

PORTLAND REPLACEMENT OF FOSSIL FUELS ALTERNATIVE FUND



(as at March 31, 2025)

"I'm a better investor because I'm a businessman, and a better businessman because I'm an investor."
Warren Buffett

	Series Start Date	Net Asset Value Per Unit (as at March 31, 2025)	PERFORMANCE (as at March 31, 2025)				
			Year to Date	1 Month	3 Months	1 Year	Since Inception ⁴
Portland Replacement of Fossil Fuels Alternative Fund - Series A	Apr. 28, 2023	\$12.5837	(7.92%)	(13.29%)	(7.92%)	16.45%	12.68%
Portland Replacement of Fossil Fuels Alternative Fund - Series F	Apr. 28, 2023	\$12.8315	(7.69%)	(13.21%)	(7.69%)	17.63%	13.83%
Blended Benchmark	-	-	0.36%	0.61%	0.36%	0.93%	(6.91%)

FUND DETAILS

Fund Net Assets	\$10.4 million
CIFSC* Asset Class	Alternative Equity Focused
Risk Tolerance	Medium to High
Management Fee	Series A: 1.75%, Series F: 0.75%
MER ⁵	Series A: 2.54%, Series F: 1.42%

INVESTMENT OBJECTIVE

- The Fund's objective is to provide positive long-term total returns by investing primarily in a portfolio of securities focused on businesses active in industries which will drive the transition from traditional energy (primarily based in fossil fuels) to sustainable energy sources, which will include the area of nuclear energy.
- The Fund seeks to provide capital growth by primarily investing in a portfolio of equities/ American Depositary Receipts and may also invest in exchange traded funds.
- The Fund's investments currently focus on the area of nuclear energy. The Fund may also engage in borrowing for investment purposes.

KEY REASONS TO INVEST

- Close adherence to Framework:
Five Laws of Wealth Creation:
 - Own a few high quality businesses
 - Thoroughly understand these businesses
 - Ensure these businesses are domiciled in strong, long-term growth industries
 - Use other people's money prudently
 - Hold these businesses for the long run

PORTFOLIO MANAGER

Michael Lee-Chin, B.Eng., LL.D (Honorary)
Executive Chairman, Chief Executive Officer and
Portfolio Manager

Dragos Berbecel, BComm., MBA, CFA
Portfolio Manager

HOW THE FUND IS MANAGED

- The investable universe is global, with a focus on innovative companies active in the area of nuclear energy or supporting the broader effort towards the energy transition.
- In making its investment selection, Portland leverages 1) its existing track record of private placements in companies active in areas of nuclear medicine, 2) its network of industry contacts, and 3) its affiliate's industry-specific collaboration agreements.
- Investment decisions incorporate fundamental analysis and apply to a value discipline.
- Investments are managed with a long term focus.
- The result is a relatively low turnover, concentrated portfolio.

Geographic Allocation

United States	51.12%
Canada	17.72%
South Korea	9.87%
France	5.71%
Cash & Cash Equivalents	5.68%
United Kingdom	2.87%
Czech Republic	2.75%
Romania	2.39%
Australia	1.88%
Other Net Assets (Liabilities) ¹	0.01%

Sector Allocation

Industrials	42.34%
Energy	20.65%
Utilities	18.40%
Exchange Traded Funds	9.14%
Cash & Cash Equivalents	5.68%
Materials	1.90%
Information Technology	1.88%
Other Net Assets (Liabilities) ¹	0.01%

PORTLAND REPLACEMENT OF FOSSIL FUELS ALTERNATIVE FUND



(as at March 31, 2025)

Top Holdings²

Cameco Corporation	13.75%
SPDR Bloomberg 1-3 Month T-Bill ETF	9.14%
BWX Technologies, Inc.	8.91%
NuScale Power Corporation	7.87%
Constellation Energy Corporation	7.28%
Centrus Energy Corp.	6.90%
Oklo Inc.	5.98%
Assystem	5.71%
Cash & Cash Equivalents	5.68%
Doosan Enerbility Co., Ltd.	5.53%
KEPCO Engineering & Construction Company, Inc.	4.34%
Bloom Energy Corporation	4.10%
Sprott Physical Uranium Trust	3.97%
CEZ, a.s.	2.75%
Societatea Nationala Nuclearelectrica SA	2.39%
Johnson Matthey PLC	1.90%
Silex Systems Limited	1.88%
ITM Power PLC	0.97%
Plug Power, Inc.	0.94%

FUND COMMENTARY (As at March 31, 2025)

The Portland Replacement of Fossil Fuels Alternative Fund's objective is to provide positive long term total returns by investing primarily in a portfolio of securities focused on businesses active in industries which will drive the transition from traditional energy (primarily based on fossil fuels) to sustainable energy sources, which will include the area of nuclear energy. For the period from December 31, 2024, to March 31, 2025, the Series F units of the Fund had a return of (7.69%). The Fund's blended benchmark returned 0.36% over the same period.

