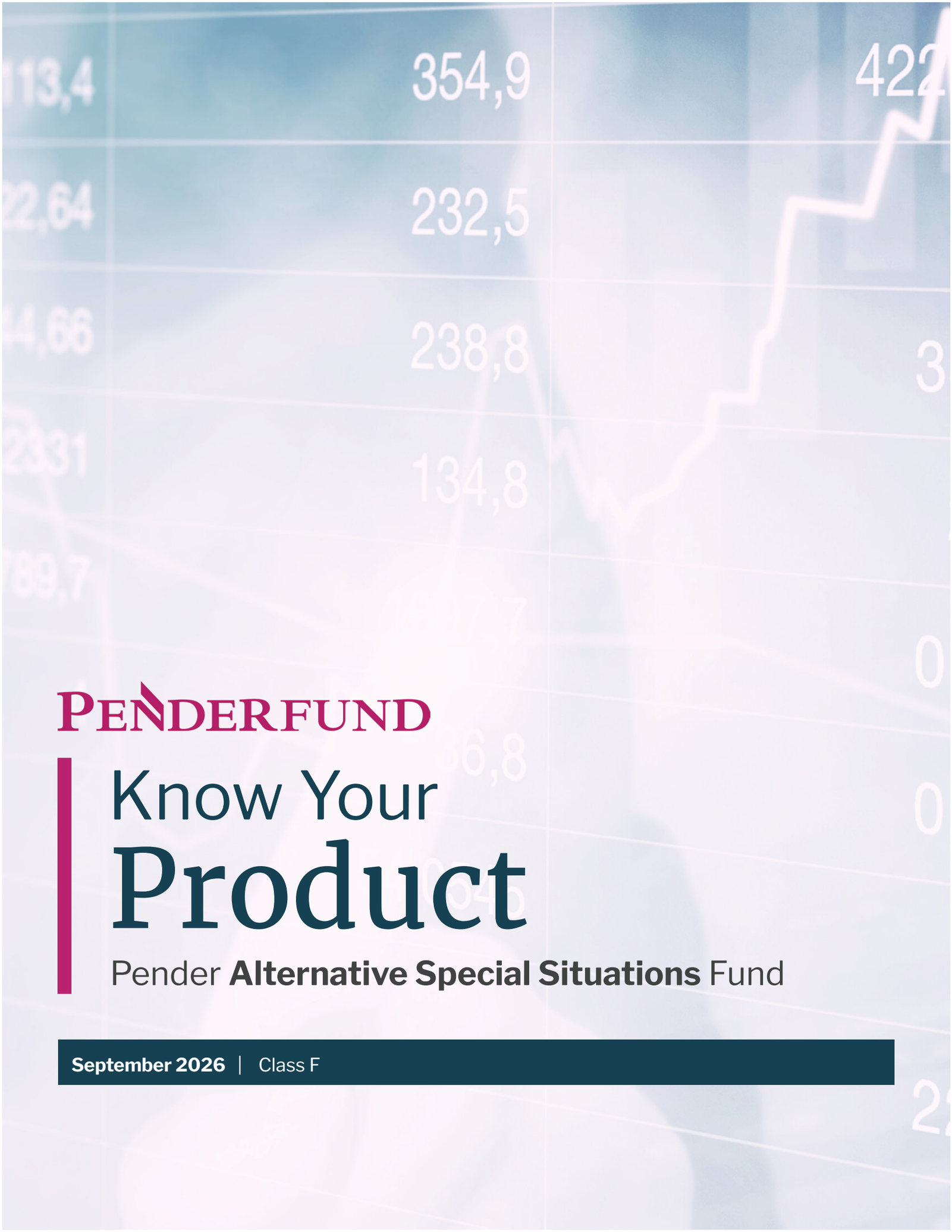


PENDERFUND

Know Your Product

Pender **Alternative Special Situations** Fund

September 2026 | Class F

PENDER
PenderFund Capital Management Ltd.

