



# Second Quarter 2023 Financial Results

August 2, 2023

## Forward-Looking Statements

This presentation includes or may include forward-looking statements. Forward-looking statements include the Company's financial performance outlook and statements regarding goals, beliefs, strategies, objectives, plans or current expectations. These statements involve known and unknown risks, uncertainties and other factors which may cause the actual results to be materially different from any future results, performance or achievements contemplated in the forward-looking statements. Such factors include: economic conditions, especially as they relate to commercial and consumer credit conditions and business spending; commercial real estate property values, vacancy rates and general conditions of financial liquidity for real estate transactions; the effects of changes in foreign exchange rates in relation to the US dollar on Canadian dollar, Australian dollar, UK pound sterling and Euro denominated revenues and expenses; competition in markets served by the Company; labor shortages or increases in commission, wage and benefit costs; the impact of higher than expected inflation could impact profitability of certain contracts; impact of pandemics on client demand, ability to deliver services and ensure the health and productivity of employees; disruptions or security failures in information technology systems; cybersecurity risks; a change in/loss of our relationship with US government agencies could significantly impact our ability to originate mortgage loans; default on loans originated under the Fannie Mae Delegated Underwriting and Servicing program could materially affect our profitability; the effect of increases in interest rates on our cost of borrowing and political conditions or events, including elections, referenda, changes to international trade and immigration policies and any outbreak or escalation of terrorism or hostilities.

Additional factors and explanatory information are identified in the Company's Annual Information Form for the year ended December 31, 2022 under the heading "Risk Factors" (which factors are adopted herein, and which can be accessed at [www.sedar.com](http://www.sedar.com)) and other periodic filings with Canadian and US securities regulators. Forward looking statements contained in this presentation are made as of the date hereof and are subject to change. All forward-looking statements in this press release are qualified by these cautionary statements. Except as required by applicable law, Colliers undertakes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

This presentation does not constitute an offer to sell or a solicitation of an offer to purchase an interest in any fund.

## Non-GAAP measures

This presentation makes reference to certain non-GAAP measures, including local currency ("LC") revenue growth rate, internal revenue growth rate, Adjusted EBITDA ("AEBITDA"), Adjusted EPS ("AEPS") and assets under management ("AUM"). Please refer to Appendix for reconciliations to GAAP measures.

# Highlights

## High value recurring revenues continue to scale

(US\$ millions, except per share amounts)

Robust growth in Investment Management and Outsourcing & Advisory

Capital Markets and, to a lesser extent, Leasing declined compared to the prior year's record transactional revenue levels

Completed three strategic Engineering and Project Management investments in Australia, New Zealand and the US

Completed early redemption of 4% convertible notes, substantially all of which were converted to subordinate voting shares

Maintaining outlook for 2023 previously provided in May 2023

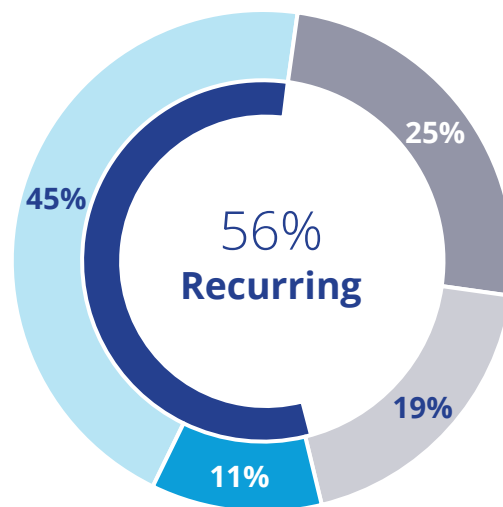
| Three months ended<br>June 30   | 2023    | 2022    | %Change |                   |
|---------------------------------|---------|---------|---------|-------------------|
|                                 |         |         | USD     | LC <sup>(1)</sup> |
| Revenue                         | 1,078.0 | 1,127.8 | -4%     | -4%               |
| Adjusted EBITDA                 | 147.1   | 161.3   | -9%     | -8%               |
| Adjusted EBITDA Margin          | 13.6%   | 14.3%   |         |                   |
| Adjusted EPS                    | 1.31    | 1.84    | -29%    |                   |
| GAAP Operating Earnings         | 75.3    | 103.9   | -28%    |                   |
| GAAP Operating Earnings Margin  | 7.0%    | 9.2%    |         |                   |
| GAAP diluted net loss per share | (0.16)  | 0.67    | NM      |                   |

| Six months ended<br>June 30    | 2023    | 2022    | % Change |                   |
|--------------------------------|---------|---------|----------|-------------------|
|                                |         |         | USD      | LC <sup>(1)</sup> |
| Revenue                        | 2,043.9 | 2,128.8 | -4%      | -3%               |
| Adjusted EBITDA                | 251.7   | 282.8   | -11%     | -11%              |
| Adjusted EBITDA Margin         | 12.3%   | 13.3%   |          |                   |
| Adjusted EPS                   | 2.16    | 3.28    | -34%     |                   |
| GAAP Operating Earnings (Loss) | 97.4    | 144.7   | -33%     |                   |
| GAAP Operating Earnings Margin | 4.8%    | 6.8%    |          |                   |
| GAAP diluted EPS               | (0.61)  | 0.26    | NM       |                   |

