

Financial Statements

December 31, 2024

Lysander-Canso Corporate Value Bond Fund



Independent Auditor's Report

To the Unitholders of
Lysander-Canso Corporate Value Bond Fund (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income (loss), changes in net assets attributable to holders of redeemable units and cash flows for the years then ended, and notes to the financial statements, including material accounting policy information (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB").

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information comprises the Management Report of Fund Performance.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained the Management Report of Fund Performance prior to the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Deloitte LLP

Chartered Professional Accountants
Licensed Public Accountants
March 26, 2025

Lysander-Canso Corporate Value Bond Fund

Financial Statements December 31, 2024

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Lysander-Canso Corporate Value Bond Fund

Statements of Financial Position

As at	31-Dec-24	31-Dec-23
Assets		
Financial assets at fair value through profit or loss*	\$ 17,333,438,617	\$ 11,478,358,480
Cash and cash equivalents	41,968,389	40,534,369
Reimbursements receivable	1,006,582	849,117
Accrued interest	134,970,468	95,014,935
Dividends receivable	690,122	689,178
Due from investment dealers	249,591	8,761,916
Subscriptions receivable	17,030,782	41,288,577
Receivable from forward exchange contracts	–	55,055,683
Total assets	\$ 17,529,354,551	\$ 11,720,552,255
Liabilities		
Payable on foreign currency forward contracts	\$ 63,198,142	\$ –
Accrued expenses	14,330,395	9,746,743
Distributions payable	20,030	–
Due to investment dealers	24,402,736	65,933,004
Redemptions payable	4,750,656	4,668,311
Total liabilities	\$ 106,701,959	\$ 80,348,058
Net assets attributable to holders of redeemable units	\$ 17,422,652,592	\$ 11,640,204,197
Net assets attributable to holders of redeemable units, per series		
Series A	\$ 1,645,902,725	\$ 1,154,386,292
Series A5	40,158,261	26,465,382
Series F	15,321,527,109	10,221,087,183
Series F5	397,318,366	238,265,340
Series O	17,746,131	–
Total net assets	\$ 17,422,652,592	\$ 11,640,204,197
Number of redeemable units outstanding		
Series A	127,127,153	92,339,611
Series A5	4,697,259	3,112,098
Series F	1,074,682,596	742,841,226
Series F5	43,250,407	26,323,989
Series O	1,740,683	–
Net assets attributable to holders of redeemable units per unit		
Series A	\$ 12.95	\$ 12.50
Series A5	8.55	8.50
Series F	14.26	13.76
Series F5	9.19	9.05
Series O	10.19	–
<i>* Financial assets at fair value through profit or loss at cost</i>	\$ 16,797,384,879	\$ 11,589,064,165

Statements of Comprehensive Income (Loss)

For the years ended	31-Dec-24	31-Dec-23
Income		
Interest for distribution purposes	\$ 628,027,764	\$ 482,710,459
Dividend income	15,704,142	17,550,575
Other income	6,693,143	875,614
Realized and unrealized gain (loss) on investments		
Net realized gain (loss) on investments sold	121,824,966	99,294,198
Net realized gain (loss) on foreign currency	(145,194,363)	(7,232,093)
Change in unrealized appreciation (depreciation) on foreign currency	20,806	52,390
Change in unrealized appreciation (depreciation) on forward contracts	(118,253,825)	49,150,349
Change in unrealized appreciation (depreciation) on investments	646,764,397	206,650,638
Total operating income (loss)	\$ 1,155,587,030	\$ 849,052,130
Expenses		
Management fees	\$ 131,150,691	\$ 88,364,163
Fund administration fees	6,253,597	3,900,129
Filing fees	722,537	347,458
Audit fees	692,295	694,992
Unitholder reporting expense	489,776	411,902
Custodial fees	265,369	167,199
Regulatory fees expense	108,295	76,071
Legal fees	90,733	91,540
Independent review committee fees	48,622	47,123
Bank charges	48,331	5,152
Transaction costs	4,974	7,640
Blended HST expense (recovery)	(1,243,535)	(860,851)
Total operating expenses	\$ 138,631,685	\$ 93,252,518
Withholding tax	\$ 564	\$ 8,017
Total net operating expenses	\$ 138,632,249	\$ 93,260,535
Change in net assets attributable to holders of redeemable units from operations	\$ 1,016,954,781	\$ 755,791,595
Change in net assets attributable to holders of redeemable units from operations per series		
Series A	\$ 88,717,104	\$ 73,694,751
Series A5	2,071,586	1,527,608
Series F	903,841,683	667,398,940
Series F5	22,013,959	13,170,296
Series O	310,449	–
Change in total net assets	\$ 1,016,954,781	\$ 755,791,595
Change in net assets attributable to holders of redeemable units from operations per unit		
Series A	\$ 0.82	\$ 0.91
Series A5	0.55	0.63
Series F	0.99	1.07
Series F5	0.64	0.75
Series O	0.39	–

Lysander-Canso Corporate Value Bond Fund

Statements of Changes in Net Assets Attributable to Holders of Redeemable Units

All Series

For the years ended	31-Dec-24	31-Dec-23
Net assets attributable to holders of redeemable units, beginning of year	\$ 11,640,204,197	\$ 7,900,694,805
Change in net assets attributable to holders of redeemable units from operations	1,016,954,781	755,791,595
Distributions to unitholders of redeemable units		
From net investment income	\$ (509,230,970)	\$ (400,480,353)
From management fee rebate income	(1,138,764)	(690,169)
From net capital gains	–	(95,170,432)
Total distributions	\$ (510,369,734)	\$ (496,340,954)
Redeemable unit transactions		
Proceeds from redeemable units issued		
Series A	\$ 639,046,169	\$ 367,085,524
Series A5	16,791,968	14,500,230
Series F	6,541,424,210	4,305,478,135
Series F5	210,820,705	134,779,975
Series O	17,853,750	–
Total proceeds	\$ 7,425,936,802	\$ 4,821,843,864
Cost of units redeemed		
Series A	\$ (229,785,425)	\$ (177,474,471)
Series A5	(3,652,988)	(2,254,046)
Series F	(2,193,063,243)	(1,466,037,369)
Series F5	(58,893,738)	(20,080,724)
Series O	(418,068)	–
Total cost	\$ (2,485,813,462)	\$ (1,665,846,610)
Reinvested distributions		
Series A	\$ 34,366,707	\$ 38,075,681
Series A5	351,382	212,980
Series F	298,653,961	283,845,389
Series F5	2,265,919	1,927,447
Series O	102,039	–
Total reinvested	\$ 335,740,008	\$ 324,061,497
Change in net assets attributable to holders of redeemable units for the year	\$ 5,782,448,395	\$ 3,739,509,392
Net assets attributable to holders of redeemable units, end of year	\$ 17,422,652,592	\$ 11,640,204,197

