

Altus Group Reports Q1 2025 Financial Results

Delivers resilient recurring revenue performance and sustained margin expansion in Q1 2025; accelerates pace of share buyback

TORONTO (May 8, 2025) – Altus Group Limited ("Altus Group" or "the Company") (TSX: AIF), a leading provider of commercial real estate ("CRE") intelligence, announced today its financial and operating results for the first quarter ended March 31, 2025.

"Our strong performance in Q1 demonstrates the continued execution of our growth initiatives and our commitment to delivering value to stakeholders," said Jim Hannon, Chief Executive Officer. "We successfully launched Benchmark Manager, signed dozens of asset-based pricing agreements, and achieved significant software bookings growth despite lower CRE transaction volumes year-over-year. Margin expanded across all business units and we improved cash flow, highlighting our operating leverage. In addition, we returned over \$76 million to shareholders through buybacks this quarter. We look forward to building on this momentum."

Selected Q1 2025 Information

C\$M	Q1 2025	Q1 2024	% change
Revenue	\$129.2	\$125.4	(1.5%) <i>Constant Currency*</i>
Recurring Revenue*	\$98.8	\$91.7	2.1% <i>Constant Currency</i>
Profit (Loss) from continuing operations	(\$6.4)	(\$12.2)	47.1% <i>As Reported</i>
Adjusted EBITDA*	\$15.7	\$10.9	29.7% <i>Constant Currency</i>
Analytics Adjusted EBITDA margin*	26.2%	23.3%	200 bps <i>Constant Currency</i>
Net cash provided by operating activities	\$0.7	(\$3.0)	123.7% <i>As Reported</i>
Free Cash Flow*	\$(0.6)	(\$5.7)	89.3% <i>As Reported</i>
Investment in share repurchases**	\$76.3	\$0.0	<i>n/a</i>
Funded debt to EBITDA ratio	1.44:1	2.15:1	<i>n/a</i>

**Denotes non-GAAP financial measure, non-GAAP ratio, total of segments measure, capital management measure, and/or supplementary and other financial measures as defined in National Instrument 52-112 - Non-GAAP and Other Financial Measures Disclosure ("NI 52-112"). Please refer to the "Non-GAAP and Other Measures" section of this press release for further information.*

***Investment in share repurchases represents the total cash consideration of the shares purchased for cancellation during the quarter under the Company's Normal Course Issuer Bid.*

Business Outlook

The Company maintains previously issued guidance for fiscal 2025. Additionally, given the macro environment, the Company is providing guidance for Q2 2025 as follows:

	FY 2025	Q2 2025
Analytics	• 4-7% total Analytics revenue growth • 6-9% Recurring Revenue growth • 250-350 bps of Adjusted EBITDA margin expansion	• 1-3% total Analytics revenue growth • 3-5% Recurring Revenue growth • 200-300 bps of Adjusted EBITDA margin expansion
Appraisals and Development Advisory	• Low single digit revenue growth • Adjusted EBITDA margin expansion	• Flat revenue • Adjusted EBITDA margin expansion
Consolidated	• 3-5% revenue growth • 300-400 bps of Adjusted EBITDA margin expansion	• 1-3% revenue growth • 200-300 bps of Adjusted EBITDA margin expansion

Note: Business Outlook presented on a Constant Currency basis over the corresponding period in 2024. Future acquisitions are not factored into this outlook.

Key assumptions for the business outlook by segment: Analytics: consistency and growth in number of assets on the Valuation Management Solutions platform, continued ARGUS cloud conversions, new sales (including New Bookings converting to revenue within Management's expected timeline and uptake on new product functionality), client and software retention consistent with 2024 levels, pricing action, improved operating leverage, as well as consistent and gradually improving economic conditions in financial and CRE markets, in particular a stronger recovery in the second half of the year. Appraisal & Development Advisory: improved client profitability and improved operating leverage. The Consolidated outlook assumes that corporate costs will remain elevated throughout 2025 consistent with 2024 levels.

Q1 2025 Results Conference Call & Webcast

Date: Thursday, May 8, 2025
 Time: 5:00 p.m. (ET)
 Webcast: <https://events.q4inc.com/attendee/144098282>
 Live Call: 1-888-660-6794 (toll-free) (Conference ID: 8366990)
 Replay: <https://www.altusgroup.com/investor-relations/>

About Altus Group

Altus connects data, analytics, and expertise to deliver the intelligence necessary to drive optimal CRE performance. The industry's top leaders rely on our market-leading solutions and expertise to power performance and mitigate risk. Our global team of ~2,000 experts are making a lasting impact on an industry undergoing unprecedented change – helping shape the cities where we live, work, and build thriving communities. For more information about Altus (TSX: AIF) please visit www.altusgroup.com.

