Fiera Capital Corporation
Management's Discussion and Analysis

For the Three Months and Year ended December 31, 2021

FIERA CAPITAL

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BASIS OF PRESENTATION AND FORWARD-LOOKING STATEMENTS

Basis of Presentation

The following management's discussion and analysis ("MD&A") dated February 24, 2022, 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 months ended and year ended December 31, 2021. The following MD&A should be read in conjunction with the audited consolidated financial statements, including the notes thereto, for the years ended December 31, 2021 and 2020. The Company prepares its consolidated financial statements in accordance with International Financial Reporting Standards ("IFRS") and includes 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 subsidiaries are disclosed separately in the consolidated statements of financial position, earnings (loss), comprehensive income (loss), and changes 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(1) ("EBITDA"), Adjusted EBITDA(1), Adjusted EBITDA per share(1), Adjusted EBITDA margin(1), Adjusted net earnings(1) and Adjusted net earnings per share(1) 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 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 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 related to investment performance and investment of the assets under management ("AUM"), AUM concentration related to strategies sub-advised by StonePine Asset Management Inc. ("StonePine"), reputational risk, regulatory compliance, information security

(1) Refer to the "Non-IFRS Measures" Section on page 43.

policies, procedures and capabilities, privacy laws, litigation risk, insurance coverage, third-party relationships, growth and integration of acquired businesses, AUM growth, key employees and other factors described in this Company's Annual Information Form for the year ended December 31, 2021 under the heading "Risk Factors" or discussed in other materials filed by the Company with applicable securities regulatory authorities from time to time which are available on SEDAR at www.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 closely 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 write-down 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.

Strategic Transactions

During the year ended December 31, 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, a new firm to be controlled and led by Nadim Rizk, the former Head of Fiera Capital's Montreal-based Global Equity Team. The Company announced the closing of the agreement on January 31, 2022. 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.

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 $65.6 billion in AUM as of December 31, 2021.

As a result of the sub-advisory arrangement, StonePine and its employees will not be entitled to receive share-based compensation for services rendered. 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. The Company has accelerated the vesting of Fiera Capital share-based awards earned by Nadim Rizk and his team.

ii. 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 $6.7 million (US $5.3 million).

iii. 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, 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 $2.9 billion continued to be sub-advised by Fiera Capital at December 31, 2021.

iv. Fiera Capital Emerging Markets Fund

On March 30, 2021, Fiera Capital Inc. ("FCI"), the Company's wholly-owned subsidiary, entered into an asset purchase agreement with Sunbridge Capital Partners LLC ("Sunbridge") to sell the advisory business related to its Fiera Capital Emerging Markets Fund. 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 current fiscal year 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.

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.

During the year ended December 31, 2020, the Company entered into the following strategic transactions:

i. Sale of Fiera Investments' retail mutual funds to Canoe Financial LP

On April 9, 2020, the Company announced the sale of its rights to manage all of Fiera Investments' retail mutual funds, as well as the sale of its interest in Fiera Investments Corp., to Canoe Financial LP, a Canadian mutual fund company. The transaction closed on June 26, 2020 for total cash consideration of $19.0 million. The sale reduced the Company's AUM by $1.2 billion at December 31, 2020.

ii. Wilkinson Global Asset Management ("WGAM")

On December 31, 2020, the Company completed the sale of all of its equity interest in WGAM, a New York-based private wealth investment manager, to Wilkinson Global Capital Partners LLC, pursuant to a call option entered into on December 1, 2018. The sale of WGAM reduced the Company’s AUM by $2.7 billion at December 31, 2020.

Impact of dispositions

The Company's strategic activity during the years ended December 31, 2021 and December 31, 2020 included various dispositions. For comparative purposes, the Company has provided information throughout the MD&A on the impact of these dispositions. Where the term "impact of dispositions" is referenced, the results of the disposed entities prior to their sale have been excluded from the comparative periods, as follows:

- Q4 2021 compared to Q4 2020: *Excludes the results of WGAM, Bel Air and the rights to manage the Fiera Capital Emerging Markets Fund.*

- Year-to-date December 31, 2021 compared to year-to-date December 31, 2020: *Excludes the results of Fiera Investments' retail mutual funds, WGAM, Bel Air and the rights to manage the Fiera Capital Emerging Markets Fund.*

FINANCIAL HIGHLIGHTS

(in $ billions)	AUM and average quarterly AUM as at and for the three months ended December 31, 2021	September 30, 2021	December 31, 2020	Variance Quarter over Quarter Change	Year over Year Change
AUM - Public Markets	172.4	165.8	168.5	6.6	3.9
AUM - Private Markets	15.9	15.0	13.4	0.9	2.5
Total AUM	**188.3**	180.8	181.9	7.5	6.4
Average quarterly AUM[1] - Public Markets	169.9	168.6	165.6	1.3	4.3
Average quarterly AUM[1] - Private Markets	15.6	14.6	13.3	1.0	2.3
Total Average quarterly AUM[1]	**185.5**	183.2	178.9	2.3	6.6

(in $ millions unless otherwise indicated)	Summary Financial Results for the three months ended December 31, 2021	September 30, 2021	December 31, 2020	Summary Financial Results for the year ended December 31, 2021	December 31, 2020
Revenues	**241.9**	174.9	195.9	749.9	695.1
Net earnings (loss)[2]	**35.7**	2.3	(1.0)	73.5	(3.4)
Adjusted EBITDA[3]	**92.1**	55.4	61.0	247.7	209.7
Adjusted EBITDA margin[3]	**38.1 %**	31.6 %	31.1 %	33.0 %	30.2 %
Adjusted net earnings [2],[3]	**68.5**	37.5	49.2	184.8	146.1
Basic per share					
Net earnings (loss)[2],[3]	**0.34**	0.02	(0.01)	0.71	(0.03)
Adjusted EBITDA[3]	**0.89**	0.53	0.58	2.39	$ 2.02
Adjusted net earnings[3]	**0.66**	0.36	0.47	1.78	$ 1.40
Diluted per share					
Net earnings (loss)[2],[3]	**0.31**	0.02	(0.01)	0.68	(0.03)
Adjusted EBITDA[3]	**0.76**	0.51	0.58	2.13	$ 2.02
Adjusted net earnings[3]	**0.58**	0.34	0.47	1.63	$ 1.40

[1] Average quarterly AUM for a given period is the average of the ending value of AUM for each month during the period
[2] Attributable to the Company's Shareholders
[3] Refer to the "Non-IFRS Measures" Section and the related reconciliations on page 43

Quarterly Financial Highlights

The Company's financial highlights reflect the following major items for the fourth quarter of 2021:

- AUM in the fourth quarter of 2021 increased by $7.5 billion or 4.1% compared to the previous quarter and $6.4 billion or 3.5% compared to the corresponding period of 2020. The increase in both periods was primarily due to favourable market appreciation, partly offset by net outflows of AUM.
- Revenue in the fourth quarter of 2021 increased by $67.0 million, or 38.3% compared to the previous quarter and $46.0 million, or 23.5% compared to the corresponding period of 2020. The increase in both periods was primarily due to higher performance fees in Public and Private Markets. Included in the fourth quarter of 2020 was $27.3 million of revenues related to dispositions[(1)]. Excluding dispositions, revenue would have increased by $73.3 million compared to the corresponding period of 2020.
- Adjusted EBITDA in the fourth quarter of 2021 increased by $36.7 million or 66.2% compared to the previous quarter and $31.1 million or 51.0% compared to the corresponding period of 2020, primarily from an increase in performance fee revenues, partially offset by increased revenue-related expenses and other selling, general and administrative costs. Included in the fourth quarter of 2020 was $10.5 million of adjusted EBITDA related to dispositions[(1)]. Excluding the impact of dispositions, adjusted EBITDA would have increased $41.6 million compared to the corresponding period of 2020.
- Net earnings attributable to the Company's shareholders increased by $33.4 million compared to the previous quarter and $36.7 million compared to the corresponding period of 2020. The increase in both periods were primarily due to a higher contribution from adjusted EBITDA. Additional items which impacted the fourth quarter of 2021 compared to the same period last year included:
    - Accelerated vesting of share-based awards of $5.3 million
    - Higher income tax recognized in net earnings attributable to the Company's shareholders of $10.6 million
    - Lower amortization and depreciation expense of $7.5 million
    - Items in the fourth quarter of 2020 which did not recur in the fourth quarter of 2021:
        - A $17.1 million decrease in net earnings related to the impairment of the asset management contracts and reduction of the carrying value of the purchase price obligation associated with the termination of the revenue sharing arrangement with CNR connected to the Fiera Capital Emerging Markets Fund
        - A $7.0 million net gain recognized on the sale of WGAM and impairment of assets held for sale related to Bel Air
- Included in the fourth quarter of 2020 was $4.7 million of net earnings attributable to the Company's shareholders related to dispositions. Excluding the impact of dispositions, net earnings attributable to the Company's shareholders would have increased $32.0 million compared to the corresponding period of 2020.

(1) Refer to the "Impact of Dispositions" section on page 4

Year-to-date Financial Highlights

The Company's financial highlights reflect the following major items for the year ended December 31, 2021:

- Revenue for the year increased by $54.8 million or 7.9%, mainly from an increase in performance fees in Public and Private Markets and an increase in the Company's share of earnings in joint ventures and associates from Fiera Real Estate UK. Revenues related to dispositions were $18.8 million and $116.6 million for the years ended December 31, 2021 and December 31, 2020, respectively. Excluding the impact of these dispositions, revenues for the year ended December 31, 2021 would have been $731.1 million compared to $578.6 million for the same period last year, an increase of $152.5 million or 26.4%.
- Adjusted EBITDA in 2021 increased by $38.0 million, or 18.1%, primarily from an increase in performance fee revenues, partially offset by increased revenue-related expenses and other selling, general and administrative costs. Adjusted EBITDA was $33.3 million lower due to the dispositions[1]. Excluding the impact of dispositions, adjusted EBITDA would have increased $71.3 million compared to the corresponding period of 2020.
- Net earnings attributable to the Company's shareholders of $73.5 million, an increase of $76.9 million, resulting mainly from:
    - A higher contribution from adjusted EBITDA of $38.0 million
    - A $13.8 million decrease in interest on long-term debt, lease liabilities and other financial charges primarily due to a change in the fair value of interest rate swaps and lower interest on long-term debt
    - A $12.2 million decrease in restructuring and acquisition costs, primarily due to severance costs incurred as part of the transition to the new global operating model announced in June 2020
    - An $14.5 million decrease in amortization and depreciation expense
    - These increases were partly offset by accelerated vesting of share-based awards of $12.2 million and income tax recognized in net earnings attributable to the Company's shareholders of $22.2 million
    - Items for the year ended December 31, 2020 which did not recur in 2021:
        - a $7.0 million net gain recognized on the sale of WGAM and impairment of assets held for sale related to Bel Air
        - a $2.1 million decrease in net earnings related to the impairment of the asset management contracts and reduction of the carrying value of the purchase price obligation associated with the termination of the revenue sharing arrangement with CNR connected to the Fiera Capital Emerging Markets Fund.
- Net earnings attributable to the Company's shareholders related to dispositions were $21.5 million and $31.6 million for the years ended December 31, 2021 and December 31, 2020, respectively. Excluding the impact of these dispositions, net earnings attributable to the Company's shareholders would have increased $87.1 million compared to the corresponding period of 2020.

OVERVIEW

Company Overview

Fiera Capital is a leading independent asset management firm with a growing global presence and approximately $188.3 billion in AUM at December 31, 2021. The Company delivers customized and multi-asset solutions across **Public** and **Private Markets** asset classes to **Institutional**, **Financial Intermediaries** and **Private Wealth** clients across **North America**, **Europe** and key markets in **Asia**.

On January 5, 2022, the Company announced that Jean-Guy Desjardins, founder of Fiera Capital and Chairman of the Board and Chief Executive Officer, was appointed Executive Chairman of the Board of Fiera Capital and Jean-Philippe Lemay, Global President and Chief Operating Officer was appointed Global President and Chief Executive Officer of Fiera Capital, with both appointments being effective as of January 1, 2022.

As at December 31, 2021, the Company had approximately 844 employees, including approximately 239 investment professionals.

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 Markets** 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 Markets platform continues to grow and scale, 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 Markets 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 Markets 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.

2003

SEPTEMBER
- Creation of **Fiera Capital** through Acquisition of **Elantis**, **Desjardins** Group's Investment Subsidiary

2005

OCTOBER
- Introduction of 1st Alternative Strategy
- Acquisition of **Senecal Investment Counsel**

2006

FEBRUARY
- Acquisition of **YMG Capital**

2008

DECEMBER
- Introduction of first private market investment strategy (Infrastructure)

2009
- Creation of the Global Equity Team

2010

SEPTEMBER
- Merger with **Sceptre Investment Counsel** **$7.2B**
- Listing on **Toronto Stock Exchange**

2011

SEPTEMBER
- Opening of First US Office

DECEMBER
- Creation of **Fiera Real Estate**

2012

APRIL
- Acquisition of **Natcan** **$25B**
- Acquisition of **Roycom Inc.** **$0.5B**

NOVEMBER
- Acquisition of **Canadian Wealth Management Group Inc.** **$0.6B**

2013

JANUARY
- Acquisition of Assets from **UBS Global Asset Mgmt. (Canada) Inc.** **$6B**

MAY
- Acquisition of Assets from **GMP Capital Inc.** and creation of **Fiera Quantum** **$0.6B**

OCTOBER
- Acquisition of **Bel Air Investment Advisors and Wilkinson O'Grady** **$8.5B**

2014

SEPTEMBER
- Acquisition of **Propel Capital Corporation** **$0.2B**

2015

OCTOBER
- Acquisition of **Samson Capital Advisors LLC** **$9.5B**

2016

JUNE
- Acquisition of **Apex Capital Management** **$8.6B**

JULY
- Entered into joint venture with **Aquila Infrastructure Management**
- Creation of **Fiera Infrastructure Inc.**

SEPTEMBER
- Acquisition of **Larch Lane Advisors LLC** **$0.5B**
- Creation of **Fiera Comox (Agriculture and Private Equity)**

NOVEMBER
- Acquisition of **Centria Commerce Inc.** **$0.3B**
- Creation of **Fiera Private Debt**

DECEMBER
- Acquisition of **Charlemagne Capital Limited** **$2.8B**

2017

NOVEMBER
- Acquisition of remaining interest of **Fiera Real Estate**

DECEMBER
- Acquisition of Asia EM Fund from **City National Rochdale** **$2.1B**

2018

MAY
- Acquisition of **CGOV Asset Management** **$5.0B**

AUGUST
- Acquisition of **Clearwater Capital Partners** **$1.8B**

2019

FEBRUARY
- Sale of retail mutual funds to **Canoe Financial LP**

APRIL
- Acquisition of **80% interest in Palmer Capital** **$1.3B**

JULY
- Acquisition of IAM **$2.0B**
- Strategic partnership with **Natixis Investment Managers**

2019

AUGUST
- Acquisition of **Foresters Asset Management** **$10.5B**

2020

JUNE
- Sale of Fiera Investments retail mutual funds **$1.2B**

JULY
- Introduction of new global operating model

DECEMBER
- Sale of Wilkinson Global Asset Management **$2.7B**

2021

MARCH
- Sale of Bel Air Investment Advisors **$8.3B**
- Announcement of the sale of the rights to manage the Emerging Markets Fund **US$2.3B**
- Acquisition of new Global Equity capability **$0.9B**

2022

JANUARY
- Establishment of the sub-advisory partnership with StonePine Asset Management Inc.

Organic

Strategic

MARKET, ECONOMIC AND INVESTMENT STRATEGY PERFORMANCE REVIEW

Overall

The macroeconomic landscape has undergone some notable change in the last quarter. Risks have resurfaced given the emergence of new COVID-19 virus strains that are circulating globally. The severity and impact of these new variants is still uncertain. However, the global economy has demonstrated a resilience to the ongoing presence of the COVID-19 pandemic through increased spending from consumers, businesses, and governments. While uncertainty remains, global growth is expected to remain solid as activity continues to normalize, and consumers spend their pent-up savings.

Inflationary pressures have been increasingly persistent, and inflation is expected to remain elevated due to both cyclical and structural drivers. Pricing pressures intensified in 2021 as the wider economy reopened and as supply-side disruptions raised the price for goods, causing high levels of demand with limited supply. Structural forces including a solid labour market recovery and rising commodity prices are expected to contribute to higher inflation. In response, policymakers have begun the transition away from providing pandemic-related economic support. Both the Federal Reserve and the Bank of Canada have begun the process of scaling back on emergency stimulus.

Regional Economic and Market Review

Canada

The Canadian economy continues on the path to recovery due to employment gains, pent-up household savings, and healthy corporate balance sheets providing a foundation for both confidence and spending, despite the recent public health restrictions that may inhibit near-term activity. With considerable uncertainty around the inflation outlook, housing market, and a full recovery in employment, the Bank of Canada has warned of tighter monetary policy ahead.

United States

The U.S. economy performed well during the quarter and strong, above-trend growth is expected for another year. The private sector is driving growth and consumer spending power has been enhanced by tighter labour market conditions and elevated savings amassed during the crisis, while businesses are also set to boost investment. Elevated inflation is likely to remain, which has resulted in Federal Reserve officials beginning to reduce hyper-stimulative policies in response.

International

The latest wave of the virus spread in Europe is putting the economy under increasing strain, with the implementation of new countermeasures likely to temporarily reduce growth. However, eventual pandemic relief, easing supply-chain bottlenecks, and continuing central bank support should allow for progress towards economic revival next year. Japan’s recovery has also been impacted by extended emergency measures that curtailed activity, though the government will be providing new fiscal support which should help to support the economy in 2022.

Emerging Markets

The Chinese slowdown intensified during the quarter as a result of increased regulations, a declining property market, and ongoing disruptions from the COVID-19 pandemic. Fortunately, both the central bank and government are prioritizing stability and growth in 2022. Elsewhere, emerging economies have been impacted by proactive tightening to combat a steep upswing in inflation, while ongoing virus challenges, low vaccination rates, and a shrinking growth differential with developed economies intensifies the challenges faced by the emerging world.

Global Equity Markets Review

Global equity markets experienced significant gains in 2021. Despite facing multiple waves of COVID-19, multi-decade highs on inflation, and an abrupt shift in the monetary policy outlook, robust global demand and powerful earnings recoveries led to stock market increases. While volatility was present in the marketplace in the fourth quarter as investors contemplated the economic implications of central banks' pivot to fighting inflation and the emergence of the highly-transmissible Omicron variant, improvement was seen towards the end of the year amid optimism that the global economic recovery will overcome the renewed health threat.

In the coming months, as a result of renewed health fears, there may be an increase in near-term profit-taking. Moreover, monetary policy is set to normalize, and investors will need to recalibrate their expectations accordingly. The uncertainty associated with an incremental withdrawal of policy support will likely result in more volatility to financial markets, while multiples are set to contract as the monetary and fiscal impulse progressively fades. 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 by higher input prices and accelerating wage gains.

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.

