

Financial Statements of

EHP ADVANTAGE FUND

Year ended December 31, 2018



KPMG LLP
Bay Adelaide Centre
333 Bay Street, Suite 4600
Toronto ON M5H 2S5
Canada
Tel 416-777-8500
Fax 416-777-8818

INDEPENDENT AUDITORS' REPORT

To the Unitholders of EHP Advantage Fund

Opinion

We have audited the financial statements of EHP Advantage Fund (the Entity), which comprise:

- the statement of financial position as at December 31, 2018
- the statement of comprehensive income (loss) for the year then ended
- the statement of changes in net assets attributable to holders of redeemable units for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at December 31, 2018, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS).

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 "***Auditors' Responsibilities for the Audit of the Financial Statements***" section of our auditors' report.

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

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



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 International Financial Reporting Standards (IFRS), 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 Entity'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 Entity or to cease operations, or has no realistic alternative but to do so.

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

Auditors' 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 auditors' 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 the 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.

- 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 Entity's internal control.



Page 3

- 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 Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the Entity 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.
- 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.

KPMG LLP

Chartered Professional Accountants, Licensed Public Accountants

Toronto, Canada

March 29, 2019

EHP ADVANTAGE FUND

Statement of Financial Position

December 31, 2018, with comparative information for 2017

	2018	2017
Assets		
Cash	\$ 22,826,899	\$ 112,830
Financial assets at fair value through profit or loss (cost - \$98,493,928; 2017 - \$153,050,989) (note 4)	95,679,381	162,912,758
Receivable for investments sold (note 2)	3,293,575	3,592,276
Dividends receivable	179,569	210,967
Interest receivable	39,127	10,261
Other receivable	-	43,838
Expenses paid in advance	-	2,931
	122,018,551	166,885,861
Liabilities		
Financial liabilities at fair value through profit or loss (proceeds - \$44,668,491; 2017 - \$34,127,244) (note 4)	39,497,837	34,557,827
Bank margin	-	16,131,742
Payable for investments purchased (note 2)	2,458,481	7,022,290
Performance fees payable (note 6)	-	696,342
Accounts payable and accrued liabilities	67,252	85,834
Management fees payable (note 6)	93,785	122,518
Dividends payable	114,890	115,709
Interest payable	-	37,095
	42,232,245	58,769,357
Net assets attributable to holders of redeemable units (note 5)	\$ 79,786,306	\$ 108,116,504

EHP ADVANTAGE FUND

Statement of Financial Position (continued)

December 31, 2018, with comparative information for 2017

	2018	2017
Net assets attributable to holders of redeemable units per class and series:		
Class A - Initial Series	\$ 8,151,041	\$ 7,953,847
Class A - 2017 Series 3	—	106,835
Class A - 2017 Series 5	—	255,229
Class A - 2017 Series 6	—	176,564
Class A - 2017 Series 10	—	1,167,226
Class A - 2017 Series 11	—	74,715
Class A - 2017 Series 12	—	225,040
Class A - 2018 Series 1	23,534	—
Class A - 2018 Series 7	834,490	—
Class A - 2018 Series 9	46,922	—
Class E - Initial Series	6,309,691	6,702,019
Class F - Initial Series	33,207,895	46,165,668
Class F - 2017 Series 3	—	3,731,129
Class F - 2017 Series 5	—	1,760,290
Class F - 2017 Series 10	—	1,510,471
Class F - 2017 Series 11	—	1,133,479
Class F - 2017 Series 12	—	2,942,051
Class F - 2018 Series 8	505,519	—
Class F - 2018 Series 9	233,146	—
Class F - 2018 Series 10	294,822	—
Class F - 2018 Series 11	168,241	—
Class F - 2018 Series 12	32,106	—
Class UA - 2018 Series 1	129,073	—
Class UF - Initial Series	1,973,705	1,019,197
Class UF - 2017 Series 3	—	178,206
Class UF - 2017 Series 5	—	77,101
Class UF - 2017 Series 11	—	12,754
Class UF - 2017 Series 12	—	61,192
Class UF - 2018 Series 7	58,657	—
Class UF - 2018 Series 9	6,439	—
Founder Class - Initial Series	27,786,898	32,818,098
Founder Class - 2017 Series 11	—	25,371
Founder Class - 2017 Series 12	—	20,022
Founder Class - 2018 Series 11	24,127	—
	<u>\$ 79,786,306</u>	<u>\$ 108,116,504</u>

EHP ADVANTAGE FUND

Statement of Financial Position (continued)

December 31, 2018, with comparative information for 2017

	2018	2017
Net assets attributable to holders of redeemable units per unit:		
Class A - Initial Series	\$ 17.11	\$ 17.51
Class A - 2017 Series 3	—	10.13
Class A - 2017 Series 5	—	10.13
Class A - 2017 Series 6	—	10.16
Class A - 2017 Series 10	—	10.29
Class A - 2017 Series 11	—	9.98
Class A - 2017 Series 12	—	10.00
Class A - 2018 Series 1	9.47	—
Class A - 2018 Series 7	9.63	—
Class A - 2018 Series 9	9.38	—
Class E - Initial Series	14.94	14.87
Class F - Initial Series	13.79	13.99
Class F - 2017 Series 3	—	10.20
Class F - 2017 Series 5	—	10.14
Class F - 2017 Series 10	—	10.31
Class F - 2017 Series 11	—	10.00
Class F - 2017 Series 12	—	10.01
Class F - 2018 Series 8	9.57	—
Class F - 2018 Series 9	9.42	—
Class F - 2018 Series 10	9.61	—
Class F - 2018 Series 11	9.77	—
Class F - 2018 Series 12	9.80	—
Class UA - 2018 Series 1	12.91	—
Class UF - Initial Series	15.28	14.19
Class UF - 2017 Series 3	—	12.89
Class UF - 2017 Series 5	—	12.83
Class UF - 2017 Series 11	—	12.75
Class UF - 2017 Series 12	—	12.53
Class UF - 2018 Series 7	13.03	—
Class UF - 2018 Series 9	12.88	—
Founder Class - Initial Series	19.09	19.38
Founder Class - 2017 Series 11	—	10.15
Founder Class - 2017 Series 12	—	10.01
Founder Class - 2018 Series 11	9.65	—

See accompanying notes to financial statements.

Approved by Edgehill Partners, Investment Manager,
on behalf of the Fund:

"Darryl DeMers" _____ Chief Financial Officer

EHP ADVANTAGE FUND

Statement of Comprehensive Income (Loss)

Year ended December 31, 2018, with comparative information for 2017

	2018	2017
Income:		
Dividend	\$ 3,225,560	\$ 3,390,819
Interest for distribution purposes	290,531	168,778
Other	69,023	43,852
Net foreign currency gains (losses)	(1,196,725)	922,834
Net gains on financial assets and liabilities at fair value through profit or loss:		
Net realized gains on financial assets and liabilities at fair value through profit or loss	10,141,389	3,554,254
Net change in unrealized appreciation (depreciation) on financial assets and liabilities at fair value through profit or loss	(7,075,079)	3,923,357
	<u>5,454,699</u>	<u>12,003,894</u>
Operating expenses:		
Management fees (note 6)	1,453,075	1,332,729
Dividends paid on investments sold short	1,426,247	1,097,517
Interest and stock loan fees	1,044,040	711,295
Commissions and other portfolio transaction costs	999,046	804,941
Performance fees (note 6)	683,282	1,273,623
Withholding taxes	267,808	334,896
Administration fees	167,109	183,362
Other fees	40,347	55,597
Audit and tax fees	27,334	27,034
Legal fees	9,218	—
	<u>6,117,506</u>	<u>5,820,994</u>
Increase (decrease) in net assets attributable to holders of redeemable units	\$ (662,807)	\$ 6,182,900

See accompanying notes to financial statements.

EHP ADVANTAGE FUND

Statement of Changes in Net Assets Attributable to Holders of Redeemable Units

Year ended December 31, 2018, with comparative information for 2017

	Net assets attributable to holders of redeemable units, beginning of year	Increase (decrease) in net assets attributable to holders of redeemable units	Unit transactions					Distributions of redeemable shares	Net assets attributable to holders of redeemable units, end of year
			Proceeds from redeemable units issued	Reinvestment of distributions to holders of redeemable shares	Redemption of redeemable units	Transfer in/transfer out	Redesignation of redeemable units		
2018									
Class A - Initial Series	\$ 7,953,847	\$ (178,498)	\$ -	\$ 97,030	\$ (1,957,675)	\$ (166,278)	\$ 2,499,645	\$ (97,030)	\$ 8,151,041
Class A - 2017 Series 3	106,835	-	-	-	-	-	(106,835)	-	-
Class A - 2017 Series 5	255,229	-	-	-	-	-	(255,229)	-	-
Class A - 2017 Series 6	176,564	-	-	-	-	-	(176,564)	-	-
Class A - 2017 Series 10	1,167,226	-	-	-	-	-	(1,167,226)	-	-
Class A - 2017 Series 11	74,715	-	-	-	-	-	(74,715)	-	-
Class A - 2017 Series 12	225,040	1,362	-	267	-	-	(226,402)	(267)	-
Class A - 2018 Series 1	-	(5,862)	102,868	730	(36,329)	(37,143)	-	(730)	23,534
Class A - 2018 Series 2	-	525	304,450	56	-	-	(304,975)	(56)	-
Class A - 2018 Series 4	-	1,638	110,000	284	-	-	(111,638)	(284)	-
Class A - 2018 Series 5	-	61	76,000	100	-	-	(76,061)	(100)	-
Class A - 2018 Series 7	-	(45,510)	880,000	4,674	-	-	-	(4,674)	834,490
Class A - 2018 Series 9	-	(3,078)	50,000	176	-	-	-	(176)	46,922
Class E - Initial Series	6,702,019	31,547	226,125	67,118	(650,000)	-	-	(67,118)	6,309,691
Class F - Initial Series	46,165,668	(157,743)	-	596,092	(36,319,405)	(278,094)	23,797,469	(596,092)	33,207,895
Class F - 2017 Series 3	3,731,129	-	-	-	-	-	(3,731,129)	-	-
Class F - 2017 Series 5	1,760,290	-	-	-	-	-	(1,760,290)	-	-
Class F - 2017 Series 10	1,510,471	-	-	-	-	-	(1,510,471)	-	-
Class F - 2017 Series 11	1,133,479	-	-	-	-	-	(1,133,479)	-	-
Class F - 2017 Series 12	2,942,051	23,834	-	3,496	-	-	(2,965,885)	(3,496)	-
Class F - 2018 Series 1	-	4,767	2,109,641	2,436	(49,755)	-	(2,064,653)	(2,436)	-
Class F - 2018 Series 2	-	879	1,129,081	186	(1,993)	-	(1,127,967)	(186)	-
Class F - 2018 Series 3	-	568	693,076	15	-	55,524	(749,168)	(15)	-
Class F - 2018 Series 4	-	10,115	822,928	2,310	-	46,225	(879,268)	(2,310)	-
Class F - 2018 Series 5	-	55,458	5,469,299	8,347	-	37,143	(5,561,900)	(8,347)	-
Class F - 2018 Series 6	-	2,398	832,100	4,035	(89,997)	-	(744,501)	(4,035)	-
Class F - 2018 Series 7	-	2,641	1,858,328	7,356	(328,024)	35,813	(1,568,758)	(7,356)	-
Class F - 2018 Series 8	-	(26,250)	612,258	2,570	(80,489)	-	-	(2,570)	505,519
Class F - 2018 Series 9	-	(17,364)	293,595	894	(43,085)	-	-	(894)	233,146
Class F - 2018 Series 10	-	(11,401)	444,798	424	(138,575)	-	-	(424)	294,822
Class F - 2018 Series 11	-	(5,410)	183,436	143	(38,501)	28,716	-	(143)	168,241
Class F - 2018 Series 12	-	(467)	41,100	14	(8,527)	-	-	(14)	32,106

EHP ADVANTAGE FUND

Statement of Changes in Net Assets Attributable to Holders of Redeemable Units (continued)

Year ended December 31, 2018, with comparative information for 2017

	Net assets attributable to holders of redeemable units, beginning of year	Increase (decrease) in net assets attributable to holders of redeemable units	Unit transactions					Distributions of redeemable shares	Net assets attributable to holders of redeemable units, end of year
			Proceeds from redeemable units issued	Reinvestment of distributions to holders of redeemable shares	Redemption of redeemable units	Transfer in/transfer out	Redesignation of redeemable units		
2018									
Class UA - 2018 Series 1	–	5,993	123,080	1,294	–	–	–	(1,294)	129,073
Class UF - Initial Series	1,019,197	99,896	–	19,441	(453,007)	–	1,307,619	(19,441)	1,973,705
Class UF - 2017 Series 3	178,206	–	–	–	–	–	(178,206)	–	–
Class UF - 2017 Series 5	77,101	–	–	–	–	–	(77,101)	–	–
Class UF - 2017 Series 11	12,754	–	–	–	–	–	(12,754)	–	–
Class UF - 2017 Series 12	61,192	2,124	–	72	–	–	(63,316)	(72)	–
Class UF - 2018 Series 2	–	450	10,233	30	–	–	(10,683)	(30)	–
Class UF - 2018 Series 4	–	1,334	32,070	81	–	–	(33,404)	(81)	–
Class UF - 2018 Series 5	–	20,225	911,930	1,216	–	–	(932,155)	(1,216)	–
Class UF - 2018 Series 7	–	(563)	59,220	310	–	–	–	(310)	58,657
Class UF - 2018 Series 9	–	(81)	6,520	23	–	–	–	(23)	6,439
Founder Class - Initial Series	32,818,098	(484,599)	–	344,595	(5,130,101)	–	583,500	(344,595)	27,786,898
Founder Class - 2017 Series 11	25,371	–	–	–	–	–	(25,371)	–	–
Founder Class - 2017 Series 12	20,022	–	–	–	–	–	(20,022)	–	–
Founder Class - 2018 Series 4	–	9,070	239,936	1,334	–	278,094	(527,100)	(1,334)	–
Founder Class - 2018 Series 5	–	7	11,000	13	–	–	(11,007)	(13)	–
Founder Class - 2018 Series 11	–	(873)	25,000	17	–	–	–	(17)	24,127
	\$ 108,116,504	\$ (662,807)	\$ 17,658,072	\$ 1,167,179	\$ (45,325,463)	\$ –	\$ –	\$ (1,167,179)	\$ 79,786,306

