

Annual Management Report of Fund Performance

As at December 31, 2020

Lysander-Triasima All Country Equity Fund



TRIASIMA



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A Note About Forward Looking Statements

This annual Management Report of Fund Performance includes certain statements that are “forward looking statements”. All statements, other than statements of historical fact, included in this Management Report of Fund Performance that address activities, events or developments that the Fund expects or anticipates will or may occur in the future, including such things as anticipated financial performance, are forward looking statements. The words “may”, “could”, “would”, “should”, “believe”, “plan”, “anticipate”, “expect”, “intend”, “forecast”, “objective” and similar expressions are intended to identify forward looking statements.

These forward looking statements are subject to various risks and uncertainties, including the risks described in the simplified prospectus of the Fund, which could cause actual financial performance and expectations to differ materially from the anticipated performance or other expectations expressed.

Readers are cautioned not to place undue reliance on these forward looking statements. All opinions contained in forward looking statements are subject to change without notice and are provided in good faith but without legal responsibility.

The Fund has no specific intention of updating any forward looking statements whether as a result of new information, future events or otherwise, except as required by securities legislation. Certain research and information about specific holdings in the Fund, including any opinion, is based upon various sources believed to be reliable, but it cannot be guaranteed to be current, accurate or complete. It is for information only, and is subject to change without notice.

About This Report

This annual Management Report of Fund Performance of Lysander-Triasima All Country Equity Fund (the “Fund”) contains financial highlights for the year ended December 31, 2020 but does not contain the complete financial statements of the Fund. This report should be read in conjunction with the annual financial statements of the Fund for the year ended December 31, 2020. Lysander Funds Limited (the “Manager”) is the manager of the Fund. You can get a copy of the financial statements at your request, and at no cost, by calling toll-free 1 877 308 6979, by writing to Lysander Funds Limited, 3080 Yonge Street, Suite 3037, Toronto, Ontario, M4N 3N1, by visiting our website at www.lysanderfunds.com or at SEDAR at www.sedar.com.

Unitholders may also contact Lysander Funds Limited using one of these methods to obtain a copy of the Fund’s proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

Investment objective

The Fund’s objective is to provide long-term capital growth by investing primarily in equity securities of companies anywhere in the world.

Investment Strategies

The Fund’s portfolio manager is Triasima Portfolio Management Inc. (“Portfolio Manager” or “Triasima”). The Fund’s portfolio positions are primarily invested in equity securities of companies globally, including American Depositary Receipts and Global Depositary Receipts. The Fund will not be leveraged. The Fund

may invest up to 100% of its assets in foreign securities. More details are contained in the Fund’s simplified prospectus.

Risks

The risks of this Fund remain as discussed in the Fund’s most recent simplified prospectus.

Results of Operations

During 2020, Triasima employed its unique Three-Pillar Approach methodology which analyzes securities from three perspectives: quantitative, fundamental, and trend, to determine their suitability and attractiveness for the Fund.

The Lysander-Triasima All Country Equity Fund’s series A and F performance was 23.7% and 25.1%, respectively, for the year 2020, versus 14.4% for the MSCI ACWI benchmark Index. On an annualized basis since inception, five years ago, the Index has returned 10.4%, while series A and series F posted returns of 10.0% and 10.9%, respectively.

The net assets of the Fund remained relatively stable at appropriately to \$6.0 million from \$6.2 million during the year due to net redemptions of \$1.5 million, offset by positive performance.

Security selection was responsible for the outperformance during the year and this was concentrated amongst the North American and European developed markets. From a sector standpoint, security selection in the Industrial, Consumer Staples, Financial, Communications Services, and Utilities sectors stood out.

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Fund holdings from the Industrial sector are a heterogeneous group with different themes and stories. Two outperformers were Generac (United States, Generators) and Tomra Systems (Norway, Recycling and sorting machines). Generac rose a large 120% as the company is seeing strong demand for its generators due to increased blackouts and extreme weather events, especially in California. Tomra Systems rose 54% as it is benefitting from increased adoptions of their reverse vending (i.e., collecting) machines as society looks for ways to reduce waste and increase recycling.

