

Interim Financial Statements (unaudited)
For the six month periods ended June 30, 2023 and 2022

Lysander-Canso Corporate Value Bond Fund



THE AUDITORS OF THE FUND HAVE NOT REVIEWED THESE FINANCIAL STATEMENTS.

Lysander Funds Limited., the Manager of the Fund, appoints an independent auditor to audit the Fund's annual financial statements. Applicable securities laws require that if an auditor has not reviewed the Fund's interim financial statements, this must be disclosed in an accompanying notice. The next report on the Fund will contain annual audited financial information as at December 31, 2023.

Lysander-Canso Corporate Value Bond Fund

Interim Financial Statements Six-Month Periods Ended June 30, 2023 (unaudited)

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Lysander-Canso Corporate Value Bond Fund

Interim Statements of Financial Position (unaudited)

As at	30-Jun-23	31-Dec-22
Assets		
Financial assets at fair value through profit or loss*	\$ 9,557,645,509	\$ 7,806,203,720
Cash and cash equivalents	14,937,185	34,718,867
Accrued interest	83,265,659	79,704,801
Receivable from forward exchange contracts	29,888,537	5,905,334
Subscriptions receivable	23,437,711	11,994,376
Due from investment dealers	265,344	75,731
Dividends receivable	490,723	462,587
Prepaid distributions	13,989,500	–
Reimbursements receivable	1,698,231	890,599
Total assets	\$ 9,725,618,399	\$ 7,939,956,015
Liabilities		
Accrued expenses	\$ 7,778,163	\$ 7,117,516
Redemptions payable	9,482,122	3,394,584
Distributions payable	12,589,059	–
Due to investment dealers	14,696,016	28,749,110
Total liabilities	\$ 44,545,360	\$ 39,261,210
Net assets attributable to holders of redeemable units	\$ 9,681,073,039	\$ 7,900,694,805
Net assets attributable to holders of redeemable units, per series		
Series A	\$ 1,008,383,472	\$ 898,962,010
Series A5	21,348,415	13,967,684
Series F	8,500,039,643	6,867,964,212
Series F5	151,301,509	119,800,899
Total net assets	\$ 9,681,073,039	\$ 7,900,694,805
Number of redeemable units outstanding		
Series A	80,633,613	74,081,302
Series A5	2,497,818	1,646,713
Series F	618,297,544	514,998,720
Series F5	16,708,299	13,390,359
Net assets attributable to holders of redeemable units per unit		
Series A	\$ 12.51	\$ 12.13
Series A5	8.55	8.48
Series F	13.75	13.34
Series F5	9.06	8.95
* Financial assets at fair value through profit or loss at cost	\$ 9,816,551,431	\$ 8,123,552,403

Interim Statements of Comprehensive Income (Loss) (unaudited)

For the periods ended	30-Jun-23	30-Jun-22
Income		
Interest for distribution purposes	\$ 218,162,807	\$ 125,552,682
Dividend income	8,748,985	8,321,997
Other income	351,638	286,656
Realized and unrealized gain (loss) on investments		
Net realized gain (loss) on investments sold	46,363,151	269,760,244
Net realized gain (loss) on foreign currency	24,257,207	16,141,797
Change in unrealized appreciation (depreciation) on foreign currency	84,440	965,521
Change in appreciation (depreciation) unrealized on forward contracts	23,983,203	(60,365,988)
Change in appreciation (depreciation) unrealized on investments	58,450,295	(953,472,703)
Total operating income (loss)	\$ 380,401,726	\$ (592,809,794)
Expenses		
Management fees	\$ 40,361,481	\$ 35,274,094
Fund administration fees	1,597,070	1,934,703
Filing fees	357,822	12,808
Audit fees	229,968	192,275
Unitholder reporting expense	141,825	141,571
Regulatory fees expense	44,401	44,160
Legal fees	32,148	34,617
Independent review committee fees	22,138	18,907
Custodial fees	10,618	133,391
Transaction costs	7,534	688,185
Bank charges	246	10,869
Blended HST recovery	–	1,014
Total operating expenses	\$ 42,805,251	\$ 38,486,594
Withholding tax	\$ 234,094	\$ 8,661
Total net operating expenses	\$ 43,039,345	\$ 38,495,255
Change in net assets attributable to holders of redeemable units from operations	\$ 337,362,381	\$ (631,305,049)
Change in net assets attributable to holders of redeemable units from operations per series		
Series A	\$ 34,653,905	\$ (83,226,150)
Series A5	629,945	(1,180,109)
Series F	296,873,662	(536,998,936)
Series F5	5,204,869	(9,899,854)
Change in total net assets	\$ 337,362,381	\$ (631,305,049)
Change in net assets attributable to holders of redeemable units from operations per unit		
Series A	\$ 0.45	\$ (1.08)
Series A5	0.30	(0.77)
Series F	0.52	(1.16)
Series F5	0.34	(0.79)

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-23	30-Jun-22
Net assets attributable to holders of redeemable units, beginning of period	\$ 7,900,694,805	\$ 7,603,647,510
Change in net assets attributable to holders of redeemable units from operations	337,362,381	(631,305,049)
Distributions to unitholders of redeemable units		
From net investment income	\$ (86,165,736)	\$ (102,865,691)
From management fee rebate income	(300,104)	(268,448)
Total distributions	\$ (86,465,840)	\$ (103,134,139)
Redeemable unit transactions		
Proceeds from redeemable units issued		
Series A	\$ 160,873,958	\$ 98,943,076
Series A5	8,319,250	1,683,676
Series F	2,040,036,915	1,485,118,251
Series F5	37,196,866	51,008,749
Total proceeds	\$ 2,246,426,989	\$ 1,636,753,752
Cost of units redeemed		
Series A	\$ (84,953,152)	\$ (143,498,987)
Series A5	(1,133,511)	(1,108,923)
Series F	(678,198,012)	(903,336,903)
Series F5	(7,534,567)	(66,729,755)
Total cost	\$ (771,819,242)	\$ (1,114,674,568)
Reinvested distributions		
Series A	\$ 5,491,023	\$ 8,430,347
Series A5	69,529	72,217
Series F	48,892,675	59,004,629
Series F5	420,719	446,773
Total reinvested	\$ 54,873,946	\$ 67,953,966
Change in net assets attributable to holders of redeemable units for the period	\$ 1,780,378,234	\$ (144,406,038)
Net assets attributable to holders of redeemable units, end of period	\$ 9,681,073,039	\$ 7,459,241,472

