



Pender Small Cap Opportunities Fund

Six months ended June 30, 2023

Semi-Annual Management Report of Fund Performance

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 or the SEDAR+ website at www.sedarplus.ca.

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 Cap Opportunities Fund

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MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Results of Operations

The net assets of the Pender Small Cap Opportunities Fund (the "Fund") were \$243,362,673 as at June 30, 2023 versus \$238,807,356 as at December 31, 2022. Of this \$4,555,317 increase, \$4,032,870 is attributable to positive investment performance and \$522,447 is attributable to net unitholder purchases of Fund units.

For the six months ended June 30, 2023 (the "period"), Class A units of the Fund generated a total return of 1.3%. 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 5.8% 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 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 benchmark was due to security selection primarily within the Information Technology and Consumer Discretionary 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 Blackline Safety Corp., Well Health Technologies Corp. and Tiny Ltd. Conversely, Spartan Delta Corp., Optiva Inc. and ATD New Holdings Inc. 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 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 period included dentalcorp Holdings Ltd. and NFI Group 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 period, we sold our positions in Maxar Technologies Inc. and Magnet Forensics Inc., as well as a few other holdings. The market volatility from 2022 has allowed us to be selective, adding companies to the portfolio that we believe to be high quality and present opportunities to compound for many years.

As at the end of the period, the Fund was 82.6% invested in Canada and 15.6% in the United States and the Fund's cash position had decreased to 0.0%, down from 3.0% 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 40.3% 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, 2023 we were weighted toward holdings in the Information Technology, Industrials, 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 63.3% of the Fund at the end of the period.

Recent Developments

The rally this year in equities has been narrow and concentrated in a handful of mega-cap tech companies. The top seven contributors to the S&P 500 this year have driven 75% of the gains. These same seven companies that drove the market's returns ended June trading at an average forward earnings multiple of 43.0x, a valuation nearly 50% higher than that at the start of the year. The valuation expansion in these companies has continued to push the disconnect between small and large caps to historically wide levels. The S&P 600 finished the quarter trading at 15.2x forward earnings, compared to the S&P 500 at 20.1x, a nearly 5x discount. It is rare to see such a spread and we have not seen a gap this wide since the early 2000s as the S&P peaked at the height of the tech bubble.

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This valuation expansion and continued interest in technology was spurred in part by the rapid pace of innovation in artificial intelligence (AI). Of course, these advances have been occurring for years, but the spotlight has intensified with the mainstream adoption of ChatGPT and Open AI. We have some exposure to this theme within the portfolio. For example, PAR Technology Corporation (NYSE: PAR) provides a unified commerce platform for restaurants and collects data from all touch points of restaurant operations and customer transactions. Copperleaf Technologies Inc. (TSX: CPLF) is another example. It provides decision analytics software that is AI-powered with analytics based on the vast quantities of domain-specific proprietary data that the company has collected from its global utility customers and partners. Both Copperleaf and PAR Technology focus on integrating AI on top of existing proprietary data, which we believe offers them a unique advantage.

We have continued to execute our investment process and have been paying particularly close attention to the balance sheets of our portfolio holdings. This has always been a focus, but it has become more important in an environment of higher interest rates where a company's ability to raise capital is more challenging, particularly in a tougher macro environment. We are now focused on reviewing our holdings to re-assess their ability to service existing debt, in addition to their maturity profile and the risks of refinancing their debt, and this has led to us trimming some names.

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 about inflation and the impact of central bank measures and geopolitical 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"). The Fund also pays the Manager performance fees (see "Performance Fees").

As at the end of the period, parties related to the Manager collectively held 2% of the Fund's units. In addition, the Pender Partners Fund and Pender Strategic Growth and Income Fund (formerly Pender Enhanced Income Fund), funds also managed by the Manager, collectively held 2% 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 pays 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.

Performance Fees

The Manager is also entitled to a performance fee plus applicable taxes such as GST or HST in respect of Class B, Class G and Class M units of the Fund. The performance fee is equal to 20% of the amount by which the total return of the class of units exceeds the total percentage increase or decrease of the Fund's benchmark, for the period since the performance fee was last paid, subject to a high-water mark, which is, equal to the net asset value of the applicable class of units to which it applies as at the most recent determination date on which the performance fee was payable. Performance fees will be calculated and accrued weekly, and such accrued fees will be payable by the Fund at the end of each year. The Manager has reserved the right to change the period for which any performance fee may be paid by a Fund. The Manager, at its discretion, may reduce or waive performance fees.

