



# Pender Small/Mid Cap Dividend Fund

For the year ended December 31, 2021

## Annual Management Report of Fund Performance

This annual Management Report of Fund Performance contains financial highlights but does not contain the complete annual financial statements of the investment fund. You may obtain a copy of the 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.

# Pender Small/Mid Cap Dividend Fund

For the year ended December 31, 2021

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## MANAGEMENT DISCUSSION OF FUND PERFORMANCE

### Investment Objective and Strategies

The primary objective of the Pender Small/Mid Cap Dividend Fund (the "Fund") is to provide investors with a combination of long-term capital appreciation and a stable quarterly stream of cash distributions. The Fund invests primarily in Canadian securities, with a focus on, but not limited to, dividend paying small/mid cap companies. Assets in the Fund may also be held in cash or other securities to the extent that the economic, market, or other conditions make it appropriate.

PenderFund Capital Management Ltd. ("Pender") is the Manager and Portfolio Advisor of the Fund.

### Risks

The risks of investing in the Fund are outlined in the Simplified Prospectus dated June 25, 2021. There were no significant changes to the Fund's objectives and strategies that affected its overall level of risk during the year.

On February 24, 2022, Russia launched a large military invasion of Ukraine. This has resulted in a disruption in the supply of energy resources, a refugee crisis in Europe, global protests and the imposition of sanctions on Russia, which in turn triggered a financial crisis in Russia. The Russian president has placed Russia's nuclear forces on high alert, increasing tension between the West and Russia. The invasion has introduced a new source of uncertainty for financial markets.

The COVID-19 global health pandemic that began in 2019 continues today. In early 2020, it resulted in significant volatility and turmoil in World markets. The negative economic impact of measures taken to contain the virus have been mitigated to a certain extent by fiscal and monetary stimulus, measures taken to reopen world economies, and the development and rollout of vaccines. The situation has had an impact on many entities and the markets for the securities that they issue, and that impact may continue.

Investment results may be affected by future developments and new information that may emerge resulting from Russia's invasion of Ukraine, COVID-19, its variants and the pandemic, factors which are beyond the Fund's control.

### Results of Operations

The net assets of the Fund were \$24,474,394 as at December 31, 2021 versus \$11,533,929 as at December 31, 2020. Of this \$12,940,465 increase, \$3,222,501 is attributable to positive investment performance and \$9,717,964 is attributable to net unitholder purchases of the Fund.

For the year ended December 31, 2021, Class A units of the Fund generated a total return of 27.3%. 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 25.2% during the year. 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 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 year. Please read the caution regarding forward-looking statements located on the last page of this document.

The Fund's outperformance as compared to its benchmark was primarily due to stock selection in the Information Technology sector. 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 year included Magnet Forensics Inc., Hardwoods Distribution Inc., and Spartan Delta Corp. Conversely, Richards Packaging Income Fund, Dye & Durham Limited, and Chorus Aviation Inc. had the largest adverse impact.

## Pender Small/Mid Cap Dividend Fund

For the year ended December 31, 2021

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Portfolio transactions during the year 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 Onex Corporation, Héroux-Devtek Inc., and Dream Unlimited Corp. 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 year we sold Dexterra Group, Major Drilling Group International Inc., and Social Capital Hedosophia Holdings Corp. IV. One company we held, PFB Corporation, was acquired by third party.

As at the end of the year, the Fund was 85.9% invested in Canada, 2.5% invested in United States, and the Fund's cash position had decreased to 11.6%, down from 44.1% 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 35.0% of the Fund's net assets at the end of the year. This concentration may lead to varied results over any given year.

The overall sector exposure of the Fund is determined by stock selection decisions and may shift from time to time. As at December 31, 2021 we were weighted toward holdings in the Industrials, Real Estate, and Information Technology 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 48.1% of the Fund at the end of the year.

