

FORTIFIED MULTI-ASSET FUND



**THINK AHEAD.
STAY AHEAD.**

PICTON MAHONEY FORTIFIED MULTI-ASSET FUND

MANAGEMENT REPORT OF FUND PERFORMANCE (FOR THE YEAR ENDED DECEMBER 31, 2024)

This annual management report of fund performance contains financial highlights but does not contain the complete annual financial statements for Picton Mahoney Fortified Multi-Asset Fund (the "Fund"). If you have not received a copy of the annual financial statements with the management report of fund performance, you may obtain a copy of the annual financial statements, at no cost, by calling 416-955-4108 or toll-free at 1-866-369-4108, by writing to us at Picton Mahoney Asset Management, 33 Yonge Street, Suite 320, Toronto, Ontario, M5E 1G4, or by visiting our website at www.pictonmahoney.com or SEDAR+ at www.sedarplus.ca.

Securityholders may also contact us using one of these methods to request a copy of the Fund's interim financial report, proxy voting policies and procedures, proxy voting disclosure record or quarterly portfolio disclosure.

INVESTMENT OBJECTIVE AND STRATEGIES

The investment objective of the Picton Mahoney Fortified Multi-Asset Fund is to achieve long-term capital appreciation by investing primarily in global equity securities and global income securities while mitigating capital loss by engaging in hedging strategies for downside risk protection. Picton Mahoney Asset Management is the manager (the "Manager"), portfolio advisor (the "Portfolio Advisor") and the trustee (the "Trustee") of the Fund.

To achieve its investment objective, the Fund's portfolio will include a tactical blend of global equities, global fixed income securities, derivatives of the securities in these asset classes and cash. The Fund's tactical allocation to these asset classes is based on the Portfolio Advisor's general market outlook, which is derived from the Portfolio Advisor's proprietary fundamental and quantitative research and analysis.

The Fund will typically have exposure of 25% to 75% of its portfolio to global listed equity securities and 25% to 75% to global fixed income securities of public or private companies. However, based on the prevailing market conditions, the Portfolio Advisor may allocate up to 100% of its portfolio in any one asset class.

The global equity component will invest primarily in equities of issuers of varying sizes of market capitalization. The global fixed income component of the Fund's portfolio will be invested primarily in global high yield debt securities, and may also be invested in global investment grade debt securities, government bonds, loans, convertible bonds, preferred shares, and dividend-paying equity securities. The global equity and global fixed income components of the Fund's portfolio may be invested in equity and fixed income mutual funds managed by the Manager in order to obtain exposure to these securities.

The Fund may also choose to: i) invest up to 100% of its portfolio in foreign securities; ii) invest a portion of the Fund's assets in exchange-traded funds to gain exposure to the securities described herein; iii) engage in short selling in a manner which is consistent with the investment objectives of the Fund and as permitted by securities regulations; iv) engage in securities lending, repurchase and reverse repurchase transactions as permitted by securities regulations to seek to generate additional income; and v) use derivative instruments, such as options, futures, forward contracts and swaps, for both hedging and non-hedging strategies, in a manner which is consistent with the investment objectives of the Fund and as permitted by securities regulations, including to: 1) hedge against losses from changes in the prices of the Fund's investments and from exposure to foreign currencies; 2) implement option spreads by purchasing an option on a

security and simultaneously selling an option on the same security with the same expiry date; 3) write covered call options on the securities that the Fund owns in order to seek to generate income from option premium; and 4) gain exposure to individual securities and markets instead of buying the securities directly.

The Fund has also obtained exemptive relief from Canadian securities regulatory authorities to invest in ETFs listed on a Canadian or United States stock exchange that seek to replicate the daily performance of a widely-quoted market index (i) in an inverse multiple of 100%, or (ii) by a multiple of up to 200% or an inverse multiple of up to 200% (in either case, a "Permitted ETF"). In each case: (a) the investment would be made by the Fund in accordance with its investment objective; (b) the Fund would not short sell securities of any Permitted ETF; (c) the aggregate investment by the Fund in Permitted ETFs would not exceed 10% of the Fund's net asset value, taken at market value at the time of purchase; and (d) the Fund would not purchase securities of a Permitted ETF that tracks the inverse of its underlying index (a "Bear ETF") or short sell securities of any issuer if, immediately after such purchase or short sale, more than 20% of the net asset value of the Fund, taken at market value at the time of the transaction, would consist of, in aggregate, securities of Bear ETFs and all securities sold short by the Fund.

RISK

There is no assurance that the Fund will be able to achieve its total return, capital preservation and distribution investment objectives. There is no assurance that the portfolio will earn any return and no assurances can be given as to the amount of distributions in future years and that the net asset value (the "NAV") of the Fund will appreciate or be preserved.

