Contents

CAUTION REGARDING FORWARD-LOOKING STATEMENTS

This document contains "forward-looking statements" (as defined under applicable Canadian securities laws). These statements relate to future events or future performance and reflect management's expectations, beliefs, plans, estimates, intentions and similar statements concerning anticipated future events, results, circumstances, performance or expectations that are not historical facts. Forward looking statements include, but are not limited to, statements about the Company's objectives, strategies, business prospects and opportunities; the execution of management's plans and potential outcomes; the impacts of global events and economic conditions on the Company's operations and business; and the outlook for the Company's business and for the global economy. Such forward-looking statements reflect management's current beliefs and are based on information currently available to management. In some cases, forward-looking statements can be identified by terminology such as "may", "will", "should", "expect", "plan", "anticipate", "believe", "estimate", "predict", "potential", "continue", "target", "intend", "could" or the negative of these terms or other comparable terminology. Disclosure identified as an "Outlook" including the section entitled "Fiscal 2023 Outlook" contains forward-looking information.

By their very nature, forward-looking statements involve inherent risks and uncertainties, both general and specific, and a number of factors could cause actual events or results to differ materially from the results discussed in the forward-looking statements. In evaluating these statements, readers should specifically consider various factors that may cause actual results to differ materially from any forward-looking statement. These factors include, but are not limited to, market and general economic conditions; the dynamic nature of the financial services industry; the continued impacts of the coronavirus (COVID-19) pandemic on the Company's business operations and on the global economy; and the impact of the war in Ukraine and the resulting humanitarian crisis on the global economy, in particular, its effect on global oil, commodity and agricultural markets. Additional risks and factors that could cause actual results to differ materially from expectations are described in the Company's interim condensed and annual consolidated financial statements and the Company's Annual Report and Annual Information Form (AIF) filed on www.sedar.com as well as the factors discussed in the sections entitled "Risk Management" in this Management's Discussion and Analysis (MD&A) and "Risk Factors" in the AIF, which include market, liquidity, credit, operational, legal, cyber and regulatory risks. Material factors or assumptions that were used by the Company to develop the forward-looking information contained in this document include, but are not limited to, those set out in the fiscal 2023 Outlook section in this MD&A and those discussed from time to time in the Company's interim condensed and annual consolidated financial statements and its Annual report and AIF filed on www.sedar.com. Readers are cautioned that the preceding lists of material factors and assumptions are not exhaustive.

Although the forward-looking information contained in this document is based upon what management believes are reasonable assumptions, there can be no assurance that actual results will be consistent with these forward-looking statements. The forward-looking statements contained in this document are made as of the date of this document and should not be relied upon as representing the Company's views as of any date subsequent to the date of this document. Certain statements included in this MD&A may be considered a "financial outlook" for the purposes of applicable Canadian securities laws. The financial outlook may not appropriate for purposes other than this MD&A. Except as may be required by applicable law, the Company does not undertake, and specifically disclaims, any obligation to update or revise any forward-looking information, whether as a result of new information, further developments or otherwise.

Management's Discussion and Analysis

Fiscal year 2022 ended March 31, 2022 – this document is dated June 2, 2022

The following discussion of Canaccord Genuity Group Inc.'s financial condition, financial performance and cash flows is provided to enable a reader to assess material changes in the financial condition, financial performance and cash flows for the fiscal year ended March 31, 2022 compared to the preceding fiscal year, with an emphasis on the most recent year. Unless otherwise indicated or the context otherwise requires, the "Company" or "Canaccord Genuity Group" refers to Canaccord Genuity Group Inc. and its direct and indirect subsidiaries. The Management's Discussion and Analysis (MD&A) should be read in conjunction with the audited consolidated financial statements for the years ended March 31, 2022 and March 31, 2021 beginning on page 61 of this report. The Company's financial information is expressed in Canadian dollars unless otherwise specified. The Company's consolidated financial statements for the years ended March 31, 2022 and March 31, 2021 are prepared in accordance with International Financial Reporting Standards (IFRS).

Non-IFRS Measures

Certain non-IFRS measures, non-IFRS ratios and supplementary financial measures are utilized by the Company as measures of financial performance. Non-IFRS measures, non-IFRS ratios and supplementary financial measures do not have any standardized meaning prescribed by IFRS and are therefore unlikely to be comparable to similar measures presented by other companies.

Management believes that these non-IFRS measures, non-IFRS ratios and supplementary financial measures allow for a better evaluation of the operating performance of the Company's business and facilitate meaningful comparison of results in the current period to those in prior periods and future periods. Non-IFRS measures presented in this MD&A include certain figures from our Statement of Operations that are adjusted to exclude significant items. Although figures that exclude significant items provide useful information by excluding certain items that may not be indicative of the Company's core operating results, a limitation of utilizing these figures that exclude significant items is that the IFRS accounting effects of these items do in fact reflect the underlying financial results of the Company's business. Accordingly, these effects should not be ignored in evaluating and analyzing the Company's financial results. Therefore, management believes that the Company's IFRS measures of financial performance and the respective non-IFRS measures should be considered together.

Non-IFRS Measures (Adjusted Figures)

Figures that exclude significant items provide useful information by excluding certain items that may not be indicative of the Company's core operating results. Financial statement items that exclude significant items are non-IFRS measures. To calculate these non-IFRS financial statement items we exclude certain items from our financial results prepared in accordance with IFRS. The items which have been excluded are referred to herein as significant items. The following is a description of the composition of the non-IFRS measures used in this MD&A (note that some significant items excluded may not be applicable to the calculation of the non-IFRS measure for each comparative period): (i) revenue excluding significant items, which is composed of revenue per IFRS less any applicable fair value adjustments on certain illiquid or restricted marketable securities as recorded for IFRS reporting purposes but which are excluded for management reporting purposes and are not used by management to assess operating performance; (ii) expenses excluding significant items, which are composed of expenses per IFRS less any applicable amortization of intangible assets acquired in connection with a business combination, acquisition-related expense items, which includes costs recognized in relation to both prospective and completed acquisitions, certain incentive-based costs related to the acquisitions and growth initiatives of CGWM UK and US Capital Markets, costs associated with the redemption of convertible debentures, costs associated with the reorganization of CGWM UK, and fair value adjustments to the derivative liability component of non-controlling interests in CGWM UK; (iii) overhead expenses excluding significant items which are calculated as expenses excluding significant items less compensation expense; (iv) net income before taxes and after intersegment allocations and excluding significant items, which is composed of revenue excluding significant items less expenses excluding significant items; (v) income taxes (adjusted), which is composed of income taxes per IFRS adjusted to reflect the associated tax effect of the excluded significant items; (vi) net income excluding significant items, which is composed of net income before income taxes excluding significant items less income taxes (adjusted); (vii) non-controlling interests (adjusted), which is composed of the non-controlling interests per IFRS less the amortization of the equity component of the non-controlling interests in CGWM UK; and (viii) net income attributable to common shareholders excluding significant items, which is composed of net income excluding significant items less
non-controlling interests (adjusted) and preferred share dividends paid on the Series A and Series C Preferred Shares. Other items which have been excluded as significant items in prior periods for purposes of determining expenses, net income before taxes and net income attributable to common shareholders all excluding significant items include impairment of goodwill and other assets, gains or losses related to business disposals including recognition of realized translation gains on the disposal of foreign operations, certain accounting charges related to the change in the Company's long-term incentive plan (LTIP) as recorded with effect on March 31, 2018, and loss related to the extinguishment of convertible debentures as recorded for accounting purposes.

A reconciliation of non-IFRS measures that exclude significant items to the applicable IFRS measures from the audited consolidated financial statements for fiscal 2022 can be found in the table entitled "Selected Financial Information Excluding Significant Items" on page 25.

Non-IFRS Ratios

Non-IFRS ratios are calculated using the non-IFRS measures defined above. For the periods presented herein, we have used the following non-IFRS ratios: (i) total expenses excluding significant items as a percentage of revenue excluding significant items which is calculated by dividing expenses excluding significant items by revenue excluding significant items; (ii) earnings per common share excluding significant items which is calculated by dividing net income attributable to common shareholders excluding significant items by the weighted average number of common shares outstanding (basic); (iii) diluted earnings per common share excluding significant items which is calculated by dividing net income attributable to common shareholders excluding significant items by the weighted average number of common shares outstanding (diluted), and (iv) pre-tax profit margin which is calculated by dividing net income before taxes excluding significant items by revenue excluding significant items.

Supplementary Financial Measures

Client assets is a supplementary financial measure that does not have any definition prescribed under IFRS and does not meet the definition of a non-IFRS measure or non-IFRS ratio. Client assets, which include both assets under management (AUM) and assets under administration (AUA), is a measure that is common to the wealth management business. Client assets is the market value of client assets managed and administered by the Company from which the Company earns commissions and fees. This measure includes funds held in client accounts as well as the aggregate market value of long and short security positions. The Company's method of calculating client assets may differ from the methods used by other companies and therefore these measures may not be comparable to other companies. Management uses these measures to assess the operational performance of the Canaccord Genuity Wealth Management business segment.

Business Overview

Through its principal subsidiaries, Canaccord Genuity Group Inc. is a leading independent, full-service financial services firm, with operations in two principal segments of the securities industry: wealth management and capital markets. Since its establishment in 1950, the Company has been driven by an unwavering commitment to building lasting client relationships. We achieve this by generating value for our individual, institutional and corporate clients through comprehensive investment solutions, brokerage services and investment banking services. Canaccord Genuity Group has wealth management offices located in Canada, the UK, Guernsey, Jersey, the Isle of Man and Australia. Canaccord Genuity Capital Markets, the Company's international capital markets division, operates in North America, the UK & Europe, Asia, Australia, the Bahamas and the Middle East.

Canaccord Genuity Group Inc. is publicly traded under the symbol CF on the TSX. Canaccord Genuity Series A Preferred Shares are listed on the TSX under the symbol CF.PR.A. Canaccord Genuity Series C Preferred Shares are listed on the TSX under the symbol CF.PR.C.

ABOUT CANACCORD GENUITY GROUP INC.'S OPERATIONS

Canaccord Genuity Group Inc.'s operations are divided into two business segments: Canaccord Genuity Capital Markets and Canaccord Genuity Wealth Management. Together, these operations offer a wide range of complementary investment banking services, investment products and brokerage services to the Company's institutional, corporate and private clients. The Company's administrative segment is referred to as Corporate and Other.

Canaccord Genuity Capital Markets

Canaccord Genuity Capital Markets is the global capital markets division of Canaccord Genuity Group Inc. (TSX: CF), offering institutional and corporate clients idea-driven investment banking, merger and acquisition, research, sales and trading services with capabilities in North America, the UK & Europe, Asia, Australia, and the Middle East. We are committed to providing valued services to our clients throughout the entire lifecycle of their business and operating as a gold standard independent investment bank – expansive in resources and reach, but targeted in industry expertise, market focus and individual client attention.

Canaccord Genuity Wealth Management

Canaccord Genuity Wealth Management operations provide comprehensive wealth management solutions, brokerage and financial planning services to individual investors, private clients, charities and intermediaries through a full suite of services tailored to the needs of clients in each of its markets. The Company's wealth management division has Investment Advisors (IAs) and professionals in Canada, the UK, Jersey, Guernsey, the Isle of Man and Australia.

Corporate and Other

Canaccord Genuity Group's administrative segment, described as Corporate and Other, includes revenues and expenses associated with providing correspondent brokerage services, bank and other interest, and activities not specifically allocable to either the Canaccord Genuity Capital Markets or Canaccord Genuity Wealth Management divisions. Also included in this segment are the Company's operations and support services, which are responsible for front- and back-office information technology systems, compliance and risk management, operations, legal, finance, and other administrative functions of Canaccord Genuity Group Inc.

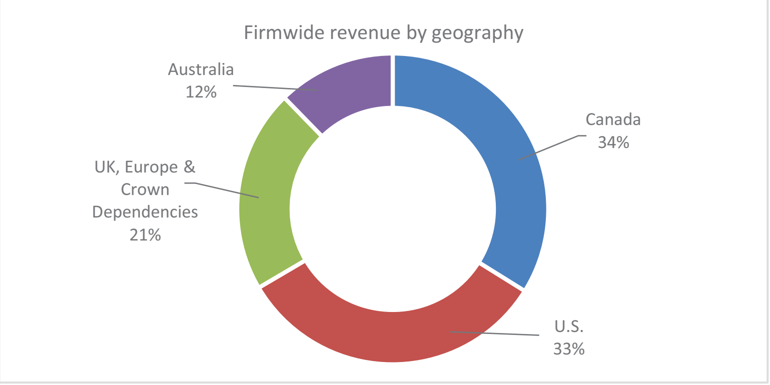
BUSINESS ACTIVITY

Our business is affected by the overall condition of the worldwide debt and equity markets.

The timing of revenue recognition can also materially affect the Company's quarterly results. The majority of revenue from underwriting and advisory transactions is recorded when the transaction has closed and, as a result, quarterly results can also be affected by the timing for the recognition of such transactions in our capital markets business.

The Company has taken steps to reduce its exposure to variances in the equity markets and local economies by diversifying its industry sector coverage and its international scope. To improve recurring revenue streams and offset the inherent volatility of the capital markets business, the Company has taken steps to increase the scale of its global wealth management operations. Historically, the Company's diversification across major financial centres has allowed us to benefit from strong equity markets in certain regions and improve our capability for identifying and servicing opportunities in regional centres and across our core focus sectors.

The following chart depicts firmwide revenue contributions by geography for the fiscal year ended March 31, 2022:

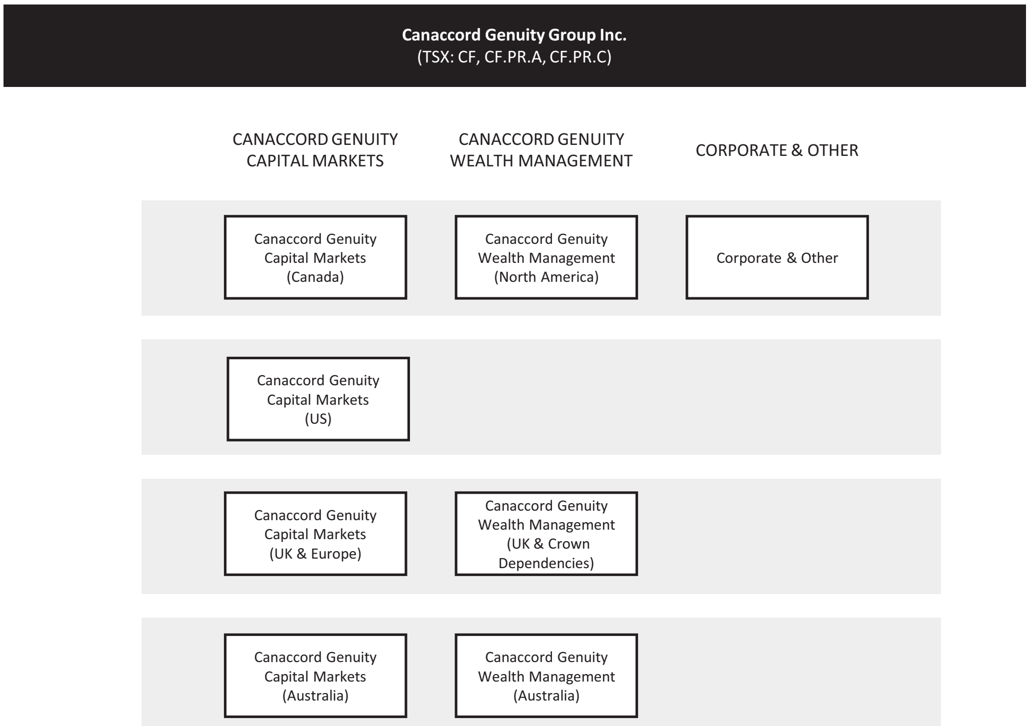


IMPACT OF CHANGES IN CAPITAL MARKETS ACTIVITY

As a brokerage firm, the Company derives its revenue primarily from sales commissions, underwriting and advisory fees, and trading activity. As a result, the Company's business is materially affected by conditions in the financial marketplace and the economic environment, primarily in North America and Europe, and to some degree Asia and Australia. Canaccord Genuity Group's long- term international business development initiatives over the past several years have laid a solid foundation for revenue diversification. A disciplined capital strategy allows the Company to remain competitive in today's changing financial landscape.

During fiscal 2022, the Company's capital markets activities were focused on the following sectors: Healthcare & Life Sciences (which include cannabis-related companies), Technology, Transportation & Industrials, Financials, Metals & Mining, Energy, Diversified, Consumer & Retail, Real Estate and Sustainability. Coverage of these sectors included investment banking, mergers and acquisitions (M&A) and advisory services, and institutional equity activities, such as sales, trading and research.

BUSINESS SEGMENT



Operating entities included in the business units described above are:

Canaccord Genuity Capital Markets (Canada)

- Canaccord Genuity Corp. (capital markets division)
- JitneyTrade Inc.
- Canaccord Genuity Asia (Beijing) Limited
- Canaccord Genuity Emerging Markets Ltd.

Canaccord Genuity Wealth Management (North America)

- Canaccord Genuity Corp. (wealth management division)
- Canaccord Genuity Wealth Management (USA) Inc.
- Canaccord Genuity Wealth & Estate Planning Services Ltd.

Corporate and Other

- Canaccord Genuity Corp. (corporate & other division)
- Canaccord Genuity Group Inc.
- Finlogik Inc.

Canaccord Genuity Capital Markets (US)

- Canaccord Genuity LLC.
- Canaccord Genuity Petsky Prunier LLC
- CG Sawaya, LLC

Canaccord Genuity Capital Markets (UK & Europe)

- Canaccord Genuity Limited
- Canaccord Genuity Dubai Ltd.
- Canaccord Genuity SAS

Canaccord Genuity Wealth Management (UK & Crown Dependencies)

Canaccord Genuity Wealth Limited

CG Wealth Planning Ltd.

Canaccord Genuity Financial Planning Limited

Adam & Company Investment Management Limited

Hargreave Hale Limited

Canaccord Genuity Wealth (International) Limited

Canaccord Genuity Wealth Group Holdings (Jersey) Limited

Canaccord Genuity Capital Markets (Australia)

Canaccord Genuity (Australia) Limited

Canaccord Genuity (Hong Kong) Limited

Canaccord Genuity Wealth Management (Australia)

Canaccord Genuity Financial Limited

On July 29, 2021, HPS Investment Partners, LLC, on behalf of certain investment accounts and funds it manages (collectively, "HPS"), completed its investment in the Company's UK wealth management UK & Crown Dependencies division. HPS acquired convertible preferred shares (the "Convertible Preferred Shares") in the amount of £125.0 million (C$218.0 million) issued by the Company's subsidiary, Canaccord Genuity Wealth Group Holdings (Jersey) Limited (CGWM UK). A portion of the proceeds was used to repay the senior secured first lien term loan facility of £69.0 million obtained on April 9, 2021 which was used to partially fund the redemption of the Company's 6.25% convertible unsecured senior subordinated debentures at that time.

On an as converted basis the Convertible Preferred Shares represented 21.93% of the outstanding equity interest in CGWM UK as of March 31, 2022. Cumulative dividends, when, as and if declared by the board of directors of CGWM UK, are payable by CGWM UK on the Convertible Preferred Shares at the greater of an annual 7.5% coupon and the proportionate share that such shares would receive, on an as converted basis, in respect of any dividends declared and paid in respect of ordinary shares of CGWM UK. No dividends may be paid on any other class of shares of CGWM UK unless and until the cumulative dividends on the Convertible Preferred Shares are declared and paid. If a liquidity event occurs before the end of five years the Convertible Preferred Shares will carry a liquidation preference equal to the greatest of (i) the amount of principal plus accrued but unpaid dividends attributable to the Convertible Preferred Shares had they been issued five years prior, (ii) an amount equal to 1.5 multiplied by the issue price of the Convertible Preferred Shares (less any previously paid dividends), or (iii) the amount which the holders of the Convertible Preferred Shares would receive on an as converted basis. If a liquidity event occurs on or after the fifth anniversary then the Convertible Preferred Shares will carry a liquidation preference equal to the greater of (i) the amount of principal plus accrued but unpaid dividends attributable to the Convertible Preferred Shares or (ii) the amount which the holders of the Convertible Preferred Shares would receive on an as converted basis. If a liquidity event has not occurred after five years, then CGWM UK has an option to acquire the Convertible Preferred Shares at the greater of the applicable liquidation preference amount and the amount which would provide the holders of the Convertible Preferred Shares with an internal rate of return of 11.5% (including all previously paid dividends). After the fifth anniversary the holders of the Convertible Preferred Shares have certain rights in respect of initiating a liquidity event. The Convertible Preferred Shares carry customary minority rights in respect of CGWM UK governance and financial matters, including representation on the CGWM UK board of directors.

In connection with the issuance of the Convertible Preferred Shares, CGWM UK provided for the purchase of certain equity instruments in CGWM UK by management and employees of CGWM UK which reflect an approximate 4.6% equity-equivalent interest in CGWM UK. As of March 31, 2022, £24.6 million (CAD$42.7 million) of such equity instruments in CGWM UK were purchased in connection with this equity program. Included in these equity instruments of CGWM UK were preferred shares with the same economic attributes as the Convertible Preferred Shares (the "Preference Shares"). Preference Shares in the amount of £7.5 million (C$13.0 million) were issued to management as of March 31, 2022. The other equity interests purchased by management and employees of CGWM UK are ordinary shares of CGWM UK with certain restrictions on transfer and limited governance rights. In connection with the purchase of the ordinary shares, a limited recourse loan of £4.0 million (C$6.9 million) as well as certain full recourse employee loans were made. Subject to certain minimum thresholds a management incentive plan has been implemented which will provide for certain payments if a liquidity event occurs within six years or after six years if a liquidity event has not occurred and the Convertible Preferred Shares are no longer outstanding.

On January 3, 2022, the Australia operations through the issuance of partly paid shares reorganized its share structure and as a result the Company's ownership in Canaccord Financial Group (Australia) Pty Ltd. ("CFGA") decreased from 80% to 65%. For accounting purposes, the Company's ownership interest changed from 85% to 67% commencing in the fourth quarter of fiscal 2022 because of shares held in an employee trust controlled by CFGA.

