

# FORTIFIED EQUITY FUND



**THINK AHEAD.  
STAY AHEAD.**



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## MANAGEMENT'S RESPONSIBILITY STATEMENT

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The accompanying financial statements have been prepared by Picton Mahoney Asset Management, the Manager of the Picton Mahoney Fortified Equity 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 Equity 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

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- 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.

**/s/PricewaterhouseCoopers LLP**

**Chartered Professional Accountants, Licensed Public Accountants**

Toronto, Ontario

March 24, 2025

# PICTON MAHONEY FORTIFIED EQUITY FUND

## STATEMENTS OF FINANCIAL POSITION

As at

	December 31, 2024 \$	December 31, 2023 \$
<b>Assets</b>		
<b>Current assets</b>		
Long positions at fair value*	122,245,973	101,611,535
Cash	4,491,317	2,579,737
Options purchased*	734,094	959,479
Deposits with brokers for securities sold short	-	313,506
Due from Manager	6,840	17,820
Subscriptions receivable	5,001	-
Receivable for investments sold	2,646	55,843
Dividends receivable	64,048	65,627
Interest and other receivable	4,752	43,192
	<u>127,554,671</u>	<u>105,646,739</u>
<b>Liabilities</b>		
<b>Current liabilities</b>		
Short positions at fair value**	3,907,703	3,605,122
Options written**	311,551	254,720
Management fee payable	28,971	15,443
Performance fee payable	168,782	-
Redemptions payable	69	-
Accrued liabilities	254,906	183,736
	<u>4,671,982</u>	<u>4,059,021</u>
<b>Net Assets Attributable to Holders of Redeemable Units</b>	<u>122,882,689</u>	<u>101,587,718</u>
<b>Net Assets Attributable to Holders of Redeemable Units per Class</b>		
Class A	3,933,737	2,677,857
Class F	32,736,424	24,816,565
Class FT	213,593	158,461
Class T	285,770	231,039
Class I	84,260,006	73,696,479
Class O***	1,453,159	7,317
<b>Number of Redeemable Units Outstanding</b>		
Class A	209,541	171,779
Class F	1,609,533	1,474,649
Class FT	15,129	13,901
Class T	22,012	22,012
Class I	3,610,848	3,900,864
Class O***	114,832	710
<b>Net Assets Attributable to Holders of Redeemable Units per Unit</b>		
Class A	18.77	15.59
Class F	20.34	16.83
Class FT	14.12	11.40
Class T	12.98	10.50
Class I	23.34	18.89
Class O***	12.65	10.31
* Long positions, at cost	87,160,143	82,409,256
** Short positions, at cost	<u>(4,258,837)</u>	<u>(4,076,668)</u>

\*\*\* Class O units were first issued on September 1, 2023.

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

Approved on behalf of the Manager

David Picton

Arthur Galloway



President



CFO

## STATEMENTS OF COMPREHENSIVE INCOME

For the years ended December 31

	2024 \$	2023 \$
<b>Income</b>		
Net gains (losses) on investments and derivatives		
Interest for distribution purposes	527,228	431,098
Dividends	2,314,330	1,522,021
Net realized gain (loss) on investments and options	13,352,898	5,674,894
Change in unrealized appreciation (depreciation) on investments and options	15,477,873	8,968,195
Interest and borrowing expense	(20,890)	(18,614)
Dividend expense	(58,601)	(47,330)
Net gains (losses) on investments and derivatives	<u>31,592,838</u>	<u>16,530,264</u>
Other income		
Securities lending income	8,643	13,239
Foreign currency gain (loss) on cash and other assets and liabilities	152,179	(316,192)
Total Income	<u>31,753,660</u>	<u>16,227,311</u>
<b>Expenses</b>		
Performance fees	395,896	-
Transaction costs	371,629	290,222
Management fees	357,850	285,059
Withholding taxes	232,071	168,546
Administrative fees	111,686	109,925
Legal fees	50,127	53,512
Securityholder reporting fees	28,725	27,866
Audit fees	17,199	16,384
Independent review committee fees	7,070	6,892
Total expense before manager absorption	<u>1,572,253</u>	<u>958,406</u>
Less expenses absorbed by manager	<u>(37,317)</u>	<u>(32,761)</u>
Total expense after manager absorption	<u>1,534,936</u>	<u>925,645</u>
<b>Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units</b>	<u>30,218,724</u>	<u>15,301,666</u>
<b>Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units per Class</b>		
Class A	811,540	339,290
Class F	7,353,827	3,405,928
Class FT	45,850	23,150
Class T	66,274	29,585
Class I	21,813,527	11,503,396
Class O***	127,706	317
<b>Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units per Unit</b>		
Class A	4.48	1.90
Class F	4.99	2.31
Class FT	3.27	1.56
Class T	3.01	1.31
Class I	6.19	2.70
Class O***	2.92	0.45

\*\*\* Class O units were first issued on September 1, 2023.