While risks are numerous, we believe the following are the most pertinent ones to be mindful of today:

1. **Equity Investment Risk** – Equity investments, such as stocks, carry several risks. A number of factors may cause the price of a stock to fall. These include specific developments relating to the company, stock market conditions where the company's securities trade and general economic, financial and political conditions in the countries where the company operates. Since a Fund's unit price is based on the value of its investments, an overall decline in the value of the stocks it holds will reduce the value of the Fund and, therefore, the value of your investment. However if the price of the stocks in the portfolio increases, your investment will be worth more. Equity funds generally tend to be more volatile than fixed income funds, and the value of their units can vary widely.
2. **Fixed Income Investment Risk** – Certain general investment risks can affect fixed income investments in a manner similar to equity investments. For example, specific developments relating to a company and general financial, political and economic (other than interest rate) conditions in the country in which the company operates. For government fixed income investments, general economic, financial and political conditions may affect the value of government securities. Since a Fund's unit price is based on the value of its investments, an overall decline in the value of its fixed income investments will reduce the value of the Fund and therefore, the value of your investment. However, your investment will be worth more if the value of the fixed income investments in the portfolio increases.
3. **Credit Risk** – An issuer of a bond or other fixed income investment may not be able to pay interest or to repay the principal at maturity. The risk of

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this occurring is greater with some issuers than with others. For example, the risk of default is quite low for most government and high quality corporate securities. Where this risk is considered greater, the interest rate paid by the issuer is generally higher than for an issuer where this risk is considered to be lower. This risk could increase or decline during the term of the fixed income investment. Companies and governments that borrow money, as well as their debt securities, may be rated by specialized rating agencies. A downgrade in an issuer's credit rating or other adverse news regarding an issuer can reduce a security's market value. Lower rated debt instruments generally offer a better yield than higher-grade debt instruments, but have the potential for substantial loss.

For further details relating to risks of investing in the Fund, please refer to the *Specific Investment Risks*, *Investment Risk Classification Methodology*, and *Who Should Invest in the Funds* sections of the Simplified Prospectus.

RESULTS OF OPERATIONS

For the year January 1, 2024 to December 31, 2024, the net asset value of the Fund increased by approximately \$20.4 million from \$172.2 million to \$192.6 million. During the same period, performance on the Fund's portfolio increased its assets by \$26.7 million. The Fund also received \$32.7 million in proceeds, had reinvestment of distributions of \$4.2 million, had net redemptions of \$38.1 million and paid distributions totaling \$5.1 million. For the year ended December 31, 2024, the Fund Class A units returned 15.00%, the Fund Class F units returned 16.29%, the Fund Class FT units returned 16.33%, the Fund Class T units returned 15.04%, and the Fund Class I units returned 17.46%. Class A, F, FT, T, and I units all outperformed the reference index (the "Performance Fee Index"). The Performance Fee Index is comprised of 15% S&P/TSX Composite Total Return Index, 30% MSCI World Index, 10% FTSE TMX Canada 30 Day T-Bill Index, 25% BofA Merrill Lynch Global High Yield Index, 5% BofA Merrill Lynch Global Corporate Index, and 15% BofA Merrill Lynch G7 Global Government Index reported in Canadian dollars. The Performance Fee Index returned 14.39% over the same period.

Equities were the feature in 2024 as the soft-landing narrative for the U.S. economy gained traction through the year, bolstering positive sentiment which culminated in a year-end rally associated with a "business friendly" Trump election win. Aside from a couple contained pullbacks, the trend in equities was generally positive and sustained. The volatility, however, was on the fixed income side of a "balanced" ledger, with the benchmark U.S. 10-Year Treasury yield exploring a roughly 80-100 basis point range in three phases through the year. As the inflation narrative calmed and resurged into year-end (again, on the back of the Trump win), "balanced" investors seemed to be grappling with a new reality. That said, the Fund had strong returns for the period, despite being underweight relative to a traditional 60% equity allocation, demonstrating risk management, diversification and less sensitivity to the level and direction of interest rates.

While equity gains skated most balanced investors to respectable returns, the quality of these returns leaves something to be desired. For instance, the widely known concentration risk in U.S. mega-cap tech names has continued to power index-level gains while brewing a potential bubble in valuations. For its part, the Fund has enjoyed competitive equity returns without a like-for-like reliance on the so-called "Magnificent 7". Moreover, regression analysis of returns versus asset class risks continues to demonstrate a noteworthy relative lack of sensitivity to interest rate risk (in both fixed income and equity allocations) versus peers and benchmark returns.

The Picton Mahoney Multi-Asset Strategies team continues to believe that striving for and achieving diversification benefits in portfolios is highly additive to the investor experience of headline returns meeting or exceeding plan. Moreover, as these market environments tend to mask lurking macro-level risks, diversification benefits achieved in real-time are often similarly ignored.

Our proprietary economic cycle models were largely more cautious through the year than the sentiment exhibited in the marketplace, but as noted above, our "underweight" equity allocation participated in upside capture when markets offered it. Over longer horizons, the Fund's downside capture / volatility experience has been a more noteworthy feature of the strategy.

The Fund maintained a core allocation to inflation-sensitive assets via the Picton Mahoney Fortified Inflation Opportunities Fund (an allocation within the 10% limit in alternative investments) and we believe it is appropriately weighted to capture inflation-linked returns when the impulse exists in the marketplace. Our proprietary inflation cycle model experienced some episodic "bursts" of inflation impulse, and the component Fund's embedded risk management framework helps ensure capital is appropriately risk-budgeted around inflation dynamics.

Through the period, portfolio hedges were relatively flat, costing the Fund in the front half of the year and contributing to gains in the back half. We remain confident that the Fund is well diversified and mitigating macro-level risks, especially interest rate sensitivity.

