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NEWS HIGHLIGHTS

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

OCTOBER 6, 2025

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OWNER OPERATED COMPANIES



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COMPANY NEWS

Ares Management Corporation (Ares's) Infrastructure Opportunities strategy has acquired a 49% stake in a diversified U.S. renewable energy platform from EDP Renováveis S.A. (EDPR), valuing the entire portfolio at approximately US\$2.9 billion. The transaction covers 10 assets spanning four U.S. power markets, with a combined capacity of 1,632 megawatts (MW)—consisting of 1,030 MW solar, 402 MW wind, and 200 MW storage. All projects are backed by long-term power purchase agreements (PPAs), with an average remaining contract term of 18 years. Through this investment, Ares boosts its total capacity under management in U.S. power assets to approximately 5.7 gigawatts (GW), spanning 11 states and five power markets.

Berkshire Hathaway Inc. (Berkshire) has agreed to acquire Occidental Petroleum Corporation (Occidental) subsidiary OxyChem, a global chemicals manufacturer with products used in water treatment, pharmaceuticals, medical supplies, vinyl, and construction materials. The US\$9.7 billion cash transaction is expected to close in the Q4 of 2025, subject to regulatory approvals and customary conditions. As part of the arrangement, Occidental will retain OxyChem's legacy environmental liabilities and continue to manage remedial obligations via one of its subsidiaries. Occidental plans to use US\$6.5 billion of the proceeds to reduce its debt, aiming to bring its principal debt balance below US\$15 billion. The deal marks Berkshire's largest acquisition since the Alleghany purchase in 2022.

Brookfield Asset Management Ltd. (Brookfield) has acquired a majority stake in Angel Oak Capital Advisors LLC (Angel Oak), a leading U.S. structured credit and mortgage-focused investment manager with over \$15 billion in assets under management. The transaction, announced in July 2025, establishes a long-term strategic partnership to expand Brookfield's footprint in non-agency residential mortgage-backed securities (RMBS) and U.S. residential mortgage credit, a key area of growth within structured credit markets. As part of the agreement, Brookfield has committed US\$500 million to Angel Oak's investment strategies, boosting the platform's capacity to originate and scale mortgage credit exposures. Angel Oak will continue operating independently under its existing leadership team, with full control over its investment processes, while gaining access to Brookfield's global institutional distribution and operating expertise.

In a parallel development, **First National Financial Corporation (First National)** announced that it received final court approval on October 3, 2025, for its plan of arrangement under the Ontario Business Corporations Act, marking a key step in its proposed take-private transaction. The arrangement will allow an acquisition vehicle controlled by Birch Hill Equity Partners Management Inc. (Birch Hill) and Brookfield to acquire all outstanding common shares of First National not already held by its founders, Stephen Smith and Moray Tawse, at a price of CA\$48.00 per share in cash.

Brookfield Corporation (Brookfield Corp) has completed a US\$1.25 billion refinancing for Five Manhattan West, a 1.7-million-square-foot trophy office tower within its Manhattan West complex. The loan is for a five-year term at a fixed rate of 6.0%, and was provided by a syndicate of major financial institutions including Citigroup, Deutsche Bank, Société Générale, Bank of Montreal, and JPMorgan Chase. Five Manhattan West was fully redeveloped in 2017 with a US\$350 million renovation that modernized its façade, lobby, mechanical systems, and amenities. The building is fully leased to a diverse roster of high-profile tenants across sectors such as finance, technology,

media, and retail—including JPMorgan Chase, Amazon, Peloton, and Whole Foods. The deal contributes to Brookfield Corp's robust real estate activity in 2025, following more than US\$28 billion in financings and US\$15 billion in realizations year-to-date.

Carnival Corporation & plc (Carnival) reported strong Q3 2025 results with US\$8.2 billion in revenue, net yields up 4.6% year-over-year, and adjusted earnings before interest, taxes, depreciation, and amortization (EBITDA) of US\$3.0 billion, all exceeding guidance. Ticket revenue rose US\$191 million on higher prices and favorable foreign exchange (FX), while onboard spending remained strong, reflecting continued close-in demand and disciplined pricing. Capacity (measured in available lower berth days, or ALBDs) declined ~2.5% due to dry-dock days, yet systemwide occupancy held at ~104%, underscoring tight supply and healthy demand across both North America and Europe. On the cost side, cruise costs per ALBD rose 4.6%, with ex-fuel costs +5.5% versus +7% guided—better than expectations but higher than Q2's +3.5%, showing cost pressure. Fuel efficiency improved (~5.2% less fuel per ALBD) and average fuel cost fell (~US\$607/ton vs US\$670), partially offsetting higher wage, maintenance, and dry-dock expenses. Operating income reached US\$2.27 billion and the company again raised FY 2025 guidance, projecting US\$2.9 billion in net income (+55% YoY) and US\$7.05 billion in EBITDA. However, management cautioned that yield growth is moderating while costs will stay elevated into Q4 and 2026.