Fixed Income Market Review

Bond markets stabilized to some degree in the fourth quarter. Yield curves flattened, with the short-end rising based on expectations of an accelerated pace of monetary normalization. However, there was little effect on the long-end as inflation expectations remained fairly stable, while COVID-19 concerns that prompted investors towards the safety of government bonds also placed a cap on longer-dated yields. The last quarter saw a profound shift in the stance of global central bank policy amid soaring inflation. Consequently, policymakers have opted to continue with their plans to normalize monetary policy. In response to the strongest inflation in four decades, the Federal Reserve accelerated the pace of its Quantitative Easing (QE) taper program, dropped its reference to inflation being "transitory", and projected a much steeper forecast for the federal funds rate. Similarly, the Bank of Canada has already tapered its bond buying program and signaled its intention to raise rates when the output gap closes in the coming year. The Bank of England unexpectedly raised interest rates in December, setting aside the threat posed by record COVID-19 cases in an effort to address surging inflation. The European Central Bank and Bank of Japan are lagging due to a weaker economic and inflationary impulse in their respective economies. Meanwhile, while developed markets are pivoting towards normalization, the People's Bank of China is prioritizing growth and increasing support due to the strain the economy is under.

With global growth holding firm, central banks poised to withdraw support, and inflation remaining strong, the path of least resistance for government bond yields should be higher. These factors are already evident at the short-end of the curve but are expected to show up in higher longer-dated yields through the coming year. Long-term government bond yields are expected to rise as markets solidify expectations for policy normalization from major central banks, while persistent pricing pressures will cause investors to demand higher compensation for inflation risk. While corporate credit remains attractive given the supportive macro backdrop that should mitigate default risks, 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 fourth quarter, the positive trend in relative performance continued.

Equity Strategies

Large Cap Equity

Global equity markets were stronger in the final quarter of 2021 as investors focused on economic resilience and corporate earnings. The three strategies (U.S., International and Global), now managed by StonePine, outperformed their respective benchmarks for December and the quarter, contributing to their added value for 2021 and continued outperformance for longer reported time periods. The US Equity strategy benefited from strong security selection which added 268 bps to total added value in the fourth quarter of 2021. Selection within the Consumer Discretionary sector was the largest contributor. The largest source of added value for the Global Equity strategy was also from selection within Consumer Discretionary. The International Equity strategy, on the other hand, benefited from strong security selection within the Health Care sector.

The Atlas Global Companies strategy posted a positive added value of 62 bps in the fourth quarter of 2021. This was primarily driven by security selection within Consumer Discretionary, partly offset by the strategy's positioning in Information Technology. Over the longer-term, the strategy continues to outperform the MSCI World Index by a significant margin.

The Sustainable Global Equity strategy underperformed the MSCI World Index by 227 bps in the fourth quarter of 2021. The underperformance was driven by security selection in Information Technology, partly offset by overweight positioning and security selection in the Materials sector. Although the strategy had weaker performance in 2021 (-506 bps added value), over the longer term (>1Y) the strategy outperformed its benchmark by a healthy margin.

The Canadian Equity Team's flagship strategy underperformed the S&P and TSX by 83 bps, while the Core strategy outperformed the benchmark by 159 bps. Security selection in Information Technology was the largest contributor of added value in the quarter for both strategies. However, stock selection in Financials and Materials for the flagship strategy detracted added value and caused the strategy to post negative added value for the quarter.

Small Cap, Emerging and Frontier Equity Strategies

The Canadian Equity Small Cap Core strategy outperformed the S&P/TSX Small Cap Index by 155 bps in the quarter, reaching 587 bps added value for 2021. In the fourth quarter of 2021, added value mainly came from security selection within the Real Estate and Health Care sector. The strategy's underweight in Health Care generated 89 bps of added value as the sector strongly underperformed the broader index.

The Canadian Small Cap strategy outperformed the S&P/TSX Small Cap Index by 55 bps in the fourth quarter of 2021, ending 2021 with 330 bps of added value for the year. In the quarter, the strategy's strong picks in the Health Care sector generated the most value, while its underweight in the same sector also added value as the sector underperformed the overall index. In 2021, the largest source of added value was the strategy's underweight in the Materials sector as it underperformed the broader index.

The US SMID Cap Growth strategy outperformed the Russell 2500 Growth Index by 659 bps in the fourth quarter of 2021, adding to its strong outperformance for 2021 (+1,300 bps). During the quarter, the main drivers of added value were security selection in the Health Care and Information Technology sectors. This was partially offset by the absence of Real Estate stocks in the portfolio as the sector outperformed the broader index by 1400 bps.

The Global Small Cap strategy outperformed the MSCI World Small Cap Index by 765 bps in the fourth quarter of 2021 and 669 bps year-to-date. In the quarter, added value was mainly generated from security selection within the Financials and Health Care sectors. In 2021, the sources of added value were also driven by security selection in the Health Care sector, however this was partly offset by selection within Financials and in U.S. stocks which detracted value on a year-to-date basis.

The Emerging Markets Core Growth strategy lagged the MSCI EM index by 275 bps in the fourth quarter of 2021 and resulted in year-to-date underperformance of 644 bps. Selection within the Information Technology sector continued to be the main detractor of added value. From a geographic perspective, selection in Russian and Indian equities detracted the most added value this quarter.

The Frontier Markets strategy outperformed the MSCI Frontier Markets Index by 283 bps in the quarter, adding to the strategy’s absolute and relative performance for 2021 (42.6% and 22.9% respectively). The added value was mainly derived from selection in the Energy sector in the fourth quarter. From a geographic perspective, added value was driven by the strategy’s allocation to Saudi Arabia. Saudi Arabia is absent from the MSCI Frontier Markets Index as it is considered an emerging country. This was partly offset by the strategy's allocation to Vietnamese equities which were negative this quarter but added 1,160 bps for the full year.

Fixed Income Strategies

<u>Canadian Fixed Income Strategies</u>

Active Universe Strategies

The fixed income universe strategies posted mixed results in the fourth quarter of 2021. The Active Core and Specialized Credit strategies generated 12 bps and 57 bps of added value respectively, and the Credit Oriented strategy was at par with the benchmark for the quarter. The positive returns were mainly driven by curve positioning and being overweight on long-term bonds. The Strategic Core strategy generated negative added value of 16 bps, mainly due to spreads widening in November and the strategy being slightly overweight on corporate bonds. On a full year basis, all strategies generated positive value added compared to their respective benchmarks.

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

The Company's other fixed income strategies, which include corporates, preferred shares and infrastructure bonds, outperformed their benchmarks during the fourth quarter of 2021 and on a full year basis. The Preferred Shares strategy generated the greatest one-year added value of 622 bps. The Company's Multi-Strategy Income strategy generated a slightly negative return in the quarter mainly due to the strategy's position in Asian High Yield bonds. Despite the negative quarter, the strategy generated a 2.4% return for 2021 and continues to perform well over longer periods.

US Fixed Income Strategies

During the fourth quarter of 2021, the Company's US fixed income strategies were affected by rate exposure and shifting yield curves. The High Grade Core Intermediate strategy underperformed against its benchmark slightly due to the strategy having less rate exposure than its benchmark. The Tax-Efficient Core Intermediate 1-10 Year strategy also slightly underperformed against its benchmark, driven by upward pressure on short term rates and flattening yield curves, decreasing demand for longer dated municipal funds. This was partly offset by the strategy's allocation to shorter municipal maturities.

Balanced Investment Strategies

The balanced investment strategies continued to outperform in all reported periods primarily due strong added value from underlying strategies and our tactical asset allocation calls.

Liquid Alternative Investment Strategies

The Company's Liquid Alternative Investment strategies all posted positive added value in the fourth quarter and for the full year. Long positions in the Consumer Discretionary and Financials sectors were the largest contributor to the positive performance of the Global Market Neutral strategy against its benchmark, while long positions in the Information Technology sector were the highest contributor to the positive performance in the Atlas Global Long/Short strategy. The OAKS Emerging and Frontiers Opportunities strategy continued its run of strong performance over the fourth quarter of 2021, maintaining a large positive net exposure of 402bps while emerging and frontiers markets were generally down, with the largest contributors to the positive performance being the strategy's positions in Vietnam and Saudi Arabia, as well as holdings in the Financials sector.

Investment Strategy Performance - Private Markets

Real Estate Strategies

The Canadian and the UK real estate strategies have again delivered very strong performance in Q4 2021. The portfolios span across the full risk-return spectrum and continue to be well positioned to capture the strengthening market tailwinds heading into 2022. The strategies are heavily weighted to industrial/distribution/warehouse holdings and multi-residential assets, where tenant and investment demand is demonstrating exceptional growth, thus realizing sustained outperformance as a result. The portfolios are also seeing positive contributions from the retail and office sectors as stability returns to these markets. Real estate is experiencing exceptional performance as a result of low interest rates and investor demand shifting towards assets that provide inflationary protection, highlighting the merits of holding real estate. The Fiera Real Estate strategies will continue to focus on research and data-driven portfolio construction and its disciplined investment and asset management processes. This focus has, and is expected to continue to, to maximize value creation and delivery to investors.

Infrastructure Strategy

The Infrastructure strategy performed well during the fourth quarter. Three new acquisitions were announced during the quarter which provide platforms for future growth. These investments were made with key ESG considerations in mind. 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 a strong return for the quarter across many of the segments of the platform. While Q4 2021 was marked by continued inflationary challenges driven in part by supply chain disruptions, this unfavorable economic environment was countered by an extended setting of low interest rates, sustained consumer demand and a renewed commitment from both the private and public sectors of the economy in aiding borrowers navigate the uncertainty of the pandemic. Multiple non-performing loans were paid off, whereby the manager recovered all of the principal, and in some cases, also a substantial amount of owed interest and fees. The strategies are well positioned for a rising interest environment as they are primarily invested in short term and/or floating rate loans. We continue to be focused on building a portfolio of private debt instruments with defensive characteristics where downside protection has been the leading investment criterion.

Global Agriculture Strategy

The Global Agriculture strategy delivered a strong end to 2021 with the fourth quarter’s return being driven primarily by the solid performance of the Australian row cropping assets. In December, the Fund also closed on its eighth platform, a Spanish tree fruit company, that represents a new geographic exposure for the portfolio and adds a new commodity, pears, to the Fund’s commodity mix. The investment pipeline of both bolt-on acquisition opportunities and new platform opportunities is robust and the team continues to take a disciplined approach to evaluating all new potential opportunities. Asset management has also remained a top priority of the team over the last year, implementing a number of strategic capex projects across the portfolio that will drive efficiencies within our portfolio companies and support the long-term sustainability of our investments.

Private Equity Strategy

2021 was a banner year for the strategy, having closed four direct investments and three fund investments during the year. The portfolio grew from five investments to twelve investments and to over 100 underlying companies, diversified across sectors and geographies. In Q4 2021, the strategy closed 3 of the year's 7 deals and experienced strong performance. In October, the strategy closed a primary fund commitment to FFL Partners, a longstanding US-based middle-market private equity firm that makes direct buyout investments in the healthcare and business services sectors. In November, the strategy closed a primary fund commitment to Activate Capital Partners, a US-based private equity firm that makes direct growth investments in the renewable and green energy and infrastructure sectors. In December, the strategy closed a direct co-investment, alongside FFL Partners, in a US-based healthcare services company. Furthermore, the strategy implemented a NAV-based line of credit that will optimize operations from a capital call management perspective and will benefit investors going forward. Entering 2022, the investment team is actively engaged in and maintains a robust pipeline of transaction opportunities globally, with a continued focus on downside protection.

Table 1 – Public Markets Performance as at December 31, 2021

		Q4 2021			1 yr			3 yr			5 yrs or since inception (SI)* SI if inception < 5 yrs)		
Public Market strategies	Currency	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	13.16	2.45	1	32.81	5.20	1	27.03	4.20	1	21.87	4.81	1
International Equity	CAD	7.25	4.86	1	16.84	6.52	1	20.12	9.50	1	16.71	8.47	1
Global Equity	CAD	10.58	3.13	1	25.92	5.14	1	24.06	5.48	1	20.00	6.34	1
Atlas Global Companies	CAD	8.07	0.62	1	20.78	—	2	29.82	11.24	1	26.24	13.16	1
Sustainable Global Equities	CAD	5.18	(2.27)	3	15.72	(5.06)	3	24.13	5.56	1	19.20	5.53	1
Canadian Equity	CAD	5.65	(0.83)	4	22.44	(2.66)	4	17.88	0.36	1	12.02	1.98	1
Canadian Equity Core	CAD	8.06	1.59	1	28.04	2.95	1	18.38	0.85	2	10.83	0.79	2
Small Cap, Emerging and Frontier													
U.S. SMid Cap Growth	USD	6.78	6.59	2	18.03	13.00	1	31.40	6.32	1	21.50	3.87	1
Global Small Cap	CAD	9.58	7.65	1	21.46	6.69	2	N/A	N/A	N/A	29.72	14.88	1
Canadian Equity Small Cap Core	CAD	4.58	1.55	2	26.14	5.87	2	24.77	8.48	2	11.36	5.62	3
Canadian Equity Small Cap	CAD	3.58	0.55	2	23.57	3.30	3	19.92	3.64	3	6.60	0.86	4
Emerging Markets Core Growth	USD	(4.06)	(2.75)	4	(8.98)	(6.44)	4	7.96	(2.98)	4	7.64	(2.24)	4
Frontier Markets	USD	3.53	2.83	2	42.61	22.88	1	20.18	7.44	1	15.02	5.45	1
Canadian Fixed Income Strategies													
Active Universe Strategies													
Active Core	CAD	1.59	0.12	1	(2.27)	0.26	4	4.86	0.64	3	4.07	0.56	2
Strategic Core	CAD	1.31	(0.16)	3	(2.20)	0.33	3	5.22	1.00	1	4.32	0.81	1
Credit Oriented	CAD	1.47	—	2	(2.06)	0.48	2	4.87	0.65	2	3.95	0.64	1
Specialized Credit	CAD	2.04	0.57	1	(0.41)	2.13	1	6.20	1.98	1	4.95	1.64	1
Relative Value	CAD	2.21	0.59	1	(1.98)	0.99	2	5.37	1.45	1	4.41	1.27	1
Other Fixed Income													
Corporate Universe	CAD	1.11	0.04	2	(0.86)	0.48	3	5.51	0.46	3	4.36	0.45	3
Preferred Shares	CAD	2.15	0.53	1	25.57	6.22	1	11.34	1.89	1	7.77	1.25	1
Infrastructure Bonds	CAD	3.84	0.13	1	(3.86)	0.23	4	7.00	0.41	4	6.21	0.82	2
Multi-Strategy Income	CAD	(0.16)	0.33	N/A	2.12	3.05	N/A	3.49	1.04	N/A	3.27	1.40	N/A
US Fixed Income Strategies													
High Grade Core Intermediate	USD	(0.64)	(0.13)	4	(0.99)	0.31	2	3.99	0.39	3	3.04	0.25	3
Tax Efficient Core Intermediate	USD	0.01	(0.17)	4	(0.10)	(0.64)	4	3.23	(0.21)	4	2.85	(0.24)	4
Tax Efficient Core Plus	USD	0.13	(0.06)	4	0.30	(0.24)	4	3.89	0.45	4	3.50	0.41	4
Balanced Investment Strategies													
Balanced Core	CAD	6.17	1.46	1	16.41	3.95	1	14.73	1.98	1	10.65	2.03	1
Balanced EFT	CAD	5.67	1.46	1	16.73	3.45	1	14.50	2.18	1	10.50	2.05	1
Tactical Asset Allocation	CAD	5.08	0.49	N/A	14.87	4.02	N/A	11.92	0.90	N/A	8.76	0.86	N/A
Liquid Alternative Investment Strategies													
Global Market Neutral	CAD	2.07	2.02	N/A	4.92	4.75	N/A	5.14	4.25	N/A	7.54	6.53	N/A
Atlas Global Long/Short	CAD	6.15	6.15	N/A	4.43	4.43	N/A	16.50	16.50	N/A	12.72	12.72	N/A
Emerging & Frontier Opportunities	USD	4.02	N/A	N/A	43.84	N/A	N/A	18.74	N/A	N/A	15.11	N/A	N/A

Important Disclosures:

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 December 31, 2021

Private Markets strategies	Currency	Inception date	Open-ended	Closed-ended	Performance - Since Inception		NAV (in $M)	Total Undrawn Commitment (in $M)
					Return[1]	Gross IRR[2]		
Real Estate								
Fiera Real Estate CORE Fund L.P.	CAD	Apr-13	✓		9.24%	—	2,776	85
Fiera Real Estate Small Cap Industrial Fund L.P.	CAD	Feb-14	✓		15.12%	—	418	102
UK CORE INCOME FUND	GBP	Aug-09	✓		7.45%	—	244	—
Infrastructure								
EagleCrest Infrastructure[3]	CAD	Jan-16	✓		—	8.87%	1,983	47
Private Debt								
Real Estate & Infrastructure								
Fiera Real Estate Core Mortgage Fund[4]	CAD	Dec-17	✓		4.97%	—	58	1
Fiera Real Estate Financing Fund	CAD	Dec-06	✓		12.72%	—	640	—
Fiera Infrastructure Debt Fund LP	CAD	Feb-17		✓	3.83%	—	336	—
Clearwater Capital Partners Direct Lending Opportunities Fund, L.P.	USD	Feb-17	✓		—	11.92%	409	—
Corporate Debt								
Fiera Private Debt Fund VI	CAD	Feb-19		✓	5.80%	—	433	357
Fiera Comox Private Credit Opportunities Open-End Fund L.P[5]	USD	Apr-20	✓		—	11.57%	129	75
Fiera Business Financing Fund	CAD	May-13	✓		13.30%	—	114	—
Clearwater Capital Yield Fund, L.P.	USD	Nov-18		✓	—	2.32%	77	—
Funds of Funds								
Global Diversified Lending Master Fund, L.P.[6]	USD	Jun-18	✓		8.05%	—	214	—
Fiera Diversified Lending Fund[4][6]	CAD	Apr-08	✓		6.34%	—	1,509	—
Global Agriculture								
Global Agriculture Open-End Fund L.P.[5]	USD	Jul-17	✓		—	9.60%	705	173
Private Equity								
Glacier Global Private Equity Fund I L.P.[5]	USD	Sep-18	✓		—	22.26%	223	44

Important Disclosures:

(1) Annualized time weighted returns, presented gross of management and performance fees and expenses, unless otherwise stated.

(2) Presented gross of management and performance fees and expenses, unless otherwise stated.

(3) 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.

(4) Returns presented net of management and performance fees and expenses.

(5) Gross IRR shown net of fund operating expenses.

(6) Strategies with diversified allocation to various private debt LP, including some above mentioned.

OUTLOOK

The macroeconomic landscape underwent significant changes in the second half of 2021. New virus strains resulted in major economies around the world re-instating various forms of lockdown measures to try and reduce the further spread of the virus. As a result, many companies, including Fiera Capital, have delayed the return of employees to its offices in accordance with local public health guidelines. While it is still early to assess the full impact of these new variants, we remain cautiously optimistic as a result of the continued rollout of vaccines, in addition to new anti-viral treatments.

The global economy has continued to demonstrate its resilience on account of increased spending from consumers, business, and governments. However, supply-chain challenges and higher than expected demand in certain sectors, labour shortages and rising commodity prices, have led to structural imbalances resulting in inflation pressures that are no longer considered transitory. As a result, fiscal policymakers, including the Federal Reserve and the Bank of Canada, have announced that a rise in interest rates should be expected, in addition to the scale back of pandemic related stimulus programs. The Company continues to review the potential impact from these economic factors and the market risk to its capital position and profitability should the duration, spread or intensity of the pandemic further develop.

