

# **Table of Contents**

Basis of Presentation and Forward-Looking Statements	1
Quarterly Financial Highlights	3
Overview	9
Market, Economic and Investment Strategy Performance Review	11
Outlook	19
Financial Results	21
Results of Operations and Overall Performance - AUM and Revenues	23
Results of Operations and Overall Performance - Expenses	32
Results of Operations and Overall Performance - Net Earnings (Loss)	38
Non-IFRS Measures	41
Summary of Quarterly Results	47
Liquidity and Capital Resources	52
Subsequent Events, Controls and Procedures	57



### **Basis of Presentation and Forward-Looking Statements**

#### BASIS OF PRESENTATION AND FORWARD-LOOKING STATEMENTS

#### **Basis of Presentation**

The following management's discussion and analysis ("MD&A") dated November 10, 2021, presents an analysis of the financial condition and results of the consolidated operations of Fiera Capital Corporation (the "Company" or "Fiera Capital") as at and for the three and nine-month periods ended September 30, 2021. The following MD&A should be read in conjunction with the unaudited interim condensed consolidated financial statements, including the notes thereto, for the three and nine-month periods ended September 30, 2021, the audited annual consolidated financial statements and the accompanying notes for the years ended December 31, 2020 and December 31, 2019 and the related annual MD&A.

The Company prepares its interim condensed consolidated financial statements in accordance with International Accounting Standard ("IAS") 34, Interim Financial Reporting, as issued by the International Accounting Standards Board ("IASB") and accordingly, do not include all disclosures required under International Financial Reporting Standards ("IFRS") for annual consolidated financial statements. The accounting policies applied in these interim condensed consolidated financial statements are the same as those applied by the Company in its financial statements as at and for the year ended December 31, 2020. The interim condensed consolidated financial statements include the accounts of the Company and other entities that the Company controls, which can require significant judgement. Non-controlling interest in the earnings (loss) and equity of the subsidiaries are disclosed separately in the consolidated statement of financial position, earnings (loss), comprehensive income (loss), and change in equity. All financial figures are reported in Canadian dollars, unless otherwise noted. Certain comparative figures have been reclassified to conform with the current period's presentation.

The Company presents earnings before interest, taxes, depreciation and amortization<sup>(1)</sup> ("EBITDA"), Adjusted EBITDA per share<sup>(1)</sup>, Adjusted EBITDA margin<sup>(1)</sup>, Adjusted net earnings<sup>(1)</sup> and Adjusted net earnings per share<sup>(1)</sup> as non-IFRS performance measures. These non-IFRS measures do not have any standardized meaning prescribed by IFRS and may not be comparable to similar measures presented by other companies. The definition of these non-IFRS measures and the reconciliation to the most comparable IFRS measures are presented in the "Non-IFRS Measures" section of this MD&A.

### Forward-Looking Statements

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

By their very nature, forward-looking statements involve numerous assumptions, inherent risks and uncertainties, both general and specific, and the risk that predictions, forecasts, projections, expectations or

 $<sup>^{\</sup>rm (1)}$  Refer to the "Non-IFRS Measures" Section on page 41.

# **Basis of Presentation and Forward-Looking Statements**

conclusions will not prove to be accurate. The uncertainty created by the COVID-19 pandemic has heightened such risk given the increased challenge in making predictions, forecasts, projections, expectations, or conclusions. As a result, the Company does not guarantee that any forward-looking statement will materialize and readers are cautioned not to place undue reliance on these forward-looking statements. A number of important factors, many of which are beyond Fiera Capital's control, could cause actual events or results to differ materially from the predictions, forecasts, projections, expectations, or conclusions expressed in such forward-looking statements which include, but are not limited to, risks relating to failure to obtain client consents to the transaction with Stone Pine Asset Management Inc., failure to satisfy closing condition in a timely manner for the StonePine Asset Management Inc. transaction or at all, failure to meet anticipated timing of closing of the StonePine Asset Management Inc. transaction, failure to complete the StonePine Asset Management Inc. transaction for any reason, failure to realize the anticipated benefits of the sub-advisory agreement with StonePine Asset Management Inc., risks relating to performance and investment of the assets under management ("AUM"), AUM concentration within limited number of strategies, reputational risk, regulatory compliance, information securities policies, procedures and capabilities, litigation risk, insurance coverage, third-party relationships, growth and integration of acquired businesses, AUM growth, key employees and other factors. For a description of risks and uncertainties related to the forward looking statements presented in this MD&A, and the Company, refer to the "Risk Factors" section of the Company's Annual Information Form for the year ended December 31, 2020, and other documents filed by the Company with applicable securities regulatory authorities from time to time, which are available on SEDAR at www.sedar.com.

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

#### COVID-19

The Company continues to monitor the financial impact of the COVID-19 pandemic and related market risk on its capital position and profitability should the duration, spread or intensity of the pandemic further develop. It is not possible to forecast with certainty the duration and full scope of the economic impact of COVID-19 both in the short and long term as well as the unknown additional government and central bank interventions and the timeline of the transition to a fully reopened economy. The Company maintains sufficient liquidity to satisfy all of its financial obligations for the foreseeable future. Despite this liquidity, the Company may see an impact to the cost of capital in the future as a result of disrupted credit markets or potential credit rating actions in relation to the Company's debt if the timing and pace of economic recovery is slow. Furthermore, a sustained period of significant market volatility could negatively impact the Company's investment performance, could have a negative effect on the value of the Company's assets and investment strategies (and consequently the AUM), could negatively impact the market price or value of the Company's securities and could result in a writedown of the Company's goodwill and intangible assets in subsequent periods. The valuation of the Company's purchase price obligations could also be impacted if expected results from operations change significantly from current assumptions.

#### **QUARTERLY FINANCIAL HIGHLIGHTS**

(in \$ billions)		nd average quarter for the three mont	Varia	ance	
	September 30, 2021	June 30, 2021	' '	Quarter over Quarter Change	
AUM	180.8	179.5	179.2	1.3	1.6
Average quarterly AUM <sup>(1)</sup>	183.2	175.9	178.3	7.3	4.9

		mary Financial Res e three months er	Varia	nce	
(in \$ millions unless otherwise indicated)	September 30, 2021	June 30, 2021	September 30, 2020	Quarter over Quarter Change	Year over Year Change
Revenues	174.9	167.4	170.7	7.5	4.2
Net earnings <sup>(2)</sup>	2.3	13.3	4.7	(11.0)	(2.4)
Adjusted EBITDA <sup>(3)</sup>	55.4	52.7	53.4	2.7	2.0
Adjusted EBITDA margin <sup>(3)</sup>	31.6 %	31.5 %	31.3 %	0.1 %	0.3 %
Adjusted net earnings (2),(3)	37.5	41.3	37.6	(3.8)	(0.1)
Basic per share					
Net earnings <sup>(2),(3)</sup>	0.02	0.13	0.05	(0.11)	(0.03)
Adjusted EBITDA <sup>(3)</sup>	0.53	0.50	0.51	0.03	0.02
Adjusted net earnings <sup>(3)</sup>	0.36	0.39	0.36	(0.03)	_
Diluted per share					
Net earnings <sup>(2),(3)</sup>	0.02	0.12	0.04	(0.10)	(0.02)
Adjusted EBITDA <sup>(3)</sup>	0.51	0.44	0.49	0.07	0.02
Adjusted net earnings <sup>(3)</sup>	0.34	0.36	0.35	(0.02)	(0.01)

 $<sup>^{(1)}</sup>$  Average quarterly AUM for a given period is the average of the ending value of AUM for each month during the period

### **Strategic Transactions**

During the nine months ended September 30, 2021, the Company entered into the following strategic transactions:

i. Sub-Advisory Partnership with StonePine Asset Management Inc. ("StonePine")

On August 11, 2021, the Company announced an agreement to establish a sub-advisory partnership with StonePine Asset Management Inc., a new firm to be controlled and led by Nadim Rizk, Head of Fiera Capital's Montreal-based Global Equity Team. The new firm will continue to provide investment management services to Fiera Capital for the benefit of Fiera Capital's clients. The agreement is the outcome of a thorough strategic planning initiative by Fiera Capital to create a structure that enables Fiera Capital's clients to continue to benefit from Nadim Rizk and his team's investment management services and Fiera Capital's top-tier institutional operating model. The structure provides for the continuation of a relationship that has created significant value for the Company's clients and shareholders for more than 12 years.

StonePine is a Canadian company currently seeking registration, as a portfolio manager and/or investment advisor with the relevant regulatory authorities, including Autorité des marchés financiers (Quebec), other

<sup>(2)</sup> Attributable to the Company's Shareholders

<sup>(3)</sup> Refer to the "Non-IFRS Measures" Section and the related reconciliations on page 41

provincial securities regulatory authorites in Canada, and the Securities and Exchange Commission in the United States. The sub-advisory agreement is not expected to disrupt the investment strategy and portfolio holdings of Fiera Capital clients presently invested in the Global, EAFE and U.S. Equity strategies. Further, the agreement maintains the Company's revenue and expense profile under economic terms that are similar to the existing arrangement from strategies totaling approximately \$62.0 billion in AUM as of September 30, 2021. The closing of the agreement is targeted for the end of fiscal 2021.

As result of the sub-advisory arrangement, StonePine will not be entitled to received share-based compensation for services rendered. Going forward, the value of this compensation will therefore be included in the sub-advisory fees paid by Fiera Capital to StonePine. This change in compensation structure will not impact the total value of compensation paid to the StonePine team or fees currently paid by Fiera clients. Upon closing of the agreement, the Company will accelerate the vesting of Fiera Capital share-based awards earned by Nadim Rizk and his team.

#### ii. Bel Air Investment Advisors

On February 28, 2021, the Company completed the sale of all its equity interest in Bel Air Investment Advisors ("Bel Air") to Hightower Advisors. As a result, the Company recorded a gain on sale of \$19.6 million, net of change of control expenses of \$5.5 million and transaction costs, was recognized during the three months ended March 31, 2021. This included a foreign currency translation gain of \$30.2 million previously recorded in Accumulated Other Comprehensive Income, which was reclassified to net earnings on disposition of Bel Air.

AUM from Bel Air was \$8.3 billion at February 28, 2021 and approximately \$2.0 billion will remain sub-advised by Fiera Capital.

### iii. Fiera Capital Emerging Markets Fund

On March 2, 2021, the Company announced that Fiera Capital Inc. ("FCI"), its wholly-owned subsidiary, entered into an agreement in principle to sell the advisory business related to its Fiera Capital Emerging Markets Fund to Sunbridge Capital Partners LLC ("Sunbridge"). On March 30, 2021, FCI and Sunbridge signed an asset purchase agreement. As a result of this agreement and the termination of the revenue sharing arrangement with City National Rochdale ("CNR") connected to the Fiera Capital Emerging Markets Fund, the Company recorded amortization of the intangible assets of \$3.4 million, and reclassified the intangible asset management contract as "held for sale" at March 31, 2021. Assets held for sale must be revalued at the lower of its carrying amount and its fair value less cost to sell and accordingly, an impairment charge of \$3.6 million was recorded during the nine months ended September 30, 2021 in gain on sale of a business and impairment of assets held for sale. The transaction closed on July 9, 2021 and a nominal gain was recognized in the third quarter of 2021.

As a result of the termination of the revenue sharing arrangement with CNR, AUM related to the Fiera Capital Emerging Markets Fund decreased \$2.1 billion during the first quarter of 2021. When the transaction closed on July 9, 2021, AUM connected to the rights to manage the Fiera Emerging Markets Fund was \$0.8 billion.

#### iv. Acquisition of an Additional Global Equity Team

On March 8, 2021, the Company announced the acquisition of an additional Global Equity team ("Fiera Atlas") from AMP Capital. As part of the transaction, the Company acquired the team along with the related AUM of \$0.9 billion and as a result recorded an intangible asset of \$6.8 million (US \$5.4 million).

#### Q3 2021 compared to Q2 2021

AUM at September 30, 2021 was \$180.8 billion compared to \$179.5 billion as at June 30, 2021, an increase of \$1.3 billion or 0.7%. The increase was primarily due to a favourable market and foreign exchange impact of \$3.3 billion partly offset by \$1.1 billion of lower net organic growth. AUM was \$0.8 billion lower in the current quarter due to the sale of the rights to manage the Fiera Capital Emerging Markets Fund. Excluding the impact of this, AUM would have increased \$2.1 billion or 1.2%.

Average AUM in the third quarter of 2021 of \$183.2 billion was higher compared to AUM at September 30, 2021 of \$180.8 billion, due to a unfavourable market impact towards the end of the third quarter.

Revenues for the three months ended September 30, 2021 were \$174.9 million compared to \$167.4 million for the three months ended June 30, 2021, an increase of \$7.5 million, or 4.5%. The increase was primarily due to a \$6.4 million increase in base management fees from higher Average AUM, in addition to \$2.3 million of higher share of earnings in joint ventures and associates. These increases were partly offset by \$2.4 million of lower performance fees recognized during the quarter. Revenues were \$2.4 million lower due to the sale of the rights to manage the Fiera Capital Emerging Markets Fund. Excluding the impact from the sale of the rights to manage the Fiera Capital Emerging Markets Fund, revenues for the three months ended September 30, 2021 would have been \$174.5 million compared to \$164.6 million for the three months ended June 30, 2021 an increase of \$9.9 million or 6.0%.

Selling, general and administration expenses ("SG&A") were \$132.0 million for the three months ended September 30, 2021 compared to \$119.9 million for the three months ended June 30, 2021, an increase of \$12.1 million, or 10.1%. The increase was primarily due to higher employee compensation costs which was mainly due to higher share-based compensation expense, which included a \$6.9 million impact from accelerated vesting, in addition to higher variable compensation costs. SG&A was \$0.6 million lower due to the sale of the rights to manage the Fiera Capital Emerging Markets Fund. Excluding the impact from the sale of the rights to manage the Fiera Capital Emerging Markets Fund, SG&A for the three months ended September 30, 2021 would have been \$131.6 million compared to \$118.9 million for the three months ended June 30, 2021, an increase of \$12.7 million, or 10.7%.

For the three months ended September 30, 2021, the Company reported net earnings attributable to the Company's shareholders of \$2.3 million, or \$0.02 per share (basic and diluted), compared to net earnings of \$13.3 million, or \$0.13 per share (basic) and \$0.12 per share (diluted), for the three months ended June 30, 2021, a \$11.0 million decrease in net earnings attributable to the Company's shareholders, or 82.7%. The decrease was due to the following:

- An increase in SG&A of \$12.1 million primarily due to higher compensation costs mainly from higher share-based compensation and variable compensation costs;
- Restructuring, acquisition related and other costs increased \$4.0 million primarily due the Company's continued focus on the optimization of its global operating model announced in June 2020;
- An increase in interest on long-term debt, lease liabilities and other financial charges of \$4.1 million
  primarily due to unfavourable foreign exchange revaluation of monetary items denominated in a foreign
  currency and the unfavourable impact of a change in fair value of foreign currency forward contracts;
- These decreases in net earnings attributable to Company's shareholders were partly offset by higher revenues of \$7.5 million primarily due to higher base management fees and share of earnings in joint ventures and associates partly offset by lower performance fees recognized in the quarter. In addition, income tax expense was \$1.4 million lower compared to the previous quarter primarily due to a reduction in taxable income over the comparative period.

Net income attributable to Company's shareholders was \$0.5 million lower due to the sale of the rights to manage the Fiera Capital Emerging Markets Fund. Excluding this, net earnings attributable to the Company's shareholders would have been \$2.3 million for the three months ended September 30, 2021 compared to \$12.8 million for the three months ended June 30, 2021 a decrease of \$10.5 million or 82.0%.

Adjusted EBITDA for the three months ended September 30, 2021 was \$55.4 million, or \$0.53 per share (basic) and \$0.51 per share (diluted) compared to \$52.7 million, or \$0.50 per share (basic) and \$0.44 per share (diluted), for the three months ended June 30, 2021, an increase in Adjusted EBITDA of \$2.7 million, or 5.1%. The increase in Adjusted EBITDA was due to an increase in revenue of \$7.5 million partly offset by an increase in SG&A, excluding share-based compensation expense of \$4.9 million. Adjusted EBITDA was \$1.8 million lower due to the sale of the rights to manage the Fiera Capital Emerging Markets Fund. Excluding the impact from the sale of the rights to manage the Fiera Capital Emerging Market Fund, Adjusted EBITDA for the three months ended September 30, 2021 would have been \$55.3 million compared to \$50.8 million for the three months ended June 30, 2021, an increase in Adjusted EBITDA of \$4.5 million or 8.9%.

Adjusted net earnings for the three months ended September 30, 2021 was \$37.5 million, or \$0.36 per share (basic) and \$0.34 per share (diluted), compared to \$41.3 million, or \$0.39 per share (basic) and \$0.36 per share (diluted), for the three months ended June 30, 2021, a decrease of \$3.8 million, or 9.2%. The decrease was primarily due to higher SG&A excluding share-based compensation of \$4.9 million, an increase in interest on long-term debt, lease liabilities and other financial charges of \$4.1 million and an increase in income tax expense of \$2.5 million. These were partly offset by \$7.5 million of higher revenues. Adjusted net earnings was \$0.7 million lower due to the sale of the rights to manage the Fiera Capital Emerging Markets Fund, Adjusted net earnings for the three months ended September 30, 2021 would have been \$37.5 million compared to \$40.6 million for the three months ended June 30, 2021, a decrease in Adjusted net earnings of \$3.1 million, or 7.6%.

#### Q3 2021 compared to Q3 2020

AUM at September 30, 2021 was \$180.8 billion compared to \$179.2 billion as at September 30, 2020, an increase of \$1.6 billion or 0.9%. The increase in AUM includes a \$15.6 billion impact from the sale of Bel Air, the termination of the revenue sharing arrangement with CNR connected to the rights to manage the Fiera Capital Emerging Markets Fund, and the sale of WGAM. Excluding the impact of these dispositions, AUM at September 30, 2021 would have increased \$16.4 billion or 10.0% from 164.4 billion at September 30, 2020 to \$180.8 billion at September 30, 2021. The increase in AUM was primarily due to \$0.5 billion of net organic growth in the institutional distribution channel and the favourable net impact of market appreciation and foreign exchange, which together increased AUM \$14.9 billion, during the comparative period.

