

EARNINGS RELEASE

GMP CAPITAL INC. REPORTS SECOND QUARTER 2020 RESULTS

- Net working capital as at June 30, 2020, was \$122.8 million
- AUA¹ at Richardson GMP of \$28.3 billion as at June 30, 2020, rebounds from low of \$23.5 billion at the height of the COVID-19 pandemic in March
- Richardson GMP enters into strategic alliance with Cormark Securities
- GMP, RFGL and the two investment advisor representatives on Richardson GMP's board of directors continuing to work toward entering into a definitive agreement for the consolidation of 100% of Richardson GMP under GMP
- GMP provides important update on preferred share dividends
- GMP adopts Advance Notice By-law

For further information about GMP Capital Inc., our results for second quarter 2020 and the meaning of certain references, this earnings release should be read in conjunction with our unaudited interim condensed consolidated financial statements as at and for the three and six months ended June 30, 2020 (Second Quarter 2020 Financial Statements) and our management's discussion and analysis for the three and six months ended June 30, 2020 (Second Quarter 2020 MD&A) and our annual information form, which can be accessed on our website at gmpcapital.com and on SEDAR at sedar.com. Unless otherwise indicated, all dollar amounts are expressed in Canadian dollars and have been taken from our Second Quarter 2020 Financial Statements prepared in accordance with International Financial Reporting Standards (IFRS).

Toronto, July 31, 2020 - GMP Capital Inc. (GMP) (TSX: GMP) today reported a net loss from continuing operations of \$1.8 million in second quarter 2020 compared with a net loss of \$0.5 million in second quarter 2019. The \$1.3 million change from second quarter last year was due largely to several factors including:

- \$0.9 million in lower tax recoveries in second quarter 2020 compared with second quarter 2019;
- \$0.8 million decline in the net contribution from our former Emerging Markets operations this quarter compared with second quarter 2019;
- \$0.6 million decrease in GMP's proportionate share of Richardson GMP's net income/loss;
- \$0.4 million decrease in interest revenue reflecting a lower interest rate environment;
- \$0.3 million decrease in net contribution from our stock borrowing and lending business; and
- partly offset by \$1.7 million increase in other revenue largely due to higher carrying broker services provided to Stifel Nicolaus Canada Inc.'s (Stifel) capital markets business and higher foreign exchange revenue recorded in second quarter 2020.

Discontinued Operations

Net loss from discontinued operations was \$0.6 million in second quarter 2020 compared with a net loss of \$3.3 million in second quarter 2019. For further information relating to Discontinued Operations, please refer to Note 6 to the Second Quarter 2020 Financial Statements.

Consolidated Results

Net loss in second quarter 2020 was \$2.4 million compared with a net loss of \$3.8 million in second quarter 2019. The change was largely due to a higher net loss from discontinued operations recorded in second quarter 2019 partly offset by a \$0.8 million decline in the net contribution from our Emerging Markets operations this quarter compared with second quarter 2019. As noted above, the Company's Emerging Markets business is being wound down.

1. Considered to be a non-GAAP financial measure. This measure does not have any standardized meaning prescribed by GAAP under IFRS and is therefore unlikely to be comparable to similar measures presented by other issuers.

“The results for the quarter are as expected pending the outcome of GMP’s Special Committee’s discussions on the potential consolidation of 100% ownership of Richardson GMP under GMP,” said Kishore Kapoor, Interim President and Chief Executive Officer, GMP. “While we await the outcome of these discussions, we continue to manage the business prudently and safely through these challenging times. We are also encouraged by Richardson GMP’s assets under administration strong \$4.8 billion or 20.4% bounce back from the March lows caused by the global market sell-off attributed to the COVID-19 pandemic,” added Kapoor.

The following table sets forth an overview of the financial results of the Company for the periods presented.

