

Interim Financial Statements (unaudited)
For the six month periods ended June 30, 2021 and 2020

Lysander-Canso Corporate Value Bond Fund



Lysander-Canso Corporate Value Bond Fund

Interim Financial Statements Six-Month Period Ended June 30, 2021 (unaudited)

Table of Contents

3	Statements of Financial Position
3	Statements of Comprehensive Income (Loss)
4	Statements of Changes in Net Assets Attributed to Holders of Redeemable Units
6	Statements of Cash Flows
6	Schedule of Investment Portfolio
13	Notes to the Financial Statements

Lysander-Canso Corporate Value Bond Fund

Interim Statements of Financial Position (unaudited)

As at	30-Jun-21	31-Dec-20
Assets		
Financial assets at fair value through profit or loss*	\$ 6,125,820,983	\$ 4,362,625,422
Cash and cash equivalents	264,095,090	87,058,122
Accrued interest	48,405,887	44,652,721
Due from investment dealers	7,550,897	–
Subscriptions receivable	25,236,033	17,679,283
Dividends receivable	881,323	866,552
Accounts receivable	–	229
Receivable from forward exchange contracts	–	17,239,988
Prepaid distributions	96	–
Total assets	\$ 6,471,990,309	\$ 4,530,122,317
Liabilities		
Due to investment dealers	\$ 97,045,582	\$ 919,328
Payable on forward exchange contracts	88,251,661	–
Accrued expenses	5,168,724	3,953,281
Redemptions payable	3,281,183	1,291,709
Distributions payable	63	101
Total liabilities	\$ 193,747,213	\$ 6,164,419
Net assets attributable to holders of redeemable units	\$ 6,278,243,096	\$ 4,523,957,898
Net assets attributable to holders of redeemable units, per series		
Series A	\$ 894,499,542	\$ 643,577,429
Series A5	12,563,474	9,269,659
Series F	5,243,274,387	3,788,753,864
Series F5	127,905,693	82,356,946
Total net assets	\$ 6,278,243,096	\$ 4,523,957,898
Number of redeemable units outstanding		
Series A	64,973,824	49,884,791
Series A5	1,242,011	967,815
Series F	345,269,052	266,323,962
Series F5	12,122,226	8,274,855
Net assets attributable to holders of redeemable units per unit		
Series A	\$ 13.77	\$ 12.9
Series A5	10.12	9.58
Series F	15.19	14.23
Series F5	10.55	9.95
* Financial assets at fair value through profit or loss at cost	\$ 5,584,729,186	\$ 3,959,768,071

Interim Statements of Comprehensive Income (Loss) (unaudited)

For the periods ended	30-Jun-21	30-Jun-20
Income		
Interest for distribution purposes	\$ 105,277,469	\$ 63,096,482
Dividend income	11,775,047	5,150,008
Other income	243,222	98,415
Realized and unrealized gain (loss) on investments		
Net realized gain on investments sold	146,727,350	42,164,984
Net realized gain on foreign currency	164,086,103	49,046,205
Change in appreciation (depreciation) unrealized on foreign currency	566,565	(3,256)
Change in (depreciation) unrealized on forward contracts	(105,491,649)	(35,945,849)
Change in appreciation unrealized on investments	138,327,590	66,178,204
Total operating income	\$ 461,511,697	\$ 189,785,193
Expenses		
Management fees	\$ 24,812,296	\$ 13,990,789
Fund administration fees	1,471,315	913,835
Custodial fees	174,499	116,072
Audit fees	167,051	199,022
Transaction costs	93,144	210,729
Unitholder reporting expense	54,104	66,272
Regulatory fees expense	38,082	27,646
Legal fees	22,082	28,061
Independent review committee fees	20,174	18,822
Filing fees	9,019	9,005
Bank charges	532	13,028
Total operating expenses	\$ 26,862,298	\$ 15,593,281
Withholding tax	\$ 217,791	\$ 5,313
Total net operating expenses	\$ 27,080,089	\$ 15,598,594
Increase in net assets attributable to holders of redeemable units from operations	\$ 434,431,608	\$ 174,186,599
Increase in net assets attributable to holders of redeemable units from operations per Series		
Series A	\$ 59,583,413	\$ 23,645,427
Series A5	860,979	316,668
Series F	365,077,208	146,337,469
Series F5	8,910,008	3,887,035
Change in total net assets	\$ 434,431,608	\$ 174,186,599
Increase in net assets attributable to holders of redeemable units from operations per unit		
Series A	\$ 1.05	\$ 0.59
Series A5	0.78	0.4
Series F	1.2	0.73
Series F5	0.83	0.88

Lysander-Canso Corporate Value Bond Fund

Interim Statements of Changes in Net Assets Attributed to Holders of Redeemable Units (unaudited)

All Series

For the periods ended	30-Jun-21	30-Jun-20
Net assets attributable to holders of redeemable units, beginning of period	\$ 4,523,957,898	\$ 2,868,650,160
Increase in net assets attributable to holders of redeemable units from operations	434,431,608	174,186,599
Distributions to unitholders of redeemable units		
From net investment income	\$ (97,736,127)	\$ (52,898,592)
From management fee rebate income	(221,826)	(70,176)
	\$ (97,957,953)	\$ (52,968,768)
Redeemable unit transactions		
Proceeds from redeemable units issued		
Series A	\$ 264,132,017	\$ 71,933,067
Series A5	3,654,178	586,336
Series F	1,487,743,498	732,133,336
Series F5	41,948,886	28,154,390
Total proceeds	\$ 1,797,478,579	\$ 832,807,129
Cost of units redeemed		
Series A	\$ (70,807,990)	\$ (58,343,455)
Series A5	(989,862)	(878,933)
Series F	(371,150,019)	(371,783,989)
Series F5	(2,997,000)	(3,636,086)
Total cost	\$ (445,944,871)	\$ (434,642,463)
Reinvested distributions		
Series A	\$ 10,096,249	\$ 5,084,421
Series A5	43,798	36,486
Series F	55,757,704	30,863,121
Series F5	380,084	125,629
Total reinvested	\$ 66,277,835	\$ 36,109,657
Increase in net assets attributable to holders of redeemable units for the period	\$ 1,754,285,198	\$ 555,492,154
Net assets attributable to holders of redeemable units, end of period	\$ 6,278,243,096	\$ 3,424,142,314

Series A

For the periods ended	30-Jun-21	30-Jun-20
Net assets attributable to holders of redeemable units, beginning of period	\$ 643,577,429	\$ 451,758,414
Increase in net assets attributable to holders of redeemable units from operations	59,583,413	23,645,427
Distributions to unitholders of redeemable units		
From net investment income	\$ (12,070,718)	\$ (6,069,860)
From management fee rebate income	(10,858)	(7,687)
Total distributions	\$ (12,081,576)	\$ (6,077,547)
Redeemable unit transactions		
Proceeds from redeemable units issued		
	\$ 264,132,017	\$ 71,933,067
Cost of units redeemed	(70,807,990)	(58,343,455)
Reinvested distributions	10,096,249	5,084,421
Total redeemable	\$ 203,420,276	\$ 18,674,033
Increase in net assets attributable to holders of redeemable units for the period	\$ 250,922,113	\$ 36,241,913
Net assets attributable to holders of redeemable units, end of period	\$ 894,499,542	\$ 488,000,327

Series A5

For the periods ended	30-Jun-21	30-Jun-20
Net assets attributable to holders of redeemable units, beginning of period	\$ 9,269,659	\$ 7,105,555
Increase in net assets attributable to holders of redeemable units from operations	860,979	316,668
Distributions to unitholders of redeemable units		
From net investment income	\$ (275,278)	\$ (196,267)
Total distributions	\$ (275,278)	\$ (196,267)
Redeemable unit transactions		
Proceeds from redeemable units issued		
	\$ 3,654,178	\$ 586,336
Cost of units redeemed	(989,862)	(878,933)
Reinvested distributions	43,798	36,486
Total redeemable	\$ 2,708,114	\$ (256,111)
Increase (Decrease) in net assets attributable to holders of redeemable units for the period	\$ 3,293,815	\$ (135,710)
Net assets attributable to holders of redeemable units, end of period	\$ 12,563,474	\$ 6,969,845

Lysander-Canso Corporate Value Bond Fund

Interim Statements of Changes in Net Assets Attributed to Holders of Redeemable Units (unaudited)

Series F

For the periods ended	30-Jun-21	30-Jun-20
Net assets attributable to holders of redeemable units, beginning of period	\$ 3,788,753,864	\$ 2,380,821,570
Increase in net assets attributable to holders of redeemable units from operations	365,077,208	146,337,469
Distributions to unitholders of redeemable units		
From net investment income	\$ (82,702,896)	\$ (45,533,004)
From management fee rebate income	(204,972)	(61,799)
Total distributions	\$ (82,907,868)	\$ (45,594,803)
Redeemable unit transactions		
Proceeds from redeemable units issued	\$ 1,487,743,498	\$ 732,133,336
Cost of units redeemed	(371,150,019)	(371,783,989)
Reinvested distributions	55,757,704	30,863,121
Total redeemable	\$ 1,172,351,183	\$ 391,212,468
Increase in net assets attributable to holders of redeemable units for the period	\$ 1,454,520,523	\$ 491,955,134
Net assets attributable to holders of redeemable units, end of period	\$ 5,243,274,387	\$ 2,872,776,704

