

## Clairvest Reports Fiscal 2021 First Quarter Results

TORONTO, Aug. 11, 2020 -- Clairvest Group Inc. (TSX: CVG) today reported results for the fiscal 2021 first quarter ended June 30, 2020 and material events which occurred subsequent to quarter end. *(All figures are in Canadian dollars unless otherwise stated)*

### Highlights

- June 30, 2020 book value was \$893.0 million or \$59.27 per share versus \$837.4 million or \$55.55 per share as at March 31, 2020
- Net income for the first quarter of fiscal 2021 was \$64.4 million or \$4.27 per share
- Clairvest and Clairvest Equity Partners VI ("CEP VI") completed a US\$29.3 million equity investment in NovaSource Power Services ("NovaSource"). Subsequent to quarter end, NovaSource announced agreement to acquire First Solar Energy Services
- Clairvest and CEP VI completed a US\$10.0 million equity investment in Arrowhead Environmental Partners ("AEP")
- Subsequent to quarter end, Digital Media Solutions ("DMS"), an investee company of Clairvest and Clairvest Equity Partners V ("CEP V"), completed its transaction with Leo Holdings Corp., becoming a publicly traded company on the NYSE (NYSE: DMS)
- Subsequent to quarter end, Clairvest paid an annual ordinary dividend of \$1.5 million, or \$0.10 per share, and a special dividend of \$6.9 million, or \$0.4555 per share, both declared during the first quarter of fiscal 2021 and paid on July 24, 2020

Clairvest's book value was \$893.0 million or \$59.27 per share as at June 30, 2020, compared with \$837.4 million or \$55.55 per share as at March 31, 2020. The increase in book value per share for the quarter was primarily attributable to net income for the quarter of \$64.4 million, or \$4.27 per share net of \$8.4 million or \$0.5555 per share of dividends accrued as at June 30, 2020. The net income arose from the increase in a number of the investee company values, partially offset by declines in others.

In May 2020, Clairvest and CEP VI made a US\$29.3 million investment to acquire a combined 86% ownership in the solar operations and maintenance business of SunPower Corporation. Upon closing, the acquired business unit was renamed NovaSource Power Services. Clairvest's portion of the investment was US\$8.3 million (C\$11.4 million) following a partial sale down to NovaSource management for an effective 24% ownership in NovaSource. Subsequent to quarter end, NovaSource announced it had entered into an agreement with First Solar, Inc. to acquire its operations and maintenance division, First Solar Energy Services. The transaction will be funded through a combination of third-party term debt and equity from Clairvest and CEP VI. The proposed transaction is subject to customary closing conditions, including obtaining various contractual consents and regulatory approvals, and is anticipated to close in late calendar 2020. There can be no assurance that the transaction will be consummated.

In June 2020, Clairvest and CEP VI made a US\$10.0 million minority equity investment in AEP, a non-hazardous waste-by-rail operator in Northeastern United States markets. Clairvest's portion of the investment was US\$2.7 million (C\$3.7 million) in the form of Class B preferred units for an effective 11.3% ownership in AEP.

Subsequent to quarter end, in July 2020, DMS, an investee company of Clairvest and CEP V, completed its transaction with Leo Holdings Corp., becoming publicly traded on the NYSE under the symbol DMS. Upon the completion of the transaction, Clairvest and CEP V received cash proceeds of US\$7.9 million and US\$18.5 million respectively and 6,058,016 and 14,135,371 Class A common shares of DMS respectively, which in aggregate represents approximately 34.7% of total outstanding shares of DMS. Clairvest and CEP V are subject to a 6-month hold period on their DMS shares and have customary registration rights and would expect any sale of such shares to be conducted pursuant to a resale prospectus. Clairvest and CEP V also received 276,653 and 645,524 publicly traded warrants (NYSE: DMS WS) respectively, which are convertible into Class A common shares at an exercise price of USD\$11.50 per warrant.

Also subsequent to quarter end, Clairvest paid an annual ordinary dividend of \$0.10 per share and a special dividend of \$0.4555 per share, such that in aggregate, the dividends represent 1% of the March 31, 2020 book value. Both dividends were paid on July 24, 2020 to common shareholders of record as at July 3, 2020 and are eligible dividends for Canadian income tax purposes.

### Summary of Financial Results – Unaudited

Financial Results	Quarter ended	
	2020	2019
(\$000's, except per share amounts)	\$	\$
Net investment gain <sup>(1)</sup>	74,690	19,484

Net carried interest from Clairvest Equity Partners III and IV	(7,885)	2,244
Distributions, interest income, dividends and fees	11,142	6,553
Total expenses, excluding income taxes	6,287	23,188
Net income and comprehensive income	64,352	5,878
Basic and fully diluted net income per share	4.27	0.39

Financial Position	June 30, 2020	March 31, 2020
(\$000's, except share information and per share amounts)	\$	\$
Total assets	1,009,153	944,878
Total cash, cash equivalents and temporary investments	358,967	428,856
Carried interest from Clairvest Equity Partners III and IV	35,824	44,409
Corporate investments <sup>(1)</sup>	493,762	400,291
Total liabilities	116,158	107,463
Management participation from Clairvest Equity Partners III and IV	27,266	34,115
Book value <sup>(2)</sup>	892,995	837,415
Common shares outstanding	15,066,301	15,075,301
Book value per share <sup>(2)</sup>	59.27	55.55

(1) Includes carried interest (\$37,276) and management participation (\$26,736) from Clairvest Equity Partners V and VI.

(2) Book value is a Non-IFRS measure calculated as the value of total assets less the value of total liabilities. The term book value does not have any standardized meaning according to IFRS and therefore may not be comparable to similar measures presented by other companies. There is no comparable IFRS measure presented in Clairvest's consolidated financial statements and thus no applicable quantitative reconciliation for such non-IFRS financial measure. The Company has calculated book value consistently for many years and believes that book value can provide information useful to its shareholders in understanding its performance, and may assist in the evaluation of its business relative to that of its peers.

Clairvest's first quarter fiscal 2021 financial statements and MD&A are available on the SEDAR website at [www.sedar.com](http://www.sedar.com) and the Clairvest website at [www.clairvest.com](http://www.clairvest.com).

## About Clairvest

*Clairvest Group Inc. is a private equity investor which invests its own capital, and that of third parties through the Clairvest Equity Partners ("CEP") limited partnerships, in businesses that have the potential to generate superior returns. In addition to providing financing, Clairvest contributes strategic expertise and execution ability to support the growth and development of its investee partners. Clairvest realizes value through investment returns and the eventual disposition of its investments.*

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## Forward-looking Statements

*This news release contains forward-looking statements with respect to Clairvest Group Inc., its subsidiaries, its CEP limited partnerships and their investments. These statements are based on current expectations and are subject to known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Clairvest, its subsidiaries, its CEP limited partnerships and their investments to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such factors include general and economic business conditions and regulatory risks. Clairvest is under no obligation to update any forward-looking statements contained herein should material facts change due to new information, future events or otherwise.*

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