Series A

For the periods ended	30-Jun-23	30-Jun-22
Net assets attributable to holders of redeemable units, beginning of period	\$ 898,962,010	\$ 1,044,956,782
Change in net assets attributable to holders of redeemable units from operations	34,653,905	(83,226,150)
Distributions to unitholders of redeemable units		
From net investment income	\$ (6,621,190)	\$ (10,117,351)
From management fee rebate income	(23,082)	(29,787)
Total distributions	\$ (6,644,272)	\$ (10,147,138)
Redeemable unit transactions		
Proceeds from redeemable units issued		
Series A	\$ 160,873,958	\$ 98,943,076
Cost of units redeemed	(84,953,152)	(143,498,987)
Reinvested distributions	5,491,023	8,430,347
Total redeemable	\$ 81,411,829	\$ (36,125,564)
Change in net assets attributable to holders of redeemable units for the period	\$ 109,421,462	\$ (129,498,852)
Net assets attributable to holders of redeemable units, end of period	\$ 1,008,383,472	\$ 915,457,930

Series A5

For the periods ended	30-Jun-23	30-Jun-22
Net assets attributable to holders of redeemable units, beginning of period	\$ 13,967,684	\$ 14,246,831
Change in net assets attributable to holders of redeemable units from operations	629,945	(1,180,109)
Distributions to unitholders of redeemable units		
From net investment income	\$ (504,284)	\$ (382,807)
From management fee rebate income	(198)	-
Total distributions	\$ (504,482)	\$ (382,807)
Redeemable unit transactions		
Proceeds from redeemable units issued		
Series A5	\$ 8,319,250	\$ 1,683,676
Cost of units redeemed	(1,133,511)	(1,108,923)
Reinvested distributions	69,529	72,217
Total redeemable	\$ 7,255,268	\$ 646,970
Change in net assets attributable to holders of redeemable units for the period	\$ 7,380,731	\$ (915,946)
Net assets attributable to holders of redeemable units, end of period	\$ 21,348,415	\$ 13,330,885

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-23	30-Jun-22
Net assets attributable to holders of redeemable units, beginning of period	\$ 6,867,964,212	\$ 6,390,789,536
Change in net assets attributable to holders of redeemable units from operations	296,873,662	(536,998,936)
Distributions to unitholders of redeemable units		
From net investment income	\$ (75,259,473)	\$ (89,267,656)
From management fee rebate income	(270,336)	(231,176)
Total distributions	\$ (75,529,809)	\$ (89,498,832)
Redeemable unit transactions		
Proceeds from redeemable units issued	\$ 2,040,036,915	\$ 1,485,118,251
Cost of units redeemed	(678,198,012)	(903,336,903)
Reinvested distributions	48,892,675	59,004,629
Total redeemable	\$ 1,410,731,578	\$ 640,785,977
Change in net assets attributable to holders of redeemable units for the period	\$ 1,632,075,431	\$ 14,288,209
Net assets attributable to holders of redeemable units, end of period	\$ 8,500,039,643	\$ 6,405,077,745

Series F5

For the periods ended	30-Jun-23	30-Jun-22
Net assets attributable to holders of redeemable units, beginning of period	\$ 119,800,899	\$ 153,654,361
Change in net assets attributable to holders of redeemable units from operations	5,204,869	(9,899,854)
Distributions to unitholders of redeemable units		
From net investment income	\$ (3,780,789)	\$ (3,097,877)
From management fee rebate income	(6,488)	(7,485)
Total distributions	\$ (3,787,277)	\$ (3,105,362)
Redeemable unit transactions		
Proceeds from redeemable units issued	\$ 37,196,866	\$ 51,008,749
Cost of units redeemed	(7,534,567)	(66,729,755)
Reinvested distributions	420,719	446,773
Total redeemable	\$ 30,083,018	\$ (15,274,233)
Change in net assets attributable to holders of redeemable units for the period	\$ 31,500,610	\$ (28,279,449)
Net assets attributable to holders of redeemable units, end of period	\$ 151,301,509	\$ 125,374,912

Lysander-Canso Corporate Value Bond Fund

Interim Statements of Cash Flows (unaudited)

For the periods ended	30-Jun-23	30-Jun-22
Cash flows from (used in) operating activities		
Change in net assets attributable to holders of redeemable units from operations	\$ 337,362,381	\$ (631,305,049)
Adjustments for:		
Foreign exchange loss (gain) on cash and cash equivalents	65,910	974,041
Net realized loss (gain) on investments sold	(46,363,151)	(269,760,244)
Change in unrealized depreciation (appreciation) on investments	(58,442,761)	954,160,888
Change in unrealized depreciation (appreciation) on foreign currency	(84,440)	(965,521)
Purchase of investments	(3,372,836,696)	(3,127,862,130)
Proceeds from sale and maturity of investments	1,726,200,819	1,896,567,616
Due to investment dealers	(14,053,094)	(4,415,399)
Payable on forward exchange contracts	-	60,310,610
Receivable from forward exchange contracts	(23,983,203)	55,378
Accrued expenses	660,647	(269,417)
Dividends receivable	(28,136)	809,926
Accrued interest	(3,560,858)	(2,701,878)
Due from investment dealers	(189,613)	520,690
Prepaid distributions	(13,989,500)	3,101
Reimbursements receivable	(807,632)	-
Net cash from (used in) operating activities	\$ (1,470,049,327)	\$ (1,123,877,388)
Cash flows from (used in) financing activities		
Distributions paid to holders of redeemable units, net of reinvested distributions	\$ (19,002,835)	\$ (35,180,173)
Proceeds from issuances of redeemable units	2,234,983,654	1,637,421,016
Amounts paid on redemption of redeemable units	(765,731,704)	(1,090,188,446)
Net cash from (used in) financing activities	\$ 1,450,249,115	\$ 512,052,397
Foreign exchange (loss) gain on cash and cash equivalents	\$ 18,530	\$ (8,520)
Change in cash and cash equivalents during the period	(19,800,212)	(611,824,991)
Cash and cash equivalents, beginning of period	34,718,867	632,608,112
Cash and cash equivalents, end of period	\$ 14,937,185	\$ 20,774,601
Supplementary disclosures on cash flow from operating activities		
Interest received	\$ 214,601,949	\$ 122,850,804
Dividends received	8,720,849	9,131,923
Withholding tax	234,094	8,661
Interest paid	246	10,869