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

# PICTON MAHONEY FORTIFIED EQUITY FUND

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

For the years ended December 31

	2024 \$	2023 \$		2024 \$	2023 \$
<b>Net Assets Attributable to Holders of Redeemable Units at Beginning of Year</b>			<b>Distributions to Holders of Redeemable Units</b>		
Class A	2,677,857	2,609,341	From net investment income		
Class F	24,816,565	29,054,648	Class A	(43,641)	(35,464)
Class FT	158,461	165,866	Class F	(357,683)	(328,602)
Class T	231,039	219,559	Class FT	(8,023)	(7,683)
Class I	73,696,479	78,193,083	Class T	(11,528)	(10,892)
Class O***	7,317	-	Class I	(918,033)	(979,582)
	<u>101,587,718</u>	<u>110,242,497</u>	Class O***	(13,600)	(97)
				<u>(1,352,508)</u>	<u>(1,363,320)</u>
<b>Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units</b>			From capital gains		
Class A	811,540	339,290	Class A	(227,368)	(3,453)
Class F	7,353,827	3,405,928	Class F	(1,863,972)	(31,974)
Class FT	45,850	23,150	Class FT	-	-
Class T	66,274	29,585	Class T	-	-
Class I	21,813,527	11,503,396	Class I	(4,782,612)	(95,306)
Class O***	127,706	317	Class O***	(70,881)	(9)
	<u>30,218,724</u>	<u>15,301,666</u>		<u>(6,944,833)</u>	<u>(130,742)</u>
<b>Redeemable Unit Transactions</b>			From return of capital		
Proceeds from redeemable units issued			Class A	(56)	(43)
Class A	933,588	191,746	Class F	(461)	(396)
Class F	7,330,128	6,203,652	Class FT	(10)	(9)
Class FT	15,500	2,000	Class T	(15)	(13)
Class T	-	-	Class I	(1,182)	(1,181)
Class I	1,200,000	-	Class O***	(17)	-
Class O***	1,368,687	13,841		<u>(1,741)</u>	<u>(1,642)</u>
	<u>10,847,903</u>	<u>6,411,239</u>	<b>Net Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units</b>	<u>21,294,971</u>	<u>(8,654,779)</u>
Reinvestments of distributions to holders of redeemable units			<b>Net Assets Attributable to Holders of Redeemable Units at End of Year</b>		
Class A	262,892	38,302	Class A	3,933,737	2,677,857
Class F	2,163,180	354,127	Class F	32,736,424	24,816,565
Class FT	1,815	574	Class FT	213,593	158,461
Class T	-	-	Class T	285,770	231,039
Class I	5,701,827	1,076,069	Class I	84,260,006	73,696,479
Class O***	84,498	106	Class O***	1,453,159	7,317
	<u>8,214,212</u>	<u>1,469,178</u>	<b>Net Assets Attributable to Holders of Redeemable Units at End of Year</b>	<u>122,882,689</u>	<u>101,587,718</u>
Redemption of redeemable units					
Class A	(481,075)	(461,862)			
Class F	(6,705,160)	(13,840,818)			
Class FT	-	(25,437)			
Class T	-	(7,200)			
Class I	(12,450,000)	(16,000,000)			
Class O***	(50,551)	(6,841)			
	<u>(19,686,786)</u>	<u>(30,342,158)</u>			
<b>Net Increase (Decrease) from Redeemable Unit Transactions</b>	<u>(624,671)</u>	<u>(22,461,741)</u>			

\*\*\* Class O units were first issued on September 1, 2023.

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



# PICTON MAHONEY FORTIFIED EQUITY FUND

## STATEMENTS OF CASH FLOWS

For the years ended December 31

	2024 \$	2023 \$		2024 \$	2023 \$
<b>Cash Flows from Operating Activities</b>			Unrealized foreign exchange gain (loss)		
Increase (decrease) in net assets			on cash	75,589	(449,883)
attributable to holders of redeemable			Net increase (decrease) in cash	1,835,991	(7,170,022)
units	30,218,724	15,301,666	Cash, beginning of year	2,579,737	10,199,642
Adjustments for:			<b>Cash, end of year</b>	<b>4,491,317</b>	<b>2,579,737</b>
Unrealized foreign exchange			Cash	4,491,317	2,579,737
(gain) loss on cash	(75,589)	449,883	<b>Net Cash (Overdraft)</b>	<b>4,491,317</b>	<b>2,579,737</b>
Net realized (gain) loss on					
investments and options	(13,352,898)	(5,674,894)	<b>Items Classified as Operating</b>		
Change in unrealized			<b>Activities:</b>		
(appreciation) depreciation on			Interest received, net of withholding tax	565,668	387,906
investments and options	(15,477,873)	(8,968,195)	Dividends received, net of withholding		
(Increase) decrease in due from			tax	2,084,643	1,342,659
manager	10,980	-	Interest and borrowing expense paid	(20,890)	(18,614)
(Increase) decrease in interest and			Dividends paid	(58,601)	(49,098)
other receivables	38,440	(43,192)			
(Increase) decrease in dividends					
receivable	1,579	(11,421)			
(Increase) decrease in deposits					
with brokers for securities sold					
short	313,506	(208,068)			
Increase (decrease) in dividends					
payable	-	(1,768)			
Increase (decrease) in other					
payable and accrued liabilities	253,480	32,155			
Purchase of long positions and					
repurchase of investments sold					
short	(146,138,845)	(95,595,669)			
Proceeds from sale of long					
positions and on investments					
sold short	154,973,172	111,505,926			
<b>Net cash generated (used) by</b>					
<b>operating activities</b>	<b>10,764,676</b>	<b>16,786,423</b>			
<b>Cash Flows from Financing Activities</b>					
Distributions to holders of redeemable					
units, net of reinvested distributions	(84,870)	(25,526)			
Proceeds from redeemable units issued	10,782,111	6,376,403			
Amount paid on redemption of					
redeemable units	(19,625,926)	(30,307,322)			
<b>Net cash generated (used) by</b>					
<b>financing activities</b>	<b>(8,928,685)</b>	<b>(23,956,445)</b>			

