

Annual Management Report of Fund Performance

As at December 31, 2025

Lysander-Crusader Equity Income Fund



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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 simplified prospectus of the Fund, which could cause actual financial performance and expectations to differ materially from the anticipated performance or other expectations expressed.

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

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

About This Report

This annual Management Report of Fund Performance of Lysander-Crusader Equity Income Fund (the “Fund”) contains financial highlights for the year ended December 31, 2025 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, 2025. 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’s objective is to earn income and to achieve long term capital growth through a diversified portfolio composed primarily of equity securities, however other equity-like income-producing securities, debt and money market securities may be used to achieve this objective.

Investment Strategies

The Fund’s portfolio manager is Crusader Asset Management Inc. (“Portfolio Manager” or “Crusader”). The Fund’s portfolio will invest primarily in Canadian equity securities. The Fund will not be leveraged. The Fund may invest up to 30% of its assets in

foreign securities. The Fund’s investments will not be constrained by sector considerations. More details are contained in the Fund’s simplified prospectus.

Risks

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

Results of Operations

The Fund returns for the year ended December 31, 2025 were 36.47% for Series A, 37.91% for Series F and 39.12% for Series O.

The net assets of the Fund were approximately \$16.8 million at December 31, 2025 from \$11.5 million at the beginning of the year. There were net subscriptions of approximately \$1.3 million during the year.

The Fund did not hold securities in the REITs, Healthcare, Utilities, Telecom, or Consumer Staples sectors at any point during the period. These sectors are generally considered defensive and underperformed the Index. As a result, the Fund’s lack of exposure to these groups contributed positively to both relative and absolute performance.

Within the financials sector, overall performance was broadly in line with the Index, making security selection the key driver of relative returns. The Fund was overweight in the Canadian banks, which outperformed the Index and therefore added to relative performance. The Fund also held Manulife (MFC) and Sun Life (SLF) in the Insurance group, which underperformed; this modestly detracted from relative performance.

Lysander-Crusader Equity Income Fund

Annual Management Report of Fund Performance as at December 31, 2025

The Fund did not hold positions in the consumer discretionary sector, a cyclical sector that performed roughly in line with the Index. As such, the absence of exposure neither added to nor detracted from relative performance.

The sectors with the most material impact on absolute and relative returns were:

a. Technology – The Fund had no exposure to this sector during the period. In particular, the absence of Shopify (SHOP), a significant component of the Canadian equity market, was the largest negative contributor to both relative and absolute returns.

b. Energy – The Fund maintained an overweight position throughout the period. Energy holdings underperformed the Index, resulting in a negative contribution to relative returns.

c. Precious Metals (Gold and Silver) – The Fund held an overweight position in precious metals securities, which were the single largest positive contributors to both absolute and relative returns.

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.

Recent Developments

The Fund remains positioned in line with the exposures that contributed to its outperformance relative to the Index. The Fund is expected to benefit most from a cyclical upturn or a broader expansion in economic activity.

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, 2025, James McGill ceased to be a member of the Fund's Independent Review Committee ("IRC"). Effective June 30, 2025, Mary Anne Wiley 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 simplified prospectus.

The Fund paid \$113,106 (including HST) in management fees to the Manager for the year ended December 31, 2025 (December 31, 2024 - \$93,509).

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 is included in the management fee. Portfolio management fees for the Portfolio Manager's services are paid from the management fee.

The Manager paid \$57,840 (including HST) to the Portfolio Manager for the year ended December 31, 2025 (December 31, 2024 - \$48,359).

The Independent Review Committee ("IRC") continues to oversee transactions involving securities traded among mutual funds, closed end funds, managed accounts, or pooled funds managed by the Manager or its affiliates. In such cases, the Manager must adhere to its written policies and procedures presented to the IRC and provide periodic reporting in accordance with National Instrument 81-107.