RECENT DEVELOPMENTS

As at period-end, our proprietary economic cycle model has shifted toward a more constructive stance than it held earlier in the year. While this is seemingly in agreement with the soft-landing narrative in the marketplace, we are nonetheless cautious of a brewing equity bubble, concentrated in high-growth, high multiple U.S. tech mega-caps. As such, we are loathe to allocate further to risk assets, preferring that our equity style will participate in market upside as well as seeking cost-effective hedges on downside risk, should it materialize.

As noted above, we continue to carry equity allocation below that of a traditional 60/40 "balanced" model. Moreover, as the period under review drew to a close, within our maximized alternatives allocation, we are poised to take advantage of further upside in equities by shifting from long-short equity exposure (i.e. net long at roughly 0.5x beta) toward more market neutral exposure (i.e. zero / negligible beta). While cautious on equity risk in a brewing bubble, the underweight allocation has also allowed us to redistribute equity risk to alternatives including inflation-linked returns via the Picton Mahoney Fortified Inflation Opportunities Fund, on the continued belief that dedicated inflation exposure (risk-weighted, of course) should be part of a robust strategic asset allocation.

One of the more dynamic market forces of late has been the discounting of forward monetary policy and with the U.S. Federal Reserve becoming less dovish in their December meeting, the volatility in interest rates is becoming a challenge for balanced portfolios which exhibit a high degree of interest rate sensitivity. While many investors prefer to wage this battle in their fixed income sleeves, we believe that shortening duration is merely a way to play defense amid rate volatility tied to a potential resurgence in inflation. We encourage investors to explore a wider toolkit and note the Fund's dedicated

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exposure to inflation-linked returns. We note our fundamental equity research efforts are also squarely focused on capturing emergent themes around inflation dynamics as well, not the least of which is the persistent “services” inflation vs the more tamed “goods” inflation.

RELATED PARTY TRANSACTIONS

Picton Mahoney Asset Management is the manager (the “Manager”), portfolio advisor (the “Portfolio Advisor”), and trustee (“the Trustee”) of the Fund. The Manager is an investment manager focused on equity and fixed income securities investments with approximately \$12.0 billion of assets under management as of December 31, 2024. The Fund holds: i) 3,610,848 units (market value of \$84,259,869) totaling 68.57% of the net assets of Picton Mahoney Fortified Equity Fund; ii) 2,431,151 units (market value of \$31,087,611) totaling 3.73% of the net assets of Picton Mahoney Fortified Income Fund; iii) 61,828 units (market value of \$1,546,931) totaling 0.87% of the net assets of Picton Mahoney Fortified Active Extension Alternative Fund; iv) 362,265 units (market value of \$7,606,701) totaling 1.05% of the net assets of Picton Mahoney Fortified Long Short Alternative Fund; v) 32,599 units (market value of \$327,740) totaling 0.10% of the net assets of Picton Mahoney Fortified Special Situations Alternative Fund; vi) 7,876 units (market value of \$147,871) totaling 0.01% of the net assets of Picton Mahoney Fortified Market Neutral Alternative Fund; and vii) 934,067 units (market value of \$9,347,771) totaling 47.63% of the net assets of Picton Mahoney Fortified Inflation Opportunities Alternative Fund. As at December 31, 2024, the Manager holds 535 units of Class I (December 31, 2023 - 758 units of Class I). For the year ended December 31, 2024, the Manager has absorbed \$47,840 of expenses.

Management Fees

As a result of providing investment and management services, the Manager receives a management fee calculated and accrued daily based on the NAV of the class of units of the Fund, plus applicable taxes, payable on the last day of each calendar quarter. For the year ended December 31, 2024, the Fund incurred management fees of \$2,433,036 (December 31, 2023 - \$2,297,372). Management fees in respect of Class I units are direct fees negotiated with the investor, paid directly by the investor, and would not exceed the management fee payable on Class A units of the Fund. The Manager uses these management fees to pay for sales and trailing commissions to registered dealers on the distribution of the Fund's shares, investment advice, as well as general administrative expenses relating to Picton Mahoney's role as Manager. The following is a breakdown:

As a Percentage of Management Fees			
	Annual Rates	Dealer Compensation	General Administration and Investment Advice
Class A units	1.90%	52.78%	47.22%
Class F units	0.90%	-	100.00%
Class FT units	0.90%	-	100.00%
Class T units	1.90%	52.84%	47.16%

Out of the management fees that the Manager received from the Fund, the Manager paid trailer commissions of \$533,731 for the year ended December 31, 2024.

Performance Fees

The Manager receives a performance fee in respect of each class of units of the Fund. The performance fee is equal to the daily NAV of the class of units of a 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 a reference index (the “Performance Fee Index”) since the end of the period for which the last performance fee was paid, plus applicable taxes. If at any time the total return of the class of units of a 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 such Fund relative to its Performance Fee Index exceeds 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. For the year ended December 31, 2024, the Fund incurred no performance fees (December 31, 2023 - \$nil).

Independent Review Committee

The Fund receives standing instructions (the “SI”) from the independent review committee (the “IRC”). The SI constitutes a written approval or recommendation from the IRC that permits the Manager to proceed with specific action(s) set out in the SI on an ongoing basis. The SI is designed to ensure that the Manager's actions are carried out in accordance with the law, the instrument and the Manager's policies and procedures in order to achieve a fair and reasonable result for the Fund. The SI outlines actions related to i) Fees and Expenses; ii) Trade Allocations; iii) Broker Selections; iv) Code of Ethics and Conduct; v) Portfolio Pricing Issues, amongst other things. The Manager must provide the IRC with a written report summarizing each instance where the Manager has relied on the SI. For the year ended December 31, 2024, the IRC did not provide any recommendations to the Manager.