Revenues for the three months ended September 30, 2021, were \$174.9 million compared to \$170.7 million for the same period last year, an increase of \$4.2 million, or 2.5%. The increase was primarily due to higher other revenues and performance fees partly offset by lower base management fees. Other revenues increased due to the recognition of a transaction fee related to a private market investment strategy and higher sub-advisory fees, partly offset by revenue recognized in the prior period related to profits on certain real estate transactions in Fiera Real Estate UK. Revenues were \$26.8 million lower, primarily in base management fees, from the sale of Bel Air, the termination of the revenue sharing arrangement with CNR connected to the rights to manage the Fiera Capital Emerging Markets Fund, and the sale of WGAM. Excluding the impact of these dispositions, revenues for the three months ended September 30, 2021 would have been \$174.5 million compared to \$143.5 million, an increase of \$31.0 million or 21.6%.

SG&A was \$132.0 million for the three months ended September 30, 2021 compared to \$122.6 million for the same period last year, an increase of \$9.4 million, or 7.7%. The increase was primarily due to higher employee

compensation costs mainly due to share-based compensation expense and variable compensation costs. The share-based compensation increase included \$6.9 million of expense during the current quarter related to accelerated vesting. SG&A was \$16.4 million lower from the sale of Bel Air, the termination of the revenue sharing arrangement with CNR connected to the rights to manage the Fiera Capital Emerging Markets Fund, and the sale of WGAM. Excluding the impact of these dispositions, SG&A for the three months ended September 30, 2021 would have been \$131.6 million compared to \$105.8 million in the same period last year, an increase of \$25.8 million or 24.4%.

For the three months ended September 30, 2021, the Company reported net earnings attributable to the Company's shareholders of \$2.3 million, or \$0.02 per share (basic and diluted), compared to net earnings of \$4.7 million, or \$0.05 per share (basic) and \$0.04 (diluted), for the same period last year, a \$2.4 million decrease in net earnings attributable to the Company's shareholders. The decrease was primarily due to the following:

- An increase in SG&A of \$9.4 million primarily related to higher employee compensation costs mainly due to higher share-based compensation costs and variable compensation costs.
- An increase in restructuring, acquisition related and other costs of \$6.9 million primarily due to severance costs and professional fees incurred during the current quarter as part of the Company's continued focus on the optimization of its global operating model, which was announced in June 2020.

The above decreases in net earnings were partly offset by

- Higher revenues of \$4.2 million primarily due to higher other revenues and performance fees offset by lower base management fees;
- Lower accretion and change in fair value of purchase price obligations and other of \$4.0 million primarily
  due to the settlement of the purchase price obligation related to the revenue sharing arrangement with
  CNR connected to the rights to manage the Fiera Capital Emerging Markets Fund, which was settled in
  the second quarter of 2021;
- Lower amortization and depreciation expense of \$3.7 million primarily due to certain intangible assets being fully amortized during the comparative period;
- Lower income tax expense of \$1.2 million due to lower taxable income;
- An increase in gain on investments of \$0.9 million primarily due to favourable fair value adjustments in the current period.

Net earnings attributable to Company's Shareholders were \$8.6 million lower from the sale of Bel Air, the termination of the revenue sharing arrangement with CNR connected to the rights to manage the Fiera Capital Emerging Markets Fund, and the sale of WGAM. Excluding the impact of these dispositions, net earnings attributable to the Company's shareholders for the three months ended September 30, 2021 would have been \$2.3 million compared to a net loss of \$3.9 million for the same period last year, an increase in net earnings attributable to the Company's shareholders of \$6.2 million.

Adjusted EBITDA for the three months ended September 30, 2021 was \$55.4 million, or \$0.53 per share (basic) and \$0.51 per share (diluted) compared to \$53.4 million or \$0.51 per share (basic) and \$0.49 per share (diluted) in the same period last year, an increase in Adjusted EBITDA of \$2.0 million, or 3.7%. The increase was primarily due to higher revenues of \$4.2 million partly offset by an increase in SG&A, adjusted for share-based compensation expense, of \$2.2 million. Adjusted EBITDA was \$10.4 million lower due to the sale of Bel Air, the termination of the revenue sharing arrangement with CNR connected to the rights to manage the Fiera Capital Emerging Markets Fund, and the sale of WGAM. Excluding the impact of these dispositions, Adjusted EBITDA for the three months ended September 30, 2021 would have been \$55.3 million compared to \$42.9 million for the same period last year, an increase of \$12.4 million or 28.9%.

Adjusted net earnings for the three months ended September 30, 2021 was \$37.5 million or \$0.36 per share (basic) and \$0.34 per share (diluted), compared to \$37.6 million, or \$0.36 per share (basic) and \$0.35 (diluted) in the same period last year, a decrease of \$0.1 million, or 0.3%. The decrease was primarily due to higher SG&A, excluding share-based compensation expense, of \$2.2 million, higher income taxes of \$2.3 million, partly offset by a \$4.2 million increase in revenue. Adjusted net earnings was \$10.6 million lower due to the sale of Bel Air, the termination of the revenue sharing arrangement with CNR connected to the rights to manage the Fiera Capital Emerging Markets Fund, and the sale of WGAM. Excluding the impact of these dispositions, Adjusted net earnings for the three months ended September 30, 2021 would have been \$37.5 million compared to \$27.0 million for the same period last year, an increase of \$10.5 million or 38.9%.

### **Overview**

#### **OVERVIEW**

#### **Company Overview**

Fiera Capital is a leading independent asset management firm with a growing global presence and approximately \$180.8 billion in AUM at September 30, 2021. The Company delivers customized and multi-asset solutions across **Public** and **Private Market** asset classes to institutional, financial intermediaries and private wealth clients across North America, Europe and key markets in Asia.

Fiera Capital's client servicing activities are organized on a global basis based on the following distribution channels:

- Institutional: The Company's diversified institutional client base includes the pension funds of several large corporations and financial institutions, endowments, foundations, religious and charitable organizations, and public sector funds of major municipalities and universities.
- **Financial Intermediaries**: The Company's Financial Intermediaries business consists of institutional, private wealth and retail investors that the Company accesses by way of strategic relationships.
- Private Wealth: The Company's Private Wealth group provides asset management services directly to and counsels high net worth individuals, family offices, family foundations and trusts, estates and endowments.

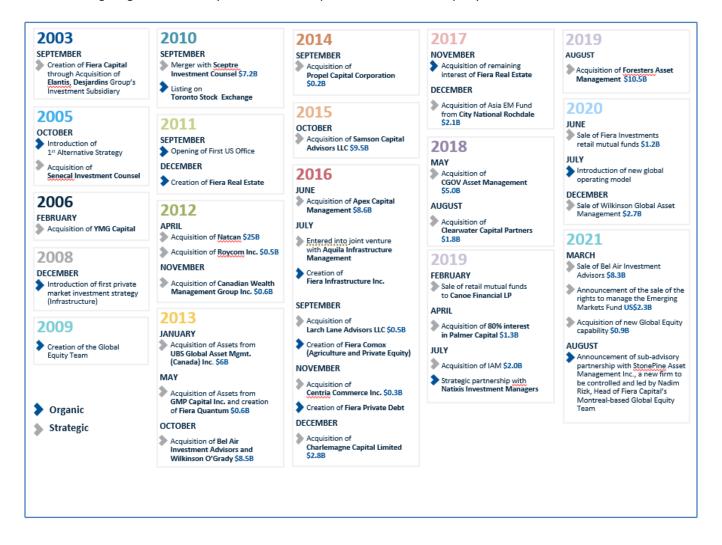
Fiera Capital's global suite of Public Market investments and solutions spans the full spectrum of strategies, from small to large cap, including market-specific and global strategies, to top-down macro and specialized fixed income strategies, as well as liquid alternative strategies, including some with a defensive tilt and that can be applied using a stand-alone approach or through an overlay.

In the Private Markets space, Fiera Capital's globally diversified Private Market platform is growing steadily, providing unique and sustainable risk and return attributes to our clients through real estate, private debt, infrastructure, agriculture, and private equity investment strategies. Although each asset class has its own unique features, the Private Market investment class as a whole has garnered increased investor attention in recent years as a result of its unique investment characteristics, offering attractive returns with a lower degree of volatility and correlation to Public Market assets, as well as steady and predictable cash flows.

In addition to the Company's direct relationships with institutional and private wealth clients, Fiera Capital and certain of its subsidiaries act as portfolio manager on behalf of its financial partners and intermediaries. These sub-advisory relationships are a means of providing retail investors with the opportunity to benefit from the Company's breadth of investment strategies and deep industry expertise.

#### **Company Evolution**

The following diagram shows key business developments since the Company was established in 2003.



### MARKET, ECONOMIC AND INVESTMENT STRATEGY PERFORMANCE REVIEW

#### **Overall**

The macroeconomic landscape has undergone a notable shift over the last quarter. After an extended period of positive economic progress, market volatility towards the end of the third quarter has led to concerns of slower than expected global growth, elevated inflation and supply chain challenges, particularly as investors prepare for the wind-down of favourable monetary policies which were put in place in response to the pandemic, in addition to regulatory upheavals emanating from China. As a result, the global economy is in the process of transitioning from a rapid post-COVID recovery, to a more normal recovery cycle. Despite the softening of sentiment surrounding the economic recovery, the global economy remains on solid ground and is expected to strengthen as economic activity normalizes and pent up savings are released.

Inflation has been at above target levels in most major developed economies. While much of the acceleration can be attributed to the effects from the pandemic that should subside over time, there are indicators of a build-up of underlying pricing pressures given the above trend growth, labor market recovery and rising commodity prices. As a result, many policy makers have begun to gradually reduce the emergency level stimulus packages which were deployed in response to the pandemic.

### Regional Economic and Market Review

#### Canada

The Canadian economy contracted in the second quarter for the first time since the pandemic began in 2020. While the latest Covid wave and continued supply-side limitations may lead to a more protracted recovery, the economic revival remains underway. Canada's world-leading vaccination campaign has allowed for a sustained reopening, while massive stockpiles of household savings, the release of pent-up demand, and robust growth stateside should make way for a healthy recovery as the fourth wave ebbs and supply bottlenecks ease.

#### **United States**

The US economy cooled during the third quarter after reaching peak growth in the second quarter, amid the rapidly spreading Delta variant, a fading fiscal impulse, and lingering capital and labor supply constraints. However, signs of cresting Covid infections should prevent the labor market recovery from going into reverse and will ensure that consumer spending continues to drive the recovery – particularly as households have accumulated over \$2 trillion in excess savings resulting in projected higher spending levels as reopening progresses.

#### International

The Eurozone experienced economic momentum amid climbing vaccination rates and loosening of restriction and lockdown measures. The Japanese economy continues to struggle as consumers and businesses continue to grapple with the pandemic, with strength in external demand coming up against a domestic economy that's been hindered by extended emergency measures. Despite this, economic recovery is expected to advance as growth potential shifts from the US to the rest of the world.

#### Emerging Markets

The economic slowdown in China intensified in the third quarter with sporadic Covid outbreaks and localized lockdowns hindering consumption, while supply disruptions and pollution-curtailing environmental policies have

curbed factory production. The moderation has been exacerbated by the profound shift in China's socio-political and economic priorities engendered by President Xi Jinping's goal of "common prosperity", with sweeping regulatory reforms and lingering uncertainty around the implementation of these policies weighing on an economy that's already slowing, which may prompt a reflationary policy response to contain a broader financial and economic fallout.

#### Global Equity Markets Review

Global equity markets fluctuated throughout the third quarter. Financial market turbulence resurfaced as investors contemplated the fast-spreading Delta variant, signs of cooling global growth, accelerated inflationary pressures, and the path for monetary policy – all of which sparked some volatile trading conditions late in the quarter. Developed markets outperformed their emerging market peers. While both the Canadian and US benchmarks managed to produce modest gains, emerging market stocks underperformed by a wide margin as China's widening regulatory crackdown and contagion fears stemming from Evergrande Group's debt woes sent Chinese stocks spiraling.

The strong recovery of global equity markets since the March 2020 lows has been due to significant fiscal spending stimulus programs, vaccination rollouts and reopening momentum. The outlook for growth and corporate earnings appears to have been priced in at current levels, leaving investors susceptible to some nearterm volatility given the emergence of potential headwinds. The uncertainty associated with an incremental withdrawal of policy support is likely to result in more volatility to financial markets, while multiples are set to contract as the monetary impulse progressively fades. And while global growth is set to remain firm, much of the upside for corporate earnings has been realized and strong recoveries have already been discounted. Earnings estimates have become increasingly optimistic, and profits may be squeezed in the environment of slowing growth, higher input prices, and accelerating wages.

Taken together, the combination of buoyant earnings expectations, intensifying pressure on profit margins, and limited scope for further multiple expansion implies a challenging environment for equities, with more muted and volatile expected returns in the coming twelve to eighteen months.

#### Fixed Income Market Review

Fixed income markets experienced volatility throughout the third quarter. After testing sub-1.20% levels in August as traders brushed-off signs of higher inflation and contemplated delta risks, the 10 year treasury yields broke higher following the hawkish-leaning outcome of the September Federal Reserve gathering, where officials set the stage for a moderation in the pace of monthly asset purchases later this year and as participants brought forward their timing for fed funds liftoff. Global pricing pressures have intensified, with a confluence of forces pushing inflation to multi-year highs. Supply-chain bottlenecks and impacts from the reopening have fueled much of the acceleration, with excessive pent-up demand chasing a restrained supply backdrop. While considered transitory, these pandemic-related forces appear to be making way for more cyclical pricing pressures. The outlook for inflation hinges on the duration of labor and supply shortages, with persistent supply-chain dislocations, strength in commodity prices, and rising wages. Also, robust home prices are almost certain to feed into higher rents, while the above-trend growth trajectory and steadily improving labor market conditions are expected to keep inflation elevated. Policymakers have begun the process of scaling-back on emergency-level stimulus, with the Federal Reserve on track to taper its asset purchase program later this year. However, the bar for rate hikes remains high, and liftoff isn't likely until late-2023 given central bank's determination to generate above-target inflation in the coming economic cycle.

With global growth holding firm, central banks poised to normalize policy, and inflation running between 3% and 4%, its surprising that government bond yields remain at these depressed levels. Consequently, the path of least

resistance for government bond yields should be higher given our expectation for a continuation of the economic revival and elevated inflationary pressures. We expect yield curves to steepen in a bond-bearish fashion. Long-term government bond yields should rise as markets solidify expectations for policy normalization from major central banks, while lingering pricing pressures will cause investors to demand higher compensation for inflation risk. And while corporate credit remains attractive given the supportive macro backdrop that should mitigate default risks, very tight spreads have limited any notable upside potential.

#### Investment Strategy Performance - Public Markets

The Company's strategies delivered good absolute and relative performance over the short, medium and long term. During the third quarter, the positive trend in relative performance continued.

#### **Equity Strategies**

#### Large Cap Equity

The company's large-cap equity strategies generally outperformed their respective benchmark during last quarter. Equity benchmarks throughout the world generated positive results in the third quarter, although they experienced some turbulence in September, with the MSCI All Country World shedding almost 4%. The environment of rising bond yields reignited the rotation in favor of cyclicals/value, with both energy and financial sectors outperforming their defensive-growth peers by a wide margin.

In the third quarter, the Atlas Global Companies strategy outperformed its benchmark by 113 bps. With IT being the strongest performing sector in the third quarter within the MSCI World Index, the overweight position and stock selection in this sector were the largest contributors to value-add, +25 bps and +124 bps, respectively. Despite the strategy's underperformance year to date, the results are very impressive for all other reported periods.

The Canadian large cap strategies benefited from their underweight to Materials and Health Care as both sectors significantly underperformed the broader index.

All three strategies managed by our Global Equity Team beat their respective benchmarks in the third quarter, adding to their value-add on a YTD basis. In the third quarter, stock selection in the Communication Services sector was the largest contributor to overall value-add for the U.S. and Global strategies, whereas the Team's Health Care stock picks was the greatest contributor (+84 bps) to the International Equity's outperformance.

On the three and five-year basis, all the large cap strategies generated positive value add compared to their benchmark and are all beating the median manager of their respective peer universe.

### Small Cap ("SC"), Emerging and Frontier Equity Strategies

Fiera's Canadian small-cap strategies strongly outperformed their index over the last three months. For Canadian SC, the strategy's overweight in Materials contributed +159 bps to value-add in the third quarter, whereas the stock selection in Industrials contributed +155 bps for the third quarter. For Canadian SC Core, stock selection in Financials and Real Estate were the largest contributor for the third quarter (+149 bps and +226 bps, respectively).

The SMID Cap Growth produced a return of -1.62% compared to the -3.53% return for the Russell 2500 Growth Index for a relative outperformance of 1.91%, gross of fees for the quarter. On a net basis, the strategy returned -1.87% compared to the -3.53% benchmark return for a 1.67% outperformance. Year to date, the strategy has

posted an outperformance of 5.70% with a 10.54% return for the strategy as compared to the 4.84% benchmark return, gross of fees. In the portfolio, we were overweight in the Consumer Discretionary, Energy, Financials and Materials sectors and underweight all others. Both the stock selection and sector allocation were contributors to the overall outperformance with 82% of the contribution coming strong stock selection. The stock picks in the Consumer Discretionary and Communication Services were the strongest contributors to the portfolio's performance. Security selection in Information Technology and Financials were the only sectors that detracted from performance.

