

Antares equity strategies focus on long-term total return through a combination of dependable income and capital appreciation. We build portfolios to align with individual client requirements, resulting in personal portfolios that lean more, or less, toward capital preservation, income generation, or growth.

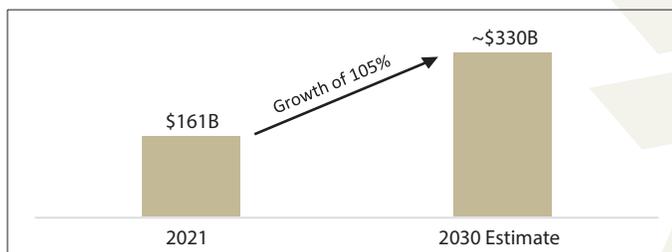
MANAGER COMMENTARY

Client results in 2022 were better than the negative news headlines might have led many to believe. Our Total Equity strategy, for example, was down 3.7% over the year. For reference, Canadian and U.S. stock indices were down 5.8% and 12.5%, respectively¹. Seasoned investors know that pullbacks occur frequently and are the price we pay in order to be positioned to grow capital over the long term.

In broad strokes, during the year, the portfolio's energy companies delivered strong results thanks to robust commodity prices and relatively modest valuations. Technology companies declined the most, largely due to the perception that their long-term value is diminished when interest rates are higher. During the fourth quarter, we introduced U.S.-based semiconductor manufacturer Micron Technology to the portfolio. We sold out of CVS Health as the business has gotten increasingly complex, which implies a wider range of possible future outcomes. We used the proceeds to fund purchases of companies where our belief is stronger. One other note: Brookfield Asset Management changed its name to Brookfield Corporation and simultaneously spun out shares of its asset management business. The portfolio now holds both companies and we are evaluating what, if anything, to do.

A word on new holding Micron Technology: the company focuses on microchips that store data, known as "memory", a familiar concept to anyone who uses smartphones and PCs. As digital data becomes increasingly pervasive, the need for memory and storage grows, as illustrated by the chart.

Figure 1 - Revenue for Semiconductor Industry related to Memory and Storage (\$USD billions)



Source: Micron estimates. Data includes DRAM + NAND semiconductor figures.

Micron is one of three major global players in this area and we believe it will experience an increase in sales over time. There is some cyclical to the business which gave us the opportunity to purchase shares after they had declined close to 50%, an attractive entry point in our opinion.

The shares of Gilead Sciences jumped 39% in the fourth quarter, reminding us of the importance of patience in investing. The company engages in pharmaceutical research and sells its products around the world. We initially purchased the shares in 2019 on the premise that they were cheap and that, sooner or later, their in-process research would deliver new drugs with commercial appeal, in turn leading to a higher value in the market. Progress has been slow. We have updated our analysis regularly and concluded we would continue to hold the shares, but that they would be on a shorter leash if the company failed to deliver. Happily, they are now experiencing some success with emerging drugs, which has led to an improvement in investor sentiment. Despite the jump in price, the shares remain inexpensive, in our view, at sub-13x forward earnings (Source: FactSet).

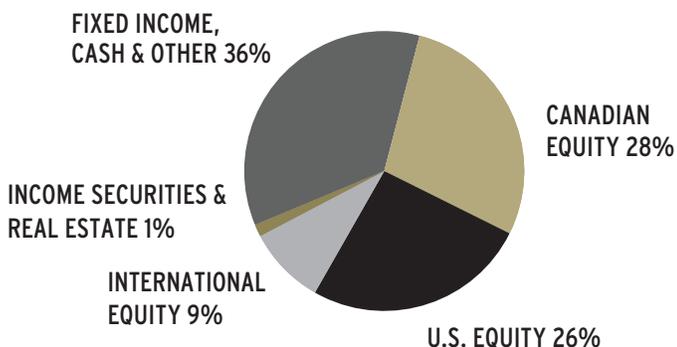
We have multiple companies in our research queue. Our excitement about the possibility of adding them to the portfolio is tempered by our belief that we should be sparing in the number of decisions we make in order to minimize the chance of error. Every buy needs to be funded by a sell: that's two decisions, not one. Careful thought is required, particularly in an environment of elevated external risk. On that score, we are keeping an eye on inflation and debt levels, both of which have the potential to throw a wrench in the market's engine, i.e. earnings growth. While the debate rages on what's in store for the market in 2023, we are agnostic and loathe to speculate about the near term. With that said, markets have been through a fair bit of disruption already, and as we see it, value opportunities are emerging. Longer term, therefore, we are believers.

