



# Fiera Capital Corporation

## Interim Condensed Consolidated Financial Statements

For the Three-Month Periods ended  
March 31, 2022 and 2021  
(Unaudited)



**FIERACAPITAL**

# Fiera Capital Corporation

## Table of Contents

---

Interim Condensed Consolidated Statements of Earnings (Loss) .....	2
Interim Condensed Consolidated Statements of Comprehensive Income (Loss) .....	3
Interim Condensed Consolidated Statements of Financial Position .....	4
Interim Condensed Consolidated Statements of Changes in Equity .....	5
Interim Condensed Consolidated Statements of Cash Flows .....	6
Notes to the Interim Condensed Consolidated Financial Statements .....	7 - 33

# Fiera Capital Corporation

## Interim Condensed Consolidated Statements of Earnings (Loss)

For the three-month periods ended March 31,

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

(Unaudited)

	Three-month periods	
	2022	2021
	\$	\$
<b>Revenues</b>		
Base management fees	159,311	156,468
Performance fees	3,370	1,432
Commitment and transaction fees	3,814	2,590
Share of earnings in joint ventures and associates	3,604	562
Other revenues	2,244	4,559
	<b>172,343</b>	<b>165,611</b>
<b>Expenses</b>		
Selling, general and administrative expenses	139,624	121,400
Amortization and depreciation	15,357	21,402
Restructuring, acquisition related and other costs (Note 5)	3,833	6,196
	<b>158,814</b>	<b>148,998</b>
Earnings before under-noted items	13,529	16,613
Loss (gain) on investments, net	1,061	(343)
Interest on long-term debt, lease liabilities and other financial charges	5,858	8,326
Accretion and change in fair value of purchase price obligations and other (Note 7)	(39)	1,024
Gain on sale of a business and impairment of assets held for sale (Note 4)	—	(16,660)
Other (gains) losses	(408)	91
Earnings before income taxes	7,057	24,175
Income tax expense	1,604	1,152
<b>Net earnings</b>	<b>5,453</b>	<b>23,023</b>
<b>Net earnings (loss) attributable to:</b>		
Company's shareholders	3,419	22,234
Non-controlling interest	2,034	789
	<b>5,453</b>	<b>23,023</b>
Net earnings per share (Note 11)		
Basic	0.03	0.21
Diluted	0.03	0.20

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

# Fiera Capital Corporation

## Interim Condensed Consolidated Statements of Comprehensive Income (Loss)

For the three-month periods ended March 31,

(In thousands of Canadian, dollars)

(Unaudited)

	Three-month periods	
	2022	2021
	\$	\$
Net earnings	5,453	23,023
Other comprehensive income (loss):		
Items that may be reclassified subsequently to earnings (loss):		
Cash flow hedges (Note 7)	752	737
Foreign currency translation	(5,589)	(3,643)
Foreign currency translation realized on the sale of a foreign operation (Note 4)	—	(30,219)
Other comprehensive loss	(4,837)	(33,125)
<b>Comprehensive income (loss)</b>	<b>616</b>	<b>(10,102)</b>
<b>Comprehensive income (loss) attributable to:</b>		
Company's shareholders	(1,418)	(10,891)
Non-controlling interest	2,034	789
	<b>616</b>	<b>(10,102)</b>

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

# Fiera Capital Corporation

## Interim Condensed Consolidated Statements of Financial Position

(in thousands of Canadian dollars)

(Unaudited)

	As at March 31, 2022	As at December 31, 2021
	\$	\$
<b>Assets</b>		
Current assets		
Cash and cash equivalents	50,351	102,594
Restricted cash and cash equivalents	4,053	4,484
Trade and other receivables	159,114	216,454
Investments	8,527	9,389
Prepaid expenses and other assets (Note 13)	27,641	16,428
	<b>249,686</b>	<b>349,349</b>
Non-current assets		
Goodwill (Note 6)	638,669	641,314
Intangible assets (Note 6)	277,592	293,268
Property and equipment	25,476	26,273
Right-of-use assets	75,107	77,763
Deferred income taxes	26,204	31,179
Long-term investments	5,459	5,739
Investments in joint ventures and associates	12,154	15,322
Other non-current assets (Note 7)	25,179	31,921
	<b>1,335,526</b>	<b>1,472,128</b>
<b>Liabilities</b>		
Current liabilities		
Accounts payable and accrued liabilities	114,703	217,246
Current portion of cash-settled share-based liabilities	9,223	25,881
Current portion of purchase price obligations and puttable financial instrument liability (Note 7)	24,049	24,769
Current portion of lease liabilities	14,118	14,251
Restructuring provisions (Note 5)	1,630	2,345
Derivative financial instruments (Note 7)	2,102	7,209
Amounts due to related parties	5,246	4,723
Dividends payable	21,803	—
Client deposits and deferred revenues	7,884	3,599
	<b>200,758</b>	<b>300,023</b>
Non-current liabilities		
Long-term debt (Note 8)	428,741	412,800
Convertible debt (Note 9)	191,467	190,853
Lease liabilities	89,324	91,641
Purchase price obligations and puttable financial instrument liability (Note 7)	32,122	32,075
Cash-settled share-based liabilities	4,206	7,145
Deferred income taxes	15,123	15,517
Other non-current liabilities (Note 7)	3,419	3,926
	<b>965,160</b>	<b>1,053,980</b>
<b>Equity attributable to:</b>		
Company's shareholders	366,922	415,313
Non-controlling interest	3,444	2,835
	<b>370,366</b>	<b>418,148</b>
	<b>1,335,526</b>	<b>1,472,128</b>

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

# Fiera Capital Corporation

## Interim Condensed Consolidated Statements of Changes in Equity

For the three-month periods ended March 31,

(In thousands of Canadian dollars)

(Unaudited)

	Notes	Share Capital	Contributed surplus	Convertible debentures equity component	Retained earnings (deficit)	Accumulated other comprehensive income (loss)	Equity attributable to Company's shareholders	Non-Controlling Interest	Total Equity
		\$	\$	\$	\$	\$	\$	\$	\$
Balance, December 31, 2021		835,089	17,486	3,339	(412,869)	(27,732)	415,313	2,835	418,148
Change in accounting policy	3	—	—	—	(3,499)	—	(3,499)	—	(3,499)
Net earnings (loss)		—	—	—	3,419	—	3,419	2,034	5,453
Other comprehensive income (loss)		—	—	—	—	(4,837)	(4,837)	—	(4,837)
Comprehensive income (loss)		—	—	—	3,419	(4,837)	(1,418)	2,034	616
Equity settled share-based compensation expense	12	—	12,094	—	—	—	12,094	—	12,094
Deferred tax on share-based compensation expense		—	(26)	—	—	—	(26)	—	(26)
Performance and restricted share units settled	10	10,107	(10,107)	—	—	—	—	—	—
Stock options exercised	10	489	(113)	—	—	—	376	—	376
Dividends	10	—	—	—	(21,803)	—	(21,803)	(1,425)	(23,228)
Share repurchase and cancellation	10	(33,626)	(489)	—	—	—	(34,115)	—	(34,115)
<b>Balance, March 31, 2022</b>		<b>812,059</b>	<b>18,845</b>	<b>3,339</b>	<b>(434,752)</b>	<b>(32,569)</b>	<b>366,922</b>	<b>3,444</b>	<b>370,366</b>
Balance, December 31, 2020		829,588	31,334	3,339	(398,722)	2,436	467,975	2,501	470,476
Net earnings (loss)		—	—	—	22,234	—	22,234	789	23,023
Other comprehensive income (loss)		—	—	—	—	(33,125)	(33,125)	—	(33,125)
Comprehensive income (loss)		—	—	—	22,234	(33,125)	(10,891)	789	(10,102)
Equity settled share-based compensation expense	12	—	991	—	—	—	991	—	991
Deferred tax on share-based compensation expense		—	115	—	—	—	115	—	115
Performance and restricted share units settled	10	4,235	(4,235)	—	—	—	—	—	—
Stock options exercised	10	49	(12)	—	—	—	37	—	37
Dividends	10	—	—	—	(21,775)	—	(21,775)	(774)	(22,549)
Non-controlling interest capital reduction		—	—	—	—	—	—	(1,293)	(1,293)
Share repurchase and cancellation	10	(5,878)	(1,255)	—	—	—	(7,133)	—	(7,133)
<b>Balance, March 31, 2021</b>		<b>827,994</b>	<b>26,938</b>	<b>3,339</b>	<b>(398,263)</b>	<b>(30,689)</b>	<b>429,319</b>	<b>1,223</b>	<b>430,542</b>