The Emerging Markets Core Growth Strategy fell by 8.41% over the third quarter of 2021, slightly underperforming the MSCI EM Index by 30bps. A number of government led actions in China was the largest drag on emerging markets along with ongoing regulatory noise, liquidity concerns in the property sector and finally energy shortages. Positive attribution at a country level was driven by positions in Korea and Taiwan whilst China was the largest detractor to relative performance over the period.

The Frontier Markets Strategy once more continued its strong run of performance in the third quarter of 2021, generating a positive return of 5.85%, outperforming its benchmark (MSCI Frontier Markets Index) by 2.48%. Performance in the quarter was driven by positive contributions from stocks in Vietnam, Philippines and Kazakhstan with the biggest negative contributions amongst the stocks owned by the Strategy came from Turkey and Kuwait. Year to date the Strategy has outperformed the benchmark by 18.85% (portfolio return of 37.7% vs 18.9%). Following this, the Strategy maintains its strong absolute and relative performance over the one and three-year periods returning 78.2% and 16.6% (annualized), with positive value add of 46.0% and 5.8% respectively, upholding the Strategy's first quartile rank over these periods with respect to the peer universe.

#### **Fixed Income Strategies**

### <u>Canadian Fixed Income Strategies</u>

#### Active Universe Strategies

Over the quarter to date, year to date and one-year periods, all fixed income universe strategies generated positive value added compared to their respective benchmarks. The principal contributor to value added for these strategies is their overweight in the corporate sector, since spreads are continued to slightly narrow during the third quarter.

On the three-year basis, all active universe strategies generated positive value added and most of them rank within first and second quartile within respective peer universe.

#### <u>Credit Oriented and Other Strategies</u>

The Company's other fixed income strategies, which include corporate universe, preferred shares and infrastructure bonds, outperformed their benchmark on a one-year basis. The preferred shares mandate generated the greatest one-year value-added of 8.7%. The Company's other fixed income strategies continue to outperform their respective benchmark, following long term basis tendency.

### **US Fixed Income Strategies**

During the third quarter, our US fixed income strategies were affected by rising rates, shifting yield curves and the relationship between the municipal and Treasury markets. The High Grade Core Intermediate strategy outperformed its benchmark slightly, benefiting from a shorter duration and an overweight to corporate and taxable municipal bonds while the bulleted maturity structure was slightly detrimental. The Tax-Efficient

Intermediate 1-10 portfolio outperformed its benchmark slightly over the quarter. Relative performance was aided by a shorter duration and bulleted maturity structure while the out of benchmark allocation to Treasuries detracted slightly. The Tax-Efficient Core Plus Strategy underperformed its benchmark slightly during the quarter, primarily because the Treasury position detracted from performance.

### **Balanced Investment Strategies**

The balanced investment strategies continued to outperform on a long-term basis driven primarily by strong value-added from underlying strategies and our tactical asset class positioning.

### **Liquid Alternative Investment Strategies**

The OAKS Emerging and Frontiers Opportunities Strategy continued its run of strong performance over the third quarter of 2021, appreciating by 5.93%, which brings year to date performance to 38.3%. To put this in an emerging markets context, the MSCI Emerging Markets Index has decreased by 1.2% year to date. In the third quarter of 2021, strong performance was derived from the Vietnamese portfolio (300bps), which has a 26.4% net exposure in the Fund. Kazakhstan and Philippines both helped to generate over 100bps respectively, while stocks in Turkey and Kuwait served as a drag on performance. Looking at longer term performance, the Strategy maintains its strong absolute performance with an annualized return of 14.97% and 14.43% over the three and five-year periods.

#### Investment Strategy Performance - Private Markets

#### **Real Estate Strategies**

The Canadian and the UK real estate strategies continued to deliver strong performance in the third quarter of 2021. The portfolios, which include the core, value-add, and opportunistic risk spectrum, are well positioned to capture the strong market tailwinds emerging from the COVID-19 pandemic. With low interest rates and vast amounts of stock-piled capital seeking deployment to assets that protect against inflationary pressures, real estate is experiencing exceptional performance. The value growth story, however, varies by property type. While the industrial/distribution/logistics and multi-residential sectors are experiencing unprecedented tenant and investment demand, the outlook for traditional retail and office markets continues to be uncertain. Fiera Real Estate's strategies are heavily weighted towards industrial holdings and multi-residential markets and are demonstrating outperformance as a result. The strategies had anticipated weakness in the retail sector; therefore, the portfolios have held primarily food, pharmacy, and home improvement-anchored assets that have performed well relative to enclosed shopping centers. In addition, the strategies have reduced exposure to the office sector and are now seeing more stability emerge. As a result of the focus on research and data-driven portfolio construction, the strategies have been able to maximize the value delivery to investors.

### **Infrastructure Strategy**

The Infrastructure strategy performed well during the third quarter. The assets within the strategy are essential in nature and in many instances, revenues are underpinned by long-term and fixed price contracts. Those assets with a degree of GDP-linked revenues experienced strong performance with volumes returning to or ahead of pre-COVID-19 levels. As we emerge from the COVID-19 pandemic, signs of inflation have appeared in economies around the globe. Third quarter asset management activity included the refinancing of one of the PPP portfolios ahead of base case expectations, and evaluation of 2021 ESG performance. ESG Performance Metrics under GRESB were received during the quarter and preliminary results show a significant improvement over 2020, with performance well ahead of industry average. The team remains focused on developing new and existing platforms with an ESG overlay in core and core-plus infrastructure sub-sectors.

#### **Private Debt Strategies**

The private debt strategies generated strong return in the third quarter across the board. The strategies continue to experience good realizations and active capital deployment. The private debt platform is expanding geographically, adding to capabilities across European corporate debt, Asian corporate and real estate debt, and North American corporate, real estate, and infrastructure debt. The strategies are positioned well for the current market environment. We continue to be focused on building a portfolio of private credit instruments with defensive characteristics where downside protection has been the leading investment criterion.

#### **Global Agriculture Strategy**

The Global Agriculture strategy continues to deliver solid performance into the second half of the year driven by strong performance from our Australian row cropping platforms and California specialty tree fruit business. The investment team has closed on three bolt-on opportunities within our existing platforms over the last quarter, increasing our acreage under management to 226,000 and our total acquisitions to 30 (7 platform investments and 23 follow-on acquisitions). The pipeline of opportunities for the Fund remains robust and the deal team is actively evaluating a number of strategic opportunities for the Fund within our existing platforms as well as new platforms that will add additional layers of diversification. Within our existing platforms, we continue to focus on evaluating and implementing several strategic value-creation opportunities. Investor interest in agriculture and the Fund's strategy remains strong.

#### **Private Equity Strategy**

Through Q3 2021, the Fund's portfolio continues to grow, both through strong quarter-over-quarter performance and two newly added direct investments. First, in early-July 2021, the Fund acquired a minority interest in Project Green, a US-based sustainable infrastructure finance company that is playing a leading role in the energy revolution in North America and Europe. Second, in late-July 2021, the Fund, acquired a significant minority interest in Project Talos, a UK-headquartered property protection services firm operating in the UK and France. The performance of the Fund's portfolio, which includes the balance of the investments, continues tracking in line with expectations. We are actively engaged in and maintain a robust pipeline of potential transaction opportunities globally, with a continued focus on downside protection – a fundamental tenet of our investment thesis.

Table 1 – Public Markets Performance as at September 30, 2021

			Q3 2021			YTD			1 yr			3 yr			s or since inception SI if inception < 5 yr	
Public Market strategies	Currency	Strategy return	Added value	Quartile	Strategy return	Added value	Quartile	Strategy return	Added value	Quartile	Strategy return	Added value	Quartile	Strategy return	Added value	Quartile
Equity Investment Strategies																
Large Cap Equity								•						•		
US Equity	CAD	4.61	1.71	1	17.37	2.10	2	24.33	1.04	4	19.38	4.17	1	19.64	3.60	1
International Equity	CAD	2.66	0.81	1	8.94	1.20	3	16.51	(2.73)	4	15.03	8.13	1	14.45	6.43	1
Global Equity	CAD	3.25	0.95	1	13.87	1.46	2	21.76	(0.42)	3	17.83	5.45	1	17.56	4.65	1
Atlas Global Companies	CAD	3.46	1.16	1	11.63	(0.77)	2	22.49	0.32	2	21.76	9.38	1	25.67	13.61	1
Sustainable Global Equities	CAD	6.81	4.51	1	10.02	(2.39)	3	15.89	(6.29)	4	20.22	7.84	1	17.28	4.37	1
Canadian Equity	CAD	2.05	1.88	1	15.89	(1.59)	4	21.98	(6.04)	4	13.33	2.26	1	11.77	2.14	1
Canadian Equity Core	CAD	1.89	1.72	1	18.49	1.00	2	26.95	(1.07)	3	10.95	(0.12)	2	9.80	0.16	2
Small Cap, Emerging and Frontier																
U.S. SMid Cap Growth	USD	(1.62)	1.91	3	10.53	5.70	2	36.07	4.10	3	19.85	3.85	2	20.00	1.81	3
Global Small Cap	CAD	4.59	3.74	1	10.84	(1.76)	4	22.22	(10.78)	4	N/A	N/A	N/A	28.14	12.48	1
Canadian Equity Small Cap Core	CAD	4.94	7.49	1	20.64	3.90	2	38.81	(5.33)	3	16.02	6.70	2	10.54	4.78	3
Canadian Equity Small Cap	CAD	3.49	6.03	2	19.30	2.57	3	32.92	(11.22)	4	11.31	1.99	3	6.79	1.03	4
Emerging Markets Core Growth	USD	(8.41)	(0.31)	3	(5.13)	(3.88)	4	13.61	(4.60)	4	6.00	(2.58)	4	7.28	(1.96)	4
Frontier Markets	USD	5.85	2.48	2	37.74	18.85	1	78.20	46.00	1	16.58	5.76	1	15.07	5.54	1
Canadian Fixed Income Strategies																
Active Universe Strategies																
Active Core	CAD	(0.45)	0.06	4	(3.80)	0.15	4	(2.83)	0.52	4	4.98	0.66	2	3.91	0.57	2
Strategic Core	CAD	(0.34)	0.17	2	(3.47)	0.48	3	(2.53)	0.82	3	5.41	1.09	1	4.25	0.91	1
Credit Oriented	CAD	(0.41)	0.10	3	(3.48)	0.47	2	(2.54)	0.81	2	4.93	0.61	2	3.00	0.71	1
Specialized Credit	CAD	(0.26)	0.24	2	(2.40)	1.55	1	(0.80)	2.55	1	6.19	1.87	1	3.90	1.61	1
Relative Value	CAD	(0.60)	0.05	4	(4.10)	0.42	4	(3.43)	0.88	4	5.43	1.34	1	4.11	1.19	2
Credit Oriented and Others											'			·		
Corporate Universe	CAD	(0.05)	0.09	4	(1.95)	0.44	3	0.04	0.68	3	5.34	0.37	3	3.81	0.50	3
Preferred Shares	CAD	3.38	0.63	1	22.92	5.48	1	34.73	8.70	1	5.95	0.85	3	8.54	1.26	1
Infrastructure Bonds	CAD	(0.46)	0.56	4	(6.68)	0.25	4	(5.81)	0.50	4	6.73	0.59	2	3.96	0.82	4
Multi-Strategy Income	CAD	0.38	N/A	N/A	2.59	N/A	N/A	6.81	N/A	N/A	2.92	N/A	N/A	3.86	N/A	N/A
US Fixed Income Strategies																
High Grade Core Intermediate	USD	0.08	0.03	N/A	(0.35)	0.44	N/A	0.10	0.48	N/A	4.70	0.31	N/A	2.69	0.21	N/A
Tax Efficient Core Intermediate	USD	0.02	0.03	N/A	0.49	(0.12)	N/A	0.68	(0.65)	N/A	2.83	(0.11)	N/A	2.30	(0.21)	N/A
Tax Efficient Core Plus	USD	(0.07)	(0.06)	N/A	0.17	(0.18)	N/A	1.53	0.20	N/A	4.44	0.51	N/A	2.77	0.27	N/A
Balanced Investment Strategies		(5.5.7)	(0.00)		0.2.	(0.20)				.,			.,,			
Balanced Core	CAD	1.81	1.24	1	9.65	2.24	2	14.70	1.37	3	10.70	1.55	1	9.34	1.44	1
Balanced EFT	CAD	2.11	1.17	1	10.47	1.76	1	15.79	0.95	2	10.58	1.61	1	9.33	1.51	1
Tactical Asset Allocation	CAD	1.24	0.40	N/A	9.31	3.33	N/A	15.99	4.73	N/A	9.00	0.93	N/A	8.00	0.96	N/A
Liquid Alternative Investment Strategies	2.10	2.2.4	2.40	,,,,	3.51	2.33	,,,	23.33	5	,,,,	3.00	2.55	.411	3.00	3.30	,/*
Global Market Neutral	CAD	(1.02)	N/A	N/A	2.79	N/A	N/A	(2.64)	N/A	N/A	7.55	N/A	N/A	N/A	N/A	N/A
Eastern European Market Neutral	USD	4.76	N/A	N/A	(5.49)	N/A	N/A	(10.76)	N/A	N/A	9.97	N/A	N/A	9.24	N/A	N/A
Emerging & Frontier Opportunities	USD	5.93	N/A	N/A	38.28	N/A	N/A	76.25	N/A	N/A	14.97	N/A	N/A	14.43	N/A	N/A

#### Important Discolsures

Performance returns are annualized for periods of 1 year and up.

All returns are presented gross of management and custodial fees and withholding taxes but net of all trading expenses.

The performance returns above assume reinvestment of all dividends.

Each strategy listed above represents a single discretionary portfolio or group of discretionary portfolios that collectively represent a unique investment strategy or composite.

The since inception date represents the earliest date at which a discretionary portfolio was in operation within the strategy.

The above composites and pooled funds were selected from the Firm's major investment strategies

Quartile rankings are calculated using eVestment.

GIPS Composites are available upon request.

Table 2 – Private Markets Performance as at September 30, 2021

						nce - Since otion		Total Undrawn
Private Market strategies	Currency	Inception date	Open- ended	Closed- ended	Return <sup>(1)</sup>	Gross IRR <sup>(2)</sup>	NAV (in \$M)	Commitment (in \$M)
Real Estate								
Fiera Real Estate CORE Fund L.P. Fiera Real Estate Small Cap Industrial	CAD	Apr-13	✓		8.85%	_	2,505	239
Fund L.P.	CAD	Feb-14	✓		14.46%	_	390	49
UK CORE INCOME FUND	GBP	Aug-09	<b>✓</b>		7.30%	_	191	_
Infrastructure								
EagleCrest Infrastructure <sup>(3)</sup>	CAD	Jan-16	✓		_	9.02%	1,482	397
Private Debt								
Real Estate & Infrastructure								
Fiera Real Estate Core Mortgage Fund <sup>(4)</sup>	CAD	Dec-17	✓		4.94%	_	60	1
Fiera Real Estate Financing Fund	CAD	Dec-06	<b>✓</b>		12.79%	_	610	_
Fiera Infrastructure Debt Fund LP	CAD	Feb-17		<b>✓</b>	4.25%	_	338	_
Clearwater Capital Partners Direct Lending Opportunities Fund, L.P.	USD	Feb-17	<b>✓</b>		_	11.66%	309	_
Corporate Debt								
Fiera Private Debt Fund VI	CAD	Feb-19		<b>✓</b>	5.89%	_	379	416
Fiera Comox Private Credit Opportunities Open-End Fund L.P <sup>(5)</sup>	USD	Apr-20	<b>✓</b>		_	11.50%	94	69
Fiera Business Financing Fund	CAD	May-13	<b>✓</b>		13.37%	_	129	_
Clearwater Capital Yield Fund, L.P.	USD	Nov-18		<b>✓</b>	_	10.06%	98	_
Funds of Funds								
Global Diversified Lending Master Fund, L.P. <sup>(6)</sup>	USD	Jun-18	<b>✓</b>		8.04%	_	213	_
Fiera Diversified Lending Fund <sup>(4)(6)</sup>	CAD	Apr-08	✓		6.39%	_	1,462	_
Global Agriculture								
Global Agriculture Open-End Fund L.P. (5)	USD	Jul-17	✓		_	8.52%	617	210
Private Equity								
Glacier Global Private Equity Fund I L.P. <sup>(5)</sup>	USD	Sep-18	✓		_	20.09%	185	40

#### Important Disclosures:

<sup>&</sup>lt;sup>(1)</sup> Annualized time weighted returns, presented gross of management and performance fees and expenses, unless otherwise stated.

 $<sup>^{(2)}</sup>$  Presented gross of management and performance fees and expenses, unless otherwise stated.

<sup>(3)</sup> EagleCrest represents the combined performance of EagleCrest Infrastructure Canada LP and EagleCrest Infrastructure SCSp. IRR shown gross of management fees, performance fees, fund operating expenses and adjusted for FX movements.

<sup>&</sup>lt;sup>(4)</sup> Returns presented net of management and performance fees and expenses.

<sup>(5)</sup> Gross IRR shown net of fund operating expenses.

<sup>&</sup>lt;sup>(6)</sup> Strategies with diversified allocation to various private debt LP, including some above mentioned.

### **Outlook**

#### **OUTLOOK**

After an extended period of positive economic progress, market volatility towards the end of the third quarter have led to concerns of slower than expected global growth and elevated inflation, particularly as investors prepare for the wind-down of accommodative monetary policies which were put in place in response to the pandemic. Despite the softening of sentiment surrounding the economic recovery, the global economy remains on solid ground as investors prepare for a more normal recovery cycle and as a result we remain cautiously optimistic. The Company continues to review the potential impact from COVID-19 and the market risk to its capital position and profitability should the duration, spread or intensity of the pandemic further develop.

Significant progress with the rollout of vaccines and rising inoculation rates were able to prevent sweeping lockdown measures during the most recent wave of the virus and as a result, many companies are now planning and organizing the return of their employees to the office. At Fiera Capital, we have started reopening our offices around the world under a flexible and hybrid work environment and we are actively engaged with local health authorities to ensure a safe return of employees to our offices. The health and safety of our employees remains our highest priority. The new flexible and hybrid work program aims to create a globally diversified organization with the aim of attracting and retaining top talent which is the key to success for Fiera Capital.

