PENDER FIXED INCOME

PENDER CORPORATE BOND FUND

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PRI Principles for Responsible Investment

RIA Responsible Investment Association

FUND FACTS
PenderFund Capital Management Ltd.
Pender Corporate Bond Fund — Class F
June 28, 2024

This document contains key information you should know about Pender Corporate Bond Fund. You can find more detailed information in the fund's simplified prospectus. Ask your representative for a copy, contact PenderFund Capital Management Ltd. (Pender) at 1-866-377-4743 or info@penderfund.com or visit www.penderfund.com.

Before you invest in any fund, consider how it would work with your other investments and your tolerance for risk.

Quick facts

Fund code:	PGF510
Date class started:	June 1, 2009
Total value of the fund on April 30, 2024:	$1.6 billion
Management expense ratio (MER):	1.19%
Fund manager:	PenderFund Capital Management Ltd.
Lead portfolio manager:	Geoff Castle, PenderFund Capital Management Ltd.
Portfolio manager:	Emily Wheeler, CFA, PenderFund Capital Management Ltd.
Associate portfolio manager:	Parul Garg, PenderFund Capital Management Ltd.
Distributions:	Net income monthly; net capital gains annually. Automatically reinvested in additional units; cash upon request.
Minimum investment:	$5,000 initial, $100 additional

What does the fund invest in?

The fund invests primarily in investment and non-investment grade fixed income securities issued by North American corporations. This, however, does not preclude the fund from making equity investments when the portfolio advisor deems the risk/reward trade-off to be in the investors' favour.

The charts below give you a snapshot of the fund's investments on April 30, 2024. The fund's investments will change.

Top 10 investments - (April 30, 2024)

1. Esperion Therapeutics, Inc., 4.000%, 15-Nov-25	2.8%
2. OPKO Health, Inc., 3.750%, 15-Jan-29	2.3%
3. First Majestic Silver Corp., 0.375%, 15-Jan-27	2.2%
4. Lucid Group, Inc., 1.25%, 15-Dec-26	2.1%
5. Verisign, Inc., 4.750%, 15-Jul-27	2.1%
6. Liberty Tripadvisor Holdings, Inc., 0.500%, 27-Mar-25	2.0%
7. Waste Management of Canada Corporation, 2.600%, 23-Sep-26	1.9%
8. Emergent BioSolutions Inc., 3.875%, 15-Aug-28	1.9%
9. Rivian Holdings, LLC, 11.215%, 15-Oct-26	1.8%
10. Petroleum Geo-Services AS, 13.50%, 31-Mar-27	1.7%
Total percentage of top 10 investments	**20.8%**
Total number of investments	**185**

Investment mix - (April 30, 2024)

Health Care	13.3%
Energy	12.9%
Industrials	9.8%
Materials	9.5%
Communication Services	8.8%
Government Bonds	8.4%
Financial Services	8.0%
Consumer Discretionary	7.8%
Information Technology	7.6%
Insurance	3.2%
Utilities	3.1%
Closed End Funds	3.1%
Consumer Staples	2.9%
Real Estate	1.1%
Cash	0.5%

How risky is it?

The value of the fund can go down as well as up. You could lose money. One way to gauge risk is to look at how much a fund's returns change over time. This is called "volatility".

In general, funds with higher volatility will have returns that change more over time. They typically have a greater chance of losing money and may have a greater chance of higher returns. Funds with lower volatility tend to have returns that change less over time. They typically have lower returns and may have a lower chance of losing money.

Risk rating

Pender has rated the volatility of Class F of the fund as low to medium.

This rating is based on how much the fund's returns have changed from year to year. It doesn't tell you how volatile the fund will be in the future. The rating can change over time. A fund with a low risk rating can still lose money.

Low	**Low to Medium**	Medium	Medium to High	High

For more information about the risk rating and specific risks that can affect the fund's returns, see the section titled "What is a Mutual Fund and What are the Risks of Investing in a Mutual Fund" in the fund's simplified prospectus.

