



CHESSWOOD CLOSES SECOND MARKETED SECURITIZATION FOR US\$183 MILLION & PROVIDES UPDATE ON CORPORATE REVOLVING CREDIT FACILITY

TORONTO, Sep 30, 2020 – Chesswood Group Limited (“Chesswood”) (TSX: CHW) is pleased to announce the closing by its subsidiary Pawnee Leasing Corporation (“Pawnee”) of its second marketed U.S. securitization of receivables. Proceeds from this securitization were U.S.\$183 million and will be used to repay Pawnee’s two non-recourse asset-backed facilities with Capital One, Pawnee’s warehouse facility and more than U.S.\$100 million of Chesswood’s corporate revolving credit facility.

“This transaction substantially improves Chesswood’s financial position by increasing liquidity and unlocking collateral in existing funding conduits. The success of this second ABS is evidence of Pawnee’s high quality portfolio and further demonstrates Chesswood’s ability to manage treasury and funding resources even in the current challenging economic environment” said Ryan Marr, Chesswood’s President and CEO. “The securitization market has provided us with a 100bps improvement in our cost-of-funds, in addition to freeing up approximately U.S.\$30 million of equity which had been locked in existing facilities” added Marr.

In addition to completing this securitization transaction, Chesswood has also amended its corporate revolving credit facility, providing access to funding for originations that were previously restricted due to the COVID operating environment. “This amendment, combined with the success of our ABS transaction, has provided us with the liquidity needed to fund our origination appetite in the current operating environment. With the closing of these transactions, the board is able to evaluate options to best use this additional available capital in the interests of Chesswood and our shareholders” Marr added.

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

For more information contact:

Ryan Marr
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.