



Fiera Capital Reports Third Quarter 2023 Results

Montreal, November 8, 2023 – Fiera Capital Corporation (TSX: FSZ) (“Fiera Capital” or the “Company”), a leading independent asset management firm, today announced its financial results for the third quarter ended September 30, 2023. Financial references are in Canadian dollars unless otherwise indicated.

<i>(in \$ thousands except where otherwise indicated)</i>	Q3 2023	Q2 2023	Q3 2022	YTD 2023	YTD 2022
End of period AUM <i>(in \$ billions)</i>	155.3	164.2	158.3	155.3	158.3
Average AUM <i>(in \$ billions)</i>	160.7	164.5	161.6	163.0	167.4
IFRS Financial Measures					
Total revenues	158,740	159,843	160,554	475,674	496,742
Base management fees	147,645	149,793	145,649	444,866	455,411
Net earnings ¹	11,067	10,484	8,666	19,034	22,844
Non-IFRS Financial Measures					
Adjusted EBITDA ²	43,942	45,468	45,248	128,233	139,013
Adjusted EBITDA margin ²	27.7 %	28.4 %	28.2 %	27.0 %	28.0 %
Adjusted net earnings ^{1,2}	23,651	28,708	23,875	75,903	88,682
LTM Free Cash Flow ²	98,056	45,198	92,472	98,056	92,472

Note: Certain totals, subtotals and percentages may not reconcile due to rounding

“The end of the third quarter saw a significant shift in market sentiment resulting in a reversal in equity market performance and a large shift in the yield curve impacting bond markets. Unfavorable markets resulted in a reduction of \$4.7 billion in our AUM, of which \$3 billion related to fixed income. In this weak market environment, we remain focused on our performance and dedicated to our clients. Our investment teams continue to execute on their mandates to be well positioned for when investors begin re-allocating capital.” said Jean-Guy Desjardins, Chairman of the Board and Global Chief Executive Officer. *“Our regional distribution model is almost fully implemented with the recently announced appointment of Eric Roberts, Executive Director and Chief Executive Officer, Fiera USA. The search for our fourth and final appointment, a Canadian CEO, is also in the final phases.”*

“We remain pleased with our operating performance in the face of market volatility, which has shown a year-over-year increase in base management fees. This performance along with our positive free cash flow enabled us to reduce our debt, as well as significantly improve our last twelve-month free cash flow in the third quarter.” said Lucas Pontillo, Executive Director and Global Chief Financial Officer. *“I am also announcing that the Board of Directors has approved a dividend of 21.5 cents per share, payable on December 18, 2023.”*

Assets Under Management (in \$ millions, unless otherwise indicated)

By Platform	June 30, 2023	New	Lost	Net Contributions	Net Organic Growth ³	Market and Other ⁴	Strategic ⁵	September 30, 2023
Public Markets, excluding AUM sub-advised by PineStone	95,208	438	(391)	(412)	(365)	(3,159)	—	91,684
Public Markets AUM sub-advised by PineStone	50,096	91	(3,104)	(84)	(3,097)	(1,609)	(520)	44,870
Public Markets - Total	145,304	529	(3,495)	(496)	(3,462)	(4,768)	(520)	136,554
Private Markets	18,893	215	(163)	(248)	(196)	66	—	18,763
Total	164,197	744	(3,658)	(744)	(3,658)	(4,702)	(520)	155,317

By Distribution Channel	June 30, 2023	New	Lost	Net Contributions	Net Organic Growth ³	Market and Other ⁴	Strategic ⁵	September 30, 2023
Institutional	89,857	351	(2,358)	(360)	(2,367)	(3,181)	(520)	83,789
Financial Intermediaries	60,276	182	(1,131)	(81)	(1,030)	(1,487)	—	57,759
Private Wealth	14,064	211	(169)	(303)	(261)	(34)	—	13,769
Total	164,197	744	(3,658)	(744)	(3,658)	(4,702)	(520)	155,317