### Recent Developments

2021 was a strong year for stock performance with the S&P/TSX Composite finishing the year with a total return of 25.2%, the highest annual return since 2009. The strong performance was buoyed by energy stocks driven by a rebound in oil and gas prices and demand from the pandemic.

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. 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 cannot control stock prices or volatility. However, we can and do control our investment process. We strive to adapt with 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 and where, in our view, the good news seems to be more than priced in.

While dividends are expected to play an important role in the total return of the Fund, our goal is to augment this with growth. This focus on growth becomes more important with interest rate and expectations for interest rates rising. With this in mind, the Fund looks to invest in companies which we believe to have a growth strategy and a strong balance sheet with which to finance their plan. Many of our holdings have stronger balance sheets today than pre-pandemic. With good historical track records of capital allocation, we expect many companies will deploy capital into M&A and organic growth opportunities.

### 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 year, parties related to the Manager collectively held 5% of the Fund's units. In addition, the Pender Partners Fund, a fund also managed by the Manager, collectively held 8% of the Fund's outstanding 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") before applicable taxes such as GST or HST 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. In exchange for the administration fee, the Manager will pay the operating costs of the Fund.

## Pender Small/Mid Cap Dividend Fund

For the year ended December 31, 2021

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 23% of the management fees paid by the Fund to the Manager for the year.

### 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 calendar years indicated.

#### Fund's Net Assets Per Unit (a)

	2021 (\$)	2020 (\$)
<b>Class A</b>		
Net Assets, beginning of year	13.24	10.00
<b>Increase (decrease) from operations:</b>		
Total revenue	0.39	0.29
Total expenses	(0.44)	(0.08)
Realized gains (losses)	1.74	1.22
Unrealized gains (losses)	1.50	3.39
<b>Total increase (decrease) from operations (b)</b>	<b>3.19</b>	<b>4.82</b>
<b>Distributions:</b>		
From income (excluding dividends)	-	-
From dividends	(0.36)	(0.28)
From capital gains	(0.66)	(0.61)
Return of capital	-	-
<b>Total distributions (b), (c)</b>	<b>(1.02)</b>	<b>(0.89)</b>
<b>Net Assets, end of year</b>	<b>15.78</b>	<b>13.24</b>
<b>Class D</b>		
Net Assets, beginning of year	13.22	10.00
<b>Increase (decrease) from operations:</b>		
Total revenue	0.43	0.29
Total expenses	(0.29)	(0.07)
Realized gains (losses)	1.57	1.52
Unrealized gains (losses)	1.03	6.11
<b>Total increase (decrease) from operations (b)</b>	<b>2.74</b>	<b>7.85</b>
<b>Distributions:</b>		
From income (excluding dividends)	-	-
From dividends	(0.36)	(0.28)
From capital gains	(0.15)	(0.66)
Return of capital	-	-
<b>Total distributions (b), (c)</b>	<b>(0.51)</b>	<b>(0.94)</b>
<b>Net Assets, end of year</b>	<b>16.46</b>	<b>13.22</b>

