



# Fourth Quarter 2023 Financial Results

February 8, 2024

## 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 ability to attract new capital commitments to our Investment Management funds and retain existing capital under management; 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.sedarplus.com](http://www.sedarplus.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"), free cash flow, assets under management ("AUM"), fee paying assets under management ("FPAUM"). Please refer to Appendix for reconciliations to GAAP measures.

# Highlights

(US\$ millions, except per share amounts)

Robust revenue growth continues in high-value recurring services

More than 70% of earnings now come from recurring services

Market-driven transaction slowdown in Capital Markets and, to a lesser extent, Leasing

Three months ended December 31	2023	2022	%Change	
			USD	LC <sup>(1)</sup>
Revenue	1,235.2	1,222.4	1%	0%
Adjusted EBITDA	198.4	202.7	-2%	-3%
Adjusted EBITDA Margin	16.1%	16.6%		
Adjusted EPS	2.00	2.31	-13%	
GAAP Operating Earnings	132.6	103.8	28%	
GAAP Operating Earnings Margin	10.7%	8.5%		
GAAP diluted EPS	1.42	0.51	178%	

Twelve months ended December 31	2023	2022	% Change	
			USD	LC <sup>(1)</sup>
Revenue	4,335.1	4,459.5	-3%	-3%
Adjusted EBITDA	595.0	630.5	-6%	-6%
Adjusted EBITDA Margin	13.7%	14.1%		
Adjusted EPS	5.35	6.99	-23%	
GAAP Operating Earnings	300.9	332.5	-9%	
GAAP Operating Earnings Margin	6.9%	7.5%		
GAAP diluted EPS	1.41	1.05	34%	

<sup>(1)</sup> Local Currency

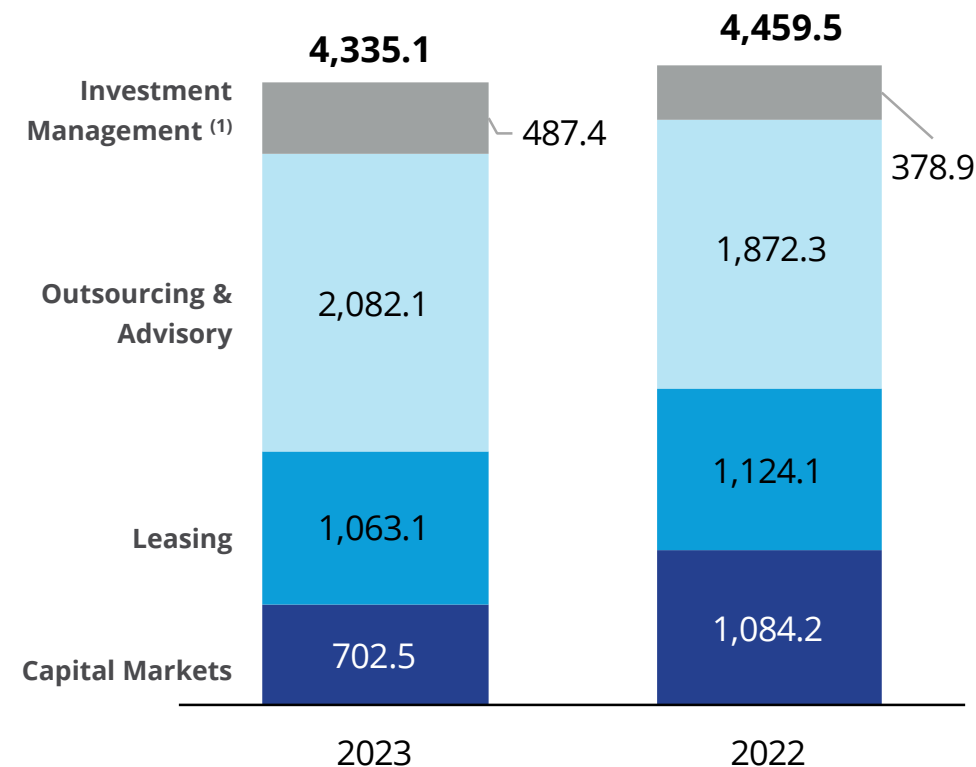
# Consolidated Revenues

Full Year

(US\$ millions)

% Change over 2022	USD	LC
Investment Management <sup>(1)</sup>	29%	28%
Outsourcing & Advisory	11%	11%
Leasing	-5%	-5%
Capital Markets	-35%	-35%
<b>Total</b>	<b>-3%</b>	<b>-3%</b>

Revenue Mix	2023	2022
Investment Management	11%	9%
Outsourcing & Advisory	48%	42%
Leasing	25%	25%
Capital Markets	16%	24%
<b>Total</b>	<b>100%</b>	<b>100%</b>



Local currency internal growth: -8%

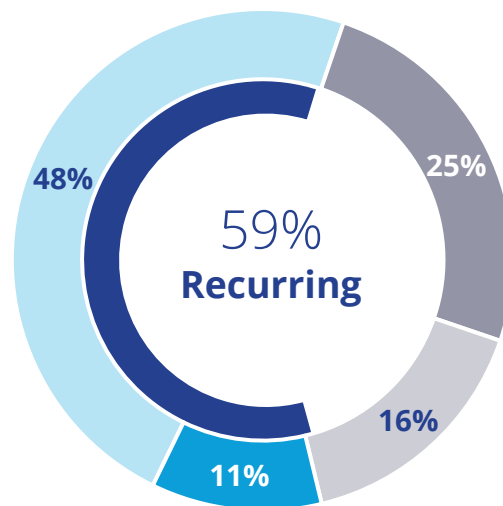
<sup>(1)</sup> Investment Management LC revenue growth, excluding pass-through carried interest, was 38%

