MARCH 3, 2025

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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 New Energy is among companies that won a bid for battery cell manufacturing in 2022 under an Indian government plan to reward local production, is at risk of missing a deadline, said the people who asked not to be identified because the deliberations are private. The failure to reach state-directed manufacturing goals reflects the technological challenges and shifting market dynamics that can stymie Modi's 'Make in India' vision to rival China as the world's factory. Modi has sought to boost manufacturing to 25% of gross domestic product but the share has slipped to 13% in 2023 from 15% in 2014. Reliance New Energy, Rajesh Exports Limited and Ola Cell Technologies Private Limited, a unit of Ola Electric Mobility Limited, won bids in 2022 to build the battery cell plants under the Production Linked Incentive (PLI) program. Manufacturers were eligible for 181 billion rupees worth of subsidies on meeting milestones for the project that sought to create a cumulative 30 gigawatt-hour (GWh) capacity of advanced chemistry cell battery storage. The firms were required to achieve a minimum 'committed capacity,' along with local value addition of 25% within two years of the agreement, and 50% within five years, the people said. The Reliance unit has turned its focus to green hydrogen, a fuel seen as key to a carbon-free future, as part of a shift in the company's priorities, the people said. The companies are also yet to firm up the technology needed to manufacture lithium-ion cells locally. Moreover, global lithium-ion phosphate, or LFP, battery prices have been on the decline. This has made imports of cells cheaper than ever, creating uncertainty around domestic demand and slowing the pace of investments in India.

Reliance - is planning to complete construction of its first giga factory for photovoltaic (PV) modules by March. Its trial runs already started at its green energy complex in Jamnagar, Gujarat, sources said. Reliance, which aims to branch out into carbon-neutral energy production, targets commissioning a series of projects besides the PV module factory, including a battery factory and a green hydrogen plant, this year. It plans to set up a 10 GW solar PV factory in Jamnagar. The production of battery packs will also begin at the complex, with plans to build a fully integrated 5 GWh annual cell-to-pack manufacturing facility. The refining major wants to commission the 20 GW solar power generation project initially, with the power fully utilised for its green hydrogen production. The project will mark Reliance's transition from grey to green hydrogen. The company has allocated 75,000 crore for building five giga factories in Jamnagar. Chairman Mukesh Ambani has already stated that the company is ready to double its investment to further scale up the new energy manufacturing ecosystem. He aims to bring down the cost of green hydrogen to $1 per kilogram within a decade. Ambani plans to build an ecosystem for generating 100 GW of solar power by 2030 and achieving net carbon zero status by 2035. To meet these targets, he announced five giga factories, an integrated solar photovoltaic module factory, an advanced energy storage battery factory, an electrolyser factory, a fuel cell factory, and a power electronics factory. Reliance has entered into global partnerships for setting up these facilities. It is developing 5,000 acres of land in Jamnagar to build the Dhirubhai Ambani Green Energy Giga Complex. The site is located near two refineries and a petrochemical complex.

Brookfield Asset Management (Brookfield)– Britain's National Grid has agreed to sell its U.S. onshore renewables business to Canadian investment firm Brookfield Asset Management for US$1.74 billion, including debt. This move aligns with National Grid's strategy to focus on its energy network business and divest certain assets, including its UK-based Grain LNG terminal. Major energy companies like Shell plc, BP p.l.c., and Equinor ASA have also been scaling back renewable investments due to profitability concerns. National Grid Renewables, based in Minneapolis, operates 1.8 GW of solar, wind, and battery storage capacity in the U.S., with an additional 1.3 GW under construction. The deal, involving Brookfield and its institutional partners, including Brookfield Renewable Partners, is expected to close by March 31, 2026. Brookfield Renewable Partners' U.S. portfolio includes hydropower, wind, solar, and storage assets across 34 states.