Net of non-cash transfers and switches of \$60,791 (2023 - \$34,836)

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

# PICTON MAHONEY FORTIFIED EQUITY 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 (\$)
<b>LONG POSITIONS (100.1%)</b>									
<b>Canadian Equities (8.2%)</b>									
<b>Energy (1.3%)</b>									
	37,300	ARC Resources Ltd.	844,366	972,411		5,190	BellRing Brands Inc.	252,564	562,360
	11,600	Suncor Energy Inc.	616,854	595,196		1,600	Boeing Co.	403,698	407,300
			1,461,220	1,567,607		7,440	Boston Scientific Corp.	461,150	955,748
<b>Materials (1.4%)</b>						5,200	Bristol-Myers Squibb Co.	430,446	422,994
	3,100	Agnico Eagle Mines Ltd.	325,428	348,626		5,710	Broadcom Inc.	561,074	1,903,908
	16,800	Capstone Copper Corp.	179,555	149,352		13,200	Chewy Inc.	621,760	635,785
	4,200	CCL Industries Inc.	299,573	310,590		2,440	Danaher Corp.	673,539	805,543
	37,000	Hudbay Minerals Inc.	375,630	431,420		6,050	Delta Air Lines Inc.	471,880	526,420
	8,600	Teck Resources Ltd.	539,442	501,208		2,260	DoorDash Inc.	310,129	545,246
			1,719,628	1,741,196		2,250	Eli Lilly & Co.	769,558	2,498,166
<b>Industrial (3.4%)</b>						3,900	Exxon Mobil Corp.	318,983	603,361
	19,000	Air Canada	360,702	422,940		930	FedEx Corp.	331,591	376,288
	10,900	Canadian Pacific Kansas City Ltd.	1,161,440	1,134,472		6,500	Fluor Corp.	333,377	461,061
	16,789	Element Fleet Management Corp.	209,750	487,888		6,000	Freeport-McMoRan Inc.	414,489	328,602
	3,072	Thomson Reuters Corp.	376,274	709,079		1,220	Gartner Inc.	369,382	850,057
	2,600	Waste Connections Inc.	484,359	641,160		1,170	Goldman Sachs Group Inc.	608,417	963,549
	3,300	WSP Global Inc.	526,081	834,768		1,820	Guidewire Software Inc.	333,198	441,264
			3,118,606	4,230,307		14,500	Healthpeak Properties Inc.	384,449	422,711
<b>Health Care (0.0%)</b>						4,900	Howmet Aerospace Inc.	426,683	770,754
	3,000	Profound Medical Corp.	31,812	32,403		1,750	Hyatt Hotels Corp.	213,572	395,097
<b>Financials (0.9%)</b>						2,100	Insmid Inc.	140,709	208,517
	4,700	Bank of Nova Scotia	364,932	362,793		1,290	Intercontinental Exchange Inc.	186,833	276,456
	8,200	Manulife Financial Corp.	268,871	362,112		660	Intuitive Surgical Inc.	207,862	495,453
	9,600	Trisura Group Ltd.	358,629	374,208		3,050	JPMorgan Chase & Co.	435,048	1,051,496
			992,432	1,099,113		2,510	KKR & Co Inc.	452,101	533,940
<b>Information Technology (1.2%)</b>						2,670	Masimo Corp.	383,936	634,754
	4,500	Celestica Inc.	73,367	596,970		2,670	Mastercard Inc.	1,090,224	2,022,036
	5,800	Shopify Inc.	483,527	887,342		2,030	Meta Platforms Inc.	815,682	1,709,432
			556,894	1,484,312		3,640	Micron Technology Inc.	363,431	440,584
<b>Total Canadian Equities - Long</b>						8,280	Microsoft Corp.	2,274,362	5,019,373
<b>Canadian Debt (5.0%)</b>						1,000	Moody's Corp.	430,238	680,804
<b>Short-Term Notes (5.0%)</b>						805	Motorola Solutions Inc.	260,156	535,150
CAD	6,200,000	Canadian Treasury Bill 3.141%, 2025-04-24	6,135,582	6,135,582		5,450	Nasdaq Inc.	493,402	605,974
<b>Total Canadian Debt - Long</b>						2,560	Natera Inc.	359,059	582,831
<b>Global Equities (86.3%)</b>						7,700	nCino Inc.	418,256	371,872
<b>United States Equities (55.6%)</b>						11,500	NiSource Inc.	607,707	607,988
	10,140	Alphabet Inc., Class A	1,732,623	2,760,642		28,750	NVIDIA Corp.	1,234,251	5,552,689
	12,050	Amazon.com Inc.	2,076,356	3,802,116		2,940	Ollie's Bargain Outlet Holdings Inc.	375,241	463,975
	15,050	Apple Inc.	2,555,517	5,420,346		2,710	Oracle Corp.	320,242	649,486
	2,630	AptarGroup Inc.	536,096	594,228		7,700	Peloton Interactive Inc.	74,723	96,346
	6,800	Bank of America Corp.	320,503	429,823		3,600	Performance Food Group Co.	408,508	437,762
						21,200	PG&E Corp.	602,816	615,288
						1,200	Pinnacle Financial Partners Inc.	202,315	197,420
						4,700	PPL Corp.	157,359	219,416
						2,375	Procter & Gamble Co.	415,830	572,649
						4,780	Progressive Corp.	714,116	1,647,230
						4,300	RadNet Inc.	265,859	431,911
						955	RBC Bearings Inc.	259,433	410,865
						3,140	Reddit Inc.	310,681	738,090
						1,990	Reinsurance Group of America Inc.	558,535	611,416
						2,040	Republic Services Inc.	340,303	590,251
						9,200	Robinhood Markets Inc.	276,297	493,006