Interim Schedule of Investment Portfolio as at June 30, 2023 (unaudited)

Par Value/Number of Shares	Average Cost (\$)	Fair Value (\$)	
Canadian Equities (0.6%)			
3,081,827	Bird Construction Inc.	\$ 27,681,231	\$ 26,010,620
519,864	FLINT Corp	403,833	18,195
781,786	MDA Ltd.	10,945,004	6,387,192
873,187	NorthStar Gaming Holdings Inc (Escrow)	436,783	233,578
1,245,091	NorthStar Gaming Holdings Inc (Restricted + Delayed Release)	538,594	333,062
97,021	NorthStar Gaming Holdings Inc (Restricted)	48,531	25,953
108,793	Postmedia Network Canada	228,465	199,091
87,793	TC Fund I LP Class B	1,499,987	1,503,016
550,748	VerticalScope Holdings Inc	4,505,119	2,021,245
463,217	X-Spectrum 1 Inc.	2,269,766	125,069
614,753	X-Spectrum 2 Inc.	879,097	-
1,360,198	Yellow Pages Limited	21,210,683	16,961,669
Total	\$ 70,647,093	\$ 53,818,690	
Canadian Fixed Income (49.0%)			
72,496,000	Air Canada 4% Jul 1, 2025 144A (USD)	\$ 112,447,524	\$ 133,041,565
540,279,000	Air Canada 4.625% Aug 15, 2029	531,296,230	489,740,384
825,000	BMO (AT1) 4.8% Aug 25, 2024/Perpetual (USD)	1,095,818	936,692
51,524,000	BNS (AT1) 3.7% Jul 27, 2026/2081	48,826,371	37,279,495
8,530,000	BNS FRN Aug 31, 2085 (SA LIBOR +12.5)(USD)	7,096,429	10,423,674
169,468,000	BNS FRN Aug 4, 2026 (CORRA+54)	169,468,000	167,222,854
25,238,000	Bombardier Inc. 7.35% Dec 22, 2026	21,165,521	24,798,745
107,431,000	Bombardier Inc. 7.45% May 1, 2034 REGS (USD)	130,334,271	162,483,348
3,652,000	Bombardier Inc. 7.50% March 15, 2025 144A (USD)	3,725,862	4,848,840
31,753,000	Bombardier Inc. 7.875% Apr 15, 2027 144A (USD)	32,540,154	41,985,521
142,121,000	Canada 0.25% Apr 1, 2024	137,095,534	137,351,917

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Lysander-Canso Corporate Value Bond Fund

Interim Schedule of Investment Portfolio as at June 30, 2023 (unaudited)

Par Value/Number of Shares		Average Cost (\$)	Fair Value (\$)	Par Value/Number of Shares		Average Cost (\$)	Fair Value (\$)
Canadian Fixed Income (49.0%)							
<i>Cont'd</i>							
682,006,000	Canada 0.5% Nov 1, 2023	666,899,970	672,331,813	224,958,000	RBC 4.642% Jan 17, 2028	224,949,872	220,201,533
95,000,000	Canada 0.75% Feb 1, 2024	92,628,027	92,780,097	200,860,000	RBC CB 4.109% Dec 22, 2025	200,860,000	196,575,013
4,200,000	Canada Housing Trust FRN Mar 15, 2027 (Q CDOR -18)	4,193,700	4,206,680	8,890,000	RBC FRN Jun 29, 2085(Q LIMEAN+25)(USD)	8,429,132	10,900,666
51,000,000	Canada Housing Trust FRN Mar 15, 2028 (CORRA+33)	51,163,200	51,313,043	51,377,000	SNC Lavalin 3.8% Aug 19, 2024	51,708,517	49,820,364
39,500,000	Canada Housing Trust FRN Sep 15, 2027 (CORRA+30)	39,626,400	39,719,675	52,245,000	SNC Lavalin 7% Jun 12, 2026	52,245,000	53,159,288
117,155,000	CIBC FRN Jul 15, 2026 (CORRA+58)	117,155,000	115,719,183	143,088,000	Sunlife Financial Inc. (AT1) 3.6% Jun 30, 2026/2081	135,528,723	106,666,738
15,150,000	Cineplex Inc. 2nd Lien 7.5% Feb 26, 2026 144A	15,320,776	14,809,125	85,862,000	TD (AT1) 3.6% Oct 31, 2026/2081	85,198,112	63,172,237
73,382,000	Corus Entertainment Inc. 6% Feb 28, 2030 REGS	73,382,000	51,826,038	386,245,000	TD Bank 4.477% Jan 18, 2028	386,245,000	375,608,624
36,137,000	Enbridge Inc. 5.70% Nov 9, 2027	36,122,907	36,821,370	24,451,000	TD BANK 4.68 08JAN29	24,629,492	23,990,859
19,736,441	FLINT Corp. 8% Mar 23, 2026	19,700,973	15,887,835	320,410,000	TD Bank CB FRN Jun 8, 2026 (CORRA+65)	320,410,000	320,720,830
2,636,000	Ford Credit Canada Co. 4.46% Nov 13, 2024	2,082,440	2,564,651	63,828,000	TransCanada Pipelines 3.8% Apr 5, 2027	60,617,452	60,777,379
120,601,000	Ford Credit Canada Co. FRN Mar 21, 2024 (Q CDOR+314)	121,353,159	122,593,690	104,620,000	TransCanada Pipelines FRN Jun 9, 2024 (Q CDOR+29)	104,633,458	104,477,853
94,003,000	Great West Life Co Inc. (AT1) 3.6% Dec 31, 2026/2081	90,114,894	69,484,921	34,632,000	TransCanada Pipelines FRN Mar 10, 2026 (Q CORRA +140)	34,632,405	34,743,532
9,150,000	Loblaw Cos Ltd 3.918% June 10, 2024	9,102,512	9,021,411	114,139,000	TransCanada Pipelines FRN May 15, 2067 (Q LIBOR+221) (USD)	120,005,579	117,380,708
263,788,000	Manulife Financial Corp (AT1) 3.375% Jun 19, 2026/2081	237,873,476	194,096,028	16,330,000	Videotron Ltee 5.75% Jan 15, 2026	17,229,944	16,155,862
212,160,000	Manulife Financial Corp (AT1) 4.1% Mar 19, 2027/2082	203,819,283	155,180,040	27,566,000	Videotron Ltee Sr Notes 4.50% Jan 15, 2030	27,654,430	24,062,822
27,931,000	Nav Canada 0.555% Feb 9, 2024	27,185,760	27,150,527	18,140,000	Videotron Ltee Sr Notes 5.625% Jun 15, 2025	18,828,725	18,019,257
10,000,000	Nav Canada 0.937% Feb 9, 2026	9,520,900	9,050,384	Total		\$ 4,951,473,800	\$ 4,743,087,048
3,391,748	Postmedia Network Inc. 8.25% Feb 17, 2027	3,353,153	3,323,913	Domestic Bank Loans (0.2%)			
46,788,000	RBC (AT1) 3.65% Nov 24, 2026/2081	46,703,515	34,340,113		ClearStream Energy Services Inc. TL 8% Oct 14, 2025	\$ 22,000,000	\$ 22,000,000
6,480,000	RBC (AT1) 4% Feb 24, 2026/2081	6,577,600	5,737,463	Total		\$ 22,000,000	\$ 22,000,000
10,000,000	Rbc 1.833 31Jul28	8,696,600	8,582,448	Foreign Bank Loans (3.0%)			
				39,899,602	AMC Entertainment Holdings TL B Apr 22, 2026 (M LIBOR+300)USD	\$ 34,527,771	\$ 41,297,990