The Company's favourable 2021 financial results, against the backdrop of the continuing global pandemic, demonstrates 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. We are passionate about creating innovative investment solutions by being efficient allocators of capital with the objective of fostering sustainable prosperity for all our stakeholders. We will continue to do this by:

1. **Constructing optimized portfolios to deliver on client outcomes.** *Our focus is on delivering the specific risk/return outcome the client needs with the highest probability of success;*

2. **Offering innovative investment strategies, where each has a purpose.** *We design strategies as building blocks that are complementary to one another;*

3. **Contributing to socially responsible outcomes.** *In every investment we make, we optimize first and foremost for financial returns while also considering the long term ESG impact of the decision fostering sustainable prosperity;*

4. **Delivering value for our shareholders.** *We affect all our internal capital and resource allocation decisions with a disciplined value lens for our shareholders;*

5. **Harnessing the intellectual capital of our diverse and inclusive team.** *We invest with the objective of helping our employees be at their best and deliver their full potential, for our clients and for our shareholders.*

We will also continue to evolve our Distribution capabilities and ensure that we are viewed by our clients as a top solutions provider both globally and across asset classes, underpinned by leading-edge research, innovation and client-centricity. For **Institutional Investors**, we want to continue to be a global counselor to meet their long-term investment objects. In the **Financial Intermediary** channel, we want to keep being the partner of choice for alpha-generating solutions that contribute to long-term sustainable prosperity. Finally in the **Private Wealth** space, we will continue to offer institutional grade investment advice and capabilities to our high-net-worth clients.

Outlook

We will support our clients by continuing to be a leader in **Private Markets** and high alpha **Public Markets** investing. We embed social responsibility in everything we do, including our enterprise commitments and policies, investment processes and impact measurement and reporting.

We believe that in doing the above, we will be able to drive the necessary organic revenue growth that will allow us to generate long-term value for our shareholders.

FINANCIAL RESULTS

Table 3 – Consolidated Statements of Earnings (Loss) for the three months ended December 31, 2021 and 2020, and September 30, 2021

STATEMENTS OF EARNINGS (LOSS)	FOR THE THREE MONTHS ENDED			VARIANCE	
(in $ thousands except per share data)	December 31, 2021	September 30, 2021	December 31, 2020	QoQ Change FAV / (UNF) [2]	YoY Change FAV / (UNF) [2]
Revenues					
Base management fees	**162,606**	158,175	163,580	4,431	(974)
Performance fees	**59,084**	2,978	22,608	56,106	36,476
Share of earnings in joint ventures and associates	**8,292**	2,743	1,558	5,549	6,734
Other revenues	**11,945**	11,032	8,140	913	3,805
Total revenues	**241,927**	174,928	195,886	66,999	46,041
Expenses					
Selling, general and administrative expenses	**161,628**	132,017	140,236	(29,611)	(21,392)
Amortization and depreciation	**13,567**	16,164	21,105	2,597	7,538
Restructuring, acquisition related and other costs	**6,501**	9,992	9,112	3,491	2,611
Gain on investments, net	**(707)**	(1,944)	(400)	(1,237)	307
Interest on long-term debt, lease liabilities and other financial charges	**7,214**	10,297	9,092	3,083	1,878
Accretion and change in fair value of purchase price obligations and other	**4,859**	2,183	(44,159)	(2,676)	(49,018)
Gain on sale of a business and impairment of assets held for sale	**—**	—	(7,001)	—	(7,001)
Impairment of intangible assets	**—**	—	66,911	—	66,911
Other gains	**(209)**	(582)	(215)	(373)	(6)
Total expenses	**192,853**	168,127	194,681	(24,726)	1,828
Earnings before income taxes	**49,074**	6,801	1,205	42,273	47,869
Income tax expense	**12,456**	3,618	1,914	(8,838)	(10,542)
Net earnings (loss)	**36,618**	3,183	(709)	33,435	37,327
Attributable to:					
Company's shareholders	**35,655**	2,333	(983)	33,322	36,638
Non-controlling interest	**963**	850	274	113	689
Net earnings (loss)	**36,618**	3,183	(709)	33,435	37,327
BASIC PER SHARE					
Adjusted EBITDA[1]	**0.89**	0.53	0.58	0.36	0.31
Net earnings (loss)	**0.34**	0.02	(0.01)	0.32	0.35
Adjusted net earnings[1]	**0.66**	0.36	0.47	0.30	0.19
DILUTED PER SHARE					
Adjusted EBITDA[1]	**0.76**	0.51	0.58	0.25	0.18
Net earnings (loss)	**0.31**	0.02	(0.01)	0.29	0.32
Adjusted net earnings[1]	**0.58**	0.34	0.47	0.24	0.11

(1) Refer to the "Non-IFRS Measures" Section and the related reconciliation table on page 43
(2) FAV: Favourable - UNF: Unfavourable

Table 4 – Consolidated Statements of Earnings (Loss) for the years ended December 31, 2021 and 2020

STATEMENTS OF EARNINGS (LOSS) (in $ thousands except per share data)	FOR THE YEARS ENDED December 31, 2021	December 31, 2020	VARIANCE YoY Change FAV / (UNF) (2)
Revenues			
Base management fees	**629,008**	633,976	(4,968)
Performance fees	**68,867**	28,790	40,077
Share of earnings in joint ventures and associates	**12,022**	5,670	6,352
Other revenues	**39,974**	26,709	13,265
Total revenues	**749,871**	695,145	54,726
Expenses			
Selling, general and administrative expenses	**534,933**	503,603	(31,330)
Amortization and depreciation	**67,622**	82,141	14,519
Restructuring, acquisition related and other costs	**28,697**	40,865	12,168
Gain on investments, net	**(4,441)**	(2,297)	2,144
Interest on long-term debt, lease liabilities and other financial charges	**32,074**	45,879	13,805
Accretion and change in fair value of purchase price obligations and other	**8,661**	(44,055)	(52,716)
Gain on sale of a business and impairment of assets held for sale	**(15,927)**	(6,326)	9,601
Impairment of intangible assets	**—**	66,911	66,911
Other gains	**(583)**	(1,222)	(639)
Total expenses	**651,036**	685,499	34,463
Earnings before income taxes	**98,835**	9,646	89,189
Income tax expense (recovery)	**22,214**	7,619	(14,595)
Net earnings	**76,621**	2,027	74,594
Attributable to:			
Company's shareholders	**73,532**	(3,379)	76,911
Non-controlling interest	**3,089**	5,406	(2,317)
Net earnings	**76,621**	2,027	74,594
BASIC PER SHARE			
Adjusted EBITDA[(1)]	**2.39**	2.02	0.37
Net earnings	**0.71**	(0.03)	0.74
Adjusted net earnings[(1)]	**1.78**	1.40	0.38
DILUTED PER SHARE			
Adjusted EBITDA[(1)]	**2.13**	2.02	0.11
Net earnings	**0.68**	(0.03)	0.71
Adjusted net earnings[(1)]	**1.63**	1.40	0.23

(1) Refer to the "Non-IFRS Measures" Section and the related reconciliation table on page 43
(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 in Public Markets and new subscriptions, including committed, undeployed capital, in Private Markets ("New"); ii) the amount of lost mandates ("Lost"); iii) the amount of inflows and outflows from existing clients, including return of capital and income distributions ("Net Contributions"); iv) the increase or decrease in the market value of the assets held in the portfolio of investments and foreign exchange impact ("Market"); and v) inflows and outflows of AUM from business acquisitions and dispositions ("Strategic"). "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 Markets investment strategies that have not yet been deployed. Committed capital that has been deployed does not affect overall AUM. 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 5-6) present a continuity of changes in the Company's assets under management by investment platform and distribution channel.

Current Quarter versus Previous Quarter

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

	PUBLIC MARKETS				PRIVATE MARKETS				
	Institutional	Financial Intermediaries	Private Wealth	TOTAL PUBLIC MARKETS	Institutional	Financial Intermediaries	Private Wealth	TOTAL PRIVATE MARKETS	TOTAL
AUM - September 30, 2021	**81,005**	**72,666**	**12,168**	**165,839**	**12,482**	**360**	**2,113**	**14,955**	**180,794**
New	201	431	231	**863**	1,011	—	—	**1,011**	**1,874**
Net Contributions	(1,393)	476	(334)	**(1,251)**	(465)	24	128	**(313)**	**(1,564)**
Lost	(1,599)	(266)	(85)	**(1,950)**	(38)	(1)	(10)	**(49)**	**(1,999)**
Net Organic Growth	(2,791)	641	(188)	**(2,338)**	508	23	118	**649**	**(1,689)**
Market	4,480	4,191	276	**8,947**	(57)	15	304	**262**	**9,209**
AUM - December 31, 2021	**82,694**	**77,498**	**12,256**	**172,448**	**12,933**	**398**	**2,535**	**15,866**	**188,314**

Consolidated AUM at December 31, 2021 was $188.3 billion compared to $180.8 billion as at September 30, 2021, an increase of $7.5 billion or 4.1%. The increase in AUM was primarily due to favourable market appreciation of $9.2 billion and new mandates of $1.9 billion, partly offset by a decrease in net contributions of $1.6 billion and lost mandates of $2.0 billion.

Public Markets

Public Markets AUM as at December 31, 2021 was $172.4 billion compared to $165.8 billion as at September 30, 2021, an increase of $6.6 billion or 4.0%. The increase in AUM was primarily due to favourable market appreciation of $8.9 billion in the Institutional and Financial Intermediaries distribution channels and new mandates of $0.9 billion. The increase in new mandates was driven by new Financial Intermediaries mandates of $0.4 billion in Europe, Canada and the US across various equity and fixed income strategies. The increases were partly offset by negative net contributions of $1.3 billion, primarily in Canadian Fixed Income strategies within the Institutional distribution channel, and lost mandates of $2.0 billion. The lost mandates were mainly driven by lost Institutional global equity mandates of $1.6 billion.

Private Markets

Private Markets AUM as at December 31, 2021 was $15.9 billion compared to $15.0 billion as at September 30, 2021, an increase of $0.9 billion or 6.0%. The increase in AUM was primarily due to new Institutional mandates of $1.0 billion in infrastructure, private debt, and real estate strategies, and favourable market appreciation of $0.3 billion in Private Wealth. The increase was partly offset by fund distributions to Institutional clients of $0.5 billion, which mainly include income distribution and some return of capital.

Consolidated AUM at December 31, 2021 included committed, undeployed capital related to the Company's Institutional Private Markets investment strategies of $1.6 billion, compared to $1.8 billion at September 30, 2021.

Year-to-Date Activity

Table 6 – Assets under Management by Distribution Channel – Year-to-Date Activity Continuity Schedule (in $ millions)

	PUBLIC MARKETS				PRIVATE MARKETS				
	Institutional	Financial Intermediaries	Private Wealth	TOTAL PUBLIC MARKETS	Institutional	Financial Intermediaries	Private Wealth	TOTAL PRIVATE MARKETS	TOTAL
AUM - December 31, 2020	**78,404**	**70,680**	**19,360**	**168,444**	**11,007**	**393**	**2,008**	**13,408**	**181,852**
New	3,095	1,737	1,257	6,089	2,042	35	286	2,363	8,452
Net Contributions	(4,406)	1,568	(430)	(3,268)	(652)	14	124	(514)	(3,782)
Lost	(2,257)	(3,025)	(524)	(5,806)	(99)	(4)	(22)	(125)	(5,931)
Net Organic Growth	**(3,568)**	**280**	**303**	**(2,985)**	**1,291**	**45**	**388**	**1,724**	**(1,261)**
Market	7,858	8,513	860	**17,231**	635	(40)	139	**734**	**17,965**
Strategic	—	(1,975)	(8,267)	**(10,242)**	—	—	—	**—**	**(10,242)**
AUM - December 31, 2021	**82,694**	**77,498**	**12,256**	**172,448**	**12,933**	**398**	**2,535**	**15,866**	**188,314**

Consolidated AUM was $188.3 billion as at December 31, 2021 compared to $181.9 billion as at December 31, 2020, an increase of $6.4 billion or 3.5%. The increase in AUM was primarily due to favourable market appreciation of $18.0 billion, partly offset by a net negative impact from strategic transactions of $10.2 billion in Public Markets, consisting of $8.3 billion of lower AUM from the disposition of Bel Air, and $2.8 billion of lower AUM from the disposition of the rights to manage the Fiera Capital Emerging Markets Fund and the termination of the revenue sharing arrangement with CNR connected to the Fiera Capital Emerging Markets Fund. The impact of these dispositions was partly offset by $0.9 billion of AUM added through the acquisition of the new

Fiera Atlas Global Companies team in 2021. In addition, AUM decreased due to lower net contributions of $3.8 billion and lost mandates of $5.9 billion.

Consolidated AUM as at December 31, 2020 included $11.1 billion related to the dispositions[1]. Excluding the impact of the dispositions, AUM as at December 31, 2020 would have been $170.7 billion, and the corresponding year-over-year increase would have been $17.6 billion or 10.3%.

Public Markets

Public Markets AUM as at December 31, 2021 was $172.4 billion compared to $168.4 billion as at December 31, 2020, an increase of $4.0 billion or 2.4%. The increase in AUM was primarily due to favourable market appreciation of $17.2 billion primarily in the Institutional and Financial Intermediaries distribution channels and new mandates of $6.1 billion. The new mandates included new Institutional mandates of $3.1 billion primarily in International Equity and Canadian Fixed Income strategies, new Financial Intermediaries mandates of $1.7 billion primarily in US Fixed Income, International Equity, and US Equity Strategies, and new Private Wealth mandates of $1.3 billion primarily in US Fixed Income and Canadian Equity Strategies. The increases were partly offset by negative net contributions of $3.3 billion and lost mandates of $5.8 billion. The negative net contributions were driven by Emerging Markets and Global Equity Strategies within the Institutional distribution channel. The lost mandates consisted of $2.3 billion from the Institutional distribution channel, primarily in global equity strategies and $3.0 billion of lost mandates from the Financial Intermediaries distribution channel, primarily in Canadian and US Fixed Income strategies.

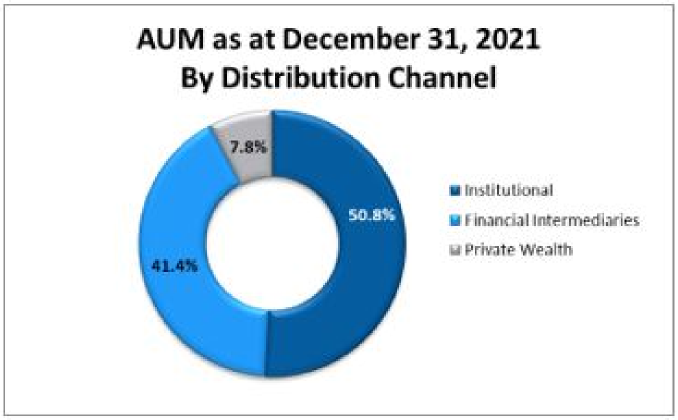
Private Markets

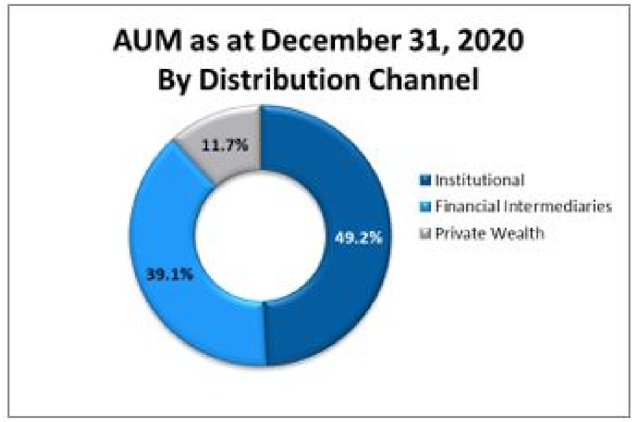
Private Markets AUM as at December 31, 2021 was $15.9 billion compared to $13.4 billion as at December 31, 2020, an increase of $2.5 billion or 18.7%. The increase in AUM was due to new mandates of $2.4 billion, which were primarily Institutional mandates and mainly in the Infrastructure, Agriculture, and Real Estate strategies, and favourable market appreciation of $0.7 billion in the Institutional distribution channel. The increase was partly offset by fund distributions to Institutional clients of $0.7 billion, which mainly include income distribution and some return of capital.

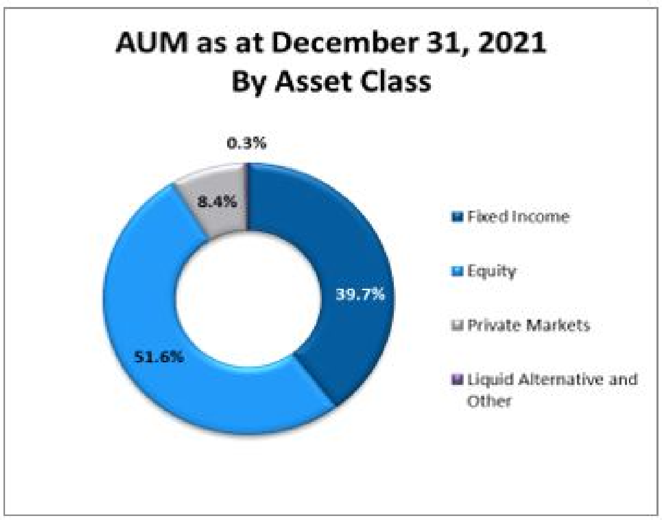
Consolidated AUM as at December 31, 2021 included committed, undeployed capital related to the Company's Institutional Private Markets Investment strategies of $1.6 billion, compared to $1.7 billion as at December 31, 2020.

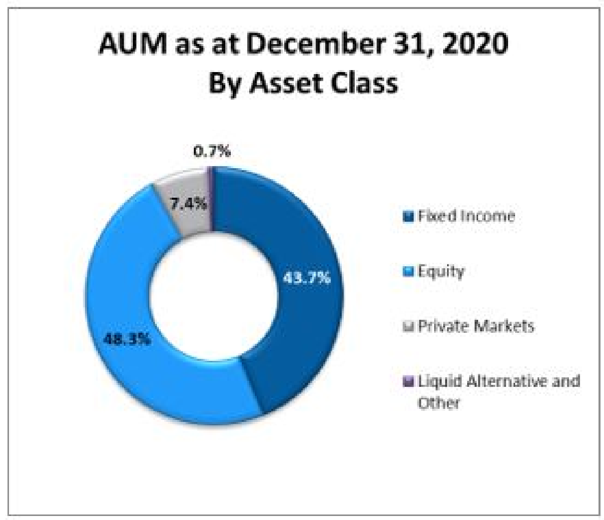
[1] Refer to the "Impact of Dispositions" section on page 4

The following graphs illustrate the breakdown of the Company's AUM by distribution channel and by asset class as at December 31, 2021, and December 31, 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. The Company categorizes its Base Management Fee and Performance Fee revenues into two investment platforms and three distribution channels: those associated with Public Markets and Private Markets investment strategies and Institutional, Financial Intermediaries and Private Wealth distribution channels. 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. Revenues also comprise share of earnings in joint ventures and associates in which the Company has ownership interests and are not allocated to a distribution channel. Other revenues, which are also not allocated to a distributional channel, are primarily comprised of brokerage and consulting fees which are not AUM-driven, commitment and transaction fees from Private Markets investment strategies, as well as realized gains or losses on foreign exchange forward contracts.

