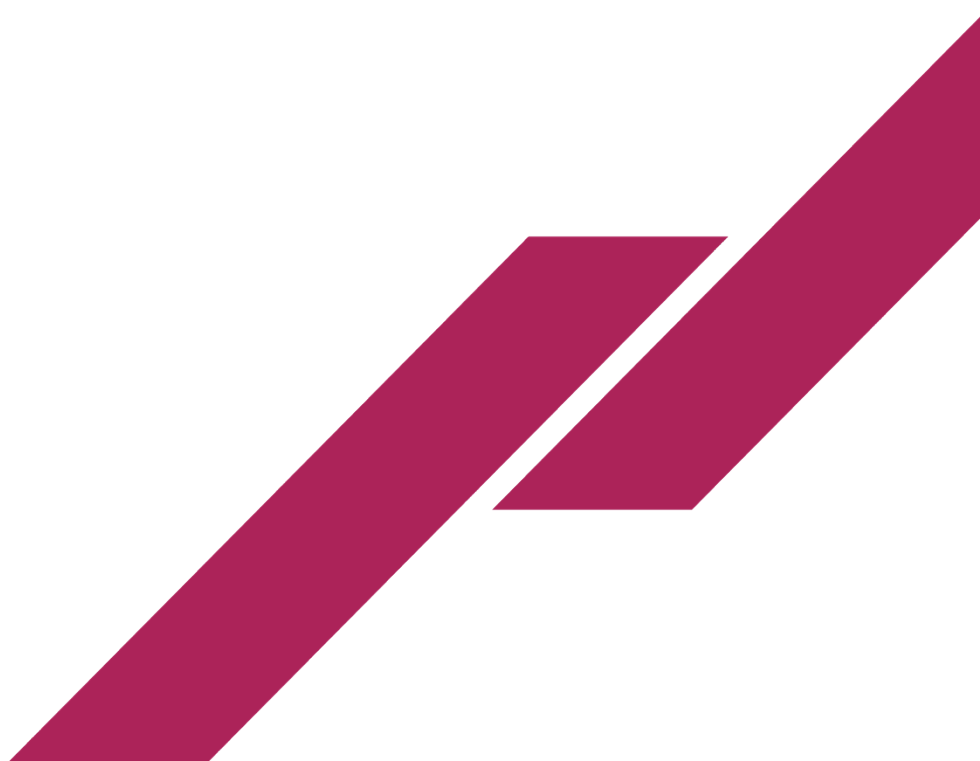


**Annual Financial Statements of
PENDER MUTUAL FUNDS**

And Independent Auditor's Report thereon
Years ended December 31, 2024 and 2023



MANAGEMENT RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying financial statements of the Pender Mutual Funds (the “Funds”) are the responsibility of management. They have been prepared in accordance with IFRS Accounting Standards.

PenderFund Capital Management Ltd. (the “Manager”) has developed and maintains a system of internal controls to provide reasonable assurance that all assets are safeguarded and to produce relevant, reliable and timely financial information, including the accompanying financial statements.

The Board of Directors of the Manager is responsible for reviewing and approving the financial statements and for overseeing the Manager’s performance of its financial reporting responsibilities. The Board of Directors has approved the accompanying financial statements of the Funds.

These financial statements have been audited by KPMG LLP, Chartered Professional Accountants, on behalf of the unitholders. The auditor’s report outlines the scope of their audit and their opinion on the financial statements.

March 28, 2025

(signed) "David Barr"

David Barr
Chief Executive Officer
PenderFund Capital Management Ltd.

(signed) "Amanda Patterson"

Amanda Patterson
Chief Compliance Officer and Chief Financial
Officer of Pender Funds
PenderFund Capital Management Ltd.



KPMG LLP

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INDEPENDENT AUDITOR'S REPORT

To the Unitholders of Pender Mutual Funds

Pender Bond Universe Fund
Pender Corporate Bond Fund
Pender Small Cap Opportunities Fund
Pender Strategic Growth and Income Fund
Pender US Small/Mid Cap Equity Fund
Pender Value Fund
(collectively, the "Funds")

Opinion

We have audited the financial statements of the Funds, which comprise:

- the statements of financial position as at December 31, 2024 and December 31, 2023
- the statements of comprehensive income for the years then ended (the period from commencement of operations on November 29, 2024 to December 31, 2024 only, for the Pender US Small/Mid Cap Equity Fund)
- the statements of changes in net assets attributable to the holders of redeemable units for the years then ended (the period from commencement of operations on November 29, 2024 to December 31, 2024 only, for the Pender US Small/Mid Cap Equity Fund)
- the statements of cash flows for the years then ended (the period from commencement of operations on November 29, 2024 to December 31, 2024 only, for the Pender US Small/Mid Cap Equity Fund)
- and notes to the financial statements, including a summary of material accounting policy information

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Funds as at December 31, 2024 and December 31, 2023, their financial performance and their cash flows for the years then ended in accordance with IFRS Accounting Standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "***Auditor's Responsibilities for the Audit of the Financial Statements***" section of our auditor's report.

We are independent of the Funds in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



Other Information

The Manager is responsible for the other information. Other information comprises the information included in the Annual Management Report of Fund Performance for each of the Funds filed with the relevant Canadian Securities Commissions.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit and remain alert for indications that the other information appears to be materially misstated.

We obtained the information included in the Annual Management Report of Fund Performance for each of the Funds filed with the relevant Canadian Securities Commissions as at the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in the auditor's report.

We have nothing to report in this regard.

Responsibilities of the Manager and Those Charged with Governance for the Financial Statements

The Manager is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards, and for such internal control as the Manager determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Manager is responsible for assessing the Funds' ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the Manager either intends to liquidate the Funds or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Funds' financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:



- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Funds' internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Manager.
- Conclude on the appropriateness of the Manager's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Funds' ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Funds to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

KPMG LLP

Chartered Professional Accountants

Vancouver, Canada
March 28, 2025

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Pender Bond Universe Fund

Statements of Financial Position

December 31, 2024 and 2023

	2024 (\$)	2023 (\$)
Assets		
Cash	2,776,912	530,290
Subscriptions receivable	39,878	2,297
Interest receivable	498,098	442,655
Derivative assets	-	342,384
Investments	81,703,254	60,010,414
	85,018,142	61,328,040
Liabilities		
Management and administration fees payable (note 4)	43,189	34,517
Redemptions payable to holders of redeemable units	51,636	70,645
Derivative liabilities	1,004,212	-
	1,099,037	105,162
Net assets attributable to holders of redeemable units	83,919,105	61,222,878
Net assets attributable to holders of redeemable units per class:		
Class A	2,849,671	3,207,340
Class E	526,849	400,722
Class F	76,140,641	55,439,149
Class F (USD)	829,369	105,963
Class O	3,572,575	2,069,704
	83,919,105	61,222,878
Net assets attributable to holders of redeemable units per unit:		
Class A	9.86	9.48
Class E	9.87	9.48
Class F	9.86	9.47
Class F (USD)	15.37	13.52
Class O	9.87	9.48

Approved on behalf of the Manager, PenderFund Capital Management Ltd.:

(signed) "David Barr"

David Barr
Director

(signed) "Felix Narhi"

Felix Narhi
Director

Pender Bond Universe Fund

Statements of Comprehensive Income

Years ended December 31, 2024 and 2023

	2024 (\$)	2023 (\$)
Revenue		
Distributions from underlying funds	880,587	869,918
Interest for distribution purposes	2,141,679	2,056,060
Securities lending income (note 5)	4,849	3,502
Foreign exchange gain (loss)	48,604	(4,406)
Changes in fair value of investments and derivatives:		
Net realized gain (loss)	198,551	(2,985,637)
Net change in unrealized appreciation (depreciation)	2,562,622	5,137,858
Total revenue	5,836,892	5,077,295
Expenses		
Administration fees (note 4)	361,429	383,035
Management fees (note 4)	80,292	85,506
Independent review committee fees	1,057	1,288
Transaction costs	783	2,423
Total expenses	443,561	472,252
Less: Expenses absorbed by the Manager (note 4)	(1,057)	(1,288)
Net expenses	442,504	470,964
Increase (decrease) in net assets attributable to holders of redeemable units	5,394,388	4,606,331
Increase (decrease) in net assets attributable to holders of redeemable units per class:		
Class A	198,344	198,281
Class A (USD)	-	112
Class E	35,055	24,823
Class F	4,744,324	4,225,760
Class F (USD)	154,499	7,098
Class O	262,166	150,257
	5,394,388	4,606,331
Increase (decrease) in net assets attributable to holders of redeemable units per unit:		
Class A	0.68	0.55
Class A (USD)	-	0.22
Class E	0.80	0.64
Class F	0.73	0.59
Class F (USD)	2.60	0.81
Class O	0.81	0.63

Pender Bond Universe Fund

Statements of Changes in Net Assets Attributable to Holders of Redeemable Units

Years ended December 31, 2024 and 2023

Class A	2024 (\$)	2023 (\$)
Balance, beginning of year	3,207,340	3,398,434
Increase (decrease) in net assets attributable to holders of redeemable units	198,344	198,281
Unit transactions:		
Proceeds from issue of redeemable units	761,285	380,604
Issued on reinvestment of distributions	60,637	65,314
Amounts paid on redemption of redeemable units	(1,292,404)	(737,882)
	(470,482)	(291,964)
Distributions paid from:		
Net investment income	(85,531)	(97,411)
Realized gains on sale of investments	-	-
Return of capital	-	-
	(85,531)	(97,411)
Balance, end of year	2,849,671	3,207,340

Class A (USD)	2024 (\$)	2023 (\$)
Balance, beginning of year	-	6,726
Increase (decrease) in net assets attributable to holders of redeemable units	-	112
Unit transactions:		
Proceeds from issue of redeemable units	-	-
Issued on reinvestment of distributions	-	65
Amounts paid on redemption of redeemable units	-	(6,838)
	-	(6,773)
Distributions paid from:		
Net investment income	-	(65)
Realized gains on sale of investments	-	-
Return of capital	-	-
	-	(65)
Balance, end of year	-	-

Class E	2024 (\$)	2023 (\$)
Balance, beginning of year	400,722	334,259
Increase (decrease) in net assets attributable to holders of redeemable units	35,055	24,823
Unit transactions:		
Proceeds from issue of redeemable units	242,072	41,640
Issued on reinvestment of distributions	15,904	12,956
Amounts paid on redemption of redeemable units	(151,000)	-
	106,976	54,596
Distributions paid from:		
Net investment income	(15,904)	(12,956)
Realized gains on sale of investments	-	-
Return of capital	-	-
	(15,904)	(12,956)
Balance, end of year	526,849	400,722

Pender Bond Universe Fund

Statements of Changes in Net Assets Attributable to Holders of Redeemable Units (cont'd)

Years ended December 31, 2024 and 2023

Class F	2024 (\$)	2023 (\$)
Balance, beginning of year	55,439,149	86,293,682
Increase (decrease) in net assets attributable to holders of redeemable units	4,744,324	4,225,760
Unit transactions:		
Proceeds from issue of redeemable units	39,413,295	27,522,171
Issued on reinvestment of distributions	1,057,488	1,270,496
Amounts paid on redemption of redeemable units	(22,224,266)	(61,604,261)
	18,246,517	(32,811,594)
Distributions paid from:		
Net investment income	(2,289,349)	(2,268,699)
Realized gains on sale of investments	-	-
Return of capital	-	-
	(2,289,349)	(2,268,699)
Balance, end of year	76,140,641	55,439,149

Class F (USD)	2024 (\$)	2023 (\$)
Balance, beginning of year	105,963	184,669
Increase (decrease) in net assets attributable to holders of redeemable units	154,499	7,098
Unit transactions:		
Proceeds from issue of redeemable units	2,345,203	-
Issued on reinvestment of distributions	28,146	241
Amounts paid on redemption of redeemable units	(1,773,535)	(81,869)
	599,814	(81,628)
Distributions paid from:		
Net investment income	(30,907)	(4,176)
Realized gains on sale of investments	-	-
Return of capital	-	-
	(30,907)	(4,176)
Balance, end of year	829,369	105,963

Class O	2024 (\$)	2023 (\$)
Balance, beginning of year	2,069,704	1,933,447
Increase (decrease) in net assets attributable to holders of redeemable units	262,166	150,257
Unit transactions:		
Proceeds from issue of redeemable units	2,167,264	385,000
Issued on reinvestment of distributions	134,761	91,173
Amounts paid on redemption of redeemable units	(926,559)	(399,000)
	1,375,466	77,173
Distributions paid from:		
Net investment income	(134,761)	(91,173)
Realized gains on sale of investments	-	-
Return of capital	-	-
	(134,761)	(91,173)
Balance, end of year	3,572,575	2,069,704

Pender Bond Universe Fund

Statements of Changes in Net Assets Attributable to Holders of Redeemable Units (cont'd)

Years ended December 31, 2024 and 2023

Total Fund	2024 (\$)	2023 (\$)
Balance, beginning of year	61,222,878	92,151,217
Increase (decrease) in net assets attributable to holders of redeemable units	5,394,388	4,606,331
Unit transactions:		
Proceeds from issue of redeemable units	44,929,119	28,329,415
Issued on reinvestment of distributions	1,296,936	1,440,245
Amounts paid on redemption of redeemable units	(26,367,764)	(62,829,850)
	19,858,291	(33,060,190)
Distributions paid from:		
Net investment income	(2,556,452)	(2,474,480)
Realized gains on sale of investments	-	-
Return of capital	-	-
	(2,556,452)	(2,474,480)
Balance, end of year	83,919,105	61,222,878

Pender Bond Universe Fund

Statements of Cash Flows

Years ended December 31, 2024 and 2023

	2024 (\$)	2023 (\$)
Cash provided by (used in):		
Operating:		
Increase (decrease) in net assets attributable to holders of redeemable units	5,394,388	4,606,331
Adjustments for:		
Distributions from underlying funds	(880,587)	(869,918)
Interest for distribution purposes	(2,141,679)	(2,056,060)
Foreign exchange (gain) loss	(48,604)	4,406
Net realized (gain) loss on sale of investments	(180,515)	2,880,616
Net change in unrealized (appreciation) depreciation of investments	(3,909,218)	(4,825,587)
Other receivable	-	6,113
Derivative assets and liabilities	1,346,596	(312,271)
Management and administration fees payable	8,672	(11,424)
	(410,947)	(577,794)
Proceeds on disposal of investments	19,686,340	48,759,758
Amounts paid on purchase of investments	(37,289,447)	(31,136,319)
Distributions received from underlying funds	880,587	869,918
Interest received	2,086,236	2,043,383
	(15,047,231)	19,958,946
Financing:		
Proceeds from issue of redeemable units	44,756,249	28,532,991
Amounts paid on redemption of redeemable units	(26,251,484)	(62,679,150)
Distributions paid to unitholders	(1,259,516)	(1,034,235)
	17,245,249	(35,180,394)
Net increase (decrease) in cash	2,198,018	(15,221,448)
Cash (Bank overdraft), beginning of year	530,290	15,756,144
Effect of exchange rate fluctuations on cash	48,604	(4,406)
Cash (Bank overdraft), end of year	2,776,912	530,290

Pender Bond Universe Fund

Schedule of Investment Portfolio

December 31, 2024

	Issue currency	Number of units / Face value (\$)	Cost (\$)	Fair value (\$)
Mutual funds:				
Pender Corporate Bond Fund, Class 'O'	CAD	1,493,549	16,371,364	17,407,908
Total mutual funds (20.7%)			16,371,364	17,407,908
Corporate bonds:				
Canada (32.2%):				
Cameco Corporation, Callable, 2.95%, 2027/10/21	CAD	2,650,000	2,514,057	2,605,561
Canadian National Railway Company, Callable, 3.20%, 2028/07/31	CAD	2,000,000	1,899,600	1,982,807
Canadian Pacific Railway Company, Callable, 3.15%, 2029/03/13	CAD	1,100,000	1,178,033	1,082,461
Choice Properties Real Estate Investment Trust, Callable, 2.85%, 2027/05/21	CAD	1,100,000	1,139,660	1,082,507
Choice Properties Real Estate Investment Trust, Callable, 2.98%, 2030/03/04	CAD	1,955,000	1,848,226	1,858,684
Fairfax Financial Holdings Limited, Callable, 4.70%, 2026/12/16	CAD	2,200,000	2,440,282	2,242,361
Fairfax Financial Holdings Limited, Callable, 3.95%, 2031/03/03	CAD	2,000,000	1,769,436	1,984,115
Loblaw Companies Limited, Callable, 4.49%, 2028/12/11	CAD	2,500,000	2,478,037	2,582,017
Loblaw Companies Limited, Callable, 2.28%, 2030/05/07	CAD	2,000,000	1,733,300	1,865,288
Thomson Reuters Corp., Callable, 2.24%, 2025/05/14	CAD	4,700,000	4,596,550	4,678,818
Waste Management of Canada Corporation, Callable, 2.60%, 2026/09/23	CAD	5,000,000	4,721,090	4,937,887
			26,318,271	26,902,506
United States (23.5%):				
Duke Energy Corp., Convertible, 4.13%, 2026/04/15	USD	1,000,000	1,476,456	1,480,574
Esperion Therapeutics Inc., Convertible, Callable, 5.75%, 2030/06/15	USD	1,000,000	1,431,250	1,430,263
FirstEnergy Corp., Callable, 2.65%, 2030/03/01	USD	2,000,000	2,499,764	2,550,307
McDonald's Corporation, Callable, 4.86%, 2031/05/21	CAD	4,000,000	4,174,880	4,177,672
Occidental Petroleum Corporation, Callable, 4.10%, 2047/02/15	USD	2,000,000	1,841,523	1,979,727
Ohio Edison Co., Callable, 8.25%, 2038/10/15	USD	750,000	1,326,042	1,335,111
OPKO Health Inc., Convertible, 3.75%, 2029/01/15	USD	500,000	668,325	1,004,418
PNM Resources Inc., Convertible, Callable, 5.75%, 2054/06/01	USD	1,000,000	1,340,097	1,671,307
Verisign, Inc., Callable, 4.75%, 2027/07/15	USD	2,000,000	2,551,428	2,872,144
Verisign, Inc., Callable, 2.70%, 2031/06/15	USD	1,000,000	1,179,545	1,233,462
			18,489,310	19,734,985
Foreign (6.9%):				
National Grid Electricity Transmission PLC, Callable, 2.30%, 2029/06/22	CAD	2,000,000	1,850,140	1,886,212
National Grid Electricity Transmission PLC, Callable, 5.22%, 2031/09/16	CAD	2,000,000	2,124,900	2,121,712
Petróleos Mexicanos, Callable, 6.75%, 2047/09/21	USD	1,800,000	1,494,760	1,780,702
			5,469,800	5,788,626
Total corporate bonds (62.6%)			50,277,381	52,426,117

Pender Bond Universe Fund

Schedule of Investment Portfolio (cont'd)

December 31, 2024

	Issue currency	Number of units / Face value (\$)	Cost (\$)	Fair value (\$)
Government bonds:				
Government of Canada, 2.25%, 2029/06/01	CAD	3,500,000	3,354,155	3,411,169
Government of Canada, 2.75%, 2033/06/01	CAD	2,300,000	2,154,027	2,229,514
Government of Canada, Real Return, 4.00%, 2031/12/01	CAD	1,000,000	2,218,558	2,089,913
Government of Canada, Real Return, 3.00%, 2036/12/01	CAD	750,000	1,385,559	1,384,355
United States Treasury, 3.50%, 2033/02/15	USD	1,000,000	1,277,296	1,337,783
United States Treasury, Inflation Indexed, 0.13%, 2052/02/15	USD	1,814,256	1,393,707	1,416,495
Total government bonds (14.1%)			11,783,302	11,869,229
Total investments (97.4%)			78,432,047	81,703,254

	Contract rate	Pay	Receive	Unrealized gain (loss)
Derivative liabilities:				
BNY Mellon, Foreign Currency Forward, settlement 2025/01/22	1.37	USD 15,227,525	CAD 20,868,700	(1,004,212)
Total derivative liabilities (-1.2%)				(1,004,212)
Cash (Bank overdraft) (3.3%)				2,776,912
Other assets less liabilities (0.5%)				443,151
Total net assets attributable to holders of redeemable units (100.0%)				83,919,105

Pender Corporate Bond Fund

Statements of Financial Position

December 31, 2024 and 2023

	2024 (\$)	2023 (\$)
Assets		
Cash	53,796,795	22,695,534
Receivable for investments sold	-	7,000,074
Subscriptions receivable	15,741,873	1,717,869
Dividends receivable	195,951	578,199
Interest receivable	24,394,668	16,070,951
Derivative assets	-	13,708,936
Investments	2,257,833,890	1,399,039,669
	2,351,963,177	1,460,811,232
Liabilities		
Management and administration fees payable (note 4)	2,159,333	1,418,050
Payable for investments purchased	13,065,432	2,078,988
Redemptions payable to holders of redeemable units	1,664,193	1,456,411
Accrued expenses	2,412	1,325
Derivative liabilities	71,787,934	1,237,791
	88,679,304	6,192,565
Net assets attributable to holders of redeemable units	2,263,283,873	1,454,618,667
Net assets attributable to holders of redeemable units per class:		
Class A	114,321,441	93,692,444
Class A (USD)	2,955,894	2,093,801
Class E	4,497,973	3,797,313
Class F	563,066,328	412,033,652
Class F (USD)	36,094,942	19,577,114
Class H	127,028,875	86,140,063
Class H (USD)	9,085,466	6,641,091
Class I	1,283,169,772	768,652,426
Class I (USD)	57,133,052	27,301,931
Class N	13,552,270	-
Class N (USD)	-	7,071
Class O	45,418,117	31,323,227
Class U	6,959,743	3,358,534
	2,263,283,873	1,454,618,667

Pender Corporate Bond Fund

Statements of Financial Position (cont'd)

December 31, 2024 and 2023

	2024 (\$)	2023 (\$)
Net assets attributable to holders of redeemable units per unit:		
Class A	13.25	11.89
Class A (USD)	17.03	14.22
Class E	10.63	9.54
Class F	13.28	11.91
Class F (USD)	16.81	14.03
Class H	11.80	10.58
Class H (USD)	16.14	13.47
Class I	11.49	10.29
Class I (USD)	16.18	13.51
Class N	10.59	-
Class N (USD)	-	13.54
Class O	11.66	10.44
Class U	11.89	10.08

