



Annual General Meeting

May 2023

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Section 1
2022 Results

Increase Returns on Equity

Chesswood has a history of excellent long-term performance

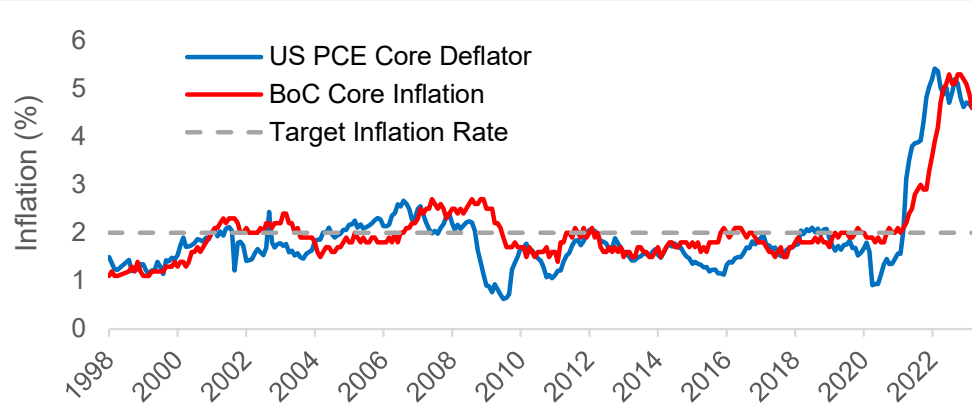
| (CDN\$000's) | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 |
|--|-----------|-----------|-----------|-----------|-----------|-------------------------|-----------|-----------|-------------------------|-------------------------|-------------|-------------------------|
| Finance Receivables – GLR | \$154,829 | \$170,565 | \$211,678 | \$256,045 | \$475,780 | \$558,910 | \$691,138 | \$918,815 | \$1,026,635 | \$890,418 | \$1,678,952 | \$2,839,733 |
| Net Income | \$6,509 | \$8,989 | \$10,905 | \$11,539 | \$19,804 | \$24,278 | \$25,431 | \$22,885 | \$22,191 ⁽²⁾ | \$21,194 ⁽²⁾ | \$31,169 | \$37,582 ⁽³⁾ |
| Free Cash Flow | \$8,867 | \$10,315 | \$12,383 | \$13,624 | \$20,146 | \$20,073 | \$29,617 | \$25,403 | \$22,361 | \$19,606 | \$33,573 | \$51,715 |
| Dividends Declared | \$6,673 | \$7,239 | \$8,262 | \$9,186 | \$13,062 | \$14,089 ⁽¹⁾ | \$15,147 | \$15,044 | \$14,883 | \$5,053 | \$6,143 | \$9,284 |
| Dividends Declared Per Share | \$0.60 | \$0.64 | \$0.73 | \$0.78 | \$0.780 | \$0.79 | \$0.84 | \$0.84 | \$0.84 | \$0.31 | \$0.32 | \$0.46 |
| Return on Shareholders' Equity (after-tax) | 12.5% | 13.9% | 13.9% | 17.5% | 16.8% | 15.4% | 15.9% | 14.1% | 14.0% ⁽²⁾ | 14.0% ⁽²⁾ | 19.0% | 17.7% ⁽³⁾ |

Chesswood Group generated strong Returns on Equity and record Free Cash Flow in 2022

- 1) One-time special dividend of \$8.9M in March 2016 not reflected in chart
- 2) Adjusted for one-time items, transaction and restructuring costs
- 3) Excludes "day 2" provision resulting from Rifco acquisition

