FIRST QUARTER

Fiscal 2025 Report to Shareholders

Canaccord Genuity

Canaccord Genuity Group Inc. Reports First Quarter Fiscal 2025 Results

Excluding significant items, quarterly earnings per common share of $0.13[(1)]

First quarter dividend of $0.085 per common share

TORONTO, August 8, 2024 – Canaccord Genuity Group Inc. (Canaccord Genuity Group, the Company, TSX: CF) today announced its financial results for the first fiscal quarter ended June 30, 2024.

Our wealth management division delivered record quarterly revenues and consistent earnings in our fiscal first quarter as we continue to make investments to advance our growth priorities in each of our geographies," said Dan Daviau, President & CEO of Canaccord Genuity Group Inc. "Additionally, our capital markets division reported its third consecutive quarter of revenue growth as our advisory and corporate financing segments both benefited from an improving backdrop for activities in our core mid-market sectors. Although macro uncertainties exist, we are encouraged by improving economic conditions relevant to our core capabilities."

First fiscal quarter highlights:

(All dollar amounts are stated in thousands of Canadian dollars unless otherwise indicated)

- First quarter revenue excluding significant items[(1)] of $429.0 million, an increase of 24.9% over the same period in the prior year (on an IFRS basis, revenue was $428.2 million, a year-over-year increase of 24.7%)
- First quarter net income before taxes excluding significant items[(1)] of $34.8 million, an increase of 5.8% or $1.9 million year-over-year (on an IFRS basis, net income before taxes amounted to $23.5 million, a year-over-year increase of 274.6%)
- Diluted earnings per common share excluding significant items[(1)] for the first fiscal quarter of $0.13 per share (diluted earnings per common share of $0.02 on an IFRS basis)
- Record quarterly wealth management revenue of $215.9 million, a year-over-year increase of 13.0%
- Total client assets[(1)] in our global wealth management business increased by 8.8% year-over-year to $105.8 billion, reflecting year-over-year increases of 3.1% in Canada, 11.4% in the UK & Crown Dependencies, and 22.7% in Australia
- First quarter revenue earned in our capital markets division increased by 41.1% year-over-year and primarily reflects a 121.3% increase in revenue from investment banking activities and a 65.7% increase in revenue from advisory activities
- First quarter common share dividend of $0.085 per share

(1) See Non-IFRS Measures on page 5

	Three months ended June 30		Year-over-year change	Three months ended March 31	Quarter-over-quarter change
	Q1/25	Q1/24		Q4/24	
First fiscal quarter highlights – adjusted[1]					
Revenue excluding significant items[1]	**$ 428,961**	$ 343,443	24.9%	$ 409,278	4.8%
Expenses excluding significant items[1]	**$ 394,144**	$ 310,547	26.9%	$ 370,205	6.5%
Diluted earnings per common share excluding significant items[1]	**$ 0.13**	$ 0.07	85.7%	$ 0.15	(13.3)%
Net Income excluding significant items[1]	**$ 25,441**	$ 19,433	30.9%	$ 30,779	(17.3)%
Net Income attributable to common shareholders excluding significant items[1][3]	**$ 13,363**	$ 7,578	76.3%	$ 17,397	(23.2)%
First fiscal quarter highlights – IFRS					
Revenue	**$ 428,165**	$ 343,324	24.7%	$ 409,048	4.7%
Expenses	**$ 404,632**	$ 337,042	20.1%	$ 394,687	2.5%
Diluted loss per common share	**$ 0.02**	$ (0.15)	113.3%	$ (0.07)	128.6%
Net Income (loss)[2]	**$ 16,721**	$ (268)	n.m.	$ 7,912	111.3%
Net income (loss) attributable to common shareholders[3]	**$ 2,399**	$ (13,388)	117.9%	$ (6,548)	136.6%

(1) Figures excluding significant items are non-IFRS measures. See Non-IFRS Measures on page 5
(2) Before non-controlling interests and preferred share dividends paid on the Series A and Series C Preferred Shares
(3) Net income (loss) attributable to common shareholders is calculated as the net income adjusted for non-controlling interests and preferred share dividends

Core business performance highlights:

Canaccord Genuity Wealth Management

The Company's combined global wealth management operations earned record quarterly revenue of $215.9 million for the first fiscal quarter, a year-over-year increase of 13.0%. Net income before taxes excluding significant items[1] for this segment decreased by 7.5% year-over-year, to $33.3 million, primarily reflecting the impact of increased development costs in connection with our growth initiatives.

- Wealth management operations in the UK & Crown Dependencies generated first quarter revenue of $107.5 million, an increase of 4.2% compared to the same period last year and a new quarterly record for this business. Net income before taxes excluding significant items[1] for this business was $22.8 million in Q1/25, down 14.6% year-over-year.
- Canaccord Genuity Wealth Management (North America) generated $90.0 million in fiscal first quarter revenue, an increase of 24.0% compared to the same quarter a year ago which primarily reflects a 22.8% increase in commissions & fees revenue, in addition to higher investment banking and interest revenue. Excluding significant items[1] net income before taxes for this business was $9.3 million in Q1/25, which represents a year-over-year increase of 2.7%.
- Wealth management operations in Australia generated $18.4 million in fiscal first quarter revenue, an increase of 20.9% compared to the first quarter of last year. Excluding significant items[1] net income before taxes for this business was $1.2 million in Q1/25, up from $0.3 million in Q1/24.

Total client assets in the Company's global wealth management businesses at the end of the first fiscal quarter amounted to $105.8 billion, an increase of $8.6 billion or 8.8% from Q1/24.

- Client assets in the UK & Crown Dependencies reached a new record of $60.9 billion (£35.2 billion) as at June 30, 2024, a year-over-year increase of 11.4% (an increase of 8.4% in local currency).
- Client assets in North America were $38.3 billion as at June 30, 2024, an increase of 3.1% from $37.2 billion at June 30, 2023 due to net new inflows, recruitment activity and additional assets related to our acquisition of Mercer's Canadian Private Wealth business which was completed in May 2023.
- Client assets[1] in Australia were $6.6 billion (AUD$ 7.3 billion) at June 30, 2024, an increase of 22.7% from the first quarter of fiscal 2024. In addition, client assets[1] totalling $13.9 billion (AUD$ 15.3 billion) are also held on record in less active and transactional accounts through our Australian platform.

Canaccord Genuity Capital Markets

On a consolidated basis, Canaccord Genuity Capital Markets earned revenue of $205.6 million for the first fiscal quarter, a year-over-year increase of 41.1% and mostly attributable to increased revenue from investment banking and advisory activities in each of our geographies.

During the three-month period, Canaccord Genuity Capital Markets participated in 113 investment banking transactions globally, raising total proceeds of $10.8 billion.

Advisory revenue increased by 65.7% year-over-year, mainly due to higher contributions from our US and UK businesses. Investment banking revenue increased by 121.3% compared to the first quarter of fiscal 2024 as activities increased in our focus sectors across all our core operating regions. Trading revenue in our US and UK businesses increased by 23.3% and 67.3% respectively, partially offset by lower revenue earned in our Canadian operations. Commissions and fees revenue decreased by 7.5% year-over-year, as an increase of 66.9% in our UK operations was offset by declines in our Canadian and US operations.

Excluding significant items[1], our global capital markets division recorded a net income of $13.0 million for the quarter compared to a net loss before taxes excluding significant items[1] of $7.6 million in the same period a year ago. Contributions of $6.2 million and $7.7 million from our Canadian and Australian businesses were partially offset by a loss of $1.5 million in our US operations.

(1) See Non-IFRS Measures on page 5

Summary of Corporate Developments

On April 8, 2024, the Company, through CGWM UK, completed its acquisition of Intelligent Capital, a financial planning business based in Glasgow, Scotland.

On May 31, 2024, the Company announced that through its wealth management business in CGWM UK, it has entered into a share purchase agreement to acquire Cantab Asset Management Ltd. ("Cantab"). Cantab is an independent financial planning business headquartered in Cambridge, UK. Completion of the acquisition is subject to regulatory approval and other customary closing conditions. The acquisition is expected to be completed within the next three months.

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 AGM and while not continuing in a formal governance role, will be given the honorary title of Chairman Emeritus. Current directors Amy Freedman and Jo-Anne O'Connor are leaving to focus on other endeavours and are not standing for re-election at the AGM. Rod Phillips will also not stand for re-election but he will continue in his role as Vice-Chairman of the Company's Canadian broker dealer. Following the AGM, Dan Daviau will become President and CEO and Chairman and Michael Auerbach will be the Lead Independent Director.

On March 15, 2024, concurrent with the closing of the non-brokered private placement of $110 million of convertible unsecured senior subordinated debentures, the Company loaned the employee-share ownership partnership ("Partnership") approximately $80 million (the "Partnership Loan") pursuant to an interest-bearing secured loan agreement dated March 7, 2024 with the Partnership ("Partnership Loan Agreement"). The Partnership Loan was made in order for the Partnership to purchase approximately 9.7% of the outstanding common shares of the Company from two institutional investors in a private transaction that closed on March 15, 2024. The Partnership is an independent employee share-ownership vehicle that will acquire, hold and dispose of common shares and other securities of the Company and facilitate indirect employee ownership of securities of the Company.

In Q1 2025, certain executive officers and senior revenue producing employees (referred to as Participants herein) entered into loan agreements ("Purchase Loans") with subsidiaries of the Company ("CG Group") to fund part of the subscription price for limited partnership units ("LP Units") in the Partnership and such Purchase Loans were funded by CG Group starting in June 2024. The Purchase Loans are interest bearing full recourse loans, have a term up to seven years and are secured against a pledge of the LP Units.

The Partnership used the proceeds received from the subscription of LP Units by the Participants to repay amounts outstanding under the Partnership Loan. As of June 30, 2024 the partnership had repaid $71.2 million of the Partnership Loan and subsequent to June 30, 2024 the balance was repaid.

Results for the First Quarter of Fiscal 2025 were impacted by the following significant items:

- Fair value adjustments on certain illiquid or restricted marketable securities recorded for IFRS reporting purposes, but which are excluded for management reporting purposes and are not used by management to assess operating performance.
- Certain costs related to changes to the staffing mix in our capital market business,
- Amortization of intangible assets acquired in connection with business combinations.
- Certain incentive-based costs related to acquisitions related to the acquisition and growth initiatives in the US capital markets and CGWM UK wealth operations
- Fair value adjustments to the derivative liability recorded in connection with the convertible debentures
- Certain lease expenses related to premises under construction
- Certain components of the non-controlling interest expense associated with CGWM UK.

(1) See Non-IFRS Measures on page 5

Summary of Results for Q1 Fiscal 2025 and Selected Financial Information Excluding Significant Items[1]:

(C$ thousands, except per share and % amounts)	Three months ended June 30 2024	2023	Quarter-over-quarter change
Revenue			
Revenue per IFRS	$ **428,165**	$ 343,324	24.7%
Significant items recorded in Corporate and Other			
Fair value adjustments on certain illiquid and restricted marketable securities	$ **796**	$ 119	n.m.
Total revenue excluding significant item	$ **428,961**	$ 343,443	24.9%
Expenses			
Expenses per IFRS	$ **404,632**	$ 337,042	20.1%
Significant items recorded in Canaccord Genuity Capital Markets			
Amortization of intangible assets	$ **157**	$ 350	(55.1)%
Incentive-based costs related to acquisitions	$ **513**	$ 573	(10.5)%
Restructuring costs	$ **2,657**	—	n.m.
Lease expenses related to premises under construction	$ **2,026**	—	n.m.
Significant items recorded in Canaccord Genuity Wealth Management			
Amortization of intangible assets	$ **5,829**	$ 5,639	3.4%
Incentive-based costs related to acquisitions	$ **832**	$ 1,288	(35.4)%
Acquisition-related costs	$ **704**	—	n.m.
Significant items recorded in Corporate and Other			
Restructuring costs	**—**	$ 3,358	(100.0)%
Development costs	**—**	$ 15,287	(100.0)%
Lease expenses related to premises under construction	$ **1,794**	—	n.m.
Fair value adjustment of convertible debentures derivative liability	$ **(4,024)**	—	n.m.
Total significant items – expenses	$ **10,488**	$ 26,495	(60.4)%
Total expenses excluding significant items	$ **394,144**	$ 310,547	26.9%
Net income before taxes excluding significant items[1]	$ **34,817**	$ 32,896	5.8%
Income taxes – adjusted[1]	$ **9,376**	$ 13,463	(30.4)%
Net income excluding significant items[1]	$ **25,441**	$ 19,433	30.9%
Significant items impacting net income attributable to common shareholders			
Non-controlling interests – IFRS	$ **11,470**	$ 10,268	11.7%
Amortization of equity component of the non-controlling interests in CGWM UK and other adjustment	$ **2,244**	$ 1,265	77.4%
Non-controlling interests (adjusted)[1]	$ **9,226**	$ 9,003	2.5%
Preferred share dividends	$ **2,852**	$ 2,852	—
Net income attributable to common shareholders, excluding significant items[1]	$ **13,363**	$ 7,578	76.3%
Earnings per common share excluding significant items – basic[1]	$ **0.14**	$ 0.10	40.0%
Earnings per common share excluding significant items – diluted[1]	$ **0.13**	$ 0.07	85.7%

(1) Figures excluding significant items are non-IFRS measures. See Non-IFRS Measures on page 5.

Diluted earnings per common share ("diluted EPS") is computed using the treasury stock method, giving effect to the exercise of all dilutive elements. The Convertible Preferred Shares and preference shares issued by CGWM UK are factored into the diluted EPS 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 ended June 30, 2024, the effect of reflecting our proportionate share of CGWM UK's earnings is anti-dilutive under both IFRS and on an adjusted basis excluding significant items[1] for diluted EPS purposes. As such, the diluted EPS under both IFRS and on an adjusted basis excluding significant items[1] is computed based on net income attributable to common shareholders less accrued and paid dividends on the Convertible Preferred Shares and preference shares issued by CGWM UK.

Financial Condition at the End of First Quarter Fiscal 2025 vs. Fourth Quarter of Fiscal 2024:

	June 30, 2024	March 31, 2024	Q1/25 vs Q4/24
Cash	**897,368**	855,604	4.9%
Working capital[2]	**782,624**	**852,760**	(8.2)%
Total assets	**5,879,508**	**6,132,465**	(4.1)%
Total liabilities	**4,520,583**	**4,772,354**	(5.3)%
Non-controlling interests	**367,581**	**364,466**	0.9%
Total shareholders' equity	**991,344**	**995,645**	(0.4)%

(1) See Non-IFRS Measures on page 5

(2) 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, and as needed to maintain current levels of activity, growth initiatives and capital plans.

Common and Preferred Share Dividends:

On August 8, 2024, the Board of Directors approved a dividend of $0.085 per common share, payable on September 10, 2024, with a record date of August 30, 2024.

On August 8, 2024, the Board approved a cash dividend of $0.25175 per Series A Preferred Share payable on September 30, 2024 to Series A Preferred shareholders of record as at September 13, 2024.

On August 8, 2024, the Board approved a cash dividend of $0.42731 per Series C Preferred Share payable on September 30, 2024 to Series C Preferred shareholders of record as at September 13, 2024.

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 earnings release 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 earnings release (note that some significant items excluded may not be applicable to the calculation of the non-IFRS measures for each comparative period): (i) *revenue excluding significant items*, which is composed of revenue per IFRS less any applicable fair value adjustments on certain illiquid or restricted marketable securities 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, restructuring costs, certain incentive-based costs related to the acquisitions and growth initiatives in CGWM UK and US capital markets; certain lease expenses related to premises under construction; and fair value adjustments to the derivative liability recorded in connection with the convertible debentures (iii) *net income before taxes excluding significant items*, which is composed of revenue excluding significant items less expenses excluding significant items; (iv) *income taxes (adjusted)*, which is composed of income taxes per IFRS adjusted to reflect the associated tax effect of the excluded significant items; (v) *net income excluding significant items*, which is composed of net income before income taxes excluding significant items less income taxes (adjusted); (vi) *non-controlling interests (adjusted)*, which is composed of non-controlling interests per IFRS less the amortization of the equity component of non-controlling interests in CGWM UK; and (vii) *net income attributable to common shareholders excluding significant items*, which is composed of net income excluding significant items less non-controlling interests (adjusted) and preferred share dividends paid on the Series A and Series C Preferred Shares.

A reconciliation of non-IFRS measures that exclude significant items to the applicable IFRS measures from the interim condensed consolidated financial statements for the first quarter of fiscal 2025 can be found above in the table entitled "Summary of results for Q1 fiscal 2025 and selected financial information excluding significant items".

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 but 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 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.

This earnings release may contain "forward-looking information" as defined under applicable securities laws ("forward-looking statements"). These statements relate to future events or future performance and reflect the Company's expectations, beliefs, plans, estimates, intentions and similar statements concerning anticipated future events, results, circumstances, performance or expectations that are not historical facts, including statements related to Company's objectives, strategies, business prospects and opportunities, potential future transactions, the timing or completion of purchase loans to employees, the timing of subscriptions by participants in the Partnership, the timing of the repayment of the principal amount owing under the Loan made by the Company to the Partnership or future Board representation and Board roles. Such forward-looking statements reflect management's current beliefs and are based on information currently available to the Company. In some cases, forward-looking statements can be identified by terminology such as "may", "will", "should", "expect", "plan", "anticipate", "believe", "estimate", "predict", "potential", "continue", "target", "intend", "could" or the negative of these terms or other comparable terminology. By their very nature, forward-looking statements involve inherent risks and uncertainties, both general and specific, and a number of factors could cause actual events or results to differ materially from the results discussed in the forward-looking statements.

In evaluating these statements, readers should specifically consider various factors that may cause actual results to differ materially from any forward-looking statement. These factors include but are not limited to: the trading price of the Company's shares; the Company's financial condition and earnings; market and general economic conditions (including slowing economic growth, inflation and rising interest rates); the dynamic nature of the financial services industry; and the risks and uncertainties discussed from time to time in the Company's interim condensed and annual consolidated financial statements, its annual report and its annual information form ("AIF") filed on www.sedarplus.ca as well as the factors discussed in the sections entitled "Risk Management" and "Risk Factors" in the AIF, which include market, liquidity, credit, operational, legal and regulatory risks.

Although the forward-looking statements contained in this earnings release are based upon assumptions that the Company believes are reasonable, there can be no assurance that actual results will be consistent with these forward-looking statements. The forward-looking statements contained in this earnings release are made as of the date of this earnings release and should not be relied upon as representing the Company's views as of any date subsequent to the date of this earnings release. Except as may be required by applicable law, the Company does not undertake, and specifically disclaims, any obligation to update or revise any forward-looking statements, whether as a result of new information, further developments or otherwise.

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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 of the Additional Capital Contribution (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 the full repayment of the principal amount of the Partnership Loan (as defined below); changes to the Board of Directors and board roles; closing of the acquisition of Cantab Asset Management Ltd.; 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 "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 elsewhere 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 unaudited interim condensed and audited 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 unaudited interim condensed and audited 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.

PRESENTATION OF FINANCIAL INFORMATION AND NON-IFRS MEASURES

This MD&A is based on the unaudited interim condensed consolidated financial statements for the three-month period ended June 30, 2024 (First quarter 2025 Financial Statements) prepared in accordance with International Financial Reporting Standards (IFRS). The First quarter 2025 Financial Statements have been prepared in accordance with International Accounting Standard 34, "*Interim Financial Reporting*" (IAS 34), and using accounting policies consistent with those applied in preparing the Company's Audited Annual Consolidated Financial Statements for the year ended March 31, 2024.

Management’s Discussion and Analysis

First quarter fiscal year 2025 for the three months ended June 30, 2024 – this document is dated August 8, 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-month period ended June 30, 2024, compared to the corresponding period in the preceding fiscal year. The three-month period ended June 30, 2024, is also referred to as first quarter 2025 and Q1/25. Unless otherwise indicated or the context otherwise requires, the “Company” refers to Canaccord Genuity Group Inc. and “Canaccord Genuity Group” refers to the Company and its direct and indirect subsidiaries. This discussion should be read in conjunction with: the unaudited interim condensed consolidated financial statements for the three-month period ended June 30, 2024, beginning on page 39 of this report; our Annual Information Form (AIF) dated June 26, 2024; and the 2024 annual Management’s Discussion and Analysis (MD&A) including the audited consolidated financial statements for the fiscal year ended March 31, 2024 (Audited Annual Consolidated Financial Statements) in the Company’s annual report dated June 28, 2024 (the 2024 Annual Report). There has been no material change to the information contained in the annual MD&A for fiscal 2024 except as disclosed in this MD&A. The Company’s financial information is expressed in Canadian dollars unless otherwise specified.

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 in the UK and Crown Dependencies (“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. Other non-IFRS measures include earnings before income taxes, interest, depreciation and amortization (EBIDTA), which is net income before taxes excluding significant items and also excludes certain corporate interest revenue and corporate interest expense, depreciation and amortization and normalized EBITDA which is EBITDA excluding certain expenses of a specialized or non-recurring nature. EBITDA does not exclude right of use assets amortization and lease interest expense.

A reconciliation of non-IFRS measures that exclude significant items to the applicable IFRS measures from the interim condensed consolidated financial statements for Q1 fiscal 2025 can be found in the table titled "Q1 Fiscal 2025 Selected Financial Information Excluding Significant Items", on page 17.

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. The Company 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

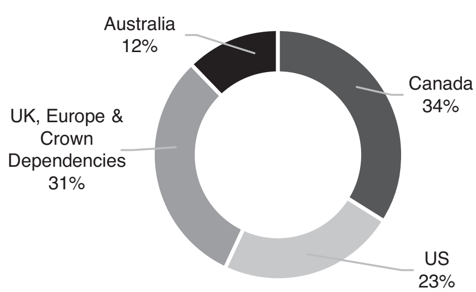
Our business is affected by the overall condition of the worldwide debt and equity markets.

