

NEWS RELEASE

FOR IMMEDIATE RELEASE



Power Corporation and Power Financial Announce Issue of Power Financial Preferred Shares

Readers are referred to the section "Forward-Looking Statements" at the end of this release. All figures are expressed in Canadian dollars.

Montréal, October 6, 2021 – Power Corporation of Canada ("Power Corporation" or "PCC") (TSX: POW) and Power Financial Corporation ("Power Financial" or "PFC") announced today that Power Financial has agreed to issue 8,000,000 Non-Cumulative First Preferred Shares, Series 23 in the capital of Power Financial (the "Series 23 Shares") on a bought deal basis, for gross proceeds of \$200 million. The Series 23 Shares will be priced at \$25.00 per share and will carry an annual dividend yield of 4.50%. Closing is expected on or about October 15, 2021. The issue will be underwritten by a syndicate of underwriters led by BMO Capital Markets, RBC Capital Markets and Scotiabank.

The net proceeds of this offering will be used by Power Financial for general corporate purposes. Upon completion of the offering, Power Financial intends to redeem all of its outstanding \$200 million First Preferred Shares, Series I.

The securities offered have not been and will not be registered under the U.S. Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements. This press release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in any State in which such offer, solicitation or sale would be unlawful.

About Power Corporation

Power Corporation of Canada is an international management and holding company that focuses on financial services in North America, Europe and Asia. Its core holdings are leading insurance, retirement, wealth management and investment businesses, including a portfolio of alternative asset investment platforms. Power Corporation's head office is located at 751 Victoria Square, Montréal, Quebec. To learn more, visit www.PowerCorporation.com.

Power Financial Corporation, a wholly owned subsidiary of Power Corporation of Canada, is an international management and holding company with interests in financial services and asset management businesses in Canada, the United States and Europe. It also has significant holdings in a portfolio of global companies based in Europe. To learn more, visit www.PowerFinancial.com.

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Forward-Looking Statements

Certain statements in this news release, other than statements of historical fact, are forward-looking statements based on certain assumptions and reflect PCC's and PFC's current expectations, or with respect to disclosure regarding PCC's and PFC's public subsidiaries, reflects such subsidiaries' disclosed current expectations as disclosed in their respective MD&A. Forward-looking statements are provided for the purposes of assisting the reader in understanding the PCC's and PFC's financial performance, financial position and cash flows as at and for the periods ended on certain dates and to present information about management's current expectations and plans relating to the future and the reader is cautioned that such statements may not be appropriate for other purposes. These statements may include, without limitation, statements regarding the operations, business, financial condition, expected financial results, performance, prospects, opportunities, priorities, targets, goals, ongoing objectives, strategies and outlook of PCC and PFC and their respective subsidiaries, including the fintech strategy, the expected impact of the COVID-19



pandemic on the PCC's and PFC's and their respective subsidiaries' operations, results and dividends, as well as the outlook for North American and international economies for the current fiscal year and subsequent periods, the expected closing of the offering, the issuance of the Series 23 Shares, the intended use of proceeds of the offering and the redemption of PFC's First Preferred Shares, Series I. Forward-looking statements include statements that are predictive in nature, depend upon or refer to future events or conditions, or include words such as "expects", "anticipates", "plans", "believes", "estimates", "seeks", "intends", "targets", "projects", "forecasts" or negative versions thereof and other similar expressions, or future or conditional verbs such as "may", "will", "should", "would" and "could".

By its nature, this information is subject to inherent risks and uncertainties that may be general or specific and which give rise to the possibility that expectations, forecasts, predictions, projections or conclusions will not prove to be accurate, that assumptions may not be correct and that objectives, strategic goals and priorities will not be achieved. A variety of factors, many of which are beyond PCC's and PFC's and their respective subsidiaries' control, affect the operations, performance and results of PCC and PFC and their respective subsidiaries and their businesses, and could cause actual results to differ materially from current expectations of estimated or anticipated events or results. These factors include, but are not limited to: the impact or unanticipated impact of general economic, political and market factors in North America and internationally, fluctuations in interest rates, inflation and foreign exchange rates, monetary policies, business investment and the health of local and global equity and capital markets, management of market liquidity and funding risks, risks related to investments in private companies and illiquid securities, risks associated with financial instruments, changes in accounting policies and methods used to report financial condition (including uncertainties associated with significant judgments, estimates and assumptions), the effect of applying future accounting changes, business competition, operational and reputational risks, technological changes, cybersecurity risks, changes in government regulation and legislation, changes in tax laws, unexpected judicial or regulatory proceedings, catastrophic events, man-made disasters, terrorist attacks, wars and other conflicts, or an outbreak of a public health pandemic or other public health crises (such as COVID-19), PCC's and PFC's and their respective subsidiaries' ability to complete strategic transactions, integrate acquisitions and implement other growth strategies, and PCC's and PFC's and their respective subsidiaries' success in anticipating and managing the foregoing factors.

The reader is cautioned to consider these and other factors, uncertainties and potential events carefully and not to put undue reliance on forward-looking statements. Information contained in forward-looking statements is based upon certain material assumptions that were applied in drawing a conclusion or making a forecast or projection, including management's perceptions of historical trends, current conditions and expected future developments, as well as other considerations that are believed to be appropriate in the circumstances, including that the list of factors in the preceding paragraph, collectively, are not expected to have a material impact on PCC and PFC and their respective subsidiaries. While each of PCC and PFC considers these assumptions to be reasonable based on information currently available to management, they may prove to be incorrect.

Other than as specifically required by applicable Canadian law, each of PCC and PFC undertakes no obligation to update any forward-looking statement to reflect events or circumstances after the date on which such statement is made, or to reflect the occurrence of unanticipated events, whether as a result of new information, future events or results, or otherwise.

Additional information about the risks and uncertainties of PCC's and PFC's business and material factors or assumptions on which information contained in forward-looking statements is based is provided in its disclosure materials, including each of Power Corporation's most recent Management's Discussion and Analysis and Annual Information Form, filed with the securities regulatory authorities in Canada, available at www.sedar.com.

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For further information, please contact:

Stéphane Lemay
Vice-President, General Counsel and Secretary
514-286-7400