No guarantees

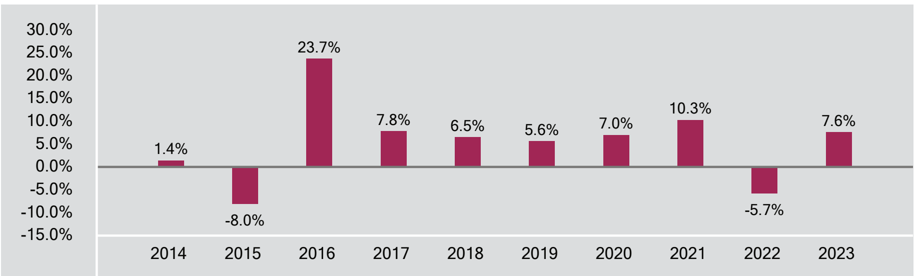
Like most mutual funds, this fund doesn't have any guarantees. You may not get back the amount of money you invest.

How has the fund performed?

This section tells you how Class F units of the fund have performed over the past 10 calendar years. Returns are after expenses have been deducted. These expenses reduce the fund's returns.

YEAR-BY-YEAR RETURNS

This chart shows how Class F units of the fund have performed in each of the past 10 calendar years. The fund dropped in value in 2 of the 10 calendar years. The range of returns and change from year to year can help you assess how risky the fund has been in the past. It does not tell you how the fund will perform in the future.



BEST and WORST 3-MONTH RETURNS

This table shows the best and worst returns for Class F units of the fund in a 3-month period over the past 10 years. The best and worst 3-month returns could be higher or lower in the future. Consider how much of a loss you could afford to take in a short period of time.

	Return	3 months ended	If you invested $1,000 at the beginning of the period
Best return	10.4%	January 31, 2021	Your investment would rise to $1,104.
Worst return	-12.6%	March 31, 2020	Your investment would drop to $874.

AVERAGE RETURN

The annual compounded return of Class F units of the fund was 5.5% over the past 10 years. If you had invested $1,000 in the fund 10 years ago, your investment would be now worth $1,704.

Who is this fund for?

This fund is suitable for investors who want income and to maximize the long-term growth potential of their capital.

This fund is suitable for investors who want to invest in a fixed income portfolio of investment grade and non-investment grade securities.

Investors in this fund should have a long-term investment time horizon and a low tolerance for investment risk.

A word about tax

In general, you pay income tax on your share of the fund's earnings and on any gains you realize from redeeming your investment. The amount of tax depends on the tax rules and rates that apply to you, and whether you hold the fund in a registered plan, such as an RRSP or TFSA.

Keep in mind that if you hold your fund in a non-registered account, fund distributions are included in your taxable income, whether you get them in cash or have them reinvested.

How much does it cost?

The following tables show the fees and expenses you could pay to buy, own and sell Class F units of the fund. The fees and expenses – including any commissions – can vary among classes of a fund and among funds. Higher commissions can influence representatives to recommend one investment over another. Ask about other funds and investments that may be suitable for you at a lower cost.

1. SALES CHARGES

There are no sales charges for Class F units of the fund.

2. FUND EXPENSES

You don't pay these expenses directly. They affect you because they reduce the fund's returns. As of December 31, 2023, the expenses of Class F were 1.22% of the value of this class. This equals $12.20 for every $1,000 invested.

	Annual rate (as a % of the class' value)
Management expense ratio (MER) This is the total of the fund's management fee (including, if applicable, the trailing commission) and administration fee.	1.19%
Trading expense ratio (TER) These are the fund's trading costs for this class.	0.03%
Fund expenses	1.22%

More about the trailing commission

No trailing commission is paid by Pender to your representative's firm in respect of Class F securities.

3. OTHER FEES

You may have to pay other fees when you buy, hold, sell or switch units of the fund.