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Lysander-Canso Corporate Value Bond Fund

Interim Schedule of Investment Portfolio as at June 30, 2023 (unaudited)

Par Value/Number of Shares		Average Cost (\$)	Fair Value (\$)	Par Value/Number of Shares		Average Cost (\$)	Fair Value (\$)
Foreign Bank Loans (3.0%)							
<i>Cont'd</i>							
116,778,600	Delta Airlines SkyMiles TL Oct 20, 2027 (Q LIBOR+375)	154,589,353	160,582,174	11,358,000	Boeing Co 2.25% Jun 15, 2026 (USD)	14,638,815	13,685,323
37,735,628	Hertz Corp. TL B Jun 30, 2028 (Q L+350)(USD)	46,196,723	49,892,057	15,976,000	Boeing Co 2.7% Feb 1, 2027 (USD)	21,042,605	19,341,698
7,255,228	Hertz Corp. TL C Jun 30, 2028 (Q L+350)(USD)	8,881,912	9,598,483	350,000	Boeing Co 2.8% Mar 1, 2027 (USD)	372,147	422,773
20,096,000	Mileage Plus Holdings LLC TL B Jun 20, 2027 (Q L+525)(USD)	26,893,963	27,683,877	10,262,000	Boeing Co 3.1% May 1, 2026 (USD)	13,487,834	12,768,679
Total		\$ 271,089,722	\$ 289,054,581	9,844,000	Continental Resources 5.75% Jan 15, 2031 144A (USD)	12,799,376	12,393,426
Foreign Fixed Income (25.7%)							
110,364,000	AMC Entertainment Holdings 7.5% Feb 15, 2029 144A (USD)	\$ 133,859,573	\$ 102,895,849	10,004,000	Credit Suisse New York 7.5% Feb 15, 2028 (USD)	12,697,774	14,080,720
14,634,000	American Airlines Inc. 5.5% Apr 20, 2026 144A (USD)	19,211,898	19,209,590	837,000	Embraer S.A 5.05% Jun 15, 2025 (USD)	982,290	1,092,233
45,092,000	American Airlines Inc. 5.75% Apr 20, 2029 144A (USD)	57,230,097	58,014,244	2,775,000	Embraer S.A 5.4% Feb 1, 2027 (USD)	3,157,396	3,529,364
27,229,000	American Airlines Inc. IP Notes 10.75%/12% Feb 15, 2026(USD)	40,456,315	38,490,071	24,111,000	Gannett Holdings LLC 6.0% Nov 1, 2026 144A (USD)	30,226,821	26,919,284
61,671,000	Apple Inc. 2.513% Aug 19, 2024	62,660,029	59,815,159	21,455,000	GE Capital Corp FRN May 5, 2026 (Q LIBOR+38)(USD)	25,307,229	28,393,674
48,335,000	Avis Budget Car/Finance 4.75% Apr 1, 2028 144A (USD)	61,297,730	58,957,952	156,377,000	Goldman Sachs FRN Apr 29, 2025 (CDOR+37)	154,844,073	155,123,294
56,215,000	Avis Budget Car/Finance 5.375% Mar 1, 2029 144A (USD)	72,224,797	69,106,856	51,594,000	Hertz 5% Dec 1, 2029 144A (USD)	64,851,268	56,544,403
56,728,000	Avis Budget Car/Finance 5.75% Jul 15, 2027 (USD)	71,796,241	71,038,800	44,079,000	Hertz Litigation, Hertz 5.5% Oct 15, 2024 (USD)	-	2,334,075
28,643,000	Avis Budget Car/Finance 5.75% Jul 15, 2027 144A (USD)	37,500,759	36,432,517	48,865,000	Hertz Litigation, Hertz 6% Jan 15, 2028 (USD)	-	5,821,883
2,513,000	Avis -Series 2019-3A C 3.15% Mar 20, 2026 (USD)	2,711,487	3,118,706	12,462,000	Hertz Litigation, Hertz 6.25% Oct 15, 2022 (USD)	-	659,889
22,450,000	Bank of America Corp FRN Mar 16, 2026 (Q CDOR+105)	22,495,125	22,549,896	22,463,000	Hertz Litigation, Hertz 7.125% Aug 1, 2026 (USD)	-	2,676,291
13,930,000	Bank of America Corp FRN Sep 15, 2027 (Q CDOR+60)	13,600,387	13,639,200	130,015,000	Latam Airlines Group SA 13.375% Oct 15, 2029 144A (USD)	168,814,596	186,390,467
37,916,000	Boeing Co 2.196% Feb 4, 2026 (USD)	47,683,346	46,088,922	25,000	Lehman Bros Hldg Inc. 4.85% Sep 3, 2013 (USD)	-	74
				12,190,000	MetLife Global Funding I 3.257% Apr 1, 2025	11,865,380	11,706,916
				97,833,000	MetLife Global Funding I FRN Jun 15, 2026 (CORRA+106)	97,833,000	98,041,864
				26,004,000	Morgan Stanley FRN Mar 21, 2025 (Q CDOR +33)	25,712,711	25,808,497