Series A

For the years ended	31-Dec-24	31-Dec-23
Net assets attributable to holders of redeemable units, beginning of year	\$ 1,154,386,292	\$ 898,962,010
Change in net assets attributable to holders of redeemable units from operations	88,717,104	73,694,751
Distributions to unitholders of redeemable units		
From net investment income	\$ (40,777,080)	\$ (36,456,515)
From management fee rebate income	(51,042)	(42,577)
From net capital gains	–	(9,458,111)
Total distributions	\$ (40,828,122)	\$ (45,957,203)
Redeemable unit transactions		
Proceeds from redeemable units issued		
	\$ 639,046,169	\$ 367,085,524
Cost of units redeemed	(229,785,425)	(177,474,471)
Reinvested distributions	34,366,707	38,075,681
Total redeemable	\$ 443,627,451	\$ 227,686,734
Change in net assets attributable to holders of redeemable units for the year	\$ 491,516,433	\$ 255,424,282
Net assets attributable to holders of redeemable units, end of year	\$ 1,645,902,725	\$ 1,154,386,292

Series A5

For the years ended	31-Dec-24	31-Dec-23
Net assets attributable to holders of redeemable units, beginning of year	\$ 26,465,382	\$ 13,967,684
Change in net assets attributable to holders of redeemable units from operations	2,071,586	1,527,608
Distributions to unitholders of redeemable units		
From net investment income	\$ (1,862,169)	\$ (1,268,514)
From management fee rebate income	(6,900)	(2,619)
From net capital gains	–	(217,941)
Total distributions	\$ (1,869,069)	\$ (1,489,074)
Redeemable unit transactions		
Proceeds from redeemable units issued		
	\$ 16,791,968	\$ 14,500,230
Cost of units redeemed	(3,652,988)	(2,254,046)
Reinvested distributions	351,382	212,980
Total redeemable	\$ 13,490,362	\$ 12,459,164
Change in net assets attributable to holders of redeemable units for the year	\$ 13,692,879	\$ 12,497,698
Net assets attributable to holders of redeemable units, end of year	\$ 40,158,261	\$ 26,465,382

Lysander-Canso Corporate Value Bond Fund

Statements of Changes in Net Assets Attributable to Holders of Redeemable Units

Series F

For the years ended	31-Dec-24	31-Dec-23
Net assets attributable to holders of redeemable units, beginning of year	\$ 10,221,087,183	\$ 6,867,964,212
Change in net assets attributable to holders of redeemable units from operations	903,841,683	667,398,940
Distributions to unitholders of redeemable units		
From net investment income	\$ (449,368,506)	\$ (353,160,011)
From management fee rebate income	(1,048,179)	(628,950)
From net capital gains	–	(83,773,163)
Total distributions	\$ (450,416,685)	\$ (437,562,124)
Redeemable unit transactions		
Proceeds from redeemable units issued	\$ 6,541,424,210	\$ 4,305,478,135
Cost of units redeemed	(2,193,063,243)	(1,466,037,369)
Reinvested distributions	298,653,961	283,845,389
Total redeemable	\$ 4,647,014,928	\$ 3,123,286,155
Change in net assets attributable to holders of redeemable units for the year	\$ 5,100,439,926	\$ 3,353,122,971
Net assets attributable to holders of redeemable units, end of year	\$ 15,321,527,109	\$ 10,221,087,183

Series F5

For the years ended	31-Dec-24	31-Dec-23
Net assets attributable to holders of redeemable units, beginning of year	\$ 238,265,340	\$ 119,800,899
Change in net assets attributable to holders of redeemable units from operations	22,013,959	13,170,296
Distributions to unitholders of redeemable units		
From net investment income	\$ (17,121,176)	\$ (9,595,313)
From management fee rebate income	(32,643)	(16,023)
From net capital gains	–	(1,721,217)
Total distributions	\$ (17,153,819)	\$ (11,332,553)
Redeemable unit transactions		
Proceeds from redeemable units issued	\$ 210,820,705	\$ 134,779,975
Cost of units redeemed	(58,893,738)	(20,080,724)
Reinvested distributions	2,265,919	1,927,447
Total redeemable	\$ 154,192,886	\$ 116,626,698
Change in net assets attributable to holders of redeemable units for the year	\$ 159,053,026	\$ 118,464,441
Net assets attributable to holders of redeemable units, end of year	\$ 397,318,366	\$ 238,265,340

Series O

For the years ended	31-Dec-24	31-Dec-23
Net assets attributable to holders of redeemable units, beginning of year	\$ –	\$ –
Change in net assets attributable to holders of redeemable units from operations	310,449	–
Distributions to unitholders of redeemable units		
From net investment income	\$ (102,039)	\$ –
Total distributions	\$ (102,039)	\$ –
Redeemable unit transactions		
Proceeds from redeemable units issued	\$ 17,853,750	\$ –
Cost of units redeemed	(418,068)	–
Reinvested distributions	102,039	–
Total redeemable	\$ 17,537,721	\$ –
Change in net assets attributable to holders of redeemable units for the year	\$ 17,746,131	\$ –
Net assets attributable to holders of redeemable units, end of year	\$ 17,746,131	\$ –

Lysander-Canso Corporate Value Bond Fund

Statements of Cash Flows

For the years ended	31-Dec-24	31-Dec-23
Cash flows from (used in) operating activities		
Change in net assets attributable to holders of redeemable units from operations	\$ 1,016,954,781	\$ 755,791,595
Adjustments for:		
Foreign exchange loss (gain) on cash and cash equivalents	13,520	65,910
Net realized loss (gain) on investments sold	(121,824,966)	(99,294,198)
Change in unrealized depreciation (appreciation) on investments	(646,759,423)	(206,642,998)
Change in unrealized depreciation (appreciation) on foreign currency	(20,806)	(52,390)
Purchase of investments	(12,992,674,902)	(7,116,084,893)
Proceeds from sale and maturity of investments	7,906,179,154	3,749,867,329
Accrued expenses	4,583,652	2,629,227
Due to investment dealers	(41,530,268)	37,183,894
Due from investment dealers	8,512,325	(8,686,185)
Dividends receivable	(944)	(226,591)
Receivable from forward exchange contracts	55,055,683	(49,150,349)
Accrued interest	(39,955,533)	(15,310,134)
Payable on foreign currency forward contracts	63,198,142	-
Reimbursements receivable	(157,465)	41,482
Net cash from (used in) operating activities	\$ (4,788,427,050)	\$ (2,949,868,301)
Cash flows from (used in) financing activities		
Distributions paid to holders of redeemable units, net of reinvested distributions	\$ (174,609,696)	\$ (172,279,457)
Proceeds from issuances of redeemable units	7,450,194,597	4,792,549,663
Amounts paid on redemption of redeemable units	(2,485,731,117)	(1,664,572,883)
Net cash from (used in) financing activities	\$ 4,789,853,784	\$ 2,955,697,323
Foreign exchange gain (loss) on cash and cash equivalents	\$ 7,286	\$ (13,520)
Change in cash and cash equivalents during the year	1,426,734	5,829,022
Cash and cash equivalents, beginning of year	40,534,369	34,718,867
Cash and cash equivalents, end of year	\$ 41,968,389	\$ 40,534,369
Supplementary disclosures on cash flow from operating activities		
Interest received	\$ 588,072,231	\$ 467,400,325
Dividends received	15,703,198	17,323,984
Withholding tax	564	8,017
Interest paid	48,331	5,152