EHP ADVANTAGE FUND

Statement of Changes in Net Assets Attributable to Holders of Redeemable Units (continued)

Year ended December 31, 2018, with comparative information for 2017

	Net assets attributable to holders of redeemable units, beginning of year	Increase (decrease) in net assets attributable to holders of redeemable units	Unit transactions				Net assets attributable to holders of redeemable units, end of year
			Proceeds from redeemable units issued	Redemption of redeemable units	Transfer in (transfer out)	Redesignation of redeemable units	
2017							
Class A - Initial Series	\$ 3,608,142	\$ 416,234	\$ —	\$ (888,318)	\$ (543,900)	\$ 5,361,689	\$ 7,953,847
Class A - 2015 Series 4	1,008,279	—	—	—	—	(1,008,279)	—
Class A - 2015 Series 5	292,700	—	—	—	—	(292,700)	—
Class A - 2015 Series 6	701,499	—	—	—	—	(701,499)	—
Class A - 2015 Series 7	168,528	—	—	—	—	(168,528)	—
Class A - 2015 Series 8	420,331	—	—	—	—	(420,331)	—
Class A - 2015 Series 9	84,925	—	—	—	—	(84,925)	—
Class A - 2015 Series 10	109,221	—	—	—	—	(109,221)	—
Class A - 2015 Series 11	160,370	—	—	—	—	(160,370)	—
Class A - 2015 Series 12	54,093	—	—	—	—	(54,093)	—
Class A - 2016 Series 2	44,661	—	—	—	—	(44,661)	—
Class A - 2016 Series 3	255,082	—	—	—	—	(255,082)	—
Class A - 2016 Series 4	112,648	—	—	—	—	(112,648)	—
Class A - 2016 Series 6	84,241	—	—	—	—	(84,241)	—
Class A - 2016 Series 7	51,862	—	—	—	—	(51,862)	—
Class A - 2016 Series 8	157,049	—	—	—	—	(157,049)	—
Class A - 2016 Series 9	195,701	—	—	—	—	(195,701)	—
Class A - 2016 Series 10	51,854	—	—	—	—	(51,854)	—
Class A - 2016 Series 11	67,342	—	—	—	—	(67,342)	—
Class A - 2016 Series 12	322,171	—	—	—	—	(322,171)	—
Class A - 2017 Series 1	—	2,416	100,725	—	—	(103,141)	—
Class A - 2017 Series 2	—	1,979	400,740	—	—	(402,719)	—
Class A - 2017 Series 3	—	1,835	105,000	—	—	—	106,835
Class A - 2017 Series 4	—	91	286,500	—	—	(286,591)	—
Class A - 2017 Series 5	—	5,229	250,000	—	—	—	255,229
Class A - 2017 Series 6	—	4,875	171,689	—	—	—	176,564
Class A - 2017 Series 7	—	1,208	379,880	—	—	(381,088)	—
Class A - 2017 Series 8	—	2,363	90,000	—	—	(92,363)	—
Class A - 2017 Series 10	—	24,726	1,142,500	—	—	—	1,167,226
Class A - 2017 Series 11	—	322	74,393	—	—	—	74,715
Class A - 2017 Series 12	—	(498)	225,538	—	—	—	225,040

EHP ADVANTAGE FUND

Statement of Changes in Net Assets Attributable to Holders of Redeemable Units (continued)

Year ended December 31, 2018, with comparative information for 2017

	Net assets attributable to holders of redeemable units, beginning of year	Increase (decrease) in net assets attributable to holders of redeemable units	Unit transactions				Net assets attributable to holders of redeemable units, end of year
			Proceeds from redeemable units issued	Redemption of redeemable units	Transfer in (transfer out)	Redesignation of redeemable units	
2017							
Class E - Initial Series	6,402,341	742,752	114,500	(3,020,000)	2,462,426	—	6,702,019
Class F - Initial Series	7,004,898	2,378,066	—	(4,681,329)	—	41,464,033	46,165,668
Class F - 2015 Series 4	548,949	—	—	—	—	(548,949)	—
Class F - 2015 Series 5	1,575,623	—	—	—	—	(1,575,623)	—
Class F - 2015 Series 6	2,667,852	—	—	—	—	(2,667,852)	—
Class F - 2015 Series 7	1,445,309	—	—	—	—	(1,445,309)	—
Class F - 2015 Series 8	2,282,575	—	—	—	—	(2,282,575)	—
Class F - 2015 Series 9	802,972	—	—	—	—	(802,972)	—
Class F - 2015 Series 10	360,785	—	—	—	—	(360,785)	—
Class F - 2015 Series 11	762,261	—	—	—	—	(762,261)	—
Class F - 2015 Series 12	542,259	—	—	—	—	(542,259)	—
Class F - 2016 Series 1	530,686	—	—	—	—	(530,686)	—
Class F - 2016 Series 2	1,088,308	—	—	—	—	(1,088,308)	—
Class F - 2016 Series 3	156,717	—	—	—	—	(156,717)	—
Class F - 2016 Series 4	440,456	—	—	—	—	(440,456)	—
Class F - 2016 Series 5	510,996	—	—	—	—	(510,996)	—
Class F - 2016 Series 6	638,566	—	—	—	—	(638,566)	—
Class F - 2016 Series 7	1,688,950	—	—	(21,000)	—	(1,667,950)	—
Class F - 2016 Series 8	1,029,140	—	—	—	—	(1,029,140)	—
Class F - 2016 Series 9	1,175,146	—	—	—	—	(1,175,146)	—
Class F - 2016 Series 10	1,452,488	—	—	—	—	(1,452,488)	—
Class F - 2016 Series 11	2,348,230	—	—	—	—	(2,348,230)	—
Class F - 2016 Series 12	4,447,786	125,533	—	(436,330)	—	(4,136,989)	—
Class F - 2017 Series 1	—	65,522	2,136,123	—	159,071	(2,360,716)	—
Class F - 2017 Series 2	—	12,999	831,000	—	53,143	(897,142)	—
Class F - 2017 Series 3	—	98,603	3,676,441	(43,915)	—	—	3,731,129
Class F - 2017 Series 4	—	14,294	1,665,227	(21,560)	26,908	(1,684,869)	—
Class F - 2017 Series 5	—	48,677	1,826,235	(114,622)	—	—	1,760,290
Class F - 2017 Series 6	—	23,087	7,639,161	—	—	(7,662,248)	—
Class F - 2017 Series 7	—	10,120	669,535	—	39,097	(718,752)	—
Class F - 2017 Series 8	—	10,860	401,000	—	—	(411,860)	—

EHP ADVANTAGE FUND

Statement of Changes in Net Assets Attributable to Holders of Redeemable Units (continued)

Year ended December 31, 2018, with comparative information for 2017

	Net assets attributable to holders of redeemable units, beginning of year	Increase (decrease) in net assets attributable to holders of redeemable units	Unit transactions				Net assets attributable to holders of redeemable units, end of year
			Proceeds from redeemable units issued	Redemption of redeemable units	Transfer in (transfer out)	Redesignation of redeemable units	
2017							
Class F - 2017 Series 9	—	32,474	1,284,941	—	—	(1,317,415)	—
Class F - 2017 Series 10	—	30,674	1,486,797	(7,000)	—	—	1,510,471
Class F - 2017 Series 11	—	4,190	1,150,320	(21,031)	—	—	1,133,479
Class F - 2017 Series 12	—	(5,462)	2,947,513	—	—	—	2,942,051
Class UF - Initial Series	76,623	23,419	—	—	—	919,155	1,019,197
Class UF - 2016 Series 9	249,071	—	—	—	—	(249,071)	—
Class UF - 2017 Series 9	—	2,146	56,384	—	—	(58,530)	—
Class UF - 2017 Series 3	—	(6,480)	184,686	—	—	—	178,206
Class UF - 2017 Series 4	—	(13,554)	234,465	—	—	(220,911)	—
Class UF - 2017 Series 5	—	(4,939)	82,040	—	—	—	77,101
Class UF - 2017 Series 6	—	(14,362)	265,340	—	—	(250,978)	—
Class UF - 2017 Series 7	—	2,747	136,920	—	—	(139,667)	—
Class UF - 2017 Series 11	—	72	12,682	—	—	—	12,754
Class UF - 2017 Series 12	—	(1,571)	62,763	—	—	—	61,192
Founder Class - Initial Series	29,836,776	2,102,614	—	(5,899,226)	(3,715,824)	10,493,758	32,818,098
Founder Class - 2015 Series 4	55,418	—	—	—	—	(55,418)	—
Founder Class - 2015 Series 5	1,400,804	—	—	—	—	(1,400,804)	—
Founder Class - 2015 Series 6	371,074	—	—	—	—	(371,074)	—
Founder Class - 2015 Series 7	207,651	—	—	—	—	(207,651)	—
Founder Class - 2015 Series 8	131,525	—	—	—	—	(131,525)	—
Founder Class - 2015 Series 9	12,168	—	—	—	—	(12,168)	—
Founder Class - 2015 Series 10	111,537	—	—	—	—	(111,537)	—
Founder Class - 2015 Series 11	120,390	—	—	—	—	(120,390)	—
Founder Class - 2016 Series 1	11,086	—	—	—	—	(11,086)	—
Founder Class - 2016 Series 2	24,031	—	—	—	—	(24,031)	—
Founder Class - 2016 Series 4	12,395	—	—	—	—	(12,395)	—
Founder Class - 2016 Series 8	821,845	—	—	—	—	(821,845)	—
Founder Class - 2016 Series 9	282,485	—	—	—	—	(282,485)	—
Founder Class - 2016 Series 11	131,749	—	—	—	—	(131,749)	—
Founder Class - 2016 Series 12	39,821	1,206	—	—	—	(41,027)	—

EHP ADVANTAGE FUND

Statement of Changes in Net Assets Attributable to Holders of Redeemable Units (continued)

Year ended December 31, 2018, with comparative information for 2017

	Net assets attributable to holders of redeemable units, beginning of year	Increase (decrease) in net assets attributable to holders of redeemable units	Unit transactions				Net assets attributable to holders of redeemable units, end of year
			Proceeds from redeemable units issued	Redemption of redeemable units	Transfer in (transfer out)	Redesignation of redeemable units	
2017							
Founder Class - 2017 Series 1	–	16,395	677,230	–	–	(693,625)	–
Founder Class - 2017 Series 2	–	1,139	31,000	–	1,327,913	(1,360,052)	–
Founder Class - 2017 Series 4	–	12,862	4,216,226	–	–	(4,229,088)	–
Founder Class - 2017 Series 7	–	2,554	277,000	–	–	(279,554)	–
Founder Class - 2017 Series 9	–	5,090	–	–	191,166	(196,256)	–
Founder Class - 2017 Series 11	–	371	25,000	–	–	–	25,371
Founder Class - 2017 Series 12	–	22	20,000	–	–	–	20,022
	\$ 81,750,441	\$ 6,182,900	\$ 35,337,494	(15,154,331)	\$ –	\$ –	\$ 108,116,504

See accompanying notes to financial statements.

EHP ADVANTAGE FUND

Statement of Cash Flows

Year ended December 31, 2018, with comparative information for 2017

	2018	2017
Cash flows from operating activities:		
Increase (decrease) in net assets attributable to holders of redeemable units	\$ (662,807)	\$ 6,182,900
Adjustments for:		
Net realized gains on financial assets and liabilities at fair value through profit or loss	(10,141,389)	(3,554,254)
Net change in unrealized depreciation (appreciation) on financial assets and liabilities at fair value through profit or loss	7,075,079	(3,923,357)
	(3,729,117)	(1,294,711)
Change in non-cash balances:		
Purchases of investments	(914,548,775)	(777,076,888)
Cost of investments purchased to cover short positions	(372,044,863)	(286,480,657)
Proceeds from sale of investments	961,410,820	730,641,299
Proceeds from investments sold short	396,157,407	299,762,435
Net decrease in dividends receivable	31,398	5,880
Net increase in interest receivable	(28,866)	(6,411)
Net decrease (increase) in other receivable	43,838	(8,273)
Net decrease (increase) in expenses paid in advance	2,931	(2,931)
Net increase (decrease) in performance fees payable (note 6)	(696,342)	170,921
Net increase (decrease) in accounts payable and accrued liabilities	(18,582)	13,875
Net increase (decrease) in management fees payable (note 6)	(28,733)	27,523
Net increase (decrease) in dividends payable	(819)	66,128
Net increase (decrease) in interest payable	(37,095)	23,600
Net cash provided by (used in) operating activities	66,513,202	(34,158,210)
Cash flows from financing activities:		
Proceeds from issuance of redeemable units (note 6)	17,658,072	35,337,494
Payment on redemption of redeemable units (note 6)	(45,325,463)	(15,154,331)
Net cash provided by (used in) financing activities	(27,667,391)	20,183,163
Net increase (decrease) in cash	38,845,811	(13,975,047)
Bank margin, beginning of year	(16,018,912)	(2,043,865)
Net cash (bank margin), end of year	\$ 22,826,899	\$ (16,018,912)
Supplemental cash flow information:		
Interest paid	\$ 468,823	\$ 391,221
Interest received	261,665	162,367
Dividends received, net of withholding taxes	2,989,149	3,061,803
Dividends paid	1,427,066	1,031,389

See accompanying notes to financial statements.

