FIERA CAPITAL

Fiera Capital Corporation
Interim Condensed Consolidated Financial Statements

For the Three-Month Periods ended March 31, 2024 and 2023
(Unaudited)

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Fiera Capital Corporation

Interim Condensed Consolidated Statements of Earnings (Loss)

For the three-month periods ended March 31,
(In thousands of Canadian dollars, except per share data)
(Unaudited)

	Three-month periods	
	2024	2023
	$	$
Revenues (Note 13)		
Base management fees	**151,537**	147,428
Performance fees	**2,785**	3,903
Commitment and transaction fees	**1,315**	2,901
Share of earnings in joint ventures and associates	**6,287**	586
Other revenues	**6,191**	2,273
	168,115	157,091
Expenses		
Selling, general and administrative expenses	**126,493**	120,775
Amortization and depreciation	**12,842**	13,713
Restructuring, acquisition related and other costs (Note 4)	**4,493**	8,010
	143,828	142,498
Earnings before under-noted items	**24,287**	14,593
Interest on long-term debt and debentures	**11,703**	10,593
Interest on lease liabilities, foreign exchange revaluation and other financial charges	**2,922**	790
Loss (gain) on investments, net	**13**	(1,287)
Accretion and change in fair value of purchase price obligations and other (Note 7)	**(1,119)**	(481)
Other expenses	**2**	5,579
Earnings (loss) before income taxes	**10,766**	(601)
Income tax expense	**1,000**	147
Net earnings (loss)	**9,766**	(748)
Net earnings (loss) attributable to:		
Company's shareholders	**7,645**	(2,517)
Non-controlling interest	**2,121**	1,769
	9,766	(748)
Net earnings (loss) per share (Note 11)		
Basic	**0.07**	(0.02)
Diluted	**0.07**	(0.02)

The accompanying notes are an integral part of these interim condensed consolidated financial statements.

Fiera Capital Corporation

Interim Condensed Consolidated Statements of Comprehensive Income (Loss)

For the three-month periods ended March 31,
(In thousands of Canadian dollars)
(Unaudited)

	Three-month periods	
	2024	2023
	$	$
Net earnings (loss)	**9,766**	(748)
Other comprehensive income (loss):		
Items that may be reclassified subsequently to earnings (loss):		
Cash flow hedges (Note 7)	**1,308**	(1,302)
Foreign currency translation	**7,590**	756
Other comprehensive income (loss)	**8,898**	(546)
Comprehensive income (loss)	**18,664**	(1,294)
Comprehensive income (loss) attributable to:		
Company’s shareholders	**16,543**	(3,063)
Non-controlling interest	**2,121**	1,769
	18,664	(1,294)

The accompanying notes are an integral part of these interim condensed consolidated financial statements.

Fiera Capital Corporation

Interim Condensed Consolidated Statements of Financial Position

(in thousands of Canadian dollars) **(Unaudited)**

	As at March 31, 2024	As at December 31, 2023
	$	$
Assets		
Current assets		
Cash and cash equivalents	**36,634**	65,605
Restricted cash and cash equivalents	**1,363**	1,804
Trade and other receivables	**145,951**	157,006
Investments	**8,810**	9,620
Prepaid expenses and other assets (Note 5)	**43,678**	33,818
	236,436	267,853
Non-current assets		
Goodwill (Note 6)	**651,952**	647,433
Intangible assets (Note 6)	**217,949**	223,531
Property and equipment	**19,262**	20,084
Right-of-use assets	**47,378**	48,983
Deferred income taxes	**28,022**	27,963
Long-term investments	**12,342**	11,655
Investments in joint ventures and associates	**21,213**	17,967
Other non-current assets	**24,495**	22,495
	1,259,049	1,287,964
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	**102,164**	170,164
Current portion of cash-settled share-based liabilities	**4,864**	5,972
Current portion of purchase price obligations (Note 7)	**12,246**	11,970
Current portion of lease liabilities	**12,528**	13,061
Restructuring provisions (Note 4)	**3,277**	2,922
Current portion of derivative financial instruments (Note 7)	**904**	14,987
Dividends payable	**22,760**	—
Client deposits and deferred revenues	**17,340**	9,617
	176,083	228,693
Non-current liabilities		
Long-term debt (Note 8)	**528,789**	490,922
Debentures (Note 9)	**164,174**	163,968
Lease liabilities	**62,993**	64,593
Cash-settled share-based liabilities	**3,333**	2,165
Deferred income taxes	**5,969**	8,608
Other non-current liabilities (Note 7)	**1,459**	1,786
	942,800	960,735
Equity attributable to:		
Company's shareholders	**309,540**	322,634
Non-controlling interest	**6,709**	4,595
	316,249	327,229
	1,259,049	1,287,964

The accompanying notes are an integral part of these interim condensed consolidated financial statements.

Fiera Capital Corporation

Interim Condensed Consolidated Statements of Changes in Equity

For the three-month periods ended March 31,
(In thousands of Canadian dollars)
(Unaudited)

	Notes	Share Capital	Contributed surplus	Retained earnings (deficit)	Accumulated other comprehensive income (loss)	Equity attributable to Company's shareholders	Non-controlling Interest	Total Equity
		$	$	$	$	$	$	$
Balance as at December 31, 2023		**829,360**	**22,618**	**(506,674)**	**(22,670)**	**322,634**	**4,595**	**327,229**
Net earnings		**—**	**—**	**7,645**	**—**	**7,645**	**2,121**	**9,766**
Other comprehensive income		**—**	**—**	**—**	**8,898**	**8,898**	**—**	**8,898**
Comprehensive income		**—**	**—**	**7,645**	**8,898**	**16,543**	**2,121**	**18,664**
Equity settled share-based compensation expense, net of deferred tax	**12**	**—**	**1,223**	**—**	**—**	**1,223**	**—**	**1,223**
Performance share units, restricted share units and unit appreciation rights settled	**10**	**5,811**	**(13,911)**	**—**	**—**	**(8,100)**	**—**	**(8,100)**
Stock options exercised	**10**	**—**	**—**	**—**	**—**	**—**	**—**	**—**
Dividends	**10**	**—**	**—**	**(22,760)**	**—**	**(22,760)**	**—**	**(22,760)**
Net change in Non-controlling interest		**—**	**—**	**—**	**—**	**—**	**(7)**	**(7)**
Balance as at March 31, 2024		**835,171**	**9,930**	**(521,789)**	**(13,772)**	**309,540**	**6,709**	**316,249**
Balance as at December 31, 2022		813,880	19,500	(475,660)	(16,675)	341,045	5,836	346,881
Net earnings		—	—	(2,517)	—	(2,517)	1,769	(748)
Other comprehensive income		—	—	—	(546)	(546)	—	(546)
Comprehensive income		—	—	(2,517)	(546)	(3,063)	1,769	(1,294)
Equity settled share-based compensation expense, net of deferred tax	12	—	1,161	—	—	1,161	—	1,161
Performance and restricted share units settled	10	529	(529)	—	—	—	—	—
Stock options exercised	10	1,718	(62)	—	—	1,656	—	1,656
Dividends	10	—	—	(22,119)	—	(22,119)	—	(22,119)
Net change in Non-controlling interest	10	—	—	—	—	—	63	63
Balance as at March 31, 2023		816,127	20,070	(500,296)	(17,221)	318,680	7,668	326,348

The accompanying notes are an integral part of these interim condensed consolidated financial statements.