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Lysander-Canso Corporate Value Bond Fund

Interim Schedule of Investment Portfolio as at June 30, 2023 (unaudited)

Par Value/Number of Shares		Average Cost (\$)	Fair Value (\$)	Par Value/Number of Shares		Average Cost (\$)	Fair Value (\$)
Foreign Fixed Income (25.7%)							
<i>Cont'd</i>							
89,493,000	Natwest Group 7.472% Nov 10, 2025/26 144A (USD)	122,896,173	121,237,097	1,000,000	UBS Group AG 6.373% Jul 15, 2026 (USD)	1,257,991	1,315,774
4,733,000	Navient Corp 5.625% Aug 1, 2033 (USD)	5,055,991	4,718,245	33,506,000	UBS Group AG 6.442% Aug 11, 2028 (USD)	40,557,495	44,556,142
990,000	Navient Corp 5.625% Jan 25, 2025 (USD)	932,048	1,193,960	29,165,000	UBS Group AG 6.537% Aug 12, 2032/33 144A (USD)	33,904,476	39,574,428
133,954,000	New York Life Global FDG FRN Jun 30, 2026 (CORRA+91)	133,954,000	134,052,804	24,053,000	UBS Group AG 9.016% Nov 15, 2032/33 144A (USD)	32,496,835	38,190,090
3,028,000	Occidental Petroleum Corp. 5.55% Mar 15, 2026 (USD)	2,303,994	3,960,972	8,980,000	United Parcel Service 2.125% May 21, 2024	8,735,654	8,733,379
1,072,000	Occidental Petroleum Corp. 7.2% Apr 1, 2028 (USD)	1,391,940	1,483,600	15,713,160	US TIPS 0.125% Apr 15, 2026 (USD)	19,468,448	19,509,041
241,826,000	Pacific Life Global Funding II FRN Feb 1, 2027 (Q CDOR+38)	241,503,916	236,845,424	62,956,197	US TIPS 0.625% Jan 15, 2026 (USD)	81,188,424	79,483,143
12,394,000	Spirit Aerosystems Inc. 3.85% Jun 15, 2026 (USD)	16,055,825	15,263,714	24,235,000	Verizon Communications Inc. FRN May 15, 2025(Q LIB+110)(USD)	32,987,298	32,358,047
90,522,000	Spirit Aerosystems Inc. 4.6% Jun 15, 2028 (USD)	105,114,767	100,651,719	Total		\$ 2,490,643,021	\$ 2,485,342,571
77,142,000	Spirit Aerosystems Inc. 7.5% Apr 15, 2025 144A (USD)	105,589,331	101,040,256	Inflation Bonds (1.5%)			
6,819,000	Spirit Aerosystems Inc. 9.375% Nov 30, 2029 144A (USD)	9,707,859	9,675,371	137,294,004	Canada RRB 4.25% Dec 1, 2026	\$ 149,795,526	\$ 147,955,556
16,218,000	TWDC Enterprises 18 Corp. 2.758% Oct 7, 2024	15,533,925	15,669,468	Total		\$ 149,795,526	\$ 147,955,556
55,138,000	UBS Group AG 1.305% Feb 2, 2026/27 (USD)	58,842,020	63,953,075	Mortgage Backed Securities (15.1%)			
19,322,000	UBS Group AG 2.193% Jun 5, 2025/26 144A (USD)	22,314,064	23,468,204	195	BMO NHA MBS FRN (98003572) Jul 1, 2024 (M CDOR -3)	\$ 194	\$ 194
39,319,000	UBS Group AG 3.091% May 14, 2031/32 144A (USD)	36,628,368	42,126,828	98,796,672	C.P.A. Lte. NHA MBS FRN (98004962) Jan 1, 2027 (M CDOR-15)	98,654,405	98,245,278
21,037,000	UBS Group AG 3.869% Jan 12, 2028/29 144A (USD)	21,887,343	25,200,155	39,857,516	Caisse Populaire NHA MBS FRN(98005023)Feb 1, 2027(M CDOR-14)	39,799,324	39,639,101
37,312,000	UBS Group AG 4.194% Apr 1, 2030/31 144A (USD)	38,973,737	43,989,046	717,641	Connect First CU NHA MBS (97516101) 1.5967% Jul 1, 2023	708,190	716,216
				23,637,748	Connect First CU NHA MBS (97523212) 1.49% Jan 1, 2025	22,570,740	22,600,760
				32,655,625	Equitable Bank NHA MBS (97514941) 1.7% Aug 01, 2024	32,687,301	31,539,570

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Lysander-Canso Corporate Value Bond Fund

Interim Schedule of Investment Portfolio as at June 30, 2023 (unaudited)

