



## Pender Value 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](http://www.penderfund.com) or the SEDAR+ website at [www.sedarplus.ca](http://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 Value Fund

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## MANAGEMENT DISCUSSION OF FUND PERFORMANCE

### Results of Operations

The net assets of the Pender Value Fund (the "Fund") were \$111,787,509 as at June 30, 2023 versus \$121,129,622 as at December 31, 2022. Of this \$9,342,113 decrease, \$4,035,338 is attributable to positive investment performance and \$13,377,451 is attributable to net unitholder redemptions of Fund units (including \$8,847,182 from the merger described below).

For the six months ended June 30, 2023 (the "period"), Class A units of the Fund generated a total return of 2.5%. 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 Fund's blended benchmark, 50% S&P/TSX and 50% S&P 500 Index, in Canadian dollars ("S&P 500"), returned 10.1% during the period. We include information about this blended benchmark, which more closely reflects the asset classes in which the Fund invests, to provide a more useful comparison for the performance of the Fund.

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

The Fund's underperformance, compared to its benchmark, was a result of stock selection, particularly within the Information technology sector. 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 period included Burford Capital Limited, Zillow Group, Inc. and Sylogist Ltd. Conversely, Optiva Inc., JD.com, Inc. and Peloton Interactive, Inc. were among the largest detractors.

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 Computer Modelling Group Ltd., dentalcorp Holdings Ltd. and PAR Technology Corporation. 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 Magnet Forensics Inc., Block, Inc., Universal Technical Institute, Inc. and The Howard Hughes Corporation.

As at the end of the period, the Fund was 48.3% invested in Canada, 35.1% the United States, 8.9% in other countries, and the Fund's cash position was 4.9%. The Fund's investment portfolio is concentrated and not diversified in the conventional sense. The Fund's top 10 holdings account for 43.5% 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, Financial Services, 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 64.8% of the Fund at the end of the period. 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

The key performance drivers for equity markets this quarter – and a continuation of a trend throughout the year – are the leadership in mega-cap technology companies. Year-to-date, seven companies in the S&P 500 have contributed roughly 75% of the gains. This group includes Apple Inc. (Nasdaq: AAPL), Microsoft Corporation (Nasdaq: MSFT), NVIDIA Corporation (Nasdaq: NVDA), Alphabet Inc. (Nasdaq: GOOGL), Amazon.com, Inc. (Nasdaq: AMZN), Meta Platforms, Inc. (Nasdaq: META) and Tesla, Inc. (Nasdaq: TSLA). These companies have propelled the Nasdaq Composite Index to a remarkable 32.3% gain through the first half of 2023 in local currency terms. Comparing this to the small cap benchmark, the Russell 2000 Index is up 8.1% (in USD terms) through to the mid-point of 2023, though the equity gains have been narrow and have yet to filter down to smaller companies.

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This narrow equity market leadership has been driven predominately by multiple expansion. At the beginning of 2023, this group of seven companies traded at an average forward earnings multiple of 28.7x. Fast forward to today, and these same companies trade at an average forward earnings multiple of 43.0x, nearly a 50% increase over the six-month period! The performance differences between small and large companies have continued to push the disconnect in valuation 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 valuation spread, and we haven't seen a gap this wide since the early 2000s when the S&P peaked at the height of the tech bubble.

We believe there is hope on the horizon. In the aftermath of the dot-com bust, small caps went on a multi-year run of outperformance. In the six years from 2000 to 2005, small caps outperformed in each year at an average rate of nearly 12% per year. After a decade of outperformance in large caps (led by tech), time will tell whether the recent month of outperformance in small caps is the start of a new trend. What we do know is that trends come and go and market leadership evolves. While momentum can carry trends to extremes, at some point it breaks, and new leadership takes hold. What has happened in the past doesn't reflect the future and the next 10 years will surely look different than the last 10.

We continue to focus the opportunity set of the portfolio on small and mid-sized companies where we see a disconnect with the underlying fundamentals of the business. 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.

### Fund Merger

On June 23, 2023, the Pender Global Focused Fund was merged into the Fund. The two funds were both managed by the Manager, had the same investment objectives, and had substantially similar investment strategies. The merger resulted in an increase of \$8,847,182 in net assets attributable to unitholders of the continuing fund, Pender Value Fund.

### Related Party Transactions

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

As at the end of the period, parties related to the Manager collectively held 3% of the Fund's units. In addition, the Pender Partners Fund, a fund also managed by the Manager, 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.