Approved on behalf of the Manager, PenderFund Capital Management Ltd:

(signed) "David Barr"

David Barr
Director

(signed) "Felix Narhi"

Felix Narhi
Director

Pender Corporate Bond Fund

Statements of Comprehensive Income

Years ended December 31, 2024 and 2023

	2024 (\$)	2023 (\$)
Revenue		
Interest for distribution purposes	97,528,347	77,949,453
Dividend income	9,774,962	7,811,205
Other income	-	235
Foreign exchange gain (loss)	1,842,930	(7,604)
Changes in fair value of investments and derivatives:		
Net realized gain (loss)	120,710,709	(11,770,552)
Net change in unrealized appreciation (depreciation)	75,679,257	47,803,109
Total revenue	305,536,205	121,785,846
Expenses		
Administration fees (note 4)	10,216,953	8,434,728
Management fees (note 4)	10,192,967	8,604,903
Transaction costs	877,400	500,716
Withholding taxes (note 6)	510,697	486,139
Independent review committee fees	30,635	29,160
Total expenses	21,828,652	18,055,646
Less: Expenses absorbed by the Manager (note 4)	(30,635)	(29,160)
Net expenses	21,798,017	18,026,486
Increase (decrease) in net assets attributable to holders of redeemable units	283,738,188	103,759,360
Increase (decrease) in net assets attributable to holders of redeemable units per class:		
Class A	14,779,057	6,009,148
Class A (USD)	534,034	118,338
Class E	677,657	289,689
Class F	73,199,560	29,902,418
Class F (USD)	5,292,164	1,158,378
Class H	15,239,727	5,902,319
Class H (USD)	1,730,545	397,265
Class I	155,317,031	54,908,572
Class I (USD)	8,859,565	1,836,638
Class N	747,487	35
Class N (USD)	629	130,562
Class O	6,216,795	2,811,869
Class U	1,143,937	294,129
	283,738,188	103,759,360
Increase (decrease) in net assets attributable to holders of redeemable units per unit:		
Class A	1.85	0.74
Class A (USD)	3.48	0.67
Class E	1.63	0.74
Class F	1.97	0.84
Class F (USD)	3.54	0.78
Class H	1.69	0.67
Class H (USD)	3.31	0.69
Class I	1.73	0.73
Class I (USD)	3.51	0.80
Class N	0.79	0.07
Class N (USD)	1.20	0.82
Class O	1.86	0.85
Class U	2.37	0.87

Pender Corporate Bond Fund

Statements of Changes in Net Assets Attributable to Holders of Redeemable Units

Years ended December 31, 2024 and 2023

Class A	2024 (\$)	2023 (\$)
Balance, beginning of year	93,692,444	95,980,339
Increase (decrease) in net assets attributable to holders of redeemable units	14,779,057	6,009,148
Unit transactions:		
Proceeds from issue of redeemable units	42,617,862	17,577,511
Issued on reinvestment of distributions	3,006,944	2,844,601
Amounts paid on redemption of redeemable units	(35,928,138)	(25,129,130)
	9,696,668	(4,707,018)
Distributions paid from:		
Net investment income	(3,846,728)	(3,590,025)
Realized gains on sale of investments	-	-
Return of capital	-	-
	(3,846,728)	(3,590,025)
Balance, end of year	114,321,441	93,692,444

Class A (USD)	2024 (\$)	2023 (\$)
Balance, beginning of year	2,093,801	2,773,052
Increase (decrease) in net assets attributable to holders of redeemable units	534,034	118,338
Unit transactions:		
Proceeds from issue of redeemable units	1,841,434	652,525
Issued on reinvestment of distributions	65,629	66,660
Amounts paid on redemption of redeemable units	(1,487,478)	(1,423,081)
	419,585	(703,896)
Distributions paid from:		
Net investment income	(91,526)	(93,693)
Realized gains on sale of investments	-	-
Return of capital	-	-
	(91,526)	(93,693)
Balance, end of year	2,955,894	2,093,801

Class E	2024 (\$)	2023 (\$)
Balance, beginning of year	3,797,313	3,542,731
Increase (decrease) in net assets attributable to holders of redeemable units	677,657	289,689
Unit transactions:		
Proceeds from issue of redeemable units	124,116	235,941
Issued on reinvestment of distributions	223,265	194,644
Amounts paid on redemption of redeemable units	(101,113)	(271,048)
	246,268	159,537
Distributions paid from:		
Net investment income	(223,265)	(194,644)
Realized gains on sale of investments	-	-
Return of capital	-	-
	(223,265)	(194,644)
Balance, end of year	4,497,973	3,797,313

Pender Corporate Bond Fund

Statements of Changes in Net Assets Attributable to Holders of Redeemable Units (cont'd)

Years ended December 31, 2024 and 2023

Class F	2024 (\$)	2023 (\$)
Balance, beginning of year	412,033,652	402,879,884
Increase (decrease) in net assets attributable to holders of redeemable units	73,199,560	29,902,418
Unit transactions:		
Proceeds from issue of redeemable units	286,919,493	179,926,520
Issued on reinvestment of distributions	13,131,705	11,545,109
Amounts paid on redemption of redeemable units	(200,108,123)	(192,731,330)
	99,943,075	(1,259,701)
Distributions paid from:		
Net investment income	(22,109,959)	(19,488,949)
Realized gains on sale of investments	-	-
Return of capital	-	-
	(22,109,959)	(19,488,949)
Balance, end of year	563,066,328	412,033,652

Class F (USD)	2024 (\$)	2023 (\$)
Balance, beginning of year	19,577,114	20,874,417
Increase (decrease) in net assets attributable to holders of redeemable units	5,292,164	1,158,378
Unit transactions:		
Proceeds from issue of redeemable units	23,410,603	5,375,999
Issued on reinvestment of distributions	876,465	757,092
Amounts paid on redemption of redeemable units	(11,982,749)	(7,629,155)
	12,304,319	(1,496,064)
Distributions paid from:		
Net investment income	(1,078,655)	(959,617)
Realized gains on sale of investments	-	-
Return of capital	-	-
	(1,078,655)	(959,617)
Balance, end of year	36,094,942	19,577,114

Class H	2024 (\$)	2023 (\$)
Balance, beginning of year	86,140,063	88,359,819
Increase (decrease) in net assets attributable to holders of redeemable units	15,239,727	5,902,319
Unit transactions:		
Proceeds from issue of redeemable units	41,354,110	12,549,352
Issued on reinvestment of distributions	3,403,340	3,118,760
Amounts paid on redemption of redeemable units	(14,890,456)	(20,051,511)
	29,866,994	(4,383,399)
Distributions paid from:		
Net investment income	(4,217,909)	(3,738,676)
Realized gains on sale of investments	-	-
Return of capital	-	-
	(4,217,909)	(3,738,676)
Balance, end of year	127,028,875	86,140,063

Pender Corporate Bond Fund

Statements of Changes in Net Assets Attributable to Holders of Redeemable Units (cont'd)

Years ended December 31, 2024 and 2023

Class H (USD)	2024 (\$)	2023 (\$)
Balance, beginning of year	6,641,091	7,373,484
Increase (decrease) in net assets attributable to holders of redeemable units	1,730,545	397,265
Unit transactions:		
Proceeds from issue of redeemable units	1,243,288	1,066,045
Issued on reinvestment of distributions	279,332	294,107
Amounts paid on redemption of redeemable units	(491,319)	(2,174,795)
	1,031,301	(814,643)
Distributions paid from:		
Net investment income	(317,471)	(315,015)
Realized gains on sale of investments	-	-
Return of capital	-	-
	(317,471)	(315,015)
Balance, end of year	9,085,466	6,641,091

Class I	2024 (\$)	2023 (\$)
Balance, beginning of year	768,652,426	708,267,345
Increase (decrease) in net assets attributable to holders of redeemable units	155,317,031	54,908,572
Unit transactions:		
Proceeds from issue of redeemable units	569,371,980	268,075,568
Issued on reinvestment of distributions	25,560,738	19,880,248
Amounts paid on redemption of redeemable units	(187,985,134)	(246,045,365)
	406,947,584	41,910,451
Distributions paid from:		
Net investment income	(47,747,269)	(36,433,942)
Realized gains on sale of investments	-	-
Return of capital	-	-
	(47,747,269)	(36,433,942)
Balance, end of year	1,283,169,772	768,652,426

Class I (USD)	2024 (\$)	2023 (\$)
Balance, beginning of year	27,301,931	36,726,047
Increase (decrease) in net assets attributable to holders of redeemable units	8,859,565	1,836,638
Unit transactions:		
Proceeds from issue of redeemable units	30,281,812	7,878,955
Issued on reinvestment of distributions	1,255,242	892,285
Amounts paid on redemption of redeemable units	(8,744,853)	(18,560,868)
	22,792,201	(9,789,628)
Distributions paid from:		
Net investment income	(1,820,645)	(1,471,126)
Realized gains on sale of investments	-	-
Return of capital	-	-
	(1,820,645)	(1,471,126)
Balance, end of year	57,133,052	27,301,931

Pender Corporate Bond Fund

Statements of Changes in Net Assets Attributable to Holders of Redeemable Units (cont'd)

Years ended December 31, 2024 and 2023

Class N	2024 (\$)	2023 (\$)
Balance, beginning of year	-	4,660
Increase (decrease) in net assets attributable to holders of redeemable units	747,487	35
Unit transactions:		
Proceeds from issue of redeemable units	12,936,197	-
Issued on reinvestment of distributions	125,001	84
Amounts paid on redemption of redeemable units	-	(4,695)
	13,061,198	(4,611)
Distributions paid from:		
Net investment income	(256,415)	(84)
Realized gains on sale of investments	-	-
Return of capital	-	-
	(256,415)	(84)
Balance, end of year	13,552,270	-

Class N (USD)	2024 (\$)	2023 (\$)
Balance, beginning of year	7,071	2,443,641
Increase (decrease) in net assets attributable to holders of redeemable units	629	130,562
Unit transactions:		
Proceeds from issue of redeemable units	-	6,678
Issued on reinvestment of distributions	162	286
Amounts paid on redemption of redeemable units	(7,700)	(2,466,443)
	(7,538)	(2,459,479)
Distributions paid from:		
Net investment income	(162)	(107,653)
Realized gains on sale of investments	-	-
Return of capital	-	-
	(162)	(107,653)
Balance, end of year	-	7,071

Class O	2024 (\$)	2023 (\$)
Balance, beginning of year	31,323,227	43,579,903
Increase (decrease) in net assets attributable to holders of redeemable units	6,216,795	2,811,869
Unit transactions:		
Proceeds from issue of redeemable units	12,061,839	2,108,401
Issued on reinvestment of distributions	2,163,060	1,962,096
Amounts paid on redemption of redeemable units	(4,183,744)	(17,176,946)
	10,041,155	(13,106,449)
Distributions paid from:		
Net investment income	(2,163,060)	(1,962,096)
Realized gains on sale of investments	-	-
Return of capital	-	-
	(2,163,060)	(1,962,096)
Balance, end of year	45,418,117	31,323,227

Pender Corporate Bond Fund

Statements of Changes in Net Assets Attributable to Holders of Redeemable Units (cont'd)

Years ended December 31, 2024 and 2023

Class U	2024 (\$)	2023 (\$)
Balance, beginning of year	3,358,534	9,338,026
Increase (decrease) in net assets attributable to holders of redeemable units	1,143,937	294,129
Unit transactions:		
Proceeds from issue of redeemable units	2,783,127	2,202,231
Issued on reinvestment of distributions	251,929	96,598
Amounts paid on redemption of redeemable units	(325,855)	(8,433,637)
	2,709,201	(6,134,808)
Distributions paid from:		
Net investment income	(251,929)	(138,813)
Realized gains on sale of investments	-	-
Return of capital	-	-
	(251,929)	(138,813)
Balance, end of year	6,959,743	3,358,534
Total Fund	2024 (\$)	2023 (\$)
Balance, beginning of year	1,454,618,667	1,422,143,348
Increase (decrease) in net assets attributable to holders of redeemable units	283,738,188	103,759,360
Unit transactions:		
Proceeds from issue of redeemable units	1,024,945,861	497,655,726
Issued on reinvestment of distributions	50,342,812	41,652,570
Amounts paid on redemption of redeemable units	(466,236,662)	(542,098,004)
	609,052,011	(2,789,708)
Distributions paid from:		
Net investment income	(84,124,993)	(68,494,333)
Realized gains on sale of investments	-	-
Return of capital	-	-
	(84,124,993)	(68,494,333)
Balance, end of year	2,263,283,873	1,454,618,667

Pender Corporate Bond Fund

Statements of Cash Flows

Years ended December 31, 2024 and 2023

	2024 (\$)	2023 (\$)
Cash provided by (used in):		
Operating:		
Increase (decrease) in net assets attributable to holders of redeemable units	283,738,188	103,759,360
Adjustments for:		
Interest for distribution purposes	(97,528,347)	(77,949,453)
Dividend income	(9,774,962)	(7,811,205)
Foreign exchange (gain) loss	(1,842,930)	7,604
Net realized (gain) loss on sale of investments	(137,350,049)	1,094,432
Net change in unrealized (appreciation) depreciation of investments	(159,938,336)	(23,790,825)
Derivative assets and liabilities	84,259,079	(24,008,996)
Management and administration fees payable	741,283	12,040
Accrued expenses	1,087	(212)
	(37,694,987)	(28,687,255)
Proceeds on disposal of investments	995,805,304	869,179,364
Amounts paid on purchase of investments	(1,539,323,001)	(892,065,071)
Dividends received	10,157,210	7,825,464
Interest received	89,203,009	79,626,195
	(481,852,465)	35,878,697
Financing:		
Proceeds from issue of redeemable units	846,052,430	463,939,428
Amounts paid on redemption of redeemable units	(301,159,453)	(505,235,343)
Distributions paid to unitholders	(33,782,181)	(26,842,829)
	511,110,796	(68,138,744)
Net increase (decrease) in cash	29,258,331	(32,260,047)
Cash (Bank overdraft), beginning of year	22,695,534	54,963,185
Effect of exchange rate fluctuations on cash	1,842,930	(7,604)
Cash (Bank overdraft), end of year	53,796,795	22,695,534

Pender Corporate Bond Fund

Schedule of Investment Portfolio

December 31, 2024

	Issue currency	Face value (\$) / Number of shares / units	Cost (\$)	Fair value (\$)
Corporate bonds and loans:				
Canada (19.8%):				
Air Canada 2013-1 Pass Through Trusts A, 4.13%, 2026/11/15	USD	1,426,087	1,720,471	2,029,665
Air Canada 2015-1 Pass Through Trusts A, Sinkable, 3.60%, 2028/09/15	USD	531,757	641,807	744,391
Air Canada 2015-2 Pass Through Trusts A, Sinkable, 4.13%, 2029/06/15	USD	2,832,561	3,298,226	3,893,453
Canadian Pacific Railway Company, Callable, 3.15%, 2029/03/13	CAD	7,400,000	7,915,318	7,282,012
Canopy Growth Corporation, Term Loan, 12.97%, 2027/09/20	USD	4,003,099	5,213,868	5,006,201
Chemtrade Logistics Income Fund, Convertible, Callable, 6.25%, 2027/08/31	CAD	1,970,000	2,103,252	2,319,675
Chemtrade Logistics Income Fund, Convertible, Callable, 7.00%, 2028/06/30	CAD	8,654,000	8,661,358	9,216,077
Choice Properties Real Estate Investment Trust, Callable, 3.53%, 2029/06/11	CAD	5,800,000	6,240,580	5,710,011
Choice Properties Real Estate Investment Trust, Callable, 2.98%, 2030/03/04	CAD	1,545,000	1,530,314	1,468,883
Cineplex Inc., Callable, 7.75%, 2030/03/01	CAD	8,472,072	8,564,276	11,564,378
Conifex Timber Inc., Tranche I, Term Loan, 14.00%, 2029/06/12	CAD	22,500,000	22,500,000	22,500,000
Conifex Timber Inc., Tranche 2, Term Loan, 14.00%, 2025/12/12	CAD	2,500,000	2,500,000	2,500,000
Doman Building Materials Group Ltd., Callable, 7.50%, 2027/09/17	CAD	3,500,000	3,500,000	3,555,108
Dye & Durham Ltd., Convertible, Callable, 3.75%, 2026/03/01	CAD	6,000,000	5,561,250	5,844,000
Equinox Gold Corp., Convertible, Callable, 4.75%, 2028/10/15	USD	15,999,000	22,080,786	25,211,297
Equinox Gold Corp., Convertible, 4.75%, 2025/09/10	USD	25,000,000	36,313,275	36,654,975
Fairfax Financial Holdings Limited, Callable, 4.70%, 2026/12/16	CAD	3,000,000	2,968,500	3,057,765
Fairfax Financial Holdings Limited, Callable, 4.23%, 2029/06/14	CAD	3,000,000	2,806,500	3,046,207
Fairfax Financial Holdings Limited, Callable, 3.95%, 2031/03/03	CAD	21,400,000	20,684,244	21,230,031
Fairfax India Holdings Corporation, Callable, 5.00%, 2028/02/26	USD	10,000,000	12,331,398	13,304,750
First Majestic Silver Corp., Callable, 0.38%, 2027/01/15	USD	37,650,000	41,772,304	46,112,127
NFI Group Inc., Convertible, Callable, 5.00%, 2027/01/15	CAD	12,392,000	10,252,839	11,784,792
Obsidian Energy Ltd., Callable, 11.95%, 2027/07/27	CAD	6,528,000	6,514,064	6,838,080
Ontario Power Generation Inc., Callable, 3.22%, 2030/04/08	CAD	8,000,000	8,601,850	7,806,641
Saturn Oil & Gas Inc., Callable, 9.63%, 2029/06/15	USD	17,550,000	24,130,590	24,537,787
SSR Mining Inc., Callable, 2.50%, 2039/04/01	USD	21,987,000	30,171,875	30,155,166
Strathcona Resources Ltd., Callable, 6.88%, 2026/08/01	USD	1,000,000	1,439,250	1,439,290
Surge Energy Inc., Convertible, Callable, 8.50%, 2028/12/31	CAD	5,122,000	5,122,000	5,384,503
Tamarack Valley Energy Ltd., Callable, 7.25%, 2027/05/10	CAD	8,350,000	7,916,625	8,468,292
Telesat Canada / Telesat LLC, Callable, 4.88%, 2027/06/01	USD	1,097,000	689,381	855,183

Pender Corporate Bond Fund

Schedule of Investment Portfolio (cont'd)

December 31, 2024

	Issue currency	Face value (\$) / Number of shares / units	Cost (\$)	Fair value (\$)
Corporate bonds and loans: (cont'd)				
Canada (19.8%): (cont'd)				
Telesat LLC, Term Loan, 7.53%, 2026/12/07	USD	14,500,000	9,638,598	11,841,444
Tenaz Energy Corp., Callable, 12.00%, 2029/11/14	CAD	38,000,000	38,000,000	38,000,000
Thomson Reuters Corp., Callable, 2.24%, 2025/05/14	CAD	33,408,000	32,506,303	33,257,439
Waste Management of Canada Corporation, Callable, 2.60%, 2026/09/23	CAD	36,791,000	34,354,118	36,333,967
			428,245,220	448,953,590
United States (52.4%):				
Accelerate Diagnostics Inc., 5.00%, 2026/12/15	USD	2,096,272	2,091,487	1,205,314
Accelerate Diagnostics, Inc., Convertible, 5.00%, 2026/12/15	USD	4,000,000	5,287,200	2,299,920
AMC Networks Inc., Callable, 10.25%, 2029/01/15	USD	7,185,000	9,825,002	11,010,868
AMC Networks Inc., Callable, 4.25%, 2029/02/15	USD	5,000,000	4,849,404	5,649,978
AMC Networks Inc., Convertible, 4.25%, 2029/02/15	USD	3,990,000	4,799,871	5,857,303
American Tire Distributors Inc., Term Loan, 0.00%, 2028/10/23	USD	27,010,821	23,772,930	17,472,017
Ascend Wellness Holdings Inc., Callable, 12.75%, 2029/07/16	USD	3,000,000	4,110,885	4,247,665
Bandwidth Inc., Convertible, Callable, 0.50%, 2028/04/01	USD	11,500,000	10,035,127	13,260,137
Beyond Meat Inc., Zero Coupon, Convertible, Callable, 2027/03/15	USD	56,500,000	18,356,453	12,740,735
Block Financial LLC, Callable, 5.25%, 2025/10/01	USD	2,290,000	3,094,197	3,295,895
Block Financial LLC, Callable, 2.50%, 2028/07/15	USD	755,000	873,435	987,880
Burford Capital Finance LLC, 6.13%, 2025/08/12	USD	9,000,000	11,469,376	12,956,650
Cardlytics Inc., Convertible, 4.25%, 2029/04/01	USD	29,460,000	23,049,883	23,895,932
Cardlytics Inc., Convertible, Callable, 1.00%, 2025/09/15	USD	9,018,000	11,376,002	11,699,034
Centrus Energy Corp., Callable, 8.25%, 2027/02/28	USD	21,203,990	28,541,199	30,174,879
CrowdStrike Holdings, Inc., Callable, 3.00%, 2029/02/15	USD	15,000,000	18,442,765	19,641,644
Crown Finance US Inc., Term Loan, 9.80%, 2031/12/02	USD	16,195,000	22,323,617	23,319,544
Delek Logistics Partners, LP, Callable, 7.13%, 2028/06/01	USD	11,385,000	14,999,269	16,367,594
Desktop Metal Inc., Convertible, Callable, 6.00%, 2027/05/15	USD	19,948,000	20,006,491	22,437,603
Duke Energy Corp., Convertible, 4.13%, 2026/04/15	USD	21,000,000	30,960,792	31,092,044
Embecta Corp., Callable, 5.00%, 2030/02/15	USD	2,000,000	2,376,163	2,651,391
Emergent BioSolutions Inc., Callable, 3.88%, 2028/08/15	USD	24,936,700	18,313,509	29,358,443
Esperion Therapeutics Inc., Convertible, Callable, 5.75%, 2030/06/15	USD	24,000,000	34,350,000	34,326,306
Eventbrite Inc., Convertible, Callable, 0.75%, 2026/09/15	USD	3,500,000	4,031,584	4,456,993
Fair Isaac Corp., Callable, 5.25%, 2026/05/15	USD	8,000,000	11,129,951	11,478,265
Fair Isaac Corp., Callable, 4.00%, 2028/06/15	USD	33,750,000	45,331,271	45,820,014
FirstEnergy Corp., Series 'B', Callable, 3.90%, 2027/07/15	USD	2,210,000	2,894,078	3,095,844
FirstEnergy Transmission, LLC, Callable, 2.87%, 2028/09/15	USD	5,000,000	6,082,850	6,665,529
Forum Energy Technologies Inc., Callable, 10.50%, 2029/11/07	USD	9,500,000	13,202,625	13,621,636
Gartner, Inc., Callable, 4.50%, 2028/07/01	USD	12,000,000	15,472,792	16,830,451
Gartner, Inc., Callable, 3.75%, 2030/10/01	USD	14,316,000	18,205,679	18,813,232
Great Lakes Dredge & Dock Corporation, Callable, 5.25%, 2029/06/01	USD	3,720,000	4,028,796	5,002,321
Hecla Mining Co., Callable, 7.25%, 2028/02/15	USD	9,308,000	12,702,392	13,528,608

The accompanying notes are an integral part of these financial statements.

