

Annual Management Report of Fund Performance

As at December 31, 2022

Lysander-Triasima All Country Equity Fund



TRIASIMA



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A Note About Forward Looking Statements

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

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

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

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

About This Report

This annual Management Report of Fund Performance of Lysander-Triasima All Country Equity Fund (the “Fund”) contains financial highlights for the year ended December 31, 2022 but does not contain the complete financial statements of the Fund. This report should be read in conjunction with the annual financial statements of the Fund for the year ended December 31, 2022. 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 St., Suite 3037, Toronto, Ontario, M4N 3N1, by visiting our website at www.lysanderfunds.com or at SEDAR at www.sedar.com.

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

Investment objective

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

Investment Strategies

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

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

Risks

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

Results of Operations

During 2022, Triasima employed its unique Three-Pillar Approach methodology which analyzes securities from three perspectives: quantitative, fundamental, and trend, to determine their suitability and attractiveness for the Fund.

The Fund returns for the period were -19.4% for Series A and -18.7% for Series F.

The net assets of the Fund were approximately \$4.5 million at December 31, 2022 from \$6.2 million at the beginning of the year. There were net redemptions of approximately \$519 thousand during the period.

In the Industrials sector, the common theme with the underperformers is that they are growth stocks that previously benefited from the pandemic or the low interest-rate environment but suffered in 2022 when the pandemic-related growth faded or because of the rising interest rates. As such, Kardex Holdings (Switzerland, logistics) fell 39%, while Old Dominion Freight Lines (United States, Trucking) fell 25%. Both companies profited from the eCommerce boom that occurred during the pandemic. As for Consumer Staples, many of these companies are seeing increased cost pressure which is depressing margins. Suntory Beverage (Japan, beverages) fell 9%

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while Grocery Outlet (United States, Discount Grocery) declined 17% since the purchase. In Financials, the worst-performing holdings were nonbank entities that are exposed to lower interest rates. MSCI (United States, indexing) fell 19% while Swissquote Group (Switzerland, Discount Brokerage) dropped 52%.

From a sector standpoint, security selection was also responsible for the underperformance during the year, and this was partially offset by sector allocation. Holdings in the Industrials, Consumer Staples and Financials sectors were the main culprits from a security selection standpoint. Underweight positions in the poorly performing Information Technology and Communication Services sectors were a slight offset.

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

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

Recent Developments

High inflation and rising interest rates hindered economic growth, and a worldwide slowdown gradually developed as the year progressed. Households experienced a loss of purchasing power and falling real disposable income. Confidence levels gradually fell to low readings. Fortunately, a strong labour market and rising household revenues partially compensated.

In many countries, inflation peaked mid-year 2022 and began to fade thereafter. Long-term interest rates then steadied in North America, halting their rise. Economic slowdown being the main reason. Also helping to subdue inflation have been the easing of the pandemic disruptions, a labour market becoming more balanced in certain industries, and a normalization of supply chains. Less generous fiscal policies also contributed to easing costs pressures.

Central bankers in Europe, Canada, the United States, and many other countries, had adopted very easy monetary policies in 2020 at the onset of the COVID pandemic. They stayed the course throughout 2021 and finally moved away from their accommodative policies in 2022; after having overstimulated economies. Bond purchases programs were abandoned, and central bankers began raising, at a furious pace, their respective overnight rates in order to slow down economic growth and weaken the strong labour market. Playing catch-up, they are continuing to do so, despite lower inflation readings manifesting

themselves. The objective remains to lower aggregate demand and reduce inflation.

In general terms, turnover in 2022 was focused on reducing the exposure of the Fund to the expensive growth factor in the face of rising interest rates while increasing the predictability and defensiveness of the holdings. Typical trades are the sales of expensive Information Technology names such as Monolithic Power (United States, semiconductors), Bill.com (United States, online bill payments), Adyen (Netherlands, payments), and Sea Ltd (Singapore, online retail and gaming). Conversely, typical defensive purchases include Hershey (United States, confectioner), Elevance Health (United States, managed care), and General Mills (United States, packaged foods) were purchased.

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 involving the Fund.

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

Related Party Transactions

The Manager provides or arranges to provide 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 \$46,353 (including HST) in management fees to the Manager for the year ended December 31, 2022. (December 31, 2021 - \$58,461).

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

The Manager paid \$22,524 (including HST) to the Portfolio Manager for the year ended December 31, 2022 (December 31, 2021 - \$27,770).

