

PICTON MAHONEY INCOME OPPORTUNITIES FUND — A

March 31, 2024

Fund Details

Inception Date :

December 31, 2009

Fund Size : \$280.84MM

Management Fee :

2.00%

Performance Fee :

17.50%^

Hurdle Rate : 5.00%

High Water Mark : Yes

Distributions : Monthly

Target Distribution :

5.00%

Fund Strategy :

Long Short Credit

Fund Framework :

Hedge Fund (Offering Memorandum)

^ of performance above a 5% hurdle rate with a perpetual high water mark

Portfolio

Management



Phil Mesman
Head of Fixed Income



Sam Acton
Portfolio Manager, Fixed Income

Investment Objective

The Fund's objective is to provide consistent long-term capital appreciation with an attractive risk-adjusted rate of return. The Fund aims to build a portfolio that is long the most attractive securities and short the most unattractive securities based on our multi-factor ranking system. We will buy income securities with superior credit quality and reasonable valuations and sell short income securities with inferior credit quality and expensive valuations. This portfolio will be structured to have positive but not full income market exposure.

Why Invest

Diversify Your Portfolio

With a solution that aims to provide income and capital gains with low correlation to other income assets.

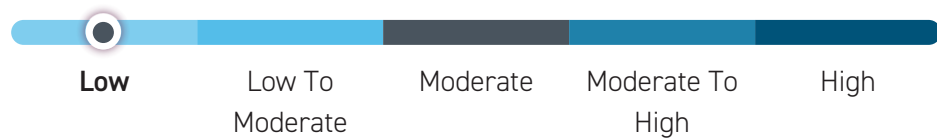
Benefit From Proven Managers

Experienced running Authentic Hedge® strategies for over a decade.

Mitigate Income Investing Risks

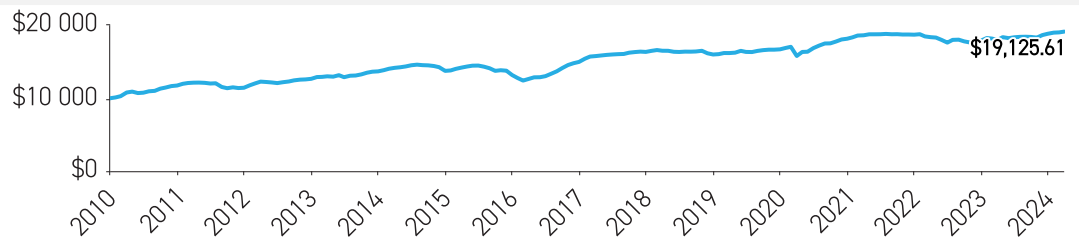
With a fund designed with a tool kit to hedge the risks with income investing.

Risk: Low



Growth of \$10,000 As at March 31, 2024

Investment value: **\$19,125.61** at March 28, 2024



Compound Returns † As at March 31, 2024

| | 1 mth | 3 mths | 6 mths | YTD | 1 yr | 3 yrs* | 5 yrs* | 10 yrs* | Since Inception* |
|--|-------|--------|--------|-------|-------|--------|--------|---------|------------------|
| Picton Mahoney Income Opportunities Fund A | 0.56% | 1.57% | 3.95% | 1.57% | 6.35% | 0.89% | 3.39% | 3.05% | 4.66% |

| | 1 mth | 3 mths | 6 mths | YTD | 1 yr | 3 yrs* | 5 yrs* | 10 yrs* | Since | Inception* |
|------------------------|----------|-----------|-----------|-------|---------|-----------|-----------|------------|-------|------------|
| Benchmark ¹ | 1.07% | 1.45% | 8.03% | 1.45% | 9.23% | 0.27% | 2.53% | 3.57% | | 5.50% |

¹ 75% ICE BofA Global High Yield Index / 25% ICE BofA Global Corporate Index (TR) (Hedged to CAD)

† The rate of return shown above is used only to illustrate the effects of the compound growth rate and is not intended to reflect future values of the investment fund, or returns on investment in the investment fund.

* refers to average annualized performance.