Table 7 – Quarterly Revenues by Investment Platform (in $ thousands)

	FOR THE THREE MONTHS ENDED December 31, 2021								
	PUBLIC MARKETS				PRIVATE MARKETS				
	Institutional	Financial Intermediaries	Private Wealth	TOTAL PUBLIC MARKETS	Institutional	Financial Intermediaries	Private Wealth	TOTAL PRIVATE MARKETS	TOTAL
Base management fees	60,818	54,456	13,036	**128,310**	24,175	796	9,325	**34,296**	**162,606**
Performance fees	5,252	39,882	821	**45,955**	12,834	77	218	**13,129**	**59,084**
Share of earnings in joint ventures and associates	—	—	—	**—**	—	—	—	**8,292**	**8,292**
Other revenues	—	—	—	**1,159**	—	—	—	**10,786**	**11,945**
Total revenues	**66,070**	**94,338**	**13,857**	**175,424**	**37,009**	**873**	**9,543**	**66,503**	**241,927**

Note: Share of earnings in joint ventures and associates and Other Revenues are not allocated to a distribution channel

	FOR THE THREE MONTHS ENDED September 30, 2021								
	PUBLIC MARKETS				PRIVATE MARKETS				
	Institutional	Financial Intermediaries	Private Wealth	TOTAL PUBLIC MARKETS	Institutional	Financial Intermediaries	Private Wealth	TOTAL PRIVATE MARKETS	TOTAL
Base management fees	61,896	50,916	15,609	**128,421**	22,176	747	6,831	**29,754**	**158,175**
Performance fees	28	1,982	—	**2,010**	755	—	213	**968**	**2,978**
Share of earnings in joint ventures and associates	—	—	—	**—**	—	—	—	**2,743**	**2,743**
Other revenues	—	—	—	**4,130**	—	—	—	**6,902**	**11,032**
Total revenues	**61,924**	**52,898**	**15,609**	**134,561**	**22,931**	**747**	**7,044**	**40,367**	**174,928**

Note: Share of earnings in joint ventures and associates and Other Revenues are not allocated to a distribution channel

	FOR THE THREE MONTHS ENDED December 31, 2020								
	PUBLIC MARKETS				PRIVATE MARKETS				
	Institutional	Financial Intermediaries	Private Wealth	TOTAL PUBLIC MARKETS	Institutional	Financial Intermediaries	Private Wealth	TOTAL PRIVATE MARKETS	TOTAL
Base management fees	55,335	56,968	27,257	**139,560**	17,520	576	5,924	**24,020**	**163,580**
Performance fees	8,464	8,753	2,736	**19,953**	2,596	15	44	**2,655**	**22,608**
Share of earnings in joint ventures and associates	—	—	—	**—**	—	—	—	**1,558**	**1,558**
Other revenues	—	—	—	**4,124**	—	—	—	**4,016**	**8,140**
Total revenues	**63,799**	**65,721**	**29,993**	**163,637**	**20,116**	**591**	**5,968**	**32,249**	**195,886**

Note: Share of earnings in joint ventures and associates and Other Revenues are not allocated to a distribution channel

Current Quarter versus Previous Quarter

Public Markets revenues for the three months ended December 31, 2021 were $175.4 million compared to $134.6 million for the three months ended September 30, 2021, an increase of $40.8 million or 30.3%. Private Markets revenues for the three months ended December 31, 2021 were $66.5 million compared to $40.4 million for the three months ended September 30, 2021, an increase of $26.1 million or 64.6%.

Consolidated revenues for the three months ended December 31, 2021 were $241.9 million compared to $174.9 million for the three months ended September 30, 2021, an increase of $67.0 million, or 38.3%.

The increase was due to the following:

Base Management Fees

Consolidated base management fees for the three months ended December 31, 2021 were $162.6 million compared to $158.2 million for the three months ended September 30, 2021, an increase of $4.4 million or 2.8%.

Public Markets base management fees were consistent compared to the three months ended September 30, 2021, driven by a $3.6 million increase in the Financial Intermediaries distribution channel, mainly from higher average AUM in Large and Small Cap Equity Strategies as a result of favourable market appreciation. This was offset by decreases of $2.6 million and $1.1 million in the Private Wealth and Institutional channels respectively, driven by lower average AUM as a result of net outflows.

Private Markets base management fees increased by $4.5 million in the Institutional and Private Wealth channels, driven primarily by favourable asset class mix and market appreciation in Real Estate and Private Debt.

Performance Fees

Consolidated performance fees for the three months ended December 31, 2021 were $59.1 million compared to $3.0 million for the three months ended September 30, 2021, an increase of $56.1 million. The increase was due to higher performance fees from Public and Private Markets of $44.0 million and $12.1 million respectively. The increase in performance fees in Public Markets was primarily due to the crystallization of performance fees on investment strategies in Europe and Canada within the Financial Intermediaries and Institutional channels. The increase in performance fees in Private Markets was due to higher performance fees earned within Fiera Real Estate UK within the Institutional channel.

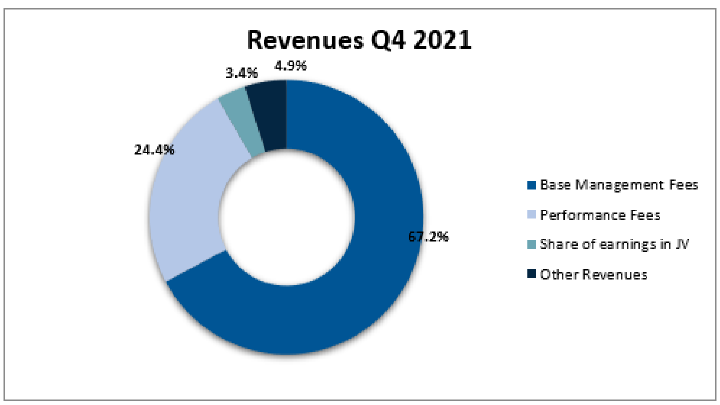
Share of Earnings in Joint Ventures and Associates

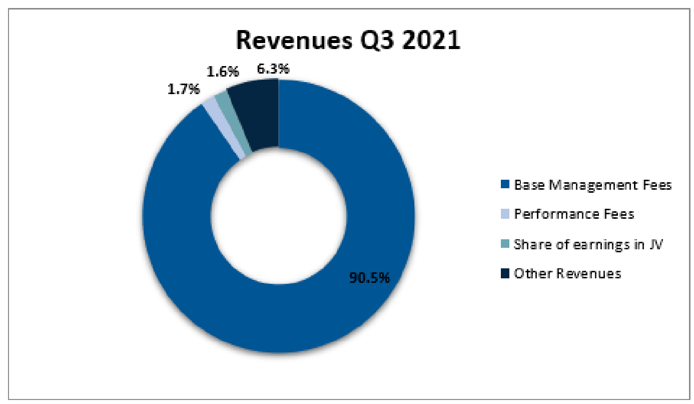
Consolidated share of earnings in joint ventures and associates was $8.3 million for the three months ended December 31, 2021, compared to $2.7 million for the three months ended September 30, 2021, a increase of $5.6 million. The Company has ownership interests in a number of individually insignificant joint ventures and associates in the Private Markets investment platform, 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

Consolidated other revenues were $11.9 million for the three months ended December 31, 2021, compared to $11.0 million for the three months ended September 30, 2021, an increase of $0.9 million or 8.2%. The increase was primarily due to an increase of $3.9 million in Private Markets, driven by the recognition of commitment and transaction fees, partly offset by a decrease of $2.9 million in Public Markets due to lower sub-advisory fees.

The following graphs illustrate the breakdown of the Company's revenues for the three months ended December 31, 2021 and September 30, 2021, respectively.





Current Quarter versus Prior-Year Quarter

Public Markets revenues for the three months ended December 31, 2021 were $175.4 million compared to $163.6 million for the three months ended December 31, 2020, an increase of $11.8 million or 7.2%. Public Markets revenues related to the dispositions[1] were $27.3 million for the three months ended December 31, 2020. Excluding the impact of these dispositions, Public Markets revenues for the three months ended December 31, 2020 would have been $136.4 million, and the corresponding year-over-year increase would have been $39.0 million or 28.6%. Private Markets revenues for the three months ended December 31, 2021 were $66.5 million compared to $32.2 million for the three months ended December 31, 2020, an increase of $34.3 million or 106.5%.

Consolidated revenues for the three months ended December 31, 2021, were $241.9 million compared to $195.9 million for the same period last year, an increase of $46.0 million, or 23.5%. Revenues related to the dispositions were $27.3 million for the three months ended December 31, 2020. Excluding the impact of these dispositions, revenues for the three months ended December 31, 2020 would been $168.6 million, and the corresponding year-over-year increase would have been $73.3 million or 43.5%.

Base Management Fees

Consolidated base management fees for the three months ended December 31, 2021 were $162.6 million, consistent with $163.6 million for the three months ended December 31, 2020. Base management fees related to dispositions were $24.8 million for the three months ended December 31, 2020. Excluding the impact of dispositions, base management fees would have been $138.8 million for the three months ended December 31, 2020, and the corresponding year-over-year increase would have been $23.8 million or 17.1%.

Public Markets base management fees decreased by $11.3 million compared to the three months ended December 31, 2020. This included $24.8 million of lower Public Markets base management fees from dispositions in the Financial Intermediaries and Private Wealth distribution channels. Excluding the impact of these dispositions, Public Markets base management fee revenue would have increased $13.6 million or 11.8%, driven primarily by higher average AUM in Large Cap Equity strategies within the Institutional and Financial Intermediaries channels, partly offset by a decrease in US Fixed Income strategies driven by unfavourable market returns and net outflows in Private Wealth.

Private Markets base management fees increased by $10.3 million, driven primarily by favourable asset class mix and market appreciation across Real Estate, Infrastructure and Private Debt within the Institutional and Private Wealth distribution channels.

Performance Fees

Consolidated performance fees during the three months ended December 31, 2021 were $59.1 million compared to $22.6 million for the same period last year, an increase of $36.5 million or 161.5%. The increase was due to higher performance fees from Public and Private Markets of $26.0 million and $10.4 million respectively. The increase in performance fees in Public Markets was primarily due to more performance fees crystallized from Financial Intermediaries clients on investment strategies in Europe. The increase in performance fees in Private Markets was due to higher performance fees earned by Fiera Real Estate UK within the Institutional channel.

[1] Refer to the "Impact of Dispositions" section on page 4

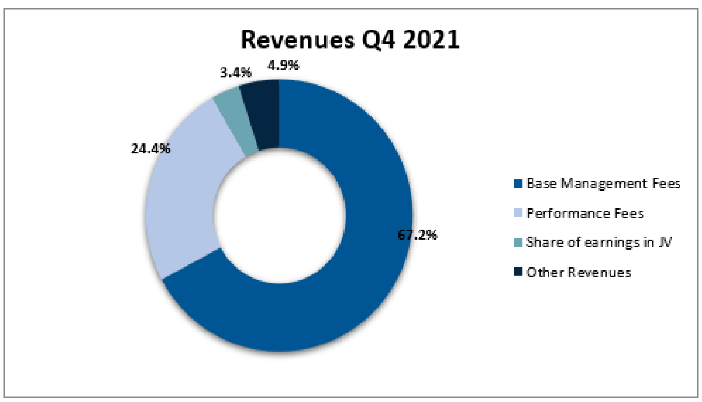
Share of Earnings in Joint Ventures and Associates

Consolidated share of earnings in joint ventures and associates were $8.3 million for the three months ended December 31, 2021 compared to $1.6 million in the same period last year, an increase of $6.7 million. The Company has ownership interests in a number of individually insignificant joint ventures and associates in the Private Markets investment platform, 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

Consolidated other revenues were $11.9 million for the three months ended December 31, 2021 compared to $8.1 million for the same period last year, an increase of $3.8 million or 46.9%. The increase was primarily due to an increase in Private Markets of $6.8 million driven by an increase in commitment and transaction fees. This increase was partly offset by a decrease in Public Markets of $2.9 million, due to higher foreign exchange losses on forward contracts and $2.5 million of lower revenues due to the dispositions. Excluding the impact of these dispositions, other revenues would have been $5.6 million for the three months ended December 31, 2020, and the corresponding year-over-year increase would have been $6.3 million or 112.5%.

The following graphs illustrate the breakdown of the Company's revenues for the three months ended December 31, 2021, and December 31, 2020, respectively.



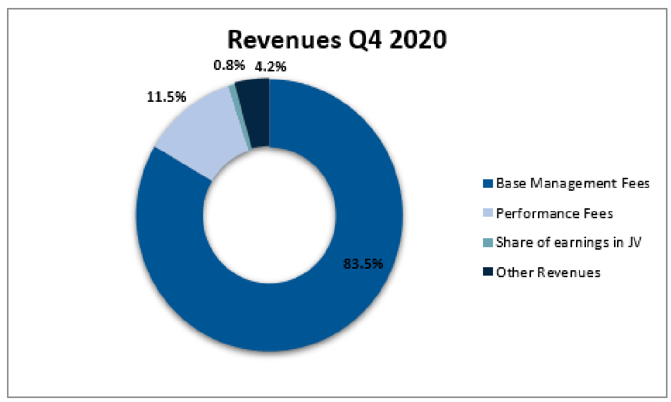


Table 8 – Revenues: Year-to-Date Activity (in $ thousands)

	FOR THE YEAR ENDED December 31, 2021								
	PUBLIC MARKETS				PRIVATE MARKETS				
	Institutional	Financial Intermediaries	Private Wealth	TOTAL PUBLIC MARKETS	Institutional	Financial Intermediaries	Private Wealth	TOTAL PRIVATE MARKETS	TOTAL
Base management fees	238,550	208,645	61,949	**509,144**	87,432	2,873	29,559	**119,864**	**629,008**
Performance fees	7,143	43,187	821	**51,151**	16,659	77	980	**17,716**	**68,867**
Share of earnings in joint ventures and associates	—	—	—	**—**	—	—	—	**12,022**	**12,022**
Other revenues	—	—	—	**14,437**	—	—	—	**25,537**	**39,974**
Total revenues	**245,693**	**251,832**	**62,770**	**574,732**	**104,091**	**2,950**	**30,539**	**175,139**	**749,871**

Note: Share of earnings in joint ventures and associates and Other Revenues are not allocated to a distribution channel

	FOR THE YEAR ENDED December 31, 2020								
	PUBLIC MARKETS				PRIVATE MARKETS				
	Institutional	Financial Intermediaries	Private Wealth	TOTAL PUBLIC MARKETS	Institutional	Financial Intermediaries	Private Wealth	TOTAL PRIVATE MARKETS	TOTAL
Base management fees	198,964	227,585	110,203	**536,752**	70,917	2,331	23,976	**97,224**	**633,976**
Performance fees	9,088	9,478	3,231	**21,797**	6,576	30	387	**6,993**	**28,790**
Share of earnings in joint ventures and associates	—	—	—	**—**	—	—	—	**5,670**	**5,670**
Other revenues	—	—	—	**11,253**	—	—	—	**15,456**	**26,709**
Total revenues	**208,052**	**237,063**	**113,434**	**569,802**	**77,493**	**2,361**	**24,363**	**125,343**	**695,145**

Note: Share of earnings in joint ventures and associates and Other Revenues are not allocated to a distribution channel

Year-to-Date December 31, 2021, versus Year-to-Date December 31, 2020

Public Markets revenues for the year ended December 31, 2021 were $574.7 million compared to $569.8 million for the same period last year, an increase of $4.9 million or 0.9%. Public Markets revenues related to dispositions[(1)] were $18.8 million and $116.6 million for the years ended December 31, 2021 and December 31, 2020, respectively. Excluding the impact of these dispositions, Public Markets revenues for the year ended December 31, 2021 would have been $555.9 million compared to $453.2 million in the same period last year, an increase of $102.7 million or 22.7%. Private Markets revenues for the year ended December 31, 2021 were $175.1 million compared to $125.3 million for the same period last year, an increase of $49.8 million or 39.7%.

Consolidated revenues for the year ended December 31, 2021, were $749.9 million compared to $695.1 million for the same period last year, an increase of $54.8 million or 7.9%. Consolidated revenues related to dispositions were $18.8 million and $116.6 million for the years ended December 31, 2021 and December 31, 2020, respectively. Excluding the impact of these dispositions, revenues for the year ended December 31, 2021 would have been $731.1 million compared to $578.6 million for the same period last year, an increase of $152.5 million or 26.4%.

(1) Refer to the "Impact of Dispositions" section on page 4

Base Management Fees

Consolidated base management fees for the year ended December 31, 2021 were $629.0 million, compared to $634.0 million for the same period last year, a decrease of $5.0 million or 0.8%. Consolidated base management fees related to dispositions were $16.2 million and $107.2 million for the years ended December 31, 2021 and December 31, 2020, respectively. Excluding the impact of dispositions, base management fees for the year ended December 31, 2021 would have been $612.8 million compared to $526.8 million for the same period last year, an increase of $86.0 million or 16.3%.

Public Markets base management fees decreased by $27.7 million compared to the same period last year. This included $90.9 million of lower Public Markets base management fees from dispositions in the Financial Intermediaries and Private Wealth distribution channels. Excluding the impact of these dispositions, Public Markets base management fee revenue would have increased $63.3 million or 14.7%, driven primarily by higher average AUM in Large Cap Equity strategies within the Institutional channel, higher average AUM in Large Cap Equity, US Fixed Income and Canadian Active strategies for Financial Intermediaries, and favourable asset class mix for Private Wealth.

Private Markets base management fees increased by $22.7 million as a result of positive contribution across all asset classes, driven primarily by favourable asset class mix and market appreciation in real estate and private debt strategies within the Institutional and Private Wealth distribution channels.

Performance Fees

Consolidated performance fees for the year ended December 31, 2021 were $68.9 million compared to $28.8 million for the same period last year, an increase of $40.1 million or 139.2%. The increase was due to higher performance fees from Public and Private Markets of $29.4 million and $10.7 million respectively. The increase in performance fees in Public Markets was mainly due to more performance fees crystallized from Financial Intermediaries clients on investment strategies in Europe. The increase in performance fees in Private Markets was due to higher performance fees earned by Fiera Real Estate UK within the Institutional channel.

Share of Earnings in Joint Ventures and Associates

Consolidated share of earnings in joint ventures and associates were $12.0 million for the year ended December 31, 2021 compared to $5.7 million in the same period last year, an increase of $6.3 million or 110.5%. The Company has ownership interests in a number of individually insignificant joint ventures and associates in the Private Markets investment platform, 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

Consolidated other revenues for the year ended December 31, 2021 were $40.0 million compared to $26.7 million in the same period last year, an increase of $13.3 million or 49.8%. The increase was primarily due to an increase in Private Markets of $10.0 million, driven by an increase in commitment and transaction fees within the Private Markets investment strategies. Other revenues in Public Markets increased by $3.1 million, driven by an increase in sub-advisory fees and lower foreign exchange losses on forward contracts, offset by $6.9 million of lower revenues due to the dispositions. Excluding the impact of these dispositions, other revenues for the year ended December 31, 2021 would have been $37.4 million compared to $17.3 million, an increase of $20.1 million or 116.2%.

RESULTS FROM OPERATIONS AND OVERALL PERFORMANCE – EXPENSES

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

Current Quarter versus Previous Quarter

SG&A expense was $161.6 million for the three months ended December 31, 2021 compared to $132.0 million for the three months ended September 30, 2021, an increase of $29.6 million, or 22.4%. The increase was primarily due to higher revenue-related expenses associated with the crystallization of performance fees in Europe, higher variable compensation costs, and higher professional fees.

