

## Press Release

### Guardian Capital Group Limited (TSX: GCG; GCG.A) Announces 2021 Third Quarter Operating Results

Toronto, Ontario, November 10, 2021

All per share figures disclosed below are stated on a diluted basis.

For the periods ended September 30, (\$ in thousands, except per share amounts)	Three months		Nine months	
	2021	2020	2021	2020
Net revenue	\$ 72,384	\$ 52,042	\$ 207,038	\$ 152,067
Operating earnings	20,771	12,108	59,474	36,348
Net gains (losses)	(8,146)	35,739	90,292	(82,296)
Net earnings (loss) attributable to shareholders	7,054	42,201	121,817	(43,681)
Attributable to shareholders:				
EBITDA <sup>(1)</sup>	\$ 24,703	\$ 16,238	\$ 70,622	\$ 47,910
Adjusted cash flow from operations <sup>(1)</sup>	20,795	10,507	58,488	39,230
Attributable to shareholders, per share:				
Net earnings (loss)	\$ 0.27	\$ 1.56	\$ 4.53	\$ (1.72)
EBITDA <sup>(1)</sup>	0.93	0.60	2.63	1.78
Adjusted cash flow from operations <sup>(1)</sup>	0.79	0.39	2.18	1.46
<b>As at</b>				
(\$ in millions, except per share amounts)	2021		2020	
	September 30	December 31	September 30	September 30
Assets under management	\$ 53,113	\$ 45,984	\$ 32,734	
Assets under administration	30,015	22,289	20,755	
Total client assets	83,128	68,273	53,489	
Shareholders' equity	781	700	632	
Securities	689	633	552	
Per share:				
Shareholders' equity <sup>(1)</sup>	\$ 29.40	\$ 25.69	\$ 23.25	
Securities <sup>(1)</sup>	25.91	23.23	20.30	

The Company is reporting another historic high of \$83.1 billion in total client assets as at September 30, 2021, which include assets under management ("AUM") and assets under administration ("AUA"). This is a 22% increase from \$68.3 billion as at December 31, 2020, and a 55% increase from \$53.5 billion as at September 30, 2020. The acquisition of a Canadian wealth management business on March 1, 2021, which was subsequently renamed Guardian Partners Inc., added \$5.4 billion in total client assets in the first quarter of 2021.

AUM grew to \$53.1 billion as at September 30, 2021, a 16% increase from \$46.0 billion as at December 31, 2020, and a 62% increase from \$32.7 billion as at September 30, 2020. The growth in the AUM was driven by the positive global financial market performance over those periods, the strong inflow of assets, and the acquisition of Agincourt on October 1, 2020. GuardCap Asset Management Limited, our UK-based subsidiary's AUM has grown to \$16.2 billion as at September 30, 2021, representing a \$5.5 billion growth since the beginning of the current year. The Company's AUA grew to \$30.0 billion as at September 30, 2021, a 35% increase from \$22.3 billion as at December 31, 2020 and a 45% increase from \$20.8 billion as at September 30, 2020.

The Company is reporting Operating earnings of \$20.8 million for the quarter ended September 30, 2021, 72% or \$8.7 million higher than the \$12.1 million reported in the third quarter of 2020. This significant growth was achieved through improved results delivered by both, the Investment Management and the Wealth Management Segments of the Company.

Net revenue for the current quarter grew to another all-time high of \$72.4 million, 39% or \$20.3 million higher than the \$52.0 million reported in the same quarter in the prior year. The increase reflects largely our successful organic growth in revenues, and, to a lesser extent, the addition of revenues from the acquired businesses.

Expenses in the current quarter were \$51.6 million, an \$11.7 million increase from \$39.9 million in the same quarter in the prior year. The higher expenses reflect the growth in our businesses, the strategic investments made in the Canadian Retail Asset Management initiative and the addition of \$5.2 million in expenses from the acquired businesses.

Net losses in the current quarter were \$8.1 million, compared to Net gains of \$35.7 million in the same quarter in the prior year. The largest portion of the Net losses in the current quarter were due to the decreases in fair values of a portion of our securities holdings exposed to the Emerging Market equities, which experienced negative returns, and the decrease in the fair value of the BMO shares.

The Company's Net earnings attributable to shareholders in the current quarter were \$7.1 million, compared to \$42.2 million in the same quarter in 2020. The Net losses, as described above, compared to the large Net gains in the prior year, had the most significant impact on Net earnings. This was partially offset by the growth in Operating earnings over the same period.

EBITDA attributable to shareholders<sup>(1)</sup> for the current quarter was \$24.7 million, compared to \$16.2 million in the same period in the prior year. Adjusted cash flow from operations attributable to shareholders<sup>(1)</sup> for the current quarter was \$20.8 million, compared to \$10.5 million in the same quarter in the prior year.

