

**Financial Statements**

December 31, 2025

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, 2025 and 2024, 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, 2025 and 2024, 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, 2026

# Lysander-Canso Corporate Value Bond Fund

Financial Statements December 31, 2025

## Table of Contents

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- 3 Statements of Financial Position
- 3 Statements of Comprehensive Income (Loss)
- 4 Statements of Changes in Net Assets Attributable to Holders of Redeemable Units
- 6 Statements of Cash Flows
- 6 Schedule of Investment Portfolio
- 13 Notes to the Financial Statements

# Lysander-Canso Corporate Value Bond Fund

## Statements of Financial Position

As at	31-Dec-25	31-Dec-24
<b>Assets</b>		
Financial assets at fair value through profit or loss*	\$ 21,558,475,063	\$ 17,333,438,617
Cash and cash equivalents	8,772,877	41,968,389
Reimbursements receivable	1,582,915	1,006,582
Accrued interest	142,716,739	134,970,468
Dividends receivable	761,177	690,122
Due from investment dealers	–	249,591
Subscriptions receivable	12,191,667	17,030,782
Receivable from forward exchange contracts	5,408,603	–
<b>Total assets</b>	<b>\$ 21,729,909,041</b>	<b>\$ 17,529,354,551</b>
<b>Liabilities</b>		
Payable on foreign currency forward contracts	\$ –	\$ 63,198,142
Accrued expenses	18,230,526	14,330,395
Distributions payable	–	20,030
Due to investment dealers	44,252,548	24,402,736
Redemptions payable	45,173,141	4,750,656
<b>Total liabilities</b>	<b>\$ 107,656,215</b>	<b>\$ 106,701,959</b>
<b>Net assets attributable to holders of redeemable units</b>	<b>\$ 21,622,252,826</b>	<b>\$ 17,422,652,592</b>
<b>Net assets attributable to holders of redeemable units, per series</b>		
Series A	\$ 2,065,479,536	\$ 1,645,902,725
Series A5	59,976,262	40,158,261
Series F	18,880,781,102	15,321,527,109
Series F5	586,129,384	397,318,366
Series O	29,886,542	17,746,131
<b>Total net assets</b>	<b>\$ 21,622,252,826</b>	<b>\$ 17,422,652,592</b>
<b>Number of redeemable units outstanding</b>		
Series A	160,874,544	127,127,153
Series A5	7,327,001	4,697,259
Series F	1,335,314,987	1,074,682,596
Series F5	66,037,717	43,250,407
Series O	2,942,185	1,740,683
<b>Net assets attributable to holders of redeemable units per unit</b>		
Series A	\$ 12.84	\$ 12.95
Series A5	8.19	8.55
Series F	14.14	14.26
Series F5	8.88	9.19
Series O	10.16	10.19
<i>* Financial assets at fair value through profit or loss at cost</i>	\$ 21,402,580,712	\$ 16,797,384,879

## Statements of Comprehensive Income (Loss)

For the years ended	31-Dec-25	31-Dec-24
<b>Income</b>		
Interest for distribution purposes	\$ 777,837,344	\$ 628,027,764
Dividend income	14,092,776	15,704,142
Other income	1,999,817	6,693,143
Realized and unrealized gain (loss) on investments		
Net realized gain (loss) on investments sold	375,686,485	121,824,966
Net realized gain (loss) on foreign currency	28,299,210	(145,194,363)
Change in unrealized appreciation (depreciation) on foreign currency	(95,505)	20,806
Change in unrealized appreciation (depreciation) on forward contracts	68,606,745	(118,253,825)
Change in unrealized appreciation (depreciation) on investments	(380,156,287)	646,764,397
<b>Total operating income (loss)</b>	<b>\$ 886,270,585</b>	<b>\$ 1,155,587,030</b>
<b>Expenses</b>		
Management fees	\$ 179,756,923	\$ 131,150,691
Fund administration fees	8,423,295	6,253,597
Miscellaneous expense	5,473,129	–
Filing fees	895,604	722,537
Audit fees	750,360	692,295
Unitholder reporting fees	744,397	489,776
Custodial fees	412,110	265,369
Regulatory fees	186,678	108,295
Bank charges	179,331	48,331
Legal fees	109,627	90,733
Independent review committee fees	49,097	48,622
Transaction costs	3,100	4,974
Blended HST expense (recovery)	(1,947,391)	(1,243,535)
<b>Total operating expenses</b>	<b>\$ 195,036,260</b>	<b>\$ 138,631,685</b>
Withholding tax	\$ 1,729,315	\$ 564
<b>Total net operating expenses</b>	<b>\$ 196,765,575</b>	<b>\$ 138,632,249</b>
<b>Change in net assets attributable to holders of redeemable units from operations</b>	<b>\$ 689,505,010</b>	<b>\$ 1,016,954,781</b>
<b>Change in net assets attributable to holders of redeemable units from operations per series</b>		
Series A	\$ 56,152,775	\$ 88,717,104
Series A5	1,488,571	2,071,586
Series F	613,776,766	903,841,683
Series F5	17,180,103	22,013,959
Series O	906,795	310,449
<b>Change in total net assets</b>	<b>\$ 689,505,010</b>	<b>\$ 1,016,954,781</b>
<b>Change in net assets attributable to holders of redeemable units from operations per unit</b>		
Series A	\$ 0.39	\$ 0.82
Series A5	0.24	0.55
Series F	0.50	0.99
Series F5	0.32	0.64
Series O	0.42	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-25	31-Dec-24
Net assets attributable to holders of redeemable units, beginning of year	\$ 17,422,652,592	\$ 11,640,204,197
Change in net assets attributable to holders of redeemable units from operations	689,505,010	1,016,954,781
<b>Distributions to unitholders of redeemable units</b>		
From net investment income	\$ (582,833,347)	\$ (509,230,970)
From management fee rebate income	(1,838,677)	(1,138,764)
From net capital gains	(325,340,941)	-
<b>Total distributions</b>	<b>\$ (910,012,965)</b>	<b>\$ (510,369,734)</b>
<b>Redeemable unit transactions</b>		
Proceeds from redeemable units issued		
Series A	\$ 763,236,613	\$ 639,046,169
Series A5	31,144,622	16,791,968
Series F	6,746,444,584	6,541,424,210
Series F5	332,252,871	210,820,705
Series O	16,305,121	17,853,750
<b>Total proceeds</b>	<b>\$ 7,889,383,811</b>	<b>\$ 7,425,936,802</b>
Cost of units redeemed		
Series A	\$ (388,507,910)	\$ (229,785,425)
Series A5	(9,845,497)	(3,652,988)
Series F	(3,550,941,738)	(2,193,063,243)
Series F5	(132,538,742)	(58,893,738)
Series O	(5,071,505)	(418,068)
<b>Total cost</b>	<b>\$ (4,086,905,392)</b>	<b>\$ (2,485,813,462)</b>
Reinvested distributions		
Series A	\$ 64,236,715	\$ 34,366,707
Series A5	954,883	351,382
Series F	544,566,535	298,653,961
Series F5	6,710,162	2,265,919
Series O	1,161,475	102,039
<b>Total reinvested</b>	<b>\$ 617,629,770</b>	<b>\$ 335,740,008</b>
Change in net assets attributable to holders of redeemable units for the year	\$ 4,199,600,234	\$ 5,782,448,395
<b>Net assets attributable to holders of redeemable units, end of year</b>	<b>\$ 21,622,252,826</b>	<b>\$ 17,422,652,592</b>