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. The Company's diversification across major financial centres has also 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 Q1 2025:

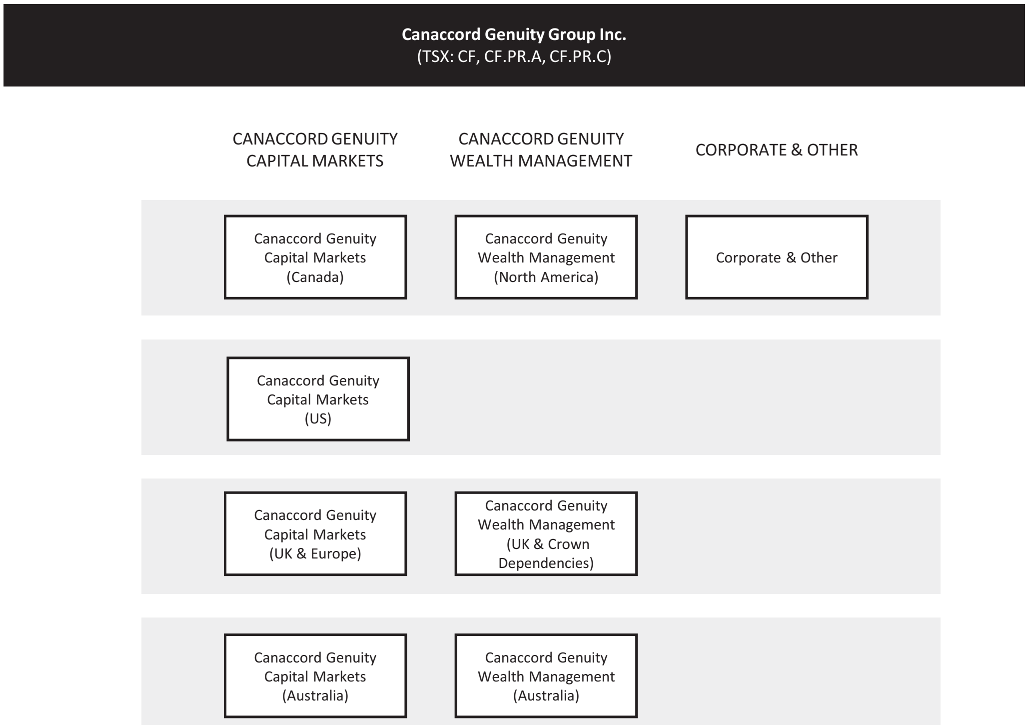
Firmwide revenue by geography



As a brokerage firm, the Company derives its revenue primarily from sales commissions, underwriting, advisory fees, interest 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:

Canaccord Genuity Capital Markets (Canada)

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

Canaccord Genuity Wealth Management (North America)

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

Corporate and Other

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

Canaccord Genuity Capital Markets (US)

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

Canaccord Genuity Capital Markets (UK & Europe)

- Canaccord Genuity Limited

Canaccord Genuity Wealth Management (UK & Crown Dependencies)(2)

- Canaccord Genuity Wealth Limited
- CG Wealth Planning Ltd.
- Canaccord Genuity Financial Planning Limited
- Canaccord Genuity Asset Management Limited
- Canaccord Genuity Wealth (International) Limited
- Canaccord Genuity Wealth Group Holdings (Jersey) Limited
- Intelligent Capital Group Limited

Canaccord Genuity Capital Markets (Australia)

- Canaccord Genuity (Australia) Limited(2)
- Canaccord Genuity (Hong Kong) Limited(1)

Canaccord Genuity Wealth Management (Australia)

- Canaccord Genuity Financial Limited(2)

(1) Canaccord Genuity (Hong Kong) Limited is a shared resource for both Canaccord Genuity Capital Markets (Canada) and Canaccord Genuity Capital Markets (Australia).
(2) Majority owned. See notes below.

Certain institutional investors acquired the 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 December 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, 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, and the operating results of Intelligent Capital Holdings Limited (ICL) since the closing date of April 8, 2024. 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). The operating results of the Canadian private wealth management business of Mercer Global Investments Canada Limited, referred to as "Mercer", are included as part of Canaccord Genuity Wealth Management Canada since the closing date of May 29, 2023.

Market Environment During Q1 Fiscal 2025

Economic backdrop

During the three-month period, the S&P/TSX (-0.5%) was relatively flat, while the S&P 500 (+4.3% QoQ), Emerging Markets equities (+6.3%) and the MSCI world index (+3.0%) all delivered positive returns.

A modest recovery in U.S. manufacturing activity persisted through our first fiscal quarter as companies began to restock depleted inventories. Service activity is slowing at a moderate pace, consistent with labour market conditions. Against this backdrop and persistent inflation, the Federal Reserve has so far refrained from cutting interest rates.

The Bank of Canada delivered a 25 bps rate cut in June, followed by another cut in July. Lastly, the European Central Bank announced its target rate and opened the door for additional easing measures over the coming months despite above-target inflation and signs that the economy could be improving after a weak calendar 2023.

Investment banking and advisory

Global M&A volumes continue to be at reduced levels, although industry data shows a 7% increase in the aggregate value of global M&A deals over the three-month period compared to the same period a year ago. While much of this increase is concentrated at the large-cap end of the market, this improvement indicates corporate confidence for M&A activity in our core focus sectors.

Capital raising activity in the three-month period remained below historic levels, however the value of global proceeds raised increased by 16% compared to the same period a year ago.

Although economic conditions relevant to our core businesses have shown some improvement, capital raising and advisory completions during the three-month period continued to be impacted by high interest rates and ongoing geopolitical tensions.

Index Value at End of	Q1/24		Q2/24		Q3/24		Q4/24		Q1/25		
Fiscal Quarter	2023-06-30	(Y/Y)	2023-09-29	(Y/Y)	2023-12-29	(Y/Y)	2024-03-29	(Y/Y)	2024-06-28	(Y/Y)	(Q/Q)
S&P IFCI Global Small Cap	280.7	5.2%	278.2	14.6%	298.0	12.8%	294.0	7.2%	301.9	7.6%	2.7%
S&P IFCI Global Large Cap	221.1	-1.1%	213.5	8.4%	229.6	7.4%	235.0	6.3%	245.9	11.2%	4.7%

Source: LSEG 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

Trading activity in the first quarter of fiscal 2025 increased sequentially and from the comparative period in fiscal 2024. While market participation has begun to improve, we note that a sustained upturn in volumes likely requires a sustained improvement in performance of small- and mid-cap stocks in our core focus sectors.

Average Value During Fiscal Quarter/Year	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)	Q1/25 28-Jun-24	(Y/Y)	(Q/Q)	FY24 29-Mar-24	(Y/Y)
Russell 2000	1797.8	-3.2%	1892.3	3.2%	1810.0	0.9%	2013.6	8.4%	2037.9	13.4%	1.2%	1878.4	2.4%
S&P 400 Mid Cap	2492.7	0.7%	2624.6	8.5%	2545.2	4.9%	2837.4	11.0%	2941.6	18.0%	3.7%	2625.0	6.3%
FTSE 100	7692.6	3.5%	7508.6	2.9%	7511.4	3.2%	7671.9	-1.1%	8173.8	6.3%	6.5%	7596.1	2.1%
MSCI EU Mid Cap	1229.9	1.1%	1209.4	6.4%	1191.0	5.8%	1271.8	2.6%	1333.4	8.4%	4.8%	1225.5	3.9%
S&P/TSX	20187.7	-1.8%	20156.3	4.3%	19896.7	2.0%	21309.3	5.6%	22022.6	9.1%	3.3%	20387.5	2.5%

Source: Refinitiv Datastream, Canaccord Genuity estimates

Global wealth management

Equity market returns during the three- month period strengthened when compared to the previous fiscal quarter and the same period a year ago, which has had a positive impact on the value of client assets in our wealth management businesses.

Total Return (excl. currencies)	Q1/24 Change (Q/Q)	Q2/24 Change (Q/Q)	Q3/24 Change (Q/Q)	Q4/24 Change (Q/Q)	Q1/25 Change (Q/Q)	Fiscal 2024 Change (Y/Y)
S&P 500	8.7%	-3.3%	11.7%	10.6%	4.3%	29.9%
S&P/TSX	1.1%	-2.2%	8.1%	6.6%	-0.5%	14.0%
MSCI EMERGING MARKETS	1.8%	-1.3%	5.6%	4.6%	6.3%	11.1%
MSCI WORLD	6.3%	-3.3%	11.1%	8.3%	3.0%	23.8%
S&P GS COMMODITY INDEX	-2.7%	16.0%	-10.7%	10.4%	0.7%	11.1%
US 10-YEAR T-BONDS	-1.9%	-5.1%	6.8%	-1.7%	-0.3%	-2.3%
CAD/USD	2.1%	-2.5%	2.5%	-2.2%	-1.0%	-0.2%
CAD/EUR	1.4%	0.6%	-1.8%	0.0%	-0.3%	0.2%

Source: LSEG Datastream, Canaccord Genuity estimates

Outlook

In the U.S., inflation continues above target, and the Federal Reserve has so far refrained from cutting interest rates. Should job reports weaken further over the coming months, the market narrative could rapidly shift from a soft-landing to a mild recession scenario. Elsewhere, progress on inflation and weak economic growth conditions have prompted the Bank of Canada and the European Central Bank to cut rates. Going forward, we anticipate a synchronized rate cut cycle by world central banks which should help support economic growth and help avoid a downturn, although a growth slowdown appears likely over the coming months and quarters.

Looking ahead, the ongoing recovery in manufacturing activity and the improved performance of value sectors and small-cap equities sends a positive signal for trading activity in our key areas of expertise. Recent weakness observed in key commodity prices such as crude oil and copper should prove temporary considering the combination of secular demand tailwinds and supply cuts and/or constrained production capacity.

We are seeing early indications that we may be past the worst point of the cycle, with M&A and investment banking activities expected to further improve, especially in the context of rate cuts which could help reduce financing costs.

Core Business Performance Highlights for Q1 Fiscal 2025

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

	Three months ended							
	June 30, 2024				June 30, 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)	**$ 215,923**	**$ 205,624**	**$ 7,414**	**$ 428,961**	$ 191,025	$ 145,694	$ 6,724	$ 343,443
Pre-tax income (loss) – adjusted(2)	**33,273**	**13,032**	**(11,488)**	**34,817**	35,958	(7,642)	4,580	32,896
Diluted earnings (loss) per share – adjusted(2)(1)	**$ 0.12**	**$ 0.01**	**$ —**	**$ 0.13**	$ 0.20	$ (0.13)	$ —	$ 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 are referred to as adjusted. See Non-IFRS measures on page 8.

CANACCORD GENUITY WEALTH MANAGEMENT

Globally, Canaccord Genuity Wealth Management generated revenue of $215.9 million during the first fiscal quarter of 2025 and, excluding significant items, recorded net income before taxes of $33.3 million[(1)].

- Canaccord Genuity Wealth Management (North America) generated $90.0 million in revenue and, after intersegment allocations and excluding significant items, recorded net income before taxes of $9.3[(1)] million in the first quarter of fiscal 2025.
- Wealth management operations in the UK & Crown Dependencies generated $107.5 million in revenue and, after intersegment allocations and excluding significant items, recorded net income before taxes of $22.8 million in the first quarter of fiscal 2025[(1)].
- Wealth management operations in Australia generated revenue of $18.4 million and, after intersegment allocations and excluding significant items, recorded net income before taxes of $1.2 million in the first quarter of fiscal 2025[(1)].

Firmwide client assets were $105.8 billion at June 30, 2024 representing an increase of $8.6 billion or 8.8% from $97.3 billion at June 30, 2023[(2)]. Client assets across the individual businesses as at June 30, 2024 were as follows:

- $38.3 billion in North America, an increase of $1.1 billion or 3.1% from June 30, 2023[(2)]
- $60.9 billion (£35.2 billion) in the UK & Crown Dependencies an increase of $6.2 billion or 11.4% (an increase of £2.7 billion or 8.4% in local currency) from $54.7 billion (£32.5 billion) as of June 30, 2023[(2)]
- $6.6 billion in Australia held through our investment management platform, an increase of $1.2 billion or 22.7% from June 30, 2023[(2)]

CANACCORD GENUITY CAPITAL MARKETS

Globally, Canaccord Genuity Capital Markets earned revenue of $205.6 million for the first fiscal quarter, a year-over-year increase of 41.1%. The increase primarily reflected higher investment banking and advisory fees revenues across our core operating regions. Net income before taxes excluding significant items[(1)] for this segment was $13.0 million for the quarter compared to a pre-tax loss of $7.6 million a year ago.

Canaccord Genuity Capital Markets participated in a total of 113 investment banking transactions globally, raising total proceeds of $10.8 billion during the three months ended June 30, 2024.

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

	Three months ended June 30		Quarter-over-
	2024	2023	quarter change
Commissions and fees	**18.5%**	28.2%	(9.7) p.p.
Investment banking	**31.8%**	20.3%	11.5 p.p.
Advisory fees	**32.5%**	27.7%	4.8 p.p.
Principal trading	**12.1%**	15.8%	(3.7) p.p.
Interest	**3.8%**	6.7%	(2.9) p.p.
Other	**1.3%**	1.3%	0.0 p.p.
Canaccord Genuity Capital Markets (total)	**100.0%**	100.0%	

p.p.: percentage points

Further detail is provided in the Business Segment Results beginning on page 21.

SUMMARY OF CORPORATE DEVELOPMENTS

On April 8, 2024, the Company, through CGWM UK, completed its acquisition of Intelligent Capital, a financial planning business based in Glasgow, Scotland.

On May 31, 2024, the Company announced that through its wealth management business in CGWM UK, it has entered into a share purchase agreement to acquire Cantab Asset Management Ltd. ("Cantab"). Cantab is an independent financial planning business headquartered in Cambridge, UK. Completion of the acquisition is subject to regulatory approval and other customary closing conditions. The acquisition is expected to be completed within the next three months.

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 AGM and while not continuing in a formal governance role, will be given the honourary title of Chairman Emeritus. Current directors Amy Freedman and Jo-Anne O'Connor are leaving to focus on other endeavours and are not standing for re-election at the AGM. Rod Phillips will also not stand for re-election, but he will continue in his role as Vice Chairman of the Company's Canadian broker dealer. Following the AGM, Dan Daviau will become President and CEO and Chairman and Michael Auerbach will be the Lead Independent Director.

On March 15, 2024, concurrent with the closing of the non-brokered private placement of $110 million of convertible unsecured senior subordinated debentures, the Company loaned the employee-share ownership partnership ("Partnership") approximately $80 million (the "Partnership Loan") pursuant to an interest-bearing secured loan agreement dated March 7, 2024 with the Partnership ("Partnership Loan Agreement"). The Partnership Loan was made in order for the Partnership to purchase approximately 9.7% of the outstanding common shares of the Company from two institutional investors in a private transaction that closed on March 15, 2024. The Partnership is an independent employee share-ownership vehicle that will acquire, hold and dispose of common shares and other securities of the Company and facilitate indirect employee ownership of securities of the Company.

(1) Figures excluding significant items are non-IFRS measures. See Non-IFRS Measures on page 8.
(2) See Non-IFRS Measures on page 8.

In Q1 2025, certain executive officers and senior revenue producing employees (referred to as Participants herein) entered into loan agreements ("Purchase Loans") with subsidiaries of the Company ("CG Group") to fund part of the subscription price for limited partnership units ("LP Units") in the Partnership and such Purchase Loans were funded by CG Group starting in June 2024. The Purchase Loans are interest bearing full recourse loans, have a term up to seven years and are secured against a pledge of the LP Units.

The Partnership used the proceeds received from the subscription of LP units by the Participants to repay amounts outstanding under the Partnership Loan. As of June 30, 2024, the Partnership had repaid $71.2 million of the Partnership Loan and subsequent to June 30, 2024 the balance was repaid.

Financial Overview

Q1 FISCAL 2025 SELECTED FINANCIAL INFORMATION(1)(2)(5)

	Three months ended June 30			
(C$ thousands, except per share and % amounts, and number of employees)	**2024**	2023	2022	Q1/25 vs Q1/24
Canaccord Genuity Group Inc. (CGGI)				
Revenue				
Commissions and fees	**$ 204,501**	$ 184,770	$ 180,923	10.7%
Investment banking	**75,188**	36,961	18,716	103.4%
Advisory fees	**66,771**	40,652	82,944	64.3%
Principal trading	**24,974**	22,946	28,221	8.8%
Interest	**51,743**	52,272	14,816	(1.0)%
Other	**4,988**	5,723	(8,250)	(12.8)%
Total revenue	**428,165**	343,324	317,370	24.7%
Expenses				
Compensation expense	**254,157**	185,923	198,444	36.7%
Other overhead expenses(3)	**151,138**	147,743	109,442	2.3%
Acquisition-related costs	**704**	—	7,582	n.m.
Restructuring costs	**2,657**	3,358	—	(20.9)%
Fair value adjustment of convertible debentures derivative liability	**(4,024)**	—	—	n.m.
Share of loss of an associate	**—**	18	8	(100.0)%
Total expenses	**404,632**	337,042	315,476	20.1%
Income before income taxes	**23,533**	6,282	1,894	274.6%
Net income (loss)	**$ 16,721**	$ (268)	$ (3,004)	n.m.
Net income (loss) attributable to:				
CGGI shareholders	**$ 5,251**	$ (10,536)	$ (10,173)	149.8%
Non-controlling interests	**$ 11,470**	$ 10,268	$ 7,169	11.7%
Preferred share dividends	**$ 2,852**	$ 2,852	$ 2,391	—
Net income (loss) attributable to common shareholders	**$ 2,399**	$ (13,388)	$ (12,564)	117.9%
Earnings (loss) per common share – diluted	**$ 0.02**	$ (0.15)	$ (0.14)	113.3%
Dividends per common share	**$ 0.085**	$ 0.085	$ 0.085	—
Total assets	**$ 5,879,508**	$ 5,043,388	$ 6,128,151	16.6%
Total liabilities	**$ 4,520,583**	$ 3,692,090	$ 4,712,254	22.4%
Non-controlling interests	**$ 367,581**	$ 346,629	$ 325,914	6.0%
Total shareholders' equity	**$ 991,344**	$ 1,004,669	$ 1,089,983	(1.3)%
Number of employees	**2,755**	2,830	2,615	(2.7)%
Excluding significant items(5) (adjusted)				
Total revenue	**$ 428,961**	$ 343,443	$ 328,817	24.9%
Total expenses	**$ 394,144**	$ 310,547	$ 301,365	26.9%
Income before income taxes	**$ 34,817**	$ 32,896	$ 27,452	5.8%
Net income(4)	**$ 25,441**	$ 19,433	$ 19,935	30.9%
Net income attributable to:				
CGGI shareholders	**$ 16,215**	$ 10,430	$ 14,270	55.5%
Non-controlling interests	**$ 9,226**	$ 9,003	$ 5,665	2.5%
Preferred share dividends	**$ 2,852**	$ 2,852	$ 2,391	—
Net income attributable to common shareholders	**$ 13,363**	$ 7,578	$ 11,879	76.3%
Earnings per common share – diluted(4)	**$ 0.13**	$ 0.07	$ 0.11	85.7%

(1) Financial measures are in accordance with IFRS except for figures excluding significant items. See Non-IFRS Measures on page 8.

(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 ended June 30, 2024 [three months ended June 30, 2023 – 31.8%]. 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 ended June 30, 2024. On an as-converted basis and subject to the liquidation preference of the Convertible Preferred Shares and Preference Shares the non-controlling interest represents a 33.1% equity equivalent [three months ended June 30, 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 8 and the Selected Financial Information Excluding Significant Items table on page 17.

(5) Data includes the operating results of Results since August 17, 2022, the operating results of PSW since May 31, 2022 and the operating results of ICL since April 8, 2024.

n.m.: not meaningful

Q1 FISCAL 2025 SELECTED FINANCIAL INFORMATION EXCLUDING SIGNIFICANT ITEMS[1]

(C$ thousands, except per share and % amounts)	Three months ended June 30 2024	2023	Quarter-over-quarter change
Revenue			
Revenue per IFRS	$ 428,165	$ 343,324	24.7%
Significant items recorded in Corporate and Other			
Fair value adjustments on certain illiquid and restricted marketable securities	$ 796	$ 119	n.m.
Total revenue excluding significant items[1]	$ 428,961	$ 343,443	24.9%
Expenses			
Expenses per IFRS	$ 404,632	$ 337,042	20.1%
Significant items recorded in Canaccord Genuity Capital Markets			
Amortization of intangible assets	$ 157	$ 350	(55.1)%
Incentive based costs related to acquisitions	$ 513	$ 573	(10.5)%
Restructuring costs	$ 2,657	—	n.m.
Lease expenses related to premises under construction	$ 2,026	—	n.m.
Significant items recorded in Canaccord Genuity Wealth Management			
Amortization of intangible assets	$ 5,829	$ 5,639	3.4%
Acquisition-related costs	$ 704	—	n.m.
Incentive based costs related to acquisitions	$ 832	$ 1,288	(35.4)%
Significant items recorded in Corporate and Other			
Lease expenses related to premises under construction	$ 1,794	—	n.m.
Restructuring costs	—	$ 3,358	(100.0)%
Fair value adjustment of convertible debentures derivative liability	$ (4,024)	—	n.m.
Development costs	—	$ 15,287	(100.0)%
Total significant items[1]	$ 10,488	$ 26,495	(60.4)%
Total expenses excluding significant items[1]	$ 394,144	$ 310,547	26.9%
Net income before taxes – adjusted[1]	$ 34,817	$ 32,896	5.8%
Income taxes – adjusted[1]	$ 9,376	$ 13,463	(30.4)%
Net income – adjusted[1]	$ 25,441	$ 19,433	30.9%
Significant items impacting net income attributable to common shareholders[1]			
Non-controlling interests – IFRS	$ 11,470	$ 10,268	11.7%
Amortization of equity component of the non-controlling interests in CGWM UK and other adjustment	$ 2,244	$ 1,265	77.4%
Non-controlling interests (adjusted)[1]	$ 9,226	$ 9,003	2.5%
Preferred share dividends	$ 2,852	$ 2,852	—
Net income attributable to common shareholders excluding significant items[1]	$ 13,363	$ 7,578	76.3%
Earnings per common share excluding significant items[1] – basic	$ 0.14	$ 0.10	40.0%
Diluted earnings per common share excluding significant items[1] – diluted	$ 0.13	$ 0.07	85.7%

(1) Figures excluding significant items are non-IFRS measures and are referred to as adjusted. See Non-IFRS Measures on page 8.
n.m.: not meaningful

Impact of Convertible Preferred Shares on EPS

Diluted earnings per common share ("diluted EPS") is computed using the treasury stock method, giving effect to the exercise of all dilutive elements. The Convertible Preferred Shares and Preference Shares issued by CGWM UK are factored into the diluted EPS 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 ended June 30, 2024, the effect of reflecting our proportionate share of CGWM UK's earnings is anti-dilutive under both IFRS and on an adjusted basis excluding significant items[1] for diluted EPS purposes. As such, the diluted EPS under both IFRS and on an adjusted basis excluding significant items[1] is computed based on net income attributable to common shareholders less accrued and paid dividends on the Convertible Preferred Shares and Preference Shares issued by CGWM UK.