By Platform	December 31, 2022	New	Lost	Net Contributions	Net Organic Growth ³	Market and Other ⁴	Strategic ⁵	September 30, 2023
Public Markets, excluding AUM sub-advised by PineStone	91,046	2,511	(2,572)	(1,031)	(1,092)	1,730	—	91,684
Public Markets AUM sub-advised by PineStone	49,219	122	(6,698)	(955)	(7,531)	3,702	(520)	44,870
Public Markets - Total	140,265	2,633	(9,270)	(1,986)	(8,623)	5,432	(520)	136,554
Private Markets	18,241	1,394	(546)	(477)	371	151	—	18,763
Total	158,506	4,027	(9,816)	(2,463)	(8,252)	5,583	(520)	155,317

By Distribution Channel	December 31, 2022	New	Lost	Net Contributions	Net Organic Growth ³	Market and Other ⁴	Strategic ⁵	September 30, 2023
Institutional	84,330	2,473	(4,002)	(1,009)	(2,538)	2,517	(520)	83,789
Financial Intermediaries	60,275	737	(5,024)	(632)	(4,919)	2,403	—	57,759
Private Wealth	13,901	817	(790)	(822)	(795)	663	—	13,769
Total	158,506	4,027	(9,816)	(2,463)	(8,252)	5,583	(520)	155,317

- AUM decreased by \$8.9 billion or 5.4% compared to June 30, 2023:
 - An unfavourable market impact reduced AUM by \$4.5 billion, which included \$3.0 billion related to fixed income mandates. In addition, organic growth was negative \$3.7 billion during the quarter. The sale of three Public Markets funds that were sub-advised by PineStone to New York Life Investments also reduced AUM by \$0.5 billion and income distributions from Private Markets funds reduced AUM by \$0.2 billion.
 - Included in the negative net organic growth of \$3.7 billion was \$3.1 billion of outflows related to AUM sub-advised by PineStone. Of this \$3.1 billion of outflows, approximately \$1.1 billion was transferred directly to PineStone and \$1.8 billion related to lost mandates as a result of clients exiting these strategies entirely. The remaining \$0.2 billion related to

negative net contributions where clients rebalanced their portfolios to reduce their allocation to these strategies.

- For the three months ended September 30, 2023, of the \$1.8 billion related to lost mandates as a result of clients exiting their position entirely, approximately \$0.7 billion related to National Bank Investments Inc.
- AUM decreased by \$3.2 billion or 2.0% compared to December 31, 2022:
 - While a favourable market impact increased AUM by \$6.0 billion on a year-to-date basis, this amount was offset by negative net organic growth of \$8.3 billion, primarily in Public Markets. In addition, the sale of three Public Markets funds that were sub-advised by PineStone to New York Life Investments impacted AUM by \$0.5 billion, and income distributions from Private Markets funds reduced AUM by \$0.4 billion.
 - Negative net organic growth included \$7.5 billion of outflows connected to AUM sub-advised by PineStone, of which approximately \$3.9 billion related to AUM that transferred directly to PineStone, while \$2.6 billion related to lost mandates as a result of clients exiting these strategies entirely. The remaining \$1.0 billion related to negative net contributions where clients rebalanced their portfolios to reduce their allocation to these strategies.
 - For the nine months ended September 30, 2023, of the \$7.5 billion of outflows connected to AUM sub-advised by PineStone, \$2.2 billion related to National Bank Investments Inc., of which approximately \$1.0 billion was transferred directly to PineStone.
 - National Bank Investments Inc. is also expected to withdraw its remaining \$5.6 billion in AUM sub-advised by PineStone by early 2025.
 - Going forward, excluding the AUM outflows related to National Bank Investments Inc., management expects the AUM reduction from lost mandates transferring directly to PineStone to be in the range of \$1 to \$3 billion per year.

