

## **SEMI-ANNUAL MANAGEMENT REPORT OF FUND PERFORMANCE**

# Pender Value Fund

Six months ended June 30, 2021

The logo for Pender, featuring the word "PENDER" in a bold, serif font. The letter "N" is stylized with a diagonal slash through it.

This interim Management Report of Fund Performance contains financial highlights but does not contain either the interim financial statements or annual financial statements of the investment fund. You may obtain a copy of the interim financial statements or annual financial statements at your request, at no cost, by calling toll-free 1-866-377-4743, by writing to us at 1830 – 1066 West Hastings Street, Vancouver, BC V6E 3X2 or by visiting our website at [www.penderfund.com](http://www.penderfund.com) or the SEDAR website at [www.sedar.com](http://www.sedar.com).

You may also contact us using one of these methods to request a copy of the investment fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

## MANAGEMENT DISCUSSION OF FUND PERFORMANCE

### Results of Operations

The net assets of the Pender Value Fund (the "Fund") were \$319,931,280 as at June 30, 2021 versus \$281,529,775 as at December 31, 2020. Of this \$38,401,505 increase, \$34,876,354 is attributable to positive investment performance and \$3,525,151 is attributable to net unitholder purchases of the Fund.

For the six months ended June 30, 2021 (the "period"), Class A units of the Fund generated a total return of 11.9%. Returns for other classes of the Fund will be similar to Class A with any difference in performance being primarily due to the different management fees that are applicable to different classes. Please see the "Past Performance" section for the performance of the Fund's other classes.

The Fund's broad-based benchmark, the S&P/TSX Composite Index ("S&P/TSX"), returned 17.3% during the period. In accordance with National Instrument 81-106, we have included a comparison to this broad-based index to help you understand the Fund's performance relative to the general performance of the market, but we caution that the Fund's mandate may be significantly different from the index. Further, the Fund's returns are reported net of all management fees and expenses for all classes, unlike the returns of the Fund's benchmark, which are based on the performance of an index that does not pay fees or incur expenses.

The Fund's blended benchmark, 50% S&P/TSX and 50% S&P 500 Index, in Canadian dollars ("S&P 500"), returned 14.8% during the period. We include information about this blended benchmark, which more closely reflects the asset classes in which the Fund invests, to provide a more useful comparison for the performance of the Fund.

The following comments and the comments under "Recent Developments" reflect the views of the portfolio management team and are based on information as at the end of the period. Please read the caution regarding forward-looking statements located on the last page of this document.

The Fund's underperformance as compared to its blended benchmark was mainly due to stock selection in the Financials and Information Technology sectors. We do not actively manage sector weightings in the Fund, rather, our sector weightings are determined by individual stock selection through a bottom-up fundamental investment process. We seek to own stocks where our estimated range for the long-term intrinsic value of the business is higher than the current share price.

Key positive individual contributors to the Fund's performance for the period included the bonds of Athabasca Oil Corporation and the equities of Texas Pacific Land Corporation and Stitch Fix, Inc., Class 'A'. Conversely, Columbia Care Inc., Taiga Motors Corporation (formerly Canaccord Genuity Growth II Corp.), and WELL Health Technologies Corp. had the largest adverse impact.

Portfolio transactions during the period were made based on our stock selection process. In general, we increased weightings of individual stocks where we determined the margin of safety had increased and decreased their weightings as their traded market values moved closer to our estimates of their intrinsic values. We are constantly looking for new investment ideas and examples of new investments included BuildDirect.com Technologies Inc., Federal National Mortgage Association, PFD Series 'S', and Nintendo Co., Ltd., ADR. We may liquidate our positions for various reasons, such as when share prices have reached our assessment of fair value, when an acquisition has occurred, or where we have changed our investment thesis. For example, during the period we sold BBTV Holdings Inc., Corus Entertainment Inc., and Turning Point Brands, Inc., and one company we held was acquired by third parties or taken private: CoreLogic, Inc.

As at the end of the period, the Fund was 56.2% invested in the United States, 40.9% in Canada, 2.8% in other countries, and the Fund's cash position had decreased to 0.1%, down from 3.0% as at December 31, 2020. The Fund's cash position may change over time as a result of portfolio transactions. The Fund's investment portfolio is concentrated and not diversified in the conventional sense. The Fund's top 10 holdings account for 33.9% of the Fund's net assets at the end of the period. This concentration may lead to varied results over any given period.

