

SEMI-ANNUAL MANAGEMENT REPORT OF FUND PERFORMANCE

Pender US All Cap Equity Fund

Six months ended June 30, 2019

The logo for Pender, featuring the word "PENDER" in a bold, serif font. The letter "N" is stylized with a diagonal slash through it.

This interim Management Report of Fund Performance contains financial highlights but does not contain either the interim financial statements or annual financial statements of the investment fund. You may obtain a copy of the interim financial statements or annual financial statements at your request, at no cost, by calling toll-free 1-866-377-4743, by writing to us at 1640 – 1066 West Hastings Street, Vancouver, BC V6E 3X1 (effective September 1, 2019, at 1830 – 1066 West Hastings Street, Vancouver, BC V6E 3X2) or by visiting our website at www.penderfund.com or the SEDAR website at www.sedar.com.

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

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Results of Operations

The net assets of the Pender US All Cap Equity Fund (the "Fund") as at June 30, 2019 increased overall to \$17,914,934 from \$16,738,645 as at December 31, 2018. Of this \$1,176,289 increase, increase of \$2,093,641 was attributable to investment performance and decrease of \$917,352 was attributable to net unitholder redemptions of the Fund.

For the six months ended June 30, 2019 (the "period"), Class A units of the Fund generated a total return of 12.2%. Returns for other classes of the Fund will be similar to Class A with any difference in performance being primarily due to different management fees that are applicable to different classes. Returns for Class A (USD), Class F (USD) and Class N (USD) will differ primarily due to foreign currency as these classes are denominated in US dollars and all remaining classes are denominated in Canadian dollars. Please see the "Past Performance" section for the performance of the Fund's other classes.

The Fund's broad-based benchmark, the S&P 500 Index ("S&P 500") (in Canadian dollars), returned 13.7% during the period. In accordance with National Instrument 81-106, we have included a comparison to this broad-based index to help you understand the Fund's performance relative to the general performance of the market, but caution that the Fund's mandate may be significantly different from the index. The Fund's mandate is "all cap" which allows for inclusion of securities outside the large cap oriented S&P 500. Most of the Fund's holdings are not members of the S&P 500 at this time because we believe better value and superior long-term opportunities can be found among smaller companies in today's market environment. Further, the Fund's returns are reported net of all management fees and expenses for all classes, unlike the returns of the Fund's benchmark, which are based on the performance of an index that does not pay fees or incur expenses.

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

The Fund's underperformance as compared to its benchmark was primarily due to stock selection in the Communication Services sector. We do not actively manage sector weightings in the Fund, rather, our sector weightings are determined by individual stock selection through a bottom-up fundamental investment process. We seek to own securities where our estimated range for the long-term intrinsic value of the business is higher than the current share price.

Key positive contributors to the Fund's performance for the period included JD.com, Inc., Zillow Group, Inc., and Liberty Broadband Corporation. Conversely, Baidu, Inc., TripAdvisor, Inc., and Navios Maritime Holdings Inc. had the largest adverse impact.

Portfolio transactions during the period were made based on our stock selection process. In general, we increased weightings of individual stocks where we determined the margin of safety had increased and decreased their weightings as their traded market values moved closer to our estimates of their intrinsic values. We are constantly looking for new investment ideas and examples of new investments are PAR Technology Corporation, and Jefferies Financial Group Inc. We may liquidate our positions for various reasons, such as when share prices have reached our assessment of fair value, when an acquisition has occurred, and when we have changed our investment thesis. During the period, we sold Liberty Broadband Corporation, Brookfield Asset Management Inc., and GCI Liberty, Inc..

As at the end of the period, the Fund was invested with 92.8% in US securities, 0.2% in cash, and 7.0% in other assets and liabilities. Historically, we have not held large cash balances in this mandate, however, cash levels may vary in the future depending on the market opportunity set. The Fund's investment portfolio is concentrated and not diversified in the conventional sense. The Fund's top 10 holdings account for 76.9% of the Fund's net assets at the end of the period. This concentration may lead to varied results over any given period.