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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 (\$)
<b>Class A</b>						
Net Assets, beginning of period	14.60	21.26	22.54	18.96	16.36	18.48
<b>Increase (decrease) from operations:</b>						
Total revenue	0.11	0.14	0.29	0.27	0.21	0.17
Total expenses	(0.21)	(0.43)	(0.63)	(0.44)	(0.47)	(0.50)
Realized gains (losses)	(0.76)	(1.10)	1.87	(0.37)	0.66	0.93
Unrealized gains (losses)	1.31	(5.79)	(1.69)	2.91	2.57	(2.87)
<b>Total increase (decrease) from operations (b)</b>	<b>0.45</b>	<b>(7.18)</b>	<b>(0.16)</b>	<b>2.37</b>	<b>2.97</b>	<b>(2.27)</b>
<b>Distributions:</b>						
From income (excluding dividends)	-	-	-	-	-	(0.30)
From dividends	-	-	-	-	-	(0.03)
From capital gains	-	-	(0.85)	-	(0.37)	(0.04)
Return of capital	-	-	-	-	-	-
<b>Total distributions (b), (c)</b>	<b>-</b>	<b>-</b>	<b>(0.85)</b>	<b>-</b>	<b>(0.37)</b>	<b>(0.37)</b>
<b>Net Assets, end of period</b>	<b>14.97</b>	<b>14.60</b>	<b>21.26</b>	<b>22.54</b>	<b>18.96</b>	<b>16.36</b>
<b>Class E</b>						
Net Assets, beginning of period	8.73	12.46	13.19	10.88	10.00	
<b>Increase (decrease) from operations:</b>						
Total revenue	0.07	0.09	0.17	0.16	0.04	
Total expenses	(0.05)	(0.06)	(0.09)	(0.07)	0.07	
Realized gains (losses)	(0.44)	(0.73)	1.03	(0.11)	(0.15)	
Unrealized gains (losses)	1.02	(3.03)	(1.14)	2.48	2.00	
<b>Total increase (decrease) from operations (b)</b>	<b>0.60</b>	<b>(3.73)</b>	<b>(0.03)</b>	<b>2.46</b>	<b>1.96</b>	
<b>Distributions:</b>						
From income (excluding dividends)	-	-	-	-	-	
From dividends	-	-	-	-	-	
From capital gains	-	-	(0.72)	-	(0.35)	
Return of capital	-	-	-	-	-	
<b>Total distributions (b), (c)</b>	<b>-</b>	<b>-</b>	<b>(0.72)</b>	<b>-</b>	<b>(0.35)</b>	
<b>Net Assets, end of period</b>	<b>9.04</b>	<b>8.73</b>	<b>12.46</b>	<b>13.19</b>	<b>10.88</b>	