Fiera Capital continues to demonstrate its financial strength through the depth and diversity of its investment strategies and prudent approach to capital allocation. We will continue to build on this positive momentum by maintaining our focus and executing against our key strategic priorities:

**Investment Excellence** – Our competitive suite of Public and Private Market investment strategies, developed through organic initiatives and strategic acquisitions, offer our clients a wide range of solutions. The acquisition of a new Global Equities capability from AMP Capital with a top quartile investment performance track record, announced on March 8, 2021, strengthens the competitiveness and range of our investment platform on a global basis in markets where there are opportunities for future growth, while serving the investment needs of our clients.

During the third quarter of 2021, the Company announced an agreement to establish a sub-advisory partnership with StonePine Asset Management Inc. ("StonePine"), a new firm to be controlled and led by Nadim Rizk, Head of Fiera Capital's Montreal-based Global Equity Team. The new firm will continue to provide investment management services to Fiera Capital for the benefit of Fiera Capital's clients. The agreement is the outcome of a thorough strategic planning initiative by Fiera Capital to create a structure that enables Fiera Capital's clients to continue to benefit from Nadim Rizk and his team's investment management services and Fiera Capital's toptier institutional operating model. The structure provides for the continuation of a relationship that has created significant value for the Company's clients and shareholders for more than 12 years.

**Continued Evolution of Our Client Interaction Model** – In order to fully deploy our global investment capabilities, we continue to transition towards a solutions-based relationship approach. Our new client interaction model results in an integrated distribution team focused on offering holistic investment solutions across various asset classes in order to better service our existing clients on a global basis and better compete for new mandates going forward.

### **Outlook**

**Delivering Value to Shareholders Through Optimized Capital Allocation** – Delivering value to our shareholders remains a key priority. Through September 30, 2021, the Company has returned \$16.3 million of capital to our shareholders to-date through its normal course issuer bid ("NCIB") since it began in July 2020.

Following the expiration of the NCIB on July 14, 2021, the Company announced on August 12, 2021 that the Toronto Stock Exchange approved the renewal of its NCIB to purchase for cancellation up to 4.0 million of its class A subordinate voting shares over a twelve-month period commencing on August 16, 2021 and ending no later than August 15, 2022.

We continue to invest in our investment management teams and distribution function to drive further revenue growth. Investments in our global technology and operating platforms will also continue in the near-term, to drive future operating efficiencies and support our globally integrated operating model.

**New Global Operating Model** – Realigning the Company under the new global operating model, which was announced in 2020, continues to be a high priority for the organization. The new operating model will strengthen the alignment between the Company's Public Markets, Private Markets and Private Wealth operations, which were previously managed on a geographic basis, while improving operating efficiency between our investment and distribution teams.

As we look ahead, we are confident in our ability to execute on the priorities outlined above to support and drive future growth in the areas of Private Market Investment Strategies, Multi-Asset Solutions and Global Equity investment strategies, all of which are supported by our global footprint through the expansion of our distribution channels to worldwide markets.

### **FINANCIAL RESULTS**

Table 3 - Interim Condensed Consolidated Statements of Earnings (Loss) for the three months ended September 30, 2021 and 2020, and June 30, 2021

STATEMENTS OF EARNINGS (LOSS)	FOR T	HE THREE MONTHS E	NDED	VARIA	ANCE
(in \$ thousands except per share data)	September 30, 2021	June 30, 2021	September 30, 2020	QoQ Change FAV / (UNF) <sup>(2)</sup>	YoY Change FAV / (UNF) <sup>(2)</sup>
Revenues					
Base management fees	158,175	151,759	159,670	6,416	(1,495)
Performance fees - Public Markets	2,010	2,739	107	(729)	1,903
Performance fees - Private Markets	968	2,634	833	(1,666)	135
Share of earnings in joint ventures and associates	2,743	425	2,145	2,318	598
Other revenues	11,032	9,848	7,982	1,184	3,050
Total revenues	174,928	167,405	170,737	7,523	4,191
Expenses					
Selling, general and administrative expenses	132,017	119,888	122,568	(12,129)	(9,449)
Amortization and depreciation	16,164	16,489	19,867	325	3,703
Restructuring, acquisition related and other costs	9,992	6,008	3,099	(3,984)	(6,893)
Gain on investments, net	(1,944)	(1,447)	(1,065)	497	879
Interest on long-term debt, lease liabilities and other financial charges	10,297	6,237	10,232	(4,060)	(65)
Accretion and change in fair value of purchase price obligations and other	2,183	595	6,161	(1,588)	3,978
Loss (gain) on sale of a business and impairment of assets held for sale	_	733	_	733	-
Other (gains) losses	(582)	117	30	699	612
Total expenses	168,127	148,620	160,892	(19,507)	(7,235)
Earnings before income taxes	6,801	18,785	9,845	(11,984)	(3,044)
Income tax expense	3,618	4,988	4,817	1,370	1,199
Net earnings	3,183	13,797	5,028	(10,614)	(1,845)
Attributable to:					
Company's shareholders	2,333	13,310	4,726	(10,977)	(2,393)
Non-controlling interest	850	487	302	363	548
Net earnings	3,183	13,797	5,028	(10,614)	(1,845)
BASIC PER SHARE					
Adjusted EBITDA <sup>(1)</sup>	0.53	0.50	0.51	0.03	0.02
Net earnings	0.02	0.13	0.05	(0.11)	(0.03)
Adjusted net earnings <sup>(1)</sup>	0.36	0.39	0.36	(0.03)	_
DILUTED PER SHARE					
Adjusted EBITDA <sup>(1)</sup>	0.51	0.44	0.49	0.07	0.02
Net earnings	0.02	0.12	0.04	(0.10)	(0.02)
Adjusted net earnings <sup>(1)</sup>	0.34	0.36	0.35	(0.02)	(0.01)

 $<sup>^{(1)}</sup>$  Refer to the "Non-IFRS Measures" Section and the related reconciliation table on page 41  $^{(2)}$  FAV: Favourable - UNF: Unfavourable

Table 4 - Interim Condensed Consolidated Statements of Earnings (Loss) for the nine-month periods ended September 30, 2021 and 2020

STATEMENTS OF EARNINGS (LOSS)	FOR THE NINE-MONTH PE	RIODS ENDED	VARIANCE
(in \$ thousands except per share data)	September 30, 2021	September 30, 2020	YoY Change FAV / (UNF) <sup>(2)</sup>
Revenues			
Base management fees	466,402	470,396	(3,994)
Performance fees - Public Markets	5,196	1,845	3,351
Performance fees - Private Markets	4,587	4,337	250
Share of earnings in joint ventures and associates	3,730	4,112	(382)
Other revenues	28,029	18,569	9,460
Total revenues	507,944	499,259	8,685
Expenses			
Selling, general and administrative expenses	373,305	363,367	(9,938)
Amortization and depreciation	54,055	61,036	6,981
Restructuring, acquisition related and other costs	22,196	31,753	9,557
Gain on investments, net	(3,734)	(1,897)	1,837
Interest on long-term debt, lease liabilities and other financial charges	24,860	36,787	11,927
Accretion and change in fair value of purchase price obligations and other	3,802	104	(3,698)
(Gain) loss on sale of a business and impairment of assets held for sale	(15,927)	675	16,602
Other gains	(374)	(1,007)	(633)
Total expenses	458,183	490,818	32,635
Earnings before income taxes	49,761	8,441	41,320
Income tax expense	9,758	5,705	4,053
Net earnings	40,003	2,736	37,267
Attributable to:			
Company's shareholders	37,877	(2,396)	40,273
Non-controlling interest	2,126	5,132	(3,006)
Net earnings	40,003	2,736	37,267
BASIC PER SHARE			
Adjusted EBITDA <sup>(1)</sup>	1.50	1.43	0.07
Net earnings	0.36	(0.02)	0.38
Adjusted net earnings <sup>(1)</sup>	1.12	0.93	0.19
DILUTED PER SHARE			
Adjusted EBITDA <sup>(1)</sup>	1.44	1.43	0.01
Net earnings	0.35	(0.02)	0.37
Adjusted net earnings <sup>(1)</sup>	1.08	0.93	0.15

 $<sup>^{(1)}</sup>$  Refer to the "Non-IFRS Measures" Section and the related reconciliation table on page 41  $^{(2)}$  FAV: Favourable - UNF: Unfavourable

#### **RESULTS FROM OPERATIONS AND OVERALL PERFORMANCE – AUM AND REVENUES**

#### **Assets under Management**

AUM is the main driver of Fiera Capital's revenues. Fiera Capital's revenues, for the most part, are calculated as a percentage of the Company's AUM. The change in the Company's AUM is determined by i) the amount of new mandates ("New"); ii) the amount of redemptions ("Lost"); iii) the amount of inflows and outflows from existing clients ("Net Contributions"); iv) the increase or decrease in the market value of the assets held in the portfolio of investments ("Market"); v) foreign exchange impact; and vi) business acquisitions ("Acquisitions") and dispositions ("Dispositions"). "Net Organic Growth" is the sum of New mandates, Net Contributions and Lost mandates.

AUM includes "Committed, Undeployed Capital" which represents capital committed by investors towards the Company's Private Market investment strategies that have not yet been deployed. Average assets under management ("Average AUM") for a given period is the average of the ending value of AUM of each of the months during the period.

The following tables (Tables 5-7) provide a summary of changes in the Company's assets under management.

#### Current Quarter versus Prior-Year Quarter

Table 5 – Assets under Management by Distribution Channel – Yearly Activity Continuity Schedule (in \$ millions)

	September 30, 2020		NET CONTRIBUTIONS	LOST	NET ORGANIC GROWTH	MARKET	FOREIGN EXCHANGE IMPACT		30,
Institutional	85,477	5,116	(3,638)	(857)	621	8,333	(944)	-	93,487
Financial Intermediaries	68,431	1,967	1,463	(4,356)	(926)	9,061	(1,565)	(1,975)	73,026
Private Wealth	25,301	1,610	(225)	(584)	801	1,676	(797)	(12,700)	14,281
AUM - end of period	179,209	8,693	(2,400)	(5,797)	496	19,070	(3,306)	(14,675)	180,794

AUM was \$180.8 billion as at September 30, 2021 compared to \$179.2 billion as at September 30, 2020, an increase of \$1.6 billion or 0.9%. The increase in AUM was primarily due to favourable market appreciation of \$19.1 billion and new mandates in Institutional, Financial Intermediaries and Private Wealth distribution channels of \$5.1 billion, \$2.0 billion and \$1.6 billion, respectively and a \$0.9 billion of higher AUM through the acquisition of the new Fiera Atlas Global Companies team in the current fiscal year. This was partly offset by \$15.6 billion of lower AUM from the termination of the revenue sharing arrangement with CNR connected to the rights to manage the Fiera Capital Emerging Markets Fund, the disposition of Bel Air and the sale of WGAM. AUM was further reduced by an unfavourable foreign exchange impact of \$3.3 billion from the weaker U.S. dollar versus Canadian dollar, and lost mandates and negative contributions of \$5.8 billion and \$2.4 billion, respectively. Excluding the impact of the dispositions listed above, AUM at September 30, 2021 would have increased \$16.4 billion or 10.0% compared to \$164.4 billion at September 30, 2020.

AUM at September 30, 2021 included committed, undeployed capital related to the Company's Private Market Investment strategies of \$1.8 billion, compared to \$1.5 billion at September 30, 2021, an increase of \$0.3 billion.

#### Current Quarter versus Previous Quarter

Table 6 – Assets under Management by Distribution Channel – Quarterly Activity Continuity Schedule (in \$ millions)

	June 30, 2021	NEW	NET CONTRIBUTIONS	LOST	NET ORGANIC GROWTH	MARKET	FOREIGN EXCHANGE IMPACT	ACQUISITION (DISPOSITION) / ADJUSTMENT	30,
Institutional	92,332	1,480	(1,859)	(274)	(653)	1,294	514	_	93,487
Financial									
Intermediaries	72,724	234	(6)	(638)	(410)	852	698	(838)	73,026
Private Wealth	14,414	217	(66)	(192)	(41)	(195)	103	_	14,281
AUM - end of period	179,470	1,931	(1,931)	(1,104)	(1,104)	1,951	1,315	(838)	180,794

AUM at September 30, 2021 was \$180.8 billion compared to \$179.5 billion as at June 30, 2021, an increase of \$1.3 billion or 0.7%. The increase in AUM was primarily due to new mandates of \$1.9 billion, favourable market appreciation of \$1.9 billion, and favourable foreign exchange from the strengthening of the U.S. dollar versus Canadian dollar, which increased AUM by \$1.3 billion. This was partly offset by lower net contributions and lost mandates of \$1.9 billion and \$1.1 billion respectively. AUM was \$0.8 billion lower during the third quarter due to the sale of the rights to manage the Fiera Capital Emerging Markets Fund, which closed during the period.

AUM at September 30, 2021 included committed, undeployed capital related to the Company's Private Market Investment strategies of \$1.8 billion, compared to \$1.5 billion at June 30, 2021, an increase of \$0.3 billion.

#### Year-to-Date Activity

Table 7 – Assets under Management by Distribution Channel – Year-to-Date Activity Continuity Schedule (in \$ millions)

	December 31, 2020	NEW	NET CONTRIBUTIONS	LOST	NET ORGANIC GROWTH		FOREIGN EXCHANGE IMPACT		September 30, 2021
Institutional	89,411	3,925	(3,200)	(719)	6	4,146	(76)	_	93,487
Financial									
Intermediaries	71,074	1,341	1,081	(2,762)	(340)	4,430	(163)	(1,975)	73,026
Private Wealth	21,368	1,312	(100)	(452)	760	480	(60)	(8,267)	14,281
AUM - end of period	181,853	6,578	(2,219)	(3,933)	426	9,056	(299)	(10,242)	180,794

Total AUM was \$180.8 billion as at September 30, 2021 compared to \$181.9 billion at December 31, 2020, a decrease of \$1.1 billion or 0.6%. The decrease in AUM was primarily due to the disposition of Bel Air and the termination of the revenue sharing arrangement with CNR connected to the Fiera Capital Emerging Markets Fund, which together reduced AUM by \$11.1 billion, partly offset by \$0.9 billion of AUM acquired through the acquisition of the Fiera Atlas Global Companies team during the fiscal year. Excluding the impact from the dispositions listed above, AUM at September 30, 2021 would have increased \$10.1 billion or 5.9%. The increase was primarily due to favourable market appreciation in the Institutional and Financial Intermediaries distribution channels and positive net organic growth in Private Wealth.

AUM at September 30, 2021 included committed, undeployed capital related to the Company's Private Market Investment strategies of \$1.8 billion, compared to \$1.7 billion at December 31, 2020, an increase of \$0.1 billion.

# **Results of Operations and Overall Performance - AUM and Revenues**

The following graphs illustrate the breakdown of the Company's AUM by distribution channel and by asset class as at September 30, 2021, and September 30, 2020, respectively.









#### Revenues

The Company's revenues consist of (i) base management fees, (ii) performance fees, (iii) share of earnings in joint ventures and associates, and (iv) other revenues. Base management fees are AUM-driven and for each distribution channel, revenues are primarily earned on the AUM average closing value at the end of each day, month, or calendar quarter in accordance with contractual agreements. For certain mandates, the Company is also entitled to performance fees. The Company categorizes performance fees in two groups: those associated with Public Market and Private Market investment strategies. Revenues also comprise share of earnings in joint ventures and associates in which the Company has ownership interests. Other revenues are primarily comprised of brokerage and consulting fees which are not AUM-driven, commitment and transaction fees from Private Market investment strategies, as well as realized gains or losses on foreign exchange forward contracts.

Table 8 – Revenues: Quarterly Activity (in \$ thousands)

	FOR TH	E THREE MONTHS	ENDED	VARIA	NCE
	September 30, 2021	June 30, 2021	September 30, 2020	Quarter over Quarter Change	Year over Year Change
Institutional	84,071	80,021	70,127	4,050	13,944
Financial Intermediaries	51,663	50,314	57,391	1,349	(5,728)
Private Wealth	22,441	21,424	32,152	1,017	(9,711)
Total base management fees	158,175	151,759	159,670	6,416	(1,495)
Performance fees – Public Markets	2,010	2,739	107	(729)	1,903
Performance fees – Private Markets	968	2,634	833	(1,666)	135
Total performance fees	2,978	5,373	940	(2,395)	2,038
Share of earnings in joint ventures and associates	2,743	425	2,145	2,318	598
Other revenues	11,032	9,848	7,982	1,184	3,050
Total revenues	174,928	167,405	170,737	7,523	4,191

#### Current Quarter versus Previous Quarter

Revenues for the three months ended September 30, 2021 were \$174.9 million compared to \$167.4 million for the three months ended June 30, 2021, an increase of \$7.5 million, or 4.5%. This includes \$2.4 million of lower revenue from the sale of the rights to manage the Fiera Capital Emerging Markets Fund. Excluding the impact of this, revenues for the three months ended September 30, 2021 would have been \$174.5 million compared to \$164.6 million, an increase of \$9.9 million or 6.0%.

### Base Management Fees

Base management fees for the three months ended September 30, 2021 were \$158.2 million compared to \$151.8 million for the three months ended June 30, 2021, an increase of \$6.4 million or 4.2%. The increase was due to the following:

 Institutional - Base management fees from the institutional distribution channel increased \$4.1 million or 5.1%. The increase was primarily due to higher average AUM which increased due to favourable market appreciation, principally in large cap equity strategies, in addition to favourable asset class mix.