Operating results of Jitneytrade Inc. and Finlogik Inc. (collectively referred to as "Jitneytrade") since the closing date of June 6, 2018 are included as part of Canaccord Genuity Capital Markets Canada. In addition, operating results of Petsky Prunier LLC

("Petsky Prunier") since the closing date of February 13, 2019 and operating results of Sawaya Partners ("Sawaya") since the closing date of December 31, 2021 are included as part of Canaccord Genuity Capital Markets US. Included as part of CGWM UK are the operating results of McCarthy Taylor Limited (renamed as CG McCarthy Taylor Limited) ("McCarthy Taylor") since the closing date of January 29, 2019, the operating results of Thomas Miller Wealth Management Limited (renamed as CG Wealth Planning Limited) ("Thomas Miller") since the closing date of May 1, 2019, and the private client investment management business of Adam & Company (including the acquisition of the entire issued capital of Adam & Company Investment Management Limited) since the closing date of October 1, 2021.

Market Environment During Fiscal 2022

Economic backdrop

During our 2022 fiscal year, government transfers and continued improvements in employment and wages supported economic activity despite successive waves of COVID-19 infections. Meanwhile, commodity supply was restrained owing to muted capex growth from commodity producers, production and transportation bottlenecks, depleted inventories, and the war in Ukraine. The ensuing disconnect between supply and demand for manufactured goods and commodities led to a swift increase in producer and consumer prices. Against this backdrop several central banks, including the Federal Reserve, began hiking policy rates while also ending bond buying programs. As a result, bond yields rebounded from pandemic lows and the US dollar appreciated versus major currencies, most notably the Euro and the Yen, with central banks remaining highly accommodative despite inflation fears.

Over the fiscal 2022 12-month period, the S&P 500, the S&P/TSX, and the MSCI World Index returned 15.6%, 20.2%, and 7.7% respectively. Commodity prices surged 64.6% over the same period while US Treasury bonds declined by 2.8% as investors discounted interest rate increases against a backdrop of rapidly rising inflation.

Investment banking and advisory

Despite increased macro and geopolitical uncertainties over the course of fiscal 2022, it was another active year for investment banking and advisory activities. A key driver of these activities was the ongoing M&A cycle which was driven by high levels of cash on corporate balance sheets and at private equity firms. More recently, M&A volumes will face challenges compared to last year's strong levels as rising corporate bond yields have increased the cost of debt for levered transactions.

Index Value at End of	Q4/21		Q1/22		Q2/22		Q3/22		Q4/22		
Fiscal Quarter	2021-03-31	(Y/Y)	2021-06-30	(Y/Y)	2021-09-30	(Y/Y)	2021-12-31	(Y/Y)	2022-03-31	(Y/Y)	(Q/Q)
S&P IFCI Global Small Cap	320.7	67.1%	355.0	50.4%	340.0	31.6%	339.8	11.7%	311.7	-2.8%	-8.3%
S&P IFCI Global Large Cap	296.7	52.9%	307.5	36.2%	279.2	14.8%	274.8	-5.8%	254.9	-14.1%	-7.3%

Our capital-raising and advisory activities are primarily focused on small- and mid-capitalization companies in specific growth sectors of the global economy. These sectors may experience growth or downturns independent of broader economic and market conditions. As well, government regulation can also have an impact on capital formation for smaller companies. Volatility in the business environment for these industries, or in the market for securities of companies within these industries in the regions where we operate could adversely affect our financial results and ultimately, the market value of our shares. Advisory revenues are primarily dependent on the successful completion of merger, acquisition and restructuring mandates.

Trading

Over the course of fiscal 2022, trading volumes in our core focus segments decreased modestly when compared to the previous fiscal year. A key driver of relatively sustained trading volumes has been the marked increase in bond yields and commodity prices, which has prompted many investors to rebalance portfolios.

Average Value During	Q4/21		Q1/22		Q2/22		Q3/22		Q4/22			FY22	
Fiscal Quarter/Year	31-Mar-21	(Y/Y)	30-Jun-21	(Y/Y)	30-Sep-21	(Y/Y)	31-Dec-21	(Y/Y)	31-Mar-22	(Y/Y)	(Q/Q)	31-Mar-22	(Y/Y)
Russell 2000	2195.5	45.6%	2263.9	71.6%	2232.6	47.8%	2276.9	28.9%	2056.8	-6.3%	-9.7%	2208.5	30.3%
S&P 400 Mid Cap	2498.9	33.5%	2705.3	62.6%	2695.9	44.1%	2792.7	31.9%	2670.8	6.9%	-4.4%	2716.6	33.5%
FTSE 100	6664.3	-3.0%	7008.1	17.2%	7083.9	16.9%	7240.6	16.8%	7443.0	11.7%	2.8%	7192.7	15.6%
MSCI EU Mid Cap	1257.7	14.8%	1342.8	37.1%	1405.4	30.3%	1398.1	21.6%	1314.8	4.5%	-6.0%	1365.7	22.4%
S&P/TSX	18256.2	12.7%	19574.5	32.1%	20381.7	25.6%	21050.8	24.9%	21308.0	16.7%	1.2%	20577.0	24.5%

Source: Refinitiv Datastream, Canaccord Genuity estimates

Global wealth management

Despite a marked decline in initial public offerings and the heightened market volatility in the second half of fiscal 2022, broad equity market gains and the outperformance of Canadian equities supported the value of client assets in our wealth management businesses.

Total Return (excl. currencies)	Q4/21 Change (Q/Q)	Q1/22 Change (Q/Q)	Q2/22 Change (Q/Q)	Q3/22 Change (Q/Q)	Q4/22 Change (Q/Q)	Fiscal 2022 Change (Y/Y)
S&P 500	6.2%	8.5%	0.6%	11.0%	-4.6%	15.6%
S&P/TSX	8.1%	8.5%	0.2%	6.5%	3.8%	20.2%
MSCI EMERGING MARKETS	4.0%	3.9%	-6.6%	-0.8%	-6.1%	-9.6%
MSCI WORLD	4.7%	7.5%	-1.0%	6.8%	-5.3%	7.7%
S&P GS COMMODITY INDEX	13.5%	15.7%	5.2%	1.5%	33.1%	64.6%
US 10-YEAR T-BONDS	-6.7%	3.8%	-0.1%	0.9%	-7.0%	-2.8%
CAD/USD	1.4%	1.3%	-2.2%	0.3%	1.1%	0.5%
CAD/EUR	5.6%	0.2%	0.1%	2.2%	3.8%	6.5%

Source: Refinitiv Datastream, Canaccord Genuity estimates

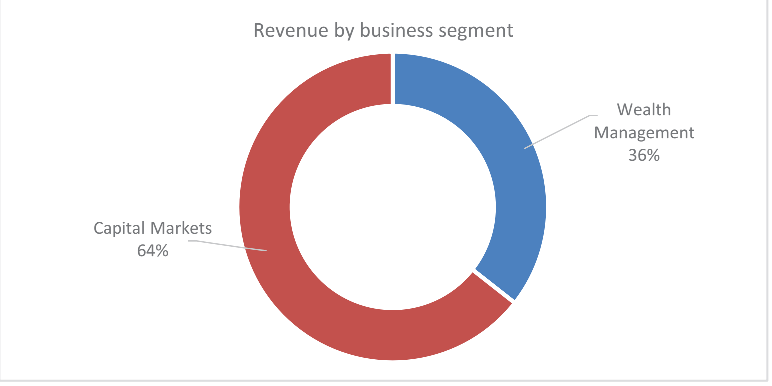
Fiscal 2023 Outlook

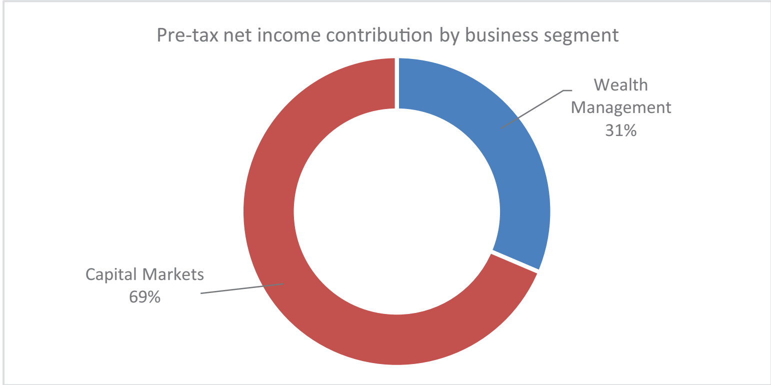
The run-up in inflation during the second half of fiscal 2022 led several central banks to end their bond-buying programs and initiate a monetary tightening cycle. Though markets appear to have discounted several interest rate increases by central banks, uncertainties remain as to whether the rate hikes will translate into a soft or hard economic landing. Our outlook for fiscal 2023 calls for a downshift in global economic activity and earnings growth. As well, factors such as tight labor markets, pent-up demand for services, and excess savings built by consumers through the pandemic will impact 2023 activity levels.

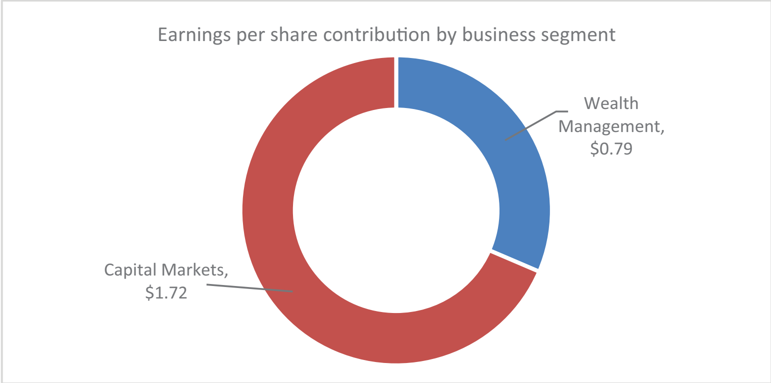
Against this backdrop, we expect that equities, bonds, and commodities could remain volatile during the first half of fiscal 2023. Heightened market volatility and a more uncertain economic outlook have the potential to reduce capital raising activity levels in our capital markets and wealth management operations. Activity levels in our trading operations will increase as we help clients navigate periods of market volatility. We continue to enjoy strong levels of activity in our M&A practice, and we expect that with tightening labour markets and narrowing profit margins current activity levels should continue.

Core Business Performance Highlights for Fiscal 2022

The following charts depict revenue, pre-tax net income and earnings per share contributions from our primary business segments for the fiscal year ended March 31, 2022:







CANACCORD GENUITY WEALTH MANAGEMENT

Globally, Canaccord Genuity Wealth Management generated revenue of $720.4 million during fiscal 2022 and, excluding significant items, recorded net income before taxes of $148.5 million[(1)].

- Canaccord Genuity Wealth Management (North America) generated $335.3 million in revenue and, after intersegment allocations, recorded net income before taxes of $56.3 million.
- Wealth management operations in the UK & Crown Dependencies generated $310.5 million in revenue and, after intersegment allocations and excluding significant items, recorded net income before taxes of $84.8 million in fiscal 2022[(1)].
- Wealth management operations in Australia generated revenue of $74.6 million and, after intersegment allocations and excluding significant items, recorded net income before taxes of $7.3 million in fiscal 2022[(1)].

Firmwide client assets were $96.1 billion at March 31, 2022 representing an increase of $7.3 billion or 8.2% from $88.8 billion at March 31, 2021[(1)] client assets across the individual business units as at March 31, 2022 were as follows:

- $37.9 billion in North America, an increase of $5.6 billion or 17.5% from March 31, 2021[(1)]
- $52.8 billion (£32.1 billion) in the UK & Crown Dependencies, an increase of $0.5 billion (£1.9 billion) or 1.0% from $52.3 billion (£30.2 billion) at the end of the previous fiscal year[(1)]
- $5.4 billion in Australia held in our investment management platform, an increase of $1.1 billion or 26.6% from March 31, 2021[(1)]

CANACCORD GENUITY CAPITAL MARKETS

Globally, Canaccord Genuity Capital Markets generated revenue of $1.3 billion during fiscal 2022, and, excluding significant items, recorded net income before taxes of $324.6 million[(1)]

- Canaccord Genuity Capital Markets led 329 transactions globally, each over $1.5 million, to raise total proceeds of $13.5 billion for mid-market companies in our key focus sectors.
- Canaccord Genuity Capital Markets participated in a total of 596 investment banking transactions globally, raising total proceeds of $61.2 billion.

(1) See Non-IFRS Measures on page 14.

The following table depicts revenue contributions from our capital markets business activities as a percentage of total capital markets revenue for the year ended March 31, 2022:

Revenue by activity as a percentage of Canaccord Genuity Capital Markets total revenue

	For the years ended March 31		
	2022	2021	2022/2021 change
Commissions and fees	13.4%	16.2%	(2.8) p.p.
Investment banking	35.5%	49.1%	(13.6) p.p.
Advisory fees	37.5%	14.7%	22.8 p.p.
Principal trading	12.1%	18.7%	(6.6) p.p.
Interest	0.8%	0.5%	0.3 p.p.
Other	0.7%	0.8%	(0.1) p.p.
Canaccord Genuity Capital Markets (total)	100%	100%	—

Further detail is provided in the Business Segment results beginning on page 33.

SUMMARY OF CORPORATE DEVELOPMENTS DURING FISCAL 2022

On July 29, 2021, HPS Investment Partners, LLC, on behalf of certain investment accounts and funds it manages (collectively, "HPS"), completed its investment in the Company's UK wealth management division. HPS acquired convertible preferred shares (the "Convertible Preferred Shares") in the amount of £125.0 million (C$218.0 million) issued by the Company's subsidiary, Canaccord Genuity Wealth Group Holdings (Jersey) Limited (CGWM UK). On an as converted basis the Convertible Preferred Shares represented 21.93% of the outstanding equity interest in CGWM UK as of March 31, 2022. A portion of the proceeds was used to repay the senior secured first lien term loan facility of £69.0 million which was used to partially fund the redemption of the Company's 6.25% convertible unsecured senior subordinated debentures on April 9, 2021.

In connection with the transaction, CGWM UK has provided for the purchase by management of certain equity instruments in CGWM UK within the context of the transaction value and which will reflect an approximate 4.6% equity-equivalent interest in CGWM UK. A management incentive arrangement has also been implemented which will provide for certain incentives with performance thresholds related to the future growth of CGWM UK.

In connection with the reset of the dividend rate applicable to the Cumulative 5-Year Rate Reset First Preferred Shares, Series A of the Company (the "Series A Preferred Shares") for the five-year period commencing on October 1, 2021, and ending on and including September 30, 2026, the Company did not exercise its right to redeem all or any part of the outstanding Series A Preferred Shares on September 30, 2021.

On August 18, 2021, the Company filed a notice to renew the normal course issuer bid (NCIB) to provide the Company with the choice to purchase up to a maximum of 5,342,990 of its common shares during the period from August 21, 2021 to August 20, 2022 through the facilities of the TSX and on alternative trading systems in accordance with the requirements of the TSX. The purpose of the purchase of common shares under the NCIB is to enable the Company to acquire shares for cancellation. The maximum number of shares that may be purchased under the current NCIB represents 5.0% of the Company's outstanding common shares at the time of the notice. During the year ended March 31, 2022, there were 3,401,116 shares purchased under the NCIB, of which 83,300 shares have not been cancelled as of March 31, 2022. There were also 70,000 shares purchased under the NCIB during the year ended March 31, 2021 and cancelled during the year ended March 31, 2022.

On October 1, 2021, the Company announced that CGWM UK had completed the acquisition of the private client investment management business of Adam & Company (including the acquisition of the entire issued capital of Adam & Company Investment Management Limited). This acquisition marks the Company's entry into Scotland with a leading and well-established franchise and a strong brand.

On December 31, 2021, the Company completed its acquisition of Sawaya Partners, a leading M&A advisory firm to the consumer sector based in New York. Sawaya Partners now operates with Canaccord Genuity branding as CG Sawaya LLC recognizing the significant goodwill and awareness of the Sawaya name in the consumer sector. All existing employees of Sawaya Partners will continue with the Company's US capital markets business.

In a substantial issuer bid that commenced on December 22, 2021 and expired on January 27, 2022, the Company made an offer (the "Offer") to purchase for cancellation up to $100.0 million of its common shares. The Offer was made by way of a "modified Dutch auction", which allowed shareholders who chose to participate in the offer to individually select the price, within a price range of not less than $15.50 per common share and not more than $16.50 per common share (in increments of $0.10 per common share), at which they were willing to sell their common shares. Upon expiry of the offer, the Company determined that $15.50 was the lowest purchase price that allowed it to purchase the maximum number of common shares properly tendered to the offer, and not properly withdrawn, having an aggregate purchase price of approximately $100.0 million. The Company purchased for cancellation 6,451,612 of its common shares at a purchase price of $15.50 per share.

On January 3, 2022, the share structure for our Australia operations was reorganized through the sale of partly paid shares to selected employees of Canaccord Financial Group (Australia) Pty Ltd. (CFGA) and as a result the Company's ownership in CFGA decreased from 80% to 65%. For accounting purposes, the Company's ownership interest changed from 85% to 67% commencing in the fourth quarter of fiscal 2022 because of shares held in an employee trust controlled by CFGA. The purpose of the change in the ownership structure was to provide further alignment with our employee base in the Australian region and to provide the business with capital and access to capital for growth.

On May 24, 2022, the Company announced that it does not intend to exercise its option to redeem the Series C Preferred Shares on June 30, 2022. The Company has the option to redeem on June 30 every five years, in whole or in part, at $25.00 per share together with all declared and unpaid dividends. On June 1, 2022, the Company announced the reset of the dividend rate on its Series C Preferred Shares. Quarterly cumulative cash dividends, as declared, are paid at an annual rate of 4.993% for the five years ending on and including June 30, 2022. Commencing July 1, 2022 and ending on and including June 30, 2027, quarterly cumulative dividends, if declared, will be paid at an annual rate of 6.837% on the Series C Preferred Shares. The dividend rate will be reset every five years at a rate equal to the five-year Government of Canada yield plus 4.03%. Up until June 15, 2022, holders of the Series C Preferred Shares have the option to convert these shares into Series D Preferred Shares which will carry a quarterly floating rate equal to the three-month Government of Canada treasury bill rate plus 4.03%. The issuance of the Series D Preferred Shares is subject to a certain minimum.

On May 31, 2022, the Company announced that through its wealth management business in the UK ("CGWM UK"), it has completed its previously announced acquisition of Punter Southall Wealth ("PSW"), including the intermediary-facing brand Psigma from Punter Southall Wealth Group. In connection with completion of the acquisition, CGWM UK added £100 million (C$169.2 million) to its existing bank facility. In addition, HPS Investment Partners, LLC on behalf of investment accounts and funds it manages made an additional investment in CGWM UK through the purchase of a new series of convertible preferred shares of CGWM UK in the amount of £65.3 million (C$110.5 million). Cumulative dividends will be payable by CGWM UK on the additional convertible preferred shares at the greater of an annual 7.5% coupon and the proportionate share that such shares would receive on an as converted basis. The additional convertible preferred shares will also carry customary minority rights in respect of CGWM UK governance and financial matters, a liquidation preference, and call protections.

FINANCIAL OVERVIEW

SELECTED FINANCIAL INFORMATION(1)(2)(7)

	For the years ended March 31				
(C$ thousands, except per share and % amounts, and number of employees)	2022	2021	2020	2022/2021 change	
Canaccord Genuity Group Inc. (CGGI)					
Revenue					
Commissions and fees	$ 761,843	$ 735,239	$ 586,884	$ 26,604	3.6%
Investment banking	561,725	761,551	236,962	(199,826)	(26.2)%
Advisory fees	493,057	197,092	206,507	295,965	150.2%
Principal trading	158,978	246,801	108,834	(87,823)	(35.6)%
Interest	36,028	26,288	63,690	9,740	37.1%
Other	34,371	40,717	20,990	(6,346)	(15.6)%
Total revenue	2,046,002	2,007,688	1,223,867	38,314	1.9%
Expenses					
Compensation expense	1,248,184	1,227,895	738,313	20,289	1.7%
Other overhead expenses(3)	395,709	398,693	383,527	(2,984)	(0.7)%
Acquisition-related costs	9,197	5,922	(124)	3,275	55.3%
Restructuring costs(4)	—	—	1,921	—	—
Change in derivative liability fair value	8,519	—	—	8,519	n.m.
Costs associated with redemption of convertible debentures(5)	5,932	4,354	—	1,578	36.2%
Share of loss (gain) of an associate	192	922	207	(730)	(79.2)%
Total expenses	1,667,733	1,637,786	1,123,844	29,947	1.8%
Income before income taxes	378,269	369,902	100,023	8,367	2.3%
Net income	$ 270,565	$ 269,802	$ 86,554	$ 763	0.3%
Net income attributable to CGGI shareholders	$ 246,314	$ 263,786	$ 86,490	$ (17,472)	(6.6)%
Non-controlling interests	$ 24,251	$ 6,016	$ 64	$ 18,235	n.m.
Earnings per common share – basic	$ 2.50	$ 2.30	$ 0.78	$ 0.20	8.7%
Earnings per common share – diluted	$ 2.16	$ 2.04	$ 0.65	$ 0.12	5.9%
Dividends per common share	$ 0.32	$ 0.25	$ 0.20	$ 0.07	28.0%
Dividends per Series A Preferred Share	$ 0.9981	$ 0.9712	$ 0.9712	0.03	2.8%
Dividends per Series C Preferred Share	$ 1.2482	$ 1.2482	$ 1.2482	—	—
Excluding significant items(6)					
Total revenue	$ 2,040,602	$ 1,993,488	$ 1,223,867	$ 47,114	2.4%
Total expenses	$ 1,623,036	$ 1,607,398	$ 1,100,810	$ 15,638	1.0%
Income before income taxes	$ 417,566	$ 386,090	$ 123,057	$ 31,476	8.2%
Net income	$ 305,827	$ 285,887	$ 106,323	$ 19,940	7.0%
Net income attributable to CGGI shareholders	$ 284,069	$ 279,871	$ 105,895	$ 4,198	1.5%
Net income attributable to non-controlling interests	$ 21,758	$ 6,016	$ 428	$ 15,742	261.7%
Diluted earnings per common share	$ 2.51	$ 2.48	$ 0.81	$ 0.03	1.2%
Balance sheet data					
Total assets	$ 7,250,245	$ 7,631,801	$ 5,956,195	$ (381,556)	(5.0)%
Total liabilities	$ 5,833,476	$ 6,516,517	$ 5,027,421	$ (683,041)	(10.5)%
Non-controlling interests	$ 238,700	$ 8,190	$ 156	$ 230,510	n.m.
Total shareholders' equity	$ 1,178,069	$ 1,107,094	$ 928,618	$ 70,975	6.4%
Number of employees	2,587	2,356	2,308	231	9.8%

(1) Financial measures are in accordance with IFRS except for figures excluding significant items. See Non-IFRS Measures on page 14.