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

	2023 (\$)	2022 (\$)	2021 (\$)	2020 (\$)	2019 (\$)	2018 (\$)
<b>Class F</b>						
Net Assets, beginning of period	15.14	21.81	22.85	19.02	16.35	18.52
<b>Increase (decrease) from operations:</b>						
Total revenue	0.11	0.15	0.29	0.27	0.21	0.17
Total expenses	(0.14)	(0.26)	(0.38)	(0.27)	(0.29)	(0.31)
Realized gains (losses)	(0.78)	(1.15)	1.85	(0.47)	0.68	0.69
Unrealized gains (losses)	1.34	(5.92)	(1.82)	2.76	2.55	(3.27)
<b>Total increase (decrease) from operations (b)</b>	<b>0.53</b>	<b>(7.18)</b>	<b>(0.06)</b>	<b>2.29</b>	<b>3.15</b>	<b>(2.72)</b>
<b>Distributions:</b>						
From income (excluding dividends)	-	-	-	-	-	(0.50)
From dividends	-	-	-	-	-	(0.05)
From capital gains	-	-	(0.84)	-	(0.48)	(0.04)
Return of capital	-	-	-	-	-	-
<b>Total distributions (b), (c)</b>	<b>-</b>	<b>-</b>	<b>(0.84)</b>	<b>-</b>	<b>(0.48)</b>	<b>(0.59)</b>
<b>Net Assets, end of period</b>	<b>15.60</b>	<b>15.14</b>	<b>21.81</b>	<b>22.85</b>	<b>19.02</b>	<b>16.35</b>
<b>Class H</b>						
Net Assets, beginning of period	10.56	15.32	16.33	13.69	11.80	13.39
<b>Increase (decrease) from operations:</b>						
Total revenue	0.07	0.10	0.21	0.20	0.15	0.12
Total expenses	(0.14)	(0.27)	(0.40)	(0.28)	(0.30)	(0.32)
Realized gains (losses)	(0.55)	(0.76)	1.26	(0.08)	0.52	0.62
Unrealized gains (losses)	0.92	(4.30)	(1.59)	2.38	1.89	(2.13)
<b>Total increase (decrease) from operations (b)</b>	<b>0.30</b>	<b>(5.23)</b>	<b>(0.52)</b>	<b>2.22</b>	<b>2.26</b>	<b>(1.71)</b>
<b>Distributions:</b>						
From income (excluding dividends)	-	-	-	-	-	(0.29)
From dividends	-	-	-	-	-	(0.03)
From capital gains	-	-	(0.74)	-	(0.29)	(0.03)
Return of capital	-	-	-	-	-	-
<b>Total distributions (b), (c)</b>	<b>-</b>	<b>-</b>	<b>(0.74)</b>	<b>-</b>	<b>(0.29)</b>	<b>(0.35)</b>
<b>Net Assets, end of period</b>	<b>10.84</b>	<b>10.56</b>	<b>15.32</b>	<b>16.33</b>	<b>13.69</b>	<b>11.80</b>
<b>Class I</b>						
Net Assets, beginning of period	11.07	15.92	16.76	13.94	11.98	13.59
<b>Increase (decrease) from operations:</b>						
Total revenue	0.08	0.11	0.22	0.21	0.15	0.12
Total expenses	(0.09)	(0.17)	(0.25)	(0.18)	(0.19)	(0.21)
Realized gains (losses)	(0.59)	(0.86)	1.34	(0.11)	0.46	0.49
Unrealized gains (losses)	1.05	(4.37)	(1.54)	1.94	1.86	(2.34)
<b>Total increase (decrease) from operations (b)</b>	<b>0.45</b>	<b>(5.29)</b>	<b>(0.23)</b>	<b>1.86</b>	<b>2.28</b>	<b>(1.94)</b>
<b>Distributions:</b>						
From income (excluding dividends)	-	-	-	-	-	(0.39)
From dividends	-	-	-	-	-	(0.04)
From capital gains	-	-	(0.71)	-	(0.38)	(0.03)
Return of capital	-	-	-	-	-	-
<b>Total distributions (b), (c)</b>	<b>-</b>	<b>-</b>	<b>(0.71)</b>	<b>-</b>	<b>(0.38)</b>	<b>(0.46)</b>
<b>Net Assets, end of period</b>	<b>11.42</b>	<b>11.07</b>	<b>15.92</b>	<b>16.76</b>	<b>13.94</b>	<b>11.98</b>

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

	2023 (\$)	2022 (\$)	2021 (\$)	2020 (\$)	2019 (\$)	2018 (\$)
<b>Class N</b>						
Net Assets, beginning of period	7.93	11.36	12.15	10.06	10.00	
<b>Increase (decrease) from operations:</b>						
Total revenue	0.06	0.09	(0.05)	0.15	0.05	
Total expenses	(0.05)	(0.08)	(0.10)	(0.09)	(0.05)	
Realized gains (losses)	(0.41)	(0.85)	0.36	(0.10)	0.06	
Unrealized gains (losses)	0.67	(2.62)	(2.32)	2.13	0.32	
<b>Total increase (decrease) from operations (b)</b>	<b>0.27</b>	<b>(3.46)</b>	<b>(2.11)</b>	<b>2.09</b>	<b>0.38</b>	
<b>Distributions:</b>						
From income (excluding dividends)	-	-	-	-	-	
From dividends	-	-	-	-	-	
From capital gains	-	-	(0.74)	-	(0.32)	
Return of capital	-	-	-	-	-	
<b>Total distributions (b), (c)</b>	<b>-</b>	<b>-</b>	<b>(0.74)</b>	<b>-</b>	<b>(0.32)</b>	
<b>Net Assets, end of period</b>	<b>8.20</b>	<b>7.93</b>	<b>11.36</b>	<b>12.15</b>	<b>10.06</b>	
<b>Class O</b>						
Net Assets, beginning of period	12.85	18.24	19.34	15.88	13.57	15.38
<b>Increase (decrease) from operations:</b>						
Total revenue	0.34	0.13	0.25	0.23	0.17	0.14
Total expenses	(0.15)	(0.01)	(0.03)	(0.02)	(0.03)	(0.03)
Realized gains (losses)	(3.04)	(1.06)	1.55	(0.21)	0.53	0.93
Unrealized gains (losses)	9.85	(5.53)	(1.64)	3.19	2.15	(2.21)
<b>Total increase (decrease) from operations (b)</b>	<b>7.00</b>	<b>(6.47)</b>	<b>0.13</b>	<b>3.19</b>	<b>2.82</b>	<b>(1.17)</b>
<b>Distributions:</b>						
From income (excluding dividends)	-	-	-	-	-	(0.59)
From dividends	-	-	-	-	-	(0.06)
From capital gains	-	-	(1.18)	-	(0.54)	(0.04)
Return of capital	-	-	-	-	-	-
<b>Total distributions (b), (c)</b>	<b>-</b>	<b>-</b>	<b>(1.18)</b>	<b>-</b>	<b>(0.54)</b>	<b>(0.69)</b>
<b>Net Assets, end of period</b>	<b>12.87</b>	<b>12.85</b>	<b>18.24</b>	<b>19.34</b>	<b>15.88</b>	<b>13.57</b>