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FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past periods as applicable.

Class A Units - Net Assets per Unit					
	Dec 31, 2024(\$)	Dec 31, 2023(\$)	Dec 31, 2022(\$)	Dec 31, 2021(\$)	Dec 31, 2020(\$)
Net Assets, beginning of year	15.36	14.31	15.60	14.23	12.43
Increase (decrease) from operations:					
Total revenue	0.93	0.43	0.27	0.21	0.22
Total expense	(0.40)	(0.35)	(0.34)	(0.34)	(0.32)
Realized gains (losses)	0.47	0.22	0.27	0.29	0.46
Unrealized gains (losses)	1.31	0.73	(1.49)	1.14	1.42
Total increase (decrease) from operations⁽¹⁾	2.31	1.03	(1.29)	1.30	1.78
Distributions:					
From income	(0.20)	-	-	-	-
From dividends	-	-	-	-	-
From capital gains	(0.21)	-	-	-	-
Return of capital	-	-	-	-	-
Total annual distributions⁽¹⁾⁽²⁾	(0.41)	-	-	-	-
Net Assets, end of year	17.25	15.36	14.31	15.60	14.23

Class A Units - Ratios/Supplemental Data					
	Dec 31, 2024(\$)	Dec 31, 2023(\$)	Dec 31, 2022(\$)	Dec 31, 2021(\$)	Dec 31, 2020(\$)
Total Net Asset Value (\$000's) ⁽³⁾	56,368	49,552	48,934	52,966	32,334
Number of units outstanding (000's) ⁽³⁾	3,268	3,226	3,418	3,395	2,272
Management expense ratio ⁽⁴⁾	2.46%	2.48%	2.50%	2.54%	2.51%
Management expense ratio before waivers or absorptions	2.48%	2.51%	2.52%	2.58%	2.61%
Trading expense ratio, excluding short dividend and interest expense ⁽⁵⁾	0.33%	0.37%	0.51%	0.41%	0.39%
Trading expense ratio, including short dividend and interest expense ⁽⁵⁾	0.54%	0.66%	0.86%	0.82%	0.75%
Portfolio turnover rate ⁽⁶⁾	22.41%	22.54%	33.04%	4.10%	30.48%
Net Asset Value per unit	17.25	15.36	14.31	15.60	14.23

Class F Units - Net Assets per Unit					
	Dec 31, 2024(\$)	Dec 31, 2023(\$)	Dec 31, 2022(\$)	Dec 31, 2021(\$)	Dec 31, 2020(\$)
Net Assets, beginning of year	16.55	15.25	16.52	14.95	12.98
Increase (decrease) from operations:					
Total revenue	1.02	0.46	0.28	0.23	0.24
Total expense	(0.23)	(0.20)	(0.27)	(0.25)	(0.22)
Realized gains (losses)	0.50	0.24	0.31	0.37	0.47
Unrealized gains (losses)	1.40	0.80	(1.62)	1.15	1.47
Total increase (decrease) from operations⁽¹⁾	2.69	1.30	(1.30)	1.50	1.96
Distributions:					
From income	(0.22)	-	-	-	-
From dividends	-	-	-	-	-
From capital gains	(0.23)	-	-	-	-
Return of capital	-	-	-	-	-
Total annual distributions⁽¹⁾⁽²⁾	(0.45)	-	-	-	-
Net Assets, end of year	18.79	16.55	15.25	16.52	14.95

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Class F Units - Ratios/Supplemental Data					
	Dec 31, 2024(\$)	Dec 31, 2023(\$)	Dec 31, 2022(\$)	Dec 31, 2021(\$)	Dec 31, 2020(\$)
Total Net Asset Value (\$000's) ⁽³⁾	111,285	99,774	103,140	126,844	58,178
Number of units outstanding (000's) ⁽³⁾	5,921	6,030	6,763	7,679	3,891
Management expense ratio ⁽⁴⁾	1.34%	1.36%	1.85%	1.65%	2.01%
Management expense ratio before waivers or absorptions	1.37%	1.39%	1.87%	1.69%	2.10%
Trading expense ratio, excluding short dividend and interest expense ⁽⁵⁾	0.33%	0.37%	0.51%	0.41%	0.39%
Trading expense ratio, including short dividend and interest expense ⁽⁵⁾	0.54%	0.66%	0.86%	0.82%	0.75%
Portfolio turnover rate ⁽⁶⁾	22.41%	22.54%	33.04%	4.10%	30.48%
Net Asset Value per unit	18.79	16.55	15.25	16.52	14.95

Class FT Units - Net Assets per Unit					
	Dec 31, 2024(\$)	Dec 31, 2023(\$)	Dec 31, 2022(\$)	Dec 31, 2021(\$)	Dec 31, 2020(\$)
Net Assets, beginning of year	11.13	10.77	12.33	11.71	10.67
Increase (decrease) from operations:					
Total revenue	0.66	0.32	0.20	0.17	0.23
Total expense	(0.15)	(0.14)	(0.19)	(0.19)	(0.17)
Realized gains (losses)	0.33	0.16	0.22	0.23	0.29
Unrealized gains (losses)	0.94	0.54	(1.17)	0.94	1.66
Total increase (decrease) from operations⁽¹⁾	1.78	0.88	(0.94)	1.15	2.01
Distributions:					
From income	(0.56)	(0.20)	-	-	-
From dividends	-	-	-	-	-
From capital gains	-	(0.29)	-	-	-
Return of capital	-	(0.05)	(0.62)	(0.60)	(0.56)
Total annual distributions⁽¹⁾⁽²⁾	(0.56)	(0.54)	(0.62)	(0.60)	(0.56)
Net Assets, end of year	12.36	11.13	10.77	12.33	11.71