## Pender Small/Mid Cap Dividend Fund

For the year ended December 31, 2021

### Fund's Net Assets Per Unit (a) (cont'd)

	2021 (\$)	2020 (\$)
<b>Class E</b>		
Net Assets, beginning of year	13.21	10.00
<b>Increase (decrease) from operations:</b>		
Total revenue	0.37	0.28
Total expenses	(0.13)	(0.04)
Realized gains (losses)	1.78	1.03
Unrealized gains (losses)	1.96	3.30
<b>Total increase (decrease) from operations (b)</b>	<b>3.98</b>	<b>4.57</b>
<b>Distributions:</b>		
From income (excluding dividends)	-	-
From dividends	(0.36)	(0.28)
From capital gains	-	(0.69)
Return of capital	-	-
<b>Total distributions (b), (c)</b>	<b>(0.36)</b>	<b>(0.97)</b>
<b>Net Assets, end of year</b>	<b>16.76</b>	<b>13.21</b>
<b>Class F</b>		
Net Assets, beginning of year	13.19	10.00
<b>Increase (decrease) from operations:</b>		
Total revenue	0.39	0.29
Total expenses	(0.28)	(0.07)
Realized gains (losses)	1.75	1.44
Unrealized gains (losses)	1.55	4.55
<b>Total increase (decrease) from operations (b)</b>	<b>3.41</b>	<b>6.21</b>
<b>Distributions:</b>		
From income (excluding dividends)	-	-
From dividends	(0.36)	(0.28)
From capital gains	(0.82)	(0.68)
Return of capital	-	-
<b>Total distributions (b), (c)</b>	<b>(1.18)</b>	<b>(0.96)</b>
<b>Net Assets, end of year</b>	<b>15.74</b>	<b>13.19</b>
<b>Class H</b>		
Net Assets, beginning of year	13.13	10.00
<b>Increase (decrease) from operations:</b>		
Total revenue	0.39	0.29
Total expenses	(0.39)	(0.09)
Realized gains (losses)	1.67	1.32
Unrealized gains (losses)	1.52	3.97
<b>Total increase (decrease) from operations (b)</b>	<b>3.19</b>	<b>5.49</b>
<b>Distributions:</b>		
From income (excluding dividends)	-	-
From dividends	(0.36)	(0.28)
From capital gains	(0.63)	(0.72)
Return of capital	-	-
<b>Total distributions (b), (c)</b>	<b>(0.99)</b>	<b>(1.00)</b>
<b>Net Assets, end of year</b>	<b>15.74</b>	<b>13.13</b>

## Pender Small/Mid Cap Dividend Fund

For the year ended December 31, 2021

### Fund's Net Assets Per Unit (a) (cont'd)

	2021 (\$)	2020 (\$)
<b>Class I</b>		
Net Assets, beginning of year	13.16	10.00
<b>Increase (decrease) from operations:</b>		
Total revenue	0.39	0.32
Total expenses	(0.26)	(0.09)
Realized gains (losses)	1.78	1.28
Unrealized gains (losses)	1.62	4.10
<b>Total increase (decrease) from operations (b)</b>	<b>3.53</b>	<b>5.61</b>
<b>Distributions:</b>		
From income (excluding dividends)	-	-
From dividends	(0.36)	(0.28)
From capital gains	(0.87)	(0.72)
Return of capital	-	-
<b>Total distributions (b), (c)</b>	<b>(1.23)</b>	<b>(1.00)</b>
<b>Net Assets, end of year</b>	<b>15.67</b>	<b>13.16</b>
<b>Class N</b>		
Net Assets, beginning of year	13.16	10.00
<b>Increase (decrease) from operations:</b>		
Total revenue	0.37	0.27
Total expenses	(0.20)	(0.05)
Realized gains (losses)	1.82	0.95
Unrealized gains (losses)	1.80	3.04
<b>Total increase (decrease) from operations (b)</b>	<b>3.79</b>	<b>4.21</b>
<b>Distributions:</b>		
From income (excluding dividends)	-	-
From dividends	(0.36)	(0.28)
From capital gains	(0.96)	(0.73)
Return of capital	-	-
<b>Total distributions (b), (c)</b>	<b>(1.32)</b>	<b>(1.01)</b>
<b>Net Assets, end of year</b>	<b>15.64</b>	<b>13.16</b>

## Pender Small/Mid Cap Dividend Fund

For the year ended December 31, 2021

### Fund's Net Assets Per Unit (a) (cont'd)

	2021 (\$)	2020 (\$)
<b>Class O</b>		
Net Assets, beginning of year	13.43	10.00
<b>Increase (decrease) from operations:</b>		
Total revenue	0.51	0.30
Total expenses	(0.06)	(0.03)
Realized gains (losses)	1.69	1.72
Unrealized gains (losses)	(2.04)	5.49
<b>Total increase (decrease) from operations (b)</b>	<b>0.10</b>	<b>7.48</b>
<b>Distributions:</b>		
From income (excluding dividends)	-	-
From dividends	(0.37)	(0.28)
From capital gains	(0.14)	(0.48)
Return of capital	-	-
<b>Total distributions (b), (c)</b>	<b>(0.51)</b>	<b>(0.76)</b>
<b>Net Assets, end of year</b>	<b>17.00</b>	<b>13.43</b>

(a) This information is derived from the Fund's audited annual financial statements as at December 31 for the year 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 year.