# **Results of Operations and Overall Performance - AUM and Revenues**

- Financial Intermediaries Base management fees from the financial intermediaries distribution channel increased \$1.3 million or 2.7%. This increase includes a \$1.8 million decrease from the impact of the sale of the rights to manage the Fiera Capital Emerging Markets Fund. Excluding the impact of this, base management fees from the financial intermediaries distribution channel would have increased \$3.1 million or 6.4%. The increase is primarily due to higher average AUM in Large Cap Equity Strategies.
- Private Wealth Base management from Private Wealth fees increased \$1.0 million or 4.7%. The
  increase is primarily due to higher average AUM during the comparative period, mainly in US fixed
  income strategies and Private Markets Investment Strategies.

Base management fees were \$1.8 million lower from the sale of the rights to manage the Fiera Capital Emerging Markets Fund. Excluding the impact of the sale of the rights to manage the Fiera Capital Emerging Markets Fund, revenues would have been \$158.0 million for the three months ended September 30, 2021 compared to \$149.7 million for the three months ended June 30, 2021, an increase of \$8.3 million, or 5.5%.

### Performance Fees

Performance fees for the three months ended September 30, 2021 were \$3.0 million compared to \$5.4 million for the three months ended June 30, 2021, a decrease of \$2.4 million. The decrease was due to lower performance fees from Private Markets and Public Markets of \$1.7 million and \$0.7 million respectively. The decrease in performance fees in Private Markets of \$1.7 million was primarily due to the recognition of performance fees which crystallized in the previous quarter as a result of an expected rollover of capital, currently held in a closed end fund, into an open end fund. The decrease in performance fees in Public Markets was primarily due to the recognition of performance fees in the previous quarter related to the closure of a fund in Europe. This was partly offset by the recognition of performance fees which crystallized during the current quarter in Europe, following redemptions from a fund.

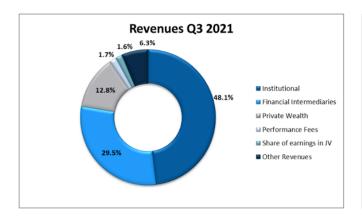
#### Share of Earnings in Joint Ventures and Associates

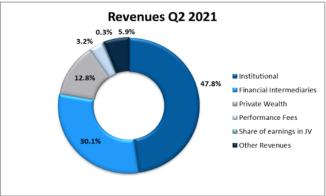
Share of earnings in joint ventures and associates was \$2.7 million for the three months ended September 30, 2021, compared to \$0.4 million for the three months ended June 30, 2021, a increase of \$2.3 million. The Company has ownership interests in a number of individually insignificant joint ventures and associates that are accounted for using the equity method. Share of earnings in joint ventures and associates can vary significantly from quarter to quarter as a result of the long-term nature of the underlying joint venture projects within Fiera Real Estate UK.

#### Other Revenues

Other revenues were \$11.0 million for the three months ended September 30, 2021, compared to \$9.8 million for the three months ended June 30, 2021, an increase of \$1.2 million or 12.2%. The increase was primarily due to the recognition of a transaction fee related to a private market investment strategy, partly offset by higher foreign exchange losses of \$0.6 million on forward contracts. Other revenues were \$0.6 million lower from the impact of the sale of the rights to manage the Fiera Capital Emerging Markets Fund. Excluding the impact of this, other revenues for the three months ended September 30, 2021 would have been \$10.8 million compared to \$9.1 million, an increase of \$1.7 million or 18.7%.

The following graphs illustrate the breakdown of the Company's revenues for the three months ended September 30, 2021 and June 30, 2021, respectively.





#### Current Quarter versus Prior-Year Quarter

Revenues for the three months ended September 30, 2021, were \$174.9 million compared to \$170.7 million for the same period last year, an increase of \$4.2 million, or 2.5%. This includes \$26.8 million of lower revenues from the sale of Bel Air, the termination of the revenue sharing arrangement with CNR connected to the rights to manage the Fiera Capital Emerging Markets Fund, and the sale of WGAM. Excluding the impact of these dispositions, revenues for the three months ended September 30, 2021 would have been \$174.5 million compared to \$143.5 million in the same period last year, an increase in revenues of \$31.0 million or 21.6%.

#### Base Management Fees

Base management fees decreased \$1.5 million or 0.9% compared to prior year. The decrease was due to the following:

- Institutional Base management fees from the institutional distribution channel increased \$13.9 million
  during the current period due to higher AUM primarily related a more favourable asset class mix and
  market appreciation related to Large Cap equity strategies in Canada and Europe and private markets
  investment strategies.
- Financial Intermediaries Base management fees from financial intermediaries were \$51.7 million during the three months ended September 30, 2021 compared to \$57.4 million in the same period last year, a decrease \$5.7 million or 9.9%. Base management fees from financial intermediaries were \$10.8 million lower from the sale of Bel Air, the termination of the revenue sharing arrangement with CNR connected to the rights to manage the Fiera Capital Emerging Markets Fund, and the sale of WGAM. Excluding the impact from these dispositions base management fees from financial intermediaries would have increased \$5.1 million or 10.9%. The increase was primarily due to higher average AUM from market appreciation in Large Cap Equity Strategies during the comparative period.
- Private Wealth Base management fees from Private Wealth clients were \$22.4 million during the three months ended September 30, 2021 compared to \$32.1 million during the same period last year, a decrease of \$9.7 million or 30.2%. This includes \$14.6 million of lower revenue from the sale of Bel Air, the termination of the revenue sharing arrangement with CNR connected to the rights to manage the Fiera Capital Emerging Markets Fund, and the sale of WGAM. Excluding the impact from these dispositions, base management fee revenue from Private Wealth clients would have increased \$4.8 million or 27.3%. The increase was principally due to higher average AUM during the current period in Large Cap Equity Strategies and favourable asset class mix.

# **Results of Operations and Overall Performance - AUM and Revenues**

Base management fees were \$25.3 million lower due to the sale of Bel Air, the termination of the revenue sharing arrangement with CNR connected to the rights to manage the Fiera Capital Emerging Markets Fund, and the sale of WGAM. Excluding the impact of these dispositions, base management fees would have been \$158.0 million for the three months ended September 30, 2021 compared to \$134.1 million for the same period last year, an increase of \$23.9 million, or 17.8%.

### Performance Fees

Performance fees during the three months ended September 30, 2021 were \$3.0 million compared to \$0.9 million for the same period last year, an increase of \$2.1 million or 233.3%. The increase in performance fees was primarily due to a \$1.9 million increase in Public Markets due to the recognition of performance fees which crystallized during the current quarter in Europe, following redemptions from certain funds.

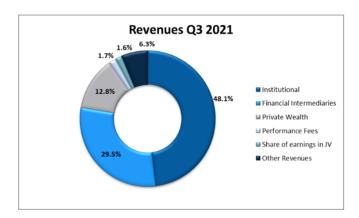
#### Share of Earnings in Joint Ventures and Associates

Share of earnings in joint ventures and associates were \$2.7 million for the three months ended September 30, 2021 compared to \$2.1 million in the same period last year, a increase of \$0.6 million. The Company has ownership interests in a number of individually insignificant joint ventures and associates that are accounted for using the equity method. Share of earnings in joint ventures and associates can vary significantly from quarter to quarter as a result of the long-term nature of the underlying joint venture projects within Fiera Real Estate UK.

#### Other Revenues

Other revenues were \$11.0 million for the three months ended September 30, 2021 compared to \$8.0 million for the same period last year, an increase of \$3.0 million or 37.5%. The increase was primarily due to the recognition of a transaction fee related to a private market investment strategy and higher revenues from subadvisory services provided, partly offset by revenue recognized in the same period last year related to profits on certain real estate transactions in Fiera Real Estate UK. Other revenues were \$1.5 million lower due to the sale of Bel Air, the termination of the revenue sharing arrangement with CNR connected to the rights to manage the Fiera Capital Emerging Markets Fund, and the sale of WGAM. Excluding the impact of these dispositions, other revenues for the three months ended September 30, 2021 would have been \$10.8 million compared to \$6.3 million, an increase of \$4.5 million or 71.4%.

The following graphs illustrate the breakdown of the Company's revenues for the three months ended September 30, 2021, and September 30, 2020, respectively.



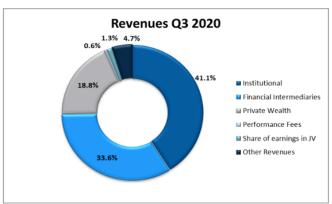


Table 9 – Revenues: Year-to-Date Activity (in \$ thousands)

	FOR THE NINE-MON	TH PERIODS ENDED	VARIANCE
	September 30, 2021	September 30, 2020	Year over Year Change
Institutional	240,989	199,950	41,039
Financial Intermediaries	156,266	175,927	(19,661)
Private Wealth	69,147	94,519	(25,372)
Total base management fees	466,402	470,396	(3,994)
Performance fees – Public Markets	5,196	1,845	3,351
Performance fees – Private Markets	4,587	4,337	250
Total performance fees	9,783	6,182	3,601
Share of earnings in joint ventures and associates	3,730	4,112	(382)
Other revenues	28,029	18,569	9,460
Total revenues	507,944	499,259	8,685

### Year-to-Date September 30, 2021, versus Year-to-Date September 30, 2020

Revenues for the nine-month period ended September 30, 2021, were \$507.9 million compared to \$499.3 million for the same period last year, an increase of \$8.6 million, or 1.7%. This includes \$70.5 million of lower revenue from the sale of Bel Air, the termination of the revenue sharing arrangement with CNR connected to the rights to manage the Fiera Capital Emerging Markets Fund, the sale of WGAM and the sale of the rights to manage Fiera Investment's retail mutual funds. Excluding the impact of these dispositions, revenues for the nine-month period ended September 30, 2021 would have been \$489.1 million compared to \$410.0 million in the same period last year, an increase of \$79.1 million or 19.3%.

#### Base Management Fees

Base management fees were \$466.4 million compared to \$470.4 million, a decrease \$4.0 million or 0.8%. The decrease was due to the following:

- Institutional Base management fees from the institutional distribution channel increased \$41.0 million
  during the nine months ended September 30, 2021 compared to the same period last year. The increase
  was primarily due to higher average AUM from market appreciation, favourable asset class mix and net
  organic growth in Large Cap equity strategies in Canada.
- Financial Intermediaries Base management fees from financial intermediaries decreased \$19.7 million or 11.2% during the nine-month period ended September 30, 2021 compared to the same period last year. This includes \$29.7 million of lower revenue from the sale of Bel Air, the termination of the revenue sharing arrangement with CNR connected to the rights to manage the Fiera Capital Emerging Markets Fund, the sale of WGAM and the sale of the rights to manage Fiera Investment's retail mutual funds dispositions. Excluding these dispositions, base management fees from financial intermediaries would have increased from \$135.4 million to \$145.4 million, an increase of \$10.0 million during the current period. The increase was primarily due to higher average AUM in Large Cap Equity Strategies partly offset by lower average AUM in Small Cap Emerging and Frontier Strategies.

# **Results of Operations and Overall Performance - AUM and Revenues**

• Private Wealth - Base management fees from Private Wealth clients for the nine-month period ended September 30, 2021 were \$69.1 million compared to \$94.5 million in the same period last year, a decrease of \$25.4 million or 26.9%. This includes \$36.5 million of lower revenue from the sale of Bel Air, the termination of the revenue sharing arrangement with CNR connected to the rights to manage the Fiera Capital Emerging Markets Fund, the sale of WGAM and the sale of the rights to manage Fiera Investment's retail mutual funds. Excluding the impact of these dispositions, base management fees from Private Wealth clients would have increased \$11.1 million or 21.1%. The increase was primarily due to higher average AUM in Large Cap Equity Strategies and Private Markets Investment Strategies, partly offset by lower average AUM in Fixed Income Strategies in the United States.

Base management fee revenues for the nine months ended September 30, 2021 were \$66.2 million lower compared to the same period last year due to the sale of Bel Air, the termination of the revenue sharing arrangement with CNR connected to the rights to manage the Fiera Capital Emerging Markets Fund, the sale of WGAM and the sale of the rights to manage Fiera Investment's retail mutual funds. Excluding the impact from these dispositions, base management fees were \$450.2 million compared to \$388.0 million, an increase of \$62.2 million or 16.0%.

### Performance Fees

Total performance fees for the nine-month period ended September 30, 2021 were \$9.8 million compared to \$6.2 million for the same period last year, an increase of \$3.6 million or 58.1%. The increase was primarily due to higher performance fees in public markets of \$3.4 million primarily due to the crystallization of performance fees on the closure of a fund and redemptions from funds in Europe during the current fiscal year, partly offset by lower performance fees recognized in Canada.

### Share of Earnings in Joint Ventures and Associates

Share of earnings in joint ventures and associates were \$3.7 million for the nine-month period ended September 30, 2021 compared to \$4.1 million in the same period last year, a decrease of \$0.4 million or 9.8%. The Company has ownership interests in a number of individually insignificant joint ventures and associates that are accounted for using the equity method. Share of earnings in joint ventures and associates can vary significantly from quarter to quarter as a result of the long-term nature of the underlying joint venture projects within Fiera Real Estate UK.

#### Other Revenues

Other revenues for the nine-month period ended September 30, 2021 were \$28.0 million compared to \$18.6 million in the same period last year, an increase of 9.4 million or 50.5%. The increase was primarily due to a \$0.1 million gain recorded in the nine-month period ended September 30, 2021, compared to a \$4.9 million loss on foreign exchange forward contracts incurred during the nine-month period ended September 30, 2020. In addition, the Company realized higher revenue from sub advisory fees in the United States and the recognition of a transaction fee related to a private market investment strategy, during the current period. Other revenues were \$4.3 million lower due to the sale of Bel Air, the termination of the revenue sharing arrangement with CNR connected to the rights to manage the Fiera Capital Emerging Markets Fund, the sale of WGAM and the sale of the rights to manage Fiera Investment's retail mutual funds. Excluding this, other revenues would have increased \$13.7 million.

# **Results of Operations and Overall Performance - Expenses**

#### **RESULTS FROM OPERATIONS AND OVERALL PERFORMANCE – EXPENSES**

### Selling, General and Administrative ("SG&A") Expense

#### Current Quarter versus Previous Quarter

SG&A expense was \$132.0 million for the three months ended September 30, 2021 compared to \$119.9 million for the three months ended June 30, 2021, an increase of \$12.1 million, or 10.1%. The increase was primarily due to higher variable compensation costs and shared-based compensation expense. Share-based compensation expense in the third quarter included \$6.9 million of additional expense related to accelerated vesting. SG&A was \$0.6 million lower from the sale of the rights to manage the Fiera Capital Emerging Markets Fund. SG&A expense, excluding this disposition, would have been \$131.6 million for the three months ended September 30, 2021 compared to \$118.9 million for the three months ended June 30, 2021, an increase of \$12.7 million.

#### Current Quarter versus Prior-Year Quarter

SG&A expense was \$132.0 million for the three months ended September 30, 2021 compared to \$122.6 million for the same period last year, an increase of \$9.4 million, or 7.7%. The increase was primarily due to higher variable compensation costs and higher share-based compensation expense. Share-based compensation expense in the third quarter included \$6.9 million of additional expense related to accelerated vesting. SG&A was \$16.4 million lower due to the impact from the the sale of Bel Air, the termination of the revenue sharing arrangement with CNR connected to the rights to manage the Fiera Capital Emerging Markets Fund, and the sale of WGAM. Excluding the impact of these dispositions, SG&A expense would have been \$131.6 million compared to \$105.8 million in the same period last year, an increase of \$25.8 million or 24.4%.

#### Year-to-Date September 30, 2021, versus Year-to-Date September 30, 2020

SG&A expense was \$373.3 million for the nine-month period ended September 30, 2021 compared to \$363.4 million for the same period last year, an increase of \$9.9 million, or 2.7%. The increase was primarily due to higher variable compensation costs and higher share-based compensation expense. Share-based compensation expense in the third quarter included \$6.9 million of additional expense related to accelerated vesting. This was partly offset by a higher expense in the prior period due to accelerated vesting from employee terminations as a result of the new global operating model announced in the second quarter of 2020. SG&A was \$47.8 million lower due to the sale of Bel Air, the termination of the revenue sharing arrangement with CNR connected to the rights to manage the Fiera Capital Emerging Markets Fund, the sale of WGAM and the sale of the rights to manage Fiera Investment's retail mutual funds. Excluding the impact of these dispositions, SG&A expense would have been \$362.4 million compared to \$304.7 million in the same period last year, an increase in SG&A expense of \$57.7 million or 18.9%.

#### **Amortization and Depreciation**

Table 10 – Amortization and Depreciation: Quarterly Activity (in \$ thousands)

	FOR THE THREE MONTHS ENDED			VARIANCE	
	September 30, 2021	June 30, 2021	September 30, 2020	QoQ Change	YoY Change
Amortization of intangible assets	10,966	11,163	14,487	(197)	(3,521)
Depreciation of property and equipment	1,383	1,276	1,612	107	(229)
Depreciation of right-of-use assets	3,815	4,050	3,768	(235)	47
Total amortization and depreciation	16,164	16,489	19,867	(325)	(3,703)

#### Current Quarter versus Previous Quarter

Depreciation and amortization expense was \$16.2 million for the three months ended September 30, 2021, compared to \$16.5 million for the three months ended June 30, 2021, a decrease of \$0.3 million, or 1.8%.

### Current Quarter versus Prior-Year Quarter

Depreciation and amortization expense was \$16.2 million for the three months ended September 30, 2021, compared to \$19.9 million for the same period last year, a decrease of \$3.7 million, or 18.6%. The decrease was primarily related to the dispositions of Bel Air and WGAM. In addition, lower amortization expense was recognized in the current quarter compared to the prior year due to certain intangible assets being fully amortized.

