



Pender Value Fund

For the year ended December 31, 2022

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 or the SEDAR website at 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 Value Fund

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MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Investment Objective and Strategies

The objective of the Pender Value Fund (the "Fund") is to achieve capital growth over the long-term, while being sufficiently diversified to mitigate volatility. The Fund invests primarily in Canadian and US securities but may also invest in foreign securities. The Fund focuses on businesses that have the potential for growth over the long term and that have securities that trade at favourable prices.

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 28, 2022. There were no significant changes to the Fund's objectives and strategies that affected its overall level of risk during the year.

The economic uncertainties around persistent inflation pressure, bank failures, geopolitical events and the lingering COVID-19 pandemic have the potential to slow growth in the global economy. Future developments in these challenging areas could impact the Funds' results and financial condition and the full extent of that impact remains unknown.

As at December 31, 2022, the Fund had exposure to the banking sector. Subsequent to year-end, the Fund continues to have exposure to this sector. In certain cases, government agencies have assumed control or otherwise intervened in the operations of certain banks due to liquidity and solvency concerns. The extent of the situation remains uncertain and as such the Manager continues to assess across the broader financial sector and will take potential actions, as deemed necessary. The ultimate resolution of these liquidity and solvency concerns and the extent of the related impact to the Fund is uncertain and could be significant.

Results of Operations

The net assets of the Fund were \$121,129,622 as at December 31, 2022 versus \$265,307,959 as at December 31, 2021. Of this \$144,178,337 decrease, \$70,722,546 is attributable to net unitholder redemptions of Fund units and \$73,455,791 is attributable to negative investment performance.

For the year ended December 31, 2022, Class A units of the Fund generated a total return of -31.3%. 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 -5.7% 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 Fund's blended benchmark, 50% S&P/TSX and 50% S&P 500 Index, in Canadian dollars ("S&P 500"), returned -9.0% during the year. 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 year. Please read the caution regarding forward-looking statements located on the last page of this document.

The underperformance in the Pender Value Fund was driven by stock selection, particularly within the information technology sector that was a detractor from performance. 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. We would expect stock selection to be a positive contributor to the performance of the Fund over a longer-term period.

Key positive individual contributors to the Fund's performance for the year included Texas Pacific Land Corporation, Magnet Forensics Inc., and Copperleaf Technologies Inc.. Conversely, Sangoma Technologies Corporation, Dye & Durham Limited, and Peloton Interactive, Inc. had the largest adverse impact.

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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 price relative to our estimate of intrinsic value had increased and decreased the weightings of companies that offered a less attractive return profile. We are constantly looking for new investment ideas and examples of new investments during the year included Kinaxis Inc. 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 Twitter, Inc., Bausch Health Companies Inc. and Alaris Equity Partners Income Trust.

As at the end of the year, the Fund was 50.3% invested in Canada, 40.8% the United States, 8.5% in other countries, and the Fund's cash position was 0.4% as at December 31, 2022. The Fund's investment portfolio is concentrated and not diversified in the conventional sense. The Fund's top 10 holdings account for 44.0% 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, 2022 we were weighted toward holdings in the Information Technology, Diversified Financials, and Consumer Discretionary 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 71.1% of the Fund at the end of the year. 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.

Recent Developments

In 2022, significant global macro events materialized and led to increased volatility in financial markets as risk was repriced. In particular, the conflict between Russia and Ukraine, the ongoing COVID-19 global health pandemic and moves by central banks to raise interest rates and taper monetary stimulus to control inflation caused investors to reassess the growth outlook going forward. With these events as a backdrop, economic growth slowed and fears of a recession on the horizon sapped investor sentiment in 2022. This has been a challenging year for stock markets, and small cap as well as technology companies in particular. In the United States, the S&P 500 index in Canadian dollars finished the year with a total return of -12.4%. In Canada, a rally in energy prices contributed to the performance of the Canadian stock market and the S&P/TSX Composite Index recorded a return of -5.7%.

Stock markets pulled back in 2022 and we believe this volatility may continue. We cannot control stock prices or volatility. However, we can and do control our investment process. 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 are high quality business models and offer attractive long-term value at compelling prices. We believe these companies will do well in a challenging economic environment. We are also trimming some select positions that have held up well or where we think more attractive opportunities in high quality compounders have been uncovered.

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

Investment results may be affected by future developments and new information that may emerge regarding inflation and the impact of central bank measures, geopolitical events, the lingering impact of COVID-19, and other global events, factors that are beyond the Fund's control.

