



CANACCORD GENUITY GROUP INC. REPORTS RECORD FOURTH QUARTER AND FISCAL 2021 RESULTS

Excluding significant items, record quarterly earnings per common share of \$1.20⁽¹⁾
Excluding significant items, record full fiscal year earnings per common share of \$2.48⁽¹⁾
Declares quarterly common share dividend increase to \$0.075, up from \$0.065 in the previous fiscal quarter

TORONTO, June 1, 2021 –Canaccord Genuity Group Inc. (Canaccord Genuity Group, the Company, TSX: CF) today announced its financial results for the fourth quarter and fiscal year ended March 31, 2021.

"The financial performance that we achieved in our fourth quarter and fiscal year clearly demonstrates that we are operating at a stronger level than any period in our history, and that is a testament to the power of our global platform and the incredible efforts put forth by our employees across the organization," said Dan Daviau, President & CEO of Canaccord Genuity Group Inc. "While we anticipate that activity levels in our core midmarket focus areas could moderate in the coming quarters, we are pleased to be starting fiscal 2022 with an even stronger wealth management franchise, expanded market share in our core sectors and geographies, and compelling prospects for expanding our product capabilities."

"In addition to increasing our quarterly common share dividend for the second time this fiscal year, we undertook meaningful initiatives to return excess capital to our investors and reduce our outstanding diluted common shares."

Fourth quarter and fiscal 2021 highlights:

(All dollar amounts are stated in thousands of Canadian dollars unless otherwise indicated)

- Fourth quarter revenue excluding significant items⁽¹⁾ of \$692.3 million, highest quarterly revenue on record
- Fiscal 2021 revenue excluding significant items⁽¹⁾ of \$2.0 billion, highest annual revenue on record
- Record global capital markets revenue of \$487.0 million for the fourth quarter and \$1.3 billion for the fiscal year, improvements of 176% and 90.3% compared to the same periods last year
- Record investment banking revenue for the quarter and fiscal year, an improvement of 529.3% compared to Q4/20 and 221.4% on an annual basis
- Excluding significant items⁽¹⁾, record quarterly diluted earnings per common share for the fourth fiscal quarter of \$1.20 (\$0.93 per share on an IFRS basis)
- Excluding significant items⁽¹⁾, diluted earnings per common share for fiscal 2021 of \$2.48 (\$2.04 per share on an IFRS basis), an increase of 206.2% when compared to fiscal 2020 (and an increase of 213.8% from \$0.65 per share on an IFRS basis)
- Record global wealth management revenue of \$199.2 million in the fourth quarter and \$663.6 million for the fiscal year, increases of 44.4% and 29.8% over the prior year results for the same periods
- Total client assets in our global wealth management operations increased by 46.2% year-over-year to \$88.8 billion.
- Client assets in our Canadian wealth management business grew 75% year-over-year to \$32.2 billion
- Excluding significant items⁽¹⁾, Canadian wealth management earned pre-tax net income of \$62.6 million for the fiscal year, an increase of 176.4% over the prior year result
- The Company has made the decision to withdraw its proposal to acquire RF Capital Group Inc. and will continue to focus on its recruiting strategy and organic growth opportunities
- Capital deployment initiatives in fiscal 2021 resulted in the return of capital to shareholders and debenture holders through the redemption of convertible debentures, common share dividends and common share buybacks, reducing our fully diluted number of common shares
- Fourth quarter common share dividend of \$0.075 per share; Total common share dividends for fiscal 2021 increased 25% year-over-year, reflecting continued strong contributions from our global wealth management segment

⁽¹⁾ Figures excluding significant items are non-IFRS measures. See non-IFRS measures on page 14 of the MD&A.

