

Semi-Annual Management Report of Fund Performance
As at June 30, 2021

Lysander-Crusader Equity Income Fund



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A Note About Forward Looking Statements

This semi-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 semi-annual Management Report of Fund Performance of Lysander-Crusader Equity Income Fund (the “Fund”) contains financial highlights for the period ended June 30, 2021 but does not contain the complete financial statements of the Fund. This report should be read in conjunction with the semi-annual financial statements of the Fund for the period ended June 30, 2021. 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 earn income and to achieve long term capital growth through a diversified portfolio composed primarily of equity securities, however other equity-like income-producing securities, debt and money market securities may be used to achieve this objective.

Investment Strategies

The Fund’s portfolio manager is Crusader Asset Management Inc. (“Portfolio Manager” or “Crusader”). The Fund’s portfolio positions will invest primarily in Canadian equity securities. The Fund will not be leveraged. The Fund may invest up to 30% of its assets in foreign securities. The Fund’s investments will not be

constrained by sector considerations. 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

The Lysander-Crusader Equity Income Fund Series A units returned 34.3%, and Series F units returned 35.1% for the six-month period ended June 30, 2021.

The Fund’s strong out-performance of the S&P/TSX Index was most affected by the post pandemic strength in Canadian equities which benefit greatest from the reacceleration of the global economy. During this period, the Fund had minimal exposure to defensive securities such as those whose Global Industry Classification (GIC) standard are Telecom, Utilities, Staples, REITS, and Healthcare. Instead, the Fund was primarily invested in cyclical securities such as energy, industrials, materials, and financials. Material overweighting energy and materials provided the greatest positive returns and contribution to index out performance.

The net assets of the Fund increased to approximately \$6.1 million at June 30, 2021 from \$4.3 million at December 31, 2020. This was primarily due to positive returns and net subscriptions of \$248 thousand.

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

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affected performance beyond what has been described or what would be reasonably expected.

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

Recent Developments

The Fund has begun to reposition by reducing exposure to Materials. However, the Fund remains positioned with an expectation of continued positive economic activity believing global monetary and fiscal policy already affected shall continue to provide above trend economic growth. These cyclical exposures are most specifically equity securities in the “industrial, material, and energy” sectors.

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 \$13,427 (including HST) in management fees to the Manager for the period ended June 30, 2021 (June 30, 2020 - \$16,796).

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 is included in the management fee.

The Manager paid \$10,748 (including HST) to the Portfolio Manager for the period ended June 30, 2021 (June 30, 2020 - \$13,427).

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

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Financial Highlights

Series A

Period ended	30-Jun-2021	31-Dec-2020	31-Dec-2019	31-Dec-2018	31-Dec-2017	31-Dec-2016
Net assets per unit¹						
Net assets, beginning of period	\$ 6.42	\$ 9.66	\$ 10.67	\$ 13.03	\$ 12.97	\$ 11.56
Operations:						
Total revenue	0.14	0.35	0.48	0.59	0.62	1.07
Total expenses	(0.09)	(0.15)	(0.26)	(0.32)	(0.33)	(0.31)
Realized gains (losses)	0.38	(3.56)	(2.65)	(0.16)	0.80	0.38
Unrealized gains (losses)	1.75	(0.10)	1.64	(2.42)	(0.16)	1.88
Total increase (decrease) from operations²	\$ 2.18	\$ (3.46)	\$ (0.79)	\$ (2.31)	\$ 0.93	\$ 3.02
Distributions:						
From income (excluding dividends)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
From dividends	(0.03)	(0.16)	(0.27)	(0.37)	(0.25)	(0.77)
From capital gains	-	-	-	-	(0.69)	-
Total distributions^{2 3}	\$ (0.03)	\$ (0.16)	\$ (0.27)	\$ (0.37)	\$ (0.94)	\$ (0.77)
Net assets, end of period^{2 3}	\$ 8.60	\$ 6.42	\$ 9.66	\$ 10.67	\$ 13.03	\$ 12.97

Ratios and supplemental data						
Net asset value ⁴	\$ 356,128	\$ 260,884	\$ 538,337	\$ 840,928	\$ 551,950	\$ 315,486
Units outstanding	41,418	40,622	55,745	78,804	42,350	24,327
Management expense ratio ⁵	% 2.33	% 2.34	% 2.56	% 2.49	% 2.56	% 2.53
Management expense ratio before waivers or absorption	2.40	2.53	2.56	2.49	2.58	2.88
Portfolio turnover rate ⁶	20.14	55.30	45.90	59.60	56.80	116.10
Trading expense ratio ⁷	0.09	0.19	0.20	0.30	0.40	0.90
Net asset value per unit, end of period	\$ 8.60	\$ 6.42	\$ 9.66	\$ 10.67	\$ 13.03	\$ 12.97

