

PEMBROKE

PRIVATE WEALTH MANAGEMENT

PEMBROKE MONEY MARKET FUND

(formerly The GBC Money Market Fund)

PEMBROKE CANADIAN BOND FUND

(formerly The GBC Canadian Bond Fund)

PEMBROKE CORPORATE BOND FUND

(formerly The GBC Corporate Bond Fund)

PEMBROKE GROWTH AND INCOME FUND

(formerly The GBC Growth and Income Fund)

PEMBROKE GLOBAL BALANCED FUND

(formerly The GBC Global Balanced Fund)

PEMBROKE CANADIAN GROWTH FUND

(formerly The GBC Canadian Growth Fund)

PEMBROKE AMERICAN GROWTH FUND INC.

(formerly The GBC American Growth Fund Inc.)

PEMBROKE INTERNATIONAL GROWTH FUND

(formerly The GBC International Growth Fund)

PEMBROKE CONCENTRATED FUND

UNAUDITED INTERIM FINANCIAL STATEMENTS

FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2020

P E M B R O K E

JUNE 30, 2020 UNAUDITED INTERIM FINANCIAL STATEMENTS

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JUNE 30, 2020 UNAUDITED INTERIM FINANCIAL STATEMENTS

Approval of the Unaudited Interim Financial Statements:

For the six-month period ended June 30, 2020

Pembroke Money Market Fund (formerly The GBC Money Market Fund)
Pembroke Canadian Bond Fund (formerly The GBC Canadian Bond Fund)
Pembroke Corporate Bond Fund (formerly The GBC Corporate Bond Fund)
Pembroke Growth and Income Fund (formerly The GBC Growth and Income Fund)
Pembroke Global Balanced Fund (formerly The GBC Global Balanced Fund)
Pembroke Canadian Growth Fund (formerly The GBC Canadian Growth Fund)
Pembroke International Growth Fund (formerly The GBC International Growth Fund)
Pembroke Concentrated Fund

(collectively referred to as the “Funds” or individually as a “Fund”, including the Pembroke American Growth Fund Inc. (formerly The GBC American Growth Fund Inc.))

Approved by the Trustee, Pembroke Private Wealth Management Ltd.



Jeffrey S. D. Tory
Director



Michael P. McLaughlin
Director


Montreal, August 24, 2020

Approval of the Unaudited Interim Financial Statements:

For the six-month period ended June 30, 2020

Pembroke American Growth Fund Inc. (formerly The GBC American Growth Fund Inc.)

Approved by the Board



Marc A. Courtois
Chairman



Glen Roane
Director

Montreal, July 20, 2020

P E M B R O K E

JUNE 30, 2020 UNAUDITED INTERIM FINANCIAL STATEMENTS

Unaudited Interim Financial Statements:

For the six-month period ended June 30, 2020

These Unaudited Interim Financial Statements do not contain the Interim Management Reports of Fund Performance ("MRFP") of the investment funds. If you have not received a copy of the Interim MRFP with this report, you may obtain a copy at your request, and at no cost, by calling the toll-free numbers 1-800-668-7383 or 1-800-667-0716, by writing to us at Pembroke Private Wealth Management Ltd., 150 King Street, Suite 1210, Toronto, Ontario, M5H 1J9 or 1002 Sherbrooke Street West, Suite 1700, Montreal, Quebec, H3A 3S4, by visiting our website at www.pml.ca or by visiting the SEDAR website at www.sedar.com. Copies of the Annual Financial Statements or Annual MRFPs may also be obtained, at no cost, using any of the methods outlined above.

Unitholders and shareholders may also contact us using one of these methods (except on the SEDAR website) to request a copy of the investment funds' proxy voting policies and procedures, proxy voting disclosure records or quarterly portfolio disclosures.

Notice of no auditor review of the unaudited interim financial statements

Pembroke Private Wealth Management Ltd., the Trustee of the Funds (and the Board of Directors for Pembroke American Growth Fund Inc.), appoints an independent auditor to audit the Funds' Annual Financial Statements. Under Canadian securities laws (National Instrument 81-106), if an auditor has not reviewed the Interim Financial Statements, this must be disclosed in an accompanying notice.

The Funds' independent auditor has not performed a review of these Interim Financial Statements in accordance with standards established by the Chartered Professional Accountants of Canada.

P E M B R O K E

PEMBROKE MONEY MARKET FUND

(formerly The GBC Money Market Fund)

STATEMENTS OF FINANCIAL POSITION

(unaudited)

As at

	June 30, 2020	Dec. 31, 2019
	\$	\$
<small>(IN CANADIAN DOLLARS)</small>		
Assets		
Cash	4,235	14,983
Investments at fair value through profit or loss	22,741,111	13,137,206
Total assets	22,745,346	13,152,189
Liabilities		
Accrued expenses	5,775	-
Total Liabilities (excluding net assets attributable to holders of redeemable units)	5,775	-
Net assets attributable to holders of redeemable units	22,739,571	13,152,189
Net assets attributable to holders of redeemable units per unit		
Net assets CAD	10.00	10.00
Investments, at cost	22,735,196	13,078,873

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

P E M B R O K E

PEMBROKE MONEY MARKET FUND

(formerly The GBC Money Market Fund)

STATEMENTS OF COMPREHENSIVE INCOME

(unaudited)

For the six-month periods ended June 30

	2020	2019
(IN CANADIAN DOLLARS)	\$	\$
Income		
Interest income for distribution purposes	91,017	80,886
Total operating income (loss)	91,017	80,886
Expenses		
Securityholders' information fees	4,971	4,503
Filing fees	9,312	9,236
Custodial fees	1,482	1,798
Audit fees	6,469	8,919
Legal fees	4,537	2,521
Independent Review Committee fees	1,354	1,650
Total operating expenses	28,125	28,627
Profit (loss) before undernoted	62,892	52,259
Expenses absorbed by Manager	6,934	15,886
Increase (decrease) in net assets attributable to holders of redeemable units	69,826	68,145
Weighted average number of redeemable units outstanding during the period	1,638,951	979,889
Increase (decrease) in net assets attributable to holders of redeemable units per unit	0.04	0.07

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

P E M B R O K E

PEMBROKE MONEY MARKET FUND

(formerly The GBC Money Market Fund)

**STATEMENTS OF CHANGES IN FINANCIAL POSITION ATTRIBUTABLE TO
HOLDERS OF REDEEMABLE UNITS**

(unaudited)

For the six-month periods ended June 30

	2020	2019
<small>(IN CANADIAN DOLLARS)</small>	\$	\$
Net assets attributable to holders of redeemable		
units at beginning of period	13,152,189	9,480,026
Increase (decrease) in net assets attributable to holders of		
redeemable units	69,826	68,145
Distributions to holders of redeemable units		
From net investment income	(65,665)	(58,559)
Redeemable unit transactions		
Proceeds from redeemable units issued	27,465,711	7,630,966
Redemption of redeemable units	(17,873,180)	(6,277,199)
Redemption of redeemable units, management fees (Note 5)	(9,310)	(8,586)
Net increase (decrease) from unit transactions	9,583,221	1,345,181
Net assets attributable to holders of redeemable		
units at end of period	22,739,571	10,834,793

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

P E M B R O K E

PEMBROKE MONEY MARKET FUND

(formerly The GBC Money Market Fund)

STATEMENTS OF CASH FLOWS

(unaudited)

For the six-month periods ended June 30

	2020	2019
	\$	\$
<small>(IN CANADIAN DOLLARS)</small>		
Cash flows provided from operating activities		
Increase (decrease) in amount attributable to holders of redeemable units	69,826	68,145
Adjustments for:		
Interest income for distribution purposes	(91,017)	(80,886)
	(21,191)	(12,741)
Net increase (decrease) in investments at fair value through profit or loss		
Purchase of investments	(39,864,624)	(16,164,393)
Proceeds from sale and maturity of investments	30,208,301	14,835,514
Net increase (decrease) in accrued expenses and other payables	5,775	-
	(9,671,739)	(1,341,620)
Interest received	143,435	75,399
Net cash flows provided from operating activities	(9,528,304)	(1,266,221)
Cash flows provided from financing activities		
Proceeds from redeemable units issued	27,400,046	7,572,407
Redemption of redeemable units	(17,882,490)	(6,285,785)
Net cash flows provided from financing activities	9,517,556	1,286,622
Net increase (decrease) in cash	(10,748)	20,401
Cash at the beginning of the period	14,983	30,819
Cash at the end of the period	4,235	51,220
Non-Cash Transactions		
Reinvested distributions from net investment income	65,665	58,559

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

P E M B R O K E

PEMBROKE MONEY MARKET FUND

(formerly The GBC Money Market Fund)

Schedule of Investment Portfolio
(unaudited)

As at June 30, 2020

(IN CANADIAN DOLLARS, EXCEPT SHARE AMOUNTS)

Face Value	Canada Treasury Bills	Cost	Fair Value
		\$	\$
3,880,000	0.32% October 15, 2020	3,873,326	3,876,408
65,000	0.32% October 15, 2020	64,925	64,953
1,440,000	0.32% October 15, 2020	1,438,531	1,438,995
2,120,000	0.32% October 15, 2020	2,117,774	2,118,468
3,590,000	0.32% October 15, 2020	3,587,667	3,588,022
200,000	0.22% December 10, 2020	199,772	199,806
3,200,000	0.22% December 10, 2020	3,196,640	3,197,026
8,000,000	0.22% December 10, 2020	7,991,840	7,992,697
105,000	0.22% December 10, 2020	104,899	104,907
160,000	0.22% December 10, 2020	159,822	159,829
Total short-term investments - 100.01 %		22,735,196	22,741,111
Other assets - net - (0.01 %)			(1,540)
Total net assets - 100.00 %			22,739,571

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

P E M B R O K E

PEMBROKE CANADIAN BOND FUND

(formerly The GBC Canadian Bond Fund)

STATEMENTS OF FINANCIAL POSITION

(unaudited)

As at

	June 30, 2020	Dec. 31, 2019
(IN CANADIAN DOLLARS)	\$	\$
Assets		
Cash	861,104	598,033
Investments at fair value through profit or loss	31,333,384	32,861,186
Due from brokers for investment securities sold	23,088	19,992
Accrued income	227,545	258,118
HST/QST receivable	12,048	11,844
Total assets	32,457,169	33,749,173
Liabilities		
Accrued expenses	5,509	5,833
Distributions payable to unitholders	232,514	281,263
Total liabilities (excluding net assets attributable to holders of redeemable units)	238,023	287,096
Net assets attributable to holders of redeemable units	32,219,146	33,462,077
Net assets attributable to holders of redeemable units per unit		
Net assets CAD	13.29	12.85
Investments, at cost	29,204,246	31,489,548

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

P E M B R O K E

PEMBROKE CANADIAN BOND FUND

(formerly The GBC Canadian Bond Fund)

STATEMENTS OF COMPREHENSIVE INCOME

(unaudited)

For the six-month periods ended June 30

	2020	2019
(IN CANADIAN DOLLARS)	\$	\$
Income		
Interest income for distribution purposes	556,170	645,818
Net realized gains (losses) on investments		
at fair value through profit or loss	328,024	(177,524)
Net change in unrealized gains (losses) on investments		
at fair value through profit or loss	757,503	1,234,507
Total operating income (loss)	1,641,697	1,702,801
Expenses		
Securityholders' information fees	11,747	9,844
Filing fees	7,090	6,965
Custodial fees	1,271	1,808
Audit fees	10,356	9,922
Legal fees	4,625	2,580
Independent Review Committee fees	1,354	1,650
Fund valuation fees	17,479	20,203
Total operating expenses	53,922	52,972
Profit (loss) before undernoted	1,587,775	1,649,829
Expenses absorbed by the Manager	-	4,904
Increase (decrease) in net assets attributable to holders of		
redeemable units	1,587,775	1,654,733
Weighted average number of redeemable units outstanding		
during the period	2,473,699	2,846,467
Increase (decrease) in net assets attributable to holders of		
redeemable units per unit	0.64	0.58

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

P E M B R O K E

PEMBROKE CANADIAN BOND FUND

(formerly The GBC Canadian Bond Fund)

**STATEMENTS OF CHANGES IN FINANCIAL POSITION ATTRIBUTABLE TO
HOLDERS OF REDEEMABLE UNITS**
(unaudited)

For the six-month periods ended June 30

	2020	2019
	\$	\$
<small>(IN CANADIAN DOLLARS)</small>		
Net assets attributable to holders of redeemable units at beginning of period	33,462,077	37,517,886
Increase (decrease) in net assets attributable to holders of redeemable units	1,587,775	1,654,733
Distributions to holders of redeemable units		
From net investment income	(499,372)	(597,563)
Total distributions to holders of redeemable units	(499,372)	(597,563)
Redeemable unit transactions		
Proceeds from redeemable units issued	5,244,694	3,381,437
Redemption of redeemable units	(7,508,680)	(7,623,219)
Redemption of redeemable units, management fees (Note 5)	(67,348)	(74,894)
Net increase (decrease) from unit transactions	(2,331,334)	(4,316,676)
Net assets attributable to holders of redeemable units at end of period	32,219,146	34,258,380

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

P E M B R O K E

PEMBROKE CANADIAN BOND FUND

(formerly The GBC Canadian Bond Fund)

STATEMENTS OF CASH FLOWS

(unaudited)

For the six-month periods ended June 30

(IN CANADIAN DOLLARS)	2020 \$	2019 \$
Cash flows provided from operating activities		
Increase (decrease) in amount attributable to holders of redeemable units	1,587,775	1,654,733
Adjustments for:		
Interest income for distribution purposes	(556,170)	(645,818)
	1,031,605	1,008,915
Net increase (decrease) in investments at fair value through profit or loss		
Purchase of investments	(7,670,299)	(4,648,234)
Proceeds from sale and maturity of investments	10,283,628	8,626,926
Net realized losses (gains) on investments at fair value through profit or loss	(328,024)	177,524
Net change in unrealized losses (gains) on investments at fair value through profit or loss	(757,503)	(1,234,507)
Net decrease (increase) in due from/to brokers	(3,096)	(213,589)
Net decrease (increase) in other receivables	(204)	(157)
Net increase (decrease) in accrued expenses and other payables	(324)	(282)
	2,555,783	3,716,596
Interest received	586,743	670,839
Net cash flows provided from operating activities	3,142,526	4,387,435
Cash flows provided from financing activities		
Distributions to holders of redeemable units	(14,535)	(17,552)
Proceeds from redeemable units issued	4,711,108	2,735,190
Redemption of redeemable units	(7,576,028)	(7,698,113)
Net cash flows provided from financing activities	(2,879,455)	(4,980,475)
Net increase (decrease) in cash	263,071	(593,040)
Cash at the beginning of the period	598,033	646,116
Cash at the end of the period	861,104	53,076
Non-Cash Transactions		
Reinvested distributions from net investment income	533,586	646,247

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

P E M B R O K E

PEMBROKE CANADIAN BOND FUND

(formerly The GBC Canadian Bond Fund)

Schedule of Investment Portfolio

(unaudited)

As at June 30, 2020

(IN CANADIAN DOLLARS, EXCEPT SHARE AMOUNTS)

Investments	Face Value	Coupon Rate	Maturity Date	Cost \$	Fair Value \$	% of Net Assets
Canadian Governmental Issuers or Canadian Government - Related Issuers						
CBC Monetization Trust	171,469	4.688%	15-May-2027	193,577	190,784	
New Brunswick Highway	1,211,944	6.470%	30-Nov-2027	1,514,477	1,458,095	
ORNGE Issuer Trust	1,242,631	5.727%	11-Jun-2034	1,245,813	1,537,387	
Province of British Columbia	2,000,000	2.200%	18-Jun-2030	2,036,299	2,176,784	
Toronto Hospital Secured	882,447	5.640%	8-Dec-2022	1,005,966	921,258	
				5,996,132	6,284,308	19.51%
Asset/Mortgaged-Backed						
Bankers Hall	511,027	4.377%	20-Nov-2023	511,027	542,327	
CSS FSCC Partnership	409,549	6.915%	31-Jul-2042	533,962	602,981	
Greater Toronto Airports Authority	500,000	4.530%	2-Dec-2041	664,740	659,498	
Greater Toronto Airports Authority	356,519	6.450%	30-Jul-2029	451,175	434,925	
Green Timbers LP	82,183	6.838%	30-Jun-2037	105,669	115,217	
NAV Canada	1,013,549	7.560%	1-Mar-2027	1,276,873	1,232,303	
Spy Hill Power LP	452,814	4.140%	31-Mar-2036	499,018	524,495	
				4,042,464	4,111,746	12.76%
Canadian Corporations						
Bank of Montreal	2,335,000	0.853%	1-Feb-2023	2,334,562	2,320,394	
Canadian Imperial Bank of Commerce	266,000	2.040%	21-Mar-2022	271,147	271,250	
Enbridge Gas	791,000	3.510%	29-Nov-2047	788,285	931,819	
Enbridge Gas	637,000	3.650%	1-Apr-2050	635,618	773,800	
Honda Canada Finance Inc.	125,000	0.954%	13-Sep-2021	125,000	124,353	
Highway 407	1,816,000	7.125%	26-Jul-2040	2,175,445	2,915,296	
NAV Canada	49,000	7.400%	1-Jun-2027	71,075	67,720	
NAV Canada	175,000	3.534%	23-Feb-2046	190,538	209,265	
NAV Canada	773,000	3.293%	30-Mar-2048	783,211	895,867	
NAV Canada	659,000	3.209%	29-Sep-2050	667,297	758,518	
North Battleford Power LP	919,410	4.958%	31-Dec-2032	1,033,578	1,108,438	
Royal Bank of Canada	1,200,000	1.968%	2-Mar-2022	1,171,992	1,221,800	
Royal Bank of Canada	1,536,000	0.701%	27-Jun-2022	1,536,000	1,526,065	
Toronto-Dominion Bank	500,000	1.994%	23-Mar-2022	506,963	509,674	
Toronto-Dominion Bank	490,000	0.871%	28-Jun-2023	490,000	488,138	
Toyota Credit Canada	661,000	2.310%	23-Oct-2024	660,802	682,529	
				13,441,513	14,804,926	45.95%
Total Bonds - Canadian				23,480,109	25,200,980	78.22%
Foreign Governmental Issuers or Foreign Government-Related Issuers - Denominated in Canadian Dollar						
Eurofima	74,000	4.550%	30-Mar-2027	82,869	89,022	
KFW	944,000	5.050%	4-Feb-2025	1,137,248	1,129,090	
Nederlandse Waterschapsbank	522,000	5.200%	31-Mar-2025	492,403	628,078	
				1,712,520	1,846,190	5.73%

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

P E M B R O K E

PEMBROKE CANADIAN BOND FUND
(formerly The GBC Canadian Bond Fund)

Schedule of Investment Portfolio - (continued)
(unaudited)

As at June 30, 2020

(IN CANADIAN DOLLARS, EXCEPT SHARE AMOUNTS)

Investments	Face Value	Coupon Rate	Maturity Date	Cost \$	Fair Value \$	% of Net Assets
Foreign Corporations - Denominated in Canadian Dollar						
France						
Caisse Française de Financement Local	358,000	4.680%	9-Mar-2029	315,620	383,778	
				315,620	383,778	1.19%
United States						
Apple	2,017,000	2.513%	19-Aug-2024	2,017,000	2,132,241	
PepsiCo	254,000	2.150%	6-May-2024	253,524	264,764	
TWDC Enterprises 18	1,221,000	2.758%	7-Oct-2024	1,221,473	1,286,521	
Walt Disney	204,000	3.057%	30-Mar-2027	204,000	218,910	
				3,695,997	3,902,436	12.11%
Total Foreign Bonds				5,724,137	6,132,404	19.03%
Total Investments				29,204,246	31,333,384	97.25%
Other assets - net					885,762	2.75%
Total net assets					32,219,146	100.00%

Note: When classifying the bonds in this portfolio, the Manager and the portfolio manager rely on the classifications from PC Bond Analytics, a business unit of the FTSE TMX Group. Although some bonds are classified as being issued by governmental issuers under such classification, it does not mean that they are issued by a government but rather by an issuer related to a government (provincial or federal).

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

P E M B R O K E

PEMBROKE CORPORATE BOND FUND

(formerly The GBC Corporate Bond Fund)

STATEMENTS OF FINANCIAL POSITION

(unaudited)

As at

	June 30, 2020	Dec. 31, 2019
(IN CANADIAN DOLLARS)	\$	\$
Assets		
Cash	4,689,576	236,129
Investments at fair value through profit or loss	136,789,925	124,754,436
Due from brokers for investment securities sold	367,798	30,319
Foreign exchange forward contract	-	349,925
Accrued income	1,437,088	611,418
HST/QST receivable	1,873	1,645
Total assets	143,286,260	125,983,872
Liabilities		
Accrued expenses	6,682	6,688
Distributions payable to unitholders	2,110,963	874,103
Due to brokers for investment securities purchased	571,668	-
Foreign exchange forward contract	1,504,032	-
Total liabilities (excluding net assets attributable to holders of redeemable units)	4,193,345	880,791
Net assets attributable to holders of redeemable units	139,092,915	125,103,081
Net assets attributable to holders of redeemable units per unit		
Net assets	13.51	12.83
Investments, at cost	130,263,724	121,939,084

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

P E M B R O K E

PEMBROKE CORPORATE BOND FUND

(formerly The GBC Corporate Bond Fund)

STATEMENTS OF COMPREHENSIVE INCOME

(unaudited)

For the six-month periods ended June 30

	2020	2019
(IN CANADIAN DOLLARS)	\$	\$
Income		
Dividend income	5,775	-
Interest income for distribution purposes	3,365,414	2,180,081
Net realized gains (losses) on investments		
at fair value through profit or loss	2,545,016	92,351
Net realized gain (loss) on forward contracts	1,668,166	(207,978)
Net change in unrealized gains (losses) on investments		
at fair value through profit or loss	3,710,849	653,944
Net change in unrealized gains (losses) on investments		
on forward contracts	(1,853,957)	1,281,927
Net realized foreign exchange gains (losses)	461,007	(12,424)
Total operating income (loss)	9,902,270	3,987,901
Expenses		
Securityholders' information fees	12,102	9,494
Filing fees	7,899	13,877
Custodial fees	6,145	4,415
Audit fees	8,160	7,047
Legal fees	5,074	2,283
Independent Review Committee fees	1,354	650
Fund valuation fees	23,266	26,875
Transaction costs on purchase and sales of investments	212	-
Total operating expenses	64,212	64,641
Profit (loss) before undernoted	9,838,058	3,923,260
Expenses absorbed by the Manager	-	11,116
Increase (decrease) in net assets attributable to holders of		
redeemable units	9,838,058	3,934,376
Weighted average number of redeemable units outstanding		
during the period	10,045,551	9,173,883
Increase (decrease) in net assets attributable to holders of		
redeemable units per unit	0.98	0.43

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

P E M B R O K E

PEMBROKE CORPORATE BOND FUND

(formerly The GBC Corporate Bond Fund)

**STATEMENTS OF CHANGES IN FINANCIAL POSITION ATTRIBUTABLE TO
HOLDERS OF REDEEMABLE UNITS**

(unaudited)

For the six-month periods ended June 30

	2020	2019
<small>(IN CANADIAN DOLLARS)</small>	\$	\$
Net assets attributable to holders of redeemable		
units at beginning of period	125,103,081	114,815,629
Increase (decrease) in net assets attributable to holders of		
redeemable units	9,838,058	3,934,376
Distributions to holders of redeemable units		
From net investment income	(3,317,894)	(2,125,648)
Total distributions to holders of redeemable units	(3,317,894)	(2,125,648)
Redeemable unit transactions		
Proceeds from redeemable units issued	32,459,119	16,150,548
Redemption of redeemable units	(24,621,720)	(14,402,278)
Redemption of redeemable units, management fees (Note 5)	(367,729)	(352,528)
Net increase (decrease) from unit transactions	7,469,670	1,395,742
Net assets attributable to holders of redeemable		
units at end of period	139,092,915	118,020,099

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

P E M B R O K E

PEMBROKE CORPORATE BOND FUND

(formerly The GBC Corporate Bond Fund)

STATEMENTS OF CASH FLOWS

(unaudited)

For the six-month periods ended June 30

	2020	2019
	\$	\$
<small>(IN CANADIAN DOLLARS)</small>		
Cash flows provided from operating activities		
Increase (decrease) in amount attributable to holders of redeemable units	9,838,058	3,934,376
Adjustments for:		
Interest income for distribution purposes	(5,775)	(2,180,081)
	<u>9,832,283</u>	<u>1,754,295</u>
Net increase (decrease) in investments at fair value through profit or loss		
Purchase of investments	(131,507,067)	(30,941,224)
Proceeds from sale and maturity of investments	125,727,231	29,699,743
Net realized losses (gains) on investments at fair value through profit or loss	(2,545,016)	(92,351)
Net change in unrealized losses (gains) on investments at fair value through profit or loss	(3,710,849)	(653,944)
Net change in unrealized losses (gains) on investments on forward contracts	1,853,957	(1,281,927)
Transaction costs on purchase and sale of investments	212	-
Net decrease (increase) in due from/to brokers	234,189	(455,846)
Net decrease (increase) in other receivables	(228)	(417)
Net increase (decrease) in accrued expenses and other payables	(6)	(216)
	<u>(115,294)</u>	<u>(1,971,887)</u>
Interest received	(819,895)	2,071,711
Net cash flows provided from operating activities	<u>(935,189)</u>	<u>99,824</u>
Cash flows provided from financing activities		
Distributions to holders of redeemable units	(110,887)	(127,621)
Proceeds from redeemable units issued	30,488,972	14,281,363
Redemption of redeemable units	(24,989,449)	(14,754,806)
Net cash flows provided from financing activities	<u>5,388,636</u>	<u>(601,064)</u>
Net increase (decrease) in cash	<u>4,453,447</u>	<u>(501,240)</u>
Cash at the beginning of the period	<u>236,129</u>	<u>1,311,418</u>
Cash at the end of the period	<u>4,689,576</u>	<u>810,178</u>
Non-Cash Transactions		
Reinvested distributions from net investment income	1,970,147	1,869,185

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

P E M B R O K E

PEMBROKE CORPORATE BOND FUND

(formerly The GBC Corporate Bond Fund)

Schedule of Investment Portfolio
(unaudited)

As at June 30, 2020

(IN CANADIAN DOLLARS, EXCEPT SHARE AMOUNTS)

