



Portland
Investment Counsel®
Buy. Hold. And Prosper.®

NEWS HIGHLIGHTS

EST. 2007

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

DECEMBER 15, 2025

The views of the Portfolio Management Team contained in this report are as of December 15, 2025 and this report is not intended to provide legal, accounting, tax or specific investment advice. Views, portfolio holdings and allocations may have changed subsequent to this date. This research and information, including any opinion, is compiled from various sources believed to be reliable but it cannot be guaranteed to be current, accurate or complete. It is for information only, and is subject to change without notice. The contents of this Newsletter reflect the different assumptions, views and analytical methods of the analysts who prepared them.



OWNER OPERATED COMPANIES



GO TO
PORTLAND 15 OF 15
ALTERNATIVE FUND



PORTLAND 15 OF 15
ALTERNATIVE FUND
COMPANY NEWS

Ares Management Corporation (Ares) – was added to the S&P 500 on December 11, 2025, replacing Kellanova ahead of its pending acquisition by Mars Inc.

Brookfield Asset Management (BAM) – BAM and Qai (Qatar's AI company and subsidiary of Qatar Investment Authority) announced a \$20 billion joint venture to invest in Artificial Intelligence (AI) infrastructure in Qatar and select international markets, with Brookfield intending to invest via its newly launched Brookfield Artificial Intelligence Infrastructure Fund (BAIIF) as part of a broader program targeting up to US \$100 billion of AI infrastructure investment. The partnership targets fully integrated AI facilities and an Integrated Compute Center to expand regional access to high-performance compute, supported by the Government of Qatar as it seeks to become a leading Middle East hub for AI services and infrastructure.

Separately, Santee Cooper's, South Carolina's largest power and water utility, board approved a memorandum of understanding (MOU) with Brookfield to launch a formal feasibility study to complete the two partially built AP1000 nuclear units at the V.C. Summer site in South Carolina. Under the current term sheet, Santee Cooper would receive US \$2.7 billion in cash upon a final investment decision and construction commitment, while retaining a targeted 25% ownership stake and approximately 550 MW of capacity once the units enter commercial operation. The MOU establishes a joint feasibility committee, regular reporting, and milestones requiring Brookfield to confirm initial feasibility and outline a target Final Investment Decision (FID) timeline

by June 26, 2026, with an expected 18–24 month path to FID. Brookfield's involvement is supported by its 51% ownership stake in Westinghouse, the designer and technology provider for the AP1000 reactors, and by the project's advanced level of completion, with key long-lead equipment already procured and substantial civil and foundation work in place, materially reducing restart complexity and execution risk.

LVMH Moët Hennessy Louis Vuitton SE (LVMH Group) – Workers at LVMH's champagne houses Moët & Chandon and Veuve Clicquot, represented by the Confédération Générale du Travail (CGT) union, are calling for fresh strikes and protests to pressure management over year-end bonuses. These actions follow earlier union calls for broader Moët Hennessy walkouts tied to bonus changes, signalling growing labour tension inside LVMH's wines-and-spirits business, with the dispute occurring during a critical seasonal selling period for prestige Champagne brands.

Reliance Industries Limited (Reliance) – Four out of India's seven largest refiners are now in the market for Russian crude as deep discounts push buyers to seek out non-sanctioned barrels, even as heavyweight Reliance Industries stays away. State-run Indian Oil Corporation Limited (Indian Oil) and Bharat Petroleum Corporation Limited (Bharat Petroleum) have bought a total of around 10 cargoes of non-sanctioned Russian crude, including Urals, over the last few days, according to people involved in the purchases. Hindustan Petroleum Corporation Limited (Hindustan Petroleum), meanwhile, has been looking for supply to be delivered in January, said the people, who could not be named as they are not authorized to speak publicly. Including Nayara Energy Limited (Nayara Energy), which has continued to take Russian crude, even after being blacklisted by Europe, those four processors accounted for just over 60% of India's oil imports this year, according to analytics firm Kpler. The companies did not immediately respond to emailed queries. Missing, however, is Reliance, until recently the single largest purchaser of Russian crude in India. Reliance is now avoiding crude even under its term contract with Rosneft Oil Company Public Joint Stock Company (Rosneft PJSC), equivalent to 500,000 barrels per day, eager

