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NEWS HIGHLIGHTS

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

JULY 28, 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

Brookfield Asset Management Inc. (Brookfield)– Brookfield and Google LLC (Google) signed the world's largest corporate hydroelectricity agreement, enabling Google to procure up to 3,000 megawatts (MW) of carbon-free hydropower from Brookfield across the U.S. The deal begins with US$3 billion in contracts for 670 MW from Brookfield's Holtwood and Safe Harbor facilities in Pennsylvania under 20-year power purchase agreements, supporting Google's operations in the PJM Interconnection (PJM) grid. The agreement aligns with Google's 24/7 carbon-free energy goal and Brookfield's strategy to offer flexible, dispatchable clean energy to hyperscale clients.

Separately, Brookfield agreed to sell a 49% stake in PD Ports Limited (PD Ports) to Pontegadea Shareholdings Luxembourg, S.à r.l. (Pontegadea), a global investment firm, while retaining a majority interest. PD Ports operates 11 United Kingdom (UK) locations, contributes £1.4 billion annually to the Teesside economy, and supports 22,000 supply chain jobs. Pontegadea's investment reflects confidence in PD Ports' long-term vision and strategic importance in UK infrastructure.

Louis Vuitton Moët Hennessy (LVMH) – released earnings for the first half of 2025, with group revenue down 4% and operating profit falling 15% year-on-year (y/y), driven by volume softness, especially in Fashion & Leather Goods (–8%) and Wines & Spirits (–8%) segments as Asia demand remained subdued and tourist flows normalized. Margins compressed to 22.6%, but management-maintained brand investment and cost discipline, limiting operating expenditure growth to about 2%. Despite the earnings decline, operating free cash flow surged 29% to €4.03B, largely due to favorable working capital movements and lower capital expenditure (capex), pushing free cash flow conversion to about 70%. The balance sheet remains strong: net debt fell to €10.2B, leverage is modest (0.87x net debt /TTM FCF, i.e. last twelve months' free cash flow), and liquidity is robust with €7.8B in cash and committed lines.

Reliance Industries Limited (RIL) – The oil-procurement patterns of RIL are coming under scrutiny after the European Union announced new restrictions on diesel made from Russian crude. RIL bought Abu Dhabi's Murban Crude Oil (Murban crude) in a rare purchase late last week, traders said, adding that it picked up the cargo soon after Friday's sanction package. The private refiner isn't a regular buyer of the United Arab Emirates (UAE) grade, a premium crude that tends to be costlier than its regular appetite of Russian Urals and heavier Middle Eastern varieties.

Separately, people familiar with RIL's import plans said the company has begun seeking to diversify its crude purchases away from Russia, its single-biggest source of oil so far this year. The people asked not to be identified as they aren't authorized to speak publicly. RIL and other Indian processors have been among the world's top beneficiaries of Moscow's war in Ukraine. Europe shunned Russian crudes soon after the 2022 invasion, leading to deep cargo discounts that enticed Indian refiners to crank up opportunistic buying for production of fuels such as diesel, which it resold to western customers. An Airbus jet owned by RIL landed in Moscow's Vnukovo airport on Wednesday morning, according to data from flight tracking website FlightRadar24 AB. The plane last took a flight to Russia last December, the data shows. It's not clear if Ambani was on board. A RIL spokesman wasn't immediately available to comment. According to ship-tracking data compiled by Kpler Inc., Russia has supplied almost half of Reliance's crude imports so far this year. In turn, around one-fifth of the processor's total product exports were sold to Europe. The process of refining Russian crude into diesel for sales into Europe has put Reliance in the line of fire of European Union (EU)'s latest pressure on Moscow, with the ban set to take effect Jan. 21 next year. While it's too early to tell if RIL will pivot dramatically away from Russia, traders say there are some initial signs of the company seeking alternatives from places such as the Middle East. Still, it's unclear how the mega refiner will source close to 600,000 barrels a day of crude from other producers, and at what cost, they added.