Fiera Capital Corporation

Interim Condensed Consolidated Statements of Cash Flows

For the three-month periods ended March 31,

(In thousands of Canadian dollars)

(Unaudited)

	Three-month periods	
	2024	2023
	$	$
Operating activities		
Net earnings (loss)	**9,766**	(748)
Adjustments for:		
Amortization and depreciation	**12,842**	13,713
Accretion and change in fair value of purchase price obligations and other (Note 7)	**(1,119)**	(481)
Share-based compensation (Note 12)	**3,773**	2,507
Interest on long-term debt and debentures	**11,703**	10,593
Interest on lease liabilities, foreign exchange revaluation and other financial charges	**2,922**	790
Income tax expense	**1,000**	147
Loss on investments and other, net	**15**	4,292
Share of earnings in joint ventures and associates	**(6,287)**	(586)
Other	**26**	(118)
	34,641	30,109
Changes in non-cash operating working capital items (Note 14)	**(60,389)**	(43,572)
Net cash used in operating activities	**(25,748)**	(13,463)
Investing activities		
Proceeds from promissory note	**1,501**	1,536
Investments in joint ventures and associates	**(799)**	(91)
Distributions received from joint ventures and associates	**4,125**	4,343
Purchase of intangible assets, property and equipment, net	**(647)**	(602)
Investments, net	**424**	(16)
Restricted cash and cash equivalents	**463**	206
Net cash generated by investing activities	**5,067**	5,376
Financing activities		
Repurchase of common stock	**(919)**	—
Taxes paid related to share-based awards	**(8,749)**	—
Lease payments	**(4,718)**	(4,510)
Stock options exercised	**—**	1,656
Long-term debt, net (Note 7 and 8)	**19,463**	41,070
Interest paid on long-term debt and debentures	**(13,995)**	(10,379)
Incentive fees received (paid) related to Contingent Value Rights settlements	**—**	(845)
Net cash generated by (used in) financing activities	**(8,918)**	26,992
Net (decrease) increase in cash and cash equivalents	**(29,599)**	18,905
Effect of exchange rate changes on cash denominated in foreign currencies	**628**	529
Cash and cash equivalents – beginning of periods	**65,605**	62,199
Cash and cash equivalents – end of periods	**36,634**	81,633

The accompanying notes are an integral part of these interim condensed consolidated financial statements.

1. Description of business

Fiera Capital Corporation ("Fiera Capital" or the "Company") was incorporated as Fry & Company (Investment Management) Limited in 1955 and is incorporated under the laws of the Province of Ontario. The Company is a global asset management firm which 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.

The Company's head office is located at 1981 McGill College Avenue, Suite 1500, Montreal, Quebec, Canada. The Company's Class A subordinate voting shares ("Class A Shares") are listed on the Toronto Stock Exchange ("TSX") under the symbol "FSZ".

The Company's Board of Directors (the "Board") approved the interim condensed consolidated financial statements for the three-month periods ended March 31, 2024 and 2023 on May 7, 2024.

2. Basis of presentation

Statement of compliance

These interim condensed consolidated financial statements have been prepared in accordance with International Accounting Standard ("IAS") 34 – *Interim Financial Reporting*, as issued by the International Accounting Standard Board ("IASB") and accordingly, do not include all disclosures required under International Financial Reporting Standards ("IFRS") for annual consolidated financial statements. The accounting policies and methods of computation applied in these interim condensed consolidated financial statements are the same as those applied by the Company in its financial statements as at and for the year ended December 31, 2023, except for the impact of the adoption of the standards, interpretations and amendments described in Note 3.

These interim condensed consolidated financial statements should be read in conjunction with the audited consolidated financial statements for the years ended December 31, 2023 and December 31, 2022.

The Company has prepared and presented these interim condensed consolidated financial statements in Canadian dollars.

3. Adoption of new IFRS and changes in accounting policies

Revised IFRS, interpretations and amendments

Revised standards are effective for annual periods beginning on January 1, 2024. Their adoption did not have a significant impact on the amounts reported or disclosures made in these financial statements.

New standards and interpretations not yet adopted

At the date of approval of these interim condensed consolidated financial statements, new, but not yet effective, Standards and amendments to existing Standards, and Interpretations have been published by the IASB. None of these Standards or amendments to existing Standards have been adopted early by the Company. Management anticipates that all relevant pronouncements will be adopted for the first period beginning on or after the effective date of the pronouncement. New Standards, amendments and interpretations not adopted in the current period are under assessment by Management and have not been disclosed as they are not expected to have a material impact on the Company's financial statements.

(In thousands of Canadian dollars, unless noted otherwise - except share and per share information)

4. Restructuring, acquisition related and other costs

During the three-month periods ended March 31, 2024, the Company recorded the following:

	For the three-month periods ended March 31,	
	2024	2023
	$	$
Restructuring costs related to severance	**2,892**	6,114
Other restructuring costs	**1,569**	1,180
Acquisition related and other costs	**32**	716
	4,493	8,010

Restructuring costs in the current year are mainly related to corporate reorganizations, including the decentralization of the organization and the transition to a regional distribution operating model.

Acquisition related and other costs are mainly composed of professional fees and other expenses incurred as a result of the integration of businesses and other strategic transactions.