### Series A

For the years ended	31-Dec-25	31-Dec-24
Net assets attributable to holders of redeemable units, beginning of year	\$ 1,645,902,725	\$ 1,154,386,292
Change in net assets attributable to holders of redeemable units from operations	56,152,775	88,717,104
<b>Distributions to unitholders of redeemable units</b>		
From net investment income	\$ (44,653,836)	\$ (40,777,080)
From management fee rebate income	(69,468)	(51,042)
From net capital gains	(30,818,078)	-
<b>Total distributions</b>	<b>\$ (75,541,382)</b>	<b>\$ (40,828,122)</b>
<b>Redeemable unit transactions</b>		
Proceeds from redeemable units issued		
	\$ 763,236,613	\$ 639,046,169
Cost of units redeemed	(388,507,910)	(229,785,425)
Reinvested distributions	64,236,715	34,366,707
<b>Total redeemable</b>	<b>\$ 438,965,418</b>	<b>\$ 443,627,451</b>
Change in net assets attributable to holders of redeemable units for the year	\$ 419,576,811	\$ 491,516,433
<b>Net assets attributable to holders of redeemable units, end of year</b>	<b>\$ 2,065,479,536</b>	<b>\$ 1,645,902,725</b>

### Series A5

For the years ended	31-Dec-25	31-Dec-24
Net assets attributable to holders of redeemable units, beginning of year	\$ 40,158,261	\$ 26,465,382
Change in net assets attributable to holders of redeemable units from operations	1,488,571	2,071,586
<b>Distributions to unitholders of redeemable units</b>		
From net investment income	\$ (3,059,782)	\$ (1,862,169)
From management fee rebate income	(12,255)	(6,900)
From net capital gains	(852,541)	-
<b>Total distributions</b>	<b>\$ (3,924,578)</b>	<b>\$ (1,869,069)</b>
<b>Redeemable unit transactions</b>		
Proceeds from redeemable units issued		
	\$ 31,144,622	\$ 16,791,968
Cost of units redeemed	(9,845,497)	(3,652,988)
Reinvested distributions	954,883	351,382
<b>Total redeemable</b>	<b>\$ 22,254,008</b>	<b>\$ 13,490,362</b>
Change in net assets attributable to holders of redeemable units for the year	\$ 19,818,001	\$ 13,692,879
<b>Net assets attributable to holders of redeemable units, end of year</b>	<b>\$ 59,976,262</b>	<b>\$ 40,158,261</b>

# 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-25	31-Dec-24
Net assets attributable to holders of redeemable units, beginning of year	\$ 15,321,527,109	\$ 10,221,087,183
Change in net assets attributable to holders of redeemable units from operations	613,776,766	903,841,683
<b>Distributions to unitholders of redeemable units</b>		
From net investment income	\$ (507,647,139)	\$ (449,368,506)
From management fee rebate income	(1,691,160)	(1,048,179)
From net capital gains	(285,253,855)	-
<b>Total distributions</b>	<b>\$ (794,592,154)</b>	<b>\$ (450,416,685)</b>
<b>Redeemable unit transactions</b>		
Proceeds from redeemable units issued	\$ 6,746,444,584	\$ 6,541,424,210
Cost of units redeemed	(3,550,941,738)	(2,193,063,243)
Reinvested distributions	544,566,535	298,653,961
<b>Total redeemable</b>	<b>\$ 3,740,069,381</b>	<b>\$ 4,647,014,928</b>
Change in net assets attributable to holders of redeemable units for the year	\$ 3,559,253,993	\$ 5,100,439,926
<b>Net assets attributable to holders of redeemable units, end of year</b>	<b>\$ 18,880,781,102</b>	<b>\$ 15,321,527,109</b>

### Series F5

For the years ended	31-Dec-25	31-Dec-24
Net assets attributable to holders of redeemable units, beginning of year	\$ 397,318,366	\$ 238,265,340
Change in net assets attributable to holders of redeemable units from operations	17,180,103	22,013,959
<b>Distributions to unitholders of redeemable units</b>		
From net investment income	\$ (26,662,985)	\$ (17,121,176)
From management fee rebate income	(65,794)	(32,643)
From net capital gains	(8,064,597)	-
<b>Total distributions</b>	<b>\$ (34,793,376)</b>	<b>\$ (17,153,819)</b>
<b>Redeemable unit transactions</b>		
Proceeds from redeemable units issued	\$ 332,252,871	\$ 210,820,705
Cost of units redeemed	(132,538,742)	(58,893,738)
Reinvested distributions	6,710,162	2,265,919
<b>Total redeemable</b>	<b>\$ 206,424,291</b>	<b>\$ 154,192,886</b>
Change in net assets attributable to holders of redeemable units for the year	\$ 188,811,018	\$ 159,053,026
<b>Net assets attributable to holders of redeemable units, end of year</b>	<b>\$ 586,129,384</b>	<b>\$ 397,318,366</b>

