

FORTIFIED MARKET NEUTRAL ALTERNATIVE FUND



**THINK AHEAD.
STAY AHEAD.**

TABLE OF CONTENTS

- 2 Management’s Responsibility Statement
- 3 Independent Auditor’s Report
- 5 Picton Mahoney Fortified Market Neutral Alternative Fund Financial Statements
- 28 Notes to the Financial Statements

MANAGEMENT'S RESPONSIBILITY STATEMENT

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

The 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.

The financial statements have been audited by PricewaterhouseCoopers LLP. They have audited the financial statements in accordance with Canadian generally accepted auditing standards to enable them to express to the unitholders their opinion on these financial statements. Their report is set out on the following pages.

Picton Mahoney Asset Management

Toronto, Ontario

March 24, 2025

INDEPENDENT AUDITOR'S REPORT

To the Unitholders and Trustee of
Picton Mahoney Fortified Market Neutral Alternative Fund (the Fund)

Our opinion

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards).

What we have audited

The Fund's financial statements comprise:

- the statements of financial position as at December 31, 2024 and 2023;
- the statements of comprehensive income for the years then ended;
- the statements of changes in net assets attributable to holders of redeemable units for the years then ended;
- the statements of cash flows for the years then ended; and
- the notes to the financial statements, comprising material accounting policy information and other explanatory information.

Basis for opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada. We have fulfilled our other ethical responsibilities in accordance with these requirements.

Other information

Management is responsible for the other information. The other information comprises the 2024 Annual Management Report of Fund Performance.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and,

in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

INDEPENDENT AUDITOR'S REPORT

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditor's report is Christina Fox.

/s/PricewaterhouseCoopers LLP

Chartered Professional Accountants, Licensed Public Accountants

Toronto, Ontario
March 24, 2025

PICTON MAHONEY FORTIFIED MARKET NEUTRAL ALTERNATIVE FUND

STATEMENTS OF FINANCIAL POSITION

As at

	December 31, 2024 \$	December 31, 2023 \$		December 31, 2024 \$	December 31, 2023 \$
Assets			Number of Redeemable Units Outstanding		
Current assets			Class A	7,001,117	5,187,062
Long positions at fair value*	2,647,647,446	1,724,378,204	Class F	75,875,550	60,823,514
Cash	444,797,298	2,013,074	Class FT	2,556,392	1,147,408
Options purchased*	21,590,716	9,162,063	Class I	9,767	448,331
Unrealized gain on futures contracts	13,144,727	-	Class O2 ****	37,728	-
Deposits with brokers for securities sold short	-	437,303,936	Class PQ ****	700	-
Distributions receivable from underlying funds	-	91,733	Class ETF	21,300,000	13,740,000
Subscriptions receivable	2,264,448	1,313,820	Net Assets Attributable to Holders of Redeemable Units per Unit		
Receivable for investments sold	-	1,221,667	Class A	15.13	13.26
Dividends receivable	6,500,600	2,447,888	Class F	16.00	13.90
Interest and other receivable	7,295,836	7,090,256	Class FT	11.06	9.98
	3,143,241,071	2,185,022,641	Class I	18.78	15.65
			Class O2 ****	10.15	-
Liabilities			Class PQ ****	10.09	-
Current liabilities			Class ETF***	15.42	13.39
Short positions at fair value**	1,442,679,654	1,052,236,534	* Long positions, at cost	2,263,588,263	1,559,445,341
Options written**	15,235,394	5,975,283	** Short positions, at cost	(1,422,910,704)	(1,032,797,254)
Unrealized loss on futures contracts	-	4,306,665	*** Closing Market Price (TSX)	15.48	13.45
Management fee payable	1,260,432	718,164	**** Class O2 units were first issued on November 12, 2024, Class PQ units were first issued on November 28, 2024		
Performance fee payable	-	505,983	The accompanying notes are an integral part of the financial statements.		
Redemptions payable	130,551	1,282,861	Approved on behalf of the Manager		
Accrued liabilities	896,695	355,137	David Picton	Arthur Galloway	
Payable for investments purchased	61,103	737,249			
Interest and other payable	501	501	President	CFO	
Dividends payable	6,029,225	2,065,360			
	1,466,293,555	1,068,183,737			
Net Assets Attributable to Holders of Redeemable Units	1,676,947,516	1,116,838,904			
Net Assets Attributable to Holders of Redeemable Units per Class					
Class A	105,926,574	68,766,991			
Class F	1,213,735,995	845,566,196			
Class FT	28,269,875	11,450,057			
Class I	183,379	7,016,623			
Class O2 ****	382,842	-			
Class PQ ****	7,063	-			
Class ETF	328,441,788	184,039,037			

PICTON MAHONEY FORTIFIED MARKET NEUTRAL ALTERNATIVE FUND

STATEMENTS OF COMPREHENSIVE INCOME

For the years ended December 31

	2024	2023		2024	2023
	\$	\$		\$	\$
Income			Increase (Decrease) in Net Assets		
Net gains (losses) on investments and derivatives			Attributable to Holders of Redeemable Units per Class		
Interest for distribution purposes	37,806,550	40,272,982	Class A	10,163,780	1,195,519
Dividends	30,215,285	21,823,846	Class F	134,373,105	22,704,188
Distributions from underlying funds	449,227	91,732	Class FT	2,428,430	260,554
Net realized gain (loss) on investments and options	14,546,004	(7,687,394)	Class I	436,756	1,200,317
Net realized gain (loss) on futures contracts	(49,412,759)	(9,235,296)	Class O2 ****	1,499	-
Change in unrealized appreciation (depreciation) on investments, options and futures contracts	239,238,756	39,606,771	Class PQ ****	63	-
Interest and borrowing expense	(6,176,480)	(5,109,400)	Class ETF	32,097,945	4,015,528
Dividend expense	(26,960,368)	(22,751,072)			
Net gains (losses) on investments and derivatives	<u>239,706,215</u>	<u>57,012,169</u>	Increase (Decrease) in Net Assets		
Other income			Attributable to Holders of Redeemable Units per Unit		
Securities lending income	36,759	33,462	Class A	1.87	0.24
Foreign currency gain (loss) on cash and other assets and liabilities	8,465,953	1,517,781	Class F	2.09	0.38
Total Income	<u>248,208,927</u>	<u>58,563,412</u>	Class FT	1.43	0.27
			Class I	3.47	0.94
			Class O2 ****	0.10	-
			Class PQ ****	0.09	-
			Class ETF	2.00	0.33
Expenses			**** Class O2 units were first issued on November 12, 2024, Class PQ units were first issued on November 28, 2024		
Performance fees	40,199,595	6,855,872	The accompanying notes are an integral part of the financial statements.		
Management fees	14,568,314	11,824,884			
Transaction costs	11,219,200	8,513,847			
Withholding taxes	956,826	569,796			
Administrative fees	768,767	620,004			
Securityholder reporting fees	672,298	494,601			
Audit fees	197,644	186,179			
Legal fees	117,790	115,124			
Independent review committee fees	6,915	6,999			
Total expense before manager absorption	<u>68,707,349</u>	<u>29,187,306</u>			
Less expenses absorbed by manager	-	-			
Total expense after manager absorption	<u>68,707,349</u>	<u>29,187,306</u>			
Increase (Decrease) in Net Assets					
Attributable to Holders of Redeemable Units	<u>179,501,578</u>	<u>29,376,106</u>			

PICTON MAHONEY FORTIFIED MARKET NEUTRAL ALTERNATIVE FUND

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

For the years ended December 31

	2024 \$	2023 \$		2024 \$	2023 \$
Net Assets Attributable to Holders of Redeemable Units at Beginning of Year			Distributions to Holders of Redeemable Units		
Class A	68,766,991	61,759,161	From net investment income		
Class F	845,566,196	749,426,818	Class A	-	(873,709)
Class FT	11,450,057	7,856,808	Class F	-	(10,704,152)
Class I	7,016,623	28,315,733	Class FT	-	(403,036)
Class O2 ****	-	-	Class I	-	(88,864)
Class PQ ****	-	-	Class O2 ****	-	-
Class ETF	184,039,037	126,115,607	Class PQ ****	-	-
	<u>1,116,838,904</u>	<u>973,474,127</u>	Class ETF	-	(2,362,151)
				<u>-</u>	<u>(14,431,912)</u>
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units			From return of capital		
Class A	10,163,780	1,195,519	Class A	-	(1,434)
Class F	134,373,105	22,704,188	Class F	-	(17,601)
Class FT	2,428,430	260,554	Class FT	(698,638)	(662)
Class I	436,756	1,200,317	Class I	-	(146)
Class O2 ****	1,499	-	Class O2 ****	-	-
Class PQ ****	63	-	Class PQ ****	-	-
Class ETF	32,097,945	4,015,528	Class ETF	-	(3,877)
	<u>179,501,578</u>	<u>29,376,106</u>		<u>(698,638)</u>	<u>(23,720)</u>
Redeemable Unit Transactions			Net Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units		
Proceeds from redeemable units issued				<u>560,108,612</u>	<u>143,364,777</u>
Class A	45,926,385	27,915,027	Net Assets Attributable to Holders of Redeemable Units at End of Year		
Class F	481,043,556	361,657,316	Class A	105,926,574	68,766,991
Class FT	16,720,405	4,722,674	Class F	1,213,735,995	845,566,196
Class I	-	6,000,573	Class FT	28,269,875	11,450,057
Class O2 ****	381,343	-	Class I	183,379	7,016,623
Class PQ ****	7,000	-	Class O2 ****	382,842	-
Class ETF	132,137,260	98,585,484	Class PQ ****	7,063	-
	<u>676,215,949</u>	<u>498,881,074</u>	Class ETF	328,441,788	184,039,037
Reinvestments of distributions to holders of redeemable units			Net Assets Attributable to Holders of Redeemable Units at End of Year		
Class A	-	833,972		<u>1,676,947,516</u>	<u>1,116,838,904</u>
Class F	-	9,113,408	**** Class O2 units were first issued on November 12, 2024, Class PQ units were first issued on November 28, 2024		
Class FT	245,082	58,747	The accompanying notes are an integral part of the financial statements.		
Class I	-	89,010			
Class O2 ****	-	-			
Class PQ ****	-	-			
Class ETF	-	-			
	<u>245,082</u>	<u>10,095,137</u>			
Redemption of redeemable units					
Class A	(18,930,582)	(22,061,545)			
Class F	(247,246,862)	(286,613,781)			
Class FT	(1,875,461)	(1,045,028)			
Class I	(7,270,000)	(28,500,000)			
Class O2 ****	-	-			
Class PQ ****	-	-			
Class ETF	(19,832,454)	(42,311,554)			
	<u>(295,155,359)</u>	<u>(380,531,908)</u>			
Net Increase (Decrease) from Redeemable Unit Transactions	381,305,672	128,444,303			