Lysander-Crusader Equity Income Fund

Annual Management Report of Fund Performance as at December 31, 2025

Financial Highlights

Series A

Year ended	31-Dec-2025	31-Dec-2024	31-Dec-2023	31-Dec-2022	31-Dec-2021
Net assets per unit¹					
Net assets, beginning of year	\$ 12.36	\$ 10.56	\$ 10.95	\$ 8.77	\$ 6.42
Operations:					
Total revenue	0.43	0.45	0.40	0.28	0.27
Total expenses	(0.30)	(0.26)	(0.25)	(0.24)	(0.19)
Realized gains (losses)	2.50	0.26	(0.05)	1.88	1.18
Unrealized gains (losses)	1.69	1.53	(0.88)	(0.21)	1.21
Total increase (decrease) from operations²	\$ 4.32	\$ 1.98	\$ (0.78)	\$ 1.71	\$ 2.47
Distributions:					
From income (excluding dividends)	\$ -	\$ -	\$ (0.04)	\$ -	\$ -
From dividends	(0.14)	(0.20)	(0.12)	(0.11)	(0.05)
From capital gains	-	-	-	-	-
Total distributions^{2 3}	\$ (0.14)	\$ (0.20)	\$ (0.16)	\$ (0.11)	\$ (0.05)
Net assets, end of year^{2 3}	\$ 16.71	\$ 12.36	\$ 10.56	\$ 10.95	\$ 8.77
Ratios and supplemental data					
Net asset value ⁴	\$ 280,471	\$ 237,143	\$ 217,600	\$ 1,405,974	\$ 288,458
Units outstanding	16,789	19,180	20,607	128,394	32,903
Management expense ratio ⁵	% 2.18	% 2.09	% 2.33	% 2.33	% 2.33
Management expense ratio before waivers or absorption	2.18	2.09	2.41	2.46	2.45
Portfolio turnover rate ⁶	76.4	54.9	219.2	224.6	91.8
Trading expense ratio ⁷	0.15	0.14	0.21	0.25	0.27
Net asset value per unit, end of year	\$ 16.71	\$ 12.36	\$ 10.56	\$ 10.95	\$ 8.77

Notes

- 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").
- Net assets and distributions are based on the actual numbers of units outstanding at the relevant time. The increase (decrease) from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.
- Distributions were paid in cash or reinvested in additional units, or both.
- This information is provided at the end of the period shown.
- The management expense ratio ("MER") is based on the total expenses of the period ended, including the Fund's proportionate share of the MER, if any, of any underlying fund in which the Fund has invested, and is expressed as an annualized percentage of daily average net asset value during the period.
- The Fund's portfolio turnover rate indicates how actively the Fund's portfolio manager manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the period. The higher a fund's portfolio turnover rate in a period, the greater the trading costs payable by the fund in the period, and the greater the chance of an investor receiving taxable capital gains in the period. There is not necessarily a relationship between a high turnover rate and the performance of a fund. The portfolio turnover rate is calculated based on the lesser of purchases or sales of securities divided by the weighted average market value of portfolio securities, excluding short term securities.
- The trading expense ratio ("TER") represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. Where the Fund invests in any underlying fund, the TER includes the Fund's proportionate share of the commissions of any underlying fund in which the Fund invested.

Lysander-Crusader Equity Income Fund

Annual Management Report of Fund Performance as at December 31, 2025

Series F

Year ended	31-Dec-2025	31-Dec-2024	31-Dec-2023	31-Dec-2022	31-Dec-2021
Net assets per unit¹					
Net assets, beginning of year	\$ 12.49	\$ 10.64	\$ 11.04	\$ 8.80	\$ 6.47
Operations:					
Total revenue	0.45	0.47	0.44	0.28	0.28
Total expenses	(0.17)	(0.15)	(0.13)	(0.13)	(0.10)
Realized gains (losses)	2.83	0.26	0.02	1.94	1.11
Unrealized gains (losses)	1.63	1.57	(0.5)	0.14	1.20
Total increase (decrease) from operations²	\$ 4.74	\$ 2.15	\$ (0.17)	\$ 2.23	\$ 2.49
Distributions:					
From income (excluding dividends)	\$ (0.01)	\$ -	\$ (0.06)	\$ -	\$ -
From dividends	(0.27)	(0.31)	(0.22)	(0.02)	(0.17)
From capital gains	(0.08)	-	-	-	-
Total distributions^{2 3}	\$ (0.36)	\$ (0.31)	\$ (0.28)	\$ (0.02)	\$ (0.17)
Net assets, end of year^{2 3}	\$ 16.82	\$ 12.49	\$ 10.64	\$ 11.04	\$ 8.80
Ratios and supplemental data					
Net asset value ⁴	\$ 15,724,298	\$ 10,465,582	\$ 8,979,889	\$ 8,452,711	\$ 2,625,560
Units outstanding	934,587	837,653	843,937	765,324	298,192
Management expense ratio ⁵	% 1.15	% 1.20	% 1.18	% 1.20	% 1.20
Management expense ratio before waivers or absorption	1.15	1.26	1.18	1.36	1.31
Portfolio turnover rate ⁶	76.4	54.9	219.2	224.6	91.8
Trading expense ratio ⁷	0.15	0.14	0.21	0.25	0.27
Net asset value per unit, end of year	\$ 16.82	\$ 12.49	\$ 10.64	\$ 11.04	\$ 8.80