Par Value/Number of Shares		Average Cost (\$)	Fair Value (\$)	Par Value/Number of Shares		Average Cost (\$)	Fair Value (\$)
Mortgage Backed Securities (15.1%)							
<i>Cont'd</i>							
706	Equitable Bank NHA MBS (97518284) 0.8% Nov 1, 2025	1	650	89,210,570	MCAP Service NHA MBS FRN (98003014) Sep 1, 2023 (M CDOR+.75)	89,097,272	89,078,003
24,190,733	First National NHA MBS (97511981) 2.39% Jul 1, 2023	23,944,471	24,145,533	16,055,933	Merrill Lynch NHA MBS (97514361) 1.75% Jun 1, 2024	15,635,428	15,638,470
22,821,793	First National NHA MBS (97512109) 2.39% Jul 1, 2023	22,587,185	22,776,800	13,713,149	Merrill Lynch NHA MBS (97515148) 1.8% Sep 1, 2024	13,285,848	13,243,995
13,615,241	First National NHA MBS (97516180) 1.82% Feb 1, 2025	13,647,646	12,973,153	33,325,564	Merrill Lynch NHA MBS FRN (98004599) Jul 1, 2026(M CDOR-23)	33,188,930	33,137,595
24,731,758	First National NHA MBS (97518449) 0.81% Dec 1, 2025	24,833,900	22,699,599	30,466,521	Merrill Lynch NHA MBS FRN (98004601) Jul 1, 2026(M CDOR-23)	30,340,085	30,294,264
23,209,326	First National NHA MBS FRN (98003235) Jan 1, 2024 (M CDOR+3)	23,288,934	23,197,547	30,750,714	Merrill Lynch NHA MBS FRN (98004766) Oct 1, 2026(M CDOR-20)	30,638,693	30,569,027
26,571,524	First National NHA MBS FRN (98004522) May 1, 2026(M CDOR-16)	26,535,652	26,435,093	6,308,679	Merrill Lynch NHA MBS FRN (98004859) Dec 1, 2026(M CDOR -20)	6,291,583	6,272,890
3,485,718	First National NHA MBS FRN (98004946) Jan 1, 2027(M CDOR-11)	3,484,254	3,473,946	54,343,895	Merrill Lynch NHA MBS FRN (98004860) Dec 1, 2026(M CDOR -20)	54,177,602	53,990,975
142,581,579	First National NHA MBS FRN (98004947) Jan 1, 2027(M CDOR-11)	142,517,417	142,030,074	22,045,251	Merrill Lynch NHA MBS FRN (98004978) Feb 1, 2027 (M CDOR-20)	21,976,470	21,893,410
144,735,216	First National NHA MBS FRN (98004973) Feb 1, 2027(M CDOR-15)	144,484,824	143,904,884	82,188,582	Merrill Lynch NHA MBS FRN (98005105) Apr 1, 2027(M CDOR -14)	81,969,961	81,735,608
5,418,934	Home Trust NHA MBS FRN (98004541) May 1, 2026 (M CDOR -10)	5,421,372	5,401,106	3,019,671	Peoples Trust NHA MBS FRN (98004204) Oct 1, 2025 (M CDOR+0)	3,014,840	3,018,174
2,441,082	Home Trust NHA MBS FRN (98004844) Nov 1, 2026 (M CDOR -10)	2,431,293	2,431,539	13,842,862	RBC Dominion Sec NHA MBS (97517581) 0.6% Aug 1, 2025	13,822,652	12,812,434
4,550,841	I.G. Investment NHA MBS (97521826) 1.49% May 1, 2027	4,143,814	4,154,412	8,246,513	Scotia Capital Inc. NHA MBS (97514157) 2.05% Feb 1, 2024	8,107,690	8,153,987
5,909,604	Laurentian Bank NHA MBS (97516013) 1.85% Jan 1, 2025	5,663,015	5,665,428	40,325,531	Scotia Capital Inc. NHA MBS (97514581) 1.9% Jul 1, 2024	39,034,193	39,127,882
28,567,818	MCAP Service NHA MBS (97512340) 2.64% Aug 1, 2023	28,352,703	28,472,845	13,473,669	Scotia Capital NHA MBS (97519598) 0.84% Jun 1, 2026	12,466,538	12,287,097
6,578,199	MCAP Service NHA MBS (97513515) 2.19% Jul 1, 2023	6,505,838	6,565,325	14,850,327	Scotia Capital NHA MBS (97520196) 0.89% Sep 1, 2026	13,694,972	13,484,506

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Lysander-Canso Corporate Value Bond Fund

Interim Schedule of Investment Portfolio as at June 30, 2023 (unaudited)

Par Value/Number of Shares		Average Cost (\$)	Fair Value (\$)	Par Value/Number of Shares		Average Cost (\$)	Fair Value (\$)
Mortgage Backed Securities (15.1%)							
<i>Cont'd</i>							
15,685,966	Scotia Capital NHA MBS FRN (98004951) Dec 1, 2026(M CDOR-13)	15,591,222	15,615,738	208,500	Enbridge Inc. (ENB.PR.N)	3,279,470	3,698,790
10,250,376	Scotia Capital NHA MBS FRN (98005098) Apr 1, 2027(M CDOR-12)	10,189,663	10,198,963	65,100	Enbridge Inc. (ENB.PR.P)	850,064	1,048,110
39,017,114	Scotia Capital NHA MBS FRN (98005121) Apr 1, 2027(M CDOR-43)	38,584,805	38,523,840	700	Enbridge Inc. (ENB.PR.T)	9,781	10,773
132,570,431	Scotia Capital NHA MBS FRN (98005122) Apr 1, 2027(M CDOR-19)	132,085,223	131,693,265	33,248	FLINT Corp. Series 1 Preferred Share	33,106,100	22,257,541
99,702,590	Scotia Capital NHA MBS FRN (98100012) Jun 1, 2027 (CORRA+35)	99,425,417	99,444,361	21,772	FLINT Corp. Series 2 Preferred Share	21,760,900	14,575,048
15,082,395	Scotia Capital NHA MBS FRN (98100013) Jun 1, 2027 (CORRA+35)	15,041,650	15,043,332	100,577	M Split Corp 7.5% Dec 1, 2024 Series B	489,173	481,764
21,830,224	Steinbach CU NHA MBS (97521491) 1.45% Jan 1, 2026	20,684,792	20,412,569	4,000	Manulife Financial (MFC.PR.J)	61,114	82,000
Total		\$ 1,470,608,002	\$ 1,462,739,438	500	Manulife Financial (MFC.PR.K)	8,848	9,500
Preferred Shares (2.8%)							
986,194	BCE Inc. (BCE.PR.AD)	\$ 15,182,021	\$ 17,830,387	642,400	Manulife Financial (MFC.PR.P)	10,376,736	10,239,856
118,300	BCE Inc. (BCE.PR.E)	2,108,172	2,129,400	625,200	Pembina Pipeline Corp (PPL.PR.A)	7,916,978	10,972,260
172,200	BCE Inc. (BCE.PR.H)	2,598,953	3,092,712	136,150,000	RBC (AT1) pref 4.2% (5y GoC + 271) Feb 24, 2027	136,150,000	102,199,241
623,500	BCE Inc. (BCE.PR.J)	9,683,721	11,347,700	207,200	Sun Life Financial Inc. (SLF.PR.K)	4,358,319	3,943,016
147,000	BCE Inc. (BCE.PR.L)	1,838,601	2,337,300	171,400	TC Energy Corp (TRP.PR.D)	2,454,955	2,620,706
83,900	BCE Inc. (BCE.PR.S)	1,232,799	1,510,200	257,857	TC Energy Corp (TRP.PR.F)	3,334,171	3,738,927
54,500	BMO (BMO.PR.W)	894,962	926,500	86,400	TC Energy Corp (TRP.PR.H)	912,135	1,118,880
149,049	Canadian Life Companies Split Corp 6.25% 2012 PFD	1,271,323	1,505,395	109,600	TC Energy Corp (TRP.PR.I)	1,350,949	1,512,480
25,100	Cenovus Energy Inc. (CVE.PR.A)	220,706	333,328	341,200	Thomson Reuters Corp (TRI.PR.B)	4,302,408	4,469,720
56,700	Enbridge Inc. (ENB.PF.A)	899,544	864,108	Total		\$ 301,122,702	\$ 269,321,696
2,700	Enbridge Inc. (ENB.PF.V) (USD)	64,872	72,468	Private Placements (0.8%)			
76,800	Enbridge Inc. (ENB.PR.D)	1,097,481	1,287,936	9,539,607	Black Press Group Ltd. 12% Mar 31, 2024	\$ 9,481,192	\$ 8,633,344
794,000	Enbridge Inc. (ENB.PR.F)	10,856,820	13,736,200	403,404	Blue Water Bridge Authority (amort) 6.41% Jul 9, 2027	489,011	408,694
1,753,400	Enbridge Inc. (ENB.PR.H)	22,450,626	29,369,450	5,109,000	Golf Town/Golfsmith 10.5% Jul 24, 2018 (144A)	2,815,576	11,240
				13,268,000	Honda Canada Finance Inc. FRN Feb 26, 2024 (Q CDOR+9)	13,222,503	13,253,235
				11,142,000	Honda Canada Finance Inc. FRN Sep 27, 2024 (Q CDOR+20)	11,116,975	11,102,338
				1,588,000	Kruger Packaging Holdings L.P. 6% Jun 1, 2026	1,591,970	1,520,758