Series F5

For the periods ended	30-Jun-21	30-Jun-20
Net assets attributable to holders of redeemable units, beginning of period	\$ 82,356,946	\$ 28,964,621
Increase in net assets attributable to holders of redeemable units from operations	8,910,008	3,887,035
Distributions to unitholders of redeemable units		
From net investment income	\$ (2,687,235)	\$ (1,099,461)
From management fee rebate income	(5,996)	(690)
Total distributions	\$ (2,693,231)	\$ (1,100,151)
Redeemable unit transactions		
Proceeds from redeemable units issued	\$ 41,948,886	\$ 28,154,390
Cost of units redeemed	(2,997,000)	(3,636,086)
Reinvested distributions	380,084	125,629
Total redeemable	\$ 39,331,970	\$ 24,643,933
Increase in net assets attributable to holders of redeemable units for the period	\$ 45,548,747	\$ 27,430,817
Net assets attributable to holders of redeemable units, end of period	\$ 127,905,693	\$ 56,395,438

Lysander-Canso Corporate Value Bond Fund

Interim Statements of Cash Flows (unaudited)

For the periods ended	30-Jun-21	30-Jun-20
Cash flows from (used in) operating activities		
Increase in net assets attributable to holders of redeemable units from operations	\$ 434,431,608	\$ 174,186,599
Adjustments for:		
Foreign exchange loss on cash and cash equivalents	4,946	261
Net realized (gain) on sales of investments	(146,727,350)	(42,164,984)
Change in unrealized (appreciation) on investments	(138,234,446)	(65,967,475)
Change in unrealized (appreciation) depreciation on foreign currency	(566,565)	3,256
Purchase of investments	(2,468,504,682)	(3,058,999,638)
Proceeds from sale and maturity of investments	990,270,917	2,545,137,036
Due to investment dealers	96,126,254	44,989,753
Payable on forward exchange contracts	88,251,661	28,420,649
Receivable from forward exchange contracts	17,239,988	7,525,200
Redemptions payable	1,989,474	4,518,254
Accrued expenses	1,215,443	371,012
Distributions payable	(38)	(1,239)
Dividends receivable	(14,771)	(282,871)
Accounts receivable	229	(399,761)
Subscriptions receivable	(7,556,750)	(7,537,114)
Accrued interest	(3,753,166)	(16,971,502)
Due from investment dealers	(7,550,897)	(26,138,646)
Prepaid distribution	(96)	-
Net cash from (used in) operating activities	\$ (1,143,378,241)	\$ (413,311,210)
Cash flows from (used in) financing activities		
Distributions paid to holders of redeemable units, net of reinvested distributions	\$ (31,680,118)	\$ (16,859,111)
Proceeds from issuances of redeemable units	1,797,478,579	832,807,129
Amounts paid on redemption of redeemable units	(445,944,871)	(434,642,463)
Net cash from (used in) financing activities	\$ 1,319,853,590	\$ 381,305,555
Foreign exchange gain (loss) on cash and cash equivalents	\$ 561,619	\$ (3,517)
Increase (Decrease) in cash and cash equivalents during the period	176,475,349	(32,005,655)
Cash and cash equivalents, beginning of period	87,058,122	54,086,065
Cash and cash equivalents, end of period	\$ 264,095,090	\$ 22,076,893
Supplementary disclosures on cash flow from operating activities		
Interest received	\$ 101,524,303	\$ 46,189,538
Dividends received	11,760,276	4,867,137
Withholding tax	217,791	5,313
Interest paid	532	13,028

Interim Schedule of Investment Portfolio as at June 30, 2021 (unaudited)

Par Value/Number of Shares	Average Cost (\$)	Fair Value (\$)	
Canadian Equities (1.4%)			
3,081,827	Bird Construction Inc.	\$ 27,681,231	\$ 27,212,532
519,864	ClearStream Energy Services Inc.	403,833	41,589
781,786	MDA Ltd.	10,945,004	12,704,022
584,472	Nordstar Capital Inc. LP	584	15,906,856
614,753	Xplore Mobile Inc. (Mobility Spinco)	879,097	879,097
463,217	Xplornet Wireless Inc. (License Spinco)	2,269,766	2,269,766
1,939,693	Yellow Pages Limited	30,247,224	28,513,487
Total		\$ 72,426,739	\$ 87,527,349
Canadian Fixed Income (43.0%)			
27,201,000	Air Canada 4% Jul 1, 2025 (USD) 144A	\$ 38,450,793	\$ 52,430,875
4,895,000	Air Canada 4.75% Oct 6, 2023	4,914,842	4,990,860
220,104,000	Air Canada 9% Jun 22, 2024	216,094,722	234,410,760
63,955,000	BMO (AT1) 4.30% Nov 26, 2025/2080	64,074,493	67,530,404
825,000	BMO (AT1) 4.8% Aug 25, 2024/Perpetual (USD)	1,095,818	1,103,370
142,450,000	BMO FRN Feb 16, 2022 (CORRA + 15)	142,450,000	142,506,296
123,765,000	BNS (AT1) 3.7% Jul 27, 2026/2081	123,780,532	123,753,242
8,530,000	BNS FRN Aug 31, 2085 (USD) (SA LIBOR +12.5)	7,096,429	9,180,764
19,049,000	Bombardier Inc. 6% Oct 15, 2022 (USD) 144A	20,786,701	23,714,816
63,134,000	Bombardier Inc. 7.125% Jun 15, 2026 (USD) 144A	76,516,767	82,119,654
25,238,000	Bombardier Inc. 7.35% Dec. 22, 2026	21,165,521	24,484,237
112,073,000	Bombardier Inc. 7.45% May 1, 2034 (USD) REGS	135,961,526	149,527,581
24,053,000	Bombardier Inc. 7.50% Dec 1, 2024 (USD) 144A	22,890,294	31,226,674
41,414,000	Bombardier Inc. 7.50% March 15, 2025 (USD) 144A	42,251,601	52,962,294

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Lysander-Canso Corporate Value Bond Fund

Interim Schedule of Investment Portfolio as at June 30, 2021 (unaudited)

Par Value/Number of Shares		Average Cost (\$)	Fair Value (\$)	Par Value/Number of Shares		Average Cost (\$)	Fair Value (\$)
Canadian Fixed Income (43.0%)							
<i>Cont'd</i>							
96,221,000	Bombardier Inc. 7.875% Apr 15, 2027 (USD) 144A	98,606,311	124,023,510	13,179,000	GE Capital Canada FRN Feb 6, 2023 (Q CDOR +120)	13,514,693	13,335,174
79,998,000	Canada Housing Trust 1.15% Dec 15, 2021	80,502,895	80,352,199	136,188,000	Manulife Financial Corp 3.375% Jun 19, 2026/2081	136,120,281	136,215,238
82,041,000	Canada Housing Trust 1.5% Dec 15, 2021	82,724,761	82,532,754	130,000	NBC FRN Aug 29, 2087 (USD) (S/A LIBOR +12.5)	138,271	135,501
9,743,000	Canada Housing Trust FRN Mar 15, 2022 (Q CDOR +16)	9,780,316	9,772,878	42,041,000	Neptune Acquisition GP Inc. 10% Apr 8, 2027	41,152,333	43,512,435
41,114,000	Canada Housing Trust FRN Sep 15, 2022 (Q CDOR +10)	41,306,825	41,285,182	9,154,048	Postmedia Network Inc. 8.25% Jul 15, 2023	9,050,280	8,238,643
311,000	Cenovus Energy Inc. 3.6% Mar 10, 2027	256,264	328,517	1,800,000	RBC (AT1) 3.65% Nov 24, 2026/2081	1,797,300	1,799,613
34,282,000	Cenovus Energy Inc. 4.25% Apr 15, 2027 (USD)	26,517,802	47,575,480	5,600,000	RBC (AT1) 4% Feb 24, 2026/2081	5,798,800	5,810,196
22,160,000	Cenovus Energy Inc. 5.375% Jul 15, 2025 (USD)	29,627,422	31,476,517	94,909,000	RBC (AT1) 4.5% Nov 24, 2025/2080	94,909,000	100,576,491
110,000,000	CIBC FRN Jun 10, 2024 (CDOR +23)	110,000,000	110,146,410	8,575,000	RBC FRN Jun 29, 2085(USD)(Q LIMEAN+25)	8,089,684	9,195,862
98,986,000	CIBC FRN Mar 4, 2025 (CORRA + 46)	98,986,000	98,896,418	14,730,000	SNC Lavalin 3.235% Mar 2, 2023	14,668,454	14,984,456
12,602,000	Cineplex Inc. 2nd Lien 7.5% Feb 26, 2026 144A	12,629,950	13,179,175	51,377,000	SNC Lavalin 3.8% Aug 19, 2024	51,708,517	53,361,401
16,709,097	ClearStream Energy Services Inc. 8% Mar 23, 2026	16,709,097	12,531,823	108,359,000	Sunlife Financial Inc. (AT1) 3.6% Jun 30, 2026/81	108,403,074	108,689,495
2,800,000	Enbridge Inc. FRN Feb 18, 2022 (USD) (Q LIBOR +50)	3,791,621	3,483,263	65,569,000	TransCanada Pipelines FRN Jun 9, 2024 (Q CDOR +29)	65,573,380	65,633,041
5,000,000	Ford Credit Canada Co. 3.742% May 8, 2023	4,387,500	5,148,750	113,760,000	TransCanada Pipelines FRN May 15, 2067 (Q LIBOR+221) (USD)	119,598,982	126,373,468
2,636,000	Ford Credit Canada Co. 4.46% Nov 13, 2024	2,082,440	2,776,587	16,330,000	Videotron Ltee 5.75% Jan 15, 2026	17,229,944	16,852,968
37,125,000	Ford Credit Canada Co. FRN Jan 10, 2022 (Q CDOR + 303)	37,046,171	37,351,203	27,566,000	Videotron Ltee Sr Notes 4.50% Jan 15, 2030	27,654,430	28,869,643
117,012,000	Ford Credit Canada Co. FRN Mar 21, 2024 (Q CDOR + 314)	117,654,419	120,507,511	18,140,000	Videotron Ltee Sr Notes 5.625% Jun 15, 2025	18,828,725	20,148,628
88,758,000	GE Capital Canada 4.60% Jan 26, 2022	90,369,698	90,755,881	Total		\$ 2,548,409,987	\$ 2,700,102,035
34,277,000	GE Capital Canada FRN Feb 15, 2022 (Q CDOR +35)	33,664,308	34,303,897	Domestic Bank Loans (0.6%)			
				13,820,875	Asterix Inc. Term Loan 3.9% Jun 30, 2023	\$ 13,820,875	\$ 13,820,875