The overall sector exposure of the Fund is determined by stock selection decisions and may shift from time to time. As at June 30, 2021, we were weighted toward holdings in the Information Technology, Diversified Financials, and Communication Services sectors, because, currently, those are the sectors where we believe we are finding the best investment opportunities and, equally important, because they contain businesses for which we are best equipped to assess value. These top three sectors accounted for 57.9% of the Fund at the end of the period.

### Recent Developments

In the first six months of the year, we saw stock markets at or near record high levels, faring much better than they did in the same period last year. The S&P 500 finished the first half of 2021 with a total return of 12.2% versus 1.3% in the first half of 2020 while the S&P/TSX finished the first half of 2021 with a total return of 17.3% versus a loss of 7.5% in the first half of 2020.

### Recent Developments (continued)

While investors applaud the equity markets' return to strength, there are risks to the sustainability of the recovery and markets are giving mixed signals. We believe that the uncertainty that remains could cause market conditions to turn rapidly and unexpectedly. Any potential impact on investment results will depend, to some extent, on the actions taken by governments, the progress of vaccination, new information about the severity of virus variants and the duration of the pandemic. There is plenty of debate over how events will unfold and the situation is, naturally, beyond our control. With COVID-19 restrictions loosening around the globe, we hope to have more visibility into the effectiveness of vaccine programs, and more insight into what reopening will look like as time goes by.

We believe stock market will remain volatile. Even in a bull market, there are periodic pullbacks. We cannot control stock prices or volatility. However, we can and do control our investment process. We strive to adapt to new methods and views that better represent the way the world works. We believe it is essential to have a long-term perspective and stick to our investment process and philosophy in times of uncertainty. The world is going through many changes— some changes are temporary and some changes are permanent. We continue to try to identify trends that are in sync with how the world is changing and to allocate more of our capital to growing companies that have tailwinds and that we believe are still mispriced by the market. We are constantly reassessing our existing holdings as new facts come in, adding to those that we believe will do well in a post pandemic world and trimming some select positions that have held up remarkably well where in our view the good news seems to be more than priced in.

As we run a concentrated investment portfolio, we only need to hold a relatively small number of great companies acquired at a good price to drive the performance of the Fund. We will continue to look for best ideas, those that we think will benefit from the tailwinds caused by changes in behaviors, that could be potential disruptors or leaders on the other side of the global crisis, and that trade at significant discounts to intrinsic values.

### Related Party Transactions

The Fund pays management and administration fees to the Manager for management and portfolio advisory services (see "Management Fees").

As at the end of the period, parties related to the Manager collectively held 1% of the Fund's units.

### Management Fees

The Fund pays management and administration fees calculated as a percentage of the net asset value of each respective class. The Management Expense Ratio ("MER") for each class does not exceed certain levels as set out in the Fund's offering documents. The fees are calculated at the close of business on each valuation day and are paid monthly. Administration fees are used by the Manager to pay the operating costs of the Fund.

Management fees are used by the Manager, in part, to pay sales commissions, trailer fees, marketing costs and other associated distribution costs relating to the sale of units of the Fund. Such expenses represented approximately 22% of the management fees paid by the Fund to the Manager for the period.

## FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the period and the calendar years indicated.

<b>CLASS A</b>						
<b>Fund's Net Assets Per Unit (a)</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>
Net assets – beginning of period	\$22.54	\$18.96	\$16.36	\$18.48	\$17.80	\$15.30
<b>Increase (decrease) from operations:</b>						
Total revenue	0.17	0.27	0.21	0.17	0.14	0.38
Total expenses	(0.32)	(0.44)	(0.47)	(0.50)	(0.48)	(0.45)
Realized gains (losses)	1.85	(0.37)	0.66	0.93	1.58	0.67
Unrealized gains (losses)	1.07	2.91	2.57	(2.87)	(0.26)	2.02
<b>Total increase (decrease) from operations (b)</b>	<b>2.77</b>	<b>2.37</b>	<b>2.97</b>	<b>(2.27)</b>	<b>0.98</b>	<b>2.62</b>
<b>Distributions:</b>						
From income (excluding dividends)	-	-	-	(0.30)	-	-
From dividends	-	-	-	(0.03)	-	-
From capital gains	-	-	(0.37)	(0.04)	(0.57)	(0.29)
Return of capital	-	-	-	-	-	-
<b>Total annual distributions (b), (c)</b>	<b>-</b>	<b>-</b>	<b>(0.37)</b>	<b>(0.37)</b>	<b>(0.57)</b>	<b>(0.29)</b>
<b>Net assets – end of period</b>	<b>\$25.23</b>	<b>\$22.54</b>	<b>\$18.96</b>	<b>\$16.36</b>	<b>\$18.48</b>	<b>\$17.80</b>
<b>Ratios and Supplemental Data</b>						
Total net asset value (\$000s) (a)	\$54,398	\$50,956	\$59,410	\$62,338	\$57,013	\$37,724
Number of units outstanding (a)	2,155,951	2,260,446	3,134,001	3,810,427	3,084,249	2,119,812
Management expense ratio (d)	2.40%	2.40%	2.40%	2.40%	2.40%	2.45%
Management expense ratio before absorptions (e)	2.40%	2.40%	2.40%	2.40%	2.40%	2.45%
Trading expense ratio (f)	0.13%	0.13%	0.12%	0.16%	0.06%	0.06%
Portfolio turnover rate (g)	39.19%	76.98%	71.36%	76.69%	54.93%	41.39%
Net asset value per unit (a)	\$25.23	\$22.54	\$18.96	\$16.36	\$18.48	\$17.80
<b>CLASS D</b>						
<b>Fund's Net Assets Per Unit (a)</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>
Net assets – beginning of period	\$13.58	\$11.32	9.73	\$11.02	\$10.59	\$9.14
<b>Increase (decrease) from operations:</b>						
Total revenue	0.11	0.16	0.12	0.10	0.08	0.23
Total expenses	(0.12)	(0.17)	(0.19)	(0.21)	(0.19)	(0.19)
Realized gains (losses)	1.09	(0.14)	0.40	0.51	0.95	0.40
Unrealized gains (losses)	0.52	1.70	1.58	(1.78)	(0.61)	1.57
<b>Total increase (decrease) from operations (b)</b>	<b>1.60</b>	<b>1.55</b>	<b>1.91</b>	<b>(1.38)</b>	<b>0.23</b>	<b>2.01</b>
<b>Distributions:</b>						
From income (excluding dividends)	-	-	-	(0.26)	-	(0.02)
From dividends	-	-	-	(0.03)	-	(0.03)
From capital gains	-	-	(0.27)	(0.03)	(0.41)	(0.25)
Return of capital	-	-	-	-	-	-
<b>Total annual distributions (b), (c)</b>	<b>-</b>	<b>-</b>	<b>(0.27)</b>	<b>(0.32)</b>	<b>(0.41)</b>	<b>(0.30)</b>
<b>Net assets – end of period</b>	<b>\$15.28</b>	<b>\$13.58</b>	<b>\$11.32</b>	<b>\$9.73</b>	<b>\$11.02</b>	<b>\$10.59</b>
<b>Ratios and Supplemental Data</b>						
Total net asset value (\$000s) (a)	\$2,659	\$2,209	\$3,255	\$3,605	\$3,168	\$546
Number of units outstanding (a)	174,082	162,632	287,601	370,317	287,545	51,572
Management expense ratio (d)	1.40%	1.53%	1.65%	1.65%	1.65%	1.65%
Management expense ratio before absorptions (e)	1.40%	1.53%	1.65%	1.65%	1.65%	1.65%
Trading expense ratio (f)	0.13%	0.13%	0.12%	0.16%	0.06%	0.06%
Portfolio turnover rate (g)	39.19%	76.98%	71.36%	76.69%	54.93%	41.39%
Net asset value per unit (a)	\$15.28	\$13.58	\$11.32	\$9.73	\$11.02	\$10.59