Year-to-Date September 30, 2021, versus Year-to-Date September 30, 2020

Table 11 – Amortization and Depreciation: Year-to-Date Activity (in \$ thousands)

	FOR THE NINE-MONTH PERIODS ENDED				
	September 30, 2021	September 30, 2020			
Amortization of intangible assets	38,064	42,554	(4,490)		
Depreciation of property and equipment	3,935	4,806	(871)		
Depreciation of right-of-use assets	12,056	13,676	(1,620)		
Total amortization and depreciation	54,055	61,036	(6,981)		

Depreciation and amortization expense was \$54.1 million for the nine-month period ended September 30, 2021, compared to \$61.0 million for the same period last year, a decrease of \$6.9 million or 11.3%. The decrease was primarily due to lower amortization and depreciation expense of \$5.6 million related to the dispositions of Bel Air and WGAM, combined with favourable foreign exchange which reduced amortization and depreciation by \$2.3 million and a favourable variance of \$2.4 million due to certain intangible, property and equipment assets being fully amortized. These decreases were partly offset by a \$3.4 million increase in amortization related to the intangible asset in connection with the asset management contract related to CNR which was previously treated as having an indefinite life.

# Interest on Long-Term Debt, Lease Liabilities and Other Financial Charges

Table 12 – Interest on Long-Term Debt, Lease Liabilities and Other Financial Charges: Quarterly Activity (in \$ thousands)

	FOR TH	IE THREE MONTHS E	VARIANCE		
	September 30, 2021	June 30, 2021	September 30, 2020	QoQ Change	YoY Change
Interest on long-term debt	3,196	3,404	4,190	(208)	(994)
Interest on convertible debentures	3,278	3,260	3,236	18	42
Interest on derivative financial instruments	1,183	1,143	1,099	40	84
Interest on lease liabilities	953	967	574	(14)	379
Foreign exchange and change in fair value of derivative financial instruments	1,604	(2,886)	689	4,490	915
Other interest and financial charges	83	349	444	(266)	(361)
Total interest on long-term debt, lease liabilities and other financial charges	10,297	6,237	10,232	4,060	65

### Current Quarter versus Previous Quarter

Interest on long-term debt, lease liabilities and other financial charges were \$10.3 million for the three months ended September 30, 2021 compared to \$6.2 million for the three months ended June 30, 2021, an increase of \$4.1 million. The increase was primarily due to an increase of \$4.5 million in foreign exchange and change in fair value of derivative financial instruments. This increase includes a \$2.9 million revaluation of monetary items denominated in a foreign currency, and a \$1.5 million impact from the change in fair value of foreign exchange forward contracts.

### Current Quarter versus Prior-Year Quarter

Interest on long-term debt, lease liabilities and other financial charges were \$10.3 million for the three months ended September 30, 2021 compared to \$10.2 million for the same period last year, an increase of \$0.1 million, or 0.9%. The increase was primarily due to an increase of \$0.9 million in foreign exchange and change in fair value of derivative financial instrument which includes a \$1.1 million loss related to the change in fair value of foreign exchange forward contracts. This increase was offset by lower interest expense on long-term debt of \$1.0 million.

Year-to-Date September 30, 2021, versus Year-to-Date September 30, 2020

Table 13 – Interest on Long-Term Debt, Lease Liabilities and Other Financial Charges: Year-to-Date Activity (in \$ thousands)

	FOR THE NINE-MON	VARIANCE	
	September 30, 2021	September 30, 2020	YoY Change
Interest on long-term debt	10,456	13,304	(2,848)
Interest on convertible debentures	9,728	9,632	96
Interest on derivative financial instruments	3,174	2,082	1,092
Interest on lease liabilities	2,982	3,500	(518)
Foreign exchange and change in fair value of derivative financial instruments	(2,082)	6,998	(9,080)
Other interest and financial charges	602	1,271	(669)
Total interest on long-term debt, lease liabilities and other financial charges	24,860	36,787	(11,927)

Interest on long-term debt, lease liabilities and other financial charges was \$24.9 million for the nine-month period ended September 30, 2021 compared to \$36.8 million for the same period last year. The decrease of 11.9 million, or 32% was due to the following:

- Foreign exchange and change in fair value of derivative financial instruments decreased \$9.1 million primarily due to a \$3.3 million favourable change in the fair value of interest rate swaps compared to a \$5.8 million loss in the same period last year.
- Interest on long-term debt decreased \$2.8 million primarily due to a decrease in long-term debt over the comparative period.
- Interest on lease liabilities decreased \$0.5 million primarily due to a decrease in lease liabilities over the comparative period.
- The decreases above were partly offset by higher interest on derivative financial instruments primarily due to the interest rate swaps.

### Accretion and Change in Fair Value of Purchase Price Obligations and Other

### Current Quarter versus Previous Quarter

The accretion and change in fair value of purchase price obligations and other was an expense of \$2.2 million for the three months ended September 30, 2021 compared to an expense of \$0.6 million for the three months ended June 30, 2021, an increase of \$1.6 million. The increase was primarily due to a revaluation adjustment of \$1.3 million recognized in the current quarter related to a puttable financial instrument liability.

### Current Quarter versus Prior-Year Quarter

The accretion and change in fair value of purchase price obligations and other was an expense of \$2.2 million for the three months ended September 30, 2021 compared to an expense of \$6.2 million for the same period last year, a decrease of \$4.0 million. The decrease was primarily due to lower accretion expense of \$4.5 million related to the purchase price obligation associated with the revenue sharing arrangement with CNR for the Fiera Capital Emerging Markets Fund, which was settled in the second quarter of 2021.

## Year-to-Date September 30, 2021, versus Year-to-Date September 30, 2020

The accretion and change in fair value of purchase price obligations and other was an expense of \$3.8 million for the six months ended ended September 30, 2021, compared to \$0.1 million for the same period last year, an increase of \$3.7 million. The increase over the comparative period was primarily due to a higher revaluation adjustment, net of accretion expense, of \$3.8 million related to a puttable financial instrument liability.

## Restructuring, Acquisition Related and Other Costs

#### Current Quarter versus Previous Quarter

Restructuring, acquisition related and other costs were \$10.0 million for the three months ended September 30, 2021, compared to \$6.0 million for the three months ended June 30, 2021, an increase of \$4.0 million. The increase was primarily due to severance costs and professional fees incurred during the current quarter as part of the Company's continued focus on optimization of its global operating model, which was announced in June 2020. This was partly offset by a decrease in severance costs related to the closure of a fund in Europe recognized during the three months ended June 30, 2021.

### Current Quarter versus Prior-Year Quarter

Restructuring, acquisition related and other costs were \$10.0 million for the three months ended September 30, 2021, compared to \$3.1 million for the same period last year, an increase of \$6.9 million. The increase was primarily due to severance costs and professional fees incurred during the current quarter as part of the Company's continued focus on optimization of its global operating model, which was announced in June 2020.

## Year-to-Date September 30, 2021, versus Year-to-Date September 30, 2020

Restructuring, acquisition related and other costs were \$22.2 million for the nine-month period ended September 30, 2021, compared to \$31.8 million for the same period last year, a decrease of \$9.6 million. The decrease was primarily due to \$20.9 million of severance costs incurred as part of the transition to the new global operating model announced in June 2020. This was partly offset by higher severance costs, acquisition related costs and professional fees incurred as part ongoing initiatives related to the optimization of the global operating model, costs associated with the sale of Bel Air and the sale of the rights to manage the Fiera Capital Emerging Markets Fund, and the acquisition of the Fiera Atlas Global Companies Team.

## Loss (gain) on Sale of a Business and Impairment of Assets Held for Sale

### Current Quarter versus Previous Quarter

During the three months ended September 30, 2021 the Company incurred a nil expense on the sale of a business and impairment of assets held for sale compared to a loss of \$0.7 million for the three months ended June 30, 2021, a decrease of \$0.7 million. The \$0.7 million loss recognized in the previous quarter related to an additional impairment charge on assets held for sale in connection with the rights to manage the Fiera Capital Emerging Markets Fund.

## Year-to-Date September 30, 2021, versus Year-to-Date September 30, 2020

During the nine months ended September 30, 2021, the Company realized a \$15.9 million gain on sale of a business and impairment of assets held for sale compared to a loss of \$0.7 million in the nine months ended September 30, 2020, an increase of \$16.6 million. The increase was driven by the gain of \$19.6 million, net of \$5.5 million of change of control expenses and transaction costs, realized on the disposition of Bel Air which closed on February 28, 2021. This gain included approximately \$30.2 million of foreign exchange translation gain which was previously recognized in accumulated other comprehensive income prior to the close of the transaction. The increase was partly offset by a \$3.6 million impairment charge related to the asset management contract in connection with the rights to manage the Fiera Capital Emerging Markets Fund. This asset management contract was classified as held for sale during the first quarter of 2021 and as a result an impairment charge was recognized to reduce the carrying value to fair value less costs to sell.

# **Results of Operations and Overall Performance - Net Earnings (Loss)**

# **RESULTS FROM OPERATIONS AND OVERALL PERFORMANCE – NET EARNINGS (LOSS)**

### Current Quarter versus Previous Quarter

For the three months ended September 30, 2021, the Company reported net earnings attributable to the Company's shareholders of \$2.3 million, or \$0.02 per share (basic and diluted), compared to net earnings of \$13.3 million, or \$0.13 per share (basic) and \$0.12 per share (diluted), for the three months ended June 30, 2021, a \$11.0 million decrease in net earnings attributable to the Company's shareholders or 82.7%. The decrease was due to the following:

- An increase in SG&A of \$12.1 million primarily due to higher share-based compensation expense and variable compensation costs. The share-based compensation increase included \$6.9 million of expense during the current quarter related to accelerated vesting;
- Interest on long-term debt, lease liabilities and other financial charges increased \$4.1 million primarily
  due to \$2.9 million of higher revaluation foreign exchange related to monetary items denominated in a
  foreign currency and a \$1.1 million loss on foreign exchange forward contracts, compared to a \$0.4
  million gain in the second quarter of 2021;
- Restructuring, acquisition related and other costs increased \$4.0 million primarily due to severance costs
  and professional fees incurred during the current quarter as part of the Company's continued focus on
  optimization of its global operating model offset by a decrease in severance costs related to the
  liquidation of a fund in Europe recognized during the second quarter of 2021;
- Accretion and change in fair value of purchase price obligations and other increased \$1.6 million mainly
  due to a revaluation adjustment recognized in the current quarter related to a puttable financial
  instrument liability.

These decreases were partly offset by:

- An increase in revenues of \$7.5 million;
- Income tax expense decreased by \$1.4 million primarily due to a reduction in taxable income over the comparative period;
- Gain on investments increased by \$0.5 million primarily due to favourable fair value adjustments in the current period.

Net earnings attributable to Company's shareholders were \$0.5 million lower due to the sale of the rights to manage the Fiera Capital Emerging Markets Fund. Excluding this, net earnings attributable to the Company's shareholders for the three months ended September 30, 2021 would have been \$2.3 million compared to \$12.8 million for the three months ended June 30, 2021, a decrease of \$10.5 million or 82.0%.

# **Results of Operations and Overall Performance - Net Earnings (Loss)**

### Current Quarter versus Prior-Year Quarter

For the three months ended September 30, 2021, the Company reported net earnings attributable to the Company's shareholders of \$2.3 million, or \$0.02 per share (basic and diluted) compared to net earnings of \$4.7 million, or \$0.05 per share (basic) and \$0.04 per share (diluted), for the same period last year, a \$2.4 million decrease in net earnings attributable to the Company's shareholders. The decrease was primarily due to the following:

- An increase in SG&A of \$9.4 million primarily related to higher share-based compensation expense and variable compensation costs. The share-based compensation increase included \$6.9 million of expense during the current quarter related to accelerated vesting;
- Higher restructuring, acquisition related and other costs of \$6.9 million primarily due to severance costs
  and professional fees incurred during the current quarter as part of the Company's continued focus on
  optimization of its global operating model, which was announced in June 2020.

These decrease in net earnings were partly offset by:

- An increase in revenues of \$4.2 million;
- Lower accretion and change in fair value of purchase price obligations and others of \$4.0 million primarily due to lower accretion expense of \$4.5 million related to the settlement of the purchase price obligation associated with the revenue sharing arrangement with CNR for the Fiera Capital Emerging Markets Fund, which was settled in the second quarter of 2021;
- Amortization and depreciation were lower by \$3.7 million;
- Income tax expense decreased by \$1.2 million primarily due to a reduction in taxable income over the comparative period;
- Gain on investments increased by \$0.9 million primarily due to favourable fair value adjustments in the current period.

Net earnings attributable to Company's shareholders were \$8.6 million lower due to the sale of Bel Air, the termination of the revenue sharing arrangement with CNR connected to the rights to manage the Fiera Capital Emerging Markets Fund, and the sale of WGAM. Excluding the impact of these dispositions, net earnings attributable to the Company's shareholders for the three months ended September 30, 2021 would have been \$2.3 million compared to a net loss of \$3.9 million for the same period last year, an increase of \$6.2 million.

### Year-to-Date September 30, 2021, versus Year-to-Date September 30, 2020

For the nine-month period ended September 30, 2021, the Company reported net earnings attributable to the Company's shareholders of \$37.9 million, or \$0.36 per share (basic) and \$0.35 per share (diluted), compared to a net loss of \$2.4 million, or \$(0.02) per share (basic and diluted) for the same period last year. The increase was primarily due to the following:

- Gain on sale of a business and impairment of assets held for sale of \$15.9 million recognized in the current fiscal year compared to a loss of \$0.7 million in the same period last year;
- Interest on long-term debt, lease liabilities and other financial charges decreased by \$11.9 million primarily driven by a \$3.3 million favourable change in the fair value of interest rate swaps compared to a \$5.8 million loss in the same period last year and lower interest on long-term debt and lease liabilities partly offset by an increase of \$1.2 million in interest on interest rate swaps;
- Restructuring, acquisition related and other costs decreased \$9.6 million. This decrease was primarily
  due to severance costs incurred as part of the transition to the new global operating model announced
  in June 2020;
- An increase in revenues of \$8.7 million;

# **Results of Operations and Overall Performance - Net Earnings (Loss)**

- Amortization and Depreciation were lower by \$7.0 million;
- Gain on investments increased by \$1.8 million primarily due to favourable fair value adjustments in the current period.

## These increases were partly offset by:

- An increase in SG&A of \$9.9 million primarily related to higher share-based compensation costs and variable compensation costs. The share-based compensation increase included \$6.9 million of expense during the current quarter related to accelerated vesting;
- Higher accretion and change in fair value of purchase price obligations and others of \$3.7 million primarily due to a higher revaluation adjustment, net of accretion expense, of \$3.8 million related to a puttable financial instrument liability;
- Income tax expense increased by \$4.1 million primarily due to an increase in taxable income over the comparative period.

Net earnings attributable to the Company's shareholders were \$0.1 million lower from the sale of Bel Air, the termination of the revenue sharing arrangement with CNR connected to the rights to manage the Fiera Capital Emerging Markets Fund, the sale of WGAM and the sale of the rights to manage Fiera Investment's retail mutual funds. Net earnings attributable to the Company's shareholders, excluding the impact of these dispositions for the nine-month period ended September 30, 2021, would have been \$16.3 million compared to a net loss of \$23.9 million in the same period last year, an increase in net earnings attributable to the Company's shareholders of \$40.2 million or 168.9%.

## **Non-IFRS Measures**

### **NON-IFRS MEASURES**

We have included non-IFRS measures to provide investors with supplemental measures of our operating and financial performance. We believe non-IFRS measures are important supplemental metrics of operating and financial performance because they highlight trends in our core business that may not otherwise be apparent when one relies solely on IFRS measures. Securities analysts, investors and other interested parties frequently use non-IFRS measures in the evaluation of issuers, many of which present non-IFRS measures when reporting their results. Management also uses non-IFRS measures in order to facilitate operating and financial performance comparisons from period to period, to prepare annual budgets and to assess our ability to meet our future debt service, capital expenditure and working capital requirements.

Non-IFRS measures are not recognized measures under IFRS. Non-IFRS measures do not have any standardized meaning prescribed by IFRS and may not be comparable to similar measures presented by other companies. For example, some or all of the non-IFRS measures do not reflect: (a) our cash expenditures, or future requirements for capital expenditures or contractual commitments; (b) changes in, or cash requirements for, our working capital needs; (c) interest expense, or the cash requirements necessary to service interest or principal payments on our debt; and (d) income tax payments that represent a reduction in cash available to us. These non-IFRS measures have important limitations as analytical tools, and the reader should not consider them in isolation, or as substitutes in the analysis of our results as reported under IFRS. Because of these limitations, we rely primarily on our results as reported in accordance with IFRS and use non-IFRS measures only as a supplement.

We define *EBITDA* as net earnings (loss) before interest, income taxes, depreciation and amortization (EBITDA). *Adjusted EBITDA* is calculated as EBITDA, adjusted for restructuring, acquisition related and other costs, accretion and change in fair value of purchase price obligations and other, (gain) loss on investments, other (gains) losses, (gain) loss on sale of a business and impairment of assets held for sale, impairment of intangible assets, and share-based compensation expenses.

**Adjusted EBITDA per share (basic)** is calculated as Adjusted EBITDA divided by the basic weighted average number of shares outstanding during the period. **Adjusted EBITDA per share (diluted)** is calculated as Adjusted EBITDA divided by the diluted weighted average number of shares outstanding during the period. Basic and diluted Adjusted EBITDA per share are calculated using the same weighted average number of shares outstanding as the basic and diluted net earnings (loss) per share figures, respectively, calculated in accordance with IFRS, regardless of net earnings or net loss.

We believe that EBITDA, Adjusted EBITDA and Adjusted EBITDA per share (basic and diluted) are meaningful measures as they allow for the evaluation of our core operating performance from one period to the next without the variations caused by the impact of the items described above. The Company considers its core operating activities to be asset management, investment advisory and related services. Costs related to strategic initiatives such as business acquisitions or dispositions, integration of newly acquired businesses and restructuring are considered non-core. The Company excludes these items because they affect the comparability of its financial results amongst periods and could potentially distort the analysis of trends in its core business performance. Excluding these items does not imply they are necessarily non-recurring.