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.

(1) See Non-IFRS Measures on page 8.

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.

Utilizing management's preliminary 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 or UK capital markets business units.

Notwithstanding this determination as of June 30, 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.

FIRST QUARTER 2025 VS. FIRST QUARTER 2024

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.

	Three months ended June 30		
(C$ thousands, except % amounts)	**2024**	2023	Quarter-over-quarter change
Commissions and fees	**$ 204,501**	$ 184,770	10.7%
Investment banking	**75,188**	36,961	103.4%
Advisory fees	**66,771**	40,652	64.3%
Principal trading	**24,974**	22,946	8.8%
Interest	**51,743**	52,272	(1.0)%
Other	**4,988**	5,723	(12.8)%
Canaccord Genuity Group Inc. (total)	**$ 428,165**	$ 343,324	24.7%

n.m.: not meaningful

REVENUE BY ACTIVITY AS A PERCENTAGE OF FIRM-WIDE REVENUE

	Three months ended June 30		
	2024	2023	Quarter-over-quarter change
Commissions and fees	**47.8%**	53.8%	(6.0) p.p.
Investment banking	**17.6%**	10.8%	6.8 p.p.
Advisory fees	**15.6%**	11.8%	3.8 p.p.
Principal trading	**5.8%**	6.7%	(0.9) p.p.
Interest	**12.1%**	15.2%	(3.1) p.p.
Other	**1.1%**	1.7%	(0.6) p.p.
Canaccord Genuity Group Inc. (total)	**100.0%**	100.0%	

p.p.: percentage points

Firm-wide revenue for the three months ended June 30, 2024 was $428.2 million, an increase of 24.7% or $84.8 million compared to the same period a year ago. The increase was driven by higher investment banking and advisory fees revenue across our core operations as well as an increase in commission and fees revenue in our global wealth management group.

Consolidated revenue in the Canaccord Genuity Capital Markets segment increased by $59.9 million or 41.1% in Q1/25 compared to the same quarter in the prior year. Advisory fees revenue and investment banking revenue increased by $26.5 million or 65.7% and $35.8 million or 121.3%, respectively, partially offset by a decrease of $3.1 million or 7.5% in commissions and fees revenue. Interest revenue also decreased by $1.9 million or 19.6% compared to the same period in the prior year.

Revenue in our global wealth management operations amounted to $215.9 million for the three-month period, an increase of 13.0% compared to the same period a year ago. This increase was primarily attributable to higher commission and fees revenue.

Commissions and fees revenue is primarily generated from private client investment management trading activity and institutional sales and trading. Firm-wide revenue generated from commissions and fees increased by $19.7 million or 10.7% to $204.5 million in Q1/25, primarily reflecting higher revenue from our global wealth management business.

Firm-wide investment banking revenue increased by $38.2 million or 103.4% to $75.2 million in Q1/25. Our Canadian, US, UK and Australian capital markets operations generated increases of 234.9%, 55.2%, 269.1% and 99.3%, respectively, compared to Q1/24. Further contributing to the overall increase in consolidated investment banking revenue was an increase of $2.4 million or 32.6% in our Canaccord Genuity Wealth Management segment compared to Q1/24, reflecting a modest increase in new issue activity.

Firm-wide advisory fee revenue increased by $26.1 million or 64.3% from the same quarter a year ago, to $66.8 million. Our US operations contributed $44.7 million of advisory revenue, representing an increase of $19.6 million or 78.1% compared to the same period in the prior year. Our UK & Europe operations also recorded an increase of $5.2 million or 94.0% compared to the three months ended June 30, 2023. Our Canadian capital markets operations recorded a modest growth of $1.7 million or 17.3% compared to Q1/24.

Firm-wide principal trading revenue was $25.0 million in Q1/25, representing a $2.0 million or 8.8% increase compared to Q1/24, mainly due to higher revenue in our US operations.

Firm-wide interest revenue was $51.7 million for the three months ended June 30, 2024, representing a slight decrease of $0.5 million or 1.0% from Q1/24.

Other revenue was $5.0 million for Q1/25, a decrease of $0.7 million or 12.8% from the same period a year ago.

Expenses

Firm-wide expenses for the three months ended June 30, 2024 were $404.6 million, an increase of 20.1% or $67.6 million from Q1/24. Total expenses excluding significant items[(1)] as a percentage of revenue increased by 1.5 percentage points compared to the three months ended June 30, 2023.

	Three months ended June 30		Quarter-over-quarter change
	2024	2023	
Compensation expense	**$ 254,157**	$ 185,923	36.7%
Other overhead expenses[(1)]	**151,138**	147,743	2.3%
Acquisition-related costs	**704**	—	n.m.
Restructuring costs	**2,657**	3,358	(20.9)%
Fair value adjustment of convertible debentures derivative liability	**(4,024)**	—	n.m.
Share of loss of an associate	**—**	18	(100.0)%
Total	**$ 404,632**	$ 337,042	20.1%

(1) Figures excluding significant items are non-IFRS measures. See Non-IFRS Measures on page 8.
n.m.: not meaningful

EXPENSES AS A PERCENTAGE OF FIRM-WIDE REVENUE

	Three months ended June 30		Quarter-over-quarter change
	2024	2023	
Compensation expense	**59.4%**	54.2%	5.2 p.p.
Other overhead expenses[(1)]	**35.3%**	43.0%	(7.7) p.p.
Restructuring costs	**0.5%**	1.0%	(0.5) p.p.
Acquisition-related costs	**0.2%**	0.0%	0.2 p.p.
Fair value adjustment of convertible debentures derivative liability	**(0.9)%**	0.0%	(0.9) p.p.
Share of loss of an associate	**0.0%**	0.0%	(0.0) p.p.
Total	**94.5%**	98.2%	(3.7) 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

(1) See Non-IFRS Measures on page 8.

Compensation Expense

Firm-wide compensation expense in Q1/25 was $254.2 million, an increase of $68.2 million or 36.7% compared to Q1/24. Total compensation expense as a percentage of revenue increased from 54.2% in Q1/24 to 59.4% in Q1/25, an increase of 5.2 percentage points partially due to changes in the valuation of share-based awards granted in prior periods.

OTHER OVERHEAD EXPENSES

	Three months ended June 30		
(C$ thousands, except % amounts)	**2024**	2023	Quarter-over-quarter change
Trading costs	$ **21,988**	$ 21,978	0.0%
Premises and equipment	**18,373**	13,873	32.4%
Communication and technology	**21,540**	22,612	(4.7)%
Interest	**27,908**	21,597	29.2%
General and administrative	**37,952**	35,156	8.0%
Amortization(1)	**9,815**	9,903	(0.9)%
Development costs	**13,562**	22,624	(40.1)%
Total other overhead expenses	$ **151,138**	$ 147,743	2.3%

(1) Includes amortization of intangible assets. See the Selected Financial Information Excluding Significant Items table on page 17.

Other overhead expenses were $151.1 million, an increase of 2.3% in Q1/25 compared to Q1/24. As a percentage of revenue, other overhead expenses were 35.3% in Q1/25 compared to 43.0% in Q1/24, a decrease of 7.7 percentage points.

Premises and equipment above and elsewhere in this MD&A includes interest expense on lease liabilities and amortization of right-of-use assets. Comparatives for prior periods have been restated. The increase of $4.5 million or 32.4% compared to the same period in the prior year represents additional expenses recorded for new office locations in New York and Vancouver which are not in use and still currently under construction.

Interest expense, excluding interest on lease liabilities as noted above, increased by $6.3 million or 29.2% compared to Q1/24, primarily as a result of the interest expense on the convertible unsecured senior subordinated debentures ("Convertible Debentures") issued in March 2024.

General and administrative expense increased by $2.8 million or 8.0% for the quarter ended June 30, 2024, compared to the same period in the prior year primarily due to an increase in our Corporate and Other segment to support the growth in our business.

Development costs were $13.6 million in Q1/25, compared to $22.6 million in Q1/24, largely due to expenses related to the expired management take-over bid recorded in the prior year in our Corporate & Other segment.

Income Tax

Income tax expense for the three months ended June 30, 2024 was $6.8 million on income before income taxes of $23.5 million compared to tax expense of $6.6 million on income before income taxes of $6.3 million in Q1/24. The change in effective tax rate was largely due to the change in value of deferred tax assets related to unvested awards in connection with share-based payment plans, and changes in the value of stock-based awards compared to the previous quarter and the impact of Pillar Two which became effective in the current fiscal year and which caused an incremental increase in tax expense of $0.9 million for the quarter.

Net Income (Loss)

Net income for Q1/25 was $16.7 million compared to a net loss of $0.3 million in the same period a year ago. Net income attributable to common shareholders was $2.4 million compared to a net loss attributable to common shareholders of $13.4 million for the three months ended June 30, 2023. Diluted earnings per common share was $0.02 in Q1/25 compared to a diluted loss per common share of $0.15 in Q1/24.

Excluding significant items[1], net income for Q1/25 was $25.4 million compared to net income of $19.4 million in Q1/24. Net income attributable to common shareholders excluding significant items[1] was $13.4 million compared to $7.6 million for the same period in the prior year. Diluted earnings per common share excluding significant items[1] was $0.13 in Q1/25 compared to diluted earnings per common share excluding significant items[1] of $0.07 in Q1/24.

(1) See Non-IFRS Measures on page 8.

Business Segment Results – three months ended June 30, 2024 compared with three months ended June 30, 2023(1)(2)(3)

	Three months ended June 30							
	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	$ 50,180	$ 87,859	$ 6,618	$ 144,657	$ 40,697	$ 71,416	$ 6,605	$ 118,718
UK & Europe	24,331	107,470	—	131,801	13,330	103,172	—	116,502
US	98,087	2,163	—	100,250	73,460	1,198	—	74,658
Australia	33,026	18,431	—	51,457	18,207	15,239	—	33,446
Total revenue	205,624	215,923	6,618	428,165	145,694	191,025	6,605	343,324
Expenses	192,632	182,402	29,598	404,632	149,892	157,288	29,862	337,042
Intersegment allocations	5,313	7,613	(12,926)	—	4,367	4,706	(9,073)	—
Income (loss) before income taxes	$ 7,679	$ 25,908	$ (10,054)	$ 23,533	$ (8,565)	$ 29,031	$ (14,184)	$ 6,282
Excluding significant items(3)								
Revenue	205,624	215,923	7,414	428,961	145,694	191,025	6,724	343,443
Expenses	187,279	175,037	31,828	394,144	148,969	150,361	11,217	310,547
Intersegment allocations	5,313	7,613	(12,926)	—	4,367	4,706	(9,073)	—
Income (loss) before income taxes	13,032	33,273	(11,488)	34,817	(7,642)	35,958	4,580	32,896
Number of employees	787	1,532	436	2,755	867	1,495	468	2,830

(1) Financial measures are in accordance with IFRS except for figures excluding significant items. See Non-IFRS Measures on page 8. Detailed financial results for the business segments are shown in Note 21 of the unaudited interim condensed consolidated financial statements on page 60.
(2) The operating results of the Australian operations have been fully consolidated and a non-controlling interest of 31.8% has been recognized for three months ended June 30, 2024 [three months ended June 30, 2023 – 31.8%]
(3) See the Q1 Fiscal 2025 Selected Financial Information Excluding Significant Items table on page 17.

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.

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 approximately 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 June 30, 2024					Three months ended June 30, 2023				
(C$ thousands, except number of employees)	**Canada**	**UK**	**US**	**Australia**	**Total**	Canada	UK	US	Australia	Total
Revenue	**50,180**	**24,331**	**98,087**	**33,026**	**205,624**	40,697	13,330	73,460	18,207	145,694
Expenses										
Compensation expense	**25,111**	**14,572**	**64,042**	**20,464**	**124,189**	16,543	11,319	47,335	10,009	85,206
Other overhead expenses	**14,946**	**9,039**	**37,091**	**4,710**	**65,786**	18,712	8,280	33,280	4,414	64,686
Restructuring costs	**—**	**—**	**2,657**	**—**	**2,657**	—	—	—	—	—
Total expenses	**40,057**	**23,611**	**103,790**	**25,174**	**192,632**	35,255	19,599	80,615	14,423	149,892
Intersegment allocations[3]	**3,924**	**345**	**903**	**141**	**5,313**	2,913	344	905	205	4,367
Income (loss) before income taxes[3]	**$ 6,199**	**$ 375**	**$(6,606)**	**$ 7,711**	**$ 7,679**	$ 2,529	$(6,613)	$(8,060)	$ 3,579	$(8,565)
Non-controlling interests[2]	**—**	**—**	**—**	**1,791**	**1,791**	—	—	—	818	818
Excluding significant items[4]										
Total revenue	**50,180**	**24,331**	**98,087**	**33,026**	**205,624**	40,697	13,330	73,460	18,207	145,694
Total expenses	**40,057**	**23,393**	**98,655**	**25,174**	**187,279**	35,255	19,120	80,171	14,423	148,969
Intersegment allocations[3]	**3,924**	**345**	**903**	**141**	**5,313**	2,913	344	905	205	4,367
Income (loss) before income taxes[3]	**$ 6,199**	**$ 593**	**$(1,471)**	**$ 7,711**	**$13,032**	$ 2,529	$(6,134)	$(7,616)	$ 3,579	$(7,642)
Number of employees	**170**	**164**	**366**	**87**	**787**	219	167	391	90	867

(1) Financial measures are in accordance with IFRS except for figures excluding significant items. See Non-IFRS Measures on page 8.
(2) The operating results of the Australian operations have been fully consolidated and a non-controlling interest of 31.8% has been recognized for the first quarter of fiscal 2025 [31.8% for the three months ended June 30, 2023]. Non-controlling interests are presented on an after-tax basis.
(3) Income before income taxes includes intersegment allocations and excludes non-controlling interests. See the Intersegment Allocated Costs section on page 28.
(4) Refer to the Q1 Fiscal 2025 Selected Financial Information Excluding Significant Items table on page 17.

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 June 30		
	2024	2023	Quarter-over-quarter change
Revenue generated in:			
Canada	**24.4%**	27.9%	(3.5) p.p
UK & Europe	**11.8%**	9.1%	2.7 p.p
US	**47.7%**	50.4%	(2.7) p.p
Australia	**16.1%**	12.6%	3.5 p.p
Canaccord Genuity Capital Markets (total)	**100%**	100%	

p.p.: percentage points

Canaccord Genuity Capital Markets generated revenue of $205.6 million in Q1/25, an increase of 41.1% or $59.9 million from the same quarter a year ago. Our US capital markets business contributed 47.7% or $98.1 million of global capital markets revenue for the three-month period. Consolidated US capital markets revenue increased by 33.5% year-over-year primarily due to increased contributions from investment banking (55.2%), advisory fees (78.1%) and principal trading (23.3%), which were partially offset by decreases in commission and fees and interest revenue.

In Canada, revenue increased by $9.5 million or 23.3% compared to the three months ended June 30, 2023, which reflected a $16.2 million or 234.9% increase in investment banking revenue, as well as a $1.7 million or 17.3% increase in advisory fees revenue.

Our UK & Europe operations reflected a revenue increase of $11.0 million or 82.5% driven by higher commissions and fees, investment banking, advisory fees, and principal trading revenue.

Revenue in our Australian operations increased by $14.8 million compared to Q1/24 due to an increase in new issue activity in the current quarter.

Investment banking

Market-wide underwriting activity levels began to show improvement in the first quarter of fiscal 2025 and revenue from this segment improved in each of our geographies. Revenue from the Metals & Mining sector, a historic area of strength for the Company, reflects contributions from Australia, Canada and the UK. Revenue from the Life Sciences sector was led by our US and Canadian capital markets businesses and includes transactions with companies in the cannabis sector. Revenue in the Other segment was led by our UK and Canadian businesses and included transactions with companies in the Energy sector.

Investment banking revenue for the three months ended June 30, 2024 was $65.3 million, an increase of $35.8 million or 121.3% compared to the revenue earned in Q1/24 and an improvement of 32.5% compared to Q4/24.

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)

Sectors	Global	Canada	US	UK	Australia
Life Sciences	**9%**	4%	37%	0%	1%
Technology	**18%**	21%	42%	0%	6%
Metals & Mining	**47%**	40%	5%	20%	71%
Consumer & Retail	**1%**	1%	0%	0%	1%
Other	**25%**	34%	16%	80%	21%
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

Increasing contributions from higher-margin advisory activities continues to be an important strategic priority for the Company. Our specialized expertise in key sectors of the economy and track record of success in equity capital markets activities positions us well to unlock opportunities for our clients as they grow. We lead a wide variety of sell-side and buy-side strategic advisory mandates both domestically and cross border, and we have established leadership in alternative financing vehicles. In the first quarter of fiscal 2025, revenue earned through our capital markets advisory segment increased by 65.7% year-over-year to $66.8 million. Our US business was the largest contributor in this segment, with advisory revenue of $44.7 million, a year-over-year increase of 78.1%. In Canada, advisory fees revenue amounted to $11.3 million, an increase of $1.7 million or 17.3% compared to the three months ended June 30, 2023. Advisory fees revenue in UK & Europe also increased by 94.0% compared to the first quarter of fiscal 2024.

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

Sectors	Global	Canada	US	UK
Life Sciences	**8%**	21%	6%	3%
Technology	**70%**	21%	87%	49%
Metals & Mining	**3%**	14%	0%	3%
Consumer & Retail	**7%**	2%	4%	26%
Other	**12%**	42%	3%	19%
Total	**100.0%**	100.0%	100.0%	100.0%

Principal trading

Revenue earned from principal trading activity amounted to $24.8 million, an increase of $1.8 million or 7.7% compared to the same period in the prior fiscal year. Our US business contributed $21.2 million of trading revenues largely attributable to the International Equities Group.

Commissions and Fees

Commissions and fees revenue was $38.0 million, a decrease of $3.1 million or 7.5% compared to Q1/24, reflecting lower client trading activity and new issue activity. Our UK & Europe operations recorded an increase of $3.6 million or 66.9% compared to Q1/24, which was offset by decreases of 14.1% and 39.8% recorded in our US and Canadian operations, respectively.

EXPENSES – CANACCORD GENUITY CAPITAL MARKETS

Expenses in our capital markets division for Q1/25 were $192.6 million, an increase of 28.5% or $42.7 million compared to Q1/24. Excluding significant items[(1)] total expenses for Q1/25 were $187.3 million, an increase of 25.7% year over year. As a percentage of revenue, total expenses excluding significant items[(1)] decreased by 11.2 percentage points compared to the same quarter in the prior year.

Compensation expense

Compensation expense in our capital markets division for Q1/25 increased by $39.0 million or 45.8% compared to Q1/24. Total compensation expense as a percentage of revenue was 60.4% compared to 58.5% for the three months ended June 30, 2023.

(1) Figures excluding significant items are non-IFRS measures. See Non-IFRS Measures on page 8.

In Canada capital markets, total compensation as a percentage of revenue increased by 9.4 percentage points compared to Q1/24, partially due to the impact of changes in the valuation of stock-based awards granted in prior periods. In the UK & Europe, a significant increase in revenue from $13.3 million in Q1/24 to $24.3 million in Q1/25 led to a decrease of 25.0 percentage points in compensation ratio compared to the same period in the prior year reducing the impact of fixed compensation charges on compensation ratio. In Australia, a change in the relative levels of fixed and variable compensation in relation to the increase in revenue in the first quarter of fiscal 2025 contributed to an increase of 7.0 percentage points in compensation ratio. In the US, total compensation as a percentage of revenue was largely consistent with Q1/24 with a slight increase of 0.9 percentage points.

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

	Three months ended June 30		
	2024	2023	Quarter-over-quarter change
Canada	**50.0%**	40.6%	9.4 p.p
UK & Europe	**59.9%**	84.9%	(25.0) p.p
US	**65.3%**	64.4%	0.9 p.p
Australia	**62.0%**	55.0%	7.0 p.p
Canaccord Genuity Capital Markets (total)	**60.4%**	58.5%	1.9 p.p

p.p.: percentage points

Other overhead expenses

Other overhead expenses in this division increased by 1.7% compared to Q1 fiscal 2024, to $65.8 million.

As discussed above, commencing Q1 fiscal 2025, premises and equipment expense presented in this MD&A includes interest expense on leases as well as amortization of right of use assets. Comparatives for prior periods have been restated. Premises and equipment expense increased by $2.3 million or 30.9% compared to Q1/24 due to additional costs incurred in relation to our new office location in New York which is not in use and still currently under construction.

The other overhead costs were largely in line with the same period in the prior year.

Income (loss) before income taxes

Income before income taxes, including allocated overhead expenses for Q1/25, was $7.7 million for our combined capital markets business, compared to a net loss of $8.6 million in the same quarter a year ago. Excluding significant items[1] net income before taxes was $13.0 million in Q1/25 compared to a net loss before income taxes of $7.6 million in Q1/24, largely driven by higher revenue.

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 June 30, 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 83.6% for the three months ended June 30, 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 258 Investment Professionals on June 30, 2024.

On June 30, 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 47.7% for the three months ended June 30, 2024. This business had 142 Investment Advisor teams on June 30, 2024.

In Australia, Canaccord Genuity Wealth Management had nine offices on June 30, 2024. This business had 124 Investment Advisor teams on June 30, 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

(1) Figures excluding significant items are non-IFRS measures. See Non-IFRS Measures on page 8.

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 fluctuations 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 a broader range of services to investors to support their investment needs, while driving organic growth.

