

February 6, 2025

Fourth Quarter 2024 Financial Results



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, 2023 under the heading "Risk Factors" (which factors are adopted herein, and which can be accessed at www.sedarplus.ca) 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.

Revised Operating Segments

Starting in Q3 2024, Colliers re-aligned its operating segments to better reflect the value and growth potential of its three complementary engines – Real Estate Services, Engineering, and Investment Management. The Real Estate Services segment encompasses the former Americas, EMEA, and Asia Pacific regions, excluding engineering and project management, which are now reported within the new Engineering segment. The Investment Management segment remains unchanged. Comparative periods have been recast to reflect this revised segmentation.

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") and net service revenue. Please refer to Appendix for reconciliations to GAAP measures.

Highlights

(US \$ millions, except per share amounts)

- Robust revenue growth
- Strengthened momentum across all business segments
- Accelerating rebound in Capital Markets
- Completed four Engineering tuck-in acquisitions during the quarter
- Expecting growth in 2025 both internally and from completed acquisitions

Three months ended December 31	2024	2023	%Change	
			USD	LC ⁽¹⁾
Revenue	1,501.6	1,235.2	22%	22%
Adjusted EBITDA	225.3	198.4	14%	15%
Adjusted EBITDA Margin	15.0%	16.1%		
Adjusted EPS	2.26	2.00	13%	
GAAP Operating Earnings	121.4	132.6	-8%	
GAAP Operating Earnings Margin	8.1%	10.7%		
GAAP diluted EPS	1.47	1.42	4%	

Twelve months ended December 31	2024	2023	% Change	
			USD	LC ⁽¹⁾
Revenue	4,822.0	4,335.1	11%	11%
Adjusted EBITDA	644.2	595.0	8%	9%
Adjusted EBITDA Margin	13.4%	13.7%		
Adjusted EPS	5.75	5.35	7%	
GAAP Operating Earnings	389.2	300.9	29%	
GAAP Operating Earnings Margin	8.1%	6.9%		
GAAP diluted EPS	3.22	1.41	128%	

