Contents

CAUTION REGARDING FORWARD-LOOKING STATEMENTS

This document contains "forward-looking statements" (as defined under applicable Canadian securities laws). 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. Forward looking statements include, but are not limited to, statements about the Company's objectives, strategies, business prospects and opportunities; the timing for, or execution of, the funding of the Purchase Loans (as defined below) to participants subscribing for limited partnership units in the Partnership; the timing of the Initiation Capital Contribution and Additional Capital Contribution (each as defined below) by participants in the Partnership, including the receipt of the regulatory approvals required for the Additional Capital Contributions by participants; the timing of repayment of the principal amount of the Loan (as defined below) made by the Company to the Partnership; changes to the Board of Directors and board roles; the execution of management's plans and potential outcomes; the impacts of global events and economic conditions on the Company's operations and business; and the outlook for the Company's business and for the global economy. 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. Disclosure identified as an "Outlook" including the section titled "Fiscal 2025 Outlook" contains forward-looking information.

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 dynamic nature of the financial services industry; inflationary pressures; credit, market, liquidity, strategic, insurance, operational, reputation, conduct and legal, regulatory and environmental risk; currency value and interest rate fluctuations, including as a result of market and oil price volatility; the effectiveness and adequacy of our risk management and valuation models and processes; legislative or regulatory developments in the jurisdictions where we operate; climate change and other ESG related risks; and the impact of the wars in Ukraine and Gaza and the resulting humanitarian crisis on the global economy, in particular, its effect on global oil, commodity and agricultural markets. Additional risks and factors that could cause actual results to differ materially from expectations are described in the Company's interim condensed and annual consolidated financial statements and the Company's Annual Report and Annual Information Form (AIF) filed on www.sedarplus.ca as well as the factors discussed in the sections titled "Risk Management" in this Management's Discussion and Analysis (MD&A) and "Risk Factors" in the AIF, which include market, liquidity, credit, operational, legal, cybersecurity and regulatory risks. Material factors or assumptions that were used by the Company to develop the forward-looking information contained in this document include, but are not limited to, those set out in the Fiscal 2025 Outlook section in this MD&A and those discussed from time to time in the Company's interim condensed and annual consolidated financial statements and its Annual Report and AIF filed on www.sedarplus.ca. Readers are cautioned that the preceding lists of material factors and assumptions are not exhaustive.

Although the forward-looking information contained in this document is 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 document are made as of the date of this document and should not be relied upon as representing the Company's views as of any date subsequent to the date of this document. Certain statements included in this MD&A may be considered a "financial outlook" for the purposes of applicable Canadian securities laws. The financial outlook may not be appropriate for purposes other than this MD&A. 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 information, whether as a result of new information, further developments or otherwise.

Management's Discussion and Analysis

Fourth quarter fiscal year 2024 for the three months and fiscal year ended March 31, 2024 – this document is dated June 5, 2024

The following discussion of the financial condition and results of operations for Canaccord Genuity Group Inc. is provided to enable the reader to assess material changes in our financial condition and to assess results for the three months and fiscal year ended March 31, 2024 compared to the corresponding periods in the preceding fiscal year. The three-month period ended March 31, 2024 is also referred to as fourth quarter fiscal 2024 and Q4/24. Unless otherwise indicated or the context otherwise requires, the "Company" refers to Canaccord Genuity Group Inc. and "Canaccord Genuity Group or CG" refers to the Company and its direct and indirect subsidiaries. The Management's Discussion and Analysis (MD&A) should be read in conjunction with the consolidated financial statements for the years ended March 31, 2024 and March 31, 2023 beginning on page 61 of this report. The Company's financial information is expressed in Canadian dollars unless otherwise specified. The Company's consolidated financial statements for the years ended March 31, 2024 and March 31, 2023 are prepared in accordance with International Financial Reporting Standards (IFRS).

Non-IFRS Measures

Certain non-IFRS measures, non-IFRS ratios and supplementary financial measures are utilized by the Company as measures of financial performance. Non-IFRS measures, non-IFRS ratios and supplementary financial measures do not have any standardized meaning prescribed by IFRS and are therefore unlikely to be comparable to similar measures presented by other companies.

Management believes that these non-IFRS measures, non-IFRS ratios and supplementary financial measures allow for a better evaluation of the operating performance of the Company's business and facilitate meaningful comparison of results in the current period to those in prior periods and future periods. Non-IFRS measures presented in this MD&A include certain figures from our Statement of Operations that are adjusted to exclude significant items. Although figures that exclude significant items provide useful information by excluding certain items that may not be indicative of the Company's core operating results, a limitation of utilizing these figures that exclude significant items is that the IFRS accounting effects of these items do in fact reflect the underlying financial results of the Company's business. Accordingly, these effects should not be ignored in evaluating and analyzing the Company's financial results. Therefore, management believes that the Company's IFRS measures of financial performance and the respective non-IFRS measures should be considered together.

Non-IFRS Measures (Adjusted Figures)

Figures that exclude significant items provide useful information by excluding certain items that may not be indicative of the Company's core operating results. Financial statement items that exclude significant items are non-IFRS measures. To calculate these non-IFRS financial statement items, we exclude certain items from our financial results prepared in accordance with IFRS. The items which have been excluded are referred to herein as significant items. The following is a description of the composition of the non-IFRS measures used in this MD&A (note that some significant items excluded may not be applicable to the calculation of the non-IFRS measure for each comparative period): (i) revenue excluding significant items, which is composed of revenue per IFRS excluding any applicable fair value adjustments on certain illiquid or restricted marketable securities, warrants and options as recorded for IFRS reporting purposes but which are excluded for management reporting purposes and are not used by management to assess operating performance; (ii) expenses excluding significant items, which is composed of expenses per IFRS less any applicable amortization of intangible assets acquired in connection with a business combination, acquisition-related expense items, which includes costs recognized in relation to both prospective and completed acquisitions, restructuring expense, certain incentive-based costs related to the acquisitions and growth initiatives of Canaccord Genuity Wealth Management ("CGWM UK") and the US and UK capital markets divisions, certain costs included in Corporate and Other development costs related to the expired management-led takeover bid for the common shares of the Company, impairment of goodwill and intangible assets in our Canadian capital markets operations, costs associated with the redemption of convertible debentures in fiscal 2022, costs associated with the reorganization of CGWM UK, fair value adjustment of certain contingent consideration in connection with prior acquisitions, fair value adjustments to the derivative liability component of non-controlling interests in CGWM UK; fair value adjustments to the derivative liability component related to the convertible debentures; and certain expenses related to leased premises under construction; (iii) overhead expenses excluding significant items, which are calculated as expenses excluding significant items less compensation expense; (iv) net income before taxes after intersegment allocations and excluding significant items, which is composed of revenue excluding significant items less expenses excluding significant items; (v) income taxes (adjusted), which is composed of income taxes per IFRS adjusted to reflect the associated tax effect of the excluded significant items; (vi) net income excluding significant items, which is net income before income taxes excluding significant items less income taxes (adjusted); (vii) non-controlling interests (adjusted), which is composed of the non-controlling interests per IFRS less the amortization of the equity component of the non-controlling interests in CGWM UK and adjusted as applicable under the treasury stock method when dilutive; (viii) net income attributable to common shareholders excluding significant items, which is net income excluding significant items less non-controlling interests (adjusted) and preferred share dividends paid on the Series A and Series C Preferred Shares. Other items which have been excluded as significant items in prior periods for purposes of determining expenses, net income before taxes, net income and net income attributable to common shareholders all excluding significant items include impairment of goodwill and other assets, gains or losses related to business disposals including recognition of realized translation gains on the disposal of foreign operations, restructuring costs, certain accounting charges related to the change in the Company's long-term incentive plan (LTIP) as recorded with effect on March 31, 2018, and loss related to the extinguishment of convertible debentures as recorded for accounting purposes in fiscal 2022 and (ix) earnings before interest, depreciation, taxes and amortization

(EBIDTA), which is net income before taxes excluding significant items and also excludes certain corporate interest revenue and interest expense, depreciation and amortization.

A reconciliation of non-IFRS measures that exclude significant items to the applicable IFRS measures from the consolidated financial statements for fiscal 2024 can be found in the table titled "Q4 and Fiscal 2024 Selected Financial Information Excluding Significant Items", on page 25.

Non-IFRS Ratios

Non-IFRS ratios are calculated using the non-IFRS measures defined above. For the periods presented herein, we have used the following non-IFRS ratios: (i) total expenses excluding significant items as a percentage of revenue which is calculated by dividing expenses excluding significant items by revenue excluding significant items; (ii) earnings per common share excluding significant items which is calculated by dividing net income attributable to common shareholders excluding significant items by the weighted average number of common shares outstanding (basic); (iii) diluted earnings per common share excluding significant items which is calculated by dividing net income attributable to common shareholders excluding significant items by the weighted average number of common shares outstanding (diluted); and (iv) pre-tax profit margin which is calculated by dividing net income before taxes excluding significant items by revenue excluding significant items.

Supplementary Financial Measures

Client assets are supplementary financial measures that do not have any definitions prescribed under IFRS and do not meet the definition of a non-IFRS measure or non-IFRS ratio. Client assets, which include both Assets under Management (AUM) and Assets under Administration (AUA), is a measure that is common to the wealth management business. Client assets is the market value of client assets managed and administered by the Company from which the Company earns interest, commissions and fees. This measure includes funds held in client accounts as well as the aggregate market value of long and short security positions. The Company's method of calculating client assets may differ from the methods used by other companies and therefore these measures may not be comparable to other companies. Management uses these measures to assess operational performance of the Canaccord Genuity Wealth Management business segment.

Business Overview

Through its principal subsidiaries, Canaccord Genuity Group Inc. 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, advisory and investment banking services. Canaccord Genuity Group has wealth management offices located in Canada, the UK, Guernsey, Jersey, the Isle of Man and Australia. Canaccord Genuity Capital Markets, the Company's international capital markets division, operates in North America, the UK & Europe, Asia and Australia.

Canaccord Genuity Group Inc. is publicly traded under the symbol CF on the Toronto Stock Exchange (TSX). Canaccord Genuity Series A Preferred Shares are listed on the TSX under the symbol CF.PR.A. Canaccord Genuity Series C Preferred Shares are listed on the TSX under the symbol CF.PR.C.

ABOUT CANACCORD GENUITY GROUP INC.'S OPERATIONS

Canaccord Genuity Group Inc.'s operations are divided into two business segments: Canaccord Genuity Capital Markets and Canaccord Genuity Wealth Management. Together, these operations offer a wide range of complementary advisory and investment banking services, investment products and brokerage services to the Company's institutional, corporate and private clients. The Company's administrative segment is referred to as Corporate and Other.

Canaccord Genuity Capital Markets

Canaccord Genuity Capital Markets is the global capital markets division of Canaccord Genuity Group Inc. (TSX: CF), offering institutional and corporate clients idea-driven investment banking, mergers and acquisitions (M&A), research, sales and trading services with capabilities in North America, the UK & Europe, Asia, and Australia. We are committed to providing value-driven services to our clients throughout the entire lifecycle of their business and operating as a gold standard independent investment bank – expansive in resources and reach, but targeted in industry expertise, market focus and individual client attention.

Canaccord Genuity Wealth Management

Canaccord Genuity Wealth Management provides comprehensive wealth management solutions, brokerage and financial planning services to individual investors, private clients, charities and intermediaries through a full suite of services tailored to the needs of clients in each of its markets. The Company's wealth management division has Investment Advisors (IAs) and professionals in Canada, the UK, Jersey, Guernsey, the Isle of Man and Australia. Guernsey, Jersey and the Isle of Man are together referred to as the Crown Dependencies. Our wealth management operations in the UK and in the Crown Dependencies are together referred to as CGWM UK.

Corporate and Other

Canaccord Genuity Group's administrative segment, described as Corporate and Other, includes revenues and expenses associated with providing correspondent brokerage services, bank and other interest, and activities not specifically allocable to either the Canaccord Genuity Capital Markets or Canaccord Genuity Wealth Management divisions. Also included in this segment are the Company's operations and support services, which are responsible for front- and back-office information technology systems, compliance, risk management, operations, legal, finance, and other administrative functions of Canaccord Genuity Group Inc.

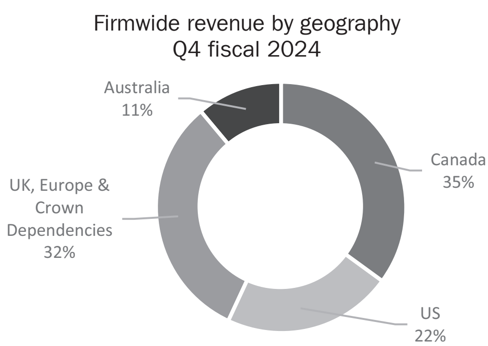
BUSINESS ACTIVITY

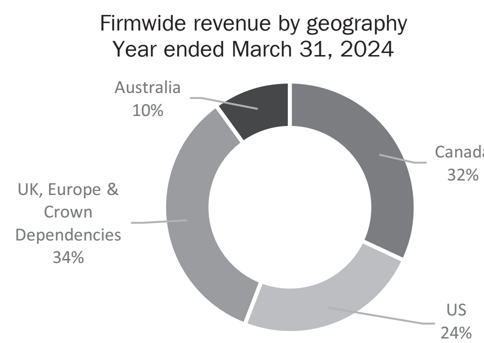
Our business is affected by the overall condition of the worldwide debt and equity markets.

The timing of revenue recognition can also materially affect the Company's quarterly results. The majority of revenue from underwriting and advisory transactions is recorded when the transaction has closed and, as a result, quarterly results can also be affected by the timing for the recognition of revenue for such transactions in our capital markets business.

The Company is diversified across industry sectors and geographies. To increase its recurring revenue base and to offset the inherent volatility of the capital markets business, the Company has continued to invest in increasing the scale of its wealth management operations. Historically, the Company's diversification across major financial centres has allowed it to benefit from strong equity markets in certain regions and improve its capability for identifying and servicing opportunities in regional centres and across the Company's core focus sectors.

The following chart depicts firm-wide revenue contributions by geography for Q4 2024 and the year ended March 31, 2024:

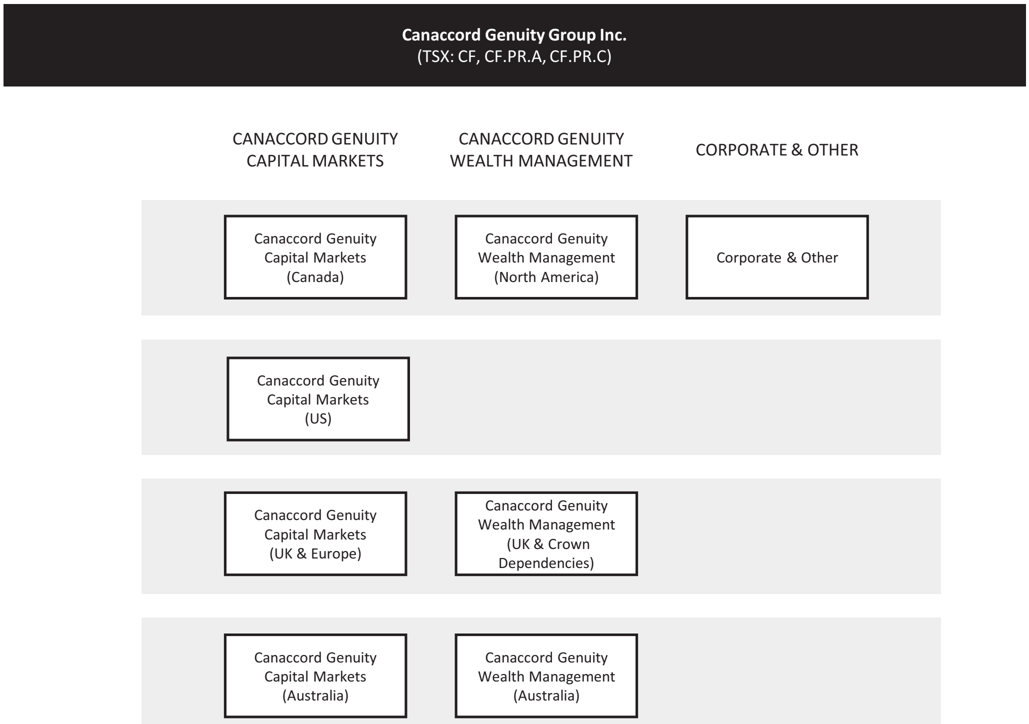




As a brokerage firm, the Company derives its revenue primarily from sales commissions, underwriting, advisory fees, and trading activity. As a result, the Company's business is materially affected by conditions in the financial marketplace and the economic environment, primarily in North America and Europe, and to some degree Asia and Australia. Canaccord Genuity Group's long-term international business development initiatives over the past several years have laid a solid foundation for revenue diversification. A disciplined capital strategy allows the Company to remain competitive in a dynamic financial landscape.

The Company's capital markets activities are primarily focused in the following sectors: Healthcare & Life Sciences (which includes cannabis-related companies), Technology, Metals & Mining, Consumer & Retail, and Other. Coverage of these sectors includes investment banking, mergers and acquisitions (M&A) and advisory services, and institutional equity activities, such as sales, trading, and research. The value of client assets in the Company's wealth management businesses can be impacted by changes in market values during reporting periods.

BUSINESS SEGMENTS



The principal operating entities included in the business units described above are:

<u>Canaccord Genuity Capital Markets (Canada)</u>

- Canaccord Genuity Corp. (capital markets division)
- Jitneytrade Inc.
- Canaccord Genuity Asia (Beijing) Limited
- Canaccord Genuity (Hong Kong) Limited(1)
- Canaccord Genuity Emerging Markets Ltd.

<u>Canaccord Genuity Wealth Management (North America)</u>

- Canaccord Genuity Corp. (wealth management division)
- Canaccord Genuity Wealth Management (USA) Inc.
- Canaccord Genuity Wealth & Estate Planning Services Ltd.

<u>Corporate and Other</u>

- Canaccord Genuity Corp. (corporate & other division)
- Canaccord Genuity Group Inc.
- Finlogik Inc.

<u>Canaccord Genuity Capital Markets (US)</u>

- Canaccord Genuity LLC
- Canaccord Genuity Petsky Prunier LLC
- CG Sawaya, LLC

<u>Canaccord Genuity Capital Markets (UK & Europe)</u>

- Canaccord Genuity Limited

<u>Canaccord Genuity Wealth Management (UK & Crown Dependencies)</u>

- Canaccord Genuity Wealth Limited
- CG Wealth Planning Ltd.
- Canaccord Genuity Financial Planning Limited
- Canaccord Genuity Asset Management Limited (previously “Hargreave Hale Limited”)
- Canaccord Genuity Wealth (International) Limited
- Canaccord Genuity Wealth Group Holdings (Jersey) Limited

<u>Canaccord Genuity Capital Markets (Australia)</u>

- Canaccord Genuity (Australia) Limited
- Canaccord Genuity (Hong Kong) Limited(1)

<u>Canaccord Genuity Wealth Management (Australia)</u>

- Canaccord Genuity Financial Limited

(1) Canaccord Genuity (Hong Kong) Limited is a shared resource for both Canaccord Genuity Capital Markets (Canada) and Canaccord Genuity Capital Markets (Australia).

Certain institutional investors acquired two series of the Convertible Preferred Shares issued by Canaccord Genuity Wealth Group Holdings (Jersey) Limited, a subsidiary of the Company and the parent of all operating companies included in CGWM UK. On an as-converted basis and subject to the liquidation preference associated with the Convertible Preferred Shares and Preference Shares issued to management and employees of CGWM UK, the Company holds an approximate 66.9% equity equivalent interest in Canaccord Genuity Wealth Group Holdings (Jersey) Limited. Terms of the Convertible Preferred Shares and Preference Shares are disclosed in Note 8 of the consolidated financial statements of the Company for the year ended March 31, 2024.

The Company holds a 65% ownership interest in Canaccord Genuity (Australia) Limited and Canaccord Genuity Financial Limited.

Operating results of Jitneytrade Inc. and Finlogik Inc. (collectively referred to as "Jitneytrade") since the closing date of June 6, 2018 are included as part of Canaccord Genuity Capital Markets Canada and Corporate and Other, respectively. In addition, operating results of Petsky Prunier LLC ("Petsky Prunier") since the closing date of February 13, 2019 and operating results of CG Sawaya, LLC ("Sawaya") since the closing date of March 31, 2021 are included as part of Canaccord Genuity Capital Markets US. Included as part of CGWM UK are the operating results of McCarthy Taylor Limited ("McCarthy Taylor") (renamed as CG McCarthy Taylor Limited) and whose operations were subsequently transferred to CG Wealth Planning Limited since the closing date of January 29, 2019, the operating results of Thomas Miller Wealth Management Limited ("Thomas Miller") (renamed as CG Wealth Planning Limited) since the closing date of May 1, 2019, the private client investment management business of Adam & Company (including the acquisition of the entire issued capital of Adam & Company Investment Management Limited) since the closing date of October 1, 2021, and the operating results of Punter Southall Wealth Limited ("PSW") whose operations were subsequently transferred to Canaccord Genuity Wealth Limited and CG Wealth Planning Ltd. since the closing date of May 31, 2022. Operating results for the business of Results International Group LLP ("Results") since the closing date of August 17, 2022 are included as part of Canaccord Genuity Capital Markets (UK & Europe), and the Canadian private wealth management business of Mercer Global Investments Canada Limited, referred to as "Mercer", are included as part of the operating results of Canaccord Genuity Wealth Management Canada since the closing date of May 29, 2023.

Market Environment

Economic backdrop

During our fourth fiscal quarter, indices for the S&P 500 (+10.6% QoQ and +29.9% YoY), the S&P/TSX (+6.6% and +14.0%) and world equities (+8.3% and +23.8%) all posted strong positive returns.

After several quarters of sub-par performances, manufacturing activity and global trade showed signs of improvement during the three-month period. With strong commodity prices and a re-acceleration in US inflation expectations, markets began to unwind expectations for future rate cuts by the United States Federal Reserve (Fed) and US Treasuries ended the fourth quarter and fiscal 2024 down by 1.7% and 2.3%, respectively, when compared to the same periods a year ago.

In Canada, progress on core inflation along with slowing economic and employment growth suggest that the Bank of Canada (BoC) could eventually reduce its policy rate before the Fed. Similar conditions in Europe also suggest the European Central Bank (ECB) could deliver a pre-emptive rate cut. In all, outside of the US, a global monetary easing cycle is expected during the course of this year.

Investment banking and advisory

High interest rates and ongoing geopolitical activity continued to impact equity capital raising activity in the three-month period, however data shows that the value of global proceeds raised increased by 16% compared to the same period a year ago. After reaching a six-year low in calendar 2023, global IPO activity showed a slight recovery during our fourth fiscal quarter, although overall sentiment continues to be adversely affected by geopolitical tensions and interest rate uncertainty. Global M&A announcements continued to be at reduced levels although there has been a modest increase in deal activity at the higher end of the range. While this led to reduced activity levels in our core mid-market focus sectors, the modest resurgence of activity signals improving corporate confidence in a healthier market for M&A activity.

Index Value at End of		Q4/23		Q1/24		Q2/24		Q3/24			Q4/24
Fiscal Quarter	2023-03-31	(Y/Y)	2023-06-30	(Y/Y)	2023-09-29	(Y/Y)	2023-12-29	(Y/Y)	2024-03-29	(Y/Y)	(Q/Q)
S&P IFCI Global Small Cap	274.4	-12.0%	280.7	5.2%	278.2	14.6%	298.0	12.8%	294.0	7.2%	-1.4%
S&P IFCI Global Large Cap	221.0	-13.3%	221.1	-1.1%	213.5	8.4%	229.6	7.4%	235.0	6.3%	2.3%

Source: Refinitiv Datastream, Canaccord Genuity estimates

Our capital-raising and advisory activities are primarily focused on small- and mid-capitalization companies in specific growth sectors of the global economy. These sectors may experience growth or downturns independent of broader economic and market conditions. Government regulation can also have a more profound impact on capital formation for smaller companies. Volatility in the business environment for these industries, or in the market for securities of companies within these industries in the regions where we operate could adversely affect our financial results and ultimately, the market value of our shares. Advisory revenues are primarily dependent on the successful completion of merger, acquisition and restructuring mandates.

Trading

The volume of shares traded on the TSX and TSX Venture Exchange over the three-month period declined 16.4% and 9.4%, respectively, compared to the same period a year ago. We continue to believe several quarters of outperformance in our key sectors of expertise, notably small and mid-cap equities, are likely needed for a sustained upturn in trading volumes.

Average Value During Fiscal Quarter/Year	Q4/23 31-Mar-23	(Y/Y)	Q1/24 30-Jun-23	(Y/Y)	Q2/24 29-Sep-23	(Y/Y)	Q3/24 29-Dec-23	(Y/Y)	Q4/24 29-Mar-24	(Y/Y)	(Q/Q)	FY24 29-Mar-24	(Y/Y)
Russell 2000	1856.9	-9.7%	1797.8	-3.2%	1892.3	3.2%	1810.0	0.9%	2013.6	8.4%	11.2%	1878.4	2.4%
S&P 400 Mid Cap	2555.4	-4.3%	2492.7	0.7%	2624.6	8.5%	2545.2	4.9%	2837.4	11.0%	11.5%	2625.0	6.3%
FTSE 100	7755.5	4.2%	7692.6	3.5%	7508.6	2.9%	7511.4	3.2%	7671.9	-1.1%	2.1%	7596.1	2.1%
MSCI EU Mid Cap	1239.3	-5.7%	1229.9	1.1%	1209.4	6.4%	1191.0	5.8%	1271.8	2.6%	6.8%	1225.5	3.9%
S&P/TSX	20184.0	-5.3%	20187.7	-1.8%	20156.3	4.3%	19896.7	2.0%	21309.3	5.6%	7.1%	20387.5	2.5%

Global wealth management

Positive returns from major equity indexes more than offset Treasury bond losses during the fiscal quarter, leading to an increase in the value of client assets, both sequentially and annually.