Current Quarter versus Prior-Year Quarter

SG&A expense was $161.6 million for the three months ended December 31, 2021 compared to $140.2 million for the same period last year, an increase of $21.4 million, or 15.3%. The increase was primarily due to higher revenue-related expenses associated with the crystallization of performance fees in Europe, higher share-based compensation expense, and higher professional fees, offset by a lower variable compensation expense due to the impact of dispositions(1). Share-based compensation expense in the fourth quarter of 2021 included $5.3 million of additional expense related to accelerated vesting. SG&A expense for the three months ended December 31, 2020 included $16.8 million related to the dispositions. Excluding the impact of dispositions, SG&A expense for the three months ended December 31, 2020 would have been $123.5 million, and the corresponding year-over-year increase would have been $38.1 million or 30.9%.

Year-to-Date December 31, 2021, versus Year-to-Date December 31, 2020

SG&A expense was $534.9 million for the year ended December 31, 2021 compared to $503.6 million for the same period last year, an increase of $31.3 million, or 6.2%. The increase was primarily due to higher revenue related expenses associated with the crystallization of performance fees in Europe, higher variable compensation costs and higher share-based compensation expense, partly offset by lower fixed compensation expense due to the impact of dispositions(1). Share-based compensation expense in the year included $12.2 million of additional expense related to accelerated vesting. SG&A expense related to dispositions was $10.9 million and $75.4 million for the years ended December 31, 2021 and December 31, 2020, respectively. Excluding the impact of these dispositions, SG&A expense would have been $524.1 million compared to $428.2 million for the same period last year, an increase of $95.9 million or 22.4%.

(1) Refer to the "Impact of Dispositions" section on page 4

Amortization and Depreciation

Table 9 – Amortization and Depreciation: Quarterly Activity (in $ thousands)

	FOR THE THREE MONTHS ENDED			VARIANCE	
	December 31, 2021	September 30, 2021	December 31, 2020	QoQ Change	YoY Change
Amortization of intangible assets	**8,308**	10,966	14,846	(2,658)	(6,538)
Depreciation of property and equipment	**1,373**	1,383	1,560	(10)	(187)
Depreciation of right-of-use assets	**3,886**	3,815	4,699	71	(813)
Total amortization and depreciation	**13,567**	16,164	21,105	(2,597)	(7,538)

Current Quarter versus Previous Quarter

Depreciation and amortization expense was $13.6 million for the three months ended December 31, 2021, compared to $16.2 million for the three months ended September 30, 2021, a decrease of $2.6 million, or 16.0%. The decrease was primarily due to lower amortization of internally generated intangible assets.

Current Quarter versus Prior-Year Quarter

Depreciation and amortization expense was $13.6 million for the three months ended December 31, 2021, compared to $21.1 million for the same period last year, a decrease of $7.5 million, or 35.5%. The decrease was due to assets from dispositions[(1)] no longer incurring depreciation and amortization, a decrease in amortization of internally generated intangible assets and lower amortization expense recognized on asset management contracts in the current quarter compared to the prior-year quarter.

Year-to-Date December 31, 2021, versus Year-to-Date December 31, 2020

Table 10 – Amortization and Depreciation: Year-to-Date Activity (in $ thousands)

	FOR THE YEARS ENDED		VARIANCE
	December 31, 2021	December 31, 2020	YoY Change
Amortization of intangible assets	**46,372**	57,400	(11,028)
Depreciation of property and equipment	**5,308**	6,366	(1,058)
Depreciation of right-of-use assets	**15,942**	18,375	(2,433)
Total amortization and depreciation	**67,622**	82,141	(14,519)

Depreciation and amortization expense was $67.6 million for the year ended December 31, 2021, compared to $82.1 million for the same period last year, a decrease of $14.5 million or 17.7%. The decrease was due to $8.0 million of depreciation and amortization expense recorded in the prior year related to the dispositions[(1)], as well as a decrease in amortization of internally generated intangibles and asset management contracts of $7.5 million. Depreciation of right-of-use assets decreased by $2.4 million primarily due to an adjustment related to an existing lease recorded in the prior year. These decreases were partially offset by a $3.4 million increase in amortization related to the intangible asset in connection with the asset management contract related to the rights to manage the Fiera Capital Emerging Markets Fund which was previously treated as having an indefinite useful life.

(1) Refer to the "Impact of Dispositions" section on page 4

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

Table 11 – Interest on Long-Term Debt, Lease Liabilities and Other Financial Charges: Quarterly Activity (in $ thousands)

	FOR THE THREE MONTHS ENDED			VARIANCE	
	December 31, 2021	September 30, 2021	December 31, 2020	QoQ Change	YoY Change
Interest on long-term debt	**3,031**	3,196	3,800	(165)	(769)
Interest on convertible debentures	**3,319**	3,278	3,275	41	44
Interest on derivative financial instruments	**1,436**	1,183	1,104	253	332
Interest on lease liabilities	**924**	953	1,184	(29)	(260)
Foreign exchange and change in fair value of derivative financial instruments	**(1,601)**	1,604	(439)	(3,205)	(1,162)
Other interest and financial charges	**105**	83	168	22	(63)
Total interest on long-term debt, lease liabilities and other financial charges	**7,214**	10,297	9,092	(3,083)	(1,878)

Current Quarter versus Previous Quarter

Interest on long-term debt, lease liabilities and other financial charges were $7.2 million for the three months ended December 31, 2021 compared to $10.3 million for the three months ended September 30, 2021, a decrease of $3.1 million. This was primarily due to a decrease of $3.2 million in foreign exchange and change in fair value of derivative financial instruments, driven by a favourable $1.1 million revaluation of monetary items denominated in foreign currencies, and a favourable $2.0 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 $7.2 million for the three months ended December 31, 2021 compared to $9.1 million for the same period last year, a decrease of $1.9 million, or 20.9%. This was primarily due to a decrease of $1.2 million in foreign exchange and change in fair value of derivative financial instruments and $0.8 million lower interest on long-term debt. The decrease in foreign exchange and change in fair value of derivative financial instruments included a $0.9 million favourable change in the fair value of foreign exchange forward contracts combined with a $0.4 million favourable change in the fair value of interest rate swaps.

Year-to-Date December 31, 2021, versus Year-to-Date December 31, 2020

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

	FOR THE YEARS ENDED		VARIANCE
	December 31, 2021	December 31, 2020	YoY Change
Interest on long-term debt	**13,487**	17,105	(3,618)
Interest on convertible debentures	**13,047**	12,907	140
Interest on derivative financial instruments	**4,610**	3,187	1,423
Interest on lease liabilities	**3,906**	4,684	(778)
Foreign exchange and change in fair value of derivative financial instruments	**(4,082)**	6,559	(10,641)
Other interest and financial charges	**1,106**	1,437	(331)
Total interest on long-term debt, lease liabilities and other financial charges	**32,074**	45,879	(13,805)

Interest on long-term debt, lease liabilities and other financial charges was $32.1 million for the year ended December 31, 2021 compared to $45.9 million for the same period last year, a decrease of $13.8 million, or 30.1%. The decrease was due to:

- Foreign exchange and change in fair value of derivative financial instruments decreased $10.6 million primarily due to a $4.6 million gain in the fair value of interest rate swaps compared to a $4.8 million loss in the same period last year.
- Interest on long-term debt decreased $3.6 million primarily due to lower long-term debt over the comparative period.
- Interest on lease liabilities decreased $0.8 million primarily due to lower 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 $4.9 million for the three months ended December 31, 2021 compared to an expense of $2.2 million for the three months ended September 30, 2021, an increase of $2.7 million. The increase was primarily due to a revaluation adjustment related to the put financial instrument liability of $4.4 million and a revaluation adjustment to the promissory note of $1.6 million. This was partly offset by a revaluation gain of $3.4 million related to a purchase price obligation recorded in the current quarter.

Current Quarter versus Prior-Year Quarter

The accretion and change in fair value of purchase price obligations and other was an expense of $4.9 million for the three months ended December 31, 2021 compared to a gain of $44.2 million for the same period last year, an increase in expense of $49.1 million. The increase was primarily driven by a $49.3 million revaluation adjustment recorded in the comparative period related to the termination of the revenue sharing arrangement with CNR connected to the rights to manage the Fiera Capital Emerging Markets Fund.

Year-to-Date December 31, 2021, versus Year-to-Date December 31, 2020

The accretion and change in fair value of purchase price obligations and other was an expense of $8.7 million for the year ended December 31, 2021, compared to a gain of $44.1 million for the same period last year, an increase in expense of $52.8 million. The increase was mainly driven by higher revaluation adjustment gains recorded in the comparative period of $64.2 million on purchase price obligations and higher revaluation adjustments of $8.8 million on the put financial instrument liability in the current period. These increases were partly offset by lower accretion expenses of $20.8 million on purchase price obligations and the put financial instrument liability.

Restructuring, Acquisition Related and Other Costs

Current Quarter versus Previous Quarter

Restructuring, acquisition related and other costs were $6.5 million for the three months ended December 31, 2021, compared to $10.0 million for the three months ended September 30, 2021, a decrease of $3.5 million. The decrease was primarily due to lower severance costs and professional fees incurred as part of the Company's continued focus on optimization of its global operating model, which was announced in June 2020.

Current Quarter versus Prior-Year Quarter

Restructuring, acquisition related and other costs were $6.5 million for the three months ended December 31, 2021, compared to $9.1 million for the same period last year, a decrease of $2.6 million. The decrease was primarily due to costs incurred in the prior year related to the sale of Bel Air.

Year-to-Date December 31, 2021, versus Year-to-Date December 31, 2020

Restructuring, acquisition related and other costs were $28.7 million for the year ended December 31, 2021, compared to $40.9 million for the same period last year, a decrease of $12.2 million. The decrease was primarily due to $20.9 million of severance costs incurred in prior year 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 of the ongoing 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.

Gain on Sale of a Business and Impairment of Assets Held for Sale

Current Quarter versus Previous Quarter

During the three months ended December 31, 2021 and for the three months ended September 30, 2021, there were no gains on the sale of a business and impairment of assets held for sale.

Current Quarter versus Prior-Year Quarter

During the three months ended December 31, 2021 the Company incurred no gains on the sale of a business and impairment of assets held for sale compared to a net gain of $7.0 million recorded for the three months ended December 31, 2020. The net gain recognized in the fourth quarter of 2020 related to the disposition of WGAM, partly offset by an impairment charge related to assets and liabilities that were classified as held for sale in connection with Bel Air.

Year-to-Date December 31, 2021, versus Year-to-Date December 31, 2020

During the year ended December 31, 2021, the Company realized a $15.9 million gain on sale of a business and impairment of assets held for sale compared to a gain of $6.3 million in the year ended December 31, 2020, an increase of $9.6 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. The gain recognized in the prior-year was due to a gain on the disposition of WGAM, partly offset by an impairment charge related to assets and liabilities that were classified as held for sale in connection with Bel Air and the rights to manage the Fiera Capital Emerging Markets Fund.

Impairment of Intangible Assets

Current Quarter versus Previous Quarter

No impairment charges on intangible assets were recognized during the three months ended December 31, 2021 or the three months ended September 30, 2021.

Current Quarter versus Prior-Year Quarter

No impairment charges on intangible assets were recognized during the current quarter. For the three months ended December 31, 2020, the Company recognized an impairment charge of $66.9 million to reduce the carrying value of the intangible asset in connection with asset management contracts related to the Fiera Capital Emerging Markets Fund, due to the termination of the revenue sharing arrangement with CNR.

Year-to-Date December 31, 2021, versus Year-to-Date December 31, 2020

No impairment charges on intangible assets were recognized during the current period. For the year ended December 31, 2020, the Company recognized an impairment charge of $66.9 million. The impairment charge was primarily to reduce the carrying value of the intangible asset in connection with asset management contracts related to the Fiera Capital Emerging Markets Fund, due to the termination of the revenue sharing arrangement with CNR.

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

Current Quarter versus Previous Quarter

For the three months ended December 31, 2021, the Company reported net earnings attributable to the Company’s shareholders of $35.7 million, or $0.34 per share (basic) and $0.31 per share (diluted), compared to net earnings of $2.3 million, or $0.02 per share (basic and diluted), for the three months ended September 30, 2021, a $33.4 million increase in net earnings attributable to the Company's shareholders. The increase in net earnings was due to:

- a $67.0 million increase in revenues primarily due to higher performance fee revenue in both Public and Private Markets;
- a $2.6 million decrease in depreciation and amortization expense due to adjustments to existing software assets;
- a $3.5 million decrease in restructuring, acquisition related and other primarily due to lower severance costs. In the previous quarter, the Company recognized $4.9 million of severance costs as part of the Company's continued focus on optimization of its global operating model; and
- a $3.1 million decrease in interest on long-term debt, lease liabilities and other financial charges primarily due to $1.1 million of lower revaluation of foreign exchange related to monetary items denominated in a foreign currency and a $0.9 million gain on foreign exchange forward contracts, compared to a $1.1 million loss in the third quarter of 2021.

These increases in net earnings were partly offset by:

- a $29.6 million increase in SG&A, primarily due to higher revenue related expenses associated with the crystallization of performance fees, higher variable compensation costs, and higher professional fee expenses;
- a $2.7 million increase in accretion and change in fair value of purchase price obligations and other primarily due to revaluation adjustments recognized on the put financial instrument liability and promissory notes, partly offset by a revaluation gain related to purchase price obligations;
- a $1.2 million decrease in gain on investments primarily due to the liquidation of certain investments in the current period; and
- an $8.9 million increase in Income tax expense due to an increase in taxable income over the comparative period.

Current Quarter versus Prior-Year Quarter

For the three months ended December 31, 2021, the Company reported net earnings attributable to the Company’s shareholders of $35.7 million, or $0.34 per share (basic) and $0.31 per share (diluted), compared to a net loss of $1.0 million, or $0.01 per share (basic and diluted), for the same period last year, a $36.7 million increase in net earnings attributable to the Company's shareholders. The increase in net earnings was due to:

- a $46.0 million increase in revenues primarily due to higher performance fee revenue in both Public and Private Markets;
- a $7.5 million decrease in depreciation and amortization expense due to dispositions[1] as well as lower amortization on internally generated intangible assets and asset management contracts;
- a $2.6 million decrease in restructuring, acquisition related and other costs as a result of employee compensation and professional fees incurred in the prior year quarter that were related to the sale of Bel Air;
- a $1.9 million decrease in interest on long-term debt, lease liabilities and other financial charges, primarily due to a $0.9 million favourable change in the fair value of foreign exchange forward contracts and a decrease in interest on long-term debt of $0.8 million due to lower debt balances; and
- a $66.9 million decrease in impairment of intangible assets due to an impairment charge recorded in the prior year quarter related to the termination of the revenue sharing arrangement with CNR connected to the rights to manage the Fiera Capital Emerging Markets Fund.

These increases in net earnings were partly offset by:

- a $21.4 million increase in SG&A primarily due to higher revenue related expenses associated with the crystallization of performance fees, higher share-based compensation expense and higher professional fee expenses, partly offset by a lower variable compensation expense;
- a $49.1 million increase in accretion and change in fair value of purchase price obligations, consisting of a $4.9 million expense in the current quarter compared to a $44.2 million gain in the prior year quarter due to a revaluation adjustment related to the termination of the revenue sharing arrangement with CNR connected to the rights to manage the Fiera Capital Emerging Markets Fund;
- a $7.0 million decrease in gain on sale of a business and impairment of assets held for sale due a gain recorded in the prior year quarter related to the sale of WGAM and an impairment of assets held for sale related to Bel Air; and
- a $10.6 million increase in income tax expense due to an increase in taxable income over the comparative period.

Net loss attributable to the Company's shareholders for the three months ended December 31, 2020 included $4.7 million related to the dispositions[1]. Excluding the impact of these dispositions, the net earnings attributable to the Company's shareholders for the three months ended December 31, 2020 would have been $3.7 million, and the corresponding year-over-year increase would have been $32.0 million.

[1] Refer to the "Impact of Dispositions" section on page 4

Year-to-Date December 31, 2021, versus Year-to-Date December 31, 2020

For the year ended December 31, 2021, the Company reported net earnings attributable to the Company's shareholders of $73.5 million, or $0.71 per share (basic) and $0.68 per share (diluted), compared to a net loss of $3.4 million, or $0.03 per share (basic and diluted) for the same period last year, a $76.9 million increase in net earnings attributable to the Company's shareholders . The increase in net earnings was due to:

- a $54.8 million increase in revenues primarily due to higher performance fee revenue in both Public and Private Markets and an increase in other revenues due to the recognition of transaction fees within the Private Markets investment strategies;
- a $14.5 million decrease in depreciation and amortization expense due to dispositions[1] and certain assets being fully amortized;
- a $12.2 million decrease in restructuring, acquisition related and other costs. This decrease was primarily due to severance costs incurred in 2020 as part of the transition to the new global operating model;
- a $13.8 million decrease in interest on long-term debt, lease liabilities and other financial charges, primarily driven by a $4.6 million gain in the change in fair value of interest rate swaps compared to a $4.8 million loss last year, $1.4 million higher revaluation of foreign exchange related to monetary items denominated in foreign currency, and lower interest on long-term debt of $3.6 million due to lower debt balances;
- a $9.6 million increase in gain on sale of a business and impairment of assets held for sale due to a $19.6 million gain recognized on the sale of Bel Air, offset by a $3.6 million impairment charge in the current year related to the sale of the rights to manage the Fiera Capital Emerging Markets Fund. A $6.3 million gain was recorded in the prior year related to the sale of WGAM; and
- a $66.9 million decrease in impairment of intangible assets due to an impairment charge recorded in the prior year related to the termination of the revenue sharing arrangement with CNR connected to the rights to manage the Fiera Emerging Markets Fund.

These increases in net earnings were partly offset by:

- a $31.3 million increase in SG&A, primarily related to higher revenue related expenses associated with the crystallization of performance fees in Europe, higher variable compensation costs and higher share-based compensation expense;
- a $52.8 million increase in accretion and change in fair value of purchase price obligations, consisting of an $8.7 million expense in the current year compared to a $44.1 million gain in the prior year primarily due to a revaluation adjustment related to the termination of the revenue sharing agreement with CNR connected to the rights to manage the Fiera Capital Emerging Markets Fund; and
- a $14.6 million increase in income tax expense due to an increase in taxable income over the comparative period.

Net earnings attributable to the Company's shareholders related to dispositions[1] were $21.5 million and $31.6 million for the years ended December 31, 2021 and December 31, 2020, respectively. Excluding the impact of these dispositions, net earnings attributable to the Company's shareholders would have been $52.0 million compared to a net loss attributable to the Company's shareholders of $35.1 million in the same period last year, an increase of $87.1 million.

[1] Refer to the "Impact of Dispositions" section on page 4

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 ***Adjusted 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, after-tax accretion of effective interest on convertible debt, 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 13 and 14 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 year ended December 31, 2021, and 2020, and the three months ended September 30, 2021.