Non-GAAP and Other Measures

Altus Group uses certain non-GAAP financial measures, non-GAAP ratios, total of segments measures, capital management measures, and supplementary and other financial measures as defined in NI 52-112. These non-GAAP and other financial measures include Adjusted Earnings (Loss), and Constant Currency; non-GAAP ratios such as Adjusted EPS; total of segments measures such as Adjusted EBITDA; capital management measures such as Free Cash Flow; and supplementary financial and other measures such as Adjusted EBITDA margin, Recurring Revenue. Management believes that these measures may assist investors in assessing an investment in the Company's shares as they provide additional insight into the Company's performance. Readers are cautioned that they are not defined performance measures, and do not have any standardized meaning under IFRS and may differ from similar computations as reported by other similar entities and, accordingly, may not be comparable to financial measures as reported by those entities. These measures should not be considered in isolation or as a substitute for financial measures prepared in accordance with IFRS. Refer to the "Non-GAAP and Other Measures" section on Page 3 of the Management's Discussion & Analysis dated May 8, 2025 for the period ended March 31, 2025 (the "MD&A"), which is incorporated by reference in this press release and which is available on SEDAR+ at www.sedarplus.ca for more information on each measure, including definitions and methods of calculation. A reconciliation of Adjusted EBITDA and Adjusted Earnings (Loss) to Profit (Loss) and Free Cash Flow to Net cash provided by (used in) operating activities is included at the end of this press release.

Forward-looking Information

Certain information in this press release may constitute "forward-looking information" within the meaning of applicable securities legislation. All information contained in this press release, other than statements of current and historical fact, is forward-looking information. Forward-looking information includes, but is not limited to, statements relating to expected financial and other benefits of acquisitions and the closing of acquisitions (including the expected timing of closing), as well as the discussion of our business, strategies and leverage (including the commitment to increase borrowing capacity), expectations of future performance, including any guidance on financial expectations, and our expectations with respect to cash flows and liquidity. Generally, forward-looking information can be identified by use of words such as "may", "will", "expect", "believe", "anticipate", "estimate", "intend", "plan", "would", "could", "should", "continue", "goal", "objective", "remain" and other similar terminology.

Forward-looking information is not, and cannot be, a guarantee of future results or events. Forward-looking information is based on, among other things, opinions, assumptions, estimates and analyses that, while considered reasonable by us at the date the forward-looking information is provided, inherently are subject to significant risks, uncertainties, contingencies and other factors that may not be known and may cause actual results, performance or achievements, industry results or events to be materially different from those expressed or implied by the forward-looking information. The material factors or assumptions that we identified and applied in drawing conclusions or making forecasts or projections set out in the forward-looking information (including sections entitled "Business Outlook") include, but are not limited to: no significant impact on our business from changes or potential changes to trade regulations, including tariffs; engagement and product pipeline opportunities in Analytics will result in associated definitive agreements; continued adoption of cloud subscriptions by our customers; retention of material clients and bookings; sustaining our software and subscription renewals; successful execution of our business strategies;

consistent and stable economic conditions or conditions in the financial markets including stable interest rates and credit availability for CRE; consistent and stable legislation in the various countries in which we operate; consistent and stable foreign exchange conditions; no disruptive changes in the technology environment; opportunity to acquire accretive businesses and the absence of negative financial and other impacts resulting from strategic investments or acquisitions on short term results; successful integration of acquired businesses; and continued availability of qualified professionals.

Inherent in the forward-looking information are known and unknown risks, uncertainties and other factors that could cause our actual results, performance or achievements, or industry results, to differ materially from any results, performance or achievements expressed or implied by such forward-looking information. Those risks include, but are not limited to: the CRE market conditions; the general state of the economy; our financial performance; our financial targets; our international operations; acquisitions, joint ventures and strategic investments; business interruption events; third party information and data; cybersecurity; industry competition; professional talent; our subscription renewals; our sales pipeline; client concentration and loss of material clients; product enhancements and new product introductions; technology strategy; our use of technology; intellectual property; compliance with laws and regulations; privacy and data protection; artificial intelligence; our leverage and financial covenants; interest rates; inflation; our brand and reputation; our cloud transition; fixed price engagements; currency fluctuations; credit; tax matters; our contractual obligations; legal proceedings; regulatory review; health and safety hazards; our insurance limits; dividend payments; our share price; share repurchase programs; our capital investments; equity and debt financings; our internal and disclosure controls; and environmental, social and governance (“ESG”) matters and climate change, as well as those described in our annual publicly filed documents, including the Annual Information Form for the year ended December 31, 2024 (which are available on SEDAR+ at www.sedarplus.ca).

