Q3 2021

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

With the continued advance in equity prices, we have undertaken a deep dive into a number of portfolio holdings. This led us to make a few more changes than normal in client portfolios during the third quarter.

We exited the shares of Wells Fargo after a holding period of 13 months that saw our initial investment double. We purchased the shares in 2020 when headlines were negative due to missteps of the recent past. Regulators were putting a crimp on new business and the dividend was cut – all during the early panicky weeks of COVID-19. In our judgement, the problems were fixable and the shares were too cheap to ignore at around 60% of book value.[1] We had no idea the rebound would happen as quickly as it did – the shares reverted to a price above book value in a few quarters. As is true in life, so is true in investing: there is a difference between *like* and *love*. We never particularly loved the bank's competitive position given its multiple challenges (which remain), but we liked it as an investment opportunity after examining the facts and evaluating the risk and reward. Love is best left out of investing: *adios*, Wells Fargo.

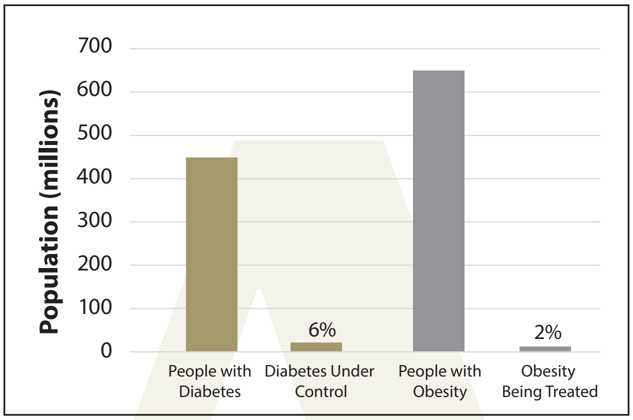
We also exited the shares of Manulife Financial, a longstanding holding that has delivered good dividend growth and remains inexpensive at approximately 7x forward earnings (compared to the broader Canadian market at 16x). That said, our reassessment of our investment thesis led us to conclude that we were leaning too much on the cheap valuation and not enough on the outlook for growth, which is in question. We sold to redeploy capital where our conviction is higher.

With the proceeds from these sales, we introduced two new portfolio holdings, Vontier and BorgWarner, both global companies headquartered in the U.S.

Vontier is an established and diversified industrial company that has business lines that include technologies for fueling stations and road traffic. Once a subsidiary of publicly traded company Danaher, Vontier began operating as an independent entity in 2020. This got us interested, because Danaher is known to have a disciplined, value-creating culture. Danaher trades at a premium 32x forward earnings estimates whereas Vontier trades at approximately 12x. We believe the gap can narrow once Vontier – a relatively unknown company – shows it can deliver Danaher-like operating results. We purchased a small weighting inside client portfolios and will make further decisions as new information becomes available.

BorgWarner, for its part, is a leading supplier of advanced components to the automobile sector. In our view, the shares are inexpensive at 10x forward estimates. We believe this reflects temporary uncertainty over changes to the business mix as production moves (out of necessity) toward electric vehicles, as well as due to supply chain challenges across the auto sector. BorgWarner has a track record of adapting to new technologies – in fact, already, 45% of its order backlog is related to electric vehicles. The environment is being disrupted; we believe now is a good time to start building a position.

Diabetes and Obesity are Undertreated



Source: www.novonordisk.com; Investor Presentation, October 2020, slide 21

Our review of Danish pharmaceutical company Novo Nordisk confirmed to us that the investment thesis is intact. The company generates significant revenue from treatments for diabetes and obesity, two conditions whose prevalence is increasing. Novo has been able to provide innovative patented treatments, which gives us confidence that its competitive positioning will remain strong. Moreover, the majority of the world's population is not well treated for these conditions, as illustrated by the chart. This sets the table for continued growth, which we believe to be likely based on the company's track record of strong execution.

Thank you for your trust,

Alec MacIsaac, CFA
Ricardo Melo, CFA

1. Sources for data are Bloomberg and company presentions

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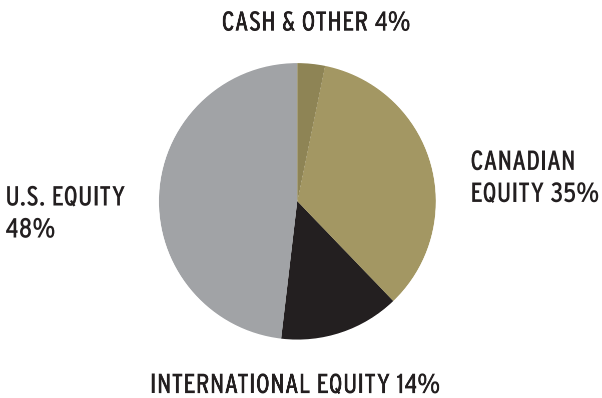
TOTAL EQUITY PORTFOLIO

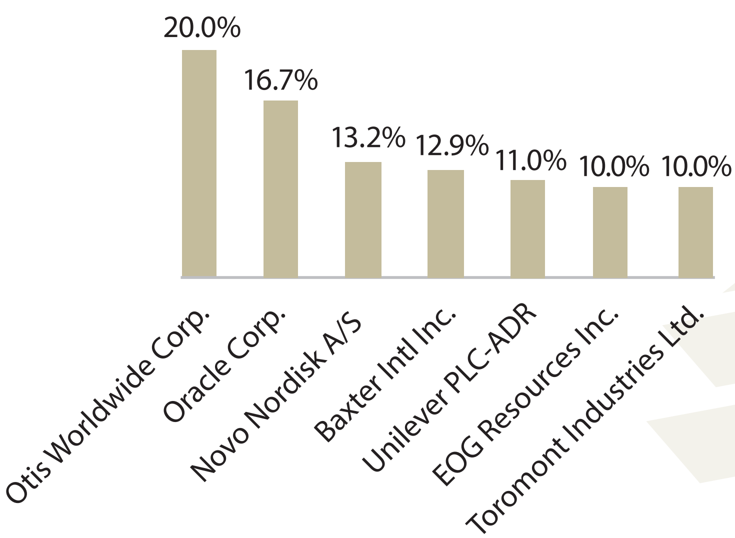
ASSET ALLOCATION[1]



