

FOR IMMEDIATE RELEASE

CALDWELL REPORTS RECORD SECOND QUARTER

- Second quarter revenue of \$39.8 million, a 66% increase year over year
- Second quarter operating profit of \$5.0 million, a new quarterly record

Toronto - April 14, 2022 - Talent acquisition firm The Caldwell Partners International Inc. (TSX: CWL; OTCQX: CWLPF) today issued its financial results for the fiscal 2022 second quarter ended February 28, 2022. All references to quarters or years are for the fiscal periods unless otherwise noted and all currency amounts are in Canadian dollars. Financial results include those of IQTalent Partners, Inc. (IQTP) beginning on the date of acquisition of December 31, 2020.

Financial Highlights (in \$000s except per share amounts)

	Three Months Ended		Six Months Ended	
	2.28.22	2.28.21	2.28.22	2.28.21
Professional fees - Caldwell	27,258	19,724	53,850	37,777
Professional fees - IQTP	12,550	4,285	24,272	4,285
Consolidated professional fees	39,808	24,009	78,122	42,062
Direct expense reimbursements	135	73	251	147
Revenues	39,943	24,082	78,373	42,209
Cost of sales	30,271	18,079	60,703	31,416
Government stimulus grants	-	(156)	-	(266)
Reimbursed direct expenses	135	73	251	147
Gross profit	9,537	6,086	17,419	10,912
Selling, general and administrative expenses	3,820	5,389	9,774	8,563
Acquisition-related expenses	690	644	1,491	869
Operating profit (loss)	5,027	53	6,154	1,480
Interest expense on lease liability	107	120	219	227
Interest expense on loans payable	-	9	-	9
Investment income	(2)	(5)	(7)	(14)
Foreign exchange loss (gain)	89	71	(34)	105
Earnings (loss) before tax	4,833	(142)	5,976	1,153
Income tax expense (recovery)	1,331	(512)	1,729	(151)
Net earnings (loss) after tax	3,502	370	4,247	1,304
Basic earnings per share	\$0.137	\$0.016	\$0.166	\$0.059

79 Wellington Street West
 TD South Tower
 Suite 2410, P.O. Box 75
 Toronto, ON M5K 1E7
 +1 (416) 920-7702



SUMMARY

“This was another record-breaking quarter for Caldwell, delivering the strongest second quarter and first half in Caldwell’s history,” said John Wallace, chief executive officer. “Consolidated revenue for the quarter was \$39.8 million (a 66% increase over the prior year) and \$78.4 million for the fiscal year to date (an 86% increase over the prior year). Both business segments showed strong organic growth year over year.

Our Caldwell executive search segment contributed \$27.4 million in revenue in the second quarter, a 38% increase over the second quarter of fiscal 2021. Our IQTP segment, which added \$12.6 million in revenue during the second quarter, has seen sustained and significant growth in demand for their flexible on-demand resourcing model and innovative use of AI technology. Our consolidated operating profit also hit all-time highs of over \$5 million for the quarter, inclusive of acquisition-related costs of \$0.7 million.”

Wallace continued: “These outstanding results demonstrate that our strategy is clearly resonating with clients and differentiating us in the marketplace. Our recent investment in Skyminyr is the latest example of our mission to implement creative and innovative techniques that allow our clients to leverage technology in the war for talent. By integrating Skyminyr’s AI-based candidate search capabilities into our search process over time, we will further strengthen our ability to offer seamless talent acquisition solutions at all levels to our clients. In the immediate, we will continue to drive organic expansion and review acquisition opportunities that align with our client-driven belief that Talent Transforms to further drive growth and shareholder value.”


About Caldwell Partners


Caldwell Partners is a technology-powered talent acquisition firm specializing in recruitment at all levels. Through two distinct brands - Caldwell and IQTalent Partners - the firm leverages the latest innovations in AI to offer an integrated spectrum of services delivered by teams with deep knowledge in their respective areas. Services include candidate research and sourcing through to full recruitment at the professional, executive and board levels, as well as a suite of talent strategy and assessment tools that can help clients hire the right people, then manage and inspire them to achieve maximum business results.

Caldwell Partners’ common shares are listed on The Toronto Stock Exchange (TSX: CWL) and trade on the OTCQX Market (OTCQX: CWLPF). Please visit our website at www.caldwell.com for further information.