PICTON MAHONEY FORTIFIED MARKET NEUTRAL ALTERNATIVE FUND

STATEMENTS OF CASH FLOWS

For the years ended December 31

	2024 \$	2023 \$		2024 \$	2023 \$
Cash Flows from Operating Activities			Cash Flows from Financing Activities		
Increase (decrease) in net assets attributable to holders of redeemable units	179,501,578	29,376,106	Distributions to holders of redeemable units, net of reinvested distributions	(453,556)	(4,360,495)
Adjustments for:			Proceeds from redeemable units issued	670,516,146	495,048,587
Unrealized foreign exchange (gain) loss on cash	(6,379,120)	6,028,316	Amount paid on redemption of redeemable units	(291,558,494)	(375,833,748)
Net realized (gain) loss on investments and options	(14,546,004)	7,687,394	Net cash generated (used) by financing activities	378,504,096	114,854,344
Change in unrealized (appreciation) depreciation on investments, options and futures contracts	(239,238,756)	(39,606,771)	Unrealized foreign exchange gain (loss) on cash	6,379,120	(6,028,316)
(Increase) decrease in interest and other receivables	(205,580)	(6,899,205)	Net increase (decrease) in cash	436,405,104	(411,400,946)
(Increase) decrease in dividends receivable	(4,052,712)	(1,305,207)	Cash, beginning of year	2,013,074	419,442,336
(Increase) decrease in deposits with brokers for securities sold short	437,303,936	(135,406,778)	Cash, end of year	444,797,298	2,013,074
(Increase) decrease in distributions receivable from underlying funds	91,733	(91,733)	Cash	444,797,298	2,013,074
Increase (decrease) in dividends payable	3,963,865	923,398	Cash overdraft	-	-
Increase (decrease) in other payable and accrued liabilities	577,843	(3,845,962)	Net Cash (Overdraft)	444,797,298	2,013,074
Purchase of long positions and repurchase of investments sold short	(6,424,162,438)	(3,738,143,507)	Items Classified as Operating Activities:		
Reinvestment of distributions from underlying funds	(540,960)	-	Interest received, net of withholding tax	37,600,970	33,373,777
Proceeds from sale of long positions and on investments sold short	6,125,587,623	3,355,028,659	Dividends received, net of withholding tax	25,205,747	19,948,848
Net cash generated (used) by operating activities	57,901,008	(526,255,290)	Interest and borrowing expense paid	(6,176,480)	(5,109,400)
			Dividends paid	(22,996,503)	(21,827,674)

Net of non-cash transfers and switches of \$4,749,175 (2023 - \$4,624,896)

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

PICTON MAHONEY FORTIFIED MARKET NEUTRAL ALTERNATIVE FUND

SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2024

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 (159.1%)									
Canadian Equities (69.7%)									
Energy (11.6%)									
	469,800	Advantage Energy Ltd.	4,664,162	4,632,228	461,000	Pan American Silver Corp.	11,085,287	13,405,880	
	651,800	ARC Resources Ltd.	15,234,063	16,992,426	95,300	Pan American Silver Corp., Rights, 2029-02-22	85,973	50,713	
	116,700	Cameco Corp.	6,381,640	8,625,297	167,000	Snowline Gold Corp.	838,340	853,370	
	534,400	Canadian Natural Resources Ltd.	22,557,502	23,716,672	540,947	Solaris Resources Inc.	3,303,035	2,412,624	
	205,700	Cenovus Energy Inc.	4,414,404	4,482,203	325,400	Teck Resources Ltd.	19,569,045	18,964,312	
	492,700	Enbridge Inc.	24,917,142	30,059,627	1,209,000	West Red Lake Gold Mines Ltd.	869,261	725,400	
	590,600	Encore Energy Corp., Warrants, 2026-02-14	-	649,660	1,209,000	West Red Lake Gold Mines Ltd., Warrants, 2026-05-16	1,219	163,215	
	311,100	Encore Energy Corp.	1,107,372	1,508,835			126,723,542	144,784,326	
	482,889	Gibson Energy Inc.	10,842,198	11,821,123	Industrial (12.3%)				
	343,200	MEG Energy Corp.	5,516,892	8,099,520	63,600	ADENTRA Inc.	2,527,893	2,361,468	
	241,300	NexGen Energy Ltd.	1,860,085	2,287,524	61,600	Ag Growth International Inc.	3,357,096	3,130,512	
	364,600	Parkland Corp.	13,385,083	11,853,146	512,100	Air Canada	10,198,398	11,399,346	
	137,100	Pembina Pipeline Corp.	6,570,358	7,281,381	115,900	AtkinsRealis Group Inc.	6,325,439	8,838,534	
	38,800	Precision Drilling Corp.	3,412,999	3,411,296	157,800	Badger Infrastructure Solutions Ltd.	5,170,301	5,661,864	
	716,000	Suncor Energy Inc.	35,372,112	36,737,960	26,700	Bombardier Inc.	1,519,579	2,609,925	
	269,600	TC Energy Corp.	14,961,223	18,060,504	25,100	Boyd Group Services Inc.	5,290,769	5,441,178	
	40,100	TerraVest Industries Inc.	3,051,506	4,483,180	50,700	Canadian National Railway Co.	7,937,003	7,400,679	
			174,248,741	194,702,582	406,700	Canadian Pacific Kansas City Ltd.	40,529,933	42,329,330	
Materials (8.6%)					923,388	Element Fleet Management Corp.	14,337,460	26,833,655	
	270,800	Agnico Eagle Mines Ltd.	20,961,275	30,454,168	375,500	NFI Group Inc.	6,292,644	5,257,000	
	218,400	Aris Mining Corp., Warrants, 2025-07-29	-	48,048	64,800	Thomson Reuters Corp.	9,993,855	14,957,136	
	2,271,600	BeMetals Corp.	227,160	113,580	101,050	Toromont Industries Ltd.	10,812,400	11,483,322	
	1,135,800	BeMetals Corp., Warrants	-	1	141,500	Waste Connections Inc.	26,836,338	34,893,900	
	245,500	Capstone Copper Corp.	1,936,181	2,182,495	96,600	WSP Global Inc.	16,802,531	24,435,936	
	143,700	Cascades Inc.	1,733,107	1,711,467			167,931,639	207,033,785	
	172,900	CCL Industries Inc.	11,699,799	12,785,955	Consumer Discretionary (1.5%)				
	73,650	Critical Elements Lithium Corp.	128,888	29,460	20,500	Dollarama Inc.	1,883,214	2,875,740	
	572,400	Faraday Copper Corp.	457,920	423,576	100,400	Gildan Activewear Inc.	5,840,601	6,792,060	
	672,700	First Quantum Minerals Ltd.	14,037,955	12,465,131	91,700	Restaurant Brands International Inc.	8,666,561	8,591,373	
	923,500	Frontier Lithium Inc.	1,896,442	415,575	184,100	Spin Master Corp.	6,667,369	6,235,467	
	162,050	Frontier Lithium Inc., Warrants, 2025-11-08	-	-			23,057,745	24,494,640	
	226,100	Gold Royalty Corp., Warrants, 2027-06-14	3,091	82,921	Consumer Staples (2.0%)				
	1,031,700	Hudbay Minerals Inc.	8,703,759	12,029,622	65,896	Alimentation Couche-Tard Inc.	5,088,895	5,253,229	
	302,900	K92 Mining Inc.	2,189,573	2,629,172	99,300	George Weston Ltd.	15,884,485	22,197,522	
	123,200	Labrador Iron Ore Royalty Corp.	4,076,521	3,564,176	29,000	Metro Inc.	2,428,066	2,614,350	
	493,000	Major Drilling Group International Inc.	4,460,730	4,047,530	73,800	North West Co Inc.	2,859,266	3,625,056	
	151,200	NGEx Minerals Ltd.	830,573	2,027,592			26,260,712	33,690,157	
	39,060	NGEx Minerals Ltd., Restricted 03/03/25	429,660	517,927	Health Care (0.8%)				
	597,100	OceanaGold Corp.	1,721,411	2,376,458	298,800	Chartwell Retirement Residences	3,959,495	4,505,904	
	58,500	Osisko Development Corp., Warrants, 2027-03-02	-	5,850	88,700	HEXO Corp., Warrants	-	-	
	695,400	Osisko Gold Royalties Ltd.	13,829,457	18,101,262	14,500	HEXO Corp., Warrants, 2025-05-21	-	-	
	3,169,000	Osisko Metals Inc., Warrants	-	15,845	832,500	Kneat.com Inc.	2,720,738	4,878,450	
	6,338,000	Osisko Metals Inc.	1,647,880	2,181,001					

PICTON MAHONEY FORTIFIED MARKET NEUTRAL ALTERNATIVE FUND

SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2024

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 (\$)
	104,500	Profound Medical Corp.	1,108,103	1,128,698					
	220,300	Sienna Senior Living Inc.	3,248,600	3,441,086					
			<u>11,036,936</u>	<u>13,954,138</u>					
	Financials (17.9%)					Utilities (4.1%)			
	425,400	Bank of Nova Scotia	32,024,014	32,836,626		784,600	AltaGas Ltd.	20,166,381	26,268,408
	260,600	Bank of Montreal	33,754,848	36,366,730		255,200	Borex Inc.	8,935,106	7,326,792
	52,300	Brookfield Asset Management Ltd.	3,073,072	4,077,308		297,100	Capital Power Corp.	13,684,352	18,931,212
	292,600	Brookfield Corp.	23,168,838	24,174,612		95,200	Hydro One Ltd.	3,244,074	4,214,504
	316,800	Canaccord Genuity Group Inc.	2,720,483	3,202,848		657,100	Innergex Renewable Energy Inc.	6,480,012	5,289,655
	262,900	Canadian Imperial Bank of Commerce	17,781,574	23,905,497		355,000	TransAlta Corp.	<u>4,146,795</u>	<u>7,217,150</u>
	302,400	Dominion Lending Centres Inc.	994,466	2,358,720				<u>56,656,720</u>	<u>69,247,721</u>
	2,500	Fairfax Financial Holdings Ltd.	2,951,196	5,000,000		Real Estate (2.9%)			
	38,000	Goeasy Ltd.	6,790,330	6,334,980		119,200	Boardwalk Real Estate Investment Trust	5,692,932	7,658,600
	16,400	Intact Financial Corp.	3,694,170	4,292,372		151,480	BSR Real Estate Investment Trust	2,602,547	2,642,638
	493,200	Manulife Financial Corp.	15,890,037	21,779,712		47,700	Colliers International Group Inc.	8,323,519	9,324,396
	325,700	Power Corp. of Canada	12,307,775	14,604,388		322,500	Crombie Real Estate Investment Trust	4,814,973	4,260,225
	1,060,541	Preservation Capital Partners Strategic Opportunities I LP	1,815,577	1,910,265		151,900	DREAM Unlimited Corp.	3,820,222	3,360,028
	216,200	Royal Bank of Canada	29,477,054	37,471,784		80,300	First Capital Real Estate Investment Trust	1,443,413	1,361,888
	43,600	Sprott Inc.	2,644,788	2,640,852		58,500	FirstService Corp.	11,423,820	15,232,815
	309,000	Sun Life Financial Inc.	26,019,609	26,373,150		364,293	Minto Apartment Real Estate Investment Trust	<u>5,224,352</u>	<u>4,859,669</u>
	385,400	Toronto-Dominion Bank	30,380,159	29,494,662				<u>43,345,778</u>	<u>48,700,259</u>
	486,509	Trisura Group Ltd.	16,413,344	18,964,121		Investment Funds (0.4%)			
	297,616	Westaim Corp.	1,437,453	1,538,675		74,900	Sprott Physical Uranium Trust	1,143,511	1,862,014
	4,375,000	Western Investment Co of Canada Ltd.	1,750,000	2,756,250		504,389	Picton Mahoney Fortified Inflation Opportunities Alternative Fund, Class I Units**	<u>5,040,959</u>	<u>5,047,722</u>
	4,375,000	Western Investment Co of Canada Ltd., Warrants	-	700,000				<u>6,184,470</u>	<u>6,909,736</u>
			<u>265,088,787</u>	<u>300,783,552</u>					
	Information Technology (6.7%)					Total Canadian Equities - Long			
	949,500	BlackBerry Ltd.	4,428,316	5,184,270				985,479,126	1,172,439,172
	109,600	Celestica Inc.	3,362,606	14,539,536		Canadian Debt (35.4%)			
	221,100	Computer Modelling Group Ltd.	2,222,478	2,354,715		Short-Term Notes (34.1%)			
	4,525	Constellation Software Inc.	10,513,885	20,113,218	CAD	129,400,000	Canadian Treasury Bill 3.350%, 2025-07-16	126,645,074	126,645,074
	3,825	Constellation Software Inc., Warrants, 2040-03-31	-	-	CAD	147,900,000	Canadian Treasury Bill 4.029%, 2025-02-12	145,211,983	145,211,983
	90,500	Descartes Systems Group Inc.	9,755,237	14,787,700	CAD	158,375,000	Canadian Treasury Bill 4.080%, 2025-06-18	152,239,540	152,239,540
	174,100	Dye & Durham Ltd.	2,804,476	3,060,678	CAD	148,375,000	Canadian Treasury Bill 3.479%, 2025-04-09	<u>146,042,528</u>	<u>146,042,528</u>
	44,200	Kinaxis Inc.	6,899,045	7,652,788				<u>570,139,125</u>	<u>570,139,125</u>
	126,800	Lightspeed Commerce Inc.	2,434,045	2,779,456		Corporate Bonds (1.3%)			
	60,676	Lumine Group Inc.	1,031,627	2,496,211	CAD	4,724,000	Bank of Montreal 7.373%, 2049-12-31	4,763,618	4,997,000
	262,000	Shopify Inc.	23,600,711	40,083,380	CAD	3,726,000	Canadian Imperial Bank of Commerce 7.365%, 2049-12-31	3,726,000	3,929,477
			<u>67,052,426</u>	<u>113,051,952</u>	CAD	2,875,000	EQB Inc. 8.000%, 2084-10-31	2,875,000	3,036,278
	Communication Services (0.9%)				CAD	3,100,000	Intact Financial Corp. 7.338%, 2083-06-30	3,100,000	3,283,761
	213,700	Cineplex Inc.	2,037,226	2,607,140					
	261,600	Rogers Communications Inc.	14,963,740	11,560,104					
	88,800	VerticalScope Holdings Inc.	890,664	919,080					
			<u>17,891,630</u>	<u>15,086,324</u>					