Investors should not place undue reliance on forward-looking information as a prediction of actual results. The forward-looking information reflects management’s current expectations and beliefs regarding future events and operating performance and is based on information currently available to management. Although we have attempted to identify important factors that could cause actual results to differ materially from the forward-looking information contained herein, there are other factors that could cause results not to be as anticipated, estimated or intended. The forward-looking information contained herein is current as of the date of this press release and, except as required under applicable law, we do not undertake to update or revise it to reflect new events or circumstances. Additionally, we undertake no obligation to comment on analyses, expectations or statements made by third parties in respect of Altus Group, our financial or operating results, or our securities.

Certain information in this press release, including sections entitled “2025 Business Outlook”, may be considered as “financial outlook” within the meaning of applicable securities legislation. The purpose of this financial outlook is to provide readers with disclosure regarding Altus Group’s reasonable expectations as to the anticipated results of its proposed business activities for the periods indicated. Readers are cautioned that the financial outlook may not be appropriate for other purposes.

FOR FURTHER INFORMATION PLEASE CONTACT:

Camilla Bartosiewicz
Chief Communications Officer, Altus Group
(416) 641-9773
camilla.bartosiewicz@altusgroup.com

Martin Miasko
Sr. Director, Investor Relations and Strategy, Altus Group
(416) 204-5136
martin.miasko@altusgroup.com

Interim Condensed Consolidated Statements of Comprehensive Income (Loss)
For the Three Months Ended March 31, 2025 and 2024
(Unaudited)

(Expressed in Thousands of Canadian Dollars, Except for Per Share Amounts)

	Three months ended March 31	
	2025	2024 ⁽¹⁾
Revenues	\$ 129,165	\$ 125,418
Expenses		
Employee compensation	88,306	88,110
Occupancy	1,496	1,216
Other operating	25,864	23,796
Depreciation of right-of-use assets	2,094	2,060
Depreciation of property, plant and equipment	948	951
Amortization of intangibles	7,349	8,410
Acquisition and related transition costs (income)	18	3,496
Share of (profit) loss of joint venture	231	158
Restructuring costs (recovery)	6,217	5,176
(Gain) loss on investments	138	186
Finance costs (income), net – leases	245	164
Finance costs (income), net – other	(1,512)	4,126
Profit (loss) before income taxes from continuing operations	(2,229)	(12,431)
Income tax expense (recovery)	4,194	(279)
Profit (loss) from continuing operations, net of tax	\$ (6,423)	\$ (12,152)
Profit (loss) from discontinued operations, net of tax	382,207	11,999
Profit (loss) for the period	\$ 375,784	\$ (153)
Other comprehensive income (loss):		
Items that may be reclassified to profit or loss in subsequent periods:		
Currency translation differences	3,229	5,499
Other comprehensive income (loss), net of tax	3,229	5,499
Total comprehensive income (loss) for the period, net of tax	\$ 379,013	\$ 5,346
Earnings (loss) per share attributable to the shareholders of the Company during the period		
Basic earnings (loss) per share:		
Continuing operations	\$(0.14)	\$(0.27)
Discontinued operations	\$8.34	\$0.26
Diluted earnings (loss) per share:		
Continuing operations	\$(0.14)	\$(0.27)
Discontinued operations	\$8.34	\$0.26

⁽¹⁾ Comparative figures have been restated to reflect discontinued operations.

Interim Condensed Consolidated Balance Sheets
As at March 31, 2025 and December 31, 2024
(Unaudited)
(Expressed in Thousands of Canadian Dollars)

	March 31, 2025	December 31, 2024
Assets		
Current assets		
Cash and cash equivalents	\$ 491,913	\$ 41,876
Trade receivables and other	146,346	144,812
Income taxes recoverable	3,175	5,099
Derivative financial instruments	1,013	8,928
	642,447	200,715
Assets held for sale	-	282,233
Total current assets	642,447	482,948
Non-current assets		
Trade receivables and other	9,598	9,620
Derivative financial instruments	10,990	9,984
Investments	14,489	14,580
Investment in joint venture	25,374	25,605
Deferred tax assets	22,565	56,797
Right-of-use assets	17,235	19,420
Property, plant and equipment	13,213	13,217
Intangibles	210,319	214,614
Goodwill	407,636	404,176
Total non-current assets	731,419	768,013
Total assets	\$ 1,373,866	\$ 1,250,961
Liabilities		
Current liabilities		
Trade payables and other	\$ 221,630	\$ 216,390
Income taxes payable	40,743	3,017
Lease liabilities	14,726	11,009
	277,099	230,416
Liabilities directly associated with assets held for sale	-	57,680
Total current liabilities	277,099	288,096
Non-current liabilities		
Trade payables and other	18,077	19,828
Lease liabilities	23,347	26,751
Borrowings	157,596	281,887
Deferred tax liabilities	20,653	17,179
Total non-current liabilities	219,673	345,645
Total liabilities	496,772	633,741
Shareholders' equity		
Share capital	739,172	798,087
Contributed surplus	(14,646)	21,394
Accumulated other comprehensive income (loss)	59,472	56,243
Retained earnings (deficit)	93,096	(275,935)
Reserves of assets held for sale	-	17,431
Total shareholders' equity	877,094	617,220
Total liabilities and shareholders' equity	\$ 1,373,866	\$ 1,250,961

