



CHESSWOOD ANNOUNCES Q3 2020 RESULTS

DIVIDENDS TO RESUME STARTING WITH DIVIDENDS FOR NOVEMBER

TORONTO, Nov 11, 2020 – Chesswood Group Limited (“Chesswood” or the “Company”) (TSX: CHW), a North American commercial equipment finance provider for small and medium-sized businesses, today reported its results for the third quarter and nine months ended September 30, 2020 and provides a COVID-19 update.

“Our efforts to return customer contracts to their regular payment schedules continued in Q3, with total modified leases and loans declining to 5.8% in the U.S. and to 1.8% in Canada” said Ryan Marr, Chesswood’s President and CEO. “As a result, our charge-offs and allowance for credit losses declined meaningfully in the quarter, resulting in strong profitability. As well, we are in the process of appropriate rehires of employees at our operating companies.”

“In addition, we successfully repositioned our balance sheet during the quarter as a result of our previously announced ABS transaction. These restructuring efforts have provided us with the ability to restart our dividend program beginning with a dividend for the month ending November 30. To start, the dividend will be set at \$0.02 per share payable monthly. We are excited by the opportunities in front of us and expect to build further momentum into year end and 2021” said Mr. Marr.

Financial Highlights (in CDN \$000's, except EPS)	For the Three Months		For the Nine Months	
	Ended September 30		Ended September 30	
	2020	2019	2020	2019
Adjusted Operating Income⁽¹⁾	\$5,016	\$6,650	\$13,619	\$21,171
Decrease/(Increase) in Allowance for Credit Losses	11,765	(1,601)	1,744	(4,042)
Amortization – intangible assets	(333)	(333)	(999)	(999)
Operating income (loss)	16,448	4,716	14,364	16,130
Goodwill impairment	-	-	(11,868)	-
Restructuring and transaction costs	(3,474)	-	(9,250)	-
Mark-to-market adj. on swaps/caps	214	(82)	(251)	(1,211)
Other non-cash items	493	(136)	319	(190)
Income (loss) before taxes	\$13,681	\$4,498	(\$6,686)	\$14,729
Net income (loss)	\$9,804	\$2,977	(\$8,616)	\$9,942
Earnings Per Share - basic	\$0.55	\$0.17	(\$0.49)	\$0.56

(1) - See "Non-GAAP Measures" below.

The \$0.02 per share dividend will be payable to shareholders of record at the close of business on November 30, 2020, and will be paid on December 15, 2020.

Chesswood has designated its dividends as eligible dividends for the purposes of the Income Tax Act (Canada).

NON-GAAP MEASURES

Adjusted Operating Income is not a recognized measure under International Financial Reporting Standards and do not have a standard meaning. Accordingly, this measure may not be comparable to similar measures presented by other issuers. Please refer to the Company’s Management Discussion and Analysis in Chesswood’s 2020 Third Quarter Report for additional information concerning these measures and a reconciliation of these measures to the Company’s consolidated income before taxes.

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. 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. 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. 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.TandemFinance.com and www.BlueChipLeasing.com

For more information contact:

Ryan Marr, President and CEO
Chesswood Group Limited
416-386-3099
rmarr@chesswoodgroup.com

This press release contains forward-looking statements that involve a number of risks and uncertainties because they relate to events and depend on circumstances that will occur in the future. Many factors could cause actual results and developments to differ materially from those expressed or implied by these forward-looking statements (including the ultimate duration and severity of the COVID-19 pandemic). By its nature, this information is subject to inherent risks and uncertainties that may be general or specific and which give rise to the possibility that expectations, forecasts, predictions, projections or conclusions will not prove to be accurate, that assumptions may not be correct and that objectives, strategic goals and priorities will not be achieved. Additional information about the risks and uncertainties of the Company's businesses and material factors or assumptions on which information contained in forward-looking statements is based is provided in its publicly filed documents, including the Company's annual information form and management's discussion and analysis of the financial condition and performance, which are available electronically through the System for Electronic Document Analysis and Retrieval at www.sedar.com.

NO STOCK EXCHANGE, SECURITIES COMMISSION OR OTHER REGULATORY AUTHORITY HAS APPROVED OR DISAPPROVED THE INFORMATION CONTAINED HEREIN.