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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

Year ended	31-Dec-2022	31-Dec-2021	31-Dec-2020	31-Dec-2019	31-Dec-2018	31-Dec-2017
Net assets per unit¹						
Net assets, beginning of year	\$ 15.81	\$ 16.01	\$ 12.95	\$ 11.24	\$ 12.27	\$ 10.54
Operations:						
Total revenue	0.26	0.17	0.18	0.21	0.14	0.17
Total expenses	(0.33)	(0.39)	(0.33)	(0.35)	(0.33)	(0.32)
Realized gains (losses)	1.69	2.99	(0.11)	(0.53)	(0.49)	0.26
Unrealized gains (losses)	(6.08)	(0.71)	3.19	2.40	(3.41)	1.62
Total increase (decrease) from operations²	\$ (4.46)	\$ 2.06	\$ 2.93	\$ 1.73	\$ (4.09)	\$ 1.73
Distributions:						
From income (excluding dividends)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
From dividends	(0.05)	-	-	-	-	-
From capital gains	(0.86)	(2.01)	-	-	-	-
Total distributions^{2 3}	\$ (0.91)	\$ (2.01)	\$ -	\$ -	\$ -	\$ -
Net assets, end of year^{2 3}	\$ 11.84	\$ 15.81	\$ 16.01	\$ 12.95	\$ 11.24	\$ 12.27

Ratios and supplemental data						
Net asset value ⁴	\$ 61,512	\$ 218,195	\$ 262,172	\$ 260,276	\$ 238,558	\$ 6,170
Units outstanding	5,195	13,805	16,372	20,104	21,232	503
Management expense ratio ⁵	% 2.13	% 2.12	% 2.12	% 2.55	% 2.55	% 2.54
Management expense ratio before waivers or absorption	2.95	2.53	2.61	2.86	4.10	4.34
Portfolio turnover rate ⁶	128.25	65.30	47.82	82.50	98.00	41.40
Trading expense ratio ⁷	0.43	0.27	0.15	0.30	0.40	0.40
Net asset value per unit, end of year	\$ 11.84	\$ 15.81	\$ 16.01	\$ 12.95	\$ 11.24	\$ 12.27

Notes

- The information is derived from the Fund's audited annual financial statements. All per unit figures presented are referenced to net assets determined in accordance to IFRS.
- Net assets and distributions are based on the actual numbers of units outstanding at the relevant time. The increase (decrease) from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.
- Distributions were paid in cash or reinvested in additional units, or both.
- This information is provided at the end of the period shown.
- The management expense ratio is based on the total expenses of the period ended and is expressed as an annualized percentage of daily average net asset values during the period. 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

Year ended	31-Dec-2022	31-Dec-2021	31-Dec-2020	31-Dec-2019	31-Dec-2018	31-Dec-2017
Net assets per unit¹						
Net assets, beginning of year	\$ 16.69	\$ 16.78	\$ 13.41	\$ 11.51	\$ 12.43	\$ 10.56
Operations:						
Total revenue	0.25	0.18	0.18	0.21	0.19	0.17
Total expenses	(0.18)	(0.20)	(0.18)	(0.21)	(0.20)	(0.19)
Realized gains (losses)	0.99	3.16	(0.14)	(0.52)	0.08	0.02
Unrealized gains (losses)	(4.27)	(0.79)	3.23	2.26	(1.53)	2.19
Total increase (decrease) from operations²	\$ (3.21)	\$ 2.35	\$ 3.09	\$ 1.74	\$ (1.46)	\$ 2.19
Distributions:						
From income (excluding dividends)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
From dividends	(0.06)	-	-	-	-	(0.01)
From capital gains	(0.96)	(2.34)	-	-	-	-
Total distributions^{2 3}	\$ (1.02)	\$ (2.34)	\$ -	\$ -	\$ -	\$ (0.01)
Net assets, end of year^{2 3}	\$ 12.56	\$ 16.69	\$ 16.78	\$ 13.41	\$ 11.51	\$ 12.43
Ratios and supplemental data						
Net asset value ⁴	\$ 4,423,271	\$ 5,947,880	\$ 5,750,186	\$ 5,937,305	\$ 3,842,737	\$ 1,896,482
Units outstanding	352,221	356,393	342,711	442,656	333,855	152,603
Management expense ratio ⁵	% 1.00	% 0.99	% 0.99	% 1.42	% 1.42	% 1.41
Management expense ratio before waivers or absorption	1.62	1.39	1.42	1.74	2.21	3.32
Portfolio turnover rate ⁶	128.25	65.30	47.82	82.50	98.00	41.40
Trading expense ratio ⁷	0.43	0.27	0.15	0.30	0.40	0.40
Net asset value per unit, end of year	\$ 12.56	\$ 16.69	\$ 16.78	\$ 13.41	\$ 11.51	\$ 12.43

Notes

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Management Fees

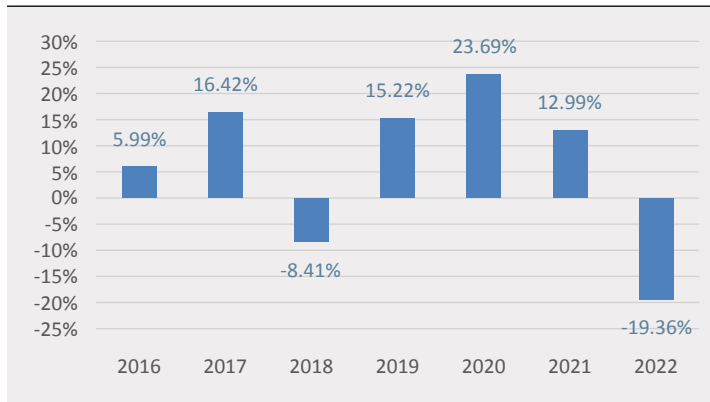
The Manager provides or arranges the provision of all general management and administrative services required by the Fund, and as described in the section “Related Party Transactions” above.