Third Quarter Financial Highlights

The Company's financial highlights reflect the following major items for the third quarter of 2023:

- Revenue decreased by \$1.1 million, or 0.7% compared to Q2 2023. The decrease was due to lower base management fees in Public Markets and lower commitment and transaction fees, which were partly offset by higher performance fees in Public and Private Markets, higher other revenues, and higher base management fees in Private Markets.
 - Revenue decreased by \$1.9 million, or 1.2% compared to Q3 2022. The decrease was primarily due to lower share of earnings in joint ventures and associates, and lower commitment and transaction fees from lower deal activity, which were partly offset by higher base management fees, performance fees, and other revenues.
- Adjusted EBITDA decreased by \$1.6 million or 3.5% compared to Q2 2023, primarily due to lower revenues, which were offset by lower associated sub-advisory fees and continued curbed discretionary spending holding selling, general and administration expenses relatively flat.
 - Adjusted EBITDA decreased by \$1.3 million or 2.9% compared to Q3 2022, primarily due to lower revenues and slightly higher overall selling, general and administration expenses which were muted by lower sub-advisory fees and contained discretionary spending.

- Adjusted net earnings decreased by \$5.0 million, or 17.4% compared to Q2 2023, primarily due to lower revenues, unfavourable foreign exchange, and higher interest on long-term debt, which were partly offset by lower income tax expense.
 - Adjusted net earnings was essentially flat compared to Q3 2022, as lower revenues and higher interest on long-term debt and debentures were offset by lower income tax expense and lower foreign exchange expense.
- Net earnings attributable to the Company's shareholders increased by \$0.6 million compared to Q2 2023, primarily due to a gain on sale of funds in connection with the New York Life Investments partnership and lower income tax expense, which were partly offset by unfavourable foreign exchange and lower revenues.
 - Net earnings attributable to the Company's shareholders increased by \$2.4 million compared to Q3 2022 primarily due to the gain on sale of funds and lower income tax expense, which were partly offset by higher interest on long-term debt, higher accretion and fair value change on purchase price obligations, and lower revenues.
- LTM free cash flow increased by \$5.6 million compared to Q3 2022. The increase was mainly due to higher cash generated by operating activities, primarily from changes in non-cash working capital, which was partly offset by lower LTM net earnings. In addition, lower cash was used in the settlement of purchase price obligations, which was partly offset by higher interest on debt and lower distributions from joint ventures and associates.

Year-to-Date Financial Highlights

The Company's financial highlights reflect the following major items for the nine-month period ended September 30, 2023 compared to the nine-month period ended September 30, 2022:

- Revenue decreased by \$21.0 million or 4.2%, primarily due to lower base management fees in Public Markets from lower average AUM, lower share of earnings in joint ventures and associates, and lower commitment and transaction fees, partly offset by higher base management fees in Private Markets.
- Adjusted EBITDA decreased by \$10.8 million, or 7.8% primarily due to lower revenues, partly offset by lower employee compensation costs and sub-advisory fees.
- Adjusted net earnings decreased by \$12.8 million, or 14.4% primarily due to lower revenues and higher interest on long-term debt and debentures, partly offset by lower SG&A, excluding share-based compensation, favourable foreign exchange revaluation, and lower income tax expense.
- Net earnings attributable to the Company's shareholders decreased by \$3.8 million. Items which impacted the nine-month period ended September 30, 2023 compared to the same period last year included:
 - A lower contribution from adjusted EBITDA of \$10.8 million;
 - A provision of \$6.3 million related to certain claims in the current year; and
 - A \$10.3 million increase in interest on long-term debt, due to rising interest rates

Partly offset by:

- A gain on sale of funds of \$5.1 million in connection with the New York Life Investments partnership; and
- favourable foreign exchange.

Third Quarter Business Highlights

Strategic Transactions

In connection with the Company's previously announced strategic distribution partnership with New York Life Investments ("NYLIM"), on September 13, 2023, the Company sold four funds to NYLIM which were brought into its MainStay Funds lineup. A gain on sale of funds of \$5.1 million was recognized during the quarter.