	Three months ended March 31		Quarter- over- quarter change	Three months ended December 31	Quarter- over- quarter change	Fiscal 2021	Fiscal 2020	Change
	Q4/21	Q4/20		Q3/21				
Fourth fiscal quarter highlights- adjusted¹								
Revenue – excluding significant items ¹	\$692,326	\$319,648	116.6%	\$533,077	29.9%	\$1,993,488	\$1,223,867	62.9%
Expenses - excluding significant items ¹	\$509,087	\$294,703	72.7%	\$422,503	20.5%	\$1,607,398	\$1,100,810	46.0%
Earnings per common share – diluted, excluding significant items ¹	\$1.20	\$0.17	n.m.	\$0.62	93.5%	\$2.48	\$0.81	206.2%
Net Income - excluding significant items ^{1,2}	\$137,128	\$21,451	n.m.	\$78,971	73.6 %	\$285,887	\$106,323	168.9 %
Net Income attributable to common shareholders – excluding significant items ^{1,3}	\$133,260	\$19,142	n.m.	\$75,160	77.3 %	\$270,467	\$96,491	180.3%
Fourth fiscal quarter highlights- IFRS								
Revenue	\$706,526	\$319,648	121.0%	\$533,077	32.5%	\$2,007,688	\$1,223,867	64.0%
Expenses	\$518,810	\$289,430	79.3%	\$433,803	19.6%	\$1,637,786	\$1,123,844	45.7%
Earnings per common share – diluted	\$0.93	\$0.21	n.m.	\$0.54	72.2%	\$2.04	\$0.65	213.8%
Net Income ²	\$139,394	\$26,246	n.m.	\$68,451	103.6 %	\$269,802	\$86,554	211.7%
Net Income attributable to common shareholders ³	\$135,526	\$23,937	n.m.	\$64,640	109.7%	\$254,382	\$77,086	230.0%
<p>1. Figures excluding significant items are non-IFRS measures. See Non-IFRS measures on page 14 of the MD&A</p> <p>2. Before non-controlling interests and preferred share dividends</p> <p>3. Net income attributable to common shareholders is calculated as the net income adjusted for non-controlling interests and preferred share dividends</p> <p>n.m. not meaningful (percentages above 300% are indicated as n.m.)</p>								

As a result of the redemption of the convertible debentures, the weighted average number of common shares used for purposes of calculating diluted earnings per share no longer includes the dilutive effect of the convertible debentures and, as such, the number of fully diluted shares for the calculation of diluted EPS for Q4 fiscal 2021 and for the year ended March 31, 2021 was reduced by approximately 13.2 million shares. Due to the change in the number of fully diluted shares, the sum of the quarterly earnings per common share as reported in the first three quarters of our fiscal year added to our fourth quarter earnings per share does not equal the earnings per share figure of \$2.04 (\$2.48⁽¹⁾ excluding significant items) for the fiscal year. In addition to the change in the number of fully diluted common shares due to the redemption of the convertible debentures in Q4/21, due to rounding or 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 as reported does not equal the earnings per share figure for the year.

Core business performance highlights:

Canaccord Genuity Wealth Management

The Company's combined global wealth management operations earned revenue of \$199.2 million for the fourth fiscal quarter, a year-over-year increase of 44.4%. Excluding significant items⁽¹⁾, the pre-tax net income contribution from this segment was \$44.9

million, which represents 22.5% of the adjusted pre-tax net income attributable to the Company's combined operating businesses for the three-month period.

- Wealth management operations in the UK & Europe generated \$75.0 million in revenue and, after intersegment allocations, and excluding significant items ⁽¹⁾, recorded net income of \$19.2 million before taxes in Q4/21
- Canaccord Genuity Wealth Management (North America) generated \$107.0 million in revenue and, after intersegment allocations and before taxes, recorded net income of \$23.2 million in Q4/21
- Wealth management operations in Australia generated \$17.3 million in revenue and, after intersegment allocations, and excluding significant items ⁽¹⁾, recorded net income of \$2.5 million before taxes in Q4/21

Revenue in the Company's North American wealth management business increased by 88.6% in Q4/21 compared to the same period in the prior year, primarily due to higher investment banking revenue from increased new issues activity, as well as higher commissions and fees revenue. Average AUA per IA team has improved by 76% year-over-year on new asset growth and exceptional growth of ECM opportunities. The pre-tax profit margin in this business increased to 21.7% for the three-month period and increased by 8.5 percentage points to 19.3% for the fiscal year.

