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PRESENTATION

Operator

Good morning and welcome to Fiera Capital's earnings call to discuss financial results for the third quarter of 2025. I will now turn the conference over to Natalie Medak, Director of Investor relations. You may begin your conference.

Natalie Medak - *Fiera Capital Corp - Director of Investor relations*

Thank you and good morning everyone. Welcome to the Fiera Capital Conference call to discuss our financial results for the third quarter of 2025. A copy of today's presentation can be found in the investor relations section of our website. Comments made on today's call, including replies to certain questions may deal with forward-looking statements which are subject to risks and uncertainties that may cause actual results to differ from expectations. Please refer to the forward-looking statements on page 2 of the presentation. Our speakers today are Maxime Menard, Global President and CEO, and Lucas Pontillo, Executive Director, Global CFO and Head of Corporate Strategy. Also available to answer questions will be John Valentini, President and CEO of Private Markets. With that, I will now turn the call over to Maxime.

Maxime Ménard - *Fiera Capital Corp - Global President and Chief Executive Officer*

Good morning, everyone.

Thank you for joining us today. We are pleased with our operating and financial results for the third quarter of 2025.

Total assets under management increased 4% to end the quarter at \$166.9 billion supported by market appreciation and total net organic growth of \$900 million.

Within our public market platform, assets under management reach \$145 billion at the end of the third quarter, up 3.9% from the end of Q2, reflecting market growth and positive net flows.

And assets in our private market platform ended the third quarter at \$22 billion up 5.3% from the end of the prior quarter, reflecting strong net inflows of approximately \$850 million along with market growth.

I will now turn to highlights of our commercial and investment performance across our asset classes.

Starting with our public market platform.

Total net organic growth was \$55 million during the quarter. We secured new mandates of close to \$500 million primarily into our US growth equity strategy and positive net contribution from non-subadvised AUM of close to \$400 million mostly across a mix of our equity and fixed income strategies.

This was largely offset by outflows of approximately \$700 million from some advised strategies.

During the quarter we announced an extension of our partnership with Wellington Altus with the launch of our Canadian Corporate Bond Plus, an investment fund focused primarily on Canadian corporate bonds and exclusively available for purchase by Wellington Altus Advisors. This mandate joins the Canadian High Convictions Equity Strategy, which was announced in the prior quarter. Both mandates are expected to fund over time but carry strong growth potential.

Turning to investment performance in public markets.

Our fixed income strategies continue to perform well in the third quarter, with nearly all strategies adding value. Approximately 86% of our fixed income AUM have outperformed their benchmark over the one year period, and 97% have outperformed over five years. We are pleased to report that Fiera Capital was recognized as Fixed Income Manager of the Year at the European Awards 2025. This recognition reflects the strength of our fixed income platform along with our leadership and long-standing expertise in the insurance investment space.

Among our equity strategies, outperformance relative to benchmark was challenged during the quarter. Although equity markets delivered solid gains during the third quarter, relative outperformance of a select group of companies continued to create a challenging environment for generating alpha.

Year-to-date, our Canadian equity strategy delivered positive returns, but performance relative to benchmark during the third quarter was impacted by softness in select high conviction holdings and limited exposure to outperforming sectors like materials and energy. Nevertheless, the strategy continues to add value since inception.

Returns on our US equity cap and Atlas Global Companies strategies were also positive for the quarter and year-to-date. However, outperformance relative to benchmark was affected by security selection within a few key sectors. Both strategies continue to outperform since inception.

Our international all cap ADR strategy remained a highlight outperforming its benchmark by close to 50 basis points in the quarter and 500 basis points for the one-year period led by strong selection in healthcare.

Among our sub-advised strategies, the global equity strategies perform in line with its benchmark. However, US and international equity were impacted by security selections and financials and industrials and limited exposure to index leaders. Despite short-term challenges, each strategy continues to outperform its benchmarks since inception.

Turning to our private market platform, net organic growth was approximately \$850 million for the quarter, driven by a new subscription of more than \$900 million.

As we announced during the quarter, we received an initial investment of approximately \$800 million from the Canadian District of the United Brotherhood of Carpenters and Joiners of America and the newly launched Canadian Built Opportunities Fund. The initial commitment is divided equally between infrastructure and real estate investments and aims to reach over \$1 billion in assets within 3 years. The fund as a dual mandate of generating attractive risk adjusted returns on capital and supporting jobs for union members.

And is a testament to our ability to design and deliver high impact customized investment solutions. During the quarter we returned capital of approximately \$150 million investors in our private market strategies, and year-to-date we have returned capital of more than \$500 million.

