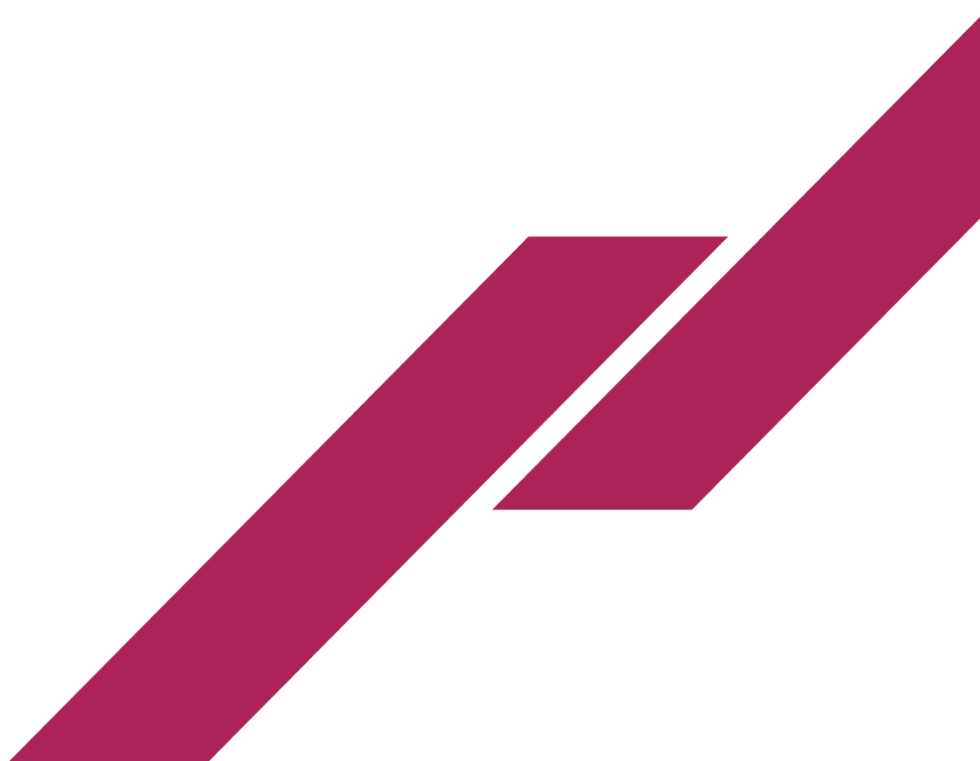


**Annual Financial Statements of
PENDER MUTUAL FUNDS**

And Independent Auditor's Report thereon
Years ended December 31, 2025 and 2024



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 30, 2026

(signed) "David Barr"

David Barr
Chief Executive Officer
PenderFund Capital Management Ltd.

(signed) "Amanda Patterson"

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



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INDEPENDENT AUDITOR'S REPORT

To the Unitholders of Pender Mutual Funds

Pender Bond Universe Fund
Pender Corporate Bond Fund
Pender Global Small/Mid Cap Equity Fund (formerly Pender Value Fund)
Pender Small Cap Opportunities Fund
Pender Strategic Growth and Income Fund
Pender US Small/Mid Cap Equity 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, 2025 and December 31, 2024
- the statements of comprehensive income for the years ended December 31, 2025 and December 31, 2024 (for the year ended December 31, 2025 and 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 ended December 31, 2025 and December 31, 2024 (for the year ended December 31, 2025 and 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 ended December 31, 2025 and December 31, 2024 (for the year ended December 31, 2025 and 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, 2025 and December 31, 2024, and its financial performance and its cash flows for the years then ended (for the year ended December 31, 2025 and period from commencement of operations on November 29, 2024 to December 31, 2024 only, for the Pender US Small/Mid Cap Equity Fund) 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, other than the financial statements and the auditor’s report thereon, 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, other than the financial statements and the auditor’s report thereon, 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 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.

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 30, 2026

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Pender Bond Universe Fund

Statements of Financial Position

December 31, 2025 and 2024

	2025 (\$)	2024 (\$)
Assets		
Cash	8,594,178	2,776,912
Subscriptions receivable	2,252,181	39,878
Interest receivable	709,007	498,098
Investments	116,423,145	81,703,254
	127,978,511	85,018,142
Liabilities		
Management and administration fees payable (note 4)	63,791	43,189
Redemptions payable to holders of redeemable units	1,026,261	51,636
Derivative liabilities	411,940	1,004,212
	1,501,992	1,099,037
Net assets attributable to holders of redeemable units	126,476,519	83,919,105
Net assets attributable to holders of redeemable units per class:		
Class A	6,563,722	2,849,671
Class E	699,806	526,849
Class F	112,858,662	76,140,641
Class F (USD)	343,630	829,369
Class O	6,010,699	3,572,575
	126,476,519	83,919,105
Net assets attributable to holders of redeemable units per unit:		
Class A	10.28	9.86
Class E	10.28	9.87
Class F	10.27	9.86
Class F (USD)	15.59	15.37
Class O	10.28	9.87

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, 2025 and 2024

	2025 (\$)	2024 (\$)
Revenue		
Distributions from underlying funds	1,249,596	880,587
Interest for distribution purposes	3,033,527	2,141,679
Securities lending income (note 5)	4,129	4,849
Foreign exchange gain (loss)	(65,328)	48,604
Changes in fair value of investments and derivatives:		
Net realized gain (loss)	1,745,881	198,551
Net change in unrealized appreciation (depreciation)	2,850,743	2,562,622
Total revenue	8,818,548	5,836,892
Expenses		
Administration fees (note 4)	485,774	361,429
Management fees (note 4)	148,143	80,292
Independent review committee fees	1,007	1,057
Transaction costs	843	783
Total expenses	635,767	443,561
Less: Expenses absorbed by the Manager (note 4)	(1,007)	(1,057)
Net expenses	634,760	442,504
Increase (decrease) in net assets attributable to holders of redeemable units	8,183,788	5,394,388
Increase (decrease) in net assets attributable to holders of redeemable units per class:		
Class A	276,911	198,344
Class E	51,515	35,055
Class F	7,441,821	4,744,324
Class F (USD)	21,258	154,499
Class O	392,283	262,166
	8,183,788	5,394,388
Increase (decrease) in net assets attributable to holders of redeemable units per unit:		
Class A	0.71	0.68
Class E	0.82	0.80
Class F	0.82	0.73
Class F (USD)	0.53	2.60
Class O	0.83	0.81

Pender Bond Universe Fund

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

Years ended December 31, 2025 and 2024

Class A	2025 (\$)	2024 (\$)
Balance, beginning of year	2,849,671	3,207,340
Increase (decrease) in net assets attributable to holders of redeemable units	276,911	198,344
Unit transactions:		
Proceeds from issue of redeemable units	4,794,606	761,285
Issued on reinvestment of distributions	82,604	60,637
Amounts paid on redemption of redeemable units	(1,322,707)	(1,292,404)
	3,554,503	(470,482)
Distributions paid from:		
Net investment income	(117,363)	(85,531)
Realized gains on sale of investments	-	-
Return of capital	-	-
	(117,363)	(85,531)
Balance, end of year	6,563,722	2,849,671
Class E	2025 (\$)	2024 (\$)
Balance, beginning of year	526,849	400,722
Increase (decrease) in net assets attributable to holders of redeemable units	51,515	35,055
Unit transactions:		
Proceeds from issue of redeemable units	218,743	242,072
Issued on reinvestment of distributions	23,247	15,904
Amounts paid on redemption of redeemable units	(97,301)	(151,000)
	144,689	106,976
Distributions paid from:		
Net investment income	(23,247)	(15,904)
Realized gains on sale of investments	-	-
Return of capital	-	-
	(23,247)	(15,904)
Balance, end of year	699,806	526,849
Class F	2025 (\$)	2024 (\$)
Balance, beginning of year	76,140,641	55,439,149
Increase (decrease) in net assets attributable to holders of redeemable units	7,441,821	4,744,324
Unit transactions:		
Proceeds from issue of redeemable units	82,436,782	39,413,295
Issued on reinvestment of distributions	2,067,439	1,057,488
Amounts paid on redemption of redeemable units	(51,972,277)	(22,224,266)
	32,531,944	18,246,517
Distributions paid from:		
Net investment income	(3,255,744)	(2,289,349)
Realized gains on sale of investments	-	-
Return of capital	-	-
	(3,255,744)	(2,289,349)
Balance, end of year	112,858,662	76,140,641

Pender Bond Universe Fund

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

Years ended December 31, 2025 and 2024

Class F (USD)	2025 (\$)	2024 (\$)
Balance, beginning of year	829,369	105,963
Increase (decrease) in net assets attributable to holders of redeemable units	21,258	154,499
Unit transactions:		
Proceeds from issue of redeemable units	530,720	2,345,203
Issued on reinvestment of distributions	20,365	28,146
Amounts paid on redemption of redeemable units	(1,036,822)	(1,773,535)
	(485,737)	599,814
Distributions paid from:		
Net investment income	(21,260)	(30,907)
Realized gains on sale of investments	-	-
Return of capital	-	-
	(21,260)	(30,907)
Balance, end of year	343,630	829,369

Class O	2025 (\$)	2024 (\$)
Balance, beginning of year	3,572,575	2,069,704
Increase (decrease) in net assets attributable to holders of redeemable units	392,283	262,166
Unit transactions:		
Proceeds from issue of redeemable units	2,319,784	2,167,264
Issued on reinvestment of distributions	197,923	134,761
Amounts paid on redemption of redeemable units	(273,943)	(926,559)
	2,243,764	1,375,466
Distributions paid from:		
Net investment income	(197,923)	(134,761)
Realized gains on sale of investments	-	-
Return of capital	-	-
	(197,923)	(134,761)
Balance, end of year	6,010,699	3,572,575

Total Fund	2025 (\$)	2024 (\$)
Balance, beginning of year	83,919,105	61,222,878
Increase (decrease) in net assets attributable to holders of redeemable units	8,183,788	5,394,388
Unit transactions:		
Proceeds from issue of redeemable units	90,300,635	44,929,119
Issued on reinvestment of distributions	2,391,578	1,296,936
Amounts paid on redemption of redeemable units	(54,703,050)	(26,367,764)
	37,989,163	19,858,291
Distributions paid from:		
Net investment income	(3,615,537)	(2,556,452)
Realized gains on sale of investments	-	-
Return of capital	-	-
	(3,615,537)	(2,556,452)
Balance, end of year	126,476,519	83,919,105

Pender Bond Universe Fund

Statements of Cash Flows

Years ended December 31, 2025 and 2024

	2025 (\$)	2024 (\$)
Cash provided by (used in):		
Operating:		
Increase (decrease) in net assets attributable to holders of redeemable units	8,183,788	5,394,388
Adjustments for:		
Distributions from underlying funds	(1,249,596)	(880,587)
Interest for distribution purposes	(3,033,527)	(2,141,679)
Foreign exchange (gain) loss	65,328	(48,604)
Net realized (gain) loss on sale of investments	(1,626,202)	(180,515)
Net change in unrealized (appreciation) depreciation of investments	(2,258,472)	(3,909,218)
Derivative assets and liabilities	(592,271)	1,346,596
Management and administration fees payable	20,602	8,672
	(490,350)	(410,947)
Proceeds on disposal of investments	26,794,570	19,686,340
Amounts paid on purchase of investments	(57,629,787)	(37,289,447)
Distributions received from underlying funds	1,249,596	880,587
Interest received	2,822,617	2,086,236
	(27,253,354)	(15,047,231)
Financing:		
Proceeds from issue of redeemable units	87,916,547	44,756,249
Amounts paid on redemption of redeemable units	(53,556,640)	(26,251,484)
Distributions paid to unitholders	(1,223,959)	(1,259,516)
	33,135,948	17,245,249
Net increase (decrease) in cash	5,882,594	2,198,018
Cash (Bank overdraft), beginning of year	2,776,912	530,290
Effect of exchange rate fluctuations on cash	(65,328)	48,604
Cash (Bank overdraft), end of year	8,594,178	2,776,912

Pender Bond Universe Fund

Schedule of Investment Portfolio

December 31, 2025

	Issue currency	Number of units / Face value (\$)	Cost (\$)	Fair value (\$)
Mutual fund:				
Pender Corporate Bond Fund, Class 'O'	CAD	1,678,133	19,003,322	20,898,463
Total mutual fund (16.5%)			19,003,322	20,898,463
Corporate bonds:				
Canada (28.7%):				
Cameco Corporation, Callable, 2.95%, 2027/10/21	CAD	2,650,000	2,514,057	2,643,520
Canadian National Railway Company, Callable, 3.20%, 2028/07/31	CAD	3,000,000	2,892,500	3,012,531
Canadian Pacific Railway Company, Callable, 3.15%, 2029/03/13	CAD	4,100,000	4,170,932	4,095,790
Choice Properties Real Estate Investment Trust, Callable, 2.85%, 2027/05/21	CAD	1,100,000	1,139,660	1,099,315
Choice Properties Real Estate Investment Trust, Callable, 2.98%, 2030/03/04	CAD	1,955,000	1,848,226	1,908,326
Denison Mines Corp., Convertible, Callable, 4.25%, 2031/09/15	USD	1,000,000	1,376,250	1,780,197
Emera Inc., Series '2016-A', Variable Rate, Convertible, Callable, 6.75%, 2076/06/15	USD	200,000	277,530	275,336
Endeavour Silver Corp., Convertible, Callable, 0.25%, 2031/01/15	USD	1,200,000	1,677,420	1,795,295
Fairfax Financial Holdings Limited, Callable, 4.70%, 2026/12/16	CAD	2,200,000	2,346,186	2,227,851
Fairfax Financial Holdings Limited, Callable, 3.95%, 2031/03/03	CAD	2,000,000	1,769,436	2,009,668
First Majestic Silver Corp., Callable, 0.38%, 2027/01/15	USD	1,000,000	1,329,685	1,698,435
Loblaw Companies Limited, Callable, 4.49%, 2028/12/11	CAD	3,500,000	3,515,667	3,615,295
Loblaw Companies Limited, Callable, 2.28%, 2030/05/07	CAD	2,000,000	1,733,300	1,925,439
SSR Mining Inc., Callable, 2.50%, 2039/04/01	USD	750,000	1,062,030	1,345,185
Waste Management of Canada Corporation, Callable, 2.60%, 2026/09/23	CAD	7,000,000	6,869,427	6,992,997
			34,522,306	36,425,180
United States (28.4%):				
AppLovin Corp., Callable, 5.38%, 2031/12/01	USD	500,000	704,484	712,898
AppLovin Corp., Callable, 5.95%, 2054/12/01	USD	2,500,000	3,401,972	3,413,856
Duke Energy Corp., Convertible, 4.13%, 2026/04/15	USD	1,000,000	1,476,456	1,415,442
Esperion Therapeutics Inc., Convertible, Callable, 5.75%, 2030/06/15	USD	1,000,000	1,431,250	2,004,472
FirstEnergy Corp., Callable, 2.65%, 2030/03/01	USD	2,000,000	2,499,764	2,563,794
McDonald's Corporation, Callable, 4.86%, 2031/05/21	CAD	8,000,000	8,373,990	8,399,593
Moody's Corp., Callable, 3.10%, 2061/11/29	USD	1,000,000	904,567	856,960
Occidental Petroleum Corporation, Callable, 4.10%, 2047/02/15	USD	2,000,000	1,841,523	1,984,372
Ohio Edison Co., Callable, 8.25%, 2038/10/15	USD	750,000	1,326,042	1,317,034
OPKO Health, Inc., Convertible, 3.75%, 2029/01/15	USD	500,000	668,325	887,357
PayPal Holdings Inc., Callable, 2.30%, 2030/06/01	USD	1,000,000	1,226,332	1,273,105
PPL Capital Funding Inc., Convertible, 2.88%, 2028/03/15	USD	1,000,000	1,566,433	1,508,089
PPL Capital Funding Inc., Convertible, Callable, 3.00%, 2030/12/01	USD	750,000	1,034,181	1,033,185
Trulieve Cannabis Corp., Callable, 10.50%, 2030/12/17	USD	1,500,000	2,065,125	2,069,119
TXNM Energy Inc., Convertible, Callable, 5.75%, 2054/06/01	USD	640,000	857,662	1,180,437

Pender Bond Universe Fund

Schedule of Investment Portfolio (cont'd)

December 31, 2025

	Issue currency	Number of units / Face value (\$)	Cost (\$)	Fair value (\$)
Corporate bonds: (cont'd)				
United States (28.4%): (cont'd)				
VeriSign, Inc., Callable, 4.75%, 2027/07/15	USD	2,000,000	2,551,428	2,745,553
VeriSign, Inc., Callable, 2.70%, 2031/06/15	USD	2,000,000	2,433,139	2,498,985
			34,362,673	35,864,251
Foreign (5.2%):				
National Grid Electricity Transmission PLC, Callable, 2.30%, 2029/06/22	CAD	2,000,000	1,850,140	1,927,802
National Grid Electricity Transmission PLC, Callable, 5.22%, 2031/09/16	CAD	2,000,000	2,124,900	2,122,694
Petróleos Mexicanos, Callable, 6.75%, 2047/09/21	USD	1,100,000	913,464	1,242,371
Prosus N.V., Callable, 3.06%, 2031/07/13	USD	1,000,000	1,190,254	1,250,902
			6,078,758	6,543,769
Total corporate bonds (62.3%)			74,963,737	78,833,200
Government bonds:				
Government of Canada, 2.25%, 2029/06/01	CAD	2,500,000	2,395,825	2,456,523
Government of Canada, 2.75%, 2033/06/01	CAD	1,300,000	1,217,493	1,259,207
Government of Canada, Real Return, 4.00%, 2031/12/01	CAD	1,700,000	3,760,535	3,559,542
Government of Canada, Real Return, 3.00%, 2036/12/01	CAD	750,000	1,411,119	1,376,130
United States Treasury, 3.50%, 2033/02/15	USD	5,000,000	6,667,470	6,681,129
United States Treasury, Inflation Indexed, 0.13%, 2052/02/15	USD	1,871,312	1,473,965	1,358,951
Total government bonds (13.2%)			16,926,407	16,691,482
Total investments (92.0%)			110,893,466	116,423,145
	Contract rate	Pay - USD	Receive - CAD	Unrealized gain (loss)
Derivative liabilities:				
BNY Mellon, Foreign Currency Forward, settlement 2026/01/21	1.36	31,066,751	42,196,900	(411,940)
Total derivative liabilities (-0.3%)				(411,940)
Cash (Bank overdraft) (6.8%)				8,594,178
Other assets less liabilities (1.5%)				1,871,136
Total net assets attributable to holders of redeemable units (100.0%)				126,476,519