### Series O

For the years ended	31-Dec-25	31-Dec-24
Net assets attributable to holders of redeemable units, beginning of year	\$ 17,746,131	\$ -
Change in net assets attributable to holders of redeemable units from operations	906,795	310,449
<b>Distributions to unitholders of redeemable units</b>		
From net investment income	\$ (809,605)	\$ (102,039)
From net capital gains	(351,870)	-
<b>Total distributions</b>	<b>\$ (1,161,475)</b>	<b>\$ (102,039)</b>
<b>Redeemable unit transactions</b>		
Proceeds from redeemable units issued	\$ 16,305,121	\$ 17,853,750
Cost of units redeemed	(5,071,505)	(418,068)
Reinvested distributions	1,161,475	102,039
<b>Total redeemable</b>	<b>\$ 12,395,091</b>	<b>\$ 17,537,721</b>
Change in net assets attributable to holders of redeemable units for the year	\$ 12,140,411	\$ 17,746,131
<b>Net assets attributable to holders of redeemable units, end of year</b>	<b>\$ 29,886,542</b>	<b>\$ 17,746,131</b>

# Lysander-Canso Corporate Value Bond Fund

## Statements of Cash Flows

For the years ended	31-Dec-25	31-Dec-24
<b>Cash flows from (used in) operating activities</b>		
Change in net assets attributable to holders of redeemable units from operations	\$ 689,505,010	\$ 1,016,954,781
Adjustments for:		
Foreign exchange loss (gain) on cash and cash equivalents	(7,286)	13,520
Net realized loss (gain) on investments sold	(375,686,485)	(121,824,966)
Change in unrealized depreciation (appreciation) on investments	380,159,387	(646,759,423)
Change in unrealized depreciation (appreciation) on foreign currency	95,505	(20,806)
Purchase of investments	(17,000,252,133)	(12,992,674,902)
Proceeds from sale and maturity of investments	12,770,742,785	7,906,179,154
Accrued expenses	3,900,131	4,583,652
Due to investment dealers	19,849,812	(41,530,268)
Due from investment dealers	249,591	8,512,325
Dividends receivable	(71,055)	(944)
Receivable from forward exchange contracts	(5,408,603)	55,055,683
Accrued interest	(7,746,271)	(39,955,533)
Payable on foreign currency forward contracts	(63,198,142)	63,198,142
Reimbursements receivable	(576,333)	(157,465)
<b>Net cash from (used in) operating activities</b>	<b>\$ (3,588,444,087)</b>	<b>\$ (4,788,427,050)</b>
<b>Cash flows from (used in) financing activities</b>		
Distributions paid to holders of redeemable units, net of reinvested distributions	\$ (292,403,225)	\$ (174,609,696)
Proceeds from issuances of redeemable units	7,894,222,926	7,450,194,597
Amounts paid on redemption of redeemable units	(4,046,482,907)	(2,485,731,117)
<b>Net cash from (used in) financing activities</b>	<b>\$ 3,555,336,794</b>	<b>\$ 4,789,853,784</b>
Foreign exchange gain (loss) on cash and cash equivalents	\$ (88,219)	\$ 7,286
Change in cash and cash equivalents during the year	(33,107,293)	1,426,734
Cash and cash equivalents, beginning of year	41,968,389	40,534,369
<b>Cash and cash equivalents, end of year</b>	<b>\$ 8,772,877</b>	<b>\$ 41,968,389</b>
<b>Supplementary disclosures on cash flow from operating activities</b>		
Interest received	\$ 770,091,073	\$ 588,072,231
Dividends received	14,021,721	15,703,198
Withholding tax	1,729,315	564
Interest paid	179,331	48,331

## Schedule of Investment Portfolio as at December 31, 2025

Par Value/Number of Shares	Average Cost (\$)	Fair Value (\$)
<b>Asset-Backed Securities (0.1%)</b>		
10,948,223	CNH Capital Cdn. Rec. Trst. 5.063% 2024-1 A2 Aug 15, 2031	\$ 10,966,651
		\$ 11,185,266
<b>Total</b>		<b>\$ 10,966,651</b>
		<b>\$ 11,185,266</b>
<b>Canadian Equities (0.6%)</b>		
3,081,827	Bird Construction Inc.	\$ 27,681,231
		\$ 87,893,706
1,003,905	Black Press - 1000817790 Ontario Ltd. Class A Shares	1,003,905
9,807,471	FLINT Corp	40,245,823
		13,338,161
781,786	MDA Space Ltd	10,945,004
		20,826,779
2,069,767	NorthStar Gaming Holdings Inc	951,111
		41,395
145,532	NorthStar Gaming Holdings Inc (Escrow)	72,798
		2,911
108,793	Postmedia Network Canada	228,465
		108,793
87,793	TC Fund I LP Class B	1,499,987
		1,449,814
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
		11,473,889
<b>Total</b>		<b>\$ 101,142,654</b>
		<b>\$ 136,240,670</b>
<b>Canadian Fixed Income (61.2%)</b>		
48,510,000	407 International Inc. 4.11% Oct 3, 2035	\$ 48,521,979
		\$ 48,252,291
584,819,000	Air Canada 4.625% Aug 15, 2029	572,365,579
		585,574,411
87,122,000	BMO Sr. Unsec. 3.731% Jun 3, 2030/31	87,122,000
		87,605,701
74,260,000	BMO Sr. Unsec. 4.309% Jun 1, 2027	75,620,161
		75,602,547
299,681,000	BNS (AT1) 3.7% Jul 27, 2026/2081	227,427,912
		288,572,305
63,500,000	BNS (AT1) 7.023% Jun 27, 2027/Jul 27, 2082	62,860,595
		66,235,053
347,068,000	BNS Sr. Unsec. 3.616% Jan 30, 2031/32	347,068,000
		345,558,810
34,000,000	BNS Sr. Unsec. 3.734% Jun 27, 2030/31	33,995,580
		34,182,155
65,000,000	Canada 0.5% Dec 1, 2030	57,692,700
		57,649,248
78,931,000	Canada 2.5% Dec 1, 2032	76,560,573
		75,556,337
1,481,226,000	Canada 2.75% Jun 1, 2033	1,456,287,115
		1,434,746,609

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# Lysander-Canso Corporate Value Bond Fund