(2) The operating results of the Australian operations have been fully consolidated, and a 15% non-controlling interest has been recognized for the first nine months of fiscal 2022 and 32.7% for the fourth quarter of fiscal 2022 due to the share reorganization in Australia on January 3, 2022 [March 31, 2021 – 15%]. The operating results of CGWM UK have been fully consolidated, and a 1.6% non-controlling has been recognized for the period from August 1, 2021 to December 31, 2021 and 4.3% for the fourth quarter of fiscal 2022 [March 31, 2021 – $nil].

(3) Consists of trading costs, premises and equipment, communication and technology, interest, general and administrative, amortization of tangible, intangible and right of use assets, and development costs.

(4) Restructuring costs for the year ended March 31, 2020 were incurred in connection with CGWM UK, as well as real estate and other integration costs related to the acquisition of Patersons.

(5) During the year ended March 31, 2022, the Company entered into a credit agreement for a senior secured first lien term loan facility ("loan facility") to partially fund the redemption of the convertible debentures. Transaction costs incurred in connection with the loan facility are recognized on an amortized cost basis and included in the effective interest rate of the facility. Interest associated with this loan facility is included in costs associated with redemption of convertible debentures for the year ended March 31, 2022.

(6) Net income and earnings per common share excluding significant items reflect tax-effected adjustments related to such items. See the Selected Financial Information Excluding Significant Items table below.

(7) Data includes the operating results of Thomas Miller since May 1, 2019, Patersons since October 21, 2019, Adam & Company since October 1, 2021 and Sawaya Partners since December 31, 2021.

n.m.: not meaningful (percentages over 300% are indicated as n.m.)

Selected financial information excluding significant items[1]

	For the years ended March 31				
(C$ thousands, except per share and % amounts)	**2022**	2021	2020	2022/2021 change	
Revenue					
Revenue per IFRS	**$ 2,046,002**	$ 2,007,688	$ 1,223,867	$ 38,314	1.9%
Significant items recorded in Corporate and Other					
Fair value adjustments on certain illiquid and restricted marketable securities	**$ 5,400**	$ 14,200	—	$ (8,800)	(62.0)%
Total revenue excluding significant items	**$ 2,040,602**	$ 1,993,488	$ 1,223,867	$ 47,114	2.4%
Expenses					
Expenses per IFRS	**$ 1,667,733**	$ 1,637,786	$ 1,123,844	$ 29,947	1.8%
Significant items recorded in Canaccord Genuity Capital Markets					
Amortization of intangible assets	**$ 1,843**	$ 2,970	$ 9,167	$ (1,127)	(37.9)%
Incentive based costs related to acquisitions[2]	**$ 364**	—	—	$ 364	n.m.
Acquisition-related costs	**$ 537**	$ 4,644	$ 1,806	$ (4,107)	(88.4)%
Significant items recorded in Canaccord Genuity Wealth Management					
Amortization of intangible assets	**$ 14,629**	$ 13,087	$ 13,940	$ 1,542	11.8%
Acquisition-related costs	**$ 8,660**	$ 1,278	$ (1,930)	$ 7,382	n.m.
Incentive based costs related to acquisitions[2]	**$ 3,419**	$ 4,055	$ (1,870)	$ (636)	(15.7)%
Restructuring costs	**—**	—	$ 1,921	—	—
Costs associated with reorganization of CGWM UK	**$ 794**	—	—	$ 794	n.m.
Significant items recorded in Corporate and Other					
Costs associated with redemption of convertible debentures[3]	**$ 5,932**	$ 4,354	—	$ 1,578	36.2%
Change in derivative liability fair value[4]	**$ 8,519**	—	—	$ 8,519	n.m.
Total significant items	**$ 44,697**	$ 30,388	$ 23,034	$ 14,309	47.1%
Total expenses excluding significant items	**$ 1,623,036**	$ 1,607,398	$ 1,100,810	$ 15,638	1.0%
Net income before taxes – adjusted	**$ 417,566**	$ 386,090	$ 123,057	$ 31,476	8.2%
Income taxes – adjusted	**$ 111,739**	$ 100,203	$ 16,734	$ 11,536	11.5%
Net income – adjusted	**$ 305,827**	$ 285,887	$ 106,323	$ 19,940	7.0%
Significant items impacting net income attributable to common shareholders					
Non-controlling interests – IFRS	**$ 24,251**	$ 6,016	$ 64	$ 18,235	n.m.
Amortization of equity component of the non-controlling interests in CGWM UK and other adjustment	**$ 2,493**	—	—	$ 2,493	n.m.
Non-controlling interests (adjusted)	**$ 21,758**	$ 6,016	$ 428	$ 15,742	261.7%
Net income attributable to common shareholders excluding significant items	**$ 274,585**	$ 270,467	$ 96,491	$ 4,118	1.5%
Earnings per common share excluding significant items[1] – basic	**$ 2.92**	$ 2.80	$ 0.98	$ 0.12	4.3%
Diluted earnings per common share excluding significant items[1] – diluted	**$ 2.51**	$ 2.48	$ 0.81	$ 0.03	1.2%

(1) Figures excluding significant items are non-IFRS measures. See Non-IFRS Measures on page 14.

(2) Incentive-based costs related to the acquisitions and growth initiatives in the US capital markets and UK & Europe wealth management business.

(3) During the year ended March 31, 2022, the Company entered into a credit agreement for a senior secured first lien term loan facility ("loan facility") to partially fund the redemption of the convertible debentures. Transaction costs incurred in connection with the loan facility are recognized on an amortized cost basis and included in the effective interest rate of the facility. Interest associated with this loan facility is included in costs associated with redemption of convertible debentures for the year ended March 31, 2022.

(4) Fair value adjustment related to the derivative liability component of the non-controlling interests related to the Convertible Preferred Shares issued by CGWM UK.

n.m.: not meaningful (percentages over 300% are indicated as n.m.)

IMPACT OF CONVERTIBLE PREFERRED SHARES ON EPS

Diluted earnings per common share ("diluted EPS") is computed using the treasury stock method, giving effect to the exercise of all dilutive elements. The Convertible Preferred Shares issued by CGWM UK are factored into the diluted EPS by adjusting net income attributable to common shareholders of the Company to reflect our proportionate share of CGWM UK's earnings on an as converted basis if the calculation is dilutive. For the year ended March 31, 2022, the effect of reflecting our proportionate share of CGWM UK's earnings is anti-dilutive under IFRS for diluted EPS purposes but dilutive for the purpose of determining diluted EPS excluding significant items[1]. As such, the diluted EPS under IFRS is computed based on net income attributable to common shareholders less accrued dividends on the Convertible Preferred Shares issued by CGWM UK. Net income attributable to common shareholders excluding significant items[1]reflects the Company's proportionate share of CGWM UK's net income excluding significant items[1] on an as converted basis.

(1) See Non-IFRS Measures on page 14

FOREIGN EXCHANGE

Revenues and expenses from our foreign operations are initially recorded in their respective functional currencies and translated into Canadian dollars at exchange rates prevailing during the period. Fluctuations in foreign exchange contributed to certain changes in revenue and expense items in Canadian dollars when compared to the applicable prior periods and should be considered when reviewing the following discussion in respect of our consolidated results as well as the discussion in respect of Canaccord Genuity Capital Markets and Canaccord Genuity Wealth Management.

GEOGRAPHIES

Our Dubai operation is included as part of Canaccord Genuity Capital Markets UK & Europe. For purposes of the discussion provided herein the Canaccord Genuity Capital Markets operations in the UK, Europe and Dubai are referred to as "UK & Europe". Starting in Q1/20, our Asian based operations, comprising China and Hong Kong, have been combined with our Canadian and Australian capital markets operations to reflect management of these operating units. Also, commencing in Q3/20, our Australian wealth management business, comprising the operating results of Patersons since October 21, 2019 and the wealth management business of Australia previously included as part of Canaccord Genuity Capital Markets Australia, is disclosed as a separate operating business in the discussions below. Comparatives have not been restated.

GOODWILL

Utilizing management's estimates for revenue and operating performance, growth rates and other assumptions typically required in connection with discounted cash flow models, the Company determined that there was no impairment in the goodwill associated with any of its wealth management business units in the UK & Crown Dependencies and Australia or its goodwill and indefinite life intangible assets recorded in Canaccord Genuity Capital Markets Canada and US.

Notwithstanding this determination as of March 31, 2022, changes or uncertainty in the economic environment may cause this determination to change. If the business climate changes and the Company is unable to achieve its internal forecasts the Company may determine that there has been impairment and the Company may be required to record a goodwill impairment charge in future periods in respect of CGWM UK, Canaccord Genuity Wealth Management Australia, Canaccord Genuity Capital Markets Canada or Canaccord Genuity Capital Markets US. Adverse changes in the key assumptions utilized for purposes of impairment testing for goodwill and indefinite life intangible assets may result in the estimated recoverable amount of some or all of the applicable business units declining below the carrying value with the result that impairment charges may be required. The amount of any impairment charge would affect some or all of the amounts recorded for goodwill and indefinite life intangible assets. Any such impairment charges would be determined after incorporating the effect of any changes in key assumptions including any consequential effects of such changes on estimated operating income and on other factors. In addition, notwithstanding that there may be no change in the performance estimates used by the Company for purposes of determining whether there has been any impairment in its indefinite life intangible asset related to the Genuity brand name, in the event that the Company changes the way in which it uses that asset the Company may be required to record an impairment charge.

REVENUE

On a consolidated basis, revenue in our capital markets and wealth management businesses is generated through six activities: commissions and fees associated with agency trading and private client wealth management activity, investment banking, advisory fees, principal trading, interest and other.

Revenue for fiscal 2022 was $2.0 billion, an increase of 1.9% or $38.3 million from fiscal 2021, with a reduction in capital markets revenue of $9.2 million, which was more than offset by an increase in wealth management revenue of $56.8 million.

Revenue in our Canaccord Genuity Capital Markets segment decreased by $9.2 million or 0.7% compared to fiscal 2021. In the US, revenue increased by $76.6 million or 13.0% year over year primarily due to increased advisory revenue which was up by $217.5 million or 218.8%. In Canada, a reduction in investment banking revenue was the main driver for the $102.0 million or 23.0% decrease in overall revenue compared to the prior year. Our Australian operations generated $174.1 million in revenue compared to $182.7 million in fiscal 2021 with the shortfall due to a modest decline in investment banking revenue compared to the exceptionally strong prior year performance. In the UK, total revenue amounted to $120.4 million, $24.8 million or 26.0% higher than the prior year due to a 117.8% growth in advisory revenue to $66.6 million.

Revenue from our global wealth management operations increased by $56.8 million or 8.6% compared to fiscal 2021. Our Canadian wealth management operations generated $335.3 million of revenue in fiscal 2022, representing an increase of $11.2 million or 3.5% over the prior year. Revenue in our wealth management operations in the UK & Crown Dependencies increased by $33.2 million or 12.0% compared to the year ended March 31, 2021, due to higher commission and fees revenue during the fiscal year. In addition, $74.6 million of revenue was generated by our Australian wealth management operations, an increase of $12.4 million compared to fiscal 2021, reflecting the continued expansion of these operations through ongoing recruitment.

Commissions and fees revenue is primarily generated from private client investment management trading activity and institutional sales and trading. Firmwide revenue generated from commissions and fees increased by $26.6 million or 3.6% from fiscal 2021 to $761.8 million in fiscal 2022. The increase was mainly driven by higher commissions and fees revenue generated in our global wealth management operations. Partially offsetting the increase was a decline of $37.6 million or 17.7% in commissions and fees revenue generated in our capital markets operations compared to fiscal 2021.

Revenue generated from firmwide investment banking activities decreased by $199.8 million or 26.2% to $561.7 million in fiscal 2022, compared to the record $761.6 million in fiscal 2021. All of our core operating regions experienced decreases in investment banking revenue, with the most significant decreases recorded in our Canadian and US capital markets operations. In Canada, our wealth management operations also recorded a decrease in investment banking revenue, declining by $25.6 million or 23.8% to $81.6 million in fiscal 2022 due to lower new issue activity.

Advisory fees revenue increased by $296.0 million or 150.2% compared to the prior year to $493.1 million for fiscal 2022. While our US operations recorded the most significant year over year increase of $217.5 million or 218.8%, our Canadian and UK operations also generated increases of $41.5 million or 65.5% and $36.0 million or 117.8%, respectively.

Revenue derived from principal trading activities decreased by $87.8 million or 35.6% to $159.0 million for the year ended March 31, 2022, mainly as a result of decreased market volatility and trading activity in our US and Canadian capital markets operations compared to the same period in the prior year reducing opportunities for trading profits.

Interest revenue was $36.0 million in fiscal 2022, representing an increase of $9.7 million or 37.1% from the prior year, mostly attributable to our Canadian wealth management operations.

Other revenue was $34.4 million, a decrease of $6.3 million or 15.6% from the prior year. Included in other revenue in our Corporate & Other segment was $5.4 million of fair value adjustments on certain illiquid or restricted securities recorded for IFRS reporting purposes. This adjustment is excluded for management reporting purposes as it is not used by management to assess operating performance and is excluded for purposes of determining net income excluding significant items[1]. Future changes in the unrealized fair value of the marketable securities as determined under applicable accounting standards may be significant and will be recorded through the consolidated statements of operations.

EXPENSES

Expenses as a percentage of revenue

	For the years ended March 31		
	2022	2021	2022/2021 change
Compensation expense	**61.0%**	61.2%	(0.2) p.p.
Other overhead expenses[1]	**19.4%**	19.9%	(0.5) p.p.
Acquisition-related costs	**0.4%**	0.3%	0.2 p.p.
Change in derivative fair value	**0.4%**	0.0%	0.4 p.p.
Costs associated with redemption of convertible debentures	**0.3%**	0.2%	0.1 p.p.
Share of loss (gain) of an associate	**0.0%**	0.0%	(0.0) p.p.
Total	**81.5%**	81.6%	(0.1) p.p.

(1) Consists of trading costs, premises and equipment, communication and technology, interest, general and administrative, amortization and development costs.
p.p.: percentage points

Total firmwide expenses for fiscal 2022 were $1.7 billion, an increase of $29.9 million or 1.8% compared to fiscal 2021. Excluding significant items[1], total expenses were $1.6 billion, up $15.6 million or 1.0% from fiscal 2021. Total expenses excluding significant items[1] as a percentage of revenue decreased by 1.1 percentage points compared to the year ended March 31, 2021.

Compensation expense

Compensation expense was $1.2 billion, an increase of $20.3 million or 1.7% from the prior year, which was in line with the increase in incentive-based revenue. Total compensation expense was 61.0% in fiscal 2022, a decrease of 0.2 percentage points from the prior year.

Other overhead expenses

	For the years ended March 31		
(C$ thousands, except % amounts)	**2022**	2021	2022/2021 change
Trading costs	**$ 102,824**	$ 122,154	(15.8)%
Premises and equipment	**20,074**	19,948	0.6%
Communication and technology	**73,873**	67,475	9.5%
Interest	**23,598**	28,364	(16.8)%
General and administrative	**101,431**	82,310	23.2%
Amortization[1]	**27,593**	26,156	5.5%
Amortization of right of use assets	**23,894**	25,040	(4.6)%
Development costs	**22,422**	27,246	(17.7)%
Total overhead expenses	**$ 395,709**	$ 398,693	(0.7)%

(1) Includes amortization of intangible assets. See the Selected Financial Information Excluding Significant Items table on page 25.

(1) Figures excluding significant items are non-IFRS measures. See Non-IFRS Measures on page 14.

Total overhead expenses were $395.7 million or 0.7% lower in fiscal 2022, with the most significant reductions being in trading costs, interest expense and development costs partially offset by higher communication and technology and general administrative expense.

Trading costs decreased by $19.3 million or 15.8% to $102.8 million for the year ended March 31, 2022. The reduction was mostly due to the decrease in trading activity in our US operations.

Development costs decreased by $4.8 million or 17.7% largely due to lower costs in our US capital markets and UK & Crown Dependencies wealth management operations. Interest expense also decreased by $4.8 million or 16.8% primarily as a result of the redemption of the 6.25% convertible unsecured senior subordinated debentures on April 9, 2021 which resulted in lower interest expense in our Corporate & Other segment, partially offset by higher interest expense in our CGWM UK operations due to an additional bank loan obtained in connection with the acquisition of Adam & Company.

General and administrative expense, which includes reserves, promotion and travel expense, office expense, professional fees and donations, was up by $19.1 million or 23.2% due to higher promotion and travel expense as activity levels increased following the easing of COVID-19 restrictions.

Amortization expense also increased by $1.4 million or 5.5% mainly due to the amortization of intangible assets in connection with the acquisitions of Adam & Company and Sawaya completed during the fiscal year.

There were acquisition-related costs of $9.2 million recorded for the year ended March 31, 2022, comprised of professional fees related to the acquisitions of Sawaya and Adam & Company, as well as the acquisition of Punter Southwall Wealth Limited completed on May 31, 2022.

There were acquisition-related costs of $5.5 million recorded for the year ended March 31, 2021 related to re-measurement of the contingent consideration for the acquisitions of Jitneytrade and Thomas Miller, as well as acquisition-related costs of $0.4 million incurred in our UK & Crown Dependencies wealth management operations.

In order to partially fund the redemption of the 6.25% convertible unsecured senior subordinated debentures and pursuant to the terms of the commitment letter entered into with investment funds and accounts managed or advised by HPS on March 18, 2021, the Company entered into a credit agreement on April 6, 2021 with the lenders, Lucid Agency Services Limited as administrative agent and Lucid Trustee Services Limited as security agent for a senior secured first lien term loan facility ("loan facility") in an aggregate principal amount of £69.0 million. This loan was repaid from the proceeds of the issuance of the Convertible Preferred Shares by CGWM UK to investment funds and accounts managed by HPS. Transaction costs incurred in connection with the loan facility are recognized on an amortized cost basis and included in the effective interest rate of the facility. Interest associated with this loan facility is included in costs associated with redemption of convertible debentures of $5.9 million for year ended March 31, 2022.

INCOME TAX

The effective tax rate for fiscal 2022 was 28.5% compared to the effective tax rate of 27.1% in the prior year. Increased profitability in higher tax rate jurisdictions such as the US in the current fiscal year and the impact of certain non-deductible expenses contributed to the increase in the effective tax rate, when compared to the year ended March 31, 2021.

NET INCOME

Net income for fiscal 2022 was $270.6 million compared to net income of $269.8 million in fiscal 2021, an increase of $0.8 million or 0.3%. Net income attributable to common shareholders was $236.8 million for fiscal 2022 compared to $254.4 million for fiscal 2021. Diluted earnings per common share was $2.16 in fiscal 2022 compared to earnings per common share of $2.04 in the prior fiscal year.

Excluding significant items(1), net income for fiscal 2022 was $305.8 million and net income attributable to common shareholders was $274.6 million, compared to net income of $285.9 million and net income attributable to common shareholders of $270.5 million in fiscal 2021. Diluted earnings per share excluding significant items(1) was $2.51 for fiscal 2022 compared to $2.48 for the prior year.

Quarterly Financial Information(1)(2)

The following table provides selected quarterly financial information for the eight most recently completed financial quarters ended March 31, 2022. This information is unaudited but reflects all adjustments of a recurring nature that are, in the opinion of

(1) Figures excluding significant items are non-IFRS measures. See Non-IFRS Measures on page 14.

management, necessary to present a fair statement of the results of operations for the periods presented. Quarter-to-quarter comparisons of financial results are not necessarily meaningful and should not be relied upon as an indication of future performance.

(C$ thousands, except per share amounts)	Fiscal 2022 Q4	Q3	Q2	Q1	Fiscal 2021 Q4	Q3	Q2	Q1
Revenue								
Commissions and fees	$ 196,976	$ 197,009	$ 185,105	$ 182,753	$ 214,476	$ 184,186	$ 167,575	$ 169,002
Investment banking	108,801	151,025	106,261	195,638	305,939	213,419	131,625	110,568
Advisory fees	122,353	153,297	139,413	77,994	66,761	72,004	37,281	21,046
Principal trading	41,960	33,980	30,390	52,648	87,830	51,113	42,746	65,112
Interest	10,264	9,639	8,458	7,667	7,487	5,791	6,005	7,005
Other	19,439	7,267	5,534	2,131	24,033	6,564	5,125	4,995
Total revenue	499,793	552,217	475,161	518,831	706,526	533,077	390,357	377,728
Total expenses	403,245	457,234	388,124	419,130	518,810	433,803	344,499	340,674
Net income before income taxes	96,548	94,983	87,037	99,701	187,716	99,274	45,858	37,054
Net income	$ 68,995	$ 66,732	$ 61,785	$ 73,053	$ 139,394	$ 68,451	$ 32,993	$ 28,964
Earnings per common share – basic	$ 0.62	$ 0.59	$ 0.56	$ 0.72	$ 1.07	$ 0.67	$ 0.30	$ 0.26
Earnings per common share – diluted	$ 0.53	$ 0.52	$ 0.49	$ 0.63	$ 0.93	$ 0.54	$ 0.25	$ 0.22
Excluding significant items(3)								
Net income	$ 66,822	$ 84,632	$ 69,719	$ 84,654	$ 137,128	$ 78,971	$ 36,891	$ 32,897
Earnings per common share – basic	$ 0.62	$ 0.80	$ 0.66	$ 0.84	$ 1.38	$ 0.78	$ 0.34	$ 0.30
Earnings per common share – diluted	$ 0.52	$ 0.69	$ 0.58	$ 0.73	$ 1.20	$ 0.62	$ 0.28	$ 0.25

(1) Data is in accordance with IFRS except for figures excluding significant items. See Non-IFRS Measures on page 14.

(2) The operating results of the Australian operations have been fully consolidated and a non-controlling interest of 15% has been recognized for the first nine months of fiscal 2022 and 32.7% for the fourth quarter of fiscal 2022 due to the share reorganization in Australia on January 3, 2022 [March 31, 2021 – 15%].

(3) Figures excluding significant items are non-IFRS measures. See the Quarterly Financial Information Excluding Significant Items table below.

