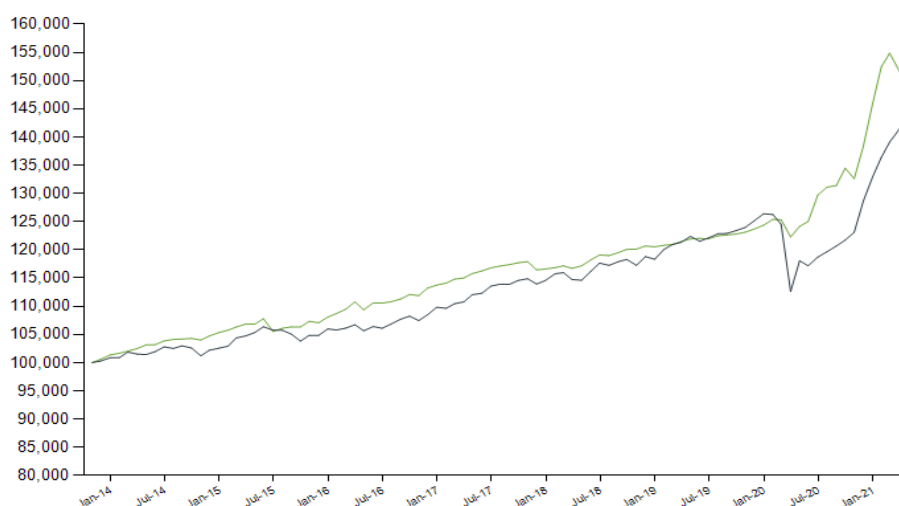


QUARTERLY OUTLOOK & REVIEW

- > During the first quarter of 2021, the Fund's Class B units returned 4.01% (3.88% for Class F).
- > The quarter was really a tale of two halves; up until mid-February the SPAC market continued the strong performance that we saw in 2020. New SPAC IPO activity was blistering, and new de-SPAC announcements continued to be met with strong price appreciation. With this backdrop, SPACs traded to the highest premium to trust in our recollection. By the end of the quarter, SPACs were trading at wide discounts to trust (levels last seen in March of 2020) and no new SPACs were being raised. Importantly, we are continuing to see business combinations announced with fully committed PIPEs (private investment in public equity).
- > On the M&A side, the merger arbitrage universe continues to be attractively priced with wider spreads than we saw in the 2015–2019-time frame. Activity is picking up as well, notable with two of the largest Canadian transactions in history: Rogers Communications Inc. acquiring Shaw Communications Inc. and Canadian Pacific Railway Limited buying Kansas City Southern. With the attractive spread levels, we are selectively looking for places to increase our allocation to merger arbitrage.

PERFORMANCE: VALUE OF \$100,000 INVESTED IN CLASS F ON OCTOBER 2013

— Picton Mahoney Arbitrage Fund Class (F)
— HFRI ED Merger Arbitrage Index (Hedged to CAD)



	1 Mon	3 Mon	6 Mon	YTD	1 Yr	3 Yr*	5 Yr*	10 Yr*	Since Inc*
Picton Mahoney Arbitrage Fund Class (F)	-2.10	3.88	12.73	3.88	23.99	9.08	6.47	--	5.77
HFRI ED Merger Arbitrage Index (Hedged to CAD)	1.66	6.37	16.19	6.37	25.58	7.20	5.79	--	4.78

Note: (*) refers to average annualized performance.

Highlight

The investment objective of the Fund is to generate consistent, positive returns, with low volatility and low correlation to equity markets.

Strategy

The Fund primarily employs arbitrage strategies, which are specialized investment techniques designed to profit from the successful completion of mergers, take-overs, tender offers, leveraged buyouts, spin-offs, liquidations, and other corporate reorganizations. The most common arbitrage activity the Manager intends to use is merger arbitrage, which involves purchasing the shares of an announced acquisition target company at a discount to the expected merger consideration.

Fund Information

Fund Assets: \$54.8M
 Firm Assets: \$8.7B
 Fund Details: 1.0% Mgmt Fee (F)
 15.0% Performance Fee
 High Water Mark
 Monthly Liquidity
 RSP Eligible
 Prime Broker: TD Securities Inc.
 Administrator: CBC Mellon
 Auditor: PricewaterhouseCoopers
 Lawyer: McMillan LLP

Fund Code

F Class: PIC1801

PIC 1801



RETURN & RISK ANALYSIS

FUND HIGHLIGHTS	PICTON MAHONEY ARBITRAGE FUND CLASS (F)	HFRI ED MERGER ARBITRAGE INDEX (HEDGED TO CAD)
NAV per Unit	12.21	
Net Assets	54.8 M	
MTD Return	-2.10%	1.66%
YTD Return	3.88%	6.37%
2014 Annual Return (Calendar Year)	3.90%	1.69%
2015 Annual Return (Calendar Year)	2.60%	3.32%
2016 Annual Return (Calendar Year)	5.25%	3.63%
2017 Annual Return (Calendar Year)	2.51%	4.31%
2018 Annual Return (Calendar Year)	3.37%	3.29%
2019 Annual Return (Calendar Year)	3.17%	6.80%
2020 Annual Return (Calendar Year)	17.35%	5.08%

PERFORMANCE ANALYSIS

Maximum Drawdown	-2.48%	-10.89%
Period of Maximum Drawdown	Feb-20 - Mar-20	Jan-20 - Mar-20
Time Under Water	4 Months	10 Months
Percentage of Positive Months	80.90%	70.79%
Beta	0.47	1.00
Standard Deviation (%)	3.93%	5.15%
Sharpe Ratio	1.24	0.77
Worst Month	-2.45%	-9.58%

EXPOSURES

Gross	119.46%
Long	102.41%
Short	-17.05%
Net	85.36%

ALLOCATION

HOLDINGS INFORMATION

Average Market Cap	# of Deals	# of SPACs ²
\$22.43 Billion	23	347

GEOGRAPHIC BREAKOUT

Net exposure	%
Canada	4.73
United States	80.59
Other	0.04

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Disclaimer

¹Picton Mahoney Arbitrage Fund (formerly, Vertex Arbitrage Fund) effective on January 13, 2020.

²Special Purpose Acquisition Companies ("SPACs") are companies formed to raise capital in an initial public offering ("IPO") with the purpose of using the proceeds to acquire one or more unspecified businesses or assets to be identified after the IPO.

The inception date of the Class F Units of the Fund is October 31, 2013. Performance and Performance Analysis data is presented since inception for Class F Units of the Fund. Net Assets are reported for Class B, Class F and Class V combined. Maximum Drawdown, Period of Drawdown, Time Under Water, Beta, standard deviation and Sharpe Ratio are calculated using monthly data. Performance data is compared to the HFRI ED Arbitrage Merger Index (Hedged to CAD), the standard benchmark for arbitrage strategies in Canada. The composition of the Fund's portfolio will significantly differ from the Index due to the Fund's investment strategy. Please see the Fund's Confidential Offering Memorandum for more information, including investment strategies, risk factors and investor eligibility. This material is for informational purposes only, is subject to change and is not an offer or solicitation to sell units of the Fund. Commissions, trailing commissions, management fees and expenses all may be associated with fund investments. The Fund is not guaranteed, its value changes frequently and past performance may not be repeated.