

Canso Credit Income Fund (CCIF) - Class A/F

TSX Ticker: **PBY.UN**

Portfolio Manager: Canso Investment Counsel Ltd.

As of: August 31, 2021

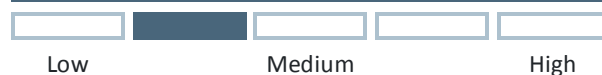
Fund Category: Fixed Income



Investment Focus

The Canso Credit Income Fund is a closed-end fund which seeks to maximize total returns for unit holders while reducing risk and provide unitholders with monthly cash distributions, by taking long and short positions in a portfolio of primarily corporate bonds and other income securities.

Risk Tolerance



Why Invest In This Fund

Experienced Management Team • Independent Research • Attractive Yields

The Fund's portfolio manager is Canso Investment Counsel Ltd. Canso's bottom-up deep value investment approach is based on a foundation of independently researching businesses and evaluating securities across an entity's entire capital structure. Canso's team combines independent research expertise with security selection ability, and is well regarded as a skilled credit manager. The Fund is primarily invested in an actively managed and diversified portfolio of corporate bonds. Distributions are initially targeted at \$0.50 per Class A and F units per annum, representing a yield of 5% per annum of the original issue price.

- Canso emphasizes "bottom up" and "deep value" credit analysis
- Canso exploits market liquidity to the advantage of our investors
- Canso finds opportunities that others miss

Compound Returns

	1 Month	3 Months	6 Months	YTD	1 Year	3 Year (Annualized)	5 Year (Annualized)	10 Year (Annualized)	Since Inception (Annualized)
Class A	0.8%	2.6%	7.0%	12.9%	23.6%	13.6%	11.0%	10.0%	9.2%
Class F	0.8%	2.7%	7.2%	12.9%	23.3%	13.8%	11.2%	10.4%	9.5%

Fund Facts

Inception Date	July 16, 2010
Issue Price	\$10.00 per Unit
Initial NAV	Class A: \$9.43 Class F: \$9.73
Distribution Frequency	Monthly
Latest Distribution	Aug 16, 2021 \$0.04166 per unit
Next Distribution	Sept 15, 2021 \$0.04166 per unit
Cumulative Distributions Since Inception	\$5.54078 per unit
NAV per Unit (August 31, 2021)	Class A: \$15.12 Class F: \$16.60
Closing Market price on TSX (Class A) (August 31, 2021)	\$14.39

