Q4 & FY 2023 Earnings Call & Webcast

TSX: AIF | February 22, 2024

Forward-looking information & statements

Certain information in this presentation 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, the discussion of the Company’s business, strategies and expectations of future performance, including any guidance on financial expectations, and its 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 the Company identified and applied in drawing conclusions or making forecasts or projections set out in the forward-looking information (including the 2024 Business Outlook) include, but are not limited to: engagement and product pipeline opportunities in Analytics will result in associated definitive agreements; continued adoption of cloud subscriptions by the Company’s customers; retention of material clients and bookings; sustaining the Company’s software and subscription renewals; settlement volumes in the Property Tax reportable segment occurring on a timely basis and assessment authorities processing appeals in a manner consistent with expectations; successful execution of the Company’s 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 the Company 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 the Company’s 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 commercial real estate market, the general state of the economy; the Company’s financial performance; the Company’s financial targets; the Company’s international operations; acquisitions; business interruption events; third party information and data; cybersecurity; industry competition; professional talent; the Company’s subscription renewals; the Company’s sales pipeline; client concentration and loss of material clients; the Company’s cloud transition; product enhancements and new product introductions; technological strategy; intellectual property; property tax appeals and seasonality; compliance with laws and regulations; privacy and data protection; artificial intelligence; the Company’s use of technology; the Company’s leverage and financial covenants; interest rates; inflation; the Company’s brand and reputation; fixed price and contingency engagements; currency fluctuations; credit; tax matters; health and safety hazards; the Company’s contractual obligations; legal proceedings; regulatory review; the Company’s insurance limits; the Company’s ability to meet the solvency requirements necessary to make dividend payments; the Company’s share price; the Company’s capital investments; the issuance of additional common shares and debt, the Company’s internal and disclosure controls; environmental, social and governance (“ESG”) matters; climate risk; and geopolitical risks, as well as those described in the Company’s annual publicly filed documents, including the Annual Information Form for the year ended December 31, 2023 (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 The Company has 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, the Company undertakes no obligation to comment on analyses, expectations or statements made by third parties in respect of Altus Group, the Company’s financial or operating results, or the Company’s securities.

Certain information in this presentation, including sections entitled “2024 Business Outlook Summary”, 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.

Non-GAAP and other measures

We use certain non-GAAP financial measures, non-GAAP ratios, total of segments measures, capital management measures, and supplementary and other financial measures as defined in National Instrument 52-112 - Non-GAAP and Other Financial Measures Disclosure (“NI 52-112”). We believe that these measures may assist investors in assessing an investment in our shares as they provide additional insight into our 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. Please refer to the Company’s most current MD&A or the Appendix of this presentation for a full list and definitions of the non-GAAP and other financial measures referred in this presentation.

Agenda

1. CEO opening remarks
2. Financial overview
4. 2024 business outlook
5. Technology roadmap update
6. CEO closing remarks
7. Q&A

Jim Hannon
Chief Executive Officer

Pawan Chhabra
Chief Financial Officer

David Ross
Chief Technology Officer

Camilla Bartosiewicz
Chief Communications Officer

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CEO opening remarks

Jim Hannon
Chief Executive Officer

Growing in a dynamic CRE market

FY 2023 PERFORMANCE

Continued Analytics Recurring Revenue* growth

▲ 13.2% (CC* y/y) ▲17.5% (as reported)

Expanded Analytics earnings & margin

▲ 26.1% CC* y/y (Adjusted EBITDA)

▲ 360 bps as reported y/y (Adjusted EBITDA Margin*)

Added New Bookings* at Analytics

$94.5M, including $64.5M of Recurring New Bookings*

Successfully navigated Property Tax cycle reset

Global revenue ▼ 4.6%; ▲ 8.9% excluding the -$33.2M impact of UK annuity reset (CC* y/y)

Improved consolidated profit

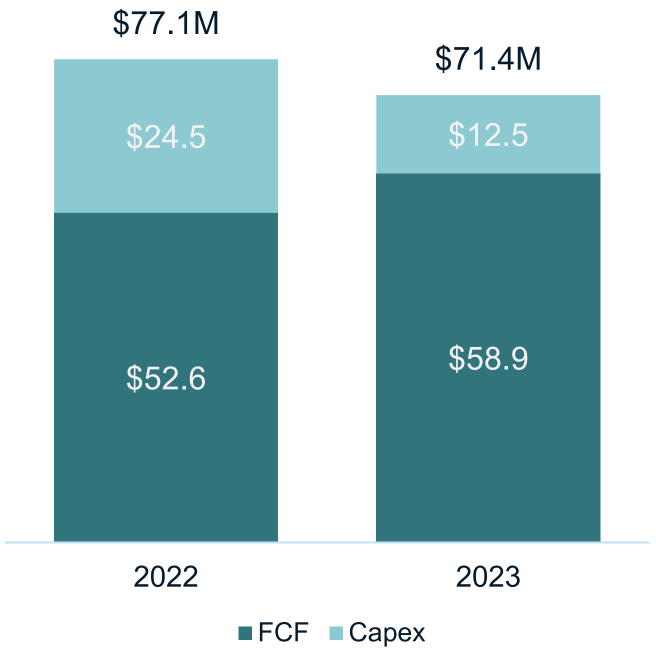
$10.2M, compared to negative $0.9M prior year

