

Canso Credit Income Fund – Class F



Fund Code: CCIF Class F

Portfolio Manager: Canso Investment Counsel

As of: May 31, 2023

Asset Class: Fixed Income

Category: Alternative Credit Focused

Benchmark: FTSE Canada All Corporate Bond Index¹

Investment Focus

The Canso Credit Income Fund is a closed-end fund which seeks to maximize total returns for unit holders while reducing risk and provide unitholders with monthly cash distributions, by taking long and short positions in a portfolio of primarily corporate bonds and other income securities.

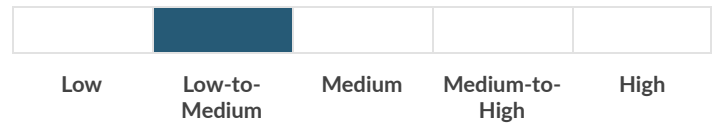
Why Invest in this Fund?

Experienced Management Team • Independent Research • Attractive Yields

The Fund's portfolio manager is Canso Investment Counsel Ltd. Canso's bottom-up deep value investment approach is based on a foundation of independently researching businesses and evaluating securities across an entity's entire capital structure. Canso's team combines independent research expertise with security selection ability, and is well regarded as a skilled credit manager. The Fund is primarily invested in an actively managed and diversified portfolio of corporate bonds. Distributions are initially targeted at \$0.50 per Class A and F units per annum, representing a yield of 5% per annum of the original issue price.

- Canso emphasizes "bottom up" and "deep value" credit analysis
- Canso exploits market liquidity to the advantage of our investors
- Canso finds opportunities that others miss

Risk Tolerance



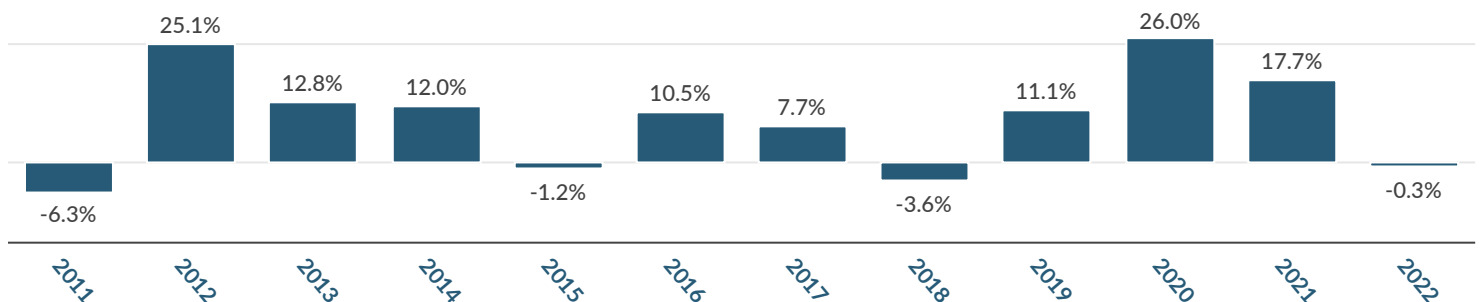
FUND FACTS

Inception Date	July 16, 2010
Currency	CAD
Fund Net AUM	\$152.4 Million
Total Long AUM	\$207.5 Million
Total Short AUM	-\$51.1 Million
NAVPU	\$16.38
Management Fee	0.75%
Performance Fee	20.00%
MER as of December 31, 2022	0.98%
RRSP Eligible	Yes

COMPOUND RETURNS – CLASS F

1 Month	3 Months	YTD	1 Year	3 Year (Annualized)	5 Year (Annualized)	10 Year (Annualized)	Since Inception (Annualized)
-0.1%	-0.3%	0.1%	3.1%	15.3%	9.0%	8.1%	8.5%

CALENDAR YEAR RETURNS – CLASS F



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PORTFOLIO CHARACTERISTICS

Number of Securities (Long)	133
Number of Securities (Short)	11
Number of Issuers	60
Average Term to Maturity (Years)	7.8
Average Duration (Years)	2.1
Yield to Maturity (%)	7.9%
Current Yield (%)	5.6%
Average Credit Quality (long only) ²	BBB
Cash Weighting	2.3%