Return (excl. currencies)	Q4/23 Change (Q/Q)	Q1/24 Change (Q/Q)	Q2/24 Change (Q/Q)	Q3/24 Change (Q/Q)	Q4/24 Change (Q/Q)	Fiscal 2024 Change (Y/Y)
S&P 500	7.5%	8.7%	-3.3%	11.7%	10.6%	29.9%
S&P/TSX	4.6%	1.1%	-2.2%	8.1%	6.6%	14.0%
MSCI EMERGING MARKETS	3.8%	1.8%	-1.3%	5.6%	4.6%	11.1%
MSCI WORLD	7.4%	6.3%	-3.3%	11.1%	8.3%	23.8%
S&P GS COMMODITY INDEX	-4.9%	-2.7%	16.0%	-10.7%	10.4%	11.1%
US 10-YEAR T-BONDS	4.3%	-1.9%	-5.1%	6.8%	-1.7%	-2.3%
CAD/USD	0.3%	2.1%	-2.5%	2.5%	-2.2%	-0.2%
CAD/EUR	-1.0%	1.4%	0.6%	-1.8%	0.0%	0.2%

Source: Refinitiv Datastream, Canaccord Genuity estimates

Fiscal 2025 Outlook

Improving economic performance in Asia and across emerging markets confirms a nascent upturn in world industrial activity and global trade. Fundamentals remain sound for several commodities given resilient growth in demand, compounded by tight supply conditions. That said, recent economic indicators are pointing to a downshift in US growth, but more so for the service-based economy. This slowing is consistent with the weakening in many labour market indicators. Elsewhere, progress on inflation combined with slow growth in Canada and Europe suggests that the BoC and ECB could cut rates before the Fed. Looking forward, we expect that markets will be awaiting clarity on whether US inflation falls to a level which would allow the Fed to cut rates quickly if economic growth downshifts markedly.

In the near term, strong commodity prices and a positive trade balance should support the Canadian dollar and we believe several underpinnings are brightening the outlook for the pro-cyclical S&P/TSX as well as world equities (ex-US). In the US, we believe that cash and bonds are becoming competing alternatives in light of an earnings yield below 5% on the S&P 500.

Looking ahead, data suggests we could be past the trough in new issues, corporate debt issuance and M&A activity, barring an unexpected shock on earnings, interest rates, or financial conditions. Lastly, trading activity is expected to improve as we anticipate risk appetite to increase for small and mid-cap equities, given the upturn in global manufacturing activity and commodity prices.

Core Business Performance Highlights

Additional detail has been provided in the section titled Business Segment Results.

Fourth Quarter and Fiscal Year Ended March 31, 2024

	Three months ended							
	March 31, 2024				March 31, 2023			
	Canaccord Genuity Wealth Management	**Canaccord Genuity Capital Markets**	**Corporate and Other(1)**	**Total**	Canaccord Genuity Wealth Management	Canaccord Genuity Capital Markets	Corporate and Other(1)	Total
Revenue – adjusted(2)	**$200,078**	**$202,850**	**$6,350**	**$409,278**	$197,109	$226,140	$ 7,140	$430,389
Net income (loss) before taxes excluding significant items – adjusted(2)	**33,999**	**3,309**	**1,765**	**39,073**	36,874	(5,491)	(15,049)	16,334
Diluted earnings (loss) per share – adjusted(2)	**$ 0.14**	**$ 0.01**	**$ —**	**$ 0.15**	$ 0.16	$ (0.09)	$ —	$ 0.07

(1) The losses in Corporate and Other are allocated to capital markets and wealth management segments based on revenue and other factors and assumptions for the purpose of presenting adjusted diluted earnings (loss) per share on a divisional basis.
(2) Figures excluding significant items are non-IFRS measures. See Non-IFRS measures on page 14.

	Year ended							
				March 31, 2024				March 31, 2023
	Canaccord Genuity Wealth Management	**Canaccord Genuity Capital Markets**	**Corporate and Other[1]**	**Total**	Canaccord Genuity Wealth Management	Canaccord Genuity Capital Markets	Corporate and Other[1]	Total
Revenue – adjusted[2]	**$773,371**	**$683,196**	**$ 23,165**	**$1,479,732**	$708,304	$792,853	$ 22,191	$1,523,348
Net income (loss) before taxes excluding significant items – adjusted[2]	**140,484**	**6,018**	**(13,342)**	**133,160**	125,725	30,784	(30,637)	125,872
Diluted earnings (loss) per share – adjusted[2]	**$ 0.57**	**$ (0.17)**	**$ —**	**$ 0.40**	$ 0.60	$ (0.01)	$ —	$ 0.59

(1) The losses in Corporate and Other are allocated to capital markets and wealth management segments based on revenue and other factors and assumptions for the purpose of presenting adjusted diluted earnings (loss) per share on a divisional basis.
(2) Figures excluding significant items are non-IFRS measures. See Non-IFRS measures on page 14.

CANACCORD GENUITY WEALTH MANAGEMENT

Globally, Canaccord Genuity Wealth Management earned revenue of $200.1 million during the fourth fiscal quarter and $773.4 million for fiscal 2024, representing year-over-year increases of 1.5% and 9.2%, respectively. Increased interest revenue was the primary driver of the increase in the three- and 12-month periods, reflecting the higher interest rate environment, and commissions and fees revenue was broadly in-line with prior reporting periods. Excluding significant items, this division recorded net income before taxes of $34.0 million[1] for the fourth quarter and $140.5 million[1] for the full fiscal year, representing a year-over-year decrease of 7.8% and an increase of 11.7%, respectively.

- Canaccord Genuity Wealth Management (North America) generated $77.6 million in revenue and, after intersegment allocations and excluding significant items, recorded net income before taxes of $6.7 million in Q4/24. Fiscal 2024 revenue in this business amounted to $298.0 million and net income before taxes and after intersegment allocations and excluding significant items[1] amounted to $35.7 million, a decrease of 9.5% compared to the last fiscal year.
- Wealth management operations in the UK & Crown Dependencies generated $105.5 million in revenue and, after intersegment allocations and excluding significant items[1], recorded net income before taxes of $26.6 million in the fourth quarter of fiscal 2024, an increase of 0.9% year over year. Fiscal 2024 revenue in this business increased by 19.7% year over year to $411.5 million and net income before taxes and after intersegment allocations and excluding significant items[1] increased by 17.9% to $101.5 million.
- Wealth management operations in Australia generated revenue of $17.0 million and, after intersegment allocations and excluding significant items, recorded income before taxes of $0.7 million in the fourth quarter of fiscal 2024[1]. Fiscal 2024 revenue in this business amounted to $63.9 million and net income before taxes and after intersegment allocations and excluding significant items[1] amounted to $3.2 million.

Firm-wide client assets were $103.9 billion at March 31, 2024 representing an increase of $7.7 billion or 8.0% from $96.2 billion[2] at March 31, 2023. Client assets across the individual businesses as at March 31, 2024 were as follows:

- $38.4 billion in North America, an increase of $2.7 billion or 7.6% from March 31, 2023[2]
- $59.1 billion (£34.6 billion) in the UK & Crown Dependencies, an increase of $4.0 billion or 7.2% from $55.1 billion (£33.0 billion) at the end of the fourth quarter of the previous fiscal year[2]
- $6.4 billion in Australia held through our investment management platform, an increase of $1.0 billion or 18.4% from March 31, 2023[2]

CANACCORD GENUITY CAPITAL MARKETS

Globally, Canaccord Genuity Capital Markets earned revenue of $202.9 million for the fourth fiscal quarter, and $683.2 million in fiscal 2024, representing year-over-year decreases of 10.3% and 13.8%, respectively. The decreases primarily reflected the impact of lower advisory revenues in our core focus sectors when compared to the prior reporting periods. When compared to the previous fiscal year, revenue from investment banking activities improved in the three- and 12-month periods. Excluding significant items this division recorded net income before income taxes of $3.3 million[1] for the fourth quarter and $6.0 million[1] for the full fiscal year.

Canaccord Genuity Capital Markets led or co-led 204 investment banking transactions globally, raising total proceeds of C$6.4 billion during fiscal 2024.

Canaccord Genuity Capital Markets, including led or co-led, participated in 297 investment banking transactions globally, raising total proceeds of C$17.1 billion during fiscal 2024.

(1) Figures excluding significant items are non-IFRS measures. See Non-IFRS Measures on page 14.
(2) See Non-IFRS Measures on page 14.

Revenue by activity as a percentage of total Canaccord Genuity Capital Markets revenue

	For three months ended March 31		Quarter-over-quarter change	Year ended March 31		Year-over-year change
	2024	2023		**2024**	2023	
Commissions and fees	**21.3%**	19.4%	1.9 p.p.	**23.6%**	19.7%	3.9 p.p.
Investment banking	**24.3%**	18.1%	6.2 p.p.	**21.9%**	16.0%	5.9 p.p.
Advisory fees	**34.0%**	45.9%	(11.9) p.p.	**33.6%**	45.7%	(12.1) p.p.
Principal trading	**15.7%**	11.8%	3.9 p.p.	**15.4%**	14.7%	0.7 p.p.
Interest	**4.0%**	4.5%	(0.5) p.p.	**4.7%**	3.2%	1.5 p.p.
Other	**0.7%**	0.3%	0.4 p.p.	**0.8%**	0.7%	0.1 p.p.
Canaccord Genuity Capital Markets (total)	**100.0%**	100.0%		**100.0%**	100.0%	

p.p.: percentage points

Further detail is provided in the Business Segment Results beginning on page 30.

SUMMARY OF CORPORATE DEVELOPMENTS

On January 9, 2023, 1373313 B.C. Ltd (the "Offeror"), on behalf of itself and a management-led group consisting of the President and Chief Executive Officer of the Company and certain officers and employees of the Company and its subsidiaries (collectively, the "CG Employee Group" and together with the Offeror, the "Offerors"), announced an intention to commence a take-over bid to acquire all the issued and outstanding common shares of the Company (the "Offer"). A take-over bid circular was filed on SEDAR+ for the Offer on February 27, 2023 which identified the CG Employee Group. On June 13, 2023, certain substantive conditions to the Offer, including conditions related to the receipt of required regulatory approvals, were not reasonably expected to be satisfied as of the Offer's expiry time and the Offerors determined not to extend the Offer. As a result, no common shares were acquired pursuant to the Offer and the Offer terminated.

On June 13, 2023, the Company entered into a Standstill Agreement. The Standstill Agreement contains, among other provisions, a two-year standstill with voting support commitments from certain members of the CG Employee Group in favour of Board-supported director nominees, reimbursement of certain reasonable expenses of the CG Employee Group (subject to claw-back in certain circumstances) and continuation of an ad hoc independent committee, if required, for purposes of considering potential value enhancing alternative transactions that may become available to the Company.

During Q1/24, the Company made the following changes in executive leadership roles in its North American businesses: Stuart Raftus was appointed CEO, Canaccord Genuity Corp. with responsibility for oversight of the Canadian broker-dealer business. He continues to lead CG Wealth Management in Canada, a role he has had since 2014. Jason Melbourne was promoted to Head of Canadian Capital Markets and will retain his existing role as Global Head of Distribution. Jeff Barlow became CEO, Canaccord Genuity LLC (US), a title change that reflects the increased importance to our global franchise of our US business for which he has been President since 2015.

On August 17, 2023, the Company filed a notice to renew its normal course issuer bid (NCIB) to provide the Company with the choice to purchase up to a maximum 4,985,290 of its common shares during the period of August 21, 2023, to August 20, 2024, through the facilities of the TSX and alternative trading systems in accordance with the requirements of the TSX. The purpose of the purchase of common shares under the NCIB is to enable the Company to acquire shares for cancellation. The maximum number of shares that may be purchased under the current NCIB represents 5.0% of the Company's outstanding common shares at the time of the notice. There were no shares purchased or cancelled during the year ended March 31, 2024.

In the third quarter, Rod Phillips, a director of the Company, entered into a consulting agreement with Canaccord Genuity Corp., to provide services to the Company's Canadian investment banking group. As part of the agreement he will serve on the board of directors of Canaccord Genuity Corp. in the role of Vice-Chairman. Mr. Phillips also remains a director of the Company but has ceased to be a member of any of the committees of the Board. Mr. Phillips will not seek re-election as a director of the Company at the upcoming annual general meeting of Shareholders on August 9, 2024.

On March 18, 2024, the Company announced the completion of a non-brokered private placement ("Private Placement") of convertible unsecured senior subordinated debentures ("Convertible Debentures") to two institutional investors for gross proceeds of $110,000,000. The Convertible Debentures bear interest at a rate of 7.75% per annum, payable semi-annually on the last day of June and December each year commencing June 30, 2024. The Convertible Debentures are convertible at the holder's option into common shares of the Company, at a conversion price of $9.68 per common share subject to certain limits on ownership and subject to customary anti-dilution provisions and adjustment in the event that the Company pays a dividend in excess of dividends paid in the ordinary course. The Convertible Debentures mature on March 15, 2029 and may be redeemed by the Company in certain circumstances, on or after March 15, 2027. In the event of a redemption by the Company, under certain circumstances the Company will pay to the holder in cash an amount equal to the conversion value that would have been in excess of any limits on ownership level then in effect. The conversion of the Convertible Debentures is limited to the extent that the holder following such conversion would own more than 9.9% of the issued and outstanding shares of the Company unless regulatory approval is obtained.

The Company used approximately $80 million of the proceeds from the Private Placement to provide an interest-bearing secured loan (the "Loan") to a limited partnership to be owned by certain employees of the Company (the "Partnership"). The Partnership will be a long-term ownership vehicle for senior employees of the Company and, accordingly, the Partnership used the proceeds from the Loan to acquire approximately 9.9 million outstanding common shares of the Company (representing 9.7% of the issued and outstanding common shares of the Company) in a private transaction that was completed contemporaneously with the closing of the Private Placement. The remaining proceeds of the Private Placement will be deployed within the business to support ongoing growth priorities.

It is expected that certain executive officers and senior revenue producing employees (referred to as Participants herein) will enter into loan agreements ("Purchase Loans") with the Company's subsidiaries (collectively, "CG Group") and subscription agreements with the Partnership to subscribe for approximately $80 million of limited partnership units ("LP Units") of the Partnership. A total of $80 million is expected to be loaned to the Participants under the Purchase Loans prior to the end of the first quarter of fiscal 2025 ("Q1 FY25") by CG Group. The Purchase Loans bear interest and have a term up to seven years and are secured against a pledge of the LP Units acquired with the proceeds of the Purchase Loans. The Partnership will use proceeds from the subscription of LP Units to repay the principal amount owing to the Company under the Loan.

Subsequent to the end of the fiscal fourth quarter, on April 8, 2024, the Company announced that through its wealth management business in the UK (CGWM UK), it had completed the acquisition of Intelligent Capital, a financial planning business based in Glasgow, Scotland.

Subsequent to the end of the fiscal fourth quarter, on June 5, 2024, the Company announced a new slate of nominees for election to the Company's Board of Directors at the annual general meeting of shareholders to be held on August 9, 2024 ("AGM"), namely Dan Daviau, Michael Auerbach, Shannon Eusey, Terry Lyons and Cindy Tripp. The current Chairman, David Kassie, will not seek re-election at the upcoming annual general meeting and will be given the title of Chairman Emeritus. Current directors Amy Freedman, Jo-Anne O'Connor and Rod Phillips are leaving to focus on other endeavours and are not standing for re-election at the AGM. Following the AGM, Dan Daviau will become President and CEO and Chairman and Michael Auerbach will be the Lead Independent Director.

Subsequent to the end of the fiscal fourth quarter, on May 31, 2024, the Company announced that through its wealth management business in the UK & Crown Dependencies, it has entered into a share purchase agreement to acquire Cantab Asset Management Ltd. The acquisition is expected to be completed within the quarter ending September 30, 2024.

Financial Overview

Q4 AND FISCAL 2024 SELECTED FINANCIAL INFORMATION(1)(2)(5)

(C$ thousands, except per share and % amounts, and number of employees)	Three months ended March 31			Q4/24 vs	Year ended March 31			YTD over
	2024	2023	2022	Q4/23	2024	2023	2022	YTD change
Canaccord Genuity Group Inc. (CGGI)								
Revenue								
Commissions and fees	**$ 201,229**	$ 196,774	$ 196,976	2.3%	**$ 755,193**	$ 749,114	$ 761,843	0.8%
Investment banking	**55,786**	50,962	108,801	9.5%	**174,694**	160,944	561,725	8.5%
Advisory fees	**69,005**	104,649	122,353	(34.1)%	**230,530**	364,554	493,057	(36.8)%
Principal trading	**31,962**	26,921	41,960	18.7%	**105,158**	117,238	158,978	(10.3)%
Interest	**49,322**	45,949	10,264	7.3%	**197,809**	115,245	36,028	71.6%
Other	**1,744**	5,134	19,439	(66.0)%	**15,421**	3,302	34,371	n.m.
Total revenue	**409,048**	430,389	499,793	(5.0)%	**1,478,805**	1,510,397	2,046,002	(2.1)%
Expenses								
Compensation expense	**249,966**	276,066	294,695	(9.5)%	**858,652**	936,872	1,248,184	(8.3)%
Other overhead expenses(3)	**131,695**	151,535	108,024	(13.1)%	**536,767**	500,578	395,709	7.2%
Acquisition-related costs	**—**	—	515	—	**—**	7,403	9,197	(100.0)%
Restructuring costs	**—**	—	—	—	**18,147**	—	—	n.m.
Fair value adjustment of non-controlling interests derivative liability	**—**	11,629	—	(100.0)%	**13,250**	11,629	8,519	13.9%
Change in fair value of contingent consideration	**(9,151)**	(14,278)	—	35.9%	**(27,325)**	(14,278)	—	(91.4)%
Fair value adjustment of convertible debentures derivative liability	**4,421**	—	—	n.m.	**4,421**	—	—	n.m.
Costs associated with redemption of convertible debentures	**—**	—	—	—	**—**	—	5,932	—
Impairment of goodwill and other intangible assets	**17,756**	—	—	—	**17,756**	102,571	—	(82.7)%
Share of loss of an associate	**—**	10	11	(100.0)%	**70**	55	192	27.3%
Total expenses	**394,687**	424,962	403,245	(7.1)%	**1,421,738**	1,544,830	1,667,733	(8.0)%
Income (loss) before income taxes	**14,361**	5,427	96,548	164.6%	**57,067**	(34,433)	378,269	265.7%
Net income (loss)	**$ 7,912**	$ 3,763	$ 68,995	110.3%	**$ 29,782**	$ (54,742)	$ 270,565	154.4%
Net income (loss) attributable to:								
CGGI shareholders	**$ (3,696)**	$ (4,326)	$ 58,657	14.6%	**$ (13,163)**	$ (90,104)	$ 246,314	85.4%
Non-controlling interests	**$ 11,608**	$ 8,089	$ 10,338	43.5%	**$ 42,945**	$ 35,362	$ 24,251	21.4%
Preferred share dividends	**$ 2,852**	$ 2,852	$ 2,391	—	**$ 11,408**	$ 10,948	$ 9,484	4.2%
Net (loss) income attributable to common shareholders	**$ (6,548)**	$ (7,178)	$ 56,266	8.8%	**$ (24,571)**	$ (101,052)	$ 236,830	75.7%
Earnings (loss) per common share – diluted	**$ (0.07)**	$ (0.08)	$ 0.53	12.5%	**$ (0.27)**	$ (1.16)	$ 2.16	76.7%
Dividends per common share	**$ 0.085**	$ 0.085	$ 0.085	—	**$ 0.34**	$ 0.34	$ 0.32	—
Total assets	**$6,132,465**	$6,302,400	$7,250,245	(2.7)%				
Total liabilities	**$4,772,354**	$4,903,763	$5,833,476	(2.7)%				
Non-controlling interests	**$ 364,466**	$ 343,998	$ 238,700	6.0%				
Total shareholders' equity	**$ 995,645**	$1,054,639	$1,178,069	(5.6)%				
Number of employees	**2,798**	2,829	2,587	(1.1)%				
Excluding significant items(5)								
Total revenue	**$ 409,278**	$ 430,389	$ 490,793	(4.9)%	**$1,479,732**	$1,523,348	$2,040,602	(2.9)%
Total expenses	**$ 370,205**	$ 414,055	$ 396,268	(10.6)%	**$1,346,572**	$1,397,476	$1,623,036	(3.6)%
Income before income taxes	**$ 39,073**	$ 16,334	$ 94,525	139.2%	**$ 133,160**	$ 125,872	$ 417,566	5.8%
Net income(4)	**$ 30,779**	$ 17,428	$ 66,822	76.6%	**$ 94,233**	$ 100,986	$ 305,827	(6.7)%
Net income attributable to:								
CGGI shareholders	**$ 20,249**	$ 9,645	$ 57,069	109.9%	**$ 56,830**	$ 71,260	$ 284,069	(20.2)%
Non-controlling interests	**$ 10,530**	$ 7,783	$ 9,753	35.3%	**$ 37,403**	$ 29,726	$ 21,758	25.8%
Preferred share dividends	**$ 2,852**	$ 2,852	$ 2,391	—	**$ 11,408**	$ 10,948	$ 9,484	4.2%
Net income attributable to common shareholders, adjusted	**$ 17,397**	$ 6,793	$ 54,678	156.1%	**$ 45,422**	$ 60,312	$ 274,585	(24.7)%
Earnings per common share – diluted(4)	**$ 0.15**	$ 0.07	$ 0.52	114.3%	**$ 0.40**	$ 0.59	$ 2.51	(32.2)%

(1) Financial measures are in accordance with IFRS except for figures excluding significant items. See Non-IFRS Measures on page 14.

(2) The operating results of the Australian operations have been fully consolidated, and a 31.8% non-controlling interest has been recognized for the three months and the full fiscal year ended March 31, 2024 [three months and fiscal year ended March 31, 2023 – 32.7%]. The operating results of CGWM UK have been fully consolidated, and a non-controlling interest in the outstanding ordinary shares, Convertible Preferred Shares and Preference Shares of Canaccord Genuity Wealth Management Holdings (Jersey) Limited has been recognized for the three months and fiscal year

ended March 31, 2024. On an as-converted basis and subject to the liquidation preference of the Convertible Preferred Shares the non-controlling interest represents a 33.1% equity equivalent [three months and fiscal year ended March 31, 2023 – 33.1%].

(3) Consists of trading costs, premises and equipment, communication and technology, interest, general and administrative, amortization of tangible, intangible and right of use assets, and development costs.

(4) Net income and earnings per common share excluding significant items reflect tax-effected adjustments related to such items. See Non-IFRS Measures on page 14 and the Selected Financial Information Excluding Significant Items table on page 25.