Increased Adjusted EBITDA to Free Cash Flow* conversion

▲ 44%, vs. 39% in 2022

** Non-GAAP and other financial measure | CC = Constant Currency | All % growth rates are presented on a y/y view for FY2023 over FY2022*

Continued focus on free cash flow



NET CASH PROVIDED BY OPERATING ACTIVITIES:

▼ 7.3%
y/y, as reported

FREE CASH FLOW*:

▲ 12.0%
y/y, as reported

- 2023 Net Cash Provided by Operating Activities reflects higher interest paid on borrowings
- Lower capex as significant investments in modernizing systems conclude
- Adjusted EBITDA to Free Cash Flow* conversion increased to 44%, vs. 39% in 2022
- Capital allocation priorities:
  - ✓ Organic growth investments
  - ✓ Opportunistic debt repayment
  - ✓ Maintaining financial flexibility for M&A and stock repurchases

** Non-GAAP and other financial measure*

Financial overview

Pawan Chhabra
Chief Financial Officer

2023 in review

CONSOLIDATED PERFORMANCE

Revenue	$772.8M	▲ 2.2% (▲ 7.0% excluding the $33.2M impact of UK tax annuity)	CC*
Adjusted EBITDA	$135.0M	▼ 4.2%	CC*
Basic EPS	$0.23	▲ 1,233.9%	as reported
Profit	$10.2M	▲ $11.1M	vs. 2022 ($0.9M), as reported
Adjusted EPS*	$1.64	▼ 13.2%	as reported
Diluted EPS	$0.22	▲ 1,218.9%	as reported

BUSINESS SEGMENT PERFORMANCE

$CM, CC*	Revenue		Adjusted EBITDA		Adjusted EBITDA Margin*	
Analytics	**$392.9**	▲ 9.4%	**$95.5**	▲ 26.1%	**24.3%**	▲ 360 BPS
Property Tax	**$263.1**	▼ 4.6%	**$69.3**	▼ 23.1%	**26.3%**	▼ 630 BPS
Appraisals & Development Advisory	**$117.6**	▼ 3.1%	**$11.5**	▼ 32.3%	**9.8%**	▼ 430 BPS

*Non-GAAP and other financial measure | CC = Constant Currency | All % growth rates are presented on a y/y view on CC for FY2023 over FY2022 | BPS presented on as reported basis

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Consolidated Q4 2023 performance

	Q4 2023	Q4 2022		y/y change
Revenues	$191.6	$183.8	▲	2.8% *CC
Profit (Loss)	-$0.1	-$8.8	▲	98.4%
Basic EPS	$-0.00	-$0.20	▲	98.4%
Diluted EPS	$-0.00	-$0.20	▲	98.4%
Adjusted EBITDA*	$34.2	$34.9	▼	3.4% *CC
Adjusted EBITDA Margin*	17.8%	19.0%	▼	120 bps
Adjusted EPS*	$0.46	$0.44	▲	4.5%
Net cash provided by operating activities	$44.7	$27.5	▲	62.7%
Free Cash Flow*	$40.1	$19.2	▲	109.3%

** Non-GAAP and other financial measure | CC = Constant Currency | All growth rates (% & bps) are presented on a y/y view*

