



CANACCORD GENUITY GROUP INC. ACQUIRES LEADING U.S.-BASED ADVISORY FIRM PETSKY PRUNIER

Agreement brings complementary advisory expertise in Technology and Healthcare sectors and provides capital light and high margin critical mass to the Company's U.S. operations

TORONTO AND NEW YORK, February 13, 2019 – Canaccord Genuity Group Inc. (“Canaccord Genuity”, the “Company”) is pleased to announce that in an asset-based transaction, it has acquired Petsky Prunier, a preeminent boutique M&A advisory firm based in New York. This acquisition underscores Canaccord Genuity’s commitment to adding scale to its fixed cost base in the U.S. and diversifying its revenue streams, while enhancing its client offering to capture greater market share in its core areas of strength.

Founded in 1999, Petsky Prunier has built a leading U.S.-based investment banking practice with a disciplined focus on the mid-market Technology, Media, Marketing, Information & Services and Healthcare industries. In 2018 Petsky Prunier executed more than 30 strategic advisory transactions for mid-market companies and the firm has achieved number one ranking by Bloomberg for the number of Mid-Market Internet & Advertising¹ transactions in the United States for seven consecutive years. This acquisition is expected to be accretive to Canaccord Genuity’s adjusted² earnings during the first year of operation.

“Our U.S. capital markets business has become an increasingly stronger regional competitor and this acquisition advances our priority of investing in areas of higher margin potential, as we continue to position our Company for increased stability and long-term profitability,” said Dan Daviau, President & CEO, Canaccord Genuity Group Inc. “The addition of Petsky Prunier creates an exceptional opportunity for our North American capital markets business, while simultaneously enhancing long-term value for our partners and shareholders.”

“We are delighted to welcome Petsky Prunier’s extraordinary team of professionals to our U.S. Capital Markets business and we look forward to meaningfully increasing our impact in the North American mid-market,” said Jeff Barlow, President, Canaccord Genuity LLC. “This strategic combination creates a powerful offering for our clients, who will benefit from our significantly enhanced advisory capability and reach in addition to the globally integrated sales, trading, and equity research capabilities that our platform provides.”

To ensure a seamless transition for Petsky Prunier clients and employees, Sanjay Chadda, Partner and Managing Director of Petsky Prunier will join the management operating committee of Canaccord Genuity LLC and co-lead the U.S. investment banking group and the U.S. technology, media, marketing and information services practice. In this capacity, he will continue to focus on existing and new client mandates. All existing employees of Petsky Prunier will continue with the combined firms.

¹ 2011-2017, based on number of deals announced valued at \$500 million or less. Internet and Advertising is defined by Bloomberg

² Adjusted earnings is a non-GAAP, non-IFRS measure generally referred to by the company as net income excluding significant items. Refer to non-IFRS measures in the Company’s MD&A.

“On behalf of my partners and especially our founders Michael Petsky and John Prunier, we are pleased to have found an enterprise that is a natural fit with the strong culture and excellent reputation that we have built at Petsky Prunier,” said Sanjay Chadda, Partner and Managing Director of Petsky Prunier LLC. “Canaccord Genuity provides an ideal partnership structure and a strong, independent platform for our growth, as we continue to create outstanding value for the business owners and private equity firms that we serve.”

Freeman & Co. LLC was financial advisor to Petsky Prunier and legal advice was provided by Winston and Strawn LLP. Legal advisors to Canaccord Genuity LLC were Debevoise & Plimpton LLP.

TRANSACTION OVERVIEW

Canaccord Genuity has acquired 100% of the business of Petsky Prunier LLC in an asset purchase for initial consideration of \$40.0 million (US\$30.0 million) in cash and \$20.0 million (US\$15.0 million) in common shares of Canaccord Genuity Group Inc. to be issued over a three-year period. Additional contingent consideration of up to \$53.2 million (US\$40.0 million) will be paid in cash over a four-year period subject to meeting certain revenue targets over that period. For the year ended December 31, 2018, Petsky Prunier generated revenue of US\$43.0 million. All Petsky Prunier partners have entered into employment agreements with Canaccord Genuity.

CONFERENCE CALL AND WEBCAST

Management will discuss the transaction during the Company’s third quarter fiscal 2019 results conference call which will take place at 8:00 am ET on Thursday, February 14, 2019. Interested parties are invited to listen via live webcast or by dialing the toll-free numbers provided below.

The conference call webcast may be accessed live and archived on a listen-only basis at: <https://www.canaccordgenuity.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)
- 0-800-91-7449 (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)

A replay of the conference call will be made available from approximately two hours after the live call on February 14, 2019 until April 14, 2019 at 416-849-0833 or 1-855-859-2056 by entering passcode 2376626 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. Canaccord Genuity, the international capital markets division, operates in North America, the UK & Europe, Asia, Australia and the Middle East.

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

ABOUT PETSKY PRUNIER LLC

Petsky Prunier is one of the leading investment banks to the technology, media, marketing, information, eCommerce, and healthcare industries in the United States. The firm's merger and acquisition and private placement advisory services reflect a unique blend of product specialization and industry expertise. Petsky Prunier represents one of the largest U.S.-based industry-specific advisors, providing strategic and transactional services. The firm offers global reach supplemented through partnerships in China and India.

CAUTION REGARDING FORWARD LOOKING STATEMENTS

This press release may contain “forward-looking information” as defined under applicable securities laws (“forward-looking statements”). 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, including business and economic conditions and Canaccord Genuity Group’s growth, results of operations, performance and business prospects and opportunities. 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. 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 nature of the financial services industry and the risks and uncertainties discussed from time to time in the Company’s interim condensed and annual consolidated financial statements, its annual report and its annual information form (“AIF”) filed on www.sedar.com as well as the factors discussed in the sections entitled “Risk Management” and “Risk Factors” in the AIF, which include market, liquidity, credit, operational, legal and regulatory risks. Material factors or assumptions that were used by the Company to develop the

forward-looking statements contained in this press release include, but are not limited to, those set out in the Fiscal 2019 Outlook section in the annual MD&A and those discussed from time to time in the Company's interim condensed and annual consolidated financial statements, its annual report and the AIF filed on www.sedar.com. The preceding list is not exhaustive of all possible risk factors that may influence actual results. Readers are cautioned that the preceding list of material factors or assumptions is not exhaustive.

Although the forward-looking statements contained in this press release are 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 press release are made as of the date of this press release and should not be relied upon as representing the Company's views as of any date subsequent to the date of this press release. 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 statements, whether as a result of new information, further developments or otherwise.

FOR FURTHER INFORMATION CONTACT:

For investor and media relations inquiries:

Christina Marinoff

Vice President, Investor Relations & Communications

Phone: 416-687-5507, email: cmarinoff@cgf.com

www.cgf.com