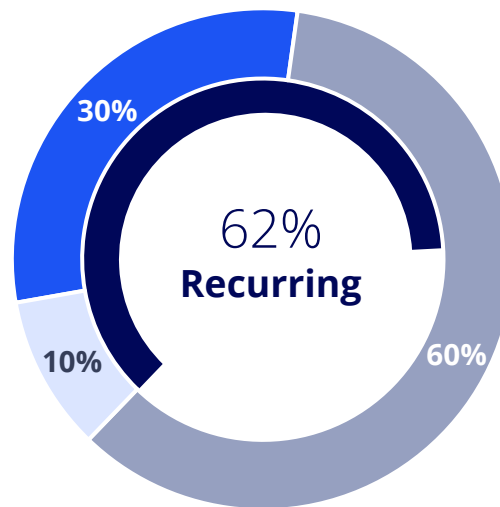
⁽¹⁾ Local Currency

Broad Diversification

Trailing twelve months ended December 31, 2024

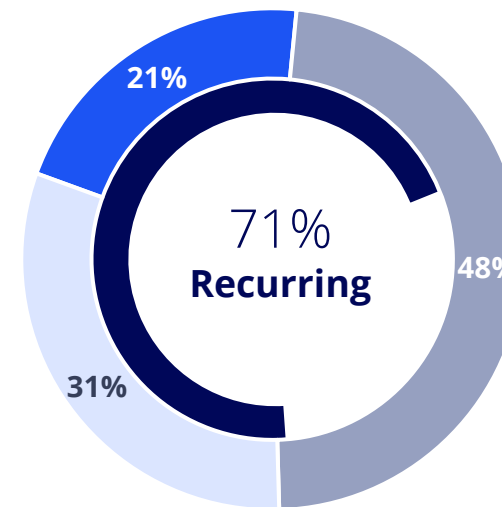


Revenue by Segment



Real Estate Services

AEBITDA by Segment



Engineering

Investment Management

Consolidated Revenues

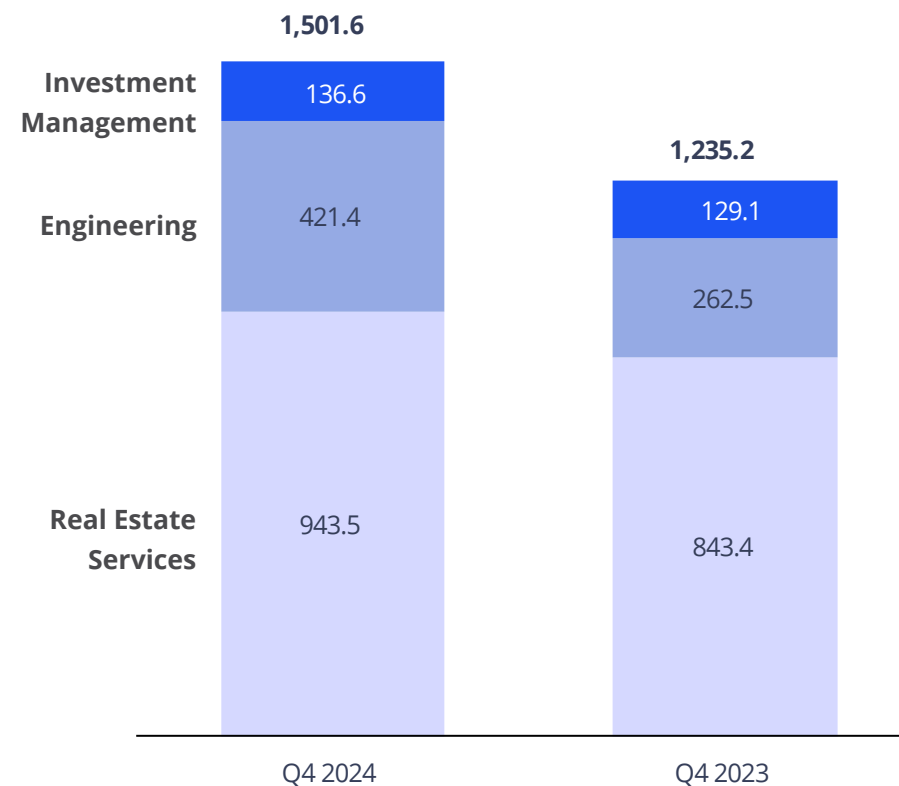
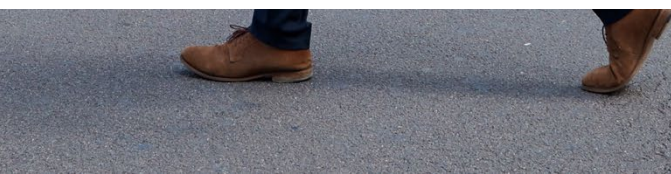
Fourth Quarter

(US\$ millions)

% Change over Q4 2023	USD	LC
Investment Management ⁽¹⁾	6%	6%
Engineering	61%	61%
Real Estate Services	12%	13%
Total	22%	22%



Revenue Mix	Q4 2024	Q4 2023
Investment Management	9%	10%
Engineering	28%	21%
Real Estate Services	63%	69%
Total	100%	100%



Local currency internal growth: 10%

⁽¹⁾ Investment Management LC revenue growth, excluding pass-through carried interest, was 1%