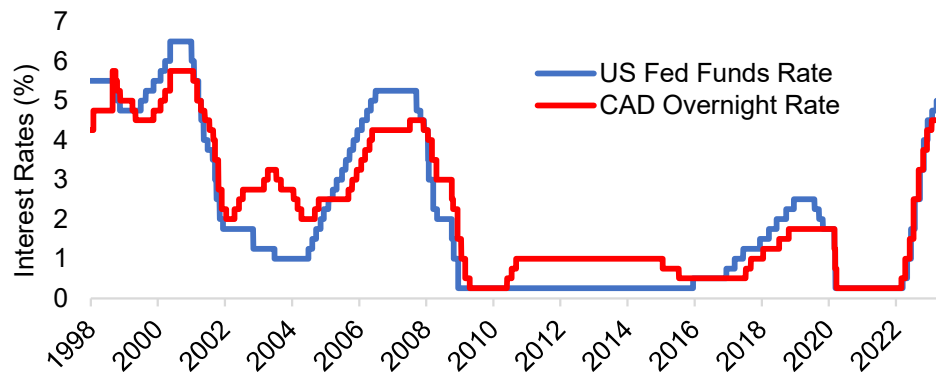
Inflation Shock

Historical Y/Y Inflation

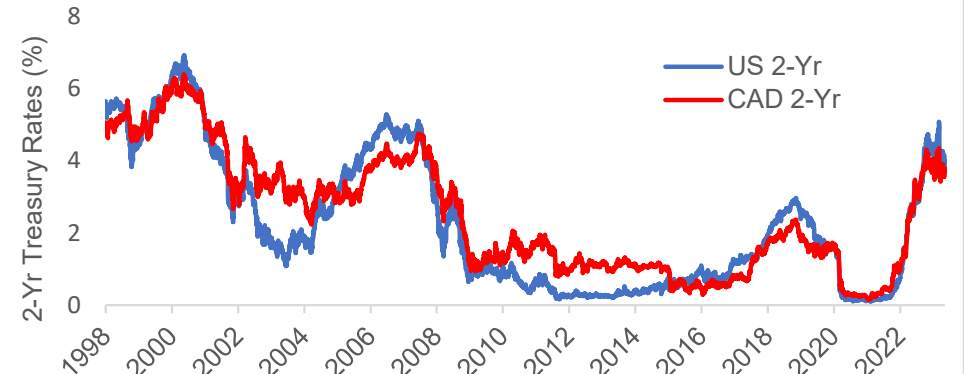


- The post-Covid surge in inflation has led to the most aggressive rate-hiking cycle in recent history
 - U.S. Fed raised rates by 500bps to 5.25% between March 2022 – May 2023
 - Bank of Canada overnight raised rates 425bps to 4.50% between March 2022 – January 2023

Central Bank Overnight Interest Rates



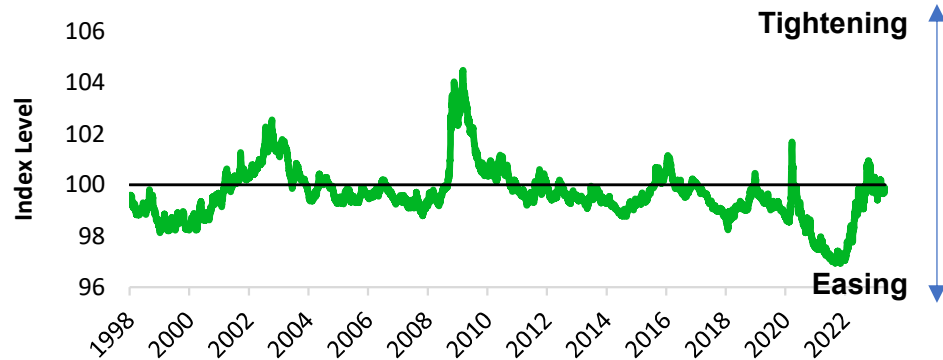
2-Yr Treasury Rates



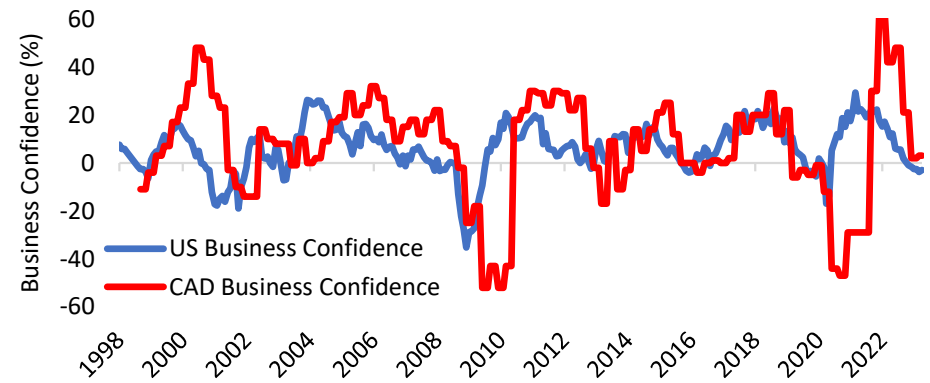
Central banks have taken an aggressive policy stance to combat elevated inflation. Aggregate demand must decline to bring inflation back to the target rate.