Notes

- The information is derived from the Fund's unaudited semi-annual and/or 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. Effective January 1, 2020, the Fund paid 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.
- 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

Period ended	30-Jun-2021	31-Dec-2020	31-Dec-2019	31-Dec-2018	31-Dec-2017	31-Dec-2016
Net assets per unit¹						
Net assets, beginning of period	\$ 6.47	\$ 9.71	\$ 10.57	\$ 12.83	\$ 12.78	\$ 11.33
Operations:						
Total revenue	0.15	0.35	0.47	0.57	0.62	0.87
Total expenses	(0.05)	(0.08)	(0.14)	(0.17)	(0.18)	(0.17)
Realized gains (losses)	0.38	(3.67)	(2.55)	(0.03)	0.78	0.32
Unrealized gains (losses)	1.79	(0.19)	1.50	(2.29)	(0.09)	1.71
Total increase (decrease) from operations²	\$ 2.27	\$ (3.59)	\$ (0.72)	\$ (1.92)	\$ 1.13	\$ 2.73
Distributions:						
From income (excluding dividends)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
From dividends	(0.07)	(0.22)	(0.27)	(0.39)	(0.46)	(0.87)
From capital gains	-	-	-	-	(0.73)	-
Total distributions^{2 3}	\$ (0.07)	\$ (0.22)	\$ (0.27)	\$ (0.39)	\$ (1.19)	\$ (0.87)
Net assets, end of period^{2 3}	\$ 8.67	\$ 6.47	\$ 9.71	\$ 10.57	\$ 12.83	\$ 12.78
Ratios and supplemental data						
Net asset value ⁴	\$ 2,469,341	\$ 1,750,529	\$ 3,888,088	\$ 7,911,696	\$ 9,459,579	\$ 5,677,470
Units outstanding	284,860	270,592	400,580	748,457	737,215	444,236
Management expense ratio ⁵	% 1.20	% 1.21	% 1.43	% 1.37	% 1.43	% 1.42
Management expense ratio before waivers or absorption	1.28	1.34	1.40	1.37	1.45	1.75
Portfolio turnover rate ⁶	20.14	55.30	45.90	59.60	56.80	116.10
Trading expense ratio ⁷	0.09	0.19	0.20	0.30	0.40	0.90
Net asset value per unit, end of period	\$ 8.67	\$ 6.47	\$ 9.71	\$ 10.57	\$ 12.83	\$ 12.78

Notes

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- 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.
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Series O

Period ended	30-Jun-2021	31-Dec-2020	31-Dec-2019	31-Dec-2018	31-Dec-2017	31-Dec-2016
Net assets per unit¹						
Net assets, beginning of period	\$ 6.68	\$ 10.25	\$ 11.44	\$ 13.92	\$ 13.16	\$ 11.52
Operations:						
Total revenue	0.14	0.36	0.50	0.61	0.62	0.82
Total expenses	(0.01)	(0.02)	(0.03)	(0.03)	(0.04)	(0.04)
Realized gains (losses)	0.40	(3.62)	(2.55)	(0.05)	0.87	(0.19)
Unrealized gains (losses)	1.83	0.43	1.55	(2.45)	(0.16)	1.59
Total increase (decrease) from operations²	\$ 2.36	\$ (2.85)	\$ (0.53)	\$ (1.92)	\$ 1.29	\$ 2.18
Distributions:						
From income (excluding dividends)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
From dividends	(0.11)	(0.43)	(0.66)	(0.60)	(0.52)	(0.53)
From capital gains	-	-	-	-	-	-
Total distributions^{2 3}	\$ (0.11)	\$ (0.43)	\$ (0.66)	\$ (0.60)	\$ (0.52)	\$ (0.53)
Net assets, end of period^{2 3}	\$ 8.95	\$ 6.68	\$ 10.25	\$ 11.44	\$ 13.92	\$ 13.16
Ratios and supplemental data						
Net asset value ⁴	\$ 3,236,719	\$ 2,322,536	\$ 3,054,167	\$ 3,204,868	\$ 3,725,559	\$ 3,388,465
Units outstanding	361,763	347,864	297,947	280,193	267,634	257,443
Management expense ratio ⁵	% 0.30	% 0.30	% 0.30	% 0.25	% 0.30	% 0.29
Management expense ratio before waivers or absorption	0.37	0.57	0.37	0.25	0.32	0.67
Portfolio turnover rate ⁶	20.14	55.30	45.90	59.60	56.80	116.10
Trading expense ratio ⁷	0.09	0.19	0.20	0.30	0.40	0.90
Net asset value per unit, end of period	\$ 8.95	\$ 6.68	\$ 10.25	\$ 11.44	\$ 13.92	\$ 13.16