Investments	Face Value	Coupon Rate	Maturity Date	Cost \$	Fair Value \$	% of Net Assets
Canadian Corporate Bonds						
Air Canada	5,678,000	9.000%	22-Jun-2024	5,565,140	5,655,004	
Air Canada	723,000	4.000%	1-Jul-2025	998,535	1,046,278	
Bell Canada	2,292,000	3.350%	12-Mar-2025	2,259,500	2,468,539	
Black Press Group	791,123	12.000%	31-Mar-2024	791,123	780,862	
Bombardier	699,000	8.750%	1-Dec-2021	761,642	778,091	
Bombardier	510,000	5.750%	15-Mar-2022	521,002	514,213	
Bombardier	306,000	6.000%	15-Oct-2022	314,812	294,847	
Bombardier	772,000	6.125%	15-Jan-2023	770,536	724,253	
Bombardier	843,000	7.500%	1-Dec-2024	872,014	755,044	
Bombardier	1,608,000	7.500%	15-Mar-2025	1,563,499	1,436,109	
Bombardier	2,824,000	7.875%	15-Apr-2027	2,751,032	2,525,815	
Bombardier Recreational Products	4,083,000	6.000%	24-May-2027	5,599,130	5,621,306	
Cenovus Energy	57,000	3.800%	15-Sep-2023	70,608	73,046	
Cenovus Energy	1,592,000	4.250%	15-Apr-2027	1,253,995	1,965,515	
Cenovus Energy	665,000	5.250%	15-Jun-2037	490,122	784,084	
Cenovus Energy	906,000	6.750%	15-Nov-2039	849,814	1,202,754	
Cenovus Energy	134,000	5.400%	15-Jun-2047	114,672	156,885	
Clearstream Energy Services	1,469,520	8.000%	23-Mar-2026	1,469,520	1,469,520	
Cogeco Communications	1,919,000	4.175%	26-May-2023	1,953,860	2,020,756	
Ford Credit Canada	1,996,000	3.733%	10-Jan-2022	1,996,000	1,886,554	
Ford Credit Canada	4,107,000	3.704%	21-Mar-2024	4,107,000	3,728,335	
GE Capital Canada Funding	2,335,000	4.600%	26-Jan-2022	2,327,144	2,413,341	
GE Capital Canada Funding	3,824,000	1.843%	6-Feb-2023	3,824,000	3,728,974	
GE Capital International Funding Unlimited	101,000	4.418%	15-Nov-2035	155,027	140,023	
General Motors Financial of Canada	1,185,000	5.950%	14-May-2024	1,182,502	1,276,916	
Husky Energy	159,000	3.550%	12-Mar-2025	135,846	158,633	
Husky Energy	14,000	3.600%	10-Mar-2027	11,637	13,580	
Husky Energy	167,000	4.400%	15-Apr-2029	166,977	227,692	
Kruger Packaging Holdings	67,000	6.000%	1-Jun-2026	67,162	67,251	
Maxar Technologies	731,073	2.750%	5-Oct-2024	819,232	936,297	
Neptune Acquisition	1,773,000	10.000%	8-Apr-2027	1,734,419	1,733,108	
Ovintiv	66,000	6.500%	15-Aug-2034	68,140	80,381	
Ovintiv	138,000	6.625%	15-Aug-2037	116,757	163,933	
Pembina Pipeline	511,000	4.020%	27-Mar-2028	487,442	564,081	
Pembina Pipeline	462,000	3.620%	3-Apr-2029	423,526	495,987	
Postmedia Network	827,658	8.250%	15-Jul-2023	827,723	638,162	
SNC-Lavalin Group	562,000	2.689%	24-Nov-2020	562,051	561,642	
SNC-Lavalin Group	348,000	1.108%	2-Mar-2021	348,089	341,948	
Sobeys	1,009,000	4.700%	8-Aug-2023	1,014,912	1,071,900	
Sobeys	623,000	6.060%	29-Oct-2035	627,977	729,221	
Sobeys	611,000	5.790%	6-Oct-2036	606,408	700,440	
Sobeys	440,000	6.640%	7-Jun-2040	450,735	549,321	
Stuart Olson	533,000	7.000%	20-Sep-2024	533,000	533,000	
Suncor Energy	2,986,000	5.000%	9-Apr-2030	2,990,290	3,535,201	
Sysco Canada	466,000	3.650%	25-Apr-2025	435,887	478,800	
Teck Resources	152,000	6.250%	15-Jul-2041	216,980	226,627	
Teck Resources	75,000	5.200%	1-Mar-2042	72,544	101,125	
Videotron	900,000	5.625%	15-Jun-2025	934,749	950,625	
Videotron	567,000	5.750%	15-Jan-2026	592,223	587,824	
Videotron	1,184,000	4.500%	15-Jan-2030	1,184,000	1,189,180	
VW Credit Canada	1,329,000	1.241%	27-Sep-2021	1,329,421	1,322,232	
Yellow Pages Digital & Media Solutions	560,669	8.000%	30-Nov-2022	453,242	561,005	
				59,773,598	61,966,260	43.84%

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

P E M B R O K E

PEMBROKE CORPORATE BOND FUND

(formerly The GBC Corporate Bond Fund)

Schedule of Investment Portfolio - (continued)

(unaudited)

As at June 30, 2020

(IN CANADIAN DOLLARS, EXCEPT SHARE AMOUNTS)

Investments - (continued)	Face Value	Coupon Rate	Maturity Date	Cost \$	Fair Value \$	% of Net Assets
Canadian Corporate Bonds - Denominated in United States Dollars						
Bank of Nova Scotia	1,230,000	1.715%	31-Aug-2085	1,054,196	1,329,746	
Canadian Imperial Bank of Commerce	460,000	1.750%	31-Aug-2085	367,802	460,648	
Enbridge	122,000	3.500%	10-Jun-2024	161,484	180,496	
National Bank of Canada	650,000	1.750%	29-Aug-2087	413,950	635,207	
Royal Bank of Canada	750,000	1.688%	29-Jun-2085	538,325	770,216	
TransCanada PipeLines	2,994,000	2.602%	15-May-2067	3,388,157	2,769,445	
				5,923,914	6,145,758	4.35%
Asset/Mortgage-Backed						
Hertz Vehicle Financing II LP	176,000	4.990%	25-Mar-2023	184,418	217,615	
Hertz Vehicle Financing II LP	1,058,000	4.200%	25-Oct-2023	1,217,013	1,383,482	
Hertz Vehicle Financing II LP	10,000	4.390%	25-Feb-2024	10,727	12,306	
Hertz Vehicle Financing II LP	441,000	3.600%	25-Feb-2024	502,916	581,819	
Hertz Vehicle Financing II LP	141,000	4.260%	25-May-2025	134,491	174,015	
Merrill Lynch Financial Assets	535,000	6.673%	7-May-2021	48,878	45,254	
WTH Car Rental	563,000	2.781%	20-Jul-2024	564,592	573,661	
				2,663,035	2,988,152	2.11%
Total Bonds - Canadian				68,360,547	71,100,170	50.30%
Foreign Corporate Bonds - Denominated in Canadian Dollars						
United Kingdom						
Heathrow Funding	91,000	3.000%	17-Jun-2021	92,193	91,911	0.07%
United States						
Metropolitan Life Global Funding I	1,000,000	1.061%	27-Sep-2022	1,000,000	1,000,000	
Molson Coors International LP	698,000	3.440%	15-Jul-2026	657,733	719,711	
Walt Disney	2,720,000	3.057%	30-Mar-2027	2,720,000	2,918,800	
				4,377,733	4,638,511	3.28%
Foreign Corporate Bonds - Denominated in United States Dollars						
Cayman Islands						
Embraer Overseas	138,000	5.696%	16-Sep-2023	175,223	179,716	0.13%
Italy						
UniCredit	1,655,000	5.211%	14-Jan-2022	2,200,412	2,277,184	
UniCredit	1,444,000	3.750%	12-Apr-2022	1,847,807	2,018,477	
				4,048,219	4,295,661	3.04%
Netherlands						
Embraer Netherlands Finance BV	14,000	5.050%	15-Jun-2025	16,093	16,954	
Embraer Netherlands Finance BV	104,000	5.400%	1-Feb-2027	118,623	125,864	
				134,716	142,818	0.10%
United Kingdom						
Royal Bank of Scotland Group	444,000	1.862%	15-May-2023	591,698	605,218	0.43%

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

P E M B R O K E

PEMBROKE CORPORATE BOND FUND

(formerly The GBC Corporate Bond Fund)

Schedule of Investment Portfolio - (continued)

(unaudited)

As at June 30, 2020

(IN CANADIAN DOLLARS, EXCEPT SHARE AMOUNTS)

Investments - (continued)	Face Value	Coupon Rate	Maturity Date	Cost \$	Fair Value \$	% of Net Assets
Foreign Corporate Bonds - Denominated in United States Dollars - (continued)						
United States						
AMC Entertainment Holdings	1,505,000	10.500%	15-Apr-2025	2,043,098	1,670,759	
American Airlines	3,990,000	11.750%	15-Jul-2025	5,408,111	5,121,934	
AT&T	342,000	1.498%	12-Jun-2024	446,058	466,908	
Avis Budget Car Rental	2,353,000	10.500%	15-May-2025	3,227,993	3,571,355	
Boeing	355,000	2.125%	1-Mar-2022	467,116	485,848	
Boeing	606,000	3.100%	1-May-2026	797,444	841,698	
Boeing	116,000	2.250%	15-Jun-2026	148,261	152,825	
Boeing	25,000	3.250%	1-Mar-2028	33,708	33,841	
Boeing	131,000	3.450%	1-Nov-2028	176,750	174,573	
Boeing	109,000	2.950%	1-Feb-2030	135,951	146,436	
Boeing	236,000	6.125%	15-Feb-2033	321,183	380,193	
Boeing	88,000	3.600%	1-May-2034	108,494	113,414	
Boeing	77,000	3.550%	1-Mar-2038	93,810	95,753	
Boeing	240,000	3.500%	1-Mar-2039	307,524	291,526	
Boeing	239,000	6.875%	15-Mar-2039	365,117	410,150	
Boeing	195,000	3.375%	15-Jun-2046	225,540	221,254	
Boeing	369,000	3.900%	1-May-2049	456,891	462,547	
BZ Holdings	718,000	3.000%	22-May-2022	883,643	977,922	
BZ Holdings, Convertible Bond Warrants	185,319	3.000%	31-Dec-2028	-	-	
Continental Resources	528,000	5.000%	15-Sep-2022	547,396	707,544	
Continental Resources	44,000	4.500%	15-Apr-2023	42,772	57,473	
Continental Resources	493,000	3.800%	1-Jun-2024	537,989	629,631	
Continental Resources	1,587,000	4.375%	15-Jan-2028	1,554,278	1,906,471	
Continental Resources	384,000	4.900%	1-Jun-2044	275,233	417,580	
Dell International	318,000	5.850%	15-Jul-2025	445,632	498,391	
Dell International	489,000	6.200%	15-Jul-2030	684,936	782,404	
Delta Air Lines	942,000	7.000%	1-May-2025	1,318,612	1,325,760	
Ford Motor	469,000	4.750%	15-Jan-2043	408,958	506,072	
Ford Motor Credit Co	2,188,000	4.527%	7-Jan-2022	2,913,952	2,861,952	
General Electric	943,000	0.921%	5-May-2026	1,120,704	1,114,809	
General Electric	1,731,000	4.250%	1-May-2040	2,396,522	2,350,716	
General Motors	242,000	1.210%	10-Sep-2021	326,762	326,019	
Hertz	833,000	7.625%	1-Jun-2022	742,818	854,460	
Hertz	191,000	5.500%	15-Oct-2024	85,529	82,186	
Hertz	43,000	7.125%	1-Aug-2026	32,745	18,492	
Hertz	2,368,000	6.000%	15-Jan-2028	994,949	1,017,271	
Howmet Aerospace	1,300,000	6.875%	1-May-2025	1,837,208	1,922,818	
Maxar Technologies	945,000	7.540%	31-Dec-2027	1,260,066	1,271,009	
MPLX LP	658,000	6.375%	1-May-2024	858,972	925,535	
Navient	788,000	5.625%	25-Jan-2025	813,145	936,644	
Newfield Exploration	570,000	5.625%	1-Jul-2024	607,208	742,485	
Newfield Exploration	79,000	5.375%	1-Jan-2026	64,308	100,876	

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

P E M B R O K E

PEMBROKE CORPORATE BOND FUND
(formerly The GBC Corporate Bond Fund)

Schedule of Investment Portfolio - (continued)
(unaudited)

As at June 30, 2020

(IN CANADIAN DOLLARS, EXCEPT SHARE AMOUNTS)

Investments - (continued)	Face Value	Coupon Rate	Maturity Date	Cost \$	Fair Value \$	% of Net Assets
Foreign Corporate Bonds - Denominated in United States Dollars - (continued)						
United States - (continued)						
Occidental Petroleum	242,000	3.200%	15-Aug-2026	180,816	269,247	
Occidental Petroleum	168,000	3.000%	15-Feb-2027	164,643	178,523	
Occidental Petroleum	50,000	7.150%	15-May-2028	60,686	61,746	
Occidental Petroleum	258,000	3.500%	15-Aug-2029	181,532	257,645	
Occidental Petroleum	255,000	8.875%	15-Jul-2030	349,325	349,049	
Occidental Petroleum	199,000	7.950%	15-Jun-2039	149,442	245,121	
Occidental Petroleum	309,000	4.300%	15-Aug-2039	180,520	292,113	
Occidental Petroleum	271,000	6.200%	15-Mar-2040	189,983	310,740	
Occidental Petroleum	444,000	4.500%	15-Jul-2044	284,353	419,911	
Occidental Petroleum	63,000	4.625%	15-Jun-2045	37,861	60,494	
Occidental Petroleum	118,000	6.600%	15-Mar-2046	82,235	140,602	
Occidental Petroleum	461,000	4.400%	15-Apr-2046	313,082	439,033	
Occidental Petroleum	453,000	4.100%	15-Feb-2047	280,552	418,782	
Occidental Petroleum	1,298,000	4.200%	15-Mar-2048	863,272	1,199,423	
Occidental Petroleum	103,000	4.400%	15-Aug-2049	66,115	97,284	
Ryder System	1,368,000	4.625%	1-Jun-2025	1,930,348	2,078,606	
Southwest Airlines	431,000	5.250%	4-May-2025	598,745	620,344	
Spirit AeroSystems	130,000	3.950%	15-Jun-2023	166,773	150,502	
Spirit AeroSystems	2,062,000	7.500%	15-Apr-2025	2,885,511	2,782,131	
Spirit AeroSystems	310,000	3.850%	15-Jun-2026	404,644	386,334	
Spirit AeroSystems	1,514,000	4.600%	15-Jun-2028	1,768,499	1,673,017	
SSL Robotics	2,820,000	9.750%	31-Dec-2023	3,689,428	4,119,326	
				50,345,751	53,525,507	38.47%
Total Foreign Corporate Bonds				59,765,533	63,479,342	44.91%
		Number of		Cost	Fair Value	% of Net
Equities - Canadian		shares		\$	\$	Assets
Clearstream Energy Services, Preferred Shares	1,565		1,565,000	1,565,000		
Clearstream Energy Services	70,333		87,073	2,110		
Clearstream Energy Services, Preferred Shares	113		113,039	113,000		
Xplore Mobile (Mobility Spinco)	31,093		-	11,504		
Xplornet Wireless (License Spinco)	31,093		-	23,009		
Stuart Olson	25,554		18,655	23,254		
Yellow Pages	52,504		353,877	472,536		
			2,137,644	2,210,413	1.55%	
Total investments			130,263,724	136,789,925	96.77%	
Other assets - net				4,568,837	3.23%	
Total net assets			130,263,724	141,358,762	100.00%	

Note: When classifying the bonds in this portfolio, the Manager and the portfolio manager rely on the classifications from PC Bond Analytics, a business unit of the FTSE TMX Group. Although some bonds are classified as being issued by governmental issuers under such classification, it does not mean that they are issued by a government but rather by an issuer related to a government (provincial or federal).

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

P E M B R O K E

PEMBROKE CORPORATE BOND FUND
 (formerly The GBC Corporate Bond Fund)

Schedule of Derivatives
 (unaudited)

As at June 30, 2020

(IN CANADIAN DOLLARS, EXCEPT SHARE AMOUNTS)

Foreign Exchange Contracts

Contracts	Counterparty	Credit Rating of the Counterparty	Settlement Date	Contract Rate (\$)	Current Rate (\$)	Buy	Par Value	Sell	Par Value	Unrealized
										Gain (Loss)
										(\$)
1	Bank of Nova Scotia	A-1	16-Sep-2020	1.3384	1.3626	CAD	83,390,258	USD	(62,305,000)	(1,504,032)

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

P E M B R O K E

PEMBROKE GROWTH AND INCOME FUND

(formerly The GBC Growth and Income Fund)

STATEMENTS OF FINANCIAL POSITION

(unaudited)

As at

	June 30, 2020	Dec. 31, 2019
<small>(IN CANADIAN DOLLARS)</small>	\$	\$
Assets		
Cash	714,956	593,488
Investments at fair value through profit or loss	26,270,041	32,337,187
Due from brokers for investment securities sold	261,864	-
Accrued income	26,867	63,024
HST/QST receivable	53,669	53,451
Total assets	27,327,397	33,047,150
Liabilities		
Distributions payable to unitholders	75,098	253,899
Accrued expenses	4,464	4,677
Total liabilities (excluding net assets attributable to holders of redeemable units)	79,562	258,576
Net assets attributable to holders of redeemable units	27,247,835	32,788,574
Net assets attributable to holders of redeemable securities per unit		
Net assets CAD	13.05	13.40
Investments, at cost	23,052,240	27,776,086

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

P E M B R O K E

PEMBROKE GROWTH AND INCOME FUND

(formerly The GBC Growth and Income Fund)

STATEMENTS OF COMPREHENSIVE INCOME

(unaudited)

For the six-month periods ended June 30

	2020	2019
<small>(IN CANADIAN DOLLARS)</small>	\$	\$
Income		
Dividend income	197,375	451,668
Interest income for distribution purposes	11,160	44,794
Distributions from underlying funds	125,049	210,484
Net realized gains (losses) on investments at fair value through profit or loss	545,700	461,767
Net change in unrealized gains (losses) on investments at fair value through profit or loss	(1,343,300)	3,207,919
Net realized foreign exchange gains (losses)	(4,175)	411
Total operating income (loss)	(468,191)	4,377,043
Expenses		
Securityholders' information fees	12,889	17,846
Filing fees	7,002	13,931
Custodial fees	3,777	3,928
Audit fees	5,973	5,596
Legal fees	4,537	2,564
Independent Review Committee fees	1,354	1,650
Fund Valuation	17,593	20,057
Transaction costs on purchase and sale of investments	21,928	29,925
Total operating expenses	75,053	95,497
Profit (loss) before undernoted	(543,244)	4,281,546
Expenses absorbed by the Manager	4,537	-
Profit (loss) before taxes	(538,707)	4,281,546
Withholding taxes	(3,237)	(6,880)
Profit (loss) after tax	(541,944)	4,274,666
Increase (decrease) in net assets attributable to holders of redeemable units	(541,944)	4,274,666
Weighted average number of redeemable units outstanding during the period	2,208,737	3,415,358
Increase (decrease) in net assets attributable to holders of redeemable units per unit	(0.25)	1.25

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

P E M B R O K E

PEMBROKE GROWTH AND INCOME FUND

(formerly The GBC Growth and Income Fund)

**STATEMENTS OF CHANGES IN FINANCIAL POSITION ATTRIBUTABLE TO
HOLDERS OF REDEEMABLE UNITS**

(unaudited)

For the six-month periods ended June 30

	2020	2019
	\$	\$
<small>(IN CANADIAN DOLLARS)</small>		
Net assets attributable to holders of redeemable units at beginning of period	32,788,574	43,257,289
Increase (decrease) in net assets attributable to holders of redeemable units	(541,944)	4,274,666
Distributions to holders of redeemable units		
From net investment income	(308,519)	(634,260)
Total distributions to holders of redeemable units	(308,519)	(634,260)
Redeemable unit transactions		
Proceeds from redeemable units issued	1,526,800	2,532,368
Redemption of redeemable units	(6,035,371)	(10,793,547)
Redemption of redeemable units, management fees (Note 5)	(181,705)	(285,745)
Net increase (decrease) from unit transactions	(4,690,276)	(8,546,924)
Net assets attributable to holders of redeemable units at end of period	27,247,835	38,350,771

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

P E M B R O K E

PEMBROKE GROWTH AND INCOME FUND

(formerly The GBC Growth and Income Fund)

STATEMENTS OF CASH FLOWS

(unaudited)

For the six-month periods ended June 30

	2020	2019
(IN CANADIAN DOLLARS)	\$	\$
Cash flows provided from operating activities		
Increase (decrease) in amount attributable to holders of redeemable units	(541,944)	4,274,666
Adjustments for:		
Interest income for distribution purposes	(11,160)	(44,794)
Dividend income	(197,375)	(451,668)
Taxes recognized in comprehensive income	3,237	6,880
	(747,242)	3,785,084
Net increase (decrease) in investments at fair value through profit or loss		
Purchase of investments	(4,856,485)	(5,419,980)
Proceeds from sale and maturity of investments	10,104,103	13,561,857
Net realized losses (gains) on investments at fair value through profit or loss	(545,700)	(461,767)
Net change in unrealized losses (gains) on investments at fair value through profit or loss	1,343,300	(3,207,919)
Transaction costs on purchase and sale of investments	21,928	29,925
Net decrease (increase) in due from/to brokers	(261,864)	7,879
Net decrease (increase) in other receivables	(218)	(279)
Net increase (decrease) in accrued expenses and other payables	(213)	236
	5,057,609	8,295,036
Interest received	11,160	44,794
Dividends received	233,532	588,087
Taxes paid	(3,237)	(6,880)
Net cash flows provided from operating activities	5,299,064	8,921,037
Cash flows provided from financing activities		
Distributions to holders of redeemable units	(13,036)	(32,605)
Proceeds from redeemable units issued	1,052,516	1,634,437
Redemption of redeemable units	(6,217,076)	(11,079,292)
Net cash flows provided from financing activities	(5,177,596)	(9,477,460)
Net increase (decrease) in cash	121,468	(556,423)
Cash at the beginning of the period	593,488	1,061,515
Cash at the end of the period	714,956	505,092
Non-Cash Transactions		
Reinvested distributions from net investment income	474,284	897,931

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

P E M B R O K E

PEMBROKE GROWTH AND INCOME FUND

(formerly The GBC Growth and Income Fund)

Schedule of Investment Portfolio

(unaudited)

As at June 30, 2020

(IN CANADIAN DOLLARS, EXCEPT SHARE AMOUNTS)

Number of shares	Investments	Cost \$	Fair Value \$
Canadian Fixed Income			
Mutual Funds - 29.79 %			
610,869	Pembroke Canadian Bond Fund	7,880,817	8,115,887
Canadian Equities			
Communication Services - 1.98 %			
6,650	Cogeco	428,436	538,783
Consumer Discretionary - 2.63 %			
14,850	Pollard Banknote	91,838	253,935
28,800	Sleep Country Canada	710,839	462,816
		802,677	716,751
Consumer Staples - 4.59 %			
16,950	Jamieson Wellness	314,975	603,081
6,563	Maple Leaf Foods	194,746	187,111
8,200	Metro	450,063	459,200
		959,784	1,249,392
Financials - 11.31 %			
26,800	Canadian Western Bank	767,022	633,820
6,600	Equitable Group	512,541	471,174
7,800	Genworth MI Canada	444,868	259,038
35,050	Guardian Capital Group	775,520	727,287
9,713	IA Financial Group	478,291	441,553
4,093	TMX Group	359,514	549,403
		3,337,756	3,082,275
Industrials - 12.77 %			
20,121	Badger Daylighting	500,920	597,996
15,700	Calian	492,962	860,831
17,781	Morneau Shepell	332,968	563,480
32,377	Savaria	363,649	403,417
9,700	Toromont Industries	628,407	653,489
4,800	WSP Global	345,114	399,648
		2,664,020	3,478,861
Information Technology - 15.84 %			
32,989	Absolute Software	351,900	455,578
9,811	Enghouse Systems	443,131	711,298
52,350	Evertz Technologies	889,927	587,367
9,350	OpenText	517,312	539,028
48,550	Sylogist	419,439	540,847
30,050	Tecsys	188,823	721,200
73,150	Vecima Networks	754,631	764,417
		3,565,163	4,319,735

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

P E M B R O K E

PEMBROKE GROWTH AND INCOME FUND

(formerly The GBC Growth and Income Fund)

Schedule of Investment Portfolio - (continued)

(unaudited)

As at June 30, 2020

(IN CANADIAN DOLLARS, EXCEPT SHARE AMOUNTS)

Number of shares	Investments	Cost \$	Fair Value \$
Canadian Equities - (continued)			
Materials - 3.28 %			
14,532	Richards Packaging	274,556	895,026
Real Estate - 8.11 %			
16,102	Altus Group	342,743	656,801
521,596	Fronsac REIT	320,559	281,662
44,750	Information Services	754,959	664,985
66,250	Tricon Capital Group	544,305	606,188
		1,962,566	2,209,636
	Total Canadian Equities - 60.51 %	13,994,958	16,490,459
US Equities			
Consumer Discretionary - 3.51 %			
20,474	Collectors Universe	561,581	955,923
Financials - 1.55 %			
6,900	James River Group	361,411	422,904
Industrials - 1.05 %			
1,177	Watsco	253,473	284,868
	Total US Equities - 6.11 %	1,176,465	1,663,695
	Total Investments - 96.41 %	23,052,240	26,270,041
	Other assets - net - 3.59 %		977,794
	Total net assets - 100.00 %		27,247,835

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

P E M B R O K E

PEMBROKE GLOBAL BALANCED FUND

(formerly The GBC Global Balanced Fund)

STATEMENTS OF FINANCIAL POSITION

(unaudited)

As at

June 30, 2020

Dec. 31, 2019

(IN CANADIAN DOLLARS)

\$

\$

Assets

Cash	1,023,172	946,763
Investments at fair value through profit or loss	63,911,629	40,735,379
Due from brokers for investment securities sold	156,469	-
Accrued income	11,919	12,997
HST/QST receivable	9	9

Total assets

65,103,198 41,695,148

Liabilities

Distributions payable to unitholders	-	525,307
Due to brokers for investment securities purchased	139,398	344,000

Total liabilities (excluding net assets attributable to holders of redeemable units)

139,398 869,307

Net assets attributable to holders of redeemable units

64,963,800 40,825,841

Net assets attributable to holders of redeemable units per unit

Net assets	10.88	10.60
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Investments, at cost

60,630,565 39,464,533

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

P E M B R O K E

PEMBROKE GLOBAL BALANCED FUND
(formerly The GBC Global Balanced Fund)

STATEMENTS OF COMPREHENSIVE INCOME

(unaudited)

For the six-month periods ended June 30

(IN CANADIAN DOLLARS)	2020	2019
	\$	\$
Income		
Dividend income	242,665	38,966
Interest income for distribution purposes	4,743	1,380
Distributions from underlying funds	444,600	51,779
Net realized gains (losses) on investments		
at fair value through profit or loss	(451,344)	(23,941)
Net change in unrealized gains (losses) on investments		
at fair value through profit or loss	2,010,218	85,158
Net realized foreign exchange gains (losses)	1,849	134
Total operating income (loss)	2,252,731	153,476
Expenses		
Securityholders' information fees	11,664	538
Filing fees	7,159	12,125
Custodial fees	7,360	3,428
Audit fees	6,777	5,316
Legal fees	4,537	309
Independent Review Committee fees	1,354	650
Fund valuation fees	18,018	18,942
Management fee - Exchange Traded Funds	39,797	-
Transaction costs on purchase and sale of investments	10,543	6,641
Total operating expenses	107,209	47,949
Profit (loss) before undernoted	2,145,522	105,527
Expenses absorbed by Manager	101,536	41,307
Profit (loss) before taxes	2,247,058	146,834
Withholding taxes	(14,068)	(3,519)
Profit (loss) after tax	2,232,990	143,315
Increase (decrease) in net assets attributable to holders of		
redeemable units	2,232,990	143,315
Weighted average number of redeemable units outstanding		
during the year	5,302,189	456,707
Increase (decrease) in net assets attributable to holders of		
redeemable units per unit	0.42	0.31

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

P E M B R O K E

PEMBROKE GLOBAL BALANCED FUND
(formerly The GBC Global Balanced Fund)

**STATEMENTS OF CHANGES IN FINANCIAL POSITION ATTRIBUTABLE TO
HOLDERS OF REDEEMABLE UNITS**
(unaudited)

For the six-month periods ended June 30

(IN CANADIAN DOLLARS)	2020 \$	2019 \$
Net assets attributable to holders of redeemable units at beginning of period	40,825,841	919,383
Increase (decrease) in net assets attributable to holders of redeemable units	2,232,990	143,315
Redeemable unit transactions		
Proceeds from redeemable units issued	27,845,721	15,281,325
Redemption of redeemable units	(5,637,698)	(11,314)
Redemption of redeemable units, management fees (Note 5)	(303,054)	(21,253)
Net increase (decrease) from unit transactions	21,904,969	15,248,758
Net assets attributable to holders of redeemable units at end of period	64,963,800	16,311,456

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

P E M B R O K E

PEMBROKE GLOBAL BALANCED FUND

(formerly The GBC Global Balanced Fund)

STATEMENTS OF CASH FLOWS

(unaudited)

For the six-month periods ended June 30

	2020	2019
<small>(IN CANADIAN DOLLARS)</small>	<small>\$</small>	<small>\$</small>
Cash flows provided from operating activities		
Increase (decrease) in amount attributable to holders of redeemable units	2,232,990	143,315
Adjustments for:		
Interest income for distribution purposes	(4,743)	(1,380)
Dividend income	(242,665)	(38,966)
Taxes recognized in comprehensive income	14,068	3,519
	1,999,650	106,488
Net increase (decrease) in investments at fair value through profit or loss		
Purchase of investments	(28,514,267)	(16,923,264)
Proceeds from sale and maturity of investments	6,886,348	522,443
Net realized losses (gains) on investments at fair value through profit or loss	451,344	23,941
Net change in unrealized losses (gains) on investments at fair value through profit or loss	(2,010,218)	(85,158)
Transaction costs on purchase and sale of investments	10,543	6,641
Net decrease (increase) in due from/to brokers	(361,071)	1,660,000
Net decrease (increase) in other receivables	-	(17)
Net increase (decrease) in accrued expenses and other payables	-	(1,991)
Net cash flows provided from operating activities	(21,537,671)	(14,690,917)
Interest received	4,743	1,380
Dividends received	243,743	58,047
Taxes paid	(14,068)	(3,519)
Net cash flows provided from operating activities	(21,303,253)	(14,635,009)
Cash flows provided from financing activities		
Distributions to holders of redeemable units	1,281	-
Proceeds from redeemable units issued	27,319,133	15,253,834
Redemption of redeemable units	(5,940,752)	(32,567)
Net cash flows provided from financing activities	21,379,662	15,221,267
Net increase (decrease) in cash	76,409	586,258
Cash at the beginning of the period	946,763	1,015
Cash at the end of the period	1,023,172	587,273
Non-Cash Transactions		
Reinvested distributions from net investment income and capital gains	526,588	27,491