EHP ADVANTAGE FUND

Schedule of Investments

December 31, 2018

Number of shares/ par value/ contracts	Description	Cost	Carrying value	% of net assets
Investments - long				
Canadian equities:				
51,300	Aecon Group Inc.	\$ 941,757	\$ 903,393	1.13
149,800	Agellan Commercial REIT	2,125,332	2,113,678	2.65
72,200	Aimia Inc 4.50% Preferred	1,540,164	1,768,900	2.22
14,400	Aimia Inc., Preferred Shares	332,222	354,096	0.44
38,200	Air Canada Corp.	949,371	991,661	1.24
18,100	Alimentation Couche-Tard Inc., Class B	1,109,379	1,229,171	1.54
13,900	Aritzia Inc.	222,137	227,960	0.29
15,100	Badger Daylighting Ltd.	472,642	486,975	0.61
9,500	Bank of Montreal	1,016,634	847,305	1.06
16,100	BCE Inc.	882,654	868,273	1.09
4,300	Boyd Group Income Fund Co.	517,044	485,685	0.61
23,900	Canadian Apartment Properties REIT	1,094,825	1,058,770	1.33
5,900	Canadian Imperial Bank of Commerce	724,348	599,912	0.75
9,300	Canadian National Railway Co.	1,021,819	940,323	1.18
4,900	Canadian Pacific Railway Ltd.	1,194,414	1,186,976	1.49
16,300	Canfor Corp.	395,394	269,439	0.34
40,800	Cannabis Strategies Acquisition Corp., Class A	579,321	606,696	0.76
13,400	CGI Group Inc.	1,133,851	1,118,900	1.40
7,300	Cogeco Communications Inc.	472,048	480,194	0.60
900	Constellation Software Inc.	795,813	786,474	0.99
217,500	Cortex Business Solutions Inc.	972,245	972,225	1.22
883,800	ECN Capital Corp.	3,082,962	3,049,110	3.82
34,200	Empire Company Ltd., Class A	915,068	985,986	1.24
42,200	Enerflex Ltd.	699,479	674,356	0.85
7,400	FirstService Corp.	758,206	693,306	0.87
24,300	Genworth MI Canada Inc.	1,042,216	976,860	1.22
2,500	George Weston Ltd.	237,481	225,125	0.28
24,100	Gildan Activewear Inc.	965,222	998,704	1.25
4,300	Granite REIT	242,474	228,803	0.29
18,600	Great Canadian Gaming Corp.	945,308	890,382	1.12
32,500	Great-West Lifeco Inc.	945,683	915,850	1.15
35,500	HudBay Minerals Inc.	222,494	229,330	0.29
23,000	Imperial Oil Ltd.	951,117	795,570	1.00
1,613,500	Integrity Gaming Inc.	693,805	726,075	0.91
14,900	Magna International Inc., Class A	923,543	923,353	1.16
22,500	Manulife Financial Corp.	492,503	435,825	0.55
21,700	Metro Inc., Class A	963,681	1,027,278	1.29
14,600	MTY Food Group Inc.	962,404	885,344	1.11
30,300	Northland Power Inc.	671,376	657,510	0.82
12,400	Pason Systems Inc.	243,492	226,796	0.28
44,700	Peyto Exploration & Development Corp.	486,138	316,476	0.40
25,300	Power Financial Corp.	795,116	653,499	0.82
43,400	Quantum International Income Corp., Subscription Receipts	—	—	—
40,100	Quebecor Inc.	1,076,761	1,152,474	1.44

EHP ADVANTAGE FUND

Schedule of Investments (continued)

December 31, 2018

Number of shares/ par value/ contracts	Description	Cost	Carrying value	% of net assets
17,100	Rogers Communications Inc., Class B	1,076,013	1,196,316	1.50
8,900	Royal Bank of Canada	880,426	831,616	1.04
11,000	Saputo Inc.	437,334	431,090	0.54
15,300	Teck Resources Ltd., Class B	446,221	449,667	0.56
19,800	Telus Corp.	902,256	895,950	1.12
27,700	TFI International Inc.	1,130,989	977,810	1.23
36,500	The North West Company Inc.	1,099,599	1,146,830	1.44
17,000	Toromont Industries Ltd.	1,018,765	922,420	1.16
3,500	Toronto-Dominion Bank	255,774	237,510	0.30
11,400	Uni-Select Inc.	246,474	221,274	0.28
12,000	West Fraser Timber Co. Ltd.	788,235	809,280	1.01
38,500	Westshore Terminals Investment Corp.	1,017,128	792,330	0.99
20,900	Winpak Ltd.	1,030,846	997,975	1.25
	Total Canadian equities	47,140,003	45,875,086	57.52
	Canadian bonds:			
3,142,400	Hydro One 4% 30SEP27	992,206	1,002,426	1.26
	Total Canadian bonds	992,206	1,002,426	1.26
	Canadian options:			
2,797	MEG Energy Corp. CALL \$8.00 18JAN19	293,685	190,196	0.24
	Total Canadian options	293,685	190,196	0.24
	Canadian warrants:			
512,200	Alignvest Acquisition II Corp., Warrants \$11.50 04JUL21	242,009	204,880	0.26
265,150	Cannabis Strategies Acquisition Corp. Class A Warrants \$11.50 21DEC25	621,194	994,313	1.25
	Total Canadian warrants	863,203	1,199,193	1.51
	United States equities:			
13,900	30 Systems Corp.	213,055	192,890	0.24
600	Adobe Systems Inc.	191,342	185,223	0.23
2,300	AeroVironment Inc.	222,385	213,251	0.27
13,300	AFLAC Inc.	747,186	826,816	1.04
1,400	Allegion PLC	148,419	152,270	0.19
5,700	American Express Co.	712,735	741,366	0.93
2,600	Amgen Inc.	660,982	690,631	0.87
2,800	Apple Inc.	694,916	602,661	0.76
2,700	Avanos Medical Inc.	226,204	165,013	0.21
17,600	Avista Corp.	1,030,255	1,020,166	1.28
2,400	Ball Corp.	141,934	150,575	0.19
8,100	Best Buy Company Inc.	663,125	585,338	0.73
2,800	BJ's Restaurants Inc.	223,657	193,208	0.24
1,000	Boeing Co.	392,734	440,051	0.55
4,000	Broadridge Financial Solutions Inc.	652,453	525,333	0.66

EHP ADVANTAGE FUND

Schedule of Investments (continued)

December 31, 2018

Number of shares/ par value/ contracts	Description	Cost	Carrying value	% of net assets
1,100	CACI International Inc.	235,496	216,182	0.27
7,700	Callaway Golf Co.	213,001	160,752	0.20
4,300	Centene Corp.	657,955	676,505	0.85
2,700	Chart Industries Inc.	265,116	239,580	0.30
5,000	Chefs' Warehouse ORD	220,364	218,184	0.27
800	Chemed Corp.	326,480	309,228	0.39
7,000	Church & Dwight Company Inc.	618,400	628,107	0.79
5,900	Cincinnati Financial Corp.	617,709	623,274	0.78
700	Cintas Corp.	176,551	160,456	0.20
4,400	Citrix Systems Inc.	623,393	615,149	0.77
1,300	Clorox Co.	276,185	273,421	0.34
5,900	Comtech Telecommunications Corp.	213,972	195,950	0.25
2,300	Conmed ORD	231,251	201,482	0.25
7,700	ConocoPhillips Corp.	709,053	655,090	0.82
6,700	Copart Inc.	513,130	436,812	0.55
2,600	Costco Wholesale Corp.	724,349	722,702	0.91
6,000	Delta Air Lines Inc.	457,707	408,531	0.51
75,900	Denbury Resources Inc.	236,870	177,097	0.22
5,800	Dollar General Corp.	748,317	855,356	1.07
9,100	E*Trade Financial Corp.	717,852	544,856	0.68
1,400	Ecolab Inc.	276,172	281,483	0.35
4,100	Eli Lilly & Co.	615,467	647,390	0.81
2,100	Enanta Pharmaceuticals ORD	221,070	202,960	0.25
2,500	Encompass Health Corp.	219,306	210,474	0.26
3,000	Energizer Holdings Inc.	245,727	184,822	0.23
7,700	Enova International Inc.	221,486	204,459	0.26
1,200	EOG Resources Inc.	166,689	142,798	0.18
3,700	Estee Lauder Companies Inc., Class A	669,306	656,829	0.82
2,800	F5 Networks Inc.	650,217	619,052	0.78
6,500	Fiesta Restaurant Group p Inc.	232,343	137,562	0.17
18,900	First Bancorp Co.	224,405	221,786	0.28
2,600	FTI Consulting Inc.	258,273	236,419	0.30
3,800	Globus Medical Inc Class A	262,931	224,411	0.28
30,500	Harmonic ORD	230,371	196,433	0.25
1,800	Helathequity Inc.	211,981	146,506	0.18
1,000	Hershey Co.	139,959	146,247	0.18
5,600	HMS Holdings Corp.	216,469	214,947	0.27
7,900	HollyFrontier Corp.	746,148	551,051	0.69
3,200	Home Depot Inc.	822,355	750,235	0.94
1,700	Honeywell International Inc.	277,849	306,472	0.38
11,400	Hormel Foods Corp.	648,918	663,900	0.83
1,800	Humana Inc.	737,152	703,624	0.88
800	Icu Medical Inc.	298,979	250,664	0.31
800	Inogen Inc.	233,665	135,544	0.17
1,700	Insperty Inc.	227,953	216,563	0.27
3,300	Integra LifeSciences Holdings Corp.	232,293	203,079	0.25
1,200	Intuit Inc.	325,249	322,322	0.40
1,100	J.B. Hunt Transport Services Inc.	179,116	139,648	0.18
4,500	Kohls Corp.	369,344	407,344	0.51
1,400	Livanova PLC	217,630	174,735	0.22
5,500	LyondellBasell Industries NV, Class A	777,723	624,095	0.78

EHP ADVANTAGE FUND

Schedule of Investments (continued)

December 31, 2018

Number of shares/ par value/ contracts	Description	Cost	Carrying value	% of net assets
2,900	Mantech International Class A Corp.	231,969	206,934	0.26
1,700	Marathon Petroleum Corp.	179,356	136,883	0.17
2,600	Mastercard Inc., Class A	583,540	669,274	0.84
700	McCormick & Company Inc.	133,879	132,995	0.17
6,100	Merck & Company Inc.	625,152	635,995	0.80
3,000	Merit Medical System Inc.	229,754	228,458	0.29
11,600	Micron Technology Inc.	648,354	502,229	0.63
1,500	Moody's Corp.	316,830	286,627	0.36
1,700	NetApp Inc.	175,997	138,414	0.17
5,800	Nucor Corp.	463,496	410,030	0.51
12,300	OFG Bancorp	266,975	276,254	0.35
6,300	Omnicom Group Inc.	635,849	629,597	0.79
6,700	Perficient Inc.	225,673	203,504	0.26
14,000	Pfizer Inc.	678,745	833,846	1.05
8,000	PGT Inc.	252,843	173,019	0.22
1,100	Phillips 66 Co.	164,807	129,307	0.16
67,800	Pioneer Energy Services Corp.	227,361	113,791	0.14
8,800	Progressive Corp.	686,849	724,419	0.91
15,100	Quinstreet Inc.	262,344	334,402	0.42
4,000	Ralph Lauren Corp., Class A	659,451	564,685	0.71
8,500	Robert Half International Inc.	768,516	663,420	0.83
8,600	Rollins Inc.	433,539	423,623	0.53
3,000	Ross Stores Inc.	355,974	340,579	0.43
3,600	S&P Global Inc.	914,891	834,779	1.05
2,500	Seagate Technology PLC	178,716	131,640	0.16
4,600	Shoe Carnival Inc.	228,881	210,332	0.26
2,100	Shutterfly Inc.	233,893	115,363	0.14
7,400	Sprouts Farmers Market Inc.	244,251	237,388	0.30
5,100	Starbucks Corp.	444,262	448,156	0.56
9,500	Sysco Corp.	861,433	812,246	1.02
4,000	Target Corp.	406,137	360,719	0.45
12,000	Target, Inc.	222,227	199,927	0.25
2,700	Tetra Tech Inc.	233,385	190,728	0.24
4,600	Texas Instruments Inc.	639,633	593,148	0.74
2,800	Texas Roadhouse Inc.	227,089	228,090	0.29
4,600	The Ensign Group Inc.	250,809	243,473	0.31
14,900	The Interpublic Group of Companies Inc.	454,161	419,430	0.53
9,500	TJXCompanies Inc.	672,071	579,953	0.73
1,400	Tractor Supply Co.	162,896	159,395	0.20
2,200	Twenty First Century Fox Inc., Class B	141,417	143,431	0.18
5,400	United Continental Holdings Inc.	651,136	616,358	0.77
8,400	United Insurance Holdings Corp.	218,116	190,495	0.24
2,500	UnitedHealth Group Inc.	801,123	849,811	1.07
2,700	Universal Corp.	227,715	199,497	0.25
4,000	Universal Insurance Holdings Inc.	221,533	206,967	0.26
2,500	Us Ecology Inc.	226,174	214,841	0.27
3,500	V.F. Corp.	357,495	340,702	0.43
3,100	Verisk Analytics, Inc.	464,630	461,234	0.58
8,400	Verizon Communications Inc.	633,397	644,382	0.81

EHP ADVANTAGE FUND

Schedule of Investments (continued)

December 31, 2018

Number of shares/ par value/ contracts	Description	Cost	Carrying value	% of net assets
2,200	W.W. Grainger Inc.	701,474	847,616	1.06
2,900	Walgreens Boots Alliance Inc.	305,518	270,385	0.34
4,200	Walt Disney Co.	642,346	628,393	0.79
1,500	Waste Management Inc.	146,126	182,140	0.23
2,700	Wingstop Inc.	225,121	236,486	0.30
7,100	Zoetis Inc., Class A	798,443	828,707	1.04
	Total United States equities	49,204,831	46,511,857	58.32
	United States futures:			
100	US Long Bond Future MAR19	—	900,623	1.13
	Total United States futures	—	900,623	1.13
Total investments - long		\$ 98,493,928	\$ 95,679,381	119.98