PICTON MAHONEY FORTIFIED MARKET NEUTRAL ALTERNATIVE FUND

SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2024

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 (\$)
Materials (-1.3%)					Information Technology (-0.6%)				
	(3,111)	Agnico Eagle Mines Ltd., NYSE	(370,338)	(349,932)		(3,918)	CGI Inc.	(607,789)	(616,223)
	(366,600)	B2Gold Corp.	(1,376,355)	(1,290,432)		(124,800)	Enghouse Systems Ltd.	(4,172,778)	(3,380,832)
	(198,519)	ERO Copper Corp.	(5,023,390)	(3,847,298)		(130,011)	Open Text Corp., NASD	(6,116,589)	(5,288,847)
	(297,400)	First Majestic Silver Corp.	(3,085,375)	(2,349,460)				<u>(10,897,156)</u>	<u>(9,285,902)</u>
	(105,300)	Interfor Corp.	(1,858,512)	(1,767,987)	Communication Services (-0.4%)				
	(31,583)	Ivanhoe Mines Ltd.	(601,716)	(538,806)		(17,487)	BCE Inc.	(652,870)	(582,667)
	(25,735)	Kinross Gold Corp., NYSE	(357,569)	(343,104)		(56,300)	Cogeco Communications Inc.	(3,383,709)	(3,791,805)
	(261,900)	Lundin Mining Corp.	(3,305,395)	(3,239,703)		(69,946)	Quebecor Inc.	(2,200,349)	(2,203,299)
	(327,500)	New Found Gold Corp.	(2,117,892)	(848,225)		(25,360)	TELUS Corp.	(538,253)	(494,266)
	(1,025,600)	New Gold Inc.	(3,996,679)	(3,681,904)				<u>(6,775,181)</u>	<u>(7,072,037)</u>
	(127,600)	New Pacific Metals Corp.	(529,225)	(216,920)	Utilities (-1.4%)				
	(11,352)	Pan American Silver Corp., NYSE	(357,565)	(330,122)		(299,903)	Algonquin Power & Utilities Corp.	(2,134,409)	(1,913,381)
	(251,400)	Sandstorm Gold Ltd.	(1,775,704)	(2,021,256)		(115,600)	Brookfield Infrastructure Corp.	(5,888,928)	(6,667,808)
	(4,204)	West Fraser Timber Co., Ltd.	(556,515)	(523,608)		(102,700)	Brookfield Renewable Corp.	(4,169,924)	(4,085,406)
			<u>(25,312,230)</u>	<u>(21,348,757)</u>		(34,400)	Emera Inc.	(1,726,691)	(1,848,312)
Industrial (-0.2%)						(125,400)	Fortis Inc.	(7,124,217)	(7,490,142)
	(13,316)	ATS Corp.	(492,979)	(583,773)		(10,257)	Polaris Renewable Energy Inc.	(139,179)	(136,726)
	(90,800)	Ballard Power Systems Inc.	(502,768)	(217,012)		(82,484)	Superior Plus Corp.	(652,098)	(527,073)
	(9,702)	Exchange Income Corp.	(493,086)	(570,963)				<u>(21,835,446)</u>	<u>(22,668,848)</u>
	(49,244)	Finning International Inc.	(1,847,821)	(1,875,704)	Real Estate (-0.5%)				
	(2,595)	TFI International Inc.	(504,129)	(504,053)		(29,128)	Allied Properties Real Estate Investment Trust	(499,295)	(499,545)
			<u>(3,840,783)</u>	<u>(3,751,505)</u>		(10,575)	Altus Group Ltd.	(591,985)	(592,200)
Consumer Discretionary (-0.6%)						(84,680)	Canadian Apartment Properties REIT	(4,279,157)	(3,609,908)
	(11,655)	Aritzia Inc.	(593,107)	(622,843)		(54,257)	H&R Real Estate Investment Trust	(526,976)	(503,505)
	(7,825)	BRP Inc.	(700,899)	(572,868)		(49,675)	InterRent Real Estate Investment Trust	(653,072)	(504,201)
	(33,223)	Canadian Tire Corp. Ltd.	(5,203,752)	(5,023,982)		(36,927)	Killam Apartment Real Estate Investment Trust	(680,904)	(631,452)
	(64,600)	Magna International Inc.	(3,785,791)	(3,881,168)		(124,737)	NorthWest Healthcare Properties Real Estate Investment Trust	(606,222)	(555,080)
			<u>(10,283,549)</u>	<u>(10,100,861)</u>		(28,176)	RioCan Real Estate Investment Trust	(531,483)	(515,057)
Consumer Staples (-1.1%)						(389,500)	StorageVault Canada Inc.	(1,806,547)	(1,534,630)
	(85,100)	Loblaw Cos Ltd.	(14,894,629)	(16,098,369)				<u>(10,175,641)</u>	<u>(8,945,578)</u>
	(97,557)	Maple Leaf Foods Inc.	(2,153,392)	(1,984,309)	Index Equivalents (-19.6%)				
	(6,879)	Premium Brands Holdings Corp.	(612,085)	(543,991)		(1,294,000)	iShares S&P/TSX Capped Energy Index ETF	(23,676,187)	(22,140,340)
	(20,385)	Saputo Inc.	(578,079)	(509,421)		(6,581,700)	iShares Core S&P/TSX Capped Composite Index ETF	(242,987,545)	(259,384,797)
			<u>(18,238,185)</u>	<u>(19,136,090)</u>		(1,278,800)	iShares S&P/TSX 60 Index ETF	(48,848,881)	(47,916,636)
Financials (-2.5%)								<u>(315,512,613)</u>	<u>(329,441,773)</u>
	(4,525)	Brookfield Corp., NYSE	(379,162)	(373,878)	Total Canadian Equities - Short				
	(85,600)	Definity Financial Corp.	(4,469,593)	(5,003,320)				(494,531,420)	(505,980,325)
	(5,955)	EQB Inc.	(589,301)	(589,366)					
	(110,700)	Fiera Capital Corp.	(1,022,106)	(998,514)					
	(252,600)	Great-West Lifeco Inc.	(10,572,454)	(12,041,442)					
	(3,605)	Guardian Capital Group Ltd.	(140,370)	(153,753)					
	(22,000)	iA Financial Corp. Inc.	(2,291,681)	(2,933,040)					
	(103,400)	IGM Financial Inc.	(3,674,266)	(4,747,094)					
	(18,514)	Laurentian Bank of Canada	(481,717)	(536,165)					
	(74,000)	National Bank of Canada	(8,899,841)	(9,696,960)					
	(111,900)	TMX Group Ltd.	(4,108,671)	(4,954,932)					
			<u>(36,629,162)</u>	<u>(42,028,464)</u>					

PICTON MAHONEY FORTIFIED MARKET NEUTRAL ALTERNATIVE FUND

SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2024

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 (\$)
		Global Equities (-55.4%)				(2,611)	Brown & Brown Inc.	(386,503)	(383,101)
		United States Equities (-28.9%)				(3,126)	Brucker Corp.	(231,560)	(263,546)
	(73,400)	1-800-Flowers.com Inc.	(963,753)	(862,461)		(2,212)	BWX Technologies Inc.	(379,990)	(354,367)
	(2,094)	3M Co.	(386,303)	(388,768)		(632)	CACI International Inc.	(367,492)	(367,269)
	(13,300)	Abercrombie & Fitch Co.	(2,722,376)	(2,859,086)		(5,778)	Cadence Design Systems Inc.	(2,251,793)	(2,496,811)
	(4,273)	Acadia Healthcare Co Inc.	(332,167)	(243,668)		(105,400)	Carlyle Group Inc.	(6,362,663)	(7,653,631)
	(1,368)	Advanced Drainage Systems Inc.	(246,639)	(227,439)		(1,153)	CarMax Inc.	(121,103)	(135,579)
	(8,466)	Advanced Micro Devices Inc.	(1,755,121)	(1,470,723)		(1,501)	Carpenter Technology Corp.	(370,711)	(366,361)
	(2,410)	AECOM	(382,562)	(370,247)		(10,000)	Caterpillar Inc.	(4,931,138)	(5,217,241)
	(33,219)	AGCO Corp.	(4,620,176)	(4,466,083)		(2,130)	Cava Group Inc.	(374,789)	(345,549)
	(18,294)	AGNC Investment Corp.	(251,477)	(242,320)		(28,374)	CBRE Group Inc.	(5,371,456)	(5,357,643)
	(564)	Air Products and Chemicals Inc.	(243,571)	(235,266)		(46,700)	CenterPoint Energy Inc.	(2,008,920)	(2,131,123)
	(15,900)	Airbnb Inc.	(3,097,827)	(3,005,018)		(25,700)	CH Robinson Worldwide Inc.	(3,318,254)	(3,818,907)
	(19,300)	Alexandria Real Estate Equities Inc.	(3,240,704)	(2,707,735)		(73,500)	Chegg Inc.	(887,757)	(170,190)
	(2,375)	Allison Transmission Holdings Inc.	(394,654)	(369,105)		(1,263)	Cheniere Energy Inc.	(383,695)	(390,302)
	(15,706)	Allstate Corp.	(3,624,841)	(4,354,834)		(4,145)	Chipotle Mexican Grill Inc.	(380,027)	(359,471)
	(1,069)	Alnylam Pharmaceuticals Inc.	(373,077)	(361,776)		(1,288)	Cintas Corp.	(387,318)	(338,436)
	(1,381)	Alphabet Inc.	(378,120)	(378,245)		(3,777)	Citigroup Inc.	(382,093)	(382,366)
	(24,300)	American Electric Power Co Inc.	(3,049,906)	(3,223,295)		(50,800)	Citizens Financial Group Inc.	(2,930,173)	(3,197,147)
	(7,400)	American Express Co.	(2,516,104)	(3,158,657)		(9,181)	Clearwater Analytics Holdings Inc.	(386,623)	(363,379)
	(39,700)	American International Group Inc.	(4,092,406)	(4,156,650)		(226,400)	Cleveland-Cliffs Inc.	(4,680,981)	(3,060,736)
	(8,300)	American Tower Corp.	(2,488,963)	(2,189,387)		(23,900)	Colgate-Palmolive Co.	(3,296,237)	(3,124,864)
	(26,714)	American Water Works Co Inc.	(5,029,472)	(4,782,940)		(575)	Comfort Systems USA Inc.	(377,905)	(350,685)
	(6,700)	Amgen Inc.	(2,836,704)	(2,511,524)		(20,000)	Commercial Metals Co.	(1,633,874)	(1,426,702)
	(3,696)	Amphenol Corp.	(388,078)	(369,169)		(3,235)	Confluent Inc.	(103,172)	(130,087)
	(10,089)	Annaly Capital Management Inc.	(273,945)	(265,534)		(22,200)	ConocoPhillips	(3,492,922)	(3,166,320)
	(44,000)	Apellis Pharmaceuticals Inc.	(2,113,750)	(2,019,301)		(750)	Constellation Brands Inc.	(248,933)	(238,383)
	(1,004)	Applied Industrial Technologies Inc.	(375,915)	(345,785)		(1,149)	Constellation Energy Corp.	(390,610)	(369,681)
	(21,100)	ArcBest Corp.	(3,360,165)	(2,831,905)		(2,057)	Cooper Cos Inc.	(283,683)	(271,965)
	(2,535)	Arista Networks Inc.	(405,601)	(402,976)		(53,039)	Corebridge Financial Inc.	(2,282,800)	(2,283,093)
	(21,000)	Arrow Electronics Inc.	(3,553,449)	(3,416,490)		(745)	Corpay Inc.	(378,711)	(362,605)
	(13,900)	Avery Dennison Corp.	(4,042,713)	(3,740,931)		(45,400)	CoStar Group Inc.	(4,787,552)	(4,674,442)
	(423)	Axon Enterprise Inc.	(389,396)	(361,562)		(273)	Costco Wholesale Corp.	(385,291)	(359,756)
	(9,400)	Applied Materials Inc.	(2,509,230)	(2,198,619)		(7,570)	Coupang Inc.	(252,619)	(239,301)
	(6,401)	Baker Hughes Co.	(384,658)	(377,629)		(14,200)	CubeSmart	(855,160)	(875,106)
	(66,500)	Baldwin Insurance Group Inc.	(4,210,944)	(3,707,037)		(731)	Curtiss-Wright Corp.	(381,021)	(373,085)
	(38,300)	Bancorp Inc.	(2,631,491)	(2,899,036)		(4,100)	Cytokinetics Inc.	(298,575)	(277,378)
	(3,411)	Bank of New York Mellon Corp.	(382,423)	(376,907)		(18,700)	Datadog Inc.	(3,985,846)	(3,842,952)
	(61,000)	Bank OZK	(3,604,721)	(3,906,646)		(2,223)	Dayforce Inc.	(190,376)	(232,240)
	(9,600)	Biogen Inc.	(2,399,425)	(2,111,335)		(16,526)	Deckers Outdoor Corp.	(3,702,427)	(4,827,006)
	(17,000)	Blackstone Inc.	(3,895,673)	(4,215,587)		(4,281)	Delta Air Lines Inc.	(374,562)	(372,496)
	(35,600)	Bloom Energy Corp.	(964,064)	(1,137,156)		(4,669)	DENTSPLY SIRONA Inc.	(128,092)	(127,451)
	(183,022)	Blue Owl Capital Inc.	(4,671,129)	(6,122,581)		(32,100)	DigitalOcean Holdings Inc.	(1,732,507)	(1,572,891)
	(591)	Booking Holdings Inc.	(3,113,738)	(4,223,061)		(1,525)	Discover Financial Services	(381,976)	(379,940)
	(3,390)	Bridgebio Pharma Inc.	(117,762)	(133,784)		(8,444)	Dollar Tree Inc.	(1,069,722)	(910,088)
	(1,153)	Broadridge Financial Solutions Inc.	(383,658)	(374,914)		(56,000)	Dominion Energy Inc.	(3,821,103)	(4,337,864)
						(49,400)	DoubleVerify Holdings Inc.	(1,119,941)	(1,364,821)
						(81,498)	DraftKings Inc.	(4,026,718)	(4,360,250)
						(7,600)	Duolingo Inc.	(1,827,789)	(3,543,956)
						(3,317)	DuPont de Nemours Inc.	(381,566)	(363,753)
						(3,331)	Edison International	(389,089)	(382,487)
						(14,100)	Edwards Lifesciences Corp.	(1,346,341)	(1,501,234)
						(7,300)	eHealth Inc.	(508,166)	(98,690)
						(7,600)	Electronic Arts Inc.	(1,372,360)	(1,599,114)
						(6,800)	Elf Beauty Inc.	(1,321,752)	(1,227,855)