Reliance Industries Limited (RIL) has begun informal talks with banks about the potential listing of its unit Reliance Jio Infocomm Limited (Jio), people familiar with the matter said, a deal that could eclipse the record for India's biggest-ever initial public offering. A formal process may begin by the end of this month and RIL could start officially appointing investment bankers in November, the people said, asking not to be identified because the discussions are private. The IPO could raise more than INR 6 billion with RIL selling just 5% of Jio, Bloomberg News reported in July. That's far more than the record INR 3.3 billion raised in Hyundai Motor India Ltd.'s offering in 2024. Mukesh Ambani said in August the Jio listing could take place in the first half of 2026. Deliberations are ongoing and details such as the size and timing of the IPO could change, the people said. A representative for RIL didn't have any immediate comment. Jio has about 500 million subscribers, making it India's biggest wireless carrier.

Reliance Industries and five other Indian companies have shown interest in setting up Bharat small modular reactors (BSMRs), identifying 16 potential sites across six states, according to the Nuclear Power Corporation of India Limited (NPCIL), reported PTI. The other corporates responding to NPCIL's request for proposals include Adani Enterprises Limited (Adani), Jindal Steel & Power Limited (Jindal Steel), Tata Power Company Limited (Tata Power), Hindalco Industries Limited (Hindalco), and JSW Energy Limited (JSW Energy). Together, these companies have submitted preliminary site reports covering five sites in Gujarat, four in Madhya Pradesh, three in Odisha, two in Andhra Pradesh, and one each in Jharkhand and Chhattisgarh. NPCIL, which operates all nuclear power plants in India, had invited proposals from private players to set up two 220 megawatt (MW) Pressurised Heavy Water Reactors (PHWRs) for their own captive use. The initial deadline for submissions was September 30, but following requests from the industry, it has been extended to March 31, 2026. RIL has completed the necessary non-disclosure agreement formalities and collected documents such as the bill of quantities, plant performance data, and operation and maintenance expenditure details. The BSMRs will be built and operated under NPCIL's supervision, with the state-

run company retaining operational control and asset ownership. Successful bidders will hold beneficial rights to the net electricity generated. The RFP specifies that bidders must finance the entire project, covering both capital and operational costs, and reimburse NPCIL for all lifecycle expenses, from pre-project assessments to decommissioning. In return, they will gain assured long-term access to the electricity output for captive consumption. BSMRs are expected to serve energy-intensive sectors such as steel, aluminium, and cement, and can also be deployed on sites of decommissioned thermal power plants. Each reactor will incorporate passive safety features alongside engineered systems designed to manage accidents. Plans also include systems for handling and in-situ storage of used fuel.

LIFE SCIENCES



Amgen Inc. (Amgen) has launched AmgenNow, a new direct-to-patient program in the United States aimed at improving access to its cholesterol-lowering therapy Repatha. Through this initiative, Repatha will be available at a fixed monthly price of US\$239, representing a 60% discount from its previous list price. The program is open to a broad range of patients—including those who are uninsured, enrolled in Medicare or Medicaid, on high-deductible insurance plans, or paying out of pocket—and removes traditional insurance barriers such as prior authorization and step therapy requirements. Amgen highlighted that this pricing is the lowest among G7 countries and is being offered exclusively to U.S. patients through the AmgenNow platform.

