

Fiera Capital Corporation

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Independent Auditor's Report

To the Shareholders and the Board of Directors of

Fiera Capital Corporation

Opinion

We have audited the consolidated financial statements of Fiera Capital Corporation (the "Company"), which comprise the consolidated statements of financial position as at December 31, 2025 and 2024, and the consolidated statements of earnings, comprehensive income, changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements, including material accounting policy information (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2025 and 2024, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB").

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the year ended December 31, 2025. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Goodwill — Refer to Notes 3 and 11 to the financial statements

Key Audit Matter Description

The Company's evaluation of goodwill impairment at its operating segment level, representing the lowest level within the Company at which management monitors goodwill, involves assessing if the carrying amount of the asset management services operating segment ("segment") exceeds its recoverable amount determined using a discounted cash flow model. This requires management to make significant estimates and assumptions using cash flow budgets and forecasts. The recoverable amount of the segment exceeded its carrying value as of the measurement date and no impairment was recognized.

While there are several estimates and assumptions that are required to determine the recoverable amount of the segment, the estimates and assumptions with the highest degree of subjectivity are the forecasted revenue growth rates and the discount rate. These assumptions require a high degree of auditor judgment and an increased extent of audit effort, including the involvement of fair value specialists.

How the Key Audit Matter Was Addressed in the Audit

Our audit procedures related to forecasted revenue growth rates and the discount rate used to determine the recoverable amount of the segment included the following, among others:

- Evaluated the reasonableness of forecasted revenue growth rates by testing key underlying assumptions by:
 - Comparing forecasted changes in assets under management for each investment platform to historical changes with consideration to recent changes in related fund flows, significant sub-advisory relationships, and historical market returns; and
 - Assessing the reasonableness of forecasted base management fee rates for each investment platform by comparing to historical base management fee rates.
- With the assistance of fair value specialists, evaluated the reasonableness of the discount rate by testing the source information underlying the determination of the discount rate and independently developing a discount rate range to compare to management’s selected discount rate.

Acquisition of additional shares in a Real Estate Investment Platform — Refer to Notes 3 and 4 to the financial statements

Key Audit Matter Description

An indirect wholly-owned subsidiary of the Company, acquired additional share capital in the real estate investment platform specializing in rental homes, increasing its shareholdings from approximately 33% to 51%. The shareholder agreement established a period of continued employment (“employment condition”) before management shareholders obtain full access to the fair value of their shares. As a result, their equity interest is accounted for as equity settled share-based payment which is expensed over the vesting period (7 years from the date of acquisition) and assuming their continued employment will represent non-controlling interest at the end of the vesting period.

Management was required to make judgments to determine the accounting treatment of the employment condition and whether it was an expense at the date of acquisition. Auditing the accounting treatment of the employment condition required a high degree of auditor judgment and an increased extent of audit effort, including the involvement of technical accounting specialists.

How the Key Audit Matter Was Addressed in the Audit

Our audit procedures related to the determination of the accounting treatment of the employment condition included the following, among others:

- Obtained and reviewed the executed contracts to determine whether all key facts and circumstances were incorporated into management’s assessment; and

- With the assistance of technical accounting specialists, evaluated management's assessment by analyzing specific facts and circumstances against relevant accounting guidance.

Other Information

Management is responsible for the other information. The other information comprises:

- Management's Discussion and Analysis
- The information, other than the financial statements and our auditor's report thereon, in the Annual Report.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained Management's Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.

The Annual Report is expected to be made available to us after the date of the auditor's report. If, based on the work we will perform on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate,

they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Company as a basis for forming an opinion on the financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a

matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Haik (Haig) Vanlian.

/s/ Deloitte LLP¹

Montreal, Québec
February 25, 2026

¹CPA auditor, public accountancy permit No. A123838

Fiera Capital Corporation

Consolidated Statements of Earnings

For the years ended December 31,

(In thousands of Canadian dollars, except per share data)

	2025	2024
	\$	\$
Revenues (Notes 22 and 30)		
Base management fees	609,152	611,995
Performance fees	23,189	24,778
Commitment and transaction fees	17,385	16,258
Share of earnings in joint ventures and associates (Note 8)	6,615	12,428
Other revenues	16,656	23,164
	672,997	688,623
Expenses		
Selling, general and administrative expenses (Note 23)	497,442	514,324
Amortization and depreciation	47,595	49,102
Restructuring, acquisition related and other costs (Note 5)	25,125	14,871
	570,162	578,297
Earnings before under-noted items	102,835	110,326
Interest on long-term debt and debentures (Note 24)	48,040	47,903
Interest on lease liabilities, foreign exchange revaluation and other financial charges (Note 25)	2,014	12,994
Gain on investments, net	(1,615)	(772)
Accretion and change in fair value of purchase price obligations and other (Note 4 and 14)	(1,423)	(1,717)
Revaluation of an investment related to an acquisition (Note 4)	(12,730)	—
Other expenses (income) (Notes 27 and 29)	(172)	1,948
Earnings before income taxes	68,721	49,970
Income tax expense (Note 16)	17,164	14,708
Net earnings	51,557	35,262
Net earnings attributable to:		
Company's shareholders	39,047	24,987
Non-controlling interest	12,510	10,275
	51,557	35,262
Net earnings per share (Note 20)		
Basic	0.36	0.23
Diluted	0.34	0.23

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

Fiera Capital Corporation

Consolidated Statements of Comprehensive Income

For the years ended December 31,

(In thousands of Canadian dollars)

	2025	2024
	\$	\$
Net earnings	51,557	35,262
Other comprehensive income (loss):		
Items that may be reclassified subsequently to earnings:		
Cash flow hedges (Note 14)	1,621	(2,071)
Foreign currency translation	(7,513)	27,531
Other comprehensive income (loss)	(5,892)	25,460
Comprehensive income	45,665	60,722
Comprehensive income attributable to:		
Company's shareholders	33,155	50,447
Non-controlling interest	12,510	10,275
	45,665	60,722

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

Fiera Capital Corporation

Consolidated Statements of Financial Position

(in thousands of Canadian dollars)

	2025	2024
	\$	\$
Assets		
Current assets		
Cash and cash equivalents	41,679	35,356
Restricted cash and cash equivalents	1,851	2,109
Trade and other receivables (Note 9)	155,536	154,011
Investments (Note 14)	9,105	9,204
Current portion of derivative assets (Note 14)	—	12,892
Prepaid expenses and other assets (Note 10)	18,566	23,709
	226,737	237,281
Non-current assets		
Goodwill (Note 11)	673,217	663,352
Intangible assets (Note 11)	171,329	198,880
Property and equipment (Note 12)	16,518	17,615
Right-of-use assets (Note 13)	38,859	42,629
Deferred income taxes (Note 16)	40,366	35,529
Long-term investments (Note 14)	20,690	16,952
Investments in joint ventures and associates (Note 8)	18,991	19,578
Other non-current assets (Note 14)	16,041	19,659
	1,222,748	1,251,475
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities (Note 15)	145,910	151,964
Current portion of cash-settled share-based liabilities (Note 21)	15,997	14,372
Current portion of lease liabilities (Note 13)	9,198	13,712
Restructuring provisions (Note 5)	4,191	1,118
Current portion of derivative liabilities (Note 14)	7,209	811
Client deposits and deferred revenues	6,572	5,728
	189,077	187,705
Non-current liabilities		
Long-term debt (Note 17)	522,423	534,447
Debentures (Note 18)	176,443	164,939
Lease liabilities (Note 13)	54,836	55,413
Cash-settled share-based liabilities (Note 21)	3,173	3,369
Deferred income taxes (Note 16)	6,333	7,335
Other non-current liabilities (Note 14)	4,194	4,547
	956,479	957,755
Equity attributable to:		
Company's shareholders	261,211	285,065
Non-controlling interest	5,058	8,655
	266,269	293,720
	1,222,748	1,251,475

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

Approved by the Board of Directors

/s/ Jean-Guy Desjardins

Jean-Guy Desjardins, Director

/s/ Gary Collins

Gary Collins, Director

Fiera Capital Corporation

Consolidated Statements of Changes in Equity

For the years ended December 31,

(In thousands of Canadian dollars)

	Notes	Share Capital	Contributed surplus	Retained earnings (deficit)	Accumulated other comprehensive income (loss)	Total Equity attributable to Company's shareholders	Non-controlling Interest	Total Equity
		\$	\$	\$	\$	\$	\$	\$
Balance as at December 31, 2024		845,071	10,737	(573,533)	2,790	285,065	8,655	293,720
Net earnings		—	—	39,047	—	39,047	12,510	51,557
Other comprehensive income		—	—	—	(5,892)	(5,892)	—	(5,892)
Comprehensive income		—	—	39,047	(5,892)	33,155	12,510	45,665
Equity settled share-based compensation expense, net of deferred tax	21,23	—	6,570	—	—	6,570	—	6,570
Acquisition related charges	4,5	—	2,909	—	—	2,909	—	2,909
Performance share units, restricted share units and unit appreciation rights settled	19	2,046	(839)	—	—	1,207	—	1,207
Dividends	19	—	(478)	(58,070)	—	(58,548)	(16,107)	(74,655)
Common shares issued under Dividend Reinvestment Plan	19	677	—	—	—	677	—	677
Share repurchase and cancellation	19	(14,736)	4,912	—	—	(9,824)	—	(9,824)
Balance as at December 31, 2025		833,058	23,811	(592,556)	(3,102)	261,211	5,058	266,269
Balance as at December 31, 2023		829,360	22,618	(506,674)	(22,670)	322,634	4,595	327,229
Net earnings		—	—	24,987	—	24,987	10,275	35,262
Other comprehensive income		—	—	—	25,460	25,460	—	25,460
Comprehensive income		—	—	24,987	25,460	50,447	10,275	60,722
Equity settled share-based compensation expense, net of deferred tax	21,23	—	7,410	—	—	7,410	—	7,410
Shares issued as settlement of purchase price obligations	19	9,958	—	—	—	9,958	—	9,958
Performance share units, restricted share units and unit appreciation rights settled	19	12,242	(20,327)	—	—	(8,085)	—	(8,085)
Dividends	19	—	—	(91,846)	—	(91,846)	(6,215)	(98,061)
Common shares issued under Dividend Reinvestment Plan	19	660	—	—	—	660	—	660
Share repurchase and cancellation	19	(7,149)	1,036	—	—	(6,113)	—	(6,113)
Balance as at December 31, 2024		845,071	10,737	(573,533)	2,790	285,065	8,655	293,720

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

Fiera Capital Corporation

Consolidated Statements of Cash Flows

For the years ended December 31,

(In thousands of Canadian dollars)

	2025	2024
	\$	\$
Operating activities		
Net earnings	51,557	35,262
Adjustments for:		
Amortization and depreciation	47,595	49,102
Accretion and change in fair value of purchase price obligations and other (Note 4 and 14)	(1,423)	(1,717)
Revaluation of an investment related to an acquisition (Note 4)	(12,730)	—
Share-based compensation (Note 21 and 23)	18,537	21,465
Non-cash acquisition related charges (Note 4 and 5)	2,909	—
Interest on long-term debt and debentures (Note 24)	48,040	47,903
Interest on lease liabilities, foreign exchange revaluation and other financial charges (Note 25)	2,014	12,994
Income tax expense (Note 16)	17,164	14,708
Gain on investments and other expenses (income), net	(1,787)	1,176
Share of earnings in joint ventures and associates (Note 8)	(6,615)	(12,428)
Other	703	(530)
	165,964	167,935
Changes in non-cash operating working capital items (Note 26)	(32,377)	(33,931)
Net cash generated by operating activities	133,587	134,004
Investing activities		
Business combinations (Note 4)	(7,688)	—
Settlement of purchase price obligations	—	(2,437)
Proceeds from promissory note (Note 14)	5,658	6,062
Investments in joint ventures and associates (Note 8)	(5,042)	(7,292)
Distributions received from joint ventures and associates (Note 8)	12,637	19,359
Purchase of intangible assets, property and equipment, net (Note 11 and 12)	(5,682)	(3,028)
Investments, net (Note 14)	(2,258)	(3,042)
Restricted cash and cash equivalents	195	(233)
Net cash generated by (used in) investing activities	(2,180)	9,389
Financing activities		
Taxes paid and repurchase of common stock for share-based awards (Note 21)	(3,724)	(9,792)
Dividends to the Company's shareholders (Note 19)	(57,393)	(91,186)
Dividends to Non-controlling interest and other	(16,585)	(6,215)
Lease payments (Note 13)	(14,271)	(16,345)
Issuance of hybrid debentures, net of issuance costs (Note 18)	76,305	—
Redemption of debentures (Note 18)	(67,250)	—
Share repurchase and cancellation (Note 19)	(9,824)	(6,113)
Long-term debt, net (Note 14 and 17)	13,979	2,958
Interest paid on long-term debt and debentures (Note 24)	(47,109)	(48,533)
Net cash used in financing activities	(125,872)	(175,226)
Net increase (decrease) in cash and cash equivalents	5,535	(31,833)
Effect of exchange rate changes on cash denominated in foreign currencies	788	1,584
Cash and cash equivalents – beginning of year	35,356	65,605
Cash and cash equivalents – end of year	41,679	35,356

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

Fiera Capital Corporation

Notes to the Consolidated Financial Statements

For the years ended December 31, 2025 and 2024

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

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 consolidated financial statements for the years ended December 31, 2025 and 2024 on February 25, 2026.

2. Basis of presentation and adoption of new IFRS Accounting Standards

Compliance with IFRS Accounting Standards

The Company prepares its consolidated financial statements in accordance with IFRS[®] Accounting Standards as issued by the International Accounting Standards Board ("IASB").