Pender Corporate Bond Fund

Statements of Financial Position

December 31, 2025 and 2024

	2025 (\$)	2024 (\$)
Assets		
Cash	45,388,453	53,796,795
Receivable for investments sold	426,583	-
Subscriptions receivable	7,927,787	15,741,873
Dividends receivable	194,227	195,951
Interest receivable	42,136,045	24,394,668
Investments	3,357,471,852	2,257,833,890
	3,453,544,947	2,351,963,177
Liabilities		
Management and administration fees payable (note 4)	3,078,431	2,159,333
Payable for investments purchased	11,540,737	13,065,432
Redemptions payable to holders of redeemable units	24,438,825	1,664,193
Accrued expenses	-	2,412
Withholding taxes payable	1,017,743	-
Derivative liabilities	45,489,814	71,787,934
	85,565,550	88,679,304
Net assets attributable to holders of redeemable units	3,367,979,397	2,263,283,873
Net assets attributable to holders of redeemable units per class:		
Class A	132,718,890	114,321,441
Class A (USD)	4,133,778	2,955,894
Class E	5,483,321	4,497,973
Class F	-	563,066,328
Class F (formerly Class I)	2,784,982,165	1,283,169,772
Class F (USD)	-	36,094,942
Class F (USD) (formerly Class I (USD))	127,559,177	57,133,052
Class H	196,047,895	127,028,875
Class H (USD)	13,392,899	9,085,466
Class N	21,125,424	13,552,270
Class O	75,465,286	45,418,117
Class U	7,070,562	6,959,743
	3,367,979,397	2,263,283,873

Pender Corporate Bond Fund

Statements of Financial Position (cont'd)

December 31, 2025 and 2024

	2025 (\$)	2024 (\$)
Net assets attributable to holders of redeemable units per unit:		
Class A	14.00	13.25
Class A (USD)	17.41	17.03
Class E	11.05	10.63
Class F	-	13.28
Class F (formerly Class I)	12.06	11.49
Class F (USD)	-	16.81
Class F (USD) (formerly Class I (USD))	16.59	16.18
Class H	12.40	11.80
Class H (USD)	16.20	16.14
Class N	11.01	10.59
Class O	12.45	11.66
Class U	12.50	11.89

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, 2025 and 2024

	2025 (\$)	2024 (\$)
Revenue		
Interest for distribution purposes	164,884,991	97,528,347
Dividend income	7,979,844	9,774,962
Foreign exchange gain (loss)	(1,268,213)	1,842,930
Changes in fair value of investments and derivatives:		
Net realized gain (loss)	69,345,927	120,710,709
Net change in unrealized appreciation (depreciation)	150,171,641	75,679,257
Total revenue	391,114,190	305,536,205
Expenses		
Management fees (note 4)	17,139,718	10,192,967
Administration fees (note 4)	13,791,743	10,216,953
Transaction costs	1,925,750	877,400
Withholding taxes (note 6)	1,467,929	510,697
Independent review committee fees	30,856	30,635
Total expenses	34,355,996	21,828,652
Less: Expenses absorbed by the Manager (note 4)	(30,856)	(30,635)
Net expenses	34,325,140	21,798,017
Increase (decrease) in net assets attributable to holders of redeemable units	356,789,050	283,738,188
Increase (decrease) in net assets attributable to holders of redeemable units per class:		
Class A	14,866,922	14,779,057
Class A (USD)	346,390	534,034
Class E	669,948	677,657
Class F	74,881,395	73,199,560
Class F (formerly Class I)	222,660,453	155,317,031
Class F (USD)	2,810,745	5,292,164
Class F (USD) (formerly Class I (USD))	8,806,662	8,859,565
Class H	19,505,336	15,239,727
Class H (USD)	1,125,572	1,730,545
Class N	2,246,651	747,487
Class N (USD)	-	629
Class O	8,009,889	6,216,795
Class U	859,087	1,143,937
	356,789,050	283,738,188
Increase (decrease) in net assets attributable to holders of redeemable units per unit:		
Class A	1.60	1.85
Class A (USD)	1.60	3.48
Class E	1.46	1.63
Class F	1.63	1.97
Class F (formerly Class I)	1.55	1.73
Class F (USD)	1.50	3.54
Class F (USD) (formerly Class I (USD))	1.76	3.51
Class H	1.48	1.69
Class H (USD)	1.70	3.31
Class N	1.58	0.79
Class N (USD)	-	1.20
Class O	1.74	1.86
Class U	1.32	2.37

Pender Corporate Bond Fund

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

Years ended December 31, 2025 and 2024

Class A	2025 (\$)	2024 (\$)
Balance, beginning of year	114,321,441	93,692,444
Increase (decrease) in net assets attributable to holders of redeemable units	14,866,922	14,779,057
Unit transactions:		
Proceeds from issue of redeemable units	49,852,914	42,617,862
Issued on reinvestment of distributions	6,001,234	3,006,944
Amounts paid on redemption of redeemable units	(44,529,781)	(35,928,138)
	11,324,367	9,696,668
Distributions paid from:		
Net investment income	(5,118,933)	(3,846,728)
Realized gains on sale of investments	(2,674,907)	-
Return of capital	-	-
	(7,793,840)	(3,846,728)
Balance, end of year	132,718,890	114,321,441
Class A (USD)	2025 (\$)	2024 (\$)
Balance, beginning of year	2,955,894	2,093,801
Increase (decrease) in net assets attributable to holders of redeemable units	346,390	534,034
Unit transactions:		
Proceeds from issue of redeemable units	2,245,818	1,841,434
Issued on reinvestment of distributions	178,419	65,629
Amounts paid on redemption of redeemable units	(1,331,166)	(1,487,478)
	1,093,071	419,585
Distributions paid from:		
Net investment income	(151,810)	(91,526)
Realized gains on sale of investments	(109,767)	-
Return of capital	-	-
	(261,577)	(91,526)
Balance, end of year	4,133,778	2,955,894
Class E	2025 (\$)	2024 (\$)
Balance, beginning of year	4,497,973	3,797,313
Increase (decrease) in net assets attributable to holders of redeemable units	669,948	677,657
Unit transactions:		
Proceeds from issue of redeemable units	541,943	124,116
Issued on reinvestment of distributions	469,443	223,265
Amounts paid on redemption of redeemable units	(226,543)	(101,113)
	784,843	246,268
Distributions paid from:		
Net investment income	(279,138)	(223,265)
Realized gains on sale of investments	(190,305)	-
Return of capital	-	-
	(469,443)	(223,265)
Balance, end of year	5,483,321	4,497,973

Pender Corporate Bond Fund

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

Years ended December 31, 2025 and 2024

Class F	2025 (\$)	2024 (\$)
Balance, beginning of year	563,066,328	412,033,652
Increase (decrease) in net assets attributable to holders of redeemable units	74,881,395	73,199,560
Unit transactions:		
Proceeds from issue of redeemable units	301,603,978	286,919,493
Issued on reinvestment of distributions	17,693,960	13,131,705
Amounts paid on redemption of redeemable units	(927,764,698)	(200,108,123)
	(608,466,760)	99,943,075
Distributions paid from:		
Net investment income	(29,480,963)	(22,109,959)
Realized gains on sale of investments	-	-
Return of capital	-	-
	(29,480,963)	(22,109,959)
Balance, end of year	-	563,066,328

Class F (formerly Class I)	2025 (\$)	2024 (\$)
Balance, beginning of year	1,283,169,772	768,652,426
Increase (decrease) in net assets attributable to holders of redeemable units	222,660,453	155,317,031
Unit transactions:		
Proceeds from issue of redeemable units	1,657,605,090	569,371,980
Issued on reinvestment of distributions	94,307,371	25,560,738
Amounts paid on redemption of redeemable units	(315,012,610)	(187,985,134)
	1,436,899,851	406,947,584
Distributions paid from:		
Net investment income	(85,443,411)	(47,747,269)
Realized gains on sale of investments	(72,304,500)	-
Return of capital	-	-
	(157,747,911)	(47,747,269)
Balance, end of year	2,784,982,165	1,283,169,772

Class F (USD)	2025 (\$)	2024 (\$)
Balance, beginning of year	36,094,942	19,577,114
Increase (decrease) in net assets attributable to holders of redeemable units	2,810,745	5,292,164
Unit transactions:		
Proceeds from issue of redeemable units	14,355,053	23,410,603
Issued on reinvestment of distributions	886,699	876,465
Amounts paid on redemption of redeemable units	(52,657,869)	(11,982,749)
	(37,416,117)	12,304,319
Distributions paid from:		
Net investment income	(1,489,570)	(1,078,655)
Realized gains on sale of investments	-	-
Return of capital	-	-
	(1,489,570)	(1,078,655)
Balance, end of year	-	36,094,942

Pender Corporate Bond Fund

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

Years ended December 31, 2025 and 2024

Class F (USD) (formerly Class I (USD))	2025 (\$)	2024 (\$)
Balance, beginning of year	57,133,052	27,301,931
Increase (decrease) in net assets attributable to holders of redeemable units	8,806,662	8,859,565
Unit transactions:		
Proceeds from issue of redeemable units	84,045,091	30,281,812
Issued on reinvestment of distributions	4,819,079	1,255,242
Amounts paid on redemption of redeemable units	(20,026,995)	(8,744,853)
	68,837,175	22,792,201
Distributions paid from:		
Net investment income	(4,105,209)	(1,820,645)
Realized gains on sale of investments	(3,112,503)	-
Return of capital	-	-
	(7,217,712)	(1,820,645)
Balance, end of year	127,559,177	57,133,052

Class H	2025 (\$)	2024 (\$)
Balance, beginning of year	127,028,875	86,140,063
Increase (decrease) in net assets attributable to holders of redeemable units	19,505,336	15,239,727
Unit transactions:		
Proceeds from issue of redeemable units	77,325,675	41,354,110
Issued on reinvestment of distributions	9,355,447	3,403,340
Amounts paid on redemption of redeemable units	(25,455,202)	(14,890,456)
	61,225,920	29,866,994
Distributions paid from:		
Net investment income	(7,004,195)	(4,217,909)
Realized gains on sale of investments	(4,708,041)	-
Return of capital	-	-
	(11,712,236)	(4,217,909)
Balance, end of year	196,047,895	127,028,875

Class H (USD)	2025 (\$)	2024 (\$)
Balance, beginning of year	9,085,466	6,641,091
Increase (decrease) in net assets attributable to holders of redeemable units	1,125,572	1,730,545
Unit transactions:		
Proceeds from issue of redeemable units	3,960,136	1,243,288
Issued on reinvestment of distributions	969,449	279,332
Amounts paid on redemption of redeemable units	(658,526)	(491,319)
	4,271,059	1,031,301
Distributions paid from:		
Net investment income	(473,528)	(317,471)
Realized gains on sale of investments	(615,670)	-
Return of capital	-	-
	(1,089,198)	(317,471)
Balance, end of year	13,392,899	9,085,466

Pender Corporate Bond Fund

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

Years ended December 31, 2025 and 2024

Class N	2025 (\$)	2024 (\$)
Balance, beginning of year/period	13,552,270	-
Increase (decrease) in net assets attributable to holders of redeemable units	2,246,651	747,487
Unit transactions:		
Proceeds from issue of redeemable units	8,131,010	12,936,197
Issued on reinvestment of distributions	847,402	125,001
Amounts paid on redemption of redeemable units	(2,206,184)	-
	6,772,228	13,061,198
Distributions paid from:		
Net investment income	(828,293)	(256,415)
Realized gains on sale of investments	(617,432)	-
Return of capital	-	-
	(1,445,725)	(256,415)
Balance, end of year/period	21,125,424	13,552,270

Class N (USD)	2025 (\$)	2024 (\$)
Balance, beginning of year	-	7,071
Increase (decrease) in net assets attributable to holders of redeemable units	-	629
Unit transactions:		
Proceeds from issue of redeemable units	-	-
Issued on reinvestment of distributions	-	162
Amounts paid on redemption of redeemable units	-	(7,700)
	-	(7,538)
Distributions paid from:		
Net investment income	-	(162)
Realized gains on sale of investments	-	-
Return of capital	-	-
	-	(162)
Balance, end of year	-	-

Class O	2025 (\$)	2024 (\$)
Balance, beginning of year	45,418,117	31,323,227
Increase (decrease) in net assets attributable to holders of redeemable units	8,009,889	6,216,795
Unit transactions:		
Proceeds from issue of redeemable units	33,718,810	12,061,839
Issued on reinvestment of distributions	3,956,056	2,163,060
Amounts paid on redemption of redeemable units	(11,681,519)	(4,183,744)
	25,993,347	10,041,155
Distributions paid from:		
Net investment income	(3,328,126)	(2,163,060)
Realized gains on sale of investments	(627,941)	-
Return of capital	-	-
	(3,956,067)	(2,163,060)
Balance, end of year	75,465,286	45,418,117

Pender Corporate Bond Fund

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

Years ended December 31, 2025 and 2024

Class U	2025 (\$)	2024 (\$)
Balance, beginning of year	6,959,743	3,358,534
Increase (decrease) in net assets attributable to holders of redeemable units	859,087	1,143,937
Unit transactions:		
Proceeds from issue of redeemable units	1,435,862	2,783,127
Issued on reinvestment of distributions	417,933	251,929
Amounts paid on redemption of redeemable units	(2,183,746)	(325,855)
	(329,951)	2,709,201
Distributions paid from:		
Net investment income	(387,990)	(251,929)
Realized gains on sale of investments	(30,327)	-
Return of capital	-	-
	(418,317)	(251,929)
Balance, end of year	7,070,562	6,959,743
Total Fund	2025 (\$)	2024 (\$)
Balance, beginning of year	2,263,283,873	1,454,618,667
Increase (decrease) in net assets attributable to holders of redeemable units	356,789,050	283,738,188
Unit transactions:		
Proceeds from issue of redeemable units	2,234,821,380	1,024,945,861
Issued on reinvestment of distributions	139,902,492	50,342,812
Amounts paid on redemption of redeemable units	(1,403,734,839)	(466,236,662)
	970,989,033	609,052,011
Distributions paid from:		
Net investment income	(138,091,166)	(84,124,993)
Realized gains on sale of investments	(84,991,393)	-
Return of capital	-	-
	(223,082,559)	(84,124,993)
Balance, end of year	3,367,979,397	2,263,283,873

Pender Corporate Bond Fund

Statements of Cash Flows

Years ended December 31, 2025 and 2024

	2025 (\$)	2024 (\$)
Cash provided by (used in):		
Operating:		
Increase (decrease) in net assets attributable to holders of redeemable units	356,789,050	283,738,188
Adjustments for:		
Interest for distribution purposes	(164,884,991)	(97,528,347)
Dividend income	(7,979,844)	(9,774,962)
Foreign exchange (gain) loss	1,268,213	(1,842,930)
Net realized (gain) loss on sale of investments	(104,841,655)	(137,350,049)
Net change in unrealized (appreciation) depreciation of investments	(93,185,193)	(159,938,336)
Derivative assets and liabilities	(44,033,019)	84,259,079
Management and administration fees payable	919,098	741,283
Withholding taxes payable	1,017,743	-
Accrued expenses	(2,412)	1,087
	(54,933,010)	(37,694,987)
Proceeds on disposal of investments	2,014,230,056	995,805,304
Amounts paid on purchase of investments	(2,900,057,549)	(1,539,323,001)
Dividends received	7,981,568	10,157,210
Interest received	147,143,614	89,203,009
	(785,635,321)	(481,852,465)
Financing:		
Proceeds from issue of redeemable units	1,356,250,203	846,052,430
Amounts paid on redemption of redeemable units	(494,574,944)	(301,159,453)
Distributions paid to unitholders	(83,180,067)	(33,782,181)
	778,495,192	511,110,796
Net increase (decrease) in cash	(7,140,129)	29,258,331
Cash (Bank overdraft), beginning of year	53,796,795	22,695,534
Effect of exchange rate fluctuations on cash	(1,268,213)	1,842,930
Cash (Bank overdraft), end of year	45,388,453	53,796,795

Pender Corporate Bond Fund

Schedule of Investment Portfolio

December 31, 2025

	Issue currency	Face value (\$) / Number of shares / units	Cost (\$)	Fair value (\$)
Corporate bonds and loans:				
Canada (22.8%):				
AG Growth International Inc., Callable, 7.50%, 2030/06/30	CAD	7,645,000	8,036,806	7,912,575
AG Growth International Inc., Convertible, Callable, 5.00%, 2027/06/30	CAD	1,000,000	971,250	999,500
AG Growth International Inc., Convertible, Callable, 5.20%, 2027/12/31	CAD	2,300,000	2,340,250	2,304,370
Algoma Steel Inc., Callable, 9.13%, 2029/04/15	USD	12,642,500	14,472,457	13,975,848
B2Gold Corp., Convertible, Callable, 2.75%, 2030/02/01	USD	12,000,000	17,371,375	26,595,901
Canadian Pacific Railway Company, Callable, 2.54%, 2028/02/28	CAD	6,000,000	5,896,700	5,941,889
Canadian Pacific Railway Company, Callable, 3.15%, 2029/03/13	CAD	14,400,000	14,887,267	14,385,214
Canopy Growth Corporation, Term Loan, 13.04%, 2027/09/20	USD	1,647,041	2,145,202	2,045,885
CDP Financial Inc., 4.10%, 2030/06/13	AUD	20,000,000	18,269,968	17,814,084
Chemtrade Logistics Income Fund, Convertible, Callable, 7.00%, 2028/06/30	CAD	6,154,000	6,400,160	6,385,083
Choice Properties Real Estate Investment Trust, Callable, 3.53%, 2029/06/11	CAD	5,800,000	6,240,580	5,818,855
Choice Properties Real Estate Investment Trust, Callable, 2.98%, 2030/03/04	CAD	1,545,000	1,530,314	1,508,115
Choice Properties Real Estate Investment Trust, Callable, 5.03%, 2031/02/28	CAD	15,000,000	15,652,890	15,758,166
Conifex Timber Inc., Tranche 1, Term Loan, 14.00%, 2029/06/12	CAD	30,750,000	30,750,000	30,750,001
Conifex Timber Inc., Tranche 2, Term Loan, 14.00%, 2029/06/12	CAD	7,500,000	7,500,000	7,500,000
CPPIB Capital Inc., 4.20%, 2028/05/02	AUD	20,000,000	18,303,174	18,257,597
CPPIB Capital Inc., 5.20%, 2034/03/04	AUD	20,000,000	18,703,600	18,385,650
Denison Mines Corp., Convertible, Callable, 4.25%, 2031/09/15	USD	9,000,000	12,386,250	16,021,776
Dye & Durham Ltd., Convertible, Callable, 3.75%, 2026/03/01	CAD	21,535,000	20,563,871	20,781,275
Emera Inc., Series '2016-A', Variable Rate, Convertible, Callable, 6.75%, 2076/06/15	USD	29,000,000	40,573,478	39,923,760
Endeavour Silver Corp., Convertible, Callable, 0.25%, 2031/01/15	USD	6,800,000	9,505,380	10,173,341
Equinox Gold Corp., Convertible, Callable, 4.75%, 2028/10/15	USD	12,077,000	16,667,895	39,012,290
Export Development Canada, 4.00%, 2030/09/04	AUD	25,000,000	22,662,537	22,266,574
Fairfax Financial Holdings Limited, Callable, 4.70%, 2026/12/16	CAD	3,000,000	2,968,500	3,037,979
Fairfax Financial Holdings Limited, Callable, 4.23%, 2029/06/14	CAD	3,000,000	2,806,500	3,066,279
Fairfax Financial Holdings Limited, Callable, 3.95%, 2031/03/03	CAD	36,400,000	35,605,244	36,575,959
Fairfax India Holdings Corporation, Callable, 5.00%, 2028/02/26	USD	10,510,000	13,018,212	13,767,265
First Majestic Silver Corp., Callable, 0.38%, 2027/01/15	USD	42,340,000	48,009,068	71,911,718
First Majestic Silver Corp., Callable, 0.13%, 2031/01/15	USD	4,756,000	6,909,667	7,286,351
Frontera Energy Corp., Callable, 7.88%, 2028/06/21	USD	4,350,000	4,058,277	4,030,768