(c) Distributions were paid in cash and/or reinvested in additional units of the Fund.

### Ratios and Supplemental Data

	2021	2020
<b>Class A</b>		
Total net asset value (\$000s) (a)	945	479
Number of units outstanding (a)	59,880	36,153
Management expense ratio (b)	2.54%	0.42%
Management expense ratio before absorptions (c)	2.54%	2.50%
Trading expense ratio (d)	0.32%	0.27%
Portfolio turnover rate (e)	56.31%	70.10%
Net asset value per unit (\$) (a)	15.78	13.24
<b>Class D</b>		
Total net asset value (\$000s) (a)	1,303	294
Number of units outstanding (a)	79,168	22,220
Management expense ratio (b)	1.52%	0.25%
Management expense ratio before absorptions (c)	1.52%	1.50%
Trading expense ratio (d)	0.32%	0.27%
Portfolio turnover rate (e)	56.31%	70.10%
Net asset value per unit (\$) (a)	16.46	13.22
<b>Class E</b>		
Total net asset value (\$000s) (a)	895	1,694
Number of units outstanding (a)	53,409	128,275
Management expense ratio (b)	0.51%	0.08%
Management expense ratio before absorptions (c)	0.51%	0.50%
Trading expense ratio (d)	0.32%	0.27%
Portfolio turnover rate (e)	56.31%	70.10%
Net asset value per unit (\$) (a)	16.76	13.21

## Pender Small/Mid Cap Dividend Fund

For the year ended December 31, 2021

### Ratios and Supplemental Data (cont'd)

	2021	2020
<b>Class F</b>		
Total net asset value (\$000s) (a)	5,002	2,162
Number of units outstanding (a)	317,745	163,847
Management expense ratio (b)	1.51%	0.25%
Management expense ratio before absorptions (c)	1.51%	1.50%
Trading expense ratio (d)	0.32%	0.27%
Portfolio turnover rate (e)	56.31%	70.10%
Net asset value per unit (\$) (a)	15.74	13.19
<b>Class H</b>		
Total net asset value (\$000s) (a)	2,801	1,440
Number of units outstanding (a)	177,938	109,612
Management expense ratio (b)	2.24%	0.37%
Management expense ratio before absorptions (c)	2.24%	2.20%
Trading expense ratio (d)	0.32%	0.27%
Portfolio turnover rate (e)	56.31%	70.10%
Net asset value per unit (\$) (a)	15.74	13.13
<b>Class I</b>		
Total net asset value (\$000s) (a)	11,315	4,381
Number of units outstanding (a)	722,150	332,828
Management expense ratio (b)	1.36%	0.23%
Management expense ratio before absorptions (c)	1.36%	1.35%
Trading expense ratio (d)	0.32%	0.27%
Portfolio turnover rate (e)	56.31%	70.10%
Net asset value per unit (\$) (a)	15.67	13.16
<b>Class N</b>		
Total net asset value (\$000s) (a)	9	7
Number of units outstanding (a)	590	542
Management expense ratio (b)	0.99%	0.17%
Management expense ratio before absorptions (c)	0.99%	1.00%
Trading expense ratio (d)	0.32%	0.27%
Portfolio turnover rate (e)	56.31%	70.10%
Net asset value per unit (\$) (a)	15.64	13.16