Real Estate Services

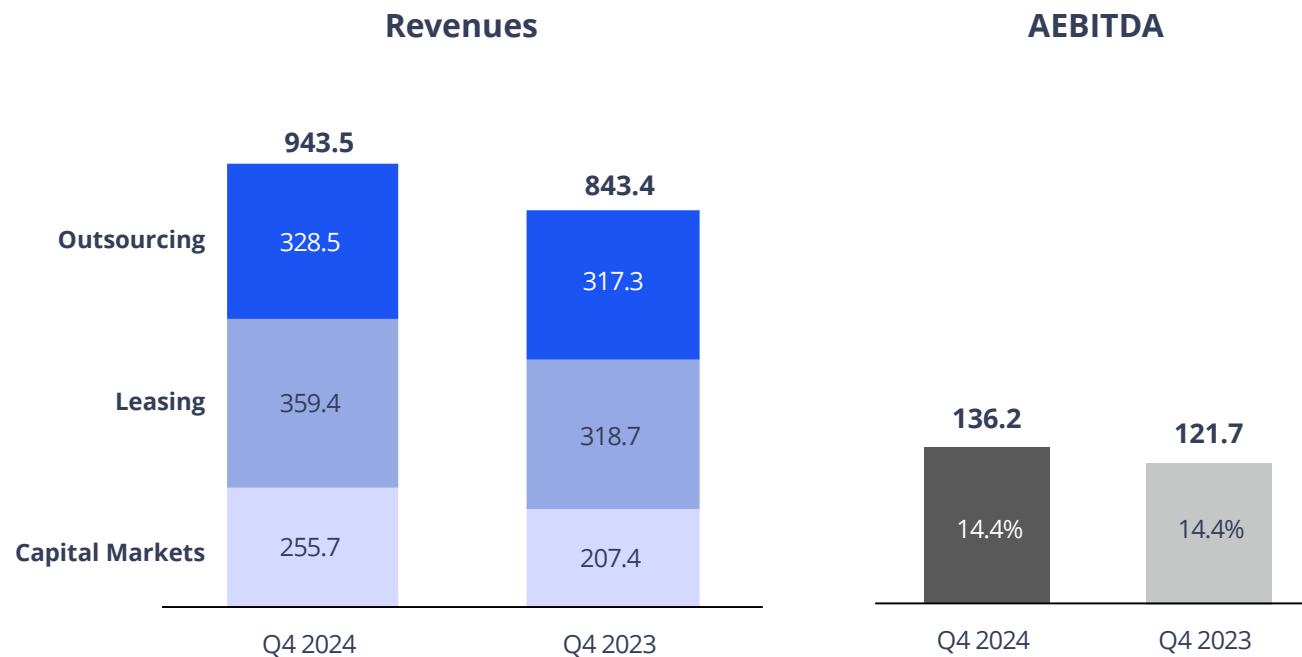
Fourth Quarter
(US\$ millions)

Strong growth across all service lines

Capital Markets transaction activity rebounded across all geographies, particularly Europe and the US, and most asset classes

Leasing momentum increased with several large office and industrial transactions in the quarter

Margin flat due to strategic investment in recruiting in key markets



	USD	LC
Revenue Growth	12%	13%
AEBITDA Growth	12%	14%

GAAP Operating Earnings: Q4 2024 \$107.9M at 11.4% margin; Q4 2023 \$96.2M at 11.4% margin



Engineering

Fourth Quarter

(US\$ millions)

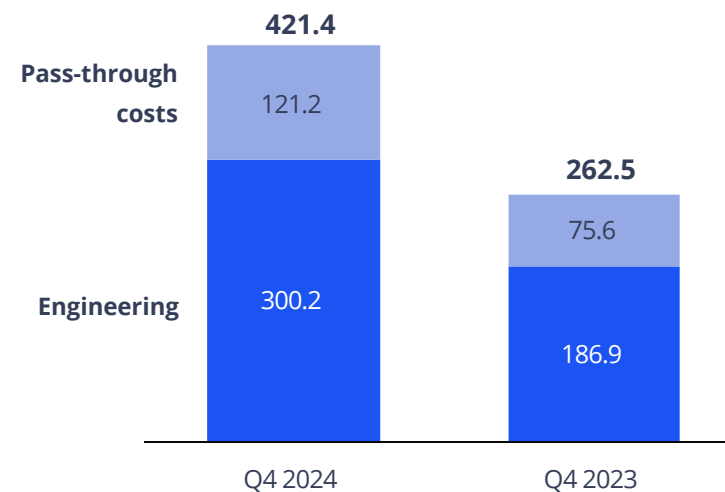
Revenue growth driven by the favourable impact of recent acquisitions and strong internal growth

Demand for technical and other multi-disciplined professional services increasing across most end-markets