# Broad Diversification

Year ended December 31, 2023

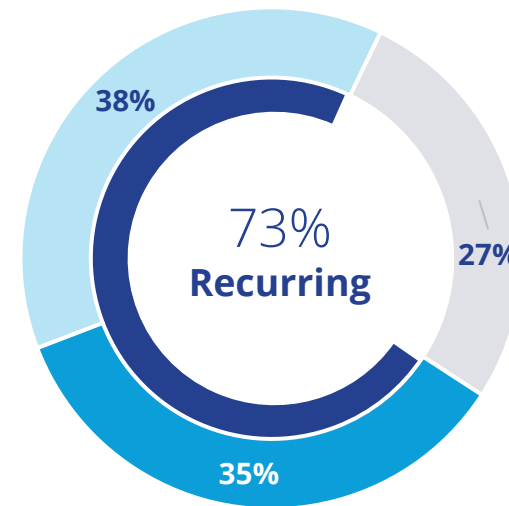


2023 Revenue by Service



- Outsourcing & Advisory
- Investment Management

2023 AEBITDA by Service



- Leasing
- Leasing and Capital Markets

Please refer to Slide 19

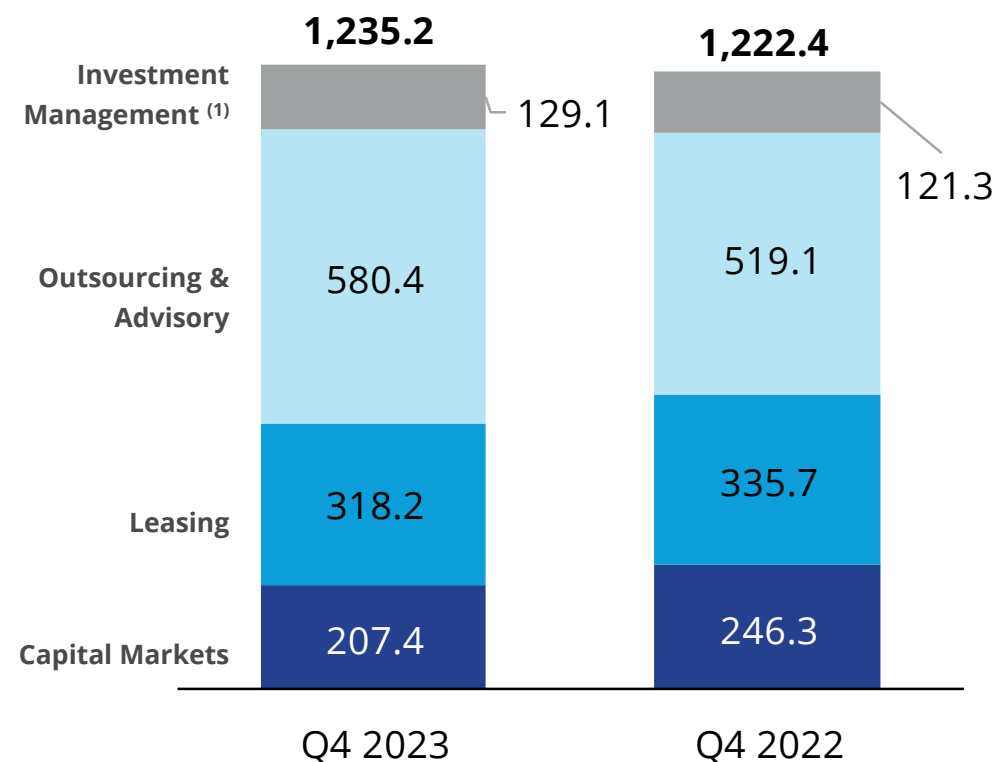
# Consolidated Revenues

Fourth Quarter

(US\$ millions)

% Change over Q4 2022	USD	LC
Investment Management <sup>(1)</sup>	6%	6%
Outsourcing & Advisory	12%	10%
Leasing	-5%	-6%
Capital Markets	-16%	-16%
<b>Total</b>	<b>1%</b>	<b>0%</b>

Revenue Mix	Q4 2023	Q4 2022
Investment Management	10%	10%
Outsourcing & Advisory	47%	42%
Leasing	26%	28%
Capital Markets	17%	20%
<b>Total</b>	<b>100%</b>	<b>100%</b>



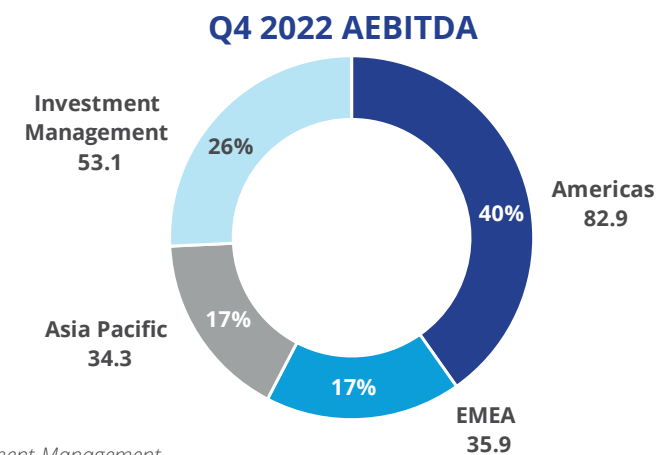
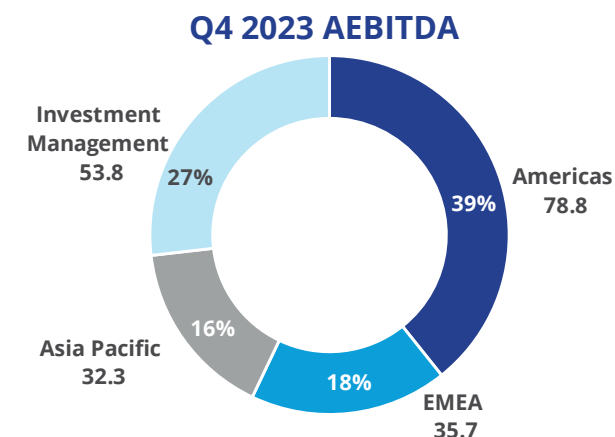
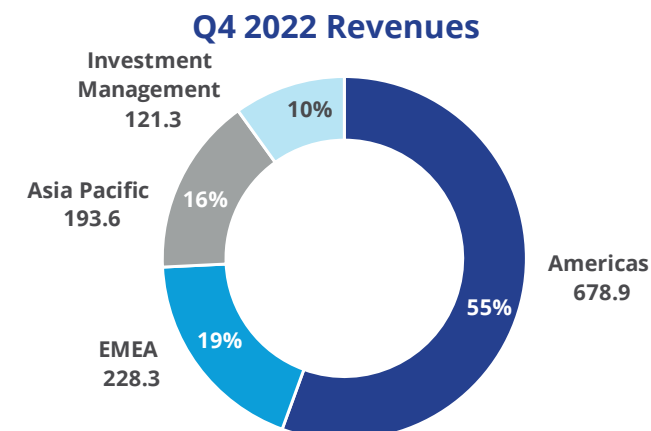
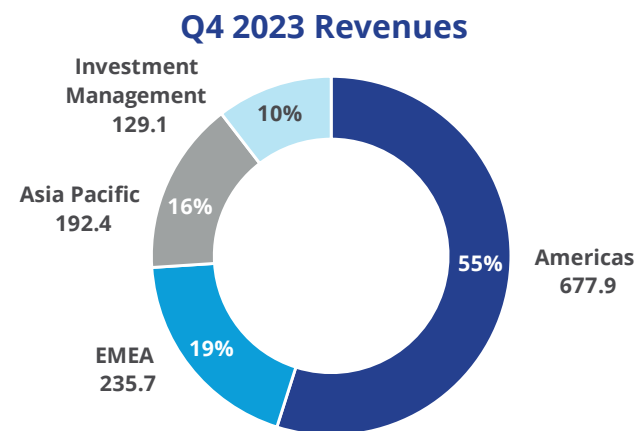
Local currency internal growth: -2%