# PICTON MAHONEY FORTIFIED EQUITY 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 (\$)
	1,200	Salesforce Inc.	583,665	577,003		18,500	Meituan	606,455	519,604
	650	ServiceNow Inc.	366,186	991,037		48,500	Mitsubishi UFJ Financial Group Inc.	558,676	819,319
	545	Synopsys Inc.	108,970	380,436		33,400	Mitsui Fudosan Co., Ltd.	400,538	388,177
	2,140	Take-Two Interactive Software Inc.	352,947	566,555		1,500	Moncler S.p.A.	119,239	113,884
	2,000	Teradyne Inc.	387,839	362,198		32,000	Mowi ASA	778,107	789,172
	6,070	TJX Cos Inc.	601,506	1,054,662		5,600	NEC Corp.	502,269	703,107
	2,350	Trade Desk Inc.	347,897	397,226		124,100	OSB Group plc	861,194	904,407
	2,500	Twilio Inc.	394,581	388,604		24,000	PeptiDream Inc.	533,177	580,810
	2,400	UFP Industries Inc.	397,844	388,834		27,900	QBE Insurance Group Ltd.	404,669	477,004
	6,000	UL Solutions Inc.	406,435	430,427		845	Rheinmetall AG	657,057	773,433
	1,790	UnitedHealth Group Inc.	813,034	1,302,282		21,900	Rubis SCA	836,144	778,846
	460	United Rentals Inc.	136,040	466,040		13,500	Sandoz Group AG	722,468	796,348
	10,300	Ventas Inc.	639,855	872,369		2,775	SAP SE	865,921	976,563
	2,770	Vistra Corp.	278,723	549,251		4,150	Seagate Technology Holdings plc	532,064	515,146
	13,400	Wells Fargo & Co.	712,764	1,353,664		15,100	Seiko Group Corp.	602,787	676,409
	3,895	XPO Inc.	295,735	734,678		2,990	SharkNinja Inc.	385,156	418,671
			38,170,570	68,203,095		15,500	SKF AB	446,606	418,840
<b>International Equities (30.7%)</b>						8,200	Sony Group Corp.	250,712	252,810
	8,500	3i Group plc	479,286	545,661		1,490	Spotify Technology S.A.	269,065	958,704
	11,700	AAK AB	459,621	480,631		23,100	Sumitomo Mitsui Financial Group Inc.	729,729	795,685
	1,395	Aon plc	629,207	720,582		2,325	Taiwan Semiconductor Manufacturing Co., Ltd.	537,922	660,373
	20,000	Artience Co., Ltd.	659,516	577,443		8,400	Tencent Holdings Ltd.	510,781	648,531
	26,300	Ayvens S.A.	258,294	256,353		16,800	Teva Pharmaceutical Industries Ltd.	471,080	532,528
	33,700	Azbil Corp.	374,329	378,557		6,600	Trip.com Group Ltd.	594,577	651,732
	109,900	Barclays plc	396,911	530,813		16,200	UniCredit S.p.A.	808,217	929,461
	12,700	Bavarian Nordic A/S	558,473	480,244		80,200	Vivendi SE	876,343	307,318
	6,500	BAWAG Group AG	628,534	785,553		220,000	WH Group Ltd.	249,535	244,801
	7,900	BBB Foods Inc.	299,273	321,313		37,800	Yellow Cake plc	404,437	340,294
	7,300	Brookfield Infrastructure Partners LP	298,460	333,464				34,468,380	37,752,358
	78,100	Canal+ S.A.	371,189	285,570			<b>Total Global Equities - Long</b>	<b>72,638,950</b>	<b>105,955,453</b>
	103,000	China Resources Land Ltd.	400,106	430,030					
	18,100	Coca-Cola Bottlers Japan Holdings Inc.	397,801	413,596			<b>Options (0.6%)</b>		
	1,130	CyberArk Software Ltd.	213,729	541,427			<b>Total Purchased Options</b>	<b>592,285</b>	<b>734,094</b>
	3,475	D'ieteren Group	1,065,485	831,657			<b>- Refer to Appendix A</b>		
	12,900	Daimler Truck Holding AG	679,550	707,947			<b>Transaction Costs</b>	<b>(87,266)</b>	<b>-</b>
	15,400	Deutsche Telekom AG	541,808	662,585			<b>Total Long Positions</b>	<b>87,160,143</b>	<b>122,980,067</b>
	2,615	Eaton Corp. plc	476,178	1,248,134					
	23,200	Ebara Corp.	516,645	522,385			<b>SHORT POSITIONS (-3.4%)</b>		
	19,100	Fresenius SE & Co KGaA	864,511	954,047			<b>Canadian Equities (-0.2%)</b>		
	227,600	Havas N.V.	565,123	549,925			<b>Information Technology (-0.2%)</b>		
	23,300	Hitachi Ltd.	529,932	839,462		(5,300)	Open Text Corp., NASD	(286,067)	(215,604)
	4,000	Holcim AG	572,782	554,561			<b>Total Canadian Equities - Short</b>	<b>(286,067)</b>	<b>(215,604)</b>
	10,800	JD.com Inc.	635,915	538,517					
	21,100	JET2 plc	582,212	601,630			<b>Global Equities (-2.9%)</b>		
	13,500	JMDC Inc.	515,152	485,024			<b>United States Equities (-2.0%)</b>		
	30,700	Just Eat Takeaway.com N.V.	670,814	603,283		(5,000)	Apellis Pharmaceuticals Inc.	(241,250)	(229,466)
	290,100	Just Group plc	673,438	848,594		(6,090)	Baldwin Insurance Group Inc.	(370,539)	(339,487)
	128,300	Koninklijke BAM Groep N.V.	761,468	802,126		(3,620)	Edwards Lifesciences Corp.	(342,171)	(385,423)
	18,600	Kumagai Gumi Co., Ltd.	688,105	677,447		(1,255)	Extra Space Storage Inc.	(290,414)	(270,021)
	18,100	Leonardo S.p.A.	589,999	698,963		(2,640)	Lemonade Inc.	(158,663)	(139,269)
	1,005	Lonza Group AG	872,637	854,566					
	106,200	Marks & Spencer Group plc	726,972	718,291					