# Broad Diversification

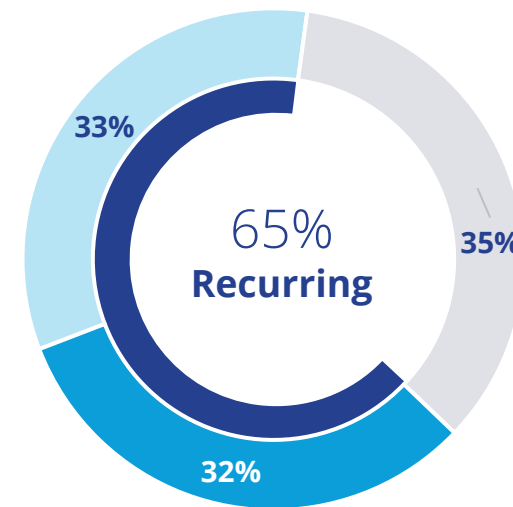
Trailing twelve months ended June 30, 2023

TTM Q2 2023 Revenue by Service



Outsourcing & Advisory  
Investment Management

TTM Q2 2023 AEBITDA by Service



Leasing and Capital Markets

Please refer to Slide 18

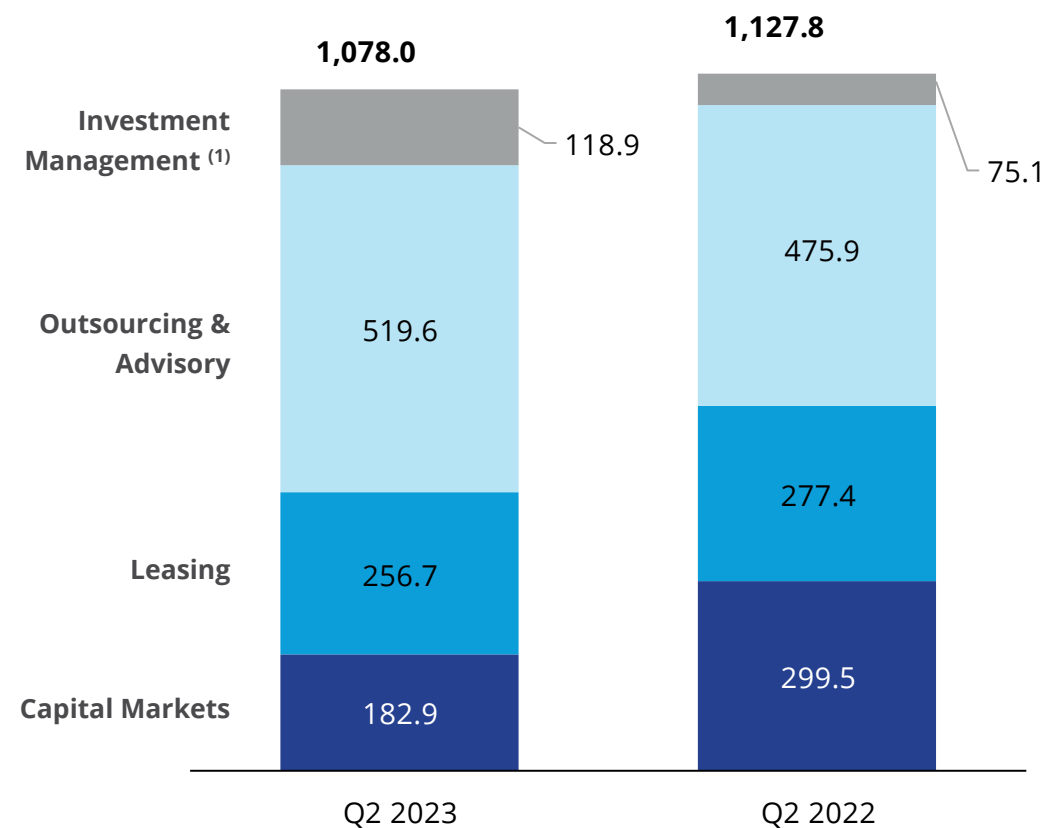
# Consolidated Revenues

Second Quarter

(US\$ millions)

| % Change over Q2 2022                | USD        | LC         |
|--------------------------------------|------------|------------|
| Investment Management <sup>(1)</sup> | 58%        | 58%        |
| Outsourcing & Advisory               | 9%         | 10%        |
| Leasing                              | -7%        | -7%        |
| Capital Markets                      | -39%       | -38%       |
| <b>Total</b>                         | <b>-4%</b> | <b>-4%</b> |

| Revenue Mix            | Q2 2023     | Q2 2022     |
|------------------------|-------------|-------------|
| Investment Management  | 11%         | 7%          |
| Outsourcing & Advisory | 48%         | 42%         |
| Leasing                | 24%         | 25%         |
| Capital Markets        | 17%         | 26%         |
| <b>Total</b>           | <b>100%</b> | <b>100%</b> |



