

Semi-Annual Management Report of Fund Performance
As at June 30, 2023

Lysander-Patient Capital Equity Fund



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A Note About Forward Looking Statements

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

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

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

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

About This Report

This semi-annual Management Report of Fund Performance of Lysander-Patient Capital Equity Fund (the “Fund”) contains financial highlights for the period ended June 30, 2023 but does not contain the complete financial statements of the Fund. This report should be read in conjunction with the interim financial statements of the Fund for the period ended June 30, 2023. 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 anywhere in the world.

Investment Strategies

The Fund’s portfolio manager is Patient Capital Management Inc. (“Portfolio Manager” or “PCM”). The Fund invests primarily in equity securities, including those of foreign issuers. The Fund typically gains exposure to equity securities of issuers located outside North America by investing in American depositary receipts (“ADRs”). The Fund is not constrained by geographic or sector considerations. The Fund will not be leveraged. The portfolio manager’s investment philosophy is based on long-

term absolute value, with the goal of preservation of capital while earning returns. More details are contained in the Fund’s simplified prospectus.

Risks

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

Results of Operations

The Fund returns for the six-month period ended June 30, 2023 were 4.28% for Series A and 4.87% for Series F.

The net assets of the Fund were approximately \$11.4 million at June 30, 2023 from \$10.5 million at the beginning of the period. There were net subscriptions of \$0.4 million during the period.

During the period, the Fund added to existing positions in BCE Inc., Bank of Montreal, Bank of Nova Scotia, Canadian Imperial Bank of Commerce, Canadian Utilities and TD Bank. A new position in Firm Capital Property Trust was established while the holding in Meta Platforms (formerly Facebook) was reduced.

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 period except for immaterial short-term cash overdrafts.

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Recent Developments

The equity markets had strong returns in the first half of the period. However, the positive performance was driven by a small number of large capitalization technology companies.

Various economic data points provided differing insights on the increase in the rate of inflation. February and March data indicate that inflation pressures seem to be waning. However, this slowing rate of inflation was largely the result of lower energy prices. Underlying inflation, particularly in food and services, continues to remain high. These persistent price increases for basic goods and services indicate that monetary authorities are having a challenging time cooling inflation. As a result, there are expectations for further rate increases in the future.

On the other hand, there is expectation for the economy to slow down later in the future. The U.S. Federal Reserve's most restrictive monetary policy course in four decades appears far from over and its effects are yet to be fully realized.

Investors believe that interest rates are decreasing in the near future. If interest rates drop materially, it will be because a severe recession is underway. Consequently, earnings will decline substantially, and share prices will follow.

The Fund continues to be positioned for the current market conditions. The total portfolio yield was 4.76% at the end of the period. The Fund's significant cash position and limited exposure to large capitalization high technology companies held back returns relative to major equity indices during the period.

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 \$53,835 (including HST) in management fees to the Manager for the period ended June 30, 2023 (December 31, 2022 - \$95,578).

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 \$24,795 (including HST) to the Portfolio Manager for the period ended June 30, 2023 (December 31, 2022 - \$44,256).

The Manager relied, or may rely on standing instructions from the IRC in respect of securities traded amongst mutual funds, closed end funds, managed accounts or pooled funds managed by the Manager or an affiliate of the Manager. In such cases the Manager is required to comply with the Manager's written policies and procedures presented to the IRC and provide periodic reports to the IRC in accordance with National Instrument 81-107.

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Financial Highlights

Series A

Period ended	30-Jun-2023	31-Dec-2022	31-Dec-2021	31-Dec-2020	31-Dec-2019	31-Dec-2018
Net assets per unit¹						
Net assets, beginning of period	\$ 12.40	\$ 12.73	\$ 12.55	\$ 13.04	\$ 11.29	\$ 12.55
Operations:						
Total revenue	0.26	0.35	0.39	0.40	0.38	0.36
Total expenses	(0.14)	(0.27)	(0.30)	(0.26)	(0.33)	(0.32)
Realized gains (losses)	0.40	-	3.32	0.02	0.74	0.12
Unrealized gains (losses)	0.04	(0.57)	(0.14)	(1.57)	2.11	(1.36)
Total increase (decrease) from operations²	\$ 0.56	\$ (0.49)	\$ 3.27	\$ (1.41)	\$ 2.90	\$ (1.20)
Distributions:						
From income (excluding dividends)	\$ (0.02)	\$ (0.03)	\$ -	\$ -	\$ -	\$ -
From dividends	(0.09)	(0.11)	(0.08)	(0.06)	(0.01)	(0.03)
From capital gains	-	-	(0.85)	-	(0.51)	(0.04)
Total distributions^{2 3}	\$ (0.11)	\$ (0.14)	\$ (0.93)	\$ (0.06)	\$ (0.52)	\$ (0.07)
Net assets, end of period^{2 3}	\$ 12.82	\$ 12.40	\$ 12.73	\$ 12.55	\$ 13.04	\$ 11.29