Early Indicators of Policy Impact

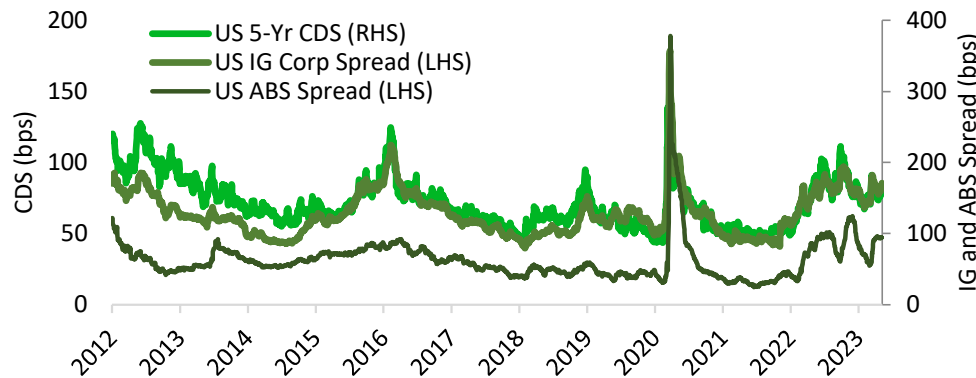
U.S. Financial Conditions



Business Confidence



Credit Spreads

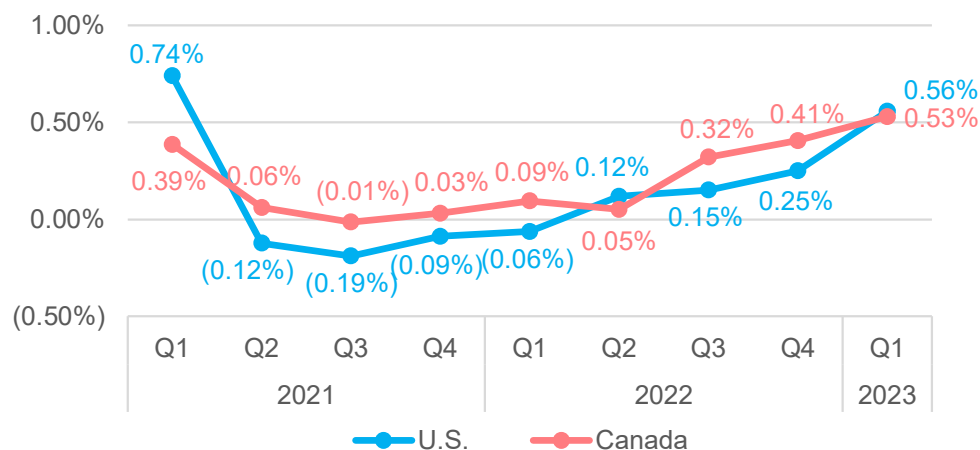


- U.S. financial conditions have tightened significantly in response to central bank policy action
 - Evidenced by the recent liquidity crises arising in regional banking and commercial real estate
- Business sentiment has declined in response to these financial conditions
- Credit spreads have widened in response to liquidity conditions and rising expected credit losses
 - Notably, ABS spreads are holding near the widest levels of the past 10 years

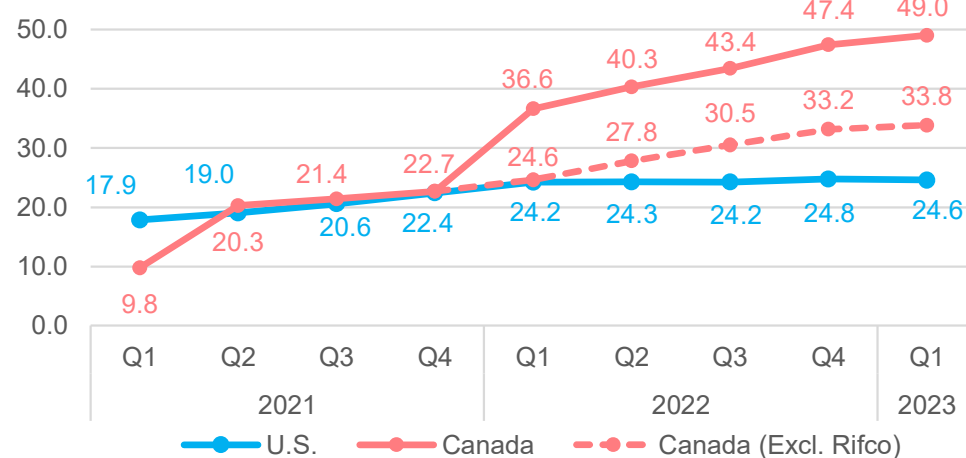
Early indicators point to a slowdown in economic activity although the severity remains uncertain across many markets