Overall sector exposure of the Fund is determined by stock selection and may shift from time to time. As at June 30, 2019 we were weighted toward holdings in Communication Services, Consumer Discretionary, and Industrials sectors because those sectors are where we believe we are currently finding the best investment opportunities and, equally important, because they contain businesses for which we are best equipped to assess value. These top three sectors accounted for 65.0% of the Fund at the end of the period.

Recent Developments

Global stock markets rebounded and returned to a more normal state as most markets posted double-digit gains for the first half of 2019. Of note, the total return of the large cap focused S&P500 was 18.5% in 1H19 which followed a dismal 2018 when the index posted its worst performance since 2008. The market's decline in 2018 and subsequent rebound in 2019 was driven almost entirely by investor sentiment and psychology. Corporate earnings continue to march higher during this period of stock market volatility, albeit at a slower pace, but changes in investor moods tend to have an outsized impact on stock prices over the short term. In the stock market, there is always something to worry about. Growing fears about a recession in the US are the latest concern. Investors across Wall Street have nervously eyed the recent inversion of the yield curve as the US administration's global trade war has undermined business confidence and manufacturing activity, casting a cloud over the longest US economic expansion in post-war history.

We believe the business cycle is in the later innings. It makes sense to alter course depending on the changing opportunity set. As a result, the Fund has rotated into higher quality stocks of late which we believe are better positioned to perform better during a downturn. In addition, we believe US small and mid-cap stocks in aggregate are more compelling than US large caps, based partly on valuation. Most of the large caps held by the Fund are not listed in the S&P500 where valuations appear relatively full in aggregate. When investor sentiment turns pessimistic, richly valued and lower quality stocks are typically more vulnerable to potential drawdowns. Finally, many of our holdings operate with capital-light business models in markets that have relatively low cyclicality, which we believe increases the odds of generating decent total returns over the long term.

The Fund's "all cap" mandate allows us to focus on holdings in any area of the market where we find the best value. Historically, we have tended to focus on the small-to-medium market capitalization universe and on individual names that we believe have been largely ignored and underappreciated by investors. We believe the best absolute and relative value is often found in idiosyncratic small-and mid-sized companies.

We believe many of the Fund's holdings have strong underlying economics and medium-term growth prospects. According to our analyses, most of our holdings have increased their intrinsic value and/or deepened their "moats" during the period, which we believe will be reflected in their respective share prices over time.

Related Party Transactions

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

As at the end of the period, parties related to the Manager collectively held 9% of the Fund's units.

Management Fees

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

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

Such expenses represented approximately 25% of the management fees paid by the Fund to the Manager for the period.