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

P E M B R O K E

PEMBROKE GLOBAL BALANCED FUND

(formerly The GBC Global Balanced Fund)

Schedule of Investment Portfolio

(unaudited)

As at June 30, 2020

(IN CANADIAN DOLLARS, EXCEPT SHARE AMOUNTS)

Number of shares	Investments	Cost \$	Fair Value \$
Underlying Funds			
Bond Funds - 28.80 %			
220,882	Pembroke Canadian Bond Fund	2,863,345	2,934,589
1,167,695	Pembroke Corporate Bond Fund	14,947,093	15,774,507
		17,810,438	18,709,096
Canadian Equity Funds - 8.00 %			
82,218	Pembroke Canadian Growth Fund	5,042,632	5,194,967
US Equity Funds - 7.05 %			
114,813	Pembroke American Growth Fund Inc.	4,241,887	4,581,395
Global & International Equity Funds - 22.07 %			
397,589	Guardian Fundamental Global Equity Fund	8,916,329	9,765,969
153,107	Pembroke International Growth Fund	4,081,722	4,573,522
		12,998,051	14,339,491
Exchange Traded Funds - 20.14 %			
49,262	iShares Core MSCI EAFE ETF	3,964,863	3,838,519
11,010	iShares Core S&P 500 ETF	4,406,028	4,644,021
195,248	iShares S&P/TSX 60 Index ETF	4,720,237	4,598,090
		13,091,128	13,080,630
	Total Underlying Funds - 86.06 %	53,184,136	55,905,579
Canadian Equities			
Communication Services - 0.37 %			
2,993	Cogeco	270,864	242,492
Consumer Discretionary - 0.48 %			
6,634	Pollard Banknote	133,563	113,441
12,325	Sleep Country Canada	226,009	198,063
		359,572	311,504
Consumer Staples - 0.86 %			
7,572	Jamieson Wellness	172,847	269,412
2,917	Maple Leaf Foods	86,566	83,164
3,697	Metro	204,352	207,032
		463,765	559,608
Financials - 2.11 %			
12,370	Canadian Western Bank	351,799	292,555
2,965	Equitable Group	252,971	211,671
3,469	Genworth MI Canada	173,702	115,205
15,870	Guardian Capital Group	374,744	329,303
4,060	IA Financial Group	195,114	184,568
1,759	TMX Group	183,189	236,111
		1,531,519	1,369,413

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

P E M B R O K E

PEMBROKE GLOBAL BALANCED FUND

(formerly The GBC Global Balanced Fund)

Schedule of Investment Portfolio - (continued)

(unaudited)

As at June 30, 2020

(IN CANADIAN DOLLARS, EXCEPT SHARE AMOUNTS)

Number of shares	Investments	Cost \$	Fair Value \$
Canadian Equities - (continued)			
Industrials - 2.35 %			
8,885	Badger Daylighting	224,372	264,062
7,068	Calian	268,015	387,538
7,402	Morneau Shepell	225,398	234,569
13,318	Savaria	149,082	165,942
4,356	Toromont Industries	282,602	293,464
2,152	WSP Global	167,178	179,176
		1,316,647	1,524,751
Information Technology - 2.93 %			
14,998	Absolute Software	155,583	207,122
3,983	Enghouse Systems	179,996	288,768
23,035	Evertz Technologies	378,181	258,453
4,184	OpenText	228,431	241,208
21,044	Sylogist	212,947	234,430
13,773	Tecsys	223,411	330,552
32,897	Vecima Networks	311,789	343,774
		1,690,338	1,904,307
Materials - 0.61 %			
6,474	Richards Packaging	275,925	398,734
Real Estate - 1.51 %			
6,704	Altus Group	248,308	273,456
237,242	Fronsac REIT	140,821	128,111
20,447	Information Services	321,099	303,842
29,803	Tricon Capital Group	296,805	272,697
		1,007,033	978,106
Total Canadian Equities - 11.22 %		6,915,663	7,288,915
US Equities			
Consumer Discretionary - 0.64 %			
8,952	Collectors Universe	259,111	417,966
Financials - 0.29 %			
3,041	James River Group	171,381	186,384
Industrials - 0.17 %			
466	Watsco	100,274	112,785
Total US Equities - 1.10 %		530,766	717,135
Total Investments - 98.38 %		60,630,565	63,911,629
Other assets - net - 1.62 %			1,052,171
Total net assets - 100.00 %			64,963,800

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

P E M B R O K E

PEMBROKE CANADIAN GROWTH FUND
(formerly The GBC Canadian Growth Fund)

STATEMENTS OF FINANCIAL POSITION
(unaudited)

As at

	June 30, 2020	Dec. 31, 2019
(IN CANADIAN DOLLARS)	\$	\$
Assets		
Cash	1,114,460	7,566,010
Investments at fair value through profit or loss	254,126,581	285,046,970
Due from brokers for investment securities sold	1,111,158	-
Accrued income	195,338	337,674
QST receivable	5,196	3,507
Total assets	256,552,733	292,954,161
Liabilities		
Distributions payable to unitholders	-	637,120
Due to brokers for investment securities purchased	65,018	9,518
HST payable	4,103	2,774
Total liabilities (excluding net assets attributable to holders of redeemable units)	69,121	649,412
Net assets attributable to holders of redeemable units	256,483,612	292,304,749
Net assets attributable to holders of redeemable units per unit		
Net assets	63.19	66.15
Investments, at cost	202,601,958	221,430,669

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

P E M B R O K E

PEMBROKE CANADIAN GROWTH FUND
(formerly The GBC Canadian Growth Fund)

STATEMENTS OF COMPREHENSIVE INCOME
(unaudited)

For the six-month periods ended June 30

	2020	2019
<small>(IN CANADIAN DOLLARS)</small>	\$	\$
Income		
Dividend income	1,447,180	1,944,321
Interest income for distribution purposes	12,598	29,131
Net realized gains (losses) on investments		
at fair value through profit or loss	(3,223,281)	18,313,686
Net change in unrealized gains (losses) on investments		
at fair value through profit or loss	(12,091,678)	28,311,582
Net realized foreign exchange gains (losses)	(30,146)	(7,830)
Total operating income (loss)	(13,885,327)	48,590,890
Expenses		
Securityholders' information fees	52,562	54,844
Filing fees	8,301	15,434
Custodial fees	8,747	11,426
Audit fees	14,233	17,916
Legal fees	4,464	7,441
Independent Review Committee fees	1,354	1,650
Transaction costs on purchase and sale of investments	205,097	255,195
Total operating expenses	294,758	363,906
Increase (decrease) in net assets attributable to holders of		
redeemable units	(14,180,085)	48,226,984
Weighted average number of redeemable units outstanding		
during the period	4,207,847	4,632,714
Increase (decrease) in net assets attributable to holders of		
redeemable units per unit	(3.37)	10.41

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

P E M B R O K E

PEMBROKE CANADIAN GROWTH FUND

(formerly The GBC Canadian Growth Fund)

**STATEMENTS OF CHANGES IN FINANCIAL POSITION ATTRIBUTABLE TO
HOLDERS OF REDEEMABLE UNITS**

(unaudited)

For the six-month periods ended June 30

	2020	2019
(IN CANADIAN DOLLARS)	\$	\$
Net assets attributable to holders of redeemable units at beginning of period	292,304,749	262,188,734
Increase (decrease) in net assets attributable to holders of redeemable units	(14,180,085)	48,226,984
Redeemable unit transactions		
Proceeds from redeemable units issued	4,695,078	3,527,713
Redemption of redeemable units	(24,407,003)	(19,404,991)
Redemption of redeemable units, management fees (Note 5)	(1,929,127)	(2,293,628)
Net increase (decrease) from unit transactions	(21,641,052)	(18,170,906)
Net assets attributable to holders of redeemable units at end of period	256,483,612	292,244,812

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

P E M B R O K E

PEMBROKE CANADIAN GROWTH FUND
(formerly The GBC Canadian Growth Fund)

STATEMENTS OF CASH FLOWS
(unaudited)

For the six-month periods ended June 30

	2020	2019
	\$	\$
<small>(IN CANADIAN DOLLARS)</small>		
Cash flows provided from operating activities		
Increase (decrease) in amount attributable to holders of redeemable units	(14,180,085)	48,226,984
Adjustments for:		
Dividend income	(1,447,180)	(1,944,321)
Interest income for distribution purposes	(12,598)	(29,131)
	(15,639,863)	46,253,532
Net increase (decrease) in investments at fair value through profit or loss		
Purchase of investments	(52,353,138)	(57,562,025)
Proceeds from sale and maturity of investments	67,753,471	78,470,302
Net realized losses (gains) on investments at fair value through profit or loss	3,223,281	(18,313,686)
Net change in unrealized losses (gains) on investments at fair value through profit or loss	12,091,678	(28,311,582)
Transaction costs on purchase and sale of investments	205,097	255,195
Net decrease (increase) in due from/to brokers	(1,055,658)	391,986
Net decrease (increase) in other receivables	(1,689)	(476)
Net increase (decrease) in accrued expenses and other payables	1,329	-
	14,224,508	21,183,246
Interest received	12,598	29,131
Dividends received	1,589,516	1,940,719
Net cash flows provided from operating activities	15,826,622	23,153,096
Cash flows provided from financing activities		
Distributions to holders of redeemable units	(637,120)	(217,734)
Proceeds from redeemable units issued	4,695,078	3,527,713
Redemption of redeemable units	(26,336,130)	(21,698,619)
Net cash flows provided from financing activities	(22,278,172)	(18,388,640)
Net increase (decrease) in cash	(6,451,550)	4,764,456
Cash at the beginning of the period	7,566,010	5,904,678
Cash at the end of the period	1,114,460	10,669,134

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

P E M B R O K E

PEMBROKE CANADIAN GROWTH FUND

(formerly The GBC Canadian Growth Fund)

Schedule of Investment Portfolio

(unaudited)

As at June 30, 2020

(IN CANADIAN DOLLARS, EXCEPT SHARE AMOUNTS)

Number of shares	Investments - Canadian equities	Cost \$	Fair Value \$
Communication Services - 0.42 %			
70,939	IMAX Corporation	2,132,951	1,083,733
Consumer Discretionary - 14.77 %			
404,025	Aritzia	6,058,881	7,680,515
199,051	Bombardier Recreational Products	7,415,914	11,525,053
1,123,739	Goodfood Market	3,694,111	5,236,624
251,801	Points International	3,795,137	3,094,634
264,825	Pollard Banknote	5,455,101	4,528,508
362,566	Sleep Country Canada	8,746,482	5,826,436
		35,165,626	37,891,770
Consumer Staples - 4.13 %			
227,034	Jamieson Wellness	4,948,058	8,077,870
88,353	Maple Leaf Foods	2,621,907	2,518,944
		7,569,965	10,596,814
Energy - 2.94 %			
460,765	Parex Resources	8,761,779	7,538,115
Financials - 14.84 %			
320,786	Canadian Western Bank	9,040,826	7,586,589
151,447	Currency Exchange	3,873,998	1,840,081
95,775	Equitable Bank	6,456,983	6,837,377
62,311	goeasy	2,822,720	3,407,165
360,979	Guardian Capital Group	8,837,295	7,490,314
91,052	Trisura Group	3,211,965	5,576,935
2,566,900	Westaim Corporation	7,777,937	5,313,483
		42,021,724	38,051,944
Health Care - 0.00 %			
105,940	Helius Medical Technologies - Warrants	-	-
Industrials - 13.26 %			
262,198	Badger Daylighting	7,006,071	7,792,525
26,375	Boyd Group Services	5,327,750	5,329,596
72,727	Calian	3,178,428	3,987,621
28,076	GDI Integrated Facility Services	856,318	912,189
81,645	GDI Integrated Facility Services - Restricted	2,521,393	2,652,646
225,100	Richelieu Hardware	3,142,740	6,500,888
370,164	Savaria	4,175,355	4,612,243
1,346,900	Westport Fuel Systems	4,047,864	2,222,385
		30,255,919	34,010,093

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

P E M B R O K E

PEMBROKE CANADIAN GROWTH FUND

(formerly The GBC Canadian Growth Fund)

Schedule of Investment Portfolio - (continued)

(unaudited)

As at June 30, 2020

(IN CANADIAN DOLLARS, EXCEPT SHARE AMOUNTS)

Number of shares	Investments - Canadian equities (continued)	Cost \$	Fair Value \$
Information Technology - 29.23 %			
206,150	Absolute Software	2,574,224	2,846,932
76,206	Ceridian HCM Holding	4,208,671	8,249,300
138,849	Descartes Systems	1,803,738	9,951,308
203,356	Enghouse Systems	7,189,177	14,743,310
539,631	Evertz Technologies	9,288,408	6,054,660
66,071	Kinaxis	3,992,066	12,821,738
124,222	Lightspeed	3,021,648	4,028,519
27,550	Sangoma Technologies	64,743	65,845
316,990	Sylogist	2,795,557	3,531,269
294,050	Tecsys	4,500,742	7,057,200
72,331	Tucows	3,272,933	5,619,395
		42,711,907	74,969,476
Materials - 7.53 %			
148,150	Airboss of America	2,158,636	2,703,738
149,512	Richards Packaging	5,244,841	9,208,444
217,044	Stella-Jones	6,115,339	7,409,882
		13,518,816	19,322,064
Real Estate - 11.96 %			
163,482	Altus Group	3,198,976	6,668,431
116,619	Colliers International	6,772,214	9,084,620
25,325	FirstService	232,555	3,463,194
132,150	Real Matters	1,579,818	3,499,332
868,524	Tricon Capital Group	8,679,708	7,946,995
		20,463,271	30,662,572
Total Investments - Canadian equities 99.08 %		202,601,958	254,126,581
Other assets - net - 0.92 %			2,357,031
Total net assets - 100.00 %			256,483,612

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

P E M B R O K E

PEMBROKE AMERICAN GROWTH FUND INC.

(formerly The GBC American Growth Fund Inc.)

STATEMENTS OF FINANCIAL POSITION

(unaudited)

	June 30, 2020	Dec. 31, 2019
	\$	\$
(IN CANADIAN DOLLARS)		
Assets		
Cash	1,884,416	1,746,395
Investments at fair value through profit or loss	171,988,247	176,862,654
Accrued income	38,318	33,740
Income taxes recoverable (Note 6)	8,672,932	8,672,932
HST receivable	2,236	1,831
QST receivable	8,068	4,846
Total assets	182,594,217	187,322,398
Liabilities		
Accrued expenses	14,650	30,866
Due to brokers for investment securities purchased	590,008	-
Total liabilities (excluding net assets attributable to holders of redeemable shares)	604,658	30,866
Net assets attributable to holders of redeemable shares	181,989,559	187,291,532
Net assets attributable to holders of redeemable shares per share		
Net assets CAD	39.90	39.14
Net assets USD	29.28	30.14
Investments, at cost	129,624,153	136,327,585

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

P E M B R O K E

PEMBROKE AMERICAN GROWTH FUND INC.
(formerly The GBC American Growth Fund Inc.)

STATEMENTS OF COMPREHENSIVE INCOME
(unaudited)

For the six-month periods ended June 30

(IN CANADIAN DOLLARS)	2020	2019
	\$	\$
Income		
Dividend income	282,888	245,163
Interest income for distribution purposes	9,408	30,853
Net realized gains (losses) on investments at fair value through profit or loss	1,473,532	8,719,242
Net change in unrealized gains (losses) on investments at fair value through profit or loss	1,829,025	16,669,816
Net realized foreign exchange gains (losses)	133,798	(217,549)
Total operating income (loss)	3,728,651	25,447,525
Expenses		
Directors' fees (Note 9)	48,645	46,293
Securityholders' information fees	79,926	79,950
Filing fees	8,332	14,830
Custodial fees	8,005	8,541
Audit fees	22,206	29,020
Legal fees	4,483	7,465
Independent Review Committee fees	1,354	1,650
Insurance fees	13,625	13,625
Transaction costs on purchase and sale of investments	98,592	79,603
Total operating expenses	285,168	280,977
Profit (loss) before taxes	3,443,483	25,166,548
Withholding taxes	(37,623)	(34,675)
Profit (loss) after tax	3,405,860	25,131,873
Increase (decrease) in net assets attributable to holders of redeemable shares	3,405,860	25,131,873
Weighted average number of redeemable shares outstanding during the period	4,669,102	5,055,878
Increase (decrease) in net assets attributable to holders of redeemable shares per share	0.73	4.97

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

P E M B R O K E

PEMBROKE AMERICAN GROWTH FUND INC.

(formerly The GBC American Growth Fund Inc.)

**STATEMENTS OF CHANGES IN FINANCIAL POSITION ATTRIBUTABLE TO
HOLDERS OF REDEEMABLE SHARES**

(unaudited)

For the six-month periods ended June 30

	2020	2019
<small>(IN CANADIAN DOLLARS)</small>	\$	\$
Net assets attributable to holders of redeemable shares at beginning of period	187,291,532	176,027,868
Increase (decrease) in net assets attributable to holders of redeemable shares	3,405,860	25,131,873
Redeemable share transactions		
Proceeds from redeemable shares issued	4,262,569	3,349,604
Redemption of redeemable shares	(11,846,822)	(9,440,075)
Redemption of redeemable shares, management fees (Note 5)	(1,123,580)	(1,310,620)
Net increase (decrease) from share transactions	(8,707,833)	(7,401,091)
Net assets attributable to holders of redeemable shares at end of period	181,989,559	193,758,650

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

P E M B R O K E

PEMBROKE AMERICAN GROWTH FUND INC.

(formerly The GBC American Growth Fund Inc.)

STATEMENTS OF CASH FLOWS

(unaudited)

For the six-month periods ended June 30

	2020	2019
(IN CANADIAN DOLLARS)	\$	\$
Cash flows provided from operating activities		
Increase (decrease) in amount attributable to holders of redeemable shares	3,405,860	25,131,873
Adjustments for:		
Interest income for distribution purposes	(9,408)	(30,853)
Dividend income	(282,888)	(245,163)
Taxes recognized in comprehensive income	37,623	34,675
Net realized losses (gains) on investments at fair value through profit or loss	-	65,132
	3,151,187	24,955,664
Net increase (decrease) in investments at fair value through profit or loss		
Purchase of investments	(45,375,839)	(29,800,696)
Proceeds from sale and maturity of investments	53,454,211	43,068,581
Net realized losses (gains) on investments at fair value through profit or loss	(1,473,532)	(8,719,242)
Net change in unrealized losses (gains) on investments at fair value through profit or loss	(1,829,025)	(16,669,816)
Transaction costs on purchase and sale of investments	98,592	79,603
Net decrease (increase) in due from/to brokers	590,008	(263,798)
Net decrease (increase) in other receivables	(3,627)	(1,601,135)
Net increase (decrease) in accrued expenses and other payables	(16,216)	(14,250)
	8,595,759	11,034,911
Interest received	9,408	30,853
Dividends received	278,310	248,057
Taxes paid	(37,623)	(34,675)
Net cash flows provided from operating activities	8,845,854	11,279,146
Cash flows provided from financing activities		
Proceeds from redeemable shares issued	4,262,569	3,349,604
Redemption of redeemable shares	(12,970,402)	(10,898,543)
Net cash flows provided from financing activities	(8,707,833)	(7,548,939)
Net increase (decrease) in cash	138,021	3,730,207
Cash at the beginning of the period	1,746,395	1,312,983
Cash at the end of the period	1,884,416	5,043,190

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

P E M B R O K E

PEMBROKE AMERICAN GROWTH FUND INC.

(formerly The GBC American Growth Fund Inc.)

Schedule of Investment Portfolio

(unaudited)

As at June 30, 2020

(IN CANADIAN DOLLARS, EXCEPT SHARE AMOUNTS)

Number of shares	Investments - US equities	Cost \$	Fair Value \$
Consumer Discretionary - 16.85 %			
19,640	Collectors Universe	859,698	917,519
33,970	Dorman Products	3,268,701	3,104,960
69,862	Gentherm	2,897,919	3,703,589
74,238	Installed Building Products	4,567,575	6,958,579
34,718	LCI Industries	3,292,903	5,440,128
39,958	Ollie's Bargain Outlet	2,948,827	5,317,508
185,740	Stoneridge	6,372,474	5,229,593
		24,208,097	30,671,876
Financials - 6.66 %			
118,646	Axos Financial	3,428,462	3,570,132
64,579	Encore Capital Group	2,643,639	3,008,122
120,465	National General Holdings	3,317,610	3,547,707
71,543	Seacoast Banking Corporation of Florida	2,627,000	1,988,976
		12,016,711	12,114,937
Health Care - 16.92 %			
13,188	Amedisys	2,359,983	3,568,281
45,596	BioTelemetry	2,560,164	2,808,027
41,018	Bruker	2,618,268	2,273,985
24,765	Charles River Laboratories	3,957,945	5,884,268
15,327	CorVel	1,345,973	1,480,724
83,535	Globus Medical	5,027,099	5,431,378
66,704	Healthstream	1,989,909	2,011,710
121,870	HMS Holdings	2,742,427	5,379,475
20,390	Omniceil	2,058,301	1,962,353
		24,660,069	30,800,201
Industrials - 21.56 %			
81,114	Albany International	5,713,359	6,489,930
42,863	A. O. Smith	2,631,418	2,752,453
53,358	CRA International	3,154,732	2,872,293
113,622	Franklin Covey	3,065,661	3,313,663
70,266	Kornit Digital	1,605,962	5,111,589
22,443	Protolabs	3,168,212	3,439,931
44,794	SiteOne Landscape Supply	3,595,276	6,957,329
33,847	Trex Company	2,444,934	5,999,699
9,523	Watsco	2,050,915	2,306,181
		27,430,469	39,243,068

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

P E M B R O K E

PEMBROKE AMERICAN GROWTH FUND INC.

(formerly The GBC American Growth Fund Inc.)

Schedule of Investment Portfolio - (continued)

(unaudited)

As at June 30, 2020

(IN CANADIAN DOLLARS, EXCEPT SHARE AMOUNTS)

Number of shares	Investments - US equities (continued)	Cost \$	Fair Value \$
Information Technology - 32.51 %			
15,247	Alteryx	2,147,821	3,413,510
21,747	Avalara	2,116,983	3,944,363
8,603	Bill.com Holdings	801,882	1,057,637
65,031	Bottomline Technologies	3,841,074	4,499,453
42,785	Dolby Laboratories	3,459,665	3,840,708
21,360	Euronet Worldwide	2,296,960	2,789,263
12,634	Five9	1,214,948	1,905,473
99,360	Genpact	4,617,365	4,945,093
16,303	Guidewire Software	2,277,152	2,462,835
11,677	MongoDB	938,855	3,601,842
14,582	Monolithic Power Systems	2,231,693	4,709,747
14,013	Paycom	2,298,148	5,914,888
32,253	Perficient	1,593,475	1,572,688
192,013	Pure Storage	4,262,574	4,534,833
12,382	SPS Commerce	1,275,976	1,267,589
60,870	TTEC	3,389,693	3,862,321
64,542	WNS Holdings	2,544,543	4,835,922
		41,308,807	59,158,165
Total US equity investments - 94.50 %		129,624,153	171,988,247
Other assets - net - 5.50 %			10,001,312
Total net assets - 100.00 %			181,989,559

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

P E M B R O K E

PEMBROKE INTERNATIONAL GROWTH FUND

(formerly The GBC International Growth Fund)

STATEMENTS OF FINANCIAL POSITION

(unaudited)

As at

	June 30, 2020	Dec. 31, 2019
(IN CANADIAN DOLLARS)	\$	\$
Assets		
Cash	5,050,893	4,273,955
Investments at fair value through profit or loss	176,042,780	183,533,372
Due from brokers for investment securities sold	-	1,105,509
Accrued income	480,388	308,138
QST/HST receivable	93,357	93,480
Total assets	181,667,418	189,314,454
Liabilities		
Accrued expenses	31,210	33,052
Distributions payable to unitholders	-	3,062,110
Due to brokers for investment securities purchased	-	234,100
Total liabilities (excluding net assets attributable to holders of redeemable units)	31,210	3,329,262
Net assets attributable to holders of redeemable units	181,636,208	185,985,192
Net assets attributable to holders of redeemable units per unit		
Net assets CAD	29.87	29.42
Investments, at cost	142,759,995	150,272,819

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

P E M B R O K E

PEMBROKE INTERNATIONAL GROWTH FUND
(formerly The GBC International Growth Fund)

STATEMENTS OF COMPREHENSIVE INCOME
(unaudited)

For the six-month periods ended June 30

	2020	2019
(IN CANADIAN DOLLARS)	\$	\$
Income		
Dividend income	1,286,256	2,510,873
Interest income for distribution purposes	140,795	231,535
Net realized gains (losses) on investments		
at fair value through profit or loss	1,182,953	(2,151,235)
Net change in unrealized gains (losses) on investments		
at fair value through profit or loss	22,232	24,082,654
Net realized foreign exchange gains (losses)	(244,016)	(169,485)
Total operating income (loss)	2,388,220	24,504,342
Expenses		
Securityholders' information fees	59,792	58,417
Filing fees	7,849	19,267
Custodial fees	54,395	67,105
Audit fees	9,805	9,466
Legal fees	4,661	3,895
Independent Review Committee fees	1,354	1,650
Fund valuation fees	23,428	20,797
Transaction costs on purchase and sale of investments	162,111	69,549
Total operating expenses	323,395	250,146
Profit (loss) before taxes	2,064,825	24,254,196
Withholding taxes	(191,811)	(367,978)
Taxes recovered	-	9,114
Profit (loss) after taxes	1,873,014	23,895,332
Increase (decrease) in net assets attributable to holders of		
redeemable units	1,873,014	23,895,332
Weighted average number of redeemable units outstanding		
during the period	6,248,349	6,955,414
Increase (decrease) in net assets attributable to holders of		
redeemable units per unit	0.30	3.44

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

P E M B R O K E

PEMBROKE INTERNATIONAL GROWTH FUND

(formerly The GBC International Growth Fund)

**STATEMENTS OF CHANGES IN FINANCIAL POSITION ATTRIBUTABLE TO
HOLDERS OF REDEEMABLE UNITS**

(unaudited)

For the six-month periods ended June 30

	2020	2019
	\$	\$
<small>(IN CANADIAN DOLLARS)</small>		
Net assets attributable to holders of redeemable units at beginning of year	185,985,192	160,278,525
Increase (decrease) in net assets attributable to holders of redeemable units	1,873,014	23,895,332
Redeemable unit transactions		
Proceeds from redeemable units issued	26,034,437	19,501,209
Redemption of redeemable units	(31,053,660)	(22,049,553)
Redemption of redeemable units, management fees (Note 5)	(1,202,775)	(1,288,783)
Net increase (decrease) from unit transactions	(6,221,998)	(3,837,127)
Net assets attributable to holders of redeemable units at end of period	181,636,208	180,336,730

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

P E M B R O K E

PEMBROKE INTERNATIONAL GROWTH FUND

(formerly The GBC International Growth Fund)

STATEMENTS OF CASH FLOWS

(unaudited)

For the six-month periods ended June 30

(IN CANADIAN DOLLARS)	2020	2019
	\$	\$
Cash flows provided from operating activities		
Increase (decrease) in amount attributable to holders of redeemable units	1,873,014	23,895,332
Adjustments for:		
Interest income for distribution purposes	(140,795)	(231,535)
Dividend income	(1,286,256)	(2,510,873)
Taxes recognized in comprehensive income	191,811	358,864
	637,774	21,511,788
Net increase (decrease) in investments at fair value through profit or loss		
Purchase of investments	(64,082,358)	(28,668,652)
Proceeds from sale and maturity of investments	72,616,024	40,251,684
Net realized losses (gains) on investments at fair value through profit or loss	(1,182,953)	2,151,235
Net change in unrealized losses (gains) on investments at fair value through profit or loss	(22,232)	(24,082,654)
Transaction costs on purchase and sale of investments	162,111	69,549
Net decrease (increase) in due from/to brokers	871,409	(2,331,817)
Net decrease (increase) in other receivables	123	929
Net increase (decrease) in accrued expenses and other payables	(1,842)	6,665
	8,998,056	8,908,727
Interest received	140,795	231,535
Dividends received	1,114,006	2,396,195
Taxes paid	(191,811)	(358,864)
Net cash flows provided from operating activities	10,061,046	11,177,593
Cash flows provided from financing activities		
Distributions to holders of redeemable units	(134,197)	(445,573)
Proceeds from redeemable units issued	23,106,524	8,941,196
Redemption of redeemable units	(32,256,435)	(23,338,336)
Net cash flows provided from financing activities	(9,284,108)	(14,842,713)
Net increase (decrease) in cash	776,938	(3,665,120)
Cash at the beginning of the period	4,273,955	11,960,305
Cash at the end of the period	5,050,893	8,295,185
Non-Cash Transactions		
Reinvested distributions from net investment income and capital gains	2,927,913	10,560,013