(\$000, except as otherwise noted)	Three months ended June 30,		% increase/ (decrease)	Six months ended June 30,		% increase/ (decrease)
	2020	2019		2020	2019	
Revenue	7,070	8,737	(19)	15,898	17,917	(11)
Investment banking and principal transactions	—	1,527	(100)	—	2,453	(100)
Interest	2,177	4,007	(46)	5,816	7,748	(25)
Other	4,893	3,203	53	10,082	7,716	31
Expenses	8,565	10,382	(18)	19,942	20,545	(3)
Employee compensation and benefits	2,490	3,087	(19)	5,531	6,142	(10)
Non-compensation expenses	6,075	7,295	(17)	14,411	14,403	—
Share of net income of associate	(473)	137	n.m.	(359)	1,082	(133)
Loss before income taxes	(1,968)	(1,508)	(31)	(4,403)	(1,546)	(185)
Net (loss) income from continuing operations	(1,787)	(462)	(287)	(4,825)	(298)	n.m.
Net income (loss) from discontinued operations	(564)	(3,347)	83	(444)	(18,991)	98
Net loss	(2,351)	(3,809)	38	(5,269)	(19,289)	73
Net loss per Common Share (dollars) from continuing operations:						
Basic	(0.04)	(0.02)	(100)	(0.10)	(0.04)	(150)
Diluted	(0.04)	(0.02)	(100)	(0.10)	(0.04)	(150)
Net loss per Common Share (dollars):						
Basic	(0.05)	(0.07)	29	(0.11)	(0.31)	65
Diluted	(0.05)	(0.07)	29	(0.11)	(0.31)	65
Regular cash dividend declared per Common Shares (dollars):	—	0.025	(100)	0.025	0.050	(50)
ROE¹ from continuing operations	(14.1) %	(4.7) %	(197)	(16.3) %	(3.4) %	n.m.

n.m.= not meaningful

1. Considered to be non-GAAP financial measures. These measures do not have any standardized meaning prescribed by GAAP under IFRS and are therefore unlikely to be comparable to similar measures presented by other issuers. This data should be read in conjunction with the “Presentation of Financial Information and Non-GAAP Measures” section of this press release.

Working Capital

The Company reported net working capital as at June 30, 2020, of \$122.8 million compared with \$126.1 million as at March 31, 2020. The \$3.3 million decline in the quarter is due to:

- the payment of \$1.1 million in preferred dividends;
- \$1.4 million net loss from continuing operations (net of non-cash \$0.5 million share of net loss of associate included in loss from continuing operations);
- \$0.4 million payment of Part VI.1 tax relating to payment of dividends on preferred shares;
- \$0.6 million loss from discontinued operations;
- \$0.1 million of professional fees incurred relating to the potential consolidation of 100% of the ownership in Richardson GMP under GMP (the RGMP transaction);
- \$0.3 million foreign exchange loss reported in comprehensive income;
- partly offset by \$0.6 million tax recoveries relating to prior periods.

In addition, the Company also has promissory notes payable to former owners of FirstEnergy Capital Holdings Corp. (FirstEnergy) in the amount of \$15.6 million. These notes are, in part, offset by promissory notes receivable from Stifel in the amount of \$2.8 million. Both the payable and receivable are non-current and are due in September 2021.

COVID-19 UPDATE

The outbreak of the novel strain of coronavirus, specifically identified as “COVID-19”, has resulted in governments worldwide enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods and social distancing, may cause material disruption to businesses globally resulting in an economic slowdown and heightened global equity market volatility. Governments and central banks have responded with significant monetary and fiscal interventions designed to stabilize economic conditions. The duration and full impact of the COVID-19 outbreak is unknown at this time, as is the efficacy of the government and central bank interventions. It is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and condition of the Company and its operating subsidiaries or business affiliates in future periods.

POTENTIAL RGMP TRANSACTION UPDATE

On April 14, 2020, GMP, Richardson Financial Group Limited and the two investment advisor representatives on Richardson GMP’s board (the RGMP Shareholders) jointly agreed to extend the contractual negotiating period between Richardson GMP’s shareholders to 60 days following the termination of Ontario’s Declaration of Emergency. Following the Ontario Government’s termination of its Declaration of Emergency on July 24, 2020, the negotiating period will end no later than September 22, 2020 pursuant to the RGMP liquidity mechanism process that was triggered on February 25, 2020. While discussions among the RGMP Shareholders remain ongoing, we are hopeful that a definitive agreement will be reached prior to that deadline. The Company cautions its shareholders and other stakeholders that there is no assurance that any transaction involving Richardson GMP will result from these discussions or on what terms or structure any transaction may occur.

