

PICTON MAHONEY ABSOLUTE ALPHA FUND

CLASS A PIC 1350 | CLASS F PIC 1351

Inception	January 29, 2021
Min investment	C\$25,000 initial (C\$5000 additional)
Valuation	Weekly
Management Fee	1.5% (Class A) ¹ , 0.5% (Class F) ¹
Performance Fee	17.5% (of performance above a 2% hurdle rate with a per- petual high watermark)



INVESTMENT OBJECTIVE

To provide consistent long-term capital appreciation and an attractive risk-adjusted rate of return.

INVESTMENT STRATEGY

The strategy is expected to combine the firm's best ideas by deploying the investment expertise of the equity, fixed income, arbitrage and quantitative teams. The low correlation among these components to equity markets will aim to enhance risk-adjusted returns.

REASONS TO INVEST

Access Diverse
Alternative Investment
Strategies in One Fund

Investor returns will likely be harder to meet moving forward using only traditional asset classes. The Fund will seek to deliver exposure to a variety of Authentic Hedge[®] fund strategies that have historically been uncorrelated to traditional equity and fixed-income investments.

Risk-Controlled
and Liquid

The strategy will aim to source its alpha from factors that do not compound portfolio risks (such as equity and interest rate risks). The Fund will also allow for ample liquidity.

¹The Manager has elected to waive a portion of the Management Fee relating to each of the Class A Units and Class F Units of the Fund effective as of March 19, 2021 and continuing until December 31, 2022 (the "Management Fee Waiver"). After taking into account the Management Fee Waiver, the Management Fee for the Class A Units will be 0.375% per quarter (1.50% per annum) and the Management Fee for the Class F Units will be 0.125% per quarter (0.50% per annum). The Manager, in its sole discretion, may elect to extend the Management Fee Waiver beyond December 31, 2022.

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INVESTMENT APPROACH

The strategy will seek to deliver broad exposure to factor and hedge fund portfolios using a systematic process that is utilized in all Picton Mahoney Asset Management's (PMAM) multi-asset portfolios.

OUR PROCESS



Measure risk of factors and strategies as well as resultant portfolio.



Combine factors and strategies to achieve risk targets and minimize undesired risks.



Adjust overall portfolio exposure to achieve portfolio risk target.

STRATEGIES UTILIZED

PMAM Strategies



- Market Neutral
- Arbitrage
- Special Situations (Income)

PMAM Factors



- Momentum
- Quality
- Valuation

Hedges



- Tail Risk

PICTON MAHONEY ABSOLUTE ALPHA FUND

PORTFOLIO MANAGERS

Neil Simons

PM, Multi-Asset Strategies



David Picton

President, CEO, PM Canadian Equities



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DISCLAIMER

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All information provided about the Picton Mahoney Absolute Alpha Fund or strategy is forward-looking information that is subject to change without notice. As of the date of this material, the strategy has not been funded and an investment vehicle utilizing this strategy has not yet been established. These forward-looking statements are based upon the reasonable beliefs, expectations, estimates and projections of PMAM as of the date they are made. PMAM assumes no duty, and does not undertake, to update any forward-looking statement. Forward-looking statements are not guarantees of future performance, are subject to numerous assumptions, and involve inherent risks and uncertainties about general economic factors which change over time. There is no guarantee that any forward-looking statements will come to pass. We caution you not to place undue reliance on these statements as a number of important factors could cause actual events or results to differ materially from those expressed or implied in any forward-looking statement made.

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 or magnify losses. There may be additional costs and expenses associated with the use of derivatives and short selling in a hedging strategy.

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.

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Please see the Fund's Confidential Offering Memorandum for more information, including investment objectives and strategies, risk factors and investor eligibility.