



Forward thinking. Finding value.

# EQUITY

February 2019 / CLASS F

## Pender Small Cap Opportunities Fund

NET ASSET VALUE	AS OF Feb 28/19
Class F	\$25.59
Fund Beta	0.64
Active Share (%)	99.92
Total Holdings	68
Total Net Assets of Fund	\$192.54 Million

### FUND FACTS

Asset Class	Small Cap Equity
Fund Inception	June 2009
Valuations	Weekly
Eligibility	Canada-wide Registered Plans & TFSA's
Distributions	DRIP Annually Cash Optional
Performance Fee	20% of excess of total return over benchmarks return, subject to a high water mark

### FUND INFO

	CODES	MER*
Class A	PGF 315	2.50%
Class B	PGF380	2.50%
Class F	PGF 320	1.50%
Class G	PGF390	1.50%

capped\*

### MINIMUM INVESTMENT

	Initial Investment	Subsequent Investment
Class B	\$5,000	\$500
Class G	\$5,000	\$500

### FIRM OVERVIEW

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

### PORTFOLIO MANAGER(S)



PenderFund Capital Management Ltd.  
Lead Manager:  
David Barr, CFA, President & Portfolio Manager

Effective January 11 2019, Classes B and G of the Pender Small Cap Opportunities Fund are open to retail investors and will remain open to investors for a limited time until \$50 million of additional capital has been raised.

The award winning Pender Small Cap Opportunities Fund is an opportunistic, concentrated portfolio. The Fund is focused on undervalued small and microcap companies predominantly in Canada. The Manager is focused on businesses with strong underlying economics and often seeks out special situations, and has a track record of identifying catalysts, where market-leading companies have been acquired. After deep fundamental analysis these businesses are purchased at a discount to our estimate of intrinsic value.

### PERFORMANCE (%)

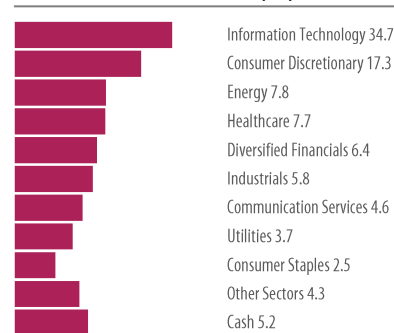
	1 Mo.	3 Mo.	6 Mo.	1 Yr.	3 Yr.	5 Yr.	SINCE INCEPTION
	7.3	6.2	-5.6	-3.1	12.1	11.8	16.8

### ANNUAL PERFORMANCE (%)

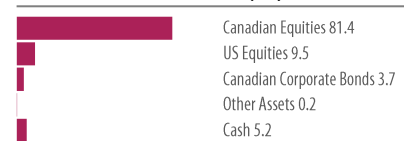
	2011	2012	2013	2014	2015	2016	2017	2018	2019 YTD
	6.7	32.1	34.3	24.8	8.2	27.4	9.6	-15.4	13.9

Since Inception returns are from Jun 2009. All returns greater than a year are annual compounded returns.

### SECTOR ALLOCATION (%)



### ASSET ALLOCATION (%)



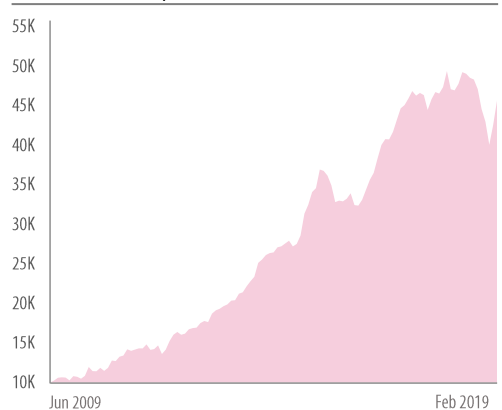
### CURRENCY ALLOCATION (%)



### TOP 10 HOLDINGS

	FUND (%)
Diversified Royalty Corp.	4.6
Sangoma Technologies Corp	3.7
Medicare Inc.	3.7
TerraVest Industries Inc.	3.2
Real Matters Inc.	3.1
Solium Capital Inc.	3.1
Absolute Software Corp	3.0
Maxar Technologies Inc.	3.0
Chesswood Group Limited	2.8
TeraGo Inc.	2.4
<b>Total Percentage</b>	<b>32.6</b>