The Shareholders Agreement, as amended, governing Richardson GMP, including material aspects of the RGMP liquidity mechanism process (the RGMP Liquidity Mechanism) that was triggered on February 25, 2020, is available on the SEDAR profile of GMP at www.sedar.com. For information regarding the Potential RGMP Transaction and the material aspects of the RGMP Liquidity Mechanism see the “General Development of the Business - Recent Developments - Potential Richardson GMP Transaction”, Potential Richardson GMP Transaction-related information included in “Risk Factors” and “Material Contracts” sections in the Company’s AIF. For more information on the Potential RGMP Transaction please review the February 26, 2020, press release on the Company’s website under the section entitled Investor Relations.

GMP ADOPTS ADVANCE NOTICE BY-LAW

On July 30, 2020, the Company’s board of directors (the Board) approved the adoption of an Advance Notice By-law, which establishes a clear framework to follow for advance notice requirements for director nominations by shareholders of the Company in connection with any annual or special meeting of the Company’s shareholders. The Advance Notice By-law is similar to the advance notice by-laws adopted by many other Canadian public companies.

Among other things, the Advance Notice By-law sets out a reasonable timeframe by which shareholders, who are seeking to nominate candidates for election as directors of the Company, must submit advance written notice of director nominations to GMP prior to any annual or special meeting of shareholders where directors are to be elected and sets forth the information that must be included in the notice for it to be valid. The Advance Notice By-law helps ensure that all shareholders receive adequate notice and information about director nominees in order to exercise their voting rights in an informed manner.

Pursuant to the Advance Notice By-law, to be timely, a shareholder's notice must be received as follows:

1. In the case of an annual meeting of shareholders (which includes an annual and special meeting), advance written notice to the Company must be received not less than 30 days prior to the date of the annual meeting of shareholders. In the event that the annual meeting is to be held on a date that is less than 50 days after the date on which the first public announcement of the date of the annual meeting was made, notice must be received not later than the close of business on the 10th day following the date on which the public announcement is first made by the Company.
2. In the case of a special meeting (which is not also an annual meeting) of shareholders called for the purpose of electing directors (whether or not called for other purposes), notice to the Company must be received no later than the close of business on the 15th day following the day on which the public announcement of the date of the special meeting of shareholders is first made by the Company.

The Advance Notice By-law is effective immediately and will be placed before shareholders for approval, confirmation and ratification at the next annual and special meeting of shareholders of the Company. Pursuant to the provisions of the *Business Corporations Act* (Ontario), the Advance Notice By-law will cease to be effective unless it is approved, ratified and confirmed by a resolution adopted by a majority of the votes cast by the shareholders of the Company at their next meeting. The full text of the Advance Notice By-law is available under the Company's profile at www.sedar.com.

SECOND QUARTER 2020 BUSINESS SEGMENT HIGHLIGHTS FROM CONTINUING OPERATIONS

Continuing operations are comprised of the new Operations Clearing, Wealth Management and Corporate segments. Prior period results have been re-stated to conform to new reporting segments.

Operations Clearing

(\$000, except as otherwise noted)	Three months ended		% increase/ (decrease)	Six months ended		% increase/ (decrease)
	June 30, 2020	2019		June 30, 2020	2019	
Revenue	6,561	6,944	(6)	15,477	14,941	4
Expenses	6,185	7,044	(12)	14,401	14,381	—
Employee compensation and benefits	1,290	1,351	(5)	3,359	3,048	10
Selling, general and administrative	3,240	2,470	31	6,293	5,007	26
Interest	1,526	2,787	(45)	4,492	5,450	(18)
Depreciation and amortization	129	436	(70)	257	876	(71)
Income (loss) before income taxes	376	(100)	476	1,076	560	92

Second quarter 2020 vs Second quarter 2019

Operations Clearing reported income before income taxes of \$0.4 million in second quarter 2020 compared with a loss before income taxes of \$0.1 million in second quarter 2019.