Class FT Units - Ratios/Supplemental Data					
	Dec 31, 2024(\$)	Dec 31, 2023(\$)	Dec 31, 2022(\$)	Dec 31, 2021(\$)	Dec 31, 2020(\$)
Total Net Asset Value (\$000's) ⁽³⁾	23,383	21,207	18,636	22,092	12,741
Number of units outstanding (000's) ⁽³⁾	1,892	1,905	1,730	1,792	1,088
Management expense ratio ⁽⁴⁾	1.31%	1.34%	1.84%	1.65%	2.01%
Management expense ratio before waivers or absorptions	1.34%	1.37%	1.87%	1.68%	2.28%
Trading expense ratio, excluding short dividend and interest expense ⁽⁵⁾	0.33%	0.37%	0.51%	0.41%	0.39%
Trading expense ratio, including short dividend and interest expense ⁽⁵⁾	0.54%	0.66%	0.86%	0.82%	0.75%
Portfolio turnover rate ⁽⁶⁾	22.41%	22.54%	33.04%	4.10%	30.48%
Net Asset Value per unit	12.36	11.13	10.77	12.33	11.71

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Class T Units - Net Assets per Unit					
	Dec 31, 2024(\$)	Dec 31, 2023(\$)	Dec 31, 2022(\$)	Dec 31, 2021(\$)	Dec 31, 2020(\$)
Net Assets, beginning of year	10.29	10.07	11.60	11.10	10.18
Increase (decrease) from operations:					
Total revenue	0.56	0.30	0.19	0.16	0.18
Total expense	(0.26)	(0.24)	(0.25)	(0.26)	(0.25)
Realized gains (losses)	0.32	0.14	0.22	0.20	0.34
Unrealized gains (losses)	0.91	0.50	(1.15)	0.90	1.11
Total increase (decrease) from operations⁽¹⁾	1.53	0.70	(0.99)	1.00	1.38
Distributions:					
From income	(0.52)	(0.19)	-	-	-
From dividends	-	-	-	-	-
From capital gains	-	(0.27)	-	-	-
Return of capital	-	(0.05)	(0.58)	(0.56)	(0.52)
Total annual distributions⁽¹⁾⁽²⁾	(0.52)	(0.51)	(0.58)	(0.56)	(0.52)
Net Assets, end of year	11.29	10.29	10.07	11.60	11.10

Class T Units - Ratios/Supplemental Data					
	Dec 31, 2024(\$)	Dec 31, 2023(\$)	Dec 31, 2022(\$)	Dec 31, 2021(\$)	Dec 31, 2020(\$)
Total Net Asset Value (\$000's) ⁽³⁾	1,596	1,722	1,278	1,745	1,182
Number of units outstanding (000's) ⁽³⁾	141	167	127	150	107
Management expense ratio ⁽⁴⁾	2.43%	2.44%	2.46%	2.54%	2.51%
Management expense ratio before waivers or absorptions	2.45%	2.47%	2.49%	2.55%	2.65%
Trading expense ratio, excluding short dividend and interest expense ⁽⁵⁾	0.33%	0.37%	0.51%	0.41%	0.39%
Trading expense ratio, including short dividend and interest expense ⁽⁵⁾	0.54%	0.66%	0.86%	0.82%	0.75%
Portfolio turnover rate ⁽⁶⁾	22.41%	22.54%	33.04%	4.10%	30.48%
Net Asset Value per unit	11.29	10.29	10.07	11.60	11.10

Class I Units - Net Assets per Unit					
	Dec 31, 2024(\$)	Dec 31, 2023(\$)	Dec 31, 2022(\$)	Dec 31, 2021(\$)	Dec 31, 2020(\$)
Net Assets, beginning of year	18.49	16.87	18.00	16.08	13.75
Increase (decrease) from operations:					
Total revenue	0.95	0.52	0.31	0.23	0.24
Total expense	(0.06)	(0.05)	(0.04)	(0.02)	(0.05)
Realized gains (losses)	0.63	0.26	0.31	0.28	0.52
Unrealized gains (losses)	1.78	0.89	(1.71)	1.43	1.55
Total increase (decrease) from operations⁽¹⁾	3.30	1.62	(1.13)	1.92	2.26
Distributions:					
From income	(0.25)	-	-	-	-
From dividends	-	-	-	-	-
From capital gains	(0.26)	-	-	-	-
Return of capital	-	-	-	-	-
Total annual distributions⁽¹⁾⁽²⁾	(0.51)	-	-	-	-
Net Assets, end of year	21.20	18.49	16.87	18.00	16.08