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

# Fiera Capital Corporation

## Interim Condensed Consolidated Statements of Cash Flows

For the three-month periods ended March 31,

(In thousands of Canadian dollars)

(Unaudited)

	Three-month periods	
	2022	2021
	\$	\$
<b>Operating activities</b>		
Net earnings	5,453	23,023
Adjustments for:		
Amortization and depreciation	15,357	21,402
Loss (gain) on sale of a business and impairment of assets held for sale (Note 4)	—	(16,660)
Accretion and change in fair value of purchase price obligations and other (Note 7)	(39)	1,024
Share-based compensation (Note 12)	14,609	3,289
Interest on long-term debt, lease liabilities, and other financial charges	5,858	8,326
Income tax expense	1,604	1,152
Change in derivative financial instruments (Note 7)	(174)	316
Loss (gain) on investments and other, net	653	(256)
Share of earnings in joint ventures and associates	(3,604)	(562)
Other non-current liabilities	(616)	(357)
	39,101	40,697
Changes in non-cash operating working capital items (Note 13)	(65,052)	(65,049)
<b>Net cash used in operating activities</b>	<b>(25,951)</b>	<b>(24,352)</b>
<b>Investing activities</b>		
Proceeds on disposition (Note 4)	—	51,807
Settlement of purchase price adjustments and obligations	—	(8,081)
Proceeds on promissory note	1,334	1,123
Investments in joint ventures and associates	(960)	(448)
Distributions received from joint ventures and associates	7,290	2,100
Purchase of intangible assets, property and equipment, net	(1,215)	(7,664)
Investments, net	(103)	331
Restricted cash and cash equivalents	423	(13,241)
<b>Net cash generated by investing activities</b>	<b>6,769</b>	<b>25,927</b>
<b>Financing activities</b>		
Dividends and other distributions to Non-controlling interest	(1,425)	(2,067)
Lease payments	(4,306)	(4,479)
Lease inducements	—	1,279
Stock options exercised	376	37
Share repurchase and cancellation (Note 10)	(33,998)	(7,133)
Long-term debt, net (Note 7 and 8)	14,800	(3,305)
Interest paid on long-term debt and convertible debt	(7,427)	(7,769)
<b>Net cash used in financing activities</b>	<b>(31,980)</b>	<b>(23,437)</b>
Net decrease in cash and cash equivalents	(51,162)	(21,862)
Effect of exchange rate changes on cash denominated in foreign currencies	(1,081)	(756)
Cash and cash equivalents – beginning of periods	102,594	68,858
Cash and cash equivalents – end of periods	50,351	46,240

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

# Fiera Capital Corporation

## Notes to the Interim Condensed Consolidated Financial Statements

For the three-month periods ended March 31, 2022 and 2021

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

(Unaudited)

---

### 1. Description of Business

Fiera Capital Corporation (“Fiera Capital” or the “Company”) was incorporated as Fry & Company (Investment Management) Limited in 1955 and is incorporated under the laws of the Province of Ontario. The Company is a global asset management firm which delivers customized and multi-asset solutions across public and private market asset classes to institutional, financial intermediary and private wealth clients across North America, Europe and key markets in Asia.

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

The Company’s Board of Directors (the “Board”) approved the interim condensed consolidated financial statements for the three-month periods ended March 31, 2022 and 2021 on May 3, 2022.

### 2. Basis of presentation

#### Statement of compliance

These interim condensed consolidated financial statements have been prepared in accordance with International Accounting Standard (“IAS”) 34 – *Interim Financial Reporting*, as issued by the International Accounting Standard Board (“IASB”) and accordingly, do not include all disclosures required under International Financial Reporting Standards (“IFRS”) for annual consolidated financial statements. The accounting policies and methods of computation applied in these interim condensed consolidated financial statements are the same as those applied by the Company in its financial statements as at and for the year ended December 31, 2021, except for the impact of the adoption of the standards, interpretations and amendments described in Note 3.

These interim condensed consolidated financial statements should be read in conjunction with the audited consolidated financial statements for the years ended December 31, 2021 and December 31, 2020.

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



## Notes to the Interim Condensed Consolidated Financial Statements

For the three-month periods ended March 31, 2022 and 2021

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

(Unaudited)

---

### 3. Adoption of new IFRS and changes in accounting policies

#### Revised IFRS, interpretations and amendments

##### *Amendment to Cloud Computing Arrangements - IAS 38 Intangible Assets*

In April 2021, the International Financial Reporting Interpretations Committee ("IFRIC") finalized an agenda decision which clarified the customer's accounting for configuration and customization in a cloud computing arrangement. As a result of this decision, the Company changed its accounting policy for costs incurred on cloud computing arrangements. Configuration and customization costs related to certain cloud computing arrangements where the related intellectual property is not controlled by the Company will now be expensed. Following this change in accounting policy, intangible assets with a net book value of \$4,561 were derecognized and the opening deficit was increased by \$3,499 (net of income taxes of \$1,062) as at January 1, 2022.

##### *Other*

Revised standards are effective for annual periods beginning on January 1, 2022. Their adoption did not have a significant impact on the amounts reported or disclosures made in these financial statements.

#### New standards and interpretations not yet adopted

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

### 4. Business disposition, assets held for sale and other transactions

##### *Sale of Bel Air Investment Advisors ("Bel Air")*

On February 28, 2021, the Company completed the sale of all its equity interest in Bel Air. As a result, the Company recorded a gain of \$19,552 net of change of control expenses of \$5,467 and transaction costs. The gain on sale included the foreign currency translation gain of \$30,219 that was previously recorded in accumulated other comprehensive income which was reclassified to earnings on disposition of the foreign operation.