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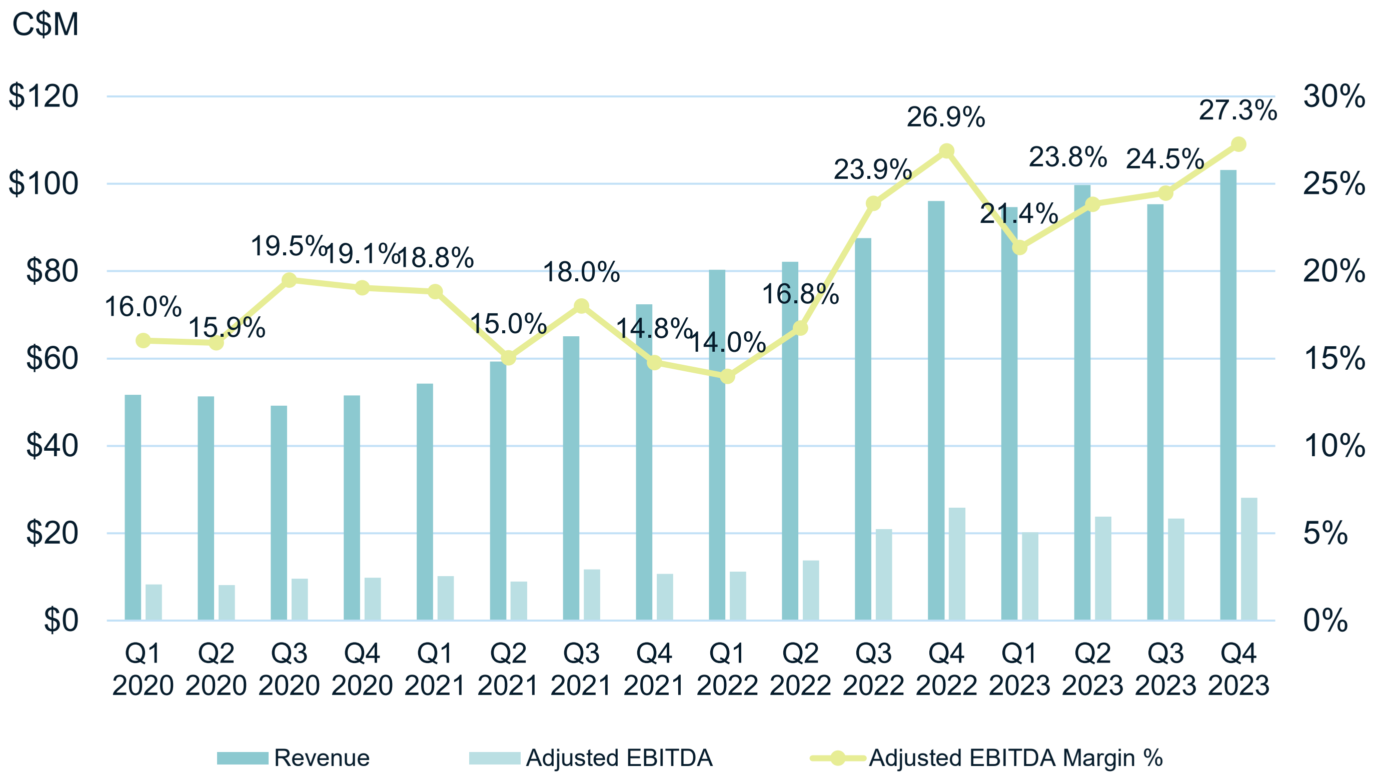
Growing revenues & expanding margins at Analytics



Q4 2023:

		As reported	CC*
Revenue	$103.2M	▲ **7.4%**	▲ **6.1%**
Recurring Revenue*	$93.0M	▲ **8.4%**	▲ **7.0%**
Adjusted EBITDA	$28.1M	▲ **9.0%**	▲ **7.9%**
Adjusted EBITDA Margin*	27.3%	▲ **40** bps	▲ **40** bps

** Non-GAAP and other financial measure | CC = Constant Currency | All growth rates (% & bps) are presented on a y/y view*

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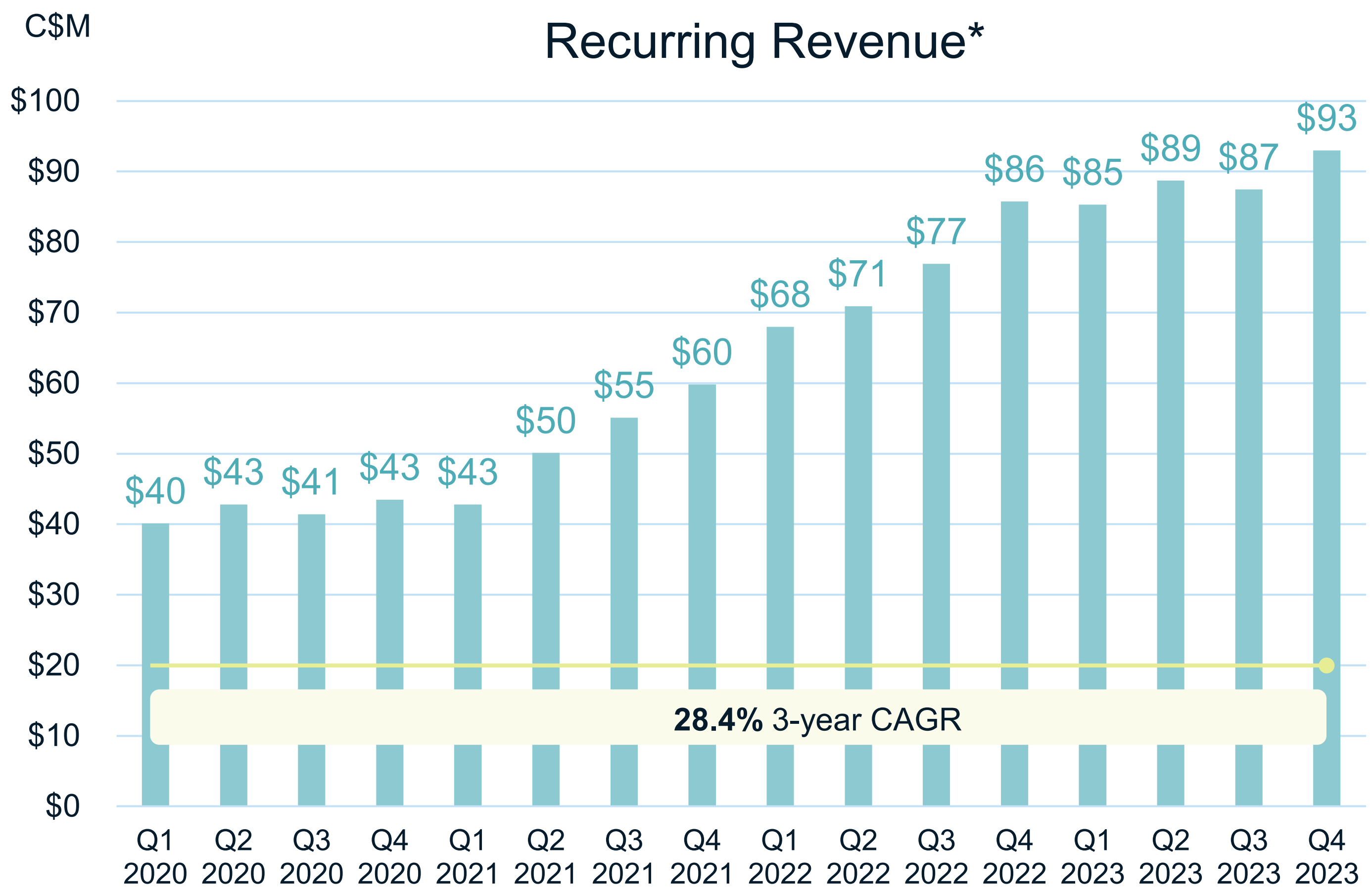
Growing Analytics recurring revenue base