The Company's Shareholders' equity as at September 30, 2021 increased to \$781 million, or \$29.40 per share<sup>(1)</sup>, from \$700 million, or \$25.69 per share<sup>(1)</sup> as at December 31, 2020, and \$632 million, or \$23.25 per share<sup>(1)</sup> as at September 30, 2020. Since December 31, 2020, the Company returned to shareholders \$13.8 million in dividends and \$24.6 million in share buybacks. The fair value of the Company's Securities as at September 30, 2021 increased to \$689 million, or \$25.91 per share<sup>(1)</sup>, from \$633 million, or \$23.23 per share<sup>(1)</sup> as at December 31, 2020 and \$552 million, or \$20.30 per share<sup>(1)</sup> as at September 30, 2020.

The Board of Directors has declared a quarterly eligible dividend of \$0.18 per share, payable on January 18, 2022, to shareholders of record on January 11, 2022.

The Company's financial results for the past eight quarters are summarized in the following table.

	Sep 30, 2021	Jun 30, 2021	Mar 31, 2021	Dec 31, 2020	Sep 30, 2020	Jun 30, 2020	Mar 31, 2020	Dec 31, 2019
<i>As at (\$ in millions)</i>								
Assets under management	\$ 53,113	\$ 51,960	\$ 47,945	\$ 45,984	\$ 32,734	\$ 31,196	\$ 27,527	\$ 31,147
Assets under administration	30,015	29,583	28,376	22,289	20,755	20,010	18,152	20,248
Total client assets	83,128	81,543	76,321	68,273	53,489	51,206	45,679	51,395
<i>For the three months ended (\$ in thousands)</i>								
Net revenue	\$ 72,384	\$ 69,960	\$ 64,694	\$ 63,724	\$ 52,042	\$ 50,124	\$ 49,901	\$ 49,865
Operating earnings	20,771	21,199	17,504	18,493	12,108	13,427	10,813	13,030
Net gains (losses)	(8,146)	56,467	41,971	80,983	35,739	43,254	(161,289)	24,140
Net earnings (losses)	8,597	66,831	50,861	87,083	42,652	51,244	(134,911)	31,808
Net earnings (loss) attributable to shareholders	7,054	65,138	49,625	86,039	42,201	50,486	(136,368)	30,787
<i>(in \$)</i>								
Net earnings (loss) attributable to shareholders:								
Per Class A and Common share								
Basic	\$ 0.28	\$ 2.59	\$ 1.95	\$ 3.38	\$ 1.66	\$ 1.99	\$ (5.35)	\$ 1.20
Diluted	0.27	2.42	1.83	3.17	1.56	1.87	(5.35)	1.13
Dividends paid on Class A and Common shares	\$ 0.18	\$ 0.18	\$ 0.16	\$ 0.16	\$ 0.16	\$ 0.16	\$ 0.15	\$ 0.15
<i>As at</i>								
Shareholders' equity (\$ in thousands)	\$ 781,334	\$ 780,323	\$ 737,363	\$ 699,610	\$ 631,863	\$ 596,265	\$ 562,821	\$ 682,777
Per Class A and Common share (in \$)								
Basic	\$ 31.56	\$ 31.15	\$ 29.02	\$ 27.43	\$ 24.80	\$ 23.50	\$ 22.18	\$ 26.73
Diluted	29.40	29.09	27.14	25.69	23.25	22.07	20.94	25.01
Total Class A and Common shares outstanding (shares in thousands)	26,968	27,263	27,691	27,740	27,758	27,758	27,758	27,839

Guardian Capital Group Limited is a diversified financial services company founded in 1962. The Company is headquartered in Canada and also has offices in the United Kingdom, the United States and the Caribbean. It provides investment and wealth management services to clients and services to financial advisors in its national mutual fund dealer, securities dealer, and life insurance managing general agency. Its Common and Class A shares are listed on The Toronto Stock Exchange.

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<sup>(1)</sup>The Company's management uses EBITDA attributable to shareholders (formerly EBITDA), including the per share amount, Adjusted cash flow from operations attributable to shareholders (formerly Adjusted cash flow from operations), including the per share amount, Shareholders' equity per share and Securities per share to

evaluate and assess the performance of its business. These measures do not have standardized measures under International Financial Reporting Standards ("IFRS"), and are therefore unlikely to be comparable to similar measures presented by other companies. However, management believes that most shareholders, creditors, other stakeholders and investment analysts prefer to include the use of these measures in analyzing the Company's results. The Company defines EBITDA attributable to shareholders as net earnings before interest, income taxes, amortization, stock-based compensation, net gains or losses, less amounts attributable to non-controlling interests. The Company defines Adjusted cash flow from operations attributable to shareholders (formerly Adjusted cash flow from operations) as net cash from operating activities, net of changes in non-cash working capital items and non-controlling interests. The most comparable IFRS measures are Net earnings, which were \$8.6 million in 2021 (2020 - \$42.7 million), and Net cash from operating activities, which was \$38.1 million in 2021 (2020 - \$22.4 million). The per share amounts for EBITDA attributable to shareholders, Adjusted cash flow from operations attributable to shareholders, Shareholders' equity and Securities are calculated by dividing the amounts by diluted shares, which is calculated in a manner similar to net earnings attributable to shareholders per share. More detailed descriptions of these non-IFRS measures are provided in the Company's Management's Discussion and Analysis, including a reconciliation of these measures to their most comparable IFRS measures.