##### *Fiera Capital Emerging Markets Fund ("Fund")*

On March 30, 2021, Fiera Capital Inc., a wholly-owned subsidiary of the Company, sold its Fund to Sunbridge Capital Partners LLC. As a result of the sale, the Company recorded accelerated amortization of \$3,395 (US\$2,700), and subsequently presented the intangible asset management contract as an asset "held for sale" as 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 \$3,625 (US\$2,900) was recorded. The transaction closed on July 9, 2021 and a nominal gain was recognized in the third quarter of 2021.

# Fiera Capital Corporation

## Notes to the Interim Condensed Consolidated Financial Statements

For the three-month periods ended March 31, 2022 and 2021

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

(Unaudited)

### 4. Business disposition, assets held for sale and other transactions (continued)

#### *Acquisition of Additional Global Equity Team*

On March 8, 2021, the Company announced the acquisition of an additional Global Equity team from AMP Capital. As part of the transaction, the Company acquired the team along with the related assets under management ("AUM") and as a result recorded an intangible asset of \$6,701 (US\$5,331).

### 5. Restructuring, acquisition related and other costs

During the three-month periods ended March 31, 2022, the Company recorded the following:

	For the three-month periods ended March 31,	
	2022	2021
	\$	\$
Restructuring costs related to severance	2,003	3,362
Other restructuring costs	418	2,662
Acquisition related and other costs	1,412	172
	<b>3,833</b>	6,196

Restructuring charges are mainly composed of severance costs due to corporate reorganizations following business combinations, dispositions and other transactions.

Acquisition related and other costs are mainly composed of professional fees, relocation and lease related costs and other expenses incurred as a result of the integration of businesses acquired in prior periods.

The change in the restructuring provision for severance-related expenses during the three-month period ended March 31, 2022 is as follows:

	Severance
	\$
Balance, December 31, 2021	2,345
Additions during the period	2,003
Paid during the period	(2,711)
Foreign currency translation	(7)
<b>Balance, March 31, 2022</b>	<b>1,630</b>

# Fiera Capital Corporation

## Notes to the Interim Condensed Consolidated Financial Statements

For the three-month periods ended March 31, 2022 and 2021

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

(Unaudited)

### 6. Goodwill and intangible assets

	Goodwill	Indefinite life		Finite-life		Total
		Asset management contracts	Asset management contracts	Customer relationships	Other	
	\$	\$	\$	\$	\$	\$
<b>For the three-month period ended</b>						
<b>March 31, 2022</b>						
Opening carrying amount	641,314	1,676	39,268	242,586	9,738	293,268
Additions	—	—	—	—	273	273
Additions – internally developed	—	—	—	—	323	323
Change in accounting policy (Note 3)	—	—	—	—	(4,561)	(4,561)
Dispositions	—	—	—	—	(32)	(32)
Amortization for the year	—	—	(3,726)	(6,110)	(646)	(10,482)
Foreign currency translation	(2,645)	(4)	(248)	(988)	43	(1,197)
Closing carrying amount	638,669	1,672	35,294	235,488	5,138	277,592
<b>Balance, March 31, 2022</b>						
Cost	633,323	1,695	153,309	406,776	35,555	597,335
Accumulated amortization and impairment	(1,918)	—	(117,209)	(167,090)	(29,839)	(314,138)
Foreign currency translation	7,264	(23)	(806)	(4,198)	(578)	(5,605)
Closing carrying amount	638,669	1,672	35,294	235,488	5,138	277,592

# Fiera Capital Corporation

## Notes to the Interim Condensed Consolidated Financial Statements

For the three-month periods ended March 31, 2022 and 2021

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

(Unaudited)

---

### 7. Financial instruments

#### *Convertible and hybrid debentures*

The convertible and hybrid debentures are recorded at an amortized cost of \$83,994 and \$107,473, respectively, as at March 31, 2022 (\$83,597 and \$107,256 respectively, as at December 31, 2021). The fair value based on market quotes is \$87,113 and \$113,850, respectively, as at March 31, 2022 (\$86,828 and \$112,750 as at December 31, 2021).

#### *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.

#### *Derivative financial instruments*

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

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

# Fiera Capital Corporation

## Notes to the Interim Condensed Consolidated Financial Statements

For the three-month periods ended March 31, 2022 and 2021

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

(Unaudited)

### 7. Financial instruments (continued)

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

	For the three-month period ended March 31, 2022	As at March 31, 2022					
		Net gain (loss) on derivatives	Fair value		Notional amount: term to maturity		
			Asset	(Liability)	Less than 1 year	From 1 to 5 years	Over 5 years
	\$	\$	\$	\$	\$	\$	
<b>Foreign exchange contracts</b>							
a) Forward foreign exchange and currency swap contracts – held for trading	25	69	(120)	43,540	—	—	
b) Cross currency swaps – held for trading	(757)	—	(1,021)	234,000	—	—	
<b>Interest rate contracts</b>							
c) Swap contracts – held for trading	1,102	—	(511)	250,000	—	—	
d) Swap contracts – cash flow hedges	—	—	(450)	211,089	—	—	

	For the three-month period ended March 31, 2021	As at December 31, 2021					
		Net gain (loss) on derivatives	Fair value		Notional amount: term to maturity		
			Asset	(Liability)	Less than 1 year	From 1 to 5 years	Over 5 years
	\$	\$	\$	\$	\$	\$	
<b>Foreign exchange contracts</b>							
a) Forward foreign exchange contracts – held for trading	(508)	—	(250)	10,989	—	—	
b) Cross currency swaps – held for trading	(3,648)	—	(3,877)	228,000	—	—	
<b>Interest rate contracts</b>							
c) Swap contracts – held for trading	1,110	—	(1,613)	250,000	—	—	
d) Swap contracts – cash flow hedges	—	—	(1,469)	213,472	—	—	

## Notes to the Interim Condensed Consolidated Financial Statements

For the three-month periods ended March 31, 2022 and 2021

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

(Unaudited)

---

### 7. Financial instruments (continued)

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

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

These contracts are recognized at fair value at the date the contracts are entered into and are subsequently remeasured to fair value through profit or loss at the end of each reporting period. The gain or loss on these derivative financial instruments is recognized in other revenues or interest on long term debt, lease liabilities and other financial charges in the interim condensed consolidated statement of earnings (loss) in accordance with the nature of the hedged item.

The Company paid \$176 as settlement of contracts that matured during the period (paid nil during the three-month period ended March 31, 2021).

#### b) Cross currency swaps – held for trading

Under the terms of the Company's revolving facility (Note 8), the Company can borrow either in a US dollars based on 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 April 29, 2022, a synthetic equivalent to a Canadian dollar revolving facility at CDOR plus 1.51% on \$234,000 (CDOR plus 1.39% on \$228,000 as at December 31, 2021) by borrowing against the US dollar revolving facility, the equivalent of \$234,000 (US\$186,525) (\$228,000 (US\$177,432) as at December 31, 2021) at LIBOR plus 1.75%, and swapping it into CDOR plus 1.51% 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 interim condensed consolidated statement of earnings (loss) in accordance with the nature of the economically hedged item, the revolving facility (Note 8), and therefore is presented in interest on long-term debt, lease liabilities and other financial charges.

A total of \$3,613 was paid during the three-month period ended March 31, 2022 as settlement of these contracts (\$3,782 was paid during the three-month period ended March 31, 2021) presented in long-term debt, net in the interim condensed consolidated statements of cash flow.

