

# Pender Corporate Bond Fund

For the year ended December 31, 2024

## Annual Management Report of Fund Performance

This annual Management Report of Fund Performance contains financial highlights but does not contain the complete annual financial statements of the investment fund. You may obtain a copy of the annual financial statements at your request, at no cost, by calling toll-free 1-866-377-4743, by writing to us at 1830 - 1066 West Hastings Street, Vancouver, BC V6E 3X2 or by visiting our website at [www.penderfund.com](http://www.penderfund.com) or the SEDAR+ website at [www.sedarplus.ca](http://www.sedarplus.ca).

You may also contact us using one of these methods to request a copy of the investment fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

# Pender Corporate Bond Fund

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## MANAGEMENT DISCUSSION OF FUND PERFORMANCE

### Investment Objective and Strategies

The objective of the Pender Corporate Bond Fund (the “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.

PenderFund Capital Management Ltd. (“Pender”) is the Manager and Portfolio Advisor of the Fund.

### Risks

The risks of investing in the Fund are outlined in the Simplified Prospectus dated June 28, 2024. Interest rate risk and credit risk remain the principal risks associated with the Fund. As part of our periodic review of the investment risk level of the Fund and applying the standardized risk classification methodology as set out in Appendix F to National Instrument 81-102 – Investment Funds, we determined that the investment risk levels of the class CAD\$ units of Pender Corporate Bond Fund have changed. Effective June 28, 2024, the risk rating was changed from Low to Low to Medium. No material changes have been made to the Fund’s investment objectives or strategies as a result of this change.

The nature of the Fund’s investing activities exposes it to various risks, including but not limited to inflation and the impact of central bank measures on the economy, the state of M&A markets, geopolitical and other global events, factors that are beyond the Fund’s control.

Future developments in these challenging areas could impact the Fund’s results and financial condition and the full extent of that impact remains unknown. Developing reliable estimates and applying judgment continue to be substantially complex. Actual results may differ from those estimates and assumptions.

### Results of Operations

The net assets of the Fund were \$2,263,283,873 as at December 31, 2024 versus \$1,454,618,667 as at December 31, 2023. Of this \$808,665,206 increase, \$283,738,188 is attributable to positive investment performance and \$524,927,018 is attributable to net unitholder purchases of Fund units.

For the year ended December 31, 2024, Class A units of the Fund generated a total return of 15.8%. Returns for other classes of the Fund will be similar to Class A with any difference in performance being primarily due to the different management fees that are applicable to different classes. Returns for Class A (USD), Class F (USD), Class H (USD) and Class I (USD) will differ from Class A primarily due to foreign currency as these classes are denominated in US dollars whereas all remaining classes of the Fund are denominated in Canadian dollars. Returns for Class U will differ primarily as a result of foreign currency as this class is the only class of the Fund that is not hedged against the US dollar. Please see the “Past Performance” section for the performance of the Fund’s other classes.

The Fund’s blended benchmark, 75% ICE BofA US High Yield Index in Canadian dollars (“ICE”) and 25% FTSE Canada Universe Bond Index returned 14.0% during the year. In accordance with National Instrument 81-106, we have included a comparison to this blended benchmark to help you understand the Fund’s performance relative to the general performance of the market, but we caution that the Fund’s mandate may be significantly different from the index. Further, the Fund’s returns are reported net of all management fees and expenses for all classes, unlike the returns of the Fund’s blended benchmark, which are based on the performance of an index that does not pay fees or incur expenses.

As at December 31, 2024, the Pender Corporate Bond Fund yield to maturity was 7.1% with a current yield of 5.2% and average duration of maturity-based instruments was 3.5 years. There is a 3.0% weight in distressed securities held for workout value whose notional yield is not included in the foregoing calculation. Cash represented 2.4% of the portfolio at December 31, 2024.

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

The Fund’s outperformance relative to its benchmark was mainly due to its exposure to corporate credit which has been on an upward trend. The Fund is both conservatively managed to preserve capital, as well as opportunistic to generate returns. The Fund is focused on key credit characteristics – coverage, seniority, and duration.

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Key positive individual contributors to the Fund's performance during the year were positions in specific corporate issues including Esperion Therapeutics Inc., Lucid Group, Inc., and Emergent BioSolutions Inc. Conversely, Government of Canada Real Return bonds, and certain corporate issues such as American Tire Distributors Inc., and Stem, Inc. were among the largest detractors.

## Recent Developments

Credit markets performed well in 2024, supported by declining inflation, easing monetary policy, and strong financial conditions. Core Consumer Price Index declined steadily and has likely peaked this cycle, clearing the path for lower interest rate policy from the Fed and other central banks. Financial conditions remained near all-time highs, a trend that has historically preceded declines in the 10-year yield. High-yield spreads ended 2024 at 292 basis points, the lowest since 2007, reflecting a risk-on sentiment in credit markets and giving little incentive to take on significant credit risk.

In Canada, the Bank of Canada has been easing monetary policy for much of the year, with the benchmark lending rate moving to 3.25% at year end (with another cut to 3.0% in January). However, longer-term rates climbed as markets grappled with inflationary policy risks and a more hawkish Federal Open Market Committee dot plot projecting higher rate cut expectations for 2025 and 2026. This led to the term premium continuing to rebound from negative territory a few years ago, reflecting these shifting yield curve dynamics.

Entering 2025, high-yield spreads remain tight, resembling past periods of low volatility that often preceded market turbulence. While no certainty exists, history suggests compressed spreads leave little room to absorb unexpected shocks, increasing credit market vulnerability. Potential risks include the uncertainty of tariff policies and potential trade war escalation, as well as unsustainable fiscal deficits. With optimism priced into credit markets, we are selective in where we are deploying capital and looking to identify bottom-up opportunities through our fundamental research process.

Finding opportunities that provide credit fundamentals better than their credit rating or yield may suggest, can and has in the past been a driver of returns. Finding such a situation can prove fruitful through spread tightening on the back of a ratings upgrade once that value is recognized by a rating agency or the broader market. Turning over many rocks and digging deep into credit specifics is a cornerstone of our process, one that has served the Fund well in the past and one that we anticipate will continue to drive relative performance.

## Independent Review Committee ("IRC") Appointments & Resignations

Effective March 4, 2024, John Webster stepped down from the Independent Review Committee and John DeLucchi joined the Independent Review Committee.