We define A**djusted EBITDA margin** as the ratio of Adjusted EBITDA to revenues. It is an important measure of overall operating performance because it measures Company profitability from operations.

Adjusted net earnings is net earnings (loss) attributable to the Company's shareholders, adjusted for amortization and depreciation and share-based compensation, as well as after-tax restructuring, acquisition related and other costs, after-tax accretion and change in fair value of purchase price obligations and other,

## **Non-IFRS Measures**

after-tax (gain) loss on sale of a business and impairment of assets held for sale, after-tax impairment of intangible assets, and after-tax other (gains) losses.

**Adjusted net earnings per share (basic)** is calculated as Adjusted net earnings divided by the basic weighted average number of shares outstanding during the period. **Adjusted net earnings per share (diluted)** is calculated as Adjusted net earnings divided by the diluted weighted average number of shares outstanding during the period. Basic and diluted Adjusted net earnings per share are calculated using the same weighted average number of shares outstanding as the basic and diluted net earnings (loss) per share figures, respectively, calculated in accordance with IFRS, regardless of net earnings or net loss.

We believe that Adjusted net earnings and Adjusted net earnings per share (basic and diluted) are meaningful measures as they allow for the evaluation of the Company's overall performance from one period to the next without the variation caused by the impacts of the items described above. The Company excludes these items because they affect the comparability of its financial results between periods and could potentially distort the analysis of trends in its business performance. Excluding these items does not imply they are necessarily non-recurring.

Tables 14 and 15 provide a reconciliation of the non-IFRS measures to the most comparable IFRS earnings measures.

# Adjusted EBITDA

The following table presents the Company's Adjusted EBITDA and Adjusted EBITDA per share for the three months and nine months ended September 30, 2021, and 2020, and the three months ended June 30, 2021.

Table 14 - Adjusted EBITDA (in \$ thousands except per share data)

	FOR THE	THREE MONTHS	FOR THE NINE-MONTH PERIODS ENDED			
	September 30, 2021	June 30, 2021	September 30, 2020	September 30, 2021	September 30, 2020	
Net earnings	3,183	13,797	5,028	40,003	2,736	
Income tax expense	3,618	4,988	4,817	9,758	5,705	
Amortization and depreciation	16,164	16,489	19,867	54,055	61,036	
Interest on long-term debt, lease liabilities and other financial charges	10,297	6,237	10,232	24,860	36,787	
EBITDA	33,262	41,511	39,944	128,676	106,264	
Restructuring, acquisition related	33,202	41,311	39,944	128,070	100,204	
and other costs	9,992	6,008	3,099	22,196	31,753	
Accretion and change in fair value of purchase price						
obligations and other	2,183	595	6,161	3,802	104	
Gain on investments, net	(1,944)	(1,447)	(1,065)	(3,734)	(1,897)	
Loss (gain) on sale of a business and impairment of assets held						
for sale	_	733	_	(15,927)	675	
Share-based compensation	12,446	5,179	5,255	20,914	12,876	
Other (gains) losses	(582)	117	30	(374)	(1,007)	
Adjusted EBITDA	55,357	52,696	53,424	155,553	148,768	
Per share basic	0.53	0.50	0.51	1.50	1.43	
Per share diluted	0.51	0.44	0.49	1.44	1.43	
Weighted average shares outstanding - basic (thousands)	104,817	104,455	104,871	103,808	103,926	
Weighted average shares outstanding - diluted (thousands)	108,957	118,631	108,918	107,974	103,926	

## **Non-IFRS Measures**

### Current Quarter versus Previous Quarter

Adjusted EBITDA for the three months ended September 30, 2021 was \$55.4 million or \$0.53 per share (basic) and \$0.51 per share (diluted) compared to \$52.7 million or \$0.50 per share (basic) and \$0.44 per share (diluted) for the three months ended June 30, 2021, an increase in Adjusted EBITDA of \$2.7 million, or 5.1%. The increase in Adjusted EBITDA was due to an increase in revenue of \$7.5 million partly offset by an increase in SG&A, excluding share-based compensation expense of \$4.9 million. Adjusted EBITDA was \$1.8 million lower due to the sale of the rights to manage the Fiera Capital Emerging Markets Fund. Excluding the impact from the sale of the rights to manage the Fiera Capital Emerging Market Fund, Adjusted EBITDA for the three months ended September 30, 2021 would have been \$55.3 million compared to \$50.8 million for the three months ended June 30, 2021, an increase in Adjusted EBITDA of \$4.5 million or 8.9%.

### Current Quarter versus Prior-Year Quarter

Adjusted EBITDA for the three months ended September 30, 2021 was \$55.4 million, or \$0.53 per share (basic) and \$0.51 per share (diluted) compared to \$53.4 million or \$0.51 per share (basic) and \$0.49 per share (diluted) in the same period last year, an increase in Adjusted EBITDA of \$2.0 million, or 3.7%. The increase primarily due to higher revenues of \$4.2 million partly offset by an increase in SG&A, Adjusted for share-based compensation expense, of \$2.2 million. Adjusted EBITDA was \$10.4 million lower due to the sale of Bel Air, the termination of the revenue sharing arrangement with CNR connected to the rights to manage the Fiera Capital Emerging Markets Fund, and the sale of WGAM. Excluding the impact of these dispositions, Adjusted EBITDA for the three months ended September 30, 2021 would have been \$55.3 million compared to \$42.9 million for the same period last year, an increase of \$12.4 million or 28.9%.

# Year-to-Date September 30, 2021, versus Year-to-Date September 30, 2020

Adjusted EBITDA for the nine-month period ended September 30, 2021 was \$155.6 million, or \$1.50 per share (basic) and \$1.44 per share (diluted) compared to \$148.8 million, or \$1.43 per share (basic and diluted), in the same period last year, an increase of \$6.8 million or 4.6%. The increase was due to \$8.7 million of higher revenue partly offset by an increase in SG&A, excluding share-based compensation, of \$1.9 million. Adjusted EBITDA was \$22.7 million lower due to the sale of Bel Air, the termination of the revenue sharing arrangement with CNR connected to the rights to manage the Fiera Capital Emerging Markets Fund, the sale of WGAM and the sale of the rights to manage Fiera Investment's retail mutual funds. Excluding the impact of these dispositions, Adjusted EBITDA for the nine-month period ended September 30, 2021 would have been \$147.6 million compared to \$118.1 million in the same period last year, an increase of \$29.5 million or 25.0%. The increase was mainly due to higher revenues of \$79.2 million due to an increase in base management fees, partly offset by an increase in SG&A expense, excluding share-based compensation, of \$49.7 million.

# **Adjusted Net Earnings**

The following table presents the Company's net earnings (loss) and Adjusted net earnings for the three months and nine months ended September 30, 2021 and 2020, and the three months ended June 30, 2021.

Table 15 - Net Earnings (Loss) and Adjusted Net Earnings (in \$ thousands except per share data)

	FOR THE	THREE MONTHS	FOR THE NINE-MONTH PERIODS ENDED			
	September 30, 2021	June 30, 2021	September 30, 2020	September 30, 2021	September 30, 2020	
Net earnings (loss) attributable to						
the Company's shareholders	2,333	13,310	4,726	37,877	(2,396)	
Amortization and depreciation	16,164	16,489	19,867	54,055	61,036	
Restructuring, acquisition related and other costs	9,992	6,008	3,099	22,196	31,753	
Accretion and change in fair value of purchase price obligations and						
other	2,844	1,238	6,781	5,675	1,933	
Loss (gain) on sale of a business and						
impairment of assets held for sale	_	733	_	(15,927)	675	
Share-based compensation	12,446	5,179	5,255	20,914	12,876	
Other (gains) losses	(582)	117	30	(374)	(1,007)	
Tax effect of above-mentioned						
items	(5,661)	(1,823)	(2,170)	(8,103)	(8,008)	
Adjusted net earnings attributable						
to the Company's shareholders	37,536	41,251	37,588	116,313	96,862	
Per share – basic						
Net earnings (loss)	0.02	0.13	0.05	0.36	(0.02)	
Adjusted net earnings	0.36	0.39	0.36	1.12	0.93	
Per share – diluted						
Net earnings (loss)	0.02	0.12	0.04	0.35	(0.02)	
Adjusted net earnings	0.34	0.36	0.35	1.08	0.93	
Weighted average shares						
outstanding - basic (thousands)	104,817	104,455	104,871	103,808	103,926	
Weighted average shares						
outstanding - diluted (thousands)	108,957	118,631	108,918	107,974	103,926	

## **Non-IFRS Measures**

### Current Quarter versus Previous Quarter

Adjusted net earnings for the three months ended September 30, 2021 was \$37.5 million, or \$0.36 per share (basic) and \$0.34 per share (diluted), compared to \$41.3 million, or \$0.39 per share (basic) and \$0.36 per share (diluted), for the three months ended June 30, 2021, a decrease of \$3.8 million, or 9.2%. The decrease was primarily due to higher SG&A excluding share-based compensation of \$4.9 million, an increase in interest on long-term debt, lease liabilities and other financial charges of \$4.1 million and an increase in income tax expense of \$2.5 million. These were partly offset by higher revenues of \$7.5 million during the comparative period. Adjusted net earnings was \$0.7 million lower due to the sale of the rights to manage the Fiera Capital Emerging Markets Fund. Excluding the impact from the sale of the rights to manage the Fiera Capital Emerging Markets Fund, Adjusted net earnings for the three months ended September 30, 2021 would have been \$37.5 million compared to \$40.6 million for the three months ended June 30, 2021, a decrease in Adjusted net earnings of \$3.1 million, or 7.6%.

### Current Quarter versus Prior-Year Quarter

Adjusted net earnings for the three months ended September 30, 2021 was \$37.5 million or \$0.36 per share (basic) and \$0.34 per share (diluted), compared to \$37.6 million, or \$0.36 per share (basic) and \$0.35 (diluted) in the same period last year, a decrease of \$0.1 million, or 0.3%. The decrease was primarily due to higher SG&A, excluding share-based compensation expense, of \$2.2 million, higher income taxes of \$2.3 million, partly offset by a \$4.2 million increase in revenue. Adjusted net earnings was \$10.6 million lower due to the sale of Bel Air, the termination of the revenue sharing arrangement with CNR connected to the rights to manage the Fiera Capital Emerging Markets Fund, and the sale of WGAM. Excluding the impact of these dispositions, Adjusted net earnings for the three months ended September 30, 2021 would have been \$37.5 million compared to \$27.0 million for the same period last year, an increase of \$10.5 million or 38.9%.

### Year-to-Date September 30, 2021, versus Year-to-Date September 30, 2020

Adjusted net earnings for the nine-month period ended September 30, 2021 was \$116.3 million, or \$1.12 per share (basic) and \$1.08 per share (diluted), compared to Adjusted net earnings of \$96.9 million, or \$0.93 per share (basic and diluted) for the same period last year, an increase of \$19.4 million, or 20.0%. The increase was due to an increase in revenues of \$8.7 million and a \$11.9 million reduction of interest on long-term debt, lease liabilities and other financial charges. This was partly offset by an increase in SG&A expense, excluding shared based compensation, of \$1.9 million. Adjusted net earnings was \$23.1 million lower due to the impact of the sale of Bel Air, the termination of the revenue sharing arrangement with CNR connected to the rights to manage the Fiera Capital Emerging Markets Fund, the sale of WGAM and the sale of the rights to manage Fiera Investment's retail mutual funds. Excluding the impact of these dispositions, Adjusted net earnings for the ninemonth period ended September 30, 2021 would have been \$108.0 million compared to \$65.5 million in the same period last year, an increase in Adjusted net earnings \$42.5 million or 64.9%.

# **SUMMARY OF QUARTERLY RESULTS**

The Company's AUM, total revenues, Adjusted EBITDA, Adjusted EBITDA margin, net earnings (loss) and Adjusted net earnings, on a consolidated basis, including per share amounts, for each of the Company's most recently completed eight quarterly periods, as well as for the last-twelve-month period ended September 30, 2021, are as follows:

Table 16 – Quarterly Results (in \$ thousands except AUM in \$ millions and per share data)

	Last	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
	Twelve	Sept. 30,	Jun. 30,	Mar. 31,	Dec. 31,	Sept. 30,	Jun. 30,	Mar. 31,	Dec. 31,
	Months <sup>(1)</sup>	2021	2021	2021	2020	2020	2020	2020	2019
AUM	178,753	180,794	179,470	172,895	181,853	179,209	172,292	159,540	171,013
Total revenues	703,830	174,928	167,405	165,611	195,886	170,737	166,865	161,657	204,526
Adjusted EBITDA	216,507	55,357	52,696	47,500	60,954	53,424	51,893	43,451	61,752
Adjusted EBITDA margin	30.8 %	31.6 %	31.5 %	28.7 %	31.1 %	31.3 %	31.1 %	26.9 %	30.2 %
Net earnings (loss) attributable to the Company's shareholders	36,894	2,333	13,310	22,234	(983)	4,726	(14,703)	7,581	3,387
Adjusted net earnings attributable to the Company's shareholders	165,551	37,536	41,251	37,526	49,238	37,588	38,704	20,471	42,661
PER SHARE – BASIC									
Adjusted EBITDA	2.06	0.53	0.50	0.45	0.58	0.51	0.50	0.42	0.61
Net earnings (loss) attributable to the Company's shareholders	0.35	0.02	0.13	0.21	(0.01)	0.05	(0.14)	0.07	0.03
Adjusted net earnings attributable to the Company's shareholders	1.58	0.36	0.39	0.36	0.47	0.36	0.38	0.20	0.42
PER SHARE – DILUTED									
Adjusted EBITDA	1.93	0.51	0.44	0.40	0.58	0.49	0.50	0.41	0.60
Net earnings (loss) attributable to the Company's shareholders	0.33	0.02	0.12	0.20	(0.01)	0.04	(0.14)	0.07	0.03
Adjusted net earnings attributable to the Company's shareholders	1.49	0.34	0.36	0.32	0.47	0.35	0.38	0.19	0.41

<sup>(1)</sup> AUM Last Twelve Months ("LTM") represents an average of the ending AUM for the last four quarters.

The following table provides a reconciliation between EBITDA, Adjusted EBITDA margin and Adjusted EBITDA per share to the most comparable IFRS earnings measures for each of the Company's last eight quarters:

Table 17 – EBITDA and Adjusted EBITDA Reconciliation (in \$ thousands except per share data)

	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
	2021	2021	2021	2020	2020	2020	2020	2019
Net earnings (loss)	3,183	13,797	23,023	(709)	5,028	(14,314)	12,022	5,254
Income tax expense (recovery)	3,618	4,988	1,152	1,914	4,817	(2,736)	3,624	3,589
Amortization and depreciation	16,164	16,489	21,402	21,105	19,867	20,848	20,321	21,328
Interest on long-term debt, lease liabilities and other financial charges	10,297	6,237	8,326	9,092	10,232	9,281	17,274	10,295
EBITDA	33,262	41,511	53,903	31,402	39,944	13,079	53,241	40,466
Restructuring, acquisition related and other costs	9,992	6,008	6,196	9,112	3,099	25,239	3,415	6,421
Accretion and change in fair value of purchase price obligations and other	2,183	595	1,024	(44,159)	6,161	6,404	(12,461)	8,388
(Gain) loss on investments, net	(1,944)	(1,447)	(343)	(400)	(1,065)	(966)	134	(550)
Loss (gain) on sale of a business and impairment of assets held for sale	_	733	(16,660)	(7,001)	_	675	_	_
Impairment of intangible assets	_	-	_	66,911	_	-	_	_
Share-based compensation	12,446	5,179	3,289	5,304	5,255	7,499	122	6,906
Other (gains) losses	(582)	117	91	(215)	30	(37)	(1,000)	121
Adjusted EBITDA	55,357	52,696	47,500	60,954	53,424	51,893	43,451	61,752
REVENUES	174,928	167,405	165,611	195,886	170,737	166,865	161,657	204,526
Adjusted EBITDA Margin	31.6 %	31.5 %	28.7 %	31.1 %	31.3 %	31.1 %	26.9 %	30.2 %
Adjusted EBITDA Per Share								
Basic	0.53	0.50	0.45	0.58	0.51	0.50	0.42	0.61
Diluted	0.51	0.44	0.40	0.58	0.49	0.50	0.41	0.60

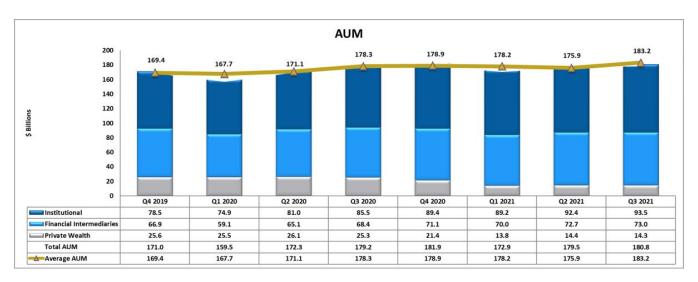
The following table provides a reconciliation between Adjusted net earnings and Adjusted net earnings per share to the most comparable IFRS earnings measures for each of the Company's last eight quarters:

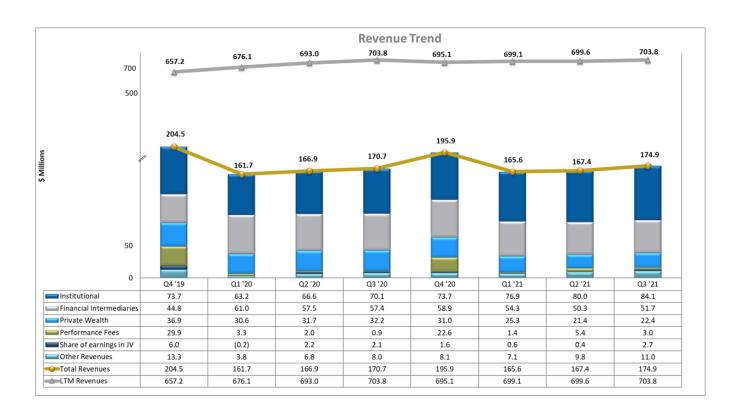
Table 18 – Adjusted Net Earnings Reconciliation (in \$ thousands except per share data)