Brookfield– is aiming to raise at least US$7 billion for its fourth infrastructure debt fund, following the success of its third fund, which closed in November 2023 with over $6 billion in commitments. The new fund will invest in both junior and senior infrastructure debt, continuing Brookfield's established strategy. The firm has already deployed most of its third fund, with a significant portion allocated to data and renewable assets. In December, it provided a $325 million debt package to water utility firm Central States Water Resources, Inc. Brookfield expects the fourth fund to be larger than its predecessor, capitalizing on the growing private credit market and attracting insurance firms and retail investors. Brookfield recently announced its $1.7 billion acquisition of National Grid plc's U.S. onshore renewables business and plans to invest €20 billion in data centres and artificial intelligence (AI) infrastructure in France over the next five years. The firm manages $328 billion in infrastructure assets, including renewables.

DIVIDEND PAYERS

GO TO PORTLAND CANADIAN BALANCED FUND[1]

ATCO Group Ltd. (ATCO)- announced adjusted earnings in 2024 of CAD$481 million ($4.29 per share), which were $49 million ($0.47 per share) higher compared to $432 million ($3.82 per share) in 2023. Fourth quarter (Q4) adjusted earnings in 2024 of $146 million ($1.30 per share) were $19 million ($0.17 per share) higher compared to $127 million ($1.13 per share) in Q4 of 2023. 2024 earnings attributable to Class I and Class II Shares reported in accordance with International Financial Reporting Standards (IFRS earnings) were $430 million ($3.83 per share) compared to $432 million ($3.82 per share) in 2023. Q4 2024 IFRS earnings were $138 million ($1.23 per share) compared to $95 million ($0.85 per share) in Q4 of 2023.

The Bank of Nova Scotia (Scotiabank) - reported first quarter (Q1) net income of CAD$993 million compared to $2,199 million in the same period last year. This quarter's net income includes an impairment loss of $1,355 million related to the announced sale of the banking operations in Colombia, Costa Rica, and Panama to Banco Davivienda S.A. Diluted earnings per share (EPS) were $0.66, compared to $1.68 in the same period a year ago. Adjusted net income for Q1 was $2,362 million and diluted EPS was $1.76, up from $1.69 last year. Adjusted return on equity was 11.8% compared to 11.9% a year ago. "Our results this quarter demonstrate the value of our diversified franchise and continued focus on deepening relationships with clients across our footprint," said Scott Thomson, President and Chief Executive Officer (CEO) of Scotiabank. "We are encouraged by the progress towards our stated medium-term financial objectives and remain focused on supporting our clients as they navigate through this challenging period of economic uncertainty."

Toronto-Dominion Bank (TD) - announced its financial results for Q1 ended January 31, 2025. Reported and adjusted earnings were CAD$2.8 billion and $3.6 billion, respectively, relatively flat compared with the first quarter last year. Reported diluted earnings per share were $1.55, compared with $1.55 for first quarter last year. Adjusted diluted earnings per share were $2.02, compared with $2.00 for Q1 last year. Reported net income was $2,793 million, compared with $2,824 million for Q1 last year. Adjusted net income was $3,623 million, compared with $3,637 million for Q1 last year. "TD started the year with strong momentum and record revenue across many of our businesses. While expenses remain somewhat elevated, we delivered solid earnings, which positions us well as we begin the new fiscal year," said Raymond Chun, Group President and CEO, TD Bank Group. "U.S. AML remediation remains our top priority, and we continue to make consistent progress to strengthen the Bank. The strategic review is advancing as planned, and we have taken early action, such as our divestiture of Schwab, as we develop our strategy and roadmap for the future."

LIFE SCIENCES

GO TO PORTLAND LIFE SCIENCES ALTERNATIVE FUND[1]

Amgen Inc. (Amgen) - and AstraZeneca plc announced positive results from the Phase 3 WAYPOINT trial of TEZSPIRE® (tezepelumab-ekko) in chronic rhinosinusitis with nasal polyps (CRSwNP). The trial showed that TEZSPIRE significantly reduced nasal polyp severity, nasal congestion, and the need for surgery or systemic corticosteroids compared to placebo. This treatment offers potential lasting relief for CRSwNP patients who experience recurrent symptoms and surgeries.