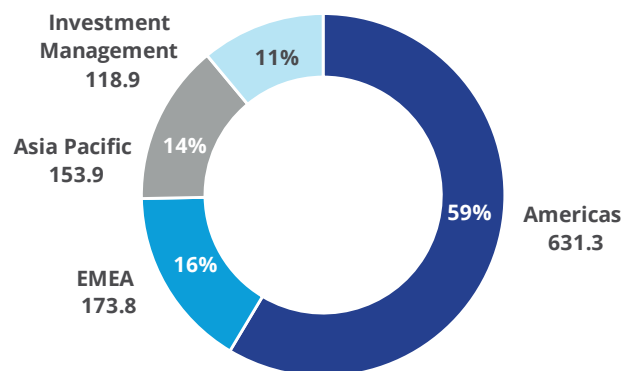
<sup>(1)</sup> Investment Management LC revenue growth, excluding pass-through carried interest, was 62%

# Geographic Mix

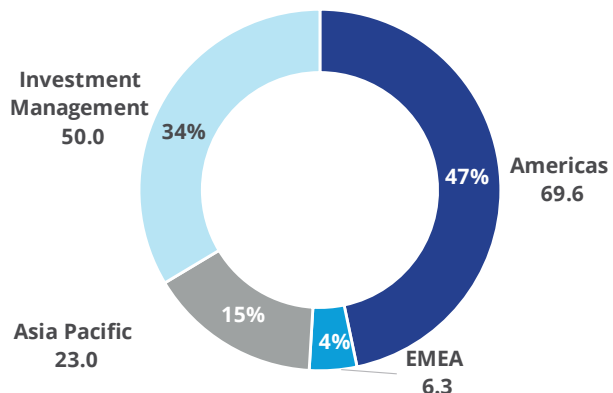
Second Quarter

(US\$ millions)

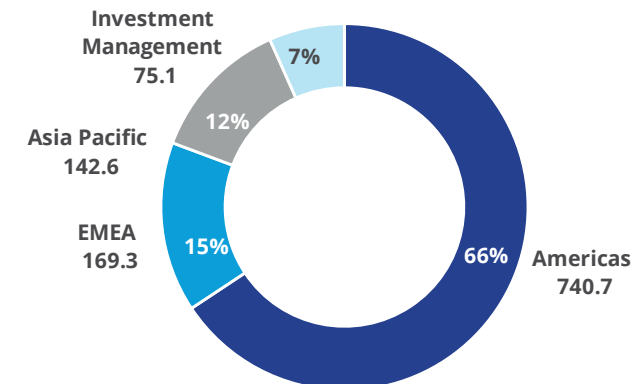
Q2 2023 Revenues



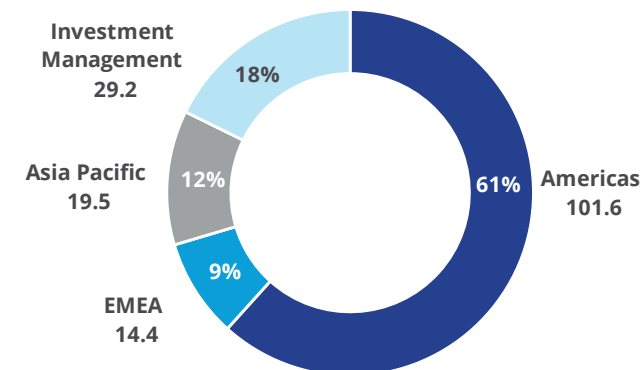
Q2 2023 AEBITDA



Q2 2022 Revenues



Q2 2022 AEBITDA



(1) Q2 2023 GAAP Operating Earnings: \$46.5M Americas, (\$5.1M) EMEA, \$19.6M Asia Pacific, \$26.4M Investment Management

(2) Q2 2022 GAAP Operating Earnings: \$81.1M Americas, \$4.2M EMEA, \$17.6M Asia Pacific, \$19.2M Investment Management