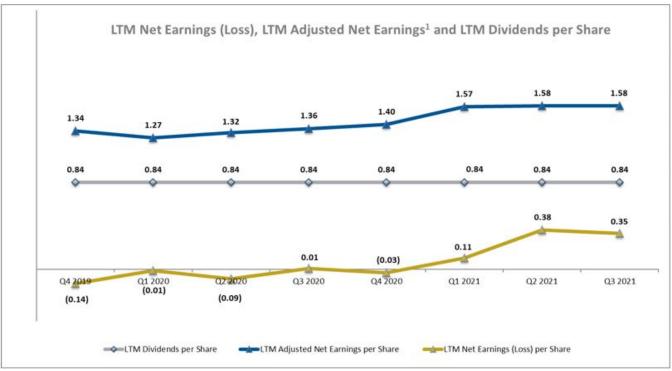
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
	2021	2021	2021	2020	2020	2020	2020	2019
Net earnings (loss) attributable to the Company's shareholders	2,333	13,310	22,234	(983)	4,726	(14,703)	7,581	3,387
Amortization and depreciation	16,164	16,489	21,402	21,105	19,867	20,848	20,321	21,328
Restructuring, acquisition related and other costs	9,992	6,008	6,196	9,112	3,099	25,239	3,415	6,421
Accretion and change in fair value of purchase price obligations and other	2,844	1,238	1,593	(43,503)	6,781	7,003	(11,850)	9,012
Loss (gain) on sale of a business and impairment of assets held for sale	_	733	(16,660)	(7,001)	_	675	_	_
Impairment of intangible assets	_	_	_	66,911	_	_	_	_
Share-based compensation	12,446	5,179	3,289	5,304	5,255	7,499	122	6,906
Other (gains) losses	(582)	117	91	(215)	30	(37)	(1,100)	121
Tax effect of above-mentioned items	(5,661)	(1,823)	(619)	(1,492)	(2,170)	(7,820)	1,982	(4,393)
Adjusted net earnings attributable to the Company's shareholders	37,536	41,251	37,526	49,238	37,588	38,704	20,471	42,782
Per share – basic								
Net earnings (loss) attributable to the Company's shareholders	0.02	0.13	0.21	(0.01)	0.05	(0.14)	0.07	0.03
Adjusted net earnings attributable to the Company's shareholders	0.36	0.39	0.36	0.47	0.36	0.38	0.20	0.42
Per share – diluted								
Net earnings (loss) attributable to the Company's shareholders	0.02	0.12	0.20	(0.01)	0.04	(0.14)	0.07	0.03
Adjusted net earnings attributable to the Company's shareholders	0.34	0.36	0.32	0.47	0.35	0.38	0.19	0.41

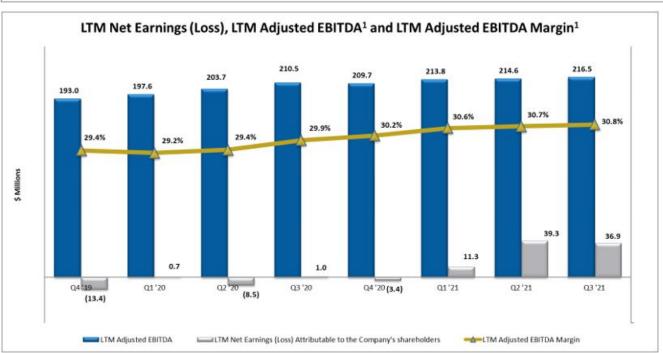
### **AUM and Revenue Trend**

The following illustrates the Company's trends regarding AUM, quarterly and last twelve months ("LTM") revenues, LTM Adjusted EBITDA, LTM Adjusted EBITDA Margin, LTM Net Earnings (loss) per share, LTM Adjusted Earnings per share, as well as the LTM dividend payout.









## LIQUIDITY AND CAPITAL RESOURCES

### **Cash Flows**

The Company's principal uses of cash, other than for SG&A expenses, include (but are not limited to) dividend payments, share repurchases, debt servicing, capital expenditures and business acquisitions.

The following table provides additional cash flow information for Fiera Capital.

Table 19 – Summary of Interim Condensed Consolidated Statements of Cash Flows (in \$ thousands)

	FOR THE THI PERIODS			FOR THE NI PERIOD		
	September 30, 2021	September 30, 2020	VARIANCE		September 30, 2020	VARIANCE
Cash generated by	30, 2021	30, 2020	VARIANCE	2021	2020	VARIANCE
operating activities	36,960	25,714	11,246	74,060	51,216	22,844
Cash generated by (used in)	,	-,	,	,,,,,,	, ,	,-
investing activities	12,520	(4,216)	16,736	33,580	(6,514)	40,094
Cash used in financing						
activities	(40,085)	(32,043)	(8,042)	(123,367)	(96,899)	(26,468)
Net increase (decrease) in						
cash and cash equivalents	9,395	(10,545)	19,940	(15,727)	(52,197)	36,470
Effect of exchange rate						
changes on cash						
denominated in foreign						
currencies	606	44	562	(391)	1,785	(2,176)
Cash and cash equivalents,						
beginning of period	42,739	56,308	(13,569)	68,858	96,219	(27,361)
Cash and cash equivalents,						
end of period	52,740	45,807	6,933	52,740	45,807	6,933

### Current Quarter versus Prior-Year Quarter

## Cash generated by Operating Activities

Cash generated by operating activities was \$37.0 million for the three months ended September 30, 2021 compared to \$25.7 million in the same period last year, an increase of \$11.2 million or 44.0%. The increase was primarily due to higher cash generated from working capital of \$14.2 million, which was partly offset by a \$2.9 million decrease in cash used towards operating activities.

# Cash generated by (used in) Investing Activities

Cash generated by investing activities for the three months ended September 30, 2021 was \$12.5 million, compared to cash used in investing activities of \$4.2 million in the same period last year, an increase of \$16.7 million. The increase was primarily due to proceeds on disposition of \$3.0 million in relation to the sale of the rights to manage the Fiera Capital Emerging Markets Fund, dispositions of investments of \$5.3 million, a favorable variance in restricted cash of \$6.9 million, distributions received from joint ventures and associates of \$1.3 million and proceeds received on the promissory note of \$1.3 million. In addition, there was no settlement of purchase price obligations in the current quarter while the prior year quarter had a \$2.7 million settlement.

# **Liquidity and Capital Resources**

These increases were partly offset by a \$1.9 million investment in joint ventures and associates and an increase of \$1.7 million of purchases of intangible assets, property and equipment.

### Cash used in Financing Activities

Cash used in financing activities for the three months ended September 30, 2021 was \$40.1 million compared to cash used of \$32.0 million in the same period last year, an increase of \$8.1 million. The increase was primarily due to cash used towards long-term debt of \$12.9 million, partly offset by cash generated through the exercise of stock options of \$2.4 million, lower interests paid of \$0.9 million and a favorable variance of \$0.8 million related to share repurchases.

### Effect of exchange rate changes on cash denominated in foreign currencies

Exchange rate fluctuations on cash denominated in foreign currencies had a favourable impact of \$0.6 million during the three months ended September 30, 2021, compared to an unfavourable impact of nil for the same period last year. The effect of exchange rate changes on cash is primarily due to the revaluation of cash denominated in US dollars and the impact of currency fluctuations between the Canadian dollar and US dollar during the comparable period.

Year-to-Date September 30, 2021, versus Year-to-Date September 30, 2020

## Cash generated by Operating Activities

Cash generated by operating activities for the nine-month period ended September 30, 2021 was \$74.1 million compared to \$51.2 million in the same period last year, an increase of \$22.9 million or 44.7%. The increase was due to higher cash generated from operating activities excluding working capital of \$16.4 million combined with a \$6.5 million increase in cash generated from working capital.

### Cash generated by (used in) Investing Activities

Cash generated by investing activities for the nine-month period ended September 30, 2021 was \$33.6 million compared to cash used of \$6.5 million in the same period last year, an increase of \$40.1 million. The increase was primarily due to higher cash received from proceeds on dispositions of \$35.8 million, proceeds received for the promissory note of \$3.5 million, lower settlements of purchase price obligations of \$10.9 million primarily due to the termination of the revenue sharing arrangement with CNR and a favorable variance on restricted cash of \$8.1 million. These increases were partly offset by cash used for purchases of intangible assets, property and equipment of \$9.6 million, higher investments of \$6.1 million and lower distributions received from joint ventures and associates of \$2.2 million.

### Cash used in Financing Activities

Cash used in financing activities for the nine-month period ended September 30, 2021 was \$123.4 million compared to \$96.9 million in the same period last year, an increase of \$26.5 million or 28.4%. The increase was primarily due to higher cash used towards long-term debt of \$42.4 million, cash used towards share repurchase and cancellation of \$6.3 million and towards dividends to non-controlling interests of \$2.7 million. This increase was partly offset by lower cash used in settlements of share-based compensation of \$16.4 million, lower dividends paid to the Company's shareholders of \$2.1 million, lower interests paid of \$2.3 million and higher proceeds from stock options exercised of \$2.1 million.

# **Liquidity and Capital Resources**

For the nine months ended September 30, 2020, cash used in financing activities included cash used for the settlement of share-based compensation of \$16.4 million for the settlement of the performance share units applicable to a business unit ("PSU BU"). This was related to the Company's acquisition of all issued and outstanding shares of Charlemagne Capital Limited ("CCL") on December 14, 2016, whereby the Company granted PSU BUs on November 17, 2017 to an executive of CCL in connection with their previous equity arrangement which existed prior to the acquisition by the Company.

## Effect of exchange rate changes on cash denominated in foreign currencies

Exchange rate fluctuations on cash denominated in foreign currencies had an unfavourable impact of \$0.4 million during the nine-month period ended September 30, 2021, compared to a favourable impact of \$1.8 million for the same period last year. The effect of exchange rate changes on cash is primarily due to the revaluation of cash denominated in US dollars and the impact of currency fluctuations between the Canadian dollar and US dollar.

## **Components of Total Debt**

## **Credit Facility**

The Company has a \$600 million senior unsecured revolving facility ("Facility") which can be drawn in Canadian or U.S. dollars at the discretion of the Company. As at September 30, 2021, the total amount drawn on the Facility was \$8.0 million (December 31, 2020 - \$45.6 million) and US\$330.7 million (\$419.0 million) (December 31, 2020 – US\$315.0 million (\$401.3 million)). Under the terms of the Credit Agreement, the maturity date is the earlier of (i) June 30, 2023 and (ii) April 23, 2023 if the unsecured convertible debentures have not been repaid or refinanced (i.e. two months prior to their maturity date). The Company may request an increase in the available Facility by an amount of up to \$200 million subject to the acceptance by the lenders. The Credit Agreement provides for an annual extension which can be requested each year between April 1 and April 30 which is subject to the acceptance of a group of lenders within the banking syndicate whose commitments amount to more than 66 2/3% of the facility.

### Convertible Debentures

On December 21, 2017, the Company issued \$86.25 million unsecured convertible debentures at 5.00% maturing on June 23, 2023 (the "Convertible debentures").

## **Hybrid Debentures**

On July 4, 2019, the Company issued \$100 million senior subordinated unsecured hybrid debentures due July 31, 2024, and on July 9, 2019, the Company issued \$10 million senior subordinated unsecured hybrid debentures related to the overallotment option, due July 31, 2024 (together, the "Hybrid debentures"). The Hybrid debentures bear interest at a rate of 5.60% per annum.

### Lease Liabilities

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.

## **Share Capital**

Table 20 - The following table provides details of the issued, fully paid and outstanding common shares (in \$ thousands - except share information):

	Cla	ss A Shares	Cla	Total		
	Number	\$	Number	\$	Number	\$
As at December 31, 2020	84,299,775	798,697	19,412,401	30,891	103,712,176	829,588
Issuance of shares						
Performance and restricted share						
units settled	1,143,171	8,261	_	_	1,143,171	8,261
Stock options exercised	354,550	3,862	_	_	354,550	3,862
Share repurchase and cancellation	(1,209,101)	(11,425)	_	_	(1,209,101)	(11,425)
As at September 30, 2021 (1)	84,588,395	799,395	19,412,401	30,891	104,000,796	830,286
As at December 31, 2019	81,362,603	779,618	19,412,401	30,891	100,775,004	810,509
Issuance of shares						
Shares issued as settlement of						
purchase price obligations	1,620,924	11,741	_	_	1,620,924	11,741
Performance and restricted share						
units settled	1,251,483	7,020	_	_	1,251,483	7,020
Stock options exercised	100,185	1,044	_	_	100,185	1,044
Reinvested dividends	134,380	1,234	_	_	134,380	1,234
Share repurchase and cancellation	(81,200)	(770)	_	_	(81,200)	(770)
As at September 30, 2020	84,388,375	799,887	19,412,401	30,891	103,800,776	830,778

<sup>(1)</sup> Includes nil Class A Shares held in escrow in relation with the Apex acquisition (2,475,034 as at December 31, 2020) and nil Class A Shares held in escrow in relation with the Clearwater acquisition (356,884 as at December 31, 2020).

### **Capital Management**

The Company's capital comprises share capital, retained earnings (deficit), long-term debt, convertible debentures and hybrid debentures, less cash and cash equivalents. The Company manages its capital to ensure there are adequate capital resources while maximizing the return to shareholders through the optimization of the debt and equity balance and to maintain compliance with regulatory requirements and certain restrictive covenants required by the lender of the debt. The Company is required to maintain minimum working capital, calculated in accordance with National Instrument 31-103 *Registration Requirements and Exemptions*, on a non-consolidated basis. As at September 30, 2021 and December 31, 2020, it has complied with such requirements. The Company and its subsidiaries have also complied with their restrictive debt covenants under the various credit facilities.

In order to maintain or adjust its capital structure, the Company may issue shares, proceed with the issuance or repayment of debt or redeem convertible and hybrid debentures (as applicable under the terms of the respective final short-term prospectuses for these convertible debt).

# **Liquidity and Capital Resources**

# **Contractual Obligations**

As at September 30, 2021, the Company had no material contractual obligation other than those described in the Company's 2020 Annual MD&A in the section entitled "Contractual Obligations".

## **Contingent Liabilities**

In the ordinary course of business, the Company may be involved in and potentially subject to claims, proceedings, and investigations, including, legal, regulatory and tax. There are a number of uncertainties involved in such matters, individually or in aggregate, and as such, it is not currently possible to predict the final outcome with certainty. The Company intends to defend these actions and management believes that the resolution of these matters 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.

# **Subsequent Events, Controls and Procedures**

## **SUBSEQUENT EVENTS**

### **Dividends Declared**

On November 10, 2021, the Board declared a quarterly dividend of \$0.215 per Class A Share and Class B Special Voting Share, payable on December 21, 2021 to shareholders of record at the close of business on November 23, 2021.

### **CONTROLS AND PROCEDURES**

The Chairman of the Board and Chief Executive Officer and the Executive Vice President, Global Chief Financial Officer, together with Management, are responsible for establishing and maintaining adequate Disclosure Controls and Procedures and Internal Controls Over Financial Reporting, as defined in *National Instrument* 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings*.

#### **Disclosure Controls and Procedures**

Disclosure Controls and Procedures are designed to provide reasonable assurance that material information is collected and communicated to Management in a timely manner so that information required to be disclosed by the Company in its annual filings, interim filings or other reports filed or submitted by the Company under securities legislation is recorded, processed, summarized and reported within the time periods specified in the securities legislation.

## **Internal Controls Over Financial Reporting**

Internal Controls over Financial Reporting are designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS.

Internal control systems, no matter how well designed, have inherent limitations. Therefore, even those systems determined to be designed effectively can provide only reasonable assurance with respect to financial reporting and financial statement preparation.

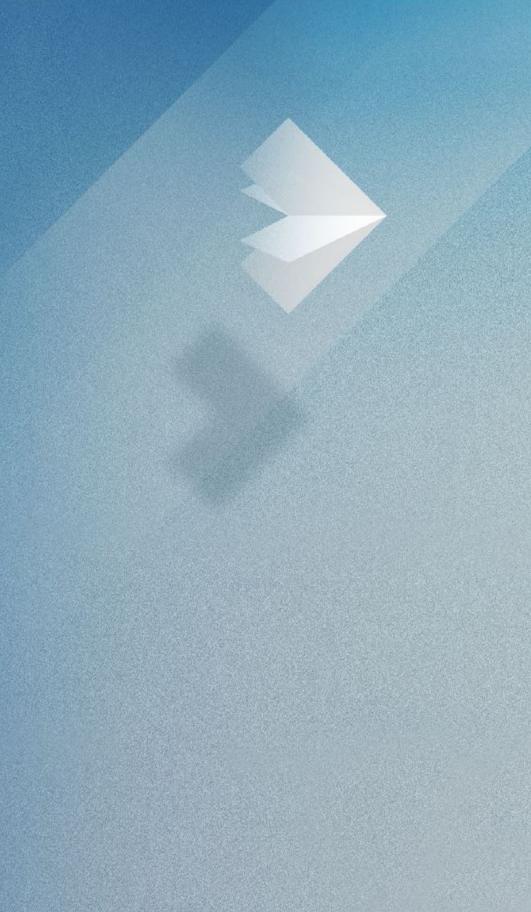
### Changes in Internal Control over Financial Reporting

There have been no changes to the Company's internal controls over financial reporting that occurred during the three month period beginning on July 1, 2021 and ended on September 30, 2021, that have materially affected, or are reasonably likely to materially affect, the Company's internal controls over financial reporting.

Additional information about Fiera Capital Corporation, including the Company's most recent audited annual financial statements and annual information form, is available on SEDAR at <a href="www.sedar.com">www.sedar.com</a>.







fiera.com