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)

	Three months ended June 30		
(C$ thousands, except AUM and AUA (in C$ millions), number of employees, Advisory Teams and % amounts)	**2024**	2023	Quarter-over-quarter change
Revenue	**$ 90,022**	$ 72,614	24.0%
Expenses			
Compensation expense	**47,380**	37,704	25.7%
Other overhead expenses	**26,792**	21,853	22.6%
Total expenses	**$ 74,172**	$ 59,557	24.5%
Intersegment allocations(2)	**6,909**	4,065	70.0%
Income before income taxes(2)	**$ 8,941**	$ 8,992	(0.6)%
AUM (discretionary)(3)	**12,115**	10,201	18.8%
AUA(4)	**38,321**	37,184	3.1%
Number of Advisory Teams	**142**	147	(3.4)%
Number of employees	**526**	523	0.6%
Excluding significant items(5)			
Total expenses	**$ 73,856**	$ 59,537	24.1%
Intersegment allocations(2)	**6,909**	4,065	70.0%
Income before income taxes (2)	**$ 9,257**	$ 9,012	2.7%

(1) Financial measures are in accordance with IFRS except for figures excluding significant items. See Non-IFRS Measures on page 8.
(2) Income before income taxes includes intersegment allocations. See the Intersegment Allocated Costs section on page 28.
(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 8.
(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 8.
(5) Refer to Non-IFRS Measures on page 8 and the Q1 Fiscal 2025 Selected Financial Information Excluding Significant Items table on page 17.

Revenue from Canaccord Genuity Wealth Management North America was $ 90.0 million, an increase of $17.4 million or 24.0% compared to the three months ended June 30, 2023. Interest revenue, commission and fees and investment banking increased by 23.5%, 22.8% and 37.3%, respectively.

AUA(1) in Canada increased by 3.1% to $38.3 billion at June 30, 2024, compared to $37.2 billion at June 30, 2023, largely driven by net new assets and market growth. At June 30, there were 142 Advisory Teams in Canada, a decrease of five from a year ago. Fee-related revenue in our North American operations as a percentage of total revenue decreased slightly by 0.5 percentage points compared to Q1/24 and accounted for 47.7% of the wealth management revenue in Canada during the first quarter of fiscal 2025.

Total expenses in this business for Q1/25 were $74.2 million, an increase of $14.6 million or 24.5% compared to Q1/24. Total compensation expense as a percentage of revenue increased slightly by 0.7 percentage points to 52.6% in Q1/25 compared to Q1/24.

(1) Figures excluding significant items are non-IFRS measures. See Non-IFRS Measures on page 8.

Other overhead costs in this business increased by $4.9 million compared to the three months ended June 30, 2023. Interest expense increased by $2.0 million or 112.3% compared to the same period in the prior year, partially offset by a decline of communication and technology expense of $1.0 million or 37.2%. In addition, development costs increased by $2.9 million or 72.5% due to amortization of incentive-based payments to new recruits.

Income before taxes for Q1 fiscal 2025 was $8.9 million, a slight decline of 0.6% compared to the same period in the prior year. Excluding significant items[1], income before income taxes for Q1 fiscal 2025 was $9.3 million compared to $9.0 million in Q1 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 June 30 2024	Three months ended June 30 2023	Quarter-over-quarter change
Revenue	**$ 107,470**	$ 103,172	4.2%
Expenses			
Compensation expense	**48,752**	45,119	8.1%
Other overhead expenses	**41,617**	37,628	10.6%
Acquisition-related cost	**704**	—	n.m.
Total expenses	**91,073**	82,747	10.1%
Intersegment allocations[2]	**564**	564	—
Income before income taxes[2]	**15,833**	19,861	(20.3)%
Non-controlling interest[6]	**9,411**	9,381	0.3%
AUM[3]	**60,876**	54,670	11.4%
Number of investment professionals and fund managers	**258**	257	0.4%
Number of employees	**756**	733	3.1%
Excluding significant items[4]			
Total expenses	**$ 84,139**	$ 75,955	10.8%
Intersegment allocations[2]	**564**	564	—
Income before income taxes[2]	**22,767**	26,653	(14.6)%
Non-controlling interest[6]	**7,167**	8,116	(11.7)%

(1) Financial measures are in accordance with IFRS except for figures excluding significant items. See Non-IFRS Measures on page 8.
(2) Income before income taxes includes intersegment allocations. See the Intersegment Allocated Costs section on page 28.
(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 8.
(4) Refer to Non-IFRS Measures on page 8 and the Q1 Fiscal 2025 Selected Financial Information Excluding Significant Items table on page 17.
(5) Includes the operating results of Adam & Company since the acquisition date of October 1, 2021, PSW as of May 31, 2022 and ICL since April 8, 2024.
(6) The non-controlling interest is the portion of the net income after income taxes of CGWM UK not attributable to the Company.
n.m. not meaningful

Revenue generated by our UK & Crown Dependencies wealth management operation 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 for Q1/25 was $107.5 million, an increase of 4.2% from the same period in the prior year. Measured in local currency (GBP), revenue was £62.2 million in Q1/25 compared to £61.4 million in Q1/24, an increase of 1.4% compared to the same quarter last year.

AUM[1] in the UK & Crown Dependencies as of June 30, 2024 was $60.9 billion, an increase of 11.4% compared to $54.7 billion as of June 30, 2023. Fee-related revenue in our UK & Crown Dependencies wealth management operations accounted for 83.6% of total revenue in Q1/25, an increase of 1.2 percentage points from the same period in the prior year.

Total compensation expense in this business increased by $3.6 million or 8.1% in Q1/25 compared to the three months ended June 30, 2023. Total compensation expense as a percentage of revenue increased by 1.7 percentage points from 43.7% in Q1/24 to 45.4% in Q1/25.

Other overhead expenses were $41.6 million for Q1/25 compared to $37.6 million in Q1/24, an increase of $4.0 million or 10.6% year-over-year. The most significant increase related to an increase in development costs of $4.1 million compared to Q1/24 related to support the business development and growth in this operating segment. In addition, interest expense increased by $0.7 million or 5.3% due to higher interest on the bank loans obtained in connection with acquisitions. Partially offsetting these increases was a decrease in general and administrative expense of $0.7 million or 11.8% over the same period in the prior year. This business recorded acquisition-related costs of $0.7 million related to the acquisition of ICL completed in Q1 fiscal 2025.

Income before income taxes was $15.8 million compared to $19.9 million in Q1/24. Net income before taxes excluding significant items[1] was $22.8 million, representing a $3.9 million decrease from the same period in the prior year.

Normalized EBITDA[1], a commonly used operating metric for this business, was £18.7 million for the three-month period ended June 30, 2024.

(1) See Non-IFRS Measures on page 8.

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 June 30 2024	2023	Quarter-over-quarter change
Revenue	**$ 18,431**	$ 15,239	20.9%
Expenses			
Compensation expense	**12,490**	10,341	20.8%
Other overhead expenses	**4,667**	4,643	0.5%
Total expenses	**17,157**	14,984	14.5%
Intersegment allocations(2)	**140**	77	81.8%
Income before income taxes(2)	**1,134**	178	n.m.
Non-controlling interest(6)	**268**	69	288.4%
AUM(3)	**6,635**	5,406	22.7%
Number of investment professionals and fund managers	**124**	121	2.5%
Number of employees	**250**	239	4.6%
Excluding significant items(4)			
Total expenses	**$ 17,042**	$ 14,869	14.6%
Intersegment allocations(2)	**140**	77	81.8%
Income before income taxes(2)	**1,249**	293	n.m.
Non-controlling interest(6)	**268**	69	288.4%

(1) Financial measures are in accordance with IFRS except for figures excluding significant items. See Non-IFRS Measures on page 8.
(2) Income before income taxes includes intersegment allocations. See the Intersegment Allocated Costs section on page 28.
(3) AUM is the market value of client assets managed and administered by the Company. See Non-IFRS Measures on page 8.
(4) Refer to Non-IFRS Measures on page 8 and the Q1 Fiscal 2025 Selected Financial Information Excluding Significant Items table on page 17.
(5) The non-controlling interest is the portion of the net income after income taxes of Canaccord Genuity Wealth Management Australia not attributable to the Company.
n.m.: not meaningful

During the three months ended June 30, 2024, Canaccord Genuity Wealth Management Australia generated revenue of $18.4 million, an increase of $3.2 million or 20.9% compared to Q1/24. AUM(1) in the Australian wealth management operations was $6.6 billion as of June 30, 2024, an increase of 22.7% as a result of an increase in net new assets. In addition, client assets(1) totalling $13.9 billion are also held on record in other less active accounts on our Australian wealth management platforms compared to $14.5 billion as of June 30, 2023. Fee-related revenue in our Australian operations as a percentage of total revenue accounted for 39.8% of the wealth management revenue during the first quarter of fiscal 2025, in line with the same quarter in the prior year.

Total compensation expense increased by $2.1 million or 20.8% in Q1/25 compared to Q1/24. Total compensation expense as a percentage of revenue was 67.8% for Q1/25, a slight decrease of 0.1 percentage points from the same period in the prior year.

Other overhead expenses increased slightly by 0.5% compared to the three months ended June 30, 2023. Most of the overhead expenses remained broadly in line with the first quarter of fiscal 2024.

Net income before income taxes was $1.1 million in Q1/25 compared to net income before income taxes of $0.2 million in Q1/24. Excluding significant items(1) net income before taxes was $1.2 million for the three months ended June 30, 2024 compared to net income before taxes of $0.3 million in the same period in the prior year.

(1) See Non-IFRS Measures on page 8.

CORPORATE AND OTHER SEGMENT[1]

FINANCIAL PERFORMANCE – CORPORATE AND OTHER SEGMENT

(C$ thousands, except number of employees and % amounts)	Three months ended June 30 2024	2023	Quarter-over-quarter change
Revenue	**$ 6,618**	$ 6,605	0.2%
Expenses			
Compensation expense	**21,346**	7,553	182.6%
Other overhead expenses	**12,276**	18,933	(35.2)%
Restructuring costs	**—**	3,358	(100.0)%
Fair value adjustment of convertible debentures derivative liability	**(4,024)**	—	n.m.
Share of loss of an associate	**—**	18	(100.0)%
Total expenses	**29,598**	29,862	(0.9)%
Intersegment allocations[2]	**(12,926)**	(9,073)	(42.5)%
Loss before income taxes[2]	**(10,054)**	(14,184)	29.1%
Number of employees	**436**	468	(6.8)%
Excluding significant items[3]			
Revenue	**$ 7,414**	$ 6,724	10.3%
Total expenses	**31,828**	11,217	183.7%
Intersegment allocations[2]	**(12,926)**	(9,073)	(42.5)%
Loss before income taxes[2]	**(11,488)**	4,580	n.m.

(1) Financial measures are in accordance with IFRS except for figures excluding significant items. See Non-IFRS Measures on page 8.
(2) Loss before income taxes includes intersegment allocations. See the Intersegment Allocated Costs section on page 28.
(3) Refer to Non-IFRS Measures on page 8 and the Q1 Fiscal 2025 Selected Financial Information Excluding Significant Items table on page 17.
(4) Certain headcounts have been reallocated from Capital Markets Canada to Corporate & Other. Comparatives have been restated.
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 June 30, 2024 was $6.6 million compared to a revenue of $6.6 million in the same quarter a year ago.

Expenses in this segment for Q1/25 decreased by $0.3 million or 0.9% to $29.6 million compared to the three months ended June 30, 2023. Total expenses excluding significant items[1] increased by $20.6 million or 183.7% from Q1 fiscal 2024.

Compensation expense increased by $13.8 million or 182.6% compared to the three months ended June 30, 2023, largely driven by changes in the valuation of certain share-based awards granted in prior periods.

The decrease in other overhead expenses of $6.7 million over Q1/24 was largely related to professional fees incurred in Q1/24 in relation to the expired management take-over bid. The decrease was partially offset by an increase of $3.2 million in interest expense in connection with the Convertible Debentures issued in Q4/24, as well as an increase of $4.4 million or 199.8% in general and administrative expense. Premises and equipment expense also increased by $1.0 million or 92.2% compared to the first quarter of the prior year as a result of additional expenses related to the planned relocation of the Vancouver office currently under construction.

In connection with the Convertible Debentures issued in the fourth quarter of fiscal 2024, the Company recorded a recovery of $4.0 million as a fair value adjustment on the derivative liability component.

Overall, the loss before income taxes was $10.1 million in Q1/25 compared to a loss of $14.2 million in Q1/24. The net loss before taxes excluding significant items[1] was $11.5 million for the three months ended June 30, 2024, compared to a net income before taxes of $4.6 million for the same period in the prior year.

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.

(1) See Non-IFRS Measures on page 8.

Quarterly Financial Information – Eight Fiscal Quarters Prior to Q1/25[1]

The following table provides selected quarterly financial information for the eight most recently completed financial quarters ended on or before June 30, 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.

	Fiscal 2025	Fiscal 2024				Fiscal 2023			
(C$ thousands, except number of employees and % amounts)	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Revenue									
Canaccord Genuity Capital Markets	**205,624**	**202,850**	189,843	144,809	145,694	226,140	196,879	205,697	164,137
Canaccord Genuity Wealth Management:									
North America	**90,022**	**77,574**	77,035	70,813	72,614	78,410	77,364	73,429	72,961
UK & Crown Dependencies	**107,470**	**105,469**	101,829	101,004	103,172	103,730	85,691	80,970	73,337
Australia	**18,431**	**17,035**	16,178	15,409	15,239	14,969	16,633	14,889	15,921
Corporate and Other	**6,618**	**6,120**	4,258	5,255	6,605	7,140	5,549	5,537	(8,986)
Total revenue	**428,165**	**409,048**	389,143	337,290	343,324	430,389	382,116	380,522	317,370
Net income (loss)	**16,721**	**7,912**	28,005	(5,867)	(268)	3,763	(82,065)	26,564	(3,004)
Earnings (loss) per common share – basic	**$ 0.03**	**$ (0.07)**	$ 0.15	$ (0.20)	$ (0.15)	$ (0.08)	$ (1.10)	$ 0.17	$ (0.14)
Diluted earnings (loss) per common share	**$ 0.02**	**$ (0.07)**	$ 0.14	$ (0.20)	$ (0.15)	$ (0.08)	$ (1.10)	$ 0.14	$ (0.14)
Net Income excluding significant items[1]	**$ 25,441**	**$ 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	**$ 0.14**	**$ 0.20**	$ 0.24	$ —	$ 0.10	$ 0.10	$ 0.20	$ 0.30	$ 0.13
Diluted earnings per common share, excluding significant items[1]	**$ 0.13**	**$ 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 8.

Quarterly financial information excluding significant items[1][2] – Eight fiscal quarters prior to Q1/25

	Fiscal 2025	Fiscal 2024				Fiscal 2023			
(C$ thousands, except per share amounts)	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Total revenue per IFRS	**$ 428,165**	$ 409,048	$ 389,143	$ 337,290	$ 343,324	$ 430,389	$ 382,116	$ 380,522	$ 317,370
Total expenses per IFRS	**404,632**	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	**796**	230	360	218	119	—	233	1,271	11,447
Total revenue excluding significant items	**$ 428,961**	$ 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	**157**	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	**2,657**	—	—	12,673	—	—	—	—	—
Lease expenses related to premises under construction	**2,026**	1,975	—	—	—	—	—	—	—
Acquisition-related costs	**—**	—	—	—	—	—	—	1,477	—
Impairment of goodwill and other intangible assets	**—**	17,756	—	—	—	—	102,571	—	—
Incentive based costs related to acquisitions	**513**	200	532	362	573	648	523	437	367
Significant items recorded in Canaccord Genuity Wealth Management									
Amortization of intangible assets	**5,829**	5,754	5,707	5,727	5,639	6,314	5,830	5,944	4,312
Restructuring costs	**—**	—	—	810	—	—	—	—	—
Acquisition-related costs	**704**	—	—	—	—	—	—	(1,656)	7,582
Incentive based costs related to acquisitions	**832**	948	724	926	1,288	1,477	649	1,265	586

	Fiscal 2025	Fiscal 2024				Fiscal 2023			
(C$ thousands, except per share amounts)	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Significant items recorded in Corporate and Other									
Restructuring costs	—	—	—	1,306	3,358	—	—	—	—
Lease expenses related to premises under construction	1,794	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	(4,024)	4,421	—	—	—	—	—	—	—
Total significant items – expenses	10,488	24,482	7,242	16,947	26,495	10,907	112,024	10,312	14,111
Total expenses excluding significant items	394,144	370,205	344,803	321,017	310,547	414,055	350,878	331,178	301,365
Net income before income taxes – adjusted	$ 34,817	$ 39,073	$ 44,700	$ 16,491	$ 32,896	$ 16,334	$ 31,471	$ 50,615	$ 27,452
Income tax expense (recovery) – adjusted	9,376	8,294	11,396	5,774	13,463	(1,094)	3,274	15,189	7,517
Net income – adjusted	$ 25,441	$ 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	$ 2,852	$ 2,391	$ 2,391	$ 2,391
Net income attributable to common shareholders	$ 13,363	$ 17,397	$ 20,767	$ (299)	$ 7,578	$ 6,793	$ 16,561	$ 25,793	$ 11,879
Earnings per common share adjusted – basic	$ 0.14	$ 0.20	$ 0.24	$ —	$ 0.10	$ 0.10	$ 0.20	$ 0.30	$ 0.13
Diluted earnings per common share adjusted – diluted	$ 0.13	$ 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 8.

(2) Due to the change in the number of fully diluted shares resulting from the convertible debenture redemption in Q4 fiscal 2021 as well as the impact of the Convertible Preferred Shares issued, 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 $428.2 million in Q1/25, which was 14.6% higher than the average for the previous eight quarters. On a consolidated basis, investment banking revenue was $75.2 million in Q1/25, the highest in the last eight quarters due to improved market-wide activity in all our geographies. Advisory fees revenue of $66.8 million was 10.2% lower than the average of the last eight fiscal quarters, which included record revenue achieved in fiscal 2023, but improved by 64.3% year-over-year. Firm-wide commissions and fees revenue was 8.8% higher than the average of the last eight quarter. Revenue from principal trading activities increased by 8.8% year-over-year to $25.0 million.

Interest revenue of $51.7 million represents an increase of 32.2% compared to the average of the last eight fiscal quarters. The growth in interest revenue has slowed in recent quarters as interest rates have stabilized.

Global Capital Markets

Our global capital markets operations generated revenue of $205.6 million, an increase of 11.5% from the average quarterly revenue for the past eight quarters as activity levels improved across all business lines, most notably investment banking and advisory fees.

Our US capital markets operation was the biggest contributor to capital markets revenue with $98.1 million for the quarter, an increase of 10.7% from the previous quarter. First quarter revenue in this region was 4.9% lower than the average of the last eight fiscal quarters. While advisory activity in this business has remained healthy, first quarter revenue in this business unit was 6.2% lower than the average of the last eight fiscal quarters, a comparison period that included high quarterly revenues earned in fiscal 2023.

Revenue in our Canadian capital markets operations was $50.2 million in Q1/25, an increase of 23.3% compared to the same period in the prior year but a decrease of 20.0% over Q4 fiscal 2024. First quarter revenue in this business was 27.4% higher than the average of the last eight fiscal quarters; this is primarily attributable to higher investment banking revenue.

Revenue in our Australian capital markets operations increased by 18.5% sequentially, principally as a result of a 26.5% increase in investment banking revenue which reflects higher activity levels in our core focus sectors. First quarter revenue in this region was 71.8% higher than the average of the last eight fiscal quarters.

Our UK & Europe capital markets operations recorded revenue of $24.3 million for Q1/25, an increase of 3.0% compared to the previous quarter. First quarter revenue in this business was 7.1% higher than the average of the last eight fiscal quarters.

Global Wealth Management

First quarter revenue in our global wealth management businesses amounted to $215.9 million, an increase of 13.0% year-over-year. First quarter revenue in this division was 16.6% higher than the average of the last eight fiscal quarters.

Revenue in our Canaccord Genuity North America wealth management operations increased by 16.1% compared to Q4/24. First quarter revenue in this business was 20.0% higher than the average of the last eight fiscal quarters as commission and fees, investment banking and interest revenue all increased. AUA(1) were $38.3 billion, an increase of 3.1% when measured against the first quarter of fiscal 2024.

The CGWM UK operations have contributed consistently to our revenue and profitability levels. Revenue for Q1/25 was $107.5 million, 13.9% higher than the average for the past eight quarters, supported by stronger commissions and fees and interest revenue. AUM(1) for this group increased by 11.4% as of the end of Q1/25 to $60.9 billion due to movement in foreign exchange rates, market values and net inflows.

Revenue in our Australia wealth management operations reached $18.4 million in Q1/25, an increase of 8.2% over the previous quarter and 20.9% compared to the corresponding quarter in fiscal 2024. AUM(1) as of June 30, 2024 were $6.6 billion, an increase of 22.7% compared to the corresponding period in fiscal 2024, reflecting our active recruitment efforts over the last fiscal year.

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 dollar relative to the US dollar and pound sterling.

Financial condition

ASSETS

Cash and cash equivalents were $897.4 million on June 30, 2024 compared to $855.6 million on March 31, 2024. Refer to the Liquidity and Capital Resources section on page 34 for more details.

Securities owned were $960.3 million on June 30, 2024 compared to $575.0 million on March 31, 2024, mainly due to increases in corporate and government debt securities, as well as equities and convertible debentures owned.

Accounts receivable were $2.7 billion at June 30, 2024 compared to $3.4 billion at March 31, 2024, mainly due to a decrease in receivable from brokers and dealers.

Goodwill was $627.8 million and intangible assets were $292.2 million on June 30, 2024. On March 31, 2024, goodwill was $615.5 million and intangible assets were $288.3 million. These amounts represent the goodwill and intangible assets acquired through the purchases of Collins Stewart Hawkpoint plc, Eden Financial Ltd., Hargreave Hale, Jitneytrade, McCarthy Taylor, Petsky Prunier, Thomas Miller, Patersons, Adam & Company, Sawaya, PSW, Results and as of June 30, 2024, ICL.

Right-of-use assets at June 30, 2024 were $191.7 million compared to $193.3 million at March 31, 2024, mainly due to amortization recorded during the period.

Certain executive officers and senior revenue producing employees ("the Participants") have entered into Purchase Loans with the Company's subsidiaries. The proceeds of the loans were used to subscribe for LP Units in the Partnership. The Purchase Loans bear interest and have a term up to seven years and are secured against a pledge of the LP Units.

