

NEWS RELEASE

FOR IMMEDIATE RELEASE

April 12, 2021

PenderFund Capital Management Ltd Responds to Proposed Acquisition of The Leaf Group

VANCOUVER, B.C. PenderFund Capital Management Ltd. (“**Pender**”), is a shareholder of The Leaf Group (“**Leaf**” or the “**Company**”). Pender’s response to Leaf’s announcement that Graham Holdings is going to buy it for \$8.50 per share, is that, while Pender generally supports a sale of Leaf, it believes that the offer of \$8.50 materially undervalues the Company.

Pender strongly urges the Company’s Board to reassess its decision on Graham Holdings’ offer and to continue to work to achieve a price that better reflects Leaf’s full and fair value.

About PenderFund Capital Management Ltd.

Pender was founded in 2003 and is an independent, employee-owned investment firm located in Vancouver, British Columbia. Our goal is to protect and grow wealth for our investors over time. We have a talented investment team of expert analysts, security selectors and independent thinkers who actively manage our suite of niche investment funds, exploiting inefficient parts of the investing universe to achieve our goal. Please visit www.penderfund.com.

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Forward-Looking Information

This news release may contain forward-looking statements (within the meaning of applicable securities laws) relating to the business of Pender 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 Pender’s expectations, estimates, forecasts and projections and include, without limitation, statements about Pender’s portfolio risk and future investment opportunities. 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, Pender’s ability to successfully integrate the funds acquired in the Transaction, realization of any tax loss benefits and the factors discussed under the heading “Risk Factors” in Pender’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, Pender assumes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.