(5) Data includes the operating results of Results since August 17, 2022 and the operating results of PSW since May 31, 2022.

n.m.: not meaningful

Q4 AND FISCAL 2024 SELECTED FINANCIAL INFORMATION EXCLUDING SIGNIFICANT ITEMS[1]

(C$ thousands, except per share and % amounts)	Three months ended March 31 2024	Three months ended March 31 2023	Quarter-over-quarter change	Year ended March 31 2024	Year ended March 31 2023	Year-over-year change
Revenue						
Revenue per IFRS	$ 409,048	$ 430,389	(5.0)%	$ 1,478,805	$ 1,510,397	(2.1)%
Significant items recorded in Corporate and Other						
Fair value adjustments on certain illiquid and restricted marketable securities	$ 230	—	n.m.	$ 927	$ 12,951	(92.8)%
Total revenue excluding significant items[1]	$ 409,278	$ 430,389	(4.9)%	$ 1,479,732	$ 1,523,348	(2.9)%
Expenses						
Expenses per IFRS	$ 394,687	$ 424,962	(7.1)%	$ 1,421,738	$ 1,544,830	(8.0)%
Significant items recorded in Canaccord Genuity Capital Markets						
Amortization of intangible assets	$ 218	$ 214	1.9%	$ 1,163	$ 4,656	(75.0)%
Incentive based costs related to acquisitions	$ 200	$ 648	(69.1)%	$ 1,667	$ 1,975	(15.6)%
Restructuring costs	—	—	—	$ 12,673	—	n.m.
Lease expenses related to premises under construction	$ 1,975	—	n.m.	$ 1,975	—	n.m.
Acquisition-related costs	—	—	—	—	$ 1,477	(100.0)%
Impairment of goodwill and intangible assets	$ 17,756	—	n.m.	$ 17,756	$ 102,571	(82.7)%
Change in fair value of contingent consideration	$ (9,151)	$ (14,278)	35.9%	$ (27,325)	$ (14,278)	(91.4)%
Significant items recorded in Canaccord Genuity Wealth Management						
Amortization of intangible assets	$ 5,754	$ 6,314	(8.9)%	$ 22,827	$ 22,400	1.9%
Restructuring costs	—	—	—	$ 810	—	n.m.
Acquisition-related costs	—	—	—	—	$ 5,926	(100.0)%
Incentive based costs related to acquisitions	$ 948	$ 1,477	(35.8)%	$ 3,886	$ 3,977	(2.3)%
Significant items recorded in Corporate and Other						
Fair value adjustment of non-controlling interests derivative liability	—	$ 11,629	(100.0)%	$ 13,250	$ 11,629	13.9%
Restructuring costs	—	—	—	$ 4,664	—	n.m.
Lease expenses related to premises under construction	$ 2,361	—	n.m.	$ 2,361	—	n.m.
Fair value adjustment of convertible debentures derivative liability	$ 4,421	—	n.m.	$ 4,421	—	n.m.
Development costs	—	$ 4,903	(100.0)%	$ 15,038	$ 7,021	114.2%
Total significant items[1]	$ 24,482	$ 10,907	124.5%	$ 75,166	$ 147,354	(49.0)%
Total expenses excluding significant items[1]	$ 370,205	$ 414,055	(10.6)%	$ 1,346,572	$ 1,397,476	(3.6)%
Net income before taxes – adjusted[1]	$ 39,073	$ 16,334	139.2%	$ 133,160	$ 125,872	5.8%
Income taxes (recovery) – adjusted[1]	$ 8,294	$ (1,094)	n.m.	$ 38,927	$ 24,886	56.4%
Net income – adjusted[1]	$ 30,779	$ 17,428	76.6%	$ 94,233	$ 100,986	(6.7)%
Significant items impacting net income attributable to common shareholders[1]						
Non-controlling interests – IFRS	$ 11,608	$ 8,089	43.5%	$ 42,945	$ 35,362	21.4%
Amortization of equity component of the non-controlling interests in CGWM UK and other adjustment	$ 1,078	$ 306	252.3%	$ 5,542	$ 5,636	(1.7)%
Non-controlling interests (adjusted)[1]	$ 10,530	$ 7,783	35.3%	$ 37,403	$ 29,726	25.8%
Preferred share dividends	$ 2,852	$ 2,852	—	$ 11,408	$ 10,948	4.2%
Net income attributable to common shareholders excluding significant items[1]	$ 17,397	$ 6,793	156.1%	$ 45,422	$ 60,312	(24.7)%
Earnings per common share excluding significant items[1] – basic	$ 0.20	$ 0.10	100.0%	$ 0.53	$ 0.72	(26.4)%
Diluted earnings per common share excluding significant items[1] – diluted	$ 0.15	$ 0.07	114.3%	$ 0.40	$ 0.59	(32.2)%

(1) Figures excluding significant items are non-IFRS measures. See Non-IFRS Measures on page 14.
n.m.: not meaningful

Impact of Convertible Preferred Shares on EPS

Diluted earnings per common share ("diluted EPS") and net income attributable to common shareholders are computed using the treasury stock method, giving effect to the exercise of all dilutive elements. The Convertible Preferred Shares and Preference Shares issued by Canaccord Genuity Wealth Management Holdings (Jersey) Limited are factored into these measures by adjusting net income attributable to common shareholders of the Company to reflect our proportionate share of CGWM UK's earnings on an as converted basis if the calculation is dilutive. For the quarter and fiscal year ended March 31, 2024, the effect of reflecting our proportionate share of CGWM UK's earnings is anti-dilutive under IFRS but dilutive for figures excluding significant items(1). As such, the diluted EPS and net income attributable to common shareholders under IFRS for Q4/24 and fiscal 2024 is computed based on net income attributable to common shareholders less paid and accrued dividends on the Convertible Preferred Shares and Preference Shares issued by CGWM UK. Net income attributable to common shareholders excluding significant items(1) and diluted EPS excluding significant items(1) for the three months and fiscal year ended March 31, 2024 reflects the Company's proportionate share of CGWM UK's net income excluding significant items(1) on an as converted basis.

Foreign exchange

Revenues and expenses from our foreign operations are initially recorded in their respective functional currencies and translated into Canadian dollars at exchange rates prevailing during the period. Fluctuations in foreign exchange contributed to certain changes in revenue and expense items in Canadian dollars when compared to the applicable prior periods and should be considered when reviewing the following discussion in respect of our consolidated results as well as the discussion in respect of Canaccord Genuity Capital Markets and Canaccord Genuity Wealth Management.

Geographies

During Q1 fiscal 2024, the Company withdrew from its operations in Dubai. For prior periods, our Dubai operations are included as part of Canaccord Genuity Capital Markets (UK & Europe). Our Asian-based operations, comprising China and Hong Kong, have been combined with our Canadian and Australian capital markets operations to reflect management by these operating units.

Goodwill

In determining whether to perform an impairment test, the Company considers factors such as its market capitalization, market conditions generally and overall economic conditions as well as market conditions in the key sectors in which the Company operates and the impact that such conditions are expected to have on the Company's operations.

Due to lower investment banking and advisory revenue, our UK capital markets operation experienced losses in fiscal 2024. With these losses and the continued weakness in our focus sectors in the UK combined with a challenging outlook, it was determined that the carrying value of our UK capital markets CGU exceeded its fair value as of March 31, 2024. As a result, the Company recorded an impairment charge in respect of goodwill of $17.8 million during the quarter ended March 31, 2024.

Utilizing management's estimates for revenue and operating performance, growth rates and other assumptions typically required in connection with discounted cash flow models, the Company determined that there was no impairment in the goodwill associated with any of its wealth management business units in the UK & Crown Dependencies and Australia or its goodwill in the US capital markets business unit.

Notwithstanding this determination as of March 31, 2024, changes or uncertainty in the economic environment may cause this determination to change. If the business climate changes and the Company is unable to achieve its internal forecasts the Company may determine that there has been impairment and the Company may be required to record a goodwill impairment charge in the future. Adverse changes in the key assumptions utilized for purposes of impairment testing for goodwill and indefinite life intangible assets may result in the estimated recoverable amount of some or all of the applicable business units declining below the carrying value with the result that impairment charges may be required. The amount of any impairment charge would affect some or all of the amounts recorded for goodwill and indefinite life intangible assets. Any such impairment charges would be determined after incorporating the effect of any changes in key assumptions including any consequential effects of such changes on estimated operating income and on other factors. In addition, notwithstanding that there may be no change in the performance estimates used by the Company for purposes of determining whether there has been any impairment in its indefinite life intangible asset related to the Genuity brand name, in the event that the Company changes the way in which it uses that asset the Company may be required to record an impairment charge.

(1) See Non-IFRS Measures on page 14

FOURTH QUARTER AND FISCAL 2024 VS. FOURTH QUARTER AND FISCAL 2023

FIRM-WIDE REVENUE BY ACTIVITY

On a consolidated basis, revenue is generated through six primary activities: commissions and fees associated with agency trading and private client wealth management activity, investment banking, advisory fees, principal trading, interest and other.

	For three months ended March 31		Quarter-over-quarter change	Year ended March 31		Year-over-year change
(C$ thousands, except % amounts)	**2024**	2023		**2024**	2023	
Commissions and fees	**$ 201,229**	$ 196,774	2.3%	**$ 755,193**	$ 749,114	0.8%
Investment banking	**55,786**	50,962	9.5%	**174,694**	160,944	8.5%
Advisory fees	**69,005**	104,649	(34.1)%	**230,530**	364,554	(36.8)%
Principal trading	**31,962**	26,921	18.7%	**105,158**	117,238	(10.3)%
Interest	**49,322**	45,949	7.3%	**197,809**	115,245	71.6%
Other	**1,744**	5,134	(66.0)%	**15,421**	3,302	n.m.
Canaccord Genuity Group Inc. (total)	**$ 409,048**	$ 430,389	(5.0)%	**$ 1,478,805**	$ 1,510,397	(2.1)%

n.m.: not meaningful

REVENUE BY ACTIVITY AS A PERCENTAGE OF FIRM-WIDE REVENUE

	For three months ended March 31		Quarter-over-quarter change	Year ended March 31		Year-over-year change
	2024	2023		**2024**	2023	
Commissions and fees	**49.2%**	45.7%	3.5 p.p.	**51.1%**	49.6%	1.5 p.p.
Investment banking	**13.6%**	11.8%	1.8 p.p.	**11.8%**	10.7%	1.1 p.p.
Advisory fees	**16.9%**	24.3%	(7.4) p.p.	**15.6%**	24.1%	(8.5) p.p.
Principal trading	**7.8%**	6.3%	1.5 p.p.	**7.1%**	7.8%	(0.7) p.p.
Interest	**12.1%**	10.7%	1.4 p.p.	**13.4%**	7.6%	5.8 p.p.
Other	**0.4%**	1.2%	(0.8) p.p.	**1.0%**	0.2%	0.8 p.p.
Canaccord Genuity Group Inc. (total)	**100.0%**	100.0%		**100.0%**	100.0%	

p.p.: percentage points

Firm-wide revenue for the three months ended March 31, 2024 was $409.0 million, a decrease of 5.0% or $21.3 million compared to the same period a year ago. Firmwide revenue for the year ended March 31, 2024 was $1.5 billion, a decrease of 2.1% or $31.6 million year-over-year.

Interest revenue during the three months and fiscal year periods increased by 7.3% and 71.6% year over year to $49.3 million and $197.8 million, respectively. Advisory fees revenue during the three-month period decreased by $35.6 million or 34.1% and by $134.0 million or 36.8% on an annual basis. On a quarterly basis, the decrease in advisory fees revenue was partially offset by an increase in investment banking and principal trading revenue of 9.5% and 18.7%, respectively, compared to the same period in the prior year. For fiscal 2024, investment banking revenue increased by 8.5% while principal trading revenue decreased by 10.3% year over year.

Commissions and fees revenue is primarily generated from private client investment management trading activity and institutional sales and trading. For the three and 12 months ended March 31, 2024, commissions and fees revenue was $201.2 million and $755.2 million, respectively, generally in line with the same periods last year.

Firm-wide investment banking revenue of $55.8 million for Q4/24 increased by $4.8 million or 9.5% year over year, and by 20.0% sequentially, reflecting modestly higher new issue activities in our capital markets and wealth management businesses. Firm-wide investment banking revenue for the year ended March 31, 2024 amounted to $174.7 million, a year-over-year increase of $13.8 million or 8.5%.

Firm-wide advisory fee revenue decreased by $35.6 million or 34.1% from the same quarter a year ago, to $69.0 million for Q4/24. When measured on a fiscal year basis, advisory revenue of $230.5 million represents a year-over-year decrease of $134.0 million or 36.8%, largely driven by the more challenging environment for completions notwithstanding a strong pipeline, in line with broader industry trends. Our US capital markets operations contributed $24.2 million or 35.1% of firm-wide advisory revenue in Q4/24 and $130.1 million or 56.5% of firm-wide advisory revenue for the year ended March 31, 2024.

Firm-wide principal trading revenue was $32.0 million in Q4/24, representing an increase of $5.0 million or 18.7% compared to Q4/23. For the year ended March 31, 2024 firm-wide trading revenue was $105.2 million, a decrease of $12.1 million or 10.3% as a result of lower volatility and reduced market-wide trading activity when compared to the same period in the prior year.

Firm-wide interest revenue of $49.3 million for the three months ended March 31, 2024 increased by $3.4 million or 7.3% from Q4/23, largely attributable to increases in our UK and Canadian wealth management operations, which contributed interest revenue of $22.9 million and $11.9 million, respectively, for the three-month period. Interest revenue for fiscal 2024 was $197.8 million, an increase of $82.6 million or 71.6%, also mainly attributable to our UK and Canadian wealth management operations. The increase in interest revenue in both the three-month and 12-month periods is attributable to the increase in market rates compared to the same periods in fiscal 2023.

Other revenue was $1.7 million for Q4/24, a decrease of $3.4 million or 66.0% from the same period a year ago. On a fiscal year basis, other revenue increased by $12.1 million, mainly due to the impact of the fair value adjustment on certain illiquid or restricted marketable securities, which resulted in a reduction in revenue of $13.0 million in the Corporate and Other segment recorded in the prior year.

EXPENSES

Firm-wide expenses for the three months ended March 31, 2024 were $394.7 million, a decrease of 7.1% or $30.3 million from Q4/23. Total expenses excluding significant items[1] as a percentage of revenue decreased by 5.8 percentage points year over year from 96.2% to 90.5%.

For the year ended March 31, 2024, expenses were $1.4 billion compared to $1.5 billion for the same period in the prior year, a decrease of 8.0%. Total expenses excluding significant items[1] as a percentage of revenue decreased by 0.7 percentage points compared to fiscal 2023.

	Three months ended March 31		Quarter-over-quarter change	Year ended March 31		Year-over-year change
	2024	2023		**2024**	2023	
Compensation expense	**$ 249,966**	$ 276,066	(9.5)%	**$ 858,652**	$ 936,872	(8.3)%
Other overhead expenses[1]	**131,695**	151,535	(13.1)%	**536,767**	500,578	7.2%
Acquisition-related costs	**—**	—	—	**—**	7,403	(100.0)%
Restructuring costs	**—**	—	—	**18,147**	—	n.m.
Fair value adjustment of non-controlling interests derivative liability	**—**	11,629	(100.0)%	**13,250**	11,629	13.9%
Change in fair value of contingent consideration	**(9,151)**	(14,278)	35.9%	**(27,325)**	(14,278)	(91.4)%
Fair value adjustment of convertible debentures derivative liability	**4,421**	—	n.m.	**4,421**	—	n.m.
Impairment of goodwill and intangible assets	**17,756**	—	—	**17,756**	102,571	(82.7)%
Share of loss of an associate	**—**	10	(100.0)%	**70**	55	27.3%
Total	**$ 394,687**	$ 424,962	(7.1)%	**$ 1,421,738**	$ 1,544,830	(8.0)%

n.m.: not meaningful

EXPENSES AS A PERCENTAGE OF FIRM-WIDE REVENUE

	Three months ended March 31		Quarter-over-quarter change	Year ended March 31		Year-over-year change
	2024	2023		**2024**	2023	
Compensation expense	**61.1%**	64.1%	(3.0) p.p.	**58.1%**	62.0%	(3.9) p.p.
Other overhead expenses[1]	**32.2%**	35.2%	(3.0) p.p.	**36.2%**	33.1%	3.1 p.p.
Restructuring costs	**0.0%**	0.0%	0.0 p.p.	**1.2%**	0.0%	1.2 p.p.
Acquisition-related costs	**0.0%**	0.0%	0.0 p.p.	**0.0%**	0.5%	(0.5) p.p.
Change in fair value of contingent consideration	**(2.2)%**	(3.3)%	1.1 p.p.	**(1.8)%**	(0.9)%	(0.9) p.p.
Fair value adjustment of non-controlling interests derivative liability	**0.0%**	2.7%	(2.7) p.p.	**0.9%**	0.8%	0.1 p.p.
Fair value adjustment of convertible debentures derivative liability	**1.1%**	0.0%	1.1 p.p.	**0.3%**	0.0%	0.3 p.p.
Impairment of goodwill and other intangible assets	**4.3%**	0.0%	4.3 p.p.	**1.2%**	6.8%	(5.6) p.p.
Share of loss of an associate	**0.0%**	0.0%	(0.0) p.p.	**0.0%**	0.0%	0.0 p.p.
Total	**96.5%**	98.7%	(2.2) p.p.	**96.1%**	102.3%	(6.2) p.p.

(1) Consists of trading costs, premises and equipment, communication and technology, interest, general and administrative, amortization and development costs.
p.p.: percentage points

COMPENSATION EXPENSE

Firm-wide compensation expense in Q4/24 was $250.0 million, a decrease of $26.1 million or 9.5% compared to Q4/23. Total compensation expense as a percentage of revenue decreased from 64.1% in Q4/23 to 61.1% in Q4/24, partially related to decreases in the value of certain unvested stock-based compensation awards and changes in the revenue mix. Interest revenue does not generally have a compensation pay-out component.

Compensation expense for fiscal 2024 was $858.7 million, a decrease of $78.2 million or 8.3% compared to the same period in the prior year. Compensation expense as a percentage of revenue decreased by 4.0 percentage points to 58.1% for fiscal

(1) Figures excluding significant items are non-IFRS measures. See Non-IFRS Measures on page 14

2024, primarily as a result of decreases in the value of certain unvested stock-based compensation awards and changes in the revenue mix (for example, increased interest revenue as noted above).

OTHER OVERHEAD EXPENSES

	Three months ended March 31		Quarter-over-	Year ended March 31		Year-over-
(C$ thousands, except % amounts)	**2024**	2023	quarter change	**2024**	2023	year change
Trading costs	**$ 21,513**	$ 23,417	(8.1)%	**$ 84,505**	$ 96,083	(12.0)%
Premises and equipment	**6,111**	6,904	(11.5)%	**22,645**	21,986	3.0%
Communication and technology	**23,158**	23,239	(0.3)%	**90,639**	85,482	6.0%
Interest	**24,310**	23,915	1.7%	**92,677**	54,539	69.9%
General and administrative	**28,983**	43,344	(33.1)%	**128,472**	138,461	(7.2)%
Amortization(1)	**8,873**	10,838	(18.1)%	**38,766**	41,634	(6.9)%
Amortization of right of use assets	**8,513**	6,552	29.9%	**29,299**	26,335	11.3%
Development costs	**10,234**	13,326	(23.2)%	**49,764**	36,058	38.0%
Total other overhead expenses	**$ 131,695**	$ 151,535	(13.1)%	**$ 536,767**	$ 500,578	7.2%

(1) Includes amortization of intangible assets. See the Selected Financial Information Excluding Significant Items table on page 25.

Total other overhead expenses for the fourth fiscal quarter were $131.7 million, a decrease of 13.1% compared to Q4/23 primarily reflecting a reduction in general and administrative expenses and development costs, partially offset by higher amortization of right of use assets expense. As a percentage of revenue, other overhead expenses were 32.2% in Q4/24 compared to 35.2% in Q4/23, a decrease of 3.0 percentage points.

General and administrative expense decreased by 33.1% compared to Q4/23 as expenses returned to a more normalized level following heightened spending last year after easing of COVID-19 restrictions. Development costs decreased by $3.1 million or 23.2% largely due to costs related to the expired management take-over bid which were incurred in Q4/23, partially offset by higher recruitment and incentive-based costs in our Canadian and UK & Crown Dependencies wealth management operations.

Amortization of right of use assets increased by $2.0 million or 29.9% due to the planned relocation of offices in New York and Vancouver. Additional amortization expense was recorded for those office locations although the new offices are not in use and are still currently under construction.

Amortization expense decreased by $2.0 million or 18.1% compared to Q4 fiscal 2023 due to lower amortization expense related to the intangible assets acquired in connection with acquisitions in prior periods. Trading costs also decreased by $1.9 million or 8.1%, mainly as a result of reduced trading activity levels, primarily in our US capital markets operations.

For the year ended March 31, 2024, other overhead expenses increased by $36.2 million or 7.2% to $536.8 million when compared to the prior year. As a percentage of revenue, other overhead expenses increased by 3.2 percentage points compared to fiscal 2023. The increase can largely be attributed to higher interest costs reflecting the impact of higher interest rates, and higher communication and technology expense incurred to support expanding business operations, in addition to inflation-driven price increases from certain suppliers and increased investments in systems and technologies. Additionally, development costs of $49.8 million increased by 38.0% compared to the prior year largely driven by professional fees and other costs in our Corporate and Other segment related to the expired management take-over bid recorded in the first quarter of fiscal 2024.

Due to lower investment banking and advisory revenue, our UK capital markets operation experienced losses in fiscal 2024. With these losses and a continued weakness in our focus sectors in the UK combined with a challenging outlook, it was determined that the carrying value of our UK capital markets CGU exceeded its fair value as of March 31, 2024. As a result, the Company recorded an impairment charge in respect of goodwill of $17.8 million during the fourth quarter of fiscal 2024. In addition, there was a recovery of $9.2 million recorded in Q4/24 related to a change in the valuation of the contingent consideration liability in our UK capital markets segment.

In connection with the Convertible Debentures issued in the fourth quarter of fiscal 2024, the Company recorded a fair value adjustment on the derivative liability component of $4.4 million.

In addition, during the year ended March 31, 2024, the Company recorded fair value adjustments of $13.3 million related to an increase in the derivative liability component of the non-controlling interests related to the Convertible Preferred Shares issued by CGWM UK. Also, a recovery of $18.2 million was recorded in the second quarter of fiscal 2024 related to a change in the valuation of the contingent consideration liability in our US capital markets operations.

INCOME TAX

Income tax expense for the three months ended March 31, 2024 was $6.4 million on net income before income taxes of $14.4 million, compared to tax expense of $1.7 million on net income before income taxes of $5.4 million in Q4/23. The change in effective tax rate from 30.7% in Q4/23 to 44.9% in Q4/24 was largely due to the non-deductibility of the impairment of goodwill and the fair value adjustment of derivative liabilities for tax purposes recorded in Q4/24.

For the year ended March 31, 2024, income tax expense was $27.3 million on net income before income taxes of $57.1 million compared to income tax expense of $20.3 million on a loss before income taxes of $34.4 million for fiscal 2023. The change in the effective tax rate from (59.0%) to 47.8% for the respective years was mainly due to the non-deductibility of the impairment of goodwill and intangible assets recorded in Canada for tax purposes in fiscal 2023. In addition, the remeasurement of deferred tax assets related to unvested awards in connection with share-based payment plans also impacted the effective tax rate as the value of stock-based awards decreased compared to March 31, 2023.

NET INCOME (LOSS)

Net income for Q4/24 was $7.9 million compared to net income of $3.8 million in the same period a year ago. Loss attributable to common shareholders was $6.5 million for the three months ended March 31, 2024 compared to a loss attributable to common shareholders of $7.2 million for the three months ended March 31, 2023. Diluted loss per common share was $0.07 in Q4/24 compared to diluted loss per common share of $0.08 in Q4/23.

Net income for the year ended March 31, 2024 was $29.8 million compared to a net loss of $54.7 million in the same period a year ago. Net loss attributable to common shareholders was $24.6 million for fiscal 2024 compared to a net loss attributable to common shareholders of $101.1 million for fiscal 2023. Diluted loss per common share was $0.27 in the current year compared to diluted loss per common share of $1.16 in the prior year.

Excluding significant items(1) and before non-controlling interests and preferred share dividends, net income for Q4/24 was $30.8 million compared to $17.4 million in Q4/23, an increase of 76.6%. Net income attributable to common shareholders excluding significant items[1] was $17.4 million, an increase of 156.1% from $6.8 million for the same period in the prior year. Diluted earnings per common share excluding significant items(1) was $0.15 in Q4/24 compared to $0.07 in Q4/23.

Excluding significant items(1) and before non-controlling interests and preferred share dividends, fiscal 2024 net income was $94.2 million compared to $101.0 million for fiscal 2023. Net income attributable to common shareholders excluding significant items(1) decreased by 24.7% to $45.4 million for the year ended March 31, 2024. Fiscal 2024 diluted earnings per common share, excluding significant items(1), were $0.40 compared to $0.59 for fiscal 2023.

Business Segment Results – Q4 and Year Ended March 31, 2024 compared with Q4 and Year Ended March 31, 2023(1)(2)(3)

	For the years ended March 31							
	2024				2023			
(C$ thousands, except number of employees)	**Canaccord Genuity Capital Markets**	**Canaccord Genuity Wealth Management**	**Corporate and Other**	**Total**	Canaccord Genuity Capital Markets	Canaccord Genuity Wealth Management	Corporate and Other	Total
Revenue								
Canada	**$ 166,649**	**$ 291,489**	**$ 22,238**	**$ 480,376**	$ 148,356	$ 297,145	$ 9,240	$ 454,741
UK & Europe	**85,426**	**411,474**	**—**	**496,900**	96,275	343,728	—	440,003
US	**342,772**	**6,547**	**—**	**349,319**	482,750	5,019	—	487,769
Australia	**88,349**	**63,861**	**—**	**152,210**	65,472	62,412	—	127,884
Total revenue	**683,196**	**773,371**	**22,238**	**1,478,805**	792,853	708,304	9,240	1,510,397
Expenses	**666,874**	**636,661**	**118,203**	**1,421,738**	836,819	591,589	116,422	1,544,830
Intersegment allocations	**18,213**	**23,749**	**(41,962)**	**—**	21,651	23,293	(44,944)	—
Income (loss) before income taxes	**$ (1,891)**	**$ 112,961**	**$ (54,003)**	**$ 57,067**	$ (65,617)	$ 93,422	$ (62,238)	$ (34,433)
Excluding significant items(3)								
Revenue	**683,196**	**773,371**	**23,165**	**1,479,732**	792,853	708,304	22,191	1,523,348
Expenses	**658,965**	**609,138**	**78,469**	**1,346,572**	740,418	559,286	97,772	1,397,476
Intersegment allocations	**18,213**	**23,749**	**(41,962)**	**—**	21,651	23,293	(44,944)	—
Income (loss) before income taxes	**6,018**	**140,484**	**(13,342)**	**133,160**	30,784	125,725	(30,637)	125,872
Number of employees	**819**	**1,531**	**448**	**2,798**	890	1,467	472	2,829

(1) Financial measures are in accordance with IFRS except for figures excluding significant items. See Non-IFRS Measures on page 14. Detailed financial results for the business segments are shown in Note 26 of the consolidated financial statements on page 103.
(2) The operating results of the Australian operations have been fully consolidated and a non-controlling interest of 31.8% has been recognized for fiscal 2024. [fiscal year ended March 31, 2023 – 32.7%].
(3) See the Q4 and Fiscal 2024 Selected Financial Information Excluding Significant Items table on page 25.

Canaccord Genuity Group's operations are divided into three segments: Canaccord Genuity Capital Markets and Canaccord Genuity Wealth Management are the main operating segments while Corporate and Other is mainly an administrative segment.

(1) See Non-IFRS Measures on page 14

CANACCORD GENUITY CAPITAL MARKETS

Overview

Canaccord Genuity Capital Markets provides a full range of investment banking, advisory, equity research, and sales and trading services to corporate, institutional and government clients and also conducts principal trading activities. The Company has offices and employees in 20 locations in Canada, the US, the UK & Europe, Australia and Asia.