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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 calendar years indicated.

Fund's Net Assets Per Unit (a)

	2023 (\$)	2022 (\$)	2021 (\$)	2020 (\$)	2019 (\$)	2018 (\$)
Class A						
Net Assets, beginning of period	24.24	34.25	34.51	23.84	22.77	26.88
Increase (decrease) from operations:						
Total revenue	0.63	0.32	0.49	0.49	0.45	0.41
Total expenses	(0.35)	(0.74)	(1.13)	(0.63)	(0.68)	(0.71)
Realized gains (losses)	1.34	(0.60)	10.84	0.85	1.97	2.05
Unrealized gains (losses)	(1.29)	(9.26)	(1.53)	8.11	2.59	(5.68)
Total increase (decrease) from operations (b)	0.33	(10.28)	8.67	8.82	4.33	(3.93)
Distributions:						
From income (excluding dividends)	-	-	-	-	-	-
From dividends	-	-	-	-	-	-
From capital gains	-	-	(8.54)	-	(3.15)	-
Return of capital	-	-	-	-	-	-
Total distributions (b), (c)	-	-	(8.54)	-	(3.15)	-
Net Assets, end of period	24.56	24.24	34.25	34.51	23.84	22.77
Class B						
Net Assets, beginning of period	8.94	12.63	12.02	8.77	8.59	10.00
Increase (decrease) from operations:						
Total revenue	0.23	0.12	0.17	0.18	0.18	0.13
Total expenses	(0.13)	(0.27)	(0.41)	(0.84)	(0.26)	(0.11)
Realized gains (losses)	0.52	(0.19)	3.64	0.35	0.70	0.64
Unrealized gains (losses)	(0.53)	(3.56)	(0.84)	3.64	0.67	(1.37)
Total increase (decrease) from operations (b)	0.09	(3.90)	2.56	3.33	1.29	(0.71)
Distributions:						
From income (excluding dividends)	-	-	-	-	-	-
From dividends	-	-	-	-	-	-
From capital gains	-	-	(2.20)	-	(1.41)	-
Return of capital	-	-	-	-	-	-
Total distributions (b), (c)	-	-	(2.20)	-	(1.41)	-
Net Assets, end of period	9.06	8.94	12.63	12.02	8.77	8.59

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

	2023 (\$)	2022 (\$)	2021 (\$)	2020 (\$)	2019 (\$)	2018 (\$)
Class E						
Net Assets, beginning of period	10.50	14.52	14.81	10.03	10.00	
Increase (decrease) from operations:						
Total revenue	0.29	0.14	0.22	0.21	0.08	
Total expenses	(0.04)	(0.07)	(0.12)	(0.07)	0.03	
Realized gains (losses)	0.57	(0.19)	4.64	0.41	0.08	
Unrealized gains (losses)	(0.63)	(3.85)	(0.98)	4.44	1.80	
Total increase (decrease) from operations (b)	0.19	(3.97)	3.76	4.99	1.99	
Distributions:						
From income (excluding dividends)	-	-	-	-	-	
From dividends	-	-	-	-	-	
From capital gains	-	-	(4.20)	-	(1.24)	
Return of capital	-	-	-	-	-	
Total distributions (b), (c)	-	-	(4.20)	-	(1.24)	
Net Assets, end of period	10.75	10.50	14.52	14.81	10.03	
Class F						
Net Assets, beginning of period	25.08	35.07	35.17	24.06	22.75	26.53
Increase (decrease) from operations:						
Total revenue	0.66	0.34	0.51	0.50	0.45	0.41
Total expenses	(0.20)	(0.41)	(0.64)	(0.36)	(0.39)	(0.41)
Realized gains (losses)	1.37	(0.48)	11.12	0.85	1.97	2.04
Unrealized gains (losses)	(1.32)	(9.48)	(1.58)	8.84	2.64	(5.62)
Total increase (decrease) from operations (b)	0.51	(10.03)	9.41	9.83	4.67	(3.58)
Distributions:						
From income (excluding dividends)	(0.03)	-	-	-	-	-
From dividends	-	-	-	-	-	-
From capital gains	-	-	(8.98)	-	(3.18)	-
Return of capital	-	-	-	-	-	-
Total distributions (b), (c)	-	-	(8.98)	-	(3.18)	-
Net Assets, end of period	25.54	25.08	35.07	35.17	24.06	22.75
Class G						
Net Assets, beginning of period	9.15	12.81	12.54	9.12	8.64	10.00
Increase (decrease) from operations:						
Total revenue	0.24	0.13	0.18	0.19	0.18	0.13
Total expenses	(0.08)	(0.17)	(0.27)	(0.91)	(0.16)	(0.08)
Realized gains (losses)	0.50	(0.17)	3.74	0.41	0.78	0.64
Unrealized gains (losses)	(0.54)	(3.20)	(1.23)	4.08	0.48	(3.96)
Total increase (decrease) from operations (b)	0.12	(3.41)	2.42	3.77	1.28	(3.27)
Distributions:						
From income (excluding dividends)	-	-	-	-	-	-
From dividends	-	-	-	-	-	-
From capital gains	-	-	(2.78)	-	(1.22)	-
Return of capital	-	-	-	-	-	-
Total distributions (b), (c)	-	-	(2.78)	-	(1.22)	-
Net Assets, end of period	9.32	9.15	12.81	12.54	9.12	8.64