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 the tax withholdings applicable to the Participant (the "Annual Repayment Amount"). For so long as the Purchase Loan is outstanding, these Participants will receive an amount from the Company equal to 0.67 times the pre-tax equivalent of any amount of the principal of the Purchase Loan repaid by the Participant from time to time (the "Top-Up"). The Top-Up, minus the tax withholdings applicable to these Participants, 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 from their monthly grid payout. The portion of the grid payout used for such repayment installments will equal 60% of the payment due minus applicable tax withholdings ("Monthly Repayment Amount"). For so long as the Purchase Loan is outstanding, the Company will contribute 40% of the pre-tax amount of the principal amount of the Purchase Loan repaid by these Participants from time to time (the "Monthly Top-Up"). The Monthly Top-Up, minus the tax withholdings applicable to these Participants, will be used to repay a portion of their Monthly Repayment Amount.

As of June 30, 2024, the aggregate Purchase Loans outstanding net of principal repayments was $64.2 million. The current portion of $18.1 million is included in Accounts Receivable and the long -term portion of $46.1 million is included in Other Receivables on the unaudited interim condensed consolidated statements of financial position as of June 30, 2024.

Other assets, consisting of income taxes receivable, deferred tax assets, equipment and leasehold improvements, and investments, were $200.4 million at June 30, 2024 compared to $178.7 million at March 31, 2024. The increase in other assets was mainly due to increase in fixed assets related to the construction of new office locations in New York and Vancouver.

LIABILITIES AND NON-CONTROLLING INTERESTS

Securities sold short were $570.4 million at June 30, 2024 compared to $495.2 million at March 31, 2024, mostly due to an increase in short positions in corporate and government debt securities.

(1) Figures excluding significant items are non-IFRS measures. See Non-IFRS Measures on page 8.

Accounts payable and accrued liabilities, including provisions, were $3.2 billion at June 30, 2024, a decrease from $3.5 billion at March 31, 2024, mainly due to a decrease in clients payables.

Subordinated debt, income taxes payable and deferred tax liabilities were $63.8 million at June 30, 2024, an increase from $62.9 million at March 31, 2024.

There were also lease liabilities of $217.4 million recorded as of June 30, 2024 [March 31, 2024 – $214.7 million].

At the end of June 30, 2024, deferred and contingent consideration was $22.5 million [March 31, 2024 – $22.5 million]. During the three months ended June 30, 2024, the Company made a payment of $5.8 million in connection with the contingent consideration related to the acquisition of Sawaya. As part of the acquisition of ICL, the Company recorded deferred and contingent consideration of $5.3 million.

Certain institutional investors acquired 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 by delivering the economic equivalent of a variable number of common shares of CGWM UK. The carrying value of the derivative liability component of £45.0 million (C$77.8 million) [March 31, 2024 – £45.0 million (C$76.9 million)] is included in derivative liabilities in the unaudited interim condensed consolidated statements of financial position as of June 30, 2024.

The Company issued Convertible Debentures of $110.0 million on March 15, 2024. 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 unaudited interim condensed consolidated statements of financial position. The carrying value of the Convertible Debentures was $82.0 million as of June 30, 2024 (March 31, 2024 – $81.0 million). The fair value of the conversion option was $29.1 million as of June 30, 2024, and included in derivative liabilities on the unaudited interim condensed consolidated statements of financial position. The Company recorded a $4.0 million fair value adjustment on the conversion option as a recovery through the unaudited interim condensed consolidated statements of operations for the three months ended June 30, 2024.

The Convertible debentures bear interest at a fixed 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. The Convertible debentures mature on March 15, 2029, and may be redeemed by the Company in certain circumstances, on or after March 15, 2027.

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 common shares that would have been issuable upon such conversion in excess of the maximum conversion shares 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 on the record date of such dividend payment by a fraction equal to (i) the market price per share on the record date of such dividend payment minus the amount by which such dividend exceeds dividends paid in the ordinary course divided by (ii) the market price on the record date of such dividend payment.

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 & Crown Dependencies wealth management segment. The loan is repayable in instalments of principal and interest and matures in September 2025. The interest rate on this loan is 7.70% per annum as at June 30, 2024 [March 31, 2024 – 7.6894% per annum]. The total bank loans outstanding as of June 30, 2024, net of financing charges, was $305.5 million [March 31, 2024 – $301.5 million].

Excluding the bank loan as described above, subsidiaries of the Company have other credit facilities with banks in Canada and the UK for an aggregate amount of $676.7 million [March 31, 2024 – $674.7 million]. These limited credit facilities, consisting of call loans, letters of credit and daylight overdraft facilities, are collateralized by unpaid client securities and/or securities owned by the Company. As of June 30, 2024, there were no balances outstanding under these other credit facilities [March 31, 2024 – $nil].

Non-controlling interests were $367.6 million at June 30, 2024 compared to $364.5 million as at March 31, 2024, an increase of $3.1 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, 2024 – 31.8%] of the net assets of our operations in Australia.

Provisions, Litigation Proceedings and Contingent Liabilities

Provisions are recognized when the Company has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount can be made. On each reporting date, the Company assesses the adequacy of its pre-existing provisions and adjusts the amounts as necessary. The following is a summary of the changes during the three months ended June 30, 2024:

	Legal provisions	Restructuring provisions	Total provisions
Balance, March 31, 2024	**19,108**	**1,899**	**21,007**
Additions	646	2,657	3,303
Utilized	—	(2,657)	(2,657)
Balance, June 30, 2024	**19,754**	**1,899**	**21,653**

In the normal course of business, the Company is involved in litigation, and as of June 30, 2024, it was a defendant in various legal actions. The Company has established provisions for matters where payments are probable and can be reasonably estimated. While the outcome of these actions is subject to future resolution, management's evaluation and analysis of these actions indicate that, individually and in the aggregate, the probable ultimate resolution of these actions will not have a material effect on the financial position of the Company.

The Company is also subject to asserted and unasserted claims arising in the normal course of business which, as of June 30, 2024, have not resulted in the commencement of legal actions. The Company cannot determine the effect of all asserted and unasserted claims on its financial position; however, where losses arising from asserted and unasserted claims are considered probable and where such losses can be reasonably estimated, the Company has recorded a provision.

Other than as described below, there have been no significant legal and regulatory matters, and no significant developments to the matters previously described in Note 29 of the Company's March 31, 2024 Annual Consolidated Financial Statements.

The Company is subject to certain rules, regulations, and other regulatory requirements specific to the broker-dealer business and, as such, the Company operates within a regulatory framework involving certain governmental agencies and organizations. As a regulated entity and in the normal course, the Company is subject to periodic reviews and examinations by those agencies and organizations. The Company maintains policies and procedures designed to ensure compliance with these rules, regulations and requirements, but, in the event that a regulatory authority determines that there was a failure by the Company to follow or comply with certain procedures or a regulatory requirement or there is a deficiency in the Company's records or reports or some other compliance or financial failure then the Company may agree to pay a fine or penalty or agree to certain other sanctions, or, alternatively, a regulatory authority may impose a fine, penalty or other sanction. If such circumstances arise, the Company records a provision for any matter where a payment is considered probable and can be reasonably estimated.

In connection with this regulatory oversight, the Company is involved in an enforcement matter and potential enforcement matters arising from reviews of the Company's wholesale market making and trading activities in the United States, including the Company's *Bank Secrecy Act*/anti-money laundering compliance program. Although it is unknown at this time whether the underlying enforcement matter or potential enforcement matters will be resolved in the ordinary course or what the impact of any such resolution will be, it is probable that the Company will incur a significant penalty and will incur additional ongoing operating costs related to its business. The Company may also become subject to non-monetary penalties and other terms or conditions in any such resolution that may adversely impact its business.Because of the uncertainties with respect to the ultimate resolution of the matters, it is unknown whether such resolution will have a material adverse effect on the Company's financial condition, cash flows or results of operations. An estimate for a settlement of the matters was recorded in a prior period based on management's judgment and based on the information that was available to the Company at the time that estimate was recorded. That estimate was included in the Legal Provisions included in Notes 27 and 29, respectively, of the Company's March 31, 2023 and 2024 Annual Consolidated Financial Statements and is included in the total for Legal Provisions as of June 30, 2024 referenced above. In determining the estimate, management referred to previous enforcement matters that were settled by other companies, recognizing that facts and circumstances in such cases were significantly different than those in the Company's current matters. As of the date of the Unaudited Interim Condensed Consolidated Financial Statements based on its interactions with its regulators to date the Company has determined that there is a likelihood that it will be required to make a payment that is greater than the amount of the provision recorded as of June 30, 2024. The Company's estimate involved significant judgment and was based on the status and nature of the reviews at the time of such estimate and recognized that the reviews were ongoing, however, because the extent to which remediation efforts undertaken by the Company will be considered is unknown, the possibility that new facts or information may become available is unknown and the fact that the other enforcement matters settled by other companies reflected a wide range of settlement payments, a reasonable or reliable estimate of any excess above the current provision or a range of estimates for such excess cannot be made at this time.

Off-balance sheet arrangements

A subsidiary of the Company has also entered into secured irrevocable standby letters of credit from a financial institution totaling $3.1 million (US $2.3 million) [March 31, 2024 – $2.8 million (US$2.1 million)] as rent guarantees for its leased premises in New York. As of June 30, 2024 and March 31, 2024, there were no outstanding balances under these standby letters of credit.

Bank indebtedness and other credit facilities

The Company enters 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 June 30, 2024, and March 31, 2024, the Company had no bank indebtedness outstanding under these facilities.

In the normal course of business, the Company enters 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 June 30, 2024:

(C$ thousands)	Total	Fiscal 2026	Fiscal 2027 – Fiscal 2028	Fiscal 2029 – Fiscal 2030	Thereafter
Premises and equipment	357,458	25,720	60,546	53,567	217,625
Bank loan(1)	305,056	305,056	—	—	—
Convertible debentures(2)	144,673	8,250	16,500	119,923	—
Total obligations	**807,187**	**339,026**	**77,046**	**173,490**	**217,625**

(1) Bank loan obtained to finance a portion of the cash consideration for the acquisitions in CGWM UK. The bank loan bears interest at 7.70% [March 31, 2024 – 7.689%] per annum and is repayable in instalments of principal and interest. The loan is repayable in instalments of principal and interest and matures in September 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 June 30, 2024, cash and cash equivalents were $897.4 million, an increase of $41.8 million from $855.6 as of March 31, 2024. During the first quarter of fiscal 2025, financing activities used cash in the amount of $40.9 million, mainly due to dividends paid on Convertible Preferred Shares issued in the UK & Crown Dependencies, payment of dividends to non-controlling interests in Australia, and cash dividends paid on common and preferred shares. Investing activities used cash in the amount of $31.0 million for the purchase of equipment and leasehold improvements, the acquisition of ICL, and payment of contingent consideration in connection with the acquisition of Sawaya. Operating activities provided cash in the amount of $107.3 million, which was largely due to changes in non-cash working capital. An increase in cash of $6.3 million was attributable to the effect of foreign exchange translation on cash balances.

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, and as needed to maintain current levels of activity, growth initiatives and capital plans. The majority of current assets reflected on the Company's unaudited 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 June 30	
	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)	**96,673,944**	92,693,160
Issued shares outstanding(2)	**102,189,077**	99,638,818
Issued shares outstanding – diluted(3)	**117,415,101**	105,057,417
Average shares outstanding – basic	**93,279,330**	88,236,373
Average shares outstanding – diluted (4)	**100,375,378**	n/a

(1) Excludes 5,392,778 unvested shares purchased by employee benefit trusts for the LTIP, and 122,355 outstanding shares related to share purchase loans
(2) Includes 5,3972,778 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, 803,901 shares to be issued in connection with the acquisitions of Sawaya and Results, and 11,363,636 shares in connection with the Convertible Debentures if all holders convert, net of estimated forfeitures,
(4) During the quarter ended June 30, 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.
n/a not applicable

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.

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.

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 NCIB for the three months ended June 30, 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 July 31, 2024, the Company has 102,189,077 common shares issued and outstanding.

Share-Based Payment Plans

There have been no updates to the share-based payment plans discussed in the 2024 Annual Report. Refer to Note 19 in the unaudited interim condensed consolidated financial statements for the three months ended June 30, 2024.

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 Audited Annual Consolidated Financial Statements.

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.

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

(C$ thousands)	**June 30, 2024 $**	March 31, 2024 $
Accounts receivable	**16,083**	19,469
Accounts payable and accrued liabilities	**1,059**	327

In addition to the balances above, as further described and defined herein (see Summary of Corporate Developments) the Participants in respect of the Partnership have entered into Purchase Loans with the Company's subsidiaries. The proceeds of the loans were used to subscribe for LP units in the Partnership. The Purchase Loans bear interest and have a term up to seven years and are secured against a pledge of the LP Units.

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 the tax withholdings applicable to the Participant (the "Annual Repayment Amount"). For so long as the Purchase Loan is outstanding, these Participants will receive an amount from the Company equal to 0.67 times the pre-tax equivalent of any amount of the principal of the Purchase Loan repaid by the Participant from time to time (the "Top-Up"). The Top-Up, minus the tax withholdings applicable to these Participants, 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 from their monthly grid payout. The portion of the grid payout used for such repayment installments will equal 60% of the payment due minus applicable tax withholdings ("Monthly Repayment Amount"). For so long as the Purchase Loan is outstanding, the Company will contribute 40% of the pre-tax amount of the principal amount of the Purchase Loan repaid by these Participants from time to time (the "Monthly Top-Up"). The Monthly Top-Up, minus the tax withholdings applicable to these Participants, will be used to repay a portion of their Monthly Repayment Amount.

As of June 30, 2024, the aggregate Purchase Loans outstanding net of principal repayments was $64.2 million. The current portion of $18.1 million is included in Accounts Receivable and the long -term portion of $46.1 million is included in Other Receivables on the unaudited interim condensed consolidated statements of financial position as of June 30, 2024.

Critical Accounting Policies and Estimates

The unaudited interim condensed consolidated financial statements for the quarter ended June 30, 2024 have been prepared in accordance with International Accounting Standard 34, "*Interim Financial Reporting*" (IAS 34), as issued by the International Accounting Standards Board (IASB).

The preparation of the unaudited interim condensed consolidated financial statements in conformity with IAS 34 requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets, and liabilities, accompanying note disclosures, and the disclosure of contingent liabilities at the reporting date. 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, valuation of deferred tax assets, impairment of goodwill, intangible assets and other long-lived assets, valuation of non-controlling interests derivative liability, valuation of contingent consideration, allowance for credit losses, fair value of financial instruments, capitalization of intangible assets related to software costs and provisions. 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.

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 and Europe, as well as Canaccord Genuity Wealth Management UK & Crown Dependencies and Australia.

The Convertible Preferred Shares issued to HPS and the Preference Shares issued to management of CGWM UK contain no obligation for the Company to deliver cash or other financials assets to the holders of such shares. 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 by delivering a variable number of common shares of Canaccord Genuity Wealth Group Holdings (Jersey) Limited.

The fair value of the Convertible Preferred Shares and the Preference Shares at issuance was allocated to their respective equity and derivative components. The fair value of the derivative was established first and the residual amount was recorded to the equity component. The derivative components will be remeasured at the end of each reporting period using the Company's best estimate of its values with any changes in fair value recorded through the net income (loss) for the period. Significant judgment is required in respect of the estimates and the 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 audited consolidated financial statements for the year ended March 31, 2024.

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. Forward contracts to buy US dollars at June 30, 2024 had a notional amount of US$5.1 million compared to US$1.8 million on March 31, 2024. Forward contracts outstanding to sell US dollars had a notional amount of US $5.1 million, an increase of US $4.1 million from March 31, 2024. 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 a 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 & 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 June 30, 2024, there were no Canadian bond futures contracts outstanding [March 31, 2024 – $nil].

The fair value of all 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.

Changes in Accounting Policies

The accounting policies applied in the preparation of the Q1/25 unaudited interim condensed consolidated financial statements are consistent with those discussed in Notes 2 and 5 of the 2024 Audited Annual Consolidated Financial Statements.

Disclosure Controls and Procedures and Internal Control Over Financial Reporting

DISCLOSURE CONTROLS AND PROCEDURES

As of June 30, 2024, an evaluation was carried out, under the supervision of and with the participation of management, including the President & Chief Executive Officer (CEO) and the Executive Vice President & Chief Financial Officer (CFO), 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 & CFO concluded that our disclosure controls and procedures were effective as of June 30, 2024.

Changes in Internal Control Over Financial Reporting

Management, including the President & CEO and the Executive Vice President & CFO, has designed internal control over financial reporting as defined under *National Instrument 52-109* to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. Based on that evaluation, the President & CEO and the Executive Vice President & CFO concluded that the Company's internal control over financial reporting was designed and operating effectively as of and during the first quarter of fiscal 2025 ended June 30, 2024 and that there were no material weaknesses in our internal control over financial reporting.

There were no changes in internal control over financial reporting that occurred during the first quarter of fiscal 2025 ended June 30, 2024 that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

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 and capital requirements; and such other factors as the Board determines to be relevant.

Dividend Declaration

On August 8, 2024, the Board of Directors approved a dividend of $0.085 per common share, payable on September 10, 2024, with a record date of August 30, 2024.

On August 8, 2024, the Board approved a cash dividend of $0.25175 per Series A Preferred Share payable on September 30, 2024 to Series A Preferred shareholders of record as at September 13, 2024.

On August 8, 2024, the Board approved a cash dividend of $0.42731 per Series C Preferred Share payable on September 30, 2024 to Series C Preferred shareholders of record as at September 13, 2024.

Risks

The Company's ability to maintain and successfully execute its business strategy depends upon the personal reputation, judgment, business generation capabilities and project execution skills of its senior professionals. Any management disruption could result in a loss of clients and customers, or revenues from clients and customers, and could significantly affect the Company's business and results of operations.

The securities industry and the Company's activities are by their very nature subject to a number of inherent risks. Economic conditions, competition and market factors such as volatility in the Canadian and international markets, interest rates, commodity prices, market prices, trading volumes and liquidity will have an impact on the Company's profitability. An investment in the common or preferred shares of the Company involves a number of risks, including market, liquidity, credit, operational, legal, cyber and regulatory risks, which could be substantial and are inherent in the Company's business. The Company is also directly exposed to market price risk, liquidity risk and volatility risk as a result of its trading activities in equity securities and to interest rate risk and credit spread risk as a result of its trading in fixed income securities. Globally, Canaccord Genuity Wealth Management revenue is dependent on both trading volumes and asset values and, as such, is dependent on the level of market activity, investor confidence and the level of market prices in the Company's Canadian and Australian wealth management businesses, revenue is also influenced by the level of financing activity by small-cap corporate issuers. Canaccord Genuity Capital Markets' revenue is dependent on financing activity by corporate issuers, participation in advisory engagements, the success of its market making and principal trading, as well as the willingness of institutional clients to actively trade and participate in capital markets transactions. There may also be a lag between market fluctuations, changes in business conditions and the level of the Company's market activity and the impact that these factors have on the Company's operating results and financial position.

The financial services business is subject to extensive regulation in all of the regions where Canaccord Genuity operates. Compliance with many of the regulations applicable to the Company involves a number of risks, including enforcement penalties and sanctions under certain circumstances and in areas where applicable regulations may be subject to interpretation and change. Changing regulations and interpretations could have a significant impact on the Company's business and profitability. The Company has a disciplined capital management framework to maintain the level of capital that will meet the Company's regulated subsidiaries' target ratios as set out by the respective regulators, to fund current and future operations, to ensure that the firm is able to meet its financial obligations as they come due, and to support the creation of shareholder value. The regulatory bodies that govern the Company's subsidiaries' use of regulatory capital are listed in Note 27 of the Company's 2024 Audited Annual 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 only provides services 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 legal proceedings which may have a material adverse effect on the Company 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.

Risks associated with emerging industries such as the cannabis, e-cigarette and vaping industries also include the risk of the insolvency of issuers and the consequent inability of such issuers to satisfy their indemnification obligations to the Company. Accordingly, in the event of a loss to the Company, the ability of the Company to recover amounts in respect of any indemnity claims also cannot be predicted with certainty.

Understanding the added pressures that a prolonged remote work environment placed on our employees and their families, we expanded our support system to include resources to keep employees engaged and healthy while working remotely, and we have also implemented increased health and safety measures at all office locations to protect the health and well being of our employees and clients.

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 with 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 as it relates to cybersecurity.

The Company devotes considerable effort and resources to defend against and mitigate 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 both senior management via the Cybersecurity Committee and the Audit & Risk Committee of the Board of Directors.

Further discussion regarding risks can be found in our Annual Information Form.