Population and economic growth are driving an increase in global demand for energy. The current energy system, however, is largely dependent on fossil fuels, which negatively impact air quality, and significantly contribute to carbon emissions. To meet this growing demand, a transformation is required in the way the world produces, delivers and consumes energy. Unlike renewable energy sources, nuclear energy can provide constant, reliable, and carbon-free power. The innovative technology of small modular reactors has the potential to solve historic nuclear energy challenges, offering the opportunity for a clean and nuclear-powered tomorrow. In addition, hydrogen produced by nuclear energy in established markets could be a reliable supply of clean energy for developing nations, where 90% of the growth in demand for energy is expected to be located. The Manager believes that companies involved in the operation, development and innovation of the nuclear and alternative energy sectors could benefit and attract investor interest.

The investable universe is global, with a focus on innovative companies active in the area of nuclear energy or supporting the broader effort towards the energy transition. In making its

investment selection, Portland leverages 1) its existing track record of private placements in companies active in areas of nuclear medicine, 2) its network of industry contacts, and 3) its affiliate's industry-specific collaboration agreements.

Portland Replacement of Fossil Fuels Alternative Fund is a transparent, liquid and focused fund with the goal to invest in companies that work towards energy transition, with a current focus on nuclear energy.

Previous global investment in the energy transition has been focused on renewable energy and electrification. In 2022, industries active in the energy transition drew a record US\$1.1trillion. Despite these investments, carbon dioxide emissions continue to increase, as both renewable energy sources and the batteries technology, on which electrification is reliant, have significant limitations. Insofar as renewable energy sources are concerned, they are characterized by intermittency, limited energy efficiency, lack of energy storage, heavy resource requirements, land use and infrastructure limitations. Equally, batteries have a low relative energy density, limited lifespan, raw materials dependency, environmental impact and are difficult to recycle. The Manager believes there is a need to consider other clean energy solutions such as nuclear. In contrast to the renewable energy and electrification solutions, nuclear energy has a very high energy density, provides reliable baseload type of energy generation, is suitable for high temperature applications, has a long life and low cost structure, is suitable for hydrogen generation and is waste efficient.

During the period, a lot of attention has continued to be paid to the rapidly spreading realization that the ongoing boom in AI (artificial intelligence) computing will likely trigger a vast increase in the electrical power needs globally and in particular in developed nations in short and medium term. Nuclear energy offers a reliable, carbon-free solution to powering data centers, which are projected to consume a rapidly increasing amount of energy in the coming years.

In the first quarter of 2025, nuclear energy saw significant advancements and investments, driven largely by the surging energy demands of AI and data centers. A major development was the U.S. Department of Energy (DOE) identifying 16 potential sites on federal lands for co-locating AI data centers with new power plants, announced shortly after the quarter end. These sites were chosen for their existing energy infrastructure and the ability to fast-track permitting for innovative technologies, including nuclear reactors. This move reflects a strategic push to meet the unprecedented power needs of AI, which has been described as causing the first boom in U.S. power demand in two decades, prompting Big Tech and utilities to scramble for new energy solutions.

On this background, nuclear utilities and small modular reactor companies made headlines with potentially accretive deals in support of providing stable, reliable and competitively priced power to data applications using nuclear technology.

Tech giants further solidified nuclear energy's role in powering AI. Microsoft, for instance, continued its pivot toward nuclear, building on a 2024 deal to restart Three Mile Island. By March,

PORTLAND REPLACEMENT OF FOSSIL FUELS ALTERNATIVE FUND



(as at March 31, 2025)

reports indicated Microsoft was exploring natural gas with carbon capture as a stopgap, but nuclear remained a cornerstone for its long-term, zero-carbon goals, especially as AI data center demand was projected to triple by 2030. Similarly, Amazon and Google, on March 14, signed a pledge at CERAWEEK in Houston to support tripling global nuclear capacity by 2050, recognizing nuclear's reliability for their AI-driven operations.

The nuclear industry itself raced to innovate. Small modular reactors (SMRs) gained traction, with companies like X-Energy securing up to \$1.2 billion from the DOE to deploy reactors, including a project with Dow Inc. in Texas, aimed at commercialization by the early 2030s to meet tech sector needs. Steady Energy in Finland raised €22 million to build a pilot SMR plant by late 2025, signaling global momentum.

Investment trends mirrored this growth. Nuclear-related stocks like Oklo and Constellation Energy (CEG) surged through mid-February, reflecting investor enthusiasm for nuclear as the "best clean energy solution" for AI data centers. However, those gains were given back by the stocks through the end of the quarter, as uncertainty and concerns around the impact of the tariff war took primacy.