The change in the restructuring provision for severance-related expenses during the three-month period ended March 31, 2024 is as follows:

	Severance
	$
Balance as at December 31, 2023	**2,922**
Additions during the period	**2,892**
Paid during the period	**(2,548)**
Foreign currency translation	**11**
Balance as at March 31, 2024	**3,277**

5. Prepaid expenses and other assets

	As at March 31, 2024	As at December 31, 2023
	$	$
Income tax receivable	**15,577**	13,419
Sales tax receivable	**5,797**	3,154
Derivative financial instruments	**571**	335
Prepaid expenses and other	**21,733**	16,910
	43,678	**33,818**

(In thousands of Canadian dollars, unless noted otherwise - except share and per share information)

6. Goodwill and intangible assets

		Indefinite life	Finite-life			
	Goodwill	Asset management contracts	Asset management contracts	Customer relationships	Other	Total
	$	$	$	$	$	$
For the three-month period ended March 31, 2024						
Opening carrying amount	**647,433**	**1,697**	**21,168**	**196,262**	**4,404**	**223,531**
Additions	**—**	**—**	**—**	**—**	**3**	**3**
Additions – internally developed	**—**	**—**	**—**	**—**	**454**	**454**
Amortization for the period	**—**	**—**	**(1,560)**	**(6,285)**	**(414)**	**(8,259)**
Foreign currency translation	**4,519**	**10**	**219**	**1,979**	**12**	**2,220**
Closing carrying amount	**651,952**	**1,707**	**19,827**	**191,956**	**4,459**	**217,949**
Balance as at March 31, 2024						
Cost	**633,323**	**1,695**	**152,747**	**405,699**	**39,133**	**599,274**
Accumulated amortization and impairment	**(1,918)**	**—**	**(133,332)**	**(216,553)**	**(34,649)**	**(384,534)**
Foreign currency translation	**20,547**	**12**	**412**	**2,810**	**(25)**	**3,209**
Closing carrying amount	**651,952**	**1,707**	**19,827**	**191,956**	**4,459**	**217,949**
For the three-month period ended March 31, 2023						
Opening carrying amount	650,981	1,708	29,695	223,960	4,692	260,055
Additions – internally developed	—	—	—	—	581	581
Amortization for the year	—	—	(2,162)	(6,280)	(565)	(9,007)
Foreign currency translation	451	(1)	22	(107)	(4)	(90)
Closing carrying amount	651,432	1,707	27,555	217,573	4,704	251,539
Balance as at March 31, 2023						
Cost	633,323	1,695	152,747	406,776	37,494	598,712
Accumulated amortization and impairment	(1,918)	—	(125,590)	(191,978)	(32,820)	(350,388)
Foreign currency translation	20,027	12	398	2,775	30	3,215
Closing carrying amount	651,432	1,707	27,555	217,573	4,704	251,539

7. Financial instruments

Debentures

The fair value of the 6.0% Hybrid debenture (Note 9) is estimated at approximately $98,151 as at March 31, 2024 ($98,416 as at December 31, 2023). The fair value of the 8.25% Hybrid debentures (Note 9), issued on June 29, 2023, is $68,430 as at March 31, 2024 ($68,705 as at December 31, 2023).

Derivative financial instruments

The Company's derivative financial instruments are presented at fair value on the interim condensed consolidated statements of financial position.

The fair value of derivatives that are not traded on an active market are determined using valuation techniques which maximize the use of observable market inputs such as interest rate yield curves as well as available information on market transactions involving other instruments that are substantially the same, discounted cash flows analysis or other techniques, where applicable. To the extent practicable, valuation techniques incorporate all factors that market participants would consider in setting a price and are consistent with accepted economic methods for valuing financial instruments.

(In thousands of Canadian dollars, unless noted otherwise - except share and per share information)

7. Financial instruments (continued)

Net gains (losses), fair value and the notional amount of derivatives by term to maturity are as follows:

	For the three-month period ended March 31, 2024	As at March 31, 2024				
		Fair value of Derivative Financial instruments		Notional amount: term to maturity		
	Net gain (loss) on derivatives	Asset	(Liability)	Less than 1 year	From 1 to 5 years	Over 5 years
	$	$	$	$	$	$
Foreign exchange contracts						
a) Forward foreign exchange and currency swap contracts – held for trading[1]	**(375)**	**20**	**(183)**	**26,050**	**—**	**—**
b) Cross currency swaps – held for trading[2]	**7,614**	**552**	**(721)**	**385,000**	**—**	**—**
Interest rate contracts						
c) Swap contracts – cash flow hedges[3]	**—**	**1,977**	**—**	**—**	**250,000**	**—**

[1] Derivative financial instruments of $20 are presented in prepaid expenses and other assets on the interim condensed consolidated statements of financial position.
[2] Derivative financial instruments of $552 are presented in prepaid expenses and other assets on the interim condensed consolidated statements of financial position.
[3] Derivative financial instruments of $1,977 are presented in other non-current assets on the interim condensed consolidated statements of financial position.

	For the three-month period ended March 31, 2023	As at December 31, 2023				
		Fair value of Derivative Financial instruments		Notional amount: term to maturity		
	Net gain (loss) on derivatives	Asset	(Liability)	Less than 1 year	From 1 to 5 years	Over 5 years
	$	$	$	$	$	$
Foreign exchange contracts						
a) Forward foreign exchange and currency swap contracts – held for trading	(78)	335	—	14,505	—	—
b) Cross currency swaps – held for trading[1]	(825)	—	(14,987)	368,000	—	—
Interest rate contracts						
c) Swap contracts – held for trading[2]	—	380	(254)	—	250,000	—

[1] Derivative financial instruments of $335 are presented in prepaid expenses and other assets on the interim condensed consolidated statements of financial position.
[2] Derivative financial instruments of $380 are presented in other assets and $254 are presented in other non-current liabilities on the interim condensed consolidated statements of financial position.

7. Financial instruments (continued)

a) Forward foreign exchange and currency swap contracts — held for trading

The Company enters into forward foreign exchange and currency swap contracts with various terms to maturity that aim to manage the currency fluctuation risk associated with up to twelve months of estimated future revenues in US dollars and financial assets and liabilities for which cash flows are denominated in foreign currencies.

These contracts are recognized at fair value at the date the contracts are entered into and are subsequently remeasured to fair value through profit or loss at the end of each reporting period. The gain or loss on these derivative financial instruments is recognized in other revenues or interest on lease liabilities, foreign exchange revaluation and other financial charges in the interim condensed consolidated statement of earnings (loss) in accordance with the nature of the hedged item. Outstanding forward foreign exchange and currency swap contracts have contractual maturity dates in less than twelve months, therefore they are presented in current assets or current liabilities on the interim condensed consolidated statement of financial position.

The Company had net gains on settlement of $124 during the three-month period ended March 31, 2024 (net gains on settlement of $162 during the three-month period ended March 31, 2023).

b) Cross currency swaps – held for trading

Under the terms of the Company's revolving Facility (Note 8), the Company can borrow either in US dollars based on the US base rate plus a spread varying from 0.0% to 1.5% or the Adjusted term SOFR rate plus a spread varying from 1.0% to 2.5%, or in Canadian dollars based on the Canadian prime rate plus a spread varying from 0.0% to 1.5% or the bankers' acceptances plus a spread varying from 1.0% to 2.5%. To benefit from interest cost savings, the Company has effectively created a synthetic equivalent to a Canadian dollar loan at CDOR plus a spread on a designated notional amount by borrowing against the Facility in US dollars at SOFR plus a spread, and swapping it into CDOR plus a spread with a cross currency swap.

