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NEWS HIGHLIGHTS

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

FEBRUARY 23, 2026

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OWNER OPERATED COMPANIES



GO TO
PORTLAND 15 OF 15
ALTERNATIVE FUND



PORTLAND 15 OF 15
ALTERNATIVE FUND
COMPANY NEWS

Ares Management Corporation (Ares) – announced the pricing of its second European Direct Lending Collateralized Loan Obligation (CLO), Ares European Direct Lending CLO II, at over EUR 300 million, marking the strategy's second issuance within the past 12 months. The multi-currency middle-market CLO is backed exclusively by directly originated loans to more than 70 predominantly Western European companies, with collateral primarily consisting of senior secured, floating rate instruments. The notes are expected to be rated by Standard & Poor's (S&P) and Kroll Bond Rating Agency (KBRA), reflecting continued institutional demand for structured European private credit exposure. CLOs remain an established capital markets tool within Ares' broader platform, with approximately US\$ 39 billion of the firm's US\$ 407 billion Credit Group Assets Under Management (AUM) currently managed in CLO vehicles.

Berkshire Hathaway Inc. (Berkshire Hathaway) – Berkshire Hathaway Energy's PacifiCorp agreed to sell its Washington electric utility operations and select generation assets to Portland General Electric Company (PGE) for US\$ 1.9 billion in cash (subject to customary adjustments), citing liquidity and credit pressure as it continues to face Oregon wildfire litigation. The package includes the 477 megawatt (MW) Chehalis natural gas plant, the 94 MW Goodnoe Hills wind facility, the 234 MW Marengo I & II wind facilities, and roughly 4,500 miles of transmission and distribution lines serving about 140,000 customers across approximately 2,700 square miles; PacifiCorp's Washington hydroelectric assets are excluded. PGE said it will

operate the Washington business as a separate company through a newly formed subsidiary regulated by the Washington Utilities and Transportation Commission, and that Manulife Investment Management Holdings Limited (Manulife Investment Management) is expected to acquire a 49% stake in the Washington utility entity. The companies said closing is expected to take roughly a year or longer, subject to federal and state regulatory approvals.

Carnival Corporation (Carnival) – and Carnival plc said they entered into a unification agreement to unwind their dual listed company structure and move to a single parent company, with Carnival Corporation continuing with incorporation changing from Panama to Bermuda as "Carnival Corporation Ltd." and Carnival plc becoming a wholly owned United Kingdom (UK) subsidiary. The transaction is expected to be implemented through a UK scheme of arrangement and is subject to approvals from both companies' shareholders and the UK court, along with other customary conditions. Carnival has said it intends to hold shareholder meetings in April 2026 to consider the proposals. Following completion, the combined parent is expected to continue trading on the New York Stock Exchange (NYSE) under a single listing, with the separate UK line to be wound down as part of the simplification.

Reliance Industries Limited (Reliance Industries) – Reliance Industries will invest as much as INR 10 trillion (US\$ 110 billion) over seven years into artificial intelligence (AI)-related infrastructure, joining the global rush into technology's fastest-growing arena. This investment by Reliance Industries Limited and its telecommunications unit, Reliance Jio Infocomm Limited (Reliance Jio), will also seek to lower the cost of AI, Mukesh Ambani said at the India Artificial Intelligence (AI) Impact Summit on Thursday in New Delhi. "India cannot afford to rent intelligence. Therefore, we will reduce the cost of intelligence as dramatically as we did the cost of data," Ambani said at the event, referring to Reliance Jio's disruptive entry in 2016 with low cost data and free calls that recast the sector's price dynamics. The announcement follows a US\$ 100 billion AI investment pledge by Gautam Adani earlier this

week and Tata Group's plans to partner OpenAI Inc. earlier in the day. India's largest conglomerates, long known for aligning their corporate strategy to national priorities, are doubling down as Narendra Modi's government pitches India as a hub for AI and cloud computing. India kicked off one of the largest AI conferences this week that has already drawn industry heavyweights, including Alphabet Inc.'s Sundar Pichai and OpenAI's Sam Altman. The country expects to attract more than US\$ 200 billion in AI-driven investments over the next two years, mirroring the global trend where trillions are being spent in an unprecedented AI hardware arms race. Reliance Industries will work with India's leading industrial groups to embed AI across manufacturing, logistics, energy, finance, retail, agriculture and health care, according to Ambani. Reliance Industries also sketched out other areas in which it is adopting AI. Its JioHotstar plans to introduce a bot based on OpenAI's ChatGPT that will recommend content and interact with viewers in multiple local languages on India's largest streaming platform, according to a separate statement. Reliance Industries has also begun construction of several data centers in Jamnagar in Gujarat that will house several gigawatts (GW) of computing capacity, according to Ambani. Over 120 MW of that will come online in the second half of this year. "This is not a speculative investment for chasing valuation," he said on Thursday about the latest announcement. "This is patient, disciplined, nation building capital."