Calendar Returns As at March 31, 2024

| | Picton Mahoney Income Opportunities Fund A | Benchmark ¹ |
|-------------|--|------------------------|
| 2010 | 17.42% | 13.27% |
| 2011 | -2.60% | 3.91% |
| 2012 | 10.68% | 17.48% |
| 2013 | 8.10% | 6.07% |
| 2014 | 0.48% | 4.65% |
| 2015 | -4.13% | -1.36% |
| 2016 | 13.62% | 13.18% |
| 2017 | 9.13% | 6.92% |
| 2018 | -2.16% | -2.46% |
| 2019 | 4.43% | 13.00% |
| 2020 | 8.70% | 5.72% |
| 2021 | 3.04% | 1.99% |
| 2022 | -4.36% | -12.49% |
| 2023 | 5.26% | 10.99% |

¹ 75% ICE BofA Global High Yield Index / 25% ICE BofA Global Corporate Index (TR) (Hedged to CAD)

Risk Measures

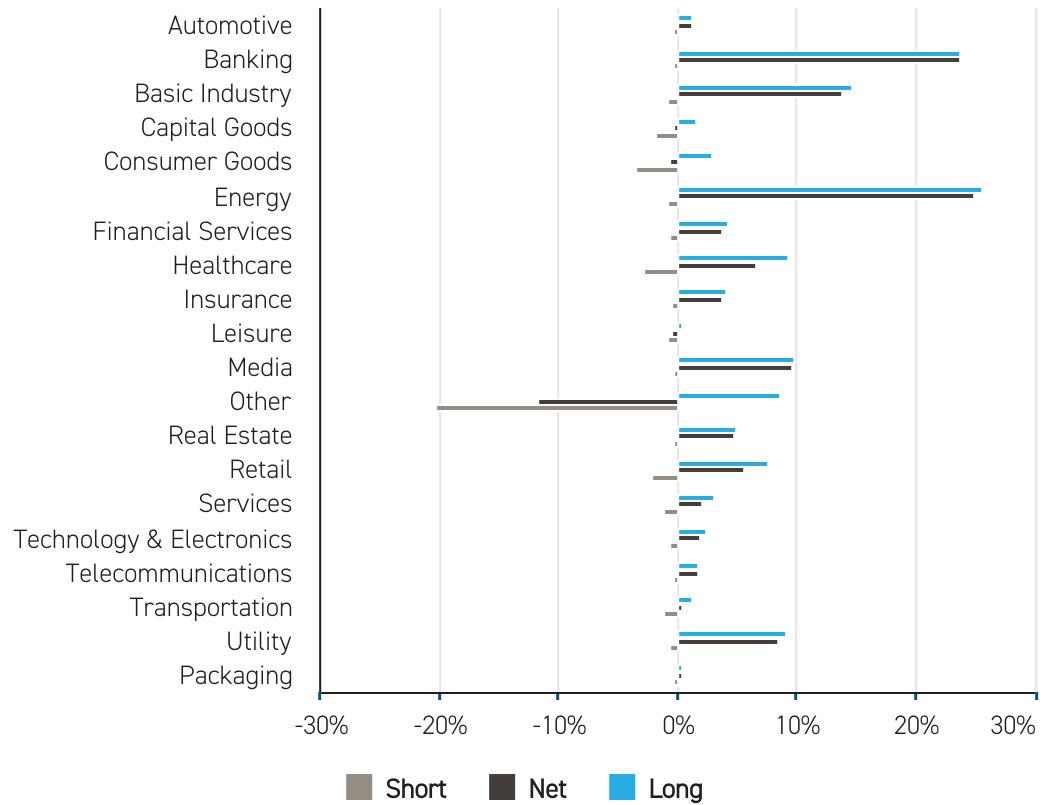
| Risk And Return Statistics | Fund | Benchmark ** |
|-------------------------------|-------|--------------|
| Annualized Return | 4.66% | 5.50% |
| Annualized Standard Deviation | 5.09% | 6.61% |
| Sharpe Ratio | 0.67 | 0.65 |

| Risk And Return Statistics | Fund | Benchmark ** |
|---------------------------------------|------------|--------------|
| Beta | 0.52 | — |
| Upside Capture Ratio | 64.48% | — |
| Downside Capture Ratio | 45.10% | — |
| Maximum Drawdown | -15.59% | -18.44% |
| Peak Value Date of Maximum Drawdown | 2014-07-31 | 2020-02-21 |
| Trough Value Date of Maximum Drawdown | 2016-02-12 | 2020-03-20 |