Schedule of Investment Portfolio as at December 31, 2024

Par Value/Number of Shares	Average Cost (\$)	Fair Value (\$)	
Canadian Equities (0.7%)			
3,081,827	Bird Construction Inc.	\$ 27,681,231	\$ 80,312,412
1,003,905	Black Press - 1000817790 Ontario Ltd. Class A Shares	1,003,905	1,003,905
519,864	FLINT Corp	403,833	12,997
781,786	MDA Space Ltd	10,945,004	23,086,141
1,778,705	NorthStar Gaming Holdings Inc	805,517	62,255
436,594	NorthStar Gaming Holdings Inc (Escrow)	218,392	15,281
108,793	Postmedia Network Canada	228,465	141,431
87,793	TC Fund I LP Class B	1,499,987	1,484,580
209,348	VerticalScope Holdings Inc	1,712,467	2,166,752
375,247	X-Spectrum 1 Inc.	1,472,472	101,317
614,753	X-Spectrum 2 Inc.	879,097	-
1,036,485	Yellow Pages Limited	16,162,761	12,282,347
Total		\$ 63,013,131	\$ 120,669,418
Canadian Fixed Income (56.1%)			
583,279,000	Air Canada 4.625% Aug 15, 2029	\$ 570,914,129	\$ 579,998,055
79,959,000	Air Canada 4% Jul 1, 2025 144A (USD)	123,506,334	128,926,246
24,260,000	BMO Sr. Unsec. 4.309% Jun 1, 2027	24,566,161	24,693,541
299,261,000	BNS (AT1) 3.7% Jul 27, 2026/2081	227,044,137	268,739,310
85,500,000	BNS (AT1) 7.023% Jun 27, 2027/Jul 27, 2082	84,639,070	89,079,458
341,575,000	BNS Sr. Unsecured 3.807% Nov 15, 2027/28	341,564,752	343,820,055
25,238,000	Bombardier Inc. 7.35% Dec 22, 2026	21,165,521	26,131,847
95,684,000	Bombardier Inc. 7.45% May 1, 2034 REGS (USD)	116,104,441	145,926,343
2,206,334,000	Canada 0.5% Dec 1, 2030	1,835,186,542	1,905,519,774
2,637,688,000	Canada 1.5% Dec 1, 2031	2,381,578,219	2,376,288,107
578,692,000	Canada 1.5% Jun 1, 2031	525,559,198	526,209,033
122,500,000	Canada 2.25% Jun 1, 2029	119,373,065	119,390,913
128,273,000	CIBC Sr. Unsec. 4.9% Apr 2, 2027	128,204,571	130,424,254

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Lysander-Canso Corporate Value Bond Fund

Schedule of Investment Portfolio as at December 31, 2024

Par Value/Number of Shares			Average Cost (\$)	Fair Value (\$)	Par Value/Number of Shares			Average Cost (\$)	Fair Value (\$)
Canadian Fixed Income (56.1%)									
<i>Cont'd</i>									
98,351,000	Cineplex Inc. 7.625% Mar 31, 2029 144a		98,351,000	103,186,594	300,000,000	TD Bank CB 4.232% Apr 2, 2029		299,994,000	308,602,796
7,999,000	Cineplex Inc. 7.75% Mar 1, 2030		8,315,230	10,918,635	70,008,000	TransCanada Pipelines 3.8% Apr 5, 2027		66,809,643	70,297,483
5,683,000	Corus Entertainment Inc. 5% May 11, 2028 REGS		3,250,463	2,330,030	135,473,000	TransCanada Pipelines FRN May 15, 2067 (Q LIBOR+221)(USD)		145,467,591	183,788,528
77,889,000	Corus Entertainment Inc. 6% Feb 28, 2030 REGS		76,389,095	31,155,600	18,140,000	Videotron Ltee Sr Notes 5.625% Jun 15, 2025		18,828,725	18,205,204
36,137,000	Enbridge Inc. 5.70% Nov 9, 2027		36,122,907	38,126,786	Total		\$ 9,572,756,364	\$ 9,779,694,430	
21,994,932	FLINT Corp. 8% Oct 14, 2027		21,907,284	20,305,539	Domestic Bank Loans (0.1%)				
140,287,000	Great West Life Co Inc. (AT1) 3.6% Dec 31, 2026/2081		127,967,383	125,883,621	22,000,000	FLINT Corp. TL 8% Oct 14, 2027	\$	22,000,000	\$ 22,000,000
326,421,000	Manulife Financial Corp (AT1) 3.375% Jun 19, 2026/2081		288,721,199	298,215,680	Total		\$ 22,000,000	\$ 22,000,000	
255,515,000	Manulife Financial Corp (AT1) 4.1% Mar 19, 2027/2082		239,217,795	228,937,607	Foreign Bank Loans (1.6%)				
90,400,000	Manulife Financial Corp (AT1) 7.117% May 19, 2027/Jun 19, 82		90,110,950	94,251,212	14,825,602	Delta Airlines SkyMiles TL Oct 20, 2027 (Q LIBOR+375)	\$	19,672,283	\$ 21,773,307
10,000,000	Nav Canada 0.937% Feb 9, 2026		9,520,900	9,757,475	68,526,465	Hertz Corp. TL B Incremental Jun 30, 2028(SOFR+375)(USD)		91,875,486	89,286,326
64,559,000	RBC (AT1) 3.65% Nov 24, 2026/2081		61,545,563	58,033,990	109,380,305	Hertz Corp. TL B Jun 30, 2028 (SOFR+361.448)(USD)		137,678,700	142,418,209
10,000,000	RBC 1.833% Jul 31, 2028		8,696,600	9,486,020	21,346,682	Hertz Corp. TL C Jun 30, 2028 (SOFR+361.448)(USD)		26,868,582	27,775,145
224,958,000	RBC 4.642% Jan 17, 2028		224,949,872	232,075,739	Total		\$ 276,095,051	\$ 281,252,987	
396,865,000	RBC CB 4.256% Dec 21, 2026		396,865,000	404,381,860	Foreign Fixed Income (19.8%)				
14,260,000	RBC FRN Jun 29, 2085(Q LIMEAN+25)(USD)		15,314,835	18,901,028	27,229,000	American Airlines Inc. IP Notes 10.75%/12% Feb 15, 2026(USD)	\$	40,456,315	\$ 40,258,996
33,570,000	SNC Lavalin 7% Jun 12, 2026		33,570,000	34,920,692	1,256,500	Avis -Series 2019-3A C 3.15% Mar 20, 2026 (USD)		1,354,025	1,804,757
160,228,000	Sunlife Financial Inc. (AT1) 3.6% Jun 30, 2026/2081		149,893,883	145,160,239	156,673,000	Avis Budget Car Rental LLC 8.25% Jan 15, 2030 144A (USD)		213,091,137	233,026,403
23,514,000	Sysco Canada 3.65% Apr 25, 2025		23,304,894	23,519,427	51,890,000	Avis Budget Car/Finance 4.75% Apr 1, 2028 144A (USD)		65,684,734	69,963,738
154,249,000	TD Bank (AT1) 3.6% Oct 31, 2026/2081		136,285,420	138,579,970	57,436,000	Avis Budget Car/Finance 5.375% Mar 1, 2029 144A (USD)		73,564,025	77,475,898
55,000,000	TD Bank (AT1) 7.283% Oct 31, 2027/82		55,243,750	57,983,844	56,728,000	Avis Budget Car/Finance 5.75% Jul 15, 2027 (USD)		71,788,542	80,586,940
386,245,000	TD Bank 4.477% Jan 18, 2028		386,245,000	396,309,037	<i>Continued on next page ...</i>				
49,451,000	TD Bank 4.68% Jan 8, 2029		50,461,242	51,232,858					