## FINANCIAL HIGHLIGHTS (CONTINUED)

<b>CLASS E</b>			
<b>Fund's Net Assets Per Unit (a)</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>
Net assets – beginning of period	\$13.19	\$10.88	\$10.00
<b>Increase (decrease) from operations:</b>			
Total revenue	0.10	0.16	0.04
Total expenses	(0.05)	(0.07)	0.07
Realized gains (losses)	1.08	(0.11)	(0.15)
Unrealized gains (losses)	0.59	2.48	2.00
<b>Total increase (decrease) from operations (b)</b>	<b>1.72</b>	<b>2.46</b>	<b>1.96</b>
<b>Distributions:</b>			
From income (excluding dividends)	-	-	-
From dividends	-	-	-
From capital gains	-	-	(0.35)
Return of capital	-	-	-
<b>Total annual distributions (b), (c)</b>	<b>-</b>	<b>-</b>	<b>(0.35)</b>
<b>Net assets – end of period</b>	<b>\$14.90</b>	<b>\$13.19</b>	<b>\$10.88</b>
<b>Ratios and Supplemental Data</b>			
Total net asset value (\$000s) (a)	\$988	\$861	\$684
Number of units outstanding (a)	66,292	65,263	62,855
Management expense ratio (d)	0.50%	0.50%	0.50%
Management expense ratio before absorptions (e)	0.50%	0.50%	0.50%
Trading expense ratio (f)	0.13%	0.13%	0.12%
Portfolio turnover rate (g)	39.19%	76.98%	71.36%
Net asset value per unit (a)	\$14.90	\$13.19	\$10.88

<b>CLASS F</b>						
<b>Fund's Net Assets Per Unit (a)</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>
Net assets – beginning of period	\$22.85	\$19.02	\$16.35	\$18.52	\$17.88	\$15.41
<b>Increase (decrease) from operations:</b>						
Total revenue	0.17	0.27	0.21	0.17	0.14	0.39
Total expenses	(0.19)	(0.27)	(0.29)	(0.31)	(0.29)	(0.28)
Realized gains (losses)	1.88	(0.47)	0.68	0.69	1.59	0.67
Unrealized gains (losses)	1.09	2.76	2.55	(3.27)	(0.48)	2.13
<b>Total increase (decrease) from operations (b)</b>	<b>2.95</b>	<b>2.29</b>	<b>3.15</b>	<b>(2.72)</b>	<b>0.96</b>	<b>2.91</b>
<b>Distributions:</b>						
From income (excluding dividends)	-	-	-	(0.50)	-	(0.05)
From dividends	-	-	-	(0.05)	-	(0.06)
From capital gains	-	-	(0.48)	(0.04)	(0.80)	(0.42)
Return of capital	-	-	-	-	-	-
<b>Total annual distributions (b), (c)</b>	<b>-</b>	<b>-</b>	<b>(0.48)</b>	<b>(0.59)</b>	<b>(0.80)</b>	<b>(0.53)</b>
<b>Net assets – end of period</b>	<b>\$25.70</b>	<b>\$22.85</b>	<b>\$19.02</b>	<b>\$16.35</b>	<b>\$18.52</b>	<b>\$17.88</b>
<b>Ratios and Supplemental Data</b>						
Total net asset value (\$000s) (a)	\$117,929	\$107,637	\$144,360	\$161,576	\$122,313	\$58,224
Number of units outstanding (a)	4,587,908	4,710,346	7,587,835	9,883,888	6,603,036	3,256,192
Management expense ratio (d)	1.40%	1.40%	1.40%	1.40%	1.40%	1.40%
Management expense ratio before absorptions (e)	1.40%	1.40%	1.40%	1.40%	1.40%	1.40%
Trading expense ratio (f)	0.13%	0.13%	0.12%	0.16%	0.06%	0.06%
Portfolio turnover rate (g)	39.19%	76.98%	71.36%	76.69%	54.93%	41.39%
Net asset value per unit (a)	\$25.70	\$22.85	\$19.02	\$16.35	\$18.52	\$17.88