The policies applied in these consolidated financial statements are based on IFRS Accounting Standards issued and outstanding as at December 31, 2025.

The preparation of financial statements in conformity with IFRS Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are material to the consolidated financial statements are disclosed in Note 3.

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

Revised IFRS Accounting Standards, interpretations and amendments

Revised standards are effective for annual periods beginning on January 1, 2025. Their adoption did not have a significant impact on the amounts reported or disclosures made in these financial statements.

New standards not yet adopted

IFRS 18 Presentation and Disclosure in Financial Statements

In April 2024, the IASB issued IFRS 18 Presentation and Disclosure in Financial Statements ("IFRS 18"), which replaces IAS 1 Presentation of Financial Statements and is effective for annual reporting periods beginning on or after January 1, 2027. IFRS 18 introduces new requirements to classify all income and expense into specified categories and provide specified subtotals in the statement of earnings, new principles for aggregation and disaggregation in the financial statements and notes, and mandatory disclosures about management-defined performance measures. The Company is evaluating the impact of the adoption of this standard.

2. Basis of presentation and adoption of new IFRS Accounting Standards (continued)

Amendments to the Classification and Measurement of Financial Instruments - IFRS 9 and IFRS 7

In May 2024, the IASB issued Amendments to the Classification and Measurement of Financial Instruments which are effective for annual periods beginning on or after January 1, 2026. The amendments clarify when a financial liability is derecognized and to introduce an accounting policy choice to derecognize financial liabilities settled using an electronic payment system before the settlement date. The amendments also clarify the classification of financial assets with environmental, social and governance linked features, non-recourse loans and contractually linked instruments, and introduce additional disclosure requirements for financial instruments with contingent features and equity instruments classified at fair value through other comprehensive income. The Company is evaluating the potential impact of these amendments which are not expected to be material.

Other

At the date of approval of these consolidated financial statements, other 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.

3. Material accounting policies, judgments and estimation uncertainty

Material accounting policies

This note provides a list of material accounting policies adopted in the presentation of these consolidated financial statements.

Basis of measurement

The consolidated financial statements have been prepared on a historical cost basis, except for financial assets and liabilities measured at fair value through profit or loss (including derivatives) and investments in joint ventures and associates measured using the equity accounting method.

Consolidation

The consolidated financial statements of the Company include the accounts of the Company and its subsidiaries (including structured entities) and its share of interests in joint ventures and associates. All intercompany transactions and balances with subsidiaries are eliminated on consolidation.

Subsidiaries (including structured entities) are those entities which the Company controls. The Company controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Company controls another entity. Subsidiaries are consolidated from the date on which control is obtained by the Company and are deconsolidated from the date that control ceases. Assessing whether the Company has control over an investee can require significant judgment.

Non-controlling interests in the earnings and equity of subsidiaries are disclosed separately in the consolidated statements of financial position, earnings, comprehensive income, and changes in equity.

Where applicable, the subsidiaries' accounting policies are modified at the business acquisition date to ensure that they are consistent with the policies adopted by the Company.

Business combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value at the date of acquisition. Acquisition-related costs are expensed when incurred.

3. Material accounting policies, judgments and estimation uncertainty (continued)

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognized at their fair value, except deferred tax assets or liabilities, which are recognized and measured in accordance with IAS 12 – *Income Taxes*. Subsequent changes in fair values are adjusted against the cost of acquisition if they qualify as measurement period adjustments. The measurement period is the period between the date of the acquisition and the date where all significant information necessary to determine the fair values is available and cannot exceed 12 months. All other subsequent changes are recognized in the consolidated statements of earnings. The determination of fair value involves making estimates relating to assets acquired and liabilities assumed including among others, intangible assets, property and equipment, contingent consideration, and other obligations. Contingent consideration and other obligations that are classified as a financial liability measured at fair value through profit and loss are remeasured at each subsequent reporting date with the corresponding gain or loss being recognized in the statements of earnings.

Goodwill is measured as the excess of the consideration transferred over the net amount of the identifiable assets acquired and the liabilities assumed. If, after reassessment, the net of identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the excess is recognized immediately in the consolidated statements of earnings as a bargain purchase gain.

Investments in joint ventures and associates

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

An associate is an entity over which the Company has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The Company's interests in joint ventures and associates are accounted for using the equity method of accounting. They are initially recognized at cost. Subsequent to the acquisition date, the Company's share of earnings of a joint venture and an associate is recognized in the consolidated statements of earnings. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment.

Where applicable, the joint venture's and associate's accounting policies are modified at the acquisition date to ensure that they are consistent with the policies adopted by the Company.

The Company assesses at each year end whether there is any objective evidence that its interests in joint ventures and associates are impaired; if impaired, the carrying value of the Company's investment in the joint venture or associate is written down to its estimated recoverable amount (being the higher of fair value less costs to sell and value-in-use) and charged to the consolidated statements of earnings. In accordance with IAS 36 – *Impairment of assets*, impairment losses are reversed in subsequent years if the recoverable amount of the investment subsequently increases and the increase can be related objectively to an event occurring after the impairment was recognized.

3. Material accounting policies, judgments and estimation uncertainty (continued)

Foreign currency translation

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the date of the transactions. Foreign exchange gains and losses from the settlement of foreign currency transactions and from the translation at reporting date exchange rates for monetary assets and liabilities denominated in foreign currencies are recognized in the consolidated statements of earnings. Foreign exchange gains or losses are deferred in equity if they relate to qualifying cash flow hedges and qualifying net investment hedges or are attributable to a part of the net investment in a foreign operation. Non-monetary assets and liabilities denominated in foreign currencies are translated in Canadian dollars using the exchange rates in effect at the date of initial recognition.

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition are translated into Canadian dollars at exchange rates at the reporting date. The revenue and expenses of foreign operations are translated at exchange rates at the date of transactions.

Translation gains or losses related to foreign operations are recognized in other comprehensive income (loss) and are reclassified in earnings on disposition or partial disposition of the investment in the related foreign operations.

Derivative financial instruments

The Company uses derivative financial instruments including interest rate swaps, cross currency swaps, forward foreign exchange contracts and currency swaps, to manage its exposure to foreign exchange, interest rate and market risks arising from operational, financing and investment activities. Derivative financial instruments are used only for economic hedging purposes and not as speculative instruments.

The Company designates interest rate swaps as cash flow hedges. When hedge accounting is applied, the Company documents at the inception of the hedging transaction, the relationship between the hedging instrument and hedged items as well as its risk management objective and strategy for undertaking various hedge transactions. The Company also documents its assessment both at hedge inception and on an ongoing basis, of whether the derivatives that are used for hedging transactions have been and will continue to be highly effective in offsetting changes in fair values and cash flows of hedged items.

Derivative financial instruments are initially recognized at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the hedged item. For trading derivatives, gains or losses on remeasurement to fair value are recognized immediately in profit or loss.

For derivatives qualifying as cash flow hedges, the effective portion of changes in fair value of derivatives that qualify for hedge accounting are recognized in other comprehensive income (loss) and accumulated reserves in equity. The gain or loss relating to the ineffective portion is recognized immediately in profit and loss.

3. Material accounting policies, judgments and estimation uncertainty (continued)

When a hedging instrument designed as a cash flow hedge expires, is sold or terminated, or when a hedge no longer meets the definition for hedge accounting, any cumulative gains or losses in equity at that time remain in equity and are recognized when the transaction is ultimately recognized in profit or loss.

Derivatives are classified as current when the remaining maturity of the contract is less than 12 months.

Revenue recognition

Revenue is recognized when or as the performance obligations are satisfied and control of the services is transferred to the customer. Control either transfers over time or at a point in time, which affects when revenue is recorded.

Base management fees are calculated and invoiced monthly or quarterly based on daily average assets under management (“AUM”) or invoiced quarterly in arrears based on the calendar quarter-end or month-end asset values under management or on an average of opening and closing AUM for the quarter. Base management fees are recognized as the services are rendered over time.

Performance fees are earned from public markets strategies and also private markets strategies, which may or may not include carried interest allocations. Performance fees are recognized when the amount to be received is known and it is highly probable that the revenue recognized will not result in a subsequent reversal of revenue recognized to date. This may be earlier than the performance measurement dates contained in the individual agreements and may be dependent upon performance exceeding agreed-upon benchmarks or the fund achieving a minimum rate of return over the relevant period.

Commitment and transaction fees are earned in accordance with contractual arrangements with managed funds and are based on committed capital and value of the transactions as they occur. Commitment and transaction fees are recognized when the associated performance obligations have been satisfied.

Other revenues

Other revenues consist mainly of administration fees, interest income, revenues received from funds, brokerage commissions, consulting fees and gains or losses on foreign exchange forward contracts.

Deferred revenues

Payments received in advance for services to be provided to external parties are recorded upon receipt as deferred revenues. These revenues are recognized in the period in which the related services are rendered.

Employee benefits

Post-employment benefits

Certain employees of the Company have entitlements under the Company’s defined contribution pension plans. The cost of defined contribution pension plans is charged to expense as the contributions are earned by the employees.

3. Material accounting policies, judgments and estimation uncertainty (continued)

Short-term employee benefits

Short-term employee benefits include wages, salaries, compensated absences, profit-sharing and bonuses. Short-term employee benefit obligations are measured on an undiscounted basis and are recognized in selling, general and administrative expense as the related service is provided. A liability is recognized for the amount expected to be paid under short term cash bonus or profit sharing plans if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Share-based compensation

The fair value of share-based payments is measured in accordance with IFRS 2, *Share-based payment*. Equity-settled share-based payments are measured at the fair value of the equity instruments at the grant date. The fair value determined at grant date of the equity-settled share-based payments is expensed over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in contributed surplus.

For cash-settled share-based payments, a liability is recognized at the grant date and is remeasured at each reporting period until the liability is settled, with any changes in fair value recognized in profit or loss. The expense is recorded over the vesting period.

Stock options

The fair value of stock options is measured at the grant date using the Black-Scholes option-pricing model. Stock options are equity-settled share-based payments and are accounted for accordingly.

Deferred share unit plan

The Deferred Share Unit Plan ("DSU Plan") is recorded as a share-based liability since the units may be settled in cash, at the sole discretion of the Company. The liability is remeasured at each reporting period based on the closing trading price of the Company's Class A Shares on the TSX and is remeasured until the settlement date.

A DSU participant's account is credited with dividend equivalents in the form of additional DSUs at each dividend payment date, if any, in respect of which dividends are paid on Class A Shares.

Restricted share unit plan

The Restricted Share Unit Plan ("RSU Plan") is recorded as a share-based liability since the units may be settled in cash, at the sole discretion of the Company. The liability is remeasured at each reporting period based on the closing trading price of the Company's Class A Shares on the TSX and is remeasured until the settlement date.

An RSU participant's account is credited with dividend equivalents in the form of additional RSUs at each dividend payment date, if any, in respect of which dividends are paid on Class A Shares.

3. Material accounting policies, judgments and estimation uncertainty (continued)

Restricted share unit plan – cash

This plan is accounted for as a cash-settled share-based liability since the payments will be made in cash. The liability is remeasured at each reporting period based on the closing trading price of the Company's Class A Shares on the TSX and is remeasured until the settlement date.

An RSU – cash participant's account is credited with dividend equivalents in the form of additional RSUs at each dividend payment date, if any, in respect of which dividends are paid on Class A Shares.

Performance Share Unit ("PSU") and Unit Appreciation Right ("UAR") Plan applicable to Business Units ("PSU and UAR plan applicable to BU")

Under the terms of this plan, the Company grants PSU and UAR at a value determined by reference to the value of a specific business unit rather than by reference to the trading price of the Company's Class A Shares.

At the time of grant of any PSU plan applicable to BU or UAR plan applicable to BU, the Company determines (i) the award value, (ii) the number of PSU or UAR granted, (iii) the value of each PSU or UAR granted, (iv) the formula used to determine the value of the applicable business unit, (v) the vesting terms and conditions, and (vi) the applicable vesting date(s).

The method of settlement is determined for each grant. Such methods may include all or a portion of the value of the vested PSU and UAR payable in Class A Shares or in cash, at the sole discretion of the Company. The Company's intention on the settlement method determines if a plan is accounted for as cash-settled or as equity-settled. When the payment obligation is settled through the delivery of shares, the Company determines the total number of the Class A Shares to be issued based on the total settlement date value divided by a volume-weighted average price as defined in the plan.

Earnings per share

Basic earnings per share ("EPS") is calculated by dividing the net earnings for the year attributable to equity owners of the Company by the weighted average number of shares outstanding during the year.

Diluted EPS is calculated by adjusting the weighted average number of shares that would have been outstanding assuming the conversion of all dilutive share-based awards. The number of shares included with respect to options and similar instruments is computed using the treasury stock method, with only the bonus element of the issue reflected in diluted EPS. The bonus element is the difference between the number of ordinary shares that would be issued at the exercise price and the number of ordinary shares that would have been issued at the average trading price per share. The Company's potentially dilutive shares include stock options, RSUs, PSUs and UARs applicable to BU, PSUs, shares issued from treasury through the dividend reinvestment plan and debentures. In the event where basic EPS is negative, diluted EPS is calculated similarly to basic EPS.

3. Material accounting policies, judgments and estimation uncertainty (continued)

Financial instruments

Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets are derecognized when the rights to receive cash flows from the assets have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership. Regular-way purchases and sales of financial assets are recognized on the trade date.