<sup>(1)</sup> Investment Management LC revenue growth, excluding pass-through carried interest, was 4%

# Geographic Mix

Fourth Quarter

(US\$ millions)



(1) Q4 2023 GAAP Operating Earnings: \$53.3M Americas, \$28.9M EMEA, \$26.0M Asia Pacific, \$41.5M Investment Management

(2) Q4 2022 GAAP Operating Earnings: \$52.0M Americas, \$30.4M EMEA, \$29.0M Asia Pacific, \$(18.8M) Investment Management



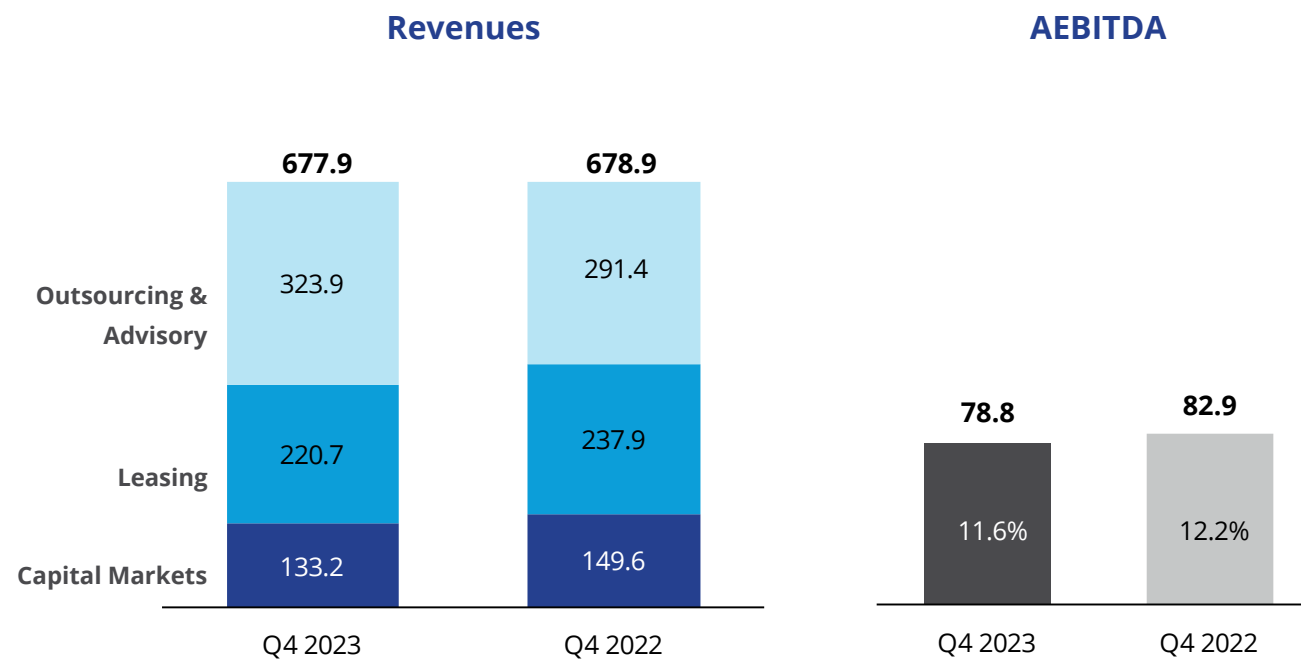
# Americas

Fourth Quarter

(US\$ millions)

Lower Capital Markets and Leasing activity partly offset by higher Outsourcing & Advisory revenues

Adjusted EBITDA impacted by declines in higher margin transactional revenues



	USD	LC
<b>Revenue Growth</b>	0%	-1%

GAAP Operating Earnings: Q4 2023 \$53.3M at 7.9% margin; Q4 2022 \$52.0M at 7.7% margin





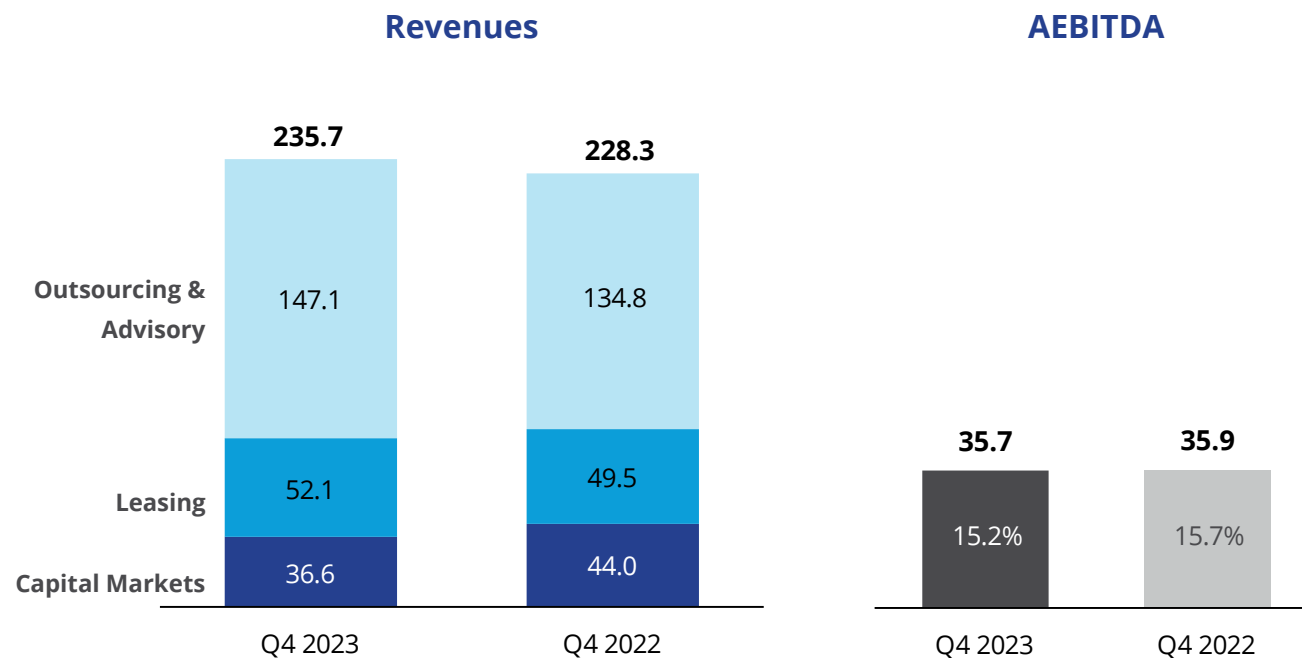
# EMEA

Fourth Quarter

(US\$ millions)