PICTON MAHONEY FORTIFIED MARKET NEUTRAL ALTERNATIVE FUND

SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2024

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 (\$)
	(565)	EMCOR Group Inc.	(385,640)	(368,833)		(14,500)	Illinois Tool Works Inc.	(4,701,683)	(5,287,742)
	(2,675)	Encompass Health Corp.	(374,386)	(355,289)		(2,766)	Inovio Pharmaceuticals Inc.	(372,713)	(7,280)
	(11,282)	Enphase Energy Inc.	(1,599,350)	(1,114,392)		(438)	Inspire Medical Systems Inc.	(117,460)	(116,777)
	(1,698)	Entegris Inc.	(250,307)	(241,912)		(10,100)	Intel Corp.	(547,518)	(291,244)
	(740)	Equifax Inc.	(270,394)	(271,230)		(1,503)	Interactive Brokers Group Inc.	(382,468)	(381,894)
	(279)	Equinix Inc.	(383,572)	(378,344)		(12,600)	International Business Machines Corp.	(3,822,717)	(3,983,630)
	(5,760)	Equitable Holdings Inc.	(388,470)	(390,760)		(995)	IQVIA Holdings Inc.	(274,978)	(281,209)
	(4,452)	Essential Utilities Inc.	(238,499)	(232,553)		(20,703)	Iron Mountain Inc.	(3,054,075)	(3,129,672)
	(912)	Essex Property Trust Inc.	(388,647)	(374,396)		(983)	Jones Lang LaSalle Inc.	(376,468)	(357,879)
	(5,614)	Evercore Inc.	(2,350,481)	(2,238,059)		(3,370)	Kellanova	(386,980)	(392,442)
	(27,300)	Eversource Energy	(2,385,998)	(2,254,878)		(82,300)	Kennametal Inc.	(3,058,892)	(2,843,115)
	(7,673)	Exelixis Inc.	(382,309)	(367,478)		(3,200)	KLA Corp.	(2,803,257)	(2,899,978)
	(4,600)	FactSet Research Systems Inc.	(2,550,229)	(3,177,414)		(7,593)	Kyndryl Holdings Inc.	(381,939)	(377,843)
	(124)	Fair Isaac Corp.	(382,766)	(355,058)		(2,187)	Lamb Weston Holdings Inc.	(211,568)	(210,204)
	(41,100)	Federated Hermes Inc.	(1,977,209)	(2,430,025)		(1,685)	Lattice Semiconductor Corp.	(113,303)	(137,284)
	(1,333)	Fiserv Inc.	(388,251)	(393,817)		(1,770)	Leidos Holdings Inc.	(385,344)	(366,723)
	(17,400)	Five9 Inc.	(673,150)	(1,017,008)		(34,700)	Lemonade Inc.	(2,226,062)	(1,830,545)
	(20,157)	Flagstar Financial Inc.	(301,301)	(270,476)		(22,200)	LGI Homes Inc.	(3,293,023)	(2,854,382)
	(4,426)	Flowserve Corp.	(382,511)	(366,144)		(236)	Lithia Motors Inc.	(126,674)	(121,318)
	(4,868)	Fluor Corp.	(379,085)	(345,299)		(30,600)	LiveRamp Holdings Inc.	(1,255,971)	(1,336,558)
	(11,900)	Fortinet Inc.	(1,607,902)	(1,616,994)		(539)	Lockheed Martin Corp.	(379,274)	(376,698)
	(6,320)	Freeport-McMoRan Inc.	(374,589)	(346,127)		(117,000)	Lumen Technologies Inc.	(827,631)	(893,515)
	(11,331)	Freshworks Inc.	(177,512)	(263,512)		(124,700)	Lyft Inc.	(2,642,020)	(2,313,544)
	(91,300)	FuboTV Inc.	(689,799)	(165,449)		(90,300)	Macerich Co.	(1,650,533)	(2,587,013)
	(2,476)	FuelCell Energy Inc.	(634,421)	(32,191)		(4,100)	Madrigral Pharmaceuticals Inc.	(1,225,277)	(1,819,529)
	(35,100)	FirstEnergy Corp.	(1,805,728)	(2,008,137)		(65,500)	Maplebear Inc.	(3,213,648)	(3,901,871)
	(58,117)	Franklin Resources Inc.	(1,619,636)	(1,695,925)		(11,200)	MarketAxess Holdings Inc.	(4,092,255)	(3,641,035)
	(10,600)	GATX Corp.	(1,459,334)	(2,362,365)		(2,441)	Marvell Technology Inc.	(419,805)	(387,753)
	(791)	GE Vernova Inc.	(372,672)	(374,198)		(143)	MercadoLibre Inc.	(372,448)	(349,719)
	(1,611)	General Electric Co.	(380,648)	(386,444)		(1,510)	Meritage Homes Corp.	(361,544)	(334,050)
	(30,600)	General Mills Inc.	(3,105,439)	(2,806,463)		(75,200)	MGIC Investment Corp.	(2,590,524)	(2,564,312)
	(1,447)	Genuine Parts Co.	(258,768)	(242,988)		(12,800)	Mid-America Apartment Communities Inc.	(2,348,895)	(2,845,488)
	(34,542)	Gilead Sciences Inc.	(3,974,349)	(4,588,809)		(10,642)	Mobileye Global Inc.	(224,148)	(304,884)
	(1,472)	Gitlab Inc.	(111,758)	(119,295)		(4,142)	Moderna Inc.	(295,406)	(247,694)
	(1,902)	Glaukos Corp.	(378,839)	(410,156)		(5,000)	Molina Healthcare Inc.	(2,101,394)	(2,092,951)
	(3,277)	Globus Medical Inc.	(384,095)	(389,813)		(5,600)	MongoDB Inc.	(2,160,871)	(1,875,043)
	(5,305)	GoDaddy Inc.	(1,038,606)	(1,505,872)		(318)	Monolithic Power Systems Inc.	(269,817)	(270,614)
	(19,700)	Goosehead Insurance Inc.	(2,976,140)	(3,037,831)		(26,600)	Monster Beverage Corp.	(1,831,350)	(2,010,752)
	(6,026)	Graphic Packaging Holding Co.	(252,313)	(235,386)		(9,800)	Moody's Corp.	(6,081,335)	(6,671,882)
	(4,214)	GXO Logistics Inc.	(330,368)	(263,636)		(19,000)	Morgan Stanley	(3,482,886)	(3,435,417)
	(82,100)	Halliburton Co.	(3,655,970)	(3,210,509)		(33,100)	MSC Industrial Direct Co Inc.	(4,005,287)	(3,555,592)
	(28,500)	Harley-Davidson Inc.	(1,402,976)	(1,234,996)		(431)	MSCI Inc.	(383,033)	(371,927)
	(12,100)	Jack Henry & Associates Inc.	(2,650,941)	(3,050,625)		(33,400)	National Storage Affiliates Trust	(1,949,089)	(1,821,050)
	(19,100)	Henry Schein Inc.	(1,830,132)	(1,900,908)		(290)	Netflix Inc.	(379,725)	(371,752)
	(21,800)	Hexcel Corp.	(1,960,552)	(1,965,828)		(8,100)	Nevro Corp.	(481,539)	(43,336)
	(39,200)	Hims & Hers Health Inc.	(1,481,225)	(1,363,214)		(62,528)	Newmont Corp.	(3,813,383)	(3,347,129)
	(16,900)	JB Hunt Transport Services Inc.	(4,020,600)	(4,148,012)		(9,349)	News Corp.	(380,692)	(370,297)
	(15,627)	Huntington Bancshares Inc.	(381,428)	(365,666)		(799)	Norfolk Southern Corp.	(270,467)	(269,700)
	(944)	Huntington Ingalls Industries Inc.	(258,082)	(256,558)		(2,846)	NRG Energy Inc.	(386,161)	(369,283)
	(36,800)	Hyllion Holdings Corp.	(437,023)	(137,343)		(4,195)	Nutanix Inc.	(392,722)	(369,116)
	(19,200)	IAC Inc.	(1,312,403)	(1,191,250)		(214)	O'Reilly Automotive Inc.	(388,143)	(364,961)
	(786)	IDEX Corp.	(251,242)	(236,588)		(12,600)	Okta Inc.	(1,637,029)	(1,427,967)
	(3,300)	IDEXX Laboratories Inc.	(2,068,115)	(1,962,221)					