Lysander-Canso Corporate Value Bond Fund

Schedule of Investment Portfolio as at December 31, 2024

Par Value/Number of Shares		Average Cost (\$)	Fair Value (\$)	Par Value/Number of Shares		Average Cost (\$)	Fair Value (\$)
Foreign Fixed Income (19.8%)							
<i>Cont'd</i>							
28,643,000	Avis Budget Car/Finance 5.75% Jul 15, 2027 144A (USD)	37,515,423	40,363,809	128,920,000	Latam Airlines Group SA 13.375% Oct 15, 2029 144A (USD)	168,038,237	212,882,251
4,310,000	Avis Budget Car/Finance 8.0% Feb 15, 2031 144A (USD)	5,809,332	6,361,049	25,000	Lehman Bros Hldg Inc. 4.85% Sep 3, 2013 (USD)	–	34
15,500,000	Avis Budget Finance PLC 7.25% Jul 31, 2030 REGS (EUR)	23,136,328	24,446,664	11,735,000	Lloyds Banking Group PLC 3.5% Feb 3, 2025	11,589,486	11,733,866
38,247,000	Avis Budget Rental Car Series 24-2A 5.13% Oct 20, 2028 (USD)	51,671,022	55,417,802	12,652,000	MetLife Global Funding I 3.257% Apr 1, 2025	12,308,854	12,649,621
16,044,000	Bank of America Corp 3.515% Mar 24, 2026	15,740,425	16,043,068	25,750,000	MetLife Global Funding I 1.95% Mar 20, 2028	24,328,085	24,547,442
22,450,000	Bank of America Corp FRN Mar 16, 2026 (3M VCDOR+105)	22,495,125	22,491,885	332,604,000	MetLife Global Funding I 4.642% Apr 1, 2027	332,772,588	341,063,450
73,350,000	Bank of America Corp FRN Sep 15, 2027 (3M VCDOR+60)	72,868,417	73,679,342	89,493,000	Natwest Group 7.472% Nov 10, 2025/26 144A (USD)	122,896,173	131,646,032
37,916,000	Boeing Co 2.196% Feb 4, 2026 (USD)	47,598,572	53,007,096	990,000	Navient Corp 5.625% Jan 25, 2025 (USD)	934,239	1,426,375
11,358,000	Boeing Co 2.25% Jun 15, 2026 (USD)	14,590,535	15,731,594	37,685,000	New York Life Global FDG 2% Apr 17, 2028	35,659,016	35,997,096
15,976,000	Boeing Co 2.7% Feb 1, 2027 (USD)	20,976,471	21,955,666	151,309,000	New York Life Global FDG FRN Jun 30, 2026 (CORRA+91)	151,373,836	152,916,749
2,127,000	Boeing Co 2.75% Feb 1, 2026 (USD)	2,763,416	2,991,072	144,329,000	Pacific Life Global Funding II FRN Feb 1, 2027(CORRA+70.138)	143,980,785	144,678,550
350,000	Boeing Co 2.8% Mar 1, 2027 (USD)	368,411	480,816	12,394,000	Spirit Aerosystems Inc. 3.85% Jun 15, 2026 (USD)	16,056,093	17,441,277
10,262,000	Boeing Co 3.1% May 1, 2026 (USD)	13,498,702	14,423,633	92,301,000	Spirit Aerosystems Inc. 4.6% Jun 15, 2028 (USD)	107,878,253	126,204,891
3,967,000	Boeing Co 5.15% May 1, 2030 (USD)	5,431,179	5,639,443	48,281,000	Spirit Aerosystems Inc. 9.375% Nov 30, 2029 144A (USD)	68,684,788	74,549,439
6,173,000	GE Capital Corp FRN Aug 15, 2036 (Q SOFR+74.161)(USD)	7,793,247	8,369,455	67,889,000	Spirit Aerosystems Inc. 9.75% Nov 15, 2030 144A (USD)	94,910,186	108,358,151
100,000	Hertz -Series 2023-1A 5.49% Jun 25, 2027 (USD)	134,914	145,056	65,138,000	UBS Group AG 1.305% Feb 2, 2026/27 (USD)	71,607,363	90,219,984
297,871,000	Hertz 12.625% Jul 15, 2029 144A (USD)	425,061,580	457,741,854	19,322,000	UBS Group AG 2.193% Jun 5, 2025/26 144A (USD)	22,314,064	27,510,831
8,500,000	Hertz 4.625% Dec 1, 2026 144A (USD)	9,283,643	10,358,512	6,700,000	UBS Group AG 4.282% Jan 9, 2028 144A (USD)	9,136,536	9,441,999
223,038,000	Hertz 5% Dec 1, 2029 144A (USD)	238,588,290	210,851,528				
93,444,000	Hertz 8% PIK (non-cash) Jul 15, 2029 144A (USD)	128,058,087	149,650,175				

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Lysander-Canso Corporate Value Bond Fund

