

Semi-Annual Management Report of Fund Performance
As at June 30, 2020

Lysander-Seamark Total Equity Fund



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A Note About Forward Looking Statements

This semi-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 semi-annual Management Report of Fund Performance of Lysander-Seamark Total Equity Fund (the “Fund”) contains financial highlights for the period ended June 30, 2020 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 period ended June 30, 2020. 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 Street, Suite 3037, Toronto, Ontario, M4N 3N1, by visiting our website at www.lysanderfunds.com or at SEDAR at www.sedar.com.

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 of companies anywhere in the world.

Investment Strategies

The Fund’s portfolio manager is Seamark Asset Management Ltd. (“Portfolio Manager” or “Seamark”). The Fund’s portfolio positions is primarily invested in equity securities of companies globally. The Fund will not be leveraged. The Fund may invest up to 100% of its assets in foreign securities. More details are contained in the Fund’s simplified prospectus.

Risks

On December 23, 2019, the Manager increased the risk rating of the Fund from “low-to-medium” to “medium” in accordance with the investment risk classification methodology mandated by the Canadian Securities Administrators. Please refer to the Fund’s most recent simplified prospectus.

Results of Operations

Since mid-March of 2020 global equity markets have been down dramatically as a result of the COVID-19 crisis. Subsequently, the world economy witnessed one of the worst economic performances ever recorded. A shut down of major economies was invoked to battle a global health pandemic, truly a draconian measure undertaken to save lives. As a result, Canadian GDP dropped by a whopping 11.6% in April, following its 8.2% decline in the first quarter. Jobs, consumer spending and capital investment were all slashed, instantly.

In local currencies, by mid-year the S&P 500 Index fell 4.1%, the S&P/TSX Composite Index fell 9.1% and Morningstar Developed Markets Ex-North America PR Index fell 12.6%. The Canadian dollar declined from year end levels, falling to 73.38 cents USD, down from 76.99 six months ago (-4.69%). The fall of the CAD had a positive impact on Canadian dollar returns of US denominated assets for the period.

The second quarter witnessed a huge dichotomy between the fortunes of Wall Street and Main Street. As the world economy suffered one of its biggest declines ever, stocks and bonds both advanced during the three-month period, rewarding investors for their patience, or for their willingness to look beyond the impact of the coronavirus. The toll on the economy of an

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administered shutdown, was monumental. Unemployment in the U.S. and Canada reached a staggering 15%, retail sales plunged, investment and capacity utilization quickly dropped to levels of the Great Recession of 2008/09. And waves of government stimulus in both countries were enacted to offset the carnage being felt by businesses and families.

Against this backdrop, the Fund gained back much of the decline experienced in the first quarter. Remaining heavily invested during the period, despite the underlying economic fundamentals, helped the Fund to cut its losses from the first quarter by more than half. To have been fully invested in the face of a worldwide health epidemic required a significant commitment to defensive equity selections. We see investing in mature, conservatively valued companies as a prudent course of action, at least until we see the light at the end of the coronavirus tunnel.

The conservative positioning saw the Fund's equity selections underperform the broad-based benchmark during what turned out to be a decidedly 'risk-on' market in the post-COVID recovery so far. Investors, emboldened by monetary authorities' commitments to unlimited levels of liquidity, chased the pricey growth/momentum stocks and shunned most of the rest, including the traditional value sectors of the market. Financials, utilities and pharmaceuticals, all well represented in the portfolio, underperformed the bounce of the market averages, earning only single digit returns. By contrast, the information technology and materials sectors registered returns of 40% or more.

Even companies that investors could depend upon as solid dividend payers, many of which have the potential to raise dividends within the year, were counted as underperformers. In Canada, the Communications sector delivered a slightly negative return. It is ironic, that with interest rates dropping to such low levels, that these dividend stalwarts remain well behind in the effort to regain value lost in the first quarter.

Currency was once again a mitigating factor when reviewing year to date returns in 2020. Weak foreign equity markets returns were mitigated by strength in the U.S. dollar which appreciated 4.69% against the Canadian dollar. Over the six-month period, the Fund recorded negative returns of -11.3% for Series A and -10.8% for Series F. At period end the largest equity sectors of the Fund were Financials, Information Technology, Industrials and Consumer Staples. In combination, these sectors comprised 53.6% of the portfolio. Real estate showed the strongest weighted returns followed by consumer discretionary while financials and energy were the weakest. In the equity space, leading performers were Rockwell Automation, Aptiv PLC, Apple, Emerson and Park Lawn while some of the weakest

holdings were Royal Dutch Class B, New Flyer, Budweiser and Interprovincial Pipelines.