DIVIDEND PAYERS



GO TO
PORTLAND CANADIAN
BALANCED FUND¹

The Toronto-Dominion Bank (TD) – is unifying its private investment counsel and private investment advice businesses to deliver a single discretionary investment management platform for high net worth clients. The new platform will operate within the Canadian Investment Regulatory Organization (CIRO) framework. The unification provides meaningful benefits for both clients and advisors. Clients continue to benefit from comprehensive discretionary wealth management, now supported by enhanced technology and a broader range of investment solutions. Advisors will benefit from a consolidated operating model that reduces friction, strengthens practice support, and enables more time to focus on delivering high value guidance.



LIFE SCIENCES



GO TO
PORTLAND LIFE
SCIENCES
ALTERNATIVE FUND¹

Clarity Pharmaceuticals Ltd. (Clarity Pharmaceuticals) – announced positive Phase II results from a Co Prostate Specific Membrane Antigen (PSMA) Investigator Initiated Trial (IIT), which evaluated its diagnostic agent copper 64 SAR bisPSMA (64Cu SAR bisPSMA) in prostate cancer patients whose cancer returned after surgery and who have low prostate specific antigen (PSA) levels. The study met its main goal by showing that this new positron emission tomography/computed tomography (PET/CT) imaging method detected significantly more cancer lesions per patient compared with standard imaging gallium 68 PSMA 11 (68Ga PSMA 11) PET/CT, which is

commonly used today. This patient group can be difficult to assess because cancer recurrence at low PSA levels is harder to detect, yet accurate imaging is important for deciding on further treatment. The results suggest that 64Cu SAR bisPSMA may improve detection of recurrent prostate cancer in these cases, where current imaging methods often have limited sensitivity.

Janux Therapeutics, Inc. (Janux Therapeutics) – announced that it has dosed the first patient in a Phase I clinical trial of its investigational drug, JANX011, which is being developed for the treatment of autoimmune diseases. JANX011 is designed to target cluster of differentiation 19 (CD19)-positive B cells, a type of immune cell involved in inflammatory processes associated with certain autoimmune disorders. The intended approach is to reduce these cells in order to modify immune system activity. This Phase I study represents the first time JANX011 is being evaluated in humans and is primarily focused on assessing safety, tolerability, pharmacokinetics (PK) and dose levels. As an early-stage trial, its purpose is to gather initial clinical data to inform future development.

Telix Pharmaceuticals Limited (Telix Pharmaceuticals) – reported strong fiscal year (FY) 2025 results, with total revenue reaching about US\$ 804 million, up roughly 56% year over year and in line with upgraded guidance, reflecting continued commercial growth driven mainly by prostate cancer imaging product Illuccix and the United States (US) launch of Gozellix. The company generated positive adjusted earnings before interest, taxes, depreciation and amortization (EBITDA) of about US\$ 39.5 million and maintained solid gross margins, while investing heavily in growth, including approximately US\$ 157 million in research and development (R&D) to advance its late stage therapeutic and precision medicine pipeline. Despite strong operating performance, Telix Pharmaceuticals reported a small loss before tax due largely to non cash financing and amortization costs related to acquisitions and convertible debt. Year end cash stood at about US\$ 142 million after significant strategic investments and mergers and acquisitions (M&A) activity, highlighting continued expansion of its commercial infrastructure and pipeline development.



NUCLEAR ENERGY

BWX Technologies, Inc. (BWX Technologies) – has appointed Dan Jablonsky to its board of directors, with his term beginning on March 2, 2026; he has also been named to the board's audit and finance committee. Jablonsky's background includes senior leadership roles in the aerospace and defense industry, most recently as chief executive officer (CEO) and chairman of Ursa Major and previously as president and CEO of Maxar Technologies. Earlier in his career he held leadership positions at DigitalGlobe and served as a surface warfare officer and nuclear engineer in the United States (US) Navy before practicing law. The company noted that his industry experience is expected to contribute to its strategic initiatives in space and defense sectors.



ECONOMIC CONDITIONS

Canadian existing home sales declined 5.8% month on month (m/m) in January. New listings surged 7.3% m/m in January but were still down 6.2% from a year ago. With sales falling and new listings rising, the sales to new listings ratio fell to 45%, below the long run average of 54.9%. Canadian average home prices declined 1.7% m/m.

Canada's trade deficit shrank from CA\$ 2.6 billion in November to CA\$ 1.3 billion in December. Exports increased 2.6% m/m, driven by exports of unwrought gold, silver and platinum groups jumping by 18% m/m and exports of aircrafts increasing 26% m/m. Seven of 11 product categories registered a decrease on the month. Stripping out the impacts of Canadian dollar (CAD) appreciation, exports rose by a more robust 4.5% m/m. Goods imports edged higher by 0.6% m/m in December, with six of 11 subsectors booking gains. In volume terms, both merchandise exports and imports were up 1.4% m/m. Canada's merchandise trade surplus with the United States (US) narrowed from CA\$ 6.5 billion in November to CA\$ 5.7 billion in December. Exports to non US destinations rose by 5.8% m/m, reaching an all time high.