to avoid the risk of running afoul of US or European sanctions, the people said. India has been engaged in a challenging balancing act for months, trying to maintain its access to cheap Russian oil and to project geopolitical independence, all without angering either Washington or Brussels. But while India's imports of Moscow's crude will drop into next year as expected, due to the blacklisting of both Rosneft and Lukoil PJSC, the trade is expected to persist at a lower level. Russian crude is fetching around \$40–\$45 a barrel, according to traders in India. India imported the equivalent of more than 2 million barrels of oil per day from Russia at the peak of this year's purchases in June. That is expected to dip to 1.3 million in December, when the total is still helped by cargoes booked before the curbs come into place, and then below that in January. Reliance, a vital swing buyer, is set to receive its last Urals cargo with the Aqua Titan, due to deliver to Jamnagar on Dec. 17, Kpler data show, with no more tankers expected beyond that. Since many vessels don't signal their final destination before entering or exiting the Red Sea, however, it is possible that other cargoes could yet be in transit, said Sumit Ritolia, lead analyst refining and modeling at Kpler said.



Amgen Inc. (Amgen)– The Food and Drug Administration (FDA) approved UPLIZNA® (inebilizumab-cdon) for adults with generalized myasthenia gravis (gMG), a rare autoimmune disease, covering patients who are positive for either Acetylcholine Receptor (AChR) or Muscle-Specific Kinase (MuSK) antibodies. With this approval, UPLIZNA becomes the first and only Cluster of Differentiation 19 (CD19)-targeted B-cell therapy available across both major forms of the disease. The decision was based on the Phase 3 Myasthenia Inebilizumab Trial (MINT) trial, which showed a meaningful and statistically significant improvement in patients' daily functioning compared with placebo after 26 weeks of treatment. Additional measures of disease severity also improved, reinforcing the consistency of the benefit. In the larger AChR-positive patient group, these benefits were maintained through one year, providing longer-term evidence of effectiveness than is typical in this condition. UPLIZNA is administered twice a year after two initial doses, offering a relatively convenient treatment schedule that may reduce burden for patients and caregivers. This approval represents UPLIZNA's third FDA-approved use, following earlier approvals in neuromyelitis optica spectrum disorder and Immunoglobulin G subclass 4 (IgG4)-related disease, with the most common side effects being headache and infusion-related reactions.

Olema Pharmaceuticals Limited (Olema) – Recent Phase 3 results from Roche provide important external validation for the oral Selective Estrogen Receptor Degradar (SERD) class, reinforcing the therapeutic relevance of Olema's lead program, palazestrant. Roche's oral SERD, giredestrant, achieved its primary endpoint in the lidERA Phase 3 trial in medium- to high-risk stage I–III Estrogen Receptor (ER)-positive, Human Epidermal Growth Factor Receptor 2 (HER2)-negative early breast cancer, demonstrating a statistically significant 30% reduction in the risk of invasive disease recurrence or death versus standard endocrine therapy (HR 0.70; p=0.0014).

Although Roche is a competitor, the success of a large, well-controlled Phase 3 study meaningfully de-risks the oral Selective Estrogen Receptor Degradar (SERD) development paradigm and supports the regulatory and clinical framework underpinning palazestrant's advancement. Olema continues to progress two Phase 3 trials: Olema Palazestrant ER Antagonist Trial 01 (OPERA-01) evaluating palazestrant as monotherapy, and OPERA-02 assessing palazestrant in combination with ribociclib. The company is currently presenting a trial-in-progress poster for OPERA-02 at the San Antonio Breast Cancer Symposium, with top-line data from OPERA-01 expected in the second half of 2026.

Telix Pharmaceuticals Limited (Telix) – and Siemens Healthineers AG subsidiary, Varian, announced a strategic clinical collaboration to integrate Telix's theranostic imaging agents with Varian's external beam radiation therapy (EBRT) technologies. The collaboration will initially focus on the use of Prostate-Specific Membrane Antigen (PSMA)- Positron Emission Tomography (PET) imaging, including Gozellix® and Illuccix®, to improve patient selection, treatment planning, and response monitoring for prostate cancer patients undergoing EBRT. A key objective is to support more personalized and adaptive radiotherapy workflows, including potential applications within Varian's Ethos platform. The agreement provides a framework for both company-sponsored and investigator-initiated clinical studies and may expand over time to include additional Telix imaging assets and future therapeutic programs.



NUCLEAR ENERGY

Centrus Energy Corp. (Centrus) – begun design work on a ~150,000-square-foot Training, Operations and Maintenance facility at its Piketon, Ohio. The company plans to rehabilitate and modernize an existing, largely vacant building at the American Centrifuge Plant, with construction expected to begin in early 2026. Engineering and design have been awarded to Burns & McDonnell Engineering Company, Inc., and the facility will house training classrooms, maintenance space, and offices capable of supporting up to roughly 200 employees. As with prior expansion plans, Centrus emphasized that the ultimate scale of development remains contingent on long-term federal contracting and funding decisions from the U.S. Department of Energy.