We also deployed approximately \$400 million of capital into new projects during the third quarter and \$1.5 billion year-to-date.

Our pipeline of undeployed committed capital increased to \$2.1 billion from \$1.3 billion at the end of Q2, reflecting the initial investment into the Canadian-built Opportunity Fund during the quarter.

In September we announced that we made changes to our global infrastructure capabilities to broaden the range of strategies available to institutional investors and strengthen the execution risk and oversight. After a careful and deliberate process, we appointed Bruno Gilmet as global head of infrastructure. Bruno oversees both our infrastructure equity and debt capabilities. Which manage approximately \$5.5 billion in assets and are supported by a team of more than 30 professionals across key global markets.

Bruno brings more than 25 years of experience leading large infrastructure platforms and has held senior investment and governance positions in several public sector institutions including Canada Infrastructure Bank, TSP, and CDPQ.

Moving on to investment performance, our private market strategies continue to deliver steady investment performance with key strategies generating positive returns in the third quarter and absolute returns of 5% to 10% over the one year period.

Private credit strategies in particular performed well in the quarter. Our infrastructure debt fund returned 2.6% in Q3 and produced an internal rate of return of more than 11% since inception. The team completed two investments during the quarter and is on track to complete its remaining capital commitment by late 2025 or early 2026.

Our direct lending opportunities fund also returned 2.6% for the quarter and more than 10% over the one year period.

The team has tightened underwriting standards, keeping leverage at conservative levels to ensure borrowers have an adequate flexibility.

A global private equity strategy delivered a solid return of 2.1% in the third quarter, supported by earnings growth and free cash flow generations across core portfolio companies.

Lastly, our global agriculture strategy returned 1.5% in the Q3 as strong operating results were tempered by a challenging commodity environment.

Turning to private wealth, assets under management of \$14 billion at the end of the third quarter increased 2% from the end of Q2. The quarter was impacted by negative net contribution largely out of treasuries and some advised strategies. We continue to view the private wealth business as highly complementary to our public and private market platforms and remain committed to driving sales growth within this key channel.

With that, I will turn it over to Lucas for a review of our financial performance.

Lucas Pontillo - *Fiera Capital Corp - Executive Director, Global Chief Financial Officer and Head of Corporate Strategy*

Thank you, Maxim, and good morning everyone. I will now review the financial results for the third quarter of 2025.

Beginning with total revenues.

Across our investment platforms, we generated total revenues of \$167 million in the third quarter.

Total revenues were up \$4 million quarter over quarter or 3% as a result of higher base management fees in both public and private markets, as well as an increase in performance fees in private markets.

Revenues were down \$5 million or 3% from the same quarter last year, reflecting lower base management fees in public markets and lower in commitment and transaction fees in private markets. This was partly offset by higher base management and performance fees in private markets.

Case management fees of \$153 million in the third quarter were up \$5 million or 3% from the previous quarter, but down 1% year over year.

On a year-to-date basis, base management fees of \$455 million were flat from the same period last year as higher base management fees in private markets continue to offset a decline in fees from public markets.

As Maxine highlighted, this quarter we received an investment of over \$800 million in newly launched Canadian Opportunities Fund within private markets. These assets are currently within committed and undeployed capital and are expected to be deployed over the time beginning in the first half of 2026, with the related revenues beginning in the second half of 2026.

Assets are expected to be fully invested within 3 years. As a result, our base management fee rate in the quarter reflects a portion of the impact from the increase in undeployed capital.

As assets are invested and begin to generate revenues, our fee rate is expected to increase commensurately.

Turning to public market revenues.

Base management fees of \$103 million in the third quarter increased by \$4 million over the prior quarter as a result of net organic growth and market appreciation. Base management fees declined \$4 million from the same quarter last year, primarily reflecting lower subadvised assets under management.

On a year to day basis, base management fees of \$306 million were down 3% from the same period last year, reflecting lower sub-advised AUM.

Performance fees were \$200,000 during the quarter, down from fees of less than a million in the same quarter last year.

Other revenues of \$1.6 million in a quarter were flat compared to the last quarter and down from 3.7 million in the same quarter last year, as this was largely due to revenue related to an insurance claim in the prior year.

Turning to private markets revenues, base management fees of \$50 million in the third quarter increased by \$600,000 from the prior quarter and were up \$3 million or 5% year over year. This increase was primarily driven by us taking a controlling interest in a UK real estate platform during the first quarter of 2025, along with higher deployed AUM within our real estate and agricultural mandates.

