CI FINANCIAL

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All financial amounts in this Annual Report are in Canadian dollars unless stated otherwise.

ABOUT CI FINANCIAL

CI Financial Corp. is a diversified global wealth and asset management company operating primarily in Canada, the United States and Australia. Founded in 1965, CI has developed world-class portfolio management talent, extensive capabilities in all aspects of wealth planning, and a comprehensive product suite.

As at March 31, 2024, CI had total assets of $474.2 billion, consisting of asset management assets of $130.1 billion, Canadian wealth management assets of $93.7 billion, Canadian custody assets of $28.0 billion, and U.S. wealth management assets of $222.3 billion.

TOTAL ASSETS
$474.2B

ASSET MANAGEMENT ASSETS
$130.1B

CANADIAN WEALTH MANAGEMENT
$93.7B

CANADIAN CUSTODY
$28.0B

U.S. WEALTH MANAGEMENT
$222.3B

CI FINANCIAL

ASSET MANAGEMENT	CANADIAN WEALTH MANAGEMENT	U.S. WEALTH MANAGEMENT
CI Global Asset Management	CI Assante Wealth Management	Corient Private Wealth
GSFM Pty Limited	Aligned Capital Partners	
	CI Private Wealth	
	Northwood Family Office	
	Coriel Capital	
	CI Direct Investing	
	CI Investment Services	

CI OPERATES IN THREE SEGMENTS:

- Asset Management, which includes CI Global Asset Management, which operates in Canada, and GSFM, which operates in Australia.
- Canadian Wealth Management, which includes the operations of CI Assante Wealth Management, Aligned Capital Partners, CI Private Wealth, Northwood Family Office, Coriel Capital, CI Direct Investing and CI Investment Services.
- U.S. Wealth Management, which includes Corient Private Wealth, an integrated wealth management firm providing comprehensive solutions to ultra-high-net-worth and high-net-worth clients across the United States.

CI has been listed on the Toronto Stock Exchange since June 1994 (symbol: CIX). Our head office is in Toronto and our U.S. headquarters is in Miami.

CI FINANCIAL DIRECTORS

Kurt MacAlpine
Chief Executive Officer and Director

William T. Holland
Chairman of the Board

William (Bill) Butt
Director

Brigette Chang
Director

David P. Miller
Lead Director

Paul J. Perrow
Director

Sarah M. Ward
Director

2023 AT A GLANCE

FINANCIAL HIGHLIGHTS[1]

TOTAL ASSETS	ADJUSTED DILUTED EPS	DILUTED EPS
$444.8B	$3.11	$0.03
NET REVENUES	**DIVIDENDS PAID**	**SHARE REPURCHASES**
$2.7B	$125.5B	$475.3M
DEBT REDUCTION	**FREE CASH FLOW**	**OPERATING CASH FLOW**
$708.8M	$648.7M	$562.5M

OPERATIONAL HIGHLIGHTS

- Unified U.S. private wealth business under new brand: Corient
- Generated $1.3 billion in proceeds from sale of a minority stake in Corient
- Greatly expanded U.S. client offering with new trust company, alternative investments, family office services
- Rapidly grew Canadian custody business with conversion of Aligned Capital assets to CI Investment Services
- Continued building Canadian ultra-high-net-worth wealth business with acquisition of Coriel Capital
- Earned a Canadian industry-leading number of awards for investment performance
- Enhanced Canadian investment fund lineup with diverse offerings, including unique private markets funds
- Exceeded $20 billion in assets for ETF business

[1] As at or for the year ending December 31, 2023. Adjusted earnings per share and free cash flow are not standardized measures prescribed by IFRS. Descriptions of these measures are provided in the "Non-IFRS Measures" section starting on page 8 of the attached Financial Report dated December 31, 2023. All financial amounts are in Canadian dollars.

LETTER TO SHAREHOLDERS

Dear Shareholders,

This June marks the 30th anniversary of CI Financial's initial public offering of common shares on the Toronto Stock Exchange. With the listing, the company – then known as C.I. Fund Management – raised $25 million in new capital. At its fiscal year-end on May 31, 1994, CI managed $3.7 billion in 13 mutual funds and had generated $54 million in revenue for the year.

In the three decades since, CI has grown from a small mutual fund boutique into a large and globally diversified wealth and asset management company. We finished 2023 with total assets of $444.8 billion and annual net revenues of $2.7 billion.

CI's success stems from an enduring commitment to growth and innovation and a willingness to make bold decisions to adapt to changing and often challenging business and market conditions.

That was the case just over four years ago when we initiated the greatest transformation in CI's history. In late 2019, we adopted the three strategic priorities that guide the ongoing growth and development of CI – modernize asset management, expand wealth management, and globalize the company. The results have been remarkable. In a short time, CI has become dramatically larger and more diversified in its business lines, economics and geographic presence. Since 2019, we have transitioned from a highly concentrated business where Canadian asset management accounted for two-thirds of our assets and almost all of our profits to one with a much more balanced mix. Today, Canadian and U.S. wealth management account for more than two-thirds of our assets and contribute a significant share of our economics. We have built our U.S. business, Corient, into the country's largest integrated fee-only registered investment advisor focused on high-net-worth and ultra-high-net-worth clients.

In 2023, we continued to make tremendous progress in advancing CI's strategic transformation, as well as producing solid financial results. These achievements were made during another turbulent year on financial markets. Though equity markets ended 2023 with gains, the year was marked by volatility. Further increases in interest rates, several bank failures and uncertainty over the direction of inflation and the economy all contributed to risk-averse investor sentiment. This was starkly evident in the Canadian mutual fund industry, which had $57.1 billion in net outflows in 2023, its worst year ever.

At CI, in contrast, our Canadian retail asset management division recorded $341 million in net sales for the year, while our Canadian and U.S. wealth management segments also generated positive net flows. This is a testament to the quality of our people and our businesses.

Our total assets grew by $61.2 billion or 16% during the year to a record $444.8 billion, reflecting market gains, positive inflows and acquisitions. Our assets increased by another $29.4 billion in the first three months of 2024 to reach $474.2 billion. That's 2.6 times the asset levels of October 2019, prior to the start of our strategic transformation.

In this letter, I will discuss the highlights of our achievements in 2023 in each operating segment, along with other key issues.

STRATEGIC PRIORITIES

All initiatives at CI are guided by one or more of the strategic priorities, which build on CI's strengths and leverage opportunities for growth in an evolving financial services industry. The strategic priorities and the rationale for each are:

MODERNIZE ASSET MANAGEMENT

- Evolving demographics
- Shifts in investor preferences
- Changing expectations for servicing and support
- Ongoing regulatory change

EXPAND WEALTH MANAGEMENT

- Role of the advisor is more important than ever before
- Our breadth of capabilities uniquely positions us to be Canada's market leader
- Consumers' lives are becoming increasingly complex and digital

GLOBALIZE THE COMPANY

- Scale is increasingly important and difficult to achieve in Canada
- Investors want to be serviced and supported globally
- Talent acquisition from global markets.

ASSET MANAGEMENT

The core initiative in the modernization of our asset management business has been the successful transformation of CI's investment management function from a series of competing boutiques with overlapping capabilities into a single, integrated global investment team. This project began in 2020 with the rebranding of CI Investments to CI Global Asset Management and proceeded under the direction of Marc-André Lewis with his appointment as CI GAM's Chief Investment Officer in 2021.

Today, CI GAM boasts an established institutional-grade investment platform that takes full advantage of the firm's size and scale, without the redundancies of the multi-boutique model. The team of more than 100 investment professionals operates with a clear structure and well-defined processes dedicated to achieving a superior investment experience for our clients.

CI GAM's approach is characterized by a commitment to in-depth fundamental research, rigorous portfolio construction and risk management, with decision-making informed by advanced data and analytics. Teams are aligned by specialization, with asset class investment specialists supported by experts in areas such as trading, risk management and analytics, foreign exchange, and responsible investing. This structure emphasizes collaboration, idea generation and accountability. Like the world's leading institutional investors, CI GAM possesses expertise across global asset classes, including private assets and other alternative investments.

During the past year, we continued to enhance the capabilities of the team with a notable example being the expansion of our Investment Advisory function. This group strengthens the partnership between investment management and distribution by providing information and analysis about our investment approach and funds to educate advisors and drive sales.

The impact of the transformation of our investment management has been undeniable. In 2023, CI delivered its best relative performance in over seven years, with 77% of assets under management outperforming peers and with 48% in the top quartile over the three years ending December 31, 2023. Our strong performance also received prestigious third-party recognition, with CI GAM investment funds receiving 19 LSEG Lipper Fund Awards and 35 FundGrade A+® Awards for 2023. CI GAM received more awards in 2023 than any other fund company in both awards programs, which recognize funds with consistent outstanding risk-adjusted performance.

The modernization of asset management also extends to our distribution function. In 2023, the distribution team was revitalized through the introduction of a newly defined strategy and fully integrated structure overseen by Jennifer Sinopoli, who was appointed Head of Distribution in July. These accomplishments included the appointment of new leadership for regions and teams, the rationalization of sales territories to improve coverage, and augmented talent development and training. Leveraging data and analytics to deliver a tailored experience to advisors is an increasingly important part of this model.

SOLUTIONS TO HELP INVESTORS THRIVE

We have also taken a much more dynamic approach to product development and management. Though our product offering is already one of the industry's most comprehensive, we have become an industry leader for activity and innovation. Our product strategy is guided by these three themes: providing solutions to help investors thrive in challenging markets; meeting investors' evolving preferences and interests; and enhancing our existing lineup by improving existing mandates as well as simplifying our shelf to make it easier for advisors and their clients to do business with us.

Last year was another incredibly busy year in product development, with initiatives touching on all three of those themes. Our most important project was the launch of two private markets mandates for the retail market – CI Private Markets Growth Fund and CI Private Markets Income Fund. These funds provide individual Canadian investors with access to the world's leading alternative investment managers through a single, well-diversified solution – a first for the Canadian market. Investors benefit from our expertise in asset allocation and risk management, as CI GAM manages the selection of and allocation to the underlying strategies through an open architecture fund-of-funds structure. The private markets funds are available to accredited investors and used by certain CI balanced and multi-asset funds to make an allocation to private markets.

We believe that private markets and other alternative investments offer valuable benefits to investors by allowing them to diversify and enhance the risk-adjusted returns of their portfolios in uncertain markets. They also represent the potential for exceptional growth for our firm. Global institutional investors often allocate as much as 40% of their portfolios to private markets, while the typical Canadian investor, through their advisor, allocates zero. This disconnect is driven by three factors – lack of education about the underlying asset classes, lack of access to world-class managers, and inability to service and administer the products. CI's solutions address all of these challenges.

These products build on our robust lineup of alternative investments that includes three other private markets funds and a series of liquid alternative funds available in mutual fund and ETF structures. As of December 31, 2023, CI GAM was one of the top two liquid alternatives managers in Canada, with $5.4 billion in asset under management (including cryptocurrency funds).

Other product initiatives in 2023 included: the launch of two equity ETFs designed to minimize downside market volatility; the introduction of CI Asset Allocation ETFs, a family of six low-cost portfolios; the expansion of our popular covered call product suite with a new ETF and four mutual funds; enhancements to our money market fund lineup with two new ETFs and significant reductions to the management fees of existing money market funds; and the launch of Smart Switch DCA™, an automated dollar-cost averaging program that facilitates systematic transfers from CI High Interest Savings Fund into other CI funds. CI GAM also streamlined its lineup through a number of mutual fund and ETF mergers.

As I noted in my introduction, 2023 was one of the most challenging years in the history of the Canadian fund industry. Net redemptions of mutual funds totalled a record $57.1 billion, while ETF net sales were $37.6 billion, for combined net redemptions of $19.5 billion (as reported by the Investment Funds Institute of Canada).

Our Canadian retail division performed very well in comparison, with $341 million in net sales for the year. Our cash equivalent and money markets funds were our top-selling mandates, reflecting investors' risk aversion. Overall, we had total net redemptions of $554 million in our asset management segment, which includes the institutional business and the Canadian closed business (largely segregated funds that are no longer available for sale), as well as GSFM in Australia. At December 31, 2023, the segment's assets under management were $125.0 billion, up 6.1% for the year.

Another notable development in 2023 was the growth of our Canadian ETF assets, which exceeded $20 billion for the first time. This achievement is the result of our team's work in developing a comprehensive and appealing ETF lineup and educating and supporting advisors who recommend ETFs to their clients. Our success in this area was recognized when CI GAM was named ETF Provider of the Year at the Wealth Professional Awards.

Exceptional progress has been made across our asset management business over the past four years, laying a strong foundation for the future. We are continuing with the next phase of our modernization, focused on maintaining operating discipline while delivering consistent outperformance and an industry-leading product suite, supported by a re-energized distribution team.

CANADIAN WEALTH MANAGEMENT

CI today is Canada's leading non-bank advisory firm with the ability to serve clients across the wealth spectrum – from do-it-yourself investors to the country's wealthiest citizens. Our wealth management businesses are supported by CI Investment Services (CIIS), a rapidly growing custody platform with industry-leading technology.

The Canadian wealth segment posted a strong performance in 2023 in a challenging market environment. We reached record levels of assets under administration, driven by positive inflows, market growth and advisor recruitment. Wealth management assets (excluding custody) were $88.0 billion at December 31, 2023, an increase of $10.6 billion or 13.7% for the year. These results speak to the quality of our businesses and the expertise of our advisors and the exceptional value they bring to their clients' lives.

Our custody business had $25.6 billion in assets at year-end, up from just $7.9 billion a year earlier and $1 billion in 2018, and we continue to scale that platform. These and other developments have driven strong earnings growth in Canadian wealth management, making it an increasingly substantive contributor to CI's overall profitability with impressive potential for continued growth.

A key project in this effort was completed in July 2023 with the successful conversion of Aligned Capital client assets to the CIIS custody platform. We are now working towards onboarding our other internal wealth assets, as well as growing our roster of external custody clients. We continue to make a meaningful investment in developing the capacity and capabilities of the CIIS platform. This business not only represents an important new revenue stream, but it enables us to provide our advisors and clients with expanded services and support.

Our broad strategy is to continue to develop Canadian wealth into an increasingly profitable standalone business by building a unified organizational structure and a common leading-edge platform that supports the varied advisory models across the firm – with the goal of delivering a superior advisor and client experience. These efforts are directed by Chris Enright and Sean Etherington, Co-Heads of Canadian Wealth Management.

CREATING VALUE FOR ADVISORS AND CLIENTS

In addition to the Aligned asset conversion, our Canadian wealth team effected an ambitious list of enhancements in 2023. At Assante, these included the expansion of its discretionary program with the introduction of separately managed accounts (SMA) and unified managed account (UMA) capabilities, giving our advisors and clients additional options in managing their investments. The firm also implemented major enhancements to the Assante Private Portfolios, a managed portfolio solution operated by CI GAM and widely used by Assante advisors. We believe managed solutions offer compelling value to clients and represent a competitive advantage for our firm. Continuing to expand and enhance these products is a priority in 2024.

Assante also adopted a new service model that brings together service and operations personnel into regionally based teams to increase collaboration and transparency and provide faster service to advisors.

We have also developed a leading offering for Canada's most affluent individuals and families, which operates under the brand name CI Private Wealth. In November 2023, we acquired Coriel Capital of Montreal, which serves as a "chief investment officer" for ultra-high-net-worth families. The team joins CI Private Wealth and Northwood Family Office (acquired in 2022) to further cement our position as Canada's pre-eminent ultra-high-net-worth wealth management provider

We are excited by the potential of Canadian wealth management as we continue to execute on a diverse range of strategies to enhance its growth and profitability.

U.S. WEALTH MANAGEMENT

CI entered the U.S. wealth management sector in early 2020 with our first registered investment advisor ("RIA") acquisition. In a short time, we have built our U.S. subsidiary, Corient Holdings, into one of the country's largest integrated fee-only wealth managers with $206.3 billion (US$155.7 billion) in assets at year-end. Corient Private Wealth ("Corient"), our primary U.S. operating company, is known for its deep expertise and broad capabilities serving high- and ultra-high-net-worth clients.

At Corient, we have implemented a highly differentiated operating model that we believe represents a distinct competitive advantage. U.S. wealth management businesses are typically providers of real estate, operations and technology and other back-office services to independent advisors or teams where the expertise delivered to the client is often limited to the small team that serves them. In addition to competing with other internal advisors for clients, such advisors are compensated only by receiving a portion of the revenue they generate. This creates cultural gaps and a lack of alignment between advisors and the success of the overall business.

In contrast, Corient is structured as a private partnership, where more than 240 of our colleagues are equity partners. This unique partnership structure incentivizes collaboration and ensures that our clients have access to the full range of expertise and services available across Corient, so that we deliver an unrivalled client experience. It encourages a unified culture, aligns the interests of advisors and staff with the organization, supports career paths for employees, and improves wealth creation. It also facilitates acquisitions by providing RIA owners who are selling their businesses with ownership in Corient.

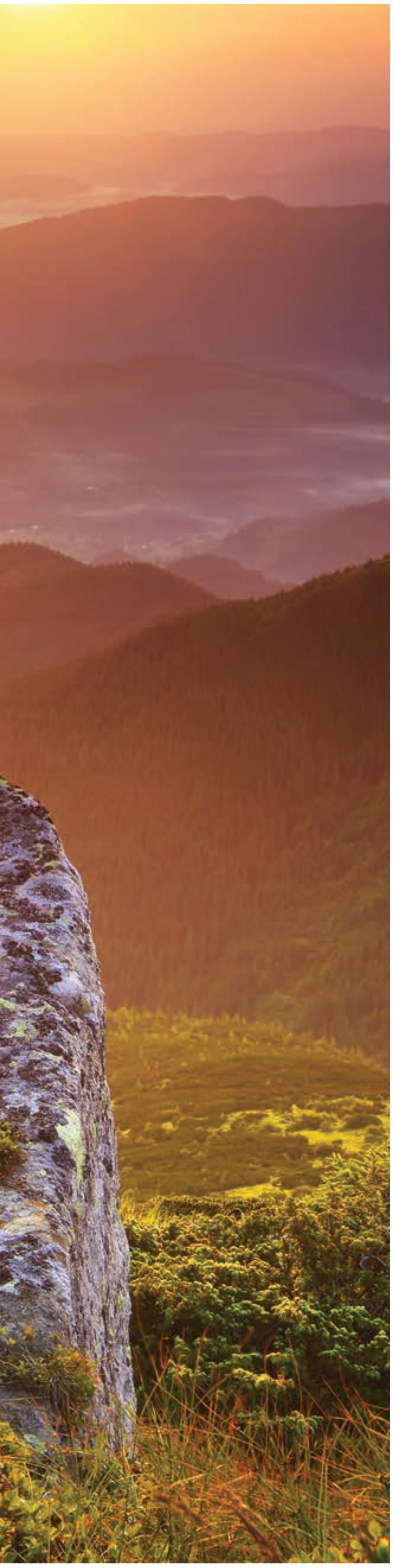
Our results demonstrate the effectiveness of our model. Our U.S. wealth management segment has generated exceptional growth, both organically and from acquisitions, and in 2023, produced a 43% year-over-year increase in adjusted EBITDA[1]. In early 2024, Corient Holdings received credit ratings of A- (Stable) from rating agency KBRA, due to Corient's scale, strong growth and cash flows, and clean balance sheet. We believe this is the highest credit rating assigned to any standalone U.S. wealth management firm.

The value of the U.S. wealth management business and our strategy was further validated in 2023 with the sale of a 20% minority stake in Corient Holdings to a diverse group of leading global institutional investors. This sale delivered $1.34 billion (US$1 billion) in cash to CI, which we used to reduce CI's debt and repurchase shares. The transaction allowed us to realize substantial value from the U.S. business for CI shareholders while maintaining the flexibility to proceed with an initial public offering in the future.

PUTTING CLIENTS AT THE CENTER OF EVERYTHING WE DO

Perhaps our most visible accomplishment in 2023 was the rebranding of the business to Corient from CI Private Wealth. Corient, derived from "client oriented," reflects our commitment to putting clients at the center of everything we do. The new name gave the firm a unified brand that represents its status as an integrated, national wealth management firm with deep expertise and broad capabilities. The change was implemented nationally and we discontinued the practice of co-branding with our legacy firms.

The adoption of a single brand also reflects the extensive work we have done to integrate our legacy RIAs into a single, cohesive company. While some of our competitors pursue a highly decentralized model under which acquired firms continue to operate independently under their own brand names, integration is central to our strategy. Supported by the private partnership discussed above, integration has allowed us to realize synergies and leverage our scale to provide our clients with a superior wealth management experience.



We centralized support functions such as human resources, compliance, legal, finance and marketing, adopted a common technology platform, and introduced national training and development programs along with a new advisor compensation model that is consistent across the firm. We have enhanced our services to clients, including expanding our family office capabilities. Our impressive list of accomplishments in 2023 includes:

- Launching the Corient Trust Company to provide our clients with an array of corporate trust services;
- Establishing a full-scale alternative investments offering, supported by a 12-person team with extensive experience in the due diligence and selection of alternatives;
- Introducing a Wealth Transfer practice to support advisors in implementing comprehensive planning and working with complex family dynamics;
- Starting a national Personal CFO Service offering bill pay, bookkeeping, financial management, accounting and reporting;
- Launching a national Wealth Planning function to bring best-in-class planning experience to all clients;
- Expanding the use of Corient tax services;
- Unifying and leveraging investment capabilities from across the firm to select securities and build portfolios.

Our growth strategy for Corient continues to include acquisition of the highest-quality RIAs and individual advisor teams that align with our vision, strategy and culture. In 2023, we acquired four excellent firms with approximately US$11.5 billion in combined assets and locations across the country: Avalon Advisors of Houston, La Ferla Group of Garden City, New York, Intercontinental Wealth Advisors of San Antonio, and Windsor Wealth Management of Indianapolis. Also in 2023, we sold our minority stake in Congress Wealth Management of Boston, given that the external ownership structure at Congress precluded it from being integrated into the Corient partnership. CI received a return of approximately three times its initial investment in Congress.

Operationally, we have established U.S. wealth management as a standalone business, separate from CI's Canadian operations. Going forward, our intention is to position Corient so that it can access capital independent of CI and finance its own future growth. Securing credit ratings for Corient Holdings was an important step in this process.

Everyone at CI can be proud of what we have achieved with Corient – a leader in the world's largest market for wealth management. We are building on this progress through continued integration, strengthening our platform, enhancing our services, achieving strong organic growth along with making selected acquisitions, and delivering a truly exceptional client experience.

FINANCIAL RESULTS

Our results in 2023 were marked by gains in earnings per share (EPS), revenues and total assets. Here are a few highlights[1]:

- Adjusted earnings per share of $3.11, up $0.01 from the previous year, outperforming the majority of our peers with asset-based fees. Diluted EPS was $0.03, versus $1.58 in 2022.
- Total net revenues were $2.7 billion, up 17.7% from $2.3 billion in 2022.
- Adjusted EBITDA (earnings before interest, taxes, depreciation and amortization) attributable to shareholders of $971.8 million, compared to $1.0 billion in the prior year. On a non-adjusted basis, EBITDA was $524.6 million, versus $786.0 million in 2022.
- Free cash flow was $648.7 million, compared to $687.4 million in 2022. Operating cash flow was $562.5 million, in line with the prior year's $564.5 million.
- Total assets as at December 31, 2023, were $444.8 billion, representing growth of $61.2 billion or 15.9% during the year. The increase was attributable to positive flows in asset and wealth management, market gains, acquisitions and the Aligned Capital custody conversion.

CAPITAL ALLOCATION

In capital allocation, our policy is to take a dynamic approach, using our cash flow and financial resources to fund multiple priorities and create value for shareholders as opportunities arise. In 2023, our capital allocation was well balanced between debt reduction, acquisitions and returning money to shareholders through share repurchases and dividends.

Firstly, we firmly believe that that there continues to be a significant disconnect between our share price and the intrinsic value of our business. As a result, we devoted significant resources to share repurchases during the year, buying back 32.4 million shares for $475.3 million or an average price of $14.69 per share. This included the maximum repurchases allowed under our 2023-2024 normal course issuer bid as well as a substantial issuer bid completed in December. These repurchases reduced the number of CI's outstanding shares to 153.8 million as at December 31, 2023. (In the first quarter of 2024, we announced a new substantial issuer bid, under which we repurchased a further 4.9 million shares for $85 million.)

In 2023, CI paid quarterly dividends of $0.18 per share for total payments of $125.5 million. In August 2023, the Board of Directors declared an increase in the quarterly dividend to $0.20 per share starting with the January 15, 2024 payment. The increase was a response to the successful transformation of CI over the past four years and the strong gains in its financial position.

We used the proceeds from the minority investment in Corient and the sale of our interest in Congress Wealth Management to pay down $1 billion in debt, including repurchasing over $700 million in debentures and paying down the credit facility. At the end of 2023, CI continued to have a favourable debt profile, with $3.2 billion in outstanding debentures with a weighted average interest rate of 4.07% and a weighted average maturity of 13.7 years. Net debt stood at $3.4 billion, down from $4.1 billion a year earlier.

[1] Adjusted earnings per share, adjusted EBITDA and free cash flow are not standardized measures prescribed by IFRS. Descriptions of these measures are provided in the "Non-IFRS Measures" section starting on page 8 of the attached Financial Report dated December 31, 2023. All financial amounts are in Canadian dollars unless stated otherwise.

COMMITMENT TO EMPLOYEES

Building a high-performing and inclusive workplace is a priority at CI. We are committed to recruiting and developing top talent and we seek to enable talented employees to reach their potential at CI regardless of their background and identity.

The result of this approach is a diverse workforce with strong representation from women and visible minorities. Women comprise 44% of our workforce and among our executive ranks (senior vice-president and above), 34% identify as women and 40% identify as visible minorities.

CI has invested in a wide range of programs to develop and support employees, and you can read more about our efforts in this area in the Corporate Social Responsibility section of this Annual Report. Our achievements in employee growth and development earned us third-party recognition in 2023. We were named a Greater Toronto Top Employer, and included on the 2023 Report on Business magazine's Women Lead Here list, which highlights public Canadian firms with the greatest female representation in their executive ranks.

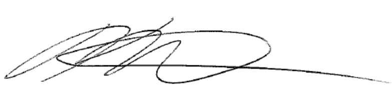
OUTLOOK

Global equity markets continued to rally early in 2024, driven in part by expectations that central banks would cut interest rates later in the year. CI benefited from the market moves, as our total assets grew to $474.2 billion as at March 31, a gain of $29.4 billion or 6.6% over year-end.

Regardless of market conditions, we remain focused on executing on our strategic priorities and the continued transformation of the firm. We have achieved much over the last four years, building on CI's long history of growth, and I remain very excited about our ambitious plans for the future. We are tremendously well positioned for continued success.

Lastly, I would like to thank our employees and our advisor partners and other associates for their hard work and accomplishments over the year, and our shareholders for their continued support.

Sincerely,



Kurt MacAlpine

Chief Executive Officer

SUBSIDIARY PROFILES

ASSET MANAGEMENT

CI GLOBAL ASSET MANAGEMENT

CI Global Asset Management ("CI GAM") is one of Canada's largest investment management companies with global scale and capabilities. We are proud to partner with financial advisors to serve approximately 1.4 million investors across the country. We also provide investment services to pension funds, foundations and other institutional investors through a dedicated institutional group. CI GAM had approximately $124.5 billion in assets under management as at March 31, 2024.

We offer a comprehensive selection of effective investment solutions, including mutual funds, exchange-traded funds, segregated funds, managed solutions and alternative investments. Our product lineup spans a wide range of investment disciplines and mandates covering various asset classes, geographic regions and industry sectors.

As we have modernized our asset management business, CI GAM has become a leader in product innovation. Examples include cryptocurrency, environmental, social and governance (ESG), commodities and thematic mandates. We offer a strong lineup of alternative investments, including unique fund-of-fund private markets solutions that bring the world's leading private markets investment managers to Canadian investors. CI GAM is also one of Canada's top providers of ETFs and in 2023, our ETF lineup exceeded $20 billion for the first time. CI GAM was also named ETF Provider of the Year at the Wealth Professional Awards.

CI GAM has built an integrated, global, institutional-grade investment platform. We employ diversity of thought, collaboration, well-defined investment disciplines, asset class specialization and in-depth research to deliver the best possible outcomes for our clients. The CI GAM investment team consists of approximately 100 investment professionals with extensive expertise on a global basis.

CI GAM has continued to receive extensive industry recognition for investment performance and our funds were the recipients of 35 FundGrade A+® Awards and 19 LSEG Lipper Fund Awards for 2023 – more awards than any other company in Canada in both the Lipper and FundGrade programs.

GFSM PTY LIMITED

GSFM Pty Limited ("GSFM") is a leading manager and distributor of investment funds to institutional and retail investors in Australia. The firm was founded in 2007 and today manages approximately $8.4 billion in assets (as at March 31, 2024).

GSFM partners with high-calibre investment managers in Australia and globally to offer unique investment strategies to the Australian market. We have relationships with eight investment managers – Paris-based Access Capital Partners, New York-based Epoch Investment Partners, London-based Man Group, Los Angeles-based Payden & Rygel, and Australian managers Australian Entertainment Partners, Munro Partners, Tanarra Credit Partners, and Tribeca Investment Partners. Each offers a differentiated investment strategy in their specialist asset classes. These mandates span Australian equities, Asian equities, global equities, fixed income and private credit, and alternatives.

CI Financial owns a majority interest in GSFM and GSFM executives hold a minority equity stake.

CANADIAN WEALTH MANAGEMENT

CI's Canadian wealth management segment advises on $93.7 billion (as at March 31, 2024) in assets across the full spectrum of advice channels and client complexity. Our advisory businesses are supported by CI Investment Services, a custody and clearing platform administering a further $28.0 billion in client assets. As one of Canada's largest wealth managers, we are building an innovative, industry-leading platform and services to support a superior advisor and client experience.

CI ASSANTE WEALTH MANAGEMENT

CI Assante Wealth Management ("Assante") is one of Canada's largest wealth management firms, supporting more than 900 advisors in the delivery of complete financial advice for affluent Canadian families, business owners and professionals. We administered $59.3 billion on behalf of clients as at March 31, 2024.

Assante's services are offered through Assante Capital Management Ltd., a dual-registered investment dealer and mutual fund dealer, and Assante Financial Management Ltd., a registered mutual fund dealer. Assante advisors also have exclusive access to CI Assante Private Client, a division of CI Private Counsel LP, for high-net-worth investment management and holistic advice services.

Our success is closely linked to the close partnerships we have developed with our advisor network and our goal of delivering an industry-leading advisor and client experience.

Backed by a wealth of resources, including investment analysts, portfolio managers, tax lawyers, accountants, estate planning and insurance specialists, and wealth planners, our advisors provide a comprehensive and integrated approach to wealth management.

ALIGNED CAPITAL PARTNERS

Aligned Capital Partners Inc. ("Aligned") supports a network of 250 advisor teams across Canada. Aligned, which is majority owned by CI, had $19.2 billion in assets as at March 31, 2024.

Our success flows from a solid foundation and an adaptive digital platform. Unique to the industry, Aligned was founded on the principle that Canadian financial advisors should have the freedom to run their businesses independently while being supported by an unconflicted dealer platform. The end goal for both: a better, more customized investor experience and ultimately a better outcome for investors.

In its evolution, Aligned has become an industry leader on several fronts. First by recognizing the need for change and challenging the status quo, then by inciting that change not just on a platform level, but also on a wider industry level. Innovation is at the core of the Aligned initiative. A large part of that is developing a fully integrated digital ecosystem designed to grow and support both the company's business and our advisor partners' businesses, while at the same time remaining flexible enough to meet the demands of technological advancements as they come into play.

CI PRIVATE WEALTH

CI Private Wealth is the division of CI Financial focused on meeting the distinct wealth management needs of ultra-high-net-worth individuals and families and includes CI Private Counsel, Northwood Family Office and Coriel Capital. By developing our existing expertise and adding new capabilities through acquisitions, CI Private Wealth has become one of Canada's leading wealth platforms for its most affluent citizens.

CI PRIVATE COUNSEL LP

CI Private Counsel LP is a full-service wealth management firm operating under the CI Private Wealth brand. We offer a highly personalized experience tailored to the financial goals and unique priorities of high-net-worth and ultra-high-net-worth individuals, business owners and families. We combine the benefits of a boutique client experience, one guided by the fiduciary standard and principle of always placing client interests first, supported by the strength, size and scale of being part of CI Financial. We provide an unrivalled experience that combines discretionary investment management and comprehensive wealth planning, including sophisticated financial planning, retirement planning, estate and legacy planning, and tax strategies for individuals, businesses and multi-generational families.

Supporting our advisory teams across Canada in the delivery of an integrated client experience is a robust, multi-disciplinary team of experts – including lawyers, accountants, Certified Financial Planners and other professionals. They are all part of a dedicated client service team that is available to help plan, provide guidance, and answer technical questions that may impact our clients – be they business owners contemplating transition, professionals and executives looking to mitigate tax, individuals working through a divorce, who've inherited money or dealing with other life events.

CI Private Counsel also manages the CI Assante Private Client program. CI Private Counsel had $9.6 billion in assets under management as at March 31, 2024.

NORTHWOOD FAMILY OFFICE LTD.

Northwood Family Office Ltd. ("Northwood") was founded in 2003 and has become Canada's leading multi-family office. We manage and co-ordinate the integrated financial, investment and personal affairs of wealthy Canadian and global families with $10 million to $1+ billion in family net worth.

We managed approximately $2.9 billion of investment assets (as at March 31, 2024) and $9 billion of family net worth on behalf of clients who include entrepreneurs, senior corporate executives, charitable and family foundations, and other ultra-high-net-worth individuals and families. We help our clients sustain and grow financial and human capital across the generations.

We achieved the prestigious distinction of being named the Best for Family Office Services in Canada in the 2024 Euromoney Private Banking Awards – for the 14th year in a row. Northwood was also named Best Multi-Family Office in North America (up to and including US$2.5 billion AUM/AUA) in the 2024 Family Wealth Report Awards.

CORIEL CAPITAL INC.

Coriel Capital Inc. ("Coriel") was founded in 2006 to bring an unbiased, institutional approach to investing for ultra-high-net-worth families. Coriel managed approximately $1.3 billion in client assets (as at March 31, 2024).

Our investment professionals collaborate with clients to dismantle the mythology surrounding investing and prudently oversee their investments for multi-generational financial security and prosperity. We act as Chief Investment Officer for our clients, providing them with exceptional, personalized service dedicated to helping them achieve their goals. Our investment team has over 90 years of combined industry experience, including senior roles at leading institutional investment management firms, investment consultants and other financial institutions.

We also work with our clients' trusted accountants, lawyers and other professional to ensure a fully integrated approach that fully supports all aspects of their financial lives

CI DIRECT INVESTING

CI Direct Investing is the umbrella brand for CI's online investment platforms: CI Direct Investing and CI Direct Trading.

CI Direct Investing gives Canadians a convenient and affordable way to build a brighter financial future, whether they're starting with $1,000 or $1 million. We make it easy to build one's financial future with online savings and investing tools, and financial advice.

We offer a hybrid model that combines technology with professional advice for a personalized experience. Through our online platform, investors can access a mix of investment portfolios, including ETF, Impact, and Private portfolios. Investors also have the option to invest in high interest saving accounts.

CI Direct Trading is designed for self-directed retail traders and offers a selection of innovative trading platforms and a variety of investment programs and account types.

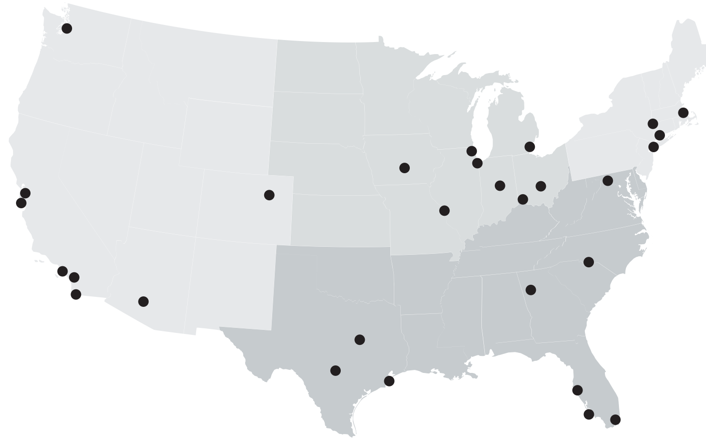
CI INVESTMENT SERVICES

CI Investment Services ("CIIS") is a Canadian financial technology company and a registered investment dealer that provides a wide range of innovative brokerage, trading and investment services to a diverse client base of portfolio managers, broker dealers, institutional and retail investors.

The services we offer include clearing, custody, settlement and trade execution services for all investment types, multiple trading platforms, access to new issues and risk monitoring to a wide range of customers (from registered portfolio managers to retail clients). We leverage our technological capability to provide online brokerage and trade execution services to individual investors, active traders and institutions.

CI has undertaken a multi-year expansion of its CIIS custody and clearing functions to serve as the foundation of an integrated platform supporting CI's Canadian wealth management businesses.

U.S. WEALTH MANAGEMENT



CORIENT

CI's U.S. Wealth Management segment manages $222.3 billion (US$164.1 billion)[1] in client assets (as at March 31, 2024) from offices across the U.S. and its headquarters in Miami. Its primary business is Corient Private Wealth LLC, which operates as Corient.

Corient is an integrated wealth management business focused on providing comprehensive solutions to high-net-worth and ultra-high-net-worth individuals, families and institutions. We combine the personal service, creativity and objective advice of a boutique with the extensive resources and intellectual capital of an innovative industry leader to provide a profoundly different wealth management experience.

CI entered the U.S. in 2020 with the goal of building the leading private wealth management firm in the United States. Corient today is one of the largest integrated registered investment advisor ("RIA") firms in the country due to acquisitions and strong organic growth. We have achieved this success by developing and executing a highly differentiated strategy in our market that has included the acquisition of high-quality RIAs, integrating them into a unified national firm, expanding the support and services we offer, and providing a comprehensive fiduciary-based client experience.

We understand and accommodate the distinct needs of affluent and wealthy clients. In addition to our core wealth management, financial planning and customized investment management services, we provide numerous complementary services to provide a holistic solution. These services may include estate and retirement planning, corporate trustee services, business succession planning, family office services, values-aligned investing, tax services and concierge services. We also provide enhanced access to alternative investments, which can provide valuable portfolio diversification benefits to our clients.

Corient is further distinguished by its unique partnership model, which we believe underpins our ability to outperform peers in growth and profit margins. This model, in which over 240 client advisors and employees have received equity in the overall business, incentivizes partners to collaborate in providing a superior client experience and enhancing the growth and profitability of the overall firm. It also helps to position Corient as the industry acquiror of choice, as we can offer equity participation in a larger, growing business, and it serves to attract and retain the best talent in the industry.

CI's U.S. Wealth Management segment also includes CI Segall Bryant & Hamill Asset Management, an institutional investment manager, as well as strategic minority stakes in alternative asset managers Columbia Pacific Advisors, LLC and GLASfunds, LLC.

