

FORTIFIED LONG SHORT ALTERNATIVE FUND



**THINK AHEAD.
STAY AHEAD.**

TABLE OF CONTENTS

- 2 Management’s Responsibility Statement
- 3 Notice to Unitholders
- 4 Picton Mahoney Fortified Long Short Alternative Fund Financial Statements
- 22 Notes to the Financial Statements

MANAGEMENT'S RESPONSIBILITY STATEMENT

The accompanying semi-annual financial statements have been prepared by Picton Mahoney Asset Management, the Manager of the Picton Mahoney Fortified Long Short Alternative Fund (the "Fund"). The Manager is responsible for all of the information and representations contained in these semi-annual financial statements.

The semi-annual financial statements have been prepared in accordance with those requirements of International Financial Reporting Standards as issued by the International Accounting Standards Board and include certain amounts that are based on estimates and judgements. Management maintains appropriate processes to ensure that relevant and reliable financial information is produced.

Picton Mahoney Asset Management

Toronto, Ontario

August 29, 2024

NOTICE TO UNITHOLDERS

The auditor of the Fund has not reviewed these financial statements.

Picton Mahoney Asset Management, the Manager of the Fund, appoints an independent auditor to audit the Fund's annual financial statements. Applicable securities laws require that if an auditor has not reviewed the Fund's interim financial statements, this must be disclosed in an accompanying notice.

PICTON MAHONEY FORTIFIED LONG SHORT ALTERNATIVE FUND

STATEMENTS OF FINANCIAL POSITION

As at June 30, 2024 (unaudited) and December 31, 2023

	June 30, 2024 \$	December 31, 2023 \$
Assets		
Current assets		
Long positions at fair value*	1,011,244,298	707,204,886
Cash	36,724,886	37,734,354
Options purchased*	2,703,531	2,541,910
Deposits with brokers for securities sold short	-	46,902,958
Distributions receivable from underlying funds	-	50,963
Subscriptions receivable	757,296	1,112,487
Receivable for investments sold	-	484,264
Dividends receivable	2,189,929	1,030,514
Interest and other receivable	1,677,568	1,349,056
	<u>1,055,297,508</u>	<u>798,411,392</u>
Liabilities		
Current liabilities		
Short positions at fair value**	496,760,850	366,040,706
Options written**	1,640,852	1,671,248
Unrealized loss on futures contracts	7,412	12,653
Management fee payable	1,451,376	268,193
Performance fee payable	3,476,612	-
Redemptions payable	137,676	435,683
Accrued liabilities	416,821	209,363
Payable for investments purchased	-	269,512
Dividends payable	1,515,230	699,810
Distributions payable	-	525,735
	<u>505,406,829</u>	<u>370,132,903</u>
Net Assets Attributable to Holders of Redeemable Units	<u>549,890,679</u>	<u>428,278,489</u>
Net Assets Attributable to Holders of Redeemable Units per Class		
Class A	31,114,807	25,033,467
Class F	442,917,125	344,300,650
Class I	6,906,377	5,042,876
Class ETF	68,952,370	53,901,496
Number of Redeemable Units Outstanding		
Class A	1,899,169	1,661,400
Class F	26,100,983	22,140,331
Class I	373,415	306,068
Class ETF	4,070,000	3,470,000
Net Assets Attributable to Holders of Redeemable Units per Unit		
Class A	16.38	15.07
Class F	16.97	15.55
Class I	18.50	16.48
Class ETF***	16.94	15.53
	<u>885,385,156</u>	<u>633,959,096</u>
** Short positions, at cost	<u>(494,198,648)</u>	<u>(361,407,030)</u>
*** Closing Market Price (TSX)	<u>16.98</u>	<u>15.56</u>

The accompanying notes are an integral part of the financial statements.

Approved on behalf of the Manager

David Picton

Arthur Galloway




President

CFO

STATEMENTS OF COMPREHENSIVE INCOME (LOSS)

For the six month periods ended June 30 (unaudited)

	2024 \$	2023 \$
Income		
Net gains (losses) on investments and derivatives		
Interest for distribution purposes	4,926,266	4,351,145
Dividends	7,720,894	4,493,256
Net realized gain (loss) on investments and options	(3,562,079)	3,950,896
Net realized gain (loss) on futures contracts	(302,728)	(613,275)
Change in unrealized appreciation (depreciation) on investments, options and futures contracts	54,882,241	11,760,900
Interest and borrowing expense	(1,053,035)	(724,449)
Dividend expense	(4,773,654)	(3,264,100)
Net gains (losses) on investments and derivatives	<u>57,837,905</u>	<u>19,954,373</u>
Other income		
Securities lending income	4,859	11
Foreign currency gain (loss) on cash and other assets and liabilities	671,980	360,713
Total Income	<u>58,514,744</u>	<u>20,315,097</u>
Expenses		
Performance fees	10,911,861	1,890,552
Management fees	2,684,692	1,707,582
Transaction costs	2,298,099	1,363,073
Withholding taxes	194,212	77,938
Administrative fees	164,689	115,545
Securityholder reporting fees	98,988	64,071
Legal fees	36,499	30,849
Audit fees	35,979	24,707
Independent review committee fees	3,496	3,398
Total expense before manager absorption	<u>16,428,515</u>	<u>5,277,715</u>
Less expenses absorbed by manager	-	-
Total expense after manager absorption	<u>16,428,515</u>	<u>5,277,715</u>
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units	<u>42,086,229</u>	<u>15,037,382</u>
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units per Class		
Class A	2,299,586	929,007
Class F	33,881,358	11,451,093
Class I	663,501	557,331
Class ETF	5,241,784	2,099,951
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units per Unit		
Class A	1.29	0.66
Class F	1.39	0.72
Class I	2.00	1.04
Class ETF	<u>1.36</u>	<u>0.67</u>

The accompanying notes are an integral part of the financial statements.

PICTON MAHONEY FORTIFIED LONG SHORT ALTERNATIVE FUND

STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the six month periods ended June 30 (unaudited)

	2024 \$	2023 \$
Net Assets Attributable to Holders of Redeemable Units at Beginning of Period		
Class A	25,033,467	19,648,630
Class F	344,300,650	222,234,215
Class I	5,042,876	13,958,561
Class ETF	53,901,496	47,448,094
	<u>428,278,489</u>	<u>303,289,500</u>
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units		
Class A	2,299,586	929,007
Class F	33,881,358	11,451,093
Class I	663,501	557,331
Class ETF	5,241,784	2,099,951
	<u>42,086,229</u>	<u>15,037,382</u>
Redeemable Unit Transactions		
Proceeds from redeemable units issued		
Class A	6,657,251	3,420,781
Class F	113,632,879	47,112,674
Class I	1,200,000	-
Class ETF	11,755,890	10,075,828
	<u>133,246,020</u>	<u>60,609,283</u>
Redemption of redeemable units		
Class A	(2,875,497)	(2,267,724)
Class F	(48,897,762)	(24,027,826)
Class I	-	(9,400,000)
Class ETF	(1,946,800)	(12,301,318)
	<u>(53,720,059)</u>	<u>(47,996,868)</u>
Net Increase (Decrease) from Redeemable Unit Transactions	<u>79,525,961</u>	<u>12,612,415</u>
Net Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units	<u>121,612,190</u>	<u>27,649,797</u>
Net Assets Attributable to Holders of Redeemable Units at End of Period		
Class A	31,114,807	21,730,694
Class F	442,917,125	256,770,156
Class I	6,906,377	5,115,892
Class ETF	68,952,370	47,322,555
Net Assets Attributable to Holders of Redeemable Units at End of Period	<u>549,890,679</u>	<u>330,939,297</u>

The accompanying notes are an integral part of the financial statements.

STATEMENTS OF CASH FLOWS

For the six month periods ended June 30 (unaudited)

	2024 \$	2023 \$
Cash Flows from Operating Activities		
Increase (decrease) in net assets attributable to holders of redeemable units	42,086,229	15,037,382
Adjustments for:		
Unrealized foreign exchange (gain) loss on cash	10,924	(83,047)
Net realized (gain) loss on investments and options	3,562,079	(3,950,896)
Change in unrealized (appreciation) depreciation on investments, options and futures contracts	(54,882,241)	(11,760,900)
(Increase) decrease in interest and other receivables	(328,512)	(1,900,180)
(Increase) decrease in dividends receivable	(1,159,415)	(146,491)
(Increase) decrease in deposits with brokers for securities sold short	46,902,958	18,907,023
(Increase) decrease in distributions receivable from underlying funds	50,963	-
Increase (decrease) in dividends payable	815,420	31,936
Increase (decrease) in other payable and accrued liabilities	4,867,253	1,701,858
Purchase of long positions and repurchase of investments sold short	(1,328,367,960)	(485,012,367)
Reinvestment of distributions from underlying funds	(50,963)	-
Proceeds from sale of long positions and on investments sold short	1,206,437,311	420,186,624
Net cash generated (used) by operating activities	<u>(80,055,954)</u>	<u>(46,989,058)</u>
Cash Flows from Financing Activities		
Distributions to holders of redeemable units, net of reinvested distributions	(525,735)	-
Proceeds from redeemable units issued	132,739,725	59,397,115
Amount paid on redemption of redeemable units	(53,156,580)	(47,829,428)
Net cash generated (used) by financing activities	<u>79,057,410</u>	<u>11,567,687</u>
Unrealized foreign exchange gain (loss) on cash	(10,924)	83,047
Net increase (decrease) in cash	(998,544)	(35,421,371)
Cash, beginning of period	37,734,354	98,316,143
Cash, end of period	<u>36,724,886</u>	<u>62,977,819</u>
Cash	36,724,886	62,977,819
Cash overdraft	-	-
Net Cash (Overdraft)	<u>36,724,886</u>	<u>62,977,819</u>
Items Classified as Operating Activities:		
Interest received, net of withholding tax	4,597,754	2,582,849
Dividends received, net of withholding tax	6,367,267	4,268,827
Interest and borrowing expense paid	(1,053,035)	(724,449)
Dividends paid	(3,958,234)	(3,232,164)

Net of non-cash transfers and switches of \$861,486 (2023 - \$515,870)

The accompanying notes are an integral part of the financial statements.

PICTON MAHONEY FORTIFIED LONG SHORT ALTERNATIVE FUND

SCHEDULE OF INVESTMENT PORTFOLIO

As at June 30, 2024 (unaudited)

CCY*	No. of shares/ units/ Face value	Security Description	Average cost (\$)	Fair value (\$)	CCY*	No. of shares/ units/ Face value	Security Description	Average cost (\$)	Fair value (\$)
LONG POSITIONS (184.4%)									
Canadian Equities (94.4%)									
Energy (17.3%)									
	226,379	Advantage Energy Ltd.	2,132,183	2,349,814		50,016	NGEx Minerals Ltd.	279,706	405,130
	164,500	ARC Resources Ltd.	3,643,054	4,015,445		46,671	Nutrien Ltd.	3,927,978	3,250,635
	52,600	Cameco Corp.	2,017,664	3,540,506		701,602	OceanaGold Corp.	1,779,403	2,203,030
	250,378	Canadian Natural Resources Ltd.	9,906,975	12,200,920		21,133	Osisko Development Corp., Warrants, 2027-03-02	-	2,113
	293,271	Enbridge Inc.	14,378,594	14,273,500		309,986	Osisko Gold Royalties Ltd.	5,893,233	6,608,902
	130,081	Encore Energy Corp.	393,060	698,535		15,100	Osisko Mining Inc., Warrants, 2024-08-28	-	-
	248,200	Encore Energy Corp., Warrants, 2026-02-14	-	402,084		195,746	Pan American Silver Corp.	4,359,594	5,322,334
	265,439	Freehold Royalties Ltd.	2,981,437	3,615,279		40,000	Pan American Silver Corp., Rights, 2029-02-22	40,444	25,320
	120,300	Gibson Energy Inc.	2,577,424	2,796,975		213,666	Solaris Resources Inc.	1,359,743	816,204
	42,599	Imperial Oil Ltd.	3,154,601	3,973,635		162,880	Teck Resources Ltd.	9,306,623	10,678,413
	247,746	Logan Energy Corp.	277,692	222,971		23,580	West Fraser Timber Co., Ltd.	2,594,442	2,477,551
	40,310	Mattr Corp.	616,578	673,983		788,400	West Red Lake Gold Mines Ltd.	566,853	488,808
	300,342	MEG Energy Corp.	5,018,052	8,791,010		788,400	West Red Lake Gold Mines Ltd., Warrants, 2026-05-16	795	94,608
	115,385	NexGen Energy Ltd.	817,370	1,100,773				<u>64,471,871</u>	<u>70,157,848</u>
	80,355	North American Construction Group Ltd.	1,867,349	2,119,765					
	131,684	Parkland Corp.	5,051,845	5,050,081					
	92,300	Pembina Pipeline Corp.	4,443,395	4,685,148					
	12,300	Precision Drilling Corp.	1,014,465	1,183,260					
	284,800	Suncor Energy Inc.	13,491,200	14,852,320					
	71,060	TC Energy Corp.	3,799,335	3,685,172					
	19,080	TerraVest Industries Inc.	1,459,817	1,379,293					
	36,200	Tidewater Midstream and Infrastructure Ltd., Warrants, 2024-08-16	3,623	181					
	53,387	Tourmaline Oil Corp.	<u>3,032,501</u>	<u>3,312,663</u>					
			<u>82,078,214</u>	<u>94,923,313</u>					
Materials (12.8%)									
	105,226	Agnico Eagle Mines Ltd.	7,048,433	9,415,622					
	47,800	Aris Mining Corp., Warrants, 2025-07-29	346	17,686					
	110,700	Capstone Copper Corp.	770,433	1,073,790					
	100,846	CCL Industries Inc.	6,733,096	7,254,861					
	267,200	Faraday Copper Corp.	213,760	216,432					
	183,849	First Quantum Minerals Ltd.	4,339,435	3,303,767					
	34,202	Franco-Nevada Corp.	5,936,371	5,547,564					
	302,772	Frontier Lithium Inc.	720,062	199,830					
	81,050	Frontier Lithium Inc., Warrants, 2025-11-08	-	-					
	128,200	Gold Royalty Corp.	299,664	247,345					
	128,200	Gold Royalty Corp., Warrants	1,752	33,330					
	371,600	Hudbay Minerals Inc.	2,809,501	4,600,408					
	105,977	K92 Mining Inc.	715,620	831,919					
	127,449	Karora Resources Inc.	474,533	759,596					
	163,000	Kinross Gold Corp.	1,274,656	1,856,570					
	195,700	Lithium Americas Corp.	1,347,395	712,348					
	188,737	Major Drilling Group International Inc.	1,659,565	1,713,732					
	224,650	Marathon Gold Corp., Warrants, 2024-09-20	18,435	-					
					Industrial (17.3%)				
						24,900	ADENTRA Inc.	982,896	928,023
						41,726	Ag Growth International Inc.	2,286,411	2,191,450
						52,700	AtkinsRealis Group Inc.	2,901,732	3,120,894
						46,100	ATS Corp.	2,088,302	2,040,847
						76,715	Badger Infrastructure Solutions Ltd.	2,593,334	3,159,891
						30,200	Bombardier Inc.	1,598,448	2,649,446
						13,900	Boyd Group Services Inc.	2,957,096	3,571,883
						238,939	Canadian Pacific Kansas City Ltd.	23,591,209	25,743,288
						639,162	Element Fleet Management Corp.	10,246,824	15,908,742
						23,800	Element Fleet Management Corp., Preferred Series E	593,731	594,762
						27,800	Thomson Reuters Corp.	3,577,188	6,410,958
						49,300	Toromont Industries Ltd.	5,259,297	5,971,709
						63,232	Waste Connections Inc.	10,860,347	15,177,577
						39,600	WSP Global Inc.	6,613,554	8,435,988
								<u>76,150,369</u>	<u>95,905,458</u>
					Consumer Discretionary (2.2%)				
						20,021	Dollarama Inc.	1,847,153	2,500,823
						64,666	Park Lawn Corp.	1,704,306	1,681,963
						62,700	Restaurant Brands International Inc.	5,803,332	6,044,280
						58,043	Spin Master Corp.	2,230,899	1,636,232
								<u>11,585,690</u>	<u>11,863,298</u>
					Consumer Staples (3.0%)				
						58,500	Alimentation Couche-Tard Inc.	4,613,675	4,491,045
						52,067	George Weston Ltd.	8,268,995	10,246,265
						48,900	North West Co Inc.	1,823,764	2,026,416
								<u>14,706,434</u>	<u>16,763,726</u>