Investments - short

Canadian equities:

(16,600)	AltaGas Ltd.	\$ (336,963)	\$ (230,740)	(0.29)
(20,000)	Altus Group Ltd.	(489,849)	(473,400)	(0.59)
(27,500)	Arc Resources Ltd.	(216,046)	(222,750)	(0.28)
(37,300)	Artis REIT	(430,804)	(344,652)	(0.43)
(30,000)	ATS Automation Tooling System Inc.	(494,401)	(431,700)	(0.54)
(38,500)	Birchcliff Energy Ltd.	(138,708)	(117,040)	(0.15)
(43,600)	Blackberry Ltd.	(562,469)	(423,356)	(0.53)
(12,100)	Boardwalk REIT	(479,240)	(457,501)	(0.57)
(29,000)	Boralex Inc., Class A	(594,008)	(488,360)	(0.61)
(6,400)	BRP Inc.	(283,148)	(226,176)	(0.28)
(18,200)	Canadian Western Bank	(590,654)	(473,928)	(0.59)
(39,300)	Celestica Inc.	(539,437)	(470,028)	(0.59)
(48,600)	Cenovus Energy Inc.	(481,675)	(466,560)	(0.58)
(120,000)	CES Energy Solutions Corp.	(372,353)	(378,000)	(0.47)
(42,400)	Chemtrade Logistics Income Fund	(639,335)	(444,352)	(0.56)
(21,300)	Chorus Aviation Inc.	(109,128)	(120,132)	(0.15)
(43,900)	Cominar REIT	(536,086)	(491,680)	(0.62)
(25,200)	Cott Corp.	(501,358)	(479,052)	(0.60)
(6,500)	Descartes Systems Group Inc.	(239,277)	(234,195)	(0.29)
(7,200)	Dollarama Inc.	(289,405)	(233,784)	(0.29)
(149,400)	ECN Capital Corp.	(543,905)	(515,430)	(0.65)
(70,900)	Element Fleet Management Corp.	(480,330)	(489,919)	(0.61)
(100,700)	Ensign Energy Services Inc.	(573,687)	(482,353)	(0.60)
(17,800)	Extencicare Inc.	(108,573)	(113,030)	(0.14)
(800)	Fairfax Financial Holdings Ltd.	(564,419)	(480,784)	(0.60)
(19,200)	Finning International Inc.	(537,624)	(456,960)	(0.57)
(27,100)	First Capital Realty Inc.	(555,785)	(510,835)	(0.64)
(10,500)	First Quantum Minerals Ltd.	(164,493)	(115,920)	(0.15)
(26,300)	Freehold Royalties Ltd.	(303,613)	(217,501)	(0.27)
(3,169)	Home Capital Group Inc., Class B	(53,297)	(45,634)	(0.06)
(80,400)	Husky Energy Inc.	(1,538,419)	(1,134,444)	(1.42)

EHP ADVANTAGE FUND

Schedule of Investments (continued)

December 31, 2018

Number of shares/ par value/ contracts	Description	Cost	Carrying value	% of net assets
(30,800)	Innervex Renewable Energy Inc.	(412,293)	(386,232)	(0.48)
(7,400)	Kinaxis Inc.	(509,589)	(487,660)	(0.61)
(9,300)	Kinder Morgan Canada Ltd.	(148,834)	(148,149)	(0.19)
(59,100)	Knight Therapeutics Inc.	(485,606)	(454,479)	(0.57)
(13,400)	Laurentian Bank of Canada Co.	(612,763)	(510,138)	(0.64)
(86,400)	Lundin Mining Corp.	(536,449)	(487,296)	(0.61)
(12,200)	Martire International Inc.	(140,853)	(132,492)	(0.17)
(4,600)	Onex Corp.	(409,379)	(342,010)	(0.43)
(5,600)	Open Text Corp.	(245,217)	(249,200)	(0.31)
(21,300)	Prairiesky Royalty Ltd.	(491,764)	(376,371)	(0.47)
(44,400)	Precision Drilling Corp.	(160,612)	(105,228)	(0.13)
(6,500)	Premium Brands Holdings Corp.	(600,930)	(486,590)	(0.61)
(2,700)	Ritchie Bros Auctioneers Inc.	(123,001)	(120,582)	(0.15)
(5,400)	Russel Metals Inc.	(108,802)	(115,182)	(0.14)
(48,800)	Secure Energy Services Inc.	(348,098)	(342,088)	(0.43)
(26,500)	Shawcor Ltd.	(490,152)	(439,370)	(0.55)
(23,700)	Sierra Wireless Inc.	(523,536)	(434,421)	(0.54)
(11,200)	SNC-Lavalin Group Inc.	(593,013)	(514,304)	(0.64)
(35,900)	Superior Plus Corp.	(372,753)	(347,512)	(0.44)
(82,900)	Tore Oil & Gas Ltd.	(358,704)	(362,273)	(0.45)
(24,400)	Transalta Renewables Corp.	(265,795)	(253,028)	(0.32)
(3,900)	Vermilion Energy Inc.	(106,563)	(112,164)	(0.14)
	Total Canadian equities	(21,793,195)	(18,976,965)	(23.74)
	Canadian options:			
(2,798)	MEG Energy Corp. CALL \$8.00 18JAN19	(173,484)	(167,880)	(0.21)
	Total Canadian options	(173,484)	(167,880)	(0.21)
	United States equities:			
(2,300)	Activision Blizzard Inc.	(145,415)	(146,153)	(0.18)
(400)	Acuity Brands Inc.	(71,775)	(62,740)	(0.08)
(2,300)	Albermarle Corp.	(287,332)	(241,873)	(0.30)
(2,000)	Alexion Pharmaceuticals Inc.	(346,232)	(265,695)	(0.33)
(1,600)	Allergan PLC	(364,077)	(291,807)	(0.37)
(1,100)	Alliant Energy Corp.	(61,399)	(63,415)	(0.08)
(6,400)	American Airlines Group Inc.	(299,090)	(280,410)	(0.35)
(5,300)	American International Group Inc.	(350,857)	(285,007)	(0.36)
(11,200)	Arconic Inc.	(284,364)	(257,661)	(0.32)
(3,300)	Axcelis Technologies Inc.	(77,259)	(80,151)	(0.10)
(1,900)	B&G Foods Holdings Corp.	(75,151)	(74,951)	(0.09)
(10,200)	Baker Hughes Co., Class A	(406,212)	(299,235)	(0.38)
(6,400)	Brighthouse Financial Inc.	(331,685)	(266,176)	(0.33)
(3,000)	C&J Energy Services Ltd.	(73,618)	(55,262)	(0.07)
(10,300)	Cabot Oil & Gas Corp.	(319,748)	(314,115)	(0.39)
(1,200)	Cardinal Health Inc.	(81,440)	(73,028)	(0.09)
(2,200)	Ceva ORD	(72,803)	(66,312)	(0.08)
(4,300)	Cincinnati Bell Inc.	(80,141)	(45,648)	(0.06)
(1,900)	Clearwater Paper Corp.	(74,519)	(63,180)	(0.08)
(200)	Coca Cola Bottling ORD	(35,191)	(48,407)	(0.06)

EHP ADVANTAGE FUND

Schedule of Investments (continued)

December 31, 2018

Number of shares/ par value/ contracts	Description	Cost	Carrying value	% of net assets
(400)	Coherent Inc.	(72,290)	(57,697)	(0.07)
(11,700)	Community Health System Inc.	(53,785)	(45,020)	(0.06)
(500)	Concho Resources Inc.	(67,938)	(70,128)	(0.09)
(4,100)	Consolidated Communications Holdings	(66,174)	(55,273)	(0.07)
(1,900)	Cooper Tire & Rubber Co.	(70,277)	(83,817)	(0.11)
(4,200)	Corcept Therapeutics Inc.	(75,657)	(76,565)	(0.10)
(7,400)	Coty Inc., Class A	(108,386)	(66,238)	(0.08)
(7,000)	Cross Country Healthcare Inc.	(86,964)	(70,012)	(0.09)
(7,300)	Cytokinetics Inc.	(84,122)	(62,953)	(0.08)
(3,600)	Dana Holding Corp.	(73,614)	(66,953)	(0.08)
(7,000)	Dentsply Sirona Inc.	(382,514)	(355,411)	(0.45)
(6,400)	Devon Energy Corp.	(290,545)	(196,837)	(0.25)
(3,100)	Dominion Resources Inc.	(284,893)	(302,272)	(0.38)
(1,500)	Dover Corp.	(162,649)	(145,217)	(0.18)
(4,000)	Dowdupont Inc.	(305,812)	(291,894)	(0.37)
(3,200)	D.R. Horton Inc.	(153,222)	(151,339)	(0.19)
(700)	Duke Energy Corp.	(75,400)	(82,429)	(0.10)
(3,900)	Edison International Co.	(318,584)	(302,104)	(0.38)
(1,200)	Equifax Inc.	(156,036)	(152,491)	(0.19)
(400)	Equinix Inc.	(203,850)	(192,427)	(0.24)
(2,900)	Exelixis Inc.	(66,144)	(77,835)	(0.10)
(9,000)	Extreme Networks Inc.	(76,754)	(74,911)	(0.09)
(2,500)	Flowserve Corp.	(144,338)	(129,696)	(0.16)
(1,600)	Fluor Corp.	(68,175)	(70,299)	(0.09)
(2,300)	FMC Corp.	(253,261)	(232,112)	(0.29)
(3,500)	Formfactor Inc.	(74,106)	(67,290)	(0.08)
(1,200)	Goldman Sachs Group Inc.	(363,352)	(273,528)	(0.34)
(1,100)	Helmerich & Payne Inc.	(69,783)	(71,956)	(0.09)
(1,300)	Hess Corp.	(71,664)	(71,841)	(0.09)
(3,100)	Ichor Holdings Ltd.	(73,712)	(68,948)	(0.09)
(3,800)	Incyte Corp.	(361,781)	(329,721)	(0.41)
(1,500)	Installed Building Products Inc.	(75,589)	(68,955)	(0.09)
(5,100)	Iron Mountain Inc.	(226,074)	(225,540)	(0.28)
(6,500)	Johnson Controls International PLC	(295,027)	(262,973)	(0.33)
(1,400)	Kennametal Inc.	(77,482)	(63,575)	(0.08)
(14,400)	Kimco Realty Corp.	(306,738)	(287,855)	(0.36)
(12,200)	Kinder Morgan Inc.	(286,387)	(256,029)	(0.32)
(3,900)	Kite Realty Group Trust	(85,484)	(74,981)	(0.09)
(4,300)	Kraft Heinz Co.	(341,848)	(252,531)	(0.32)
(3,100)	Lantheus Holdings Inc.	(63,187)	(66,199)	(0.08)
(200)	Lending Tree Inc.	(70,063)	(59,921)	(0.08)
(6,600)	Lexington Realty Trust	(75,843)	(73,937)	(0.09)
(1,400)	LGI Homes Inc.	(80,876)	(86,384)	(0.11)
(7,800)	Limited Brands Inc.	(365,646)	(273,208)	(0.34)
(8,900)	LKQ Corp.	(318,942)	(288,178)	(0.36)
(600)	Logmein Inc.	(67,290)	(66,781)	(0.08)
(2,200)	MI Schottenstein Homes Inc.	(70,181)	(63,100)	(0.08)
(4,800)	Macerich Co.	(346,154)	(283,467)	(0.36)
(700)	Manpowergroup Inc.	(69,613)	(61,894)	(0.08)
(1,200)	Martin Marietta Materials Inc.	(313,580)	(281,420)	(0.35)

EHP ADVANTAGE FUND

Schedule of Investments (continued)

December 31, 2018

Number of shares/ par value/ contracts	Description	Cost	Carrying value	% of net assets
(13,600)	Mattel Inc.	(286,130)	(185,386)	(0.23)
(2,900)	Maxlinear Inc.	(64,087)	(69,644)	(0.09)
(1,500)	Meritage Homes Corp.	(74,374)	(75,157)	(0.09)
(1,900)	Methode Electronics Inc., Class A	(72,898)	(60,380)	(0.08)
(9,200)	MGM Resorts International Co.	(324,211)	(304,545)	(0.38)
(3,300)	Microchip Technology Inc.	(313,348)	(323,845)	(0.41)
(3,900)	Molson Coors Brewing Co., Class B	(335,354)	(298,860)	(0.37)
(4,300)	Morgan Stanley	(253,172)	(232,640)	(0.29)
(3,500)	Mylan Inc.	(142,927)	(130,856)	(0.16)
(10,600)	Newell Rubbermaid Inc.	(316,528)	(268,880)	(0.34)
(3,200)	Newmont Mining Corp.	(145,714)	(151,296)	(0.19)
(9,300)	Nielsen Holdings PLC	(356,496)	(296,054)	(0.37)
(9,600)	NiSource Inc.	(328,612)	(332,065)	(0.42)
(2,600)	Noble Energy Inc.	(100,456)	(66,555)	(0.08)
(800)	Oshkosh Corp.	(74,151)	(66,926)	(0.08)
(4,000)	Pentair PLC	(223,143)	(206,203)	(0.26)
(2,600)	Perrigo Co.	(253,171)	(137,473)	(0.17)
(7,100)	PG&E Corp.	(205,114)	(230,089)	(0.29)
(800)	Philip Morris International Inc.	(86,890)	(72,875)	(0.09)
(7,000)	Pitney Bowes Inc.	(76,327)	(56,449)	(0.07)
(1,000)	Power Integrations Inc.	(75,058)	(83,207)	(0.10)
(7,400)	PPL Corp.	(278,535)	(286,057)	(0.36)
(2,900)	Qualcomm Inc.	(223,048)	(225,196)	(0.28)
(6,600)	Rambus Inc.	(78,700)	(69,074)	(0.09)
(4,000)	Rayonier Advanced Materials Inc.	(75,335)	(58,128)	(0.07)
(3,000)	Realogy Holdings Corp.	(74,915)	(60,093)	(0.08)
(600)	Sanderson Farms Inc.	(88,220)	(81,289)	(0.10)
(2,500)	Schlumberger Ltd.	(203,181)	(123,078)	(0.15)
(900)	Scotts Miracle-Grow Co.	(88,857)	(75,476)	(0.09)
(6,900)	Sealed Air Corp.	(334,330)	(328,020)	(0.41)
(2,000)	Sempra Energy	(302,027)	(295,251)	(0.37)
(5,000)	Southern Co.	(302,826)	(299,644)	(0.38)
(4,100)	Spectrum Pharmaceuticals Inc.	(73,990)	(48,951)	(0.06)
(1,900)	Stanley Black & Decker Inc.	(321,187)	(310,432)	(0.39)
(11,100)	Symantec Corp.	(306,299)	(286,183)	(0.36)
(600)	Take-Two Interactive Software Inc.	(86,879)	(84,277)	(0.11)
(8,000)	Technipfmc PLC	(256,926)	(213,735)	(0.27)
(1,800)	Toll Brothers Inc.	(78,349)	(80,879)	(0.10)
(5,000)	Tri Pointe Homes Inc.	(78,969)	(74,570)	(0.09)
(3,100)	Triumph Group Inc.	(79,115)	(48,644)	(0.06)
(2,000)	TTEC Holdings Inc.	(76,094)	(77,968)	(0.10)
(1,300)	Tupperware Brands Corp.	(55,779)	(56,000)	(0.07)
(1,400)	U.S. Concrete Inc.	(71,953)	(67,395)	(0.08)
(5,500)	UDR Inc.	(269,864)	(297,338)	(0.37)
(6,500)	Unium Group	(313,845)	(260,579)	(0.33)
(2,700)	Ventas Inc.	(206,491)	(215,854)	(0.27)
(3,100)	Vornado RealtyTrust	(277,751)	(262,384)	(0.33)
(2,300)	Vulcan Materials Co.	(354,159)	(310,069)	(0.39)