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Class I Units - Ratios/Supplemental Data					
	Dec 31, 2024(\$)	Dec 31, 2023(\$)	Dec 31, 2022(\$)	Dec 31, 2021(\$)	Dec 31, 2020(\$)
Total Net Asset Value (\$000's) ⁽³⁾	11	14	13	14	12
Number of units outstanding (000's) ⁽³⁾	1	1	1	1	1
Management expense ratio ⁽⁴⁾	0.34%	0.37%	0.38%	0.44%	0.44%
Management expense ratio before waivers or absorptions	0.37%	0.40%	0.41%	0.48%	0.44%
Trading expense ratio, excluding short dividend and interest expense ⁽⁵⁾	0.33%	0.37%	0.51%	0.41%	0.39%
Trading expense ratio, including short dividend and interest expense ⁽⁵⁾	0.54%	0.66%	0.86%	0.82%	0.75%
Portfolio turnover rate ⁽⁶⁾	22.41%	22.54%	33.04%	4.10%	30.48%
Net Asset Value per unit	21.20	18.49	16.87	18.00	16.08

EXPLANATORY NOTES

(1) Net Assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period.

(2) Distributions were paid in cash, reinvested in additional units of the Fund, or both.

(3) This information is provided as at the periods shown.

(4) The management expense ratio ("MER") is based on total expenses (excluding commissions and other portfolio transaction costs) for the stated period and is expressed as an annualized percentage of daily average net asset value during the period. In the period the class is established, the MER is annualized. Effective August 20, 2019, the management fee was changed in respect of certain classes of the Fund. If the change to the management fee would have been in effect throughout 2019, the adjusted MER for each class of the Fund would be: Class A - 2.40%, Class F - 1.29%, Class FT - 1.29%, Class T - 2.40%.

(5) The trading expense ratio ("TER") represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. In the period the class is established, the TER is annualized. The TER is calculated at the fund level and applies to all classes of the Fund. The Fund's TER is shown both with and without the short dividend expense from equities and interest expense from fixed income securities.

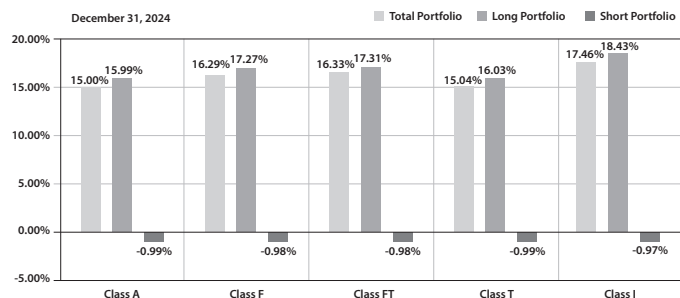
(6) The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher a fund's portfolio turnover rate in a year, the greater the trading costs payable by the fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of a fund. Portfolio turnover rate is calculated based on the lesser of the cost of purchases or proceeds of sales divided by the average market value of the portfolio, excluding short-term investments.

PICTON MAHONEY FORTIFIED MULTI-ASSET FUND

MANAGEMENT REPORT OF FUND PERFORMANCE (FOR THE YEAR ENDED DECEMBER 31, 2024)

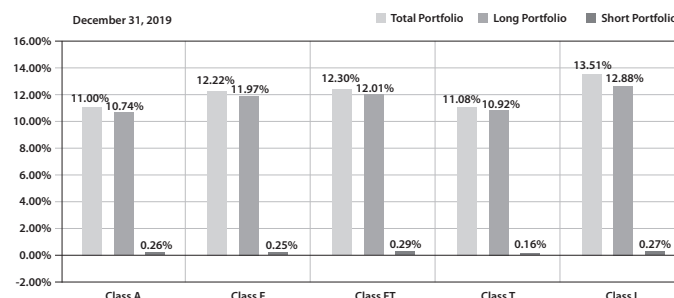
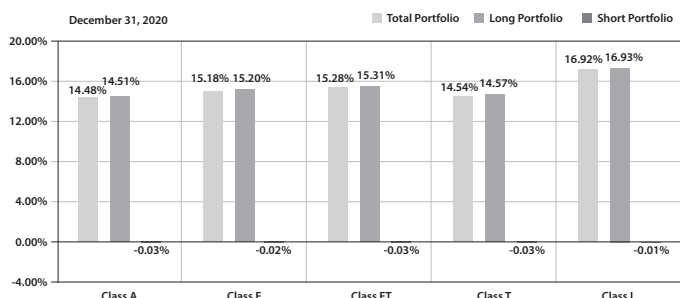
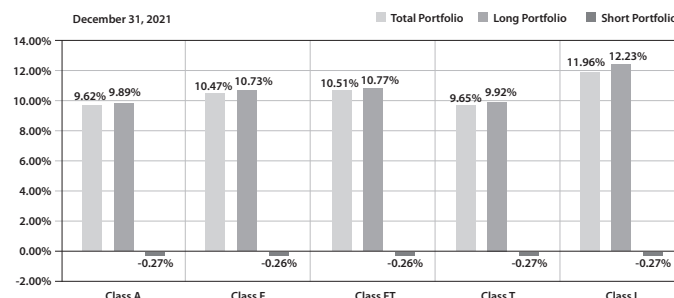
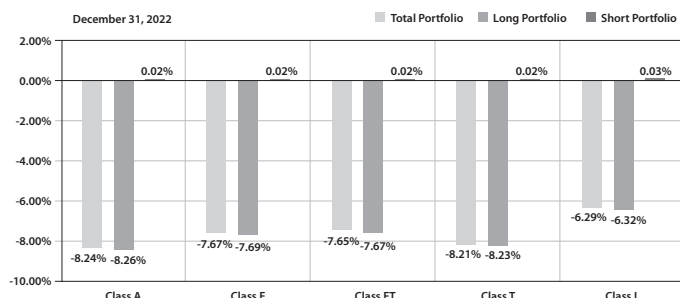
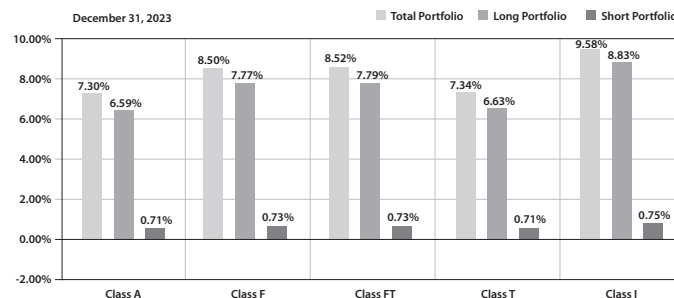
PAST PERFORMANCE