The big winner in Consumer Staples was Freshpet (United States, pet food) which rose 96%, rapidly adding retail locations for its products while people adopt pets and feed them higher quality foods in a pandemic context. In Financials, MSCI (United States, Indices) rose 71% as the shifts towards passive and ESG management increases benchmarking needs. In Utilities, Orsted (Denmark, wind power) rose 95%. It is a growing leader in offshore wind power generation.

Another noteworthy theme is e-commerce, which benefitted from the stay-at-home environment during the pandemic. Two e-commerce stocks, JD.com (China) and Sea Ltd (Singapore), rose 144% and 189%, respectively.

There were no unusual changes to the components of revenue and expenses of the Fund and there were no unusual events or transactions, economic changes, or market conditions that affected performance beyond what has been described or would be reasonably expected or have been described below.

The Fund did not borrow money during the year except for immaterial short-term cash overdrafts.

Recent Developments

The year 2020 started on a good note, staying with the themes and trends from the previous year. The world economy was operating at a record level and equity markets were climbing, with the MSCI ACWI establishing an all-time high of 581 on February 12.

But this state-of-affairs ended abruptly due to COVID-19.

The economies of countries everywhere dramatically collapsed. Job losses were massive and immediate. In the United States, unemployment claims were a large 6.6 million during the last week of March, the highest on record and 10 times the highest level recorded in the 2008-2009 Great Recession. Meanwhile, Purchasers Managers Indices fell to lows of 41.5 in the United States and 33.4 in Europe.

This resulted in an equity market sell-off that accelerated into a full-fledged market crash as the world began to assess the impact of the Great Lockdown. While infectious cases were climbing nearly everywhere, the MSCI ACWI dropped 33% over the course of only 31 days, to reach a low of 384 on March 23.

Central bankers were quick to implement monetary measures to ease the extraordinary shock caused by this Great Lockdown. Short-term interest rates were driven down to near zero levels nearly everywhere. The sudden recession also caused long-term interest rates to fall and yield curves to adjust downward. Meanwhile, corporate credit spreads widened spectacularly due to increased credit risks in most industries. Central banks saw their balance sheets balloon.

Governments did not sit idly either, urgently setting up various fiscal measures to help laid-off workers and corporations facing large revenue drops. A combination of tax deferrals, cash handouts to citizens, and corporate loans were widely endorsed. The consequences have been tremendous jumps in government deficits and deteriorating debt to GDP ratios.

Equity markets quickly rebounded in April and moved up to new all-time records later in the year. Economies improved too, but the recovery was uneven.

November 2020 witnessed good news regarding the COVID-19 illness with announcements of new vaccines by pharmaceutical companies Pfizer and Moderna. At year-end, these vaccines, and others, are in the process of being rolled out worldwide. Enthusiasm spilled over the equity markets and economically sensitive sectors fared well, with investors looking forward to a demand-led recovery and further economic reopening.

Fund turnover was split into two periods. While growth names maintained a heavy presence in the Fund throughout 2020, the focus in the months following the inception of the pandemic, with the attendant heightened economic uncertainty, was adding defensive or higher quality securities. Later in the year, with the vaccine arrivals, the emphasis turned towards introducing cyclical names.

In terms of portfolio structure, at the sector level, the Fund ended the year significantly (over 5%) underweighted Financials since banks and insurance companies still lack sufficient appeal. Technology sector is also underweight, but this more a consequence of its large size, at 22%, in the Index. Sectors with large overweight are Utilities, where all names, such as Orsted, Enel, and Nextera, have a timely renewable energy theme, and the cyclical Industrial sector.

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From the perspective of the major regions of the world, the Fund concluded the year overweight in Europe, but with underweights in both the advanced and emerging Asian countries regions. Regional weights did not change much during the year. Latin American witnessed a small decrease and Emerging Asia, a small increase.

periodic reports to the IRC in accordance with National Instrument 81-107.