## Notes to the Interim Condensed Consolidated Financial Statements

For the three-month periods ended March 31, 2022 and 2021

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

(Unaudited)

---

### 7. Financial instruments (continued)

#### 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 three-month period ended March 31, 2022.

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

#### 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 three-month period ended March 31, 2022.

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 Company recorded another comprehensive gain of \$752 (net of income taxes of \$269) during the three-month period ended March 31, 2022 (gain of \$737 (net of income taxes of \$265) during the three-month period ended March 31, 2021).

The ineffective portion of changes in fair value is recognized immediately in profit or loss in the interim condensed consolidated statement of earnings (loss). There is no ineffective portion on these contracts for the three-month periods ended March 31, 2022 and 2021.

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. The drawings in US dollars on the Credit Facility (Note 8) are US\$326,015 as at March 31, 2022 (US\$313,432 as at December 31, 2021).

#### 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.

# Fiera Capital Corporation

## Notes to the Interim Condensed Consolidated Financial Statements

For the three-month periods ended March 31, 2022 and 2021

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

(Unaudited)

### 7. Financial instruments (continued)

Financial instruments by category:

	As at March 31, 2022		
	Amortized cost	Fair value through profit or loss	Total
	\$	\$	\$
<b>Assets</b>			
Cash and cash equivalents	50,351	—	50,351
Restricted cash and cash equivalents	4,053	—	4,053
Investments	—	8,527	8,527
Trade and other receivables	159,114	—	159,114
Promissory note <sup>(1)</sup>	—	27,171	27,171
Long-term investments	—	5,459	5,459
Derivative financial instruments <sup>(2)</sup>	—	69	69
Other non-current assets <sup>(3)</sup>	575	—	575
<b>Total</b>	<b>214,093</b>	<b>41,226</b>	<b>255,319</b>
<b>Liabilities</b>			
Accounts payable and accrued liabilities <sup>(4)</sup>	105,431	9,272	114,703
Purchase price obligations	—	34,048	34,048
Puttable financial instrument liability	—	22,123	22,123
Other non-current liabilities <sup>(5)</sup>	147	315	462
Derivative financial instruments	—	2,102	2,102
Amounts due to related parties	5,246	—	5,246
Client deposits and deferred revenues	547	—	547
Long-term debt	428,741	—	428,741
Convertible debt	191,467	—	191,467
<b>Total</b>	<b>731,579</b>	<b>67,860</b>	<b>799,439</b>

<sup>(1)</sup> Includes \$5,431 presented in prepaid expenses and other asset and \$21,740 presented in other non-current assets on the interim condensed consolidated statements of financial position.

<sup>(2)</sup> Presented in prepaid expenses and other assets on the interim condensed consolidated statements of financial position

<sup>(3)</sup> Represents the long-term portion of the CVR asset.

<sup>(4)</sup> \$9,272 represents the short-term portion of the CVR liability.

<sup>(5)</sup> Represents the long-term portion of the CVR liability.



# Fiera Capital Corporation

## Notes to the Interim Condensed Consolidated Financial Statements

For the three-month periods ended March 31, 2022 and 2021

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

(Unaudited)

### 7. Financial instruments (continued)

	As at December 31, 2021		
	Amortized cost	Fair value through profit or loss	Total
	\$	\$	\$
<b>Assets</b>			
Cash and cash equivalents	102,594	—	102,594
Restricted cash and cash equivalents	4,484	—	4,484
Investments	—	9,389	9,389
Trade and other receivables	216,454	—	216,454
Promissory note <sup>(1)</sup>	—	28,198	28,198
Long-term investments	—	5,739	5,739
Other non-current assets <sup>(2)</sup>	462	—	462
<b>Total</b>	<b>323,994</b>	<b>43,326</b>	<b>367,320</b>
<b>Liabilities</b>			
Accounts payable and accrued liabilities <sup>(3)</sup>	208,126	9,120	217,246
Purchase price obligations	—	33,359	33,359
Puttable financial instrument liability	—	23,485	23,485
Other non-current liabilities <sup>(4)</sup>	118	253	371
Derivative financial instruments	—	7,209	7,209
Amounts due to related parties	4,723	—	4,723
Client deposits and deferred revenues	382	—	382
Long-term debt	412,800	—	412,800
Convertible debt	190,853	—	190,853
<b>Total</b>	<b>817,002</b>	<b>73,426</b>	<b>890,428</b>

<sup>(1)</sup> Presented in other non-current assets on the interim condensed consolidated statements of financial position.

<sup>(2)</sup> Represents the long-term portion of the CVR asset.

<sup>(3)</sup> \$9,120 represents the the short-term portion of the CVR liability.

<sup>(4)</sup> Represents the long-term portion of the CVR liability.

#### Fair value hierarchy

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

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

# Fiera Capital Corporation

## Notes to the Interim Condensed Consolidated Financial Statements

For the three-month periods ended March 31, 2022 and 2021

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

(Unaudited)

### 7. Financial instruments (continued)

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

	As at March 31, 2022			
	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
<b>Financial assets</b>				
Investments	—	8,527	—	8,527
Promissory note	—	—	27,171	27,171
Long-term investments	—	—	5,459	5,459
Derivative financial instruments	—	69	—	69
<b>Total financial assets</b>	<b>—</b>	<b>8,596</b>	<b>32,630</b>	<b>41,226</b>
<b>Financial liabilities</b>				
Accounts payable and accrued liabilities	—	—	9,272	9,272
Purchase price obligations	—	—	34,048	34,048
Puttable financial instrument liability	—	—	22,123	22,123
Other non-current liabilities	—	—	315	315
Derivative financial instruments	—	2,102	—	2,102
<b>Total financial liabilities</b>	<b>—</b>	<b>2,102</b>	<b>65,758</b>	<b>67,860</b>

	As at December 31, 2021			
	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
<b>Financial assets</b>				
Investments	—	9,389	—	9,389
Promissory note	—	—	28,198	28,198
Long-term investments	—	—	5,739	5,739
<b>Total financial assets</b>	<b>—</b>	<b>9,389</b>	<b>33,937</b>	<b>43,326</b>
<b>Financial liabilities</b>				
Accounts payable and accrued liabilities	—	—	9,120	9,120
Purchase price obligations	—	—	33,359	33,359
Puttable financial instrument liability	—	—	23,485	23,485
Other non-current liabilities	—	—	253	253
Derivative financial instruments	—	7,209	—	7,209
<b>Total financial liabilities</b>	<b>—</b>	<b>7,209</b>	<b>66,217</b>	<b>73,426</b>

## Notes to the Interim Condensed Consolidated Financial Statements

For the three-month periods ended March 31, 2022 and 2021

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

(Unaudited)

---

### 7. Financial instruments (continued)

#### Level 3

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.

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

During the three-month period ended March 31, 2021, the Company settled an amount of \$8,081 in cash. The fair value of the CNR purchase price obligation as at March 31, 2021 was \$2,323 (US\$1,850). Following the termination of the revenue sharing agreement with CNR, the Company fully settled the balance of the obligation during the second quarter of 2021.