The proven track record of growth and profitability in our Canadian wealth management business continues to drive recruiting opportunities amongst established IA teams who recognize the value of our market position, and the advanced technology and product offerings that support them in growing their businesses. The Company has made the decision to withdraw its proposal to acquire RF Capital Group Inc (TSX: RCG), and will continue to focus on its recruiting strategy and organic growth opportunities.

Fourth quarter revenue in the Company's UK & Europe wealth management business increased by 9.6% compared to the same period one year ago, primarily due to higher commissions and fees revenue partially offset by lower interest income attributable to the lower interest rate environment. Excluding significant items ⁽¹⁾, the pre-tax profit margin in this business increased by 6.5 percentage points to 25.6% for the three-month period and increased by 3.2 percentage points to 23.5% for the fiscal year. The Company will continue to pursue growth of this business through organic growth and by leveraging its financial partnership to pursue accretive opportunities.

The Company's Australian wealth management business earned revenue of \$17.3 million, an increase of 34.3% compared to the three months ended March 31, 2020. This business also earned higher investment banking revenue from increased new issue activity and higher commissions and fees revenue. The performance that this business has achieved since adding the Patersons Securities business in 2019 is driving compelling recruiting opportunities in key Australian markets.

Total client assets in the Company's global wealth management businesses at the end of the fourth fiscal quarter amounted to \$88.8 billion, an increase of \$28.0 billion or 46.2% from March 31, 2020.

- Client assets in North America were \$32.2 billion as at March 31, 2021, an increase of 10.1% from \$29.3 billion at the end of the previous quarter and an increase of 74.8% from \$18.4 billion at March 31, 2020.
- Client assets in the UK & Europe were \$52.3 billion (£30.2 billion) as at March 31, 2021, an increase of 1.0% from \$51.8 billion (£29.7 billion) at the end of the previous quarter, and an increase of 31.1% from \$39.9 billion (£22.7 billion) at March 31, 2020.
- Client assets in Australia held in our investment management platforms were \$4.2 billion (AUD 4.4 billion) as at March 31, 2021, an increase of 1.3% from \$4.2 billion (AUD 4.3 billion) as at December 31, 2020 and an increase of 76.2% from \$2.4 billion (AUD 2.8 billion) at March 31, 2020. In addition to client assets held in our investment management platforms, client assets totalling \$15.8 billion (AUD 16.5 billion) are also held in non-managed accounts on our Australian platform.

Canaccord Genuity Capital Markets

Globally, Canaccord Genuity Capital Markets earned revenue of \$487.0 million for the fourth fiscal quarter, representing an increase of 175.8% from Q4/20, largely resulting from an increase in investment banking revenue and principal trading revenue in our US and Canadian operations and substantially increased investment banking revenue from our Australian operations. Revenue in Canaccord Genuity Capital Markets increased by 90.3% to \$1.3 billion for the fiscal year. Excluding significant items ⁽¹⁾, this segment

⁽¹⁾ Figures excluding significant items are non-IFRS measures. See non-IFRS measures on page 14 of the MD&A.

contributed pre-tax net income of \$155.1 million for the fourth quarter and \$324.9 million for the fiscal year, compared to \$14.5 million and \$59.8 million on a year over year basis, respectively.

- Canaccord Genuity Capital Markets led or co-led 126 investment banking transactions globally, raising total proceeds of \$7.6 billion during fiscal Q4/21.
- Canaccord Genuity Capital Markets led or co-led 412 investment banking transactions globally, raising total proceeds of \$18.1 billion during fiscal 2021.
- Canaccord Genuity Capital Markets, including led or co-led, participated in 238 investment banking transactions globally, raising total proceeds of \$31.6 billion during fiscal Q4/21.
- Canaccord Genuity Capital Markets, including led or co-led, participated in a total of 713 investment banking transactions globally, raising total proceeds of \$86.1 billion during fiscal 2021.