Reliance Industries Limited (RIL) – RIL is set to commission its solar cell manufacturing facility in the next quarter, achieving a significant milestone in its goal of building a fully integrated solar value chain in Jamnagar, Gujarat. RIL Jamnagar complex will house a fully integrated solar production vale chain, including polysilicon, wafers, cells, modules, and solar glass. It has already begun producing high-efficiency heterojunction technology solar modules, which are among the largest-size modules for utility-scale solar applications. It is also setting up India's largest solar glass manufacturing facility. The glass factory, spanning 1.3 kilo-meter (km), will support its in-house module production. To deliver round-the-clock renewable power, RIL is executing energy generation projects combining solar power capacity with battery energy storage systems. RIL is also setting up manufacturing facility for alkaline electrolysers to support green hydrogen production using renewable power from its captive power generation plants in Kutch. A dedicated captive transmission system is being developed from Kutch to Jamnagar to supply Renewable Energy (RE) for Reliance's Jamnagar factories as well as growth businesses. RIL has access to 700,000 acres of land at Kutch, which can support up to 125 Gigawatt (GW) of production. The company expects its vertically integrated business – spanning Photovoltaic (PV) module manufacturing to energy generation and green molecule production – to deliver cost competitiveness with attractive return at the manufacturing as well as electricity generation stage.

DIVIDEND PAYERS

GO TO PORTLAND CANADIAN BALANCED FUND[1]

Toronto-Dominion (TD) Bank - TD Bank is pleased to announce the appointment of John B. MacIntyre as Chair of the Board of Directors, effective September 1, 2025. His deep financial expertise and governance experience will support the Board as it continues to prioritize strong oversight and long-term value creation. John has served as an independent director of the Board since 2023 and currently chairs the Board's Human Resources Committee. Alan MacGibbon, currently Chair of the Board, will retire from the Board on September 1, 2025. "I am grateful for the Board's confidence. Alongside my fellow directors and in concert with our strong leadership team, I look forward to supporting TD's strategy, further strengthening governance, and delivering long term value." said Mr. MacIntyre. "On behalf of the Board, I would like to thank Alan for his leadership of the Board and service to the Bank." John has had a distinguished 30-year career in capital markets and is the retired Partner-Emeritus of Birch Hill Capital Partners, which he co-founded in 2005. As Chair of TD's Board of Directors, the Board will benefit from John's deep understanding of financial services, global capital markets, technology, and risk management. John is a veteran director, having served on public, private and not-for-profit boards, including the Boards of Park Lawn Corporation, HomeEquity Bank, Softchoice Corporation, COM DEV International Ltd, Maple Leaf Sports and Entertainment Ltd, YMCA of Greater Toronto, and University Health Network Foundation. Mr. MacIntyre is a Fellow of the Institute of Chartered Accountants of Ontario, a Chartered Business Valuator and holds a Bachelor of Commerce (with honours) from Queen's University.

The Bank of Nova Scotia (Scotiabank) - Scotiabank announced that the expected net income contribution from its ownership interest in KeyCorp will be approximately CAD $61 million in Quarter (Q)3 2025. This contribution represents the Bank's share of KeyCorp's Q2 2025 net income, includes acquisition-related and other accounting impacts, is net of Scotiabank's associated funding costs and is reported on a one-month lag. Adjusting for the amortization of acquired intangible assets of approximately CAD $7 million, the Scotiabank's adjusted net income contribution from KeyCorp will be approximately CAD $68 million. Scotiabank will release its Q3 financial results and host an earnings conference call on August 26, 2025.

LIFE SCIENCES

GO TO PORTLAND LIFE SCIENCES ALTERNATIVE FUND[1]

Clarity Pharmaceuticals Ltd (Clarity) – successfully raised AUD$203 million through a share placement at AUD $4.20 per share, which represents a 2.2% premium to Clarity's previous closing price and an 18.0% premium to Clarity's 15-day Volume Weighted Average Price (VWAP). The capital boost brings the company's pro-forma cash balance to ~AUD $288 million, strengthening its financial position to fund multiple clinical trial milestones and product commercialization efforts.

Danaher Corporation (Danaher)– reported strong Q2 2025 results with US$5.9 billion in revenue (up 3.5% yoy), net earnings of $555 million, and adjusted EPS of $1.80. The company credited its Bioprocessing segment and cost discipline for exceeding expectations. Operating cash flow hit $1.3 billion, with free cash flow at $1.1 billion. Danaher anticipates low single-digit core revenue growth in Q3, maintains its 3% full-year growth forecast, and raised its adjusted EPS guidance to $7.70–$7.80 for Financial Year (FY) 2025.