## Schedule of Investment Portfolio as at December 31, 2025

Par Value/Number of Shares		Average Cost (\$)	Fair Value (\$)	Par Value/Number of Shares		Average Cost (\$)	Fair Value (\$)
<b>Canadian Fixed Income (61.2%)</b>							
<i>Cont'd</i>							
1,499,182,000	Canada 3.0% Jun 1, 2034	1,487,940,957	1,465,352,508	14,260,000	RBC FRN Jun 29, 2085 (SOFR+44.911)(USD)	15,314,835	18,045,059
692,636,000	Canada 3.25% Dec 1, 2035	690,264,522	682,623,462	525,091,000	RBC Sr. Unsec. 3.572% Dec 9, 2030/31	525,091,000	522,908,039
1,908,010,000	Canada 3.25% Jun 1, 2035	1,918,698,049	1,887,434,783	185,508,000	RBC Sr. Unsec. 3.985% Jul 22, 2030/31	185,656,100	188,571,331
657,803,000	Canada Housing Trust 3.45% Mar 15, 2035	661,922,348	652,815,801	30,307,000	SNC Lavalin 7% Jun 12, 2026	30,307,000	30,830,093
1,326,806,000	Canada Housing Trust 3.6% Sep 15, 2035	1,340,239,462	1,327,686,336	181,676,000	Sunlife Financial Inc. (AT1) 3.6% Jun 30, 2026/2081	169,089,053	174,664,197
83,265,000	Canada Housing Trust 3.65% Jun 15, 2033	85,815,407	84,716,567	215,189,000	TD Bank (AT1) 3.6% Oct 31, 2026/2081	189,418,695	206,617,678
93,200,000	Canada Housing Trust 4.15% Jun 15, 2033	99,167,596	97,870,774	55,000,000	TD Bank (AT1) 7.283% Oct 31, 2027/82	55,243,750	58,127,570
133,600,000	Canada Housing Trust 4.25% Mar 15, 2034	142,792,024	140,927,025	300,000,000	TD Bank CB 4.232% Apr 2, 2029	299,994,000	310,229,459
101,500,000	CIBC Sr. Unsec. 3.8% Dec 10, 2029/30	101,153,295	102,620,621	175,000,000	TD Bank Sr. Unsec. 4.002% Oct 31, 2029/30	175,784,860	178,233,370
98,351,000	Cineplex Inc. 7.625% Mar 31, 2029 144a	98,351,000	102,479,903	85,109,000	TD Bank Sr. Unsec. 4.133% Jan 9, 2032/33	85,353,710	86,269,700
7,999,000	Cineplex Inc. 7.75% Mar 1, 2030	8,315,230	10,178,004	207,388,000	TD Bank Sr. Unsecured 3.605% Sep 10, 2030/31	207,388,000	207,138,263
5,683,000	Corus Entertainment Inc. 5% May 11, 2028 REGS	3,250,463	2,074,295	136,928,000	TransCanada Pipelines FRN May 15, 2067 (Q LIBOR+221)(USD)	147,457,121	166,652,725
77,889,000	Corus Entertainment Inc. 6% Feb 28, 2030 REGS	76,389,095	28,040,040	39,000,000	VW Credit Canada Inc 4.42% Aug 20, 2029	39,502,680	40,046,920
166,023,000	Great West Life Co Inc. (AT1) 3.6% Dec 31, 2026/2081	151,265,037	157,062,058	10,000,000	VW Credit Canada Inc. 4.21% Aug 19, 2027	10,137,000	10,164,235
382,236,000	Hydro One Inc. 3.9% Nov 21, 2033	382,002,836	381,507,000	30,475,000	VW Credit Canada Inc. 4.49% Nov 19, 2029	30,853,682	31,331,476
24,200,000	Hydro One Inc. 4.25% Jan 4, 2035	24,705,054	24,518,566	<b>Total</b>		<b>\$ 13,217,723,196</b>	<b>\$ 13,245,498,040</b>
21,500,000	Hydro One Inc. 4.3% Aug 24, 2035	21,919,035	21,747,947	<b>Domestic Bank Loans (0.9%)</b>			
341,675,000	Manulife Financial Corp (AT1) 3.375% Jun 19, 2026/2081	302,668,835	328,783,056	180,023,033	Corus Entertainment Inc. TL 7.29% Mar 20, 2027	\$ 180,023,033	\$ 180,023,033
265,005,000	Manulife Financial Corp (AT1) 4.1% Mar 19, 2027/2082	247,571,858	251,577,091	20,913,000	FLINT Corp. TL 8% Apr 14, 2030	20,913,000	20,913,000
90,400,000	Manulife Financial Corp (AT1) 7.117% May 19, 2027/Jun 19, 82	90,110,950	94,129,063	<b>Total</b>		<b>\$ 200,936,033</b>	<b>\$ 200,936,033</b>
10,000,000	Nav Canada 0.937% Feb 9, 2026	9,520,900	9,984,242	<b>Foreign Bank Loans (1.7%)</b>			
64,559,000	RBC (AT1) 3.65% Nov 24, 2026/2081	61,545,563	62,003,316	91,977,841	Hertz Corp. TL B Incremental Jun 30, 2028(SOFR+375)(USD)	\$ 116,575,362	\$ 105,509,551

Continued on next page ...