[1] Includes 100% of assets from CI's minority investments in Columbia Pacific Advisors, OCM Capital Partners, The Cabana Group and GLASfunds Holdings.

CORPORATE SOCIAL RESPONSIBILITY

CI Financial ("CI") strives to operate with responsibility and integrity in all aspects of our business. We are committed to ethical behavior and good governance, treating our clients and business partners with respect, investing responsibly, supporting our communities, and minimizing our impact on the environment. We emphasize a people-first culture that provides our employees with an inclusive and engaging environment to drive high performance. This report highlights some of our practices in key areas.

GOVERNANCE

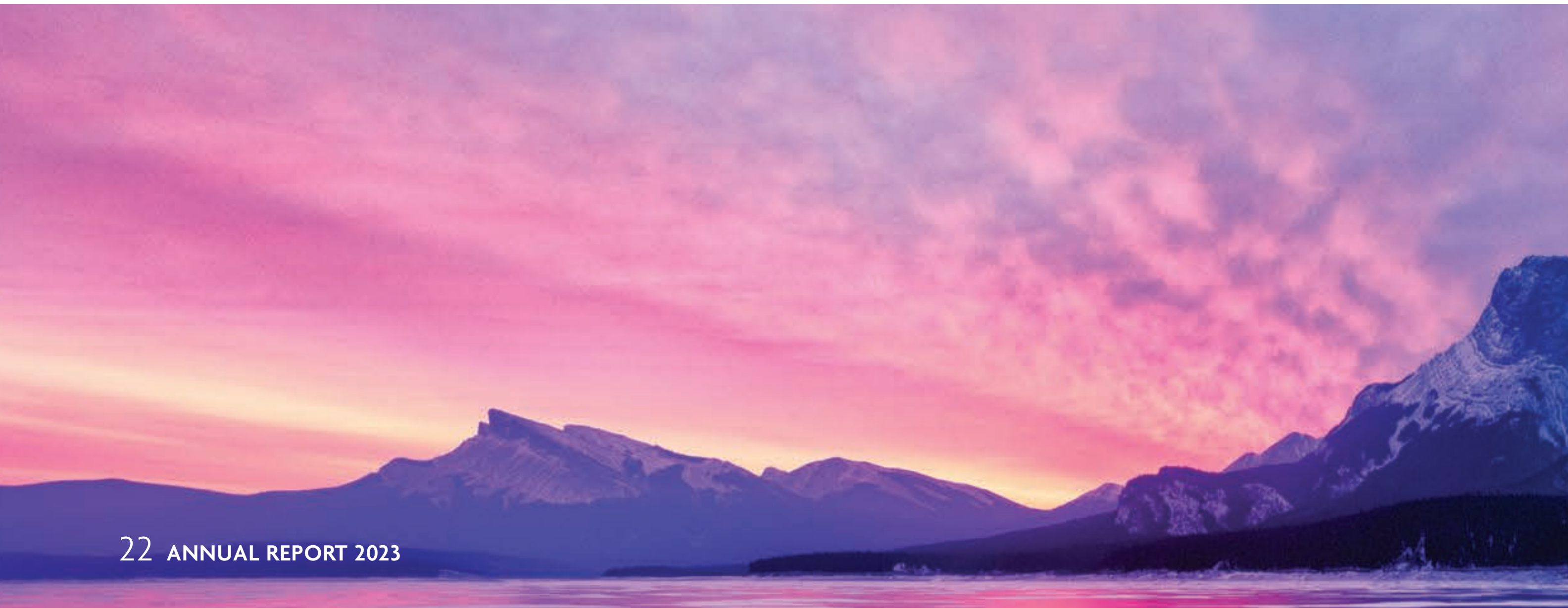
Strong governance is embedded in the practices and policies of CI. This starts with the Board of Directors, of which six of the seven members are independent, and extends through the executive leadership team that manages CI on a day-to-day basis.

The Board and the executive team have strong controls and oversight around enterprise risk management, strategic planning, financial information and reporting, succession planning, investor relations, integrity and ethics, share ownership, and human capital, among other areas. The Board, as part of its oversight, has two standing committees: the Audit and Risk Committee, and the Governance, Human Resources and Compensation Committee.

As part of its governance mandate, the Board believes that diversity on the Board and in management leads to a stronger, more resilient and better-performing company, and established a Board Gender Diversity Policy with the ultimate goal of having a composition of the Board where self-identified men or women each represents: at least two directors on a Board of seven or fewer members; or, at least 30% of the directors on a Board of more than seven members. If all nominee directors are elected at the June 26, 2024 Annual Meeting of Shareholders, two of six board members will be women, achieving the gender diversity goal.

In addition, CI executives and the Board annually approve updated policies that set expectations clearly and hold everyone at CI accountable for their actions, including:

- Anti-Bribery and Anti-Corruption Policy
- CI Code of Conduct
- Insider Trading Policy
- Whistleblower Policy.



RESPONSIBLE INVESTING — OUR APPROACH

COMMITMENT

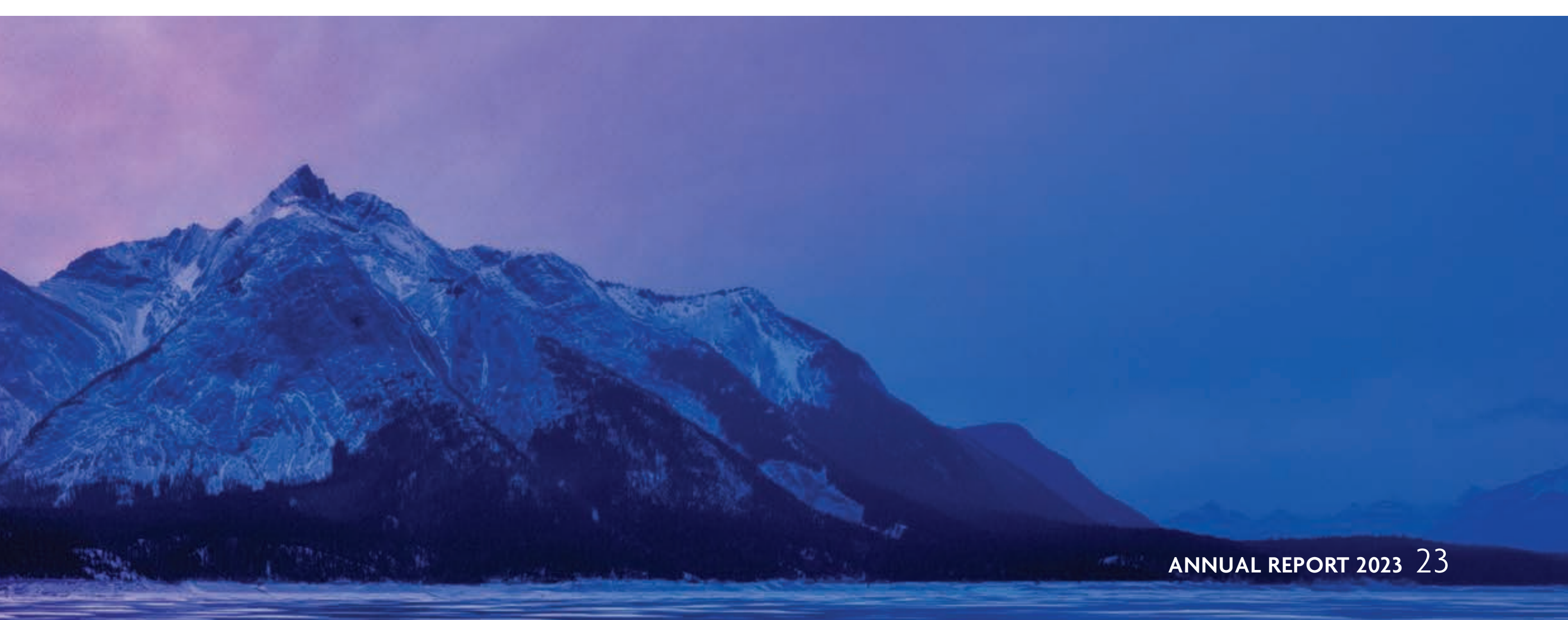
As a signatory to the United Nations' Principles for Responsible Investment since 2016, CI Global Asset Management ("CI GAM") has, amongst other principles, committed to incorporating environmental, social and corporate governance ("ESG") factors into its investment analysis, decision-making processes and ownership practices.

CI GAM believes that the consideration of material ESG factors alongside traditional financial factors in its analysis and portfolio construction can help mitigate risk and enhance a portfolio's risk-adjusted returns. By integrating the consideration of all risks, including ESG, we seek to gain a more accurate view of our investments.

GOVERNANCE

The governance of our responsible investing practice rests with the Responsible Investing Forum, which handles related strategic, structural and controversial decisions. It is chaired by the Chief Investment Officer of CI GAM and comprises the heads of asset classes, risk, and responsible investing.

Our Responsible Investing Policy and ESG Guidelines updated in November 2023 direct our investment professionals and inform our process. They are intended to cover CI GAM's in-house actively managed strategies. The Responsible Investing Policy does not apply to funds that do not lend themselves to ESG factor consideration due to their asset class or investment strategy, such as: money market funds, passive index funds, cryptocurrency funds, commodity-based funds, covered call funds, and fund-of-funds strategies where the portfolio manager does not have a comprehensive view of the underlying securities.



PROCESS

CI GAM deploys one or more of the following five responsible investing strategies in implementing its Responsible Investing Policy:

INTEGRATION	We explicitly consider ESG-related factors that are material to the risk and return of the investment, alongside traditional financial factors when making investment decisions. To assess ESG-related factors, we use a range of tools and resources as part of our due diligence process, including company disclosures, research and ratings from ESG data and analytics providers, investment dealer research, and metrics by the Sustainability Accounting Standards Board.
STEWARDSHIP	We engage with companies on ESG topics via direct discussions with the investee's management team and/or board of directors, collaborative investor engagement initiatives, proxy voting and shareholder resolutions, among other means. This strategy allows us to seek improvement of ESG performance and/or to gather further information for our investment decisions.
SCREENING	We may exclude or limit certain sectors or types of securities or companies from portfolios based on certain controversial practices, business activities, societal values or norms-based criteria. For example, CI GAM does not invest in companies that produce or distribute weapons prohibited in the UN Convention on Cluster Munitions and/or the UN Anti-Personnel Landmines Convention.
THEMATIC INVESTING	We invest in sectors, industries, or companies that are expected to benefit from long-term macro or structural ESG-related themes, such as climate change.
IMPACT INVESTING	We seek to generate a positive and measurable environmental or social outcome, in addition to investment returns.

Integration and stewardship strategies are intended to mitigate ESG risk and optimize returns and may be deployed across all in-house actively managed funds. Thematic and impact strategies are used to construct ESG-branded funds that target exposures to clean economy and sustainable social infrastructure. Exclusion of producers and distributors of cluster munitions and anti-personnel landmines is applied across all CI GAM's holdings, including sub-advised mandates.

CI GAM encourages but does not require sub-advisors to follow our Responsible Investing Policy and we perform annual reviews of each sub-advisor's responsible investment process and capabilities.

PROGRESS IN 2023

- ☑ **GOVERNANCE:** Convened the Responsible Investing Forum, which manages decisions by consensus on strategic and structural aspects, as well as controversial investment matters.
- ☑ **MANAGEMENT**: Hired a seasoned responsible investing professional to head our practice.
- ☑ **POLICY:** Updated CI GAM's Responsible Investing Policy to streamline process, roles and responsibilities.
- ☑ **TOOLS AND RESOURCES:** Broadened the scope of research and metrics to enable consideration of ESG risks and opportunities in additional asset classes such as sovereign bonds and thematic topics such as climate risk.
- ☑ **ESG INTEGRATION PROCESS:** Defined sector-specific ESG Guidelines to direct our investment professionals and drive incorporation of ESG considerations in risk adjustments and valuations.
- ☑ **INVESTMENT STEWARDSHIP:** Focused our engagement with management on the two key themes: human rights and performance on decarbonization targets.
- ☑ **PROXY VOTING:** Achieved full voting status in close to 4,000 meetings on 10,000 ballots. Of the total 42,000 proposals, we supported the management in the 87% of cases, but expressed our expectation for better governance controls in the remaining 13% of cases.
- ☑ **RISK AND ANALYTICS:** Integrated ESG performance measurement and climate risk profiles into quarterly

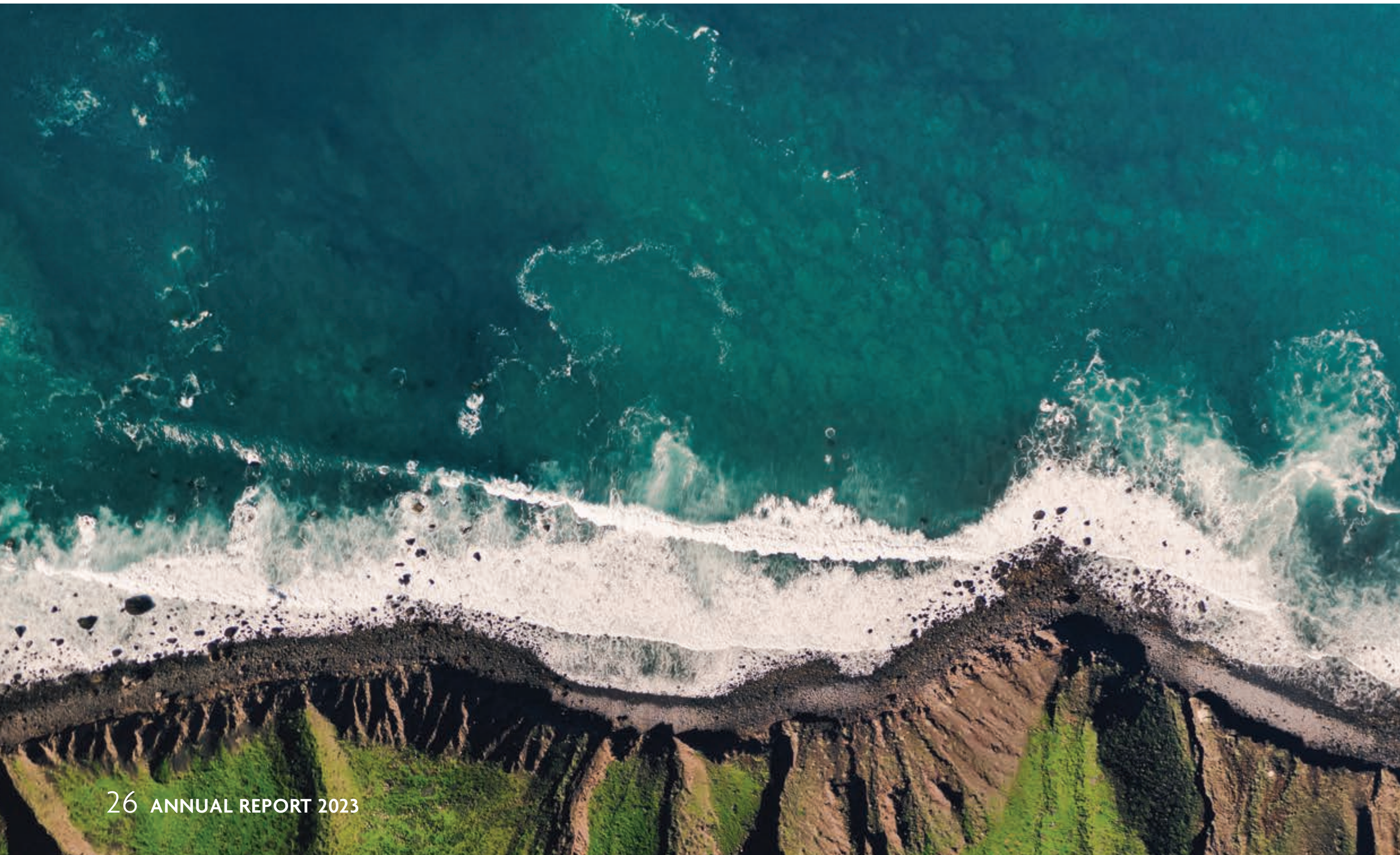
In 2024, we plan to continue to advance the integration of responsible investing into our investment management, including sector-based analytical framework, climate risk analysis, deepening engagement, active proxy voting, and performance measurement.

PEOPLE FIRST – DRIVING AN ENTREPRENEURIAL, HIGH-PERFORMANCE GROWTH CULTURE

CI takes great pride in its long legacy of entrepreneurship, growth and transformation. This requires a high-performance culture, fuelled by a commitment to competitive rewards, continuous learning and an inclusive, collaborative working environment.

Our people strategy is focused on enabling growth and performance through three key areas of focus:

1. ATTRACT	2. DEVELOP	3. RETAIN
Competitive rewards and commitment to employee wellness	Continuous learning, coaching and development	Engage diverse top talent through an inclusive working environment



ATTRACT: Compelling value proposition, competitive rewards and a commitment to employee wellness

A commitment to creating a results-oriented working environment requires us to have a compelling value proposition, market competitive compensation and a commitment to employee wellness. This includes:

- Market competitive pay that rewards proficiency, experience and sustained impact; outsized rewards for outsized performance.
- A wide-ranging, fully funded benefits program available from Day 1 for all full-time hires with differentiated investments in mental health and overall wellness.
- Employees as shareholders; staff of all levels have the opportunity to participate in our employee share program or our equity plan, reinforcing an owner mindset and a long-term perspective.
- CI offers a premier service recognition award of a $10,000 vacation and an additional week of paid time off to employees reaching 20 years of service to show our appreciation of long-term contributions to the firm.
- The CI Family Scholarship program is available to children of employees and awards five students per year a $5,000 scholarship to invest in their education.

DEVELOP: Continuous learning, coaching and progression

We are intentional about providing meaningful opportunities to learn, grow and have an impact through a combination of formal and informal learning and coaching:

- A curated professional development series offered to build personal effectiveness while fostering business acumen and networks.
- A commitment to leadership development across key employee segments – from summer interns to first-time managers through to new executives.
- CI employees are encouraged to continually enhance their credentials; course fees are reimbursed and employees in select areas receive progression bonuses.

RETAIN: Engage diverse top talent through an inclusive working environment

At CI Financial, we believe a diverse and inclusive workforce leads to better decision-making, increased innovation and higher employee satisfaction. This is clearly shown through our results and recognition:

- Strong representation of diverse groups within our senior leadership ranks with 40% of all senior vice-presidents and above identifying as a visible minority and 34% identifying as women.
- Succession planning is in place for senior roles within our business, allowing us to develop ready-now successors from a diverse talent pool.
- Extensive recognition of our results:
    - Greater Toronto Top Employer
    - Report on Business Women Lead Here
    - Women in Capital Markets (with our employees being recognized in the Rising Star and Trailblazer categories).

CORPORATE AND EMPLOYEE GIVING

In the last five years, CI has made a significant investment in our communities. This includes meaningful financial contributions, sponsorships and volunteerism. Through our corporate philanthropy, we strive to make a meaningful impact in key areas of need while aligning to our values: investing in our future, supporting community well-being and creating a more inclusive society. In addition to providing monetary contributions, we also provide a platform for charitable organizations to engage with our employees, fostering employee pride, purpose and inclusion.

Key partnerships for CI include motionball (supporting Special Olympics), Daily Bread Food Bank, Holland Bloorview Capes for Kids fundraiser, Second Harvest, and the Children's Aid Foundation.

- Employees are supported with time off to donate a day to the charity of their choice through our "Ray Day" program in honour of Raymond Chang, who was Chief Executive Officer and Chairman of CI and a noted philanthropist.
- On an ongoing basis, employees are invited to participate in volunteer days, fundraising events and committees and education sessions.

ENVIRONMENTAL SUSTAINABILITY — STRIVING FOR ENERGY EFFICIENCY

CI acknowledges the importance of climate change issues, and to operating in a manner that contributes to sustainability. Examples of environmentally friendly initiatives CI has undertaken include:

- Since the beginning of 2021, more than 24 million pages of printed paper have been eliminated by providing clients with digital statements.
- Another 23 million pages of printed paper have been eliminated by using electronic signature software for contracts and agreements.
- Our Toronto head office space is a LEED-certified building, reducing energy consumption; the building is located beside a major transit hub, facilitating the use of public transit.
- Instituting environmentally sensible office practices, including a multi-stream recycling program, purchasing non-disposable catering equipment, and installing low-energy lighting.

QUARTERLY FINANCIAL REPORT

Q4 | 2023

DECEMBER 31, 2023

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Management's Discussion and Analysis

DECEMBER 31, 2023

CI FINANCIAL CORP.

This Management’s Discussion and Analysis (“MD&A”) dated February 23, 2024, presents an analysis of the financial position of CI Financial Corp. and its subsidiaries (“CI”) as at December 31, 2023, compared with December 31, 2022, and the results of operations for the quarter and year ended December 31, 2023, compared with the quarter and year ended December 31, 2022 and the quarter ended September 30, 2023.

This MD&A contains forward-looking statements concerning anticipated future events, results, circumstances, performance or expectations with respect to CI and its products and services, including its business operations, strategy and financial performance and condition. Forward-looking statements are typically identified by words such as “believe”, “expect”, “foresee”, “forecast”, “anticipate”, “intend”, “estimate”, “goal”, “plan” and “project” and similar references to future periods, or conditional verbs such as “will”, “may”, “should”, “could” or “would”. These statements are not historical facts but instead represent management beliefs regarding future events, many of which by their nature are inherently uncertain and beyond management’s control. Although management believes that the expectations reflected in such forward-looking statements are based on reasonable assumptions, such statements involve risks and uncertainties. The material factors and assumptions applied in reaching the conclusions contained in these forward-looking statements include that the investment fund industry and wealth management industry will remain stable and that interest rates will remain relatively stable. Factors that could cause actual results to differ materially from expectations include, among other things, general economic and market conditions, including interest and foreign exchange rates, global financial markets, the impact of the coronavirus pandemic, changes in government regulations or in tax laws, industry competition, technological developments and other factors described or discussed in CI’s disclosure materials filed with applicable securities regulatory authorities from time to time.

The foregoing list is not exhaustive and the reader is cautioned to consider these and other factors carefully and not to place undue reliance on forward-looking statements. Other than as specifically required by applicable law, CI undertakes no obligation to update or alter any forward-looking statement after the date on which it is made, whether to reflect new information, future events or otherwise.

BUSINESS OVERVIEW

We are a diversified global asset and wealth management firm operating in Canada, the United States and Australia. Our business is the management, marketing, distribution and administration of investment products for Canadian and Australian investors, as well as providing financial advice, tax, retirement, estate and wealth planning services in the U.S. and Canada. Effective January 1, 2022, we operate in three reportable segments:

- The Asset management segment includes the results of our asset management business in Canada, which operates under the brand CI Global Asset Management, in addition to GSFM Funds Management, our asset management business in Australia.
- The Canada wealth management segment includes the results of our wealth management operations in Canada, which operate under the brands Assante Wealth Management, CI Private Wealth, CI Investment Services, CI Direct Investing, Aligned Capital Partners, and Northwood Family Office.
- The U.S. wealth management segment comprises wealth management businesses operating across the United States as affiliates of CI Private Wealth, in addition to strategic investments in alternative investment providers.

SUMMARY FINANCIAL AND OPERATING HIGHLIGHTS

TABLE 1: FINANCIAL AND OPERATING HIGHLIGHTS

	As of and for the quarters ended				
[millions of dollars, except share amounts]	**Dec. 31, 2023**	**Sep. 30, 2023**	**Jun. 30, 2023**	**Mar. 31, 2023**	**Dec. 31, 2022**
Total AUM and Client Assets:					
Asset Management AUM	125,004	119,040	122,377	121,987	117,753
Canada Wealth Management assets	87,991	81,503	82,566	81,592	77,421
Canada custody	25,567	23,421	9,149	8,600	7,922
U.S. Wealth Management assets	206,282	197,016	193,980	187,481	180,579
Total assets	444,844	420,981	408,072	399,659	383,675
Asset Management Net Inflows:					
Retail	(397)	(110)	7	841	1,621
Institutional	—	(79)	(14)	(177)	(195)
Australia	230	(105)	55	(81)	12
Closed Business	(200)	(155)	(174)	(195)	(169)
Total Asset Management Segment	(367)	(449)	(126)	388	1,269
U.S. Asset Management	(67)	(16)	(266)	(67)	595
IFRS Results					
Net income attributable to shareholders	(63.5)	(12.4)	51.0	30.0	(9.5)
Diluted earnings per share	(0.40)	(0.08)	0.28	0.16	(0.05)
Pretax income	(38.2)	20.6	112.5	54.8	33.6
Pretax margin	(5.3)%	3.3 %	14.5 %	8.6 %	5.4 %
Operating cash flow before the change in operating assets and liabilities	185.3	104.7	126.9	145.6	150.9
Adjusted Results					
Adjusted net income	128.2	132.8	136.0	136.8	135.9
Adjusted diluted earnings per share	0.81	0.81	0.76	0.74	0.74
Adjusted EBITDA	278.3	276.6	272.3	268.6	257.7
Adjusted EBITDA margin	41.7 %	41.3 %	40.6 %	42.0 %	42.1 %
Adjusted EBITDA attributable to shareholders	238.7	237.8	245.3	250.1	242.7
Free cash flow	170.9	179.4	143.3	155.1	157.9
Average shares outstanding	158,125,830	161,549,038	178,883,346	184,517,832	183,666,579
Adjusted average diluted shares outstanding	158,885,217	163,619,462	179,640,506	185,136,641	184,631,756
Ending shares outstanding	153,821,117	158,867,975	167,640,863	184,517,832	184,517,832
Total debt	3,507	3,289	3,132	4,190	4,216
Net debt	3,365	3,113	2,887	4,052	4,059
Net debt to adjusted EBITDA	3.5	3.3	2.9	4.0	4.2

ASSET MANAGEMENT OVERVIEW

The Asset Management segment provides the majority of our earnings and generates revenues principally from the fees earned on the management of investment funds and other fee-earning investment products. We use in-house teams and external investment managers to provide portfolio management services. These investment managers typically have long careers in the industry as well as extensive track records with us. This lineup of investment managers provides a wide selection of styles and areas of expertise for our funds and ETFs. Our Canadian asset management products are distributed primarily through brokers, independent financial planners and insurance advisors, including through its Canadian wealth management businesses.

CANADA WEALTH MANAGEMENT OVERVIEW

The Canadian Wealth Management segment derives its revenue principally from fees and commissions for providing financial planning and advice (which may include investment management services), and on the sale of investment funds and other financial products through Canadian wealth managers utilizing our platform. These fees and commissions are earned based on client assets under advisement or fixed fee per wealth manager. We pay these Canadian wealth management advisors the majority of these fees and commissions charged to clients.

In addition, this segment also generates revenues from providing back-office custodian services to portfolio managers and introducing brokers and earns fees from custody services, trade settlement, margin lending, interest on customer deposits and foreign exchange facilitation.

In connection with our acquisition of Northwood, we established CI Private Wealth Canada Ltd. (CIPW-Canada), which holds our interest in Northwood. CI is the majority owner and senior leaders of Northwood are the minority owners.

U.S. WEALTH MANAGEMENT OVERVIEW

In 2019, we began to acquire wealth managers, in particular Registered Investment Advisor firms ("RIAs"), with the goal of building the leading wealth management platform in the U.S. RIAs provide clients with fee-based advice on a variety of financial matters including retirement planning, insurance, taxes, and estate planning and may also provide complementary services such as bill payment and tax preparation. We believe the role of the financial advisor is more important now than ever. As the financial needs of consumers become increasingly complex and digital, our breadth and capabilities in the RIA space will increasingly position us to be a leader in the U.S. wealth management space.

The RIA operating model is different from most wealth management businesses in Canada and the U.S. This is largely because they operate under a 'fiduciary' standard of care with respect to their clients, rather than a 'suitable' standard of care, and are less tied to related asset management businesses. Owners of wealth management businesses in Canada typically also own asset management businesses. They pay their wealth management advisors most of the fees and commissions charged to clients while retaining the fees earned on asset management products sold through the advisors. As a result, U.S. RIA businesses have evolved to be more profitable than traditional Canadian wealth management businesses.

Our approach is to acquire leading RIAs that focus on high net worth and ultra-high net worth clients, have strong organic growth profiles, and share a culture and vision aligned with ours. We typically source acquisitions through inbound inquiries from investment bankers advising RIAs on a sale or through referrals from our existing RIA leadership team. We generally look to acquire RIAs with AUM greater than $1 billion, have an average client AUM greater than $1 million, generate organic growth greater than 5%, and have operating margins greater than 30%. While these are guidelines we look for, there may be other strategic reasons we may want to acquire an RIA such as for their geographic location, type of client base (for example technology entrepreneurs or professional athletes), or types of services offered (for example family office services or tax preparation). Also important is to determine there is cultural fit and alignment with our vision which we determine through management meetings and due diligence with the leadership team and key personnel from the selling RIAs.

When we acquire an RIA, we pay an amount upfront on closing and a guaranteed, predetermined amount which is typically deferred for 90 to 270 days from closing (deferred consideration). In some cases, we may also structure an earnout payment (contingent consideration). These earnouts are not guaranteed and are only paid if the acquired RIA exceeds certain predefined performance metrics such as revenues or profitability such that there was a significant improvement in the businesses financial performance as compared to its historical results, therefore improving the economic contribution to our results over the long term. The earnouts are measured and paid over an 18 to 36 month period.

Also included in the U.S. wealth management segment are strategic investments in GLASfunds, a turnkey alternative investment platform and alternative asset management firm based in the U.S; and Columbia Pacific Advisors, an alternative asset management firm that manages with a broad selection of institutional-caliber real estate private equity, direct lending, opportunistic and hedged strategies. We believe these strategic investments will strengthen our relationship with these firms, while providing our U.S. wealth management clients with enhanced access to alternative asset classes through a best-in-class platform and products.

Corient Partners, LLC

We established Corient Partners, LLC (formerly known as CI Private Wealth US), a private partnership which holds our interests in our U.S. RIAs. CI is the majority owner and senior leaders of the RIAs are the minority owners. Corient focuses on achieving the best possible experience for clients while promoting collaboration and growth. The former RIA owners gain ownership in the larger, national business rather than retaining an interest in their own RIA. This aligns the interests of all owners and incentivizes them to improve and grow Corient as a whole, as they share in benefits of collaborating, realizing synergies, and driving profitable growth. It fosters an entrepreneurial, ownership mindset. Additionally, the potential to gain and grow ownership in Corient provides a way to incentivize and reward the next generation of leaders at the firm. This is important to attract, retain and develop the industry's top talent. Finally, this model provides Corient with a currency in making acquisitions, since RIA owners can exchange equity in their firm for equity in Corient.

Accounting for Corient and CIPW Canada

Because of certain terms associated with the liquidity features, IFRS requires the units to be classified as a liability and as a compensatory award, not equity. Accordingly, accounting for the Corient and CIPW Canada units will be similar to share based compensation payments.

Each quarter end, we will recognize a liability reflecting the fair value of the units issued that have vested. The fair value per unit will be based on the predefined valuation formula. The change in fair value each quarter related to awards that have vested will be recorded as compensation expense in SG&A over the vesting period.

An increase in the liability/expense results when the fair value formula reflects an increase in price of Corient and CIPW Canada units, which ultimately means that the AUM, profitability and operating margin of Corient and CIPW Canada has increased. The liability will also increase due to additional units vesting each period.

As a result of Corient and CIPW Canada units being classified as a liability and a compensatory award, distributions to the owners, other than us, are recognized as compensation expense in SG&A.

Given the Corient and CIPW Canada units are classified as a liability, we will not record non-controlling interest on the income statement to reflect the ownership of Corient and CIPW Canada earnings attributable to the minority owners. Instead this amount will be reflected through compensation expense.

Investment in US Business by institutional investors

In May 2023, the Company sold a 20% interest in its U.S. wealth management business ("Corient US Holdings", formerly known as "CI US") to a diversified group of institutional investors. The Investors purchased convertible preferred shares ("Preferred Share Liability") for an aggregate purchase price of US$1 billion. Each share of preferred stock is convertible into one share of Corient US Holdings common stock. The outstanding shares of preferred stock automatically convert into common stock upon the earliest to occur of:

- the closing of a sale of common stock in a firm-commitment underwritten public offering, or
- the election of holders of the majority of the preferred stock voting together on an as-converted basis.

In the event of certain transactions, each holder of preferred stock is entitled to receive a fixed return equal to the greater of:

- the amount the holders of the preferred stock would receive on an as-converted to common stock basis and
- 1.5x the original purchase price which increases ratably on a linear basis from years three through six following the closing of the transaction, up to a maximum of 2.25x.

CI or Corient US Holdings has the ability to make cash distributions to reduce the fixed return although it has no current intention to do so.

The Preferred Share Liability contains customary minority consent, exit and other rights for a security of this nature. In the event that Corient US Holdings is not already public after five years and nine months, the holders of preferred stock have certain rights in respect of initiating a liquidity event.

Proceeds from the transaction were used to reduce the Company's debt.

Accounting for Preferred Share Liability in Corient US Holdings

As a result of the liquidity provisions of the Preferred Share Liability, including the potential obligation in certain circumstances for Corient US Holdings to issue a variable number of common shares in settlement of the Fixed Return Price, the Preferred Share Liability has been classified as a liability. CI recorded the Preferred Share Liability initially at its fair value, represented by the gross proceeds. Since the Preferred Share Liability contains certain embedded features that would otherwise qualify as embedded derivatives, CI has elected the option to designate the Preferred Share Liability at fair value through profit or loss and will subsequently revalue the Preferred Share Liability to its fair value at each reporting date. Changes in the Company's own credit risk would impact the fair value of the Preferred Share Liability from a market participant's perspective, and such changes are recognized in other comprehensive income and are not recycled through the income.