Table 13 - Adjusted EBITDA (in $ thousands except per share data)

	FOR THE THREE MONTHS ENDED			FOR THE YEARS ENDED	
	December 31, 2021	September 30, 2021	December 31, 2020	December 31, 2021	December 31, 2020
Net earnings (loss)	**36,618**	3,183	(709)	**76,621**	2,027
Income tax expense	**12,456**	3,618	1,914	**22,214**	7,619
Amortization and depreciation	**13,567**	16,164	21,105	**67,622**	82,141
Interest on long-term debt, lease liabilities and other financial charges	**7,214**	10,297	9,092	**32,074**	45,879
EBITDA	**69,855**	33,262	31,402	**198,531**	137,666
Restructuring, acquisition related and other costs	**6,501**	9,992	9,112	**28,697**	40,865
Accretion and change in fair value of purchase price obligations and other	**4,859**	2,183	(44,159)	**8,661**	(44,055)
Gain on investments, net	**(707)**	(1,944)	(400)	**(4,441)**	(2,297)
Gain on sale of a business and impairment of assets held for sale	**—**	—	(7,001)	**(15,927)**	(6,326)
Impairment of intangible assets	**—**	—	66,911	**—**	66,911
Share-based compensation	**11,850**	12,446	5,304	**32,764**	18,180
Other gains	**(209)**	(582)	(215)	**(583)**	(1,222)
Adjusted EBITDA	**92,149**	55,357	60,954	**247,702**	209,722
Per share basic	**0.89**	0.53	0.58	**2.39**	2.02
Per share diluted	**0.76**	0.51	0.58	**2.13**	2.02
Weighted average shares outstanding - basic (thousands)	**104,113**	104,817	104,518	**103,839**	104,080
Weighted average shares outstanding - diluted (thousands)	**121,339**	108,957	104,518	**116,542**	104,080

Current Quarter versus Previous Quarter

Adjusted EBITDA for the three months ended December 31, 2021 was $92.1 million or $0.89 per share (basic) and $0.76 per share (diluted) compared to $55.4 million or $0.53 per share (basic) and $0.51 per share (diluted) for the three months ended September 30, 2021, an increase in Adjusted EBITDA of $36.7 million, or 66.2%. The increase in Adjusted EBITDA was due to higher revenues of $67.0 million partly offset by an increase in SG&A, excluding share-based compensation, of $30.3 million.

Current Quarter versus Prior-Year Quarter

Adjusted EBITDA for the three months ended December 31, 2021 was $92.1 million, or $0.89 per share (basic) and $0.76 per share (diluted) compared to $61.0 million or $0.58 per share (basic) and $0.58 per share (diluted) in the same period last year, an increase in Adjusted EBITDA of $31.1 million, or 51.0%. The increase was primarily due to higher revenues of $46.0 million partly offset by an increase in SG&A, excluding share-based compensation, of $14.9 million. Adjusted EBITDA for the three months ended December 31, 2020 included $10.5 million related to the dispositions[(1)]. Excluding the impact of these dispositions, Adjusted EBITDA for the three months ended December 31, 2020 would have been $50.5 million, and the corresponding year-over-year increase would have been $41.6 million or 82.4%. The increase was mainly due to higher revenues of $73.3 million, partly offset by an increase in SG&A expense, excluding share-based compensation, of $31.7 million.

Year-to-Date December 31, 2021, versus Year-to-Date December 31, 2020

Adjusted EBITDA for the year ended December 31, 2021 was $247.7 million, or $2.39 per share (basic) and $2.13 per share (diluted) compared to $209.7 million, or $2.02 per share (basic and diluted), in the same period last year, an increase of $38.0 million or 18.1%. The increase was due to $54.8 million of higher revenue partly offset by an increase in SG&A, excluding share-based compensation, of $16.8 million. Adjusted EBITDA related to the dispositions[(1)] was $7.9 million and $41.2 million for the years ended December 31, 2021 and December 31, 2020, respectively. Excluding the impact of these dispositions, Adjusted EBITDA for the year ended December 31, 2021 would have been $239.8 million compared to $168.5 million in the same period last year, an increase of $71.3 million or 42.3%. The increase was mainly due to higher revenues of $152.5 million, partly offset by an increase in SG&A expense, excluding share-based compensation, of $81.2 million.

(1) Refer to the "Impact of Dispositions" section on page 4

Adjusted Net Earnings

The following table presents the Company's net earnings (loss) and Adjusted net earnings for the three months and years ended December 31, 2021 and 2020, and the three months ended September 30, 2021.

Table 14 - Net Earnings (Loss) and Adjusted Net Earnings (in $ thousands except per share data)

	FOR THE THREE MONTHS ENDED			FOR THE YEARS ENDED	
	December 31, 2021	September 30, 2021	December 31, 2020	December 31, 2021	December 31, 2020
Net earnings (loss) attributable to the Company's shareholders	**35,655**	2,333	(983)	**73,532**	(3,379)
Amortization and depreciation	**13,567**	16,164	21,105	**67,622**	82,141
Restructuring, acquisition related and other costs	**6,501**	9,992	9,112	**28,697**	40,865
Accretion and change in fair value of purchase price obligations and other, and effective interest on convertible debt	**5,560**	2,844	(43,503)	**11,235**	(41,570)
Gain on sale of a business and impairment of assets held for sale	**—**	—	(7,001)	**(15,927)**	(6,326)
Share-based compensation	**11,850**	12,446	5,304	**32,764**	18,180
Other (gains) losses	**(209)**	(582)	(215)	**(583)**	(1,222)
Tax effect of above-mentioned items	**(4,409)**	(5,661)	(1,492)	**(12,512)**	(9,500)
Adjusted net earnings attributable to the Company's shareholders	**68,515**	37,536	49,238	**184,828**	146,100
Per share – basic					
Net earnings (loss)	**0.34**	0.02	(0.01)	**0.71**	(0.03)
Adjusted net earnings	**0.66**	0.36	0.47	**1.78**	1.40
Per share – diluted					
Net earnings (loss)	**0.31**	0.02	(0.01)	**0.68**	(0.03)
Adjusted net earnings	**0.58**	0.34	0.47	**1.63**	1.40
Weighted average shares outstanding - basic (thousands)	**104,113**	104,817	104,518	**103,839**	104,080
Weighted average shares outstanding - diluted (thousands)	**121,339**	108,957	104,518	**116,542**	104,080

Current Quarter versus Previous Quarter

Adjusted net earnings for the three months ended December 31, 2021 was $68.5 million, or $0.66 per share (basic) and $0.58 per share (diluted), compared to $37.5 million, or $0.36 per share (basic) and $0.34 per share (diluted), for the three months ended September 30, 2021, an increase of $31.0 million, or 82.7%. The increase was due to higher revenues of $67.0 million and lower interest on long-term debt, lease liabilities and other financial charges, excluding effective interest on convertible debt, of $3.1 million, offset by higher SG&A, excluding share-based compensation expense of $30.3 million and higher income tax expense of $7.6 million.

Current Quarter versus Prior-Year Quarter

Adjusted net earnings for the three months ended December 31, 2021 was $68.5 million or $0.66 per share (basic) and $0.58 per share (diluted), compared to $49.2 million, or $0.47 per share (basic) and $0.47 (diluted) in the same period last year, an increase of $19.3 million, or 39.2%. The increase was due to higher revenues of $46.0 million and lower interest on long-term debt, lease liabilities and other financial charges, excluding effective interest on convertible debt, of $1.9 million, offset by higher SG&A, excluding share-based compensation expense of $14.9 million and higher income tax expense of $13.5 million. Adjusted net earnings for the three months ended December 31, 2020 included $10.5 million related to the dispositions[1]. Excluding the impact of these dispositions, Adjusted net earnings for the three months ended December 31, 2020 would have been $38.8 million, and the corresponding year-over-year increase would have been $29.7 million or 76.5%.

Year-to-Date December 31, 2021, versus Year-to-Date December 31, 2020

Adjusted net earnings for the year ended December 31, 2021 was $184.8 million, or $1.78 per share (basic) and $1.63 per share (diluted), compared to Adjusted net earnings of $146.1 million, or $1.40 per share (basic and diluted) for the same period last year, an increase of $38.7 million, or 26.5%. The increase was due to an increase in revenues of $54.8 million and a $13.9 million reduction of interest on long-term debt, lease liabilities and other financial charges, excluding effective interest on convertible debt. This was partly offset by an increase in SG&A expense, excluding share-based compensation, of $16.8 million and higher income tax expense of $17.6 million. Adjusted net earnings related to the dispositions[1] were $8.1 million and $41.9 million for the years ended December 31, 2021 and December 31, 2020, respectively. Excluding the impact of these dispositions, adjusted net earnings would have been $176.8 million compared to $104.2 million in the same period last year, an increase of $72.6 million or 69.7%.

[1] Refer to the "Impact of Dispositions" section on page 4

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 December 31, 2021, are as follows:

Table 15 – Quarterly Results (in $ thousands except AUM in $ millions and per share data)

	Last Twelve Months[1]	Q4 Dec. 31, 2021	Q3 Sept. 30, 2021	Q2 Jun. 30, 2021	Q1 Mar. 31, 2021	Q4 Dec. 31, 2020	Q3 Sept. 30, 2020	Q2 Jun. 30, 2020	Q1 Mar. 31, 2020
AUM	**180,369**	**188,314**	180,794	179,470	172,895	181,853	179,209	172,292	159,540
Total revenues	**749,871**	**241,927**	174,928	167,405	165,611	195,886	170,737	166,865	161,657
Adjusted EBITDA	**247,702**	**92,149**	55,357	52,696	47,500	60,954	53,424	51,893	43,451
Adjusted EBITDA margin	**33.0 %**	**38.1 %**	31.6 %	31.5 %	28.7 %	31.1 %	31.3 %	31.1 %	26.9 %
Net earnings (loss) attributable to the Company's shareholders	**73,532**	**35,655**	2,333	13,310	22,234	(983)	4,726	(14,703)	7,581
Adjusted net earnings attributable to the Company's shareholders	**184,828**	**68,515**	37,536	41,251	37,526	49,238	37,588	38,704	20,471
PER SHARE – BASIC									
Adjusted EBITDA	**2.37**	**0.89**	0.53	0.50	0.45	0.58	0.51	0.50	0.42
Net earnings (loss) attributable to the Company's shareholders	**0.70**	**0.34**	0.02	0.13	0.21	(0.01)	0.05	(0.14)	0.07
Adjusted net earnings attributable to the Company's shareholders	**1.77**	**0.66**	0.36	0.39	0.36	0.47	0.36	0.38	0.20
PER SHARE – DILUTED									
Adjusted EBITDA	**2.11**	**0.76**	0.51	0.44	0.40	0.58	0.49	0.50	0.41
Net earnings (loss) attributable to the Company's shareholders	**0.65**	**0.31**	0.02	0.12	0.20	(0.01)	0.04	(0.14)	0.07
Adjusted net earnings attributable to the Company's shareholders	**1.60**	**0.58**	0.34	0.36	0.32	0.47	0.35	0.38	0.19

[1] 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, 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 16 – EBITDA and Adjusted EBITDA Reconciliation (in $ thousands except per share data)

	Q4 2021	Q3 2021	Q2 2021	Q1 2021	Q4 2020	Q3 2020	Q2 2020	Q1 2020
Net earnings (loss)	**36,618**	3,183	13,797	23,023	(709)	5,028	(14,314)	12,022
Income tax expense (recovery)	**12,456**	3,618	4,988	1,152	1,914	4,817	(2,736)	3,624
Amortization and depreciation	**13,567**	16,164	16,489	21,402	21,105	19,867	20,848	20,321
Interest on long-term debt, lease liabilities and other financial charges	**7,214**	10,297	6,237	8,326	9,092	10,232	9,281	17,274
EBITDA	**69,855**	33,262	41,511	53,903	31,402	39,944	13,079	53,241
Restructuring, acquisition related and other costs	**6,501**	9,992	6,008	6,196	9,112	3,099	25,239	3,415
Accretion and change in fair value of purchase price obligations and other	**4,859**	2,183	595	1,024	(44,159)	6,161	6,404	(12,461)
(Gain) loss on investments, net	**(707)**	(1,944)	(1,447)	(343)	(400)	(1,065)	(966)	134
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	**11,850**	12,446	5,179	3,289	5,304	5,255	7,499	122
Other (gains) losses	**(209)**	(582)	117	91	(215)	30	(37)	(1,000)
Adjusted EBITDA	**92,149**	55,357	52,696	47,500	60,954	53,424	51,893	43,451
REVENUES	**241,927**	174,928	167,405	165,611	195,886	170,737	166,865	161,657
Adjusted EBITDA Margin	**38.1 %**	31.6 %	31.5 %	28.7 %	31.1 %	31.3 %	31.1 %	26.9 %
Adjusted EBITDA Per Share								
Basic	**0.89**	0.53	0.50	0.45	0.58	0.51	0.50	0.42
Diluted	**0.76**	0.51	0.44	0.40	0.58	0.49	0.50	0.41

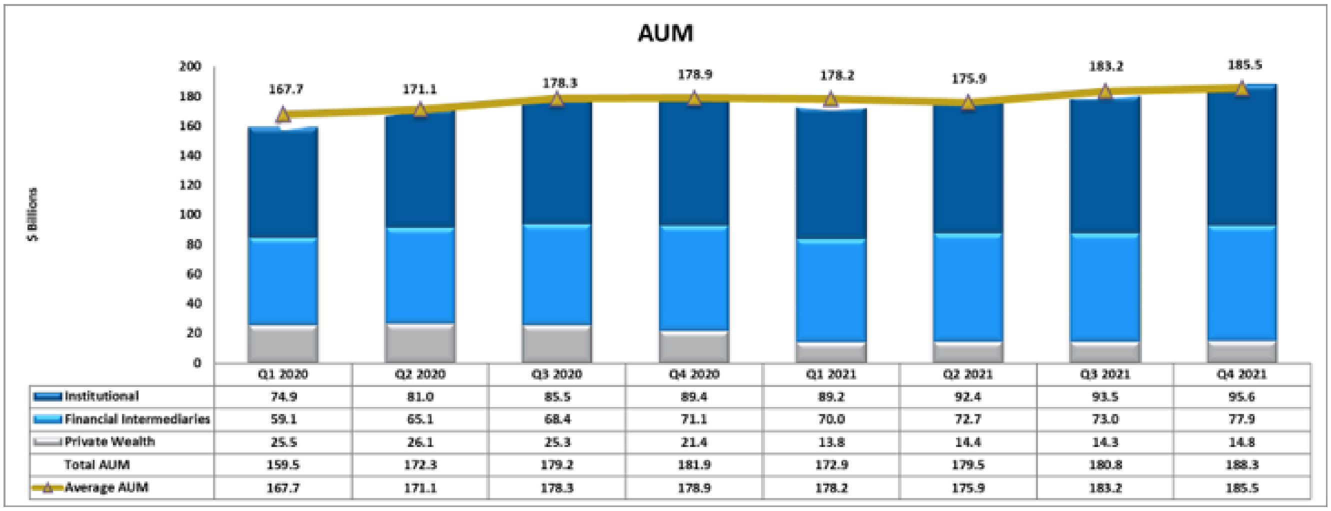
The following table provides a reconciliation between Adjusted net earnings and Adjusted net earnings per share to the most comparable IFRS earnings measures for each of the Company's last eight quarters:

Table 17 – Adjusted Net Earnings Reconciliation (in $ thousands except per share data)

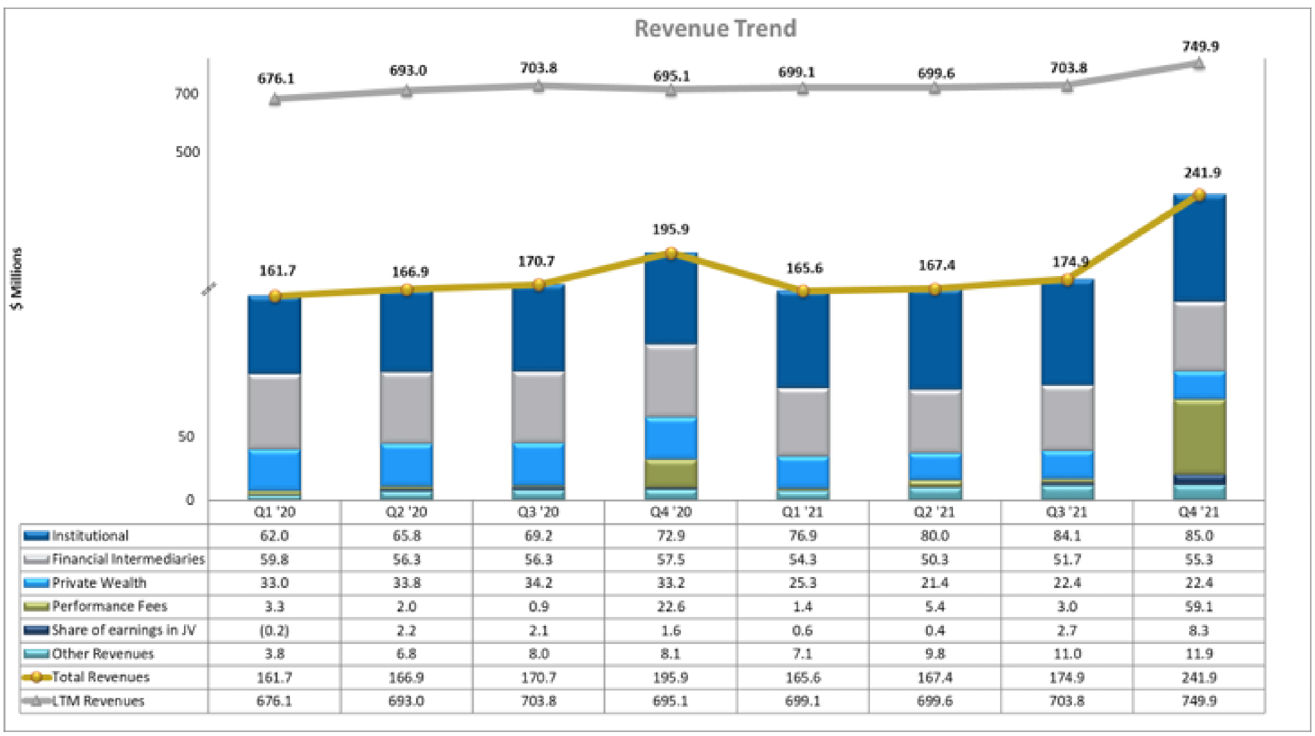
	Q4 2021	Q3 2021	Q2 2021	Q1 2021	Q4 2020	Q3 2020	Q2 2020	Q1 2020
Net earnings (loss) attributable to the Company's shareholders	**35,655**	2,333	13,310	22,234	(983)	4,726	(14,703)	7,581
Amortization and depreciation	**13,567**	16,164	16,489	21,402	21,105	19,867	20,848	20,321
Restructuring, acquisition related and other costs	**6,501**	9,992	6,008	6,196	9,112	3,099	25,239	3,415
Accretion and change in fair value of purchase price obligations and other, and effective interest on convertible debt	**5,560**	2,844	1,238	1,593	(43,503)	6,781	7,003	(11,850)
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	**11,850**	12,446	5,179	3,289	5,304	5,255	7,499	122
Other (gains) losses	**(209)**	(582)	117	91	(215)	30	(37)	(1,100)
Tax effect of above-mentioned items	**(4,409)**	(5,661)	(1,823)	(619)	(1,492)	(2,170)	(7,820)	1,982
Adjusted net earnings attributable to the Company's shareholders	**68,515**	37,536	41,251	37,526	49,238	37,588	38,704	20,471
Per share – basic								
Net earnings (loss) attributable to the Company's shareholders	**0.34**	0.02	0.13	0.21	(0.01)	0.05	(0.14)	0.07
Adjusted net earnings attributable to the Company's shareholders	**0.66**	0.36	0.39	0.36	0.47	0.36	0.38	0.20
Per share – diluted								
Net earnings (loss) attributable to the Company's shareholders	**0.31**	0.02	0.12	0.20	(0.01)	0.04	(0.14)	0.07
Adjusted net earnings attributable to the Company's shareholders	**0.58**	0.34	0.36	0.32	0.47	0.35	0.38	0.19

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.

