



## **Chesswood Group Limited and Wafra Inc. Announce Joint Venture**

**Toronto and New York – October 31, 2023** – Chesswood Group Limited (TSX: CHW) (“Chesswood”), a specialty finance company with 40 years of experience in the commercial equipment finance market, and Wafra Inc. (“Wafra”), a global alternative investment firm, today announced an agreement forming a joint venture partnership (the “Joint Venture”) between Chesswood subsidiary Pawnee Leasing Corporation (“Pawnee”) and certain funds managed by Wafra (“Wafra Funds”).

The Joint Venture will invest in equipment finance leases and loans originated by Chesswood subsidiaries Pawnee and Tandem Finance Ltd. (“Tandem”), targeting up to \$1 billion in total acquisitions. Chesswood and its operating subsidiaries will service the assets on behalf of the Joint Venture. Both Wafra Funds and Pawnee will contribute equity to the Joint Venture, with Wafra Funds owning up to 95%. In connection with the formation of the Joint Venture, Chesswood has agreed to issue to Wafra Funds warrants to purchase 2,067,250 Chesswood common shares at a \$10 exercise price, subject to a vesting schedule tied to the closing of acquisitions by the Joint Venture.

The Joint Venture will enable Chesswood’s subsidiaries to continue growing originations to meet market demand and to evaluate new opportunities that leverage Chesswood’s infrastructure and decades of experience and success in the commercial finance sector.

“We are pleased to partner with the management of Chesswood, Pawnee and Tandem and look forward to growing the Joint Venture meaningfully,” said Edward Tsai, Managing Director at Wafra. “As long-term oriented investors, we seek to form durable partnerships with experienced industry leaders like Chesswood. We recognize the attractive fundamentals of equipment finance, adding it to Wafra’s portfolio of high-quality real-asset-backed investments.”

“We are excited to embark on a long-term partnership with Wafra focused on the expansion of Chesswood’s business in the United States. Wafra and Chesswood share a common vision of the opportunities for growth in the US asset-based finance market that leverages the infrastructure and know-how of both organizations. In addition, this agreement builds on Chesswood’s strategic focus to grow Chesswood’s Asset Management business and increase fee-based revenue,” said Ryan Marr, President & CEO of Chesswood.

The issuance of the warrants is subject to receiving conditional approval from the Toronto Stock Exchange. The terms of the warrants (other than the exercise price) will be included in a subsequent news release.

### **About Wafra**

Wafra is a global alternative investment manager with approximately \$31 billion of assets under management across a range of alternative assets, including real assets, real estate, and strategic partnerships. By providing flexible and accretive capital solutions and focusing on long-term partnerships, Wafra aligns and partners with high quality asset owners, companies and management teams. Headquartered in New York, Wafra has additional offices in London, Kuwait, and Bermuda. For more information, please visit [www.wafra.com](http://www.wafra.com).

## **About Chesswood Group Limited**

Chesswood Group Limited is a Toronto, Canada based holding company whose subsidiaries engage in the business of specialty finance (including equipment finance throughout North America and vehicle finance and legal sector finance in Canada), as well as the origination and management of private credit alternatives for North American investors.

Based in Toronto, Canada, Chesswood Group Limited's shares trade on the TSX under the symbol CHW. For more information, please visit [www.chesswoodgroup.com](http://www.chesswoodgroup.com).

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