Effective January 1, 2020 the management fees of Series A and Series F of the Fund have been reduced from 2.00% and 1.00% to 1.80% and 0.80% respectively, exclusive of taxes.

There have been no changes to the Manager or Portfolio Manager, or change of control of the Manager, or of the Fund. There have been no actual or planned reorganizations, mergers or similar transactions.

There were no changes to the membership of the Fund's Independent Review Committee ("IRC").

Related Party Transactions

The Manager provides or arranges for the provision of all general management and administrative services required by the Fund in its day-to-day operations, including but not limited to, calculating and reporting the net asset value of the Fund and its series, preparing all offering documents, unitholder recordkeeping and other administrative services. The Manager receives a management fee for these services. The fee is calculated based on a percentage of the net asset value of the Fund as disclosed in the simplified prospectus.

The Fund paid \$56,165 (including HST) in management fees to the Manager for the period ended December 31, 2020. (December 31, 2019 - \$67,432).

The Portfolio Manager is responsible for all investment advice provided to the Fund including providing investment analysis and recommendations, making investment decisions and arranging for the acquisition and disposition of portfolio investments. Fees for providing these services are included in the management fee.

The Manager paid \$26,706 (including HST) to the Portfolio Manager for the year ended December 31, 2020 (December 31, 2019: \$32,262).

The Manager relied, or may rely on standing instructions from the IRC in respect of securities traded amongst mutual funds, closed end funds, managed accounts or pooled funds managed by the Manager or an affiliate of the Manager. In such cases the Manager is required to comply with the Manager's written policies and procedures presented to the IRC and provide

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Financial Highlights

Series A

Year ended	31-Dec-2020	31-Dec-2019	31-Dec-2018	31-Dec-2017	31-Dec-2016
Net assets per unit¹					
Net assets, beginning of year	\$ 12.95	\$ 11.24	\$ 12.27	\$ 10.54	\$ 10.00
Operations:					
Total revenue	0.18	0.21	0.14	0.17	0.15
Total expenses	(0.33)	(0.35)	(0.33)	(0.32)	(0.23)
Realized gains (losses)	(0.11)	(0.53)	(0.49)	0.26	(0.36)
Unrealized gains (losses)	3.19	2.40	(3.41)	1.62	1.04
Total increase (decrease) from operations²	\$ 2.93	\$ 1.73	\$ (4.09)	\$ 1.73	\$ 0.60
Distributions:					
From income (excluding dividends)	\$ -	\$ -	\$ -	\$ -	\$ -
From dividends	-	-	-	-	(0.06)
From capital gains	-	-	-	-	-
Total distributions^{2 3}	\$ -	\$ -	\$ -	\$ -	\$ (0.06)
Net assets, end of year^{2 3}	\$ 16.01	\$ 12.95	\$ 11.24	\$ 12.27	\$ 10.54
Ratios and supplemental data					
Net asset value ⁴	\$ 262,172	\$ 260,276	\$ 238,558	\$ 6,170	\$ 5,300
Units outstanding	16,372	20,104	21,232	503	503
Management expense ratio ⁵	% 2.12	% 2.55	% 2.55	% 2.54	% 2.21
Management expense ratio before waivers or absorption	2.61	2.86	4.10	4.34	8.31
Portfolio turnover rate ⁶	47.82	82.5	98.0	41.4	64.0
Trading expense ratio ⁷	0.15	0.3	0.4	0.4	0.4
Net asset value per unit, end of year	\$ 16.01	\$ 12.95	\$ 11.24	\$ 12.27	\$ 10.54

Notes

- The information is derived from the Fund's audited annual financial statements. All per unit figures presented are referenced to net assets determined in accordance to IFRS.
- Net assets and distributions are based on the actual numbers of units outstanding at the relevant time. The increase (decrease) from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.
- Distributions were paid in cash or reinvested in additional units, or both.
- This information is provided at the end of the period shown.
- The management expense ratio is based on the total expenses of the period ended and is expressed as an annualized percentage of daily average net asset values during the period.
- The Fund's portfolio turnover rate indicates how actively the Fund's portfolio manager manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the period. The higher a fund's portfolio turnover rate in a period, the greater the trading costs payable by the fund in the period, and the greater the chance of an investor receiving taxable capital gains in the period. There is not necessarily a relationship between a high turnover rate and the performance of a fund. The portfolio turnover rate is calculated based on the lesser of purchases or sales of securities divided by the weighted average market value of portfolio securities, excluding short term securities.
- The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period.