FINANCIAL HIGHLIGHTS

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

CLASS A						
Fund's Net Assets Per Unit (a)	2019	2018	2017	2016	2015	2014
Net assets – beginning of period	\$10.22	\$12.61	\$11.78	\$12.02	\$12.27	\$11.86
Increase (decrease) from operations:						
Total revenue	0.01	0.07	0.09	0.47	0.10	0.06
Total expenses	(0.13)	(0.32)	(0.31)	(0.35)	(0.32)	(0.31)
Realized gains (losses)	(0.03)	1.78	2.13	(0.55)	1.22	(0.01)
Unrealized gains (losses)	1.43	(2.18)	(0.04)	0.19	(0.91)	0.50
Total increase (decrease) from operations (b)	1.28	(0.65)	1.87	(0.24)	0.09	0.24
Distributions:						
From income (excluding dividends)	-	(0.80)	-	(0.10)	-	-
From dividends	-	(0.01)	-	(0.03)	-	-
From capital gains	-	(0.73)	(0.96)	-	(0.44)	-
Return of capital	-	-	-	-	-	-
Total annual distributions (b), (c)	-	(1.54)	(0.96)	(0.13)	(0.44)	-
Net assets – end of period	\$11.45	\$10.22	\$12.61	\$11.78	\$12.02	\$12.27
Ratios and Supplemental Data						
Total net asset value (\$000s) (a)	\$6,968	\$6,756	\$8,215	\$8,492	\$10,683	\$12,026
Number of units outstanding (a)	608,402	660,864	651,735	720,635	888,473	980,302
Management expense ratio (d)	2.35%	2.35%	2.35%	2.40%	2.45%	2.45%
Management expense ratio before absorptions (e)	2.35%	2.35%	2.35%	2.40%	2.45%	2.45%
Trading expense ratio (f)	0.04%	0.05%	0.04%	0.03%	0.04%	0.03%
Portfolio turnover rate (g)	17.79%	50.44%	38.30%	40.36%	43.62%	26.46%
Net asset value per unit (a)	\$11.45	\$10.22	\$12.61	\$11.78	\$12.02	\$12.27
CLASS D						
Fund's Net Assets Per Unit (a)	2019	2018	2017	2016	2015	2014
Net assets – beginning of period	\$7.73	\$9.59	\$9.05	\$9.25	\$10.00	
Increase (decrease) from operations:						
Total revenue	0.01	0.05	0.07	0.36	0.08	
Total expenses	(0.07)	(0.14)	(0.05)	(0.14)	(0.08)	
Realized gains (losses)	0.01	1.36	1.64	(0.43)	0.11	
Unrealized gains (losses)	0.77	(4.02)	(0.25)	0.66	(0.20)	
Total increase (decrease) from operations (b)	0.72	(2.75)	1.41	0.45	(0.10)	
Distributions:						
From income (excluding dividends)	-	(0.73)	-	(0.18)	-	
From dividends	-	(0.01)	-	(0.02)	-	
From capital gains	-	(0.56)	(0.91)	-	(0.75)	
Return of capital	-	-	-	-	-	
Total annual distributions (b), (c)	-	(1.29)	(0.91)	(0.20)	(0.75)	
Net assets – end of period	\$8.69	\$7.73	\$9.59	\$9.05	\$9.25	
Ratios and Supplemental Data						
Total net asset value (\$000s) (a)	\$55	\$34	\$18	\$16	\$5	
Number of units outstanding (a)	6,287	4,372	1,911	1,735	542	
Management expense ratio (d)	1.60%	1.60%	1.60%	1.60%	1.60%	
Management expense ratio before absorptions (e)	1.60%	1.60%	1.60%	1.60%	1.60%	
Trading expense ratio (f)	0.04%	0.05%	0.04%	0.03%	0.04%	
Portfolio turnover rate (g)	17.79%	50.44%	38.30%	40.36%	43.62%	
Net asset value per unit (a)	\$8.69	\$7.73	\$9.59	\$9.05	\$9.25	

FINANCIAL HIGHLIGHTS (CONTINUED)

CLASS F						
Fund's Net Assets Per Unit (a)	2019	2018	2017	2016	2015	2014
Net assets – beginning of period	\$10.01	\$12.42	\$11.84	\$12.01	\$12.43	\$11.92
Increase (decrease) from operations:						
Total revenue	0.01	0.07	0.10	0.46	0.10	0.06
Total expenses	(0.07)	(0.17)	(0.17)	(0.16)	(0.18)	(0.17)
Realized gains (losses)	(0.02)	1.76	2.14	(0.55)	0.14	0.05
Unrealized gains (losses)	1.33	(2.25)	(0.13)	(0.45)	0.16	0.51
Total increase (decrease) from operations (b)	1.25	(0.59)	1.94	(0.70)	0.22	0.45
Distributions:						
From income (excluding dividends)	-	(0.95)	-	(0.18)	-	-
From dividends	-	(0.01)	-	(0.03)	-	-
From capital gains	-	(0.73)	(1.34)	-	(0.68)	-
Return of capital	-	-	-	-	-	-
Total annual distributions (b), (c)	-	(1.68)	(1.34)	(0.21)	(0.68)	-
Net assets – end of period	\$11.26	\$10.01	\$12.42	\$11.84	\$12.01	\$12.43
Ratios and Supplemental Data						
Total net asset value (\$000s) (a)	\$4,657	\$4,241	\$4,765	\$4,457	\$9,473	\$10,559
Number of units outstanding (a)	413,443	423,514	383,551	376,605	788,874	849,570
Management expense ratio (d)	1.35%	1.35%	1.35%	1.35%	1.35%	1.35%
Management expense ratio before absorptions (e)	1.35%	1.35%	1.35%	1.35%	1.35%	1.35%
Trading expense ratio (f)	0.04%	0.05%	0.04%	0.03%	0.04%	0.03%
Portfolio turnover rate (g)	17.79%	50.44%	38.30%	40.36%	43.62%	26.46%
Net asset value per unit (a)	\$11.26	\$10.01	\$12.42	\$11.84	\$12.01	\$12.43