Forward-Looking Statements

Forward-looking statements in this document are based on current expectations that are subject to the significant risks and uncertainties cited. These forward-looking statements generally can be identified by use of statements that include phrases such as “believe,” “expect,” “anticipate,” “intend,” “plan,” “foresee,” “may,” “will,” “likely,” “estimates,” “potential,” “continue” or other similar words or phrases. Similarly, statements that describe our objectives, plans or goals also are forward-looking statements. The Company is subject to many factors that could cause our actual results to differ materially





from those contemplated by the relevant forward looking statement including, but not limited to, software that we license from third parties, our ability to successfully recover from a disaster or other business continuity issues, successfully integrating or realizing the expected benefits from our acquisitions, adverse operating issues from acquired businesses, our ability to attract and retain key personnel; exposure to our partners taking our clients with them to another firm; the performance of the US, Canadian and international economies, including the impact of pandemic diseases; competition from other companies directly or indirectly engaged in executive search; liability risk in the services we perform; potential legal liability from clients, employees and candidates for employment; cybersecurity requirements, vulnerabilities, threats and attacks; damage to our brand reputation; our ability to align our cost structure to changes in our revenue; adverse governmental and tax law rulings; our ability to generate sufficient cash flow from operations to support our growth and fund any dividends; technological advances may significantly disrupt the labour market and weaken demand for human capital at a rapid rate; foreign currency exchange rate fluctuations; affiliation agreements may fail to renew or affiliates may be acquired; marketable securities valuation fluctuations; increasing dependence on third parties for the execution of critical functions; volatility of the market price and volume of our common shares; potential impairment of our acquired goodwill and intangible assets; and disruption as a result of actions of certain stockholders or potential acquirers of the Company. For more information on the factors that could affect the outcome of forward-looking statements, refer to the "Risk Factors" section of our Annual Information Form and other public filings (copies of which may be obtained at www.sedar.com). These factors should be considered carefully, and the reader should not place undue reliance on forward-looking statements. Although any forward-looking statements are based on what management currently believes to be reasonable assumptions, we cannot assure readers that actual results, performance or achievements will be consistent with these forward-looking statements, and management's assumptions may prove to be incorrect. Except as required by Canadian securities laws, we do not undertake to update any forward-looking statements, whether written or oral, that may be made from time to time by us or on our behalf; such statements speak only as of the date made. The forward-looking statements included herein are expressly qualified in their entirety by this cautionary language.

For further information, please contact:

Investors:

Chris Beck, CPA, President and Chief Financial Officer
cbeck@caldwellpartners.com
+1 (617) 934-1843

Media:

Caroline Lomot, Director of Marketing
clomot@caldwellpartners.com
+1 (516) 830-3535



THE CALDWELL PARTNERS INTERNATIONAL INC.

CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION

(unaudited - in \$000s Canadian)

	<i>As at</i> <i>February 28</i> <i>2022</i>	<i>As at</i> <i>August 31</i> <i>2021</i>
Assets		
Current assets		
Cash and cash equivalents	15,166	29,214
Accounts receivable	25,637	23,218
Income taxes receivable	1,432	-
Unbilled revenue	7,160	4,217
Prepaid expenses and other assets	2,660	2,332
	<u>52,055</u>	<u>58,981</u>
Non-current assets		
Restricted cash	2,641	2,624
Investments	789	242
Advances	397	506
Property and equipment	1,909	1,970
Right-of-use assets	8,709	9,549
Intangible assets	210	234
Goodwill	8,646	7,960
Deferred income taxes	5,091	5,067
Total assets	<u>80,447</u>	<u>87,133</u>
Liabilities		
Current liabilities		
Accounts payable	3,665	4,640
Compensation payable	35,074	36,852
Income taxes payable	-	3,007
Lease liability	1,964	1,868
Loans Payable	177	176
	<u>40,880</u>	<u>46,543</u>
Non-current liabilities		
Compensation payable	1,687	6,278
Lease liability	7,743	8,560
	<u>50,310</u>	<u>61,381</u>
Equity attributable to owners of the Company		
Share capital	12,279	12,157
Contributed surplus	15,050	15,063
Accumulated other comprehensive income	233	204
Retained earnings (deficit)	2,575	(1,672)
Total equity	<u>30,137</u>	<u>25,752</u>
Total liabilities and equity	<u>80,447</u>	<u>87,133</u>

THE CALDWELL PARTNERS INTERNATIONAL INC.