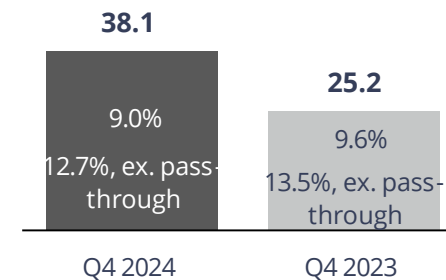
Adjusted EBITDA margin impacted by weather related seasonality in newly acquired businesses

	USD	LC
Revenue Growth	61%	61%
Net Service Revenue Growth	61%	61%
AEBITDA Growth	51%	51%

Revenues



AEBITDA



GAAP Operating Earnings: Q4 2024 \$8.0M at 1.9% margin; Q4 2023 \$11.9M at 4.5% margin



Investment Management

Fourth Quarter

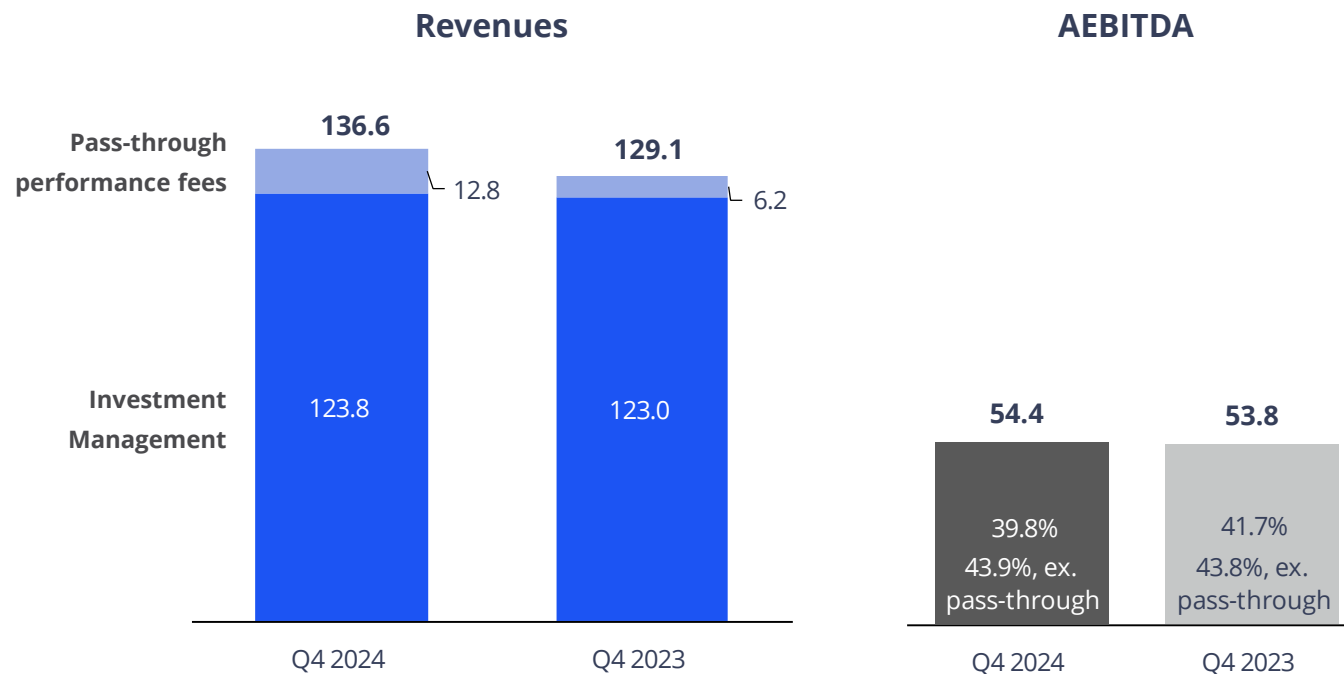
(US\$ millions)

Incremental revenues from new investor capital commitments

Adjusted EBITDA margin impacted by continued investments in new products as well as to scale fundraising efforts

AUM of \$98.9 billion, up slightly to relative to September 30, 2024

	USD	LC
Revenue Growth	6%	6%
Revenue Growth*	1%	1%
*excluding pass-through performance fees		
AEBITDA Growth	1%	1%



GAAP Operating Earnings: Q4 2024 \$38.0M at 27.8% margin; Q4 2023 \$41.5M at 32.2% margin