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

P E M B R O K E

PEMBROKE INTERNATIONAL GROWTH FUND

(formerly The GBC International Growth Fund)

Schedule of Investment Portfolio
(unaudited)

As at June 30, 2020

(IN CANADIAN DOLLARS, EXCEPT SHARE AMOUNTS)

Number of shares	Investments - Developed Europe	Cost \$	Fair Value \$
Belgium - 1.80 %			
17,356	Melexis	2,041,288	1,792,125
39,967	Warehouses De Pauw	1,036,582	1,485,671
		3,077,870	3,277,796
Denmark - 4.23 %			
35,148	Netcompany Group	1,634,255	3,138,098
18,447	Royal Unibrew	1,115,899	2,089,220
9,644	SimCorp	1,208,646	1,415,272
26,632	Tryg	896,720	1,049,498
		4,855,520	7,692,088
Faroe Islands - 1.14 %			
24,313	Bakkafrost	1,941,791	2,078,454
Germany - 7.56 %			
19,182	Carl Zeiss Meditec	2,485,234	2,546,997
36,226	HelloFresh	1,719,959	2,626,719
2,816	Rational	2,655,371	2,146,968
20,921	Siltronic	2,761,076	2,905,277
47,202	TeamViewer	2,268,727	3,509,228
		11,890,367	13,735,189
Israel - 2.69 %			
19,031	CyberArk Software	3,067,811	2,573,116
6,099	Elbit Systems	1,013,747	1,137,685
31,066	Strauss Group	1,227,845	1,172,802
		5,309,403	4,883,603
Italy - 3.46 %			
50,453	Amplifon	1,265,444	1,829,926
19,699	Brunello Cucinelli	1,092,386	796,747
90,459	Carel Industries	1,630,791	2,261,094
59,219	Nexi	1,302,484	1,395,072
		5,291,105	6,282,839
Jersey Islands - 0.68 %			
116,497	Sanne Group	1,324,270	1,235,138
Netherlands - 2.67 %			
23,055	BE Semiconductor Industries	1,302,615	1,398,374
14,138	Euronext	1,112,933	1,930,239
11,830	IMCD	1,281,039	1,514,333
		3,696,587	4,842,946
Norway - 1.27 %			
46,158	Tomra Systems	1,937,783	2,301,083
Spain - 0.91 %			
87,656	EDP Renovaveis	1,289,224	1,649,307

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

P E M B R O K E

PEMBROKE INTERNATIONAL GROWTH FUND

(formerly The GBC International Growth Fund)

Schedule of Investment Portfolio - (continued)
(unaudited)

As at June 30, 2020

(IN CANADIAN DOLLARS, EXCEPT SHARE AMOUNTS)

Number of shares	Investments - Developed Europe (continued)	Cost \$	Fair Value \$
Sweden - 12.44 %			
31,146	AddTech	1,177,649	1,704,739
152,813	Arjo	1,100,209	1,157,204
54,378	Beijer Ref	1,716,496	2,237,006
26,999	Biotage	467,211	549,818
31,688	Evolution Gaming Group	578,121	2,573,812
75,178	Indutrade	2,390,787	4,044,440
41,219	Investment AB Latour	682,035	1,018,366
30,188	Lifco	1,941,614	2,603,791
42,634	MIPS	1,146,648	2,003,188
20,937	Nolato	2,006,351	1,922,179
24,933	Sweco	1,087,048	1,525,057
41,005	Vitrolife	1,146,343	1,249,264
		15,440,512	22,588,864
Switzerland - 7.01 %			
119	Belimo Holding	1,076,875	1,192,224
11,668	Galenica	789,437	1,137,114
7,948	Kardex Holding	1,279,456	1,974,147
1,247	Siegfried Holding	659,681	770,749
49,428	SIG Combibloc Group	1,126,833	1,089,164
75,686	Softwareone Holding	2,258,671	2,545,712
3,462	Tecan Group	1,016,066	1,670,041
9,416	VAT Group	1,596,239	2,341,481
		9,803,258	12,720,632
United Kingdom - 16.23 %			
57,202	Abcam	949,595	1,283,221
226,120	Avast	1,209,788	2,011,148
45,365	Aveva Group	2,137,916	3,124,040
275,050	Beazley	1,992,214	1,897,822
72,450	Big Yellow Group	1,188,464	1,224,143
445,886	Boohoo Group	2,764,528	3,091,584
39,620	Burford Capital	765,018	310,047
87,453	Diploma	1,807,368	2,641,796
44,950	Hill & Smith Holdings	1,049,241	941,044
135,253	Intermediate Capital Group	2,432,104	2,933,997
46,850	Renishaw	3,141,222	3,172,690
353,644	Rotork	1,993,412	1,666,420
126,370	Safestore Holdings	1,486,163	1,543,976
76,756	Softcat	1,014,853	1,407,988
210,862	Trainline	1,465,746	1,541,517
62,925	Workspace Group	995,949	692,036
		26,393,581	29,483,469
Total investments			
Developed Europe - 62.09 %		92,251,271	112,771,408

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

P E M B R O K E

PEMBROKE INTERNATIONAL GROWTH FUND

(formerly The GBC International Growth Fund)

Schedule of Investment Portfolio - (continued)

(unaudited)

As at June 30, 2020

(IN CANADIAN DOLLARS, EXCEPT SHARE AMOUNTS)

Number of shares	Investments - Developed Asia	Cost \$	Fair Value \$
	Japan - 13.56 %		
23,900	Asahi Intecc	572,356	924,798
71,600	Benefit One	1,336,374	1,956,994
10,800	GMO Payment Gateway	989,342	1,532,529
35,400	Harmonic Drive Systems	1,872,866	2,641,249
12,100	JINS Holdings	1,094,836	1,000,565
30,800	MonotaRO	983,289	1,679,783
79,900	Nihon M&A Center	2,008,712	4,912,407
64,100	Nihon Unisys	2,080,416	2,723,088
25,300	SMS	836,853	771,997
55,300	Sushiro Global Holdings	1,228,398	1,656,691
26,600	TechnoPro Holdings	2,166,691	2,065,263
96,100	TIS	1,058,743	2,758,878
		16,228,876	24,624,242
	New Zealand - 1.35 %		
135,071	Ryman Healthcare	1,524,525	1,549,055
225,646	Spark New Zealand	773,359	902,172
		2,297,884	2,451,227
	Total investments - Developed Asia - 14.91 %	18,526,760	27,075,469
	Investments - Emerging Asia		
	Cambodia - 0.77 %		
882,000	NagaCorp	1,321,262	1,390,316
	China - 4.93 %		
274,000	AK Medical Holdings	1,030,104	1,186,916
243,000	A-Living Services	1,387,587	1,667,554
259,000	Country Garden Services Holdings	1,403,076	1,638,532
17,597	GSX Techedu	888,203	1,437,796
24,000	Silergy	641,183	2,127,178
377,000	Travelsky Technology	1,309,394	903,667
		6,659,547	8,961,643
	India - 1.11 %		
33,846	AU Small Finance Bank	728,844	331,832
28,599	Ipca Laboratories	714,283	863,816
483,418	Motherson Sumi Systems	1,188,669	825,381
		2,631,796	2,021,029
	Indonesia - 0.72 %		
9,102,700	Ace Hardware Indonesia Tbk PT	1,379,078	1,310,529
	South Korea - 0.48 %		
7,718	Koh Young Technology	872,436	873,923

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

P E M B R O K E

PEMBROKE INTERNATIONAL GROWTH FUND

(formerly The GBC International Growth Fund)

Schedule of Investment Portfolio - (continued)

(unaudited)

As at June 30, 2020

(IN CANADIAN DOLLARS, EXCEPT SHARE AMOUNTS)

Number of shares	Investments - Emerging Asia - (continued)	Cost \$	Fair Value \$
	Taiwan - 5.57 %		
18,000	ASPEED Technology	748,709	1,030,352
320,042	Chailease Holding	1,436,609	1,846,750
306,200	Feng TAY Enterprise	2,402,979	2,353,481
136,000	Globalwafers	1,999,610	2,530,087
163,000	Tripod Technology	745,559	985,713
35,000	Voltronic Power Technology	1,061,213	1,366,878
		8,394,679	10,113,261
	Total investments - Emerging Asia - 13.58 %	21,258,798	24,670,701
	Investments - Emerging Europe, Africa Middle East (EMEA)		
	Greece - 0.93 %		
130,377	OPAP	1,944,013	1,684,285
	Poland - 0.76 %		
20,206	Dino Polska	1,040,988	1,395,638
	South Africa - 0.71 %		
78,079	Clicks Group	1,467,118	1,287,515
	United Arab Emirates - 1.14 %		
278,863	Network International Holdings	2,219,857	2,069,615
	Total investments - EMEA - 3.54 %	6,671,976	6,437,053
	Investments - Emerging Latin America		
	Argentina - 1.59 %		
14,132	Globant	1,057,875	2,884,298
	Brazil - 0.37 %		
57,100	Arezzo Industria e Comercio	1,033,883	678,447
	Mexico - 0.84 %		
242,200	Grupo Aeroportuario Centro Norte	1,959,432	1,525,404
	Total investments - Emerging Latin America - 2.80 %	4,051,190	5,088,149
	Total Investments - 96.92 %	142,759,995	176,042,780
	Other net assets - 3.08 %		5,593,428
	Total net assets - 100.00 %		181,636,208

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

P E M B R O K E

PEMBROKE CONCENTRATED FUND

STATEMENTS OF FINANCIAL POSITION

(unaudited)

As at

	June 30, 2020	Dec. 31, 2019
<small>(IN CANADIAN DOLLARS)</small>	\$	\$
Assets		
Cash	2,332,027	2,414,709
Investments at fair value through profit or loss	45,404,628	26,230,277
Accrued income	10,510	7,466
Total assets	47,747,165	28,652,452
Liabilities		
Management fees payable	674	29
Distributions payable	-	23,733
Due to brokers for investment securities purchased	1,674,910	-
Total liabilities (excluding net assets attributable to holders of redeemable units)	1,675,584	23,762
Net assets attributable to holders of redeemable units	46,071,581	28,628,690
Net assets attributable to holders of redeemable units		
Net assets CAD - Class A	45,016,719	28,580,706
Net assets CAD - Class F	1,054,862	47,984
Net assets attributable to holders of redeemable units per unit		
Net assets CAD - Class A	14.07	12.88
Net assets CAD - Class F	11.29	10.40
Investments, at cost	37,271,021	23,665,719

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

P E M B R O K E

PEMBROKE CONCENTRATED FUND

STATEMENTS OF COMPREHENSIVE INCOME

(unaudited)

For the periods ended June 30

	2020	2019
	\$	\$
(IN CANADIAN DOLLARS)		
Income		
Dividend income	32,641	13,847
Interest income for distribution purposes	5,113	3,140
Net realized gains (losses) on investments at fair value through profit or loss	(1,385,468)	(55,191)
Net change in unrealized gains (losses) on investments at fair value through profit or loss	5,601,587	1,478,062
Net realized foreign exchange gains (losses)	(19,812)	(31,334)
Total operating income (loss)	4,234,061	1,408,524
Expenses		
Management fees (Note 5)	1,463	-
Securityholders' information fees	7,868	2,198
Filing fees	9,515	1,129
Custodial fees	2,380	4,452
Audit fees	6,049	4,742
Legal fees	32,455	618
Independent Review Committee fees	439	-
Transaction costs on purchase and sale of investments	12,922	22,626
Fund valuation fees	21,715	18,780
Total operating expenses	94,806	54,545
Profit (loss) before taxes	4,139,255	1,353,979
Withholding taxes	(4,896)	(1,826)
Profit (loss) after taxes	4,134,359	1,352,153
Expenses absorbed by Manager	78,040	27,467
Increase (decrease) in net assets attributable to holders of redeemable units	4,212,399	1,379,620
Increase (decrease) in net assets attributable to holders of redeemable units		
Net assets CAD - Class A	4,169,854	1,379,620
Net assets CAD - Class F	42,545	-
Weighted average number of redeemable units outstanding during the period		
Net assets CAD - Class A	2,722,241	821,030
Net assets CAD - Class F	25,110	-
Increase (decrease) in net assets attributable to holders of redeemable units per unit		
Net assets CAD - Class A	1.53	1.68
Net assets CAD - Class F	1.69	-

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

P E M B R O K E

PEMBROKE CONCENTRATED FUND

**STATEMENTS OF CHANGES IN FINANCIAL POSITION ATTRIBUTABLE TO
HOLDERS OF REDEEMABLE UNITS
(unaudited)**

For the periods ended June 30

	2020	2019
<small>(IN CANADIAN DOLLARS)</small>	\$	\$
Net assets attributable to holders of redeemable units at beginning of period	28,628,690	1,498,585
Increase (decrease) in net assets attributable to holders of redeemable units	4,212,399	1,379,620
Redeemable unit transactions		
Proceeds from redeemable units issued - Class A	14,219,026	15,202,989
Proceeds from redeemable units issued - Class F	964,333	-
Redemption of redeemable units - Class A	(1,732,825)	(7,595)
Redemption of redeemable units, management fees - Class A (Note 5)	(220,042)	(40,859)
Net increase (decrease) from unit transactions	13,230,492	15,154,535
Net assets attributable to holders of redeemable units at end of period	46,071,581	18,032,740

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

P E M B R O K E

PEMBROKE CONCENTRATED FUND

STATEMENTS OF CASH FLOWS

(unaudited)

For the periods ended June 30

	2020	2019
<small>(IN CANADIAN DOLLARS)</small>	\$	\$
Cash flows provided from operating activities		
Increase (decrease) in amount attributable to holders of redeemable units	4,212,399	1,379,620
Adjustments for:		
Interest income for distribution purposes	(5,113)	(3,140)
Dividend income	(32,641)	(13,847)
Taxes recognized in comprehensive income	4,896	1,826
	4,179,541	1,364,459
Net increase (decrease) in investments at fair value through profit or loss		
Purchase of investments	(31,572,036)	(18,023,452)
Proceeds from sale and maturity of investments	16,600,882	3,675,897
Net realized losses (gains) on investments at fair value through profit or loss	1,385,468	55,191
Net change in unrealized losses (gains) on investments at fair value through profit or loss	(5,601,587)	(1,478,062)
Transaction costs on purchase and sale of investments	12,922	22,626
Net decrease (increase) in due from/to brokers	1,674,910	80,252
Net increase (decrease) in accrued expenses and other payables	645	-
	(13,319,255)	(14,303,089)
Interest received	5,113	3,140
Dividends received	29,597	7,741
Taxes paid	(4,896)	(1,826)
Net cash flows provided from operating activities	(13,289,441)	(14,294,034)
Cash flows provided from financing activities		
Proceeds from redeemable units issued	15,159,626	15,157,569
Redemption of redeemable units	(1,952,867)	(48,454)
Net cash flows provided from financing activities	13,206,759	15,109,115
Net increase (decrease) in cash	(82,682)	815,081
Cash at the beginning of the period	2,414,709	115,953
Cash at the end of the period	2,332,027	931,034
Non-Cash Transactions		
Reinvested distributions from net realized capital gains	-	45,420
Reinvested distributions from net investment income	23,733	-

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

PEMBROKE

PEMBROKE CONCENTRATED FUND

Schedule of Investment Portfolio
(unaudited)

As at June 30, 2020

(IN CANADIAN DOLLARS, EXCEPT SHARE AMOUNTS)

Number of shares	Investments	Cost \$	Fair Value \$
Canadian Equities			
Information Technology - 11.03 %			
33,432	Descartes Systems	1,725,639	2,396,071
13,835	Kinaxis	1,430,133	2,684,820
		3,155,772	5,080,891
	Total Canadian Equities - 11.03 %	3,155,772	5,080,891
US Equities			
Consumer Discretionary - 16.63 %			
51,719	Gentherm	2,846,388	2,739,160
22,704	Installed Building Products	1,643,453	2,126,093
99,439	Stoneridge	3,160,428	2,797,079
		7,650,269	7,662,332
Health Care - 17.19 %			
10,215	Charles River Laboratories	2,064,568	2,424,811
34,900	Globus Medical	2,272,805	2,267,005
73,162	HMS Holdings	2,708,360	3,226,370
		7,045,733	7,918,186
Industrials - 14.67 %			
35,136	Albany International	3,220,595	2,808,550
12,804	SiteOne Landscape Supply	1,176,981	1,986,799
11,094	Trex Company	1,167,710	1,964,640
		5,565,286	6,759,989
Information Technology - 39.03 %			
14,712	Avalara	1,815,513	2,665,844
38,280	Dolby Laboratories	3,032,882	3,433,027
9,613	MongoDB	1,939,353	2,962,360
8,647	Monolithic Power Systems	1,904,129	2,790,175
7,054	Paycom	2,163,374	2,974,653
42,177	WNS Holdings	2,998,710	3,157,171
		13,853,961	17,983,230
	Total US Equities - 87.52 %	34,115,249	40,323,737
	Total Investments - 98.55 %	37,271,021	45,404,628
	Other assets - net - 1.45 %		666,953
	Total net assets - 100.00 %		46,071,581

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

NOTES TO THE INTERIM FINANCIAL STATEMENTS

Period ended June 30, 2020 (unaudited)

1. The Funds**(i) Establishment of the Funds**

Pembroke Money Market Fund (formerly The GBC Money Market Fund) is an open-end mutual fund established under the laws of the Province of Ontario pursuant to a Declaration of Trust dated September 8, 1988, as amended by Supplemental Deeds dated November 16, 1988, December 7, 1990, March 27, 1991, January 26, 1996, March 25, 2008, January 8, 2018 and April 1, 2020.

Pembroke Canadian Bond Fund (formerly The GBC Canadian Bond Fund) is an open-end mutual fund established in accordance with the laws of the Province of Ontario by a Declaration of Trust dated December 11, 1984, as amended by Supplemental Deeds dated January 20, 1986, December 15, 1988, October 20, 1989, December 7, 1990, October 15, 1992, January 26, 1996, December 11, 2003, November 30, 2006, January 8, 2018 and April 1, 2020.

Pembroke Corporate Bond Fund (formerly The GBC Corporate Bond Fund) is an open-end mutual fund established under the laws of the Province of Ontario pursuant to a Master Declaration of Trust dated January 1, 2009 as amended by a Supplemental Deeds dated February 27, 2019 and April 1, 2020. From January 1, 2009 until April 8, 2019, units of the Fund were distributed pursuant to an exemption from the prospectus requirement (i.e. "pooled fund"). On April 8, 2019, the Fund was converted from a pooled fund to a mutual fund.

Pembroke Growth and Income Fund (formerly The GBC Growth and Income Fund) is an open-end mutual fund established in accordance with the laws of the Province of Ontario by a Declaration of Trust dated November 1, 2006, as amended by a Supplemental Deeds dated January 8, 2018 and April 1, 2020.

Pembroke Global Balanced Fund (formerly The GBC Global Balanced Fund) is an open-end mutual fund established under the laws of the Province of Ontario and established pursuant to a Declaration of Trust dated January 1, 2018 as amended by a Supplemental Deeds dated February 27, 2019 and April 1, 2020. From January 1, 2018 until April 8, 2019, units of the Fund were distributed pursuant to an exemption from the prospectus requirement (i.e. "pooled fund"). On April 8, 2019, the Fund was converted from a pooled fund to a mutual fund.

Pembroke Canadian Growth Fund (formerly The GBC Canadian Growth Fund) is an open-end mutual fund established under the laws of the Province of Ontario pursuant to a Declaration of Trust dated September 8, 1988, as amended by Supplemental Deeds dated November 16, 1988, December 7, 1990, March 27, 1991, January 26, 1996, March 25, 2008, January 8, 2018 and April 1, 2020.

Pembroke American Growth Fund Inc. (formerly The GBC American Growth Fund Inc.) was a closed-end investment corporation until October 1, 1988, when Articles of Amendment were issued converting the Fund from a corporation to an open-end mutual fund corporation. The Articles were further amended on January 8, 2018 and April 1, 2020.

Pembroke International Growth Fund (formerly The GBC International Growth Fund) was an unincorporated investment trust created under the laws of the Province of Alberta by a Declaration of Trust dated October 27, 1989, as amended by a Supplemental Deed dated March 25, 1991.

NOTES TO THE INTERIM FINANCIAL STATEMENTS

Period ended June 30, 2020 (unaudited)

1. The Funds – (continued)**(i) Establishment of the Funds – (continued)**

On January 6, 1994, the Declaration of Trust was restated to incorporate all amendments up to that date to change the governing laws to the laws of the Province of Ontario. Pursuant to a Simplified Prospectus dated January 7, 1994, the Fund became an open-end mutual fund and was authorized by the Canadian Securities Commissions to sell units to the public starting January 13, 1994. The Declaration of Trust was further amended by Supplemental Declarations dated January 6, 1996, November 30, 2006, March 25, 2008, January 8, 2018, and April 1, 2020.

Pembroke Concentrated Fund is an open-end mutual fund established under the laws of the Province of Ontario pursuant to a Master Declaration of Trust dated January 31, 2018, as amended by Supplemental Deeds dated October 25, 2018 July 16, 2019 and March 9, 2020. On April 1, 2020, Pembroke Concentrated Fund was converted from a pooled fund to a mutual fund.

The amendments made on January 8, 2018 to the Articles of Incorporation and the Declarations of Trusts were to allow for the unilateral redemption of units/shares held by unitholders/shareholders at the net asset value per unit/share corresponding to the amount of management fees owed by such holder to the Fund Manager.

The amendments made on April 1, 2020 to the Articles of Incorporation and the Declarations of Trusts were to reflect the change in name of the Funds from GBC to Pembroke.

(ii) The Manager and Investment Manager

Pembroke Private Wealth Management Ltd. (“PPW” or the “Manager”) is the Funds’ Manager. The Manager provides the day-to-day management of the business and operations of the Funds. PPW is also the trustee for all the Funds except for Pembroke American Growth Fund Inc. which has a Board of Directors. The registered address of the Funds is: 1002 Sherbrooke Street West, Suite 1700, Montreal, Quebec, H3A 3S4, Canada.

Pembroke Management Ltd. (“Pembroke”) is the investment manager of Pembroke Money Market Fund, Pembroke Growth and Income Fund, Pembroke Global Balanced Fund, Pembroke Canadian Growth Fund, Pembroke American Growth Fund Inc. and Pembroke Concentrated Fund. Pembroke is the parent company of PPW. Canso Investment Counsel Ltd is the investment manager of Pembroke Canadian Bond Fund and Pembroke Corporate Bond Fund and William Blair Investment Management, LLC is the investment manager of Pembroke International Growth Fund.

2. Basis of presentation and significant accounting policies

These financial statements have been prepared in accordance with the International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”). They are presented in compliance with International Accounting Standard 34 - *Interim Financial Reporting*.

The significant accounting policies used in the preparation of these financial statements are summarized below. These policies have been applied consistently to all periods presented.

NOTES TO THE INTERIM FINANCIAL STATEMENTS

Period ended June 30, 2020 (unaudited)

2. Basis of presentation and significant accounting policies – (continued)**(i) Functional and presentation currency**

These financial statements are presented in Canadian dollars which is the Funds' functional and presentation currency.

(ii) Foreign currency translation

Transactions in currencies other than the Canadian dollar are recorded at the rates of exchange prevailing on the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period-end exchange rates of monetary items and non-monetary assets and liabilities that are denominated in foreign currencies are recognized in profit or loss in the period in which they arise. Foreign exchange gains and losses on financial assets and financial liabilities at fair value through profit or loss are recognized together with other changes in the fair value. Foreign exchange gains and losses on monetary items and non-monetary assets and liabilities other than those classified as fair value through profit or loss are included in the line item net realized foreign exchange gains (losses) in the statements of comprehensive income.

(iii) Recognition of revenue and expenses

Interest income for distribution purposes shown on the statements of comprehensive income represents the coupon interest received by the Fund accounted for on an accrual basis. The Funds do not amortize premiums paid or discounts received on the purchase of fixed income securities. The interest income for distribution purposes is the tax basis of calculating the interest received and is subject to tax. It includes interest income from cash and cash equivalents and on debt securities at fair value through profit or loss.

Dividend income is recognized on the ex-dividend date when the right to receive payment is established. Dividend and interest income for distribution purposes are recognized gross of withholding tax, if any.

Distributions received from underlying funds are recorded at the date of distribution. Distributions are included in distributions from underlying funds and are presented as a separate line item in the statements of comprehensive income.

All expenses are recognized in the statements of comprehensive income on an accrual basis.

(iv) Due from and due to brokers for investment securities sold or purchased

Amounts due from and due to brokers for investment securities sold or purchased represent receivables for investment securities sold and payables for investment securities purchased that have been contracted for but not yet settled or delivered on the period-end dates, respectively. These amounts are recognized initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment for amounts due from brokers.

NOTES TO THE INTERIM FINANCIAL STATEMENTS

Period ended June 30, 2020 (unaudited)

2. Basis of presentation and significant accounting policies – (continued)

(v) Financial assets and financial liabilities at fair value through profit or loss

Classification

Financial Assets

Under IFRS 9 - *Financial Instruments* (“IFRS 9”), the Manager classifies the Funds’ investments in debt and equity securities and open-ended investment funds based on its business model for managing those financial assets and the contractual cash flow characteristics of the financial assets. These financial assets are managed, and their performance is evaluated, on a fair value basis.

The Manager also manages these financial assets with the objective of realizing cash flows through sales. The Manager has not taken the option to irrevocably designate any of the Funds’ equity securities at fair value through other comprehensive income. Consequently, these financial assets are mandatorily measured at fair value through profit or loss.

Financial Liabilities

Financial assets or financial liabilities held for trading are those acquired or incurred principally for the purpose of selling or repurchasing in the near future or on initial recognition are a part of a portfolio of identified financial instruments that the Manager manages together and has a recent actual pattern of short-term profit-taking.

Financial assets and financial liabilities at amortized cost

At each reporting date, the Manager measures the Funds’ loss allowance on amounts due from brokers for investment securities sold, accrued income and other short-term receivables at an amount equal to the lifetime expected credit losses if the credit risk has increased significantly since initial recognition. If, at the reporting date, the credit risk has not increased significantly since initial recognition, the Manager measures the loss allowance at an amount equal to the 12 month expected credit losses. Given the short-term nature of the receivables and the high credit quality, the Manager has determined that the expected credit loss allowances of the Funds are not material.

Recognition, derecognition and measurement

Regular purchases and sales of investments are recognized on the trade date – the date on which the Fund commits to purchase or sell the investment. Financial assets and financial liabilities at fair value through profit or loss are initially recognized at fair value. Transaction costs are expensed as incurred in the statements of comprehensive income.

Financial assets are derecognized when the rights to receive cash flows from the investments have expired or the Fund has transferred substantially all risks and rewards of ownership. Subsequent to initial recognition, all financial assets and financial liabilities at fair value through profit or loss are measured at fair value. Gains and losses arising from changes in the fair value of the financial assets or financial liabilities at fair value through profit or loss category are presented in the statements of comprehensive income.

Dividend income from financial assets at fair value through profit or loss is recognized in the statements of comprehensive income within dividend income when the Fund’s right to receive payment is established.

NOTES TO THE INTERIM FINANCIAL STATEMENTS

Period ended June 30, 2020 (unaudited)

2. Basis of presentation and significant accounting policies – (continued)**(v) Financial assets and financial liabilities at fair value through profit or loss – (continued)**

Recognition, derecognition and measurement – (continued)

Purchases and sales of foreign investments are translated at the exchange rates prevailing on the respective dates of such transactions. The fair values of foreign investments represent their quoted market values translated into Canadian dollars at exchange rates prevailing at period-end.

Fair value estimation

The fair value of financial assets and liabilities in active markets is based on quoted market prices at the close of trading on each valuation date. The Funds use the last traded market price for both financial assets and liabilities where the last traded price falls within the day's bid-ask spread. In circumstances where the last traded price is not within the bid-ask spread, the Manager determines the point within the bid-ask spread that is most representative of fair value based on the specific facts and circumstances. The cost of investments is determined on a weighted average cost basis.

