

# CLARKE

## Clarke Inc. Announces Intention to Make a Substantial Issuer Bid for its Shares

HALIFAX, January 21, 2021 - Clarke Inc. ("Clarke" or the "Company") (TSX: CKI) (TSX: CKI.DB) today announced its intention to commence a substantial issuer bid (the "Offer") pursuant to which the Company will offer to purchase up to 1,150,000 of its outstanding common shares (the "Shares") at a purchase price of \$7.00 per Share in cash (the "Purchase Price").

The Purchase Price represents a 6.3% premium over the 30-day volume weighted average closing price of the Shares on the TSX for the period ending on January 20, 2021, being the last full trading day prior to this announcement. The number of Shares subject to the Offer represents approximately 7.64% of the total number of Shares outstanding.

Details of the Offer, including instructions for tendering Shares to the Offer, will be included in the formal offer to purchase and issuer bid circular and other related documents (the "Offer Documents"), which are expected to be mailed to shareholders, filed with securities regulators and made available on January 26, 2021 on SEDAR at [www.sedar.com](http://www.sedar.com) and on the Company's website at [www.clarkeinc.com](http://www.clarkeinc.com). The Offer will not be conditional on any minimum number of Shares being tendered, but will be subject to various other conditions that are typical for a transaction of this nature.

The Offer will remain open for acceptance until March 2, 2021, unless withdrawn or extended by the Company. If more than 1,150,000 Shares (or such greater number as the Company determines it is willing to take up and pay for) are properly tendered to the Offer, the Company will take-up and pay for the tendered Shares on a pro-rata basis according to the number of Shares tendered (with adjustments to avoid the purchase of fractional Shares).

The Company will fund any purchases of the Shares pursuant to the Offer from cash on hand and available credit facilities. Assuming that 1,150,000 Shares are purchased pursuant to the Offer, the aggregate purchase price pursuant to the Offer will be \$8,050,000.

Clarke has retained Trimaven Capital Advisors ("Trimaven") in connection with the Offer. Trimaven is expected to deliver an opinion to the Board of Directors of the Company that, based on and subject to the qualifications, assumptions and limitations stated in the opinion: (i) a liquid market (as such term is defined in MI 61-101) exists for the Shares as of the date of the opinion; and (ii) it is reasonable to conclude that, following the completion of the Offer, there will be a market for shareholders who do not tender to the Offer that is not materially less liquid than the market for Shares that existed at the time of the making the Offer. A copy of the opinion of Trimaven will be included in the Offer Documents.

The voting members of the Board of Directors of Clarke have approved the Offer. However, neither the Company nor its Board of Directors makes any recommendation to shareholders as to whether to tender or refrain from tendering Shares to the Offer. Shareholders are strongly

encouraged to review the Offer Documents carefully and to consult with their financial and tax advisors prior to making any decision with respect to the Offer.

### **About Clarke**

Halifax-based Clarke invests in a variety of private and publicly-traded businesses and participates actively where necessary to enhance performance and increase its return. Clarke's securities trade on the Toronto Stock Exchange (CKI; CKI.DB); for more information about Clarke, please visit our website at [www.clarkeinc.com](http://www.clarkeinc.com).

### **Forward-Looking Statements**

This press release may contain or refer to certain forward-looking statements relating, but not limited to, Clarke's expectations, intentions, plans and beliefs with respect to Clarke. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "does not expect", "is expected", "budget", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or equivalents or variations, including negative variations, of such words and phrases, or state that certain actions, events or results, "may", "could", "would", "should", "might" or "will" be taken, occur or be achieved. These forward-looking statements include, but are not limited to, the Company's intention to commence the Offer; the expected terms and conditions of the Offer; the completion of the Offer; the expected delivery of an opinion from Trimaven and a liquid market existing following completion of the Offer.

Forward-looking statements rely on certain underlying assumptions that, if not realized, can result in such forward-looking statements not being achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors that could cause the actual results of Clarke to be materially different from the historical results or from any future results expressed or implied by such forward-looking statements. Risks and uncertainties include, among others, the ability of the Company to commence and complete the Offer on the terms described herein, or at all; the risk that one or more of the conditions to the Offer will not be satisfied or waived by the Company; the risk that a liquid market may not exist following the closing of the Offer; the Company's investment strategy, legal and regulatory risks, general market risk, potential lack of diversification in the Company's investments, and interest rates and foreign currency fluctuations. Although Clarke has attempted to identify important factors that could cause actual actions, events or results or cause actions, events or results not to be estimated or intended, there can be no assurance that forward-looking statements will prove to be accurate as actual results and future events could differ materially from those anticipated in such statements. Other than as required by applicable Canadian securities laws, Clarke does not update or revise any such forward-looking statements to reflect events or circumstances after the date of this document or to reflect the occurrence of unanticipated events. Accordingly, readers should not place undue reliance on forward-looking statements.

### **For further information:**

Stephen Cyr  
Chief Financial Officer, Clarke Inc.  
Telephone: (902) 442-3415