# Lysander-Canso Corporate Value Bond Fund

## Schedule of Investment Portfolio as at December 31, 2025

Par Value/Number of Shares		Average Cost (\$)	Fair Value (\$)	Par Value/Number of Shares		Average Cost (\$)	Fair Value (\$)
<b>Foreign Bank Loans (1.7%)</b>							
<i>Cont'd</i>							
185,307,222	Hertz Corp. TL B Jun 30, 2028 (SOFR+361.448)(USD)	222,337,042	214,158,191	6,606,000	Hertz 4.625% Dec 1, 2026 144A (USD)	6,807,102	8,687,138
36,859,600	Hertz Corp. TL C Jun 30, 2028 (SOFR+361.448)(USD)	44,197,474	42,598,369	271,292,000	Hertz 5% Dec 1, 2029 144A (USD)	279,567,783	254,471,167
<b>Total</b>		<b>\$ 383,109,878</b>	<b>\$ 362,266,111</b>	43,848,000	Hertz 8% PIK (non-cash) Jul 15, 2029 144A (USD)	60,205,670	68,953,831
<b>Foreign Fixed Income (10.7%)</b>							
197,685,000	Avis Budget Car Rental LLC 8.25% Jan 15, 2030 144A (USD)	\$ 270,782,520	\$ 281,328,754	25,000	Lehman Bros Hldg Inc. 4.85% Sep 3, 2013 (USD)	-	12
57,449,000	Avis Budget Car/Finance 5.375% Mar 1, 2029 144A (USD)	73,581,662	76,949,777	184,644,000	MassMutual Global Funding II 4.127% Jul 15, 2032	184,841,992	187,236,993
49,164,000	Avis Budget Car/Finance 5.75% Jul 15, 2027 (USD)	62,216,399	67,827,302	25,750,000	MetLife Global Funding I 1.95% Mar 20, 2028	24,328,085	25,153,754
24,824,000	Avis Budget Car/Finance 5.75% Jul 15, 2027 144A (USD)	32,513,454	34,238,855	67,396,000	MetLife Global Funding I 4.149% Jun 6, 2033	67,464,681	68,122,873
6,310,000	Avis Budget Car/Finance 8.0% Feb 15, 2031 144A (USD)	8,477,512	8,901,838	37,685,000	New York Life Global FDG 2% Apr 17, 2028	35,659,016	36,852,746
15,500,000	Avis Budget Finance PLC 7.25% Jul 31, 2030 REGS (EUR)	23,136,328	26,031,937	216,987,000	New York Life Global FDG 4.0% Jun 17, 2032	217,004,503	218,292,698
8,100,000	Avis Series 2023-1A A 5.25% Apr 20, 2029 (USD)	11,594,228	11,360,581	171,381,000	Pacific Life Global Funding II 4.195% Jul 29, 2032	171,546,232	174,368,257
10,145,000	Avis Series 2024-1A 5.36% Jun 20, 2030 (USD)	14,250,963	14,371,015	12,394,000	Spirit Aerosystems Inc. 3.85% Jun 15, 2026 (USD)	16,056,093	16,952,570
38,247,000	Avis Series 2024-2A 5.13% Oct 20, 2028 (USD)	51,671,022	53,271,742	92,301,000	Spirit Aerosystems Inc. 4.6% Jun 15, 2028 (USD)	107,878,253	126,851,177
25,112,000	Avis Series 2025-2A 5.12% Aug 20, 2031 (USD)	34,721,890	35,343,945	6,700,000	UBS Group AG 4.282% Jan 9, 2028 144A (USD)	9,136,536	9,205,956
6,173,000	GE Capital Corp FRN Aug 15, 2036 (Q SOFR+74.161)(USD)	7,793,247	8,022,522	<b>Total</b>		<b>\$ 2,277,159,427</b>	<b>\$ 2,308,271,372</b>
45,393,000	Hertz -Series 2021-2A 1.68% Dec 27, 2027 (USD)	59,737,021	61,110,511	<b>Inflation Bonds (1.5%)</b>			
9,078,000	Hertz -Series 2023-1A 5.44% Jan 25, 2029 (USD)	12,604,663	12,724,671	201,668,384	Canada RRB 0.5% Dec 1, 2050	\$ 156,168,615	\$ 146,857,156
100,000	Hertz -Series 2023-1A 5.49% Jun 25, 2027 (USD)	134,914	137,638	164,421,938	Canada RRB 4.25% Dec 1, 2026	178,904,348	169,771,192
304,440,000	Hertz 12.625% Jul 15, 2029 144A (USD)	433,447,658	421,501,112	<b>Total</b>		<b>\$ 335,072,963</b>	<b>\$ 316,628,348</b>
<b>Exchange Traded Funds (0.1%)</b>							
1,707,999	Lysander-Canso Corporate Treasury ActivETF					\$ 17,999,453	\$ 17,933,990
<b>Total</b>				<b>Total</b>		<b>\$ 17,999,453</b>	<b>\$ 17,933,990</b>
<b>Mortgage Backed Securities (14.5%)</b>							
49,112,448	ATB Financial NHA MBS (97532068) 3.19% Jul 1, 2030			49,112,448	ATB Financial NHA MBS (97532068) 3.19% Jul 1, 2030	\$ 48,770,134	\$ 49,040,916
32,551,955	BMO NHA MBS (97529631) 3.6% Sep 1, 2029			32,551,955	BMO NHA MBS (97529631) 3.6% Sep 1, 2029	32,891,146	32,903,441

Continued on next page ...

# Lysander-Canso Corporate Value Bond Fund

## Schedule of Investment Portfolio as at December 31, 2025

Par Value/Number of Shares			Average Cost (\$)	Fair Value (\$)	Par Value/Number of Shares			Average Cost (\$)	Fair Value (\$)
<b>Mortgage Backed Securities (14.5%)</b>									
<i>Cont'd</i>									
395	Caisse Populaire NHA MBS FRN(98005023)Feb 1, 2027(M CDOR-14)		395	394	331	First National NHA MBS FRN (98004973) Feb 1, 2027(M CDOR-15)	330	330	
133,901,134	CIBC NHA MBS (97532465) 3.0% Sep 1, 2030		133,607,891	132,791,007	373	First National NHA MBS FRN (98100852) Mar 1, 2029 (CORRA+10)	-	370	
118,030,396	Equitable Bank NHA MBS (96502837) 2.56% Jun 1, 2030		114,784,595	114,418,842	15,700,251	Gulf & Fraser NHA MBS (86706296) 1.19% Sep 1, 2026	14,647,392	15,567,850	
13,385,513	Equitable Bank NHA MBS (97527841) 3.8% Feb 1, 2029		13,471,983	13,620,481	12,578,079	Home Trust NHA MBS (97532764) 3.0% Sep 1, 2030	12,507,768	12,508,064	
18,740,996	Equitable Bank NHA MBS (97528136) 3.9% Mar 1, 2029		18,529,223	19,080,707	136	Home Trust NHA MBS FRN (98004541) May 1, 2026 (M CDOR -10)	2	136	
77,263,929	Equitable Bank NHA MBS (97530735) 3.39% Dec 1, 2029		77,139,534	77,658,991	29,761,712	Interior Savings NHA MBS (86706841) 1.5% Sep 1, 2027	27,320,656	29,273,292	
57,605,584	First National NHA MBS (97527421) 3.84% Jan 1, 2029		57,837,616	58,660,400	11,930,383	Kawartha CU NHA MBS (86705537) 1.33% Nov 1, 2026	11,150,494	11,835,314	
17,830,904	First National NHA MBS (97527792) 4.19% Feb 1, 2029		18,405,415	18,297,360	6,959,967	Kootenay Savings NHA MBS (86706414) 1.1758% Aug 1, 2026	6,518,427	6,920,119	
77,647,786	First National NHA MBS (97528286) 4.19% Apr 1, 2029		77,536,750	79,611,040	7,946,239	Laurentian Bank NHA MBS (97527848) 4.04% Feb 1, 2029	7,907,604	8,126,236	
9,153,586	First National NHA MBS (97529007) 4.24% Jun 1, 2029		9,336,750	9,409,560	58,223,292	Laurentian Bank NHA MBS (97531105) 3.0% Mar 1, 2030	57,355,183	57,925,276	
128,389,836	First National NHA MBS (97530936) 3.55% Feb 1, 2030		129,772,594	129,538,962	48,676,754	Laurentian Bank NHA MBS (97531566) 3.24% May 1, 2030	48,539,486	48,725,066	
147,523,922	First National NHA MBS (97531888) 3.24% Jul 1, 2030		146,802,530	147,342,379	46,154,603	Laurentian Bank NHA MBS (97532061) 3.24% Jul 1, 2030	45,677,826	46,185,922	
49,074,200	First National NHA MBS (97532081) 3.24% Jul 1, 2030		48,902,931	49,110,024	69,028,250	Laurentian Bank NHA MBS (97532679) 3.24% Oct 1, 2030	69,163,546	69,071,241	
164,469,593	First National NHA MBS (97532206) 3.24% Aug 1, 2030		163,551,852	164,223,189	44,771,402	MCAP Corporation NHA MBS (97528125) 4.05% Mar 1, 2029	44,487,104	45,716,865	
111	First National NHA MBS FRN (98004522) May 1, 2026(M CDOR-16)		111	111	779	MCAP Service NHA MBS (97526491) 4.04% Feb 1, 2028	785	794	
163	First National NHA MBS FRN (98004946) Jan 1, 2027(M CDOR-11)		163	163	779	MCAP Service NHA MBS (97528993) 4.09% May 1, 2028	23	795	
401	First National NHA MBS FRN (98004947) Jan 1, 2027(M CDOR-11)		400	399	97	MCAP Service NHA MBS (97529030) 4.19% Jun 1, 2027	98	99	