Ratios and supplemental data						
Net asset value ⁴	\$ 732,967	\$ 785,347	\$ 47,997	\$ 141,306	\$ 300,049	\$ 415,393
Units outstanding	57,188	63,336	3,769	11,262	23,003	36,796
Management expense ratio ⁵	% 2.13	% 2.13	% 2.13	% 2.14	% 2.55	% 2.56
Management expense ratio before waivers or absorption	2.42	2.42	2.33	2.57	2.83	2.87
Portfolio turnover rate ⁶	1.03	0.01	72.92	41.05	62.18	47.6
Trading expense ratio ⁷	-	0.01	0.09	0.07	0.10	0.10
Net asset value per unit, end of period	\$ 12.82	\$ 12.40	\$ 12.73	\$ 12.55	\$ 13.04	\$ 11.29

Notes

- The information is derived from the Fund's unaudited semi-annual and/or audited annual financial statements. All per unit figures presented are referenced to net assets determined in accordance to IFRS.
- Net assets and distributions are based on the actual numbers of units outstanding at the relevant time. The increase (decrease) from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.
- Distributions were paid in cash or reinvested in additional units, or both.
- This information is provided at the end of the period shown.
- The management expense ratio is based on the total expenses of the period ended and is expressed as an annualized percentage of daily average net asset values during the period. Effective January 1, 2020, the Fund paid a management fee of 1.80% (formerly 2.00%) per annum for Series A units and 0.80% (formerly 1.00%) per annum for Series F units.
- The Fund's portfolio turnover rate indicates how actively the Fund's portfolio manager manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the period. The higher a fund's portfolio turnover rate in a period, the greater the trading costs payable by the fund in the period, and the greater the chance of an investor receiving taxable capital gains in the period. There is not necessarily a relationship between a high turnover rate and the performance of a fund. The portfolio turnover rate is calculated based on the lesser of purchases or sales of securities divided by the weighted average market value of portfolio securities, excluding short term securities.
- The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period.

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Series F

Period ended	30-Jun-2023	31-Dec-2022	31-Dec-2021	31-Dec-2020	31-Dec-2019	31-Dec-2018
Net assets per unit¹						
Net assets, beginning of period	\$ 11.86	\$ 12.07	\$ 12.61	\$ 13.22	\$ 11.48	\$ 12.77
Operations:						
Total revenue	0.26	0.31	0.36	0.42	0.41	0.36
Total expenses	(0.06)	(0.12)	(0.14)	(0.12)	(0.19)	(0.18)
Realized gains (losses)	0.03	(0.01)	3.57	(0.11)	0.61	0.12
Unrealized gains (losses)	0.35	(0.35)	(0.83)	(0.54)	1.61	(1.38)
Total increase (decrease) from operations²	\$ 0.58	\$ (0.17)	\$ 2.96	\$ (0.35)	\$ 2.44	\$ (1.08)
Distributions:						
From income (excluding dividends)	\$ (0.10)	\$ (0.03)	\$ -	\$ -	\$ -	\$ -
From dividends	(0.08)	(0.12)	(0.26)	(0.29)	(0.23)	(0.17)
From capital gains	-	-	(4.57)	-	(0.64)	(0.04)
Total distributions^{2 3}	\$ (0.18)	\$ (0.15)	\$ (4.83)	\$ (0.29)	\$ (0.87)	\$ (0.21)
Net assets, end of period^{2 3}	\$ 12.26	\$ 11.86	\$ 12.07	\$ 12.61	\$ 13.22	\$ 11.48
Ratios and supplemental data						
Net asset value ⁴	\$ 10,647,713	\$ 9,737,044	\$ 5,538,476	\$ 3,090,046	\$ 3,815,598	\$ 2,711,951
Units outstanding	868,509	821,039	458,876	245,030	288,714	236,250
Management expense ratio ⁵	% 1.00	% 1.00	% 0.99	% 0.99	% 1.42	% 1.43
Management expense ratio before waivers or absorption	1.31	1.28	1.41	1.47	1.74	1.73
Portfolio turnover rate ⁶	1.03	0.01	72.92	41.05	62.18	47.60
Trading expense ratio ⁷	-	0.01	0.09	0.07	0.10	0.10
Net asset value per unit, end of period	\$ 12.26	\$ 11.86	\$ 12.07	\$ 12.61	\$ 13.22	\$ 11.48

Notes

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Management Fees

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

In consideration for such services, the Manager receives a management fee, based on the net asset value of each Series, calculated daily and payable monthly. The Fund pays a management fee 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.

