

## Press Release

### Guardian Capital Group Limited (TSX: GCG; GCG.A) Announces 2023 First Quarter Operating Results

Toronto, Ontario, May 11, 2023

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

For the three months ended March 31, (\$ in thousands, except per share amounts)	2023	2022 Restated
Net revenue	\$ 54,493	\$ 51,824
Operating earnings	11,240	13,507
Net gains (losses)	18,134	(9,749)
Net earnings from continuing operations	26,442	224
Net earnings from discontinued operations	553,743	5,591
Net earnings	580,185	5,815
EBITDA <sup>(1)</sup>	\$ 17,371	\$ 17,504
Adjusted cash flow from operations <sup>(1)</sup>	18,097	16,778
Attributable to shareholders:		
Net earnings (loss) from continuing operations	\$ 26,114	\$ (353)
Net earnings	487,603	4,262
EBITDA <sup>(1)</sup>	16,395	16,390
Adjusted cash flow from operations <sup>(1)</sup>	17,113	15,635
Per share, diluted:		
Net earnings (loss) from continuing operations	\$ 1.02	\$ (0.01)
Net earnings	18.79	0.16
EBITDA <sup>(1)</sup>	0.65	0.64
Adjusted cash flow from operations <sup>(1)</sup>	0.67	0.61

As at (\$ in millions, except per share amounts)	2023 March 31	December 31	2022 March 31 Restated
Assets under management	\$ 52,261	\$ 49,587	\$ 53,123
Assets under advisement	4,065	3,716	4,272
Total client assets	56,326	53,303	57,395
Shareholders' equity	\$ 1,242	\$ 768	\$ 828
Securities	1,301	660	741
Per share (diluted)			
Shareholders' equity <sup>(1)</sup>	\$ 48.73	\$ 29.43	\$ 31.27
Securities <sup>(1)</sup>	51.06	25.31	27.97

The Company successfully closed on March 1, 2023, the previously announced transaction to sell its subsidiaries, Worldsource Financial Management Inc., Worldsource Securities Inc. and IDC Worldsource Insurance Network Inc. ("IDC WIN") (altogether, the "Worldsource Businesses") for \$750 million, subject to adjustments for net working capital, less amounts due to minority shareholders of IDC WIN. At the time of entering into an agreement to sell, the Company classified the Worldsource Businesses as discontinued operations. Its financial results were netted on the Statements of Operations and presented on one line called, "Net earnings from discontinued operations" and on the Balance Sheets as "Discontinued operations" in both the assets and liabilities. Comparative periods were restated to reflect this presentation. All other figures referenced below reflect the results of the continuing business of the Company.

The Company is reporting \$553.7 million in Net earnings from discontinued operations, which includes net gains of \$619.5 million realized on the disposition of the Worldsource Businesses, income tax expense of \$69.0 million on the net gains and \$3.2 million in operating earnings, net of taxes, for the period up to the closing date.

The Company's share of the net proceeds from the sale of the Worldsource Businesses were immediately invested into interest-bearing, short-term securities. As a result, the Company is reporting fair value of its Securities at \$1.3 billion (\$51.06 per share) as at March 31, 2023, compared to \$660 million (\$25.31 per share) as at December 31, 2022.

The Company's total client assets as at March 31, 2023, were \$56.3 billion, which include assets under management and assets under advisement. This is a 6% increase from \$53.3 billion as at December 31, 2022, and a 2% decrease from \$57.4 billion reported as at March 31, 2022.

Net revenue for the current quarter was \$54.5 million, a 5% increase from \$51.8 million in the same quarter in the prior year. Interest income earned on the proceeds from the sale of the Worldsource Businesses was the biggest driver of the increase, despite it being only one month's income. Net management and advisory fee revenue decreased by \$0.8 million in the current quarter to \$44.0 million, which includes the addition of Rae Lipskie in the current quarter results. The expenses were 13% higher in the current quarter at \$43.3 million. The increase is due to the inclusion of Rae Lipskie's expenses, increase in interest expense due to rise in interest rates, and increased strategic investments into the Canadian Retail Asset Management team, the Guardian Smart Infrastructure team, Guardian Partners Inc. and Modern Advisor Inc., our additional expected growth sources for the future.

Operating earnings for the quarter were of \$11.2 million, a \$2.3 million decrease from the \$13.5 million reported in 2022. The Operating losses associated with the strategic investments mentioned above were \$1.0 million higher at \$3.3 million in the current quarter.

EBITDA<sup>(1)</sup> and EBITDA attributable to shareholders<sup>(1)</sup> were \$17.4 million and \$16.4 million in the current quarter, compared to \$17.5 million and \$16.4 million in the comparative period.

Net gains in the current quarter were \$18.1 million, compared to Net losses of \$9.7 million in the same quarter in the prior year, both largely consistent with the impacts of the global equity markets performance.