Capitalization & Capital Allocation

(US\$ millions)

	December 31, 2024	December 31, 2023
Cash	\$ 176.3	\$ 181.1
Total Debt	1,508.5	1,502.6
Net Debt	\$ 1,332.2	\$ 1,321.5
Redeemable non-controlling interests	1,152.6	1,072.1
Shareholders' equity	1,325.6	850.5
Total capitalization	\$ 3,810.4	\$ 3,244.1
Net debt / pro forma adjusted EBITDA - Leverage Ratio ⁽¹⁾	2.0x	2.2x

- Leverage ratio declined to 2.0x on strong free cash flow
- More than \$1.2 billion of available liquidity under expanded and extended revolving credit facility
- Anticipating capital expenditures of \$100-\$115 million in 2025

	Twelve months ended	
	December 31, 2024	December 31, 2023
Capital Expenditures	\$ 65.1	\$ 84.5
Acquisition Spend ⁽²⁾	\$ 542.3	\$ 152.1

⁽¹⁾ Net debt for financial leverage ratio excludes restricted cash and warehouse credit facilities, in accordance with debt agreements

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

Outlook for 2025

Real Estate Services

Mid single-digit revenue growth, with modest increase in AEBITDA margin

Engineering

Approximately 30% revenue growth including completed acquisitions, with increase in AEBITDA margin

Investment Management

Mid-single digit revenue growth given launch of new fundraising cycle, with potential for acceleration later in year

Flat to modest decrease in AEBITDA margin as result of continued investment in fundraising, new products and operational integration

Consolidated¹

High single digit to low-teens percentage revenue growth

Low-teens AEBITDA growth

Low-teens AEPS growth

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, international trade, 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. The outlook does not include future acquisitions.

¹Reflects currently prevailing foreign exchange rates, which are closely tied to international trade uncertainty.



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, 2024	December 31, 2023	December 31, 2024	December 31, 2023
Net earnings	\$ 81,496	\$ 81,221	\$ 236,936	\$ 144,691
Income tax	18,699	29,974	74,177	68,086
Other income, including equity earnings from non-consolidated investments	(1,976)	(912)	(7,680)	(5,919)
Interest expense, net	23,181	22,347	85,779	94,077
Operating earnings	<u>121,400</u>	<u>132,630</u>	<u>389,212</u>	<u>300,935</u>
Loss on disposal of business operations	-	-	-	2,282
Depreciation and amortization	65,176	51,087	221,602	202,536
Gains attributable to MSRs	(4,185)	(5,436)	(15,363)	(17,722)
Equity earnings from non-consolidated investments	2,030	707	7,270	5,078
Acquisition-related items	6,410	(6,406)	(27,802)	47,096
Restructuring costs	9,365	15,435	23,285	27,701
Stock-based compensation expense	25,094	10,361	46,041	27,087
Adjusted EBITDA	<u>\$ 225,290</u>	<u>\$ 198,378</u>	<u>\$ 644,245</u>	<u>\$ 594,993</u>

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, 2024	December 31, 2023	December 31, 2024	December 31, 2023
Net earnings	\$ 81,496	\$ 81,221	\$ 236,936	\$ 144,691
Non-controlling interest share of earnings	(18,894)	(17,593)	(53,968)	(56,560)
Interest on Convertible Notes	-	-	-	2,861
Loss on disposal of operations	-	-	-	2,282
Amortization of intangible assets	47,666	36,269	155,363	147,928
Gains attributable to MSRs	(4,185)	(5,436)	(15,363)	(17,722)
Acquisition-related items	6,410	(6,406)	(27,802)	47,096
Restructuring costs	9,365	15,435	23,285	27,701
Stock-based compensation expense	25,094	10,361	46,041	27,087
Income tax on adjustments	(24,287)	(13,313)	(50,403)	(48,359)
Non-controlling interest on adjustments	(7,409)	(5,534)	(25,740)	(22,667)
Adjusted net earnings	\$ 115,256	\$ 95,004	\$ 288,349	\$ 254,338