## Related Party Transactions

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

As at the end of the year, parties related to the Manager collectively held less than 1% of the Fund's units. In addition, the Pender Alternative Multi-Strategy Income Fund, Pender Bond Universe Fund, and Pender Strategic Growth and Income Fund, funds also managed by the Manager, collectively held 2% of the Fund's outstanding units.

## Management Fees

The Fund pays management and administration fees calculated as a percentage of the net asset value of each respective class. The Management Expense Ratio ("MER") before applicable taxes such as GST or HST for each class does not exceed certain levels as set out in the Fund's offering documents. The fees are calculated at the close of business on each valuation day and are paid monthly. In exchange for the administration fee, the Manager pays the operating costs of the Fund.

Management fees are used by the Manager, in part, to pay sales commissions, trailer fees, marketing costs and other associated distribution costs relating to the sale of units of the Fund.

Such expenses represented approximately 18% of the management fees paid by the Fund to the Manager for the year.

# Pender Corporate Bond Fund

For the year ended December 31, 2024

## Financial Highlights

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the calendar years indicated.

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

	2024 (\$)	2023 (\$)	2022 (\$)	2021 (\$)	2020 (\$)
<b>Class A</b>					
Net Assets, beginning of year	11.89	11.58	12.86	12.87	12.49
<b>Increase (decrease) from operations:</b>					
Total revenue	0.76	0.68	0.58	0.73	0.58
Total expenses	(0.27)	(0.25)	(0.25)	(0.28)	(0.24)
Realized gains (losses)	0.80	(0.11)	(0.41)	1.00	(0.13)
Unrealized gains (losses)	0.56	0.42	(0.77)	(0.30)	0.32
<b>Total increase (decrease) from operations (b)</b>	<b>1.85</b>	<b>0.74</b>	<b>(0.85)</b>	<b>1.15</b>	<b>0.53</b>
<b>Distributions:</b>					
From income (excluding dividends)	(0.45)	(0.41)	(0.43)	(0.37)	(0.33)
From dividends	(0.03)	(0.03)	(0.02)	(0.04)	(0.04)
From capital gains	-	-	-	(0.78)	-
Return of capital	-	-	-	-	-
<b>Total distributions (b), (c)</b>	<b>(0.48)</b>	<b>(0.44)</b>	<b>(0.45)</b>	<b>(1.19)</b>	<b>(0.37)</b>
<b>Net Assets, end of year</b>	<b>13.25</b>	<b>11.89</b>	<b>11.58</b>	<b>12.86</b>	<b>12.87</b>
<b>Class E</b>					
Net Assets, beginning of year	9.54	9.30	10.31	10.35	10.07
<b>Increase (decrease) from operations:</b>					
Total revenue	0.61	0.55	0.71	0.61	0.51
Total expenses	(0.06)	(0.06)	(0.05)	(0.06)	(0.05)
Realized gains (losses)	0.55	(0.10)	(0.47)	0.81	(0.11)
Unrealized gains (losses)	0.53	0.35	(0.68)	(0.29)	0.31
<b>Total increase (decrease) from operations (b)</b>	<b>1.63</b>	<b>0.74</b>	<b>(0.49)</b>	<b>1.07</b>	<b>0.66</b>
<b>Distributions:</b>					
From income (excluding dividends)	(0.51)	(0.47)	(0.49)	(0.44)	(0.39)
From dividends	(0.03)	(0.03)	(0.02)	(0.05)	(0.05)
From capital gains	-	-	-	(0.67)	-
Return of capital	-	-	-	-	-
<b>Total distributions (b), (c)</b>	<b>(0.54)</b>	<b>(0.50)</b>	<b>(0.51)</b>	<b>(1.16)</b>	<b>(0.44)</b>
<b>Net Assets, end of year</b>	<b>10.63</b>	<b>9.54</b>	<b>9.30</b>	<b>10.31</b>	<b>10.35</b>

# Pender Corporate Bond Fund

For the year ended December 31, 2024

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

	2024 (\$)	2023 (\$)	2022 (\$)	2021 (\$)	2020 (\$)
<b>Class F</b>					
Net Assets, beginning of year	11.91	11.60	12.88	12.86	12.50
<b>Increase (decrease) from operations:</b>					
Total revenue	0.76	0.68	0.63	0.72	0.58
Total expenses	(0.16)	(0.15)	(0.15)	(0.16)	(0.14)
Realized gains (losses)	0.82	(0.10)	(0.44)	0.99	(0.12)
Unrealized gains (losses)	0.55	0.41	(0.75)	(0.29)	0.37
<b>Total increase (decrease) from operations (b)</b>	<b>1.97</b>	<b>0.84</b>	<b>(0.71)</b>	<b>1.26</b>	<b>0.69</b>
<b>Distributions:</b>					
From income (excluding dividends)	(0.56)	(0.51)	(0.52)	(0.47)	(0.42)
From dividends	(0.03)	(0.03)	(0.03)	(0.05)	(0.05)
From capital gains	-	-	-	(0.76)	-
Return of capital	-	-	-	-	-
<b>Total distributions (b), (c)</b>	<b>(0.59)</b>	<b>(0.54)</b>	<b>(0.55)</b>	<b>(1.28)</b>	<b>(0.47)</b>
<b>Net Assets, end of year</b>	<b>13.28</b>	<b>11.91</b>	<b>11.60</b>	<b>12.88</b>	<b>12.86</b>
<b>Class H</b>					
Net Assets, beginning of year	10.58	10.30	11.45	11.33	11.01
<b>Increase (decrease) from operations:</b>					
Total revenue	0.68	0.61	0.49	0.58	0.48
Total expenses	(0.20)	(0.19)	(0.19)	(0.21)	(0.18)
Realized gains (losses)	0.76	(0.10)	(0.34)	0.80	(0.10)
Unrealized gains (losses)	0.45	0.35	(0.69)	(0.19)	0.29
<b>Total increase (decrease) from operations (b)</b>	<b>1.69</b>	<b>0.67</b>	<b>(0.73)</b>	<b>0.98</b>	<b>0.49</b>
<b>Distributions:</b>					
From income (excluding dividends)	(0.44)	(0.40)	(0.41)	(0.36)	(0.32)
From dividends	(0.03)	(0.03)	(0.02)	(0.04)	(0.04)
From capital gains	-	-	-	(0.57)	-
Return of capital	-	-	-	-	-
<b>Total distributions (b), (c)</b>	<b>(0.47)</b>	<b>(0.43)</b>	<b>(0.43)</b>	<b>(0.97)</b>	<b>(0.36)</b>
<b>Net Assets, end of year</b>	<b>11.80</b>	<b>10.58</b>	<b>10.30</b>	<b>11.45</b>	<b>11.33</b>
<b>Class I</b>					
Net Assets, beginning of year	10.29	10.03	11.14	11.05	10.74
<b>Increase (decrease) from operations:</b>					
Total revenue	0.66	0.59	0.54	0.60	0.51
Total expenses	(0.12)	(0.11)	(0.11)	(0.12)	(0.11)
Realized gains (losses)	0.76	(0.08)	(0.39)	0.81	(0.13)
Unrealized gains (losses)	0.43	0.33	(0.63)	(0.21)	0.37
<b>Total increase (decrease) from operations (b)</b>	<b>1.73</b>	<b>0.73</b>	<b>(0.59)</b>	<b>1.08</b>	<b>0.64</b>
<b>Distributions:</b>					
From income (excluding dividends)	(0.50)	(0.46)	(0.48)	(0.42)	(0.37)
From dividends	(0.03)	(0.03)	(0.02)	(0.05)	(0.05)
From capital gains	-	-	-	(0.58)	-
Return of capital	-	-	-	-	-
<b>Total distributions (b), (c)</b>	<b>(0.53)</b>	<b>(0.49)</b>	<b>(0.50)</b>	<b>(1.05)</b>	<b>(0.42)</b>
<b>Net Assets, end of year</b>	<b>11.49</b>	<b>10.29</b>	<b>10.03</b>	<b>11.14</b>	<b>11.05</b>

