



Fiera Capital Reports First Quarter 2024 Results

Montreal, May 8, 2024 – Fiera Capital Corporation (TSX: FSZ) (“Fiera Capital” or the “Company”), a leading independent asset management firm, today announced its financial results for the first quarter ended March 31, 2024. Financial references are in Canadian dollars unless otherwise indicated.

<i>(in \$ thousands except where otherwise indicated)</i>	Q1 2024	Q4 2023	Q1 2023
End of period AUM <i>(in \$ billions)</i>	165.2	161.7	164.7
Average AUM <i>(in \$ billions)</i>	164.8	158.4	163.9
IFRS Financial Measures			
Total revenues	168,115	210,972	157,091
Base management fees	151,537	147,371	147,428
Net earnings (loss) ¹	7,645	39,418	(2,517)
Non-IFRS Financial Measures			
Adjusted EBITDA ²	45,395	77,621	38,823
Adjusted EBITDA margin ²	27.0 %	36.8 %	24.7 %
Adjusted net earnings ^{1,2}	26,089	50,163	23,544
LTM Free Cash Flow ²	71,847	89,212	67,891

“Following a strong close to 2023, we are pleased to start 2024 with overall AUM growth of \$3.5 billion during the first quarter,” said Jean-Guy Desjardins, Chairman of the Board and Global Chief Executive Officer. “We continue to drive forward with our regional distribution strategy, which has begun to deliver positive organic growth for some of our public equity and private market strategies. Amidst ongoing economic uncertainties, we continue to deliver innovative investment solutions and capitalize on promising new prospects in every region we serve, positioning us for continued growth and success.”

“Equity markets continued their strong performance in the first quarter of 2024 which, combined with growth in base management fees in Private Markets, resulted in a good year-over-year increase in total revenues. This, along with our continued prudent approach to cost management, enabled us to generate an adjusted EBITDA margin of 27%, a marked improvement from the same period last year.” said Lucas Pontillo, Executive Director and Global Chief Financial Officer. “I am pleased to announce that the Board of Directors has approved a dividend of 21.5 cents per share, payable on June 20, 2024.”

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

By Platform	December 31, 2023	New	Lost	Net Contributions	Net Organic Growth ³	Market and Other ⁴	March 31, 2024
Public Markets, excluding AUM sub-advised by PineStone	97,984	718	(182)	(1,053)	(517)	1,532	98,999
Public Markets AUM sub-advised by PineStone	45,231	84	(2,741)	(147)	(2,804)	4,882	47,309
Public Markets - Total	143,215	802	(2,923)	(1,200)	(3,321)	6,414	146,308
Private Markets	18,478	602	(32)	(52)	518	(139)	18,857
Total	161,693	1,404	(2,955)	(1,252)	(2,803)	6,275	165,165

By Distribution Channel	December 31, 2023	New	Lost	Net Contributions	Net Organic Growth ³	Market and Other ⁴	March 31, 2024
Institutional	88,605	1,025	(2,731)	(1,077)	(2,783)	2,176	87,998
Financial Intermediaries	59,084	253	(72)	(51)	130	3,646	62,860
Private Wealth	14,004	126	(152)	(124)	(150)	453	14,307
Total	161,693	1,404	(2,955)	(1,252)	(2,803)	6,275	165,165

- AUM increased by \$3.5 billion or 2.2% compared to December 31, 2023 reflecting a favourable market impact of \$6.4 billion, primarily from equity mandates, partly offset by negative net organic growth of \$2.8 billion. Negative net organic growth included \$3.3 billion in Public Markets, partly offset by positive net organic growth in Private Markets of \$0.5 billion, primarily from new mandates.
 - Negative net organic growth included \$2.8 billion of outflows connected to AUM sub-advised by PineStone, of which, to our knowledge, \$2.7 billion related to AUM that transferred directly to PineStone.
 - In fiscal 2023, a large Financial Intermediary client withdrew \$4.9 billion of AUM, of which approximately \$3.5 billion was transferred to PineStone. There were no transfers to PineStone related to this client in the current quarter. As previously announced, they are expected to redirect approximately \$3 billion of AUM by the end of the second quarter, as part of their ongoing transfer of assets to PineStone. Excluding this, management expects the AUM reduction from lost mandates transferring directly to PineStone to be in the range of \$3 to \$4 billion this year.