Pender Corporate Bond Fund

Schedule of Investment Portfolio (cont'd)

December 31, 2025

	Issue currency	Face value (\$) / Number of shares / units	Cost (\$)	Fair value (\$)
Corporate bonds and loans: (cont'd)				
Canada (22.8%): (cont'd)				
Gran Tierra Energy Inc., Sinkable, Callable, 9.50%, 2029/10/15	USD	18,500,000	18,926,947	17,799,314
NFI Group Inc., Convertible, Callable, 5.00%, 2027/01/15	CAD	6,132,000	5,073,467	6,108,085
Obsidian Energy Ltd., Callable, 8.13%, 2030/12/03	CAD	9,000,000	9,000,000	9,068,400
Ontario Power Generation Inc., Callable, 3.22%, 2030/04/08	CAD	8,000,000	8,601,850	7,928,728
Premium Brands Holdings Corp., Convertible, Callable, 5.50%, 2032/12/31	CAD	15,000,000	15,000,000	15,084,000
Rivian Holdings LLC, Callable, 10.00%, 2031/01/15	USD	31,035,000	40,367,625	41,906,965
Rogers Sugar Inc., Convertible, Callable, 6.00%, 2030/06/30	CAD	21,000,000	21,305,523	22,425,900
Saturn Oil & Gas Inc., Callable, 9.63%, 2029/06/15	USD	8,170,000	11,233,443	11,046,761
Surge Energy Inc., Convertible, Callable, 8.50%, 2028/12/31	CAD	4,520,000	4,520,000	4,734,926
Tenaz Energy Corp., Callable, 12.00%, 2029/11/14	CAD	38,000,000	38,000,000	41,800,000
Tenaz Energy Corp., Series 'OCT', Callable, 12.00%, 2029/11/14	CAD	15,000,000	16,261,050	16,500,000
Vizsla Silver Corp., Convertible, Callable, 5.00%, 2031/01/15	USD	18,000,000	25,382,700	32,796,094
Waste Management of Canada Corporation, Callable, 2.60%, 2026/09/23	CAD	54,791,000	52,247,478	54,736,177
			691,126,955	766,129,418
United States (39.7%):				
Airbnb Inc., 0.00%, Convertible, Callable, 2026/03/15	USD	5,000,000	7,106,372	6,807,848
AMC Networks Inc., Callable, 10.25%, 2029/01/15	USD	7,185,000	9,825,002	10,348,993
AMC Networks Inc., Convertible, 4.25%, 2029/02/15	USD	501,000	602,691	704,495
AppLovin Corp., Callable, 5.38%, 2031/12/01	USD	4,500,000	6,283,626	6,416,079
AppLovin Corp., Callable, 5.95%, 2054/12/01	USD	4,500,000	5,913,416	6,144,940
Ascend Wellness Holdings Inc., Callable, 12.75%, 2029/07/16	USD	3,000,000	4,110,885	4,097,062
Borr IHC Ltd., Sinkable, Callable, 10.00%, 2028/11/15	USD	13,643,902	19,059,930	18,848,691
Borr IHC Ltd., Sinkable, Callable, 10.38%, 2030/11/15	USD	9,029,126	12,415,246	12,360,130
Cardlytics Inc., Convertible, 4.25%, 2029/04/01	USD	46,180,000	31,950,454	25,036,822
Connect Finco SARL, Term Loan, 8.82%, 2029/09/28	USD	10,859,446	13,626,874	14,903,046
CrowdStrike Holdings, Inc., Callable, 3.00%, 2029/02/15	USD	30,000,000	37,733,272	39,548,620
Delek Logistics Partners, L.P., Callable, 7.13%, 2028/06/01	USD	11,385,000	14,999,269	15,724,211
Desktop Metal, Inc., Convertible, Callable, 6.00%, 2027/05/15	USD	5,010,000	5,024,690	1,719,119
Desktop Metal, Inc., 13.87%, 2026/06/12	USD	2,323,830	1,863,438	797,393
Duke Energy Corp., Convertible, 4.13%, 2026/04/15	USD	31,000,000	45,651,906	43,878,708
Duke Energy Indiana, LLC, Callable, 2.75%, 2050/04/01	USD	5,000,000	4,152,308	4,321,177
Duke Energy Progress, LLC, Callable, 2.50%, 2050/08/15	USD	4,320,000	3,628,971	3,485,701
Embecka Corp., Callable, 5.00%, 2030/02/15	USD	2,000,000	2,376,163	2,626,067
Embecka Corp., Term Loan, 7.32%, 2029/04/02	USD	17,717,389	24,660,493	24,394,969
Emergent BioSolutions Inc., Callable, 3.88%, 2028/08/15	USD	17,841,700	13,102,942	22,079,021
Esperion Therapeutics Inc., Convertible, Callable, 5.75%, 2030/06/15	USD	36,610,000	52,454,523	73,383,720
Evolent Health Inc., Convertible, Callable, 3.50%, 2029/12/01	USD	8,225,000	8,167,804	7,620,226

Pender Corporate Bond Fund

Schedule of Investment Portfolio (cont'd)

December 31, 2025

	Issue currency	Face value (\$) / Number of shares / units	Cost (\$)	Fair value (\$)
Corporate bonds and loans: (cont'd)				
United States (39.7%): (cont'd)				
Evolut Health Inc., Convertible, Callable, 4.50%, 2031/08/15	USD	4,000,000	5,546,400	3,898,042
Fair Isaac Corp., Callable, 5.25%, 2026/05/15	USD	8,000,000	11,129,951	11,002,779
First Brands Group LLC, Term Loan, 13.84%, 2026/06/29	USD	11,936,673	4,688,400	3,235,777
FirstEnergy Corp., Series 'B', Callable, 3.90%, 2027/07/15	USD	2,210,000	2,894,078	3,023,564
FirstEnergy Transmission, LLC, Callable, 2.87%, 2028/09/15	USD	5,000,000	6,082,850	6,641,196
Fluence Energy, Inc., Convertible, Callable, 2.25%, 2030/06/15	USD	27,250,000	22,607,117	45,373,285
Forum Energy Technologies Inc., Callable, 10.50%, 2029/11/07	USD	14,600,000	20,608,996	20,790,701
Gartner, Inc., Callable, 4.50%, 2028/07/01	USD	12,000,000	15,472,792	16,427,832
Gartner, Inc., Callable, 3.75%, 2030/10/01	USD	14,316,000	18,205,679	18,621,593
Hecla Mining Co., Callable, 7.25%, 2028/02/15	USD	6,262,000	8,549,617	8,657,350
Hologic Inc., Callable, 3.25%, 2029/02/15	USD	8,000,000	9,271,177	10,830,858
Lucid Group, Inc., 1.25%, 2026/12/15	USD	8,550,000	11,149,460	10,913,831
Luminar Technologies Inc., Floating Rate, Callable, 12.88%, 2028/08/15	USD	3,081,000	2,592,754	3,404,840
Magnite, Inc., Convertible, 0.25%, 2026/03/15	USD	14,225,000	18,082,439	19,366,375
Magnite, Inc., Term Loan, 7.32%, 2031/02/06	USD	22,780,431	32,798,918	31,228,196
Moody's Corp., Callable, 3.10%, 2061/11/29	USD	8,000,000	6,920,191	6,855,677
MSCI Inc., Callable, 4.00%, 2029/11/15	USD	6,000,000	7,130,497	8,062,771
MSCI Inc., Callable, 3.63%, 2030/09/01	USD	11,983,000	15,272,664	15,732,131
New Flyer Holdings Inc., Callable, 9.25%, 2030/07/01	USD	8,500,000	11,664,975	12,597,512
New Fortress Energy Inc., 12.00%, 2029/11/15	USD	50,787,000	41,638,525	18,821,078
Northern Oil and Gas Inc., Convertible, Callable, 3.63%, 2029/04/15	USD	20,000,000	27,299,465	26,551,980
OPKO Health, Inc., Convertible, 3.75%, 2029/01/15	USD	6,811,000	8,928,938	12,087,578
OT Midco Inc., Callable, 10.00%, 2030/02/15	USD	19,278,000	10,855,692	10,594,201
PAR Technology Corp., Convertible, Callable, 1.50%, 2027/10/15	USD	5,000,000	6,824,245	6,715,201
PayPal Holdings Inc., Callable, 2.30%, 2030/06/01	USD	3,928,000	4,829,341	5,000,756
PPL Capital Funding Inc., Convertible, Callable, 3.00%, 2030/12/01	USD	9,250,000	12,754,899	12,742,620
PPL Capital Funding Inc., Convertible, 2.88%, 2028/03/15	USD	18,000,000	27,268,951	27,145,608
Shutterfly Finance LLC, Payment-In-Kind, Callable, 8.50%, 2027/10/01	USD	12,300,000	16,298,937	16,294,352
Southern Company, Convertible, 4.50%, 2027/06/15	USD	30,000,000	45,377,668	44,038,266
Southern Company, Convertible, 3.25%, 2028/06/15	USD	10,000,000	13,727,973	13,732,363
Spirit Airlines Inc., DIP, 0.00%, 2026/07/14	USD	47,741,031	63,833,516	35,653,215
Spirit Airlines, LLC, Term Loan, 11.75%, 2030/10/07	USD	10,436,357	14,259,807	13,990,562
Spirit Airlines, LLC, Term Loan, 11.75%, 2030/11/07	USD	2,610,637	3,553,957	3,099,493
Spirit Airlines, LLC, Term Loan, 11.75%, 2030/12/07	USD	5,168,901	6,908,435	6,871,388
SS&C Technologies, Inc., Callable, 5.50%, 2027/09/30	USD	23,365,000	32,250,447	32,118,826
SSR Mining Inc., Callable, 2.50%, 2039/04/01	USD	18,987,000	26,055,096	34,054,698
Stem, Inc., Payment-In-Kind, Callable, 11.00%, 2030/12/01	USD	29,729,155	43,337,758	33,663,920
Stillwater Mining Company, Callable, 4.50%, 2029/11/16	USD	7,838,000	8,264,674	10,199,420
Stillwater Mining Company, Convertible, 4.25%, 2028/11/28	USD	11,800,000	17,567,694	44,784,889
TerrAscend USA, Inc., Term Loan, 12.75%, 2028/08/01	USD	8,891,686	11,719,087	11,899,177

Pender Corporate Bond Fund

Schedule of Investment Portfolio (cont'd)

December 31, 2025

	Issue currency	Face value (\$) / Number of shares / units	Cost (\$)	Fair value (\$)
Corporate bonds and loans: (cont'd)				
United States (39.7%): (cont'd)				
Topaz Solar Farms LLC, Callable, 5.75%, 2039/09/30	USD	9,504,655	13,910,372	13,131,911
TreeHouse Foods Inc., Callable, 4.00%, 2028/09/01	USD	9,720,000	10,325,441	13,307,833
Trulieve Cannabis Corp., Callable, 10.50%, 2030/12/17	USD	40,000,000	55,410,000	55,176,509
TXNM Energy Inc., Convertible, Callable, 5.75%, 2054/06/01	USD	5,260,000	7,294,669	9,701,716
Unisys Corporation, Callable, 10.63%, 2031/01/15	USD	15,000,000	20,439,438	21,109,236
Verisign, Inc., Callable, 4.75%, 2027/07/15	USD	31,362,000	41,429,900	43,053,018
Verisign Inc., Callable, 2.70%, 2031/06/15	USD	28,500,000	34,203,571	35,610,537
Viasat Inc., Callable, 5.63%, 2027/04/15	USD	3,850,000	4,912,046	5,297,140
Viasat Inc., Term Loan, 8.82%, 2029/03/05	USD	4,936,061	6,127,690	6,765,743
Viasat Inc., Term Loan, 8.94%, 2030/05/30	USD	4,949,495	6,074,742	6,783,885
W&T Offshore Inc., Callable, 10.75%, 2029/02/01	USD	15,200,000	20,707,271	19,191,236
Wellbore Integrity Solutions Parent Inc., Callable, 12.00%, 2029/10/02	USD	12,000,000	16,225,272	15,811,776
Wolfspeed Inc., Convertible, Callable, 2.50%, 2031/06/15	USD	15,514,060	43,544,986	31,647,944
Wolfspeed Inc., Convertible, Callable, 7.00%, 2031/06/15	USD	15,996,395	20,580,010	17,674,461
Wolfspeed Inc., Payment-In-Kind, Callable, 13.88%, 2030/06/23	USD	12,617,397	19,211,367	18,876,628
			1,319,331,110	1,335,110,512
Foreign (19.8%):				
Adecoagro SA, Callable, 7.50%, 2032/07/29	USD	47,000,000	64,131,065	61,089,537
Argentine Republic, Floating Rate, 2035/12/15	USD	108,895,000	4,364,501	4,461,495
Baidu Inc., 0.00%, Puttable, Convertible, Callable, 2032/03/12	USD	12,000,000	17,261,236	16,782,826
BlueNord ASA, Callable, 12.00%, 2085/07/10	USD	30,000,000	41,097,000	42,976,126
Borr Drilling Ltd., Convertible, 5.00%, 2028/02/08	USD	18,000,000	23,164,346	24,990,599
Braskem Netherlands Finance BV, 4.50%, 2030/01/31	USD	3,000,000	1,618,352	1,612,513
Braskem Netherlands Finance BV, Callable, 7.25%, 2033/02/13	USD	18,110,000	9,805,236	9,647,825
CK Hutchison International 21 Ltd., Callable, 4.25%, 2030/09/26	USD	13,250,000	18,680,112	18,182,166
CK Hutchison International 25 Ltd., Callable, 2.50%, 2031/04/15	USD	6,750,000	8,633,396	8,487,818
Connect Finco SARL, Callable, 9.00%, 2029/09/15	USD	26,750,000	36,240,329	38,991,691
Dominican Republic, Callable, 13.63%, 2033/02/03	DOP	600,000,000	16,024,496	15,802,216
Golar LNG Ltd., Callable, 7.75%, 2029/09/19	USD	9,000,000	12,624,062	12,236,566
MC Brazil Downstream Trading S.À.R.L., Sinkable, 7.25%, 2031/06/30	USD	33,981,322	39,028,306	40,935,518
McDermott International, Ltd., Term Loan, 7.44%, 2027/06/30	USD	85,929	116,249	100,841
McDermott International, Ltd., Term Loan, 8.44%, 2027/12/31	USD	45,583,543	36,847,757	50,208,967
National Grid Electricity Transmission PLC, Callable, 2.30%, 2029/06/22	CAD	2,000,000	1,836,000	1,927,802
National Grid Electricity Transmission PLC, Callable, 5.22%, 2031/09/16	CAD	5,000,000	5,231,350	5,306,735
Nio Inc., Convertible, Callable, 3.88%, 2029/10/15	USD	25,185,000	29,772,680	32,656,944
Nio Inc., Convertible, Callable, 4.63%, 2030/10/15	USD	21,510,000	24,888,167	26,128,342
Petróleos Mexicanos, Callable, 6.63%, 2035/06/15	USD	5,000,000	5,287,583	6,516,613
Petróleos Mexicanos, Callable, 6.75%, 2047/09/21	USD	28,800,000	27,316,944	32,527,540

Pender Corporate Bond Fund

Schedule of Investment Portfolio (cont'd)

December 31, 2025

	Issue currency	Face value (\$) / Number of shares / units	Cost (\$)	Fair value (\$)
Corporate bonds and loans: (cont'd)				
Foreign (19.8%): (cont'd)				
Petroleos Mexicanos, Callable, 7.69%, 2050/01/23	USD	17,560,000	18,298,902	21,618,651
Petróleos Mexicanos, Sinkable, Callable, 6.70%, 2032/02/16	USD	16,680,000	17,585,185	22,847,321
Prosus N.V., Callable, 3.26%, 2027/01/19	USD	10,000,000	13,304,335	13,535,517
Prosus N.V., Callable, 1.54%, 2028/08/03	EUR	5,000,000	7,542,305	7,777,279
Prosus N.V., Callable, 3.68%, 2030/01/21	USD	10,000,000	13,277,461	13,190,322
Prosus N.V., Callable, 3.06%, 2031/07/13	USD	39,000,000	48,018,037	48,785,185
Seaspan Corp., Callable, 5.50%, 2029/08/01	USD	16,917,000	19,217,570	22,073,345
SFL Corporation Ltd., Callable, 8.88%, 2027/02/01	USD	2,000,000	2,681,590	2,823,976
StoneCo Ltd., Callable, 3.95%, 2028/06/16	USD	1,000,000	964,683	1,285,173
Total Play Telecomunicaciones, S.A.P.I. de C.V., Sinkable, Callable, 10.50%, 2028/12/31	USD	6,500,000	8,489,434	8,877,949
Total Play Telecomunicaciones SA de CV , Sinkable, Callable, 11.13%, 2032/12/31	USD	39,200,000	52,052,161	51,748,648
			625,400,830	666,134,046
Total corporate bonds and loans (82.3%)			2,635,858,895	2,767,373,976
Closed end funds:				
Sprott Physical Silver Trust	USD	565,000	8,553,230	18,340,356
Western Asset / Claymore Inflation-Linked Opportunities & Income Fund	USD	970,641	12,149,195	11,444,056
Total closed end funds (0.9%)			20,702,425	29,784,412
Common shares:				
Adecoagro SA	USD	250,000	2,833,581	2,721,080
BCE Inc.	CAD	352	14,864	11,524
Cineworld Parent Ltd.	USD	741,147	21,095,335	19,836,596
Copper Property CTL Pass Through Trust	USD	1,000,783	13,412,180	15,453,278
Equinox Gold Corp.	CAD	2,596,154	23,362,595	50,079,811
Esperion Therapeutics Inc.	USD	4,058,688	7,047,565	20,611,783
McDermott International Ltd.	USD	1,119,892	38,555,543	33,739,515
New JRV Topco Holdings LLC	USD	1,326,000	22,077,209	19,783,414
StoneCo Ltd., Class 'A'	USD	100,000	1,643,635	2,030,001
Wolfspeed Inc.	USD	7,861	274,221	187,847
Total common shares (4.9%)			130,316,728	164,454,849
Exchange-traded funds:				
abrdn Physical Platinum Shares ETF	USD	242,000	29,478,461	61,924,049
iShares Silver Trust	USD	247,500	10,158,740	21,883,869
Teucrium Wheat Fund	USD	696,000	20,683,670	19,077,237
Total exchange-traded funds (3.0%)			60,320,871	102,885,155