QUARTERLY FINANCIAL INFORMATION EXCLUDING SIGNIFICANT ITEMS(1)(2)

(C$ thousands, except per share amounts)	Fiscal 2022 Q4	Fiscal 2022 Q3	Fiscal 2022 Q2	Fiscal 2022 Q1	Fiscal 2021 Q4	Fiscal 2021 Q3	Fiscal 2021 Q2	Fiscal 2021 Q1
Total revenue per IFRS	$ 499,793	$ 552,217	$ 475,161	$ 518,831	$ 706,526	$ 533,077	$ 390,357	$ 377,728
Total expenses per IFRS	403,245	457,234	388,124	419,130	518,810	433,803	344,499	340,674
Revenue								
Significant items recorded in Corporate and Other								
Fair value adjustments on certain illiquid and restricted marketable securities	9,000	1,400	—	(5,000)	14,200	—	—	—
Total revenue excluding significant items	$ 490,793	$ 550,817	$ 475,161	$ 523,831	$ 692,326	$ 533,077	$ 390,357	$ 377,728
Expenses								
Significant items recorded in Canaccord Genuity Capital Markets								
Amortization of intangible assets	1,283	107	160	293	738	741	743	748
Acquisition-related costs	—	537	—	—	—	4,644	—	—
Incentive based costs related to acquisitions(3)	364	—	—	—	—	—	—	—
Significant items recorded in Canaccord Genuity Wealth Management								
Amortization of intangible assets	4,190	4,113	3,178	3,148	3,260	3,213	3,288	3,326
Restructuring costs								
Acquisition-related costs	515	6,225	1,920	—	418	860	—	—
Incentive based costs related to acquisitions(3)	625	348	2,095	351	953	1,842	625	635
Costs associated with reorganization of CGWM UK(3)	—	—	794	—	—	—	—	—
Significant items recorded in Corporate and Other								
Costs associated with redemption of convertible debentures(4)	—	—	468	5,464	4,354	—	—	—
Change in derivative fair value	—	8,519	—	—	—	—	—	—
Total significant items – expenses	6,977	19,849	8,615	9,256	9,723	11,300	4,656	4,709
Total expenses excluding significant items	396,268	437,385	379,509	409,874	509,087	422,503	339,843	335,965
Net income before income taxes – adjusted	$ 94,525	$ 113,432	$ 95,652	$ 113,957	$ 183,239	$ 110,574	$ 50,514	$ 41,763
Income tax expense – adjusted	27,703	28,800	25,933	29,303	46,111	31,603	13,623	8,866
Net income – adjusted	$ 66,822	$ 84,632	$ 69,719	$ 84,654	$ 137,128	$ 78,971	$ 36,891	$ 32,897
Net income attributable to common shareholders	$ 54,678	$ 75,098	$ 63,326	$ 81,251	$ 133,260	$ 75,160	$ 32,982	$ 29,065
Earnings per common share adjusted – basic(5)	$ 0.62	$ 0.80	$ 0.66	$ 0.84	$ 1.38	$ 0.78	$ 0.34	$ 0.30
Diluted earnings per common share adjusted – diluted(5)	$ 0.52	$ 0.69	$ 0.58	$ 0.73	$ 1.20	$ 0.62	$ 0.28	$ 0.25

(1) Figures excluding significant items are non-IFRS measures. See Non-IFRS Measures on page 14.

(2) The operating results of the Australian operations have been fully consolidated and a non-controlling interest of 15% has been recognized for the first nine months of fiscal 2022 and 32.7% for the fourth quarter of fiscal 2022 due to the share reorganization in Australia on January 3, 2022 [March 31, 2021 – 15%].

(3) Incentive-based costs related to the acquisitions and growth initiatives in the US capital markets and UK & Crown Dependencies wealth management business.

(4) On March 18, 2021, the Company announced its intention to redeem the entire $132.7 million principal amount of its 6.25% convertible unsecured senior subordinated debentures. The redemption was completed on April 8, 2021. The Company recorded $4.2 million of loss and other costs in connection with the extinguishment of the convertible debentures during the three months ended March 31, 2021 and $0.5 million for the three months ended June 30, 2021.

(5) Due to the change in the number of fully diluted shares resulting from the convertible debenture redemption in Q4 fiscal 2021 as well as the impact of the Convertible Preferred Shares issued in Q2 fiscal 2022, rounding and the dilutive impact of share issuance commitments in the quarterly and year to date EPS figures, the sum of the quarterly earnings per common share figures may not equal the annual earnings per share figure.

Diluted earnings per common share ("diluted EPS") is computed using the treasury stock method, giving effect to the exercise of all dilutive elements. The Convertible Preferred Shares issued by CGWM UK are factored into the diluted EPS by adjusting net income attributable to common shareholders of the Company to reflect our proportionate share of CGWM UK's earnings on an as converted basis if the calculation is dilutive. For the quarter ended March 31, 2022, the effect of reflecting our proportionate share of CGWM UK's earnings is dilutive for diluted EPS purposes under IFRS as well as for the purpose of determining diluted EPS excluding significant items(1). Net income attributable to common shareholders under IFRS and on an excluding significant items(1) basis reflects the Company's proportionate share of CGWM UK's net income excluding significant items(1) on an as converted basis.

The effect of reflecting the proportionate share of CGWM UK's net income excluding significant items(1) is only dilutive for the third and fourth quarters of fiscal 2022 and the year ended March 31, 2022 for the purpose of determining the diluted EPS excluding significant items(1). It was anti-dilutive for Q2 fiscal 2022.

Quarterly trends and risks

Our quarterly results are generally not significantly affected by seasonal factors. However, the Company's revenue and income can experience considerable variations from quarter to quarter and from year to year due to factors beyond the Company's control. The business is affected by the overall condition of the global capital markets and by activity in our core focus sectors, as well as by changes in the market for growth companies and companies in emerging markets and sectors. The Company's revenue from an underwriting transaction is recorded only when a transaction has been substantially completed or closed. Consequently, the timing of revenue recognition can materially affect Canaccord Genuity Group Inc.'s quarterly results.

Fourth Quarter Fiscal 2022 Performance

REVENUE – FOURTH QUARTER FISCAL 2022

Consolidated revenue

Firmwide revenue for the fourth quarter was $499.8 million, a decrease of $206.7 million or 29.3% compared to the record revenue earned in the same period in the previous year.

On a consolidated basis, commissions and fees revenue decreased by $17.5 million or 8.2% to $197.0 million compared to the same period in the previous year, predominantly attributable to lower revenue earned in our capital markets operations. Investment banking revenue earned by our capital markets and wealth management businesses decreased by $197.1 million or 64.4% compared to the same period of the prior year due to lower activity in our Canadian, US and UK operations, partially offset by higher revenue generated in Australia. Fourth quarter firmwide advisory revenue grew by $55.6 million or 83.3% year-over-year, to $122.4 million, largely driven by our US operations. Principal trading revenue decreased by 52.2% to $42.0 million in the fourth fiscal quarter, reflecting lower volatility when compared to the same period a year ago. Firmwide interest revenue increased by 37.1% when compared to the fourth quarter of the prior year, to $10.3 million, due to higher client interest earned in our Canadian and UK & Crown Dependencies wealth management operations.

During the three months ended March 31, 2022, an IFRS fair value adjustment of $9.0 million was recorded on certain illiquid or restricted marketable securities. This adjustment is excluded for management reporting purposes as it is not used by management to assess operating performance and is excluded for purposes of determining net income excluding significant items(1). Future changes in the unrealized fair value of the marketable securities as determined under applicable accounting standards may be significant and will be recorded through the consolidated statements of operations.

Global Capital Markets

Our global capital markets segment recorded fourth quarter revenue of $312.0 million, a decrease of 35.9% or $174.9 million compared to the record revenue earned in Q4/21. Fourth quarter investment banking revenue decreased by $170.7 million or 64.2% compared to the record quarter in Q4/21, partially offset by a substantial increase in advisory fees of $56.1 million or 85.6%. Principal trading revenue also decreased by $45.7 million or 52.3% compared to the fourth quarter of fiscal 2021 due to reduced market volatility.

Our US business was the largest contributor of fourth quarter advisory revenue with a total of $64.8 million, a year-over-year increase of 195.3%. Overall revenue in our US operations decreased by $57.0 million or 28.0%, as the higher advisory fee revenue was offset by lower investment banking, principal trading and commission and fees revenue. In Canada, there was a $111.9 million or 83.5% decrease in investment banking revenue compared to the exceptionally strong quarter in Q4/21. Our UK & Europe operations generated revenue of $29.2 million for Q4/22, a decrease of $6.9 million or 19.1% compared to the same period in the prior year as the increase in advisory fees revenue was offset by a decrease in investment banking activity. The Australian capital markets business recorded a year-over-year revenue increase of $13.9 million or 29.0% compared to the fourth quarter of the prior year, reflecting stronger investment banking activity from our focus sectors, as well as higher unrealized gains in certain inventory and warrant positions earned in respect of investment banking activity.

(1) See Non-IFRS Measures on page 14.

Global Wealth Management

Fourth quarter revenue earned by our combined global wealth management businesses amounted to $174.3 million, a decrease of 12.5% compared to Q4/21 largely due to a reduction in investment banking revenue in the Canadian wealth management business in comparison to the very strong new issue activity in Q4/21. Revenue in our UK & Crown Dependencies operations increased by $5.4 million or 7.2%, partially due to higher fee-related revenue from managed assets as well as higher client interest revenue. Our Australian operations generated revenue of $17.8 million in the fourth quarter of fiscal 2022, a slight increase of 3.1% over the same quarter in the prior year.

EXPENSES – FOURTH QUARTER FISCAL 2022

Firmwide expenses in the fourth fiscal quarter were $403.2 million, down $115.6 million or 22.3% from Q4/21. Total expenses excluding significant items[1] were $396.3 million, a decrease of $112.8 million or 22.2% from the same period last year. Total expenses as a percentage of revenue excluding significant items[1] was 80.7%, an increase of 7.2 percentage points from Q4/21 due to an increase in the compensation ratio and certain overhead expenses that do not vary with revenue.

Compensation expense decreased by $100.9 million or 25.5% compared to the same period in the prior year. Total compensation expense as a percentage of revenue was 59.0% in Q4/22, an increase of 3.0 percentage points compared to the three months ended March 31, 2021 partially due to changes in the composition of revenue and the associated variable compensation associated with the different revenue streams.

Non-compensation overhead expenses as a percentage of revenue were 21.7%, an increase of 4.3 percentage points from Q4/21. The largest increases in non-compensation expenses compared to the same period in the prior year were communication and technology, amortization and general and administrative expense partially offset by declines in trading costs, interest expense and development costs.

Communication and technology expense increased by $2.9 million or 16.7% in order to expand the infrastructure required to support our business growth and increased headcount. Amortization expense increased by $2.4 million or 37.2% due to amortization recorded on intangibles acquired in connection with the acquisitions of Adam & Company and Sawaya Partners which were completed during fiscal 2022. General and administrative expense increased by $5.9 million or 25.1% due to higher conference and other promotion and travel resulting from the continued easing of COVID-19 restrictions. Partially offsetting these increases was a decline in trading costs of $15.8 million or 40.2%, mainly driven by lower trading activity in our US capital markets operations. Development costs decreased by $4.6 million over the same period in the prior year partially due to the acceleration of certain technology intangibles recorded in the Corporate & Other segment in the fourth quarter of fiscal 2021.

There were acquisition-related costs of $0.5 million recorded during Q4 fiscal 2022 related to the acquisition of Punter Southwall Wealth Limited completed on May 31, 2022. During Q4 fiscal 2021, there were acquisition-related costs of $0.4 million recorded in our UK & Crown Dependencies wealth management operations.

INCOME TAX EXPENSE – FOURTH QUARTER FISCAL 2022

Income tax expense was $27.6 million in Q4/22 compared to $48.3 million for the three months ended March 31, 2021. Excluding significant items[1], the effective tax rate for Q4/22 was 29.3% compared to 25.2% in Q4/21. The increase in the effective tax rate for the current quarter was partially due to various adjustments not deductible for tax purposes as well as higher proportion of income earned in jurisdictions with higher tax rates.

NET INCOME – FOURTH QUARTER FISCAL 2022

Net income for the fourth quarter of fiscal 2022 was $69.0 million compared to net income of $139.4 million in Q4/21. Net income attributable to common shareholders was $56.3 million for Q4/22 compared $135.5 million in Q4/21. Diluted income per common share in the current quarter was $0.53, compared to diluted income per common share of $0.93 in Q4/21. Excluding significant items[1], net income for Q4/22 was $66.8 million compared to $137.1 million in Q4/21, a decline of $70.3 million or 51.3%, primarily due to the decrease in revenue compared to the same period in the prior year. Net income attributable to common shareholders excluding significant items[1] was $54.7 million compared to $133.3 million in the same period of the prior year. Diluted EPS excluding significant items[1] was $0.52 in Q4/22 compared to $1.20 in Q4/21.

(1) See Non-IFRS Measures on page 14.

Business Segment Results(1)(2) – Year Ended March 31 2022 Compared with the Year Ended March 31, 2021

(C$ thousands, except number of employees)	For the years ended March 31 2022 Canaccord Genuity Capital Markets	Canaccord Genuity Wealth Management	Corporate and Other	Total	2021 Canaccord Genuity Capital Markets	Canaccord Genuity Wealth Management	Corporate and Other	Total
Revenue								
Canada	$ 341,453	$ 328,458	$ 22,521	$ 692,432	$ 443,444	$ 314,529	$ 31,841	$ 789,814
UK & Europe	120,355	310,495	—	430,850	95,535	277,329	—	372,864
US	667,176	6,821	—	673,997	590,534	9,512	—	600,046
Australia	174,090	74,633	—	248,723	182,715	62,249	—	244,964
Total revenue	1,303,074	720,407	22,521	2,046,002	1,312,228	663,619	31,841	2,007,688
Expenses	961,236	576,728	129,769	1,667,733	976,646	529,476	131,664	1,637,786
Intersegment allocations	20,007	22,670	(42,677)	—	18,263	17,288	(35,551)	—
Income (loss) before income taxes	$ 321,831	$ 121,009	$ (64,571)	$ 378,269	$ 317,319	$ 116,855	$ (64,272)	$ 369,902
Excluding significant items(3)								
Revenue	1,303,074	720,407	17,121	2,040,602	1,312,228	663,619	17,641	1,993,488
Expenses	958,492	549,226	115,318	1,623,036	969,032	511,056	127,310	1,607,398
Intersegment allocations	20,007	22,670	(42,677)	—	18,263	17,288	(35,551)	—
Income (loss) before income taxes	324,575	148,511	(55,520)	417,566	324,933	135,275	(74,118)	386,090
Number of employees	890	1,292	405	2,587	808	1,186	362	2,356

(1) Financial measures are in accordance with IFRS except for figures excluding significant items. See Non-IFRS Measures on page 14 Detailed financial results for the business segments are shown in Note 25 of the audited consolidated financial statements on page 101.
(2) The operating results of the Australian operations have been fully consolidated and a non-controlling interest of 15% has been recognized for the first nine months of fiscal 2022 and 32.7% for the fourth quarter of fiscal 2022 due to the share reorganization in Australia on January 3, 2022 [March 31, 2021 – 15%].
(3) See the Selected Financial Information Excluding Significant Items table on page 25.

Canaccord Genuity Group's operations are divided into three segments: Canaccord Genuity Capital Markets and Canaccord Genuity Wealth Management are the main operating segments while Corporate and Other is mainly an administrative segment.

CANACCORD GENUITY CAPITAL MARKETS

Overview

Canaccord Genuity Capital Markets provides a full range of investment banking, advisory, equity research, and sales and trading services to corporate, institutional and government clients and also conducts principal trading activities in Canada, the US, the UK & Europe, Australia, Asia and the Middle East. The Company has capital markets has offices and employees in 21 locations over four continents worldwide.

Our capital markets division has 890 capital markets professionals who are organized into product, industry and geographic coverage groups. Our industry coverage groups are focused in key growth sectors of the global economy and are primarily focused in the Technology, Life Sciences, Metals and Mining, and Consumer sectors, with additional exposure to the Diversified, Transportation & Industrials, Energy, and Structured Products & Sustainability sectors. Our capabilities include private placements, equity and debt underwriting, initial public offerings, follow-on offerings, at-the-market offerings, debt finance and restructuring, advisory (which includes mergers, acquisitions, and private capital/financial sponsor advisory services), principal trading, block trades and market making.

Our disciplined mid-market focus and global alignment efforts are helping to firmly entrench Canaccord Genuity Capital Markets as a leading global independent investment bank in our core focus sectors and geographies. We believe Canaccord Genuity Capital Markets' integrated global platform and disciplined focus in key growth sectors of the global economy provide a competitive advantage for our business compared to many of the domestically focused firms that we compete with. We are focused on providing differentiated expertise and execution capabilities in a segment that is relatively underserviced by other global investment banks.

Our operating results demonstrate the strength of our global mid-market capabilities and the success of our efforts to diversify our revenue streams and improve alignment across our businesses and regions.

Outlook

Canaccord Genuity Capital Markets continues to advance its market position as a mid-market leader in many of the Company's key markets. Management intends to focus on capturing operating efficiencies and strengthening profitability through further integration of our global capital markets platform and by further enhancing cross-border coordination among our global offices.

The Company expects continued benefits from its investments to grow contributions from higher-margin advisory activities. The acquisition of US consumer focused M&A firm Sawaya Partners builds upon our existing consumer practice, while providing a strong intersection with the core focus sectors of technology/media, life sciences, and sustainability.

The dynamic nature of the operating environment for global mid-market capital markets activities requires us to maintain a level of agility in our business mix that allows us to stay competitive and meet the evolving needs of our clients. For this reason, the Company will continue to make disciplined investments with the addition of small teams in specific sector verticals or key service offerings, to further strengthen our operations in areas where we believe we can capture additional market share.

The Company continues to expand product capabilities and ancillary services aimed at enhancing its offering for its targeted midmarket client base and providing a deeper focus in its proven areas of strength. We strive to balance investments in growth with our ability to generate profit in various market environments.

The Company remains committed to operating our capital markets businesses as efficiently as possible in order to protect our capacity to deliver market-leading expertise and execution services during periods of market volatility and/or reduced activity levels in our core focus sectors and geographies. A culture of cost containment continues to be reinforced throughout the Company, and strategies to lower operating costs over the long term continue to be explored.

The prolonged remote working environment driven by the COVID-19 pandemic has led to productivity enhancements with respect to conferences, deal/non-deal roadshows and cross-border collaboration, and we expect that certain efficiencies and cost savings will continue longer-term as in-person work and events resume.

The management team believes the steps that the Company has taken to improve the international presence of Canaccord Genuity Capital Markets and focus its service offering in key growth sectors of the global economy have positioned the business very well for the future.

FINANCIAL PERFORMANCE(1)(2)

	Year ended March 31, 2022					Year ended March 31, 2021				
(C$ thousands, except number of employees)	**Canada**	**UK(5)**	**US**	**Australia**	**Total**	Canada	UK(5)	US	Australia	Total
Revenue	**341,453**	**120,355**	**667,176**	**174,090**	**1,303,074**	443,444	95,535	590,534	182,715	1,312,228
Expenses										
Compensation expense	**168,942**	**78,963**	**385,975**	**107,906**	**741,786**	224,429	63,467	335,907	119,194	742,997
Other overhead expenses	**53,675**	**28,205**	**120,831**	**14,836**	**217,547**	50,514	27,874	131,890	12,872	223,150
Development costs	**60**	**—**	**1,263**	**43**	**1,366**	(393)	—	5,206	1,042	5,855
Acquisition-related costs	**—**	**—**	**537**	**—**	**537**	4,644	—	—	—	4,644
Total expenses	**222,677**	**107,168**	**508,606**	**122,785**	**961,236**	279,194	91,341	473,003	133,108	976,646
Intersegment allocations(3)	**14,526**	**1,484**	**3,248**	**749**	**20,007**	12,449	1,027	4,392	395	18,263
Income (loss) before income taxes(3)	**$ 104,250**	**$ 11,703**	**$ 155,322**	**$ 50,556**	**$ 321,831**	$ 151,801	$ 3,167	$ 113,139	$ 49,212	$ 317,319
Non-controlling interests(2)	**—**	**—**	**—**	**6,581**	**6,581**	—	—	—	**5,301**	**5,301**
Excluding significant items(4)										
Total revenue	**341,453**	**120,355**	**667,176**	**174,090**	**1,303,074**	443,444	95,535	590,534	182,715	1,312,228
Total expenses	**222,301**	**107,168**	**506,238**	**122,785**	**958,492**	271,998	91,341	472,585	133,108	969,032
Intersegment allocations(3)	**14,526**	**1,484**	**3,248**	**749**	**20,007**	12,449	1,027	4,392	395	18,263
Income (loss) before income taxes(3)	**$ 104,626**	**$ 11,703**	**$ 157,690**	**$ 50,556**	**$ 324,575**	$ 158,997	$ 3,167	$ 113,557	$ 49,212	$ 324,933
Number of employees	**278**	**143**	**378**	**91**	**890**	274	131	319	84	808

(1) Financial measures are s in accordance with IFRS except for figures excluding significant. See Non-IFRS Measures on page 14.
(2) The operating results of the Australian operations have been fully consolidated and a non-controlling interest of 15% has been recognized for the first nine months of fiscal 2022 and 32.7% for the fourth quarter of fiscal 2022 due to the share reorganization in Australia on January 3, 2022 [March 31, 2021 – 15%].
(3) Income before income taxes includes intersegment allocations and excludes non-controlling interests. See the Intersegment Allocated Costs section on page 41.
(4) Refer to the Selected Financial Information Excluding Significant Items table on page 25.
(5) Includes our Dubai based operations.

REVENUE – CANACCORD GENUITY CAPITAL MARKETS

REVENUE BY GEOGRAPHY AS A PERCENTAGE OF CANACCORD GENUITY CAPITAL MARKETS REVENUE

	For the years ended March 31		
	2022	2021	2022/2021 change
Revenue generated in:			
Canada	**26.2%**	33.8%	(7.6) p.p
UK & Europe	**9.2%**	7.3%	1.9 p.p
US	**51.2%**	45.0%	6.2 p.p
Australia	**13.4%**	13.9%	(0.5) p.p
Canaccord Genuity Capital Markets (total)	**100%**	100%	

p.p.: percentage points

Canaccord Genuity Capital Markets generated revenue of $1.3 billion, a decrease of $9.2 million or 0.7% compared to fiscal 2021. Our US capital markets business was the largest contributor for the twelve-month period and generated $667.2 million in revenue, an increase of 13.0% compared to the prior year. Revenue earned by the capital markets business in the UK & Europe increased by 26.0% to $120.4 million, reflecting increased contributions from the advisory businesses in the UK & Europe. Revenue earned in our Canadian and Australian businesses declined by 23.0% and 4.7% respectively when compared to the prior year's record results but remained above historic levels.