In the first half of the year, new positions were established in CCL Industries, ATS Automation, Emerson, Aptiv PLC, Park Lawn, Allied Properties and Rio Can REIT. Positions in Franco Nevada, Newmont, Fluor, New Flyer, Budweiser, Corby Distilleries Class B, Nestle, WalMart, Canadian Western Bank, HSBC, QualComm and Shaw Communications Class B were sold. Shares of Rockwell Automation were also sold, following a 30% jump in price since its purchase in March.

The Fund continued to be fully invested in equities during the year. This positioning and performance are consistent with the Fund's fundamental investment objective and strategies. The net assets of the Fund were \$1.74 million at June 30, 2020 versus \$2.0 million at December 31, 2019.

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 has been described or would be reasonably expected.

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

Recent Developments

How can the rise in stock prices be explained with the backdrop of such dismal Economic numbers, especially in the U.S. where the rebound in share prices has been most pronounced? Over 40 million Americans lost their jobs. U.S. retail sales shrunk almost 15% in April before beginning to rebound. Capacity utilization in the U.S. is running 15 percentage points below its long-run average of 80.1% (1972-2019), and 1.9 percentage points below its trough during the Great Recession of 2008/09. To date, many factories have only resumed partial operations following suspensions of operations related to COVID-19.

A re-opening of the US economy is certainly part of the picture supporting some recovery in share prices. Most believe that the economy has put the worst behind it in the second quarter. Businesses of every description have been reporting upticks in sales. The Federal Reserve and its world counterparts have continued to support economies with unprecedented waves of stimulus. Recently, Jerome Powell, head of the US Fed Noted: "...we're not even thinking about thinking about raising interest rates." That sentiment, backed by monetary and fiscal actions in the trillions of dollars have provided the system with the liquidity that went missing in March, when stock markets quickly plummeted by some 35%, in just a matter of weeks.

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Equity investors have taken their cue from this flush of liquidity and reversed their stance to a 'risk-on' trade in the second quarter. This had been the mindset even last fall, when equity investors were betting on the Fed to continue with its practice of monetary easing and accommodation, particularly leading up to the U.S. election. So, a confirmation of an accommodating Federal Reserve has provided more encouragement to Wall Street than even the re-opening of the economy.

The liquidity that has been pumped into the system has also been a boon to bond prices, driving Interest rates down to unprecedented levels. Only the flush of liquidity can explain higher stock market prices when interest rates continue to plumb their lows. Interest rates on marketable securities have so far failed to confirm the recovery in the economy-higher rates would be an important signal that we might be out of the woods.

Notwithstanding the liquidity that has buoyed the system, we can't ignore the progress being made on Main Street is happening at a much slower pace. Markets are facing a lot of uncertainty in the next few months. Rebounding coronavirus numbers and a possible second wave in the fall are first and foremost. Sustainable economic progress is questionable, depending on how successfully the economy can re-open, as well as wean itself from trillions of dollars of stimulus. And the U.S. faces an important election in November. Canada faces similar challenges, save the election. With all that uncertainty, we are emphasizing more defensive stock selection, leaning more to the 'risk-off' equity sectors. To the extent that these less risky investments have underperformed the 'risk-on' assets recently, we believe that our more cautious positioning will provide investors with a better risk to reward scenario for the months ahead.

Effective January 1, 2020 the management fees of Series A and Series F of the Fund have been reduced from 2.00% and 1.00% to 1.80% and 0.80% respectively, exclusive of taxes.

There have been no changes to the Manager or Portfolio Manager, or change of control of the Manager, or of the Fund in 2020. There have been no actual or planned reorganizations, mergers or similar transactions.

There were no changes to the membership of the Fund's Independent Review Committee ("IRC").

Related Party Transactions

The Manager provides or arranges 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 Fund paid \$12,031 (including HST) in management fees to the Manager for the period ended June 30, 2020 (December 31, 2019 - \$26,882).

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.

The Manager paid \$5,127.06 (including HST) to the Portfolio Manager for the period ended June 30, 2020 (December 31, 2019 - \$11,222).