# Americas

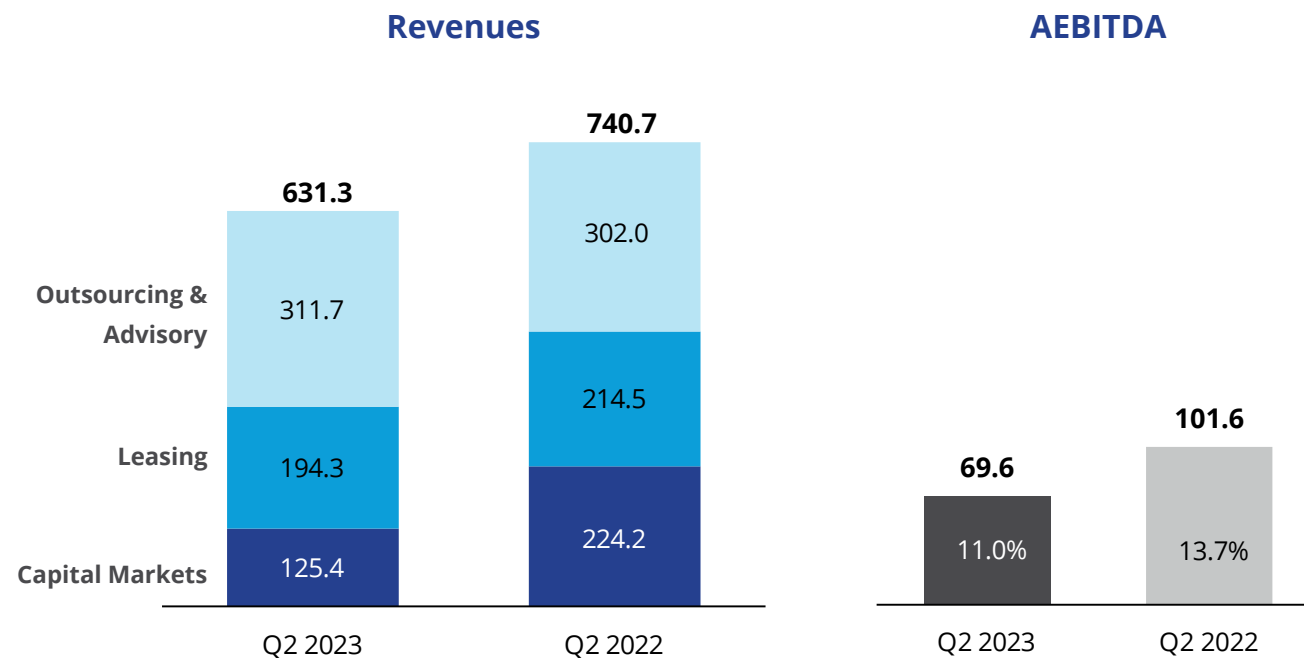
## Second Quarter

(US\$ millions)

Capital Markets and, to a lesser extent, Leasing declined relative to a record prior year quarter

Outsourcing & Advisory growth led by Engineering & Design and Project Management

Adjusted EBITDA benefitted from cost control actions; Prior year included an \$11.7 million gain on termination of a lease



|                | USD  | LC   |
|----------------|------|------|
| Revenue Growth | -15% | -14% |

GAAP Operating Earnings: Q2 2023 \$46.5M at 7.4% margin; Q2 2022 \$81.1M at 11.0% margin

# EMEA

## Second Quarter

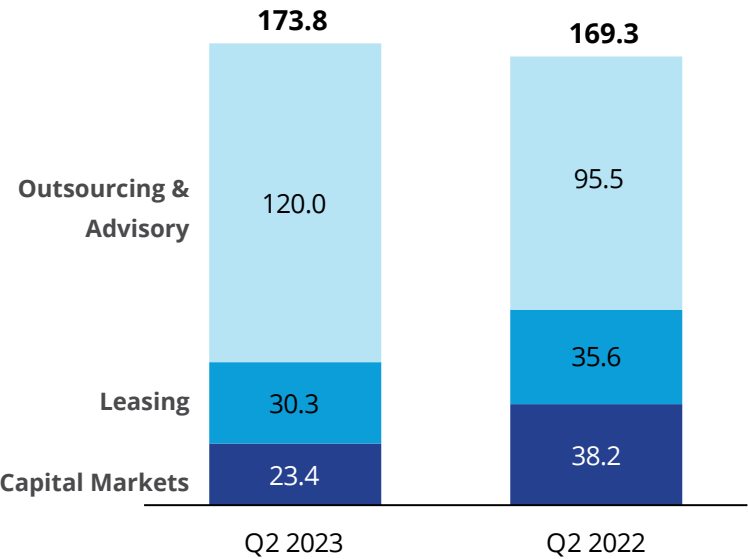
(US\$ millions)

Higher Outsourcing & Advisory (including recent acquisitions), partially offset by declines in Capital Markets and Leasing, in line with market conditions

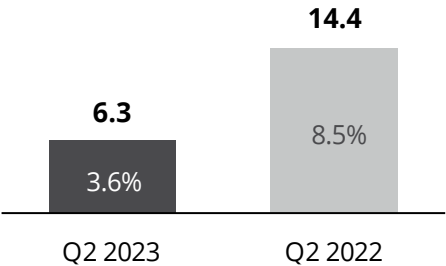
Adjusted EBITDA impacted by reduction in higher-margin transactional revenues

|                | USD | LC |
|----------------|-----|----|
| Revenue Growth | 3%  | 1% |

### Revenues



### AEBITDA



GAAP Operating Earnings: Q2 2023 (\$5.1M) at (2.9%) margin; Q2 2022 \$4.2M at 2.5% margin