Net earnings attributable to shareholders were \$487.6 million in the current quarter and \$4.3 million in the comparative period. The net gains realized on the sale of the Worldsource Businesses was the main reason for the increase in the current year.

Adjusted cash flow from operations<sup>(1)</sup> and Adjusted cash flow from operations attributable to shareholders<sup>(1)</sup> for the current quarter were \$18.1 million and \$17.1 million, respectively, compared to \$16.8 million and \$15.6 million, respectively, in the comparative period. During the current quarter, the Company returned to shareholders \$6.1 million in dividends and \$5.4 million in share buybacks.

The Company's Shareholders' equity as at March 31, 2023 was \$1,242 million, or \$48.73 per share<sup>(1)</sup>, compared to \$768 million, or \$29.43 per share<sup>(1)</sup> as at December 31, 2022.

The Board of Directors is pleased to have declared a quarterly eligible dividend of \$0.34 per share, payable on July 18, 2023, to shareholders of record on July 11, 2023.

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

	Mar 31, 2023	Dec 31, 2022	Sep 30, 2022 <i>Restated</i>	Jun 30, 2022 <i>Restated</i>	Mar 31, 2022 <i>Restated</i>	Dec 31, 2021 <i>Restated</i>	Sep 30, 2021 <i>Restated</i>	Jun 30, 2021 <i>Restated</i>
<i>As at (\$ in millions)</i>								
Assets under management	\$ 52,261	\$ 49,587	\$ 47,814	\$ 46,931	\$ 53,123	\$ 56,341	\$ 53,113	\$ 51,641
Assets under advisement	4,065	3,716	3,788	3,944	4,272	4,338	5,061	5,542
Total client assets	56,326	53,303	51,602	50,875	57,395	60,679	58,174	57,183
<i>For the three months ended (\$ in thousands)</i>								
Net revenue	\$ 54,493	\$ 50,681	\$ 48,434	\$ 50,056	\$ 51,824	\$ 52,961	\$ 50,873	\$ 47,437
Operating earnings	11,240	8,790	10,419	11,404	13,507	14,086	15,385	14,134
Net gains (losses)	18,134	18,225	(21,148)	(91,545)	(9,749)	51,408	(8,960)	55,915
Net earnings (losses) from continuing operations	26,442	25,249	(11,582)	(73,463)	224	57,909	4,005	61,193
Net earnings from discontinued operations	553,743	6,386	5,034	5,239	5,591	6,542	4,592	5,638
Net earnings (losses)	580,185	31,635	(6,548)	(68,224)	5,815	64,451	8,597	66,831
Net earnings (loss) from continuing operations attributable to shareholders	26,114	24,679	(11,780)	(74,053)	(353)	56,999	3,268	60,681
Net earnings (loss) attributable to shareholders	487,603	29,961	(7,608)	(69,698)	4,262	62,422	7,054	65,138
<i>Per share (in \$)</i>								
Net earnings (loss) from continuing operations attributable to shareholders								
Basic	\$ 1.09	\$ 1.02	\$ (0.49)	\$ (3.03)	\$ (0.01)	\$ 2.30	\$ 0.13	\$ 2.41
Diluted	1.02	0.96	(0.49)	(3.03)	(0.01)	2.15	0.12	2.25
Net earnings (loss) attributable to shareholders:								
Basic	\$ 20.27	\$ 1.24	\$ (0.31)	\$ (2.85)	\$ 0.17	\$ 2.52	\$ 0.28	\$ 2.59
Diluted	18.79	1.16	(0.31)	(2.85)	0.16	2.35	0.27	2.42
Dividends paid	\$ 0.34	\$ 0.24	\$ 0.24	\$ 0.24	\$ 0.18	\$ 0.18	\$ 0.18	\$ 0.18
<i>As at</i>								
Shareholders' equity (\$ in millions)								
Per share (in \$)	\$ 1,242	\$ 768	\$ 743	\$ 743	\$ 828	\$ 839	\$ 781	\$ 780
Basic	\$ 52.42	\$ 31.84	\$ 30.82	\$ 30.68	\$ 33.67	\$ 33.89	\$ 31.56	\$ 31.15
Diluted	48.73	29.43	28.88	28.74	31.27	31.53	29.40	29.09
Total Class A and Common shares outstanding (shares in thousands)	26,113	26,246	26,246	26,342	26,892	26,954	26,968	27,263

Guardian Capital Group Limited (Guardian) is a global financial services company providing extensive investment management services to institutional, retail and private high and ultra-high-net worth clients through its subsidiaries. It also manages a proprietary portfolio of securities. Founded in 1962, Guardian's reputation for steady growth, long-term relationships and its core values of trustworthiness, integrity and stability have been key to its success over six decades. Its Common and Class A shares are listed on the Toronto Stock Exchange as GCG and GCG.A, respectively. To learn more about Guardian, visit [www.guardiancapital.com](http://www.guardiancapital.com).