FUND FACTS

PenderFund Capital Management Ltd.

Pender Alternative Special Situations Fund — Class F

(formerly Class I)

June 26, 2026

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

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

This mutual fund is an alternative mutual fund. It is permitted to invest in asset classes or use investment strategies that are not permitted for conventional mutual funds. The specific strategies that differentiate this fund from conventional mutual funds include: Increased use of derivatives for hedging and non-hedging purposes; increased ability to sell securities short; the ability to borrow cash to use for investment purposes; and increased ability to invest in physical commodities. While these strategies will be used in accordance with the fund's investment objectives and strategies, during certain market conditions they may accelerate the pace at which your investment decreases in value.

Quick facts

Fund code:	PGF1550	**Fund manager:**	PenderFund Capital Management Ltd.
Date class started:	June 25, 2021	**Portfolio manager:**	PenderFund Capital Management Ltd.
Total value of the fund on April 30, 2026:	$8.3 million	**Distributions:**	Net income and net capital gains annually. Automatically reinvested in additional units; cash upon request.
Management expense ratio (MER):	0.00%	**Minimum investment:**	$500 initial, $0 additional

What does the fund invest in?

The fund invests primarily in Canadian and US equities with the ability to also invest in debt and other securities. The fund seeks to identify investment opportunities that are believed to represent special situations. The fund will use alternative investment strategies including the use of leverage. The leverage will be created through the use of cash borrowings, short sales and derivative contracts. The fund's leverage must not exceed 300% the fund's net asset value. The leverage will be calculated in accordance with the methodology prescribed by securities laws.

The charts below give you a snapshot of the fund's investments on April 30, 2026. The fund's investments will change.

Top 10 investments - (April 30, 2026)

1.	Carrier Connect Data Solutions Inc.	8.8%
2.	Kraken Robotics Inc.	7.4%
3.	NexGen Energy Ltd.	5.9%
4.	Telesat Corporation	5.5%
5.	Invesco QQQ Trust, Series "1"	-4.9%
6.	iShares Russell 2000 ETF	-4.9%
7.	SPDR S&P 500 ETF Trust	-4.7%
8.	iShares Core S&P/TSX Capped Composite Index ETF	-4.5%
9.	Logan Energy Corp.	4.4%
10.	IsoEnergy Ltd.	4.4%
Total percentage of top 10 investments		**17.4%**
Total number of investments		**80**

Investment mix - (April 30, 2026)

Materials	32.6%
Energy	31.2%
Information technology	29.6%
Financial services	9.6%
Communication services	7.5%
Industrials	7.1%
Health care	3.8%
Consumer staples	3.0%
Consumer discretionary	1.4%
Cash	-4.1%
Exchange-traded funds	-21.7%

How risky is it?

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

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

Risk rating

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

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

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

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

No guarantees

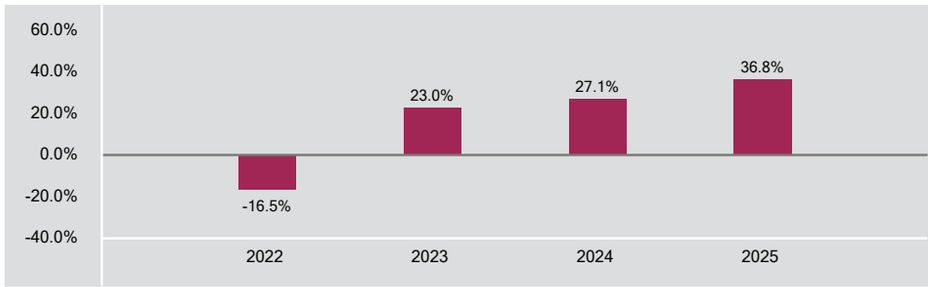
Like most mutual funds, this fund doesn't have any guarantees. You may not get back the amount of money you invest.

How has the fund performed?