Investment banking

The Company's focus sector mix in fiscal 2022 showed continued diversity. Revenue from the Metals & Mining sector, a historic area of strength for the Company, reflects contributions from Australia and Canada. Revenue from the Technology and Life Sciences sectors was led by our US capital markets business. Investment banking revenue for the twelve-month period was $463.1 million, our second highest revenue achieved in this segment on record. Underwriting activities slowed from the elevated pace of the prior year and deals were postponed due to the uncertain backdrop, but client engagement remains high, however, and our backlog remains robust.

Canaccord Genuity Capital Markets' transactions and revenue by focus sectors are detailed below.

Investment banking revenue by sector (as a % of investment banking revenue for each geographic region)

	For the year ended March 31, 2022				
Sectors	**Global**	Canada	US	UK	Australia
Life Sciences	**18%**	19%	37%	0%	7%
Technology	**34%**	43%	54%	21%	11%
Metals & Mining	**22%**	14%	2%	5%	60%
Consumer & Retail	**5%**	3%	1%	19%	4%
Other	**21%**	21%	6%	55%	18%
Total	**100.0%**	100.0%	100.0%	100.0%	100.0%

Note for reference in the tables above: transactions with companies in the cannabis sector in Canada are included under the Life Sciences sector.

Advisory

Increasing contributions from higher-margin advisory activities continues to be an important strategic priority for the Company. Our specialized expertise in key sectors of the economy and track record of success in equity capital markets activities positions us well to unlock opportunities for our clients as they grow. We lead a wide variety of sell-side and buy-side strategic advisory mandates both domestically and cross border, and we have established leadership in alternative financing vehicles. Fiscal 2022 revenue earned through capital markets advisory activities increased 152.5% year-over-year to a new record of $488.6 million. Our US business was the largest contributor in this segment, with advisory revenue of $317.0 million, a year-over-year increase of 218.8% and a record for this business. Fiscal 2022 advisory revenue contributed by our Canadian business increased by 65.5% or $41.5 million to $105.0 million. Our UK & Europe capital markets business earned record advisory revenue of $66.6 million, a year-over-year increase of 117.8%.

Advisory fees revenue by sector (as a % of advisory fees revenue for each geographic region)

	For the year ended March 31, 2022			
Sectors	**Global**	Canada	US	UK
Life Sciences	15%	36%	9%	3%
Technology	66%	23%	85%	12%
Industrials	4%	0%	5%	0%
Metals & Mining	6%	27%	0%	3%
Consumer & Retail	7%	9%	1%	60%
Other	2%	5%	—	22%
Total	100.0%	100.0%	100.0%	100.0%

Principal trading

Revenue earned from principal trading activity amounted to $158.2 million, a decrease of $87.4 million or 35.6% compared to the prior fiscal year, primarily a reflection of lower market volatility which decreased market activity and revenue opportunities when compared to the record levels set in the prior year. Our US business contributed $144.1 million of trading revenues largely attributable to the International Equities Group.

Commissions and Fees

Commissions and Fees revenue was $174.8 million, a decrease of 17.7% compared to the prior fiscal year reflecting lower client trading activity and reduced issuer activity. Our US and Canadian operations recorded the largest decreases in commission and fees revenue compared to record levels in Q4/21.

EXPENSES – CANACCORD GENUITY CAPITAL MARKETS

Expenses in our global capital markets division for fiscal 2022 were $961.2 million, a decrease of $15.4 million or 1.6% compared to the prior year. Excluding significant items[(1)], total expenses for fiscal 2022 were $958.5 million, a decrease of $10.5 million or 1.1% compared to fiscal 2021. As a percentage of revenue, total expenses excluding significant items[(1)] decreased slightly by 0.3 percentage points compared to the year ended March 31, 2021.

Compensation expense

Compensation expense in our global capital markets division for fiscal 2022 decreased by $1.2 million or 0.2% compared to fiscal 2021. Total compensation expense as a percentage of revenue was 0.3 percentage points higher than in fiscal 2021, at 56.9% for the year ended March 31, 2022.

In Canada, Australia and UK & Europe, total compensation as a percentage of revenue decreased compared to fiscal 2021 due to changes in relative levels of fixed and variable compensation. In our US operations, total compensation expense as a percentage of revenue increased by 1.0 percentage points compared to fiscal 2021 due to changes in the composition of revenue and the variable compensation associated with different revenue streams.

Canaccord Genuity Capital Markets compensation expense as a percentage of revenue by geography

	For the years ended March 31		
	2022	2021	2022/2021 change
Canada	**49.5%**	50.6%	(1.1) p.p
UK & Europe	**65.6%**	66.4%	(0.8) p.p
US	**57.9%**	56.9%	1.0 p.p
Australia	**62.0%**	65.2%	(3.2) p.p
Canaccord Genuity Capital Markets (total)	**56.9%**	56.6%	0.3 p.p

p.p.: percentage points

Other overhead expenses

Other overhead expenses in this division were $217.5 million for fiscal 2022 compared to $223.2 million in fiscal 2021, a decrease of $5.6 million or 2.6%. The most significant decrease was in trading costs, which decreased by $19.9 million or 19.3% compared to fiscal 2021, primarily due to lower trading costs in our US operations. Development costs also decreased by $4.5 million or 76.7% as a result of lower costs incurred in our US operations.

Partially offsetting the decreases in trading and development costs was an increase in general and administrative expense of $12.5 million or 34.4% compared to fiscal 2021 largely due to a growth in promotion and travel and conference expenses as a result of the easing of COVID-19 restrictions imposed during the year.

There were $0.5 million of acquisition-related costs in fiscal 2022 in respect of the acquisition of Sawaya. There were $4.6 million of acquisition-related costs in the prior year relating to the remeasurement of contingent consideration in connection with the Jitneytrade acquisition.

INCOME BEFORE INCOME TAXES

Income before income taxes in fiscal 2022 was $321.8 million for our combined capital markets businesses, an increase of $4.5 million compared to fiscal 2021. Excluding significant items[(1)], income before income taxes, including allocated overhead expenses, decreased from $324.9 million in fiscal 2021 to $324.6 million in fiscal 2022.

CANACCORD GENUITY WEALTH MANAGEMENT

Overview

The Company has wealth management operations in Canada, the UK & Crown Dependencies, and Australia.

Canaccord Genuity Group's wealth management division provides a range of comprehensive financial services and investment products to individual investors (private clients), institutions and intermediaries, and charities. Revenue from wealth management operations is generated through traditional commission-based brokerage services; the sale of fee-based products and services; and client-related interest. Additionally, Investment Advisors (IAs) in Canada and Australia earn fees and commissions revenue from investment banking and venture capital transactions.

In the UK & Crown Dependencies, Canaccord Genuity Wealth Management had 16 offices in the UK, Guernsey, Jersey and the Isle of Man on March 31, 2022. Revenue earned by this business is largely generated through fee-based accounts, portfolio management, and financial planning activities. Fee-related revenue as a percentage of total revenue in this business was 78.6% for fiscal 2022. The business offers services to domestic (UK), international and European clients and provides investing options from both third party and proprietary financial products, including investment funds managed by Canaccord Genuity Wealth Management portfolio managers. This business had 220 Investment Professionals on March 31, 2022.

On March 31, 2022, Canaccord Genuity Wealth Management had 9 offices located across Canada, including Investment Advisors who are registered in the US. Fee-related revenue as a percentage of total revenue in this business increased to 39.5% for the year ended March 31, 2022 compared to 28.5% for fiscal 2021. This business had 146 Advisor teams on March 31, 2022.

In Australia, Canaccord Genuity Wealth Management had 9 offices on March 31, 2022. This business had 115 Advisor teams on March 31, 2022.

Outlook

Our strategic shift to strengthening contributions from our global wealth management segment will continue to be a major strategic focus for the Company. Management's priorities for Canaccord Genuity Wealth Management will be focused on growing assets under administration and management and increasing the proportion of fee-based revenue as a percentage of total revenue. By increasing recurring revenue streams, we expect to meaningfully make our business less sensitive to changes in market conditions and trading activity associated with transaction-based revenue.

We continue to explore a range of opportunities for profitable growth in our global wealth management segment. Alongside investments in talent and acquisitions, we are actively building our specialist network in technology, sustainability, and other growth areas, to keep pace as investors continue to reshape their investment needs.

The Company will continue to pursue strategic opportunities to increase the scale of its wealth management business in the UK & Crown Dependencies.

On December 14, 2021, the Company, through CGWM UK, entered into a share purchase agreement to acquire Punter Southall Wealth ("PSW"), including the intermediary facing brand Psigma from Punter Southall Group. This acquisition represented an opportunity for CGWM UK to build upon its exceptional growth to date and advance its priority of becoming an integrated wealth manager of scale. Completion of this acquisition was announced on May 31, 2022. In connection with the closing of the acquisition, CGWM UK added £100 million (C$169.2 million) to its existing bank facility. In addition, HPS on behalf of investment accounts and funds it manages made an additional investment in CGWM UK on closing of the acquisition through the purchase of a new series of convertible preferred shares of CGWM UK in the amount of £65.3 million (C$110.5 million). With this investment, and with the small equity component to be issued in connection with the acquisition, the Company's effective as-converted interest in CGWM UK will be reduced from approximately 73.5% to approximately 66.9%.

In Canada, the Company continues to pursue opportunities for profitable growth with a focus on enhancing margins, managing costs, and growing the business through targeted recruitment and other initiatives aimed at increasing client assets. An important focus is the recruiting and retention of investment advisors. While the recruiting environment remains competitive, our ability to attract and retain high quality advisors is based on the benefits of our independent platform, which provides access to global resources and expertise, supported by investments to advance our technology and product offering, and a multi-year track record of revenue and profitability growth. Investment Advisors have found opportunities to grow their businesses faster and more sustainably on our platform. We offer Investment Advisors resources to help them grow their businesses and the opportunity to participate in conferences and industry events. We maintain a strong focus on investing in technology and training programs and building a comprehensive suite of premium products targeted at attracting high net worth investors and helping advisors grow their businesses.

In Australia, the Company intends to continue to build upon the success of its expanded wealth management operations. Continued expansion is expected to occur through targeted recruiting and the build-out of wealth management services and products in this market, in addition to the leveraging of the benefits provided by its connection to Canaccord Genuity's leading capital markets business in the region. The robust market for financing activities for small-cap companies during fiscal 2022 drove increased collaboration with our capital markets group in the region, and we expect this will drive future benefits as we advance our strategic priorities. We will also endeavour to convert an additional $17.5 billion held on this business' trading platform to higher revenue-generating assets.

FINANCIAL PERFORMANCE – CANACCORD GENUITY WEALTH MANAGEMENT NORTH AMERICA(1)(2)

(C$ thousands, except AUM and AUA (in C$ millions), number of employees, Advisory Teams and % amounts)	For the years ended March 31 2022	2021	2022/2021 change	
Revenue	**$ 335,279**	$ 324,041	$ 11,238	3.5%
Expenses				
Compensation expense	**198,197**	193,934	4,263	2.2%
Other overhead expenses	**60,079**	51,423	8,656	16.8%
Total expenses	**$ 258,276**	$ 245,357	$ 12,919	5.3%
Intersegment allocations(3)	**20,659**	16,065	4,594	28.6%
Income before income taxes(3)	**$ 56,344**	$ 62,619	$ (6,275)	(10.0)%
AUM (discretionary)(4)	**8,482**	6,307	2,175	34.5%
AUA(5)	**37,881**	32,240	5,641	17.5%
Number of Advisory Teams	**146**	145	1	0.7%
Number of employees	**489**	454	35	7.7%
Excluding significant items(6)				
Total expenses	**$ 258,276**	$ 245,357	$ 12,919	5.3%
Intersegment allocations(3)	**20,659**	16,065	4,594	28.6%
Income before income taxes(3)	**$ 56,344**	$ 62,619	$ (6,275)	(10.0)%

(1) Financial measures are in accordance with IFRS except for figures excluding significant items. See Non-IFRS Measures on page 14.
(2) Includes Canaccord Genuity Wealth Management operations in Canada and the US.
(3) Income before income taxes includes intersegment allocations. See the Intersegment Allocated Costs section on page 41.
(4) AUM include all assets managed on a discretionary basis under programs that include CGWM's Managed Solutions Programs as well as its Private Investment Management Program. Services provided include the selection of investments and the provision of investment advice. See Non-IFRS Measures on page 14.
(5) AUA is the market value of client assets administered by the Company, for which the Company earns commissions or fees. AUA includes AUM.
(6) Refer to the Selected Financial Information Excluding Significant Items table on page 25.

Revenue from Canaccord Genuity Wealth Management North America was $335.3 million, an increase of $11.2 million or 3.5% from fiscal 2021, driven by higher commissions and fees revenue partially offset by lower investment banking revenue resulting from lower new issue activity.

AUA in Canada increased by 17.5% to $37.9 billion on March 31, 2022 from $32.2 billion on March 31, 2021, as a result of a growth in market values as well as net inflow of new assets. There were 146 Advisory Teams in Canada, an increase of one from a year ago. The fee-based revenue in our North American operations was 10.9 percentage points higher than in the prior year and accounted for 39.5% of the wealth management revenue earned in Canada during the year ended March 31, 2022.

Expenses for fiscal 2022 were $258.3 million, an increase of $12.9 million or 5.3% from fiscal 2021. Total expenses as a percentage of revenue increased slightly by 1.3 percentage points compared to last year.

Compensation expense increased by $4.3 million or 2.2% compared to the prior year. Total compensation expense as a percentage of revenue decreased slightly by 0.7 percentage points compared to last year to 59.1% in fiscal 2022.

Other overhead expenses as a percentage of revenue increased by 2.0 percentage points compared to fiscal 2021. General and administrative expense increased by $3.3 million or 38.4% due to higher conference costs. Communication and technology costs also increased by $2.5 million or 56.2% in order to support the increased headcount in this operation. Development costs increased by $1.8 million as a result of the amortization of incentive-based payments to new recruits.

Income before income taxes for fiscal 2022 was $56.3 million, a decrease of $6.3 million or 10.0% compared to the prior year primarily due to the increase in overhead expenses as described above.

FINANCIAL PERFORMANCE – CANACCORD GENUITY WEALTH MANAGEMENT UK & CROWN DEPENDENCIES(1)(5)

(C$ thousands, except AUM (in C$ millions), number of employees, investment professionals and fund managers, and % amounts)	For the years ended March 31 2022	2021	2022/2021 change	
Revenue	$ 310,495	$ 277,329	$ 33,166	12.0%
Expenses				
Compensation expense	162,618	149,095	13,523	9.1%
Other overhead expenses	79,645	78,423	1,222	1.6%
Acquisition-related costs	8,660	1,278	7,382	n.m.
Total expenses	250,923	228,796	22,127	9.7%
Intersegment allocations(2)	1,758	1,208	550	45.5%
Income before income taxes(2)	57,814	47,325	10,489	22.2%
Non-controlling interest(6)	16,879	—	16,879	n.m.
AUM(3)	52,830	52,298	532	1.0%
Number of investment professionals and fund managers	220	202	18	8.9%
Number of employees	581	528	53	10.0%
Excluding significant items(4)				
Total expenses	$ 223,895	$ 210,862	$ 13,033	6.2%
Intersegment allocations(2)	1,758	1,208	550	45.5%
Income before income taxes(2)	84,842	65,259	19,583	30.0%
Non-controlling interest(6)	14,386	—	14,386	n.m.

(1) Financial measures are in accordance with IFRS except for figures excluding significant items. See Non-IFRS Measures on page 14.
(2) Income before income taxes includes intersegment allocations. See the Intersegment Allocated Costs section on page 41.
(3) AUM in the UK & Europe is the market value of client assets managed and administered by the Company, for which the Company earns commissions or fees. This measure includes both discretionary and non-discretionary accounts.
(4) Refer to the Selected Financial Information Excluding Significant Items table on page 25.
(5) Includes the operating results of Thomas Miller since the acquisition date of May 1, 2019 and Adam & Company since the acquisition date of October 1, 2019.
(6) The non-controlling interests is the portion of the net income after income taxes of GWM UK not attributable to the Company

Revenue generated by our UK & Crown Dependencies operations is largely produced through fee-based accounts and portfolio management activities, and, as such, is less sensitive to changes in market conditions. Revenue for fiscal 2022 was $310.5 million, an increase of $33.2 million or 12.0% compared to fiscal 2021. Measured in local currency (GBP), revenue was £181.4 million for fiscal 2022, an increase of £20.9 million or 13.0% compared to the previous year.

AUM in the UK & Crown Dependencies as of March 31, 2022 was $52.8 billion, an increase of 1.0% compared to $52.3 billion as of March 31, 2021 Measured in local currency (GBP), AUM increased by 6.4% compared to March 31, 2021. The fee-related revenue in our UK & Crown Dependencies wealth management operations accounted for 78.6% of total revenue in this geography in fiscal 2022, an increase of 6.5 percentage points compared to last year.

With over three quarters of the business' revenue derived from recurring, fee-based activities, the revenue generated through CGWM UK helps to improve the stability of its overall performance. Client holdings in our in-house investment management products exceed $1 billion and are attracting growing interest from both domestic and international intermediaries.

Compensation expense was $162.6 million, a $13.5 million increase from $149.1 million in fiscal 2021. Total compensation expense as a percentage of revenue decreased slightly by 1.4 percentage points from 53.8% in fiscal 2021 to 52.4% in fiscal 2022.

Other overhead expenses for the year ended March 31, 2022 increased by $1.2 million or 1.6% compared to the prior year. The largest increase in overhead expenses was interest expense, which increased by $2.3 million or 62.3% year over year as a result of additional borrowing costs in connection with the bank loan obtained for the acquisition of Adam & Company. Premises and equipment expense increased by $1.7 million or 45.7% due to the reorganization of certain office locations. Amortization expense also increased by $1.2 million or 7.3% compared to fiscal 2021 as a result of the amortization of intangible assets related to the Adam & Company acquisition.

Offsetting the increased expenses discussed above is a reduction in general and administrative expense of $1.2 million or 6.0%, largely due to lower professional fees and a reduction in reserves in connection with legal matters. Development costs decreased by $0.8 million or 12.8% compared to the prior year due to lower incentive-based costs related to prior acquisitions.

There were acquisition-related costs of $8.7 million recorded during fiscal 2022 related to the acquisition of Adam & Company and the acquisition of Punter Southwall Wealth Limited completed on May 31, 2022 in our UK wealth management operation. During the year ended March 31, 2021, the Company also recorded $1.3 million of acquisition-related costs in connection with various acquisitions and reorganization.

Income before income taxes was $57.8 million compared to $47.3 million in the prior year largely due to the increased revenue, along with a modest decline in compensation ratio and overhead costs. Excluding significant items[1], income before income taxes was $84.8 million, an increase of $19.6 million or 30.0% from the prior year, reflecting the growth in net contribution from this region.

(1) Figures excluding significant items are non-IFRS measures. See Non-IFRS Measures on page 14.

FINANCIAL PERFORMANCE – CANACCORD GENUITY WEALTH MANAGEMENT AUSTRALIA[1]

(C$ thousands, except AUM (in C$ millions), number of employees, investment professionals and fund managers, and % amounts)	For the years ended March 31 2022	2021	2022/2021 change	
Revenue	$ 74,633	$ 62,249	$ 12,384	19.9%
Expenses				
Compensation expense	51,505	42,084	9,421	22.4%
Other overhead expenses	16,024	13,239	2,785	21.0%
Total expenses	67,529	55,323	12,206	22.1%
Intersegment allocations[2]	253	15	238	n.m.
Income before income taxes[2]	6,851	6,911	(60)	(0.9)%
Non-controlling interest[5]	791	715	76	10.6%
AUM[3]	5,352	4,228	1,124	26.6%
Number of investment professionals and fund managers	115	110	5	4.5%
Number of employees	222	204	18	8.8%
Excluding significant items[4]				
Total expenses	$ 67,055	$ 54,837	$ 12,218	22.3%
Intersegment allocations[2]	253	15	238	n.m.
Income before income taxes[2]	7,325	7,397	(72)	(1.0)%
Non-controlling interest[5]	791	726	76	10.6%

(1) Financial measures are in accordance with IFRS except for figures excluding significant items. See Non-IFRS Measures on page 14.
(2) Income before income taxes includes intersegment allocations. See the Intersegment Allocated Costs section on page 41.
(3) AUM is the market value of client assets managed and administered by the Company, for which the Company earns commissions or fees. This measure includes both discretionary and non-discretionary accounts.
(4) Refer to the Selected Financial Information Excluding Significant Items table on page 25.
(5) The non-controlling interest is the portion of the net income after income taxes of Canaccord Genuity Wealth Management Australia not attributable to the Company.
n.m.: not meaningful (percentages over 300% are indicated as n.m.)

During the year ended March 31, 2022, Canaccord Genuity Wealth Management Australia generated revenue of $74.6 million compared to $62.2 million in fiscal 2021. AUM increased to $5.4 billion at March 31, 2022, an increase of $1.1 billion or 26.6% compared to March 31, 2021. In addition, client assets[1] totalling $17.5 billion are also held on record in other less active accounts on our Australian wealth management platforms compared to $15.8 billion as of March 31, 2021. Fee-related revenue in our Australian operations as a percentage of total revenue accounted for 27.1% of the wealth management revenue during fiscal 2022, an increase of 1.0 percentage point compared to the prior year.

Total expenses were $67.5 million, an increase of $12.2 million or 22.1% compared to the year ended March 31, 2021.

Compensation expense was $51.5 million in fiscal 2022 compared to $42.1 million in fiscal 2021. Total compensation expense as a percentage of revenue was 69.0% for the year ended March 31, 2022, an increase of 1.4 percentages points compared to the prior year due to compensation costs related to new recruits hired during the fourth quarter of fiscal 2022.

Overhead costs as a percentage of revenue increased slightly by 0.2 percentage points compared to the prior year. The most significant increases in overhead costs include a $1.1 million or 34.4% increase in general and administrative expense to support the growth in this operation, as well as a $2.3 million increase in development costs which resulted from amortization of incentive-based payments to new recruits and other recruiting costs.

Income before income taxes was $6.9 million, unchanged from the prior year. Excluding significant items[1], income before income taxes was $7.3 million, a decrease of $0.1 million from the prior year.

CORPORATE AND OTHER SEGMENT

Overview

The Corporate and Other segment includes Pinnacle Correspondent Services, interest, foreign exchange revenue, and expenses not specifically allocable to Canaccord Genuity Capital Markets or Canaccord Genuity Wealth Management.

Pinnacle Correspondent Services provides trade execution, clearing, settlement, custody, and other middle- and back-office services to other introducing brokerage firms, portfolio managers and financial intermediaries. This business unit was developed as an extension and application of the Company's substantial investment in its information technology and operating infrastructure.