The Company's US capital markets business was the largest contributor of revenue in this segment for the three-month period, with revenue of \$203.5 million, or 41.8% of total global capital markets revenue. Investment banking revenue for the three-month period increased by 269.5% over the same period in the prior year, reaching \$70.8 million and a new record for the business. Despite the challenging backdrop for advisory activity in the first half of the fiscal year, the business was able to deliver in the second half from a very strong pipeline, which brought full-year revenue to \$99.4 million, a year-over-year increase of 2.7%. Principal trading revenue also increased by 97.8% to \$75.3 million in the fourth quarter due to higher trading volume and activity.

Fourth quarter revenue in our Canadian capital markets operations increased by 409.0% year-over-year as a result of higher investment banking, advisory fees, and commissions and fees revenue which increased by 1,230.6%, 94.2% and 118.9% respectively when compared to the same period in the prior year. This business continues to be a top-ranked domestic underwriter in Canada and the leading underwriter for initial public offerings. The pre-tax profit margin in this business excluding significant items ⁽¹⁾ increased by 45.2 percentage points to 47.0% for the three-month period and increased by 25.7 percentage points to 35.9% for the fiscal year.

Fourth quarter revenue earned by our Australian capital markets business increased 439.1% year-over-year from \$8.9 million to \$47.9 million, reflecting an increase in investment banking activities and higher commissions and fees revenue. This performance was largely driven by the robust environment for underwriting activities in our focus sectors and also includes unrealized gains in certain inventory and warrant positions earned in respect of investment banking activity.

The UK operations generated an increase of 57.7% in revenue for the three-month period driven mainly by strong investment banking revenue. Excluding significant items ⁽¹⁾, our UK & Europe capital markets business earned pre-tax net income of \$4.2 million for the fourth quarter, increasing its pre-tax net income for the year to \$3.2 million.

Summary of Corporate Developments

On February 3, the Company announced that HPS Investment Partners, LLC, on behalf of investment accounts and funds it manages, had agreed to invest in the Company's wealth management division in the UK and Crown Dependencies. Subject to regulatory approval and other customary closing conditions, the investors will acquire convertible preferred shares in the amount of £125 million (C\$216 million) to be issued by Canaccord Genuity Wealth Group Holdings (Jersey) Limited, the parent company of the Company's wealth management operating subsidiaries in the UK, the Channel Islands and in the Isle of Man. The net proceeds will be distributed by Canaccord Genuity Wealth Group Holdings (Jersey) Limited to the Company and used by the Company for corporate purposes to optimize shareholder value. Completion of the transaction will occur following regulatory approval.

On March 18, 2021 the Company announced its intention to redeem the entire \$132,690,000 principal amount of its 6.25% convertible unsecured senior subordinated debentures due December 31, 2023 (the "Debentures"). The redemption price of the Debentures was \$1,266.95 for each \$1,000 principal amount of Debentures, being equal to the aggregate of (i) \$1,250 per \$1,000 principal amount of Debentures, and (ii) \$16.95 of accrued and unpaid interest per \$1,000 principal amount up to but excluding April 9, 2021. The total redemption price of \$168.1 million was fully accrued as of March 31, 2021. The redemption was completed on April 9, 2021. In order to fund the redemption in part, and pursuant to the terms of a previously announced commitment letter entered into with investment funds and accounts managed or advised by HPS Investment Partners, LLC ("HPS") on March 18, 2021, the Company entered into a credit agreement 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 in an aggregate principal amount of €69.0 million (C\$120.0 million). This facility is intended to be repaid out of the proceeds of the convertible preferred shares to be issued by Canaccord Genuity Wealth Group Holdings (Jersey) Limited to investment funds and accounts managed by HPS on completion of regulatory approvals and other customary closing conditions.

On March 22, 2021 the Company announced that its common shares had been added to the S&P/TSX Composite Index.