Continued on next page ...

# Lysander-Canso Corporate Value Bond Fund

## Schedule of Investment Portfolio as at December 31, 2025

Par Value/Number of Shares		Average Cost (\$)	Fair Value (\$)	Par Value/Number of Shares		Average Cost (\$)	Fair Value (\$)
<b>Mortgage Backed Securities (14.5%)</b>							
<i>Cont'd</i>							
56,990,156	MCAP Service NHA MBS (97529047) 4.04% Jun 1, 2029	56,799,809	58,252,453	334,724,967	Scotia Capital Inc. NHA MBS (97528147) 3.7% Mar 1, 2029	329,133,985	339,166,260
6,091,192	Meridian Credit NHA MBS (86705375) 0.5866% Aug 1, 2026	5,645,134	6,034,277	148,989,836	Scotia Capital Inc. NHA MBS (97529012) 4.1% Jun 1, 2029	149,697,538	152,930,178
12,295,751	Meridian Credit NHA MBS (97532282) 3.06% Aug 1, 2030	12,213,615	12,220,607	86,392,139	Scotia Capital Inc. NHA MBS (97530271) 3.8% Nov 1, 2029	86,505,751	87,979,678
64,002,780	Merrill Lynch NHA MBS (97529921) 3.5% Oct 1, 2029	63,730,769	64,709,635	36,649,499	Scotia Capital NHA MBS (97527888) 3.54% Jan 1, 2029	36,714,735	37,076,173
60	Merrill Lynch NHA MBS FRN (98004599) Jul 1, 2026(M CDOR-23)	-	60	30,035,648	Scotia Capital NHA MBS (97529769) 3.85% Sep 1, 2029	30,633,658	30,656,470
83	Merrill Lynch NHA MBS FRN (98004601) Jul 1, 2026(M CDOR-23)	83	83	405	Scotia Capital NHA MBS FRN (98004951) Dec 1, 2026(M CDOR-13)	5	404
296	Merrill Lynch NHA MBS FRN (98004859) Dec 1, 2026(M CDOR-20)	295	295	431	Scotia Capital NHA MBS FRN (98005121) Apr 1, 2027(M CDOR-43)	426	428
208	Merrill Lynch NHA MBS FRN (98004860) Dec 1, 2026(M CDOR-20)	-	207	107	Scotia Capital NHA MBS FRN (98100012) Jun 1, 2027 (CORRA+35)	-	107
11	Merrill Lynch NHA MBS FRN (98004978) Feb 1, 2027 (M CDOR-20)	-	11	46,651,871	TD Bank NHA MBS (97528887) 4.01% Jun 1, 2029	46,582,826	47,657,223
213	National Bank NHA MBS (98101337) FRN Jan 1, 2030 (CORRA +43)	1	212	21,810,994	TD Bank NHA MBS (97529669) 3.05% Sep 1, 2029	21,614,258	21,734,933
802	National Bank NHA MBS (98101763) FRN Jun 1, 2030 (CORRA +36)	7	798	19,270,183	TD Bank NHA MBS (97529674) 3.05% Sep 1, 2029	19,100,220	19,212,554
753	National Bank NHA MBS (98101771) FRN Jun 1, 2030 (CORRA +59)	16	754	58,451,077	TD Bank NHA MBS (97529679) 3.05% Sep 1, 2029	57,924,433	58,255,228
119,354,350	RBC NHA MBS (96502783) 3.02% Jun 1, 2030	116,831,636	117,573,852	120,710,729	TD Bank NHA MBS (97529971) 3.25% Oct 1, 2029	119,120,969	120,871,133
327	RBC NHA MBS (97520971) 1.19% Jan 1, 2027	304	323	47,761,096	TD Bank NHA MBS (97530227) 3.64% Nov 1, 2029	48,280,259	48,451,473
244	RBC NHA MBS (97522207) 1.99% Jul 1, 2027	229	241	132,870,487	TD Bank NHA MBS (97530929) 3.04% Feb 1, 2030	131,922,337	132,282,379
370	RBC NHA MBS (97522210) 2.09% Jul 1, 2027	349	367	286,211,670	TD Bank NHA MBS (97531855) 3.04% Jul 1, 2030	282,339,226	284,096,366
666	RBC NHA MBS (97526050) 3.43% Aug 1, 2028	1	672	41,394,152	TD Bank NHA MBS (97532219) 3.09% Aug 1, 2030	40,948,751	41,143,136
				648	TD Bank NHA MBS FRN (98100911) Apr 1, 2029 (CORRA +39)	6	647

Continued on next page ...