# PICTON MAHONEY FORTIFIED EQUITY FUND

## SCHEDULE OF INVESTMENT PORTFOLIO

As at December 31, 2024

	No. of shares/ units/ Face value	Security Description	Average cost (\$)	Fair value (\$)		No. of shares/ units/ Face value	Security Description	Average cost (\$)	Fair value (\$)
CCY*					CCY*				
	(3,190)	Principal Financial Group Inc.	(345,506)	(355,148)					
	(2,440)	Stanley Black & Decker Inc.	(339,850)	(281,756)					
	(415)	Tyler Technologies Inc.	(336,266)	(344,171)					
	(19,200)	Walgreens Boots Alliance Inc.	(277,753)	(257,635)					
			(2,702,412)	(2,602,376)					

# PICTON MAHONEY FORTIFIED EQUITY 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	116,110,391	-	-	116,110,391
Short-term notes - Long	-	6,135,582	-	6,135,582
Options - Long	734,094	-	-	734,094
Equities - Short	(3,540,175)	-	-	(3,540,175)
Exchange Traded Funds - Short	(367,528)	-	-	(367,528)
Options - Short	(311,551)	-	-	(311,551)
<b>Total</b>	<b>112,625,231</b>	<b>6,135,582</b>	<b>-</b>	<b>118,760,813</b>

ASSETS (LIABILITIES) AT FAIR VALUE AS AT DECEMBER 31, 2023				
	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Equities - Long	95,963,831	-	-	95,963,831
Short-term notes - Long	-	5,647,704	-	5,647,704
Options - Long	959,479	-	-	959,479
Equities - Short	(3,605,122)	-	-	(3,605,122)
Options - Short	(254,720)	-	-	(254,720)
<b>Total</b>	<b>93,063,468</b>	<b>5,647,704</b>	<b>-</b>	<b>98,711,172</b>

### 2. 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 \$6,162,274 (Collateral - \$6,285,527) of securities on loan (December 31, 2023 - \$8,303,504 (Collateral - \$8,469,584) 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 securities lending income were as follows:

	December 31, 2024 (\$)	December 31, 2023 (\$)
Gross securities lending income	13,297	20,368
Securities lending charges	(4,654)	(7,129)
<b>Net securities lending income</b>	<b>8,643</b>	<b>13,239</b>
Withholding taxes on securities lending income	(805)	(605)
<b>Net securities lending income received by the Fund</b>	<b>7,838</b>	<b>12,634</b>
Security lending charges percentage of gross securities lending income	35%	35%

### 3. OTHER PRICE RISK

Using Beta as a measure of the relationship of the Fund's performance versus its index, if the blended index consisting of 25% S&P/TSX Composite Total Return Index; 50% MSCI World Index; and 25% FTSE TMX Canada 30-Day T-Bill Index were to increase or decrease by 10%, net assets would have increased or decreased by approximately \$10,263,895 (December 31, 2023 - \$6,699,841). In practice, the actual results may differ from this sensitivity analysis and the difference could be material.