This section tells you how Class F units of the fund have performed over the past 4 calendar years. Returns are after expenses have been deducted. These expenses reduce the fund's returns.

YEAR-BY-YEAR RETURNS

This chart shows how Class F units of the fund have performed in each of the past 4 calendar years. The fund dropped in value in 1 of the 4 calendar years. The range of returns and change from year to year can help you assess how risky the fund has been in the past. It does not tell you how the fund will perform in the future.



BEST and WORST 3-MONTH RETURNS

This table shows the best and worst returns for Class F units of the fund in a 3-month period over the past 4 years. The best and worst 3-month returns could be higher or lower in the future. Consider how much of a loss you could afford to take in a short period of time.

	Return	3 months ended	If you invested $1,000 at the beginning of the period
Best return	26.4%	August 31, 2025	Your investment would rise to $1,264.
Worst return	-17.7%	June 30, 2022	Your investment would drop to $823.

AVERAGE RETURN

The annual compounded return of Class F units of the fund was 18.1% since inception. If you had invested $1,000 in the fund since inception, your investment would be now worth $2,236.

Who is this fund for?

This fund is suitable for investors who want long-term capital growth potential. This fund is suitable for investors who want to invest in a liquid alternative fund comprised of North American securities. Investors in this fund should have a long-term investment time horizon and a medium to high tolerance for investment risk.

A word about tax

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

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

How much does it cost?

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

1. SALES CHARGES

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

2. FUND EXPENSES

You don't pay these expenses directly. They affect you because they reduce the fund's returns. Pender waived some of the fund's expenses. If it had not done so, the MER would have been higher. Effective January 1, 2026, the Manager no longer waives fund expenses, which is expected to result in a higher MER. The fund will pay to the Manager a performance fee in relation to Class F units that is equal to 15% of the amount by which the total return of the Class F units exceeds a 6% hurdle rate, for the period since the performance fee was last paid, subject to accumulation in years where no performance fee is paid, provided that the total return of the Class F units for such period exceeds the previous highwater mark, exclusive of taxes. The performance fee is calculated as described in the Simplified Prospectus on a daily basis and paid annually. As of December 31, 2025, the expenses of Class F were 0.88% of the value of this class. This equals $8.80 for every $1,000 invested. Class F had no performance fee as at December 31, 2025. Since December 5, 2025, the management fees and administration fees for this class of units have changed. Refer to the Simplified Prospectus for further details.

	Annual rate (as a % of the class' value)
Management expense ratio (MER) This is the total of the fund's management fee (including, if applicable, the trailing commission) and administration fee.	0.00%
Trading expense ratio (TER) These are the fund's trading costs for this class.	0.88%
Fund expenses	0.88%

More about the trailing commission

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

3. OTHER FEES

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

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

What if I change my mind?

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

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

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

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

For more information

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

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

PENDER

Forward thinking. Finding value.

LIQUID ALTERNATIVE

September 30, 2026 / Class F

Pender Alternative Special Situations Fund

The Pender Alternative Special Situations Fund aims to identify investment opportunities that the Manager believes represent special situations – when a company is undergoing a value changing event which has not yet been recognized by the market. There are often opportunities for companies and industries when there is a change in fundamentals, sentiment or momentum or another catalyst present, such as a restructuring. The Fund aims to achieve long-term capital appreciation by investing primarily in Canadian and US equities with the ability to also invest in debt and other securities.

NET ASSET VALUE

Class F	
NAV Per Unit	$18.61
Beta	0.42
Total Holdings	75
Total Net Assets of Fund	$10.00 Million

FUND FACTS

Asset Class	Alternative Equity Focused
Fund Inception	July 2020
Valuations	Daily
Eligibility	Canada-wide, Registered Plans
Distributions	DRIP Annually, Cash Optional

FUND INFO

MERs at 2026-06-30 before performance fee.

