

Annual Management Report of Fund Performance

As at December 31, 2023

Lysander-Seamark Total Equity Fund



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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-Seamark Total Equity Fund (the “Fund”) contains financial highlights for the year ended December 31, 2023 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, 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 4000, Toronto, Ontario, M4N 3N1, by visiting our website at www.lysanderfunds.com or at SEDAR+ at www.sedarplus.ca.

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 Seamark Asset Management Ltd. (“Portfolio Manager” or “Seamark”). The Fund’s portfolio is primarily invested in equity securities of companies globally. 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

The Fund returns for the year ended December 31 2023 were 9.2% for Series A and 10.5% for Series F.

The net assets of the Fund were approximately \$2.6 million at December 31, 2023 from \$2.2 million at the beginning of the year. There were net subscriptions of approximately \$190 thousand during the year.

The U.S. equities underperformed the return of the S&P 500 Index, but that capitalization measure was heavily influenced by just a handful of richly valued technology names. U.S. names in the portfolio performed more in line with the S & P 500 Equal Weight Index. Broadly, the Fund has been invested in more conservative companies with historically compelling valuations. Some of these companies are owned for their attractive yields. But dividend plays were out of favour in 2023, facing the headwind of higher interest rates. In 2024, short term rates will likely be in decline, which would turn last year’s headwind, into a tailwind for the Fund’s dividend payers.

At year-end, the largest equity sectors of the Fund were Financials, Information Technology, Materials and Health Care. In combination, these sectors comprised 51.4% of the portfolio. Information Technology showed the strongest weighted returns for the period, followed by Industrials, while Health Care and Real Estate were the weakest. The leading performers were Intel, Amazon, Expedia, Applied Materials, Alphabet and Stella

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Jones, while some of the weakest performing holdings were Pfizer, Park Lawn Cemeteries, Allied Properties and Diageo.

The Fund established eight new positions in 2023. Several of the new positions were established at less than full weight, as a means of managing volatility risk. New resource positions were established on price weakness in Albermarle (lithium) and Franco Nevada (gold royalties). Other new purchases made at attractive prices included shares of Emerson Electric (American automation company), Aptiv plc (high growth automotive technologies), Dollar General (discount dollar store), Expedia Group (travel booking services), along with shares of CVS Health Corp (US pharmacy health care provider) and Medtronic (global medical devices).

Positions in Maxar and Transalta Renewables were sold. Maxar was bought out at a premium and Transalta Renewables was sold to avoid a takeover by the parent Transalta. Also, a spin-off from Novartis, Sandoz AG (generic drugs), was sold as a stub position. At year end, the Fund's 4.2% cash position provides ample room to add to equities when attractive opportunities arise. This positioning and performance are consistent with the Fund's fundamental investment objective and strategies.

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

The investment landscape has improved markedly from a year ago. Inflation is much lower which should result in monetary conditions being loosened by central banks.

What is relevant now for investors is the wide divergence in valuation between the market's growth and value sectors. Throughout 2023, the Fund has been using share price weakness in strong companies with depressed valuations to position portfolios to benefit from the next economic cycle. Many sectors outside of technology are attractively priced. Even small and mid-cap companies trade at compelling valuations. The Fund is positioned to benefit from the recovery of the undervalued sectors of the market.

It is common for the U.S. economy to perform well in an election year. This year appears no different, with a soft landing currently unfolding. Inflation has subsided, and job growth in the U.S. has been resilient. Canadian economic data has been softer, other

than housing, but the table has been set for the Federal Reserve and the Bank of Canada to loosen their grips on short term interest rates this year. Investors will no longer be 'fighting the Fed' in 2024, which will set a more optimistic tone for investment.

Notwithstanding the improving economic scene, geopolitical risks cannot be completely ignored in 2024. Armed conflicts – in Ukraine and the Middle East- and a contentious U.S. election season lie ahead. Prudent security selection will still be the focus of the Fund.

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 \$30,231 (including HST) in management fees to the Manager for the year ended December 31, 2023 (December 31, 2022 - \$27,746).

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 \$13,719 (including HST) to the Portfolio Manager for the period ended December 31, 2023 (December 31, 2022 - \$12,956).