Our capital markets division has over 800 employees who are organized into product, industry, geographic and support groups. Our industry coverage groups are focused in key growth sectors of the global economy. Primary focus sectors are Technology, Healthcare and Life Sciences (which includes Cannabis), Metals and Mining, and Consumer. Additional sectors covered include Diversified, Transportation & Industrials, Energy, Structured Products and Sustainability. Our capabilities include private placements, equity and debt underwriting, initial public offerings, follow-on offerings, at-the-market offerings, debt finance and restructuring, advisory (which includes mergers, acquisitions, and private capital/financial sponsor advisory services), principal trading, block trades, research and market making.

A disciplined mid-market focus with global alignment efforts have firmly entrenched Canaccord Genuity Capital Markets as a leading global independent investment bank specializing in its core focus sectors and geographies. Canaccord Genuity Capital Markets' integrated global platform and disciplined focus in key growth sectors of the global economy provides a competitive advantage. Canaccord Genuity Capital Markets is focused on providing execution capabilities and specialized knowledge within its core focus sectors across geographies, thereby providing a differentiated service when compared to other global investment banks.

Outlook

Canaccord Genuity Capital Markets continues to take steps to advance its market position as a mid-market leader in the Company's key markets. Management maintains a strong focus on capturing operating efficiencies and strengthening its global platform through further integration of our global capabilities and by further enhancing cross-border coordination among all our offices.

The Company expects continued benefits from its investments in higher-margin advisory activities as it has expanded its operations with the acquisitions of Results (fiscal 2023), Sawaya Partners (fiscal 2022), and Petsky Prunier (fiscal 2019).

The dynamic nature of the operating environment for global mid-market capital markets activities requires us to maintain a level of agility in our business mix that allows us to stay competitive and meet the evolving needs of our clients. For this reason, the Company will continue to make disciplined investments, as appropriate, to further strengthen our operations in areas where we believe we can capture additional market share.

The Company remains committed to operating our capital markets businesses as efficiently as possible in order to deliver market-leading expertise and execution services throughout all market cycles. A culture of cost containment continues to be reinforced throughout the Company, and strategies to lower operating costs in this division over the long term continue to be explored.

FINANCIAL PERFORMANCE(1)(2) – CANACCORD GENUITY CAPITAL MARKETS

	Three months ended March 31, 2024					Three months ended March 31, 2023				
(C$ thousands, except number of employees)	Canada	UK(5)	US	Australia	Total	Canada	UK(5)	US	Australia	Total
Revenue	62,739	23,631	88,604	27,876	202,850	70,141	28,168	114,292	13,539	226,140
Expenses										
Compensation expense	37,282	14,986	69,804	16,726	138,798	44,732	16,338	80,237	12,074	153,381
Other overhead expenses	13,715	9,461	31,056	3,829	58,061	17,829	9,691	42,607	3,712	73,839
Impairment of goodwill and other assets	—	17,756	—	—	17,756	—	—	—	—	—
Change in fair value of contingent consideration	—	(9,151)	—	—	(9,151)	—	—	(14,278)	—	(14,278)
Acquisition-related costs	—	—	—	—	—	—	—	—	—	—
Total expenses	50,997	33,052	100,860	20,555	205,464	62,561	26,029	108,566	15,786	212,942
Intersegment allocations(3)	3,683	346	905	141	5,075	3,787	372	914	200	5,273
Income (loss) before income taxes(3)	$ 8,059	$(9,767)	$(13,161)	$ 7,180	$(7,689)	$ 3,793	$ 1,767	$ 4,812	$(2,447)	$ 7,925
Non-controlling interests(2)	—	—	—	1,631	1,631	—	—	—	(576)	(576)
Excluding significant items(4)										
Total revenue	62,739	23,631	88,604	27,876	202,850	70,141	28,168	114,292	13,539	226,140
Total expenses	50,997	24,475	98,439	20,555	194,466	62,561	25,615	122,396	15,786	226,358
Intersegment allocations(3)	3,683	346	905	141	5,075	3,787	372	914	200	5,273
Income (loss) before income taxes(3)	$ 8,059	$(1,190)	$(10,740)	$ 7,180	$ 3,309	$ 3,793	$ 2,181	$(9,018)	$(2,447)	$(5,491)
Number of employees	173	166	391	89	819	230	180	394	86	890

(1) Financial measures are in accordance with IFRS except for figures excluding significant items. See Non-IFRS Measures on page 14.

(2) The operating results of the Australian operations have been fully consolidated and a non-controlling interest of 31.8% has been recognized for fiscal 2024. [three months ended March 31, 2023 – 32.7%].
(3) Income before income taxes includes intersegment allocations and excludes non-controlling interests. See the Intersegment Allocated Costs section on page 40.
(4) Refer to the Q4 and Fiscal 2024 Selected Financial Information Excluding Significant Items table on page 25.
(5) Includes our Dubai-based operations prior to the cessation of business in the first quarter of fiscal 2024.

(C$ thousands, except number of employees)	Year ended March 31, 2024					Year ended March 31, 2023				
	Canada	**UK(5)**	**US**	**Australia**	**Total**	Canada	UK(5)	US	Australia	Total
Revenue	**166,649**	**85,426**	**342,772**	**88,349**	**683,196**	148,356	96,275	482,750	65,472	792,853
Expenses										
Compensation expense	**87,746**	**56,415**	**231,363**	**50,755**	**426,279**	96,256	57,917	296,074	38,576	488,823
Other overhead expenses	**60,850**	**33,547**	**126,833**	**16,261**	**237,491**	64,583	30,142	145,431	18,070	258,226
Restructuring costs	**7,437**	**—**	**5,236**	**—**	**12,673**	—	—	—	—	—
Impairment of goodwill and other assets	**—**	**17,756**	**—**	**—**	**17,756**	102,571	—	—	—	102,571
Change in fair value of contingent consideration	**—**	**(9,151)**	**(18,174)**	**—**	**(27,325)**	—	—	(14,278)	—	(14,278)
Acquisition-related costs	**—**	**—**	**—**	**—**	**—**	—	1,477	—	—	1,477
Total expenses	**156,033**	**98,567**	**345,258**	**67,016**	**666,874**	263,410	89,536	427,227	56,646	836,819
Intersegment allocations(3)	**12,576**	**1,383**	**3,628**	**626**	**18,213**	15,717	1,495	3,467	972	21,651
Income (loss) before income taxes(3)	**$ (1,960)**	**$ (14,524)**	**$ (6,114)**	**$ 20,707**	**$ (1,891)**	$(130,771)	$ 5,244	$ 52,056	$ 7,854	$ (65,617)
Non-controlling interests(2)	**—**	**—**	**—**	**4,562**	**4,562**	—	—	—	2,688	2,688
Excluding significant items(4)										
Total revenue	**166,649**	**85,426**	**342,772**	**88,349**	**683,196**	148,356	96,275	482,750	65,472	792,853
Total expenses	**148,596**	**88,916**	**354,437**	**67,016**	**658,965**	160,659	86,887	436,226	56,646	740,418
Intersegment allocations(3)	**12,576**	**1,383**	**3,628**	**626**	**18,213**	15,717	1,495	3,467	972	21,651
Income (loss) before income taxes(3)	**$ 5,477**	**$ (4,873)**	**$ (15,293)**	**$ 20,707**	**$ 6,018**	$ (28,020)	$ 7,893	$ 43,057	$ 7,854	$ 30,784

(1) Financial measures are in accordance with IFRS except for figures excluding significant items. See Non-IFRS Measures on page 14.
(2) The operating results of the Australian operations have been fully consolidated and a non-controlling interest of 31.8% has been recognized for fiscal 2024. [32.7% for the year ended March 31, 2023].
(3) Income before income taxes includes intersegment allocations and excludes non-controlling interests. See the Intersegment Allocated Costs section on page 40.
(4) Refer to the Q4 and Fiscal 2024 Selected Financial Information Excluding Significant Items table on page 25.
(5) Includes our Dubai-based operations prior to the cessation of business in the first quarter of fiscal 2024.

REVENUE – CANACCORD GENUITY CAPITAL MARKETS

Revenue from Canaccord Genuity Capital Markets is generated from commissions and fees earned in connection with investment banking and advisory transactions and institutional sales and trading activity, as well as trading gains and losses from Canaccord Genuity Capital Markets' principal trading activity, including its international trading operations. In Australia and Canada, revenue is also earned through warrant and fee share inventory positions which are included in investment banking revenue. The value of these positions fluctuates with changes in market prices.

REVENUE BY GEOGRAPHY AS A PERCENTAGE OF CANACCORD GENUITY CAPITAL MARKETS REVENUE

	Three months ended March 31		Quarter-over-quarter change	Year ended March 31		Year-over-year change
	2024	2023		**2024**	2023	
Revenue generated in:						
Canada	**30.9%**	31.0%	(0.1) p.p	**24.4%**	18.7%	5.7 p.p
UK & Europe	**11.6%**	12.5%	(0.9) p.p	**12.5%**	12.1%	0.4 p.p
US	**43.7%**	50.5%	(6.8) p.p	**50.2%**	60.9%	(10.7) p.p
Australia	**13.8%**	6.0%	7.8 p.p	**12.9%**	8.3%	4.6 p.p
Canaccord Genuity Capital Markets (total)	**100%**	100%		**100%**	100%	

p.p.: percentage points

Canaccord Genuity Capital Markets generated revenue of $202.9 million for the three months ended March 31, 2024, a decrease of 10.3% or $23.3 million from the same quarter a year ago and an increase of 6.9% sequentially. Our US capital markets business was the largest contributor of revenue for the three-month period, which amounted to $88.6 million, or 43.7% of total capital markets revenue. Revenue contributed by our Canadian and UK & Europe capital markets businesses decreased by $7.4 million or 10.6% and $4.5 million or 16.1% year over year, respectively. In our Australian capital markets business, Q4/24 revenue increased by 105.9% year over year to $27.9 million.

For the full year ended March 31, 2024, revenue for our global capital markets operations was $683.2 million, a decrease of $109.7 million or 13.8% compared to the prior year.

Declines in the three – and 12-month periods were mainly attributable to lower advisory fees revenue as a result of the more difficult environment for completions of advisory transactions against a strong pipeline, partially offset by an increase in investment banking revenue.

Investment banking

Fourth quarter revenue from investment banking activity was $49.3 million, an increase of 20.5% compared to the same period of the prior fiscal year, reflecting a modest recovery in activity levels from our businesses in Canada, the US and Australia.

Investment banking revenue for fiscal 2024 was $149.6 million, an increase of $23.0 million or 18.2% compared to fiscal 2023. Fiscal 2023, particularly the first quarter, was negatively impacted by a sharp decline in the market value of certain inventory and warrant positions related to our investment banking activities in Canada and Australia, as well as certain market value adjustments related to our facilitation activity in Canada.

The Metals & Mining sector was most active for new issue activities in fiscal 2024, and primarily reflects contributions from Australia, Canada and the UK. Included in the Other segment are transactions with companies in the energy sector and reflects transactions in Canada, the US and the UK. Technology sector revenues were contributed by our UK, US and Canadian businesses. Revenue from the Life Sciences sectors, which include cannabis companies, was led by our US and Canadian capital markets businesses.

Canaccord Genuity Capital Markets' transactions and revenue by focus sectors are detailed below.

INVESTMENT BANKING REVENUE BY SECTOR (AS A % OF INVESTMENT BANKING REVENUE FOR EACH GEOGRAPHIC REGION)

	Year ended March 31, 2024				
Sectors	**Global**	Canada	US	UK	Australia
Life Sciences	**13%**	10%	43%	0%	4%
Technology	**18%**	19%	43%	37%	7%
Metals & Mining	**49%**	45%	4%	21%	71%
Consumer & Retail	**3%**	1%	1%	0%	4%
Other	**17%**	25%	9%	42%	14%
Total	**100.0%**	100.0%	100.0%	100.0%	100.0%

Note for reference in the tables above: transactions with companies in the cannabis sector in Canada are included under the Life Sciences sector.

Advisory

Despite a strong pipeline of announced transactions, broad market advisory completion activity was negatively impacted by the impacts of inflation, higher interest rates and geopolitical headwinds, which persisted throughout the fiscal year. Advisory revenue in Q4/24 was $68.9 million, a decrease of $34.9 million or 33.6% when compared to the same period last year. Fiscal 2024 revenue earned through advisory activities decreased by $132.8 million or 36.6% year over year to $229.8 million, reflecting the more challenging environment for completions.

Our US business was the largest contributor for fiscal 2024 with advisory revenue of $130.1 million, primarily attributable to activity in the Technology sector. Advisory revenue in our Canadian business increased by 16.8% year over year to $32.6 million for the fourth quarter and by 3.7% to $54.5 million for fiscal 2024, reflecting the completion of a substantial mandate in the Technology sector in Q4/24 and strong contributions from our mining franchise. In our UK capital markets operations, fourth quarter advisory revenues decreased by 25.9% year over year to $12.0 million and by 23.6% to $45.2 million for the full fiscal year.

Revenue from higher-margin advisory activities can help to offset the inherent volatility of our capital raising activities, although market volatility or uncertainty can lead to delays in the timing and cadence of completions. Supporting the growth of this business line continues to be an important strategic priority for the Company. Our specialized expertise in key sectors of the economy and track record in equity capital markets activities positions us well to unlock opportunities for our clients as they grow.

ADVISORY FEES REVENUE BY SECTOR (AS A % OF ADVISORY FEES REVENUE FOR EACH GEOGRAPHIC REGION)

	Year ended March 31, 2024			
Sectors	**Global**	Canada	US	UK
Life Sciences	**8%**	10%	6%	11%
Technology	**56%**	56%	63%	35%
Metals & Mining	**3%**	10%	0%	5%
Consumer & Retail	**25%**	15%	31%	22%
Other	**8%**	9%	0%	27%
Total	**100.0%**	100.0%	100.0%	100.0%

Principal trading

Principal trading revenue for the three months ended March 31, 2024 was $31.9 million, an increase of $5.3 million or 19.9% compared to Q4/23. For the year ended March 31, 2024, revenue earned from principal trading activity amounted to $105.1 million, a decrease of $11.8 million or 10.1% compared to fiscal 2023, primarily a reflection of lower market volatility which decreased market activity and revenue opportunities when compared to the same period in the prior year. The largest contributor in this segment was our US business, which earned $91.3 million in trading revenues for the 12-month period, largely attributable to the International Equities Group.

Commissions and Fees

Commissions and fees revenue was $43.2 million and $161.5 million for the three- and 12-month periods ended March 31, 2024, a decrease of 1.4% and an increase of 3.4%, respectively. The fiscal year increase reflects higher client trading activity and the modest increase in new issue activity in Canada and the UK. While revenue in our US business was below year-ago levels, this business contributed 48.7% of total commissions and fees revenue for the three-month period.

EXPENSES – CANACCORD GENUITY CAPITAL MARKETS

Total expenses in our Canaccord Genuity Capital Markets division for the three months ended March 31, 2024 were $205.5 million, a decrease of 3.5% or $7.5 million compared to the same period a year ago. For fiscal 2024, expenses decreased by $169.9 million or 20.3% to $666.9 million. As a percentage of revenue, total expenses excluding significant items[(1)] decreased by 4.2 percentage points and increased by 3.1 percentage points, respectively, for the three and 12-month periods ended March 31, 2024 when compared to the same periods in the prior year.

Compensation expense

Partly reflecting the reduction in incentive-based revenue and certain adjustments in the valuation of stock-based compensation awards made in prior periods, compensation expense in our capital markets division for the three- and 12 months ended March 31, 2024 decreased by $14.6 million or 9.5% and $62.5 million or 12.8%, respectively, compared to the same periods in the prior year. Total compensation expense as a percentage of revenue for the three months ended March 31, 2024 was 68.4%, a slight increase of 0.6 percentage points compared to the same period in the prior year. The total compensation ratio in this division was 62.4% for the year ended March 31, 2024, a slight increase of 0.7 percentage points from the prior year.

In Canada, total compensation expense as a percentage of revenue decreased by 4.4 percentage points and 12.2 percentage points compared to the three- and 12 months ended March 31, 2023, respectively, as a result of the changes in revenue relative to fixed compensation levels and the impact of changes in the valuation of stock-based compensation awards made in prior periods. In the US, the increases in compensation ratio for Q4/24 and fiscal 2024 were impacted by changes in the composition of revenue pressures on discretionary compensation pools with the reduced revenue level during the year and the associated variable compensation associated with the different revenue streams. In Australia, a change in the relative levels of fixed and variable compensation and a significant increase in revenue during the fourth quarter of fiscal 2024 and low revenue level in Q4/23 contributed to a 29.2 percentage point decrease in total compensation ratio. Despite a headcount reduction of 7.8% compared to the previous fiscal year, compensation expense as a percentage of revenue in our UK & Europe business increased by 5.4 percentage points for the quarter and year ended March 31, 2024, primarily due to fixed staffing costs in a reduced revenue environment.

CANACCORD GENUITY CAPITAL MARKETS TOTAL COMPENSATION EXPENSE AS A PERCENTAGE OF REVENUE BY GEOGRAPHY

	Three months ended March 31		Quarter-over-quarter change	Year ended March 31		Year-over-year change
	2024	2023		**2024**	2023	
Canada	**59.4%**	63.8%	(4.4) p.p	**52.7%**	64.9%	(12.2) p.p
UK & Europe	**63.4%**	58.0%	5.4 p.p	**66.0%**	60.2%	5.8 p.p
US	**78.8%**	70.2%	8.6 p.p	**67.5%**	61.3%	6.2 p.p
Australia	**60.0%**	89.2%	(29.2) p.p	**57.4%**	58.9%	(1.5) p.p
Canaccord Genuity Capital Markets (total)	**68.4%**	67.8%	0.6 p.p	**62.4%**	61.7%	0.7 p.p

p.p.: percentage points

Other overhead expenses

For the three months ended March 31, 2024, general and administrative expense decreased by $14.2 million or 54.0% as expenditures returned to a more normalized level following heightened spending in the same quarter in the prior year following easing of COVID-19 restrictions. Trading costs also decreased by 10.1% compared to Q4/23 because of reduced trading activity in our US and Canadian operations, which was generally in line with broader market trends.

Amortization expense decreased by 29.9% or $0.6 million in Q4/24 and 33.8% or $3.5 million for fiscal 2024 when compared to same periods of the prior year due to lower amortization of intangible assets acquired in connection with previous acquisitions.

Offsetting the decreases in overhead expenses for Q4/24 was an increase in the amortization of right of use assets of $2.7 million or 95.0% due to the planned relocation of offices in New York and Boston. Additional amortization expense was recorded for new office locations although the new offices are not in use and are still currently under construction.

For the year ended March 31, 2024, general and administrative expense, trading costs and amortization expenses all decreased for the same reasons as discussed above. Premises and equipment expense increased by $1.5 million or 14.7% compared to the year ended March 31, 2023 due to an increase in allocation from the Corporate and Other segment. Interest expense also increased by $2.9 million or 15.5%, driven by stock borrowing activity as well as non-cash interest expense related to higher lease liabilities due to the relocation of certain offices as discussed above.

Due to lower investment banking and advisory revenue, our UK capital markets operation experienced losses in fiscal 2024. With these losses and the continued weakness in our focus sectors in the UK combined with a challenging outlook, it was determined that the carrying value of our UK capital markets CGU exceeded its fair value as of March 31, 2024. As a result, the Company recorded an impairment charge in respect of goodwill of $17.8 million during the fourth quarter of fiscal 2024. In addition, there was a recovery of $9.2 million recorded in Q4/24 related to a change in the valuation of the contingent consideration liability in our UK capital markets segment.

As disclosed in the Q2 fiscal 2024 MD&A, there were restructuring costs of $12.7 million recorded in the second quarter of fiscal 2024 related to headcount reductions. In addition, the Company recorded a recovery of $18.2 million related to fair value changes in the contingent consideration liability in our US capital markets operations in the second quarter of fiscal 2024 .

Income (loss) before income taxes

Net loss before income taxes including allocated overhead expenses for the three months ended March 31, 2024 was $7.7 million for our capital markets business, compared to net income of $7.9 million in the same period a year ago. Excluding significant items(1) net income before taxes was $3.3 million in Q4/24 compared to a net loss before taxes of $5.5 million in the same period of fiscal 2023.

For the year ended March 31, 2024, net loss before income taxes including allocated overhead expenses was $1.9 million compared to a net loss before income taxes of $65.6 million for fiscal 2023. Excluding significant items(1), net income before income taxes was $6.0 million compared to net income before income taxes of $30.8 million in the prior year.

CANACCORD GENUITY WEALTH MANAGEMENT

Overview

The Company has wealth management operations in Canada, the UK & Crown Dependencies, and Australia.

Canaccord Genuity Group's wealth management division provides a range of comprehensive financial services and investment products to individual investors (private clients), institutions and intermediaries, and charities. Revenue from wealth management operations is generated through traditional commission-based brokerage services; management of fee-based accounts; the sale of fee-based products and services; and client-related interest. Additionally, Investment Advisors (IAs) in Canada and Australia earn fees and commissions revenue from investment banking and venture capital transactions.

In the UK & Crown Dependencies, Canaccord Genuity Wealth Management had 15 offices in the UK, Guernsey, Jersey and the Isle of Man on March 31, 2024. Revenue earned by this business is largely generated through fee-based accounts, portfolio management, interest and financial planning activities. Fee-related revenue as a percentage of total revenue in this business was 82.0% for the three months ended March 31, 2024. The business offers services to domestic (UK) and international clients and provides investing options from both third party and proprietary financial products, including investment funds managed by Canaccord Genuity Wealth Management portfolio managers. This business had 257 Investment Professionals on March 31, 2024.

On March 31, 2024, Canaccord Genuity Wealth Management had nine offices located across Canada, including Investment Advisors who are also registered in the US. Fee-related revenue as a percentage of total revenue in this business was 51.4% for the three months ended March 31, 2024. This business had 145 Investment Advisor teams on March 31, 2024.

In Australia, Canaccord Genuity Wealth Management had nine offices on March 31, 2024. This business had 120 Investment Advisor teams on March 31, 2024.

Outlook

Our strategic shift to strengthening contributions from our global wealth management segment continues to be a major focus for the Company. Management's priorities for Canaccord Genuity Wealth Management will be focused on growing assets under administration and management and increasing the proportion of fee-based revenue as a percentage of total revenue. By increasing recurring revenue streams, we expect to meaningfully make our business less sensitive to trading activity associated with transaction-based revenue.

We continue to explore a range of opportunities for profitable growth in our global wealth management segment. Alongside investments in talent, acquisitions, and technology, we are actively building our specialist capabilities in financial planning and other growth areas to provide more holistic support to investors to continue to reshape their investment needs, while driving organic growth for our businesses.

(1) Figures excluding significant items are non-IFRS measures. See Non-IFRS Measures on page 14

The Company expects to continue to pursue strategic opportunities to increase the scale of its wealth management business in the UK & Crown Dependencies.

Certain institutional investors acquired two series of Convertible Preferred Shares issued by Canaccord Genuity Wealth Group Holdings (Jersey) Limited, a subsidiary of the Company and the parent of all operating companies included in CGWM UK. On an as converted basis and subject to the liquidation preference associated with the Convertible Preferred Shares issued to institutional investors and Preference Shares issued to management of CGWM UK, the Company holds an approximate 66.9% equity equivalent interest in Canaccord Genuity Wealth Group Holdings (Jersey) Limited.

In Canada, the Company continues to pursue opportunities for profitable growth with a focus on enhancing margins, managing costs, and growing the business through targeted recruitment and other initiatives aimed at increasing client assets and revenue from fee-based activities. An important focus is the recruiting and retention of IAs. While the recruiting environment remains competitive, our ability to attract and retain high-quality advisors is based on the benefits of our independent platform, which provides access to global resources and expertise, supported by investments to advance our technology and product offering, and a multi-year track record of revenue growth and profitability. We maintain a strong focus on investing in technology and training programs and building a comprehensive suite of products targeted at attracting high net worth investors and providing resources to advisors to help them grow their businesses.

In Australia, the Company intends to continue to build upon the success of its expanded wealth management operations. Continued expansion is expected to occur through targeted recruiting and the build-out of wealth management services and products, in addition to the leveraging of the benefits provided by its connection to Canaccord Genuity's capital markets business in the region.

FINANCIAL PERFORMANCE – CANACCORD GENUITY WEALTH MANAGEMENT NORTH AMERICA(1)(2)

(C$ thousands, except AUM and AUA (in C$ millions), number of employees, Advisory Teams and % amounts)	Three months ended March 31		Quarter-over-quarter change	Year ended March 31		Year-over-year change
	2024	2023		**2024**	2023	
Revenue	**$ 77,574**	$ 78,410	(1.1)%	**$ 298,036**	$ 302,164	(1.4)%
Expenses						
Compensation expense	**44,046**	43,453	1.4%	**159,160**	168,001	(5.3)%
Other overhead expenses	**20,655**	19,256	7.3%	**83,582**	73,763	13.3%
Restructuring costs	**—**	—	—	**158**	—	n.m.
Total expenses	**$ 64,701**	$ 62,709	3.2%	**$ 242,900**	$ 241,764	0.5%
Intersegment allocations(2)	**6,608**	4,837	36.6%	**21,002**	20,926	0.4%
Income before income taxes(2)	**$ 6,265**	$ 10,864	(42.3)%	**$ 34,134**	$ 39,474	(13.5)%
AUM (discretionary)(3)	**11,855**	8,834	34.2%			
AUA(4)	**38,406**	35,694	7.6%			
Number of Advisory Teams	**145**	145	—			
Number of employees	**536**	499	7.4%			
Excluding significant items(5)						
Total expenses	**$ 64,273**	$ 62,709	2.5%	**$ 241,316**	$ 241,764	(0.2)%
Intersegment allocations(2)	**6,608**	4,837	36.6%	**21,002**	20,926	0.4%
Income before income taxes(2)	**$ 6,693**	$ 10,864	(38.4)%	**$ 35,718**	$ 39,474	(9.5)%

(1) Financial measures are in accordance with IFRS except for figures excluding significant items. See Non-IFRS Measures on page 14.
(2) Income before income taxes includes intersegment allocations. See the Intersegment Allocated Costs section on page 40.
(3) AUM in Canada includes all assets managed on a discretionary basis under programs that include CGWM's Managed Solutions Programs as well as its Private Investment Management Program. Services provided include the selection of investments and the provision of investment advice. See Non-IFRS Measures on page 14.
(4) AUA in Canada is the market value of client assets administered by the Company, from which the Company earns commissions and fees and includes AUM. See Non-IFRS Measures on page 14.
(5) Refer to Non-IFRS Measures on page 14 and the Selected Financial Information Excluding Significant Items table on page 25.