PICTON MAHONEY FORTIFIED MARKET NEUTRAL ALTERNATIVE FUND

SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2024

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 (\$)
	(19,100)	ON Semiconductor Corp.	(1,929,774)	(1,731,968)		(17,000)	Sysco Corp.	(1,744,477)	(1,869,411)
	(37,181)	Ormat Technologies Inc.	(3,822,082)	(3,621,259)		(1,160)	T-Mobile US Inc.	(383,061)	(368,248)
	(30,495)	Oshkosh Corp.	(4,615,068)	(4,169,593)		(19,300)	T Rowe Price Group Inc.	(2,849,423)	(3,139,085)
	(23,700)	Otis Worldwide Corp.	(3,249,632)	(3,156,660)		(1,289)	Talen Energy Corp.	(383,250)	(373,495)
	(8,992)	Ovintiv Inc.	(520,308)	(523,604)		(13,600)	Tattooed Chef Inc.	(295,017)	-
	(1,369)	Owens Corning	(372,290)	(335,344)		(573)	Teledyne Technologies Inc.	(387,568)	(382,486)
	(1,139)	Packaging Corp. of America	(385,792)	(368,790)		(1,101)	Teleflex Inc.	(331,427)	(281,825)
	(396)	Parker-Hannifin Corp.	(379,205)	(362,238)		(13,700)	Tempur Sealy International Inc.	(1,003,863)	(1,116,988)
	(19,800)	PayPal Holdings Inc.	(2,390,709)	(2,430,470)		(56,800)	Terex Corp.	(4,384,805)	(3,775,720)
	(732)	Penumbra Inc.	(205,489)	(250,011)		(33,400)	Terreno Realty Corp.	(2,749,797)	(2,840,857)
	(9,600)	PepsiCo Inc.	(2,185,054)	(2,099,461)		(1,908)	Toll Brothers Inc.	(361,631)	(345,619)
	(2,143)	Philip Morris International Inc.	(386,248)	(370,928)		(27,500)	Toro Co.	(3,202,233)	(3,168,011)
	(42,590)	Plug Power Inc.	(608,323)	(130,469)		(27,000)	Tractor Supply Co.	(1,627,771)	(2,060,405)
	(33,300)	Polaris Inc.	(4,332,092)	(2,759,555)		(2,078)	Tradeweb Markets Inc.	(388,476)	(391,267)
	(55,400)	Principal Financial Group Inc.	(6,283,586)	(6,167,773)		(218)	TransDigm Group Inc.	(389,857)	(397,329)
	(21,008)	Procore Technologies Inc.	(1,618,941)	(2,263,925)		(2,706)	TransUnion	(378,259)	(360,808)
	(98,400)	ProPetro Holding Corp.	(1,290,162)	(1,320,378)		(2,379)	Trex Co Inc.	(212,389)	(236,186)
	(66,400)	PubMatic Inc.	(1,619,714)	(1,402,851)		(3,675)	Trimble Inc.	(384,609)	(373,467)
	(8,200)	QUALCOMM Inc.	(1,822,294)	(1,811,687)		(53,000)	TripAdvisor Inc.	(1,382,556)	(1,125,843)
	(5,400)	Qualys Inc.	(1,146,226)	(1,088,993)		(48,800)	Truist Financial Corp.	(2,909,405)	(3,044,605)
	(12,600)	Raymond James Financial Inc.	(1,937,894)	(2,814,799)		(4,735)	Tyler Technologies Inc.	(3,955,273)	(3,926,868)
	(49,500)	RealReal Inc.	(628,622)	(778,121)		(111,700)	Udemy Inc.	(1,180,232)	(1,322,131)
	(29,400)	Realty Income Corp.	(2,174,100)	(2,258,351)		(67,556)	UiPath Inc.	(1,335,477)	(1,234,898)
	(1,269)	Repligen Corp.	(245,098)	(262,703)		(2,000)	Ulta Beauty Inc.	(1,387,643)	(1,251,039)
	(1,292)	Republic Services Inc.	(384,471)	(373,825)		(2,746)	United Airlines Holdings Inc.	(373,437)	(383,479)
	(65,300)	Rivian Automotive Inc.	(1,288,562)	(1,249,069)		(8,767)	Unity Software Inc.	(245,498)	(283,319)
	(38,800)	Robert Half Inc.	(4,014,107)	(3,931,840)		(1,425)	Universal Health Services Inc.	(380,126)	(367,712)
	(4,538)	ROBLOX Corp.	(385,676)	(377,628)		(111,400)	Upwork Inc.	(2,065,364)	(2,619,537)
	(101,815)	Rocket Cos Inc.	(2,283,764)	(1,648,814)		(3,889)	US Foods Holding Corp.	(383,737)	(377,317)
	(4,621)	Rockwell Automation Inc.	(1,679,959)	(1,899,348)		(25,100)	United Parcel Service Inc.	(4,539,526)	(4,552,085)
	(1,211)	Roku Inc.	(136,328)	(129,476)		(43,000)	Varonis Systems Inc.	(3,147,435)	(2,747,681)
	(28,500)	Ryan Specialty Holdings Inc.	(2,927,115)	(2,629,849)		(5,200)	Verisk Analytics Inc.	(1,691,518)	(2,059,852)
	(527)	S&P Global Inc.	(379,041)	(377,475)		(580)	Vertex Pharmaceuticals Inc.	(383,318)	(335,916)
	(317)	Saia Inc.	(194,885)	(207,773)		(2,159)	Vertiv Holdings Co.	(385,803)	(352,769)
	(4,356)	Samsara Inc.	(268,245)	(273,710)		(3,939)	Viper Energy Inc.	(272,840)	(277,986)
	(20,600)	Sanmina Corp.	(1,984,284)	(2,241,881)		(49,500)	Voya Financial Inc.	(5,237,422)	(4,900,095)
	(36,498)	Charles Schwab Corp.	(3,850,311)	(3,884,910)		(1,333)	Westinghouse Air Brake Technologies Corp.	(378,906)	(363,469)
	(13,500)	Selective Insurance Group Inc.	(1,689,467)	(1,815,766)		(93,816)	Walgreens Boots Alliance Inc.	(1,203,508)	(1,258,868)
	(458)	Sherwin-Williams Co.	(252,072)	(223,912)		(41,999)	Warner Music Group Corp.	(1,770,672)	(1,872,501)
	(1,539)	Simon Property Group Inc.	(392,871)	(381,170)		(1,856)	Wayfair Inc.	(129,452)	(118,304)
	(8,837)	Sirius XM Holdings Inc.	(305,155)	(289,775)		(4,553)	Webster Financial Corp.	(380,707)	(361,589)
	(2,877)	Skechers USA Inc.	(273,285)	(278,220)		(20,300)	WEC Energy Group Inc.	(2,775,313)	(2,745,555)
	(215,200)	Snap Inc.	(3,541,694)	(3,333,339)		(3,795)	Wells Fargo & Co.	(379,080)	(383,370)
	(58,600)	SoFi Technologies Inc.	(1,306,535)	(1,297,896)		(2,113)	Welltower Inc.	(387,663)	(382,997)
	(16,300)	SolarEdge Technologies Inc.	(1,442,681)	(318,822)		(94,400)	Werner Enterprises Inc.	(5,060,467)	(4,876,743)
	(28,900)	Solventum Corp.	(2,380,681)	(2,745,731)		(541)	West Pharmaceutical Services Inc.	(227,617)	(254,865)
	(41,800)	Spire Inc.	(3,637,560)	(4,077,741)		(5,900)	WEX Inc.	(1,500,893)	(1,487,664)
	(73,600)	Sprinklr Inc.	(700,030)	(894,450)		(114,200)	Weyerhaeuser Co.	(5,126,038)	(4,623,449)
	(1,825)	Sprouts Farmers Market Inc.	(383,399)	(333,524)		(4,907)	Williams Cos Inc.	(378,982)	(381,940)
	(22,000)	Stanley Black & Decker Inc.	(2,688,296)	(2,540,421)		(676)	Wingstop Inc.	(283,306)	(276,307)
	(18,400)	Starbucks Corp.	(2,035,150)	(2,414,750)		(27,700)	Yelp Inc.	(1,560,723)	(1,541,744)
	(2,421)	Stifel Financial Corp.	(380,934)	(369,360)		(47,900)	YETI Holdings Inc.	(2,648,740)	(2,652,959)
	(5,336)	Summit Materials Inc.	(385,642)	(388,318)		(16,100)	Yum! Brands Inc.	(2,804,278)	(3,106,494)
	(34,449)	Super Micro Computer Inc.	(2,042,891)	(1,510,126)					
	(3,965)	Synchrony Financial	(382,887)	(370,662)					

PICTON MAHONEY FORTIFIED MARKET NEUTRAL ALTERNATIVE FUND

APPENDIX A

OPTIONS (0.4%)

Issuer	Option Type	Number of Options	Strike \$	Expiry	Average Cost \$	Fair Value \$
Applavin Corp.	Call Option	218	\$380	February, 2025	981,818	605,108
Applavin Corp.	Call Option	65	\$440	February, 2025	161,188	76,656
ARK Innovation ETF	Call Option	3,728	\$60	January, 2025	332,522	182,295
ARK Innovation ETF	Call Option	1,493	\$65	January, 2025	16,109	26,840
Bank Of Nova Scotia	Call Option	3,626	\$79	January, 2025	183,294	32,634
BCE Inc.	Call Option	3,988	\$36	February, 2025	223,368	195,412
BCE Inc.	Call Option	1,795	\$42	January, 2025	6,283	396
Canadian Pacific Kansas City Ltd.	Call Option	1,088	\$115	February, 2025	150,579	28,288
Chewy Inc.	Call Option	1,813	\$33	January, 2025	346,810	315,502
Chewy Inc.	Call Option	543	\$39	January, 2025	26,541	5,076
Chicago Board Options Exchange	Call Option	2,539	\$19	January, 2025	407,584	430,888
Dexcom Inc.	Call Option	519	\$85	January, 2025	217,788	97,035
Element Fleet Management	Call Option	3,579	\$30	March, 2025	161,950	300,636
Eli Lilly & Co.	Call Option	137	\$830	February, 2025	516,494	418,696
Eli Lilly & Co.	Call Option	37	\$910	February, 2025	61,876	40,176
iShares Russell 2000 ETF	Call Option	2,983	\$226	January, 2025	199,768	190,912
Metlife Inc.	Call Option	1,813	\$88	February, 2025	510,397	247,708
Metlife Inc.	Call Option	725	\$95	February, 2025	77,173	15,640
Mobileye Global Inc.	Call Option	2,237	\$21	January, 2025	331,479	337,812
Mobileye Global Inc.	Call Option	895	\$25	January, 2025	28,005	22,526
Monday.Com Ltd.	Call Option	643	\$310	February, 2025	661,945	309,795
Monday.Com Ltd.	Call Option	194	\$350	February, 2025	67,293	44,642
Oracle Corp.	Call Option	581	\$195	March, 2025	456,582	191,769
Peloton Interactive Inc.	Call Option	966	\$8	January, 2025	116,915	146,571
Roku Inc.	Call Option	888	\$105	February, 2025	361,613	119,411
Sentinelone Inc.	Call Option	1,594	\$31	January, 2025	292,891	108
Sentinelone Inc.	Call Option	2,179	\$31	March, 2025	324,160	78,346
Teck Resources Ltd.	Call Option	2,577	\$72	January, 2025	445,821	26
The Trade Desk Inc.	Call Option	430	\$140	March, 2025	302,383	211,811
The Trade Desk Inc.	Call Option	129	\$170	March, 2025	22,051	12,245
Toronto-Dominion Bank	Call Option	3,633	\$76	January, 2025	219,579	379,649
Toronto-Dominion Bank	Call Option	784	\$84	January, 2025	11,368	26
					<u>8,223,627</u>	<u>5,064,635</u>
Datadog Inc.	Put Option	130	\$105	February, 2025	10,576	11,498
Datadog Inc.	Put Option	435	\$135	February, 2025	264,805	342,525
Deckers Outdoor Corp.	Put Option	144	\$135	February, 2025	22,294	7,166
Deckers Outdoor Corp.	Put Option	363	\$165	February, 2025	304,285	91,362
Elf Beauty Inc.	Put Option	164	\$85	February, 2025	32,930	33,611
Elf Beauty Inc.	Put Option	545	\$115	February, 2025	520,963	642,732
Garmin Ltd.	Put Option	121	\$135	April, 2025	12,793	2,416
Garmin Ltd.	Put Option	351	\$180	April, 2025	225,103	143,870
Invesco QQQ Trust Ser.1	Put Option	543	\$480	January, 2025	169,812	94,885
Invesco QQQ Trust Ser.1	Put Option	290	\$495	January, 2025	161,657	126,166
Invesco QQQ Trust Ser.1	Put Option	2,175	\$505	January, 2025	1,437,845	1,700,114
iShares MSCI USA Momentum	Put Option	2,178	\$205	January, 2025	526,855	665,635
Maplebear Inc.	Put Option	1,088	\$37	April, 2025	245,131	246,450
Palantir Technologies Inc.	Put Option	305	\$40	February, 2025	18,340	10,747
Palantir Technologies Inc.	Put Option	870	\$55	February, 2025	283,959	160,158
S&P 500 Index 3Wk	Put Option	111	\$5,625	January, 2025	313,630	242,653
S&P 500 Index 3Wk	Put Option	373	\$5,725	January, 2025	1,717,163	1,456,458
S&P 500 Index 3Wk	Put Option	52	\$5,760	February, 2025	250,553	427,778
S&P 500 Index 3Wk	Put Option	288	\$5,825	January, 2025	1,339,786	372,781
S&P 500 Index 3Wk	Put Option	364	\$5,900	February, 2025	2,661,110	5,169,610
S&P 500 Index 3Wk	Put Option	127	\$5,920	January, 2025	552,221	1,433,813
Tesla Inc.	Put Option	722	\$345	February, 2025	1,028,269	1,503,056
Tesla Inc.	Put Option	150	\$360	January, 2025	24,042	21,249
Tesla Inc.	Put Option	541	\$385	January, 2025	516,713	976,473
Tesla Inc.	Put Option	745	\$390	January, 2025	425,875	642,875
					<u>13,066,710</u>	<u>16,526,081</u>
Total Purchased Options					<u>21,290,337</u>	<u>21,590,716</u>
Applavin Corp.	Written Call Option	(152)	\$400	February, 2025	(556,909)	(336,654)
Applavin Corp.	Written Call Option	(23)	\$420	January, 2025	(24,443)	(3,887)
Applavin Corp.	Written Call Option	(152)	\$420	February, 2025	(451,362)	(247,025)