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

	2024 (\$)	2023 (\$)	2022 (\$)	2021 (\$)	2020 (\$)
<b>Class N</b>					
Net Assets, beginning of period	10.00				
<b>Increase (decrease) from operations:</b>					
Total revenue	0.32				
Total expenses	(0.04)				
Realized gains (losses)	0.63				
Unrealized gains (losses)	(0.12)				
<b>Total increase (decrease) from operations (b)</b>	<b>0.79</b>				
<b>Distributions:</b>					
From income (excluding dividends)	(0.25)				
From dividends	(0.01)				
From capital gains	-				
Return of capital	-				
<b>Total distributions (b), (c)</b>	<b>(0.26)</b>				
<b>Net Assets, end of period</b>	<b>10.59</b>				
<b>Class O</b>					
Net Assets, beginning of year	10.44	10.20	11.34	11.18	10.87
<b>Increase (decrease) from operations:</b>					
Total revenue	0.67	0.60	0.34	0.55	0.51
Total expenses	(0.01)	(0.01)	-	(0.01)	-
Realized gains (losses)	0.75	(0.14)	(0.24)	0.72	(0.15)
Unrealized gains (losses)	0.45	0.40	(0.67)	(0.17)	0.48
<b>Total increase (decrease) from operations (b)</b>	<b>1.86</b>	<b>0.85</b>	<b>(0.57)</b>	<b>1.09</b>	<b>0.84</b>
<b>Distributions:</b>					
From income (excluding dividends)	(0.61)	(0.56)	(0.59)	(0.53)	(0.47)
From dividends	(0.04)	(0.04)	(0.03)	(0.06)	(0.06)
From capital gains	-	-	-	(0.50)	-
Return of capital	-	-	-	-	-
<b>Total distributions (b), (c)</b>	<b>(0.65)</b>	<b>(0.60)</b>	<b>(0.62)</b>	<b>(1.09)</b>	<b>(0.53)</b>
<b>Net Assets, end of year</b>	<b>11.66</b>	<b>10.44</b>	<b>10.20</b>	<b>11.34</b>	<b>11.18</b>
<b>Class U</b>					
Net Assets, beginning of year	10.08	9.89	10.52	10.21	9.95
<b>Increase (decrease) from operations:</b>					
Total revenue	0.66	0.57	1.57	0.36	0.76
Total expenses	(0.14)	(0.13)	(0.12)	(0.13)	(0.12)
Realized gains (losses)	0.87	0.03	(1.00)	0.27	(0.25)
Unrealized gains (losses)	0.98	0.40	(0.66)	0.31	0.52
<b>Total increase (decrease) from operations (b)</b>	<b>2.37</b>	<b>0.87</b>	<b>(0.21)</b>	<b>0.81</b>	<b>0.91</b>
<b>Distributions:</b>					
From income (excluding dividends)	(0.49)	(0.40)	(0.44)	(0.39)	(0.34)
From dividends	(0.03)	(0.03)	(0.02)	(0.01)	(0.05)
From capital gains	-	-	-	(0.27)	-
Return of capital	-	-	-	-	-
<b>Total distributions (b), (c)</b>	<b>(0.52)</b>	<b>(0.43)</b>	<b>(0.46)</b>	<b>(0.67)</b>	<b>(0.39)</b>
<b>Net Assets, end of year</b>	<b>11.89</b>	<b>10.08</b>	<b>9.89</b>	<b>10.52</b>	<b>10.21</b>