Classification

At initial recognition, all financial instruments are recorded at fair value on the consolidated statements of financial position. Financial assets must be classified as they are subsequently measured, either at fair value through other comprehensive income (loss), at amortized cost, or at fair value through profit or loss. The Company determines the classification based on the contractual cash flow characteristics of the financial assets and on the business model it uses to manage these financial assets. At initial recognition, financial liabilities are classified as subsequently measured at amortized cost or at fair value through profit or loss.

Financial assets at amortized cost

A financial asset is measured at amortized cost if its contractual terms give rise on specified dates to cash flow that are solely payments of principal and interest on the principal amount outstanding, if it is held within a business model whose objective is to hold assets to collect contractual cash flows and is not designated at fair value through profit or loss.

Financial assets at fair value through profit or loss

The instruments held by the Company that are classified in this category are certain securities and obligations, classified under investments and derivative financial instruments in the consolidated statements of financial position.

Financial instruments in this category are measured initially and subsequently at fair value through profit and loss. Transaction costs are expensed as incurred in the consolidated statements of earnings. Gains and losses arising from changes in fair value are presented in the consolidated statements of earnings in the period in which they arise. Dividends on financial assets through profit or loss are recognized in the consolidated statements of earnings when the Company's right to receive dividends is established.

Financial assets at fair value through profit or loss are classified as current except for the portion expected to be realized or received beyond twelve-months of the consolidated statement of financial position date, which is classified as non-current.

Financial liabilities at amortized cost

Financial liabilities at amortized cost are recognized initially at fair value, net of any transaction costs incurred, and subsequently at amortized cost using the effective interest method.

3. Material accounting policies, judgments and estimation uncertainty (continued)

Financial liabilities at fair value through profit or loss

Amounts that may be payable under written put rights or as purchase price obligations are initially recorded at their fair value and subsequently remeasured to fair value at each reporting date. Financial guarantee contracts are initially measured at fair value and subsequently measured at the higher of the initial value less the cumulative amount of income recognized and the loss allowance for expected credit losses.

Impairment

A loss allowance for expected credit losses is recognized on assets measured at amortized cost and financial guarantee contracts. If credit risk has not increased significantly since initial recognition the loss allowance is measured at an amount equal to 12 month expected credit losses. If credit risk has increased significantly since initial recognition, the loss allowance is measured at an amount equal to lifetime expected credit losses. The amount of expected credit losses is remeasured in subsequent periods to reflect changes in credit risk. For trade receivables, the simplified approach is applied which allows for the use of a lifetime expected credit loss.

The measurement of expected credit losses is a function of the probability of default, loss given default, and exposure at default, incorporating forward looking information.

Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held with financial institutions, and bank overdrafts.

Restricted cash and cash equivalents

Restricted cash and cash equivalents consists of cash subject to regulatory restrictions and therefore not available for general use.

Assets held for sale

Non-current assets, or disposal groups comprising assets and liabilities, are classified as held for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use. Such assets, or disposal groups, are measured at the lower of their carrying amount and fair value less costs to sell.

Once classified as held for sale, intangible assets, right-of-use assets and property and equipment are no longer amortized or depreciated.

3. Material accounting policies, judgments and estimation uncertainty (continued)

Goodwill

Goodwill represents the excess of the consideration transferred in a business combination over the fair value of the Company's share of the net identifiable assets acquired at the date of acquisition. Goodwill is tested for impairment at least annually or when there is an indication of impairment and is carried at cost less accumulated impairment losses. Impairment losses on goodwill are not reversed.

Intangible assets

Intangible assets with a finite life are accounted for at historical cost, less accumulated amortization and impairment losses. Intangible assets acquired in a business combination are recognized at fair value at the acquisition date. Other intangible assets are comprised of trade names, software and non-compete agreements.

The expected useful lives of finite-life customer relationships and asset management contracts are analyzed each year and determined based on the analysis of the historical and projected attrition rates of clients and other factors that may influence the expected future economic benefit that the Company will generate from the customer relationships or management contracts.

Development costs for internally-generated intangible assets are capitalized when all of the following conditions are met:

- technical feasibility can be demonstrated;
- management has the intention to complete the intangible asset and use it;
- management can demonstrate the ability to use the intangible asset;
- it is probable that the intangible asset will generate future economic benefits;
- the Company can demonstrate the availability of adequate technical, financial and other resources to complete the development and to use the intangible asset; and
- costs attributable to the asset can be measured reliably.

Configuration and customization costs under cloud computing arrangements are capitalized only when the Company has control over the intellectual property of the underlying software code. The amount initially recognized for internally-generated intangible assets is the sum of the expenditures incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally-generated intangible asset can be recognized, development expenditures are charged to the consolidated statements of earnings in the period in which they are incurred.

Amortization of finite-life intangible assets is based on their estimated useful lives using the straight-line method over the following periods:

Asset management contracts	4 to 16 years
Customer relationships	12 to 20 years
Other intangible assets	2 to 6 years

3. Material accounting policies, judgments and estimation uncertainty (continued)

Leases

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

At commencement or on reassessment of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease and non-lease component on the basis of their relative stand-alone prices. For office facilities for which the Company is a lessee, an election was made not to separate non-lease components and instead account for the lease and non-lease components as a single lease component.

The Company recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received. The right-of-use asset is subsequently measured at cost less any accumulated depreciation and impairment losses and adjusted for certain remeasurement of the lease liability as described below. The right-of use asset is depreciated using the straight-line method over the lesser of the lease term and the useful life of the asset.

The lease liability is initially measured at the present value of future lease payments, discounted using the rate implicit in the lease. If this rate cannot be readily determined, the Company uses its incremental borrowing rate as the discount rate. The Company determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of leased asset.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance payments, less any lease incentives receivable;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

3. Material accounting policies, judgments and estimation uncertainty (continued)

The lease liability is subsequently increased by the interest accretion expense and decreased by the lease payments. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, a change in the estimate of the amount expected to be payable under a residual value guarantee, or as appropriate, changes in the assessment of whether a purchase or renewal option is reasonably certain to be exercised or a termination option is reasonably certain not to be exercised.

The Company has elected not to recognize right-of-use-assets and lease liabilities for low-value leases. The Company did not elect to use the exemption which permits it to exclude right-of-use assets and lease liabilities with a lease term of less than 12 months. The Company recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Property and equipment

Property and equipment are presented at historical cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes expenditures that are directly attributable to the acquisition of the asset. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost can be measured reliably. The carrying amount of a replaced asset is derecognized when replaced. Repairs and maintenance costs are expensed in the consolidated statements of earnings during the period in which they are incurred.

The major categories of property and equipment are depreciated over their estimated useful lives using the straight-line method over the following periods:

Office furniture and equipment	5 to 10 years
Computer equipment	3 years
Leasehold improvements	Shorter of lease term or useful life

Residual values, methods of amortization and useful lives of the assets are reviewed annually and adjusted if appropriate. Gains and losses on dispositions of property and equipment are determined by comparing the proceeds from disposition with the carrying amount of the asset and are recognized in the consolidated statements of earnings.

Impairment of non-financial assets

Property and equipment and finite-life intangible assets are tested for impairment when events or changes in circumstances indicate that the carrying amount is greater than its estimated recoverable amount. For the purpose of measuring recoverable amounts, assets are grouped at the lowest level for which there are separately identifiable cash inflows (cash-generating units or "CGU"). The recoverable amount is the higher of an asset's fair value less costs to sell and value-in-use. Value-in-use is determined by discounting estimated future cash flows, using a pre-tax discount rate that reflects current assessments of the market, of the time value of money and of the risks specific to the CGU.

3. Material accounting policies, judgments and estimation uncertainty (continued)

Fair value less costs to sell can be determined using an EBITDA (earnings before interest, taxes, depreciation and amortization) multiple of comparable companies operating in similar industries for each CGU less cost to sell, or using discounted cash flows less cost to sell, as appropriate. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its estimated recoverable amount. Impairment losses are recognized in the consolidated statements of earnings.

Impairment losses recognized are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the operating segment on a pro rata basis. Previously impaired non-financial assets are reassessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there have been changes to the estimates used to determine the recoverable amount, and that these changes will be supported in the future. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of amortization, if no impairment loss had been recognized.

For goodwill impairment testing purposes, the operating segment represents the lowest level within the Company at which management monitors goodwill.

Restructuring provisions

The Company recognizes termination benefits when employment is terminated by the Company, or when an employee accepts an offer of voluntary redundancy in exchange for benefits and the Company can no longer withdraw the offer of those benefits or when the Company recognizes costs for a restructuring involving termination benefits. Benefits payable more than twelve months after the end of the reporting period are discounted to their present value.

Provisions, primarily representing termination benefits, are measured at management's best estimate of the expenditures required to settle the obligation at the end of the reporting period, and are discounted to present value where the effect is significant.

Provisions for claims

A provision is recognized if as a result of a past event there is a legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are measured by estimating the expected future cash flows and are discounted to present value where the effect is significant. Insurance proceeds are accrued only when the realization of income is virtually certain.

3. Material accounting policies, judgments and estimation uncertainty (continued)

Income taxes

Income taxes are comprised of current and deferred tax. Income taxes are recognized in the consolidated statements of earnings, except to the extent that they relate to items recognized directly in equity, in which case the income taxes are also recognized directly in equity.

Current income taxes are the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the end of the reporting period, and any adjustment to tax payable in respect of previous years.

Deferred income taxes are recognized in respect of temporary differences arising between the tax basis of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred income taxes are determined on a non-discounted basis using tax rates and laws that have been enacted or substantively enacted at the consolidated statements of financial position date and are expected to apply when the deferred tax asset or liability is settled. Deferred tax assets are recognized to the extent that it is probable that the assets can be recovered.

Deferred income taxes are provided on temporary differences arising on investments in subsidiaries and joint ventures except in the cases of subsidiaries where the timing of the reversal of the temporary difference is controlled by the Company and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets and liabilities are presented as non-current.

Share capital

Class A Shares and Class B special voting shares ("Class B Shares") are classified as equity. Incremental costs directly attributable to the issuance of shares or options are recognized as a deduction from equity, net of tax, from the proceeds.

Dividends

Dividends on Class A and Class B shares are recognized when the dividends are declared and approved by the Company's Board of Directors.

Contributed surplus

Contributed surplus includes a reserve for share-based payments recorded at fair value at the grant date, along with related deferred taxes and the difference between book value and consideration paid for share repurchases.

3. Material accounting policies, judgments and estimation uncertainty (continued)

Material accounting judgments and estimation uncertainties

In applying the Company's accounting policies, management is required to make judgments (other than those involving estimations) that have a material impact on the amounts recognized and to make estimates and assumptions about the carrying amounts of assets, liabilities and disclosures made in the consolidated financial statements that are not readily apparent from other sources.

Estimates and judgments are significant when:

- the outcome is highly uncertain at the time the estimates and judgments are made; and
- if different estimates or judgments could reasonably have been used that would have had a material impact on the consolidated financial statements.

Management's best estimates regarding the future are based on the facts and circumstances available at the time estimates are made. Management uses historical experience, general economic conditions and trends, as well as assumptions regarding probable future outcomes as the basis for determining estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Actual results may differ from the estimates used, and such differences could be material. Management's annual budget and long-term plan which covers a five-year period are key information for many material estimates necessary to prepare these consolidated financial statements. Management prepares a budget on an annual basis and periodically updates its long-term plan. Cash flows and profitability included in the budget and long-term plan are based on existing and expected future assets under management, general market conditions and current and future cost structures. The Board approves the annual budget and long-term plan.

The following discusses the most material accounting judgments and estimates that the Company has made in the preparation of the consolidated financial statements:

Share-based payments

The Company recognizes compensation expense for cash and equity-settled transactions with employees by reference to the fair value of the related instruments at the date at which they are granted and for cash settled transactions, at each subsequent reporting date. Estimating fair value for share-based payments requires determining the most appropriate valuation model for a grant, which is dependent on the terms and conditions of the grant. This also requires making assumptions and determining the most appropriate inputs to the valuation model and assessing whether it is likely that the applicable performance conditions will be met and estimating the number of units expected to vest.

3. Material accounting policies, judgments and estimation uncertainty (continued)

Impairment of non-financial assets, operating segment and cash-generating units

Management is required to use judgment in determining the groupings of CGUs for the level at which non-financial assets are tested for impairment.

The Chief Operating Decision Maker ("CODM") regularly assesses performance and allocates resources on a consolidated global basis. As a result, the Company has one operating segment, asset management services. For the purpose of goodwill impairment testing, goodwill has been allocated to the group of CGUs representing the operating segment as it is the lowest level within the Company at which goodwill is monitored. Goodwill is tested annually for impairment. The recoverable amount of the operating segment is determined based on the higher of value-in-use and fair value less cost of disposal calculation. This calculation requires assumptions and the use of estimates including growth rates for future cash flows, the number of years used in the cash flow model, the discount rate and other estimates.

Management assesses for indicators of impairment of finite-life intangible assets at each reporting period. If there is an indication that an asset may be impaired, an impairment test is performed by comparing the carrying amount of the intangible asset to its recoverable amount. The recoverable amounts of intangible assets are based on the higher of value in use or fair value less cost to sell, which involves making estimates about the future cash flows including projected attrition and growth rates which affect assets under management, discount rates and gross profit margin percentage.

Leases

The Company has applied judgment to determine the lease term for certain lease contracts in which it is a lessee when they include purchase, renewal or termination options. The assessment of whether the Company is reasonably certain to exercise such options impacts the lease term. The Company has also applied judgment to determine the discount rate used to discount future lease payments. The lease terms and discount rates may significantly affect the carrying amount of lease liabilities and the right-of-use assets recognized.