(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
<b>Class A</b>						
Total net asset value (\$000s) (a)	22,564	22,633	43,761	50,956	59,410	62,338
Number of units outstanding (a)	1,507,502	1,550,596	2,058,688	2,260,446	3,134,001	3,810,427
Management expense ratio (b)	2.51%	2.51%	2.46%	2.40%	2.40%	2.40%
Management expense ratio before absorptions (c)	2.51%	2.51%	2.46%	2.40%	2.40%	2.40%
Trading expense ratio (d)	0.26%	0.06%	0.11%	0.13%	0.12%	0.16%
Portfolio turnover rate (e)	15.91%	14.46%	67.77%	76.98%	71.36%	76.69%
Net asset value per unit (\$) (a)	14.97	14.60	21.26	22.54	18.96	16.36

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## Ratios and Supplemental Data (cont'd)

	2023	2022	2021	2020	2019	2018
<b>Class E</b>						
Total net asset value (\$000s) (a)	1,787	672	896	861	684	
Number of units outstanding (a)	197,786	76,980	71,935	65,263	62,855	
Management expense ratio (b)	0.53%	0.53%	0.51%	0.50%	0.50%	
Management expense ratio before absorptions (c)	0.53%	0.53%	0.51%	0.50%	0.50%	
Trading expense ratio (d)	0.26%	0.06%	0.11%	0.13%	0.12%	
Portfolio turnover rate (e)	15.91%	14.46%	67.77%	76.98%	71.36%	
Net asset value per unit (\$) (a)	9.04	8.73	12.46	13.19	10.88	
<b>Class F</b>						
Total net asset value (\$000s) (a)	46,677	49,964	94,885	107,637	144,360	161,576
Number of units outstanding (a)	2,991,864	3,301,195	4,351,254	4,710,346	7,587,835	9,883,888
Management expense ratio (b)	1.46%	1.45%	1.43%	1.40%	1.40%	1.40%
Management expense ratio before absorptions (c)	1.46%	1.45%	1.43%	1.40%	1.40%	1.40%
Trading expense ratio (d)	0.26%	0.06%	0.11%	0.13%	0.12%	0.16%
Portfolio turnover rate (e)	15.91%	14.46%	67.77%	76.98%	71.36%	76.69%
Net asset value per unit (\$) (a)	15.60	15.14	21.81	22.85	19.02	16.35
<b>Class H</b>						
Total net asset value (\$000s) (a)	7,153	7,216	13,547	12,283	11,561	12,342
Number of units outstanding (a)	659,612	683,390	884,038	752,280	844,511	1,045,603
Management expense ratio (b)	2.20%	2.20%	2.16%	2.10%	2.10%	2.10%
Management expense ratio before absorptions (c)	2.20%	2.20%	2.16%	2.10%	2.10%	2.10%
Trading expense ratio (d)	0.26%	0.06%	0.11%	0.13%	0.12%	0.16%
Portfolio turnover rate (e)	15.91%	14.46%	67.77%	76.98%	71.36%	76.69%
Net asset value per unit (\$) (a)	10.84	10.56	15.32	16.33	13.69	11.80
<b>Class I</b>						
Total net asset value (\$000s) (a)	31,032	38,791	91,625	90,636	83,532	66,760
Number of units outstanding (a)	2,717,528	3,504,475	5,754,368	5,406,414	5,993,732	5,571,572
Management expense ratio (b)	1.29%	1.29%	1.27%	1.25%	1.25%	1.35%
Management expense ratio before absorptions (c)	1.29%	1.29%	1.27%	1.25%	1.25%	1.35%
Trading expense ratio (d)	0.26%	0.06%	0.11%	0.13%	0.12%	0.16%
Portfolio turnover rate (e)	15.91%	14.46%	67.77%	76.98%	71.36%	76.69%
Net asset value per unit (\$) (a)	11.42	11.07	15.92	16.76	13.94	11.98
<b>Class N</b>						
Total net asset value (\$000s) (a)	920	874	1,565	6	5	
Number of units outstanding (a)	112,227	110,242	137,767	516	516	
Management expense ratio (b)	0.84%	0.84%	0.84%	0.85%	0.85%	
Management expense ratio before absorptions (c)	0.84%	0.84%	0.84%	0.85%	0.85%	
Trading expense ratio (d)	0.26%	0.06%	0.11%	0.13%	0.12%	
Portfolio turnover rate (e)	15.91%	14.46%	67.77%	76.98%	71.36%	
Net asset value per unit (\$) (a)	8.20	7.93	11.36	12.15	10.06	