The objective of this strategy is to provide cost savings without currency risk since the terms of the US SOFR financing and the cross currency swap are exactly matched (US dollar notional amount, SOFR rate, trade and maturity dates). Losses (gains) on cross currency swaps are offset by equivalent gains (losses) on the translation of the US denominated economically hedged portion of the Facility since the financing terms are exactly matched.

The net gain or loss on these derivative financial instruments is recognized in the interim condensed consolidated statement of earnings (loss) in accordance with the nature of the economically hedged item, the Facility (Note 8), and therefore is presented in interest on lease liabilities, foreign exchange revaluation and other financial charges. Outstanding cross currency swap contracts have contractual maturity dates in less than twelve months, therefore they are presented in current assets or current liabilities on the interim condensed consolidated statement of financial position.

The losses (gains) on settlement of the cross currency swaps were offset by equivalent gains (losses) on long-term debt and are netted in long-term debt in the interim condensed consolidated statement of cash flows. The Company had net losses on settlement of $7,203 during the three-month period ended March 31, 2024 (net gains on settlement of $2,651 during the three-month period ended March 31, 2023).

7. **Financial instruments** (continued)

c) Interest rate swap contracts – Cash flow hedges

In February and March 2023, the Company entered into interest rate swap contracts to manage its exposure to benchmark interest rate fluctuations on the variable rate loans drawn on the Facility. The Facility loans bear interest at the variable rate plus a spread, but the hedged risk is designated as only the variable component of the total interest rate exposure, excluding the spread. To manage this risk, the interest rate swaps consist of exchanging the CDOR rate for a fixed rate applied to the notional of each contract, ranging between 3.7% to 4.2%. Interest is settled quarterly.

The interest rate swaps are designated as cash flow hedges and satisfy the requirements for hedge accounting. To demonstrate that an economic relationship exists between the variable rate loans and the interest rate swaps, a prospective assessment of effectiveness was performed at inception and is performed at every quarterly reporting period. The Company has established a hedge ratio of 1:1, as the notional of the hedged variable rate loans is equal to the notional of the interest rate swaps. Hedge ineffectiveness could arise from counterparty credit risk, differences in the timing of cash flows, different tenors on the variable rate, CDOR reform, as the maturity date of the contracts extend beyond the cessation date, and any other change in reference rates impacting the hedges or hedged exposures.

The effective portion of changes in the fair value of these contracts was recognized in other comprehensive income (loss) and accumulated in a hedging reserve. The Company recorded a gain in other comprehensive income of $1,308 (net of income taxes of $522) during the three-month period ended March 31, 2024 (a loss in other comprehensive income of $1,302 (net of income taxes of $467) during the three-month period ended March 31, 2023). There was no ineffective portion on these contracts for the three-month period ended March 31, 2024 and March 31, 2023.

The net gain or loss on these derivative financial instruments is recognized in the interim condensed consolidated statement of earnings (loss) with interest on long-term debt, lease liabilities and other financial charges.

(In thousands of Canadian dollars, unless noted otherwise - except share and per share information)

7. Financial instruments (continued)

Fair value hierarchy

The financial assets and liabilities that are recognized on the interim condensed consolidated statements of financial position at fair value are classified using a hierarchy that is based on the significance of the inputs used in making the measurements. The levels in the hierarchy are:

- Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices); and
- Level 3 – Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

The following table presents the financial instruments recorded at amortized cost and fair value in the interim condensed consolidated statements of financial position, classified using the fair value hierarchy:

	As at March 31, 2024				
		Fair value through profit or loss			
	Amortized cost	Level 1	Level 2	Level 3	Total
	$	$	$	$	$
Assets					
Cash and cash equivalents	**36,634**	—	—	—	**36,634**
Restricted cash and cash equivalents	**1,363**	—	—	—	**1,363**
Investments	—	—	**8,810**	—	**8,810**
Trade and other receivables	**141,153**	—	—	—	**141,153**
Promissory note(1)	—	—	—	**23,248**	**23,248**
Long-term investments	—	—	—	**12,342**	**12,342**
Derivative financial instruments(2)	—	—	**2,549**	—	**2,549**
	179,150	—	**11,359**	**35,590**	**226,099**
Liabilities					
Accounts payable and accrued liabilities(3)	**102,085**	—	—	**79**	**102,164**
Purchase price obligations	—	—	—	**12,246**	**12,246**
Derivative financial instruments	—	—	**904**	—	**904**
Client deposits	**786**	—	—	—	**786**
Long-term debt	**528,789**	—	—	—	**528,789**
Debentures	**164,174**	—	—	—	**164,174**
	795,834	—	**904**	**12,325**	**809,063**

(1) Includes $4,798 presented in trade and other receivables and $18,450 presented in other non-current assets on the interim condensed consolidated statements of financial position.
(2) Includes $572 presented in prepaid expenses and other assets and $1,977 presented in other non-current assets within non-current assets on the interim condensed consolidated statements of financial position.
(3) $79 represents the short-term portion of the CVR liability.

(In thousands of Canadian dollars, unless noted otherwise - except share and per share information)

7. Financial instruments (continued)

	As at December 31, 2023				
		Fair value through profit or loss			
	Amortized cost	Level 1	Level 2	Level 3	Total
	$	$	$	$	$
Assets					
Cash and cash equivalents	65,605	—	—	—	65,605
Restricted cash and cash equivalents	1,804	—	—	—	1,804
Investments	—	—	9,620	—	9,620
Trade and other receivables	151,861	—	—	—	151,861
Promissory note(1)	—	—	—	23,002	23,002
Long-term investments	—	—	—	11,655	11,655
Derivative financial instruments(2)	—	—	715	—	715
	219,270	—	10,335	34,657	264,262
Liabilities					
Accounts payable and accrued liabilities(3)	170,085	—	—	79	170,164
Purchase price obligations	—	—	—	11,970	11,970
Derivative financial instruments(4)	—	—	15,241	—	15,241
Client deposits	145	—	—	—	145
Long-term debt	490,922	—	—	—	490,922
Debentures	163,968	—	—	—	163,968
	825,120	—	15,241	12,049	852,410

(1) Includes $5,145 presented in trade and other receivables and $17,857 presented in other non-current assets on the consolidated statements of financial position.
(2) Includes $335 presented in prepaid expenses and other assets and $380 presented in other non-current assets within non-current assets on the consolidated statements of financial position.
(3) $79 represents the short-term portion of the CVR liability.
(4) Includes $254 presented in other non-current liabilities on the consolidated statements of financial position.