Constellation Energy Corporation (Constellation)– announced that W. L. Gore & Associates, Inc., an American multinational manufacturing company specializing in products derived from fluoropolymers, will add Constellation's hourly carbon-free energy (CFE) matching to an existing procurement of ~110,000 mega-watt (MW)h of clean energy per year, with an estimated ~33,000 metric tons of carbon-footprint reduction through November 2026. The enhancement builds on last year's renewable agreement and effectively pairs an existing solar offtake with Constellation's baseload nuclear-enabled hourly matching to make Gore's carbon-free supply more consistent. Gore will also continue to purchase additional renewable energy certificates from Constellation in support of its goal of 100% renewable electricity for manufacturing operations, while targeting carbon neutrality by 2050.

GE Vernova Inc. (GE Vernova)– used its Investor Day to materially raise its medium-term financial outlook and reinforce confidence in its long-cycle growth profile. Management lifted 2028 targets to ~US \$52B of revenue and ~20% adjusted EBITDA margin (from ~\$45B and ~14%) and increased expected cumulative 2025–2028 free cash flow to \$22B+ (from \$14B+), while

reaffirming 2025 revenue of \$36–37B (high end) and raising 2025 Free cash flow (FCF) to \$3.5–4.0B. The company also introduced 2026 guidance of \$41–42B revenue, 11–13% adjusted EBITDA margin, and \$4.5–5.0B FCF, reflecting stronger pricing, backlog conversion, and operating execution. These upgrades are anchored by backlog visibility, with total backlog at ~\$135B today and management targeting ~\$200B by 2028, driven primarily by Power and Electrification. In Power, management said it has signed ~18 giga-watt (GW) of gas turbine contracts quarter-to-date and expects to reach ~80 GW of combined-cycle orders and slot reservations by year-end, supporting a multi-year run-rate and sustained pricing discipline. Electrification was highlighted as a core growth engine, with backlog expected to double from ~\$30B to ~\$60B by 2028 on strong demand for grid equipment, High Voltage Direct Current systems (HVDC) systems, and data-center power infrastructure, alongside expanding margins from scale and lean execution. Wind was framed conservatively, with management assuming continued losses through 2026 and only a modest recovery by 2028, effectively de-risking the plan so the upgraded outlook does not rely on a wind turnaround. Finally, GE Vernova reinforced its capital-return framework by doubling the quarterly dividend to \$0.50 (effective first quarter 2026) and expanding share repurchase authorization to \$10B, while still planning ~\$10B of capex and R&D investment through 2028.

Separately, GE Vernova Hitachi's Boiling Water Reactor (BWR)X-300 small modular reactor (SMR) achieved a key UK regulatory milestone by completing Step 2 of the UK Generic Design Assessment, with regulators finding no fundamental issues that would preclude deployment. While no UK projects are yet defined, the progress advances licensing readiness and supports management's view of SMRs as a potential value driver in the 2030s, treated as upside rather than embedded in the current 2028 backlog and financial targets.

Doosan Enerbility Co., Ltd. (Doosan)—is evaluating Korea's first dedicated small modular reactor (SMR) manufacturing plant at its Changwon site in South Gyeongsang Province, with local reporting indicating construction could begin in first quarter of 2026 and full operations targeted for 2028, subject to a final investment decision. The company has reportedly signed agreements with South Gyeongsang Province and Changwon City to secure administrative and financial support for the project. If built as outlined, the facility would lift annual SMR equipment capacity to approximately 20 units from about 12 units today, as SMR production currently shares one of Changwon's five large-reactor lines, while also freeing capacity for large nuclear equipment. Reporting also indicates Doosan is working to compress SMR main-equipment manufacturing lead times from roughly 17 months toward an internal target of about three months, an objective that would be strategically significant if achieved at scale but remains an execution milestone rather than a delivered outcome.

Separately, on December 11, 2025, Doosan signed a reservation contract with U.S. SMR developer X-energy, LLC to secure long-lead heavy forgings for 16 Xe-100 reactor units. These units correspond to X-energy's near-term deployment plans, comprising four reactors for Dow's industrial complex in Texas and twelve for Energy Northwest in Washington State. Doosan described the reservation as a step to lock in critical forgings with long production lead times, with follow-on contracts expected to cover forging and module manufacturing. More broadly, Energy Northwest, X-energy, and Amazon Web Services (AWS) have outlined a plan to deploy roughly 5 GW

of Xe-100 capacity (about 60 units) by 2039, with Doosan participating in the associated multi-party cooperation framework. Finally, while market wires have highlighted the SMR factory as a potential growth catalyst, Doosan has indicated the dedicated-plant investment remains under review, and investors should assume the final economics, scope, and timetable are not yet fully locked pending a formal update.