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

	2023 (\$)	2022 (\$)	2021 (\$)	2020 (\$)	2019 (\$)	2018 (\$)
Class I						
Net Assets, beginning of period	11.79	16.40	16.61	11.34	10.74	12.51
Increase (decrease) from operations:						
Total revenue	0.31	0.16	0.24	0.24	0.22	0.19
Total expenses	(0.09)	(0.19)	(0.30)	(0.17)	(0.18)	(0.18)
Realized gains (losses)	0.63	(0.23)	5.22	0.45	0.93	0.96
Unrealized gains (losses)	(0.61)	(4.55)	(0.79)	4.72	1.15	(3.09)
Total increase (decrease) from operations (b)	0.24	(4.81)	4.37	5.24	2.12	(2.12)
Distributions:						
From income (excluding dividends)	-	-	-	-	-	-
From dividends	-	-	-	-	-	-
From capital gains	-	-	(4.42)	-	(1.53)	-
Return of capital	-	-	-	-	-	-
Total distributions (b), (c)	-	-	(4.42)	-	(1.53)	-
Net Assets, end of period	12.02	11.79	16.40	16.61	11.34	10.74
Class M						
Net Assets, beginning of period	5.47	7.60	10.00			
Increase (decrease) from operations:						
Total revenue	0.15	0.08	0.12			
Total expenses	(0.04)	(0.07)	(0.07)			
Realized gains (losses)	0.29	(0.09)	1.16			
Unrealized gains (losses)	(0.28)	(1.74)	(2.69)			
Total increase (decrease) from operations (b)	0.12	(1.82)	(1.48)			
Distributions:						
From income (excluding dividends)	-	-	-			
From dividends	-	-	-			
From capital gains	-	-	(2.31)			
Return of capital	-	-	-			
Total distributions (b), (c)	-	-	(2.31)			
Net Assets, end of period	5.58	5.47	7.60			
Class N						
Net Assets, beginning of period	14.14	19.68	15.55	10.58	9.94	11.55
Increase (decrease) from operations:						
Total revenue	0.31	0.17	0.19	0.20	0.20	0.18
Total expenses	(0.09)	(0.19)	(0.21)	(0.12)	(0.13)	(0.13)
Realized gains (losses)	1.10	(0.44)	5.79	(0.42)	0.90	0.89
Unrealized gains (losses)	(0.26)	(8.16)	6.35	(2.12)	0.88	(2.58)
Total increase (decrease) from operations (b)	1.06	(8.62)	12.12	(2.46)	1.85	(1.64)
Distributions:						
From income (excluding dividends)	-	-	-	-	-	-
From dividends	-	-	-	-	-	-
From capital gains	-	-	-	-	(1.38)	-
Return of capital	-	-	-	-	-	-
Total distributions (b), (c)	-	-	-	-	(1.38)	-
Net Assets, end of period	14.44	14.14	19.68	15.55	10.58	9.94