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Lysander-Crusader Equity Income Fund

Annual Management Report of Fund Performance as at December 31, 2025

Series O

Year ended	31-Dec-2025	31-Dec-2024	31-Dec-2023	31-Dec-2022	31-Dec-2021
Net assets per unit¹					
Net assets, beginning of year	\$ 12.81	\$ 10.90	\$ 11.50	\$ 9.09	\$ 6.68
Operations:					
Total revenue	0.44	0.48	0.46	0.30	0.28
Total expenses	(0.04)	(0.05)	(0.03)	(0.04)	(0.02)
Realized gains (losses)	2.52	0.28	0.11	2.12	1.16
Unrealized gains (losses)	1.75	1.70	(0.59)	0.12	1.20
Total increase (decrease) from operations²	\$ 4.67	\$ 2.41	\$ (0.05)	\$ 2.50	\$ 2.62
Distributions:					
From income (excluding dividends)	\$ (0.01)	\$ -	\$ (0.13)	\$ -	\$ -
From dividends	(0.42)	(0.41)	(0.45)	(0.19)	(0.24)
From capital gains	-	-	-	-	-
Total distributions^{2 3}	\$ (0.43)	\$ (0.41)	\$ (0.58)	\$ (0.19)	\$ (0.24)
Net assets, end of year^{2 3}	\$ 17.30	\$ 12.81	\$ 10.90	\$ 11.50	\$ 9.09
Ratios and supplemental data					
Net asset value ⁴	\$ 831,030	\$ 807,835	\$ 847,841	\$ 3,236,652	\$ 3,301,079
Units outstanding	48,026	63,078	77,807	281,365	362,960
Management expense ratio ⁵	% 0.26	% 0.30	% 0.28	% 0.30	% 0.30
Management expense ratio before waivers or absorption	0.26	0.37	0.28	0.48	0.44
Portfolio turnover rate ⁶	76.4	54.9	219.2	224.6	91.8
Trading expense ratio ⁷	0.15	0.14	0.21	0.25	0.27
Net asset value per unit, end of year	\$ 17.30	\$ 12.81	\$ 10.90	\$ 11.50	\$ 9.09

Notes

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Lysander-Crusader Equity Income Fund

Annual Management Report of Fund Performance as at December 31, 2025

Management Fees

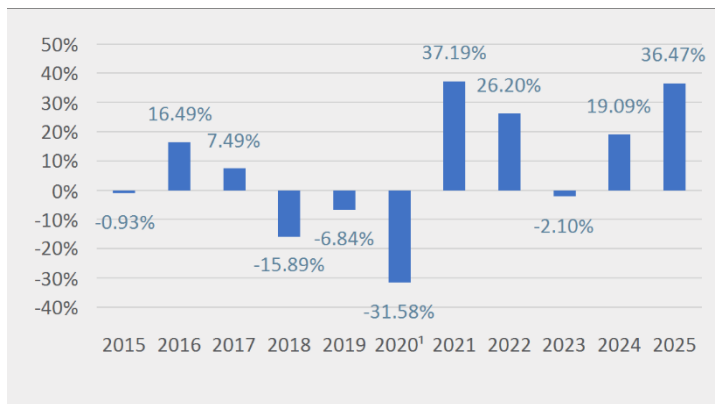
The Manager provides or arranges the provision of all general management and administrative services required by the Fund, and as described in the section “Related Party Transactions” above.

In consideration for such services, the Manager receives a management fee, based on the net asset value of each Series, calculated daily and payable monthly. The Fund pays a management fee at a rate of 1.80% per annum for Series A units and at a rate of 0.80% per annum for Series F units. No management fee is charged to the Fund with respect to Series O units, but investors are charged a negotiated management fee.

Service fees or trailing commissions of a maximum of 1.00% per annum were paid on Series A units to dealers. This comprises approximately 55.6% of the management fee of Series A units.