CLASS H						
Fund's Net Assets Per Unit (a)	2019	2018	2017	2016	2015	2014
Net assets – beginning of period	\$8.09	\$9.95	\$9.70	\$10.00	\$10.32	\$10.00
Increase (decrease) from operations:						
Total revenue	0.01	0.05	0.07	0.39	0.08	0.06
Total expenses	(0.09)	(0.23)	(0.16)	(0.21)	(0.24)	(0.12)
Realized gains (losses)	(0.01)	1.42	1.75	(0.46)	0.12	0.04
Unrealized gains (losses)	1.08	(1.78)	(0.14)	0.12	0.17	0.34
Total increase (decrease) from operations (b)	0.99	(0.54)	1.52	(0.16)	0.13	0.32
Distributions:						
From income (excluding dividends)	-	(0.64)	-	(0.25)	-	-
From dividends	-	(0.01)	-	(0.02)	-	-
From capital gains	-	(0.58)	(1.25)	-	(0.57)	-
Return of capital	-	-	-	-	-	-
Total annual distributions (b), (c)	-	(1.23)	(1.25)	(0.27)	(0.57)	-
Net assets – end of period	\$9.07	\$8.09	\$9.95	\$9.70	\$10.00	\$10.32
Ratios and Supplemental Data						
Total net asset value (\$000s) (a)	\$357	\$318	\$353	\$211	\$103	\$5
Number of units outstanding (a)	39,336	39,336	35,431	21,747	10,252	500
Management expense ratio (d)	2.05%	2.05%	2.05%	2.13%	2.20%	2.20%
Management expense ratio before absorptions (e)	2.05%	2.05%	2.05%	2.13%	2.20%	2.20%
Trading expense ratio (f)	0.04%	0.05%	0.04%	0.03%	0.04%	0.03%
Portfolio turnover rate (g)	17.79%	50.44%	38.30%	40.36%	43.62%	26.46%
Net asset value per unit (a)	\$9.07	\$8.09	\$9.95	\$9.70	\$10.00	\$10.32

FINANCIAL HIGHLIGHTS (CONTINUED)

CLASS I						
Fund's Net Assets Per Unit (a)	2019	2018	2017	2016	2015	2014
Net assets – beginning of period	\$8.05	\$9.99	\$9.71	\$9.91	\$10.38	\$10.00
Increase (decrease) from operations:						
Total revenue	0.01	0.06	0.08	0.40	0.08	0.06
Total expenses	(0.05)	(0.14)	(0.09)	(0.12)	(0.13)	(0.07)
Realized gains (losses)	-	1.42	1.75	(0.46)	0.12	0.04
Unrealized gains (losses)	1.03	(2.38)	0.17	0.21	(0.20)	0.35
Total increase (decrease) from operations (b)	0.99	(1.04)	1.91	0.03	(0.14)	0.38
Distributions:						
From income (excluding dividends)	-	(0.78)	-	(0.23)	-	-
From dividends	-	(0.01)	-	(0.02)	-	-
From capital gains	-	(0.58)	(1.32)	-	(1.22)	-
Return of capital	-	-	-	-	-	-
Total annual distributions (b), (c)	-	(1.37)	(1.32)	(0.25)	(1.22)	-
Net assets – end of period	\$9.06	\$8.05	\$9.99	\$9.71	\$9.91	\$10.38
Ratios and Supplemental Data						
Total net asset value (\$000s) (a)	\$266	\$231	\$283	\$230	\$234	\$5
Number of units outstanding (a)	29,396	28,660	28,360	23,647	23,601	500
Management expense ratio (d)	1.20%	1.20%	1.20%	1.20%	1.20%	1.20%
Management expense ratio before absorptions (e)	1.20%	1.20%	1.20%	1.20%	1.20%	1.20%
Trading expense ratio (f)	0.04%	0.05%	0.04%	0.03%	0.04%	0.03%
Portfolio turnover rate (g)	17.79%	50.44%	38.30%	40.36%	43.62%	26.46%
Net asset value per unit (a)	\$9.06	\$8.05	\$9.99	\$9.71	\$9.91	\$10.38