Schedule of Investment Portfolio as at December 31, 2024

Par Value/Number of Shares		Average Cost (\$)	Fair Value (\$)	Par Value/Number of Shares		Average Cost (\$)	Fair Value (\$)
Foreign Fixed Income (19.8%)							
<i>Cont'd</i>							
80,731,000	UBS Group AG 6.373% Jul 15, 2026 (USD)	111,401,726	117,161,347	21,860,589	Equitable Bank NHA MBS (97528136) 3.9% Mar 1, 2029	21,613,565	22,132,958
16,352,517	US TIPS 0.125% Apr 15, 2026 (USD)	20,650,563	22,998,049	9,979,216	First National NHA MBS (97516180) 1.82% Feb 1, 2025	10,002,967	9,954,912
65,517,332	US TIPS 0.625% Jan 15, 2026 (USD)	86,846,475	93,102,166	20,996,402	First National NHA MBS (97518449) 0.81% Dec 1, 2025	21,083,117	20,549,389
Total		\$ 3,222,689,243	\$ 3,449,795,851	80,679,343	First National NHA MBS (97526992) 3.84% Nov 1, 2028	81,591,020	81,624,260
Inflation Bonds (2.2%)							
163,736,975	Canada RRB 0.5% Dec 1, 2050	\$ 125,539,210	\$ 128,329,624	62,720,993	First National NHA MBS (97527421) 3.84% Jan 1, 2029	62,957,604	63,508,517
236,988,212	Canada RRB 4.25% Dec 1, 2026	258,256,541	251,202,716	85,775,444	First National NHA MBS (97528286) 4.19% Apr 1, 2029	85,652,785	87,656,676
Total		\$ 383,795,751	\$ 379,532,340	10,875,239	First National NHA MBS (97529007) 4.24% Jun 1, 2029	11,092,853	11,126,022
Mortgage Backed Securities (14.5%)							
49,360,220	ATB Financial NHA MBS (97525955) 3.59% Jun 1, 2028	\$ 48,810,256	\$ 49,561,807	136	First National NHA MBS FRN (98004522) May 1, 2026(M CDOR-16)	-	135
34,590,360	BMO NHA MBS (97529631) 3.6% Sep 1, 2029	34,950,791	34,691,444	2,447,936	First National NHA MBS FRN (98004946) Jan 1, 2027(M CDOR-11)	2,446,908	2,432,343
461	Caisse Populaire NHA MBS FRN(98005023) Feb 1, 2027(M CDOR-14)	461	458	486	First National NHA MBS FRN (98004947) Jan 1, 2027(M CDOR-11)	486	483
23,133,152	CNH Capital Cdn. Rec. Trst. 5.063% 2024-1 A2 Aug 15, 2031	23,172,087	23,632,407	371	First National NHA MBS FRN (98004973) Feb 1, 2027(M CDOR-15)	371	369
15,145,398	Concentra Bank NHA MBS (97517737) 0.74% Sep 1, 2025	14,316,036	14,887,510	472	First National NHA MBS FRN (98100852) Mar 1, 2029 (CORRA+10)	1	466
2,720,604	Connect First CU NHA MBS (97523212) 1.49% Jan 1, 2025	2,597,796	2,720,604	17,587,013	Gulf & Fraser NHA MBS (86706296) 1.19% Sep 1, 2026	16,407,628	17,052,461
591	Equitable Bank NHA MBS (97518284) 0.8% Nov 1, 2025	1	580	12,016,553	Gulf & Fraser NHA MBS (86706300) 0.94% Apr 1, 2026	11,238,361	11,707,948
34,691,413	Equitable Bank NHA MBS (97520907) 1.14% Dec 1, 2026	32,370,904	33,473,120	160	Home Trust NHA MBS FRN (98004541) May 1, 2026 (M CDOR -10)	3	159
20,600,712	Equitable Bank NHA MBS (97525567) 2.7% Jun 1, 2028	19,881,747	20,183,939	3,988,600	I.G. Investment NHA MBS (97521826) 1.49% May 1, 2027	3,631,859	3,846,920
34,409,693	Equitable Bank NHA MBS (97527023) 3.79% Nov 1, 2028	34,638,173	34,704,085	32,790,128	Interior Savings NHA MBS (86706841) 1.5% Sep 1, 2027	30,100,682	31,544,612
15,444,855	Equitable Bank NHA MBS (97527841) 3.8% Feb 1, 2029	15,544,629	15,589,542	13,433,840	Kawartha CU NHA MBS (86705537) 1.33% Nov 1, 2026	12,555,670	13,044,006

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Lysander-Canso Corporate Value Bond Fund

Schedule of Investment Portfolio as at December 31, 2024

Par Value/Number of Shares			Average Cost (\$)	Fair Value (\$)	Par Value/Number of Shares			Average Cost (\$)	Fair Value (\$)
Mortgage Backed Securities (14.5%)									
<i>Cont'd</i>									
7,893,687	Kootenay Savings NHA MBS (86706414) 1.1758% Aug 1, 2026		7,392,912	7,682,051	57,037,250	RBC NHA MBS (97517303) 0.9% Jul 1, 2025		56,247,854	56,386,512
572,873	Laurentian Bank NHA MBS (97516013) 1.85% Jan 1, 2025		548,969	572,073	11,574,002	RBC NHA MBS (97517581) 0.6% Aug 1, 2025		11,557,104	11,401,723
9,432,441	Laurentian Bank NHA MBS (97527848) 4.04% Feb 1, 2029		9,386,580	9,604,866	48,425,786	RBC NHA MBS (97520971) 1.19% Jan 1, 2027		44,930,897	46,654,541
51,503,698	MCAP Corporation NHA MBS (97528125) 4.05% Mar 1, 2029		51,176,649	52,362,978	36,450,289	RBC NHA MBS (97522207) 1.99% Jul 1, 2027		34,295,713	35,447,032
14,690,510	MCAP Service NHA MBS (97526491) 4.04% Feb 1, 2028		14,777,772	14,904,448	24,735,562	RBC NHA MBS (97522210) 2.09% Jul 1, 2027		23,332,809	24,206,815
11,397,773	MCAP Service NHA MBS (97528993) 4.09% May 1, 2028		11,555,746	11,579,140	98,221,623	RBC NHA MBS (97526050) 3.43% Aug 1, 2028		95,297,566	98,103,758
45,485,608	MCAP Service NHA MBS (97529030) 4.19% Jun 1, 2027		45,763,980	46,201,347	376,702,270	Scotia Capital Inc. NHA MBS (97528147) 3.7% Mar 1, 2029		370,410,131	379,081,509
101,750,365	MCAP Service NHA MBS (97529033) 4.09% Jun 1, 2028		102,060,704	103,542,291	163,742,368	Scotia Capital Inc. NHA MBS (97529012) 4.1% Jun 1, 2029		164,520,145	167,539,996
63,163,678	MCAP Service NHA MBS (97529047) 4.04% Jun 1, 2029		62,952,712	64,262,373	33,283,637	Scotia Capital Inc. NHA MBS (97529013) 4.3% Jun 1, 2027		33,329,901	33,818,518
8,382,237	Meridian Credit NHA MBS (86705375) 0.5866% Aug 1, 2026		7,768,406	8,091,681	91,240,866	Scotia Capital Inc. NHA MBS (97530271) 3.8% Nov 1, 2029		91,360,855	92,515,053
69,529,432	Merrill Lynch NHA MBS (97529921) 3.5% Oct 1, 2029		69,233,932	69,734,498	11,526,802	Scotia Capital NHA MBS (97519598) 0.84% Jun 1, 2026		10,665,195	11,178,134
77	Merrill Lynch NHA MBS FRN (98004599) Jul 1, 2026 (M CDOR-23)		-	76	13,011,864	Scotia Capital NHA MBS (97520196) 0.89% Sep 1, 2026		11,999,541	12,554,965
95	Merrill Lynch NHA MBS FRN (98004601) Jul 1, 2026 (M CDOR-23)		94	94	40,928,887	Scotia Capital NHA MBS (97527888) 3.54% Jan 1, 2029		41,001,740	41,067,697
385	Merrill Lynch NHA MBS FRN (98004859) Dec 1, 2026 (M CDOR-20)		384	382	32,458,672	Scotia Capital NHA MBS (97529769) 3.85% Sep 1, 2029		33,104,924	32,884,027
42,689,854	Merrill Lynch NHA MBS FRN (98004860) Dec 1, 2026 (M CDOR-20)		42,559,223	42,367,972	454	Scotia Capital NHA MBS FRN (98004951) Dec 1, 2026 (M CDOR-13)		6	451
13	Merrill Lynch NHA MBS FRN (98004978) Feb 1, 2027 (M CDOR-20)		-	13	31,453,050	Scotia Capital NHA MBS FRN (98005121) Apr 1, 2027 (M CDOR-43)		31,104,550	31,067,121
1,643,578	Peoples Trust NHA MBS FRN (98004204) Oct 1, 2025 (M CDOR+0)		1,640,949	1,639,075	106,593,780	Scotia Capital NHA MBS FRN (98005122) Apr 1, 2027 (M CDOR-19)		106,203,647	105,725,041
					121	Scotia Capital NHA MBS FRN (98100012) Jun 1, 2027 (CORRA+35)		-	121