Pender Corporate Bond Fund

Schedule of Investment Portfolio (cont'd)

December 31, 2025

	Issue currency	Face value (\$) / Number of shares / units	Cost (\$)	Fair value (\$)
Government bonds:				
Government of Canada, 2.13%, 2026/03/25	CAD	12,000,000	11,939,970	11,939,970
Government of Canada, Real Return, 4.25%, 2026/12/01	CAD	5,000,000	9,991,562	9,716,091
Government of Canada, Real Return, 4.00%, 2031/12/01	CAD	9,500,000	20,386,470	19,891,560
Government of Canada, Real Return, 3.00%, 2036/12/01	CAD	8,900,000	16,454,004	16,330,073
Government of Canada, Real Return, 1.50%, 2044/12/01	CAD	13,980,000	19,952,780	19,003,875
Government of Canada, Real Return, 1.25%, 2047/12/01	CAD	22,800,000	29,422,283	27,218,016
United States Treasury, 1.75%, 2028/01/15	USD	17,872,150	25,290,286	24,729,152
United States Treasury, 4.00%, 2028/02/29	USD	5,000,000	6,948,011	6,936,605
United States Treasury, 4.63%, 2035/02/15	USD	12,000,000	17,572,447	17,134,893
United States Treasury, 2.50%, 2045/02/15	USD	9,410,000	9,462,464	9,188,811
United States Treasury, Inflation Indexed, 3.38%, 2032/04/15	USD	13,298,240	20,152,317	20,163,810
United States Treasury, Inflation Indexed, 1.00%, 2046/02/15	USD	6,599,658	7,373,046	6,852,456
United States Treasury, Inflation Indexed, 0.13%, 2052/02/15	USD	59,648,070	47,252,703	43,316,576
Total government bonds (6.9%)			242,198,343	232,421,888
Preferred shares:				
BCE Inc., Series 'AB', 6.95%, Convertible	CAD	10,300	166,429	206,927
BCE Inc., Series 'AD', 6.95%, Convertible	CAD	11,100	184,543	222,111
BCE Inc., Series 'AE', Floating Rate, Perpetual	CAD	5,600	91,332	112,000
BCE Inc., Series 'AH', Variable Rate, Convertible, Perpetual	CAD	5,200	88,456	106,080
BCE Inc., Series 'AL', Floating Rate, Perpetual	CAD	1,400	21,107	26,642
BCE Inc., Series 'AN', Floating Rate, Convertible, Perpetual	CAD	9,700	154,275	203,700
BCE Inc., Series 'S', 5.28%	CAD	7,800	129,954	157,755
BCE Inc., Series 'Y', Variable Rate, Perpetual	CAD	4,600	73,987	92,230
Canadian Utilities Ltd., 5.60%, Preferred, Perpetual	CAD	157,000	3,925,000	3,943,840
Canadian Utilities Ltd., Series 'AA', 4.90%	CAD	25,000	454,435	560,750
Canadian Utilities Ltd., Series 'BB', 4.90%	CAD	116,300	2,320,340	2,592,327
Canadian Utilities Ltd., Series 'CC', 4.50%	CAD	83,132	1,517,547	1,770,712
Canadian Utilities Ltd., Series 'DD', 4.50%	CAD	303,900	5,437,317	6,375,822
Canadian Utilities Ltd., Series 'EE', 5.25%	CAD	150,000	3,179,000	3,646,500
Canadian Utilities Ltd., Series 'HH', 4.75%	CAD	304,000	5,429,455	6,630,240
Capstone Infrastructure Corporation, Series 'A', 3.70%, Callable	CAD	31,900	399,088	613,756
George Weston Limited, Series 'III', 5.20%	CAD	148,300	3,598,496	3,511,744
George Weston Limited, Series 'IV', 5.20%	CAD	173,100	3,972,198	4,092,084
George Weston Limited, Series 'V', 4.75%	CAD	131,500	3,035,109	2,940,340
Great-West Lifeco Inc., Series 'G', 5.20%	CAD	100,000	2,014,203	2,372,000
Great-West Lifeco Inc., Series 'H', 4.85%	CAD	71,700	1,349,334	1,608,948
Great-West Lifeco Inc., Series 'L', 5.65%	CAD	70,600	1,522,129	1,772,766
Great-West Lifeco Inc., Series 'M', 5.80%	CAD	93,400	2,223,854	2,407,852
Great-West Lifeco Inc., Series 'P', 5.40%	CAD	96,600	2,147,418	2,357,040
Great-West Lifeco Inc., Series 'S', 5.25%	CAD	73,000	1,381,106	1,752,000
Great-West Lifeco Inc., Series 'T', 5.15%	CAD	55,400	1,058,376	1,294,698
Power Corporation of Canada, Series 'A', 5.60%	CAD	50,000	1,036,000	1,260,500
Power Corporation of Canada, Series 'G', 5.60%	CAD	82,700	1,680,595	2,061,711
Power Financial Corp., Series 'A'	CAD	70,700	930,605	978,488
Thomson Reuters Corporation, Series '11', 6.95%	CAD	326,422	3,226,390	4,880,009
Total preferred shares (1.8%)			52,748,078	60,551,572

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

Pender Corporate Bond Fund

Schedule of Investment Portfolio (cont'd)

December 31, 2025

	Issue currency	Face value (\$) / Number of shares / units	Cost (\$)	Fair value (\$)
Warrants:				
Conifex Timber Inc., strike price \$0.75, expiry 2029/06/12	CAD	4,320,000	-	-
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	-	-
Stem, Inc., strike price \$30.00, expiry 2030/12/01	USD	98,146	-	-
Total warrants (0.0%)			-	-
Less: Transaction costs included in cost of investments			(879,162)	
Total investments (99.8%)			3,141,266,178	3,357,471,852
	Contract rate	Pay - USD	Receive - CAD	Unrealized gain (loss)
Derivative liabilities:				
Currency forwards (-0.1%):				
BNY Mellon, Foreign Currency Forward, settlement 2026/01/21	1.35	766,872,120	1,036,255,200	(15,529,444)
BNY Mellon, Foreign Currency Forward, settlement 2026/04/15	1.38	728,013,440	1,008,232,000	13,218,337
				(2,311,107)
		Number of options	Premium received	Fair value
Written call options (-1.3%):				
abrdn Physical Platinum Shares ETF, strike price \$155.00, expiry 2026/06/19		(800)	(1,663,214)	(4,540,395)
abrdn Physical Platinum Shares ETF, strike price \$180.00, expiry 2026/06/19		(500)	(1,796,005)	(1,990,198)
B2Gold Corp., strike price \$5.50, expiry 2026/05/16		(10,000)	(755,379)	(549,019)
Beyond Meat Inc., strike price \$1.50, expiry 2026/02/21		(3,750)	(249,969)	(36,028)
Equinox Gold Corp., strike price \$10.00, expiry 2026/01/17		(5,000)	(546,709)	(2,717,649)
Equinox Gold Corp., strike price \$10.00, expiry 2026/07/18		(10,000)	(4,618,207)	(6,931,378)
Equinox Gold Corp., strike price \$15.00, expiry 2026/07/18		(7,500)	(1,951,120)	(2,238,972)
Equinox Gold Corp., strike price \$17.50, expiry 2026/07/18		(5,000)	(1,159,158)	(960,785)
Esperion Therapeutics Inc., strike price \$3.50, expiry 2026/06/19		(15,000)	(1,289,037)	(2,058,825)
Esperion Therapeutics Inc., strike price \$4.00, expiry 2026/06/19		(5,000)	(589,886)	(566,176)
Esperion Therapeutics Inc., strike price \$4.50, expiry 2026/06/19		(10,000)	(812,489)	(1,029,413)
Fluence Energy, Inc., strike price \$22.00, expiry 2026/05/16		(7,000)	(5,747,449)	(3,939,219)
Fluence Energy, Inc., strike price \$24.00, expiry 2026/05/16		(2,000)	(1,145,359)	(974,511)
iShares Silver Trust, strike price \$40.00, expiry 2026/01/17		(1,000)	(725,704)	(3,358,630)
iShares Silver Trust, strike price \$45.00, expiry 2026/06/19		(1,475)	(1,280,467)	(4,150,248)
Sibanye Stillwater Ltd., ADR, strike price \$11.00, expiry 2026/04/18		(3,000)	(898,295)	(1,647,060)
Sibanye Stillwater Ltd., ADR, strike price \$14.00, expiry 2026/04/18		(7,000)	(2,675,723)	(2,113,727)
SSR Mining Inc., strike price \$24.00, expiry 2026/03/21		(3,000)	(1,009,372)	(782,354)
Vizsla Silver Corp., strike price \$7.50, expiry 2026/07/18		(15,000)	(1,050,060)	(1,235,295)
Vizsla Silver Corp., strike price \$7.50, expiry 2026/12/19		(10,000)	(724,726)	(1,358,825)
			(30,688,328)	(43,178,707)
Total derivative liabilities (-1.4%)			(30,688,328)	(45,489,814)
Cash (Bank overdraft) (1.3%)				45,388,453
Other assets less liabilities (0.3%)				10,608,906
Total net assets attributable to holders of redeemable units (100.0%)				3,367,979,397

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

Pender Global Small/Mid Cap Equity Fund (formerly Pender Value Fund)

Statements of Financial Position

December 31, 2025 and 2024

	2025 (\$)	2024 (\$)
Assets		
Cash	1,831,245	-
Subscriptions receivable	5,198	16,968
Dividends receivable	102,645	136,327
Investments	93,218,254	121,864,247
	95,157,342	122,017,542
Liabilities		
Bank overdraft	-	468,564
Management and administration fees payable (note 4)	124,784	173,099
Redemptions payable to holders of redeemable units	101,533	49,851
Accrued expenses	-	443
	226,317	691,957
Net assets attributable to holders of redeemable units	94,931,025	121,325,585
Net assets attributable to holders of redeemable units per class:		
Class A	15,198,379	23,022,694
Class E	905,778	1,092,398
Class F	-	50,474,957
Class F (formerly Class I)	70,739,988	35,569,068
Class H	8,070,885	9,459,824
Class O	15,995	1,706,644
	94,931,025	121,325,585
Net assets attributable to holders of redeemable units per unit:		
Class A	20.80	21.51
Class E	12.48	13.33
Class F	-	22.74
Class F (formerly Class I)	15.37	16.83
Class H	13.59	15.15
Class O	19.11	19.28

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

(signed) "David Barr"

David Barr
Director

(signed) "Felix Narhi"

Felix Narhi
Director

Pender Global Small/Mid Cap Equity Fund (formerly Pender Value Fund)

Statements of Comprehensive Income

Years ended December 31, 2025 and 2024

	2025 (\$)	2024 (\$)
Revenue		
Interest for distribution purposes	58,003	-
Dividend income	864,914	835,183
Foreign exchange gain (loss)	(226,750)	(1,652)
Changes in fair value of investments:		
Net realized gain (loss)	10,898,552	10,681,196
Net change in unrealized appreciation (depreciation)	(13,121,375)	38,441,909
Total revenue	(1,526,656)	49,956,636
Expenses		
Management fees (note 4)	1,151,313	1,116,529
Administration fees (note 4)	539,885	660,004
Transaction costs	144,820	132,018
Withholding taxes (note 6)	29,237	41,940
Independent review committee fees	912	1,806
Interest expense	-	169,370
Income tax (refund)	(17,956)	-
Total expenses	1,848,211	2,121,667
Less: Expenses absorbed by the Manager (note 4)	(912)	(1,806)
Net expenses	1,847,299	2,119,861
Increase (decrease) in net assets attributable to holders of redeemable units	(3,373,955)	47,836,775
Increase (decrease) in net assets attributable to holders of redeemable units per class:		
Class A	(868,706)	9,126,580
Class E	(18,525)	500,582
Class F	(2,123,869)	20,658,159
Class F (formerly Class I)	149,978	13,360,273
Class H	(352,485)	3,561,901
Class N	-	1,067
Class O	(160,348)	628,213
	(3,373,955)	47,836,775
Increase (decrease) in net assets attributable to holders of redeemable units per unit:		
Class A	(0.98)	8.34
Class E	(0.25)	5.48
Class F	(1.02)	9.02
Class F (formerly Class I)	0.07	6.57
Class H	(0.61)	6.11
Class N	-	1.85
Class O	(8.96)	7.67

Pender Global Small/Mid Cap Equity Fund (formerly Pender Value Fund)

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

Years ended December 31, 2025 and 2024

Class A	2025 (\$)	2024 (\$)
Balance, beginning of year	23,022,694	19,453,869
Increase (decrease) in net assets attributable to holders of redeemable units	(868,706)	9,126,580
Unit transactions:		
Proceeds from issue of redeemable units	329,191	422,942
Issued on reinvestment of distributions	-	2,134,716
Amounts paid on redemption of redeemable units	(7,284,800)	(5,731,224)
	(6,955,609)	(3,173,566)
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	15,198,379	23,022,694
Class E	2025 (\$)	2024 (\$)
Balance, beginning of year	1,092,398	890,832
Increase (decrease) in net assets attributable to holders of redeemable units	(18,525)	500,582
Unit transactions:		
Proceeds from issue of redeemable units	7,500	24,612
Issued on reinvestment of distributions	46,110	115,967
Amounts paid on redemption of redeemable units	(175,595)	(323,628)
	(121,985)	(183,049)
Distributions paid from:		
Net investment income	-	-
Realized gains on sale of investments	(46,110)	(115,967)
Return of capital	-	-
	(46,110)	(115,967)
Balance, end of year	905,778	1,092,398
Class F	2025 (\$)	2024 (\$)
Balance, beginning of year	50,474,957	42,540,797
Increase (decrease) in net assets attributable to holders of redeemable units	(2,123,869)	20,658,159
Unit transactions:		
Proceeds from issue of redeemable units	3,080,349	3,873,934
Issued on reinvestment of distributions	10,915	4,629,699
Amounts paid on redemption of redeemable units	(51,431,437)	(15,885,533)
	(48,340,173)	(7,381,900)
Distributions paid from:		
Net investment income	(10,915)	(8,243)
Realized gains on sale of investments	-	(5,333,856)
Return of capital	-	-
	(10,915)	(5,342,099)
Balance, end of year	-	50,474,957

Pender Global Small/Mid Cap Equity Fund (formerly Pender Value Fund)

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

Years ended December 31, 2025 and 2024

Class F (formerly Class I)	2025 (\$)	2024 (\$)
Balance, beginning of year	35,569,068	27,919,745
Increase (decrease) in net assets attributable to holders of redeemable units	149,978	13,360,273
Unit transactions:		
Proceeds from issue of redeemable units	43,505,854	4,865,263
Issued on reinvestment of distributions	4,081,277	2,553,397
Amounts paid on redemption of redeemable units	(7,760,764)	(9,610,091)
	39,826,367	(2,191,431)
Distributions paid from:		
Net investment income	-	-
Realized gains on sale of investments	(4,805,425)	(3,519,519)
Return of capital	-	-
	(4,805,425)	(3,519,519)
Balance, end of year	70,739,988	35,569,068

Class H	2025 (\$)	2024 (\$)
Balance, beginning of year	9,459,824	7,081,385
Increase (decrease) in net assets attributable to holders of redeemable units	(352,485)	3,561,901
Unit transactions:		
Proceeds from issue of redeemable units	95,313	231,544
Issued on reinvestment of distributions	592,439	1,079,778
Amounts paid on redemption of redeemable units	(1,111,844)	(1,233,044)
	(424,092)	78,278
Distributions paid from:		
Net investment income	-	-
Realized gains on sale of investments	(612,362)	(1,261,740)
Return of capital	-	-
	(612,362)	(1,261,740)
Balance, end of year	8,070,885	9,459,824

Class N	2025 (\$)	2024 (\$)
Balance, beginning of year	-	4,958
Increase (decrease) in net assets attributable to holders of redeemable units	-	1,067
Unit transactions:		
Proceeds from issue of redeemable units	-	-
Issued on reinvestment of distributions	-	-
Amounts paid on redemption of redeemable units	-	(6,025)
	-	(6,025)
Distributions paid from:		
Net investment income	-	-
Realized gains on sale of investments	-	-
Return of capital	-	-
	-	-
Balance, end of year	-	-

Pender Global Small/Mid Cap Equity Fund (formerly Pender Value Fund)

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

Years ended December 31, 2025 and 2024

Class O	2025 (\$)	2024 (\$)
Balance, beginning of year	1,706,644	1,613,431
Increase (decrease) in net assets attributable to holders of redeemable units	(160,348)	628,213
Unit transactions:		
Proceeds from issue of redeemable units	-	-
Issued on reinvestment of distributions	-	169,231
Amounts paid on redemption of redeemable units	(1,530,301)	(535,000)
	(1,530,301)	(365,769)
Distributions paid from:		
Net investment income	-	-
Realized gains on sale of investments	-	(169,231)
Return of capital	-	-
	-	(169,231)
Balance, end of year	15,995	1,706,644
	2025	2024
Total Fund	(\$)	(\$)
Balance, beginning of year	121,325,585	99,505,017
Increase (decrease) in net assets attributable to holders of redeemable units	(3,373,955)	47,836,775
Unit transactions:		
Proceeds from issue of redeemable units	47,018,207	9,418,295
Issued on reinvestment of distributions	4,730,741	10,682,788
Amounts paid on redemption of redeemable units	(69,294,741)	(33,324,545)
	(17,545,793)	(13,223,462)
Distributions paid from:		
Net investment income	(10,915)	(8,243)
Realized gains on sale of investments	(5,463,897)	(12,784,502)
Return of capital	-	-
	(5,474,812)	(12,792,745)
Balance, end of year	94,931,025	121,325,585