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

	2023 (\$)	2022 (\$)	2021 (\$)	2020 (\$)	2019 (\$)	2018 (\$)
Class O						
Net Assets, beginning of period	25.68	35.27	35.97	24.23	22.60	26.02
Increase (decrease) from operations:						
Total revenue	0.68	0.32	0.53	0.52	0.46	0.40
Total expenses	(0.02)	(0.02)	(0.07)	(0.05)	(0.05)	(0.04)
Realized gains (losses)	1.68	(0.40)	11.06	0.97	2.01	2.01
Unrealized gains (losses)	(1.64)	(10.34)	(3.52)	10.98	2.50	(5.58)
Total increase (decrease) from operations (b)	0.70	(10.44)	8.00	12.42	4.92	(3.21)
Distributions:						
From income (excluding dividends)	-	-	-	-	-	-
From dividends	-	-	-	-	(0.01)	-
From capital gains	-	-	(10.45)	-	(3.22)	-
Return of capital	-	-	-	-	-	-
Total distributions (b), (c)	-	-	(10.45)	-	(3.23)	-
Net Assets, end of period	26.36	25.68	35.27	35.97	24.23	22.60

(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.

Ratios and Supplemental Data

	2023	2022	2021	2020	2019	2018
Class A						
Total net asset value (\$000s) (a)	20,181	20,765	37,416	32,406	28,866	30,867
Number of units outstanding (a)	821,765	856,700	1,092,309	939,040	1,210,774	1,355,612
Management expense ratio (b)	2.64%	2.64%	2.56%	2.50%	2.50%	2.50%
Management expense ratio before absorptions (c)	2.64%	2.64%	2.56%	2.50%	2.50%	2.50%
Trading expense ratio (d)	0.19%	0.13%	0.19%	0.23%	0.22%	0.20%
Portfolio turnover rate (e)	12.05%	38.96%	61.47%	63.01%	55.99%	53.86%
Net asset value per unit (\$) (a)	24.56	24.24	34.25	34.51	23.84	22.77
Class B						
Total net asset value (\$000s) (a)	10,251	14,496	26,051	17,135	11,045	735
Number of units outstanding (a)	1,131,797	1,621,516	2,062,223	1,425,182	1,259,935	85,600
Management expense ratio before performance fee (b)	2.65%	2.63%	2.73%	2.47%	2.50%	2.50%
Management expense ratio (b)	2.65%	2.63%	2.73%	9.53%	2.50%	2.50%
Management expense ratio before absorptions (c)	2.65%	2.63%	2.73%	9.53%	2.50%	2.50%
Trading expense ratio (d)	0.19%	0.13%	0.19%	0.23%	0.22%	0.20%
Portfolio turnover rate (e)	12.05%	38.96%	61.47%	63.01%	55.99%	53.86%
Net asset value per unit (\$) (a)	9.06	8.94	12.63	12.02	8.77	8.59

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Ratios and Supplemental Data (cont'd)