PICTON MAHONEY FORTIFIED LONG SHORT ALTERNATIVE FUND

SCHEDULE OF INVESTMENT PORTFOLIO

As at June 30, 2024 (unaudited)

CCY*	No. of shares/ units/ Face value	Security Description	Average cost (\$)	Fair value (\$)	CCY*	No. of shares/ units/ Face value	Security Description	Average cost (\$)	Fair value (\$)
Health Care (0.7%)					Utilities (4.6%)				
	142,000	Chartwell Retirement Residences	1,773,513	1,824,700		364,966	AltaGas Ltd.	9,144,901	11,281,099
	314,786	Kneat.com Inc.	958,733	1,334,693		96,378	Borex Inc.	3,336,227	3,229,627
	31,500	Sienna Senior Living Inc.	447,083	448,875		110,125	Capital Power Corp.	4,415,732	4,293,774
			<u>3,179,329</u>	<u>3,608,268</u>		52,957	Hydro One Ltd.	1,826,222	2,110,336
Financials (23.7%)						239,035	Innervex Renewable Energy Inc.	2,427,172	2,445,328
	24,434	Bank of Montreal	2,951,424	2,805,756		187,985	TransAlta Corp.	<u>2,268,572</u>	<u>1,823,455</u>
	31,200	Bank of Nova Scotia	2,023,108	1,952,496				<u>23,418,826</u>	<u>25,183,619</u>
	89,600	Brookfield Asset Management Ltd.	4,870,729	4,666,368	Real Estate (3.3%)				
	53,900	Brookfield Corp.	3,076,675	3,066,910		46,934	Boardwalk Real Estate Investment Trust	2,090,155	3,307,908
	116,400	Canaccord Genuity Group Inc.	929,369	984,744		57,925	BSR Real Estate Investment Trust	1,052,241	950,344
	226,000	Canadian Imperial Bank of Commerce	15,190,473	14,701,300		17,300	Colliers International Group Inc.	2,772,892	2,642,921
	107,500	Canadian Western Bank	3,004,135	4,663,350		104,057	Crombie Real Estate Investment Trust	1,541,435	1,326,727
	114,062	Dominion Lending Centres Inc.	391,762	410,623		57,000	DREAM Unlimited Corp.	1,355,543	1,120,050
	4,775	Fairfax Financial Holdings Ltd.	4,969,484	7,431,476		28,244	FirstService Corp.	5,582,506	5,880,401
	6,200	Goeasy Ltd.	1,095,144	1,222,144		180,875	Minto Apartment Real Estate Investment Trust	<u>2,665,912</u>	<u>2,673,333</u>
	29,100	Intact Financial Corp.	6,540,335	6,635,091				<u>17,060,684</u>	<u>17,901,684</u>
	444,600	Manulife Financial Corp.	13,607,848	16,196,778	Investment Funds (0.7%)				
	44,000	Nuvei Corp.	1,483,938	1,949,640		255,132	Picton Mahoney Fortified Inflation Opportunities Alternative Fund, Class I Units**	2,550,963	2,687,077
	6,351	Osisko Green Acquisition Ltd.	-	1		41,051	Sprott Physical Uranium Trust	708,112	1,041,053
	77,300	Power Corp. of Canada	2,807,657	2,938,946				<u>3,259,075</u>	<u>3,728,130</u>
	306,561	Preservation Capital Partners Strategic Opportunities I LP	519,533	530,263	Total Canadian Equities - Long				
	244,097	Royal Bank of Canada	31,516,509	35,552,728				452,278,441	519,016,477
	60,400	Sun Life Financial Inc.	3,911,284	4,051,632	Canadian Debt (33.4%)				
	169,003	Toronto-Dominion Bank	13,523,910	12,709,026	Short-Term Notes (31.9%)				
	203,486	Trisura Group Ltd.	6,864,584	8,420,251	CAD	33,250,000	Canadian Treasury Bill 5.024%, 2024-08-01	32,500,545	32,500,545
			<u>119,277,901</u>	<u>130,889,523</u>	CAD	56,200,000	Canadian Treasury Bill 4.823%, 2024-08-29	55,534,040	55,534,031
Information Technology (7.0%)					CAD	33,250,000	Canadian Treasury Bill 4.814%, 2024-10-24	32,531,135	32,531,135
	68,819	Celestica Inc.	1,309,790	5,391,280	CAD	56,500,000	Canadian Treasury Bill 4.803%, 2024-11-21	<u>55,231,575</u>	<u>55,231,575</u>
	126,100	Computer Modelling Group Ltd.	1,267,554	1,663,259				<u>175,797,295</u>	<u>175,797,286</u>
	2,725	Constellation Software Inc.	6,737,854	10,741,623	Corporate Bonds (1.5%)				
	1,842	Constellation Software Inc., Warrants, 2040-03-31	-	-	CAD	1,667,000	Bank of Montreal 7.373%, 2049-12-31	1,687,865	1,704,491
	45,219	Descartes Systems Group Inc.	4,522,970	5,993,778	CAD	1,187,000	Canadian Imperial Bank of Commerce 7.365%, 2049-12-31	1,187,000	1,207,986
	78,800	Dye & Durham Ltd.	1,067,813	970,816	CAD	1,100,000	Intact Financial Corp. 7.338%, 2083-06-30	1,100,000	1,124,024
	21,400	Kinaxis Inc.	3,309,008	3,376,064	CAD	2,025,000	Royal Bank of Canada 7.408%, 2049-12-31	2,025,000	2,085,669
	36,066	Lumine Group Inc.	589,123	1,331,917					
	98,212	Shopify Inc.	7,187,421	8,879,347					
			<u>25,991,533</u>	<u>38,348,084</u>					
Communication Services (1.8%)									
	37,215	Cineplex Inc.	270,553	305,907					
	65,350	FansUnite Entertainment Inc., Warrants, 2024-07-15	-	-					
	166,500	Rogers Communications Inc.	9,735,179	8,424,900					
	48,900	TELUS Corp.	1,092,783	1,012,719					
			<u>11,098,515</u>	<u>9,743,526</u>					

PICTON MAHONEY FORTIFIED LONG SHORT ALTERNATIVE FUND

SCHEDULE OF INVESTMENT PORTFOLIO

As at June 30, 2024 (unaudited)

CCY*	No. of shares/units/ Face value	Security Description	Average cost (\$)	Fair value (\$)	CCY*	No. of shares/units/ Face value	Security Description	Average cost (\$)	Fair value (\$)
	6,324	RBC Bearings Inc.	1,835,574	2,334,517		31,200	Teva Pharmaceutical Industries Ltd.		
	16,500	Reinsurance Group of America Inc.	3,192,962	4,634,522		7,000	Weatherford International PLC	700,446	693,751
	24,100	Robinhood Markets Inc.	760,226	748,910				887,696	1,172,877
	3,089	Roper Technologies Inc.	1,701,562	2,382,488				27,184,610	29,981,539
	3,360	ServiceNow Inc.	2,399,118	3,616,824					
	12,000	Stride Inc.	1,055,488	1,157,620					
	3,525	Synopsys Inc.	1,739,421	2,870,221					
	3,277	Take-Two Interactive Software Inc.	566,368	697,227					
	11,135	Targa Resources Corp.	845,421	1,962,159					
	4,700	Teradyne Inc.	919,567	953,686					
	15,736	TJX Cos Inc.	1,488,846	2,370,703					
	20,194	Trade Desk Inc.	2,084,161	2,698,852					
	7,900	TransUnion	800,873	801,664					
	2,685	Tyler Technologies Inc.	1,343,826	1,847,217					
	6,200	Uber Technologies Inc.	565,304	616,598					
	14,200	UFP Industries Inc.	2,306,997	2,176,215					
	8,400	Union Pacific Corp.	2,439,683	2,600,654					
	3,470	United Rentals Inc.	1,368,814	3,070,775					
	33,800	Utz Brands Inc.	841,234	769,601					
	29,759	Ventas Inc.	1,859,221	2,087,336					
	2,762	Veralto Corp.	306,297	360,816					
	41,100	Verizon Communications Inc.	2,183,212	2,319,295					
	1,960	Vertex Pharmaceuticals Inc.	787,424	1,257,086					
	6,200	Vistra Corp.	641,762	729,432					
	35,400	Walmart Inc.	2,537,313	3,279,832					
	23,600	Western Alliance Bancorp	1,958,677	2,028,642					
	40,800	WillScot Mobile Mini Holdings Corp.	2,556,656	2,101,383					
	39,691	Zymeworks Inc.	397,274	462,186					
			197,736,255	256,525,138					
		International Equities (5.5%)							
	900	ASML Holding NV, NASD	1,197,133	1,259,502					
	76,700	Brookfield Business Partners LP	2,141,952	1,987,297					
	79,204	Brookfield Infrastructure Partners LP	3,462,378	2,976,486					
	53,300	Brookfield Renewable Partners LP	1,771,457	1,804,205					
	2,978,800	Burgundy Diamond Mines Ltd.	631,772	489,992					
	243,841	Champion Iron Ltd.	1,243,217	1,428,908					
	6,200	CyberArk Software Ltd.	1,247,803	2,319,623					
	3,400	Eaton Corp. PLC	984,717	1,458,751					
	104,400	Glencore PLC	845,822	814,606					
	6,500	ICON PLC	2,516,073	2,788,078					
	65,086	International Game Technology PLC	2,065,154	1,822,169					
	3,600	Monday.com Ltd.	1,138,399	1,185,994					
	98,495	OneSpaWorld Holdings Ltd.	1,588,285	2,071,493					
	211,702	ReNew Energy Global PLC	1,942,790	1,807,611					
	13,700	Schlumberger NV	849,246	884,452					
	6,700	Spotify Technology SA	1,452,881	2,876,798					
	1,029,231	Talon Metals Corp.	517,389	138,946					
		International Index Equivalents (2.3%)							
	30,054	Invesco S&P 500 Low Volatility ETF		2,518,095					2,671,019
	48,080	iShares Russell 2000 Value ETF		9,733,274				12,251,369	10,019,819
									12,690,838
		Total Global Equities - Long						237,172,234	299,197,515
		Global Debt (1.7%)							
		Short-Term Notes (1.7%)							
USD	2,576,000	United States Treasury Bill 5.229%, 2024-08-15		3,394,510					3,437,475
USD	2,100,000	United States Treasury Bill 5.315%, 2024-08-22		2,843,732					2,838,323
USD	2,100,000	United States Treasury Bill 5.303%, 2024-11-21		2,806,650				9,044,892	2,801,312
									9,077,110
		Total Global Debt - Long		9,044,892					9,077,110
		Options (0.5%)							
		Total Purchased Options - Refer to Appendix A		3,657,048					2,703,531
		Transaction Costs		(570,119)					-
		Total Long Positions		885,385,156					1,013,947,829
		SHORT POSITIONS (-90.6%)							
		Canadian Equities (-32.0%)							
		Energy (-2.7%)							
	(382,225)	Baytex Energy Corp.		(2,161,385)					(1,811,747)
	(19,880)	Birchcliff Energy Ltd.		(126,622)					(119,479)
	(36,200)	Cenovus Energy Inc.		(1,021,960)					(973,418)
	(17,883)	Enerflex Ltd.		(118,269)					(131,977)
	(235,100)	Ensign Energy Services Inc.		(605,049)					(536,028)
	(42,900)	Obsidian Energy Ltd.		(440,494)					(439,296)
	(61,935)	Paramount Resources Ltd.		(1,881,053)					(1,924,940)
	(83,494)	Parex Resources Inc.		(1,903,656)					(1,830,188)
	(30,475)	PrairieSky Royalty Ltd.		(706,170)					(792,350)
	(133,900)	Spartan Delta Corp.		(538,235)					(539,617)
	(137,300)	Tamarack Valley Energy Ltd.		(528,504)					(512,129)
	(85,658)	Topaz Energy Corp.		(1,714,427)					(2,055,792)
	(59,800)	Trican Well Service Ltd.		(248,791)					(288,236)
	(67,349)	Veren Inc.		(731,870)					(726,696)
	(203,977)	Whitecap Resources Inc.		(2,057,856)					(2,041,810)
									(14,784,341)
		Materials (-2.0%)							
	(81,301)	Artemis Gold Inc.		(502,158)					(798,376)
	(118,800)	B2Gold Corp.		(445,112)					(435,996)
	(70,200)	Barrick Gold Corp.		(1,642,267)					(1,601,964)
	(8,011)	Canfor Corp.		(123,699)					(116,240)

PICTON MAHONEY FORTIFIED LONG SHORT ALTERNATIVE FUND

SCHEDULE OF INVESTMENT PORTFOLIO

As at June 30, 2024 (unaudited)