Pender Corporate Bond Fund

Schedule of Investment Portfolio (cont'd)

December 31, 2024

	Issue currency	Face value (\$) / Number of shares / units	Cost (\$)	Fair value (\$)
United States (52.4%): (cont'd)				
Herbalife Nutrition Ltd. / HLF Financing Inc., Callable, 7.88%, 2025/09/01	USD	15,741,000	21,171,185	22,663,144
Hologic Inc., Callable, 4.63%, 2028/02/01	USD	5,000,000	6,364,702	7,006,131
Hologic Inc., Callable, 3.25%, 2029/02/15	USD	8,000,000	9,271,177	10,409,962
Ironwood Pharmaceuticals Inc., Convertible, 1.50%, 2026/06/15	USD	3,000,000	3,548,742	3,962,027
Jervois Mining USA Ltd., Callable, 12.50%, 2026/07/20	USD	11,800,000	14,690,729	14,676,377
Liberty TripAdvisor Holdings Inc., Convertible, Puttable, 0.50%, 2051/06/30	USD	18,125,000	17,947,662	25,745,044
Lucid Group, Inc., 1.25%, 2026/12/15	USD	53,270,000	36,310,887	60,492,639
Magnite, Inc., Convertible, 0.25%, 2026/03/15	USD	4,225,000	4,890,725	5,676,435
Magnite Inc., Term Loan, 8.32%, 2031/02/06	USD	3,970,000	5,393,897	5,785,143
McDonald's Corporation, Callable, 3.13%, 2025/03/04	CAD	24,559,184	24,843,260	24,542,754
MP Materials Corp., Convertible, Callable, 3.00%, 2030/03/01	USD	6,000,000	8,222,386	8,921,390
MSCI Inc., Callable, 4.00%, 2029/11/15	USD	6,000,000	7,130,497	8,140,516
MSCI Inc., Callable, 3.63%, 2030/09/01	USD	11,983,000	15,272,664	15,743,046
Occidental Petroleum Corporation, Callable, 4.10%, 2047/02/15	USD	4,818,000	4,270,468	4,769,163
OPKO Health Inc., Convertible, 3.75%, 2029/01/15	USD	10,434,000	13,678,540	20,960,199
Paramount Global, Callable, 5.85%, 2043/09/01	USD	5,000,000	5,733,288	6,258,150
PNM Resources Inc., Convertible, Callable, 5.75%, 2054/06/01	USD	13,500,000	18,722,060	22,562,651
Porch Group Inc., Convertible, Callable, 0.75%, 2026/09/15	USD	3,000,000	3,382,350	3,430,474
Porch Group Inc., Convertible, Callable, 6.75%, 2028/10/01	USD	15,000,000	15,318,386	17,896,253
Revance Therapeutics Inc., Convertible, Callable, 1.75%, 2027/02/15	USD	24,950,000	25,938,042	34,295,305
Rivian Holdings LLC, 11.31%, 2026/10/15	USD	28,155,000	38,074,775	40,756,162
Science Applications International Corp., Callable, 4.88%, 2028/04/01	USD	13,988,000	17,536,181	19,362,953
Spirit Airlines Inc., Convertible, Callable, 0.00%, 2026/05/15	USD	10,850,000	5,170,322	5,068,808
SS&C Technologies, Inc., Callable, 5.50%, 2027/09/30	USD	15,365,000	20,761,062	21,895,190
Stem, Inc., Convertible, 0.50%, 2028/12/01	USD	55,105,000	32,187,612	22,575,044
Stem Inc., Convertible, Callable, 4.25%, 2030/04/01	USD	21,850,000	15,691,604	8,595,885
Stillwater Mining Company, Callable, 4.50%, 2029/11/16	USD	7,838,000	8,264,674	9,473,058
Stillwater Mining Company, Convertible, 4.25%, 2028/11/28	USD	17,800,000	26,675,605	23,593,192
Sunnova Energy International Inc., Convertible, 0.25%, 2026/12/01	USD	2,500,000	2,305,181	2,161,742
TerrAscend USA, Inc., Term Loan, 12.75%, 2028/08/01	USD	9,000,000	11,861,843	12,613,624
Topaz Solar Farms LLC, Callable, 5.75%, 2039/09/30	USD	10,147,489	14,851,180	14,225,565
TreeHouse Foods Inc., Callable, 4.00%, 2028/09/01	USD	9,720,000	10,325,441	12,696,239
Trulieve Cannabis Corp., Callable, 8.00%, 2026/10/06	USD	28,208,000	35,371,681	39,807,799
Tutor Perini Corporation, Term Loan, 10.19%, 2027/08/18	USD	4,927	6,261	7,110
Unisys Corporation, Callable, 6.88%, 2027/11/01	USD	9,435,000	10,734,498	13,231,859
Varex Imaging Corporation, Callable, 7.88%, 2027/10/15	USD	12,023,000	15,497,272	17,699,502
Verisign, Inc., Callable, 5.25%, 2025/04/01	USD	3,600,000	4,868,262	5,174,573
Verisign, Inc., Callable, 4.75%, 2027/07/15	USD	31,362,000	41,429,900	45,038,095

Pender Corporate Bond Fund

Schedule of Investment Portfolio (cont'd)

December 31, 2024

	Issue currency	Face value (\$) / Number of shares / units	Cost (\$)	Fair value (\$)
United States (52.4%): (cont'd)				
VeriSign Inc., Callable, 2.70%, 2031/06/15	USD	13,500,000	16,031,220	16,651,735
ViaSat Inc., Callable, 5.63%, 2027/04/15	USD	3,850,000	4,912,046	5,362,299
ViaSat Inc., Callable, 7.50%, 2031/05/30	USD	15,600,000	15,219,260	15,616,972
W&T Offshore Inc., Callable, 11.75%, 2026/02/01	USD	13,705,000	19,083,031	19,965,395
Wolfspeed Inc., Convertible, Callable, 1.75%, 2026/05/01	USD	9,929,000	12,491,190	12,702,473
			1,097,838,823	1,183,473,746
Foreign (9.6%):				
Energean PLC, Callable, 6.50%, 2027/04/30	USD	16,500,000	22,777,727	23,675,672
Golar LNG Ltd., Callable, 7.75%, 2029/09/19	USD	4,000,000	5,425,400	5,724,957
Grupo FAMSA, S.A.B de C.V., Callable, 9.75%, 2024/12/15	USD	5,887,000	7,128,006	253,868
McDermott International, Ltd., Term Loan, 7.47%, 2027/06/30	USD	85,929	116,249	61,760
McDermott International, Ltd., Term Loan, 8.47%, 2027/12/31	USD	34,705,825	29,093,122	18,957,397
National Grid Electricity Transmission PLC, Callable, 2.30%, 2029/06/22	CAD	2,000,000	1,836,000	1,886,212
National Grid Electricity Transmission PLC, Callable, 5.22%, 2031/09/16	CAD	5,000,000	5,231,350	5,304,280
Petróleos Mexicanos, Callable, 6.50%, 2027/03/13	USD	5,000,000	6,167,074	6,954,299
Petróleos Mexicanos, Callable, 6.63%, 2035/06/15	USD	5,000,000	5,287,583	5,666,122
Petróleos Mexicanos, Callable, 6.75%, 2047/09/21	USD	18,800,000	15,775,955	18,598,438
Petróleos Mexicanos, Callable, 6.35%, 2048/02/12	USD	6,500,000	5,236,099	6,145,344
Petróleos Mexicanos, Callable, 7.69%, 2050/01/23	USD	7,000,000	7,019,431	7,599,036
Petróleos Mexicanos, Sinkable, Callable, 6.70%, 2032/02/16	USD	16,680,000	17,585,185	20,876,826
Seaspan Corp., Callable, 5.50%, 2029/08/01	USD	16,917,000	19,217,570	22,733,738
SFL Corporation Ltd., Callable, 8.88%, 2027/02/01	USD	2,000,000	2,681,590	2,942,179
Spirit Loyalty Cayman Ltd., Callable, 0.00%, 2025/09/20	USD	47,735,906	38,444,786	53,522,022
StoneCo Ltd., Callable, 3.95%, 2028/06/16	USD	12,500,000	12,058,534	16,327,725
			201,081,661	217,229,875
Total corporate bonds and loans (81.8%)			1,727,165,704	1,849,657,211
Closed end funds:				
Aberdeen Standard Physical Platinum Shares ETF	USD	250,000	30,387,047	29,845,055
Morgan Stanley Emerging Markets Domestic Debt Fund, Inc.	USD	14,146	85,326	92,317
Nuveen AMT-Free Quality Municipal Income Fund	USD	265,000	3,578,124	4,296,826
Nuveen Quality Municipal Income Fund	USD	335,000	4,822,729	5,614,823
Western Asset / Claymore Inflation-Linked Opportunities & Income Fund	USD	898,251	11,260,064	10,678,149
Western Asset Emerging Markets Debt Fund Inc.	USD	28	373	387
Western Asset Inflation - Linked Income Fund	USD	132	1,546	1,518
Total closed end funds (2.2%)			50,135,209	50,529,075

Pender Corporate Bond Fund

Schedule of Investment Portfolio (cont'd)

December 31, 2024

	Issue currency	Face value (\$) / Number of shares / units	Cost (\$)	Fair value (\$)
Common shares:				
ATD New Holdings Inc.	USD	201,863	5,492,082	206
Cineworld Group plc	USD	37,000	995,705	1,316,345
Cineworld Parent Ltd.	USD	754,147	21,510,813	26,830,203
Copper Property CTL Pass Through Trust	USD	1,086,572	14,561,897	19,117,569
Forum Energy Technologies, Inc.	USD	199,122	6,639,000	4,433,670
GTT Communications, Inc.	USD	44,891	1,247,084	1,064,721
McDermott International Ltd.	USD	20,312,898	18,319,156	4,087,829
PHI Group Inc.	USD	135,339	1,409,994	4,873,303
Total common shares (2.7%)			70,175,731	61,723,846
Government bonds:				
Government of Canada, Real Return, 4.25%, 2026/12/01	CAD	3,000,000	5,938,642	5,857,544
Government of Canada, Real Return, 3.00%, 2036/12/01	CAD	8,900,000	16,150,691	16,427,678
Government of Canada, Real Return, 2.00%, 2041/12/01	CAD	15,040,000	23,332,443	23,397,385
Government of Canada, Real Return, 1.50%, 2044/12/01	CAD	13,980,000	19,528,347	19,411,210
United States Treasury, 1.75%, 2028/01/15	USD	17,327,280	24,529,584	24,729,480
United States Treasury, 4.00%, 2028/02/29	USD	5,000,000	6,948,011	7,122,256
United States Treasury, 4.88%, 2028/10/31	USD	5,000,000	6,939,789	7,317,238
United States Treasury, 3.75%, 2028/12/31	USD	6,000,000	7,921,025	8,431,992
United States Treasury, Inflation Indexed, 3.38%, 2032/04/15	USD	12,892,820	19,586,976	20,079,438
United States Treasury, Inflation Indexed, 1.00%, 2046/02/15	USD	6,398,461	7,091,162	6,937,383
United States Treasury, Inflation Indexed, 0.13%, 2052/02/15	USD	38,439,549	29,958,238	30,011,991
Total government bonds (7.5%)			167,924,908	169,723,595
Short term investments:				
Government of Canada, 3.11%, 2025/01/03	CAD	30,000,000	29,936,400	29,936,400
Government of Canada, 3.07%, 2025/02/12	CAD	20,000,000	19,908,200	19,908,200
Total short-term investments (2.2%)			49,844,600	49,844,600
Preferred shares:				
BCE Inc., Series 'AB', 6.95%, Convertible	CAD	10,100	163,027	166,953
BCE Inc., Series 'AD', 6.95%, Convertible	CAD	4,600	73,901	75,670
BCE Inc., Series 'AE', Floating Rate, Perpetual	CAD	5,600	91,332	92,400
BCE Inc., Series 'AL', Floating Rate, Perpetual	CAD	1,400	21,107	21,357
BCE Inc., Series 'AN', Floating Rate, Convertible, Perpetual	CAD	9,600	152,572	153,600
BCE Inc., Series 'S', 5.28%	CAD	3,200	51,616	51,824
BCE Inc., Series 'Y', Variable Rate, Perpetual	CAD	4,200	67,478	69,174
Canadian Utilities Ltd., Series 'AA', 4.90%	CAD	25,000	454,435	535,750
Canadian Utilities Ltd., Series 'BB', 4.90%	CAD	116,300	2,320,340	2,463,234
Canadian Utilities Ltd., Series 'CC', 4.50%	CAD	83,132	1,517,547	1,627,725
Canadian Utilities Ltd., Series 'DD', 4.50%	CAD	303,900	5,437,317	6,040,013
Canadian Utilities Ltd., Series 'EE', 5.25%	CAD	150,000	3,179,000	3,354,000
Canadian Utilities Ltd., Series 'HH', 4.75%	CAD	304,000	5,429,455	6,110,400
Canadian Utilities Ltd., Series 'Y', 5.20%	CAD	225,600	4,613,662	4,803,024
Capstone Infrastructure Corporation, Series 'A', 3.70%, Callable	CAD	31,900	399,088	464,145
Enbridge Inc., Series 'B', 5.20%	CAD	266,200	5,160,393	5,023,194
Enbridge Inc., Series 'P', 5.92%	CAD	234,500	3,791,865	4,762,695
Enbridge Inc., Series 'R'	CAD	62,500	1,261,250	1,325,000

Pender Corporate Bond Fund

Schedule of Investment Portfolio (cont'd)

December 31, 2024

	Issue currency	Face value (\$) / Number of shares / units	Cost (\$)	Fair value (\$)
Preferred shares: (cont'd)				
Enbridge Inc., Series '7', 5.99%	CAD	83,600	1,431,129	1,718,816
Enbridge Inc., Series '9', 4.10%	CAD	3,429	61,276	70,020
Enbridge Inc., Series '13', 3.04%	CAD	122,000	1,764,551	2,344,840
Fairfax Financial Holdings Limited, Series 'M', 5.00%	CAD	132,300	2,747,373	3,312,792
George Weston Limited, Series 'III', 5.20%	CAD	148,300	3,598,496	3,301,158
George Weston Limited, Series 'IV', 5.20%	CAD	173,100	3,972,198	3,860,130
George Weston Limited, Series 'V', 4.75%	CAD	131,500	3,035,109	2,672,080
Great-West Lifeco Inc., Series 'G', 5.20%	CAD	100,000	2,014,203	2,170,000
Great-West Lifeco Inc., Series 'H', 4.85%	CAD	71,700	1,349,334	1,461,963
Great-West Lifeco Inc., Series 'L', 5.65%	CAD	81,100	1,748,509	1,939,912
Great-West Lifeco Inc., Series 'M', 5.80%	CAD	100,000	2,381,000	2,438,000
Great-West Lifeco Inc., Series 'P', 5.40%	CAD	100,000	2,223,000	2,261,000
Great-West Lifeco Inc., Series 'S', 5.25%	CAD	73,000	1,381,106	1,599,430
Great-West Lifeco Inc., Series 'T', 5.15%	CAD	55,400	1,058,376	1,177,250
Power Corporation of Canada, Series 'A', 5.60%	CAD	50,000	1,036,000	1,157,500
Power Corporation of Canada, Series 'G', 5.60%	CAD	82,700	1,680,595	1,897,138
Power Financial Corp., Series 'A'	CAD	70,700	930,605	940,310
Thomson Reuters Corporation, Series '11', 6.95%	CAD	326,422	3,226,390	4,893,066
Total preferred shares (3.4%)			69,824,635	76,355,563
Warrants:				
Conifex Timber Inc., strike price \$0.75, expiry 2029/06/12	CAD	3,600,000	-	-
McDermott International Ltd., Tranche A, strike price \$12.33, expiry 2027/06/30	USD	173,860	-	-
McDermott International Ltd., Tranche B, strike price \$15.98, expiry 2027/06/30	USD	193,177	-	-
Total warrants (0.0%)			-	-
Less: Transaction costs included in cost of investments			(257,378)	
Total investments (99.8%)			2,134,813,409	2,257,833,890
	Contract rate	Pay	Receive	Unrealized gain (loss)
Derivative liabilities:				
BNY Mellon, Foreign Currency Forward, settlement 2025/01/22	1.35	USD 454,682,553	CAD 615,973,600	(37,135,268)
BNY Mellon, Foreign Currency Forward, settlement 2025/04/23	1.37	USD 537,248,756	CAD 734,397,200	(34,652,666)
Total derivative liabilities (-3.2%)				(71,787,934)
Cash (Bank overdraft) (2.4%)				53,796,795
Other assets less liabilities (1.0%)				23,441,122
Total net assets attributable to holders of redeemable units (100.0%)				2,263,283,873

Pender Small Cap Opportunities Fund

Statements of Financial Position

December 31, 2024 and 2023

	2024 (\$)	2023 (\$)
Assets		
Cash	697,143	-
Receivable for investments sold	14,585,182	-
Subscriptions receivable	-	1,097,632
Dividends receivable	40,801	57,511
Derivative assets	769,151	-
Investments	409,972,151	248,119,626
	426,064,428	249,274,769
Liabilities		
Bank overdraft	-	2,193,565
Management and administration fees payable (note 4)	554,361	324,066
Payable for investments purchased	4,500,610	-
Redemptions payable to holders of redeemable units	-	483,031
Accrued expenses	124,226	1,002
	5,179,197	3,001,664
Net assets attributable to holders of redeemable units	420,885,231	246,273,105
Net assets attributable to holders of redeemable units per class:		
Class A	24,760,874	17,505,732
Class B	14,172,453	10,305,797
Class E	6,675,540	3,037,528
Class F	101,949,153	68,427,394
Class G	191,161,186	105,875,924
Class H	2,480,750	-
Class I	24,594,381	16,816,766
Class M	41,624,347	14,112,904
Class N	24,207	20,065
Class O	13,442,340	10,170,995
	420,885,231	246,273,105
Net assets attributable to holders of redeemable units per unit:		
Class A	39.70	25.46
Class B	14.75	9.39
Class E	17.45	11.08
Class F	41.75	26.45
Class G	15.23	9.65
Class H	12.67	-
Class I	19.57	12.44
Class M	9.01	5.75
Class N	24.08	15.09
Class O	43.75	27.12

Approved on behalf of the Manager, PenderFund Capital Management Ltd:

(signed) "David Barr"

David Barr
Director

(signed) "Felix Narhi"

Felix Narhi
Director

Pender Small Cap Opportunities Fund

Statements of Comprehensive Income

Years ended December 31, 2024 and 2023

	2024 (\$)	2023 (\$)
Revenue		
Interest for distribution purposes	2,218	231,206
Dividend income	2,302,132	5,743,739
Foreign exchange gain (loss)	(17,877)	22,693
Changes in fair value of investments and derivatives:		
Net realized gain (loss)	40,938,876	(19,799,580)
Net change in unrealized appreciation (depreciation)	113,766,895	31,963,009
Total revenue	156,992,244	18,161,067
Expenses		
Management fees (note 4)	2,903,081	2,249,352
Administration fees (note 4)	1,983,792	1,468,243
Transaction costs	511,793	455,162
Interest expense	209,104	-
Independent review committee fees	5,882	4,832
Performance fee (note 4)	-	(193)
Total expenses	5,613,652	4,177,396
Less: Expenses absorbed by the Manager (note 4)	(5,882)	(4,832)
Net expenses	5,607,770	4,172,564
Increase (decrease) in net assets attributable to holders of redeemable units	151,384,474	13,988,503
Increase (decrease) in net assets attributable to holders of redeemable units per class:		
Class A	9,383,365	860,902
Class B	5,428,602	453,850
Class E	2,244,585	177,905
Class F	39,065,974	4,179,693
Class G	66,730,487	5,552,726
Class H	550,050	-
Class I	9,423,245	1,048,372
Class M	12,541,854	950,705
Class N	9,862	4,942
Class O	6,006,450	759,408
	151,384,474	13,988,503
Increase (decrease) in net assets attributable to holders of redeemable units per unit:		
Class A	14.53	1.06
Class B	5.31	0.40
Class E	6.81	0.63
Class F	15.64	1.56
Class G	5.67	0.50
Class H	2.71	-
Class I	7.33	0.76
Class M	3.47	0.51
Class N	8.90	1.44
Class O	16.53	2.01