NON-IFRS MEASURES

In an effort to provide additional information regarding our results as determined by IFRS, we also disclose certain non-IFRS information which we believe provides useful and meaningful information. Our management reviews these non-IFRS financial measurements when evaluating our financial performance and results of operations; therefore, we believe it is useful to provide information with respect to these non-IFRS measurements so as to share this perspective of management. Non-IFRS measurements do not have any standardized meaning, do not replace nor are superior to IFRS financial measurements and may not be comparable to similar measures presented by other companies. The non-IFRS financial measurements include:

- Adjusted net income and adjusted basic and diluted earnings per share
- Adjusted EBITDA, adjusted EBITDA margin and adjusted net revenue
- Free cash flow
- Net debt

These non-IFRS financial measurements exclude the following revenues and expenses which we believe allows investors a consistent way to analyze our financial performance, allows for better analysis of core operating income and business trends and permits comparisons of companies within the industry, normalizing for different financing methods and levels of taxation:

- costs related to our acquisitions including:
  - amortization of intangible assets
  - change in fair value of contingent consideration
  - related advisory and legal fees
  - contingent consideration classified as compensation per IFRS
  - Interest expense associated with redeemable preferred shares issued in connection with acquisitions
- integration related costs associated with our US Wealth segment including:
  - organizational expenses for the establishment of Corient

    - restructuring and severance related charges
    - rebranding efforts
    - technology and real estate related integration costs
- Accounting treatment of Corient and CIPW Canada redeemable units including:
    - compensation expenses associated with Corient and CIPW Canada redeemable units
    - non-cash charges related to guarantees for Corient and CIPW Canada related loans
- gains or losses related to foreign currency fluctuations
- legal provisions for a class action related to market timing
- certain realized and unrealized gains or losses in assets and investments
- costs related to issuing or retiring debt obligations and any related gains or losses
- unusual trading or bad debt write off charges
- Preparation costs for the planned initial public offering of our US Wealth business or sale to a group of institutional investors
    - Pass through carried interest revenue and expense as a result of CI being deemed the principal to a revenue arrangement but where the economics are directly related to an entity which CI has no interest.
- changes in fair value for preferred shares issued to a group of institutional investors

TABLE 2: ADJUSTED NET INCOME AND ADJUSTED EARNINGS PER SHARE

	Quarters ended			Years ended	
[millions of dollars, except per share amounts]	**Dec. 31, 2023**	**Sep. 30, 2023**	**Dec. 31, 2022**	**Dec. 31, 2023**	**Dec. 31, 2022**
Net Income	(63.2)	(12.2)	(8.3)	6.1	301.8
Amortization of intangible assets from acquisitions	36.1	34.8	26.5	135.3	105.7
Amortization of intangible assets for equity accounted investments	1.4	1.4	2.6	6.3	2.6
Change in fair value of contingent consideration	26.8	(7.2)	76.8	88.4	27.4
Change in fair value of Preferred Share Liability	100.5	21.4	—	156.9	—
Interest expense on redeemable shares issued in connection with acquisitions	0.9	(0.1)	—	2.9	—
Contingent consideration recorded as compensation	2.0	4.4	1.5	8.9	24.2
Non-controlling interest reclassification	(1.4)	1.1	1.2	4.6	4.0
Accounting for Corient and CIPW Canada redeemable units	93.8	56.5	27.7	273.0	55.5
Severance	9.1	7.2	—	23.2	—
Amortization of loan guarantees	(1.3)	(0.5)	—	(3.8)	—
FX (gains)/losses	(52.2)	60.4	(15.2)	(29.9)	80.1
Transaction, integration, restructuring and legal	43.5	23.7	41.3	137.2	62.7
Pass through carried interest revenue	4.8	(8.7)	—	(3.9)	—
Pass through carried interest expense	(4.8)	8.7	—	3.9	—
Other (gains)/losses	(2.9)	—	7.1	(71.1)	5.9
Gain on debt retirement	—	—	—	(16.2)	—
Trading and bad debt	—	—	—	—	8.0
Total adjustments	256.2	203.3	169.6	715.7	376.1
Tax effect of adjustments	(30.5)	(24.3)	(9.9)	(77.1)	(43.6)
Less: Non-controlling interest	34.2	34.0	15.5	110.8	46.7
Adjusted net income	**128.2**	**132.8**	**135.9**	**533.8**	**587.7**
Adjusted earnings per share	**0.81**	**0.82**	**0.74**	**3.13**	**3.11**
Adjusted diluted earnings per share	**0.81**	**0.81**	**0.74**	**3.11**	**3.10**
Average diluted shares outstanding	**168.3**	**177.9**	**184.6**	**182.6**	**189.8**
Shares convertible into common in connection with an acquisition	**(9.4)**	**(14.3)**	**—**	**(11.1)**	**—**
Adjusted average diluted shares outstanding	**158.9**	**163.6**	**184.6**	**171.5**	**189.8**

TABLE 3: EBITDA, ADJUSTED EBITDA AND ADJUSTED EBITDA MARGIN

	Quarters ended			Years ended	
[millions of dollars, except per share amounts]	**Dec. 31, 2023**	**Sep. 30, 2023**	**Dec. 31, 2022**	**Dec. 31, 2023**	**Dec. 31, 2022**
Pretax income	(38.2)	20.6	33.6	149.7	476.2
Amortization of intangible assets from acquisitions	36.1	34.8	26.5	135.3	105.7
Amortization of intangible assets for equity accounted investments	1.4	1.4	2.6	6.3	2.6
Depreciation and other amortization	17.3	12.9	13.1	56.4	49.4
Interest and lease finance expense	43.9	39.8	41.4	177.0	152.1
EBITDA	**60.5**	**109.5**	**117.2**	**524.6**	**786.0**
Change in fair value of contingent consideration	26.8	(7.2)	76.8	88.4	27.4
Change in fair value of Preferred Share Liability	100.5	21.4	—	156.9	—
Contingent consideration recorded as compensation	2.0	4.4	1.5	8.9	24.2
Non-controlling interest reclassification	(1.4)	1.1	1.2	4.6	4.0
Accounting for Corient and CIPW Canada redeemable units	93.8	56.5	27.7	273.0	55.5
Severance	9.1	7.2	—	23.2	—
Amortization of loan guarantees	(1.3)	(0.5)	—	(3.8)	—
FX (gains)/losses	(52.2)	60.4	(15.2)	(29.9)	80.1
Transaction, integration, restructuring and legal	43.5	23.7	41.3	137.2	62.7
Pass through carried interest revenue	4.8	(8.7)	—	(3.9)	—
Pass through carried interest expense	(4.8)	8.7	—	3.9	—
Other (gains)/losses	(2.9)	—	7.1	(71.1)	5.9
Gain on debt retirement	—	—	—	(16.2)	—
Trading and bad debt	—	—	—	—	8.0
Total adjustments	217.8	167.2	140.5	571.1	267.8
Adjusted EBITDA	**278.3**	**276.6**	**257.7**	**1,095.8**	**1,053.8**
Less: Non-controlling interest	39.6	38.9	15.0	124.0	49.8
Adjusted EBITDA attributable to shareholders	**238.7**	**237.8**	**242.7**	**971.8**	**1,004.0**
Reported net revenue	715.6	616.5	620.3	2,746.0	2,334.3
Less: FX gains/(losses)	52.2	(60.4)	15.2	29.9	(80.1)
Less: Pass through carried interest revenue	(4.8)	8.7	—	3.9	—
Less: Non-Operating Other gains/(losses)	2.9	0.1	(7.1)	71.1	(5.9)
Less: Amortization of equity accounted investments	(1.4)	(1.4)	—	(6.3)	—
Adjusted net revenue	**666.7**	**669.6**	**612.3**	**2,647.3**	**2,420.3**
Adjusted EBITDA margin	**41.7 %**	**41.3 %**	**42.1 %**	**41.4 %**	**43.5 %**

TABLE 4: FREE CASH FLOW

	Quarters ended			Years ended	
[millions of dollars]	**Dec. 31, 2023**	**Sep. 30, 2023**	**Dec. 31, 2022**	**Dec. 31, 2023**	**Dec. 31, 2022**
Cash provided by operating activities	69.5	94.6	56.7	449.4	478.9
Less: Net change in operating assets and liabilities	(115.8)	(10.1)	(94.1)	(113.1)	(85.6)
Operating cash flow before the change in operating assets and liabilities	**185.3**	**104.7**	**150.9**	**562.5**	**564.5**
FX (gains)/losses	(52.2)	60.4	(15.2)	(29.9)	80.1
Transaction, integration, restructuring and legal	43.5	23.7	41.3	137.2	62.7
Trading and bad debt	—	—	—	—	8.0
Other (gains)/losses	—	(3.8)	—	(3.8)	—
Total adjustments	(8.7)	80.3	26.1	103.4	150.8
Tax effect (recovery) of adjustments	(4.9)	(4.8)	(18.8)	(13.0)	(37.4)
Less: Non-controlling interest	0.8	0.9	0.3	4.2	(9.4)
Free cash flow	**170.9**	**179.4**	**157.9**	**648.7**	**687.4**

TABLE 5: NET DEBT

	Quarters ended				
[millions of dollars]	**Dec. 31, 2023**	**Sep. 30, 2023**	**Jun. 30, 2023**	**Mar. 31, 2023**	**Dec. 31, 2022**
Current portion of long-term debt	437.3	157.2	—	298.0	320.0
Long-term debt	3,070.1	3,131.9	3,131.5	3,892.2	3,896.2
	3,507.4	3,289.1	3,131.5	4,190.2	4,216.2
Less:					
Cash and short-term investments	137.0	175.7	240.5	137.0	153.6
Marketable securities	28.2	22.4	23.0	22.6	20.6
Add:					
Regulatory capital and non-controlling interests	22.4	22.3	18.6	21.7	16.8
Net Debt	**3,364.6**	**3,113.3**	**2,886.6**	**4,052.2**	**4,058.8**
Adjusted EBITDA	238.7	237.8	245.3	250.1	242.7
Adjusted EBITDA, annualized	954.9	943.3	983.8	1,014.2	962.8
Gross leverage (Gross debt/Annualized adjusted EBITDA)	3.7	3.5	3.2	4.1	4.4
Net leverage (Net debt/Annualized adjusted EBITDA)	3.5	3.3	2.9	4.0	4.2

TABLE 6: ASSET MANAGEMENT ADJUSTED EBITDA

	Quarters ended			Years ended	
[millions of dollars]	**Dec. 31, 2023**	**Sep. 30, 2023**	**Dec. 31, 2022**	**Dec. 31, 2023**	**Dec. 31, 2022**
Pretax income	185.7	83.1	158.0	604.6	591.8
Amortization of intangible assets from acquisitions	0.6	0.6	0.6	2.4	2.4
Depreciation and other amortization	3.9	2.5	4.7	15.5	19.6
Interest and lease finance expense	0.5	2.5	0.9	2.2	4.0
EBITDA	**190.7**	**88.7**	**164.2**	**624.7**	**617.8**
Change in fair value of contingent consideration	8.8	(0.6)	1.6	6.8	4.9
FX (gains)/losses	(56.1)	61.9	(15.5)	(33.7)	80.2
Severance	8.8	6.1	—	15.6	—
Amortization of loan guarantees	2.5	(0.5)	—	—	—
Transaction, integration, restructuring and legal	2.0	0.6	11.0	38.9	15.0
Other (gains)/losses	—	—	7.1	2.2	5.9
Gain on debt retirement	—	—	—	(16.2)	—
Trading and bad debt	—	—	—	—	7.1
Total adjustments	(34.0)	67.5	4.2	13.5	113.2
Adjusted EBITDA	**156.6**	**156.2**	**168.4**	**638.2**	**731.1**
Less: Non-controlling interest	0.1	0.2	0.1	0.8	1.0
Adjusted EBITDA attributable to shareholders	**156.5**	**156.0**	**168.3**	**637.5**	**730.1**
Reported net revenue	310.4	200.3	271.2	1,090.8	1,032.0
Less: FX gains/(losses)	56.1	(61.9)	15.5	33.7	(80.2)
Less: Non-Operating Other gains/(losses)	—	0.1	(7.1)	(2.2)	(5.9)
Adjusted net revenue	**254.3**	**262.1**	**262.8**	**1,059.3**	**1,118.1**
Adjusted EBITDA margin	**61.6 %**	**59.6 %**	**64.1 %**	**60.3 %**	**65.4 %**

TABLE 7: CANADA WEALTH MANAGEMENT ADJUSTED EBITDA

	Quarters ended			Years ended	
[millions of dollars]	**Dec. 31, 2023**	**Sep. 30, 2023**	**Dec. 31, 2022**	**Dec. 31, 2023**	**Dec. 31, 2022**
Pretax income	1.4	10.7	6.4	24.6	31.1
Amortization of intangible assets from acquisitions	2.3	2.2	2.1	8.8	7.8
Amortization of intangible assets for equity accounted investments	0.1	0.1	0.1	0.3	0.1
Depreciation and other amortization	5.1	5.2	3.2	17.2	11.7
Interest and lease finance expense	0.3	0.6	—	1.3	0.1
EBITDA	**9.1**	**18.7**	**11.8**	**52.1**	**50.8**
Change in fair value of contingent consideration	3.5	(0.4)	1.9	9.4	0.7
Contingent consideration recorded as compensation	0.1	0.1	0.2	0.6	0.3
Accounting for CIPW Canada redeemable units	0.7	2.0	0.1	3.0	0.4
FX (gains)/losses	1.8	(1.4)	0.4	1.1	(0.1)
Severance	—	0.9	—	1.8	—
Transaction, integration, restructuring and legal	5.4	0.4	0.2	6.2	1.7
Non-controlling interest reclassification	1.1	1.1	1.2	4.6	4.0
Trading and bad debt	—	—	—	—	0.8
Total adjustments	12.6	2.7	4.0	26.6	7.6
Adjusted EBITDA	**21.7**	**21.4**	**15.8**	**78.8**	**58.4**
Less: Non-controlling interest	2.0	1.2	1.3	6.6	4.3
Adjusted EBITDA attributable to shareholders	**19.7**	**20.1**	**14.5**	**72.2**	**54.1**
Reported net revenue	222.7	221.1	205.5	876.5	803.0
Less: FX gains/(losses)	(1.8)	1.4	(0.4)	(1.1)	0.1
Less: Amortization of equity accounted investments	(0.1)	(0.1)	—	(0.3)	—
Adjusted net revenue	**224.6**	**219.8**	**205.9**	**877.9**	**802.9**
Adjusted EBITDA margin	**9.7 %**	**9.7 %**	**7.7 %**	**9.0 %**	**7.3 %**

TABLE 8: U.S. WEALTH MANAGEMENT ADJUSTED EBITDA

	Quarters ended			Years ended	
[millions of dollars]	**Dec. 31, 2023**	**Sep. 30, 2023**	**Dec. 31, 2022**	**Dec. 31, 2023**	**Dec. 31, 2022**
Pretax income	(186.1)	(37.3)	(91.1)	(314.8)	(1.3)
Amortization of intangible assets from acquisitions	33.2	32.0	23.8	124.1	95.5
Amortization of intangible assets for equity accounted investments	1.3	1.3	2.5	6.0	2.5
Depreciation and other amortization	8.3	5.2	5.2	23.7	18.1
Interest and lease finance expense	4.0	0.8	0.8	8.8	2.5
EBITDA	**(139.3)**	**2.1**	**(58.8)**	**(152.2)**	**117.4**
Change in fair value of contingent consideration	14.5	(6.1)	73.3	72.3	21.9
Change in fair value of Preferred Share Liability	100.5	21.4	—	156.9	—
Contingent consideration recorded as compensation	1.9	4.3	1.3	8.3	23.9
NCI reclassification	(2.5)	—	—	—	—
Corient adjustments	93.2	54.7	27.6	270.3	55.1
FX (gains)/losses	2.1	(0.1)	—	2.7	—
Severance	0.2	0.2	—	5.9	—
Amortization of loan guarantees	(3.8)	—	—	(3.8)	—
Transaction, integration, restructuring and legal	36.1	22.7	30.0	92.1	46.1
Pass through carried interest revenue	4.8	(8.7)	—	(3.9)	—
Pass through carried interest expense	(4.8)	8.7	—	3.9	—
Other (gains)/losses	(2.9)	—	—	(73.3)	—
Total adjustments	239.3	97.2	132.2	531.2	147.0
Adjusted EBITDA	**100.0**	**99.3**	**73.5**	**379.0**	**264.3**
Less: Non-controlling interest	37.4	37.6	13.6	116.9	44.8
Adjusted EBITDA attributable to shareholders	**62.5**	**61.6**	**59.9**	**262.1**	**219.6**
Reported net revenue	231.1	244.0	193.1	974.7	704.0
Less: FX gains/(losses)	(2.1)	0.1	—	(2.7)	—
Less: Pass through carried interest revenue	(4.8)	8.7	—	3.9	—
Less: Non-Operating Other gains/(losses)	2.9	—	—	73.3	—
Less: Amortization of equity accounted investments	(1.3)	(1.3)	—	(6.0)	—
Adjusted net revenue	**236.4**	**236.6**	**193.1**	**906.2**	**704.0**
Adjusted EBITDA margin	**42.3 %**	**42.0 %**	**38.0 %**	**41.8 %**	**37.5 %**

OUR FINANCIAL RESULTS

TABLE 9: SELECTED ANNUAL INFORMATION

	Years ended		
[millions of dollars, except per share amounts]	**Dec. 31, 2023**	**Dec. 31, 2022**	**Dec. 31, 2021**
Net asset management fees	1,034.2	1,112.3	1,234.7
Total revenue	2,746.0	2,334.3	2,169.6
Selling, general & administration	1,369.9	1,020.0	742.3
Total expenses	2,596.3	1,858.1	1,583.4
Income before income taxes	149.7	476.2	586.2
Income taxes	143.6	174.4	173.8
Non-controlling interest	1.1	2.1	3.0
Net income available to shareholders	5.0	299.8	409.3
Basic earnings per share	0.03	1.59	2.03
Diluted earnings per share	0.03	1.58	2.02
Dividends declared per share	0.74	0.72	0.72
Total assets	9,981.6	9,708.4	8,659.6
Gross debt	3,507.4	4,216.2	3,776.0
Average shares outstanding	158.1	189.1	201.6
Shares outstanding	153.8	184.5	197.4
Share price	14.86	13.51	26.44
Market capitalization	2,285.8	2,492.8	5,219.8

TABLE 10: SUMMARY OF ANNUAL RESULTS

	IFRS Results		Adjusted Results	
	For the years ended		For the years ended	
[millions of dollars, except per share amounts]	**Dec. 31, 2023**	**Dec. 31, 2022**	**Dec. 31, 2023**	**Dec. 31, 2022**
Revenues				
Asset management fees	1,490.9	1,606.8	1,490.9	1,606.8
Trailer fees	(456.7)	(494.5)	(456.7)	(494.5)
Net asset management fees	1,034.2	1,112.3	1,034.2	1,112.3
Canada wealth management fees	582.8	530.7	582.8	530.7
U.S. wealth management fees	873.9	687.6	873.9	687.6
Other revenues	136.1	95.7	138.5	98.3
FX gains/(losses)	29.9	(80.1)	—	—
Other gains/(losses)	89.0	(11.9)	1.8	(6.0)
Total net revenues	**2,746.0**	**2,334.3**	**2,631.2**	**2,423.0**
Expenses				
Selling, general & administrative	1,369.9	1,020.0	1,068.7	940.4
Advisor and dealer fees	440.1	406.0	440.1	406.0
Other	38.8	34.6	30.3	22.7
Interest and lease finance expense	177.0	152.1	172.2	152.1
Depreciation and other amortization	56.4	49.4	54.6	49.4
Amortization of intangible assets from acquisitions	135.3	105.7	—	—
Transaction, integration, restructuring and legal	133.5	62.7	—	—
Change in fair value of contingent consideration	88.4	27.4	—	—
Change in fair value of Preferred Share Liability	156.9	—	—	—
Total expenses	**2,596.3**	**1,858.1**	**1,765.8**	**1,570.6**
Pretax income	**149.7**	**476.2**	**865.4**	**852.4**
Income tax expense	143.6	174.4	220.7	217.9
Net income	**6.1**	**301.8**	**644.7**	**634.4**
Less: Non-controlling interest	1.1	2.1	110.8	46.7
Net income attributable to shareholders	**5.0**	**299.8**	**533.8**	**587.7**
Basic earnings per share	**0.03**	**1.59**	**3.13**	**3.11**
Diluted earnings per share	**0.03**	**1.58**	**3.11**	**3.10**
Non-IFRS adjustments				
Net Income	6.1	301.8		
Amortization of intangible assets from acquisitions	135.3	105.7		
Amortization of intangible assets for equity accounted investments	6.3	2.6		
Change in fair value of contingent consideration	88.4	27.4		
Change in fair value of Preferred Share Liability	156.9	—		
Interest on redeemable shares issued in connection with acquisitions	2.9	—		
Contingent consideration recorded as compensation (included in SG&A)	8.9	24.2		
Non-controlling interest reclassification (included in Other)	4.6	4.0		
Accounting for Corient and CIPW Canada redeemable units (included in SG&A)	273.0	55.5		

FX (gains)/losses	(29.9)	80.1
Severance	23.2	—
Amortization of loan guarantees	(3.8)	—
Transaction, integration, restructuring and legal	137.2	62.7
Pass through carried interest revenue (included in Other revenues)	(3.9)	—
Pass through carried interest expense (included in Other)	3.9	—
Other (gains)/losses	(71.1)	5.9
Gain on debt retirement	(16.2)	—
Trading and bad debt (included in Other)	—	8.0
Total adjustments	715.7	376.1
Tax effect of adjustments	(77.1)	(43.6)
Less: Non-controlling interest	110.8	46.7
Adjusted net income	**533.8**	**587.7**
Adjusted earnings per share	**3.13**	**3.11**
Adjusted diluted earnings per share	**3.11**	**3.10**
Average shares outstanding	**170.7**	**189.1**
Adjusted average diluted shares outstanding	**171.5**	**189.8**

TABLE 11: SUMMARY OF QUARTERLY RESULTS

	IFRS Results					Adjusted Results				
	For the quarters ended					For the quarters ended				
[millions of dollars, except per share amounts]	**Dec. 31, 2023**	**Sep. 30, 2023**	**Jun. 30, 2023**	**Mar. 31, 2023**	**Dec. 31, 2022**	**Dec. 31, 2023**	**Sep. 30, 2023**	**Jun. 30, 2023**	**Mar. 31, 2023**	**Dec. 31, 2022**
Revenues										
Asset management fees	361.9	375.6	375.8	377.7	378.2	361.9	375.6	375.8	377.7	378.2
Trailer fees	(111.3)	(114.7)	(114.9)	(115.9)	(116.0)	(111.3)	(114.7)	(114.9)	(115.9)	(116.0)
Net asset management fees	250.6	260.8	261.0	261.8	262.2	250.6	260.8	261.0	261.8	262.2
Canada wealth management fees	150.5	146.7	144.1	141.5	133.1	150.5	146.7	144.1	141.5	133.1
U.S. wealth management fees	226.8	229.0	216.8	201.3	190.1	226.8	229.0	216.8	201.3	190.1
Other revenues	31.6	40.9	31.3	32.3	26.2	37.8	33.6	32.7	34.4	28.8
FX gains/(losses)	52.2	(60.4)	36.5	1.8	15.2	—	—	—	—	—
Other gains/(losses)	3.8	(0.4)	86.5	(0.9)	(6.5)	0.9	(0.5)	0.3	1.0	0.6
Total net revenues	**715.6**	**616.5**	**776.1**	**637.8**	**620.3**	**666.7**	**669.6**	**654.8**	**640.0**	**614.9**
Expenses										
Selling, general & administrative	375.9	343.5	345.9	304.6	277.2	272.4	275.8	265.9	254.6	248.0
Advisor and dealer fees	113.8	110.3	108.2	107.8	101.1	113.8	110.3	108.2	107.8	101.1
Other	(0.4)	16.7	10.9	11.5	9.2	5.8	6.9	8.5	9.0	8.1
Interest and lease finance expense	43.9	39.8	46.1	47.2	41.4	41.2	39.9	44.0	47.2	41.4
Depreciation and other amortization	17.3	12.9	13.3	12.9	13.1	15.5	12.9	13.3	12.9	13.1
Amortization of intangible assets from acquisitions	36.1	34.8	33.1	31.3	26.5	—	—	—	—	—
Transaction, integration, restructuring and legal	39.9	23.7	55.8	14.2	41.3	—	—	—	—	—
Change in fair value of contingent consideration	26.8	(7.2)	15.2	53.5	76.8	—	—	—	—	—
Change in fair value of Preferred Share Liability	100.5	21.4	35.0	—	—	—	—	—	—	—
Total expenses	**753.7**	**595.9**	**663.6**	**583.0**	**586.7**	**448.7**	**445.8**	**439.9**	**431.5**	**411.7**
Pretax income	**(38.2)**	**20.6**	**112.5**	**54.8**	**33.6**	**218.0**	**223.9**	**215.0**	**208.5**	**203.2**
Income tax expense	25.1	32.8	61.1	24.6	41.9	55.6	57.1	54.8	53.2	51.8
Net income	**(63.2)**	**(12.2)**	**51.4**	**30.2**	**(8.3)**	**162.4**	**166.8**	**160.1**	**155.3**	**151.4**
Less: Non-controlling interest	0.3	0.2	0.4	0.2	1.2	34.2	34.0	24.2	18.5	15.5
Net income attributable to shareholders	**(63.5)**	**(12.4)**	**51.0**	**30.0**	**(9.5)**	**128.2**	**132.8**	**136.0**	**136.8**	**135.9**
Basic earnings per share	**(0.40)**	**(0.08)**	**0.28**	**0.16**	**(0.05)**	**0.81**	**0.82**	**0.76**	**0.74**	**0.74**
Diluted earnings per share	**(0.40)**	**(0.08)**	**0.28**	**0.16**	**(0.05)**	**0.81**	**0.81**	**0.76**	**0.74**	**0.74**
Non-IFRS adjustments										
Net Income	(63.2)	(12.2)	51.4	30.2	(8.3)					
Amortization of intangible assets from acquisitions	36.1	34.8	33.1	31.3	26.5					
Amortization of intangible assets for equity accounted investments	1.4	1.4	1.4	2.1	2.6					
Change in fair value of contingent consideration	26.8	(7.2)	15.2	53.5	76.8					
Change in fair value of Preferred Share Liability	100.5	21.4	35.0	—	—					
Interest on redeemable shares issued in connection with acquisitions	0.9	(0.1)	2.2	—	—					
Contingent consideration recorded as compensation (included in SG&A)	2.0	4.4	0.8	1.7	1.5					

Non-controlling interest reclassification (included in Other)	(1.4)	1.1	2.4	2.5	1.2
Accounting for Corient and CIPW Canada redeemable units (included in SG&A)	93.8	56.5	79.6	43.1	27.7
FX (gains)/losses	(52.2)	60.4	(36.5)	(1.8)	(15.2)
Severance	9.1	7.2	1.4	5.5	—
Amortization of loan guarantees	(1.3)	(0.5)	(1.8)	(0.3)	—
Transaction, integration, restructuring and legal	43.5	23.7	55.8	14.2	41.3
Pass through carried interest revenue (included in Other revenues)	4.8	(8.7)	—	—	—
Pass through carried interest expense (included in Other)	(4.8)	8.7	—	—	—
Other (gains)/losses	(2.9)	—	(70.0)	1.9	7.1
Gain on debt retirement	—	—	(16.2)	—	—
Trading and bad debt (included in Other)	—	—	—	—	—
Total adjustments	256.2	203.3	102.5	153.7	169.6
Tax effect of adjustments	(30.5)	(24.3)	6.3	(28.5)	(9.9)
Less: Non-controlling interest	34.2	34.0	24.2	18.5	15.5
Adjusted net income	**128.2**	**132.8**	**136.0**	**136.8**	**135.9**
Adjusted earnings per share	**0.81**	**0.82**	**0.76**	**0.74**	**0.74**
Adjusted diluted earnings per share	**0.81**	**0.81**	**0.76**	**0.74**	**0.74**
Average shares outstanding	**158.1**	**161.5**	**178.9**	**184.5**	**183.7**
Adjusted average diluted shares outstanding	**158.9**	**163.6**	**179.6**	**185.1**	**184.6**

Market Environment

After ending the third quarter on a negative note, equity markets began the fourth quarter on weak performance, with stock markets reacting cautiously to geopolitical tension in the Middle East. Despite this, year-to-date performance remained in positive territory in October and then bounced back in the final two months on optimism that central banks might be done with rate hikes. The S&P/TSX Composite Index ended the quarter up 7.3%, while the S&P 500 Index was up 11.2% in U.S. dollars (up 8.5% in Canadian dollars). The MSCI World Index, which reflects returns for developed equity markets around the globe was up 11.1% for the quarter in U.S. dollars (up 8.3% in Canadian dollars).

U.S. and Canadian bond yields fell through the quarter as safe-haven assets surged following the conflict in the Middle East. Yields then fell further in November and December on optimism central banks have done enough to contain inflation and as a result rate cuts may come in 2024. Oil prices briefly spiked in the fourth quarter on uncertainty over the Middle East conflict, before resuming a downward trajectory, as fears of a wider conflict faded. Despite another production cut by Saudi Arabia and OPEC to increase prices, oil ended the year down from the start of 2023. In currency markets, the Canadian dollar rallied against the US dollar, euro and pound, but declined against the yen. The U.S. dollar initially rallied on relative U.S. economic strength, elevated yields, and geopolitical tensions. It then weakened as yields fell and investors became more confident Federal Reserve policy is working.

TABLE 12: TOTAL AUM AND CLIENT ASSETS

	Quarters ended				
[billions of dollars]	**Dec. 31, 2023**	**Sep. 30, 2023**	**Jun. 30, 2023**	**Mar. 31, 2023**	**Dec. 31, 2022**
Asset management segment AUM	125.0	119.0	122.4	122.0	117.8
Canada wealth management segment assets	88.0	81.5	82.6	81.6	77.4
Canada custody	25.6	23.4	9.1	8.6	7.9
U.S. wealth management segment assets	206.3	197.0	194.0	187.5	180.6
Total AUM and client assets	**444.8**	**421.0**	**408.1**	**399.7**	**383.7**

Assets under management increased 6% year over year due to positive investment performance. The 14% increase in Canada wealth management assets from last year was a result of positive investment performance and positive net flows. U.S. wealth management segment assets increased 14% year over year primarily due to acquisitions. Total assets, which include mutual funds, segregated funds, separately managed accounts, structured products, exchange-traded funds, pooled funds, hedge funds and wealth management assets, were $444.8 billion at December 31, 2023, up $61.2 billion from $383.7 billion at December 31, 2022.

Year Ended December 31, 2023

For the year ended December 31, 2023, CI reported net income attributable to shareholders of $5.0 million ($0.03 per share) down from $299.8 million ($1.59 per share) for the year ended December 31, 2022, as seen in Table 10 above. Including the adjustments presented in Table 10 above and referenced in Table 2 of the non-IFRS measures section, adjusted net income attributable to shareholders was $533.8 million ($3.13 per share) for the year ended December 31, 2023, down from $587.7 million ($3.11 per share) for the year ended December 31, 2022. The decrease from last year was mainly due to lower management fee revenues in the asset management segment driven by an asset mix shift, partly offset by higher wealth management fees in both the Canadian and US wealth management segments.

CI's total net revenue was $2,746.0 million in 2023, up from $2,334.3 million in 2022. Total net revenue included realized and unrealized gains on investments of $89.0 million in 2023, compared with losses on investments of $11.9 million in 2022. Total net revenue also included $29.9 million of foreign exchange gains in 2023, compared with foreign exchange losses of $80.1 million in 2022.

As presented in Table 3, adjusted net revenue was $2,647.3 million in 2023, an increase from $2,420.3 million in 2022. The increase from the previous year was mainly a result of acquisitions made during the year.

For the year ended December 31, 2023, SG&A expenses were $1,369.9 million, up from $1,020.0 million in 2022. The increase in SG&A from the previous year was primarily related to acquisitions made during the year. In 2023, CI paid $456.7 million in trailer fees and deferred sales commissions, compared with $494.5 million in 2022. Changes from the prior periods are due to changes in average AUM.

Interest and lease finance expense of $177.0 million was recorded for the year ended December 31, 2023 compared with $152.1 million for the year ended December 31, 2022. The change in interest and lease finance expense reflects the changes in average debt levels and interest rates, as discussed under the Liquidity and Capital Resources section.

For 2023, CI recorded $143.6 million in income tax expense for an effective tax rate of 95.9% compared to $174.4 million, or 36.6%, in 2022. The effective tax rate for the current quarter was higher than the prior periods due primarily to non-deductible expenses related to transactions and rate differences on the preferred unit liability. CI's effective tax rate on adjusted net income was 25.5% for 2023. CI's effective tax rate may differ from its statutory tax rate, which is currently 26.5%, as a result of some expenses being nondeductible or partially deductible, or some revenue items not being fully taxable.

Quarter Ended December 31, 2023

For the quarter ended December 31, 2023, CI reported net loss attributable to shareholders of $(63.5) million ($(0.40) loss per share) down from a net loss attributable to shareholders of $(9.5) million ($(0.05) loss per share) for the quarter ended December 31, 2022 and down from a net loss attributable to shareholders $(12.4) million ($(0.08) loss per share) for the quarter ended September 30, 2023 as seen in Table 11 above. Including the adjustments presented in Table 11 above and referenced in Table 2 of the non-IFRS measures section, adjusted net income attributable to shareholders was $128.2 million ($0.81 per share) for the quarter ended December 31, 2023, down from $135.9 million ($0.74 per share) for the quarter ended December 31, 2022 and down from $132.8 million ($0.81 per share) for the quarter ended September 30, 2023. The decrease from last year was mainly due to lower management fee revenues in the asset management segment driven by an asset mix shift, partly offset by higher wealth management fees in both the Canadian and US wealth management segments.

CI's total net revenue was $715.6 million in the fourth quarter of 2023, up from $620.3 million in the same period in 2022 and up from $616.5 million for the quarter ended September 30, 2023. Total net revenue included realized and unrealized gains on investments of $3.8 million in the fourth quarter of 2023, compared with losses on investments of $6.5 million in the same period in 2022, and losses on investments of $0.4 million in the prior quarter. Total net revenue also included $52.2 million of foreign exchange gains in the fourth quarter of 2023, compared with foreign exchange gains of $15.2 million in the same period in 2022, and foreign exchange losses of $60.4 million in the prior quarter.

As presented in Table 3, adjusted net revenue was $666.7 million in the fourth quarter of 2023, an increase from $612.3 million in the same period in 2022, and a decrease from $669.6 million in the prior quarter. The increase from the previous year was mainly a result of acquisitions made during the year.

For the quarter ended December 31, 2023, SG&A expenses were $375.9 million, up from $277.2 million in the same quarter of 2022 and up from $343.5 million in the prior quarter. The increase in SG&A from the previous year was primarily related to acquisitions made during the year. In the fourth quarter of 2023, CI paid $111.3 million in trailer fees and deferred sales commissions, compared with $116.0 million in the same quarter of 2022 and $114.7 million in the prior quarter. Changes from the prior periods are due to changes in average AUM.

Interest and lease finance expense of $43.9 million was recorded for the quarter ended December 31, 2023 compared with $41.4 million for the quarter ended December 31, 2022 and $39.8 million for the quarter ended September 30, 2023. The change in interest and lease finance expense reflects the changes in average debt levels and interest rates, as discussed under the Liquidity and Capital Resources section.

For the fourth quarter of 2023, CI recorded $25.1 million in income tax expense for an effective tax rate of (65.7)% compared to $41.9 million, or 124.7%, in the fourth quarter of 2022, and $32.8 million, or 159.4%, in the prior quarter. The effective tax rate for the current quarter was lower than the prior periods due primarily to non-deductible expenses related to transactions, and rate differences on the preferred unit liability. CI's effective tax rate on adjusted net income was 25.5% for the current quarter. CI's effective tax rate may differ from its statutory tax rate, which is currently 26.5%, as a result of some expenses being nondeductible or partially deductible, or some revenue items not being fully taxable.

ASSET MANAGEMENT SEGMENT

TABLE 13: ASSETS UNDER MANAGEMENT AND NET FLOWS

	Quarters ended				
[billions of dollars]	**Dec. 31, 2023**	**Sep. 30, 2023**	**Jun. 30, 2023**	**Mar. 31, 2023**	**Dec. 31, 2022**
Beginning AUM	119.0	122.4	122.0	117.8	114.2
Gross inflows	7.3	5.7	6.1	6.9	7.3
Gross outflows	(7.7)	(6.2)	(6.2)	(6.5)	(6.0)
Net inflows/(outflows)	(0.4)	(0.4)	(0.1)	0.4	1.3
Market move and FX	6.3	(2.9)	0.5	3.8	2.3
Ending AUM	125.0	119.0	122.4	122.0	117.8
Proprietary AUM	33.2	31.8	32.8	33.0	31.9
Non-proprietary AUM	91.8	87.2	89.6	89.0	85.9
Average assets under management	121.1	122.1	122.1	121.9	117.7
Annualized organic growth	(1.2)%	(1.5)%	(0.4)%	1.3 %	4.4 %
Gross management fee/average AUM	1.20 %	1.24 %	1.25 %	1.27 %	1.29 %
Net management fee/average AUM	0.81 %	0.84 %	0.85 %	0.86 %	0.87 %
Net Inflows/(Outflows)					
Retail	(0.4)	(0.1)	—	0.8	1.6
Institutional	—	(0.1)	—	(0.2)	(0.2)
Closed business	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)
Total Canada net inflows/(outflows)	(0.6)	(0.3)	(0.2)	0.5	1.3
Australia	0.2	(0.1)	0.1	(0.1)	—
Total net inflows/(outflows)	(0.4)	(0.4)	(0.1)	0.4	1.3

CI's asset management segment reported net redemptions of $0.4 billion for the fourth quarter of 2023. Flows for CI's Canadian retail business, excluding products closed to new investors, had $0.4 billion in net redemptions for the fourth quarter of 2023 and CI's Canadian institutional business had net redemptions of $0.0 billion for the fourth quarter of 2023. CI's Australian business had net inflows of $0.2 billion in the fourth quarter of 2023. CI's closed business, comprised primarily of segregated fund contracts that are no longer available for sale, had $0.2 billion in net redemptions for the quarter.

TABLE 14: AUM BY ASSET CLASS

	Quarters ended				
[billions of dollars]	**Dec. 31, 2023**	**Sep. 30, 2023**	**Jun. 30, 2023**	**Mar. 31, 2023**	**Dec. 31, 2022**
Balanced	51.4	47.7	49.8	50.8	50.3
Equity	40.1	41.1	43.0	43.3	41.6
Fixed income	11.6	10.5	11.1	11.3	11.0
Alternatives	6.4	5.5	5.1	4.0	3.6
Cash/Other	10.2	9.5	8.4	7.7	6.2
Total Canada asset management	119.6	114.3	117.4	117.1	112.8
Australia	5.4	4.8	5.0	4.9	5.0
Total asset management segment	125.0	119.0	122.4	122.0	117.8

TABLE 15: RESULTS OF OPERATIONS - ASSET MANAGEMENT SEGMENT

	IFRS Results		Adjusted Results	
	For the years ended		For the years ended	
[millions of dollars, except per share amounts]	**Dec. 31, 2023**	**Dec. 31, 2022**	**Dec. 31, 2023**	**Dec. 31, 2022**
Revenues				
Asset management fees	1,508.7	1,624.7	1,508.7	1,624.7
Trailer fees and deferred sales commissions	(486.8)	(526.5)	(486.8)	(526.5)
Net asset management fees	1,021.9	1,098.2	1,021.9	1,098.2
Other revenues	18.5	25.9	18.5	25.9
FX gains/(losses)	33.7	(80.2)	—	—
Other gains/(losses)	16.6	(11.9)	2.7	(6.0)
Total net revenues	**1,090.8**	**1,032.0**	**1,043.1**	**1,118.1**
Expenses				
Selling, general & administrative	419.4	387.1	403.9	387.1
Other	1.0	7.1	1.0	—
Interest and lease finance expense	2.2	4.0	2.2	4.0
Depreciation and other amortization	15.5	19.6	15.5	19.6
Amortization of intangible assets from acquisitions	2.4	2.4	—	—
Transaction, integration, restructuring and legal	38.9	15.0	—	—
Change in fair value of contingent consideration	6.8	4.9	—	—
Total expenses	**486.3**	**440.1**	**422.6**	**410.6**
Pretax income	**604.6**	**591.8**	**620.5**	**707.5**
Non-IFRS adjustments				
Pretax income	604.6	591.8	620.5	707.5
Amortization of intangible assets from acquisitions	2.4	2.4	—	—
Depreciation and other amortization	15.5	19.6	15.5	19.6
Interest and lease finance expense	2.2	4.0	2.2	4.0
EBITDA	**624.7**	**617.8**	**624.7**	**731.1**
Change in fair value of contingent consideration	6.8	4.9	—	—
FX (gains)/losses	(33.7)	80.2	—	—
Severance	15.6	—	—	—
Amortization of loan guarantees	—	—	—	—
Transaction, integration, restructuring and legal	38.9	15.0	—	—
Other (gains)/losses	2.2	5.9	—	—
Gain on debt retirement	(16.2)	—	—	—
Trading and bad debt	—	7.1	—	—
Total adjustments	13.5	113.2	—	—
Adjusted EBITDA	**638.2**	**731.1**	**638.2**	**731.1**
Less: Non-controlling interest	0.8	1.0	0.8	1.0
Adjusted EBITDA attributable to shareholders	**637.5**	**730.1**	**637.5**	**730.1**

TABLE 16: RESULTS OF OPERATIONS - ASSET MANAGEMENT SEGMENT

	IFRS Results					Adjusted Results				
	For the quarters ended					For the quarters ended				
[millions of dollars, except per share amounts]	**Dec. 31, 2023**	**Sep. 30, 2023**	**Jun. 30, 2023**	**Mar. 31, 2023**	**Dec. 31, 2022**	**Dec. 31, 2023**	**Sep. 30, 2023**	**Jun. 30, 2023**	**Mar. 31, 2023**	**Dec. 31, 2022**
Revenues										
Asset management fees	366.4	380.1	380.2	382.0	382.3	366.4	380.1	380.2	382.0	382.3
Trailer fees and deferred sales commissions	(118.7)	(122.2)	(122.5)	(123.4)	(123.8)	(118.7)	(122.2)	(122.5)	(123.4)	(123.8)
Net asset management fees	247.7	257.9	257.8	258.6	258.5	247.7	257.9	257.8	258.6	258.5
Other revenues	4.7	4.8	5.1	4.0	3.6	4.7	4.8	5.1	4.0	3.6
FX gains/(losses)	56.1	(61.9)	37.5	2.0	15.5	—	—	—	—	—
Other gains/(losses)	1.9	(0.4)	16.1	(0.9)	(6.5)	1.9	(0.5)	0.3	1.0	0.6
Total net revenues	**310.4**	**200.3**	**316.5**	**263.6**	**271.2**	**254.3**	**262.2**	**263.1**	**263.5**	**262.8**
Expenses										
Selling, general & administrative	108.7	110.9	101.0	98.9	94.3	97.4	105.2	102.6	98.6	94.3
Other	0.3	0.7	—	—	—	0.3	0.7	—	—	—
Interest and lease finance expense	0.5	2.5	(1.5)	0.6	0.9	0.5	2.5	(1.5)	0.6	0.9
Depreciation and other amortization	3.9	2.5	5.4	3.8	4.7	3.9	2.5	5.4	3.8	4.7
Amortization of intangible assets from acquisitions	0.6	0.6	0.6	0.6	0.6	—	—	—	—	—
Transaction, integration, restructuring and legal	2.0	0.6	34.6	1.7	11.0	—	—	—	—	—
Change in fair value of contingent consideration	8.8	(0.6)	0.7	(2.2)	1.6	—	—	—	—	—
Total expenses	**124.7**	**117.2**	**140.8**	**103.5**	**113.1**	**102.0**	**111.0**	**106.6**	**103.0**	**99.9**
Pretax income	**185.7**	**83.1**	**175.7**	**160.1**	**158.0**	**152.3**	**151.2**	**156.5**	**160.5**	**162.8**
Non-IFRS adjustments										
Pretax income	185.7	83.1	175.7	160.1	158.0	152.3	151.2	156.5	160.5	162.8
Amortization of intangible assets from acquisitions	0.6	0.6	0.6	0.6	0.6	—	—	—	—	—
Depreciation and other amortization	3.9	2.5	5.4	3.8	4.7	3.9	2.5	5.4	3.8	4.7
Interest and lease finance expense	0.5	2.5	(1.5)	0.6	0.9	0.5	2.5	(1.5)	0.6	0.9
EBITDA	**190.7**	**88.7**	**180.2**	**165.1**	**164.2**	**156.6**	**156.2**	**160.5**	**164.9**	**168.4**
Change in fair value of contingent consideration	8.8	(0.6)	0.7	(2.2)	1.6	—	—	—	—	—
FX (gains)/losses	(56.1)	61.9	(37.5)	(2.0)	(15.5)	—	—	—	—	—
Severance	8.8	6.1	0.1	0.5	—	—	—	—	—	—
Amortization of loan guarantees	2.5	(0.5)	(1.8)	(0.3)	—	—	—	—	—	—
Transaction, integration, restructuring and legal	2.0	0.6	34.6	1.7	11.0	—	—	—	—	—
Other (gains)/losses	—	—	0.3	1.9	7.1	—	—	—	—	—
Gain on debt retirement	—	—	(16.2)	—	—	—	—	—	—	—
Trading and bad debt	—	—	—	—	—	—	—	—	—	—
Total adjustments	(34.0)	67.5	(19.8)	(0.2)	4.2	—	—	—	—	—
Adjusted EBITDA	**156.6**	**156.2**	**160.5**	**164.9**	**168.4**	**156.6**	**156.2**	**160.5**	**164.9**	**168.4**
Less: Non-controlling interest	0.1	0.2	0.2	0.2	0.1	0.1	0.2	0.2	0.2	0.1
Adjusted EBITDA attributable to shareholders	**156.5**	**156.0**	**160.3**	**164.7**	**168.3**	**156.5**	**156.0**	**160.3**	**164.7**	**168.3**

Year Ended December 31, 2023

Pretax income for the asset management segment was $604.6 million for the year ended December 31, 2023, up from $591.8 million in 2022. Adjusted EBITDA attributable to shareholders was $637.5 million for 2023, compared to $730.1 million for 2022.