<i>(US\$)</i>	Three months ended		Twelve months ended	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
Diluted net earnings per common share	\$ 1.47	\$ 1.42	\$ 3.22	\$ 1.38
Interest on Convertible Notes, net of tax	-	-	-	0.04
Non-controlling interest redemption increment	(0.25)	(0.08)	0.42	0.47
Loss on disposal of operations	-	-	-	0.05
Amortization expense, net of tax	0.50	0.47	1.98	1.92
Gains attributable to MSRs, net of tax	(0.05)	(0.07)	(0.17)	(0.21)
Acquisition-related items	0.08	(0.14)	(0.75)	0.83
Restructuring costs, net of tax	0.14	0.24	0.35	0.43
Stock-based compensation expense, net of tax	0.37	0.16	0.70	0.44
Adjusted EPS	\$ 2.26	\$ 2.00	\$ 5.75	\$ 5.35

Diluted weighted average shares for Adjusted EPS (thousands)	51,036	47,582	50,182	47,504
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Amount shown for the year ended December 31, 2023, reflects the "if-converted" method's dilutive impact on the adjusted EPS calculation.

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, 2024	December 31, 2023	December 31, 2024	December 31, 2023
	\$ 215,307	\$ 157,103	\$ 326,009	\$ 165,661
	250	469	3,357	39,115
	(19,574)	(24,113)	(65,085)	(84,524)
	35,776	33,106	137,581	124,313
	(5,316)	(9,578)	(71,618)	(77,400)
	<u>\$ 226,443</u>	<u>\$ 156,987</u>	<u>\$ 330,244</u>	<u>\$ 167,165</u>

Reconciliation of Engineering revenue to net service revenue

(US\$ thousands)

Engineering Revenues

Subconsultant and other direct expenses

Engineering Net Service Revenues

	Three months ended		Twelve months ended	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
Engineering Revenues	\$ 421,361	\$ 262,482	\$ 1,237,384	\$ 990,477
Subconsultant and other direct expenses	(121,187)	(75,582)	(306,142)	(274,030)
Engineering Net Service Revenues	<u>\$ 300,174</u>	<u>\$ 186,900</u>	<u>\$ 931,242</u>	<u>\$ 716,447</u>

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 Engineering, Outsourcing and Investment Management service lines. All 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 Engineering, Outsourcing and Investment Management service lines. All 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 Segment Details