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Lysander-Canso Corporate Value Bond Fund

Interim Schedule of Investment Portfolio as at June 30, 2021 (unaudited)

Par Value/Number of Shares		Average Cost (\$)	Fair Value (\$)	Par Value/Number of Shares		Average Cost (\$)	Fair Value (\$)
Domestic Bank Loans (0.6%)							
<i>Cont'd</i>							
22,000,000	ClearStream Energy Services Inc. Term Loan (1) Prime + 450	22,000,000	22,000,000	44,202,000	American Airlines Inc. 5.75% Apr 20, 2029 (USD) 144A	56,101,497	59,372,968
Total		\$ 35,820,875	\$ 35,820,875	48,335,000	Avis Budget Car/Finance 4.75% Apr 1, 2028 144A (USD)	61,297,730	61,544,820
Foreign Bank Loans(4.5%)							
19,998,732	AMC Entertainment Holdings TL B USD Q LIBOR+300 Apr 22, 2026	\$ 19,434,658	\$ 23,293,164	314,000	Avis Budget Car/Finance 5.25% Mar 15, 2025 (USD)	397,995	395,227
29,754,000	Delta Air Lines SkyMiles TL 3m Libor +375 Oct 20, 2027	38,380,966	39,043,134	53,200,000	Avis Budget Car/Finance 5.375% Mar 1, 2029 (USD) 144A	68,263,706	68,830,279
60,788,935	Gannett Holdings LLC TLB USD 1M L + 700 Feb 8, 2026 (USD)	76,141,583	76,184,189	56,728,000	Avis Budget Car/Finance 5.75% Jul 15, 2027 (USD)	71,796,241	73,514,477
32,108,058	Hertz Corp. TL B USD 3m L + 275 Jun 30, 2023 (USD)	30,590,699	39,832,184	18,734,000	Avis Budget Car/Finance 5.75% Jul 15, 2027 (USD) 144A	24,491,655	24,404,765
27,279,036	Hertz Corp. TL B USD 3m L + 350 Jun 30, 2028 (USD)	33,112,753	33,849,164	2,513,000	Avis -Series 2019-3A C 3.15% Mar 20, 2026 (USD)	2,711,488	3,249,810
5,141,964	Hertz Corp. TL C USD 3m L + 350 Jun 30, 2028 (USD)	6,241,568	6,380,401	59,107,000	Boeing Co 1.433% Feb 4, 2024 (USD)	75,778,188	73,542,992
29,834,046	Maxar Technologies Inc TL B USD 3m L + 275 Oct 5, 2024 (USD)	32,869,822	36,695,626	3,600,000	Boeing Co 2.196% Feb 4, 2026 (USD)	4,584,396	4,510,463
23,194,445	Spirit Aerosystems Inc. TL B USD 3m L+525 Jan 30, 2025 (USD)	30,754,904	29,050,624	11,358,000	Boeing Co 2.25% Jun 15, 2026 (USD)	14,638,816	14,397,739
Total		\$ 267,526,953	\$ 284,328,486	15,976,000	Boeing Co 2.7% Feb 1, 2027 (USD)	21,042,605	20,509,434
Foreign Fixed Income (32.6%)							
2,608,000	AMC Entertainment Hldgs 10.5% Apr 24, 2026 (USD)	\$ 3,535,187	\$ 3,523,341	350,000	Boeing Co 2.8% Mar 1, 2027 (USD)	372,147	451,931
42,531,000	AMC Entertainment Holdings 10.5% Apr 15, 2025 (USD)	56,347,553	57,365,935	10,262,000	Boeing Co 3.1% May 1, 2026 (USD)	13,487,834	13,473,611
44,030,000	AMC Entertainment Holdings 10.5% Apr 24, 2026 (USD)	55,853,415	59,483,401	2,775,000	Boeing Co 3.2% Mar 1, 2029 (USD)	3,637,762	3,617,208
117,605,000	American Airlines Inc. 11.75% Jul 15, 2025 (USD) 144A	158,800,103	183,324,621	1,445,000	Boeing Co 3.25% Mar 1, 2028 (USD)	1,904,298	1,884,622
10,616,000	American Airlines Inc. 5.5% Apr 20, 2026 144A (USD)	13,898,336	13,963,224	375,000	CIT Group Inc. 5% Aug 1, 2023 (USD)	453,636	503,707
				22,055,000	Continental Resources 3.8% Jun 1, 2024 (USD)	24,880,373	28,974,731
				22,136,000	Continental Resources 4.375% Jan 15, 2028 (USD)	22,160,852	30,463,856
				273,000	Continental Resources 4.5% Apr 15, 2023 (USD)	233,468	353,455
				61,972,000	Continental Resources 5.75% Jan 15, 2031 (USD) 144A	80,577,296	92,181,351
				36,305,000	Delta Airlines Inc. 7% May 1, 2025 (USD)	51,225,461	52,602,541

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Par Value/Number of Shares		Average Cost (\$)	Fair Value (\$)	Par Value/Number of Shares		Average Cost (\$)	Fair Value (\$)
Foreign Fixed Income (32.6%)							
<i>Cont'd</i>							
837,000	Embraer S.A 5.05% Jun 15, 2025 (USD)	982,290	1,098,206	990,000	Navient Corp 5.625% Jan 25, 2025 (USD)	932,048	1,192,956
2,775,000	Embraer S.A 5.4% Feb 1, 2027 (USD)	3,157,396	3,673,682	1,072,000	Occidental Petroleum Cor 7.2% Apr 01, 2028 (USD)	1,391,941	1,556,322
3,111,000	Embraer S.A 5.696% Sept 15, 2023 (USD) REGS	3,968,668	4,128,185	5,193,000	Occidental Petroleum Corp. 3% Feb 15, 2027 (USD)	5,546,403	6,404,519
3,300,000	Ford Motor Credit Co LLC FRN Aug 3, 2022(USD)(Q LIBOR+108)	3,334,080	4,080,238	5,686,000	Occidental Petroleum Corp. 3.2% Aug 15, 2026 (USD)	4,110,565	7,128,668
7,797,000	Ford Motor Credit Co LLC FRN Feb 15,2023(USD)(Q LIBOR+123.5)	8,287,637	9,641,716	6,160,000	Occidental Petroleum Corp. 3.5% Aug 15, 2029 (USD)	4,287,773	7,681,236
36,461,000	Ford Motor Credit Co LLC FRN Jan 7, 2022 (USD)(Q LIBOR+314)	48,832,454	45,685,177	7,749,000	Occidental Petroleum Corp. 4.1% Feb 15, 2047 (USD)	4,845,611	8,966,352
11,569,000	GE Capital Corp FRN Mar 15, 2023 (USD) (Q LIBOR +100)	14,648,546	14,531,675	10,285,000	Occidental Petroleum Corp. 4.2% Mar 15, 2048 (USD)	6,628,306	11,949,120
21,487,000	GE Capital Corp FRN May 5, 2026 (USD) (Q LIBOR +38)	25,213,638	26,182,820	10,392,000	Occidental Petroleum Corp. 4.3% Aug 15, 2039 (USD)	6,197,900	12,340,422
8,821,000	Hertz 2nd Lien 7.625% Jun 1, 2022 (USD)	9,232,579	12,253,520	7,686,000	Occidental Petroleum Corp. 4.4% Apr 15, 2046 (USD)	5,670,202	9,172,416
44,079,000	Hertz 5.5% Oct 15, 2024 (USD)	20,986,364	55,196,119	2,660,000	Occidental Petroleum Corp. 4.4% Aug 15, 2049 (USD)	1,696,189	3,173,104
48,865,000	Hertz 6% Jan 15, 2028 (USD)	23,722,726	65,303,214	18,961,000	Occidental Petroleum Corp. 4.5% Jul 15, 2044 (USD)	14,676,156	22,730,853
12,462,000	Hertz 6.25% Oct 15, 2022 (USD)	6,179,229	15,598,611	9,877,000	Occidental Petroleum Corp. 4.625% Jun 15, 2045 (USD)	6,285,005	11,992,548
22,463,000	Hertz 7.125% Aug 1,2026 (USD)	11,120,686	29,942,915	11,028,000	Occidental Petroleum Corp. 5.55% Mar 15, 2026 (USD)	8,391,166	15,159,706
25,000	Lehman Bros Hldg Inc 4.85% Sep 3, 2013 (USD)	-	78	15,813,000	Occidental Petroleum Corp. 6.2% Mar 15, 2040 (USD)	16,226,612	22,228,464
34,278,000	Maxar Technologies Inc. 7.54% Dec 31, 2027 (USD)	45,473,859	46,042,862	3,203,000	Occidental Petroleum Corp. 6.375% Sep 01, 2028 (USD)	4,494,770	4,645,762
57,671,000	Maxar Technologies Inc. 9.75% Dec 31, 2023 (USD)	75,693,593	79,060,596	8,504,000	Occidental Petroleum Corp. 6.45% Sept 15, 2036 (USD)	10,924,003	12,630,010
399,000	MetLife Global Funding I FRN Sep 27, 2022 (Q CDOR +50)	400,109	399,159	<i>Continued on next page ...</i>			
23,759,000	MPLX LP. 6.875% Feb 15, 2023/2080 (USD)	27,547,273	30,177,091				
8,401,000	Navient Corp 5.625% Aug 1, 2033 (USD)	8,974,304	10,091,262				