## FINANCIAL HIGHLIGHTS (CONTINUED)

<b>CLASS H</b>						
<b>Fund's Net Assets Per Unit (a)</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>
Net assets – beginning of period	\$16.33	\$13.69	\$11.80	\$13.39	\$12.95	\$11.18
<b>Increase (decrease) from operations:</b>						
Total revenue	0.12	0.20	0.15	0.12	0.10	0.28
Total expenses	(0.20)	(0.28)	(0.30)	(0.32)	(0.31)	(0.29)
Realized gains (losses)	1.31	(0.08)	0.52	0.62	1.15	0.49
Unrealized gains (losses)	0.55	2.38	1.89	(2.13)	(0.18)	1.83
<b>Total increase (decrease) from operations (b)</b>	<b>1.78</b>	<b>2.22</b>	<b>2.26</b>	<b>(1.71)</b>	<b>0.76</b>	<b>2.31</b>
<b>Distributions:</b>						
From income (excluding dividends)	-	-	-	(0.29)	-	-
From dividends	-	-	-	(0.03)	-	(0.00)
From capital gains	-	-	(0.29)	(0.03)	(0.51)	(0.30)
Return of capital	-	-	-	-	-	-
<b>Total annual distributions (b), (c)</b>	<b>-</b>	<b>-</b>	<b>(0.29)</b>	<b>(0.35)</b>	<b>(0.51)</b>	<b>(0.30)</b>
<b>Net assets – end of period</b>	<b>\$18.30</b>	<b>\$16.33</b>	<b>\$13.69</b>	<b>\$11.80</b>	<b>\$13.39</b>	<b>\$12.95</b>
<b>Ratios and Supplemental Data</b>						
Total net asset value (\$000s) (a)	\$15,480	\$12,283	\$11,561	\$12,342	\$12,187	\$8,895
Number of units outstanding (a)	845,771	752,280	844,511	1,045,603	910,031	686,980
Management expense ratio (d)	2.10%	2.10%	2.10%	2.10%	2.10%	2.18%
Management expense ratio before absorptions (e)	2.10%	2.10%	2.10%	2.10%	2.10%	2.18%
Trading expense ratio (f)	0.13%	0.13%	0.12%	0.16%	0.06%	0.06%
Portfolio turnover rate (g)	39.19%	76.98%	71.36%	76.69%	54.93%	41.39%
Net asset value per unit (a)	\$18.30	\$16.33	\$13.69	\$11.80	\$13.39	\$12.95

<b>CLASS I</b>						
<b>Fund's Net Assets Per Unit (a)</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>
Net assets – beginning of period	\$16.76	\$13.94	\$11.98	\$13.59	\$13.10	\$11.30
<b>Increase (decrease) from operations:</b>						
Total revenue	0.13	0.21	0.15	0.12	0.10	0.28
Total expenses	(0.13)	(0.18)	(0.19)	(0.21)	(0.19)	(0.19)
Realized gains (losses)	1.37	(0.11)	0.46	0.49	1.17	0.50
Unrealized gains (losses)	0.61	1.94	1.86	(2.34)	(0.38)	1.82
<b>Total increase (decrease) from operations (b)</b>	<b>1.98</b>	<b>1.86</b>	<b>2.28</b>	<b>(1.94)</b>	<b>0.70</b>	<b>2.41</b>
<b>Distributions:</b>						
From income (excluding dividends)	-	-	-	(0.39)	-	(0.08)
From dividends	-	-	-	(0.04)	-	(0.04)
From capital gains	-	-	(0.38)	(0.03)	(0.59)	(0.31)
Return of capital	-	-	-	-	-	-
<b>Total annual distributions (b), (c)</b>	<b>-</b>	<b>-</b>	<b>(0.38)</b>	<b>(0.46)</b>	<b>(0.59)</b>	<b>(0.43)</b>
<b>Net assets – end of period</b>	<b>\$18.87</b>	<b>\$16.76</b>	<b>\$13.94</b>	<b>\$11.98</b>	<b>\$13.59</b>	<b>\$13.10</b>
<b>Ratios and Supplemental Data</b>						
Total net asset value (\$000s) (a)	\$107,634	\$90,636	\$83,532	\$66,760	\$48,805	\$21,732
Number of units outstanding (a)	5,703,435	5,406,414	5,993,732	5,571,572	3,592,102	1,659,398
Management expense ratio (d)	1.25%	1.25%	1.25%	1.35%	1.25%	1.25%
Management expense ratio before absorptions (e)	1.25%	1.25%	1.25%	1.35%	1.25%	1.25%
Trading expense ratio (f)	0.13%	0.13%	0.12%	0.16%	0.06%	0.06%
Portfolio turnover rate (g)	39.19%	76.98%	71.36%	76.69%	54.93%	41.39%
Net asset value per unit (a)	\$18.87	\$16.76	\$13.94	\$11.98	\$13.59	\$13.10