Level 3

The fair value of the promissory note, purchase price obligations, and the CVRs are Level 3 financial instruments and are determined using a discounted cash flow analysis which makes use of unobservable inputs such as expected cash flows and risk adjusted discount rates. Expected cash flows are estimated based on the terms of the contractual arrangements and the Company's knowledge of the business and how the current economic environment is likely to impact it.

Purchase price obligation – Clearwater Capital Partners, LLC ("Clearwater"):

The discounted cash flow method was used to measure the present value of the expected future cash flows to be paid to the sellers as contingent consideration. The fair value of the Clearwater purchase price obligation as at March 31, 2024 was $9,841 (US$7,272) and $9,589 (US$7,272) as at December 31, 2023. The value of this purchase price obligation is derived from revenue and EBITDA (as defined in the share purchase agreement). The maximum value of the purchase price obligation has been achieved since December 31, 2023, therefore there is no longer uncertainty with respect to the fair value of the obligation.

7. **Financial instruments** (continued)

Promissory Note – Wilkinson Global Asset Management LLC ("WGAM"):

On December 31, 2020, the Company completed the sale of all its equity interest in WGAM, in exchange for a promissory note issued by WGAM, for a notional amount of $35,655 (US$27,987). Under the terms of the agreement, the promissory note earns interest at 3M SOFR plus a premium of 3.1% as at March 31, 2024 and December 31, 2023. The principal and interest related to the promissory note will be reimbursable to the Company through quarterly payments based on a specified revenue amount for each fiscal quarter with a minimum annual repayment of US$1,750. The promissory note is secured by units of membership interests and the assets of WGAM.

The promissory note is a financial asset recorded at fair value through profit and loss and has been categorized as a Level 3 fair value instrument. The discounted cash flow method was used to measure the present value of the promissory note. The main Level 3 inputs used by the Company to value the promissory note are derived from unobservable inputs of assets under management forecasts, revenue forecasts and the credit-adjusted discount rate reflecting the estimated maturity of the promissory note. The Company uses a discount rate ranging between 8.0% - 9.5% for the three-month periods ended March 31, 2024 and the year ended December 31, 2023. The fair value of the instrument was $23,248 (US$17,179) as at March 31, 2024, and ($23,002 (US$17,444) as at December 31, 2023).

Due to the unobservable nature of the inputs, there may be uncertainty about the valuation of this Level 3 financial instrument and using reasonably possible alternative assumptions would change the fair value. Moreover, the relationship between the credit-adjusted discount rate and the other unobservable inputs does not necessarily have a direct relationship and different inter-relationships could be reasonably applied. The Company varied the significant unobservable inputs such as the credit-adjusted discount rate, assets under management and revenue forecasts and established a reasonable fair value range between $22,435 (US$16,578) and $23,531 (US$17,388) as at March 31, 2024, ($22,141 (US$16,791) and $23,298 (US$17,669) as at December 31, 2023).

(In thousands of Canadian dollars, unless noted otherwise - except share and per share information)

7. **Financial instruments** (continued)

The reconciliation of Level 3 fair value measurements is presented as follows:

	Promissory note	Long-term investments	Accounts payable and accrued liabilities	Purchase price obligations	Total
		$	$	$	$
Fair value as at December 31, 2023	**23,002**	**11,655**	**(79)**	**(11,970)**	**22,608**
Additional investments	**—**	**839**	**—**	**—**	**839**
Disposition of investments	**—**	**(211)**	**—**	**—**	**(211)**
Proceeds received	**(1,501)**	**—**	**—**	**—**	**(1,501)**
Loss on investments, net	**—**	**(14)**	**—**	**—**	**(14)**
Revaluation[1]	**646**	**—**	**—**	**—**	**646**
Accretion[1]	**496**	**—**	**—**	**(23)**	**473**
Foreign currency translation	**605**	**73**	**—**	**(253)**	**425**
Fair value as at March 31, 2024	**23,248**	**12,342**	**(79)**	**(12,246)**	**23,265**

[1] Accounted in Accretion and change in fair value of purchase price obligations and other in the interim condensed consolidated statements of Earnings (loss)

	Promissory note	Long-term investments	Accounts payable and accrued liabilities	Purchase price obligations	Total
		$	$	$	$
Fair value as at December 31, 2022	26,348	6,574	(892)	(26,944)	5,086
Additional investments	—	253	—	—	253
Disposition of investments	—	(196)	—	—	(196)
Proceeds received	(1,536)				(1,536)
Loss on investments, net	—	197	—	—	197
Accretion[1]	264	—	—	(340)	(76)
Revaluation of CVRs	557	—	577	—	1,134
Foreign currency translation	(23)	87	—	27	91
Fair value as at March 31, 2023	25,610	6,915	(315)	(27,257)	4,953

[1] Accounted in Accretion and change in fair value of purchase price obligations and other in the interim condensed consolidated statements of Earnings (loss)

(In thousands of Canadian dollars, unless noted otherwise - except share and per share information)

8. Long-term debt

	As at March 31, 2024	As at December 31, 2023
	$	$
Revolving credit facility	**529,628**	491,862
Deferred financing charges	**(839)**	(940)
	528,789	490,922

Credit facility

On April 20, 2022, the Company entered into the Seventh Amended and Restated Credit Agreement ("Credit Agreement") comprised of a $700,000 senior unsecured revolving facility ("Facility") which can be drawn in Canadian or US dollars at the discretion of the Company.

Under the terms of the Credit Agreement, the maturity date is April 20, 2026. A one-year extension can be requested annually subject to the acceptance of a group of lenders within the banking syndicate whose commitments amount to more than 66 2/3% of the Facility. The Company may request an increase in the available Facility by an amount of up to $200,000 subject to the acceptance by the lenders.

The Facility bears interest at variable rates based on the currency in which an amount is drawn. The interest rates are based on either the Canadian prime rate, bankers' acceptances, the US base rate or Adjusted term SOFR rate, plus a spread as a function of the quarterly Funded Debt to EBITDA ratio as defined in the Credit Agreement.

As at March 31, 2024, the total amount drawn on the Facility was $529,628 (December 31, 2023 - $491,862) which was entirely drawn in US dollars of US$391,375 (December 31, 2023 - US$369,718 and $4,353 was drawn in Canadian Dollars).

Under the terms of the Credit Agreement, the Company must satisfy certain restrictive covenants including minimum financial ratios. All restrictive covenants under the Credit Agreement were met as at March 31, 2024 and December 31, 2023.