EHP ADVANTAGE FUND

Schedule of Investments (continued)

December 31, 2018

Number of shares/ par value/ contracts	Description	Cost	Carrying value	% of net assets
(3,400)	Welltower Inc.	(293,027)	(322,014)	(0.40)
(2,400)	Weyerhaeuser Co.	(76,149)	(71,587)	(0.09)
(2,000)	Whirlpool Corp	(340,191)	(291,648)	(0.37)
(9,800)	Williams Companies Inc.	(360,139)	(294,855)	(0.37)
(1,200)	Willis Towers Watson PLC	(233,321)	(248,656)	(0.31)
(7,600)	Xerox Corp.	(243,106)	(204,915)	(0.26)
	Total United States equities	(22,701,812)	(20,352,992)	(25.49)
Total investments - short		\$ (44,668,491)	\$ (39,497,837)	(49.44)
Total investments - long		\$ 98,493,928	\$ 95,679,381	119.98
Total investments - short		(44,668,491)	(39,497,837)	(49.44)
Total investments owned		<u>\$ 53,825,437</u>	56,181,544	70.54
Other assets, net			23,604,762	29.46
Net assets (note 5)			\$ 79,786,306	100.00

See accompanying notes to financial statements.

EHP ADVANTAGE FUND

Notes to Financial Statements

Year ended December 31, 2018

1. General information:

The EHP Advantage Fund (the "Fund") is an open-ended investment trust established under the laws of the Province of Ontario pursuant to the Trust Agreement made as of April 17, 2013 and amended and restated as of June 1, 2014 between Caledon Trust Company, as trustee (the "Trustee"), and EdgeHill Partners. The registered office of the Fund is 45 Hazelton Ave., Suite B, Toronto, Ontario, Canada M5R 2E3.

EdgeHill Partners, a general partnership formed under the laws of the Province of Ontario, is the manager and investment advisor of the Fund (the "Investment Manager"). The Investment Manager performs management functions for the Fund, including investment management of the Fund's portfolio.

The Fund's investment objective is to generate superior risk-adjusted investment returns over the long term by utilizing a multi-strategy approach, consisting of diversified quantitative and systematic investment strategies. The Fund will also seek to preserve capital and mitigate risk through the application of both portfolio and risk management tools. In order to achieve its objective, the Fund will actively allocate capital over multiple investment strategies predominantly based upon researched, repeatable and process-driven methodologies.

2. Significant accounting policies:

The principal accounting policies applied in the preparation of these financial statements are set out below:

(a) Basis of presentation:

These financial statements have been prepared in compliance with International Financial Reporting Standards ("IFRS"), as published by the International Accounting Standards Board ("IASB"). In the preparation of these financial statements, the Fund has consistently applied these standards.

These financial statements have been prepared on a historical cost basis, except for financial assets and financial liabilities at fair value through profit or loss ("FVTPL"), which are presented at fair value.

(b) Approval of the financial statements:

The financial statements were approved by the Investment Manager and authorized for issue on March 29, 2019.

EHP ADVANTAGE FUND

Notes to Financial Statements (continued)

Year ended December 31, 2018

2. Significant accounting policies (continued):

(c) Functional currency and foreign currency translation:

The measurement and functional currency of the Fund is the Canadian dollar ("CAD") and the financial statements are presented in CAD. Investment transactions and income and expenses in foreign currencies have been translated to CAD at the rate of exchange prevailing at the time of the transaction.

Foreign currency assets and liabilities have been translated into the functional currency, using the rate of exchange prevailing at the statement of financial position dates.

Foreign exchange gains and losses relating to cash are presented in the statement of comprehensive income within net foreign currency gains.

Foreign exchange gains and losses relating to the financial assets and liabilities carried at FVTPL are presented in the statement of comprehensive income within net gains on financial assets and liabilities at FVTPL.

(d) Financial assets and financial liabilities:

(i) Classification, recognition, derecognition and measurement

For fiscal years beginning January 1, 2018, IFRS 9, Financial Instruments ("IFRS 9") has replaced International Accounting Standard 39, Financial Instruments – Recognition and Measurement ("IAS 39"). IFRS 9 introduces new classification and measurement requirements for financial instruments, including impairment on financial assets and hedge accounting.

This new standard requires assets to be classified based on the Fund's business model for managing the financial assets and contractual cash flow characteristics of the financial assets. The standard includes three principal classification categories for financial assets: measured at amortized cost, fair value through other comprehensive income, and FVTPL. It eliminates the existing IAS 39 categories of held to maturity, loans and receivables and available for sale. IFRS 9 largely retains the existing requirements in IAS 39 for the classification of financial liabilities. IFRS 9 has been applied retrospectively by the Fund and did not result in a change to the classification or measurement of financial instruments. There were no changes in the recognition or measurement of the Fund's financial instruments as a result of adopting IFRS 9, and consequently, there was no impact to net assets.

EHP ADVANTAGE FUND

Notes to Financial Statements (continued)

Year ended December 31, 2018

2. Significant accounting policies (continued):

Upon transition to IFRS 9, the Fund's financial assets and financial liabilities were classified as FVTPL and some as amortized cost. This classification differs from the classification under the previous standard IAS 39, therefore there were classification differences (as per the paragraph below) but no measurement differences of certain financial assets and financial liabilities upon transition to IFRS 9.

Effective January 1, 2018, all financial assets that had previously been designated as FVTPL or that were classified as held-for-trading were reclassified as FVTPL. Derivative assets and derivative liabilities that were previously classified as held-for-trading financial instruments were reclassified as FVTPL. Financial assets that were previously classified as loans and receivables were reclassified as amortized cost. Financial liabilities that were previously classified as other financial liabilities were reclassified as amortized cost upon transition to IFRS 9. Changes in accounting policies resulting from the adoption of IFRS 9 have been applied retrospectively. The information presented for 2017 reflects requirements of IFRS 9.

The Fund classifies its investments in debt and equity securities, and derivatives, as financial assets or financial liabilities at FVTPL. The Fund classifies its investments at FVTPL based on the Fund's business model for managing those financial assets in accordance with the Fund's documented investment strategy. The portfolio of investments is managed and performance is evaluated on a fair value basis and the portfolio of investments is neither held to collect contractual cash flows nor held both to collect contractual cash flows and to sell financial assets. The Fund is primarily focused on fair value information and uses that information to assess the assets' performance and to make decisions.

Financial assets and financial liabilities are initially recognized on the trade date, which is the date on which the Fund becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value, with transaction costs recognized in the statement of comprehensive income.

Subsequent to initial recognition, all financial assets and financial liabilities at FVTPL are measured at fair value. Net realized and changes in unrealized gains and losses arising from changes in the fair value of the financial assets or financial liabilities at FVTPL category are presented in the statement of comprehensive income within net realized gains on financial assets and liabilities at FVTPL and net change in unrealized appreciation (depreciation) on financial assets and liabilities at FVTPL in the year in which they arise.

EHP ADVANTAGE FUND

Notes to Financial Statements (continued)

Year ended December 31, 2018

2. Significant accounting policies (continued):

The Fund derecognizes a financial asset when the contractual rights to the cash flows on the financial asset in the transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. The Fund derecognizes a financial liability when its contractual obligations are discharged, cancelled or expire.

All other financial assets and liabilities, excluding redeemable units, are recognized on the date on which they are originated are classified as financial assets or financial liabilities at amortized cost and are measured at amortized cost. Redeemable units are measured at the present value of the redemption amount and are considered a residual.

When the Fund purchases an option, warrant, or future, an amount equal to fair value which is based on the premium paid is recorded as an asset. When the Fund writes an option, an amount equal to fair value which is based on the premium received by the Fund is recorded as a liability. When options and warrants are closed, the difference between the premium and the amount paid or received, net of brokerage commissions, or the full amount of the premium if the option expires worthless, is recognized as a realized gain or loss and is presented in the statement of comprehensive income within net realized gains on financial assets and liabilities at FVTPL.

Dividend income from financial assets at FVTPL is recognized in the statement of comprehensive income within dividend income, gross of withholding taxes, when the Fund's right to receive payments is established. Dividends declared on securities sold short are recorded as a dividend expense on the ex-dividend date. Amounts not yet received or paid are included in the statement of financial position in dividends receivable and dividends payable on securities sold short, respectively. Interest for distribution purposes earned on debt securities at FVTPL is recognized in the statement of comprehensive income on an accrual basis.

(ii) Fair value measurement:

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 in the principal or, in its absence, the most advantageous market to which the Fund has access at that date. The fair value of a liability reflects its non-performance risk.

EHP ADVANTAGE FUND

Notes to Financial Statements (continued)

Year ended December 31, 2018

2. Significant accounting policies (continued):

When available, the Fund measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as "active" if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. The Fund measures instruments quoted in an active market at last sale or close price, where the close price falls within the day's bid-ask spread. In circumstances where the close price is not within the day's bid-ask spread, management determines the point within the bid-ask spread that is most representative of fair value based on specific facts and circumstances.

The fair value used for financial reporting is consistent with the fair value used for unitholder and related transactions.

(e) Cost of investments:

The cost of investments, excluding futures, represents the amount paid for each security and is determined on an average cost basis, excluding commissions and other transaction costs. Realized gains and losses on disposition are determined based on the average cost of investments. Gains and losses arising from changes in the fair value of the investments are included in the statement of comprehensive income for the year in which they arise.

(f) Offsetting financial instruments:

Financial assets and liabilities are offset and the net amount reported in the statement of financial position where the Fund currently has a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. Income and expenses are presented on a net basis for gains and losses from financial instruments at FVTPL.

(g) Cash:

Cash consist of cash on deposit and short-term deposits with terms to maturity of less than three months at acquisition.

(h) Payable for investments purchased/receivable for investments sold:

Amounts receivable for investments sold and amounts payable for investments purchased that have been contracted are recorded on the statement of financial position at the amount to be received or delivered.

EHP ADVANTAGE FUND

Notes to Financial Statements (continued)

Year ended December 31, 2018

2. Significant accounting policies (continued):

- (i) Redeemable units and net assets attributable to holders of redeemable units:

The Fund issues multiple classes of redeemable units, which are redeemable at the holder's option and do not have identical features and, therefore, are classified as financial liabilities. For each Fund unit sold, the Fund receives an amount equal to the net asset value per unit at the date of sale, which amount is included in net assets attributable to holders of redeemable units. For each unit redeemed, net assets attributable to holders of redeemable units are reduced by the net asset value of the unit at the date of redemption. The redeemable shares are measured at the current value of the Fund's net assets and are considered a residual amount of the net assets attributable to holders of redeemable units. There is no difference in the method net asset value and net assets attributable to holders of redeemable units is computed.

The increase (decrease) in net assets attributable to holders of redeemable units per unit is calculated by dividing the increase (decrease) in net assets attributable to holders of redeemable units by the weighted average number of units outstanding during the periods for each class/series, respectively.

- (j) Income allocation:

Income, expenses other than management fees, performance fees, and realized and unrealized capital gains (losses) are distributed among the different classes of units in proportion to the amount invested in them. For management fees and performance fees, please refer to note 6.

- (k) Net assets attributable to holders of redeemable units per unit:

The net assets attributable to holders of redeemable units per unit is calculated by dividing the net assets attributable to holders of redeemable units of a particular class of units by the total numbers of units of that particular class or series outstanding at the end of the year.

- (l) Commissions and other portfolio transaction costs:

Commissions and other portfolio transaction costs are costs incurred to acquire financial assets or liabilities at FVTPL. They include fees and commissions paid to agents, advisers, brokers and dealers. Transaction costs, when incurred, are immediately recognized in the statement of comprehensive income as an expense.

EHP ADVANTAGE FUND

Notes to Financial Statements (continued)

Year ended December 31, 2018

2. Significant accounting policies (continued):

(m) Taxation:

The Fund qualifies as a mutual fund trust under the provisions of the Income Tax Act (Canada) and, accordingly, is not subject to tax on its net taxable income for the tax year which ends in December, including net realized capital gains, which is paid or payable to its unitholders as at the end of the tax year. However, such part of the Fund's net income and net realized capital gains that is not so paid or payable, is subject to income tax. Income tax on net realized capital gains not paid or payable is generally recoverable by virtue of refunding provisions contained in tax legislation, as redemptions occur. It is the intention of the Fund to distribute all of its income and sufficient net realized capital gains so that the Fund will not be subject to income tax.