## FINANCIAL HIGHLIGHTS (CONTINUED)

<b>CLASS N</b>			
<b>Fund's Net Assets Per Unit (a)</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>
Net assets – beginning of period	\$12.15	\$10.06	\$10.00
<b>Increase (decrease) from operations:</b>			
Total revenue	(0.61)	0.15	0.05
Total expenses	(0.07)	(0.09)	(0.05)
Realized gains (losses)	1.62	(0.10)	0.06
Unrealized gains (losses)	1.45	2.13	0.32
<b>Total increase (decrease) from operations (b)</b>	<b>2.39</b>	<b>2.09</b>	<b>0.38</b>
<b>Distributions:</b>			
From income (excluding dividends)	-	-	-
From dividends	-	-	-
From capital gains	-	-	(0.32)
Return of capital	-	-	-
<b>Total annual distributions (b), (c)</b>	<b>-</b>	<b>-</b>	<b>(0.32)</b>
<b>Net assets – end of period</b>	<b>\$13.70</b>	<b>\$12.15</b>	<b>\$10.06</b>
<b>Ratios and Supplemental Data</b>			
Total net asset value (\$000s) (a)	\$1,769	\$6	\$5
Number of units outstanding (a)	129,156	516	516
Management expense ratio (d)	0.85%	0.85%	0.85%
Management expense ratio before absorptions (e)	0.85%	0.85%	0.85%
Trading expense ratio (f)	0.13%	0.13%	0.12%
Portfolio turnover rate (g)	39.19%	76.98%	71.36%
Net asset value per unit (a)	\$13.70	\$12.15	\$10.06

<b>CLASS O</b>						
<b>Fund's Net Assets Per Unit (a)</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>
Net assets – beginning of period	\$19.34	\$15.88	\$13.57	\$15.38	\$14.96	\$12.86
<b>Increase (decrease) from operations:</b>						
Total revenue	0.14	0.23	0.17	0.14	0.12	0.33
Total expenses	(0.02)	(0.02)	(0.03)	(0.03)	(0.02)	(0.05)
Realized gains (losses)	1.59	(0.21)	0.53	0.93	1.34	0.57
Unrealized gains (losses)	0.87	3.19	2.15	(2.21)	(0.11)	2.44
<b>Total increase (decrease) from operations (b)</b>	<b>2.58</b>	<b>3.19</b>	<b>2.82</b>	<b>(1.17)</b>	<b>1.33</b>	<b>3.29</b>
<b>Distributions:</b>						
From income (excluding dividends)	-	-	-	(0.59)	-	(0.23)
From dividends	-	-	-	(0.06)	-	(0.05)
From capital gains	-	-	(0.54)	(0.04)	(0.99)	(0.35)
Return of capital	-	-	-	-	-	-
<b>Total annual distributions (b), (c)</b>	<b>-</b>	<b>-</b>	<b>(0.54)</b>	<b>(0.69)</b>	<b>(0.99)</b>	<b>(0.63)</b>
<b>Net assets – end of period</b>	<b>\$21.91</b>	<b>\$19.34</b>	<b>\$15.88</b>	<b>\$13.57</b>	<b>\$15.38</b>	<b>\$14.96</b>
<b>Ratios and Supplemental Data</b>						
Total net asset value (\$000s) (a)	\$19,074	\$16,943	\$15,480	\$12,442	\$12,973	\$10,022
Number of units outstanding (a)	870,731	876,109	975,003	916,906	843,553	670,026
Management expense ratio (d)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Management expense ratio before absorptions (e)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Trading expense ratio (f)	0.13%	0.13%	0.12%	0.16%	0.06%	0.06%
Portfolio turnover rate (g)	39.19%	76.98%	71.36%	76.69%	54.93%	41.39%
Net asset value per unit (a)	\$21.91	\$19.34	\$15.88	\$13.57	\$15.38	\$14.96

**FINANCIAL HIGHLIGHTS (CONTINUED)****Footnotes:**

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- (a) This information is derived from the Fund's unaudited semi-annual financial statements as at June 30 and audited annual financial statements as at December 31 for the period stated, prepared under International Financial Reporting Standards.
- (b) Net assets per unit and distributions per unit are based on the actual number of units for the relevant Fund class outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding during the period.
- (c) Distributions were paid in cash and/or reinvested in additional units of the Fund.
- (d) Management expense ratio ("MER") is based on total expenses (excluding commissions and other portfolio transaction costs) for the period and is expressed as an annualized percentage of daily average net asset value during the period. The MER may vary from one class of units to another because of differences in the applicable management fees and certain fees and expenses may have been absorbed by the Manager which would otherwise be reflected in the Fund.
- (e) The Manager of the Fund has agreed to absorb sufficient expenses of the Fund, as necessary, such that the annual MER after all charges and taxes (including sales, goods and services and other similar charges) will not exceed certain limits as outlined in the Fund's Simplified Prospectus. The amount of expenses absorbed is at the discretion of the Manager as set out in the Fund's Simplified Prospectus, and the Manager may in its sole discretion cease to absorb expenses.
- (f) 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.
- (g) The Fund's portfolio turnover rate indicates how actively the Fund's portfolio adviser 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. In general, 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.

