

## Press Release

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

Toronto, Ontario, August 12, 2021

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

For the periods ended June 30, (\$ in thousands, except per share amounts)	Three months		Six months	
	2021	2020	2021	2020
Net revenue	\$ 69,960	\$ 50,124	\$ 134,654	\$ 100,025
Operating earnings	21,199	13,427	38,703	24,240
Net gains (losses)	56,467	43,254	98,438	(118,035)
Net earnings (loss) attributable to shareholders	65,138	50,486	114,763	(85,882)
Attributable to shareholders:				
EBITDA <sup>(1)</sup>	\$ 24,708	\$ 17,302	\$ 45,919	\$ 31,672
Adjusted cash flow from operations <sup>(1)</sup>	19,201	15,403	37,693	28,723
Attributable to shareholders, per share:				
Net earnings (loss)	\$ 2.42	\$ 1.87	\$ 4.24	\$ (3.38)
EBITDA <sup>(1)</sup>	0.92	0.64	1.70	1.18
Adjusted cash flow from operations <sup>(1)</sup>	0.72	0.57	1.39	1.07
As at				
(\$ in millions, except per share amounts)	2021	2020		
	June 30	December 31	June 30	
Assets under management	\$ 51,641	\$ 45,984	\$ 31,196	
Assets under administration	29,902	22,289	20,010	
Shareholders' equity	780	700	596	
Securities	698	633	511	
Diluted per share				
Shareholders' equity	\$ 29.09	\$ 25.69	\$ 22.07	
Securities	26.03	23.23	18.92	

The Company is once again reporting historic highs in many key financial metrics for the quarter ended June 30, 2021, including Net revenue, Operating earnings, EBITDA attributable to shareholders, Adjusted cash flow from operations attributable to shareholders, assets under management ("AUM") and assets under administration ("AUA").

The Company's total client assets, which include AUM and AUA, increased to \$81.5 billion as at June 30, 2021, a 19% increase from \$68.3 billion as at December 31, 2020, and a 59% increase from \$51.2 billion as at June 30, 2020. AUM grew to \$51.6 billion as at June 30, 2021, a 12% increase from \$46.0 billion as at December 31, 2020, and a 66% increase from \$31.2 billion as at June 30, 2020. The continued recovery in the global financial markets, and the strong inflow of assets experienced by GuardCap Asset Management Limited ("GuardCap"), our UK-based investment management subsidiary, and the acquisition of Agincourt in Q4 2020 drove the growth in AUM. GuardCap's AUM has grown to \$15.0 billion as at June 30, 2021, representing a \$4.3 billion growth since the beginning of the current year. The Company's AUA grew to \$29.9 billion as at June 30, 2021, a 34% increase from \$22.3 billion as at December 31, 2020 and a 49% increase from \$20.0 billion as at June 30, 2020. The acquisition of a Canadian wealth management business on March 1, 2021, which was subsequently renamed Guardian Partners Inc., added \$5.4 billion in total client assets in the first quarter of 2021, of which \$5.1 billion was included in AUA and \$0.3 billion in AUM.

The Company is reporting Operating earnings of \$21.2 million for the quarter ended June 30, 2021, 58% or \$7.8 million higher than the \$13.4 million reported in the second quarter of 2020. The significant growth experienced by the Company's businesses was led by GuardCap, IDC Worldsource Insurance Network Inc., our MGA subsidiary and, to a lesser extent, the contributions from the businesses acquired over the past three quarters.

Net revenue for the current quarter grew to a historic high of \$70.0 million, 40% or \$19.9 million higher than the \$50.1 million reported in the same quarter in the prior year. The increase reflects largely our successful organic growth in revenues and, to a lesser extent, the addition of revenues from the acquired businesses over the same period.

Expenses in the current quarter were \$48.8 million, a \$12.1 million increase from \$36.7 million in the same quarter in the prior year. The higher expenses reflect the growth in our businesses, strategic investments being made in the Canadian Retail Asset Management initiative and the addition of \$5.3 million in new expenses from the acquired businesses over the same period.

Global equity markets continued to experience positive performance during the current quarter, resulting in Net gains of \$56.5 million in the current quarter.

As a result of the Net gains and Operating earnings described above, the Company's Net earnings attributable to shareholders in the current quarter were

\$65.1 million, compared to \$50.5 million in the same quarter in 2020.

EBITDA attributable to shareholders<sup>(1)</sup> for the current quarter was \$24.7 million, compared to \$17.3 million in the same period in the prior year. Adjusted cash flow from operations attributable to shareholders<sup>(1)</sup> for the current quarter was \$19.2 million, compared to \$15.4 million in the same quarter in the prior year. The increases of 43% and 25%, respectively, in these measures are reflective of the growth delivered by the Company's operating businesses.