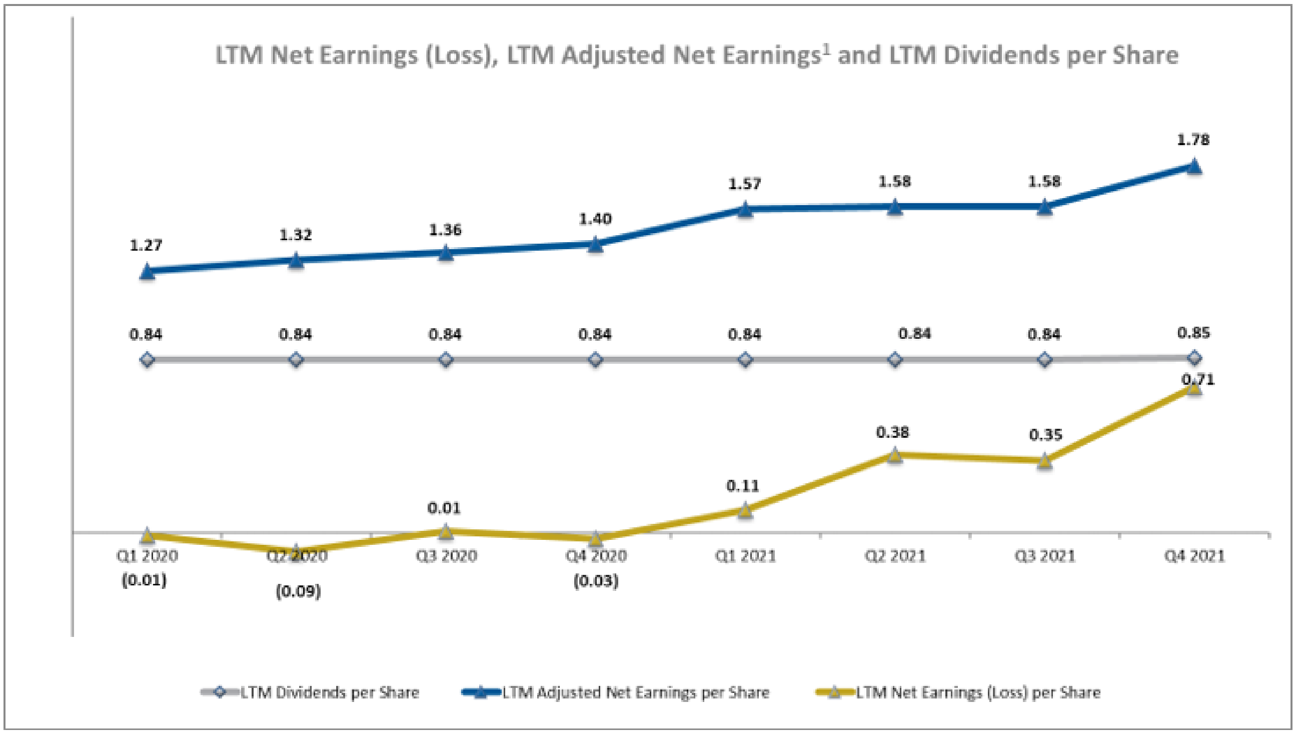


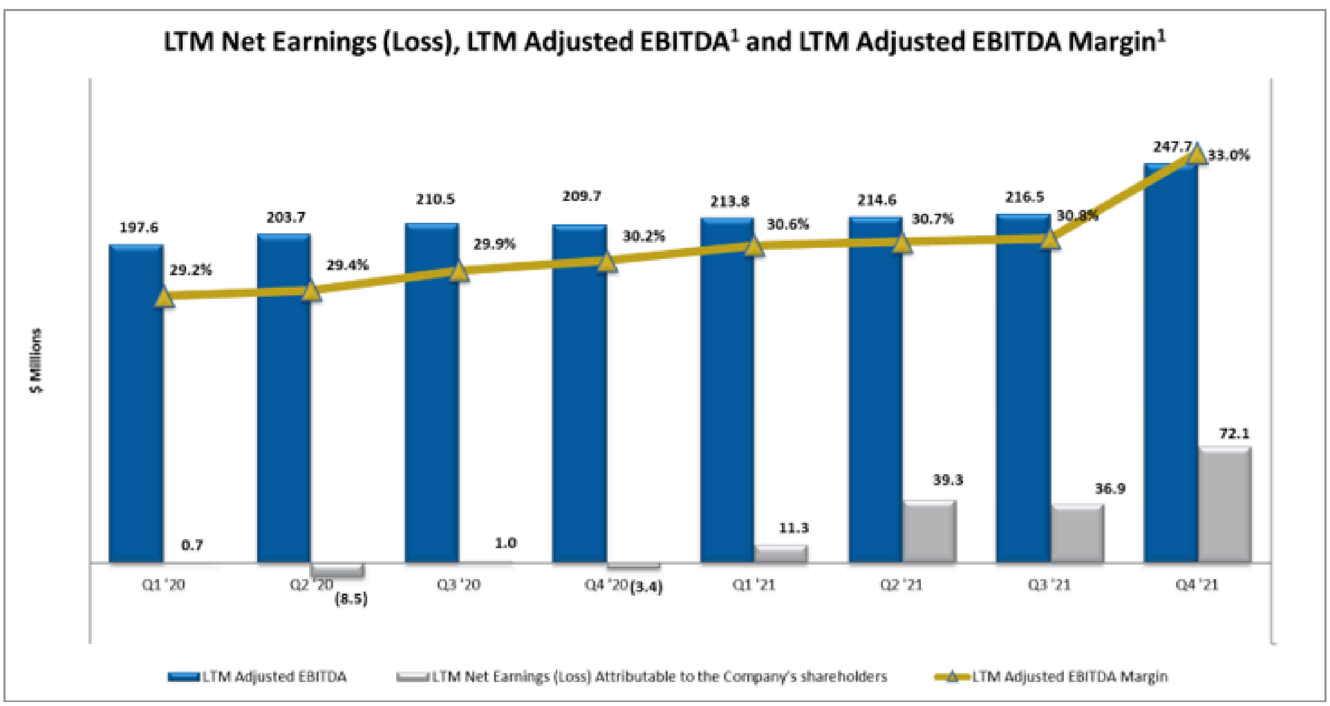
	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021
Institutional	74.9	81.0	85.5	89.4	89.2	92.4	93.5	95.6
Financial Intermediaries	59.1	65.1	68.4	71.1	70.0	72.7	73.0	77.9
Private Wealth	25.5	26.1	25.3	21.4	13.8	14.4	14.3	14.8
Total AUM	159.5	172.3	179.2	181.9	172.9	179.5	180.8	188.3
Average AUM	167.7	171.1	178.3	178.9	178.2	175.9	183.2	185.5



	Q1 '20	Q2 '20	Q3 '20	Q4 '20	Q1 '21	Q2 '21	Q3 '21	Q4 '21
Institutional	62.0	65.8	69.2	72.9	76.9	80.0	84.1	85.0
Financial Intermediaries	59.8	56.3	56.3	57.5	54.3	50.3	51.7	55.3
Private Wealth	33.0	33.8	34.2	33.2	25.3	21.4	22.4	22.4
Performance Fees	3.3	2.0	0.9	22.6	1.4	5.4	3.0	59.1
Share of earnings in JV	(0.2)	2.2	2.1	1.6	0.6	0.4	2.7	8.3
Other Revenues	3.8	6.8	8.0	8.1	7.1	9.8	11.0	11.9
Total Revenues	161.7	166.9	170.7	195.9	165.6	167.4	174.9	241.9
LTM Revenues	676.1	693.0	703.8	695.1	699.1	699.6	703.8	749.9

Note: Institutional, Financial Intermediaries and Private Wealth categories denoted above relate to consolidated Base Management Fees.


LTM Net Earnings (Loss), LTM Adjusted Net Earnings1 and LTM Dividends per Share
1.27
1.32
1.36
1.40
1.57
1.58
1.58
1.78
0.84
0.84
0.84
0.84
0.84
0.84
0.84
0.85
0.71
0.38
0.35
0.11
0.01
Q1 2020
Q2 2020
Q3 2020
Q4 2020
Q1 2021
Q2 2021
Q3 2021
Q4 2021
(0.01)
(0.09)
(0.03)
LTM Dividends per Share
LTM Adjusted Net Earnings per Share
LTM Net Earnings (Loss) per Share


LTM Net Earnings (Loss), LTM Adjusted EBITDA1 and LTM Adjusted EBITDA Margin1
$ Millions
197.6
203.7
210.5
209.7
213.8
214.6
216.5
247.7
29.2%
29.4%
29.9%
30.2%
30.6%
30.7%
30.8%
33.0%
0.7
(8.5)
1.0
(3.4)
11.3
39.3
36.9
72.1
Q1 '20
Q2 '20
Q3 '20
Q4 '20
Q1 '21
Q2 '21
Q3 '21
Q4 '21
LTM Adjusted EBITDA
LTM Net Earnings (Loss) Attributable to the Company's shareholders
LTM Adjusted EBITDA Margin

LIQUIDITY AND CAPITAL RESOURCES

Liquidity risk

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

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

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.

Based on current projections, we expect to have sufficient financial resources available (mainly from the use of our net cash flows from operations, debt and credit facilities and share capital issuance) to finance our business plan, meet our working capital needs and maintain an appropriate level of capital spending.

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

Table 18– Summary of Consolidated Statements of Cash Flows (in $ thousands)

	FOR THE THREE MONTH PERIODS ENDED			FOR THE YEARS ENDED		
	December 31, 2021	December 31, 2020	VARIANCE	December 31, 2021	December 31, 2020	VARIANCE
Cash generated by operating activities	**97,226**	94,162	3,064	**171,286**	145,378	25,908
Cash generated by (used in) investing activities	**9,973**	(6,907)	16,880	**43,553**	(13,421)	56,974
Cash used in financing activities	**(55,984)**	(62,956)	6,972	**(179,351)**	(159,855)	(19,496)
Net increase (decrease) in cash and cash equivalents	**51,215**	24,299	26,916	**35,488**	(27,898)	63,386
Effect of exchange rate changes on cash denominated in foreign currencies	**(1,361)**	(1,248)	(113)	**(1,752)**	537	(2,289)
Cash and cash equivalents, beginning of period	**52,740**	45,807	6,933	**68,858**	96,219	(27,361)
Cash and cash equivalents, end of period	**102,594**	68,858	33,736	**102,594**	68,858	33,736

Current Quarter versus Prior-Year Quarter

Cash generated by Operating Activities

Cash generated by operating activities was $97.2 million for the three months ended December 31, 2021 compared to $94.2 million in the same period last year, an increase of $3.1 million or 3.2%. The increase was primarily due to higher cash generated from operating activities of $27.5 million excluding working capital, partly offset by a $24.4 million decrease in cash from working capital.

Cash generated by (used in) Investing Activities

Cash generated by investing activities for the three months ended December 31, 2021 was $10.0 million, compared to cash used in investing activities of $6.9 million in the same period last year, an increase of $16.9 million. The increase was primarily due to $6.8 million of proceeds generated on the dispositions of investments, a decrease of $5.3 million in purchases of intangible assets, property and equipment, and the settlement of purchase price obligations in the prior year quarter of $3.1 million which did not recur in the current period.

Cash used in Financing Activities

Cash used in financing activities for the three months ended December 31, 2021 was $56.0 million compared to cash used of $63.0 million in the same period last year, an decrease of $7.0 million. The decrease was primarily due to lower cash used towards long-term debt of $16.1 million, partly offset by $8.7 million increase in cash used for share repurchases under the normal course issuers bid (NCIB).

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 $1.4 million during the three months ended December 31, 2021, compared to an unfavourable impact of $1.2 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 during the comparable period.

Year-to-Date December 31, 2021, versus Year-to-Date December 31, 2020

Cash generated by Operating Activities

Cash generated by operating activities for the year ended December 31, 2021 was $171.3 million compared to $145.4 million in the same period last year, an increase of $25.9 million or 17.8%. The increase was due to higher cash generated from operating activities excluding working capital of $43.9 million, partly offset by a $17.9 million decrease in cash generated from working capital.

Cash generated by (used in) Investing Activities

Cash generated by investing activities for the year ended December 31, 2021 was $43.6 million compared to cash used of $13.4 million in the same period last year, an increase of $57.0 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 $4.9 million, and lower cash used towards settlements of purchase price obligations of $14.1 million primarily due to the termination of the revenue sharing arrangement with CNR. These changes were partly offset by a $4.4 million increase in cash used for purchases of intangible assets, property and equipment in the comparable period.

Cash used in Financing Activities

Cash used in financing activities for the year ended December 31, 2021 was $179.4 million compared to $159.9 million in the same period last year, an increase of $19.5 million. The increase was primarily due to higher cash used towards long-term debt of $26.3 million, cash used towards share repurchase and cancellation of $15.0 million and an increase in dividends to the Company's shareholders of $2.3 million. These increases were partly offset by lower cash used towards dividends to non-controlling interests of $1.2 million, lower interest paid of $2.8 million, higher proceeds from lease inducements of $1.7 million and higher proceeds from stock options exercised of $1.6 million. For the year ended December 31, 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 $1.8 million during the year ended December 31, 2021, compared to a favourable impact of $0.5 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

Table 19 – Credit Facility (in $ thousands)

	As at December 31, 2021	As at December 31, 2020
	$	$
Credit Facility		
Revolving facility	**413,621**	446,880
Deferred financing charges	**(821)**	(1,888)
Non-current portion	**412,800**	444,992

Credit Facility

The Company has a $600.0 million senior unsecured revolving facility (“Facility”) which can be drawn in Canadian or US dollars at the discretion of the Company. As at December 31, 2021, the total amount drawn on the Facility was $17.7 million (December 31, 2020 - $45.6 million) and US$313.4 million ($395.9 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 30, 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 $200.0 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.

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

Under the terms of the Credit Agreement, the Company must satisfy certain restrictive covenants including minimum financial ratios. All restrictive covenants under the Credit Agreement were met as at December 31, 2021 and December 31, 2020.

During the year ended December 31, 2021, the Company reimbursed $28.8 million (reimbursed $10.0 million during the year ended December 31, 2020) on its long-term-debt.

Table 20 – Convertible Debt (in $ thousands)

	As at December 31, 2021	As at December 31, 2020
	$	$
Convertible debentures – 5.00% due June 30, 2023	**83,597**	81,963
Hybrid debentures – 5.60% due July 31, 2024	**107,256**	106,316
Non-current portion	**190,853**	188,279

Convertible Debentures

On December 21, 2017, the Company issued $86.25 million unsecured convertible debentures at 5.00% maturing on June 30, 2023 (the "Convertible debentures").

Hybrid Debentures

On July 4, 2019, the Company issued $100.0 million senior subordinated unsecured hybrid debentures due July 31, 2024, and on July 9, 2019, the Company issued $10.0 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.

Table 21 – Current and Long Term Lease Liabilities (in $ thousands)

	As at December 31, 2021	As at December 31, 2020
	$	$
Current portion of lease liabilities	**14,251**	15,642
Non-current lease liabilities	**91,641**	102,518
Total lease liabilities	**105,892**	118,160

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

	Class A Shares		Class B Shares		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	**2,418,821**	**17,141**	**—**	**—**	**2,418,821**	**17,141**
Stock options exercised	**359,550**	**3,911**	**—**	**—**	**359,550**	**3,911**
Share repurchase and cancellation	**(1,645,785)**	**(15,551)**	**—**	**—**	**(1,645,785)**	**(15,551)**
As at December 31, 2021 [1]	**85,432,361**	**804,198**	**19,412,401**	**30,891**	**104,844,762**	**835,089**
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	205,185	1,688	—	—	205,185	1,688
Reinvested dividends	134,380	1,234	—	—	134,380	1,234
Share repurchase and cancellation	(274,800)	(2,604)	—	—	(274,800)	(2,604)
As at December 31, 2020	84,299,775	798,697	19,412,401	30,891	103,712,176	829,588

[1] 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).

Share Repurchase and Cancellation

During the year ended December 31, 2020, the Company entered into a normal course issuer bid ("NCIB") for its Class A Shares from July 15, 2020 to no later than July 14, 2021. On March 17, 2021, the TSX approved an amendment to the Company's previously announced NCIB in order to increase the number of Class A Shares which the Company may purchase for cancellation from 2,000,000 Class A Shares, or 2.4% of the Company's issued and outstanding Class A Shares as of July 8, 2020, to 4,000,000 Class A Shares, representing 4.8% of the Company's issued and outstanding Class A Shares as of July 8, 2020 (date of filing with the TSX). On August 12, 2021, the Toronto Stock Exchange approved the renewal of the Company’s NCIB to purchase for cancellation up to a maximum of 4,000,000 Class A Shares, representing approximately 4.7% of its issued and outstanding Class A Shares as at August 2, 2021. The NCIB began on August 16, 2021 and will end at the latest on August 15, 2022. Subsequent to December 31, 2021, the Company amended its NCIB agreement. Refer to the "Subsequent Events" section on page 70 for more details.

During the year ended December 31, 2021, the Company paid $17.9 million to purchase and cancel 1,645,785 Class A Shares under the normal course issuer bid which reduced share capital by $15.6 million.

Shareholders may obtain, free of charge, a copy of the notice of intent regarding this NCIB, which was approved by the TSX, by writing to Mr. Gabriel Castiglio, Executive Vice President, Chief Legal Officer and Corporate Secretary of the Company at 1981 McGill College Avenue, Suite 1500, Montreal, Quebec, Canada H3A 0H5.

Dividends

During the year ended December 31, 2021, the Company declared dividends on Class A shares and Class B shares totaling $87.7 million ($0.845 per share) (2020 – $86.6 million ($0.84 per share)). On November 10, 2021, the Board of Directors declared a quarterly dividend of $0.215 per Class A Share and Class B special voting share of the Company, payable on December 21, 2021 to shareholders of record at the close of business on November 23, 2021, representing an increase of $0.005 per share, or 2.4%, compared to the quarterly dividends declared in the first half of fiscal 2021.

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 December 31, 2021 and 2020 it has complied with such requirements. The Company has also complied with the restrictive debt covenants under the terms of the credit facility.

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

Contractual Obligations

The Company had the following contractual obligations as at December 31, 2021:

Table 23 – Contractual Obligations (in $ thousands)

	Carrying Amount	Total	2022	2023	2024	2025	2026	Thereafter
Long-term debt	413,621	413,621	—	413,621	—	—	—	—
Convertible debt	190,853	196,250	—	86,250	110,000	—	—	—
Purchase price obligations	33,359	42,333	5,163	12,399	17,855	6,916	—	—
Puttable financial instrument liability	23,485	23,578	19,711	3,867	—	—	—	—
Lease liabilities	105,892	125,056	17,636	18,363	15,143	13,525	9,864	50,525
License, software services and other	n/a	17,329	5,912	3,134	3,044	3,106	2,133	—
Total obligations	767,210	818,167	48,422	537,634	146,042	23,547	11,997	50,525

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.