The launch coincides with landmark results from Amgen's Phase 3 VESALIUS-CV trial, which enrolled more than 12,000 high-risk individuals without prior heart attack or stroke. The study met its dual primary endpoints, showing that adding Repatha to standard statin or low-density lipoprotein cholesterol (LDL-C)-lowering therapy significantly reduced major adverse cardiovascular events (MACE) compared with standard therapy alone. Importantly, no new safety signals were observed, and Amgen noted that Repatha is now the first proprotein convertase subtilisin/kexin type 9 (PCSK9) inhibitor to demonstrate event reduction in both primary and secondary prevention settings. Amgen plans to present full VESALIUS-CV results at the American Heart Association's upcoming sessions and publish them in a peer-reviewed journal. In parallel, the company intends to link AmgenNow to the forthcoming TrumpRx platform, a federal initiative aimed at helping consumers identify medications available directly from manufacturers. By coupling aggressive affordability measures with strong clinical evidence, Amgen is positioning Repatha as both a cost-effective and clinically validated option for preventive cardiovascular care.

Perspective Therapeutics Inc. (Perspective) announced that the first patient in the second cohort of its Phase 1/2a clinical trial has been dosed with [²¹²Pb]PSV359, a targeted alpha-particle radiopharmaceutical designed for patients with solid tumors expressing fibroblast activation protein alpha (FAP-α). In this cohort, participants will receive up to four doses of 5.0 millicurie (mCi) of PSV359 every eight weeks, following a recommendation

from the study's Safety Monitoring Committee to escalate the dose from the initial 2.5 mCi level. Patient selection is guided by single-photon emission computed tomography (SPECT) imaging with [²⁰³Pb]PSV359, which is used to confirm FAP-α expression within tumors prior to treatment. Perspective identifies FAP-α as a compelling therapeutic target due to its strong expression not only on cancer-associated fibroblasts in the tumor microenvironment but also on certain epithelial tumor cells, including those found in pancreatic, colorectal, and sarcoma malignancies. The company aims to use this dose-escalation phase to determine an optimal Phase 2 dose that effectively balances safety with anti-tumor activity. Consistent with its broader development strategy, Perspective is advancing a "theranostic" approach (pairing matched imaging and therapeutic isotopes) to enhance patient selection, personalize dosing, and improve overall treatment precision.



NUCLEAR ENERGY

BWX Technologies, Inc. (BWXT) has been awarded a 10-year, US\$1.6 billion contract by the U.S. Department of Energy's National Nuclear Security Administration (NNSA) to establish and operate a new production capability for high-purity depleted uranium (HPDU). The contract includes the design, licensing, construction, equipment procurement, and eventual operation of a dedicated HPDU manufacturing facility in Jonesborough, Tennessee. Once complete, the facility will be the only active site in the U.S. capable of converting depleted uranium oxide into high-purity metal, with an expected capacity of up to 300 metric tons annually. BWXT's design integrates advanced environmental controls, including a commitment to no additional liquid discharge into nearby waterways and a robust waste management strategy. The project is anticipated to generate approximately 175 high-skilled jobs, in addition to subcontractor employment during construction.

GE Vernova LLC (GE Vernova) – Global Nuclear Fuel (GNF), a GE Vernova-led alliance with Hitachi Ltd., has introduced GNF4, a next-generation nuclear fuel for boiling water reactors (BWRs). The fuel design builds on the long operational history of GNF2 and GNF3 and incorporates two U.S. Nuclear Regulatory Commission (NRC)-licensed innovations: Zircaloy cladding for enhanced corrosion resistance and aluminosilicate-doped uranium dioxide pellets for added reliability. The product also employs GNF's proprietary NSF channel material and Defender+ debris filter. GNF4 is engineered to reduce fuel cost per megawatt-hour by improving durability and performance. Manufacturing will take place at GNF's Wilmington, North Carolina facility, with lead use assemblies scheduled for 2026 and full reload availability by 2030. GNF supports nuclear plants with fuel engineering, licensing, core management, analytics, and long-term storage consulting. The launch reflects GE Vernova's and Hitachi's six-decade legacy in BWR fuel technology, with over 175,000 fuel assemblies deployed globally.

Oklo Inc. (Oklo) – The U.S. Department of Energy (DOE) has selected Oklo as one of four companies for its Advanced Nuclear Fuel Line Pilot Projects, an initiative aimed at expanding domestic production capacity for high-assay low-enriched uranium (HALEU) and other advanced reactor fuels. Under this program, Oklo will design, construct, and operate a commercial-scale advanced fuel recycling and fabrication facility, leveraging its experience with fast reactors and recycled fuel from the Idaho National Laboratory. The DOE's

pilot line effort seeks to create an integrated domestic fuel supply chain to support deployment of next-generation reactors by the late 2020s. Oklo's facility will focus on demonstrating advanced electrorefining and metal fuel fabrication processes, enabling the company to convert used nuclear fuel into fresh reactor fuel. DOE officials stated that these pilot projects are designed to fast-track commercialization while reducing dependence on foreign enrichment supply chains.



