

## Press Release

### Guardian Capital Group Limited (TSX: GCG; GCG.A) Announces 2022 Annual Operating Results

Toronto, Ontario, March 2, 2023

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

<b>For the years ended December 31, (\$ in thousands, except per share amounts)</b>	<b>2022</b>	<b>2021</b>
		<b>Restated</b>
Net revenue	<b>\$ 200,996</b>	\$ 194,001
Operating earnings	<b>44,123</b>	54,939
Net gains (losses)	<b>(104,216)</b>	139,687
Net earnings (loss) from continuing operations	<b>(59,568)</b>	168,954
Net earnings from discontinued operations	<b>22,251</b>	21,786
Net earnings	<b>(37,317)</b>	190,740
EBITDA <sup>(1)</sup>	<b>\$ 64,198</b>	\$ 69,558
Adjusted cash flow from operations <sup>(1)</sup>	<b>44,339</b>	55,768
Attributable to shareholders:		
Net earnings (loss)	<b>\$ (43,078)</b>	\$ 184,239
EBITDA <sup>(1)</sup>	<b>59,854</b>	64,626
Adjusted cash flow from operations <sup>(1)</sup>	<b>39,827</b>	50,761
Per share, diluted:		
Net earnings (loss)	<b>\$ (1.76)</b>	\$ 6.87
EBITDA <sup>(1)</sup>	<b>2.32</b>	2.42
Adjusted cash flow from operations <sup>(1)</sup>	<b>1.55</b>	1.90
<b>As at December 31,</b>	<b>2022</b>	<b>2021</b>
<i>(\$ in millions, except per share amounts)</i>		
Assets under management	<b>\$ 49,587</b>	\$ 56,341
Assets under administration and advisement	<b>3,716</b>	4,338
Total client assets	<b>53,303</b>	60,679
Assets under administration, discontinued operations	<b>23,817</b>	27,170
Shareholders' equity	<b>\$ 768</b>	\$ 839
Securities	<b>660</b>	752
Per share, diluted:		
Shareholders' equity <sup>(1)</sup>	<b>\$ 29.43</b>	\$ 31.53
Securities <sup>(1)</sup>	<b>25.31</b>	28.27

The Company successfully closed, on March 1, 2023, the previously announced transaction to sell its subsidiaries, IDC Worldsource Insurance Network Inc. ("IDC WIN"), Worldsource Financial Management Inc. and Worldsource Securities Inc. (together, the "Worldsource businesses") for \$750 million, subject to adjustments for net working capital, less amounts due to minority shareholders of IDC WIN. In this Release, and in the 2022 financial statements, the Worldsource businesses are referred to as "Discontinued operations", and their financial results are disclosed as Net earnings from discontinued operations. Prior period results have also been restated to reflect this presentation. Assets under administration of the Worldsource businesses have also been reclassified as Assets under administration, discontinued operations. All other disclosures in this Release relate to the continuing businesses only.

The Company is reporting \$53.3 billion in total client assets as at December 31, 2022, a reduction of 12% from the \$60.7 billion reported at December 31, 2021. These client assets consisted of assets under management ("AUM") of \$49.6 billion, a 12% reduction from the \$56.3 billion reported a year earlier, and assets under administration ("AUA") of \$3.7 billion, a slight decrease from the \$4.3 billion reported a year earlier. The decrease in AUM was driven largely by the negative global financial market performance and, to a lesser extent, net redemptions.

The sale of the Worldsource businesses has resulted in a significant increase in liquid capital. Therefore, the Board has decided that a higher allocation of cash flows from operating businesses can be made towards dividend payout for our shareholders. The Board of Directors is pleased to have declared a quarterly eligible dividend of \$0.34 per share, a 42% increase from the last declared dividend of \$0.24 per share, payable on April 19, 2023, to shareholders of record on April 12, 2023.