Revenues

Revenues from net asset management fees were $1,021.9 million for the year ended December 31, 2023, a decrease from $1,098.2 million for the year ended December 31, 2022. Net of inter-segment amounts, net asset management fees were $1,034.2 million for 2023, versus $1,112.3 million for 2022. The decrease in net asset management fees from the prior year was due to a shift in asset mix. Net asset management fees as a percentage of average AUM were 0.839%, down from 0.879% for 2022.

Other revenue in 2023 was $68.9 million compared with $(66.2) million for 2022. For the year ended December 31, 2023, other revenue included $33.7 million of foreign exchange gains. This compares with $80.2 million of foreign exchange losses in 2022.

Expenses

SG&A expenses for the asset management segment were $419.4 million for the year ended December 31, 2023, compared with $387.1 million for 2022. Changes from the prior periods are primarily due to higher compensation, as well as asset mix shifts and changes in expenses that vary with AUM, including fund operations, regulatory expenses, and discretionary spend. As a percentage of average AUM, SG&A expenses were 0.342% for the year ended December 31, 2023, compared to 0.310% for the year ended December 31, 2022.

Trailer fees and deferred sales commissions were $486.8 million for the year ended December 31, 2023, down from $526.5 million for the year ended December 31, 2022. Net of inter-segment amounts, this expense was $456.7 million for the year ended December 31, 2023 versus $494.5 million for 2022. Changes from the prior periods are due to changes in average AUM and shifts in the asset mix.

Other expenses were $66.8 million for the year ended December 31, 2023, up from $53.1 million in 2022. Other expenses in 2023 included $38.9 million of transaction, integration, restructuring and legal charges and a $6.8 million non-cash expense on the change in fair value of acquisition liabilities. There were $15.0 million of transaction, integration, restructuring and legal charges and a $4.9 million non-cash charge on the change in fair value of acquisition liabilities for the year ended December 31, 2022.

Quarter Ended December 31, 2023

Pretax income for the asset management segment was $185.7 million for the quarter ended December 31, 2023, up from $158.0 million in the same period in 2022 and up from $83.1 million in the prior quarter. Adjusted EBITDA attributable to shareholders was $156.5 million for the fourth quarter of 2023, compared to $168.3 million for the fourth quarter of 2022 and $156.0 million for the prior quarter.

Revenues

Revenues from net asset management fees were $247.7 million for the quarter ended December 31, 2023, a decrease from $258.5 million for the quarter ended December 31, 2022 and a decrease from $257.9 million for the quarter ended September 30, 2023. Net of inter-segment amounts, net asset management fees were $250.6 million for the fourth quarter of 2023, versus $262.2 million for the fourth quarter of 2022, and $260.8 million for the third quarter of 2023. The decrease in net asset management fees from the prior year was due to a shift in asset mix. Net asset management fees as a percentage of average AUM were 0.812%, down from 0.872% for the fourth quarter of last year and down from 0.848% in the prior quarter.

Other revenue in the fourth quarter of 2023 was $62.7 million compared with $12.7 million for the quarter ended December 31, 2022 and $(57.6) million for the prior quarter. For the quarter ended December 31, 2023, other revenue included $56.1 million of foreign exchange gains. This compares with $15.5 million of foreign exchange gains in the same period in 2022, and $61.9 million of foreign exchange losses in the prior quarter.

Expenses

SG&A expenses for the asset management segment were $108.7 million for the quarter ended December 31, 2023, compared with $94.3 million for the fourth quarter in 2022 and $110.9 million for the prior quarter. Changes from the prior periods are primarily due to asset mix shifts and changes in expenses that vary with AUM, including portfolio management, regulatory expenses, and discretionary spend. As a percentage of average AUM, SG&A expenses were 0.345% for the quarter ended December 31, 2023, compared to 0.318% for the quarter ended December 31, 2022 and 0.340% for the quarter ended September 30, 2023.

Trailer fees and deferred sales commissions were $118.7 million for the quarter ended December 31, 2023, down from $123.8 million for the quarter ended December 31, 2022 and down from $122.2 million for the quarter ended September 30, 2023. Net of inter-segment amounts, this expense was $111.3 million for the quarter ended December 31, 2023 versus $116.0 million for the fourth quarter of 2022 and $114.7 million for the third quarter of 2023. Changes from the prior periods are due to changes in average AUM and shifts in the asset mix.

Other expenses were $16.0 million for the quarter ended December 31, 2023, down from $18.8 million in the same quarter of 2022 and up from $6.3 million in the third quarter of 2023. Other expenses in the fourth quarter of 2023 included $2.0 million of transaction, integration, restructuring and legal charges and a $8.8 million non-cash charge on the change in fair value of acquisition liabilities. There were $11.0 million of transaction, integration, restructuring and legal charges and a $1.6 million non-cash charge on the change in fair value of acquisition liabilities for the quarter ended December 31, 2022, and $0.6 million of transaction, integration, restructuring and legal charges and a $0.6 million non-cash benefit on the change in fair value of acquisition liabilities in the prior quarter.

CANADA WEALTH MANAGEMENT SEGMENT

TABLE 17: CANADA WEALTH MANAGEMENT CLIENT ASSETS

	Quarters ended				
[billions of dollars]	**Dec. 31, 2023**	**Sep. 30, 2023**	**Jun. 30, 2023**	**Mar. 31, 2023**	**Dec. 31, 2022**
Beginning client assets	81.5	82.6	81.6	77.4	74.0
Acquisitions	1.3	—	—	—	—
Net flows and market move	5.2	(1.1)	1.0	4.2	3.4
Ending client assets	88.0	81.5	82.6	81.6	77.4
Average client assets	83.8	83.2	81.9	80.7	77.3
Wealth management fees/average client assets	0.91 %	0.90 %	0.91 %	0.93 %	0.91 %
Canada custody	25.6	23.4	9.1	8.6	7.9
Proprietary custody	21.5	19.7	5.4	5.0	4.6
Non-proprietary custody	4.1	3.8	3.7	3.6	3.4

TABLE 18: RESULTS OF OPERATIONS - CANADA WEALTH MANAGEMENT SEGMENT

	IFRS Results		Adjusted Results	
	For the years ended		For the years ended	
[millions of dollars, except per share amounts]	**Dec. 31, 2023**	**Dec. 31, 2022**	**Dec. 31, 2023**	**Dec. 31, 2022**
Revenues				
Canada wealth management fees	753.0	709.8	753.0	709.8
Other revenues	124.6	93.1	124.9	93.2
FX gains/(losses)	(1.1)	0.1	—	—
Total net revenues	**876.5**	**803.0**	**877.9**	**803.0**
Expenses				
Selling, general & administrative	201.3	175.1	195.9	174.4
Advisor and dealer fees	576.6	550.2	576.6	550.2
Other	31.3	24.7	26.7	19.9
Interest and lease finance expense	1.3	0.1	1.3	0.1
Depreciation and other amortization	17.2	11.7	17.2	11.7
Amortization of intangible assets from acquisitions	8.8	7.8	—	—
Transaction, integration, restructuring and legal	6.2	1.7	—	—
Change in fair value of contingent consideration	9.4	0.7	—	—
Total expenses	**851.9**	**771.9**	**817.7**	**756.3**
Pretax income	**24.6**	**31.1**	**60.3**	**46.6**
Non-IFRS adjustments				
Pretax income	24.6	31.1	60.3	46.6
Amortization of intangible assets from acquisitions	8.8	7.8	—	—
Amortization of intangible assets for equity accounted investments	0.3	0.1	—	—
Depreciation and other amortization	17.2	11.7	17.2	11.7
Interest and lease finance expense	1.3	0.1	1.3	0.1
EBITDA	**52.1**	**50.8**	**78.8**	**58.4**
Change in fair value of contingent consideration	9.4	0.7	—	—
Contingent consideration recorded as compensation (included in SG&A)	0.6	0.3	—	—
Accounting for CIPW Canada redeemable units (included in SG&A)	3.0	0.4	—	—
FX (gains)/losses	1.1	(0.1)	—	—
Severance	1.8	—	—	—
Transaction, integration, restructuring and legal	6.2	1.7	—	—
Non-controlling interest reclassification (included in Other)	4.6	4.0	—	—
Trading and bad debt	—	0.8	—	—
Total adjustments	26.6	7.6	—	—
Adjusted EBITDA	**78.8**	**58.4**	**78.8**	**58.4**
Less: Non-controlling interest	6.6	4.3	6.6	4.3
Adjusted EBITDA attributable to shareholders	**72.2**	**54.1**	**72.2**	**54.1**

TABLE 19: RESULTS OF OPERATIONS - CANADA WEALTH MANAGEMENT SEGMENT

	IFRS Results					Adjusted Results				
	For the quarters ended					For the quarters ended				
[millions of dollars, except per share amounts]	**Dec. 31, 2023**	**Sep. 30, 2023**	**Jun. 30, 2023**	**Mar. 31, 2023**	**Dec. 31, 2022**	**Dec. 31, 2023**	**Sep. 30, 2023**	**Jun. 30, 2023**	**Mar. 31, 2023**	**Dec. 31, 2022**
Revenues										
Canada wealth management fees	192.8	189.1	186.8	184.3	176.8	192.8	189.1	186.8	184.3	176.8
Other revenues	31.7	30.7	30.5	31.8	29.1	31.7	30.7	30.6	31.8	29.2
FX gains/(losses)	(1.8)	1.4	(0.5)	(0.2)	(0.4)	—	—	—	—	—
Total net revenues	**222.7**	**221.1**	**216.8**	**215.9**	**205.5**	**224.6**	**219.8**	**217.4**	**216.2**	**206.0**
Expenses										
Selling, general & administrative	50.6	52.2	50.3	48.2	46.2	49.8	49.2	49.3	47.7	45.9
Advisor and dealer fees	147.9	144.4	142.5	141.7	136.2	147.9	144.4	142.5	141.7	136.2
Other	6.2	5.9	9.3	9.8	9.3	5.1	4.8	8.0	8.8	8.1
Interest and lease finance expense	0.3	0.6	—	0.3	—	0.3	0.6	—	0.3	—
Depreciation and other amortization	5.1	5.2	2.9	4.1	3.2	5.1	5.2	2.9	4.1	3.2
Amortization of intangible assets from acquisitions	2.3	2.2	2.2	2.1	2.1	—	—	—	—	—
Transaction, integration, restructuring and legal	5.4	0.4	0.1	0.3	0.2	—	—	—	—	—
Change in fair value of contingent consideration	3.5	(0.4)	1.0	5.3	1.9	—	—	—	—	—
Total expenses	**221.3**	**210.5**	**208.4**	**211.8**	**199.1**	**208.3**	**204.2**	**202.7**	**202.5**	**193.4**
Pretax income	**1.4**	**10.7**	**8.5**	**4.1**	**6.4**	**16.3**	**15.6**	**14.7**	**13.7**	**12.5**
Non-IFRS adjustments										
Pretax income	1.4	10.7	8.5	4.1	6.4	16.3	15.6	14.7	13.7	12.5
Amortization of intangible assets from acquisitions	2.3	2.2	2.2	2.1	2.1	—	—	—	—	—
Amortization of intangible assets for equity accounted investments	0.1	0.1	0.1	0.1	0.1	—	—	—	—	—
Depreciation and other amortization	5.1	5.2	2.9	4.1	3.2	5.1	5.2	2.9	4.1	3.2
Interest and lease finance expense	0.3	0.6	—	0.3	—	0.3	0.6	—	0.3	—
EBITDA	**9.1**	**18.7**	**13.6**	**10.7**	**11.8**	**21.7**	**21.4**	**17.6**	**18.0**	**15.8**
Change in fair value of contingent consideration	3.5	(0.4)	1.0	5.3	1.9	—	—	—	—	—
Contingent consideration recorded as compensation (included in SG&A)	0.1	0.1	0.2	0.2	0.2	—	—	—	—	—
Accounting for CIPW Canada redeemable units (included in SG&A)	0.7	2.0	0.2	0.2	0.1	—	—	—	—	—
FX (gains)/losses	1.8	(1.4)	0.5	0.2	0.4	—	—	—	—	—
Severance	—	0.9	0.7	0.1	—	—	—	—	—	—
Transaction, integration, restructuring and legal	5.4	0.4	0.2	0.3	0.2	—	—	—	—	—
Non-controlling interest reclassification (included in Other)	1.1	1.1	1.3	1.1	1.2	—	—	—	—	—
Trading and bad debt	—	—	—	—	—	—	—	—	—	—
Total adjustments	12.6	2.7	4.0	7.3	4.0	—	—	—	—	—
Adjusted EBITDA	**21.7**	**21.4**	**17.6**	**18.0**	**15.8**	**21.7**	**21.4**	**17.6**	**18.0**	**15.8**
Less: Non-controlling interest	2.0	1.2	1.4	1.9	1.3	2.0	1.2	1.4	1.9	1.3
Adjusted EBITDA attributable to shareholders	**19.7**	**20.1**	**16.2**	**16.2**	**14.5**	**19.7**	**20.1**	**16.2**	**16.2**	**14.5**

Year Ended December 31, 2023

The Canadian Wealth Management segment had pretax income of $24.6 million for the year ended December 31, 2023, compared to $31.1 million for 2022. Adjusted EBITDA attributable to shareholders was $72.2 million for 2023, compared to $54.1 million for 2022.

Revenues

Canada wealth management fees were $753.0 million for the year ended December 31, 2023, up from $709.8 million for the year ended December 31, 2022. The changes from prior periods primarily relates to higher wealth management assets through organic growth, market performance and acquisitions. Net of inter-segment amounts, Canada wealth management fee revenue was $582.8 million for the year ended December 31, 2023, up from $530.7 million for the year ended December 31, 2022.

For the year ended December 31, 2023, other revenue was $123.5 million, up from $93.2 million for the year ended December 31, 2022. Other revenue include revenue from client-serving activities such as foreign exchange facilitation, margins lending, and interest earned on customer deposits. The increase from prior year is driven by higher interest rates and higher client activities.

Expenses

Advisor and dealer fees were $576.6 million for the year ended December 31, 2023 compared to $550.2 million for 2022. Net of inter-segment amounts, advisor and dealer fees were $440.1 million, up from $406.0 million for 2022. Revenues are shared with advisors and dealers fees, which has increased year over year.

SG&A expenses for the segment were $201.3 million for the year ended December 31, 2023 compared to $175.1 million in 2022. The change in SG&A from prior periods is mainly attributable to building up capacity for service integration.

Other expenses were $74.1 million for the year ended December 31, 2023, up from $46.7 million in 2022. Other expenses include interest paid to clients on balances held, which has increased due to higher interest rates. It also includes amortization of intangible assets from acquisitions of $8.8 million in 2023, compared to $7.8 million in 2022.

Quarter Ended December 31, 2023

The Canadian Wealth Management segment had pretax income of $1.4 million for the quarter ended December 31, 2023, compared to $6.4 million for the fourth quarter of 2022 and $10.7 million for the prior quarter. Adjusted EBITDA attributable to shareholders was $19.7 million for the fourth quarter of 2023, compared to $14.5 million for the fourth quarter of 2022 and $20.1 million for the prior quarter.

Revenues

Canada wealth management fees were $192.8 million for the quarter ended December 31, 2023, up from $176.8 million for the same period a year ago and up from $189.1 million for the prior quarter. The changes from prior periods primarily relates to changes in average wealth management assets. Net of inter-segment amounts, Canada wealth management fee revenue was $150.5 million for the quarter ended December 31, 2023, up from $133.1 million for the quarter ended December 31, 2022 and up from $146.7 million for the quarter ended September 30, 2023.

For the quarter ended December 31, 2023, other revenue was $29.8 million, up from $28.8 million for the quarter ended December 31, 2022 and down from $32.1 million for the prior quarter. Other revenue include revenue from client-serving activities such as foreign exchange facilitation, margins lending, and interest earned on customer deposits. The increase from prior year is driven by higher interest rates and higher client activities. It includes foreign exchange losses of $1.8 million in the fourth quarter of 2023, compared to losses of $0.4 million in the fourth quarter of 2022, and gains of $1.4 million in the prior quarter.

Expenses

Advisor and dealer fees were $147.9 million for the quarter ended December 31, 2023 compared to $136.2 million for the fourth quarter of 2022 and $144.4 million for the quarter ended September 30, 2023. Net of inter-segment amounts, advisor and dealer fees were $113.8 million, up from $101.1 million for the same quarter last year and up from $110.3 million for the prior quarter. The changes from prior periods is mainly a result of changes in client asset levels and associated wealth management fee revenues.

SG&A expenses for the segment were $50.6 million for the quarter ended December 31, 2023 compared to $46.2 million in the fourth quarter of 2022 and $52.2 million in the third quarter of 2023. The change in SG&A from prior year is mainly attributable to higher capacity to support further service integration. The change in SG&A from prior quarter is mainly due to timing of variable compensation expenses as results are finalized at year-end.

Other expenses were $22.8 million for the quarter ended December 31, 2023, up from $16.8 million in the same quarter of 2022 and up from $13.8 million in the third quarter of 2023. Other expenses included amortization of intangible assets from acquisitions of $2.3 million in the fourth quarter of 2023, compared to $2.1 million in the same quarter of 2022 and $2.2 million in the prior quarter.

U.S. WEALTH MANAGEMENT SEGMENT

TABLE 20: U.S. WEALTH MANAGEMENT CLIENT ASSETS

	Quarters ended				
[billions of dollars]	**Dec. 31, 2023**	**Sep. 30, 2023**	**Jun. 30, 2023**	**Mar. 31, 2023**	**Dec. 31, 2022**
Beginning billable client assets	188.2	185.0	179.9	174.3	144.9
Acquisitions/divestitures	2.2	2.1	4.0	—	24.9
Net flows and market move	6.4	1.1	1.1	5.6	4.4
Ending billable client assets	196.8	188.2	185.0	179.9	174.3
Non-billable client assets	9.4	8.8	9.0	7.6	6.3
Total client assets	206.3	197.0	194.0	187.5	180.6
Fees/beginning billable client assets	0.48 %	0.49 %	0.48 %	0.47 %	0.52 %

TABLE 21: RESULTS OF OPERATIONS - U.S. WEALTH MANAGEMENT SEGMENT

	IFRS Results		Adjusted Results	
	For the years ended		For the years ended	
[millions of dollars, except per share amounts]	**Dec. 31, 2023**	**Dec. 31, 2022**	**Dec. 31, 2023**	**Dec. 31, 2022**
Revenues				
U.S. wealth management fees	873.9	687.6	873.9	687.6
Other revenues	31.1	16.4	33.2	18.9
FX gains/(losses)	(2.7)	—	—	—
Other gains/(losses)	72.3	—	(0.9)	—
Total net revenues	**974.7**	**704.0**	**906.2**	**706.5**
Expenses				
Selling, general & administrative	808.8	518.5	528.2	439.5
Other	6.5	2.8	2.5	2.8
Interest and lease finance expense	8.8	2.5	5.2	2.5
Depreciation and other amortization	23.7	18.1	21.9	18.1
Amortization of intangible assets from acquisitions	124.1	95.5	—	—
Transaction, integration, restructuring and legal	88.5	46.1	—	—
Change in fair value of contingent consideration	72.3	21.9	—	—
Change in fair value of Preferred Share Liability	156.9	—	—	—
Total expenses	**1,289.5**	**705.3**	**559.6**	**462.8**
Pretax income	**(314.8)**	**(1.3)**	**346.5**	**243.7**
Non-IFRS adjustments				
Pretax income	(314.8)	(1.3)	346.5	243.7
Amortization of intangible assets from acquisitions	124.1	95.5	—	—
Amortization of intangible assets for equity accounted investments	6.0	2.5	—	—
Depreciation and other amortization	23.7	18.1	21.9	18.1
Interest and lease finance expense	8.8	2.5	5.2	2.5
EBITDA	**(152.2)**	**117.4**	**375.4**	**264.3**
Change in fair value of contingent consideration	72.3	21.9	—	—
Change in fair value of Preferred Share Liability	156.9	—	—	—
Contingent consideration recorded as compensation (included in SG&A)	8.3	23.9	—	—
Corient adjustments (included in SG&A)	270.3	55.1	—	—
FX (gains)/losses	2.7	—	—	—
Severance	5.9	—	—	—
Amortization of loan guarantees	(3.8)	—	—	—
Transaction, integration, restructuring and legal	92.1	46.1	—	—
Pass through carried interest revenue (included in Other revenues)	(3.9)	—	—	—
Pass through carried interest expense (included in Other)	3.9	—	—	—
Other (gains)/losses	(73.3)	—	—	—
Total adjustments	531.2	147.0	—	—
Adjusted EBITDA	**379.0**	**264.3**	**379.0**	**264.3**

Less: Non-controlling interest	116.9	44.8	116.9	44.8
Adjusted EBITDA attributable to shareholders	**262.1**	**219.6**	**262.1**	**219.6**

TABLE 22: RESULTS OF OPERATIONS - U.S. WEALTH MANAGEMENT SEGMENT

	IFRS Results					**Adjusted Results**				
	For the quarters ended					**For the quarters ended**				
[millions of dollars, except per share amounts]	**Dec. 31, 2023**	**Sep. 30, 2023**	**Jun. 30, 2023**	**Mar. 31, 2023**	**Dec. 31, 2022**	**Dec. 31, 2023**	**Sep. 30, 2023**	**Jun. 30, 2023**	**Mar. 31, 2023**	**Dec. 31, 2022**
Revenues										
U.S. wealth management fees	226.8	229.0	216.8	201.3	190.1	226.8	229.0	216.8	201.3	190.1
Other revenues	4.5	14.9	5.4	6.3	2.9	10.6	7.6	6.7	8.3	5.5
FX gains/(losses)	(2.1)	0.1	(0.6)	—	—	—	—	—	—	—
Other gains/(losses)	1.9	—	70.4	—	—	(1.0)	—	—	—	—
Total net revenues	**231.1**	**244.0**	**291.9**	**207.7**	**193.1**	**236.4**	**236.6**	**223.5**	**209.6**	**195.6**
Expenses										
Selling, general & administrative	231.1	195.2	209.5	173.0	151.1	139.7	136.0	128.8	123.8	122.2
Other	(6.9)	10.1	1.6	1.7	(0.1)	0.4	1.4	0.5	0.2	(0.1)
Interest and lease finance expense	4.0	0.8	3.2	0.8	0.8	2.1	0.8	3.2	0.8	0.8
Depreciation and other amortization	8.3	5.2	5.0	5.1	5.2	6.5	5.2	5.0	5.1	5.2
Amortization of intangible assets from acquisitions	33.2	32.0	30.3	28.6	23.8	—	—	—	—	—
Transaction, integration, restructuring and legal	32.5	22.7	21.1	12.2	30.0	—	—	—	—	—
Change in fair value of contingent consideration	14.5	(6.1)	13.5	50.4	73.3	—	—	—	—	—
Change in fair value of Preferred Share Liability	100.5	21.4	35.0	—	—	—	—	—	—	—
Total expenses	**417.2**	**281.3**	**319.3**	**271.7**	**284.2**	**148.8**	**143.4**	**137.6**	**129.9**	**128.1**
Pretax income	**(186.1)**	**(37.3)**	**(27.3)**	**(64.0)**	**(91.1)**	**87.7**	**93.2**	**85.9**	**79.7**	**67.4**
Non-IFRS adjustments										
Pretax income	(186.1)	(37.3)	(27.3)	(64.0)	(91.1)	87.7	93.2	85.9	79.7	67.4
Amortization of intangible assets from acquisitions	33.2	32.0	30.3	28.6	23.8	—	—	—		
Amortization of intangible assets for equity accounted investments	1.3	1.3	1.3	2.0	2.5	—	—	—	—	—
Depreciation and other amortization	8.3	5.2	5.0	5.1	5.2	6.5	5.2	5.0	5.1	5.2
Interest and lease finance expense	4.0	0.8	3.2	0.8	0.8	2.1	0.8	3.2	0.8	0.8
EBITDA	**(139.3)**	**2.1**	**12.5**	**(27.5)**	**(58.8)**	**96.3**	**99.3**	**94.2**	**85.6**	**73.5**
Change in fair value of contingent consideration	14.5	(6.1)	13.5	50.4	73.3	—	—	—	—	—
Change in fair value of Preferred Share Liability	100.5	21.4	35.0	—	—	—	—	—	—	—
Contingent consideration recorded as compensation (included in SG&A)	1.9	4.3	0.6	1.5	1.3	—	—	—	—	—
Non-controlling interest reclassification (included in Other)	(2.5)	—	1.2	1.4	—	—	—	—	—	—
Corient adjustments (included in SG&A)	93.2	54.7	79.4	42.9	27.6	—	—	—	—	—
FX (gains)/losses	2.1	(0.1)	0.6	—	—	—	—	—	—	—
Severance	0.2	0.2	0.7	4.8	—	—	—	—	—	—
Amortization of loan guarantees	(3.8)	—	—	—	—	—	—	—	—	—
Transaction, integration, restructuring and legal	36.1	22.7	21.1	12.2	30.0	3.7	—	—	—	—

Pass through carried interest revenue (included in Other revenues)	4.8	(8.7)	—	—	—	—	—	—	—	—
Pass through carried interest expense (included in Other)	(4.8)	8.7	—	—	—	—	—	—	—	—
Other (gains)/losses	(2.9)	—	(70.3)	—	—	—	—	—	—	—
Total adjustments	239.3	97.2	81.7	113.1	132.2	—	—	—	—	—
Adjusted EBITDA	**100.0**	**99.3**	**94.2**	**85.6**	**73.5**	**100.0**	**99.3**	**94.2**	**85.6**	**73.5**
Less: Non-controlling interest	37.4	37.6	25.4	16.5	13.6	37.4	37.6	25.4	16.5	13.6
Adjusted EBITDA attributable to shareholders	**62.5**	**61.6**	**68.8**	**69.1**	**59.9**	**62.5**	**61.6**	**68.8**	**69.1**	**59.9**

Year Ended December 31, 2023

The U.S. wealth management segment had pretax income of $(314.8) million for the year ended December 31, 2023, compared to $(1.3) million for 2022. Adjusted EBITDA attributable to shareholders was $262.1 million for 2023, compared to $219.6 million for 2022.

Revenues

U.S. wealth management fees were $873.9 million for the year ended December 31, 2023, up from $687.6 million for the year ended December 31, 2022. The increases from the prior periods primarily related to higher asset levels resulting from acquisitions made during the year.

For the year ended December 31, 2023, other revenue was $100.8 million, up from $16.4 million for the year ended December 31, 2022. The increase from the prior periods primarily related to higher ancillary services resulting from acquisitions made during the year.

Expenses

SG&A expenses for the segment were $808.8 million for the year ended December 31, 2023 compared to $518.5 million in 2022. SG&A for the year ended December 31, 2023 included Corient related adjustments of $270.3 million compared with $55.1 million in 2022.

Other expenses were $480.7 million for the year ended December 31, 2023, up from $186.8 million in 2022. Other expenses included a $72.3 million non-cash benefit from a change in the fair value of acquisition liabilities in 2023, compared to a $21.9 million non-cash charge in 2022. Other expenses also included amortization of intangible assets from acquisitions of $124.1 million for the year ended December 31, 2023, up from $95.5 million for the year ended December 31, 2022.

Quarter Ended December 31, 2023

The U.S. wealth management segment had pretax income of $(186.1) million for the quarter ended December 31, 2023, compared to $(91.1) million for the fourth quarter of 2022 and $(37.3) million for the prior quarter. Adjusted EBITDA attributable to shareholders was $62.5 million for the fourth quarter of 2023, compared to $59.9 million for the fourth quarter of 2022 and $61.6 million for the prior quarter.

Revenues

U.S. wealth management fees were $226.8 million for the quarter ended December 31, 2023, up from $190.1 million for the same period a year ago and down from $229.0 million for the prior quarter. The increases from prior year primarily related to higher asset levels resulting from acquisitions made during the year.

For the quarter ended December 31, 2023, other revenue was $4.3 million, up from $3.0 million for the quarter ended December 31, 2022 and down from $15.0 million for the prior quarter. Other revenue include carried interest flow-through paid to fund managers that could be subject to significant fluctuations from the valuation of the underlying funds.

Expenses

SG&A expenses for the segment were $231.1 million for the quarter ended December 31, 2023 compared to $151.1 million in the fourth quarter of 2022 and $195.2 million in the third quarter of 2023. SG&A for the quarter ended December 31, 2023 included Corient related adjustments of $93.2 million compared with $27.6 million in the fourth quarter of 2022 and $54.7 million in the third quarter of 2023. The increases in SG&A from the prior year is mainly attributable to higher footprints from acquisitions made during the year.

Other expenses were $186.1 million for the quarter ended December 31, 2023, down from $133.1 million in the same quarter of 2022 and down from $86.2 million in the third quarter of 2023. Other expenses included a $14.5 million non-cash charge from a change in the fair value of acquisition liabilities in the fourth quarter of 2023, compared to a $73.3 million non-cash charge in the same quarter of 2022 and a $6.1 million non-cash benefit in the prior quarter. Other expenses also included amortization of intangible assets from acquisitions of $33.2 million for the quarter ended December 31, 2023, up from $23.8 million for the quarter ended December 31, 2022 and up from $32.0 million for the prior quarter.

LIQUIDITY AND CAPITAL RESOURCES

CI generated $648.7 million of free cash flow in 2023, compared to $687.4 million for the same period in 2022.

CI primarily uses cash flow, debt instruments, and borrowings from its credit facility to fund capital expenditures, fund acquisitions, pay down debt, pay dividends on its shares, and repurchase shares through its normal course issuer bid. At current levels of cash flow and anticipated dividend payout rates, CI expects to meet its obligations and support planned business operations.

CI's cash flows may fluctuate on a quarterly basis as a result of payments for cash income taxes, interest payments on debt and incentive compensation payments.

TABLE 23: SUMMARY OF CASH FLOWS

[millions of dollars]	**Year ended December 31, 2023**	**Year ended December 31, 2022**
Cash provided by operating activities	449.4	478.9
Less: Net change in operating assets and liabilities	(113.1)	(85.6)
Operating cash flow before the change in operating assets and liabilities	562.5	564.5
Adjustments:		
FX (gains)/losses	(29.9)	80.1
Trading and bad debt	—	8.0
Other (gains)/losses	(3.8)	—
Transaction, integration, restructuring and legal	137.2	62.7
Total adjustments	103.4	150.8
Tax effect (recovery) of adjustments	(13.0)	(37.4)
Less:		
Non-controlling interest	4.2	(9.4)
Free cash flow	648.7	687.4
Less:		
Investments in marketable securities, net of marketable securities sold	4.6	(93.2)
Capital expenditures	39.1	17.5
Share repurchases, net of shares issued	474.9	229.7
Dividends paid	125.5	137.4
(Increase) / decrease in debt	639.7	(262.5)
Acquisitions, net of cash acquired	155.1	472.5
Net issuance of Corient and CIPW Canada unit liabilities	24.0	(85.7)
Cash paid to settle acquisition liabilities	430.4	198.2
Proceeds from divestiture	(1,480.8)	—
Working capital and other items	252.7	150.8
	665.3	764.6
Net change in cash	(16.6)	(77.2)
Cash at January 1	153.6	230.8
Cash at December 31	137.0	153.6

During the three months ended June 30, 2023, CI sold 20% of its US business through the issuance of Preferred Share Liability to a group of institutional investors for US$1.0 billion. Proceeds were used to retire $712.6 million in debt securities and payoff its credit facility.

During 2023, CI invested $4.8 million in marketable securities and received $0.2 million in proceeds from the disposition of marketable securities. Excluding CI Investment Services' securities owned, at market, the fair value of CI's investments as of December 31, 2023 was $28.2 million. This was comprised of seed capital investments in CI funds and strategic investments.

During the year ended December 31, 2023, CI invested $39.1 million in capital assets, up from $17.5 million in the year ended December 31, 2022. These investments related primarily to leasehold improvements and technology.

During 2023, the net redemptions of Corient and CIPW Canada units by certain partners and employees resulted in total cash outflows of $24.0 million.

During the year ended December 31, 2023, CI repurchased 32.4 million shares under its normal course issuer bid at a total cost of $475.3 million, or $14.69 per share. CI had 153,821,117 shares outstanding at the end of December, which differs from CI's TSX-listed shares outstanding of 156,240,227 by the amount of restricted employee shares held in trust.

CI paid dividends of $125.5 million during the year ended December 31, 2023. Subsequent to December 31, 2023, the Board of Directors declared a quarterly dividend of $0.20 per share, payable on July 15, 2024, to shareholders of record on June 28, 2024. All dividends are designated as eligible dividends unless indicated otherwise, as required under the Income Tax Act (Canada).

The statement of financial position for CI at December 31, 2023 reflected total assets of $10.0 billion, an increase of $273.2 million from total assets of $9.7 billion at December 31, 2022.

CI's cash and cash equivalents decreased by $16.6 million in 2023 to $137.0 million. Accounts receivable and prepaid expenses increased by $89.3 million to $388.0 million as of December 31, 2023. Capital assets increased by $29.5 million during the twelve months ended December 31, 2023, driven primarily by capital additions.

Total liabilities increased by $0.9 billion to $8.9 billion at December 31, 2023 from $8.1 billion at December 31, 2022.

Acquisition related liabilities, which includes deferred and contingent consideration primarily from the U.S. Wealth Management segment, decreased by $233.0 million to $493.4 million in 2023 from $726.4 million in 2022. The net decrease was primarily due to payments of $648.2 million partly offset by new additions of $333.0 million related to acquisitions during 2023. $434.2 million of our acquisition related liabilities are due in 2024.

At December 31, 2023, CI had $3,153.4 million in outstanding debentures with a weighted average interest rate of 4.07%, a weighted average maturity of 13.7 years, and a carrying value of $3,133.4 million. In December 2022, CI refinanced existing indebtedness by issuing $400 million of debentures with a 3-year maturity. In May and June 2023, CI repurchased $238.8 million of its outstanding 3.215% debentures due 2024, $373.8 million of its outstanding 3.759% debentures due 2025 and $100.1 million of its outstanding 3.904% debentures due 2027 In February 2023, CI entered into a new $600.0 million credit facility with four Canadian banks and paid off its previous credit facility. Subsequently, In May 2023, CI reduced the credit facility to $450 million. Subsequently, in December 2023, CI amended its existing credit facility with four Canadian banks by increasing its capacity from $450.0 million to $800 million. Terms under the amended facility are generally similar to its previous facility except for the upper limit of the financial covenant to remain below 4.25:1. On December 31, 2023, CI had drawn $375.0 million against its $800.0 million credit facility. Principal repayments on any drawn amounts are only required at the maturity of the facility, which is May 27, 2025.

Net debt, as discussed in the "Non-IFRS Measures" section and as set out in Table 5, was $3,364.6 million at December 31, 2023, down from $4,058.8 million at December 31, 2022. The average gross debt level for the year ended December 31, 2023 was $3,767.8 million, compared to $3,906.5 million last year.

CI's ratios of debt to adjusted EBITDA attributable to shareholders and net debt to adjusted EBITDA attributable to shareholders were 3.7 to 1 and 3.5 to 1, respectively, using current quarter adjusted EBITDA annualized. CI was within its financial covenant of 4.25 to 1 with respect to its credit facility.

Shareholders' equity was $1.0 billion at December 31, 2023, a decrease of $0.6 billion from December 31, 2022.

RISK MANAGEMENT

CI is exposed to a number of risks that are inherent to the wealth and asset management businesses. Some factors which introduce or exacerbate risk are within the control of management and others are, by their nature, outside of CI's direct control but must still be managed. Effective risk management is a key component to achieving CI's business objectives and protecting company and client assets. It is an ongoing process involving the Board of Directors and the Company's Risk Management Committee, comprising senior executives from CI's business and operating units. The Board has delegated primary responsibility for oversight of risk management to the Audit and Risk Committee of the Board of Directors.

CI has developed an enterprise-wide approach to identifying, evaluating, monitoring and reporting risk. The members of the Risk Management Committee identify and evaluate material risks, applying both a quantitative and a qualitative analysis to assess the likelihood and impact of occurrence of a particular risk event. Once risks have been identified and evaluated, strategies and procedures are developed to minimize, transfer or avoid negative consequences of elevated risks. These risk mitigation processes are implemented and monitored with each business unit. Risk updates are regularly provided by the Chief Risk Officer to the Audit and Risk Committee of CI's Board of Directors.

The risks set out below are risks and uncertainties that CI believes could materially affect CI's ability to achieve its strategic and business objectives and impact future financial performance; however, they are not the only risks facing CI. The reader should carefully consider the risks described below, and the other information contained in this MD&A, including under the heading "Forward-Looking Statements" before making an investment decision.

MARKET RISK

Market risk is the risk of a financial loss resulting from adverse changes in underlying market factors, such as interest rates, equity and commodity prices, and foreign exchange rates. A description of each component of market risk is described below:

CI's financial performance is indirectly exposed to market risk. Any decline in financial markets or lack of sustained growth in such markets may result in a corresponding decline in the performance of CI's investment funds and may adversely affect CI's assets under management and wealth management assets. This may reduce management fees and administration fees, which would reduce cash flow to CI and ultimately impact CI's ability to meet its financial obligations.