Thank you for your continued trust,

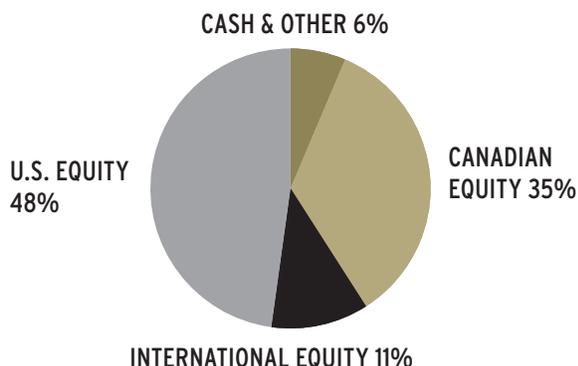
Alec MacIsaac, CFA
Ricardo Melo, CFA

1. The Total Equity strategy refers to the Antares Total Equity Pool and returns are expressed before investment management fees. The Canadian index is the S&P/TSX Total Return. The U.S. index is the S&P 500 Total Return, expressed in Canadian dollars. Sources: NDEX, Bloomberg.

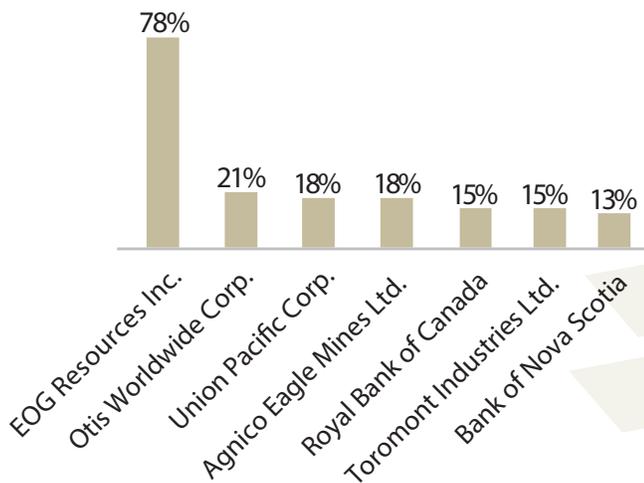
BALANCED POOL - ASSET ALLOCATION¹



TOTAL EQUITY POOL - ASSET ALLOCATION¹



NOTEWORTHY DIVIDEND INCREASES - LAST 12 MONTHS¹



EQUITY HOLDINGS¹

	DIVIDEND YIELD	5YR DIVIDEND ² GROWTH RATE
CONSUMER DISCRETIONARY		
BorgWarner Inc.	1.7%	2.9%
TJX Companies Inc.	1.5%	13.8%
ENERGY		
EOG Resources Inc.	2.5%	67.4%
Gibson Energy Inc.	6.3%	2.3%
Pembina Pipeline Corp.	5.7%	4.6%
Suncor Energy Inc.	4.8%	8.0%
FINANCIALS		
Bank Of Nova Scotia	6.2%	5.6%
Berkshire Hathaway Inc.	N/A	N/A
Brookfield Corp.	1.7%	8.5%
JPMorgan Chase & Co.	3.0%	14.4%
Royal Bank Of Canada	4.1%	7.3%
HEALTHCARE		
Gilead Sciences, Inc.	3.4%	7.0%
Novo Nordisk A/S Sponsored ADR Class B	0.8%	6.9%
Roche Holdings Ltd-Sponsored ADR	2.0%	3.9%
INDUSTRIALS		
Otis Worldwide Corp.	1.5%	N/A
Stantec Inc.	1.1%	7.6%
Toromont Industries Ltd.	1.6%	15.5%
Union Pacific Corp.	2.5%	15.4%
Vestas Wind Systems ADR	0.1%	N/A
Vontier Corp.	0.5%	N/A
INFORMATION TECHNOLOGY		
Accenture PLC	1.7%	9.7%
Apple Inc.	0.7%	8.2%
Applied Materials Inc.	1.1%	20.6%
Cisco Systems Inc.	3.2%	6.0%
Constellation Software Inc.	0.3%	0.0%
Fiserv Inc.	N/A	N/A
Micron Technology, Inc.	0.9%	N/A
Microsoft Corp.	1.1%	9.8%
INFRASTRUCTURE		
Brookfield Infrastructure Partners L.P.	4.5%	4.5%
MATERIALS		
Agnico Eagle Mines Ltd.	3.0%	31.3%
Nutrien Ltd.	2.7%	N/A
TELECOMMUNICATIONS		
Verizon Communications Inc.	6.6%	2.1%
UTILITIES		
Canadian Utilities Ltd-A	4.8%	4.4%

PORTFOLIO CHANGES¹

- ▲ Micron Technology, Inc.
- ▲ Microsoft Corp.
- ▲ Stantec Inc.
- ▼ CVS Health Corp.
- ▼ EOG Resources, Inc.

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1. Sources: Bloomberg & Factset for dividend data, NDEX for portfolio data. All data as at quarter end.
2. Calculated in Canadian dollars for all holdings.