Pender Small Cap Opportunities Fund

Statements of Changes in Net Assets Attributable to Holders of Redeemable Units

Years ended December 31, 2024 and 2023

	2024	2023
Class A	(\$)	(\$)
Balance, beginning of year	17,505,732	20,765,490
Increase (decrease) in net assets attributable to holders of redeemable units	9,383,365	860,902
Unit transactions:		
Proceeds from issue of redeemable units	3,692	-
Amounts from issue of units on merger (note 4 (f))	1,180,174	-
Issued on reinvestment of distributions	185,907	-
Amounts paid on redemption of redeemable units	(3,307,828)	(4,120,660)
	(1,938,055)	(4,120,660)
Distributions paid from:		
Net investment income	-	-
Realized gains on sale of investments	(190,168)	-
Return of capital	-	-
	(190,168)	-
Balance, end of year	24,760,874	17,505,732
Class B	2024	2023
	(\$)	(\$)
Balance, beginning of year	10,305,797	14,495,892
Increase (decrease) in net assets attributable to holders of redeemable units	5,428,602	453,850
Unit transactions:		
Proceeds from issue of redeemable units	2,046,590	1,987,436
Issued on reinvestment of distributions	-	-
Amounts paid on redemption of redeemable units	(3,608,536)	(6,631,381)
	(1,561,946)	(4,643,945)
Distributions paid from:		
Net investment income	-	-
Realized gains on sale of investments	-	-
Return of capital	-	-
	-	-
Balance, end of year	14,172,453	10,305,797
Class E	2024	2023
	(\$)	(\$)
Balance, beginning of year	3,037,528	2,660,006
Increase (decrease) in net assets attributable to holders of redeemable units	2,244,585	177,905
Unit transactions:		
Proceeds from issue of redeemable units	557,291	621,402
Amounts from issue of units on merger (note 4 (f))	1,168,751	-
Issued on reinvestment of distributions	123,075	48,590
Amounts paid on redemption of redeemable units	(332,615)	(421,785)
	1,516,502	248,207
Distributions paid from:		
Net investment income	-	(48,590)
Realized gains on sale of investments	(123,075)	-
Return of capital	-	-
	(123,075)	(48,590)
Balance, end of year	6,675,540	3,037,528

Pender Small Cap Opportunities Fund

Statements of Changes in Net Assets Attributable to Holders of Redeemable Units (cont'd)

Years ended December 31, 2024 and 2023

Class F	2024 (\$)	2023 (\$)
Balance, beginning of year	68,427,394	70,142,699
Increase (decrease) in net assets attributable to holders of redeemable units	39,065,974	4,179,693
Unit transactions:		
Proceeds from issue of redeemable units	1,297,722	20,250,522
Amounts from issue of units on merger (note 4 (f))	5,370,244	-
Issued on reinvestment of distributions	710,322	553,002
Amounts paid on redemption of redeemable units	(12,170,164)	(26,112,863)
	(4,791,876)	(5,309,339)
Distributions paid from:		
Net investment income	(172,750)	(585,659)
Realized gains on sale of investments	(579,589)	-
Return of capital	-	-
	(752,339)	(585,659)
Balance, end of year	101,949,153	68,427,394
Class G	2024 (\$)	2023 (\$)
Balance, beginning of year	105,875,924	93,761,733
Increase (decrease) in net assets attributable to holders of redeemable units	66,730,487	5,552,726
Unit transactions:		
Proceeds from issue of redeemable units	43,687,571	27,949,725
Issued on reinvestment of distributions	778,592	593,600
Amounts paid on redemption of redeemable units	(24,821,602)	(21,260,175)
	19,644,561	7,283,150
Distributions paid from:		
Net investment income	-	(721,685)
Realized gains on sale of investments	(1,089,786)	-
Return of capital	-	-
	(1,089,786)	(721,685)
Balance, end of year	191,161,186	105,875,924
Class H	2024 (\$)	2023 (\$)
Balance, beginning of year	-	-
Increase (decrease) in net assets attributable to holders of redeemable units	550,050	-
Unit transactions:		
Proceeds from issue of redeemable units	-	-
Amounts from issue of units on merger (note 4 (f))	2,104,356	-
Issued on reinvestment of distributions	8,523	-
Amounts paid on redemption of redeemable units	(173,363)	-
	1,939,516	-
Distributions paid from:		
Net investment income	-	-
Realized gains on sale of investments	(8,816)	-
Return of capital	-	-
	(8,816)	-
Balance, end of year	2,480,750	-

Pender Small Cap Opportunities Fund

Statements of Changes in Net Assets Attributable to Holders of Redeemable Units (cont'd)

Years ended December 31, 2024 and 2023

Class I	2024 (\$)	2023 (\$)
Balance, beginning of year	16,816,766	16,871,593
Increase (decrease) in net assets attributable to holders of redeemable units	9,423,245	1,048,372
Unit transactions:		
Proceeds from issue of redeemable units	101,579	17,468
Amounts from issue of units on merger (note 4 (f))	2,844,696	-
Issued on reinvestment of distributions	270,762	142,571
Amounts paid on redemption of redeemable units	(4,588,674)	(1,120,667)
	(1,371,637)	(960,628)
Distributions paid from:		
Net investment income	(9,028)	(142,571)
Realized gains on sale of investments	(264,965)	-
Return of capital	-	-
	(273,993)	(142,571)
Balance, end of year	24,594,381	16,816,766

Class M	2024 (\$)	2023 (\$)
Balance, beginning of year	14,112,904	10,185,835
Increase (decrease) in net assets attributable to holders of redeemable units	12,541,854	950,705
Unit transactions:		
Proceeds from issue of redeemable units	17,704,573	4,050,492
Issued on reinvestment of distributions	852,783	177,089
Amounts paid on redemption of redeemable units	(2,729,625)	(1,074,128)
	15,827,731	3,153,453
Distributions paid from:		
Net investment income	(37,546)	(177,089)
Realized gains on sale of investments	(820,596)	-
Return of capital	-	-
	(858,142)	(177,089)
Balance, end of year	41,624,347	14,112,904

Class N	2024 (\$)	2023 (\$)
Balance, beginning of year	20,065	95,583
Increase (decrease) in net assets attributable to holders of redeemable units	9,862	4,942
Unit transactions:		
Proceeds from issue of redeemable units	-	-
Issued on reinvestment of distributions	-	-
Amounts paid on redemption of redeemable units	(5,720)	(80,460)
	(5,720)	(80,460)
Distributions paid from:		
Net investment income	-	-
Realized gains on sale of investments	-	-
Return of capital	-	-
	-	-
Balance, end of year	24,207	20,065

Pender Small Cap Opportunities Fund

Statements of Changes in Net Assets Attributable to Holders of Redeemable Units (cont'd)

Years ended December 31, 2024 and 2023

Class O	2024 (\$)	2023 (\$)
Balance, beginning of year	10,170,995	9,828,525
Increase (decrease) in net assets attributable to holders of redeemable units	6,006,450	759,408
Unit transactions:		
Proceeds from issue of redeemable units	50,001	-
Amounts from issue of units on merger (note 4 (f))	3,387,661	-
Issued on reinvestment of distributions	-	211,549
Amounts paid on redemption of redeemable units	(6,172,767)	(416,938)
	(2,735,105)	(205,389)
Distributions paid from:		
Net investment income	-	(211,549)
Realized gains on sale of investments	-	-
Return of capital	-	-
	-	(211,549)
Balance, end of year	13,442,340	10,170,995
Total Fund	2024 (\$)	2023 (\$)
Balance, beginning of year	246,273,105	238,807,356
Increase (decrease) in net assets attributable to holders of redeemable units	151,384,474	13,988,503
Unit transactions:		
Proceeds from issue of redeemable units	65,449,019	54,877,045
Amounts from issue of units on merger (note 4 (f))	16,055,882	-
Issued on reinvestment of distributions	2,929,964	1,726,401
Amounts paid on redemption of redeemable units	(57,910,894)	(61,239,057)
	26,523,971	(4,635,611)
Distributions paid from:		
Net investment income	(219,324)	(1,887,143)
Realized gains on sale of investments	(3,076,995)	-
Return of capital	-	-
	(3,296,319)	(1,887,143)
Balance, end of year	420,885,231	246,273,105

Pender Small Cap Opportunities Fund

Statements of Cash Flows

Years ended December 31, 2024 and 2023

	2024 (\$)	2023 (\$)
Cash provided by (used in):		
Operating:		
Increase (decrease) in net assets attributable to holders of redeemable units	151,384,474	13,988,503
Adjustments for:		
Interest for distribution purposes	(2,218)	(231,206)
Dividend income	(2,302,132)	(5,743,739)
Foreign exchange (gain) loss	17,877	(22,693)
Net realized (gain) loss on sale of investments	(40,938,876)	19,799,580
Net change in unrealized (appreciation) depreciation of investments	(113,840,495)	(31,963,009)
Derivative assets and liabilities	73,600	-
Management and administration fees payable	230,295	46,790
Accrued expenses	123,224	271
	(5,254,251)	(4,125,503)
Proceeds on disposal of investments and derivatives	157,014,777	55,858,569
Amounts paid on purchase of investments and derivatives	(158,378,214)	(60,567,517)
Dividends received	2,318,842	6,068,667
Interest received	2,218	231,206
	(4,296,628)	(2,534,578)
Financing:		
Proceeds from issue of redeemable units	64,154,939	51,749,297
Amounts paid on redemption of redeemable units	(56,002,213)	(58,478,259)
Distributions paid to unitholders	(366,355)	(196,252)
Cash paid on merger	(610,667)	-
Other assets and liabilities received on merger	29,509	-
	7,205,213	(6,925,214)
Net increase (decrease) in cash	2,908,585	(9,459,792)
Cash (Bank overdraft), beginning of year	(2,193,565)	7,243,534
Effect of exchange rate fluctuations on cash	(17,877)	22,693
Cash (Bank overdraft), end of year	697,143	(2,193,565)

Pender Small Cap Opportunities Fund

Schedule of Investment Portfolio

December 31, 2024

	Issue currency	Number of shares / units	Cost (\$)	Fair value (\$)
Equities:				
Consumer discretionary (7.4%)				
ATD New Holdings Inc.		85,551	4,959,524	87
D2L Inc.		1,086,138	10,275,676	21,060,217
Groupe Dynamite Inc.		200,000	4,200,000	3,890,000
Kits Eyecare Ltd.		450,000	4,567,500	3,793,500
Unisync Corp.		1,513,800	3,648,258	2,346,390
			27,650,958	31,090,194
Energy (8.4%)				
Logan Energy Corp.		14,080,000	10,278,400	9,856,000
McDermott International Ltd.		5,890,715	3,531,272	1,185,465
Saturn Oil & Gas Inc.		3,655,952	9,439,014	7,896,856
TerraVest Industries Inc.		148,100	1,004,347	16,557,580
			24,253,033	35,495,901
Financial services (1.8%)				
Burford Capital Ltd.		403,370	7,209,964	7,392,759
Chesswood Group Ltd.		572,380	6,193,572	-
			13,403,536	7,392,759
Health care (14.8%)				
Clarius Mobile Health Corp., Preferred, Series '1'		1,123,596	1,000,000	1,536,518
dentalcorp Holdings Ltd.		1,750,407	15,170,986	14,510,874
kneat.com Inc.		2,868,241	10,865,927	16,807,892
The Cannabist Co. Holdings Inc.		2,571,404	1,205,705	244,283
Vitalhub Corp.		1,348,700	7,664,152	15,199,849
Well Health Technologies Corp.		2,096,570	8,659,267	14,382,470
			44,566,037	62,681,886
Industrials (9.1%)				
GH Group, Inc., Preferred, Series 'C', 20.00%		2,880	3,932,208	5,203,677
Hammond Power Solutions Inc.		77,200	9,314,208	9,885,460
MDA Space Ltd.		454,000	6,374,160	13,406,620
NFI Group Inc.		704,308	6,637,929	9,860,312
			26,258,505	38,356,069
Information technology (45.2%)				
Blackline Safety Corp.		3,114,830	14,323,148	21,274,290
Computer Modelling Group Ltd.		393,660	4,467,138	4,192,479
Docebo Inc.		151,920	7,555,521	9,792,763
Dye & Durham Ltd.		954,187	11,849,055	16,774,607
Kinaxis Inc.		73,800	11,337,723	12,777,732
Kraken Robotics Inc.		9,310,639	6,237,855	25,604,258
Lightspeed Commerce Inc.		371,100	7,796,366	8,134,512
Optiva Inc.		498,151	8,258,441	1,369,915
PAR Technology Corp.		187,851	9,789,442	19,622,820
Quorum Information Technologies Inc.		4,993,619	3,744,851	4,743,938
Sangoma Technologies Corp.		1,927,400	17,512,037	19,274,000
Sylogist Ltd.		1,818,741	16,674,511	16,132,233
Tantalus Systems Holding Inc.		5,033,339	8,572,500	9,513,011
TECSYS Inc.		195,100	7,994,921	8,945,335
Thinkific Labs Inc.		3,845,354	13,428,648	11,497,608
Vecima Networks Inc.		43,841	915,838	699,264
			150,457,995	190,348,765

Pender Small Cap Opportunities Fund

Schedule of Investment Portfolio (cont'd)

December 31, 2024

	Issue currency	Number of shares / units	Cost (\$)	Fair value (\$)
Materials (6.7%)				
5N Plus Inc.		1,822,260	9,056,647	13,448,279
Faraday Copper Corp.		475,500	362,865	351,870
Fireweed Metals Corp.		2,727,300	3,000,030	3,818,220
Montage Gold Corp.		1,478,900	2,819,277	3,076,112
NGEx Minerals Ltd.		550,918	5,491,409	7,387,810
			20,730,228	28,082,291
Real estate (1.2%)				
Dream Unlimited Corp., Class 'A'		235,809	5,114,757	5,216,095
			5,114,757	5,216,095
Utilities (2.4%)				
Maxim Power Corp.		1,315,400	3,522,062	7,839,784
Polaris Renewable Energy Inc.		176,713	2,326,254	2,355,584
			5,848,316	10,195,368
Total equities (97.0%)			318,283,365	408,859,328
Warrants:				
AYR Wellness Inc., strike price \$2.12, expiry 2026/02/09	USD	14,296	-	3,189
Glass House Brands Inc., strike price \$5.00, expiry 2027/08/31	USD	576,000	-	654,097
HEALWELL AI Inc., strike price \$1.80, expiry 2026/05/24	CAD	185,200	-	57,412
HEALWELL AI Inc., strike price \$1.20, expiry 2026/12/22	CAD	437,500	-	398,125
Sphere 3D Corp., strike price \$66.50, expiry 2026/09/08	USD	42,015	-	-
Total warrants (0.3%)			-	1,112,823
Less: Transaction costs included in cost of investments			(345,816)	
Total investments (97.3%)			317,937,549	409,972,151
		Number of options	Premium received	Fair value
Put Options - Long Position:				
iShares Russell 2000 ETF, strike price \$200.00, expiry 2025/06/20		1,092	842,751	769,151
Total put options - long position (0.2%)			842,751	769,151
Cash (Bank overdraft) (0.2%)				697,143
Other assets less liabilities (2.3%)				9,446,786
Total net assets attributable to holders of redeemable units (100.0%)				420,885,231

Pender Strategic Growth and Income Fund

Statements of Financial Position

December 31, 2024 and 2023

	2024 (\$)	2023 (\$)
Assets		
Cash	2,661,611	221,469
Subscriptions receivable	292,075	1,426
Dividends receivable	28,587	54,051
Other receivable	-	472
Investments	54,052,168	43,882,584
	57,034,441	44,160,002
Liabilities		
Management and administration fees payable (note 4)	68,585	55,720
Redemptions payable to holders of redeemable units	15,735	3,704
Accrued expenses	351	250
	84,671	59,674
Net assets attributable to holders of redeemable units	56,949,770	44,100,328
Net assets attributable to holders of redeemable units per class:		
Class A	10,676,600	11,120,797
Class E	511,154	424,542
Class F	9,467,870	9,626,602
Class H	3,115,261	1,942,707
Class I	33,166,668	20,968,761
Class O	12,217	16,919
	56,949,770	44,100,328
Net assets attributable to holders of redeemable units per unit:		
Class A	9.23	7.82
Class E	13.13	11.13
Class F	9.79	8.30
Class H	12.70	10.78
Class I	13.01	11.03
Class O	13.40	11.35

Approved on behalf of the Manager, PenderFund Capital Management Ltd.:

(signed) "David Barr"

David Barr
Director

(signed) "Felix Narhi"

Felix Narhi
Director

Pender Strategic Growth and Income Fund

Statements of Comprehensive Income

Years ended December 31, 2024 and 2023

	2024 (\$)	2023 (\$)
Revenue		
Distributions from underlying funds	1,239,029	1,019,326
Interest for distribution purposes	27,777	976
Dividend income	434,287	421,480
Securities lending income (note 5)	1,783	4,144
Other income	-	414,872
Foreign exchange gain (loss)	56,676	(9,100)
Changes in fair value of investments:		
Net realized gain (loss)	(342,083)	2,006,159
Net change in unrealized appreciation (depreciation)	8,735,026	2,016,485
Total revenue	10,152,495	5,874,342
Expenses		
Management fees (note 4)	436,666	338,644
Administration fees (note 4)	296,354	231,229
Withholding taxes (note 6)	28,366	35,739
Transaction costs	24,169	17,256
Independent review committee fees	832	899
Total expenses	786,387	623,767
Less: Expenses absorbed by the Manager (note 4)	(832)	(899)
Net expenses	785,555	622,868
Increase (decrease) in net assets attributable to holders of redeemable units	9,366,940	5,251,474
Increase (decrease) in net assets attributable to holders of redeemable units per class:		
Class A	1,940,636	1,223,226
Class E	92,026	38,795
Class F	1,754,878	1,129,234
Class H	400,232	138,344
Class I	5,176,311	2,719,832
Class N	-	139
Class O	2,857	1,904
	9,366,940	5,251,474
Increase (decrease) in net assets attributable to holders of redeemable units per unit:		
Class A	1.52	1.01
Class E	2.36	1.91
Class F	1.69	1.06
Class H	2.06	0.90
Class I	2.27	1.32
Class N	-	0.24
Class O	2.39	1.83

Pender Strategic Growth and Income Fund

Statements of Changes in Net Assets Attributable to Holders of Redeemable Units

Years ended December 31, 2024 and 2023

Class A	2024 (\$)	2023 (\$)
Balance, beginning of year	11,120,797	6,535,315
Increase (decrease) in net assets attributable to holders of redeemable units	1,940,636	1,223,226
Unit transactions:		
Proceeds from issue of redeemable units	1,207,850	222,492
Amounts from issue of units on merger (note 4 (f))	-	7,006,608
Issued on reinvestment of distributions	107,760	202,703
Amounts paid on redemption of redeemable units	(3,582,592)	(3,841,499)
	(2,266,982)	3,590,304
Distributions paid from:		
Net investment income	(117,851)	(228,048)
Realized gains on sale of investments	-	-
Return of capital	-	-
	(117,851)	(228,048)
Balance, end of year	10,676,600	11,120,797
Class E	2024 (\$)	2023 (\$)
Balance, beginning of year	424,542	25,393
Increase (decrease) in net assets attributable to holders of redeemable units	92,026	38,795
Unit transactions:		
Proceeds from issue of redeemable units	14,378	172,809
Amounts from issue of units on merger (note 4 (f))	-	196,159
Issued on reinvestment of distributions	14,156	11,320
Amounts paid on redemption of redeemable units	(19,792)	(8,614)
	8,742	371,674
Distributions paid from:		
Net investment income	(14,156)	(11,320)
Realized gains on sale of investments	-	-
Return of capital	-	-
	(14,156)	(11,320)
Balance, end of year	511,154	424,542
Class F	2024 (\$)	2023 (\$)
Balance, beginning of year	9,626,602	7,117,599
Increase (decrease) in net assets attributable to holders of redeemable units	1,754,878	1,129,234
Unit transactions:		
Proceeds from issue of redeemable units	1,094,807	297,395
Amounts from issue of units on merger (note 4 (f))	-	2,962,486
Issued on reinvestment of distributions	179,232	259,112
Amounts paid on redemption of redeemable units	(2,982,190)	(1,854,694)
	(1,708,151)	1,664,299
Distributions paid from:		
Net investment income	(205,459)	(284,530)
Realized gains on sale of investments	-	-
Return of capital	-	-
	(205,459)	(284,530)
Balance, end of year	9,467,870	9,626,602

Pender Strategic Growth and Income Fund

Statements of Changes in Net Assets Attributable to Holders of Redeemable Units (cont'd)

Years ended December 31, 2024 and 2023

Class H	2024 (\$)	2023 (\$)
Balance, beginning of year	1,942,707	-
Increase (decrease) in net assets attributable to holders of redeemable units	400,232	138,344
Unit transactions:		
Proceeds from issue of redeemable units	1,063,874	1,843,119
Issued on reinvestment of distributions	30,643	32,609
Amounts paid on redemption of redeemable units	(285,592)	(32,144)
	808,925	1,843,584
Distributions paid from:		
Net investment income	(36,603)	(39,221)
Realized gains on sale of investments	-	-
Return of capital	-	-
	(36,603)	(39,221)
Balance, end of year	3,115,261	1,942,707

Class I	2024 (\$)	2023 (\$)
Balance, beginning of year	20,968,761	21,540,750
Increase (decrease) in net assets attributable to holders of redeemable units	5,176,311	2,719,832
Unit transactions:		
Proceeds from issue of redeemable units	10,054,011	60,209
Amounts from issue of units on merger (note 4 (f))	-	1,440,238
Issued on reinvestment of distributions	642,910	692,364
Amounts paid on redemption of redeemable units	(2,989,810)	(4,771,206)
	7,707,111	(2,578,395)
Distributions paid from:		
Net investment income	(685,515)	(713,426)
Realized gains on sale of investments	-	-
Return of capital	-	-
	(685,515)	(713,426)
Balance, end of year	33,166,668	20,968,761

Class N	2024 (\$)	2023 (\$)
Balance, beginning of year	-	5,869
Increase (decrease) in net assets attributable to holders of redeemable units	-	139
Unit transactions:		
Proceeds from issue of redeemable units	-	-
Issued on reinvestment of distributions	-	110
Amounts paid on redemption of redeemable units	-	(6,008)
	-	(5,898)
Distributions paid from:		
Net investment income	-	(57)
Realized gains on sale of investments	-	-
Return of capital	-	(53)
	-	(110)
Balance, end of year	-	-

Pender Strategic Growth and Income Fund

Statements of Changes in Net Assets Attributable to Holders of Redeemable Units (cont'd)

Years ended December 31, 2024 and 2023

Class O	2024 (\$)	2023 (\$)
Balance, beginning of year	16,919	6,022
Increase (decrease) in net assets attributable to holders of redeemable units	2,857	1,904
Unit transactions:		
Proceeds from issue of redeemable units	-	-
Amounts from issue of units on merger (note 4 (f))	-	8,993
Issued on reinvestment of distributions	533	568
Amounts paid on redemption of redeemable units	(7,559)	-
	(7,026)	9,561
Distributions paid from:		
Net investment income	(533)	(568)
Realized gains on sale of investments	-	-
Return of capital	-	-
	(533)	(568)
Balance, end of year	12,217	16,919
	2024 (\$)	2023 (\$)
Balance, beginning of year	44,100,328	35,230,948
Increase (decrease) in net assets attributable to holders of redeemable units	9,366,940	5,251,474
Unit transactions:		
Proceeds from issue of redeemable units	13,434,920	2,596,024
Amounts from issue of units on merger (note 4 (f))	-	11,614,484
Issued on reinvestment of distributions	975,234	1,198,786
Amounts paid on redemption of redeemable units	(9,867,535)	(10,514,165)
	4,542,619	4,895,129
Distributions paid from:		
Net investment income	(1,060,117)	(1,277,170)
Realized gains on sale of investments	-	-
Return of capital	-	(53)
	(1,060,117)	(1,277,223)
Balance, end of year	56,949,770	44,100,328