At December 31, 2023, approximately 38% of CI's core assets under management were held in fixed-income securities, which are exposed to interest rate risk. An increase in interest rates causes market prices of fixed-income securities to fall, while a decrease in interest rates causes market prices to rise. CI's fund managers invest in a well-diversified portfolio of securities across issuers, durations and maturities, which reduces risk. CI estimates that a 100 basis point change in interest rates across the yield curve would cause a change of approximately $10 million to $20 million in annual pre-tax earnings.

About 62% of CI's core assets under management were held in equity securities at December 31, 2023, which are subject to equity risk. Equity risk is classified into two categories: general equity risk and issuer-specific risk. CI employs internal and external fund managers to take advantage of their expertise in particular market niches, sectors and products and to reduce issuer-specific risk through diversification. CI estimates that a 10% change in the value of equities would cause a change of approximately $65 million to $75 million in annual pre-tax earnings.

At December 31, 2023, about 44% of CI's core assets under management were based in Canadian currency. While CI's concentration in Canadian currency assets reduces its exposure to foreign exchange risk, approximately 42% of CI's core assets under management were based in U.S. currency. Any change in the value of the Canadian dollar relative to U.S. currency will cause fluctuations in CI's assets under management. CI estimates that a 10% change in Canadian/U.S. exchange rates would cause a change of approximately $35 million to $45 million in annual pre-tax earnings. While portfolio managers may employ currency hedging strategies to mitigate the impact of currency fluctuations, there can be no assurance that such strategies, if employed, will be successful. The exposures and sensitivities noted above do not account for any such currency hedging strategies.

In addition, CI has certain debt obligations that are denominated in U.S. dollars. At December 31, 2023, CI had par value US$1.9 billion of debentures outstanding. Any change in the value of the Canadian dollar relative to the U.S. dollar will impact the translation of this obligation into Canadian dollars and the gain or loss would be reflected in CI's income. CI estimates that a 100 basis point change in Canadian/U.S. exchange rates would cause a change of approximately $18.6 million in annual pre-tax earnings related to the currency translation of these debentures.

CI has operations in the United States, where the U.S. dollar is the functional currency. Changes in the value of the Canadian dollar relative to the U.S. dollar would impact the translation of net income from CI's U.S. operations into Canadian dollars. CI estimates that a 100 basis point change in Canadian/U.S. exchange rates would cause a change of approximately nil in annual pre-tax earnings.

There are risks and limitations with relying on models and it is possible that actual results may differ from those presented above. CI has a control environment that ensures market risks are reviewed regularly. CI's Compliance team reviews and monitors CI's fund and portfolio investments for compliance with investment policies and regulations. CI also reviews investment processes, portfolio positioning and attribution of results of its investment teams on a regular basis.

POLITICAL AND MACRO-ECONOMIC RISK

CI's performance is directly affected by the performance of the financial markets which may be influenced by various political, demographic and macro-economic conditions or events, including any political change, change in government policy, conflicts, pandemics, economic sanctions and uncertainty, globally. These changes may cause significant volatility and decline in the global economy or specific international, regional and domestic financial markets which are beyond the control of CI. There can be no assurance that financial market performance will be favourable in the future. Any decline in financial markets or lack of sustained growth in such markets may result in a corresponding decline in performance, which could negatively impact CI's business and impede the growth of CI's wealth management assets and assets under management and corresponding revenue.

REDEMPTION RISK

Management fees are earned for advising and managing investment fund assets. The level of these assets is dependent on (i) sales; (ii) redemptions; and (iii) investment performance. Sales and redemptions may fluctuate depending on market and economic conditions, investment preference, or other factors.

Significant redemptions could adversely affect investor fund returns by impacting market values and increasing transaction costs or taxable distributions, which could negatively impact the prospects and operating results of CI.

A rapid and sustained increase in redemptions, particularly in the face of severe market volatility, may also adversely affect fund liquidity, which in turn could negatively affect CI's reputation and/or result in further declines in assets under management, all of which could have an unfavourable impact on our business, financial condition or operating results.

INFORMATION TECHNOLOGY AND CYBER RISK

CI uses information technology and the internet to streamline business operations and to improve the client and advisor experience. CI has, more recently, been expanding its online footprint by automating its product and service delivery systems and acquiring digital platforms. The use of information technology and the internet, email messaging and other online capabilities, however, exposes CI to information security risk that could have an adverse impact on its business. CI relies on its information security policies, procedures and capabilities to protect its computer and telecommunications systems and the data that it stores on or transmits through its information technology systems.

Cybersecurity threats and attacks, privacy and security breaches, insider threats or other incidents and malicious internet-based activity continue to increase generally, evolve in nature and become more sophisticated. Remote work arrangements result in an increase in exposure to information technology and cyber risks. The increased dependence on and the use of online platforms, network infrastructure, remote connectivity and third-party services may lead to an increase in the incidence of cyber-attacks, malicious activity including, but not limited to, phishing emails, malware-embedded apps and targeting of vulnerabilities in remote access platforms. Any information technology event, such as a cybersecurity breach or intrusion into CI's information technology systems, or failure to implement sufficient controls, could result in unauthorized access to sensitive or confidential information, loss or theft of data, operational disruption, regulatory actions, legal liability or reputational harm and have an adverse effect on CI's operating results and financial condition. CI actively monitors this risk and continues to develop and implement technology-enabled controls to protect against cyber threats that are becoming increasingly sophisticated and pervasive. In addition, CI has and will continue to implement safeguards to control access to sensitive information, through password protection, encryption of confidential information and other means. CI also has back-up systems to ensure business continuity in the event of a failure resulting from an attack. Notwithstanding these measures, there is no assurance that CI can fully mitigate the risks associated with information technology security. CI is dependent on the efficiency and effectiveness of the technology it uses to secure its information technology environment, the diligence of its employees and their compliance with CI's information security policy, and the ability to keep pace with a continuously evolving information technology landscape. Malfunction of any technology used by CI, breaches of security policy or inability to keep pace with evolving cybersecurity advancements may increase CI's exposure to cybersecurity risk.

CI relies on various third-party service providers to deliver its services to clients and advisors. While CI has procedures and practices in place to assess its third-parties' information technology systems, such third-parties may lack the necessary infrastructure or resources or may otherwise fail to adequately protect against or respond to a cyber-attack, data breach or other incidents. Any such event could expose confidential, proprietary, or other sensitive information of CI and its clients, advisors, employees, or other counterparties that may be stored in, or transmitted through the third-parties' computer systems, networks, or other devices. A breach in a third-party's systems could also cause disruptions in CI's operations or those of its clients or counterparties, or in the operations of other third-parties on whom CI relies.

CI's business is also dependent on the physical integrity of its infrastructure, including its office space, storage centers and other facilities. CI has taken precautions to protect the physical security of its infrastructure, and the sensitive information contained therein, through card access protection, biometrics and clean desk policies. However, a breach of the physical integrity of CI infrastructure may leave sensitive information vulnerable to unauthorized access and use, increasing a possible security risk, which could negatively impact CI's reputation, business, operating results, and financial condition.

PRIVACY AND DATA MANAGEMENT RISK

CI's business may require the creation, collection, use and sharing of certain personal or confidential information. The management and governance of personal or confidential information are increasingly important as CI continues to invest in digital solutions and innovation, as well as expand its business activities both domestically and in foreign jurisdictions. CI's failure to manage and safeguard its information may result in legal or regulatory consequences, loss of competitive advantage, reputational damage, or financial loss to CI.

CI is also subject to a number of laws and regulations in various jurisdictions regarding the collection, use, sharing or processing of personal information belonging to its clients, employees, consultants and third-parties. These laws and regulations are subject to frequent modification and require ongoing compliance supervision. Further, government and regulatory oversight of data privacy has increased in recent years, resulting in heightened data security and handling requirements and expanded incident response and reporting obligations. CI's failure to comply with such laws and regulations could lead to significant fines, penalties or remediation obligations imposed by regulators, as well as costs associated with direct claims by CI's clients, employees, consultants or third-parties.

PEOPLE RISK

The ability of CI to achieve operational, business and strategic objectives is dependent upon, among other things, the skills and expertise of its management, employees and investment advisors.

These individuals play an important role in developing, implementing, operating, managing and distributing CI's products and services. The potential inability to attract, hire, develop, motivate, and retain skilled and qualified personnel due to internal constraints or uncontrollable external factors could negatively affect CI's ability to compete and achieve its business objectives and strategic priorities, thereby adversely affecting CI's business, financial condition and results of operation.

We may also experience departures of key personnel in the future. We cannot predict the impact that any such departures will have on our ability to achieve our objectives.

REPUTATION RISK

Reputation risk is the risk of the potential negative impact arising from the deterioration of CI's image, adverse stakeholder perception or lower public confidence in the CI brand, its senior management or its products and services due to (i) operational errors, poor performance, misconduct and other actions or inactions of CI, its employees or third-party service providers; (ii) regulatory investigation or sanctions, or litigation; and (iii) negative public sentiment. In addition, perceptions of conflicts of interest and rumors, among other developments, could substantially damage our reputation, even if they are baseless or satisfactorily addressed. Through its Codes of Conduct, governance practices, risk management programs, policies, procedures and training, CI attempts to prevent and detect any activities by CI officers, directors, and employees that could harm CI's reputation. However, the sources of reputation risk can be extensive and their impact on CI's reputation could last long after the issues are satisfactorily addressed. Damage to CI's reputation can result in reduced share price and market capitalization, increased cost of capital, loss of strategic flexibility, inability to enter or expand into markets, loss of client loyalty and business, regulatory fines or penalties or restrictive agreements with regulators or prosecutors. While all employees, directors and officers are expected to protect the reputation of CI, there can be no assurances that unauthorized activities of such persons may occur which could result in damage to CI's reputation, which in turn could adversely affect CI's business and profitability.

STRATEGIC RISK

Strategic risks are risks that directly impact the overall direction of CI and the ability of CI to successfully identify growth opportunities and implement proposed solutions. These risks include the risk of sub-optimal outcomes arising from CI's choice of strategies, the inability to implement the chosen strategies or their improper implementation. The key strategic risk is the risk that management fails to anticipate, and respond to, changes in the business environment, including demographic, regulatory and competitive changes. CI's performance is directly affected by factors that are beyond CI's control, such as financial markets and business conditions, including the legislation and policies of the governments and regulatory authorities having jurisdiction over CI's operations. However, an important part of the risk management process is the ongoing review and assessment of industry and economic trends and changes. Strategies are then designed to effectively respond to any anticipated changes, including identifying acquisition opportunities, developing new business lines, introducing new products, and implementing cost control strategies.

Part of CI's strategy includes strategic acquisitions and investments in growth opportunities. Strategic acquisitions may benefit CI through increasing fee earning assets, broadening CI's distribution relationships, enhancing CI's business capabilities and capturing cost synergies. CI embarks on a thorough due diligence process prior to any acquisition; however, there can be no assurances that the anticipated benefits of any acquisition will be achieved. CI may be unable to find suitable firms or companies to acquire or may be unable to realize the financial and strategic benefits of an acquisition or transaction due to competitive factors, market conditions, inability to retain key employees, inability to integrate operations or obtain cost synergies, regulatory requirements, or other factors which could have an adverse impact on CI's strategic and financial objectives. In addition, the capital utilized to finance any acquisition or transaction could limit CI's ability to deploy further capital to pursue other opportunities and initiatives which could impact CI's strategic and financial objectives.

REGULATORY AND LEGAL RISK

CI's business is dependent upon compliance with and continued registration under securities laws in all jurisdictions in which CI and its subsidiaries carry on business. The laws and regulations are complex, evolving, potentially unclear or duplicative and in some cases inconsistent across various jurisdictions, requiring significant resources in order to maintain our monitoring of, and compliance with, such laws and regulations. Laws and regulations applied at the national and provincial or state level generally grant governmental agencies and self-regulatory bodies broad administrative discretion over the activities of CI, including the power to limit or restrict business activities as well as impose additional disclosure requirements on CI products and services. Failure to comply with applicable legal and regulatory requirements could result in legal proceedings, financial losses, regulatory sanctions, enforcement actions, an inability to execute business strategies, a decline in investor and customer confidence, and damage to CI's reputation. Possible sanctions include the revocation or imposition of conditions on licenses to operate certain businesses, the suspension or expulsion from a particular market or jurisdiction of any of CI's business segments or its key personnel or financial advisors, and the imposition of fines and censures.

Regulatory developments may result in increasingly stringent interpretation and enforcement of existing laws and regulations, amendments to existing laws and regulations, or the introduction of new laws and regulations, any of which may adversely impact CI's business or operations. Regulatory developments may include changes in tax treatment, changes in disclosure requirements, changes in investment restrictions or changes impacting dealer and advisor compensation. In addition, increasing complexity in the securities regulatory environment governing CI's business may require CI to incur costs related to the addition of specialized legal and compliance resources. To the extent that any such developments adversely affect the sale of CI's products or services, impair the investment performance of CI's products, or result in lower operating margins, CI's aggregate assets under management, revenues and earnings may be adversely affected. While CI actively monitors relevant regulatory developments, CI's ability to mitigate the impact of any such developments is limited.

Given the nature of CI's business, CI may from time to time be subject to claims or complaints from investors or others in the normal course of business. The legal risks facing CI, its directors, officers, employees or agents in this respect include potential liability for violations of corporate laws, securities laws, stock exchange rules, inappropriate investment advisory recommendations, and misuse of investors' funds. Some violations of corporate laws, securities laws or stock exchange rules could result in civil or criminal liability, fines, sanctions, or expulsion from a self- regulatory organization or the suspension or revocation of CI's right to carry on an existing business. CI may incur significant costs or face action in connection with such potential liabilities or litigation that could materially affect its business, operations, or financial condition.

LIQUIDITY RISK

Liquidity risk is the risk that CI may not be able to generate or obtain sufficient funds in a timely or cost-effective manner to meet contractual or anticipated commitments as they come due. CI expends significant resources investing in its businesses. As a result, reduced levels of liquidity could have a significant negative effect on CI. Some potential conditions that could negatively affect CI's liquidity include diminished access to the debt or capital markets, unforeseen or increased cash or capital requirements, adverse legal settlements or judgments or illiquid or volatile markets.

LIQUIDITY RISK FOR THE ASSET MANAGEMENT SEGMENT

CI is also exposed to the risk of its investment funds not being able to meet their redemption obligations due to an inability to liquidate the underlying assets in a timely manner. This could be caused by insufficient liquid assets in the fund, an unexpected spike in redemptions triggered by negative market information, sentiment or contagion, adverse liquidity conditions in the financial markets, procedural issues that may delay the liquidation of securities or other factors. Inability to meet its redemption obligations may lead to legal liability, regulatory action and reputational damage. CI has robust mechanisms in place to monitor and maintain adequate liquidity in its investment fund portfolios at all times. However, CI has no control over extreme market events that may result in the sudden loss of liquidity or trigger a run on the funds.

OPERATIONAL RISK

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people, systems or external events. The operational risk that CI is exposed to may arise from, technology failures, business disruption, theft, fraud, failure of key third parties, employee errors, processing and execution errors, and inaccurate or incomplete client information. Operational risk may result in a financial loss but can also lead to regulatory sanctions and harm to CI's reputation. Operational risk driven by people and processes are mitigated through human resources policies and practices, and a strong internal control environment. Operational risks driven by systems and services are managed through controls over technology development and change management as well as enhanced procedures for oversight of third-party service providers. While CI continuously monitors its operational risks, there can be no assurances that CI's internal control procedures can mitigate all operational risks to acceptable levels.

THIRD PARTY RISK

CI regularly engages in a variety of third-party relationships, including independent contractors, custodians, administrators, and other service suppliers to carry out certain transactions and services and to provide expertise and efficiencies that support our business and operational activities. The inability of a third-party to meet their ongoing service commitments, failure to process transactions completely and accurately, failure to safeguard sensitive client or corporate information, failure to perform to expected standards, and the failure to have adequate disaster recovery and business continuity plans could result in adverse reputational, regulatory, operational, and financial impacts to CI.

BUSINESS CONTINUITY RISKS

CI's business, operations and financial results may be adversely affected by its ability to mitigate the effect of natural and man-made disasters, including floods, earthquakes, tornadoes, fires, civil unrest, wars, epidemics, and pandemics. The occurrence of any of these events may pose significant challenges to CI's business continuity, either by exacerbating one or more of the other risks described in this section, or by introducing new risks. CI has a Business Continuity Program that includes Crisis Management, Business Continuity and Technology Recovery response plans. CI's Crisis Management Team is comprised of senior leadership who are responsible for crisis confirmation and management. In addition, this team is responsible for setting strategy, overseeing response, and ensuring appropriate subject matter experts are engaged in the scenario-dependent crisis response. CI has a comprehensive and stress-tested business continuity plan and technology recovery plan in place to deal with disaster-related scenarios, however there can be no assurance that such plan will be effective to mitigate any adverse effects on CI's business, financial condition or operating results as a result of any natural or man-made disasters or other similar events.

COMPETITION RISK

CI operates in a highly competitive environment, with competition based on a variety of factors, including the range of products offered, level of fees charged, investment performance, types of services offered, brand recognition, business reputation, financing strength, management and sales relationships, and quality of service. CI competes with a large number of wealth management and asset management companies and other providers of investment products, investment management firms, broker-dealers, banks, insurance companies and other financial institutions. CI's competitors seek to expand market share by offering different products and services and more competitive pricing than those offered by CI. While CI continues to develop and market new products and services and remains competitive with respect to fees, there can be no assurance that CI will maintain its current standing, market share, investment performance or fee structure relative to its competitors, which may adversely affect the business, financial condition or operating results of CI.

DISTRIBUTION RISK

CI's asset management segment distributes its investment products through a number of distribution channels, including financial institutions, broker-dealers, independent financial advisors and insurance advisors. CI's ability to market its investment products is highly dependent on continued access to these distribution channels which is impacted by, among other things, the strength of its relationships within each of them. While CI continues to work to develop new relationships and enhance existing relationships, any significant reduction in access to any of its larger distribution channels could lead to a significant reduction in sales or result in redemptions of CI's investment products which could have a material adverse effect on the results of operations of the asset management segment, and in turn, CI.

The market for financial advisors is extremely competitive and is increasingly characterized by frequent movement by financial advisors among different firms. Individual financial advisors of CI's wealth management businesses have regular direct contact with clients, which can lead to a strong and personal client relationship based on the client's trust in the individual financial advisor. The loss of a significant number of financial advisors from any of CI's wealth management businesses could lead to the loss of client accounts which could lead have a material adverse effect on the results of operations and prospects of that business.

CREDIT RISK

Credit risk is the risk of loss associated with the inability of a third party to fulfill its payment obligations. CI is exposed to the risk that third parties that owe it money, securities or other assets will not perform their obligations. These parties include trading counterparties, customers, clearing agents, exchanges, clearing houses and other financial intermediaries, as well as issuers whose securities are held by CI. These parties may default on their obligations due to bankruptcy, lack of liquidity, operational failure or other reasons. CI does not have significant exposure to any individual counterparty. Credit risk is mitigated by regularly monitoring the credit performance of individual counterparties and holding collateral where appropriate.

One of the primary sources of credit risk arises when CI extends credit to clients to purchase securities by way of margin lending. Margin loans are due on demand and are collateralized by the financial instruments in the client's account. CI faces a risk of financial loss in the event a client fails to meet a margin call if market prices for securities held as collateral decline and if CI is unable to recover sufficient value from the collateral held. The credit extended is limited by regulatory requirements and by CI's internal credit policy.

INSURANCE RISK

CI maintains various types of insurance which include financial institution bonds, errors and omissions insurance, directors', trustees' and officers' liability insurance, agents' insurance, general commercial liability insurance, and cyber liability insurance. Management evaluates the adequacy of CI's insurance coverage on an ongoing basis. However, there can be no assurance that a claim or claims will not exceed the limits of available insurance coverage, that any insurer will remain solvent or willing to continue providing insurance coverage with sufficient limits or at a reasonable cost or that any insurer will not dispute coverage of certain claims due to ambiguities in the relevant policies. A judgment against CI in excess of available coverage could have a material adverse effect on CI both in terms of damages awarded and the impact on the reputation of CI.

TAXATION RISK

CI is subject to various uncertainties concerning the interpretation and application of Canadian tax laws. CI Investments is considered a large case file by the Canada Revenue Agency and, as such, is subject to audit each year. There is a significant lag between the end of a fiscal year and when such audits are completed. Therefore, at any given time, several years may be open for audit and/or adjustments. While CI regularly assesses the likely outcome of these audits in order to determine the appropriateness of its tax provision, there can be no assurance that CI will accurately predict the outcomes of these audits. If tax authorities disagree with CI's application of such tax laws, CI's profitability and cash flows could be adversely affected.

SHARE CAPITAL

As at December 31, 2023, CI had 153,821,117 shares outstanding.

Employee Incentive Share Option Plan: At December 31, 2023, 0.5 million options to purchase shares were outstanding, of which 0.2 million options were exercisable at a price of $18.99.

Restricted Share Unit ("RSU") Plan: 2,114,235 RSUs were outstanding as at December 31, 2023.

Deferred Share Unit ("DSU") Plan: 89,881 DSUs were outstanding as at December 31, 2023.

Additional details about the above Plans can be found in Note 9 to the Interim Condensed Consolidated Financial Statements.

CONTRACTUAL OBLIGATIONS

The table that follows summarizes CI's contractual obligations at December 31, 2023.

TABLE 24: PAYMENTS DUE BY YEAR

[millions of dollars]	**Total**	**1 year or less**	**2**	**3**	**4**	**5**	**More than 5 years**
Long-term debt	3,528.3	437.7	476.2	—	149.9	1,272.0	1,192.5
Preferred Share Liability	1,481.4	1,481.4	—	—	—	—	—
Leases	464.4	37.5	47.0	43.3	42.5	40.4	253.7
Deferred consideration	206.1	204.7	1.4	—	—	—	—
Contingent consideration	150.8	118.0	30.2	2.6	—	—	—
Redeemable unit liabilities	18.8	18.8	—	—	—	—	—
Put option	61.4	4.3	55.9	—	1.2	—	—
Total	**5,911.2**	**2,302.4**	**610.7**	**45.9**	**193.6**	**1,312.4**	**1,446.2**

CI's liabilities include Corient and CIPW Canada unit liabilities of $1,024.5 million which have no fixed maturity date. On termination of employment or services provided by a Partner of Corient and CIPW Canada, the Company will purchase all vested units held by the Partner. At any time after the third anniversary of a Partner first becoming a Partner, such Partner may request liquidity for vested units (subject to certain caps, volume limitation, true-ups, and claw backs).

Corient US Holdings issued Preferred Share Liability to certain investors in May 2023 for $1.3 billion (US$1.0 billion) in gross proceeds. As a result of the liquidity provisions of the Preferred Share Liability, including the potential obligation in certain circumstances for Corient US Holdings to issue a variable number of common shares in settlement of the Fixed Return Price, the Preferred Share Liability has been classified as a liability. CI recorded the Preferred Share Liability initially at its fair value, represented by the gross proceeds. Since the Preferred Share Liability contains certain embedded features that would otherwise qualify as embedded derivatives, CI has elected the option to designate the Preferred Share Liability at fair value through profit or loss and will subsequently revalue the Preferred Share Liability to its fair value at each reporting date. Changes in the Company's own credit risk would impact the fair value of the Preferred Share Liability from a market participant's perspective, and such changes are recognized in other comprehensive income and are not recycled through the income.

SIGNIFICANT ACCOUNTING ESTIMATES

The December 31, 2023 Consolidated Financial Statements have been prepared in accordance with IFRS. For a discussion of all significant accounting policies, refer to Note 1 of the Notes to the 2023 Consolidated Financial Statements. Note 2 provides a discussion regarding the methodology used for business acquisitions. Note 4 provides a discussion regarding the recoverable amount of CI's goodwill and intangible assets compared to its carrying value. Note 8 provides a discussion of convertible preferred shares issued in connection with CI's sale of 20% of its US business.

OFF-BALANCE SHEET ARRANGEMENTS

CI's off-balance sheet arrangements include loan guarantees with various third-party banks. There are no other significant off-balance sheet arrangements. See Note 16 to the 2022 Consolidated Financial Statements for more information.

CONTROLS AND PROCEDURES

The Company's Chief Executive Officer (CEO) and Chief Financial Officer (CFO), together with management, are responsible for establishing and maintaining the Company's disclosure controls and procedures as well as its internal control over financial reporting (as those terms are defined in National Instrument 52-109 — Certification of Disclosure in Issuers' Annual and Interim Filings of the Canadian securities regulatory authorities) in order to provide reasonable assurance that:

- material information relating to the Company is made known to them;
- information required to be disclosed in the Company's filings is recorded, processed, summarized and reported within the time periods specified in securities legislation; and
- the reliability of financial reporting and the preparation of financial statements for external purposes is in accordance with IFRS.

An evaluation of the design and effectiveness of the Company's disclosure controls and procedures as well as internal controls over financial reporting was carried out under the supervision of the CEO and CFO. In making this evaluation, the CEO and CFO used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) Internal Control — Integrated Framework (2013).

Remediation of Previously Identified Material Weakness

As previously disclosed, management determined in early 2022 that it had not designed and maintained effective controls with respect to: i) the validation of the completeness and accuracy of interfaces, data inputs and information produced by the entity used in the performance of various controls ("IPE"); ii) non-routine complex accounting matters. Since then, management has implemented changes and made investments in systems, processes, and controls as part of its remediation plan, including the following:

- Engagement of external advisors to review and assist with the accounting for and disclosure of material new transactions and developments.
- Implementation of management review processes to ensure the completeness and accuracy of external advisors' accounting analysis.
- Implementation of processes to support the appropriate identification, recording and disclosure of non-routine complex transactions.
- Enhancement and restructuring of resources in the financial accounting and reporting department to strengthen oversight over non-routine, complex accounting matters;
- Identification and testing of data inputs, interfaces, and reports for key controls which have a material impact on the Company's financial reporting; and
- Implementation of a new accounting system and platform, including the integration of financial reporting and controls for acquired businesses.

As disclosed in prior quarters, management completed its remediation plan with respect to the design of controls to address the material weakness identified. Testing was completed in the fourth quarter of 2023 and management has concluded that those material weaknesses have been remediated and that the Company's internal controls over financial reporting were operating effectively as at December 31, 2023.

The CEO and CFO do not expect that disclosure controls and procedures or internal control over financial reporting will prevent all misstatements. The design of a system of internal controls is based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that the design will succeed in achieving the stated goals under all potential future conditions. Nevertheless, management has designed and implemented controls to mitigate this risk to the extent practicable.

Management has concluded that the Company's audited consolidated financial statements as at and for the year ended December 31, 2023 presents fairly, in all material respects, the Company's financial position, results of operations, changes in equity and cash flows in accordance with IFRS.

Changes in Internal Control over Financial Reporting

Other than disclosed above, there were no other changes in the Company's internal control over financial reporting during the year ended December 31, 2023, that have materially affected, or are reasonably likely to materially affect the Company's internal control over financial reporting.

Consolidated Financial Statements

For the year ended December 31, 2023

CI FINANCIAL CORP.

Independent Auditor's Report

To the Shareholders of CI Financial Corp.

Opinion

We have audited the consolidated financial statements of CI Financial Corp. ("the Company"), which comprise the consolidated statements of financial position as at December 31, 2023 and 2022, and the consolidated statements of income and comprehensive income, consolidated statements of changes in equity and consolidated statements of cash flows for the years then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2023 and 2022, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards (IFRS).

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in the audit of the consolidated financial statements of the current period. These matters were addressed in the context of the audit of the consolidated financial statements as a whole, and in forming the auditor's opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Business Combinations

Description of the Matter

During 2023, the Company completed multiple acquisitions accounted for as business combinations which, in aggregate, amounted to $590 million in total consideration, as disclosed in Note 2 to the consolidated financial statements. The cost of an acquisition is measured as the aggregate fair value of the assets given, equity instruments issued, and liabilities incurred or assumed as at the date of acquisition. The purchase consideration for most acquisitions includes an estimation of the fair value of liabilities associated with potential earn-out provisions ("contingent consideration"). The fair value of the contingent consideration is based upon the present value of the expected future payments to be made to the sellers of the acquired businesses in accordance with the performance targets contained in the respective purchase agreements. The total purchase consideration is allocated to the identifiable assets and liabilities acquired on the basis of their fair values at the date of acquisition. Where the purchase consideration allocated to the identifiable assets and liabilities acquired is less than the overall consideration given, the difference is accounted for as goodwill.

Auditing the Company's business combinations was complex due to the degree of judgment and subjectivity in estimating the fair values of acquired identifiable intangible assets, which are primarily fund administration contracts, as well as estimating the fair value of contingent consideration included in the purchase consideration. Management estimated the fair value of the fund administration contracts using the multi-period excess earnings method, which is a specific form of the discounted cash flow method. Management estimated the fair value of contingent consideration, primarily using Monte-Carlo simulations, dependent on the facts of the respective acquisitions. The fair value determination of the fund administration contracts, and contingent consideration required management to make significant estimates and assumptions related to future income statement and cash flow projections of the acquired businesses, volatility rates and the selection of the discount rates. These assumptions are unobservable and reflect the Company's own judgements about the assumptions market participants would use in pricing the assets and liabilities.

How We Addressed the Matter in Our Audit

To test the estimated fair value of the fund administration contracts and contingent consideration resulting from the business acquisitions, we performed audit procedures, with the assistance of our valuation specialists that included, among others, evaluating the appropriateness of the valuation methodologies and models used, and assessing the selection and application of discount and volatility rates used within those models by evaluating the inputs, determining the mathematical accuracy of the calculations, and developing a range of independent estimates and comparing those to the discount and volatility rates selected by management. We evaluated the reasonableness of management's income statement and cash flow projections, which included projected earnings before interest, tax, depreciation, and amortization ("EBITDA") and revenue by testing the underlying inputs driving these projections, including, but not limited to, management fee rates, attrition rates and growth in assets under management ("AUM") used in the valuation of contingent consideration and intangibles, respectively. This included comparisons to the Company's budgets and forecasts, the historical results of the acquired businesses, other guidelines used by companies within the same industry and other relevant factors. We also performed sensitivity analyses to consider the impact of changes in the valuation of the intangibles that would result from changes in management's assumptions. We read the purchase, or other acquisition related, agreements to obtain an understanding of the key terms and conditions impacting the valuation of the intangibles or contingent consideration. We also assessed the adequacy of the Company's disclosures in relation to this matter.

Contingent Consideration Subsequent to Acquisition

Description of the Matter

The Company recognized contingent consideration as at December 31, 2023 in the amount of $151 million, as disclosed in Note 7 to the consolidated financial statements. The Company remeasures the contingent consideration at fair value at each reporting date until the contingency is resolved, with any resulting gain or loss recognized in net income.

The valuation of the Company's contingent consideration is considered complex due to the degree of judgment and subjectivity involved when determining management's estimates. Management estimated the fair value of contingent consideration as at December 31, 2023 primarily using Monte-Carlo simulations. The fair value determination of the contingent consideration required management to make significant estimates and assumptions related to income statement projections of the acquired businesses, volatility rates and the selection of the discount rates. These assumptions are unobservable and reflect the Company's own judgements about the assumptions market participants would use in pricing the liability.

How We Addressed the Matter in Our Audit

To test the estimated fair value of the contingent consideration, we performed audit procedures with the assistance of our valuation specialists, that included, among others, evaluating the appropriateness of the valuation methodologies and models used, and assessing the selection and application of the discount and volatility rates used within those models by evaluating the inputs, determining the mathematical accuracy of the calculations, and developing a range of independent estimates and comparing those to the discount and volatility rates selected by management. We evaluated the reasonableness of management's income statement projections, which included projected EBITDA and revenue, by testing the underlying inputs driving these projections, including, but not limited to, management fee rates and growth in AUM used in the valuation of contingent consideration. This included comparisons of management's past projections to actual results, as well as comparisons of current projections to the Company's budgets and forecasts, the historical results of each relevant acquired business, other guidelines used by companies within the same industry and other relevant factors. We also assessed the adequacy of the Company's disclosures in relation to this matter.

Impairment of Indefinite Life Intangible Assets, Including Goodwill

Description of the Matter

As at December 31, 2023 the Company had $6,165 million of goodwill and fund management contracts with an indefinite life acquired in previous business acquisitions, as disclosed in Note 4 to the consolidated financial statements. The Company assesses goodwill and intangibles with an indefinite life for impairment annually, or more frequently if impairment indicators are present.

Auditing the Company’s impairment tests was complex and required the involvement of specialists due to the judgmental nature of key assumptions and significant estimation required to determine the recoverable amount of the Cash Generating Units (“CGUs”) or groups of CGUs. Significant assumptions in the estimate of the recoverable amount included discount rates, and certain forward-looking assumptions, such as revenue growth and operating margins, which are affected by expectations about future market or economic conditions.

How We Addressed the Matter in Our Audit

To test the estimated recoverable amount of the CGUs, or groups of CGUs, with indefinite lived intangible assets, including goodwill, our audit procedures included, among others, with the assistance of our valuation specialists, assessing the methodologies and testing the significant assumptions and underlying data used by the Company in its assessment. As part of our assessment of the methodologies, we considered the selection and application of the discount rate by evaluating the inputs and mathematical accuracy of the calculation, while also developing a range of independent estimates and comparing those to the discount rates selected by management. We assessed the reasonability of management’s forecast estimates by performing a comparison of management’s past projections to actual results. We also compared the revenue growth and operating margin assumptions to externally available industry and economic trends, and the Company’s budgets, forecasts and historical results. We performed sensitivity analyses on significant assumptions to consider the impact of changes in the recoverable amount of the CGU, or groups of CGUs, that would result from changes in the assumptions. We also assessed the adequacy of the Company’s disclosures related to the impairment of indefinite lived intangible assets, including goodwill.

Other information

Management is responsible for the other information. The other information comprises:

- Management’s Discussion & Analysis
- The information, other than the consolidated financial statements and our auditor’s report thereon, in the Annual Report.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, and in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained Management’s Discussion & Analysis prior to the date of this auditor’s report. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor’s report. We have nothing to report in this regard.

The Annual Report is expected to be made available to us after the date of the auditor’s report. If, based on the work we will perform on this other information, we conclude there is a material misstatement of this other information, we are required to report that fact to those charged with governance.

Responsibilities of management and those charged with governance for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRSs, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Gary Chin.