CCY*	No. of shares/ units/ Face value	Security Description	Average cost (\$)	Fair value (\$)	CCY*	No. of shares/ units/ Face value	Security Description	Average cost (\$)	Fair value (\$)
	(13,180)	Cascades Inc.	(130,201)	(119,015)					
	(46,400)	Equinox Gold Corp.	(331,695)	(331,296)					
	(57,475)	ERO Copper Corp.	(1,480,028)	(1,680,569)					
	(4,847)	Filo Corp.	(115,003)	(121,563)					
	(95,446)	First Majestic Silver Corp.	(995,173)	(773,113)					
	(30,983)	Foran Mining Corp.	(125,134)	(121,453)					
	(6,649)	Interfor Corp.	(129,526)	(109,841)					
	(45,700)	Ivanhoe Mines Ltd.	(796,595)	(806,605)					
	(83,034)	Lundin Mining Corp.	(953,608)	(1,264,608)					
	(94,381)	New Found Gold Corp.	(628,804)	(364,311)					
	(37,304)	New Pacific Metals Corp.	(162,505)	(76,846)					
	(74,606)	Sandstorm Gold Ltd.	(520,056)	(555,069)					
	(54,700)	SilverCrest Metals Inc.	(464,227)	(611,546)					
	(17,437)	Vizsla Royalties Corp., Warrants, 2025-12-31	-	-					
	(52,317)	Vizsla Silver Corp.	(121,893)	(126,607)					
	(76,399)	Wesdome Gold Mines Ltd.	(700,679)	(841,917)					
			<u>(10,368,363)</u>	<u>(10,856,935)</u>					
		Industrial (-0.7%)							
	(88,704)	Aecon Group Inc.	(1,142,593)	(1,506,194)					
	(23,883)	Ballard Power Systems Inc.	(190,148)	(73,798)					
	(4,816)	CAE Inc.	(133,269)	(122,375)					
	(2,756)	Exchange Income Corp.	(130,475)	(124,626)					
	(24,500)	Finning International Inc.	(919,038)	(982,695)					
	(2,289)	GFL Environmental Inc.	(105,650)	(121,958)					
	(9,850)	MDA Space Ltd.	(124,603)	(134,551)					
	(9,275)	Mullen Group Ltd.	(118,202)	(121,874)					
	(7,474)	NFI Group Inc.	(121,401)	(118,388)					
	(1,087)	RB Global Inc.	(120,284)	(113,418)					
	(410)	RB Global Inc., NYSE	(42,049)	(42,840)					
	(2,971)	Richelieu Hardware Ltd.	(117,139)	(122,375)					
			<u>(3,264,851)</u>	<u>(3,585,092)</u>					
		Consumer Discretionary (-0.6%)							
	(1,408)	BRP Inc.	(132,966)	(123,411)					
	(17,222)	Canadian Tire Corp. Ltd.	(2,645,965)	(2,337,714)					
	(13,500)	Magna International Inc.	(952,001)	(774,090)					
	(2,704)	MTY Food Group Inc.	(133,727)	(121,518)					
	(4,658)	Pet Valu Holdings Ltd.	(122,076)	(122,552)					
			<u>(3,986,735)</u>	<u>(3,479,285)</u>					
		Consumer Staples (-1.1%)							
	(37,815)	Empire Co., Ltd.	(1,282,866)	(1,322,391)					
	(4,344)	Jamieson Wellness Inc.	(118,181)	(126,019)					
	(21,096)	Loblaw Cos Ltd.	(2,713,523)	(3,347,935)					
	(5,164)	Maple Leaf Foods Inc.	(118,412)	(118,359)					
	(8,961)	Premium Brands Holdings Corp.	(789,424)	(844,395)					
	(4,061)	Saputo Inc.	(112,716)	(124,754)					
			<u>(5,135,122)</u>	<u>(5,883,853)</u>					
		Health Care (0.0%)							
	(3,444)	Aurora Cannabis Inc.	(282,710)	(21,766)					
		Financials (-2.2%)							
	(71,630)	CI Financial Corp.	(1,159,964)	(1,031,472)					
	(17,567)	Fiera Capital Corp.	(120,971)	(137,725)					
	(51,165)	Great-West Lifeco Inc.	(2,129,251)	(2,041,995)					
	(1,144)	Guardian Capital Group Ltd.	(44,548)	(49,215)					
	(16,000)	iA Financial Corp. Inc.	(1,319,146)	(1,374,560)					
	(37,808)	IGM Financial Inc.	(1,340,183)	(1,428,008)					
	(15,100)	Laurentian Bank of Canada	(377,626)	(400,905)					
	(28,600)	National Bank of Canada	(3,202,482)	(3,103,386)					
	(10,900)	Onex Corp.	(1,071,544)	(1,013,918)					
	(3,587)	Propel Holdings Inc.	(34,933)	(87,774)					
	(41,000)	TMX Group Ltd.	(1,476,717)	(1,561,280)					
	(15,407)	Westaim Corp.	(45,054)	(62,398)					
			<u>(12,322,419)</u>	<u>(12,292,636)</u>					
		Information Technology (-0.5%)							
	(30,275)	Bitfarms Ltd.	(101,927)	(106,871)					
	(42,669)	Enghouse Systems Ltd.	(1,456,902)	(1,287,324)					
	(5,914)	Lightspeed Commerce Inc.	(122,176)	(110,592)					
	(22,219)	Open Text Corp.	(1,179,855)	(912,757)					
	(1,065)	Topicus.com Inc.	(119,458)	(124,605)					
			<u>(2,980,318)</u>	<u>(2,542,149)</u>					
		Communication Services (-0.3%)							
	(2,640)	BCE Inc.	(118,139)	(116,978)					
	(15,300)	Cogeco Communications Inc.	(936,527)	(789,327)					
	(29,996)	Quebecor Inc.	(923,706)	(865,985)					
			<u>(1,978,372)</u>	<u>(1,772,290)</u>					
		Utilities (-0.8%)							
	(15,080)	Algonquin Power & Utilities Corp.	(122,829)	(121,243)					
	(26,600)	Brookfield Infrastructure Corp.	(1,208,036)	(1,224,930)					
	(19,400)	Brookfield Renewable Corp.	(822,443)	(751,944)					
	(2,604)	Emera Inc.	(123,246)	(118,873)					
	(40,299)	Fortis Inc.	(2,243,397)	(2,142,698)					
	(4,995)	Northland Power Inc.	(116,959)	(117,482)					
	(3,293)	Polaris Renewable Energy Inc.	(44,685)	(42,216)					
	(13,151)	Superior Plus Corp.	(122,527)	(116,649)					
			<u>(4,804,122)</u>	<u>(4,636,035)</u>					
		Real Estate (-0.3%)							
	(7,578)	Allied Properties Real Estate Investment Trust	(128,988)	(116,019)					
	(2,492)	Altus Group Ltd.	(118,214)	(125,896)					
	(2,730)	Canadian Apartment Properties REIT	(125,652)	(121,349)					
	(2,414)	Killam Apartment Real Estate Investment Trust	(44,394)	(41,135)					
	(7,143)	RioCan Real Estate Investment Trust	(124,996)	(120,074)					
	(20,600)	SmartCentres Real Estate Investment Trust	(474,852)	(452,994)					
	(135,300)	StorageVault Canada Inc.	(643,953)	(630,498)					
			<u>(1,661,049)</u>	<u>(1,607,965)</u>					

PICTON MAHONEY FORTIFIED LONG SHORT ALTERNATIVE FUND

SCHEDULE OF INVESTMENT PORTFOLIO

As at June 30, 2024 (unaudited)

CCY*	No. of shares/units/ Face value	Security Description	Average cost (\$)	Fair value (\$)	CCY*	No. of shares/units/ Face value	Security Description	Average cost (\$)	Fair value (\$)
Index Equivalents (-20.8%)						(1,017)	Brucker Corp.	(91,729)	(88,798)
	(319,060)	iShares Core S&P/TSX Capped Composite Index ETF	(10,694,629)	(11,119,241)	(63)	CACI International Inc.	(37,525)	(37,080)	
	(2,966,044)	iShares S&P/TSX 60 Index ETF	(96,741,158)	(97,998,094)	(1,900)	Cadence Design Systems Inc.	(711,537)	(800,105)	
	(251,600)	iShares S&P/TSX Capped Energy Index ETF	(4,730,655)	(4,579,120)	(9,900)	Calix Inc.	(555,473)	(479,956)	
	(50,100)	iShares S&P/TSX Capped REIT Index ETF	(746,792)	(731,961)	(22,700)	Carlyle Group Inc.	(1,252,638)	(1,247,116)	
			(112,913,234)	(114,428,416)	(4,469)	CarMax Inc.	(459,285)	(448,484)	
					(1,019)	Carrier Global Corp.	(89,626)	(87,955)	
					(2,500)	Caterpillar Inc.	(1,196,249)	(1,139,489)	
					(547)	Celsius Holdings Inc.	(46,165)	(42,731)	
					(8,034)	CH Robinson Worldwide Inc.	(1,021,245)	(968,728)	
					(233)	Chart Industries Inc.	(43,322)	(46,019)	
					(3,010)	Charter Communications Inc.	(1,178,383)	(1,231,332)	
					(22,300)	Chegg Inc.	(255,848)	(96,425)	
					(450)	Chipotle Mexican Grill Inc.	(39,094)	(38,577)	
					(480)	Churchill Downs Inc.	(84,787)	(91,690)	
					(36,000)	Cleveland-Cliffs Inc.	(980,096)	(758,118)	
					(4,300)	CME Group Inc.	(1,191,272)	(1,156,771)	
					(1,439)	Cognex Corp.	(81,231)	(92,073)	
					(7,500)	Comerica Inc.	(516,927)	(523,802)	
					(229)	CommVault Systems Inc.	(37,371)	(38,094)	
					(1,181)	Confluent Inc.	(45,063)	(47,721)	
					(5,100)	ConocoPhillips	(816,216)	(798,207)	
					(259)	Constellation Brands Inc.	(91,245)	(91,180)	
					(702)	Cooper Cos Inc.	(91,413)	(83,858)	
					(5,100)	CoStar Group Inc.	(547,164)	(517,390)	
					(432)	Costco Wholesale Corp.	(430,272)	(502,450)	
					(6,660)	Coty Inc.	(103,686)	(91,314)	
					(3,065)	Coupage Inc.	(91,778)	(87,864)	
					(189)	Crane Co.	(37,471)	(37,494)	
					(13,060)	CubeSmart	(783,764)	(807,214)	
					(100)	Curtiss-Wright Corp.	(37,900)	(37,079)	
					(17,100)	CVS Health Corp.	(1,481,708)	(1,381,927)	
					(6,999)	Dayforce Inc.	(574,486)	(475,021)	
					(575)	Deckers Outdoor Corp.	(757,684)	(761,581)	
					(1,400)	Dick's Sporting Goods Inc.	(264,398)	(411,584)	
					(2,000)	Dollar Tree Inc.	(345,025)	(292,196)	
					(16,000)	Dominion Energy Inc.	(1,025,172)	(1,072,782)	
					(13,443)	DraftKings Inc.	(704,728)	(702,124)	
					(800)	Duolingo Inc.	(197,462)	(228,426)	
					(860)	Dutch Bros Inc.	(46,875)	(48,719)	
					(2,800)	eHealth Inc.	(185,747)	(17,356)	
					(2,200)	Electronic Arts Inc.	(397,262)	(419,433)	
					(252)	Emerson Electric Co.	(37,820)	(37,986)	
					(17,109)	Enerpac Tool Group Corp.	(530,941)	(893,832)	
					(526)	Enphase Energy Inc.	(91,284)	(71,766)	
					(10,900)	EQT Corp.	(522,568)	(551,555)	
					(283)	Esab Corp.	(37,701)	(36,567)	
					(1,767)	Essential Utilities Inc.	(89,403)	(90,259)	
					(4,094)	Etsy Inc.	(437,170)	(330,406)	
					(3,600)	Euronet Worldwide Inc.	(530,181)	(509,845)	
					(17,400)	Extreme Networks Inc.	(664,358)	(320,234)	
					(2,463)	FactSet Research Systems Inc.	(1,388,902)	(1,375,965)	
					(325)	Federal Signal Corp.	(38,179)	(37,209)	
					(11,300)	Federated Hermes Inc.	(540,879)	(508,400)	
Total Canadian Equities - Short									
			(174,481,636)	(175,830,125)					
Global Equities (-58.3%)									
United States Equities (-22.8%)									
	(25,900)	1-800-Flowers.com Inc.	(336,575)	(337,390)					
	(4,900)	3M Co.	(676,282)	(685,173)					
	(432)	AAON Inc.	(45,953)	(51,570)					
	(1,300)	Abercrombie & Fitch Co.	(241,279)	(316,350)					
	(1,003)	Acadia Healthcare Co Inc.	(97,072)	(92,695)					
	(165)	Advanced Drainage Systems Inc.	(37,396)	(36,212)					
	(5,900)	AGCO Corp.	(940,326)	(790,208)					
	(238)	Air Products and Chemicals Inc.	(83,018)	(84,038)					
	(7,813)	Airbnb Inc.	(1,551,630)	(1,621,058)					
	(6,300)	Alexandria Real Estate Equities Inc.	(1,055,849)	(1,008,348)					
	(4,271)	Allstate Corp.	(956,513)	(933,085)					
	(152)	Alphabet Inc.	(37,581)	(38,149)					
	(26,908)	American Airlines Group Inc.	(518,704)	(417,164)					
	(7,800)	American Express Co.	(2,308,625)	(2,471,354)					
	(4,907)	American Water Works Co Inc.	(890,475)	(867,241)					
	(1,700)	Ameriprise Financial Inc.	(958,148)	(993,723)					
	(145)	Applied Industrial Technologies Inc.	(37,937)	(38,492)					
	(116)	Applied Materials Inc.	(36,814)	(37,458)					
	(208)	Ares Management Corp.	(31,711)	(37,934)					
	(781)	Arista Networks Inc.	(313,763)	(374,550)					
	(1,230)	ATI Inc.	(86,909)	(93,326)					
	(10,241)	Avangrid Inc.	(606,426)	(497,890)					
	(1,800)	Avery Dennison Corp.	(517,948)	(538,539)					
	(224)	Axon Enterprise Inc.	(87,032)	(90,187)					
	(615)	AZEK Co Inc.	(37,701)	(35,454)					
	(1,500)	Badger Meter Inc.	(314,959)	(382,487)					
	(15,758)	Bank OZK	(846,157)	(884,057)					
	(7,700)	Barnes Group Inc.	(376,155)	(436,306)					
	(12,400)	Beacon Roofing Supply Inc.	(1,411,365)	(1,535,556)					
	(432)	Bio-Techne Corp.	(42,586)	(42,354)					
	(9,000)	Blackstone Inc.	(1,500,531)	(1,524,610)					
	(13,533)	Bloom Energy Corp.	(341,590)	(226,658)					
	(57,376)	Blue Owl Capital Inc.	(1,258,822)	(1,393,555)					
	(370)	Boeing Co.	(91,034)	(92,149)					
	(180)	Booking Holdings Inc.	(879,305)	(975,726)					
	(1,177)	Bridgebio Pharma Inc.	(42,141)	(40,795)					
	(5,818)	Bristol-Myers Squibb Co.	(554,951)	(330,622)					