CLASS N						
Fund's Net Assets Per Unit (a)	2019	2018	2017	2016	2015	2014
Net assets – beginning of period	\$10.00					
Increase (decrease) from operations:						
Total revenue	-					
Total expenses	-					
Realized gains (losses)	-					
Unrealized gains (losses)	-					
Total increase (decrease) from operations (b)	-					
Distributions:						
From income (excluding dividends)	-					
From dividends	-					
From capital gains	-					
Return of capital	-					
Total annual distributions (b), (c)	-					
Net assets – end of period	\$10.00					
Ratios and Supplemental Data						
Total net asset value (\$000s) (a)	\$5					
Number of units outstanding (a)	500					
Management expense ratio (d)	0.85%					
Management expense ratio before absorptions (e)	0.85%					
Trading expense ratio (f)	0.04%					
Portfolio turnover rate (g)	17.79%					
Net asset value per unit (a)	\$10.00					

FINANCIAL HIGHLIGHTS (CONTINUED)

CLASS O

Fund's Net Assets Per Unit (a)	2019	2018	2017	2016	2015	2014
Net assets – beginning of period	\$8.34	\$10.39	\$10.03	\$10.22	\$10.59	\$10.00
Increase (decrease) from operations:						
Total revenue	0.01	0.06	0.08	0.41	0.09	0.06
Total expenses	-	(0.01)	-	-	-	-
Realized gains (losses)	(0.01)	1.48	1.82	(0.48)	0.12	0.04
Unrealized gains (losses)	1.09	(1.92)	(0.15)	1.12	0.16	0.35
Total increase (decrease) from operations (b)	1.09	(0.39)	1.75	1.05	0.36	0.45
Distributions:						
From income (excluding dividends)	-	(0.95)	(0.06)	(0.35)	-	-
From dividends	-	(0.01)	(0.02)	(0.03)	-	-
From capital gains	-	(0.61)	(1.34)	-	(0.83)	-
Return of capital	-	-	-	-	-	-
Total annual distributions (b), (c)	-	(1.58)	(1.42)	(0.38)	(0.83)	-
Net assets – end of period	\$9.43	\$8.34	\$10.39	\$10.03	\$10.22	\$10.59
Ratios and Supplemental Data						
Total net asset value (\$000s) (a)	\$4,812	\$4,284	\$4,701	\$4,209	\$1,154	\$1,113
Number of units outstanding (a)	510,235	513,748	452,379	419,774	112,921	105,174
Management expense ratio (d)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Management expense ratio before absorptions (e)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Trading expense ratio (f)	0.04%	0.05%	0.04%	0.03%	0.04%	0.03%
Portfolio turnover rate (g)	17.79%	50.44%	38.30%	40.36%	43.62%	26.46%
Net asset value per unit (a)	\$9.43	\$8.34	\$10.39	\$10.03	\$10.22	\$10.59

CLASS A (USD)