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

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Financial Highlights

Series A

Period ended	30-Jun-2020	31-Dec-2019	31-Dec-2018	31-Dec-2017	31-Dec-2016	31-Dec-2015
Net assets per unit¹						
Net assets, beginning of period	\$ 11.51	\$ 9.92	\$ 10.97	\$ 10.72	\$ 9.79	\$ 10.00
Operations:						
Total revenue	0.21	0.37	0.37	0.33	0.30	0.30
Total expenses	(0.15)	(0.30)	(0.29)	(0.29)	(0.27)	(0.25)
Realized gains (losses)	-	(0.09)	(0.02)	(0.11)	0.05	0.05
Unrealized gains (losses)	(1.43)	1.69	(1.01)	0.32	1.01	(0.23)
Total increase (decrease) from operations²	\$ (1.37)	\$ 1.67	\$ (0.95)	\$ 0.25	\$ 1.09	\$ (0.13)
Distributions:						
From income (excluding dividends)	\$ -	\$ -	\$ -	\$ -	\$ (0.02)	\$ -
From dividends	-	(0.07)	(0.06)	(0.04)	(0.03)	(0.11)
From capital gains	-	-	-	-	(0.10)	(0.06)
Total distributions^{2 3}	\$ -	\$ (0.07)	\$ (0.06)	\$ (0.04)	\$ (0.15)	\$ (0.17)
Net assets, end of period^{2 3}	\$ 10.21	\$ 11.51	\$ 9.92	\$ 10.97	\$ 10.72	\$ 9.79

Ratios and supplemental data						
Net asset value ⁴	\$ 272,245	\$ 395,863	\$ 384,818	\$ 437,286	\$ 393,328	\$ 229,592
Units outstanding	26,657	34,380	38,792	39,857	36,704	23,450
Management expense ratio ⁵	% 2.56	% 2.56	% 2.55	% 2.55	% 2.55	% 2.53
Management expense ratio before waivers or absorption	3.77	3.65	3.56	3.01	3.54	4.87
Portfolio turnover rate ⁶	15.4	15.2	32.3	16.0	19.7	8.2
Trading expense ratio ⁷	0.03	0.03	0.1	-	0.1	0.1
Net asset value per unit, end of period	\$ 10.21	\$ 11.51	\$ 9.92	\$ 10.97	\$ 10.72	\$ 9.79

Notes

- The information is derived from the Fund's unaudited semi-annual and/or audited annual financial statements. All per unit figures presented are referenced to net assets determined in accordance to IFRS.
- 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 is based on the total expenses of the period ended and is expressed as an annualized percentage of daily average net asset values during the period.
- 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 represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period.

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Series F

Period ended	30-Jun-2020	31-Dec-2019	31-Dec-2018	31-Dec-2017	31-Dec-2016	31-Dec-2015
Net assets per unit¹						
Net assets, beginning of period	\$ 11.64	\$ 10.03	\$ 11.11	\$ 10.86	\$ 9.89	\$ 10.00
Operations:						
Total revenue	0.19	0.38	0.38	0.34	0.31	0.30
Total expenses	(0.09)	(0.18)	(0.18)	(0.17)	(0.16)	(0.14)
Realized gains (losses)	-	(0.08)	(0.04)	(0.09)	0.08	0.07
Unrealized gains (losses)	(1.35)	1.70	(1.03)	0.33	0.99	(0.09)
Total increase (decrease) from operations²	\$ (1.25)	\$ 1.82	\$ (0.87)	\$ 0.41	\$ 1.22	\$ (0.16)
Distributions:						
From income (excluding dividends)	\$ -	\$ -	\$ -	\$ -	\$ (0.02)	\$ -
From dividends	-	(0.21)	(0.21)	(0.17)	(0.12)	(0.12)
From capital gains	-	-	-	-	(0.08)	(0.07)
Total distributions^{2 3}	\$ -	\$ (0.21)	\$ (0.21)	\$ (0.17)	\$ (0.22)	\$ (0.19)
Net assets, end of period^{2 3}	\$ 10.38	\$ 11.64	\$ 10.03	\$ 11.11	\$ 10.86	\$ 9.89
Ratios and supplemental data						
Net asset value ⁴	\$ 1,467,988	\$ 1,667,352	\$ 1,514,900	\$ 1,607,562	\$ 1,867,495	\$ 1,441,238
Units outstanding	141,397	143,252	151,025	144,641	171,962	145,786
Management expense ratio ⁵	% 1.43	% 1.43	% 1.42	% 1.42	% 1.42	% 1.42
Management expense ratio before waivers or absorption	2.78	2.52	2.43	1.90	2.49	3.65
Portfolio turnover rate ⁶	15.4	15.2	32.3	16.0	19.7	8.2
Trading expense ratio ⁷	0.03	0.03	0.1	-	0.1	0.1
Net asset value per unit, end of period	\$ 10.38	\$ 11.64	\$ 10.03	\$ 11.11	\$ 10.86	\$ 9.89

Notes

- The information is derived from the Fund's unaudited semi-annual and/or audited annual financial statements. All per unit figures presented are referenced to net assets determined in accordance to IFRS.
- 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 is based on the total expenses of the period ended and is expressed as an annualized percentage of daily average net asset values during the period.
- 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 represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period.