First Quarter Financial Highlights

- Revenue increased by \$11.0 million, or 7.0% compared to Q1 2023. The increase was primarily due to higher share of earnings in joint ventures and associates, higher base management fees in Private Markets, and higher other revenues. These increases were partly offset by lower commitment and transaction fees and performance fees in Private Markets.
- Adjusted EBITDA increased by \$6.6 million, or 17.0% compared to Q1 2023, primarily due to higher share of earnings in joint ventures and associates, base management fees, and other revenues, partly offset by higher variable compensation.
- Adjusted net earnings increased by \$2.6 million, or 11.1% compared to Q1 2023, primarily due to higher revenues, partly offset by higher SG&A, excluding share-based compensation, higher interest on lease liabilities, foreign exchange revaluation and other financial charges, and higher interest on long-term debt and debentures.

- Net earnings attributable to the Company's shareholders increased by \$10.1 million compared to Q1 2023. The increase was primarily due to higher revenues, a provision for certain claims recorded in the same period last year, and lower restructuring, acquisition related and other costs, partly offset by higher SG&A and higher interest on lease liabilities, foreign exchange revaluation and other financial charges.
- LTM Free Cash Flow increased by \$3.9 million or 5.7% compared to Q1 2023. The increase was mainly due to the settlement of purchase price obligations and puttable financial instrument liability in fiscal 2022, partly offset by lower distributions from joint ventures and associates, higher interest paid on long-term debt and debentures, and higher dividends paid to non-controlling interests.
 - LTM Free Cash Flow decreased by \$17.4 million or 19.5% compared to the previous quarter. The decrease was primarily due to changes in non-cash working capital, primarily from higher settlements of accounts payable, mainly related to bonuses and income taxes paid during the first quarter, delays in collecting performance fees from the prior quarter, and the timing of prepaids.

Subsequent to March 31, 2024

Dividend Declared

On May 7, 2024, the Board declared a quarterly dividend of \$0.215 per Class A subordinate voting share and Class B special voting share, payable on June 20, 2024 to shareholders of record at the close of business on May 20, 2024. The dividend is an eligible dividend for income tax purposes.

Fiera Holdings Receives Sale Notice from Desjardins

On April 23, 2024, Fiera Holdings Inc. ("Fiera Holdings"), as general partner of Fiera Capital L.P. ("Fiera LP"), which holds approximately 20.7% of the outstanding shares of the Company as of the date of this press release, was notified by Desjardins Financial Holding Inc., an indirect wholly-owned subsidiary of *Fédération des caisses Desjardins du Québec* ("Desjardins"), that Desjardins wishes to sell all of the units of Fiera LP and all of the shares of Fiera Holdings that it holds (the "Offered Securities"). The Offered Securities represent 7,257,960 Class A subordinate voting shares of the Company (the "Class A Shares"), or 6.8% of the total number of outstanding shares of the Company.

The sale of the Class A Shares that the Offered Securities represent is subject to the terms of the limited partnership agreement of Fiera LP.

Senior management of the Company is currently considering making an offer, together with a financial partner, to acquire the Offered Securities from Desjardins. There can be no assurance that such transaction will materialize.

Additional details relating to the company's operating results can be found in the Company Management's Discussion and Analysis for the three months ended March 31, 2024 available 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, May 8, 2024, 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 May 15, 2024 by dialing 1-888-390-0541 (North American toll free), access code 906241 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 a description of the Company's non-IFRS Measures, please refer to page 41 of the Company's Management's Discussion and Analysis for the three months ended March 31, 2024 which is available on SEDAR+ at www.sedarplus.ca. For a reconciliation of the Company's non-IFRS Measures, refer to the below tables:

Reconciliation to EBITDA and Adjusted EBITDA (in \$ thousands)

	FOR THE THREE MONTHS ENDED		
	March 31, 2024	December 31, 2023	March 31, 2023
Net earnings (loss)	9,766	42,864	(748)
Income tax expense	1,000	11,985	147
Amortization and depreciation	12,842	13,406	13,713
Interest on long-term debt and debentures	11,703	11,710	10,593
Interest on lease liabilities, foreign exchange revaluation and other financial charges	2,922	(1,220)	790
EBITDA	38,233	78,745	24,495
Restructuring, acquisition related and other costs	4,493	3,100	8,010
Accretion and change in fair value of purchase price obligations and other	(1,119)	106	(481)
Share-based compensation	3,773	2,474	2,507
(Gain) loss on investments, net	13	(124)	(1,287)
Other expenses (income)	2	(6,680)	5,579
Adjusted EBITDA	45,395	77,621	38,823
Per share basic	0.43	0.73	0.38
Per share diluted	0.42	0.56	0.38
Weighted average shares outstanding - basic (thousands)	106,458	106,116	102,750
Weighted average shares outstanding - diluted (thousands)	108,698	139,543	102,750

