



WORKING OPPORTUNITY FUND – AUGUST/SEPTEMBER UPDATE

Working Opportunity Fund (EVCC) Ltd. (“Fund”) continues to actively work with the management teams of portfolio companies to support them through their growth and exit positioning.

The impact of COVID-19 has been felt throughout the portfolio although it is difficult at this time to estimate the ultimate impact on the Fund or duration of the situation. Two portfolio holdings had been in active M&A discussions until the prospective buyers pulled out of negotiations, at least for now, as they grapple with the longer-term effects of COVID-19 on their own businesses. On the other hand, many technology companies with solutions that help support remote working or that provide key solutions in health are performing well. Beneficiaries of the accelerated digitization trend due to COVID-19 includes certain companies held by the Fund.

Venture Series

Below is some recent news from one of the companies held by the Venture Series.



General Fusion has a goal to pursue the fastest and most practical path to commercial fusion energy to generate carbon free electricity for residential and industrial customers. The company was established in 2002 and is funded by a global syndicate of leading energy venture capital firms, industry leaders and technology pioneers.

In September General Fusion [announced](#) that it has been awarded a funding partnership with the U.S. Department of Energy, recognizing the company as a global leader on the path to commercializing practical fusion. The award acknowledges General Fusion’s world-class expertise in plasma development. General Fusion will partner with the Princeton Plasma Physics Laboratory, one of the leading fusion research laboratories, to work with top fusion scientists and advance its technology. With this recognition we are seeing investors take a closer look at fusion and support efforts towards commercialization.

Earlier in the summer General Fusion [announced](#) that it had closed additional financing in support of its Fusion Demonstration Plant Program from two new globally recognized institutional investors: GIC, a sovereign wealth fund established by Singapore and the deep technology fund, IBX. These new investors in General Fusion join an already broad international financing base that includes Temasek, BDC, Hatch, the DLF Group, Gimv, I2BF Global Ventures, DTA, Chrysalix Energy Venture Capital, Bezos Expeditions, Khazanah Nasional Berhad, Braemar Energy Ventures, Entrepreneurs Fund, SET Ventures, and several individual investors. Support from this investor syndicate shows that General Fusion’s Burnaby-based efforts towards advancing fusion has support that extends far beyond British Columbia and Canada.

Fund Overview

The Working Opportunity Fund consists of two investment portfolios, the Venture Series and the Commercialization Series, both of which are invested in private, BC-based technology companies. The Fund's Venture Series and the Commercialization Series are closed for redemption and the Fund has a dividend distribution policy in place whereby available cash from the portfolio is distributed proportionately to all shareholders.

The applicable fund codes are provided in the following table.

| | |
|--------------------------------|--|
| WOF – Venture Series | WOF 141, 142, 888, 890, 892, 894, 895, 896 |
| WOF – Commercialization Series | WOF 104, 105 |

The Fund is reliant on exits from its private portfolio companies to generate liquidity for shareholders and as WOF's investments in these companies are all minority equity positions, the timing and ability to effect realization of exits are largely beyond the control of the Fund. We believe that the long-term outlook for a number of portfolio companies continues to be positive and there is potential for the Fund's investments to provide value and meaningful liquidity to shareholders over time.

If you have more questions about your investment in WOF, please contact Prometa Fund Support Services by phone (888-787-9561), fax (888-747-0984) or email (workingopportunityfund@prometa.ca).

<https://www.penderfund.com/funds/working-opportunity-fund>



This communication is intended for information purposes only and does not constitute an offer to buy or sell our products or services nor is it intended as investment and/or financial advice on any subject matter and is provided for your information only. Every effort has been made to ensure the accuracy of its contents. Certain of the statements made may contain forward-looking statements, which involve known and unknown risk, uncertainties and other factors which may cause the actual results, performance or achievements of the Company, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements.

© Copyright PenderFund Capital Management Ltd. All rights reserved. October 2020.