During the three-month period ended March 31, 2024, the Company borrowed $26,665 (borrowed $38,419 during the three-month period ended March 31, 2023) on its long-term-debt.

(In thousands of Canadian dollars, unless noted otherwise - except share and per share information)

9. Debentures

The balance of the debentures consists of the following:

	As at March 31, 2024	As at December 31, 2023
	$	$
6.0% Hybrid debenture – Due on June 30, 2027	**99,502**	99,480
8.25% Hybrid debentures – Due on December 31, 2026	**64,672**	64,488
	164,174	163,968

a) 6.0% Hybrid debenture – Due on June 30, 2027

	As at March 31, 2024	As at December 31, 2023
	$	$
Face value	**100,000**	100,000
Less:		
Issuance costs	**(717)**	(717)
Cumulative accretion expense on liability component	**219**	197
	99,502	99,480

On June 23, 2022, the Company completed a private placement of a $100,000 senior subordinated unsecured hybrid debenture with the Fonds de solidarité FTQ maturing on June 30, 2027 (the "6.0% Hybrid debenture"). The 6.0% Hybrid debenture bears interest at a rate of 6.0% per annum, payable semi-annually in arrears on June 30 and December 31 of each year starting December 31, 2022. Prior to June 30, 2025, the 6.0% Hybrid debenture will be redeemable in whole or in part from time to time at the Company's option, on not more than 60 days and not less than 30 days prior notice, at a redemption price equal to the greater of a) 100% of the principal amount redeemed and b) the Canada Yield Price as defined in the debenture plus accrued and unpaid interest. On and after June 30, 2025 and prior to June 30, 2026, the 6.0% Hybrid debenture will be redeemable, in whole or in part, and from time to time, at the Company's option, on not more than 60 days and not less than 30 days prior notice, at a redemption price equal to 103% of the principal amount redeemed plus accrued and unpaid interest. On and after June 30, 2026 and prior to the maturity date on June 30, 2027, the 6.0% Hybrid debenture will be redeemable, in whole or in part, and from time to time, at the Company's option, on not more than 60 days and not less than 30 days prior notice, at a redemption price equal to 100% of the principal amount redeemed plus accrued and unpaid interest. The Company will have the option to repay the principal amount of the 6.0% Hybrid debenture due at redemption or at maturity on June 30, 2027 either by paying in cash or by issuing Class A Shares in accordance with the terms of the trust indenture. The 6.0% Hybrid debenture will not be, at any time, convertible into Class A Shares at the option of the holders. The 6.0% Hybrid debenture is recorded at amortized cost, net of issuance costs, using the effective interest rate method.

(In thousands of Canadian dollars, unless noted otherwise - except share and per share information)

9. **Debentures** (continued)

b) 8.25% Hybrid debentures – Due on December 31, 2026

	As at March 31, 2024	As at December 31, 2023
	$	$
Face value	**67,250**	67,250
Less:		
Issuance costs	**(3,155)**	(3,155)
Cumulative accretion expense on liability component	**577**	393
	64,672	64,488

On June 29, 2023 the Company issued 65,000 senior subordinated unsecured hybrid debentures maturing on December 31, 2026 (the "8.25% Hybrid debentures") for gross proceeds of $65,000. On July 28, 2023, the Company issued 2,250 senior subordinated unsecured hybrid debentures following the exercise of the over allotment option for gross proceeds of $2,250, also maturing on December 31, 2026. The 8.25% Hybrid debentures bear interest at a rate of 8.25% per annum, payable semi-annually in arrears on June 30 and December 31 of each year, with the first interest payment on December 31, 2023. The 8.25% Hybrid debentures will not be redeemable before December 31, 2025, except upon the satisfaction of certain conditions after a change of control of the Company. On and after December 31, 2025 and prior to the maturity date on December 31, 2026, the 8.25% Hybrid debentures will be redeemable, in whole or in part, and from time to time, at the Company's option, on not more than 60 days and not less than 30 days prior notice, at a redemption price equal to 100% of the principal amount redeemed plus accrued and unpaid interest. The Company will have the option to repay the principal amount of the 8.25% Hybrid debentures due at redemption or at maturity on December 31, 2026 either by paying in cash or by issuing Class A Shares in accordance with the terms of the trust indenture. The 8.25% Hybrid debentures will not be, at any time, convertible into Class A Shares at the option of the holders. The 8.25% Hybrid debentures are recorded at amortized cost, net of issuance costs, using the effective interest rate method.

(In thousands of Canadian dollars, unless noted otherwise - except share and per share information)

10. Share capital and accumulated other comprehensive income (loss)

The following table provides details of the issued, fully paid and outstanding common shares:

	Class A shares		Class B shares		Total	
	Number	**$**	**Number**	**$**	**Number**	**$**
As at December 31, 2023	85,694,246	798,469	19,412,401	30,891	105,106,647	829,360
Issuance of shares						
Performance and restricted share units settled	**756,142**	**5,811**	**—**	**—**	**756,142**	**5,811**
As at March 31, 2024	**86,450,388**	**804,280**	**19,412,401**	**30,891**	**105,862,789**	**835,171**
As at December 31, 2022	83,228,078	782,989	19,412,401	30,891	102,640,479	813,880
Issuance of shares						
Performance and restricted share units settled	113,739	529	—	—	113,739	529
Stock options exercised	275,000	1,718	—	—	275,000	1,718
As at March 31, 2023	83,616,817	785,236	19,412,401	30,891	103,029,218	816,127

Share repurchase and cancellation

On August 10, 2023, the Toronto Stock Exchange approved the renewal of the Company's normal course issuer bid ("NCIB") to purchase for cancellation up to a maximum of 4,000,000 Class A Shares, representing approximately 4.7% of its issued and outstanding Class A Shares as at August 1, 2023. The NCIB began on August 16, 2023 and will end at the latest on August 15, 2024.

During the three-month period ended March 31, 2024 and March 31, 2023, there were no purchases and cancellations of Class A Shares under the normal course issuer bid.

Dividends

During the three-month period ended March 31, 2024 and March 31, 2023, the Company declared dividends on Class A Shares and Class B Shares totaling $22,760 ($0.215 per share) and $22,119 ($0.215 per share), respectively.