For further information, contact:

Donald Yi  
Chief Financial Officer  
(416) 350-3136

George Mavroudis  
President and Chief Executive Officer  
(416) 364-8341

Investor Relations: [investorrelations@guardiancapital.com](mailto:investorrelations@guardiancapital.com).

### Caution Concerning Forward-Looking Information

Certain information included in this press release constitutes forward-looking information within the meaning of applicable Canadian securities laws. All information other than statements of historical fact may be forward-looking information. Forward-looking information is often, but not always, identified by the use of forward-looking terminology such as "outlook", "objective", "may", "will", "would", "expect", "intend", "estimate", "anticipate", "believe", "should", "plan", "continue", or similar expressions suggesting future outcomes or events or the negative thereof. Forward-looking information in this press release includes, but is not limited to, statements with respect to management's beliefs, plans, estimates, and intentions, and similar statements concerning anticipated future events, results, circumstances, performance or expectations. Such forward-looking information reflects management's beliefs and is based on information currently available. All forward-looking information in this press release is qualified by the following cautionary statements.

Although the Company believes that the expectations reflected in such forward-looking information are reasonable, such information involves known and unknown risks and uncertainties which may cause the Company's actual performance and results in future periods to differ

materially from any estimates or projections of future performance or results expressed or implied by such forward-looking information. Important factors that could cause actual results to differ materially include but are not limited to: general economic and market conditions, including interest rates, business competition, changes in government regulations or in tax laws, the outbreak and severity of pandemics, such as COVID 19, the ongoing conflict in the Ukraine, as well as those risk factors discussed or referred to in the disclosure documents filed by the Company with the securities regulatory authorities in certain provinces of Canada and available at [www.sedar.com](http://www.sedar.com). The reader is cautioned to consider these factors, uncertainties and potential events carefully and not to put undue reliance on forward-looking information, as there can be no assurance that actual results will be consistent with such forward-looking information.

The forward-looking information included in this press release is 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.

#### (1) Non IFRS Measures

The Company's management uses EBITDA, EBITDA attributable to shareholders, including the per share amount, Adjusted cash flows from operations, Adjusted cash flow from operations attributable to shareholders, including the per share amount, Shareholders' equity per share and Securities per share to evaluate and assess the performance of its business. These measures do not have standardized measures under International Financial Reporting Standards ("IFRS"), and are therefore unlikely to be comparable to similar measures presented by other companies. However, management believes that most shareholders, creditors, other stakeholders and investment analysts prefer to include the use of these measures in analyzing the Company's results. The Company defines EBITDA as net earnings before interest, income taxes, amortization, and stock-based compensation expenses, net gains or losses and net earnings from discontinued operations. EBITDA attributable shareholders as EBITDA less the amounts attributable to non-controlling interests. The Company defines Adjusted cash flow from operations as net cash from operating activities, net of changes in non-cash working capital items and cash flows from discontinued operations. Adjusted cash flow from operations attributable to shareholders as Adjusted cash flow from operations less the amounts attributable to non-controlling interests. A reconciliation between these measures and the most comparable IFRS measure are as follows:

For the three months ended March 31, (\$ in thousands)	2023	2022 <i>Restated</i>
Net earnings	\$ 580,185	\$ 5,815
Add (deduct):		
Net earnings from discontinued operations	(553,743)	(5,591)
Income tax expense	2,932	3,534
Net (gains) losses	(18,134)	9,749
Stock-based compensation	916	662
Interest expense	1,929	545
Amortization	3,286	2,790
EBITDA	17,371	17,504
Less attributable to non-controlling interests in continuing operations	(976)	(1,114)
EBITDA attributable to shareholders	\$ 16,395	\$ 16,390

For the three months ended March 31, (\$ in thousands)	2023	2022 <i>Restated</i>
Net cash from operating activities	\$ 10,187	\$ (692)
Add (deduct):		
Net cash from operating activities, discontinued operations	(10,087)	(9,848)
Net change in non-cash working capital items	8,284	20,641
Net change in non-cash working capital items, discontinued operations	9,713	6,677
Adjusted cash flow from operations	18,097	16,778
Less attributable to non-controlling interests, continuing operations	(984)	(1,143)
Adjusted cash flow from operations attributable to shareholders	\$ 17,113	\$ 15,635

The per share amounts for EBITDA attributable to shareholders, Adjusted cash flow from operations attributable to shareholders, Shareholders' equity and Securities are calculated by dividing the amounts by diluted shares, which is calculated in a manner similar to net earnings attributable to shareholders per share. More detailed descriptions of these non-IFRS measures are provided in the Company's Management's Discussion and Analysis, including a reconciliation of these measures to their most comparable IFRS measures.