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Lysander-Canso Corporate Value Bond Fund

Schedule of Investment Portfolio as at December 31, 2024

Par Value/Number of Shares		Average Cost (\$)	Fair Value (\$)	Par Value/Number of Shares		Average Cost (\$)	Fair Value (\$)
Mortgage Backed Securities (14.5%)							
<i>Cont'd</i>							
19,146,362	Steinbach CU NHA MBS (97521491) 1.45% Jan 1, 2026	18,141,753	18,866,222	1,753,400	Enbridge Inc. (ENB.PR.I)	22,450,626	36,470,720
48,871,013	TD Bank NHA MBS (97528887) 4.01% Jun 1, 2029	48,798,684	49,678,100	208,500	Enbridge Inc. (ENB.PR.N)	3,279,470	4,843,455
23,779,911	TD Bank NHA MBS (97529669) 3.05% Sep 1, 2029	23,565,416	23,399,606	65,100	Enbridge Inc. (ENB.PR.P)	850,064	1,322,181
21,000,935	TD Bank NHA MBS (97529674) 3.05% Sep 1, 2029	20,815,707	20,682,259	700	Enbridge Inc. (ENB.PR.T)	9,781	14,840
60,111,151	TD Bank NHA MBS (97529679) 3.05% Sep 1, 2029	59,569,549	59,154,101	33,248	FLINT Corp. Series 1 Preferred Share	33,106,100	17,805,301
809	TD Bank NHA MBS FRN (98100911) Apr 1, 2029 (CORRA +39)	8	804	21,772	FLINT Corp. Series 2 Preferred Share	21,760,900	11,659,559
788	TD Bank NHA MBS FRN (98100914) Apr 1, 2029 (CORRA +36)	2	782	4,000	Manulife Financial (MFC.PR.J)	61,114	99,320
128,406,205	TD Securities Inc. NHA MBS (97529971) 3.25% Oct 1, 2029	126,715,095	127,180,546	500	Manulife Financial (MFC.PR.K)	8,848	12,235
Total		\$ 2,480,446,565	\$ 2,516,768,924	642,400	Manulife Financial (MFC.PR.P)	10,376,736	10,985,040
Preferred Shares (1.9%)				625,200	Pembina Pipeline Corp (PPL.PR.A)	7,916,978	14,529,648
986,194	BCE Inc. (BCE.PR.AD)	\$ 15,182,021	\$ 16,222,891	136,150,000	RBC (AT1) pref 4.2% (5y GoC + 271) Feb 24, 2027	136,150,000	122,727,462
118,300	BCE Inc. (BCE.PR.E)	2,108,172	1,951,950	207,200	Sun Life Financial Inc. (SLF.PR.K)	4,358,319	4,133,640
172,200	BCE Inc. (BCE.PR.H)	2,598,953	2,824,080	257,857	TC Energy Corp (TRP.PR.A)	3,334,171	4,662,055
623,500	BCE Inc. (BCE.PR.J)	9,683,721	10,244,105	182,000	TC Energy Corp (TRP.PR.D)	2,616,181	3,822,000
147,000	BCE Inc. (BCE.PR.L)	1,838,601	2,242,485	86,400	TC Energy Corp (TRP.PR.H)	912,135	1,260,576
83,900	BCE Inc. (BCE.PR.S)	1,232,799	1,358,761	109,600	TC Energy Corp (TRP.PR.I)	1,350,948	1,682,360
140,400	Boeing Depository Shares (1/20 of Series A Conv. Pref)(USD)	9,766,280	12,316,609	27,500,000	TD Bank (AT1) Pref 5.75% Oct 31, 2027/Perpetual	22,846,875	27,487,620
149,049	Canadian Life Companies Split Corp 6.25% 2012 PFD	1,271,323	1,583,646	341,200	Thomson Reuters Corp (TRI.PR.B)	4,302,408	5,114,588
25,100	Cenovus Energy Inc. (CVE.PR.A)	220,706	540,905	Total		\$ 332,512,821	\$ 338,210,246
56,700	Enbridge Inc. (ENB.PF.A)	899,544	1,157,814	Private Placements (2.6%)			
2,700	Enbridge Inc. (ENB.PF.V) (USD)	64,746	93,358	10,297,473	Black Press Group Ltd. 10% Mar 22, 2029	\$ 8,697,511	\$ 9,319,213
76,800	Enbridge Inc. (ENB.PR.D)	1,097,481	1,473,792	281,443	Blue Water Bridge Authority (amort) 6.41% Jul 9, 2027	341,168	289,923
794,000	Enbridge Inc. (ENB.PR.G)	10,856,820	17,567,250	39,085,000	BMW Canada Auto Trust 2024-1 A2 4.844% Jul 20, 2027	39,085,000	39,570,666
				58,300,000	Ford Auto Sec.Trust II Ser.2024-B A2 3.724% Nov 15, 2028	58,300,000	58,500,418

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Lysander-Canso Corporate Value Bond Fund

Schedule of Investment Portfolio as at December 31, 2024

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

Private Placements (2.6%)