Fee	What you pay
Short-term trading fee	You may be charged up to 2.00% of the value of units you sell or switch within 30 days of buying them. This fee goes to the fund.
Switch fee	Your representative's firm may charge you up to 2.00% of the value of units you switch to another class of the fund or to another fund managed by Pender.
Fee-based account fee	You may pay a fee-based account fee, which is negotiated between you and your representative, and paid directly to your representative's firm. Investors who purchase this class of the fund generally participate in an eligible fee-based program with their representative's firm.

What if I change my mind?

Under the securities law in some provinces and territories, you have the right to:

- withdraw from an agreement to buy mutual fund units within two business days after you receive a simplified prospectus or Fund Facts document; or
- cancel your purchase within 48 hours after you receive confirmation of the purchase.

In some provinces and territories, you will also have the right to cancel a purchase, or in some jurisdictions, claim damages, if the simplified prospectus, annual information form, Fund Facts document; or financial statements contain a misrepresentation. You must act within the time limit set by the securities law in your province or territory.

For more information, see the securities law of your province or territory or ask a lawyer.

For more information

Contact Pender or your representative for a copy of the fund's simplified prospectus and other disclosure documents. These documents and the Fund Facts make up the fund's legal documents, which can be found on our website at www.penderfund.com or on the SEDAR+ website at www.sedarplus.ca.

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To learn more about investing in mutual funds, see the brochure **Understanding mutual funds**, which is available on the website of the Canadian Securities Administrators at **www.securities-administrators.ca**.

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FIXED INCOME

June 2024 / CLASS F

Pender Corporate Bond Fund

The Pender Corporate Bond Fund is an income fund that is both conservatively managed to preserve capital as well as opportunistic to generate returns. The Fund is focused on key credit characteristics - coverage, seniority and duration. It is driven by bottom up fundamental analysis, and seeks to use its nimble size to invest in opportunities large or index based funds cannot. This advantage could provide investors with an attractive cash yield, while maintaining positions in attractively valued securities that provide a margin-of-safety for investors.

NET ASSET VALUE

NET ASSET VALUE	AS OF Jun 30/24
Class F	$12.53
Current Yield (%)	5.84
Yield to Maturity (%)	8.68
Term to Maturity (years)	4.38
Modified Duration (years)	3.53
Total Holdings	182
Total Net Assets of Fund	$1.70 Billion

FUND FACTS

Asset Class	Fixed Income Securities
Fund Inception	June 2009
Valuations	Daily
Eligibility	Canada-wide Registered Plans
Distributions	DRIP Monthly Cash Optional

FUND INFO

FUND INFO	CODES	US CODES
Class A	PGF 500	PGF 501
Class F	PGF 510	PGF 511
Class H	PGF 540	PGF 541
Class I	PGF 550	PGF 551

FUND INFO	MGMT FEE	MER*
Class A	1.40%	2.07%
Class F	0.60%	1.19%
Class H	1.10%	1.73%
Class I	0.45%	1.03%

*MERs as at 2023-12-31.

MINIMUM INVESTMENT

MINIMUM INVESTMENT	Initial Investment	Subsequent Investment
Class A	$5,000	$100
Class F	$5,000	$100
Class H	$100,000	$100
Class I	$100,000	$100

FUND OVERVIEW

Legal Counsel	Lawson Lundell LLP
Fund Admin	CIBC Mellon
Auditor	KPMG LLP

PERFORMANCE (%)

1 Mo.	3 Mo.	6 Mo.	1 Yr.	3 Yr.	5 Yr.	10 Yr.	15 Yr.	SINCE INCEPTION
1.2	3.6	7.7	12.9	3.9	5.5	5.8	6.6	6.6

ANNUAL PERFORMANCE (%)

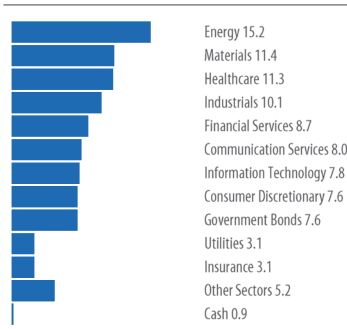
2016	2017	2018	2019	2020	2021	2022	2023	2024 YTD
23.7	7.8	6.5	5.6	7.0	10.3	-5.7	7.6	7.7