## Pender Small/Mid Cap Dividend Fund

For the year ended December 31, 2021

### Ratios and Supplemental Data (cont'd)

	2021	2020
<b>Class O</b>		
Total net asset value (\$000s) (a)	2,205	1,078
Number of units outstanding (a)	129,717	80,269
Management expense ratio (b)	0.00%	0.00%
Management expense ratio before absorptions (c)	0.00%	0.00%
Trading expense ratio (d)	0.32%	0.27%
Portfolio turnover rate (e)	56.31%	70.10%
Net asset value per unit (\$) (a)	17.00	13.43

(a) This information is derived from the Fund's audited annual financial statements as at December 31 for the year stated, prepared under International Financial Reporting Standards.

(b) Management expense ratio ("MER") is based on total expenses (excluding commissions and other portfolio transaction costs) for the year and is expressed as an annualized percentage of average net asset value during the year. 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.

(c) The Manager of the Fund has agreed to absorb sufficient expenses of the Fund, as necessary, such that the annual MER before applicable taxes such as GST or HST 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.

(d) The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of average net asset value during the year.

(e) 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 year. In general, the higher a fund's portfolio turnover rate in a year, the greater the trading costs payable by the fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of a fund.

# Pender Small/Mid Cap Dividend Fund

For the year ended December 31, 2021

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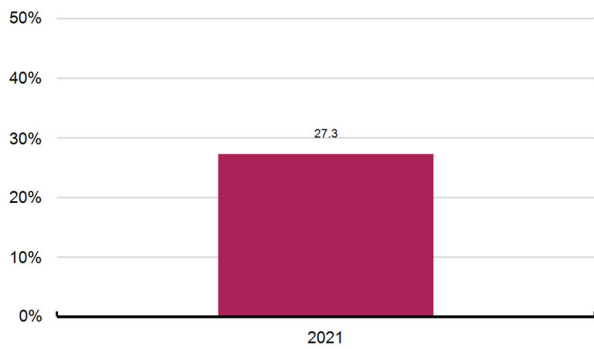
## Past Performance

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.

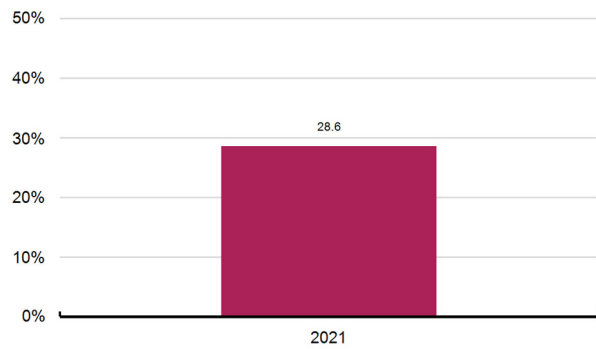
## Year-by-Year Returns

To illustrate how the Fund's performance has varied over time, the following bar charts show the annual returns for year ended December 31, 2021. 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 year would have increased or decreased by the last day of the year.