# Pender Corporate Bond Fund

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

	2024 (\$)	2023 (\$)	2022 (\$)	2021 (\$)	2020 (\$)
<b>Class A (USD)</b>					
Net Assets, beginning of year	14.22	14.04	14.71	14.10	13.66
<b>Increase (decrease) from operations:</b>					
Total revenue	0.94	0.83	2.81	0.32	1.25
Total expenses	(0.33)	(0.30)	(0.31)	(0.30)	(0.28)
Realized gains (losses)	1.28	0.04	(1.78)	0.86	(0.24)
Unrealized gains (losses)	1.59	0.10	(0.86)	0.30	0.31
<b>Total increase (decrease) from operations (b)</b>	<b>3.48</b>	<b>0.67</b>	<b>(0.14)</b>	<b>1.18</b>	<b>1.04</b>
<b>Distributions:</b>					
From income (excluding dividends)	(0.56)	(0.50)	(0.50)	(0.40)	(0.36)
From dividends	(0.03)	(0.03)	(0.02)	(0.05)	(0.05)
From capital gains	-	-	-	(0.17)	-
Return of capital	-	-	-	-	-
<b>Total distributions (b), (c)</b>	<b>(0.59)</b>	<b>(0.53)</b>	<b>(0.52)</b>	<b>(0.62)</b>	<b>(0.41)</b>
<b>Net Assets, end of year</b>	<b>17.03</b>	<b>14.22</b>	<b>14.04</b>	<b>14.71</b>	<b>14.10</b>
<b>Class F (USD)</b>					
Net Assets, beginning of year	14.03	13.85	14.52	13.96	13.52
<b>Increase (decrease) from operations:</b>					
Total revenue	0.93	0.82	2.79	0.33	1.30
Total expenses	(0.19)	(0.17)	(0.18)	(0.17)	(0.16)
Realized gains (losses)	1.19	0.03	(1.79)	0.82	(0.30)
Unrealized gains (losses)	1.61	0.10	(0.75)	0.30	0.08
<b>Total increase (decrease) from operations (b)</b>	<b>3.54</b>	<b>0.78</b>	<b>0.07</b>	<b>1.28</b>	<b>0.92</b>
<b>Distributions:</b>					
From income (excluding dividends)	(0.68)	(0.61)	(0.61)	(0.51)	(0.47)
From dividends	(0.04)	(0.04)	(0.03)	(0.05)	(0.05)
From capital gains	-	-	-	(0.21)	-
Return of capital	-	-	-	-	-
<b>Total distributions (b), (c)</b>	<b>(0.72)</b>	<b>(0.65)</b>	<b>(0.64)</b>	<b>(0.77)</b>	<b>(0.52)</b>
<b>Net Assets, end of year</b>	<b>16.81</b>	<b>14.03</b>	<b>13.85</b>	<b>14.52</b>	<b>13.96</b>
<b>Class H (USD)</b>					
Net Assets, beginning of year	13.47	13.30	13.95	13.42	13.02
<b>Increase (decrease) from operations:</b>					
Total revenue	0.89	0.79	2.70	0.33	1.27
Total expenses	(0.27)	(0.24)	(0.25)	(0.24)	(0.22)
Realized gains (losses)	1.16	0.02	(1.70)	0.84	(0.36)
Unrealized gains (losses)	1.53	0.12	(0.87)	0.29	0.01
<b>Total increase (decrease) from operations (b)</b>	<b>3.31</b>	<b>0.69</b>	<b>(0.12)</b>	<b>1.22</b>	<b>0.70</b>
<b>Distributions:</b>					
From income (excluding dividends)	(0.57)	(0.51)	(0.51)	(0.42)	(0.41)
From dividends	(0.03)	(0.03)	(0.03)	(0.05)	(0.04)
From capital gains	-	-	-	(0.20)	-
Return of capital	-	-	-	-	-
<b>Total distributions (b), (c)</b>	<b>(0.60)</b>	<b>(0.54)</b>	<b>(0.54)</b>	<b>(0.67)</b>	<b>(0.45)</b>
<b>Net Assets, end of year</b>	<b>16.14</b>	<b>13.47</b>	<b>13.30</b>	<b>13.95</b>	<b>13.42</b>

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

	2024 (\$)	2023 (\$)	2022 (\$)	2021 (\$)	2020 (\$)
<b>Class I (USD)</b>					
Net Assets, beginning of year	13.51	13.34	13.99	13.45	13.04
<b>Increase (decrease) from operations:</b>					
Total revenue	0.90	0.79	2.76	0.33	1.21
Total expenses	(0.17)	(0.15)	(0.15)	(0.15)	(0.14)
Realized gains (losses)	1.28	0.03	(1.77)	0.81	(0.33)
Unrealized gains (losses)	1.50	0.13	(0.75)	0.27	0.22
<b>Total increase (decrease) from operations (b)</b>	<b>3.51</b>	<b>0.80</b>	<b>0.09</b>	<b>1.26</b>	<b>0.96</b>
<b>Distributions:</b>					
From income (excluding dividends)	(0.67)	(0.61)	(0.61)	(0.51)	(0.47)
From dividends	(0.04)	(0.04)	(0.03)	(0.06)	(0.06)
From capital gains	-	-	-	(0.20)	-
Return of capital	-	-	-	-	-
<b>Total distributions (b), (c)</b>	<b>(0.71)</b>	<b>(0.65)</b>	<b>(0.64)</b>	<b>(0.77)</b>	<b>(0.53)</b>
<b>Net Assets, end of year</b>	<b>16.18</b>	<b>13.51</b>	<b>13.34</b>	<b>13.99</b>	<b>13.45</b>
<b>Class N (USD)</b>					
Net Assets, beginning of year	13.54	13.36	14.00	13.41	13.00
<b>Increase (decrease) from operations:</b>					
Total revenue	0.41	0.79	2.71	0.28	1.29
Total expenses	(0.14)	(0.11)	(0.11)	(0.11)	(0.11)
Realized gains (losses)	14.87	0.04	(1.71)	0.87	(0.33)
Unrealized gains (losses)	(13.94)	0.10	(0.84)	0.31	(0.07)
<b>Total increase (decrease) from operations (b)</b>	<b>1.20</b>	<b>0.82</b>	<b>0.05</b>	<b>1.35</b>	<b>0.78</b>
<b>Distributions:</b>					
From income (excluding dividends)	(0.29)	(0.60)	(0.65)	(0.54)	(0.50)
From dividends	(0.02)	(0.04)	(0.03)	(0.06)	(0.06)
From capital gains	-	-	-	(0.14)	-
Return of capital	-	-	-	-	-
<b>Total distributions (b), (c)</b>	<b>(0.31)</b>	<b>(0.64)</b>	<b>(0.68)</b>	<b>(0.74)</b>	<b>(0.56)</b>
<b>Net Assets, end of year</b>	<b>-</b>	<b>13.54</b>	<b>13.36</b>	<b>14.00</b>	<b>13.41</b>

(a) This information is derived from the Fund's audited annual financial statements as at December 31 for the year stated, prepared under IFRS Accounting Standards. Class N (USD) was closed on June 28, 2024. Class N commenced operations on June 28, 2024.

(b) Net assets per unit and distributions per unit are based on the actual number of units for the relevant Fund class outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding during the year.

(c) Distributions were paid in cash and/or reinvested in additional units of the Fund.