Reconciliation to Adjusted Net Earnings (in \$ thousands)

	FOR THE THREE MONTHS ENDED		
	March 31, 2024	December 31, 2023	March 31, 2023
Net earnings (loss) attributable to the Company's shareholders	7,645	39,418	(2,517)
Amortization and depreciation	12,842	13,406	13,713
Restructuring, acquisition related and other costs	4,493	3,100	8,010
Accretion and change in fair value of purchase price obligations and other, and effective interest on debentures	(913)	364	(228)
Share-based compensation	3,773	2,474	2,507
Other expenses (income)	2	(6,680)	5,579
Tax effect of above-mentioned items	(1,753)	(1,919)	(3,520)
Adjusted net earnings attributable to the Company's shareholders	26,089	50,163	23,544
Per share – basic			
Net earnings (loss)	0.07	0.37	(0.02)
Adjusted net earnings	0.25	0.47	0.23
Per share – diluted			
Net earnings (loss)	0.07	0.30	(0.02)
Adjusted net earnings	0.24	0.37	0.23
Weighted average shares outstanding - basic (thousands)	106,458	106,116	102,750
Weighted average shares outstanding - diluted (thousands)	108,698	139,543	102,750

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

	FOR THE THREE MONTHS ENDED							
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2
	2024	2023	2023	2023	2023	2022	2022	2022
Cash flow from operations before the impact of working capital	34,641	70,265	46,180	39,828	30,109	41,364	37,148	38,444
Changes in non-cash operating working capital items	(60,389)	(12,666)	33,528	(25,705)	(43,572)	25,358	(11,462)	8,409
Net cash generated by (used in) operating activities	(25,748)	57,599	79,708	14,123	(13,463)	66,722	25,686	46,853
Settlement of purchase price obligations and puttable financial instrument liability	—	—	—	(1,500)	—	—	(3,476)	(23,901)
Proceeds on promissory note	1,501	1,500	1,510	1,460	1,536	1,497	1,455	1,375
Distributions received from joint ventures and associates, net of investments	3,326	1,723	1,617	502	4,252	2,513	3,621	4,338
Dividends and other distributions to Non-Controlling Interest	—	(3,167)	—	(5,895)	—	10	—	(1,753)
Lease payments	(4,718)	(4,690)	(3,837)	(4,925)	(4,510)	(4,607)	(4,396)	(4,221)
Interest paid on long-term debt and debentures	(13,995)	(6,299)	(12,174)	(12,019)	(10,379)	(9,713)	(8,191)	(8,299)
Other restructuring costs	1,569	2,075	1,226	452	1,180	1,056	470	160
Acquisition related and other costs	32	420	130	341	716	527	153	680
Free Cash Flow	(38,033)	49,161	68,180	(7,461)	(20,668)	58,005	15,322	15,232
LTM Free Cash Flow	71,847	89,212	98,056	45,198	67,891	58,944	92,472	109,828

3) Net Organic Growth represents the sum of new mandates, lost mandates and net contributions.

4) Market and Other includes the impact of market changes, income distributions and foreign exchange.

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 comments with respect to the possibility that senior management make an offer to purchase the Offered Securities, business and economic conditions, outlook and trends and Fiera Capital's growth, results of operations, performance, business prospects and opportunities and new initiatives. Forward-looking statements may include comments with respect to Fiera Capital's objectives, strategies to achieve those objectives, expected financial results, 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 "consider", "believe", "expect", "aim", "goal", "plan", "anticipate", "estimate", "may increase", "may fluctuate", "predict", "potential", "foresee", "forecast", "project", "continue", "target", "intend" or the negative of these terms or other comparable terminology and similar expressions of future or conditional verbs, such as "may", "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, key employees, asset management industry and competitive pressure, reputational risk, regulatory compliance, information security policies, procedures and capabilities, litigation risk, insurance coverage, third-party relationships, indebtedness, market risk, credit risk, inflation, interest rates and recession risks, ownership structure and potential dilution and other factors described in the Company's Annual Information Form for the year ended December 31, 2023 under the heading "Risk Factors and Uncertainties" 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 risk 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 information, future events or circumstances or otherwise, 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.

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