CREDIT QUALITY BREAKDOWN

AAA	20.9%
A	8.4%
BBB	38.2%
BB	13.1%
B & Lower	15.0%
NR	4.5%

DISTRIBUTIONS

Distribution Frequency: Monthly

Most Recent Distribution per Unit: \$0.0417

12-Month Trailing Distribution Yield: 3.1%

Next Record Date: June 29, 2023

Next Distribution Date: July 10, 2023

Distributions (\$)/Unit ³	YTD ⁺	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Total Distributions	0.2083	1.1956	3.2320	2.2207	0.5000	0.5000	0.5579	0.5000	3.9473	0.5000	0.5000
Interest	-	0.1656	0.4210	0.4263	-	0.1024	0.5294	0.4316	-	-	-
Dividends	-	0.0837	0.0822	0.0932	0.0227	0.0363	0.0285	-	-	-	-
Capital Gains	-	0.9463	2.7288	1.7012	-	-	-	-	3.9473	-	-
Withholding Tax	-	-	-	-	-	-	-	-	-	-	-
Return of Capital	-	-	-	-	0.4773	0.3613	-	0.0684	-	0.5000	0.5000

*The final tax character will be determined based on the Fund's tax year end information.

TOP 10 HOLDINGS

Security	% of Fund	Rating
AIR CANADA 4.625% 08/15/2029 DD 08/11/21	9.7%	BB
U S TREASURY NOTE 1.625% 02/15/2026 DD 02/15/16	6.7%	AAA
STRAIT CROSSING DEVELOPMENT 6.170% 15-SEP-2031 144A	5.0%	BBB-
GOVERNMENT OF CANADA 0.750% 01-FEB-2024 SER M920	4.9%	AAA
MANULIFE FINL CORP SUB 2 ACRD 4.100% 19-MAR-2082	4.6%	BBB+
GOVERNMENT OF CANADA 0.500% 01-NOV-2023 SER M763	4.2%	AAA
PEMBINA PIPELINE CORP 4.750% 26-MAR-2048 MTN SER 11	4.2%	BBB
GE CAPITAL CANADA FUNDING CO 5.730% 22-OCT-2037 MTN	4.0%	BBB+
YELLOW PAGES LIMITED .	3.6%	N/A
AT&T INC 4.850% 05/25/2047 DD 05/30/17	3.4%	BBB
Total	50.3%	

GEOGRAPHIC BREAKDOWN

Canada	68.4%
USA	22.7%
South America	3.4%
Europe	5.5%

Lysander Funds Limited is the investment fund manager of Canso Credit Income Fund (the "Fund"). Refer to the Fund's Prospectus and disclosure documents available on sedar.com or Lysander's website below for more details on the Fund before making an investment decision. This document is not an invitation to invest in the Fund and does not constitute a public offering of sale. Applications for purchases in the Fund will only be considered on the terms of the Prospectus and public

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disclosure documents which may also be obtained from your Investment Professional. Each purchaser of units in the Fund may have statutory or contractual rights of action. The information in this document is subject to change without notice. You will usually pay brokerage fees to your dealer if you purchase or sell units of the Fund on the Toronto Stock Exchange (TSX). Only Class A units of the Fund are listed on the TSX. If the units are purchased or sold on the TSX, investors may pay more than the current net asset value when buying units of the Fund and may receive less than the current net asset value when selling them. There are ongoing fees and expenses associated with owning units of the Fund. The Fund must prepare disclosure documents that contain key information about the Fund. You can find more detailed information about the Fund in these documents. The indicated rates of return are based on calculated net asset values per unit, which are net of management fees, operating expenses, any applicable performance fees and applicable taxes. These returns include changes in unit value and reinvestment of all distributions and do not take into account certain fees such as redemption fees or optional charges or income taxes payable by any securityholder that would have reduced returns. Investment funds are not guaranteed, their values change frequently and past performance may not be repeated.

Performance returns for Class A and Class F units are based on the net asset values of the relevant class. Prior to June 25, 2015, the Fund used a fund-on-fund investment strategy whereby the Fund gained exposure to Canso Credit Trust through a forward agreement. On June 25, 2015, as a result of changes to the Income Tax Act (Canada), the Fund changed its investment objectives, ceased to use a fund-on-fund strategy and began investing in securities directly. In addition, prior to July 1, 2020, the Fund paid servicing fees at 0.40% per annum on Class A units. On July 1, 2020, the Fund discontinued the payment of servicing fees. These changes could have affected the performance of the Fund had these changes been in effect throughout the performance measurement period.

The Class A performance numbers shown may be different from the performance provided by sources that obtain performance information from the TSX under the symbol PBY.UN, which performance is based on the trading price of the units.

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²Fixed income securities unrated by external agencies are assigned an internal Canso rating for Average Credit Quality.

³Distributions are based on the actual number of units outstanding at the relevant time. Distributions are paid in cash. If the series’ net income/capital gains is less than the amounts distributed in the year, the distribution will include a return of capital. In these circumstances, if an investor elects to receive their distributions in cash, it is expected that the value of their investment will decline over time. Distributions are not an indication of performance, rate of return or yield.

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