## Ratios and Supplemental Data

	2024	2023	2022	2021	2020
<b>Class A</b>					
Total net asset value (\$000s) (a)	114,321	93,692	95,980	110,720	92,199
Number of units outstanding (a)	8,624,974	7,881,755	8,288,704	8,607,770	7,165,766
Management expense ratio (b)	2.07%	2.07%	2.06%	2.01%	1.95%
Management expense ratio before absorptions (c)	2.07%	2.07%	2.06%	2.01%	1.95%
Trading expense ratio (d)	0.05%	0.03%	0.03%	0.03%	0.03%
Portfolio turnover rate (e)	48.92%	61.81%	62.92%	63.24%	103.95%
Net asset value per unit (\$) (a)	13.25	11.89	11.58	12.86	12.87



# Pender Corporate Bond Fund

For the year ended December 31, 2024

## Ratios and Supplemental Data (cont'd)

	2024	2023	2022	2021	2020
<b>Class E</b>					
Total net asset value (\$000s) (a)	4,498	3,797	3,543	4,132	3,292
Number of units outstanding (a)	423,215	398,166	380,944	400,826	318,107
Management expense ratio (b)	0.52%	0.53%	0.53%	0.52%	0.50%
Management expense ratio before absorptions (c)	0.52%	0.53%	0.53%	0.52%	0.50%
Trading expense ratio (d)	0.05%	0.03%	0.03%	0.03%	0.03%
Portfolio turnover rate (e)	48.92%	61.81%	62.92%	63.24%	103.95%
Net asset value per unit (\$) (a)	10.63	9.54	9.30	10.31	10.35
<b>Class F</b>					
Total net asset value (\$000s) (a)	563,066	412,033	402,880	422,355	342,633
Number of units outstanding (a)	42,402,720	34,591,943	34,740,168	32,781,853	26,636,091
Management expense ratio (b)	1.19%	1.19%	1.19%	1.17%	1.15%
Management expense ratio before absorptions (c)	1.19%	1.19%	1.19%	1.17%	1.15%
Trading expense ratio (d)	0.05%	0.03%	0.03%	0.03%	0.03%
Portfolio turnover rate (e)	48.92%	61.81%	62.92%	63.24%	103.95%
Net asset value per unit (\$) (a)	13.28	11.91	11.60	12.88	12.86
<b>Class H</b>					
Total net asset value (\$000s) (a)	127,029	86,140	88,360	103,092	65,161
Number of units outstanding (a)	10,768,273	8,144,543	8,578,535	9,004,515	5,749,645
Management expense ratio (b)	1.73%	1.73%	1.73%	1.69%	1.65%
Management expense ratio before absorptions (c)	1.73%	1.73%	1.73%	1.69%	1.65%
Trading expense ratio (d)	0.05%	0.03%	0.03%	0.03%	0.03%
Portfolio turnover rate (e)	48.92%	61.81%	62.92%	63.24%	103.95%
Net asset value per unit (\$) (a)	11.80	10.58	10.30	11.45	11.33
<b>Class I</b>					
Total net asset value (\$000s) (a)	1,283,170	768,652	708,267	602,871	411,640
Number of units outstanding (a)	111,684,257	74,687,822	70,636,548	54,127,966	37,250,197
Management expense ratio (b)	1.03%	1.03%	1.03%	1.02%	1.00%
Management expense ratio before absorptions (c)	1.03%	1.03%	1.03%	1.02%	1.00%
Trading expense ratio (d)	0.05%	0.03%	0.03%	0.03%	0.03%
Portfolio turnover rate (e)	48.92%	61.81%	62.92%	63.24%	103.95%
Net asset value per unit (\$) (a)	11.49	10.29	10.03	11.14	11.05
<b>Class N</b>					
Total net asset value (\$000s) (a)	13,552				
Number of units outstanding (a)	1,279,940				
Management expense ratio (b)	0.73%				
Management expense ratio before absorptions (c)	0.73%				
Trading expense ratio (d)	0.05%				
Portfolio turnover rate (e)	48.92%				
Net asset value per unit (\$) (a)	10.59				
<b>Class O</b>					
Total net asset value (\$000s) (a)	45,418	31,323	43,580	58,562	29,746
Number of units outstanding (a)	3,896,761	2,999,380	4,273,445	5,161,977	2,661,770
Management expense ratio (b)	0.00%	0.00%	0.00%	0.00%	0.00%
Management expense ratio before absorptions (c)	0.00%	0.00%	0.00%	0.00%	0.00%
Trading expense ratio (d)	0.05%	0.03%	0.03%	0.03%	0.03%
Portfolio turnover rate (e)	48.92%	61.81%	62.92%	63.24%	103.95%
Net asset value per unit (\$) (a)	11.66	10.44	10.20	11.34	11.18

# Pender Corporate Bond Fund

For the year ended December 31, 2024

## Ratios and Supplemental Data (cont'd)

	2024	2023	2022	2021	2020
<b>Class U</b>					
Total net asset value (\$000s) (a)	6,960	3,359	9,338	11,425	40
Number of units outstanding (a)	585,371	333,235	944,053	1,085,631	3,876
Management expense ratio (b)	1.16%	1.24%	1.16%	1.14%	1.15%
Management expense ratio before absorptions (c)	1.16%	1.24%	1.16%	1.14%	1.15%
Trading expense ratio (d)	0.05%	0.03%	0.03%	0.03%	0.03%
Portfolio turnover rate (e)	48.92%	61.81%	62.92%	63.24%	103.95%
Net asset value per unit (\$) (a)	11.89	10.08	9.89	10.52	10.21
<b>Class A (USD)</b>					
Total net asset value (\$000s) (a)	2,956	2,094	2,773	2,979	2,533
Number of units outstanding (a)	173,559	147,288	197,474	202,496	179,642
Management expense ratio (b)	2.05%	2.05%	2.08%	1.98%	1.95%
Management expense ratio before absorptions (c)	2.05%	2.05%	2.08%	1.98%	1.95%
Trading expense ratio (d)	0.05%	0.03%	0.03%	0.03%	0.03%
Portfolio turnover rate (e)	48.92%	61.81%	62.92%	63.24%	103.95%
Net asset value per unit (\$) (a)	17.03	14.22	14.04	14.71	14.10
<b>Class F (USD)</b>					
Total net asset value (\$000s) (a)	36,095	19,577	20,874	15,842	11,382
Number of units outstanding (a)	2,147,393	1,395,547	1,506,774	1,091,009	815,559
Management expense ratio (b)	1.19%	1.18%	1.19%	1.14%	1.15%
Management expense ratio before absorptions (c)	1.19%	1.18%	1.19%	1.14%	1.15%
Trading expense ratio (d)	0.05%	0.03%	0.03%	0.03%	0.03%
Portfolio turnover rate (e)	48.92%	61.81%	62.92%	63.24%	103.95%
Net asset value per unit (\$) (a)	16.81	14.03	13.85	14.52	13.96
<b>Class H (USD)</b>					
Total net asset value (\$000s) (a)	9,085	6,641	7,373	8,224	6,636
Number of units outstanding (a)	562,992	493,074	554,228	589,688	494,651
Management expense ratio (b)	1.75%	1.75%	1.75%	1.68%	1.65%
Management expense ratio before absorptions (c)	1.75%	1.75%	1.75%	1.68%	1.65%
Trading expense ratio (d)	0.05%	0.03%	0.03%	0.03%	0.03%
Portfolio turnover rate (e)	48.92%	61.81%	62.92%	63.24%	103.95%
Net asset value per unit (\$) (a)	16.14	13.47	13.30	13.95	13.42