Business combinations and other transactions

The purchase price allocation process resulting from a business combination or transaction accounted for as an acquisition of assets and assumed liabilities requires management to estimate the fair value of identifiable assets acquired including intangible assets and liabilities assumed including any contingently payable purchase price or other obligation. The Company uses valuation techniques, which are generally based on forecasted future net cash flows discounted to present value. These valuations are closely linked to the assumptions used by management on the future performance of the related assets and the discount rates applied.

3. Material accounting policies, judgments and estimation uncertainty (continued)

Income taxes

The calculation of income tax expense requires significant judgment in interpreting tax rules and regulations in multiple jurisdictions, which are subject to change. There are transactions and calculations for which the ultimate tax determination is uncertain. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred income tax assets and liabilities in the period in which such determination is made.

Deferred tax assets and liabilities require judgment in determining the amounts to be recognized. Significant judgment is required when assessing the timing of the reversal of the temporary differences to which future tax rates are applied. The recognition of deferred tax assets, which is limited to the amount that is probable to be realized, is estimated with consideration given to the timing, sources and level of future taxable profit.

4. Business combinations and other transactions

Acquisition of additional shares in a Real Estate Investment Platform

On January 6, 2025, an indirect wholly-owned subsidiary of the Company (the "Subsidiary"), acquired additional shares in the share capital of a real estate investment platform specializing in rental homes, increasing its shareholdings from approximately 33% to 51%. The purchase transaction included cash consideration of \$7,950 (GBP\$4,425).

The additional 18% ownership purchased provides control to the Subsidiary and therefore represents a business combination achieved in stages. As a result, the previously owned 33% was deemed to be disposed of at fair value for an amount of \$12,811, and a gain of \$12,730 was recognized as a revaluation of an investment related to an acquisition during the year ended December 31, 2025 in the consolidated statement of earnings. The previously owned 33% was then deemed to be repurchased at fair value on the transaction date.

In addition, the terms of the transaction include a contingent consideration that is based on AUM generated over specified thresholds until 2032. The contingent consideration is capped at \$2,821 (GBP\$1,530). The estimated present value of the contingent consideration at the date of the acquisition was \$893 and is classified as a financial liability in the consolidated statement of financial position (Note 14).

The management shareholders of the real estate investment platform retain a 49% equity interest in the acquired company. Certain terms of the shareholder agreement establish a period of continued employment before management shareholders obtain full access to the fair value of their shares, expected in 2032. As a result, their equity interest will be accounted for as equity settled share-based compensation expense until the end of this period, at which point, assuming their continued employment, a non-controlling interest will be recognized at fair value. The fair value of their 49% equity interest at the acquisition date was \$19,804, which will be expensed over the vesting period and recorded within "Restructuring, acquisition related and other costs" in the consolidated statement of earnings (Note 5). For the year ended December 31, 2025, an expense of \$2,909 was recognized.

Fiera Capital Corporation

Notes to the Consolidated Financial Statements

For the years ended December 31, 2025 and 2024

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

4. Business combinations and other transactions (continued)

The transaction was accounted for as a business combination using the acquisition method and the initial purchase price was allocated to the assets acquired and the liabilities assumed based on their estimated fair value at the acquisition date as follows:

	\$
Cash and cash equivalents	262
Trade and other receivables	916
Prepaid expenses and other assets	4
Goodwill (nil deductible for tax purposes)	16,778
Asset management contracts	4,306
Customer relationships	2,675
Property and equipment	5
Other non-current assets	466
Accounts payable and accrued liabilities	(931)
Deferred income taxes	(1,540)
Other non-current liabilities	(1,287)
	21,654

Purchase consideration	\$
Cash consideration	7,950
Contingent consideration	893
Fair value of previously owned equity interest in the real estate investment platform	12,811
	21,654

The Company has completed the allocation of the final purchase price to the assets acquired and liabilities assumed for this transaction. Adjustments were made to the purchase price allocation during the measurement period, primarily a reduction in the value of intangible assets, net of deferred taxes, of \$4,721 due to changes in cash flow forecast assumptions, and the derecognition of non-controlling interest of \$5,004 due to the terms of the shareholder agreement discussed above.

Fiera Capital Corporation

Notes to the Consolidated Financial Statements

For the years ended December 31, 2025 and 2024

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

4. Business combinations and other transactions (continued)

Goodwill is attributable to the fair value of the previously owned equity interest in the real estate investment platform as well as the investment management team in place. Identified intangible assets acquired from the real estate investment platform have been accounted for separately from goodwill (Note 11).

The impact of the acquisition for the year ended December 31, 2025 on the Company's revenues and net earnings was as follows:

	\$
Revenue	6,146
Net earnings	2,236

Since the acquisition took place on January 6, 2025, the pro forma impact on revenues and net earnings should the acquisition had occurred on January 1, 2025 is negligible.

Fiera Capital Corporation

Notes to the Consolidated Financial Statements

For the years ended December 31, 2025 and 2024

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

5. Restructuring, acquisition related and other costs

During the years ended December 31, 2025 and 2024, the Company recorded the following:

	2025	2024
	\$	\$
Restructuring costs related to severance	12,143	6,057
Other restructuring costs	9,917	8,602
Acquisition related and other costs	3,065	212
	25,125	14,871

Restructuring costs related to severance relate to management and organizational changes announced earlier this year.

Other restructuring costs in the current year are mainly related to corporate reorganizations and ad-hoc matters. Acquisition related and other costs in the current year are related to business combinations, and includes a \$2,909 charge associated with a management shareholders agreement connected to the acquisition of additional shares in a real estate investment platform (Note 4).

The change in the restructuring provision for severance-related expenses during the years ended December 31, 2025 and 2024 is as follows:

	Severance
	\$
Balance as at December 31, 2024	1,118
Additions during the year	12,143
Paid during the year	(9,061)
Foreign currency translation	(9)
Balance as at December 31, 2025	4,191
Balance, December 31, 2023	2,922
Additions during the year	6,057
Paid during the year	(7,926)
Foreign currency translation	65
Balance, December 31, 2024	1,118

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6. Consolidated subsidiaries

The consolidated financial statements include the accounts of the Company and all of its subsidiaries as at December 31, 2025 and 2024. The material operating subsidiaries are set out in the table below. All principal activities of these subsidiaries are asset management. Unless otherwise stated, they have share capital solely in ordinary shares that are held directly or indirectly by the Company.

Name	Percentage of equity interest attributable to the Company			
	Direct		Indirect	
	2025	2024	2025	2024
	%	%	%	%
Fiera Capital (Asia) Hong Kong Limited	—	—	100	100
Fiera Real Estate Investments Limited	—	—	100	100
Fiera Capital (UK) Limited	—	—	100	100
Fiera Capital Inc.	—	—	100	100
Fiera Comox Partners Inc.	60.4	60.4	—	—
Fiera Infrastructure Inc.	75	75	—	—
Fiera Private Debt Inc.	—	—	100	100
Fiera Real Estate UK Limited	—	—	100	100

7. Structured entities

Unconsolidated structured entities

The Company manages several investment funds which are unconsolidated structured entities. These investment funds are open-ended and closed-ended investment companies, mutual funds, limited partnerships, pooled funds or other investment entities which invest in a range of assets. Segregated mandates managed on behalf of clients and investment trusts are not considered structured entities. The structured entities are generally financed by the issue of units or shares to investors, although certain funds, mainly property, infrastructure and private equity funds, are also permitted to raise financing through loans from third parties. The Company does not provide a guarantee for the repayment of any borrowings held by these entities and did not provide financial support to unconsolidated structured entities during the years ended December 31, 2025 and 2024.

The Company generates revenues from management and other fees from providing investment management and related services to these investment funds. The fees from these investment funds are calculated based on assets under management or on committed capital. Investment funds are susceptible to market price risk arising from uncertainties about future value of the assets they hold. Market risks are discussed in Note 14 - *Financial Instruments*.

The Company's maximum exposure to loss is the carrying amount of the investment funds held and the loss of future fees. The Company's ownership interest in investment funds that are unconsolidated structured entities of \$29,795 as at December 31, 2025 (\$26,156 as at December 31, 2024), is insignificant relative to the total Assets under management of these unconsolidated structured entities.

Investment in managed funds

In its capacity as fund manager, the Company has the ability to direct the activities of the funds that it manages through its involvement in the decision-making process. When the Company is also exposed to the variable returns as the principal unit holder and is deemed to control the fund, the fund would be consolidated. Currently, the company does not consolidate or hold a material equity interest in any of its investment funds. Refer to Note 14 for a description of the Company's investments in its managed funds.

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8. Investments in joint ventures and associates

The Company has ownership interests in a number of individually insignificant joint ventures and associates that are accounted for using the equity method. The Company's risks are limited to the carrying value of its investments in joint ventures and associates. The following table presents the change in carrying values of the Company's investments in joint ventures and associates during the year:

	Associates	Joint ventures	Total
	\$	\$	\$
2025			
Opening carrying amount	550	19,028	19,578
Share of earnings	145	6,470	6,615
Additions	—	5,042	5,042
Business combination (Note 4)	(83)	—	(83)
Distributions received	—	(12,637)	(12,637)
Foreign currency translation	(14)	490	476
Closing carrying amount	598	18,393	18,991
2024			
Opening carrying amount	1,169	16,798	17,967
Share of earnings	184	12,244	12,428
Additions	—	7,292	7,292
Distributions received	(867)	(18,492)	(19,359)
Foreign currency translation	64	1,186	1,250
Closing carrying amount	550	19,028	19,578

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9. Trade and other receivables

	As at December 31, 2025	As at December 31, 2024
	\$	\$
Trade accounts	145,335	145,101
Other	10,201	8,910
	155,536	154,011

The aging of accounts receivable is as follows:

	As at December 31, 2025	As at December 31, 2024
	\$	\$
Trade		
Current	140,806	143,417
Aged between 61 – 119 days	3,209	506
Aged greater than 120 days	1,320	1,178
Total trade	145,335	145,101

As at December 31, 2025, there was a provision for expected credit losses on trade and other receivables of \$1,080 (2024 – \$1,380).

10. Prepaid expenses and other assets

	As at December 31, 2025	As at December 31, 2024
	\$	\$
Income tax receivable	5,417	9,998
Sales tax receivable	1,457	2,083
Prepaid expenses and other	11,692	11,628
	18,566	23,709

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11. Goodwill and intangible assets

	Goodwill	Indefinite life		Finite-life		Total
		Asset management contracts	Asset management contracts	Customer relationships	Other	
	\$	\$	\$	\$	\$	\$
For the year ended December 31, 2025						
Opening carrying amount	663,352	1,733	15,278	177,303	4,566	198,880
Additions – internally developed	—	—	—	—	2,765	2,765
Business combination (Note 4)	16,778	—	4,306	2,675	—	6,981
Amortization for the period	—	—	(5,555)	(25,639)	(2,978)	(34,172)
Foreign currency translation	(6,913)	(20)	(74)	(2,991)	(40)	(3,125)
Closing carrying amount	673,217	1,713	13,955	151,348	4,313	171,329
Balance as at December 31, 2025						
Cost	650,101	1,695	157,053	408,374	43,232	610,354
Accumulated amortization and impairment	(1,918)	—	(143,827)	(261,097)	(38,945)	(443,869)
Foreign currency translation	25,034	18	729	4,071	26	4,844
Closing carrying amount	673,217	1,713	13,955	151,348	4,313	171,329
For the year ended December 31, 2024						
Opening carrying amount	647,433	1,697	21,168	196,262	4,404	223,531
Additions	—	—	—	—	281	281
Additions – internally developed	—	—	—	—	1,510	1,510
Amortization for the year	—	—	(6,500)	(25,175)	(1,731)	(33,406)
Foreign currency translation	15,919	36	610	6,216	102	6,964
Closing carrying amount	663,352	1,733	15,278	177,303	4,566	198,880
Balance as at December 31, 2024						
Cost	633,323	1,695	152,747	405,699	40,467	600,608
Accumulated amortization and impairment	(1,918)	—	(138,272)	(235,458)	(35,967)	(409,697)
Foreign currency translation	31,947	38	803	7,062	66	7,969
Closing carrying amount	663,352	1,733	15,278	177,303	4,566	198,880

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11 Goodwill and intangible assets (continued)

Goodwill is monitored by management based on the Company's only operating segment: asset management services. In assessing goodwill for impairment during the years ended December 31, 2025 and 2024, the Company compared the aggregate recoverable amount of the operating segment to the carrying amount. Per IAS 36 Impairment of Assets, the recoverable amount is based on the higher of value-in-use and fair value less costs of disposal. The recoverable amount was determined using cash flow budgets and forecasts. These make use of observable market inputs when available. Cash flows beyond the five-year forecast are determined using an expected long-term growth rate of 4.1%. Key assumptions included the following:

	2025	2024
	%	%
Weighted average revenue growth rate ⁽¹⁾	5.0	6.5
Discount rate	13.3	13.1

⁽¹⁾ Over the discrete five-year forecast period

Reasonable changes in key assumptions would not cause the recoverable amount of goodwill to fall below the carrying value.