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Lysander-Canso Corporate Value Bond Fund

Interim Schedule of Investment Portfolio as at June 30, 2023 (unaudited)

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

Private Placements (0.8%)

Cont'd

3,272,000	Nordstar Capital LP. 10% Jul 31, 2023	3,272,000	3,272,000
29,301,000	Toyota Credit Canada Inc. 1.27% Jul 22, 2024	28,785,361	28,083,998
15,464,000	WTH Car Rental ULC (AVIS) 2.781% Jul 22, 2024	15,426,353	15,066,172
Total		\$ 86,200,941	\$ 81,351,779

Zero Coupon Bonds (0.0%)

3,000,000	Ontario Prov Gen CPN Sep 8, 2023	\$ 2,970,624	\$ 2,974,150
Total		\$ 2,970,624	\$ 2,974,150

Total investment portfolio (98.7%) \$ 9,816,551,431 \$ 9,557,645,509

	Cash and Cash Equivalents (0.2%)	\$	\$ 14,937,185
	Other Assets less Liabilities (1.1%)		108,490,345
Net assets		\$	\$ 9,681,073,039

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	2023-09-14	CAD	\$ 2,692,727,807	USD	\$ 2,012,066,000	0.747	0.756	\$ 30,345,436
Canadian Imperial Bank of Commerce ¹	2023-09-14	USD	109,918,000	CAD	145,901,306	0.753	0.756	(456,899)

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, 2023 (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, which has been subsequently amended and restated into the master declaration of trust dated December 8, 2011, as the same was amended and/or consolidated from time to time. At the time it was formed, the Fund's name was "Lysander Corporate Value Bond Fund". On April 30, 2009, the Fund commenced operations and distributed units pursuant to prospectus exemptions. On December 23, 2011, the Fund became a reporting issuer, with its units qualified for distribution under a simplified prospectus. On December 31, 2015, the Fund changed its name to "Lysander-Canso Corporate Value Bond Fund".

The Fund's investment 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, 2023.

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.

Lysander-Canso Corporate Value Bond Fund

Notes to the interim financial statements for the six-month period ended June 30, 2023 (unaudited)

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 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, 2023 and December 31, 2022, 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, 2023 and December 31, 2022, 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 (loss).

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 (loss).

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 (loss).

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 gains 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

Lysander-Canso Corporate Value Bond Fund

Notes to the interim financial statements for the six-month period ended June 30, 2023 (unaudited)

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 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

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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-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 (loss) 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 (loss). 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, 2022, the Fund had no net capital losses (December 31, 2021 - Nil) and no non-capital losses (December 31, 2021 - Nil).

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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 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, 2023, the Fund has determined there are no new IFRS standards that are issued, but not yet effective, that could materially impact the Fund's financial statements.

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 (loss) 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, 2023 and 2022, the number of units issued, redeemed and outstanding were as follows:

Series A

For the periods ended	30-Jun-23	30-Jun-22
Units outstanding at beginning of period	74,081,302	77,621,534
Redeemable units issued	12,952,696	7,595,799
Redeemable units redeemed	(6,841,352)	(11,136,674)
Redeemable units issued on reinvestments	440,967	669,637
Units outstanding at end of period	80,633,613	74,750,296

Series A5

For the periods ended	30-Jun-23	30-Jun-22
Units outstanding at beginning of period	1,646,713	1,463,289
Redeemable units issued	975,355	179,211
Redeemable units redeemed	(132,378)	(120,065)
Redeemable units issued on reinvestments	8,128	7,856
Units outstanding at end of period	2,497,818	1,530,291

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Series F

For the periods ended	30-Jun-23	30-Jun-22
Units outstanding at beginning of period	514,998,720	430,689,574
Redeemable units issued	149,357,188	103,663,031
Redeemable units redeemed	(49,629,123)	(63,815,812)
Redeemable units issued on reinvestments	3,570,759	4,256,761
Units outstanding at end of period	618,297,544	474,793,554

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.

Series F5

For the periods ended	30-Jun-23	30-Jun-22
Units outstanding at beginning of period	13,390,359	15,086,000
Redeemable units issued	4,103,366	5,249,929
Redeemable units redeemed	(831,940)	(6,678,324)
Redeemable units issued on reinvestments	46,514	46,185
Units outstanding at end of period	16,708,299	13,703,790

At June 30, 2023, 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, 2022 - 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.

