



Pender Growth Fund Inc.
1066 West Hastings Street, Suite 1830
Vancouver, BC V6E 3X2

Tel: (604) 688-1511
Toll Free: (866) 377-4743
Fax: (604) 563-3199
www.pendergrowthfund.com

NEWS RELEASE

FOR IMMEDIATE RELEASE

January 31, 2020

Pender Growth Fund Provides Portfolio Update

VANCOUVER, B.C. (TSXV: PTF) Pender Growth Fund Inc. (the “Company”) announces that one of its private portfolio companies has accepted a term sheet for a significant equity financing (the “Proposed Financing”).

The Proposed Financing will improve the liquidity position and outlook for the portfolio company. The portfolio company has made a strategic decision to accept the term sheet and welcomes the significant growth capital that is expected to be secured in this financing, however the term sheet provides for financing at a lower valuation per share than prior equity financings for this portfolio company.

After careful consideration of the price per share offered in this Proposed Financing, and the improved liquidity and growth prospects for the portfolio company, we have determined it appropriate to revise the Company’s carrying value of the portfolio company. The Company’s total net asset value is therefore decreased by approximately \$2.0 million (\$0.24 of net asset value per share).

As long-term investors we remain committed to our investment theses for our portfolio companies. We continue to support our portfolio companies in building their intrinsic value over the long-term with a goal of generating returns through the successful divestment of portfolio companies.

About the Company

Pender Growth Fund Inc. is an investment company with the objective of achieving long-term capital appreciation for its investors. The Company 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. The Company trades on the TSX Venture Exchange under the symbol “PTF”. For further information on the Company please visit www.pendergrowthfund.com or contact:

Tony Rautava (604) 688-1511
Toll Free: (866) 377-4743
trautava@penderfund.com

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.

CAUTION REGARDING FORWARD LOOKING STATEMENTS

This news release may contain forward-looking statements (within the meaning of applicable securities laws) relating to the business of the Company and the environment in which it operates. Forward-looking statements are identified by words such as “believe”, “anticipate”, “project”, “expect”, “intend”, “plan”, “will”, “may”, “estimate” and other similar expressions. These statements are based on the Company’s expectations, estimates, forecasts and projections and include, without limitation, statements regarding completion of the Proposed Financing. The forward-looking statements in this news release are based on certain assumptions; they are not

guarantees of future performance and involve risks and uncertainties that are difficult to control or predict. A number of factors could cause actual results to differ materially from the results discussed in the forward-looking statements, including, but not limited to, failure to satisfy the closing conditions of the Proposed Financing and the factors discussed under the heading “Risk Factors” in the Company’s annual information form available at www.sedar.com. There can be no assurance that forward-looking statements will prove to be accurate as actual outcomes and results may differ materially from those expressed in these forward-looking statements. Readers, therefore, should not place undue reliance on any such forward-looking statements. Further, these forward-looking statements are made as of the date of this news release and, except as expressly required by applicable law, the Company assumes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.