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12. Property and equipment

	Office furniture & equipment	Computer equipment	Leasehold improvements	Total
	\$	\$	\$	\$
For the year ended December 31, 2025				
Opening carrying amount	1,388	1,497	14,730	17,615
Additions	669	878	1,370	2,917
Business combination (Note 4)	—	5	—	5
Disposals	—	—	(249)	(249)
Depreciation	(714)	(793)	(2,123)	(3,630)
Foreign currency translation	(47)	(62)	(31)	(140)
Closing carrying amount	1,296	1,525	13,697	16,518
Balance, December 31, 2025				
Cost	13,644	14,557	25,333	53,534
Accumulated depreciation	(12,096)	(13,174)	(12,368)	(37,638)
Foreign currency translation	(252)	142	732	622
Closing carrying amount	1,296	1,525	13,697	16,518
For the year ended December 31, 2024				
Opening carrying amount	2,227	1,263	16,594	20,084
Additions	95	1,020	122	1,237
Depreciation	(1,047)	(808)	(2,201)	(4,056)
Foreign currency translation	113	22	215	350
Closing carrying amount	1,388	1,497	14,730	17,615
Balance, December 31, 2024				
Cost	12,975	13,674	30,623	57,272
Accumulated depreciation	(11,382)	(12,381)	(16,656)	(40,419)
Foreign currency translation	(205)	204	763	762
Closing carrying amount	1,388	1,497	14,730	17,615

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13. Leases

The Company mainly leases offices. Rental contracts are typically entered into for fixed periods but may have extension options. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants, but right-of-use assets may not be used as security for borrowing purposes.

Right-of-use assets

	Right-of-use assets
	\$
For the year ended December 31, 2025	
Open carrying amount	42,629
Additions ⁽¹⁾	8,720
Lease modifications and adjustments ⁽²⁾	(2,103)
Depreciation	(9,793)
Foreign currency translation	(594)
Closing carrying amount	38,859
Balance, December 31, 2025	
Cost	113,217
Accumulated depreciation	(74,110)
Foreign currency translation	(248)
Closing carrying amount	38,859
For the year ended December 31, 2024	
Right-of-use assets recognized as at January 1, 2024	48,983
Additions	465
Lease modifications and adjustments ⁽³⁾	3,114
Depreciation	(11,640)
Foreign currency translation	1,707
Closing carrying amount	42,629
Balance, December 31, 2024	
Cost	130,976
Accumulated depreciation	(88,693)
Foreign currency translation	346
Closing carrying amount	42,629

⁽¹⁾ Primarily relates to one new office lease for a five year term.

⁽²⁾ Primarily relates to one office lease modification.

⁽³⁾ Primarily relates to two office lease term extensions.

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13. Leases (continued)

Lease liabilities

The Company's lease agreements expire at different dates until 2036. Total lease payments for each of the next five years, and thereafter, are as follows:

	\$
2026	11,473
2027	11,272
2028	10,227
2029	8,443
2030	7,434
Thereafter	25,374
	<u>74,223</u>
Less : interest	(10,189)
Total lease liabilities	64,034

Extension options

Some leases contain extension options exercisable by the Company. The Company assesses at the lease commencement date whether it is reasonably certain to exercise the extension options. Extension options are only included in the lease term if the lease is reasonably certain to be extended. Potential future cash outflows of \$54,562 from 2027 to 2044 have not been included in the lease liability because it is not reasonably certain that these extension options will be exercised.

14. Financial instruments

The Company, through its financial assets and liabilities, has exposure to the following risks from its financial instruments: market risk, credit risk, interest rate risk, currency risk and liquidity risk. The following analysis provides a measurement risk as at December 31, 2025 and 2024.

The Company's business is the management of investment assets. The key performance driver of the Company's ongoing results is the level of AUM. The level of AUM is directly linked to investment returns and the Company's ability to attract and retain clients.

The Company's consolidated statements of financial position includes a portfolio of investments. The value of these investments is subject to a number of risk factors.

Market risk

Market risk is the risk of loss arising from adverse changes in market rates and prices, such as interest rates, equity market fluctuations and other relevant market rate or price changes. Market risk is directly influenced by the volatility and liquidity in the markets in which the related underlying assets are traded. Below is a discussion of the Company's primary market risk exposures and how these exposures are managed.

Appreciation or depreciation in the fair value of investments affects the amount and timing of recognition of gains and losses on investment funds in the Company's portfolio resulting in changes in realized and unrealized gains and losses. General economic conditions, political conditions and many other factors can also adversely affect the investment markets and, consequently, the fair value of the financial assets held.

The Company's portfolio managers monitor the risks of the portfolio as part of its daily operations. The Company's portfolio of investments as at December 31, 2025 and 2024 is comprised of investment funds and other securities with a fair value of \$29,795 as at December 31, 2025 and \$26,156 as at December 31, 2024. Investment funds are primarily comprised of a well-diversified portfolio of investments in private alternatives, equities, or bonds.

A 10% change in the fair value of the Company's investments as at December 31, 2025 and 2024 would have an impact of increasing or decreasing comprehensive income by \$2,980 and \$2,616 respectively.

Credit risk

Credit risk is the risk that one party to a financial instrument fails to discharge an obligation and causes financial loss to another party. The Company's principal financial assets which are subject to credit risk are cash and cash equivalents, restricted cash and cash equivalents, investments, trade and other receivables and other current and non-current assets. The carrying amounts of financial assets on the consolidated statements of financial position, other than derivative financial instruments represent the Company's maximum exposure to credit risk at the consolidated statements of financial position dates. Refer to Note 29 for a discussion of credit risk associated with a financial guarantee contract.

14. Financial instruments (continued)

The credit risk on cash and cash equivalents and restricted cash and cash equivalents is limited because the counterparties are commercial banks or financial institutions with high credit ratings assigned by independent credit-rating agencies.

The Company's credit risk is attributable primarily to its trade and other receivables and other current and non-current assets. The amounts disclosed in the consolidated statements of financial position are net of expected credit losses, estimated by the Company's management based on previous experience and its assessment of the current economic environment and financial condition of the counterparties. In order to reduce its risk, management has adopted credit policies that include regular review of client balances. No customer represents more than 10% of the Company's accounts receivable as at December 31, 2025 and 2024.

Interest rate risk

The Company is exposed to interest rate risk through its cash and cash equivalents and long-term debt. The interest rates on the long-term debt are variable and expose the Company to cash flow interest rate risk.

The Company manages its cash flow interest rate risk by using floating-to-fixed interest rate swaps. Such interest rate swaps have the economic effect of converting debt from floating rates to fixed rates. The Company obtained its long-term debt at a floating rate and swapped a portion of it into fixed rates that were lower than those available if the Company borrowed at fixed rates directly. Under the interest rate swap contracts, the Company agrees with the counterparty to exchange, at specified intervals, the difference between the fixed contract rate and floating-rate interest amounts calculated by reference to the agreed notional amounts.

A 1% change in variable interest rates on the unhedged portion of long-term debt would result in a change in net earnings of approximately \$2,771 for the year ended December 31, 2025.

Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's exposure relates to cash and cash equivalents, restricted cash, accounts receivable, investments, derivative financial instruments, other current and non-current assets, accounts payable and accrued liabilities, purchase price obligations and long-term debt. The Company manages a portion of its exposure to foreign currency by matching asset and liability positions and through cross currency swaps. More specifically, the Company matches the long-term debt in foreign currency with long-term assets in the same currency. In addition, foreign currency exposure is managed through forward foreign exchange and currency swap contracts.

The consolidated statements of financial position as at December 31, 2025 and 2024 include the following amounts expressed in Canadian dollars with respect to the net financial assets (liabilities) for which cash flows are denominated in the following currencies:

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14. Financial instruments (continued)

	2025	2024
Currency	\$	\$
USD	(487,248)	(515,963)
GBP	(10,124)	(15,373)
EUR	6,621	6,420

The Company uses derivative instruments in the form of cross currency swaps and a long-term intercompany asset denominated in the same currency with a total Canadian equivalent balance of \$522,206 as at December 31, 2025 (2024 - \$511,882) to manage US dollar currency exposure, which is primarily from long-term debt. A 5% strengthening or weakening of the US dollar versus the Canadian dollar on the remaining net asset position of \$34,958 (2024 - \$4,081 net liability position) would result in a change in total net earnings of \$1,748 (2024 - \$204) for the year ended December 31, 2025.

A 5% strengthening or weakening of the GBP versus the Canadian dollar would result in a change in total net earnings of \$506 (2024 - \$769). A 5% strengthening or weakening of the EUR versus the Canadian dollar would result in a change in total net earnings of \$331 (2024 - \$321).

Liquidity risk

The Company's objective is to have sufficient liquidity to meet its liabilities when they become due. The Company monitors its cash and cash equivalents balance and cash flows generated from operations to meet its requirements.

The Company generates enough cash from its operating activities and has sufficient available financing through its long-term debt to finance its activities and to respect its obligations as they become due.

The Company has the following financial instrument liabilities and contractual cash flow commitments as at December 31, 2025:

	Carrying amount	Contractual cash flow commitments						Other	Total
		2026	2027	2028	2029	2030			
	\$	\$	\$	\$	\$	\$	\$	\$	
Accounts payable and accrued liabilities	145,910	145,910	—	—	—	—	—	145,910	
Long-term debt ⁽¹⁾	523,811	—	—	523,811	—	—	—	523,811	
Debentures	176,443	—	100,000	—	—	80,000	—	180,000	
Acquisition related obligations ⁽²⁾	2,522	—	200	3,010	884	252	340	4,686	
	848,686	145,910	100,200	526,821	884	80,252	340	854,407	

⁽¹⁾ Excluding deferred financing charges of \$1,388 (Note 17).

⁽²⁾ Represents the purchase price and performance fee obligations related to the acquisition additional shares in a Real Estate investment platform (Note 4). Included in other non-current liabilities on the consolidated statements of financial position.

14. Financial instruments (continued)

Debentures

Debentures are measured at amortized cost. The fair value of the 6.0% Hybrid debenture (Note 18) is estimated at approximately \$99,128 as at December 31, 2025 (\$101,900 as at December 31, 2024). The fair value is determined using observable yield inputs for similar instruments and is classified as Level 2 on the Fair Value Hierarchy. The fair value of the 7.75% Hybrid debenture (Note 18), issued on June 3, 2025, is \$82,504 as at December 31, 2025 (nil as at December 31, 2024). The fair value is determined using quoted prices and is classified as Level 2 on the Fair Value Hierarchy.

Derivative financial instruments

The Company's derivative financial instruments consist of cross currency swaps, currency swaps, interest rate swaps and foreign exchange forward contracts, which are presented at fair value 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.

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14. Financial instruments (continued)

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

	For the year ended December 31, 2025	As at December 31, 2025					
		Net gain (loss) on derivatives	Fair value of Derivative Financial instruments		Notional amount: term to maturity		
			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	22	—	—	—	—	—	
b) Cross currency swaps – held for trading ^(1,2)	(12,855)	—	(6,633)	416,000	—	—	
Interest rate contracts							
c) Swap contracts – cash flow hedges ⁽¹⁾	—	—	(576)	250,000	—	—	

⁽¹⁾ Derivative financial instruments of \$7,209 are presented in the current portion of derivative liabilities on the consolidated statements of financial position.

⁽²⁾ Gains (losses) on cross currency swaps are offset by equivalent (losses) gains on long-term debt.

	For the year ended December 31, 2024	As at December 31, 2024					
		Net gain (loss) on derivatives	Fair value of Derivative Financial instruments		Notional amount: term to maturity		
			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⁾	(1,440)	25	(676)	20,578	—	—	
b) Cross currency swaps – held for trading ^(1,3)	32,823	12,867	(135)	374,000	—	—	
Interest rate contracts							
c) Swap contracts – cash flow hedges ⁽²⁾	—	—	(2,642)	—	250,000	—	

⁽¹⁾ Derivative financial instruments of \$12,892 are presented in the current portion of derivative assets and \$811 are presented in the current portion of derivative liabilities on the consolidated statements of financial position.

⁽²⁾ Derivative financial instruments of \$2,642 are presented in other non-current liabilities on the consolidated statements of financial position.

⁽³⁾ Gains (losses) on cross currency swaps are offset by equivalent (losses) gains on long-term debt.

14. 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 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 consolidated statement of financial position.

The Company had net losses on settlement of \$630 during the year ended December 31, 2025 (net losses on settlement of \$454 during the year ended December 31, 2024).

b) Cross currency swaps – held for trading

Under the terms of the Company's revolving Facility (Note 17), 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 Adjusted daily compounded or term CORRA rate 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 CORRA 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 CORRA 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 consolidated statement of earnings (loss) in accordance with the nature of the economically hedged item, the Facility (Note 17), 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 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 in the statements of earnings and are netted in long-term debt in the consolidated statement of cash flows. The Company had net gain on settlement of \$6,509 during the year ended December 31, 2025 (net gains on settlement of \$5,104 during the year ended December 31, 2024).

14. 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 Adjusted daily compounded CORRA 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 swap contracts have a maturity date of February 26, 2026.

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, 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 \$1,621 (net of income taxes of \$445) during the year ended December 31, 2025 (a loss in other comprehensive income of \$2,071 (net of income taxes of \$697) during the year ended December 31, 2024). There was no ineffective portion on these contracts for the year ended December 31, 2025 and December 31, 2024. Outstanding interest rate swap contracts have contractual maturity dates in less than twelve months, therefore they are presented in current assets or current liabilities on the consolidated statement of financial position.

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14. Financial instruments (continued)

Fair value hierarchy

The financial assets and liabilities that are recognized on the 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). Due to the unobservable nature of the inputs, there may be uncertainty about the valuation of Level 3 financial instruments and using reasonably possible alternative assumptions would change the fair value. Moreover, different unobservable inputs do not necessarily have a direct relationship and different inter-relationships could be reasonably applied.