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	(900)	First Solar Inc.	(366,570)	(277,656)		(37,863)	Macerich Co.	(714,045)	(799,941)
	(12,000)	FirstEnergy Corp.	(620,153)	(628,399)		(3,500)	Madrigal Pharmaceuticals Inc.	(1,076,965)	(1,341,744)
	(581)	Five Below Inc.	(121,855)	(86,632)		(11,700)	Magnite Inc.	(222,783)	(212,768)
	(4,455)	Floor & Decor Holdings Inc.	(675,940)	(606,001)		(10,500)	ManpowerGroup Inc.	(1,080,507)	(1,002,860)
	(572)	Flowserve Corp.	(38,054)	(37,648)		(30,410)	Maplebear Inc.	(1,465,257)	(1,337,389)
	(12,226)	Fortinet Inc.	(1,031,441)	(1,008,280)		(8,795)	Marvell Technology Inc.	(825,680)	(841,218)
	(17,600)	Fortrea Holdings Inc.	(818,912)	(562,094)		(6,500)	Match Group Inc.	(311,742)	(270,207)
	(974)	Fortune Brands Innovations Inc.	(90,388)	(86,550)		(1,600)	McDonald's Corp.	(553,869)	(557,934)
	(29,881)	FuboTV Inc.	(232,600)	(50,701)		(17)	MercadoLibre Inc.	(37,257)	(38,229)
	(19,600)	FuelCell Energy Inc.	(179,393)	(17,132)		(16,000)	MGIC Investment Corp.	(454,755)	(471,805)
	(8,600)	GameStop Corp.	(368,993)	(289,722)		(3,100)	Mid-America Apartment Communities Inc.	(558,293)	(604,933)
	(3,410)	GATX Corp.	(462,893)	(617,599)		(2,325)	Mobileye Global Inc.	(91,547)	(89,350)
	(92)	General Dynamics Corp.	(37,867)	(36,525)		(2,400)	Moderna Inc.	(393,631)	(389,978)
	(167)	General Electric Co.	(37,291)	(36,327)		(8,012)	Morgan Stanley	(872,463)	(1,065,511)
	(12,626)	Gilead Sciences Inc.	(1,408,558)	(1,185,356)		(94)	Morningstar Inc.	(38,062)	(38,054)
	(842)	Globe Life Inc.	(91,742)	(94,799)		(9,534)	MSC Industrial Direct Co Inc.	(1,195,396)	(1,034,662)
	(1,699)	GoDaddy Inc.	(252,142)	(324,800)		(40)	Netflix Inc.	(36,576)	(36,939)
	(15,100)	Goosehead Insurance Inc.	(1,343,483)	(1,186,826)		(2,312)	Nevro Corp.	(132,852)	(26,638)
	(20,100)	Halliburton Co.	(952,056)	(929,076)		(3,500)	New York Times Co.	(203,901)	(245,255)
	(14,867)	Hawaiian Holdings Inc.	(307,137)	(252,866)		(1,019)	News Corp.	(38,079)	(38,442)
	(291)	HEICO Corp.	(77,930)	(89,039)		(7,300)	NMI Holdings Inc.	(327,946)	(340,023)
	(153)	HEICO Corp., Class A	(37,582)	(37,165)		(298)	Norfolk Southern Corp.	(91,374)	(87,543)
	(6,063)	Henry Schein Inc.	(584,804)	(531,791)		(513)	Nutanix Inc.	(37,043)	(39,906)
	(2,551)	Hershey Co.	(670,243)	(641,686)		(7,811)	ON Semiconductor Corp.	(780,904)	(732,672)
	(13,764)	HNI Corp.	(647,219)	(847,902)		(420)	ONEOK Inc.	(46,248)	(46,867)
	(175)	Hubbell Inc.	(88,935)	(87,518)		(11,367)	Ormat Technologies Inc.	(1,149,571)	(1,115,220)
	(13,500)	Hyllion Holdings Corp.	(159,422)	(29,926)		(8,300)	Oshkosh Corp.	(1,285,478)	(1,228,856)
	(1,900)	IAC Inc.	(131,713)	(121,803)		(18,300)	Palantir Technologies Inc.	(560,181)	(634,281)
	(5,571)	Illinois Tool Works Inc.	(1,820,110)	(1,806,358)		(1,400)	Palo Alto Networks Inc.	(613,104)	(649,436)
	(875)	Inovio Pharmaceuticals Inc.	(118,440)	(9,674)		(9,600)	Papa John's International Inc.	(848,462)	(617,134)
	(197)	Inspire Medical Systems Inc.	(46,819)	(36,076)		(54)	Parker-Hannifin Corp.	(37,903)	(37,375)
	(17,154)	Intel Corp.	(940,847)	(726,946)		(5,459)	Paycom Software Inc.	(1,284,068)	(1,068,479)
	(8,000)	Invitation Homes Inc.	(362,395)	(392,879)		(24,500)	Pebblebrook Hotel Trust	(458,333)	(460,961)
	(1,700)	IQVIA Holdings Inc.	(508,940)	(491,849)		(349)	Penumbra Inc.	(101,742)	(85,945)
	(211)	ITT Inc.	(37,962)	(37,297)		(2,200)	PepsiCo Inc.	(497,977)	(496,498)
	(588)	J M Smucker Co.	(91,918)	(87,732)		(7,717)	Pfizer Inc.	(358,841)	(295,455)
	(3,891)	Jack Henry & Associates Inc.	(850,357)	(883,929)		(922)	Planet Fitness Inc.	(91,129)	(92,842)
	(3,466)	JB Hunt Transport Services Inc.	(835,437)	(758,829)		(12,742)	Plug Power Inc.	(177,436)	(40,625)
	(41,373)	Kennametal Inc.	(1,504,235)	(1,332,659)		(7,900)	PNC Financial Services Group Inc.	(1,466,204)	(1,680,727)
	(472)	Kinsale Capital Group Inc.	(276,382)	(248,836)		(7,440)	Polaris Inc.	(1,041,908)	(797,234)
	(232)	Kirby Corp.	(37,619)	(38,009)		(6,900)	Principal Financial Group Inc.	(754,514)	(740,692)
	(1,084)	KLA Corp.	(951,400)	(1,222,984)		(5,800)	Procure Technologies Inc.	(447,054)	(526,263)
	(1,403)	Knight-Swift Transportation Holdings Inc.	(92,236)	(95,836)		(22,800)	ProPetro Holding Corp.	(286,750)	(270,489)
	(756)	Lamb Weston Holdings Inc.	(87,223)	(86,978)		(6,600)	PubMatic Inc.	(132,049)	(183,421)
	(187)	Leidos Holdings Inc.	(38,021)	(37,328)		(1,729)	QUALCOMM Inc.	(484,126)	(471,234)
	(5,600)	LGI Homes Inc.	(809,471)	(685,738)		(4,300)	Qualys Inc.	(925,261)	(839,042)
	(1,306)	Liberty Broadband Corp.	(107,381)	(97,967)		(9,040)	Realty Income Corp.	(664,549)	(653,375)
	(906)	Liberty Media Corp-Liberty Formula One	(86,017)	(89,062)		(47,700)	Regions Financial Corp.	(1,240,146)	(1,308,012)
	(2,000)	Lindsay Corp.	(322,361)	(336,284)		(7,300)	Revolve Group Inc.	(166,338)	(158,924)
	(130)	Lithia Motors Inc.	(48,125)	(44,907)		(23,800)	Rivian Automotive Inc.	(331,959)	(437,044)
	(10,100)	Lyft Inc.	(218,625)	(194,866)		(10,418)	Robert Half Inc.	(1,113,285)	(912,061)
						(1,869)	ROBLOX Corp.	(94,479)	(95,162)

PICTON MAHONEY FORTIFIED LONG SHORT ALTERNATIVE FUND

APPENDIX A
OPTIONS (0.2%)

Issuer	Option Type	Number of Options	Strike \$	Expiry	Average Cost \$	Fair Value \$
Apple Inc.	Call Option	70	\$200	September, 2024	33,327	160,918
Builders Firstsource Inc.	Call Option	93	\$195	November, 2024	180,919	29,587
Builders Firstsource Inc.	Call Option	28	\$230	November, 2024	23,749	2,682
Capital Power Corp.	Call Option	792	\$41	August, 2024	36,234	31,284
Chicago Board Options Exchange	Call Option	788	\$17	August, 2024	118,704	116,991
Chicago Board Options Exchange	Call Option	753	\$18	July, 2024	88,520	28,335
Chicago Board Options Exchange	Call Option	657	\$18	September, 2024	131,580	125,411
Doordash Inc.	Call Option	198	\$125	August, 2024	151,054	65,566
Doordash Inc.	Call Option	59	\$155	August, 2024	8,743	1,637
Elanco Animal Health Inc.	Call Option	525	\$18	October, 2024	39,546	28,735
First Quantum Minerals Ltd.	Call Option	466	\$18	September, 2024	70,972	96,229
Hudbay Minerals Inc.	Call Option	951	\$15	August, 2024	63,717	12,363
Kinross Gold Corp.	Call Option	1,057	\$12	July, 2024	43,073	33,824
Nvidia Corp.	Call Option	157	\$135	August, 2024	110,966	106,878
Osisko Gold Royalties Ltd.	Call Option	657	\$23	August, 2024	40,734	35,478
Shopify Inc.	Call Option	264	\$94	August, 2024	96,888	130,020
Shopify Inc.	Call Option	46	\$115	August, 2024	6,256	3,657
SPDR S&P Regional Banking	Call Option	788	\$50	July, 2024	60,290	81,948
SPDR S&P Regional Banking	Call Option	315	\$54	July, 2024	2,367	3,552
Sun Life Financial Inc.	Call Option	528	\$73	August, 2024	45,408	5,544
Sun Life Financial Inc.	Call Option	211	\$79	August, 2024	3,165	168
The Charles Schwab Corporation	Call Option	143	\$70	July, 2024	37,888	92,456
The Charles Schwab Corporation	Call Option	67	\$85	July, 2024	1,494	550
Toronto-Dominion Bank	Call Option	657	\$80	September, 2024	67,474	30,879
Toronto-Dominion Bank	Call Option	197	\$86	September, 2024	4,039	1,675
					<u>1,467,107</u>	<u>1,226,367</u>
Invesco QQQ Trust Ser.1	Put Option	787	\$470	July, 2024	470,980	417,834
iShares MSCI USA Momentum	Put Option	158	\$175	July, 2024	5,073	5,128
iShares MSCI USA Momentum	Put Option	158	\$184	July, 2024	17,756	10,269
iShares MSCI USA Momentum	Put Option	499	\$187	July, 2024	113,412	49,503
Microsoft Corp.	Put Option	46	\$395	July, 2024	3,465	4,501
Microsoft Corp.	Put Option	131	\$435	July, 2024	75,885	100,830
National Bank Of Canada	Put Option	197	\$95	September, 2024	8,028	6,994
National Bank Of Canada	Put Option	657	\$110	September, 2024	112,676	213,525
S&P 500 Index 3Wk	Put Option	39	\$4,920	July, 2024	37,655	9,873
S&P 500 Index 3Wk	Put Option	131	\$5,100	July, 2024	280,033	61,843
S&P 500 Index 3Wk	Put Option	183	\$5,190	August, 2024	730,617	503,322
Tesla Inc.	Put Option	93	\$120	July, 2024	10,044	827
Tesla Inc.	Put Option	186	\$150	July, 2024	110,354	4,963
Tesla Inc.	Put Option	81	\$175	July, 2024	104,665	15,905
Vaneck Semiconductor ETF	Put Option	59	\$230	July, 2024	5,401	3,108
Vaneck Semiconductor ETF	Put Option	197	\$253	July, 2024	103,897	68,739
					<u>2,189,941</u>	<u>1,477,164</u>
Total Purchased Options					3,657,048	2,703,531
Apple Inc.	Written Call Option	(53)	\$210	September, 2024	(11,427)	(81,588)
Apple Inc.	Written Call Option	(16)	\$220	September, 2024	(1,581)	(13,136)
Builders Firstsource Inc.	Written Call Option	(65)	\$210	November, 2024	(88,033)	(8,894)
Builders Firstsource Inc.	Written Call Option	(65)	\$220	November, 2024	(68,737)	(6,046)
Capital Power Corp.	Written Call Option	(396)	\$42	August, 2024	(9,603)	(7,524)
Chicago Board Options Exchange	Written Call Option	(630)	\$19	August, 2024	(70,314)	(68,534)
Chicago Board Options Exchange	Written Call Option	(760)	\$20	July, 2024	(68,566)	(23,399)
Chicago Board Options Exchange	Written Call Option	(591)	\$23	September, 2024	(71,252)	(65,909)
Doordash Inc.	Written Call Option	(139)	\$135	August, 2024	(61,600)	(18,830)
Doordash Inc.	Written Call Option	(139)	\$145	August, 2024	(35,854)	(17,594)
Elanco Animal Health Inc.	Written Call Option	(473)	\$20	October, 2024	(14,604)	(12,945)
First Quantum Minerals Ltd.	Written Call Option	(358)	\$20	September, 2024	(42,602)	(43,497)
Hudbay Minerals Inc.	Written Call Option	(474)	\$16	August, 2024	(24,174)	(4,740)
Hudbay Minerals Inc.	Written Call Option	(380)	\$16	July, 2024	(13,015)	(888)
Invesco QQQ Trust Ser.1	Written Call Option	(39)	\$500	July, 2024	(6,514)	(4,403)
Kinross Gold Corp.	Written Call Option	(792)	\$13	July, 2024	(12,276)	(5,148)

PICTON MAHONEY FORTIFIED LONG SHORT ALTERNATIVE FUND

APPENDIX A

OPTIONS (0.2%)