Class	Code	MER	MGMT Fee
A	PGF 1500	2.48%	2.10%
F	PGF 1550	1.40%	1.10%

PERFORMANCE FEE

15% of the amount by which the total return of the class of units exceeds a 6% hurdle rate, subject to a high water mark.

The Fund is subject to a performance fee, refer to penderfund.com for the 'MER including performance fee'.

MINIMUM INVESTMENT

Class	Initial Investment	Subsequent Investment
A	$500	$0
F	$500	$0

FUND OVERVIEW

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

PERFORMANCE

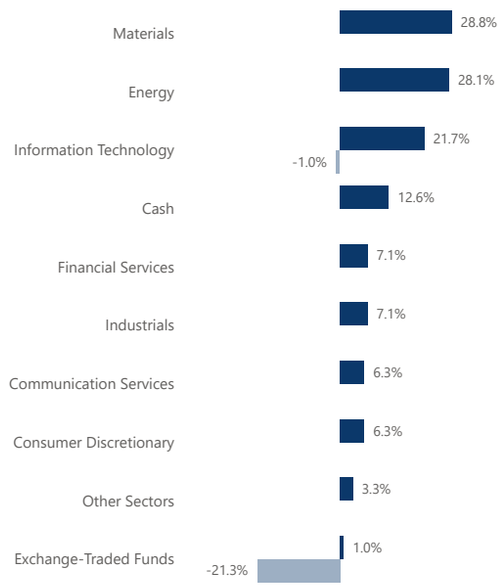
1 Mo.	3 Mo.	6 Mo.	1 Yr.	3 Yr.	5 Yr.	10 Yr.	15 Yr.	Since Inception
-4.0%	-4.0%	2.4%	12.4%	25.4%	15.0%	-	-	15.1%

ANNUAL PERFORMANCE

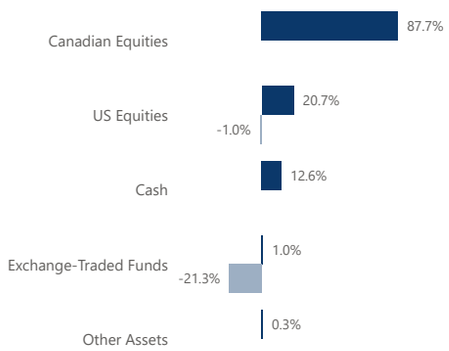
2018	2019	2020	2021	2022	2023	2024	2025	YTD
-	-	-	-	-16.5%	23.0%	27.1%	36.8%	8.4%

Since Inception returns are from June 2021. All returns greater than a year are annual compounded returns.

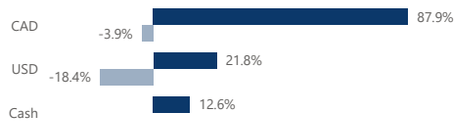
SECTOR ALLOCATION



ASSET ALLOCATION



CURRENCY ALLOCATION



GROWTH OF $10K



TOP 10 HOLDINGS (LONG)

Sangoma Technologies Corporation	7.1%
Telesat Corporation	6.3%
Carrier Connect Data Solutions Inc.	6.1%
McDermott International Ltd.	4.5%
MDA Space Ltd.	4.1%
5N Plus Inc.	3.8%
Blue Moon Metals Inc.	3.8%
NexGen Energy Ltd.	3.7%
iFabric Corp.	3.6%
Logan Energy Corp.	3.3%

TOP 10 HOLDINGS (SHORT)

Invesco QQQ Trust, Series 1	-5.2%
iShares Russell 2000 ETF	-5.0%
SPDR S&P 500 ETF Trust	-4.3%
iShares Core S&P/TSX Capped Composite Index ETF	-3.9%
iShares Bitcoin Trust ETF	-2.9%
Bel Fuse Inc., Class B	-1.0%

PORTFOLIO MANAGER(S)

Amar Pandya, CFA

Amar is a Portfolio Manager of several of Pender's alternative investment funds and began his investment career in 2011 in the Portfolio Management Training Program at a large global financial services company. He moved to pursue his passion for equities becoming an APM at a large-cap equity value firm before being drawn to Pender and the west coast in 2017. As an advocate of a contrarian value investing approach, Amar has expertise in event driven special situations with a primary focus on M&A and balance sheet driven special situations. He holds a Bachelor of Commerce degree in Finance (Honours) from the University of Manitoba. He earned his Chartered Financial Analyst designation in 2015.