# APAC

## Second Quarter

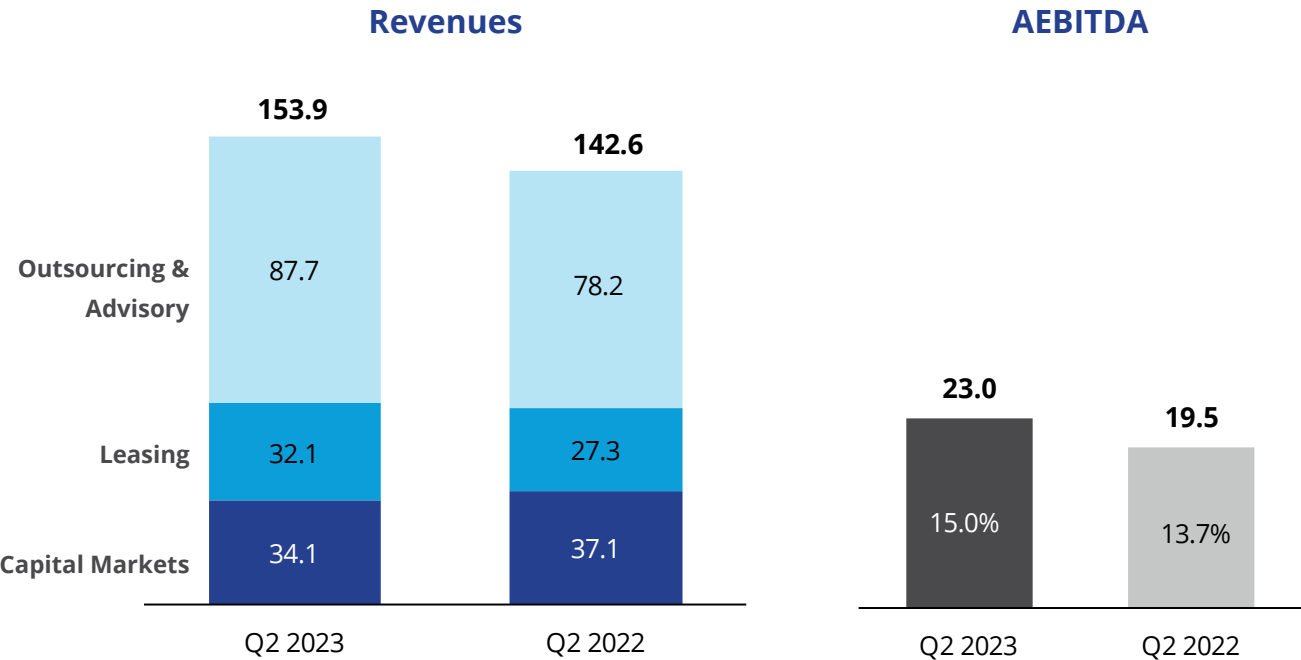
(US\$ millions)

Leasing and Outsourcing & Advisory (including recent acquisitions) growth more than offset a modest decline in Capital Markets

Foreign exchange headwinds impacted revenues by 6%

Adjusted EBITDA favourably impacted by higher revenues and the impact of recent acquisitions

|                | USD | LC  |
|----------------|-----|-----|
| Revenue Growth | 8%  | 14% |



GAAP Operating Earnings: Q2 2023 \$19.6M at 12.7% margin; Q2 2022 \$17.6M at 12.3% margin

# Investment Management

Second Quarter

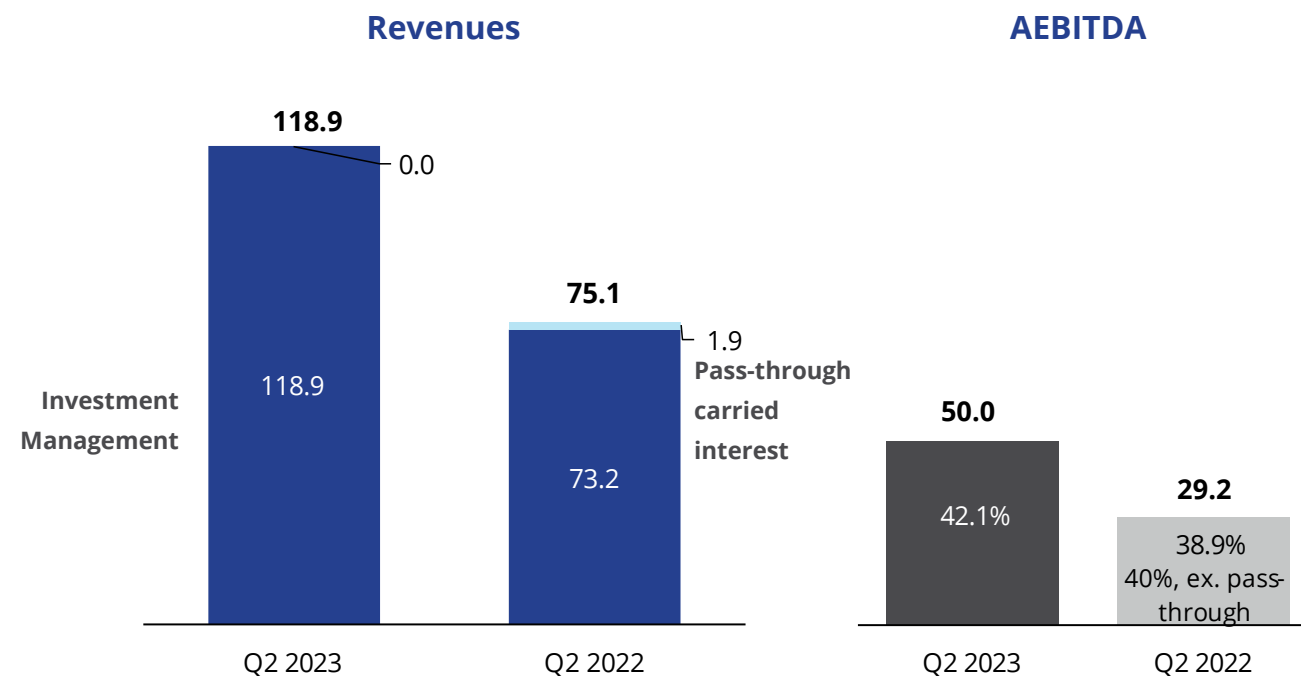
(US\$ millions)