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Series F

Year ended	31-Dec-2020	31-Dec-2019	31-Dec-2018	31-Dec-2017	31-Dec-2016
Net assets per unit¹					
Net assets, beginning of year	\$ 13.41	\$ 11.51	\$ 12.43	\$ 10.56	\$ 10.00
Operations:					
Total revenue	0.18	0.21	0.19	0.17	0.16
Total expenses	(0.18)	(0.21)	(0.20)	(0.19)	(0.13)
Realized gains (losses)	(0.14)	(0.52)	0.08	0.02	(0.37)
Unrealized gains (losses)	3.23	2.26	(1.53)	2.19	1.58
Total increase (decrease) from operations²	\$ 3.09	\$ 1.74	\$ (1.46)	\$ 2.19	\$ 1.24
Distributions:					
From income (excluding dividends)	\$ -	\$ -	\$ -	\$ -	\$ -
From dividends	-	-	-	(0.01)	(0.01)
From capital gains	-	-	-	-	-
Total distributions^{2 3}	\$ -	\$ -	\$ -	\$ (0.01)	\$ (0.01)
Net assets, end of year^{2 3}	\$ 16.78	\$ 13.41	\$ 11.51	\$ 12.43	\$ 10.56

Ratios and supplemental data					
Net asset value ⁴	\$ 5,750,186	\$ 5,937,305	\$ 3,842,737	\$ 1,896,482	\$ 491,765
Units outstanding	342,711	442,656	333,855	152,603	46,575
Management expense ratio ⁵	% 0.99	% 1.42	% 1.42	% 1.41	% 1.20
Management expense ratio before waivers or absorption	1.42	1.74	2.21	3.32	6.47
Portfolio turnover rate ⁶	47.82	82.5	98.0	41.4	64.0
Trading expense ratio ⁷	0.15	0.3	0.4	0.4	0.4
Net asset value per unit, end of year	\$ 16.78	\$ 13.41	\$ 11.51	\$ 12.43	\$ 10.56

Notes

- The information is derived from the Fund's audited annual financial statements. All per unit figures presented are referenced to net assets determined in accordance to IFRS.
- Net assets and distributions are based on the actual numbers of units outstanding at the relevant time. The increase (decrease) from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.
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- The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period.

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Management Fees

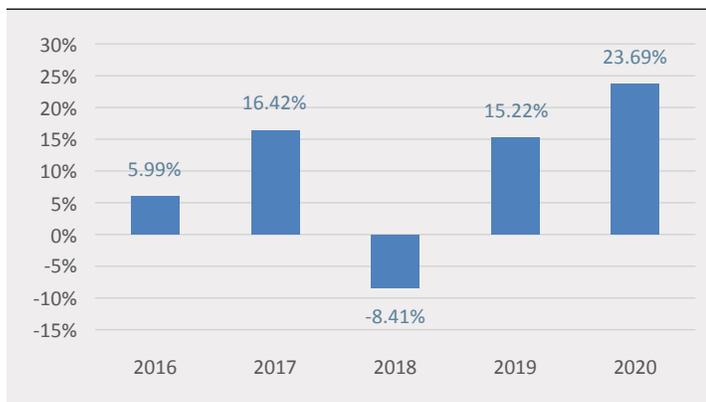
The Manager provides or arranges the provision of all general management and administrative services required by the Fund, and as described in the section “Related Party Transactions” above.

In consideration for such services, the Manager receives a management fee, based on the net asset value of each Series, calculated daily and payable monthly. Effective January 1, 2020, the Fund will pay a management fee of 1.80% (formerly 2.00%) per annum for Series A units and 0.80% (formerly 1.00%) per annum for Series F units.