Chesswood Key Metrics

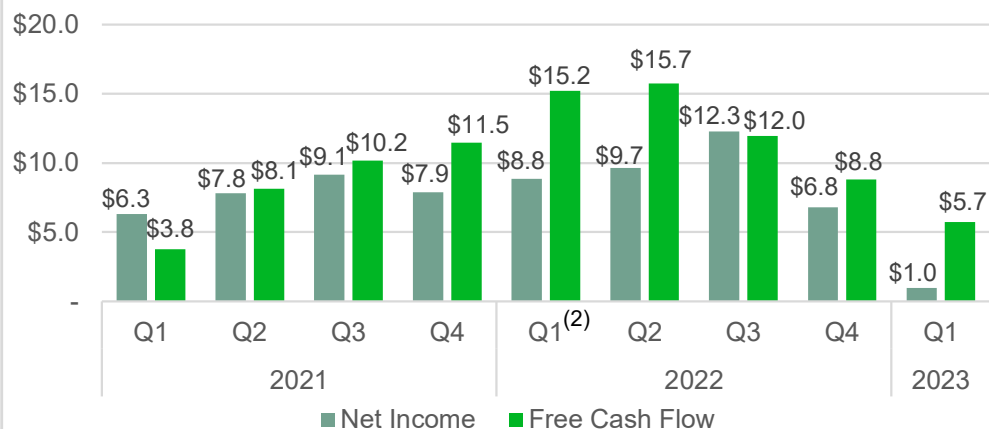
Net Charge-Offs (% of Average NIL)⁽¹⁾



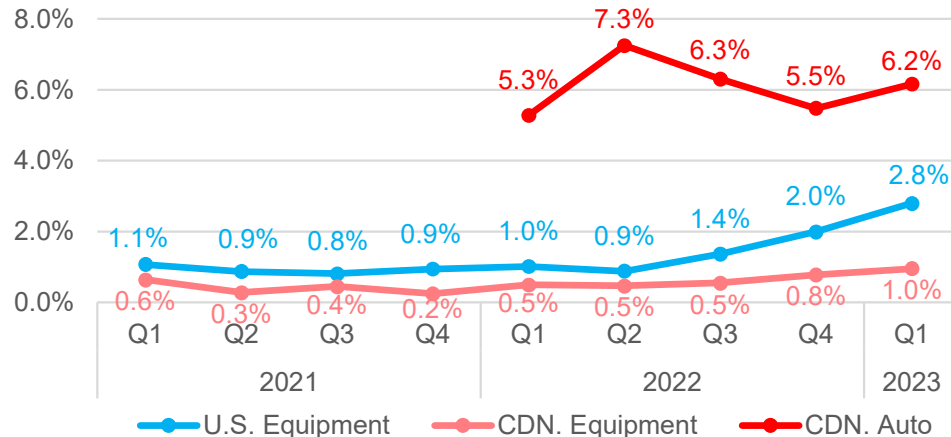
Number of Leases (000s)



Free Cash Flow and Net Income (C\$mm)



31+ Delinquency



Chesswood is operating at pre-pandemic levels on all performance metrics

Note, all metrics exclude contracts sold to third parties through Forward Flow Agreements

1) Calculated as Net Charge-Offs for the quarter divided by average NIL for the quarter

2) Reflects adjusted Net Income; excludes business combination "day 2" provision of \$7.2mm associated with the Rifco acquisition



Section 2

Strategic Goals

Strategic Goals

1

Diversify Portfolio

2

**Improve Portfolio
Credit Quality**

3

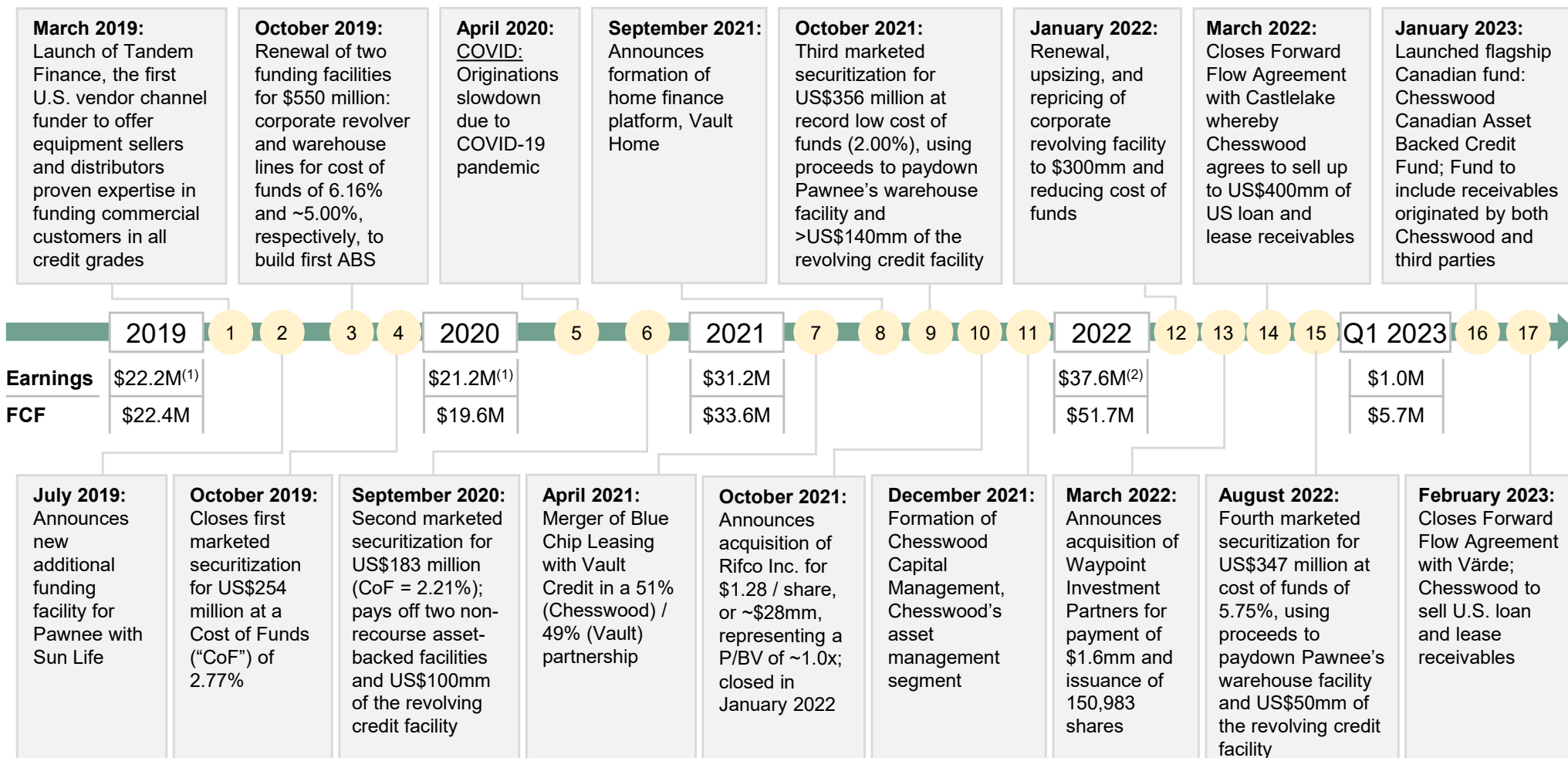
**Diversify Source
of Funds & Asset
Management**

4

**Increase Returns
on Equity**

Chesswood Review | Strategic Milestones Since 2019

- Through strategic acquisitions and diversifying its funding sources, Chesswood has achieved various milestones in the pursuit of becoming the pre-eminent Canadian specialty finance company.