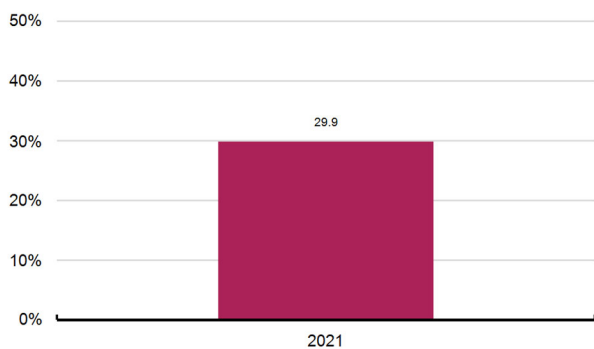
**Class A**



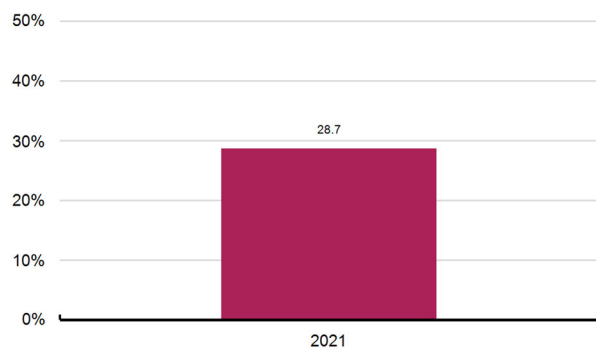
**Class D**



**Class E**



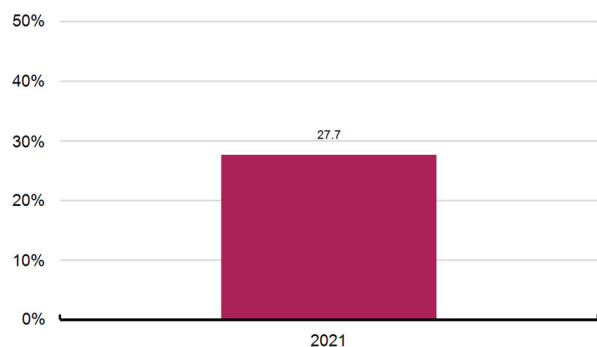
**Class F**



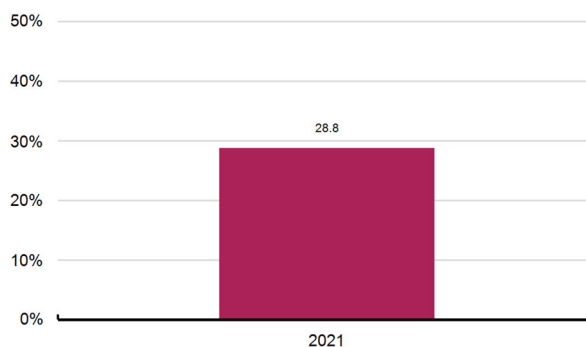
## Pender Small/Mid Cap Dividend Fund

For the year ended December 31, 2021

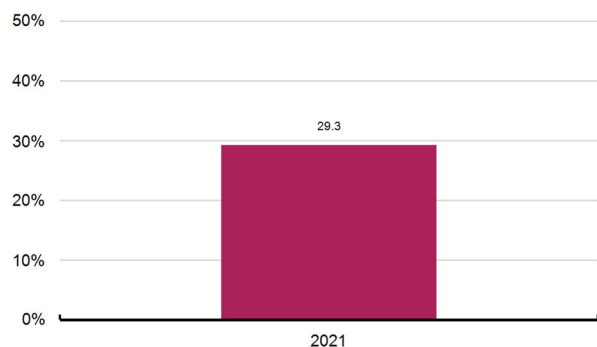
### Class H



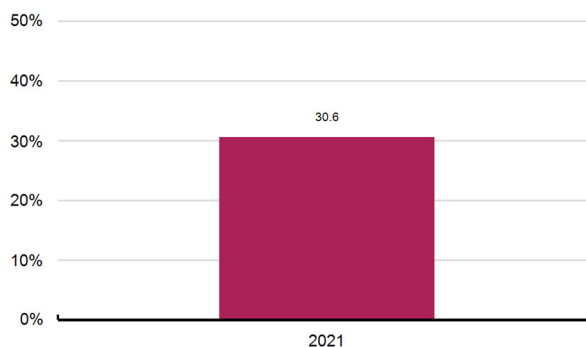
### Class I



### Class N



### Class O



### Annual Compound Returns

The annual compound returns table compares the Fund's performance to one or more benchmarks. Benchmarks are usually an index or a composite of more than one index. An index is generally made up of a group of securities. Since the Fund does not necessarily invest in the same securities as an index or in the same proportion, the Fund's performance is not expected to equal the performance of the index. Fund returns are reported net of all management fees and expenses (Prior to June 30, 2021, the Fund's MER was inclusive of applicable taxes such as GST or HST), for all classes, unlike the returns of the Fund's benchmark, which is based on the performance of an index that does not pay fees or incur expenses. It may be more helpful to compare the Fund's performance to that of other mutual funds with similar objectives and investment disciplines.

