

Annual Management Report of Fund Performance

As at December 31, 2024

Lysander-Canso Corporate Treasury ActivETF



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A Note About Forward Looking Statements

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

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

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

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

About This Report

This annual Management Report of Fund Performance of Lysander-Canso Corporate Treasury ActivETF (the “Fund”) contains financial highlights for the year ended December 31, 2024 but does not contain the complete financial statements of the Fund. This report should be read in conjunction with the annual financial statements of the Fund for the year ended December 31, 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 or at SEDAR+ at www.sedarplus.ca.

Unitholders may also contact Lysander Funds Limited using one of these methods to obtain a copy of the Fund’s proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

Investment objective

The Fund seeks to provide total returns consisting principally of interest income by investing primarily in liquid short term fixed income and floating rate debt securities of Canadian and foreign issuers.

Investment Strategies

The Fund’s portfolio manager is Canso Investment Counsel Ltd. (“Portfolio Manager” or “Canso”), a company under common control as the Manager. The Fund’s portfolio will primarily be invested in liquid short term fixed income and floating rate debt

securities of Canadian and foreign issuers. The Fund will not be leveraged. More details are contained in the Fund’s prospectus.

Risks

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

Results of Operations

During the year, Canso employed its bottom-up process to buy and sell securities for the Fund. The Fund’s positioning and performance is consistent with the Fund’s fundamental investment objective and strategies.

The Fund’s return for the year ended December 31, 2024 was 4.50%.

The net assets of the Fund were approximately \$4.7 million at December 31, 2024 from \$4.1 million at the beginning of the year. There were net subscriptions of approximately \$521.8 thousand and cash distributions of \$212.2 thousand during the year.

There were no unusual changes to the components of revenue and expenses of the Fund and there were no unusual events or transactions, economic changes or market conditions that affected performance beyond what would be reasonably expected or as described below.

The Fund did not borrow money during the year except for immaterial short-term cash overdrafts.

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Recent Developments

The U.S. Federal Reserve made two additional quarter-point interest rate cuts during the fourth quarter. The central bank acknowledged that economic activity is strong, and the labour market reasonable. While inflation has come down, it remains higher than their two percent objective. Investors were surprised when the Federal Reserve cautioned about continued aggressive rate cuts into the future. Inflation numbers going forward may be muddled with the President-elect imposing tariffs and deporting unauthorized immigrants. His other election promises of tax cuts and looser regulation may also prove inflationary.

The Bank of Canada reduced its overnight interest rate as economic activity softened due to lower business investment and exports. However, consumer spending and housing activity picked up following lower interest rates. Employment growth has slowed, but wage growth remains elevated. Lower immigration and tariffs from the incoming U.S. administration are expected to weaken our economic growth. The Canadian dollar has depreciated significantly against the U.S. dollar, which may affect consumer sentiment and increase import prices.

During the year, the Fund focused on maintaining its position in short-dated, liquid securities. The Fund established weights in high-quality, short-term corporates including Senior Unsecured notes of BNS, RBC and TD, as well as notes of Enbridge Gas. As of December 31, 2024, the positioning of the Fund continues to be high quality and liquid with over 77.2% in AAA/AA rated issues and 72.3% in Government of Canada bonds. The Fund's duration was 1.4 years and yield-to-maturity was 3.1% at the end of the year.

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.

Effective June 30, 2024, Paul Fahey resigned as a member of the Fund's Independent Review Committee ("IRC"). Effective July 1, 2024, Donna Peters-Imbrogno was appointed as a member of the 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 prospectus.

The Fund paid \$11,416 (excluding HST) in management fees to the Manager for the year ended December 31, 2024 (December 31, 2023 - \$9,744).

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 \$6,450 (including HST) to the Portfolio Manager for the year ended December 31, 2024 (December 31, 2023- \$5,505)