Also included in this segment are the Company's administrative, operational and support services departments, which are responsible for front- and back-office information technology systems, compliance and risk management, operations, legal, finance, and other administrative functions. The Company has 405 employees in the Corporate and Other segment. Most of the Company's corporate support functions are based in Vancouver and Toronto, Canada.

Our operations group is responsible for processing securities transactions, including the clearing and settlement of securities transactions, account administration and custody of client securities. The finance department is responsible for internal financial accounting and controls, and external financial and regulatory reporting, while the compliance department is responsible for client credit and account monitoring in relation to certain legal and financial regulatory requirements. The Company's risk management and compliance activities include procedures to identify, control, measure and monitor the Company's risk exposure at all times.

FINANCIAL PERFORMANCE- CORPORATE AND OTHER SEGMENT[1]

	For the years ended March 31			
(C$ thousands, except number of employees and % amounts)	2022	2021	2022/2021 change	
Revenue	$ 22,521	$ 31,841	$ (9,320)	(29.3)%
Expenses				
Compensation expense	94,078	99,785	(5,707)	(5.7)%
Other overhead expenses	21,048	26,603	(5,555)	(20.9)%
Change in fair value of derivative liability	8,519	—	8,519	n.m.
Costs associated with redemption of convertible debentures[3]	5,932	4,354	1,578	36.2%
Share of loss of an associate	192	922	(730)	(79.2)%
Total expenses	129,769	131,664	(1,895)	(1.4)%
Intersegment allocations[2]	(42,677)	(35,551)	(7,126)	(20.0)%
Loss before income taxes[2]	(64,571)	(64,272)	(299)	(0.5)%
Number of employees	405	362	43	11.9%
Excluding significant items[4]				
Revenue	$ 17,121	$ 17,641	$ (520)	(2.9)%
Total expenses	115,318	127,310	(11,992)	(9.4)%
Intersegment allocations[2]	(42,677)	(35,551)	(7,126)	(20.0)%
Loss before income taxes[2]	(55,520)	(74,118)	18,598	25.1%

(1) Financial measures are in accordance with IFRS except for figures excluding significant items. See Non-IFRS Measures on page 14.
(2) Loss before income taxes includes intersegment allocations. See the Intersegment Allocated Costs section on page 41.
(3) During the year ended March 31, 2022, the Company entered into a credit agreement for a senior secured first lien term loan facility ("loan facility") to partially fund the redemption of the convertible debentures, completed on April 8, 2022. Transaction costs incurred in connection with the loan facility are recognized on an amortized cost basis and included in the effective interest rate of the facility. Interest associated with this loan facility is included in costs associated with redemption of convertible debentures for the year ended March 31, 2022. During the year ended March 31, 2021, the Company recorded $4.2 million of loss and other costs in connection with the extinguishment of the convertible debentures.
(4) Refer to the Selected Financial Information Excluding Significant Items table on page 25.
n.m.: not meaningful (percentages over 300% are indicated as n.m.)

Revenue from this segment for fiscal 2022 was $22.5 million, a decrease of $9.3 million or 29.3% from fiscal 2021. During the year ended March 31, 2022, there was $5.4 million of fair value adjustment recorded on certain illiquid or restricted marketable securities. This reversal is excluded for management reporting purposes as it is not used by management to assess operating performance and is excluded for purposes of determining net income excluding significant items[1]. Future changes in the unrealized fair value of the marketable securities as determined under applicable accounting standards may be significant and will be recorded through the consolidated statements of operations.

Total expenses in this segment were $129.8 million for the year ended March 31, 2022, a decrease of $1.9 million or 1.4% compared to the prior year. The largest single contributor was a decline in interest expense of $9.7 million following the redemption of the 6.25% convertible unsecured senior subordinated debentures (convertible debentures) on April 9, 2021. Compensation costs also decreased by $5.7 million or 5.7% partially due to a lower fair value adjustment of the Company's PSU plan. Development costs decreased by $3.7 million due to accelerated amortization of certain technology intangibles recorded in the prior year. Offsetting these declines was an increase in general and administrative expense of $3.4 million or 24.8% related to higher professional fees and promotion and travel expense incurred to support our growing operations.

As discussed earlier in this MD&A, in order to partially fund the redemption of the convertible debentures, the Company entered into a loan facility of £69.0 million. Transaction costs incurred in connection with the loan facility are recognized on an amortized cost basis and included in the effective interest rate of the facility. Interest associated with this loan facility is included in costs associated with redemption of convertible debentures of $5.9 million for the year ended March 31, 2022. During fiscal 2021, the Company recorded $4.4 million of accounting loss and other costs in connection with the extinguishment of the convertible debentures.

The Convertible Preferred Shares issued to certain institutional investors and the Preference Shares issued to management and employees of CGWM UK are treated as a compound instrument comprising of an equity component, representing discretionary dividends and a liquidation preference, and a liability component that reflects a derivative to settle the instrument by delivering the economic equivalent of a variable number of common shares of CGWM UK. During the year ended March 31, 2022, there was an $8.5 million fair value adjustment recorded in connection with the derivative liability.

Loss before income taxes was $64.6 million for fiscal 2022 compared to a loss before income taxes of $64.3 million for the prior year. Excluding significant items[1], loss before income taxes was $55.5 million for the year ended March 31, 2022 compared to a loss before income taxes of $74.1 million last year.

INTERSEGMENT ALLOCATED COSTS

Included in the Corporate and Other segment are certain support services and other expenses that have been incurred to support the activities within the Canaccord Genuity Capital Markets and Canaccord Genuity Wealth Management segments in Canada. Certain trading, clearing and settlement charges are included as a trading cost in the applicable business units and as a trading cost recovery in Corporate and Other. In addition, certain overhead costs are charged by Canaccord Genuity Capital Markets UK & Europe to Canaccord Genuity Wealth Management UK & Crown Dependencies and included in intersegment allocated costs for these business units.

(1) Figures excluding significant items are non-IFRS measures. See Non-IFRS Measures on page 14.

Financial Condition

Below are selected balance sheet items for the past five years:

	Balance sheet summary as at March 31				
(C$ thousands)	**2022**	2021	2020	2019	2018
Assets					
Cash and cash equivalents	**$ 1,788,261**	$ 1,883,292	$ 997,111	$ 820,739	$ 862,838
Securities owned	**1,051,229**	1,041,583	931,467	690,499	469,217
Accounts receivable	**3,438,655**	3,973,442	3,275,841	2,656,664	2,215,837
Income taxes recoverable	**1,967**	738	5,603	2,502	1,170
Deferred tax assets	**98,224**	81,229	39,487	22,117	19,941
Investments	**22,928**	12,193	10,105	6,224	2,035
Equipment and leasehold improvements	**34,643**	23,070	24,860	25,792	30,967
Goodwill and other intangibles	**697,272**	531,038	565,587	524,757	418,731
Right of use asset	**117,066**	85,216	106,134	—	—
Total assets	**$ 7,250,245**	$ 7,631,801	$ 5,956,195	$ 4,749,294	$ 4,020,736
Liabilities and shareholders' equity					
Bank indebtedness	**$ —**	$ —	$ —	$ 9,639	$ —
Securities sold short	**567,290**	889,607	875,017	373,419	301,006
Accounts payable, accrued liabilities and provisions	**4,853,894**	5,170,957	3,680,186	3,141,977	2,647,382
Income taxes payable	**15,952**	56,285	11,721	5,415	7,851
Current portion of bank loan	**6,574**	12,119	7,042	9,294	9,679
Current portion of lease liability	**23,928**	24,311	23,417	—	—
Current portion of contingent consideration	**10,618**	17,706	57,859	—	—
Promissory note	**—**	—	—	5,832	—
Lease liability	**101,620**	70,591	88,922	—	—
Other liabilities	**75,758**	19,577	58,340	132,285	59,841
Bank loan	**145,467**	66,200	79,192	50,370	61,758
Deferred tax liabilities	**24,875**	13,552	9,903	7,978	13,715
Subordinated debt	**7,500**	7,500	7,500	7,500	7,500
Convertible debentures	**—**	168,112	128,322	127,225	57,081
Shareholders' equity	**1,178,069**	1,107,094	928,618	876,363	841,352
Non-controlling interests	**238,700**	8,190	156	1,997	13,571
Total liabilities and shareholders' equity	**$ 7,250,245**	$ 7,631,801	$ 5,956,195	$ 4,749,294	$ 4,020,736

ASSETS

Cash and cash equivalents were $1.8 billion at March 31, 2022 compared to $1.9 billion at March 31, 2021. Refer to the Liquidity and Capital Resources section for more details.

Securities owned were $1.1 billion at March 31, 2022, an increase of $9.6 million from the prior year due to an increase in equities and convertible debentures.

Accounts receivable were $3.4 billion at March 31, 2022 compared to $4.0 billion at March 31, 2021, mainly due to an increase in receivables from brokers and investment dealers.

Goodwill was $510.3 million and intangible assets were $187.0 million at March 31, 2022. At March 31, 2021, goodwill was $380.1 million and intangible assets were $150.9 million. These amounts represent the goodwill and intangible assets acquired through the purchases of Genuity Capital Markets, Collins Stewart Hawkpoint plc (CSHP), Eden Financial Ltd., Hargreave Hale, Jitneytrade, McCarthy Taylor, Petsky Prunier, Patersons, Adam & Company and Sawaya.

Right-of-use assets were $117.1 million compared to $85.2 million at March 31, 2021, mainly due to new offices in our Canadian and Australian operations, partially offset by amortization taken during the year.

Other assets, consisting of income taxes receivable, deferred tax assets, equipment and leasehold improvements, and investments were $157.8 million at March 31, 2022 compared to $117.2 million at March 31, 2021, mainly due to an increase in deferred tax assets and investments.

LIABILITIES AND SHAREHOLDERS' EQUITY

Securities sold short were $567.3 million at March 31, 2022 compared to $889.6 million at March 31, 2021, mostly due to an increase in short positions in corporate and government debt.

Accounts payable and accrued liabilities, including provisions, were $4.9 billion, a decrease of $0.3 billion from March 31, 2021, mainly due to a decrease in payables to brokers and investment dealers.

Income taxes payable decreased by $40.3 million to $16.0 million on March 31, 2022 due to tax installments made during the year.

There were also lease liabilities of $125.5 million recorded as of March 31, 2022 compared to $94.9 million as of March 31, 2021 primarily due to new offices in our Canadian and Australian operations.

As discussed earlier in this MD&A, on July 29, 2021, Convertible Preferred Shares in the amount of £125.0 million (C$218.0 million) were issued by the Company's subsidiary, CGWM UK.

The Convertible Preferred Shares and the Preference Shares issued to management and employees of CGWM UK were treated as a compound instrument comprising of an equity component, representing discretionary dividends and a liquidation preference, and a liability component that reflects a derivative to settle the instrument by delivering the economic equivalent of a variable number of common shares of CGWM UK. The equity component of the Convertible Preferred Shares and Preference Shares is included in shareholders' equity and the derivative liability component of £25.0 million (C$41.1 million) is included in other liabilities in the statement of financial position as of March 31, 2022.

During the year ended March 31, 2022, the Company paid the remaining contingent consideration in connection with the purchase of Petsky Prunier [March 31, 2021 - $29.2 million] and the deferred consideration related to the acquisition of Hargreave Hale [March 31, 2021 - $8.1 million]. As part of the acquisition of Sawaya, there was contingent consideration of $42.5 million included as other liabilities and deferred consideration of $11.4 million included as equity on the condensed consolidated statements of financial position as of March 31, 2022.

A subsidiary of the Company entered into a senior credit facility to finance a portion of the cash consideration for its acquisitions of Hargreave Hale, Thomas Miller and Adam & Company. The loan is repayable in instalments of principal and interest and matures in September 2024. The interest rate on this loan is 3.375% per annum as at March 31, 2022 [March 31, 2021 – 2.1288% per annum].

Excluding the bank loan in connection with the acquisitions of Hargreave Hale, Thomas Miller and Adam & Company as described above, subsidiaries of the Company have other credit facilities with banks in Canada and the UK for an aggregate amount of $657.0 million [March 31, 2021 – $637.1 million]. These credit facilities, consisting of call loans, letters of credit and daylight overdraft facilities, are collateralized by unpaid client securities and/or securities owned by the Company. As of March 31, 2022, there was no bank indebtedness outstanding [March 31, 2021 – $nil].

Non-controlling interests were $238.7 million at March 31, 2022 compared to $8.2 million as at March 31, 2021, an increase of $230.5 million related to the equity portion of the Convertible Preferred Shares component issued in CGWM UK. The non-controlling interests also represent 32.7% [March 31, 2021 – 15%] of the net assets of our operations in Australia.

Off-Balance Sheet Arrangements

A subsidiary of the Company has entered into secured irrevocable standby letters of credit from a financial institution totaling $3.7 million (US$2.9 million) [March 31, 2021 – $3.3 million (US$2.3 million)] as rent guarantees for its leased premises in New York.

Bank Indebtedness and Other Credit Facilities

The Company enters into call loans or overdraft positions primarily to facilitate the securities settlement process for both client and Company securities transactions. The bank indebtedness is collateralized by unpaid client securities and/or securities owned by the Company. As of March 31, 2022 and 2021, the Company had no bank indebtedness outstanding.

In the normal course of business, the Company enters into contracts that give rise to commitments of future minimum payments that affect its liquidity.

The following table summarizes Canaccord Genuity Group's long-term contractual obligations on March 31, 2022:

(C$ thousands)	Total	Fiscal 2023	Fiscal 2024 – Fiscal 2025	Fiscal 2026 and fiscal 2027	Thereafter
Premises and equipment operating leases	156,805	30,351	54,651	26,882	44,921
Bank loan(1)	167,171	11,810	155,361	—	—
Total contractual obligations	323,976	42,161	210,012	26,882	44,921

(1) Bank loan obtained to finance a portion of the cash consideration for the acquisitions of Hargreave Hale, Thomas Miller and Adam & Company . The bank loan bears interest at 3.375% [March 31, 2021 – 2.6584%] per annum and is repayable in instalments of principal and interest and matures in September 2024.

Liquidity and Capital Resources

The Company has a capital structure comprised of the equity portion of the convertible debentures, preferred shares, common shares, contributed surplus, retained earnings and accumulated other comprehensive income. On March 31, 2022, cash and cash equivalents were $1.8 billion, a decrease of $95.0 million from $1.9 billion as of March 31, 2021. During the year ended

March 31, 2022 cash used in financing activities amounted to $142.9 million due to the redemption of the convertible debenture of $168.1 million, payment of ordinary and preferred dividends of $40.3 million, payment of dividends on Convertible Preferred Shares of $7.1 million, and lease payments of $29.5 million. Partially offsetting these amounts was a net $80.0 million inflow from bank loans. Cash used in investing activities amounted to $202.0 million and included the acquisitions of Adam & Company and Sawaya at $93.3 million and $45.5 million respectively, the purchase of investments of $14.2 million and equipment and leasehold improvements purchases of $12.1 million, as well as payments of deferred and contingent consideration of $32.9 million. Cash provided by operations totalled $263.3 million principally due to cash operating profit. There was also a cash outflow of $13.4 million due to foreign exchange.

The Company's business requires capital for operating and regulatory purposes. The majority of current assets reflected on the Company's audited consolidated statements of financial position are highly liquid. The majority of the positions held as securities owned are readily marketable, and all are recorded at their fair value. Securities sold short are highly liquid securities. The fair value of these securities fluctuates daily as factors such as changes in market conditions, economic conditions and investor outlook affect market prices. Client receivables are secured by readily marketable securities and are reviewed daily for impairment in value and collectability. Receivables and payables from brokers and dealers represent the following: current open transactions that generally settle within the normal two-day settlement cycle; collateralized securities borrowed and/or loaned in transactions that can be closed within a few days on demand; and balances on behalf of introducing brokers representing net balances in connection with their client accounts.

Preferred Shares

SERIES A PREFERRED SHARES

In fiscal 2012, the Company issued 4,540,000 Cumulative 5-Year Rate Reset First Preferred Shares, Series A (Series A Preferred Shares) at a purchase price of $25.00 per share for gross proceeds of $113.5 million. The aggregate net amount recognized after deducting issue costs, net of deferred taxes of $1.0 million, was $110.8 million.

On September 1, 2021, the Company announced the reset of the dividend rate on its Series A Preferred Shares. Quarterly cumulative cash dividends, as declared, were paid at an annual rate of 3.885% for the five years ended September 30, 2021. Commencing October 1, 2021 and ending on and including September 30, 2026, quarterly cumulative dividends, if declared, will be paid at an annual rate of 4.028%. The dividend rate will be reset every five years at a rate equal to the five-year Government of Canada yield plus 3.21%.

Holders of Series A Preferred Shares had the option to convert any or all of their shares into an equal number of Cumulative Floating Rate First Preferred Shares, Series B (Series B Preferred Series), subject to certain conditions, on September 30, 2021 and have the option on September 30 every five years thereafter. The number of shares tendered for conversion by the conversion deadline of September 30, 2021 was below the minimum required to proceed with the conversion and, accordingly, no Series B Preferred Shares were issued. Series B Preferred Shares would entitle any holders thereof to receive floating rate, cumulative, preferential dividends payable quarterly, if declared, at a rate equal to the three-month Government of Canada Treasury Bill yield plus 3.21%.

The Company had the option to redeem the Series A Preferred Shares on September 30, 2021 and has the option to redeem on September 30 every five years thereafter, in whole or in part, at $25.00 per share together with all declared and unpaid dividends.

SERIES C PREFERRED SHARES

In fiscal 2013, the Company issued 4,000,000 Cumulative 5-Year Rate Reset First Preferred Shares, Series C (Series C Preferred Shares) at a purchase price of $25.00 per share for gross proceeds of $100.0 million. The aggregate net amount recognized after deducting issue costs, net of deferred taxes of $1.0 million, was $97.5 million.

On June 1, 2022, the Company announced the reset of the dividend rate on its Series C Preferred Shares. Quarterly cumulative cash dividends, as declared, are paid at an annual rate of 4.993% for the five years ending on and including June 30, 2022. Commencing July 1, 2022 and ending on and including June 30, 2027, quarterly cumulative dividends, if declared, will be paid at an annual rate of 6.837% on any outstanding Series C Preferred Shares. The dividend rate will be reset every five years at a rate equal to the five-year Government of Canada yield plus 4.03%.

Holders of Series C Preferred Shares have the option to convert any or all of their shares into an equal number of Cumulative Floating Rate First Preferred Shares, Series D (Series D Preferred Shares), subject to certain conditions, on June 30, 2022 and have the option on June 30 every five years thereafter. Series C Preferred Shares will only be converted into Series D Preferred Shares if the prescribed minimum number of Series C Preferred Shares elects to convert to Series D Preferred Shares by the election deadline. Series D Preferred Shares would entitle any holders thereof to receive floating rate, cumulative, preferential dividends payable quarterly, if declared, at a rate equal to the three-month Government of Canada Treasury Bill yield plus 4.03%.

On May 24, 2022, the Company announced that it does not intend to exercise its option to redeem the Series C Preferred Shares on June 30, 2022. The Company has the option to redeem on June 30 every five years thereafter, in whole or in part, at $25.00 per share together with all declared and unpaid dividends.

CONVERTIBLE DEBENTURES

On April 9, 2021, the Company completed the redemption of its 6.25% convertible unsecured senior subordinated debentures for $168.1 million.

Outstanding Share Data

	Outstanding shares as of March 31	
	2022	2021
Preferred shares		
Series A – issued shares outstanding	**4,540,000**	4,540,000
Series C – issued shares outstanding	**4,000,000**	4,000,000
Common shares		
Issued shares excluding unvested shares(1)	**88,057,175**	95,791,083
Issued shares outstanding(2)	**99,697,799**	108,191,331
Issued shares outstanding – diluted(3)	**104,500,074**	112,567,757
Average shares outstanding – basic	**94,871,398**	96,658,863
Average shares outstanding – diluted(4)	**109,434,474**	108,618,446

(1) Excludes 122,355 outstanding unvested shares related to share purchase loans for recruitment, 11,023,169 unvested shares purchased by the employee benefit trusts for the LTIP and 495,100 shares committed to repurchase under NCIB.

(2) Includes 122,355 unvested shares related to share purchase loans for recruitment, 11,023,169 unvested shares purchased by the employee benefit trusts for the LTIP and 495,100 shares committed to repurchase under the NCIB

(3) Includes 4,802,275 of share issuance commitments net of forfeitures.

(4) This is the diluted share number used to calculate diluted EPS.

In a substantial issuer bid that commenced on December 22, 2021 and expired on January 27, 2022, the Company made an offer (the "Offer") to purchase for cancellation up to $100.0 million of its common shares. The Offer was made by way of a "modified Dutch auction", which allowed shareholders who chose to participate in the offer to individually select the price, within a price range of not less than $15.50 per common share and not more than $16.50 per common share (in increments of $0.10 per common share), at which they were willing to sell their common shares. Upon expiry of the offer, the Company determined that $15.50 was the lowest purchase price that allowed it to purchase the maximum number of common shares properly tendered to the offer, and not properly withdrawn, having an aggregate purchase price of approximately $100.0 million. The Company therefore purchased for cancellation 6,451,612 of its common shares at a purchase price of $15.50 per share. Common shares are reduced by the number of shares estimated to be repurchased at the weighted average share value, with the excess recorded as a reduction to contributed surplus and retained earnings.

On August 18, 2021, the Company filed a notice to renew the normal course issuer bid (NCIB) to provide the Company with the choice to purchase up to a maximum of 5,342,990 of its common shares during the period from August 21, 2021 to August 20, 2022 through the facilities of the TSX and on alternative trading systems in accordance with the requirements of the TSX. The purpose of the purchase of common shares under the NCIB is to enable the Company to acquire shares for cancellation. The maximum number of shares that may be purchased under the current NCIB represents 5.0% of the Company's outstanding common shares at the time of the notice. During the year ended March 31, 2022, there were 3,401,116 shares purchased under the NCIB, of which 83,000 shares have not been cancelled as of March 31, 2022. There were also 70,000 shares purchased under the NCIB during the year ended March 31, 2021 and cancelled during fiscal 2022.

The Company has entered into a predefined plan with a designated broker to allow for the repurchase of its common shares under this NCIB. The Company's broker may repurchase the common shares under the plan on any trading day during the NCIB, including at any time during the Company's internal trading blackout periods. The plan has been reviewed by the TSX and will terminate on the earlier of the termination of the plan by the Company in accordance with its terms and the expiry of the NCIB.