ECONOMIC CONDITIONS

On October 1, 2025, the federal government of the United States began a shutdown as a result of congressional failure to pass appropriations legislation for the 2026 fiscal year. Estimates suggest that each week of the shutdown will reduce annualized quarterly GDP by 0.1%-0.2%. The scale of the shutdown also matters, more than twice the number of federal workers will be furloughed compared to the most recent shutdown.

US private sector employers shed 32,000 jobs in September according to an ADP report, versus consensus expectations of a 45,000 increase. Service providers saw a loss of 28,000 jobs, led by leisure/hospitality services losing 19,000. Goods production saw a loss of 3,000 jobs, where construction (-5,000) and manufacturing (-2,000) suffered losses which were offset in part by natural resources/mining (+4,000).

U.S. ISM Manufacturing Index in September rose slightly more than expected to 49.1, marking the 7th consecutive month in contractionary territory. After trending in the right direction in August, demand conditions faltered in September, with the new orders index and new export orders index both falling. Price gains slowed relative to August; however, the price gains index is still hovering just under a 3-year high. The overall takeaway is that manufacturing activity has continued to contract, with manufacturers citing supply delays and increased costs from tariffs.

U.S. ISM Services Index down from 52.0 to 50.0 in September, versus the expectation of no change. The drop is driven in large part by a 5.6-point fall in new orders, business activity/production (-5.1), and imports (-5.4). The price paid index was up 0.2 points and remains near a three-year high. The respondents' comments were less harsh, and tariff related than those for the manufacturing index. The surprising drop in the services index comes at a time when the ISM indexes have elevated importance due to the government shutdown delaying reports.

Euro area unemployment rose 0.1% to 6.3% in August, with the EU rate flat at 5.9%. Both these numbers are flat year-over-year.

UK construction PMI (Purchasing Manager's Index) shows 9th consecutive month in contractionary territory. The September measure of 46.2 is above August's 45.5 score but still firmly below the no change rating of 50. All three broad sectors of the industry are in contractionary territory: residential building work scoring (46.8), commercial construction (46.4), and civil engineering (42.9). There is a lack of new projects holding the industry back, respondents cite lower demand and elevated uncertainty.

France's Prime Minister Sebastian Lecornu's government lasts a record breaking 14 hours, and France's 10-year government bond yields

surge. Lecornu was pressured by the opposition and his own party alike to step down over his fiscal and EU (European Union) policies. His resignation 14 hours after appointing his cabinet is the shortest stay in power for a government in France.

Fiscal expansionist Sanae Takaichi wins leadership of Japan's ruling party. Takaichi plans to increase government spending in many key sectors such as AI, semiconductors, and nuclear energy.



FINANCIAL CONDITIONS

Last week, the Bank of Canada released their "Summary of Governing Council deliberations" leading to the monetary policy decision on September 17, 2025. Three key changes were highlighted in justifying the Bank of Canada's recent rate cut.

1. A weaker economy and labour market. Employment declined by over 100,000 in July and August, and unemployment was up again to 7.1%. Job losses have been concentrated in sectors that rely on US trade, but employment growth in other sectors has been slowing as well.
2. A reduced upward pressure on core inflation. Members of the governing council agreed that underlying inflation is sitting around 2.5% and that the upward momentum for inflation has been slowing. This shift in momentum was best illustrated by 3-month core inflation measures. These rates were over 3% earlier in the year but now sit at; 2.4% (CPI-trim), 2.6% (CPI-median).
3. The removal of retaliatory tariffs, which should further ease the upward pressure on inflation. However, the council also acknowledged that due to the structural shifts in the economy from the changes in the global trade landscape inflation forecasts are subject to an elevated level of uncertainty. The council sees the policy shift as a means to better balance the perceived diminished upside risk of inflation and the weakened economy.

The U.S. 2 year/10 year treasury spread is now 0.57% and the U.K.'s 2 year/10 year treasury spread is 0.75%. 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 6.34%. Existing U.S. housing inventory is at 4.6 months supply of existing houses as of September 23, 2025 - well off its peak during the Great Recession of 11.1 months and we consider a more normal range of 4-7 months.

The VIX (volatility index) is 16.61 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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