Lysander-Canso Corporate Value Bond Fund

Interim Schedule of Investment Portfolio as at June 30, 2021 (unaudited)

Foreign Fixed Income (32.6%)			Mortgage Backed Securities (6.9%)		
Par Value/Number of Shares	Average Cost (\$)	Fair Value (\$)	Par Value/Number of Shares	Average Cost (\$)	Fair Value (\$)
<i>Cont'd</i>					
6,964,000	Occidental Petroleum Corp. 6.6% Mar 15, 2046 (USD)	5,881,251	10,289,682	374	BMO FRN NHA MBS (98003572) Jul 1, 2024 (M CDOR -3) \$ 372 \$ 375
43,659,000	Occidental Petroleum Corp. 6.625% Sept 1, 2030 (USD)	57,847,602	65,076,790	43,021,938	Equitable Bank NHA MBS (97518284) 0.8% Nov 01, 2025 43,132,504 42,573,219
7,123,000	Occidental Petroleum Corp. 7.15% May 15, 2028 (USD)	8,918,382	10,111,984	50,647,455	First National NHA MBS (97518449) Dec 1, 2025 (M CDOR) 50,856,629 50,097,702
2,948,000	Occidental Petroleum Corp. 7.2% Mar 15, 2029 (USD)	3,714,125	4,225,016	39,026,600	First National NHA MBS (98003235) FRN (M CDOR+3) Jan 1, 2024 39,160,462 39,156,949
435,000	Occidental Petroleum Corp. 7.5% May 1, 2031 (USD)	544,310	680,806	43,279,535	First National NHA MBS (98004522) FRN May 1, 2026 (M CDOR-16) 43,221,108 43,159,110
11,140,000	Occidental Petroleum Corp. 7.875% Sep 15, 2031 (USD)	15,534,420	17,803,960	34,315,859	MCAN NHA MBS (97518707) 0.7% Jan 1, 2026 34,301,446 33,776,723
15,658,000	Occidental Petroleum Corp. 7.95% Jun 15, 2039 (USD)	17,747,242	24,951,968	72,386,321	Merrill Lynch NHA MBS (97518515) 0.58% Dec 1, 2025 72,079,403 71,216,268
5,927,000	Occidental Petroleum Corp. 8.875% Jul 15, 2030 (USD)	8,113,619	9,845,448	183,429	MLML 2000 BMCC 7.373% May 10, 2022 212,127 187,388
2,425,000	Ovintiv Exploration Inc 5.375% Jan 1, 2026 (USD)	1,840,443	3,394,073	24,484,917	RBC Dominion Sec NHA MBS (97517581) 0.6% Aug 1, 2025 24,449,169 24,152,045
17,227,000	Ovintiv Exploration Inc 5.625% Jul 1, 2024 (USD)	18,788,367	23,812,755	103,189,676	Scotia Capital Inc NHA MBS (97518704) 0.55% Jan 1, 2026 102,716,035 101,297,280
8,940,000	Ovintiv Inc. 5.15% Nov 15, 2041 (USD)	10,766,230	12,125,974	28,621,372	Scotia Capital Inc. NHA MBS (97518499) 0.6% Dec 01, 2025 28,517,762 28,178,756
1,500,000	Ovintiv Inc. 7.2% Nov 01, 2031 (USD)	1,911,185	2,452,040	Total	\$ 438,647,017 \$ 433,795,815
5,722,000	Ovintiv Inc. 7.375% Nov 01, 2031 (USD)	7,463,264	9,439,050	Private Placements (0.7%)	
12,394,000	Spirit Aerosystems Inc. 3.85% Jun 15, 2026 (USD)	16,055,825	16,085,982	14,767,871	Black Press Group Ltd. 12% Mar 31, 2024 \$ 14,677,442 \$ 11,814,297
17,350,000	Spirit Aerosystems Inc. 3.95% Jun 15, 2023 (USD)	20,242,898	21,690,196	549,062	Blue Water Bridge Authority (amort) 6.41% Jul 9, 2027 665,578 637,728
77,510,000	Spirit Aerosystems Inc. 4.6% Jun 15, 2028 (USD)	89,220,739	94,497,492	5,109,000	Golf Town/Golfsmith 10.5% Jul 24, 2019 (144A) 2,815,576 11,240
46,899,000	Spirit Aerosystems Inc. 5.5% Jan 15, 2025 144A (USD)	61,944,164	62,009,232	1,588,000	Kruger Packaging Holdings L.P. 6% Jun 1, 2026 1,591,970 1,702,468
71,481,000	Spirit Aerosystems Inc. 7.5% Apr 15, 2025 (USD) 144A	98,077,649	94,940,075	17,188,000	Nordstar Capital LP. 10% Aug 5, 2025 17,188,000 17,188,000
Total		\$ 1,773,143,834	\$ 2,041,912,616	<i>Continued on next page ...</i>	

Lysander-Canso Corporate Value Bond Fund

Interim Schedule of Investment Portfolio as at June 30, 2021 (unaudited)