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

Canaccord Genuity Group Inc.
Unaudited Interim Condensed Consolidated Statements of Financial Position

As at (in thousands of Canadian dollars)	Notes	June 30, 2024 $	March 31, 2024 $
ASSETS			
Current			
Cash and cash equivalents		$ 897,368	$ 855,604
Securities owned	4,5	960,264	575,011
Accounts receivable	5,6,20	2,663,697	3,426,058
Income taxes receivable		42,539	33,753
Total current assets		4,563,868	4,890,426
Other Receivables	7	46,112	—
Deferred tax assets		66,271	71,004
Investments	8	12,407	12,913
Equipment and leasehold improvements		79,229	61,000
Intangible assets	11	292,176	288,303
Goodwill	11	627,778	615,539
Right of use assets		191,667	193,280
Total assets		5,879,508	6,132,465
LIABILITIES AND EQUITY			
Current			
Securities sold short	4,5	570,422	495,246
Accounts payable and accrued liabilities	5,6,20	3,130,450	3,463,454
Provisions	22	21,653	21,007
Income taxes payable		1,461	2,096
Subordinated debt	5,13	7,500	7,500
Current portion of bank loan	5,14	13,830	13,672
Current portion of lease liabilities		25,560	24,579
Current portion of deferred and contingent consideration	5	10,368	10,112
Total current liabilities		3,781,244	4,037,666
Deferred tax liabilities		54,839	53,337
Derivative liabilities	5	106,874	110,007
Deferred and contingent consideration	5	12,153	12,345
Bank loan	5,14	291,717	287,857
Convertible debentures	15	81,960	80,973
Lease liabilities		191,796	190,169
Total liabilities		4,520,583	4,772,354
Equity			
Attributable to equity holders of CGGI		991,344	995,645
Attributable to non-controlling interests	10	367,581	364,466
Total equity		1,358,925	1,360,111
Total liabilities and equity		5,879,508	6,132,465

See accompanying notes

On behalf of the Board:

“Daniel Daviau” *“Terrence A. Lyons”*

DANIEL DAVIAU TERRENCE A. LYONS

Canaccord Genuity Group Inc.
Unaudited Interim Condensed Consolidated Statements of Operations

		For the three months ended	
(in thousands of Canadian dollars, except per share amounts)	Notes	**June 30, 2024**	June 30, 2023
REVENUE			
Commissions and fees		**$ 204,501**	$ 184,770
Investment banking		**75,188**	36,961
Advisory fees		**66,771**	40,652
Principal trading		**24,974**	22,946
Interest		**51,743**	52,272
Other		**4,988**	5,723
		428,165	343,324
EXPENSES			
Compensation expense		**254,157**	185,923
Trading costs		**21,988**	21,978
Premises and equipment		**5,963**	5,819
Communication and technology		**21,540**	22,612
Interest		**31,879**	23,311
General and administrative		**37,952**	35,156
Amortization		**9,815**	9,903
Amortization of right of use assets		**8,439**	6,340
Development costs		**13,562**	22,624
Restructuring costs	**22**	**2,657**	3,358
Acquisition-related costs	**9**	**704**	—
Fair value adjustment of convertible debentures derivative liability	**5,15**	**(4,024)**	—
Share of loss of an associate		**—**	18
		404,632	337,042
Net income before income taxes		**23,533**	6,282
Income tax expense (recovery)			
Current		**2,922**	(9,264)
Deferred		**3,890**	15,814
	12	**6,812**	6,550
Net income (loss) for the period		**16,721**	(268)
Net income (loss) attributable to:			
CGGI shareholders		**$ 5,251**	$ (10,536)
Non-controlling interests		**$ 11,470**	$ 10,268
Weighted average number of common shares outstanding (thousands)			
Basic		**93,279**	88,236
Diluted		**100,375**	n/a
Net earnings (loss) per common share			
Basic	**17**	**$ 0.03**	$ (0.15)
Diluted	**17**	**$ 0.02**	$ (0.15)
Dividend per common share	**18**	**$ 0.085**	$ 0.085
Dividend per Series A Preferred Share	**18**	**$ 0.25**	$ 0.25
Dividend per Series C Preferred Share	**18**	**$ 0.43**	$ 0.43

See accompanying notes
n/a not applicable

Canaccord Genuity Group Inc.
Unaudited Interim Condensed Consolidated Statements of Comprehensive Income (loss)

(in thousands of Canadian dollars)	For the three months ended June 30, 2024	For the three months ended June 30, 2023
Net income (loss) for the period	**$ 16,721**	$ (268)
Other comprehensive income (loss)		
Net change in unrealized income (loss) on translation of foreign operations	**8,237**	(25,375)
Comprehensive income (loss) for the period	**24,958**	(25,643)
Comprehensive income (loss) attributable to:		
CGGI shareholders	**$ 11,165**	$ (39,388)
Non-controlling interests [Note 10]	**13,793**	13,745

See accompanying notes

Canaccord Genuity Group Inc.
Unaudited Interim Condensed Consolidated Statements of Changes in Equity

(in thousands of Canadian dollars)	Notes	For the three months ended June 30, 2024	June 30, 2023
Preferred shares, opening and closing	16	$ 205,641	$ 205,641
Common shares, opening		616,531	566,345
Acquisition of common shares for long-term incentive plan (LTIP)		(5,799)	(480)
Release of vested common shares from employee benefit trusts		48,015	55,391
Shares issued through exercise of performance share options (PSOs)		—	299
Unvested share purchase loans		—	318
Common shares, closing	17	658,747	621,873
Contributed surplus, opening		—	49,400
Share-based payments, amortization net of vesting		—	(53,198)
Change in current and deferred taxes relating to share based payments		—	(1,179)
Unvested share purchase loans		—	(318)
Contributed surplus, closing		—	(5,295)
Retained earnings, opening		58,548	119,552
Net income (loss) attributable to CGGI shareholders		5,251	(10,536)
Share-based payments, amortization net of vesting		(45,702)	—
Change in current and deferred taxes relating to share based payments		(442)	—
Common shares dividends	18	(8,686)	(8,563)
Preferred shares dividends	18	(2,852)	(2,852)
Retained earnings, closing		6,117	97,601
Deferred consideration, opening and closing		5,612	8,495
Accumulated other comprehensive income, opening		109,313	105,206
Other comprehensive income (loss) attributable to CGGI shareholders		5,914	(28,852)
Accumulated other comprehensive income, closing		115,227	76,354
Total shareholders' equity		991,344	1,004,669
Total non-controlling interest	10	367,581	346,629
Total equity		1,358,925	1,351,298

See accompanying notes

Canaccord Genuity Group Inc.
Unaudited Interim Condensed Consolidated Statements of Cash Flows

(in thousands of Canadian dollars)	Notes	For the three months ended June 30, 2024 $	June 30, 2023 $
OPERATING ACTIVITIES			
Net income (loss) for the period		**16,721**	(268)
Items not affecting cash			
Amortization		**9,815**	9,903
Amortization of right of use assets		**8,439**	6,340
Deferred income tax expense		**3,890**	15,814
Share-based compensation recovery	**19**	**(3,932)**	(15,080)
Share of loss of associate		**—**	18
Fair value adjustment of investment	**8**	**500**	—
Interest expense in connection with lease liabilities		**3,971**	1,713
Fair value adjustment of convertible debentures derivative liability	**5,15**	**(4,024)**	—
Changes in non-cash working capital			
(Increase) decrease in securities owned		**(385,253)**	244,755
Decrease in accounts receivable		**716,249**	606,061
Decrease in net income taxes payable		**(8,965)**	(19,921)
Increase (decrease) increase in securities sold short		**75,176**	(180,234)
Decrease in accounts payable, accrued liabilities and provisions		**(325,319)**	(1,027,718)
Cash provided by (used in) operating activities		**107,268**	(358,617)
Acquisition of common shares for long-term incentive plan		**(5,799)**	(480)
Payment of dividends on convertible preferred shares issued in UK & Crown Dependencies wealth management operations	**10**	**(6,365)**	(6,233)
Payment of dividends to non-controlling interests in Australia	**10**	**(8,038)**	(6,414)
Cash dividends paid on common shares		**(8,686)**	(8,563)
Cash dividends paid on preferred shares		**(2,852)**	(2,852)
Lease payments		**(9,145)**	(8,627)
Proceeds from exercise of performance share options		**—**	299
Cash used in financing activities		**(40,885)**	(32,870)
INVESTING ACTIVITIES			
Purchase of equipment and leasehold improvements		**(21,440)**	(1,565)
Acquisition of Intelligent Capital Holdings Limited, net of cash acquired		**(3,323)**	—
Acquisition of Mercer Global Investments Canada Limited’s private wealth business		**—**	(2,410)
Payment of deferred and contingent consideration		**(5,786)**	(3,601)
Purchase of intangibles		**(402)**	—
Cash used in investing activities		**(30,951)**	(7,576)
Effect of foreign exchange on cash balances		**6,332**	(3,556)
Increase (decrease) in cash position		**41,764**	(402,619)
Cash position, beginning of period		**855,604**	1,008,432
Cash position, end of period		**897,368**	605,813
Supplemental cash flow information			
Interest received		**$ 51,741**	$ 52,269
Interest paid		**$ 31,524**	$ 22,996
Income taxes paid		**$ 11,641**	$ 11,620

See accompanying notes

Notes to Unaudited Interim Condensed Consolidated Financial Statements

(in thousands of Canadian dollars, except per share amounts)

1. Corporate Information

Through its principal subsidiaries, Canaccord Genuity Group Inc. (the Company or CGGI) is a leading independent, full-service investment dealer with capital markets operations in North America, the UK & Europe, Asia and Australia. The Company also has wealth management operations in Canada, the UK, the Crown Dependencies and Australia. The Company has operations in each of the two principal segments of the securities industry: capital markets and wealth management. Together, these operations offer a wide range of complementary investment products, brokerage services and investment banking services to the Company's private, institutional and corporate clients.

Canaccord Genuity Group Inc. was incorporated on February 14, 1997 by the filing of a memorandum and articles with the Registrar of Companies for British Columbia under the *Company Act* (British Columbia) and continues in existence under the *Business Corporations Act* (British Columbia). The Company's head office is located at Suite 2200 – 609 Granville Street, Vancouver, British Columbia, V7Y 1H2. The Company's registered office is located at Suite 2200, 700 West Georgia Street, Vancouver, British Columbia, V7Y 1K8.

The Company's common shares are publicly traded under the symbol CF on the Toronto Stock Exchange (TSX). The Company's Series A Preferred Shares are listed on the TSX under the symbol CF.PR.A. The Company's Series C Preferred Shares are listed on the TSX under the symbol CF.PR.C.

The Company's business experiences considerable variations in revenue and income from quarter to quarter and year to year due to factors beyond the Company's control. The Company's business is affected by the overall condition of the worldwide equity and debt markets.

2. Basis of Preparation

STATEMENT OF COMPLIANCE

These unaudited interim condensed consolidated financial statements have been prepared in accordance with International Accounting Standard 34, "*Interim Financial Reporting*" (IAS 34), as issued by the International Accounting Standards Board (IASB).

These unaudited interim condensed consolidated financial statements do not include all the information and disclosures required in annual financial statements and should be read in conjunction with the Company's audited annual consolidated financial statements as at and for the year ended March 31, 2024 (March 31, 2024 consolidated financial statements) filed on sedarplus.ca on June 5, 2024. All defined terms used herein are consistent with those terms defined in the March 31, 2024 consolidated financial statements.

These unaudited interim condensed consolidated financial statements have been prepared on a historical cost basis except for investments, securities owned and securities sold short, deferred and contingent consideration, and derivative liabilities. All of these have been measured at fair value as set out in the relevant accounting policies except for certain investments which have been accounted for under the equity method.

These unaudited interim condensed consolidated financial statements are presented in thousands of Canadian dollars, except when otherwise indicated.

These unaudited interim condensed consolidated financial statements were authorized for issuance by the Company's Board of Directors on August 8, 2024.

USE OF JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of these unaudited interim condensed consolidated financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, accompanying note disclosures, and the disclosure of provisions and contingent liabilities at the reporting date. Therefore, actual results may differ from those estimates and assumptions.

Certain factors impact and cast additional uncertainty on the assumptions used by management in making its judgments and estimates. These factors include, but not limited to, inflation, significant monetary and fiscal interventions by the government and central banks to stabilize economic conditions, including slowing economic growth and rising interest rates, as well as the impact of the wars in Ukraine and Gaza and the resulting humanitarian crisis on the global economy.

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 and the valuation of 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, including the valuation of intangible assets acquired in connection with the acquisition of Intelligent Capital Holdings Limited.

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 (15% global minimum tax) as proposed by the Organization for Economics Co-operation and Development.

Certain institutional investors own Convertible Preferred Shares issued by Canaccord Genuity Wealth Group Holdings (Jersey) Limited (CGWM UK), a subsidiary of the Company. In addition, Preference Shares were issued to certain employees of CGWM UK. The Convertible Preferred Shares and Preference 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 together with the Preference Shares are compound instruments 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 and Preference 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.

In the discussions below, unless otherwise noted, Hargreave Hale Limited is referred to as "Hargreave Hale" (renamed as Canaccord Genuity Asset Management), Petsky Prunier LLC is referred to as "Petsky Prunier", Sawaya Partners LLC is referred to as "Sawaya", McCarthy Taylor Limited (renamed as CG McCarthy Taylor Limited) and whose operations were subsequently transferred to CG Wealth Planning Limited is referred to as "McCarthy Taylor", Thomas Miller Wealth Management Limited (renamed as CG Wealth Planning Limited) and the private client business of Thomas Miller Investment (Isle of Man) Limited are referred to as "Thomas Miller", Patersons Securities Limited (renamed as Canaccord Genuity Financial Limited) is referred to as "Patersons", the private client investment management business acquired from Adam & Company (including the acquisition of the entire issued capital of Adam & Company Investment Management Limited) is referred to as "Adam & Company", and Jitneytrade Inc., Finlogik Capital Inc. and Finlogik Inc. are collectively referred to as "Jitneytrade", Punter Southall Wealth Limited as "PSW", Results International Group LLP as "Results", the Canadian private wealth management business of Mercer Global Investments Canada Limited is referred to as "Mercer", and the financial planning business of Intelligent Capital Holdings Limited "ICL".

3. Adoption of New and Revised Standards

There were no new accounting standards adopted for the three months ended June 30, 2024.

4. Securities Owned and Securities Sold Short

	June 30, 2024		March 31, 2024	
	Securities owned	**Securities sold short**	Securities owned	Securities sold short
Corporate and government debt	**$ 509,011**	**$ 463,609**	$ 404,056	$ 357,138
Equities and convertible debentures	**451,253**	**106,813**	170,955	138,108
	$ 960,264	**$ 570,422**	$ 575,011	$ 495,246

As at June 30, 2024, corporate and government debt maturities range from 2024 – 2079 [March 31, 2024 – 2024 to 2079] and bear interest ranging from 0.00% to 17.4% [March 31, 2024 – 0.00% to 14.00%].

5. Financial Instruments

The categories of financial instruments, other than cash and cash equivalents, investments accounted for under the equity method and lease liabilities held by the Company at June 30, 2024 and March 31, 2024 are as follows:

	Fair value through profit and loss		Amortized cost		Total	
	June 30, 2024 $	March 31, 2024 $	**June 30, 2024 $**	March 31, 2024 $	**June 30, 2024 $**	March 31, 2024 $
Financial assets						
Securities owned	**$ 960,264**	$ 575,011	**$ —**	$ —	**$ 960,264**	$ 575,011
Accounts receivable from brokers and investment dealers	**—**	—	**1,539,256**	2,052,676	**1,539,256**	2,052,676
Accounts receivable from clients	**—**	—	**622,242**	794,709	**622,242**	794,709
RRSP cash balances held in trust	**—**	—	**259,197**	268,786	**259,197**	268,786
Other accounts receivable	**—**	—	**243,002**	309,887	**243,002**	309,887
Investments at FVTPL	**8,143**	8,648	**—**	—	**8,143**	8,648
Other receivables	**—**	—	**46,112**	—	**46,112**	—
Total financial assets	**$ 968,407**	$ 583,659	**$ 2,709,809**	$ 3,426,058	**$ 3,678,216**	$ 4,009,717
Financial liabilities						
Securities sold short	**$ 570,422**	$ 495,246	**$ —**	$ —	**$ 570,422**	495,246
Accounts payable to brokers and investment dealers	**—**	—	**1,415,217**	1,413,565	**1,415,217**	1,413,565
Accounts payable to clients	**—**	—	**1,333,013**	1,552,276	**1,333,013**	1,552,276
Other accounts payable and accrued liabilities	**—**	—	**382,220**	497,613	**382,220**	497,613
Subordinated debt	**—**	—	**7,500**	7,500	**7,500**	7,500
Deferred and contingent consideration	**22,521**	22,457	**—**	—	**22,521**	22,457
Bank loan	**—**	—	**305,547**	301,529	**305,547**	301,529
Derivative liabilities	**106,874**	110,007	**—**	—	**106,874**	110,007
Total financial liabilities	**$ 699,817**	$ 627,710	**$ 3,443,497**	3,772,483	**$ 4,143,314**	$4,400,193

The Company has not designated any financial instruments as fair value through profit or loss upon initial recognition.

FAIR VALUE HIERARCHY

All financial instruments for which fair value is recognized or disclosed are categorized within a fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 – Quoted market prices in an active market (that are unadjusted) for identical assets or liabilities

Level 2 – Valuation techniques (for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable)

Level 3 – Valuation techniques (for which the lowest level input that is significant to the fair value measurement is unobservable)

For financial instruments that are recognized at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

As at June 30, 2024, the Company held the following classes of financial instruments measured at fair value:

		Estimated fair value		
		June 30, 2024		
	June 30, 2024	Level 1	Level 2	Level 3
Securities owned				
Corporate debt	27,170	—	27,142	28
Government debt	481,841	337,958	143,883	—
Corporate and government debt	509,011	337,958	171,025	28
Equities	451,139	396,554	44,970	9,615
Convertible debentures	114	—	114	—
Equities and convertible debentures	451,253	396,554	45,084	9,615
	960,264	734,512	216,109	9,643
Investments	8,143	—	—	8,143
	968,407	734,512	216,109	17,786
Securities sold short				
Corporate debt	(16,608)	—	(16,608)	—
Government debt	(447,001)	(219,771)	(227,230)	—
Corporate and government debt	(463,609)	(219,771)	(243,838)	—
Equities	(106,813)	(78,148)	(28,665)	—
	(570,422)	(297,919)	(272,503)	—
Deferred and contingent consideration	(22,521)	—	—	(22,521)
Derivative liabilities	(106,874)	—	—	(106,874)
	(699,817)	(297,919)	(272,503)	(129,395)

As at March 31, 2024, the Company held the following classes of financial instruments measured at fair value:

		Estimated fair value		
		March 31, 2024		
	March 31, 2024 $	Level 1 $	Level 2 $	Level 3 $
Securities owned				
Corporate debt	23,201	—	23,173	28
Government debt	380,855	195,238	185,617	—
Corporate and government debt	404,056	195,238	208,790	28
Equities and convertible debentures	170,955	119,063	43,345	8,547
	575,011	314,301	252,135	8,575
Investments	8,648	—	—	8,648
	583,659	314,301	252,135	17,223
Securities sold short				
Corporate debt	(20,535)	—	(20,535)	—
Government debt	(336,603)	(161,913)	(174,690)	—
Corporate and government debt	(357,138)	(161,913)	(195,225)	—
Equities	(138,108)	(121,627)	(16,481)	—
	(495,246)	(283,540)	(211,706)	—
Deferred and contingent consideration	(22,457)	—	—	(22,457)
Derivative liabilities	(110,007)	—	—	(110,007)
	(627,710)	(283,540)	(211,706)	(132,464)

Movement in net Level 3 financial liabilities

Balance, March 31, 2024	$ (115,241)
Movement in fair value of level 3 securities owned during the period	1,068
Payment of contingent consideration in connection with the acquisition of Sawaya	5,786
Addition of contingent consideration in connection with ICL [Note 9]	(4,081)
Addition of deferred consideration in connection with ICL [Note 9]	(1,203)
Movement in fair value of convertible debentures derivative liability during the period [Note 15]	4,024
Fair value adjustment of investments at FVTPL	(500)
Foreign exchange revaluation	(1,462)
Balance, June 30, 2024	**$ 111,609**

FAIR VALUE ESTIMATION

i. Level 2 financial instruments

Level 2 financial instruments include the Company's investment in certain corporate and government debt, convertible debt, and over-the-counter equities. The fair values of corporate and government debt, and convertible debt classified as Level 2 are determined using the quoted market prices of identical assets or liabilities in markets that do not have transactions which take place with sufficient frequency and volume to provide pricing information on an ongoing basis. The Company regularly reviews the transaction frequency and volume of trading in these instruments to determine the accuracy of pricing information.

ii. Level 3 financial instruments

The fair value for Level 3 investments classified as held for trading is determined by the Company using a market-based approach with information that the Company has determined to be reliable and represents the best estimate of fair value readily available. Prices for held for trading investments are determined based on the last trade price, offer price, or, if these prices are considered stale, the Company obtains information based on certain inquiries, recent trades or pending new issues.

As at June 30, 2024, the Company, either directly or through a wholly owned subsidiary, held investments in Capital Markets Gateway LLC, InvestX Capital Ltd. and Proactive Group Holdings Inc. which have been classified as Level 3 financial instruments given they do not have any observable inputs or market indicators [Note 8].

The Convertible Preferred Shares and Preference Shares issued to investors, management and employees of CGWM UK [Note 10] were treated together as a compound instrument comprised of an equity component, representing discretionary dividends and a liquidation preference, as well as a liability component that reflects a derivative to settle the instrument by delivering the economic equivalent of a variable number of common shares of CGWM UK. The carrying value of the derivative liability at June 30, 2024 for both A Convertible Preferred Shares and B Convertible Preferred Shares (as later described) was $77.8 million [March 31, 2024 – $76.9 million] and included in derivative liabilities in the unaudited interim condensed consolidated statements of financial position.

Deferred and contingent consideration of $22.5 million were recorded as of June 30, 2024 [March 31, 2024 – $22.5 million] in connection with the acquisitions of Sawaya and Results, and as of June 30, 2024, ICL. During the three months ended June 30, 2024, the Company made a payment of $5.8 million in connection with the contingent consideration related to the acquisition of Sawaya. As part of the acquisition of ICL, the Company recorded deferred and contingent consideration of $5.3 million [Note 9].

The fair value of the contingent consideration is classified as Level 3 in the fair value hierarchy and was determined by a Monte Carlo simulation using various assumptions including EBITDA forecast, risk free rates and volatility factors. Option pricing models require the input of highly subjective assumptions including the expected price volatility. Changes in the subjective assumptions can materially affect the fair value estimate, and therefore the existing models do not necessarily provide a reliable single measure of the fair value of the Company's contingent consideration.

The Convertible Debentures includes a derivative liability component which represents the value of the conversion feature. During the three months ended June 30, 2024, a fair value adjustment of $4.0 million was recorded as a recovery through the unaudited interim condensed consolidated statement of operations. The value of the derivative liability associated with the Convertible Debentures was $29.1 million as at June 30, 2024 [March 31, 2024 – $33.1 million] and is included in derivative liabilities on the unaudited interim condensed consolidated statements of financial position as at June 30, 2024 [Note 15].

The fair value measurements determined as described above may not be indicative of net realizable value or reflective of future values. Furthermore, the Company believes its valuation methods are appropriate and consistent with those which would be utilized by a market participant.

FOREIGN EXCHANGE FORWARD CONTRACTS

The Company uses derivative financial instruments to manage 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.

Realized and unrealized gains and losses related to these contracts are recognized in the unaudited interim condensed consolidated statements of operations during the reporting period.

