ANTARES INVESTMENT MANAGEMENT

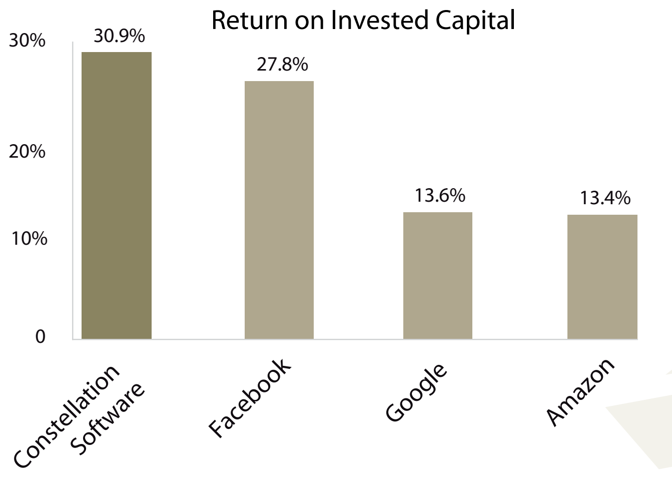
TOTAL EQUITY PORTFOLIO

The Antares Total Equity Portfolio focuses on quality companies with high levels of recurring and growing cash flow. It aims to produce a strong long-term total investment return comprised of capital appreciation and dividend income.

MANAGER COMMENTARY

The first quarter saw equity markets bounce off recent lows touched in December of 2018. Share prices in the Total Equity portfolio benefitted from this bounce and were further aided by strong results of several companies you hold, some of which we highlight below.

Constellation Software, a large (for Canada) technology company is one of the better operators we have seen in our careers. Their business model is to buy private companies that provide mission-critical software to specialized industries, which means sales to customers are sticky. Constellation's secret sauce is a deep knowledge of the software space combined with a highly disciplined investment approach. This shows up in their returns on invested capital, a profit measure, that are well in excess of global software giants (chart). Cash flow is building on the balance sheet faster than management can deploy it, so the company announced it would pay a special dividend of $20 per share on April 5th, and investors have piled into the shares. This is a rare company that we intend to own for a long time.



Source: Bloomberg

During the quarter we purchased units of Brookfield Infrastructure LP, which holds high quality infrastructure assets all over the world, such as: a container port in Australia, toll roads in Brazil, and cell phone towers in France. These assets are expensive to build and require significant permitting, meaning that competition is limited. This allows Brookfield to collect a toll and raise prices regularly. Contrast that with companies with high fixed assets that face unrelenting price competition – Sears Canada anyone? – and it is clear why we like these infrastructure assets. In our analysis the company's outlook is attractive, underpinned by global growth. While we wait for the future to play out unitholders collect a cash distribution equating to a yield of 5%, a respectable return on investment even without the anticipated growth.

We are pleased to note that the shares of Enbridge responded to a solid earnings report during the quarter. We first purchased the shares in late 2017, and the political hot potato of pipeline approvals has weighed on investor sentiment since then. Our view has been that Enbridge has a world-class network that is necessary to the functioning of the North American economy, and that cooler heads will prevail. We are reminded that investing requires patience while we wait for our investment view to be reflected in share prices. We continue to hold the shares for their attractive dividend yield (6% at March 31, 2019) and the growth opportunities as the company executes on its long-term plan.

On the note of patience, CVS shares have lagged in recent quarters. CVS is one of two large pharmacy chains in the U.S. and owns related businesses in employee health care benefits. Investors are worried about two things: political uncertainty around the complex American medical system, and the possibility that Amazon takes market share from traditional pharmacies. We see two offsetting factors that make us positive on the company. One is the simple fact that the ageing U.S. population implies persistent growth of prescriptions: this wave of demand should lift sales of all sellers of drugs. The second, and this is key, is that CVS can get leverage from its store network to gain increased market share from their biggest source of profit growth, "specialty drugs". These complex prescriptions require hands-on treatment which cannot be accomplished on-line. These positives are being ignored by investors, in our opinion. We see good potential for a recovery with the passage of time and are, therefore, staying patient with this one.