DISTRIBUTIONS ($)

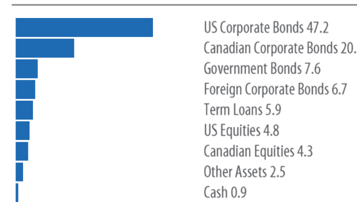
Dec 23	Jan 24	Feb 24	Mar 24	Apr 24	May 24	Jun 24	SINCE INCEPTION
0.03	0.05	0.04	0.05	0.06	0.05	0.05	8.68

Since Inception returns and distributions are from Jun 2009. All returns greater than a year are annual compounded returns.

SECTOR ALLOCATION (%)

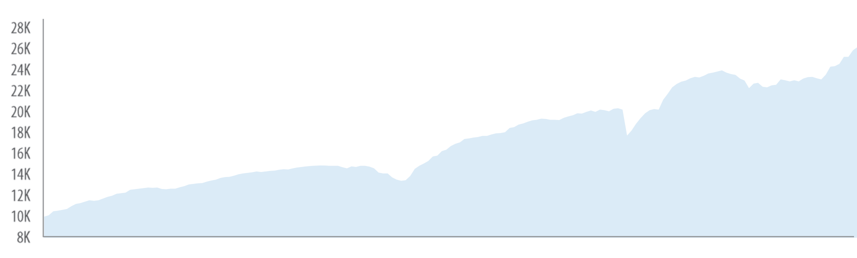


ASSET ALLOCATION (%)



CURRENCY ALLOCATION (%)

GROWTH OF $10K



TOP 10 HOLDINGS

Esperion Therapeutics, Inc., 4.000%, 15-Nov-25	Esperion Therapeutics, Inc., a pharmaceutical company, develops and commercializes medicines for the treatment of patients with elevated low density lipoprotein cholesterol (LDL-C).
First Majestic Silver Corp., 0.375%, 15-Jan-27	First Majestic Silver Corp. engages in the acquisition, exploration, development, and production of mineral properties with a focus on silver and gold production in North America.
Rivian Holdings, LLC, 11.215%, 15-Oct-26	Rivian Holdings, LLC operates as a subsidiary of Rivian Automotive, Inc.
Lucid Group, Inc., 1.250%, 15-Dec-26	Lucid Group, Inc. a technology company, designs, engineers, manufactures, and sells electric vehicles (EV), EV powertrains, and battery systems.
OPKO Health, Inc., 3.750%, 15-Jan-29	OPKO Health, Inc., a healthcare company, engages in the diagnostics and pharmaceuticals businesses in the United States, Ireland, Spain, Chile, Israel, Mexico, and internationally.
VeriSign, Inc, 4.750%, 15-Jul-27	VeriSign, Inc., together with its subsidiaries, provides domain name registry services and internet infrastructure that enables internet navigation for various recognized domain names worldwide.
Liberty Tripadvisor Holdings, Inc., 0.500%, 27-Mar-25	Liberty TripAdvisor Holdings, Inc. operates a travel guidance platform that connects people and audiences with travel partners in the United States, the United Kingdom, and internationally.
Waste Management of Canada Corporation, 2.600%, 23-Sep-26	Waste Management of Canada Corporation provides waste management services and environmental solutions for municipal, commercial, and industrial customers in the United States and Canada.
Thomson Reuters Corporation, 2.239%, 14-May-25	Thomson Reuters Corporation engages in the provision of business information services in the Americas, Europe, the Middle East, Africa, and the Asia Pacific.
Trulieve Cannabis Corp., 8.000%, 06-Oct-26	Trulieve Cannabis Corp., together with its subsidiaries, operates as a cannabis retailer.

Source: Capital IQ

ABOUT PENDER

Pender was founded in 2003 and is an independent, employee-owned investment firm located in Vancouver, British Columbia. Our goal is to protect and grow wealth for our investors over time. We have a talented investment team of expert analysts, security selectors and independent thinkers who actively manage our suite of differentiated investment funds, exploiting inefficient parts of the investing universe to achieve our goal.