PICTON MAHONEY FORTIFIED MARKET NEUTRAL ALTERNATIVE FUND

APPENDIX A

OPTIONS (0.4%)

Issuer	Option Type	Number of Options	Strike \$	Expiry	Average Cost \$	Fair Value \$
ARK Innovation ETF	Written Call Option	(2,796)	\$62	January, 2025	(97,541)	(56,297)
ARK Innovation ETF	Written Call Option	(2,796)	\$63	January, 2025	(62,346)	(36,191)
Bank Of Nova Scotia	Written Call Option	(2,174)	\$80	January, 2025	(61,416)	(9,856)
Bank Of Nova Scotia	Written Call Option	(1,813)	\$82	January, 2025	(13,598)	(1,924)
BCE Inc.	Written Call Option	(2,536)	\$37	February, 2025	(86,858)	(82,420)
BCE Inc.	Written Call Option	(725)	\$41	January, 2025	(6,888)	(313)
BCE Inc.	Written Call Option	(2,719)	\$42	February, 2025	(42,145)	(18,297)
Canadian Pacific Kansas City Ltd.	Written Call Option	(108)	\$115	January, 2025	(5,832)	(351)
Canadian Pacific Kansas City Ltd.	Written Call Option	(978)	\$120	February, 2025	(53,790)	(7,824)
Chewy Inc.	Written Call Option	(1,269)	\$35	January, 2025	(94,598)	(83,041)
Chewy Inc.	Written Call Option	(1,269)	\$37	January, 2025	(149,928)	(29,201)
Chicago Board Options Exchange	Written Call Option	(1,993)	\$23	January, 2025	(216,097)	(223,574)
Datadog Inc.	Written Call Option	(43)	\$175	January, 2025	(8,806)	(680)
Dexcom Inc.	Written Call Option	(363)	\$100	January, 2025	(55,262)	(3,916)
Element Fleet Management	Written Call Option	(1,251)	\$30	February, 2025	(31,588)	(62,550)
Element Fleet Management	Written Call Option	(2,506)	\$31	March, 2025	(65,783)	(126,553)
Elf Beauty Inc.	Written Call Option	(55)	\$160	January, 2025	(25,820)	(2,571)
Eli Lilly & Co.	Written Call Option	(89)	\$860	February, 2025	(255,336)	(173,120)
Eli Lilly & Co.	Written Call Option	(20)	\$880	January, 2025	(20,893)	(1,251)
Eli Lilly & Co.	Written Call Option	(89)	\$880	February, 2025	(198,236)	(129,920)
iShares Russell 2000 ETF	Written Call Option	(2,983)	\$230	January, 2025	(57,933)	(47,192)
MetLife Inc.	Written Call Option	(1,268)	\$90	February, 2025	(223,765)	(100,300)
MetLife Inc.	Written Call Option	(1,268)	\$93	February, 2025	(175,815)	(54,709)
Mobileye Global Inc.	Written Call Option	(223)	\$21	January, 2025	(7,780)	(7,216)
Mobileye Global Inc.	Written Call Option	(1,677)	\$22	January, 2025	(135,102)	(144,712)
Mobileye Global Inc.	Written Call Option	(1,677)	\$24	January, 2025	(82,629)	(72,356)
Monday.Com Ltd.	Written Call Option	(64)	\$310	January, 2025	(18,633)	(3,222)
Monday.Com Ltd.	Written Call Option	(451)	\$320	February, 2025	(361,871)	(173,508)
Monday.Com Ltd.	Written Call Option	(451)	\$340	February, 2025	(203,552)	(119,996)
Oracle Corp.	Written Call Option	(116)	\$195	February, 2025	(37,803)	(7,174)
Oracle Corp.	Written Call Option	(581)	\$210	March, 2025	(220,625)	(88,991)
Palantir Technologies Inc.	Written Call Option	(88)	\$90	January, 2025	(10,397)	(6,012)
Peloton Interactive Inc.	Written Call Option	(579)	\$9	January, 2025	(49,133)	(43,301)
Roku Inc.	Written Call Option	(852)	\$125	February, 2025	(118,737)	(38,598)
Sentinelone Inc.	Written Call Option	(1,450)	\$32	January, 2025	(211,513)	(28)
Sentinelone Inc.	Written Call Option	(1,963)	\$34	March, 2025	(142,648)	(35,290)
Teck Resources Ltd.	Written Call Option	(2,577)	\$74	January, 2025	(306,663)	-
Tesla Inc.	Written Call Option	(43)	\$520	February, 2025	(254,741)	(68,491)
Tesla Inc.	Written Call Option	(38)	\$520	January, 2025	(28,531)	(18,035)
The Trade Desk Inc.	Written Call Option	(42)	\$140	January, 2025	(8,055)	(815)
The Trade Desk Inc.	Written Call Option	(321)	\$150	March, 2025	(135,168)	(91,178)
The Trade Desk Inc.	Written Call Option	(257)	\$160	March, 2025	(70,717)	(41,028)
Toronto-Dominion Bank	Written Call Option	(2,832)	\$78	January, 2025	(71,508)	(58,056)
Toronto-Dominion Bank	Written Call Option	(1,830)	\$82	January, 2025	(28,365)	(7,320)
					<u>(5,547,159)</u>	<u>(2,864,944)</u>
ARK Innovation ETF	Written Put Option	(373)	\$54	January, 2025	(8,049)	(5,364)
Bank Of Nova Scotia	Written Put Option	(543)	\$72	January, 2025	(29,865)	(6,516)
BCE Inc.	Written Put Option	(725)	\$34	January, 2025	(11,963)	(77,213)
Canadian Pacific Kansas City Ltd.	Written Put Option	(108)	\$100	January, 2025	(6,912)	(3,942)
Chewy Inc.	Written Put Option	(180)	\$28	January, 2025	(14,684)	(2,071)
Datadog Inc.	Written Put Option	(305)	\$115	February, 2025	(45,346)	(49,787)
Datadog Inc.	Written Put Option	(305)	\$125	February, 2025	(93,687)	(123,480)
Datadog Inc.	Written Put Option	(43)	\$135	January, 2025	(9,891)	(7,730)
Deckers Outdoor Corp.	Written Put Option	(252)	\$145	February, 2025	(56,133)	(20,612)
Deckers Outdoor Corp.	Written Put Option	(36)	\$155	January, 2025	(6,226)	(106)
Deckers Outdoor Corp.	Written Put Option	(272)	\$155	February, 2025	(151,366)	(39,119)
Element Fleet Management	Written Put Option	(536)	\$23	January, 2025	(5,092)	(610)
Elf Beauty Inc.	Written Put Option	(382)	\$95	February, 2025	(126,395)	(141,469)
Elf Beauty Inc.	Written Put Option	(382)	\$105	February, 2025	(223,622)	(271,949)
Garmin Ltd.	Written Put Option	(245)	\$150	April, 2025	(33,741)	(23,784)
Garmin Ltd.	Written Put Option	(261)	\$165	April, 2025	(77,699)	(50,675)
Invesco QQQ Trust Ser.1	Written Put Option	(1,270)	\$485	January, 2025	(475,855)	(300,462)
Invesco QQQ Trust Ser.1	Written Put Option	(615)	\$490	January, 2025	(280,065)	(197,242)
Invesco QQQ Trust Ser.1	Written Put Option	(1,525)	\$500	January, 2025	(821,507)	(893,751)

PICTON MAHONEY FORTIFIED MARKET NEUTRAL ALTERNATIVE FUND

APPENDIX A

OPTIONS (0.4%)