Revenues

Revenue in second quarter 2020 was \$6.6 million; down 6% compared with \$6.9 million in second quarter 2019. The decrease in revenue was led by lower interest revenue in connection with reduced activity in our stock borrowing and lending business, with a largely corresponding offset in lower interest expense. Partly offsetting this decrease was:

- higher carrying broker services provided to Richardson GMP and to Stifel's Canadian capital markets business this quarter, following the completion of the Sale Transaction on December 6, 2019, and
- higher foreign exchange revenue compared with the same period a year ago.

Expenses

Expenses of \$6.2 million decreased 12% or \$0.8 million in second quarter 2020 compared with second quarter 2019 largely due to the following:

- \$1.3 million reduced activity in our stock borrowing and lending business compared with second quarter 2019.

This was partly offset by:

- \$0.8 million increase in selling, general and administrative expenses compared with second quarter 2019 largely reflecting incremental trade clearing and settlement costs in connection with providing carrying broker services to Stifel's Canadian capital markets business, which commenced on December 6, 2019, following the completion of the Sale Transaction.

Wealth Management

The following table sets forth an overview of the financial results of the Wealth Management segment for the periods presented.

(\$000, except as otherwise noted)	Three months ended		% increase/ (decrease)	Six months ended		% increase/ (decrease)
	2020	2019		2020	2019	
Revenue	610	596	2	643	1,170	(45)
Expenses	36	16	122	50	22	127
Share of net (loss) income of associate ²	(473)	137	(446)	(359)	1,082	(133)
Income before income taxes	101	717	(86)	234	2,230	(90)

2. GMP's non-controlling ownership interest in Richardson GMP as at June 30, 2020, was approximately 34.1% (December 31, 2019 - 34.4%). Richardson GMP is considered an associate of GMP under IFRS and, accordingly, GMP's share of Richardson GMP's results are accounted for using the equity method.

3. Share of net (loss) income of associate reflects our share of Richardson GMP's net (loss) income attributable to common shareholders. For more information on Richardson GMP's second quarter 2020 financial performance, refer to the "Supplemental Information" section within this press release.

Second quarter 2020 vs Second quarter 2019

Wealth Management reported income before income taxes of \$0.1 million in second quarter 2020 compared with income before income taxes of \$0.7 million in second quarter 2019. These decreases largely reflect a reduction in GMP's proportionate share of Richardson GMP's net income/loss attributable to common shareholders amid COVID-induced challenging market conditions.

Total revenue reflects dividends received on our preferred share investments in Richardson GMP which were \$0.6 million in each of second quarter 2020 and second quarter 2019.

For more information on Richardson GMP's second quarter 2020 financial performance, refer to the "Supplemental Information" section within this press release.

Corporate

The Corporate segment primarily comprises enterprise-wide items, results of the Company's Emerging Markets business, corporate functions and public company costs. The following table sets forth the financial results for the Corporate segment for the periods presented.

(\$000, except as otherwise noted)	Three months ended June 30,		%	Six months ended June 30,		%
	2020	2019	increase/ (decrease)	2020	2019	increase/ (decrease)
Revenue	(101)	1,197	(108)	(221)	1,806	(112)
Expenses	2,343	3,323	(29)	5,491	6,141	(11)
Employee compensation and benefits	1,200	1,736	(31)	2,172	3,093	(30)
Non-compensation expenses	1,143	1,587	(28)	3,318	3,048	9
Loss before income taxes - reported	(2,445)	(2,126)	(15)	(5,712)	(4,335)	(32)
Pre-tax impact of adjusting items						
Potential RGMP Transaction costs	109	225	(52)	1,391	225	518
Emerging Markets Operations	108	(650)	117	306	(898)	134
Loss before income taxes - adjusted¹	(2,228)	(2,551)	13	(4,015)	(5,008)	20

1. Considered to be a non-GAAP financial measure. This measure does not have any standardized meaning prescribed by GAAP under IFRS and is therefore unlikely to be comparable to similar measures presented by other issuers. The majority of revenue in the Corporate segment reflects GMP's Emerging Markets business that was not acquired in connection with the sale of capital markets to Stifel on December 6, 2019, and is being wound down.