Canaccord Genuity Wealth Management North America earned revenue of $77.6 million in the fourth fiscal quarter, a slight decrease of $0.8 million or 1.1% compared to Q4/23. For the full year ended March 31, 2024, this business earned revenue of $298.0 million, a reduction of $4.1 million or 1.4% year over year, reflecting reduced advisory and investment banking revenue, which were partially offset by an 11.5% increase in interest revenue driven by the higher interest rate environment.

AUA[1] in Canada increased by 7.6% to $38.4 billion at March 31, 2024, compared to $35.7 billion at March 31, 2023, reflecting positive net inflows and new client assets from our acquisition and recruiting activities as well as an increase in market values. Fee-related revenue as a percentage of total revenue in this business increased by 7.3 percentage points compared to the three months in fiscal 2023 and accounted for 51.4% of the wealth management revenue in Canada during the fourth quarter of fiscal 2024. At March 31, 2024, there were 145 Advisory Teams in Canada, unchanged from the prior year.

Total expenses in this business for the three months ended March 31, 2024 were $64.7 million, an increase of $2.0 million or 3.2% compared to the same period a year ago, and for the year ended March 31, 2024 were $242.9 million, a slight increase of $1.1 million or 0.5% compared to the previous year.

Compensation expense increased slightly by 1.4% year over year to $44.0 million in Q4/24 and decreased by 5.3% to $159.2 million for the year ended March 31, 2024. Compensation expense as a percentage of revenue was 56.8% for Q4/24 and 53.4% for the fiscal year, an increase of 1.4 percentage points and a decrease of 2.2 percentage points, respectively.

(1) See Non-IFRS Measures on page 14

Other overhead costs in this business increased by $1.4 million or 7.3% and $9.8 million or 13.3% compared to the three- and 12 months ended March 31, 2023 and reflected a similar profile to the prior year's comparison periods. The increases were driven by higher interest, premises and equipment, and development costs. Interest expense increased by $1.6 million or 177.2% compared to Q4/23 and by $3.5 million or 92.8% compared to the prior fiscal year due to higher interest rates. Development costs increased by $1.4 million or 37.8% compared to Q4/23 and by $3.0 million or 19.2% for the fiscal year, primarily a result of the amortization of incentive-based payments to new recruits. Premises and equipment expenses increased by $1.7 million or 39.4% compared to fiscal 2023 due to an increase in the allocation from the Corporate and Other segment.

Net income before taxes for the three months ended March 31, 2024 was $6.3 million, a decrease of $4.6 million or 42.3% compared to Q4/23. For the year ended March 31, 2024 net income before taxes was $34.1 million, a decrease of $5.3 million or 13.5% compared to the year ended March 31, 2023. Excluding significant items(1) Q4/24 net income before taxes decreased by 38.4% year-over-year to $6.7 million and by 9.5% year over year to $35.7 million in fiscal 2024.

FINANCIAL PERFORMANCE – CANACCORD GENUITY WEALTH MANAGEMENT UK & CROWN DEPENDENCIES(1)(5)

(C$ thousands, except AUM (in C$ millions), number of employees, investment professionals and fund managers, and % amounts)	Three months ended March 31		Quarter- over-quarter change	Year ended March 31		Year-over-year change
	2024	2023		**2024**	2023	
Revenue	**$ 105,469**	$ 103,730	1.7%	**$ 411,474**	$ 343,728	19.7%
Expenses						
Compensation expense	**44,140**	42,527	3.8%	**176,658**	163,634	8.0%
Other overhead expenses	**40,313**	41,922	(3.8)%	**155,890**	117,628	32.5%
Restructuring costs	**—**	—	—	**652**	—	n.m.
Acquisition-related cost	**—**	—	—	**—**	5,926	(100.0)%
Total expenses	**84,453**	84,449	0.0%	**333,200**	287,188	16.0%
Intersegment allocations(2)	**560**	558	0.4%	**2,250**	2,236	0.6%
Income before income taxes(2)	**20,456**	18,723	9.3%	**76,024**	54,304	40.0%
Non-controlling interest(6)	**9,665**	8,798	9.9%	**37,687**	32,651	15.4%
AUM(3)	**59,084**	55,101	7.2%			
Number of investment professionals and fund managers	**257**	252	2.0%			
Number of employees	**751**	737	1.9%			
Excluding significant items(4)						
Total expenses	**$ 78,274**	$ 76,776	2.0%	**$ 307,696**	$ 255,348	20.5%
Intersegment allocations(2)	**560**	558	0.4%	**2,250**	2,236	0.6%
Income before income taxes(2)	**26,635**	26,396	0.9%	**101,528**	86,144	17.9%
Non-controlling interest(6)	**8,587**	8,492	1.1%	**32,145**	27,015	19.0%

(1) Financial measures are in accordance with IFRS except for figures excluding significant items. See Non-IFRS Measures on page 14.
(2) Income before income taxes includes intersegment allocations. See the Intersegment Allocated Costs section on page 40.
(3) AUM in the UK & Crown Dependencies is the market value of client assets managed and administered by the Company, from which the Company earns commissions and fees. This measure includes both discretionary and non-discretionary accounts. See Non-IFRS Measures on page 14.
(4) Refer to Non-IFRS Measures on page 14 and the Selected Financial Information Excluding Significant Items table on page 25.
(5) Includes the operating results of PSW since May 31, 2022.
(6) The non-controlling interest is the portion of the net income after income taxes of CGWM UK not attributable to the Company.

Revenue in our UK & Crown Dependencies wealth management business is largely generated through fee-related accounts and portfolio management activities and, as such, is less sensitive to changes in levels of trading activity, although more sensitive to changes in market values. Revenue in this business for Q4/24 was a quarterly record of $105.5 million, an increase of $1.7 million or 1.7% from Q4/23. Revenue for the year ended March 31, 2024 increased by $67.7 million or 19.7% compared to the prior year to a new record of $411.5 million. The higher interest rate environment has also positively impacted interest income in this business, which has increased to $97.3 million for fiscal 2024 from $30.3 million in the prior year.

AUM(1) in the UK & Crown Dependencies as of March 31, 2024 was $59.1 billion, an increase of 7.2% compared to $55.1 billion as of March 31, 2023, driven by an increase in market values and foreign exchange movement. Measured in local currency (GBP), AUM(1) increased by 4.6% from £33.0 billion at March 31, 2023 to £34.6 billion at March 31, 2024. Fee-related revenue in our UK & Crown Dependencies wealth management operations accounted for 82.0% of total revenue in the three months ended March 31, 2024, an increase of 1.8 percentage points from the same period in the prior year.

Total compensation expense increased by $1.6 million or 3.8% in Q4/24 and $13.0 million or 8.0% for the year ended March 31, 2024 compared to the prior year comparatives. Total compensation expense as a percentage of revenue increased slightly by 0.9 percentage points from 41.0% in Q4/23 to 41.9% in Q4/24. For the year ended March 31, 2024, total compensation expense as a percentage of revenue was 42.9%, a decrease of 4.7 percentage points from the prior year partially due to the change in revenue mix.

Other overhead expenses in this business were $40.3 million for the three months ended March 31, 2024 compared to $41.9 million in the same period in the prior year, a decrease of $1.6 million or 3.8% year over year. The decrease in other overhead expenses was mostly due to declines in interest expense and amortization of right of use assets resulting from reclassification of certain expenses in the prior period comparative. General and administrative expense also decreased by 15.3% compared to Q4/23 as expenses returned to a more normalized level.

Other overhead expenses of $155.9 million for the 12 months ended March 31, 2024 increased by $38.3 million or 32.5% from the prior year, with the most significant increases in development costs, interest, and communication and technology expense. The increased development costs were related to hiring incentives and other business initiative costs. Increased headcount was the main driver for higher communication and technology expense compared to fiscal 2023. Higher interest expense on the bank debt due to higher interest rates was the main driver for the 113.9% increase in interest expense compared to the prior year.

Fourth quarter fiscal 2024 income before income taxes in this business was $20.5 million compared to $18.7 million for Q4/23 and net income before taxes excluding significant items(1) was $26.6 million compared to $26.4 million for Q4/23. For the year ended March 31, 2024, net income before income taxes was $76.0 million compared to $54.3 million in the year ended March 31, 2023 and net income before taxes excluding significant items(1) was $101.5 million compared to $86.1 million for the prior 12 months. EBITDA(1), a commonly used operating metric for this business, was £75.0 million for the year ended March 31, 2024.

FINANCIAL PERFORMANCE – CANACCORD GENUITY WEALTH MANAGEMENT AUSTRALIA(1)(5)

(C$ thousands, except AUM (in C$ millions), number of employees, investment professionals and fund managers, and % amounts)	Three months ended March 31		Quarter-over-quarter change	Year ended March 31		Year-over-year change
	2024	2023		2024	2023	
Revenue	$ 17,035	$ 14,969	13.8%	$ 63,861	$ 62,412	2.3%
Expenses						
Compensation expense	11,608	11,105	4.5%	42,673	44,492	(4.1)%
Other overhead expenses	4,711	4,314	9.2%	17,888	18,145	(1.4)%
Total expenses	16,319	15,419	5.8%	60,561	62,637	(3.3)%
Intersegment allocations(2)	140	54	159.3%	497	131	279.4%
Income before income taxes(2)	576	(504)	214.3%	2,803	(356)	n.m.
Non-controlling interest(6)	118	(133)	188.7%	696	23	n.m.
AUM(3)	6,432	5,432	18.4%			
Number of investment professionals and fund managers	120	119	0.8%			
Number of employees	244	231	5.6%			
Excluding significant items(4)						
Total expenses	$ 16,224	$ 15,301	6.0%	$ 60,126	$ 62,174	(3.3)%
Intersegment allocations(2)	140	54	159.3%	497	131	279.4%
Income before income taxes(2)	671	(386)	273.8%	3,238	107	n.m.
Non-controlling interest(6)	118	(133)	188.7%	696	23	n.m.

(1) Financial measures are in accordance with IFRS except for figures excluding significant items. See Non-IFRS Measures on page 14.
(2) Income before income taxes includes intersegment allocations. See the Intersegment Allocated Costs section on page 40.
(3) AUM is the market value of client assets managed and administered by the Company. See Non-IFRS Measures on page 14.
(4) Refer to Non-IFRS Measures on page 14 and the Selected Financial Information Excluding Significant Items table on page 25.
(5) The operating results have been consolidated and a 31.8% non-controlling interest has been recognized and included in the Canaccord Genuity Wealth Management Australia segment for the three and 12 months ended March 31, 2024 [three and 12 months ended March 31, 2023 – 32.7%].
(6) The non-controlling interest is the portion of the net income after income taxes of CGWM Australia not attributable to the Company.
n.m.: not meaningful

During the three months ended March 31, 2024, Canaccord Genuity Wealth Management Australia generated revenue of $17.0 million, an increase of $2.1 million or 13.8% compared to the same period a year ago. On a fiscal year basis, revenue was $63.9 million, an increase of $1.4 million or 2.3% compared to fiscal 2023.

AUM(1) in our Australian wealth management operations was $6.4 billion as of March 31, 2024, an increase of 18.4% from Q4/23 due to an increase in net new assets as well as higher market values. In addition, client assets(1) totalling $13.8 billion are also held on record in other less active accounts on our Australian wealth management platforms. Fee-related revenue in our Australian operations as a percentage of total revenue accounted for 39.2% of the wealth management revenue during the three months ended March 31, 2024, an increase of 0.3 percentage points from the three months ended March 31, 2023.

Total compensation expense in this business increased by $0.5 million or 4.5% and decreased by $1.8 million or 4.1% for the three and 12 months ended March 31, 2024, respectively, compared to the same periods in the prior year. Total compensation expense as a percentage of revenue for Q4/24 and fiscal 2024 was 68.1% and 66.8%, reflecting decreases of 6.0 and 4.5 percentage points from the prior period comparatives, respectively.

Other overhead expenses of $4.7 million were $0.4 million or 9.2% higher compared to Q4/23, mainly due to increases in general and administrative expense and development costs. For the year ended March 31, 2024, other overhead expenses were mostly in line with the prior year, with a slight decrease of 1.4% compared to fiscal 2023.

(1) See Non-IFRS Measures on page 14

Fourth quarter fiscal 2024 income before income taxes was $0.6 million compared to a net loss before taxes of $0.5 million for Q4/23. For the three months ended March 31, 2024, net income before taxes excluding significant items[(1)] was $0.7 million compared to a net loss before income taxes of $0.4 million for Q4/23. For the year ended March 31, 2024, income before income taxes was $2.8 million compared to a net loss before income taxes of $0.4 million for the prior period. On a fiscal year basis net income before taxes excluding significant items[(1)] was $3.2 million compared to net income before taxes of $0.1 million for the year ended March 31, 2023.

CORPORATE AND OTHER SEGMENT[(1)]

FINANCIAL PERFORMANCE – CORPORATE AND OTHER SEGMENT

(C$ thousands, except number of employees and % amounts)	Three months ended March 31 2024	Three months ended March 31 2023	Quarter-over-quarter change	Year ended March 31 2024	Year ended March 31 2023	Year-over-year change
Revenue	$ **6,120**	$ 7,140	(14.3)%	$ **22,238**	$ 9,240	140.7%
Expenses						
Compensation expense	**11,374**	25,600	(55.6)%	**53,882**	71,922	(25.1)%
Other overhead expenses	**7,955**	12,204	(34.8)%	**41,916**	32,816	27.7%
Restructuring costs	**—**	—	—	**4,664**	—	n.m.
Fair value adjustment of non-controlling interests derivative liability	**—**	11,629	(100.0)%	**13,250**	11,629	13.9%
Fair value adjustment of convertible debentures derivative liability	**4,421**	—	n.m.	**4,421**	—	n.m.
Share of loss of an associate	**—**	10	(100.0)%	**70**	55	27.3%
Total expenses	**23,750**	49,443	(52.0)%	**118,203**	116,422	1.5%
Intersegment allocations[(2)]	**(12,383)**	(10,722)	(15.5)%	**(41,962)**	(44,944)	6.6%
Loss before income taxes[(2)]	**(5,247)**	(31,581)	83.4%	**(54,003)**	(62,238)	13.2%
Number of employees	**448**	472	(5.1)%			
Excluding significant items[(3)]						
Revenue	$ **6,350**	$ 7,140	(11.1)%	$ **23,165**	$ 22,191	4.4%
Total expenses	**16,968**	32,911	(48.4)%	**78,469**	97,772	(19.7)%
Intersegment allocations[(2)]	**(12,383)**	(10,722)	(15.5)%	**(41,962)**	(44,944)	6.6%
Income (loss) before income taxes[(2)]	**1,765**	(15,049)	111.7%	**(13,342)**	(30,637)	56.5%

(1) Financial measures are in accordance with IFRS except for figures excluding significant items. See Non-IFRS Measures on page 14.
(2) Loss before income taxes includes intersegment allocations. See the Intersegment Allocated Costs section on page 40.
(3) Refer to Non-IFRS Measures on page 14 and the Selected Financial Information Excluding Significant Items table on page 25.
n.m.: not meaningful

The segment, described as Corporate and Other, includes revenues and expenses associated with providing correspondent brokerage services, bank and other interest, foreign exchange gains and losses, and expenses not specifically allocable to either the Canaccord Genuity Capital Markets or Canaccord Genuity Wealth Management divisions. Also included in this segment are the Company's Canadian-based operations and support services, which are responsible for front- and back-office IT systems, compliance and risk management, operations, finance, and all administrative functions. Allocations and charges to the Capital Markets and Wealth Management segments in Canada and other regions are recorded as intersegment allocations.

Revenue in the Corporate and Other segment for the three months ended March 31, 2024 was $6.1 million compared to $7.1 million in the same quarter a year ago. For the year ended March 31, 2024, revenue was $22.2 million compared to $9.2 million for the same period a year ago. The increase in annual revenue largely reflects the impact of a $13.0 million reduction in revenue during the prior year owing to fair value adjustments recorded on certain illiquid or restricted marketable securities.

Total expenses in this segment for the three months ended March 31, 2024 decreased by $25.7 million or 52.0% to $23.8 million compared to the three months ended March 31, 2023. On a fiscal year basis, total expenses increased slightly by 1.5% to $118.2 million compared to the year ended March 31, 2023.

Compensation expense decreased by $14.2 million or 55.6% compared to the three months ended March 31, 2023, and by $18.0 million or 25.1% on a fiscal year basis, partially driven by changes in the fair value of certain share-based awards granted in prior periods.

Other overhead expenses decreased by 34.8% compared to Q4/23, primarily due to elevated development costs in Q4/23 which included professional fees in relation to the expired management takeover bid, partially offset by higher amortization of right of use assets and non-cash lease interest expense related to relocation of the Vancouver office. Additional amortization and lease interest expense were recorded although the new office is not in use and are still currently under construction.

For the year ended March 31, 2024, other overhead expenses increased by $9.1 million or 27.7%, primarily due to elevated development costs which included professional fees in relation to the expired management takeover bid incurred in the first quarter

(1) See Non-IFRS Measures on page 14.

of fiscal 2024. In addition, there were restructuring costs of $4.7 million related to headcount reductions and $13.3 million fair value adjustments related to the derivative liability component of the non-controlling interests related to the Convertible Preferred Shares issued by CGWM UK recorded during the first six months of fiscal 2024.

In connection with the Convertible Debentures issued in the fourth quarter of fiscal 2024, the Company recorded a fair value adjustment on the derivative liability component of $4.4 million.

Overall, the Q4/24 loss before income taxes in this segment was $5.2 million compared to a loss of $31.6 million for the three months ended March 31, 2023. The net income before taxes excluding significant items(1) was $1.8 million for the three months ended March 31, 2024, compared to a net loss before taxes of $15.0 million for the same period in the prior year. For the year ended March 31, 2024, the loss before income taxes was $54.0 million compared to a loss of $62.2 million for fiscal 2023. Excluding significant items(1), the loss before income taxes was $13.3 million compared to a loss before income taxes of $30.6 million on an annual basis.

INTERSEGMENT ALLOCATED COSTS

Included in the Corporate and Other segment are certain support services and other expenses that have been incurred to support the activities within the Canaccord Genuity Capital Markets and Canaccord Genuity Wealth Management segments in all CG regions. Certain trading, clearing and settlement charges are included as a trading cost in the applicable business units and as a trading cost recovery in Corporate and Other. In addition, certain overhead costs are charged by Canaccord Genuity Capital Markets UK & Europe to Canaccord Genuity Wealth Management UK & Crown Dependencies and included in intersegment allocated costs for these business units.

Quarterly Financial Information – Prior Seven Fiscal Quarters to Q4/24(1)

The following table provides selected quarterly financial information for the eight most recently completed financial quarters ended on or before March 31, 2024. This information is unaudited but reflects all adjustments of a recurring nature, which are, in the opinion of management, necessary to present a fair statement of the results of operations for the periods presented. Quarter-to-quarter comparisons of financial results are not necessarily meaningful and should not be relied upon as indications of future performance.

(C$ thousands, except number of employees and % amounts)				Fiscal 2024				Fiscal 2023
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Revenue								
Canaccord Genuity Capital Markets	202,850	189,843	144,809	145,694	226,140	196,879	205,697	164,137
Canaccord Genuity Wealth Management:								
North America	77,574	77,035	70,813	72,614	78,410	77,364	73,429	72,961
UK & Crown Dependencies	105,469	101,829	101,004	103,172	103,730	85,691	80,970	73,337
Australia	17,035	16,178	15,409	15,239	14,969	16,633	14,889	15,921
Corporate and Other	6,120	4,258	5,255	6,605	7,140	5,549	5,537	(8,986)
Total revenue	409,048	389,143	337,290	343,324	430,389	382,116	380,522	317,370
Net income (loss)	7,912	28,005	(5,867)	(268)	3,763	(82,065)	26,564	(3,004)
Earnings (loss) per common share – basic	$ (0.07)	$ 0.15	$ (0.20)	$ (0.15)	$ (0.08)	$ (1.10)	$ 0.17	$ (0.14)
Diluted earnings (loss) per common share	$ (0.07)	$ 0.14	$ (0.20)	$ (0.15)	$ (0.08)	$ (1.10)	$ 0.14	$ (0.14)
Net Income excluding significant items(1)	$ 30,779	$ 33,304	$ 10,717	$ 19,433	$ 17,428	$ 28,197	$ 35,426	$ 19,935
Earnings per common share, excluding significant items(1) – basic	$ 0.20	$ 0.24	$ —	$ 0.10	$ 0.10	$ 0.20	$ 0.30	$ 0.13
Diluted earnings per common share, excluding significant items(1)	$ 0.15	$ 0.20	$ —	$ 0.07	$ 0.07	$ 0.16	$ 0.25	$ 0.11

(1) Data is in accordance with IFRS except for figures excluding significant items. See Non-IFRS Measures on page 14.

QUARTERLY FINANCIAL INFORMATION EXCLUDING SIGNIFICANT ITEMS[(1)(2)] – PRIOR SEVEN FISCAL QUARTERS TO Q4/24

(C$ thousands, except per share amounts)				Fiscal 2024				Fiscal 2023
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Total revenue per IFRS	$ 409,048	$ 389,143	$ 337,290	$ 343,324	$ 430,389	$ 382,116	$ 380,522	$ 317,370
Total expenses per IFRS	394,687	352,045	337,964	337,042	424,962	462,902	341,490	315,476
Revenue								
Significant items recorded in Corporate and Other								
Fair value adjustments on certain illiquid and restricted marketable securities	230	360	218	119	—	233	1,271	11,447
Total revenue excluding significant items	$ 409,278	$ 389,503	$ 337,508	$ 343,443	$ 430,389	$ 382,349	$ 381,793	$ 328,817
Expenses								
Significant items recorded in Canaccord Genuity Capital Markets								
Amortization of intangible assets	218	279	316	350	214	1,643	1,535	1,264
Change in fair value of contingent consideration	(9,151)	—	(18,174)	—	(14,278)	—	—	—
Restructuring costs	—	—	12,673	—	—	—	—	—
Lease expenses related to premises under construction	1,975	—	—	—	—	—	—	—
Acquisition-related costs	—	—	—	—	—	—	1,477	—
Impairment of goodwill and other intangible assets	17,756	—	—	—	—	102,571	—	—
Incentive based costs related to acquisitions	200	532	362	573	648	523	437	367
Significant items recorded in Canaccord Genuity Wealth Management								
Amortization of intangible assets	5,754	5,707	5,727	5,639	6,314	5,830	5,944	4,312
Restructuring costs	—	—	810	—	—	—	—	—
Acquisition-related costs	—	—	—	—	—	—	(1,656)	7,582
Incentive based costs related to acquisitions	948	724	926	1,288	1,477	649	1,265	586
Significant items recorded in Corporate and Other								
Restructuring costs	—	—	1,306	3,358	—	—	—	—
Lease expenses related to premises under construction	2,361	—	—	—	—	—	—	—
Development costs	—	—	(249)	15,287	4,903	808	1,310	—
Fair value adjustment of non-controlling interests derivative liability	—	—	13,250	—	11,629	—	—	—
Fair value adjustment of convertible debentures derivative liability	4,421	—	—	—	—	—	—	—
Total significant items – expenses	24,482	7,242	16,947	26,495	10,907	112,024	10,312	14,111
Total expenses excluding significant items	370,205	344,803	321,017	310,547	414,055	350,878	331,178	301,365
Net income before income taxes – adjusted	$ 39,073	$ 44,700	$ 16,491	$ 32,896	$ 16,334	$ 31,471	$ 50,615	$ 27,452
Income tax expense (recovery) – adjusted	8,294	11,396	5,774	13,463	(1,094)	3,274	15,189	7,517
Net income – adjusted	$ 30,779	$ 33,304	$ 10,717	$19,433	$17,428	$28,197	$35,426	$19,935
Preferred share dividends	$ 2,852	$ 2,852	$ 2,852	$ 2,852	$ 2,852	$ 2,391	$ 2,391	$ 2,391
Net income attributable to common shareholders	$ 17,397	$ 20,767	$ (299)	$ 7,578	$ 6,793	$ 16,561	$ 25,793	$ 11,879
Earnings per common share adjusted – basic	$ 0.20	$ 0.24	$ —	$ 0.10	$ 0.10	$ 0.20	$ 0.30	$ 0.13
Diluted earnings per common share adjusted – diluted	$ 0.15	$ 0.20	$ —	$ 0.07	$ 0.07	$ 0.16	$ 0.25	$ 0.11

(1) Figures excluding significant items are non-IFRS measures. See Non-IFRS Measures on page 14.

(2) Due to the change in the number of fully diluted shares resulting from the convertible debenture redemption in Q4 fiscal 2022 as well as the impact of the Convertible Preferred Shares issued in the fourth quarter of fiscal 2023 and first quarter of fiscal 2024, rounding and 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 may not equal the annual earnings per share figure.