Growth driven by acquisitions and higher management fees from increased assets under management year over year

\$99.0 billion AUM as of June 30, 2023

- Up 1% versus March 31, 2023
- Up 44% versus June 30, 2022

|                                          | USD        | LC         |
|------------------------------------------|------------|------------|
| Revenue Growth                           | 58%        | 58%        |
| <b>Revenue Growth*</b>                   | <b>62%</b> | <b>62%</b> |
| *excluding pass-through carried interest |            |            |



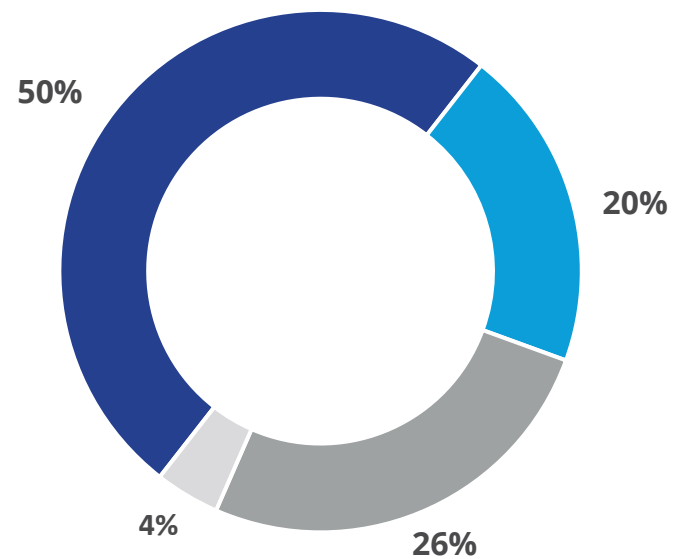
GAAP Operating Earnings: Q2 2023 \$26.4M at 22.2% margin; Q2 2022 \$19.2M at 25.5% margin

# Investment Management

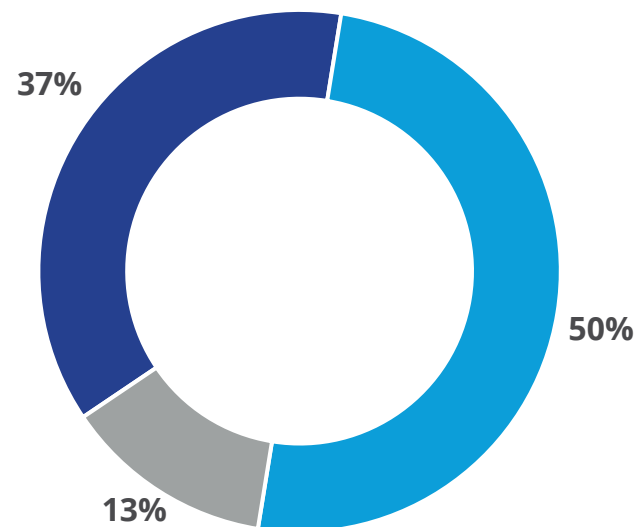
Focus on long-duration, highly differentiated AUM

**AUM: \$99.0B | FPAUM: \$52.3B**

**AUM by Asset Class**



**AUM by Strategy**



**AUM by Geography**



■ Alternatives ■ Infrastructure ■ Traditional Real Estate ■ Credit

■ Perpetual Capital ■ Long-dated Funds ■ Managed Accounts

■ North America ■ EMEA

# Capitalization & Capital Allocation

(US\$ millions)

|                                                                      | June 30, 2023 | December 31, 2022 | June 30, 2022 |
|----------------------------------------------------------------------|---------------|-------------------|---------------|
| Cash                                                                 | \$ 172.4      | \$ 173.7          | \$ 171.3      |
| Total Debt                                                           | 1,668.4       | 1,439.1           | 1,040.0       |
| Net Debt                                                             | \$ 1,496.1    | \$ 1,265.4        | \$ 868.7      |
| Convertible Notes                                                    | -             | 226.5             | 225.9         |
| Redeemable non-controlling interests                                 | 1,093.7       | 1,079.3           | 720.7         |
| Shareholders' equity                                                 | 716.9         | 493.4             | 489.0         |
| Total capitalization                                                 | \$ 3,306.7    | \$ 3,064.6        | \$ 2,304.3    |
| Net debt / pro forma adjusted EBITDA - Leverage Ratio <sup>(1)</sup> | 2.4x          | 1.8x              | 1.4x          |

|                                  | Six months ended |               |
|----------------------------------|------------------|---------------|
|                                  | June 30, 2023    | June 30, 2022 |
| Capital Expenditures             | \$ 41.1          | \$ 23.4       |
| Acquisition Spend <sup>(2)</sup> | \$ 82.1          | \$ 517.9      |