Fund's Net Assets Per Unit (a)	2019	2018	2017	2016	2015	2014
Net assets – beginning of period	\$9.97	\$12.32	\$11.52	\$11.78	\$12.02	\$11.61
Increase (decrease) from operations:						
Total revenue	0.01	0.07	0.08	0.45	0.10	0.06
Total expenses	(0.13)	(0.31)	(0.30)	(0.27)	(0.31)	(0.29)
Realized gains (losses)	(0.02)	1.74	2.08	(0.54)	0.14	0.04
Unrealized gains (losses)	1.36	(2.25)	(0.02)	0.23	0.23	0.27
Total increase (decrease) from operations (b)	1.22	(0.75)	1.84	(0.13)	0.16	0.08
Distributions:						
From income (excluding dividends)	-	(0.59)	-	(0.13)	-	-
From dividends	-	(0.01)	-	(0.03)	-	-
From capital gains	-	(0.52)	(0.95)	-	(0.43)	-
Return of capital	-	-	-	-	-	-
Total annual distributions (b), (c)	-	(1.13)	(0.95)	(0.16)	(0.43)	-
Net assets – end of period	\$11.17	\$9.97	\$12.32	\$11.52	\$11.78	\$12.02
Ratios and Supplemental Data						
Total net asset value (\$000s) (a)	\$635	\$580	\$655	\$676	\$727	\$894
Number of units outstanding (a)	56,840	58,144	53,195	58,619	61,773	74,439
Management expense ratio (d)	2.35%	2.35%	2.35%	2.40%	2.45%	2.45%
Management expense ratio before absorptions (e)	2.35%	2.35%	2.35%	2.40%	2.45%	2.45%
Trading expense ratio (f)	0.04%	0.05%	0.04%	0.03%	0.04%	0.03%
Portfolio turnover rate (g)	17.79%	50.44%	38.30%	40.36%	43.62%	26.46%
Net asset value per unit (a)	\$11.17	\$9.97	\$12.32	\$11.52	\$11.78	\$12.02

FINANCIAL HIGHLIGHTS (CONTINUED)

CLASS F (USD)						
Fund's Net Assets Per Unit (a)	2019	2018	2017	2016	2015	2014
Net assets – beginning of period	\$10.04	\$12.25	\$11.71	\$11.90	\$12.19	\$11.65
Increase (decrease) from operations:						
Total revenue	0.01	0.07	0.08	0.47	0.10	0.06
Total expenses	(0.08)	(0.16)	(0.14)	(0.16)	(0.17)	(0.16)
Realized gains (losses)	-	1.77	2.12	(0.55)	0.14	0.05
Unrealized gains (losses)	1.69	(1.98)	(0.24)	(0.03)	0.12	0.39
Total increase (decrease) from operations (b)	1.62	(0.31)	1.82	(0.27)	0.18	0.34
Distributions:						
From income (excluding dividends)	-	(0.57)	-	(0.21)	-	-
From dividends	-	(0.01)	-	(0.03)	-	-
From capital gains	-	(0.53)	(1.36)	-	(0.43)	-
Return of capital	-	-	-	-	-	-
Total annual distributions (b), (c)	-	(1.10)	(1.36)	(0.24)	(0.43)	-
Net assets – end of period	\$11.29	\$10.04	\$12.25	\$11.71	\$11.90	\$12.19
Ratios and Supplemental Data						
Total net asset value (\$000s) (a)	\$154	\$295	\$639	\$564	\$906	\$1,502
Number of units outstanding (a)	13,611	29,410	52,147	48,204	76,066	123,238
Management expense ratio (d)	1.35%	1.35%	1.35%	1.35%	1.35%	1.35%
Management expense ratio before absorptions (e)	1.35%	1.35%	1.35%	1.35%	1.35%	1.35%
Trading expense ratio (f)	0.04%	0.05%	0.04%	0.03%	0.04%	0.03%
Portfolio turnover rate (g)	17.79%	50.44%	38.30%	40.36%	43.62%	26.46%
Net asset value per unit (a)	\$11.29	\$10.04	\$12.25	\$11.71	\$11.90	\$12.19

CLASS N (USD)						
Fund's Net Assets Per Unit (a)	2019	2018	2017	2016	2015	2014
Net assets – beginning of period	\$13.10					
Increase (decrease) from operations:						
Total revenue	-					
Total expenses	-					
Realized gains (losses)	-					
Unrealized gains (losses)	-					
Total increase (decrease) from operations (b)	-					
Distributions:						
From income (excluding dividends)	-					
From dividends	-					
From capital gains	-					
Return of capital	-					
Total annual distributions (b), (c)	-					
Net assets – end of period	\$13.10					
Ratios and Supplemental Data						
Total net asset value (\$000s) (a)	\$7					
Number of units outstanding (a)	500					
Management expense ratio (d)	0.85%					
Management expense ratio before absorptions (e)	0.85%					
Trading expense ratio (f)	0.04%					
Portfolio turnover rate (g)	17.79%					
Net asset value per unit (a)	\$13.10					