The Company is reporting Net revenue for the year ended December 31, 2022 of \$200.1 million, a 4% increase from \$194.0 million in 2021. An increase in dividend income earned on the Corporate holdings of securities was the largest driver of the increase.

Operating earnings of \$44.1 million are being reported for the year, a decrease of 20% from the \$54.9 million reported in 2021.

Expenses in the current year were \$156.9 million, a 13% increase from \$139.1 million in the prior year. The higher expenses reflect higher interest expense incurred on the Company's borrowings and the continuing investments in the strategically important initiatives of building our retail distribution capabilities; the private infrastructure business (Guardian Smart Infrastructure Management Inc); the digital advisory platform; and the Outsourced Chief Investment Officer business. The total operating loss incurred in 2022 in these businesses was approximately \$12 million.

Net losses in the current year were \$104.2 million, compared to Net gains of \$139.7 million in the prior year. The large swing from Net gains to Net losses reflects the volatility in the equities markets globally. The declines in those markets in the current year caused the fair value of the corporate holdings of securities to decline, resulting in these losses being recorded. These losses were substantially all unrealized losses.

Net earnings from discontinued operations were \$22.3 million in the current year and \$21.8 million in the prior year, as restated. The operating earnings of these businesses were \$25.4 million in the current year and \$26.8 million in the prior year.

EBITDA<sup>(1)</sup> and EBITDA attributable to shareholders<sup>(1)</sup> for the current year were \$64.2 million and \$59.9 million, respectively, compared to \$69.6 million and \$64.6 million, respectively in the prior year. Adjusted cash flow from operations<sup>(1)</sup> and Adjusted cash flow from operations attributable to shareholders<sup>(1)</sup> for the current year were \$44.3 million and \$39.8 million, respectively, compared to \$55.8 million and \$50.8 million, respectively, in the prior year.

The Company's Shareholders' equity as at December 31, 2022 was \$768 million, or \$29.43 per share<sup>(1)</sup>, compared to \$839 million, or \$31.53 per share<sup>(1)</sup> as at December 31, 2021. During the current year, the Company returned to shareholders \$23.3 million in dividends and \$23.1 million in share buybacks. The fair value of the Company's Securities as at December 31, 2022 was \$660 million, or \$25.31 per share<sup>(1)</sup>, compared to \$752 million, or \$28.27 per share<sup>(1)</sup> as at December 31, 2021. These measures increased significantly from the sale of the Worldsource businesses. The Company received approximately \$39 million of cash as a result of excess working capital from these businesses immediately prior to the sale and received approximately \$627 million in net proceeds from the purchaser on closing, which is net of amounts owed to minority shareholders and other adjustments.