Cont'd

36,000,000	Ford Auto Sec.Trust II Ser.2024-B A3 3.843% Sep 15, 2030	36,000,000	36,107,406
17,860,000	GMF Canada Leasing Trust 2024-1 A2 4.883% Dec 21, 2026	17,860,000	18,043,140
5,109,000	Golf Town/Golfsmith 10.5% Jul 24, 2018 (144A)	2,815,576	–
25,000,000	Honda Canada Finance Inc. 4.899% Feb 21, 2029	26,030,900	26,102,580
61,257,000	Honda Canada Finance Inc. 4.90% Jun 4, 2029	63,728,800	64,020,659
1,588,000	Kruger Packaging Holdings L.P. 6% Jun 1, 2026	1,591,970	1,588,993
25,290,000	Toyota Credit Canada Inc. 3.55% Oct 4, 2027	25,238,378	25,328,313
92,200,000	Toyota Credit Canada Inc. 3.73% Oct 2, 2029	92,085,047	92,226,904
11,030,000	Toyota Credit Canada Inc. 4.42% Jun 28, 2027	11,076,878	11,279,590
3,600,000	Toyota Credit Canada Inc. 4.46% Mar 19, 2029	3,688,668	3,710,035
5,680,000	Toyota Credit Canada Inc. 4.52% Mar 19, 2027	5,796,497	5,808,383
51,669,000	WTH Car Rental ULC (AVIS) 6.028% Feb 20, 2027	51,739,560	53,618,198
Total		\$ 444,075,953	\$ 445,514,421
Total investment portfolio (99.5%)		\$ 16,797,384,879	\$ 17,333,438,617
	Cash and Cash Equivalents (0.2%)		\$ 41,968,389
	Other Assets less Liabilities (0.3%)		47,245,586
Net assets			\$ 17,422,652,592

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	2025-03-07	CAD	\$ 3,407,545,285	USD	\$ 2,420,123,000	0.709	0.697	\$ (63,274,527)
Canadian Imperial Bank of Commerce ¹	2025-03-07	CAD	24,820,820	EUR	16,612,000	0.671	0.671	76,385

Notes

¹ Credit rating of counterparty is A+.

Lysander-Canso Corporate Value Bond Fund

Notes to the financial statements for December 31, 2024 and 2023

1. Formation of Fund

The address of the Fund's registered office is 3080 Yonge St., Suite 4000, 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 financial statements have been prepared in compliance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") effective as at December 31, 2024.

The financial statements were authorized for issue by Lysander's board of directors on March 24, 2025.

3. Material Accounting Policy Information

Effective January 1, 2023, the Fund adopted the International Accounting Standard 1 Presentation of Financial Statements ("IAS 1") amendment with regards to disclosure of material accounting policies. This amendment did not have a material impact on these financial statements. There are no other standards, amendments to standards or interpretations that are

effective for annual periods beginning on January 1, 2023, that have a material effect on the financial statements of the Fund. The material accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise indicated.

The material 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.

Lysander-Canso Corporate Value Bond Fund

Notes to the financial statements for December 31, 2024 and 2023

The Fund does not apply general hedge accounting to any of its derivatives positions.

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 December 31, 2024 and 2023, 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 years ended December 31, 2024 and 2023, 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 (loss) for the year 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.

Lysander-Canso Corporate Value Bond Fund

Notes to the financial statements for December 31, 2024 and 2023

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 trading on the year-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

Lysander-Canso Corporate Value Bond Fund

Notes to the financial statements for December 31, 2024 and 2023

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 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 year in which the estimate is revised if the revision affects only that year, or in the year of the revision and future years, if the revision affects both current and future years.

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, 2024, the Fund had \$11,791,616 net capital losses (December 31, 2023 - Nil) and no non-capital losses (December 31, 2023 - Nil).

Lysander-Canso Corporate Value Bond Fund

Notes to the financial statements for December 31, 2024 and 2023

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

In April 2024, the IASB issued the new standard IFRS Accounting Standards 18 – Presentation and Disclosure in Financial Statements that will replace IAS 1 – Presentation of Financial Statements. The new standard introduces newly defined subtotals on the income statement, requirements for aggregation and disaggregation of information, and disclosure of Management Performance Measures ("MPMs") in the financial statements. The new standard is effective for annual reporting periods beginning on or after January 1, 2027, with early adoption permitted. The Fund is assessing the impacts to the financial statements.

Classification and Measurement of Financial Instruments:

In May 2024, the IASB issued amendments to IFRS Accounting Standards 9 – Financial Instruments and IFRS Accounting Standards 7 – Financial Instruments: Disclosures. The amendments relate to settling financial liabilities using an electronic payment system and assessing contractual cash flow

characteristics of financial assets, including those with Environmental, Social, and Governance ("ESG")-linked features. The IASB also amended disclosure requirements relating to investments in equity instruments designated at fair value through other comprehensive income ("FVOCI") and added disclosure requirements for financial instruments with contingent features. The amendments are effective for annual periods beginning on or after January 1, 2026, with early adoption permitted. The Fund is assessing the impacts to the 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.

Lysander-Canso Corporate Value Bond Fund

Notes to the financial statements for December 31, 2024 and 2023

During the years ended December 31, 2024 and 2023, the number of units issued, redeemed and outstanding were as follows:

Series A

For the years ended	31-Dec-24	31-Dec-23
Units outstanding at beginning of year	92,339,611	74,081,302
Redeemable units issued	50,138,074	29,436,600
Redeemable units redeemed	(18,048,502)	(14,238,772)
Redeemable units issued on reinvestments	2,697,970	3,060,481
Units outstanding at end of year	127,127,153	92,339,611

Series A5

For the years ended	31-Dec-24	31-Dec-23
Units outstanding at beginning of year	3,112,098	1,646,713
Redeemable units issued	1,972,592	1,704,517
Redeemable units redeemed	(428,777)	(264,207)
Redeemable units issued on reinvestments	41,346	25,075
Units outstanding at end of year	4,697,259	3,112,098

Series F

For the years ended	31-Dec-24	31-Dec-23
Units outstanding at beginning of year	742,841,226	514,998,720
Redeemable units issued	466,839,859	314,008,198
Redeemable units redeemed	(156,288,829)	(106,904,826)
Redeemable units issued on reinvestments	21,290,340	20,739,134
Units outstanding at end of year	1,074,682,596	742,841,226

Series F5

For the years ended	31-Dec-24	31-Dec-23
Units outstanding at beginning of year	26,323,989	13,390,359
Redeemable units issued	23,147,791	14,942,685
Redeemable units redeemed	(6,470,540)	(2,222,928)
Redeemable units issued on reinvestments	249,167	213,873
Units outstanding at end of year	43,250,407	26,323,989

Series O

For the years ended	31-Dec-24	31-Dec-23
Units outstanding at beginning of year	-	-
Redeemable units issued	1,771,700	-
Redeemable units redeemed	(41,084)	-
Redeemable units issued on reinvestments	10,067	-
Units outstanding at end of year	1,740,683	-

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.