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

The fair value of the Clearwater purchase price obligation as at March 31, 2022 was \$29,178 (US\$23,360) and \$28,574 (US\$22,621) as at December 31, 2021. The discounted cash flow method was used to measure the present value of the expected future cash flows to be paid to the sellers as contingent consideration.

The main Level 3 inputs used by the Company to value the 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% (2021 – Between 15.0% and 20.0%).

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 \$24,104 (US\$19,298) and \$29,831 (US\$23,883) for its purchase price obligation as at March 31, 2022.

## Notes to the Interim Condensed Consolidated Financial Statements

For the three-month periods ended March 31, 2022 and 2021

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

(Unaudited)

---

### 7. Financial instruments (continued)

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 decreased the fair value of the puttable financial instrument liability and recorded an adjustment of (\$639) ((GBP390)) during the three-month period ended March 31, 2022 (an increase of \$963 (GBP552) during the three-month period ended March 31, 2021). The fair value of the puttable financial instrument liability as at March 31, 2022 was \$22,123 (GBP13,452) and \$23,485 (GBP13,727) as at December 31, 2021.

On April 13, 2022, the non-controlling interest shareholders of Fiera Real Estate UK gave notice of their intention to exercise their put right to sell 16.72% of their non-controlling interest of Fiera Real Estate UK to the Company. This will result in the Company owning 96.7% of the shares in Fiera Real Estate UK. The total cost of the shares being sold is \$18,559 (GBP11,285) and is expected to be completed in the second quarter of 2022.

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 \$35,655 (US\$27,987). 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\$1,750. The promissory note is secured by units of membership interests and the assets of WGAM.

The promissory note is a financial asset recorded at fair value through profit and loss and has been categorized as a Level 3 fair value instrument. The discounted cash flow method was used to measure the present value of the promissory note. The main Level 3 inputs used by the Company to value the promissory note are derived from unobservable inputs of assets under management forecasts, revenue forecasts and the credit-adjusted discount rate reflecting the estimated maturity of the promissory note. The Company used a discount rate of 5.0% (2021 – 5.0%). The fair value of the instrument was \$27,171 (US\$21,753) as at March 31, 2022 (\$28,198 (US\$22,322) as at December 31, 2021).

# Fiera Capital Corporation

## Notes to the Interim Condensed Consolidated Financial Statements

For the three-month periods ended March 31, 2022 and 2021

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

(Unaudited)

### 7. Financial instruments (continued)

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 \$25,424 (US\$20,354) and \$27,402 (US\$21,937) as at March 31, 2022 (\$27,614 (US\$21,860) and \$28,781 (US\$22,784) as at December 31, 2021).

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

	Promissory note	Long-term investments	Accounts payable and accrued liabilities	Purchase price obligations	Puttable financial instrument liability	Other non-current liabilities	Total
	\$	\$	\$	\$	\$	\$	\$
Fair value as at December 31, 2021	28,198	5,739	(9,120)	(33,359)	(23,485)	(253)	(32,280)
Additional investments	—	313	—	—	—	—	313
Disposition of investments	—	(459)	—	—	—	—	(459)
Proceeds received	(1,334)	—	—	—	—	—	(1,334)
Loss on investments, net	—	(25)	—	—	—	—	(25)
Revaluation <sup>(1)</sup>	—	—	—	—	639	—	639
Accretion <sup>(1)</sup>	613	—	—	(1,019)	(194)	—	(600)
Revaluation of CVRs	—	—	(152)	—	—	(62)	(214)
Foreign currency translation	(306)	(109)	—	330	917	—	832
<b>Fair value as at March 31, 2022</b>	<b>27,171</b>	<b>5,459</b>	<b>(9,272)</b>	<b>(34,048)</b>	<b>(22,123)</b>	<b>(315)</b>	<b>(33,128)</b>

<sup>(1)</sup> Accounted in Accretion and change in fair value of purchase price obligations and other in the interim condensed consolidated statements of Earnings (loss)

	Promissory note	Long-term investments	Purchase price obligations	Puttable financial instrument liability	Other non-current liabilities	Total
	\$	\$	\$	\$	\$	\$
Fair value as at December 31, 2020	33,659	7,521	(45,874)	(14,945)	(1,851)	(21,490)
Additional investments	—	298	—	—	—	298
Disposition of investments	—	(627)	—	—	—	(627)
Proceeds received	(1,123)	—	—	—	—	(1,123)
Gain on investments, net	—	159	—	—	—	159
Settlement of purchase price obligations	—	—	8,081	—	—	8,081
Revaluation <sup>(1)</sup>	—	—	1,373	(963)	—	410
Accretion <sup>(1)</sup>	315	—	(1,570)	(179)	—	(1,434)
Foreign currency translation	(453)	(43)	464	69	—	37
<b>Fair value as at March 31, 2021</b>	<b>32,398</b>	<b>7,308</b>	<b>(37,526)</b>	<b>(16,018)</b>	<b>(1,851)</b>	<b>(15,689)</b>

<sup>(1)</sup> Accounted in Accretion and change in fair value of purchase price obligations and other in the interim condensed consolidated statements of Earnings (loss)

# Fiera Capital Corporation

## Notes to the Interim Condensed Consolidated Financial Statements

For the three-month periods ended March 31, 2022 and 2021

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

(Unaudited)

### 8. Long-term debt

	As at March 31, 2022	As at December 31, 2021
	\$	\$
Credit facility		
Revolving facility	429,298	413,621
Deferred financing charges	(557)	(821)
Non-current portion	428,741	412,800

#### Credit Facility

On November 14, 2019, the Company entered into the Sixth Amended and Restated Credit Agreement (“Credit Agreement”) comprised of a \$600,000 senior unsecured revolving facility (“Facility”) which can be drawn in Canadian or US dollars at the discretion of the Company.

Under the terms of the Credit Agreement, the maturity date is the earlier of (i) June 30, 2023 or (ii) April 30, 2023 if the unsecured convertible debentures (Note 9) 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 \$200,000 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.

As at March 31, 2022, the total amount drawn on the Facility was \$429,298 of which \$22,089 (December 31, 2021 – \$17,709) and US\$326,015 (\$407,209) (December 31, 2021 – US\$313,432 (\$395,912)) was denominated in Canadian and US dollars, respectively.

Under the terms of the Credit Agreement, the Company must satisfy certain restrictive covenants including minimum financial ratios. All restrictive covenants under the Credit Agreement were met as at March 31, 2022 and December 31, 2021.

During the three-month period ended March 31, 2022, the Company borrowed \$18,413 (borrowed \$477 during three-month period ended March 31, 2021) on its long-term-debt.