# Pender Corporate Bond Fund

For the year ended December 31, 2024

## Ratios and Supplemental Data (cont'd)

	2024	2023	2022	2021	2020
<b>Class I (USD)</b>					
Total net asset value (\$000s) (a)	57,133	27,302	36,726	35,290	23,199
Number of units outstanding (a)	3,531,986	2,020,985	2,752,813	2,522,383	1,724,282
Management expense ratio (b)	1.04%	1.04%	1.04%	1.00%	1.00%
Management expense ratio before absorptions (c)	1.04%	1.04%	1.04%	1.00%	1.00%
Trading expense ratio (d)	0.05%	0.03%	0.03%	0.03%	0.03%
Portfolio turnover rate (e)	48.92%	61.81%	62.92%	63.24%	103.95%
Net asset value per unit (\$) (a)	16.18	13.51	13.34	13.99	13.45

(a) This information is derived from the Fund's audited annual financial statements as at December 31 for the year stated, prepared under IFRS Accounting Standards. Class N (USD) was closed on June 28, 2024. Class N commenced operations on June 28, 2024.

(b) Management expense ratio ("MER") is based on total expenses (excluding commissions and other portfolio transaction costs) for the year and is expressed as an annualized percentage of daily average net asset value during the year. The MER may vary from one class of units to another because of differences in the applicable management fees and certain fees and expenses may have been absorbed by the Manager which would otherwise be paid by the Fund.

(c) The Manager of the Fund has agreed to absorb sufficient expenses of the Fund, as necessary, so that the annual MER before applicable taxes such as GST or HST will not exceed certain limits as outlined in the Fund's Simplified Prospectus. The amount of expenses absorbed is at the discretion of the Manager as set out in the Fund's Simplified Prospectus, and the Manager may in its sole discretion cease to absorb expenses.

(d) The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the year.

(e) The Fund's portfolio turnover rate indicates how actively the Fund's portfolio adviser manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. In general, the higher a fund's portfolio turnover rate in a year, the greater the trading costs payable by the fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of a fund.

## Past Performance

The following charts show the past performance for the units of each class of the Fund and do not necessarily indicate how the Fund will perform in the future. The information shown assumes that any distributions made by the Fund were reinvested in additional units of the Fund. Returns would be different if an investor did not reinvest distributions. In addition, the information does not take into account sales, redemptions, income taxes payable or other charges that would have reduced returns or performance. Past performance for Class N (USD) units of the Fund is not available for disclosure because it was closed during the year. Past performance for Class N units of the Fund is not available for disclosure because, having commenced operations on June 28, 2024, the class has been in operation for less than one year.

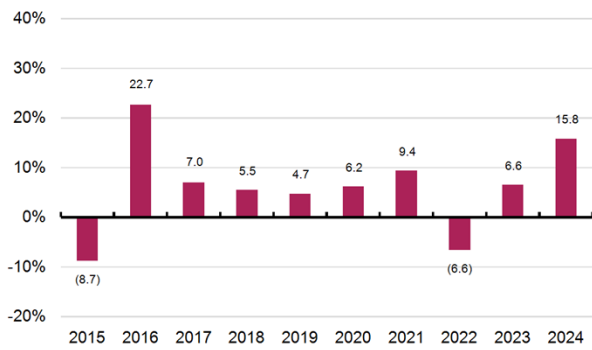
# Pender Corporate Bond Fund

For the year ended December 31, 2024

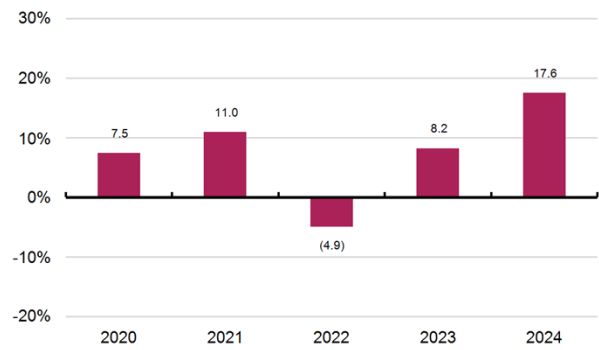
## Year-by-Year Returns

To illustrate how the Fund's performance has varied over time, the following bar charts show the Fund's annual returns for the calendar years indicated. The information is presented starting from the first full financial year of the respective Fund class. In percentage terms, the bar charts show how much an investment held on the first day of the year would have increased or decreased by the last day of the year.