Quarterly trends and risks

Our quarterly results are generally not significantly affected by seasonal factors. However, the Company's revenue and income can experience considerable variations from quarter to quarter and from year to year due to factors beyond the Company's control. The business is affected by the overall condition of the global capital markets and by activity in our core focus sectors, as well as by changes in the market for growth companies and companies in emerging markets and sectors. The Company's revenue from underwriting and advisory transactions is recorded only when a transaction has been substantially completed or closed. Consequently, the timing of revenue recognition can materially affect the Company's quarterly results.

The Company recorded revenue of $409.0 million in Q4/24, which was 11.0% higher than the average for the previous seven quarters. On a consolidated basis, advisory fees revenue in the fourth quarter was 8.2% lower than the average of the last seven quarters and reflects the more challenging environment for completions throughout fiscal 2024. Investment banking revenue of $55.8 million was 39.5% higher than the average of the last seven fiscal quarters, which included the abrupt market downturn that began in Q1/23.

The higher interest rate environment supported a 7.3% year-over-year increase in interest revenue to $49.3 million, which was 30.9% higher than the average of the last seven fiscal quarters. When compared to Q3/24, commissions and fees, investment banking, and principal trading revenues increased by 7.0%, 20.0%, and 6.7%, respectively.

Global Capital Markets

Our global capital markets operations generated revenue of $202.9 million, an increase of 11.5% from the average quarterly revenue for the past seven quarters, and while still below historic levels, reflects a modest recovery from the prolonged global market downturn which has impacted activity levels in all segments, but most notably advisory and investment banking. The highest quarterly revenue earned by this division in the last seven fiscal quarters was $226.1 million and the lowest quarterly revenue was $144.8 million. Excluding significant items(1), this operation returned to profitability in the second half of fiscal 2024 and in Q4/24 generated pre-tax income of $3.3 million compared to pre-tax income of $16.7 million in the previous quarter. The highest quarterly pre-tax income in the last seven fiscal quarters amounted to $26.2 million in Q2/23, which was below historic levels for this division. For the fiscal year, pre-tax income totalled $6.0 million compared to $30.8 million in the prior year.

While our US capital markets operation was the biggest contributor of revenue in this division, fourth quarter revenue of $88.6 million was 15.8% lower than the average of the last seven fiscal quarters reflecting a continuance of the challenging environment for capital-raising activities and the more challenging environment for M&A completions.

Revenue in our Canadian capital markets operation was $62.7 million in Q4/24, which was 74.1% higher than the average of the last seven fiscal quarters and reflects modest growth in underwriting and advisory activities. The highest quarterly revenue earned by this business in the last seven fiscal quarters was $70.1 million and the lowest quarterly revenue was $14.3 million.

Fourth quarter revenue of $27.9 million in our Australian capital markets business was 54.9% higher than the average of the last seven fiscal quarters and while still below historic levels, reflecting a more robust investment banking environment in this region, primarily in the metals and mining sector.

Our UK & Europe capital markets operations recorded revenue of $23.6 million for Q4/24, an increase of 4.6% compared to the average of the last seven fiscal quarters. The highest quarterly revenue earned by this business in the last seven fiscal quarters was $31.3 million and the lowest quarterly revenue was $13.3 million.

Global Wealth Management

Fourth quarter revenue in our global wealth management businesses amounted to $200.1 million, an increase of 9.3% compared to the average of the last seven fiscal quarters and a new quarterly record for this division. The lowest quarterly revenue earned by this division in the last seven fiscal quarters was $162.2 million. Excluding significant items(1), the pre-tax net income contribution from this segment was $34.0 million in Q4/24, an increase of 2.5% when compared to the average of the last seven fiscal quarters.

Revenue in our North American wealth management operations increased by 3.9% compared to the last seven fiscal quarters. Assets under administration(1) in this business were $38.4 billion, an increase of 7.6% year over year and 8.9% compared to the average of the last seven fiscal quarters due to net inflows as well as increases in market values.

The CGWM UK operations have contributed consistently to our revenue and profitability levels. Revenue for Q4/24 was $105.5 million, a new quarterly record and 13.6% higher than the average for the past seven quarters supported by stronger interest revenue. AUM(1) for this group increased by 7.2% as of the end of Q4/24 to $59.1 billion compared to Q4/23 due to an increase in market values as well as movement in foreign exchange rates.

Revenue in our Australia wealth management operations reached $17.0 million in Q4/24, an increase of 9.2% compared to the average of the last seven fiscal quarters. AUM(1) as of March 31, 2024 were $6.4 billion, an increase of 18.4% compared to the corresponding period in fiscal 2023, reflecting our active recruitment efforts over the last fiscal year and changes in market values.

(1) Figures excluding significant items are non-IFRS measures. See Non-IFRS Measures on page 14.

Corporate and Other

The movement in revenue in the Corporate and Other division was mainly due to fair value adjustment recorded on certain illiquid or restricted marketable securities, as well as changes in interest revenue and foreign exchange gains or losses resulting from fluctuations in the Canadian dollars.

Financial Condition

	Balance sheet summary as at March 31				
(C$ thousands)	**2024**	2023	2022	2021	2020
Assets					
Cash and cash equivalents	**$ 855,604**	$ 1,008,432	$ 1,788,261	$ 1,883,292	$ 997,111
Securities owned	**575,011**	715,078	1,051,229	1,041,583	931,467
Accounts receivable	**3,426,058**	3,355,203	3,438,655	3,973,442	3,275,841
Income taxes recoverable	**33,753**	34,209	1,967	738	5,603
Deferred tax assets	**71,004**	90,733	98,224	81,229	39,487
Investments	**12,913**	18,101	22,928	12,193	10,105
Equipment and leasehold improvements	**61,000**	48,180	34,643	23,070	24,860
Goodwill and other intangibles	**903,842**	928,735	697,272	531,038	565,587
Right of use asset	**193,280**	103,729	117,066	85,216	106,134
Total assets	**$ 6,132,465**	$ 6,302,400	$ 7,250,245	$ 7,631,801	$ 5,956,195
Liabilities and equity					
Securities sold short	**$495,246**	$556,303	$567,290	$889,607	$875,017
Accounts payable, accrued liabilities and provisions	**3,484,461**	3,739,992	4,853,894	5,170,957	3,680,186
Income taxes payable	**2,096**	2,177	15,952	56,285	11,721
Current portion of bank loan	**13,672**	13,342	6,574	12,119	7,042
Current portion of lease liability	**24,579**	26,712	23,928	24,311	23,417
Current portion of deferred and contingent consideration	**10,112**	17,325	10,618	17,706	57,859
Lease liability	**190,169**	92,526	101,620	70,591	88,922
Derivative liabilities	**110,007**	61,705	41,090	—	—
Deferred and contingent considerations	**12,345**	36,673	34,668	19,577	58,340
Bank loan	**287,857**	293,780	145,467	66,200	79,192
Deferred tax liabilities	**53,337**	55,728	24,875	13,552	9,903
Subordinated debt	**7,500**	7,500	7,500	7,500	7,500
Convertible debentures	**80,973**	—	—	168,112	128,322
Non-controlling interests	**364,466**	343,998	238,700	8,190	156
Shareholders' equity	**995,645**	1,054,639	1,178,069	1,107,094	928,618
Total liabilities and shareholders' equity	**$ 6,132,465**	$ 6,302,400	$ 7,250,245	$ 7,631,801	$ 5,956,195

ASSETS

Cash and cash equivalents were $855.6 million on March 31, 2024 compared to $1.0 billion on March 31, 2023. Refer to the Liquidity and Capital Resources section on page 46 for more details.

Securities owned were $575.0 million on March 31, 2024 compared to $715.1 million on March 31, 2023, mainly due to decreases in corporate and government debt as well as equities and convertible debentures owned as of March 31, 2024.

Accounts receivable were $3.4 billion at March 31, 2024 compared to $3.4 billion at March 31, 2023, unchanged from prior year.

Goodwill was $615.5 million and intangible assets were $288.3 million on March 31, 2024. On March 31, 2023, goodwill was $622.8 million and intangible assets were $305.9 million. These amounts represent the goodwill and intangible assets acquired through the purchases of Genuity Capital Markets, Collins Stewart Hawkpoint plc, Eden Financial Ltd., Hargreave Hale, Jitneytrade, McCarthy Taylor, Petsky Prunier, Thomas Miller, Patersons, Adam & Company, Sawaya, PSW, Results and Mercer. Due to lower investment banking and advisory revenue, our UK capital markets operation experienced losses in fiscal 2024. With these losses and the continued weakness in our focus sectors in the UK combined with a challenging outlook, it was determined that the carrying value of our UK capital markets CGU exceeded its fair value as of March 31, 2024. Accordingly, the Company recorded an impairment of $17.8 million of the goodwill related to the UK capital markets.

Right-of-use assets at March 31, 2024 were $193.3 million compared to $103.7 million at March 31, 2023, mainly due to new offices New York, Boston and Vancouver partially offset by amortization recorded during the year.

Other assets, consisting of income taxes receivable, deferred tax assets, equipment and leasehold improvements, and investments, were $178.7 million at March 31, 2024 compared to $191.2 million at March 31, 2023, principally due to a decrease in deferred tax assets partially offset by an increase in equipment and leasehold improvements.

LIABILITIES AND NON-CONTROLLING INTERESTS

Securities sold short were $495.2 million at March 31, 2024 compared to $556.3 million at March 31, 2023, mostly due to a decrease in short positions in corporate and government debt and equities and convertible debentures.

Accounts payable and accrued liabilities, including provisions, were $3.5 billion at March 31, 2024, a decrease from $3.7 billion at March 31, 2023, mainly due to decreases in payables to brokers and investment dealers and clients.

Subordinated debt, income taxes payable and deferred tax liabilities were $62.9 million at March 31, 2024, a slight decrease from $65.4 million at March 31, 2023.

There were also lease liabilities of $214.7 million recorded as of March 31, 2024 compared to $119.2 million as of March 31, 2023 due to addition of new offices New York, Boston and Vancouver.

Deferred and contingent consideration of $22.5 million were recorded as of March 31, 2024 [March 31, 2023 – $54.0 million] in connection with the acquisitions of Sawaya and Results. During the second quarter of fiscal 2024, the Company recorded a reduction in the fair value of the contingent consideration which resulted in a recovery of $18.2 million in our US capital markets operations, as well as a $9.2 million recovery in our UK capital markets operations in the fourth quarter of fiscal 2024. Also, during the first quarter ended June 30, 2023, the Company made a payment of $1.1 million in connection with the deferred consideration related to the acquisition of Results and $3.6 million in connection with the contingent consideration related to the acquisition of Sawaya.

Certain institutional investors acquired two series of Convertible Preferred Shares issued by the Company's subsidiary, CGWM UK. Both series of the Convertible Preferred Shares and Preference Shares issued to management and employees of CGWM UK were treated as a compound instrument comprised of an equity component, representing discretionary dividends and a liquidation preference, and a liability component that reflects a derivative to settle the instrument under certain circumstances by delivering the economic equivalent of a variable number of common shares of CGWM UK. During fiscal 2024, a fair value adjustment for the derivative liability of $13.3 million [year ended March 31, 2023 - $11.6 million] was recorded in the consolidated statement of operations. The fair value of the derivative liability at March 31, 2024 for both series of Convertible Preferred Shares was $76.9 million [March 31, 2023 – $61.7 million] and is included in derivative liabilities in the consolidated statements of financial position.

The Company issued convertible unsecured senior subordinated debentures ("Convertible Debentures") of $110.0 million on March 15, 2024. The Convertible Debentures bear interest at a rate of 7.75% per annum, payable semi-annually on the last day of June and December each year beginning on June 30, 2024. The Convertible Debentures are convertible at the holder's option into common shares of the Company at a conversion price of $9.68 per common share. The maximum number of common shares that may be issued to the holder upon the conversion of the debentures is limited to the extent that the holder, following such conversion, would own more than 9.9% of the issued and outstanding common shares of the Company. In the event of a notice of redemption of the Convertible Debentures by the Company the holder may elect to convert the Convertible Debentures into common shares, and upon such conversion may exceed the maximum conversion amount, provided the holder obtains all regulatory approvals that may be required. In the event such regulatory approvals are not obtained, then upon such redemption the Company shall pay to the holder in cash an amount equal to the conversion value of the commons shares that would have been issuable upon such conversion, in excess of the maximum conversion shares issuable as described above.

The Convertible Debentures include standard anti-dilution provisions whereby the conversion price will be adjusted in the event there is a common share reorganization by way of a subdivision, consolidation, distribution, or equivalent or if the Company issues rights, options or warrants to its shareholders. In the event that the Company pays a dividend in excess of dividends paid in the ordinary course ($0.34 per common share per fiscal year) then the conversion price will be adjusted by multiplying the conversion price in effect at the time of such dividend payment by a fraction equal to (i) the current market price per share minus the amount by which such dividend exceeds dividends paid in the ordinary course divided by (ii) the market price at the time such excess dividend is paid. The Convertible Debentures are subordinated in right of payment to the prior payment in full of up to$250,000,000 of secured indebtedness that may be incurred by the Company from time to time. The Convertible Debentures rank pari passu with one another and with all other present and future subordinated and unsecured indebtedness of the Company, including, without limitation, the Company's ordinary course trade payables, guarantees, lease obligations, and/or other similar liabilities, provided however that so long as the Convertible Debentures are outstanding, a maximum of $250,000,000 of additional unsecured debentures of the Company may be outstanding.

The Company used approximately $80.0 million of the proceeds from the Convertible Debentures to provide an interest-bearing loan to a limited partnership to be owned by certain employees of the Company. The Convertible Debentures are classified as a debt liability with an embedded derivative. As of March 31, 2024, the carrying value of the debt liability of the Convertible Debentures was $81.0 million and the related derivative liability was $33.1 million. During the year ended March 31, 2024, a fair value of $4.4 million of the derivative liability was recorded in the consolidated statements of operations.

It is expected that certain executive officers and senior revenue producing employees (referred to as Participants herein) will enter into loan agreements ("Purchase Loans") with the Company's subsidiaries (collectively, "CG Group") and subscription agreements with the Partnership to subscribe for approximately $80 million of limited partnership units ("LP Units") of the Partnership. A total of $80 million is expected to be loaned to the Participants under the Purchase Loans prior to the end of the first quarter of fiscal

2025 ("Q1 FY25") by CG Group. The Purchase Loans bear interest and have a term up to seven years and are secured against a pledge of the LP Units. The Partnership will use the proceeds from the subscription of LP Units to repay the principal amount owing to the Company under the Loan.

For capital markets and executive Participants, principal repayments under the Purchase Loans are required in an amount equal to 20% of the Participant's annual bonus minus applicable tax withholdings (the "Annual Repayment Amount"). For so long as the Purchase Loan is outstanding, Participants will receive an amount from CG Group equal to 0.67 times the pre-tax equivalent of any principal repaid by the Participant from time to time (the "Top-Up"). The Top-Up, minus the applicable tax withholdings, will be used to repay a portion of the principal amount of the Purchase Loan. Wealth management Participants are required to repay a portion of the principal amount under their Purchase Loans in equal monthly installments. For so long as the Purchase Loan is outstanding, the CG Group will contribute 40% of the pre-tax amount of the principal repaid by these Participants from time to time (the "Monthly Top-Up"). The Monthly Top-Up, minus applicable tax withholdings, will be used to repay a portion of their monthly repayment amount.

The Participants will make their initial capital contribution ("Initial Capital Contribution") to the Partnership, using the proceeds of the Purchase Loans. Following receipt of the approval required from certain securities regulatory authorities for the Partnership to hold in excess of 10% of the issued and outstanding common shares of the Company, the Participants are required to subscribe for additional LP Units by making an additional capital contribution to the Partnership ("Additional Capital Contribution") in an amount equal to 20% of the principal amount of the Purchase Loans received by the Participants. The Participants are required to make the Additional Capital Contribution with cash and/or common shares of the Company. The Partnership is expected to use proceeds from the Initial Capital Contribution and Additional Capital Contribution to repay all or substantially all of the principal amount owing to the Company under the Loan.

A subsidiary of the Company entered into a senior credit facility to finance a portion of the cash consideration for several acquisitions in the UK and Crown Dependencies wealth management segment. The original terms of the facility required the bank loan to be repaid by September 30, 2024. During the year ended March 31, 2024 the facility was extended and is now repayable on September 30, 2025. The interest rate on this loan is 7.6894% per annum as of March 31, 2024 [March 31, 2023 – 7.177% per annum].

Excluding the bank loan obtained in connection with several acquisitions in the UK & Crown Dependencies as described above, subsidiaries of the Company have other credit facilities with banks in Canada and the UK for an aggregate amount of $674.7 million [March 31, 2023 – $667.4 million]. These limited credit facilities, consisting of call loans, letters of credit and daylight overdraft facilities, are used to facilitate trade settlements and are collateralized by unpaid client securities and/or securities owned by the Company. As of March 31, 2024, there were no balances outstanding under these other credit facilities [March 31, 2023 – $nil].

Non-controlling interests were $364.5 million at March 31, 2024 compared to $344.0 million as at March 31, 2023, an increase of $20.5 million, mainly related to the equity component of the Convertible Preferred Shares issued by CGWM UK, net of dividends received and foreign exchange movement. Non-controlling interests also represent 31.8% [March 31, 2023 – 32.7%] of the net assets of our operations in Australia.

Off-balance sheet arrangements

A subsidiary of the Company has entered into secured irrevocable standby letters of credit from a financial institution totaling $2.8 million (US$2.1 million) [March 31, 2023 – $3.9 million (US$2.9 million)] as rent guarantees for its leased premises in New York. As of March 31, 2024 and March 31, 2023, there were no outstanding balances under these standby letters of credit.

Bank indebtedness and other credit facilities

The Company enters into call loans or overdraft positions primarily to facilitate the securities settlement process for both client and Company securities transactions. The bank indebtedness is collateralized by unpaid client securities and/or securities owned by the Company. As of March 31, 2024, and March 31, 2023, the Company had no bank indebtedness outstanding under these facilities.

In the normal course of business, the Company enters into contracts that give rise to commitments of future minimum payments that affect its liquidity.

The following table summarizes the Company's long-term contractual obligations on March 31, 2024:

(C$ thousands)	Total	Fiscal 2025	Fiscal 2026 – Fiscal 2027	Fiscal 2028 – Fiscal 2029	Thereafter
Premises and equipment	364,556	11,206	55,629	55,548	242,173
Bank loan(1)	338,223	36,676	301,547	—	—
Convertible debentures(2)	151,297	6,624	16,500	128,173	—
Total obligations	854,076	54,506	373,676	183,721	242,173

(1) Bank loan obtained to finance a portion of the cash consideration for the acquisitions in CGWM UK. The bank loan bears interest at 7.6894% [March 31, 2023 – 7.7177%] per annum and is repayable in instalments of principal and interest. The original terms of the facility required the bank loan to be repaid by September 30, 2024. During the year ended March 31, 2024 the facility was extended and is now repayable on September 30, 2025.

(2) Convertible debentures consist of the unsecured senior subordinated convertible debentures issued in Q4/24. The convertible debentures bear interest at 7.5% per annum and matures on March 15, 2029. The convertible debentures may be redeemed by the Company in certain circumstances, on or after March 15, 2027.

Liquidity and capital resources

The Company has a capital structure comprised of preferred shares, common shares, retained earnings and accumulated other comprehensive income, and is further complemented by the subordinated debt, non-controlling interests, bank loans and convertible debentures. On March 31, 2024, cash and cash equivalents were $855.6 million, a decrease of $152.8 million from $1.0 billion as of March 31, 2023. During the year ended March 31, 2024, financing activities used cash in the amount of $110.6 million, due to acquisition of shares for LTIP, payment of cash dividends on convertible preferred shares in the UK & Crown Dependencies, payment of dividends on common and preferred shares, lease payments, repayment of bank loans, partially offset by net proceeds from issuance of Convertible Debentures. Investing activities used cash in the amount of $32.8 million mainly for the purchase of equipment and leasehold improvements and intangible assets and payment of contingent and deferred consideration. Operating activities used cash in the amount of $12.9 million, which was largely due to changes in non-cash working capital. An increase in cash of $3.4 million was attributable to the effect of foreign exchange translation on cash balances.

Compared to the year ended March 31, 2023, cash used by financing activities increased by $181.8 million, mainly due to additional proceeds from bank loans as well as proceeds from the issuance of convertible preferred shares in CGWM UK in the prior period. Cash used in investing activities decreased by $255.3 million during the year ended March 31, 2024 compared to the same period last year, mainly due to the acquisitions of PSW and Results in the prior period. Changes in non-cash working capital balances as well as increase in net income led to a reduction in cash used in operating activities of $571.5 million. In addition, cash balances decreased by $18.0 million from the effects of foreign exchange translation on cash balances. Overall, cash and cash equivalents decreased by $152.8 million from $1.0 billion at March 31, 2023 to $855.6 million at March 31, 2024.

The Company's business requires capital for operating and regulatory purposes. The Company's working capital, including cash and cash equivalents, is fully deployed by the Company in its operations to support regulatory capital levels as required and counter-party requirements including cash deposit requirements needed to maintain current levels of activity. The majority of current assets reflected on the Company's interim condensed consolidated statement of financial position are highly liquid. The majority of the positions held as securities owned are readily marketable, and all are recorded at their fair value. Securities sold short are highly liquid securities. The fair value of these securities fluctuates daily as factors such as changes in market conditions, economic conditions and investor outlook affect market prices. Client receivables are secured by readily marketable securities and are reviewed daily for impairment in value and collectability. Receivables and payables from brokers and dealers represent the following: current open transactions that generally settle within the normal two-day settlement cycle; collateralized securities borrowed and/or loaned in transactions that can be closed within a few days on demand; and balances on behalf of introducing brokers representing net balances in connection with their client accounts.

The Company has certain commitments as discussed in the Off-balance sheet arrangements and Bank indebtedness and Other credit facilities sections above. Other than contracts entered into in the ordinary course of business, the Company has not entered into any contract which can reasonably be regarded as material.

Outstanding Preferred and Common Share Data

	Outstanding shares as of March 31	
	2024	2023
Preferred shares		
Series A – issued shares outstanding	**4,540,000**	4,540,000
Series C – issued shares outstanding	**4,000,000**	4,000,000
Common shares		
Issued shares excluding unvested shares(1)	**92,084,814**	87,477,151
Issued shares outstanding(2)	**102,189,077**	99,594,391
Issued shares outstanding – diluted(3)	**116,928,318**	104,497,584
Average shares outstanding – basic	**91,764,670**	87,381,995
Average shares outstanding – diluted(4)	**n/a**	n/a

(1) Excludes 9,981,908 unvested shares purchased by employee benefit trusts for the LTIP, and 122,355 outstanding shares related to share purchase loans
(2) Includes 9,981,908 unvested shares purchased by employee benefit trusts for the LTIP, and 122,355 outstanding shares related to share purchase loans
(3) Includes 3,610,000 shares to be issued if all the outstanding PSOs were exercised, 776,031 shares to be issued in connection with the acquisitions of Sawaya and Results, net of estimated forfeitures, as well as 11,3636,636 in connection with the Convertible Debentures.
(4) During the years ended March 31, 2024 and 2023, the Company recorded a net loss attributable to common shareholders, and as such, the diluted EPS is equal to the basic EPS since the instruments involving potential common shares were excluded from the calculation of diluted loss per share as they were anti-dilutive.

Preferred shares

SERIES A PREFERRED SHARES

The Company issued 4,540,000 Cumulative 5-Year Rate Reset First Preferred Shares, Series A (Series A Preferred Shares) at a purchase price of $25.00 per share for gross proceeds of $113.5 million. The aggregate net amount recognized after deducting issue costs, net of deferred taxes of $1.0 million, was $110.8 million.

On September 1, 2021, the Company announced the reset of the dividend rate on its Cumulative 5-Year Rate Reset First Preferred Shares, Series A (the "Series A Preferred Shares"). Quarterly cumulative cash dividends, as declared, were paid at an annual rate of 3.885% for the five years ended September 30, 2021. Commencing October 1, 2021 and ending on and including September 30, 2026, quarterly cumulative dividends, if declared, will be paid at an annual rate of 4.028%. The dividend rate will be reset every five years at a rate equal to the five-year Government of Canada yield plus 3.21%.

The Company had the option to redeem the Series A Preferred Shares on September 30, 2021 and has the option to redeem on September 30 every five years thereafter, in whole or in part, at $25.00 per share together with all declared and unpaid dividends.

SERIES B PREFERRED SHARES

Holders of Series A Preferred Shares had the option to convert any or all of their shares into an equal number of Cumulative Floating Rate First Preferred Shares, Series B (the "Series B Preferred Shares"), subject to certain conditions, on September 30, 2021 and have the option on September 30 every five years thereafter. The number of shares tendered for conversion by the conversion deadline of September 30, 2021 was below the minimum required to proceed with the conversion and, accordingly, no Series B Preferred Shares were issued. Series B Preferred Shares would entitle any holders thereof to receive floating rate, cumulative, preferential dividends payable quarterly, if declared, at a rate equal to the three-month Government of Canada Treasury Bill yield plus 3.21%.

SERIES C PREFERRED SHARES

The Company issued 4,000,000 Cumulative 5-Year Rate Reset First Preferred Shares, Series C (the "Series C Preferred Shares") at a purchase price of $25.00 per share for gross proceeds of $100.0 million. The aggregate net amount recognized after deducting issue costs, net of deferred taxes of $1.0 million, was $97.5 million.

On June 1, 2022, the Company announced the reset of the dividend rate on its Series C Preferred Shares. Quarterly cumulative cash dividends, as declared, were paid at an annual rate of 4.993% for the five years ended June 30, 2022. Commencing July 1, 2022 and ending on and including June 30, 2027, quarterly cumulative dividends, if declared, will be paid at an annual rate of 6.837%. The dividend rate will be reset every five years at a rate equal to the five-year Government of Canada yield plus 4.03%.