# Fiera Capital Corporation

## Notes to the Interim Condensed Consolidated Financial Statements

For the three-month periods ended March 31, 2022 and 2021

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

(Unaudited)

### 9. Convertible debt

The balance of the convertible debt consists of the following:

	As at March 31, 2022	As at December 31, 2021
	\$	\$
Convertible debentures – 5.00% due June 30, 2023	83,994	83,597
Hybrid debentures – 5.60% due July 31, 2024	107,473	107,256
Non-current portion	191,467	190,853

#### a) Convertible debentures – 5.00% due June 30, 2023

	As at March 31, 2022	As at December 31, 2021
	\$	\$
Face value	86,250	86,250
Less:		
Issuance costs	(4,030)	(4,030)
Equity component (net of issuance costs of \$224)	(4,568)	(4,568)
Cumulative accretion expense on liability component	6,342	5,945
Non-current portion	83,994	83,597

On December 21, 2017, the Company issued 86,250 unsecured convertible debentures at 5% maturing on June 30, 2023, with interest payable semi-annually in arrears on June 30 and December 31 of each year starting June 30, 2018, for gross proceeds of \$86,250. The convertible debentures are convertible at the option of the holder at a conversion price of \$18.85 per Class A Shares. The convertible debentures are not redeemable by the Company before June 30, 2021. The convertible debentures are redeemable by the Company at a price of \$1 per convertible debenture, plus accrued and unpaid interest, on or after June 30, 2021 and prior to June 30, 2022 (provided that the weighted average trading price of the Class A Shares on the TSX for the 20 consecutive trading days ending five days preceding the date on which the notice of redemption is given, is not less than 125% of the conversion price of \$18.85 per share). On or after June 30, 2022 but prior to the maturity date, the Company may redeem on not more than 60 days and not less than 30 days prior notice, at a price of \$1 per convertible debenture, plus accrued and unpaid interest.

# Fiera Capital Corporation

## Notes to the Interim Condensed Consolidated Financial Statements

For the three-month periods ended March 31, 2022 and 2021

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

(Unaudited)

### 9. Convertible debt (continued)

#### b) Hybrid debentures – 5.60% due July 31, 2024

	As at March 31, 2022	As at December 31, 2021
	\$	\$
Face value	110,000	110,000
Less:		
Issuance costs	(5,007)	(5,007)
Cumulative accretion expense on liability component	2,480	2,263
Non-current portion	107,473	107,256

On July 4, 2019, the Company issued \$100,000 senior subordinated unsecured hybrid debentures due July 31, 2024 and on July 9, 2019 the Company issued \$10,000 senior subordinated unsecured hybrid debentures related to the over allotment option, due July 31, 2024 (together, the “Hybrid debentures”). The Hybrid debentures bear interest at a rate of 5.60% per annum, payable semi-annually in arrears on January 31 and July 31 of each year, with the first interest payment on January 31, 2020. The Hybrid debentures will not be redeemable before July 31, 2022, except upon the satisfaction of certain conditions after a change of control of the Company. On and after July 31, 2022 and prior to July 31, 2023, the Hybrid debentures will be redeemable in whole or in part from time to time at the Company’s option, on not more than 60 days and not less than 30 days prior notice, at a redemption price equal to 102.80% of the principal amount redeemed plus accrued and unpaid interest. On and after July 31, 2023 and prior to the maturity date on July 31, 2024, the Hybrid debentures will be redeemable, in whole or in part, and from time to time, at the Company’s option, on not more than 60 days and not less than 30 days prior notice, at a price of \$1 per Hybrid debenture plus accrued and unpaid interest. The Company will have the option to repay the principal amount of the Hybrid debentures due at redemption or at maturity on July 31, 2024 either by paying in cash or by issuing Class A Shares in accordance with the terms of the trust indenture. The Hybrid debentures will not be, at any time, convertible into Class A Shares at the option of the holders. The Hybrid debentures are recorded at amortized cost, net of issuance costs, using the effective interest rate method.



# Fiera Capital Corporation

## Notes to the Interim Condensed Consolidated Financial Statements

For the three-month periods ended March 31, 2022 and 2021

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

(Unaudited)

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

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

	Class A		Class B			Total
	Number	\$	Number	\$	Number	\$
As at December 31, 2021	85,432,361	804,198	19,412,401	30,891	104,844,762	835,089
Issuance of shares						
Performance and restricted share units settled	1,183,649	10,107	—	—	1,183,649	10,107
Stock options exercised	50,590	489	—	—	50,590	489
Share repurchase and cancellations	(3,560,000)	(33,626)	—	—	(3,560,000)	(33,626)
<b>As at March 31, 2022</b>	<b>83,106,600</b>	<b>781,168</b>	<b>19,412,401</b>	<b>30,891</b>	<b>102,519,001</b>	<b>812,059</b>
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	595,263	4,235	—	—	595,263	4,235
Stock options exercised	5,000	49	—	—	5,000	49
Share repurchase and cancellations	(620,263)	(5,878)	—	—	(620,263)	(5,878)
<b>As at March 31, 2021</b>	<b>84,279,775</b>	<b>797,103</b>	<b>19,412,401</b>	<b>30,891</b>	<b>103,692,176</b>	<b>827,994</b>

#### 2022

##### Share repurchase and cancellation

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.

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 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 \$34,888. 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 share repurchase counted towards the maximum number of Class A Shares that may be repurchased under the Company's NCIB. 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.

# Fiera Capital Corporation

## Notes to the Interim Condensed Consolidated Financial Statements

For the three-month periods ended March 31, 2022 and 2021

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

(Unaudited)

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

During the three-month period ended March 31, 2022, the Company paid \$33,998 to purchase and cancel 3,560,000 Class A Shares under the normal course issuer bid which reduced share capital by \$33,626 (including income taxes of \$117) and the excess paid of \$489 was charged to contributed surplus.

#### Dividends

During the three-month period ended March 31, 2022, the Company declared dividends on Class A Shares and Class B special voting shares ("Class B Shares") totaling \$21,803 (\$0.215 per share).

#### 2021

#### Shares repurchase and cancellation

During the three-month period ended March 31, 2021, the Company paid \$7,133, to purchase and cancel 620,263 Class A Shares through the facilities of the TSX which reduced share capital by \$5,878 and the excess paid of \$1,255 was charged to contributed surplus.

#### Dividends

During the three-month period ended March 31, 2021, the Company declared dividends on Class A Shares and Class B shares totalling \$21,775 (\$0.21 per share).

#### Accumulated other comprehensive income (loss)

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

	As at March 31, 2022	As at December 31, 2021
	\$	\$
Cash flow hedges	(313)	(1,065)
Unrealized foreign currency translation on foreign operations	(32,256)	(26,667)
	(32,569)	(27,732)

# Fiera Capital Corporation

## Notes to the Interim Condensed Consolidated Financial Statements

For the three-month periods ended March 31, 2022 and 2021

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

(Unaudited)

### 11. Earnings (loss) per share

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

	For the three-month periods ended March 31,	
	2022	2021
	\$	\$
Net earnings attributable to shareholders	3,419	22,234
Weighted average shares outstanding – basic	101,959,627	104,425,366
Effect of dilutive share-based awards, contingent consideration payable in shares and convertible debt	1,420,042	14,542,375
<b>Weighted average shares outstanding – diluted</b>	<b>103,379,669</b>	<b>118,967,741</b>
Basic earnings per share	0.03	0.21
Diluted earnings per share	0.03	0.20

For the three-month period ended March 31, 2022, the share-based awards payable in 3,799,038 shares, as well as the convertible debentures and hybrid debentures with a face value of \$86,250 and \$110,000 respectively were all anti-dilutive.