Interim Condensed Consolidated Statements of Cash Flows
For the Three Months Ended March 31, 2025 and 2024
(Unaudited)
(Expressed in Thousands of Canadian Dollars)

	Three months ended March 31	
	2025	2024
Cash flows from operating activities		
Profit (loss) before income taxes from continuing operations	\$ (2,229)	\$ (12,431)
Profit (loss) before income taxes from discontinued operations	454,686	13,446
Profit (loss) before income taxes	\$ 452,457	\$ 1,015
Adjustments for:		
Depreciation of right-of-use assets	2,094	2,773
Depreciation of property, plant and equipment	948	1,420
Amortization of intangibles	7,349	10,314
Finance costs (income), net – leases	245	279
Finance costs (income), net – other	(1,512)	4,132
Share-based compensation	3,596	5,776
Unrealized foreign exchange (gain) loss	(1,826)	(1,326)
(Gain) loss on investments	138	186
(Gain) loss on disposal of right-of-use assets, property, plant and equipment and intangibles	12	983
(Gain) loss on disposal of assets	(457,986)	-
(Gain) loss on equity derivatives	6,176	(6,453)
Share of (profit) loss of joint venture	231	158
Impairment of right-of-use assets, net of (gain) loss on sub-leases	3,534	12
Net changes in:		
Operating working capital	(7,201)	(19,787)
Liabilities for cash-settled share-based compensation	(7,305)	4,831
Deferred consideration payables	-	81
Net cash generated by (used in) operations	950	4,394
Interest paid on borrowings	(1,790)	(4,828)
Interest paid on leases	(245)	(279)
Interest received	3,008	-
Income taxes paid	(1,218)	(2,259)
Income taxes refunded	-	3
Net cash provided by (used in) operating activities	705	(2,969)
Cash flows from financing activities		
Proceeds from exercise of options	10,017	5,116
Financing fees paid	(513)	-
Proceeds from borrowings	-	20,000
Repayment of borrowings	(127,000)	(3,000)
Payments of principal on lease liabilities	(3,088)	(4,235)
Dividends paid	(6,507)	(6,042)
Treasury shares purchased for share-based compensation	(11,358)	(3,561)
Cancellation of shares	(76,304)	-
Net cash provided by (used in) financing activities	(214,753)	8,278
Cash flows from investing activities		
Purchase of investments	(39)	(212)
Purchase of intangibles	(388)	(2,477)
Purchase of property, plant and equipment	(927)	(238)
Proceeds from sale of discontinued operations, net of cash disposed	655,811	-
Net cash provided by (used in) investing activities	654,457	(2,927)
Effect of foreign currency translation	912	3
Net increase (decrease) in cash and cash equivalents	441,321	2,385
Cash and cash equivalents, beginning of period	50,592	41,892
Cash and cash equivalents, end of period	\$ 491,913	\$ 44,277

Reconciliation of Profit (Loss) to Adjusted EBITDA and Adjusted Earnings (Loss)

The following table provides a reconciliation of Profit (Loss) to Adjusted EBITDA and Adjusted Earnings (Loss):