Year-to-date basis, base management fees of \$149 million increased \$10 million or 7% from the same period last year, offsetting the decline in public market based management fees over the same period.

And transaction fees of \$2 million for the third quarter compared with fees of \$5 million in the prior quarter and \$4 million in the same quarter last year and reflect lower transaction fees earned from clients as some new mandates, one during the quarter did not generate commitment or transaction fees.

Performance fees of \$7 million during the quarter were \$4 million higher quarter over quarter and \$2 million higher year over year, reflecting fees from our global agricultural funds in the current quarter.

Lastly, share earnings and joint ventures related to our UK real estate business were \$1.4 million in the quarter, down slightly from the prior quarter and same as last quarter last year.

On a year-to-date basis, earnings from joint ventures were \$6 million compared with \$11 million from the same period last year, reflecting income earned from completion of several large construction projects in the prior year and the fact that the consolidation is now in base management fees of our controlling interest in our UK real estate platform.

For the quarter, private markets comprised 13% of total assets under management and generated 37% of our total revenues.

Private markets platforms continues to deliver solid AUM and revenue growth and provide attractive diversification to our overall business.

Turning now to expenses.

SG&A expenses of \$117 million excluding sharebase comp in the third quarter were down slightly quarter over quarter and down \$3 million or 3% year over year, primarily reflecting lower sub-advisory fees, lower travel expenses, and fixed compensation expenses, which were partly offset by higher variable compensation due to increased organic growth.

On a year-to-date basis, SG&A expenses excluding share-based compensation were down \$9 million or 2% for the same period in the prior year as a result of our ongoing cost management efforts and lower sub-advisory fees.

We remain committed to improving our operating efficiency and continue to prudently manage our expense base.

Turning to adjusted EBITDA and adjusted EBITDA margin.

Adjusted EBITDA for the quarter was \$50 million up \$5 million or 10% quarter over quarter, as increased revenues and decreased SG&A expenses helped drive margin expansion for the quarter.

Year over year, adjusted EBITDA was down slightly for the quarter by \$1 million as lower revenues were mostly offset by lower SG&A expenses, excluding share-based.

Year-to-date, adjusted EBITDA of \$139 million was down \$3 million or 2% for the same period in the prior year as lower SG&A expenses, excluding share-based comp, helped to partly offset lower other revenues and lower earnings from joint ventures.

Our adjusted EBITDA margin was just over 30% for the quarter, up from 28% in the prior quarter, and flat from the same quarter last year.

Earnings, net earnings attributable to the company's shareholders were \$6 million or \$0.05 per diluted share for the quarter, up from \$4 million or \$0.03 per diluted share last quarter. This compares with \$13 million or \$0.11 per diluted share for the same quarter last year.

On an adjusted basis, net earnings were \$25 million or \$0.23 per diluted share for the quarter compared with \$27 million or \$0.24 per diluted share last quarter and \$29 million or \$0.25 per diluted share in the same quarter last year.

Last 12 months, free cash flow of \$87 million compared favorably with \$75 million for the prior quarter.

The increase primarily reflects improved changes in non-cash working capital for the quarter.

While the last 12-month free cash flow was below the \$95 million generated in the LTM period from the prior year, it is important to note that last year's number included over \$31 million in public market performance fees from Q4 2023.

Turning to our financial leverage.

Net debt was \$680 million at the end of the third quarter, down \$33 million from the end of the prior quarter, as we used a portion of higher free cash flow to pay down our credit facility.

We expect net debt to continue to decrease as we prioritize directing a greater share of free cash flow towards debt repayment.

Our net debt ratio declined to 3.5 times in the quarter and 3.7 times in the prior quarter.

Funded debt ratio as defined by our credit facility declined to 2.9 times from 3 times in the prior quarter.

Delivering value to our shareholders remains a fundamental pillar of our strategy.

During the quarter, we opportunistically repurchased approximately 540,000 shares for total consideration of \$3.6 million. On a year to day basis, we repurchased \$1.6 million shares for total consideration of close to \$10 million. We continue to see significant value in our stock at the current prices.

Lastly, the board has approved a quarterly dividend of \$10.8 per share payable on December 22, 2025, to shareholders of record on November 24, 2025.

Now turn the call back to Maxine for his closing remarks.