	2023	2022	2021	2020	2019	2018
Class E						
Total net asset value (\$000s) (a)	3,118	2,660	3,513	2,500	1,459	
Number of units outstanding (a)	290,092	253,401	241,879	168,853	145,477	
Management expense ratio (b)	0.54%	0.53%	0.52%	0.50%	0.50%	
Management expense ratio before absorptions (c)	0.54%	0.53%	0.52%	0.50%	0.50%	
Trading expense ratio (d)	0.19%	0.13%	0.19%	0.23%	0.22%	
Portfolio turnover rate (e)	12.05%	38.96%	61.47%	63.01%	55.99%	
Net asset value per unit (\$) (a)	10.75	10.50	14.52	14.81	10.03	
Class F						
Total net asset value (\$000s) (a)	68,467	70,143	97,457	85,903	72,427	74,395
Number of units outstanding (a)	2,680,956	2,797,179	2,779,227	2,442,676	3,011,004	3,270,076
Management expense ratio (b)	1.60%	1.59%	1.54%	1.50%	1.50%	1.50%
Management expense ratio before absorptions (c)	1.60%	1.59%	1.54%	1.50%	1.50%	1.50%
Trading expense ratio (d)	0.19%	0.13%	0.19%	0.23%	0.22%	0.20%
Portfolio turnover rate (e)	12.05%	38.96%	61.47%	63.01%	55.99%	53.86%
Net asset value per unit (\$) (a)	25.54	25.08	35.07	35.17	24.06	22.75
Class G						
Total net asset value (\$000s) (a)	104,446	93,762	99,607	44,524	24,602	2,351
Number of units outstanding (a)	11,210,533	10,249,347	7,774,891	3,550,898	2,697,149	272,032
Management expense ratio before performance fee (b)	1.59%	1.58%	1.65%	1.47%	1.50%	1.50%
Management expense ratio (b)	1.59%	1.58%	1.65%	9.81%	1.50%	1.50%
Management expense ratio before absorptions (c)	1.59%	1.58%	1.65%	9.82%	1.50%	1.50%
Trading expense ratio (d)	0.19%	0.13%	0.19%	0.23%	0.22%	0.20%
Portfolio turnover rate (e)	12.05%	38.96%	61.47%	63.01%	55.99%	53.86%
Net asset value per unit (\$) (a)	9.32	9.15	12.81	12.54	9.12	8.64
Class I						
Total net asset value (\$000s) (a)	16,609	16,872	23,048	19,221	13,327	10,806
Number of units outstanding (a)	1,381,880	1,430,710	1,405,165	1,157,501	1,174,990	1,006,376
Management expense ratio (b)	1.43%	1.44%	1.38%	1.35%	1.35%	1.35%
Management expense ratio before absorptions (c)	1.43%	1.44%	1.38%	1.35%	1.35%	1.35%
Trading expense ratio (d)	0.19%	0.13%	0.19%	0.23%	0.22%	0.20%
Portfolio turnover rate (e)	12.05%	38.96%	61.47%	63.01%	55.99%	53.86%
Net asset value per unit (\$) (a)	12.02	11.79	16.40	16.61	11.34	10.74
Class M						
Total net asset value (\$000s) (a)	10,279	10,186	9,643			
Number of units outstanding (a)	1,841,795	1,863,319	1,268,907			
Management expense ratio before performance fee (b)	1.10%	1.00%	1.00%			
Management expense ratio (b)	1.10%	1.00%	1.00%			
Management expense ratio before absorptions (c)	1.10%	1.00%	1.00%			
Trading expense ratio (d)	0.19%	0.13%	0.19%			
Portfolio turnover rate (e)	12.05%	38.96%	61.47%			
Net asset value per unit (\$) (a)	5.58	5.47	7.60			

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Ratios and Supplemental Data (cont'd)

	2023	2022	2021	2020	2019	2018
Class N						
Total net asset value (\$000s) (a)	44	96	613	5,608	40,784	32,722
Number of units outstanding (a)	3,068	6,759	31,166	360,632	3,853,598	3,290,720
Management expense ratio (b)	1.09%	1.08%	1.01%	1.00%	1.00%	1.00%
Management expense ratio before absorptions (c)	1.09%	1.08%	1.01%	1.00%	1.00%	1.00%
Trading expense ratio (d)	0.19%	0.13%	0.19%	0.23%	0.22%	0.20%
Portfolio turnover rate (e)	12.05%	38.96%	61.47%	63.01%	55.99%	53.86%
Net asset value per unit (\$) (a)	14.44	14.14	19.68	15.55	10.58	9.94
Class O						
Total net asset value (\$000s) (a)	9,968	9,829	27,608	13,989	8,412	6,518
Number of units outstanding (a)	378,108	382,752	782,730	388,863	347,146	288,379
Management expense ratio (b)	0.00%	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%	0.00%
Trading expense ratio (d)	0.19%	0.13%	0.19%	0.23%	0.22%	0.20%
Portfolio turnover rate (e)	12.05%	38.96%	61.47%	63.01%	55.99%	53.86%
Net asset value per unit (\$) (a)	26.36	25.68	35.27	35.97	24.23	22.60

(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) 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 weekly 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 paid by the Fund. Management expense ratio before performance fee is the MER before any performance fees, if applicable, for the stated period.

(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 average net asset value during the period.

(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 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.