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

	Amortized cost	As at December 31, 2025			Total
		Fair value through profit or loss			
		Level 1	Level 2	Level 3	
	\$	\$	\$	\$	\$
Assets					
Cash and cash equivalents	41,679	—	—	—	41,679
Restricted cash and cash equivalents	1,851	—	—	—	1,851
Investments	—	—	380	8,725	9,105
Trade and other receivables	151,069	—	—	—	151,069
Promissory note ⁽¹⁾	—	—	—	15,774	15,774
Long-term investments	—	—	—	20,690	20,690
Other non-current assets	466	—	—	—	466
	195,065	—	380	45,189	240,634
Liabilities					
Accounts payable and accrued liabilities	145,910	—	—	—	145,910
Derivative financial instruments ⁽²⁾	—	—	7,209	—	7,209
Client deposits	99	—	—	—	99
Long-term debt	522,423	—	—	—	522,423
Debentures	176,443	—	—	—	176,443
Acquisition related obligations ⁽³⁾	—	—	—	2,522	2,522
	844,875	—	7,209	2,522	854,606

⁽¹⁾ Includes \$4,467 presented in trade and other receivables and \$11,307 presented in other non-current assets on the consolidated statements of financial position.

⁽²⁾ Included in current portion of derivative liabilities on the consolidated statements of financial position.

⁽³⁾ Represents purchase price and performance fee obligations related to the acquisition of additional shares in a Real Estate investment platform (Note 4). Acquisition related obligations are included in other non-current liabilities on the consolidated statements of financial position.

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14. Financial instruments (continued)

	As at December 31, 2024				
	Amortized cost	Fair value through profit or loss			Total
		Level 1	Level 2	Level 3	
	\$	\$	\$	\$	\$
Assets					
Cash and cash equivalents	35,356	—	—	—	35,356
Restricted cash and cash equivalents	2,109	—	—	—	2,109
Investments	—	—	331	8,873	9,204
Trade and other receivables	148,501	—	—	—	148,501
Promissory note ⁽¹⁾	—	—	—	21,683	21,683
Long-term investments	—	—	—	16,952	16,952
Derivative financial instruments ⁽²⁾	—	—	12,892	—	12,892
	185,966	—	13,223	47,508	246,697
Liabilities					
Accounts payable and accrued liabilities	151,964	—	—	—	151,964
Derivative financial instruments ⁽³⁾	—	—	3,453	—	3,453
Client deposits	159	—	—	—	159
Long-term debt	534,447	—	—	—	534,447
Debentures	164,939	—	—	—	164,939
	851,509	—	3,453	—	854,962

⁽¹⁾ Includes \$5,510 presented in trade and other receivables and \$16,173 presented in other non-current assets on the consolidated statements of financial position.

⁽²⁾ Included in current portion of derivative assets on the consolidated statements of financial position.

⁽³⁾ Includes \$2,642 presented in other non-current liabilities and \$811 presented in the current portion of derivative liabilities on the consolidated statements of financial position.

14. Financial instruments (continued)

Level 3

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 December 31, 2025 and December 31, 2024. 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 7.0% - 9.0% for the years ended December 31, 2025 and the year ended December 31, 2024. The fair value of the instrument was \$15,774 (US\$11,507) as at December 31, 2025 (\$21,683 (US\$15,076) as at December 31, 2024).

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 \$15,330 (US\$11,183) and \$15,928 (US\$11,619) as at December 31, 2025 (\$20,993 (US\$14,597) and \$21,922 (US\$15,242) as at December 31, 2024).

Investments:

Investments classified as Level 3 consist of investments in private alternative funds that the Company manages. The investments are marked-to-market at each reporting date based on the net asset value of the underlying funds. A 10% decrease or increase in the fair value of the Company's investments at Level 3 would result a value of \$26,474 and \$32,357, respectively, as at December 31, 2025 (\$23,243 and \$28,408 as at December 31, 2024).

Acquisition related obligations - Real Estate investment platform acquired:

Purchase price obligation

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 main Level 3 inputs used by the Company to value the purchase price obligation are derived from unobservable inputs of AUM (as defined in the share purchase agreement) forecasts and the risk-adjusted discount rate.

The fair value of the purchase price obligation as at December 31, 2025 was \$1,007. The Company varied the significant unobservable inputs, using a discount rate ranging between 9.0% and 11.0%, and established a reasonable fair value range between \$1,044 and \$972 for its purchase price obligation as at December 31, 2025.

14. Financial instruments (continued)

Performance fee obligation

In connection with the acquisition of additional shares in a Real Estate Investment Platform (Note 4), there is an arrangement where the Company will collect future performance fees and remit a portion to management shareholders based on an agreed allocation. The right to collect performance fees is a contract asset and the obligation to remit performance fees to management shareholders is a financial liability, measured in accordance with IFRS 3 at the acquisition date. The contract asset is subsequently measured in accordance with IFRS 15 and the financial liability is a Level 3 financial instrument liability measured at fair value through profit or loss.

The discounted cash flow method was used to measure the present value of the expected future performance fees to be remitted to management shareholders. The main Level 3 inputs used by the Company to value the performance fee obligation are derived from unobservable inputs, including the future estimated profits generated from the underlying investments and the risk-adjusted discount rate.

The fair value of the performance fee obligation as at December 31, 2025 was \$1,515.

The Company varied the significant unobservable inputs, using a discount rate ranging between 14.0% and 16.0%, and established a reasonable fair value range between \$1,553 and \$1,478 for its performance fee obligation as at December 31, 2025.

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14. Financial instruments (continued)

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

	Investments	Promissory note	Long-term investments	Acquisition related obligations ⁽¹⁾	Total
	\$	\$	\$	\$	\$
Fair value as at December 31, 2024	8,873	21,683	16,952	—	47,508
Additions from business combinations (Note 4)	—	—	—	(2,180)	(2,180)
Additional investments	2,718	—	3,419	—	6,137
Disposition of investments	(2,794)	—	(1,100)	—	(3,894)
Proceeds received	—	(5,658)	—	—	(5,658)
Gain on investments, net	326	—	1,351	—	1,677
Revaluation ⁽²⁾	—	(103)	—	—	(103)
Accretion ⁽²⁾	—	785	—	(286)	499
Foreign currency translation	(398)	(933)	68	(56)	(1,319)
Fair value as at December 31, 2025	8,725	15,774	20,690	(2,522)	42,667

⁽¹⁾ Represents purchase price and performance fee obligations related to the acquisition of additional shares in a Real Estate investment platform (Note 4).

⁽²⁾ Accounted for in Accretion and change in fair value of purchase price obligations and other in the consolidated statements of Earnings.

	Investments	Promissory note	Long-term investments	Accounts payable and accrued liabilities	Purchase price obligations ⁽¹⁾	Total
	\$	\$	\$	\$	\$	\$
Fair value as at December 31, 2023	8,260	23,002	11,655	(79)	(11,970)	30,868
Additional investments	2,547	—	6,658	—	—	9,205
Disposition of investments	(3,389)	—	(1,817)	—	—	(5,206)
Proceeds received	—	(6,062)	—	—	—	(6,062)
Gain on investments, net	676	—	131	—	—	807
Settlements	—	—	—	111	12,395	12,506
Revaluation ⁽²⁾	—	1,122	—	(32)	—	1,090
Accretion ⁽²⁾	—	1,681	—	—	(56)	1,625
Foreign currency translation	779	1,940	325	—	(369)	2,675
Fair value as at December 31, 2024	8,873	21,683	16,952	—	—	47,508

⁽¹⁾ Related to the business combination involving Clearwater, was fully settled in July 2024.

⁽²⁾ Accounted for in Accretion and change in fair value of purchase price obligations and other in the consolidated statements of Earnings.

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15. Accounts payable and accrued liabilities

	As at December 31, 2025	As at December 31, 2024
	\$	\$
Trade accounts payable and accrued liabilities	50,775	56,301
Provision for claims (Note 27)	9,802	9,335
Wages and vacation payable	1,860	2,455
Bonuses and commissions payable	75,695	74,984
Income taxes payable	6,688	7,559
Sales taxes payable	1,090	1,330
	145,910	151,964

16. Income taxes

Income tax expense for the years ended December 31, is as follows:

	2025	2024
	\$	\$
Current income taxes	26,451	21,247
Deferred income taxes (recovery)	(9,287)	(6,539)
	17,164	14,708

The Company's income tax expense differs from the amounts that would have been obtained using the combined Canadian federal and provincial statutory tax rates for the years ended December 31, as follows:

	2025	2024
	\$	\$
Earnings before income taxes	68,721	49,970
Combined federal and provincial statutory tax rates	26.4 %	26.4 %
Income tax expense based on combined statutory tax rate	18,142	13,192
Difference between Canadian and foreign statutory rates	154	(192)
Non-deductible and non-taxable items ⁽¹⁾	2,118	(170)
Unrecognized deferred income taxes variation	(90)	1,151
Business combinations (Note 4) ⁽²⁾	(3,129)	—
Prior years' tax adjustments	(31)	727
	17,164	14,708

⁽¹⁾ Mainly comprised of non-cash acquisition related charges arising from a business combination (Note 4), and amortization expense of intangible assets that is not deductible for income tax purposes.

⁽²⁾ Relates to the revaluation of an investment related to an acquisition.

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16. Income taxes (continued)

The movement in deferred income tax assets and liabilities during the years, without taking into consideration the offsetting of balances within the same tax jurisdiction, is as follows:

	IFRS 16 Assets & Obligations	Joint venture investments & associates	Restructuring provisions	Carry forward losses	Intangible assets	Property and equipment	Other	Total
	\$	\$	\$	\$	\$	\$	\$	\$
Balance, December 31, 2024	5,537	(2,060)	216	34,962	(23,160)	(2,346)	15,045	28,194
Charged to earnings	(468)	(287)	590	269	3,679	507	4,997	9,287
Business combinations (Note 4)	—	—	—	—	(1,540)	—	—	(1,540)
Charged to other comprehensive income (loss)	—	—	—	—	—	—	(445)	(445)
Charged to contributed surplus	—	—	—	—	—	—	153	153
Foreign currency translation	—	—	—	(872)	(662)	—	(82)	(1,616)
Balance, December 31, 2025	5,069	(2,347)	806	34,359	(21,683)	(1,839)	19,668	34,033
Balance, December 31, 2023	5,871	(2,114)	269	31,143	(21,461)	(2,199)	7,846	19,355
Charged to earnings	(334)	54	(53)	3,562	(2,572)	(147)	6,029	6,539
Charged to other comprehensive income (loss)	—	—	—	—	—	—	697	697
Reclassification to income tax payable	—	—	—	(979)	—	—	—	(979)
Charged to contributed surplus	—	—	—	—	—	—	395	395
Foreign currency translation	—	—	—	1,236	873	—	78	2,187
Balance, December 31, 2024	5,537	(2,060)	216	34,962	(23,160)	(2,346)	15,045	28,194

Financial statement presentation as at December 31:

	2025	2024
	\$	\$
Non-current deferred income tax assets	40,366	35,529
Non-current deferred income tax liabilities	(6,333)	(7,335)
Total	34,033	28,194

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17. Long-term debt

	As at December 31, 2025	As at December 31, 2024
	\$	\$
Revolving credit facility	523,811	536,292
Deferred financing charges	(1,388)	(1,845)
	522,423	534,447

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.

In December 2024, the maturity date of the Facility was extended from April 20, 2026 to December 20, 2028. A one-year extension to the Facility can be requested annually, provided that the Facility may not be extended to a date which is more than four years after the date on which the extension becomes effective. 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, Adjusted daily compounded or term CORRA rate, 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 December 31, 2025, the total amount drawn on the Facility was \$523,811 of which \$519,028 (US\$378,645) was drawn in US dollars and \$4,783 was drawn in Canadian dollars. Of the US\$378,645 drawn in US dollars, US\$298,645 was hedged with a cross currency swap as at December 31, 2025. As at December 31, 2024, \$536,292 was drawn on the Facility which was entirely drawn in US dollars of US\$372,900. Of the US\$372,900 drawn in US dollars, US\$268,900 was hedged with a cross currency swap as at December 31, 2024.

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 December 31, 2025 and December 31, 2024.

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17. Long-term debt (continued)

Reconciliation of long-term debt arising from financing activities for the years ended December 31:

	2025	2024
	\$	\$
Balance, beginning of year	534,447	490,922
Cash flows		
Proceeds/(reimbursement) from borrowings	7,470	(829)
Capitalized borrowing costs	—	(1,317)
Non-cash changes		
Amortization of deferred financing charges	505	412
Foreign currency translation ⁽¹⁾	(19,999)	45,259
Balance, end of year	522,423	534,447

⁽¹⁾ Foreign currency translation impact on long-term debt is offset by a \$12,855 loss (2024 - \$32,823 gain) on cross currency swap (Note 14).

18. Debentures

The balance of the debentures consists of the following:

	As at December 31, 2025	As at December 31, 2024
	\$	\$
6.0% Hybrid debenture – Due on June 30, 2027	99,784	99,618
8.25% Hybrid debentures – Redeemed on December 31, 2025	—	65,321
7.75% Hybrid debentures – Due on June 30, 2030	76,659	—
	176,443	164,939

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

	As at December 31, 2025	As at December 31, 2024
	\$	\$
Face value	100,000	100,000
Less:		
Issuance costs	(717)	(717)
Cumulative accretion expense on liability component	501	335
	99,784	99,618

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18. Debentures (continued)

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.

b) 8.25% Hybrid debentures – Redeemed on December 31, 2025

	As at December 31, 2025	As at December 31, 2024
	\$	\$
Face value	67,250	67,250
Less:		
Issuance costs	(3,155)	(3,155)
Cumulative accretion expense on liability component	2,192	1,226
Remeasurement	963	—
Redemption	(67,250)	—
	—	65,321

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.

On December 31, 2025, the Company redeemed all issued and outstanding 8.25% Hybrid debentures at 100% of the principal amount, with the last interest payment made on December 31, 2025. A remeasurement adjustment of \$963, representing the unamortized deferred financing charges, was recorded in interest on lease liabilities, foreign exchange revaluation and other financial charges on the consolidated statement of earnings during the year ended December 31, 2025.