Subsequent to the end of fiscal 2021, on April 14, 2021, the Company provided an update on its proposed and rejected offer to acquire 100% of the outstanding shares of RF Capital Group Inc. ("RCG"). Despite the Company's offer to modify the terms of its proposal, including to increase the proposed offer price materially above the original proposal of \$2.30 per RCG common share and to provide enhanced escrow releases for investment advisors, RF Capital's Board of Directors refused to engage in a productive dialogue with respect to this proposed opportunity. As described above, the Company made the decision to withdraw its proposal to acquire RF Capital and will continue its focus on recruiting and organic growth strategies.

On April 15, 2021, the Company announced that through its wealth management business in the UK, it has entered into an agreement with The Royal Bank of Scotland plc, which is part of the NatWest Group plc, to acquire the private client investment management business of Adam & Company. The acquisition expands the Company's UK wealth management footprint into Scotland and is expected to increase client assets by approximately £1.7 billion (C\$2.9 billion). Closing is subject to regulatory approval and is expected to take place at the end of the Company's second quarter of its 2022 fiscal year. Cash consideration of £54.0 million (C\$94.9 million) will be paid on closing. A retention plan will be implemented for key employees based on client assets and continued employment over a four-year period.

Results for the Fourth quarter and fiscal 2021 were impacted by the following significant items:

- Fair value adjustments on certain illiquid or restricted marketable securities recorded for IFRS reporting purposes, but which are excluded for management reporting purposes and are not used by management to assess operating performance
- Amortization of intangible assets acquired in connection with business combinations
- Acquisition-related costs
- Certain incentive-based costs related to the acquisition and growth initiatives in the UK & Europe wealth operations
- Loss and other costs in connection with the extinguishment of the convertible debenture

Selected financial information excluding significant items ⁽¹⁾:

	Three months ended March 31		Quarter- over- quarter change	Year ended March 31		Year over Year change
	2021	2020		2021	2020	
(C\$ thousands, except per share and % amounts)						
Total revenue per IFRS	\$706,526	\$319,648	121.0%	\$2,007,688	\$1,223,867	64.0%
Total expenses per IFRS	\$518,810	\$289,430	79.3%	\$1,637,786	\$1,123,844	45.7%
Revenue						
<i>Significant items recorded in Corporate and Other</i>						
Fair value adjustments on certain illiquid and restricted marketable securities ⁽²⁾	\$14,200	-	n.m.	\$14,200	-	n.m.
Total revenue excluding significant item	\$692,326	\$319,648	116.6%	\$1,993,488	\$1,223,867	62.9%
Expenses						
<i>Significant items recorded in Canaccord Genuity Capital Markets</i>						
Amortization of intangible assets	\$738	\$1,773	(58.4)%	\$2,970	\$9,167	(67.6)%
Acquisition- related costs	-	-	-	\$4,644	\$1,806	157.1%
<i>Significant items recorded in Canaccord Genuity Wealth Management</i>						
Amortization of intangible assets	\$3,260	\$3,924	(16.9)%	\$13,087	\$13,940	(6.1)%
Restructuring costs	-	\$(427)	(100.0)%	-	\$1,921	(100.0)%
Acquisition-related costs	\$418	\$(4,238)	109.9%	\$1,278	\$(1,930)	166.2%
Incentive-based costs related to acquisitions ⁽³⁾	\$953	\$(6,305)	115.1%	\$4,055	\$(1,870)	n.m.
<i>Significant items recorded in Corporate and Other</i>						
Loss and other costs in connection with extinguishment of convertible debentures ⁽⁴⁾	\$4,354	-	n.m.	\$4,354	-	n.m.
Total significant items - expenses	\$9,723	\$(5,273)	284.4%	\$30,388	\$23,034	31.9%
Total expenses excluding significant items	\$509,087	\$294,703	72.7%	\$1,607,398	\$1,100,810	46.0%
Net income before taxes – adjusted	\$183,239	\$24,945	n.m.	\$386,090	\$123,057	213.7%
Income taxes – adjusted	\$46,111	\$3,494	n.m.	\$100,203	\$16,734	n.m.
Net income - adjusted	\$137,128	\$21,451	n.m.	\$285,887	\$106,323	168.9%
Net income attributable to common shareholders, adjusted	\$133,260	\$19,142	n.m.	\$270,467	\$96,491	180.3%
Earnings per common share – basic, adjusted	\$1.38	\$0.20	n.m.	\$2.80	\$0.98	185.7%