BeiGene, Ltd. (BeiGene) – reported financial results for fourth quarter (Q4) and the full year of 2024, with global revenues reaching US$1.1 billion for Q4 and $3.8 billion for the full year. BeiGene advanced multiple pivotal-stage programs and initiated 13 New Molecular Entities (NMEs) in 2024. Looking ahead, the company projects 2025 revenues between $4.9 billion and $5.3 billion and expects to generate positive GAAP operating income and cash flow. Additionally, BeiGene plans to change its name to BeOne Medicines Ltd. and is targeting significant solid tumor data readouts in first half (1H) 2025.

Bicycle Therapeutics plc (Bicycle)– reported business progress in Q4, including Phase 1 combination data for zelenectide pevedotin showing anti-tumor activity in metastatic urothelial cancer. Bicycle is also advancing its radiopharmaceuticals pipeline, with key imaging data expected in mid-2025 and late 2025. As of December 31, 2024, the company had US$879.5 million in cash, providing financial runway into 2027.

Iovance Biotherapeutics, Inc. – reported financial performance for Q4 2024, with product revenue of US$73.7 million, and $164.1 million for the full year, hitting the upper end of their Fiscal year (FY)24 guidance range. The company reaffirmed its FY25 total product revenue guidance of $450-$475 million and expects a cash burn under $300 million. Regulatory approvals for its therapy, Amtagvi® (Lifileucel), are expected in the UK, EU, and Canada in 2025. Enrollment is accelerating in global registrational trials for frontline advanced melanoma and previously treated advanced non-small cell lung cancer.

Lantheus Holdings, Inc. (Lantheus) – reported strong financial results for Q4 and the full year of 2024, with worldwide revenue of US$391.1 million in Q4 and $1.53 billion for the year. PYLARIFY, the company's radiodiagnostic, surpassed $1 billion in net sales, becoming the first blockbuster radiodiagnostic. Lantheus also announced strategic asset and in-licensing deals to diversify its portfolio and support continued growth.

Nuvalent, Inc. – reported progress in its pipeline, with key updates on its Receptor Tyrosine Kinase. (ROS1) and Anaplastic Lymphoma Kinase (ALK) programs. The company launched Expanded Access Programs for zidesamtinib and neladalkib and expects pivotal data in 2025, with plans to submit a Ned Drug Application (NDA) for zidesamtinib by mid-year. The company appointed Grant Bogle to its board and has a cash position of US$1.1 billion, expected to fund operations into 2028.

RadNet, Inc. (RadNet) – reported Q4 results in 2024, with total revenue reaching a record US$477.1 million, up 13.5% from the previous year. Adjusted EBITDA also hit a record high of $75.0 million, a 14.0% increase. The company also saw an 8.0% increase in aggregate procedural volumes and a 4.0% rise in same-center volumes. RadNet ended the year with a cash balance of $740 million and a leverage ratio of under 1.0x.

Relay Therapeutics, Inc (Relay) – reported progress in its clinical programs for 2024, highlighting the upcoming Phase 3 ReDiscover-2 trial of RLY-2608 + fulvestrant in Phosphoinositide 3-kinase alpha (PI3Kα)-mutated, Cyclin-Dependent Kinase 4 and (CDK4/6) pre-treated, Hormone Receptor Positive (HR+)/HER2 –(Human Epidermal Growth Factor Receptor 2)metastatic breast cancer, expected to begin in mid-2025. With approximately $780 million in cash and investments at the end of Q4 2024, Relay states that the company is well-positioned to fund the Phase 3 trial.

Schrödinger Inc. (Schrödinger)– reported financial results for Q4 and the full year of 2024, with software revenue reaching US$180.4 million for the year, marking a 13.3% increase from 2023. The company expects software revenue growth of 10% to 15% and drug discovery revenue of $45-50 million in 2025. Schrödinger also announced an expanded research collaboration with Eli Lilly and Company and expects to report Phase 1 data from three proprietary programs in 2025.