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. Effective January 1, 2020, the Fund will pay a management fee at a rate of 1.80% per annum for Series A units and at a rate of 0.80% per annum for Series F units.

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

Year-by-Year Returns

Series A

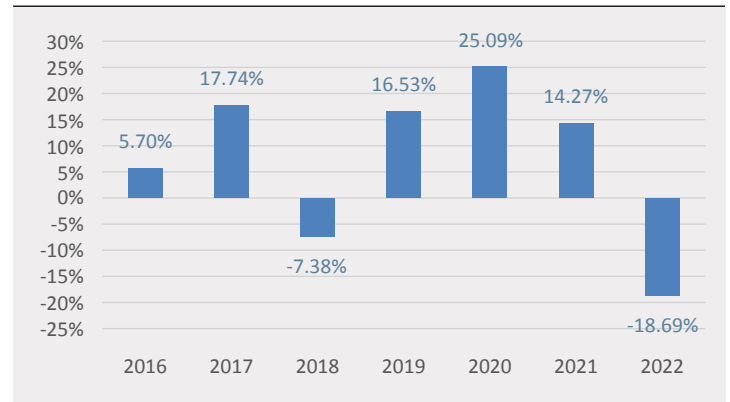


Past Performance

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

Series F



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Annual Compound Returns

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

For years ended December 31, 2022		1 Year		3 Year ²		5 Year ²		Since Inception ³
Annual Compound Return								
Series A ¹	%	(19.36)	%	4.06	%	3.53	%	5.63
Series F ¹		(18.69)		5.14		4.64		6.57
MSCI All Country World (CAD) Index ⁴	%	(12.70)	%	5.51	%	6.89	%	7.73

Notes

- 1 Returns are based on the net asset value per unit of the relevant series of the Fund and assume that all distributions were reinvested.
- 2 Compound period returns are annualized.
- 3 Period starting from December 31, 2015. Since inception returns are annualized.
- 4 MSCI. The MSCI information may only be used for your internal use, may not be reproduced or disseminated in any form and may not be used as a basis for or a component of any financial instruments or products or indices. None of the MSCI information is intended to constitute investment advice or a recommendation to make (or refrain from making) any kind of investment decision and may not be relied on as such. Historical data and analysis should not be taken as an indication or guarantee of any future performance analysis, forecast or prediction. The MSCI information is provided on an "as is" basis and the user of this information assumes the entire risk of any use made of this information. MSCI, each of its affiliates and each other person involved in or related to compiling, computing or creating any MSCI information (collectively, the "MSCI Parties") expressly disclaims all warranties (including, without limitation, any warranties of originality, accuracy, completeness, timeliness, non-infringement, merchantability and fitness for a particular purpose) with respect to this information. Without limiting any of the foregoing, in no event shall any MSCI Party have any liability for any direct, indirect, special, incidental, punitive, consequential (including, without limitation, lost profits) or any other damages. (www.msci.com)

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Summary of Investment Portfolio

		% of NAV			% of NAV
Top 25 Issuers			Asset Mix		
Computershare Ltd	%	3.6	Cash and Cash Equivalents	%	0.6
Eli Lilly & Co		3.1	Foreign Equities		98.7
Autozone Inc		3.0	Other Assets less Liabilities		0.7
Amerisourcebergen Corp		2.9	Total	%	100.0
Netscout Systems Inc		2.8	Sector		
Unum Group		2.7	Cash and Cash Equivalents	%	0.6
Vertex Pharmaceuticals Inc		2.6	Communication Services		7.0
Mckesson Corp		2.6	Consumer Discretionary		16.2
Republic Services Inc		2.6	Consumer Staples		30.5
Unitedhealth Group Inc		2.6	Energy		6.4
Wolters Kluwer Nv		2.5	Financials		17.4
Abc-Mart Inc		2.4	Health Care		2.0
Grupo Aeroportuario Del Surest		2.4	Industrials		8.2
Sociedad Quimica Y Minera De C		2.4	Information Technology		4.6
H&R Block Inc		2.2	Materials		6.3
Beazley Plc		2.1	Other Assets less Liabilities		0.7
CF Industries Holdings Inc		2.1	Total	%	100.0
Novo Nordisk A/S		2.1			
Elevance Health Inc.		2.0			
Marathon Petroleum Corp		1.9			
Murphy Usa Inc		1.9			
Yakult Honsha Co Ltd		1.9			
Kinsale Capital Group Inc		1.8			
Hershey Co/The		1.7			
JP Morgan Chase & Co.		1.6			
Total	%	59.5			



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