The Fund is subject to withholding taxes on foreign income. In general, the Fund treats withholding tax as a charge against income for tax purposes.

As at December 31, 2018, the Fund had capital loss carryforwards of nil (2017 - nil) and non-capital loss carryforwards of nil (2017 - \$857,778).

(n) Critical accounting estimates and assumptions:

The preparation of financial statements requires management to use judgment in applying its accounting policies and to make estimates and assumptions about the future. Actual results may differ from these estimates.

3. Derivative financial instruments:

The Fund holds the following derivative instruments:

Warrants:

A warrant is a contractual arrangement under which the issuer grants the holder the right, but not the obligation, either to buy at or by a set date or during a set period, a specific amount of securities or a financial instrument at a predetermined price directly from the issuer of the underlying securities. The Fund is exposed to credit risk on purchased warrants only to the extent of their carrying amount, which is their fair value.

EHP ADVANTAGE FUND

Notes to Financial Statements (continued)

Year ended December 31, 2018

3. Derivative financial instruments (continued):

The following tables detail the Fund's investments in warrants:

2018:

Description	Maturity date	Strike price	Notional amount
Warrants:			
Alignvest Acquisition II Corp. Cannabis Strategies	July 4, 2021	\$ 11.50	\$ 5,890,300
Acquisition Corp.	December 21, 2025	11.50	3,049,225

Futures:

The Fund may enter into various futures contracts as part of its investment strategy. Generally, a futures contract represents a firm commitment for the future purchase or sale of an asset at a specified price on a specified date. The Fund may use futures contracts to gain exposure to, or hedge against, changes in the value of equities, commodities, interest rates or foreign currencies. If market conditions move unexpectedly, the anticipated benefits of futures contracts may not be achieved and a loss may be realized. The use of futures contracts involves the risk of imperfect correlation in movements in the price of futures contracts and the underlying instruments.

The following table details the Fund's investments in futures:

2018:

Description	Maturity date	Notional amount	Amount in financial assets or liabilities
Futures:			
US Long Bond Future MAR 19	March 1, 2019	\$ 19,921,700	\$ 900,623

EHP ADVANTAGE FUND

Notes to Financial Statements (continued)

Year ended December 31, 2018

3. Derivative financial instruments (continued):

2017:

Description	Maturity date	Notional amount	Amount in financial assets or liabilities
Futures:			
S&P/TSX 60 Future MAR 18	March 16, 2018	\$ 12,446,200	\$ (35,080)

Options:

An option is the right to buy (a call option) or to sell (a put option) a specified amount or value of a particular underlying interest (e.g., equity securities, stock indices, government debt securities, commodity or foreign currencies) at a fixed exercise price by exercising the option before its expiration date. The option may also be settled in cash, based on the difference between the exercise settlement value and the fixed exercise price.

2018:

Description	Maturity date	Strike price	Notional amount
Options:			
MEG Energy Corp.	January 18, 2019	\$ 8.00	\$ 2,237,600
MEG Energy Corp.	January 18, 2019	8.00	(2,238,400)

The notional amounts of certain types of financial instruments provide a basis for comparison with instruments recognized on the statement of financial position, but they do not necessarily indicate the amounts of future cash flows involved or the current fair value of the instruments and do not, therefore, indicate the Fund's exposure to credit or market price risk. The derivative instruments become favourable (assets) or unfavourable (liabilities) as a result of fluctuations in market prices or foreign exchange rates relative to their terms. The aggregate contractual or notional amount of derivative financial instruments on hand, the extent to which instruments are favourable or unfavourable and, thus, the aggregate fair values of derivative financial assets and liabilities can fluctuate significantly from time to time.

EHP ADVANTAGE FUND

Notes to Financial Statements (continued)

Year ended December 31, 2018

4. Financial risk management:

(a) Financial risk factors:

The Fund's investment activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk (including price risk, foreign exchange risk and interest rate risk).

The Fund is also exposed to operational risks, such as custody risk. Custody risk is the risk of loss of securities held in custody occasioned by the insolvency or negligence of the custodian. Although an appropriate legal framework is in place that reduces the risk of loss of value of the securities held by the custodian, in the event of its failure, the ability of the Fund to transfer securities might be temporarily impaired.

The value of investments within the Fund's portfolio can fluctuate on a daily basis as a result of changes in interest rates, economic conditions, the market and company news related to specific securities within the Fund. The level of risk depends on the Fund's investment objective and the types of securities it invests in. The Investment Manager seeks to minimize potential adverse effects of these risks on the Fund's performance by employing professional, experienced portfolio advisors, by daily monitoring of the Fund's positions and market events, and may use derivatives to hedge certain risk exposures. To assist in managing risks, the Investment Manager maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategies, internal guidelines and securities regulations.

The Fund's investment policy allows it to invest in a variety of financial instruments and utilize various investment strategies in order to meet its objectives. As part of the Fund's risk management practices, investment activities of the Fund are subject to the following investment restrictions, as prescribed in the Offering Memorandum:

The Fund will typically purchase securities through normal market facilities. Purchases of securities under other circumstances will only be permitted where the purchase price for such securities approximates the prevailing market price or is negotiated or established on an arm's-length basis.

EHP ADVANTAGE FUND

Notes to Financial Statements (continued)

Year ended December 31, 2018

4. Financial risk management (continued):

The Fund uses different methods to measure and manage the various types of risk to which it is exposed; these methods are explained below:

(i) 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. The carrying amount of the Fund's assets represents the maximum credit risk exposure.

The Fund's investments in debt instruments and related derivatives represent the main concentration of credit risk. The fair value of these financial instruments includes consideration of the creditworthiness of the issuer. As at December 31, 2018 and 2017, the Fund had no significant investments in debt instruments. For derivatives, refer to note 3.

All transactions executed by the Fund 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.

The majority of the cash and cash equivalents and investments of the Fund are held by the Bank of Nova Scotia and BMO Capital Markets (the "Prime Brokers"). Bankruptcy or insolvency of the Prime Brokers may cause the Fund's rights with respect to cash and cash equivalents held by the Prime Brokers to be delayed or limited. The Fund monitors its risk by monitoring the credit quality and financial position of the Prime Brokers. At the date of the approval of the financial statements, the credit rating for the Bank of Nova Scotia was A+ (2017 - A+) and for BMO Capital Markets it was A-1 (2017 - A-1).

The Fund has provided the Prime Brokers with a general lien over the financial assets held in custody as security for the Prime Brokers' exposures relating to provision of custody services to the Fund. The terms under which the general lien is provided are usual and customary services to the Fund. The terms under which the general lien is provided are usual and customary for Prime Broker agreements. As at December 31, 2018, the fair value of financial assets subject to the general lien is \$122,018,551 (2017 - \$166,882,930). The Fund's cash investments are held by highly creditworthy financial institutions.

EHP ADVANTAGE FUND

Notes to Financial Statements (continued)

Year ended December 31, 2018

4. Financial risk management (continued):

(ii) Liquidity risk:

Liquidity risk is the risk that the Fund will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or other financial assets.

The Fund could be exposed to weekly cash redemptions of redeemable units. The Fund manages its liquidity risk by primarily investing in marketable securities and other financial instruments which are traded in active markets and can be readily disposed of under normal market conditions. In addition, the Fund generally retains sufficient cash and cash equivalent positions to maintain liquidity.

Under extraordinary circumstances, the Fund also has the ability to suspend redemptions if this is deemed to be in the best interest of all shareholders. The Fund did not withhold any redemptions or implement any suspension during 2018 or 2017.

It is the Fund's policy that the Investment Manager monitors the Fund's liquidity position on a daily basis.

The Fund's liabilities are generally expected to be due and paid within 90 days, with the exception of net assets attributable to holders of redeemable units. Redeemable units are redeemable on demand at the holder's option; however, it does not represent significant liquidity risk as holders of these instruments typically retain them for the medium to long term.

(iii) Market risk:

Market risk is the risk that the fair value of future cash flows of financial instruments will fluctuate due to changes in market variables, such as interest rates, foreign exchange rates and market prices. The following includes sensitivity analyses that show how the net assets attributable to holders of redeemable units would have been affected by a reasonably possible change in the relevant risk variable at each reporting date. In practice, the actual results may differ and the differences could be material.

EHP ADVANTAGE FUND

Notes to Financial Statements (continued)

Year ended December 31, 2018

4. Financial risk management (continued):

(a) Price risk:

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk). The Fund is primarily exposed to price risk from its investments in equity securities.

All investments represent a risk of loss of capital. The Investment Manager aims to moderate this risk through careful selection and diversification of securities and other financial instruments in accordance with the Fund's investment objectives and strategy. Except for securities sold short, the maximum risk resulting from financial instruments is determined by the fair value of the financial instruments. Possible losses from securities sold short can be unlimited. The Fund's overall market positions are monitored on a regular basis by the Investment Manager.

The Fund is primarily exposed to price risk from its investments in equity securities and related derivatives. As at December 31, 2018, had the prices on the respective stock exchanges for these securities increased or decreased by 10%, with all other variables held constant, net assets attributable to holders of redeemable units would have increased or decreased by approximately \$5,517,912 (2017 - \$12,835,493).

The Fund is also exposed to price risk through the concentration of its investment portfolio, and manages this risk through daily monitoring of the portfolio to comply with the investment strategies outlined in the Fund's Offering Memorandum.

(b) Foreign exchange risk:

The Fund holds both monetary and non-monetary assets denominated or traded in currencies other than the CAD, the Fund's functional currency. Foreign currency risk arises as the value of future transactions, assets and liabilities denominated in other currencies fluctuate due to changes in foreign exchange rates.

EHP ADVANTAGE FUND

Notes to Financial Statements (continued)

Year ended December 31, 2018

4. Financial risk management (continued):

The tables below summarize the foreign currencies to which the Fund had significant exposure at December 31, 2018 and 2017 in CAD. The tables also illustrate the potential impact on the net assets attributable to holders of redeemable units if CAD had strengthened or weakened by 5% in relation to the listed currencies, with all other variables held constant.

2018:

United States dollar	Exposure	Impact on net assets attributable to holders of redeemable units
Cash and other receivables	\$ 10,690,028	\$ 534,501
Investments at FVTPL	27,059,488	1,352,974
Total	\$ 37,749,516	\$ 1,887,475
% of net assets attributable to holders of redeemable units	47.3	2.4

2017:

United States dollar	Exposure	Impact on net assets attributable to holders of redeemable units
Cash and other receivables	\$ (34,844,271)	\$ (1,742,214)
Investments at FVTPL	71,911,096	3,595,555
Total	\$ 37,066,825	\$ 1,853,341
% of net assets attributable to holders of redeemable units	34.3	1.7

EHP ADVANTAGE FUND

Notes to Financial Statements (continued)

Year ended December 31, 2018

4. Financial risk management (continued):

The analysis above is based on the assumptions that the relevant foreign exchange rate increased/decreased by 5%, with all other variables held constant. This represents management's best estimate of a reasonably possible shift in the foreign exchange rates.

(c) Interest rate risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in prevailing market interest rates.

The majority of the Fund's investments are non-interest bearing and, as such, are not subject to a significant amount of risk arising from fluctuations in interest rates.

(b) Capital risk management:

The capital of the Fund is represented by the net assets attributable to holders of redeemable units. 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 relevant movements are shown on the statement of changes in net assets attributable to holders of redeemable units. There is no external regulatory requirement to maintain a minimum capital amount.

(c) Fair value measurement:

The fair value of financial assets and financial liabilities traded in active markets (such as publicly traded derivatives and trading securities) are based on quoted market prices at the close of trading on the year-end date. An active market is a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. If a significant movement in fair value occurs subsequent to the close of trading up to midnight on the year-end date, valuation techniques will be applied to determine the fair value.

The fair value of financial assets and liabilities that are not traded in an active market is determined by using valuation techniques. The Fund uses a variety of methods and makes assumptions that are based on market conditions existing at each year-end date. Valuation techniques used for non-standardized financial instruments include the use of comparable recent arm's-length transactions, option pricing models and other valuation techniques commonly used by market participants making the maximum use of market inputs and relying as little as possible on entity-specific inputs.

EHP ADVANTAGE FUND

Notes to Financial Statements (continued)

Year ended December 31, 2018

4. Financial risk management (continued):

The fair value hierarchy has the following levels:

- Level 1 - inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 - inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and
- Level 3 - inputs are unobservable inputs for the asset or liability.

The determination of what constitutes "observable" requires significant judgment by the Fund. The Fund considers observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

If an asset or liability classified as Level 1 subsequently ceases to be actively traded, it is transferred into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs; in which case, it is reclassified to Level 3. All transfers are recorded at fair value at the beginning of the period of the transfer.

All investments held by the Fund are classified as Level 1 except for warrants of \$1,199,193, which are classified as Level 2. In 2017, all investment held by the Fund were classified as Level 1.

There were no transfers among Level 1, Level 2 and Level 3 in the years presented.

5. Net assets attributable to redeemable units:

Redeemable units:

The Fund is authorized to issue an unlimited number of classes and series of units and an unlimited number of units in each such class or series. Each unit of a class or a series represents an undivided ownership interest in the net asset value of the Fund attributable to that class or series of units. Each unit of a particular series of a class has equal rights to each other unit of the same series with respect to all matters, including voting, receipt of distributions from the Fund, liquidation and other events in connection with the Fund.