# Lysander-Canso Corporate Value Bond Fund

## Schedule of Investment Portfolio as at December 31, 2025

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

### Private Placements (2.2%)

Cont'd

3,600,000	Toyota Credit Canada Inc. 4.46% Mar 19, 2029	3,688,668	3,726,676
51,669,000	WTH Car Rental ULC (AVIS) 6.028% Feb 20, 2027	51,739,560	52,991,742
<b>Total</b>		<b>\$ 474,450,204</b>	<b>\$ 479,821,114</b>

**Total investment portfolio (99.7%) \$ 21,402,580,712 \$ 21,558,475,063**

	Cash and Cash Equivalents (0.0%)		\$ 8,772,877
	Other Assets less Liabilities (0.3%)		55,004,886
<b>Net assets</b>		<b>\$ 21,622,252,826</b>	

## Foreign Exchange Contracts

Counterparty	Settlement Date	Buy	Par Value	Sell	Par Value	Forward Rate	Current Rate	Unrealized Appreciation (Depreciation)
Canadian Imperial Bank of Commerce <sup>1</sup>	2026-03-16	CAD \$	26,648,708	EUR \$	16,455,000	0.617	0.620	\$ 101,345
Canadian Imperial Bank of Commerce <sup>1</sup>	2026-03-16	CAD	2,173,843,963	USD	1,584,960,000	0.729	0.731	5,369,020
Canadian Imperial Bank of Commerce <sup>1</sup>	2026-03-16	USD	44,675,000	CAD	61,184,200	0.730	0.731	(61,762)

### Notes

<sup>1</sup> Credit rating of counterparty is A+.

# Lysander-Canso Corporate Value Bond Fund

Notes to the financial statements for December 31, 2025 and 2024

## 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 an amended and restated master declaration of trust dated as of November 26, 2025, as may be amended and/or restated 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, 2025.

The financial statements were authorized for issue by Lysander's board of directors on March 26, 2026.

## 3. Material Accounting Policy Information

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.

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

# Lysander-Canso Corporate Value Bond Fund

Notes to the financial statements for December 31, 2025 and 2024

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, 2025 and 2024, 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, 2025 and 2024, 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.

## 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

# Lysander-Canso Corporate Value Bond Fund

Notes to the financial statements for December 31, 2025 and 2024

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 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-

# Lysander-Canso Corporate Value Bond Fund

Notes to the financial statements for December 31, 2025 and 2024

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, 2025, the Fund had no net capital losses (December 31, 2024 - \$11,791,616) and no non-capital losses (December 31, 2024 - Nil).

## 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.

## Significant 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

# Lysander-Canso Corporate Value Bond Fund

Notes to the financial statements for December 31, 2025 and 2024

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**

##### *Presentation and Disclosure in Financial Statements:*

In April 2024, the IASB issued the new standard IFRS 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 9 – Financial Instruments and IFRS 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.

During the years ended December 31, 2025 and 2024, the number of units issued, redeemed and outstanding were as follows:

# Lysander-Canso Corporate Value Bond Fund

Notes to the financial statements for December 31, 2025 and 2024

## Series A

For the years ended	31-Dec-25	31-Dec-24
Units outstanding at beginning of year	127,127,153	92,339,611
Redeemable units issued	58,540,420	50,138,074
Redeemable units redeemed	(29,782,389)	(18,048,502)
Redeemable units issued on reinvestments	4,989,360	2,697,970
<b>Units outstanding at end of year</b>	<b>160,874,544</b>	<b>127,127,153</b>

## Series A5

For the years ended	31-Dec-25	31-Dec-24
Units outstanding at beginning of year	4,697,259	3,112,098
Redeemable units issued	3,683,825	1,972,592
Redeemable units redeemed	(1,168,564)	(428,777)
Redeemable units issued on reinvestments	114,481	41,346
<b>Units outstanding at end of year</b>	<b>7,327,001</b>	<b>4,697,259</b>

## Series F

For the years ended	31-Dec-25	31-Dec-24
Units outstanding at beginning of year	1,074,682,596	742,841,226
Redeemable units issued	469,770,212	466,839,859
Redeemable units redeemed	(247,532,813)	(156,288,829)
Redeemable units issued on reinvestments	38,394,992	21,290,340
<b>Units outstanding at end of year</b>	<b>1,335,314,987</b>	<b>1,074,682,596</b>

## Series F5

For the years ended	31-Dec-25	31-Dec-24
Units outstanding at beginning of year	43,250,407	26,323,989
Redeemable units issued	36,606,905	23,147,791
Redeemable units redeemed	(14,563,890)	(6,470,540)
Redeemable units issued on reinvestments	744,295	249,167
<b>Units outstanding at end of year</b>	<b>66,037,717</b>	<b>43,250,407</b>

## Series O

For the years ended	31-Dec-25	31-Dec-24
Units outstanding at beginning of year	1,740,683	-
Redeemable units issued	1,582,622	1,771,700
Redeemable units redeemed	(495,332)	(41,084)
Redeemable units issued on reinvestments	114,212	10,067
<b>Units outstanding at end of year</b>	<b>2,942,185</b>	<b>1,740,683</b>

## 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, 2025, 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, 2024 - 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, 2025, the Manager paid the Portfolio Manager, an affiliate of the Manager, \$74,773,661 (December 31, 2024 - \$54,540,671) for managing the portfolio of the Fund. As at December 31, 2025 the amount payable to the Portfolio Manager was \$6,918,647 (December 31, 2024 - \$5,483,421).

# Lysander-Canso Corporate Value Bond Fund

Notes to the financial statements for December 31, 2025 and 2024

## 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, 2025 and 2024:

As at December 31, 2025	Level 1		Level 2		Level 3		Total
<b>Financial Assets</b>							
Equities	\$	151,619,624	\$	-	\$	2,555,036	\$ 154,174,660
Fixed income		-		19,842,587,372		209,895,254	20,052,482,626
Mutual Funds		1,019,321,961		-		-	1,019,321,961
Preferred shares		332,495,816		-		-	332,495,816
Receivable from forward exchange contracts		-		5,408,603		-	5,408,603
<b>Total</b>	<b>\$</b>	<b>1,503,437,401</b>	<b>\$</b>	<b>19,847,995,975</b>	<b>\$</b>	<b>212,450,290</b>	<b>\$ 21,563,883,666</b>

As at December 31, 2024	Level 1		Level 2		Level 3		Total
<b>Financial Assets</b>							
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
<b>Total</b>	<b>\$</b>	<b>276,609,920</b>	<b>\$</b>	<b>16,993,454,822</b>	<b>\$</b>	<b>63,373,875</b>	<b>\$ 17,333,438,617</b>