Telix Pharmaceuticals Limited (Telix)– announced a board renewal as part of its succession planning process. H Kevin McCann AO will retire as Chairman and Non-Executive Director on May 21, 2025, after serving since the company's Australian Securities Exchange (ASX) listing in 2017. Tiffany Olson, a Non-Executive Director since 2022, will succeed him as Chairman. Marie McDonald will join the board as a Non-Executive Director on March 3, 2025.

Telix – announced that the US Food and Drug Association (FDA) has accepted the Biologics License Application (BLA) for its investigational kidney cancer imaging agent, TLX250-CDx (Zircaix®), and granted it Priority Review with a Prescription Drug User Fee Act (PDUFA) date of August 27, 2025. If approved, TLX250-CDx will be the first imaging agent to accurately diagnose and characterize clear cell renal cell carcinoma (ccRCC). The company aims for a U.S. commercial launch in 2025.

NUCLEAR ENERGY

Bloom Energy Corporation - reported financial results for Q4and full year of 2024. The company achieved a record full-year revenue of US$1.47 billion, driven by growth in product and service revenue. In Q4, revenue was $572.4 million, up 60.4% from the previous year, with product and service revenue increasing 67.2%.

BWX Technologies, Inc. (BWX)– reported Q4 and full-year 2024 results, with Q4 GAAP EPS of USD$0.77, on revenue of $746.3 million. For 2024, the company reported GAAP EPS of $3.07, and revenue of $2.7 billion. The company closed the acquisition of Alberta Oil Tool (A.O.T.) in January 2025 and announced an agreement to acquire Kinectrics Inc. Looking ahead, BWX initiated 2025 guidance, forecasting non-GAAP EPS of $3.40–$3.55, adjusted EBITDA of $550–570 million, and free cash flow of $265–285 million. The company continues to see growth in national security, clean energy, and medical markets, investing to enhance its nuclear solutions portfolio.

Constellation Energy Corporation (Constellation Energy) – Siemens Energy AG (Siemens Energy) has entered a partnership with Rolls-Royce SMR Ltd (Roll-Royce SMR), making it the exclusive supplier of conventional technology for future small modular nuclear reactors (SMRs) built by Rolls-Royce. Under the agreement, expected to be finalized by the end of 2025, Siemens Energy will provide steam turbines, generators, and auxiliary systems for Rolls-Royce's Generation 3+ SMR power plants. SMRs are being developed globally as a more cost-effective and faster-to-deploy alternative to traditional large-scale nuclear plants. Siemens Energy sees nuclear energy as key to producing low-emission electricity, with SMRs playing a major role in the sector's resurgence. Rolls-Royce SMR, majority-owned by Rolls-Royce Holdings and backed by investors including Qatar, Constellation Energy, and BNF Resources (UK) Limited, has been shortlisted by the UK for SMR development. It has also secured projects in the Czech Republic and is under consideration for deployments in Britain and Sweden. Its reactors can generate up to 470 megawatts (MW), enough to power 1.1 million homes.

Plug Power Inc. (Plug Power)– new 15-ton-per-day (TPD) hydrogen plant in St. Gabriel, Louisiana, is on schedule to begin operations in Q1 of 2025, entering its final commissioning phase. Operated by the joint venture Hidrogenii, the facility will use Olin Corporation's by-product hydrogen from chlorine production. The plant has achieved over 412,000 safe working hours with zero recordable injuries, reflecting strong safety standards. Once operational, it will add 15 TPD of liquid hydrogen to Plug Power's capacity, supporting partners like Amazon.com, Inc. and Walmart Inc. and expanding its North American hydrogen network.

ECONOMIC CONDITIONS

Canadian Gross Domestic Product (GDP) - Canadian GDP rose into 2025. Q4 National Accounts surprised to the upside with real GDP rising by 2.6% (market: 1.7%) on broad strength across household consumption and investment. Upward revisions to Q3 added to the positive tone, as did a 5.6% increase for domestic demand. Industry-level GDP did print slightly below expectations with a 0.2% month over month (m/m) increase, but this was more than offset by positive revisions and new flash estimates for a 0.3% gain in January. Q1 growth looks a touch stronger after this report. This report provides an interesting backdrop ahead of the March Bank of Canada (BoC) decision, with the Canadian economy on a much stronger footing as the risk of tariffs looms ahead of March 4th. In our view the March BoC meeting looks increasingly like a binary response to any tariff announcement this week, as the data provides a strong argument to hold in the absence of tariffs.