EHP ADVANTAGE FUND

Notes to Financial Statements (continued)

Year ended December 31, 2018

5. Net assets attributable to redeemable units (continued):

Subscriptions are accepted on a weekly basis, subject to applicable law and the Investment Manager's discretion to refuse a subscription in whole or in part. If a fully completed subscription agreement and subscription proceeds in cleared funds are delivered by the last business day of a week, a valuation date, and such subscription is accepted, the units subscribed for will be issued on the first business day of the next week. Units will be issued in series each month at an opening pricing net asset value for each new series of \$10.

Units may be redeemed as of the last business day of each week (a "Redemption Date"), except in extraordinary circumstances. A request in writing (including, for greater certainty, requests sent by email) with the unitholder's signature, to the satisfaction of the Investment Manager and the Trustee, must be received by the Investment Manager at least one business day prior to the Redemption Date or such other period as permitted by the Investment Manager and the Trustee in their sole discretion. The amount payable to a unitholder for each unit redeemed will be an amount equal to the class net asset value per unit of the relevant series on the Redemption Date, together with the proportionate share attributable to such units of any distribution which has been declared and not paid, less (a) any redemption charges payable, and (b) any withholding or other taxes required to be deducted. The redemption proceeds will typically be paid to the unitholder on or before the fourth business day following the Redemption Date.

EHP ADVANTAGE FUND

Notes to Financial Statements (continued)

Year ended December 31, 2018

5. Net assets attributable to redeemable units (continued):

During the years ended December 31, 2018 and 2017, the number of units issued, redeemed and outstanding was as follows:

2018	Units, beginning of period	Issuance of units	Redemption of units	Redesignation of units	Units, end of period
Class A - Initial Series	454,220	–	(110,813)	133,076	476,483
Class A - 2017 Series 3	10,549	–	–	(10,549)	–
Class A - 2017 Series 5	25,192	–	–	(25,192)	–
Class A - 2017 Series 6	17,377	–	–	(17,377)	–
Class A - 2017 Series 10	113,480	–	–	(113,480)	–
Class A - 2017 Series 11	7,483	–	–	(7,483)	–
Class A - 2017 Series 12	22,503	–	–	(22,503)	–
Class A - 2018 Series 1	–	10,247	(3,964)	(3,798)	2,485
Class A - 2018 Series 2	–	30,699	–	(30,699)	–
Class A - 2018 Series 4	–	11,121	–	(11,121)	–
Class A - 2018 Series 5	–	7,600	–	(7,600)	–
Class A - 2018 Series 7	–	86,653	–	–	86,653
Class A - 2018 Series 9	–	5,000	–	–	5,000
Class E - Initial Series	450,679	14,766	(43,176)	–	422,269
Class F - Initial Series	3,300,793	–	(2,559,288)	1,666,126	2,407,631
Class F - 2017 Series 3	365,974	–	–	(365,974)	–
Class F - 2017 Series 5	173,641	–	–	(173,641)	–
Class F - 2017 Series 10	146,526	–	–	(146,526)	–
Class F - 2017 Series 11	113,305	–	–	(113,305)	–
Class F - 2017 Series 12	293,966	–	–	(293,966)	–
Class F - 2018 Series 1	–	209,834	(4,935)	(204,899)	–
Class F - 2018 Series 2	–	113,363	(200)	(113,163)	–
Class F - 2018 Series 3	–	69,536	–	(69,536)	–
Class F - 2018 Series 4	–	82,634	–	(82,634)	–
Class F - 2018 Series 5	–	542,703	–	(542,703)	–
Class F - 2018 Series 6	–	82,372	(8,832)	(73,540)	–
Class F - 2018 Series 7	–	184,251	(32,431)	(151,820)	–
Class F - 2018 Series 8	–	60,969	(8,154)	–	52,815
Class F - 2018 Series 9	–	29,480	(4,730)	–	24,750
Class F - 2018 Series 10	–	45,468	(14,793)	–	30,675
Class F - 2018 Series 11	–	18,457	(4,076)	2,844	17,225
Class F - 2018 Series 12	–	4,177	(900)	–	3,277
Class UA - 2018 Series 1	–	10,000	–	–	10,000
Class UF - Initial Series	71,833	–	(30,535)	87,842	129,140
Class UF - 2017 Series 3	13,828	–	–	(13,828)	–
Class UF - 2017 Series 5	6,009	–	–	(6,009)	–
Class UF - 2017 Series 11	1,000	–	–	(1,000)	–
Class UF - 2017 Series 12	4,885	–	–	(4,885)	–
Class UF - 2018 Series 2	–	810	–	(810)	–
Class UF - 2018 Series 4	–	2,500	–	(2,500)	–
Class UF - 2018 Series 5	–	70,080	–	(70,080)	–
Class UF - 2018 Series 7	–	4,500	–	–	4,500
Class UF - 2018 Series 9	–	500	–	–	500
Founder Class - Initial Series	1,693,091	–	(266,959)	29,661	1,455,793
Founder Class - 2017 Series 11	2,500	–	–	(2,500)	–
Founder Class - 2017 Series 12	2,000	–	–	(2,000)	–
Founder Class - 2018 Series 4	–	23,872	–	(23,872)	–
Founder Class - 2018 Series 5	–	1,100	–	(1,100)	–
Founder Class - 2018 Series 11	–	2,500	–	–	2,500

EHP ADVANTAGE FUND

Notes to Financial Statements (continued)

Year ended December 31, 2018

5. Net assets attributable to redeemable units (continued):

2017	Units, beginning of period	Issuance of units	Redemption of units	Redesignation of units	Units, end of period
Class A - Initial Series	217,305	—	(51,568)	288,483	454,220
Class A - 2015 Series 4	98,535	—	—	(98,535)	—
Class A - 2015 Series 5	27,835	—	—	(27,835)	—
Class A - 2015 Series 6	67,218	—	—	(67,218)	—
Class A - 2015 Series 7	16,094	—	—	(16,094)	—
Class A - 2015 Series 8	41,076	—	—	(41,076)	—
Class A - 2015 Series 9	7,818	—	—	(7,818)	—
Class A - 2015 Series 10	9,982	—	—	(9,982)	—
Class A - 2015 Series 11	15,046	—	—	(15,046)	—
Class A - 2015 Series 12	5,000	—	—	(5,000)	—
Class A - 2016 Series 2	4,000	—	—	(4,000)	—
Class A - 2016 Series 3	23,361	—	—	(23,361)	—
Class A - 2016 Series 4	10,610	—	—	(10,610)	—
Class A - 2016 Series 6	7,934	—	—	(7,934)	—
Class A - 2016 Series 7	5,000	—	—	(5,000)	—
Class A - 2016 Series 8	15,000	—	—	(15,000)	—
Class A - 2016 Series 9	18,659	—	—	(18,659)	—
Class A - 2016 Series 10	5,000	—	—	(5,000)	—
Class A - 2016 Series 11	6,387	—	—	(6,387)	—
Class A - 2016 Series 12	31,699	—	—	(31,699)	—
Class A - 2017 Series 1	—	10,073	—	(10,073)	—
Class A - 2017 Series 2	—	39,889	—	(39,889)	—
Class A - 2017 Series 3	—	10,549	—	—	10,549
Class A - 2017 Series 4	—	28,649	—	(28,649)	—
Class A - 2017 Series 5	—	25,192	—	—	25,192
Class A - 2017 Series 6	—	17,377	—	—	17,377
Class A - 2017 Series 7	—	38,091	—	(38,091)	—
Class A - 2017 Series 8	—	9,000	—	(9,000)	—
Class A - 2017 Series 10	—	113,480	—	—	113,480
Class A - 2017 Series 11	—	7,483	—	—	7,483
Class A - 2017 Series 12	—	22,503	—	—	22,503
Class E - Initial Series	471,544	8,322	(210,068)	180,881	450,679
Class F - Initial Series	532,827	4,157	(347,017)	3,110,826	3,300,793
Class F - 2015 Series 4	52,738	—	—	(52,738)	—
Class F - 2015 Series 5	147,608	—	—	(147,608)	—
Class F - 2015 Series 6	253,219	—	—	(253,219)	—
Class F - 2015 Series 7	136,221	—	—	(136,221)	—
Class F - 2015 Series 8	220,171	—	—	(220,171)	—
Class F - 2015 Series 9	73,149	—	—	(73,149)	—
Class F - 2015 Series 10	32,984	—	—	(32,984)	—
Class F - 2015 Series 11	70,112	—	—	(70,112)	—
Class F - 2015 Series 12	50,116	—	—	(50,116)	—
Class F - 2016 Series 1	48,497	—	—	(48,497)	—
Class F - 2016 Series 2	97,721	—	—	(97,721)	—
Class F - 2016 Series 3	14,248	—	—	(14,248)	—

EHP ADVANTAGE FUND

Notes to Financial Statements (continued)

Year ended December 31, 2018

5. Net assets attributable to redeemable units (continued):

2017	Units, beginning of period	Issuance of units	Redemption of units	Redesignation of units	Units, end of period
Class F - 2016 Series 4	41,292	—	—	(41,292)	—
Class F - 2016 Series 5	47,104	—	—	(47,104)	—
Class F - 2016 Series 6	59,807	—	—	(59,807)	—
Class F - 2016 Series 7	158,909	—	(1,976)	(156,933)	—
Class F - 2016 Series 8	99,492	—	—	(99,492)	—
Class F - 2016 Series 9	112,979	—	—	(112,979)	—
Class F - 2016 Series 10	139,967	—	—	(139,967)	—
Class F - 2016 Series 11	222,464	—	—	(222,464)	—
Class F - 2016 Series 12	437,648	—	(41,614)	(396,034)	—
Class F - 2017 Series 1	—	213,470	—	(213,470)	—
Class F - 2017 Series 2	—	82,487	—	(82,487)	—
Class F - 2017 Series 3	—	370,400	(4,426)	—	365,974
Class F - 2017 Series 4	—	167,450	(2,194)	(165,256)	—
Class F - 2017 Series 5	—	185,338	(11,697)	—	173,641
Class F - 2017 Series 6	—	773,564	—	(773,564)	—
Class F - 2017 Series 7	—	67,070	—	(67,070)	—
Class F - 2017 Series 8	—	40,422	—	(40,422)	—
Class F - 2017 Series 9	—	128,329	—	(128,329)	—
Class F - 2017 Series 10	—	147,203	(677)	—	146,526
Class F - 2017 Series 11	—	115,409	(2,104)	—	113,305
Class F - 2017 Series 12	—	293,966	—	—	293,966
Class UF - Initial Series	5,400	—	—	66,433	71,833
Class UF - 2016 Series 9	17,890	—	—	(17,890)	—
Class UF - 2017 Series 2	—	4,297	—	(4,297)	—
Class UF - 2017 Series 3	—	13,828	—	—	13,828
Class UF - 2017 Series 4	—	17,500	—	(17,500)	—
Class UF - 2017 Series 5	—	6,009	—	—	6,009
Class UF - 2017 Series 6	—	20,000	—	(20,000)	—
Class UF - 2017 Series 7	—	11,048	—	(11,048)	—
Class UF - 2017 Series 11	—	1,000	—	—	1,000
Class UF - 2017 Series 12	—	4,885	—	—	4,885
Founder Class - Initial Series	1,644,023	—	(314,694)	363,762	1,693,091
Founder Class - 2015 Series 4	5,338	—	—	(5,338)	—
Founder Class - 2015 Series 5	131,433	—	—	(131,433)	—
Founder Class - 2015 Series 6	35,000	—	—	(35,000)	—
Founder Class - 2015 Series 7	20,000	—	—	(20,000)	—
Founder Class - 2015 Series 8	12,655	—	—	(12,655)	—
Founder Class - 2015 Series 9	1,100	—	—	(1,100)	—
Founder Class - 2015 Series 10	10,000	—	—	(10,000)	—
Founder Class - 2015 Series 11	11,000	—	—	(11,000)	—
Founder Class - 2016 Series 1	1,000	—	—	(1,000)	—
Founder Class - 2016 Series 2	2,100	—	—	(2,100)	—
Founder Class - 2016 Series 4	1,135	—	—	(1,135)	—
Founder Class - 2016 Series 8	78,980	—	—	(78,980)	—
Founder Class - 2016 Series 9	27,000	—	—	(27,000)	—
Founder Class - 2016 Series 11	12,393	—	—	(12,393)	—
Founder Class - 2016 Series 12	4,000	—	—	(4,000)	—
Founder Class - 2017 Series 1	—	67,445	—	(67,445)	—
Founder Class - 2017 Series 2	—	3,094	—	(3,094)	—
Founder Class - 2017 Series 4	—	421,689	—	(421,689)	—
Founder Class - 2017 Series 7	—	27,700	—	(27,700)	—
Founder Class - 2017 Series 9	—	—	—	—	—
Founder Class - 2017 Series 11	—	2,500	—	—	2,500
Founder Class - 2017 Series 12	—	2,000	—	—	2,000

EHP ADVANTAGE FUND

Notes to Financial Statements (continued)