If a significant event causing a material movement in fair value occurs subsequent to the close of trading up to midnight on the valuation date, valuation techniques will be applied to determine the fair value. A significant event is any event that occurs after the last market price for a security, close of market or close of the foreign exchange, but before the Fund's valuation time that materially affects the integrity of the closing prices for any security, instrument or currency affected by that event so that they cannot be considered 'readily available' market quotations.

The fair value of financial assets and liabilities that are not traded in an active market is determined using valuation techniques. The Manager uses a variety of methods and makes assumptions that are based on market conditions existing at each valuation date. Valuation techniques used include the use of comparable recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, option pricing models and other valuation techniques commonly used by market participants making the maximum use of market inputs and relying as little as possible on entity-specific inputs.

(vi) Increase (decrease) in net assets attributable to holders of redeemable units/shares per unit/share

Increase (decrease) in net assets attributable to holders of redeemable units/shares per unit/share is disclosed in the statements of comprehensive income and represents the increase (decrease) in the net assets attributable to holders of redeemable units/shares for the period divided by the weighted average number of units/shares outstanding during the period.

(vii) Distributions payable to holders of redeemable units/shares

The net investment income and net realized capital gains of each of the Funds, as applicable, are paid to the unitholders/shareholders of each relevant Fund as follows: For Pembroke Money Market Fund, the net investment income is distributed monthly on the last valuation day of each month.

NOTES TO THE INTERIM FINANCIAL STATEMENTS

Period ended June 30, 2020 (unaudited)

2. Basis of presentation and significant accounting policies – (continued)**(vii) Distributions payable to holders of redeemable units/shares – (continued)**

For Pembroke Canadian Bond Fund, Pembroke Corporate Bond Fund and Pembroke Growth and Income Fund, the net investment income is distributed quarterly on the last valuation day of the quarter and net realized capital gains are distributed once a year on the last valuation day of December. For Pembroke Global Balanced Fund, Pembroke Canadian Growth Fund, Pembroke International Growth Fund and Pembroke Concentrated Fund, the net investment income and net realized capital gains are distributed once a year on the last valuation day of December. For Pembroke American Growth Fund Inc., proposed distributions to holders of redeemable shares in the form of dividends are recognized when they are appropriately authorized by the Board of Directors and not at the discretion of the Fund.

The distributions to holders of redeemable units/shares are recognised in the statements of changes in net assets attributable to holders of redeemable units/shares.

(viii) Taxation

The Funds are domiciled in Canada and under the current *Income Tax Act* (Canada) are not subject to tax on income, profits or capital gains or other taxes payable for the year if they allocate such gains (less capital losses carried forward) and earnings to unitholders/shareholders (except for Pembroke American Growth Fund Inc.).

The Funds currently incur withholding taxes imposed by certain countries on investment income and capital gains. Such income or gains are recorded gross of withholding taxes in the statements of comprehensive income.

Refer to Note 6 for the disclosure relating to taxation.

(ix) Fair value measurement

The fair value of a financial instrument is the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

IFRS 13 - *Fair value measurement* ("IFRS 13") establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below:

- Level 1: Valuation based on inputs that reflect unadjusted quoted prices in active markets for identical assets or liabilities that the Manager has the ability to access at the measurement date.
- Level 2: Valuation based on inputs other than quoted prices that are observable for the asset or liability either directly or indirectly, including inputs in markets that are not considered to be active.
- Level 3: Valuation based on inputs that are partially unobservable. There is little, if any, market activity. Inputs into the determination of fair value require significant management judgment or estimation.

NOTES TO THE INTERIM FINANCIAL STATEMENTS

Period ended June 30, 2020 (unaudited)

2. Basis of presentation and significant accounting policies – (continued)**(ix) Fair value measurement – (continued)**

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

The inputs are considered as observable if they are developed using market data, such as publicly available information about actual events or transactions, and that reflect the assumption that market participants would use when pricing the asset or liability.

Refer to Note 7 for fair value hierarchy and related disclosures.

(x) Forward contracts

Forward contracts are agreements to purchase or sell financial instruments at a specified future date. As they are not traded on an exchange, the agreements between counterparties are not standardized. Changes in value of forward contracts are settled only on termination of the contract. Open forward contracts are revalued to fair value in the statements of financial position, based on the difference between the contract rate and the applicable forward rate to close out the contract. Change in unrealized gains and losses associated with the revaluation of open forward contracts are recorded in the statements of comprehensive income as "unrealized gain (loss)". Forward contracts are used by Pembroke Corporate Bond Fund.

3. Accounting estimates and judgements

The preparation of financial statements in conformity with IFRS requires the Manager to make estimates, judgements and assumptions that affect the application of accounting policies and amounts recorded in the financial statements. Estimates are based on the Manager's best knowledge of current events and actions that the Funds may undertake in the future and are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities are outlined below.

Fair value of securities not quoted in an active market

The Funds may hold financial instruments that are not quoted in active markets. The fair value of such securities may be determined by the Manager using reputable pricing sources or indicative prices from bond/debt market makers. The Manager exercises judgement on the pricing sources used. Fair value is determined based on models that make maximum use of observable inputs and rely as little as possible on unobservable inputs. The Manager considers observable data to be market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary and provided by independent sources that are actively involved in the relevant market.

NOTES TO THE INTERIM FINANCIAL STATEMENTS

Period ended June 30, 2020 (unaudited)

3. Accounting estimates and judgements – (continued)*Fair value of securities not quoted in an active market – (continued)*

The models used to determine fair values are validated and periodically reviewed by experienced personnel of the Manager, independent of the party that created them. When no quoted prices are available, the fair value is estimated using present value or other valuation methods, which are influenced by the assumptions used concerning the amount and timing of estimated future cash flows and discount rates, which reflect varying degrees of risk, including liquidity risk, credit risk, and risks related to interest rates, exchange rates and price and rate volatility. The calculation of the fair values may differ given the role that judgment plays in applying the acceptable estimation and valuation techniques. Estimated fair value reflects market conditions on a given date and for this reason cannot be representative of future fair values.

*Critical judgements**Functional currency*

The Manager considers the Canadian dollar the currency that most faithfully represents the economic effect of the underlying transactions, events and conditions of the Funds. The Canadian dollar is the currency in which each of the Funds measures its performance and reports its results, as well as the currency in which it receives subscriptions from its investors. This determination also considers the competitive environment in which the Funds are compared to other Canadian investment products.

Classification of puttable instruments

Each of the Funds' redeemable units/shares are classified as financial liabilities to which all of its gains and losses are attributed. Each of the Funds' units/shares do not meet all the criteria under IAS 32, *Financial Instruments: Presentation* ("IAS 32") to be classified as equity by exception.

Segmented information

Each of the Funds is organized in one main operating segment, namely the management of the Fund's investments in order to achieve the Fund's investment objective.

Unconsolidated structured entity

The Manager has determined that the Funds' investments in underlying funds and Exchange Traded Funds ("ETF") are unconsolidated structured entities. This represents a significant judgment by the Manager and generally because decision making about the underlying funds' and ETFs' investing activities is not governed by the Funds.

IAS 7 Statement of Financial Position disclosures

IAS 7 - *Statement of Cash Flows* ("IAS 7") requires disclosures related to changes in liabilities arising from financing activities. Units/shares issued by the Funds are classified as liabilities in accordance with IAS 32. The units/shares are considered liabilities for the purposes of the IAS 7 disclosures, regardless of their classification for financial reporting purposes under IAS 32.

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NOTES TO THE INTERIM FINANCIAL STATEMENTS

Period ended June 30, 2020 (unaudited)

4. Redeemable units/shares

(i) Authorized and issued capital

The authorized capital of the Funds consists of an unlimited number of unit or share capital which rank equally in all respects and represent a pro rata interest in the net assets of the Funds. A unit or share capital does not confer any interest in any particular asset or investment of the Fund.

The Funds' redeemable units or share capital, which are redeemable at the holder's option are classified as financial liabilities on the statements of financial position. Redeemable units or shares can be put back into the Fund at any dealing date for cash equal to a proportionate share of the Fund's net asset value attributable to the unit or share class. The redeemable units or shares are carried at the redemption amount that is payable at the statement of financial position date if the holder exercises the right to put the unit or share back into the Fund. Quantitative information about each Funds' capital is provided in the statements of changes in financial position attributable to holders of redeemable units/shares.

Pembroke American Growth Fund Inc., being a mutual fund corporation, issues shares with voting rights, whereas all the other Funds are mutual fund trusts and, therefore, issue units.

The Manager manages the capital of the Funds in accordance with the Funds' investment objectives, policies and restrictions, as outlined in the Simplified Prospectus. The Funds' overall strategies for managing capital remain unchanged from the prior period.

The Funds do not have any specific capital requirements on the subscriptions and redemptions of units/shares, other than certain minimum subscription requirements.

The following is a summary of the changes in issued and outstanding units/shares:

Pembroke Money Market Fund

	June 30, 2020	Dec. 31, 2019
Outstanding, beginning of the period	1,315,220.837	948,003.002
Issued during the period	2,746,571.189	2,217,712.131
	4,061,792.026	3,165,715.133
Redeemed during the period	1,788,249.014	1,850,494.296
Outstanding, end of the period	2,273,543.012	1,315,220.837

Pembroke Canadian Bond Fund - Class A

	June 30, 2020	Dec. 31, 2019
Outstanding, beginning of the period	2,603,478.496	2,980,653.442
Issued during the period	402,732.757	629,638.844
	3,006,211.253	3,610,292.286
Redeemed during the period	581,135.229	1,006,813.790
Outstanding, end of the period	2,425,076.024	2,603,478.496

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NOTES TO THE INTERIM FINANCIAL STATEMENTS

Period ended June 30, 2020 (unaudited)

4. Redeemable units/shares – (continued)

(i) Authorized and issued capital – (continued)

Pembroke Corporate Bond Fund

	June 30, 2020	Dec. 31, 2019
Outstanding, beginning of the period	9,754,294.823	9,186,120.138
Issued during the period	2,521,203.372	3,342,385.862
	12,275,498.195	12,528,506.000
Redeemed during the period	1,979,296.916	2,774,211.177
Outstanding, end of the period	10,296,201.279	9,754,294.823

Pembroke Growth and Income Fund

	June 30, 2020	Dec. 31, 2019
Outstanding, beginning of the period	2,447,762.500	3,620,494.922
Issued during the period	117,993.621	322,860.975
	2,565,756.121	3,943,355.897
Redeemed during the period	478,204.957	1,495,593.397
Outstanding, end of the period	2,087,551.164	2,447,762.500

Pembroke Global Balanced Fund

	June 30, 2020	Dec. 31, 2019
Outstanding, beginning of the period	3,850,855.379	100,000.000
Issued during the period	2,705,558.506	4,164,849.690
	6,556,413.885	4,264,849.690
Redeemed during the period	583,738.872	413,994.311
Outstanding, end of the period	5,972,675.013	3,850,855.379

Pembroke Canadian Growth Fund

	June 30, 2020	Dec. 31, 2019
Outstanding, beginning of the period	4,418,728.606	4,782,335.539
Issued during the period	82,384.472	384,490.368
	4,501,113.078	5,166,825.907
Redeemed during the period	441,885.989	748,097.301
Outstanding, end of the period	4,059,227.089	4,418,728.606

Pembroke American Growth Fund Inc.

	June 30, 2020	Dec. 31, 2019
Outstanding, beginning of the period	4,785,233.888	5,156,073.241
Issued during the period	121,481.845	304,139.928
	4,906,715.733	5,460,213.169
Redeemed during the period	345,917.201	674,979.281
Outstanding, end of the period	4,560,798.532	4,785,233.888

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NOTES TO THE INTERIM FINANCIAL STATEMENTS

Period ended June 30, 2020 (unaudited)

4. Redeemable units/shares – (continued)

(i) Authorized and issued capital – (continued)

Pembroke International Growth Fund - Class A

	June 30, 2020	Dec. 31, 2019
Outstanding, beginning of the period	6,321,879.562	6,848,362.829
Issued during the period	950,236.301	1,062,407.126
	7,272,115.863	7,910,769.955
Redeemed during the period	1,191,519.235	1,588,890.393
Outstanding, end of the period	6,080,596.628	6,321,879.562

Pembroke Concentrated Fund - Class A

	June 30, 2020	Dec. 31, 2019
Outstanding, beginning of the period	2,218,900.147	146,101.378
Issued during the period	1,126,630.567	2,219,229.446
	3,345,530.714	2,365,330.824
Redeemed during the period	146,380.387	146,430.677
Outstanding, end of the period	3,199,150.327	2,218,900.147

Pembroke Concentrated Fund - Class F

	June 30, 2020	Dec. 31, 2019
Outstanding, beginning of the period	4,614.547	-
Issued during the period	88,778.406	4,614.547
	93,392.953	4,614.547
Redeemed during the period	-	-
Outstanding, end of the period	93,392.953	4,614.547

(ii) Valuation of Fund units/shares

The net asset value per unit or share (“NAVPU”) is calculated weekly as at the close of business on each Tuesday, or if any such Tuesday is not a business day, then on the next business day immediately succeeding it, and on the last business day of the month. For Funds that have only one class of units/shares, the NAVPU is determined by dividing the net assets of the Fund by the number of redeemable units/shares outstanding on the valuation date. For Funds that have more than one class of units/shares, the net assets of a particular class of units/shares is computed by calculating the value of that class’ proportionate share of the assets and liabilities common to all classes less the liabilities attributable only to that class.

A notice of redemption must be given in writing to the Manager at any of its offices in Canada. The value of the units or shares to be redeemed will be established as at the valuation date following the receipt of such notice. Within two business days following the valuation date, the Manager will pay the holder the value of the units/shares redeemed.

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NOTES TO THE INTERIM FINANCIAL STATEMENTS

Period ended June 30, 2020 (unaudited)

5. Management fees and expenses

Management fees are paid to the Manager in consideration for investment management, administrative and advisory services. For all Funds except for Class F of Pembroke Concentrated Fund, subject to the maximum fees set forth below, unitholders/shareholders will be charged management fees based on the assets under management of their PPW relationship. Such management fees will be payable directly to PPW by the redemption (without charge) of a sufficient number of units/shares of the Fund held. For Class F of Pembroke Concentrated Fund, the Manager will charge to the Fund fees in respect of Class F units computed at the annual rate of 1.00% plus applicable taxes. Such management fee will be accrued daily and paid monthly. The applicable rate will be applied to the Net Asset Value of the Class and charged as a Class specific expense.

Assets under management under \$5 million		
Name of the Fund	Assets under management	
	Under \$1 million	Between \$1 million and \$5 million
Pembroke Money Market Fund	0.10%	0.10%
Pembroke Canadian Bond Fund	0.65%	0.50%
Pembroke Corporate Bond Fund	0.75%	0.60%
Pembroke Growth and Income Fund	1.30%	1.20%
Pembroke Global Balanced Fund	1.30%	1.00%
Pembroke Canadian Growth Fund	1.70%	1.50%
Pembroke American Growth Fund Inc.	1.50%	1.50%
Pembroke International Growth Fund	1.50%	1.50%
Pembroke Concentrated Fund – Class A Units	1.50%	1.50%

Assets under management above \$5 million			
Name of the Fund	Assets under management		
	First \$10 million	Next \$15 million	Above \$25 million
Pembroke Money Market Fund	0.10%	0.10%	0.10%
Pembroke Canadian Bond Fund	0.40%	0.40%	0.40%
Pembroke Corporate Bond Fund	0.50%	0.50%	0.50%
Pembroke Growth and Income Fund	0.85%	0.75%	0.65%
Pembroke Global Balanced Fund	0.75%	0.75%	0.75%
Pembroke Canadian Growth Fund	1.00%	0.85%	0.75%
Pembroke American Growth Fund Inc.	1.00%	0.85%	0.75%
Pembroke International Growth Fund	1.00%	0.85%	0.75%
Pembroke Concentrated Fund – Class A Units	1.00%	0.85%	0.75%

The Funds pay all expenses incurred in the ordinary course of business relating to their organization, management and operations, including transaction costs on the purchase and sale of investment securities, custodial and safekeeping fees, audit fees, registrar and transfer agents' fees, filing fees, information fees, as well as legal fees relating to the distribution of units/shares of the Funds and preparation of any filings required under any securities legislation and taxes of all kinds for which the Funds are, or might be, subject to.

NOTES TO THE INTERIM FINANCIAL STATEMENTS

Period ended June 30, 2020 (unaudited)

6. Income taxes

The Funds (except for Pembroke American Growth Fund Inc.) qualify as Mutual Fund Trusts under the *Income Tax Act* (Canada). The Funds (except for Pembroke American Growth Fund Inc.) are not subject to income taxes on their net taxable capital gains or their net earnings for the year if they allocate such gains (less capital losses carried forward) and earnings to unitholders. It is the intention of the Manager to allocate the taxable income of the Funds annually to unitholders so as to eliminate any income taxes otherwise payable by the individual Funds.

Pembroke American Growth Fund Inc. is treated as a mutual fund corporation under the *Income Tax Act* (Canada). Income taxes on net realized capital gains are recoverable by the Fund when its capital gains are distributed to shareholders either through share redemptions or the declaration of capital gains dividends. Income taxes paid on dividends from taxable Canadian corporations may be refunded, generally at the rate of \$1 for every \$3 of taxable dividends paid.

As at December 31, 2019, certain Funds have accumulated non-capital losses and capital losses available to reduce future taxable income that can be carried forward to a maximum of 10 years for years 2004 and 2005 and 20 years for 2006 and subsequent years. Accumulated capital losses available to reduce realized capital gains in future years that can be carried forward indefinitely are as follows:

	Non-capital losses	Capital losses
For Quebec purposes:		
Pembroke Canadian Bond Fund	\$ —	\$ 574,155
Pembroke American Growth Fund Inc.	\$ 27,754,900	\$ —

During 2019, Pembroke American Growth Fund Inc. utilized \$196,000 of non-capital losses (2018 – \$183,541). The non-capital losses expire starting in 2026 with the last loss ending in 2037. There is no deferred income tax asset recorded on the statements of financial position.

7. Financial instruments' risk management

The Funds' financial assets may principally comprise investments in equity and debt instruments, short-term investments, trade and other receivables, and/or cash and cash equivalents. Financial liabilities may comprise accrued expenses, trade and other payables. The Funds' activities expose them to a variety of financial risks that are associated with their investment strategies, financial instruments and the markets in which they invest. The level of risk depends on the Funds' investment objectives and the types of securities they invest in.

The value of investments within the Funds' portfolios can fluctuate on a daily basis as a result of changes in interest rates, economic conditions, market and company news related to specific securities within the Funds. The most important risks arising from the Funds' financial instruments include credit risk, liquidity risk and market risk (comprising interest rate risk, currency risk and other price risk). The risks and the related risk management practices employed by the Funds are summarized in the Simplified Prospectus and are discussed below.

NOTES TO THE INTERIM FINANCIAL STATEMENTS

Period ended June 30, 2020 (unaudited)

7. Financial instruments' risk management – (continued)**(i) Credit risk**

Credit risk is the risk that a counterparty to a financial instrument will cause a loss by failing to discharge its obligations. The Funds are exposed to credit risk on their debt instruments, cash and cash equivalents and other short-term trade receivables.

The Manager measures the Funds' credit risk and lifetime expected credit loss ("ECL") related to the short-term receivables using historical analysis and forward-looking information in determining the ECL.

The Funds use highly rated, well established financial institutions for cash transactions and as a result, the risk of default is considered minimal. The Funds are also exposed to credit risk with the custodian. Should the custodian become insolvent, it could cause a delay for the Funds in obtaining access to their assets.

Where a Fund invests in debt instruments, this represents the main concentration of credit risk. The fair value of debt instruments includes consideration of the credit worthiness of the issuer and represents the maximum credit risk exposure of the Fund. All transactions executed by a Fund in listed securities are settled/paid for upon delivery using approved brokers meeting minimum risk rating levels. The risk of default is considered minimal, as delivery of securities sold is only made once the Fund has received payment, and payment is made on a purchase once the securities have been received by the Fund. The trade will fail if either party fails to meet its obligation.

(ii) Liquidity risk

Liquidity risk is defined as the risk that a Fund may encounter difficulties in meeting the obligations associated with its financial liabilities on time or at a reasonable price.

Each Fund is exposed to weekly and end-of-month cash redemptions of redeemable units/shares. The units/shares of each Fund are issued and redeemed on demand at the current NAV per unit/share at the option of the holder. Liquidity risk is managed by investing the majority of the Funds' assets in investments that are traded in an active market and can be readily disposed of.

Each Fund may, from time to time, invest in securities that are not traded in an active market and may be illiquid. A lack of buyer interest in a particular security may increase the level of difficulty in selling this security and, therefore, result in a loss or reduced return. Portfolio diversification and concentration limits reduce this risk.

(iii) Interest rate risk

Interest rate risk arises from the possibility that changes in market interest rates will affect future cash flows or the fair values of financial instruments.

Interest rate risk arises when a Fund invests in interest-bearing financial instruments. The Fund is exposed to the risk that the value of such financial instruments will fluctuate due to changes in the prevailing levels of market interest rates. There is minimal sensitivity to interest rate fluctuations on any cash and cash equivalents invested at short-term market interest rates.

NOTES TO THE INTERIM FINANCIAL STATEMENTS

Period ended June 30, 2020 (unaudited)

7. Financial instruments' risk management – (continued)**(iv) Currency risk**

Currency risk corresponds to the risk that the fair value or future cash flows of a financial instrument denominated in a currency other than the Canadian dollar will fluctuate because of changes in foreign exchange rates.

Changes in the value of the Canadian dollar relative to foreign currencies will affect the value, in Canadian dollar terms, of foreign securities held in the Funds. These fluctuations may reduce, or even eliminate, any return the Funds have earned on foreign securities. Currency exposure may increase the volatility of foreign investments relative to Canadian investments and can also affect the relative competitive position of entities whose securities are held by the Funds. It is not the Manager's policy to hedge the currency risk between the Canadian dollar and foreign currencies. Thus, the Manager does not manage currency risk.

(v) Other price risk

Other price risk corresponds to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

The investments of the Funds are subject to normal market fluctuations and the risks inherent with investing in financial markets. Financial instruments held by each Fund are susceptible to market price risk arising from uncertainties about future prices of the instruments. The investment manager mitigates this risk through a careful selection of securities within the parameters of the Funds' investment strategies and through diversification of the investment portfolios. The investment manager monitors the Funds' overall market positions on a daily basis and positions are maintained within established ranges in an attempt to mitigate this risk.

Refer to Discussion of Financial Risk Management for Fund-specific risk disclosure.

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NOTES TO THE INTERIM FINANCIAL STATEMENTS

Period ended June 30, 2020 (unaudited)

Discussion of Financial Risk Management – Pembroke Money Market Fund (formerly The GBC Money Market Fund)

Risk management

The investment objective of Pembroke Money Market Fund (the “Fund”) is to maximize interest income while preserving capital and maintaining liquidity.

To manage risk, the Fund invests primarily in high quality, short-term debt securities issued by the Government of Canada or any Canadian provincial government, obligations of Canadian banks and trust companies, and commercial paper with an approved credit rating.

Credit risk

As at June 30, 2020 and December 31, 2019, the Fund invested in debt instruments with the following credit ratings, representing the maximum credit risk exposure:

Debt Instruments by Credit Rating	June 30, 2020		December 31, 2019	
	\$ Fair Value	% of Net Assets	\$ Fair Value	% of Net Assets
AAA	22,741,111	100.01	13,137,206	99.89
Total	22,741,111	100.01	13,137,206	99.89

Credit ratings are obtained from Standard & Poor’s Financial Services LLC, Moody’s Investor Service Inc. and/or DBRS. Where more than one rating is obtained for a security, the lowest rating has been used.

Liquidity risk

The tables below analyze the Fund’s financial liabilities into relevant maturity groupings based on the remaining period to the contractual maturity date. The amounts in the tables are the contractual undiscounted cash flows.

June 30, 2020

Financial liabilities	< 7 days \$	7 days - 3 months \$	3 months - 1 year \$	Total \$
Accrued expenses	5,775	-	-	5,775
Redeemable units	22,739,571	-	-	22,739,571
Total	22,745,346	-	-	22,745,346

December 31, 2019

Financial liabilities	< 7 days \$	7 days - 3 months \$	3 months - 1 year \$	Total \$
Redeemable units	13,152,189	-	-	13,152,189
Total	13,152,189	-	-	13,152,189

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NOTES TO THE INTERIM FINANCIAL STATEMENTS

Period ended June 30, 2020 (unaudited)

Discussion of Financial Risk Management – Pembroke Money Market Fund (formerly The GBC Money Market Fund) – (continued)

Liquidity risk – (continued)

Redeemable units are redeemed on demand at the holder's option. However, the Manager does not envisage that the contractual maturity disclosed in the tables above will be representative of the actual cash outflows, as holders of these instruments typically retain them for the medium to long term.

The Manager manages the Fund's liquidity risk by investing predominantly in securities that it expects to be able to liquidate within a short time period (less than 30 days). All assets can be liquidated within a one-year period of time as at June 30, 2020 and December 31, 2019.

Interest rate risk

The Fund has minimal sensitivity to changes in interest rates since securities are usually held to maturity and tend to be short-term in nature. As at June 30, 2020 and December 31, 2019, the Fund's exposure to financial assets was as follows:

	June 30, 2020		December 31, 2019	
	\$	\$	\$	\$
	Interest bearing instruments	Non-interest bearing instruments	Interest bearing instruments	Non-interest bearing instruments
Investments	22,741,111	-	13,137,206	-
Cash	-	4,235	-	14,983
Liabilities	-	5,775	-	-

The following tables detail the Fund's exposure to interest rate risk by the earlier of contractual maturities or re-pricing:

June 30, 2020

Contractual maturities	< 1 month	1 - 3 months	3 months - 1 year	> 1 year	Total
	\$	\$	\$	\$	\$
Interest bearing instruments	-	-	22,741,111	-	22,741,111
Non-interest bearing instruments	4,235	-	-	-	4,235
Total	4,235	-	22,741,111	-	22,745,346

December 31, 2019

Contractual maturities	< 1 month	1 - 3 months	3 months - 1 year	> 1 year	Total
	\$	\$	\$	\$	\$
Interest bearing instruments	-	7,353,104	5,784,102	-	13,137,206
Non-interest bearing instruments	14,983	-	-	-	14,983
Total	14,983	7,353,104	5,784,102	-	13,152,189

PEMBROKE

NOTES TO THE INTERIM FINANCIAL STATEMENTS

Period ended June 30, 2020 (unaudited)

Discussion of Financial Risk Management – Pembroke Money Market Fund (formerly The GBC Money Market Fund) – (continued)

Currency risk

The Fund did not have any financial instruments denominated in currencies other than the Canadian dollar. As a result, the Fund did not have any significant exposure to currency risk as at June 30, 2020 and December 31, 2019.

Other price risk

All of the Fund's financial instruments are interest bearing. As a result, the Fund did not have any significant exposure to other price risk as at June 30, 2020 and December 31, 2019.

Concentration risk

The following table is a summary of the Fund's concentration risk of its fixed income investments by market segment.

	June 30, 2020	December 31, 2019
	%	%
Government of Canada Treasury Bills	100.01	99.89
Total	100.01	99.89

The percentages shown are a percentage of net assets attributable to the holders of redeemable units.

Fair value disclosure

The Fund's assets recorded at fair value have been categorized based upon a fair value hierarchy in accordance with the IFRS 13. See Note 2 for a discussion of the Fund's policies regarding this hierarchy. The following fair value hierarchy tables present information about the Fund's assets measured at fair value on a recurring basis as at June 30, 2020 and December 31, 2019.

Fair value at June 30, 2020				
	Level 1	Level 2	Level 3	Total
Description	\$	\$	\$	
Government of Canada Treasury Bills	-	22,741,111	-	22,741,111
Total	-	22,741,111	-	22,741,111

Fair value at December 31, 2019				
	Level 1	Level 2	Level 3	Total
Description	\$	\$	\$	
Government of Canada Treasury Bills	-	13,137,206	-	13,137,206
Total	-	13,137,206	-	13,137,206

There were no significant transfers between Levels 1 and 2 during the period ended June 30, 2020 and the year ended December 31, 2019.

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NOTES TO THE INTERIM FINANCIAL STATEMENTS

Period ended June 30, 2020 (unaudited)

Discussion of Financial Risk Management – Pembroke Canadian Bond Fund (formerly The GBC Canadian Bond Fund)

Risk management

The investment objective of Pembroke Canadian Bond Fund (the “Fund”) is to provide a high level of income and some capital growth while preserving capital by investing primarily in bonds, debentures and other debt instruments of Governmental Issuers or Government-Related Issuers and corporations. The Fund must maintain a minimum allocation of at least 25% in Governmental Issuers or Government-Related Issuers with no more than 10% concentration per issuer. Foreign pay issuers are not permitted due to currency risk, though foreign issued Maple Bonds are acceptable, adding a diversification benefit. A minimum credit rating of “A” is required by all issuers to minimize credit risk.

