

NEWS RELEASE
FOR IMMEDIATE RELEASE

July 2, 2024

PenderFund Capital Management Ltd. Announces Fund Merger

VANCOUVER, B.C., July 2, 2024 - PenderFund Capital Management Ltd. (“**Pender**”) announces, effective as of close of business on June 28, 2024, Pender Small/Mid Cap Dividend Fund (the “**PSMD**” or “**Terminating Fund**”) merged into Pender Small Cap Opportunities Fund (the “**PSCF**” or “**Continuing Fund**”) (the “**Merger**”). The Merger received the requisite unitholder approval on May 23, 2024.

On completion of the Merger, PSMD is terminating and PSCF is continuing. Pender, as manager of the Terminating Fund, has filed an application with the applicable securities regulatory authorities for an order that PSMD has ceased to be a reporting issuer in each jurisdiction in which it is currently reporting.

Additional information regarding the Merger is contained in the Terminating Fund’s management information circular dated April 24, 2024, copies of which were mailed to applicable securityholders and the simplified prospectus of the Continuing Fund dated June 28, 2024, each of which is or will be available on the SEDAR+ profile of the Terminating Fund or the Continuing Fund, as applicable, at www.sedarplus.ca.

Effective as of close of business on June 28, 2024, all of the assets and investments of PSMD were transferred to PSCF and unitholders of PSMD became unitholders of PSCF.

- **Risk Rating Change:** The risk rating of the Continuing Fund is medium to high risk, whereas the Terminating Fund was medium.

The risk rating for a fund is reviewed at a minimum on an annual basis, as well as when a fund undergoes a material change. A summary of the methodology used by Pender to identify the risk rating of the Continuing Fund can be found in its simplified prospectus available on SEDAR+ at www.sedarplus.ca. This methodology is also available by calling toll-free 1-866-377-4743 or sending an email to info@penderfund.com.

- **Distribution Policy:** Post Merger, it is intended that the Continuing Fund will distribute its net investment income and its net realized capital gains annually in December of each year.

- **NAV:** The calculation of the net asset value of the Continuing Fund is conducted on a weekly basis, whereas the calculation of the net asset value for the Terminating Fund was conducted on a daily basis.
- **Wind-Up:** As soon as reasonably possible following the Merger, the Terminating Fund will be wound-up.

About PenderFund Capital Management Ltd.

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.

For more information on Pender, visit www.penderfund.com and www.fondspender.com.

Please read important disclosures at www.penderfund.com/disclaimer.

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Forward-Looking Information

This news release contains certain “forward-looking statements” within the meaning of such statements under applicable securities law. Forward-looking statements are frequently characterized by words such as “expect” or “proposed” and other similar words, or statements that certain events or conditions “may” or “will” occur. These statements are only predictions. Forward-looking statements are based on the opinions and estimates of the manager at the date the statements are made, and are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking statements.