Accumulated other comprehensive income (loss)

The components of accumulated other comprehensive income (loss) include:

	As at March 31, 2024	As at December 31, 2023
	$	$
Cash flow hedges	**1,334**	26
Unrealized foreign currency translation on foreign operations	**(15,106)**	(22,696)
	(13,772)	(22,670)

(In thousands of Canadian dollars, unless noted otherwise - except share and per share information)

11. Earnings (Loss) per share

Basic and diluted earnings per share and the reconciliation of the number of shares used to calculate basic and diluted earnings per share are as follows:

	For the three-month periods ended March 31, 2024	2023
	$	$
Net earnings (loss) attributable to shareholders	**7,645**	(2,517)
Weighted average shares outstanding – basic	**106,458,309**	102,750,445
Effect of dilutive share-based awards, purchase price obligations payable in shares and debentures	**2,239,196**	—
Weighted average shares outstanding – diluted	**108,697,505**	102,750,445
Basic earnings (loss) per share	**0.07**	(0.02)
Diluted earnings (loss) per share	**0.07**	(0.02)

The dilution impact of diluted weighted average shares outstanding and net earnings is as follows:

For the three-month period ended	March 31, 2024		March 31, 2023	
	Number of shares	**Net earnings**	Number of shares	Net earnings
Share-based awards payable	**2,239,196**	**—**	—	—
6% Hybrid debenture	**—**	**—**	—	—
8.25% Hybrid debentures	**—**	**—**	—	—
Clearwater purchase price obligation	**—**	**—**	—	—
5.6% Hybrid debentures	**—**	**—**	—	—
	2,239,196	**—**	—	—

(In thousands of Canadian dollars, unless noted otherwise - except share and per share information)

12. Share-based payments

a) Stock option plan

A summary of the changes that occurred in the Company's stock option plans during the three-month periods ended March 31, 2024, and 2023, is presented below:

		2024		2023
	Number of Class A Share options	**Weighted-average exercise price**	Number of Class A Share options	Weighted-average exercise price
		$		$
Outstanding – beginning of periods	**2,748,000**	**11.53**	3,865,505	11.33
Granted	—	—	100,000	8.76
Exercised	—	—	(275,000)	6.02
Expired	—	—	(742,505)	12.07
Outstanding – end of periods	**2,748,000**	**11.53**	2,948,000	11.55
Options exercisable – end of periods	**1,210,500**	**12.75**	963,000	13.07

The Company recorded an expense of $122 for stock options during the three-month period ended March 31, 2024 (an expense of $720 during the three-month period ended March 31, 2023).

The following table presents the assumptions under the Black-Scholes option pricing model used to determine the fair value of options granted during the three-month periods ended March 31, 2024, and 2023 :

	2024	2023
Dividend yield (%)	—	10.01
Risk-free interest rate (%)	—	3.32
Expected life (years)	—	7.00
Expected volatility of the share price (%)	—	30.26
Weighted-average fair value ($)	—	0.73

The expected volatility is based on the historical volatility of the Company's share price. The risk-free interest rate used is equal to the yield available on government of Canada bonds at the date of grant with a term that approximates the expected life of options.

(In thousands of Canadian dollars, unless noted otherwise - except share and per share information)

12. Share-based payments (continued)

b) Deferred share unit ("DSU") plan

One DSU unit is equivalent to one Class A Share of the Company. The Company recorded an expense of $476 for this plan during the three-month period ended March 31, 2024 (an expense of $135 during the three-month period ended March 31, 2023).

The total award value granted under the Company's DSU plan was $133 and $184 during the three-month periods ended March 31, 2024 and 2023, respectively. As at March 31, 2024, the Company had a liability for an amount of $1,238 for the 149,844 units outstanding under the DSU plan ($762 for 125,050 units as at December 31, 2023).

c) Restricted share unit ("RSU") plan

The following table presents transactions that occurred in the Company's RSU plan during the three-month periods ended March 31, 2024, and 2023:

	2024	2023
Outstanding units – beginning of periods	**16,953**	105,941
Settled	**—**	(83,898)
Reinvested in lieu of dividends	**432**	564
Forfeited/Cancelled	**—**	—
Outstanding units – end of periods	**17,385**	22,607

One RSU is equivalent to one Class A Share of the Company. The Company recorded an expense of $71 and $76 for these grants during the three-month periods ended March 31, 2024, and 2023, respectively.

During the three-month period ended March 31, 2024, there were no settlements of vested RSUs ($718 cash paid as settlement of vested RSUs during the three-month period ended March 31, 2023). As at March 31, 2024, the Company had a liability in the amount of $144 for the 17,385 units outstanding under the RSU plan ($73 for 16,953 units as at December 31, 2023).

(In thousands of Canadian dollars, unless noted otherwise - except share and per share information)

12. Share-based payments (continued)

d) Restricted share unit plan — cash (“RSU cash”)

The following table presents transactions that occurred in the Company’s RSU cash plan during the three-month periods ended March 31, 2024, and 2023:

	2024	2023
Outstanding units – beginning of periods	**762,202**	2,093,957
Settled	**(85,750)**	(338,952)
Forfeited/Cancelled	**—**	(293,046)
Reinvested in lieu of dividends	**21,132**	32,395
Granted	**152,120**	—
Outstanding units – end of periods	**849,704**	1,494,354

RSU cash units are equivalent to one Class A Share of the Company. The Company recorded an expense of $1,112 and $809 for these grants during the three-month periods ended March 31, 2024, and 2023, respectively.

During the three-month period ended March 31, 2024, 85,750 units were settled (2023 – 338,952) and an amount of $521 was paid as settlement of vested units (2023 – $3,802). As at March 31, 2024, the Company had a liability in the amount of $2,498 for the 849,704 units outstanding under the RSU cash plan ($1,904 for the 762,202 units as at December 31, 2023).

e) PSU and UAR plan applicable to Business Units ("BU")

PSU applicable to BU

The Company recorded the following expense relating to the PSU plan applicable to BU during the three-month periods ended March 31, 2024 and 2023:

	2024	2023
	$	$
Equity-settled grants	**886**	72
Cash-settled grants	**824**	517
	1,710	589

The total award value granted under the Company's PSU plan applicable to BU was $1,883 and $5,650 during the three-month periods ended March 31, 2024 and 2023, respectively. During the three-month period ended March 31, 2024, 670,979 Class A Shares were issued as settlement of vested PSU applicable to BU and $6,585 was directly remitted to tax authorities on behalf of employees to cover their tax obligation upon settlement. $515 was paid in cash as settlement of vested PSU applicable to BU. 149,524 Class A shares were purchased on the open market for $919 to settle vested PSU applicable to BU, recorded within contributed surplus in the Consolidated Statements of Changes in Equity.

(In thousands of Canadian dollars, unless noted otherwise - except share and per share information)

12. Share-based payments (continued)

There were nil Class A Shares issued and $1,237 paid in cash as settlement of vested PSU applicable to BU during the three-month period ended March 31, 2023.