Par Value/Number of Shares		Average Cost (\$)	Fair Value (\$)	Par Value/Number of Shares		Average Cost (\$)	Fair Value (\$)
Private Placements (0.7%)							
<i>Cont'd</i>							
12,576,000	WTH Car Rental ULC (AVIS) 2.781% Jul 22, 2024	12,621,793	13,007,113	33,248	ClearStream Energy Services Inc. Series 1 Preferred Share	33,106,000	23,273,600
Total		\$ 49,560,359	\$ 44,360,846	21,772	ClearStream Energy Services Inc. Series 2 Pfd (restricted)	21,760,900	15,240,400
Preferred Shares (7.9%)							
90,300	Bank of Nova Scotia NVCC (BNS.PR.I)	\$ 1,846,170	\$ 2,309,874	66,700	Enbridge Inc (ENB.PF.A)	1,058,194	1,287,977
60,300	BCE Inc (BCE.PR.A)	915,354	1,120,374	1,533,300	Enbridge Inc (ENB.PR.F)	20,965,696	29,010,036
190,800	BCE Inc (BCE.PR.H)	2,879,676	3,482,100	1,816,300	Enbridge Inc (ENB.PR.H)	23,256,001	31,658,109
858,100	BCE Inc (BCE.PR.J)	13,327,348	15,741,845	151,900	Enbridge Inc Preferred Share Series 3	2,512,600	2,682,554
41,300	BCE Inc (BCE.PR.L)	552,594	727,293	389,400	Enbridge Inc. (ENB.PF.C)	6,220,939	7,305,144
46,800	BCE Inc. (BCE.PR.B)	705,744	851,292	42,600	Enbridge Inc. (ENB.PF.E)	647,271	761,688
1,034,794	BCE Inc. (BCE.PR.C)	15,930,197	20,271,614	97,500	Enbridge Inc. (ENB.PF.G)	1,545,042	1,745,250
33,900	BCE Inc. (BCE.PR.E)	519,985	616,641	2,700	Enbridge Inc. (ENB.PF.V) (USD)	64,872	72,031
105,700	BCE Inc. (BCE.PR.K)	1,286,007	1,876,175	988,900	Enbridge Inc. (ENB.PR.D)	14,131,495	17,978,202
83,500	BCE Inc. (BCE.PR.Q)	1,332,599	2,003,165	604,100	Enbridge Inc. (ENB.PR.N)	9,501,811	12,214,902
83,900	BCE Inc. (BCE.PR.S)	1,232,799	1,529,497	424,200	Enbridge Inc. (ENB.PR.P)	5,539,128	7,877,394
191,500	BCE Inc. (BCE.PR.Y)	3,051,076	3,479,555	111,700	Enbridge Inc. (ENB.PR.T)	1,560,793	2,040,759
250,100	BMO (BMO.PR.A)	5,627,054	6,247,498	60,000	Enbridge Inc. (ENB.PR.V) (USD)	1,534,113	1,697,481
112,300	BMO (BMO.PR.E)	2,399,899	2,852,420	100,577	M Split Corp 7.5% Dec 1, 2024 Series B	489,173	546,133
364,800	BMO (BMO.PR.S)	6,938,135	8,667,648	642,400	Manulife Financial (MFC.PR.F)	10,376,736	11,563,200
121,600	BMO (BMO.PR.T)	2,221,533	2,833,280	117,100	Manulife Financial (MFC.PR.J)	1,789,124	2,928,671
174,500	BMO (BMO.PR.W)	3,009,228	4,144,375	467,000	Manulife Financial (MFC.PR.K)	7,271,356	11,147,290
8,176,168	BMO Laddered Preferred Share ETF	68,052,510	92,717,745	122,000	Manulife Financial (MFC.PR.L)	2,015,219	2,806,000
149,049	Canadian Life Companies Split Corp 6.25% 2012 PFD	1,271,323	1,538,186	135,300	Manulife Financial (MFC.PR.M)	1,942,184	3,186,315
23,100	Cenovus Energy Inc (CVE.PR.A)	123,207	353,430	39,700	Manulife Financial (MFC.PR.N)	622,496	936,523
293,600	Cenovus Energy Inc (CVE.PR.C)	3,146,979	6,459,200	244,900	Manulife Financial (MFC.PR.Q)	4,337,205	6,120,051
96,300	Cenovus Energy Inc (CVE.PR.E)	983,359	2,239,938	21,100	National Bank of Canada (NA.PR.E)	331,793	523,702
92,900	Cenovus Energy Inc (CVE.PR.G)	873,028	2,057,735	805,500	Pembina Pipeline Corp (PPL.PR.A)	10,200,137	17,028,270
266,000	CIBC (CM.PR.O)	4,748,413	6,213,760	50,300	Pembina Pipeline Corp (PPL.PR.C)	676,291	1,045,737
360,500	CIBC (CM.PR.P)	6,497,300	8,511,405				
453,400	CIBC (CM.PR.S)	8,314,398	11,176,310				

Continued on next page ...

Lysander-Canso Corporate Value Bond Fund

Interim Schedule of Investment Portfolio as at June 30, 2021 (unaudited)

Par Value/Number of Shares Average Cost (\$) Fair Value (\$)

Preferred Shares (7.9%)

Cont'd

120,400	Pembina Pipeline Corp (PPL.PR.E)	1,392,824	2,745,120
111,700	Pembina Pipeline Corp (PPL.PR.O)	1,178,010	2,428,917
72,600	Pembina Pipeline Corp (PPL.PR.Q)	845,326	1,706,100
40,000	RBC (RY.PR.H)	720,604	947,200
273,500	RBC (RY.PR.S)	5,589,082	6,892,200
344,800	RBC (RY.PR.Z)	6,432,633	8,140,728
43,800	Royal Bank Preferred Share Series BF 3.60%	816,432	1,038,060
181,500	Sun Life Financial Inc (SLF.PR.H)	3,753,599	4,250,730
171,400	TC Energy Corp (TRP.PR.D)	2,454,955	3,525,698
257,857	TC Energy Corp (TRP.PR.F)	3,334,171	4,415,801
86,400	TC Energy Corp (TRP.PR.H)	912,135	1,137,456
109,600	TC Energy Corp (TRP.PR.I)	1,350,948	1,637,972
650,200	TD Bank (TD.PF.A)	12,421,762	15,260,194
238,800	TD Bank (TD.PF.B)	4,185,800	5,642,844
289,700	TD Bank (TD.PF.C)	5,391,252	6,865,890
145,700	TD Bank (TD.PF.K)	2,868,997	3,608,989
341,200	Thomson Reuters Corp (TRI.PR.B)	4,302,408	5,029,288
Total		\$ 399,193,422	\$ 497,972,961
Total investment portfolio (97.6%)		\$ 5,584,729,186	\$ 6,125,820,983
	Cash and cash equivalents (4.2%)	\$	\$ 264,095,090
	Other assets less liabilities (-1.8%)		(111,672,977)
Net assets attributable to holders of redeemable units		\$	\$ 6,278,243,096

Foreign Exchange Contracts

Counterparty	Settlement Date	Buy	Par Value	Sell	Par Value	Forward Rate	Current Rate	Unrealized Appreciation (Depreciation)
Canadian Imperial Bank of Commerce ¹	2021-09-15	CAD	\$ 2,982,784,329	USD	\$ 2,473,880,000	0.829	0.806	\$ (88,251,661)

Notes

¹ Credit rating of counterparty is A+.

Lysander-Canso Corporate Value Bond Fund

Notes to the interim financial statements for the six-month period ended June 30, 2021 (unaudited)

1. Formation of Fund

The address of the Fund's registered office is 3080 Yonge St., Suite 3037, Toronto, Ontario.

Lysander Funds Limited (the "Manager" or "Lysander") is the manager and trustee of the Fund and is responsible for providing or arranging 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.

Lysander-Canso Corporate Value Bond Fund (the "Fund") is an open-end fund formed under the laws of the Province of Ontario by a declaration of trust dated April 24, 2009. The Fund commenced operations on April 30, 2009 and distributed units under a prospectus exemption. The Fund became a reporting issuer on December 23, 2011.

The Fund's objective is to provide above average, long-term total returns consisting of interest income and some capital gains by investing primarily in fixed income securities.

The portfolio manager of the Fund is Canso Investment Counsel Ltd., ("Portfolio Manager"), a company under common control as the Manager.

2. Basis of Presentation

These interim financial statements (the "financial statements") have been prepared in compliance with International Financial Reporting Standards ("IFRS") as published by the International Accounting Standards Board ("IASB"). These financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting and do not include all of the information and disclosures required in the annual financial statements. These financial statements should be read in conjunction with the Fund's annual financial statements and accompanying note disclosures.

The financial statements were authorized for issue by Lysander's board of directors on August 23, 2021.

3. Significant Accounting Policies

The significant accounting policies of the Fund are as follows:

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with banks, other short-term investments in an active market with original maturities of three months or less, bank overdrafts and money market funds with daily liquidity and all

highly liquid financial instruments that mature within three months of being purchased.

Financial instruments

The Fund accounts for its financial instruments in accordance with IFRS 9 Financial Instruments ("IFRS 9"), which include cash and cash equivalents, investments at fair value through profit or loss, accrued interest, reimbursement receivable, subscriptions receivable, redemption payable, due to/from investment dealer, receivable/payable from forward exchange contracts and accrued expenses.

Financial assets and financial liabilities at fair value through profit or loss ("FVTPL"):

Financial Assets

The Fund classifies its investments in debt and equity securities and open-ended investment funds based on its business model for managing those financial assets and the contractual cash flow characteristics of the financial assets.

These financial assets are managed and their performance is evaluated on a fair value basis. The Fund also manages these financial assets with the objective of realizing cash flows through sales. The Fund has not taken the option to irrevocably designate any of its equity securities at fair value through other comprehensive income ("FVOCI"). Consequently, these financial assets are mandatorily measured at FVTPL.

Financial Liabilities

Financial assets or financial liabilities held for trading are those acquired or incurred principally for the purpose of selling or repurchasing in the near future or on initial recognition are a part of a portfolio of identified financial instruments that the Fund manages together and has a recent actual pattern of short term profit-taking.

All derivatives and short positions are included in this category and mandatorily measured at FVTPL.

The Fund does not apply general hedge accounting to any of its derivatives positions.

Financial assets and financial liabilities at amortized cost:

The financial assets and liabilities measured at amortized cost include cash collateral posted on derivative positions, accrued income, due to and from brokers and other short term receivables and payables.

IFRS 9 requires the expected credit loss model ("ECL") as the impairment model for financial assets measured at amortized cost. At each reporting date, the Fund measures the loss allowance on cash collateral held, amounts due from broker, accrued income and other short term receivables at an amount

Lysander-Canso Corporate Value Bond Fund

Notes to the interim financial statements for the six-month period ended June 30, 2021 (unaudited)

equal to the lifetime expected credit losses if the credit risk has increased significantly since initial recognition. If, at the reporting date, the credit risk has not increased significantly since initial recognition, the Fund measures the loss allowance at an amount equal to the 12 month expected credit losses. Given the short-term nature of the receivables and the high credit quality, the Fund has determined that the expected credit loss allowances are not material or considered impaired.