Issuer	Option Type	Number of Options	Strike \$	Expiry	Average Cost \$	Fair Value \$
Microsoft Corp.	Written Call Option	(13)	\$475	July, 2024	(2,741)	(1,725)
Nvidia Corp.	Written Call Option	(110)	\$145	August, 2024	(46,139)	(40,866)
Nvidia Corp.	Written Call Option	(110)	\$155	August, 2024	(27,503)	(22,051)
Osisko Gold Royalties Ltd.	Written Call Option	(458)	\$24	August, 2024	(11,565)	(9,847)
Shopify Inc.	Written Call Option	(211)	\$96	August, 2024	(66,254)	(87,565)
Shopify Inc.	Written Call Option	(13)	\$100	August, 2024	(4,667)	(3,738)
Shopify Inc.	Written Call Option	(106)	\$110	August, 2024	(18,974)	(11,395)
SPDR S&P Regional Banking	Written Call Option	(591)	\$51	July, 2024	(18,434)	(29,113)
SPDR S&P Regional Banking	Written Call Option	(552)	\$53	July, 2024	(6,410)	(22,660)
Sun Life Financial Inc.	Written Call Option	(396)	\$75	August, 2024	(15,939)	(1,756)
Sun Life Financial Inc.	Written Call Option	(396)	\$77	August, 2024	(7,722)	(742)
The Charles Schwab Corporation	Written Call Option	(126)	\$75	July, 2024	(16,011)	(29,224)
The Charles Schwab Corporation	Written Call Option	(76)	\$80	July, 2024	(4,408)	(3,692)
Toronto-Dominion Bank	Written Call Option	(460)	\$82	September, 2024	(27,140)	(11,040)
Toronto-Dominion Bank	Written Call Option	(460)	\$84	September, 2024	(16,215)	(6,670)
Vaneck Semiconductor ETF	Written Call Option	(20)	\$285	July, 2024	(2,514)	(1,300)
					<u>(892,788)</u>	<u>(666,459)</u>
Builders Firstsource Inc.	Written Put Option	(19)	\$140	August, 2024	(8,313)	(23,269)
Doordash Inc.	Written Put Option	(35)	\$90	July, 2024	(4,946)	(479)
Hudbay Minerals Inc.	Written Put Option	(95)	\$12	July, 2024	(1,853)	(2,660)
Invesco QQQ Trust Ser.1	Written Put Option	(446)	\$420	July, 2024	(44,172)	(17,698)
Invesco QQQ Trust Ser.1	Written Put Option	(264)	\$450	July, 2024	(66,007)	(39,014)
Invesco QQQ Trust Ser.1	Written Put Option	(182)	\$456	July, 2024	(63,906)	(39,597)
Invesco QQQ Trust Ser.1	Written Put Option	(367)	\$462	July, 2024	(136,198)	(116,507)
iShares MSCI USA Momentum	Written Put Option	(210)	\$178	July, 2024	(9,827)	(7,905)
iShares MSCI USA Momentum	Written Put Option	(710)	\$181	July, 2024	(62,699)	(31,575)
Microsoft Corp.	Written Put Option	(92)	\$410	July, 2024	(12,851)	(18,569)
Microsoft Corp.	Written Put Option	(92)	\$425	July, 2024	(28,221)	(37,263)
National Bank Of Canada	Written Put Option	(460)	\$100	September, 2024	(27,140)	(31,510)
National Bank Of Canada	Written Put Option	(460)	\$105	September, 2024	(43,240)	(67,390)
Nvidia Corp.	Written Put Option	(16)	\$90	August, 2024	(1,924)	(1,029)
Osisko Gold Royalties Ltd.	Written Put Option	(131)	\$20	August, 2024	(3,701)	(3,144)
S&P 500 Index 3Wk	Written Put Option	(92)	\$4,980	July, 2024	(111,384)	(27,695)
S&P 500 Index 3Wk	Written Put Option	(6)	\$5,020	August, 2024	(30,393)	(8,785)
S&P 500 Index 3Wk	Written Put Option	(92)	\$5,040	July, 2024	(145,597)	(33,675)
S&P 500 Index 3Wk	Written Put Option	(71)	\$5,060	August, 2024	(272,983)	(119,498)
S&P 500 Index 3Wk	Written Put Option	(117)	\$5,160	August, 2024	(415,534)	(284,973)
Snowflake Inc.	Written Put Option	(12)	\$130	July, 2024	(2,609)	(3,990)
SPDR S&P Regional Banking	Written Put Option	(158)	\$44	July, 2024	(4,425)	(3,783)
Tesla Inc.	Written Put Option	(162)	\$130	July, 2024	(29,676)	(1,884)
Tesla Inc.	Written Put Option	(162)	\$140	July, 2024	(53,815)	(2,771)
Tesla Inc.	Written Put Option	(69)	\$165	July, 2024	(60,092)	(5,287)
Toronto-Dominion Bank	Written Put Option	(66)	\$66	September, 2024	(2,921)	(2,145)
Vaneck Semiconductor ETF	Written Put Option	(138)	\$238	July, 2024	(21,117)	(12,557)
Vaneck Semiconductor ETF	Written Put Option	(138)	\$248	July, 2024	(48,509)	(29,741)
					<u>(1,714,053)</u>	<u>(974,393)</u>
Total Written Options					<u>(2,606,841)</u>	<u>(1,640,852)</u>

APPENDIX B

FUTURES CONTRACTS (0.0%)

Issuer	Number of Contracts	Fair Value (C\$)	Contracted Value (C\$)	Unrealized Gain/Loss (C\$)
VIX Index Futures, July 2024	37	709,960	717,372	(7,412)
				<u>(7,412)</u>
Unrealized gain (loss) on Futures Contracts				<u>(7,412)</u>

PICTON MAHONEY FORTIFIED LONG SHORT ALTERNATIVE FUND

FUND SPECIFIC NOTES

As at June 30, 2024 (unaudited)

1. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

The following table illustrates the classifications of the Fund's financial instruments within the fair value hierarchy as at June 30, 2024 and December 31, 2023.

ASSETS (LIABILITIES) AT FAIR VALUE AS AT JUNE 30, 2024				
	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Equities - Long	797,152,356	646,132	3,996,536	801,795,024
Mutual funds - Long	3,728,130	-	-	3,728,130
Exchange Traded Funds - Long	12,690,838	-	-	12,690,838
Short-term notes - Long	-	184,874,396	-	184,874,396
Bonds - Long	-	8,155,910	-	8,155,910
Options - Long	2,703,531	-	-	2,703,531
Equities - Short	(204,879,631)	(13,244)	-	(204,892,875)
Exchange Traded Funds - Short	(291,867,975)	-	-	(291,867,975)
Options - Short	(1,640,852)	-	-	(1,640,852)
Futures - Short	(7,412)	-	-	(7,412)
Total	317,878,985	193,663,194	3,996,536	515,538,715

ASSETS (LIABILITIES) AT FAIR VALUE AS AT DECEMBER 31, 2023				
	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Equities - Long	618,064,394	391,741	1,382,954	619,839,089
Mutual funds - Long	3,442,005	-	-	3,442,005
Exchange Traded Funds - Long	9,653,844	-	-	9,653,844
Short-term notes - Long	-	68,277,763	-	68,277,763
Bonds - Long	-	5,992,185	-	5,992,185
Options - Long	2,541,910	-	-	2,541,910
Equities - Short	(159,834,116)	(13,126)	-	(159,847,242)
Exchange Traded Funds - Short	(206,193,464)	-	-	(206,193,464)
Options - Short	(1,671,248)	-	-	(1,671,248)
Futures - Short	(12,653)	-	-	(12,653)
Total	265,990,672	74,648,563	1,382,954	342,022,189

2. TRANSFERS BETWEEN LEVELS 1 AND 2

The following table presents the transfers between Levels 1 and 2 for securities held at June 30, 2024 and December 31, 2023.

	Transfer from Level 1 to 2 \$	Transfer from Level 2 to 1 \$
June 30, 2024		
Equities - Long	216,432	-
	216,432	-
December 31, 2023		
Equities - Long	1,144	-
	1,144	-

As of June 30, 2024 and December 31, 2023, the equity securities transferred out of Level 1 relate to positions which were thinly traded on and around the period end, but were actively traded on December 31, 2023 and 2022.

PICTON MAHONEY FORTIFIED LONG SHORT ALTERNATIVE FUND

FUND SPECIFIC NOTES (CONTINUED)

3. RECONCILIATION OF LEVEL 3 FAIR VALUE MEASUREMENTS

The following table reconciles the Fund's Level 3 fair value measurements of financial instruments for the period ended June 30, 2024 and year ended December 31, 2023.

June 30, 2024	Equities - Long \$	Equities - Short \$	Total \$
Balance at Beginning of Period	1,382,954	-	1,382,954
Investment purchases during the period	2,608,064	-	2,608,064
Proceeds from sales during the period	-	-	-
Transfers in during the period	-	-	-
Transfers out during the period	-	-	-
Net realized gain (loss) on sale of investments	-	-	-
Change in unrealized appreciation (depreciation) in value of investments	5,518	-	5,518
Balance at End of Period	3,996,536	-	3,996,536
Total change in unrealized appreciation (depreciation) for assets held as at June 30, 2024			5,518

December 31, 2023	Equities - Long \$	Equities - Short \$	Total \$
Balance at Beginning of Year	636,830	-	636,830
Investment purchases during the year	519,533	-	519,533
Proceeds from sales during the year	-	-	-
Transfers in during the year	-	-	-
Transfers out during the year	-	-	-
Net realized gain (loss) on sale of investments	-	-	-
Change in unrealized appreciation (depreciation) in value of investments	226,591	-	226,591
Balance at End of Year	1,382,954	-	1,382,954
Total change in unrealized appreciation (depreciation) for assets held as at December 31, 2023			226,591

For the period ended June 30, 2024 and year ended December 31, 2023, certain securities held long were classified as Level 3. The Fund's long Level 3 securities consist of equity securities which were measured at the transaction price as determined at the time of purchase. If there was a 5% increase or decrease in the price of Level 3 securities, with all other variables held constant, net assets attributable to holders of redeemable units would have increased or decreased, respectively, by approximately \$199,827 as at June 30, 2024 (December 31, 2023 - \$69,148). Transfers between levels on the fair value hierarchy table are deemed to have occurred at the beginning of the reporting period.

June 30, 2024							
Security Name	Fair Value	Valuation Technique	Unobservable Inputs	Reasonable Shift (+)	Reasonable Shift (-)	Change in Valuation (+)	Change in Valuation (-)
Eagle SPV LP	900,371	Discounted cash flow, Enterprise value	Discount rate, peer multiples	5%	5%	\$45,019	\$(45,019)
Preservation Capital Partners Strategic Opportunities I LP	530,263	Discounted cash flow, Enterprise value	Discount rate, peer multiples	5%	5%	\$26,513	\$(26,513)
Anthropic, PBC	1,703,845	Discounted cash flow, Enterprise value	Discount rate, peer multiples	5%	5%	\$85,192	\$(85,192)
Inovia Coinvestors SPV IV, Limited Partnership	862,057	Discounted cash flow, Enterprise value	Discount rate, peer multiples	5%	5%	\$43,103	\$(43,103)

December 31, 2023							
Security Name	Fair Value	Valuation Technique	Unobservable Inputs	Reasonable Shift (+)	Reasonable Shift (-)	Change in Valuation (+)	Change in Valuation (-)
Eagle SPV LP	867,639	Discounted cash flow, Enterprise value	Discount rate, peer multiples	5%	5%	\$43,382	\$(43,382)
Preservation Capital Partners Strategic Opportunities I LP	515,315	Discounted cash flow, Enterprise value	Discount rate, peer multiples	5%	5%	\$25,766	\$(25,766)

PICTON MAHONEY FORTIFIED LONG SHORT ALTERNATIVE FUND

FUND SPECIFIC NOTES (CONTINUED)

4. SECURITIES LENDING TRANSACTIONS

The Fund has entered into a securities lending program with its custodian, RBC Investor Services Trust. The aggregate market value of all securities loaned by the Fund cannot exceed 50% of the assets of the Fund. The Fund will receive collateral of at least 102% of the value of the securities on loan. Collateral consists primarily of fixed income securities. As at June 30, 2024, there was \$33,289,452 (Collateral - \$33,955,242) of securities on loan (December 31, 2023 - \$nil (Collateral - \$nil) of securities on loan). Securities lending income reported in the Statements of Comprehensive Income is net of a securities lending charge which the Fund's custodian is entitled to receive.

For the six month periods ended June 30 2024 and 2023 securities lending income were as follows:

	2024 (\$)	2023 (\$)
Gross securities lending income	7,475	17
Securities lending charges	(2,616)	(6)
Net securities lending income	4,859	11
Withholding taxes on securities lending income	-	-
Net securities lending income received by the Fund	4,859	11
Security lending charges percentage of gross securities lending income	35%	35%

5. OTHER PRICE RISK

Using Beta as a measure of the relationship of the Fund's performance versus its index, if the S&P/TSX Composite Total Return Index were to increase or decrease by 10%, net assets would have increased or decreased by approximately \$30,879,901 (December 31, 2023 - \$49,469,925). In practice, the actual results may differ from this sensitivity analysis and the difference could be material.

6. CURRENCY RISK

Foreign currencies to which the Fund had exposure as at June 30, 2024 and December 31, 2023 were as follows:

FINANCIAL INSTRUMENTS				
June 30, 2024 Currency	Monetary \$	Non-Monetary \$	Total \$	Percentage of Net Assets %
United States Dollar	44,740,951	(30,160,154)	14,580,797	2.7%
European Euro	(2,288)	-	(2,288)	0.0%
British Pound	(1,444,371)	1,344,869	(99,502)	0.0%
Australian Dollar	(796,065)	489,992	(306,073)	-0.1%
Net Exposure	42,498,227	(28,325,293)	14,172,934	2.6%

FINANCIAL INSTRUMENTS				
December 31, 2023 Currency	Monetary \$	Non-Monetary \$	Total \$	Percentage of Net Assets %
United States Dollar	14,073,062	(659,689)	13,413,373	3.1%
European Euro	(2,212)	-	(2,212)	0.0%
British Pound	(128,037)	18,438	(109,599)	0.0%
Australian Dollar	(604,859)	380,098	(224,761)	-0.1%
Net Exposure	13,337,954	(261,153)	13,076,801	3.0%

If the Canadian dollar had strengthened or weakened by 5% in relation to all other currencies held in the investment portfolio, net assets would have decreased or increased by approximately \$708,647 (December 31, 2023 - \$653,840). In practice, the actual trading results may differ from this sensitivity analysis and the difference could be material.

PICTON MAHONEY FORTIFIED LONG SHORT ALTERNATIVE FUND

FUND SPECIFIC NOTES (CONTINUED)

7. INTEREST RATE RISK

If the yield curve had shifted in parallel by 1%, with all other variables held constant, net assets will increase or decrease by \$716,245 (December 31, 2023 - \$197,519). In practice, the actual trading results may differ from this sensitivity analysis and the difference could be material.

As at June 30, 2024 and December 31, 2023, the Fund's exposure to debt instruments by maturity were as follows:

Debt Instruments by Maturity Date	June 30, 2024 (\$)		
	Long Positions	Short Positions	Total
Less than 1 year	184,874,396	-	184,874,396
Greater than 5 years	8,155,910	-	8,155,910
Total	193,030,306	-	193,030,306

Debt Instruments by Maturity Date	December 31, 2023 (\$)		
	Long Positions	Short Positions	Total
Less than 1 year	68,277,763	-	68,277,763
Greater than 5 years	5,992,185	-	5,992,185
Total	74,269,948	-	74,269,948

8. CREDIT RISK

The following table shows debt as a percentage of net assets attributable to holders of redeemable units held under each credit rating. All counterparties to derivative contracts had a credit rating of A- or higher. All cash is held with a financial institution with a minimum of credit rating A+.

