



CHESSWOOD ANNOUNCES COVID-19 RELATED TEMPORARY SUSPENSION OF DIVIDENDS Adds Strategic Advisor

TORONTO, May 19, 2020 – Chesswood Group Limited (“Chesswood” or the “Company”) (TSX: CHW), a North American commercial equipment finance provider for small and medium-sized businesses, today announces that it is temporarily suspending its monthly dividend as part of its broader initiative to be able to draw on its revolving credit facility to resume funding new business in the U.S., as our customers’ businesses reopen and closure restrictions begin to lift.

Chesswood and its operating subsidiaries implemented several cost-cutting measures as soon as the potential severity of the COVID-19 pandemic became evident, including staffing reductions, a temporary 20% reduction in management compensation and temporary cessation of payments of director compensation.

As announced in the Company’s May 13, 2020 news release, Chesswood’s operating subsidiaries have granted deferrals and other accommodations to some of their customers. Requests for deferrals and other accommodations have significantly decreased over these last few weeks. The focus will now turn to working collaboratively with customers towards return to their regular payment schedules.

Prior to this dividend suspension, Chesswood and its predecessor, Chesswood Income Fund, paid significant monthly dividends since first going public in 2006, as one of our primary objectives. It is our intention to recommence monthly dividends as soon as Chesswood’s Board determines it to be appropriate.

“Our management and Board had hoped to avoid the need to suspend our monthly dividend, and we have taken this action only after we earlier implemented cost-cutting at the management, staff and director levels” noted Barry Shafran, Chesswood’s President and CEO. “We are proud of our dividend track record, and we hope that our efforts and focus during this unprecedented time will result in our being able to resume monthly dividends and maximize shareholder value once the effects of COVID-19 have passed through our business” added Shafran.

Chesswood is pleased to announce that Ryan Marr has joined Chesswood as an advisor, to help design and implement new funding strategies for our businesses. Ryan is Partner & Chief Investment Officer at Waypoint Investment Partners. Prior to joining Waypoint, Ryan spent 10 years employed by Gluskin Sheff + Associates - a Canadian wealth manager focused on high net worth clients across Canada. Prior to departing, Ryan held the position of Vice-President & Portfolio Manager where he managed and co-managed portfolios investing in North American equities across a variety of strategies including equity long only, equity long / short and non-resource equities.

“Ryan has extensive experience in financial markets and with the structuring and creation of financial products and strategies. Given our critical mass today and our need to continue to diversify funding sources, Ryan will be helping Chesswood develop alternative approaches to funding our new originations” said Shafran.

ABOUT CHESSWOOD

Through three wholly-owned subsidiaries in the U.S. and Canada, Chesswood Group Limited is North America’s only publicly-traded commercial equipment finance company focused on small and medium-sized businesses. Our Colorado-based Pawnee Leasing Corporation, founded in 1982, finances a highly diversified portfolio of commercial equipment leases and loans through relationships with over 600 independent brokers in the U.S. In Canada, Blue Chip Leasing Corporation has been originating and servicing commercial equipment leases and loans since 1996, and today operates through a nationwide network of more than 50 independent brokers. Located in Houston, Texas, Tandem Finance Inc. provides equipment financing to small and medium-sized businesses in the U.S. through the equipment vendor channel. Based in Toronto, Canada, Chesswood’s shares trade on the Toronto Stock Exchange under the symbol CHW.

Learn more at: www.Chesswoodgroup.com www.PawneeLeasing.com www.BlueChipLeasing.com and www.TandemFinance.com

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