The Company's Shareholders' equity as at June 30, 2021 increased to \$780 million, or \$29.09 per share<sup>(1)</sup>, from \$700 million, or \$25.69 per share<sup>(1)</sup> as at December 31, 2020, and \$596 million, or \$22.07 per share<sup>(1)</sup> as at June 30, 2020. The fair value of the Company's Securities as at June 30, 2021 increased to \$698 million, or \$26.03 per share<sup>(1)</sup>, from \$633 million, or \$23.23 per share<sup>(1)</sup> as at December 31, 2020 and \$511 million, or \$18.92 per share<sup>(1)</sup> as at June 30, 2020.

The Board of Directors has declared a quarterly eligible dividend of \$0.18 per share, payable on October 18, 2021, to shareholders of record on October 11, 2021.

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

	Jun 30, 2021	Mar 31, 2021	Dec 31, 2020	Sep 30, 2020	Jun 30, 2020	Mar 31, 2020	Dec 31, 2019	Sep 30, 2019
<i>As at (\$ in millions)</i>								
Assets under management	\$ 51,641	\$ 47,643	\$ 45,984	\$ 32,734	\$ 31,196	\$ 27,527	\$ 31,147	\$ 30,243
Assets under administration	29,902	28,680	22,289	20,755	20,010	18,152	20,248	19,040
<i>For the three months ended (\$ in thousands)</i>								
Net revenue	\$ 69,960	\$ 64,694	\$ 63,724	\$ 52,042	\$ 50,124	\$ 49,901	\$ 49,865	\$ 45,983
Operating earnings	21,199	17,504	18,493	12,108	13,427	10,813	13,030	12,105
Net gains (losses)	56,467	41,971	80,983	35,739	43,254	(161,289)	24,140	(1,274)
Net earnings (loss)	66,831	50,861	87,083	42,652	51,244	(134,911)	31,808	8,952
Net earnings (loss) attributable to shareholders	65,138	49,625	86,039	42,201	50,486	(136,368)	30,787	8,275
Net earnings (loss) attributable to shareholders:								
Class A and Common per share (in \$)								
Basic	\$ 2.59	\$ 1.95	\$ 3.38	\$ 1.66	\$ 1.99	\$ (5.35)	\$ 1.20	\$ 0.32
Diluted	2.42	1.83	3.17	1.56	1.87	(5.35)	1.13	0.31
Dividends paid on Class A and Common shares (in \$)								
	\$ 0.18	\$ 0.16	\$ 0.16	\$ 0.16	\$ 0.16	\$ 0.15	\$ 0.15	\$ 0.15
<i>As at</i>								
Shareholders' equity (\$ in thousands)								
	\$ 780,323	\$ 737,363	\$ 699,610	\$ 631,863	\$ 596,265	\$ 562,821	\$ 682,777	\$ 653,983
Per Class A and Common share <sup>(1)</sup> (in \$)								
Basic	\$ 31.15	\$ 29.02	\$ 27.43	\$ 24.80	\$ 23.50	\$ 22.18	\$ 26.73	\$ 25.49
Diluted	29.09	27.14	25.69	23.25	22.07	20.94	25.01	23.93
Total Class A and Common shares outstanding (shares in thousands)								
	27,263	27,691	27,740	27,758	27,758	27,758	27,839	27,956

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

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<sup>(1)</sup>The Company's management uses EBITDA attributable to shareholders (formerly EBITDA), including the per share amount, Adjusted cash flow from operations attributable to shareholders (formerly Adjusted cash flow from operations), including the per share amount, Shareholders' equity per share and Securities per share to evaluate and assess the performance of its business. These measures do not have standardized measures under International Financial Reporting Standards ("IFRS"), and are therefore unlikely to be comparable to similar measures presented by other companies. However, management believes that most shareholders, creditors, other stakeholders and investment analysts prefer to include the use of these measures in analyzing the Company's results. The Company defines EBITDA as net earnings before interest, income taxes, amortization, stock-based compensation, net gains or losses, less amounts attributable to non-controlling interests. The Company defines Adjusted cash flow from operations attributable to shareholders (formerly Adjusted cash flow from operations) as net cash from operating activities, net of changes in non-cash working capital items and non-controlling interests. The most comparable IFRS measures are Net earnings, which were \$66.8 million in 2021 (2020 - \$51.2 million), and Net cash from operating activities, which was \$26.4 million in 2021 (2020 - \$24.8 million). The per share amounts for EBITDA attributable to shareholders, Adjusted cash flow from operations attributable to shareholders, Shareholders' equity and Securities are calculated by dividing the amounts by diluted shares, which is calculated in a manner similar to net earnings attributable to shareholders per share. More detailed descriptions of these non-IFRS measures are provided in the Company's Management's Discussion and Analysis, including a reconciliation of these measures to their most comparable IFRS measures.