UAR applicable to BU

Under the UAR applicable to BU Plan, eligible employees are entitled to receive an amount equivalent to the difference between the business value per unit on the vesting date and the exercise price determined on the grant date. Depending on the grant, vested awards are settled in Class A Shares of the Company, or can be settled in Class A Shares or cash at the discretion of the Company.

The Company recorded the following expense relating to the UAR plan applicable to BU during the three-month periods ended March 31, 2024 and 2023:

	For the three-month periods ended March 31,	
	2024	2023
	$	$
Equity-settled grants	**108**	170
Cash-settled grants	**173**	177
	281	347

There were no UARs granted during the three-month periods ended March 31, 2024 and 2023. During the three-month period ended March 31, 2024, 85,163 Class A shares were issued and $2,164 was directly remitted to tax authorities on behalf of employees to cover their tax obligation upon settlement of vested UARs (nil Class A Shares were issued during the three-month period ended March 31, 2023).

f) PSU plan

There were no awards granted or settled under the Company's PSU plan for the three-month period ended March 31, 2024. For the three-month period ended March 31, 2023, there were no awards granted under the PSU plan, and 113,739 Class A shares were issued as settlement of vested PSUs.

(In thousands of Canadian dollars, unless noted otherwise - except share and per share information)

13. Revenues

The Company's client servicing activities are organized on a global basis and are distributed to clients based on three Distribution Channels: Institutional, Financial Intermediaries, and Private Wealth. Each channel represents a distinct subset of the client base and informs Management and investors of the current composition of its asset under management, and how it may change over time based on the Company's distribution efforts. The Distribution Channels are the primary categories to organize the Company's client servicing activities as it continues to be an efficient allocator of capital. Management believes that revenue by distribution channel provides additional insight into factors that could impact the nature, amount, timing and uncertainty of revenue from customers.

	2024	2023
	$	$
Institutional	**81,352**	82,107
Financial Intermediaries	**46,581**	44,839
Private Wealth	**27,704**	27,286
Other revenues and Share of earnings in joint ventures and associates[1]	**12,478**	2,859
	168,115	157,091

(1) Other revenues and Share of earnings in joint ventures and associates are not allocated to a distribution channel

14. Additional information relating to interim condensed consolidated statements of cash flows

	For the three-month periods ended March 31,	
	2024	2023
	$	$
Changes in non-cash operating working capital items		
Accounts receivable	**10,764**	12,647
Prepaid expenses and other assets	**(4,787)**	(949)
Accounts payable and accrued liabilities	**(73,116)**	(56,641)
Current portion of cash-settled share based liabilities (Note 12)	**(1,108)**	(4,272)
Restructuring provisions	**344**	2,467
Client deposits and deferred revenues	**7,514**	3,176
	(60,389)	(43,572)

Income taxes paid during the three-month period ended March 31, 2024 were $12,862 ($7,289 for the three-month period ended March 31, 2023).

15. Commitments, Contingent liabilities and Provisions for Claims

Contingent liabilities and provisions for claims

Given the nature of the Company's business, the Company may be involved in and potentially subject to claims, proceedings, and investigations, including, legal, regulatory and tax. There are a number of uncertainties involved in such matters, individually or in aggregate, and as such, it is not currently possible to predict the final outcome with certainty. Management believes that the defense or resolution of these matters, individually or in aggregate, will not have a material adverse effect on the Company's financial condition. Management regularly assesses its position on the adequacy of accruals or provisions related to such matters. The Company maintains insurance policies that may provide coverage against these claims, however these are not accrued unless realization of income is virtually certain.

Based on current information related to certain claims, the Company recognized no additional provision related to claims during the three-month period ended March 31, 2024 (an additional provision of $5,561 during the three-month period ended March 31, 2023, recognized in other expenses (income) on the interim condensed consolidated statements of Earnings (loss). As at March 31, 2024 and December 31, 2023 , the total liability in respect of these matters was $8,611.

16. Capital management

The Company's capital comprises share capital, retained earnings (deficit), long-term debt, and hybrid debentures, less cash and cash equivalents. The Company manages its capital to ensure there are adequate capital resources while maximizing the return to shareholders through the optimization of the debt and equity balance and to maintain compliance with regulatory requirements and certain restrictive covenants required by the lender of the debt. The Company is required to maintain minimum working capital, calculated in accordance with National Instrument 31-103 *Registration Requirements and Exemptions*, on a non-consolidated basis. As at March 31, 2024 and December 31, 2023 it has complied with such requirements. The Company has also complied with the restrictive debt covenants under the terms of the credit facility.

In order to maintain or adjust its capital structure, the Company may issue shares, repurchase and cancel shares under the NCIB, proceed to the issuance or repayment of debt or issue shares to satisfy payment obligations of the 6.0% Hybrid debenture and 8.25% Hybrid debentures.

17. Related party transactions

In the normal course of business, the Company carries out transactions with related parties which include related shareholders or entities under the same common control as these related shareholders.

At March 31, 2024, a shareholder indirectly owns Class B Shares representing approximately 6.9% of the Company's issued and outstanding shares (6.9% as at December 31, 2023). This shareholder is the administrative agent and is part of the syndicate of lenders to the Company's Facility. Prior to April 13, 2022, the shareholder had the right to appoint two representatives of the eight directors of the Company that the holders of Class B Shares are entitled to elect. Since April 13, 2022, this shareholder no longer has the right to appoint any representative on the Board of Directors and therefore is no longer considered a related party.

(In thousands of Canadian dollars, unless noted otherwise - except share and per share information)

18. Segment reporting

The Company has determined that there is one reportable segment, asset management services. Geographical information for the Company is provided in the following table:

Revenues:

	For the three-month periods ended March 31,	
	2024	2023
	$	$
Canada	**104,180**	104,808
United States of America	**35,907**	36,123
Europe, Middle East, Africa ("EMEA")	**23,357**	13,964
Asia	**4,671**	2,196
	168,115	**157,091**

Non-current assets:

	As at March 31, 2024	As at December 31, 2023
	$	$
Canada	**646,192**	653,328
United States of America	**169,664**	168,898
EMEA	**94,964**	90,663
Asia	**51,002**	49,367
	961,822	962,256

Revenues are attributed to countries on the basis of the client's location. As at March 31, 2024, non-current assets presented above exclude long-term investments of $12,342, deferred income taxes of $28,022, and other non-current assets of $20,427 ($11,655, $27,963, and $18,237, respectively as at December 31, 2023).

19. Subsequent events

Dividends declared

On May 7, 2024, the Board declared a quarterly dividend of $0.215 per Class A Share and Class B 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 MD&A, 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.

20. Comparative information

Certain comparative amounts in the interim condensed consolidated financial statements have been reclassified in order to conform to the 2024 financial statement presentation.

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