

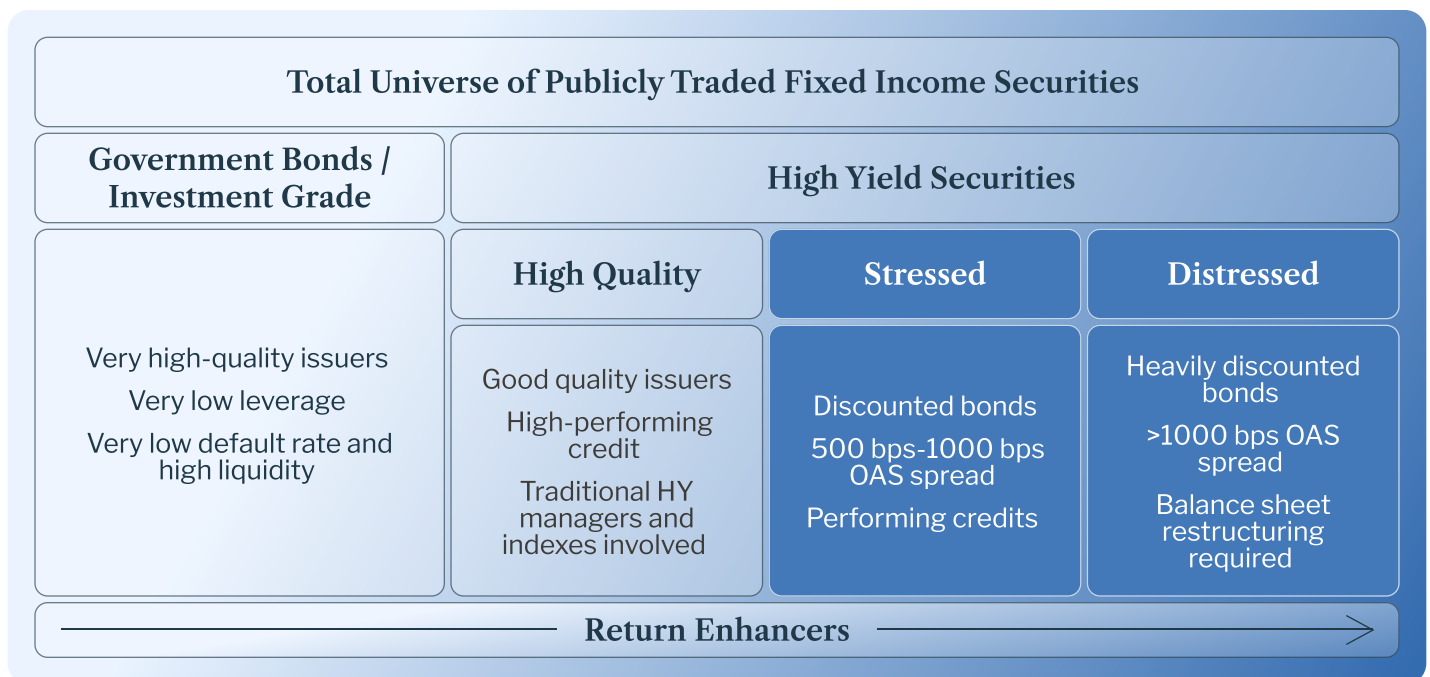


Executive Summary

The Fund will focus on deeply discounted stressed and distressed small and middle market public credit issuers. We believe outperformance opportunities exist due to high capital scarcity, less competition from other capital providers and our ability to engage in proactive credit management.

Stressed & Distressed Credits

Stressed and distressed credits offer idiosyncratic and attractive risk-reward opportunities across credit cycles



Opportunity & Experience

Due to complexity and capital scarcity, spread dispersion has created outperformance opportunities in lower rated but fundamentally strong credits which may be overlooked by other investors.

We have consistently invested in stressed and distressed credits since 2015 with a specialized skill set and process that have proven resilient across a range of market environments, irrespective of credit cycle and overall high yield spread environment.