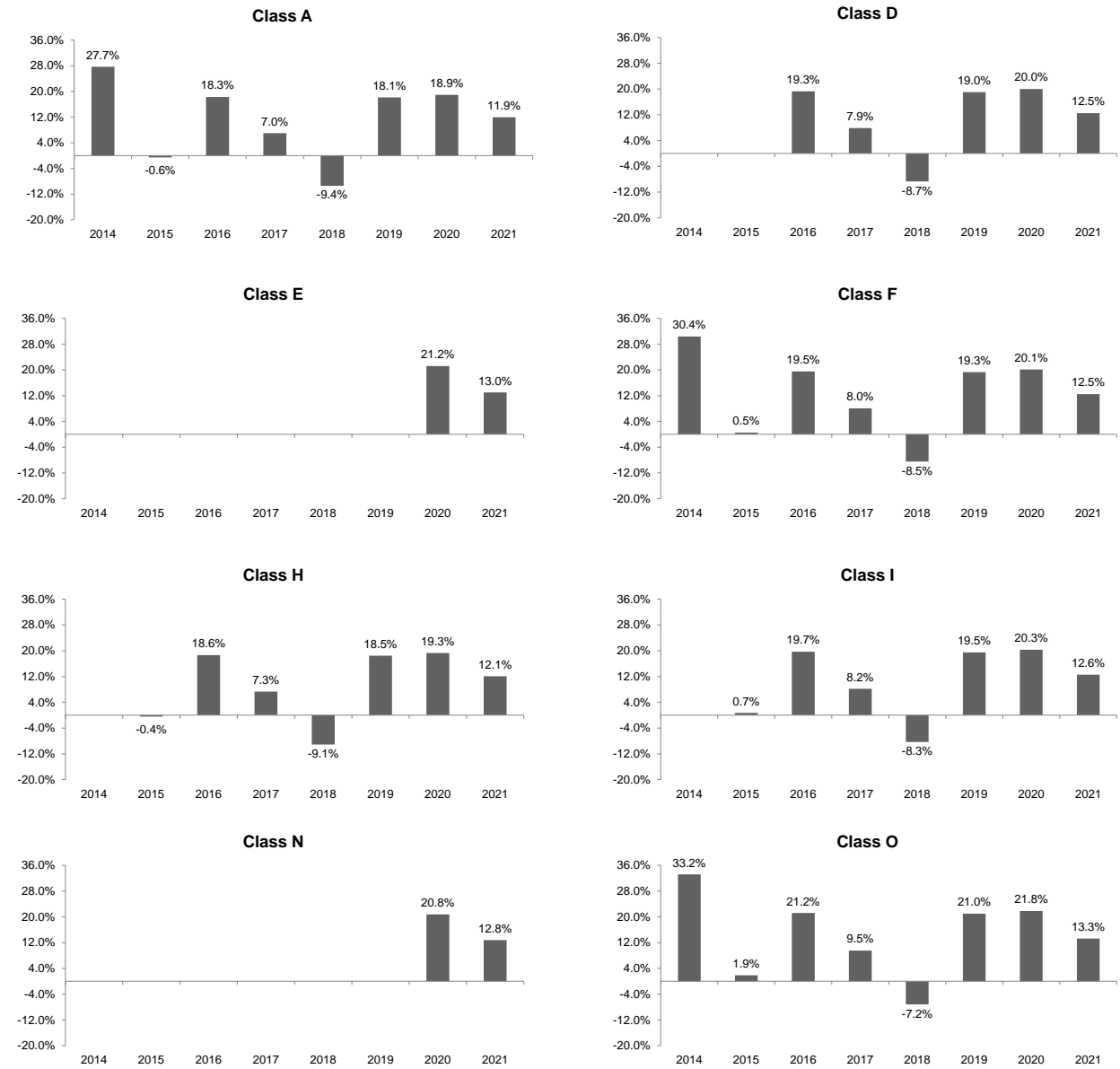


**PAST PERFORMANCE**

The following charts show the past performance for the units of each class of the Fund and do not necessarily indicate how the Fund will perform in the future. The information shown assumes that any distributions made by the Fund were reinvested in additional units of the Fund. Returns would be different if an investor did not reinvest distributions. In addition, the information does not take into account sales, redemptions, income taxes payable or other charges that would have reduced returns or performance.

