

**Semi-Annual Management Report of Fund Performance**  
As at June 30, 2024

Lysander-Patient Capital Equity Fund



# Lysander-Patient Capital Equity Fund

Semi-Annual Management Report of Fund Performance as at June 30, 2024

## 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, 2024 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, 2024. 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](http://www.lysanderfunds.com) or at SEDAR+ at [www.sedarplus.ca](http://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 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, 2024 were 1.82% for Series A and 2.39% for Series F.

The net assets of the Fund were approximately \$14.0 million at June 30, 2024 from \$12.1 million at the beginning of the period. There were net subscriptions of approximately \$1.8 million during the period.

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.

## Recent Developments

Investor enthusiasm for artificial intelligence fueled the broader stock market rally throughout the first half of the period. The S&P 500 (“Index”), which settled at new all-time highs thirty-one times throughout the period, was up 15.5%. The Index’s return

# Lysander-Patient Capital Equity Fund

Semi-Annual Management Report of Fund Performance as at June 30, 2024

was driven by a small number of stocks. Nvidia alone accounted for nearly one-third of the S&P 500's total return. Including Microsoft, Amazon, Meta Platforms and Eli Lilly; 55% of the market's return came from those five companies. The stock market is highly concentrated. The three largest stocks in the S&P 500 — Microsoft, Apple and Nvidia made up approximately 21% of its total market value. The five biggest stocks accounted for 27%, and the top ten amounted to more than 36% of the total.

The U.S. economy demonstrated resilience and continued to perform well in the period, despite facing challenges such as high inflation and geopolitical risks. Real GDP increased at an annual rate of 1.4% in the first quarter. Spending and investment remained robust as consumer spending, investment, and government spending all grew by at least 2% in the period. Inflation fell 3% in the period. This level of inflation is still above the Federal Reserve's target rate and combined with solid economic fundamentals has led to the view that interest rates will stay higher for longer than anticipated at the start of the year.

The Canadian economy expanded less than expected in the first quarter. Gross domestic product in the first quarter expanded at a 1.7% annualized pace. This growth was slower than the median estimate of 2.2% and the Bank of Canada's forecast of 2.8%. Fourth quarter 2023 growth was revised downward to 0.1% from 1%. Inflation has fallen from its June 2022 peak of 8.1% to 2.9% in May 2024. The weak economic growth combined with falling inflation spurred the bank of Canada to reduce interest rates by twenty-five basis points in June.

The Fund continues to be well positioned for current market conditions. As of June 30, 2024, the Fund's total portfolio yield was 5.7%. In addition, the portfolio's overall characteristics compare favorably to major benchmarks such as the S&P 500 Index and S&P/TSX Composite Index. The Fund's return relative to its benchmarks was held back by its large cash balances during the the period. In addition, the Fund continued to be underrepresented in the high performing technology sector. The Fund's value-based investment philosophy should stand up well as interest rates "stay higher for longer" and valuations return to long term averages.

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 \$63,088 (including HST) in management fees to the Manager for the period ended June 30, 2024 (June 30, 2023 - \$53,835).

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 \$24,490 (including HST) to the Portfolio Manager for the period ended June 30, 2024 (June 30, 2023 - \$24,795).

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.

# Lysander-Patient Capital Equity Fund

Semi-Annual Management Report of Fund Performance as at June 30, 2024

## Financial Highlights

### Series A

Period ended	30-Jun-2024	31-Dec-2023	31-Dec-2022	31-Dec-2021	31-Dec-2020	31-Dec-2019
<b>Net assets per unit<sup>1</sup></b>						
Net assets, beginning of period	\$ 12.71	\$ 12.40	\$ 12.73	\$ 12.55	\$ 13.04	\$ 11.29
<b>Operations:</b>						
Total revenue	0.34	0.59	0.35	0.39	0.40	0.38
Total expenses	(0.14)	(0.28)	(0.27)	(0.30)	(0.26)	(0.33)
Realized gains (losses)	(1.24)	0.21	-	3.32	0.02	0.74
Unrealized gains (losses)	1.26	0.34	(0.57)	(0.14)	(1.57)	2.11
<b>Total increase (decrease) from operations<sup>2</sup></b>	<b>\$ 0.22</b>	<b>\$ 0.86</b>	<b>\$ (0.49)</b>	<b>\$ 3.27</b>	<b>\$ (1.41)</b>	<b>\$ 2.90</b>
<b>Distributions:</b>						
From income (excluding dividends)	\$ -	\$ (0.11)	\$ (0.03)	\$ -	\$ -	\$ -
From dividends	(0.21)	(0.26)	(0.11)	(0.08)	(0.06)	(0.01)
From capital gains	-	(0.14)	-	(0.85)	-	(0.51)
<b>Total distributions<sup>2 3</sup></b>	<b>\$ (0.21)</b>	<b>\$ (0.51)</b>	<b>\$ (0.14)</b>	<b>\$ (0.93)</b>	<b>\$ (0.06)</b>	<b>\$ (0.52)</b>
<b>Net assets, end of period<sup>2 3</sup></b>	<b>\$ 12.73</b>	<b>\$ 12.71</b>	<b>\$ 12.40</b>	<b>\$ 12.73</b>	<b>\$ 12.55</b>	<b>\$ 13.04</b>