Year-by-Year Returns

Series A

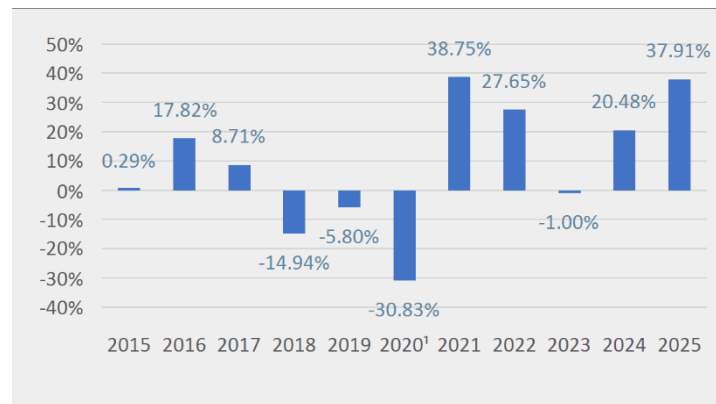


Past Performance

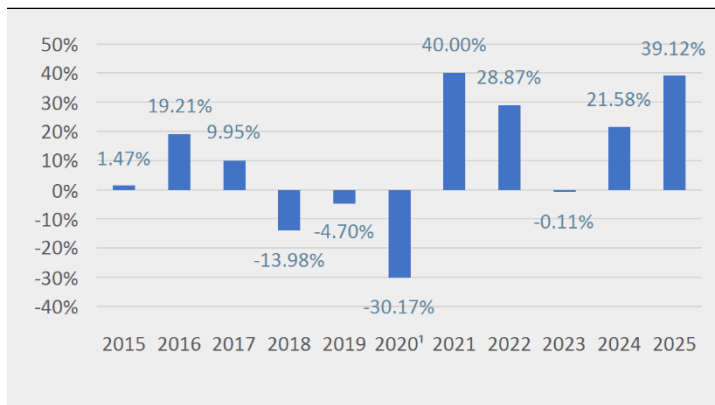
The Fund became a reporting issuer on December 30, 2014. Accordingly, returns are shown for the relevant period/years as indicated below. Effective January 1, 2020, the management fee for Series A changed from 2.00% to 1.80% and Series F changed from 1.00% to 0.80%. This change could have affected the performance of the Fund had this change been in effect throughout the performance measurement period.

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

Series F



Series O



¹ Restated for the period January 1 to December 31

Lysander-Crusader Equity Income Fund

Annual Management Report of Fund Performance as at December 31, 2025

Annual Compound Returns

The following table shows the Fund's annual compound return for each period indicated, compared with the S&P/TSX Composite Total Return Index (the "Index"). The S&P/TSX Composite Total Return Index is a broad economic sector index comprising approximately 95% of the market capitalization for Canadian-based, TSX listed companies. 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 years ended December 31, 2025		1 Year	3 Year ²	5 Year ²	10 Year ²
Annual Compound Return					
Series A ¹	%	36.47	% 16.74	% 22.46	% 6.34
Series F ¹		37.91	18.04	23.84	7.54
Series O ¹		39.12	19.10	24.97	8.63
S&P/TSX Composite Total Return Index ³	%	31.68	% 21.42	% 16.09	% 12.66

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 Compound period returns are annualized.

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Lysander-Crusader Equity Income Fund

Annual Management Report of Fund Performance as at December 31, 2025

Summary of Investment Portfolio

	% of NAV	
Top 25 Issuers		
Cash and Cash Equivalents	%	20.2
Canadian Imperial Bank of Commerce		5.2
Royal Bank of Canada		4.6
Manulife Financial Corp.		4.4
National Bank of Canada		4.4
Baytex Energy Corp.		4.4
Tamarack Valley Energy Ltd.		4.3
Bank of Nova Scotia		4.0
Headwater Exploration Inc.		4.0
Peyto Exploration & Development Corp.		4.0
iShares MSCI China ETF		3.9
Tourmaline Oil Corp.		3.8
TD Bank Group		3.8
Bank of Montreal		3.7
Whitecap Resources Inc.		3.5
Suncor Energy Inc.		3.4
Total Energy Services Inc.		3.3
ARC Resources Ltd.		3.3
IGM Financial Inc.		3.1
Methanex Corp		3.0
Pfizer Inc.		2.8
Advantage Energy Ltd		2.8
Total	%	99.9

	% of NAV	
Asset Mix		
Canadian Equities	%	72.9
Cash and Cash Equivalents		20.2
Other Assets Less Liabilities		0.1
US Equities		6.8
Total	%	100.0
Sector		
Cash and Cash Equivalents	%	20.2
Energy		36.8
Financials		37.1
Health Care		2.8
Materials		3.0
Other Assets less Liabilities		0.1
Total	%	100.0



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