Bond Ratings	June 30, 2024			Bond Ratings	December 31, 2023		
	Net	Long	Short		Net	Long	Short
AAA	33.7%	33.7%	0.0%	AAA	16.0%	16.0%	0.0%
BBB	0.7%	0.7%	0.0%	BBB	0.5%	0.5%	0.0%
BBB-	0.7%	0.7%	0.0%	BBB-	0.9%	0.9%	0.0%

The above credit ratings are obtained and disclosed from the rating services in the following hierarchical order: 1) Standard & Poor's; 2) Moody's; 3) Dominion Bond Rating Service, using first available.

PICTON MAHONEY FORTIFIED LONG SHORT ALTERNATIVE FUND

FUND SPECIFIC NOTES (CONTINUED)

9. CONCENTRATION RISK

The table below summarizes the Fund's concentration risk as a percentage of net assets attributable to holders of redeemable units as at June 30, 2024 and December 31, 2023.

Jurisdiction	% of Net Assets	
	June 30, 2024	December 31, 2023
LONG POSITIONS	184.4%	165.7%
Canadian Equities	94.4%	95.9%
Financials	23.7%	25.0%
Industrial	17.3%	18.6%
Energy	17.3%	14.4%
Materials	12.8%	10.9%
Information Technology	7.0%	8.1%
Utilities	4.6%	5.0%
Real Estate	3.3%	4.4%
Consumer Staples	3.0%	2.5%
Consumer Discretionary	2.2%	3.6%
Communication Services	1.8%	2.2%
Investment Funds	0.7%	0.8%
Health Care	0.7%	0.4%
Global Equities	54.4%	51.8%
United States	46.6%	45.1%
International	5.5%	4.4%
International Index Equivalents	2.3%	2.3%
Canadian Debt	33.4%	16.6%
Short-Term Notes	31.9%	15.2%
Corporate Bonds	1.5%	1.4%
Global Debt	1.7%	0.8%
Short-Term Notes	1.7%	0.8%
Derivatives	0.5%	0.6%
SHORT POSITIONS	-90.6%	-85.9%
Canadian Equities	-32.0%	-34.3%
Index Equivalents	-20.8%	-21.5%
Energy	-2.7%	-3.0%
Financials	-2.2%	-4.3%
Materials	-2.0%	-1.4%
Consumer Staples	-1.1%	-0.9%
Utilities	-0.8%	-0.8%
Industrial	-0.7%	-0.6%
Consumer Discretionary	-0.6%	-0.4%
Information Technology	-0.5%	-0.5%
Communication Services	-0.3%	-0.5%
Real Estate	-0.3%	-0.4%
Health Care	0.0%	0.0%
Global Equities	-58.3%	-51.2%
International Index Equivalents	-32.3%	-26.7%
United States Equities	-22.8%	-21.0%
International Equities	-3.2%	-3.5%
Derivatives	-0.3%	-0.4%

PICTON MAHONEY FORTIFIED LONG SHORT ALTERNATIVE FUND

FUND SPECIFIC NOTES (CONTINUED)

10. UNDERLYING FUND EXPOSURE TO OTHER PRICE RISK, CURRENCY RISK, INTEREST RATE RISK, CREDIT RISK

The Fund may also be exposed to indirect other price risk, currency risk, and credit risk through its investments in other Picton Mahoney fund.

The table below summarizes the impact on the Fund's net assets, of reasonable possible changes in the returns of each of the strategies to which the Fund is exposed through the 1 underlying fund in which it invests at period-end. The impact on net assets is calculated by applying a 5% possible movement determined for each strategy as a percentage of the net assets of the Fund. The analysis is based on the assumption that the returns on each strategy have increased or decreased as disclosed with all other variables held constant. The underlying risk disclosures represent the market risks to which the various strategies are exposed; C,F,I,P representing Credit, Foreign Currency, Interest Rate, and Other Price Risks, respectively.

June 30, 2024			
Strategy	Underlying risk exposures	Number of Funds	Impact on net assets based on 5% increase or decrease \$
Canadian Fixed Income	C,I	1	134,436
US Fixed Income	C,F,I	1	(83)
Total			134,353

December 31, 2023			
Strategy	Underlying risk exposures	Number of Funds	Impact on net assets based on 5% increase or decrease \$
Canadian Fixed Income	C,I	1	124,326
US Fixed Income	C,F,I	1	(198)
Total			124,128

11. LIQUIDITY RISK

The table below categorizes the Fund's financial liabilities into relevant maturity groupings based on the remaining period to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows. Amounts due to holders of redeemable units are disclosed as net assets attributable to holders of redeemable units on the statements of financial position and are due on demand.

June 30, 2024				
Financial Liabilities	On Demand \$	< 3 months \$	> 3 months \$	Total \$
Short positions	496,760,850	-	-	496,760,850
Redemptions payable	137,676	-	-	137,676
Accrued liabilities and other payables	-	6,860,039	-	6,860,039
Derivative liabilities	1,648,264	-	-	1,648,264

December 31, 2023				
Financial Liabilities	On Demand \$	< 3 months \$	> 3 months \$	Total \$
Short positions	366,040,706	-	-	366,040,706
Distributions payable	525,735	-	-	525,735
Redemptions payable	435,683	-	-	435,683
Accrued liabilities and other payables	-	1,177,366	-	1,177,366
Payable for investments purchased	269,512	-	-	269,512
Derivative liabilities	1,683,901	-	-	1,683,901

PICTON MAHONEY FORTIFIED LONG SHORT ALTERNATIVE FUND

FUND SPECIFIC NOTES (CONTINUED)

12. FUND UNIT TRANSACTIONS

For the six month periods ended June 30 (unaudited)

	2024				2023			
	Class A	Class F	Class I	Class ETF	Class A	Class F	Class I	Class ETF
Units issued and outstanding, beginning of period	1,661,400	22,140,331	306,068	3,470,000	1,369,170	15,119,099	913,390	3,230,000
Units issued	417,884	6,931,586	67,347	720,000	231,631	3,114,606	-	670,000
Units reinvested	-	-	-	-	-	-	-	-
Units redeemed	(180,115)	(2,970,934)	-	(120,000)	(154,163)	(1,590,867)	(598,089)	(830,000)
Units issued and outstanding, end of period	1,899,169	26,100,983	373,415	4,070,000	1,446,638	16,642,838	315,301	3,070,000
Weighted average number of units held during the period	1,776,322	24,339,686	332,096	3,844,396	1,403,588	15,855,547	533,685	3,116,519

13. COMMISSIONS

For the six month periods ended June 30 (in \$000) (unaudited)

	2024	2023
Brokerage commissions	2,298	1,363
Soft Dollar commissions	331	185

14. TAX LOSS CARRY FORWARDS

As at December 31 (in \$000)

	2023
Net capital losses carry forward	1,940
Non-capital losses carry forward	2041

15. STRUCTURED ENTITIES

The table below illustrates the Fund's investment in the underlying funds as at June 30, 2024 and December 31, 2023.

Underlying Funds	Fair Value of Fund's Investment (in \$000s)	Underlying Fund's Net Assets (in \$000s)	% of Net Assets of the Underlying Fund
As at June 30, 2024			
Picton Mahoney Fortified Inflation Opportunities Alternative Fund*	2,687	16,398	16.4%
Invesco S&P 500 Low Volatility ETF	2,671	9,377,524	0.0%
iShares Russell 2000 Value ETF	10,020	15,536,961	0.1%
Sprott Physical Uranium Trust	1,041	6,300,337	0.0%
As at December 31, 2023			
Picton Mahoney Fortified Inflation Opportunities Alternative Fund*	2,483	16,606	15.0%
Invesco S&P 500 Low Volatility ETF	3,698	10,563,683	0.0%
iShares Russell 2000 Value ETF	5,956	16,534,633	0.0%
Sprott Physical Uranium Trust	959	7,020,801	0.0%

*Funds managed by Picton Mahoney Asset Management.

16. LEVERAGE

During the six month period ended June 30, 2024, the Fund's aggregate exposure reached a low of 97.33% (year ended December 31, 2023 - 84.38%) and a high of 124.01% (year ended December 31, 2023 - 141.08%) of the Fund's NAV.As at June 30, 2024, the Fund's aggregate exposure was 102.71% (December 31, 2023 - 100.42%) of the Fund's NAV. The primary source of leverage was short positions in equity securities.

PICTON MAHONEY FORTIFIED LONG SHORT ALTERNATIVE FUND

NOTES TO THE FINANCIAL STATEMENTS

As at June 30, 2024 (unaudited)

1. GENERAL INFORMATION

Picton Mahoney Fortified Long Short Alternative Fund (the "Fund") is an open-ended mutual fund trust established under the laws of the Province of Ontario pursuant to a trust agreement dated September 19, 2018, as amended and restated as of June 26, 2019 and July 7, 2020. (the "Trust Declaration"). The Fund commenced operations on July 7, 2020. Picton Mahoney Asset Management acts as manager (the "Manager"), portfolio advisor (the "Portfolio Advisor"), and trustee (the "Trustee") for the Fund pursuant to the Trust Declaration. The Manager is responsible for the day-to-day business of the Fund, including the management of the Fund's investment portfolio. The address of the Fund's registered office is 33 Yonge Street, Suite 320, Toronto, Ontario, M5E 1G4. The financial statements are presented in Canadian dollars (CAD). These financial statements were authorized for issue by the Manager on August 29, 2024.

On July 7, 2020, 5,001 Class A units, 5,000 Class F units, and 5,000 Class I units of the Fund were issued to the Manager of the Fund, for cash consideration of CAD \$10.00 per unit. These units are not redeemable until an additional \$500,000 has been invested by other investors in the aggregate in the Fund.

The Fund may issue an unlimited number of classes or series and may issue an unlimited number of units of each class or series. The Fund has created Class A, Class F, Class I units, and Class ETF units.

Class A units are available to all investors. Class F units are available to investors who are enrolled in a dealer sponsored fee for service or wrap program and who are subject to an annual asset based fee rather than commissions on each transaction or, at the discretion of the Manager, any other investor for whom the Manager does not incur distribution costs. Class I units are available to institutional investors or to other investors on a case-by-case basis, all at the discretion of the Manager. Class ETF units are listed and issued and sold on a continuous basis and will be available to investors that purchase such units on the TSX through a registered broker or dealer in the province or territory where the investor resides.

As at June 30, 2024, the Fund currently has 4 Classes of Units: Class A, Class F, Class I and Class ETF. As at June 30, 2024, the Manager holds 1 unit of Class A, 203 units of Class F, and 539 units of Class I (December 31, 2023 - 1 unit of Class A, 203 units of Class F, and 539 units of Class I).

The investment objective of the Fund is to provide consistent long-term capital appreciation and to provide unitholders with an attractive risk-adjusted rate of return by actively investing in a portfolio comprised of long and short equity securities. The Fund may also invest in fixed income securities, derivative instruments, such as options, futures, forward contracts and swaps, securities of investment funds, and cash and cash equivalents. The Fund may engage in borrowing for investment purposes.

The Fund is considered an "alternative fund" meaning it has received exemptions from National Instrument 81-102 - Investment Funds ("NI 81-102") to permit it to use strategies generally prohibited by conventional mutual funds, such as the ability to borrow, up to 50% of the Fund's net asset value, cash to use for investment purposes; sell, up to 50% of the Fund's net asset value, securities short (the combined level of cash borrowing and short selling is limited to 50% in aggregate); and leverage up to 300% of the Fund's net asset value.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The following is a summary of the material accounting policies and estimation techniques adopted by the Funds and applied in the preparation of these financial statements.

(a) Basis of Preparation

These unaudited interim financial statements have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board as applicable to the preparation of interim financial statements under International Accounting Standard 34, Interim Financial Reporting ("IAS 34"). The accounting policies and methods of computation followed in these unaudited interim financial statements are consistent with the most recent annual financial statements for the year ended December 31, 2023. These unaudited interim financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets and financial liabilities (including derivative financial instruments) at fair value through profit or loss.

(b) Classification

(i) Assets

The Fund classifies its investments based on both the Fund's business model for managing those financial assets and the contractual cash flow characteristics of the financial assets. The portfolio of financial assets is managed and performance is evaluated on a fair value basis. The Fund is primarily focused on fair value information and uses that information to assess the assets' performance and to make decisions. The Fund has not taken the option to irrevocably designate any equity securities as fair value through other comprehensive income. The contractual cash flows of the Fund's debt securities are solely principal and interest, however, these securities are neither held for the purpose of collecting contractual cash flows nor held both for collecting contractual cash flows and for sale. The collection of contractual cash flows is only incidental to achieving the Fund's business model's objective. Consequently, all investments are measured at fair value through profit or loss.

(ii) Liabilities

The Fund makes short sales in which a borrowed security is sold in anticipation of a decline in the market value of that security, or it may use short sales for various arbitrage transactions. Short sales are held for trading and are consequently classified as financial liabilities at fair value through profit or loss. Derivative contracts that have a negative fair value are presented as liabilities at fair value through profit or loss. As such, the Fund classifies all of its investment portfolio as financial assets or liabilities as fair value through profit or loss. The Fund's policy requires the Manager to evaluate the information about these financial assets and liabilities on a fair value basis together with other related financial information.

(c) Fair Value Measurements

The Fund utilizes a three tier hierarchy as a framework for disclosing fair value based on inputs used to value the Fund's investments. The three levels of the fair value hierarchy are as follows:

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
- Level 3 - Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Fair values are classified as Level 1 when the related security or derivative is actually traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable

PICTON MAHONEY FORTIFIED LONG SHORT ALTERNATIVE FUND

NOTES TO THE FINANCIAL STATEMENTS

As at June 30, 2024 (unaudited)

inputs, in which case it is classified as Level 3. The Fund's policy is to recognize transfers into and out of the fair value hierarchy levels as of the date of the event or change in circumstances giving rise to the transfer.

(d) Valuation of Investments and Derivatives

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value of financial assets and liabilities traded in active markets, which include equities, bonds, options, and warrants are based on quoted market prices at the close of trading on the reporting date. The Fund uses the last traded market price for both financial assets and financial liabilities where the last traded price falls within that day's bid-ask spread. In circumstances where the last traded price is not within the bid-ask spread, the Manager determines the point within the bid-ask spread that is most representative of fair value based on the specific facts and circumstances.

Securities not listed on any recognized public securities exchange are valued in the same manner based on available public quotations from recognized dealers in such securities. If market quotations are not readily available, securities will be valued at fair value as determined in good faith by or under the supervision of the Manager. The cost of investments represents the amount paid for each security and is determined on an average cost basis.