Q4 2023:

$93.0M ▲ 7.0%

FY 2023:

$354.6M ▲ 13.2%

~90% of FY 2023 Analytics revenues were recurring

* Non-GAAP and other financial measure | All % growth rates are presented on a y/y view on a Constant Currency basis

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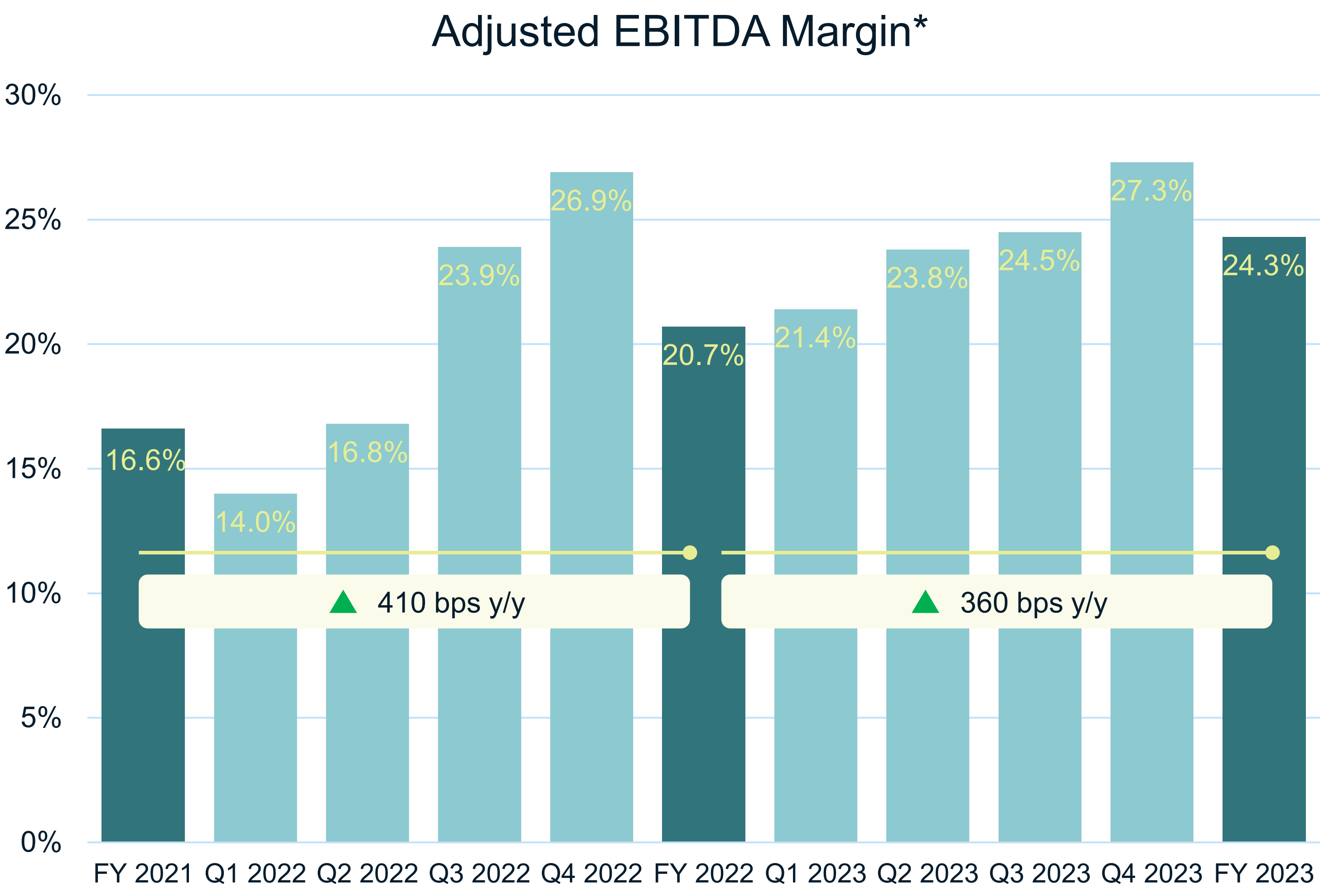
Expanding Analytics margins