The Fund classifies financial instruments carried at fair value using a fair value hierarchy that reflects the significance of the inputs used in making the measurements.

- 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.

If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified as Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is reclassified as Level 3. The Manager assesses transfers at the time of an event that may cause reason for re-assessment of levelling. The classification within the hierarchy is based on the lowest level input that is significant to the fair value measurement. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a Level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgment, considering factors specific to 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. The classification of the Fund's financial instruments within the fair value hierarchy as at June 30, 2021 and December 31, 2020, as applicable, is disclosed in the notes to the financial statements of the Fund. Significant transfers between levels are also disclosed in the notes to the financial statements of the Fund, where applicable. The reconciliation of level 3 fair value measurements for the periods ended June 30, 2021 and December 31, 2020, if applicable, are included in the notes to the financial statements of the Fund.

Recognition/Derecognition

At initial recognition, financial assets and liabilities are measured at fair value. Transaction costs on financial assets and liabilities at fair value through profit or loss are expensed as incurred in the statement of comprehensive income.

Subsequent to initial recognition, financial assets and liabilities at fair value through profit or loss are measured at fair value.

Gains and losses arising from changes in their fair value are included in the statement of comprehensive income for the period in which they arise. Dividend or interest income earned on financial assets at fair value through profit or loss and dividend or interest expense on the financial liabilities at fair value through profit or loss are disclosed in a separate line item in the statement of comprehensive income.

Financial assets are derecognized when the contractual rights to the cash flows from the investments have expired or the Fund has transferred substantially all risks and rewards of ownership. Financial liabilities at fair value through profit or loss are derecognized when the obligation specified in the contract is discharged, cancelled or expired.

Investment transactions are accounted for on a trade date basis. Realized gains and losses on the disposition of investments, and unrealized appreciation and depreciation of investments, are determined on an average cost basis and are included in the statement of comprehensive income.

Realized gains and losses related to options are included in net realized gain/(loss) on options at fair value through profit or loss. Realized gains and losses relating to written options may arise from expiration of written options whereby realized gains are equivalent to the premium received and from the exercise of written covered call options in addition to the realized gain or losses from disposition of the related investments at the exercise price of the option.

Fair value measurements

The securities in the Fund's Portfolio are measured at FVTPL. The fair value of financial assets and liabilities traded in active markets are based on quoted market prices at the close of trading on the period-end date. The quoted market price used for financial assets and financial liabilities of the Fund is the last traded price provided such price is within the bid-ask spread. In circumstances where the last traded price is not within the bid-ask spread, the Fund will determine the points within the bid-ask spread that are most representative of the fair value. A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly

Lysander-Canso Corporate Value Bond Fund

Notes to the interim financial statements for the six-month period ended June 30, 2021 (unaudited)

occurring market transactions on an arm's length basis. The fair value of financial assets and liabilities that are not traded in an active market is determined using valuation techniques commonly used by market participants making the maximum use of observable inputs and relying as little as possible on unobservable inputs. The Fund uses a variety of methods and makes assumptions that are based on market conditions existing at each reporting date.

Where available, valuation techniques use market observable assumptions and inputs. If such data is not available, inputs may be derived by reference to similar assets in active markets, from recent prices for comparable transactions or from other observable market data. When measuring fair value, the Fund selects the non-market-observable inputs to be used in its valuation techniques, based on a combination of historical experience, derivation of input levels based on similar products with observable price levels and knowledge of current market conditions and valuation approaches. Unobservable inputs are used to measure fair value to the extent that relevant observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at the measurement date. However, the fair value measurement objective remains the same, i.e., an exit price at the measurement date from the perspective of a market participant that holds the asset or owes the liability. Therefore, unobservable inputs reflect the assumptions that market participants would use when pricing the asset or liability, including assumptions about risk. The output of a model is always an estimate or approximation of a value that cannot be determined with certainty, and valuation techniques employed may not fully reflect all factors relevant to the positions the Fund holds. Valuations are therefore adjusted, where appropriate, to allow for additional factors including model risk, liquidity risk and counterparty risk. Unlisted debt securities are valued based on observable inputs such as the prices provided by an independent reputable pricing services company who prices the securities based on recent transactions and quotes received from market participants and through incorporating observable market data and using standard market convention practices. Unlisted debt securities for which current quotations are not readily available are valued using another valuation technique as described below.

The Fund uses widely recognized valuation techniques for determining the fair value of financial instruments that are not actively traded and quoted. The most frequently applied valuation techniques include: i) discounted value of expected cash flows, ii) relative value, iii) option pricing methodologies, iv) private placement financing technique v) internally developed models and vi) market activity. In some cases, it may be reasonable and appropriate to value at cost, where there has been no material subsequent event affecting value. Discounted

value of expected cash flows is a valuation technique that measures fair value using estimated expected future cash flows from assets or liabilities and then discounts these cash flows using a discount rate or discount margin that reflects the credit and/or funding spreads required by the market for instruments with similar risk and liquidity profiles to produce a present value. When using such valuation techniques, expected future cash flows are estimated using an observed or implied market price for the future cash flows or by using industry standard cash flow projection models. The discount factors within the calculation are generated using industry standard yield curve modeling techniques and models. Relative value models measure fair value based on the market prices of equivalent or comparable assets or liabilities, making adjustments for differences between the characteristics of the observed instrument and the instrument being valued. Option pricing models incorporate assumptions regarding the behavior of future price movements of an underlying referenced asset or assets to generate a probability-weighted future expected payoff for the option. The resulting probability-weighted expected payoff is then discounted using discount factors generated from industry standard yield curve modeling techniques and models. The option pricing model may be implemented using a closed form analytical formula or other mathematical techniques (e.g., binomial tree or Monte Carlo simulation). For more complex instruments and instruments for which there is no active market, fair values may be estimated using a combination of observed transaction prices, if any, consensus pricing services and relevant broker quotes. Consideration is given to the nature of the quotes (e.g., indicative or firm) and the relationship of recently evidenced market activity to the prices provided by consensus pricing services. Private placement financings are instances where a company raises capital through an offering of additional securities in the private markets. Pertinent details of such offering, including the terms of such offering, the issue price, and total capital raised are considered when assessing the reasonability that the issue price of such offering approximates fair value. In contrast to public offerings on a recognized exchange, private placement financings are not available to the general public. The Fund also uses internally developed models, which are typically based on valuation methods and techniques recognized as standard within the industry. Assumptions and inputs used in valuation techniques include benchmark interest rate curves, credit and funding spreads used in estimating discount rates, bond and equity prices, equity index prices, foreign exchange rates, levels of market volatility and correlation. In situations where there is limited market activity for the asset or liability near the measurement date, the most recent transaction price may be used.

Income recognition

Dividend income is recognized when the Fund's right to receive the payment has been established, normally being the ex-

Lysander-Canso Corporate Value Bond Fund

Notes to the interim financial statements for the six-month period ended June 30, 2021 (unaudited)

dividend date. Dividend income is recognized gross of withholding tax, if any.

The interest income for distribution purposes shown on the statement of comprehensive income represents the coupon interest received by the Fund accounted for on an accrual basis. The Fund does not amortize premiums paid or discounts received on the purchase of fixed income securities except for zero coupon bonds which are amortized on a straight line basis. The interest income for distribution purposes is the tax basis of calculating the interest received and which is subject to tax.

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Accounting estimates

In the application of the Fund's accounting policies, the Fund is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily available from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered relevant. The most significant estimates relate to the valuation of investments. Actual results could differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods, if the revision affects both current and future periods.

Net assets attributable to holders of redeemable units

Units issued and outstanding represent the capital of the Fund, with units in each series representing an equal and rateable share in the assets allocated to each series. The management fee rates are different for each of the series. Please refer to Note 6 for discussion of management fee rates. The redeemable units are classified as financial liabilities and are measured at the redemption amounts.

Units of the Fund may be purchased or redeemed at a price per unit equal to the net asset value ("NAV") of a unit of the applicable series of the Fund on each valuation date.

Net asset value per unit

The net asset value per unit of each series of units of the Fund is computed by dividing the NAV of a series of units by the total number of units of the series outstanding at the time. The

Fund's accounting policies for measuring the fair value of its investments and derivatives are identical to those used in measuring its NAV for transactions with holders of redeemable units.

Foreign currency translation

Foreign currency amounts are translated into the Fund's functional currency as follows: fair value of investments, forward currency contracts and other financial assets and liabilities, at the closing rate of exchange on each business day; income and expenses, and purchases, sales and settlements of investments, at the rate of exchange prevailing on the respective dates of such transactions.

Foreign currency forward contracts

The value of the foreign currency forward contracts is the gain or loss that would be realized if the position in the forward contract was closed out in accordance with its terms. The unrealized gains or losses on the forward contract are reported as part of the change in unrealized appreciation or depreciation on forwards in the statement of comprehensive income. Foreign currency forward contracts manage exposure to foreign currency gains and losses arising from short and long-term investments denominated in foreign currencies.