Over the past few years, Chesswood has successfully progressed on its goal of diversifying its earnings, both geographically and across business lines, and optimizing its funding sources

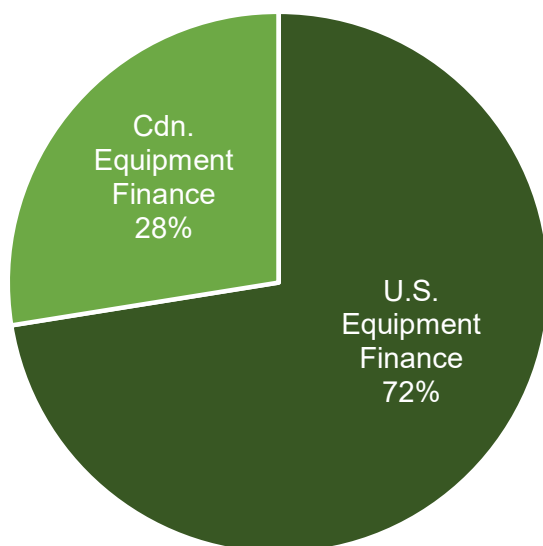
1) Adjusted for one-time items, transaction and restructuring costs
2) Excludes "day 2" provision resulting from Rifco acquisition

Diversify Portfolio

Asset Mix

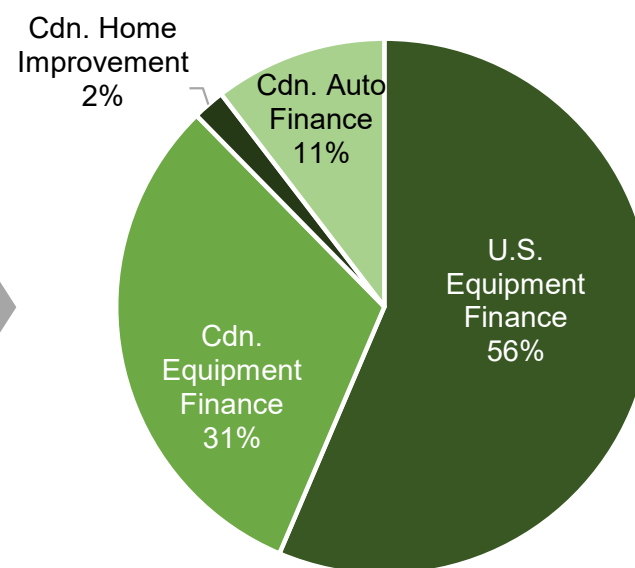
2017 (December 31, 2017)

Total NIL: C\$551mm



2023 (March 31, 2023)

