

Annual Management Report of Fund Performance

As at December 31, 2025

Lysander-Patient Capital Equity 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-Patient Capital Equity 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 provide long-term capital growth by investing primarily in equity securities anywhere in the world.

Investment Strategies

The Fund’s portfolio manager is Patient Capital Management Inc. (“Portfolio Manager” or “PCM”). The Fund invests primarily in equity securities, including those of foreign issuers. The Fund typically gains exposure to equity securities of issuers located outside North America by investing in American depositary receipts (“ADRs”). The Fund is not constrained by geographic or sector considerations. The Fund will not be leveraged. The

portfolio manager’s investment philosophy is based on long-term absolute value, with the goal of preservation of capital while earning returns. 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 15.20% for Series A and 16.50% for Series F.

The net assets of the Fund were approximately \$19.3 million at December 31, 2025 from \$15.3 million at the beginning of the year. There were net subscriptions of approximately \$2.0 million during the year.

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

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

Recent Developments

North American equity markets delivered another year of strong double digit gains. U.S. financial markets ended the year near record highs despite periods of volatility. Performance was again

Lysander-Patient Capital Equity Fund

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

driven largely by investor enthusiasm for artificial intelligence and the continued dominance of large cap technology companies, with a small group of mega cap names contributing a disproportionate share of index returns. Canadian equities not only moved higher alongside the U.S. but also outperformed. The TSX benefited from its meaningful exposure to commodities and financials, both of which posted strong results, particularly precious metals and financial stocks, which together represent a significant portion of the benchmark.

Monetary policy provided a notable tailwind throughout the year. The Federal Reserve reduced interest rates by a cumulative 75 basis points in 2025, ending the year with a target range of 3.5%–3.75% following its December meeting. In Canada, monetary policy was similarly supportive. The Bank of Canada lowered the overnight rate to 2.25% in October and maintained that level through year end.

The U.S. economy demonstrated resilience in the year, even as the labor market softened relative to prior years. Real GDP grew at an annualized rate of 4.3% in the third quarter, supported by consumer spending, exports, and government expenditures. Inflation continued to moderate, with CPI rising 2.7% year over year in December. The unemployment rate ended the year at 4.4%.

In contrast, Canada's economy showed stable inflation but weaker growth and employment trends. CPI increased 2.2% year over year in November, aligning closely with the Bank of Canada's target. Real GDP was estimated to have grown 0.1% in November. The labor market, however, weakened meaningfully, with the unemployment rate rising to 6.8% in December.

The Fund remains positioned for the current market environment. As of December 31, 2025, the Fund's total portfolio yield was 4.2%, and its overall characteristics continued to compare favorably with major indices such as the S&P 500 and the S&P/TSX Composite. Relative performance in the year was influenced by the Fund's lack of exposure to U.S. mega-cap technology companies and to precious metals and materials companies in Canada. The Fund's disciplined, value-based investment philosophy remains focused on fundamentals and valuation, aiming to compound returns through market cycles rather than pursue momentum, particularly in years when index performance is driven by narrow leadership.

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 \$165,846 (including HST) in management fees to the Manager for the year ended December 31, 2025 (December 31, 2024 - \$136,747).

The Portfolio Manager is responsible for all investment advice provided to the Fund including providing investment analysis and recommendations, making investment decisions and arranging for the acquisition and disposition of portfolio investments. Fees for providing these services are included in the management fee. Portfolio management fees for the Portfolio Manager's services are paid from the management fee.

The Manager paid \$76,964 (including HST) to the Portfolio Manager for the year ended December 31, 2025 (December 31, 2024 - \$63,896).