Service fees or trailing commissions of a maximum of 1.00% per annum were paid on Series A units to dealers. This comprises approximately 55.6% of the management fee of Series A units.

Year-by-Year Returns

Series A

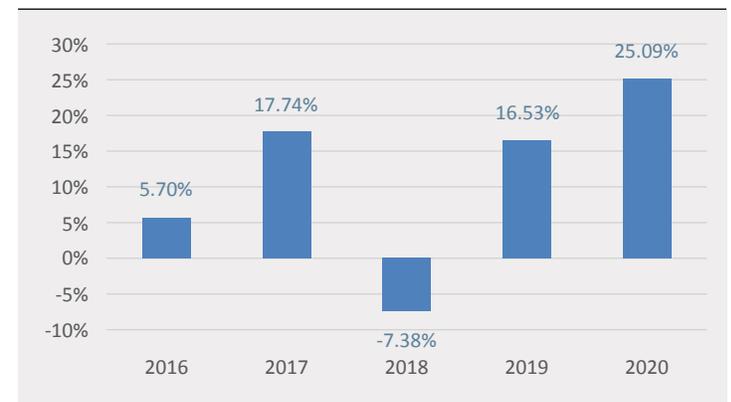


Past Performance

The Fund became a reporting issuer on December 31, 2015. Accordingly, returns are shown for the relevant years as indicated below.

The performance information assumes that any distributions are reinvested in additional securities of the Fund. The performance information does not take into account sales, redemption, distribution or other optional charges that would have reduced returns or performance. Past performance does not necessarily indicate how the series will perform in the future.

Series F



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Annual Compound Returns

The following table shows the Fund's annual compound return for each period indicated, compared with MSCI All Country World (CAD) Index (the "Index"). The returns of the Index are calculated without the deduction of fees and expenses, whereas the performance of the Fund is calculated after deducting such fees and expenses.

For years ended December 31, 2020		1 Year		3 Year ²		5 Year ²		Since Inception ³
Annual Compound Return								
Series A ¹	%	23.69	%	9.29	%	10.00	%	10.00
Series F ¹		25.09		10.52		10.94		10.94
MSCI All Country World (CAD) Index ⁴	%	14.39	%	10.76	%	10.41	%	10.41

Notes

- 1 Returns are based on the net asset value per unit of the relevant series of the Fund and assume that all distributions were reinvested.
- 2 Compound period returns are annualized.
- 3 Period starting from December 31, 2015. Since inception returns are annualized.
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Summary of Investment Portfolio

	% of NAV	
Top 25 Issuers		
Orsted A/S	%	4.8
Generac Holdings Inc.		4.0
Amazon.com Inc.		2.9
MSCI Inc.		2.8
Microsoft Corporation		2.8
Sea Ltd		2.8
JD.Com Inc.		2.7
Zoetis Inc.		2.7
Ringcentral Inc.		2.5
Freshpet Inc.		2.4
Dollar General Corp.		2.3
Givaudan AG (Switzerland) ADR		2.3
Monolithic Power Systems Inc.		2.1
Adyen NV		2.0
Rwe Aktiengesellscha FT		2.0
YouGov PLC		2.0
Pool Corporation		1.9
Tomra Systems Asa		1.9
Roper Technologies Inc.		1.8
NextEra Energy Inc.		1.8
The Enel Group		1.8
Lonza Group		1.8
Chorus Ltd.		1.8
Masimo Corp		1.7
Globant S.A.		1.7
Total	%	59.3

	% of NAV	
Asset Mix		
Cash and Cash Equivalents	%	0.3
Foreign Equities		99.4
Other Assets less Liabilities		0.3
Total	%	100.0
Sector		
Cash and Cash Equivalents	%	0.3
Communication Services		5.6
Consumer Discretionary		13.4
Consumer Staples		9.7
Energy		1.1
Financials		9.1
Health Care		9.2
Industrials		18.1
Information Technology		15.2
Materials		5.7
Other Assets less Liabilities		0.3
Real Estate		0.7
Utilities		11.6
Total	%	100.0



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