Pender Global Small/Mid Cap Equity Fund (formerly Pender Value Fund)

Statements of Cash Flows

Years ended December 31, 2025 and 2024

	2025 (\$)	2024 (\$)
Cash provided by (used in):		
Operating:		
Increase (decrease) in net assets attributable to holders of redeemable units	(3,373,955)	47,836,775
Adjustments for:		
Interest for distribution purposes	(58,003)	-
Dividend income	(864,914)	(835,183)
Foreign exchange (gain) loss	226,750	1,652
Net realized (gain) loss on sale of investments	(10,898,552)	(10,681,196)
Net change in unrealized (appreciation) depreciation of investments	13,121,375	(38,441,909)
Other receivable	-	337
Management and administration fees payable	(48,315)	38,097
Accrued expenses	(443)	(647)
	(1,896,057)	(2,082,074)
Proceeds on disposal of investments	76,522,145	81,933,718
Amounts paid on purchase of investments	(50,098,975)	(55,288,601)
Dividends received	898,596	763,270
Interest received	58,003	-
	25,483,712	25,326,313
Financing:		
Proceeds from issue of redeemable units	3,695,130	5,183,350
Amounts paid on redemption of redeemable units	(25,908,212)	(29,104,782)
Distributions paid to unitholders	(744,071)	(2,109,957)
	(22,957,153)	(26,031,389)
Net increase (decrease) in cash	2,526,559	(705,076)
Cash (Bank overdraft), beginning of year	(468,564)	238,164
Effect of exchange rate fluctuations on cash	(226,750)	(1,652)
Cash (Bank overdraft), end of year	1,831,245	(468,564)

Pender Global Small/Mid Cap Equity Fund (formerly Pender Value Fund)

Schedule of Investment Portfolio

December 31, 2025

	Issue currency	Number of shares / units	Cost (\$)	Fair value (\$)
Equities:				
Banks (2.9%):				
Webster Financial Corp.		32,000	2,510,617	2,764,426
			2,510,617	2,764,426
Communication services (3.9%):				
Telesat Corp., Class 'A'		93,000	2,072,751	3,680,010
			2,072,751	3,680,010
Consumer discretionary (2.5%):				
D2L Inc.		175,567	2,281,597	2,371,910
			2,281,597	2,371,910
Consumer staples (12.7%):				
CareRx Corp.		716,730	3,580,533	2,737,909
Dollar Tree Inc.		18,200	2,476,119	3,072,840
Jamieson Wellness Inc.		23,400	726,670	787,410
Premium Brands Holdings Corp.		53,480	4,641,878	5,439,450
			11,425,200	12,037,609
Energy (3.7%):				
TerraVest Industries Inc.		21,263	1,799,324	3,497,976
			1,799,324	3,497,976
Financial services (9.3%):				
Bitcoin Treasury Corp.		300,000	3,000,000	1,530,000
Exor N.V.		20,230	1,800,266	2,364,146
KKR & Co. Inc.		17,340	1,691,804	3,034,026
Mercer Park Opportunities Corp.		130,300	1,789,345	1,867,124
Mercer Park Opportunities Corp., Rights, 2029/07/15		130,300	-	45,158
			8,281,415	8,840,454
Health care (7.3%):				
Addus HomeCare Corp.		18,100	3,015,711	2,667,906
kneat.com, inc.		358,365	1,360,075	1,763,156
Vitalhub Corp.		266,300	3,314,268	2,521,861
			7,690,054	6,952,923
Industrials (17.2%):				
Aecon Group Inc.		110,120	1,450,991	3,444,554
Boyd Group Services Inc.		12,500	2,466,998	2,732,875
Clarivate PLC		388,800	1,933,265	1,782,382
Fluor Corp.		44,400	2,881,419	2,415,101
Hexcel Corp.		27,400	2,273,440	2,779,222
StandardAero Inc.		79,750	2,813,350	3,139,338
			13,819,463	16,293,472
Information technology (24.0%):				
Blackline Safety Corp.		50,586	194,749	326,280
Coveo Solutions Inc.		466,200	3,179,484	3,086,244
Dye & Durham Ltd.		304,848	4,288,016	1,219,392
Kinaxis Inc.		19,180	2,774,689	3,319,674
Kraken Robotics Inc.		442,638	468,671	2,832,883
PAR Technology Corp.		79,387	3,939,104	3,953,164
Sangoma Technologies Corp.		381,290	3,543,889	2,627,088
Sylogist Ltd.		364,811	3,047,289	2,104,959
Tantalus Systems Holding Inc.		716,872	1,207,724	3,354,961
			22,643,615	22,824,645

Pender Global Small/Mid Cap Equity Fund (formerly Pender Value Fund)

Schedule of Investment Portfolio (cont'd)

December 31, 2025

	Issue currency	Number of shares / units	Cost (\$)	Fair value (\$)
Equities: (cont'd)				
Insurance (7.6%):				
Definity Financial Corp.		40,000	2,666,000	3,037,200
Trisura Group Ltd.		97,500	4,083,822	4,165,199
			6,749,822	7,202,399
Materials (7.1%):				
Ero Copper Corp.		92,700	2,416,942	3,599,541
International Flavors & Fragrances Inc.		33,700	3,117,918	3,117,120
			5,534,860	6,716,661
Total equities (98.2%)			84,808,718	93,182,485
Warrants:				
Mercer Park Opportunities Corp., strike price \$11.00, expiry 2029/08/29	USD	130,300	-	35,769
Total warrants (0.0%)			-	35,769
Less: Transaction costs included in cost of investments			(75,970)	
Total investments (98.2%)			84,732,748	93,218,254
Cash (Bank overdraft) (1.9%)				1,831,245
Other assets less liabilities (-0.1%)				(118,474)
Total net assets attributable to holders of redeemable units (100.0%)				94,931,025

Pender Small Cap Opportunities Fund

Statements of Financial Position

December 31, 2025 and 2024

	2025 (\$)	2024 (\$)
Assets		
Cash	-	697,143
Receivable for investments sold	-	14,585,182
Subscriptions receivable	52,432	-
Dividends receivable	283,579	40,801
Derivative assets	1,570,926	769,151
Investments	415,045,724	409,972,151
	416,952,661	426,064,428
Liabilities		
Bank overdraft	4,121,006	-
Management and administration fees payable (note 4)	533,513	554,361
Payable for investments purchased	-	4,500,610
Redemptions payable to holders of redeemable units	2,067,486	-
Accrued expenses	-	124,226
	6,722,005	5,179,197
Net assets attributable to holders of redeemable units	410,230,656	420,885,231
Net assets attributable to holders of redeemable units per class:		
Class A	23,533,313	24,760,874
Class B	14,105,991	14,172,453
Class E	7,422,095	6,675,540
Class F	94,148,590	101,949,153
Class G	177,676,493	191,161,186
Class H	2,271,252	2,480,750
Class I	22,966,750	24,594,381
Class M	57,010,235	41,624,347
Class N	15,253	24,207
Class O	11,080,684	13,442,340
	410,230,656	420,885,231
Net assets attributable to holders of redeemable units per unit:		
Class A	37.48	39.70
Class B	14.11	14.75
Class E	16.20	17.45
Class F	39.53	41.75
Class G	14.74	15.23
Class H	12.06	12.67
Class I	18.48	19.57
Class M	8.65	9.01
Class N	25.61	24.08
Class O	41.77	43.75

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, 2025 and 2024

	2025 (\$)	2024 (\$)
Revenue		
Interest for distribution purposes	-	2,218
Dividend income	1,680,771	2,302,132
Foreign exchange gain (loss)	39,205	(17,877)
Changes in fair value of investments and derivatives:		
Net realized gain (loss)	48,460,079	40,938,876
Net change in unrealized appreciation (depreciation)	(20,684,199)	113,766,895
Total revenue	29,495,856	156,992,244
Expenses		
Management fees (note 4)	3,440,787	2,903,081
Administration fees (note 4)	2,354,509	1,983,792
Transaction costs	830,298	511,793
Interest expense	345,159	209,104
Withholding taxes (recovery) (note 6)	28,220	-
Independent review committee fees	3,740	5,882
Income tax (refund)	(56,814)	-
Total expenses	6,945,899	5,613,652
Less: Expenses absorbed by the Manager (note 4)	(3,740)	(5,882)
Net expenses	6,942,159	5,607,770
Increase (decrease) in net assets attributable to holders of redeemable units	22,553,697	151,384,474
Increase (decrease) in net assets attributable to holders of redeemable units per class:		
Class A	976,287	9,383,365
Class B	553,120	5,428,602
Class E	513,346	2,244,585
Class F	5,374,803	39,065,974
Class G	10,082,212	66,730,487
Class H	104,146	550,050
Class I	1,362,303	9,423,245
Class M	2,957,930	12,541,854
Class N	1,967	9,862
Class O	627,583	6,006,450
	22,553,697	151,384,474
Increase (decrease) in net assets attributable to holders of redeemable units per unit:		
Class A	1.65	14.53
Class B	0.59	5.31
Class E	1.30	6.81
Class F	2.37	15.64
Class G	0.84	5.67
Class H	0.57	2.71
Class I	1.14	7.33
Class M	0.56	3.47
Class N	3.30	8.90
Class O	2.39	16.53

Pender Small Cap Opportunities Fund

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

Years ended December 31, 2025 and 2024

	2025 (\$)	2024 (\$)
Class A		
Balance, beginning of year	24,760,874	17,505,732
Increase (decrease) in net assets attributable to holders of redeemable units	976,287	9,383,365
Unit transactions:		
Proceeds from issue of redeemable units	11,527	3,692
Amounts from issue of units on merger	-	1,180,174
Issued on reinvestment of distributions	2,271,715	185,907
Amounts paid on redemption of redeemable units	(2,181,180)	(3,307,828)
	102,062	(1,938,055)
Distributions paid from:		
Net investment income	-	-
Realized gains on sale of investments	(2,305,910)	(190,168)
Return of capital	-	-
	(2,305,910)	(190,168)
Balance, end of year	23,533,313	24,760,874
Class B		
	2025 (\$)	2024 (\$)
Balance, beginning of year	14,172,453	10,305,797
Increase (decrease) in net assets attributable to holders of redeemable units	553,120	5,428,602
Unit transactions:		
Proceeds from issue of redeemable units	2,718,070	2,046,590
Issued on reinvestment of distributions	1,143,203	-
Amounts paid on redemption of redeemable units	(3,268,275)	(3,608,536)
	592,998	(1,561,946)
Distributions paid from:		
Net investment income	-	-
Realized gains on sale of investments	(1,212,580)	-
Return of capital	-	-
	(1,212,580)	-
Balance, end of year	14,105,991	14,172,453
Class E		
	2025 (\$)	2024 (\$)
Balance, beginning of year	6,675,540	3,037,528
Increase (decrease) in net assets attributable to holders of redeemable units	513,346	2,244,585
Unit transactions:		
Proceeds from issue of redeemable units	786,966	557,291
Amounts from issue of units on merger	-	1,168,751
Issued on reinvestment of distributions	967,975	123,075
Amounts paid on redemption of redeemable units	(553,757)	(332,615)
	1,201,184	1,516,502
Distributions paid from:		
Net investment income	-	-
Realized gains on sale of investments	(967,975)	(123,075)
Return of capital	-	-
	(967,975)	(123,075)
Balance, end of year	7,422,095	6,675,540

Pender Small Cap Opportunities Fund

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

Years ended December 31, 2025 and 2024

Class F	2025 (\$)	2024 (\$)
Balance, beginning of year	101,949,153	68,427,394
Increase (decrease) in net assets attributable to holders of redeemable units	5,374,803	39,065,974
Unit transactions:		
Proceeds from issue of redeemable units	655,084	1,297,722
Amounts from issue of units on merger	-	5,370,244
Issued on reinvestment of distributions	9,474,703	710,322
Amounts paid on redemption of redeemable units	(13,211,342)	(12,170,164)
	(3,081,555)	(4,791,876)
Distributions paid from:		
Net investment income	(208,887)	(172,750)
Realized gains on sale of investments	(9,884,924)	(579,589)
Return of capital	-	-
	(10,093,811)	(752,339)
Balance, end of year	94,148,590	101,949,153
Class G	2025 (\$)	2024 (\$)
Balance, beginning of year	191,161,186	105,875,924
Increase (decrease) in net assets attributable to holders of redeemable units	10,082,212	66,730,487
Unit transactions:		
Proceeds from issue of redeemable units	36,180,477	43,687,571
Issued on reinvestment of distributions	11,598,578	778,592
Amounts paid on redemption of redeemable units	(55,896,619)	(24,821,602)
	(8,117,564)	19,644,561
Distributions paid from:		
Net investment income	-	-
Realized gains on sale of investments	(15,449,341)	(1,089,786)
Return of capital	-	-
	(15,449,341)	(1,089,786)
Balance, end of year	177,676,493	191,161,186
Class H	2025 (\$)	2024 (\$)
Balance, beginning of year/period	2,480,750	-
Increase (decrease) in net assets attributable to holders of redeemable units	104,146	550,050
Unit transactions:		
Proceeds from issue of redeemable units	-	-
Amounts from issue of units on merger	-	2,104,356
Issued on reinvestment of distributions	205,101	8,523
Amounts paid on redemption of redeemable units	(305,586)	(173,363)
	(100,485)	1,939,516
Distributions paid from:		
Net investment income	-	-
Realized gains on sale of investments	(213,159)	(8,816)
Return of capital	-	-
	(213,159)	(8,816)
Balance, end of year/period	2,271,252	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, 2025 and 2024

Class I	2025 (\$)	2024 (\$)
Balance, beginning of year	24,594,381	16,816,766
Increase (decrease) in net assets attributable to holders of redeemable units	1,362,303	9,423,245
Unit transactions:		
Proceeds from issue of redeemable units	-	101,579
Amounts from issue of units on merger	-	2,844,696
Issued on reinvestment of distributions	2,462,081	270,762
Amounts paid on redemption of redeemable units	(2,960,850)	(4,588,674)
	(498,769)	(1,371,637)
Distributions paid from:		
Net investment income	(11,117)	(9,028)
Realized gains on sale of investments	(2,480,048)	(264,965)
Return of capital	-	-
	(2,491,165)	(273,993)
Balance, end of year	22,966,750	24,594,381

Class M	2025 (\$)	2024 (\$)
Balance, beginning of year	41,624,347	14,112,904
Increase (decrease) in net assets attributable to holders of redeemable units	2,957,930	12,541,854
Unit transactions:		
Proceeds from issue of redeemable units	25,076,251	17,704,573
Issued on reinvestment of distributions	5,589,821	852,783
Amounts paid on redemption of redeemable units	(12,594,610)	(2,729,625)
	18,071,462	15,827,731
Distributions paid from:		
Net investment income	(157,528)	(37,546)
Realized gains on sale of investments	(5,485,976)	(820,596)
Return of capital	-	-
	(5,643,504)	(858,142)
Balance, end of year	57,010,235	41,624,347

Class N	2025 (\$)	2024 (\$)
Balance, beginning of year	24,207	20,065
Increase (decrease) in net assets attributable to holders of redeemable units	1,967	9,862
Unit transactions:		
Proceeds from issue of redeemable units	4,999	-
Issued on reinvestment of distributions	-	-
Amounts paid on redemption of redeemable units	(15,920)	(5,720)
	(10,921)	(5,720)
Distributions paid from:		
Net investment income	-	-
Realized gains on sale of investments	-	-
Return of capital	-	-
	-	-
Balance, end of year	15,253	24,207

Pender Small Cap Opportunities Fund

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

Years ended December 31, 2025 and 2024

Class O	2025 (\$)	2024 (\$)
Balance, beginning of year	13,442,340	10,170,995
Increase (decrease) in net assets attributable to holders of redeemable units	627,583	6,006,450
Unit transactions:		
Proceeds from issue of redeemable units	-	50,001
Amounts from issue of units on merger	-	3,387,661
Issued on reinvestment of distributions	1,227,543	-
Amounts paid on redemption of redeemable units	(2,989,239)	(6,172,767)
	(1,761,696)	(2,735,105)
Distributions paid from:		
Net investment income	-	-
Realized gains on sale of investments	(1,227,543)	-
Return of capital	-	-
	(1,227,543)	-
Balance, end of year	11,080,684	13,442,340
	2025	2024
Total Fund	(\$)	(\$)
Balance, beginning of year	420,885,231	246,273,105
Increase (decrease) in net assets attributable to holders of redeemable units	22,553,697	151,384,474
Unit transactions:		
Proceeds from issue of redeemable units	65,433,374	65,449,019
Amounts from issue of units on merger	-	16,055,882
Issued on reinvestment of distributions	34,940,720	2,929,964
Amounts paid on redemption of redeemable units	(93,977,378)	(57,910,894)
	6,396,716	26,523,971
Distributions paid from:		
Net investment income	(377,532)	(219,324)
Realized gains on sale of investments	(39,227,456)	(3,076,995)
Return of capital	-	-
	(39,604,988)	(3,296,319)
Balance, end of year	410,230,656	420,885,231

Pender Small Cap Opportunities Fund

Statements of Cash Flows

Years ended December 31, 2025 and 2024

	2025 (\$)	2024 (\$)
Cash provided by (used in):		
Operating:		
Increase (decrease) in net assets attributable to holders of redeemable units	22,553,697	151,384,474
Adjustments for:		
Interest for distribution purposes	-	(2,218)
Dividend income	(1,680,771)	(2,302,132)
Foreign exchange (gain) loss	(39,205)	17,877
Net realized (gain) loss on sale of investments	(56,128,425)	(40,938,876)
Net change in unrealized (appreciation) depreciation of investments	18,931,616	(113,840,495)
Derivative assets and liabilities	9,420,929	73,600
Management and administration fees payable	(20,848)	230,295
Accrued expenses	(124,226)	123,224
	(7,087,233)	(5,254,251)
Proceeds on disposal of investments and derivatives	253,704,834	157,014,777
Amounts paid on purchase of investments and derivatives	(221,719,730)	(158,378,214)
Dividends received	1,437,993	2,318,842
Interest received	-	2,218
	26,335,864	(4,296,628)
Financing:		
Proceeds from issue of redeemable units	63,417,337	64,154,939
Amounts paid on redemption of redeemable units	(89,946,287)	(56,002,213)
Distributions paid to unitholders	(4,664,268)	(366,355)
Cash paid on merger	-	(610,667)
Other assets and liabilities received on merger	-	29,509
	(31,193,218)	7,205,213
Net increase (decrease) in cash	(4,857,354)	2,908,585
Cash (Bank overdraft), beginning of year	697,143	(2,193,565)
Effect of exchange rate fluctuations on cash	39,205	(17,877)
Cash (Bank overdraft), end of year	(4,121,006)	697,143