Pender Small Cap Opportunities Fund

Six months ended June 30, 2023

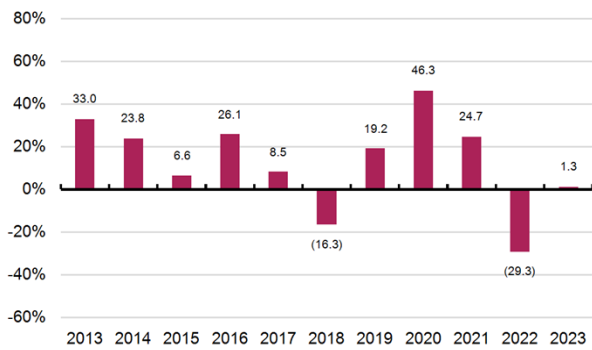
Past Performance

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.

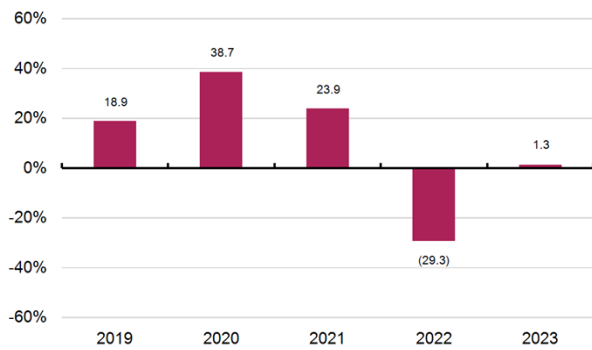
Period-by-Period Returns

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, 2023 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.