**Period-by-Period Returns**

To illustrate how the Fund's performance has varied over time, the following bar charts show the Fund's performance for the six-month period ended June 30, 2021 and for each of the previous 12-month periods ended December 31. The information is presented starting from the first full financial year of the respective Fund class. In percentage terms, the bar charts show how much an investment held on the first day of the period would have increased or decreased by the last day of the period.



**SUMMARY OF INVESTMENT PORTFOLIO**

The largest holdings of the Fund as at the end of the period and the major asset classes in which the Fund was invested, are indicated below. Where the Fund has less than 25 holdings, the table will show the Fund's entire investment portfolio. The investment portfolio may change due to ongoing portfolio transactions. An update of the Fund's summary of investment portfolio as at the end of each calendar quarter is available from the Manager. Please see the front page of this document for information about how this can be obtained.

## Summary of Top 25 Holdings

	% of Net Assets
Burford Capital Limited	4.7
Stitch Fix, Inc., Class 'A'	3.6
Zillow Group, Inc.	3.6
SS&C Technologies Holdings, Inc.	3.5
Athabasca Oil Corporation, 9.88%, 2022/02/24	3.4
Baidu, Inc., ADR	3.2
MAV Beauty Brands Inc.	3.1
Interactive Brokers Group, Inc., Class 'A'	3.0
BuildDirect.com Technologies Inc., Subscription Receipt	2.9
eGain Corporation	2.9
Premium Brands Holdings Corporation	2.9
ProntoForms Corporation	2.9
Sangoma Technologies Corporation	2.9
Exor N.V.	2.8
Universal Technical Institute, Inc.	2.7
Dye & Durham Limited	2.6
KKR & Co. Inc.	2.5
Square, Inc., Class 'A'	2.5
Ebix, Inc.	2.4
Federal National Mortgage Association, PFD Series 'S'	2.3
Diversified Royalty Corp.	2.2
JD.com Inc., ADR	2.2
Bausch Health Companies Inc.	2.0
CCL Industries Inc., Class 'B'	2.0
Texas Pacific Land Corporation	1.9

## Summary of Composition of the Portfolio

	% of Net Assets
<b>Equities</b>	
Information technology	23.1
Diversified financials	18.1
Communication services	16.7
Consumer discretionary	15.3
Consumer staples	8.5
Health care	4.1
Materials	3.2
Banks	2.3
Energy	1.9
Real estate	1.9
Industrials	0.5
<b>Total equities</b>	<b>95.6</b>
Corporate bonds	3.4
Warrants	0.4
<b>Total investments</b>	<b>99.4</b>
Cash	0.1
Other assets less liabilities	0.5
<b>Total net assets</b>	<b>100.0</b>

## Caution Regarding Forward-Looking Statements

This report contains forward-looking statements about the Fund, including its strategy, prospects and further actions. Forward-looking statements include statements that are predictive in nature, that depend upon or refer to future events or conditions, or that include words such as “expects”, “anticipates”, “intends”, “plans”, “believes”, “estimates”, or negative versions thereof and similar expressions.

In addition, any statement made concerning future performance, strategies or prospects, and possible future Fund action is also a forward-looking statement. Forward-looking statements are based on current expectations and projections about future events and are inherently subject to risks, uncertainties and assumptions about the Fund and economic factors, among other things.

Forward-looking statements are not guarantees of future performance, and actual events and results could differ materially from those expressed or implied in any forward-looking statements. Any number of important factors could contribute to these digressions, including, but not limited to: general economic, political and market factors in North America and internationally; interest and foreign exchange rates; global equity and capital markets; business competition; technological change; changes in government regulations; unexpected judicial or regulatory proceedings; pandemics and catastrophic events.

We stress that the above-mentioned list of important factors is not exhaustive. We encourage you to consider these and other factors carefully before making any investment decisions and we urge you to avoid placing undue reliance on forward-looking statements. Further, except as may be required under applicable law, the Manager has no specific intention of updating any forward-looking statements whether as a result of new information, future events or otherwise, prior to the release of the next Management Report of Fund Performance.

# PENDER

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