Subsequent to September 30, 2023

Leadership Announcements

As part of the Company's global expansion strategy, the Company appointed Eric Roberts as Executive Director and CEO, Fiera USA, effective November 13, 2023. Mr. Roberts will directly lead the marketing and distribution teams across the United States and provide executive leadership for all employees in the region. This follows the previously announced appointments of Klaus Schuster and Rob Petty as Executive Director and CEO of Fiera EMEA (Europe, Middle East and Africa) and Fiera Asia, respectively.

These appointments allow us to expand and strengthen our presence in the United States, EMEA and Asia respectively, as the Company continues to implement its new regionalized distribution model with a focus on building local capabilities.

Dividend Declared

On November 7, 2023, the Board of Directors declared a quarterly dividend of \$0.215 per Class A Share and Class B Share, payable on December 18, 2023 to shareholders of record at the close of business on November 20, 2023. The dividend is an eligible dividend for income tax purposes.

Additional details relating to the company's operating results can be found on our [Investor Relations web page](#) under *Financial Documents - Quarterly Results - Management's Discussion and Analysis*.

Conference Call

Live

Fiera Capital will hold a conference call at 10:00 a.m. (ET) on Wednesday, November 8, 2023, to discuss its financial results. The dial-in number to access the conference call from Canada and the United States is 1-888-390-0620 (toll-free) and 1-416-764-8651 from outside North America.

The conference call will also be accessible via [webcast](#) in the [Investor Relations](#) section of Fiera Capital's website, under *Events and Presentations*.

Replay

An audio replay of the call will be available until November 15, 2023 by dialing 1-888-390-0541 (toll free), access code 484433 followed by the number sign (#).

The webcast will remain available for three months following the call and can be accessed in the [Investor Relations](#) section of Fiera Capital's website under *Events and Presentations*.

Footnotes

- 1) Attributable to the Company's shareholders.
- 2) Earnings before interest, taxes, depreciation and amortization ("EBITDA"), Adjusted EBITDA, Adjusted EBITDA margin and Adjusted EBITDA per share, Adjusted net earnings and Adjusted net earnings per share (basic and diluted), and Last Twelve Months ("LTM") Free Cash Flow are not standardized measures prescribed by International Financial Reporting Standards ("IFRS"), and are therefore unlikely to be comparable to similar measures presented by other companies. We have included non-IFRS measures to provide investors with supplemental measures of our operating and financial performance. We believe non-IFRS measures are important supplemental metrics of operating and financial performance because they highlight trends in our core business that may not otherwise be apparent when relying solely on IFRS measures. Securities analysts, investors and other interested parties frequently use non-IFRS measures in the evaluation of issuers, many of which present non-IFRS measures when reporting their results. Management also uses non-IFRS measures in order to facilitate operating and financial performance comparisons from period to period, to prepare annual budgets and to assess its ability to meet future debt service, capital expenditure and working capital requirements.

	FOR THE THREE MONTHS ENDED			FOR THE NINE-MONTH PERIODS ENDED	
	September 30, 2023	June 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
Net earnings	12,236	11,921	9,849	23,409	27,055
Income tax expense	2,353	5,140	6,172	7,640	8,448
Amortization and depreciation	13,381	13,435	13,679	40,529	42,548
Interest on long-term debt and debentures	12,485	11,215	8,550	34,293	24,015
Interest on lease liabilities, foreign exchange revaluation and other financial charges	3,805	(2,370)	6,039	2,225	6,964
EBITDA	44,260	39,341	44,289	108,096	109,030
Restructuring, acquisition related and other costs	1,511	3,448	2,772	12,969	11,933
Accretion and change in fair value of purchase price obligations and other	(537)	(2,024)	(2,626)	(3,042)	983
Share-based compensation	3,423	3,951	1,749	9,881	18,169
Loss (gain) on investments, net	419	157	(950)	(711)	554
Gain on sale of funds	(5,139)	—	—	(5,139)	—
Other expenses (income)	5	595	14	6,179	(1,656)
Adjusted EBITDA	43,942	45,468	45,248	128,233	139,013
Per share basic	0.41	0.44	0.44	1.24	1.36
Per share diluted	0.31	0.37	0.43	1.19	1.34
Weighted average shares outstanding - basic (thousands)	105,921	103,720	102,906	103,646	102,382
Weighted average shares outstanding - diluted (thousands)	141,294	122,875	104,512	107,739	104,005