Lower Capital Markets activity, particularly in Germany and the Nordics, partly offset by higher Outsourcing & Advisory revenues

Adjusted EBITDA margin impacted by changes in service mix



	USD	LC
<b>Revenue Growth</b>	3%	-2%

GAAP Operating Earnings: Q4 2023 \$28.9M at 12.3% margin; Q4 2022 \$30.4M at 13.3% margin



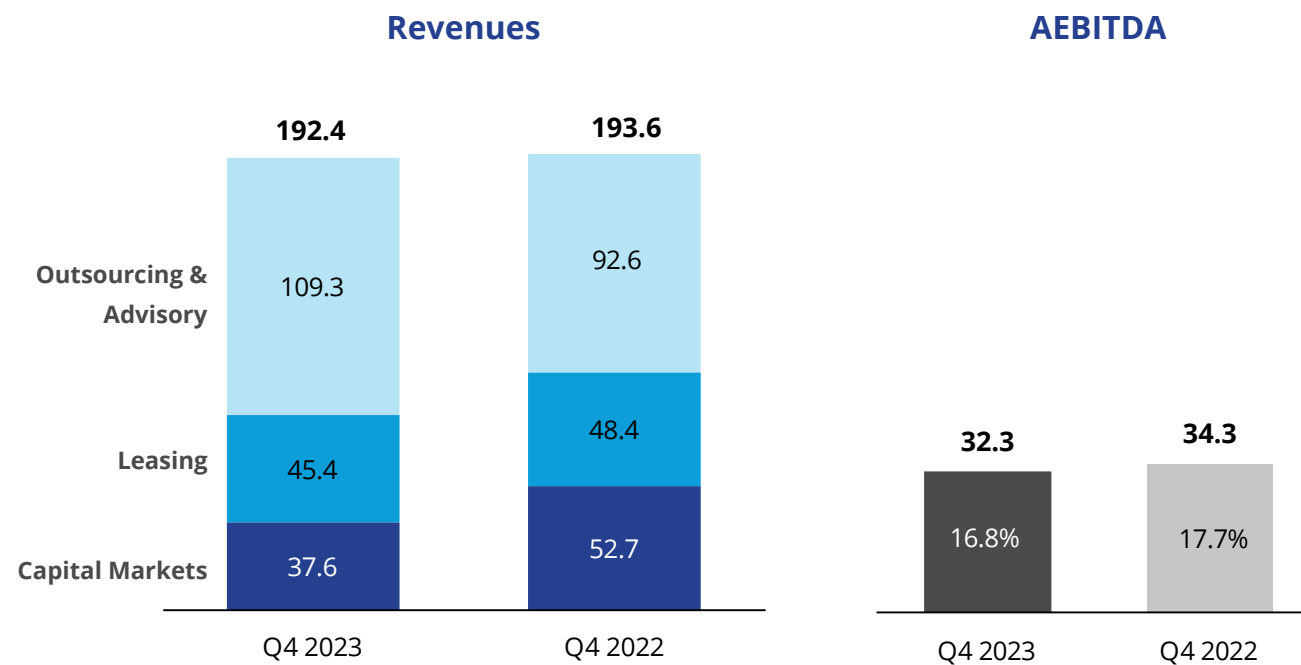
# APAC

Fourth Quarter

(US\$ millions)

Revenue decline attributable to lower Capital Markets activity offset by acquisitions

Adjusted EBITDA impacted by changes in service mix



	USD	LC
<b>Revenue Growth</b>	-1%	0%

GAAP Operating Earnings: Q4 2023 \$26.0M at 13.5% margin; Q4 2022 \$29.0M at 15.0% margin

# Investment Management

Fourth Quarter

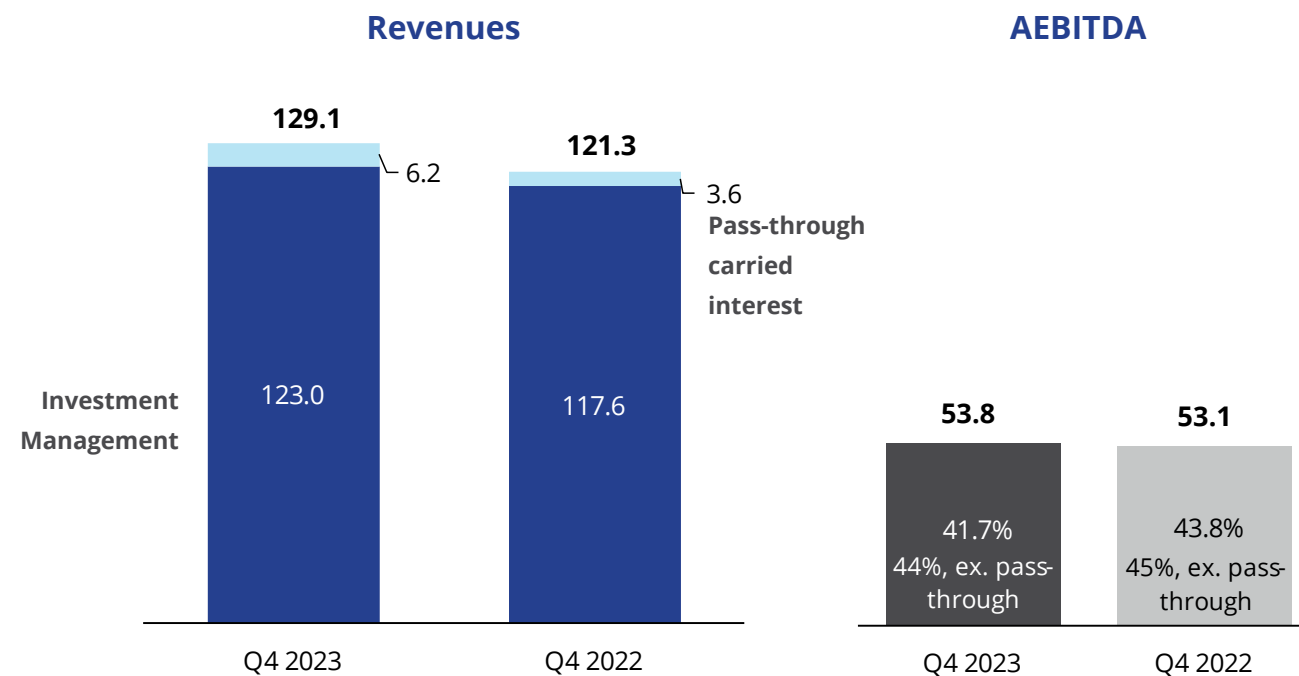
(US\$ millions)