Second quarter and first half 2020 results include \$0.1 million and \$1.4 million, respectively, in professional fees and restructuring charges, incurred as we remain focused on working with our partners at RFGL and Richardson GMP to consolidate 100% of the ownership of Richardson GMP, compared with \$0.2 million recorded in second quarter and first half 2019.

Second quarter 2020 vs Second quarter 2019

Second quarter 2020 revenue reflects a mark-to-market loss on an inventory position in Emerging Markets, compared with revenue of \$1.2 million in second quarter 2019, which included investment banking and principal transactions in our former Emerging Markets business.

Expenses of \$2.3 million in second quarter 2020 decreased 29% compared with second quarter 2019. The decrease was led largely by lower variable compensation in Emerging Markets, which was commensurate with lower revenue generation in that business.

DIVIDENDS

The Company's net working capital as at June 30, 2020 was \$122.8 million. While this level of liquidity is sufficient to pay dividends, under Section 38(3) of the *Business Corporations Act* (Ontario), the Company's governing corporate statute, the Company cannot pay a dividend if there are reasonable grounds for believing that the net realizable value of the Company's assets would be less than the aggregate of its liabilities and its legal stated capital of all classes of shares (common and preferred).

Due to the current level of stated capital of the Company's outstanding common and preferred shares, the Board of Directors has reasonable grounds to believe that this test would not be satisfied as at September 30, 2020, the date on which its quarterly preferred share dividend would normally be paid. As such the Company is suspending the dividends on its preferred shares. At its next meeting of common shareholders, the Company intends to seek the approval of its common shareholders to reduce the stated capital of the common shares to allow the Company to resume paying dividends, including accrued, unpaid dividends on the preferred shares.

Dividends on the outstanding preferred shares are cumulative and will continue to accrue in accordance with the rights, privileges, restrictions and conditions associated with each series of preferred shares.

CONFERENCE CALL

A conference call and live audio webcast to discuss GMP's second quarter results will be held that morning at 10:00 a.m. (EST). The call will be open to the public. Interested parties are invited to access the quarterly conference call on a listen-only basis by dialing 416-406-0743 or 1-800-898-3989 (toll free) and entering the **Service Confirmation Number 4330088**, followed by a **participant password: 5187791#**. The conference call will also be accessible that morning as a live audio webcast through the Investor Relations section of our website at <https://www.gmpcapital.com/Investor-Relations/Quarterly-Information>.

A recording of the conference call will be available until Sunday, August 30, 2020, by dialing 905-694-9451 or 1-800-408-3053 (toll free) and entering access code 8006062#. The webcast will be archived at <https://www.gmpcapital.com/Investor-Relations/Quarterly-Information>.

NON-GAAP MEASURES

We use certain measures to assess our financial performance that are not generally accepted accounting principles (GAAP) measures under IFRS. These measures do not have any standardized meaning prescribed by GAAP and are therefore unlikely to be comparable to similar measures presented by other issuers. Non-GAAP measures should not be considered as alternatives to net income or comparable metrics determined in accordance with IFRS as indicators of GMP's performance, liquidity, cash flows and profitability.

Annualized Return on Common Equity

We evaluate the performance of our consolidated operations using annualized return on common equity (ROE) which we calculate based on net income attributable to common shareholders divided by total average common shareholder equity for the period, which are measures derived from information contained in our Second Quarter 2020 Financial Statements.

Assets Under Administration

AUA is a non-GAAP financial measure of client assets that is common to the wealth management business. AUA represents the market value of client assets managed and administered by Richardson GMP from which it earns commissions and fees. This measure includes funds held in client accounts as well as the aggregate market value of long and short security positions. Richardson GMP's method of calculating may differ from the methods used by other companies and therefore may not be comparable to other companies. Management uses these measures to assess Richardson GMP's operational performance.

Potential RGMP Transaction Cost

In second quarter and first half 2020, GMP recorded \$0.1 million and \$1.4 million, respectively, in professional fees in connection with consolidating the ownership of Richardson GMP (the Potential RGMP Transaction) compared with \$0.2 million in each of second quarter and first half 2019. First half 2020 also included \$0.3 million in restructuring costs recorded in first quarter 2020. Management believes adjusting for these costs may be more reflective of ongoing operating results of the Corporate segment and provides readers with an enhanced understanding of how management views GMP's Corporate segment.