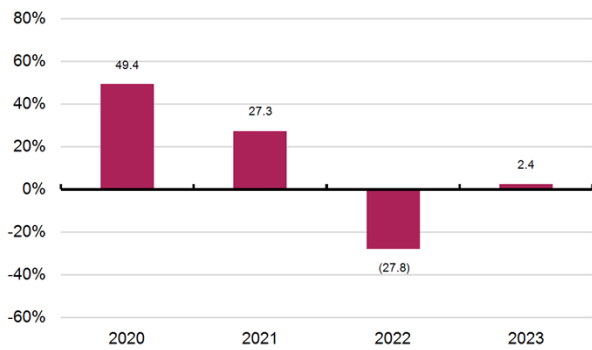
Class A



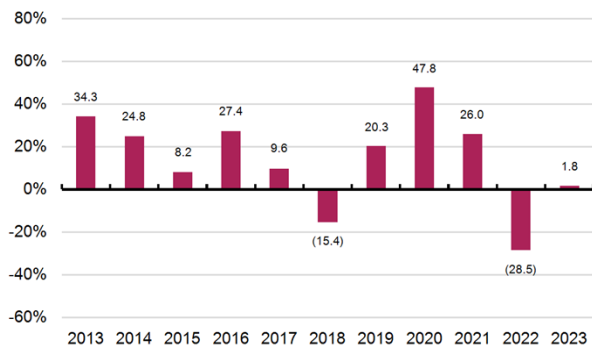
Class B



Class E



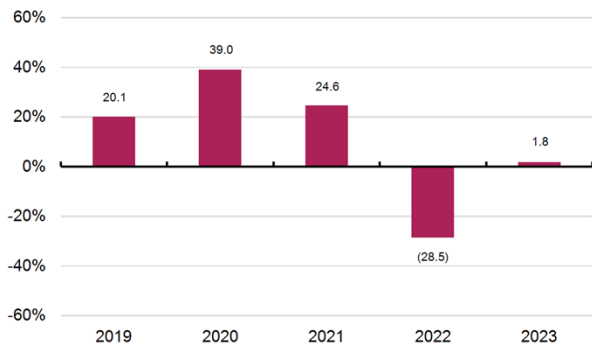
Class F



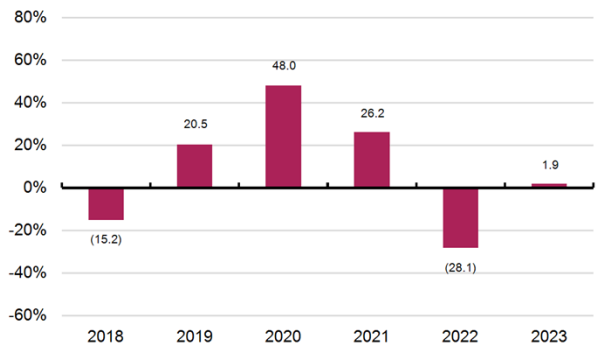
Pender Small Cap Opportunities Fund

Six months ended June 30, 2023

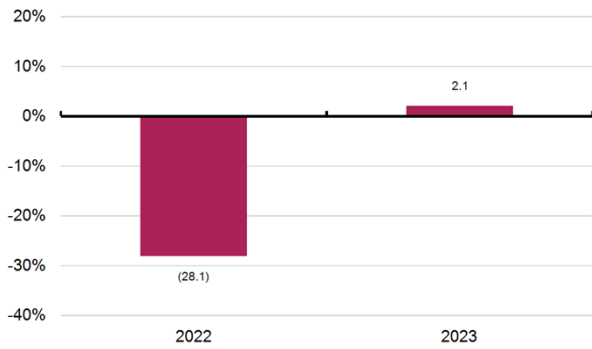
Class G



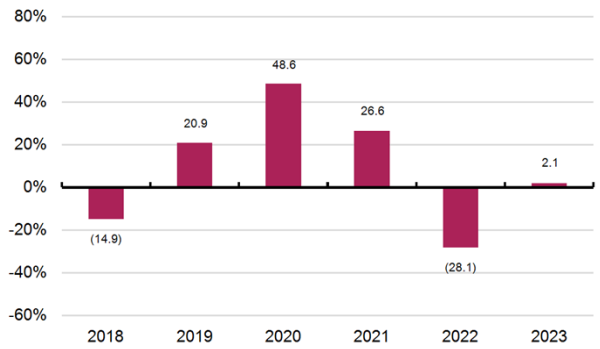
Class I



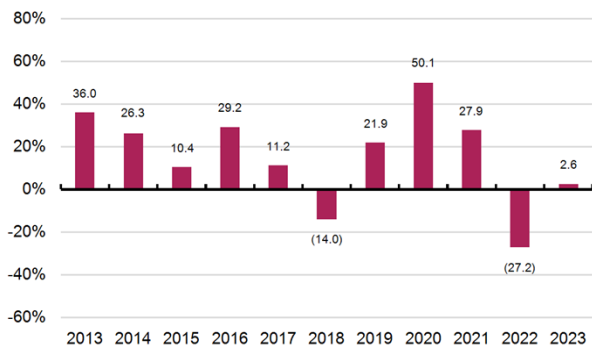
Class M



Class N



Class O



Pender Small Cap Opportunities Fund

Six months ended June 30, 2023

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.

Top 25 Holdings

	% of Net Assets
Sylogist Ltd.	6.0
Copperleaf Technologies Inc.	5.1
Blackline Safety Corp.	4.3
Altius Renewable Royalties Corp.	4.1
Sangoma Technologies Corporation	4.1
PAR Technology Corporation	3.8
TerraVest Industries Inc.	3.4
Thinkific Labs Inc.	3.3
D2L Inc.	3.2
Saturn Oil & Gas Inc.	3.0
Well Health Technologies Corp.	3.0
Tiny Ltd., Class 'A'	2.9
Dye & Durham Limited	2.8
NFI Group Inc.	2.8
Aritzia Inc.	2.7
Burford Capital Limited	2.7
dentalcorp Holdings Ltd.	2.6
Maxim Power Corp.	2.6
ProntoForms Corporation	2.6
Docebo Inc.	2.5
Kinaxis Inc.	2.5
Aviat Networks, Inc.	2.4
Anterix Inc.	2.1
ATD New Holdings Inc.	2.1
Polaris Renewable Energy Inc.	2.0

Composition of the Portfolio

	% of Net Assets
Equities	
Information technology	41.9
Industrials	11.4
Consumer discretionary	10.0
Utilities	8.7
Energy	8.4
Financial Services	6.4
Health care	6.2
Communication services	3.0
Real estate	2.0
Consumer staples	0.2
Total equities	98.2
Warrants	0.0
Total investments	98.2

Pender Small Cap Opportunities Fund

Six months ended June 30, 2023

Composition of the Portfolio (cont'd)

	% of Net Assets
Bank overdraft	0.0
Other assets less liabilities	1.8
Total net assets	100.0

Pender Small Cap Opportunities Fund

Six months ended June 30, 2023

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 Small Cap Opportunities Fund

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