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

\$98.2 billion AUM as of December 31, 2023

- Up 1% versus December 31, 2022
- Nearly flat versus September 30, 2023

	USD	LC
Revenue Growth	6%	6%
<b>Revenue Growth*</b>	<b>5%</b>	<b>4%</b>
*excluding pass-through carried interest		



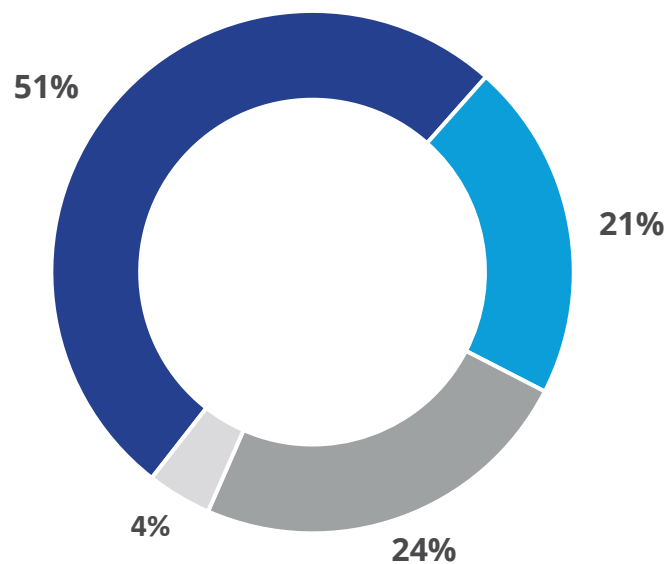
GAAP Operating Earnings: Q4 2023 \$41.5M at 32.2% margin; Q4 2022 (\$18.8M) at (15.5%) margin

# Investment Management

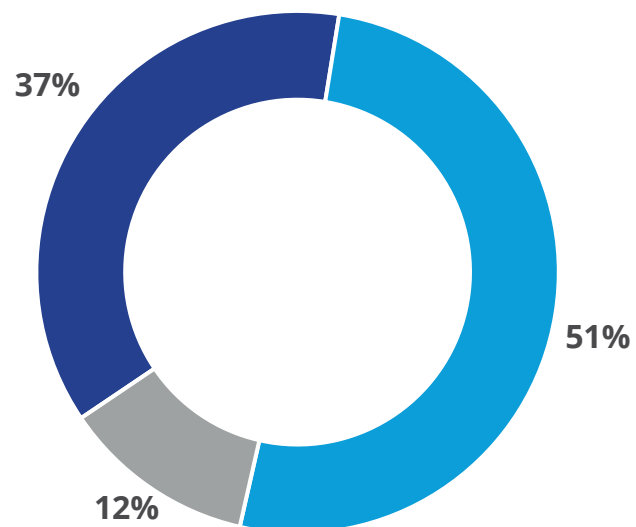
Focus on long-duration, highly differentiated AUM

AUM: \$98.2B | FPAUM: \$50.8B

### 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)

	December 31, 2023	December 31, 2022
Cash	\$ 181.1	\$ 173.7
Total Debt	1,502.6	1,439.1
Net Debt	\$ 1,321.5	\$ 1,265.4
Convertible Notes	-	226.5
Redeemable non-controlling interests	1,072.1	1,079.3
Shareholders' equity	850.5	493.4
Total capitalization	\$ 3,244.1	\$ 3,064.6
Net debt / pro forma adjusted EBITDA - Leverage Ratio <sup>(1)</sup>	2.2x	1.8x

	Twelve months ended	
	December 31, 2023	December 31, 2022
Capital Expenditures	\$ 84.5	\$ 67.7
Acquisition Spend <sup>(2)</sup>	\$ 152.1	\$ 1,167.5

## Highlights

- Leverage ratio of 2.2x
- 66% of debt at fixed rates as of December 31, 2023
- Anticipating capital expenditures of \$75-\$80 million in 2024

<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 2024

(US\$ millions)

- Capital Markets and Leasing conditions expected to remain challenging in the first half of the year followed by year-over-year growth in the second half
- Outsourcing & Advisory revenue growth is expected to remain resilient
- Investment Management revenues expected to grow in line with fundraising, which is expected to improve relative to 2023

Measure	Actual 2023	Outlook for 2024
Revenue growth	-3%	+5% to +10%
Adjusted EBITDA growth	-6%	+5% to +15%
Adjusted EPS growth	-23%	+10% to +20%

*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 numerous macroeconomic, geopolitical, health, social and related factors. Continued interest rate volatility and/or lack of credit availability for commercial real estate transactions could materially impact the outlook.*



# Appendix

Reconciliation of non-GAAP measures

# Reconciliation of GAAP earnings to adjusted EBITDA

<i>(US\$ thousands)</i>	Three months ended		Twelve months ended	
	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
<b>Net earnings</b>	\$ 81,221	\$ 61,972	\$ 144,691	\$ 194,544
Income tax	29,974	24,976	68,086	95,010
Other income, including equity earnings from non-consolidated investments	(912)	(2,329)	(5,919)	(5,645)
Interest expense, net	22,347	19,163	94,077	48,587
Operating earnings	132,630	103,782	300,935	332,496
Loss on disposal of business operations	-	(524)	2,282	26,834
Depreciation and amortization	51,087	51,542	202,536	177,421
(Gains) losses attributable to MSR's	(5,436)	6,829	(17,722)	(17,385)
Equity earnings from non-consolidated entities	707	1,856	5,078	6,677
Acquisition-related items	(6,406)	26,406	47,096	77,144
Restructuring costs	15,435	5,023	27,701	5,485
Stock-based compensation expense	10,361	7,772	27,087	21,853
<b>Adjusted EBITDA</b>	\$ 198,378	\$ 202,686	\$ 594,993	\$ 630,525