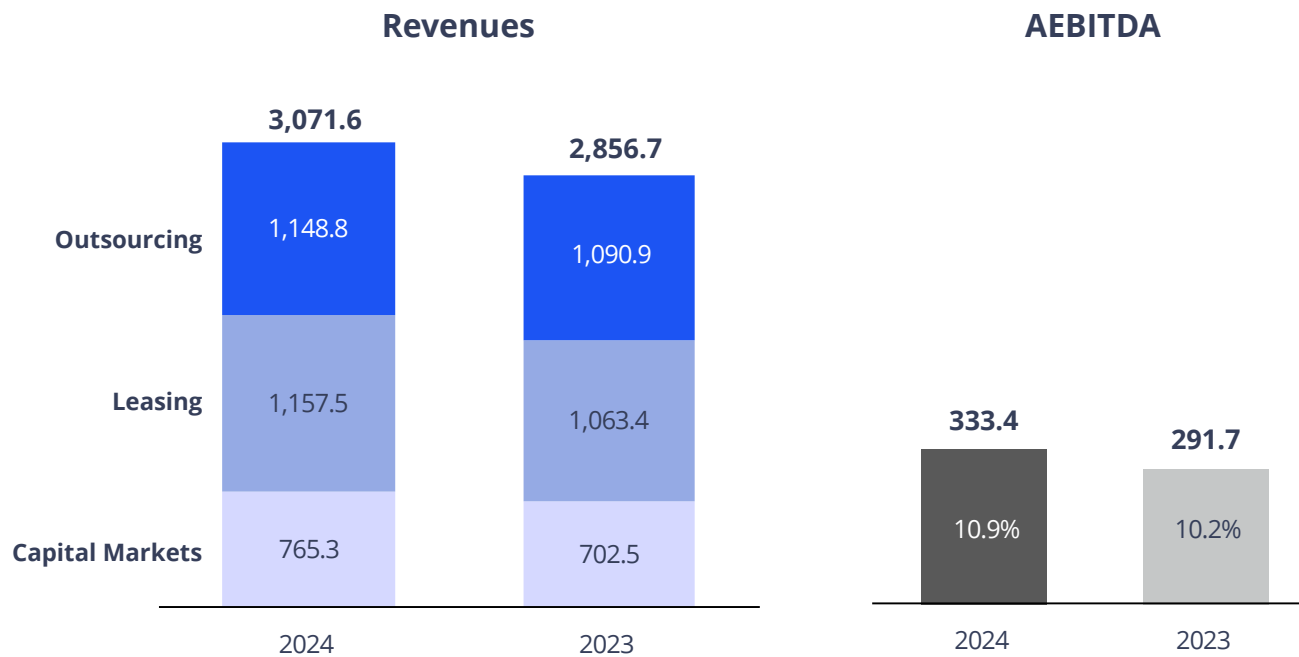


Real Estate Services

Full Year
(US\$ millions)

Solid growth across all service lines with transaction activity up

Margin benefitted from service mix and operating leverage



	USD	LC
Revenue Growth	8%	8%
AEBITDA Growth	14%	15%

GAAP Operating Earnings: 2024 \$231.4M at 7.5% margin; 2023 \$188.2M at 6.6% margin



Engineering

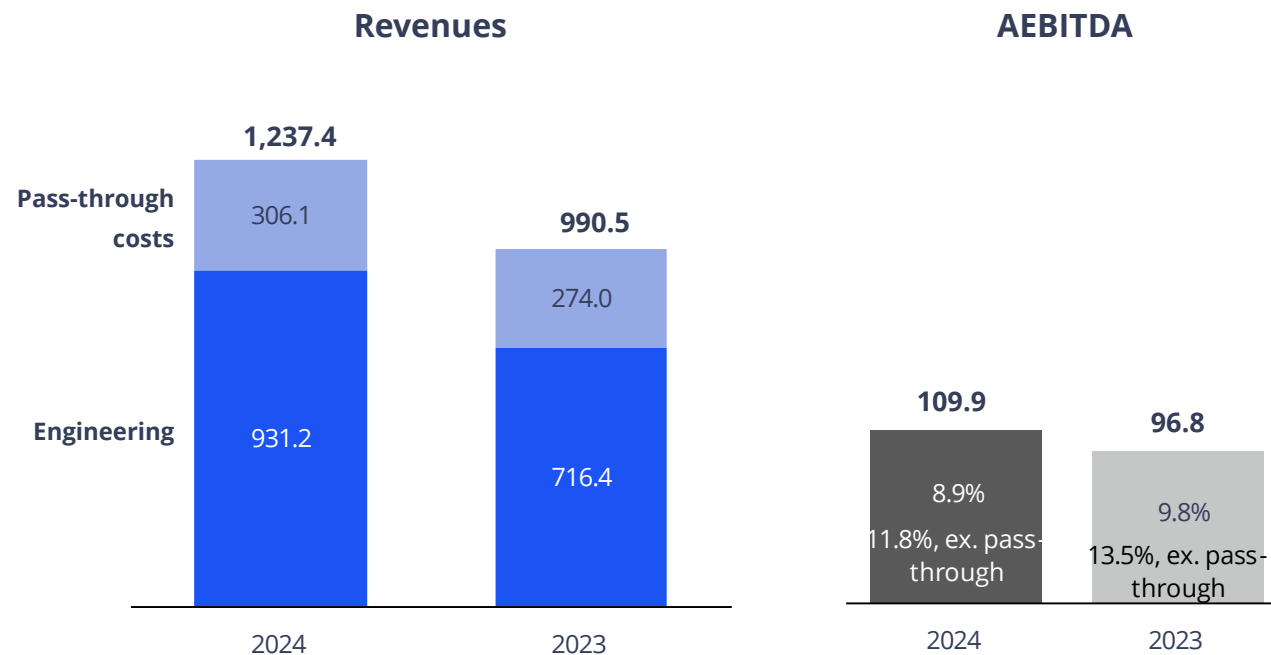
Full Year

(US\$ millions)