Pender Strategic Growth and Income Fund

Statements of Cash Flows

Years ended December 31, 2024 and 2023

	2024 (\$)	2023 (\$)
Cash provided by (used in):		
Operating:		
Increase (decrease) in net assets attributable to holders of redeemable units	9,366,940	5,251,474
Adjustments for:		
Distributions from underlying funds	(1,239,029)	(1,019,326)
Interest for distribution purposes	(27,777)	(976)
Dividend income	(434,287)	(421,480)
Foreign exchange (gain) loss	(56,676)	9,100
Net realized (gain) loss on sale of investments	342,083	(2,006,159)
Net change in unrealized (appreciation) depreciation of investments	(8,735,026)	(2,016,485)
Other receivable	472	71
Management and administration fees payable	12,865	13,726
Accrued expenses	100	(122)
	(770,335)	(190,177)
Proceeds on disposal of investments	16,306,330	15,945,540
Amounts paid on purchase of investments	(18,082,970)	(9,042,831)
Dividends received	459,751	401,709
Distributions received from underlying funds	1,239,029	1,019,326
Interest received	27,777	976
	(820,418)	8,134,543
Financing:		
Proceeds from issue of redeemable units upon merger	-	1,960
Proceeds from issue of redeemable units	10,570,290	2,540,460
Cash (Bank overdraft) received on merger	-	(1,617)
Amounts paid on redemption of redeemable units	(7,281,523)	(10,454,805)
Distributions paid to unitholders	(84,883)	(78,437)
	3,203,884	(7,992,439)
Net increase (decrease) in cash	2,383,466	142,104
Cash (Bank overdraft), beginning of year	221,469	88,465
Effect of exchange rate fluctuations on cash	56,676	(9,100)
Cash (Bank overdraft), end of year	2,661,611	221,469

Pender Strategic Growth and Income Fund

Schedule of Investment Portfolio

December 31, 2024

	Number of units / shares	Cost (\$)	Fair value (\$)
Mutual funds:			
Pender Alternative Absolute Return Fund, Class 'O'	423,663	4,253,410	4,077,503
Pender Alternative Arbitrage Plus Fund, Class 'O'	93,003	941,029	984,380
Pender Corporate Bond Fund, Class 'O'	1,584,246	17,006,184	18,465,018
Pender Small Cap Opportunities Fund, Class 'O'	118,908	3,206,220	5,204,232
Total mutual funds (50.4%)		25,406,843	28,731,133
Equities:			
Communication services (1.4%):			
IAC Inc.	13,200	920,410	818,553
		920,410	818,553
Consumer discretionary (1.1%):			
Starbucks Corp.	4,830	534,091	633,538
		534,091	633,538
Consumer staples (1.5%):			
Premium Brands Holdings Corp.	10,700	961,254	846,156
		961,254	846,156
Energy (1.8%):			
Artis Exploration Ltd.	183,200	503,800	763,944
CBM Asia Development Corp.	4,166,667	417	417
McDermott International Ltd.	1,175,000	413,308	236,461
		917,525	1,000,822
Financial services (12.7%):			
Brookfield Corp., Class 'A'	19,540	839,285	1,614,395
Burford Capital Ltd.	86,920	948,917	1,593,025
Exor N.V.	14,530	1,270,746	1,915,772
KKR & Co. Inc.	2,680	122,535	569,803
Onex Corp.	13,040	964,866	1,464,131
		4,146,349	7,157,126
Health care (6.1%):			
Elevance Health Inc.	1,500	851,498	795,413
Genmab AS, ADR	25,600	819,261	767,989
Maravai LifeSciences Holdings Inc., Class 'A'	136,100	942,875	1,066,221
Molina Healthcare Inc.	2,000	881,542	836,740
		3,495,176	3,466,363
Industrials (7.3%):			
ADENTRA Inc.	24,271	719,164	901,182
Aecon Group Inc.	20,760	225,101	565,087
Calian Group Ltd.	3,269	167,729	158,056
Clarivate PLC	132,200	1,130,674	965,357
Exchange Income Corp.	13,848	597,311	814,955
Northrop Grumman Corp.	1,150	575,246	775,768
		3,415,225	4,180,405
Information technology (1.9%):			
Microchip Technology Inc.	13,460	1,274,399	1,109,612
		1,274,399	1,109,612
Insurance (4.0%):			
Markel Corp.	400	923,370	992,548
Trisura Group Ltd.	32,960	1,205,464.00	1,284,781.00
		2,128,834	2,277,329

Pender Strategic Growth and Income Fund

Schedule of Investment Portfolio (cont'd)

December 31, 2024

	Number of units / shares	Cost (\$)	Fair value (\$)
Real estate (6.7%):			
Dream Unlimited Corp., Class 'A'	35,050	875,240	775,306
Howard Hughes Holdings Inc.	7,900	752,329	873,492
Kennedy-Wilson Holdings Inc.	85,260	1,451,178	1,224,344
Zillow Group Inc., Class 'C'	9,000	487,827	957,989
		3,566,574	3,831,131
Total equities (44.5%)		21,359,837	25,321,035
Less: Transaction costs included in cost of investments		(46,798)	
Total investments (94.9%)		46,719,882	54,052,168
Cash (Bank overdraft) (4.7%)			2,661,611
Other assets less liabilities (0.4%)			235,991
Total net assets attributable to holders of redeemable units (100.0%)			56,949,770

Pender US Small/Mid Cap Equity Fund

Statement of Financial Position

December 31, 2024

	2024 (\$)
Assets	
Cash	26,478
Subscriptions receivable	10,000
Dividends receivable	111
Investments	240,908
	277,497
Net assets attributable to holders of redeemable units	
Net assets attributable to holders of redeemable units per class:	
Class A	4,856
Class E	115,943
Class F	25,598
Class O	131,100
	277,497
Net assets attributable to holders of redeemable units per unit:	
Class A	9.70
Class E	9.70
Class F	9.70
Class O	9.70

Approved on behalf of the Manager, PenderFund Capital Management Ltd.:

(signed) "David Barr"

David Barr
Director

(signed) "Felix Narhi"

Felix Narhi
Director

Pender US Small/Mid Cap Equity Fund

Statement of Comprehensive Income

For the period from November 29, 2024 (commencement of operations) to December 31, 2024

	2024 (\$)
Revenue	
Dividend income	365
Foreign exchange gain (loss)	152
Changes in fair value of investments:	
Net realized gain (loss)	75
Net change in unrealized appreciation (depreciation)	(7,367)
Total revenue	(6,775)
Expenses	
Transaction costs	73
Withholding taxes (note 6)	37
Administration fees (note 4)	28
Management fees (note 4)	17
Independent review committee fees	2
Total expenses	157
Less: Fees waived and expenses absorbed by the Manager (note 4)	(47)
Net expenses	110
Increase (decrease) in net assets attributable to holders of redeemable units	(6,885)
Increase (decrease) in net assets attributable to holders of redeemable units per class:	
Class A	(144)
Class E	(2,439)
Class F	(402)
Class O	(3,900)
	(6,885)
Increase (decrease) in net assets attributable to holders of redeemable units per unit:	
Class A	(0.29)
Class E	(0.30)
Class F	(0.35)
Class O	(0.29)

Pender US Small/Mid Cap Equity Fund

Statement of Changes in Net Assets Attributable to Holders of Redeemable Units

For the period from November 29, 2024 (commencement of operations) to December 31, 2024

Class A	2024 (\$)
Balance, beginning of period	-
Increase (decrease) in net assets attributable to holders of redeemable units	(144)
Unit transactions:	
Proceeds from issue of redeemable units	5,000
Issued on reinvestment of distributions	4
Amounts paid on redemption of redeemable units	-
	5,004
Distributions paid from:	
Net investment income	(4)
Realized gains on sale of investments	-
Return of capital	-
	(4)
Balance, end of period	4,856
Class E	2024 (\$)
Balance, beginning of period	-
Increase (decrease) in net assets attributable to holders of redeemable units	(2,439)
Unit transactions:	
Proceeds from issue of redeemable units	118,382
Issued on reinvestment of distributions	94
Amounts paid on redemption of redeemable units	-
	118,476
Distributions paid from:	
Net investment income	(94)
Realized gains on sale of investments	-
Return of capital	-
	(94)
Balance, end of period	115,943
Class F	2024 (\$)
Balance, beginning of period	-
Increase (decrease) in net assets attributable to holders of redeemable units	(402)
Unit transactions:	
Proceeds from issue of redeemable units	26,000
Issued on reinvestment of distributions	13
Amounts paid on redemption of redeemable units	-
	26,013
Distributions paid from:	
Net investment income	(13)
Realized gains on sale of investments	-
Return of capital	-
	(13)
Balance, end of period	25,598

Pender US Small/Mid Cap Equity Fund

Statement of Changes in Net Assets Attributable to Holders of Redeemable Units (cont'd)

For the period from November 29, 2024 (commencement of operations) to December 31, 2024

	2024 (\$)
Class O	
Balance, beginning of period	-
Increase (decrease) in net assets attributable to holders of redeemable units	(3,900)
Unit transactions:	
Proceeds from issue of redeemable units	135,000
Issued on reinvestment of distributions	107
Amounts paid on redemption of redeemable units	-
	135,107
Distributions paid from:	
Net investment income	(107)
Realized gains on sale of investments	-
Return of capital	-
	(107)
Balance, end of period	131,100
Total Fund	2024 (\$)
Balance, beginning of period	-
Increase (decrease) in net assets attributable to holders of redeemable units	(6,885)
Unit transactions:	
Proceeds from issue of redeemable units	284,382
Issued on reinvestment of distributions	218
Amounts paid on redemption of redeemable units	-
	284,600
Distributions paid from:	
Net investment income	(218)
Realized gains on sale of investments	-
Return of capital	-
	(218)
Balance, end of period	277,497

Pender US Small/Mid Cap Equity Fund

Statement of Cash Flows

For the period from November 29, 2024 (commencement of operations) to December 31, 2024

	2024 (\$)
Cash provided by (used in):	
Operating:	
Increase (decrease) in net assets attributable to holders of redeemable units	(6,885)
Adjustments for:	
Dividend income	(365)
Foreign exchange (gain) loss	(152)
Net realized (gain) loss on sale of investments	(75)
Net change in unrealized (appreciation) depreciation of investments	7,367
	(110)
Proceeds on disposal of investments	2,854
Amounts paid on purchase of investments	(251,054)
Dividends received	254
	(248,056)
Financing:	
Proceeds from issue of redeemable units	274,382
	274,382
Net increase (decrease) in cash	26,326
Cash (Bank overdraft), beginning of period	-
Effect of exchange rate fluctuations on cash	152
Cash (Bank overdraft), end of period	26,478

Pender US Small/Mid Cap Equity Fund

Schedule of Investment Portfolio

December 31, 2024

	Number of shares / units	Cost (\$)	Fair value (\$)
Equities:			
Banks (4.7%):			
Webster Financial Corp.	163	13,950	12,938
		13,950	12,938
Consumer discretionary (5.2%):			
M/I Homes Inc.	36	8,172	6,880
XPEL Inc.	131	8,106	7,521
		16,278	14,401
Consumer staples (6.4%):			
Dollar Tree Inc.	95	9,593	10,234
The Estee Lauder Companies Inc., Class 'A'	71	7,605	7,652
		17,198	17,886
Energy (4.4%):			
Antero Resources Corp.	240	10,967	12,092
		10,967	12,092
Financial services (3.7%):			
DigitalBridge Group Inc.	637	11,489	10,329
		11,489	10,329
Health care (4.7%):			
Molina Healthcare Inc.	31	13,064	12,969
		13,064	12,969
Industrials (23.6%):			
Brookfield Business Partners L.P.	316	11,359	10,707
Copa Holdings SA, Class 'A'	64	8,232	8,085
Fluor Corp.	175	13,712	12,407
Genpact Ltd.	172	11,035	10,619
Hexcel Corp.	148	13,239	13,338
LSI Industries Inc.	371	10,702	10,357
		68,279	65,513
Information technology (18.5%):			
Harmonic Inc.	561	10,329	10,669
Itron Inc.	50	8,235	7,804
Jabil Inc.	69	13,089	14,272
Rambus Inc.	130	10,627	9,878
VeriSign Inc.	29	8,252	8,627
		50,532	51,250
Insurance (8.2%):			
Fidelity National Financial Inc.	158	13,879	12,750
Markel Corp.	4	9,978	9,925
		23,857	22,675
Materials (3.9%):			
ERO Copper Corp.	556	11,468	10,774
		11,468	10,774
Real estate (3.6%):			
Kennedy-Wilson Holdings Inc.	702	11,263	10,081
		11,263	10,081
Total equities (86.9%)		248,345	240,908
Less: Transaction costs included in cost of investments		(70)	
Total investments (86.9%)		248,275	240,908
Cash (Bank overdraft) (9.5%)			26,478

Pender US Small/Mid Cap Equity Fund

Schedule of Investment Portfolio (cont'd)

December 31, 2024

	Number of shares / units	Cost (\$)	Fair value (\$)
Other assets less liabilities (3.6%)			10,111
Total net assets attributable to holders of redeemable units (100.0%)			277,497

Pender Value Fund

Statements of Financial Position

December 31, 2024 and 2023

	2024 (\$)	2023 (\$)
Assets		
Cash	-	238,164
Subscriptions receivable	16,968	13,837
Dividends receivable	136,327	64,414
Other receivable	-	337
Investments	121,864,247	99,386,259
	122,017,542	99,703,011
Liabilities		
Bank overdraft	468,564	-
Management and administration fees payable (note 4)	173,099	135,002
Redemptions payable to holders of redeemable units	49,851	61,902
Accrued expenses	443	1,090
	691,957	197,994
Net assets attributable to holders of redeemable units	121,325,585	99,505,017
Net assets attributable to holders of redeemable units per class:		
Class A	23,022,694	19,453,869
Class E	1,092,398	890,832
Class F	50,474,957	42,540,797
Class H	9,459,824	7,081,385
Class I	35,569,068	27,919,745
Class N	-	4,958
Class O	1,706,644	1,613,431
	121,325,585	99,505,017
Net assets attributable to holders of redeemable units per unit:		
Class A	21.51	15.55
Class E	13.33	9.48
Class F	22.74	16.30
Class H	15.15	11.28
Class I	16.83	11.94
Class N	-	8.59
Class O	19.28	13.54

Approved on behalf of the Manager, PenderFund Capital Management Ltd.:

(signed) "David Barr"

David Barr
Director

(signed) "Felix Narhi"

Felix Narhi
Director

Pender Value Fund

Statements of Comprehensive Income

Years ended December 31, 2024 and 2023

	2024 (\$)	2023 (\$)
Revenue		
Interest for distribution purposes	-	70,153
Dividend income	835,183	1,074,941
Securities lending income (note 5)	-	337
Foreign exchange gain (loss)	(1,652)	123,342
Changes in fair value of investments:		
Net realized gain (loss)	10,681,196	(14,502,540)
Net change in unrealized appreciation (depreciation)	38,441,909	23,244,001
Total revenue	49,956,636	10,010,234
Expenses		
Management fees (note 4)	1,116,529	1,108,331
Administration fees (note 4)	660,004	655,672
Interest expense	169,370	-
Transaction costs	132,018	235,090
Withholding taxes (note 6)	41,940	26,233
Independent review committee fees	1,806	1,973
Total expenses	2,121,667	2,027,299
Less: Expenses absorbed by the Manager (note 4)	(1,806)	(1,973)
Net expenses	2,119,861	2,025,326
Increase (decrease) in net assets attributable to holders of redeemable units	47,836,775	7,984,908
Increase (decrease) in net assets attributable to holders of redeemable units per class:		
Class A	9,126,580	1,318,380
Class E	500,582	87,445
Class F	20,658,159	3,356,823
Class H	3,561,901	463,676
Class I	13,360,273	2,532,424
Class N	1,067	61,428
Class O	628,213	164,732
	47,836,775	7,984,908
Increase (decrease) in net assets attributable to holders of redeemable units per unit:		
Class A	8.34	0.93
Class E	5.48	0.97
Class F	9.02	1.15
Class H	6.11	0.71
Class I	6.57	0.90
Class N	1.85	1.01
Class O	7.67	2.28

Pender Value Fund

Statements of Changes in Net Assets Attributable to Holders of Redeemable Units

Years ended December 31, 2024 and 2023

Class A	2024 (\$)	2023 (\$)
Balance, beginning of year	19,453,869	22,633,418
Increase (decrease) in net assets attributable to holders of redeemable units	9,126,580	1,318,380
Unit transactions:		
Proceeds from issue of redeemable units	422,942	476,928
Amounts from issue of units on merger (note 4 (f))	-	2,401,118
Issued on reinvestment of distributions	2,134,716	-
Amounts paid on redemption of redeemable units	(5,731,224)	(7,375,975)
	(3,173,566)	(4,497,929)
Distributions paid from:		
Net investment income	-	-
Realized gains on sale of investments	(2,384,189)	-
Return of capital	-	-
	(2,384,189)	-
Balance, end of year	23,022,694	19,453,869
Class E	2024 (\$)	2023 (\$)
Balance, beginning of year	890,832	671,717
Increase (decrease) in net assets attributable to holders of redeemable units	500,582	87,445
Unit transactions:		
Proceeds from issue of redeemable units	24,612	-
Amounts from issue of units on merger (note 4 (f))	-	1,118,014
Issued on reinvestment of distributions	115,967	-
Amounts paid on redemption of redeemable units	(323,628)	(986,344)
	(183,049)	131,670
Distributions paid from:		
Net investment income	-	-
Realized gains on sale of investments	(115,967)	-
Return of capital	-	-
	(115,967)	-
Balance, end of year	1,092,398	890,832
Class F	2024 (\$)	2023 (\$)
Balance, beginning of year	42,540,797	49,964,163
Increase (decrease) in net assets attributable to holders of redeemable units	20,658,159	3,356,823
Unit transactions:		
Proceeds from issue of redeemable units	3,873,934	3,170,581
Amounts from issue of units on merger (note 4 (f))	-	3,384,615
Issued on reinvestment of distributions	4,629,699	5,188
Amounts paid on redemption of redeemable units	(15,885,533)	(17,335,385)
	(7,381,900)	(10,775,001)
Distributions paid from:		
Net investment income	(8,243)	-
Realized gains on sale of investments	(5,333,856)	-
Return of capital	-	(5,188)
	(5,342,099)	(5,188)
Balance, end of year	50,474,957	42,540,797

Pender Value Fund

Statements of Changes in Net Assets Attributable to Holders of Redeemable Units (cont'd)

Years ended December 31, 2024 and 2023

Class H	2024 (\$)	2023 (\$)
Balance, beginning of year	7,081,385	7,216,176
Increase (decrease) in net assets attributable to holders of redeemable units	3,561,901	463,676
Unit transactions:		
Proceeds from issue of redeemable units	231,544	211,510
Amounts from issue of units on merger (note 4 (f))	-	177,322
Issued on reinvestment of distributions	1,079,778	-
Amounts paid on redemption of redeemable units	(1,233,044)	(987,299)
	78,278	(598,467)
Distributions paid from:		
Net investment income	-	-
Realized gains on sale of investments	(1,261,740)	-
Return of capital	-	-
	(1,261,740)	-
Balance, end of year	9,459,824	7,081,385
Class I	2024 (\$)	2023 (\$)
Balance, beginning of year	27,919,745	38,791,024
Increase (decrease) in net assets attributable to holders of redeemable units	13,360,273	2,532,424
Unit transactions:		
Proceeds from issue of redeemable units	4,865,263	2,552,151
Amounts from issue of units on merger (note 4 (f))	-	136,673
Issued on reinvestment of distributions	2,553,397	-
Amounts paid on redemption of redeemable units	(9,610,091)	(16,092,527)
	(2,191,431)	(13,403,703)
Distributions paid from:		
Net investment income	-	-
Realized gains on sale of investments	(3,519,519)	-
Return of capital	-	-
	(3,519,519)	-
Balance, end of year	35,569,068	27,919,745
Class N	2024 (\$)	2023 (\$)
Balance, beginning of year	4,958	874,464
Increase (decrease) in net assets attributable to holders of redeemable units	1,067	61,428
Unit transactions:		
Proceeds from issue of redeemable units	-	5,003
Amounts from issue of units on merger (note 4 (f))	-	11,325
Issued on reinvestment of distributions	-	-
Amounts paid on redemption of redeemable units	(6,025)	(947,262)
	(6,025)	(930,934)
Distributions paid from:		
Net investment income	-	-
Realized gains on sale of investments	-	-
Return of capital	-	-
	-	-
Balance, end of year	-	4,958

Pender Value Fund

Statements of Changes in Net Assets Attributable to Holders of Redeemable Units (cont'd)

Years ended December 31, 2024 and 2023

Class O	2024 (\$)	2023 (\$)
Balance, beginning of year	1,613,431	978,660
Increase (decrease) in net assets attributable to holders of redeemable units	628,213	164,732
Unit transactions:		
Proceeds from issue of redeemable units	-	5,200
Amounts from issue of units on merger (note 4 (f))	-	1,618,115
Issued on reinvestment of distributions	169,231	-
Amounts paid on redemption of redeemable units	(535,000)	(1,153,276)
	(365,769)	470,039
Distributions paid from:		
Net investment income	-	-
Realized gains on sale of investments	(169,231)	-
Return of capital	-	-
	(169,231)	-
Balance, end of year	1,706,644	1,613,431
	2024	2023
Total Fund	(\$)	(\$)
Balance, beginning of year	99,505,017	121,129,622
Increase (decrease) in net assets attributable to holders of redeemable units	47,836,775	7,984,908
Unit transactions:		
Proceeds from issue of redeemable units	9,418,295	6,421,373
Amounts from issue of units on merger (note 4 (f))	-	8,847,182
Issued on reinvestment of distributions	10,682,788	5,188
Amounts paid on redemption of redeemable units	(33,324,545)	(44,878,068)
	(13,223,462)	(29,604,325)
Distributions paid from:		
Net investment income	(8,243)	-
Realized gains on sale of investments	(12,784,502)	-
Return of capital	-	(5,188)
	(12,792,745)	(5,188)
Balance, end of year	121,325,585	99,505,017