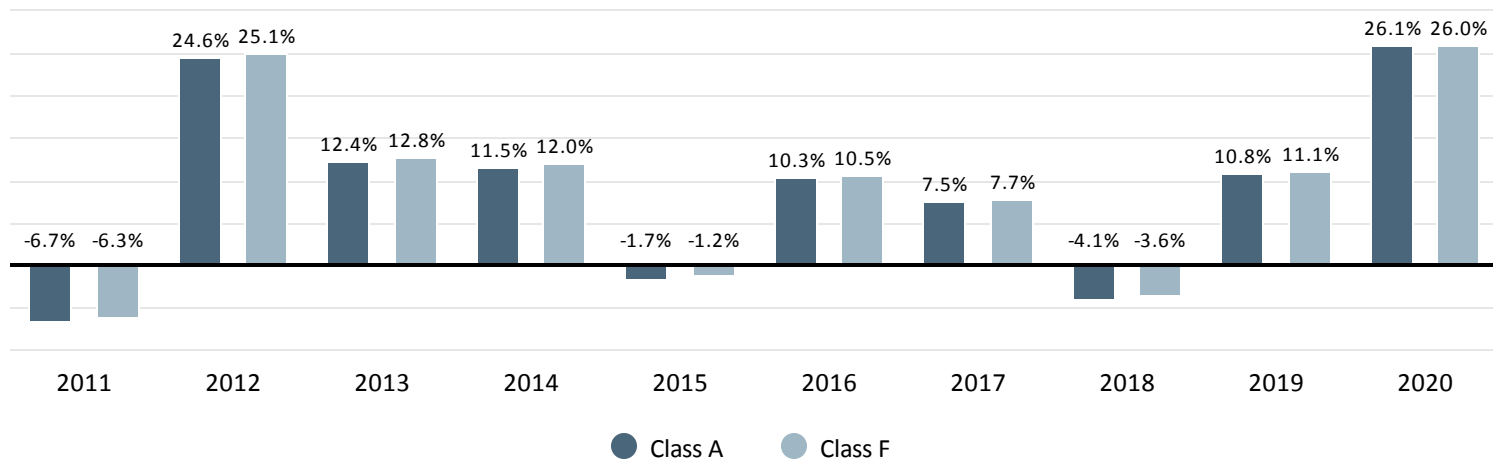
Top 10 Holdings

Security	% of Fund	Rating
Air Canada 4.625% Aug 15, 2029	7.3%	BB-
Strait Crossing Development 6.170% 15-Sep-2031 144A	6.4%	BBB-
Yellow Pages Limited	5.9%	N/A
Bombardier Inc 144A 7.875% 04/15/2027 (USD)	5.2%	CCC+
Pembina Pipeline Corp 4.750% 26-Mar-2048 Mtn Ser 11	5.1%	BBB
GE Capital Canada Funding Co 5.730% 22-Oct-2037 Mtn	4.6%	BBB+
AT&T Inc 4.850% 25-May-2047 Restricted	4.2%	BBB
American Airlines Inc 144A 11.750% 07/15/2025	3.8%	B
Cenovus Energy Inc. 5.4% Jun 15, 2047 (USD)	3.7%	BBB-
Gannett Holdings LLC TLB USD 1M L + 700 Feb 8, 2026 (USD)	3.7%	B
Total	49.9%	

Portfolio Characteristics

Total Long Positions and Other	\$225.4 Million
Total Short Positions	\$(66.8) Million
Total Net Assets	\$158.6 Million
Term to Maturity (Years)	9.0
Duration (Years)	2.6
Number of Securities Long	123
Number of Securities Short	10
Yield to Maturity (%)	5.9%
Current Yield (%)	6.1%
Average Credit Quality (long only) ²	BB

Calendar Year Returns



Lysander Funds Limited is the investment fund manager of Canso Credit Income Fund (the "Fund"). Refer to the Fund's Prospectus and disclosure documents available on sedar.com or Lysander's website below for more details on the Fund before making an investment decision. This document is not an invitation to invest in the Fund nor does it constitute a public offering of sale. Applications for purchases in the Fund will only be considered on the terms of the Prospectus and public disclosure documents which may also be obtained from your Investment Professional. Each purchaser of units in the Fund may have statutory or contractual rights of action. The information in this document is subject to change without notice. You will usually pay brokerage fees to your dealer if you purchase or sell units of the Fund on the Toronto Stock Exchange (TSX). Only Class A units of the Fund are listed on the TSX. If the units are purchased or sold on the TSX, investors may pay more than the current net asset value when buying units of the Fund and may receive less than the current net asset value when selling them. There are ongoing fees and expenses associated with owning units of the Fund. The Fund must prepare disclosure documents that contain key information about the Fund. You can find more detailed information about the Fund in these documents. The indicated rates of return are based on calculated net asset values per unit, which are net of management fees, operating expenses, any applicable performance fees and applicable taxes. These returns include changes in unit value and reinvestment of all distributions and do not take into account certain fees such as redemption fees or optional charges or income taxes payable by any securityholder that would have reduced returns. Investment funds are not guaranteed, their values change frequently and past performance may not be repeated.

Performance returns for Class A and Class F units are based on the net asset values of the relevant class. Prior to June 25, 2015, the Fund used a fund-on-fund investment strategy whereby the Fund gained exposure to Canso Credit Trust through a forward agreement. On June 25, 2015, as a result of changes to the Income Tax Act (Canada), the Fund changed its investment objectives, ceased to use a fund-on-fund strategy and began investing in securities directly. In addition, prior to July 1, 2020, the Fund paid servicing fees at 0.40% per annum on Class A units. On July 1, 2020, the Fund discontinued the payment of servicing fees. These changes could have affected the performance of the Fund had these changes been in effect throughout the performance measurement period.

The Class A performance numbers shown may be different from the performance provided by sources that obtain performance information from the TSX under the symbol PB.YUN, which performance is based on the trading price of the units.

¹Fixed income securities unrated by external agencies are assigned an internal Canso rating for Average Credit Quality.®Lysander Funds is a registered trademark of Lysander Funds Limited.