The Fund's broad-based benchmark is S&P/TSX Composite Index. The S&P/TSX is the headline index for the Canadian equity market. With approximately 95% coverage of the Canadian equities market, it is the primary gauge for Canadian-based, Toronto Stock Exchange listed companies.

A discussion of the performance of the Fund as compared to its benchmarks is found in the "Results of Operations" section of this report.

	Inception Date	1 Year (%)	Since Inception (%)
Class A	31-Jan-20	27.3	36.3
S&P/TSX		25.2	14.6
Class D	31-Jan-20	28.6	37.2
S&P/TSX		25.2	14.6
Class E	31-Jan-20	29.9	38.0
S&P/TSX		25.2	14.6

## Pender Small/Mid Cap Dividend Fund

For the year ended December 31, 2021

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	Inception Date	1 Year (%)	Since Inception (%)
Class F	31-Jan-20	28.7	37.2
S&P/TSX		25.2	14.6
Class H	31-Jan-20	27.7	36.6
S&P/TSX		25.2	14.6
Class I	31-Jan-20	28.8	37.3
S&P/TSX		25.2	14.6
Class N	31-Jan-20	29.3	37.6
S&P/TSX		25.2	14.6
Class O	31-Jan-20	30.6	38.5
S&P/TSX		25.2	14.6

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## Pender Small/Mid Cap Dividend Fund

For the year ended December 31, 2021

### Summary of Investment Portfolio

The largest holdings of the Fund as at the end of the year 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.

#### Top 25 Holdings

	% of Net Assets
Onex Corporation	3.7
Sylogist Ltd.	3.7
IBI Group Inc.	3.6
Hardwoods Distribution Inc.	3.5
Héroux-Devtek Inc.	3.5
Richards Packaging Income Fund	3.5
Alaris Equity Partners Income Trust	3.4
Dream Unlimited Corp., Class 'A'	3.4
Hamilton Thorne Ltd.	3.4
Colliers International Group Inc.	3.3
GDI Integrated Facility Services Inc.	3.3
Altius Renewable Royalties Corp.	3.2
Mullen Group Ltd.	3.1
Dye & Durham Limited	3.0
Spartan Delta Corp.	3.0
Polaris Infrastructure Inc.	2.9
Exchange Income Corporation	2.7
FirstService Corporation	2.7
Intertape Polymer Group Inc.	2.7
Corus Entertainment Inc., Class 'B'	2.6
Fiera Capital Corporation	2.5
Flagship Communities REIT	2.5
Chorus Aviation Inc.	2.1
Nova Cannabis Inc.	2.1
Pollard Banknote Limited	2.0

#### Composition of the Portfolio

	% of Net Assets
<b>Equities</b>	
Industrials	23.1
Real estate	13.9
Information technology	11.1
Diversified financials	9.7
Materials	8.9
Utilities	6.1
Consumer discretionary	4.8
Energy	4.8
Healthcare	3.4
Communication services	2.6
<b>Total investments</b>	<b>88.4</b>
Cash	11.6
Other assets less liabilities	0.0
<b>Total net assets</b>	<b>100.0</b>

## Pender Small/Mid Cap Dividend Fund

For the year ended December 31, 2021

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### **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 Small/Mid Cap Dividend Fund**

MANAGED BY:  
PENDERFUND CAPITAL MANAGEMENT LTD.  
1830 – 1066 West Hastings St. Vancouver, BC V6E 3X2  
TELEPHONE 604 688-1511 FACSIMILE 604 563-3199 TOLL FREE 1 866 377-4743  
[www.penderfund.com](http://www.penderfund.com)