For the three-month period ended March 31, 2021, the hybrid debentures were dilutive and accordingly, the net earnings attributable to shareholders was increased by its interest (net of tax) of \$1,280 for the purpose of calculating the diluted earnings per share. For the three-month period ended March 31, 2021, the share-based awards payable in 2,989,283 shares, as well as the convertible debentures with a face value of \$86,250 were all anti-dilutive.

# Fiera Capital Corporation

## Notes to the Interim Condensed Consolidated Financial Statements

For the three-month periods ended March 31, 2022 and 2021

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

(Unaudited)

### 12. Share-based payments

#### a) Stock option plan

A summary of the changes that occurred in the Company's stock option plans during the three-month periods ended March 31, 2022, and 2021, is presented below:

	2022		2021	
	Number of Class A Share options	Weighted-average exercise price	Number of Class A Share options	Weighted-average exercise price
		\$		\$
Outstanding – beginning of period	4,361,095	11.29	3,901,645	11.25
Exercised	(50,590)	7.44	(5,000)	7.56
Expired	(22,000)	13.14	(100,000)	12.25
Outstanding – end of period	4,288,505	11.33	3,796,645	11.23
Options exercisable – end of period	1,098,505	13.02	1,389,645	11.80

The Company recorded an expense of \$123 for stock options during the three-month period ended March 31, 2022 (an expense of \$118 during the three-month period ended March 31, 2021). There were nil options issued during the three-month period ended March 31, 2022.

#### b) Deferred share unit (“DSU”) plan

One DSU unit is equivalent to one Class A Share of the Company. The Company recorded a recovery of (\$1) for this plan during the three-month period ended March 31, 2022 (a recovery of (\$7) during the three-month period ended March 31, 2021).

As at March 31, 2022, the Company had a liability for an amount of \$111 for the 10,663 units outstanding under the DSU plan (\$112 for 10,663 units as at December 31, 2021).

#### c) Restricted share unit (“RSU”) plan

The following table presents transactions that occurred in the Company's RSU Plan during the three-month periods ended March 31, 2022, and 2021:

	2022	2021
Outstanding units – beginning of period	422,024	404,985
Vested	(70,660)	(150,364)
Reinvested in lieu of dividends	8,617	5,362
Forfeited	(1,186)	—
Outstanding units – end of period	358,795	259,983

One RSU is equivalent to one Class A Share of the Company. The Company recorded an expense of \$496 and \$557 for these grants during the three-month periods ended March 31, 2022, and 2021, respectively.

# Fiera Capital Corporation

## Notes to the Interim Condensed Consolidated Financial Statements

For the three-month periods ended March 31, 2022 and 2021

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

(Unaudited)

### 12. Share-based payments (continued)

During the three-month period ended March 31, 2022, nil Class A Shares were issued and \$743 was paid in cash as settlement of vested RSUs (nil Class A Shares were issued and \$1,727 cash paid as settlement of vested RSUs during the three-month period ended March 31, 2021). As at March 31, 2022, the Company had a liability in the amount of \$1,503 for the 358,795 units outstanding under the RSU Plan (\$1,751 for 422,024 units as at December 31, 2021).

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

The following table presents transactions that occurred in the Company’s RSU cash Plan during the three-month periods ended March 31, 2022, and 2021.

	2022	2021
Outstanding units – beginning of period	2,310,885	2,104,224
Vested	(74,993)	(9,496)
Forfeited	—	—
Reinvested in lieu of dividends	45,652	44,122
Granted	—	—
Outstanding units – end of period	2,281,544	2,138,850

RSU cash units are equivalent to one Class A Share of the Company. The Company recorded an expense of \$1,988 and \$1,421 for these grants during the three-month periods ended March 31, 2022, and 2021, respectively.

During the three-month period ended March 31, 2022, 74,993 units vested (2021 – 9,496) and an amount of \$786 was paid as settlement vested units (2021 – \$3,095).

As at March 31, 2022, the Company had a liability in the amount of \$12,801 for the 2,281,544 units outstanding under the RSU cash Plan (\$11,600 for the 2,310,885 units as at December 31, 2021).

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

PSU applicable to BU

The Company recorded the following expense relating to the PSU plan applicable to BU during the three-month periods ended March 31, 2022 and 2021:

	For the three-month periods ended March 31,	
	2022	2021
	\$	\$
Equity-settled grants	11,647	408
Cash-settled grants	375	607
Total expense	12,022	1,015

# Fiera Capital Corporation

## Notes to the Interim Condensed Consolidated Financial Statements

For the three-month periods ended March 31, 2022 and 2021

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

(Unaudited)

### 12. Share-based payments (continued)

The total award value granted under the Company's PSU plan applicable to BU was \$11,575 and nil during the three-month periods ended March 31, 2022 and 2021, respectively. During the three-month period ended March 31, 2022, 1,099,772 Class A Shares were issued and \$21,257 was paid in cash as settlement of vested PSU applicable to BU (595,263 Class A Shares were issued and nil paid in cash during the three-month period ended March 31, 2021).

On January 31, 2022, the Company closed a previously announced agreement to establish a sub-advisory partnership with StonePine Asset Management Inc. ("StonePine"), a new firm to be controlled and led by the former Head of Fiera Capital's Montreal-based Global Equity Team. Upon closing of the agreement, all PSU applicable to BU grants previously awarded to the Global Equity team vested immediately and were settled in cash. In addition, during the three-month period ended March 31, 2022, the Company granted an additional PSU applicable to BU award to the former Global Equity team with immediate vesting. This was settled through the issuance of Class A shares.

UAR applicable to BU

Under the UAR applicable to BU Plan, eligible employees are entitled to receive cash or Class A Shares of the Company, at the Company's discretion, for an amount equivalent to the difference between the business value per unit on the vesting date and the exercise price determined on the grant date. The total award value granted under the Company's UAR plan applicable to BU was \$748 and nil during the three-month periods ended March 31, 2022 and 2021. The Company recorded an expense of \$252 and \$337 during the three-month periods ended March 31, 2022, and 2021, respectively. During the three-month period ended March 31, 2022, 11,818 Class A Shares were issued as settlement of vested UAR applicable to BU (nil Class A Shares were issued during the three-month period ended March 31, 2021).

f) PSU plan

The Company recorded the following expense relating to the PSU plan during the three-month periods ended March 31, 2022 and 2021:

	For the three-month periods ended March 31,	
	2022	2021
	\$	\$
Equity-settled grants	72	129
Cash-settled grants	18	(29)
Total expense	90	100

There were no awards granted under the Company's PSU plan for the three-month periods ended March 31, 2022 and 2021. 72,058 Class A Shares were issued and nil was paid in cash during the three-month period ended March 31, 2022 as settlement of PSU vested (2021 — nil Class A shares issued and nil paid in cash).

# Fiera Capital Corporation

## Notes to the Interim Condensed Consolidated Financial Statements

For the three-month periods ended March 31, 2022 and 2021

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

(Unaudited)

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

	For the three-month periods ended March 31,	
	2022	2021
	\$	\$
<b>Changes in non-cash operating working capital items</b>		
Accounts receivable	63,624	13,289
Prepaid expenses and other assets	(10,922)	(2,058)
Accounts payable and accrued liabilities	(105,196)	(72,491)
Current portion of cash-settled share based liabilities (Note 12)	(16,658)	(1,309)
Restructuring provisions	(708)	(6,013)
Amounts due to related parties	523	68
Client deposits and deferred revenues	4,285	3,465
	(65,052)	(65,049)

Income taxes paid during the three-month period ended March 31, 2022 were \$11,377 (\$2,963 for the three-month period ended March 31, 2021). Prepaid expenses and other assets includes \$10,200 of Income taxes receivables as at March 31, 2022 (\$981 as at December 31, 2021).