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-Patient Capital Equity 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	\$ 13.12	\$ 12.71	\$ 12.40	\$ 12.73	\$ 12.55
Operations:					
Total revenue	0.61	0.67	0.59	0.35	0.39
Total expenses	(0.30)	(0.29)	(0.28)	(0.27)	(0.30)
Realized gains (losses)	(0.02)	0.11	0.21	-	3.32
Unrealized gains (losses)	1.68	0.35	0.34	(0.57)	(0.14)
Total increase (decrease) from operations²	\$ 1.97	\$ 0.84	\$ 0.86	\$ (0.49)	\$ 3.27
Distributions:					
From income (excluding dividends)	\$ (0.01)	\$ (0.06)	\$ (0.11)	\$ (0.03)	\$ -
From dividends	(0.30)	(0.33)	(0.26)	(0.11)	(0.08)
From capital gains	(0.03)	(0.06)	(0.14)	-	(0.85)
Total distributions^{2 3}	\$ (0.34)	\$ (0.45)	\$ (0.51)	\$ (0.14)	\$ (0.93)
Net assets, end of year^{2 3}	\$ 14.76	\$ 13.12	\$ 12.71	\$ 12.40	\$ 12.73
Ratios and supplemental data					
Net asset value ⁴	\$ 1,302,145	\$ 904,177	\$ 676,684	\$ 785,347	\$ 47,997
Units outstanding	88,242	68,908	53,253	63,336	3,769
Management expense ratio ⁵	% 2.13	% 2.13	% 2.13	% 2.13	% 2.13
Management expense ratio before waivers or absorption	2.14	2.18	2.29	2.42	2.33
Portfolio turnover rate ⁶	7.7	73.3	1.8	0.01	72.9
Trading expense ratio ⁷	0.01	0.01	0.02	0.01	0.09
Net asset value per unit, end of year	\$ 14.76	\$ 13.12	\$ 12.71	\$ 12.40	\$ 12.73

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-Patient Capital Equity 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	\$ 12.62	\$ 12.18	\$ 11.86	\$ 12.07	\$ 12.61
Operations:					
Total revenue	0.60	0.66	0.58	0.31	0.36
Total expenses	(0.14)	(0.13)	(0.13)	(0.12)	(0.14)
Realized gains (losses)	-	0.11	0.19	(0.01)	3.57
Unrealized gains (losses)	1.61	0.35	0.28	(0.35)	(0.83)
Total increase (decrease) from operations²	\$ 2.07	\$ 0.99	\$ 0.92	\$ (0.17)	\$ 2.96
Distributions:					
From income (excluding dividends)	\$ (0.01)	\$ (0.08)	\$ (0.12)	\$ (0.03)	\$ -
From dividends	(0.44)	(0.40)	(0.30)	(0.12)	(0.26)
From capital gains	(0.04)	(0.08)	(0.17)	-	(4.57)
Total distributions^{2 3}	\$ (0.49)	\$ (0.56)	\$ (0.59)	\$ (0.15)	\$ (4.83)
Net assets, end of year^{2 3}	\$ 14.17	\$ 12.62	\$ 12.18	\$ 11.86	\$ 12.07
Ratios and supplemental data					
Net asset value ⁴	\$ 18,021,853	\$ 14,435,135	\$ 11,444,565	\$ 9,737,044	\$ 5,538,476
Units outstanding	1,271,412	1,143,596	939,328	821,039	458,876
Management expense ratio ⁵	% 1.00	% 1.00	% 1.00	% 1.00	% 0.99
Management expense ratio before waivers or absorption	1.09	1.16	1.16	1.28	1.41
Portfolio turnover rate ⁶	7.7	73.3	1.8	0.01	72.9
Trading expense ratio ⁷	0.01	0.01	0.02	0.01	0.09
Net asset value per unit, end of year	\$ 14.17	\$ 12.62	\$ 12.18	\$ 11.86	\$ 12.07

Notes

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- 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.
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- 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-Patient Capital Equity 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.

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.

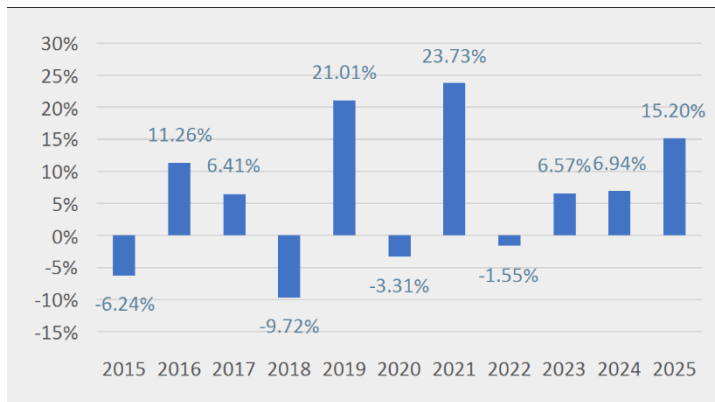
Past Performance

The Fund became a reporting issuer on December 30, 2014. As at December 9, 2021, the Fund no longer had any Series O units outstanding. 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. On November 1, 2021, the portfolio manager of the fund changed from 18 Asset Management Inc. to Patient Capital Management Inc. and the investment objective of the fund no longer had a Canadian equity securities focus. These changes could have affected the performance of the fund had these changes been in effect throughout the performance measurement period.