Reconciliation to Adjusted Net Earnings (in \$ thousands)

	FOR THE THREE MONTHS ENDED			FOR THE NINE-MONTH PERIODS ENDED	
	September 30, 2023	June 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
Net earnings attributable to the Company's shareholders	11,067	10,484	8,666	19,034	22,844
Amortization and depreciation	13,381	13,435	13,679	40,529	42,548
Restructuring, acquisition related and other costs	1,511	3,448	2,772	12,969	11,933
Accretion and change in fair value of purchase price obligations and other, and effective interest on debentures	(340)	(1,712)	(2,339)	(2,280)	2,571
Share-based compensation	3,423	3,951	1,749	9,881	18,169
Gain on sale of funds	(5,139)	—	—	(5,139)	—
Other expenses (income)	5	595	14	6,179	(1,656)
Tax effect of above-mentioned items	(257)	(1,493)	(666)	(5,270)	(7,727)
Adjusted net earnings attributable to the Company's shareholders	23,651	28,708	23,875	75,903	88,682
Per share – basic					
Net earnings	0.10	0.10	0.08	0.18	0.22
Adjusted net earnings	0.22	0.28	0.23	0.73	0.87
Per share – diluted					
Net earnings	0.09	0.09	0.08	0.18	0.22
Adjusted net earnings	0.18	0.24	0.23	0.70	0.85
Weighted average shares outstanding - basic (thousands)	105,921	103,720	102,906	103,646	102,382
Weighted average shares outstanding - diluted (thousands)	141,294	122,875	104,512	107,739	104,005

Reconciliation to LTM Free Cash Flow (in \$ thousands)

	FOR THE THREE MONTHS ENDED							
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
	2023	2023	2023	2022	2022	2022	2022	2021
Net cash generated by (used in) operating activities	79,708	14,123	(13,463)	66,722	25,686	46,853	(25,951)	97,226
Settlement of purchase price obligations and puttable financial instrument liability	—	(1,500)	—	—	(3,476)	(23,901)	—	—
Proceeds on promissory note	1,510	1,460	1,536	1,497	1,455	1,375	1,334	1,319
Distributions received from joint ventures and associates, net of investments	1,617	502	4,252	2,513	3,621	4,338	6,330	2,256
Dividends and other distributions to NCI	—	(5,895)	—	10	—	(1,753)	(1,425)	(19)
Lease payments, net of lease inducements	(3,837)	(4,925)	(4,510)	(4,607)	(4,396)	(4,221)	(4,306)	(4,822)
Interest paid on long-term debt and debentures	(12,174)	(12,019)	(10,379)	(9,713)	(8,191)	(8,299)	(7,427)	(6,636)
Other restructuring costs	1,226	452	1,180	1,056	470	160	418	883
Acquisition related and other costs	130	341	716	527	153	680	1,412	1,326
Free Cash Flow	68,180	(7,461)	(20,668)	58,005	15,322	15,232	(29,615)	91,533
LTM Free Cash Flow	98,056	45,198	67,891	58,944	92,472	109,828	145,257	135,012

- 3) Net Organic Growth represents the sum of New, Lost and Net Contributions.
- 4) Market and Other includes the impact of market changes, income distributions and foreign exchange.
- 5) Relates to the sale of three Public Markets funds that were sub-advised by PineStone to New York Life Investments, in connection with the strategic distribution partnership.