Forward contracts outstanding at June 30, 2024:

	Notional amount (millions)	Average price	Maturity	Fair value
To sell US dollars	**USD$ 5.1**	**$ 1.37 (CAD/USD)**	**July 2, 2024**	**—**
To buy US dollars	**USD$ 5.1**	**$ 1.37 (CAD/USD)**	**July 2, 2024**	**—**

Forward contracts outstanding at March 31, 2024:

	Notional amount (millions)	Average price	Maturity	Fair value
To sell US dollars	USD$ 1.8	$ 1.35 (CAD/USD)	April 1, 2024	—
To buy US dollars	USD$ 1.0	$ 1.36 (CAD/USD)	April 1, 2024	—

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. The principal currencies of the forward contracts are: the UK pound sterling, the US dollar, or the Euro. The weighted average term to maturity is 68 days as at June 30, 2024 [March 31, 2024 – 54 days]. The table below shows the fair value of the forward contract assets and liabilities, and the notional value of these forward contracts as at June 30, 2024 and March 31, 2024, respectively. The fair value of the forward contract assets and liabilities is included in the accounts receivable and payable balances.

	June 30, 2024			March 31, 2024		
	Assets	**Liabilities**	**Notional amount**	Assets	Liabilities	Notional amount
Foreign exchange forward contracts	**$ 25**	**$ 22**	**$ 3,885**	$ 16	$ 13	$ 5,388

FUTURES

The Company's Canadian operations are involved in trading bond futures contracts, which are agreements to buy or sell a standardized amount of an underlying Government of Canada bond, 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 trade in bond futures in an attempt to mitigate interest rate risk, yield curve risk and liquidity risk. On June 30, 2024, there were no bond futures contracts outstanding [March 31, 2024 – nil].

The fair value of all of the above futures contracts is nominal due to their short term to maturity and is included in accounts receivable and accounts payable and accrued liabilities. Realized and unrealized gains and losses related to these contracts are recognized in the statement of operations during the reporting period.

SECURITIES LENDING AND BORROWING

	Cash		**Securities**	
	Loaned or delivered as collateral	**Borrowed or received as collateral**	**Loaned or delivered as collateral**	**Borrowed or received as collateral**
June 30, 2024	$ 279,776	$ 55,604	$ 71,173	$ 277,293
March 31, 2024	$ 301,536	$ 43,095	$ 71,452	$ 301,552

Securities lending and borrowing are included in the accounts receivable and accounts payable and accrued liabilities balances on the unaudited interim condensed consolidated statements of financial position.

BANK INDEBTEDNESS

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 either unpaid client securities and/or securities owned by the Company. As at June 30, 2024 the Company had $nil balance outstanding [March 31, 2024 – $nil].

BANK 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 interest rate on this loan is 7.70% per annum as of June 30, 2024 [March 31, 2024 – 7.6894% per annum]. [Note 14]

OTHER CREDIT FACILITIES

Excluding the bank loan 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 $676.7 million [March 31, 2024 – $674.7 million]. These credit facilities, consisting of call loans, letters of credit and daylight overdraft facilities, are collateralized by unpaid client securities and/or securities owned by the Company. As of June 30, 2024, there were no balances outstanding under these other credit facilities [March 31, 2024 – $nil].

A subsidiary of the Company has also entered into secured irrevocable standby letters of credit from a financial institution totaling $3.1 million (US $2.3 million) [March 31, 2024 – $2.8 million (US$2.1 million)] as rent guarantees for its leased premises in New York. As of June 30, 2024 and March 31, 2024, there were no outstanding balances under these standby letters of credit.

6. Accounts Receivable and Accounts Payable and Accrued Liabilities

ACCOUNTS RECEIVABLE

	June 30, 2024 $	March 31, 2024 $
Brokers and investment dealers	$ 1,539,256	$ 2,052,676
Clients	622,242	794,709
RRSP cash balances held in trust	259,197	268,786
Other	243,002	309,887
	$ 2,663,697	$ 3,426,058

ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	June 30, 2024 $	March 31, 2024 $
Brokers and investment dealers	$ 1,415,217	$ 1,413,565
Clients	1,333,013	1,552,276
Other	382,220	497,613
	$ 3,130,450	$ 3,463,454

Amounts due from and to brokers and investment dealers include balances from resale and repurchase agreements, securities loaned and borrowed, as well as brokers' and dealers' counterparty balances.

Client security purchases are entered into on either a cash or a margin basis. In the case of a margin account, the Company extends a loan to a client for the purchase of securities, using securities purchased and/or other securities in the client's account as collateral. Amounts loaned to any client are limited by the margin regulations of the Canadian Investment Regulatory Organization ("CIRO") and other regulatory authorities and are subject to the Company's credit review and daily monitoring procedures.

Amounts due from and to clients are due by the settlement date of the trade transaction. Margin loans are due on demand and are collateralized by the assets in the client's account. Interest on margin loans and on amounts due to clients is based on a floating rate [June 30, 2024 – 9.95% to 11.50% and 0.00% to 0.05%]; [March 31, 2024 – 10.20% to 11.50% and 0.00% to 0.05%].

As at June 30, 2024, the allowance for doubtful accounts was $8.7 million [March 31, 2024 – $6.4 million].

7. Other Receivables

	June 30, 2024 $	March 31, 2024 $
Other receivables	46,112	—

Certain executive officers and senior revenue producing employees ('the Participants") have entered into loan agreements ("Purchase Loans") with the Company's subsidiaries. The proceeds of the loans were used to subscribe for units ("LP units") of a limited partnership (the "Partnership"). The Purchase Loans bear interest and have a term up to seven years and are secured against a pledge of the LP Units.

The Purchase Loans are repaid by Participants in part from a top-up to a Participant's annual bonus or other compensation.

8. Investments

	June 30, 2024	March 31, 2024
Investments accounted for under the equity method	4,264	4,265
Investments held as fair value through profit and loss	8,143	8,648
	12,407	12,913

Breakdown of investments as follow:

INVESTMENTS ACCOUNTED FOR UNDER EQUITY METHOD

	June 30, 2024	March 31, 2024
Katipult Technology Corp.	**500**	500
International Deal Gateway Blockchain Inc.	**3,500**	3,500
Other	**264**	265
	4,264	4,265

INVESTMENTS HELD AS FAIR VALUE THROUGH PROFIT AND LOSS (FVTPL)

	June 30, 2024	March 31, 2024
Capital Markets Gateway LLC	**4,225**	4,183
InvestX Capital Ltd	**2,918**	3,465
Proactive Group Holdings Inc.	**1,000**	1,000
	8,143	8,648

Investments accounted for under equity method

The Company is considered to exert significant influence over the operations of Katipult Technology Corp. and International Deal Gateway Blockchain Inc. factoring in potential voting rights, even though the Company does not currently have any entitlement to a share of the net assets of these companies. Accordingly, these investments are treated as equity investments and included as investments in the unaudited interim condensed consolidated statements of financial position as of June 30, 2024.

Investments held as FVTPL

The Company holds certain investments classified as FVTPL as the Company does not exert significant influence over the operations of these investments. During the three months ended June 30, 2024, the Company recorded a fair value adjustment of $0.5 million on its investment in InvestX Capital Ltd.

9. Business Combinations

INTELLIGENT CAPITAL HOLDINGS LIMITED

On April 8, 2024, the Company, through CGWM UK completed its acquisition of the financial planning business of Intelligent Capital Holdings Limited (ICL) for initial cash payment of £2.1 million (C$3.6 million) and deferred and contingent consideration of £3.1 million ($5.3 million). The contingent consideration is payable over a period of two years following completion, subject to the achievement of certain performance targets related to revenue.

The preliminary purchase price, determined by the fair value of the consideration given at the date of the acquisition and the fair value of the net assets acquired on the date of the acquisition, was as follows:

CONSIDERATION PAID

Cash	$	3,617
Contingent consideration		4,081
Deferred consideration		1,203
		8,901

NET ASSETS ACQUIRED

Cash	$	294
Accounts receivable		328
Deferred tax asset		9
Accounts payable and accrued liabilities		(2,648)
Identifiable intangible assets		7,427
Deferred tax liability related to identifiable intangible assets		(1,857)
Goodwill		5,348
		8,901

Identifiable intangible assets of $7.4 million were recognized and related to customer relationships. The goodwill of $5.3 million represents the value of expected synergies arising from the acquisition. Goodwill is not deductible for tax purposes.

The above amounts included in the purchase price allocation are preliminary. The purchase price and the fair value of the net assets acquired from ICL are estimates, which were made by management at the time of the preparation of these unaudited interim condensed consolidated financial statements based on available information. Amendments may be made to these amounts as well as the identification of intangible assets and the allocation of identifiable intangible assets between indefinite life and finite lives. Values based on estimates are subject to changes during the period ending 12 months after the acquisition date.

The aggregate acquisition-related expenses incurred by the Company during the period ended June 30, 2024 in connection with the acquisition of ICL were $0.7 million which comprised mainly of professional fees.

Revenue and net loss generated by ICL including acquisition-related costs, were $0.9 million and $0.3 million, respectively, since the acquisition date.

Had ICL been consolidated from April 1, 2024, as part of the unaudited interim condensed consolidated statements of operations, the consolidated revenue and net income would have been approximately $428.2 million and $16.7 million, respectively, for the three months ended June 30, 2024. These figures represent historical results and are not necessarily indicative of future performance.

MERCER GLOBAL INVESTMENTS CANADA LIMITED'S CANADIAN PRIVATE WEALTH BUSINESS

During the three months ended June 30, 2024, the Company finalized its purchase price accounting in connection with the acquisition of Mercer. There were no changes to the purchase price and fair value of net assets acquired on the date of the acquisition as disclosed in the Company's audited consolidated financial statements for the year ended March 31, 2024.

10. Non-Controlling Interests

The non-controlling interests as of June 30, 2024 and 2023 comprised of the following:

	Australia		UK & Crown Dependencies		Total	
As at and for the three-month period ended June 30	**2024 $**	2023 $	**2024 $**	2023 $	**2024 $**	2023 $
Balance, opening	**22,469**	20,476	**341,997**	323,522	**364,466**	343,998
Comprehensive income attributable to non-controlling interests	**4,382**	4,364	**9,411**	9,381	**13,793**	13,745
Foreign exchange on non-controlling interests	**484**	(364)	**3,241**	1,897	**3,725**	1,533
Dividends paid to non-controlling interest	**(8,038)**	(6,414)	**—**	—	**(8,038)**	(6,414)
Payment of dividends on convertible preferred shares	**—**	—	**(6,365)**	(6,233)	**(6,365)**	(6,233)
Balance, ending	**19,297**	18,062	**348,284**	328,567	**367,581**	346,629

The non-controlling interests share of OCI as of June 30, 2024 and 2023 comprised the following:

	For the three months ended	
	June 30, 2024 $	June 30, 2023 $
Australia	**4,382**	4,364
UK & Crown Dependencies	**9,411**	9,381
Total	**13,793**	13,745

UK & Crown Dependencies Wealth Management

Certain institutional investors acquired Series A Convertible Preferred Shares ("A Convertible Preferred Shares") in the amount of £125.0 million (C$218.0 million), as well as Series B Convertible Preferred Shares ("B Convertible Preferred Shares") in the amount of £65.3 million ($104.1 million). The two series of the Convertible Preferred Shares are collectively described as Convertible Preferred Shares in discussions below.

The terms of the Convertible Preferred Shares are described in Note 8 of the audited consolidated financial statements for the year ended March 31, 2024.

In connection with the issuance of the A Convertible Preferred Shares, CGWM UK provided for the purchase of certain equity instruments in CGWM UK by management and employees of CGWM UK. Included in these equity instruments of CGWM UK were preferred shares with the same economic attributes as the A Convertible Preferred Shares (the "Preference Shares"). The other equity interests purchased by management and employees of CGWM UK are ordinary shares of CGWM UK with certain restrictions on transfer and limited governance rights. A management incentive plan has been implemented which, subject to certain minimum threshold levels, will provide for certain payments if a liquidity event occurs within six years or after six years if a liquidity event has not occurred and the A Convertible Preferred Shares are no longer outstanding.

On an as converted basis and subject to the liquidation preference, the Company holds an approximate 66.9% equity equivalent interest in CGWM UK as of June 30, 2024 [March 31, 2024 – 66.9%]. Together, the equity instruments purchased by management and employees of CGWM UK in connection with the issuance of the A Convertible Preferred Shares and with the equity instruments issued in connection with the acquisition of PSW, such instruments represent an approximate 5.1% equity equivalent interest in CGWM UK on an as converted basis.

The Convertible Preferred Shares and Preference Shares do not give rise to any obligation for the Company to deliver cash or other financial assets to the holders thereof. The Convertible Preferred Shares and Preference Shares 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, if applicable, by delivering the economic equivalent of a variable number of common shares of CGWM UK. The equity component of the Convertible Preferred Shares and Preference Shares are included in equity and the derivative liability component is included in other liabilities in the unaudited interim condensed consolidated statement of financial position as of June 30, 2024.

The fair value of the Convertible Preferred Shares and Preference Shares at issuance was allocated to the respective equity and derivative liability components. The fair value of the non-controlling interests derivative liability was established first and the residual amount was recorded to 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. The carrying value of the derivative liability at June 30, 2024 was $77.8 million [March 31, 2024 – $76.9 million] and included in derivative liabilities in the unaudited interim condensed consolidated statements of financial position.

The Company uses a Black Scholes model to estimate the fair value of the derivative liability embedded in the Convertible Preferred Shares and Preference Shares. The fair value is calculated using the estimated fair value as determined on an as converted equity equivalent basis. Other assumptions include estimates in respect of volatility, and the risk-free interest and dividend rates.

Significant judgment is involved in the assumptions and estimates used to determine the fair value of the derivative liability component at each reporting period.

Australia

The Company owns 65% of the issued shares of Canaccord Financial Group (Australia) Pty Ltd., and through that ownership a 65% indirect interest in Canaccord Genuity (Australia) Limited and Canaccord Genuity Financial Limited as of June 30, 2024 [March 31, 2024 – 65%]. Because of an increase in shares held in an employee trust controlled by CFGA, the Company holds a 68.2% ownership interest for accounting purposes.

11. Goodwill and Other Intangible Assets

	Goodwill $	Brand names (indefinite life) $	Brand names $	Customer relationships $	Technology $	Trading licenses $	Fund management $	Contract book $	Favorable lease $	Client Books $	Total $
Gross amount											
Balance, March 31, 2024	1,057,656	44,930	2,307	363,844	47,639	593	38,286	11,947	566	1,820	511,932
Additions	5,348	—	—	7,427	402	—	—	—	—	—	7,829
Foreign exchange	6,891	—	25	3,950	480	13	440	126	6	61	5,101
Balance, June 30, 2024	**1,069,895**	**44,930**	**2,332**	**375,221**	**48,521**	**606**	**38,726**	**12,073**	**572**	**1,881**	**524,862**
Accumulated amortization and impairment											
Balance, March 31, 2024	(442,117)	—	(1,834)	(147,463)	(37,175)	(593)	(23,481)	(11,947)	(566)	(570)	(223,629)
Amortization	—	—	(109)	(4,965)	(844)	—	(913)	—	—	(54)	(6,885)
Foreign exchange	—	—	(20)	(1,329)	(385)	(13)	(273)	(126)	(6)	(20)	(2,172)
Balance, June 30, 2024	**(442,117)**	**—**	**(1,963)**	**(153,757)**	**(38,404)**	**(606)**	**(24,667)**	**(12,073)**	**(572)**	**(644)**	**(232,686)**
Net book value											
March 31, 2024	615,539	44,930	473	216,381	10,464	—	14,805	—	—	1,250	288,303
June 30, 2024	**627,778**	**44,930**	**369**	**221,464**	**10,117**	**—**	**14,059**	**—**	**—**	**1,237**	**292,176**

Identifiable intangible assets purchased through the acquisitions of Genuity Capital Markets (Genuity), the initial 50% interest in Canaccord Genuity (Australia) Limited (Canaccord Genuity Australia), Collins Stewart Hawkpoint plc (CSHP), Eden Financial Ltd., Hargreave Hale, Jitneytrade, Petsky Prunier, McCarthy Taylor, Thomas Miller, Patersons, Adam & Company, Sawaya, PSW, Results, Mercer and ICL are customer relationships, trading licenses, fund management contracts, contract book, technology and brand names acquired through the acquisitions of Petsky Prunier, Adam & Company and Sawaya, which have finite lives and are amortized on a straight-line basis over their estimated useful lives. Branding acquired through the acquisition of Genuity is considered to have an indefinite life as the Company has no plans to cease its use in the future.

IMPAIRMENT TESTING OF GOODWILL AND INDEFINITE LIFE INTANGIBLE ASSETS

The carrying amounts of goodwill and indefinite life intangible assets acquired through business combinations have been allocated to the cash-generating units (CGUs) as follows:

	Intangible assets with indefinite lives		Goodwill		Total	
	June 30, 2024 $	March 31, 2024 $	**June 30, 2024 $**	March 31, 2024 $	**June 30, 2024 $**	March 31, 2024 $
Canaccord Genuity Capital Markets CGUs						
Canada	**$ 44,930**	$ 44,930	**—**	—	**$ 44,930**	$ 44,930
US	**—**	—	**106,036**	206,970	**106,036**	206,970
UK & Europe	**—**	—	**117,487**	14,323	**117,487**	14,323
Canaccord Genuity Wealth Management CGUs						
UK & Crown Dependencies (Channel Islands)	**—**	—	**93,239**	92,171	**93,239**	92,171
UK & Crown Dependencies (UK wealth)	**—**	—	**308,229**	299,379	**308,229**	299,379
Australia	**—**	—	**2,787**	2,696	**2,787**	2,696
	$ 44,930	$ 44,930	**627,778**	$ 615,539	**672,708**	$ 660,469

Goodwill acquired in connection with ICL [Note 9] is included in the Canaccord Genuity Wealth Management (UK Wealth) CGU for the purpose of goodwill impairment testing.

Goodwill and intangible assets with indefinite lives are tested for impairment annually at March 31, and whenever circumstances indicate the carrying value may potentially be impaired. If any indication of impairment exists, the Company estimates the recoverable amount of the 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. Any impairment loss first reduces the carrying amount of any goodwill allocated to the CGUs; 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.

Consequently, interim goodwill and other assets impairment testing was carried out for all applicable CGUs at June 30, 2024.

In accordance with IAS 36, "Impairment of Assets" (IAS 36), the recoverable amounts of the CGUs' net assets have been determined using fair value less costs to sell (FVLCS) calculations, which are based on future cash flow assumptions considered to be appropriate for the purposes of such calculations. In accordance with IFRS 13, fair value represents an estimate of the price at which an orderly transaction to sell an asset or transfer a liability would take place between market participants as at the end of the reporting period under market conditions as at that date (an exit price as at the measurement date). There is a material degree of uncertainty with respect to the estimates of the recoverable amounts of the CGUs' net assets given that these estimates involve making key assumptions about the future. In making such assumptions, management has used its best estimate of future economic and market conditions within the context of the Company's capital markets and wealth management activities. These valuations are categorized as Level 3 in the fair value hierarchy.

The FVLCS calculations are based on assumptions, as described above, made in connection with future cash flows, relief of royalties with respect to the brand name indefinite life intangible asset, terminal growth rates and discount rates. In order to estimate the FVLCS for each CGU, cash flows are forecast over a five-year period, a terminal growth rate is applied and then such cash flows are discounted to their present value.

The discount rate is based on the specific circumstances of each CGU and is derived from the estimated weighted average cost of capital of the Company. Cash flow estimates for each of these CGUs were based on management assumptions as described above and utilized a compounded annual growth rate and a terminal growth rate. The discount rates, compound annual growth rates and terminal growth rates for each CGU are summarized in the table below.

	Discount rate		Compound annual Growth rate		Terminal growth rate	
	June 30, 2024	March 31, 2024	**June 30, 2024**	March 31, 2024	**June 30, 2024**	March 31, 2024
Canaccord Genuity Capital Markets CGUs						
US	**14.0%**	14.0%	**10.0%**	10.0%	**2.5%**	2.5%
UK & Europe	**14.0%**	14.0%	**5.0%**	7.5%	**2.5%**	2.5%
Canaccord Genuity Wealth Management CGUs						
UK & Crown Dependencies (Channel Islands)	**12.5%**	12.5%	**5.0%**	5.0%	**2.5%**	2.5%
UK & Crown Dependencies (UK wealth)	**12.5%**	12.5%	**5.0%**	5.0%	**2.5%**	2.5%
Australia	**14.0%**	14.0%	**5.0%**	5.0%	**2.5%**	2.5%

Sensitivity testing was conducted as part of the impairment test of goodwill and indefinite life intangible assets for the Canaccord Genuity Capital Markets – US and Canaccord Genuity Capital Markets – UK & Europe CGUs. The sensitivity testing included assessing the impact that reasonably possible declines in revenue estimates for the twelve-month period ending on June 30, 2025, declines in growth rates after that period and increases in the discount rates would have on the recoverable amounts of the CGUs, with other assumptions being held constant. The table below summarizes the changes in the various variables that may result in the estimate of the recoverable amount declining below the carrying value with the result that an impairment charge may be required. Any such impairment charge 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.

	Canaccord Genuity Capital Markets US CGU	Canaccord Genuity Capital Markets UK CGU
Increase in discount rate	**1.2%**	0.5%
Decrease in five-year compound annual growth rate	**0.9%**	0.4%
Decrease in terminal growth rate	**1.9%**	0.8%

12. Income Taxes

The Company's income tax expense differs from the amount that would be computed by applying the combined federal and provincial/state income tax rates as a result of the following:

	For the three months ended	
	June 30, 2024 $	June 30, 2023 $
Net income before income taxes	**23,533**	6,282
Income tax expense at the statutory rate of 27.0% (F2024 – 27.0%)	**6,354**	1,697
Difference in tax rates in foreign jurisdictions	**(1,456)**	(1,357)
Permanent differences	**38**	259
Share-based payments	**899**	6,420
Pillar Two	**938**	—
Other	**39**	(469)
Income tax expense	**6,812**	6,550

PILLAR TWO

Pillar Two legislation has been enacted or substantively enacted in certain jurisdictions that the Company operates in through its subsidiaries. The legislation is effective beginning April 1, 2024. The Company has recorded incremental income taxes of $0.9 million related to Pillar Two impact for the three months ended June 30, 2024.