# PICTON MAHONEY FORTIFIED EQUITY FUND

## FUND SPECIFIC NOTES (CONTINUED)

### 4. 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	1,156,164	71,650,524	72,806,688	59.2%
European Euro	92,447	10,731,944	10,824,391	8.8%
Japanese Yen	25,857	8,110,231	8,136,088	6.6%
British Pound	67,248	4,775,261	4,842,509	3.9%
Australian Dollar	6,134	477,004	483,138	0.4%
Hong Kong Dollar	-	1,842,966	1,842,966	1.5%
Swiss Franc	76,375	2,205,475	2,281,850	1.9%
Swedish Krona	-	899,471	899,471	0.7%
Norwegian Krone	-	789,172	789,172	0.6%
South African Rand	9,468	-	9,468	0.0%
Danish Krone	-	480,244	480,244	0.4%
Mexican Peso	(18)	-	(18)	0.0%
<b>Net Exposure</b>	<b>1,433,675</b>	<b>101,962,292</b>	<b>103,395,967</b>	<b>84.0%</b>

FINANCIAL INSTRUMENTS				
December 31, 2023 Currency	Monetary \$	Non-Monetary \$	Total \$	Percentage of Net Assets %
United States Dollar	9,008,676	57,774,753	66,783,429	65.7%
European Euro	19,331	8,560,699	8,580,030	8.4%
Japanese Yen	3,159	9,035,554	9,038,713	8.9%
British Pound	65,902	4,780,425	4,846,327	4.8%
Australian Dollar	6,198	1,028,864	1,035,062	1.0%
Swiss Franc	75,397	707,989	783,386	0.8%
Swedish Krona	47,107	686,917	734,024	0.7%
Norwegian Krone	-	625,789	625,789	0.6%
South African Rand	8,957	-	8,957	0.0%
Danish Krone	7	422,859	422,866	0.4%
Mexican Peso	(6,005)	-	(6,005)	0.0%
<b>Net Exposure</b>	<b>9,228,729</b>	<b>83,623,849</b>	<b>92,852,578</b>	<b>91.3%</b>

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 \$5,169,798 (December 31, 2023 - \$4,642,629). In practice, the actual trading results may differ from this sensitivity analysis and the difference could be material.

## PICTON MAHONEY FORTIFIED EQUITY FUND

### FUND SPECIFIC NOTES (CONTINUED)

#### 5. 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 \$19,035 (December 31, 2023 - \$nil). 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	6,135,582	-	6,135,582
<b>Total</b>	<b>6,135,582</b>	<b>-</b>	<b>6,135,582</b>

Debt Instruments by Maturity Date	December 31, 2023 (\$)		
	Long Positions	Short Positions	Total
Less than 1 year	5,647,704	-	5,647,704
<b>Total</b>	<b>5,647,704</b>	<b>-</b>	<b>5,647,704</b>

#### 6. CREDIT RISK

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

December 31, 2024				December 31, 2023			
Bond Ratings	Net	Long	Short	Bond Ratings	Net	Long	Short
AAA	5.0%	5.0%	0.0%	AAA	5.6%	5.6%	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 EQUITY FUND

## FUND SPECIFIC NOTES (CONTINUED)

### 7. 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
<b>LONG POSITIONS</b>	<b>100.1%</b>	<b>101.0%</b>
<b>Canadian Equities</b>	<b>8.2%</b>	<b>8.5%</b>
Industrial	3.4%	3.5%
Materials	1.4%	0.8%
Energy	1.3%	1.5%
Information Technology	1.2%	1.7%
Financials	0.9%	0.8%
Health Care	0.0%	0.0%
Consumer Staples	0.0%	0.2%
<b>Global Equities</b>	<b>86.3%</b>	<b>86.0%</b>
United States	55.6%	55.9%
International	30.7%	30.1%
<b>Canadian Debt</b>	<b>5.0%</b>	<b>0.0%</b>
Short-Term Notes	5.0%	0.0%
<b>Global Debt</b>	<b>0.0%</b>	<b>5.6%</b>
Short-Term Notes	0.0%	5.6%
<b>Derivatives</b>	<b>0.6%</b>	<b>0.9%</b>
<b>SHORT POSITIONS</b>	<b>-3.4%</b>	<b>-3.8%</b>
<b>Canadian Equities</b>	<b>-0.2%</b>	<b>-0.2%</b>
Information Technology	-0.2%	-0.2%
<b>Global Equities</b>	<b>-2.9%</b>	<b>-3.3%</b>
United States Equities	-2.0%	-3.0%
International Equities	-0.6%	-0.3%
International Index Equivalents	-0.3%	0.0%
<b>Derivatives</b>	<b>-0.3%</b>	<b>-0.3%</b>