Q4 2023:

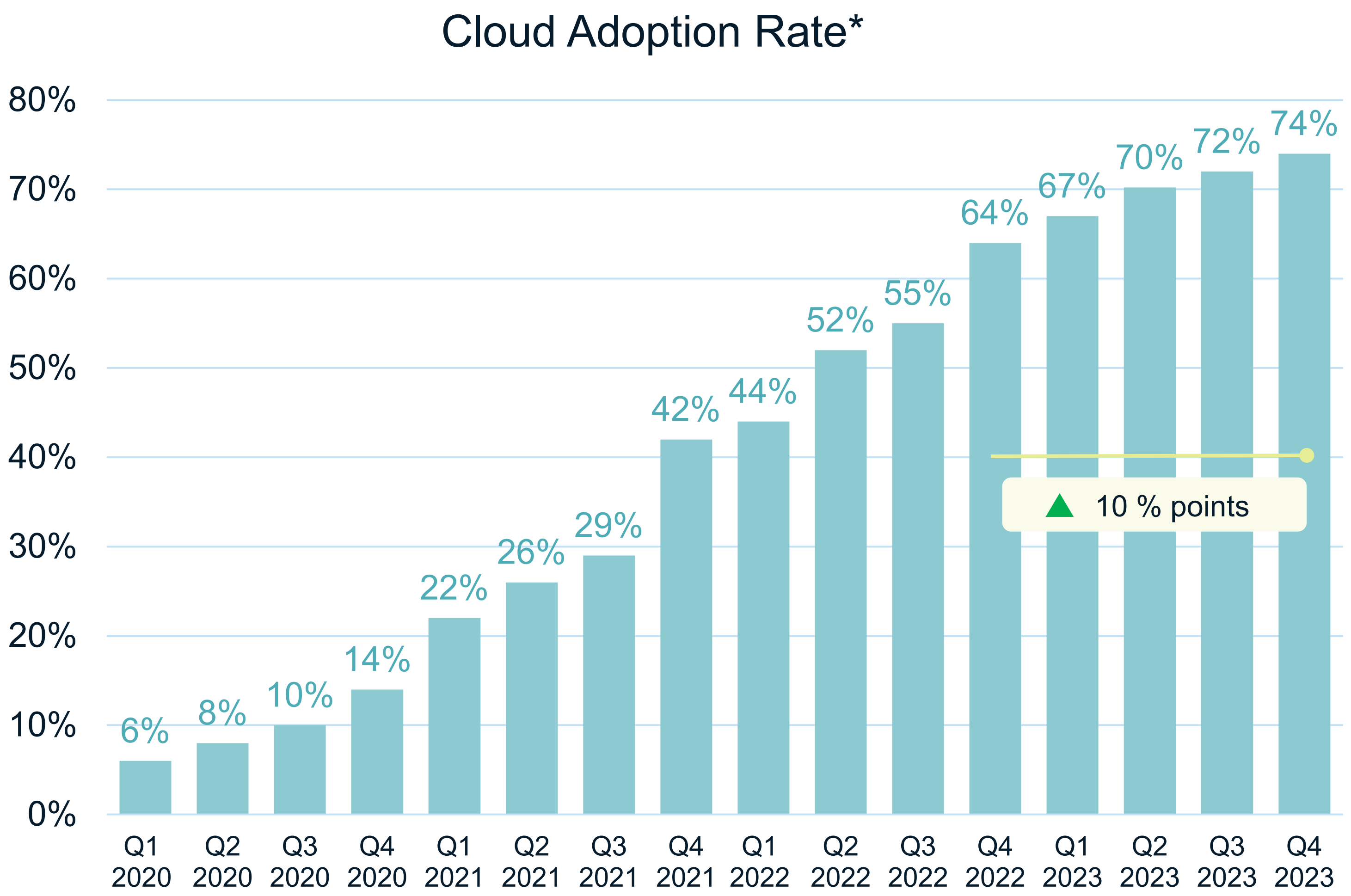
27.3% ▲ 40 bps

FY 2023:

24.3% ▲ 360 bps

** Non-GAAP and other financial measure | Adjusted EBITDA Margin basis points (bps) growth rate presented as reported on a y/y view*

Steady ARGUS Cloud adoption



+10M Valuation models on ARGUS Cloud

+1M Unique properties on ARGUS Cloud

Steady ongoing adoption, consistent with standard technology adoption curve trend