Ernst & Young LLP

Chartered Professional Accountants
Licensed Public Accountants

Toronto, Canada
March 4, 2024

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

[in thousands of Canadian dollars]	**As at December 31, 2023 $**	**As at December 31, 2022 $**
ASSETS		
Current		
Cash and cash equivalents *[note 2]*	**137,029**	153,620
Client and trust funds on deposit	**1,073,378**	1,306,595
Investments *[note 14]*	**42,781**	40,448
Accounts receivable and prepaid expenses *[note 2]*	**388,029**	298,778
Assets held for sale *[note 21]*	**326**	—
Income taxes receivable	**33,911**	33,989
Total current assets	**1,675,454**	1,833,430
Capital assets, net *[notes 2 and 3]*	**85,077**	55,587
Right-of-use assets *[notes 2 and 10]*	**229,763**	139,422
Intangibles and goodwill *[notes 2 and 4]*	**7,575,958**	7,227,700
Deferred income taxes *[note 13]*	**78,642**	54,415
Other assets *[notes 2 and 5]*	**336,709**	397,804
Total assets	**9,981,603**	9,708,358
LIABILITIES AND EQUITY		
Current		
Accounts payable and accrued liabilities *[note 2]*	**394,227**	293,246
Current portion of provisions and other financial liabilities *[notes 2 and 7]*	**444,200**	502,746
Dividends payable *[note 12]*	**61,528**	66,426
Client and trust funds payable	**1,068,809**	1,312,640
Income taxes payable	**15,252**	3,044
Redeemable unit liabilities *[notes 2 and 9]*	**1,089,996**	765,959
Preferred Share Liability *[note 8]*	**1,481,419**	—
Current portion of long-term debt *[note 6]*	**437,255**	320,000
Current portion of lease liabilities *[notes 2 and 10]*	**17,575**	23,994
Total current liabilities	**5,010,261**	3,288,055
Long-term debt *[note 6]*	**3,070,149**	3,896,214
Provisions and other financial liabilities *[notes 2 and 4]*	**96,952**	270,567
Deferred income taxes *[note 13]*	**479,150**	480,500
Lease liabilities *[notes 2 and 10]*	**285,053**	149,360
Total liabilities	**8,941,565**	8,084,696
Equity		
Share capital *[note 11(a)]*	**1,436,686**	1,706,880
Contributed surplus	**34,828**	30,239
Deficit	**(454,435)**	(160,572)
Accumulated other comprehensive income	**10,683**	33,224
Total equity attributable to the shareholders of the Company	**1,027,762**	1,609,771
Non-controlling interests	**12,276**	13,891
Total equity	**1,040,038**	1,623,662
Total liabilities and equity	**9,981,603**	9,708,358

(see accompanying notes)

On behalf of the Board of Directors:

	William T. Holland	**William Butt**
	Director	**Director**

CONSOLIDATED STATEMENTS OF INCOME AND COMPREHENSIVE INCOME

For the years ended December 31

[in thousands of Canadian dollars, except per share amounts]	**2023** **$**	**2022** **$**
REVENUE		
Canada asset management fees	**1,490,938**	1,606,800
Trailer fees	**(456,740)**	(494,480)
Net asset management fees	**1,034,198**	1,112,320
Canada wealth management fees	**582,797**	530,682
U.S. wealth management fees	**873,931**	687,607
Other revenues *[note 5]*	**136,124**	95,734
Foreign exchange gains (losses)	**29,950**	(80,132)
Other gains (losses) *[note 2]*	**89,004**	(11,904)
Total net revenues	**2,746,004**	2,334,307
EXPENSES		
Selling, general and administrative *[notes 7 and 9]*	**1,369,909**	1,020,049
Advisor and dealer fees	**440,090**	406,038
Interest and lease finance *[notes 2, 6 and 10]*	**176,998**	152,087
Amortization and depreciation *[note 20]*	**56,388**	49,368
Amortization of intangible assets from acquisitions	**135,285**	105,744
Transaction, integration, restructuring and legal	**133,547**	62,743
Change in fair value of contingent consideration *[note 7]*	**88,430**	27,427
Change in fair value of Preferred Share Liability *[note 8]*	**156,885**	—
Other *[note 5]*	**38,770**	34,647
Total expenses	**2,596,302**	1,858,103
Income before income taxes	**149,702**	476,204
Provision for (recovery of) income taxes *[note 12]*		
Current	**173,743**	179,152
Deferred	**(30,130)**	(4,777)
	143,613	174,375
Net income for the year	**6,089**	301,829
Net income attributable to non-controlling interests	**1,071**	2,072
Net income attributable to shareholders	**5,018**	299,757
Basic earnings per share attributable to shareholders *[note 11(e)]*	**$0.03**	$1.59
Diluted earnings per share attributable to shareholders *[note 11(e)]*	**$0.03**	$1.58
Other comprehensive income (loss), net of tax		
Exchange differences on translation of foreign operations	**(22,954)**	59,219
Total other comprehensive income (loss), net of tax	**(22,954)**	59,219
Comprehensive income (loss) for the year	**(16,865)**	361,048
Comprehensive income attributable to non-controlling interests	**658**	4,854
Comprehensive income (loss) attributable to shareholders	**(17,523)**	356,194

(see accompanying notes)

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

For the years ended December 31

[in thousands of Canadian dollars]	Share capital *[note 11(a)]* $	Contributed surplus $	Deficit $	Accumulated other comprehensive income (loss) $	Total shareholders' equity $	Non-controlling interests $	Total equity $
Balance, January 1, 2023	**1,706,880**	**30,239**	**(160,572)**	**33,224**	**1,609,771**	**13,891**	**1,623,662**
Comprehensive income	**—**	**—**	**5,018**	**(22,541)**	**(17,523)**	**658**	**(16,865)**
Dividends declared *[note 12]*	**—**	**—**	**(120,642)**	**—**	**(120,642)**	**—**	**(120,642)**
Shares repurchased, net of tax	**(291,308)**	**—**	**(178,239)**	**—**	**(469,547)**	**—**	**(469,547)**
Business combination and acquisition of minority interests *[note 2]*	**—**	**5,963**	**—**	**—**	**5,963**	**—**	**5,963**
Issuance of share capital for equity-based plans, net of tax	**21,114**	**(21,114)**	**—**	**—**	**—**	**—**	**—**
Compensation expense for equity-based plans, net of tax	**—**	**19,740**	**—**	**—**	**19,740**	**—**	**19,740**
Net distributions to non-controlling interests	**—**	**—**	**—**	**—**	**—**	**(2,273)**	**(2,273)**
Change during the year	**(270,194)**	**4,589**	**(293,863)**	**(22,541)**	**(582,009)**	**(1,615)**	**(583,624)**
Balance, December 31, 2023	**1,436,686**	**34,828**	**(454,435)**	**10,683**	**1,027,762**	**12,276**	**1,040,038**
Balance, January 1, 2022	1,810,153	28,368	(226,715)	(23,289)	1,588,517	27,123	1,615,640
Comprehensive income	—	—	299,757	56,437	356,194	4,854	361,048
Dividends declared *[note 12]*	—	—	(132,729)	—	(132,729)	—	(132,729)
Shares repurchased, net of tax	(121,342)	—	(100,752)	—	(222,094)	—	(222,094)
Business combination and acquisition of minority interests *[note 2]*	—	—	(133)	76	(57)	(12,422)	(12,479)
Issuance of share capital for business combinations, net of transaction costs and tax *[notes 2 and 11]*	1,952	—	—	—	1,952	—	1,952
Issuance of share capital for equity-based plans, net of tax	16,117	(16,117)	—	—	—	—	—
Compensation expense for equity-based plans, net of tax	—	18,000	—	—	18,000	—	18,000
Net distributions to non-controlling interests	—	(12)	—	—	(12)	(5,664)	(5,676)
Change during the year	(103,273)	1,871	66,143	56,513	21,254	(13,232)	8,022
Balance, December 31, 2022	1,706,880	30,239	(160,572)	33,224	1,609,771	13,891	1,623,662

(see accompanying notes)

CONSOLIDATED STATEMENTS OF CASH FLOWS

For the years ended December 31

[in thousands of Canadian dollars]	**2023** **$**	**2022** **$**
OPERATING ACTIVITIES (*)		
Net income for the year	**6,089**	301,829
Add (deduct) items not involving cash		
Other (gains) losses	**(89,004)**	11,904
Change in fair value of contingent consideration *[note 7]*	**88,430**	27,427
Change in fair value of Preferred Share Liability *[note 8]*	**156,885**	—
Contingent and deferred consideration recorded as compensation *[notes 7 and 9]*	**6,137**	24,156
Amortization of loan guarantees	**(3,816)**	10,819
Recognition of non-cash vesting of redeemable unit liabilities *[note 9]*	**209,380**	13,499
Equity-based compensation	**25,780**	24,577
Equity accounted income	**(8,904)**	—
Amortization of equity accounted investments	**6,275**	—
Amortization and depreciation *[note 20]*	**56,388**	49,368
Amortization of intangible assets from acquisitions	**135,285**	105,744
Deferred income taxes	**(30,130)**	(4,777)
Impairment loss on intangibles	**3,745**	—
Cash provided by operating activities before net change in operating assets and liabilities	**562,540**	564,546
Net change in operating assets and liabilities	**(113,131)**	(85,630)
Cash provided by operating activities	**449,409**	478,916
INVESTING ACTIVITIES		
Cash paid to settle acquisition liabilities *[note 7]*	**(430,367)**	(198,207)
Acquisitions, net of cash acquired *[note 2]*	**(155,140)**	(472,461)
Proceeds on sale of equity-accounted investment *[note 2]*	**130,458**	—
Purchase of investments	**(4,822)**	(3,283)
Proceeds on sale of investments	**208**	96,508
Additions to capital assets	**(39,125)**	(17,480)
Decrease (increase) in other assets	**(13,471)**	97,751
Additions to intangibles	**(12,041)**	(11,361)
Cash used in investing activities	**(524,300)**	(508,533)
FINANCING ACTIVITIES		
Repayment of long-term debt	**(713,000)**	(455,509)
Issuance of long-term debt	**768,000**	718,000
Repurchase of long-term debt	**(694,671)**	—
Repurchase of share capital	**(474,911)**	(229,708)
Payment of lease liabilities	**(25,584)**	(22,965)
Issuance of redeemable unit liabilities, net of redemptions *[note 9]*	**(24,021)**	85,679
Net distributions to non-controlling interest	**(2,273)**	(5,664)
Dividends paid to shareholders *[note 12]*	**(125,540)**	(137,375)
Issuance of Preferred Share Liability *[note 8]*	**1,350,300**	—

CONSOLIDATED STATEMENTS OF CASH FLOWS

For the years ended December 31

Cash provided by (used in) financing activities	**58,300**	(47,542)
Net decrease in cash and cash equivalents during the year	**(16,591)**	(77,159)
Cash and cash equivalents, beginning of year	**153,620**	230,779
Cash and cash equivalents, end of year	**137,029**	153,620
SUPPLEMENTAL CASH FLOW INFORMATION		
(*) Included in operating activities are the following:		
Interest paid	**166,873**	139,384
Income taxes paid	**156,794**	224,369

(see accompanying notes)

CI Financial Corp. ["CI"] is a publicly listed company (TSX: CIX) incorporated under the laws of the Province of Ontario and has its registered office and principal place of business located at 15 York Street, Toronto, Ontario.

CI's primary business is the management and distribution of a broad range of financial products and services, including mutual funds, segregated funds, exchange-traded funds, financial planning, insurance, investment advice, wealth management and estate and succession planning.

1. SUMMARY OF MATERIAL ACCOUNTING POLICIES

These consolidated financial statements of CI have been prepared in accordance with International Financial Reporting Standards ["IFRS"] .

These consolidated financial statements were authorized for issuance by the Board of Directors of CI on February 22, 2024.

BASIS OF PRESENTATION

(a) Basis of preparation

The consolidated financial statements of CI have been prepared on a historical cost basis, except for certain financial instruments that have been measured at fair value. The consolidated financial statements have been prepared on a going concern basis. CI's presentation currency is the Canadian dollar, which is CI's functional currency.

(b) New and amended standards and interpretations

The following standards and amendments were effective for annual periods beginning on or after January 1, 2023 (unless otherwise stated).

IFRS 17 Insurance Contracts

IFRS 17 Insurance Contracts is a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. IFRS 17 replaces IFRS 4 Insurance Contracts. With certain scope exemptions, IFRS 17 applies to all types of insurance contracts (i.e., life, non-life, direct insurance and re-insurance), regardless of the type of entities that issue them as well as to certain guarantees and financial instruments with discretionary participation features. The overall objective of IFRS 17 is to provide a comprehensive accounting model for insurance contracts that is more useful and consistent for insurers, covering all relevant accounting aspects. IFRS 17 is based on a general model, supplemented by:

- A specific adaptation for contracts with direct participation features (the variable fee approach)
- A simplified approach (the premium allocation approach) mainly for short-duration contracts

The new standard had no impact on CI's consolidated financial statements.

Definition of Accounting Estimates - Amendments to IAS 8

The amendments to IAS 8 clarify the distinction between changes in accounting estimates, changes in accounting policies and the correction of errors. They also clarify how entities use measurement techniques and inputs to develop accounting estimates. The amendments had no impact on CI's consolidated financial statements.

Disclosure of Accounting Policies - Amendments to IAS 1 and IFRS Practice Statement 2

The amendments to IAS 1 and IFRS Practice Statement 2 Making Materiality Judgements provide guidance and examples to help entities apply materiality judgements to accounting policy disclosures. The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their significant accounting policies with a requirement to disclose their material accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments had no material impact on CI's consolidated financial statements.

Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to IAS 12

The amendments to IAS 12 Income Tax narrow the scope of the initial recognition exception, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases and decommissioning liabilities. The amendments had no impact on CI's consolidated financial statements.

Pillar Two Legislation – Amendments to IAS 12

IAS 12 is amended to add a mandatory temporary exception to recognizing and disclosing information about deferred tax assets and liabilities that are related to tax law enacted or substantively enacted to implement the Pillar Two model rules published by the Organisation for Economic Co-operation and Development (the "Pillar Two legislation"). The amendments require that entities shall apply the amendments immediately upon issuance. The amendments also require that entities shall disclose separately its current tax expense/ income related to Pillar Two income taxes, and the qualitative and quantitative information about its exposure to Pillar Two income taxes in periods in which the Pillar Two legislation is enacted or substantially enacted but not yet in effect in annual reporting periods beginning on or after January 1, 2023. Pillar Two legislation has not yet been enacted or substantially enacted in any jurisdiction that CI operates such that the amendments did not have an impact on CI's 2023 financial statements.

(c) Standards issued but not yet effective

A number of new accounting standards are effective for annual periods after January 1, 2024 and earlier application is permitted. However, CI has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective. CI is in the process of assessing the impacts that the amendments outlined below will have on its consolidated financial statements.

Amendments to IFRS 16 Leases: Sale and Leaseback

On September 22, 2022, the International Accounting Standards Board (IASB) issued "Lease Liability in a Sale and Leaseback (Amendments to IFRS 16)" with amendments that clarify how a seller-lessee subsequently measures sale and leaseback transactions that satisfy the requirements in IFRS 15 to be accounted for as a sale.

Amendments to IAS 1: Classification of Liabilities as Current or Non-Current and Non-current Liabilities with Covenants

The amendments, as issued in 2020 and 2022, aim to clarify the requirements on determining whether a liability is current or non-current, and require new disclosures for non-current liabilities that are subject to future covenants. Requirement has been introduced to require disclosure when a liability arising from a loan agreement is classified as non-current and the entity's right to defer settlement is contingent on compliance with future covenants within twelve months. The amendments apply for annual reporting periods beginning on or after January 1, 2024.

BASIS OF CONSOLIDATION

The consolidated financial statements include the accounts of CI and all its subsidiaries on a consolidated basis after elimination of intercompany transactions and balances. Subsidiaries are entities over which CI has control, when CI has the power, directly or indirectly, to govern the financial and operating policies of an entity, is exposed to variable returns from its activities, and is able to use its power to affect such variable returns to which it is exposed.

CI’s principal subsidiaries are as follows:

- CI’s wholly owned Canadian subsidiaries include CI Investments Inc. [“CI Investments”], Assante Wealth Management (Canada) Ltd. [“AWM”], CI Investment Services Inc. [“CI Investment Services”], Wealthbar Financial Services Inc. [“Wealthbar”], CI Private Counsel LP, and their respective subsidiaries. CI has a controlling interest in Marret Asset Management Inc. [“Marret”], Northwood Family Office Ltd. [“Northwood”], Aligned Capital Distributions Inc. [“Aligned”], Coriel Capital Inc. [“Coriel”] and their respective subsidiaries.

- CI’s owns a controlling interest in Corient Holdings Inc. [“Corient US Holdings” formerly known as CI US Holdings Inc.] which in turn owns a controlling interest in Corient Partners LLC [“Corient Partners” formerly known as CIPW Holdings LLC]. Corient US Holdings and Corient Partners, along with their subsidiaries, operate CI’s US-based wealth management businesses across the United States. The subsidiaries acquired from business combinations (as detailed in note 2) have been amalgamated under Corient Partners and are operating as a group [together, these subsidiaries are referred to as the “U.S. RIAs”].

- CI has a controlling interest in its Australian subsidiary, GSFM Pty Limited [“GSFM”] and its subsidiaries.

- For subsidiaries Marret and OCM, where CI holds a controlling interest, a non-controlling interest is recorded in the consolidated financial statements of income and comprehensive income to reflect the non-controlling interest’s share of the income and comprehensive income, and a non-controlling interest is recorded within equity in the consolidated statements of financial position to reflect the non-controlling interest’s share of the net assets. For all other subsidiaries where CI holds a controlling interest, put and call options, or other exchange agreements, with respect to the remaining minority interests in the acquired businesses may exist. CI considers the non-controlling interest to have been acquired and consolidates 100% of the income and comprehensive income in the consolidated statements of income and comprehensive income, and records a corresponding liability with respect to the present value of the amount that could be required to be paid to the minority interest holders under the put arrangements.

- CI has a non-controlling interest in The Cabana Group, LLC [“Cabana”], GLASFunds, LLC [“GLASFunds”], Columbia Pacific Advisors, LLC [“CPA”] and Level III Holdings Inc. [“Level III”], which are accounted for using the equity method. Effective March 31, 2023, CI ceased accounting for Congress using the equity method as disclosed in Note 2.
- CI has a joint venture with Axia Real Assets LP [“Axia”], which is accounted for using the equity method. Axia was sold subsequently to year-end.

Hereinafter, CI and its subsidiaries are referred to as CI.

CI manages a range of mutual funds, segregated funds, structured products and other funds that meet the definition of structured entities under IFRS. CI earns fees for providing management and administrative services to these investment funds. Fees are calculated on assets under management in these funds, which totaled $125.0 billion as at December 31, 2023 [2022 – $117.8 billion]. CI does not consolidate these investment funds because the form of fees and ownership interest are not significant enough to meet the definition of control under IFRS. CI provides no guarantees against the risk of financial loss to the investors of these investment funds.

CI evaluates financing issued by its subsidiaries and held by external investors to determine whether such instruments impact CI’s consolidation of the subsidiaries. If CI continues to control and consolidate the subsidiary, CI evaluates whether such instruments are appropriately classified in equity or as a liability. Liabilities represent instruments that may impose an obligation for CI or the subsidiary to deliver cash, other financial assets, or a variable number of shares outside of CI’s control. Equity instruments are classified as non-controlling interests and are allocated a portion of the subsidiary’s income equal to their participation or liquidation preference, if one exists and is higher than the instrument’s equity participation.

REVENUE RECOGNITION

Revenue is recognized when control of the goods or services are transferred by CI at an amount that reflects the consideration to which CI expects to be entitled in exchange for those goods or services. Revenue is measured at the fair value of the consideration received or receivable.

Revenue is analyzed to determine whether CI is the principal (i.e., reports revenue on a gross basis) or agent (i.e., reports revenue on a net basis) in the contract. Principal or agent designations depend primarily on the control an entity has over the service before control is transferred to a customer. CI generally records revenues gross in its financial statements as it is acting as a principal.

In addition to these general principles, CI applies the following specific revenue recognition policies:

Asset Management fees are based upon the net asset value of the funds managed by CI and are recognized on an accrual basis.

U.S. and Canada Wealth management fees are primarily comprised of fees earned for providing investment advice and related services to clients. Fees are billed primarily based on a contractual percentage of the market value of the client's assets on the predetermined billing date. Fees are either in advance or arrears on a monthly, or quarterly basis. Revenue is recognized over the respective service period as the transaction price resolves at each reporting period, which is deemed to be the most faithful depiction of the transfer of services as clients benefit from services over the respective period. Client agreements typically do not have a specified term and may be terminated at any time by either party subject to the respective termination and notification provisions in each agreement. Client arrangements may contain multiple services, resulting in either single or multiple performance obligations within the same client arrangement, each of which are separately identifiable and priced, and accounted for as the related services are provided and consumed over the respective period. CI does not disaggregate its revenues by service provided as they contribute to the overall holistic wealth management service provided to the client.

Certain subsidiaries provide investment management services or related services to funds which CI has concluded do not require consolidation. These subsidiaries have arranged for the funds to distribute certain amounts of revenue received for their services to special limited partners or similar entities which are also not consolidated by CI. In certain cases, CI has concluded that it is the principal to the revenue transaction and should recognize the revenues generated, along with an associated expense to reflect the fact that these revenues are ultimately received by the special limited partners and not CI.

Canada Wealth management fees also include commission revenue, which is recorded on a trade date basis.

FINANCIAL INSTRUMENTS

Classification and measurement of financial assets

CI classifies its financial assets as fair value through profit or loss ["FVPL"] and amortized cost. CI had no financial assets classified as fair value through other comprehensive income ["FVOCI"] during the year ended December 31, 2023.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and CI's business model for managing them. With the exception of trade receivables, which do not contain a significant financing component and are measured at the transaction price in accordance with IFRS 15, *Revenue from Contracts with Customers* ["IFRS 15"], all financial assets are initially measured at fair value adjusted for transaction costs.

Financial assets classified as FVPL are carried at fair value in the consolidated statements of financial position and any gains or losses are recorded in net income in the period in which they arise. Financial assets classified as FVPL include cash and cash equivalents, investments and other assets.

Financial assets are classified at amortized cost using the effective interest method if they meet the following conditions and are not designated as FVPL:

- they are held within a business model whose objective is to hold the financial assets and collect their contractual cash flows
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding

Financial assets classified at amortized cost include client and trust funds on deposit, accounts receivable and other assets.

Cash and cash equivalents

Cash and cash equivalents include cash on deposit, highly liquid investments and interest-bearing deposits with original maturities of 90 days or less.

Accounts receivable

Accounts receivable primarily include contractual amounts due to CI for asset management and wealth management services, and are recorded at amortized cost. Allowances for uncollectible accounts are maintained for estimated losses resulting from the inability of clients to make required payments. In determining these estimates, historical write-offs, the aging of the receivables and other factors, such as overall economic conditions, and expected development in economic conditions, are considered.

Client and trust funds

Client and trust funds on deposit include amounts representing cash held in trust with Canadian financial institutions for clients in respect of self-administered Registered Retirement Savings Plans and Registered Retirement Income Funds, and amounts received from clients for which the settlement date on the purchase of securities has not occurred or accounts in which the clients maintain a cash balance. Client and trust funds on deposit also include amounts for client transactions that are entered into on either a cash or margin basis and recorded on the trade date of the transaction. Amounts are due from clients on the settlement date of the transaction for cash accounts. For margin accounts, CI extends credit to a client for the purchase of securities, collateralized by the financial instruments in the client's account. Amounts loaned are limited by margin regulations of the Canadian Investment Regulatory Organization ["CIRO"] and other regulatory authorities, and are subject to CI's credit review and daily monitoring procedures. The corresponding liabilities related to the above accounts and transactions are included in client and trust funds payable.

Investments

Investments include CI Investment Services securities owned, at market, principally for the purpose of selling or repurchasing in the near term. Securities owned, at market, are classified as FVPL and are initially recognized on the consolidated statements of financial position at fair value with transaction costs expensed as incurred. Subsequent realized and unrealized gains and losses are included in other gains (losses) in the consolidated statements of income and comprehensive income in the period in which they arise. Securities transactions are recorded on a trade date basis. Market value is based on quoted prices where an active market exists. For securities in non-active markets, market value is based on valuation techniques and management's best estimate of fair value.

Also included in investments are marketable securities that consist of CI's seed capital investments in CI mutual funds and strategic investments. Investments in marketable securities are measured at fair value and recognized on the trade date. Mutual fund securities are valued using the net asset value per unit of each fund. Realized and unrealized gains and losses are recognized using average cost and recorded in net income. Distributions from mutual fund securities are recorded as other revenue. Distributions that are reinvested increase the cost base of the mutual fund investments.

Impairment of financial assets

CI recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the loss allowance for the financial asset is measured at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the credit risk on the financial asset has not increased significantly since initial recognition, the loss allowance is measured for the credit risk on the financial asset at an amount equal to 12 months of expected credit losses. For trade receivables, CI applies the simplified approach to providing for expected credit losses, which allows for the use of a lifetime expected credit loss provision. Impairment losses on financial assets carried at amortized cost are reversed in subsequent periods if the amount of the loss decreases and is related to an event occurring after the impairment was recognized.

Classification and measurement of financial liabilities

CI classifies its financial liabilities as FVPL or amortized cost. Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the financial liability is classified at FVPL. Subsequently, financial liabilities are measured at amortized cost using the effective interest method except for instruments that are derivatives, instruments that contain embedded derivatives, and financial liabilities designated at FVPL, which are carried subsequently at fair value with gains or losses recognized in net income. CI may choose to designate financial liabilities at FVPL if certain conditions are met. Changes in fair value resulting from CI's own credit risk are recorded in other comprehensive income and are not recycled through net income. Financial liabilities classified at FVPL include contingent consideration and put option payables included in provisions, and other financial liabilities. CI has designated the Preferred Share Liability issued by Corient US Holdings (described below) as FVPL. All other financial liabilities are measured at amortized cost.

Put options payable

Included in provisions and other financial liabilities are put option payables, representing redeemable minority interests in acquired companies. At acquisition, CI assesses the terms of the transaction to determine if the put option gives CI a present ownership interest in the shares subject to the put. If CI concludes it has a present ownership in shares subject to the put option, a liability is recorded for the fair value of the put option and non-controlling interest is not recognized. If CI determines that the put option does not provide a present ownership interest, CI's accounting policy is to apply IAS 32- Financial Instruments: Presentation and recognize a financial liability for the present value of the redemption amount of the put option at acquisition and not record any non-controlling interest. The put option payable is subsequently remeasured at each reporting period to fair value, with changes recorded in change in fair value of contingent consideration in the statements of consolidated income and comprehensive income. Refer to Note 7 for further information regarding put options payable.

Preferred Share Liability

Corient US Holdings issued Preferred Share Liability [the "Preferred Share Liability"] to certain investors. The Preferred Share Liability includes a potential obligation in certain circumstances for Corient US Holdings to issue a variable number of its common shares in circumstances that may occur outside of CI's control and the Preferred Share Liability has been classified as a liability. As such, the Preferred Share Liability has been classified as current in the consolidated statements of financial position, as the potential obligation may be triggered outside of CI's board's control at any point in time.

As the Preferred Share Liability contains certain embedded features that would otherwise qualify as embedded derivatives, CI has elected the option to designate the Preferred Share Liability at FVPL and will subsequently remeasure the Preferred Share Liability to its fair value at each reporting date. Changes in the Company's own credit risk would impact the fair value of the Preferred Share Liability from a market participant's perspective, and such changes are recognized in other comprehensive income and are not recycled through the income statement. Refer to Note 8 for further information regarding the Preferred Share Liability.

Derivative financial instruments and hedge accounting

CI may use derivative financial instruments such as interest rate swaps and forward foreign exchange contracts to manage its interest rate and foreign currency risk related to long-term debt. Derivative financial instruments are initially recognized at fair value on the date a derivative contract is entered into and are subsequently remeasured at fair value. The accounting for subsequent changes depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged and the type of hedge relationship designated.

To qualify for hedge accounting, the hedging relationship must meet all of the following requirements:

- there is an economic relationship between the hedged item and the hedging instrument
- the effect of credit risk does not dominate the value changes that result from that economic relationship
- the hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the entity actually hedges and the quantity of the hedging instrument that the entity actually uses to hedge that quantity of hedged item

CI may enter into an interest rate swap designated as a fair value hedge to manage the effect of changes in interest rates on financial assets or liabilities. The swap involves exchanging interest payments without exchanging the notional amount on which the payments are based. The exchange of payments are recorded as an adjustment to interest expense on the hedged item. Changes in the fair value of the swap are recorded in the consolidated statements of income and comprehensive income in other expenses, together with any changes in the fair value of the hedged asset or liability attributable to the hedged risk as an offset.

FAIR VALUE MEASUREMENT

Accounting standards define fair value as the price that would be received to sell an asset or paid to transfer a liability in the principal or most advantageous market in an orderly transaction between market participants at the measurement date. These standards establish a fair value hierarchy that gives the highest priority to quoted prices in active markets for identical assets or liabilities and the lowest priority to unobservable inputs.

CI uses valuation techniques to determine the fair value of financial instruments where active market quotes are not available. This involves developing estimates and assumptions consistent with how market participants would price the instrument. Where available, CI maximizes the use of observable data when developing estimates and assumptions. In the case that observable data is not available, management uses the best information available.

In determining fair values that reflect management's own assumptions concerning unobservable inputs, CI typically uses valuation techniques, including probability-weighted discounted cash flow analyses and Monte Carlo simulations, where CI makes assumptions about growth rates of assets under management, client attrition, asset- and performance-based fee rates, and expenses. In these analyses, CI also considers historical and current market multiples, tax benefits, credit risk, interest rates, tax rates, discount rates, volatility, and discounts for lack of marketability. CI considers the reasonableness of assumptions by comparing management's valuation conclusions to observed market transactions. Changes in the assumptions used could significantly impact fair values.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorized within the 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** – valuation based on quoted prices (unadjusted) observed in active markets for identical assets or liabilities
- **Level 2** – valuation techniques based on inputs that are quoted prices of similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; inputs other than quoted prices used in a valuation model that are observable for that instrument; and inputs that are derived from or corroborated by observable market data by correlation or other means
- **Level 3** – valuation techniques with significant unobservable market inputs

For assets and liabilities that are recognized in the consolidated financial statements on a recurring basis, CI determines whether transfers have occurred between levels in the hierarchy by reassessing the categorization at the end of each reporting period. CI considers its cash and cash equivalents, accounts receivable, client and trust funds on deposit, investments, other assets, accounts payable and accrued liabilities, client and trust funds payable, dividends payable, Preferred Share Liability, long-term debt and provisions and other liabilities to be financial instruments. The carrying amounts of cash and cash equivalents, client and trust funds on deposit, accounts receivable, accounts payable and accrued liabilities and client and trust funds payable, approximate their fair value due to their nature and/or the relatively short period over which they are held. Note 14 provides additional information regarding the fair value of financial instruments.

COLLATERALIZED SECURITIES TRANSACTIONS

CI engages in securities lending and borrowing to facilitate the securities settlement process and to maximize revenue by acting as an agent for such transactions. These transactions are typically short-term in nature, with interest being received on the cash delivered. These transactions are collateralized by either cash, letters of credit or other collateral and are subject to daily margin calls for any deficiency between the market value of the security given and the amount of collateral received. CI manages its credit exposure by establishing and monitoring aggregate limits by counterparty for these transactions. CI's securities lending and borrowing transactions are recorded in accounts receivable and prepaid expenses and accounts payable and accrued liabilities.

CAPITAL ASSETS

Capital assets are recorded at cost less accumulated depreciation. These assets are depreciated over their estimated useful lives as follows:

Computer hardware	Straight-line over three years to five years
Office equipment	Straight-line over five years to ten years
Leasehold improvements	Straight-line over the term of the lease

INVESTMENTS IN EQUITY METHOD AFFILIATES

The equity method of accounting is applied to investments where CI has the ability to exercise significant influence, but not control, over operating and financial matters. CI's investments in Cabana, CPA, GLASFunds, and Level III, are accounted for using the equity method of accounting. CI's joint venture with Axia is accounted for using the equity method of accounting. Effective March 31, 2023, CI ceased accounting for Congress using the equity method as disclosed in Note 2.

As of December 31, 2023, CI had a 49% interest in Cabana, 31% interest in CPA, 30% interest in GLASFunds, and 25% interest in Level III. CI concluded that it does not have control over these entities as CI does not have the power to control the significant financial or operating decisions of these entities.

CI initially recognizes its interest at cost, and subsequently records its share of income or loss of the investee. At each reporting date, CI evaluates whether there is any objective evidence that its equity method investments are impaired, considering qualitative factors, including the financial conditions and specific events related to an investee. If such conditions are present, CI then determines the recoverable amount of the relevant equity method investment. If the recoverable amount is less than the carrying value, impairment is recognized for the difference in net income.

LEASES

CI assesses at inception whether a contract contains a lease that conveys the right to control the use of an identified asset for a period of time in exchange for consideration. All leases are accounted for by recognizing a right-of-use asset and a lease liability, except for leases of low-value assets and leases with a duration of 12 months or less.

Right-of-use assets

CI recognizes right-of-use assets at the commencement date of the lease. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of their estimated useful life and the lease term.

Lease liabilities

At the commencement date of the lease, CI recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include in-substance fixed payments less any lease incentives receivable, variable payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by CI and payments of penalties for terminating a lease, if the lease term reflects CI exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognized as expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, CI uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. The incremental borrowing rate is estimated to approximate the interest rate on a collateralized basis with similar terms and payments, and in economic environments where the leased asset is located. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification to the lease, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

Short-term leases and lease of low-value assets

CI applies the short-term lease recognition exemption to its short-term leases of equipment and property leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). CI also applies the lease of low-value assets recognition exemption to leases of equipment that are considered of low value. Lease payments on short-term leases and leases of low-value assets are recognized as an expense on a straight-line basis over the lease term.

Sub-leases

CI enters into lease agreements as an intermediate lessor with respect to some of its leased properties. When CI is an intermediate lessor, the head lease and the sub-lease are accounted for as two separate contracts. The sub-lease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

Amounts due from lessees under finance leases are recognized as other assets at the amount of CI's net investment in the leases. Finance lease income is recognized over the lease term using the effective interest rate. Payments received reduce the net investment in the lease.

Rental income from operating leases is recognized on a straight-line basis over the term of the relevant lease.

BUSINESS COMBINATIONS

The acquisition method of accounting is used to account for the acquisition of businesses by CI, whereby the purchase consideration is allocated to the identifiable assets and liabilities on the basis of fair value at the date of acquisition. Provisional fair values allocated at a reporting date are finalized as soon as the relevant information is available, within a period not to exceed 12 months from the acquisition date, with retroactive restatement of the impact of adjustments to those provisional fair values effective as at the acquisition date.

CI elects on a transaction-by-transaction basis whether to measure any non-controlling interest at fair value, or at the proportionate share of the recognized amount of the identifiable net assets of the acquired subsidiary, at the acquisition date.

Consideration transferred includes the fair values of the assets transferred, liabilities incurred and equity interests issued by CI. Consideration also includes the fair value of any liabilities for put arrangements, Redeemable units liability or contingent consideration. Subsequent to the acquisition, the put arrangements, and contingent consideration that are based on an earnings measurement and classified as liabilities are measured at fair value with any resulting gain or loss recognized in net income. For Redeemable units liability, see Equity Based Compensation below for the accounting subsequent to the acquisition. Acquisition-related costs are expensed as incurred.

CI assesses amounts paid in the business combination to sellers who remain employed with CI following the acquisition to determine whether such amounts should be considered part of the business combination or a separate transaction. In this assessment, CI considers factors such as whether the employee is required to remain employed to receive the payment and the duration of that employment, the linkage of the payment to the valuation of the acquired company, the overall compensation provided to the employee, and whether the employee received an incremental payment over other sellers upon becoming an employee. Amounts paid to employees who were not sellers are considered separate from the business combination.

INTANGIBLES AND GOODWILL

Fund contracts

Fund administration contracts and fund management contracts [collectively, “fund contracts”] are initially measured at fair value and are recorded net of any write-down for impairment. CI evaluates the carrying amounts of indefinite-life fund contracts at least annually for potential impairment by comparing the recoverable amount with their carrying amounts. CI evaluates the carrying amount of fund contracts, including finite-lived intangible assets and other long-lived assets whenever events or changes in circumstances indicate that the asset might be impaired or that the estimated useful life should be changed prospectively. Any impairment would be recognized in net income.

Fund administration contracts are amortized on a straight-line basis over periods of up to 25 years. Fund management contracts with a finite life are amortized on a straight-line basis over periods up to 20 years. The amortization period depends on the contractual terms of such agreements and management’s best estimate of their useful lives. Fund management contracts with an indefinite life are not amortized.

Goodwill

Goodwill is recorded as the excess of purchase price over identifiable assets acquired. Following initial recognition, goodwill is stated at cost less any accumulated impairment losses. Goodwill is evaluated for impairment at least annually and any impairment is recognized immediately in income and not subsequently reversed. Goodwill is allocated to the asset management, Canadian wealth management and U.S. wealth management groups of cash-generating units [“CGUs”] for the purpose of impairment testing.

Other intangibles

Other intangibles include the costs of trademarks and computer software, capitalized where it is probable that future economic benefits that are attributable to the assets will flow to CI and the cost of the assets can be measured reliably. Computer software is recorded initially at cost and amortized over its expected useful life of two to ten years on a straight-line basis. Trademarks have an indefinite life and are not amortized.

EQUITY-BASED COMPENSATION

CI uses the fair value method to account for equity-settled employee incentive share options and restricted share units [“RSUs”]. The value of the equity-based compensation, as at the date of grant, is recognized over the applicable vesting period as compensation expense with a corresponding increase in contributed surplus. When options are exercised, the proceeds received, together with the amount in contributed surplus, are credited to share capital. Upon vesting of the RSUs, the amount accumulated in contributed surplus for the RSUs is reclassified to share capital.

Redeemable units

CI issues share-based compensation instruments composed of Class A and Class B Units in Corient Partners as well as Class A units in CI Private Wealth Canada Ltd [“CIPW Canada” and together with Corient Partners, the “Issuers”]. These units issued by the Issuers are referred to herein as the “Redeemable Units”.

Under the terms of the unit agreement underlying the Issuers, only employees can hold the Class A Units while employed which can only be sold to the Company based on a predefined valuation formula, which serves as a proxy for fair value of the unit. In addition, if a unitholder leaves or retires before 3 years after grant for Corient Partners (the “Vesting Periods”), they generally receive the lower of their purchase price or fair market value. CIPW Canada units employ a similar predefined valuation formula [together with the predefined valuation formula for the Corient Partners Class A Units, the “Formula Price”] and have similar term with a 3 year vesting period from the issuance date. After the Vesting Periods, the holders of Class A Units in both Corient Partners and CIPW Canada may sell these units back to the Issuers at the Formula Price.

The Redeemable Units are considered cash-settled share-based liabilities under IFRS. As the units vest, compensation expense is recognized over the vesting period and is measured based on the fair value of awards on the date that the awards are granted and on an on-going basis. The Redeemable Units are remeasured to their fair value at each reporting date.

The amount recognized as an expense is adjusted to reflect the number of awards for which the related service conditions are expected to be met, such that the amount ultimately recognized as an expense is based on the number of awards that do meet the related service condition at the vesting date. See Note 9 for additional information regarding equity-based compensation for Redeemable Units.

Deferred share unit (“DSU”)

CI has a DSU plan for directors. The value of the compensation at the date of grant is recognized immediately as compensation with a corresponding increase in accounts payable and accrued liabilities. At each reporting date, the liability is revalued with an offset to compensation expense.

INCOME TAXES

Current income tax liabilities are measured at the amount expected to be paid to tax authorities, net of recoveries based on the tax rates and tax laws enacted or substantively enacted as at the consolidated statement of financial position dates.

The liability method of tax allocation is used in accounting for income taxes. Under this method, deferred income tax assets and liabilities are determined based on differences between the carrying amount and tax basis of assets and liabilities and measured using the substantively enacted tax rates and laws that will be in effect when the differences are expected to reverse. Deferred tax assets are recognized to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilized. Deferred tax liabilities are generally recognized for all taxable temporary differences.

Deferred tax liabilities are recognized for taxable temporary differences arising in investments in subsidiaries and joint ventures except where the reversal of the temporary difference can be controlled and it is probable that the difference will not reverse in the foreseeable future. Deferred tax liabilities are not recognized on temporary differences that arise from the initial recognition of goodwill, which is not deductible for tax purposes. Deferred tax assets and liabilities are not recognized in respect of temporary differences that arise on initial recognition of assets and liabilities acquired other than in a business combination.

PROVISIONS

A provision is recognized if, as a result of a past event, CI has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. In the event that the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects a current market assessment of the time value of money and the risks specific to the liability.

FOREIGN CURRENCY

(i) Foreign currency transactions

Transactions that are denominated in a currency other than the functional currency of the entity are translated as follows: Monetary assets and liabilities are translated into Canadian dollars using the exchange rates in effect as at the consolidated statement of financial position dates. Non-monetary assets and liabilities are translated into Canadian dollars using historical exchange rates. Revenue and expenses are translated at average rates prevailing during the period. Other foreign currency transactions are translated into Canadian dollars using the exchange rate in effect on the transaction date. Translation exchange gains and losses are recorded in the period in which they occur.

(ii) Foreign currency operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on consolidation, are translated at the exchange rate in effect as at the consolidated statement of financial position dates. Revenue and expenses are translated at average rates prevailing during the period. Translation exchange gains and losses are recognized as other comprehensive income and reclassified to net income when the gain or loss on disposal of the foreign subsidiary is recognized. The consolidated statements of cash flows are translated at average exchange rates during the period, whereas cash and cash equivalents are translated at the spot exchange rate in effect as at the consolidated statement of financial position dates.

CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

In the process of applying CI's accounting policies, management has made significant judgments involving estimates and assumptions, which are summarized as follows:

(i) Business combinations

The purchase price related to business acquisitions is allocated to the underlying assets and liabilities based on their estimated fair value at the acquisition date. Management makes estimates to determine the fair value of assets and liabilities, including the valuation of separately identifiable intangibles acquired. Contingent consideration and certain put option payables, as part of the acquisitions, are based on the future performance of the acquired businesses. The estimates are based on management's best assessment of the related inputs used in the valuation models, such as future cash flows, discount rates and volatility. Future performance results that differ from management's estimates could result in changes to the liabilities, which are recorded as they arise in net income.

(ii) Impairment of intangible assets

Finite-life intangible assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Indefinite-life intangible assets, including goodwill, are tested for impairment annually or more frequently if changes in circumstances indicate that the carrying amount may be impaired. The values associated with intangibles involve estimates and assumptions, including those with respect to future cash inflows and outflows, discount rates and asset lives. These estimates require significant judgment regarding market growth rates, fund flow assumptions, expected margins and costs that could affect CI's future results if the current estimates of future performance and fair values change. These determinations also affect the amount of amortization expense on intangible assets with finite lives recognized in future periods.

(iii) Deferred tax assets

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profits will be available against which the losses can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and level of future taxable profits together with future tax planning strategies.

(iv) Provisions and other financial liabilities

Due to the nature of provisions and other financial liabilities, a considerable part of their determination is based on estimates and judgments, including assumptions concerning the future. The actual outcome of these uncertain factors may be materially different from the estimates, causing differences with the estimated provisions. Further details are provided in Note 7.

(v) Preferred Share Liability

Due to the nature of the Preferred Share Liability (described in Note 8), significant judgements are required to determine the estimate of the value of Corient US Holdings' equity, including projections of future earnings, estimates of appropriate equity multiples, volatility and the probabilities of future exit events (including a sale or an initial public offering of Corient US Holdings). Further details are outlined in Note 7 and Note 14.