PORTFOLIO MANAGER(S)

GEOFF CASTLE, MBA
Mr. Castle began his investing career in 2000 and has experience in both public mutual funds and proprietary investment fund management for ultra-high net worth individuals. His background also includes more than five years of industry experience in trade credit and general corporate management. As a fixed income manager, his focus has been on seeking enhanced yield opportunities in situations where substantial margins of safety exist. Mr. Castle holds a Bachelor of Arts degree from UBC and an MBA from the Richard Ivey School of Business at the University of Western Ontario. He is a member of the CFA Institute.

PARUL GARG, MBA
Ms. Garg has been investing since 2009. She started her career as a Software Engineer, focusing on projects in the financial domain before working as a Fixed Income Derivative Analyst for two years at a private investment firm in India. She also worked in Product Development with the Business Development Team for Fixed Income Markets at the MCX Stock Exchange in India. She has a Bachelors of Technology in Civil Engineering from NIT Surat in India, an MBA from the Beedie School of Business at Simon Fraser University, and has completed CFA Level 1.

EMILY WHEELER, CFA
Ms. Wheeler joined Pender in 2019. She began her career in 2004 at a Vancouver-based investment management firm focused on mandates including value, fixed income, growth, and alternative strategies where she gained valuable experience with a variety of asset classes and strategies and most recently held the title of Portfolio Manager on the firm's value and high yield teams. Emily holds a Bachelor of Arts degree from the University of British Columbia. She obtained her Chartered Financial Analyst designation in 2010. Ms. Wheeler is a Portfolio Manager working on the Pender Corporate Fund and the Pender Bond Universe Fund.

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Pender Corporate Bond Fund

Additional Fund Information
Class F, June 30, 2024

NAV PER UNIT	
Class A	$12.51
Class F	$12.53
Class H	$11.13
Class I	$10.83
Class U	$10.82
Class A (US$)	$11.23
Class F (US$)	$11.08
Class H (US$)	$10.64
Class I (US$)	$10.67

BOND RATINGS	% OF FUND	% OF BONDS
AAA	8%	9%
AA	0%	0%
A	4%	5%
BBB	14%	16%
Below BBB-	28%	32%
Unrated	34%	38%
Canadian Equities	4%	
US Equities	5%	
Foreign Equities	0%	
Closed End Funds	2%	
Cash	1%	

COUNTRY OF DOMICILE	
United States	61.5%
Canada	28.4%
International	9.2%
Cash	0.9%

TERM TO MATURITY	% OF FUND	% OF BONDS
Less than 1 year	7%	8%
1-5 years	62%	70%
5-10 years	11%	12%
10-20 years	4%	5%
More than 20 years	4%	5%
Non fixed income	12%	

SUPPLEMENTAL INFORMATION	
Alpha	2.20
Beta	0.33
Correlation	0.38
Sharpe	0.81
Standard Deviation	5.16
Up Capture	71
Down Capture	68
Average Credit Quality	BBB

Supplemental Information Statistics are calculated based on class A units of the fund since the fund's inception date. The actual results for class F units should be substantially similar to above units.

Supplemental statistics are calculated using the FTSE TMX Canada Bond Universe Index.

TOP 10 HOLDINGS	21.3%
Esperion Therapeutics, Inc., 4.000%, 15-Nov-25	3.0%
First Majestic Silver Corp., 0.375%, 15-Jan-27	2.5%
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Thomson Reuters Corporation, 2.239%, 14-May-25	1.7%
Trulieve Cannabis Corp., 8.000%, 06-Oct-26	1.7%

Our Investment Team

Geoff Castle, MBA

Lead Portfolio Manager

- Investing since 2000
- Public and proprietary portfolio management
- Experienced credit analyst
- Cross capital structure expertise
- Joined Pender in 2015

Geoff Castle is the Lead Portfolio Manager of Pender's Fixed Income portfolios. He began his investing career in 2000 and has experience in both public mutual funds and proprietary investment fund management for ultra-high net worth individuals. In addition, Geoff's background includes more than five years of industry experience in trade credit and general corporate management. Geoff holds a Bachelor of Arts degree from UBC and an MBA from the Richard Ivey School of Business at the University of Western Ontario.