Taxation

The Fund is a mutual fund trust within the meaning of the Income Tax Act (Canada). The Fund is subject to tax on its net taxable income, including net realized capital gains, for the calendar year which is not paid or payable to its unitholders as of the end of the calendar year. It is the intention of the Fund to pay all of its net taxable income and net realized capital gains so that the Fund will not be subject to income taxes other than foreign withholding taxes, if applicable. Therefore, no provision for income taxes has been made in these financial statements.

As at December 31, 2020, the Fund had no net capital losses (December 31, 2019 - \$5,295,420) and no non-capital losses (December 31, 2019 - Nil).

Distributions

The Fund makes distributions of net income quarterly for Series A and F, and monthly for Series A5 and Series F5, and any net realized capital gains annually. These are recognized in the statement of changes in net assets attributable to holders of redeemable units.

Critical accounting estimates and judgments

The preparation of financial statements requires management to use judgment in applying its accounting policies and to make estimates and assumptions about the future. The following discusses the most significant accounting judgments and

Lysander-Canso Corporate Value Bond Fund

Notes to the interim financial statements for the six-month period ended June 30, 2021 (unaudited)

estimates that the Fund has made in preparing the financial statements:

Determination of Functional Currency

'Functional currency' is the currency of the primary economic environment in which the Fund operates. If indicators of the primary economic environment are mixed, then the Fund uses its judgment to determine the functional currency that most faithfully represents the economic effect of the underlying transactions, events, and conditions. The Fund's subscriptions and redemptions are denominated in Canadian Dollars ("CAD"). Accordingly, the Fund has determined that the functional currency of the Fund is CAD unless noted otherwise.

Fair Value Measurement of Derivatives and Securities Not Quoted in an Active Market

The Fund may hold financial instruments that are not quoted in active markets, including derivatives. Fair values of such instruments are determined as disclosed in Fair Value Measurement section in Note 3.

Future changes in accounting standards

As of June 30, 2021, there are no future standards that could have a material or significant impact on the Fund.

4. Expenses

The Fund is responsible for the payment of all expenses related to its operations, including but not limited to audit fees, Independent Review Committee fees, fund administration fees, filing fees, redeemable unitholder reporting and custodian fees plus harmonized sales tax. At their discretion, the Manager or the Portfolio Manager may pay certain of the expenses of the Fund but any such payments shall not oblige the Manager or the Portfolio Manager to make similar future payments. All expenses are recognized in the statement of comprehensive income on the accrual basis.

Service fees may be paid by the Manager from the management fees it receives from the Fund. Service fees may be paid to brokers and dealers to compensate them for providing ongoing services to redeemable unitholders holding Series A and A5 units, if applicable.

The maximum service fee is 0.50% per annum on the Series A and Series A5 units, exclusive of any applicable taxes.

5. Issuance and Redemption of Units

The Fund is authorized to issue an unlimited number of transferable, redeemable units of beneficial interest, each of which represents an equal undivided interest in the net assets of the Fund. Each unit entitles the holder to the same rights and obligations as a holder of any other unit and no holder of units is

entitled to any privilege, priority or preference in relation to any other holder of units. Each holder of units is entitled to one vote for each whole unit held and is entitled to participate equally with respect to any and all distributions made by the Fund, including distributions of net income and net realized capital gains, if any. On termination or liquidation of the Fund, the holders of outstanding units of record are entitled to receive on a pro rata basis all of the assets of the Fund remaining after payment of all debts, liabilities and liquidation expenses of the Fund. The units of the Fund are issued and redeemed at their NAV.

During the periods ended June 30, 2021 and 2020 the number of units issued, redeemed and outstanding were as follows:

Series A

For the periods ended	30-Jun-21	30-Jun-20
Units outstanding at beginning of period	49,884,791	39,790,326
Redeemable units issued	19,614,845	6,322,560
Redeemable units redeemed	(5,271,584)	(5,172,798)
Redeemable units issued on reinvestments	745,772	450,460
Units outstanding at end of period	64,973,824	41,390,548

Series A5

For the periods ended	30-Jun-21	30-Jun-20
Units outstanding at beginning of period	967,815	820,422
Redeemable units issued	369,386	67,925
Redeemable units redeemed	(99,614)	(105,279)
Redeemable units issued on reinvestments	4,424	4,277
Units outstanding at end of period	1,242,011	787,345

Series F

For the periods ended	30-Jun-21	30-Jun-20
Units outstanding at beginning of period	266,323,962	189,883,228
Redeemable units issued	100,314,956	58,599,356
Redeemable units redeemed	(25,103,316)	(30,020,335)
Redeemable units issued on reinvestments	3,733,450	2,477,922
Units outstanding at end of period	345,269,052	220,940,171

Series F5

For the periods ended	30-Jun-21	30-Jun-20
Units outstanding at beginning of period	8,274,855	3,237,479
Redeemable units issued	4,099,656	3,310,064
Redeemable units redeemed	(289,222)	(418,025)
Redeemable units issued on reinvestments	36,937	14,261
Units outstanding at end of period	12,122,226	6,143,779

Lysander-Canso Corporate Value Bond Fund

Notes to the interim financial statements for the six-month period ended June 30, 2021 (unaudited)

6. Related Party Transactions

The Manager is responsible for the day-to-day management of the Fund and its investment portfolio in compliance with the Fund's constating documents. The Manager pays for certain investment management services and provides certain administrative services required by the Fund. As compensation for its services the Manager is entitled to receive a management fee.

The Manager may offer a reduced management fee to selected investors who (among other considerations) hold large investments in the Fund. This is achieved by reducing the management fee charged to the Fund based on the assets held by such investors and the Fund distributing the amount of the reduction in additional units of the same series of the Fund to the investor.

At June 30, 2021, the Manager, the majority shareholder of the Manager, the Manager's directors and officers together with certain immediate family members had an ownership interest in the Fund amounting to 0.0% (December 31, 2020 - 0.0%).

The Manager is entitled to receive from the Fund a management fee which is calculated daily and payable monthly at an annualized rate of up to 1.25% on Series A and Series A5 units and up to 0.75% on Series F and Series F5 units, exclusive of applicable taxes, based on the net asset value of each respective series. Series O has no management fees because investors will pay a negotiated management fee directly to the Manager.

During the period ended June 30, 2021, the Manager paid the Portfolio Manager, an affiliate of the Manager, \$10,025,688 (June 30, 2020 - \$5,638,132) for managing the portfolio of the Fund. As at June 30, 2021 the amount payable to the Portfolio Manager was \$1,891,459 (December 31, 2020 - \$1,411,729).

7. Fair Value Hierarchy

The following fair value hierarchy table presents information about the Fund's assets measured at fair value, as described in Note 3, as at June 30, 2021 and December 31, 2020:

As at June 30, 2021	Level 1		Level 2		Level 3		Total
Investments							
Equities	\$	527,930,591	\$	-	\$	57,569,719	\$ 585,500,310
Fixed income		-		5,501,121,433		39,199,240	5,540,320,673
Total	\$	527,930,591	\$	5,501,121,433	\$	96,768,959	\$ 6,125,820,983

As at December 31, 2020	Level 1		Level 2		Level 3		Total
Investments							
Equities	\$	395,683,450	\$	-	\$	47,964,859	\$ 443,648,309
Fixed income		10,728,867		3,864,462,006		43,786,240	3,918,977,113
Total	\$	406,412,317	\$	3,864,462,006	\$	91,751,099	\$ 4,362,625,422

As at	30-Jun-21		31-Dec-20	
Level 3 reconciliation				
Balance, beginning of period	\$	91,751,099	\$	116,010,408
Purchases		-		51,199,658
Sales		(17,218,988)		(45,577,364)
Transfers In		-		-
Transfers Out		-		-
Realized gains and losses		6,914,464		(2,265,397)
Change in unrealized appreciation (depreciation)		15,322,384		(27,616,206)
Balance, end of period	\$	96,768,959	\$	91,751,099

The Portfolio Manager's internal valuation team is comprised of individuals from across the functional areas of the firm (Trading, Settlements, Research, Portfolio Management, Compliance, and Fund Administration) who have broad and deep experience in the fair value techniques for debt and equity investments. The team reports to the Chief Investment Officer of the Portfolio Manager

Lysander-Canso Corporate Value Bond Fund

Notes to the interim financial statements for the six-month period ended June 30, 2021 (unaudited)

and the internal valuation team's valuation processes and results are reviewed by the Portfolio Manager's management on an ongoing basis. Security valuations are discussed on a case-by-case basis with a view to establish the most suitable valuation method. During the period ended June 30, 2021, there were no transfers between levels.

The following sections provides information regarding Level 3 securities. It includes a summary of the valuation techniques used and the sensitivity of the fair value of these securities to changes in input values.

ClearStream Energy Services Inc. Series 1 Preferred Share

Price: \$700.00

Valuation Technique: The private placement financing technique.