ECONOMIC CONDITIONS

Canadian merchandise trade flips from a \$6.4 billion deficit in August, to a \$153 million surplus in September. Exports were up 6.3% month-on-month (m/m), driven by increases in exports to the U.S. of 4.6% m/m, and non-U.S. markets of 11% m/m. Exports rose in 9 of 11 product categories led by the volatile unwrought gold increasing 30.2% m/m, with notable contributions from crude oil up 5.2% m/m, and aircraft/other transportation up 23.4% m/m. Goods imports were down 4.1% m/m in September, but were also heavily influenced by movements in unwrought gold which dragged imports of metal and non-metallic minerals down 23.4%. Outside of this 7 of the 11 product categories saw decreased imports led by Consumer goods (-6.0%) and pharmaceuticals (-13.8%). In volume terms exports were up 4.1% m/m, while imports were down 3.3% m/m.

Canadian headline CPI (Consumer Price Index) inflation for November came in at 2.2% year-on-year (y/y), and 0.1% m/m. This increase is in line with October's reading and consensus expectations. Food price inflation remains an issue, grocery prices are up 4.7% y/y, the highest rate in 2 years. Restaurant prices are also up 3.5% y/y. The BoC's official core inflation metrics, median and trim, both cooled to 2.8% y/y in November. This is the first time since March that these measures are both under 3%.

Canadian housing starts rose by 21.8k to 254.2k in November, above the consensus expectations of 250k. The November reading is 9% above the 10-year average and represents an increase of 9.4% m/m. On a regional basis, starts in Ontario were up 12.0K to 52.1K, B.C. up 6.6K to 39.1K, the Atlantic up 5.1K to 19.3K, and Quebec up 1.1K to 55.0K, while the Prairies decreased by 1.6K to 68.2K.

U.S. NFIB's Small Business Optimism Index climbs to 99.0 in November, from 98.2. Of the 10 subcomponents of the index, 6 increased, 3 declined and one stayed flat. Small businesses were more pessimistic about the economy (-5 points), future credit conditions (-2 points), and plans for capital outlays in the next 6 months (-3). On the other hand, small businesses expect a higher share of real sales (+9 points), and earnings (+2 points). The net share of businesses planning to increase employment rose from 15% to 19%, the highest level since December 2024.

Marianne Lake, Chief Executive Officer (CEO) of Consumer & Community Banking at JPMorgan Chase says consumer backdrop is "a bit more fragile". Lake noted that spending is still solid, but restaurants and retailers are seeing people tone things down, and lower-income consumers continue to tread water. Lake noted demand for labor is weakening, consumer sentiment remains low, and absolute price levels are still elevated. She also warned that people have been spending more than they earn, and consequently, cash buffers are declining, therefore reducing the ability of consumers to withstand stress.

United Kingdom Gross Domestic Product (GDP) falls 0.1% in October, the fourth consecutive month without growth. Much of the decline was driven by a weakness in car sales and broader retail spending. Economic output was hurt by Jaguar Land Rover, the nations second largest vehicle manufacturer shutting down production for several weeks following hackers breaching their systems. The country's service sector declined 0.3% m/m and construction output was down 0.6%. On the other hand, production sector output rose by 1.1%.

Euro zone industrial output growth increased to 0.8% m/m in October. Output growth accelerated to 2.0% y/y in October, beating expectations for 1.9% y/y growth. German industry, expanding by 1.4% on the month, was among the top performers, offsetting a 1.0% drop in Italy.



FINANCIAL CONDITIONS

Bank of Canada (BoC) holds its policy rate at 2.25%, in line with market expectations. Despite recent positive surprises on new jobs and unemployment the BoC notes hiring intentions remain subdued. The BoC's view on inflation remains largely unchanged, emphasizing underlying inflation is "around 2.5%". The release once again noted "if inflation and economic activity evolve broadly in line with the October projection, Governing Council sees the current policy rate at about the right level to keep inflation close to 2% while helping the economy through this period of structural adjustment".