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

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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-2023	31-Dec-2022	31-Dec-2021	31-Dec-2020	31-Dec-2019
Net assets per unit¹					
Net assets, beginning of year	\$ 13.63	\$ 14.90	\$ 11.81	\$ 11.51	\$ 9.92
Operations:					
Total revenue	0.39	0.40	0.35	0.35	0.37
Total expenses	(0.38)	(0.39)	(0.36)	(0.29)	(0.30)
Realized gains (losses)	0.31	0.82	1.14	(0.17)	(0.09)
Unrealized gains (losses)	0.86	(1.16)	1.81	(0.61)	1.69
Total increase (decrease) from operations²	\$ 1.18	\$ (0.33)	\$ 2.94	\$ (0.72)	\$ 1.67
Distributions:					
From income (excluding dividends)	\$ -	\$ (0.02)	\$ -	\$ -	\$ -
From dividends	(0.11)	(0.15)	-	(0.02)	(0.07)
From capital gains	(0.21)	(0.63)	-	-	-
Total distributions^{2 3}	\$ (0.32)	\$ (0.80)	\$ -	\$ (0.02)	\$ (0.07)
Net assets, end of year^{2 3}	\$ 14.57	\$ 13.63	\$ 14.90	\$ 11.81	\$ 11.51
Ratios and supplemental data					
Net asset value ⁴	\$ 289,388	\$ 187,123	\$ 109,210	\$ 197,129	\$ 395,863
Units outstanding	19,861	13,729	7,328	16,694	34,380
Management expense ratio ⁵	% 2.54	% 2.55	% 2.54	% 2.53	% 2.56
Management expense ratio before waivers or absorption	3.16	3.69	3.35	3.50	3.65
Portfolio turnover rate ⁶	12.92	9.43	14.55	29.59	15.20
Trading expense ratio ⁷	0.01	0.02	0.02	0.05	0.03
Net asset value per unit, end of year	\$ 14.57	\$ 13.63	\$ 14.90	\$ 11.81	\$ 11.51

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.
- 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-2023	31-Dec-2022	31-Dec-2021	31-Dec-2020	31-Dec-2019
Net assets per unit¹					
Net assets, beginning of year	\$ 12.96	\$ 14.15	\$ 11.90	\$ 11.64	\$ 10.03
Operations:					
Total revenue	0.39	0.41	0.39	0.36	0.38
Total expenses	(0.21)	(0.22)	(0.21)	(0.17)	(0.18)
Realized gains (losses)	0.32	0.79	1.30	(0.29)	(0.08)
Unrealized gains (losses)	0.87	(1.30)	1.84	0.66	1.70
Total increase (decrease) from operations²	\$ 1.37	\$ (0.32)	\$ 3.32	\$ 0.56	\$ 1.82
Distributions:					
From income (excluding dividends)	\$ -	\$ (0.02)	\$ (0.03)	\$ -	\$ -
From dividends	(0.16)	(0.16)	(0.14)	(0.21)	(0.21)
From capital gains	(0.32)	(0.70)	(0.87)	-	-
Total distributions^{2 3}	\$ (0.48)	\$ (0.88)	\$ (1.04)	\$ (0.21)	\$ (0.21)
Net assets, end of year^{2 3}	\$ 13.84	\$ 12.96	\$ 14.15	\$ 11.90	\$ 11.64
Ratios and supplemental data					
Net asset value ⁴	\$ 2,302,269	\$ 2,060,447	\$ 2,297,932	\$ 1,873,390	\$ 1,667,352
Units outstanding	166,327	158,937	162,399	157,439	143,252
Management expense ratio ⁵	% 1.41	% 1.42	% 1.41	% 1.40	% 1.43
Management expense ratio before waivers or absorption	2.03	2.47	2.17	2.46	2.52
Portfolio turnover rate ⁶	12.92	9.43	14.55	29.59	15.20
Trading expense ratio ⁷	0.01	0.02	0.02	0.05	0.03
Net asset value per unit, end of year	\$ 13.84	\$ 12.96	\$ 14.15	\$ 11.90	\$ 11.64

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.
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- The Fund's portfolio turnover rate indicates how actively the Fund's portfolio manager manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the period. The higher a fund's portfolio turnover rate in a period, the greater the trading costs payable by the fund in the period, and the greater the chance of an investor receiving taxable capital gains in the period. There is not necessarily a relationship between a high turnover rate and the performance of a fund. The portfolio turnover rate is calculated based on the lesser of purchases or sales of securities divided by the weighted average market value of portfolio securities, excluding short term securities.
- 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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Management Fees