## Highlights

- Leverage ratio of 2.4x
- Early redemption of 4% convertible notes; Substantially all converted into subordinate voting shares
- 55% of debt at fixed rates as of June 30, 2023
- Ample liquidity to fund acquisitions and internal growth
- Anticipating capital expenditures of \$90-\$100 million in 2023

<sup>(1)</sup> Net debt for financial leverage ratio excludes restricted cash, warehouse credit facilities and convertible notes, in accordance with debt agreements

<sup>(2)</sup> Includes business acquisitions, contingent acquisition consideration and purchases of non-controlling interests in subsidiaries

# Outlook for 2023

(US\$ millions)

- Maintaining outlook previously provided in May 2023
- Lower Capital Markets and Leasing transaction volumes to persist for the remainder of the year
- Robust growth (including the impact of recent acquisitions) in high value recurring service lines

| Measure         | 2022            | Outlook for 2023              |
|-----------------|-----------------|-------------------------------|
| Revenue         | \$4.5 billion   | \$4.4 billion - \$4.6 billion |
| Adjusted EBITDA | \$630.5 million | \$670 million - \$720 million |
| Adjusted EPS    | \$6.99          | \$6.70 - \$7.50               |

*The financial outlook is based on the Company's best available information as of the date of this presentation, and remains subject to change based on, but not limited to, numerous macroeconomic, health, social, geopolitical (including escalation of hostilities, outbreak of war, elections, disruption of supply chains) and related factors.*



# Appendix

Reconciliation of non-GAAP measures

# Reconciliation of GAAP earnings to adjusted EBITDA

| (US\$ thousands)                                                          | Three months ended |                   | Six months ended  |                   |
|---------------------------------------------------------------------------|--------------------|-------------------|-------------------|-------------------|
|                                                                           | June 30, 2023      | June 30, 2022     | June 30, 2023     | June 30, 2022     |
| Net earnings                                                              | \$ 35,001          | \$ 66,731         | \$ 34,094         | \$ 88,048         |
| Income tax                                                                | 16,477             | 28,610            | 20,016            | 44,937            |
| Other income, including equity earnings from non-consolidated investments | (886)              | (1,062)           | (4,206)           | (4,190)           |
| Interest expense, net                                                     | 24,670             | 9,571             | 47,502            | 15,889            |
| Operating earnings                                                        | 75,262             | 103,850           | 97,406            | 144,684           |
| Loss on disposal of business operations                                   | 2,282              | 950               | 2,282             | 27,040            |
| Depreciation and amortization                                             | 50,794             | 44,097            | 100,286           | 80,737            |
| Gains attributable to MSRs                                                | (6,052)            | (2,526)           | (9,087)           | (7,823)           |
| Equity income from non-consolidated entities                              | 532                | 906               | 3,686             | 4,066             |
| Acquisition-related items                                                 | 11,668             | 9,365             | 38,136            | 24,448            |
| Restructuring costs                                                       | 7,038              | 181               | 7,781             | 271               |
| Stock-based compensation expense                                          | 5,556              | 4,490             | 11,213            | 9,351             |
| <b>Adjusted EBITDA</b>                                                    | <b>\$ 147,080</b>  | <b>\$ 161,313</b> | <b>\$ 251,703</b> | <b>\$ 282,774</b> |

# Reconciliation of GAAP earnings to adjusted net earnings and adjusted earnings per share

(US\$ thousands)

|                                            | Three months ended |                  | Six months ended  |                   |
|--------------------------------------------|--------------------|------------------|-------------------|-------------------|
|                                            | June 30, 2023      | June 30, 2022    | June 30, 2023     | June 30, 2022     |
| Net earnings                               | \$ 35,001          | \$ 66,731        | \$ 34,094         | \$ 88,048         |
| Non-controlling interest share of earnings | (13,816)           | (11,806)         | (24,757)          | (20,322)          |
| Interest on Convertible Notes              | 561                | 2,300            | 2,861             | 4,600             |
| Loss on disposal of operations             | 2,282              | 950              | 2,282             | 27,040            |
| Amortization of intangible assets          | 37,330             | 32,279           | 74,173            | 56,870            |
| Gains attributable to MSRs                 | (6,052)            | (2,526)          | (9,087)           | (7,823)           |
| Acquisition-related items                  | 11,668             | 9,365            | 38,136            | 24,448            |
| Restructuring costs                        | 7,038              | 181              | 7,781             | 271               |
| Stock-based compensation expense           | 5,556              | 4,490            | 11,213            | 9,351             |
| Income tax on adjustments                  | (11,845)           | (9,891)          | (23,193)          | (16,310)          |
| Non-controlling interest on adjustments    | (5,773)            | (4,269)          | (10,926)          | (7,939)           |
| <b>Adjusted net earnings</b>               | <b>\$ 61,950</b>   | <b>\$ 87,804</b> | <b>\$ 102,577</b> | <b>\$ 158,234</b> |