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18. Debentures (continued)

c) 7.75% Hybrid debentures – Due on June 30, 2030

	As at December 31, 2025	As at December 31, 2024
	\$	\$
Face value	80,000	—
Less:		
Issuance costs	(3,695)	—
Cumulative accretion expense on liability component	354	—
	76,659	—

On June 3, 2025, the Company issued 70,000 senior subordinated unsecured hybrid debentures maturing on June 30, 2030 (the “7.75% Hybrid debentures”) for gross proceeds of \$70,000. On June 6, 2025, the Company issued 10,000 senior subordinated unsecured hybrid debentures following the exercise of the over allotment option for gross proceeds of \$10,000, also maturing on June 30, 2030. The 7.75% Hybrid debentures bear interest at a rate of 7.75% per annum, payable semi-annually in arrears on June 30 and December 31 of each year, with the first interest payment on December 31, 2025. The 7.75% Hybrid debentures will not be redeemable before June 30, 2028, except upon the satisfaction of certain conditions after a change of control of the Company. On and after June 30, 2028 and prior to June 30, 2029, the 7.75% 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 approximately 104% of the principal amount redeemed plus accrued and unpaid interest. On or after June 30, 2029 and prior to the maturity date on June 30, 2030, the 7.75% 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 7.75% Hybrid debentures due at redemption or at maturity on June 30, 2030 either by paying in cash or by issuing Class A Shares in accordance with the terms of the trust indenture. The 7.75% Hybrid debentures will not be, at any time, convertible into Class A Shares at the option of the holders. The 7.75% Hybrid debentures are recorded at amortized cost, net of issuance costs, using the effective interest rate method.

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

Authorized

The Company is authorized to issue an unlimited number of Class A Shares and an unlimited number of Class B Shares. The Class B Shares may only be issued to Fiera Capital L.P.

Except as described below, the Class A Shares and the Class B Shares have the same rights, are equal in all respects and are treated as if they were shares of one class only. The Class A Shares and Class B Shares rank equally with respect to the payment of dividends, return of capital and distribution of assets in the event of the liquidation, dissolution or winding up of the Company.

The holders of outstanding Class A Shares and Class B Shares are entitled to receive dividends out of assets legally available at such times, in such amounts and form as the Board may, from time to time, determine without preference or distinction between Class A Shares and Class B Shares.

Class A Shares and Class B Shares each carry one vote per share for all matters other than the election of directors. With respect to the election of directors, holders of Class A Shares are entitled to elect, voting separately as a class, one-third of the members of the Board while holders of Class B Shares are entitled to elect, voting separately as a class, two-thirds of the members of the Board of the Company.

The Class A Shares are not convertible into any other class of shares. Class B Shares are convertible into Class A Shares on a one-for-one basis, at the option of the holder as long as Fiera Capital L.P. is controlled by current shareholders of Fiera Capital L.P. or holds at least 20% of the total number of issued and outstanding Class A Shares and Class B Shares.

The shares have no par value.

Preferred Shares

The Company is authorized to issue an unlimited number of Preferred Shares. Preferred Shares are issuable in series and would rank, both in regard to dividends and return on capital, in priority to the holders of the Class A Shares, the holders of the Class B Shares and over any other shares ranking junior to the holders of the Preferred Shares. Other conditions could also be applicable to the holders of the Preferred Shares. The Company has not issued any Preferred Shares.

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19. Share capital and accumulated other comprehensive income (loss) (continued)

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, 2024	88,399,954	814,180	19,412,401	30,891	107,812,355	845,071
Issuance of shares						
Performance share units, restricted share units and unit appreciation rights settled	296,316	2,046	—	—	296,316	2,046
Common shares issued under Dividend Reinvestment Plan	116,182	677	—	—	116,182	677
Share repurchase and cancellation	(1,602,016)	(14,736)	—	—	(1,602,016)	(14,736)
As at December 31, 2025	87,210,436	802,167	19,412,401	30,891	106,622,837	833,058
As at December 31, 2023	85,694,246	798,469	19,412,401	30,891	105,106,647	829,360
Issuance of shares						
Shares issued as settlement of purchase price obligations	1,378,829	9,958	—	—	1,378,829	9,958
Performance share units, restricted share units and unit appreciation rights settled	2,025,849	12,242	—	—	2,025,849	12,242
Common shares issued under Dividend Reinvestment Plan	71,896	660	—	—	71,896	660
Share repurchase and cancellation	(770,866)	(7,149)	—	—	(770,866)	(7,149)
As at December 31, 2024	88,399,954	814,180	19,412,401	30,891	107,812,355	845,071

Share repurchase and cancellation

On August 8, 2025, the Company announced that 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 over the twelve-month period commencing on August 16, 2025 and ending no later than August 15, 2026, representing approximately 4.6% of its issued and outstanding Class A Shares as at August 4, 2025 (the "Renewed NCIB"). The previous NCIB began on August 16, 2024 and ended on August 15, 2025 (the "Previous NCIB"). Under the Previous NCIB, the Company was also authorized to purchase for cancellation up to a maximum of 4,000,000 Class A Shares.

During the year ended December 31, 2025, the Company purchased and cancelled 1,602,016 Class A Shares under the Company's Previous NCIB for total consideration of \$9,824. The difference between the book value of the repurchased shares of \$14,736 and the consideration paid of \$9,824 was recorded in contributed surplus.

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

19. Share capital and accumulated other comprehensive income (loss) (continued)

During the year ended December 31, 2024, the Company repurchased and cancelled 770,866 Class A Shares under the Company's NCIB then in effect, for total consideration of \$6,113, of which 510,866 Class A Shares were purchased under the Company's NCIB which began on August 16, 2023 and ended on August 15, 2024, for total consideration of \$4,057, and 260,000 Class A Shares were purchased under the Company's Previous NCIB for total consideration of \$2,056. The difference between the book value of the repurchased shares of \$7,149 and the consideration paid of \$6,113 was recorded in contributed surplus.

Dividends

During the year ended December 31, 2025, the Company declared dividends on Class A Shares and Class B special voting shares ("Class B Shares") totaling \$58,070 (\$0.540 per share total). During the year ended December 31, 2024, the Company declared dividends on Class A Shares and Class B shares totaling \$91,846 (\$0.861 per share total).

During the year ended December 31, 2025, 172,552 Class A Shares were purchased on the open market for \$1,101 to settle dividends under the Dividend Reinvestment Plan. In addition, during the year ended December 31, 2025, 116,182 class A Shares were issued for \$677 of reinvested dividends under the Dividend Reinvestment Plan. These shares were issued from treasury at a discount of nil. During the year ended December 31, 2024, 276,877 Class A Shares were purchased on the open market for \$2,086 to settle dividends under the Dividend Reinvestment Plan and 71,896 Class A Shares were issued for \$660 of reinvested dividends. These shares were issued from treasury at a discount of nil.

Dividend Reinvestment Plan ("DRIP")

The DRIP provides the Company's shareholders with the option to have cash dividends on their Class A Shares automatically reinvested into additional Class A Shares. At the Company's sole discretion, shares issued to settle the dividend payment under the DRIP may be either in the form of newly issued treasury shares, purchased on the open market or a combination of both. The company may also, from time to time, in its sole discretion, offer a discount of up to 5.0% of the average market price for shares purchased from treasury.

Accumulated other comprehensive income (loss)

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

	As at December 31, 2025	As at December 31, 2024
	\$	\$
Cash flow hedges	(424)	(2,045)
Unrealized foreign currency translation on foreign operations	(2,678)	4,835
	(3,102)	2,790

Fiera Capital Corporation

Notes to the Consolidated Financial Statements

For the years ended December 31, 2025 and 2024

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

20. Earnings 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:

	2025	2024
	\$	\$
Net earnings attributable to shareholders	39,047	24,987
Weighted average shares outstanding – basic	107,394,187	107,059,637
Effect of dilutive share-based awards, purchase price obligations payable in shares and debentures	20,816,464	1,839,564
Weighted average shares outstanding – diluted	128,210,651	108,899,201
Basic earnings per share	0.36	0.23
Diluted earnings per share	0.34	0.23

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

	For the years ended December 31,			
	2025 Number of shares	2025 Net earnings	2024 Number of shares	2024 Net earnings
Share-based awards payable	3,838,535	—	1,839,564	—
6% Hybrid debenture ⁽¹⁾	16,977,929	4,523	—	—
7.75% Hybrid debentures ⁽²⁾	—	—	—	—
8.25% Hybrid debentures ⁽³⁾	—	—	—	—
	20,816,464	4,523	1,839,564	—

⁽¹⁾ Anti-dilutive for the year ended December 31, 2024.

⁽²⁾ Anti-dilutive for the years ended December 31, 2025 and December 31, 2024.

⁽³⁾ Anti-dilutive for the year ended December 31, 2024.

Fiera Capital Corporation

Notes to the Consolidated Financial Statements

For the years ended December 31, 2025 and 2024

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

21. Share-based payments

a) Stock option plan

Under the Company's stock option plan, the exercise price of each stock option is equal to the volume weighted average trading price of the Company's shares on the TSX for the five trading days immediately preceding the date the stock option is granted. The Board may determine the maximum term for which options are granted and will become exercisable and whether the options will be exercisable in installments or pursuant to a vesting schedule.

A summary of the changes that occurred in the Company's stock option plans during the years ended December 31, 2025, and 2024, is presented below:

	2025		2024	
	Number of Class A Share options	Weighted-average exercise price	Number of Class A Share options	Weighted-average exercise price
		\$		\$
Outstanding – beginning of year	2,368,000	11.37	2,748,000	11.53
Granted	420,000	6.40	—	—
Expired	(125,000)	11.46	(380,000)	12.55
Outstanding – end of year	2,663,000	10.58	2,368,000	11.37
Options exercisable – end of year	1,380,500	11.76	1,168,000	12.75

The Company recorded an expense of \$286 for stock options during the year ended December 31, 2025 (an expense of \$327 during the year ended December 31, 2024).

The following table presents the assumptions under the Black-Scholes option pricing model used to determine the fair value of options granted during the years ended December 31, 2025, and 2024:

	2025	2024
Dividend yield (%)	13.07	—
Risk-free interest rate (%)	2.80	—
Expected life (years)	6.50	—
Expected volatility of the share price (%)	35.50	—
Weighted-average fair value (\$)	0.44	—

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.

Fiera Capital Corporation

Notes to the Consolidated Financial Statements

For the years ended December 31, 2025 and 2024

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

21. Share-based payments (continued)

The following table summarizes the stock options outstanding and exercisable as at December 31, 2025:

Range of exercise price	Options outstanding			Options exercisable	
	Number of Class A Share options	Weighted-average remaining contractual life in years	Weighted-average exercise price	Number of Class A Share options	Weighted-average exercise price
			\$		\$
5.75 to 8.50	645,000	7.46	6.19	225,000	5.79
8.51 to 10.00	100,000	7.18	8.76	—	—
10.01 to 11.50	600,000	5.64	10.47	—	—
11.51 to 13.00	538,000	1.56	12.23	463,000	12.23
13.01 to 14.00	750,000	1.88	13.33	662,500	13.33
14.01 to 15.00	30,000	0.50	14.57	30,000	14.57
Total	2,663,000	4.20	10.58	1,380,500	11.76

b) Deferred share unit (“DSU”) plan

DSU are awarded under the director DSU Plan or the amended and restated executive DSU Plan, both approved by the board on April 13, 2022. Under the DSU Plan, the Company may, at its discretion, settle the DSU awards in cash or in shares. The purpose of this plan is to provide participants with a form of compensation which promotes a greater alignment of the interests of the Participants and the shareholders of the Corporation in creating long-term shareholder value.

The following table presents transactions that occurred in the Company’s DSU plan during the years ended December 31, 2025, and 2024:

	2025	2024
Outstanding units – beginning of year	184,686	125,050
Settled	—	(37,745)
Reinvested in lieu of dividends	22,191	19,163
Granted	117,203	78,218
Outstanding units – end of year	324,080	184,686

One DSU unit is equivalent to one Class A Share of the Company. The Company recorded an expense of \$343 for these plans during the year ended December 31, 2025 (an expense of \$1,242 during the year ended December 31, 2024).

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Notes to the Consolidated Financial Statements

For the years ended December 31, 2025 and 2024

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

21. Share-based payments (continued)

The total award value granted under the Company's DSU plan was \$786 and \$602 during the years ended December 31, 2025 and 2024, respectively. There were no settlements during the year ended December 31, 2025 (\$337 paid in cash as settlement of vested DSUs during the year ended December 31, 2024). As at December 31, 2025, the Company had a liability for an amount of \$2,009 for the units outstanding under the DSU plan (\$1,666 as at December 31, 2024).

c) Restricted share unit ("RSU") plan

RSU are awarded under the amended and restated RSU Plan approved by the Board on April 13, 2022. Under this Plan, the Company may, at its discretion, settle the RSU awards in cash or in shares. The purpose of this plan is to provide eligible employees with the opportunity to acquire RSUs in order to retain key employees and to permit them to participate in the growth and development of the Company and to better align the interests of participants with the long-term interests of shareholders of the Company.

The following table presents transactions that occurred in the Company's RSU plan during the years ended December 31, 2025, and 2024:

	2025	2024
Outstanding units – beginning of year	—	16,953
Settled	—	(17,385)
Reinvested in lieu of dividends	64,918	432
Granted	732,498	—
Forfeited/Cancelled	(35,074)	—
Outstanding units – end of year	762,342	—

One RSU is equivalent to one Class A Share of the Company. The Company recorded an expense of \$3,053 and \$4,189 for the RSU plan during the years ended December 31, 2025 and 2024 respectively.