When classifying the bonds in its portfolio, the Manager and the portfolio manager rely on the classifications from PC Bond Analytics, a business unit of the FTSE TMX Group. Although some bonds are classified as being issued by governmental issuers under such classification, it does not mean that they are actually issued by a government but rather by an issuer related to a government (provincial or federal).

Risk is mitigated by employing a Maximum Loss methodology which limits each position according to its potential impact on a portfolio’s long-term value-added. The higher the trading price of a security compared to its downside potential, the smaller the position allowed. The risk assessment allows the security’s specific features that modify its downside risk to be considered. This includes the priority of the security and quality of the issuer.

Credit risk

As at June 30, 2020 and December 31, 2019, the Fund invested in debt instruments with the following credit ratings, representing the maximum credit risk exposure:

Debt Instruments by Credit Rating	June 30, 2020		December 31, 2019	
	\$ Fair Value	% of Net Assets	\$ Fair Value	% of Net Assets
AAA	8,459,333	26.26	12,464,110	37.25
AA	8,421,446	26.14	6,208,635	18.55
A	14,452,605	44.86	14,188,441	42.40
Total	31,333,384	97.26	32,861,186	98.20

Credit ratings are obtained from Standard & Poor’s Financial Services LLC, Moody’s Investor Service Inc. and/or DBRS. Where more than one rating is obtained for a security, the lowest rating has been used.

PEMBROKE

NOTES TO THE INTERIM FINANCIAL STATEMENTS

Period ended June 30, 2020 (unaudited)

Discussion of Financial Risk Management – Pembroke Canadian Bond Fund (formerly The GBC Canadian Bond Fund) - (continued)

Liquidity risk

The tables below analyze the Fund's financial liabilities into relevant maturity groupings based on the remaining period to the contractual maturity date. The amounts in the tables are the contractual undiscounted cash flows.

June 30, 2020

Financial liabilities	< 7 days	7 days - 3 months	3 months - 1 year	Total
	\$	\$	\$	\$
Accrued expenses	5,509	-	-	5,509
Distributions payable to unitholders	232,514	-	-	232,514
Redeemable units	32,219,146	-	-	32,219,146
Total	32,457,169	-	-	32,457,169

December 31, 2019

Financial liabilities	< 7 days	7 days - 3 months	3 months - 1 year	Total
	\$	\$	\$	\$
Accrued expenses	5,833	-	-	5,833
Distributions payable to unitholders	281,263	-	-	281,263
Redeemable units	33,462,077	-	-	33,462,077
Total	33,749,173	-	-	33,749,173

Redeemable units are redeemed on demand at the holder's option. However, the Manager does not envisage that the contractual maturity disclosed in the tables above will be representative of the actual cash outflows, as holders of these instruments typically retain them for the medium to long term.

The Manager manages the Fund's liquidity risk by investing predominantly in securities that it expects to be able to liquidate within a short time period (less than 30 days). All assets can be liquidated within a one-year period of time as at June 30, 2020 and December 31, 2019.

Interest rate risk

The table below summarizes the Fund's exposure to interest rate risk as at June 30, 2020 and December 31, 2019. It includes the Fund's financial assets at their fair values, categorized by the earlier of contractual re-pricing or maturity dates.

	June 30, 2020		December 31, 2019	
	\$	\$	\$	\$
	Interest bearing instruments	Non Interest bearing instruments	Interest bearing instruments	Non Interest bearing instruments
Investments	31,333,384	-	32,861,186	-
Cash	-	861,104	-	598,033
Other assets	-	262,681	-	289,954
Liabilities	-	238,023	-	287,096

P E M B R O K E

NOTES TO THE INTERIM FINANCIAL STATEMENTS

Period ended June 30, 2020 (unaudited)

Discussion of Financial Risk Management – Pembroke Canadian Bond Fund (formerly The GBC Canadian Bond Fund) - (continued)

Interest rate risk – (continued)

As at June 30, 2020 and December 31, 2019, had prevailing interest rates increased or decreased by 100 basis points, with all other variables remaining constant, the decrease or increase respectively in net assets would amount to approximately \$2,059,000 (December 31, 2019 - \$ 1,755,000). In practice, the actual trading results may differ from this sensitivity analysis and the difference could be material.

The following tables detail the Fund's exposure to interest rate risk by the earlier of contractual maturities or re-pricing:

June 30, 2020

Contractual maturities	< 1 month	1 - 3 months	3 months - 1 year	> 1 year	Total
	\$	\$	\$	\$	\$
Interest bearing instruments	-	-	-	31,333,384	31,333,384
Non-interest bearing instruments	885,762	-	-	-	885,762
Total	885,762	-	-	31,333,384	32,219,146

December 31, 2019

Contractual maturities	< 1 month	1 - 3 months	3 months - 1 year	> 1 year	Total
	\$	\$	\$	\$	\$
Interest bearing instruments	-	644,602	637,681	31,578,903	32,861,186
Non-interest bearing instruments	600,891	-	-	-	600,891
Total	600,891	644,602	637,681	31,578,903	33,462,077

Currency risk

The Fund did not have any financial instruments denominated in a currency other than the Canadian dollar. As a result, the Fund did not have any significant exposure to currency risk as at June 30, 2020 and December 31, 2019.

Other price risk

All of the Fund's financial instruments are interest bearing. As a result, the Fund did not have any significant exposure to other price risk as at June 30, 2020 and December 31, 2019.

P E M B R O K E

NOTES TO THE INTERIM FINANCIAL STATEMENTS

Period ended June 30, 2020 (unaudited)

Discussion of Financial Risk Management – Pembroke Canadian Bond Fund (formerly The GBC Canadian Bond Fund) - (continued)

Concentration risk

The following table is a summary of the Fund's concentration risk of its bond investments by market segment.

Industry Sector	June 30, 2020 %	December 31, 2019 %
Canadian Governmental Issuers or Government-Related issuers	19.51	13.03
Asset/Mortgaged-Backed	12.76	20.14
Canadian Corporations	45.95	37.09
Foreign Governmental Issuers or Government-Related issuers	5.73	10.30
Foreign Corporations	13.30	17.64
Total	97.25	98.20

The percentages shown are a percentage of net assets attributable to the holders of redeemable units.

As at June 30, 2020, the Fund does not hold an individual investment position greater than 9.0% (December 31, 2019 – 9.6%) of the total net assets attributable to the holders of redeemable units.

As summarized in the schedule of investment portfolio and by the above table, the Fund has a diversified investment portfolio and invests in accordance with its investment objective. As a result, the Fund is not subject to a significant amount of concentration risk.

Fair value disclosure

The Fund's assets recorded at fair value have been categorized based upon a fair value hierarchy in accordance with the IFRS 13. See Note 2 for a discussion of the Fund's policies regarding this hierarchy. The following fair value hierarchy tables present information about the Fund's assets measured at fair value on a recurring basis as at June 30, 2020 and December 31, 2019.

Fair value at June 30, 2020				
Description	Level 1 \$	Level 2 \$	Level 3 \$	Total
Bonds	-	31,333,384	-	31,333,384
Total	-	31,333,384	-	31,333,384

Fair value at December 31, 2019				
Description	Level 1 \$	Level 2 \$	Level 3 \$	Total
Bonds	-	32,861,186	-	32,861,186
Total	-	32,861,186	-	32,861,186

NOTES TO THE INTERIM FINANCIAL STATEMENTS

Period ended June 30, 2020 (unaudited)

Discussion of Financial Risk Management – Pembroke Canadian Bond Fund (formerly The GBC Canadian Bond Fund) - (continued)

Fair value disclosure – (continued)

There were no significant transfers between Levels 1 and 2 during the period ended June 30, 2020 and the year ended December 31, 2019. Securities classified as Level 2 consist of active Bonds which are priced daily and are valued based on inputs other than quoted prices. Included as Level 2 are Bonds with the following:

- Modeled prices where market inputs are used;
- Fixed income prices where spreads, yields and other recognized valuation techniques are used; and
- Vendor generated fair value factors.

P E M B R O K E

NOTES TO THE INTERIM FINANCIAL STATEMENTS

Period ended June 30, 2020 (unaudited)

Discussion of Financial Risk Management – Pembroke Corporate Bond Fund (formerly The GBC Corporate Bond Fund)

Risk management

The investment objective of Pembroke Corporate Bond Fund (the “Fund”) is to achieve above-average income returns through a diversified portfolio composed primarily of fixed income securities of corporate entities anywhere in the world.

In selecting investments for the Fund, the portfolio manager takes a “bottom up” approach to portfolio construction focusing on security selection and then adjusting the portfolio to stay within its duration and term targets. The exposure to credit risk depends on the phase of the credit cycle and the bottom up valuation of individual securities. With respect to any corporate, municipal or other issuer, the Fund may invest a maximum of 10% of its assets in any issuer rated BBB or above, a maximum of 8% of its assets in any issuer rated BB and a maximum of 5% in any issuer rated below BB. For the purposes of determining the rating of securities in which the Fund invests, the portfolio manager relies on the classifications from PC Bond Analytics, a business unit of the FTSE TMX Group.

The Fund may utilize forward currency contracts and related options, purchase and sell options on currencies or securities to hedge against fluctuations caused by changes in currency exchange rates.

Credit risk

As at June 30, 2020 and December 31, 2019, the Fund invested in debt instruments with the following credit ratings, representing the maximum credit risk exposure:

Debt Instruments by Credit Rating	June 30, 2020		December 31, 2019	
	\$ Fair Value	% of Net Assets	\$ Fair Value	% of Net Assets
AAA	573,661	0.41	41,997,796	33.57
AA	1,000,000	0.72	1,562,849	1.25
A	2,918,800	2.10	14,956,586	11.96
BBB	52,568,347	37.79	42,922,000	34.31
BB	41,179,441	29.61	8,489,430	6.79
B	18,897,112	13.59	7,926,602	6.34
Below B	8,929,052	6.42	-	-
Not rated	8,513,099	6.12	4,742,322	3.79
Total	134,579,512	96.76	122,597,585	98.01

Credit ratings are obtained from Standard & Poor’s Financial Services LLC, Moody’s Investor Service Inc. and/or DBRS. Where more than one rating is obtained for a security, the lowest rating has been used.

PEMBROKE

NOTES TO THE INTERIM FINANCIAL STATEMENTS

Period ended June 30, 2020 (unaudited)

Discussion of Financial Risk Management – Pembroke Corporate Bond Fund (formerly The GBC Corporate Bond Fund) – (continued)

Liquidity risk

The tables below analyze the Fund’s financial liabilities into relevant maturity groupings based on the remaining period to the contractual maturity date. The amounts in the tables are the contractual undiscounted cash flows.

June 30, 2020

Financial liabilities	< 7 days	7 days - 3 months	3 months - 1 year	Total
	\$	\$	\$	\$
Accrued expenses	6,682	-	-	6,682
Distributions payable to unitholders	2,110,963	-	-	2,110,963
Due to brokers for investment securities purchased	571,668	-	-	571,668
Foreign exchange forward contract	-	1,504,032	-	1,504,032
Redeemable units	139,092,915	-	-	139,092,915
Total	141,782,228	1,504,032	-	143,286,260

December 31, 2019

Financial liabilities	< 7 days	7 days - 3 months	3 months - 1 year	Total
	\$	\$	\$	\$
Accrued expenses	6,688	-	-	6,688
Distributions payable to unitholders	874,103	-	-	874,103
Redeemable units	125,103,081	-	-	125,103,081
Total	125,983,872	-	-	125,983,872

Redeemable units are redeemed on demand at the holder’s option. However, the Manager does not envisage that the contractual maturity disclosed in the tables above will be representative of the actual cash outflows, as holders of these instruments typically retain them for the medium to long term.

The Manager manages the Fund’s liquidity risk by investing predominantly in securities that it expects to be able to liquidate within a short time period (less than 30 days). All assets can be liquidated within a one-year period of time as at June 30, 2020 and December 31, 2019.

Interest rate risk

The table below summarizes the Fund’s exposure to interest rate risk as at June 30, 2020 and December 31, 2019.

	June 30, 2020		December 31, 2019	
	\$	\$	\$	\$
	Interest bearing instruments	Non Interest bearing instruments	Interest bearing instruments	Non Interest bearing instruments
Investments	134,579,512	2,210,413	122,597,585	2,156,851
Cash	-	4,689,576	-	236,129
Other assets	-	1,806,759	-	993,307
Liabilities	-	4,193,345	-	880,791

P E M B R O K E

NOTES TO THE INTERIM FINANCIAL STATEMENTS

Period ended June 30, 2020 (unaudited)

Discussion of Financial Risk Management – Pembroke Corporate Bond Fund (formerly The GBC Corporate Bond Fund) – (continued)

Interest rate risk – (continued)

As at June 30, 2020 and December 31, 2019, had prevailing interest rates increased or decreased by 100 basis points, with all other variables remaining constant, the decrease or increase in net assets would amount to approximately \$5,145,000 (December 31, 2019 - \$ 1,459,000). In practice, the actual trading results may differ from this sensitivity analysis and the difference could be material.

The following tables detail the Fund's exposure to interest rate risk by the earlier of contractual maturities or re-pricing:

June 30, 2020

Contractual maturities	< 1 month	1 - 3 months	3 months - 1 year	> 1 year	Total
	\$	\$	\$	\$	\$
Interest bearing instruments	-	-	1,040,755	133,538,757	134,579,512
Non-interest bearing instruments	4,513,403	-	-	-	4,513,403
Total	4,513,403	-	1,040,755	133,538,757	139,092,915

December 31, 2019

Contractual maturities	< 1 month	1 - 3 months	3 months - 1 year	> 1 year	Total
	\$	\$	\$	\$	\$
Interest bearing instruments	1,607,054	607,457	13,754,526	106,628,548	122,597,585
Non-interest bearing instruments	2,505,496	-	-	-	2,505,496
Total	4,112,550	607,457	13,754,526	106,628,548	125,103,081

Currency risk

The tables below indicate the foreign currency to which the Fund had significant exposure at June 30, 2020 and December 31, 2019, in Canadian dollar terms. The tables also illustrate the potential impact on the net assets attributable to the holders of redeemable units if the Canadian dollar had strengthened or weakened by 10% in relation to each of the other currencies, with all other variables held constant.

June 30, 2020

Currency Exposure	Fair Value	% of	Impact on net assets	
	\$	Net Assets	\$	%
US Dollar	74,746	0.1	7,475	0.0
US Investments	67,882,830	48.8	6,788,283	4.9
Total	67,957,576	48.9	6,795,758	4.9

P E M B R O K E

NOTES TO THE INTERIM FINANCIAL STATEMENTS

Period ended June 30, 2020 (unaudited)

Discussion of Financial Risk Management – Pembroke Corporate Bond Fund (formerly The GBC Corporate Bond Fund) – (continued)

Currency risk – (continued)

December 31, 2019

Currency Exposure	Fair Value	% of	Impact on net assets	
	\$	Net Assets	\$	%
US Dollar	111,346	0.1	11,135	-
US Investments	23,419,207	18.7	2,341,921	1.9
Total	23,530,553	18.8	2,353,056	1.9

In practice, the actual trading results may differ from this sensitivity analysis and the difference could be material.

Other price risk

The majority of the Fund's financial instruments are interest bearing. As a result, the Fund did not have any direct significant exposure to other price risk as at June 30, 2020 and December 31, 2019.

Concentration risk

The following table is a summary of the Fund's concentration risk of its investments by market segment.

Industry Sector	June 30, 2020	December 31, 2019
	%	%
Government of Canada Treasury Bills	-	1.28
Canadian Corporate Bonds	44.55	52.67
Canadian Corporate Bonds - Denominated in US Dollar	4.42	4.64
Asset/Mortgage-Backed	2.15	14.49
Foreign Corporate Bonds - denominated in Canadian Dollar	3.40	6.20
Foreign Corporate Bonds - denominated in US Dollar	42.24	18.72
Equities - Canadian	1.58	1.72
Total	98.34	99.72

The percentages shown are a percentage of net assets attributable to the holders of redeemable units.

As at June 30, 2020, the Fund does not hold an individual investment position greater than 4.1% (December 31, 2019 – 8.9%) of the total net assets attributable to the holders of redeemable units.

As summarized in the schedule of investment portfolio and by the above table, the Fund has a diversified investment portfolio and invests in accordance with its investment objective. As a result, the Fund is not subject to a significant amount of concentration risk.

PEMBROKE

NOTES TO THE INTERIM FINANCIAL STATEMENTS

Period ended June 30, 2020 (unaudited)

Discussion of Financial Risk Management – Pembroke Corporate Bond Fund (formerly The GBC Corporate Bond Fund) – (continued)

Fair value disclosure

The Fund's assets recorded at fair value have been categorized based upon a fair value hierarchy in accordance with the IFRS 13. See Note 2 for a discussion of the Fund's policies regarding this hierarchy. The following fair value hierarchy tables present information about the Fund's assets measured at fair value on a recurring basis as at June 30, 2020 and December 31, 2019.

Fair value at June 30, 2020				
Description	Level 1	Level 2	Level 3	Total
	\$	\$	\$	
Equity investments	497,900	-	1,712,513	2,210,413
Bonds	-	133,601,590	977,922	134,579,512
Foreign exchange forward contract	-	(1,504,032)	-	(1,504,032)
Total	497,900	132,097,558	2,690,435	135,285,893

Fair value at December 31, 2019				
Description	Level 1	Level 2	Level 3	Total
	\$	\$	\$	
Government of Canada Treasury Bills	-	1,607,054	-	1,607,054
Equity investments	478,851	-	1,678,000	2,156,851
Bonds	-	120,059,466	931,065	120,990,531
Foreign exchange forward contract	-	349,925	-	349,925
Total	478,851	122,016,445	2,609,065	125,104,361

There were no significant transfers between Levels 1 and 2 during the period ended June 30, 2020 and the year ended December 31, 2019. Securities classified as Level 2 consist of active Bonds which are priced daily and are valued based on inputs other than quoted prices. Included as Level 2 are Bonds with the following:

- Modeled prices where market inputs are used;
- Fixed income prices where spreads, yields and other recognized valuation techniques are used; and
- Vendor generated fair value factors.

The following is a reconciliation of Level 3 fair value measurements:

Bonds	2020	2019
	\$	\$
Balance as at beginning of the year	2,609,065	4,878,991
Realized gain/(loss)	-	2,747
Change in unrealized appreciation (depreciation)	81,370	(50,807)
Purchases	-	113,039
Sales	-	(639,548)
Transfers in and/or out of Level 3	-	(1,695,357)
Balance as at end of the year	2,690,435	2,609,065

NOTES TO THE INTERIM FINANCIAL STATEMENTS

Period ended June 30, 2020 (unaudited)

Discussion of Financial Risk Management – Pembroke Corporate Bond Fund (formerly The GBC Corporate Bond Fund) – (continued)

Fair value disclosure – (continued)

The following sections provides information regarding Level 3 securities. It includes a summary of the valuation techniques used and the sensitivity of the fair value of these securities to changes in input values.

BZ Holdings, 3%, May 22, 2022

- Price: \$100.00 US; Fair Value: \$977,922
- Valuation Technique: internally developed model using a combination of three techniques:
 - 1) discounted value of expected cash flows
 - 2) relative value
 - 3) option pricing methodologies

The output of the model is compared to recent private placement funding rounds to confirm its reasonability.
- Unobservable Inputs: The primary unobservable inputs for this security include audited financial data, recent private offering valuation multiples of competitors, and the liquidation preference rights held by preferred shareholders.
- Change in input values: A reasonably possible change in the key inputs to the model could result in an increase or decrease of 9%, or an increase or decrease in the security price of \$9.00.

BZ Holdings, Convertible Bond Warrants

- Price: \$0.00 USD
- Valuation Technique: internally developed model using a combination of three techniques:
 - 1) discounted value of expected cash flows
 - 2) relative value
 - 3) option pricing methodologies

The output of the model is compared to recent private placement funding rounds to confirm its reasonability.
- Unobservable Inputs: The primary unobservable inputs for this security include audited financial data, recent private offering valuation multiples of competitors, and the liquidation preference rights held by preferred shareholders.
- Change in input values: A reasonably possible change in the key inputs to the model could result in an increase or decrease of 0%, or an increase or decrease in the security price of \$0.

ClearStream Energy Services, Preferred Shares

- Price: \$1,000.00; Fair Value: \$1,565,000
- Valuation Technique: The private placement financing technique
- Unobservable Inputs: The last transacted price unless there is a material subsequent event that warrants a review. The preferred shares were issued on January 16, 2019 at \$1,000. There have been no subsequent material events affecting value.
- Change in input values: A reasonably possible change to the value of the next private placement financing could result in an increase or decrease of 30%, or an increase or decrease in the security price of \$300.

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NOTES TO THE INTERIM FINANCIAL STATEMENTS

Period ended June 30, 2020 (unaudited)

Discussion of Financial Risk Management – Pembroke Corporate Bond Fund (formerly The GBC Corporate Bond Fund) – (continued)

Fair value disclosure – (continued)

ClearStream Energy Services, Preferred Shares, Series 2

- Price: \$1,000.00; Fair Value: \$113,000
- Valuation Technique: The private placement financing technique
- Unobservable Inputs: The last transacted price unless there is a material subsequent event that warrants a review. The preferred shares were issued on June 27, 2020 at \$1,000. There have been no subsequent material events affecting value.
- Change in input values: A reasonably possible change to the value of the next private placement financing could result in an increase or decrease of 30%, or an increase or decrease in the security price of \$300.

Xplore Mobile (Mobility Spinco)

- Price: \$0.37; Fair Value: \$11,504
- Valuation Technique: Relative value technique
- Unobservable Inputs: The primary unobservable inputs for this security were taken from audited financial data and government publications.
- Change in input values: A reasonably possible change to the value of the assets that make up the business could result in an increase or decrease of 40%, or an increase or decrease in the security price of \$0.15.

Xplornet Wireless (License Spinco)

- Price: \$0.74; Fair Value: \$23,009
- Valuation Technique: Relative value technique
- Unobservable Inputs: The primary unobservable inputs for this security were taken from audited financial data and government publications.
- Change in input values: A reasonably possible change to the value of the assets that make up the business could result in an increase or decrease of 40%, or an increase or decrease in the security price of \$0.30.

PEMBROKE

NOTES TO THE INTERIM FINANCIAL STATEMENTS

Period ended June 30, 2020 (unaudited)

Discussion of Financial Risk Management – Pembroke Growth and Income Fund (formerly The GBC Growth and Income Fund)

Risk management

The investment objective of Pembroke Growth and Income Fund (the “Fund”) is to provide investors with a reasonable balance between long-term capital growth and income to diversify risk. The Fund invests primarily in equities, bonds and other marketable securities. The Fund may make these investments directly or by purchasing units of Pembroke Canadian Bond Fund and/or of Pembroke International Growth Fund.

Risk is mitigated by employing professional, experienced portfolio advisors, by daily monitoring of the Fund’s positions and market events, and by diversifying the investment portfolio through investing in different companies and across multiple industry sectors within the constraints of the Fund’s investment objective.

Credit risk

As at June 30, 2020 and December 31, 2019, the Fund invested in debt instruments through its holding of units of Pembroke Canadian Bond Fund which invested in debt securities with the following credit ratings, representing the maximum credit risk exposure:

	June 30, 2020		December 31, 2019	
	\$ Fair Value	% of Net Assets	\$ Fair Value	% of Net Assets
AAA	2,191,113	8.04	3,628,063	11.07
AA	2,181,300	8.01	1,807,214	5.51
A	3,743,474	13.74	4,129,983	12.60
Total	8,115,887	29.79	9,565,260	29.18

Credit ratings are obtained from Standard & Poor’s Financial Services LLC, Moody’s Investor Service Inc. and/or DBRS. Where more than one rating is obtained for a security, the lowest rating has been used.

Liquidity risk

The tables below analyze the Fund’s financial liabilities into relevant maturity groupings based on the remaining period to the contractual maturity date. The amounts in the tables are the contractual undiscounted cash flows.

	June 30, 2020			
	< 7 days \$	7 days - 3 months \$	3 months - 1 year \$	Total \$
Accrued expenses	4,464	-	-	4,464
Distributions payable to unitholders	75,098	-	-	75,098
Redeemable units	27,247,835	-	-	27,247,835
Total	27,327,397	-	-	27,327,397

P E M B R O K E

NOTES TO THE INTERIM FINANCIAL STATEMENTS

Period ended June 30, 2020 (unaudited)

Discussion of Financial Risk Management – Pembroke Growth and Income Fund (formerly The GBC Growth and Income Fund) – (continued)

Liquidity risk – (continued)

December 31, 2019

Financial liabilities	< 7 days	7 days - 3 months	3 months - 1 year	Total
	\$	\$	\$	\$
Accrued expenses	4,677	-	-	4,677
Distributions payable to unitholders	253,899	-	-	253,899
Redeemable units	32,788,574	-	-	32,788,574
Total	33,047,150	-	-	33,047,150

Redeemable units are redeemed on demand at the holder's option. However, the Manager does not envisage that the contractual maturity disclosed in the tables above will be representative of the actual cash outflows, as holders of these instruments typically retain them for the medium to long term.

The Manager manages the Fund's liquidity risk by investing predominantly in securities that it expects to be able to liquidate within a short time period (less than 30 days). All assets can be liquidated within a one-year period of time as at June 30, 2020 and December 31, 2019.

Interest rate risk

The table below summarizes the Fund's exposure to interest rate risk as at June 30, 2020 and December 31, 2019, as a result of its holding of units of Pembroke Canadian Bond Fund. The Fund's financial assets and liabilities have been included at their fair values, categorized by the earlier of contractual re-pricing or maturity dates.

	June 30, 2020		December 31, 2019	
	\$	\$	\$	\$
	Interest bearing instruments	Non-interest bearing instruments	Interest bearing instruments	Non-interest bearing instruments
Investments	8,115,887	18,154,154	9,565,260	22,771,927
Cash	-	714,956	-	593,488
Other assets	-	342,400	-	116,475
Liabilities	-	79,562	-	258,576

As at June 30, 2020 and December 31, 2019, had prevailing interest rates increased or decreased by 100 basis points, with all other variables remaining constant, the decrease or increase respectively in net assets would amount to approximately \$533,000 (December 31, 2019 – \$ 511,000). In practice, the actual trading results may differ from this sensitivity analysis and the difference could be material.

PEMBROKE

NOTES TO THE INTERIM FINANCIAL STATEMENTS

Period ended June 30, 2020 (unaudited)

Discussion of Financial Risk Management – Pembroke Growth and Income Fund (formerly The GBC Growth and Income Fund) – (continued)

Interest rate risk – (continued)

The following tables detail the Fund's exposure to interest rate risk by the earlier of contractual maturities or re-pricing:

June 30, 2020

Contractual maturities	< 1 month	1 - 3 months	3 months - 1 year	> 1 year	Total
	\$	\$	\$	\$	\$
Interest bearing instruments	-	-	-	8,115,887	8,115,887
Non-interest bearing instruments	19,131,948	-	-	-	19,131,948
Total	19,131,948	-	-	8,115,887	27,247,835

December 31, 2019

Contractual maturities	< 1 month	1 - 3 months	3 months - 1 year	> 1 year	Total
	\$	\$	\$	\$	\$
Interest bearing instruments	-	187,631	185,617	9,192,012	9,565,260
Non-interest bearing instruments	23,223,314	-	-	-	23,223,314
Total	23,223,314	187,631	185,617	9,192,012	32,788,574

Currency risk

The tables below indicate the foreign currency to which the Fund had significant exposure at June 30, 2020 and December 31, 2019, in Canadian dollar terms. The tables also illustrate the potential impact on the net assets attributable to the holders of redeemable units if the Canadian dollar had strengthened or weakened by 10% in relation to each of the other currencies, with all other variables held constant.

June 30, 2020

Currency Exposure	Fair Value	% of	Impact on net assets	
	\$	Net Assets	\$	%
US Dollar	518,205	1.9	51,821	0.2
US Investments	1,663,695	6.1	166,370	0.6
Total	2,181,901	8.0	218,191	0.8

December 31, 2019

Currency Exposure	Fair Value	% of	Impact on net assets	
	\$	Net Assets	\$	%
US Dollar	111,346	0.3	11,135	-
US Investments	1,509,202	4.6	150,920	0.5
Total	1,620,548	4.9	162,055	0.5

In practice, the actual trading results may differ from this sensitivity analysis and the difference could be material.