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 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") 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 pays the operating costs of the Fund.

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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)

	2022 (\$)	2021 (\$)	2020 (\$)	2019 (\$)	2018 (\$)
Class A					
Net Assets, beginning of year	21.26	22.54	18.96	16.36	18.48
Increase (decrease) from operations:					
Total revenue	0.14	0.29	0.27	0.21	0.17
Total expenses	(0.43)	(0.63)	(0.44)	(0.47)	(0.50)
Realized gains (losses)	(1.10)	1.87	(0.37)	0.66	0.93
Unrealized gains (losses)	(5.79)	(1.69)	2.91	2.57	(2.87)
Total increase (decrease) from operations (b)	(7.18)	(0.16)	2.37	2.97	(2.27)
Distributions:					
From income (excluding dividends)	-	-	-	-	(0.30)
From dividends	-	-	-	-	(0.03)
From capital gains	-	(0.85)	-	(0.37)	(0.04)
Return of capital	-	-	-	-	-
Total distributions (b), (c)	-	(0.85)	-	(0.37)	(0.37)
Net Assets, end of year	14.60	21.26	22.54	18.96	16.36
Class D					
Net Assets, beginning of year	13.16	13.58	11.32	9.73	11.02
Increase (decrease) from operations:					
Total revenue	0.01	0.18	0.16	0.12	0.10
Total expenses	(0.05)	(0.23)	(0.17)	(0.19)	(0.21)
Realized gains (losses)	0.12	1.10	(0.14)	0.40	0.51
Unrealized gains (losses)	(2.40)	(1.18)	1.70	1.58	(1.78)
Total increase (decrease) from operations (b)	(2.32)	(0.13)	1.55	1.91	(1.38)
Distributions:					
From income (excluding dividends)	-	-	-	-	(0.26)
From dividends	-	-	-	-	(0.03)
From capital gains	-	(0.30)	-	(0.27)	(0.03)
Return of capital	-	-	-	-	-
Total distributions (b), (c)	-	(0.30)	-	(0.27)	(0.32)
Net Assets, end of year	-	13.16	13.58	11.32	9.73

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

	2022 (\$)	2021 (\$)	2020 (\$)	2019 (\$)	2018 (\$)
Class E					
Net Assets, beginning of year	12.46	13.19	10.88	10.00	
Increase (decrease) from operations:					
Total revenue	0.09	0.17	0.16	0.04	
Total expenses	(0.06)	(0.09)	(0.07)	0.07	
Realized gains (losses)	(0.73)	1.03	(0.11)	(0.15)	
Unrealized gains (losses)	(3.03)	(1.14)	2.48	2.00	
Total increase (decrease) from operations (b)	(3.73)	(0.03)	2.46	1.96	
Distributions:					
From income (excluding dividends)	-	-	-	-	
From dividends	-	-	-	-	
From capital gains	-	(0.72)	-	(0.35)	
Return of capital	-	-	-	-	
Total distributions (b), (c)	-	(0.72)	-	(0.35)	
Net Assets, end of year	8.73	12.46	13.19	10.88	
Class F					
Net Assets, beginning of year	21.81	22.85	19.02	16.35	18.52
Increase (decrease) from operations:					
Total revenue	0.15	0.29	0.27	0.21	0.17
Total expenses	(0.26)	(0.38)	(0.27)	(0.29)	(0.31)
Realized gains (losses)	(1.15)	1.85	(0.47)	0.68	0.69
Unrealized gains (losses)	(5.92)	(1.82)	2.76	2.55	(3.27)
Total increase (decrease) from operations (b)	(7.18)	(0.06)	2.29	3.15	(2.72)
Distributions:					
From income (excluding dividends)	-	-	-	-	(0.50)
From dividends	-	-	-	-	(0.05)
From capital gains	-	(0.84)	-	(0.48)	(0.04)
Return of capital	-	-	-	-	-
Total distributions (b), (c)	-	(0.84)	-	(0.48)	(0.59)
Net Assets, end of year	15.14	21.81	22.85	19.02	16.35
Class H					
Net Assets, beginning of year	15.32	16.33	13.69	11.80	13.39
Increase (decrease) from operations:					
Total revenue	0.10	0.21	0.20	0.15	0.12
Total expenses	(0.27)	(0.40)	(0.28)	(0.30)	(0.32)
Realized gains (losses)	(0.76)	1.26	(0.08)	0.52	0.62
Unrealized gains (losses)	(4.30)	(1.59)	2.38	1.89	(2.13)
Total increase (decrease) from operations (b)	(5.23)	(0.52)	2.22	2.26	(1.71)
Distributions:					
From income (excluding dividends)	-	-	-	-	(0.29)
From dividends	-	-	-	-	(0.03)
From capital gains	-	(0.74)	-	(0.29)	(0.03)
Return of capital	-	-	-	-	-
Total distributions (b), (c)	-	(0.74)	-	(0.29)	(0.35)
Net Assets, end of year	10.56	15.32	16.33	13.69	11.80