Maxime Ménard - *Fiera Capital Corp - Global President and Chief Executive Officer*

Thank you, Lucas. We are pleased with the operating and financial results we delivered this quarter as we continue to make progress, executing against our strategic priorities. We continue to grow our private market business, which saw AUM increase more than 5% in the quarter and close to 12% year-to-date. The positive net organic growth during the quarter was driven by two large mandate wins.

Which we believe are a testament to the strength of our distribution teams and our ability to design and deliver high impact customized investment solutions and reflect the confidence that clients continue to place in our investment capabilities.

We exercise good expense control and generated a 30% adjusted EBITDA margin. We improved our financial flexibility, paying down our credit facility and reducing our net debt ratio.

And we return capital to shareholder through our quarterly dividend and share repurchases.

I will now turn the call back to the operator for questions.

QUESTIONS AND ANSWERS

Operator

(Operator Instructions)

Etienne Ricard at BMO Capital Markets.

Etienne Ricard - *BMO Capital Markets - Analyst*

Thank you and good morning. So to circle back on the the launch of the Canadian-built platform.

There's a lot of talk about new infrastructure projects by Canadian trends. So it sounds like the opportunity set is there, but I think we're all aware of the pace of capital deployment can be lumpy in infrastructure. So I'm wondering what's the potential for this strategy to scale over time.

Maxime Ménard - *Fiera Capital Corp - Global President and Chief Executive Officer*

Yeah, well, we, first of all it's a large mandate, it's the biggest mandate we've ever, gotten our private markets platform I think there's a significant opportunity in this type of mandate to continue to grow, I would also say that we're currently also in discussions, to grow this particular mandate and similar mandates.

So I think that there is a potential. I think that, there is growth potential and, in this, particular strategy and mandate.

To answer more specific, I mean in terms of our pipeline of similar types of opportunities we are discussing, similar opportunities with different parties in Canada, so yes, we do see this as a growth potential.

Etienne Ricard - *BMO Capital Markets - Analyst*

Okay, and Lucas, I think you said that you would, you expect to invest this capital over a 3-year period. Have you, do you have commitments at this point or it's more in the future?

Lucas Pontillo - *Fiera Capital Corp - Executive Director, Global Chief Financial Officer and Head of Corporate Strategy*

No, so the comment was relative to the capital commitment that we already have, so the idea being that it would be deployed over a 3 year period. So starting early next year, and then, likely ramping up in the following year and falling into the third year as well. So it was with respect to the capital that's already been committed, the \$800 million we referred to the mandate.

Maxime Ménard - *Fiera Capital Corp - Global President and Chief Executive Officer*

The mandate carries a good, revenue scheme in terms of management fee and also performance fees, so we think it's, on a, relative basis compared to our private markets revenue, I think this is going to be, it's going to be a creative.

Yeah, so again, like, not to extend too much on this, but I think what's really interesting and again we were able to come up with, a very customized solution for a group that was looking for, deployment of capital, I see a great opportunity and our ability to continue to grow it as they've committed already \$800 million in both strategies real estate and infrastructure we already have committed to some projects, more importantly in the real estate right now and then we continue to look for infrastructure. And I think as we deploy this capital there potentially is other groups that will join as part of other unions and increasing the capital potentially allocated to this and so we don't yet have a you know a number but certainly there's upside potential in increasing the pool of assets committed to that solution.

Etienne Ricard - *BMO Capital Markets - Analyst*

Appreciate the details and switching on the public markets.

What interests are you seeing for active equity strategies?

From institutional investors given that we continue to see a concentration of market returns.

Maxime Ménard - *Fiera Capital Corp - Global President and Chief Executive Officer*

Yeah, I think the last quarter is not necessarily indicative of how much interest there is across public markets. In fact, I think we've seen probably that the most of interest across our different strategies in the last two quarters, including, as I mentioned, a large proportion that went to an active US large GAAP mandate. And again, this is probably the largest asset class that typically would go non-active. So, I think the last quarter was a difficult one for call it high conviction active managers, but nevertheless I think in the long run we've seen an increased appetite for public markets and active managers and specially the managers that we tend to have which is high conviction managers so you know whether it's Canadian equities whether it's you know US equities and even global we've seen a constant demand in our fees coming in.

Lucas Pontillo - Fiera Capital Corp - Executive Director, Global Chief Financial Officer and Head of Corporate Strategy

And I would just add to that, despite the difficulties in the quarter, when you exclude the sub-advised mandates, we actually had positive net organic growth in public markets of almost \$800 million, and it was a nice, diversified set of new mandates across everything from Canadian equity to US equity. So, I say we continue to see good demand for our products in the quarter.

