

NEWS RELEASE

FOR IMMEDIATE RELEASE



POWER FINANCIAL
CORPORATION

Power Financial Announces Conversion Rights for Non-Cumulative 5-Year Rate Reset First Preferred Shares, Series P and Non-Cumulative Floating Rate First Preferred Shares, Series Q

Readers are referred to the section "Forward-Looking Statements" at the end of this release.

Montréal, Quebec, December 2, 2025 – Power Financial Corporation ("Power Financial" or the "Corporation") (TSX: PWF.PR.P, PWF.PR.Q) announced today that it does not intend to exercise its right to redeem all or part of the currently outstanding 9,657,516 Non-Cumulative 5-Year Rate Reset First Preferred Shares, Series P (the "Series P shares") nor all or part of the currently outstanding 1,542,484 Non-Cumulative Floating Rate First Preferred Shares, Series Q (the "Series Q shares") on January 31, 2026. As a result, subject to certain conditions, the holders of the Series P shares have the right to convert all or part of their Series P shares, on a one-for-one basis, into Series Q shares, and subject to certain conditions, the holders of the Series Q shares have the right to convert all or part of their Series Q shares, on a one-for-one basis, into Series P shares, in each case on February 2, 2026 (the "Conversion Date"), pursuant to the terms and conditions of the Series P shares and the Series Q shares.

Holders of Series P shares who do not exercise their right to convert their Series P shares into Series Q shares on the Conversion Date will retain their Series P shares, and holders of the Series Q shares who do not exercise their right to convert their Series Q shares into Series P shares on the Conversion Date will retain their Series Q shares, in each case, subject to certain conditions.

The foregoing conversion rights of the Series P shares and the Series Q shares are subject to the conditions that: (i) if Power Financial determines that there would remain outstanding on the Conversion Date less than 1,000,000 Series Q shares, after having taken into account all Series P shares and Series Q shares tendered for conversion, then holders of Series P shares will not be entitled to convert their shares into Series Q shares and all remaining Series Q shares will automatically be converted into Series P shares without the consent of the holders, on a one-for-one basis, on the Conversion Date, and (ii) alternatively, if Power Financial determines that there would remain outstanding on the Conversion Date less than 1,000,000 Series P shares, after having taken into account all Series P shares and Series Q shares tendered for conversion, then holders of Series Q shares will not be entitled to convert their shares into Series P shares and all remaining Series P shares will automatically be converted into Series Q shares without the consent of the holders, on a one-for-one basis, on the Conversion Date. In either case, Power Financial will give written notice to that effect to the registered holders of Series P shares and/or Series Q shares, as the case may be, no later than January 26, 2026.

The dividend rate applicable to the Series P shares for the 5-year period from January 31, 2026 to but excluding January 31, 2031, and the dividend rate applicable to the Series Q shares for the 3-month period from January 31, 2026 to but excluding April 30, 2026, will be determined and announced by way of a news release on January 2, 2026.

Beneficial owners of Series P shares or Series Q shares who wish to exercise their conversion right should communicate with their broker or other nominee to obtain instructions for exercising such right during the conversion period, which runs from January 2, 2026 until January 16, 2026 at 5:00 p.m. (Eastern Time).

About Power Financial

Power Financial, 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.

Readers are reminded that Power Financial relies on certain of the continuous disclosure documents filed by Power Corporation of Canada pursuant to an exemption from the requirements of National Instrument 51-102 – *Continuous Disclosure Obligations* as provided in the decision of the Autorité des marchés financiers and the Ontario Securities Commission, dated September 10, 2024, regarding Power Financial and Power Corporation of Canada, and that such continuous disclosure documents can be found for viewing in electronic format under the profile of Power Financial on SEDAR+ at www.sedarplus.ca.

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 the Corporation's current expectations as disclosed in Power Corporation of Canada's MD&A. Forward-looking statements are provided 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 intention to not redeem the Series P shares or the Series Q shares, the giving of notices to the registered holder and the issuance of a future news release. 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 the Corporation's and its subsidiaries' control, affect the operations, performance and results of the Corporation and its 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 administrations, regulation, legislation and policies, changes in tax laws, the impact of trade relations and ongoing trade tensions, including the threat of tariffs and other governmental actions, as well as retaliatory actions, 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, the Corporation's and its subsidiaries' ability to complete strategic transactions, integrate acquisitions and implement other growth strategies, and the Corporation's and its 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, and that strategic transactions, acquisitions, divestitures or other growth or optimization strategies will be completed on expected terms, including that any required approvals will be received when and on such terms as are expected, as well as other considerations that are believed to be appropriate in the circumstances, including that the list of risks and uncertainties in the previous paragraph, collectively, are not expected to have a material impact on the Corporation and its subsidiaries. While the Corporation 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, the Corporation 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 the Corporation's business and material factors or assumptions on which information contained in forward-looking statements is based is provided in its disclosure materials, including Power Corporation of Canada's most recent annual MD&A and subsequent interim MD&A and Annual Information Form, filed with the securities regulatory authorities in Canada and available at www.sedarplus.ca.

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For further information, please contact:

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