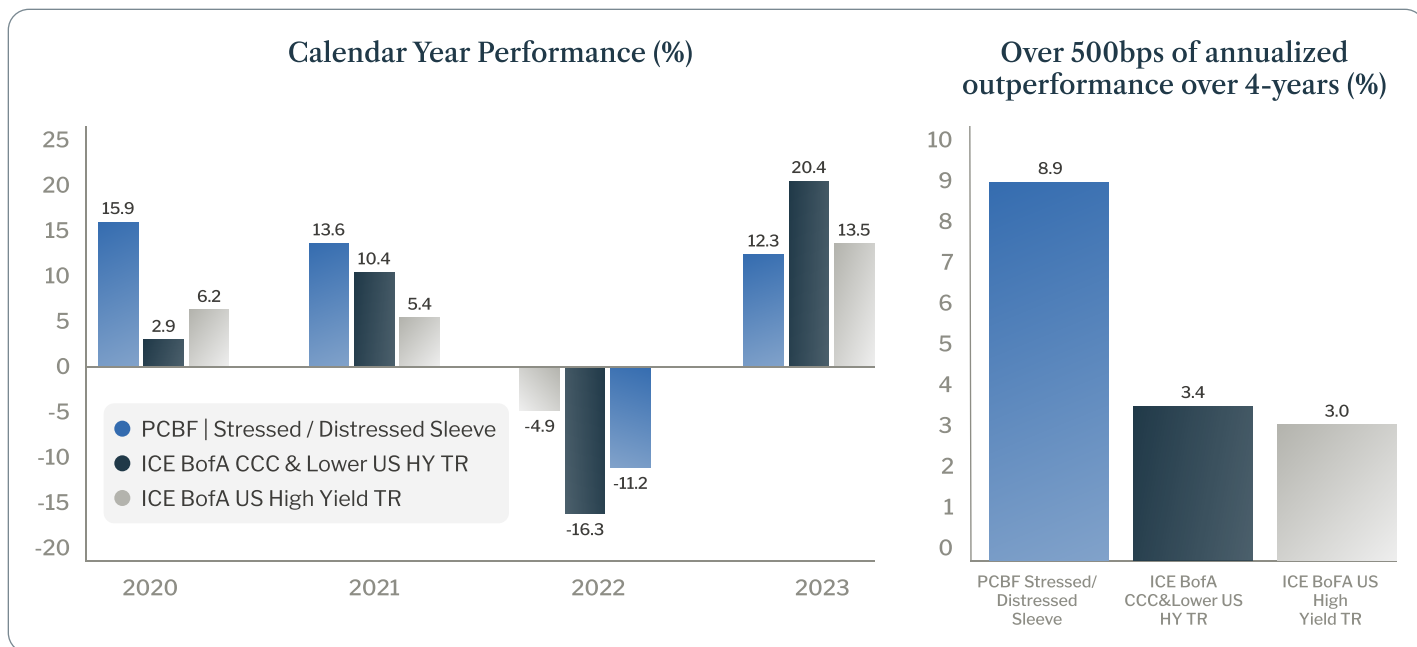
Market Tailwinds

We believe the next five years offer a golden period for stressed and distressed opportunities. Here's why:

Tighter Financial Conditions Create Opportunities	<ul style="list-style-type: none"> • Rate environment has changed dramatically since pandemic lows • Current elevated bankruptcy volume is a strong indicator of higher of default rates in the future
Broad Credit Market is Expensive	<ul style="list-style-type: none"> • Current spread environment is tight - close to the lowest spread in the last 10 years • There is an opportunity in actively managed credit to deliver alpha
Upcoming Maturity Wall	<ul style="list-style-type: none"> • Significant maturities are due over the coming years • Tightening financing conditions could weigh on borrowers as they have to refinance debt at higher costs
Potential Catalysts on Horizon Create More Opportunity	<ul style="list-style-type: none"> • Many potential events may lead to spreads widening - commercial real estate, slowing growth in China, decreasing savings rates and US election uncertainty

A Strong Track Record

A history of successful investments in stressed and distressed credits within the Pender Corporate Bond Fund



Performance as of December 31, 2023.
Source: Pender, Morningstar.

Based on base currency monthly returns from Jan 1, 2020 to December 31, 2023.
PCBF – Stressed /Distressed Sleeve is based on IRR outperformance of stressed and distressed securities track record within Pender Corporate Bond Fund (PCBF).



Benefits of Public Market Distressed Credit

Total transparency in terms of mark to market pricing

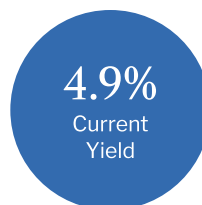
Liquidity to exit positions

Pender Credit Opportunities Fund I

Performance Return



Fund Facts



Source: PenderFund. Performance as of March 31, 2024. The since inception return is the net cumulative return in the eight months since the Fund began investing; returns are net of fees and expenses.

Meet the Team



Parul Garg, MBA

- Deploying the strategy since 2015, across \$1.5 billion credit mandate
- Experience in defaulted securities re-org and recapitalizations
- Over 10 years of experience
- Undergraduate in Engineering, post-graduate in MBA



Geoff Castle, MBA

- Lead Portfolio Manager in \$1.5 billion credit mandate
- Deploying the strategy since 2015; multiple successful defaulted bond investments
- Cross capital structure expertise; corporate, board and consultancy experience
- Lipper Award winning manager of the Pender Corporate Bond Fund in 2018, 2019
- Over 20 years of experience

+6 Fixed Income Experts
+18 Investment Professionals



Methodology

Stressed / Distressed

B+
 B
 B-
 CCC+
 CCC
 CCC-
 CC
 C
 SD
 Unrated

The presented track record represents the performance of holdings held within the Pender Corporate Bond Fund (PCBF). Per the S&P credit rating scale¹, securities held in PCBF for the period indicated with the credit ratings² shown in the provided chart were classified as ‘Stressed/ Distressed’. The performance data of these securities was extracted from Pender’s internal order/portfolio management system and used to calculate the performance of the securities with these classifications. Calculations were verified against PCBF performance results published on Morningstar³ to verify accuracy. Pender Credit Opportunities Fund II (PCOF II) is a separate and distinct fund from PCBF and Pender Credit Opportunities Fund I (PCOF I) and the results of PCBF and PCOF I are not indicative of the performance of PCOF II.

(1) S&P Credit Rating Scale https://en.wikipedia.org/wiki/S%26P_Global_Ratings

(2) Credit Ratings Source Bloomberg

(3) Morningstar Returns Morningstar Stock, Mutual Fund, ETF, Investment Research

For More Information



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