Operator

Jaeme Gloyn at National Bank Capital Markets.

Jaeme Gloyn - National Bank Capital Markets - Analyst

Yeah, first question just on the cash flows, just kind of trying to pick up the note from the presentation around timing of accounts receivable timing of other items.

Can you try to kind of normalize some of those, factors and what kind of contribution that might have had on the increase in LTM cash flows?

Lucas Pontillo - Fiera Capital Corp - Executive Director, Global Chief Financial Officer and Head of Corporate Strategy

Thanks, Jaeme. Great question. Actually, I would say it, I'll reverse it a bit. It actually is quite normalized for the quarter, where we had a significant working capital drag was last year.

So when you compare that \$95 million versus the \$87 million, that's where you're seeing the difference.

So we ran a much tighter, sort of non-cash working capital turnover this quarter, which I would say is probably more in line with how we should be running it. And the last year's number got really impacted by two things. It got impacted by large performance fees, as I mentioned in Q3 2023, Q4 2023, and then likewise there was some slippage with the working capital last time.

Jaeme Gloyn - National Bank Capital Markets - Analyst

Okay, understood. And then, in terms of the organic growth story, any insights on how Q4 is shaping up?

Maxime Ménard - Fiera Capital Corp - Global President and Chief Executive Officer

Again, we continue to see lots of interest for the different asset class we have again, like it's a little early for me to say you know how this is going to look like, you know I've mentioned that there's a bit of a softness in terms of the performance and some of the strategies. Q4 is not necessarily indicative of a lot of decision making within the institutional world, but we're keeping a close eye on flows, but again, as I said so far, it's hard for me to give you any indications of how this is going, it's a mix of some outflows and again some positive flows in some of the accounts that we recently won. But you know we're keeping a close eye on this.

Operator

(Operator Instructions)

Graham Riding at TD Securities.

Graham Riding - TD Securities - Analyst

Hi, good morning. Some solid performance fees in the quarter. I think Q4 historically has been your sort of bigger, performance fee part of the year.

Your frontier markets fund the performance there has been lagging, but you've got solid performance on your emerging market strategy. So can you give us a feel for sort of how things are looking in terms of performance fees, given I believe those funds are sort of fairly material drivers historically.

Lucas Pontillo - Fiera Capital Corp - Executive Director, Global Chief Financial Officer and Head of Corporate Strategy

Yeah, thanks for that, Graham. Indeed, as you said, some of the performance, it's a bit lopsided. We've got one that's doing quite well and one that is underperforming.

I mean, certainly at this point where we are during the year, you can see we're lagging a bit even in terms of the crystallization of some of those performance fees, relative to prior year, and as things stand, we're not expecting to have, the same level, but again with these things, it's always so volatile. We still have, 6 weeks to go in the year. And the sensitivity particularly around those emerging market strategies. I mean we've seen it come and go in a matter of weeks at times. So at this stage we're watching it prudently, but we're certainly more cautious going into Q4 than we than we would have been historically.

Graham Riding - TD Securities - Analyst

Okay, great. And then, I know you've made some changes in leadership at the private debt interest or just your infrastructure sort of vertical overall. How would you sort of describe sort of the changes that you're expecting to see there? Is this performance focused, distribution focused, what are you sort of hoping to see come out of that?

And, on a second on that, I think there's some redemption requests sort of legacy, redemption requests there are those material in nature and how are you sort of managing through that through that?

Maxime Ménard - Fiera Capital Corp - Global President and Chief Executive Officer

Yeah, so, the changes that you're referring to is Bruno Gnet that we brought in in terms of global head of infrastructure, the goal in that was to strengthen the team in terms of our capabilities around what I consider to be probably one of the most attractive asset class on a go forward basis.

And the point of this is a combination of many things. Again, it's the way we approach a client base and the way that we are coordinating between the debt and the equity, so we decided to bring the two asset classes under one, leadership, and Bruno had lots of experience on this, in terms of the queue again, like we're addressing the situation with a combination of making sure that we create the necessary liquidity to address the queue, but also while protecting the, performance of the fund.

Operator

Thank you.

And at this time, Ms. Medak, we have no other questions registered. Please proceed.

Natalie Medak - Fiera Capital Corp - Director of Investor relations

We'd like to thank everyone for joining us this morning. Please reach out if you have any other questions. Sylvia, with that, we can end the call.

Operator

Thank you. Ladies and gentlemen, this does indeed conclude your conference call for today. Once again, thank you for attending, and at this time, we ask that you please disconnect your line.

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