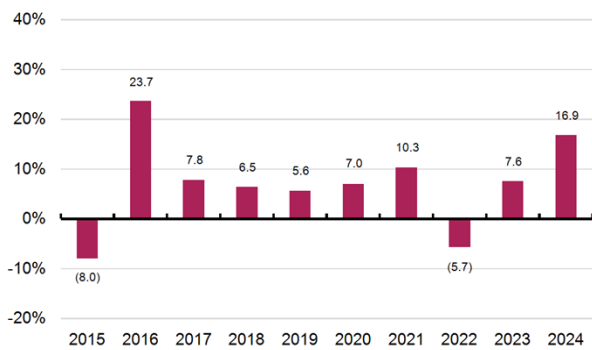
### Class A



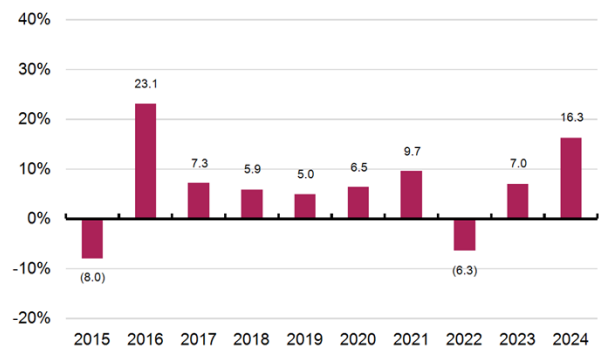
### Class E



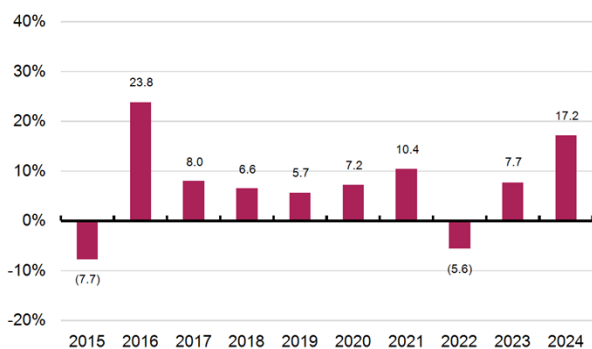
### Class F



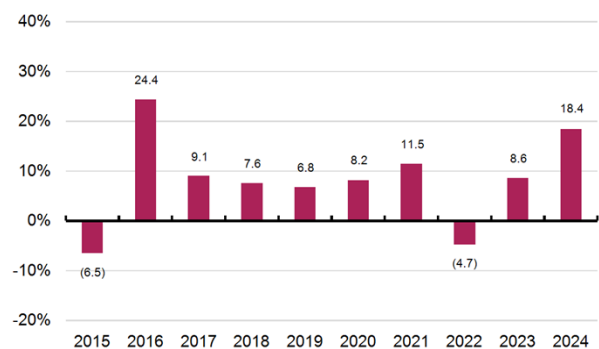
### Class H



### Class I



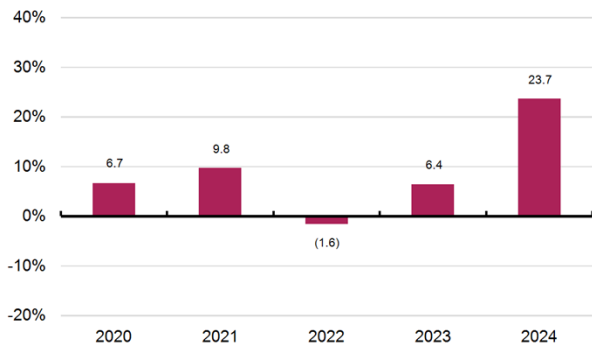
### Class O



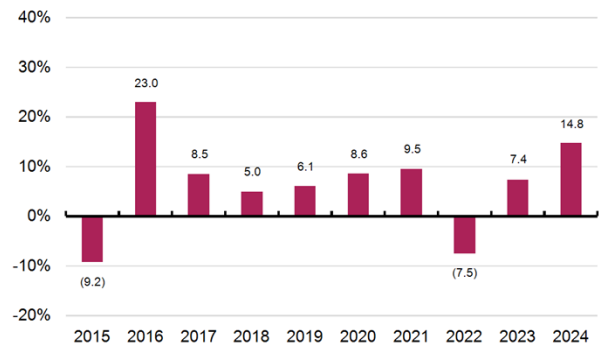
# Pender Corporate Bond Fund

For the year ended December 31, 2024

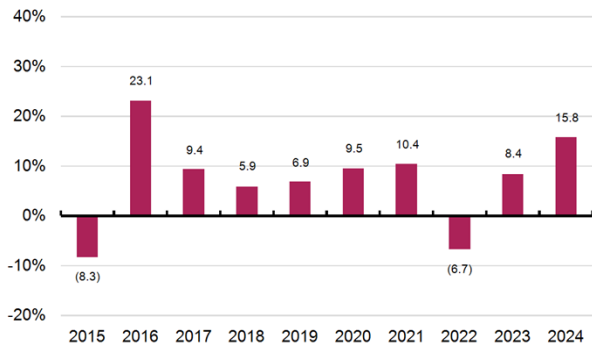
## Class U



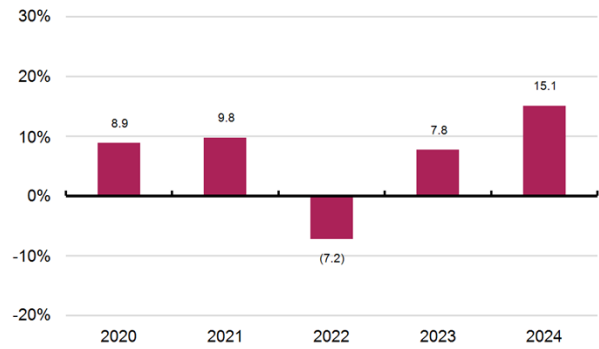
## Class A (USD)



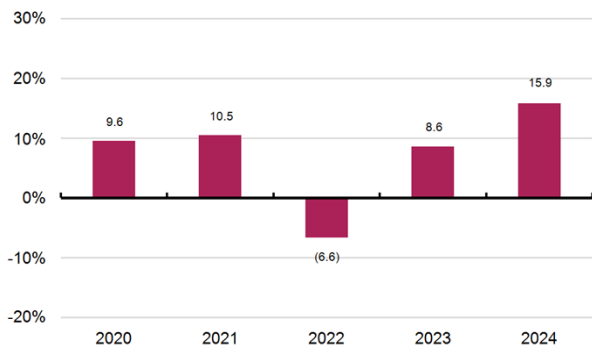
## Class F (USD)



## Class H (USD)



## Class I (USD)



# Pender Corporate Bond Fund

For the year ended December 31, 2024

## Annual Compound Returns

The annual compound returns table compares the Fund's performance to one or more benchmarks. Benchmarks are usually an index or a composite of more than one index. An index is generally made up of a group of securities. Since the Fund does not necessarily invest in the same securities as an index or in the same proportion, the Fund's performance is not expected to equal the performance of the index. Fund returns are reported net of all management fees and expenses for all classes (prior to June 30, 2021, the Fund's MER was inclusive of applicable taxes such as GST or HST), unlike the returns of the Fund's benchmark, which are based on the performance of an index that does not pay fees or incur expenses. It may be more helpful to compare the Fund's performance to that of other mutual funds with similar objectives and investment strategies.

The Fund's blended benchmark is 75% ICE and 25% FTSE Canada Universe Bond Index. The FTSE Canada Bond Universe Index is the broadest and most widely used measure of performance of marketable government and corporate bonds outstanding in the Canadian market. The ICE measures the performance of U.S. dollar denominated below investment grade (commonly referred to as "junk") corporate debt publicly issued in the U.S. domestic market. With the exception of Class A (USD), Class F (USD), Class H (USD), and Class I (USD), the performance of the Fund is compared to the benchmark's performance in Canadian dollars. Performance for Class A (USD), Class F (USD), Class H (USD), and Class I (USD) are compared to the benchmark's performance in U.S. dollars.

A discussion of the performance of the Fund as compared to its benchmarks is found in the "Results of Operations" section of this report.