ICON plc (ICON)– reported Q2 2025 revenue of US$2.02 billion, with net income of $183 million and adjusted EPS of $3.26. Gross business wins rose 10.6% from Q1, totaling $2.97 billion, while adjusted EBITDA reached $396 million. The company repurchased $250 million in stock and raised its full-year revenue guidance to $7.85–$8.15 billion, with adjusted EPS expected between $13.00 and $14.00. Despite year-over-year revenue and EBITDA declines, ICON emphasized strong cost control and customer demand.

Nuvalent, Inc. – has launched its Phase 3 ALKAZAR clinical trial to evaluate Neladalkib, a targeted therapy, for patients with a specific type of lung cancer. The trial compares Neladalkib with Alectinib, a current standard treatment, focusing on outcomes like progression-free survival and brain metastasis response. Early data from a separate trial shows promising results for Neladalkib in heavily pre-treated patients, and topline results are expected by year-end 2025.

Telix Pharmaceuticals Limited (Telix) – reported unaudited Q2 2025 revenue of US$204 million, marking a 63% year-over-year increase, and reaffirmed its full-year guidance of $770–800 million. Key drivers included U.S. demand for Illuccix and the launch of Gozellix, which secured a permanent HCPCS reimbursement code effective October 1, 2025. The company also advanced its ProstACT™ Global Phase 3 trial, completing Part 1 enrollment, and expanded regulatory approvals into China, Japan, and Canada. Multiple therapeutic programs—including TLX591, TLX250, and TLX101—are progressing across prostate, kidney, and brain cancer indications.

NUCLEAR ENERGY

Bloom Energy Corporation (Bloom)– and Oracle have announced a collaboration to deploy Bloom's fuel cell technology at Oracle Cloud Infrastructure (OCI) data centers in the U.S., delivering onsite power within 90 days. This move supports OCI's rapid growth in AI and cloud computing by providing reliable, clean, and scalable power for its large-scale gigawatt AI data centers. The fuel cells will enhance performance, reduce emissions, and eliminate water usage, aligning with Oracle's sustainability goals. The partnership reflects Oracle's need for high-performance, low-latency energy solutions to meet the demands of Artificial Intelligence (AI) workloads. Bloom has now deployed over 400 MW of capacity to data centers globally, including partnerships with Equinix, Inc., American Electric Power , and Quanta Computing Inc.

Oklo Inc (Oklo). – and Liberty Energy Inc. (Liberty) have formed a strategic alliance to deliver integrated power solutions for large-scale, high-demand customers such as data centers and industrial facilities. Liberty's natural gas-powered Forte system will provide reliable electricity and load management, while Oklo's Aurora nuclear powerhouses will later supply zero-carbon baseload energy. The goal is to offer a turnkey, future-ready energy platform that combines immediate power needs with long-term sustainability and grid optimization.

Oklo and Vertiv Holdings Co (Vertiv), a global leader of critical digital infrastructure, have announced a strategic partnership to develop modular, energy-efficient power and cooling systems for U.S. hyperscale and colocation data centers. Using steam and electricity from Oklo's advanced nuclear plants, they aim to deliver integrated solutions optimized for AI and high-performance computing—enhancing performance while reducing environmental impact.

ECONOMIC CONDITIONS

The U.S. and EU agreed to a broad trade deal on Sunday. The deal with the U.S' largest trading partner is generally in line with what had been rumored through the past week and ends up on the best end of the plausible spectrum for the EU, with an across-the-board tariff rate of 15%, including autos. The only higher exception appears to be steel & aluminum, which still faces a 50% tariff. A White House official clarified as well that pharma will be subjected to a 15% tariff and avoid higher Section 232 tariffs, which they said are coming in 2-3 weeks. Trump also agreed not to impose tariffs on a few sectors of critical interest to the U.S., such as aerospace, critical minerals, and some others. As part of the deal, the EU committed to large purchases of US products such as energy, defense, and technology goods. This all lines up closely to expectations not only from last week, but even as far back as the early days of Trump's presidency. As with many recent deals, there is not much concrete detail yet, and things may change as and when they're written down, but for now the EU can rest (relatively) easy as tariffs are rising from the current 10% rate to just 15% on Friday, and not 20%, 30%, or 50%.