<b>Ratios and supplemental data</b>						
Net asset value <sup>4</sup>	\$ 761,829	\$ 676,684	\$ 785,347	\$ 47,997	\$ 141,306	\$ 300,049
Units outstanding	59,847	53,253	63,336	3,769	11,262	23,003
Management expense ratio <sup>5</sup>	% 2.13	% 2.13	% 2.13	% 2.13	% 2.14	% 2.55
Management expense ratio before waivers or absorption	2.35	2.29	2.42	2.33	2.57	2.83
Portfolio turnover rate <sup>6</sup>	8.5	1.8	-	72.9	41.1	62.2
Trading expense ratio <sup>7</sup>	0.01	0.02	0.01	0.09	0.07	0.10
Net asset value per unit, end of period	\$ 12.73	\$ 12.71	\$ 12.40	\$ 12.73	\$ 12.55	\$ 13.04

### 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.

# Lysander-Patient Capital Equity Fund

Semi-Annual Management Report of Fund Performance as at June 30, 2024

## Series F

Period ended	30-Jun-2024	31-Dec-2023	31-Dec-2022	31-Dec-2021	31-Dec-2020	31-Dec-2019
<b>Net assets per unit<sup>1</sup></b>						
Net assets, beginning of period	\$ 12.18	\$ 11.86	\$ 12.07	\$ 12.61	\$ 13.22	\$ 11.48
Operations:						
Total revenue	0.33	0.58	0.31	0.36	0.42	0.41
Total expenses	(0.07)	(0.13)	(0.12)	(0.14)	(0.12)	(0.19)
Realized gains (losses)	0.19	0.19	(0.01)	3.57	(0.11)	0.61
Unrealized gains (losses)	(0.18)	0.28	(0.35)	(0.83)	(0.54)	1.61
<b>Total increase (decrease) from operations<sup>2</sup></b>	<b>\$ 0.27</b>	<b>\$ 0.92</b>	<b>\$ (0.17)</b>	<b>\$ 2.96</b>	<b>\$ (0.35)</b>	<b>\$ 2.44</b>
Distributions:						
From income (excluding dividends)	\$ -	\$ (0.12)	\$ (0.03)	\$ -	\$ -	\$ -
From dividends	(0.23)	(0.30)	(0.12)	(0.26)	(0.29)	(0.23)
From capital gains	-	(0.17)	-	(4.57)	-	(0.64)
<b>Total distributions<sup>2 3</sup></b>	<b>\$ (0.23)</b>	<b>\$ (0.59)</b>	<b>\$ (0.15)</b>	<b>\$ (4.83)</b>	<b>\$ (0.29)</b>	<b>\$ (0.87)</b>
<b>Net assets, end of period<sup>2 3</sup></b>	<b>\$ 12.23</b>	<b>\$ 12.18</b>	<b>\$ 11.86</b>	<b>\$ 12.07</b>	<b>\$ 12.61</b>	<b>\$ 13.22</b>
<b>Ratios and supplemental data</b>						
Net asset value <sup>4</sup>	\$ 13,255,180	\$ 11,444,565	\$ 9,737,044	\$ 5,538,476	\$ 3,090,046	\$ 3,815,598
Units outstanding	1,083,387	939,328	821,039	458,876	245,030	288,714
Management expense ratio <sup>5</sup>	% 1.00	% 1.00	% 1.00	% 0.99	% 0.99	% 1.42
Management expense ratio before waivers or absorption	1.23	1.16	1.28	1.41	1.47	1.74
Portfolio turnover rate <sup>6</sup>	8.5	1.8	-	72.9	41.1	62.2
Trading expense ratio <sup>7</sup>	0.01	0.02	0.01	0.09	0.07	0.10
Net asset value per unit, end of period	\$ 12.23	\$ 12.18	\$ 11.86	\$ 12.07	\$ 12.61	\$ 13.22