# PICTON MAHONEY FORTIFIED EQUITY FUND

## FUND SPECIFIC NOTES (CONTINUED)

### 8. 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	3,907,703	-	-	3,907,703
Redemptions payable	69	-	-	69
Accrued liabilities and other payables	-	452,659	-	452,659
Derivative liabilities	311,551	-	-	311,551
December 31, 2023 Financial Liabilities	On Demand \$	< 3 months \$	> 3 months \$	Total \$
Short positions	3,605,122	-	-	3,605,122
Accrued liabilities and other payables	-	199,179	-	199,179
Derivative liabilities	254,720	-	-	254,720

### 9. FUND UNIT TRANSACTIONS

For the years ended December 31

	2024						2023					
	Class A	Class F	Class FT	Class T	Class I	Class O***	Class A	Class F	Class FT	Class T	Class I	Class O***
Units issued and outstanding, beginning of year	171,779	1,474,649	13,901	22,012	3,900,864	710	187,886	1,958,545	15,977	22,730	4,739,688	-
Units issued	50,678	375,455	1,083	-	57,401	111,496	12,771	387,255	184	-	-	1,400
Units reinvested	13,959	106,046	145	-	243,760	6,655	2,462	21,090	51	-	57,097	10
Units redeemed	(26,875)	(346,617)	-	-	(591,177)	(4,029)	(31,340)	(892,241)	(2,311)	(718)	(895,921)	(700)
Units issued and outstanding, end of year	209,541	1,609,533	15,129	22,012	3,610,848	114,832	171,779	1,474,649	13,901	22,012	3,900,864	710
Weighted average number of units held during the year	181,246	1,475,129	14,012	22,012	3,524,088	43,770	178,364	1,477,045	14,809	22,579	4,255,325	701

\*\*\* Class O units were first issued on September 1, 2023.

### 10. COMMISSIONS

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

	2024	2023
Brokerage commissions	372	290
Soft Dollar commissions	56	39

### 11. TAX LOSS CARRY FORWARDS

As at December 31 (in \$000)

	2024	2023
Net capital losses carry forward	113	113
Non-capital losses carry forward	-	-

# PICTON MAHONEY FORTIFIED EQUITY FUND

## NOTES TO THE FINANCIAL STATEMENTS

As at December 31, 2024 and December 31, 2023

### 1. GENERAL INFORMATION

Picton Mahoney Fortified Equity Fund (the "Fund") is an open-ended mutual trust established under the laws of the Province of Ontario pursuant to a trust agreement dated October 21, 2015 (the "Trust Declaration"). The Fund commenced operations on October 29, 2015. 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.

On October 29, 2015, 15,001 Class A units of the Fund were issued to the Manager of the Fund, for cash consideration of CAD \$10.00 per unit.

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 T, Class I and Class O 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 FT units are also designed to provide cash flow to investors by making monthly distributions of cash. Class T units are available to all investors and are designed to provide cash flow to investors by making monthly distributions of cash. Class I units are available to institutional investors or to other investors on a case-by-case basis, all at the discretion of the Manager. Class O units are available to only investors who have a discretionary managed account with the Manager and make the required minimum initial investment and minimum subsequent investment as determined by the Manager from time to time.

As at December 31, 2024, the Fund currently has 6 Classes of Units: Class A, Class F, Class FT, Class T, Class I, and Class O. As at December 31, 2024, the Manager holds 690 units of Class T and 762 units of Class O (December 31, 2023 - 690 units of Class T and 710 units of Class O).

The investment objective of the Fund is to achieve long-term capital appreciation by investing primarily in global equity securities while mitigating capital loss by engaging in hedging strategies for downside risk protection.

### 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).

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

# PICTON MAHONEY FORTIFIED EQUITY FUND

## NOTES TO THE FINANCIAL STATEMENTS

As at December 31, 2024 and December 31, 2023

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.

Distributions received from investment fund holdings are recognized by the Fund in the same form in which they were received from the underlying funds and are recognized on the distribution date.

### **(g) Valuation of Fund Units**

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

The Fund's units are divided into the Class A, Class F, Class FT, Class T and Class I 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.

# PICTON MAHONEY FORTIFIED EQUITY FUND

## NOTES TO THE FINANCIAL STATEMENTS

As at December 31, 2024 and December 31, 2023

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.

### (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) IFRS 9, Financial Instruments

IFRS 9 'Financial Instruments' addresses the classification, measurement and derecognition of financial assets and liabilities.

Classification and measurement of debt assets is driven by the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets. A debt instrument is measured at amortized cost if the objective of the business model is to hold the financial asset for the collection of the contractual cash flows and the contractual cash flows under the instrument solely represent payments of principal and interest (SPPI). A debt instrument is measured at fair value through other comprehensive income if the objective of the business model is to hold the financial asset both to collect contractual cash flows from SPPI and to sell. All other debt instruments must be recognized at fair value through profit or loss. An entity may however, at initial recognition, irrevocably designate a financial asset as measured at fair value through profit or loss if doing so eliminates or significantly reduces a measurement or recognition inconsistency. Derivative and equity instruments are measured at fair value through profit or loss unless, for equity instruments not held for trading, an irrevocable option is taken to measure at fair value through other comprehensive income.