RSUs granted during the year ended December 31, 2025 with a value of \$4,689 were primarily related to an RSU award granted in 2024, on the basis of performance conditions related to the 2024 financial year. There were no RSUs granted for the year ended December 31, 2024.

During the year ended December 31, 2025, \$3,358 was paid in cash to settle an RSU award, in which the vesting was accelerated in 2024 (17,385 Class A Shares were issued as settlement of vested RSUs during the year ended December 31, 2024). As at December 31, 2025, the Company had a liability in the amount of \$3,677 related to the RSU plan (\$4,124 as at December 31, 2024).

Fiera Capital Corporation

Notes to the Consolidated Financial Statements

For the years ended December 31, 2025 and 2024

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

21. Share-based payments (continued)

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

RSU cash are awarded under the amended and restated RSU cash Plan approved by the Board on April 13, 2022. The purpose of this plan is to provide eligible employees with the opportunity to acquire restricted share units in order to retain key employees and to permit them to participate in the growth and development of the Company and to better align the interests of participants with the long-term interests of shareholders of the Company. All RSUs granted under this plan will be settled in cash.

The following table presents transactions that occurred in the Company’s RSU cash plan during the years ended December 31, 2025, and 2024:

	2025	2024
Outstanding units – beginning of year	1,026,249	762,202
Settled	(572,993)	(298,859)
Forfeited/Cancelled	(104,302)	—
Reinvested in lieu of dividends	116,521	106,644
Granted	889,587	456,262
Outstanding units – end of year	1,355,062	1,026,249

RSU cash units are equivalent to one Class A Share of the Company. The Company recorded an expense of \$3,837 and an expense of \$4,537 for these grants during the years ended December 31, 2025, and 2024, respectively.

The total award value granted under the Company's RSU Cash plan was \$5,588 and \$3,693 during the years ended December 31, 2025 and 2024, respectively. During the year ended December 31, 2025, \$3,661 was paid as settlement of vested units (2024 - \$2,388). As at December 31, 2025, the Company had a liability in the amount of \$4,489 for the units outstanding under the RSU cash plan (\$4,085 as at December 31, 2024).

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

PSU applicable to BU are awarded under the amended and restated PSU and UAR applicable to BU Plan approved by the Board on April 13, 2022. Under this Plan, the Company may, at its discretion, settle the PSU and UAR applicable to BU awards in cash or in shares. PSU and UAR applicable to BU are provided to eligible employees at an award value which is determined by the Board as the original value of the award. The number of PSU and UAR applicable to BU awarded to a participant as of the award date is calculated by dividing the award value by the market value on the award date.

PSU and UAR applicable to BU are considered granted when the award notice is approved by the Board and is accepted by the employee. The vesting date is the date at which all vesting terms and conditions set forth in the PSU and UAR Plan applicable to BU and the employee’s award notice have been satisfied.

Vested PSU and UAR applicable to BU are settled in accordance with the terms of the plan. The settlement date value is determined by the product of the number of PSU and UAR applicable to BU vested and the value of the units on the applicable vesting date.

Fiera Capital Corporation

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For the years ended December 31, 2025 and 2024

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

21. Share-based payments (continued)

PSU applicable to BU

The Company recorded the following expense relating to the PSU plan applicable to BU during the years ended December 31, 2025 and 2024:

	2025	2024
	\$	\$
Equity-settled grants	2,736	3,499
Cash-settled grants	4,852	4,818
	7,588	8,317

The total award value granted under the Company's PSU plan applicable to BU was \$4,365 and \$3,920 during the years ended December 31, 2025 and 2024, respectively. During the year ended December 31, 2025, 296,316 Class A Shares were issued as settlement of vested PSU applicable to BU and \$2,300 was directly remitted to tax authorities on behalf of employees to cover their tax obligation upon settlement (679,904 Class A Shares issued and \$6,585 directly remitted to tax authorities during the year ended December 31, 2024).

During the year ended December 31, 2025, \$524 was paid in cash as settlement of vested PSU applicable to BU. For the year ended December 31, 2024, \$515 was paid in cash as settlement of vested PSU applicable to BU and 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. As at December 31, 2025, the Company had an outstanding liability in the amount of \$8,091 (\$7,312 as at December 31, 2024).

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 years ended December 31, 2025 and 2024:

	For the years ended December 31,	
	2025	2024
	\$	\$
Equity-settled grants	1,396	3,190
Cash-settled grants	(362)	(337)
	1,034	2,853

21. Share-based payments (continued)

There were no UARs granted during the year ended December 31, 2025. The equity accounting grant date fair value of awards granted under the Company's UAR plan applicable to BU during the year ended December 31, 2024 was \$4,184. During the year ended December 31, 2025, there were no UAR settlements. During the year ended December 31, 2024, 1,328,560 Class A shares were issued and \$2,287 was directly remitted to tax authorities on behalf of employees to cover their tax obligation upon settlement of vested UARs.

f) PSU plan

PSU are awarded under the amended and restated Performance Share Unit Plan approved by the Board on May 8, 2025. The total award value granted under the Company's PSU plan was \$10,264 during the year ended December 31, 2025. The grant was classified as equity settled. The Company recorded an expense of \$1,159 relating to the PSU plan during the year ended December 31, 2025. For the year ended December 31, 2024, there were no awards granted or settled under the PSU plan.

g) Other long-term incentive grant

The Company recorded an expense of \$737 and nil during the years ended December 31, 2025 and 2024 related to an other long-term incentive grant which may be settled in cash, Class A Shares, or a combination. The grant has two exercise windows beginning in 2028 and 2029, respectively. The grant is classified as a cash-settled share-based liability based on the Company's intended settlement method. The outstanding liability as at December 31, 2025 was \$733 (December 31, 2024 - nil).

h) Employee share purchase plan

During the year, the Company introduced an Employee Share Purchase Plan ("ESPP"). An expense of \$448 was recorded in share-based compensation during the year ended December 31, 2025, representing the Company's matching contributions made to the ESPP during the period.

Fiera Capital Corporation

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22. 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.

	2025	2024
	\$	\$
Institutional	352,469	339,074
Financial Intermediaries	182,411	199,625
Private Wealth	114,846	114,332
Other revenues and Share of earnings in joint ventures and associates ⁽¹⁾	23,271	35,592
	672,997	688,623

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

23. Expenses by nature

The details of selling, general and administration expense are as follows:

	For the years ended December 31,	
	2025	2024
	\$	\$
Salaries, wages and employee benefits	289,684	295,783
External managers	90,349	104,649
Technical services	49,625	46,507
Professional fees	18,913	21,508
Travelling and marketing	18,299	20,228
Reference fees	11,762	9,785
Rent related expenses	6,480	5,906
Insurance, permits and taxes	5,107	4,530
Other	7,223	5,428
	497,442	514,324

Fiera Capital Corporation

Notes to the Consolidated Financial Statements

For the years ended December 31, 2025 and 2024

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

23. Expenses by nature (continued)

The details of salaries, wages and employee benefits are as follows:

	For the years ended December 31,	
	2025	2024
	\$	\$
Salaries and wages	242,443	245,288
Defined contribution pension costs	5,275	5,022
Payroll deductions	20,002	20,440
Share-based compensation	18,537	21,465
Other	3,427	3,568
	289,684	295,783

Key management are those persons having authority and responsibility for planning, directing and controlling the activities of the Company and include the Company's directors and key officers. Compensation expense related to key management is as follows:

	For the years ended December 31,	
	2025	2024
	\$	\$
Salaries and other short-term benefits	13,590	10,884
Share-based payments	9,327	11,941
Termination benefits	2,350	—

24. Interest on long-term debt and debentures

	For the years ended December 31,	
	2025	2024
	\$	\$
Interest on long-term debt	35,222	40,776
Interest from derivative financial instruments	(3,785)	(5,392)
Interest on debentures	16,603	12,519
	48,040	47,903

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Notes to the Consolidated Financial Statements

For the years ended December 31, 2025 and 2024

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25. Interest on lease liabilities, foreign exchange revaluation and other financial charges

	For the years ended December 31,	
	2025	2024
	\$	\$
Interest on lease liabilities	2,246	2,582
Amortization of deferred financing charges	505	412
Other interest	724	(53)
Foreign exchange and change in fair value of derivative financial instruments ⁽¹⁾	(1,461)	10,053
	2,014	12,994

⁽¹⁾ Primarily related to balance sheet foreign exchange revaluation on US dollar denominated debt and intercompany transactions between an entity with a Canadian functional currency and entities with foreign functional currencies.

26. Additional information relating to consolidated statements of cash flows

	2025	2024
	\$	\$
Changes in non-cash operating working capital items		
Accounts receivable	(2,107)	7,004
Prepaid expenses and other assets	1,704	13,134
Accounts payable and accrued liabilities	(37,745)	(56,268)
Current portion of cash-settled share based liabilities (Note 21)	1,625	8,400
Restructuring provisions	3,082	(1,869)
Client deposits and deferred revenues	1,064	(4,332)
	(32,377)	(33,931)

Income taxes paid during the year ended December 31, 2025 were \$21,244 (\$24,834 for the year ended December 31, 2024). Prepaid expenses and other assets include \$5,417 of income tax receivable as at December 31, 2025 (\$9,998 as at December 31, 2024).

Fiera Capital Corporation

Notes to the Consolidated Financial Statements

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27. Commitments, Contingent liabilities and Provisions for Claims

Commitments

The Company signed contracts for license, software services and other expiring at different dates until 2030 and thereafter.

The total payments for each of the next five years, and thereafter for commitments are as follows:

	\$
2026	23,009
2027	9,783
2028	4,517
2029	3,324
2030	2,923
Thereafter	—
	43,556

Contingent liabilities and provisions for claims

The Company is subject to claims and becomes involved in proceedings and investigations, including, legal, regulatory and tax, in the ordinary course of its business. In addition, during the twelve-month period ended December 31, 2025, court proceedings were initiated in connection with a shareholder dispute regarding one of the Company's subsidiaries, Fiera Infrastructure Inc. There are a number of inherent uncertainties involved in such matters, individually or in aggregate, and as such, it is not currently possible to reasonably predict the final outcome or the amount and timing of any payment related to such matters. Based on the information currently available, 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. As at December 31, 2025, the total liability in respect of these matters was \$9,802 (\$9,335 as at December 31, 2024).

28. 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 and Ongoing Registrant Obligations*, on a non-consolidated basis. As at December 31, 2025 and 2024 it has complied with such requirements. The Company has also complied with the restrictive debt covenants under the terms of the 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 7.75% Hybrid debentures.

29. Related party transactions

On June 21, 2024, the Company's senior management and a number of its board members acquired all units of Fiera Capital L.P. ("Fiera LP") and all shares of Fiera Holdings Inc. ("Fiera Holdings") previously held by Desjardins Financial Holding Inc., an indirect wholly-owned subsidiary of Fédération des caisses Desjardins du Québec (the "Transaction"). There were no outside buyers involved in the Transaction. The Transaction involved units of Fiera LP and shares of Fiera Holdings (the "Purchased Securities") representing 7,257,960 Class B Shares and Class A Shares of the Company, representing 6.8% of the total outstanding shares at the date of the Transaction.

The Purchased Securities were acquired at a price equivalent to \$7.25 per Purchased Security for an aggregate purchase price of approximately \$53,000. A portion of the Purchased Securities purchased by the Company's senior management was financed through a loan in the amount of \$20,000 made available by a Canadian bank to 16121136 Canada Inc. ("ExecCo"), a corporation formed by such members of senior management. All the obligations under the loan granted in favour of ExecCo have been guaranteed by the Company (the "Company Guarantee").

Immediately following the completion of the Transaction, Desjardins Financial Holding Inc. no longer held any units of Fiera LP and shares of Fiera Holdings, and therefore no equity in Fiera Capital.

The Company Guarantee was recorded in accordance with the measurement principles of financial guarantee contracts per *IFRS 9 Financial Instruments*. The Company's maximum exposure to credit loss represents the outstanding principal of the financial guarantee and any unpaid interest, less any amounts recoverable from the borrower. The probability of the events of default per the loan contract were considered in measuring the expected credit loss. As at December 31, 2025 the outstanding provision for credit losses related to the financial guarantee contract was \$488 (December 31, 2024 - \$671). Remeasurement of the provision is recorded in other expenses (income) on the consolidated statements of earnings and the outstanding provision is recorded in accounts payable and accrued liabilities on the consolidated statements of financial position.

Fiera Capital Corporation

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30. 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:

	2025	2024
	\$	\$
Canada	421,891	436,830
United States of America	137,591	139,145
Europe, Middle East, Africa ("EMEA")	94,985	91,837
Asia	18,530	20,811
	672,997	688,623

Non-current assets:

	As at December 31, 2025	As at December 31, 2024
	\$	\$
Canada	612,537	630,095
United States of America	152,826	168,569
EMEA	107,684	92,564
Asia	50,601	54,312
	923,648	945,540

Revenues are attributed to countries primarily on the basis of the client's location. As at December 31, 2025, non-current assets presented above exclude long-term investments of \$20,690, deferred income taxes of \$40,366, and other non-current assets of \$11,307 (\$16,952, \$35,529, and \$16,173, respectively, as at December 31, 2024).

Fiera Capital Corporation

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

31. Subsequent events

Dividend declared

On February 25, 2026, the Board of Directors declared a quarterly dividend of \$0.108 per Class A Share and Class B Share, payable on April 9, 2026 to shareholders of record at the close of business on March 11, 2026. The dividend is an eligible dividend for income tax purposes.

32. Comparative information

Certain comparative amounts in the consolidated financial statements have been reclassified in order to conform to the 2025 financial statement presentation.

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