About Pender

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

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penderfund.com

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PenderFund Capital Management Ltd.

Commissions, trailing commissions, management fees and expenses plus applicable taxes all may be associated with mutual fund investments. Please read the simplified prospectus before investing. The indicated rates of return are the historical annual compounded total returns including changes in net asset value and assumes reinvestment of all distributions and are net of all management and administrative fees, but do not take into account sales, redemption or optional charges or income taxes payable by any security holder that would have reduced returns. Mutual funds are not guaranteed, their values change frequently and past performance may not be repeated. Where the performance of a particular class of a fund is displayed, other classes are available and fees and performance may differ in those other classes. This sheet is intended for information purposes only and does not constitute an offer to buy or sell our products or services nor is it intended as investment and/or financial advice on any subject matter and is provided for your information only. Every effort has been made to ensure the accuracy of its contents. ©Copyright PenderFund Capital Management Ltd. All rights reserved. September 30, 2026

PENDER
ALTERNATIVE SPECIAL SITUATIONS FUND

ADDITIONAL FUND INFORMATION
Class F, September 30, 2026

NAV PER UNIT	
Class A	$34.72
Class F	$18.61

COUNTRY OF DOMICILE (Long)	
Canada	93.6%
Cash	12.6%
United States	12.0%
International	4.1%

SUPPLEMENTAL INFORMATION	
Alpha	16.76
Beta	0.88
Correlation	0.52
Sharpe	1.16
Standard Deviation	20.84
Up Capture	162
Down Capture	180

Supplemental Information Statistics are calculated based on class A units of the fund since the fund's inception date. The actual results for class F units should be substantially similar to above units. Supplemental statistics are calculated using the S&P/TSX Composite Index.

TOP HOLDINGS	13.5%
Sangoma Technologies Corporation	7.1%
Telesat Corporation	6.3%
Carrier Connect Data Solutions Inc.	6.1%
Invesco QQQ Trust, Series "1"	-5.2%
iShares Russell 2000 ETF	-5.0%
McDermott International Ltd.	4.5%
SPDR S&P 500 ETF Trust	-4.3%
MDA Space Ltd.	4.1%
iShares Core S&P/TSX Capped Composite Index ETF	-3.9%
5N Plus Inc.	3.8%

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ALTERNATIVE SPECIAL SITUATIONS FUND

MEET OUR **PORTFOLIO MANAGER**



Amar Pandya, CFA Portfolio Manager

Amar Pandya is a Portfolio Manager at Pender and began his investment career in 2011 in the Portfolio Management Training Program at a large global financial services company. He moved to pursue his passion for equities becoming an Associate Portfolio Manager at a large-cap equity value firm before joining Pender in 2017. Amar has developed an expertise in event driven investing with a primary focus on M&A and balance sheet driven special situations. Amar holds a Bachelor of Commerce degree in Finance (Honours) from the University of Manitoba. He earned his Chartered Financial Analyst designation in 2015 and is actively involved with CFA Society Vancouver where he serves as Co-Chair of the Programs Committee.

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MEET OUR SALES TEAM
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ALTERNATIVE SPECIAL SITUATIONS FUND

MEET OUR SALES TEAM
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PENDER

PenderFund Capital Management Ltd.

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

This brochure is subject to the Disclaimer found here: www.penderfund.com/disclaimer

Standard Performance Data for Pender Funds may be found here: penderfund.com/solutions

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