This section describes the Fund's performance over the past period since inception. The information shown assumes that any distributions made by the Fund were reinvested in additional units of the Fund. All rates of returns are calculated based on the NAV of the particular series of the Fund. Past returns of the Fund do not necessarily indicate how it will perform in the future.



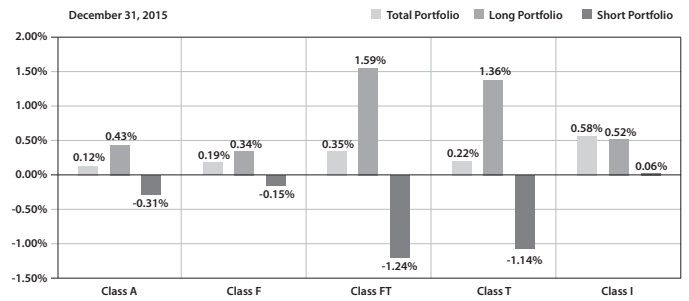
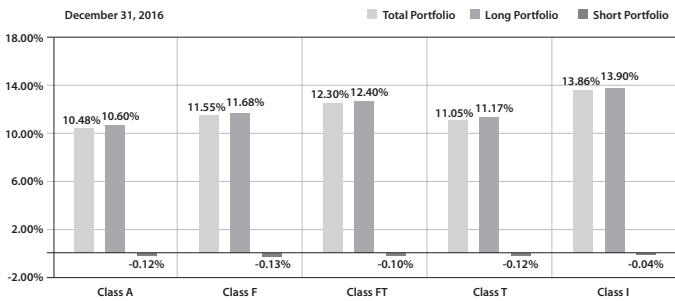
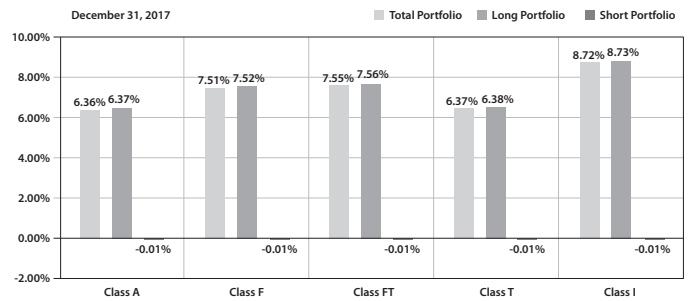
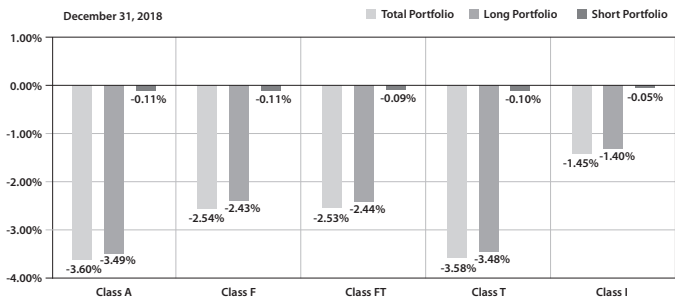
Year-by-Year>Returns

The following chart indicates the annual performance of each series of the Fund each year from inception on October 29, 2015 to December 31, 2024. The chart shows, in percentage terms, how much an investment made on the first day of the period would have grown or decreased by the last day of the period.



PICTON MAHONEY FORTIFIED MULTI-ASSET FUND

MANAGEMENT REPORT OF FUND PERFORMANCE (FOR THE YEAR ENDED DECEMBER 31, 2024)



PICTON MAHONEY FORTIFIED MULTI-ASSET FUND

MANAGEMENT REPORT OF FUND PERFORMANCE (FOR THE YEAR ENDED DECEMBER 31, 2024)

COMPOUND RETURNS

The following table presents the compound returns of the units of the Fund as compared to the Performance Fee Index for the years indicated to December 31, 2024.

The Performance Fee Index is comprised of 15% S&P/TSX Composite Total Return Index, 30% MSCI World Index, 10% FTSE TMX Canada 30 Day T-Bill Index, 25% BofA Merrill Lynch Global High Yield Index, 5% BofA Merrill Lynch Global Corporate Index, and 15% BofA Merrill Lynch G7 Global Government Index reported in Canadian dollars.

Further discussion of the Fund's performance can be found within the Results of Operations section.