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

<i>(US\$ thousands)</i>	Three months ended		Twelve months ended	
	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
<b>Net earnings</b>	\$ 81,221	\$ 61,972	\$ 144,691	\$ 194,544
Non-controlling interest share of earnings	(17,593)	(16,222)	(56,560)	(53,919)
Interest on Convertible Notes	-	2,300	2,861	9,200
Loss on disposal of operations	-	(524)	2,282	26,834
Amortization of intangible assets	36,269	39,111	147,928	128,741
(Gains) losses attributable to MSRs	(5,436)	6,829	(17,722)	(17,385)
Acquisition-related items	(6,406)	26,406	47,096	77,144
Restructuring costs	15,435	5,023	27,701	5,485
Stock-based compensation expense	10,361	7,772	27,087	21,853
Income tax on adjustments	(13,313)	(19,835)	(48,359)	(42,486)
Non-controlling interest on adjustments	(5,534)	(3,804)	(22,667)	(15,262)
<b>Adjusted net earnings</b>	<b>\$ 95,004</b>	<b>\$ 109,028</b>	<b>\$ 254,338</b>	<b>\$ 334,749</b>

<i>(US\$)</i>	Three months ended		Twelve months ended	
	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
Diluted net earnings per common share	\$ 1.42	\$ 0.48	\$ 1.38	\$ 0.97
Interest on Convertible Notes, net of tax	-	0.04	0.04	0.14
Non-controlling interest redemption increment	(0.08)	0.49	0.47	1.97
Loss on disposal of operations	-	-	0.05	0.56
Amortization expense, net of tax	0.47	0.50	1.92	1.63
(Gains) losses attributable to MSRs, net of tax	(0.07)	0.08	(0.21)	(0.20)
Acquisition-related items	(0.14)	0.51	0.83	1.45
Restructuring costs, net of tax	0.24	0.08	0.43	0.08
Stock-based compensation expense, net of tax	0.16	0.13	0.44	0.39
<b>Adjusted EPS</b>	<b>\$ 2.00</b>	<b>\$ 2.31</b>	<b>\$ 5.35</b>	<b>\$ 6.99</b>

Diluted weighted average shares for Adjusted EPS (thousands)	47,582	47,215	47,504	47,897
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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 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		Twelve months ended	
	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
<b>Net cash provided by operating activities</b>	\$ 157,103	\$ 238,501	\$ 165,661	\$ 67,031
Contingent acquisition consideration paid	469	285	39,115	69,224
Purchase of fixed assets	(24,113)	(25,874)	(84,524)	(67,681)
Cash collections on AR Facility deferred purchase price	33,106	(57,052)	124,313	288,004
Distributions paid to non-controlling interests	(9,578)	(8,193)	(77,400)	(62,926)
<b>Free cash flow</b>	<b>\$ 156,987</b>	<b>\$ 147,667</b>	<b>\$ 167,165</b>	<b>\$ 293,652</b>

## Other Non-GAAP Measures

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

Percentage revenue and adjusted EBITDA 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.



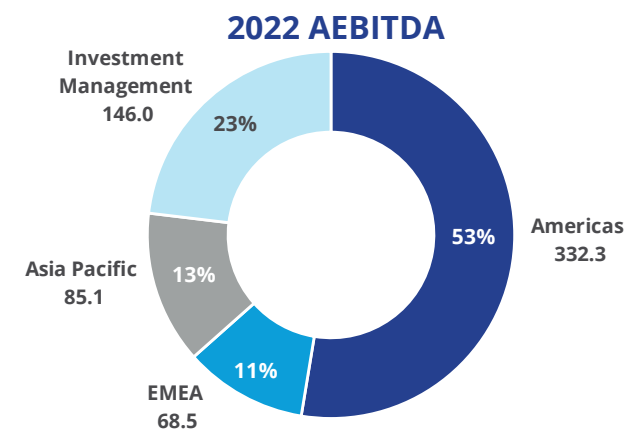
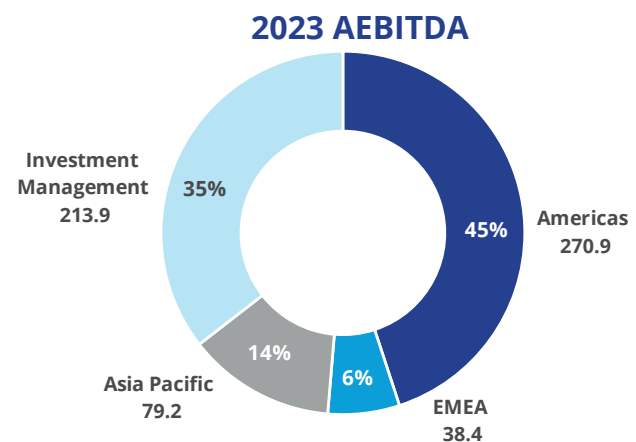
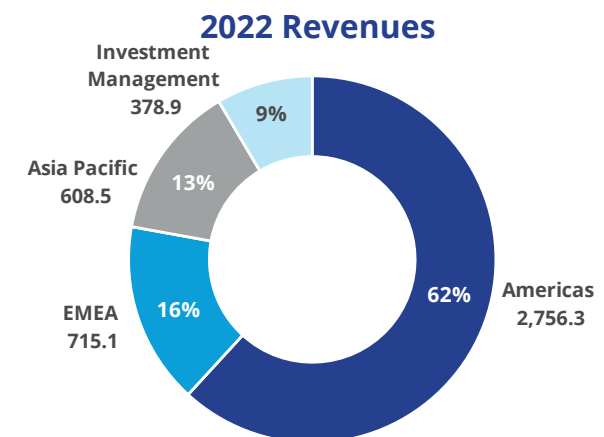
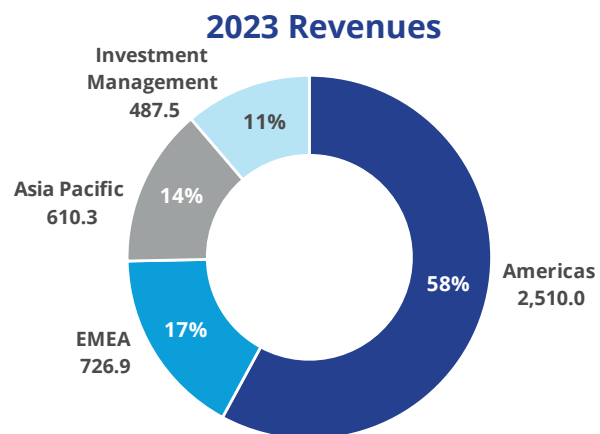
# Appendix

Full Year Regional Details

# Geographic Mix

Full Year

(US\$ millions)



(1) 2023 GAAP Operating Earnings: \$174.6M Americas, \$5.5M EMEA, \$62.7M Asia Pacific, \$103.1M Investment Management