Unobservable Inputs: The last transacted price unless there is a material event that warrants a review. The preferred shares series 2 were issued on June 27, 2019 at \$1,000.00. On March 31, 2020, the Pricing Committee reviewed and agreed that the steep drop in oil prices along with the COVID-19 pandemic were material events which would impact the price. As a result, the Pricing Committee wrote down the price from \$1,000.00 to \$700.00. Despite the fact that oil prices have recovered, Exploration and Production producers are delaying their capital expenditure which directly impacts ClearStream's revenues. The Pricing Committee concluded that maintaining the price of \$700.00 is reasonable.

Change in input values: A reasonably possible change to the value of the next private placement financing could result in an increase or decrease of 30%, or an increase or decrease in the security price of \$210.00

ClearStream Energy Services Inc. Series 2 Pfd (restricted)

Price: \$700.00

Valuation Technique: The private placement financing technique.

Unobservable Inputs: The last transacted price unless there is a material subsequent event that warrants a review. The preferred shares series 2 were issued on June 27, 2019 at \$1,000.00. On March 31, 2020, the Pricing Committee reviewed and agreed the steep drop in oil prices along with the COVID-19 pandemic were material events which would impact the price. As a result, the Pricing Committee wrote down the price from \$1,000.00 to \$700.00. Despite the fact that oil prices have recovered, Exploration and Production producers are delaying their capital expenditure which directly impacts ClearStream's revenues. The Pricing Committee concluded that maintaining the price of \$700.00 is reasonable.

Change in input values: A reasonably possible change to the value of the next private placement financing could result in an increase or decrease of 30%, or an increase or decrease in the security price of \$210.00

ClearStream Energy Services Inc. Term Loan (1) Prime + 450 basis points

Price: \$100.00

Valuation Technique: The private placement financing technique.

Unobservable Inputs: The primary unobservable input for this security is the most recent transacted price in private offerings of additional securities.

Change in input values: A reasonably possible change to the price that is paid in the next private offering could result in an increase or decrease of 30%, or an increase or decrease in the security price of \$30.00 .

Golf Town/Golfsmith 10.5% Jul 24, 2018 (144A)

Price: \$0.22

Valuation Technique: Discounted value of expected cash flows.

Unobservable Inputs: The primary unobservable input for this issue is the projected net cash value of assets being liquidated under bankruptcy protection.

Change in input values: A reasonably possible change to the value of the liquidated assets could result in an increase or decrease of 40%, or an increase or decrease in the security price of \$0.09.

Nordstar Capital Inc. LP

Price: \$27.45

Valuation Technique: Internally developed model.

Unobservable Inputs: The primary unobservable inputs for this security include NordStar's financial statements, its ownership in VerticalScope Holdings Inc., and outstanding units, and the public market price of VerticalScope Holdings Inc.

Lysander-Canso Corporate Value Bond Fund

Notes to the interim financial statements for the six-month period ended June 30, 2021 (unaudited)

Change in input values: A reasonably possible change to the value of VerticalScope Holdings Inc. could result in an increase or decrease of 50%, or an increase or decrease in the security price of \$13.73.

Nordstar Capital LP. 10% Aug 5, 2025

Price: \$100.00

Valuation Technique: Cost

Unobservable Inputs: The primary unobservable input for this security is the last price that the security was purchased.

Change in input values: A reasonably possible change in the price of the security could result in an increase or decrease of 30% or an increase or decrease in the security price of \$30.00.

Xplore Mobile Inc. ("Mobility Spinco")

Price: \$1.43

Valuation Technique: The relative value technique.

Unobservable Inputs: The primary unobservable inputs for this security were taken from financial data provided by the company's management and government publications.

Change in input values: A reasonably possible change to the value of the assets that make up the business could result in an increase or decrease of 40%, or an increase or decrease in the security price of \$0.57.

Xplornet Wireless Inc. ("License Spinco")

Price: \$4.90

Valuation Technique: The relative value technique.

Unobservable Inputs: The primary unobservable inputs for this security were taken from financial data provided by the company's management and government publications.

Change in input values: A reasonably possible change to the value of the assets that make up the business could result in an increase or decrease of 40%, or an increase or decrease in the security price of \$1.96.

8. Risk Management

The Fund's activities expose it to a variety of financial risks in the normal course of operations. These include credit risk, liquidity risk, and market risk. The value of the investments in the Fund's portfolio can fluctuate as a result of changes in interest rates, general economic conditions, supply and demand conditions relating to specific securities, or news relating to a specific issuer. In order to manage risk, the Portfolio Manager will diversify the portfolio based on industry and credit rating category. Significant risks that are relevant to the Fund are discussed below.

Credit risk

Credit risk is the risk of financial loss that could arise from a security issuer or counterparty to a financial instrument not being able to meet its financial obligations. The Fund's main exposure to credit risk consists of investments in debt instruments, such as bonds. The Fund is also exposed to counterparty risk from other assets, such as amounts due from investment dealer or subscriptions receivable. To manage this risk, the Portfolio Manager monitors the Fund's credit exposure and counterparty credit ratings.

The Fund measures credit risk and lifetime ECLs related to these trade receivables using historical analysis and forward looking information in determining the ECL.

Lysander-Canso Corporate Value Bond Fund

Notes to the interim financial statements for the six-month period ended June 30, 2021 (unaudited)

As at June 30, 2021 and December 31, 2020, the Fund had directly invested in debt instruments with the following credit ratings:

As a % of net assets		30-Jun-21	31-Dec-20
Credit exposure			
AAA	%	10.5	3.1
AA		2.3	–
A		5.1	–
BBB		21.2	21.2
BB		20.3	33.5
B		16.4	18.1
CCC		11.9	8.8
Not Rated		8.6	10.3

Liquidity risk

Liquidity risk is the risk that the Fund will encounter difficulty in meeting obligations, including any redemption of units for cash. The Fund is exposed to possible daily redemptions at the then current NAV per unit. Liquidity risk is managed by investing a significant portion of the Fund's assets in investments that are traded in an active market and that can be readily sold. All liabilities of the Fund are due within one year.

The following table presents the Fund's liabilities according to their maturity date as at June 30, 2021 and December 31, 2020:

As at 30-Jun-2021	Less Than One Month	1-3 Months	3 Months – 1 Year
Liquidity exposure			
Redemption Payable	\$ 3,281,183	\$ –	\$ –
Due to investment dealers	97,045,582	–	–
Accrued expenses	–	5,168,724	–
Distribution payable	63	–	–
Payable on forward exchange contracts	–	88,251,661	–

As at 31-Dec-2020	Less Than One Month	1-3 Months	3 Months – 1 Year
Liquidity exposure			
Redemption Payable	\$ 1,291,709	\$ –	\$ –
Due to investment dealers	919,328	–	–
Accrued expenses	–	3,953,281	–
Distribution payable	101	–	–

Market risk

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a fund asset will fluctuate because of changes in market interest rates. If applicable, to manage interest rate risk, the Portfolio Manager monitors exposures and maintains the portfolio duration within the limits specified in the investment policies and objectives of the Fund. If applicable, the Fund has calculated the sensitivity analysis below. Actual results may differ materially from this analysis.

The table below summarizes the Fund's exposure to interest rate risks based on the remaining term to maturity of the investments.

	Less than 1 year	1-5 years	More than 5 years
Interest rate exposure			
June 30, 2021	\$ 539,195,696	\$ 3,127,835,472	\$ 1,873,289,427
December 31, 2020	57,724,918	2,271,357,578	1,589,894,617

If interest rates had increased or decreased by 1% at June 30, 2021, with all other variables remaining constant, net assets of the fund would have decreased or increased by approximately \$187,146,908 (December 31, 2020 - \$168,673,832).

Lysander-Canso Corporate Value Bond Fund

Notes to the interim financial statements for the six-month period ended June 30, 2021 (unaudited)

Currency risk

Currency risk arises when the value of investments denominated in currencies other than CAD fluctuate due to changes in exchange rates. If applicable, the currency risk will typically be hedged by entering into foreign currency forward contracts, however some moderate currency exposure may be assumed if deemed to be beneficial to the Fund. If applicable, the Fund has calculated the sensitivity analysis below. Actual results may differ materially from this analysis.

The table below summarizes the Fund's net exposure (before hedging, if any) to currency risk as at:

		30-Jun-21		31-Dec-20
Currency exposure				
US Dollars	%	50.3	%	58

As at June 30, 2021, if the CAD had strengthened or weakened by 1% in relation to the above currency, with all other factors remaining constant, the Fund's net assets would have decreased or increased by 0.5% (December 31, 2020 - 0.6%).

Price risk

Price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices, whether caused by factors specific to an individual investment, its issuer or all factors affecting all instruments traded in a market or market segment. If applicable, this risk is managed through a careful selection of securities and other financial instruments within the parameters of the investment strategy and by maintaining a well-diversified portfolio. Exposure to price risk arises from investments in equity securities. If applicable, the Fund has calculated the sensitivity analysis below. Actual results may differ materially from this analysis.

As at June 30, 2021, approximately 9.3% (December 31, 2020 - 9.8%) of the Fund's net assets were invested in equity securities. If prices of these investments had increased or decreased by 5% as at June 30, 2021 with all other factors remaining constant, net assets would have increased or decreased, by approximately \$29,275,016 (December 31, 2020 - \$22,182,415).



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