Total NIL: C\$2,310mm⁽¹⁾⁽²⁾



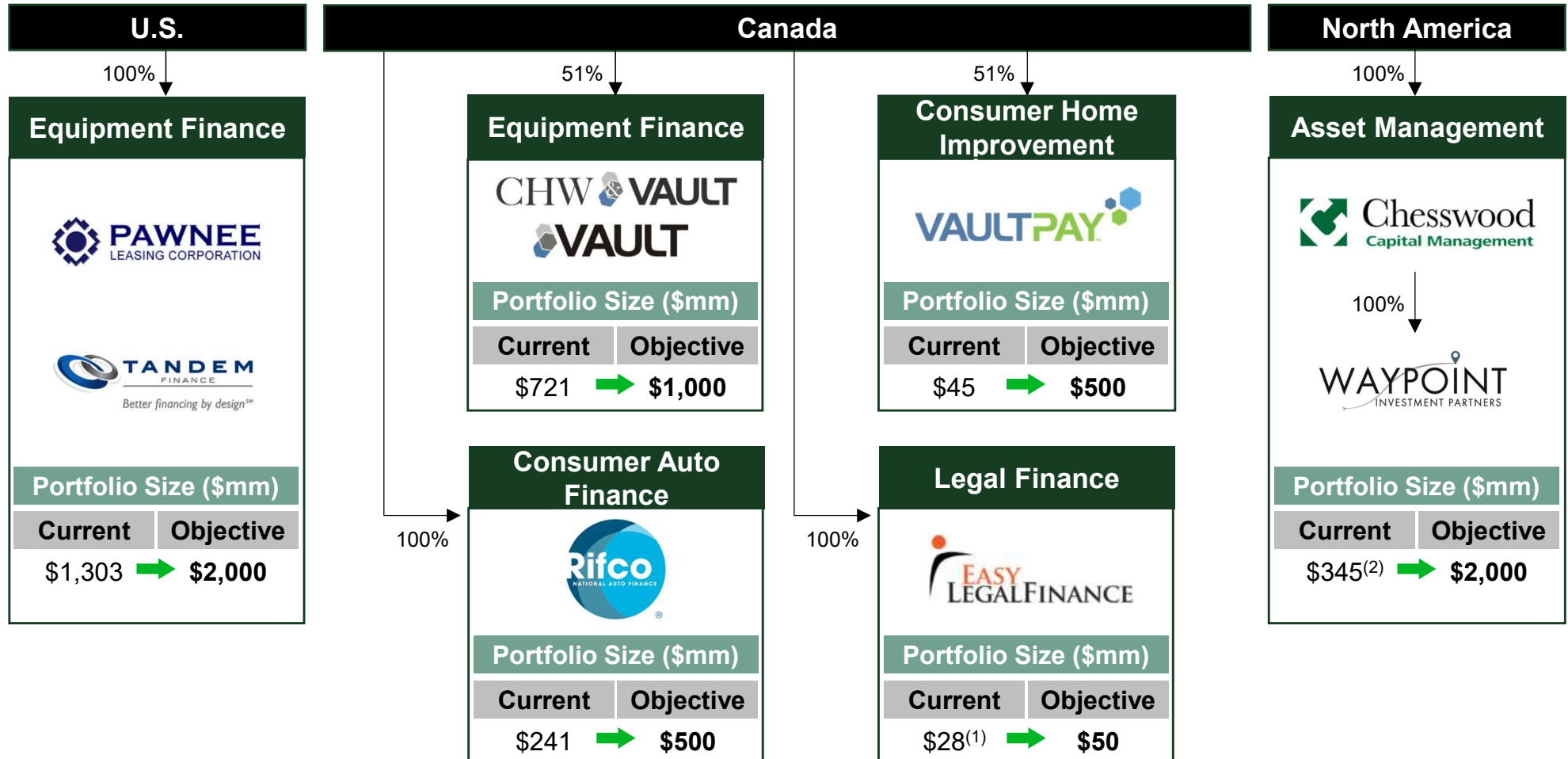
Chesswood continues to look for opportunities to further diversify its asset mix

- 1) Excludes receivables sold to third parties through Forward Flow Agreements
- 2) Excludes \$6mm of Corporate Finance Receivables

Overview of Chesswood Group Limited



All portfolio figures in C\$; as of March 31, 2023; excludes Corporate Finance Receivables of \$6mm



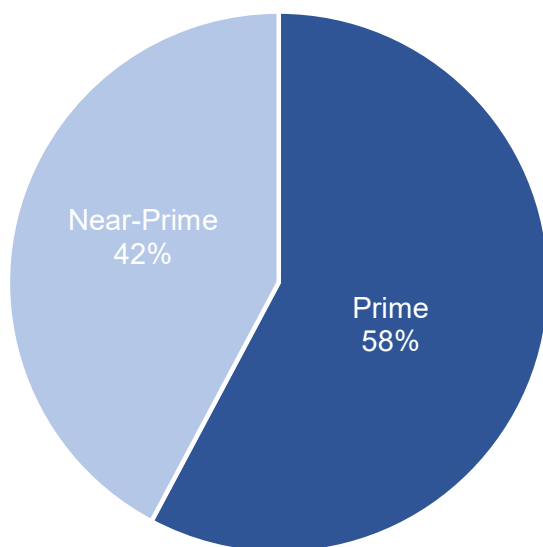
- 1) Includes off balance sheet portfolio
 2) Includes assets managed under Forward Flow Agreements

Improve Portfolio Credit Quality

Portfolio Summary by Credit Class

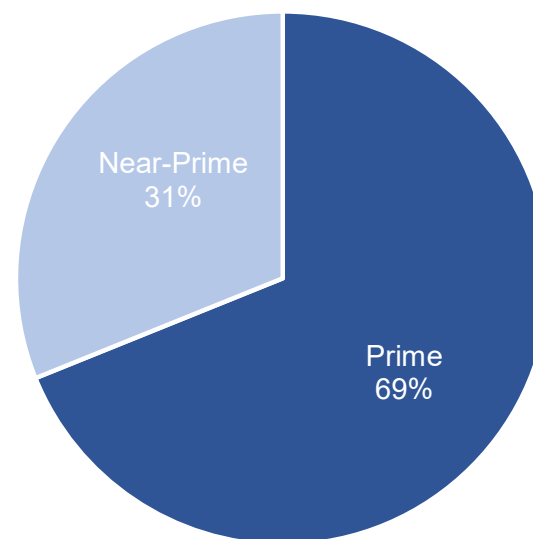
2017 (December 31, 2017)

Total NIL: C\$551mm



2023 (March 31, 2023)