The Company had the option to redeem the Series C Preferred Shares on June 30, 2022 and has the option to redeem on June 30 every five years thereafter, in whole or in part, at $25.00 per share together with all declared and unpaid dividends. The Company did not redeem any Series C Preferred Shares on June 30, 2022.

SERIES D PREFERRED SHARES

Holders of Series C Preferred Shares had the option to convert any or all of their shares into an equal number of Cumulative Floating Rate First Preferred Shares, Series D (the "Series D Preferred Shares"), subject to certain conditions, on June 30, 2022 and have the option on June 30 every five years thereafter. The number of shares tendered for conversion by the conversion deadline of June 15, 2022 was below the minimum required to proceed with the conversion and, accordingly, no Series D Preferred Shares were issued. Series D Preferred Shares would entitle any holders thereof to receive floating rate, cumulative, preferential dividends payable quarterly, if declared, at a rate equal to the three-month Government of Canada Treasury Bill yield plus 4.03%.

Terms of the Series A and C Preferred Shares are disclosed in Note 21 of the March 31, 2024 consolidated financial statements.

COMMON SHARES

On August 17, 2023, the Company filed a notice to renew the normal course issuer bid (NCIB) to provide the Company with the choice to purchase up to a maximum of 4,985,290 of its common shares during the period from August 21, 2023 to August 20, 2024 through the facilities of the TSX and on alternative trading systems in accordance with the requirements of the TSX. The purpose of the purchase of common shares under the NCIB is to enable the Company to acquire shares for cancellation. The maximum number of shares that may be purchased under the current NCIB represents 5.0% of the Company's outstanding common shares at the time of the notice. There were no shares purchased under the NCIB for the year ended March 31, 2024.

The Company has entered into a predefined plan with a designated broker to allow for the repurchase of its common shares under this NCIB. The Company's broker may repurchase the common shares under the plan on any trading day during the NCIB, including at any time during the Company's internal trading blackout periods. The plan has been reviewed by the TSX and will terminate on the earlier of the termination of the plan by the Company in accordance with its terms and the expiry of the NCIB.

The ability to make purchases under the current NCIB commenced on August 21, 2023 and will continue for one year (to August 20, 2024) at the discretion of the Company. The maximum consideration will be the market price of the securities at the time of acquisition. In order to comply with the trading rules of the TSX, the daily purchases are limited to 84,555 common shares of the Company (which is 25% of the average daily trading volume (ADTV) of common shares of the Company on the TSX in the six calendar months from February 2023 to July 2023 (25% of the ADTV of 338,223)).

As of May 31, 2024, the Company has 102,189,077 common shares issued and outstanding.

ISSUANCE AND CANCELLATION OF COMMON SHARE CAPITAL

	Number of shares
Balance, March 31, 2022	**99,697,799**
Shares issued in connection with settlement of Sawaya deferred consideration	195,993
Shares issued in connection with exercise of PSO	285,899
Shares purchased and cancelled under the normal course issuer bid	(585,300)
Balance, March 31, 2023	**99,594,391**
Shares issued in connection with settlement of Sawaya deferred consideration	195,993
Shares issued in connection with exercise of PSO	2,398,693
Balance, March 31, 2024	**102,189,077**

Share-Based Payment Plans

LONG-TERM INCENTIVE PLAN

Under the LTIP, eligible participants are awarded restricted share units (RSUs), which generally vest over three years. For employees in Canada, the US, the Channel Islands, Australia and the UK, employee benefit trusts (the Trusts) have been established. The Company or certain of its subsidiaries, as the case may be, funds the Trusts with cash which is used by the trustees to purchase common shares on the open market that will be held in the Trusts until the RSUs vest.

INDEPENDENT DIRECTOR DEFERRED SHARE UNITS

The Company has a deferred share unit (DSU) plan for its independent directors. Under this plan, half of the independent directors' annual fee was paid in the form of DSUs. Directors may elect annually to use more of their directors' fees for DSUs. When a director leaves the Board of Directors, outstanding DSUs are paid out in cash with the amount equal to the number of DSUs held multiplied by the volume weighted average price of the Company's common shares for the 10 trading days immediately preceding a date elected in advance by the outgoing director as the valuation date at any time between their ceasing to be a director and December 1 of the following calendar year. Under the plan, the directors are not entitled to receive any common shares in the Company, and under no circumstances will DSUs confer on any participant any of the rights or privileges of a holder of common shares.

EXECUTIVE EMPLOYEE DEFERRED SHARES UNITS

The Company has a DSU plan for certain key senior executives. All DSU awards will be cash-settled on the retirement of the employee, a "good leaver" departure after three years from the date of grant, or death. The DSUs are settled in cash one year after the participants' departure from the Company, under certain conditions of the plan.

PERFORMANCE SHARE UNITS

The Company adopted a performance share unit (PSU) plan for certain senior executives. The PSUs are a notional equity-based instrument linked to the value of the Company's common shares. At the end of a three-year vesting period, the number of PSUs which vest is a multiple of the number of PSUs originally granted, ranging from 0x to 2x and based on performance against certain metrics pre-determined for each annual grant. The PSUs cliff-vest on the third anniversary of the date of the grant. The number of PSUs that vest is also adjusted for dividends paid during the vesting period. The PSUs are settled in cash, based on the market price of the Company's shares at the time of vesting.

The PSUs were measured at fair value on the grant date. Changes in value of the PSUs at each reporting period are amortized over the remaining vesting period and recorded as a compensation expense in the consolidated statement of operations.

PERFORMANCE SHARE OPTIONS

The Company created a performance share option (PSO) plan for certain senior executives. The PSOs have a term of five years and will time-vest rateably over four years (with one-third vesting on each of the second, third and fourth anniversaries of the date of the grant). The PSOs will also be subject to market (stock price) performance vesting conditions and have a 4x exercise price cap on payout value (i.e., the gain on the exercise of the options is limited to 3x the exercise price).

PSW CONDITIONAL SHARE PLAN

In connection with the acquisition of PSW, the Company adopted a share-based payment plan in respect of CGWM UK ordinary shares for certain key employees of PSW. The plan is subject to various vesting conditions and, accordingly, the Company recognizes the cost of such awards as an expense over the applicable vesting period.

OTHER RETENTION AND INCENTIVE PLANS

There were other retention and incentive plans, including the employee stock purchase plan, with individual employees, for which the amount incurred was not significant in the aggregate.

Related Party Transactions

The Company's related parties include the following persons and/or entities: (a) entities that are controlled or significantly influenced by the Company, and (b) key management personnel, who are comprised of the directors of the Company, as well as executives involved in strategic decision-making for the Company. A list of the Company's principal trading subsidiaries and principal intermediate holding companies is disclosed in Note 25 of the Annual Consolidated Financial Statements.

The Company's trading subsidiaries and intermediate holding companies are listed in the following table.

		% equity interest	
	Country of incorporation	**March 31, 2024**	March 31, 2023
Canaccord Genuity Corp.	Canada	**100%**	100%
CG Investments Inc.	Canada	**100%**	100%
CG Investments Inc. III	Canada	**100%**	100%
CG Investments Inc. IV	Canada	**100%**	100%
CG Investments Inc. V	Canada	**100%**	100%
CG Investments Inc. VI	Canada	**100%**	100%
CG G Sponsors Inc. I	Canada	**100%**	100%
Jitneytrade Inc.	Canada	**100%**	100%
Finlogik Inc.	Canada	**100%**	100%
Finlogik Tunisie, SARL	Tunisia	**75%**	75%
Canaccord Genuity SAS(5)	France	**n/a**	100%
Canaccord Genuity Wealth (International) Limited(1)	Guernsey	**94.5%**	94.5%
Canaccord Genuity Financial Planning Limited(1)(4)	United Kingdom	**94.5%**	94.5%
Canaccord Genuity Wealth Limited(1)	United Kingdom	**94.5%**	94.5%
Canaccord Genuity Wealth Group Limited(1)	United Kingdom	**94.5%**	94.5%
Canaccord Genuity Wealth (International) Holdings Limited(1)	Guernsey	**94.5%**	94.5%
Canaccord Genuity Asset Management Limited(1)	United Kingdom	**94.5%**	94.5%
CG Wealth Planning Limited(1)	United Kingdom	**94.5%**	94.5%
Adam & Company Investment Management Limited(1)(4)	United Kingdom	**94.5%**	94.5%
Punter Southall Wealth Limited(1)(4)	United Kingdom	**94.5%**	94.5%
Canaccord Genuity Limited	United Kingdom	**100%**	100%
Canaccord Genuity Wealth Group Holdings Ltd.	Canada	**100%**	100%
Canaccord Genuity LLC	United States	**100%**	100%
Canaccord Genuity Wealth Management (USA) Inc.	United States	**100%**	100%
Canaccord Genuity Wealth & Estate Planning Services Ltd.	Canada	**100%**	100%
Canaccord Genuity Petsky Prunier LLC	United States	**100%**	100%
Canaccord Asset Management Inc.	Canada	**100%**	100%
Canaccord Adams Financial Group Inc.	United States	**100%**	100%
Collins Stewart Inc.	United States	**100%**	100%
Canaccord Genuity (2021) LLC	United States	**100%**	100%
Canaccord Genuity Finance Corp.	Canada	**100%**	100%
Canaccord Adams (Delaware) Inc.	United States	**100%**	100%
Canaccord Genuity Alternative Capital LLC	United States	**100%**	100%
CG Sawaya, LLC	United States	**100%**	100%
Canaccord Genuity (2021) Holdings ULC	Canada	**100%**	100%
Canaccord Genuity (2021) Limited Partnership	Canada	**100%**	100%
Canaccord Genuity (2021) GP ULC	Canada	**100%**	100%
Stockwave Equities Ltd.	Canada	**100%**	100%
Canaccord Genuity Group Finance Company Ltd.	Canada	**100%**	100%
Canaccord Genuity (Hong Kong) Limited	China (Hong Kong SAR)	**100%**	100%
Canaccord Genuity Emerging Markets Ltd.	Bahamas	**100%**	100%
Canaccord Financial Group (Australia) Pty Ltd(2)	Australia	**65%**	65%
Canaccord Genuity (Australia) Limited(2)	Australia	**65%**	65%
Canaccord Genuity Financial Limited(2)	Australia	**65%**	65%
Patersons Asset Management Limited(2)	Australia	**65%**	65%
Canaccord Genuity Asia (Beijing) Limited 加通亚洲（北京）投资顾问有限公司	China	**100%**	100%
The Balloch Group Limited	British Virgin Islands	**100%**	100%
Canaccord Genuity Asia (Hong Kong) Limited	China (Hong Kong SAR)	**100%**	100%
Canaccord Genuity Dubai Ltd.(3)	United Arab Emirates	**n/a**	100%
Canaccord Genuity Wealth Group Holdings (Jersey) Limited(1)	Jersey	**94.5%**	94.5%
Canaccord Genuity Hawkpoint Limited	United Kingdom	**100%**	100%
Canaccord Genuity Management Company Limited(4)	Ireland	**n/a**	100%

(1) The Company issued Convertible Preferred Shares to certain institutional investors and certain equity instruments in CGWM UK within the context of the transaction value and reflecting a 5.5% interest in the outstanding ordinary shares of CGWM UK. On an as converted basis, Convertible Preferred Shares, Preference Shares and Ordinary Shares issued to management and employees of CGWM UK together represent a 33.1% equity equivalent interest.
(2) The Company owns 65% of the issued shares of Canaccord Financial Group (Australia) Pty Ltd., Canaccord Genuity (Australia) Limited, and Canaccord Genuity Financial Limited, but for accounting purposes, as of March 31, 2024 the Company is considered to have a 67.3% interest because of the shares held in a trust controlled by Canaccord Financial Group (Australia) Pty Ltd. [March 31, 2023 – 67.3%].
(3) The Company sold its interest in Canaccord Genuity (Dubai) Ltd. during the first quarter of fiscal 2024.
(4) This company was wound-up as part of an internal restructuring during the first quarter of fiscal 2024.
(5) This company was wound-up during the year ended March 31, 2024.

Security trades executed for employees, officers and directors of the Company are transacted in accordance with terms and conditions applicable to all clients. Commission income on such transactions in the aggregate is not material in relation to the overall operations of the Company.

The Company offers various share-based payment plans to its key management personnel, including common share purchase loans, a long-term incentive plan, performance share units, deferred share units plan (DSUs) for senior executives and a performance stock option plan. Directors have the right to acquire DSUs. Certain equity instruments in CGWM UK were purchased by management and employees of CGWM UK in connection with the issuance of the Convertible Preferred Shares to HPS.

	March 31, 2024 $	March 31, 2023 $
Short-term employee benefits	**45,826**	48,804
Share-based payments	**599**	892
Post employment benefits	**2,025**	—
Total compensation paid to key management personnel	**48,450**	49,696

Accounts receivable and accounts payable and accrued liabilities include the following balances with key management personnel:

(C$ thousands)	**March 31, 2024 $**	March 31, 2023 $
Accounts receivable	**19,469**	18,115
Accounts payable and accrued liabilities	**327**	600

Critical Accounting Policies and Estimate

The following is a summary of the Company's critical accounting estimates. The Company's significant accounting policies are in accordance with IFRS and are described in Note 5 to the consolidated financial statements for the year ended March 31, 2024.

The preparation of the March 31, 2024 consolidated financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the consolidated financial statements. Therefore, actual results may differ from those estimates and assumptions. The significant judgments, estimates and assumptions include consolidation, revenue recognition, share-based payments, income taxes and valuation of deferred tax assets, impairment of goodwill, intangible assets and other long-lived assets, allowance for credit losses, fair values of levels 2 and 3 financial instruments, provisions, valuation of contingent considerations, and the valuation of the derivative liabilities. Amendments may be made to estimates relating to net assets acquired in an acquisition as well as the allocation of identifiable intangible assets between indefinite life and finite lives. Judgments, estimates and assumptions were also utilized in connection with the preliminary purchase price allocation.

In particular, the assessment for impairment of goodwill and identifiable indefinite life intangible assets requires management's best estimates in order to determine fair values using discounted cash flow projections that employ the following key assumptions: future cash flows, growth projections and discount rates. Goodwill and intangible assets with indefinite lives are tested for impairment annually at March 31, and when circumstances indicate the carrying value may potentially be impaired. If any indication of impairment exists, the Company estimates the recoverable amount of the cash generating units (CGU) to which goodwill and indefinite life intangible assets are allocated. Where the carrying amount of a CGU exceeds its recoverable amount, an impairment loss is recognized and recorded in the consolidated statements of operations. Any impairment loss first reduces the carrying amount of any goodwill allocated to the CGUs and then if any impairment loss remains, the other assets of the unit are reduced on a pro rata basis. Impairment losses relating to goodwill cannot be reversed in future periods. The Company considers the relationship between its market capitalization and the book value of its equity, among other factors, when reviewing for indicators of impairment. The Company has goodwill and indefinite life intangible assets recorded in Canaccord Genuity Capital Markets US and UK & Europe, as well as Canaccord Genuity Wealth Management UK & Crown Dependencies and Australia.

The Company operates in various tax jurisdictions and is subject to tax policies and legislations that pertain to the Company's activities in Canada and in other foreign countries. As the tax laws and policies of various countries are subject to continual change and interpretations, the final outcome of certain tax transactions may be uncertain. The Company is affected by changes in tax laws and regulations, including the introduction of Pillar Two income taxes by the Organisation for Economics Co-operation and Development (OECD).

Certain institutional investors completed the purchase of Convertible Preferred Shares issued by Canaccord Genuity Wealth Group Holdings (Jersey) Limited (CGWM UK), a subsidiary of the Company. The Convertible Preferred Shares issued contain no obligation for the Company to deliver cash or other financials assets. Judgment was used to conclude that the Convertible Preferred Shares are a compound instrument comprised of an equity component, representing discretionary dividends and a liquidation preference, and a liability component that reflects a derivative to settle the instrument, under certain circumstances, by delivering the economic equivalent of a variable number of common shares of CGWM UK.

The fair value of the Convertible Preferred Shares issued by CGWM UK was allocated to its respective equity and derivative components. The fair value of the derivative was established first and the residual amount was recorded as the equity component. The derivative components will be remeasured at the end of each reporting period using the Company's best estimate of its value with any changes in fair value recorded through net income for the period. Significant judgment is required in respect of the estimates and assumptions to be used in the determination of the fair value of the derivative component at each reporting period.

The Company issued convertible unsecured senior subordinated debentures during the year ended March 31, 2024. They are classified as a compound instrument with two components: a debt liability reflecting the Company's contractual obligation to pay interest and an embedded derivative, which reflects the value of the conversion option. The embedded derivative is recorded as its fair value at each reporting date with any fair value adjustment recorded through the consolidated statements of operations. Significant judgment is required in respect of the estimates and assumptions to be used in the determination of the fair value of the derivative component at each reporting period.

Significant accounting policies used and policies requiring management's judgment and estimates are disclosed in Notes 2 and 5 of the consolidated financial statements for the year ended March 31, 2024.

CONSOLIDATION

The Company owns 65% of the voting shares of Canaccord Financial Group (Australia) Pty Ltd. (CFGA) which owns 100% of Canaccord Genuity (Australia) Limited (CGAL) and Canaccord Genuity Financial Limited (CGF) as at March 31, 2024. The Company completed an evaluation of its contractual arrangements with the other shareholders of CFGA and the control it has over the financial and operating policies of the two subsidiaries and determined it should consolidate under IFRS 10, "Consolidated Financial Statements" (IFRS 10), as at March 31, 2024 and 2023. Therefore, the financial position, financial performance and cash flows of CGAL and CGF have been consolidated.

The Company has established employee benefit trusts, which are considered special purpose entities (SPEs), to fulfill obligations to employees arising from the Company's share-based payment plans. The employee benefit trusts have been consolidated in accordance with IFRS 10, since their activities are conducted on behalf of the Company, and the Company retains the majority of the benefits and risks of the employee benefit trusts.

INTANGIBLE ASSETS

Identifiable intangible assets acquired separately are measured on initial recognition at cost. The cost of identifiable intangible assets acquired in a business combination is equal to their fair value as at the date of acquisition. Following initial recognition, identifiable intangible assets are carried at cost less any accumulated amortization and any accumulated impairment losses.

The useful lives of identifiable intangible assets are assessed to be either finite or indefinite. Identifiable intangible assets with finite lives are amortized over their useful economic lives and assessed for impairment whenever there is an indication that the identifiable intangible asset may be impaired. The amortization period and the amortization method for an identifiable intangible asset are reviewed at least annually, at each financial year end. Identifiable intangible assets with indefinite useful lives are not amortized but are tested for impairment annually.

Technology development expenditures on an individual project are recognized as an intangible asset when the Company can demonstrate that the technical feasibility of the asset for use has been established. The asset is carried at cost less any accumulated amortization and accumulated impairment losses. Amortization of the asset begins when development is complete, and the asset is available for use. It is amortized over the period of expected future benefit.

IMPAIRMENT OF NON-FINANCIAL ASSETS

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs to sell and its value-in-use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount, and the impairment is recognized in the consolidated statements of operations.

In assessing fair value less costs to sell, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. The Company bases its impairment calculation on annual budget calculations, which are prepared separately for each of the Company’s CGUs to which the individual assets are allocated. These budget calculations generally cover a period of five years for longer periods, and a long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses are recognized in the consolidated statements of operations in expense categories consistent with the function of the impaired asset.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognized impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset’s or CGU’s recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset’s recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount or exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the consolidated statement of operations unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase.

The following assets have specific characteristics for impairment testing.

Goodwill

Goodwill is tested for impairment at least annually as at March 31 and when circumstances indicate that the carrying value may be impaired.

Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognized. Impairment losses relating to goodwill cannot be reversed in future periods.

Intangible assets

Intangible assets with indefinite useful lives are tested for impairment annually as at March 31 at the CGU level and when circumstances indicate that the carrying value may be impaired.

REVENUE RECOGNITION

Revenue is recognized either at a point in time when a single performance obligation is satisfied at once or over the period of time when a performance obligation is received and utilized by the customer over that period. The Company assesses its revenue arrangements in order to determine if it is acting as principal or agent. The main types of revenue contracts are as follows.

Commissions and fees revenue consists of revenue generated through commission-based brokerage services, recognized on a trade date basis, and the sale of fee-based products and services, recognized on an accrual basis. Realized and unrealized gains and losses on securities purchased for client-related transactions are reported as net facilitation losses and recorded net of commission revenue. Facilitation losses for the year ended March 31, 2024 were $1.3 million [2023 – $13.0 million]. Commissions are recognized at a point in time (trade date) as the performance obligation is satisfied.

Investment banking revenue consists of underwriting fees and commissions earned on corporate finance activities. The act of underwriting the securities is the sole performance obligation and revenue is recognized at the point in time when the underwriting transaction is complete.

Advisory fees consist of ongoing management and advisory fees that are recognized over the period of time that this performance obligation is delivered. Also included in advisory fees is revenue from M&A activities, which is recognized at the point in time when the underlying transaction is substantially completed under the engagement terms and it is probable that a significant revenue reversal will not occur.

Principal trading revenue consists of income earned in connection with principal trading operations and is outside the scope of IFRS 15 Revenue from contracts with customers (“IFRS 15”).

Interest revenue consists of interest earned on client margin accounts, interest earned on the Company’s cash, interest earned on cash delivered in support of securities borrowing activity, and dividends earned on securities owned. Interest and dividend revenue is outside the scope of IFRS 15.

Other revenue includes foreign exchange gains or losses, revenue earned from correspondent brokerage services and administrative fee revenue.

INCOME TAXES

Current income tax

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amounts are those that are enacted or substantively enacted, at the reporting date, in the countries where the Company operates and generates taxable income.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Current income tax relating to items recognized directly in equity is recognized in equity and not in the consolidated statements of operations.

Deferred tax

Deferred taxes are accounted for using the liability method. This method requires that deferred taxes reflect the expected deferred tax effect of temporary differences at the reporting date between the carrying amounts of assets and liabilities for financial statement purposes and their tax bases.

Deferred tax liabilities are recognized for all taxable temporary differences, except for taxable temporary differences associated with investments in subsidiaries where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences, carryforward of unused tax credits and carryforward of unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carryforward of unused tax credits and unused tax losses can be utilized. The carrying amounts of deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilized. Unrecognized deferred tax assets are assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. Deferred tax is charged or credited in the statements of operations except where it relates to items that may be credited directly to equity, in which case the deferred tax is recognized directly against equity.

Sales tax

Revenues, expenses and assets are recognized net of the amount of sales tax, except where the amount of sales tax incurred is not recoverable from the tax authority. In these circumstances, sales tax is recognized as part of the cost of acquisition of the asset or as part of an item of the expense. The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of accounts receivable or accounts payable in the consolidated statements of financial position.

CONVERTIBLE DEBENTURES

The Convertible Debentures are classified as a compound instrument with two components: a debt liability reflecting the Company's contractual obligation to pay interest and an embedded derivative, which reflects the value of the conversion option. Both components are recorded as liabilities in the consolidated statement of financial position. The accrued interest on the principal amount is recorded in the consolidated statement of operations and as an increase in the debt liability. The embedded derivative is recorded as its fair value at each reporting date with any fair value adjustment recorded through the consolidated statements of operations. Upon redemption of the Convertible Debentures and the issuance of share capital, the debt liability is reclassified from liability to shareholders' equity.

SHARE-BASED PAYMENTS

Employees (including senior executives) of the Company receive remuneration in the form of share-based payment transactions, whereby employees render services as consideration for certain forms of equity instruments (either cash-settled or equity-settled transactions). Participating employees are eligible to receive shares that generally vest over three years (the RSUs or cash if the instruments are cash-settled.)

Independent directors also receive DSUs as part of their remuneration, which can only be settled in cash (cash-settled transactions). Certain executives may also receive PSOs as part of their remuneration, which are equity-settled. In addition, certain senior executives receive PSUs as well as DSUs under the senior executives DSU plan as part of their remuneration, which can only be settled in cash (cash-settled transactions).

The dilutive effect, if any, of outstanding options and share-based payments is reflected as additional share dilution in the computation of diluted earnings (loss) per common share.

Equity-settled transactions

For equity-settled transactions, the Company measures the fair value of share-based awards as of the grant date.

RSUs issued by the Plan continue to vest after termination of employment so long as the employee does not violate certain post-termination restrictions and is not engaged in certain competitive or soliciting activities as provided in the Plan. The Company determined that the awards do not meet the criteria for an in-substance service condition as defined by IFRS 2. Accordingly, RSUs granted as part of the normal course incentive compensation payment cycle are expensed in the period in which those awards are deemed to be earned with a corresponding increase in contributed surplus, which is generally the fiscal period in which the awards are either made or the immediately preceding fiscal year for those awards made after the end of such fiscal year but were determined and earned in respect of that fiscal year.

For certain awards, typically new hire awards or retention awards, vesting is subject to continued employment and therefore these awards are subject to a continuing service requirement. Accordingly, the Company recognizes the cost as an expense on a graded basis over the applicable vesting period with a corresponding increase in contributed surplus. The Company estimates the number of equity instruments that will ultimately vest when calculating the expense attributable to equity-settled transactions. No expense is recognized for awards that do not ultimately vest.

When share-based awards vest, contributed surplus is reduced by the applicable amount and share capital is increased by the same amount.

Cash-settled transactions

The cost of cash-settled transactions is measured initially at fair value at the grant date. The fair values of DSUs are expensed upon grant, as there are no vesting conditions. The liability is remeasured to fair value at each reporting date up to and including the settlement date, with changes in fair value recognized through the statements of operations. The PSUs were measured at fair value on grant date. Changes in the value of the PSUs at each reporting period are amortized over the remaining vesting period and recorded as a compensation expense in the statement of operations as a result of certain employment-related conditions.