SUPPLEMENTAL INFORMATION - RICHARDSON GMP

The following supplemental information reflects how Richardson GMP's management assesses the financial performance of Richardson GMP.

Richardson GMP's management assesses performance on both a reported and an adjusted Non-GAAP basis and considers both bases to be useful in assessing underlying, ongoing business performance. Presenting results on both bases also permits readers to assess the impact of specified items on financial results. Richardson GMP presents earnings before interest, income tax, depreciation and amortization (EBITDA) which excludes:

- Interest expense recorded primarily in connection with subordinated loan financing arrangements.
- Income tax expense (benefit) recorded.
- Depreciation and amortization expense recorded primarily in connection with leases, equipment and leasehold improvements.
- Transition assistance loan amortization in connection with investment advisor loan programs. Richardson GMP views these loans as an effective recruiting and retention tool, the cost of which is assessed by management upfront when the loan is provided rather than over its term.

Richardson GMP also presents an adjusted EBITDA¹ which excludes the following (adjusted EBITDA):

- Share-based compensation costs recorded in connection with awards granted to employees and investment advisors of Richardson GMP.

EBITDA and adjusted EBITDA¹ do not have any standardized meaning prescribed by GAAP and are therefore unlikely to be comparable to similar measures presented by other issuers. These Non-GAAP measures should not be considered as alternatives to net income or comparable metrics determined in accordance with IFRS as indicators of Richardson GMP's performance, liquidity, cash flows and profitability. Richardson GMP's management believes adjusting results by excluding the impact of the specified items is more reflective of ongoing financial performance and cash-generating capabilities and provides readers with an enhanced understanding of how management views Richardson GMP's core performance.

The following tables set forth an overview of the consolidated financial results of Richardson GMP for the periods indicated, on a 100% basis; noting, however, that GMP owns an approximate 34.1% non-controlling interest of Richardson GMP as at June 30, 2020.

(\$000, except as otherwise noted)	Three months ended June 30,		% increase/ (decrease)	Six months ended June 30,		% increase/ (decrease)
	2020	2019		2020	2019	
Revenue	61,680	68,798	(10)	131,832	136,783	(4)
Commissions	6,558	8,123	(19)	15,771	16,019	(2)
Investment management and fee income	48,618	51,244	(5)	101,919	99,381	3
Interest	2,741	6,377	(57)	8,583	13,594	(37)
Other	3,246	3,021	7	5,348	7,788	(31)
Principal transactions	517	33	n.m.	211	1	n.m.
Expenses	61,661	66,069	(7)	129,262	128,201	1
Employee compensation and benefits	45,323	46,568	(3)	94,964	90,575	5
Non-compensation expenses	16,338	19,501	(16)	34,298	37,626	(9)
Income before income tax	19	2,729	(99)	2,570	8,582	(70)
Net income - reported	(387)	1,620	(124)	1,073	5,650	(81)
Pre-tax impact of adjusting items						
Interest	1,278	2,004	(36)	3,257	4,038	(19)
Income tax	406	1,109	(63)	1,497	2,932	(49)
Depreciation and amortization	2,922	3,282	(11)	6,238	6,503	(4)
Transition assistance loan amortization	2,614	1,933	35	4,984	3,984	25
EBITDA ¹	6,833	9,948	(31)	17,049	23,107	(26)
Share-based compensation	1,318	1,081	22	2,564	1,541	66
Adjusted EBITDA¹	8,151	11,029	(26)	19,613	24,648	(20)
Number of advisory teams	165	161	2			
AUA ¹ at period-end (\$ millions)	28,266	28,514	(1)			

n.m. = not meaningful

1. Considered to be a non-GAAP financial measure. This measure does not have any standardized meaning prescribed by GAAP under IFRS and is therefore unlikely to be comparable to similar measures presented by other issuers.