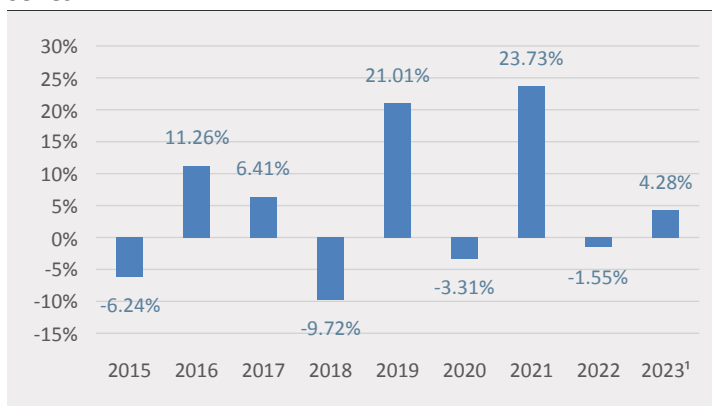
Past Performance

The Fund became a reporting issuer on December 30, 2014. As at December 9, 2021, the Fund no longer had any Series O units outstanding. Accordingly, returns are shown for the relevant period/years as indicated below. On November 1, 2021, the portfolio manager of the fund changed from 18 Asset Management Inc. to Patient Capital Management Inc. and the investment objective of the fund no longer had a Canadian equity securities focus. These changes could have affected the performance of the fund had these changes been in effect throughout the performance measurement period.

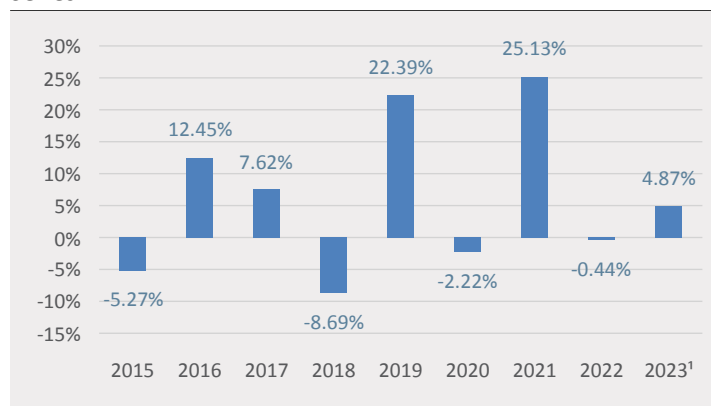
The performance information assumes that any distributions are reinvested in additional securities of the Fund. The performance information does not take into account sales, redemption, distribution or other optional charges that would have reduced returns or performance. Past performance does not necessarily indicate how the series will perform in the future.

Year-by-Year Returns

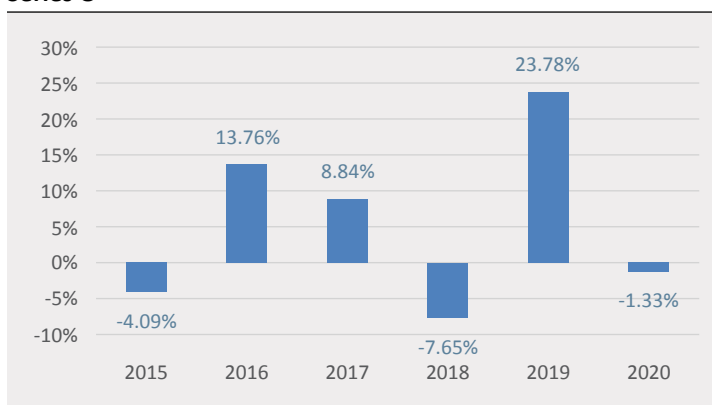
Series A



Series F



Series O



¹ For the period January 1 to June 30

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Summary of Investment Portfolio

		% of NAV			% of NAV
Top 25 Issuers			Asset Mix		
Cash and Cash Equivalents	%	46.1	Canadian Equities	%	36.5
Honda Motor Co Ltd		5.5	Cash and Cash Equivalents		46.1
Wpp Plc		5.3	Foreign Equities		16.9
Toronto-Dominion Bank		5.3	Other Assets less Liabilities		0.5
Bank Of Montreal		5.1	Total	%	100.0
Linamar Corp.		4.9	Sector		
Verizon Communications Inc.		4.8	Cash and Cash Equivalents	%	46.1
Bank Of Nova Scotia		4.6	Communication Services		14.8
Canadian Imperial Bank of Commerce		4.6	Consumer Discretionary		10.4
BCE Inc.		3.5	Energy		3
Canadian Natural Resources Ltd		3	Financials		22.2
Canadian Utilities Ltd.		3	Other Assets less Liabilities		0.5
Royal Bank Of Canada		1.5	Utilities		3
Meta Platforms Inc.		1.4	Total	%	100.0
Firm Capital Property Trust		1			
Total	%	99.6			



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