Forward-Looking Statements

This document contains forward-looking statements relating to future events or future performance and reflecting management's expectations or beliefs regarding future events including business and economic conditions and Fiera Capital's growth, results of operations, performance and business prospects and opportunities. Forward-looking statements may include comments with respect to Fiera Capital's objectives, strategies to achieve those objectives, expected financial results, and the outlook for Fiera Capital's businesses and for the Canadian, American, European, Asian and other global economies. Such statements reflect management's current beliefs and are based on factors and assumptions it considers to be reasonable based on information currently available to management and may typically be identified by terminology such as "believe", "expect", "aim", "goal", "plan", "anticipate", "estimate", "may increase", "may fluctuate", "predict", "potential", "continue", "target", "intend" or the negative of these terms or other comparable terminology and similar expressions of future or conditional verbs, such as "will", "should", "would" and "could."

By their very nature, forward-looking statements involve numerous assumptions, inherent risks and uncertainties, both general and specific, and the risk that predictions, forecasts, projections, expectations or conclusions will not prove to be accurate. As a result, the Company does not guarantee that any forward-looking statement will materialize and readers are cautioned not to place undue reliance on these

forward-looking statements. A number of important factors, many of which are beyond Fiera Capital's control, could cause actual events or results to differ materially from the predictions, forecasts, projections, expectations, or conclusions expressed in such forward-looking statements which include, but are not limited to, risks related to investment performance and investment of the assets under management ("AUM"), AUM concentration related to strategies sub-advised by PineStone, reputational risk, regulatory compliance, information security policies, procedures and capabilities, privacy laws, litigation risk, insurance coverage, third-party relationships, growth and integration of acquired businesses, AUM growth, key employees, ownership structure and potential dilution, indebtedness, market risk, credit risk, inflation, interest rates and recession risks and other factors described in the Company's Annual Information Form for the year ended December 31, 2022 under the heading "Risk Factors" or discussed in other materials filed by the Company with applicable securities regulatory authorities from time to time which are available on SEDAR+ at www.sedarplus.ca.

The preceding list of important factors is not exhaustive. When relying on forward-looking statements in this document and any other disclosure made by Fiera Capital, investors and others should carefully consider the preceding factors, other uncertainties and potential events. Fiera Capital does not undertake to update or revise any forward-looking statements, whether written or oral, that may be made from time to time by it or on its behalf in order to reflect new events or circumstances, except as required by applicable laws.

About Fiera Capital Corporation

Fiera Capital is a leading independent asset management firm with a growing global presence. The Company delivers customized and multi-asset solutions across public and private market asset classes to institutional, financial intermediary and private wealth clients across North America, Europe and key markets in Asia. Fiera Capital's depth of expertise, diversified investment platform and commitment to delivering outstanding service are core to our mission of being at the forefront of investment management science to create sustainable wealth for clients. Fiera Capital trades under the ticker FSZ on the Toronto Stock Exchange.

Headquartered in Montreal, Fiera Capital, with its affiliates in various jurisdictions, has offices in over a dozen cities around the world, including New York (U.S.), London (UK), and Hong Kong (SAR).

Each affiliated entity (each an "Affiliate") of Fiera Capital only provides investment advisory or investment management services or offers investment funds in the jurisdictions where the Affiliate is authorized to provide services pursuant to an exemption from registration and/or the relevant product is registered.

Fiera Capital does not provide investment advice to U.S. clients or offer investment advisory services in the U.S. In the U.S., asset management services are provided by Fiera Capital's affiliates who are investment advisers that are registered with the U.S. Securities and Exchange Commission (SEC) or exempt from registration. Registration with the SEC does not imply a certain level of skill or training. For details on the particular registration of, or exemptions therefrom relied upon by, any Fiera Capital entity, please consult <https://www.fieracapital.com/en/registrations-and-exemptions>.

Additional information about Fiera Capital, including the Company's annual information form, is available on SEDAR+ at www.sedarplus.ca.

For more information:

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