The ability to make purchases under the current NCIB commenced on August 21, 2021 and will continue for one year (to August 20, 2022) at the discretion of the Company. The maximum consideration will be the market price of the securities at the time of acquisition. In order to comply with the trading rules of the TSX, the daily purchases are limited to 105,393 common shares of the Company (which is 25% of the average daily trading volume of common shares of the Company on the TSX (ADTV) in the six calendar months from February 2021 to July 2021 (25% of the ADTV of 421,574)). During the period of the substantial issuer bid described above, no purchases of common shares under the NCIB were effected.

As of May 31, 2022, the Company has 99,194,132 common shares issued and outstanding.

ISSUANCE AND CANCELLATION OF COMMON SHARE CAPITAL

Balance, March 31, 2021	**108,191,331**
Shares issued in connection with settlement of Petsky Prunier deferred consideration	736,850
Shares issued in connection with exercise of performance stock options	609,046
Shares purchased and cancelled under the substantial course issuer bid	(6,451,612)
Shares purchased and cancelled under the normal course issuer bid	(3,387,816)
Balance, March 31, 2022	**99,697,799**

Share-Based Payment Plans

LONG-TERM INCENTIVE PLAN

Under the long-term incentive plan (LTIP), eligible participants are awarded restricted share units (RSUs), which generally vest over three years. For employees in Canada, the United States, the Channel Islands, Australia and the United Kingdom, employee benefit trusts (the Trusts) have been established. The Company or certain of its subsidiaries, as the case may be, fund the Trusts with cash which is used by the trustees to purchase common shares on the open market that will be held in the Trusts until the RSUs vest.

INDEPENDENT DIRECTOR DEFERRED SHARE UNITS

Beginning April 1, 2011, the Company adopted a deferred share unit (DSU) plan for its independent directors. From August 7, 2020, half of the independent directors' annual fee was paid in the form of DSUs. Directors may elect annually to use more of their directors' fees for DSUs. When a director leaves the Board of Directors, outstanding DSUs are paid out in cash with the amount equal to the number of DSUs held multiplied by the volume weighted average price of the Company's common shares for the ten trading days immediately preceding a date elected in advance by the outgoing director as the valuation date at any time between their ceasing to be a director and December 1 of the following calendar year. Under the plan, the directors are not entitled to receive any common shares in the Company, and under no circumstances will DSUs confer on any participant any of the rights or privileges of a holder of common shares.

EXECUTIVE EMPLOYEE DEFERRED SHARES UNITS

On June 1, 2021, the Company adopted a deferred share unit (DSUs) plan for certain key senior executives. All DSU awards will be cash settled on the retirement of the employee, a "good leaver" departure after three years from the date of grant, or death. The DSUs are settled in cash one year after the participants' departure from the Company under certain conditions of the plan.

PERFORMANCE SHARE UNITS

The Company adopted a performance share unit (PSU) plan for certain senior executives. The PSUs are a notional equity-based instrument linked to the value of the Company's common shares. At the end of a three-year vesting period, the number of PSUs which vest is a multiple of the number of PSUs originally granted ranging from 0x to 2x based upon performance against certain metrics pre-determined for each annual grant. The PSUs cliff-vest on the third anniversary of the date of the grant. The number of PSUs that vest is also adjusted for dividends paid during the vesting period. The PSUs are settled in cash, based on the market price of the Company's shares at the time of vesting.

The PSUs were measured at fair value on the grant date. Changes in value of the PSUs at each reporting period are amortized over the remaining vesting period and recorded as a compensation expense in the statement of operations. During the year ended March 31, 2021, the PSU plan was amended to include certain employment-related conditions to the vesting of the awards resulting in a change in the periodic expense recorded during the vesting period.

PERFORMANCE SHARE OPTIONS

The Company created a performance share option (PSO) plan for certain senior executives. The PSOs have a term of five years and will time-vest rateably over four years (with one-third vesting on each of the second, third and fourth anniversaries of the date of the grant). The PSOs will also be subject to market (stock price) performance vesting conditions and have a four times exercise price cap on payout value (i.e., the gain on the exercise of the options is limited to three times the exercise price).

OTHER RETENTION AND INCENTIVE PLANS

There were other retention and incentive plans, including the employee stock purchase plan, with individual employees, for which the amount incurred was not significant in the aggregate.

Related Party Transactions

The Company's related parties include the following persons and/or entities: (a) entities that are controlled or significantly influenced by the Company, and (b) key management personnel, who are comprised of the directors of the Company, as well as executives involved in strategic decision-making for the Company.

The Company's trading subsidiaries and intermediate holding companies are listed in the following table:

		% equity interest	
	Country of incorporation	**March 31, 2022**	March 31, 2021
Canaccord Genuity Corp.	Canada	**100%**	100%
CG Investments Inc.	Canada	**100%**	100%
CG Investments Inc. III	Canada	**100%**	100%
CG Investments Inc. IV	Canada	**100%**	100%
CG Investments Inc. V	Canada	**100%**	100%
CG Investments Inc. VI	Canada	**100%**	100%
CG G Sponsors Inc. I	Canada	**100%**	100%
Jitneytrade Inc.	Canada	**100%**	100%
Finlogik Inc.	Canada	**100%**	100%
Finlogik Tunisie SARL	Tunisia	**75%**	75%
Canaccord Genuity SAS	France	**100%**	100%
Canaccord Genuity Wealth (International) Limited*	Guernsey	**96.7%**	100%
Canaccord Genuity Financial Planning Limited*	United Kingdom	**96.7%**	100%
Canaccord Genuity Wealth Limited*	United Kingdom	**96.7%**	100%
Canaccord Genuity Wealth Group Limited*	United Kingdom	**96.7%**	100%
Canaccord Genuity Wealth (International) Holdings Limited*	Guernsey	**96.7%**	100%
Hargreave Hale Limited*	United Kingdom	**96.7%**	100%
CG Wealth Planning Limited*	United Kingdom	**96.7%**	100%
Adam & Company Investment Management Limited*	United Kingdom	**96.7%**	100%
Canaccord Genuity Limited	United Kingdom	**100%**	100%
Canaccord Genuity Wealth Group Holdings Ltd.	Canada	**100%**	100%
Canaccord Genuity LLC	United States	**100%**	100%
Canaccord Genuity Wealth Management (USA) Inc.	United States	**100%**	100%
Canaccord Genuity Wealth & Estate Planning Services Ltd.	Canada	**100%**	100%
Canaccord Genuity Petsky Prunier LLC	United States	**100%**	100%
Canaccord Adams Financial Group Inc.	United States	**100%**	100%
Collins Stewart Inc.	United States	**100%**	100%
Canaccord Genuity (2021) LLC	United States	**100%**	100%
Canaccord Genuity Finance Corp.	Canada	**100%**	100%
Canaccord Adams (Delaware) Inc.	United States	**100%**	100%
Canaccord Genuity Securities LLC	United States	**100%**	100%
CG Sawaya, LLC	United States	**100%**	100%
Canaccord Genuity (2021) Holdings ULC	Canada	**100%**	100%
Canaccord Genuity (2021) Limited Partnership	Canada	**100%**	100%
Canaccord Genuity (2021) GP ULC	Canada	**100%**	100%
Stockwave Equities Ltd.	Canada	**100%**	100%
Canaccord Genuity Group Finance Company Ltd.	Canada	**100%**	100%
Canaccord Genuity Emerging Markets Ltd.	Bahamas	**100%**	n/a
Canaccord Genuity (Hong Kong) Limited	China (Hong Kong SAR)	**100%**	100%
Canaccord Financial Group (Australia) Pty Ltd**	Australia	**65%**	80%
Canaccord Genuity (Australia) Limited**	Australia	**65%**	80%
Canaccord Genuity Financial Limited*	Australia	**65%**	80%
Patersons Asset Management Limited**	Australia	**65%**	65%
Canaccord Genuity Asia (Beijing) Limited 加通亚洲（北京）投资顾问有限公司	China	**100%**	100%
The Balloch Group Limited	British Virgin Islands	**100%**	100%
Canaccord Genuity Asia (Hong Kong) Limited	China (Hong Kong SAR)	**100%**	100%
Canaccord Genuity (Dubai) Ltd.	United Arab Emirates	**100%**	100%
Canaccord Genuity Wealth Group Holdings (Jersey) Limited*	Jersey	**96.7%**	100%
Canaccord Genuity Hawkpoint Limited	United Kingdom	**100%**	100%
Canaccord Genuity Management Company Limited	Ireland	**100%**	100%

* During the year ended March 31, 2022, the Company issued Convertible Preferred Shares to certain institutional investors and certain equity instruments in CGWM UK within the context of the transaction value reflecting a 4.3% interest in the outstanding ordinary shares of CGWM UK. On an as converted basis, convertible preferred shares, preference shares and ordinary shares issued to management and employees of CGWM UK together represent an 26.5% equity equivalent interest.

** The Company owns 65% of the issued shares of Canaccord Financial Group (Australia) Pty Ltd., Canaccord Genuity (Australia) Limited, and Canaccord Genuity Financial Limited, but for accounting purposes, as of March 31, 2022 the Company is considered to have an 67.3% interest because of the shares held in a trust controlled by Canaccord Financial Group (Australia) Pty Ltd. [March 31, 2021 – 85%]

Security trades executed for employees, officers and directors of Canaccord Genuity Group Inc. are transacted in accordance with terms and conditions applicable to all clients. Commission income on such transactions in the aggregate is not material in relation to the overall operations of Canaccord Genuity Group Inc.

The Company offers various share-based payment plans to its key management personnel, including common share purchase loans, a long-term incentive plan, a PSU plan, a PSO plan, and a DSU – senior executives plan. Independent directors have also been granted DSUs.

Disclosed in the table below are the amounts recognized as expenses related to individuals who are key management personnel as at March 31, 2022 and March 31, 2021.

(in thousands)	March 31, 2022	March 31, 2021
Short term employee benefits	$ 33,585	$ 10,663
Share-based payments	736	654
Total compensation paid to key management personnel	**$ 34,321**	$ 11,317

Accounts payable and accrued liabilities include the following balances with key management personnel:

(in thousands)	March 31, 2022	March 31, 2021
Accounts receivable	$ 12,009	$ 4,686
Accounts payable and accrued liabilities	$ 1,271	$ 1,562

Critical Accounting Policies and Estimates

The following is a summary of Canaccord Genuity Group's critical accounting estimates. The Company's significant accounting policies are in accordance with IFRS and are described in Note 5 to the audited consolidated financial statements for the year ended March 31, 2022. The Company's consolidated financial statements for the years ended March 31, 2022 and March 31, 2021 were also prepared in accordance with IFRS.

The preparation of the March 31, 2022 audited consolidated financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements. Therefore, actual results may differ from those estimates and assumptions. The significant judgments, estimates and assumptions include consolidation, revenue recognition, share-based payments, income taxes and valuation of deferred tax assets, impairment of goodwill, intangible assets and other long-lived assets, allowance for credit losses, fair value of financial instruments, capitalization of intangible assets related to software costs, and provisions. Amendments may be made to estimates relating to net assets acquired in an acquisition as well as the allocation of identifiable intangible assets between indefinite life and finite lives. Judgments, estimates and assumptions were also utilized in connection with the valuation of goodwill and intangible assets acquired in connection with the acquisitions of Patersons Securities Limited and Thomas Miller Wealth Management and Thomas Miller Investment (Isle of Man) Limited.

Significant accounting policies used and policies requiring management's judgment and estimates are disclosed in Notes 2 and 5 of the audited consolidated financial statements for the year ended March 31, 2022.

CONSOLIDATION

The Company owns 65% of the voting shares of Canaccord Genuity (Australia) Limited (CGAL) and Canaccord Genuity Financial Limited (CGF) as at March 31, 2022. The Company completed an evaluation of its contractual arrangements with the other shareholders of CGAL and CGF and the control it has over the financial and operating policies of the two subsidiaries and determined it should consolidate under IFRS 10, "Consolidated Financial Statements" (IFRS 10), as at March 31, 2022 and 2021. Therefore, the financial position, financial performance and cash flows of CGAL and CGF have been consolidated.

On January 3, 2022, the share structure for our Australian operations was reorganized through the sale of partly paid shares to selected employees of Canaccord Financial Group (Australia) Pty Ltd. (CFGA) and as a result the Company's ownership in CFGA decreased from 80% to 65%. For accounting purposes, commencing in the fourth quarter of fiscal 2022 the Company's ownership interest changed to 67.3% from 85% because of shares held in an employee trust controlled by CFGA. Accordingly, the Company has consolidated the entity and recognized a 32.7% non-controlling interest [March 31, 2021 – 15.0%], which represents the portion of net identifiable assets of CGAL and CGF not owned by the Company. Net income and each component of other comprehensive income are attributed to the non-controlling interest and to the owners of the parent.

The Company has established employee benefit trusts, which are considered special purpose entities (SPEs), to fulfill obligations to employees arising from the Company's share-based payment plans. The employee benefit trusts have been consolidated in accordance with IFRS 10 since their activities are conducted on behalf of the Company, and the Company retains the majority of the benefits and risks of the employee benefit trusts.

INTANGIBLE ASSETS

Identifiable intangible assets acquired separately are measured on initial recognition at cost. The cost of identifiable intangible assets acquired in a business combination is equal to their fair value as at the date of acquisition. Following initial recognition, identifiable intangible assets are carried at cost less any accumulated amortization and any accumulated impairment losses.

The useful lives of identifiable intangible assets are assessed to be either finite or indefinite. Identifiable intangible assets with finite lives are amortized over their useful economic lives and assessed for impairment whenever there is an indication that the identifiable intangible asset may be impaired. The amortization period and the amortization method for an identifiable intangible asset are reviewed at least annually, at each financial year end. Identifiable intangible assets with indefinite useful lives are not amortized but are tested for impairment annually.

Technology development expenditures on an individual project are recognized as an intangible asset when the Company can demonstrate that the technical feasibility of the asset for use has been established. The asset is carried at cost less any accumulated amortization and accumulated impairment losses. Amortization of the asset begins when development is complete, and the asset is available for use. It is amortized over the period of expected future benefit.

IMPAIRMENT OF NON-FINANCIAL ASSETS

The Company assesses at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs to sell and its value-in-use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount, and the impairment is recognized in the consolidated statements of operations.

In assessing fair value less costs to sell, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. The Company bases its impairment calculation on annual budget calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budget calculations generally cover a period of five years for longer periods, and a long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses are recognized in the consolidated statements of operations in expense categories consistent with the function of the impaired asset.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognized impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount or exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the consolidated statement of operations unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase.

The following assets have specific characteristics for impairment testing:

Goodwill

Goodwill is tested for impairment at least annually as at March 31 and when circumstances indicate that the carrying value may be impaired.

Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognized. Impairment losses relating to goodwill cannot be reversed in future periods.

Intangible assets

Intangible assets with indefinite useful lives are tested for impairment annually as at March 31 at the CGU level and when circumstances indicate that the carrying value may be impaired.

REVENUE RECOGNITION

Revenue is recognized either at a point in time when a single performance obligation is satisfied at once or over the period of time when a performance obligation is received and utilized by the customer over that period. The Company assesses its revenue arrangements in order to determine if it is acting as principal or agent. The main types of revenue contracts are as follows:

Commissions and fees revenue consists of revenue generated through commission-based brokerage services, recognized on a trade date basis, and the sale of fee-based products and services, recognized on an accrual basis. Realized and unrealized gains and losses on securities purchased for client-related transactions are reported as net facilitation losses and recorded net of commission revenue. Facilitation losses for the year ended March 31, 2022 were $9.1 million [2021 – $8.4 million]. Commissions are recognized at a point in time (trade date) as the performance obligation is satisfied.

Investment banking revenue consists of underwriting fees and commissions earned on corporate finance activities. The act of underwriting the securities is the sole performance obligation and revenue is recognized at the point in time when the underwriting transaction is complete.

Advisory fees consist of ongoing management and advisory fees that are recognized over the period of time that this performance obligation is delivered. Also included in advisory fees is revenue from mergers and acquisitions activities, which is recognized at the point in time when the underlying transaction is substantially completed under the engagement terms, and it is probable that a significant revenue reversal will not occur.

Principal trading revenue consists of income earned in connection with principal trading operations and is outside the scope of IFRS 15.

Interest revenue consists of interest earned on client margin accounts, interest earned on the Company's cash, interest earned on cash delivered in support of securities borrowing activity, and dividends earned on securities owned. Interest and dividend revenue is outside the scope of IFRS 15.

Other revenue includes foreign exchange gains or losses, revenue earned from correspondent brokerage services and administrative fee revenue.

INCOME TAXES

Current income tax

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amounts are those that are enacted or substantively enacted, at the reporting date, in the countries where the Company operates and generates taxable income.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Current income tax relating to items recognized directly in equity is recognized in equity and not in the consolidated statements of operations.

Deferred tax

Deferred taxes are accounted for using the liability method. This method requires that deferred taxes reflect the expected deferred tax effect of temporary differences at the reporting date between the carrying amounts of assets and liabilities for financial statement purposes and their tax bases.

Deferred tax liabilities are recognized for all taxable temporary differences, except for taxable temporary differences associated with investments in subsidiaries where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences, carryforward of unused tax credits and carryforward of unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carryforward of unused tax credits and unused tax losses can be utilized. The carrying amounts of deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilized. Unrecognized deferred tax assets are assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. Deferred tax is charged or credited in the statements of operations except where it relates to items that may be credited directly to equity, in which case the deferred tax is recognized directly against equity.

Sales tax

Revenues, expenses and assets are recognized net of the amount of sales tax, except where the amount of sales tax incurred is not recoverable from the tax authority. In these circumstances, sales tax is recognized as part of the cost of acquisition of the asset or as part of an item of the expense. The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of accounts receivable or accounts payable in the consolidated statements of financial position.

SHARE-BASED PAYMENTS

Employees (including senior executives) of the Company receive remuneration in the form of share-based payment transactions, whereby employees render services as consideration for equity instruments (equity-settled transactions). The participating employees are eligible to receive shares that generally vest over three years (the RSUs). This program is referred to as the long-term incentive plan (the "LTIP" or the "Plan").

Independent directors also receive deferred share units (DSUs) as part of their remuneration, which can only be settled in cash (cash-settled transactions). Certain executives may also receive performance stock options (PSOs) as part of their remuneration, which are equity-settled. In addition, certain senior executives receive performance share units (PSUs) as well as DSUs under the senior executives DSU plan as part of their remuneration, which can only be settled in cash (cash-settled transactions).

The dilutive effect, if any, of outstanding options and share-based payments is reflected as additional share dilution in the computation of diluted earnings (loss) per common share.

Equity-settled transactions

For equity-settled transactions, the Company measures the fair value of share-based awards as of the grant date.

RSUs issued by the Plan continue to vest after termination of employment so long as the employee does not violate certain post-termination restrictions and is not engaged in certain competitive or soliciting activities as provided in the Plan. The Company determined that the awards do not meet the criteria for an in-substance service condition, as defined by IFRS 2. Accordingly, RSUs granted as part of the normal course incentive compensation payment cycle are expensed in the period in which those awards are deemed to be earned with a corresponding increase in contributed surplus, which is generally the fiscal period in which the awards are either made or the immediately preceding fiscal year for those awards made after the end of such fiscal year but were determined and earned in respect of that fiscal year.

For certain awards, typically new hire awards or retention awards, vesting is subject to continued employment and therefore these awards are subject to a continuing service requirement. Accordingly, the Company recognizes the cost as an expense on a graded basis over the applicable vesting period with a corresponding increase in contributed surplus. The Company estimates the number of equity instruments that will ultimately vest when calculating the expense attributable to equity-settled transactions. No expense is recognized for awards that do not ultimately vest.

When share-based awards vest, contributed surplus is reduced by the applicable amount and share capital is increased by the same amount.

Cash-settled transactions

The cost of cash-settled transactions is measured initially at fair value at the grant date. The fair values of DSUs are expensed upon grant, as there are no vesting conditions. The liability is remeasured to fair value at each reporting date up to and including the settlement date, with changes in fair value recognized through the statements of operations. The PSUs were measured at fair value on grant date. Changes in value of the PSUs at each reporting period are amortized over the remaining vesting period and recorded as a compensation expense in the statement of operations as a result of certain employment-related conditions.

TRANSLATION OF FOREIGN CURRENCY TRANSACTIONS AND FOREIGN SUBSIDIARIES

The Company's consolidated financial statements are presented in Canadian dollars, which is also the Company's functional currency. Each subsidiary of the Company determines its own functional currency, and items included in the financial statements of each subsidiary are measured using that functional currency.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Company and its subsidiaries at their respective functional currencies using exchange rates prevailing at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated by the Company and its subsidiaries into their respective functional currencies at the exchange rate in effect at the reporting date. All differences upon translation are recognized in the consolidated statements of operations.

Non-monetary assets and liabilities denominated in foreign currencies are translated by the Company and its subsidiaries into their respective functional currencies at historical rates. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates in effect at the date when the fair value is determined.

Translation of foreign subsidiaries

Assets and liabilities of foreign subsidiaries with a functional currency other than the Canadian dollar are translated into Canadian dollars at rates prevailing at the reporting date, and income and expenses are translated at average exchange rates prevailing during the period. Unrealized gains or losses arising as a result of the translation of the foreign subsidiaries are recorded in accumulated other comprehensive income (loss). On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognized in the consolidated statements of operations.

The Company also has monetary assets and liabilities that are receivable or payable from a foreign operation. If settlement of the receivable or payable is neither planned nor likely to occur in the foreseeable future, the differences upon translation are recognized in accumulated other comprehensive income (loss) as these receivables and payables form part of the net investment in the foreign operation.

PROVISIONS

Provisions are recognized when the Company has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to any provision is presented in the statements of operations net of any reimbursement. If the effect of the time value of money is significant, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as an interest expense.

Financial Instruments

A significant portion of the Company's assets and liabilities is composed of financial instruments. The Company uses financial instruments for both trading and non-trading activities. The Company engages in trading activities that include the purchase and sale of securities in the course of facilitating client trades and taking principal trading positions with the objective of earning a profit.

The use of financial instruments may either introduce or mitigate exposures to market, credit and/or liquidity risks. See Risk Management in this MD&A for details on how these risks are managed. For significant assumptions made in determining the valuation of financial and other instruments, refer to Note 7 of the audited consolidated financial statements for the year ended March 31, 2022.