Pender Small Cap Opportunities Fund

Schedule of Investment Portfolio

December 31, 2025

	Issue currency	Number of shares / units	Cost (\$)	Fair value (\$)
Equities:				
Communication Services (2.7%):				
Telesat Corp., Class 'A'		283,000	9,031,343	11,198,310
			9,031,343	11,198,310
Consumer discretionary (2.5%):				
D2L Inc.		773,734	7,320,101	10,453,146
			7,320,101	10,453,146
Consumer staples (4.3%):				
GH Group, Inc., Preferred, Series 'E', 12.00%		4,542	6,207,060	7,651,620
PharmaCorp Rx Inc.		4,200,000	1,764,000	1,911,000
Premium Brands Holdings Corp.		81,000	7,962,669	8,239,440
			15,933,729	17,802,060
Energy (9.9%):				
Logan Energy Corp.		10,199,501	7,445,636	8,669,576
McDermott International Ltd.		318,345	9,295,444	9,590,930
Saturn Oil & Gas Inc.		3,073,052	7,934,071	7,467,516
TerraVest Industries Inc.		90,937	1,617,535	14,960,046
			26,292,686	40,688,068
Financial services (1.2%):				
Burford Capital Ltd.		403,370	7,209,964	4,938,518
			7,209,964	4,938,518
Health care (6.6%):				
Clarius Mobile Health Corp., Preferred, Series '1'		1,123,596	1,000,000	1,536,518
kneat.com, inc.		2,759,784	11,630,596	13,578,137
Vitalhub Corp.		1,078,627	7,570,945	10,214,598
WELL Health Technologies Corp.		413,770	1,708,956	1,650,942
			21,910,497	26,980,195
Industrials (16.2%):				
Black Diamond Group Ltd.		500,000	4,550,000	7,330,000
General Fusion Inc., Preferred, Series '3', Class B		17,647,308	-	242
General Fusion Inc., Preferred, Series '1', Class B		1,407,057	3,068,477	3,064,903
General Fusion Inc., SAFE		1	2,993,225	2,938,630
Hammond Power Solutions Inc.		76,300	9,618,106	12,168,324
MDA Space Ltd.		357,509	5,735,564	9,524,040
NFI Group Inc.		1,028,660	11,640,898	15,964,803
Velan Inc.		1,000	16,060	18,650
Zedcor Inc.		2,402,182	12,269,632	15,133,747
			49,891,962	66,143,339
Information technology (35.8%):				
Blackline Safety Corp.		1,527,744	7,025,136	9,853,949
Carrier Connect Data Solutions Inc.		1,428,571	1,000,000	2,042,857
Coveo Solutions Inc.		3,109,850	21,708,719	20,587,206
Dye & Durham Ltd.		1,650,006	19,713,760	6,600,024
Kinaxis Inc.		48,000	7,374,129	8,307,840
Kraken Robotics Inc.		2,597,937	1,740,542	16,626,797
PAR Technology Corp.		338,279	20,704,900	16,844,980
Pivotree Inc.		255,500	407,640	459,900
Sangoma Technologies Corp.		1,645,500	14,950,739	11,337,495
Sylogist Ltd.		2,179,785	19,521,963	12,577,359
Tantalus Systems Holding Inc.		3,888,766	7,202,007	18,199,425

Pender Small Cap Opportunities Fund

Schedule of Investment Portfolio (cont'd)

December 31, 2025

	Issue currency	Number of shares / units	Cost (\$)	Fair value (\$)
Equities: (cont'd)				
Information technology (35.8%): (cont'd)				
TECSYS Inc.		454,300	17,299,961	13,924,295
Thinkific Labs Inc.		4,845,354	15,678,648	9,399,987
			154,328,144	146,762,114
Materials (18.9%):				
5N Plus Inc.		761,660	3,785,457	13,496,615
Blue Moon Metals Inc.		1,389,498	4,585,343	6,669,590
Faraday Copper Corp.		3,030,300	2,628,594	8,272,719
Fireweed Metals Corp.		2,193,200	3,637,520	5,943,572
Highlander Silver Corp.		2,125,266	5,751,267	11,285,162
LunR Royalties Corp.		124,630	179,466	1,626,415
Montage Gold Corp.		811,500	1,546,990	8,017,620
NGEx Minerals Ltd.		391,918	7,108,942	10,033,101
Sanu Gold Corp.		4,547,500	1,273,300	1,296,038
Sitka Gold Corp.		11,124,300	12,635,085	10,790,571
			43,131,964	77,431,403
Utilities (2.3%):				
Maxim Power Corp.		1,279,300	3,425,402	5,705,678
Polaris Renewable Energy Inc.		309,113	4,040,941	3,647,533
			7,466,343	9,353,211
Total equities (100.4%)			342,516,733	411,750,364
Warrants:				
AYR Wellness Inc., strike price \$2.12, expiry 2026/02/09	USD	14,296	-	35
Carrier Connect Data Solutions Inc., strike price \$1.00, expiry 2027/11/10	CAD	714,286	-	307,143
General Fusion Inc., strike price \$2.00, expiry 2028/11/18	USD	536,117	23,916	23,474
Glass House Brands Inc., strike price \$5.00, expiry 2027/08/31	USD	576,000	-	2,964,708
HEALWELL AI Inc., strike price \$1.80, expiry 2026/05/24	CAD	185,200	-	-
HEALWELL AI Inc., strike price \$1.20, expiry 2026/12/22	CAD	437,500	-	-
HEALWELL AI Inc., strike price \$2.50, expiry 2028/01/07	CAD	1,250,000	-	-
PharmaCorp Rx Inc., strike price \$100.00, expiry 2026/11/14	CAD	2,100,000	-	-
Sphere 3D Corp., strike price \$66.50, expiry 2026/09/08	USD	42,015	-	-
Total warrants (0.8%)			23,916	3,295,360
Less: Transaction costs included in cost of investments			(597,911)	
Total investments (101.2%)			341,942,738	415,045,724
		Number of options	Premium received	Fair value
Derivative assets:				
Purchased call options (0.1%):				
Cboe Volatility Index, strike price \$22.00, expiry 2026/06/18		964	490,972	426,051
			490,972	426,051

Pender Small Cap Opportunities Fund

Schedule of Investment Portfolio (cont'd)

December 31, 2025

	Number of options	Premium received	Fair value
Derivative assets: (cont'd)			
Purchased put options (0.3%):			
Invesco QQQ Trust, Series '1', strike price \$510.00, expiry 2026/03/21	553	906,588	173,057
Invesco QQQ Trust, Series '1', strike price \$550.00, expiry 2026/06/19	228	485,102	397,748
iShares Russell 2000 ETF, strike price \$200.00, expiry 2026/03/21	1,949	1,021,534	197,957
iShares Russell 2000 ETF, strike price \$220.00, expiry 2026/06/19	565	492,913	376,113
		2,906,137	1,144,875
Total derivative assets (0.4%)		3,397,109	1,570,926
Cash (Bank overdraft) (-1.0%)			(4,121,006)
Other assets less liabilities (-0.6%)			(2,264,988)
Total net assets attributable to holders of redeemable units (100.0%)			410,230,656

Pender Strategic Growth and Income Fund

Statements of Financial Position

December 31, 2025 and 2024

	2025 (\$)	2024 (\$)
Assets		
Cash	777,685	2,661,611
Subscriptions receivable	4,719	292,075
Dividends receivable	22,705	28,587
Investments	52,527,662	54,052,168
	53,332,771	57,034,441
Liabilities		
Management and administration fees payable (note 4)	59,860	68,585
Redemptions payable to holders of redeemable units	23,143	15,735
Accrued expenses	-	351
	83,003	84,671
Net assets attributable to holders of redeemable units	53,249,768	56,949,770
Net assets attributable to holders of redeemable units per class:		
Class A	12,472,772	10,676,600
Class E	591,630	511,154
Class F	-	9,467,870
Class F (formerly Class I)	40,167,337	33,166,668
Class H	-	3,115,261
Class O	18,029	12,217
	53,249,768	56,949,770
Net assets attributable to holders of redeemable units per unit:		
Class A	9.48	9.23
Class E	13.49	13.13
Class F	-	9.79
Class F (formerly Class I)	13.36	13.01
Class H	-	12.70
Class O	13.77	13.40

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, 2025 and 2024

	2025 (\$)	2024 (\$)
Revenue		
Distributions from underlying funds	1,556,748	1,239,029
Interest for distribution purposes	33,407	27,777
Dividend income	516,278	434,287
Securities lending income (note 5)	1,041	1,783
Foreign exchange gain (loss)	14,106	56,676
Changes in fair value of investments:		
Net realized gain (loss)	1,424,655	(342,083)
Net change in unrealized appreciation (depreciation)	(19,705)	8,735,026
Total revenue	3,526,530	10,152,495
Expenses		
Management fees (note 4)	460,896	436,666
Administration fees (note 4)	304,919	296,354
Withholding taxes (note 6)	23,881	28,366
Transaction costs	18,577	24,169
Independent review committee fees	509	832
Total expenses	808,782	786,387
Less: Expenses absorbed by the Manager (note 4)	(509)	(832)
Net expenses	808,273	785,555
Increase (decrease) in net assets attributable to holders of redeemable units	2,718,257	9,366,940
Increase (decrease) in net assets attributable to holders of redeemable units per class:		
Class A	445,738	1,940,636
Class E	35,289	92,026
Class F	369,843	1,754,878
Class F (formerly Class I)	1,772,306	5,176,311
Class H	94,269	400,232
Class O	812	2,857
	2,718,257	9,366,940
Increase (decrease) in net assets attributable to holders of redeemable units per unit:		
Class A	0.39	1.52
Class E	0.86	2.36
Class F	0.40	1.69
Class F (formerly Class I)	0.69	2.27
Class H	0.42	2.06
Class O	0.87	2.39

Pender Strategic Growth and Income Fund

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

Years ended December 31, 2025 and 2024

Class A	2025 (\$)	2024 (\$)
Balance, beginning of year	10,676,600	11,120,797
Increase (decrease) in net assets attributable to holders of redeemable units	445,738	1,940,636
Unit transactions:		
Proceeds from issue of redeemable units	3,270,712	1,207,850
Issued on reinvestment of distributions	156,222	107,760
Amounts paid on redemption of redeemable units	(1,903,377)	(3,582,592)
	1,523,557	(2,266,982)
Distributions paid from:		
Net investment income	(173,123)	(117,851)
Realized gains on sale of investments	-	-
Return of capital	-	-
	(173,123)	(117,851)
Balance, end of year	12,472,772	10,676,600
Class E	2025 (\$)	2024 (\$)
Balance, beginning of year	511,154	424,542
Increase (decrease) in net assets attributable to holders of redeemable units	35,289	92,026
Unit transactions:		
Proceeds from issue of redeemable units	60,473	14,378
Issued on reinvestment of distributions	17,628	14,156
Amounts paid on redemption of redeemable units	(15,286)	(19,792)
	62,815	8,742
Distributions paid from:		
Net investment income	(17,628)	(14,156)
Realized gains on sale of investments	-	-
Return of capital	-	-
	(17,628)	(14,156)
Balance, end of year	591,630	511,154
Class F	2025 (\$)	2024 (\$)
Balance, beginning of year	9,467,870	9,626,602
Increase (decrease) in net assets attributable to holders of redeemable units	369,843	1,754,878
Unit transactions:		
Proceeds from issue of redeemable units	515,541	1,094,807
Issued on reinvestment of distributions	157,289	179,232
Amounts paid on redemption of redeemable units	(10,330,681)	(2,982,190)
	(9,657,851)	(1,708,151)
Distributions paid from:		
Net investment income	(179,862)	(205,459)
Realized gains on sale of investments	-	-
Return of capital	-	-
	(179,862)	(205,459)
Balance, end of year	-	9,467,870

Pender Strategic Growth and Income Fund

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

Years ended December 31, 2025 and 2024

Class F (formerly Class I)	2025 (\$)	2024 (\$)
Balance, beginning of year	33,166,668	20,968,761
Increase (decrease) in net assets attributable to holders of redeemable units	1,772,306	5,176,311
Unit transactions:		
Proceeds from issue of redeemable units	13,925,965	10,054,011
Issued on reinvestment of distributions	844,322	642,910
Amounts paid on redemption of redeemable units	(8,601,822)	(2,989,810)
	6,168,465	7,707,111
Distributions paid from:		
Net investment income	(940,102)	(685,515)
Realized gains on sale of investments	-	-
Return of capital	-	-
	(940,102)	(685,515)
Balance, end of year	40,167,337	33,166,668

Class H	2025 (\$)	2024 (\$)
Balance, beginning of year	3,115,261	1,942,707
Increase (decrease) in net assets attributable to holders of redeemable units	94,269	400,232
Unit transactions:		
Proceeds from issue of redeemable units	493,009	1,063,874
Issued on reinvestment of distributions	31,612	30,643
Amounts paid on redemption of redeemable units	(3,694,142)	(285,592)
	(3,169,521)	808,925
Distributions paid from:		
Net investment income	(40,009)	(36,603)
Realized gains on sale of investments	-	-
Return of capital	-	-
	(40,009)	(36,603)
Balance, end of year	-	3,115,261

Class O	2025 (\$)	2024 (\$)
Balance, beginning of year	12,217	16,919
Increase (decrease) in net assets attributable to holders of redeemable units	812	2,857
Unit transactions:		
Proceeds from issue of redeemable units	5,000	-
Issued on reinvestment of distributions	466	533
Amounts paid on redemption of redeemable units	-	(7,559)
	5,466	(7,026)
Distributions paid from:		
Net investment income	(466)	(533)
Realized gains on sale of investments	-	-
Return of capital	-	-
	(466)	(533)
Balance, end of year	18,029	12,217

Pender Strategic Growth and Income Fund

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

Years ended December 31, 2025 and 2024

Total Fund	2025 (\$)	2024 (\$)
Balance, beginning of year	56,949,770	44,100,328
Increase (decrease) in net assets attributable to holders of redeemable units	2,718,257	9,366,940
Unit transactions:		
Proceeds from issue of redeemable units	18,270,700	13,434,920
Issued on reinvestment of distributions	1,207,539	975,234
Amounts paid on redemption of redeemable units	(24,545,308)	(9,867,535)
	(5,067,069)	4,542,619
Distributions paid from:		
Net investment income	(1,351,190)	(1,060,117)
Realized gains on sale of investments	-	-
Return of capital	-	-
	(1,351,190)	(1,060,117)
Balance, end of year	53,249,768	56,949,770

Pender Strategic Growth and Income Fund

Statements of Cash Flows

Years ended December 31, 2025 and 2024

	2025 (\$)	2024 (\$)
Cash provided by (used in):		
Operating:		
Increase (decrease) in net assets attributable to holders of redeemable units	2,718,257	9,366,940
Adjustments for:		
Distributions from underlying funds	(1,556,748)	(1,239,029)
Interest for distribution purposes	(33,407)	(27,777)
Dividend income	(516,278)	(434,287)
Foreign exchange (gain) loss	(14,106)	(56,676)
Net realized (gain) loss on sale of investments	(1,424,655)	342,083
Net change in unrealized (appreciation) depreciation of investments	19,705	(8,735,026)
Other receivable	-	472
Management and administration fees payable	(8,725)	12,865
Accrued expenses	(351)	100
	(816,308)	(770,335)
Proceeds on disposal of investments	16,222,847	16,306,330
Amounts paid on purchase of investments	(13,293,391)	(18,082,970)
Dividends received	522,160	459,751
Distributions received from underlying funds	1,556,748	1,239,029
Interest received	33,407	27,777
	4,225,463	(820,418)
Financing:		
Proceeds from issue of redeemable units	6,069,471	10,570,290
Amounts paid on redemption of redeemable units	(12,049,315)	(7,281,523)
Distributions paid to unitholders	(143,651)	(84,883)
	(6,123,495)	3,203,884
Net increase (decrease) in cash	(1,898,032)	2,383,466
Cash (Bank overdraft), beginning of year	2,661,611	221,469
Effect of exchange rate fluctuations on cash	14,106	56,676
Cash (Bank overdraft), end of year	777,685	2,661,611

Pender Strategic Growth and Income Fund

Schedule of Investment Portfolio

December 31, 2025

	Number of units / shares	Cost (\$)	Fair value (\$)
Mutual funds:			
Pender Alternative Absolute Return Fund, Class 'O'	513,372	5,106,875	4,711,627
Pender Corporate Bond Fund, Class 'O'	1,700,508	18,386,675	21,177,109
Pender Small Cap Opportunities Fund, Class 'O'	116,236	3,321,634	4,854,736
Total mutual funds (57.7%)		26,815,184	30,743,472
Equities:			
Communication services (2.2%):			
Baidu Inc., ADR	6,500	1,099,877	1,165,693
		1,099,877	1,165,693
Consumer discretionary (3.2%):			
Lithia Motors Inc., Class 'A'	2,000	929,198	912,279
LVMH Moet Hennessy Louis Vuitton SE, ADR	3,900	618,087	807,278
		1,547,285	1,719,557
Consumer staples (3.9%):			
Fevertree Drinks PLC	65,800	908,959	997,038
Premium Brands Holdings Corp.	10,700	961,254	1,088,297
		1,870,213	2,085,335
Energy (2.6%):			
Artis Exploration Ltd.	183,200	503,800	846,384
CBM Asia Development Corp.	4,166,667	417	417
McDermott International Ltd.	17,987	566,932	541,903
		1,071,149	1,388,704
Financial services (12.2%):			
Brookfield Corp., Class 'A'	29,310	839,285	1,847,116
Burford Capital Ltd.	86,920	948,917	1,064,174
Exor N.V.	14,530	1,270,746	1,698,025
KKR & Co. Inc.	2,400	411,376	419,934
Onex Corp.	13,040	964,866	1,472,998
		4,435,190	6,502,247
Health care (4.0%):			
Danaher Corp.	3,946	1,001,512	1,239,850
Maravai LifeSciences Holdings Inc., Class 'A'	205,000	1,235,006	914,461
		2,236,518	2,154,311
Industrials (3.9%):			
Aecon Group Inc.	18,060	268,897	564,917
Clarivate PLC	132,200	1,130,674	606,047
Exchange Income Corp.	10,948	472,225	897,298
		1,871,796	2,068,262
Information technology (2.0%):			
Microchip Technology Inc.	12,060	1,095,432	1,054,754
		1,095,432	1,054,754
Insurance (4.9%):			
Markel Corp.	400	923,370	1,180,201
Trisura Group Ltd.	32,960	1,205,464	1,408,051
		2,128,834	2,588,252
Total equities (38.9%)		17,356,294	20,727,115