Year ended December 31, 2018

5. Net assets attributable to redeemable units (continued):

2017	Units, beginning of period	Issuance of units	Redemption of units	Redesignation of units	Units, end of period
Class A - Initial Series	345,920	—	(32,813)	(95,802)	217,305
Class A - 2015 Series 4	122,432	—	(21,297)	(2,600)	98,535
Class A - 2015 Series 5	32,835	—	(5,000)	—	27,835
Class A - 2015 Series 6	73,035	—	(5,817)	—	67,218
Class A - 2015 Series 7	40,118	—	(1,961)	(22,063)	16,094
Class A - 2015 Series 8	53,318	—	(4,203)	(8,039)	41,076
Class A - 2015 Series 9	15,846	—	—	(8,028)	7,818
Class A - 2015 Series 10	15,982	—	(6,000)	—	9,982
Class A - 2015 Series 11	15,046	—	—	—	15,046
Class A - 2015 Series 12	5,000	—	—	—	5,000
Class A - 2016 Series 2	—	4,000	—	—	4,000
Class A - 2016 Series 3	—	23,361	—	—	23,361
Class A - 2016 Series 4	—	10,610	—	—	10,610
Class A - 2016 Series 6	—	7,934	—	—	7,934
Class A - 2016 Series 7	—	19,863	—	(14,863)	5,000
Class A - 2016 Series 8	—	15,000	—	—	15,000
Class A - 2016 Series 9	—	18,659	—	—	18,659
Class A - 2016 Series 10	—	5,000	—	—	5,000
Class A - 2016 Series 11	—	6,387	—	—	6,387
Class A - 2016 Series 12	—	31,699	—	—	31,699
Class E - Initial Series	472,109	85	(11,008)	10,358	471,544
Class F - Initial Series	957,447	—	(424,620)	—	532,827
Class F - 2015 Series 4	57,056	—	(4,318)	—	52,738
Class F - 2015 Series 5	163,607	—	(15,999)	—	147,608
Class F - 2015 Series 6	257,338	—	(4,119)	—	253,219
Class F - 2015 Series 7	173,197	—	(36,976)	—	136,221
Class F - 2015 Series 8	330,961	—	(110,790)	—	220,171
Class F - 2015 Series 9	88,587	—	(15,438)	—	73,149
Class F - 2015 Series 10	35,771	—	(2,787)	—	32,984
Class F - 2015 Series 11	73,465	—	(3,353)	—	70,112
Class F - 2015 Series 12	58,415	—	(8,299)	—	50,116
Class F - 2016 Series 1	—	48,497	—	—	48,497
Class F - 2016 Series 2	—	98,256	(535)	—	97,721
Class F - 2016 Series 3	—	14,745	(497)	—	14,248
Class F - 2016 Series 4	—	37,637	(3,488)	7,143	41,292
Class F - 2016 Series 5	—	47,900	(796)	—	47,104
Class F - 2016 Series 6	—	60,407	(600)	—	59,807
Class F - 2016 Series 7	—	161,519	(5,113)	2,503	158,909
Class F - 2016 Series 8	—	51,674	(3,965)	51,783	99,492

EHP ADVANTAGE FUND

Notes to Financial Statements (continued)

Year ended December 31, 2018

5. Net assets attributable to redeemable units (continued):

The increase (decrease) in net assets attributable to holders of redeemable units per unit for the years ended December 31, 2018 and 2017 is calculated as follows:

Series	2018			2017		
	Increase (decrease) per series	Weighted average units outstanding	Increase (decrease) per unit	Increase (decrease) per series	Weighted average units outstanding	Increase (decrease) per unit
Class A - Initial Series	\$ (178,498)	520,953	\$ (0.34)	\$ 416,234	462,787	\$ 0.90
Class A - 2017 Series 1	—	—	—	2,416	10,073	0.24
Class A - 2017 Series 2	—	—	—	1,979	36,887	0.05
Class A - 2017 Series 3	—	—	—	1,835	10,371	0.18
Class A - 2017 Series 4	—	—	—	91	28,518	0.00
Class A - 2017 Series 5	—	—	—	5,229	24,514	0.21
Class A - 2017 Series 6	—	—	—	4,875	16,037	0.30
Class A - 2017 Series 7	—	—	—	1,208	33,772	0.04
Class A - 2017 Series 8	—	—	—	2,363	9,000	0.26
Class A - 2017 Series 10	—	—	—	24,726	102,938	0.24
Class A - 2017 Series 11	—	—	—	322	6,612	0.05
Class A - 2017 Series 12	1,362	22,503	0.06	(498)	11,467	(0.04)
Class A - 2018 Series 1	(5,862)	7,550	(0.78)	—	—	—
Class A - 2018 Series 2	525	24,025	0.02	—	—	—
Class A - 2018 Series 4	1,638	9,610	0.17	—	—	—
Class A - 2018 Series 5	61	7,600	0.01	—	—	—
Class A - 2018 Series 7	(45,510)	77,570	(0.59)	—	—	—
Class A - 2018 Series 9	(3,078)	5,000	(0.62)	—	—	—
Class E - Initial Series	31,547	428,788	0.07	742,752	601,881	1.23
Class F - Initial Series	(157,743)	3,831,784	(0.04)	2,378,066	2,718,088	0.87
Class F - 2016 Series 12	—	—	—	125,533	422,465	0.30
Class F - 2017 Series 1	—	—	—	65,522	203,242	0.32
Class F - 2017 Series 2	—	—	—	12,999	79,686	0.16
Class F - 2017 Series 3	—	—	—	98,603	359,264	0.27
Class F - 2017 Series 4	—	—	—	14,294	161,989	0.09
Class F - 2017 Series 5	—	—	—	48,677	172,775	0.28
Class F - 2017 Series 6	—	—	—	23,087	662,336	0.03
Class F - 2017 Series 7	—	—	—	10,120	63,040	0.16
Class F - 2017 Series 8	—	—	—	10,860	29,592	0.37
Class F - 2017 Series 9	—	—	—	32,474	103,058	0.32
Class F - 2017 Series 10	—	—	—	30,674	124,953	0.25
Class F - 2017 Series 11	—	—	—	4,190	96,164	0.04
Class F - 2017 Series 12	23,834	293,966	0.08	(5,462)	131,251	(0.04)
Class F - 2018 Series 1	4,767	199,901	0.02	—	—	—
Class F - 2018 Series 2	879	95,949	0.01	—	—	—
Class F - 2018 Series 3	568	47,642	0.01	—	—	—
Class F - 2018 Series 4	10,115	81,409	0.12	—	—	—
Class F - 2018 Series 5	55,458	470,338	0.12	—	—	—
Class F - 2018 Series 6	2,398	73,816	0.03	—	—	—
Class F - 2018 Series 7	2,641	160,387	0.02	—	—	—
Class F - 2018 Series 8	(26,250)	50,210	(0.52)	—	—	—
Class F - 2018 Series 9	(17,364)	27,894	(0.62)	—	—	—
Class F - 2018 Series 10	(11,401)	36,820	(0.32)	—	—	—
Class F - 2018 Series 11	(5,410)	17,269	(0.31)	—	—	—
Class F - 2018 Series 12	(467)	2,974	(0.16)	—	—	—
Class UA - 2018 Series 1	5,993	10,000	0.60	—	—	—

EHP ADVANTAGE FUND

Notes to Financial Statements (continued)

Year ended December 31, 2018

5. Net assets attributable to redeemable units (continued):

Series	2018			2017		
	Increase (decrease) per series	Weighted average units outstanding	Increase (decrease) per unit	Increase (decrease) per series	Weighted average units outstanding	Increase (decrease) per unit
Class UF - Initial Series	99,896	115,306	0.87	23,419	37,002	0.63
Class UF - 2017 Series 2	—	—	—	2,146	4,058	0.53
Class UF - 2017 Series 3	—	—	—	(6,480)	13,484	(0.48)
Class UF - 2017 Series 4	—	—	—	(13,554)	17,500	(0.77)
Class UF - 2017 Series 5	—	—	—	(4,939)	6,009	(0.82)
Class UF - 2017 Series 6	—	—	—	(14,362)	20,000	(0.72)
Class UF - 2017 Series 7	—	—	—	2,747	10,460	0.26
Class UF - 2017 Series 11	—	—	—	72	1,000	0.07
Class UF - 2017 Series 12	2,124	4,885	0.43	(1,571)	4,885	(0.32)
Class UF - 2018 Series 2	450	810	0.56	—	—	—
Class UF - 2018 Series 4	1,334	2,500	0.53	—	—	—
Class UF - 2018 Series 5	20,225	59,419	0.34	—	—	—
Class UF - 2018 Series 7	(563)	4,500	(0.13)	—	—	—
Class UF - 2018 Series 9	(81)	500	(0.16)	—	—	—
Founder Class - Initial Series	(484,599)	1,657,576	(0.29)	2,102,614	1,740,213	1.21
Founder Class - 2016 Series 12	—	—	—	1,206	4,000	0.30
Founder Class - 2017 Series 1	—	—	—	16,395	61,194	0.27
Founder Class - 2017 Series 2	—	—	—	1,139	135,619	0.01
Founder Class - 2017 Series 4	—	—	—	12,862	420,104	0.03
Founder Class - 2017 Series 7	—	—	—	2,554	27,700	0.09
Founder Class - 2017 Series 9	—	—	—	5,090	19,117	0.27
Founder Class - 2017 Series 11	—	—	—	371	2,500	0.15
Founder Class - 2017 Series 12	—	—	—	22	2,000	0.01
Founder Class - 2018 Series 4	9,070	47,840	0.19	—	—	—
Founder Class - 2018 Series 5	7	1,100	0.01	—	—	—
Founder Class - 2018 Series 11	(873)	2,500	(0.35)	—	—	—

EHP ADVANTAGE FUND

Notes to Financial Statements (continued)

Year ended December 31, 2018

6. Related party transactions:

(a) Management fees:

As consideration for the services provided by the Investment Manager, the Fund pays the Investment Manager a management fee, monthly in arrears, calculated as:

- (i) 1/12 of 2.0% of the aggregate of the net asset value of the Class A and Class UA units;
- (ii) 1/12 of 1.0% of the aggregate of the net asset value of the Class F, Class UF, Class J and Class UJ units;
- (iii) 1/12 of 1.5% of the aggregate of the net asset value of the Founder, Class I and Class UI units; and
- (iv) 1/12 of 1.25% of the aggregate of the net asset value of the Class W and Class UW units.

(b) Performance fees:

The Investment Manager is entitled to a quarterly performance fee equal to:

- (i) 20% of the amount by which the performance of each Class A, Class UA, Class F, Class UF, Class I, Class UI, Class J, Class UJ, Class W and Class UW series exceeds the previous high water mark.
- (ii) 10% of the amount by which the performance of each Founder series exceeds the previous high water mark.

No performance fee shall be paid in respect of a particular series of the class of units unless the class net asset value per unit of the class of units of that series exceeds the highest net asset value per unit of the class of units of that series in respect of which a performance fee has been previously paid, the high water mark and, in such circumstances, a performance fee shall only be paid on that portion of the net profit that exceeds the high water mark. Because the performance fee is calculated on a series-by-series basis, if a new investor purchases units of the class or an existing unitholder purchases additional units of the class, the starting point for the measurement of net profit with respect to that new or additional investment will be the applicable subscription date for such class of units.

EHP ADVANTAGE FUND

Notes to Financial Statements (continued)

Year ended December 31, 2018

6. Related party transactions (continued):

The previous highest class net asset value per unit of the class of units of any series achieved prior to the purchase of the new units of the class will not be considered in determining whether a performance fee is payable with respect to any such newly issued series of units of the class. As a result, different series of units of the class may have different performance fees payable at the end of the same calculation period, based on the level of net profit relating to each such series during the period during which it was outstanding, and a unitholder may be subject to a performance fee payment with respect to its units of the class in one series even if it incurs a net loss with respect to the aggregate number of units of the class it owns in all series.

(c) Related party shareholdings:

The Investment Manager, its officers and directors invest in units of the Fund from time to time in the normal course of business. All transactions with the Investment Manager are measured at the exchange amounts. As at December 31, 2018, 31,158.0284 of Founder units, 1,177.6625 of Class A units and 409,130.3190 of Class E units (2017 - 63,317.8187 of Founder units, 2,986.7268 of Class A units and 450,678.8285 of Class E units, respectively) were owned by unitholders related to the Investment Manager.

7. Soft dollar commissions:

In allocating brokerage business, consideration may be given by the Investment Manager of the Fund to dealers to furnish research, statistical and other services to the Investment Manager through soft dollar arrangements (the amount ascertained to have been paid for goods and services other than order execution). The total brokerage commission paid to dealers in connection with investment portfolio transactions and amounts of soft dollar commission for the year ended December 31, 2018 is approximately \$233,423 (2017 - \$204,372).

8. Interests in subsidiaries, associates and unconsolidated structured entities:

The Fund may invest in units of Exchange Traded Funds ("ETFs") as part of its investment strategies. The nature and purpose of these ETFs generally, is to manage assets on behalf of third-party investors in accordance with their investment objectives, and are financed through the issue of units to investors.

EHP ADVANTAGE FUND

Notes to Financial Statements (continued)

Year ended December 31, 2018

8. Interests in subsidiaries, associates and unconsolidated structured entities (continued):

In determining whether the Fund has control or significant influence over an ETF, the Fund assesses voting rights, the exposure to variable returns, and its ability to use the voting rights to affect the amount of the returns. In instances where the Fund has control over an ETF, the Fund qualifies as an investment entity under IFRS 10, Consolidated Financial Statements, and therefore, accounts for investments it controls at FVTPL. The Fund's primary purpose is defined by its investment objectives and uses the investment strategies available to it as defined in the Fund's Offering Memorandum to meet those objectives. The Fund also measures and evaluates the performance of any ETFs on a fair value basis.

Investments in ETFs are susceptible to market price risk arising from uncertainty about future values of those ETFs. The maximum exposure to loss from interests in ETFs is equal to the total fair value of the investment in those respective ETFs at any given point in time. Please refer to the schedule of investments for the details of the Fund's holdings of unconsolidated structured entities as at December 31, 2018.

The Fund may invest in or hold a short position of units of ETFs as part of its investment strategies. The nature and purpose of these ETFs generally, is to manage assets on behalf of third-party investors in accordance with their investment objectives, and are financed through the issue of units to investors. The maximum exposure to loss from interests in short positions can be unlimited.

The Fund does not have any control or significant influence over these ETFs.

9. Filing exemption:

The Fund is relying on the exemption contained in Section 2.11(d) of National Instrument 81-106 not to file its financial statements with the Ontario Securities Commission.

EHP ADVANTAGE FUND

Notes to Financial Statements (continued)

Year ended December 31, 2018

10. Subsequent events:

The Fund has evaluated the effect of subsequent events on the Fund's financial statements through March 29, 2019, which is the date the financial statements were available to be issued. For the period from January 1, 2019 to March 8, 2019, the Fund had subscriptions of \$2,435,782 and redemptions of \$8,178,922.

11. Comparative information:

Certain comparative information has been reclassified to conform with the financial statement presentation adopted in the current year.