Second quarter 2020 vs Second quarter 2019

Richardson GMP reported:

- a net loss of \$0.4 million in second quarter 2020 compared with net income of \$1.6 million in second quarter 2019;
- adjusted EBITDA¹ of \$8.2 million in second quarter 2020 compared with \$11.0 million reported for the same period in 2019;
- net loss attributable to common shareholders was \$1.4 million in second quarter 2020 compared with net income attributable to common shareholders of \$0.4 million in the same period last year;
- revenues of \$61.7 million in second quarter 2020, a decrease of 10% compared with the same period a year ago; and
- expenses of \$ 61.7 million, a decrease of 7% compared with second quarter 2019.

Second quarter 2020 results reflect the effects of a full quarter of COVID-19 outbreak-induced volatility in equity markets and sharp economic contraction, and the effects of historically low rates on interest revenue. Consequently, client trading activity was also subdued this quarter. Richardson GMP reported AUA¹ of \$28.3 billion at the end of second quarter 2020, up 11.3% compared with March 31, 2020, recovering all the losses resulting from the global pandemic-induced heightened equity market volatility in March 2020. The market declines, particularly in April and May 2020, contributed to lower asset-based account fees and reduced client activity.

Richardson GMP Highlights

- Second quarter 2020 ended with 165 advisory teams; up four from the same period a year ago and up three from 162 teams reported as at December 31, 2019.
- Average Assets per advisory team stood at \$171.3 million per team as at June 30, 2020, one of the highest in the industry in Canada.
- In June 2020, Richardson GMP announced a strategic alliance with Cormark Securities Inc., one of Canada's premier independent investment dealers, that will result in Richardson GMP's advisors and their extensive high net worth clientele having preferred access to Cormark's industry-leading research and new investment issues and ideas; and Cormark's marquee issuer clients and institutional investors benefitting from close collaboration with Richardson GMP's growing network of professional, experienced and knowledgeable investment advisors who are amongst the best in the country.

Working Capital

As at June 30, 2020, Richardson GMP's net working capital was \$58.2 million; an increase from net working capital of \$57.4 million as at March 31, 2020.

The following table is Richardson GMP's balance sheet without adjusting for GMP's proportionate interest:

As at,	June 30, 2020	December 31, 2019
Assets		
Cash	71,998	67,901
Securities owned	765	997
Due from carrying broker	5,991	10,328
Due from broker	87	—
Other assets	9,174	7,310
Deposit with carrying broker	499	496
Advisor loans receivable	8,639	10,083
Total current assets	97,153	97,115
Equipment and leasehold improvements, net	12,672	14,418
Right-of-use asset	22,172	24,949
Advisor loans receivable	19,112	20,775
Deferred Tax Asset	27,080	28,494
Goodwill and intangible assets, net	145,187	145,267
Total assets	323,376	331,018
Liabilities and shareholders' equity		
Accounts payable and accrued liabilities	30,279	32,039
Other liabilities	79	79
Securities sold short	4	—
Due to issuer/broker	236	—
Lease liability	7,383	7,556
Subordinated loans	1,000	3,000
Total current liabilities	38,981	42,674
Accounts payable and accrued liabilities	8,603	7,242
Provisions	9,433	10,382
Lease liability	17,371	19,848
Subordinated loans	66,000	68,000
Total liabilities	140,388	148,146
Shareholders' equity		
Share capital:		
Common shares	137,207	134,891
Preferred shares	61,517	61,517
Share capital	198,724	196,408
Contributed surplus	2,688	2,793
Accumulated deficit	(18,424)	(16,329)
Total shareholders' equity	182,988	182,872
Total liabilities and shareholders' equity	323,376	331,018

FORWARD-LOOKING INFORMATION

This press release contains “forward-looking information” as defined under applicable Canadian securities laws. This information includes, but is not limited to, statements concerning our objectives, our strategies to achieve those objectives, as well as statements made with respect to management’s beliefs, plans, estimates, projections and intentions, and similar statements concerning anticipated future events, results, circumstances, performance or expectations that are not historical facts. Forward-looking information generally can be identified by the use of forward-looking terminology such as “outlook”, “objective”, “may”, “will”, “expect”, “intend”, “estimate”, “anticipate”, “believe”, “should”, “plans” or “continue”, or similar expressions suggesting future outcomes or events. Such forward-looking information reflects management’s current beliefs and is based on information currently available to management. The forward-looking information contained herein is expressly qualified in its entirety by this cautionary statement.