Pender Value Fund

Statements of Cash Flows

Years ended December 31, 2024 and 2023

	2024 (\$)	2023 (\$)
Cash provided by (used in):		
Operating:		
Increase (decrease) in net assets attributable to holders of redeemable units	47,836,775	7,984,908
Adjustments for:		
Interest for distribution purposes	-	(70,153)
Dividend income	(835,183)	(1,074,941)
Foreign exchange (gain) loss	1,652	(123,342)
Net realized (gain) loss on sale of investments	(10,681,196)	14,502,540
Net change in unrealized (appreciation) depreciation of investments	(38,441,909)	(23,244,001)
Other receivable	337	(337)
Management and administration fees payable	38,097	(33,490)
Accrued expenses	(647)	352
	(2,082,074)	(2,058,464)
Proceeds on disposal of investments	81,933,718	67,836,534
Amounts paid on purchase of investments	(55,288,601)	(33,323,401)
Dividends received	763,270	1,053,437
Interest received	-	70,153
	25,326,313	33,578,259
Financing:		
Proceeds from issue of redeemable units upon merger	-	(235)
Proceeds from issue of redeemable units	5,183,350	5,971,848
Cash (Bank overdraft) received on merger	-	4,541,785
Amounts paid on redemption of redeemable units	(29,104,782)	(44,399,764)
Distributions paid to unitholders	(2,109,957)	(801)
	(26,031,389)	(33,887,167)
Net increase (decrease) in cash	(705,076)	(308,908)
Cash (Bank overdraft), beginning of year	238,164	423,730
Effect of exchange rate fluctuations on cash	(1,652)	123,342
Cash (Bank overdraft), end of year	(468,564)	238,164

Pender Value Fund

Schedule of Investment Portfolio

December 31, 2024

	Issue currency	Number of shares / units	Cost (\$)	Fair value (\$)
Equities:				
Communication services (0.3%):				
TeraGo Inc.		347,300	2,340,345	420,233
			2,340,345	420,233
Consumer discretionary (4.5%):				
D2L Inc.		282,906	3,676,531	5,485,547
			3,676,531	5,485,547
Consumer staples (7.0%):				
CareRx Corp.		794,630	3,969,694	1,636,938
Jamieson Wellness Inc.		23,400	726,670	859,014
Premium Brands Holdings Corp.		75,680	6,568,764	5,984,774
			11,265,128	8,480,726
Energy (4.5%):				
TerraVest Industries Inc.		27,800	2,064,150	3,108,040
Texas Pacific Land Corp.		1,500	855,417	2,384,643
			2,919,567	5,492,683
Financial services (13.5%):				
Burford Capital Ltd.		262,434	3,743,583	4,809,756
EXOR NV		20,230	1,800,266	2,667,314
Guardian Capital Group Ltd., Class 'A'		30,560	1,263,896	1,303,384
Interactive Brokers Group Inc., Class 'A'		10,038	708,823	2,549,193
KKR & Co. Inc.		14,640	610,633	3,112,658
Mercer Park Opportunities Corp., Rights, 2029/07/15		130,300	-	14,047
Mercer Park Opportunities Corp.		130,300	1,789,345	1,854,267
			9,916,546	16,310,619
Health care (12.4%):				
dentalcorp Holdings Ltd.		561,568	4,914,957	4,655,399
kneat.com Inc.		681,259	2,585,530	3,992,178
Maravai LifeSciences Holdings Inc., Class 'A'		414,400	3,272,226	3,246,452
Molina Healthcare Inc.		7,500	3,394,368	3,137,774
			14,167,081	15,031,803
Industrials (13.2%):				
ADENTRA Inc.		118,963	4,630,110	4,417,096
Aecon Group Inc.		204,720	2,697,483	5,572,478
AG Growth International Inc.		12,900	687,283	655,578
Clarivate PLC		398,900	3,204,339	2,912,866
Hexcel Corp.		27,400	2,273,440	2,469,510
			13,492,655	16,027,528
Information technology (33.7%):				
Blackline Safety Corp.		741,000	2,852,741	5,061,030
Dye & Durham Ltd.		252,515	3,664,400	4,439,214
Kinaxis Inc.		28,780	4,163,479	4,982,969
Kraken Robotics Inc.		2,160,563	2,287,633	5,941,549
PAR Technology Corp.		48,658	2,241,134	5,082,790
Sangoma Technologies Corp.		578,590	5,377,689	5,785,901
Sylogist Ltd.		356,384	2,976,553	3,161,126
Tantalus Systems Holding Inc.		1,506,834	2,526,187	2,847,916
Thinkific Labs Inc.		1,163,966	2,659,615	3,480,258
			28,749,431	40,782,753

Pender Value Fund

Schedule of Investment Portfolio (cont'd)

December 31, 2024

	Issue currency	Number of shares / units	Cost (\$)	Fair value (\$)
Insurance (3.9%):				
Trisura Group Ltd.		120,600	5,051,373	4,700,988
			5,051,373	4,700,988
Materials (1.8%):				
ERO Copper Corp.		113,600	2,961,862	2,201,568
			2,961,862	2,201,568
Real estate (5.7%):				
Kennedy-Wilson Holdings Inc.		179,400	2,393,081	2,576,207
Zillow Group Inc., Class 'C'		40,757	2,998,331	4,338,304
			5,391,412	6,914,511
Total equities (100.5%)			99,931,931	121,848,959
Warrants:				
Mercer Park Opportunities Corp., strike price \$11.00, expiry 2029/07/15	USD	130,300	-	14,047
Taiga Motors Corporation, strike price \$17.25, expiry 2026/12/31	CAD	82,706	407,724	1,241
Total warrants (0.0%)			407,724	15,288
Less: Transaction costs included in cost of investments			(82,289)	
Total investments (100.5%)			100,257,366	121,864,247
Cash (Bank overdraft) (-0.4%)				(468,564)
Other assets less liabilities (-0.1%)				(70,098)
Total net assets attributable to holders of redeemable units (100.0%)				121,325,585

PENDER MUTUAL FUNDS: Notes to Financial Statements

Year ended December 31, 2024

1. The Funds:

The Pender Mutual Funds (individually a “Fund” and collectively the “Funds”) include the following:

	Commencement of operations	Classes
Bond Universe Fund	January 31, 2020	A, E, F, F(USD), O
Corporate Bond Fund	June 1, 2009	A, A(USD), E, F, F(USD), H, H(USD), I, I(USD), N, O, U
Small Cap Opportunities Fund	June 1, 2009	A, B, E, F, G, H, I, M, N, O
Strategic Growth and Income Fund	September 21, 2009	A, E, F, H, I, O
US Small/Mid Cap Equity Fund	November 29, 2024	A, E, F, O
Value Fund	June 28, 2013	A, E, F, H, I, O

On June 28, 2024, the Pender Small/Mid Cap Dividend Fund merged with the Pender Small Cap Opportunities Fund (see Note 4). The Pender US Small/Mid Cap Equity Fund commenced operations on November 29, 2024.

Effective May 26, 2023, Class A (USD) units of the Pender Bond Universe Fund were closed. Effective May 26, 2023, Class N units in the Pender Corporate Bond Fund, and Pender Strategic Growth and Income Fund were closed. Effective June 28, 2024, Class N (USD) units of the Pender Corporate Bond Fund were closed. Effective June 28, 2024, Class N units of the Pender Value Fund were closed. Effective June 28, 2024, Class N units of the Pender Corporate Bond Fund and Class H units of the Pender Small Cap Opportunities Fund commenced operations.

Each of the Funds is an open-end investment trust governed under the laws of the Province of British Columbia pursuant to the Twenty-Second Amended and Restated Mutual Fund Trust Agreement dated November 1, 2024 (previously the Twenty-First Amended and Restated Mutual Fund Trust Agreement dated June 18, 2024).

The Funds’ registered office is located at 1830 - 1066 West Hastings Street, Vancouver, BC, V6E 3X2.

The Manager and Trustee of the Funds is PenderFund Capital Management Ltd. CIBC Mellon Trust Company is the custodian of the Funds.

2. Basis of preparation:

(a) Statement of compliance:

The financial statements of the Funds are prepared under IFRS Accounting Standards. These financial statements were authorized for issue by the Manager on March 28, 2025.

(b) Basis of measurement:

The financial statements have been prepared on a historical cost basis except for investments, investments sold short and derivatives, which are measured at fair value.

(c) Functional and presentation currency:

These financial statements are presented in Canadian dollars, the Funds’ functional currency.

(d) Use of estimates and judgment:

The preparation of these financial statements in conformity with IFRS Accounting Standards requires the Manager to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized in the period in which the estimates are revised and in any future period affected.

The Funds may hold financial instruments that are not quoted in an active market, including derivatives.

PENDER MUTUAL FUNDS: Notes to Financial Statements (cont'd)

Year ended December 31, 2024

The determination of the fair value of these investments is the area with the Manager's most significant accounting judgements and estimates in preparing these financial statements. Further discussion in connection with fair value measurements is provided in Note 10.

3. Material accounting policy information:

The material accounting policy information set out below has been applied consistently to all periods presented in these financial statements.

(a) Financial instruments:

(i) Recognition and measurement:

Financial instruments are required to be classified into one of the following categories: amortized cost, fair value through other comprehensive income ("FVOCI") or fair value through profit or loss ("FVTPL"). All financial instruments are measured at fair value on initial recognition. Measurement in subsequent periods depends on the classification of the financial instrument. Transaction costs are included in the initial carrying amount of financial instruments except for financial instruments classified as FVTPL for which transaction costs are expensed as incurred.

Financial assets and financial liabilities are recognized initially on the trade date, which is the date on which the particular Fund becomes a party to the contractual provisions of the instrument. The Funds derecognize a financial liability when its contractual obligations are discharged, cancelled or expire.

Financial assets and liabilities are offset and the net amount presented in the Statements of Financial Position only when the Funds have a legal right to offset the amounts and intend either to settle on a net basis or to realize the asset and settle the liability simultaneously.

A financial asset is measured at amortized cost if it meets both of the following conditions:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and/or interest on the principal amount outstanding.

A financial asset is measured at FVOCI if it meets both of the following conditions:

- it is held within a business model whose objective is both to hold assets to collect contractual cash flows and to potentially sell financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and/or interest on the principal amount outstanding.

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL. On initial recognition the Funds may irrevocably elect to measure financial assets that otherwise meet the requirements to be measured at amortized cost or at FVOCI as at FVTPL when doing so eliminates or significantly reduces a measurement or recognition inconsistency.

Financial assets are not reclassified subsequent to their initial recognition, unless the Funds change their business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial liability is generally measured at amortized cost, with exceptions that may allow for classification as FVTPL. These exceptions include financial liabilities that are mandatorily measured at fair value through profit or loss, such as derivatives liabilities. The Funds may also, at initial recognition, irrevocably designate a financial liability as measured at FVTPL when doing so results in more relevant information.

(ii) Amortized cost:

Financial assets and liabilities classified as amortized cost are recognized initially at fair value plus any directly attributable transaction costs. Subsequent measurement is at amortized cost using the effective interest method, less any impairment losses. The Funds classify cash, receivable for investments sold, subscriptions receivable, dividends receivable, interest receivable, other receivable, bank overdraft, management and administration fees payable, payable for investments purchased, redemptions payable to holders of redeemable units, and accrued expenses as amortized cost.

PENDER MUTUAL FUNDS: Notes to Financial Statements (cont'd)

Year ended December 31, 2024

The effective interest method is a method of calculating the amortized cost of a financial asset or liability and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that discounts estimated future cash payments through the expected life of the financial asset or liability, or where appropriate, a shorter period.

(iii) Derivative transactions:

The Funds may use derivative contracts to manage risks associated with the investments. The derivatives are classified as FVTPL and, as a result, the contracts are measured at fair value on the valuation date and the resulting gains and losses, both realized and unrealized, are recognized in the Statements of Comprehensive Income. Gains and losses arising from changes in fair value of derivatives are shown in the Statements of Comprehensive Income as "Net change in unrealized appreciation (depreciation)" and as "Net realized gain (loss)" when positions are closed out or have expired, where applicable.

(iv) Fair value through profit and loss:

Financial assets and liabilities classified as FVTPL are recognized initially at fair value at each reporting period with changes in fair value recognized in the Statements of Comprehensive Income in the period in which they occur. The Funds' derivative assets and derivative liabilities, investments in securities, and investments sold short are classified as FVTPL.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value of financial assets and liabilities traded in active markets (such as publicly traded derivatives and marketable securities) is based on quoted market prices at the close of trading on the reporting date. The Funds use the last traded market price for both financial assets and financial liabilities. In circumstances where there is no closing price, the average of the closing bid and the closing ask price on the valuation date is used. The Funds each have a policy of recognizing transfers in and out of the fair value hierarchy levels described in Note 10(a) as of the date of the event or change in circumstances giving rise to the transfer.

The fair value of financial assets and liabilities that are not traded in an active market, including non-publicly traded derivative instruments, is determined using valuation techniques. Valuation techniques include the use of comparable recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, and other methods commonly used by market participants that make the maximum use of observable inputs. Where the value of a financial asset or liability is not readily available or where the Manager is of the opinion that the value available is inaccurate or unreliable, the fair value is estimated on the basis of the most recently reported information of a similar financial asset or liability.

(v) Fair value through other comprehensive income:

The Funds have not classified any of their financial assets or liabilities as FVOCI.

(b) Redeemable units

The Funds classify financial instruments issued as financial liabilities or equity instruments in accordance with the substance of the contractual terms of the instruments. The Funds have designated redeemable units as financial liabilities at FVTPL because they are managed and their performance is evaluated on a fair value basis. The redeemable units provide investors with the right to require redemptions for cash, subject to available liquidity at a unit price based on the Funds' valuation policies at each redemption date.

(c) Per unit amounts:

Net assets attributable to holders of redeemable units is calculated based on the number of units outstanding at the end of the period. The increase (decrease) in net assets attributable to holders of redeemable units per unit is calculated by dividing the increase (decrease) in net assets attributable to holders of redeemable units by the weighted average number of units outstanding during the period.

(d) Securities lending transactions:

The Funds are permitted to enter into securities lending transactions as set out in the Funds' Simplified Prospectus. These transactions involve the temporary exchange of securities for collateral with a commitment to redeliver the same securities on a future date.

Securities lending transactions are administered by Canadian Imperial Bank of Commerce and The Bank of New York Mellon (collectively the "Securities Lending Agent"). The value of cash or securities held as collateral must be at least 102% of the fair value of the securities loaned, sold or purchased. Income is earned from these transactions in the form of fees paid by the counterparty and, in certain circumstances, interest paid on cash or securities held as collateral. Income earned from these transactions is included in the Statements of Comprehensive Income as securities lending income and recognized when earned.

PENDER MUTUAL FUNDS: Notes to Financial Statements (cont'd)

Year ended December 31, 2024

(e) Foreign exchange:

The financial statements of the Funds are denominated in Canadian dollars. Foreign denominated investments and other foreign denominated assets and liabilities are translated into Canadian dollars using the exchange rates prevailing on each valuation date. Purchases and sales of investments, as well as income and expense transactions denominated in foreign currencies, are translated using exchange rates prevailing on the date of the transaction. Foreign currency gains and losses are recognized in the Statements of Comprehensive Income.

(f) Income recognition:

Distributions from underlying funds and interest for distribution purposes shown on the Statements of Comprehensive Income are recognized on an accrual basis. Dividend income is recognized on the date that the right to receive payment is established, which for quoted equity securities is usually the ex-dividend date. Portfolio transactions are recorded on the trade date. Realized gains and losses arising from the sale of investments are determined on the average cost basis of the respective investments.

(g) Income taxes:

The Funds qualify as unit trusts under the *Income Tax Act* (Canada). All of the Funds' net income for tax purposes and net capital gains realized in any period are required to be distributed to unitholders such that no income tax is payable by the Funds. As a result, the Funds do not record income taxes.

(h) New standards and interpretations not yet adopted:

The International Accounting Standards Board issued IFRS 18, "Presentation and Disclosure in Financial Statements" on April 9, 2024, which will replace IAS 1, "Presentation of Financial Statements". This new standard, effective for annual periods beginning on or after January 1, 2027, aims to improve financial statement comparability and transparency by introducing a more structured statement of comprehensive income. Key changes include new categories for revenue and expenses (operating, investing, and financing), defined subtotals like operating profit, and requirements for management-defined performance measures. It is anticipated the Funds' classification of revenue and expenses, particularly within the operating category, will be impacted. The Funds' increase (decrease) in net assets attributable to holders of redeemable units is not expected to change as a result of applying IFRS 18. The Manager is currently assessing the implications of IFRS 18 and its impact on the Funds' financial statements and disclosures.

4. Related party transactions:

(a) Management fees:

Each Fund pays management fees calculated as a percentage of the net asset value of each respective class. Management fees are subject to applicable taxes such as GST or HST. The fees are calculated at the close of business on each valuation day and are paid monthly. The management fees charged to the Fund by the Manager are intended to cover, among other things, investment management costs, including any portfolio advisory fees, as well as distribution, marketing and promotion of the Fund. The management fees for Class E and Class O units are negotiable and paid directly by the investors and not by the Funds. The annual management fee percentages before applicable taxes such as GST or HST of the remaining classes as at December 31, 2024 and 2023 are as follows:

	Class A/ A (USD)/ B (%)	Class F/ F (USD)/ G (%)	Class H/ H (USD) (%)
2024			
Bond Universe Fund	0.60	0.10	-
Corporate Bond Fund	1.40	0.60	1.10
Small Cap Opportunities Fund	1.95	0.95	1.65
Strategic Growth and Income Fund	1.70	0.70	1.40
US Small/Mid Cap Equity Fund	1.85	0.85	-
Value Fund	1.85	0.85	1.55

PENDER MUTUAL FUNDS: Notes to Financial Statements (cont'd)

Year ended December 31, 2024

2024 (cont'd)	Class I/ I (USD) (%)	Class N/ M (%)	Class U (%)
Bond Universe Fund	-	-	-
Corporate Bond Fund	0.45	0.20	0.60
Small Cap Opportunities Fund	0.80	0.45	-
Strategic Growth and Income Fund	0.55	-	-
US Small/Mid Cap Equity Fund	-	-	-
Value Fund	0.70	-	-

2023	Class A/ A (USD)/ B (%)	Class F/ F (USD)/ G (%)	Class H/ H (USD) (%)
Bond Universe Fund	0.60	0.10	-
Corporate Bond Fund	1.40	0.60	1.10
Small Cap Opportunities Fund	1.95	0.95	-
Strategic Growth and Income Fund	1.70	0.70	1.40
Value Fund	1.85	0.85	1.55

2023 (cont'd)	Class I/ I (USD) (%)	Class N/ N (USD)/ M (%)	Class U (%)
Bond Universe Fund	-	-	-
Corporate Bond Fund	0.45	0.20	0.60
Small Cap Opportunities Fund	0.80	0.45	-
Strategic Growth and Income Fund	0.55	-	-
Value Fund	0.70	0.30	-

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. Please refer to the tables in note 4 (b) below.

(b) Administration fees and other expenses:

Each Fund pays an administration fee calculated as a percentage of the net asset value of each respective class equal to 0.30% for the Pender US Small/Mid Cap Equity Fund and 0.50% for each of the remaining funds. Administration fees are subject to applicable taxes such as GST or HST. The fees are calculated at the close of business on each valuation day and are paid monthly. In exchange for the fee, the Manager pays the operating costs of each Fund (including administrative and operating expenses, registrar and transfer agency fees, custody fees, unitholder servicing costs, costs of prospectus and reports, regulatory fees, and audit and legal fees for example) other than taxes, brokerage commissions, transaction costs and Independent Review Committee ("IRC") fees. The administration fees for Class O units are negotiable and paid directly by the investors and not by the Funds.

The Manager has agreed to cap the management fees, administration fees and other expenses before applicable taxes such as GST or HST charged to each Fund class so that the management expense ratio ("MER") before applicable taxes such as GST or HST as at December 31, 2024 and 2023 for each class does not exceed the percentage of average NAV set out in the Fund's offering documents, as follows:

PENDER MUTUAL FUNDS: Notes to Financial Statements (cont'd)

Year ended December 31, 2024

	Class A/ A (USD)/ B (%)	Class E (%)	Class F/ F (USD)/ G (%)	Class H/ H (USD) (%)
2024				
Bond Universe Fund	1.10	0.50	0.60	-
Corporate Bond Fund	1.90	0.50	1.10	1.60
Small Cap Opportunities Fund	2.45	0.50	1.45	2.15
Strategic Growth and Income Fund	2.20	0.50	1.20	1.90
US Small/Mid Cap Equity Fund*	2.15	0.30	1.15	-
Value Fund	2.35	0.50	1.35	2.05

	Class I/ I (USD) (%)	Class N/ M (%)	Class U (%)
2024 (cont'd)			
Bond Universe Fund	-	-	-
Corporate Bond Fund	0.95	0.70	1.10
Small Cap Opportunities Fund	1.30	0.95	-
Strategic Growth and Income Fund	1.05	-	-
US Small/Mid Cap Equity Fund*	-	-	-
Value Fund	1.20	-	-

	Class A/ A (USD)/ B (%)	Class E (%)	Class F/ F (USD)/ G (%)	Class H/ H (USD) (%)
2023				
Bond Universe Fund	1.10	0.50	0.60	-
Corporate Bond Fund	1.90	0.50	1.10	1.60
Small Cap Opportunities Fund	2.45	0.50	1.45	-
Strategic Growth and Income Fund	2.20	0.50	1.20	1.90
Value Fund	2.35	0.50	1.35	2.05

	Class I/ I (USD) (%)	Class N/ N (USD)/ M (%)	Class U (%)
2023 (cont'd)			
Bond Universe Fund	-	-	-
Corporate Bond Fund	0.95	0.70	1.10
Small Cap Opportunities Fund	1.30	0.95	-
Strategic Growth and Income Fund	1.05	-	-
Value Fund	1.20	0.80	-

*The Manager may, at its discretion, reduce or waive management fees, administration fees, and reimburse the Funds for any expenses. The Manager has waived all management fees, administration fees and custody related transaction costs for the Pender US Small/Mid Cap Equity Fund since commencement of operations of the fund.