Issuer	Option Type	Number of Options	Strike \$	Expiry	Average Cost \$	Fair Value \$
iShares MSCI USA Momentum	Written Put Option	(1,962)	\$200	January, 2025	(292,056)	(373,882)
iShares Russell 2000 ETF	Written Put Option	(223)	\$210	January, 2025	(7,539)	(2,245)
Maplebear Inc.	Written Put Option	(218)	\$30	April, 2025	(8,979)	(14,109)
Maplebear Inc.	Written Put Option	(978)	\$34	April, 2025	(136,336)	(133,623)
Metlife Inc.	Written Put Option	(272)	\$75	January, 2025	(24,000)	(8,802)
Palantir Technologies Inc.	Written Put Option	(655)	\$45	February, 2025	(66,331)	(38,152)
Palantir Technologies Inc.	Written Put Option	(88)	\$50	January, 2025	(3,497)	(633)
Palantir Technologies Inc.	Written Put Option	(611)	\$50	February, 2025	(113,438)	(65,466)
Roku Inc.	Written Put Option	(106)	\$70	January, 2025	(11,017)	(19,437)
S&P 500 Index 3Wk	Written Put Option	(262)	\$5,650	January, 2025	(827,349)	(659,415)
S&P 500 Index 3Wk	Written Put Option	(36)	\$5,670	January, 2025	(81,724)	(78,439)
S&P 500 Index 3Wk	Written Put Option	(45)	\$5,700	January, 2025	(76,661)	(78,634)
S&P 500 Index 3Wk	Written Put Option	(25)	\$5,700	January, 2025	(62,119)	(66,337)
S&P 500 Index 3Wk	Written Put Option	(262)	\$5,700	January, 2025	(1,058,780)	(881,732)
S&P 500 Index 3Wk	Written Put Option	(70)	\$5,775	January, 2025	(243,223)	(28,440)
S&P 500 Index 3Wk	Written Put Option	(252)	\$5,800	January, 2025	(1,009,976)	(190,274)
S&P 500 Index 3Wk	Written Put Option	(44)	\$5,800	February, 2025	(235,790)	(423,665)
S&P 500 Index 3Wk	Written Put Option	(35)	\$5,820	January, 2025	(165,747)	(209,654)
S&P 500 Index 3Wk	Written Put Option	(387)	\$5,830	February, 2025	(2,283,530)	(4,191,068)
S&P 500 Index 3Wk	Written Put Option	(84)	\$5,890	January, 2025	(323,557)	(788,881)
Sentinelone Inc.	Written Put Option	(219)	\$22	January, 2025	(5,993)	(20,473)
Tesla Inc.	Written Put Option	(101)	\$210	February, 2025	(88,577)	(12,129)
Tesla Inc.	Written Put Option	(64)	\$225	February, 2025	(84,733)	(10,033)
Tesla Inc.	Written Put Option	(157)	\$260	February, 2025	(207,110)	(50,127)
Tesla Inc.	Written Put Option	(122)	\$280	January, 2025	(37,125)	(11,844)
Tesla Inc.	Written Put Option	(124)	\$310	February, 2025	(152,329)	(123,052)
Tesla Inc.	Written Put Option	(446)	\$335	February, 2025	(531,120)	(758,499)
Tesla Inc.	Written Put Option	(442)	\$345	January, 2025	(169,046)	(224,079)
Tesla Inc.	Written Put Option	(371)	\$365	January, 2025	(219,480)	(360,161)
Tesla Inc.	Written Put Option	(449)	\$370	January, 2025	(102,471)	(113,975)
Tesla Inc.	Written Put Option	(449)	\$380	January, 2025	(157,685)	(213,098)
The Trade Desk Inc.	Written Put Option	(42)	\$105	January, 2025	(10,331)	(2,507)
Toronto-Dominion Bank	Written Put Option	(262)	\$70	January, 2025	(14,148)	(1,703)
					(11,289,895)	(12,370,450)
Total Written Options					(16,837,054)	(15,235,394)

APPENDIX B

FUTURE CONTRACTS (0.8%)

Issuer	Number of Contracts	Fair Value (C\$)	Contracted Value (C\$)	Unrealized Gain/Loss (\$)
E-mini S&P 500 Futures, March 2025	(530)	(226,225,085)	(233,541,168)	7,316,083
S&P TSX 60 Futures, March 2025	(777)	(230,784,540)	(236,457,961)	5,673,421
VIX Index Futures, January 2025	135	3,401,184	3,245,961	155,223
Unrealized gain (loss) on Futures Contracts				13,144,727

PICTON MAHONEY FORTIFIED MARKET NEUTRAL ALTERNATIVE FUND

FUND SPECIFIC NOTES

As at December 31, 2024 and December 31, 2023

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 December 31, 2024 and 2023.

ASSETS (LIABILITIES) AT FAIR VALUE AS AT DECEMBER 31, 2024				
	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Equities - Long	1,992,445,739	1,579,573	9,055,819	2,003,081,131
Mutual funds - Long	6,909,736	-	-	6,909,736
Exchange Traded Funds - Long	7,631,129	-	-	7,631,129
Short-term notes - Long	-	608,493,778	-	608,493,778
Bonds - Long	-	21,531,672	-	21,531,672
Options - Long	21,590,716	-	-	21,590,716
Futures - Long	13,144,727	-	-	13,144,727
Equities - Short	(732,503,200)	-	-	(732,503,200)
Exchange Traded Funds - Short	(702,578,171)	-	-	(702,578,171)
Bonds - Short	-	(7,598,283)	-	(7,598,283)
Options - Short	(15,235,394)	-	-	(15,235,394)
Total	591,405,282	624,006,740	9,055,819	1,224,467,841

ASSETS (LIABILITIES) AT FAIR VALUE AS AT DECEMBER 31, 2023				
	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Equities - Long	1,351,377,031	933,480	3,821,107	1,356,131,618
Mutual funds - Long	6,602,220	-	-	6,602,220
Exchange Traded Funds - Long	26,856,541	-	-	26,856,541
Short-term notes - Long	-	316,925,454	-	316,925,454
Bonds - Long	-	17,862,371	-	17,862,371
Options - Long	9,162,063	-	-	9,162,063
Equities - Short	(512,378,991)	(29,120)	-	(512,408,111)
Exchange Traded Funds - Short	(536,693,130)	-	-	(536,693,130)
Bonds - Short	-	(3,135,293)	-	(3,135,293)
Options - Short	(5,975,283)	-	-	(5,975,283)
Futures - Short	(4,306,665)	-	-	(4,306,665)
Total	334,643,786	332,556,892	3,821,107	671,021,785

2. TRANSFERS BETWEEN LEVELS 1 AND 2

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

December 31, 2024	Transfer from Level 1 to 2	Transfer from Level 2 to 1
	\$	\$
Equities - Long	-	5,850
	-	5,850
Equities - Short	-	45,452
	-	45,452
December 31, 2023	Transfer from Level 1 to 2	Transfer from Level 2 to 1
Equities - Long	3,428	-
	3,428	-

As of 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, 2022.

The equity securities transferred into Level 1 relate to positions for which significant trading activity existed on December 31, 2024 but which were thinly traded around December 31, 2023.

PICTON MAHONEY FORTIFIED MARKET NEUTRAL 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 years ended December 31, 2024 and 2023.

December 31, 2024	Equities - Long \$	Equities - Short \$	Total \$
Balance at Beginning of Year	3,821,107	-	3,821,107
Investment purchases during the year	4,605,464	-	4,605,464
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	629,248	-	629,248
Balance at End of Year	9,055,819	-	9,055,819
Total change in unrealized appreciation (depreciation) for assets held as at December 31, 2024			629,248

December 31, 2023	Equities - Long \$	Equities - Short \$	Total \$
Balance at Beginning of Year	1,680,149	-	1,680,149
Investment purchases during the year	1,544,557	-	1,544,557
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	596,401	-	596,401
Balance at End of Year	3,821,107	-	3,821,107
Total change in unrealized appreciation (depreciation) for assets held as at December 31, 2023			596,401

For the years ended December 31, 2024 and 2023, certain securities held long were classified as Level 3. The Fund's long Level 3 securities consist of equities 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 \$452,791 as at December 31, 2024 (December 31, 2023 - \$191,055). Transfers between levels on the fair value hierarchy table are deemed to have occurred at the beginning of the reporting period.

December 31, 2024							
Security Name	Fair Value	Valuation Technique	Unobservable Inputs	Reasonable Shift (+)	Reasonable Shift (-)	Change in Valuation (+)	Change in Valuation (-)
Eagle SPV LP	2,663,652	Fair value based on Net Asset Value	Discounted Net Asset Value	5%	5%	\$133,183	\$(133,183)
Preservation Capital Partners Strategic Opportunities I LP	1,910,265	Recent precedent transaction	N/A	5%	5%	\$95,513	\$(95,513)
Anthropic, PBC	2,986,166	Recent precedent transaction	N/A	5%	5%	\$149,308	\$(149,308)
Inovia Coinvestors SPV IV, Limited Partnership	1,495,736	Recent precedent transaction	N/A	5%	5%	\$74,787	\$(74,787)

December 31, 2023							
Security Name	Fair Value	Valuation Technique	Unobservable Inputs	Reasonable Shift (+)	Reasonable Shift (-)	Change in Valuation (+)	Change in Valuation (-)
Eagle SPV LP	2,289,090	Discounted cash flow, Enterprise value	Discount rate, peer multiples	5%	5%	\$114,455	\$(114,455)
Preservation Capital Partners Strategic Opportunities I LP	1,532,017	Discounted cash flow, Enterprise value	Discount rate, peer multiples	5%	5%	\$76,601	\$(76,601)

PICTON MAHONEY FORTIFIED MARKET NEUTRAL 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 December 31, 2024, there was \$28,570,566 (Collateral - \$29,141,979) of securities on loan (December 31, 2023 - \$27,574,284 (Collateral - \$28,125,771) 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 years ended December 31 2024 and 2023 securities lending income were as follows:

	2024 (\$)	2023 (\$)
Gross securities lending income	56,552	51,480
Securities lending charges	(19,793)	(18,018)
Net securities lending income	36,759	33,462
Withholding taxes on securities lending income	-	(5)
Net securities lending income received by the Fund	36,759	33,457
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 \$14,431,562 (December 31, 2023 - \$38,162,959). 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 December 31, 2024 and 2023 were as follows:

FINANCIAL INSTRUMENTS				
December 31, 2024 Currency	Monetary \$	Non-Monetary \$	Total \$	Percentage of Net Assets %
United States Dollar	159,120,894	(110,221,124)	48,899,770	2.9%
European Euro	95,153	-	95,153	0.0%
British Pound	(1,919,101)	1,910,265	(8,836)	0.0%
Australian Dollar	(1,623,886)	335,548	(1,288,338)	-0.1%
Net Exposure	155,673,060	(107,975,311)	47,697,749	2.8%

FINANCIAL INSTRUMENTS				
December 31, 2023 Currency	Monetary \$	Non-Monetary \$	Total \$	Percentage of Net Assets %
United States Dollar	77,264,384	(71,462,456)	5,801,928	0.5%
European Euro	(162,090)	-	(162,090)	0.0%
British Pound	(382,492)	(54,601)	(437,093)	0.0%
Australian Dollar	(1,541,091)	899,860	(641,231)	-0.1%
Net Exposure	75,178,711	(70,617,197)	4,561,514	0.4%

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 \$2,384,887 (December 31, 2023 - \$228,076). In practice, the actual trading results may differ from this sensitivity analysis and the difference could be material.

PICTON MAHONEY FORTIFIED MARKET NEUTRAL 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 \$2,223,604 (December 31, 2023 - \$370,620). In practice, the actual trading results may differ from this sensitivity analysis and the difference could be material.

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

Debt Instruments by Maturity Date	December 31, 2024 (\$)		
	Long Positions	Short Positions	Total
Less than 1 year	608,493,778	-	608,493,778
Greater than 5 years	21,531,672	(7,598,283)	13,933,389
Total	630,025,450	(7,598,283)	622,427,167

Debt Instruments by Maturity Date	December 31, 2023 (\$)		
	Long Positions	Short Positions	Total
Less than 1 year	316,925,454	-	316,925,454
Greater than 5 years	17,862,371	(3,135,293)	14,727,078
Total	334,787,825	(3,135,293)	331,652,532

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 credit rating of A+.

Bond Ratings	December 31, 2024			Bond Ratings	December 31, 2023		
	Net	Long	Short		Net	Long	Short
AAA	35.9%	36.4%	-0.5%	AAA	28.0%	28.3%	-0.3%
BBB	0.2%	0.2%	0.0%	BBB	0.6%	0.6%	0.0%
BBB-	0.9%	0.9%	0.0%	BBB-	1.0%	1.0%	0.0%
BB	0.2%	0.2%	0.0%	BB	0.0%	0.0%	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 MARKET NEUTRAL 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 December 31, 2024 and 2023.