Total NIL: C\$2,310mm⁽¹⁾⁽²⁾



Chesswood continues to see its portfolio mix shift towards prime receivables

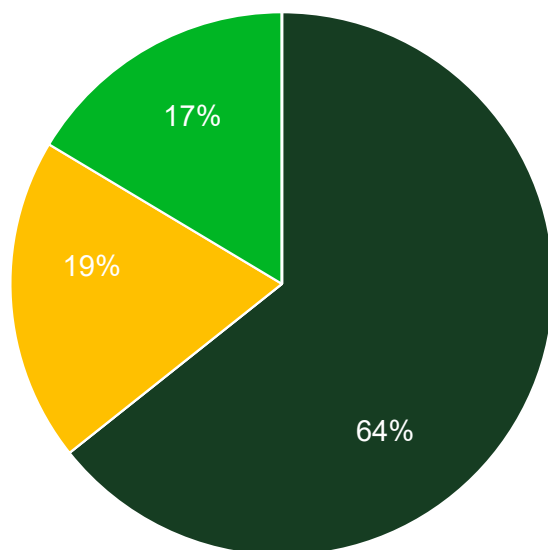
- 1) Excludes receivables sold to third parties through Forward Flow Agreements
- 2) Excludes \$6mm of Corporate Finance Receivables

Diversify Sources of Funds

Available Funding Sources

2017 (December 31, 2017)

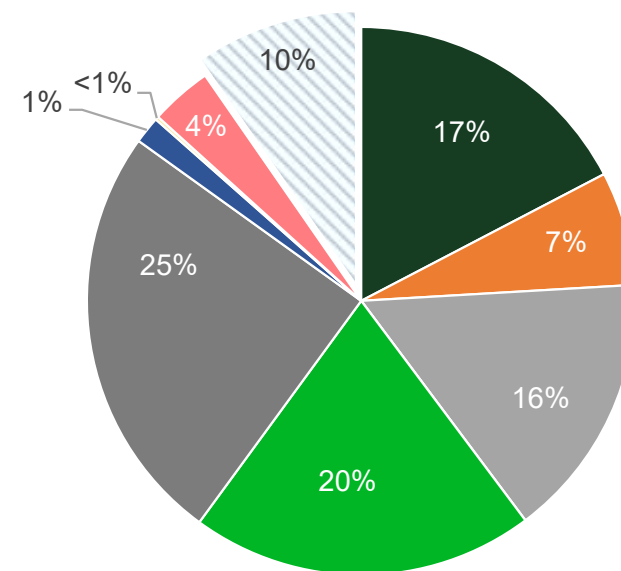
Total Funding Capacity: C\$488mm



- Revolver
- U.S. Warehouse - Revolving
- Cdn. Securitization and Bulk Lease Financing ⁽¹⁾
- Private Credit Investors ⁽²⁾
- Auto - Securitization ⁽¹⁾

2023 (March 31, 2023)

Total Funding Capacity: C\$3,000mm+



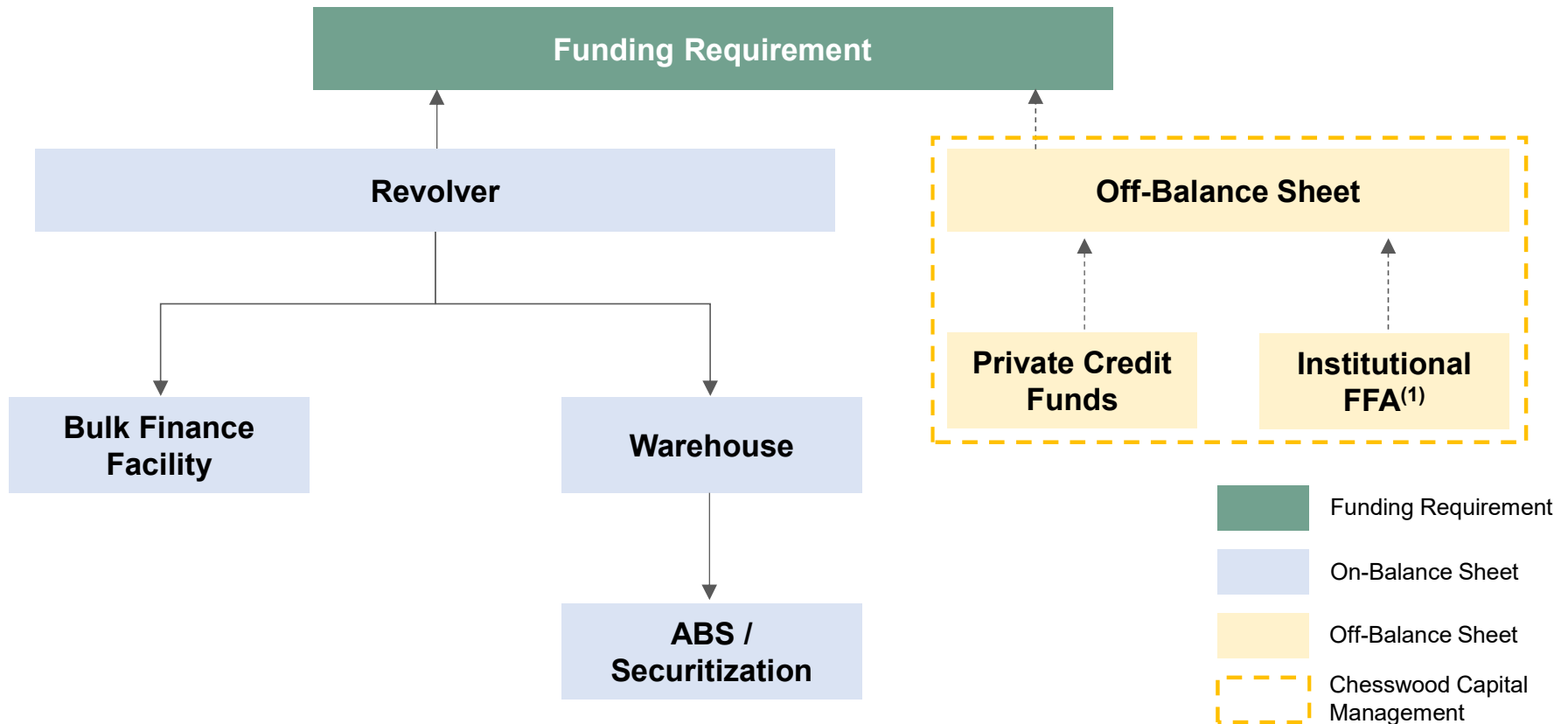
- U.S. Warehouse
- U.S. Asset-Backed Non-Recourse
- U.S. ABS ⁽²⁾
- Auto - Unsecured Debentures ⁽²⁾
- Off-Balance Sheet