(US\$)

|                                               | Three months ended |                | Six months ended |                |
|-----------------------------------------------|--------------------|----------------|------------------|----------------|
|                                               | June 30, 2023      | June 30, 2022  | June 30, 2023    | June 30, 2022  |
| Diluted net earnings (loss) per common share  | \$ (0.14)          | \$ 0.64        | \$ (0.57)        | \$ 0.24        |
| Interest on Convertible Notes, net of tax     | 0.01               | 0.04           | 0.04             | 0.07           |
| Non-controlling interest redemption increment | 0.59               | 0.51           | 0.77             | 1.16           |
| Loss on disposal of operations                | 0.05               | 0.02           | 0.05             | 0.56           |
| Amortization expense, net of tax              | 0.49               | 0.41           | 0.97             | 0.71           |
| Gains attributable to MSRs, net of tax        | (0.07)             | (0.03)         | (0.11)           | (0.09)         |
| Acquisition-related items                     | 0.19               | 0.18           | 0.70             | 0.45           |
| Restructuring costs, net of tax               | 0.11               | -              | 0.12             | -              |
| Stock-based compensation expense, net of tax  | 0.08               | 0.07           | 0.19             | 0.18           |
| <b>Adjusted EPS</b>                           | <b>\$ 1.31</b>     | <b>\$ 1.84</b> | <b>\$ 2.16</b>   | <b>\$ 3.28</b> |

Diluted weighted average shares for Adjusted EPS (thousands)

47,422

47,804

47,442

48,302

Adjusted EPS is calculated using the "if-converted" method of calculating earnings per share in relation to the Convertible Notes, which were issued on May 19, 2020 and fully converted or redeemed by June 1, 2023

# Reconciliation of net cash flow from operations to free cash flow

*(US\$ thousands)*

Net cash provided by (used in) operating activities  
 Contingent acquisition consideration paid  
 Purchase of fixed assets  
 Cash collections on AR Facility deferred purchase price  
 Distributions paid to non-controlling interests  
**Free cash flow**

| Three months ended |                  | Six months ended   |                 |
|--------------------|------------------|--------------------|-----------------|
| June 30, 2023      | June 30, 2022    | June 30, 2023      | June 30, 2022   |
| \$ 98,973          | \$ 32,399        | \$ (33,595)        | \$ (248,310)    |
| 2,719              | 1,257            | 2,991              | 60,810          |
| (22,179)           | (13,581)         | (41,062)           | (23,416)        |
| 28,539             | 90,101           | 59,311             | 256,429         |
| (40,059)           | (26,628)         | (51,120)           | (41,554)        |
| <b>\$ 67,993</b>   | <b>\$ 83,548</b> | <b>\$ (63,475)</b> | <b>\$ 3,959</b> |

## Other Non-GAAP Measures

### Local currency revenue growth rate and internal revenue growth rate measures

Percentage revenue and AEBITDA variances presented on a local currency basis are calculated by translating the current period results of our non-US dollar denominated operations to US dollars using the foreign currency exchange rates from the periods against which the current period results are being compared. Percentage revenue variances presented on an internal growth basis are calculated assuming no impact from acquired entities in the current and prior periods. Revenue from acquired entities, including any foreign exchange impacts, are treated as acquisition growth until the respective anniversaries of the acquisitions. We believe that these revenue growth rate methodologies provide a framework for assessing the Company's performance and operations excluding the effects of foreign currency exchange rate fluctuations and acquisitions. Since these revenue growth rate measures are not calculated under GAAP, they may not be comparable to similar measures used by other issuers.

### Assets under management

We use the term assets under management ("AUM") as a measure of the scale of our Investment Management operations. AUM is defined as the gross market value of operating assets and the projected gross cost of development assets of the funds, partnerships and accounts to which we provide management and advisory services, including capital that such funds, partnerships and accounts have the right to call from investors pursuant to capital commitments. Our definition of AUM may differ from those used by other issuers and as such may not be directly comparable to similar measures used by other issuers.

### Fee paying assets under management

We use the term fee paying assets under management ("FPAUM") to represent only the AUM on which the Company is entitled to receive management fees. We believe this measure is useful in providing additional insight into the capital base upon which the Company earns management fees. Our definition of FPAUM may differ from those used by other issuers and as such may not be directly comparable to similar measures used by other issuers.

### Recurring revenue percentage

Recurring revenue percentage is computed on a trailing twelve-month basis and represents the proportion that is derived from Outsourcing & Advisory and Investment Management service lines. Both these service lines represent medium to long-term duration revenue streams that are either contractual or repeatable in nature. Revenue for this purpose incorporates the expected full year impact of acquisitions and dispositions.

### Adjusted EBITDA from recurring revenue percentage

Adjusted EBITDA from recurring revenue percentage is computed on a trailing twelve-month basis and represents the proportion of adjusted EBITDA that is derived from Outsourcing & Advisory and Investment Management service lines. Both these service lines represent medium to long-term duration revenue streams that are either contractual or repeatable in nature. Adjusted EBITDA for this purpose is calculated in the same manner as calculated for our debt agreement covenant calculation purposes, incorporating the expected full year impact of business acquisitions and dispositions.