Parul Garg, MBA

Associate Portfolio Manager

- Investing since 2009
- High yield, stressed and distressed credit focus
- CFA Level 1
- Joined Pender in 2015

Parul Garg is the Associate Portfolio Manager for the Pender Corporate Bond Fund and the Portfolio Manager of the Pender Credit Opportunities Fund, Limited Partnership I. She started her career as a Software Engineer, before transitioning to Fixed Income, working as a Derivatives Analyst at a private investment firm and on the Business Development Team for the Fixed Income Markets at the MCX Stock Exchange in India before moving to Vancouver in 2014 to start her MBA. Parul has a Bachelors of Technology in Civil Engineering from NIT Surat in India, a Masters of Business Administration from the Beedie School of Business at Simon Fraser University and has completed CFA Level 1. She also sits on the Steering Committee for the Vancouver chapter of Women in Capital Markets.

Emily Wheeler, CFA

Portfolio Manager

- Investing since 2004
- Fixed income focus
- Equity and alternative strategies experience
- Joined Pender in 2019

Emily Wheeler joined Pender in October 2019 and is a Portfolio Manager working on the Pender Corporate Bond Fund and the Pender Bond Universe Fund. Prior to joining Pender, Emily worked for a Vancouver based investment management firm that ran mandates including value, fixed income, growth and several alternative strategies. She began her career there in 2004 where she traded equities, fixed income, options and currency for the firm's growth, value, fixed income and an alternative strategy mandate and most recently held the title of Portfolio Manager working with the firm's value and high yield teams. Emily holds a Bachelor of Arts degree from the University of British Columbia. She is a CFA charterholder and a member of CFA Society Vancouver.

Our Investment Team

Carl Davies

Fixed Income Analyst

- Fixed Income Analyst
- Investing since 2017
- Portfolio and investment analytics
- Joined Pender in 2023

Carl Davies joined Pender in April 2023 as Fixed Income Analyst on the Pender Corporate Bond Fund. While completing his Bachelor of Business Administration (Finance) from Simon Fraser University, Carl participated in the Beedie Endowment Asset Management (BEAM) program which is Simon Fraser University's undergraduate asset management program. Additionally, he completed several internships with Canalyst (equity research team), National Bank (investment banking), and Leith Wheeler Investment Counsel (summer investment analyst). Prior to joining Pender, he worked with QuadReal Property Group in Vancouver on their international portfolio management team. Carl is an avid sportsman; his current favourites are golf and soccer. Before attending SFU, Carl studied at British Coloumbia Institute of Technology and worked on the Vancouver Canucks' and Vancouver Whitecaps' broadcasts.

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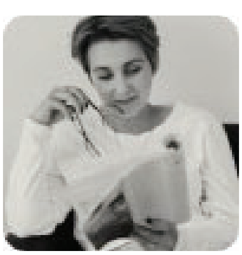

Articles

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Pender was founded in 2003 and is an independent, employee-owned investment firm located in Vancouver, British Columbia.

Our goal is to protect and grow wealth for our investors over time. We have a talented investment team of expert analysts, security selectors and independent thinkers who actively manage our suite of differentiated investment funds, exploiting inefficient parts of the investing universe to achieve our goal.

Standard Performance Data for Pender Funds may be found here:
Equity Funds: www.penderfund.com/equity
Fixed Income Funds: www.penderfund.com/fixed-income
Balanced Funds: www.penderfund.com/balanced
Liquid Alternative Funds: www.penderfund.com/liquid-alternative-funds

Standard Performance Information for Funds that have been launched within the last 12 months will be available one year after inception.

For more information on Pender Ventures please visit: www.penderventures.com

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