TRANSLATION OF FOREIGN CURRENCY TRANSACTIONS AND FOREIGN SUBSIDIARIES

The Company's consolidated financial statements are presented in Canadian dollars, which is also the Company's functional currency. Each subsidiary of the Company determines its own functional currency, and items included in the financial statements of each subsidiary are measured using that functional currency.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Company and its subsidiaries in their respective functional currencies using exchange rates prevailing at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated by the Company and its subsidiaries into their respective functional currencies at the exchange rate in effect at the reporting date. All differences upon translation are recognized in the consolidated statements of operations.

Non-monetary assets and liabilities denominated in foreign currencies are translated by the Company and its subsidiaries into their respective functional currencies at historical rates. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates in effect at the date when the fair value is determined.

Translation of foreign subsidiaries

Assets and liabilities of foreign subsidiaries with a functional currency other than the Canadian dollar are translated into Canadian dollars at rates prevailing at the reporting date, and income and expenses are translated at average exchange rates prevailing during the period. Unrealized gains or losses arising as a result of the translation of the foreign subsidiaries are recorded in accumulated other comprehensive income (loss). On disposal of a foreign operation, the component of other comprehensive income ("OCI") relating to that particular foreign operation is recognized in the consolidated statements of operations.

The Company also has monetary assets and liabilities that are receivable or payable from a foreign operation. If settlement of the receivable or payable is neither planned nor likely to occur in the foreseeable future, the differences upon translation are recognized in accumulated other comprehensive income (loss), as these receivables and payables form part of the net investment in the foreign operation.

PROVISIONS

Provisions are recognized when the Company has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to any provision is presented in the statements of operations net of any reimbursement. If the effect of the time value of money is significant, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as an interest expense.

Financial Instruments

FOREIGN EXCHANGE

The Company manages its foreign exchange risk by periodically hedging pending settlements in foreign currencies. Realized and unrealized gains and losses related to these transactions are recognized in income during the period. There were $1.0 million forward contracts outstanding to buy US dollars at March 31, 2024 compared to $1.8 million on March 31, 2023. Forward contracts outstanding to sell US dollars had a notional amount of US $1.8 million, a decrease of US $2.1 million from March 31, 2023. The fair value of these contracts was nominal. Some of the Company's operations in the US, the UK & Europe, Australia, Hong Kong and China are conducted in the local currency; however, any foreign exchange risk in respect of these transactions is generally limited as pending settlements on both sides of the transaction are typically in the local currency.

These contracts were entered into in an attempt to mitigate foreign exchange risk on pending security settlements in foreign currencies. The fair value of these contracts is nominal due to their short term to maturity.

The Company's Canaccord Genuity Wealth Management segment in the UK & Crown Dependencies trades foreign exchange forward contracts on behalf of its clients and establishes matching contracts with the counterparties. The Company has no significant net exposure, assuming no counterparty default.

FUTURES

The Company's Canadian operations are involved in trading various futures contracts, in an attempt to mitigate market risk, interest rate risk, yield curve risk and liquidity risk. Futures contracts are agreements to buy or sell a standardized amount of an underlying asset, at a predetermined future date and price, in accordance with terms specified by a regulated futures exchange, and are subject to daily cash margining. The Company's Canadian operations have traditionally engaged in the trading of Canadian and US Government bond futures contracts to mitigate its risk. The Company's Canadian operations also began trading other types of futures contracts, including but not limited to, index futures and commodity futures.

At March 31, 2024, there were $nil bond futures contracts outstanding [March 31, 2023 – short $1.4 million].

The fair value of all of the above futures contracts is nominal due to their short term to maturity. Realized and unrealized gains and losses related to these contracts are recognized in net income (loss) during the reporting period.

Pillar Two

Pillar Two legislation has been enacted or substantively enacted in certain jurisdictions that the Company operates in through its subsidiaries. The legislation will be effective beginning April 1, 2024. The Company is in scope of the enacted or substantively enacted legislation and has performed an assessment of potential exposure to Pillar Two income taxes for the year ending on March 31, 2025.

The assessment of the potential exposure to Pillar Two income taxes is based on the most recent tax filings, country-by-country reporting and financial statements available for the constituent entities. The Company has identified potential exposure to Pillar Two income taxes in respect of profits earned in the Crown Dependencies. The potential exposure comes from the constituent entities in these jurisdictions where the statutory rates are below 15%.

Had the Pillar Two legislation been effective for the year ended March 31, 2024, the restated income tax expense and effective tax rate would be approximately $31.0 million and 54.3%, respectively, which would have been $3.7 million or 6.5% higher than the reported income tax expense of $27.3 million and effective tax rate of 47.8%.

Adoption of New and Revised Standards

There were no new accounting standards adopted for the year ended March 31, 2024 except as noted below.

Pillar Two

In May 2023, the International Accounting Standards Board (IASB) issued International Tax Reform-Pillar Two Model Rules, which amended IAS 12, "Income Taxes". The amendments introduced a mandatory temporary exception to the recognition and disclosure of deferred taxes arising from the jurisdictional implementation of the Pillar Two model rules and disclosure requirements for affected entities to help users of the financial statements better understand the exposure to Pillar Two income taxes arising from that legislation, particularly before its effective date. The Company applied these amendments during the year ended March 31, 2024.

Deferred tax related to assets and liabilities arising from a single transaction – Amendments to IAS 12

The amendments to IAS 12 "Income Taxes" narrow the scope of the initial recognition exception, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases and decommissioning liabilities. The amendments had no impact on the Company's consolidated financial statements for the year ended March 31, 2024.

STANDARDS ISSUED BUT NOT YET EFFECTIVE

There were no standards issued which may reasonably be expected to materially impact the Company's consolidated financial statements but which were not yet effective as of March 31, 2024.

Disclosure Controls and Procedures and Internal Control Over Financial Reporting

DISCLOSURE CONTROLS AND PROCEDURES

As of March 31, 2024, an evaluation was carried out, under the supervision of and with the participation of management, including the President & CEO and the Executive Vice President & Chief Financial Officer, of the effectiveness of our disclosure controls and procedures as defined under ***National Instrument 52-109***. Based on that evaluation, the President & CEO and the Executive Vice President & Chief Financial Officer concluded that our disclosure controls and procedures were effective as of March 31, 2024.

CHANGES IN INTERNAL CONTROL OVER FINANCIAL REPORTING

As of March 31, 2024, an evaluation was carried out, under the supervision of and with the participation of management, including the President & CEO and the Executive Vice President & Chief Financial Officer, of the effectiveness of our internal controls over financial reporting as defined under ***National Instrument 52-109***. Based on that evaluation, the President & CEO and the Executive Vice President & Chief Financial Officer concluded that our internal controls over financial reporting were effective as of March 31, 2024.

There were no changes made in our internal control over financial reporting that occurred during the year ended March 31, 2024, that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Risk Management

OVERVIEW

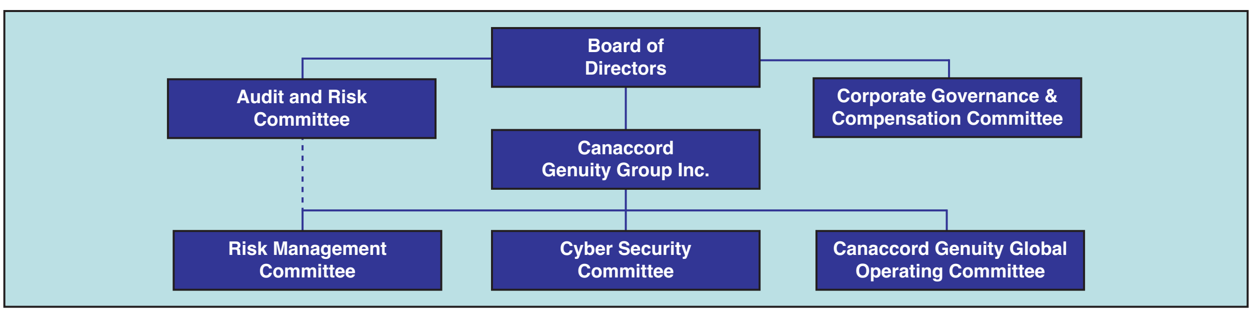
Uncertainty and risk are inherent when conducting operations within financial markets. As an active participant in the Canadian and international capital markets, the Company is exposed to risks that could result in financial losses. The Company has identified its principal risks as: market risk, credit risk, operational risk and other risks. Accordingly, risk management and control of the balance between risk and return are critical elements in maintaining the Company's financial stability and profitability. Therefore, an effective risk management framework is integral to the success of Canaccord Genuity Group Inc.

RISK MANAGEMENT STRUCTURE AND GOVERNANCE

The Company's disciplined risk management process encompasses a number of functional areas and requires frequent communication, judgment and knowledge of the business, products and markets. The Company's senior management is actively involved in the risk management process and has developed policies, procedures and reports that enable the Company to assess and control its risks. These policies and procedures are subject to ongoing review and modification as activities, markets and circumstances change.

As part of the Company's risk philosophy, the first line of responsibility for managing risk lies with branch managers, department heads and trading desk managers (within prescribed limits). The monitoring and control of the Company's risk exposure is conducted through a variety of separate, but complementary, financial, credit, operational, compliance and legal reporting systems.

The Company's governance structure includes the following elements:



The Board of Directors (the Board) has oversight of the company-wide risk management framework. These responsibilities are delegated to the Audit and Risk and Risk Management Committees. See the Company's current AIF for details of the Audit and Risk Committee's mandate as it relates to risk management.

The Audit and Risk Committee assists the Board in fulfilling its oversight responsibility by monitoring the effectiveness of internal controls and the control environment. It also receives and reviews various quarterly and annual updates, and reports on key risk metrics as well as the overall risk management program.

The Risk Management Committee assists the Board in fulfilling its responsibilities for monitoring risk exposures against the defined risk appetite and for general oversight of the risk management process. The Risk Management Committee is led by the firm's Chief Risk Officer (CRO) and committee members include the CEO, the CFO and senior management representation from the key revenue-producing businesses and functional areas of the Company. The Risk Management Committee identifies, measures and monitors the principal risks facing the business through review and approval of the Company's risk appetite, policies, procedures and limits/thresholds.

The segregation of duties and management oversight are important aspects of the Company's risk management framework. The Company has a number of functions that are independent of the revenue-producing businesses that perform risk management activities, including the monitoring, evaluating and analyzing of risk. These functions include Enterprise Risk Management, Compliance, Operations, Internal Audit, Treasury, Finance, Information Technology and Legal.

The Company's global Cybersecurity Committee exists to help identify, monitor and manage risks specific to the Company's information networks, data and internal systems. This committee is chaired by the firm's CRO and committee members include senior IT management from across the firm, as well as representation from Legal, Compliance, Internal Audit and Operations. The Cybersecurity Committee is focused on issues such as cybersecurity risk assessment, IT safeguards and controls, risks related to third-party service providers, employee training and awareness and incident response planning.

MARKET RISK

Market risk is the risk that a change in market prices and/or any of the underlying market factors will result in losses. Each business area is responsible for ensuring that its market risk exposure is prudent within a set of risk limits set by the Risk Management Committee and approved by the Audit and Risk Committee. In addition, the Company has established procedures to ensure that risks are measured, closely monitored, controlled and visible to senior levels of management.

The Company is exposed to equity price risk, liquidity risk and volatility risk as a result of its principal trading activities in listed options and equity securities. The Company is also exposed to specific interest rate risk, credit spread risk and liquidity risk in respect of its principal trading in fixed income securities. In addition to active supervision and the review of trading activities by senior management, Canaccord Genuity Group mitigates its risk exposure through a variety of limits to control concentration, capital allocation and usage, as well as through trading policies and guidelines. The Company manages and monitors its risks in this area using both qualitative and quantitative measures, on a Company-wide basis, as well as by trading desk. Management regularly reviews and monitors inventory levels and positions, trading results, liquidity profile, position aging and concentration levels. Canaccord Genuity Group also utilizes scenario analysis and a value-at-risk (VaR) risk measurement system for its equity and fixed income and derivative inventories. Consequently, the Company can ensure that it is adequately diversified with respect to market risk factors and that trading activity is within the risk tolerance levels established by senior management.

CREDIT RISK

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. The primary source of credit risk to Canaccord Genuity Group is in connection with trading activity by clients in the Jitneytrade trade business acquired by the Company in fiscal 2019 (now rebranded as CG Direct) and Canaccord Genuity Wealth Management business segments, including client margin accounts. In order to minimize financial exposure in this area, the Company applies a set of credit standards and conducts financial reviews with respect to clients and new accounts.

The Company provides financing to clients by way of margin lending. In margin-based lending, the Company extends credit for a portion of the market value of the securities in a client's account, up to certain limits. The margin loans are collateralized by those securities in the client's account. In connection with this lending activity, the Company faces a risk of financial loss in the event that a client fails to meet a margin call if market prices for securities held as collateral decline and if the Company is unable to recover sufficient value from the collateral held. For margin lending purposes, the Company has established risk-based limits that are generally more restrictive than those required by applicable regulatory policies. In addition, the Company has established limits to how much it will lend against an individual security or group of securities in a single sector so as to limit credit concentration risk.

Trading strategies involving derivative products, such as exchange traded options and futures, carry certain levels of risk to the Company. Due to the non-linear and intrinsically leveraged nature of derivative securities, the speed at which their value changes is exacerbated, thereby potentially triggering margin calls and client-related losses. Although the Company imposes strict limits on clients trading and monitors client exposure on a real-time basis, there is no certainty that such procedures will be effective in eliminating or reducing the risk of losses to the Company.

The extension of credit via margin lending is overseen by the firm's Credit Committee. The committee meets regularly to review and discuss the firm's credit risks, including large individual loans, collateral quality, loan coverage ratios and concentration risk. The committee will also meet, as required, to discuss any new loan arrangements proposed by senior management.

The Company also faces a risk of financial loss with respect to trading activity by clients if such trading results in overdue or unpaid amounts in under-secured cash accounts. The Company has developed a number of controls within its automated trade order management system to ensure that trading by an individual account and advisor is done in accordance with customized limits and risk parameters.

The Company is engaged in various trading and brokerage activities whose counterparties primarily include broker dealers, banks, clearing agents, exchanges, financial intermediaries and other financial institutions. These activities include agency and principal trading, securities borrowing and lending, and entering into repurchase agreements and reverse repurchase agreements. In the event that counterparties do not fulfill their obligations, the Company may be exposed to risk. The risk of default depends on the creditworthiness of the counterparty and/or the issuer of the instrument. The Company manages this risk by imposing and monitoring individual and aggregate trading and position limits within each business segment, for each counterparty; conducting regular credit reviews of financial counterparties; reviewing security and loan concentrations; holding and marking to market collateral on certain transactions; and conducting business through clearing organizations that guarantee performance.

The Company records a provision for bad debts in general and administrative expense. Any actual losses arising from or associated with client trading activity as described above are charged to this provision. Historically, this provision has been sufficient to cover actual losses.

OPERATIONAL RISK

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people and systems, or from external events such as the occurrence of disasters or security threats. Operational risk exists in all of the Company's activities, including processes, systems and controls used to manage other risks. Failure to manage operational risk can result in financial loss, reputational damage, regulatory fines and failure to manage market, credit or other risks.

The Company operates in different markets and relies on its employees and internal and third-party systems to process a high number of transactions and provide other technology and support functions. In order to mitigate this risk, the Company has developed a system of internal controls and checks and balances at appropriate levels, which includes overnight trade reconciliation, control procedures related to clearing and settlement, transaction and daily value limits within all trading applications, cash controls, physical security, independent review procedures, documentation standards, billing and collection procedures, and authorization and processing controls for transactions and accounts. In addition, the Company has implemented an operational risk program that helps Canaccord Genuity Group measure, manage, report and monitor operational risk issues (see RCSA below). The Company also has disaster recovery procedures, business continuity plans and built-in redundancies in place in the event of a systems or technological failure. In addition, the Company utilizes third party service agreements and security audits where appropriate.

Risk and control self-assessment

The purposes of a risk and control self-assessment (RCSA) are to:

- Identify and assess key risks inherent to the business and categorize them based on severity and frequency of occurrence
- Rate the effectiveness of the control environment associated with the key risks
- Mitigate risks through the identification of action plans to improve the control environment where appropriate
- Provide management with a consistent approach to articulate and communicate the risk profiles of their areas of responsibility
- Meet regulatory requirements and industry standards

The Company has established a process to determine what the strategic objectives of each group/unit/department are and to identify, assess and quantify operational risks that hinder the Company's ability to achieve those objectives. The RCSA results are specifically used to calculate the operational risk regulatory capital requirements for operations in the UK and operational risk exposure in all geographies. The RCSAs are periodically updated and results are reported to the Risk Management and Audit and Risk Committees.

OTHER RISKS

Other risks encompass those risks that can have an adverse material impact on the business but do not belong to market, credit or operational risk categories.

Regulatory and legal risk

Regulatory risk results from non-compliance with regulatory requirements, which could lead to fines and/or sanctions. The Company has established procedures to ensure compliance with all applicable statutory and regulatory requirements in each jurisdiction in which it operates. These procedures address issues such as regulatory capital requirements, disclosure requirements, internal controls over financial reporting, sales and trading practices, use and safekeeping of client funds, use and safekeeping of client data, credit granting, collection activity, anti-money laundering, anti-insider trading, anti-employee misconduct, conflicts of interest and recordkeeping.

Legal risk results from potential criminal, civil or regulatory litigation against the Company that could materially affect the Company's business, operations or financial condition. The Company has in-house legal counsel as well as access to external legal counsel, to assist the Company in addressing legal matters related to operations and to defend the Company's interests in various legal actions.

Losses or costs associated with routine regulatory and legal matters are included in general and administrative expense in the Company's consolidated financial statements.

The Company and its affiliates provide financial advisory, underwriting and other services to, and trade the securities of issuers that are involved with, new and emerging industries, including the US cannabis industry. Activities within such industries, including the US cannabis industry, typically have not had the benefit of a history of successful operating results. In addition to the economic uncertainties associated with new industries, new activities and new issuers, the laws applicable to such industries or activities, particularly the US cannabis industry and the activities of issuers in that industry, and the effect or enforcement of such laws are undetermined, conflicting and uncertain. With respect to the US cannabis industry, cannabis continues to be a controlled substance under the *United States Controlled Substances Act* and as such, there is a risk that certain issuers, while in compliance with applicable state law, may be prosecuted under federal law. Accordingly, the Company has adopted policies and procedures reasonably designed to ensure compliance with the *United States Currency and Foreign Transactions Reporting Act* of 1970 (the *Bank Secrecy Act*) and the guidance issued by the United States Department of the Treasury Financial Crimes Enforcement Network, FIN-2014-G001 (the FinCEN Guidance) relating to providing financial services to marijuana-related businesses in the United States (as that term is used in the FinCEN Guidance). While the Company takes steps to identify the risks associated with emerging industries, including the US cannabis industry and provides services only to those issuers where it determines that there is no material risk to the Company or where any risk is unlikely to result in a material adverse consequence to the Company, there is a risk that the Company could be the subject of third-party proceedings which may have a material adverse effect on the Company's business, revenues, operating results and financial condition as well as the Company's reputation, even if such proceedings were concluded successfully in favour of the Company. The Company has determined that any such proceedings are unlikely and, accordingly, has not recorded a provision in respect of such matters.

Cybersecurity risk

Cybersecurity risk is the risk that the Company's information networks, data or internal systems will be damaged, disrupted, misappropriated, stolen, accessed without permission or otherwise attacked. This risk exists due to the interconnected nature of the Company's business with its clients, suppliers, vendors, partners and the public via the internet and other networks. As a result of this interconnectivity, third parties with which the Company does business or that facilitate the Company's business may also be a source of cybersecurity risk to the firm. The Company has implemented a third-party risk management framework as part of onboarding new vendors and other third parties as well as vetting existing vendors. The purpose of this mitigant is to ensure all parties interacting with the Company are adhering to high standards in matters relating to cybersecurity. The increasing prevalence of artificial intelligence (AI) tools may also increase the risk of cyberattacks or data breaches as a result of the use of AI to launch more automated, targeted, and coordinated attacks to the firm's technology infrastructure.

The Company devotes considerable effort and resources to defending against and mitigating cybersecurity risk, including increasing awareness throughout the organization by implementing a firm-wide cybersecurity training program for all employees. The Company's management of cybersecurity risk, as well as any reported incidents, is regularly presented to senior management via the Cybersecurity Committee and the Audit and Risk Committee of the Board of Directors.

Reputational risk

Reputational risk is the risk that an activity undertaken, or alleged to have been undertaken, by an organization or its representatives will impair its image in the community or lower public confidence in it, resulting in a loss of revenue, legal action or increased regulatory oversight. Possible sources of reputational risk could come from operational failures, non-compliance with laws and regulations, disparaging traditional or online media coverage, or leading an unsuccessful financing. The Company could face reputational risk through its association with past or present corporate finance clients who are the subject of regulatory and/or legal scrutiny. Reputational risk can also be reflected within customer satisfaction and external ratings, such as equity analyst reports. In addition to its various risk management policies, controls and procedures, the Company has a formal Code of Business Conduct and Ethics, a Business Integrity Line for reporting incidents, and an integrated program for marketing, branding, communications and investor relations to help manage and support the Company's reputation.

Pandemic risk

Pandemic risk is the risk of large-scale outbreaks of infectious diseases that can greatly increase morbidity and mortality over a wide geographic area and cause significant social and economic disruption. Such disruptions could have a negative impact on the Company's operations and could prevent the Company from operating as it would under normal conditions. The global outbreak of COVID-19 and the declaration of a pandemic by the World Health Organization in March 2020 caused a significant disruption in economic activity and resulted in a sharp downturn in global equity markets which impacted the normal operation of the Company's business. In the early stages of the outbreak, the Company overhauled its Disaster Recovery Plan in preparation for an escalation of the outbreak. The Company's systems, processes and procedures were effective in limiting the risk associated with the outbreak of the COVID-19 pandemic but there is a risk that such systems, processes and procedures may not be successful in the event of future pandemics.

Significant geopolitical, economic and market risk

The Company's wealth management and capital markets businesses are by nature subject to numerous risks, including changes in the economic, political and market conditions that are outside the Company's control. These conditions have the potential to cause reductions in investor confidence which could impact AUA growth, and activity levels in our investment banking, advisory and trading businesses. The effects of geopolitics on the global economy are difficult to predict and, in many cases, have not caused major disruptions to global economic growth. However, the war in Ukraine and Gaza and sanctions on Russia are having a substantial economic impact given their influence on global oil, commodity and agricultural markets. It is also expected that the geopolitical impacts of this crisis may have implications for decades to come. While the impacts of these factors on our business are inherently difficult to predict, such factors have the potential to adversely impact the Company's revenues, operating margins, compensation ratios and expense levels due to their possible negative impacts on market volumes, asset prices, volatility or liquidity.

Control risk

As of March 31, 2024, senior officers and directors of the Company collectively owned approximately 13.6% of the issued and outstanding (12.8% fully diluted) common shares of Canaccord Genuity Group Inc. If a sufficient number of these shareholders were to act or vote together, they would have the power to exercise significant influence over all matters requiring shareholder approval, including the election of the Company's directors, amendments to its articles, amalgamations and plans of arrangement under Canadian law and mergers or sales of substantially all of its assets. This could prevent Canaccord Genuity Group from entering into transactions that could be beneficial to the Company or its other shareholders. Also, third parties could be discouraged from making a tender offer or takeover bid to acquire any or all of the outstanding common shares of the Company.

Any significant change in these shareholdings through sale or other disposition, or significant acquisitions by others of the common shares in the public market or by way of private transactions, could result in a change of control and changes in business focus or practices that could affect the profitability of the Company's business.

Restrictions on ownership and transfer of common shares

Restrictions on ownership and transfer of common shares in the articles of Canaccord Genuity Group Inc. to prevent unauthorized change in control without regulatory approval could, in certain cases, affect the marketability and liquidity of the common shares.

Risk factors

For a detailed list of the risk factors that are relevant to the Company's business and the industry in which it operates, see the Risk Factors section in the Company's current AIF. Risks include, but are not necessarily limited to, those listed in the AIF. Investors should carefully consider the information about risks, together with the other information in this document, before making investment decisions. It should be noted that this list is not exhaustive but contains risks that the Company considers to be of particular relevance. Other risk factors may apply.

Further discussion regarding risks can be found in our AIF.

Dividend Policy

Although dividends are expected to be declared and paid quarterly, the Board of Directors, in its sole discretion, will determine the amount and timing of any dividends. All dividend payments will depend on general business conditions, the Company's financial condition, results of operations, capital requirements and such other factors as the Board determines to be relevant.

Dividend Declaration

On June 5, 2024, the Board of Directors approved a dividend of $0.085 per common share, payable on July 2, 2024, with a record date of June 21, 2024.

On June 5, 2024, the Board of Directors approved the following cash dividends: $0.25175 per Series A Preferred Share payable on July 2, 2024 with a record date of June 21, 2024; and $0.42731 per Series C Preferred Share payable on July 2, 2024 with a record date of June 21, 2024.

Additional Information

Additional information relating to Canaccord Genuity Group Inc., including its Annual Information Form, is available on the Company's website at www.cgf.com/investor-relations/investor-resources/financial-reports/ and on SEDAR+ at www.sedarplus.ca.

To access additional corporate disclosures including TSX-required Disclosures and the Company's Environmental, Social and Governance (ESG) report and related policies, please visit https://www.cgf.com/investor-relations/investor-resources/corporate-governance/.

Des exemplaires en français du présent rapport et des documents d'information connexes pour l'exercice 2024 peuvent être obtenus à l'adresse: www.cgf.com/fr/relations-investisseurs/relations-investisseurs/rapports-financiers