## 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.

# Lysander-Patient Capital Equity Fund

Semi-Annual Management Report of Fund Performance as at June 30, 2024

## 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.

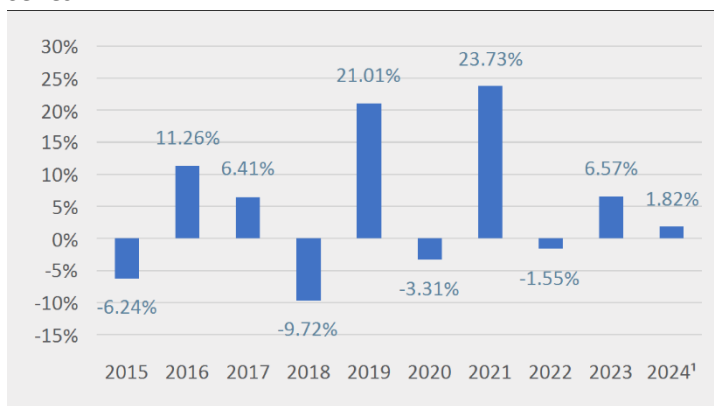
## Past Performance

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.

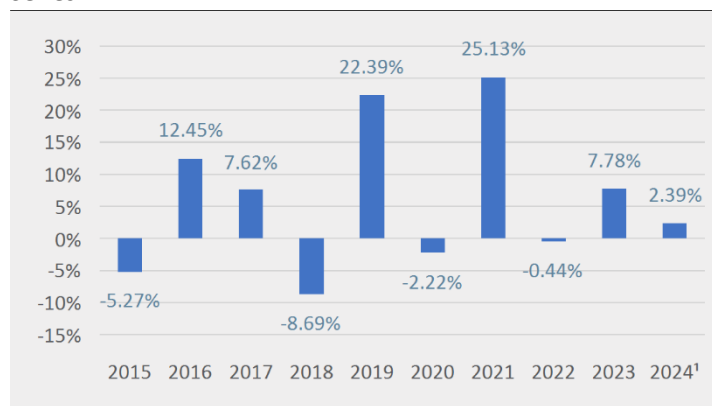
The performance information assumes that any distributions are reinvested in additional securities of the Fund. The performance information does not take into account sales, redemption, distribution or other optional charges that would have reduced returns or performance. Past performance does not necessarily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

## Year-by-Year Returns

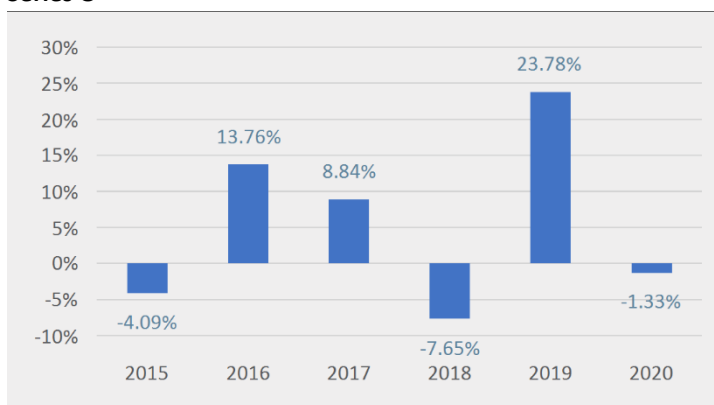
### Series A



### Series F



### Series O



<sup>1</sup> For the period January 1 to June 30

# Lysander-Patient Capital Equity Fund

Semi-Annual Management Report of Fund Performance as at June 30, 2024

## Summary of Investment Portfolio

		% of NAV
<b>Top 25 Issuers</b>		
Cash and Cash Equivalents	%	40.5
Firm Capital Mortgage Investment Corp.		6.7
Canadian Imperial Bank of Commerce		6.6
Canadian Utilities Ltd.		5.8
Verizon Communications Inc.		5.6
Bank Of Nova Scotia		5.4
Toronto-Dominion Bank		5.3
Linamar Corp.		5.2
BCE Inc.		5.2
Bank Of Montreal		5.0
Honda Motor Co Ltd		4.9
Canadian Natural Resources Ltd.		3.2
<b>Total</b>	<b>%</b>	<b>99.4</b>

		% of NAV
<b>Asset Mix</b>		
Canadian Equities	%	48.3
Cash and Cash Equivalents		40.5
Foreign Equities		10.5
Other Assets less Liabilities		0.7
<b>Total</b>	<b>%</b>	<b>100.0</b>
<b>Sector</b>		
Cash and Cash Equivalents	%	40.5
Communication Services		10.8
Consumer Discretionary		10.1
Energy		3.2
Financials		23.7
Other Assets less Liabilities		0.7
Real Estate		5.2
Utilities		5.8
<b>Total</b>	<b>%</b>	<b>100.0</b>



3080 Yonge Street, Suite 4000  
Toronto, ON M4N 3N1  
[www.lysanderfunds.com](http://www.lysanderfunds.com)

© Lysander Funds is a registered trademark of Lysander Funds Limited