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.

During the period ended June 30, 2023, the Manager paid the Portfolio Manager, an affiliate of the Manager, \$16,645,462 (June 30, 2022 - \$14,350,731) for managing the portfolio of the Fund. As at June 30, 2023 the amount payable to the Portfolio Manager was \$2,953,555 (December 31, 2022 - \$2,514,273).

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, 2023 and December 31, 2022:

As at June 30, 2023	Level 1	Level 2	Level 3	Total
Investments				
Equities	\$ 52,190,605	\$ -	\$ 1,628,085	\$ 53,818,690
Fixed income	-	9,209,221,883	25,283,240	9,234,505,123
Preferred shares	232,489,107	-	36,832,589	269,321,696
Total	\$ 284,679,712	\$ 9,209,221,883	\$ 63,743,914	\$ 9,557,645,509
As at December 31, 2022				
Investments				
Equities	\$ 48,727,955	\$ -	\$ 6,755,430	\$ 55,483,385
Fixed income	-	7,441,193,443	39,199,240	7,480,392,683
Preferred shares	127,905,618	105,741,851	36,680,183	270,327,652
Total	\$ 176,633,573	\$ 7,546,935,294	\$ 82,634,853	\$ 7,806,203,720

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As at	30-Jun-23	31-Dec-22
Level 3 reconciliation		
Balance, beginning of period	\$ 82,634,853	\$ 97,600,103
Purchases	3,952,251	100
Sales	(24,998,043)	-
Transfers In	-	-
Transfers Out	-	-
Realized gains and losses	8,629,195	-
Change in unrealized appreciation (depreciation)	(6,474,342)	(14,965,350)
Balance, end of period	\$ 63,743,914	\$ 82,634,853

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 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 periods ended June 30, 2023 and December 31, 2022, 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.

FLINT Corp. Series 1 Preferred Share

Price: \$669.44

Valuation Technique: The relative value technique.

Unobservable Inputs: Clearstream Energy Services Senior Secured Bond Price (sourced from third party). FLINT Corp, the holding company of ClearStream.

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 \$200.00, or an increase or decrease in net assets of \$6,649,600.

FLINT Corp. Series 2 Preferred Share

Price: \$669.44

Valuation Technique: The relative value technique.

Unobservable Inputs: Clearstream Energy Services Senior Secured Bond Price (sourced from third party). FLINT Corp, the holding company of ClearStream.

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 \$200.00, or an increase or decrease in net assets of \$4,354,400.

ClearStream Energy Services Inc. TL 8% Oct 14, 2025

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 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 \$30.00, or an increase or decrease in net assets of \$6,600,000.

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

Price: \$0.22

Valuation Technique: The private placement financing technique.

Unobservable Inputs: The primary unobservable input for this security is the last price where the company raised capital in a private offering of additional securities.

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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 \$0.07, or an increase or decrease in net assets of \$3,576.

Nordstar Capital LP. 10% Jul 31, 2023

Price: \$100.00

Valuation Technique: Cost

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

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, or an increase or decrease in net assets of \$981,600

TC Fund I LP Class B

Net Asset Value per unit: \$17.12

Valuation Technique: Internally developed model.

Unobservable Inputs: The unobservable inputs for this security include the net asset value of the Class B shares, which are adjusted by amounts payable to other limited partners upon distribution of the partnership.

Change in input values: A reasonably possible change in the value of the investments could result in an increase or decrease of 50%, or an increase or decrease in the security price of \$8.56, or an increase or decrease in net assets of \$751,508.

X-Spectrum 2

Price: \$0.00

Valuation Technique: The relative value technique.

Unobservable Inputs: Company is being wound up and with all assets being liquidated. The liquidation value is likely to be zero as we believe that the liquidation value of assets will likely be less than the amount of liabilities. The primary unobservable input is the liquidation value of assets.

Change in input values: The portfolio manager believes it is highly unlikely that the salvage value of assets will exceed the company's liabilities and therefore believe the possibility of any recovery on this security is remote.

X-Spectrum 1 Inc.

Price: \$0.27

Valuation Technique: The relative value technique.

Unobservable Inputs: The primary unobservable inputs for this security were the expected sale prices of the spectrum assets.

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 \$0.11, or an increase or decrease in net assets of \$50,953.

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.

As at June 30, 2023 and December 31, 2022, the Fund had directly invested in debt instruments with the following credit ratings:

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As a % of net assets		30-Jun-23	31-Dec-22
Credit exposure			
AAA	%	34.8	31.6
AA		4.2	3.6
A		19.5	9.5
BBB		14.5	19.9
BB		11.3	14.9
B		8.7	12.3
CCC		2.5	3.2
Not Rated		2.6	3.1

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, 2023 and December 31, 2022:

As at 30-Jun-2023	Less Than One Month	1-3 Months	3 Months – 1 Year
Liquidity exposure			
Redemption Payable	\$ 9,482,122	\$ -	\$ -
Due to investment dealers	14,696,016	-	-
Accrued expenses	-	7,778,163	-
Distribution payable	12,589,059	-	-
As at 31-Dec-2022	Less Than One Month	1-3 Months	3 Months – 1 Year
Liquidity exposure			
Redemption Payable	\$ 3,394,584	\$ -	\$ -
Due to investment dealers	28,749,110	-	-
Accrued expenses	-	7,117,516	-
Distribution payable	-	-	-

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, 2023	\$ 1,432,810,280	\$ 6,211,625,733	\$ 1,692,257,037
December 31, 2022	493,398,282	5,393,640,365	1,699,095,887

If interest rates had increased or decreased by 1% at June 30, 2023, with all other variables remaining constant, net assets of the fund would have decreased or increased by approximately \$182,377,037 (December 31, 2022- \$170,137,707).

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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-23		31-Dec-22	
Currency exposure					
US Dollars	%	25.7	%	32.4	

As at June 30, 2023, if the CAD had strengthened or weakened by 1% in relation to the above currencies, with all other factors remaining constant, the Fund's net assets would have decreased or increased by 0.3% (December 31, 2022 - 0.3%).

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, 2023, approximately 3.4% (December 31, 2022 - 4.1%) 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, 2023 with all other factors remaining constant, net assets would have increased or decreased, by approximately \$16,157,019 (December 31, 2022 - \$16,290,552).



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