As at December 31, 2024	Level 1		Level 2		Level 3		Total
<b>Financial Liabilities</b>							
Payable on foreign currency forward contracts	\$	-	\$	63,198,142	\$	-	\$ 63,198,142
<b>Total</b>	<b>\$</b>	<b>-</b>	<b>\$</b>	<b>63,198,142</b>	<b>\$</b>	<b>-</b>	<b>\$ 63,198,142</b>

As at	31-Dec-25		31-Dec-24	
<b>Level 3 reconciliation</b>				
Balance, beginning of year		\$ 63,373,875	\$	61,183,709
Purchases		180,023,033		9,794,260
Sales		(1,425,300)		(9,872,927)
Transfers In		-		-
Transfers Out		(54,867,000)		-
Realized gains and losses		(2,749,245)		(498,403)
Change in unrealized appreciation (depreciation)		28,094,927		2,767,236
<b>Balance, end of year</b>	<b>\$</b>	<b>212,450,290</b>	<b>\$</b>	<b>63,373,875</b>

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 year ended December 31, 2024, there were no transfers between levels. During the year ended December 31, 2025, the Fund held Flint Corp Series 1 Preferred Shares and Flint Corp Series 2 Preferred Shares, which were classified within Level 3 of the fair value hierarchy due to the use of significant unobservable inputs. As a result of a mandatory corporate action completed by Flint Corp, these preferred shares were automatically converted into Flint Corp Common Shares, which are traded in an active market and therefore qualify for Level 1 classification. These instruments were transferred out of Level 3 and into Level 1 upon conversion at a fair value of \$54,867,000.

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.

## Lysander-Canso Corporate Value Bond Fund

Notes to the financial statements for December 31, 2025 and 2024

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Black Press - 1000817790 Ontario Ltd. Class A Shares

Price: \$1.00

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: Since the company emerged from protection under the Companies' Creditors Arrangement Act ("CCAA") in Spring 2024 - a Canadian federal statute that allows insolvent companies with debts exceeding \$5 million to restructure under court supervision - and continues to have significant debt ranking ahead of equity, a reasonably possible change to value of the next private placement financing 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.

Black Press Group Ltd. 10% Mar 22, 2029

Price: \$89.81

Valuation Technique: A discounted cash flow model.

Unobservable Inputs: 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 \$17.96, or an increase or decrease in net assets of \$1,791,595.

Corus Entertainment Inc. TL 7.29% Mar 20, 2027

Price: \$100.00

Valuation Technique: The relative value technique.

Unobservable Inputs: The company's forecasted EBITDA which the portfolio manager believes is reasonable, also the EV/EBITDA multiple and the company's outstanding debt as per the most recent balance sheet and the Canada Business Corporations Act plan of arrangement announced on November 3, 2025.

Change in input values: A reasonably possible change to the value of the security could result in an increase or decrease of 30%, or an increase or decrease in the security price of \$30, or an increase or decrease in net assets of \$54,006,910.

FLINT Corp. TL 8% Apr 14, 2030

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 \$6,273,900.

TC Fund I LP Class B

Price: \$16.514

Valuation Technique: Internally developed model.

Unobservable Inputs: The primarily unobservable inputs for this security include TC Fund I 2025 Q3 financial statements, the market value of Blue Ant's equity, intrinsic value of Blue Ant's warrants, TC Fund's book value of equity on the balance sheet of Boreal and Sing Tao, 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 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 \$8.257, or an increase or decrease in net assets of \$724,907.

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, 2025 and 2024

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 portfolio manager believes that 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 believe the possibility of any recovery on this security is remote.

## 8. Interest in Other Entities

The table below summarizes the Fund's exposure to investments in underlying funds of the Manager. These investments are included in the Schedule of Investment Portfolio.

As at December 31, 2025	Fair Value of Underlying Fund	Investments in Underlying Fund at Fair Value	Total - % Held of Underlying Fund
<b>Interests in Other Entities</b>			
Lysander-Canso Strategic Loan Fund - 8880	\$ 1,024,001,061	\$ 1,019,321,961	% 99.5
Lysander-Canso Corporate Treasury ActivETF	23,319,347	17,933,990	76.9

  

As at December 31, 2024	Fair Value of Underlying Fund	Investments in Underlying Fund at Fair Value	Total - % Held of Underlying Fund
<b>Interests in Other Entities</b>			
-	\$ -	\$ -	% -

## 9. 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, 2025 and 2024, the Fund had directly invested in debt instruments with the following credit ratings:

# Lysander-Canso Corporate Value Bond Fund

Notes to the financial statements for December 31, 2025 and 2024

As a % of net assets		31-Dec-25	31-Dec-24
<b>Credit exposure</b>			
AAA	%	55.9 %	51.6
AA		3.3	3.7
A		13.5	12.7
BBB		9.4	11.2
BB		3.5	6.5
B		5.9	8.8
CCC		1.5	3.0
D		0.1	-
Not Rated		5.9	1.3

## 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.

The following table presents the Fund's liabilities according to their maturity date as at December 31, 2025 and 2024:

As at 31-Dec-2025	Less Than One Month	1-3 Months	3 Months - 1 Year
<b>Liquidity exposure</b>			
Redemption Payable	\$ 45,173,141	\$ -	\$ -
Due to investment dealers	44,252,548	-	-
Accrued expenses	-	18,230,526	-
As at 31-Dec-2024	Less Than One Month	1-3 Months	3 Months - 1 Year
<b>Liquidity exposure</b>			
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	-

## 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
<b>Interest rate exposure</b>			
December 31, 2025	\$ 1,337,716,793	\$ 9,074,540,675	\$ 9,800,613,860
December 31, 2024	314,573,117	10,973,330,640	5,736,870,278

If interest rates had increased or decreased by 1% at December 31, 2025, with all other variables remaining constant, net assets of the Fund would have decreased or increased by approximately \$987,305,881 (December 31, 2024- \$627,215,493).

# Lysander-Canso Corporate Value Bond Fund

Notes to the financial statements for December 31, 2025 and 2024

## 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-25	31-Dec-24
<b>Currency exposure</b>			
US Dollars	%	9.9 %	19.4
Other		0.1	0.1

As at December 31, 2025, 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 0.1% (December 31, 2024 - 0.2%).

## 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, 2025, approximately 2.3% (December 31, 2024 - 2.6%) 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, 2025 with all other factors remaining constant, net assets would have increased or decreased, by approximately \$24,333,524 (December 31, 2024 - \$22,943,983).



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