	Inception Date	1 year (%)	3 year (%)	5 year (%)	10 year (%)	Since Inception (%)
Class A	01-Jun-09	15.8	4.9	6.0	5.9	6.1
Blended benchmark		14.0	5.4	4.9	6.0	8.2
Class E	30-Aug-19	17.6	6.5	7.6	-	7.5
Blended benchmark		14.0	5.4	4.9	-	4.5
Class F	01-Jun-09	16.9	5.8	6.9	6.8	6.9
Blended benchmark		14.0	5.4	4.9	6.0	8.2
Class H	19-Jun-12	16.3	5.2	6.4	6.3	5.8
Blended benchmark		14.0	5.4	4.9	6.0	7.0
Class I	30-Jun-14	17.2	6.0	7.1	7.0	6.5
Blended benchmark		14.0	5.4	4.9	6.0	6.2
Class O	24-Nov-10	18.4	7.0	8.1	8.0	7.4
Blended benchmark		14.0	5.4	4.9	6.0	7.0
Class U	28-Jun-19	23.7	9.0	8.7	-	8.1
Blended benchmark		14.0	5.4	4.9	-	4.8
Class A (USD)	30-Aug-13	14.8	4.5	6.3	6.2	5.5
Blended benchmark		5.1	1.0	2.7	3.8	3.8
Class F (USD)	30-Aug-13	15.8	5.4	7.2	7.1	6.3
Blended benchmark		5.1	1.0	2.7	3.8	3.8
Class H (USD)	28-Jun-19	15.1	4.8	6.6	-	6.3
Blended benchmark		5.1	1.0	2.7	-	3.1
Class I (USD)	28-Jun-19	15.9	5.5	7.3	-	7.0
Blended benchmark		5.1	1.0	2.7	-	3.1

# Pender Corporate Bond Fund

For the year ended December 31, 2024

## Summary of Investment Portfolio

The largest holdings of the Fund as at the end of the year and the major asset classes in which the Fund was invested are indicated below. Where the Fund has less than 25 holdings, the table will show the Fund's entire investment portfolio. The investment portfolio may change due to ongoing portfolio transactions. An update of the Fund's summary of investment portfolio as at the end of each calendar quarter is available from the Manager. Please see the front page of this document for information about how this can be obtained.

### Top 25 Holdings

	% of Net Assets
Lucid Group, Inc., 1.25%, 2026/12/15	2.7
Spirit Loyalty Cayman Ltd., Callable, 0.00%, 2025/09/20	2.4
Fair Isaac Corp., Callable, 4.00%, 2028/06/15	2.0
First Majestic Silver Corp., Callable, 0.38%, 2027/01/15	2.0
Verisign, Inc., Callable, 4.75%, 2027/07/15	2.0
Rivian Holdings LLC, 11.31%, 2026/10/15	1.8
Trulieve Cannabis Corp., Callable, 8.00%, 2026/10/06	1.8
Tenaz Energy Corp., Callable, 12.00%, 2029/11/14	1.7
Equinox Gold Corp., Convertible, 4.75%, 2025/09/10	1.6
Waste Management of Canada Corporation, Callable, 2.60%, 2026/09/23	1.6
Esperion Therapeutics Inc., Convertible, Callable, 5.75%, 2030/06/15	1.5
Revance Therapeutics Inc., Convertible, Callable, 1.75%, 2027/02/15	1.5
Thomson Reuters Corp., Callable, 2.24%, 2025/05/14	1.5
Duke Energy Corp., Convertible, 4.13%, 2026/04/15	1.4
Aberdeen Standard Physical Platinum Shares ETF	1.3
Centrus Energy Corp., Callable, 8.25%, 2027/02/28	1.3
Emergent BioSolutions Inc., Callable, 3.88%, 2028/08/15	1.3
Government of Canada, 3.11%, 2025/01/03	1.3
SSR Mining Inc., Callable, 2.50%, 2039/04/01	1.3
United States Treasury, Inflation Indexed, 0.13%, 2052/02/15	1.3
Cineworld Parent Ltd.	1.2
Equinox Gold Corp., Convertible, Callable, 4.75%, 2028/10/15	1.1
Liberty TripAdvisor Holdings Inc., Convertible, Puttable, 0.50%, 2051/06/30	1.1
McDonald's Corporation, Callable, 3.13%, 2025/03/04	1.1
United States Treasury, 1.75%, 2028/01/15	1.1

# Pender Corporate Bond Fund

For the year ended December 31, 2024

## Composition of the Portfolio

	% of Net Assets
US corporate bonds and loans	52.4
Canadian corporate bonds and loans	19.8
Foreign corporate bonds and loans	9.6
Government bonds	7.5
Preferred shares	3.4
Common shares	2.7
Closed end funds	2.2
Short term investments	2.2
Warrants	-
<b>Total investments</b>	<b>99.8</b>
Derivative liabilities	(3.2)
<b>Total investment portfolio</b>	<b>96.6</b>
Cash (Bank overdraft)	2.4
Other assets less liabilities	1.0
<b>Total net assets</b>	<b>100.0</b>



# Pender Corporate Bond Fund

For the year ended December 31, 2024

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## **Caution Regarding Forward-Looking Statements**

This report contains forward-looking statements about the Fund, including its strategy, prospects and further actions. Forward-looking statements include statements that are predictive in nature, that depend upon or refer to future events or conditions, or that include words such as “expects”, “anticipates”, “intends”, “plans”, “believes”, “estimates”, or negative versions thereof and similar expressions.

In addition, any statement made concerning future performance, strategies or prospects, and possible future Fund action is also a forward-looking statement. Forward-looking statements are based on current expectations and projections about future events and are inherently subject to risks, uncertainties and assumptions about the Fund and economic factors, among other things.

Forward-looking statements are not a guarantee of future performance, and actual events and results could differ materially from those expressed or implied in any forward-looking statements. Any number of important factors could contribute to these digressions, including, but not limited to: geopolitical events, general economic conditions, political and market factors around the world; interest rates and inflation; fiscal and monetary policy; global equity and capital markets; business competition; technological change; changes in government regulations; unexpected judicial or regulatory proceedings.

We stress that the above-mentioned list of important factors is not exhaustive. We encourage you to consider these and other factors carefully before making any investment decisions and we urge you to avoid placing undue reliance on forward-looking statements. Further, except as may be required under applicable law, the Manager has no specific intention of updating any forward-looking statements whether as a result of new information, future events or otherwise, prior to the release of the next Management Report of Fund Performance.



**Pender Corporate Bond Fund**

MANAGED BY:  
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