Revenue growth driven by the favourable impact of recent acquisitions and internal growth

Adjusted EBITDA margin impacted by completion certain highly profitable project management contracts in 2023, which did not repeat in 2024

	USD	LC
Revenue Growth	25%	25%
Net Service Revenue Growth	30%	30%
AEBITDA Growth	14%	14%



GAAP Operating Earnings: 2024 \$40.6M at 3.3% margin; 2023 \$54.6M at 5.5% margin



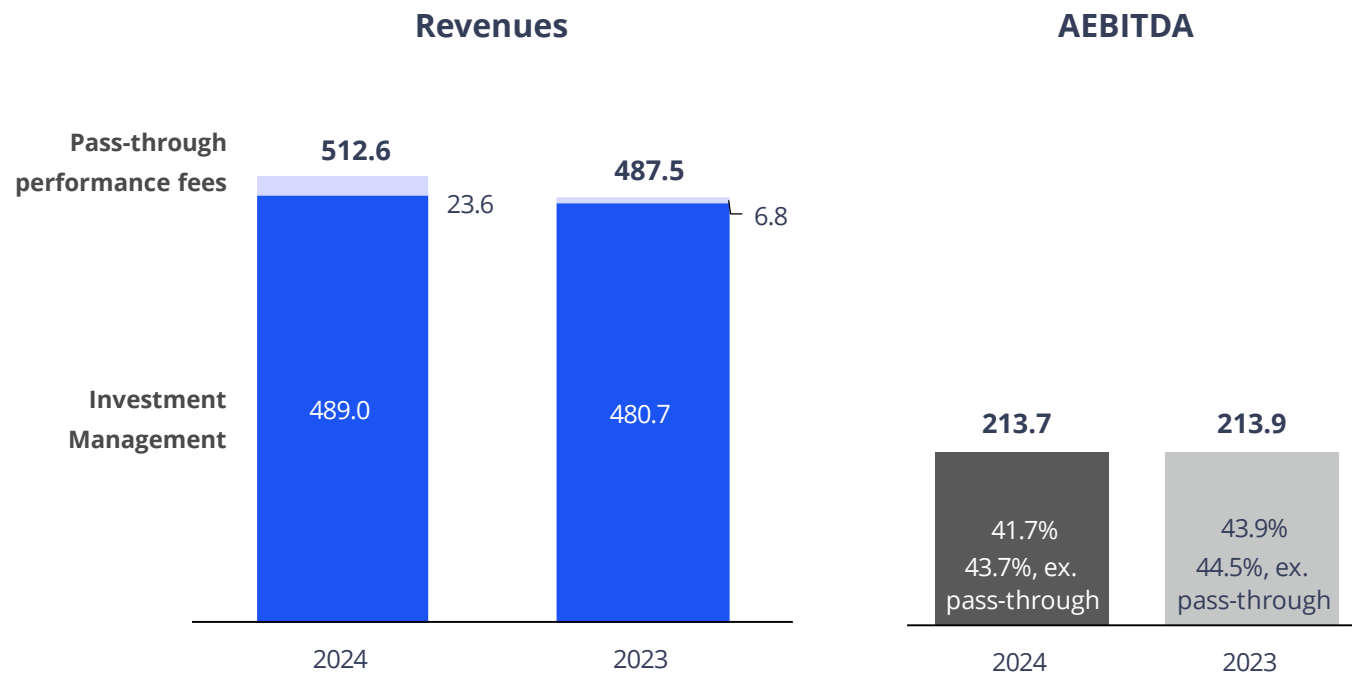
Investment Management

Full Year
(US\$ millions)

Incremental revenues from new investor capital commitments

Adjusted EBITDA margin impacted by incremental investments in new products and fundraising talent

	USD	LC
Revenue Growth	5%	5%
Revenue Growth*	2%	2%
*excluding pass-through performance fees		
AEBITDA Growth	0%	0%



GAAP Operating Earnings: 2024 \$199.1M at 38.8% margin; 2023 \$103.1M at 21.2% margin