Earnings per common share – diluted, adjusted	\$1.20	\$0.17	n.m.	\$2.48	\$0.81	206.2%
<p>(1) Figures excluding significant items are non-IFRS measures.</p> <p>(2) Fair value adjustment on certain illiquid or restricted marketable securities</p> <p>(3) Incentive-based costs related to the acquisitions and growth initiatives in the UK & Europe wealth business</p> <p>(4) On March 15, 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 9, 2021. The Company recorded \$4.4 million of loss and other costs in its earnings during the fourth quarter in connection with extinguishment of the convertible debentures.</p> <p>n.m. not meaningful (percentages above 300% are indicated as n.m.)</p>						

Financial condition at the end of fourth quarter fiscal 2021 vs. fourth quarter of fiscal 2020:

- Cash and cash equivalents balance of \$1.9 billion, an increase of \$886.2 million from \$997.1 million
- Working capital of \$552.5 million, an increase of \$ 5.2 million from \$547.3 million
- Total shareholders' equity of \$1.1 billion, an increase of \$178.5 million from \$928.6 million

Common and Preferred Share Dividends:

On June 1, 2021, the Board of Directors approved a dividend of \$0.075 per common share, payable on June 30, 2021, with a record date of June 18, 2021.

On June 1, 2021, the Board approved a cash dividend of \$0.24281 per Series A Preferred Share payable on June 30, 2021 to Series A Preferred shareholders of record as at June 18, 2021.

On June 1, 2021, the Board approved a cash dividend of \$0.3126 per Series C Preferred Share payable on June 30, 2021 to Series C Preferred shareholders of record as at June 18, 2021.

ACCESS TO QUARTERLY RESULTS INFORMATION

CONFERENCE CALL AND WEBCAST:

Interested parties are invited to listen to Canaccord Genuity's fourth quarter and fiscal 2021 results conference call via live webcast or a toll-free number. The conference call is scheduled for Wednesday, June 2, 2021 at 8:00 a.m. Eastern time, 5:00 a.m. Pacific time, 1:00 p.m. UK time, 8:00 p.m. China Standard Time, and 10:00 p.m. Australia EST. During the call, senior executives will comment on the results and respond to questions from analysts and institutional investors.

The conference call may be accessed live and will also be archived on a listen-only basis at: www.cgf.com/investor-relations/news-and-events/conference-calls-and-webcasts/

Analysts and institutional investors can call in via telephone at:

- 647-427-7450 (within Toronto)
- 1-888-231-8191 (toll free outside Toronto)
- 0-800-051-7107 (toll free from the United Kingdom)
- 0-800-917-449 (toll free from France)
- 10-800-714-1191 (toll free from Northern China)
- 10-800-140-1195 (toll free from Southern China)
- 1-800-287-011 (toll free from Australia)
- 800-017-8071 (toll free from United Arab Emirates)

Please ask to participate in the Canaccord Genuity Group Inc. Q4/21 results call. If a passcode is requested, please use 3261148.

A replay of the conference call will be made available from approximately two hours after the live call on June 2, 2021 until August 2, 2021 at 416-849-0833 or 1-855-859-2056 by entering passcode 3261148 followed by the (#) key.

ABOUT CANACCORD GENUITY GROUP INC.:

Through its principal subsidiaries, Canaccord Genuity Group Inc. (the "Company") 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. The Company has Wealth Management offices located in Canada, the UK, Guernsey, Jersey, the Isle of Man and Australia. The Company's international capital markets division operates in North America, UK & Europe, Asia, Australia and the Middle East.

Canaccord Genuity Group Inc. is publicly traded under the symbol CF on the TSX.

FOR FURTHER INFORMATION:

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www.cgf.com/investor-relations

None of the information on the Company's websites at www.cgf.com should be considered incorporated herein by reference.