(c) 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, Class M and Class O units of the Pender Small Cap Opportunities Fund. For Class O units, this fee is or will be charged directly to unitholders, as applicable. 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 in the Fund's benchmark, for the period since the performance fee was last paid, subject to a relative high-water mark. Performance fees are subject to applicable taxes such as GST or HST. The performance fee is calculated and accrued weekly and the accrued fees are paid 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 the Fund. The Manager may, at its discretion, reduce or waive performance fees.

As at December 31, 2024 and 2023, no performance fee was accrued for Class B, Class G or Class M.

PENDER MUTUAL FUNDS: Notes to Financial Statements (cont'd)

Year ended December 31, 2024

The high-water mark ("HWM") of a class of units is the net asset value of the class as at the most recent determination date on which a performance fee was payable. The high-water marks for the Pender Small Cap Opportunities Fund were reset on December 31, 2020. The high-water mark for Class M remained at \$10.00 per unit since the class commenced operations on June 25, 2021. The HWM and the adjusted HWM, which reflects the distributions that were paid out to investors, for the Fund as at December 31, 2024 and 2023, are as follows:

	Class B (\$)	Class G (\$)	Class M (\$)
2024			
HWM	12.02	12.54	10.00
Adjusted HWM	9.83	9.63	7.45
2023			
HWM	12.02	12.54	10.00
Adjusted HWM	9.83	9.72	7.62

(d) Amounts payable to the Manager:

As at December 31, 2024 and 2023, the Funds had the following amounts payable to the Manager relating to management fees, administration fees, performance fees (as applicable) and their related taxes and other expenses incurred by the Manager on behalf of the Funds:

	2024 (\$)	2023 (\$)
Bond Universe Fund	43,189	34,517
Corporate Bond Fund	2,159,333	1,418,050
Small Cap Opportunities Fund	554,361	324,066
Strategic Growth and Income Fund	68,585	55,720
Value Fund	173,099	135,002

The Pender US Small/Mid Cap Equity Fund did not have any amounts payable to the Manager for the year ended December 31, 2024.

From time to time the Manager may reduce the effective fees payable by some unitholders by reducing the fees it charges to the Funds and direct the Funds to make distributions to these unitholders in amounts equal to the fee reduction.

(e) Related party holdings:

As at December 31, 2024 and 2023, parties related to the Manager held the following percentages of each Fund's outstanding units directly or indirectly. Subscriptions and redemptions of related parties are subject to the same terms and conditions as those of arm's length investors in the Funds.

	2024 (%)	2023 (%)
Bond Universe Fund	1	1
Corporate Bond Fund	<1	<1
Small Cap Opportunities Fund	2	2
Strategic Growth and Income Fund	2	2
US Small/Mid Cap Equity Fund	61	-
Value Fund	2	2

PENDER MUTUAL FUNDS: Notes to Financial Statements (cont'd)

Year ended December 31, 2024

As at December 31, 2024 and 2023, funds also managed by the Manager held the following percentages of each Fund's outstanding units directly or indirectly. Subscriptions and redemptions of related parties are subject to the same terms and conditions as those of arm's length investors in the Funds. The Pender Strategic Growth and Income Fund and Pender US Small/Mid Cap Equity Fund did not have related party mutual fund investments.

	2024 (%)	2023 (%)
Bond Universe Fund	3	3
Corporate Bond Fund	2	2
Small Cap Opportunities Fund	1	2
Value Fund	1	2

(f) Fund mergers:

On June 28, 2024, the Pender Small/Mid Cap Dividend Fund merged into the Pender Small Cap Opportunities Fund. The two funds that were merged were managed by the Manager, had the similar investment objective of achieving capital growth over the long term and both invested in businesses in similar geographic areas. However, the continuing Fund's investment objective does allow for investment in foreign jurisdictions. On June 23, 2023, the Pender Global Focused Fund was merged into the Pender Value Fund, the Pender Strategic Growth and Income Fund was merged into the Pender Enhanced Income Fund and the Pender Enhanced Income Fund was renamed the Pender Strategic Growth and Income Fund. In each case, the two funds that were merged were managed by the Manager, had the same investment objectives, and had substantially similar investment strategies. Details of the mergers follow:

As at June 28, 2024

Net assets of Pender Small/Mid Cap Dividend Fund acquired:		(\$)
Cash (Bank overdraft)		(610,667)
Investments		16,637,040
Other assets less liabilities		29,509
		16,055,882

As at June 28, 2024

Pender Small Cap Opportunities Fund	Units issued	Amount (\$)
Class A	37,451	1,180,174
Class E	84,354	1,168,751
Class F	163,239	5,370,244
Class H	210,436	2,104,356
Class I	183,720	2,844,696
Class O	99,637	3,387,661
	778,837	16,055,882

As at June 23, 2023

Net assets of Pender Strategic Growth and Income Fund acquired:		(\$)
Cash (Bank overdraft)		(1,617)
Investments		11,614,141
Other assets less liabilities		1,960
		11,614,484

PENDER MUTUAL FUNDS: Notes to Financial Statements (cont'd)

Year ended December 31, 2024

Net assets of Pender Global Focused Fund acquired:	(\$)
Cash (Bank overdraft)	4,541,785
Investments	4,305,632
Other assets less liabilities	(235)
	8,847,182

As at June 23, 2023

Strategic Growth and Income Fund	Units issued	Amount (\$)
Class A	1,545,684	7,006,608
Class E	19,049	196,159
Class F	389,376	2,962,486
Class I	142,858	1,440,238
Class O	858	8,993
	2,097,825	11,614,484

Value Fund	Units issued	Amount (\$)
Class A	163,515	2,401,118
Class E	126,168	1,118,014
Class F	221,173	3,384,615
Class H	16,669	177,322
Class I	12,202	136,673
Class N	1,408	11,325
Class O	128,183	1,618,115
	669,318	8,847,182

5. Securities lending transactions:

The following table shows the value of securities loaned and collateral received from securities lending as at December 31, 2024 and 2023 for certain Funds. The remaining Funds did not have any securities loaned or collateral received as at December 31, 2024 and 2023.

	Securities loaned (\$)	Collateral received (\$)
2024		
Bond Universe Fund	6,201,933	6,516,726
Strategic Growth and Income Fund	1,722,010	1,843,428
2023		
Bond Universe Fund	9,469,337	9,943,798
Strategic Growth and Income Fund	1,531,537	1,608,192

Collateral received on securities lending may be comprised of debt obligations of the Government of Canada and other countries, Canadian provincial or territorial governments, governments of states of the United States of America, and evidence of indebtedness of financial institutions whose short-term debt is rated A-1 or R-1 or equivalent by a recognized, widely followed North American credit rating agency.

The following table presents a reconciliation of the gross amount generated from securities lending transactions to the securities lending income earned for the years ended December 31, 2024 and 2023 for certain Funds. The remaining Funds did not have any securities lending income earned for the years ended December 31, 2024 and 2023.

PENDER MUTUAL FUNDS: Notes to Financial Statements (cont'd)

Year ended December 31, 2024

	Gross income (\$)	Withholding taxes (\$)	Agent fees (\$)	Net income (\$)
2024				
Bond Universe Fund	7,458	-	(2,609)	4,849
Strategic Growth and Income Fund	2,996	-	(1,213)	1,783
	Gross income (\$)	Withholding taxes (\$)	Agent fees (\$)	Net income (\$)
2023				
Bond Universe Fund	5,386	(64)	(1,820)	3,502
Strategic Growth and Income Fund	6,270	(1,459)	(667)	4,144
Value Fund	491	13	167	337

Agent fees were paid to the Securities Lending Agent (see Note 3(d)) and represented 35% of the gross securities lending income net of withholding taxes.

6. Withholding tax expense:

Certain dividend and interest income received by the Funds is subject to withholding tax imposed in the country of origin. During the year, withholding tax rates were between 0% and 35% (2023 - between 0% and 35%).

7. Redeemable units:

The Funds are authorized to issue an unlimited number of redeemable units in an unlimited number of classes. The redeemable unit transactions for the Funds during the years ended December 31, 2024 and 2023 were as follows:

	Outstanding units, beginning of year	Units issued	Units issued on reinvestment of distributions	Units redeemed	Outstanding units, end year
2024					
Bond Universe Fund:					
Class A	338,413	78,000	6,307	(133,785)	288,935
Class E	42,271	24,719	1,652	(15,243)	53,399
Class F	5,851,182	4,074,238	109,698	(2,313,713)	7,721,405
Class F (USD)	7,836	164,353	1,930	(120,152)	53,967
Class O	218,219	224,886	13,982	(95,064)	362,023
Corporate Bond Fund:					
Class A	7,881,755	3,350,572	239,109	(2,846,462)	8,624,974
Class A (USD)	147,288	118,593	4,225	(96,547)	173,559
Class E	398,166	12,664	22,171	(9,786)	423,215
Class F	34,591,943	22,633,386	1,041,908	(15,864,517)	42,402,720
Class F (USD)	1,395,547	1,463,060	57,417	(768,631)	2,147,393
Class H	8,144,543	3,647,588	303,732	(1,327,590)	10,768,273
Class H (USD)	493,074	84,714	19,020	(33,816)	562,992
Class I	74,687,822	52,046,915	2,338,993	(17,389,473)	111,684,257
Class I (USD)	2,020,985	2,014,686	84,641	(588,326)	3,531,986
Class N	-	1,267,907	12,033	-	1,279,940
Class N (USD)	519	-	12	(531)	-
Class O	2,999,380	1,084,554	195,817	(382,990)	3,896,761
Class U	333,235	258,878	23,020	(29,762)	585,371

PENDER MUTUAL FUNDS: Notes to Financial Statements (cont'd)

Year ended December 31, 2024

2024	Outstanding units, beginning of year	Units issued	Units issued on reinvestment of distributions	Units redeemed	Outstanding units, end year
Small Cap Opportunities Fund:					
Class A	687,439	37,557	4,700	(106,003)	623,693
Class B	1,097,296	174,816	-	(311,418)	960,694
Class E	274,103	123,380	7,084	(22,018)	382,549
Class F	2,587,121	202,914	18,276	(366,414)	2,441,897
Class G	10,976,834	3,548,832	51,338	(2,022,981)	12,554,023
Class H	-	210,436	675	(15,373)	195,738
Class I	1,351,996	190,193	14,026	(299,184)	1,257,031
Class M	2,452,358	2,374,304	95,711	(304,120)	4,618,253
Class N	1,330	-	-	(325)	1,005
Class O	374,998	100,983	-	(168,703)	307,278
Strategic Growth and Income Fund:					
Class A	1,421,901	141,460	12,460	(419,105)	1,156,716
Class E	38,156	1,246	1,147	(1,613)	38,936
Class F	1,160,439	120,031	19,494	(332,510)	967,454
Class H	180,288	88,151	2,558	(25,782)	245,215
Class I	1,901,082	848,765	52,552	(252,830)	2,549,569
Class O	1,490	-	43	(621)	912
US Small/Mid Cap Equity Fund:					
Class A	-	500	-	-	500
Class E	-	11,939	10	-	11,949
Class F	-	2,637	1	-	2,638
Class O	-	13,500	12	-	13,512
Value Fund:					
Class A	1,250,961	21,968	100,186	(302,890)	1,070,225
Class E	93,947	2,061	8,790	(22,840)	81,958
Class F	2,610,507	190,287	205,637	(787,147)	2,219,284
Class H	627,563	13,227	71,966	(88,321)	624,435
Class I	2,338,765	298,289	153,273	(676,341)	2,113,986
Class N	575	-	-	(575)	-
Class O	119,115	-	8,869	(39,462)	88,522

2023	Outstanding units, beginning of year	Units issued	Units issued on reinvestment of distributions	Units redeemed	Outstanding units, end year
Bond Universe Fund:					
Class A	370,331	40,966	7,106	(79,990)	338,413
Class A (USD)	507	-	5	(512)	-
Class E	36,415	4,446	1,410	-	42,271
Class F	9,407,030	2,985,934	138,173	(6,679,955)	5,851,182
Class F (USD)	13,907	-	18	(6,089)	7,836
Class O	210,553	41,569	9,922	(43,825)	218,219

PENDER MUTUAL FUNDS: Notes to Financial Statements (cont'd)

Year ended December 31, 2024

2023	Outstanding units, beginning of year	Units issued	Units issued on reinvestment of distributions	Units redeemed	Outstanding units, end year
Corporate Bond Fund:					
Class A	8,288,704	1,507,704	245,183	(2,159,836)	7,881,755
Class A (USD)	197,474	46,266	4,748	(101,200)	147,288
Class E	380,944	25,312	20,911	(29,001)	398,166
Class F	34,740,168	15,414,500	993,658	(16,556,383)	34,591,943
Class F (USD)	1,506,774	386,720	54,679	(552,626)	1,395,547
Class H	8,578,535	1,209,966	302,217	(1,946,175)	8,144,543
Class H (USD)	554,228	79,410	22,119	(162,683)	493,074
Class I	70,636,548	26,565,635	1,979,555	(24,493,916)	74,687,822
Class I (USD)	2,752,813	589,745	66,918	(1,388,491)	2,020,985
Class N	520	-	9	(529)	-
Class N (USD)	182,917	498	21	(182,917)	519
Class O	4,273,445	205,313	192,306	(1,671,684)	2,999,380
Class U	944,053	220,213	9,751	(840,782)	333,235
Small Cap Opportunities Fund:					
Class A	856,700	-	-	(169,261)	687,439
Class B	1,621,516	218,595	-	(742,815)	1,097,296
Class E	253,401	57,202	4,408	(40,908)	274,103
Class F	2,797,179	773,458	21,256	(1,004,772)	2,587,121
Class G	10,249,347	2,958,296	61,850	(2,292,659)	10,976,834
Class I	1,430,710	1,420	11,547	(91,681)	1,351,996
Class M	1,863,319	751,904	30,929	(193,794)	2,452,358
Class N	6,759	-	-	(5,429)	1,330
Class O	382,752	-	7,842	(15,596)	374,998
Strategic Growth and Income Fund:					
Class A	909,428	1,002,379	27,212	(517,118)	1,421,901
Class E	2,483	35,427	1,046	(800)	38,156
Class F	938,640	427,548	32,744	(238,493)	1,160,439
Class H	-	177,191	3,097	-	180,288
Class I	2,145,538	148,617	66,513	(459,586)	1,901,082
Class N	580	-	11	(591)	-
Class O	580	858	52	-	1,490
Value Fund:					
Class A	1,550,596	195,077	-	(494,712)	1,250,961
Class E	76,980	126,168	-	(109,201)	93,947
Class F	3,301,195	421,874	338	(1,112,900)	2,610,507
Class H	683,390	35,519	-	(91,346)	627,563
Class I	3,504,476	227,787	-	(1,393,498)	2,338,765
Class N	110,242	1,984	-	(111,651)	575
Class O	76,185	128,566	-	(85,636)	119,115

8. Capital management:

The capital of each Fund is represented by its redeemable units issued. The Funds are not subject to any internally or externally imposed restrictions on their capital. Each Fund's objective in managing capital is to ensure a stable base to maximize returns to all unitholders and to manage liquidity risk arising from unitholder redemptions.

9. Financial risk management:

The Funds are exposed to various financial risks associated with their respective investment objectives and strategies, financial instruments and the markets in which they invest. These include credit risk, liquidity risk, and market risk, which consists of currency risk, interest rate risk and other price/market risk.

PENDER MUTUAL FUNDS: Notes to Financial Statements (cont'd)

Year ended December 31, 2024

The Manager manages the potential impact of these financial risks by employing professional and experienced portfolio advisors who regularly monitor their Funds' positions and global and market events and diversify investment portfolios within the constraints of the investment guidelines. Each Fund maintains positions in a variety of financial instruments in accordance with its investment objectives and strategies.

Pender Bond Universe Fund:

The objective of the Pender Bond Universe Fund is to preserve capital and generate returns through current income and capital appreciation. The Fund invests primarily in investment grade fixed income securities. This, however, does not preclude the Fund from making equity investments when the Manager deems the risk/reward trade-off to be in the investors' favour.

Pender Corporate Bond Fund:

The objective of the Pender Corporate Bond Fund is to preserve capital and generate returns through current income and capital appreciation. 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 Manager deems the risk/reward trade-off to be in the investors' favour.

Pender Small Cap Opportunities Fund:

The Pender Small Cap Opportunities Fund invests in a concentrated portfolio of well-managed businesses, with strong competitive positions, which are overlooked by the market and have the potential for significant capital appreciation. These businesses may be in Canada, the United States or in other foreign jurisdictions with a primary emphasis on companies with a small market capitalization. The Fund may also invest in any securities regardless of market capitalization, sector or region, including foreign equities where opportunities warrant. In some situations, the Fund may invest directly in companies, through private placements or public offerings, or may acquire previously issued shares, either through the facilities of a stock exchange, quotation system, or by private arrangement.

Pender Strategic Growth and Income Fund:

The objective of the Pender Strategic Growth and Income Fund is to generate long-term growth in value and income by investing in a diversified portfolio of Canadian and foreign equities, corporate bonds, Canadian and foreign government bonds, and exchange traded funds which track sector or broad market indices. It is designed to provide both moderate income and portfolio growth over the long-term, while being sufficiently diversified to mitigate volatility.

Pender US Small/Mid Cap Equity Fund:

The objective of the Pender US Small/Mid Cap Equity Fund is to achieve capital growth over the long-term by investing primarily in U.S. securities. The Fund will focus on businesses with securities that trade at favourable prices and have the potential to compound value over the long term by reinvesting capital without taking on undue business or balance sheet risk. The Fund will primarily invest in small and mid-cap companies in the U.S..

Pender Value Fund:

The objective of the Pender Value Fund is to achieve capital growth over the long-term, while being sufficiently diversified to mitigate volatility. The Fund will invest primarily in Canadian and US securities but may also invest in foreign securities. The Fund will focus on businesses that have the potential for growth over the long term and have securities that trade at favourable prices.

A Fund's exposure to financial risks is concentrated in its investment holdings. The Schedule of Investment Portfolio for each Fund groups securities by asset type, geographic region, and/or market segment. Funds that invest in units of other open or closed-ended funds have indirect exposure to various financial risks through those holdings of those funds. The Pender Bond Universe Fund carries out part of its investment strategy by investing in Class O units of the Pender Corporate Bond Fund. The Pender Strategic Growth and Income Fund carries out part of its investment strategy by investing in Class O units of the Pender Alternative Absolute Return Fund, Pender Alternative Arbitrage Plus Fund, Pender Corporate Bond Fund and Pender Small Cap Opportunities Fund. The Pender Bond Universe Fund and Pender Strategic Growth and Income Fund have indirect exposure to various financial risks through their holdings of underlying mutual funds. The financial risks associated with the Pender Bond Universe Fund's and Pender Strategic Growth and Income Fund's investment strategies are disclosed based on their direct holdings. The Manager's risk management practices include the monitoring of compliance with investment objectives and strategies.

The nature of the Funds' investing activities exposes it to various risks, including but not limited to broad economic conditions, inflation, central bank measures, geopolitical risks and other global events, as well as other factors that are beyond the Funds' control.

Future developments in these areas could impact the Funds' results with the full extent of that impact remaining unknown. Applying analytical judgement in developing estimates is complex and as a result, actual results may differ from those estimates and assumptions.

PENDER MUTUAL FUNDS: Notes to Financial Statements (cont'd)

Year ended December 31, 2024

(a) Credit risk:

Credit risk is the risk that a loss could arise due to a security issuer or counterparty to a financial instrument not being able to meet its financial obligations. The determination of fair value of debt securities includes a consideration of the creditworthiness of the debt issuer. The credit exposure of other assets is represented by their carrying amounts. Credit risk is managed by the portfolio advisor of each Fund through a careful selection of securities and diversification within each respective Fund. Each Fund's portfolio advisor monitors the portfolio holdings of the Fund, and positions are maintained within established ranges.

The following table summarizes the maximum exposure to credit risk for the Pender Bond Universe Fund, Pender Corporate Bond Fund and Pender Strategic Growth and Income Fund as at December 31, 2024 and 2023 categorized by credit ratings. The remaining Funds did not have exposure to any material credit risk.

	2024 (\$)	2023 (\$)
Bond Universe Fund:		
AAA	11,869,229	10,818,829
AA	-	982,772
A	8,255,806	7,609,161
BBB	39,755,903	26,226,147
Below BBB	1,979,727	958,409
Unrated	2,434,681	-
	64,295,346	46,595,318
Corporate Bond Fund:		
AAA	219,568,196	156,079,963
A	40,971,810	57,016,549
BBB	389,858,205	263,937,105
Below BBB	665,153,503	418,522,927
Unrated	753,673,692	302,142,076
	2,069,225,406	1,197,698,620
Strategic Growth and Income Fund:		
Unrated	-	5,300
	-	5,300

(b) Liquidity risk

Liquidity risk is the risk that a Fund may not be able to settle or meet its obligations on time or at a reasonable price.

Each Fund is exposed to liquidity risk through unitholder redemptions of its units. The redeemable units of each Fund are issued and redeemed on demand at the option of the unitholder based on the then current NAV per class of unit.

Each Fund is also exposed to liquidity risk through its investments. This risk is managed by investing the majority of each Fund's assets in investments that are traded in an active market and that can be disposed of readily. In accordance with securities regulations, each Fund must maintain at least 85% of its assets in liquid investments (i.e., investments that are traded in an active market). In the case where a Fund holds thinly traded investments, timely disposition of such investments and the realized price may be significantly different from their carrying values.

The Manager's approach to managing liquidity is to ensure, as far as possible, that it has sufficient liquidity at all times to meet its liabilities, including estimated redemptions of units, when due, without incurring unacceptable losses or risking damage to the Funds' reputation. Each Fund has the ability to borrow up to 5% of the value of its net assets on a temporary basis for the purpose of settling investment portfolio transactions or unitholder redemptions.

PENDER MUTUAL FUNDS: Notes to Financial Statements (cont'd)

Year ended December 31, 2024

The Funds' remaining non-derivative liabilities other than redeemable units are due within one month of the reporting date of the respective Fund. The following table presents the contractual maturities of derivative assets (liabilities) of the Pender Bond Universe Fund, Pender Corporate Bond Fund and Pender Small Cap Opportunities Fund as at December 31, 2024 and 2023 that were due within six months of the financial reporting date. The amounts are gross and undiscounted. The remaining Funds did not hold any derivative instruments as at December 31, 2024 and 2023.