2. BUSINESS ACQUISITIONS & DISPOSITIONS

Acquisitions - year ended December 31, 2023

Canada Wealth Management

During the year ended December 31, 2023, CI completed the acquisitions of Scola Holdings Inc [“Scola”] and Coriel Capital Inc. (“Coriel”). The estimated fair values of the assets acquired and liabilities assumed, and the results of operations, have been consolidated from the date of the transaction and are included in the Canada wealth management segment.

U.S. Wealth Management

During the year ended December 31, 2023, CI completed the acquisitions of Avalon Advisors, LLC [“Avalon”], La Ferla Group [“La Ferla”], Intercontinental Wealth Advisors, Ltd. [“Intercontinental”] and Windsor Wealth Management Inc. [“Windsor”]. The estimated fair values of the assets acquired and liabilities assumed and the results of operations have been consolidated from the date of the transaction, and are included in the U.S. wealth management segment.

December 31, 2023 and 2022 • [in thousands of Canadian dollars, except per share amounts]

Details of the net assets acquired during the year ended December 31, 2023, at fair value, are as follows:

	U.S. Wealth Management	Canada Wealth Management	Total
	$	$	$
Cash and cash equivalents	9,844	870	**10,714**
Accounts receivable and prepaid expenses	13,215	596	**13,811**
Capital assets	640	13	**653**
Right-of-use assets	713	—	**713**
Intangibles	210,762	9,173	**219,935**
Other assets	4,676	120	**4,796**
Accounts payable and accrued liabilities	(12,206)	(370)	**(12,576)**
Deferred tax liabilities	—	(2,431)	**(2,431)**
Provision for other liabilities	(2,939)	—	**(2,939)**
Lease liabilities	(713)	(72)	**(785)**
Fair value of identifiable net assets	223,992	7,899	**231,891**
Goodwill on acquisition	343,770	14,781	**358,551**
Total acquired cost	567,762	22,680	**590,442**
Cash consideration	148,627	17,405	**166,032**
Corient and CIPW Canada redeemable unit liabilities	151,101	4,000	**155,101**
Contribution by non-controlling interest	5,963	—	**5,963**
Provision for other liabilities, including redeemable share liability	262,071	1,275	**263,346**
	567,762	22,680	**590,442**

The businesses acquired in 2023 contributed net revenue of $53,245 and net income of $17,998 to CI for the year ended December 31, 2023. If the acquisitions had occurred on January 1, 2023, the consolidated pro-forma net revenue and net income for the year ended December 31, 2023 would have been $2,787,982 and $17,096, respectively.

Included in intangibles are fund administration contracts with a fair value of $219,935 with a finite life of 12 years. Goodwill of $343,770 for the U.S. RIAs is deductible for income taxes purposes.

The consideration paid for an acquisition in the U.S. wealth management segment includes a class of redeemable shares of a subsidiary of CI (the “redeemable share liability”). The redeemable share liability is redeemable at the option of the sellers into a variable number of CI’s shares. The redemption value of the redeemable share liability is fixed to a portion of the purchase price paid to acquire the US RIA plus accrued interest until they are converted or redeemed. CI also has an option to redeem the redeemable share liability in cash for the outstanding principal amount plus accrued interest. As at December 31, 2023, CI has issued the redeemable share liability with an outstanding amount of $75,083. During the year ended December 31, 2023, interest expense of $2,944 was recorded on the redeemable share liability. Refer to Note 7 for details of the amortized cost.

The acquisition agreements provided for deferred and contingent consideration payable. Deferred consideration payable of $168,679 is due between 5 months and 1.5 years from the date of acquisition. Contingent consideration of $8,377 is payable in cash within one to three years from the date of acquisition, if certain financial targets are met based on EBITDA or revenue. Details of the amount recorded are described in Note 7.

The purchase price allocations are considered to be preliminary and are subject to adjustments during the measurement period, which will not exceed twelve months from the acquisition date, as CI completes its estimation of the fair values of assets acquired and liabilities assumed, including the valuation of intangible assets.

Minority interest disposition - year ended December 31, 2023

On April, 27, 2023, CI reached an agreement to sell its minority stake in Congress Wealth Management, LLC ("Congress), which closed on June 30, 2023. CI realized a gain of $70,876 on the sale which is recorded in other gains (losses).

Acquisitions – year ended December 31, 2022

Canada Wealth Management

On April 1, 2022, CI completed the 100% acquisition of Northwood Family Office Ltd., a Canadian multi-family office. The fair values of the assets acquired and liabilities assumed, and the results of operations have been consolidated from the date of the transaction and are included in the Canada wealth management segment.

U.S. Wealth Management

During the year ended December 31, 2022, CI completed the following acquisitions:

- Corient Capital Partners, LLC
- Galapagos Partners L.P.
- OCM asset acquisition of FundX Investments Group LLC
- Inverness Counsel, LLC
- Kore Private Wealth, LLC
- Eaton Vance WaterOak Advisors, LLC

The acquisitions are accounted for using the acquisition method of accounting. The estimated fair values of the assets acquired and liabilities assumed and the results of operations have been consolidated from the date of the transaction, and are included in the U.S. wealth management segment.

CI evaluates each acquisition to determine if they are considered material to be disclosed on an individual basis. For the year ended December 31, 2022, after considering both quantitative and qualitative factors, CI determined that separate disclosure of individual acquisitions was not warranted.

December 31, 2023 and 2022 • *[in thousands of Canadian dollars, except per share amounts]

Details of the net assets acquired during the year ended December 31, 2022, at fair value, are as follows:

	U.S. Wealth Management	Canada Wealth Management	Total
	$	$	$
Cash and cash equivalents	2,707	248	**2,955**
Accounts receivable and prepaid expenses	33,530	5,238	**38,768**
Capital assets	979	226	**1,205**
Right-of-use assets	15,016	393	**15,409**
Deferred tax liabilities	(2,203)	(6,512)	**(8,715)**
Intangibles	256,808	24,572	**281,380**
Other assets	210	834	**1,044**
Accounts payable and accrued liabilities	(2,938)	(4,257)	**(7,195)**
Provision for other liabilities	—	(604)	**(604)**
Lease liabilities	(15,016)	(436)	**(15,452)**
Fair value of identifiable net assets	289,093	19,702	**308,795**
Goodwill on acquisition	644,711	50,086	**694,797**
Non-controlling interest	9,051	—	**9,051**
Total acquired cost	942,855	69,788	**1,012,643**
Cash consideration	423,433	51,983	**475,416**
Share consideration	452	1,500	**1,952**
Redeemable unit liabilities	135,132	6,817	**141,949**
Contribution by non-controlling interest	3,049	—	**3,049**
Provision for other liabilities	380,789	9,488	**390,277**
	942,855	69,788	**1,012,643**

The businesses acquired in 2022 contributed net revenue of $66,310 and net income of $16,464 to CI for the year ended December 31, 2022. If the acquisitions had occurred on January 1, 2022, the consolidated pro-forma net revenue and net income for the year ended December 31, 2022 would have been $2,430,275 and $340,955, respectively.

Included in intangibles are fund administration contracts with a fair value of $285,996 with a finite life of 12 years. In addition, CI finalized the purchase price allocations for acquisitions acquired in 2021 which resulted in a fair value adjustment to indefinite life contracts acquired of ($4,616). Goodwill represents the excess of the consideration transferred over the fair value of the identifiable net assets acquired. Goodwill of $644,711 for the U.S. RIAs is deductible for income taxes.

The acquisition agreements provided for deferred and contingent consideration payable. Deferred consideration payable of $327,232 is due within 180 days to two years from the date of acquisition. Contingent consideration of $63,045 is payable in cash within one to three years from the date of acquisition, if certain financial targets are met based on EBITDA or revenue. Certain acquisition agreements also provided for contingent consideration, payable in one to three years from the date of acquisition. Details of the amount recorded are described in Note 7.

December 31, 2023 and 2022 • [in thousands of Canadian dollars, except per share amounts]

CI evaluates each acquisition to determine if they are considered material to be disclosed on an individual basis. For the year ended year ended December 31, 2023 and December 31, 2022, after considering both quantitative and qualitative factors, CI determined that separate disclosure of individual acquisitions was not warranted.

3. CAPITAL ASSETS

Capital assets consist of the following:

	Computer hardware	Office equipment	Leasehold improvements	Total
	$	$	$	$
Cost				
Balance, December 31, 2021	**21,319**	**24,959**	**101,707**	**147,985**
Acquired	372	205	628	1,205
Additions	3,709	2,083	11,688	17,480
Retired	(2,224)	(5,151)	(13,530)	(20,905)
Translation	705	756	1,251	2,712
Balance, December 31, 2022	**23,881**	**22,852**	**101,744**	**148,477**
Acquired	128	242	281	651
Additions	31,445	1,518	6,162	39,125
Retired	(4,557)	(214)	(328)	(5,099)
Translation	3,724	(293)	629	4,060
Balance, December 31, 2023	**54,621**	**24,105**	**108,488**	**187,214**
Accumulated depreciation				
Balance, December 31, 2021	**11,793**	**19,161**	**64,435**	**95,389**
Depreciation	4,299	2,408	5,794	12,501
Retired	(2,214)	(4,990)	(9,430)	(16,634)
Translation	480	522	632	1,634
Balance, December 31, 2022	**14,358**	**17,101**	**61,431**	**92,890**
Depreciation	5,983	2,368	6,408	14,759
Retired	(4,367)	(210)	(322)	(4,899)
Translation	(36)	(279)	(298)	(613)
Balance, December 31, 2023	**15,938**	**18,980**	**67,219**	**102,137**
Carrying amounts				
At December 31, 2021	**9,526**	**5,798**	**37,272**	**52,596**
At December 31, 2022	**9,523**	**5,751**	**40,313**	**55,587**
At December 31, 2023	**38,683**	**5,125**	**41,269**	**85,077**

December 31, 2023 and 2022 • [in thousands of Canadian dollars, except per share amounts]

4. INTANGIBLES

	Goodwill	Fund administration contracts	Fund management contracts finite-life	Fund management contracts indefinite-life	Other intangibles	Total
	$	$	$	$	$	$
Cost						
Balance, December 31, 2021	**3,255,941**	**1,148,981**	**54,897**	**1,802,667**	**96,027**	**6,358,513**
Acquired	694,797	285,996	—	(4,616)	80	976,257
Additions	—	—	—	—	11,361	11,361
Retired	—	—	—	—	(67)	(67)
Translation	117,151	57,857	5	1,669	51	176,733
Balance, December 31, 2022	**4,067,889**	**1,492,834**	**54,902**	**1,799,720**	**107,452**	**7,522,797**
Acquired	361,371	218,841	—	—	49	580,261
Additions	—	—	—	—	12,041	12,041
Retired	—	—	—	—	(762)	(762)
Translation	(61,838)	(37,096)	(3,058)	(2,050)	(70)	(104,112)
Balance, December 31, 2023	**4,367,422**	**1,674,579**	**51,844**	**1,797,670**	**118,710**	**8,010,225**
Accumulated amortization						
Balance, December 31, 2021	**—**	**88,761**	**35,677**	**—**	**48,838**	**173,276**
Acquired	—	—	—	—	80	80
Amortization	—	103,306	2,437	—	12,981	118,724
Retired	—	—	—	—	(49)	(49)
Translation	—	2,937	8	—	121	3,066
Balance, December 31, 2022	**—**	**195,004**	**38,122**	**—**	**61,971**	**295,097**
Amortization	—	132,851	2,434	—	13,921	149,206
Retired	—	—	—	—	(762)	(762)
Translation	—	(6,195)	(3,033)	—	(46)	(9,274)
Balance, December 31, 2023	**—**	**321,660**	**37,523**	**—**	**75,084**	**434,267**
Carrying amounts						
At December 31, 2021	**3,255,941**	**1,060,220**	**19,220**	**1,802,667**	**47,189**	**6,185,237**
At December 31, 2022	**4,067,889**	**1,297,830**	**16,780**	**1,799,720**	**45,481**	**7,227,700**
At December 31, 2023	**4,367,422**	**1,352,919**	**14,321**	**1,797,670**	**43,626**	**7,575,958**
Remaining term	**N/A**	**4.9 – 11.8 yrs**	**2.9 – 9.9 yrs**	**N/A**	**0.1 – 5 yrs**	

CI has three groups of CGUs for the purpose of assessing the carrying amount of the allocated goodwill, being asset management, Canada wealth management and U.S. wealth management. Goodwill of $1,311,999 is allocated to the asset management group, $374,035 is allocated to the Canada wealth management group, and $2,681,388 is allocated to the U.S. wealth management group as at December 31, 2023 [2022 – $1,312,559, $358,670 and $2,396,660, respectively]. CI has indefinite-life fund management contracts of $1,772,670 within the asset management group and $25,000 within the U.S. wealth management group as at December 31, 2023 [2022 – $1,774,174 and $25,546, respectively].

December 31, 2023 and 2022 • [in thousands of Canadian dollars, except per share amounts]

The fair value for the asset management group, Canada wealth management group and U.S. wealth management group was determined using the discounted cash flow method, based on estimated future cash flows over a 5-year period with a terminal value for the period thereafter. CI uses a 5-year period to reflect the expected growth strategies for the various contracts acquired in addition to the fact that it may take several years to fully integrate operations and benefit from market-participant synergies. The key assumptions used in the forecast calculation include assumptions on projected assets under management ("AUM") growth and operating margins. Projected AUM growth is a management assumption which takes into consideration long-term historical inflation adjusted index returns, historical AUM growth, internal management forecast on future growth and comparable public company metrics. Inputs to the operating margin include estimates for management and trailer fees using current average fee rates and normalized inflation rates are applied to current selling, general and administrative expenses to forecast future cash flows over the 5-year period. The terminal value has been calculated assuming a long-term growth rate of 2% - 3% per annum in perpetuity based on a long-term real GDP growth rate as at December 31, 2023 and 2022. A discount rate of 11.00% – 13.25% per annum has been applied to the recoverable amount calculation as at December 31, 2023 [2022 – 11.25% – 13.75%]. Level 3 inputs were used to determine the fair value.

CI performed an annual impairment assessment of its goodwill and indefinite-life intangibles as at October 1, 2023 and 2022 and determined that the calculation of the recoverable amounts exceeded the carrying amounts. CI assessed the finite-life intangible assets as at December 31, 2023 and 2022 and determined that there were no indicators of impairment present.

5. OTHER ASSETS, INCOME AND EXPENSE

Other assets as at December 31 consist of the following:

	2023	2022
	$	$
Long-term investments	**31,507**	32,951
Investments accounted for using the equity method	**199,989**	277,084
Advisor and employee loans	**41,035**	41,730
Other related party loans	**9,956**	17,788
Other	**54,222**	28,251
	336,709	397,804

CI's equity-accounted investments as at December 31, 2023, include its investments in Cabana, CPA and GLASFunds and Level III and its joint venture with Axia. The aggregate carrying amount of these individually immaterial associates that are accounted for using the equity method is $199,989 [2022 – $277,084] and the aggregate amount of CI's share of net income is $2,629 [2022 – $4,193].

CI has estimated the fair value of the investees and their underlying net assets for the purposes of amortizing the basis difference, as required by the equity method of accounting. The fair value of investee's underlying net assets, including intangible contractual assets, goodwill and other assets and liabilities, have been estimated on the acquisition date.

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The basis difference related to intangible contractual assets and depreciable assets is amortized over the remaining useful life. The remainder of the basis difference, relating to equity method goodwill is not amortized and is carried at cost subject to an assessment for impairment of the overall investment.

CI has a hiring and retention incentive program whereby loans are extended to current investment advisors. These loans are initially recorded at their fair value, may bear interest at prescribed rates and are contractually forgiven on a straight-line basis over the applicable contractual period, which varies in length from three to seven years. The forgiven amount is included in other expenses. As at December 31, 2023, loans to investment advisors of $26,689 [2022 – $27,773] are included in other assets. These loans become due on demand upon early termination or breach in the terms of the agreements.

As at December 31, 2023, CI has shareholder, partner loans and employee loans of $14,346 outstanding [2022 – $13,957]. These loans bear interest at prescribed rates and are due immediately upon termination of employment or sale of the subsidiary shares that are held as collateral.

Included in other revenues is income from CI's long-term and equity accounted for investments of $2,629 [2022 – $4,193]. Other revenues also includes performance fees, redemption fees, investment income, interest income and revenue earned by Marret.

Other expenses include interest expense, advisor recruitment costs, U.S. state taxes and allowances for bad debt with respect to loans.

6. LONG-TERM DEBT

Long-term debt consists of the following:

	Interest rate	Issued date	Maturity date	2023	2022
				$	$
Credit facility					
Prime rate loan				**375,000**	320,000
				375,000	320,000
Debenture principal amount					
$63 million	3.215%	July 22, 2019	July 22, 2024	**62,255**	300,636
$76 million	3.759%	May 26, 2020	May 26, 2025	**75,314**	448,684
$400 million	7.000%	December 2, 2022	December 2, 2025	**398,465**	398,050
$150 million	3.904%	September 27, 2017	September 27, 2027	**149,255**	249,178
$960 million USD	3.200%	December 17, 2020	December 17, 2030	**1,266,491**	1,293,467
$900 million USD	4.100%	June 2, 2021	June 15, 2051	**1,180,624**	1,206,199
				3,132,404	3,896,214
Long-term debt				**3,507,404**	4,216,214
Current portion of long-term debt				**437,255**	320,000

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CREDIT FACILITY

At December 31, 2023 , CI had a $800,000 revolving credit facility with four Canadian chartered banks. Loans are made by the banks under a three-year revolving credit facility, with the outstanding principal balance due upon maturity on May 27, 2025.

On May 11, 2023, CI amended its credit facility with four Canadian banks, to allow for the issuance of Preferred Share Liability as discussed in Note 8. CI voluntarily reduced the facility capacity from $600,000 to $450,000, with the balance due upon maturity on May 27, 2024. On December 8, 2023, CI increased the facility capacity from $450,000 to $800,000 with the balance due upon maturity on May 27, 2025.

CI was within its financial covenants with respect to its credit facility, during the year ended December 31, 2023, which require that the funded debt to annualized EBITDA ratio remain below 4.75:1 until December 30, 2023 and 4.25:1 thereafter. In addition, there are certain other clauses in the facility that impose restrictions including those around acquisitions and other uses of cash. There can be no assurance that future borrowings or equity financing will be available to CI or available on acceptable terms.

DEBENTURES AND NOTES

Redemptions:

On May 11, 2023, CI announced an offering to purchase for cash, in three separate offers, a targeted aggregate principal amount of its Debentures maturing in 2024, 2025 and 2027. CI repurchased $713 million principal amount of the three debentures, at an average price of $102 and recorded a gain of $16,185, included in other gains and losses.

Details of the repurchased Debentures during the year ended December 31, 2023 are as follows:

Interest rate	Issued date	Maturity date	Principal amount	Average price	Gain $
3.215%	July 22, 2019	July 22, 2024	$239 million	101.989	4,750
3.759%	May 26, 2020	May 26, 2025	$374 million	101.561	5,833
3.904%	September 27, 2017	September 27, 2027	$100 million	105.597	5,602
			$713 million		16,185

Issuances:

On December 2, 2022, CI completed an offering pursuant to which it issued $400,000 principal amount of debentures due December 2, 2025 [the "December 2025 Debentures"]. Interest on the December 2025 Debentures is paid semi-annually in arrears at a rate of 7.000%. The proceeds, net of transaction costs, were used to repay outstanding indebtedness under the credit facility and general corporate purposes.

CI may, at its option, redeem the 2024 Debentures, the May 2025 Debentures, the December 2025 Debentures and the 2027 Debentures, in whole or in part, from time to time, on not less than 30 nor more than 60 days' prior notice to the registered holder, at a redemption price that is equal to the greater of par and the Government of Canada yield, plus 44.5, 84.0, 83.5 and

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44.5 basis points, respectively. CI may also, at its option, redeem the 2030 Notes and the 2051 Notes in whole or in part, from time to time, at a redemption price that is equal to the greater of 100% of the principal amount of the notes to be redeemed and the Treasury Rate plus 35.0 and 30.0 basis points, respectively. CI considers these embedded prepayment options to be closely related to the debentures and, as such, does not account for them separately as a derivative.

Interest on Debentures and Notes:

Interest paid on the Debentures and Notes is paid semi-annually. During the years ended December 31, 2023 and 2022, interest paid is as follows:

	Interest rate	Issued date	Maturity date	2023 $	2022 $
Interest paid on debentures and notes					
$63 million	3.215%	July 22, 2019	July 22, 2024	**5,001**	9,691
$76 million	3.759%	May 26, 2020	May 26, 2025	**8,390**	16,916
$400 million	7.000%	December 2, 2022	December 2, 2025	**28,000**	2,333
$150 million	3.904%	September 27, 2017	September 27, 2027	**7,395**	9,760
$960 million USD	3.200%	December 17, 2020	December 17, 2030	**41,458**	39,983
$900 million USD	4.100%	June 2, 2021	June 15, 2051	**49,798**	48,026
				140,042	126,709

Issuance costs and the issuance discount are amortized over the term of the debentures using the effective interest method. The amortization expense related to the discount and transaction costs for CI's issued debentures for the year ended December 31, 2023 was $2,632 [2022 – $1,865], which is included in amortization and depreciation.

In the event that both a change of control of CI occurs and the rating of the debentures is lowered to below investment grade by two out of three rating agencies as defined as below BBB- by Standard & Poor's, BBB (low) by DBRS Limited and Baa3 by Moody's Investor Service, Inc., CI will be required to make an offer to repurchase all or, at the option of each holder, any part of each holder's debentures at a purchase price payable in cash equivalent to 101% of the outstanding principal amount of the debentures and notes, together with accrued and unpaid interest, to the date of purchase. Also, in the case of the 2030 Notes, in the event that certain changes affecting Canadian withholding taxes occur, CI will have the option to redeem the notes in whole or in part, at a redemption price equal to 100% of the aggregate principal amount, together with accrued and unpaid interest, to the date of redemption.

7. PROVISIONS AND OTHER FINANCIAL LIABILITIES

CI is a party to a number of claims, proceedings and investigations, including legal, regulatory and tax, in the ordinary course of its business. Due to the inherent uncertainty involved in these matters, it is difficult to predict the final outcome or the amount and timing of any outflow related to such matters. Based on current information and consultations with advisors, CI does not expect the outcome of these matters, individually or in aggregate, to have a material adverse effect on its financial position or on its ability to continue normal business operations.

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CI has made provisions based on current information and the probable resolution of such claims, proceedings and investigations, as well as severance and amounts payable in connection with business acquisitions. The movement in provisions and other financial liabilities during the years ended December 31, are as follows:

	Provisions 2023 $	Acquisition-related liabilities 2023 $	Provisions 2022 $	Acquisition-related liabilities 2022 $
Provisions and other financial liabilities, beginning of year	**46,954**	**726,359**	41,259	536,376
Additions	**13,176**	**333,047**	6,524	369,869
Amounts used	**(7,202)**	**(648,244)**	(11,596)	(248,345)
Amounts reversed	**(1,104)**	**215**	(52)	(3,049)
Acquisition liabilities - fair value change	**—**	**88,412**	—	27,427
Acquisition liabilities - compensation	**—**	**6,137**	—	24,156
Loan guarantee	**(4,020)**	**—**	10,819	—
Exchange for redeemable unit liabilities *[note 8]*	**—**	**—**	—	(19,766)
Translation	**(30)**	**(12,548)**	—	39,691
Provisions and other financial liabilities, end of year	**47,774**	**493,378**	46,954	726,359
Current portion of provisions and other financial liabilities	**10,008**	**434,192**	5,197	497,549

ACQUISITION-RELATED LIABILITIES

Included in provisions and other financial liabilities in connection with business acquisitions are:

	As at December 31, 2023 $	As at December 31, 2022 $
Deferred consideration	**206,149**	310,199
Redeemable share liability *[note 2]*	**75,083**	—
Fair value of contingent consideration	**150,728**	365,935
Fair value of put arrangements	**61,418**	50,225
Total acquisition liabilities	**493,378**	726,359

Deferred consideration represents guaranteed deferred payments on acquisitions and typically settle in 90 to 270 days.

Contingent consideration represents the estimated fair value of earn-out payments tied to the acquired companies exceeding certain predefined financial metrics, and is revalued on a quarterly basis. During the year ended December 31, 2023, compensation expense of $3,447 [2022 – $8,428] is included in contingent consideration payable and fair value change. CI settled a contingent obligation for the exchange of Corient Partners' class A units and recognized compensation expense of $1,862 [2022 – $15,726], is included in fair value change.

For two of the contingent earn-out arrangements with a liability fair value recorded as of December 31, 2023 of $9,770 [2022 – $23,659], there was no maximum payout stipulated in the respective purchase agreements. For the remaining contingent earn-out arrangements with a liability fair value recorded as of December 31, 2023 of $140,957 [2022 – $342,277], the total maximum potential payout stipulated in the respective purchase agreements was $574,276 [2022 – $945,678].

Put options represent the fair value of embedded options in the acquisition purchase agreements to exchange minority interests for cash, subject to specific terms, and are revalued on a quarterly basis. There were no exercises in the year ended December 31, 2023. In the year ended December 31, 2022, GSFM shareholders exercised their put to CI at an equivalent Canadian cash value of $17,748.

Included in total acquisition liabilities are foreign translation adjustments since the date of the acquisitions. Fair value adjustments to the acquisition liabilities are included in change in fair value of contingent consideration in the consolidated statements of income and comprehensive income.

During the year ended December 31, 2023, CI paid cash of $570,927 and redeemable unit liabilities of $77,383 to settle acquisitions related liabilities [2022 – cash of $248,345].

PROVISIONS

CI is a defendant to certain lawsuits of which two are class action lawsuits related to events and transactions that gave rise to a settlement agreement with the Ontario Securities Commission [“OSC”] in 2004. Although CI continues to believe that this settlement fully compensated investors affected by frequent trading activity, a provision has been recorded with respect to this matter.

CI maintains insurance policies that may provide coverage against certain claims. Amounts receivable under these policies are not accrued for unless the realization of income is virtually certain. During the years ended December 31, 2023 and 2022, no insurance proceeds were received related to the settlement of legal claims.

CI has guaranteed certain Corient Partners’ employee loans with third party institutions. The estimated fair value of the loan guarantee is $6,800 [2022 – $10,819] and is included in provisions. The initial fair value of the guarantee is being amortized over the remaining term of the loans. During the year ended December 31, 2023, amortization of $3,816 was recorded in selling, general and administrative expenses [2022 – nil]. Additional details of the loan guarantee are included in Note 9.

During the year ended December 31, 2023, CI recorded provisions of $13,176 for legal and severance [2022 – $6,524]. As at December 31, 2023, a provision of $47,773 remains [2022 – $36,135].

8. Preferred Share Liability

Corient US Holdings issued convertible preferred shares (the “Preferred Share Liability”) to certain investors on May 23, 2023 for $1,350,300 ($1,000,000 USD) in gross proceeds. Costs of $23,883 ($17,544 USD) were incurred during the year ended December 31, 2023, to issue the Preferred Share Liability and are included in “transaction, integration, restructuring and legal” expenses. The Preferred Share Liability entitles the investors to a 20% voting interest in Corient US Holdings and 20% representation on Corient US Holdings’ Board. The Preferred Share Liability is convertible at the investors’ option to a fixed number of common shares in Corient US Holdings which would represent 20% of Corient US Holdings’ common stock outstanding. The Preferred Share Liability entitles the investors to participate in dividends on an as-converted basis if Corient US Holdings declares a dividend on its common shares.

The Preferred Share Liability is automatically redeemed in cash if CI elects to sell Corient US Holdings. In the event of a qualified initial public offering by Corient US Holdings, the Preferred Share Liability will automatically convert into common shares of Corient US Holdings. In the case of a sale of Corient US Holdings, the Preferred Share Liability will be redeemed at the greater of the fair value of 20% of Corient US Holdings' common equity or a price that gives the investors a fixed return (the "Fixed Return Price"). In the event of a qualified initial public offering, the Preferred Share Liability will be converted into either a fixed number of common shares representing 20% of Corient US Holdings' common equity, if the fair value of such shares is greater than the Fixed Return Price, or a variable number of common shares with an aggregate fair value equal to the Fixed Return Price. The Fixed Return Price ranges from 1.5x the original issue price (in aggregate, $1,500,000 USD) during the first three years and a sliding scale that increases ratably on a linear basis for the next three years up to 2.25x the original issue price (in aggregate, $2,250,000 USD) after six years of the investment. Under the terms of the investment, the investors have standard minority protective rights and Corient US Holdings and the investors have entered into a registration rights agreement to create market liquidity for Corient US Holdings common shares that would be held by the investors if the Preferred Share Liability is converted into common shares of Corient US Holdings.

Five years and nine months after the initial investment, if the Preferred Share Liability is outstanding, the investors may deliver an exit notice to Corient US Holdings to request the start of a sale or initial public offering of Corient US Holdings. In the event that such sale or initial public offering is not completed within one year, a 15% penalty dividend begins accruing daily and is compounded quarterly as an increase to the Fixed Return Price, and the investors may then start a sale process to find a buyer to purchase Corient US Holdings and force CI into a share sale. The 15% dividend is not payable in cash or other financial assets outside of CI's control. Upon a forced sale, the Preferred Share Liability will convert into a number of common shares of Corient US Holdings at a conversion rate that delivers to the investors the higher of the fair value of 20% of Corient US Holdings' common equity or the Fixed Return Price, as adjusted for the accumulating penalty dividend. Upon delivery of the exit notice, CI has an option to redeem or re-purchase the Preferred Share Liability at the higher of the fair market value of 20% of Corient US Holdings' common equity or the Fixed Return Price. The amount that the investors can receive on the Preferred Share Liability is limited to the equity value of Corient US Holdings, and if the equity value of Corient US Holdings falls below the Fixed Return Price, CI does not have an obligation to fund the difference.

Upon a change of control of CI agreed to by CI's board, the investors may trigger an immediate sale of Corient US Holdings, and in the sale, the Preferred Share Liability will convert into a number of common shares of Corient US Holdings at a conversion rate that delivers to the investors the higher of the fair value of 20% of Corient US Holdings' common equity or the Fixed Return Price. Upon a change of control of CI not agreed to by CI's board (i.e. a "hostile" change of control), the investors may deliver an exit notice, and may start the forced sale process if a sale or initial public offering of Corient US Holdings is not consummated within six months.

The Preferred Share Liability places certain restrictions on the payment of dividends by Corient US Holdings to CI without obtaining certain permissions from the investors. Payments are also restricted to a percentage of net income generated by Corient US Holdings and consider compliance with certain debt metrics of Corient US Holdings. Under the Preferred Share

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Liability, CI has also committed to fund the guaranteed purchase price (excluding earn-outs) for certain acquisitions up to an aggregate $39.9 million USD of attributable EBITDA to Corient US Holdings as an in-kind capital contribution with no additional equity to be issued to CI within the first six months of the Closing.

As a result of the liquidity provisions of the Preferred Share Liability, including the potential obligation in certain circumstances for Corient US Holdings to issue a variable number of common shares in settlement of the Fixed Return Price, the Preferred Share Liability has been classified as a liability. As a hostile change of control may occur outside of CI's board's control, the Preferred Share Liability has been classified as current in the consolidated statements of financial position. CI recorded the Preferred Share Liability initially at its fair value, represented by the gross proceeds. Since the Preferred Share Liability contains certain embedded features that would otherwise qualify as embedded derivatives, CI has elected the option to designate the Preferred Share Liability at fair value through profit or loss and will subsequently revalue the Preferred Share Liability to its fair value at each reporting date. Changes in the Company's own credit risk would impact the fair value of the Preferred Share Liability from a market participant's perspective, and such changes are recognized in other comprehensive income and are not recycled through the income statement. Corient US Holdings did not declare or pay any dividends during the year ended December 31, 2023.

CI's liability related to the Preferred Share Liability is as follows:

	As at December 31, 2023
	$
Initial issuance	1,350,300
Fair value through profit or loss adjustment	156,885
Effects of foreign currency translation	(25,766)
Balance, December 31, 2023	**1,481,419**

9. REDEEMABLE UNIT LIABILITIES

CI established Corient Partners in 2021 to serve as the holding entity for its U.S. wealth management acquisitions. Corient Partners acquired the remaining stakes in the wealth management businesses it did not fully own in exchange for Corient Partners' Class A Units. In addition, certain former owners of its U.S. wealth management acquisitions and other employees invested cash in Corient Partners in exchange for Class A Units in Corient Partners. During the year ended December 31, 2023 and 2022, additional Class A Units in Corient Partners were issued as consideration for various acquisitions of wealth management businesses as outlined in Note 2. Corient Partners provided bridge financing to purchase Class A Units in 2022, which are full recourse loans with customary interest rates. During the year ended December 31, 2023, employees repaid $932 ($695 USD) [2022 – $78,576 ($58,989 USD)] of loans using proceeds received from third party banks. These borrowers' performance on these loans is guaranteed by CI. As at December 31, 2023, Corient Partners has loans with borrowers of $11,145 ($8,205 USD) [2022 – $12,051 ($8,900 USD)] and included in other assets. As at December 31, 2023, 66,967,470 [2022 – 49,492,811] Corient Partners Class A units were issued or granted to employees.

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During 2022, CI established CIPW Canada to serve as a holding entity for a portion of its Canada wealth management acquisitions. CIPW Canada issued 6,817,500 Class A Units of CIPW Canada to former owners in Northwood as part of the acquisition consideration. During the year ended December 31, 2023, 2,962,500 Class A Units were issued for cash and 2,065,000 Class A Units to employees. As at December 31, 2023, 11,845,000 CIPW Class A Units were issued or granted.

During the year ended December 31, 2023, Corient Partners granted restricted redeemable Class B units to employees, subject to vesting provisions while still employed, 278,629 units that vest over 4 years, and 1,355,061 units that vest over 6 years. During the year ended December 31, 2022, Corient Partners granted 6,259,285 redeemable Class B units that vest over 6 years. The Class B redeemable units are profit interests under U.S. tax law and exchangeable at Corient Partners' option into Corient Partners Class A units. The grant date fair value was determined using an option pricing model and is recognized on a graded vesting basis over the vesting period and is included in selling, general and administrative expenses. On April 1, 2023, Corient Partners converted the 278,629 restricted redeemable Class B units issued in 2023 and 6,367,211 redeemable Class B units issued in 2022 to Corient Partners Class A units, and recorded an additional expense of $6,901 as a result of this conversion. The vesting conditions attached to the Class B units remains the same for the Class A units. The related expense for these liabilities is being recognized over the remaining vesting period for these units. As at December 31, 2023, 1,201,754 restricted Class B units are outstanding which were granted during the year ended December 31, 2023, that vest over 6 years.

The Company recorded an expense related to the accrual of distributions of earnings payable to the unitholders as at December 31, 2023 which is included in selling, general and administrative expenses.

A summary of the compensation expense and distributions recorded during the year ended December 31, 2023 and 2022, are as follows:

	For the year ended December 31, 2023 $	For the year ended December 31, 2022 $
Recognition of compensation expense (recovery) of vested units	**209,380**	13,499
Distributions	**68,523**	43,545
Total	**277,903**	57,044

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CI's liability related to Corient Partners and CIPW Canada units is as follows:

	As at December 31, 2023 $	As at December 31, 2022 $
Balance, beginning of year	**765,959**	374,438
Acquisition related additions (non-cash) *[note 2]*	**155,148**	141,949
Exchange for redeemable unit liabilities *[note 7]*	**1,862**	19,766
Recognition of compensation expense of vested units	**209,379**	13,499
Subscription - Loans (non-cash)	**—**	80,653
Subscription - Cash	**5,506**	92,906
Redemption	**(29,548)**	(7,228)
Distribution payable	**1,864**	16,457
Translation	**(20,173)**	33,519
Balance, December 31, 2023 including Corient Partners – $809,941 USD (2022 - $556,204 USD)	**1,089,997**	765,959
Unrecognized compensation expense	**254,683**	116,713

10. LEASES

The following shows the carrying amounts of CI's right-of-use assets and lease liabilities, and the movements during the year ended December 31, 2023 and 2022:

	Right-of-use assets			
	Property leases $	Equipment leases $	Total $	Lease liabilities $
As at January 1, 2023	137,819	1,603	**139,422**	**173,354**
Additions, acquired & modifications	119,253	87	**119,340**	**158,901**
Depreciation expense	(23,772)	(522)	**(24,294)**	**—**
Lease termination	(3,290)	—	**(3,290)**	**(3,604)**
Interest expense	—	—	**—**	**9,453**
Payments	—	—	**—**	**(35,037)**
Translation	(1,231)	(184)	**(1,415)**	**(439)**
As at December 31, 2023	**228,779**	**984**	**229,763**	**302,628**

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	Right-of-use assets			
	Property leases	Equipment leases	Total	Lease liabilities
	$	$	$	$
As at January 1, 2022	141,506	1,100	**142,606**	**173,755**
Additions, acquired & modifications	18,697	1,097	**19,794**	**25,710**
Depreciation expense	(21,369)	(653)	**(22,022)**	**—**
Lease termination	(5,219)	—	**(5,219)**	**(7,941)**
Interest expense	—	—	**—**	**6,583**
Payments	—	—	**—**	**(29,548)**
Translation	4,204	59	**4,263**	**4,795**
As at December 31, 2022	**137,819**	**1,603**	**139,422**	**173,354**

During the year ended December 31, 2023, CI recognized rent expenses from short-term leases of $9,674, leases of low-value assets of $468 and variable lease payments of $11,150 [2022 – expenses of $2,965, $554 and $12,048, respectively].

Included in other revenues for the year ended December 31, 2023, is finance income of $169 received from sub-leasing right-of-use assets [2022 – $895].

During the year ended December 31, 2023, CI terminated two leases and recognized a net loss on the termination of $2,424 which included an early termination fee of $2,808 and a gain on the write-off of the right-of-use asset and liability of $385.

During the year ended December 31, 2022, CI terminated a lease and recognized a net loss on the termination of $1,178 which included an early termination fee of $3,900 and a gain on the write-off of the right-of-use asset and liability of $2,722.

11. SHARE CAPITAL

A summary of the changes to CI's share capital for the years ended December 31 is as follows:

[A] AUTHORIZED AND ISSUED

	Number of shares *[in thousands]*	Stated value $
Authorized		
An unlimited number of common shares of CI		
Issued		
Common shares, balance, December 31, 2021	**197,422**	**1,810,153**
Issuance for acquisition of subsidiaries, net of issuance costs	74	1,952
Issuance of share capital for equity-based plans, net of tax	1,138	16,117
Share repurchases, net of tax	(14,116)	(121,342)
Common shares, balance, December 31, 2022	**184,518**	**1,706,880**
Issuance of share capital for equity-based plans, net of tax	1,548	21,114
Share repurchases, net of tax	(32,245)	(291,308)
Common shares, balance, December 31, 2023	**153,821**	**1,436,686**

During the year ended December 31, 2023, 30,045 thousand shares [2022 – 12,666 thousand shares] were repurchased under a normal course issuer bid and a substantial issuer bid at an average cost of $14.54 per share for total consideration of $436,968 [2022 – $15.87 per share for total consideration of $200,974]. Deficit was increased by $160,540 during the year ended December 31, 2023 [2022 – $85,256] for the cost of the shares repurchased in excess of their stated value.