### 14. 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.

### 15. 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 March 31, 2022 and December 31, 2021 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).

# Fiera Capital Corporation

## Notes to the Interim Condensed Consolidated Financial Statements

For the three-month periods ended March 31, 2022 and 2021

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

(Unaudited)

### 16. Related party transactions

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

At March 31, 2022, a related shareholder indirectly owns Class B Shares representing approximately 7.1% of the Company's issued and outstanding shares (6.9% as at December 31, 2021). The related shareholder currently has two representatives of the eight directors of the Company. 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.

Following the Natixis transaction in January 2022 (note 10), a shareholder was no longer considered a related party as they no longer hold any shares of the Company. The shareholder owned 10.2% of Class A Shares as of December 31, 2021.

The following table presents transactions with related parties:

	For the three-month periods ended March 31,	
	2022	2021
	\$	\$
Base management fees	2,150	2,493
Other revenues	27	8
Interest on long-term debt	2,423	2,685
Net loss in fair value of derivative financial instruments included in interest on long-term debt, lease liabilities and other financial charges	658	3,648



# Fiera Capital Corporation

## Notes to the Interim Condensed Consolidated Financial Statements

For the three-month periods ended March 31, 2022 and 2021

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

(Unaudited)

### 17. Segment reporting

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

Revenues:

	For the three-month periods ended March 31,	
	2022	2021
	\$	\$
Canada	103,425	88,589
United States of America	42,265	53,894
Europe and other	26,653	23,128
	172,343	165,611

Non-current assets:

	As at	As at
	March 31, 2022	December 31, 2021
	\$	\$
Canada	700,072	711,242
United States of America	185,492	191,791
Europe and other	146,298	154,168
	1,031,862	1,057,201

Revenues are attributed to countries on the basis of the client's location. As at March 31, 2022, non-current assets presented above exclude long-term investments of \$5,459, deferred income taxes of \$26,204 and other non-current assets of \$22,315 (\$5,739, \$31,179 and \$28,660 respectively as at December 31, 2021).

### 18. COVID-19

The COVID-19 pandemic has created a period of unprecedented volatility and uncertainty with regards to global economic and market conditions. 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.

### 19. Subsequent events

#### **Amendment and extension of credit facility**

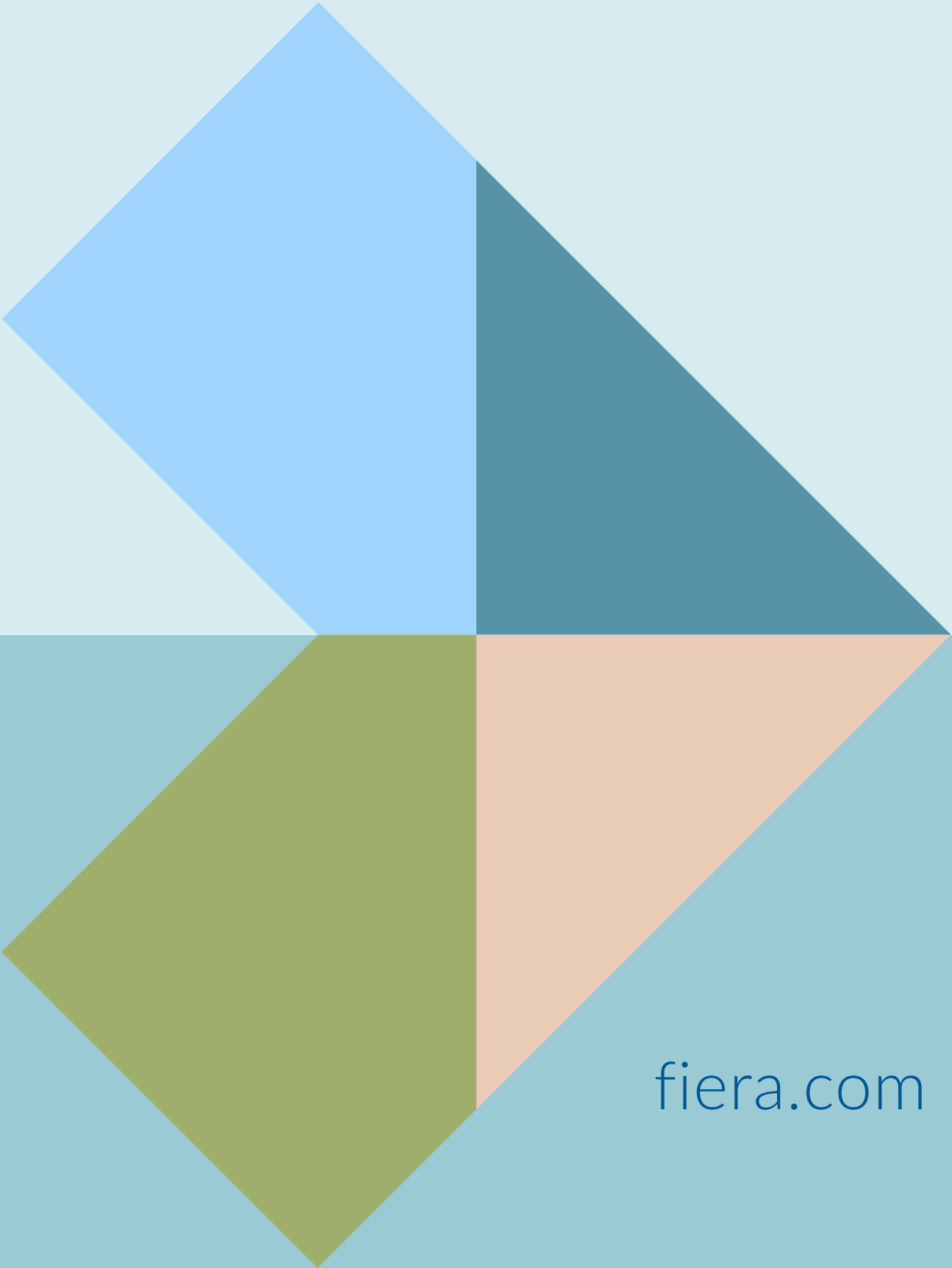
On April 20, 2022, the Company entered into the Seventh Amended and Restated Credit Agreement, which extends the maturity date of its senior unsecured revolving facility from June 30, 2023 to April 20, 2026 and provides for an increase in borrowing capacity from \$600,000 to \$700,000. There are no significant changes to pricing and financial covenants related to the amended facility.

#### **Dividends declared**

On May 3, 2022, the Board declared a quarterly dividend of \$0.215 per Class A Share and Class B Share, payable on June 13, 2022 to shareholders of record at the close of business on May 16, 2022. The dividend is an eligible dividend for income tax purposes.

This page was intentionally left blank.

This page was intentionally left blank.



fiera.com