FOREIGN EXCHANGE

The Company manages its foreign exchange risk by periodically hedging pending settlements in foreign currencies. Realized and unrealized gains and losses related to these transactions are recognized in income during the period. On March 31, 2022, forward contracts outstanding to sell US dollars totalled US$1.8 million [March 31, 2021 – $nil]. Forward contracts outstanding to buy US dollars had a notional amount of US$2.3 million, a decrease of US$3.6 million from March 31, 2021. The fair value of these contracts was nominal. Some of the Company's operations in the US, the UK & Europe, Australia, Hong Kong and China are conducted in the local currency; however, any foreign exchange risk in respect of these transactions is generally limited as pending settlements on both sides of the transaction are typically in the local currency.

These contracts were entered into in an attempt to mitigate foreign exchange risk on pending security settlements in foreign currencies. The fair value of these contracts is nominal due to their short term to maturity.

The Company's Canaccord Genuity Wealth Management segment in the UK & Europe trades foreign exchange forward contracts on behalf of its clients and establishes matching contracts with the counterparties. The Company has no significant net exposure, assuming no counterparty default.

FUTURES

The Company's Canadian operations are involved in trading various futures contracts, in an attempt to mitigate market risk, interest rate risk, yield curve risk and liquidity risk. Futures contracts are agreements to buy or sell a standardized amount of an underlying asset, at a predetermined future date and price, in accordance with terms specified by a regulated futures exchange, and are subject to daily cash margining. The Company's Canadian operations have traditionally engaged in the trading of Canadian and US government bond futures contracts to mitigate their risk. At March 31, 2022, the notional amount of the bond futures contracts outstanding was long $9.7 million [March 31, 2021 – short $1.1 million].

The Company's Canadian operations are also involved in trading US Treasury futures in an attempt to mitigate interest rate risk, yield curve risk and liquidity risk. There were no outstanding US Treasury futures contracts outstanding as at March 31, 2022 and March 31, 2021.

The fair value of all of the above futures contracts is nominal due to their short term to maturity. Realized and unrealized gains and losses related to these contracts are recognized in net income (loss) during the reporting period.

Adoption of New and Revised Standards

There were no new accounting standards adopted for the period ended March 31, 2022.

Future Changes in Accounting Policies and Estimates

The Company monitors the potential changes proposed by the International Accounting Standards Board on an ongoing basis and analyzes the effect that changes in the standards may have on the Company's operations.

STANDARDS ISSUED BUT NOT YET EFFECTIVE

There were no standards issued, which may reasonably be expected to materially impact the Company's financial statements, but which were not yet effective as of March 31, 2022.

Disclosure Controls and Procedures and Internal Control over Financial Reporting

DISCLOSURE CONTROLS AND PROCEDURES

As of March 31, 2022, an evaluation was carried out, under the supervision of and with the participation of management, including the President & CEO and the Executive Vice President & Chief Financial Officer, of the effectiveness of our disclosure controls and procedures as defined under *National Instrument 52-109*. Based on that evaluation, the President & CEO and the

Executive Vice President & Chief Financial Officer concluded that the design and operation of these disclosure controls and procedures were effective as of and during the fiscal year ended March 31, 2022.

INTERNAL CONTROL OVER FINANCIAL REPORTING

Management, including the President & CEO and the Executive Vice President & Chief Financial Officer, has designed internal control over financial reporting as defined under *National Instrument 52-109* to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. Based on that evaluation, the President & CEO and the Executive Vice President & Chief Financial Officer concluded that the Company's internal control over financial reporting was designed and operating effectively as of and during the year ended March 31, 2022 and that there were no material weaknesses in our internal control over financial reporting.

CHANGES IN INTERNAL CONTROL OVER FINANCIAL REPORTING

There were no changes in internal control over financial reporting that occurred during the year ended March 31, 2022 that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

Risk Management

OVERVIEW

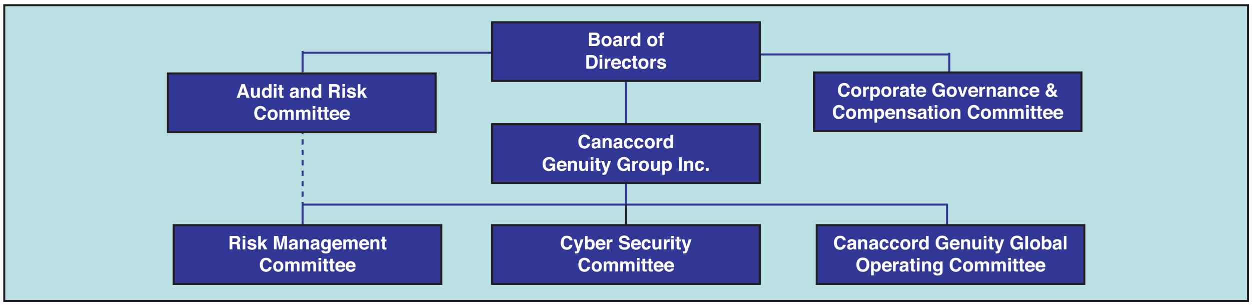
Uncertainty and risk are inherent when conducting operations within financial markets. As an active participant in the Canadian and international capital markets, the Company is exposed to risks that could result in financial losses. The Company has identified its principal risks as: market risk, credit risk, operational risk and other risks. Accordingly, risk management and control of the balance between risk and return are critical elements in maintaining the Company's financial stability and profitability. Therefore, an effective risk management framework is integral to the success of Canaccord Genuity Group Inc.

RISK MANAGEMENT STRUCTURE AND GOVERNANCE

The Company's disciplined risk management process encompasses a number of functional areas and requires frequent communication, judgment and knowledge of the business, products and markets. The Company's senior management is actively involved in the risk management process and has developed policies, procedures and reports that enable the Company to assess and control its risks. These policies and procedures are subject to ongoing review and modification as activities, markets and circumstances change.

As part of the Company's risk philosophy, the first line of responsibility for managing risk lies with branch managers, department heads and trading desk managers (within prescribed limits). The monitoring and control of the Company's risk exposure is conducted through a variety of separate, but complementary, financial, credit, operational, compliance and legal reporting systems.

The Company's governance structure includes the following elements:



The Board of Directors (the Board) has oversight of the company-wide risk management framework. These responsibilities are delegated to the Audit and Risk Management Committees. See the Company's current Annual Information Form (AIF) for details of the Audit and Risk Committee's mandate as it relates to risk management.

The Audit and Risk Committee assists the Board in fulfilling its oversight responsibility by monitoring the effectiveness of internal controls and the control environment. It also receives and reviews various quarterly and annual updates, and reports on key risk metrics as well as the overall risk management program.

The Risk Management Committee assists the Board in fulfilling its responsibilities for monitoring risk exposures against the defined risk appetite and for general oversight of the risk management process. The Risk Management Committee is led by the firm's Chief Risk Officer and committee members include the CEO, the CFO and senior management representation from the key revenue-producing businesses and functional areas of the Company. The Risk Management Committee identifies, measures and monitors the principal risks facing the business through review and approval of the Company's risk appetite, policies, procedures and limits/thresholds.

The segregation of duties and management oversight are important aspects of the Company's risk management framework. The Company has a number of functions that are independent of the revenue-producing businesses that perform risk management activities, including the monitoring, evaluating and analyzing of risk. These functions include Enterprise Risk Management, Compliance, Operations, Internal Audit, Treasury, Finance, Information Technology and Legal.

The Company's global Cybersecurity Committee exists to help identify, monitor and manage risks specific to the Company's information networks, data and internal systems. This committee is chaired by the firm's Chief Risk Officer and committee members include senior IT management from across the firm, as well as representation from Legal, Compliance, Internal Audit and Operations. The Cybersecurity Committee is focused on issues such as cybersecurity risk assessment, IT safeguards and controls, risks related to third-party service providers, employee training and awareness and incident response planning.

MARKET RISK

Market risk is the risk that a change in market prices and/or any of the underlying market factors will result in losses. Each business area is responsible for ensuring that their market risk exposure is prudent within a set of risk limits set by the Risk Management Committee and approved by the Audit and Risk Committee. In addition, the Company has established procedures to ensure that risks are measured, closely monitored, controlled and visible to senior levels of management.

The Company is exposed to equity price risk, liquidity risk and volatility risk as a result of its principal trading activities in listed options and equity securities. The Company is also exposed to specific interest rate risk, credit spread risk and liquidity risk in respect of its principal trading in fixed income securities. In addition to active supervision and review of trading activities by senior management, Canaccord Genuity Group mitigates its risk exposure through a variety of limits to control concentration, capital allocation and usage, as well as through trading policies and guidelines. The Company manages and monitors its risks in this area using both qualitative and quantitative measures, on a company-wide basis, as well as by trading desk. Management regularly reviews and monitors inventory levels and positions, trading results, liquidity profile, position aging and concentration levels. Canaccord Genuity Group also utilizes scenario analysis and a Value-at-Risk (VaR) risk measurement system for its equity and fixed income and derivative inventories. Consequently, the Company can ensure that it is adequately diversified with respect to market risk factors and that trading activity is within the risk tolerance levels established by senior management.

CREDIT RISK

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. The primary source for credit risk to Canaccord Genuity Group is in connection with trading activity by clients in the Jitneytrade trade business acquired by the Company in fiscal 2019 (now rebranded as CG Direct) and Canaccord Genuity Wealth Management business segments, including client margin accounts. In order to minimize financial exposure in this area, the Company applies a set of credit standards and conducts financial reviews with respect to clients and new accounts.

The Company provides financing to clients by way of margin lending. In margin-based lending, the Company extends credit for a portion of the market value of the securities in a client's account, up to certain limits. The margin loans are collateralized by those securities in the client's account. In connection with this lending activity, the Company faces a risk of financial loss in the event that a client fails to meet a margin call if market prices for securities held as collateral decline and if the Company is unable to recover sufficient value from the collateral held. For margin lending purposes, the Company has established risk-based limits that are generally more restrictive than those required by applicable regulatory policies. In addition, the Company has established limits to how much it will lend against an individual security or group of securities in a single sector so as to limit credit concentration risk.

Trading strategies involving derivative products, such as exchange traded options and futures carry certain levels of risk to the Company. Due to the non-linear and intrinsically leveraged nature of derivative securities, the speed at which their value changes is exacerbated, thereby potentially triggering margin calls and client-related losses. Although the Company imposes strict limits on clients trading and monitors client exposure on a real-time basis there is no certainty that such procedures will be effective in eliminating or reducing the risk of losses to the Company.

The extension of credit via margin lending is overseen by the firm's Credit Committee. The Committee meets regularly to review and discuss the firm's credit risks, including large individual loans, collateral quality, loan coverage ratios and concentration risk. The Committee will also meet, as required, to discuss any new loan arrangements proposed by senior management.

The Company also faces a risk of financial loss with respect to trading activity by clients if such trading results in overdue or unpaid amounts in under-secured cash accounts. The Company has developed a number of controls within its automated trade order management system to ensure that trading by individual account and advisor is done in accordance with customized limits and risk parameters.

The Company is engaged in various trading and brokerage activities whose counterparties primarily include broker dealers, banks, clearing agents, exchanges, financial intermediaries and other financial institutions. These activities include agency and principal trading, securities borrowing and lending, and entering into repurchase agreements and reverse repurchase agreements. In the event that counterparties do not fulfill their obligations, the Company may be exposed to risk. The risk of default depends on the creditworthiness of the counterparty and/or the issuer of the instrument. The Company manages this risk by imposing and monitoring individual and aggregate trading and position limits within each business segment, for each counterparty, conducting regular credit reviews of financial counterparties, reviewing security and loan concentrations, holding and marking to market collateral on certain transactions, and conducting business through clearing organizations that guarantee performance.

The Company records a provision for bad debts in general and administrative expense. Any actual losses arising from or associated with client trading activity as described above are charged to this provision. Historically, this provision has been sufficient to cover actual losses.

OPERATIONAL RISK

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people and systems, or from external events such as the occurrence of disasters or security threats. Operational risk exists in all of the Company's activities, including processes, systems and controls used to manage other risks. Failure to manage operational risk can result in financial loss, reputational damage, regulatory fines and failure to manage market, credit or other risks.

The Company operates in different markets and relies on its employees and internal and third-party systems to process a high number of transactions and provide other technology and support functions. In order to mitigate this risk, the Company has developed a system of internal controls and checks and balances at appropriate levels, which includes overnight trade reconciliation, control procedures related to clearing and settlement, transaction and daily value limits within all trading applications, cash controls, physical security, independent review procedures, documentation standards, billing and collection procedures, and authorization and processing controls for transactions and accounts. In addition, the Company has implemented an operational risk program that helps Canaccord Genuity Group measure, manage, report and monitor operational risk issues (see RCSA below). The Company also has disaster recovery procedures, business continuity plans and built-in redundancies in place in the event of a systems or technological failure. In addition, the Company utilizes third party service agreements and security audits where appropriate.

Risk and Control Self-Assessment (RCSA)

The purpose of RCSAs is to:

- Identify and assess key risks inherent to the business and categorize them based on severity and frequency of occurrence
- Rate the effectiveness of the control environment associated with the key risks
- Mitigate the risks through the identification of action plans to improve the control environment where appropriate
- Provide management with a consistent approach to articulate and communicate the risk profiles of their areas of responsibility
- Meet regulatory requirements and industry standards

The Company has established a process to determine what the strategic objectives of each group/unit/department are and to identify, assess and quantify operational risks that hinder the Company's ability to achieve those objectives. The RCSA results are specifically used to calculate the operational risk regulatory capital requirements for operations in the UK and operational risk exposure in all geographies. The RCSAs are periodically updated and results are reported to the Risk Management and Audit and Risk Committees.

OTHER RISKS

Other risks encompass those risks that can have an adverse material impact on the business but do not belong to market, credit or operational risk categories.

Regulatory and legal risk

Regulatory risk results from non-compliance with regulatory requirements, which could lead to fines and/or sanctions. The Company has established procedures to ensure compliance with all applicable statutory and regulatory requirements in each jurisdiction in which it operates. These procedures address issues such as regulatory capital requirements, disclosure requirements, internal controls over financial reporting, sales and trading practices, use of and safekeeping of client funds, use of and safekeeping of client data, credit granting, collection activity, anti-money laundering, insider trading, employee misconduct, conflicts of interest and recordkeeping.

Legal risk results from potential criminal, civil or regulatory litigation against the Company that could materially affect the Company's business, operations or financial condition. The Company has in-house legal counsel, as well as access to external legal counsel, to assist the Company in addressing legal matters related to operations and to defend the Company's interests in various legal actions.

Losses or costs associated with routine regulatory and legal matters are included in general and administrative expense in the Company's audited consolidated financial statements.

The Company and its affiliates provide financial advisory, underwriting and other services to, and trade the securities of issuers that are involved with, new and emerging industries, including the US cannabis industry. Activities within such industries, including the US cannabis industry, typically have not had the benefit of a history of successful operating results. In addition to the economic uncertainties associated with new industries, new activities and new issuers, the laws applicable to such industries or activities, particularly the US cannabis industry and the activities of issuers in that industry, and the effect or enforcement of such laws are undetermined, conflicting and uncertain. With respect to the US cannabis industry, cannabis continues to be a controlled substance under the United States Controlled Substances Act and as such, there is a risk that certain issuers, while in compliance with applicable state law, may be prosecuted under federal law. Accordingly, the Company has adopted policies and procedures reasonably designed to ensure compliance with the United States Currency and Foreign Transactions Reporting Act of 1970 (the *Bank Secrecy Act*) and the guidance issued by the United States Department of the Treasury Financial Crimes Enforcement Network, FIN-2014-G001 (the FinCEN Guidance) relating to providing financial services to marijuana related businesses in the United States (as that term is used in the FinCEN Guidance). While the Company takes steps to identify the risks associated with emerging industries, including the US cannabis industry, and only provides services to those issuers where it determines that there is no material risk to the Company or where any risk is unlikely to result in a material adverse consequence to the Company, there is a risk that the Company could be the subject of third party proceedings which may have a material adverse effect on the Company business, revenues, operating results and financial condition as well as the Company's reputation, even if such proceedings were concluded successfully in favour of the Company. The Company has determined that any such proceedings are unlikely and, accordingly, has not recorded a provision in respect of such matters.

Cybersecurity risk

Cybersecurity risk is the risk that the Company's information networks, data or internal systems will be damaged, disrupted, misappropriated, stolen, accessed without permission or otherwise attacked. This risk exists due to the interconnected nature of the Company's business with its clients, suppliers, vendors, partners and the public via the internet and other networks. As a result of this interconnectivity, third parties with which the Company does business or that facilitate the Company's business may also be a source of cybersecurity risk to the firm. The Company has implemented a third party risk management framework as part of onboarding new vendors and other third parties as well as vetting existing vendors. The purpose of this mitigant is to ensure all parties interacting with the Company are adhering to high standards in matters relating to cybersecurity.

The Company devotes considerable effort and resources to defending against and mitigating cybersecurity risk, including increasing awareness throughout the organization by implementing a firm-wide cybersecurity training program for all employees. The Company's management of cybersecurity risk, as well as any reported incidents, is regularly presented to both senior management via the Cybersecurity Committee and the Audit and Risk Committee of the Board of Directors.

Reputational risk

Reputational risk is the risk that an activity undertaken, or alleged to have been undertaken, by an organization or its representatives will impair its image in the community or lower public confidence in it, resulting in a loss of revenue, legal action or increased regulatory oversight. Possible sources of reputational risk could come from operational failures, non-compliance with laws and regulations, disparaging traditional or online media coverage, or leading an unsuccessful financing. The Company could face reputational risk through its association with past or present corporate finance clients who are the subject of regulatory and/or legal scrutiny. Reputational risk can also be reflected within customer satisfaction and external ratings, such as equity analyst reports. In addition to its various risk management policies, controls and procedures, the Company has a formal Code of Business Conduct and Ethics, a Business Integrity Line for reporting incidents, and an integrated program of marketing, branding, communications and investor relations to help manage and support the Company's reputation.

Pandemic risk

Pandemic risk is the risk of large-scale outbreaks of infectious diseases that can greatly increase morbidity and mortality over a wide geographic area and cause significant social and economic disruption. Such disruptions could have a negative impact on the Company's operations and could prevent the Company from operating as it would under normal conditions. The global outbreak of COVID-19 and the declaration of a pandemic by the World Health Organization in March 2020 caused a significant disruption in economic activity and resulted in a sharp downturn in global equity markets which impacted the normal operation of the Company's business. In the early stages of the outbreak, the Company overhauled its Disaster Recovery Plan in preparation for an escalation of the outbreak. This overhaul included the setup of low-latency remote access trading systems for trading desks, updates of technology solutions and the network infrastructure, load testing of remote access systems, and policy and procedural enhancements to reduce the need for manual processes to ensure the smooth operations of the business in the event of a remote working environment. Because of these efforts, the Company was well prepared and experienced no visible disruptions to its operations as a result of having most employees working from remote locations. Trading desks operated smoothly and effectively to both service clients and to limit the Company's exposure and risks in managing its own inventory and trading positions. Although the Company's systems, processes and procedures were effective in limiting the risk associated with the outbreak of the COVID-19 pandemic there is a risk that such systems, processes and procedures may not be successful in the event of future pandemics or in the event that conditions under the COVID-19 pandemic deteriorate or persist for an extended period of time. The extent to which the Company's business and financial condition will continue to be affected by the COVID-19 pandemic will depend on future developments including the spread of variants, the efficacy of vaccines against new variants, the vaccination progress and the impact of related controls and restrictions imposed by government authorities.

Significant geopolitical, economic and market risk

The Company's wealth management and capital markets businesses are by nature, subject to numerous risks including changes in the economic, political and market conditions that are outside of the Company's control. These conditions have the potential to cause reductions in investor confidence which could impact AUA growth, and activity levels in our investment banking, advisory and trading businesses. The effects of geopolitics on the global economy are difficult to predict and, in many cases, have not caused major disruptions to global economic growth. However, the war in Ukraine and the sanctions on Russia are having a substantial economic impact given their influence on global oil. commodity and agricultural markets. It is also expected that the geopolitical impacts of this crisis may have implications for decades to come. While the impacts of these factors on our business are inherently difficult to predict, such factors have the potential to adversely impact the Company's revenues. operating margins, compensation ratios and expense levels due to their possible negative impacts on market volumes, asset prices, volatility, or liquidity.

Control risk

As of March 31, 2022, senior officers and directors of the Company collectively owned approximately 14.3% of the issued and outstanding (24.0% fully diluted) common shares of Canaccord Genuity Group Inc. If a sufficient number of these shareholders act or vote together, they will have the power to exercise significant influence over all matters requiring shareholder approval, including the election of the Company's directors, amendments to its articles, amalgamations and plans of arrangement under Canadian law and mergers or sales of substantially all of its assets. This could prevent Canaccord Genuity Group from entering into transactions that could be beneficial to the Company or its other shareholders. Also, third parties could be discouraged from making a tender offer or takeover bid to acquire any or all of the outstanding common shares of the Company.

Any significant change in these shareholdings through sale or other disposition, or significant acquisitions by others of the common shares in the public market or by way of private transactions, could result in a change of control and changes in business focus or practices that could affect the profitability of the Company's business.

Restrictions on ownership and transfer of common shares

Restrictions on ownership and transfer of common shares in the articles of Canaccord Genuity Group Inc. to prevent unauthorized change in control without regulatory approval could, in certain cases, affect the marketability and liquidity of the common shares.

Risk factors

For a detailed list of the risk factors that are relevant to the Company's business and the industry in which it operates, see the Risk Factors section in the Company's current Annual Information Form (AIF). Risks include, but are not necessarily limited to, those listed in the AIF. Investors should carefully consider the information about risks, together with the other information in this document, before making investment decisions. It should be noted that this list is not exhaustive but contains risks that the Company considers to be of particular relevance. Other risk factors may apply.

Further discussion regarding risks can be found in our AIF.

Dividend Policy

Although dividends are expected to be declared and paid quarterly, the Board of Directors, in its sole discretion, will determine the amount and timing of any dividends. All dividend payments will depend on general business conditions, the Company's financial condition, results of operations, capital requirements and such other factors as the Board determines to be relevant.

Dividend Declaration

On June 2, 2022, the Board of Directors approved a dividend of $0.085 per common share, payable on June 30, 2022, with a record date of June 17, 2022.

On June 2, 2022, the Board approved a cash dividend of $0.25175 per Series A Preferred Share payable on June 30, 2022 to Series A Preferred shareholders of record as at June 17, 2022

On June 2, 2022, the Board approved a cash dividend of $0.31206 per Series C Preferred Share payable on June 30, 2022 to Series C Preferred shareholders of record as at June 17, 2022

Additional Information

Additional information relating to Canaccord Genuity Group Inc., including our Annual Information Form, is available on our website at https://www.canaccordgenuity.com/investor-relations/investor-resources/financial-reports/ and on SEDAR at www.sedar.com.