The fair value of financial assets and liabilities that are not traded in an active market, including over-the-counter derivatives, is determined using valuation techniques. The Fund uses a variety of methods and makes assumptions that are based on market conditions existing at each reporting date. Valuation techniques include the use of comparable recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, option pricing models and others commonly used by market participants and which make the maximum use of observable inputs.

Models use observable data, to the extent practicable. However, areas such as credit risk (both own and counterparty), volatilities and correlations require the Manager to make estimates. Changes in assumptions about these factors could affect the reported fair values of financial instruments. The Fund considers observable data to be market data that is readily available, regularly distributed and updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

Investment fund units held as investments are valued at their respective Net Asset Values on the relevant valuation dates as reported by the investment fund manager, as these values are the most readily and regularly available.

Warrants, options, and futures that are not listed on any recognized public securities exchange are valued using the Black-Scholes model and based on observable market inputs.

Foreign exchange forward contracts are valued on each valuation day based on the difference between the value of the contract on the date the contract originated and the value of the contract on the valuation day.

The difference between fair value and the average cost is shown as the change in unrealized appreciation (depreciation) on investments, options and foreign exchange forward contracts.

Other financial assets (held for collection) and other financial liabilities are measured at amortized cost. Under this method, financial assets and liabilities reflect the amount required to be received or paid, discounted, where appropriate at the contract's effective interest rate. Due to their short-term nature, the fair value of other financial assets and financial liabilities carried at amortized cost approximates their carrying amount.

Receivable for investments sold and payable for investments purchased

Receivable for investments sold and payable for investments purchased represent trades that have been contracted for but not yet settled or delivered on the statements of financial position dates. These amounts are recognized initially at fair value and subsequently measured at amortized cost. At each reporting date, the Funds measure the loss allowance on receivable for investments sold and payable for investments purchased at an amount equal to the lifetime expected credit losses if the credit risk has increased significantly since initial recognition. If, at the reporting date, the credit risk has not increased significantly since initial recognition, the Funds measure the loss allowance at an amount equal to 12-month expected credit losses. Significant financial difficulties of the counterparty, probability that the counterparty will enter bankruptcy or financial reorganization, and default in payments are all considered indicators that a loss allowance may be required. If the credit risk increases to the point that it is considered to be credit impaired, interest income will be calculated based on the gross carrying amount adjusted for the loss allowance. A significant increase in credit risk is defined by the Manager as any contractual payment which is more than 30 days past due or a significant deterioration in a counterparty credit quality. Any contractual payment which is more than 90 days past due is considered credit impaired.

(e) Cash

Cash is comprised of cash on demand deposit with a Canadian financial institution and is stated at fair value.

(f) Investment Transactions and Income Recognition

Investment transactions are accounted for as of the trade date. Expenses are recorded on an accrual basis. Dividend income is recorded on the ex-dividend date. The interest for distribution purposes shown on the statement of comprehensive income represents the coupon interest received by the Fund accounted for on an accrual basis. The Fund does not amortize premiums paid or discounts received on the purchase of fixed income securities except for zero coupon bonds which are amortized on a straight line basis. Realized gains and losses on sale of investments and unrealized appreciation and depreciation in investments are determined on an average cost basis. Average cost does not include amortization of premiums or discounts on fixed income securities with the exception of zero coupon bonds. Income, common expenses and gains (losses) are allocated to each Class of the Fund based on the Class' prorated share of total Net Asset Value. Interest and borrowing expense and dividend expense on short sales are included within net gains (losses) on investments and derivatives.

Distributions received from investment trusts and underlying funds are recorded as dividend income, interest for distribution purposes, net realized gains (loss) on non-derivative investment or a return of capital, based on the best information available to the Manager. Due to the nature of those investments, actual allocations could vary from this information. Distributions from income trusts and underlying funds that are treated as a return of capital for income tax purposes reduce the average cost of the income trusts and underlying funds.

(g) Valuation of Fund Units

The Fund's net asset value is calculated at the close of regular trading, normally 4:00pm (Eastern Time), on a day the Toronto Stock Exchange ("TSX") is open (a "Valuation Day"). The net asset value of the Fund will be calculated in Canadian dollars and the units of the Fund are denominated in Canadian dollars.

The Fund's units are divided into the Class A, Class F, Class I, and Class ETF units. Each class is divided into units of equal value. When you invest in the Fund, you are purchasing units of a specific class of the Fund.

PICTON MAHONEY FORTIFIED LONG SHORT ALTERNATIVE FUND

NOTES TO THE FINANCIAL STATEMENTS

As at June 30, 2024 (unaudited)

A separate net asset value per unit is calculated for each class of units (the "Unit Price"). The Unit Price is the price used for all purchases, switches, reclassifications and redemptions of units of that class (including purchases made on the reinvestment of distributions). The price at which units are issued or redeemed is based on the next applicable Unit Price determined after the receipt of the purchase or redemption order.

The Unit Price of each class of the Fund is calculated by taking the fair value of all the investments and other assets allocated to the class and subtracting the liabilities allocated to that class. This gives us the net asset value for the class. The Unit Price for the class is obtained by dividing the net asset value for the class by the total number of units of the class that investors in a Fund are holding.

Although the purchases and redemptions of units are recorded on a class basis, the assets attributable to all of the class of a Fund are pooled to create one fund for investment purposes.

Each class pays its proportionate share of fund costs in addition to its management fee and performance fee. The difference in fund costs, management fees and performance fees between each class means that each class has a different Unit Price.

Any purchase, switch, reclassification or redemption instruction received after 4:00pm (Eastern Time) on Valuation Day will be processed on the next Valuation Day.

ETF units of the Fund are available for purchase or sale on the TSX through a registered broker or dealer. The cut-off time for ETF units of the Fund is 2:00pm (Eastern Time) on a trading day.

(h) Foreign Currency Translation

The Fund's functional and presentation currency is Canadian dollars. The fair value of foreign investments and other assets and liabilities are translated into Canadian dollars at the exchange rates prevailing at the close of each valuation day. Purchases and sales of foreign securities and the related income and expenses are translated into Canadian dollars at rates of exchange prevailing on the respective dates of such transactions.

Foreign exchange gains and losses relating to cash and other assets and liabilities are presented as 'Foreign currency gain (loss) on cash and other assets and liabilities' and those relating to other financial assets and liabilities are presented within 'Net realized gain (loss) on investments, options, and foreign exchange forward contracts and 'Change in unrealized appreciation (depreciation) on investments, options, and foreign exchange forward contracts.

(i) Increase (decrease) in Net Assets Attributable to Holders of Redeemable Units per Unit

Increase (decrease) in net assets attributable to holders of redeemable units per unit of each Class of the Fund is determined by dividing the net increase in net assets attributable to holders of redeemable units from each Class of Units by the weighted average number of Units outstanding of that Class during the year.

(j) Transaction Costs

Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of an investment, which include fees and commissions paid to agents, advisors, brokers and dealers, levies by regulatory agencies and securities exchange, and transfer taxes and duties. Such costs are expensed and included in "Transaction costs" in the Statement of Comprehensive Income.

(k) Securities Lending Transactions

The Fund may enter into securities lending transactions. These transactions involve the temporary exchange of securities as collateral with a commitment to deliver the same securities on a future date. Income is earned from these transactions in the form of fees paid by the counterparty and, in certain circumstances, interest paid on securities held as collateral. Income earned from these transactions is recognized on an accrual basis and included in the Statements of Comprehensive Income.

The Fund has entered into a securities lending program with their custodian, RBC Investor Services Trust. The aggregate market value of all securities loaned by the Fund cannot exceed 50% of the assets of the Fund. The Fund will receive collateral of at least 102% of the value of the securities on loan. Collateral will generally be comprised of cash and obligations of, or guaranteed by, the Government of Canada or a province thereof, or a permitted supranational agency as defined in National Instrument 81-102. Securities lending income reported in the Statements of Comprehensive Income is net of a securities lending charge which the Fund's custodian, RBC Investor Services Trust, is entitled to receive.

(l) Leverage

Leverage occurs when the Fund borrows money or securities, or uses derivatives, to generate investment exposure that would otherwise not be possible.

The Fund's aggregate exposure to its sources of leverage is calculated as the sum of the following: (i) the market value of short holdings; (ii) the amount of cash borrowed for investment purposes; and (iii) the notional value of the Fund's derivatives positions, excluding any derivatives used for hedging purposes. The Fund's exposure to leverage must not exceed 300% of the Fund's NAV.

The Fund has received exemptive relief from Canadian securities regulatory authorities from certain investment restrictions set out in NI 81-102 that would restrict the ability of the Fund to leverage their assets through borrowing, short sales and/or derivatives. Investment decisions may be made for the assets of the Fund that exceed the net asset value of the Fund. As a result, if these investment decisions are incorrect, the resulting losses will be more than if investments were made solely in an unleveraged long portfolio as is the case in most conventional equity mutual funds. In addition, leveraged investment strategies can also be expected to increase a Fund's turnover, transaction and market impact costs, interest and other costs and expenses.

The Fund has also obtained exemptive relief such that the Fund is permitted to engage in short selling transactions and cash borrowing up to a combined maximum of 100% of its net asset value, which is in excess of the short sale and cash borrowing limits provided for both conventional mutual funds and alternative mutual funds in NI 81-102.

(m) Structured Entities

A structured entity is an entity that has been designed so that voting or similar rights are not the dominant factor in deciding who controls the entity, such as when any voting rights relate to administrative tasks only and the relevant activities are directed by means of contractual arrangements.

Picton Mahoney has determined that all of the underlying funds in which the Fund invests are unconsolidated structured entities. In making this determination, Picton Mahoney evaluated the fact that decision making about the underlying funds' activities is not governed by voting or similar rights held by the Fund and other investors in any underlying funds.

PICTON MAHONEY FORTIFIED LONG SHORT ALTERNATIVE FUND

NOTES TO THE FINANCIAL STATEMENTS

As at June 30, 2024 (unaudited)

The Fund may invest in underlying funds whose investment objectives range from achieving short- to long-term income and capital growth potential. Underlying funds may use leverage in a manner consistent with their respective investment objectives. Underlying funds finance their operations by issuing redeemable units which are puttable at the holder's option and entitle the holder to a proportionate stake in the respective fund's net assets. The Fund's interests in underlying funds as at June 30, 2024 and December 31, 2023, held in the form of redeemable units, are included at their fair value in the Statement of Financial Position, which represent the Fund's maximum exposure in these underlying funds. The Fund does not provide and has not committed to provide any additional significant financial or other support to the underlying funds. The change in fair value of each of the underlying funds during the periods is included in 'Change in unrealized appreciation (depreciation) of investments, options, and foreign exchange forward contracts' in the Statement of Comprehensive Income.

(n) Offsetting

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the company or the counterparty.

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

These financial statements, include estimates and assumptions by management that affect the reported amounts of certain assets and liabilities at the date of the financial statements and the reported amounts of certain revenue and expenses during the period. Actual results could differ from these estimates. The following discusses the most significant accounting judgments and estimates that the Fund has made in preparing the financial statements.

Fair value measurement of derivatives and securities not quoted in an active market

The Fund may hold financial instruments that are not quoted in active markets, including derivatives. Fair values of such instruments are determined using recognized valuation techniques and may be determined using reputable pricing sources or indicative prices from market makers.

Where no market data is available, the Fund may value positions using its own models, which are based on valuation methods and techniques generally recognized as standard within the industry. The models used to determine fair values are validated and periodically reviewed by the Manager, independent of the party that created them.

Models use observable data, to the extent practicable. However, areas such as credit risk (both own and counterparty), volatilities and correlations require the Manager to make estimates. Changes in assumptions about these factors could affect the reported fair values of financial instruments. The Fund considers observable data to be market data that is readily available, regularly distributed and updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

4. FINANCIAL INSTRUMENTS RISKS

The Fund is exposed to various financial risks, including market risk (which includes currency risk, interest rate risk and price risk), credit risk and liquidity risk. The investment team reviews and rebalances the portfolio on a regular and ongoing basis to maintain the risk reward targets. Portfolios within each strategy are reviewed relative to each other and to

their benchmark. Active industry and security allocations are analyzed. All investments may result in a risk of loss of capital.

Please refer to the Fund Specific Notes for details of the Fund's financial instruments risks.

Price risk:

The Fund trades in financial instruments, taking positions in traded and over-the-counter instruments which may include derivatives. As of June 30, 2024 and December 31, 2023, the Fund held or had exposure to long and short equity positions in publicly traded companies whose securities are actively traded on a recognized public exchange. Equities are susceptible to price risk arising from uncertainties about future prices of those instruments (other than those arising from interest rate risk or currency risk).

Short sales entail certain risks, including the risk that a short sale of a security may expose a Fund to losses if the value of the security increases.

A short sale creates the risk of a theoretically unlimited loss, in that the price of the underlying security could theoretically increase without limit, thus increasing the cost to the Fund of buying those securities to cover the short position. In addition, a short sale by a Fund requires the Fund to borrow securities in order that the short sale may be transacted. There is no assurance that the lender of the securities will not require the security to be paid back by a Fund before the Fund wants to do so, possibly requiring the Fund to borrow the security elsewhere or purchase the security on the market at an unattractive price. Moreover, the borrowing of securities entails the payment of a borrowing fee. The borrowing fee may increase during the borrowing period, adding to the expense of the short sale strategy. There is also no guarantee that the securities sold short can be repurchased by a Fund due to supply and demand constraints in the equity markets. Finally, in order to maintain the appropriate ratios between the long portfolio and the short portfolio of a Fund, the Manager may be required to buy or sell short securities at unattractive prices. The maximum risk resulting for financial instruments held long is determined by the fair value of the instrument.

Currency risk:

Currency risk is the risk that the cash and securities held by the Fund as well as due to and due from broker balances may be valued in or have exposure to currencies other than the Canadian dollar which is the functional currency of the Fund. The prices of the foreign securities are denominated in foreign currencies which are converted to the Fund's functional currency for determining fair value and, accordingly, each Class Net Asset Value will be affected by fluctuations in the value of such foreign currencies relative to the Canadian dollar.

Interest rate risk:

Interest rate risk arises when a fund invests in interest-bearing financial instruments and from the possibility that changes in the prevailing levels of market interest rates will affect future cash flows or fair values of such financial instruments. There is minimal fair value sensitivity to interest rate fluctuations on any cash and cash equivalents invested at short-term market interest rates. Market prices may also be affected by changes in market interest rates. Also, changes in the market interest rate may affect the borrowing expenses of the short positions held by the Fund.