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

	2022 (\$)	2021 (\$)	2020 (\$)	2019 (\$)	2018 (\$)
Class I					
Net Assets, beginning of year	15.92	16.76	13.94	11.98	13.59
Increase (decrease) from operations:					
Total revenue	0.11	0.22	0.21	0.15	0.12
Total expenses	(0.17)	(0.25)	(0.18)	(0.19)	(0.21)
Realized gains (losses)	(0.86)	1.34	(0.11)	0.46	0.49
Unrealized gains (losses)	(4.37)	(1.54)	1.94	1.86	(2.34)
Total increase (decrease) from operations (b)	(5.29)	(0.23)	1.86	2.28	(1.94)
Distributions:					
From income (excluding dividends)	-	-	-	-	(0.39)
From dividends	-	-	-	-	(0.04)
From capital gains	-	(0.71)	-	(0.38)	(0.03)
Return of capital	-	-	-	-	-
Total distributions (b), (c)	-	(0.71)	-	(0.38)	(0.46)
Net Assets, end of year	11.07	15.92	16.76	13.94	11.98
Class N					
Net Assets, beginning of year	11.36	12.15	10.06	10.00	
Increase (decrease) from operations:					
Total revenue	0.09	(0.05)	0.15	0.05	
Total expenses	(0.08)	(0.10)	(0.09)	(0.05)	
Realized gains (losses)	(0.85)	0.36	(0.10)	0.06	
Unrealized gains (losses)	(2.62)	(2.32)	2.13	0.32	
Total increase (decrease) from operations (b)	(3.46)	(2.11)	2.09	0.38	
Distributions:					
From income (excluding dividends)	-	-	-	-	
From dividends	-	-	-	-	
From capital gains	-	(0.74)	-	(0.32)	
Return of capital	-	-	-	-	
Total distributions (b), (c)	-	(0.74)	-	(0.32)	
Net Assets, end of year	7.93	11.36	12.15	10.06	

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

	2022 (\$)	2021 (\$)	2020 (\$)	2019 (\$)	2018 (\$)
Class O					
Net Assets, beginning of year	18.24	19.34	15.88	13.57	15.38
Increase (decrease) from operations:					
Total revenue	0.13	0.25	0.23	0.17	0.14
Total expenses	(0.01)	(0.03)	(0.02)	(0.03)	(0.03)
Realized gains (losses)	(1.06)	1.55	(0.21)	0.53	0.93
Unrealized gains (losses)	(5.53)	(1.64)	3.19	2.15	(2.21)
Total increase (decrease) from operations (b)	(6.47)	0.13	3.19	2.82	(1.17)
Distributions:					
From income (excluding dividends)	-	-	-	-	(0.59)
From dividends	-	-	-	-	(0.06)
From capital gains	-	(1.18)	-	(0.54)	(0.04)
Return of capital	-	-	-	-	-
Total distributions (b), (c)	-	(1.18)	-	(0.54)	(0.69)
Net Assets, end of year	12.85	18.24	19.34	15.88	13.57

(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. Class D was closed on April 22, 2022.