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Management Fees

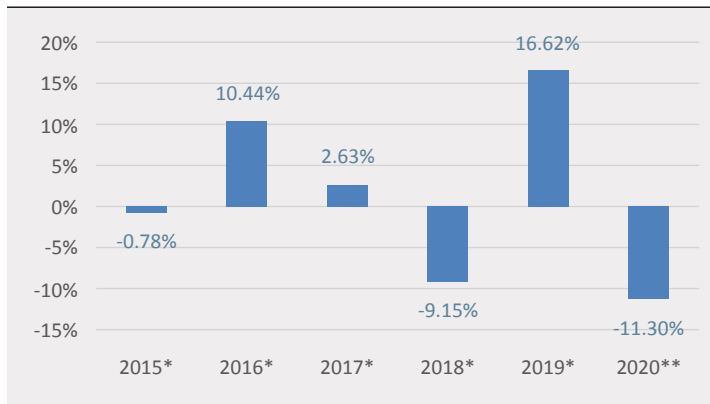
The Manager provides or arranges the provision of all general management and administrative services required by the Fund, and as described in the section “Related Party Transactions” above.

In consideration for such services, the Manager receives a management fee, based on the net asset value of each Series, calculated daily and payable monthly. Effective January 1, 2020, the Fund will pay a management fee of 1.80% (formerly 2.00%) per annum for Series A units and 0.80% (formerly 1.00%) 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 50.0% of the management fee of Series A units.

Year-by-Year Returns

Series A

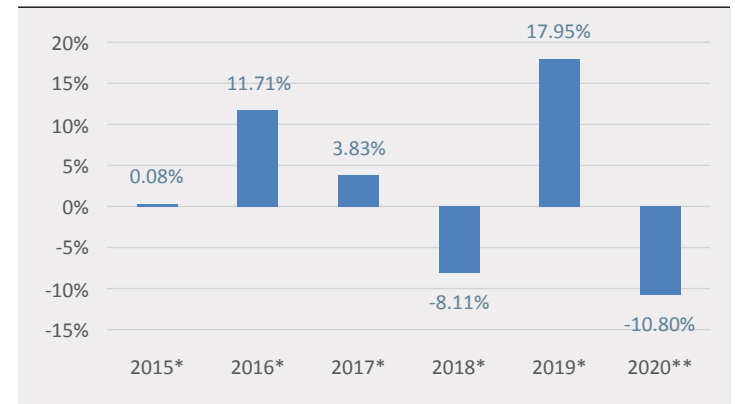


Past Performance

The Fund became a reporting issuer on December 30, 2014. Accordingly, returns are shown for the relevant year as indicated below.

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



* For the period January 1 to December 31, ** For the period January 1 to June 30

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Summary of Investment Portfolio

	% of NAV	
Top 25 Issuers		
IA Financial Corporation	%	2.6
Toronto Dominion Bank		2.6
Royal Bank of Canada		2.5
Bank of Nova Scotia		2.4
Applied Materials Inc.		2.4
Alphabet Inc		2.2
Apple Inc.		2.1
Kla-Tencor Corp.		2.1
Manulife Financial Corp.		2.1
Cisco Systems		2.0
TC Energy Corp		2.0
Alimentation Couche-Tard Inc		2.0
Abbvie Inc.		1.9
ABB Ltd-Spon ADR		1.8
Walt Disney Co.		1.7
United Parcel Service Inc.		1.7
Verizon Communications Inc.		1.7
Canadian National Railway		1.7
Novartis AG ADR		1.7
Alcon Inc.		1.7
CCL Industries Inc.		1.7
Enbridge Inc.		1.7
SAP ADR		1.6
Pfizer Inc.		1.6
Fortis Inc.		1.6
Total	%	49.1

	% of NAV	
Asset Mix		
Canadian Equities	%	46.8
Cash and Cash Equivalents		1.5
International Equities		52.0
Other Assets less Liabilities		(0.3)
Total	%	100.0
Sector		
Cash and Cash Equivalents	%	1.5
Consumer Discretionary		9.9
Consumer Staples		8.5
Energy		9.2
Financials		18.4
Health Care		9.9
Industrials		11.8
Information Technology		15.5
Materials		5.1
Other Assets less Liabilities		(0.3)
Real Estate		1.6
Communication Services		6.1
Utilities		2.9
Total	%	100.0



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