



**Pender Growth Fund Inc. and
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NEWS RELEASE

FOR IMMEDIATE RELEASE

June 23, 2023

Pender Growth Fund and Pender Private Investments Inc. Announce Execution of Arrangement Agreement to Acquire Remaining PPI Legacy Shares

VANCOUVER, B.C. - Pender Growth Fund Inc. ("**PGF**"; **TSXV: PTF**) and Pender Private Investments Inc. ("**PPI**") today announce that, further to their press release dated May 24, 2023, they have signed an arrangement agreement (the "**Arrangement Agreement**") pursuant to which PGF will acquire all Legacy Shares of PPI not currently owned by PGF (the "**Proposed Transaction**").

The Proposed Transaction will be completed pursuant to a statutory plan of arrangement (the "**Plan of Arrangement**") under the *Business Corporations Act* (British Columbia). PGF currently holds approximately 98% of the outstanding Legacy Shares of PPI. Pursuant to the terms of the Arrangement Agreement, PGF will acquire the remaining Legacy Shares at a cash purchase price of \$6.8184 per Legacy Share (subject to adjustment as described below), which is equal to 100% of the Net Asset Value ("**NAV**") of PPI's portfolio as of six business days prior to the signing of the Arrangement Agreement, determined in accordance with past practice of the manager of PPI, PenderFund Capital Management Ltd. (the "**Purchase Price**"). The NAV will be re-calculated five business days before closing of the Proposed Transaction and the Purchase Price is subject to a maximum 5% adjustment depending on such calculation, such that the minimum Purchase Price will be \$6.4775 and the maximum Purchase Price will be \$7.1593. The board of directors of PPI formed a special committee (the "**Special Committee**"), composed of independent directors, to consider and evaluate the terms of the Proposed Transaction. After receipt of an independent fairness opinion, the Special Committee determined that the Proposed Transaction was fair, from a financial point of view, to the shareholders of the Legacy Shares other than PGF (the "**Minority Shareholders**") and recommended that the Board of Directors approve the Proposed Transaction, with Maria Pacella, an officer of PenderFund Capital Management Ltd., abstaining from voting.

Completion of the Proposed Transaction remains subject to the approval of the British Columbia Supreme Court and approval of the Minority Shareholders by special resolution passed by two-thirds of the votes cast by Minority Shareholders present in person or represented by proxy at a special meeting of the Minority Shareholders called to consider the Proposed Transaction, which is anticipated to be held on or about August 9, 2023. Assuming satisfaction of all conditions precedent, it is anticipated the Proposed Transaction will complete in the second half of August 2023.

About PGF

PGF's objective is to achieve long-term capital appreciation for its investors. PGF utilizes its small capital base and long-term horizon to invest in unique situations; primarily small cap, special situations, and illiquid public and private companies. PGF trades on the TSX Venture Exchange under the symbol "PTF". Please visit www.pendergrowthfund.com.

About PPI

Pender Private Investments Inc. is an investment entity with a portfolio of technology companies that was acquired by PGF through the acquisition of another venture capital fund. Please visit www.pendergrowthfund.com.

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Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

Forward-Looking Information

This news release contains certain “forward looking statements” and certain “forward-looking information” as defined under applicable Canadian and U.S. securities laws (together, “forward-looking statements”). Forward looking statements can generally be identified by the use of forward-looking terminology such as “may”, “will”, “expect”, “intend”, “estimate”, “anticipate”, “believe”, “continue”, “plans”, “proposed” “potential” or similar terminology. Forward-looking statements in this news release include, but are not limited to, statements and information related to completion of the Proposed Transaction. In making the forward-looking statements in this news release, PGF and PPI have applied several material assumptions, including, without limitation, the assumptions that the shareholder meeting will be held as scheduled, the requisite shareholder and court approvals will be received and all conditions precedent to the Proposed Transaction will be satisfied in a timely manner. Forward-looking statements and information are not historical facts and are made as of the date of this news release. These forward-looking statements involve numerous risks and uncertainties and actual results may vary. Important factors that may cause actual results to vary include, without limitation, risks related to the timing of the shareholder meeting, receipt of the requisite shareholder and court approvals and satisfaction of all conditions precedent. The actual results or performance by PGF and PPI could differ materially from those expressed in, or implied by, any forward-looking statements relating to those matters. Accordingly, no assurances can be given that any of the events anticipated by the forward-looking statements will transpire or occur. Except as required by law, neither PGF nor PPI is under any obligation, and expressly disclaim any obligation, to update, alter or otherwise revise any forward-looking statement, whether written or oral, that may be made from time to time, whether as a result of new information, future events or otherwise, except as may be required under applicable securities laws.