	2024		2023	
	Nominal value (\$)	Unrealized gain (loss) (\$)	Nominal value (\$)	Unrealized gain (loss) (\$)
Derivative instruments inflows (outflows)				
Bond Universe Fund	20,868,700	(1,004,212)	9,686,500	342,384
Corporate Bond Fund	1,350,370,800	(71,787,934)	824,381,700	12,471,145
Small Cap Opportunities Fund	769,151	73,600	-	-

(c) Market risk:

Market risk is the risk that changes in market prices, such as interest rates, foreign exchange rates and equity prices, will affect the Funds' income or the fair value of their holdings of financial instruments. These changes present the risk that markets as a whole may go down in value, including the possibility that markets may go down sharply and unpredictably at times. The value of most investments, and in particular equity securities, is affected by changes in general market conditions. These changes may be caused by corporate developments, general market sentiment, changes in interest rates, changes in the level of inflation, political and economic changes both domestic and foreign, catastrophic events, natural disasters including those exacerbated by climate change, war, acts of aggression or terrorist events, and other unforeseen events that may cause changes to markets.

(i) Interest rate risk:

Interest rate risk is the risk that the market value of a Fund's interest-bearing investments will fluctuate due to changes in market interest rates. A Fund's exposure to interest rate risk is concentrated in its investment in debt securities. Other assets and liabilities are short-term in nature and/or non-interest bearing, which reduce interest rate risk.

Interest rate risk is managed by the portfolio advisor of each Fund through a careful selection of securities and diversification within each respective Fund. Where applicable, the Fund's portfolio advisor monitors the Fund's overall duration and positions are maintained within established ranges.

The following table summarizes the exposure to interest rate risk for the Pender Bond Universe Fund, Pender Corporate Bond Fund and Pender Strategic Growth and Income Fund as at December 31, 2024 and 2023, categorized by the earlier of contractual re-pricing or maturity dates. The remaining Funds did not have exposure to any material interest rate risk.

	2024 (\$)	2023 (\$)
Bond Universe Fund:		
Less than 1 year	4,678,818	4,264,435
1 to 3 years	15,221,034	8,633,231
3 to 5 years	11,949,084	10,127,766
More than 5 years	32,446,410	23,569,886
	64,295,346	46,595,318
Corporate Bond Fund:		
Less than 1 year	272,884,112	44,773,732
1 to 3 years	646,419,948	248,675,153
3 to 5 years	696,423,928	502,376,431
More than 5 years	453,497,418	401,873,304
	2,069,225,406	1,197,698,620
Strategic Growth and Income Fund:		
More than 5 years	-	5,300
	-	5,300

PENDER MUTUAL FUNDS: Notes to Financial Statements (cont'd)

Year ended December 31, 2024

As at December 31, 2024 and 2023, if the prevailing interest rates had been increased or decreased by 1%, assuming a parallel shift in the yield curve and all other factors remaining constant, the net assets of the Funds with exposure to interest rate risk would have decreased or increased by the following amounts:

	2024 (\$)	2023 (\$)
Bond Universe Fund	3,314,851	2,550,169
Corporate Bond Fund	82,173,916	63,397,337
Strategic Growth and Income Fund	-	-

Interest rate sensitivity was determined based on portfolio-weighted, modified duration. Actual results may differ from this sensitivity analysis and the difference could be material.

(ii) Currency risk:

Currency risk is the risk that the value of financial assets and liabilities denominated in currencies other than the Canadian dollar will fluctuate due to changes in foreign exchange rates. Equities in foreign markets and foreign bonds are exposed to currency risk as the prices denominated in foreign currencies are converted to Canadian dollars at the valuation date.

Currency risk is managed by the portfolio advisor of each Fund in accordance with the policies and procedures in place, through a careful selection of securities and diversification within each respective Fund. Each Fund's portfolio advisor monitors the portfolio holdings of the Fund on a daily basis and positions are maintained within established ranges.

The Pender Bond Universe Fund and Pender Corporate Bond Fund enter into certain forward foreign currency contracts to mitigate their foreign currency exposure for all classes except Pender Corporate Bond Fund's Class U, the unhedged class.

The net currency exposure for each of the remaining Funds as at December 31, 2024 and 2023 was as follows:

2024	Canadian dollar (\$)	US dollar (\$)	Euro (\$)	Total (\$)
Bond Universe Fund	83,945,134	(26,029)	-	83,919,105
Corporate Bond Fund	1,873,399,514	389,880,246	4,113	2,263,283,873
Small Cap Opportunities Fund	385,930,231	34,955,000	-	420,885,231
Strategic Growth and Income Fund	39,590,696	15,443,302	1,915,772	56,949,770
US Small/Mid Cap Equity Fund	11,000	266,497	-	277,497
Value Fund	80,128,883	38,529,388	2,667,314	121,325,585

2023	Canadian dollar (\$)	US dollar (\$)	Euro (\$)	Total (\$)
Bond Universe Fund	60,242,918	979,960	-	61,222,878
Corporate Bond Fund	1,175,887,284	278,727,582	3,801	1,454,618,667
Small Cap Opportunities Fund	212,412,867	33,860,238	-	246,273,105
Strategic Growth and Income Fund	31,030,659	11,146,118	1,923,551	44,100,328
Value Fund	63,470,720	33,356,201	2,678,096	99,505,017

PENDER MUTUAL FUNDS: Notes to Financial Statements (cont'd)

Year ended December 31, 2024

As at December 31, 2024 and 2023, if the Canadian dollar had strengthened or weakened by 10% in relation to all foreign currencies, with all other factors remaining constant, the net assets of the Funds would have decreased or increased respectively by the following amounts:

	2024 (\$)	2023 (\$)
Bond Universe Fund	(2,603)	97,996
Corporate Bond Fund	38,988,436	27,873,138
Small Cap Opportunities Fund	3,495,500	3,386,024
Strategic Growth and Income Fund	1,735,907	1,306,967
US Small/Mid Cap Equity Fund	26,650	-
Value Fund	4,119,670	3,603,430

(iii) Other price risk:

Other price risk is the risk that the fair value of a security will fluctuate as a result of changes in market prices (other than those changes arising from interest rate risk or currency risk), whether caused by factors specific to the security or its issuer, or by factors affecting all similar securities traded in a market. All investments are exposed to other price risk.

Other price risk is managed by the portfolio advisor of each Fund through a careful selection of securities within specified limits and the Funds' price risk is managed through diversification within each respective Fund. Each Fund's portfolio advisor monitors the portfolio holdings of the Fund and maintains positions within established ranges. The Schedule of Investment Portfolio summarizes each Fund's exposure to other price risk as at December 31, 2024, by providing the market and geography sector breakdown of investments, as applicable.

The following table summarizes the exposure to other price risk for each of the Funds as at December 31, 2024 and 2023:

	2024 (\$)	2023 (\$)
Bond Universe Fund	17,407,908	13,415,096
Corporate Bond Fund	188,608,484	201,341,049
Small Cap Opportunities Fund	409,972,151	248,119,626
Strategic Growth and Income Fund	54,052,168	43,877,284
US Small/Mid Cap Equity Fund	240,908	-
Value Fund	121,848,959	99,386,259

As at December 31, 2024 and 2023, if equity prices had increased or decreased by 10% with all other factors remaining constant, the net assets of the Funds would have increased or decreased by the following amounts:

	2024 (\$)	2023 (\$)
Bond Universe Fund	27,611	56,482
Corporate Bond Fund	3,571,569	4,531,026
Small Cap Opportunities Fund	41,385,799	24,496,696
Strategic Growth and Income Fund	2,900,291	2,615,228
US Small/Mid Cap Equity Fund	23,610	-
Value Fund	11,773,338	10,800,428

Price sensitivity was determined based on portfolio-weighted beta. Actual results may differ from this sensitivity analysis and the difference could be material.

10. Fair value of financial instruments:

(a) Valuation models:

The fair values of financial assets and financial liabilities that are traded in active markets are based on quoted market prices or dealer price quotations. For all other financial instruments, the Funds determine fair values using other valuation techniques.

PENDER MUTUAL FUNDS: Notes to Financial Statements (cont'd)

Year ended December 31, 2024

For financial instruments that trade infrequently and have little price transparency, fair value is less objective, and requires varying degrees of judgment depending on liquidity, concentration, uncertainty of market factors, pricing assumptions and other risks affecting the specific instrument.

The Funds measure fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements.

- Level 1: Inputs that are quoted market prices (unadjusted) in active markets for identical assets or liabilities that the funds can access at the measurement date.
- Level 2: Inputs other than quoted market prices included within Level 1 that are observable for the asset or liability either directly (i.e., as prices) or indirectly (i.e., as derived from prices).
- Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Funds use widely recognized valuation models for determining the fair value of common and relatively simple financial instruments, such as debt securities, mutual fund units and warrants that use only observable market data and require little management judgment and estimation. Observable prices and model inputs are usually available in the market for listed debt and equity securities, exchange-traded derivatives and simple OTC derivatives such as forward foreign currency contracts. The availability of observable market prices and model inputs reduces the need for management judgment and estimation, and reduces the uncertainty associated with the determination of fair values. The availability of observable market prices and inputs varies depending on the products and markets and is prone to changes based on specific events and general conditions in the financial markets. Valuation techniques may include discounted cash flow calculations for debt securities and for forward foreign currency contracts, option pricing matrices for warrants and net asset value as published by underlying fund managers for mutual fund units.

For more complex instruments, the Funds use recognized valuation models. Some or all of the significant inputs into these models may not be observable in the market, may be derived from market prices or rates or may be estimated based on assumptions. Valuation models that employ significant unobservable inputs require a higher degree of management judgment and estimation in the determination of fair value.

In determining fair value for these types of instruments, the Manager considers the history and nature of the business; operating results and financial conditions; general economic, industry and market conditions; capital market and transaction market conditions; independent valuations of the business; contractual rights relating to the investment; comparable company trading and transaction multiples, where applicable, and other relevant considerations. Adjustments to the carrying value of the investments may also be determined to be appropriate by the Manager when there is pervasive and objective evidence of a decline in the value of the investment, as indicated by an assessment of the financial condition of the investment based on operational results, forecasts, or other developments since acquisition.

The table below presents the fair value of financial instruments as at December 31, 2024 and 2023 by the level in the fair value hierarchy into which the fair value measurement is categorized. The amounts are based on the values recognized in the Statements of Financial Position. All fair value measurements below are recurring.

2024	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Bond Universe Fund:				
Bonds	64,295,346	-	-	64,295,346
Forward foreign currency contract	-	(1,004,212)	-	(1,004,212)
Mutual funds	17,407,908	-	-	17,407,908
	81,703,254	(1,004,212)	-	80,699,042
Corporate Bond Fund:				
Bonds and loans	1,875,538,035	132,032,396	61,654,975	2,069,225,406
Closed end funds	50,529,075	-	-	50,529,075
Common shares	32,512,371	29,211,475	-	61,723,846
Forward foreign currency contracts	-	(71,787,934)	-	(71,787,934)
Preferred shares	76,355,563	-	-	76,355,563
Warrants	-	-	-	-
	2,034,935,044	89,455,937	61,654,975	2,186,045,956

PENDER MUTUAL FUNDS: Notes to Financial Statements (cont'd)

Year ended December 31, 2024

2024	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Small Cap Opportunities Fund:				
Equities	402,119,046	87	6,740,195	408,859,328
Put options	769,151	-	-	769,151
Warrants	3,189	1,109,634	-	1,112,823
	402,891,386	1,109,721	6,740,195	410,741,302
Strategic Growth and Income Fund:				
Equities	24,556,674	-	764,361	25,321,035
Mutual funds	23,526,901	5,204,232	-	28,731,133
	48,083,575	5,204,232	764,361	54,052,168
US Small/Mid Cap Equity Fund:				
Equities	240,908	-	-	240,908
	240,908	-	-	240,908
Value Fund:				
Equities	121,848,959	-	-	121,848,959
Warrants	14,047	1,241	-	15,288
	121,863,006	1,241	-	121,864,247
<hr/>				
2023	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Bond Universe Fund:				
Bonds	46,595,318	-	-	46,595,318
Forward foreign currency contract	-	342,384	-	342,384
Mutual funds	13,219,179	-	-	13,219,179
Preferred shares	195,917	-	-	195,917
	60,010,414	342,384	-	60,352,798
Corporate Bond Fund:				
Bonds and loans	1,095,927,421	101,771,199	-	1,197,698,620
Closed end funds	59,559,257	-	-	59,559,257
Common shares	12,540,981	26,782,826	-	39,323,807
Forward foreign currency contracts	-	12,471,145	-	12,471,145
Preferred shares	95,824,453	6,633,532	-	102,457,985
Warrants	-	-	-	-
	1,263,852,112	147,658,702	-	1,411,510,814
Small Cap Opportunities Fund:				
Equities	206,713,806	36,051,958	5,353,862	248,119,626
Warrants	-	-	-	-
	206,713,806	36,051,958	5,353,862	248,119,626
Strategic Growth and Income Fund:				
Bonds	-	-	5,300	5,300
Equities	19,489,023	2,330,634	570,176	22,389,833
Mutual funds	18,262,381	3,225,070	-	21,487,451
Warrants	-	-	-	-
	37,751,404	5,555,704	575,476	43,882,584
Value Fund:				
Equities	86,539,327	12,838,248	-	99,377,575
Warrants	-	8,684	-	8,684
	86,539,327	12,846,932	-	99,386,259

The carrying amount of the Funds' net assets attributable to holders of redeemable units also approximates fair value as it is measured at the redemption amount and classified as Level 2 in the fair value hierarchy.

PENDER MUTUAL FUNDS: Notes to Financial Statements (cont'd)

Year ended December 31, 2024

The following table summarizes the transfers between levels as the fair value of the investments valued using unobservable inputs changed during the years ended December 31, 2024 and 2023.

2024	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)
Transfers between Levels 1 and 2			
Corporate Bond Fund	91,156,906	(91,156,906)	-
Small Cap Opportunities Fund	39,964,186	(39,964,186)	-
Strategic Growth and Income Fund	1,915,772	(1,915,772)	-
Value Fund	8,152,861	(8,152,861)	-
<hr/>			
2023	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)
Transfers between Levels 1 and 2			
Corporate Bond Fund	(135,187,555)	135,187,555	-
Small Cap Opportunities Fund	(36,051,958)	36,051,958	-
Strategic Growth and Income Fund	(2,330,634)	2,330,634	-
Value Fund	(12,846,932)	12,846,932	-

Transfers between level 1 & level 2 for 2024 in the table above includes a reconsideration of the definition of an active market.

The following table shows a reconciliation of the movement in fair value of all financial instruments categorized within Level 3 for the years ended December 31, 2024 and 2023, for the Pender Corporate Bond Fund, Pender Small Cap Opportunities Fund and Pender Strategic Growth and Income Fund. The remaining Funds did not hold any financial instruments categorized as Level 3.

	2024 (\$)	2023 (\$)
Corporate Bond Fund:		
Opening balance	-	-
Purchase of investments	61,313,275	-
Change in unrealized appreciation (depreciation)	341,700	-
Ending Balance	61,654,975	-
Small Cap Opportunities Fund:		
Opening balance	5,353,862	5,437,238
Total gain (loss) recognized in comprehensive income	(1,200)	-
Change in unrealized appreciation (depreciation)	1,387,533	(83,376)
Ending Balance	6,740,195	5,353,862
Strategic Growth and Income Fund:		
Opening balance	575,476	688,638
Sales of investments	(8,236)	-
Total gain (loss) recognized in comprehensive income	(2,837,670)	-
Change in unrealized appreciation (depreciation)	3,034,791	(113,162)
Ending Balance	764,361	575,476

(b) Significant unobservable inputs used in measuring fair value:

The table below sets out information about significant unobservable inputs used in measuring financial instruments categorized as Level 3 in the fair value hierarchy, as at December 31, 2024 and 2023, for those funds holding such financial instruments: Pender Corporate Bond Fund, Pender Small Cap Opportunities Fund and Pender Strategic Growth and Income Fund. The remaining Funds did not hold any financial instruments categorized as Level 3.

PENDER MUTUAL FUNDS: Notes to Financial Statements (cont'd)

Year ended December 31, 2024

2024	Fair Value (\$)	Valuation technique	Unobservable input	Sensitivity to change in significant unobservable input
Corporate Bond Fund:				
Unlisted private investments	61,654,975	Enterprise value	Enterprise value	The estimated fair value would increase if enterprise value increased
Small Cap Opportunities Fund:				
Unlisted private investments	5,203,676	Enterprise value	Enterprise value	The estimated fair value would increase if enterprise value increased
	1,536,518	Market approach	Revenue multiple 3.0X - 10.0X	The estimated fair value would increase if revenue multiple increased
Strategic Growth and Income Fund:				
Unlisted private investments	764,361	Comparable trading multiples	Market capitalization/ tangible book value/ enterprise value	The estimated fair value would increase if the unobservable input increased
<hr/>				
2023	Fair Value (\$)	Valuation technique	Unobservable input	Sensitivity to change in significant unobservable input
Small Cap Opportunities Fund:				
Unlisted private investments	5,353,862	Investment cost/ enterprise value	Enterprise value	The estimated fair value would increase if enterprise value increased
Strategic Growth and Income Fund:				
Unlisted private investments	570,176	Comparable trading multiples	Market capitalization/ tangible book value/ enterprise value	The estimated fair value would increase if the unobservable input increased
	5,300	Investment cost/ enterprise value	Enterprise value	The estimated fair value would increase if enterprise value increased

Enterprise value represents the estimate of the amount that market participants would pay when purchasing the investee company. The Manager determines this value using valuation techniques such as the use of comparable recent arm's length transactions in shares of the respective company and net present value calculated using discount rates derived from comparable market yields, for example.

PENDER MUTUAL FUNDS: Notes to Financial Statements (cont'd)

Year ended December 31, 2024

(c) Effects of unobservable input on fair value measurement:

The Pender Corporate Bond Fund, Pender Small Cap Opportunities Fund and Pender Strategic Growth and Income Fund believe that their estimates of fair value are appropriate, however the use of different methodologies or assumptions could lead to different measurements of fair value. Changing one or more of the assumptions used for fair value measurements in Level 3 to alternative reasonably possible assumptions would have the following effects on the net assets attributable to holders of redeemable units as at December 31, 2024 and 2023. The remaining Funds did not hold any financial instruments categorized as Level 3.

Entity	2024	2023
Corporate Bond Fund:		
Favourable	6,165,498	-
Unfavourable	(6,165,498)	-
Small Cap Opportunities Fund:		
Favourable	674,019	535,386
Unfavourable	(674,019)	(535,386)
Strategic Growth and Income Fund:		
Favourable	76,436	57,548
Unfavourable	(76,436)	(57,548)

The favourable and unfavourable effects of using alternative reasonably possible assumptions for the valuation of unlisted private equity investments have been calculated by recalibrating the model values using unobservable inputs based on averages of the upper and lower quartiles, respectively of the above noted Funds' ranges of possible estimates. The recalibrated model considers the impact of a 10% increase or decrease in enterprise value and comparable trading multiples. Actual results may differ from this sensitivity analysis and the difference could be material.

(d) Financial instruments not measured at fair value:

Given their short-term nature, the carrying value of assets and liabilities, other than investments, investments sold short and derivatives, approximates their fair value. These financial instruments are classified as Level 2 in the fair value hierarchy because while prices are available, there is no active market for these instruments.

11. Involvement with structured entities:

The table below describes the type of structured entities in which the Pender Bond Universe Fund, Pender Corporate Bond Fund and Pender Strategic Growth and Income Fund hold an interest but which they do not consolidate. The remaining Funds did not hold an interest in structured entities as at December 31, 2024 and 2023.

Entity	Nature and purpose	Interest held by the respective fund
Investment funds	To manage assets on behalf of third-party investors and generate fees for the investment manager. These vehicles are financed through the issue of units to investors	Investment in units issued by the underlying funds

PENDER MUTUAL FUNDS: Notes to Financial Statements (cont'd)

Year ended December 31, 2024

The table below sets out interests held by the Pender Bond Universe Fund, Pender Corporate Bond Fund and Pender Strategic Growth and Income Fund in unconsolidated structured entities as at December 31, 2024 and 2023. The maximum exposure to loss is the carrying amount of the investment in the underlying funds held.

	Number of investee funds held	Total net assets of investee funds (\$)	Carrying amount included in investments (\$)
Bond Universe Fund:			
2024	1	2,263,283,873	17,407,908
2023	1	1,454,618,667	13,219,179
Corporate Bond Fund:			
2024	7	12,658,000,000	50,529,075
2023	8	16,615,000,000	59,559,257
Strategic Growth and Income Fund:			
2024	4	3,255,581,845	28,731,133
2023	4	2,135,971,258	21,487,451

During the years ended December 31, 2024 and 2023, the Pender Bond Universe Fund, Pender Corporate Bond Fund and Pender Strategic Growth and Income Fund did not provide financial support to unconsolidated structured entities and have no intention of providing financial or other support. The Pender Bond Universe Fund, Pender Corporate Bond Fund and Pender Strategic Growth and Income Fund can sell or redeem their units in the above investment funds at any time.

12. Income taxes:

The taxation year-end of the Pender US Small/Mid Cap Equity Fund is December 31 and for the remaining Funds is December 15. As at the end of their 2024 and/or 2023 tax year-ends, the following Funds had accumulated capital losses available for utilization against realized capital gains in future years. Capital losses have no expiry date.

	2024 (\$)	2023 (\$)
Bond Universe Fund	6,154,912	6,154,912
Corporate Bond Fund	2,457,409	66,155,599
Small Cap Opportunities Fund	-	11,941,858
Strategic Growth and Income Fund	45,899,748	46,857,000
US Small/Mid Cap Equity Fund	10	-
Value Fund	-	889,965

As at the end of the 2024 tax year-end, no Funds had accumulated non-capital losses. As at the end of the 2023 tax year-end, Pender Value Fund had accumulated \$435,681 non-capital losses available for carry forward until year 2043. The remaining Funds had no accumulated non-capital losses as at the end of the 2023 tax year-end.



**Annual Financial Statements of
PENDER MUTUAL FUNDS**

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