(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

	2022	2021	2020	2019	2018
Class A					
Total net asset value (\$000s) (a)	22,633	43,761	50,956	59,410	62,338
Number of units outstanding (a)	1,550,596	2,058,688	2,260,446	3,134,001	3,810,427
Management expense ratio (b)	2.51%	2.46%	2.40%	2.40%	2.40%
Management expense ratio before absorptions (c)	2.51%	2.46%	2.40%	2.40%	2.40%
Trading expense ratio (d)	0.06%	0.11%	0.13%	0.12%	0.16%
Portfolio turnover rate (e)	14.46%	67.77%	76.98%	71.36%	76.69%
Net asset value per unit (\$) (a)	14.60	21.26	22.54	18.96	16.36
Class E					
Total net asset value (\$000s) (a)	672	896	861	684	
Number of units outstanding (a)	76,980	71,935	65,263	62,855	
Management expense ratio (b)	0.53%	0.51%	0.50%	0.50%	
Management expense ratio before absorptions (c)	0.53%	0.51%	0.50%	0.50%	
Trading expense ratio (d)	0.06%	0.11%	0.13%	0.12%	
Portfolio turnover rate (e)	14.46%	67.77%	76.98%	71.36%	
Net asset value per unit (\$) (a)	8.73	12.46	13.19	10.88	
Class F					
Total net asset value (\$000s) (a)	49,964	94,885	107,637	144,360	161,576
Number of units outstanding (a)	3,301,195	4,351,254	4,710,346	7,587,835	9,883,888
Management expense ratio (b)	1.45%	1.43%	1.40%	1.40%	1.40%
Management expense ratio before absorptions (c)	1.45%	1.43%	1.40%	1.40%	1.40%
Trading expense ratio (d)	0.06%	0.11%	0.13%	0.12%	0.16%
Portfolio turnover rate (e)	14.46%	67.77%	76.98%	71.36%	76.69%
Net asset value per unit (\$) (a)	15.14	21.81	22.85	19.02	16.35

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Ratios and Supplemental Data (cont'd)

	2022	2021	2020	2019	2018
Class H					
Total net asset value (\$000s) (a)	7,216	13,547	12,283	11,561	12,342
Number of units outstanding (a)	683,390	884,038	752,280	844,511	1,045,603
Management expense ratio (b)	2.20%	2.16%	2.10%	2.10%	2.10%
Management expense ratio before absorptions (c)	2.20%	2.16%	2.10%	2.10%	2.10%
Trading expense ratio (d)	0.06%	0.11%	0.13%	0.12%	0.16%
Portfolio turnover rate (e)	14.46%	67.77%	76.98%	71.36%	76.69%
Net asset value per unit (\$) (a)	10.56	15.32	16.33	13.69	11.80
Class I					
Total net asset value (\$000s) (a)	38,791	91,625	90,636	83,532	66,760
Number of units outstanding (a)	3,504,475	5,754,368	5,406,414	5,993,732	5,571,572
Management expense ratio (b)	1.29%	1.27%	1.25%	1.25%	1.35%
Management expense ratio before absorptions (c)	1.29%	1.27%	1.25%	1.25%	1.35%
Trading expense ratio (d)	0.06%	0.11%	0.13%	0.12%	0.16%
Portfolio turnover rate (e)	14.46%	67.77%	76.98%	71.36%	76.69%
Net asset value per unit (\$) (a)	11.07	15.92	16.76	13.94	11.98
Class N					
Total net asset value (\$000s) (a)	874	1,565	6	5	
Number of units outstanding (a)	110,242	137,767	516	516	
Management expense ratio (b)	0.84%	0.84%	0.85%	0.85%	
Management expense ratio before absorptions (c)	0.84%	0.84%	0.85%	0.85%	
Trading expense ratio (d)	0.06%	0.11%	0.13%	0.12%	
Portfolio turnover rate (e)	14.46%	67.77%	76.98%	71.36%	
Net asset value per unit (\$) (a)	7.93	11.36	12.15	10.06	
Class O					
Total net asset value (\$000s) (a)	979	16,827	16,943	15,480	12,442
Number of units outstanding (a)	76,185	922,403	876,109	975,003	916,906
Management expense ratio (b)	0.00%	0.00%	0.00%	0.00%	0.00%
Management expense ratio before absorptions (c)	0.00%	0.00%	0.00%	0.00%	0.00%
Trading expense ratio (d)	0.06%	0.11%	0.13%	0.12%	0.16%
Portfolio turnover rate (e)	14.46%	67.77%	76.98%	71.36%	76.69%
Net asset value per unit (\$) (a)	12.85	18.24	19.34	15.88	13.57

(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. Class D was closed on April 22, 2022.

(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 daily 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 paid by the Fund.

(c) The Manager of the Fund has agreed to absorb sufficient expenses of the Fund, as necessary, so 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 daily 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.

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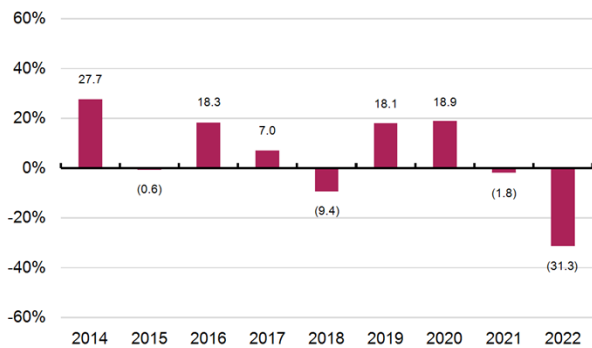
Past Performance

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. Past performance for Class D units of the Fund is not available for disclosure because it was closed during the year.