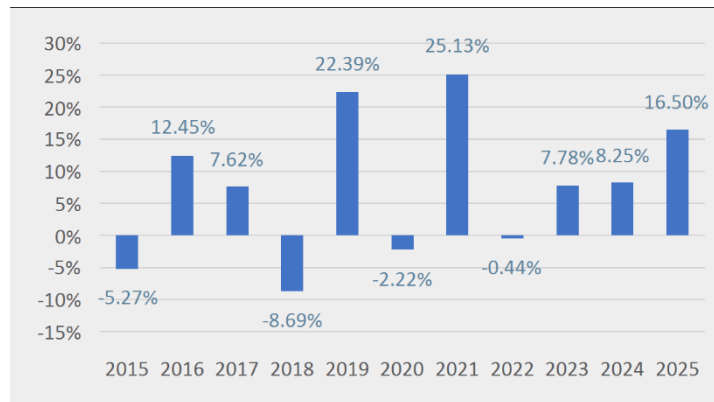
The performance information assumes that any distributions are reinvested in additional securities of the Fund. The performance information does not take into account sales, redemption, distribution or other optional charges that would have reduced returns or performance. Past performance does not necessarily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

Year-by-Year Returns

Series A



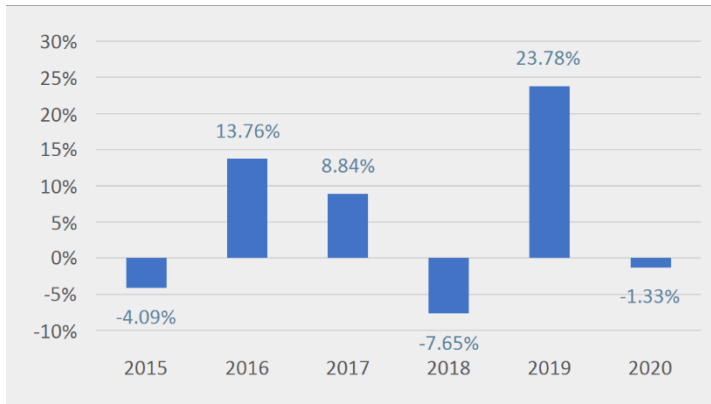
Series F



Lysander-Patient Capital Equity Fund

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

Series O



Lysander-Patient Capital Equity 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	%	15.20	% 9.50	% 9.85	% 7.18
Series F ¹		16.50	10.77	11.11	8.40
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-Patient Capital Equity 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	%	25.4
Bank of Nova Scotia		8.1
TD Bank Group		6.6
Canadian Utilities Ltd.		6.0
Linamar Corp.		5.9
Firm Capital Corp.		5.7
Bank of Montreal		5.6
Canadian Imperial Bank of Commerce		5.5
Telus Corp.		5.5
Honda Motor Company Ltd.		4.4
Canadian Natural Resources Ltd.		4.1
Verizon Communications Inc.		4
BCE Inc.		3.9
Clorox Co/The		2.5
Kenvue Inc		2.1
Coca-Cola Femsa SAB de CV		1.2
United Parcel Service Inc.		1.1
West Fraser Timber Co Ltd		1.1
General Mills Inc.		0.9
Total	%	99.6

		% of NAV
Asset Mix		
Canadian Equities	%	53.6
Cash and Cash Equivalents		25.4
Foreign Equities		16.1
Income Trusts		4.5
Other Assets Less Liabilities		0.4
Total	%	100.0
Sector		
Cash and Cash Equivalents	%	25.4
Communication Services		13.5
Consumer Discretionary		10.4
Consumer Staples		6.6
Energy		4.1
Financials		27.0
Industrials		2.1
Other Assets less Liabilities		0.4
Utilities		6.0
Real Estate		4.5
Total	%	100.0



3080 Yonge Street, Suite 4000
Toronto, ON M4N 3N1
www.lysanderfunds.com

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