The forward-looking statements included in this press release, including statements regarding the Potential RGMP Transaction and the execution of any of the Company’s potential plans, are not guarantees of future results and involve numerous risks and uncertainties that may cause actual results to differ materially from the potential results discussed in the forward-looking statements. In respect of the forward-looking statements and information concerning the consolidation of 100% of ownership in Richardson GMP, and the Company’s strategy going forward, management has provided same based on reliance on certain assumptions it considers reasonable at this time including that a transaction involving Richardson GMP can be completed on acceptable terms and that any conditions precedent can be satisfied. There is no assurance that any transaction involving Richardson GMP will result from the discussions with RFGL or on what terms or structure any transaction may occur as proposed or at all, including the timing of the completion of any transaction involving Richardson GMP. Accordingly, readers should not place undue reliance on the forward-looking statements and information contained in this press release.

Risks and uncertainties related to the Potential RGMP Transaction include, but are not limited to: failure of GMP and RFGL to enter into the Potential RGMP Transaction on satisfactory terms, or at all; failure of GMP and RFGL to obtain the required shareholders and regulatory approvals for, or satisfy other conditions to effect, the Potential RGMP Transaction; the risk that the Potential RGMP Transaction may involve unexpected costs, liabilities or delays; the risk that, prior to or as a result of the completion of the Potential RGMP Transaction, the business of GMP and/or Richardson GMP may experience significant disruptions, including loss of clients or employees due to transaction related uncertainty, industry conditions or other factors; risks relating to employee retention; the risk that legal proceedings may be instituted against GMP or Richardson GMP; risks related to the diversion of management’s attention from GMP’s ongoing business operations and risks related to the COVID-19 pandemic and the State of Emergency declared by government and public health authorities. For a description of additional risks that could cause our actual results to materially differ from our current expectations, see the “Risk Management” and “Risk Factors” sections of GMP’s 2019 Annual MD&A and the “Risk Factors” section in the Company’s AIF. For additional information on the risk factors related to the Potential RGMP Transaction, see “The Sale Transaction - Reasons for the Sale Transaction” and “The Sale Transaction - Risk Factors” in GMP’s Notice of Special Meeting and Management Information Circular dated July 8, 2019 (the “July 2019 Circular”). Material assumptions and factors underlying the forward-looking information in this press release include, but are not limited to, those set out in GMP’s Second Quarter 2020 MD&A and GMP’s 2019 Annual MD&A. These documents, together with the RGMP Shareholders’ Agreement are filed under the Corporation’s profile on SEDAR at www.sedar.com.

Although forward-looking information contained in this press release is provided based on management’s reliance on certain assumptions it considers reasonable, there can be no assurance that such expectations will prove to be correct. Certain statements included in this press release may be considered a “financial outlook” for purposes of applicable Canadian securities laws, and as such, the financial outlook may not be appropriate for purposes other than this press release. Readers should not place undue reliance on the forward-looking statements and information contained in this press release. When relying on forward-looking statements to make decisions, readers should carefully consider the foregoing factors, the list of which is not exhaustive.

The forward-looking information contained in this press release is made as of the date of this press release, and should not be relied upon as representing GMP’s views as of any date subsequent to the date of this press release. Except as required by applicable law, Management and the Board undertake no obligation to publicly update or revise any forward-looking information, whether as a result of new information, future events or otherwise.

ABOUT GMP CAPITAL INC.

GMP currently operates through two business segments: Operations Clearing and Wealth Management; and a Corporate segment. Operations Clearing, through RF Securities Clearing LP (formerly GMP Securities L.P.), provides carrying broker services to Richardson GMP and other third parties, including trade execution, clearing, settlement, custody, and certain other middle- and back-office services, and other expenses associated with providing such services. Wealth Management consists of GMP's non-controlling ownership interest in Richardson GMP. Richardson GMP, one of Canada's largest independent wealth management firms, is focused on providing exclusive and comprehensive wealth management and investment services delivered by an experienced team of investment professionals. GMP is listed on the Toronto Stock Exchange under the symbol "GMP". For further information, please visit our corporate website at gmppcapital.com.

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