Compound Returns	1 Year	3 Year	5 Year	Since Inception
Total portfolio - Class A units	15.00%	4.22%	7.27%	6.55%
Long portfolio - Class A units	15.99%	4.54%	7.91%	7.31%
Short portfolio - Class A units	-0.99%	-0.32%	-0.64%	-0.76%
Total portfolio - Class F units	16.29%	5.22%	8.18%	7.54%
Long portfolio - Class F units	17.27%	5.47%	8.74%	8.19%
Short portfolio - Class F units	-0.98%	-0.25%	-0.56%	-0.65%
Total portfolio - Class FT units	16.33%	5.24%	8.22%	7.68%
Long portfolio - Class FT units	17.31%	5.56%	8.89%	8.74%
Short portfolio - Class FT units	-0.98%	-0.32%	-0.67%	-1.06%
Total portfolio - Class T units	15.04%	4.26%	7.31%	6.65%
Long portfolio - Class T units	16.03%	4.56%	7.95%	7.41%
Short portfolio - Class T units	-0.99%	-0.30%	-0.64%	-0.76%
Total portfolio - Class I units	17.46%	6.44%	9.55%	8.96%
Long portfolio - Class I units	18.43%	6.70%	10.10%	8.23%
Short portfolio - Class I units	-0.97%	-0.26%	-0.55%	0.73%
Performance Fee Index	14.39%	5.17%	6.81%	6.85%

PICTON MAHONEY FORTIFIED MULTI-ASSET FUND

MANAGEMENT REPORT OF FUND PERFORMANCE (FOR THE YEAR ENDED DECEMBER 31, 2024)

SUMMARY OF INVESTMENT PORTFOLIO AS AT DECEMBER 31, 2024

Portfolio by Category		Top 25 Holdings	
	Percentage of Net Asset Value (%)		Percentage of Net Asset Value (%)
LONG POSITIONS		LONG POSITIONS	
Canadian Equities	76.8%	Picton Mahoney Fortified Equity Fund	43.7%
Investment Funds	69.9%	Picton Mahoney Fortified Income Fund	16.1%
Index Equivalents	6.8%	Cash	7.1%
Financials	0.1%	iShares S&P/TSX 60 Index ETF	5.1%
Global Equities	6.9%	Picton Mahoney Fortified Inflation Opportunities Alternative Fund	4.9%
International Index Equivalents	6.5%	Picton Mahoney Fortified Long Short Alternative Fund	3.9%
United States	0.4%	Canadian Treasury Bill 3.582%, 2025-01-15	3.2%
Canadian Debt	9.7%	Canadian Treasury Bill 3.131%, 2025-03-27	3.2%
Short term debt	9.7%	Canadian Treasury Bill 3.489%, 2025-02-27	3.2%
Derivatives	0.2%	iShares Core Canadian Government Bond Index ETF	1.4%
Total Long Positions	93.6%	iShares 7-10 Year Treasury Bond ETF	1.2%
SHORT POSITIONS		Xtrackers Harvest CSI 300 China A-Shares ETF	1.0%
Derivatives	-0.4%	iShares MSCI Mexico ETF	0.9%
Total Short Positions	-0.4%	Picton Mahoney Fortified Active Extension Alternative Fund	0.8%
Cash	7.1%	iShares MSCI India ETF	0.8%
Other Liabilities (net)	-0.3%	iShares MSCI South Africa ETF	0.8%
Total	100.0%	iShares MSCI Brazil ETF	0.8%
		iShares 20+ Year Treasury Bond ETF	0.7%
		iShares Russell 2000 Value ETF	0.5%
		3iQ Bitcoin ETF	0.2%
		Eagle SPV LP	0.2%
		Picton Mahoney Fortified Special Situations Alternative Fund	0.2%
		Inovia Coinvestors SPV IV	0.1%
		Preservation Capital Partners Strategic Opportunities I LP	0.1%
		Sprott Physical Uranium Trust	0.1%
		Total Net Asset Value (\$000)	192,643

The Summary of Investment Portfolio may change due to ongoing portfolio transactions. A quarterly update is available on our website at www.pictonmahoney.com. Picton Mahoney Fortified Multi-Asset Fund invests in other investment funds. The prospectus and other information about the underlying investment funds are available on the internet at www.sedarplus.ca.

CAUTION REGARDING FORWARD-LOOKING STATEMENTS

This report may contain forward-looking statements about the Fund, its future performance, strategies and events. Forward-looking statements include words such as "anticipates," "believe," "could," "expect," "estimate," "may" or negative versions thereof and similar expressions. By their nature, forward-looking statements make assumptions on future events that are subject to inherent risks and uncertainties. There is significant risk that predictions on the Fund, future events and economic conditions will not prove to be accurate. Forward-looking statements are not guarantees of future performance and actual results may differ materially from management projected expectations due to factors such as general market and economic conditions, interest rates and foreign currency fluctuations, changes to regulatory requirements and guidelines, changes in technology, effects of competition in the various business areas and unforeseen natural disasters and catastrophes. As a result of these factors, readers of this document are cautioned not to place undue reliance on these statements and before making any investment decisions should clearly consider these factors, among other factors. All opinions contained in the forward-looking statements are subject to change without notice and are provided in good faith, unless required by applicable law.

**THINK AHEAD.
STAY AHEAD.**

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PICTON MAHONEY ASSET MANAGEMENT CORPORATE INFORMATION

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