FINANCIAL CONDITION

Table 24 – Financial Condition (in $ thousands)

(in $ thousands)	December 31, 2021	December 31, 2020	Variance Year over Year Change
Assets			
Current assets	**349,349**	314,166	35,183
Non-current assets	**1,122,779**	1,194,167	(71,388)
	1,472,128	1,508,333	(36,205)
Liabilities			
Current liabilities	**300,023**	222,341	77,682
Non-current liabilities	**753,957**	815,516	(61,559)
	1,053,980	1,037,857	16,123
Net Assets	**418,148**	470,476	(52,328)

Total assets were $1,472.1 million as at December 31, 2021, a decrease of $36.2 million or 2.4% compared to total assets of $1,508.3 million as at December 31, 2020. The decrease was driven by a $71.4 million decrease in non-current assets primarily due to a $45.4 million decrease in intangible assets, a $12.8 million decrease in right-of-use assets, and a $10.4 million decrease in other non-current assets, offset by a $6.5 million increase in Investment in joint ventures and associates. The decrease in total assets was partly offset by a $35.2 million increase in current assets primarily due to an increase of $70.4 million in trade and other receivables and an increase of $33.7 million in cash and cash equivalents, offset by a decrease of $67.9 million in assets held for sale due to the sale of Bel Air.

Total liabilities were $1,054.0 million as at December 31, 2021, an increase of $16.1 million or 1.6% compared to total liabilities of $1,037.9 million as at December 31, 2020. The increase was driven by a $77.7 million increase in current liabilities, driven by an increase of $60.7 million in accounts payable and accrued liabilities, a $22.9 million increase in the current portion of cash-settled share-based liabilities, and a $12.9 million increase in the current portion of purchase price obligations and puttable financial instrument liability, partly offset by a decrease in liabilities held for sale of $17.8 million. The increase in total liabilities was partly offset by a $61.6 million decrease in non-current liabilities due to a $32.2 million decrease in long-term debt, a $10.9 million decrease in lease liabilities, an $11.5 million decrease in derivative financial instruments, and an $11.2 million decrease in the puttable financial instrument liability.

RELATED PARTY TRANSACTIONS

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

At December 31, 2021, a related shareholder indirectly owned Class B Shares representing approximately 6.9% of the Company's issued and outstanding shares (7.0% as at December 31, 2020). Pursuant to the terms of a shareholders' agreement between this related shareholder and an entity related to the Company, the related shareholder is entitled to appoint two of the eight directors of the Company that the holders of Class B Shares are entitled to elect. This related shareholder is one of the two co-lead arrangers and one of the lenders in the syndicate of lenders to the Company's Credit Facility and effective June 2019 took on the role as administrative agent of the Credit Agreement.

Another related shareholder owns 10.2% Class A Shares (10.3% as at December 31, 2020) and is entitled to propose one nominee for election to the Company's board of directors.

The following table presents transactions either directly with the two related shareholders or with entities under the same common control as these related shareholders:

Table 25 – Related Party Transactions (in $ thousands)

	2021	2020
	$	$
Base management fees	**13,596**	9,294
Other revenues	**(114)**	(2,965)
Selling, general & administrative expenses		
Other	**6**	—
Interest on long-term debt	**9,878**	14,222
Net loss (gain) in fair value of derivative financial instruments included in interest on long-term debt and other financial charges	**3,086**	(9,855)

FINANCIAL INSTRUMENTS

The Company has the following significant financial instruments as at December 31, 2021:

Convertible and hybrid debentures

The convertible and hybrid debentures are presented at amortized cost on the consolidated statements of financial position. The accretion expense on the liability component of the convertible debt is calculated using the effective interest rate method. The interest expense on convertible debt is recorded in Interest on Long-Term Debt, Lease Liabilities and Other Financial Charges.

Long-term debt

The fair value of long-term debt approximates its carrying amount, given that it is subject to terms and conditions, including variable interest rates, similar to those available to the Company for instruments with comparable terms. The long-term debt is presented at amortized cost on the consolidated statements of financial position. The interest expense on long-term debt is recorded in Interest on Long-Term Debt, Lease Liabilities and Other Financial Charges.

Derivative financial instruments

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

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

The Company determines the fair value of its foreign exchange forward contracts by calculating the difference between the forward exchange rates at the measurement date and the contractual forward price for the residual maturity of the contract.

The interest expense and gains and losses on derivatives are recorded in Interest on Long-Term Debt, Lease Liabilities and Other Financial Charges. The net gains (losses) of derivatives for the year ended December 31, 2021 and December 31, 2020 are as follows:

Table 26 – Net gains (losses) on derivatives (in $ thousands)

	2021	2020
	$	$
Foreign exchange contracts		
a) Forward foreign exchange contracts - held for trading	**(859)**	(5,091)
b) Cross currency swaps - held for trading	**(2,930)**	9,855
Interest rate contracts		
c) Swap contracts - held for trading	**4,628**	(4,832)
d) Swap contracts - cash flow hedges	—	—

a) Forward foreign exchange contracts — held for trading

The Company enters into month-end spot rate forward exchange contracts with various terms to maturity that aim to manage the currency fluctuation risk associated with up to twelve months of estimated future revenues in US dollars.

Forward foreign exchange contracts are recognized at fair value at the date the contracts are entered into and are subsequently remeasured to fair value through profit or loss at the end of each reporting period. The gain or loss on these derivative financial instruments is recognized in other revenues in the consolidated statement of earnings (loss) in accordance with the nature of the hedged item.

b) Cross currency swaps – held for trading

Under the terms of the Company's revolving facility, the Company can borrow either in US dollars based on a US base rate plus a spread varying from 0.0% to 1.5% or the LIBOR rate plus a spread varying from 1.0% to 2.5%, or in Canadian dollars based on the Canadian prime rate plus a spread varying from 0.0% to 1.5%. To benefit from interest cost savings, the Company has effectively created, until January 31, 2022, a synthetic equivalent to a Canadian dollar revolving facility at CDOR plus 1.39% on $228.0 million (CDOR plus 1.43% on $210.0 million as at December 31, 2020) by borrowing against the US dollar revolving facility, the equivalent of $228.0 million (US$177.4 million) ($210.0 million (US$164.0 million) as at December 31, 2020) at LIBOR plus 1.75%, and swapping it into CDOR plus 1.39% with a one-month cross currency swap.

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

The net gain or loss on these derivative financial instruments is recognized in the consolidated statement of earnings (loss) in accordance with the nature of the economically hedged item, the revolving facility, and therefore is presented in interest on long-term debt, lease liabilities and other financial charges.

c) Interest rate swap contract – held for trading

The Company enters into interest rate swap contracts to manage the impact of the interest rate fluctuations on its credit facility denominated in Canadian dollars. Interest is settled on a monthly basis.

The contracts consist of exchanging the variable interest rate based on a one-month CDOR rate for a fixed rate applied to the notional of each contract. There were no changes to the terms of the other interest rate swap contracts (held for trading) held by the Company during the year ended December 31, 2021.

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

d) Interest rate swap contracts – Cash flow hedges

The Company holds interest rate swap contracts designated as cash flows hedges and which satisfy the requirements for hedge accounting. There were no changes to the terms of the contracts held by the Company during the year ended December 31, 2021.

The effective portion of changes in the fair value of these contracts is recognized in other comprehensive income and accumulated in a hedging reserve.

The ineffective portion of changes in fair value is recognized immediately in profit or loss in the consolidated statement of earnings (loss). There is no ineffective portion on these contracts for the years ended December 31, 2021 and 2020.

The Company remains exposed to fluctuations in the US base or LIBOR rates on the difference between the US dollar credit facility and the notional amounts of the US dollar interest rate swap contracts.

e) Contingent value rights related to Integrated Asset Management ("IAM")

Through the acquisition of IAM during the year ended December 31, 2019, IAM shareholders received Contingent Value Rights (“CVRs”). The Company accounted for the CVR asset at fair value on the acquisition date, and subsequently revalued the instrument at amortized cost. The short-term portion of the CVR asset is recorded within Trade and other receivables, while the long-term portion is recorded in Other non-current assets. The CVR liability represents the residual amount of the CVR asset after the deduction for bonus, payroll taxes and corporate taxes. The CVR liability, on the acquisition date, was recorded at fair value and subsequently revalued at fair value through profit and loss. The short-term portion of the CVR liability is recorded in Trade accounts payable and accrued liabilities, while the long-term portion was recorded in Other non-current liabilities. There was no profit or loss impact for the years ended December 31, 2021 and December 30, 2020.

Level 3 Instruments

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

a) Purchase price obligation – City National Rochdale ("CNR"):

Following the termination of the revenue sharing agreement with CNR, the Company fully settled the purchase price obligation related to CNR for an amount of $10.1 million in cash.

During the year ended December 31, 2020, the Company reduced the fair value of the purchase price obligation by an amount of $64.2 million (US$49.2 million). In addition, during the year ended December 31, 2020, the Company settled an amount of $19.7 million in cash. The fair value of the CNR purchase price obligation as at December 31, 2020 was $10.3 million (US$8.1 million).

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

The discounted cash flow method was used to measure the present value of the expected future cash flows to be paid to the sellers as contingent consideration. The Company reduced the fair value of the purchase price obligation and recorded an adjustment of $4.2 million (US$3.3 million) during the year ended December 31, 2021 (expense of $6.7 million (US$5.0 million) during the year ended December 31, 2020). The adjustment was driven by revised forecasts and an increase in the risk-adjusted discount rate. In connection with the share purchase agreement of Clearwater, the Company issued nil Class A Shares for nil during the year ended December 31, 2021 (1,620,924 Class A Shares for $11.8 million during the year ended December 31, 2020) as settlement of the purchase price obligation. The fair value of the Clearwater purchase price obligation as at December 31, 2021 was $28.6 million (US$22.6 million) and $29.7 million (US$23.3 million) as at December 31, 2020.

The main Level 3 inputs used by the Company to value the Clearwater purchase price obligations are derived from unobservable inputs of revenue and EBITDA (as defined in the share purchase agreement) forecasts, management's estimates of revenue generated from inflows of AUM from the Asia region, and the risk-adjusted discount rate. The Company used discount rates ranging between 15.0% and 20.0% (2020 – Between 10.0% and 15.0%).

Due to the unobservable nature of the inputs, there may be uncertainty about the valuation of these Level 3 financial instruments and using reasonably possible alternative assumptions would change the fair value. Moreover, the relationship between the risk-adjusted discount rate and the other unobservable inputs does not necessarily have a direct relationship and different inter-relationships could be reasonably applied. The Company varied the significant unobservable inputs such as the risk-adjusted discount rate, revenue, EBITDA, and revenue forecasts from inflows of AUM from the Asia region, and established a reasonable fair value range between $23.4 million (US$18.5 million) and $29.2 million (US$23.1 million) for its purchase price obligation as at December 31, 2021.

c) Puttable financial instrument liability and call option – Fiera Real Estate UK Limited ("Fiera Real Estate UK"):

The Company has the right but not the obligation to acquire the 20% non-controlling interest in Fiera Real Estate UK. This call right can be exercised by the Company on April 30, 2022 or on April 30 of any year thereafter. The non-controlling interest shareholders of Fiera Real Estate UK have the right but not the obligation to exercise their put right on up to 16.72% of their non-controlling interest of Fiera Real Estate UK on March 31, 2022 and March 31 of any year thereafter, and the remaining 3.28% on March 31, 2023 and March 31 of any year thereafter. If exercised, both the put and the call right would require the Company to acquire the exercised percentage of non-controlling interest in Fiera Real Estate UK.

The exercise price is the same for both the put and the call rights. The exercise price is a prescribed price calculated based on a multiplier of EBITDA as defined in the Sale and Purchase Agreement. During the year ended December 31, 2021, the Company amended the put liability agreement to establish a minimum exercise price to the remaining 3.28% non-controlling interest, for both the put and the call rights. This minimum exercise price shall be equal to the exercise price per share of the non-controlling interests exercised in 2022.

The Company increased the fair value of the puttable financial instrument liability and recorded an adjustment of $8.1 million (GBP4.7 million) during the year ended December 31, 2021 (a decrease of $0.8 million (GBP0.4 million) during the year ended December 31, 2020). The fair value of the puttable financial instrument liability as at December 31, 2021 was $23.5 million (GBP13.7 million) and $14.9 million (GBP8.6 million) as at December 31, 2020.

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

On December 31, 2020, the Company completed the sale of all its equity interest in WGAM, in exchange for a promissory note issued by Wilkinson Global Asset Management LLC for a notional amount of $35.7 million (US$28.0 million). Under the terms of the agreement, the promissory note will earn interest at EURIBOR plus a premium of 3%. The principal and interest related to the promissory note will be reimbursable to the Company through quarterly payments based on a specified revenue amount for each fiscal quarter with a minimum annual repayment of US$1.8 million. The promissory note is secured by units of membership interests and the assets of WGAM.

The promissory note is a financial asset recorded at fair value through profit and loss and has been categorized as a Level 3 fair value instrument. The discounted cash flow method was used to measure the present value of the promissory note. The main Level 3 inputs used by the Company to value the promissory note are derived from unobservable inputs of assets under management forecasts, revenue forecasts and the credit-adjusted discount rate reflecting the estimated maturity of the promissory note. The Company used a discount rate of 5.0% (2020 – 5.0%). The fair value of the instrument was $28.2 million (US$22.3 million) as at December 31, 2021 ($33.7 million (US$26.4 million) as at December 31, 2020).

Due to the unobservable nature of the inputs, there may be uncertainty about the valuation of this Level 3 financial instrument and using reasonably possible alternative assumptions would change the fair value. Moreover, the relationship between the credit-adjusted discount rate and the other unobservable inputs does not necessarily have a direct relationship and different inter-relationships could be reasonably applied. The Company varied the significant unobservable inputs such as the credit-adjusted discount rate, assets under management and revenue forecasts and established a reasonable fair value range between $27.6 million (US$21.9 million) and $28.8 million (US$22.8 million) as at December 31, 2021 ($32.2 million (US$25.3 million) and $34.8 million (US$27.3 million) as at December 31, 2020).

Risks Associated with Financial Instruments

The Company, through its financial assets and liabilities, has exposure to the following risks from its financial instruments: market risk, credit risk, interest rate risk, currency risk and liquidity risk. The following analysis outlines the risks as at December 31, 2021 and 2020.

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

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

Market risk

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

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

The Company's portfolio managers monitor the risks of the portfolio as part of its daily operations. The Company's portfolio of equity and equity-related securities as at December 31, 2021 and 2020 is comprised of investment funds and other securities. Investment funds are comprised of a well-diversified portfolio of investments in equities and bonds.

Credit risk

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

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

The Company's credit risk is attributable primarily to its trade receivables and other non-current assets. The amounts disclosed in the consolidated statements of financial position are net of expected credit losses, estimated by the Company's management based on previous experience and its assessment of the current economic environment and financial condition of the counterparties. In order to reduce its risk, management has adopted credit policies that include regular review of client balances. No customer represents more than 10% of the Company's accounts receivable as at December 31, 2021 and 2020.

Interest rate risk

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

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

Currency risk

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

The Company is also exposed to liquidity risk. Refer to the Liquidity and Capital Resources section for further details.

SUBSEQUENT EVENTS

Fiera Capital and Natixis Investment Managers' enter into an agreement for the repurchase and cancellation of 3.56 million shares

On January 12, 2022, the Company and Natixis Investment Managers ("Natixis IM") announced Natixis IM's intention to sell all of its 10,680,000 class A subordinate voting shares ("Class A Shares") held in the Company through an indirect wholly-owned subsidiary. Fiera Capital and Natixis IM entered into an agreement for the repurchase for cancellation of 3,560,000 Class A Shares for an aggregate repurchase price of $34.9 million. In addition, Natixis IM paid Fiera Capital a transaction fee. In a separate transaction, Natixis IM sold the remaining 7,120,000 Class A Subordinate Voting Shares indirectly held by it through a syndicate of underwriters by way of a prospectus-exempt bought deal block trade. These transactions closed on January 14, 2022. Following the transactions, Natixis IM no longer holds any shares of the Company.

The distribution agreement entered into in May 2019 between Natixis Investment Managers S.A. ("Natixis") and the Company establishing Fiera Capital as Natixis' preferred Canadian distributor for its investment strategies will remain in force, subject to certain amendments. The Investor Rights Agreement between Natixis Investment Managers Canada Holdings Ltd. and Fiera Capital was terminated.

The share repurchase counted towards the maximum number of Class A Shares that may be repurchased under the Company's NCIB. Under the NCIB, the Company was authorized to repurchase up to 4,000,000 Class A Shares by August 15, 2022. In connection with the share repurchase, Fiera Capital amended the NCIB in order to increase the maximum number of Class A Shares that may be repurchased to 6,335,600 Class A Shares (representing 10% of the public float of the Class A shares on August 2, 2021), effective on January 17, 2022.

StonePine sub-advisory partnership

On January 31, 2022, the previously announced sub-advisory partnership with StonePine closed. StonePine is a new firm to be controlled and led by Nadim Rizk, formerly the 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. This represents strategies totaling approximately $65.6 billion in AUM as of December 31, 2021.

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.

As a result of the sub-advisory arrangement, StonePine will not be entitled to receive share-based compensation for services rendered. 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 Capital clients.

Dividends declared

On February 24, 2022, the Board declared a quarterly dividend of $0.215 per Class A Share and Class B Share, payable on April 6, 2022 to shareholders of record at the close of business on March 9, 2022. The dividend is an eligible dividend for income tax purposes.

CRITICAL ACCOUNTING ESTIMATES

This MD&A is prepared with reference to the audited consolidated financial statements for the years ended December 31, 2021 and 2020. A summary of the Company's significant accounting judgments and estimation uncertainties are presented in Note 3 of the Company's audited consolidated financial statements for the years ended December 31, 2021 and 2020. Some of the Company's accounting policies, as required under IFRS, require Management to make subjective, complex judgments and estimates to matters that are inherent to uncertainties.

The Company's Critical Accounting Estimates, and their respective accounting policies, are as follows:

Share-based payments

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

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

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

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

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

Purchase price obligations

Purchase price obligations are financial instruments recorded at fair value through profit and loss. The valuation of the purchase price obligations require management to apply judgement in determining the inputs in the measurement of their fair values. The Company uses valuation techniques, which are generally based on forecasted future cash flows discounted to present value and risk-adjusted discount rates applicable to the underlying cash flows.

Leases

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

Business combinations and other transactions

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

Income taxes

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

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

NEW ACCOUNTING STANDARDS

Revised IFRS, interpretations and amendments

In April 2021, International Financial Interpretations Committee ("IFRIC"), finalized an agenda decision which clarified the customer's accounting for configuration and customization in a cloud computing arrangement. The Company does not expect it to have a material impact on the consolidated financial statements.

New standards not yet adopted

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

INTERNAL CONTROLS AND PROCEDURES

The Global President 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. Fiera Capital Corporation's ("Company") internal control framework is based on the criteria published in the Internal Control-Integrated Framework (COSO framework 2013) published by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

The CEO and CFO, supported by Management, have evaluated or caused to be evaluated the design (quarterly) and operating effectiveness (annually) of the Company's Disclosure Controls and Procedures and Internal Controls over Financial Reporting as at December 31, 2021, and have concluded that they were effective.

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.

There have been no changes to the Internal Controls over Financial Reporting that occurred during the three months ended December 31, 2021, that have 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 www.sedar.com.

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