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

	2023	2022	2021	2020	2019	2018
<b>Class O</b>						
Total net asset value (\$000s) (a)	1,655	979	16,827	16,943	15,480	12,442
Number of units outstanding (a)	128,551	76,185	922,403	876,109	975,003	916,906
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)	0.26%	0.06%	0.11%	0.13%	0.12%	0.16%
Portfolio turnover rate (e)	15.91%	14.46%	67.77%	76.98%	71.36%	76.69%
Net asset value per unit (\$) (a)	12.87	12.85	18.24	19.34	15.88	13.57

(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 daily average net asset value during the period. The MER may vary from one class of units to another because of differences in the applicable management fees and certain fees and expenses may have been absorbed by the Manager which would otherwise be 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 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 Value Fund

Six months ended June 30, 2023

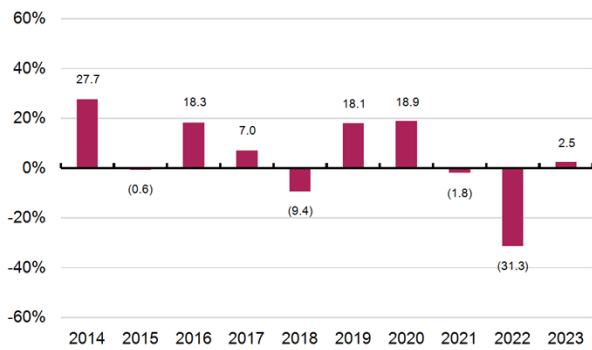
## Past Performance

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.

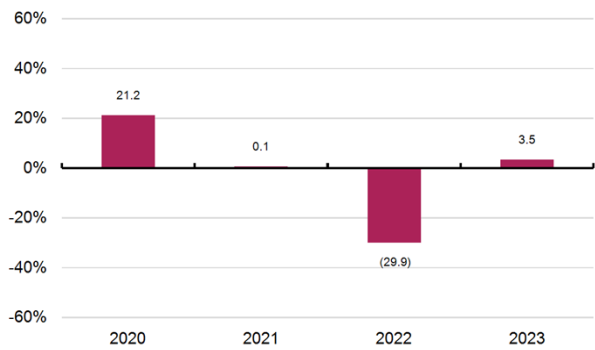
### Period-by-Period Returns

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.