### GROWTH OF \$10K



## TOP 10 HOLDINGS

Diversified Royalty Corp. <b>TSX:DIV</b>	Diversified Royalty Corp., a multi-royalty corporation, engages in the acquisition of royalties from multi-location businesses and franchisors in North America.
Sangoma Technologies Corp <b>TSXV:STC</b>	Sangoma Technologies Corporation develops, manufactures, distributes, and supports voice and data connectivity components for software-based communication applications worldwide.
Medicure Inc. <b>TSXV:MPH</b>	Medicure Inc., a cardiovascular pharmaceutical company, engages in the research, clinical development, and commercialization of human therapeutics in Canada, the United States, and Barbados.
TerraVest Industries Inc. <b>TSX:TVK</b>	TerraVest Industries Inc., together with its subsidiaries, manufactures and sells goods and services to energy, agriculture, mining, and transportation markets in Canada and the United States.
Real Matters Inc. <b>TSX:REAL</b>	Real Matters Inc. develops and provides technology and network management solutions to mortgage lending and insurance industries in Canada and the United States.
Solium Capital Inc. <b>TSX:SUM</b>	Solium Capital Inc. provides cloud-enabled services for administration, financial reporting, and compliance related to equity-based incentive plans in Canada, the United States, and internationally.
Absolute Software Corp <b>TSX:ABT</b>	Absolute Software Corporation develops, markets, and supports endpoint management and data security solutions for endpoint computing devices in Canada, the United States, and internationally.
Maxar Technologies Inc. <b>TSX:MAXR</b>	Maxar Technologies Inc., a space and geospatial intelligence company, provides space technology solutions for commercial and government customers worldwide.
Chesswood Group Limited <b>TSX:CHW</b>	Chesswood Group Limited, a financial services company, operates primarily in the specialty finance industry.
TeraGo Inc. <b>TSX:TGO</b>	TeraGo Inc., together with its subsidiaries, provides connectivity, colocation, and enterprise infrastructure cloud services primarily in Canada.

Source: Capital IQ

## PORTFOLIO MANAGER(S)

DAVID BARR, CFA

Mr. Barr is the President and CEO of Pender, and the Portfolio Manager of several of Pender's funds. He has been investing since 2000 and is an advocate of value investing, an investment strategy that determines the intrinsic value of a company and aims to buy shares of that company at a significant discount to that value (margin-of-safety). He looks for value in unloved and unfollowed parts of the market where he can find quality at a discount. Mr. Barr holds a BSc from the University of British Columbia and an MBA (Finance and Strategic Management) from the Schulich School of Business at York University. He earned his CFA designation in 2003 and is an active member of CFA Society Vancouver. He is a past President, having also served on its Board of Directors for four years.

## ABOUT PENDER

Pender is an independent, employee-owned, value-based investment firm located in Vancouver. We have built a team of specialist Portfolio Managers who manage a suite of niche investment funds. Our goal is to create value for our investors by generating superior risk-adjusted returns, while protecting capital and minimizing downside risk. We believe that small and nimble funds, with concentrated portfolios of value-based investments, run by managers who are invested alongside unitholders, best achieve our goal of outperforming the index and peers.

PenderFund Capital Management Ltd.  
1640-1066 West Hastings, Street  
Vancouver, BC V6E 3X1

Toll Free: 1-866-377-4743  
Tel: (604) 688-1511 Fax: (604) 563-3199

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Commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments. Please read the simplified prospectus before investing. The indicated rates of return are the historical annual compounded total returns including changes in net asset value and assumes reinvestment of all distributions and are net of all management and administrative fees, but do not take into account sales, redemption or optional charges or income taxes payable by any security holder that would have reduced returns. Mutual funds are not guaranteed, their values change frequently and past performance may not be repeated. This commentary is intended for information purposes only and does not constitute an offer to buy or sell our products or services nor is it intended as investment and/or financial advice on any subject matter and is provided for your information only. Every effort has been made to ensure the accuracy of its contents. Feb 28/19.