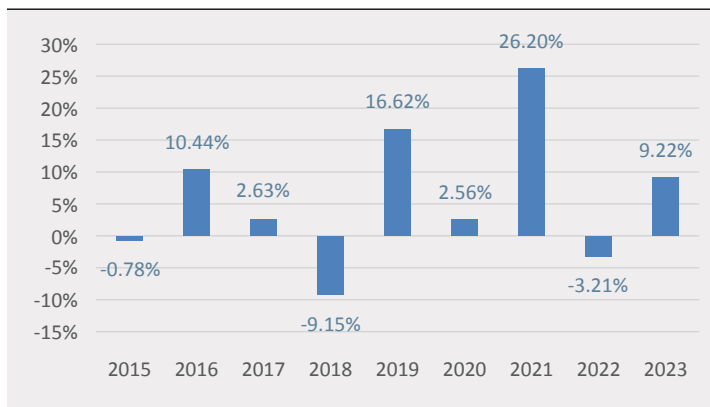
The Manager provides or arranges the provision of all general management and administrative services required by the Fund, and as described in the section “Related Party Transactions” above.

In consideration for such services, the Manager receives a monthly 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 2.00% per annum for Series A units and at a rate of 1.00% per annum for Series F units.

Service fees or trailing commissions of a maximum of 1.00% per annum are paid on Series A units to dealers. This comprises approximately 50% of the management fee of Series A units.

Year-by-Year Returns

Series A

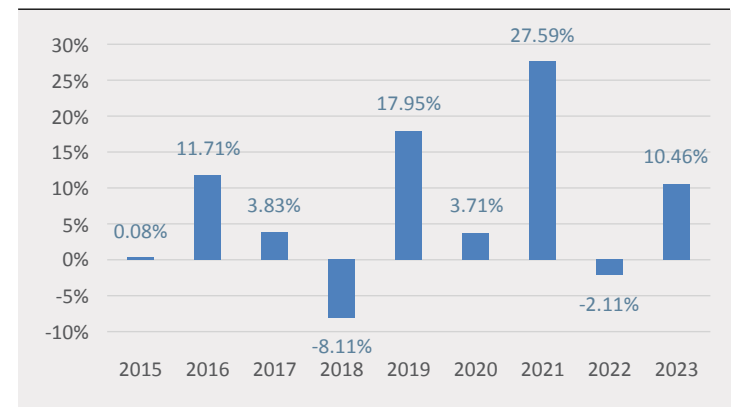


Past Performance

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

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

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 50% S&P/TSX Total Return Index(CAD), 35% S&P Total Return Index (CAD) and 15% MSCI EAFE Composite(CAD) (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, 2023		1 Year		3 Year ²		5 Year ²		Since Inception ³
Annual Compound Return								
Series A ¹	%	9.22	%	10.09	%	9.80	%	5.58
Series F ¹		10.46		11.33		11.03		6.75
Index ⁴	%	16.30	%	9.62	%	12.09	%	9.49

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 30, 2014. Since inception returns are annualized.

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Summary of Investment Portfolio

		% of NAV			% of NAV
Top 25 Issuers			Asset Mix		
Cash and Cash Equivalents	%	4.2	Canadian Equities	%	40.8
Kla Corp.		3.3	Canadian Fixed Income		1.9
Applied Materials Inc.		2.5	Cash and Cash Equivalents		4.2
Ia Financial Corp. Inc.		2.5	International Equities		6.2
Royal Bank Of Canada		2.3	Other Assets less Liabilities		0.5
Apple Inc.		2.2	US Equities		46.4
Alphabet Inc.		2.2	Total	%	100.0
Toronto-Dominion Bank		2.1	Sector		
Manulife Financial Corp.		2.0	Cash and Cash Equivalents	%	4.2
Bank Of Nova Scotia		1.7	Communication Services		7.3
Visa Inc.		1.7	Consumer Discretionary		9.1
Ats Corp.		1.7	Consumer Staples		8.5
Sap Se		1.6	Energy		4.4
JP Morgan Chase & Co.		1.6	Financials		18.5
Novartis Ag		1.5	Government		0.9
Major Drilling Group Internati		1.5	Industrials		9.4
Ingredion Inc.		1.4	Information Technology		13.1
Alimentation Couche-Tard Inc.		1.4	Materials		10.2
Shell Plc		1.3	Other Assets less Liabilities		0.5
Biogen Inc.		1.3	Real Estate		1.7
Unilever Plc		1.3	Utilities		2.6
Fedex Corp.		1.3	Health Care		9.6
Albemarle Corp		1.3	Total	%	100.0
Bank Of America Corp.		1.3			
State Street Corp.		1.5			
Total	%	46.7			



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