CONSOLIDATED INTERIM STATEMENTS OF EARNIN

Three months ended
February 28

Six months ended
February 28

(unaudited - in \$000s Canadian, except per share amounts)

	2022	2021 ¹	2022	2021 ¹
Revenues				
Professional fees	39,808	24,009	78,122	42,062
Direct expense reimbursements	135	73	251	147
	39,943	24,082	78,373	42,209
Cost of sales expenses				
Cost of sales	30,271	18,079	60,703	31,416
Government stimulus grants	-	(156)	-	(266)
Reimbursed direct expenses	135	73	251	147
	30,406	17,996	60,954	31,297
Gross profit	9,537	6,086	17,419	10,912
Selling, general and administrative Acquisition-related expenses	3,820	5,389	9,774	8,563
	690	644	1,491	869
	4,510	6,033	11,265	9,432
Operating profit	5,027	53	6,154	1,480
Finance expenses (income)				
Interest expense on lease liability	107	120	219	227
Interest expense on loans payable	-	9	-	9
Investment income	(2)	(5)	(7)	(14)
Foreign exchange loss (income)	89	71	(34)	105
Earnings (loss) before income tax	4,833	(142)	5,976	1,153
Income tax expense (recovery)	1,331	(512)	1,729	(151)
Net earnings for the year attributable to owners of the Company	3,502	370	4,247	1,304
Earnings per share				
Basic and Diluted	\$0.137	\$0.016	\$0.166	\$0.059
Diluted	\$0.135	\$0.015	\$0.163	\$0.058

CONSOLIDATED INTERIM STATEMENTS OF COMPREHENSIVE EARNINGS

(unaudited - in \$000s Canadian)

	Three months ended February 28		Six months ended February 28	
	2022	2021 ¹	2022	2021 ¹
Net earnings for the period	3,502	370	4,247	1,304
Other comprehensive income:				
Items that may be reclassified subsequently to net earnings				
(Loss) gain on marketable securities	(66)	96	(92)	133
Cumulative translation adjustment	(136)	(257)	121	(332)
Comprehensive earnings for the year attributable to owners of the Company	3,300	209	4,276	1,105

¹ Certain comparative figures have been restated to conform with current year presentation.

THE CALDWELL PARTNERS INTERNATIONAL INC.

CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN EQUITY

(unaudited - in \$000s Canadian)

	Retained Earnings (Deficit)	Share Capital	Contributed Surplus	Accumulated Other Comprehensive Income (Loss) Cumulative Translation Adjustment	Gain/(loss) on Marketable Securities	Total Equity
Balance - August 31, 2020	(6,191)	7,515	15,013	595	(176)	16,756
Net earnings for the six month period ended February 28, 2022	1,304	-	-	-	-	1,304
Common share issuance	-	4,642	-	-	-	4,642
Share based payment expense	-	-	23	-	-	23
Gain on marketable securities available for sale	-	-	-	-	133	133
Change in cumulative translation adjustment	-	-	-	(332)	-	(332)
Balance - February 28, 2021	(4,887)	12,157	15,036	263	(43)	22,526
Balance - August 31, 2021	(1,672)	12,157	15,063	215	(11)	25,752
Net earnings for the six month period ended February 28, 2022	4,247	-	-	-	-	4,247
Employee share option plan share issue	-	122	(22)	-	-	100
Share-based payment expense	-	-	9	-	-	9
Loss on marketable securities available for sale	-	-	-	-	(92)	(92)
Change in cumulative translation adjustment	-	-	-	121	-	121
Balance - February 28, 2022	2,575	12,279	15,050	336	(103)	30,137

THE CALDWELL PARTNERS INTERNATIONAL INC.

CONSOLIDATED INTERIM STATEMENTS OF CASH FLOW

(unaudited - in \$000s Canadian)

	<i>Six months ended</i>	
	<i>February 28</i>	
	<i>2022</i>	<i>2021</i>
Cash flow provided by (used in)		
Operating activities		
Net earnings for the year	4,247	1,304
Add (deduct) items not affecting cash		
Depreciation of property and equipment	176	189
Depreciation of right-of-use assets	1,064	924
Amortization of intangible assets	25	12
Amortization of advances	332	319
Interest expense on lease liabilities	219	227
Interest on loans payable	-	9
Share based payment expense	9	23
(Gain) loss on unrealized foreign exchange on subsidiary loans	(91)	77
Changes in working capital	(18,000)	1,327
Net cash (used in) provided by operating activities	(12,019)	4,411
Investing activities		
Acquisition of business, net of cash	(314)	(3,238)
Investment in convertible promissory note	(629)	-
Purchase of property and equipment	(113)	(83)
Payment of advances	(255)	-
Net cash (used in) provided by investing activities	(1,311)	(3,321)
Financing activities		
Payment of lease liabilities	(1,167)	(1,265)
Proceeds from share issuance under employee stock option plan	100	-
Sublease payments received	29	177
Increase in restricted cash	-	(2,619)
Payment of loans payable	-	(39)
Net cash used in financing activities	(1,038)	(3,746)
Effect of exchange rate changes on cash and cash equivalents	320	(357)
Net (decrease) increase in cash and cash equivalents	(14,048)	(3,013)
Cash and cash equivalents, beginning of year	29,214	14,481
Cash and cash equivalents, end of period	15,166	11,468