Federal Reserve Open Market Committee (FOMC) reduced the federal funds rate by 25 basis points, lowering the target range to 3.5%-3.75%. Of the 12 committee members 9 voted in favour of the 25-point cut, with one dissenting in favour of a 50-point cut, and 2 dissents in favour of no rate cut. In the accompanying Summary of Economic Projections, the median GDP growth projection was upgraded to 1.7% from 1.6% in 2025, 2.3% from 1.8% in 2026, and 2.0% from 1.9% in 2027.

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 6.22%. Existing U.S. housing inventory is at 4.4 months supply of existing houses as of December 15, 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 a 16.52 and while, by its characteristics, the VIX will remain volatile, we believe a VIX level below 25 bodes well for quality equities.

Portland Investment Counsel Inc. currently offers Mutual Funds & Private/Alternative Products - visit www.portlandic.com

Individual Discretionary Managed Account Models - [SMA](#)

Net Asset Value:

The Net Asset Values (NAV) of our investment funds are published on our Portland website at www.portlandic.com/prices

We want to share our insights with you and welcome your feedback. Our website has the latest, as well as archived videos, company profiles, and press articles. Please visit us at www.portlandic.com

 **Portland Investment Counsel Inc.**

 **portlandinvestmentcounsel**

 **Portland Investment Counsel Inc.**

 **@PortlandCounsel**

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.

This research and information, including any opinion, is based on various sources including corporate press releases, annual reports, public news articles and broker research reports and is believed to be reliable but it cannot be guaranteed to be current accurate or complete. It is for information only, and is subject to change without notice. This Newsletter is not an offer to sell or a solicitation of an offer to buy any security nor is it necessarily an indication of how the portfolio of any Portland Fund is invested. The securities discussed in the Newsletter may not be eligible for sale in some jurisdictions. The views expressed by any external links and subsequent media, including but not limited to videos, are not necessarily those of Portland Investment Counsel Inc. (Portland) and are provided for general information purposes only. Portland Investment Counsel Inc. assumes no responsibility for the information provided by external sources.

Use of any third party quotations does not in any way suggest that person endorses Portland and/or its products. Use of any third party material may not reflect the views and opinions of Portland. Portland makes no representation or warranty, express or implied, in respect thereof, takes no responsibilities for errors and omissions contained herein and accepts no liability whatsoever for any loss arising from any use of, or reliance on this material or its content which is being provided for informational purposes only and should not be construed as investment, tax or financial advice.

Certain statements may contain forward-looking statements which can be identified by the use of words such as "may", "should", "will", "anticipate", "believe", "could", "plan", "estimate", "expect", "intend", "scheduled" or "continue" or similar expressions to the extent they relate to a security. The forward-looking statements are not historical facts. These forward-looking statements are subject to a number of significant risks, uncertainties assumptions, contingencies and other factors (many of which are outside the control of, and unknown to Portland Investment Counsel Inc. ("Portland") and its directors, officers, employees, agents or associates), that could cause actual results or performance to be materially different from any future result so performed, expressed or implied by such forward-looking statements. Portland has no specific intention of updating any forward-looking statements whether as a result of new information, future events or otherwise.

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.

Commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments. The indicated rates of return are the historical annual compounded total returns including changes in units [share] value and reinvestment of all distributions [dividends] and do not take into account sales, redemption, distribution or optional charges or income taxes payable by any security holder that would have reduced returns. The rates of return are used only to illustrate the effects of the compound growth rate and are not intended to reflect future values of the mutual fund or returns on investment in the mutual fund. Mutual funds are not guaranteed, their values change frequently, and past performance may not be repeated.

Information presented in this Newsletter should be considered for background information only and should not be construed as investment or financial advice. As each individual's situation is different, you should consult with your own professional investment, accounting, legal and/or tax advisers prior to acting on the basis of the material in the Newsletter. Commissions, management fees and expenses may be associated with investment funds. Investment funds are not guaranteed, their values change frequently, and past performance may not be repeated. Please read the prospectus or offering document before investing.

Consent is required for any reproduction, in whole or in part, of this piece and/or of its images and concepts. Portland Investment Counsel is a registered trademark of Portland Holdings Inc. The Unicorn Design is a trademark of Portland Holdings Inc. Used under license by Portland Investment Counsel Inc. Buy. Hold. And Prosper. is a registered trademark of AIC Global Holdings Inc. used under license by Portland Investment Counsel Inc.

Portland Investment Counsel Inc., 1375 Kerns Road, Suite 100, Burlington, Ontario L7P 4V7 Tel.: 1-888-710-4242 • www.portlandic.com • info@portlandic.com

PIC25-063-E(12/25)