FINANCIAL HIGHLIGHTS (CONTINUED)**Footnotes:**

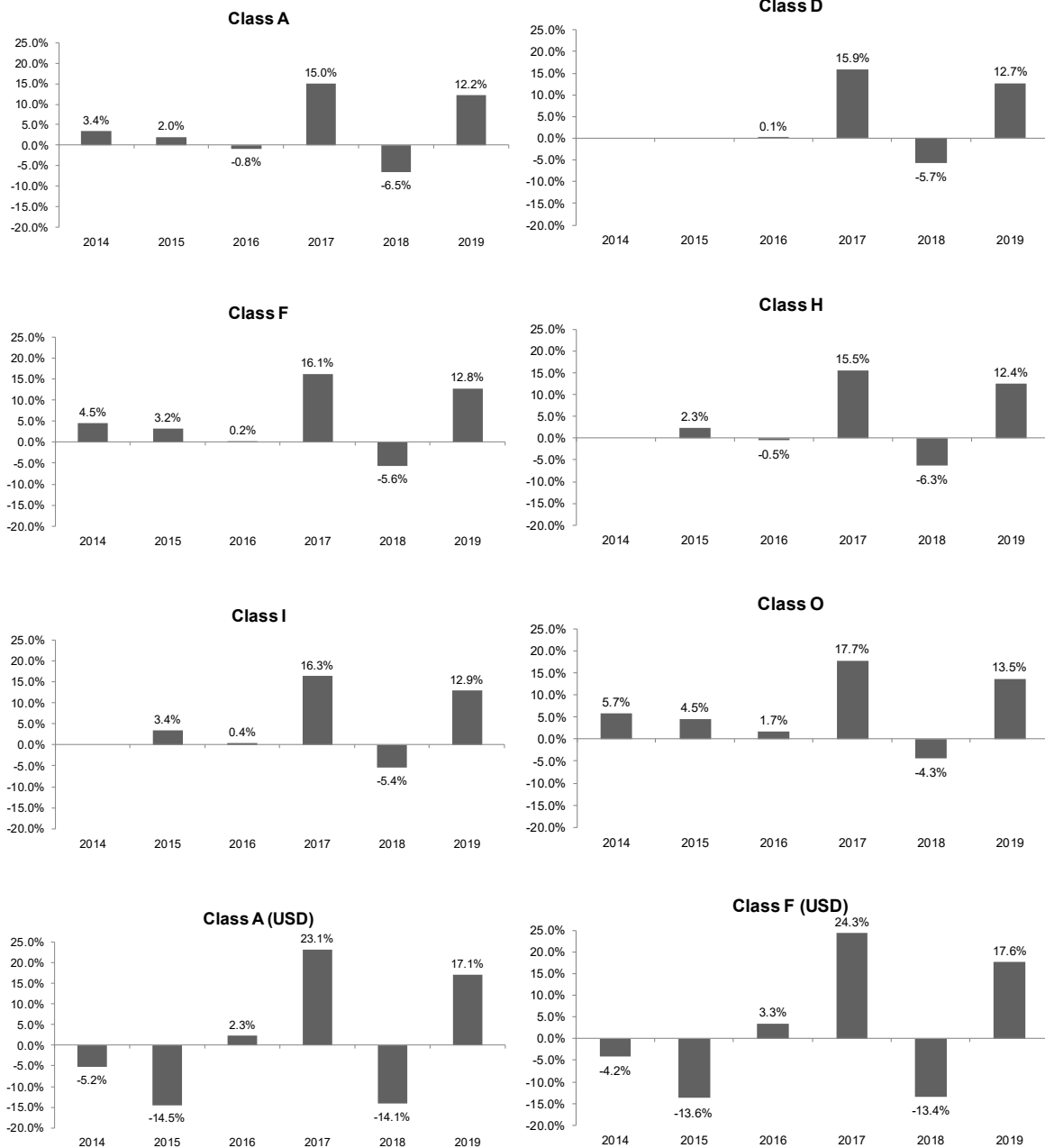
- (a) This information is derived from the Fund's unaudited semi-annual financial statements as at June 30 and audited annual financial statements as at December 31 for the period stated, prepared under International Financial Reporting Standards. Class N and Class N (USD) commenced operations on June 28, 2019
- (b) Net assets per unit and distributions per unit are based on the actual number of units for the relevant Fund class outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding during the period.
- (c) Distributions were paid in cash and/or reinvested in additional units of the Fund.
- (d) Management expense ratio ("MER") is based on total expenses (excluding commissions and other portfolio transaction costs) for the period and is expressed as an annualized percentage of average net asset value during the period. The MER may vary from one class of units to another because of differences in the applicable management fees and certain fees and expenses may have been absorbed by the Manager which would otherwise be reflected in the Fund.
- (e) The Manager of the Fund has agreed to absorb sufficient expenses of the Fund, as necessary, such that the annual MER after all charges and taxes (including sales, goods and services and other similar charges) will not exceed certain limits as outlined in the Fund's Simplified Prospectus. The amount of expenses absorbed is at the discretion of the Manager as set out in the Fund's Simplified Prospectus, and the Manager may in its sole discretion cease to absorb expenses.
- (f) The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of average net asset value during the period.
- (g) The Fund's portfolio turnover rate indicates how actively the Fund's portfolio adviser manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the period. In general, the higher a fund's portfolio turnover rate in a period, the greater the trading costs payable by the fund in the period, and the greater the chance of an investor receiving taxable capital gains in the period. There is not necessarily a relationship between a high turnover rate and the performance of a fund.