The Fund's investment portfolio continues to be classified as fair value through profit or loss and other financial assets which are held for collection continue to be measured at amortized cost.

### (m) Structured Entities

A structured entity is an entity that has been designed so that voting or similar rights are not the dominant factor in deciding who controls the entity, such as when any voting rights relate to administrative tasks only and the relevant activities are directed by means of contractual arrangements. Picton Mahoney has determined that all of the underlying funds in which the Fund invests are unconsolidated structured entities. In making this determination, Picton Mahoney evaluated the fact that decision making about the underlying funds' activities is not governed by voting or similar rights held by the Fund and other investors in any underlying funds.

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

# PICTON MAHONEY FORTIFIED EQUITY FUND

## NOTES TO THE FINANCIAL STATEMENTS

As at December 31, 2024 and December 31, 2023

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 considers observable data to be market data that is readily available, regularly distributed and updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

### 4. FINANCIAL INSTRUMENTS RISKS

The Fund is exposed to various financial risks, including market risk (which includes currency risk, interest rate risk and price risk), credit risk and liquidity risk. The investment team reviews and rebalances the portfolio on a regular and ongoing basis to maintain the risk reward targets. Portfolios within each strategy are reviewed relative to each other and to their benchmark. Active industry and security allocations are analyzed. All investments may result in a risk of loss of capital.

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

#### Price risk:

The Fund trades in financial instruments, taking positions in traded and over-the-counter instruments which may include derivatives. As of 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.

#### 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



# PICTON MAHONEY FORTIFIED EQUITY FUND

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As at December 31, 2024 and December 31, 2023

information in determining any expected credit loss. At December 31, 2024 and 2023, all amounts receivable for investments sold, subscriptions receivable, dividends receivable, distributions receivable from underlying funds, 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.

### **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.

### **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 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.

## **7. DISTRIBUTIONS**

The Fund intends to distribute net income and net realized capital gains, if any, to Unitholders at the end of each taxation year to ensure that the Fund is not liable for income tax under Part I of the Income Tax Act (Canada) (the "Act"), after taking into account any loss carry forwards and capital gains refunds.

All annual distributions paid on Class A, Class F, Class I and Class O units will be automatically reinvested in additional units. For Class FT and Class T units, unitholders will receive a target monthly distribution at an initial rate of 5% per annum. The target rate of monthly distribution will be reset at the beginning of each calendar year to provide a target yield based on the net asset value per Class FT unit or Class T unit as at December 31 of the prior year. Throughout the year, such monthly distributions to unitholders will be composed of net income, net capital gains and/or a return of capital. All distributions on Class FT and Class T units will be 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 11 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

# PICTON MAHONEY FORTIFIED EQUITY FUND

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As at December 31, 2024 and December 31, 2023

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 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 1.90%, on Class F units is 0.90%, on Class FT units is 0.90%, and on Class T units is 1.90%. The management fee for Class I and Class O 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.

#### (b) Performance Fees

The Manager receives a performance fee payable in respect of each class of units of the Fund. The performance fee is equal to the daily net asset value of the class of units of the Fund during the calendar quarter multiplied by 20% of the amount by which the total return of the class of units exceeds the total percentage increase or decrease in the blended benchmark consisting of 25% S&P/TSX Composite Total Return Index; 50% MSCI World Index (net total return, in Canadian dollars); and 25% FTSE TMX Canada 30 Day T-Bill Index (the "Performance Fee Index") since the end of the period for which the last performance fee was paid. If at any time the total return of the class of units of the Fund is less than its Performance Fee Index, then no performance fee will be payable until the total return of the class of units of the Fund relative to its Performance Fee Index has exceeded the amount of the deficiency calculated on a percentage basis. 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. The Manager has waived the performance fee for the Class O units of the Fund until August 31, 2024. The Manager reserves the option of extending or discontinuing this waiver of the Class O unit performance fee after August 31, 2024. For the year ended December 31, 2024, the Fund incurred performance fees of \$395,896 (December 31, 2023 - \$nil).

#### (c) Fund of Fund Expenses

When a Top 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 Top Fund. The fees and expenses of the underlying fund will have an impact on the management expense ratio of a Top Fund that invests in such underlying fund as the Top Fund is required, in determining its management expense ratio, to take into account the expenses incurred by the Top Fund that are attributable to its investment in the underlying fund. However, the Top 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 Top 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, its affiliate or associate, 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.**

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## **PICTON MAHONEY ASSET MANAGEMENT CORPORATE INFORMATION**

### **Corporate Address**

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### **Fund Administration & Transfer Agent**

#### **Picton Mahoney Funds**

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Canada M5V 3L3

### **Auditor**

#### **PricewaterhouseCoopers LLP**

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