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

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Financial Highlights

Year ended	31-Dec-2024		31-Dec-2023		31-Dec-2022	
Net assets per unit¹						
Net assets, beginning of year	\$	10.35	\$	10.05	\$	10.00*
Operations:						
Total revenue		0.12		0.12		0.04
Total expenses		(0.04)		(0.04)		(0.01)
Realized gains (losses)		0.42		0.14		0.02
Unrealized gains (losses)		(0.03)		0.22		0.03
Total increase (decrease) from operations²	\$	0.47	\$	0.44	\$	0.08
Distributions:						
From income (excluding dividends)	\$	(0.11)	\$	(0.05)	\$	(0.02)
From dividends		-		-		-
From capital gains		(0.36)		(0.09)		(0.01)
Return of capital		-		-		-
Total distributions^{2 3}	\$	(0.47)	\$	(0.14)	\$	(0.03)
Net assets, end of year^{2 3}	\$	10.34	\$	10.35	\$	10.05
Ratios and supplemental data						
Net asset value ⁴	\$	4,654,162	\$	4,140,706	\$	2,512,575
Units outstanding		450,000		400,000		250,000
Management expense ratio ⁵	%	0.36	%	0.38	%	0.38
Management expense ratio before waivers or absorption		2.62		1.96		2.82
Portfolio turnover rate ⁶		138.54		134.5		62.18
Trading expense ratio ⁷		-		-		-
Net asset value per unit, end of year		10.34		10.35		10.05
Closing market price per unit ⁴	\$	10.36	\$	10.36	\$	10.09

Notes

* The Fund commenced operations on August 26, 2022.

1 The information is derived from the Fund's audited annual financial statements. All per unit figures presented are referenced to net assets determined in accordance to IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB").

2 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.

3 Distributions were paid in cash.

4 This information is provided at the end of the period shown.

5 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.

6 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.

7 The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period.

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Management Fees

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

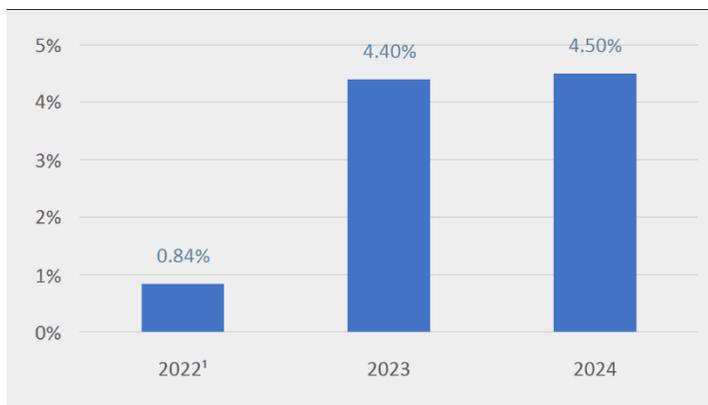
In consideration for such services, the Manager receives a management fee, based on the net asset value of the fund, calculated daily and payable monthly. The Fund pays a management fee at a rate of 0.25% per annum.

Past Performance

The Fund commenced operations on August 26, 2022. Accordingly, returns are shown for the relevant years/periods as indicated below.

The following charts and table show the past performance of the Fund. Past performance does not necessarily indicate how the Fund will perform in the future. The information shown assumes that cash distributions made by the Fund in the periods shown were reinvested in additional units of the Fund.

Year-by-Year Returns



¹ For the period August 26 to December 31

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Annual Compound Returns

The following table shows the Fund's annual compound return for each period indicated, compared with the ICE BofA 0-1 Year Canada Government Index (the "Index"). The returns of the Index are calculated without the deduction of fees and expenses, whereas the performance of the Fund is calculated after deducting such fees and expenses.

For year ended December 31, 2024		1 Year		Since Inception ²
Annual Compound Return				
Lysander-Canso Corporate Treasury ActivETF ¹	%	4.50	%	4.14
ICE BofA 0-1 Year Canada Government Index ³	%	4.76	%	4.36

Notes

¹ Returns are based on the net asset value per unit of the relevant series of the Fund and assume that all distributions were reinvested.

² Period from August 26, 2022 to December 31, 2024. Since inception returns are annualized.

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Summary of Investment Portfolio

		% of NAV
Top 25 Issuers		
Government of Canada	%	72.3
Enbridge Inc		5.5
Bank of Nova Scotia		5.2
Royal Bank of Canada		5.1
Metropolitan Life Global Funding		5.1
TD Bank Group		5.0
Hydron One Ltd.		3.5
Total	%	101.7

		% of NAV
Asset Mix		
Fixed Income	%	101.7
Other Assets less Liabilities		(1.7)
Total	%	100.0
Sector		
Financials	%	20.4
Government		72.3
Other Assets less Liabilities		(1.7)
Utilities		9.0
Total	%	100.0



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