13. Subordinated Debt

	June 30, 2024 $	March 31, 2024 $
Loan payable, interest payable monthly at prime + 4% per annum, due on demand	**7,500**	7,500

The loan payable is subject to a subordination agreement and may only be repaid with the prior approval of the CIRO. As at June 30, 2024 and March 31, 2024, the interest rates for the subordinated debt were 10.95% and 11.2%, respectively. The carrying value of subordinated debt approximates its fair value due to the short-term nature of this liability.

14. Bank Loan

	June 30, 2024 $	March 31, 2024 $
Loan	**307,726**	304,202
Less: Unamortized financing fees	**(2,179)**	(2,673)
	305,547	301,529
Current	**13,830**	13,672
Long-term	**291,717**	287,857

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 loan is repayable in instalments of principal and interest and matures in September 2025. The interest rate on this loan is 7.70% per annum as of June 30, 2024 [March 31, 2024 – 7.6894% per annum].

15. Convertible Debentures

	June 30, 2024		March 31, 2024	
	Debt	Derivative	Debt	Derivative
Convertible debentures	81,960	29,078	80,973	33,102

On March 15, 2024, the Company completed its offering of convertible unsecured senior subordinated debentures by way of a non-brokered private placement to two institutional investors for gross proceeds of $110.0 million (the “Convertible debentures”).

The Convertible debentures bear interest at a fixed 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. The Convertible debentures mature on March 15, 2029, and may be redeemed by the Company in certain circumstances, on or after March 15, 2027.

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 common shares that would have been issuable upon such conversion, in excess of the maximum conversion shares 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 on the record date of such dividend payment by a fraction equal to (i) the market price per share on the record date of such dividend payment minus the amount by which such dividend exceeds dividends paid in the ordinary course divided by (ii) the market price on the record date of such dividend payment.

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 unaudited interim condensed consolidated statements of financial position.

The accrued interest on the principal amount is recorded in the unaudited interim condensed consolidated statements 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 unaudited interim condensed consolidated statements of operations. The fair value of the conversion option was $29.1 million as of June 30, 2024 [March 31, 2024 – $33.1 million] and included in derivative liabilities on the unaudited interim condensed consolidated statements of financial position. The Company recorded a $4.0 million fair value adjustment on the conversion option as a recovery through the unaudited interim condensed consolidated statements of operations for the three months ended June 30, 2024.

The valuation of the Convertible debentures was achieved using a one-factor quality convertible modelling framework using assumptions of credit spreads and volatility factors.

The following assumptions were used in the model:
Volatility 42%
Credit risk spread 15.159%

Additional disclosure on the terms of the Convertible Dentures and the assumptions used in the valuation model are disclosed in Note 19 of the March 31, 2024 consolidated financial statements.

Changes in the subjective assumptions can materially affect the fair value estimate, and therefore the existing models do not necessarily provide a reliable single measure of the fair value of the Company’s Convertible debentures. Sensitivity testing was conducted as part of the valuation of the Convertible debentures. The sensitivity testing included assessing the impact of reasonable changes in the volatility and other assumptions used in the model on the valuation. Had the volatility factor increased by 5% the value of the conversion option would increase by $2.1 million and a decrease in the volatility factor by 5.0% would decrease the value of the conversion option by $2.1 million.

16. Preferred Shares

	June 30, 2024		March 31, 2024	
	Amount $	Number of shares	Amount $	Number of shares
Series A Preferred Shares issued and outstanding	110,818	4,540,000	110,818	4,540,000
Series C Preferred Shares issued and outstanding	97,450	4,000,000	97,450	4,000,000
Series C Preferred Shares held in treasury	(2,627)	(106,794)	(2,627)	(106,794)
	94,823	3,893,206	94,823	3,893,206
	205,641	8,433,206	205,641	8,433,206

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

17. Common Shares

	June 30, 2024		March 31, 2024	
	Amount $	**Number of shares**	Amount $	Number of shares
Issued and fully paid	**706,113**	**102,189,077**	706,113	102,189,077
Held for share-based payment plans	**(1,083)**	**(122,355)**	(1,083)	(122,355)
Held for the LTIP	**(46,283)**	**(5,392,778)**	(88,499)	(9,981,908)
	658,747	**96,673,944**	616,531	92,084,814

[I] AUTHORIZED

Unlimited common shares without par value

[II] ISSUED AND FULLY PAID

	Number of shares	Amount $
Balance, March 31, 2024 and June 30, 2024	**102,189,077**	706,113

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 NCIB for the three months ended June 30, 2024.

[III] EARNINGS (LOSS) PER COMMON SHARE

	For the three months ended	
	June 30, 2024 $	June 30, 2023 $
Basic earnings (loss) per common share		
Net income (loss) attributable to CGGI shareholders	**5,251**	(10,536)
Preferred shares dividends	**(2,852)**	(2,852)
Net income (loss) available to common shareholders	**2,399**	(13,388)
Weighted average number of common shares (number)	**93,279,330**	88,236,373
Basic earnings (loss) per common share	**$ 0.03**	$ (0.15)
Diluted earnings (loss) per common share		
Net income (loss) available to common shareholders	**2,399**	(13,388)
Weighted average number of common shares (number)	**93,279,330**	n/a
Dilutive effect in connection with LTIP (number)	**6,284,423**	n/a
Dilutive effect in connection with performance share options (number)	**7,724**	n/a
Dilutive effect in connection with acquisition of Sawaya (number)	**391,986**	n/a
Dilutive effect in connection with acquisition of Results (number)	**411,915**	n/a
Adjusted weighted average number of common shares (number)	**100,375,378**	n/a
Diluted earnings (loss) per common share	**$ 0.02**	$ (0.15)

For the three months ended June 30, 2023, the instruments involving potential common shares were excluded from the calculation of the diluted loss per common share as they were anti-dilutive.

n/a — not applicable

18. Dividends

COMMON SHARE DIVIDENDS

The Company declared the following common share dividend during the three months ended June 30, 2024:

Record date	Payment date	Cash dividend per common share	Total common dividend amount
June 21, 2024	July 2, 2024	$ 0.085	$ 8,686

On August 8, 2024, the Board of Directors approved a dividend of $0.085 per common share, payable on September 10, 2024, with a record date of August 30, 2024 [Note 23].

PREFERRED SHARE DIVIDENDS

The Company declared the following preferred share dividends during the three months ended June 30, 2024:

Record date	Payment date	Cash dividend per Series A Preferred Share	Cash dividend per Series C Preferred Share	Total preferred dividend amount
June 21, 2024	July 2, 2024	$ 0.25175	$ 0.42731	$ 2,852

On August 8, 2024, the Board of Directors approved the following cash dividends: $0.25175 per Series A Preferred Share payable on September 30, 2024 with a record date of September 13, 2024; and $0.42731 per Series C Preferred Share payable on September 30, 2024 with a record date of September 13, 2024 [Note 23].

19. Share-Based Payment Plans

[I] LONG-TERM INCENTIVE PLAN

Under the long-term incentive plan (LTIP or the Plan), eligible participants are awarded restricted share units (RSUs), which generally vest over three years. All awards under the LTIP are settled by transfer of shares from employee benefit trusts (Trusts) which are funded by the Company, or certain of its subsidiaries, as the case may be, 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. No further shares may be issued from treasury under the LTIP.

For RSUs granted as part of the normal course incentive compensation payment cycle, vesting will continue 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. These RSUs are expensed in the period in which those awards are deemed to be earned with, a corresponding increase in contributed surplus, which is generally either the fiscal period in which the awards are made or the immediately preceding fiscal year for those awards made after the end of such fiscal year but 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 of such awards as an expense on a graded basis over the applicable vesting period, with a corresponding increase in contributed surplus.

There were 698,891 RSUs granted in lieu of cash compensation to employees during the three-month period ended June 30, 2024 [June 30, 2023 – 3,501,659 RSUs]. The Trusts purchased 685,742 common shares during the three-month period ended June 30, 2024 [June 30, 2023 – 78,600 common shares].

The fair value of the RSUs at the measurement date is based on the fair value on the grant date. The weighted average fair value of RSUs granted during the three-month period ended June 30, 2024 was $8.40 [June 30, 2023 – $7.98].

	Number
Awards outstanding, March 31, 2024	11,450,861
Grants	698,891
Vested	(5,336,852)
Awards outstanding, June 30, 2024	**6,812,900**

	Number
Common shares held by the Trusts, March 31, 2024	9,981,908
Acquired	685,742
Released on vesting	(5,274,872)
Common shares held by the Trusts, June 30, 2024	**5,392,778**

II. 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 based upon 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 statement of operations. The PSU plan includes certain employment-related conditions to the vesting of the awards resulting in the periodic expense recorded during the vesting period.

The carrying amount of the liability recognized in accounts payable and accrued liabilities relating to PSUs at June 30, 2024 was $24.3 million [March 31, 2024 – $33.4 million].

III. PERFORMANCE STOCK OPTIONS

The Company adopted a performance share option (PSO) plan for certain senior executives. The PSOs have a term of five years and will time-vest ratably 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 four times exercise price cap on payout value (i.e., the gain on the exercise of the options is limited to three times the exercise price).

There were 3,610,000 PSOs outstanding at June 30, 2024 (March 31, 2024 – 3,610,000 PSOs).

IV. INDEPENDENT DIRECTOR DEFERRED SHARE UNITS

The Company has adopted 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 ten 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.

The carrying amount of the liability relating to DSUs at June 30, 2024 was $2.5 million [2024 – $2.6 million].

V. EXECUTIVE EMPLOYEE DEFERRED SHARE UNITS

The Company has a deferred share unit (DSUs) 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.

The carrying amount of the liability recognized in accounts payable and accrued liabilities relating to DSUs at June 30, 2024 was $5.5 million [March 31, 2024 – $11.7 million].

VI. PSW CONDITIONAL SHARE PLAN

In connection with the acquisition of PSW, the Company adopted a share-based payment 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.

VII. SHARE-BASED COMPENSATION RECOVERY

	For the three months ended	
	June 30, 2024 $	June 30, 2023 $
Long-term incentive plan	**1,385**	1,695
Deferred share units (cash-settled)	**(129)**	(1,655)
Deferred share units (cash-settled) – senior executives	**(6,117)**	(1,316)
PSU (cash-settled)	**—**	(14,303)
PSO	**673**	92
Other share-based payment plan	**256**	407
Total share-based compensation recovery	**(3,932)**	(15,080)

20. Related Party Transactions

Security trades executed by the Company for officers and directors are transacted in accordance with the 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.

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

	June 30, 2024	March 31, 2024
Accounts receivable	**16,083**	19,469
Accounts payable and accrued liabilities	**1,059**	327

In addition to the balances above, Purchase Loans were made to certain executive officers and senior revenue producing employees to subscribe for units of the Partnership. [Note 7]

As of June 30, 2024, the aggregate Purchase Loans outstanding net of principal repayments was $64.2 million. The current portion of $18.1 million is included in Accounts Receivable and the long -term portion of $46.1 million is included in Other Receivables on the unaudited interim condensed consolidated statements of financial position as of June 30, 2024.

21. Segmented Information

The Company operates in two industry segments as follows:

Canaccord Genuity Capital Markets – includes investment banking, advisory, research and trading activities on behalf of corporate, institutional and government clients as well as principal trading activities in Canada, the UK & Europe (including Dubai before the cessation of the business during the three months ended June 30, 2023), Australia and the US.

Canaccord Genuity Wealth Management – provides brokerage services and investment advice to retail or institutional clients in Canada, the US, Australia and the UK & Crown Dependencies.

Corporate and Other includes correspondent brokerage services, interest and foreign exchange revenue and expenses not specifically allocable to Canaccord Genuity Capital Markets or Canaccord Genuity Wealth Management.

The Company's industry segments are managed separately because each business offers different services and requires different personnel and marketing strategies. The Company evaluates the performance of each business based on operating results, without regard to non-controlling interests.

The Company does not allocate total assets, liabilities or equipment and leasehold improvements to the segments. Amortization of tangible assets is allocated to the segments based on the square footage occupied. Amortization of identifiable intangible assets is allocated to the Canaccord Genuity Capital Markets Canada segment, as it relates to the acquisitions of Genuity and Jitneytrade. Amortization of the identifiable intangible assets acquired through the purchase of Collins Stewart Hawkpoint plc (CSHP) is allocated to the Canaccord Genuity Capital Markets and Canaccord Genuity Wealth Management segments in the UK & Crown Dependencies (Channel Islands). Amortization of identifiable intangible assets acquired through the acquisitions of Eden Financial Ltd., Hargreave Hale, McCarthy Taylor, Thomas Miller, Adam & Company, PSW and ICL is allocated to the Canaccord Genuity Wealth Management UK & Europe (UK Wealth) segment. Amortization of identifiable intangible assets acquired through the acquisitions of Petsky Prunier and Sawaya is allocated to the Canaccord Genuity Capital Markets US segment. Amortization of identifiable intangible assets acquired through the acquisition of Results is allocated to Canaccord Genuity Capital Markets UK and Europe segment. Amortization of identifiable intangible assets acquired through the acquisition of Patersons is allocated to Canaccord Genuity Wealth Management Australia. There are no significant intersegment revenues. Income taxes are managed on a Company basis and are not allocated to operating segments. All revenue and operating profit are derived from external customers. The Company also does not allocate cash flows by reportable segments.

	For the three months ended							
	June 30, 2024				June 30, 2023			
	Canaccord Genuity Capital Markets $	**Canaccord Genuity Wealth Management $**	**Corporate and Other $**	**Total $**	Canaccord Genuity Capital Markets $	Canaccord Genuity Wealth Management $	Corporate and Other $	Total $
Commissions and fees	**37,987**	**164,683**	**1,831**	**204,501**	41,048	143,645	77	184,770
Investment banking	**65,321**	**9,867**	**—**	**75,188**	29,518	7,443	—	36,961
Advisory fees	**66,766**	**5**	**—**	**66,771**	40,287	365	—	40,652
Principal trading	**24,797**	**138**	**39**	**24,974**	23,032	(86)	—	22,946
Interest	**7,836**	**40,038**	**3,869**	**51,743**	9,746	38,737	3,789	52,272
Other	**2,917**	**1,192**	**879**	**4,988**	2,063	921	2,739	5,723
Expenses, excluding undernoted	**175,643**	**140,849**	**25,108**	**341,600**	137,092	125,585	8,811	271,488
Amortization	**1,781**	**7,583**	**451**	**9,815**	1,794	7,718	391	9,903
Amortization of right of use assets	**4,324**	**1,485**	**2,630**	**8,439**	3,900	1,702	738	6,340
Development costs	**525**	**12,817**	**220**	**13,562**	859	5,888	15,877	22,624
Interest expense	**7,702**	**18,964**	**5,213**	**31,879**	6,247	16,395	669	23,311
Fair value adjustment of convertible debentures derivative liability	**—**	**—**	**(4,024)**	**(4,024)**	—	—	—	—
Restructuring costs	**2,657**	**—**	**—**	**2,657**	—	—	3,358	3,358
Acquisition-related costs	**—**	**704**	**—**	**704**				
Share of loss of an associate	**—**	**—**	**—**	**—**	—	—	18	18
Income (loss) before intersegment allocations and income taxes	**12,992**	**33,521**	**(22,980)**	**23,533**	(4,198)	33,737	(23,257)	6,282
Intersegment allocations	**5,313**	**7,613**	**(12,926)**	**—**	4,367	4,706	(9,073)	—
Income (loss) before income taxes	**7,679**	**25,908**	**(10,054)**	**23,533**	(8,565)	29,031	(14,184)	6,282

For geographic reporting purposes, the Company's business operations are grouped into Canada, the US, the UK, Europe & Crown Dependencies, Australia and Other Foreign Locations (OFL), which is comprised of our Asian operations. The OFL geography is allocated to our Canadian and Australian capital markets operations. The following table presents the revenue of the Company by geographic location (revenue is attributed to geographic areas on the basis of location of the underlying corporate operating results):

	For the three months ended	
	June 30, 2024 $	June 30, 2023 $
Canada	**$ 144,657**	$ 118,718
UK, Europe & Crown Dependencies	**131,801**	116,502
United States	**100,250**	74,658
Australia	**51,457**	33,446
	$ 428,165	$ 343,324

22. Provisions

Provisions are recognized when the Company has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount can be made. On each reporting date, the Company assesses the adequacy of its pre-existing provisions and adjusts the amounts as necessary. The following is a summary of the changes during the three months ended June 30, 2024:

	Legal provisions	Restructuring provisions	Total provisions
Balance, March 31, 2024	**19,108**	**1,899**	**21,007**
Additions	646	2,657	3,303
Utilized	—	(2,657)	(2,657)
Balance, June 30, 2024	**19,754**	**1,899**	**21,653**

COMMITMENTS, LITIGATION PROCEEDINGS AND CONTINGENT LIABILITIES

In the normal course of business, the Company is involved in litigation, and as of June 30, 2024, it was a defendant in various legal actions. The Company has established provisions for matters where payments are probable and can be reasonably estimated. While the outcome of these actions is subject to future resolution, management's evaluation and analysis of these actions indicate that, individually and in the aggregate, the probable ultimate resolution of these actions will not have a material effect on the financial position of the Company.

The Company is also subject to asserted and unasserted claims arising in the normal course of business which, as of June 30, 2024, have not resulted in the commencement of legal actions. The Company cannot determine the effect of all asserted and unasserted claims on its financial position; however, where losses arising from asserted and unasserted claims are considered probable and where such losses can be reasonably estimated, the Company has recorded a provision.

Other than as described below, there have been no significant legal and regulatory matters, and no significant developments to the matters previously described in Note 29 of the Company's March 31, 2024 Annual Consolidated Financial Statements.

The Company is subject to certain rules, regulations, and other regulatory requirements specific to the broker-dealer business and, as such, the Company operates within a regulatory framework involving certain governmental agencies and organizations. As a regulated entity and in the normal course, the Company is subject to periodic reviews and examinations by those agencies and organizations. The Company maintains policies and procedures designed to ensure compliance with these rules, regulations and requirements, but, in the event that a regulatory authority determines that there was a failure by the Company to follow or comply with certain procedures or a regulatory requirement or there is a deficiency in the Company's records or reports or some other compliance or financial failure then the Company may agree to pay a fine or penalty or agree to certain other sanctions, or, alternatively, a regulatory authority may impose a fine, penalty or other sanction. If such circumstances arise, the Company records a provision for any matter where a payment is considered probable and can be reasonably estimated.

In connection with this regulatory oversight, the Company is involved in an enforcement matter and potential enforcement matters arising from reviews of the Company's wholesale market making and trading activities in the United States, including the Company's *Bank Secrecy Act*/anti-money laundering compliance program. Although it is unknown at this time whether the underlying enforcement matter or potential enforcement matters will be resolved in the ordinary course or what the impact of any such resolution will be, it is probable that the Company will incur a significant penalty and will incur additional ongoing operating costs related to its business. The Company may also become subject to non-monetary penalties and other terms or conditions in any such resolution that may adversely impact its business. Because of the uncertainties with respect to the ultimate resolution of the matters, it is unknown whether such resolution will have a material adverse effect on the Company's financial condition, cash flows or results of operations. An estimate for a settlement of the matters was recorded in a prior period based on management's judgment and based on the information that was available to the Company at the time that estimate was recorded. That estimate was included in the Legal Provisions included in Notes 27 and 29, respectively, of the Company's March 31, 2023 and 2024 Annual Consolidated Financial Statements and is included in the total for Legal Provisions as of June 30, 2024 referenced above. In determining the estimate, management referred to previous enforcement matters that were settled by other companies, recognizing that facts and circumstances in such cases were significantly different than those in the Company's current matters. As of the date of these Unaudited Interim Condensed Consolidated Financial Statements based on its interactions with its regulators to date the Company has determined that there is a likelihood that it will be required to make a payment that is greater than the amount of the provision recorded as of June 30, 2024. The Company's estimate involved significant judgment and was based on the status and nature of the reviews at the time of such estimate and recognized that the reviews were ongoing, however, because the extent to which remediation efforts undertaken by the Company will be considered is unknown, the possibility that new facts or information may become available is unknown and the fact that the other enforcement matters settled by other companies reflected a wide range of settlement payments, a reasonable or reliable estimate of any excess above the current provision or a range of estimates for such excess cannot be made at this time.

23. Subsequent Events

DIVIDENDS

On August 8, 2024, the Board of Directors approved a dividend of $0.085 per common share, payable on September 10, 2024, with a record date of August 30, 2024 [Note 18].

On August 8, 2024, the Board of Directors approved the following cash dividends: $0.25175 per Series A Preferred Share payable on September 30, 2024, with a record date of September 13, 2024; and $0.42731 per Series C Preferred Share payable on September 30, 2024 with a record date of September 13, 2024 [Note 18].

Shareholder Information

Corporate Headquarters

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MAILING ADDRESS

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Stock Exchange Listing

Common shares:
TSX: CF

Preferred shares:
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Series C (TSX): CF.PR.C.

Corporate Website

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General Shareholder Inquiries and Information

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The Canaccord Genuity Group Inc. Annual Report for the year ended March 31, 2024 is available on our website at www.cgf.com. For a printed copy, please contact the Investor Relations department.

Expected Dividend(1) and Earnings Release Dates for the next four quarters

	Expected earnings release date	Preferred dividend record date	Preferred dividend payment date	Common dividend record date	Common dividend payment date
Q2/25	November 7, 2024	December 20, 2024	December 31, 2024	November 29, 2024	December 10, 2024
Q3/25	February 5, 2025	March 14, 2025	March 31, 2025	February 28, 2025	March 13, 2025
Q4/25	June 4, 2025	June 20, 2025	June 30, 2025	June 20, 2025	June 30, 2025
Q1/26	August 7, 2025	September 19, 2025	September 30, 2025	August 29, 2025	September 10, 2025

(1) Dividends are subject to Board of Directors approval. All dividend payments will depend on general business conditions and the Company's financial conditions, results of operations, capital requirements and such other factors as the Board determines to be relevant.

Shareholder Administration

For information about stock transfers, address changes, dividends, lost stock certificates, tax forms and estate transfers, contact:

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Offers enrolment for self-service account management for registered shareholders through the Investor Centre.

Financial Information

For present and archived financial information, please visit www.canaccordgenuity.com

Auditor

Ernst & Young LLP
Chartered Professional Accountants
Vancouver, BC