Credit risk:

Credit risk is the risk that the counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. All transactions in listed securities are settled/paid for upon delivery using approved brokers. The risk of default is considered minimal, as delivery of securities sold is only made once the broker has received payment. Payment is made on a purchase once the securities have been received by the broker. The trade will fail if either party fails to meet its obligation. However, there are risks involved in dealing with custodians or

PICTON MAHONEY FORTIFIED LONG SHORT ALTERNATIVE FUND

NOTES TO THE FINANCIAL STATEMENTS

As at June 30, 2024 (unaudited)

prime brokers who settle trades and in rare circumstances, the securities and other assets deposited with the custodian or broker may be exposed to credit risk with regard to such parties. In addition, there may be practical problems or time delays associated with enforcing the Fund's rights to its assets in the case of an insolvency of any such party.

The Fund is exposed to credit risk. For other financial assets at amortized cost, the Manager considers both historical analysis and forward looking information in determining any expected credit loss. At June 30, 2024 and December 31, 2023, all receivables for investments sold, dividends receivable, due from manager, due from manager, deposits with brokers for securities sold short, and cash are held with counterparties with a good credit quality and are due to be settled within one week. The Manager considers the probability of default to be close to zero as these instruments have a low risk of default and the counterparties have a strong capacity to meet their contractual obligations in the near term. As a result, no loss allowance has been recognized based on 12-month expected credit losses as any such impairment would be wholly insignificant to the Fund.

In order to monitor the credit quality of the unrated (NR) underlying debt securities, the Manager, on the basis of internal research, prepares its own shadow ratings for the various instruments for which publicly available credit ratings are not available. The Manager reviews the key financial metrics of the issue and structural features of the instruments in order to calculate the implied ratings for each of these investments. The majority of unrated securities have been assessed by the Manager to have credit quality consistent with BBB/Baa rated securities. A BBB/Baa rating is the lowest rating a bond can have and still be considered investment-grade. An investment grade bond is a bond considered to have a relatively low risk of default.

Liquidity Risk:

Liquidity risk is the risk that a Fund will not be able to generate sufficient cash availability to execute its payment obligations. The Fund primarily invests in liquid securities that are readily realizable in an active market which is essential if the Fund is required to fund daily redemptions in the course of operations. The Fund from time to time may invest in restricted securities through private placements. However, this type of investment does not constitute a significant percentage of the Fund's Net Asset Value. The Fund may also maintain a cash reserve to accommodate normal-type redemptions. All liabilities of the Fund mature in one year or less. Redeemable units are redeemable on demand at the holder's option. However, the Manager does not expect that the contractual maturity will be representative of the actual cash outflows, as holders of these instruments typically retain them for a longer period.

Concentration risk:

Concentration risk arises as a result of the concentration of financial instrument exposures within the same category, whether it is geographic region, asset type or industry sector.

Leverage Risk:

The Fund has received exemptive relief from Canadian securities regulatory authorities from certain investment restrictions set out in NI 81-102 that would restrict the ability of the Fund to leverage their assets through borrowing, short sales and/or derivatives. Investment decisions may be made for the assets of the Fund that exceed the net asset value of the Fund. As a result, if these investment decisions are incorrect, the resulting losses will be more than if investments were made solely in an unleveraged long portfolio as is the case in most conventional equity mutual funds. In addition, leveraged investment strategies can also be expected to increase a Fund's turnover, transaction and market impact costs, interest and other costs and expenses.

Pursuant to the terms of the exemptive relief, the Fund's aggregate gross exposure, calculated as the sum of the following, must not exceed three times

the Fund's net asset value: (i) the aggregate market value of the Fund's long positions; (ii) the aggregate market value of physical short sales on equities, fixed income securities or other portfolio assets; and (iii) the aggregate notional value of the Fund's specified derivatives positions excluding any specified derivatives used for hedging purposes. If the Fund's aggregate gross exposure exceeds three times the Fund's net asset value, the Fund must, as quickly as is commercially reasonable, take all necessary steps to reduce the aggregate gross exposure to three times the Fund's net asset value or less.

5. CAPITAL MANAGEMENT

The capital of a Fund is represented by the issued and outstanding units and the net asset value attributable to participating unitholders. The Manager utilizes the capital of the Fund in accordance with the Fund's investment objectives, strategies and restrictions, as outlined in the Fund's prospectus, while maintaining sufficient liquidity to meet normal redemptions. The Fund does not have any externally imposed capital requirements.

6. REDEEMABLE UNIT TRANSACTIONS

The Fund is permitted to have an unlimited number of Classes of Units having such terms and conditions as the Manager may determine. Additional Classes may be offered in future on different terms, including having different fee and dealer compensation terms and different minimum subscription levels. Each Unit of a Class represents an undivided ownership interest in the Net Asset Value of the Fund attributable to that Class of Units.

Investors may be admitted to the Fund or may acquire additional Units on a daily basis. Units of the Fund are offered at the Class Net Asset Value per Unit calculated as of the applicable Valuation Date. The minimum initial investment in the Fund is \$2,000 for all Classes and the Manager has the discretion to accept a lesser initial subscription, provided, in each case, that the issuance of Units in respect of such subscription shall otherwise be exempt from the prospectus requirements of applicable securities legislation. Subsequent investments are subject to an additional minimum investment of CAD \$500 subject to applicable securities legislation. The capital of the Fund is represented by issued redeemable Units with no par value. The Units are entitled to distributions, if any, and to payment of a proportionate share based on the Fund's Net Asset Value per Unit upon redemption. The Fund has no restrictions or specific capital requirements on the subscriptions and redemptions of Units other than as described above. The relevant movements are shown on the Statement of Changes in Net Assets Attributable to Holders of Redeemable Units and in the Fund Specific Notes of each Fund.

IAS 32, Financial Instrument - Recognition and Measurement, requires that units of an entity that include a contractual obligation for the issuer to repurchase or redeem them for cash or another financial asset be classified as financial liability. The Fund's units have been classified as financial liabilities. The Fund has multiple series of units that carry different management fee rates and therefore do not have identical features. As all units are equally subordinate, the units also would not meet the requirements of IAS 32 and therefore do not meet the conditions to be classified as equity.

Generally, all orders to purchase ETF units directly from a Fund must be placed by a Designated Broker or an "ETF Dealer", which is a registered dealer (that may or may not be a Designated Broker) that has entered into an agreement with us authorizing the dealer to subscribe for, purchase and redeem ETF units from one or more Funds on a continuous basis from time to time. For each Prescribed Number of Units issued, an ETF Dealer must deliver payment consisting of, either: (i) a group of securities or assets representing the constituents of the Fund (a "Basket of Securities") for each Prescribed Number of Units for which the subscription order has been accepted and cash, in an amount sufficient so that the value of the

PICTON MAHONEY FORTIFIED LONG SHORT ALTERNATIVE FUND

NOTES TO THE FINANCIAL STATEMENTS

As at June 30, 2024 (unaudited)

securities and cash received is equal to the aggregate net asset value of the Prescribed Number of Units next determined following the receipt of the subscription order; or (ii) cash only, securities other than Baskets of Securities or a combination of securities other than Baskets of Securities and cash, in an amount sufficient so that the value of the securities and cash received is equal to the aggregate net asset value of the Prescribed Number of Units next determined following the receipt of the subscription order. When you redeem ETF units of a Fund, you receive the proceeds of your sale in cash at a redemption price per unit equal to 95% of the closing trading price on the effective date of the cash redemption request, subject to a maximum redemption price of the applicable net asset value per unit. As unitholders will generally be able to sell ETF units at the market price on the TSX or another exchange or marketplace through a registered broker or dealer subject only to customary brokerage commissions.

7. DISTRIBUTIONS

The Fund intends to distribute net income and net realized capital gains, if any, to Unitholders at the end of each taxation year to ensure that the Fund is not liable for income tax under Part I of the Income Tax Act (Canada) (the "Act"), after taking into account any loss carry forwards and capital gains refunds. All annual distributions paid on Class A, Class F, Class I and Class ETF units will be automatically reinvested in additional units.

8. TAXATION

The Fund qualifies as a "mutual fund trust" and will be subject to tax in each taxation year under Part I of the Act on the amount of its income for the year, including net realized taxable capital gains, less the portion thereof that it claims in respect of the amount paid or payable to Unitholders in the year. The Fund deducts, in computing its income in each taxation year, the full amount available for deduction in each year and, therefore, provided the Fund makes distributions in each year of its net income and net realized capital gains, it will generally not be liable in such year for any tax on its net income or profit under Part I of the Tax Act. As a result, the Fund does not record income taxes. Since the Fund does not record income taxes, the tax benefit of capital and non-capital losses has not been reflected in the Statement of Financial Position as a deferred tax asset.

Non-capital losses have expiry periods of up to 20 years and can be offset against future taxable income. Net capital losses can be carried forward indefinitely and offset against future taxable capital gains. For tax loss carry forward information, please refer to Note 14 in the Fund Specific Notes.

The Fund is required to include in income for each taxation year any dividends received by it in a taxation year and all interest that accrues to it to the end of the year, or becomes receivable or is received by it before the end of the year, except to the extent that such interest was included in computing its income for a preceding taxation year. In computing its income, the Fund will take into account any loss carry-forwards, any capital gains refund and all deductible expenses, including management fees.

Gains and losses realized by the Fund on the disposition of securities will generally be reported as capital gains and capital losses. The Fund will elect under section 39(4) of the Tax Act so that all gains or losses realized on the disposition of securities that are "Canadian securities" (as defined in the Tax Act), including Canadian securities acquired in connection with short sales, will be deemed to be capital gains or losses to the Fund. Generally, gains and losses realized by the Fund from derivative securities and in respect of short sales of securities (other than Canadian securities) will be treated as income and losses of the Fund, except where a derivative is used to hedge securities held on capital account provided there is sufficient linkage and subject to detailed rules in the Tax Act. Whether gains or losses realized by the Fund in respect of a particular

security (other than a Canadian security) is on income or capital account will depend largely on factual considerations. Losses incurred by the Fund in a taxation year cannot be allocated to unitholders, but may be deducted by the Fund in future years in accordance with the Tax Act.

9. OPERATING EXPENSES

The Manager is responsible for the day-to-day operations of the Fund. The Fund pays its own operating expenses, other than advertising costs and costs of dealer compensation programs, which are paid by the Manager. Operating expenses include, but are not limited to, brokerage commissions and fees, taxes, audit and legal fees, fees of the members of the Independent Review Committee ("IRC"), costs and fees in connection with the operation of the IRC, safekeeping and custodial fees, interest expenses, operating, administrative and systems costs, investor servicing costs and costs of financial and other reports to investors, as well as prospectuses, annual information forms and fund facts.

With the exception of Class specific expenses, all other expenses are allocated to each Class of the Fund based on the Class' pro-rated share of total Net Asset Value of the Fund. The Manager may from time to time waive any portion of the fees and reimbursement of expenses otherwise payable to it, but no such waiver affects its right to received fees and reimbursement of expenses subsequently accruing to it.

10. RELATED PARTY TRANSACTIONS

(a) Management Fees

The Manager receives a management fee payable for providing its services to the Fund. The management fee varies for each class of units. The management fee is calculated and accrued daily based on a percentage of the net asset value of the class of units of the Fund, plus applicable taxes, and is payable on the last business day of each calendar quarter. This fee differs among the classes of units of the Fund. The annual management fee payable by the Fund to the Manager on Class A units is 1.95% and on Class F units and Class ETF units is 0.95%. The management fee for Class I units of the Fund is negotiated by the investor and paid directly by the investor, and would not exceed the management fee payable on Class A units of the Fund.

Management Fee Distributions

The Manager may, in its discretion, agree to charge a reduced management fee as compared to the fee that the Manager otherwise would be entitled to receive from the Fund with respect to investments in the Fund by unitholders who hold a minimum amount of units during any period and/or meet other criteria as determined by the Manager from time to time. In such cases, an amount equal to the difference between the management fee otherwise chargeable and the reduced fee payable by the Fund will be distributed regularly by the Fund to those unitholders as "Management Fee Distributions". The Manager reserves the right, in its discretion, to discontinue or change Management Fee Distributions at any time.

(b) Performance Fees

The Manager receives a performance fee in respect of each of the Class A units, Class F units, and Class ETF units of the Fund. The performance fee for each class shall be calculated and become a liability of the Fund on each Valuation Day and shall be payable at the end of each calendar quarter. The performance fee is equal to 20% of the amount by which the performance of the applicable class exceeds an annual hurdle rate of return equal to 2%, for each of the Class A units, Class F units, or Class ETF units, plus applicable taxes. The performance fee in respect of each of the Class A units, Class F units, and Class ETF units of the Fund on a particular

PICTON MAHONEY FORTIFIED LONG SHORT ALTERNATIVE FUND

NOTES TO THE FINANCIAL STATEMENTS

As at June 30, 2024 (unaudited)

Valuation Day shall be equal to the product of, (a) 20% of the positive difference between (i) the Unit Price on the Valuation Day; and (ii) the greatest Unit Price on any previous Valuation Day or the Unit Price on the date when the units of the class were first issued, where no performance fee liability has previously arisen in respect of units of the class (the "High Water Mark"); less (iii) the hurdle amount (the "Hurdle Amount") per unit on the Valuation Day; and (b) the number of units outstanding on the applicable Valuation Day on which the performance fee is determined, plus applicable taxes.

The Hurdle Amount per unit is the product of (a) 2% for each calendar year (prorated for the number of days in the year); (b) the Unit Price on the applicable Valuation Day; and (c) the number of days since the most recently determined High Water Mark or the beginning of the current calendar year, whichever is most recent. The Manager may make such adjustments to the Unit Price, the High Water Mark and/or the Hurdle Amount per unit as are determined by the Manager to be necessary to account for the payment of any distributions on units, any unit splits or consolidations or any other event or matter that would, in the opinion of the Manager, impact upon the computation of the performance fee. Any such determination of the Manager shall, absent manifest error, be binding on all unitholders. Investors in Class I units may negotiate a different performance fee than the one described herein or no performance fee at all. Any performance fee for Class I units will be paid directly to the Manager. The Manager reserves the right, in its discretion, to discontinue, decrease or waive the performance fee at any time. For the period January 1, 2024 to June 30, 2024, the Fund incurred performance fees of \$10,911,861.

(c) Fund-on-Fund Fees and Expenses

When the Fund invests in an underlying fund, the underlying fund may pay a management and performance fee and other expenses in addition to the fees and expenses payable by the Fund. The fees and expenses of the underlying fund will have an impact on the management expense ratio of the Fund. However, the Fund will not pay a management or performance fee that, to a reasonable person, would duplicate a fee payable by the underlying fund(s) for the same service. In addition, the Fund will not pay any sales charges, redemption fees or short-term trading fees for its purchase or redemption of units of any underlying fund that is managed by the Manager, or that, in respect of the other underlying funds, to a reasonable person, would duplicate a fee payable by an investor in any underlying fund.

**THINK AHEAD.
STAY AHEAD.**



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