Pender Strategic Growth and Income Fund

Schedule of Investment Portfolio (cont'd)

December 31, 2025

	Number of units / shares	Cost (\$)	Fair value (\$)
Exchange-traded fund(s):			
Purpose USD Cash Management Fund	7,700	1,080,245	1,057,075
Total exchange-traded fund(s) (2.0%)		1,080,245	1,057,075
Less: Transaction costs included in cost of investments		(36,642)	
Total investments (98.6%)		45,215,081	52,527,662
Cash (Bank overdraft) (1.5%)			777,685
Other assets less liabilities (-0.1%)			(55,579)
Total net assets attributable to holders of redeemable units (100.0%)			53,249,768

Pender US Small/Mid Cap Equity Fund

Statements of Financial Position

December 31, 2025

	2025 (\$)	2024 (\$)
Assets		
Cash	47,304	26,478
Subscriptions receivable	2,400	10,000
Dividends receivable	276	111
Investments	1,377,308	240,908
	1,427,288	277,497
Liabilities		
Distributions payable to holders of redeemable units	1,578	-
	1,578	-
Net assets attributable to holders of redeemable units	1,425,710	277,497
Net assets attributable to holders of redeemable units per class:		
Class A	67,748	4,856
Class E	863,741	115,943
Class F	346,346	25,598
Class O	147,875	131,100
	1,425,710	277,497
Net assets attributable to holders of redeemable units per unit:		
Class A	10.66	9.70
Class E	10.67	9.70
Class F	10.66	9.70
Class O	10.67	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

Statements of Comprehensive Income

Year ended December 31, 2025 and for the period from November 29, 2024 (commencement of operations) to December 31, 2024

	2025 (\$)	2024 (\$)
Revenue		
Dividend income	11,093	365
Foreign exchange gain (loss)	(2,253)	152
Changes in fair value of investments:		
Net realized gain (loss)	26,001	75
Net change in unrealized appreciation (depreciation)	175,566	(7,367)
Total revenue	210,407	(6,775)
Expenses		
Management fees (note 4)	3,099	17
Administration fees (note 4)	2,991	28
Withholding taxes (note 6)	1,223	37
Transaction costs	531	73
Interest expense	25	-
Independent review committee fees	13	2
Total expenses	7,882	157
Less: Fees waived and expenses absorbed by the Manager (note 4)	(6,103)	(47)
Net expenses	1,779	110
Increase (decrease) in net assets attributable to holders of redeemable units	208,628	(6,885)
Increase (decrease) in net assets attributable to holders of redeemable units per class:		
Class A	9,033	(144)
Class E	160,871	(2,439)
Class F	21,949	(402)
Class O	16,775	(3,900)
	208,628	(6,885)
Increase (decrease) in net assets attributable to holders of redeemable units per unit:		
Class A	1.74	(0.29)
Class E	2.73	(0.30)
Class F	0.86	(0.35)
Class O	1.24	(0.29)

Pender US Small/Mid Cap Equity Fund

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

Year ended December 31, 2025 and for the period from November 29, 2024 (commencement of operations) to December 31, 2024

	2025 (\$)	2024 (\$)
Class A		
Balance, beginning of year/period	4,856	-
Increase (decrease) in net assets attributable to holders of redeemable units	9,033	(144)
Unit transactions:		
Proceeds from issue of redeemable units	53,859	5,000
Issued on reinvestment of distributions	1,705	4
Amounts paid on redemption of redeemable units	-	-
	55,564	5,004
Distributions paid from:		
Net investment income	(460)	(4)
Realized gains on sale of investments	(1,245)	-
Return of capital	-	-
	(1,705)	(4)
Balance, end of year/period	67,748	4,856
Class E		
Balance, beginning of year/period	115,943	-
Increase (decrease) in net assets attributable to holders of redeemable units	160,871	(2,439)
Unit transactions:		
Proceeds from issue of redeemable units	631,308	118,382
Issued on reinvestment of distributions	21,673	94
Amounts paid on redemption of redeemable units	(44,381)	-
	608,600	118,476
Distributions paid from:		
Net investment income	(5,851)	(94)
Realized gains on sale of investments	(15,822)	-
Return of capital	-	-
	(21,673)	(94)
Balance, end of year/period	863,741	115,943
Class F		
Balance, beginning of year/period	25,598	-
Increase (decrease) in net assets attributable to holders of redeemable units	21,949	(402)
Unit transactions:		
Proceeds from issue of redeemable units	484,229	26,000
Issued on reinvestment of distributions	7,176	13
Amounts paid on redemption of redeemable units	(183,852)	-
	307,553	26,013
Distributions paid from:		
Net investment income	(2,363)	(13)
Realized gains on sale of investments	(6,391)	-
Return of capital	-	-
	(8,754)	(13)
Balance, end of year/period	346,346	25,598

Pender US Small/Mid Cap Equity Fund

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

Year ended December 31, 2025 and for the period from November 29, 2024 (commencement of operations) to December 31, 2024

Class O	2025 (\$)	2024 (\$)
Balance, beginning of year/period	131,100	-
Increase (decrease) in net assets attributable to holders of redeemable units	16,775	(3,900)
Unit transactions:		
Proceeds from issue of redeemable units	-	135,000
Issued on reinvestment of distributions	3,721	107
Amounts paid on redemption of redeemable units	-	-
	3,721	135,107
Distributions paid from:		
Net investment income	(1,005)	(107)
Realized gains on sale of investments	(2,716)	-
Return of capital	-	-
	(3,721)	(107)
Balance, end of year/period	147,875	131,100
Total Fund	2025 (\$)	2024 (\$)
Balance, beginning of year/period	277,497	-
Increase (decrease) in net assets attributable to holders of redeemable units	208,628	(6,885)
Unit transactions:		
Proceeds from issue of redeemable units	1,169,396	284,382
Issued on reinvestment of distributions	34,275	218
Amounts paid on redemption of redeemable units	(228,233)	-
	975,438	284,600
Distributions paid from:		
Net investment income	(9,679)	(218)
Realized gains on sale of investments	(26,174)	-
Return of capital	-	-
	(35,853)	(218)
Balance, end of year/period	1,425,710	277,497

Pender US Small/Mid Cap Equity Fund

Statements of Cash Flows

Year ended December 31, 2025 and for the period from November 29, 2024 (commencement of operations) to December 31, 2024

	2025 (\$)	2024 (\$)
Cash provided by (used in):		
Operating:		
Increase (decrease) in net assets attributable to holders of redeemable units	208,628	(6,885)
Adjustments for:		
Dividend income	(11,093)	(365)
Foreign exchange (gain) loss	2,253	(152)
Net realized (gain) loss on sale of investments	(26,001)	(75)
Net change in unrealized (appreciation) depreciation of investments	(175,566)	7,367
	(1,779)	(110)
Proceeds on disposal of investments	461,063	2,854
Amounts paid on purchase of investments	(1,395,896)	(251,054)
Dividends received	10,928	254
	(925,684)	(248,056)
Financing:		
Proceeds from issue of redeemable units	1,171,807	274,382
Amounts paid on redemption of redeemable units	(223,044)	-
	948,763	274,382
Net increase (decrease) in cash	23,079	26,326
Cash (Bank overdraft), beginning of year/period	26,478	-
Effect of exchange rate fluctuations on cash	(2,253)	152
Cash (Bank overdraft), end of year/period	47,304	26,478

Pender US Small/Mid Cap Equity Fund

Schedule of Investment Portfolio

December 31, 2025

	Number of shares / units	Cost (\$)	Fair value (\$)
Equities:			
Banks (3.9%):			
Webster Financial Corp.	638	47,373	55,116
		47,373	55,116
Consumer discretionary (6.0%):			
Deckers Outdoor Corp.	370	52,592	52,648
		52,592	52,648
Consumer staples (10.1%):			
Dollar Tree Inc.	330	36,330	55,716
Estée Lauder Companies Inc., Class 'A' (The)	355	33,084	51,025
Maplebear Inc.	595	34,584	36,734
		103,998	143,475
Energy (2.7%):			
Antero Resources Corp.	800	38,678	37,838
		38,678	37,838
Financial services (11.9%):			
DigitalBridge Group Inc.	3,200	44,569	67,375
Euronet Worldwide, Inc.	440	58,538	45,965
Evercore Inc., Class 'A'	60	25,553	28,021
FactSet Research Systems Inc.	70	29,398	27,881
		158,058	169,242
Health care (5.5%):			
Addus HomeCare Corp.	300	42,601	44,219
Cooper Cos. Inc. (The)	300	34,496	33,748
		77,097	77,967
Industrials (23.9%):			
Booz Allen Hamilton Holding Corp.	350	45,657	40,526
Brookfield Business Partners L.P.	925	28,875	44,986
Copa Holdings SA, Class 'A'	248	31,661	41,055
Fluor Corp.	740	44,391	40,252
Genpact Ltd.	811	52,341	52,073
Hexcel Corp.	523	43,391	53,049
LSI Industries Inc.	1,330	32,525	33,443
Modine Manufacturing Co.	180	25,079	32,985
StandardAero Inc.	950	33,682	37,397
		337,602	375,766
Information technology (15.2%):			
Itron Inc.	340	50,542	43,335
Jabil Inc.	187	41,302	58,524
Microchip Technology Inc.	475	41,988	41,543
Rambus Inc.	230	17,193	29,008
VeriSign Inc.	135	44,363	45,017
		195,388	217,427
Insurance (10.3%):			
F&G Annuities & Life Inc.	35	1,664	1,482
Fidelity National Financial Inc.	594	50,248	44,507
Markel Corp.	17	43,059	50,159
Mercury General Corp.	390	30,700	50,350
		125,671	146,498

Pender US Small/Mid Cap Equity Fund

Schedule of Investment Portfolio (cont'd)

December 31, 2025

	Number of shares / units	Cost (\$)	Fair value (\$)
Equities: (cont'd)			
Materials (7.1%):			
Ero Copper Corp.	1,390	24,808	53,973
International Flavors & Fragrances Inc.	512	48,196	47,358
		73,004	101,331
Total equities (96.6%)		1,209,461	1,377,308
Less: Transaction costs included in cost of investments		(352)	
Total investments (96.6%)		1,209,109	1,377,308
Cash (Bank overdraft) (3.3%)			47,304
Other assets less liabilities (0.1%)			1,098
Total net assets attributable to holders of redeemable units (100.0%)			1,425,710

PENDER MUTUAL FUNDS: Notes to Financial Statements

Year ended December 31, 2025

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 (formerly I), F(USD) (formerly I(USD)), H, H(USD), N, O, U
Global Small/Mid Cap Equity Fund (formerly Value Fund)	June 28, 2013	A, E, F (formerly I), H, O
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 (formerly I), O
US Small/Mid Cap Equity Fund	November 29, 2024	A, E, F, O

On June 28, 2024, the Pender Small/Mid Cap Dividend Fund merged with the Pender Small Cap Opportunities Fund. Effective June 28, 2024, Class N (USD) units of the Pender Corporate Bond Fund and 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.

The Pender US Small/Mid Cap Equity Fund commenced operations on November 29, 2024. Effective June 27, 2025, the Pender Value Fund was renamed Pender Global Small/Mid Cap Equity Fund.

On December 5, 2025, certain classes of units of the Funds were terminated as shown in the table below. Upon the classes' termination, unless unitholders of the terminating classes elected to redeem their units, such units were merged and converted into units of another class of the same Fund. In connection with the class terminations, the continuing classes administration fees were reduced. A special meeting of unitholders was held on November 21, 2025 to approve increases to the management fee of the continuing classes. The combined fee changes resulted in either lower or equal combined fees for the continuing classes before applicable taxes such as GST or HST.

Classes Terminated	
Corporate Bond Fund	
Class F	42,934,027 Class F units with a Net Asset Value of \$612,691,799 were converted and merged into 172,106,910 Class I units, which were subsequently renamed as Class F units
Class F (USD)	1,628,008 Class F (USD) units with a Net Asset Value of \$20,853,638 were converted and merged into 5,677,756 Class I (USD) units, which were subsequently renamed as Class F (USD) units
Global Small/Mid Cap Equity Fund (formerly Value Fund)	
Class F	1,873,515 Class F units with a Net Asset Value of \$40,740,364 were converted and merged into 1,865,014 Class I units, which were subsequently renamed as Class F units
Strategic Growth and Income Fund	
Class F	901,801 Class F units with a Net Asset Value of \$9,026,762 were converted and merged into 2,349,912 Class I units, which were subsequently renamed as Class F units
Class H	207,742 Class H units with a Net Asset Value of \$2,697,147 were converted and merged into 1,030,435 Class A units

Each of the Funds is an open-end investment trust governed under the laws of the Province of British Columbia pursuant to the Twenty-Fifth Amended and Restated Mutual Fund Trust Agreement dated December 5, 2025 (previously the Twenty-Fourth Amended and Restated Mutual Fund Trust Agreement dated August 28, 2025).

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. The Toronto-Dominion Bank provides prime brokerage services to the Pender Corporate Bond Fund.

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

Year ended December 31, 2025

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 30, 2026.

(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.

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.

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

Year ended December 31, 2025

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, bank overdraft, management and administration fees payable, payable for investments purchased, redemptions payable to holders of redeemable units, distributions payable to holders of redeemable units, withholding taxes payable and accrued expenses as amortized cost.

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:

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

Year ended December 31, 2025

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 redeemable units are classified as financial liabilities because they provide unitholders with the right to require redemption for cash, subject to available liquidity, at a unit price determined in accordance with the Funds valuation policies at each redemption date. The redeemable units are designated at fair value through profit or loss, as they are managed and their performance is evaluated on a fair value basis.

(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.

(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.

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

Year ended December 31, 2025

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. On November 21, 2025, a special meeting of unitholders was held to approve increases to the management fee effective December 5, 2025. A corresponding decrease in administration fees equal to or higher than the management fee occurred simultaneously. The annual management fee percentages before applicable taxes such as GST or HST of the remaining classes as at December 31, 2025 and 2024 are as follows:

2025	Class A/ A (USD)/ B (%)	Class F (formerly I)/ F (USD) (formerly I (USD))/G (%)	Class H/ H (USD) (%)
Bond Universe Fund	0.90	0.40	-
Corporate Bond Fund	1.40	0.75	1.10
Global Small/Mid Cap Equity Fund (formerly Value Fund)	1.85	1.00	1.55
Small Cap Opportunities Fund	2.25	1.25	1.95
Strategic Growth and Income Fund	1.70	0.85	-
US Small/Mid Cap Equity Fund*	1.85	0.85	-

2025 (cont'd)	Class I (%)	Class N/ M (%)	Class U (%)
Bond Universe Fund	-	-	-
Corporate Bond Fund	-	0.50	0.75
Global Small/Mid Cap Equity Fund (formerly Value Fund)	-	-	-
Small Cap Opportunities Fund	1.10	0.75	-
Strategic Growth and Income Fund	-	-	-
US Small/Mid Cap Equity Fund*	-	-	-

2024	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
Global Small/Mid Cap Equity Fund (formerly Value Fund)	1.85	0.85	1.55
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	-

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

Year ended December 31, 2025

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

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 0.20% with the exception of the Pender Corporate Bond Fund Class H, Pender Corporate Bond Fund Class H (USD), and Pender Global Small/Mid Cap Equity Fund Class H, which is 0.50% and 0.30% for the Pender US Small/Mid Cap Equity Fund.

Effective December 5, 2025, administration fees were reduced for these classes from 0.50% to 0.20% in combination with class terminations and management fee increases. 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 on December 31, 2025 and 2024 for each class does not exceed the percentage of average NAV set out in the Fund's offering documents, as follows:

2025	Class A/ A (USD)/ B (%)	Class E (%)	Class F (formerly I)/ F (USD) (formerly I (USD))/G (%)	Class H/ H (USD) (%)
Bond Universe Fund	1.10	0.20	0.60	-
Corporate Bond Fund	1.60	0.20	0.95	1.60
Global Small/Mid Cap Equity Fund (formerly Value Fund)	2.05	0.20	1.20	2.05
Small Cap Opportunities Fund	2.45	0.20	1.45	2.15
Strategic Growth and Income Fund	1.90	0.20	1.05	-
US Small/Mid Cap Equity Fund*	2.15	0.30	1.15	-

2025 (cont'd)	Class I (%)	Class N/ M (%)	Class U (%)
Bond Universe Fund	-	-	-
Corporate Bond Fund	0.95	0.70	0.95
Global Small/Mid Cap Equity Fund (formerly Value Fund)	-	-	-
Small Cap Opportunities Fund	1.30	0.95	-
Strategic Growth and Income Fund	-	-	-
US Small/Mid Cap Equity Fund*	-	-	-

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

Year ended December 31, 2025

2024	Class A/ A (USD)/ B (%)	Class E (%)	Class F/ F (USD)/ G (%)	Class H/ H (USD) (%)
Bond Universe Fund	1.10	0.50	0.60	-
Corporate Bond Fund	1.90	0.50	1.10	1.60
Global Small/Mid Cap Equity Fund (formerly Value Fund)	2.35	0.50	1.35	2.05
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	-

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

*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 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 daily 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, 2025 and 2024, no performance fee was accrued for Class B, Class G or Class M.

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 since the HWMs were reset on December 31, 2020, for the Fund as at December 31, 2025 and 2024, are as follows:

2025	Class B (\$)	Class G (\$)	Class M (\$)
HWM	12.02	12.54	10.00
Adjusted HWM	8.50	8.27	6.52

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

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

Year ended December 31, 2025

(d) Amounts payable to the Manager:

As at December 31, 2025 and 2024, 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:

	2025 (\$)	2024 (\$)
Bond Universe Fund	63,791	43,189
Corporate Bond Fund	3,078,431	2,159,333
Global Small/Mid Cap Equity Fund (formerly Value Fund)	124,784	173,099
Small Cap Opportunities Fund	533,513	554,361
Strategic Growth and Income Fund	59,860	68,585

The Pender US Small/Mid Cap Equity Fund did not have any amounts payable to the Manager as at December 31, 2025 (December 31, 2024 - \$nil).

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, 2025 and 2024, 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.

	2025 (%)	2024 (%)
Bond Universe Fund	-	1
Corporate Bond Fund	<1	<1
Global Small/Mid Cap Equity Fund (formerly Value Fund)	2	2
Small Cap Opportunities Fund	1	2
Strategic Growth and Income Fund	1	2
US Small/Mid Cap Equity Fund	37	61

As at December 31, 2025 and 2024, 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.