Notes

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Management Fees

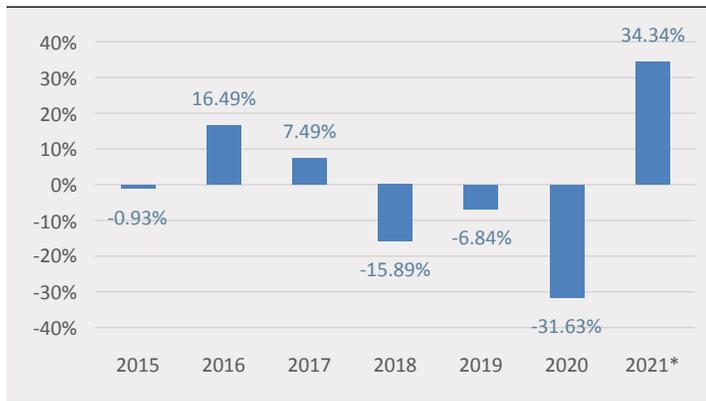
The Manager provides or arranges the provision of all general management and administrative services required by the Fund, and as described in the section “Related Party Transactions” above.

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. The Fund pays a management fee of 1.80% per annum for Series A units and 0.80% per annum for Series F units. No management fee is charged to the Fund with respect to Series O units, but investors are charged a negotiated management fee.

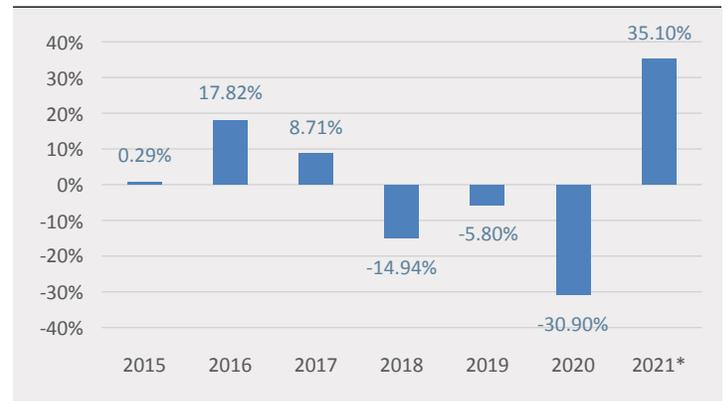
Service fees or trailing commissions of a maximum of 1.00% per annum were paid on Series A units to dealers. This comprises approximately 55.6% of the management fee of Series A units.

Year-by-Year Returns

Series A



Series F



Series O



Past Performance

The Fund became a reporting issuer on December 30, 2014. Accordingly, returns are shown for the relevant period/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.

* For the period January 1 to June 30

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Summary of Investment Portfolio

	% of NAV	
Top 25 Issuers		
Tourmaline Oil Corp	%	8.6
Canadian Natural Resources Ltd		7.3
Airboss Of America Corp		7.3
Toronto-Dominion Bank		7.1
Arc Resources Ltd		6.4
Altius Minerals Corp		5.8
AG Growth International Inc		5.3
CI Financial Corp		5.3
Royal Bank of Canada		5.2
IA Financial Corp Inc		5.1
Dundee Precious Metals Inc		5.0
Mullen Group Ltd		4.7
Suncor Energy Inc		4.6
Whitecap Resources Inc		4.6
Manulife Financial Corp		4.4
Kirkland Lake Gold Ltd		4.3
Westshore Terminals Investment		3.7
Labrador Iron Ore Royalty Corp		2.2
TC Energy Corp		1.9
Cash and Cash Equivalents		1.0
Total	%	99.8

	% of NAV	
Asset Mix		
Canadian Equities	%	98.7
Cash and Cash Equivalents		1.0
Other Assets less Liabilities		0.3
Total	%	100.0
Sector		
Cash and Cash Equivalents	%	1.0
Energy		26.1
Financials		27.0
Industrials		21.1
Materials		24.5
Other Assets less Liabilities		0.3
Total	%	100.0



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