Thank you for your continued trust,

Your Portfolio Management Team

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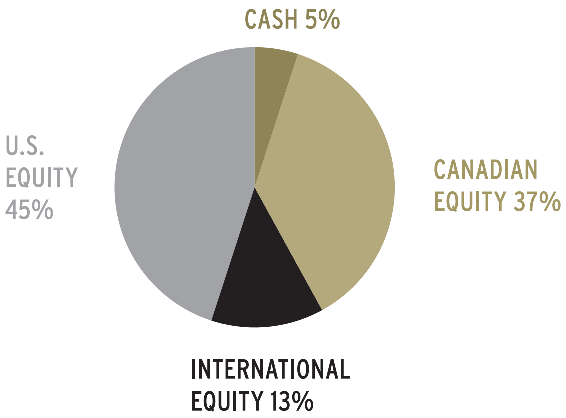
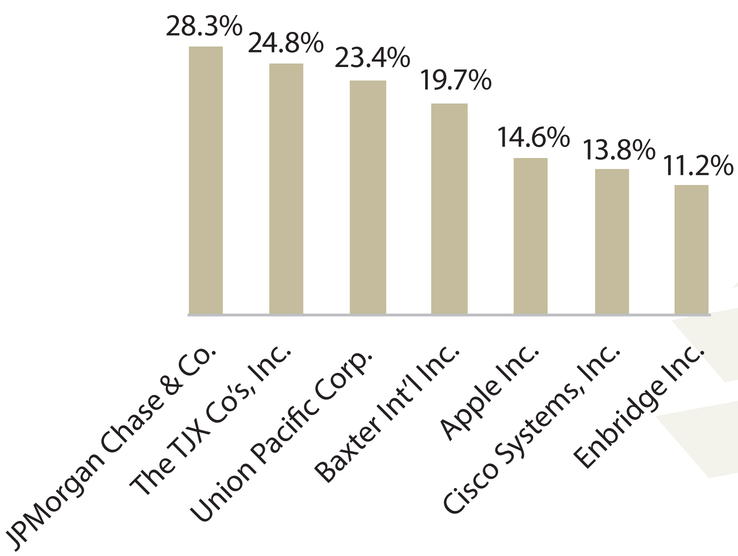
ASSET ALLOCATION



DIVIDEND REPORT - AS AT MAR 31, 2018

- 2.9% Portfolio Dividend Yield
- 19 of 24 Holdings Raised Dividend Last 12 Months
- 10% Portfolio Dividend Growth Last 12 Months

NOTEWORTHY DIVIDEND INCREASES - LAST 12 MONTHS



PORTFOLIO HOLDINGS & SECTOR WEIGHTS

		DIVIDEND YIELD	5YR DIVIDEND GROWTH RATE
INFORMATION TECHNOLOGY	**24.8%**		
Cisco Systems, Inc.		2.4%	14.2%
Constellation Software Inc.		0.5%	N/A
Accenture Plc		1.7%	9.4%
Microsoft Corporation		1.6%	11.5%
Oracle Corporation		1.8%	12.6%
Apple Inc.		1.5%	10.6%
FINANCIALS	**23.5%**		
Fairfax Financial Holdings Limited		2.2%	N/A
Great-West Lifeco Inc.		4.8%	4.8%
JPMorgan Chase & Co.		3.2%	13.6%
Manulife Financial Corporation		4.4%	11.8%
Royal Bank of Canada		4.0%	8.1%
The Bank of Nova Scotia		4.9%	6.5%
HEALTHCARE	**20.0%**		
Baxter International Inc.		0.9%	N/A
Johnson & Johnson		2.6%	6.4%
Novartis AG		3.0%	1.0%
Novo Nordisk A/S		2.3%	12.6%
CONSUMER DISCRETIONARY	**6.2%**		
The TJX Companies, Inc.		1.5%	21.9%
Subaru Corporation		5.7%	36.9%
ENERGY	**5.6%**		
Enbridge Inc.		6.1%	16.3%
PrairieSky Royalty Ltd.		4.3%	N/A
INDUSTRIALS	**5.3%**		
Union Pacific Corporation		2.1%	15.6%
UTILITIES	**4.7%**		
Canadian Utilities Limited		4.6%	10.2%
CONSUMER STAPLES	**2.8%**		
CVS Health Corporation		3.7%	17.3%
INFRASTRUCTURE	**2.5%**		
Brookfield Infrastructure Partners L.P.		4.9%	10.4%
FIXED INCOME & CASH	**4.6%**		

PORTFOLIO CHANGES

▲ Brookfield Infrastructure L.P.
▲ CVS Health Corporation
▲ JPMorgan Chase & Co.
▼ Great-West Lifeco Inc.

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