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.

At December 31, 2024, 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, 2023 - 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.

During the year ended December 31, 2024, the Manager paid the Portfolio Manager, an affiliate of the Manager, \$54,540,671 (December 31, 2023 - \$36,526,846) for managing the portfolio of the Fund. As at December 31, 2024 the amount payable to the Portfolio Manager was \$5,483,425 (December 31, 2023 - \$3,634,488).

Lysander-Canso Corporate Value Bond Fund

Notes to the financial statements for December 31, 2024 and 2023

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 December 31, 2024 and 2023:

As at December 31, 2024	Level 1		Level 2		Level 3		Total
Investments							
Equities	\$	118,079,616	\$	–	\$	2,589,802	\$ 120,669,418
Fixed income		–		16,843,239,740		31,319,213	16,874,558,953
Preferred shares		158,530,304		150,215,082		29,464,860	338,210,246
Total	\$	276,609,920	\$	16,993,454,822	\$	63,373,875	\$ 17,333,438,617
<hr/>							
As at December 31, 2023	Level 1		Level 2		Level 3		Total
Investments							
Equities	\$	67,898,721	\$	–	\$	1,624,573	\$ 69,523,294
Fixed income		–		11,092,058,014		31,062,627	11,123,120,641
Preferred shares		136,354,947		120,863,089		28,496,509	285,714,545
Total	\$	204,253,668	\$	11,212,921,103	\$	61,183,709	\$ 11,478,358,480

As at	31-Dec-24		31-Dec-23	
Level 3 reconciliation				
Balance, beginning of year		\$ 61,183,709	\$	82,634,853
Purchases			9,794,260	3,952,251
Sales			(9,872,927)	(29,644,417)
Transfers In			–	10,847,150
Transfers Out			–	–
Realized gains and losses			(498,403)	8,637,611
Change in unrealized appreciation (depreciation)			2,767,236	(15,243,739)
Balance, end of year		\$ 63,373,875	\$	61,183,709

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 years ended December 31, 2024 and 2023, 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.

Black Press - 1000817790 Ontario Ltd. Class A Shares

Price: \$1.00

Valuation Technique: The private placement financing technique.

Unobservable Inputs: The company recently emerged out of Companies' Creditor Arrangement Act and looks to turn around operations. The primary unobservable input for this security is the last price where the company raised capital in a private offering of additional securities. The Class A Shares were issued at a price of \$1 per share.

Change in input values: A reasonably possible change in the price of the security could result in an increase or decrease of 50% or an increase or decrease in the security price of \$0.50, or an increase or decrease in net assets of \$501,953.

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Notes to the financial statements for December 31, 2024 and 2023

Black Press Group Ltd. 10% Mar 22, 2029

Price: \$90.50

Valuation Technique: A discounted cash flow model

Unobservable Inputs: The primary unobservable input for this security is the company recently emerged out of Companies' Creditor Arrangement Act and looks to turn around operations. The model discounts future cash flows of the bond by yields of similarly rated companies plus a liquidity discount.

Change in input values: A reasonably possible change in yields of similarly rated companies could lead to a decrease of 20%, or a decrease in the security price of \$18.10, or an increase or decrease in net assets of \$1,863,843.

FLINT Corp. Series 1 Preferred Share

Price: \$535.53

Valuation Technique: The relative value technique.

Unobservable Inputs: The primary unobservable input for this security is the FLINT Corp. Senior Secured Bond price (from third party).

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 \$160.66, or an increase or decrease in net assets of \$5,341,624.

FLINT Corp. Series 2 Preferred Share

Price: \$535.53

Valuation Technique: The relative value technique.

Unobservable Inputs: The primary unobservable input for this security is the FLINT Corp. Senior Secured Bond price (from third party).

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 \$160.66, or an increase or decrease in net assets of \$3,497,890.

FLINT Corp. TL 8% Oct 14, 2027

Price: \$100.00

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.

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.

TC Fund I LP Class B

Price: \$16.91

Valuation Technique: Internally developed model.

Unobservable Inputs: The primary unobservable inputs for this security include TC Fund I FY24 Q3 Financial Statements, its book value of Equity on the balance sheet, our 15% ownership stake in TC Fund I and the amount payable to Rivett LP upon distribution of the partnership, of which is in relation to the tax benefit we received.

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 \$8.46, or an increase or decrease in net assets of \$742,729.

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 \$41,277.

Lysander-Canso Corporate Value Bond Fund

Notes to the financial statements for December 31, 2024 and 2023

X-Spectrum 2 Inc.

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 since 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 believes the possibility of any recovery on this security is remote.

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 December 31, 2024 and 2023, the Fund had directly invested in debt instruments with the following credit ratings:

As a % of net assets		31-Dec-24	31-Dec-23
Credit exposure			
AAA	%	51.6	40.2
AA		3.7	5.0
A		12.7	16.2
BBB		11.2	15.2
BB		6.5	9.6
B		8.8	7.7
CCC		3.0	2.2
Not Rated		1.3	2.0

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.

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Notes to the financial statements for December 31, 2024 and 2023

The following table presents the Fund's liabilities according to their maturity date as at December 31, 2024 and 2023:

As at 31-Dec-2024	Less Than One Month		1-3 Months	3 Months – 1 Year
Liquidity exposure				
Redemption Payable	\$ 4,750,656	\$ –	\$ –	–
Due to investment dealers	24,402,736	–	–	–
Accrued expenses	–	14,330,395	–	–
Distribution payable	20,030	–	–	–
Payable on forward exchange contracts	–	63,198,142	–	–
As at 31-Dec-2023				
	Less Than One Month		1-3 Months	3 Months – 1 Year
Liquidity exposure				
Redemption Payable	\$ 4,668,311	\$ –	\$ –	–
Due to investment dealers	65,933,004	–	–	–
Accrued expenses	–	9,746,743	–	–

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				
December 31, 2024	\$ 314,573,117	\$ 10,973,330,640	\$ 5,736,870,278	–
December 31, 2023	1,488,500,185	7,561,170,110	2,194,313,435	–

If interest rates had increased or decreased by 1% at December 31, 2024, with all other variables remaining constant, net assets of the Fund would have decreased or increased by approximately \$627,215,493 (December 31, 2023- \$233,201,899).

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:

	31-Dec-24		31-Dec-23	
Currency exposure				
US Dollars	%	19.4	%	21.0
Other		0.1		–

As at December 31, 2024, 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 0.2% (December 31, 2023 - 0.2%).

Lysander-Canso Corporate Value Bond Fund

Notes to the financial statements for December 31, 2024 and 2023

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 December 31, 2024, approximately 2.6% (December 31, 2023 - 3.1%) of the Fund's net assets were invested in equity securities. If prices of these investments had increased or decreased by 5% as at December 31, 2024 with all other factors remaining constant, net assets would have increased or decreased, by approximately \$22,943,983 (December 31, 2023 - \$17,761,892).



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