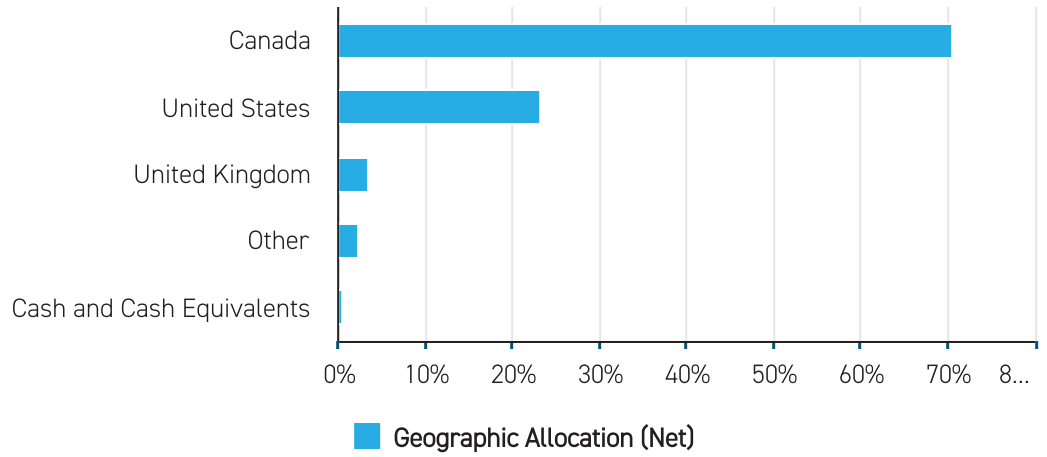
****75% ICE BofA Global High Yield Index / 25% ICE BofA Global Corporate Index (TR) (Hedged to CAD)**

Portfolio Allocations As at March 31, 2024

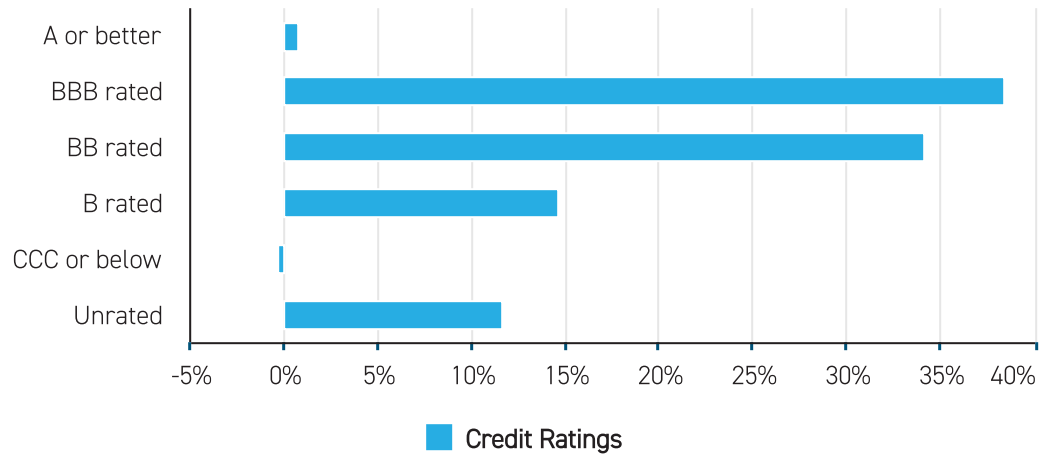
Sector Allocation



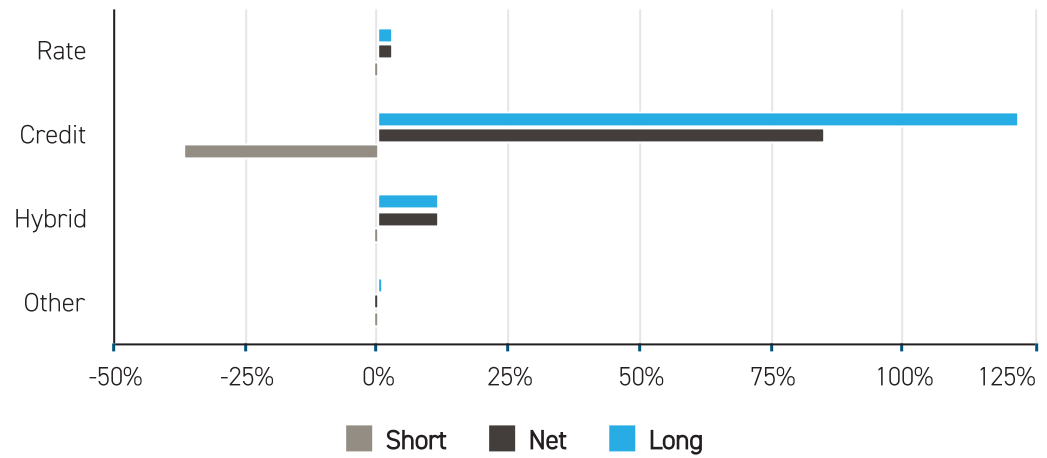
Geographic Allocation (Net)