PEMBROKE

NOTES TO THE INTERIM FINANCIAL STATEMENTS

Period ended June 30, 2020 (unaudited)

Discussion of Financial Risk Management – Pembroke Growth and Income Fund (formerly The GBC Growth and Income Fund) – (continued)

Other price risk

The maximum risk resulting from financial instruments held by the Fund is determined by the fair value of these financial instruments. The tables below indicate the financial instruments to which the Fund had significant market exposure at June 30, 2020 and December 31, 2019. The tables also illustrate the potential impact on the net assets attributable to the holders of redeemable units if equity markets had strengthened or weakened by 10%, with all other variables held constant:

June 30, 2020

Market Exposure	Fair Value \$	% of Net Assets	Impact on net assets \$	%
Investments	26,270,041	96.4	2,627,004	9.6

December 31, 2019

Market Exposure	Fair Value \$	% of Net Assets	Impact on net assets \$	%
Investments	22,771,927	69.5	2,277,193	6.9

In practice, the actual trading results may differ from this sensitivity analysis and the difference could be material.

Concentration risk

The following table is a summary of the Fund's concentration risk of its equity investments by market segment.

Industry Sector	June 30, 2020 %	December 31, 2019 %
Mutual Funds - Bonds	29.79	29.17
Communication Services	1.98	1.63
Consumer Discretionary	6.14	11.94
Consumer Staples	4.59	1.87
Energy	-	1.71
Financials	12.86	15.70
Health Care	-	0.27
Industrials	13.82	8.51
Information Technology	15.84	13.15
Materials	3.28	3.68
Real Estate	8.11	10.99
Utilities	-	-
Total	96.41	98.62

The percentages shown are a percentage of net assets attributable to the holders of redeemable units.

P E M B R O K E

NOTES TO THE INTERIM FINANCIAL STATEMENTS

Period ended June 30, 2020 (unaudited)

Discussion of Financial Risk Management – Pembroke Growth and Income Fund (formerly The GBC Growth and Income Fund) – (continued)

Concentration risk – (continued)

As at June 30, 2020, other than its investment in Pembroke Canadian Bond Fund of 29.79% (29.17% as at December 31, 2019), the Fund does not hold an individual investment position greater than 3.5% (December 31, 2019 – 3.7%) of the total net assets attributable to the holders of redeemable units.

As summarized in the schedule of investment portfolio and by the above table, the Fund has a diversified investment portfolio and invests in accordance with its investment objective. As a result, the Fund is not subject to a significant amount of concentration risk.

Fair value disclosure

The Fund's assets recorded at fair value have been categorized based upon a fair value hierarchy in accordance with the IFRS 13. See Note 2 for a discussion of the Fund's policies regarding this hierarchy. The following fair value hierarchy tables present information about the Fund's assets measured at fair value on a recurring basis as at June 30, 2020 and December 31, 2019.

Fair value at June 30, 2020				
Description	Level 1	Level 2	Level 3	Total
	\$	\$	\$	
Equity investments	18,154,154	-	-	18,154,154
Bond Mutual Fund	-	8,115,887	-	8,115,887
Total	18,154,154	8,115,887	-	26,270,041

Fair value at December 31, 2019				
Description	Level 1	Level 2	Level 3	Total
	\$	\$	\$	
Equity investments	22,771,927	-	-	22,771,927
Bond Mutual Fund	-	9,565,260	-	9,565,260
Total	22,771,927	9,565,260	-	32,337,187

There were no significant transfers between Levels 1 and 2 during the period ended June 30, 2020 and year ended December 31, 2019.

P E M B R O K E

NOTES TO THE INTERIM FINANCIAL STATEMENTS

Period ended June 30, 2020 (unaudited)

Discussion of Financial Risk Management – Pembroke Global Balanced Fund (formerly The GBC Global Balanced Fund)

Risk management

The investment objective of Pembroke Global Balanced Fund (the “Fund”) is to provide investors with long-term capital growth and income while minimizing risk through the diversification of assets, geographies and market capitalization. This involves investing in units of public equity funds and units of fixed income funds including units of equity exchanged traded funds.

Under normal market conditions, the portfolio is constructed to achieve an asset mix of 70% units of equity funds and 30% units of fixed income funds of which, 80% should be actively managed funds and 20% passively managed funds. The equity funds and fixed income funds to compose the Fund’s portfolio will include a selection of exchange traded funds based on liquidity, fees and the makeup of underlying holdings. Occasionally, when appropriate, the Fund may also invest in individual securities to be selected by the manager and may also invest up to 10% of its asset in cash or cash equivalent securities.

When investing, the managers will target an asset allocation that will represent not more than 30% of the assets invested a single fund and not more than 7% of the assets invested in a single security. The Fund will neither invest more than 25% of its assets in Canadian equity funds or in US equity funds or more than 20% of its assets in international equity funds for a global limit of 70% of its assets to be invested in equity funds and 30% in fixed income funds. Outside these limits, a rebalancing of the investments will occur.

Credit risk

As at June 30, 2020 and December 31, 2019, the Fund invested in debt instruments through its holding of units of Pembroke Canadian Bond Fund and Pembroke Corporate Bond Fund which invested in debt securities with the following credit ratings, representing the maximum credit risk exposure:

Debt Instruments by Credit Rating	June 30, 2020		December 31, 2019	
	\$ Fair Value	% of Net Assets	\$ Fair Value	% of Net Assets
AAA	859,515	1.33	4,267,085	10.45
AA	905,940	1.39	490,831	1.20
A	1,695,709	2.61	2,083,141	5.10
BBB	6,161,709	9.48	3,624,728	8.88
BB	4,826,778	7.43	716,925	1.76
B	2,214,993	3.41	669,395	1.64
Below B	1,046,604	1.61	-	-
Not rated	997,848	1.54	400,485	0.98
Total	18,709,096	28.80	12,252,590	30.01

Credit ratings are obtained from Standard & Poor’s Financial Services LLC, Moody’s Investor Service Inc. and/or DBRS. Where more than one rating is obtained for a security, the lowest rating has been used.

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NOTES TO THE INTERIM FINANCIAL STATEMENTS

Period ended June 30, 2020 (unaudited)

Discussion of Financial Risk Management – Pembroke Global Balanced Fund (formerly The GBC Global Balanced Fund) - (continued)

Liquidity risk

The tables below analyze the Fund's financial liabilities into relevant maturity groupings based on the remaining period to the contractual maturity date. The amounts in the tables are the contractual undiscounted cash flows.

June 30, 2020

Financial liabilities	< 7 days \$	7 days - 3 months \$	3 months - 1 year \$	Total \$
Due to brokers for investment securities purchased	139,398	-	-	139,398
Redeemable units	64,963,800	-	-	64,963,800
Total	65,103,198	-	-	65,103,198

December 31, 2019

Financial liabilities	< 7 days \$	7 days - 3 months \$	3 months - 1 year \$	Total \$
Distributions payable to unitholders	525,307	-	-	525,307
Due to brokers for investment securities purchased	344,000	-	-	344,000
Redeemable units	40,825,841	-	-	40,825,841
Total	41,695,148	-	-	41,695,148

Redeemable units are redeemed on demand at the holder's option. However, the Manager does not envisage that the contractual maturity disclosed in the table above will be representative of the actual cash outflows, as holders of these instruments typically retain them for the medium to long term.

The Manager manages the Fund's liquidity risk by investing predominantly in securities that it expects to be able to liquidate within a short time period (less than 30 days). All assets can be liquidated within a one-year period of time as at June 30, 2020 and December 31, 2019.

Interest rate risk

The table below summarizes the Fund's exposure to interest rate risk as at June 30, 2020 and December 31, 2019.

	June 30, 2020		December 31, 2019	
	\$	\$	\$	\$
	Interest bearing instruments	Non Interest bearing instruments	Interest bearing instruments	Non Interest bearing instruments
Investments	18,709,096	45,202,533	12,252,590	28,482,789
Cash	-	1,023,172	-	946,763
Other assets	-	168,397	-	13,006
Liabilities	-	139,398	-	869,307

As at June 30, 2020, had prevailing interest rates increased or decreased by 100 basis points, with all other variables remaining constant, the decrease or increase in net assets would amount to approximately \$796,000 (December 31, 2019 - \$ 225,000). In practice, the actual trading results may differ from this sensitivity analysis and the difference could be material.

PEMBROKE

NOTES TO THE INTERIM FINANCIAL STATEMENTS

Period ended June 30, 2020 (unaudited)

Discussion of Financial Risk Management – Pembroke Global Balanced Fund (formerly The GBC Global Balanced Fund) - (continued)

Interest rate risk – (continued)

The following tables detail the Fund's exposure to interest rate risk by the earlier of contractual maturities or re-pricing:

June 30, 2020

Contractual maturities	< 1 month	1 - 3 months	3 months - 1 year	> 1 year	Total
	\$	\$	\$	\$	\$
Interest bearing instruments	-	-	121,990	18,587,106	18,709,096
Non-interest bearing instruments	46,254,704	-	-	-	46,254,704
Total	46,254,704	-	121,990	18,587,106	64,963,800

December 31, 2019

Contractual maturities	< 1 month	1 - 3 months	3 months - 1 year	> 1 year	Total
	\$	\$	\$	\$	\$
Interest bearing instruments	135,714	88,556	1,198,415	10,829,904	12,252,590
Non-interest bearing instruments	28,573,251	-	-	-	28,573,251
Total	28,708,965	88,556	1,198,415	10,829,904	40,825,841

Currency risk

The table below indicates the foreign currency to which the Fund had significant exposure at June 30, 2020, in Canadian dollar terms. The table also illustrates the potential impact on the net assets attributable to the holders of redeemable shares if the Canadian dollar had strengthened or weakened by 10% in relation to each of the other currencies, with all other variables held constant. As at December 31, 2019, the Fund did not have any financial instruments denominated in a currency other than the Canadian dollar. As a result, the Fund did not have any significant exposure to currency risk as at December 31, 2019.

June 30, 2020

Currency Exposure	Fair Value	% of	Impact on net assets	
	\$	Net Assets	\$	%
US Dollar	356,096	0.5	35,610	0.1
US Investments	9,199,675	14.2	919,968	1.4
Total	9,555,771	14.7	955,578	1.5

December 31, 2019

Currency Exposure	Fair Value	% of	Impact on net assets	
	\$	Net Assets	\$	%
US Dollar	223,960	0.5	22,396	0.1
US Investments	326,373	0.8	32,637	0.1
Total	550,333	1.3	55,033	0.2

In practice, the actual trading results may differ from this sensitivity analysis and the difference could be material.

PEMBROKE

NOTES TO THE INTERIM FINANCIAL STATEMENTS

Period ended June 30, 2020 (unaudited)

Discussion of Financial Risk Management – Pembroke Global Balanced Fund (formerly The GBC Global Balanced Fund) - (continued)

Other price risk

The maximum risk resulting from financial instruments held by the Fund is determined by the fair value of these financial instruments. The tables below indicate the financial instruments to which the Fund had significant market exposure at June 30, 2020 and December 31, 2019. The tables also illustrate the potential impact on the net assets attributable to the holders of redeemable units if equity markets had strengthened or weakened by 10%, with all other variables held constant.

June 30, 2020

Market Exposure	Fair Value	% of	Impact on net assets	
	\$	Net Assets	\$	%
Investments	45,202,533	69.6	4,520,253	7.0

December 31, 2019

Market Exposure	Fair Value	% of	Impact on net assets	
	\$	Net Assets	\$	%
Investments	28,482,789	69.8	2,848,279	7.0

Concentration risk

The following table is a summary of the Fund's concentration risk of its investments by market segment.

Industry Sector	June 30, 2020	December 31, 2019
	%	%
Mutual Funds - Bonds	28.80	30.01
Mutual Funds - Equities	37.12	37.77
Exchange Traded Funds	20.14	20.15
Communication Services	0.37	0.30
Consumer Discretionary	1.12	1.90
Consumer Staples	0.86	0.33
Energy	-	0.30
Financials	2.40	2.72
Health Care	-	0.05
Industrials	2.52	1.44
Information Technology	2.93	2.15
Materials	0.61	0.63
Real Estate	1.51	2.03
Utilities	-	-
Total	98.38	99.78

The percentages shown are a percentage of net assets attributable to the holders of redeemable units.

As summarized in the schedule of investment portfolio and by the above table, the Fund has a diversified investment portfolio and invests in accordance with its investment objective. As a result, the Fund is not subject to a significant amount of concentration risk.

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NOTES TO THE INTERIM FINANCIAL STATEMENTS

Period ended June 30, 2020 (unaudited)

Discussion of Financial Risk Management – Pembroke Global Balanced Fund (formerly The GBC Global Balanced Fund) - (continued)

Fair value disclosure

The Fund's assets recorded at fair value have been categorized based upon a fair value hierarchy in accordance with the IFRS 13. See Note 2 for a discussion of the Fund's policies regarding this hierarchy. The following fair value hierarchy tables present information about the Fund's assets measured at fair value on a recurring basis as at June 30, 2020 and December 31, 2019.

Fair value at June 30, 2020				
Description	Level 1	Level 2	Level 3	Total
	\$	\$	\$	
Bond Mutual Funds	-	18,709,096	-	18,709,096
Equity Mutual Funds	24,115,853	-	-	24,115,853
Exchange Traded Funds	13,080,630	-	-	13,080,630
Equity investments	8,006,050	-	-	8,006,050
Total	45,202,533	18,709,096	-	63,911,629

Fair value at December 31, 2019				
Description	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Bond Mutual Funds	-	12,252,590	-	12,252,590
Equity Mutual Funds	15,421,680	-	-	15,421,680
Exchange Traded Funds	8,225,099	-	-	8,225,099
Equity investments	4,836,010	-	-	4,836,010
Total	28,482,789	12,252,590	-	40,735,379

There were no significant transfers between Levels 1 and 2 during the year ended December 31, 2019.

PEMBROKE

NOTES TO THE INTERIM FINANCIAL STATEMENTS

Period ended June 30, 2020 (unaudited)

Discussion of Financial Risk Management – Pembroke Canadian Growth Fund (formerly The GBC Canadian Growth Fund)

Risk management

The investment objective of Pembroke Canadian Growth Fund (the “Fund”) is to provide long-term growth through capital appreciation by investing primarily in small to mid-size Canadian companies judged to have above-average growth potential or to be undervalued.

Risk is mitigated by employing professional, experienced portfolio advisors, by daily monitoring of the Fund’s positions and market events, and by diversifying the investment portfolio through investing in different companies and across multiple industry sectors within the constraints of the Fund’s investment objective.

Credit risk

As at June 30, 2020 and December 31, 2019, the Fund did not have any significant investments in debt instruments and, therefore, the Fund has no significant direct exposure to credit risk.

Liquidity risk

The tables below analyze the Fund’s financial liabilities into relevant maturity groupings based on the remaining period to the contractual maturity date. The amounts in the tables are the contractual undiscounted cash flows.

June 30, 2020

Financial liabilities	< 7 days	7 days - 3 months	3 months - 1 year	Total
	\$	\$	\$	\$
Due to brokers for investment securities purchased	65,018	-	-	65,018
HST payable	4,103	-	-	4,103
Redeemable units	256,483,612	-	-	256,483,612
Total	256,552,733	-	-	256,552,733

December 31, 2019

Financial liabilities	< 7 days	7 days - 3 months	3 months - 1 year	Total
	\$	\$	\$	\$
Distributions payable to unitholders	637,120	-	-	637,120
Due to brokers for investment securities purchased	9,518	-	-	9,518
HST payable	2,774	-	-	2,774
Redeemable units	292,304,749	-	-	292,304,749
Total	292,954,161	-	-	292,954,161

Redeemable units are redeemed on demand at the holder’s option. However, the Manager does not envisage that the contractual maturity disclosed in the tables above will be representative of the actual cash outflows, as holders of these instruments typically retain them for the medium to long term.

The Manager manages the Fund’s liquidity risk by investing predominantly in securities that it expects to be able to liquidate within a short time period (less than 30 days). All assets can be liquidated within a one-year period of time as at June 30, 2020 and December 31, 2019.

P E M B R O K E

NOTES TO THE INTERIM FINANCIAL STATEMENTS

Period ended June 30, 2020 (unaudited)

Discussion of Financial Risk Management – Pembroke Canadian Growth Fund (formerly The GBC Canadian Growth Fund) - (continued)

Interest rate risk

The majority of the Fund's financial assets and liabilities are non-interest bearing. As a result, the Fund was not subject to a significant amount of direct interest rate risk as at June 30, 2020 and December 31, 2019.

Currency risk

The Fund did not have any significant financial instruments denominated in currencies other than the Canadian dollar. As a result, the Fund did not have any significant exposure to currency risk as at June 30, 2020 and December 31, 2019.

Other price risk

The maximum risk resulting from financial instruments held by the Fund is determined by the fair value of these financial instruments. The tables below indicate the financial instruments to which the Fund had significant market exposure at June 30, 2020 and December 31, 2019. The tables also illustrate the potential impact on the net assets attributable to the holders of redeemable units if equity markets had strengthened or weakened by 10%, with all other variables held constant:

June 30, 2020

Market Exposure	Fair Value \$	% of Net Assets	Impact on net assets \$	%
Investments	254,126,581	99.1	25,412,658	9.9

December 31, 2019

Market Exposure	Fair Value \$	% of Net Assets	Impact on net assets \$	%
Investments	285,046,970	97.5	28,504,697	9.8

In practice, the actual trading results may differ from this sensitivity analysis and the difference could be material.

PEMBROKE

NOTES TO THE INTERIM FINANCIAL STATEMENTS

Period ended June 30, 2020 (unaudited)

Discussion of Financial Risk Management – Pembroke Canadian Growth Fund (formerly The GBC Canadian Growth Fund) - (continued)

Concentration risk

The following table is a summary of the Fund's concentration risk of its equity investments by market segment.

Industry Sector	June 30, 2020	December 31, 2019
	%	%
Communication Services	0.42	4.35
Consumer Discretionary	14.77	17.06
Consumer Staples	4.13	2.16
Energy	2.94	4.66
Financials	14.84	16.51
Health Care	-	0.38
Industrials	13.26	11.41
Information Technology	29.23	24.76
Materials	7.53	5.06
Real Estate	11.96	11.17
Utilities	-	-
Total	99.08	97.52

The percentages shown are a percentage of net assets attributable to the holders of redeemable units.

As at June 30, 2020, the Fund does not hold an individual investment position greater than 5.7% (December 31, 2019 – 4.4%) of the total net assets attributable to the holders of redeemable units.

As summarized in the schedule of investment portfolio and by the above table, the Fund has a diversified investment portfolio and invests in accordance with its investment objective. As a result, the Fund is not subject to a significant amount of concentration risk.

Fair value disclosure

The Fund's assets recorded at fair value have been categorized based upon a fair value hierarchy in accordance with the IFRS 13. See Note 2 for a discussion of the Fund's policies regarding this hierarchy. The following fair value hierarchy tables present information about the Fund's assets measured at fair value on a recurring basis as at June 30, 2020 and December 31, 2019.

Description	Fair value at June 30, 2020			Total
	Level 1	Level 2	Level 3	
	\$	\$	\$	
Equity investments	251,473,935	2,652,646	-	254,126,581
Total	251,473,935	2,652,646	-	254,126,581

PEMBROKE

NOTES TO THE INTERIM FINANCIAL STATEMENTS

Period ended June 30, 2020 (unaudited)

Discussion of Financial Risk Management – Pembroke Canadian Growth Fund (formerly The GBC Canadian Growth Fund) - (continued)

Fair value disclosure – (continued)

Description	Fair value at December 31, 2019			Total
	Level 1	Level 2	Level 3	
	\$	\$	\$	
Equity investments	285,046,970	-	-	285,046,970
Total	285,046,970	-	-	285,046,970

There were no significant transfers between Levels 1 and 2 during the period ended June 30, 2020 and year ended December 31, 2019.

The investment whose fair value is classified as Level 2 as at June 30, 2020 consist of restricted shares of GDI Integrated Facility Services, as there is a 4 month hold expiring September 22, 2020. The security is valued by the Manager at fair value of the common shares as they are convertible on a one-for-one basis to common.

The Fund's investment in Helius Medical Technologies Warrants (\$nil value as at June 30, 2020 and December 31, 2019) is classified as Level 2. The warrants do not trade on a public exchange. The warrants are valued by the Manager using the Black Scholes model. They are convertible on a one-for-one basis to common shares until 2021:

Helius Medical Technologies Warrants:

June 30, 2020

Issuance date	Number issued	Expiry date	Exercise price \$	Adjusted Volatility
11-Apr-18	105,940	10-Apr-21	12.25	50.00%

December 31, 2019

Issuance date	Number issued	Expiry date	Exercise price \$	Adjusted Volatility
11-Apr-18	105,940	10-Apr-21	12.25	50.00%

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NOTES TO THE INTERIM FINANCIAL STATEMENTS

Period ended June 30, 2020 (unaudited)

Discussion of Financial Risk Management – Pembroke American Growth Fund Inc. (formerly The GBC American Growth Fund Inc.)

Risk management

The investment objective of Pembroke American Growth Fund Inc. (the “Fund”) is to provide long-term growth through capital appreciation by investing primarily in smaller US companies judged to have above-average growth potential or to be undervalued.

Risk is mitigated by employing professional, experienced portfolio advisors, by daily monitoring of the Fund’s positions and market events, and by diversifying the investment portfolio through investing in different companies and across multiple industry sectors within the constraints of the Fund’s investment objective.

Credit risk

As at June 30, 2020 and December 31, 2019, the Fund did not have any significant investments in debt instruments and, therefore, the Fund has no significant direct exposure to credit risk.

Liquidity risk

The tables below analyze the Fund’s financial liabilities into relevant maturity groupings based on the remaining period to the contractual maturity date. The amounts in the tables are the contractual undiscounted cash flows.

June 30, 2020

Financial liabilities	< 7 days	7 days - 3 months	3 months - 1 year	Total
	\$	\$	\$	\$
Accrued expenses	-	-	14,650	14,650
Due to brokers for investment securities purchased	590,008	-	-	590,008
Redeemable shares	181,989,559	-	-	181,989,559
Total	182,579,567	-	14,650	182,594,217

December 31, 2019

Financial liabilities	< 7 days	7 days - 3 months	3 months - 1 year	Total
	\$	\$	\$	\$
Accrued expenses	-	-	30,866	30,866
Redeemable shares	187,291,532	-	-	187,291,532
Total	187,291,532	-	30,866	187,322,398

Redeemable shares are redeemed on demand at the holder’s option. However, the Manager does not envisage that the contractual maturity disclosed in the tables above will be representative of the actual cash outflows, as holders of these instruments typically retain them for the medium to long term.

The Manager manages the Fund’s liquidity risk by investing predominantly in securities that it expects to be able to liquidate within a short time period (less than 30 days). All assets can be liquidated within a one-year period of time as at June 30, 2020 and December 31, 2019.

PEMBROKE

NOTES TO THE INTERIM FINANCIAL STATEMENTS

Period ended June 30, 2020 (unaudited)

Discussion of Financial Risk Management – Pembroke American Growth Fund Inc. (formerly The GBC American Growth Fund Inc.) – (continued)

Interest rate risk

The majority of the Fund's financial assets and liabilities are non-interest bearing. As a result, the Fund was not subject to a significant amount of direct interest rate risk as at June 30, 2020 and December 31, 2019.

Currency risk

The tables below indicate the foreign currency to which the Fund had significant exposure at June 30, 2020 and December 31, 2019, in Canadian dollar terms. The tables also illustrate the potential impact on the net assets attributable to the holders of redeemable shares if the Canadian dollar had strengthened or weakened by 10% in relation to each of the other currencies, with all other variables held constant.

June 30, 2020

Currency Exposure	Fair Value	% of	Impact on net assets	
	\$	Net Assets	\$	%
US Dollar	1,623,845	0.9	162,385	0.1
US Investments	171,988,247	94.5	17,198,825	9.5
Total	173,612,092	95.4	17,361,210	9.6

December 31, 2019

Currency Exposure	Fair Value	% of	Impact on net assets	
	\$	Net Assets	\$	%
US Dollar	1,689,889	0.9	168,989	0.1
US Investments	176,862,654	94.4	17,686,265	9.4
Total	178,552,543	95.3	17,855,254	9.5

In practice, the actual trading results may differ from this sensitivity analysis and the difference could be material.

Other price risk

The maximum risk resulting from financial instruments held by the Fund is determined by the fair value of these financial instruments. The tables below indicate the financial instruments to which the Fund had significant market exposure at June 30, 2020 and December 31, 2019. The tables also illustrate the potential impact on the net assets attributable to the holders of redeemable shares if equity markets had strengthened or weakened by 10%, with all other variables held constant.

June 30, 2020

Market Exposure	Fair Value	% of	Impact on net assets	
	\$	Net Assets	\$	%
Investments	171,988,247	94.5	17,198,825	9.5

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NOTES TO THE INTERIM FINANCIAL STATEMENTS

Period ended June 30, 2020 (unaudited)

Discussion of Financial Risk Management – Pembroke American Growth Fund Inc. (formerly The GBC American Growth Fund Inc.) – (continued)

Other price risk – (continued)

December 31, 2019

Market Exposure	Fair Value	% of	Impact on net assets	
	\$	Net Assets	\$	%
Investments	176,862,654	94.4	17,686,265	9.4

In practice, the actual trading results may differ from this sensitivity analysis and the difference could be material.

Concentration risk

The following table is a summary of the Fund's concentration risk of its equity investments by market segment.

Industry Sector	June 30, 2020	December 31, 2019
	%	%
Communication Services	-	3.73
Consumer Discretionary	16.85	14.02
Consumer Staples	-	1.59
Energy	-	-
Financials	6.66	10.09
Health Care	16.92	15.53
Industrials	21.56	21.85
Information Technology	32.51	27.62
Materials	-	-
Real Estate	-	-
Utilities	-	-
Total	94.50	94.43

The percentages shown are a percentage of net assets attributable to the holders of redeemable shares.

As at June 30, 2020, the Fund does not hold an individual investment position greater than 3.8% (December 31, 2019 – 3.8%) of the total net assets attributable to the holders of redeemable shares.

As summarized in the schedule of investment portfolio and by the above table, the Fund has a diversified investment portfolio and invests in accordance with its investment objective. As a result, the Fund is not subject to a significant amount of concentration risk.

PEMBROKE

NOTES TO THE INTERIM FINANCIAL STATEMENTS

Period ended June 30, 2020 (unaudited)

Discussion of Financial Risk Management – Pembroke American Growth Fund Inc. (formerly The GBC American Growth Fund Inc.) – (continued)

Fair value disclosure

The Fund's assets recorded at fair value have been categorized based upon a fair value hierarchy in accordance with the IFRS 13. See Note 2 for a discussion of the Fund's policies regarding this hierarchy. The following fair value hierarchy tables present information about the Fund's assets measured at fair value on a recurring basis as at June 30, 2020 and December 31, 2019.

Fair value at June 30, 2020				
Description	Level 1	Level 2	Level 3	Total
	\$	\$	\$	
Equity investments	171,988,247	-	-	171,988,247
Total	171,988,247	-	-	171,988,247

Fair value at December 31, 2019				
Description	Level 1	Level 2	Level 3	Total
	\$	\$	\$	
Equity investments	176,862,654	-	-	176,862,654
Total	176,862,654	-	-	176,862,654

There were no significant transfers between Levels 1 and 2 during the period ended June 30, 2020 and year ended December 31, 2019.

PEMBROKE

NOTES TO THE INTERIM FINANCIAL STATEMENTS

Period ended June 30, 2020 (unaudited)

Discussion of Financial Risk Management – Pembroke International Growth Fund (formerly The GBC International Growth Fund)

Risk management

The investment objective of Pembroke International Growth Fund (the “Fund”) is to provide long-term growth through capital appreciation by investing primarily in a diversified portfolio of small to mid-size foreign companies located outside of the United States.

Risk is mitigated by employing professional, experienced portfolio advisors, by daily monitoring of the Fund’s positions and market events, and by diversifying the investment portfolio amongst geographic sectors, capitalization and individual securities. Risk is further managed through individual position size limitations based upon capitalization. These position sizes are adjusted for outlooks in any one company, which is measured through team discussions that occur daily and in comparison to the growth opportunities in other security names and potential purchases. A model portfolio framework is used.

Credit risk

As at June 30, 2020 and December 31, 2019, the Fund did not have any significant investments in debt instruments and, therefore, the Fund has no significant direct exposure to credit risk.

Liquidity risk

The tables below analyze the Fund’s financial liabilities into relevant maturity groupings based on the remaining period to the contractual maturity date. The amounts in the tables are the contractual undiscounted cash flows.