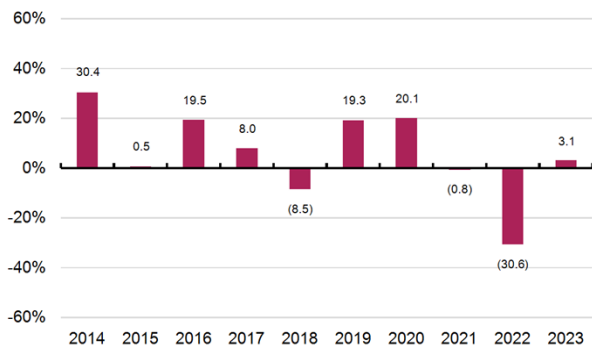
#### Class A



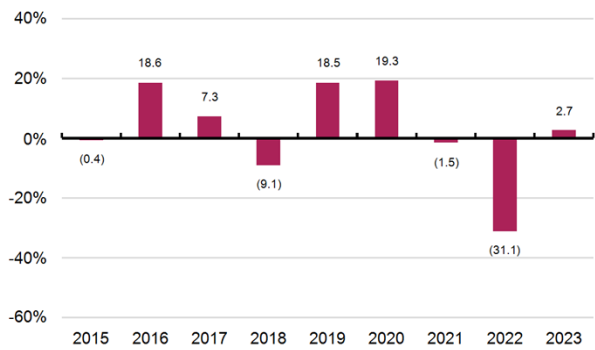
#### Class E



#### Class F



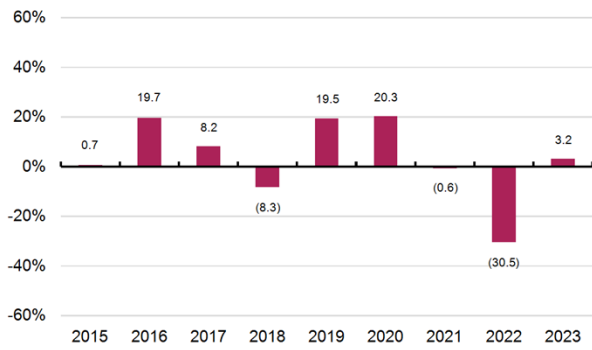
#### Class H



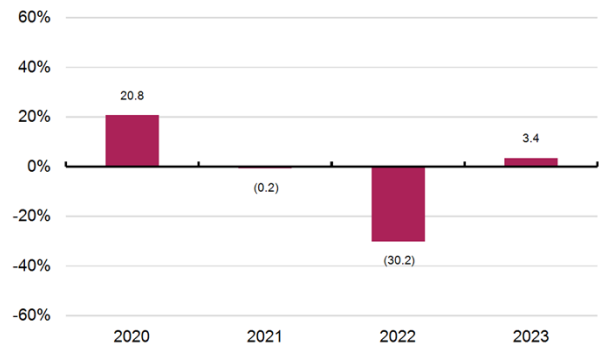
# Pender Value Fund

Six months ended June 30, 2023

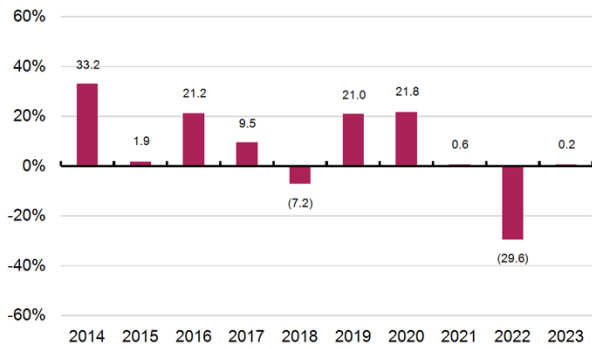
## Class I



## Class N



## Class O



## Pender Value 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.	7.0
Copperleaf Technologies Inc.	5.0
Burford Capital Limited	4.6
Interactive Brokers Group, Inc., Class 'A'	4.2
Premium Brands Holdings Corporation	4.1
CCL Industries Inc., Class 'B'	4.0
D2L Inc.	3.7
ProntoForms Corporation	3.7
KKR & Co. Inc.	3.6
PAR Technology Corporation	3.6
Sangoma Technologies Corporation	3.6
Baidu, Inc., ADR	3.4
Federal National Mortgage Association, Preferred, Series 'S', 8.25%	3.4
Exor N.V.	3.3
Kinaxis Inc.	3.3
Zillow Group, Inc., Class 'C'	3.1
eGain Corporation	3.0
Texas Pacific Land Corporation	2.7
dentalcorp Holdings Ltd.	2.6
SS&C Technologies Holdings, Inc.	2.4
JD.com, Inc., ADR	2.3
Onex Corporation	2.2
Peloton Interactive, Inc., Class 'A'	2.1
Dye & Durham Limited	2.0
Tiny Ltd., Class 'A'	2.0

## Pender Value Fund

Six months ended June 30, 2023

### Composition of the Portfolio

	% of Net Assets
<b>Equities</b>	
Information technology	35.0
Financial services	21.7
Consumer discretionary	8.1
Communication services	6.3
Consumer staples	6.1
Materials	4.0
Real estate	3.1
Energy	3.0
Health care	2.6
Industrials	2.4
<b>Total equities</b>	<b>92.3</b>
Warrants	-
<b>Total investments</b>	<b>92.3</b>
Cash	4.9
Other assets less liabilities	2.8
<b>Total net assets</b>	<b>100.0</b>

## Pender Value Fund

Six months ended June 30, 2023

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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: 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**

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)