Chesswood has a diverse source of On-Balance Sheet and Off-Balance Sheet funding to aid future growth

1) Excludes access to a securitization facility with no annual or rolling limit
 2) Represents actual outstanding amount

Asset Management | Chesswood Capital Management

- Chesswood Capital Management provides institutional and retail investors the opportunity to gain direct exposure to the underlying leases and loans originated by Chesswood's subsidiaries
 - Launched Canadian private credit fund, which purchases receivables from Chesswood's Canadian originators
 - Executed various FFAs, whereby counterparties purchase receivables from Chesswood's U.S. originators



**Chesswood Capital Management has executed multiple FFAs⁽¹⁾
and launched a Canadian & U.S. private credit fund**

1) Forward Flow Agreement ("FFA") involves originating leases/loans directly into an off-balance sheet conduit that is funded by 3rd party equity investors

Appendix I

Operating Leadership and Management Team

Operating Leadership Team



Gary Souverein
President, Pawnee Leasing Corp.

- President of Pawnee Leasing since 2005
- 30 years equipment leasing experience
- Past-President, Board Member, of the National Equipment Finance Association
- BA Finance & Real Estate Colorado State University



Michael Sheehan
President, Tandem Finance Inc.

- President of Tandem Finance since 2018
- 40 years equipment leasing experience
- Past-President, Flexx – MHE Rentals & Leasing
- Prior roles include SVP at American Express and VP at AT&T Capital
- Former ELFA Foundation Board Member
- MBA, Keller Graduate School of Management



Daniel Wittlin
Founder & CEO, Vault Credit Corp

- 20 years equipment leasing experience
- Founder of Blue-Chip Leasing, Eco-Home Financial, Vault Mortgage Corporation and Vault Credit Corporation
- Chesswood board member
- Richard Ivey School of Business, Western Ontario, HBA



John Stout
CEO, Vault Home

- 20 years specialty consumer experience
- Founder of SNAP Financial Group originating \$2bln+
- Founder Creditwave Corporation (recreational vehicles), Bayshore Leasing (equipment)
- Honours Commerce, Finance McMaster University



Roger Saran
President & COO, Rifco Inc.

- 20+ years credit risk experience
- Former experience includes risk management, credit scoring, product development, finance and sales & marketing
- Prior roles at RBC, CIBC, ATB Financial
- MBA, Schulich School of Business, York University



Larry Herscu
President, Easy Legal

- 20+ years investment management experience
- Former Chief Operating Officer at Canoe Financial
- Former SVP & COO at AGF Investments
- Political Science, York University

Our operators have significant experience in specialty finance and a proven track record of successfully operating companies and executing strategic initiatives

Chesswood Group Limited | Management Team



Ryan Marr
President & CEO

- 15 years investment management experience - Canadian & US mandates
- Partner & CIO Waypoint Investment Partners
- Former Vice-President, Gluskin Sheff & Associates
- Honours Economics & Financial Management, Wilfrid Laurier University, Chartered Investment Manager



Chris Wallbank
EVP, Funding & Risk Management

- 15 years investment management experience - Global mandates
- Former Vice-President, Fixed Income, Gluskin Sheff & Associates, focused on interest rates, corporate debt and preferred shares
- Honours Economics & Financial Management, Wilfrid Laurier University, Chartered Financial Analyst



Tobias Rajchel
Chief Financial Officer

- 15 years audit / financial reporting experience
- Previous roles include Director of Financial Reporting at Agellan Commercial Reit, Fiera Private Debt and ~10 years at Ernst & Young
- Schulich School of Business at York University



Matthew Lewis
Chief Technology Officer

- 11 years in the Technology space
- Previous roles include Chief Technology Officer at DealNet Capital and Director of Online, Senior Manager of Digital and Direct Marketing at BLACKS
- Schulich School of Business at York University

The Chesswood team has extensive experience in risk management, asset funding, financial services audit, and technology systems