June 30, 2020

Financial liabilities	< 7 days	7 days - 3 months	3 months - 1 year	Total
	\$	\$	\$	\$
Accrued expenses	31,210	-	-	31,210
Redeemable units	181,636,208	-	-	181,636,208
Total	181,667,418	-	-	181,667,418

December 31, 2019

Financial liabilities	< 7 days	7 days - 3 months	3 months - 1 year	Total
	\$	\$	\$	\$
Accrued expenses	33,052	-	-	33,052
Distributions payable to unitholders	3,062,110	-	-	3,062,110
Due to brokers for investment securities purchased	234,100	-	-	234,100
Redeemable units	185,985,192	-	-	185,985,192
Total	189,314,454	-	-	189,314,454

Redeemable units are redeemed on demand at the holder’s option. However, the Manager does not envisage that the contractual maturity disclosed in the tables above will be representative of the actual cash outflows, as holders of these instruments typically retain them for the medium to long term.

P E M B R O K E

NOTES TO THE INTERIM FINANCIAL STATEMENTS

Period ended June 30, 2020 (unaudited)

Discussion of Financial Risk Management – Pembroke International Growth Fund (formerly The GBC International Growth Fund) - (continued)

Liquidity risk – (continued)

The Manager manages the Fund’s liquidity risk by investing predominantly in securities that it expects to be able to liquidate within a short time period (less than 30 days). All assets can be liquidated within a one-year period of time as at June 30, 2020 and December 31, 2019.

Interest rate risk

The majority of the Fund’s financial assets and liabilities are non-interest bearing. As a result, the Fund was not subject to a significant amount of direct interest rate risk as at June 30, 2020 and December 31, 2019.

Price risk

The maximum risk resulting from financial instruments held by the Fund is determined by the fair value of these financial instruments. The tables below indicate the financial instruments to which the Fund had significant market exposure at June 30, 2020 and December 31, 2019. The tables also illustrate the potential impact on the net assets attributable to the holders of redeemable units if equity markets had strengthened or weakened by 10%, with all other variables held constant:

June 30, 2020

	Fair Value	% of	Impact on net assets	
Market Exposure	\$	Net Assets	\$	%
Investments	176,042,780	96.9	17,604,278	9.7

December 31, 2019

	Fair Value	% of	Impact on net assets	
Market Exposure	\$	Net Assets	\$	%
Investments	183,533,372	98.7	18,353,337	9.9

In practice, the actual trading results may differ from this sensitivity analysis and the difference could be material.

PEMBROKE

NOTES TO THE INTERIM FINANCIAL STATEMENTS

Period ended June 30, 2020 (unaudited)

Discussion of Financial Risk Management – Pembroke International Growth Fund (formerly The GBC International Growth Fund) - (continued)

Currency risk

The tables below indicate the foreign currencies to which the Fund had significant exposure at June 30, 2020 and December 31, 2019, in Canadian dollar terms. The tables also illustrate the potential impact on the net assets attributable to the holders of redeemable units if the Canadian dollar had strengthened or weakened by 10% in relation to each of the other currencies, with all other variables held constant.

June 30, 2020

Currency Exposure	Fair Value \$	% of Net Assets	Impact on net assets \$	%
Currency				
Euro	3	-	-	-
Singapore Dollar	69,982	-	6,998	-
New Taiwan Dollar	14,441	-	1,444	-
US Dollar	57,357	-	5,736	-
Investments				
U.K. Pound sterling	32,788,222	18.1	3,278,822	1.8
Euro	31,472,362	17.3	3,147,236	1.7
Japanese yen	24,624,242	13.6	2,462,424	1.4
Swedish Krona	22,588,864	12.5	2,258,886	1.3
Swiss Franc	12,720,632	7.0	1,272,063	0.7
New Taiwan Dollar	12,240,439	6.7	1,224,044	0.7
Danish Krone	7,692,088	4.2	769,209	0.4
US Dollar	6,895,210	3.8	689,521	0.4
Hong Kong Dollar	6,786,985	3.7	678,699	0.4
Norwegian Krone	4,379,537	2.4	437,954	0.2
New Zealand dollar	2,451,227	1.3	245,123	0.1
Israeli Shekel	2,310,487	1.3	231,049	0.1
Indian Rupee	2,021,029	1.1	202,103	0.1
Mexican Peso	1,525,404	0.8	152,540	0.1
Polish zloty	1,395,638	0.8	139,564	0.1
Indonesian Rupiah	1,310,529	0.7	131,053	0.1
South African Rand	1,287,515	0.7	128,752	0.1
South Korean won	873,923	0.5	87,392	0.1
Brazilian Real	678,447	0.4	67,845	-
Total	176,184,563	96.9	17,618,457	9.8

P E M B R O K E

NOTES TO THE INTERIM FINANCIAL STATEMENTS

Period ended June 30, 2020 (unaudited)

Discussion of Financial Risk Management – Pembroke International Growth Fund (formerly The GBC International Growth Fund) - (continued)

Currency risk - (continued)

December 31, 2019

Currency Exposure	Fair Value	% of	Impact on net assets	
	\$	Net Assets	\$	%
Currency				
Indian Rupee	132,160	0.1	13,216	-
Singapore Dollar	69,126	-	6,913	-
Israeli Shekel	27,688	-	2,769	-
US Dollar	66	-	7	-
Investments				
U.K. Pound sterling	36,866,088	19.8	3,686,609	2.0
Euro	33,555,392	18.0	3,355,539	1.8
Japanese yen	29,604,634	15.9	2,960,463	1.6
Swedish Krona	19,070,164	10.3	1,907,016	1.0
US Dollar	9,892,761	5.3	989,276	0.5
Swiss Franc	9,634,776	5.2	963,478	0.5
New Taiwan Dollar	7,973,746	4.3	797,375	0.4
Danish Krone	5,679,005	3.1	567,901	0.3
Hong Kong Dollar	4,466,824	2.4	446,682	0.2
New Zealand dollar	3,661,193	2.0	366,119	0.2
Brazilian Real	3,408,887	1.8	340,889	0.2
South African Rand	3,224,213	1.7	322,421	0.2
Australian Dollar	3,093,356	1.7	309,336	0.2
Indian Rupee	2,732,690	1.5	273,269	0.1
Israeli Shekel	2,545,508	1.4	254,551	0.1
Norwegian Krone	2,458,551	1.3	245,855	0.1
Mexican Peso	1,740,420	0.9	174,042	0.1
Thai Baht	1,600,520	0.9	160,052	0.1
Singapore Dollar	1,061,387	0.6	106,139	0.1
South Korean won	632,545	0.3	63,255	-
Indonesian Rupiah	630,712	0.3	63,071	-
Total	183,762,412	98.8	18,376,243	9.7

In practice, the actual trading results may differ from this sensitivity analysis and the difference could be material.

P E M B R O K E

NOTES TO THE INTERIM FINANCIAL STATEMENTS

Period ended June 30, 2020 (unaudited)

Discussion of Financial Risk Management – Pembroke International Growth Fund (formerly The GBC International Growth Fund) - (continued)

Concentration risk

The following table is a summary of the Fund's concentration risk of its international equity investments by geographic region.

Geographic region	June 30, 2020	December 31, 2019
	%	%
North America	-	-
Developed Europe	62.09	60.23
Developed Asia	14.91	20.67
Emerging Asia	13.58	9.89
Emerging Europe, Africa, Middle East	3.54	2.57
Emerging Latin America	2.80	5.32
Total	96.92	98.68

The percentages shown are a percentage of net assets attributable to the holders of redeemable units.

The following table is a summary of the Fund's concentration risk of its equity investments by market segment.

Industry Sector	June 30, 2020	December 31, 2019
	%	%
Communication Services	0.50	2.06
Consumer Discretionary	13.75	14.33
Consumer Staples	4.42	5.83
Energy	-	-
Financials	6.35	9.92
Health Care	9.20	10.21
Industrials	28.74	22.58
Information Technology	29.21	23.38
Materials	1.12	2.44
Real Estate	2.72	6.50
Utilities	0.91	1.43
Total	96.92	98.68

The percentages shown are a percentage of net assets attributable to the holders of redeemable units.

P E M B R O K E

NOTES TO THE INTERIM FINANCIAL STATEMENTS

Period ended June 30, 2020 (unaudited)

Discussion of Financial Risk Management – Pembroke International Growth Fund (formerly The GBC International Growth Fund) - (continued)

Concentration risk – (continued)

As at June 30, 2020, the Fund does not hold an individual investment position greater than 2.7% (December 31, 2019 – 2.1%) of the total net assets attributable to the holders of redeemable units.

As summarized in the schedule of investment portfolio and by the above table, the Fund has a diversified investment portfolio and invests in accordance with its investment objective. As a result, the Fund is not subject to a significant amount of concentration risk.

Fair value disclosure

The Fund's assets recorded at fair value have been categorized based upon a fair value hierarchy in accordance with the IFRS 13. See Note 2 for a discussion of the Fund's policies regarding this hierarchy. The following fair value hierarchy tables present information about the Fund's assets measured at fair value on a recurring basis as at June 30, 2020 and December 31, 2019.

Fair value at June 30, 2020				
Description	Level 1	Level 2	Level 3	Total
	\$	\$	\$	
Equity investments	176,042,780	-	-	176,042,780
Total	176,042,780	-	-	176,042,780

Fair value at December 31, 2019				
Description	Level 1	Level 2	Level 3	Total
	\$	\$	\$	
Equity investments	183,533,372	-	-	183,533,372
Total	183,533,372	-	-	183,533,372

There were no significant transfers between Levels 1 and 2 during the period ended June 30, 2020 and year ended December 31, 2019.

PEMBROKE

NOTES TO THE INTERIM FINANCIAL STATEMENTS

Period ended June 30, 2020 (unaudited)

Discussion of Financial Risk Management – Pembroke Concentrated Fund

Risk management

The investment objective of Pembroke Concentrated Fund (the “Fund”) is to provide long-term growth through capital appreciation by investing primarily in small-to-mid-sized US and Canadian companies judged to have above-average growth potential or to be undervalued.

Risk is mitigated by employing professional, experienced portfolio advisors and by daily monitoring of the Fund’s positions and market events. The portfolio manager aims to add value through disciplined security selection and a concentrated approach to portfolio construction, with approximately 12-18 companies expected in the portfolio.

Credit risk

As at June 30, 2020 and December 31, 2019, the Fund did not have any significant investments in debt instruments and, therefore, the Fund has no significant direct exposure to credit risk.

Liquidity risk

The tables below analyze the Fund’s financial liabilities into relevant maturity groupings based on the remaining period to the contractual maturity date. The amounts in the tables are the contractual undiscounted cash flows.

June 30, 2020

Financial liabilities	< 7 days	7 days - 3 months	3 months - 1 year	Total
	\$	\$	\$	\$
Management fees payable	674	-	-	674
Due to brokers for investment securities purchased	1,674,910	-	-	344,000
Redeemable units	46,071,581	-	-	46,071,581
Total	47,747,165	-	-	47,747,165

December 31, 2019

Financial liabilities	< 7 days	7 days - 3 months	3 months - 1 year	Total
	\$	\$	\$	\$
Management fees payable	29	-	-	29
Distributions payable	23,733	-	-	23,733
Redeemable units	28,628,690	-	-	28,628,690
Total	28,652,452	-	-	28,652,452

Redeemable units are redeemed on demand at the holder’s option. However, the Manager does not envisage that the contractual maturity disclosed in the tables above will be representative of the actual cash outflows, as holders of these instruments typically retain them for the medium to long term.

PEMBROKE

NOTES TO THE INTERIM FINANCIAL STATEMENTS

Period ended June 30, 2020 (unaudited)

Discussion of Financial Risk Management – Pembroke Concentrated Fund – (continued)

Liquidity risk – (continued)

The Fund manages its liquidity risk by investing predominantly in securities that it expects to be able to liquidate within a short time period (less than 30 days). All assets can be liquidated within a one-year period of time as at June 30, 2020 and December 31, 2019.

Interest rate risk

The majority of the Fund's financial assets and liabilities are non-interest bearing. As a result, the Fund was not subject to a significant amount of direct interest rate risk as at June 30, 2020 and December 31, 2019.

Currency risk

The tables below indicate the foreign currency to which the Fund had significant exposure at June 30, 2020 and December 31, 2019, in Canadian dollar terms. The tables also illustrate the potential impact on the net assets attributable to the holders of redeemable units if the Canadian dollar had strengthened or weakened by 10% in relation to each of the other currencies, with all other variables held constant.

June 30, 2020

Currency Exposure	Fair Value	% of	Impact on net assets	
	\$	Net Assets	\$	%
US Dollar	1,616,303	3.5	161,630	0.4
US Investments	40,323,737	87.5	4,032,374	8.8
Total	41,940,040	91.0	4,194,004	9.2

December 31, 2019

Currency Exposure	Fair Value	% of Im	\$	%
	\$	Net Assets		
US Dollar	49,979	0.2	4,998	-
US Investments	23,395,524	81.7	2,339,552	8.2
Total	23,445,503	81.9	2,344,550	8.2

In practice, the actual trading results may differ from this sensitivity analysis and the difference could be material.

Other price risk

The maximum risk resulting from financial instruments held by the Fund is determined by the fair value of these financial instruments. The tables below indicate the financial instruments to which the Fund had significant market exposure at June 30, 2020 and December 31, 2019.

PEMBROKE

NOTES TO THE INTERIM FINANCIAL STATEMENTS

Period ended June 30, 2020 (unaudited)

Discussion of Financial Risk Management – Pembroke Concentrated Fund – (continued)

Other price risk – (continued)

The tables also illustrate the potential impact on the net assets attributable to the holders of redeemable units if equity markets had strengthened or weakened by 10%, with all other variables held constant.

June 30, 2020

Market Exposure	Fair Value	% of	Impact on net assets	
	\$	Net Assets	\$	%
Investments	45,404,628	98.6	4,540,463	9.9

December 31, 2019

Market Exposure	Fair Value	% of	Impact on net assets	
	\$	Net Assets	\$	%
Investments	26,230,277	91.6	2,623,028	9.2

In practice, the actual trading results may differ from this sensitivity analysis and the difference could be material.

Concentration risk

The following table is a summary of the Fund's concentration risk of its US equity investments by market segment.

Industry Sector	June 30, 2020	December 31, 2019
	%	%
Communication Services	-	-
Consumer Discretionary	16.63	17.97
Consumer Staples	-	-
Energy	-	-
Financials	-	-
Health Care	17.19	17.93
Industrials	14.67	11.48
Information Technology	50.06	44.24
Materials	-	-
Real Estate	-	-
Utilities	-	-
Total	98.55	91.62

The percentages shown are a percentage of net assets attributable to the holders of redeemable units.

As at June 30, 2020, the Fund does not hold an individual investment position greater than 7.5% (December 31, 2019 – 8.8%) of the total net assets attributable to the holders of redeemable units.

P E M B R O K E

NOTES TO THE INTERIM FINANCIAL STATEMENTS

Period ended June 30, 2020 (unaudited)

Discussion of Financial Risk Management – Pembroke Concentrated Fund – (continued)

Concentration risk – (continued)

As summarized in the schedule of investment portfolio and by the above table, the Fund has a diversified investment portfolio and invests in accordance with its investment objective. As a result, the Fund is not subject to a significant amount of concentration risk.

Fair value disclosure

The Fund's assets recorded at fair value have been categorized based upon a fair value hierarchy in accordance with the IFRS 13. See Note 2 for a discussion of the Fund's policies regarding this hierarchy. The following fair value hierarchy tables present information about the Fund's assets measured at fair value on a recurring basis as at June 30, 2020 and December 31, 2019.

Description	Level 1 \$	Level 2 \$	Level 3 \$	Total
Equity investments	45,404,628	-	-	45,404,628
Total	45,404,628	-	-	45,404,628

Fair value at December 31, 2019				
Description	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Equity investments	26,230,277	-	-	26,230,277
Total	26,230,277	-	-	26,230,277

There were no significant transfers between Levels 1 and 2 during the period ended June 30, 2020 and December 31, 2019.

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NOTES TO THE INTERIM FINANCIAL STATEMENTS

Period ended June 30, 2020 (unaudited)

8. Related party transactions

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions.

All transactions between related parties are conducted at arm's length and can be summarized as follows:

Fund and Portfolio Manager

Pembroke Private Wealth Management Ltd. is the Funds' Manager. The Manager provides the day-to-day management of the business and operations of the Funds. PPW is also the trustee of the Funds except for Pembroke American Growth Fund Inc. (which is constituted as a corporation, rather than a trust). As trustee, PPW has a fiduciary duty to act in the best interest of the holders of units of the Funds.

Pembroke Management Ltd. is the portfolio manager of Pembroke Money Market Fund, Pembroke Growth and Income Fund, Pembroke Global Balanced Fund, Pembroke Canadian Growth Fund and Pembroke American Growth Fund Inc. Pembroke is the parent company of the Fund Manager, PPW. Pembroke's fees are paid by the Manager, which are for services including investment, management, administration, advisory and accounting.

The management fees earned by the Manager, which were directly paid for by holders of units/shares of the Funds for the six-month periods ended June 30, 2020 and June 30, 2019 were as follows:

Unit/Shareholder Management Fees	2020	2019
	\$	\$
Pembroke Money Market Fund	9,310	8,586
Pembroke Canadian Bond Fund	67,348	74,894
Pembroke Corporate Bond Fund	367,729	352,528
Pembroke Growth and Income Fund	181,705	285,745
Pembroke Global Balanced Fund	303,054	21,253
Pembroke Canadian Growth Fund	1,929,127	2,293,628
Pembroke American Growth Fund Inc.	1,123,580	1,310,620
Pembroke International Growth Fund	1,202,775	1,288,783
Pembroke Concentrated Fund	220,042	40,859
Total	5,404,670	5,676,896

Under the terms of the management agreement with PPW, Class F of Pembroke Concentrated Fund pays a management fee calculated as disclosed in Note 5. Total management fees for the period ended June 30, 2020 amounted to \$1,463 (2019 \$nil) and are presented in the statements of comprehensive income, with \$674 in outstanding accrued fees due to PPW as at June 30, 2020 (\$29 as at December 31, 2019), which are presented in management fees payable in the statements of financial position of Pembroke Concentrated Fund.

P E M B R O K E

NOTES TO THE INTERIM FINANCIAL STATEMENTS

Period ended June 30, 2020 (unaudited)

8. Related party transactions – (continued)

Trustee and Board of Directors' remuneration

The Trustee and the officers and directors of the Trustee are not paid trustees' or directors' fees or reimbursed for expenses by Pembroke Money Market Fund, Pembroke Canadian Bond Fund, Pembroke Corporate Bond Fund, Pembroke Growth and Income Fund, Pembroke Global Balanced Fund, Pembroke Canadian Growth Fund and Pembroke International Growth Fund.

The members of the Board of Directors and Audit Committee of Pembroke American Growth Fund Inc. were paid a total remuneration of \$44,750 during the period ended June 30, 2020 (for the period ended June 30, 2019 - \$40,250) and consisted of only fixed directors' fees, which is included in Directors' fees on the statements of comprehensive income. There were no outstanding accrued fees due to the directors as at June 30, 2020 (nil as at December 31, 2019).

For the period ended June 30, 2020 and year ended December 31, 2019, the Board of Directors of Pembroke American Growth Fund Inc. held redeemable units/shares in the Funds as detailed below:

	Number of units/shares						Distributions \$
	Beginning of the period	Acquired during the period	Distributions reinvested	Disposed during the period	Management fees paid	End of period	
June 30, 2020							
Pembroke Money Market Fund	80,670	65,331	-	40,663	3	105,335	-
Pembroke Canadian Bond Fund	5,486	-	88	-	3	5,571	1,141
Pembroke Corporate Bond Fund	196,879	61,020	6,004	-	552	263,351	77,576
Pembroke Growth and Income Fund	27,480	429	348	1,582	21	26,653	4,003
Pembroke Global Balanced Fund	63,280	2,686	-	1,330	24	64,611	-
Pembroke Canadian Growth Fund	35,792	841	-	16	88	36,530	-
Pembroke American Growth Fund Inc.	155,135	18,182	-	8,163	590	164,564	-
Pembroke International Growth Fund	28,784	-	-	248	139	28,397	-
Pembroke Concentrated Fund	30,636	20,237	-	14,662	1	36,210	-
Total	624,142	168,726	6,440	66,664	1,421	731,222	82,720

* total number of units/shares are subject to rounding differences

	Number of units/shares						Distributions \$
	Beginning of the period	Acquired during the period	Distributions reinvested	Disposed during the period	Management fees paid	End of period	
December 31, 2019							
Pembroke Money Market Fund	87,702	6,368	-	13,394	6	80,670	-
Pembroke Canadian Bond Fund	6,568	-	180	1,238	25	5,486	2,321
Pembroke Corporate Bond Fund	37,110	156,485	3,852	-	567	196,879	49,072
Pembroke Growth and Income Fund	31,231	952	870	5,521	52	27,480	11,361
Pembroke Global Balanced Fund	29,352	33,248	804	38	87	63,280	8,523
Pembroke Canadian Growth Fund	35,000	759	1,660	1,439	189	35,792	109,844
Pembroke American Growth Fund Inc.	116,314	49,450	-	9,931	698	155,135	-
Pembroke International Growth Fund	28,454	300	467	66	371	28,784	13,727
Pembroke Concentrated Fund	-	30,663	25	-	52	30,636	8,523
Total	371,731	278,225	7,858	31,627	2,047	624,142	203,371

* total number of units/shares are subject to rounding differences

PEMBROKE

NOTES TO THE INTERIM FINANCIAL STATEMENTS

Period ended June 30, 2020 (unaudited)

8. Related party transactions – (continued)

Other related party transactions

Pembroke Growth and Income Fund and Pembroke Global Balanced Fund have investments in other Funds managed by PPW which are recorded as unconsolidated structured entities. The change in fair value of the underlying funds is included in the statements of comprehensive income in net change in unrealized gains (losses) on investments at fair value through profit or loss. During the period ended June 30, 2020 and the year ended December 31, 2019, the Funds did not provide financial support to the unconsolidated structured entities and have no intention of providing financial or other support. The Funds can redeem their units/shares in the underlying Funds at any time, subject to there being sufficient liquidity in the underlying Fund.

The tables below set out interest held by the Funds in the unconsolidated structured entities. The maximum exposure to loss is the carrying amounts of the financial assets held.

June 30, 2020

Top Fund	Underlying Fund	Total number of units/shares held	Total Net Assets of investee Funds \$	Fair Value \$	% Net Assets of investee Funds
Pembroke Growth and Income Fund	Pembroke Canadian Bond Fund	610,869	32,219,146	8,115,887	25.2%
Pembroke Global Balanced Fund	Pembroke Canadian Bond Fund	220,882	32,219,146	2,934,589	9.1%
Pembroke Global Balanced Fund	Pembroke Corporate Bond Fund	1,167,695	139,092,915	15,774,507	11.3%
Pembroke Global Balanced Fund	Pembroke Canadian Growth Fund	82,218	256,483,612	5,194,967	2.0%
Pembroke Global Balanced Fund	Pembroke American Growth Fund Inc.	114,813	181,989,559	4,581,395	2.5%
Pembroke Global Balanced Fund	Pembroke International Growth Fund	153,107	181,636,208	4,573,522	2.5%

December 31, 2019

Top Fund	Underlying Fund	Total number of units/shares held	Total Net Assets of investee Funds \$	Fair Value \$	% Net Assets of investee Funds
Pembroke Growth and Income Fund	Pembroke Canadian Bond Fund	744,216	33,462,077	9,565,260	28.6%
Pembroke Global Balanced Fund	Pembroke Canadian Bond Fund	147,775	33,462,077	1,899,325	5.7%
Pembroke Global Balanced Fund	Pembroke Corporate Bond Fund	807,247	125,103,081	10,353,265	8.3%
Pembroke Global Balanced Fund	Pembroke Canadian Growth Fund	50,608	292,304,749	3,347,816	1.1%
Pembroke Global Balanced Fund	Pembroke American Growth Fund Inc.	74,060	187,291,532	2,898,677	1.5%
Pembroke Global Balanced Fund	Pembroke International Growth Fund	99,601	185,985,192	2,930,195	1.6%

9. Events after the statement of financial position date

There have been no significant events after the statement of financial position date which in the opinion of the Trustee and Board of Directors require disclosure in the financial statements.

10. Capital Management

The Funds' capital are their net assets, representing unitholders' and shareholders' equity. The Funds' objectives when managing capital is to safeguard the Funds' ability to continue as a going concern in order to provide returns for unitholders and shareholders, maximize unitholder and shareholder value and maintain financial strength.

The Funds are not subject to any externally imposed capital requirements.

P E M B R O K E

NOTES TO THE INTERIM FINANCIAL STATEMENTS

Period ended June 30, 2020 (unaudited)

11. Approval of the interim financial statements

The financial statements of Pembroke American Growth Fund Inc. were authorized for issuance by the Board of Directors of Pembroke American Growth Fund Inc. on July 20, 2020. The financial statements of Pembroke Money Market Fund, Pembroke Canadian Bond Fund, Pembroke Corporate Bond Fund, Pembroke Growth and Income Fund, Pembroke Global Balanced Fund, Pembroke Canadian Growth Fund, Pembroke International Growth Fund and Pembroke Concentrated Fund were authorized for issuance by the Trustee, PPW on August 24, 2020.

PEMBROKE

Pembroke Money Market Fund
Pembroke Canadian Bond Fund
Pembroke Corporate Bond Fund
Pembroke Growth and Income Fund
Pembroke Global Balanced Fund
Pembroke Canadian Growth Fund
Pembroke International Growth Fund
Pembroke Concentrated Fund

Manager and Distributor

Pembroke Private Wealth Management Ltd.,
Montreal, Quebec

Trustee, Registrar and Transfer Agent

(except for Pembroke American Growth Fund Inc.)
Pembroke Private Wealth Management Ltd.,
Montreal, Quebec

Registrar and Transfer Agent

Pembroke American Growth Fund Inc.
Computershare Investor Services Inc.,
Montreal, Quebec

Shareholder/Unitholder Recordkeeping

L&T Infotech Financial Services Technologies
Inc.,
Mississauga, Ontario

Investment Managers

Pembroke Money Market Fund
Pembroke Growth and Income Fund
Pembroke Global Balanced Fund
Pembroke Canadian Growth Fund,
Pembroke American Growth Fund Inc.,
Pembroke Concentrated Fund
Pembroke Management Ltd.
Montreal, Quebec

Pembroke Canadian Bond Fund
Pembroke Corporate Bond Fund
Canso Investment Counsel Ltd.,
Richmond Hill, Ontario

Pembroke International Growth Fund
William Blair Investment Management, LLC,
Chicago, Illinois

Independent Review Committee

Peter M. Blaikie
Corporate Director
Montreal, Quebec

Marc A. Courtois
Corporate Director
Montreal, Quebec

Glen D. Roane
Corporate Director
Calgary, Alberta

Auditor

Deloitte LLP
Chartered Professional Accountants
Montreal, Quebec

Custodian

RBC Investor & Treasury Services
Toronto, Ontario

Legal Counsel

Lavery De Billy, LLP
Montreal, Quebec

Torys, LLP
Toronto, Ontario

Trustee of Registered Plans

The Royal Trust Company
Toronto, Ontario

P E M B R O K E

Pembroke American Growth Fund Inc.

Directors

A. Ian Aitken, M.S.C., CFA
President & Chief Executive Officer
Pembroke Management Ltd.
Montreal, Quebec

Marc A. Courtois ¹
Corporate Director
Montreal, Quebec

Glen D. Roane ¹
Corporate Director
Calgary, Alberta

Lloyd M. Segal
President & Chief Executive Officer
Repare Therapeutics Inc.
Montreal, Quebec

Caroline S. Miller, CFA ¹
Senior Vice President, Global Strategist
BCA Research, Inc.
Montreal, Quebec

Officers

Marc A. Courtois
Chairman

A. Ian Aitken, M.S.C., CFA
President & Chief Executive Officer

Michael P. McLaughlin, CPA, CA
Chief Financial Officer

Anthony Calzetta, CPA, CA
Secretary-Treasurer

Annual Meeting

Monday, March 15, 2021, 4:00 p.m.
Pembroke Private Wealth Management Ltd.
1002 Sherbrooke St. West, Suite 1700
Montreal, Quebec, H3A 3S4

¹ Members of the Audit Committee

P E M B R O K E

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Montreal, Quebec, H3A 3S4, Canada
Tel 514-848-0716 800-667-0716 Fax 514-848-9620

Pembroke Private Wealth Management Ltd. is a mutual fund dealer
and manager of the Pembroke Funds.

Pembroke Management Ltd. is an investment advisor.