US Personal Spending - US Personal spending rose a less-than-expected 0.2% in the month, which followed an upwardly revised 0.8% advance in December. Real spending plunged 0.5%, reversing the prior month's increase, and the declines were broad based, with a big pullback in autos and recreational vehicles. Even real services spending was on the light side, up just 0.1%. The coldest January in a quarter century and the Los Angeles wildfires likely contributed to the weakness, and a portion was simply payback (i.e., credit card bills) from the burst of spending during the holiday season. Consumers continue to be well-supported by personal income gains, though the 0.9% spike in January was flattered by cost-of-living adjustments to Social Security benefits. Still, wages and salaries rose a decent 0.4% for a second straight month. Prices matched expectations. The headline Personal Consumption Expenditures (PCE) prices rose 0.3%, as per the prior month, trimming the yearly rate to 2.5%. Core prices also rose 0.3%, which was a step up from an upwardly revised 0.2% advance in December. Still, the 3-month annualized core rate held at 2.4% and the yearly rate dropped three spots to 2.6%. The weak January spending figures likely mask continued decent underlying growth in personal consumption, though recent sour consumer sentiment surveys suggest concern about tariff-led inflation is starting to weigh.

US Goods Trade Deficit - U.S. goods trade deficit increased by $31 billion to a record $153 billion in January due to a 12% surge in imports, as businesses raced to stock up ahead of tariffs.

US Tariffs and Trade Policy - U.S. President Donald Trump is expected to decide on Monday what levels of tariffs he will impose early on Tuesday on Canada and Mexico amid last-minute negotiations over border security and efforts to halt the inflow of fentanyl opioids. Trump has vowed to impose 25% tariffs on all imports from Canada and Mexico, with 10% for Canadian energy. CEOs and economists say the action, covering more than $900 billion worth of annual U.S. imports from its southern and northern neighbors would deal a serious setback to the highly integrated North American economy. The tariffs are scheduled to take effect at 12:01 a.m. EST (0501 GMT) on Tuesday. Commerce Secretary Howard Lutnick on Sunday signaled that Trump may not impose the full amount of tariffs, saying that the president would determine their exact levels.

Australian Inflation - Australia inflation for January missed slightly to the downside, with headline at 2.5% year over year (y/y) (consensus (cons): 2.6%, prior:2.5%). Driving the headline lower were 1) easing rent prices from higher vacancy rates 2) falling new dwelling prices from builders' discount and promotional offers 3) lower fuel prices which marks its first monthly fall since October 2024. Worryingly, goods inflation continues to track higher to 1.8% y/y (prior: 1.4%) despite a slight moderation in services inflation to 3.6% y/y (prior: 3.7%). Nonetheless, the easing in housing related inflation should open the door for the Reserve Bank of Australia to deliver the next cut in May, in our opinion.

Eurozone Harmonised Index of Consumer Prices (HICP) Inflation - core came out in line with our expectations at 2.6% y/y, while headline surprised a tick to the upside at 2.4% (mkt 2.3%). Within the core components, services inflation slipped to 3.7% y/y, its lowest reading since April 2024, while core goods inflation rose to 0.6% y/y, but remains largely range-bound.

FINANCIAL CONDITIONS

The U.S. 2 year/10 year treasury spread is now 0.19% and the U.K.'s 2 year/10 year treasury spread is 0.36%. 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 6.76%. 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 20.15 and while, by its characteristics, the VIX will remain volatile, we believe a VIX level below 25 bodes well for quality equities.

And Finally: *"Benjamin Franklin may have discovered electricity, but it was the man who invented the meter who made the money." ~Earl Wilson*

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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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