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

	<b>Dec 31, 2022</b>	Sep 30, 2022 Restated	Jun 30, 2022 Restated	Mar 31, 2022 Restated	Dec 31, 2021 Restated	Sep 30, 2021 Restated	Jun 30, 2021 Restated	Mar 31, 2021 Restated
<i>As at (\$ in millions)</i>								
Assets under management	<b>\$ 49,587</b>	\$ 47,814	\$ 46,931	\$ 53,123	\$ 56,341	\$ 53,113	\$ 51,641	\$ 47,945
Assets under administration	<b>3,716</b>	3,788	3,944	4,273	4,338	5,061	5,542	5,138
Total client assets	<b>53,303</b>	51,602	50,875	57,396	60,679	58,174	57,183	53,083
Assets under administration, discontinued operations	<b>23,817</b>	22,998	23,682	26,253	27,170	24,954	24,360	23,238
<i>For the three months ended (\$ in thousands)</i>								
Net revenue	<b>\$ 50,681</b>	\$ 48,434	\$ 50,056	\$ 51,824	\$ 52,961	\$ 50,873	\$ 47,437	\$ 42,730
Operating earnings	<b>8,790</b>	10,419	11,404	13,507	14,086	15,385	14,134	11,334
Net gains (losses)	<b>18,225</b>	(21,148)	(91,545)	(9,749)	51,408	(8,960)	55,915	41,324
Net earnings (losses) from continuing operations	<b>25,249</b>	(11,582)	(73,463)	224	57,909	4,005	61,193	45,847
Net earnings from discontinued operations	<b>6,386</b>	5,034	5,239	5,591	6,542	4,592	5,638	5,014
Net earnings (losses)	<b>31,635</b>	(6,548)	(68,224)	5,815	64,451	8,597	66,831	50,861
Net earnings (loss) from continuing operations attributable to shareholders	<b>24,679</b>	(11,780)	(74,053)	(353)	56,999	3,268	60,681	45,199
Net earnings (loss) attributable to shareholders	<b>29,961</b>	(7,608)	(69,698)	4,262	62,422	7,054	65,138	49,625
<i>Per share (in \$)</i>								
Net earnings (loss) from continuing operations attributable to shareholders								
Basic	<b>\$ 1.02</b>	\$ (0.49)	\$ (3.03)	\$ (0.01)	\$ 2.30	\$ 0.13	\$ 2.41	\$ 1.77
Diluted	<b>0.96</b>	(0.49)	(3.03)	(0.01)	2.15	0.12	2.25	1.66
Net earnings (loss) attributable to shareholders:								
Basic	<b>1.24</b>	(0.31)	(2.85)	0.17	2.52	0.28	2.59	1.95
Diluted	<b>1.16</b>	(0.31)	(2.85)	0.16	2.35	0.27	2.42	1.83
Dividends paid on Class A and Common shares	<b>0.24</b>	0.24	0.24	0.18	0.18	0.18	0.18	0.16
<i>As at</i>								
Shareholders' equity (\$ in thousands)	<b>\$ 767,864</b>	\$ 743,331	\$ 742,917	\$ 828,404	\$ 838,520	\$ 781,334	\$ 780,323	\$ 737,363
<i>Per Class A and Common share (in \$)</i>								
Basic	<b>31.84</b>	30.82	30.68	33.67	33.89	31.56	31.15	29.02
Diluted	<b>29.43</b>	28.88	28.74	31.27	31.53	29.40	29.09	27.14
Total Class A and Common shares outstanding (shares in thousands)	<b>26,246</b>	26,246	26,342	26,892	26,954	26,968	27,263	27,691

Guardian Capital Group Limited (Guardian) is a diversified, global financial services company operating in two main business segments: Investment Management and Wealth Management. Guardian provides extensive investment and wealth management solutions to institutional, retail and private high and ultra-high-net worth clients through its subsidiaries. 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).

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### 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 Guardian believes that the expectations reflected in such forward-looking information are reasonable, such information involves known and unknown risks and uncertainties which may cause Guardian'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 Guardian 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 Guardian'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, stock-based compensation, 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 years ended December 31, (\$ in thousands)	2022	2021 Restated
Net earnings (loss)	\$ (37,317)	\$ 190,740
Add (deduct):		
Net earnings from discontinued operations	(22,251)	(21,786)
Income tax expense (recovery)	(525)	25,672
Net (gains) losses	104,216	(139,687)
Stock-based compensation	3,597	2,602
Interest expense	4,351	1,142
Amortization	12,127	10,875
EBITDA	64,198	69,558
Less attributable to non-controlling interests in continuing operations	(4,344)	(4,932)
EBITDA attributable to shareholders	\$ 59,854	\$ 64,626

For the years ended December 31, (\$ in thousands)	2022	2021 Restated
Net cash from operating activities	\$ 81,228	\$ 102,859
Add (deduct):		
Net cash from operating activities, discontinued operations	(23,524)	(29,671)
Net change in non-cash working capital items	(6,877)	(18,067)
Net change in non-cash working capital items, discontinued operations	(6,488)	647
Adjusted cash flow from operations	44,339	55,768
Less attributable to non-controlling interests, continuing operations	(4,512)	(5,007)
Adjusted cash flow from operations attributable to shareholders	\$ 39,827	\$ 50,761

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.