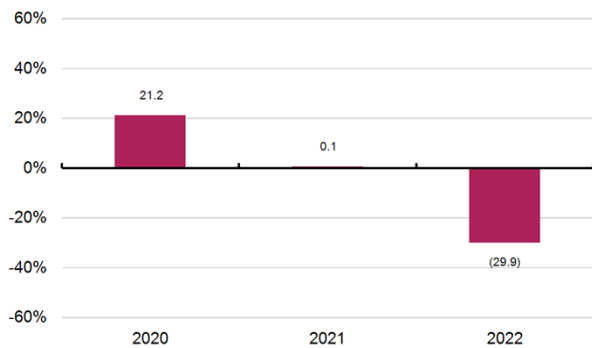
Year-by-Year Returns

To illustrate how the Fund's performance has varied over time, the following bar charts show the annual returns for the calendar years indicated. 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.

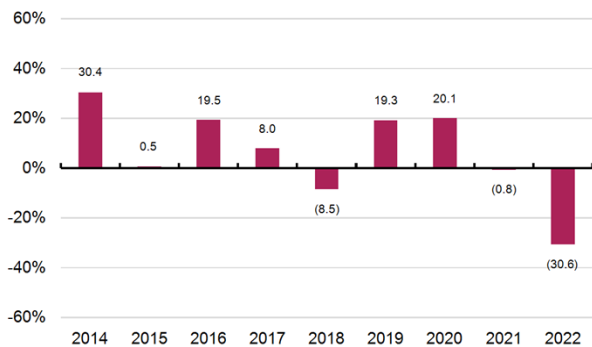
Class A



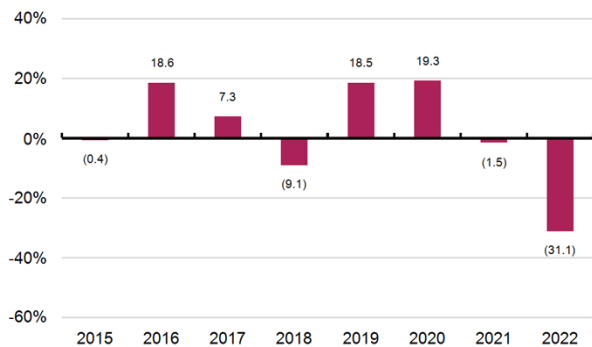
Class E



Class F



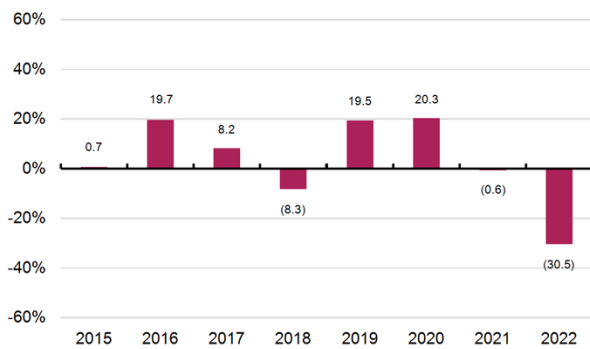
Class H



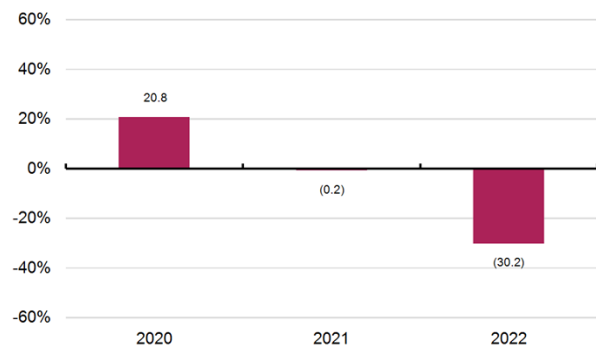
Pender Value Fund

For the year ended December 31, 2022

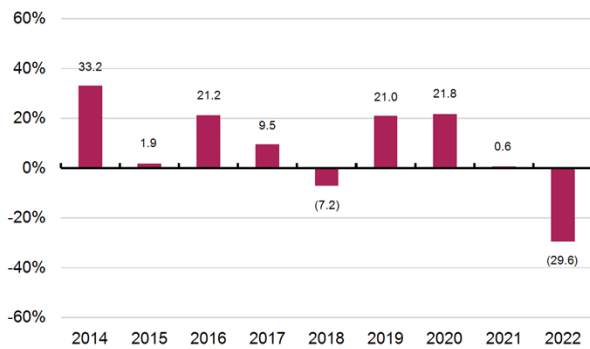
Class I



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 for all classes (prior to June 30, 2021, the Fund's MER was inclusive of applicable taxes such as GST or HST), 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. It may be more helpful to compare the Fund's performance to that of other mutual funds with similar objectives and investment strategies.

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.

The Fund's blended benchmark is 50% S&P/TSX and 50% S&P 500. The S&P 500 includes 500 leading companies listed on the NASDAQ and NYSE and captures approximately 80% coverage of available market capitalization. We have included this comparison, which more closely reflects the asset classes in which the Fund invests, to provide a more useful comparison to the performance of the Fund.

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

Pender Value Fund

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	Inception Date	1 Year (%)	3 Year (%)	5 Year (%)	Since Inception (%)
Class A	28-Jun-13	(31.3)	(7.1)	(3.0)	5.6
S&P/TSX		(5.7)	7.6	6.9	8.3
Blended benchmark		(9.0)	8.5	9.1	11.6
Class E	30-Aug-19	(29.9)	(5.3)	-	(1.4)
S&P/TSX		(5.7)	7.6	-	8.4
Blended benchmark		(9.0)	8.5	-	9.7
Class F	28-Jun-13	(30.6)	(6.1)	(2.0)	6.8
S&P/TSX		(5.7)	7.6	6.9	8.3
Blended benchmark		(9.0)	8.5	9.1	11.6
Class H	30-Jun-14	(31.1)	(6.8)	(2.7)	3.1
S&P/TSX		(5.7)	7.6	6.9	6.1
Blended benchmark		(9.0)	8.5	9.1	9.8
Class I	30-Jun-14	(30.5)	(6.0)	(1.9)	4.1