PAST PERFORMANCE

The following charts show the past performance for the units of each class of the Fund and do not necessarily indicate how the Fund will perform in the future. The information shown assumes that any distributions made by the Fund were reinvested in additional units of the Fund. Returns would be different if an investor did not reinvest distributions. In addition, the information does not take into account sales, redemptions, income taxes payable or other charges that would have reduced returns or performance.

Period-by-Period Returns

To illustrate how the Fund's performance has varied over time, the following bar charts show the Fund's performance for the six-month period ended June 30, 2019 and for each of the previous 12-month periods ended December 31. The information is presented starting from the first full financial year of the respective Fund class. In percentage terms, the bar charts show how much an investment held on the first day of the period would have increased or decreased by the last day of the period.



SUMMARY OF INVESTMENT PORTFOLIO

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

Summary of Top 25 Holdings

	% of Net Assets
JD.com, Inc. ADR	11.5
Zillow Group, Inc.	9.8
Liberty Latin America Ltd.	9.3
TripAdvisor, Inc.	8.9
Element Solutions Inc	8.2
Baidu, Inc., ADR	7.3
The Howard Hughes Corporation	7.0
Colfax Corporation	6.9
KKR & Co. Inc.	4.1
Despegar.com, Corp.	3.9
The Middleby Corporation	3.7
PAR Technology Corporation	3.5
FRMO Corporation	3.0
Wynn Resorts, Limited	2.3
Jefferies Financial Group Inc.	2.0
Yatra Online, Inc.	1.5

Summary of Composition of the Portfolio

	% of Net Assets
Equities:	
Communication services	35.2
Consumer discretionary	19.1
Industrials	10.6
Diversified financials	9.2
Materials	8.2
Real estate	7.0
Information technology	3.5
Total investments	92.8
Other assets less liabilities	7.0
Cash	0.2
Total net assets	100.0

Caution Regarding Forward-Looking Statements

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

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

Forward-looking statements are not guarantees of future performance, and actual events and results could differ materially from those expressed or implied in any forward-looking statements. Any number of important factors could contribute to these digressions, including, but not limited to: general economic, political and market factors in North America and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological change, changes in government regulations, unexpected judicial or regulatory proceedings, and catastrophic events.

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

PENDER

MANAGED BY:
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