(2) 2022 GAAP Operating Earnings: \$254.4M Americas, \$9.9M EMEA, \$72.3M Asia Pacific, \$37.1M Investment Management



# Americas

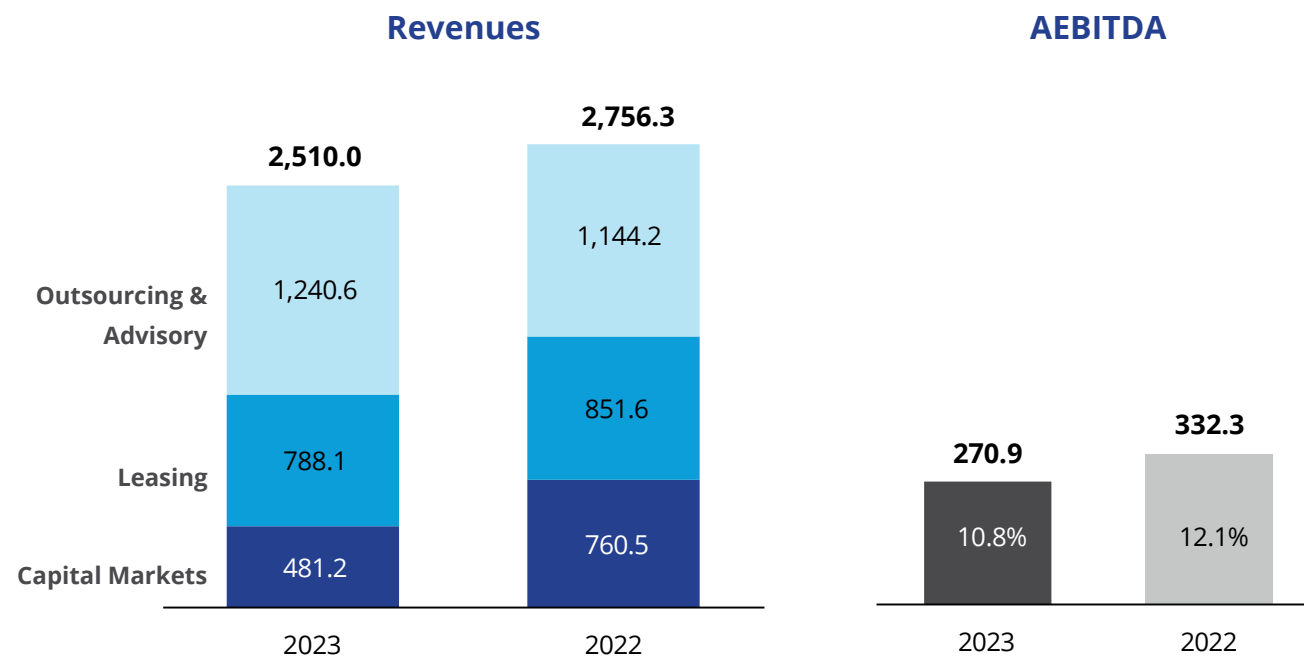
Full Year

(US\$ millions)

Market-driven decline in Capital Markets and, to a lesser extent, Leasing

Internal growth in Outsourcing & Advisory as well as acquisitions

Adjusted EBITDA impacted by changes in service mix and an \$11.4 million gain on the termination of a lease which favourably impacted the prior year



	USD	LC
<b>Revenue Growth</b>	-9%	-9%

GAAP Operating Earnings: 2023 \$174.6M at 7.0% margin; 2022 \$254.4M at 9.2% margin

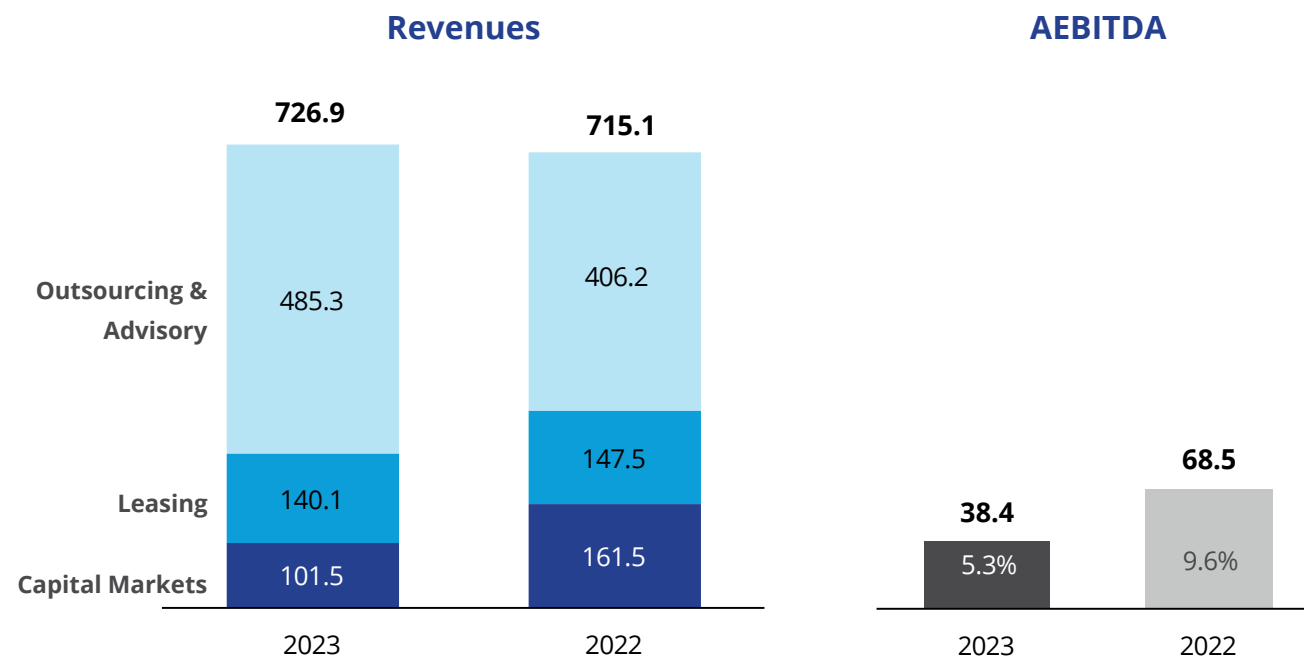
# EMEA

Full Year

(US\$ millions)

Lower Capital Markets and Leasing revenues almost fully offset by growth in Outsourcing & Advisory revenues