	2025 (%)	2024 (%)
Bond Universe Fund	3	3
Corporate Bond Fund	2	2
Global Small/Mid Cap Equity Fund (formerly Value Fund)	-	1
Small Cap Opportunities Fund	1	1

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

Year ended December 31, 2025

5. Securities lending transactions:

The following table shows the value of securities loaned and collateral received from securities lending as at December 31, 2025 and 2024 for certain Funds. The remaining Funds did not have any securities loaned or collateral received as at December 31, 2025 and 2024.

	Securities loaned (\$)	Collateral received (\$)
2025		
Bond Universe Fund	2,462,644	2,587,622
Strategic Growth and Income Fund	1,526,781	1,608,919
2024		
Bond Universe Fund	6,201,933	6,516,726
Strategic Growth and Income Fund	1,722,010	1,843,428

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, 2025 and 2024 for certain Funds. The remaining Funds did not have any securities lending income earned for the years ended December 31, 2025 and 2024.

	Gross income (\$)	Withholding taxes (\$)	Agent fees (\$)	Net income (\$)
2025				
Bond Universe Fund	6,350	-	(2,221)	4,129
Strategic Growth and Income Fund	1,601	-	(560)	1,041
2024				
Bond Universe Fund	7,458	-	(2,609)	4,849
Strategic Growth and Income Fund	2,996	-	(1,213)	1,783

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% (2024 - between 0% and 35%).

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

Year ended December 31, 2025

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, 2025 and 2024 were as follows:

2025	Outstanding units, beginning of year	Units issued	Units issued on reinvestment of distributions	Units redeemed	Outstanding units, end of year
Bond Universe Fund:					
Class A	288,935	473,435	8,234	(131,806)	638,798
Class E	53,399	22,155	2,319	(9,817)	68,056
Class F	7,721,405	8,204,010	206,426	(5,147,977)	10,983,864
Class F (USD)	53,967	34,518	1,337	(67,778)	22,044
Class O	362,023	229,895	19,728	(27,119)	584,527
Corporate Bond Fund:					
Class A	8,624,974	3,722,538	441,487	(3,307,332)	9,481,667
Class A (USD)	173,559	131,549	10,414	(78,068)	237,454
Class E	423,215	50,956	43,226	(21,211)	496,186
Class F	42,402,720	22,682,381	1,323,420	(66,408,521)	-
Class F (formerly Class I)	111,684,257	138,448,674	7,965,973	(27,105,706)	230,993,198
Class F (USD)	2,147,393	860,220	53,215	(3,060,828)	-
Class F (USD) (formerly Class I (USD))	3,531,986	5,097,479	295,084	(1,235,118)	7,689,431
Class H	10,768,273	6,393,018	772,269	(2,121,187)	15,812,373
Class H (USD)	562,992	244,056	59,908	(40,304)	826,652
Class N	1,279,940	767,561	77,766	(207,264)	1,918,003
Class O	3,896,761	2,789,562	332,454	(958,963)	6,059,814
Class U	585,371	121,737	35,157	(176,770)	565,495
Global Small/Mid Cap Equity Fund (formerly Value Fund):					
Class A	1,070,225	15,722	-	(355,271)	730,676
Class E	81,958	583	3,668	(13,636)	72,573
Class F	2,219,284	143,780	510	(2,363,574)	-
Class F (formerly Class I)	2,113,986	2,704,309	263,606	(478,081)	4,603,820
Class H	624,435	6,273	43,267	(79,883)	594,092
Class O	88,522	-	-	(87,685)	837
Small Cap Opportunities Fund:					
Class A	623,693	294	61,109	(57,195)	627,901
Class B	960,694	183,614	81,702	(226,057)	999,953
Class E	382,549	46,816	60,303	(31,402)	458,266
Class F	2,441,897	15,951	241,527	(317,556)	2,381,819
Class G	12,554,023	2,429,392	793,499	(3,724,279)	12,052,635
Class H	195,738	-	17,146	(24,572)	188,312
Class I	1,257,031	-	134,339	(148,694)	1,242,676
Class M	4,618,253	2,958,385	651,275	(1,634,329)	6,593,584
Class N	1,005	232	-	(641)	596
Class O	307,278	-	29,657	(71,632)	265,303
Strategic Growth and Income Fund:					
Class A	1,156,716	349,094	17,146	(206,762)	1,316,194
Class E	38,936	4,756	1,361	(1,201)	43,852
Class F	967,454	53,525	16,486	(1,037,465)	-
Class F (formerly Class I)	2,549,569	1,058,298	65,751	(667,908)	3,005,710
Class H	245,215	38,678	2,550	(286,443)	-
Class O	912	362	35	-	1,309

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

Year ended December 31, 2025

2025	Outstanding units, beginning of year	Units issued	Units issued on reinvestment of distributions	Units redeemed	Outstanding units, end of year
US Small/Mid Cap Equity Fund:					
Class A	500	5,694	160	-	6,354
Class E	11,949	71,148	2,032	(4,167)	80,962
Class F	2,638	48,177	673	(19,009)	32,479
Class O	13,512	-	348	-	13,860
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 (formerly Class I)	74,687,822	52,046,915	2,338,993	(17,389,473)	111,684,257
Class F (USD)	1,395,547	1,463,060	57,417	(768,631)	2,147,393
Class F (USD) (formerly Class I (USD))	2,020,985	2,014,686	84,641	(588,326)	3,531,986
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 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
Global Small/Mid Cap Equity Fund (formerly 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 F (formerly Class I)	2,338,765	298,289	153,273	(676,341)	2,113,986
Class H	627,563	13,227	71,966	(88,321)	624,435
Class N	575	-	-	(575)	-
Class O	119,115	-	8,869	(39,462)	88,522
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

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

Year ended December 31, 2025

2024	Outstanding units, beginning of year	Units issued	Units issued on reinvestment of distributions	Units redeemed	Outstanding units, end year
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 F (formerly Class I)	1,901,082	848,765	52,552	(252,830)	2,549,569
Class H	180,288	88,151	2,558	(25,782)	245,215
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

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.

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 Global Small/Mid Cap Equity Fund (formerly Pender Value Fund):

The objective of the Pender Global Small/Mid Cap Equity Fund (formerly 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.

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

Year ended December 31, 2025

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..

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 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.

(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 and Pender Corporate Bond Fund as at December 31, 2025 and 2024 categorized by credit ratings. The remaining Funds did not have exposure to any material credit risk.

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

Year ended December 31, 2025

	2025 (\$)	2024 (\$)
Bond Universe Fund:		
AAA	8,651,402	11,869,229
AA	8,040,080	-
A	16,833,185	8,255,806
BBB	48,160,246	39,755,903
Below BBB	4,055,004	1,979,727
Unrated	9,784,765	2,434,681
	95,524,682	64,295,346
Corporate Bond Fund:		
AAA	180,823,489	219,568,196
AA	128,322,303	-
A	153,676,838	40,971,810
BBB	556,969,813	389,858,205
Below BBB	976,787,062	665,153,503
Unrated	1,003,216,359	753,673,692
	2,999,795,864	2,069,225,406

(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, in consideration of both normal and stressed market conditions, 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.

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 derivative assets (liabilities) of the Pender Bond Universe Fund, Pender Corporate Bond Fund and Pender Small Cap Opportunities Fund as at December 31, 2025 and 2024. The contractual maturities of these derivative assets (liabilities) are less than seven months from the financial reporting date. The amounts are gross and undiscounted. The remaining Funds did not hold any derivative instruments as at December 31, 2025 and 2024.

	2025 (\$)		2024 (\$)	
	Nominal value (\$)	Unrealized gain (loss) (\$)	Nominal value (\$)	Unrealized gain (loss) (\$)
Derivative instruments inflows (outflows)				
Bond Universe Fund	42,196,900	(411,940)	20,868,700	(1,004,212)
Corporate Bond Fund	2,001,308,493	(14,801,486)	1,350,370,800	(71,787,934)
Small Cap Opportunities Fund	1,570,926	(1,826,183)	769,151	(73,600)

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

Year ended December 31, 2025

(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 and Pender Corporate Bond Fund as at December 31, 2025 and 2024, categorized by the earlier of contractual re-pricing or maturity dates. The remaining Funds did not have exposure to any material interest rate risk.

	2025 (\$)	2024 (\$)
Bond Universe Fund:		
Less than 1 year	10,636,289	4,678,818
1 to 3 years	16,322,738	15,221,034
3 to 5 years	22,144,914	11,949,084
More than 5 years	46,420,741	32,446,410
	95,524,682	64,295,346
Corporate Bond Fund:		
Less than 1 year	251,669,391	272,884,112
1 to 3 years	619,322,236	646,419,948
3 to 5 years	1,086,987,173	696,423,928
More than 5 years	1,041,817,064	453,497,418
	2,999,795,864	2,069,225,406

As at December 31, 2025 and 2024, 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:

	2025 (\$)	2024 (\$)
Bond Universe Fund	4,798,509	3,314,851
Corporate Bond Fund	131,419,435	82,173,916

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.

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

Year ended December 31, 2025

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, 2025 and 2024 was as follows:

2025	Canadian dollar (\$)	US dollar (\$)	Australian dollar (\$)	Euro (\$)
Bond Universe Fund	122,493,926	3,982,593	-	-
Corporate Bond Fund	2,581,243,687	677,768,573	77,498,690	7,837,773
Global Small/Mid Cap Equity Fund (formerly Value Fund)	61,746,880	30,819,999	-	2,364,146
Small Cap Opportunities Fund	363,310,260	46,920,396	-	-
Strategic Growth and Income Fund	39,525,583	11,029,122	-	1,698,025
US Small/Mid Cap Equity Fund	1,365	1,424,345	-	-

2025 (cont'd)	British pound (\$)	Swiss Franc (\$)	Colombian Peso (\$)	Total (\$)
Bond Universe Fund	-	-	-	126,476,519
Corporate Bond Fund	-	7,096,946	16,533,728	3,367,979,397
Global Small/Mid Cap Equity Fund (formerly Value Fund)	-	-	-	94,931,025
Small Cap Opportunities Fund	-	-	-	410,230,656
Strategic Growth and Income Fund	997,038	-	-	53,249,768
US Small/Mid Cap Equity Fund	-	-	-	1,425,710

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
Global Small/Mid Cap Equity Fund (formerly Value Fund)	80,128,883	38,529,388	2,667,314	121,325,585
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

As at December 31, 2025 and 2024, 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:

	2025 (\$)	2024 (\$)
Bond Universe Fund	398,260	(2,603)
Corporate Bond Fund	78,673,571	38,988,436
Global Small/Mid Cap Equity Fund (formerly Value Fund)	3,318,415	4,119,670
Small Cap Opportunities Fund	4,692,040	3,495,500
Strategic Growth and Income Fund	1,372,419	1,735,907
US Small/Mid Cap Equity Fund	142,435	26,650

(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.

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

Year ended December 31, 2025

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, 2025, 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, 2025 and 2024:

	2025 (\$)	2024 (\$)
Bond Universe Fund	20,898,463	17,407,908
Corporate Bond Fund	357,675,988	188,608,484
Global Small/Mid Cap Equity Fund (formerly Value Fund)	93,218,254	121,848,959
Small Cap Opportunities Fund	415,045,724	409,972,151
Strategic Growth and Income Fund	52,527,662	54,052,168
US Small/Mid Cap Equity Fund	1,377,308	240,908

As at December 31, 2025 and 2024, 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:

	2025 (\$)	2024 (\$)
Bond Universe Fund	130,829	27,611
Corporate Bond Fund	21,212,605	3,571,569
Global Small/Mid Cap Equity Fund (formerly Value Fund)	8,648,907	11,773,338
Small Cap Opportunities Fund	31,173,129	41,385,799
Strategic Growth and Income Fund	1,810,488	2,900,291
US Small/Mid Cap Equity Fund	137,623	23,610

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.

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).

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

Year ended December 31, 2025

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, 2025 and 2024 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.

2025	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Bond Universe Fund:				
Bonds	-	95,524,682	-	95,524,682
Forward foreign currency contract	-	(411,940)	-	(411,940)
Mutual funds	20,898,463	-	-	20,898,463
	20,898,463	95,112,742	-	116,011,205
Corporate Bond Fund:				
Bonds and loans	-	2,961,545,863	38,250,001	2,999,795,864
Closed end funds	29,784,412	-	-	29,784,412
Common shares	91,095,324	53,576,111	19,783,414	164,454,849
Exchange-traded funds	102,885,155	-	-	102,885,155
Forward foreign currency contracts	-	(2,311,107)	-	(2,311,107)
Preferred shares	60,551,572	-	-	60,551,572
Warrants	-	-	-	-
Written call options	(43,178,707)	-	-	(43,178,707)
	241,137,756	3,012,810,867	58,033,415	3,311,982,038
Global Small/Mid Cap Equity Fund (formerly Value Fund):				
Equities	91,963,093	1,219,392	-	93,182,485
Warrants	34,528	1,241	-	35,769
	91,997,621	1,220,633	-	93,218,254
Small Cap Opportunities Fund:				
Equities	380,367,497	16,190,954	15,191,913	411,750,364
Purchased call options	426,051	-	-	426,051
Purchased put options	1,144,875	-	-	1,144,875
Warrants	35	3,271,851	23,474	3,295,360
	381,938,458	19,462,805	15,215,387	416,616,650

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

Year ended December 31, 2025

2025	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Strategic Growth and Income Fund:				
Equities	19,338,411	541,903	846,801	20,727,115
Exchange-traded funds	1,057,075	-	-	1,057,075
Mutual funds	30,743,472	-	-	30,743,472
	51,138,958	541,903	846,801	52,527,662
US Small/Mid Cap Equity Fund:				
Equities	1,377,308	-	-	1,377,308
	1,377,308	-	-	1,377,308
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
Global Small/Mid Cap Equity Fund (formerly Value Fund):				
Equities	121,848,959	-	-	121,848,959
Warrants	14,047	1,241	-	15,288
	121,863,006	1,241	-	121,864,247
Small Cap Opportunities Fund:				
Equities	402,119,046	87	6,740,195	408,859,328
Purchased 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

Bonds and/or loans were classified as Level 2 in the current year based on the definition of active market.

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, 2025

The following table summarizes the transfers between levels as the fair value of the investments valued using unobservable inputs changed as at December 31, 2025 and 2024.

	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)
2025			
Transfers between Levels 1 and 2			
Bond Universe Fund	(72,439,854)	72,439,854	-
Corporate Bond Fund	(1,044,894,883)	1,044,894,883	-
Global Small/Mid Cap Equity Fund (formerly Value Fund)	(1,219,392)	1,219,392	-
Small Cap Opportunities Fund	(6,600,024)	6,600,024	-
Strategic Growth and Income Fund	4,854,736	(4,854,736)	-
2024			
Transfers between Levels 1 and 2			
Corporate Bond Fund	91,156,906	(91,156,906)	-
Global Small/Mid Cap Equity Fund (formerly Value Fund)	8,152,861	(8,152,861)	-
Small Cap Opportunities Fund	39,964,186	(39,964,186)	-
Strategic Growth and Income Fund	1,915,772	(1,915,772)	-

Transfers between level 1 & level 2 for 2025 and 2024 in the table above includes a reconsideration of the definition of an active market.

The following table shows a reconciliation of movement in fair value of all financial instruments categorized within Level 3 for the years ended December 31, 2025 and 2024, 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.

	2025 (\$)	2024 (\$)
Corporate Bond Fund:		
Opening balance	61,654,975	-
Purchase of investments	38,577,209	61,313,275
Sales of investments	(38,093,750)	-
Total gain (loss) recognized in comprehensive income	(1,469,525)	-
Change in unrealized appreciation (depreciation)	(2,635,494)	341,700
Ending Balance	58,033,415	61,654,975
Small Cap Opportunities Fund:		
Opening balance	6,740,195	5,353,862
Purchase of investments	8,360,470	-
Total gain (loss) recognized in comprehensive income	-	(1,200)
Change in unrealized appreciation (depreciation)	114,722	1,387,533
Ending Balance	15,215,387	6,740,195
Strategic Growth and Income Fund:		
Opening balance	764,361	575,476
Sales of investments	-	(8,236)
Total gain (loss) recognized in comprehensive income	-	(2,837,670)
Change in unrealized appreciation (depreciation)	82,440	3,034,791
Ending Balance	846,801	764,361

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

Year ended December 31, 2025

(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, 2025 and 2024, 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.

2025	Fair Value (\$)	Valuation technique	Unobservable input	Sensitivity to change in significant unobservable input
Corporate Bond Fund:				
Unlisted private investments	38,250,000	Enterprise value	Enterprise value	The estimated fair value would increase if enterprise value increased
	19,783,415	Market approach	Revenue multiple 1.0X – 2.3X	The estimated fair value would increase if revenue multiple increased
Small Cap Opportunities Fund:				
Unlisted private investments	13,678,869	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	846,801	Market approach	Revenue multiple 0.9X – 3.0X	The estimated fair value would increase if the revenue multiple increased

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

Year ended December 31, 2025

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	5,203,677	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

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. Market approach estimates fair value using observable market data, including valuation multiples and recent arm's-length transactions of comparable companies, with adjustments applied as necessary to reflect differences between the investee and comparable issuers.

(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, 2025 and 2024. The remaining Funds did not hold any financial instruments categorized as Level 3.

Entity	2025	2024
Corporate Bond Fund:		
Favourable	5,803,342	6,165,498
Unfavourable	(5,803,342)	(6,165,498)
Small Cap Opportunities Fund:		
Favourable	1,521,539	674,019
Unfavourable	(1,521,539)	(674,019)
Strategic Growth and Income Fund:		
Favourable	84,680	76,436
Unfavourable	(84,680)	(76,436)

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, market approach and comparable trading multiples. Actual results may differ from this sensitivity analysis and the difference could be material.

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

Year ended December 31, 2025

(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, 2025 and 2024.

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

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, 2025 and 2024. 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 (Amount in '000')	Carrying amount included in investments (Amount in '000')
Bond Universe Fund:			
2025	1	3,367,979	20,898
2024	1	2,263,284	17,408
Corporate Bond Fund:			
2025	5	77,900,000	132,670
2024	7	12,658,000	50,529
Strategic Growth and Income Fund:			
2025	4	8,266,000	31,801
2024	4	3,255,582	28,731

During the years ended December 31, 2025 and 2024, 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.

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

Year ended December 31, 2025

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 2025 and/or 2024 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.

	2025 (\$)	2024 (\$)
Bond Universe Fund	6,154,912	6,154,912
Corporate Bond Fund	-	2,457,409
Strategic Growth and Income Fund	45,919,194	45,899,748
US Small/Mid Cap Equity Fund	-	10

As at the end of the 2025 and 2024 tax year-end, no Funds had accumulated non-capital losses.



**Annual Financial Statements of
PENDER MUTUAL FUNDS**

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