S&P/TSX		(5.7)	7.6	6.9	6.1
Blended benchmark		(9.0)	8.5	9.1	9.8
Class N	28-Jun-19	(30.2)	(5.6)	-	(3.8)
S&P/TSX		(5.7)	7.6	-	8.2
Blended benchmark		(9.0)	8.5	-	9.5
Class O	31-Dec-13	(29.6)	(4.8)	(0.6)	6.4
S&P/TSX		(5.7)	7.6	6.9	7.2
Blended benchmark		(9.0)	8.5	9.1	10.5

Pender Value Fund

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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
Sylogist Ltd.	5.8
Copperleaf Technologies Inc.	4.6
Burford Capital Limited	4.5
SS&C Technologies Holdings, Inc.	4.4
CCL Industries Inc., Class 'B'	4.2
Premium Brands Holdings Corporation	4.2
Sangoma Technologies Corporation	4.2
eGain Corporation	4.1
Magnet Forensics Inc.	4.1
Dye & Durham Limited	3.9
Interactive Brokers Group, Inc., Class 'A'	3.8
KKR & Co. Inc.	3.7
Onex Corporation	3.6
Zillow Group, Inc., Class 'C'	3.6
Exor N.V.	3.3
Federal National Mortgage Association, Preferred, Series 'S', 8.25%	3.2
ProntoForms Corporation	3.0
Universal Technical Institute, Inc.	3.0
Optiva Inc.	2.9
The Howard Hughes Corporation	2.8
Baidu, Inc., ADR	2.7
Texas Pacific Land Corporation	2.7
D2L Inc.	2.6
JD.com, Inc., ADR	2.6
Kinaxis Inc.	2.4

Pender Value Fund

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Composition of the Portfolio

	% of Net Assets
Equities	
Information technology	41.9
Diversified financials	19.1
Consumer discretionary	10.1
Consumer staples	6.8
Real estate	6.4
Communication services	5.2
Materials	4.2
Banks	3.2
Energy	2.7
Total equities	99.6
Warrants	0.0
Total investments	99.6
Cash	0.4
Other assets less liabilities	0.0
Total net assets	100.0

Pender Value Fund

For the year ended December 31, 2022

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: geopolitical events, general economic, political and market factors in North America and internationally, including the collapse of banks; interest and foreign exchange rates and the measures taken by central banks to manage inflation; 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 Value Fund

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