U.S. durable goods orders fell 9.3% in June, retracing a fair amount of the prior month's surge. Wild swings like this are usually centered around volatile transportation equipment, which fell 22.4%, marking the biggest drop since the pandemic shutdowns—as Boeing bookings took a nosedive. Core capital goods orders—a gauge for business investment—sagged 0.7% after an upwardly revised 2.0% gain in the prior month. Meantime, the control measure of core shipments (incl. aircraft)—an input for Gross Domestic Product (GDP) —dropped 0.9%. That would suggest firms are now taking a more cautious approach to capital spending following a solid run in Q1 amid tariff front-running.

U.S President Trump announced a new trade deal with Japan. The U.S. will be imposing a 15% tariff on imports, including automobiles. The automobile tariff is positive news as that comes down from the original 25% tariff. Japan has also committed to investing in the U.S. and will buy 100 Boeing aircrafts, increase defense spending on U.S. firms, and commit to higher purchases of US rice and other agricultural exports.

The French Services Purchasing Manger's Index (PMI) ticked up slightly to 49.7 (market(mkt): 49.6) and the Composite measure has moved up to just below the 50-mark, coming in at 49.6. However, several of the sub-indices showed deepening weakness, with demand and sales deteriorating across the country and dragging down new orders and exports. Business expectations also continued diminishing following the Bayrou budget proposal, which indicates fiscal tightening into 2026. As sentiment drops, French businesses are making further cuts to their labour force. Ultimately, the decline in forward-looking sub-indices points to uncertainty both on domestic and international fronts.

The German Manufacturing Purchasing Managers' Index (PMI) ticked up to 49.2 in July, but came in below consensus of 49.5.Composite measure dropped down to 50.3, but remained in the expansion territory. New orders, export sales, and growth expectations continued showing improvement. Specifically within manufacturing, sentiment came off June's high, but remained above long-run series average. Firms did keep trimming labour force, but at a slower pace, meaning that overall rate of decline was unchanged since June. Overall, production in the manufacturing sector has expanded for five months in a row and with positive forward-looking measures, continued expansion is likely.

UK PMIs came in mixed in July, with Manufacturing sector moving up to 48.2 (mkt: 48.0) and Services dropping to 51.2 (mkt: 52.9). One of the major drivers was decrease in staffing numbers as higher labour costs, muted customer demand, and input price inflation created cost pressures on businesses. New orders fell by their sharpest across the service sector since April, while manufacturers commented on rising competition constraining export order intakes. Sentiment edged up slightly, but surveys still noted the presence of headwinds from unfavourable domestic economic conditions, geopolitical instabilities, and elevated global trade uncertainties.

UK deficit swelled in June. Net borrowings hit GBP 20.7 billion in June from a slightly revised 17.4 billion deficit in May. This is the third highest June deficit on record and only surpassed during the pandemic years of 2020 and 2021. Tax receipts rose at a decent year over year level which indicates better economic activity, but the debt interest bill jumped 7.35 billion from the same period last year. The Bank of England Governor Bailey, however, said the steeper yield curve is being caused by greater uncertainty on global trade policy. He notes the steepening is happening globally and not just in the UK.

FINANCIAL CONDITIONS

European Central Bank kept rates unchanged at the July monetary policy meeting. The deposit rate remains at 2.00%, the Refinancing (refi) rate at 2.15%, and the marginal lending facility at 2.40%. The usual references .... data dependency and decision-making on a meeting-by-meeting basis.... were used. The economy was described as “resilient”, and that domestic inflation “continued to ease”, as did wage growth.

The U.S. 2 year/10 year treasury spread is now 0.47% 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 6.74%. Existing U.S. housing inventory is at 4.7 months supply of existing houses as of July 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 15.29 and while, by its characteristics, the VIX will remain volatile, we believe a VIX level below 25 bodes well for quality equities.

And Finally: *“The pessimist sees difficulty in every opportunity. The optimist sees opportunity in every difficulty.” ~Winston Churchill*

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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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