DIVIDEND REPORT - AS AT SEPT 30, 2021[1]

- 2.6% Portfolio Dividend Yield
- 22 of 31 Holdings Raised Their Dividend In Local Currency In The Last 12 Months
- 3.2% Portfolio Dividend Growth Rate (in Canadian dollars) Over The Last 12 Months

NOTEWORTHY DIVIDEND INCREASES - LAST 12 MONTHS[1]



PORTFOLIO HOLDINGS & SECTOR WEIGHTS[1]

		DIVIDEND YIELD	5YR DIVIDEND GROWTH RATE
INFORMATION TECHNOLOGY	**20.4%**		
Accenture Plc Class A		1.2%	9.9%
Apple Inc.		0.6%	9.3%
Cisco Systems, Inc.		2.7%	9.2%
Constellation Software Inc.		0.2%	N/A
Microsoft Corp.		0.8%	9.2%
Oracle Corp.		1.4%	13.3%
FINANCIALS	**18.2%**		
Bank of Nova Scotia		4.6%	4.6%
Berkshire Hathaway Inc. Class B		N/A	N/A
Brookfield Asset Management		0.9%	7.3%
JPMorgan Chase & Co.		2.3%	14.9%
Royal Bank of Canada		3.4%	6.2%
HEALTHCARE	**16.6%**		
Baxter International Inc.		1.3%	16.5%
Gilead Sciences, Inc.		4.1%	9.3%
Johnson & Johnson		2.6%	6.0%
Novo Nordisk A/S Sponsored ADR Class B		1.6%	10.2%
Roche Holdings Ltd-Sponsored ADR		2.8%	3.7%
INDUSTRIALS	**12.1%**		
Otis Worldwide Corp.		1.2%	N/A
Stantec Inc.		1.1%	8.0%
Toromont Industries Ltd.		1.3%	13.2%
Union Pacific Corp.		2.1%	13.1%
Vontier Corp.		0.1%	N/A
ENERGY	**8.6%**		
Enbridge Inc.		6.6%	10.0%
EOG Resources Inc.		3.0%	30.9%
Suncor Energy Inc.		3.2%	(6.3%)
CONSUMER STAPLES	**6.2%**		
CVS Health Corp.		2.4%	4.2%
Unilever PLC-Sponsored ADR		3.6%	7.7%
UTILITIES	**3.5%**		
Canadian Utilities Ltd Class A		5.2%	6.7%
TELECOMMUNICATIONS	**2.9%**		
Verizon Communications Inc.		4.7%	2.1%
INFRASTRUCTURE	**2.7%**		
Brookfield Infrastructure L.P.		3.6%	4.9%
MATERIALS	**2.6%**		
Nutrien Ltd.		2.8%	N/A
CONSUMER DISCRETIONARY	**2.4%**		
BorgWarner Inc.		1.6%	5.5%
CASH & OTHER	**3.8%**		

PORTFOLIO CHANGES[1]

- ▲ BorgWarner Inc.
- ▲ Vontier Corp.
- ▲ Brookfield Infrastructure
- ▼ Wells Fargo & Co.
- ▼ Manulife Financial Corp.

1. Sources: Bloomberg for dividend data, NDEX for portfolio data

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ANTARES INVESTMENT MANAGEMENT

PORTFOLIO PHILOSOPHY & PERFORMANCE

TOTAL EQUITY PORTFOLIO

PORTFOLIO PHILOSOPHY - *TOTAL RETURN*

The Antares Total Equity Portfolio focuses on companies with high levels of recurring and growing cash flow, a portion of which is typically paid as dividends. The portfolio is free to invest in both foreign and Canadian equity markets and holds 20-30 companies that have a demonstrated record of growing shareholder value.

INVESTOR OBJECTIVE - *WEALTH ACCUMULATION*

The Antares Total Equity Portfolio is appropriate for the investor whose objective is a combination of dividend income and capital appreciation. Typically this investor has a long term investment time horizon and wants to benefit from the compounding effect on their initial capital through the reinvestment of dividends.

PERFORMANCE

AS AT SEPT 30, 2021

3 MONTH	1 YEAR	3 YEAR	5 YEAR	ANNUALIZED RETURN SINCE INCEPTION*
3.1%	29.6%	13.3%	13.9%	13.2%

2014	2015	2016	2017	2018	2019	2020	YTD
7.4%	11.3%	12.5%	15.0%	(1.5%)	25.5%	6.4%	20.3%

Source: Antares Investment Management, Inc. - Internal Management System
*Inception date July 22, 2014

TOTAL EQUITY PORTFOLIO

The Antares Total Equity Portfolio is available to investors within a Separately Managed Account ("SMA") that holds securities directly, and through the Antares Total Equity Pool ("Pool") which is held in the accounts of multiple investors. Performance data for the Total Equity Portfolio refers to the Pool. The performance of the Pool may be used as a proxy for the performance of SMAs, however performance may differ in SMA accounts due to a number of factors including but not limited to timing of trades and client-specific circumstances.