Adjusted EBITDA impacted by changes in service mix



	USD	LC
<b>Revenue Growth</b>	2%	-1%

GAAP Operating Earnings: 2023 \$5.5M at 0.8% margin; 2022 \$9.9M at 1.4% margin



# APAC

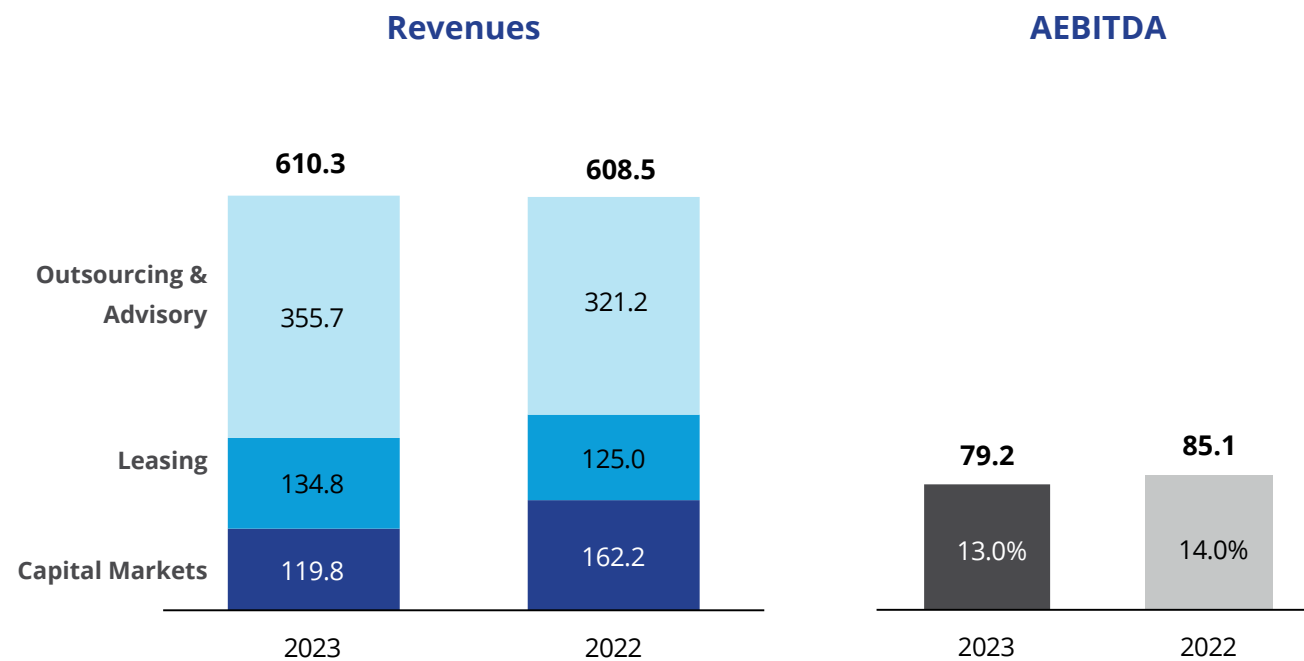
Full Year

(US\$ millions)

Growth driven by Leasing and Outsourcing & Advisory revenues partly offset by lower Capital Markets activity

Adjusted EBITDA impacted by changes in service mix

	USD	LC
Revenue Growth	0%	4%



GAAP Operating Earnings: 2023 \$62.7M at 10.3% margin; 2022 \$72.3M at 11.9% margin



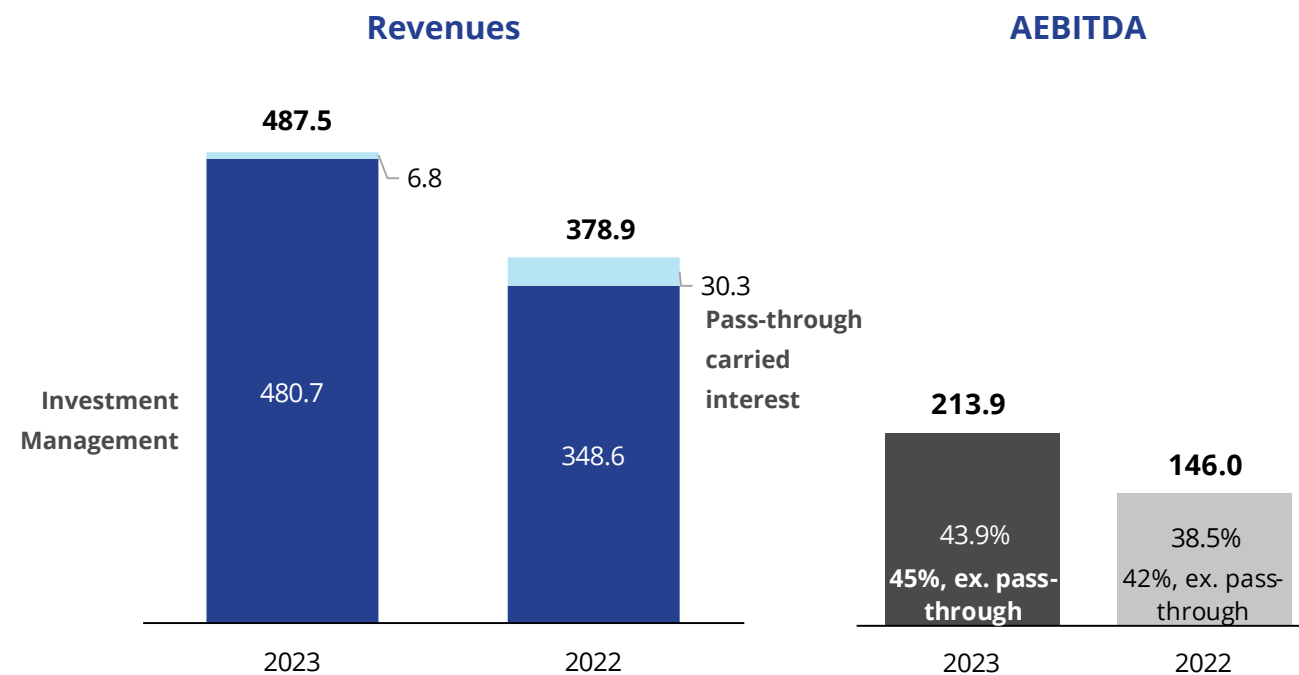
# Investment Management

Full Year

(US\$ millions)

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

	USD	LC
Revenue Growth	29%	28%
<b>Revenue Growth*</b>	<b>38%</b>	<b>38%</b>
*excluding pass-through carried interest		



GAAP Operating Earnings: 2023 \$103.1M at 21.2% margin; 2022 \$37.1M at 9.8% margin