Quarter ended March 31,		
<i>In thousands of dollars, except for per share amounts</i>	2025	2024 ⁽¹⁾
Profit (loss) for the period	\$ 375,784	\$ (153)
(Profit) loss from discontinued operations, net of tax	(382,207)	(11,999)
Occupancy costs calculated on a similar basis prior to the adoption of IFRS 16 ⁽²⁾	(2,213)	(2,443)
Depreciation of right-of-use assets	2,094	2,060
Depreciation of property, plant and equipment and amortization of intangibles ⁽⁸⁾	8,297	9,361
Acquisition and related transition costs (income)	18	3,496
Unrealized foreign exchange (gain) loss ⁽³⁾	(1,826)	(1,271)
(Gain) loss on disposal of right-of-use assets, property, plant and equipment and intangibles ⁽³⁾	12	515
Share of (profit) loss of joint venture	231	158
Non-cash share-based compensation costs ⁽⁴⁾	2,472	3,533
(Gain) loss on equity derivatives net of mark-to-market adjustments on related RSUs and DSUs ⁽⁴⁾	2,566	(2,591)
Restructuring costs (recovery)	6,217	5,176
(Gain) loss on investments ⁽⁵⁾	138	186
Other non-operating and/or non-recurring (income) costs ⁽⁶⁾	1,233	883
Finance costs (income), net – leases	245	164
Finance costs (income), net – other ⁽⁹⁾	(1,512)	4,126
Income tax expense (recovery) ⁽¹⁰⁾	4,194	(279)
Adjusted EBITDA	\$ 15,743	\$ 10,922
Depreciation of property, plant and equipment and amortization of intangibles of non-acquired businesses ⁽⁸⁾	(948)	(1,717)
Finance (costs) income, net – other ⁽⁹⁾	1,512	(4,126)
(Gain) loss on hedging transactions, including currency forward contracts and interest expense (income) on swaps ⁽⁹⁾	850	(897)
Tax effect of adjusted earnings (loss) adjustments ⁽¹⁰⁾	(8,305)	(4,539)
Adjusted earnings (loss)*	\$ 8,852	\$ (357)
Weighted average number of shares – basic	45,817,956	45,533,236
Weighted average number of restricted shares	92,321	418,458
Weighted average number of shares – adjusted	45,910,277	45,951,694
Adjusted earnings (loss) per share ⁽⁷⁾	\$0.19	\$(0.01)

⁽¹⁾ Comparative figures have been restated to reflect discontinued operations.

⁽²⁾ Management uses the non-GAAP occupancy costs calculated on a similar basis prior to the adoption of IFRS 16 when analyzing financial and operating performance.

⁽³⁾ Included in other operating expenses in the interim condensed consolidated statements of comprehensive income (loss).

⁽⁴⁾ Included in employee compensation expenses in the interim condensed consolidated statements of comprehensive income (loss).

⁽⁵⁾ (Gain) loss on investments relates to changes in the fair value of investments in partnerships.

⁽⁶⁾ Other non-operating and/or non-recurring (income) costs for the quarter ended March 31, 2025 relate to legal, advisory, consulting, and other professional fees related to organizational and strategic initiatives. These are included in other operating expenses in the interim condensed consolidated statements of comprehensive income (loss).

⁽⁷⁾ Refer to page 4 of the MD&A for the definition of Adjusted EPS.

⁽⁸⁾ For the purposes of reconciling to Adjusted Earnings (Loss), the amortization of intangibles of acquired businesses is adjusted from Profit (loss) for the period. Per the quantitative reconciliation above, we have added back depreciation of property, plant and equipment and amortization of intangibles and then deducted the depreciation of property, plant and equipment and amortization of intangibles of non-acquired businesses to arrive at the amortization of intangibles of acquired businesses.

⁽⁹⁾ For the purposes of reconciling to Adjusted Earnings (Loss), the interest accretion on contingent consideration payables and (gains) losses on hedging transactions and interest expense (income) on swaps is adjusted from Profit (loss) for the period. Per the

quantitative reconciliation above, we have added back finance costs (income), net – other and then deducted finance costs (income), net – other prior to adjusting for interest accretion on contingent consideration payables and (gains) losses on hedging transactions and interest expense (income) on swaps.

⁽¹⁰⁾For the purposes of reconciling to Adjusted Earnings (Loss), only the tax impacts for the reconciling items noted in the definition of Adjusted Earnings (Loss) is adjusted from profit (loss) for the period.

Reconciliation of Free Cash Flow

Free Cash Flow		Quarter ended March 31,	
<i>In thousands of dollars</i>		2025	2024
Net cash provided by (used in) operating activities	\$	705	\$ (2,969)
Less: Capital Expenditures		(1,315)	(2,715)
Free Cash Flow	\$	(610)	\$ (5,684)

Constant Currency

Quarter ended March 31, 2025		
	As presented	For Constant Currency
Canadian Dollar	1.000	1.000
United States Dollar	1.435	1.348
Pound Sterling	1.807	1.709
Euro	1.509	1.463
Australian Dollar	0.900	0.886

Quarter ended March 31, 2024		
	As presented	For Constant Currency
Canadian Dollar	1.000	1.000
United States Dollar	1.348	1.352
Pound Sterling	1.709	1.642
Euro	1.463	1.450
Australian Dollar	0.886	0.924