Credit Ratings



Security Type Allocation



Top 10 Long Positions

| Name | Weight |
|--|--------|
| Freeport Minerals Corp 7.125% 01Nov27 | 2.49% |
| Manitoulin USD Frn 10Nov27 | 2.39% |
| Royal Bank of Canada Frn 24Nov80 | 2.20% |
| Parkland Corp 4.375% 26Mar29 | 2.18% |
| Vistra Corp Frn 31Dec49 | 2.10% |
| Toronto-Dominion Bank Frn 31Dec49 | 1.95% |
| Bank of Montreal Frn 26May82 | 1.93% |
| Permian Resources Operating 8% 15Apr27 | 1.87% |
| Prime Healthcare Services Inc 7.25% 01Nov25 | 1.82% |
| Bank of Nova Scotia Frn 27Jul82 | 1.81% |

Exposure Breakout **

| Name | Weight |
|-------|---------|
| Long | 136.79% |
| Short | -37.20% |
| Gross | 174.00% |
| Net | 99.59% |

** Exposure Breakout categories are shown as market values, except where indicated. Notional represents the total underlying notional exposure of the derivatives positions.

Fundamental Metrics

| | Fund | Benchmark |
|--|-------|-----------|
| Weighted Average Modified Duration | 2.46 | 4.06 |
| Credit Rating | BB+ | - |
| Issuers | 152 | 21812 |
| Yield To Maturity | 7.75% | 6.89% |

Fees

| Series | Management Fee | Fund codes |
|---------|----------------|------------|
| Class A | 2.00% | PIC 500 |
| Class F | 1.00% | PIC 501 |

This material is intended for use by Investment Advisors.

Maximum Drawdown and Period of Maximum Drawdown are calculated using monthly data. Beta, standard deviation and Sharpe Ratio are calculated using data from each weekly valuation date. Due to the fund's limited history, all risk/reward analysis results may not be statistically relevant. Beta measures the fund's volatility relative to its benchmark: a rating of "1" implies the fund's movements are identical to the index (typically you pay a manager to achieve beta of less than 1). Up/Downside Capture is a measure of an investment manager's performance during only the up or down movements of an index (ideally you want low downside and a fairly high level of upside): the numbers shown here are the fund's up/down capture relative to the benchmark(s). Maximum drawdown measures the largest single drop in a class's Net Asset Value Per Unit from peak to trough before establishing a higher peak (the smaller, the better).

There is no guarantee that a hedging strategy will be effective or achieve its intended effect. The use of derivatives or short selling carries several risks which may restrict a strategy in realizing its profits, limiting its losses, or, which cause a strategy to realize a loss. There may be additional costs and expenses associated with the use of derivatives and short selling in a hedging strategy.

The rate of return shown in the "Growth of \$10,000 investment" graph is used only to illustrate the effects of the compound growth rate and is not intended to reflect future values of the investment fund or returns on investment in the investment fund.

This is provided as a general source of information, is subject to change without notification and should not be construed as investment advice. This material should not be relied upon for any investment decision and is not a recommendation, solicitation or offering of any security in any jurisdiction.

The offering of units of the Picton Mahoney Authentic Hedge® funds are made pursuant to an Offering Memorandum only to those investors in jurisdictions of Canada who meet certain eligibility or minimum purchase requirements. Prospective investors should consult with their investment advisor to determine suitability of investment. Please see the fund's Confidential Offering Memorandum for more information, including investment objectives and strategies, risk factors and investor eligibility. Past performance is no guarantee of future performance. Performance for the fund shown is net of management fees, performance fees, transaction costs and expenses.

Performance data is compared to a blended benchmark of 75% ICE BofA Global High Yield Index/25% ICE BofA Global Corporate Index (TR) (Hedged to CAD) and the ICE BofA Canada Broad Market Index (TR) (for information purposes only). The composition of the Fund's portfolio will significantly differ from the Index due to the Fund's investment strategy.

Investment Risk Rating is the historical volatility risk as measured by the standard deviation of fund performance, which is the standard methodology outlined in Appendix F Investment Risk Classification Methodology to NI 81-102 Investment Funds.