rating to Baa1, and a \$900 million green bond was issued. The annual dividend rose by 25%, with a quarterly dividend of \$0.3878 per share payable March 18, 2025. Operationally, Constellation maintained its status as the largest U.S. producer of emissions-free energy, with a nuclear capacity factor of 94.6%. The natural gas and hydro fleet achieved a 97.4% dispatch rate, while renewables had 96.1% energy capture.

Societatea Națională Nucleară Electrică S.A. (Nuclearelectrica) / NuScale Power Corporation (NuScale) - Romania's Energy Minister, Sebastian Burduja, remains confident that U.S.-backed nuclear power projects should not be affected by recent political tensions in the country. These projects undertaken by Nuclearelectrica, the Romanian state-owned nuclear power producer, include a €3.2 billion contract to build two 700 MW reactors with U.S. companies Fluor Corporation and Sargent & Lundy, L.L.C., as well as plans for a small modular reactor plant by 2029 with technology from U.S. firm NuScale.



ECONOMIC CONDITIONS

US Housing Starts - US Housing starts fell 9.8% to 1.37 million in January amid colder weather that hampered much of the country. Construction of single-family units sagged for the first time in three months, while volatile multistats also saw a drop. Notably, despite the LA wildfires, building activity in the West bucked the general downward trend and catapulted 42%, the fastest pace since the reopening back in May 2020. Building permits, a good proxy for future home construction,

were little changed and have lacked any momentum for the past couple of years. In summary although the overall economy is holding up well, activity in the interest-sensitive housing sector has been muted. Residential construction likely won't make significant traction through much of this year, especially now that the Fed is signaling there is no rush to move off the sidelines.

Canadian Inflation - Headline edged higher to 1.9% year over year (y/y) in January to match the market consensus as prices rose by 0.1% month over month (m/m). Energy prices provided the key driver to the upside, while the two-month **Harmonized Sales Tax** (HST) holiday continued to exert downward pressure on restaurants and others. Core inflation strength was a key takeaway, with Consumer Price Index (CPI)-trim/median hitting 2.70% in January. Core inflation strength will make the Bank of Canada's job more challenging as it continues to balance stronger domestic data against excess capacity and trade uncertainty.

UK Inflation - UK inflation jumped sharply in January, largely as expected, as temporary softness in December airfares unwound. There was something for everyone in this report, with headline inflation surprising to the upside at 3.0% (market (mkt)/Monetary Policy Committee (MPC): 2.8%), while services inflation surprised to the downside (mkt: 5.1%). Core inflation landed on top of the consensus of 3.7%, but notably was a downside surprise to the MPC, who expected a reading of 3.9%. Special factors were largely the name of the game in January, as airfares (-19% m/m) unwound an artificially low reading in December, while Value-Added Tax (VAT) on private school fees led to a +7.4% m/m rise in primary & secondary education. The MPC will take some comfort in the downside surprise to their core inflation forecast (likely in part driven by weaker services prices than they expected). Data is going to remain quite noisy over the next few months on both the inflation and wages fronts, making it tricky to measure the true signal on inflation pressures.

UK Manufacturing - The UK February Composite **Purchasing Managers' Index** (PMI) came in broadly unchanged and as expected, at 50.5. The Manufacturing PMI slipped nearly two points, however, to 46.4 (mkt: 48.5), its lowest since late-2023. The Services PMI nudged up slightly to 51.1, against the consensus expectation of an unchanged 50.8. Employment worryingly dropped sharply to its weakest drop since 2020, especially in the manufacturing sector. Firms are slowing hiring into the National Insurance premium hike coming in April. New orders also slipped further into contraction territory across both sectors, for the third consecutive month. Price pressures were largely unchanged on the month. Overall, this report suggests generally sideways momentum into the middle of the first quarter, but the Monetary Policy Committee will be worried about the what the employment indexes are showing.

UK Retail Sales - UK January retail sales surged by 1.7% m/m (mkt: 0.5%), driven by a massive 5.6% m/m jump in food store sales. Non-food sales were down in the month. Firms in the food sector suggested that firmer sales were a result of consumers eating at home more in January. That said, it's still worth highlighting that between Jan retail sales and December Gross Domestic Product (GDP), both data points came out above all economist estimates, suggesting that real wage strength might be feeding through to pockets of demand in the broader economy.

European Manufacturing - French Services PMI fell to 44.5 whereas the overall euro area Composite PMI in February, remained unchanged at 50.2. Overall, divergent patterns were clear across countries, with an improvement in the German Manufacturing PMI to 46.1 (mkt: 45.5), against the aforementioned weakness in the French Services PMI. Details of the euro area PMI showed that new business remained in contraction territory, while employment contracted at a slightly faster rate in February. Both input and output prices rose in the month as well. The PMIs haven't offered a clear signal for GDP growth lately, but at least by this measure, growth momentum through the middle of Q1 2025 has largely been sideways in our view.



FINANCIAL CONDITIONS

The Reserve Bank of New Zealand - The Reserve Bank of New Zealand delivered a 50 basis points (bps) cut as expected by the market and analyst consensus. The Official Cash Rate (OCR) track in the Monetary Policy Statement (MPS) has been lowered an additional 50bps compared with the November 2024 MPS but terminal is still not expected to be below 3%. The Governor reaffirmed likely 25bps cuts at the April and May meetings. The Bank's new projections have headline inflation higher in 2025, wages forecasts remain stickier, the peak in the unemployment rate remains at 5.2% (but the move down is slower).

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 0.35%. 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 decreased to 6.85%. Existing U.S. housing inventory is at 3.5 months supply of existing houses as of February 21, 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 20.17 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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