During the year ended December 31, 2023, 2,200 thousand shares [2022 – 1,450 thousand shares] were repurchased for CI's restricted share unit plan at an average cost of $17.25 per share for total consideration of $37,943 [$32,578 after tax] [2022 – $19.82 per share for total consideration of $28,734 [$21,119 net of tax]. Deficit was increased by $17,698 during the year ended December 31, 2023 [2022 – $15,495] for the cost of the shares repurchased in excess of their stated value.

[B] EMPLOYEE INCENTIVE SHARE OPTION PLAN

CI has an employee incentive share option plan [the "Share Option Plan"], as amended and restated, for the executives and key employees of CI.

The maximum number of shares that may be issued under the Share Option Plan is 14,000 thousand shares. As at December 31, 2023, there are 439 thousand shares [2022 – 506 thousand shares] reserved for issuance on exercise of share options. These options vest over periods of up to five years, may be exercised at $18.99 per share and expire at dates up to 2029.

A summary of the changes in the Share Option Plan is as follows:

	Number of options	Weighted average exercise price
	[in thousands]	$
Options outstanding, December 31, 2021	**811**	**21.88**
Options exercisable, December 31, 2021	**274**	**27.53**
Options exercised (*)	(3)	18.99
Options cancelled	(302)	26.11
Options outstanding, December 31, 2022	**506**	**19.37**
Options exercisable, December 31, 2022	**144**	**20.34**
Options cancelled	(67)	21.89
Options outstanding, December 31, 2023	**439**	**18.99**
Options exercisable, December 31, 2023	**225**	**18.99**

(*) Weighted-average share price of options exercised was nil during the year ended December 31, 2023 [2022 – $26.96]

The equity-based compensation expense under the Share Option Plan for the year ended December 31, 2023 of $49 [2022 – $(76)] has been included in selling, general and administrative expenses.

Options outstanding and exercisable as at December 31, 2023 are as follows:

Exercise price	Number of options outstanding	Weighted average remaining contractual life	Number of options exercisable
$	*[in thousands]*	*[years]*	*[in thousands]*
18.99	439	5.16	225

[C] RESTRICTED SHARE UNITS

CI has an employee restricted share unit plan [the “RSU Plan”] for senior executives and other key employees. Compensation expense is recognized and recorded as contributed surplus based upon the market value of the restricted share units [“RSUs”] at the grant date. Forfeitures of RSUs reduce compensation expense to the extent contributed surplus was previously recorded for such awards. On vesting of RSUs, share capital is credited for the amounts initially recorded as contributed surplus to reflect the issuance of share capital.

A summary of the changes in the RSU Plan is as follows:

Number of RSUs [in thousands]	**2023**	**2022**
RSUs outstanding, beginning of year	**1,806**	1,437
Granted, excluding dividends	**2,017**	1,736
Granted, dividends	**66**	117
Exercised	**(1,611)**	(1,085)
Forfeited	**(163)**	(399)
RSUs outstanding, end of year	**2,115**	1,806

An expense of $25,731 was recorded during the year ended December 31, 2023 [2022 – $24,653].

CI uses a trust to hold CI's common shares, to fulfill obligations to employees arising from the RSU Plan. The common shares held by the trust are not considered to be outstanding for the purposes of basic and diluted earnings per share calculations.

[D] DEFERRED SHARE UNITS

The deferred share unit plan [the "DSU Plan"] was established in March 2017, whereby directors may elect to receive all or a portion of their quarterly compensation in either cash or deferred share units ["DSUs"]. The DSUs fully vest on the grant date and an expense is recorded based upon the market value of the DSUs at the grant date with an offset included in accounts payable and accrued liabilities. At the end of each period, the change in the fair value of the DSUs is recorded as an expense with an offset recorded to the liability. DSUs can only be redeemed for cash once the holder ceases to be a director of CI.

During the year ended December 31, 2023, 18 thousand DSUs were granted, and nil DSUs were exercised [2022 – 25 thousand DSUs, and nil exercised]. An expense of $359 was recorded during the year ended December 31, 2023 [2022 – expense recovery of $269]. As at December 31, 2023, included in accounts payable and accrued liabilities is an accrual of $1,336 for amounts to be paid under the DSU Plan [2022 – $976].

[E] BASIC AND DILUTED EARNINGS PER SHARE

The following table presents the calculation of basic and diluted earnings per common share for the years ended December 31:

[in thousands]	**2023**	**2022**
Numerator:		
Net income (loss) attributable to shareholders of the Company basic and diluted	**$5,018**	$299,757
Denominator:		
Weighted average number of common shares - basic	**170,671**	189,089
Weighted average effect of RSU awards (**)	**832**	669
Weighted average number of common shares - diluted	**171,503**	189,758
Earnings per common share attributable to shareholders		
Basic	**$0.03**	$1.59
Diluted	**$0.03**	$1.58

(**) The determination of the weighted average number of common shares - diluted excludes 439 *thousand shares related to stock options that were anti-dilutive for the year ended December 31, 2023 [2022 -* 506 *thousand shares]. For the year ended December 31, 2023, the conversion of the Preferred* Share Liability *(Note 8) and the redeemable share liability (Note 2) has not been factored into diluted earnings per share as a result of the effect being anti-dilutive.*

December 31, 2023 and 2022 • [in thousands of Canadian dollars, except per share amounts]

12. DIVIDENDS

The following dividends were paid by CI during the year ended December 31, 2023:

Record date	Payment date	Cash dividend per share	Total dividend amount
		$	$
December 30, 2022	January 13, 2023	0.18	**33,531**
March 31, 2023	April 14, 2023	0.18	**32,895**
June 30, 2023	July 14, 2023	0.18	**30,517**
September 30, 2023	October 13, 2023	0.18	**28,597**
Paid during the year ended December 31, 2023			**125,540**

The following dividends were declared but not paid as at December 31, 2023:

Record date	Payment date	Cash dividend per share	Total dividend amount
		$	$
December 29, 2023	January 15, 2024	0.20	**30,764**
March 29, 2024	April 15, 2024	0.20	**30,764**
Declared and accrued as at December 31, 2023			**61,528**

The following dividends were paid by CI during the year ended December 31, 2022:

Record date	Payment date	Cash dividend per share	Total dividend amount
		$	$
December 31, 2021	January 14, 2022	0.18	35,511
March 31, 2022	April 15, 2022	0.18	34,748
June 30, 2022	July 15, 2022	0.18	34,592
September 30, 2022	October 14, 2022	0.18	32,524
Paid during the year ended December 31, 2022			137,375

The following dividends were declared but not paid as at December 31, 2022:

Record date	Payment date	Cash dividend per share	Total dividend amount
		$	$
December 30, 2022	January 13, 2023	0.18	33,213
March 31, 2023	April 14, 2023	0.18	33,213
Declared and accrued as at December 31, 2022			66,426

December 31, 2023 and 2022 • *[in thousands of Canadian dollars, except per share amounts]

13. INCOME TAXES

The following are the major components of income tax expense for the years ended December 31:

	2023 $	2022 $
Consolidated Statements of Income		
Current income tax expense		
Based on taxable income of the current year	**172,516**	183,789
Adjustments in respect of prior years	**1,227**	(4,637)
	173,743	179,152
Deferred income tax expense		
Origination and reversal of temporary differences (net)	**(30,130)**	(4,777)
	(30,130)	(4,777)
Income tax expense reported in the consolidated statements of income	**143,613**	174,375

The following is a reconciliation between CI's statutory and effective income tax rates for the years ended December 31:

	2023 %	2022 %
Combined Canadian federal and provincial income tax rate	**26.5**	26.5
Increase (decrease) in income taxes resulting from:		
Recovery of prior years' provisions for settled tax items	**0.2**	0.3
Change in fair value of preferred equity and put arrangements	**51.5**	—
Lower average tax rate applicable to subsidiaries	**(1.1)**	—
Non-deductible redeemable units	**10.4**	—
Deferred tax not recognized	**6.2**	3.6
Non-deductible (taxable) portion of capital losses (capital gains)	**(4.6)**	2.5
Other, net	**6.8**	3.7
Income tax expense reported in the consolidated statements of income and comprehensive income	**95.9**	36.6

December 31, 2023 and 2022 • [in thousands of Canadian dollars, except per share amounts]

Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. Significant components of CI's deferred income tax assets and liabilities are as follows at December 31, 2023:

	December 31, 2022	Recognized in net income	Business acquisition *[note 2]*	Recognized in equity and FX	December 31, 2023
	$	$	$	$	$
Net deferred income tax (assets) liabilities					
Fund contracts	488,460	(13,433)	2,431	(144)	**477,314**
Right-of-use assets	37,149	23,809	—	(797)	**60,161**
Equity-based compensation	(34,122)	(12,336)	—	1,965	**(44,493)**
Non-capital loss carryforwards	(11,423)	(475)	—	—	**(11,898)**
Provisions and other financial liabilities	(11,646)	4,199	—	26	**(7,421)**
Lease liabilities	(44,516)	(33,744)	—	971	**(77,289)**
Other	2,183	1,850	—	101	**4,134**
Net deferred income tax (assets) liabilities	**426,085**	**(30,130)**	**2,431**	**2,122**	**400,508**

Significant components of CI's deferred income tax assets and liabilities are as follows at December 31, 2022:

	December 31, 2021	Recognized in net income	Business acquisition	Recognized in equity and FX	December 31, 2022
	$	$	$	$	$
Net deferred income tax (assets) liabilities					
Fund contracts	467,025	13,551	8,715	(831)	488,460
Right-of-use assets	37,527	(1,668)	—	1,290	37,149
Equity-based compensation	(16,653)	(15,846)	—	(1,623)	(34,122)
Non-capital loss carryforwards	(9,176)	(2,254)	—	7	(11,423)
Provision for other liabilities	(12,470)	1,108	—	(284)	(11,646)
Lease liabilities	(45,932)	2,758	—	(1,342)	(44,516)
Other	3,555	(2,426)	—	1,054	2,183
Net deferred income tax (assets) liabilities	423,876	(4,777)	8,715	(1,729)	426,085

Unrecognized tax losses

Unrealized capital tax losses for which deferred tax assets have not been recognized was $162 million at December 31, 2023 [2022 – $105 million].

December 31, 2023 and 2022 • [in thousands of Canadian dollars, except per share amounts]

14. FINANCIAL INSTRUMENTS

The carrying amounts of the financial instruments are presented in the table below and are classified according to the following categories:

	December 31, 2023	December 31, 2022
	$	$
Financial assets		
Fair value through profit or loss		
Cash and cash equivalents	**137,029**	153,620
Investments	**42,781**	40,448
Other assets	**31,478**	32,951
Amortized cost		
Client and trust funds on deposit	**1,073,378**	1,306,595
Accounts receivable	**331,730**	260,102
Other assets	**84,889**	62,718
Total financial assets	**1,701,285**	1,856,434
Financial liabilities		
Fair value through profit or loss		
Provisions and other financial liabilities	**212,147**	416,160
Preferred Share Liability *[note 5]*	**1,481,419**	—
Amortized cost		
Accounts payable and accrued liabilities	**380,649**	280,433
Provisions and other financial liabilities	**329,005**	357,153
Dividends payable	**61,528**	66,426
Client and trust funds payable	**1,068,809**	1,312,640
Long-term debt	**3,507,404**	4,216,214
Redeemable unit liabilities (*)	**18,790**	16,387
Total financial liabilities	**7,059,751**	6,665,413

(*) Distribution payable included in redeemable unit liabilities

CI’s investments as at December 31, 2023 and 2022 include CI’s marketable securities, which comprise of seed capital investments in CI’s mutual funds and strategic investments. Mutual fund securities are valued using the net asset value per unit of each fund, which represents the underlying net assets at fair values determined using closing market prices. CI’s mutual fund securities that are valued daily are classified as Level 1 in the fair value hierarchy. Mutual fund securities and strategic investments that are valued less frequently are classified as Level 2 in the fair value hierarchy. CI’s investments also include securities owned, at market, consisting of money market and equity securities. Money market and equity securities are valued based on quoted prices and are classified as Level 1 in the fair value hierarchy. There have been no transfers between Level 1, Level 2 and Level 3 during the years ended December 31, 2023 and 2022.

December 31, 2023 and 2022 • *[in thousands of Canadian dollars, except per share amounts]

Investments consist of the following as at December 31, 2023:

	Total $	Level 1 $	Level 2 $	Level 3 $
Marketable securities	**28,174**	24,342	—	3,832
Securities owned, at market	**14,607**	14,607	—	—
Total investments	**42,781**	**38,949**	**—**	**3,832**

Investments consist of the following as at December 31, 2022:

	Total $	Level 1 $	Level 2 $	Level 3 $
Marketable securities	20,628	16,972	—	3,656
Securities owned, at market	19,820	19,820	—	—
Total investments	40,448	36,792	—	3,656

Included in other assets are long-term private equity strategic investments of $31,478 [2022 – $32,917] valued using Level 3 inputs. Level 3 inputs includes an evaluation of current financial data and recent market transactions to assess the current value of the investment.

Long-term debt as at December 31, 2023 includes debentures with a fair value of $2,381,592 [2022 – $3,039,446], as determined by quoted market prices, which have been classified as Level 2 in the fair value hierarchy.

Included in provisions and other financial liabilities as at December 31, 2023 are put options payable on non-controlling interests of $61,418 [2022 – $50,225], contingent consideration payable of $150,728 [2022 – $365,935] and redeemable share liability (including accrued interest) of $75,083.

The fair value of the put option payable and contingent consideration payable was determined using a combination of the discounted cash flow or earnings multiple methods, and Monte-Carlo simulations and weighted probability approaches, which are based on significant inputs that are considered Level 3 inputs. The valuation of the put option payable also included assumptions regarding the timing in which the minority shareholders will require CI to purchase these non-controlling interests.

The Preferred Share Liability was issued by Corient US Holdings and is further described in Note 8. The Preferred Share Liability is measured at fair value and is classified as Level 3 in the fair value hierarchy. Management uses a probability weighted discounted cashflow to determine the expected value of the minimum return to the investors and option pricing model to estimate the value of the embedded option at each expected exit time in order to determine the expected pay off under the Preferred Share Liability and an earnings multiple model to simulate the value of Corient US Holdings' equity at each stage of the Preferred Share Liability's term.

December 31, 2023 and 2022 • *[in thousands of Canadian dollars, except per share amounts]

In determining fair value of contingent consideration payable, the acquired business's future performance is estimated using financial projections for the acquired business. These financial projections, as well as alternative scenarios of financial performance, are measured against the performance targets specified in each respective acquisition agreement. In addition, discount rates are established based on the cost of debt and the cost of equity. The fair value of certain put option arrangements includes a projection of future performance, discounted based on the cost of equity and a risk premium. Otherwise, the fair value of put option arrangements is based on the exchange value of the subsidiary redeemable instruments, calculated using an earnings multiple approach.

Significant unobservable inputs include forecasted average annualized earnings growth rates, annual revenue growth rates, discount rates and volatility. The estimated fair value of put option payable and contingent consideration payable would increase (decrease) if the forecasted growth rate was higher (lower), if the annual revenue growth rate was higher (lower), if the discount rate was lower (higher) or if volatility was higher (lower). The weighted average input values were calculated in proportion to the weights of contingent consideration payable under each acquisition.

Inputs used in the fair value measurement of the Preferred Share Liability and contingent consideration payable as of December 31, 2023 and 2022 are summarized below.

Quantitative Information about Level 3 Fair Value Measurements - December 31, 2023

Fair value	Valuation Technique	Unobservable Inputs	Range	Weighted average
$			%	%
1,481,406	Probability weighted discounted cashflow and option pricing model	Present value of expected Fixed Return Price (based on probability weighting and present value)	$38,731.2 to $656,350.3	$ 1,444,278.0
		Volatility	35.7	N/A
106,727	Monte-Carlo simulation model	Forecasted average annualized earnings growth rates	8.9 to 36.5	12.7
		Annual revenue growth rates	2.5 to 12.0	8.3
		Discount rates	10.8 to 23.5	14.4
		Volatility	18.5 to 20.0	19.5

Quantitative Information about Level 3 Fair Value Measurements - December 31, 2022

Fair value	Valuation Technique	Unobservable Inputs	Range	Weighted average
$			%	%
365,935	Monte-Carlo simulation model	Forecasted average annualized earnings growth rates	(11.2) to 40.9	9.6
		Annual revenue growth rates	3.1 to 19.2	10.5
		Discount rates	8.1 to 24.1	10.8
		Volatility	9.6 to 23.9	17.9

15. RISK MANAGEMENT

Risk management is an integrated process with independent oversight. Management has developed an enterprise-wide approach to risk management that involves executives in each core business unit and operating area of CI. Using a quantitative and qualitative analysis, risk factors are assessed and procedures are implemented to mitigate the various events that could impact CI's financial position and results of operations.

CI's financial instruments bear the following financial risks:

[A] MARKET RISK

Market risk is the risk of a financial loss resulting from adverse changes in underlying market factors, such as interest rates, foreign exchange rates, and equity prices. CI's Corporate Finance Group reviews the exposure to interest rate risk, foreign exchange risk and price risk by identifying, monitoring and reporting potential market risks to the Chief Financial Officer. A description of each component of market risk is described below:

- Interest rate risk is the risk of loss due to the volatility of interest rates.
- Foreign exchange risk is the risk of loss due to volatility of foreign exchange rates.
- Price risk is the risk of loss due to changes in prices and volatility of financial instruments.

CI's financial performance is indirectly exposed to market risk. Any decline in financial markets or lack of sustained growth in such markets may result in a corresponding decline in the performance and may adversely affect CI's assets under management and financial results.

(i) Interest rate risk

Interest rate risk arises from the possibility that changes in interest rates will affect the value of financial instruments. Fluctuations in interest rates have a direct impact on the interest payments CI makes on its long-term debt. Debt outstanding on CI's credit facility of $375,000 [2022 – $320,000] is borrowed at a floating interest rate.

Based on the amount borrowed under the credit facility as at December 31, 2023, each 0.50% increase or decrease in interest rates would result in annual interest expense increasing or decreasing by $1,875 [2022 – $1,600], respectively.

(ii) Foreign exchange risk

CI is exposed to foreign exchange risk primarily from its investment in foreign subsidiaries operating in the United States, Australia and Hong Kong and from long-term debt denominated in U.S. dollars.

December 31, 2023 and 2022 • *[in thousands of Canadian dollars, except per share amounts]

The following table provides the impact on net income and other comprehensive income ["OCI"] of a 10% change in the value of foreign currencies with respect to CI's net financial assets as at December 31, 2023:

	10% strengthening of foreign exchange rate on net income	**10% strengthening of foreign exchange rate on OCI**	**10% weakening of foreign exchange rate on net income**	**10% weakening of foreign exchange rate on OCI**
United States dollar	(304,529)	135,893	304,529	(135,893)
Australian dollar	9,392	(980)	(9,392)	980
Hong Kong dollar	134	—	(134)	—

The following table provides the impact on net income and OCI of a 10% change in the value of foreign currencies with respect to CI's net financial assets as at December 31, 2022:

	10% strengthening of foreign exchange rate on net income	**10% strengthening of foreign exchange rate on OCI**	**10% weakening of foreign exchange rate on net income**	**10% weakening of foreign exchange rate on OCI**
United States dollar	(246,652)	(29,819)	246,652	29,819
Australian dollar	233	1,208	(233)	(1,208)
Hong Kong dollar	(23)	—	23	—

[iii] Price risk

CI incurs price risk through its investments of $42,781 [2022 – $40,448]. Based on the carrying amount of these assets, an increase or decrease in prices by 10% would result in estimated gains or losses of $4,278 [2022 – $4,045], respectively.

[B] LIQUIDITY RISK

Liquidity risk arises from the possibility that CI will encounter difficulties in meeting its financial obligations as they fall due. CI manages its liquidity risk through a combination of cash received from operations as well as borrowings under its revolving credit facility. Liquidity is monitored through a daily cash management process that includes the projection of cash flows to ensure CI meets its funding obligations.

December 31, 2023 and 2022 • *[in thousands of Canadian dollars, except per share amounts]

CI's liabilities have contractual maturities, excluding interest payments, as follows:

	Total $	2024 $	2025 $	2026 $	2027 $	2030 $	2051 $
Accounts payable and accrued liabilities	**394,227**	394,227	—	—	—	—	—
Dividends payable	**61,528**	61,528	—	—	—	—	—
Redeemable unit liabilities (*)	**18,790**	18,790	—	—	—	—	—
Client and trust funds payable	**1,068,809**	1,068,809	—	—	—	—	—
Long-term debt	**3,528,413**	437,658	476,238	—	149,924	1,272,048	1,192,545
Deferred consideration	**206,149**	204,705	1,444	—	—	—	—
Contingent consideration	**150,728**	117,961	30,187	2,580	—	—	—
Put option	**61,418**	4,286	55,886	—	1,246	—	—
Redeemable share liability *[note 2]*	**75,083**	75,083	—	—	—	—	—
Total	**5,565,145**	**2,383,047**	**563,755**	**2,580**	**151,170**	**1,272,048**	**1,192,545**

(*) The redeemable unit liabilities in the table above are for distributions payable and excludes the remaining redeemable unit liabilities of $1,071,206 which is accounted for under IFRS 2, *Share-based payments*. The redeemable unit liabilities are classified as current as holders do not have an unconditional right to defer settlement of the liability for a period longer than twelve months.

[C] CREDIT RISK

Credit risk is the risk of loss associated with the inability of a third party to fulfill its payment obligations. CI is exposed to the risk that third parties that owe it money, securities or other assets will not perform their obligations. Expected credit losses associated with CI's financial assets are insignificant.

As at December 31, 2023, financial assets of $1,521,475 [2022 – $1,662,367], represented by client and trust funds on deposit of $1,073,378 [2022 – $1,306,595], accounts receivable of $331,730 [2022 – $260,102] and other assets of $116,367 [2022 – $95,669], were exposed to credit risk. CI does not have a significant exposure to any individual counterparty. Credit risk is mitigated by regularly monitoring the credit performance of each individual counterparty and holding collateral, where appropriate.

Client and trust funds on deposit consist mainly of cash deposits or unsettled trade receivables. CI may also extend amounts to clients on a margin basis for security purchases. Margin loans are due on demand and are collateralized by the financial instruments in the client's account. CI faces a risk of financial loss in the event a client fails to meet a margin call if market prices for securities held as collateral decline and if CI is unable to recover sufficient value from the collateral held. The credit extended is limited by regulatory requirements and by CI's internal credit policy. Credit risk is managed by dealing with counterparties CI believes to be creditworthy and by actively monitoring credit and margin exposure and the financial health of the counterparties.

CI's accounts receivable consist primarily of management fees receivable, amounts due to CI from the government agencies with respect to input tax credits and other short-term receivables due within 90 days.

December 31, 2023 and 2022 • *[in thousands of Canadian dollars, except per share amounts]

Securities lending and borrowing agreements consist of the following as at December 31, 2023:

	Cash $	Securities $
Loaned or delivered as collateral	2,295	1,879
Borrowed or received as collateral	774	642

Securities lending and borrowing agreements consist of the following as at December 31, 2022:

	Cash $	Securities $
Loaned or delivered as collateral	2,913	2,693
Borrowed or received as collateral	943	769

CI uses securities lending and borrowing to facilitate the securities settlement process. These transactions are typically short-term in nature, fully collateralized by either cash or securities and subject to daily margin calls for any deficiency between the market value of the security given and the amount of collateral received. CI manages its credit exposure by establishing and monitoring aggregate limits by counterparty for these transactions. Cash loaned or delivered as collateral is included in accounts receivable and cash borrowed or received as collateral is included in accounts payable and accrued liabilities.

Other assets consist mainly of long-term investments, long-term accounts receivable, employee loans to acquire shares of CI and Class A Units in Corient Partners and loans extended to investment advisors under CI's hiring and incentive program. Employee loans are collateralized by CI's shares and the Class A units in Corient Partners and become due immediately upon termination of the employee or upon the sale of the shares held as collateral. Commissions may be used to offset loan amounts made to investment advisors in the event of default. Credit risk associated with other assets is limited given the nature of the relationship with the counterparties.

16. CAPITAL MANAGEMENT

CI's objectives in managing capital are to maintain a capital structure that allows CI to meet its growth strategies and build long-term shareholder value, while satisfying its financial obligations. CI's capital comprises shareholders' equity and long-term debt (including the current portion of long-term debt).

CI and its subsidiaries are subject to minimum regulatory capital requirements whereby sufficient cash and other liquid assets must be on hand to maintain capital requirements rather than using them in connection with its business. As at December 31, 2023, cash and cash equivalents of $20,717 [2022 – $13,879] were required to be on hand for regulatory capital maintenance. Failure to maintain required regulatory capital by CI may result in fines, suspension or revocation of registration by the relevant securities regulator. CI from time to time provides loans to its subsidiaries for operating purposes and may choose to subordinate these loans in favour of general creditors. The repayment of subordinated loans is subject to regulatory approval. As at December 31, 2023 and 2022, CI met its capital requirements.

December 31, 2023 and 2022 • [in thousands of Canadian dollars, except per share amounts]

CI's capital consists of the following:

	As at December 31, 2023 $	As at December 31, 2022 $
Shareholders' equity	**1,027,762**	1,609,771
Long-term debt	**3,507,404**	4,216,214
Total capital	**4,535,166**	5,825,985

17. COMMITMENTS

LEASE COMMITMENTS

CI has entered into leases relating to the rental of office premises and computer equipment. CI has the option to renew certain leases. The approximate future minimum annual rental payments under such leases are as follows:

	$
2024	37,500
2025	47,045
2026	43,301
2027	42,466
2028	40,428
2029+	253,737
Total	**464,477**

ADVISOR SERVICES AGREEMENTS

CI is a party to certain advisor services agreements, which provide that the advisor has the option to require CI to purchase a practice that cannot otherwise be transitioned to a qualified buyer. The purchase price would be in accordance with a pre-determined formula contained in the advisor services agreements.

LOAN GUARANTEES

CIPW issued Class A units and in some cases, provided bridge loan financing to the holders to allow them to finance their purchases of Class A units. During 2023, the majority of employees refinanced their initial bridge loans through third-party banks. Under this arrangement, employees and partners pledged their holdings of Class A units as collateral and directed the funds received from third-party banks towards the settlement of their initial bridge loans from CI, which CI treated as an extinguishment. The performance on these loans were fully guaranteed by CI and require CI to make payments to the banks based on employees' failure to pay when due. As such, CI is exposed to borrowers' credit risk under the loans held by third-party banks. Refer to Note 9 for additional information.

Under the guarantee arrangement, in certain cases CI continues servicing the loans for no additional fee by directing a portion of employee distributions towards the settlement of principal and interest under the loans. In addition, CI has the option to purchase the loans from third-party banks at any time. This option is not considered a derivative.

CI recognized a separate liability under the financial guarantee arrangement and initially measured and recorded the value of the guarantee at its fair value of $6,800 [2022 – $10,819]. The fair value of the guarantee liability at initial recognition was determined based on the reduction in rates provided to the borrowers by the third-party banks. The initial fair value of the guarantee is being amortized over 7-10 years using a straight-line amortization method.

CI's maximum exposure to loss from the guarantee is equal to the value of the outstanding loan (principal, unpaid interest and any enforcements costs) less any amounts collectible from the borrower under CI's recourse rights. As at December 31, 2023 CI determined the risk of default under the guarantees provided to be negligible and has not recorded a material provision for expected credit losses.

In addition, CI has agreed to guarantee up to $50,000 of Assante advisor loans granted by the Bank of Nova Scotia for the purpose of purchasing advisor practices.

INDEMNITIES

CI has agreed to indemnify its directors and officers, and certain of its employees in accordance with its by-laws. CI maintains insurance policies that may provide coverage against certain claims.

18. SEGMENTED INFORMATION

CI has three reportable segments: Asset Management, Canada Wealth Management and U.S. wealth management.

- The Asset management segment includes the results of our asset management business in Canada, which operates under the brand CI Global Asset Management in addition to our asset management business in Australia, in addition to all costs associated with the parent company, corporate or public related expenses.
- The Canada wealth management segment includes the results of our wealth management operations in Canada which operate under the brands Assante Wealth Management, CI Private Counsel, CI Investment Services, CI Direct Investing, Aligned Capital, Northwood and Coriel.
- The U.S. wealth management segment comprises wealth management businesses operating across the United States as affiliates of Corient US Holdings, in addition to strategic investments in alternative investment providers.

December 31, 2023 and 2022 • *[in thousands of Canadian dollars, except per share amounts]

Segmented information as at and for the year ended December 31, 2023 is as follows:

	Asset Management	Canada Wealth Management	U.S. Wealth Management	Intersegment eliminations and non-segmented items	Total
	$	$		$	$
Asset management fees	**1,508,692**	**—**	**—**	**(17,754)**	**1,490,938**
Trailer fees	**(486,770)**	**—**	**—**	**30,030**	**(456,740)**
Net asset management fees	**1,021,922**	**—**	**—**	**12,276**	**1,034,198**
Canada wealth management fees	**—**	**753,049**	**—**	**(170,252)**	**582,797**
U.S. wealth management fees	**—**	**—**	**873,931**	**—**	**873,931**
Other revenues	**18,525**	**124,595**	**31,084**	**(38,080)**	**136,124**
Foreign exchange gains (losses)	**33,738**	**(1,135)**	**(2,653)**	**—**	**29,950**
Other gains	**16,649**	**6**	**72,349**	**—**	**89,004**
Total net revenues	**1,090,834**	**876,515**	**974,711**	**(196,056)**	**2,746,004**
Selling, general and administrative	**419,431**	**201,292**	**808,768**	**(59,582)**	**1,369,909**
Advisor and dealer fees	**—**	**576,563**	**—**	**(136,473)**	**440,090**
Interest and lease finance	**2,193**	**1,274**	**8,836**	**164,694**	**176,998**
Amortization and depreciation	**15,514**	**17,205**	**23,669**	**—**	**56,388**
Amortization of intangible assets from acquisitions	**2,434**	**8,756**	**124,095**	**—**	**135,285**
Transaction, integration, restructuring and legal	**38,864**	**6,173**	**88,510**	**—**	**133,547**
Change in fair value of contingent consideration	**6,805**	**9,373**	**72,252**	**—**	**88,430**
Change in fair value of Preferred Share Liability	**—**	**—**	**156,885**	**—**	**156,885**
Other expenses	**1,017**	**31,271**	**6,482**	**—**	**38,770**
Total expenses	**486,258**	**851,907**	**1,289,497**	**(31,361)**	**2,596,302**
Income (loss) before income taxes	**604,576**	**24,608**	**(314,786)**	**(164,695)**	**149,702**
Provision for income taxes					**143,613**
Net income for the year					**6,089**
Indefinite-life intangibles					
Goodwill	**1,311,999**	**374,035**	**2,681,388**	**—**	**4,367,422**
Fund contracts	**1,772,670**	**—**	**25,000**	**—**	**1,797,670**
Total indefinite-life intangibles	**3,084,669**	**374,035**	**2,706,388**	**—**	**6,165,092**

December 31, 2023 and 2022 • [in thousands of Canadian dollars, except per share amounts]

Segmented information as at and for the year ended December 31, 2022 is as follows:

	Asset Management	Canada Wealth Management	U.S. Wealth Management	Intersegment eliminations and non-segmented items	Total
	$	$		$	$
Asset management fees	1,624,666	—	—	(17,866)	1,606,800
Trailer fees	(526,499)	—	—	32,019	(494,480)
Net asset management fees	1,098,167	—	—	14,153	1,112,320
Canada wealth management fees	—	709,790	—	(179,108)	530,682
U.S. wealth management fees	—	—	687,607	—	687,607
Other revenues	25,947	93,099	16,395	(39,707)	95,734
Foreign exchange gains (losses)	(80,246)	147	(33)	—	(80,132)
Other gains (losses)	(11,907)	—	3	—	(11,904)
Total net revenues	1,031,961	803,036	703,972	(204,662)	2,334,307
Selling, general and administrative	387,060	175,054	518,468	(60,533)	1,020,049
Advisor and dealer fees	—	550,166	—	(144,128)	406,038
Interest and lease finance	3,952	117	2,548	145,470	152,087
Amortization and depreciation	19,618	11,688	18,062	—	49,368
Amortization of intangible assets from acquisitions	2,437	7,820	95,487	—	105,744
Transaction, integration, restructuring and legal	15,002	1,673	46,068	—	62,743
Change in fair value of contingent consideration	4,925	651	21,851	—	27,427
Other expenses	7,139	24,738	2,770	—	34,647
Total expenses	440,133	771,907	705,254	(59,191)	1,858,103
Income (loss) before income taxes	591,828	31,129	(1,282)	(145,471)	476,204
Provision for income taxes					174,375
Net income for the year					301,829
Indefinite-life intangibles					
Goodwill	1,312,559	358,670	2,396,660	—	4,067,889
Fund contracts	1,774,174	—	25,546	—	1,799,720
Total indefinite-life intangibles	3,086,733	358,670	2,422,206	—	5,867,609

December 31, 2023 and 2022 • [in thousands of Canadian dollars, except per share amounts]

Geographic segment information:

Revenue from external customers	2023 $	2022 $
Canada	**2,183,854**	2,073,029
United States	**985,258**	715,811
Australia	**33,632**	39,947
Total	**3,202,744**	2,828,787

Non-current assets	2023 $	2022 $
Canada	**3,682,593**	3,689,906
United States	**4,519,459**	4,078,262
Australia	**104,090**	106,757
Hong Kong	**7**	3
Total	**8,306,149**	7,874,928

19. COMPENSATION OF KEY MANAGEMENT

The remuneration of directors and other key management personnel of CI during the years ended December 31 is as follows:

	2023 $	2022 $
Cash compensation	**8,594**	9,946
Equity-based compensation	**12,296**	10,210
Total	**20,890**	20,156

20. AMORTIZATION AND DEPRECIATION

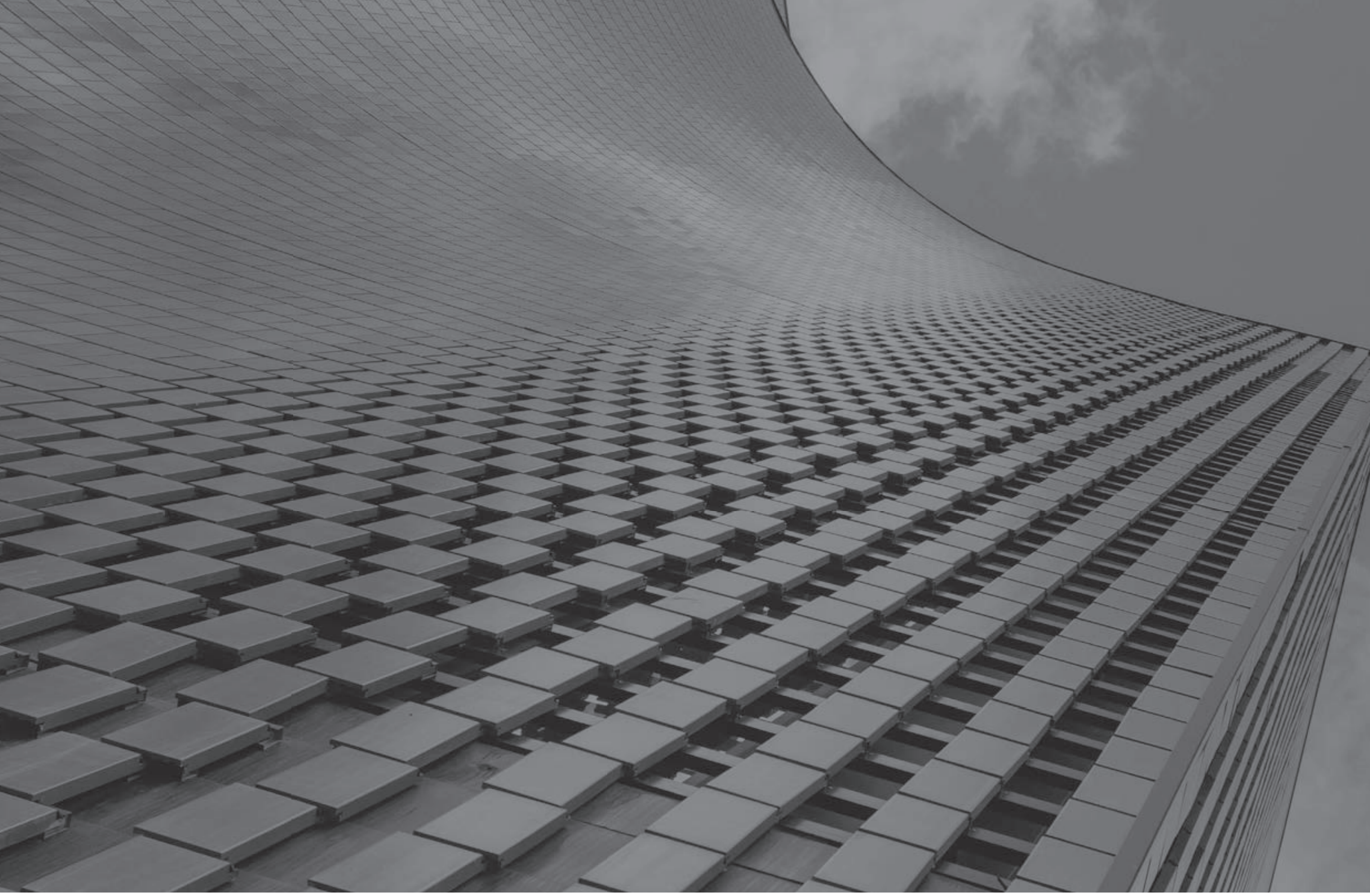
The following table provides details of amortization and depreciation:

	2023 $	2022 $
Depreciation of capital assets	**14,759**	12,501
Depreciation of right-of-use assets	**25,076**	22,022
Amortization of intangibles	**149,206**	118,724
Amortization of debenture transaction costs	**2,632**	1,865
Total amortization and depreciation	**191,673**	155,112

21. SUBSEQUENT EVENT

On January 1, 2024 CI announced it reached an agreement to sell its joint venture with Axia Real Assets LP [“Axia”]. The current carrying value of the investment is $326 and has been classified as held for sale as at December 31, 2023.

On February 29, 2024, Aligned shareholders elected to settle their put to CI.



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TRADING SYMBOL

CI Financial trades on the Toronto Stock Exchange under the symbol "CIX".

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DIGITAL REPORT

This Annual Report can be downloaded from the Investor Relations section of CI's website (www.cifinancial.com) under "Financials."

ANNUAL MEETING OF SHAREHOLDERS

The Annual Meeting of Shareholders will be held at 2 p.m. EDT on June 26, 2024. The meeting will be held in a virtual-only format by way of live audio webcast. Instructions on how to access the webcast and vote at the virtual meeting will be posted to the Investor Relations section of www.cifinancial.com.