Retail sales fell 0.4% m/m in December, coming in slightly stronger than Statistics Canada's -0.5% advanced estimate. In real terms, retail sales volumes were unchanged on the month, indicating December's headline decline was driven by prices rather than weaker overall activity. Auto sales declined 1.6% m/m, while receipts at gasoline stations and fuel vendors rose 2.8% m/m. Core retail sales (excluding motor vehicles and gasoline stations) slipped 0.3% m/m in December. Building material and garden equipment and supplies dealers (-4.0% m/m), furniture and home furnishings stores (-1.8%), and electronics and appliance stores (-1.6% m/m) all posted declines in December. Partially offsetting these losses were gains at miscellaneous retailers (+1.2%), sporting goods, hobby, book and music stores (+0.6%), and general merchandise stores (+0.2% m/m). Retail electronic commerce (e commerce) sales increased 3.6% m/m in December, lifting its share of total retail trade to 6.1% from 5.8% in November. Statistics Canada's advance estimate suggests retail sales increased 1.5% m/m in January.

The U.S. Supreme Court ruled that the tariffs justified by the International Emergency Economic Powers Act (IEEPA) were unlawful. The decision was 6-to-3. The majority ruling did not address what comes next, it cited the Court of International Trade (CIT), which was the initial lower court that ruled against IEEPA tariffs, as the appropriate venue to address the issue of refunds. The ruling eliminates most of the administration's duties imposed since taking office. Tariffs justified using IEEPA included fentanyl tariffs against Canada, Mexico, and China, country specific tariffs targeting internet censorship in Brazil, countries that import Russian oil or export oil to Cuba, in addition to the reciprocal tariffs against nearly all countries. Product specific tariffs remain in place. The Trump administration have a handful of options to impose more tariffs and wasted no time in doing so. The President signed an executive order late Friday imposing 10% tariffs under Section 122. Then on Saturday, he raised the levy to 15%, the maximum allowable rate under Section 122 with a 150-day term limit.

U.S. economy expanded by 1.4% quarter on quarter (q/q, annualized) in the fourth quarter, below the consensus forecast of 3.0% and a notable deceleration from the third quarter (Q3)'s 4.4%. The annual average rate of growth for 2025 was 2.2%, down from 2024's 2.8%. Consumer spending rose by 2.4% q/q, goods spending was essentially flat on the quarter, while services rose 3.4%. Business investment was up 3.7% q/q, a slight uptick from Q3. Investment in both equipment (+3.2%) and intellectual property products (+7.4%) were higher, while spending on structures (-2.4%) declined for an eighth consecutive quarter. Government spending fell 5.1% q/q, entirely driven by a pullback in federal outlays (-16.6%) due to the 43 day long government shutdown. Exports fell 0.9% while imports declined 1.3%.

U.S. housing starts rose 6.2% m/m in December to 1.40 million annualized units, stronger than consensus expectations for 1.31 million units. December's uptick in housing starts was driven by an 11.3% increase in multi family starts, with additional support from a 4.1% gain in single family starts. Residential permits rose 4.3% m/m to 1.45 million annualized units in December. Permitting activity declined in the single family segment (-1.7% m/m) while activity in the multi family segment increased (+15.2% m/m).

U.S. personal income rose 0.3% m/m in December, in line with market expectations, consumer spending was also aligned with market expectations, advancing by 0.4% m/m. Most of the gain in consumer spending was due to higher real prices, real spending rose by just 0.1% m/m. Spending on goods declined by 0.5% in real terms, weighed by reduced spending on cars and parts and furniture, while spending on services rose by 0.3% m/m. With spending slightly outpacing income, the personal saving rate edged lower to 3.6% from 3.7% in November and 4.3% a year ago. This marks the lowest level of the saving rate since October 2022. Core personal consumption expenditures (PCE) inflation, the Federal Reserve (Fed)'s preferred gauge, rose 2.7% quarter on quarter (q/q) annualized.



FINANCIAL CONDITIONS

The U.S. 2 year/10 year treasury spread is now 0.59% and the U.K.'s 2 year/10 year treasury spread is 0.77%. 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 6.01%. Existing U.S. housing inventory is at 3.7 months supply of existing houses as of February 23, 2026 - well off its peak during the Great Recession of 11.1 months and we consider a more normal range of 4-7 months.

The Chicago Board Options Exchange (CBOE) Volatility Index (VIX) is at 20.90 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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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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PIC26-009-E(02/26)