Jurisdiction	% of Net Assets	
	December 31, 2024	December 31, 2023
LONG POSITIONS	159.9%	155.2%
Canadian Equities	69.7%	76.6%
Financials	17.9%	18.1%
Industrial	12.3%	14.8%
Energy	11.6%	11.7%
Materials	8.6%	9.5%
Information Technology	6.7%	6.2%
Utilities	4.1%	4.5%
Real Estate	2.9%	4.1%
Consumer Staples	2.0%	2.1%
Consumer Discretionary	1.5%	2.8%
Communication Services	0.9%	1.9%
Health Care	0.8%	0.3%
Investment Funds	0.4%	0.6%
Global Equities	50.4%	47.9%
United States	44.5%	41.6%
International	5.4%	3.9%
International Index Equivalents	0.5%	2.4%
Canadian Debt	35.4%	28.4%
Short-Term Notes	34.1%	26.8%
Corporate Bonds	1.3%	1.6%
Global Debt	2.3%	1.5%
Short-Term Notes	2.3%	1.5%
Derivatives	2.1%	0.8%
SHORT POSITIONS	-86.9%	-95.2%
Canadian Equities	-30.1%	-40.1%
Index Equivalents	-19.6%	-24.3%
Financials	-2.5%	-5.3%
Energy	-1.9%	-3.8%
Utilities	-1.4%	-1.1%
Materials	-1.3%	-1.8%
Consumer Staples	-1.1%	-1.0%
Consumer Discretionary	-0.6%	-0.5%
Information Technology	-0.6%	-0.6%
Real Estate	-0.5%	-0.4%
Communication Services	-0.4%	-0.6%
Industrial	-0.2%	-0.7%
Global Equities	-55.4%	-53.9%
United States Equities	-28.9%	-25.8%
International Index Equivalents	-22.3%	-23.8%
International Equities	-4.2%	-4.3%
Global Debt	-0.5%	-0.3%
International Bonds	-0.5%	-0.3%
Derivatives	-0.9%	-0.9%

PICTON MAHONEY FORTIFIED MARKET NEUTRAL 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 Funds.

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 year-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.

December 31, 2024			
Strategy	Underlying risk exposures	Number of Funds	Impact on net assets based on 5% increase or decrease \$
US Equity	P	1	1,971
Canadian Fixed Income	C,I	1	252,703
US Fixed Income	C,F,I	1	(2,288)
Total			252,386

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	223,787
US Fixed Income	C,F,I	1	(357)
Total			223,430

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.

December 31, 2024 Financial Liabilities	On Demand \$	< 3 months \$	> 3 months \$	Total \$
Short positions	1,442,679,654	-	-	1,442,679,654
Redemptions payable	130,551	-	-	130,551
Accrued liabilities and other payables	-	8,186,853	-	8,186,853
Payable for investments purchased	61,103	-	-	61,103
Derivative liabilities	15,235,394	-	-	15,235,394

December 31, 2023 Financial Liabilities	On Demand \$	< 3 months \$	> 3 months \$	Total \$
Short positions	1,052,236,534	-	-	1,052,236,534
Redemptions payable	1,282,861	-	-	1,282,861
Accrued liabilities and other payables	-	3,645,145	-	3,645,145
Payable for investments purchased	737,249	-	-	737,249
Derivative liabilities	10,281,948	-	-	10,281,948

PICTON MAHONEY FORTIFIED MARKET NEUTRAL ALTERNATIVE FUND

FUND SPECIFIC NOTES (CONTINUED)

12. FUND UNIT TRANSACTIONS

For the years ended December 31

	2024						
	Class A	Class F	Class FT	Class I	Class O2 ****	Class PQ ****	Class ETF
Units issued and outstanding, beginning of year	5,187,062	60,823,514	1,147,408	448,331	-	-	13,740,000
Units issued	3,155,200	31,716,638	1,565,349	-	37,728	700	8,940,000
Units reinvested	-	-	22,937	-	-	-	-
Units redeemed	(1,341,145)	(16,664,602)	(179,302)	(438,564)	-	-	(1,380,000)
Units issued and outstanding, end of year	7,001,117	75,875,550	2,556,392	9,767	37,728	700	21,300,000
Weighted average number of units held during the year	5,445,295	64,371,043	1,696,175	125,713	14,798	700	16,050,656

	2023					
	Class A	Class F	Class FT	Class I	Class ETF	
Units issued and outstanding, beginning of year	4,685,410	54,724,809	778,066	1,868,278	9,560,000	
Units issued	2,088,440	25,942,809	466,632	395,221	7,330,000	
Units reinvested	63,208	658,839	5,819	5,717	-	
Units redeemed	(1,649,996)	(20,502,943)	(103,109)	(1,820,885)	(3,150,000)	
Units issued and outstanding, end of year	5,187,062	60,823,514	1,147,408	448,331	13,740,000	
Weighted average number of units held during the year	4,924,462	59,004,609	981,549	1,279,863	12,111,123	

**** Class O2 units were first issued on November 12, 2024, Class PQ units were first issued on November 28, 2024

13. COMMISSIONS

For the years ended December 31 (in \$000)

	2024	2023
Brokerage commissions	11,219	8,514
Soft Dollar commissions	1,733	1,380

14. TAX LOSS CARRY FORWARDS

As at December 31 (in \$000)

	2024	2023
Net capital losses carry forward	31,036	12,610
Non-capital losses carry forward	-	-

15. STRUCTURED ENTITIES

The table below illustrates the Fund's investment in the underlying funds as at December 31, 2024 and 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 December 31, 2024			
Picton Mahoney Fortified Inflation Opportunities Alternative Fund*	5,048	19,633	25.7%
Invesco S&P 500 Low Volatility ETF	7,631	10,428,577	0.1%
Sprott Physical Uranium Trust	1,862	6,176,119	0.0%
Eagle SPV LP	2,664	56,042	4.8%
As at December 31, 2023			
Picton Mahoney Fortified Inflation Opportunities Alternative Fund*	4,469	16,606	26.9%
Invesco S&P 500 Low Volatility ETF	9,816	10,563,683	0.1%
Ishares Russell 2000 Value Index Fund	17,041	16,534,633	0.1%
Sprott Physical Uranium Trust	2,134	7,020,801	0.0%

*Funds managed by Picton Mahoney Asset Management.

16. LEVERAGE

During the year ended December 31, 2024, the Fund's aggregate exposure reached a low of 117.84% (year ended December 31, 2023 - 53.91%) and a high of 161.84% (year ended December 31, 2023 - 170.21%) of the Fund's NAV. As at December 31, 2024, the Fund's aggregate exposure was 135.88% (December 31, 2023 - 130.11%) of the Fund's NAV. The primary source of leverage was short positions in equity and fixed income securities.

PICTON MAHONEY FORTIFIED MARKET NEUTRAL ALTERNATIVE FUND

NOTES TO THE FINANCIAL STATEMENTS

As at December 31, 2024 and December 31, 2023

1. GENERAL INFORMATION

Picton Mahoney Fortified Market Neutral 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, July 7, 2020, August 17, 2020, July 8, 2021, April 20, 2022, October 28, 2022 and further amended and restated April 26, 2023 (the "Trust Declaration"). The Fund commenced operations on September 21, 2018. 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 March 24, 2025.

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 FT, Class I, Class O2, Class PQ 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 FT 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. The Class O2 Units are available to dealers and institutional investors who have entered into an agreement with the Manager and make the required minimum initial investment, as well as the minimum subsequent investments, as determined by the Manager from time to time. The Class PQ Units are available to dealers who offer a closed, preferred partner program to their wealth business for investors whose assets meet certain thresholds and specific criteria determined by the dealer from time to time. 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 December 31, 2024, the Fund currently has 7 Classes of Units: Class A, Class F, Class FT, Class I, Class O2, Class PQ and Class ETF. Class FT was launched on July 8, 2021. Class O2 was launched November 12, 2024. Class PQ was launched November 28, 2024. As at December 31, 2024, the Manager holds 1 unit of Class A, 803 units of Class FT, 700 units of Class O2 and 700 units of Class PQ (December 31, 2023 - 1 unit of Class A and 773 units of Class FT).

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 with less volatility than traditional equity markets and low correlation to major equity markets. The Fund invests in long and short positions in equity, derivatives such as such as options, futures, forward contracts and swaps, securities of investment funds, fixed income securities including high yield securities, 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 financial statements have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards"). The 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).

PICTON MAHONEY FORTIFIED MARKET NEUTRAL ALTERNATIVE FUND

NOTES TO THE FINANCIAL STATEMENTS

As at December 31, 2024 and December 31, 2023

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 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

PICTON MAHONEY FORTIFIED MARKET NEUTRAL ALTERNATIVE FUND

NOTES TO THE FINANCIAL STATEMENTS

As at December 31, 2024 and December 31, 2023

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 FT, Class I, Class O2, Class PQ 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.

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

PICTON MAHONEY FORTIFIED MARKET NEUTRAL ALTERNATIVE FUND

NOTES TO THE FINANCIAL STATEMENTS

As at December 31, 2024 and December 31, 2023

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.

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 December 31, 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.

(o) Future accounting changes

In April 2024, the International Accounting Standards Board issued IFRS 18, "Presentation and Disclosure in the Financial Statements" which aims to improve the quality of financial reporting by introducing new requirements which include new required categories and subtotals in the Statement of comprehensive income and enhanced guidance on grouping of information. IFRS 18 replaces IAS 1, "Presentation of Financial Statements". This standard is effective for annual periods beginning on or after January 1, 2027, with early adoption permitted. The Manager is currently assessing the impact of these new requirements.

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 may consider 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 December 31, 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.

PICTON MAHONEY FORTIFIED MARKET NEUTRAL ALTERNATIVE FUND

NOTES TO THE FINANCIAL STATEMENTS

As at December 31, 2024 and December 31, 2023

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 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 December 31, 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.

Geopolitical Risk:

Unforeseeable events such as military action, terrorism, tariffs, trade, restrictions, natural disasters and pandemics may adversely impact global commercial activity and contribute to potential market volatility and liquidity concerns in various economic markets. These events may create significant disruption in supply chains, economic activity, global trading markets and issuers in which the Fund invests, thereby impacting the performance of the Fund.

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

PICTON MAHONEY FORTIFIED MARKET NEUTRAL ALTERNATIVE FUND

NOTES TO THE FINANCIAL STATEMENTS

As at December 31, 2024 and December 31, 2023

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 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 Class O2, Class PQ and Class ETF units will be automatically reinvested in additional units. All annual distributions paid on Class FT units will be automatically paid in cash.

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.

Auditor's Fees

For the year ended December 31, 2024, fees paid or payable to PricewaterhouseCoopers LLP ("PwC") and other PwC Network firms for

PICTON MAHONEY FORTIFIED MARKET NEUTRAL ALTERNATIVE FUND

NOTES TO THE FINANCIAL STATEMENTS

As at December 31, 2024 and December 31, 2023

audit services to public interest entity funds managed by the Manager were \$355,133. Fees for other services were \$319,757.

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%, on Class F units, Class FT units and Class ETF units is 0.95% and Class PQ units is 0.90%. The management fee for Class I units and Class O2 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, Class FT units, Class O2 units, Class PQ 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, Class FT units, or Class O2 units, Class PQ units or Class ETF units, plus applicable taxes. The performance fee in respect of each of the Class A units, Class F units, Class FT units, Class O2 units, Class PQ units and Class ETF units of the Fund on a particular 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 year ended December 31, 2024, the Fund incurred performance fees of \$40,199,595 (December 31, 2023 - \$6,855,872).

(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.

11. SUBSEQUENT EVENT

Subsequent to year end, changes in U.S. policy and administration led to announced changes in trade arrangements amount the U.S., Canada, and Mexico. The potential for changes in existing trade agreements, the imposition of new tariffs, and retaliatory tariffs, or greater restrictions on trade in general, may lead to greater economic and market uncertainty. Should material market changes materialize, these may have an impact on the fund performance and underlying investments.

**THINK AHEAD.
STAY AHEAD.**



PICTON MAHONEY ASSET MANAGEMENT CORPORATE INFORMATION

Corporate Address

Picton Mahoney Asset Management

33 Yonge Street, Suite. 320
Toronto, Ontario
Canada M5E 1G4

Telephone: 416.955.4108

Toll free: 1.866.369.4108

Fax: 416.955.4100

Email: service@pictonmahoney.com

www.pictonmahoney.com

Fund Administration & Transfer Agent

Picton Mahoney Funds

C/O RBC Investor Services Trust,
Shareholder Services
155 Wellington Street West, 3rd Floor
Toronto, ON
Canada M5V 3L3

Auditor

PricewaterhouseCoopers LLP

18 York Street, Suite 2500
Toronto, Ontario
Canada M5J 0B2