Also during the period, BWX Technologies, Inc. (BWXT) announced it has entered into an agreement to acquire Kinectrics, Inc. (Kinectrics) for approximately US\$525 million. Kinectrics is a leading provider of lifecycle management services in the global nuclear power and transmission markets, in addition to producing isotopes for the radiopharmaceutical industry. This acquisition will enhance BWXT's portfolio, providing expanded services for both small modular and large-scale nuclear reactors. In nuclear medicine, Kinectrics offers additional isotope irradiation and production technologies, and has played a role in the existing Lutetium-177 supply chain since 2022. Kinectrics employs over 1,300 engineers and technical experts located across its 20 sites worldwide. The company's expertise will strengthen BWXT's presence in the CANDU reactor market, while increasing exposure to the U.S. and select international markets. In addition, the nuclear power provider Constellation Energy announced it agreed to buy privately-held natural gas and geothermal company Calpine Corp for \$16.4 billion, marking one of the biggest acquisitions in the history of the U.S. power industry. The cash-and-stock deal comes at a time of rising electricity demand, driven by the proliferation of energy-demanding AI data centers and the electrification of transportation and buildings, which are expected to hit a record this year. The agreement will turn Constellation, which is the biggest U.S. nuclear plant operator, into the largest U.S. independent power provider.

During the first quarter, the Fund had the opportunity to add to many of the investments initiated in previous quarters. Among the Fund's increased investments are: Assystem SA, a France-based company that is principally engaged in engineering and innovation consultancy including managing infrastructural investments; BWX Technologies, Inc., a specialty manufacturer of nuclear components, a developer of nuclear technologies, and a service provider; Sprott Physical Uranium

Trust, a Canada-based closed-end investment trust that invests and holds substantially all assets in physical uranium in the form of uranium oxide in concentrates and uranium hexafluoride; Cameco Corporation, an integrated uranium supplier, offering refining, conversion and fuel manufacturing services; Constellation Energy, the largest producer of carbon-free energy in the United States and the leading competitive retail supplier of power and energy products and services for homes and businesses across the United States; Oklo Inc., a company developing next-generation fission reactors to produce abundant, affordable, clean energy at a global scale using small modular fast reactor technology; Bloom Energy Corporation, a provider of commercially viable solid oxide fuel-cell based power generation platform that provides power to businesses, essential services, critical infrastructure, and communities; Centrus Energy Corp., a US-based supplier of enriched uranium for nuclear fuel and services for the nuclear power industry to both domestic and international utilities for use in nuclear reactors worldwide through medium and longterm supply contracts and spot purchases; and two specialized nuclear utilities, namely CEZ AS, in the Czech Republic, and Societatea Nationala Nuclearelectrica SA, in Romania.

As expected, given the Fund's focused mandate, the performance is mainly driven by company specific developments. During the quarter, key performance contributors were Doosan Enerbility Co Ltd, Kepco Engineering & Construction Co Inc and CEZ AS, while the key performance detractors in the period were Cameco Corp, Assystem SA and Nuscale Power Corp.

The Fund's net asset value at March 31, 2024, was \$10.4 million. The asset mix as at March 31, 2025, was common equities, 85.17%; and cash and other net assets, 14.83%. By geography, assets were invested in cash and securities of issuers based in the United States, 51.12%, Canada, 17.72%, South Korea 9.87%, France, 5.71%, United Kingdom, 2.87%, Czech Republic, 2.75%, Romania, 2.39%, and Australia, 1.88%.

POTENTIAL RISKS

Portland believes the following risks may impact the performance of the Fund commodity risk, nuclear energy and sustainable energy sector investment risk, geopolitical risk, energy crisis risk, concentration risk, currency risk, equity risk and leverage risk. Please read the "What are the risks of investing in the Fund?" section in the Simplified Prospectus for a more detailed description of all the relevant risks.

PORTLAND REPLACEMENT OF FOSSIL FUELS ALTERNATIVE FUND



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Fund Name	SERIES A			SERIES F ³
	Code - Initial Sales Charge	Code - DSC	Code - LL	
Portland Replacement of Fossil Fuels Alternative Fund	PTL220	PTL225	PTL230	PTL025

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* Canadian Investment Funds Standards Committee

1. Other Net Assets (Liabilities) refers to all other assets and liabilities in the Fund excluding portfolio investments.

2. Where the Fund holds less than 25 holdings, all investments have been disclosed. There may be other assets and liabilities which are not included, and therefore the summary does not add up to 100%.

3. Generally available through dealers who have entered into a Portland Series F Dealer Agreement.

4. Annualized.

5. MER or management expense ratio is presented excluding performance fees and is after absorptions as at September 30, 2024. MER is updated on a semi-annual basis and the Manager may absorb operating expenses of the Fund at its discretion but is under no obligation to do so. The MER including performance fees and absorptions was 4.94% and 4.03% for Series A and Series F, respectively, as at September 30, 2024.

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.

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