* Non-GAAP and other financial measure

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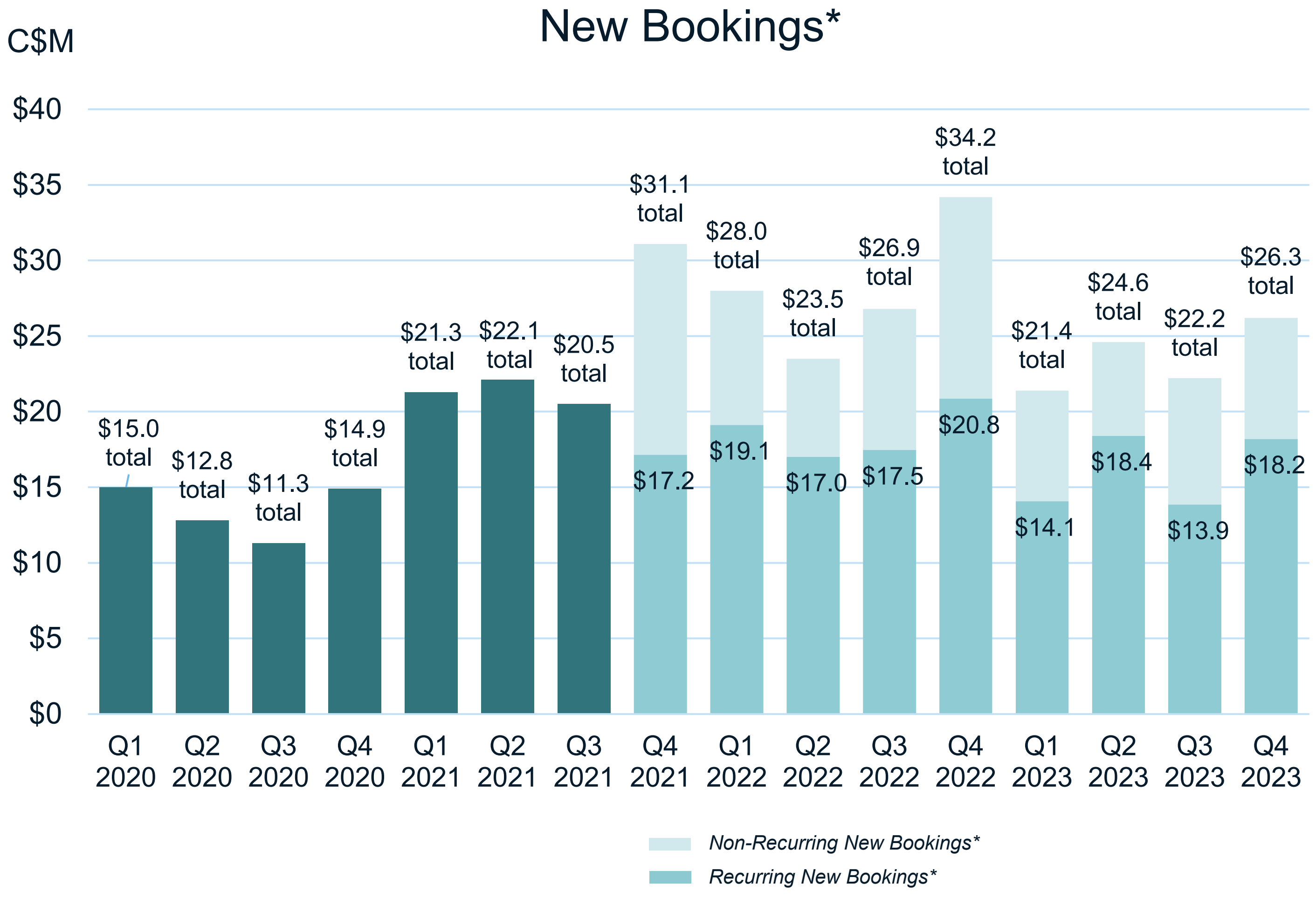
Adding new bookings at Analytics



Q4 2023 RECURRING NEW BOOKINGS*:

$18.2M ▼ 12.6%

Q4 2023 NEW BOOKINGS*:

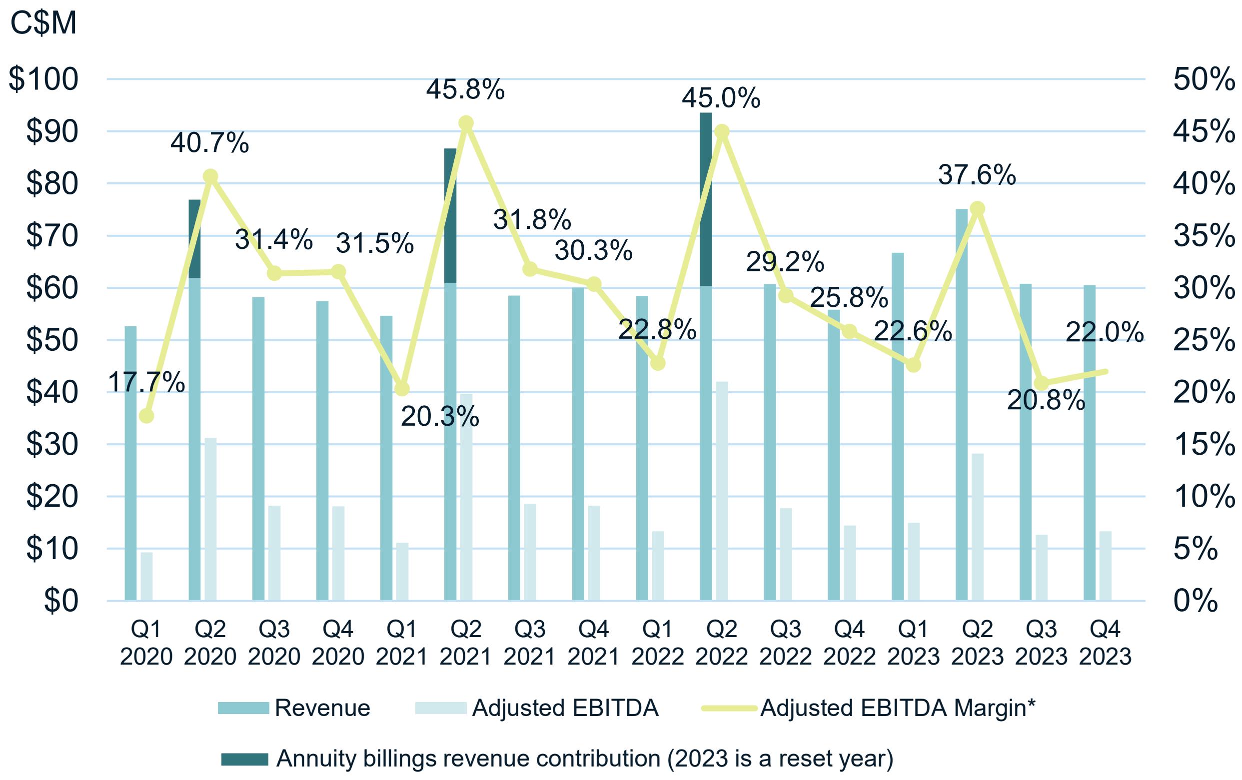
$26.3M ▼ 23.4%

Added $94.5M of total New Bookings* in FY 2023, including $64.5M of Recurring New Bookings*

** Non-GAAP and other financial measure | All growth rates presented on a Constant Currency Basis | All % growth rates are presented on a y/y view | Introduced bookings split in Q4 2022 report with y/y compare view*

New Bookings includes new contracts and additional solutions & services added by existing customers; excludes renewals, with the exception of additional capacity/products purchased at the time of renewal.*

Steady Property Tax performance

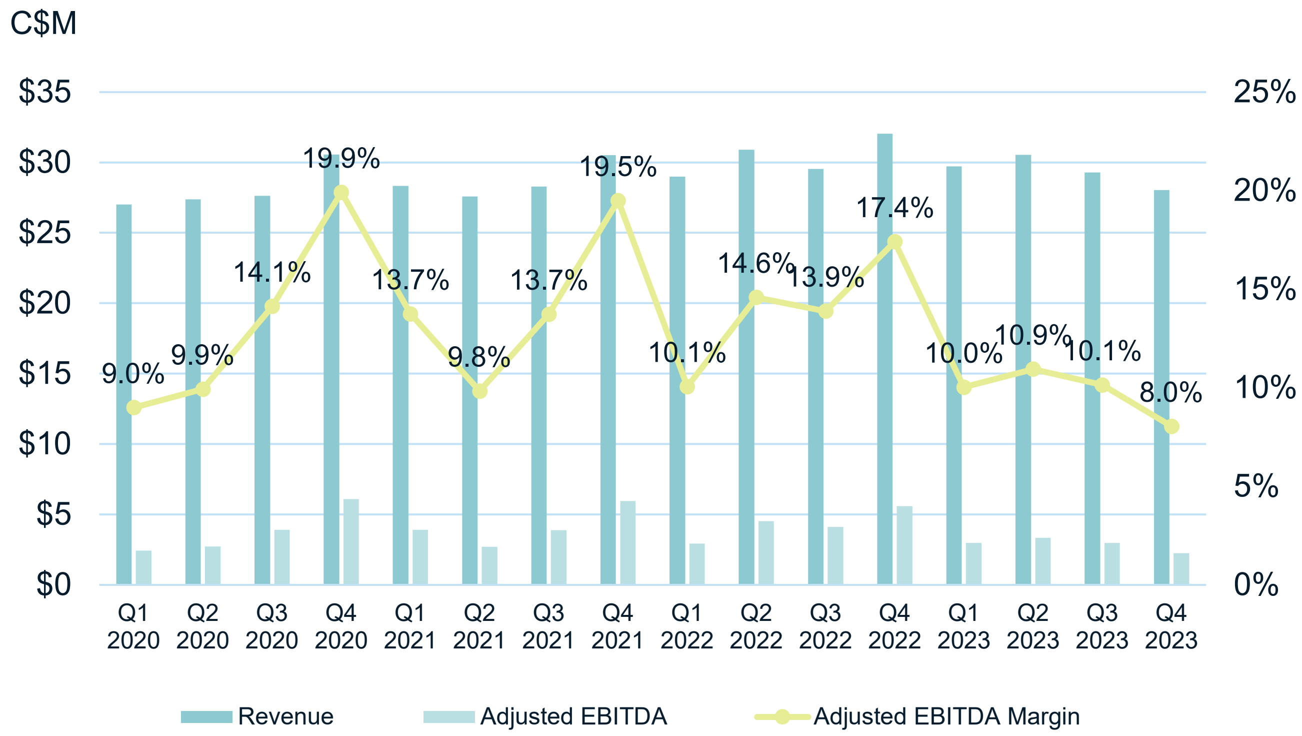


Q4 2023:

		As reported	CC*
Revenue	$60.5M	▲ **8.4%**	▲ **5.9%**
Adjusted EBITDA	$13.3M	▼ **7.6%**	▼ **10.5%**
Adjusted EBITDA Margin*	22.0%	▼ **380** bps	▼ **400** bps

** Non-GAAP and other financial measure | CC = Constant Currency | All growth rates (% & bps) are presented on a y/y view*

Appraisals & Development Advisory performance



Q4 2023:

		As reported	CC*
Revenue	$28.0M	▼ **12.5%**	▼ **12.4%**
Adjusted EBITDA	$2.3M	▼ **59.6%**	▼ **59.6%**
Adjusted EBITDA Margin*	8.0%	▼ **940** bps	▼ **940** bps

** Non-GAAP and other financial measure | CC = Constant Currency | All growth rates (% & bps) are presented on a y/y view*

Balance sheet enables continued investment in growth

HEALTHY BALANCE SHEET

$41.9 M	CASH POSITION
$308.6 M	BANK DEBT
2.06x	FUNDED DEBT TO EBITDA RATIO
1.98x	NET DEBT TO ADJUSTED EBITDA RATIO*
$283.3 M	TOTAL LIQUIDITY

As of Dec. 31, 2023; total liquidity excludes new commitment in place for REVS transaction

ANTICIPATED REVS TRANSACTION IMPACT

$725 M	• Available borrowing capacity (contingent on REVS*)
~4.0x	• Anticipated funded debt to EBITDA ratio at close (below 4.5x capacity)
2.0 – 2.5x	• Target funded debt to EBITDA leverage range by end of 2025

- Expected to close prior to the end of the first half of 2024, subject to customary closing conditions, including receipt of regulatory approvals

** Non-GAAP and other financial measure | All Balance Sheet figures are as at Dec. 31, 2023 | Total Liquidity = Cash + bank credit facilities available | On November 9, 2023 Altus Group entered into agreement to purchase SitusAMC's commercial real estate valuations services business ("REVS")*

2024 business outlook

Jim Hannon
Chief Executive Officer

2024 business outlook

FY 2024 business outlook:

ANALYTICS	• 8 – 12% Recurring Revenue* growth (excluding REVS) • 400 – 500 bps of Adjusted EBITDA margin* expansion
PROPERTY TAX	• Low-to-mid single digit revenue growth • 50 – 200 bps Adjusted EBITDA margin* expansion
APPRAISALS & DEVELOPMENT ADVISORY	• Low single digit revenue growth • Double digit improvement in Adjusted EBITDA
CONSOLIDATED	• Single digit revenue growth • Double digit improvement in Adjusted EBITDA • Adjusted EBITDA margin* improvement

Note: presented on a Constant Currency basis over full year 2023. Analytics outlook excludes the REVS transaction until it officially closes.*

Disclaimer:

Forecasting future results or trends is inherently difficult for any business and actual results or trends may vary significantly. The business outlook is forward-looking information that is based upon the assumptions and subject to the material risks discussed under the "Forward-Looking Information Disclaimer" section.

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), client and software retention consistent with 2023 levels, pricing action, the successful integration of Forbury, improved operating leverage, as well as consistent and increasingly stable economic conditions in financial and CRE markets. Property Tax: continued market share gains, new sales, optimized client outcomes that result in improved contingency payments, and improved operating leverage with technology. Appraisal & Development Advisory: improved client profitability and improved operating leverage.

* Non-GAAP and other financial measure

Technology roadmap update

David Ross
Chief Technology Officer

Focused on enhancing our clients' performance

Offer category:	Q2	Q2	Q3	Q4
	MARKET INSIGHTS	PORTFOLIO PERFORMANCE	VALUATION	PORTFOLIO PERFORMANCE
	Addressing the data pain point	**Enhancing portfolio & asset management intelligence**	**Increasing valuation speed & breadth**	**Improving decision quality**
	• CRE data is either out of reach, inconsistent and/or unstructured • Altus ID augmented with ARGUS	• Leverage Altus ID to augment ARGUS with performance & market-based analytics	• Enhancing Valuation Management Solutions process with AI-powered recommendations & comparisons	• AI-powered performance benchmarks and projections with scenario-based business planning capabilities
	Clients will have faster & more flexible access to better data	ARGUS clients will be able to measure performance to plan, to scenarios, and to market	VMS clients will have faster access to high quality valuations	Clients will have more insights to make faster and better decisions

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Closing remarks

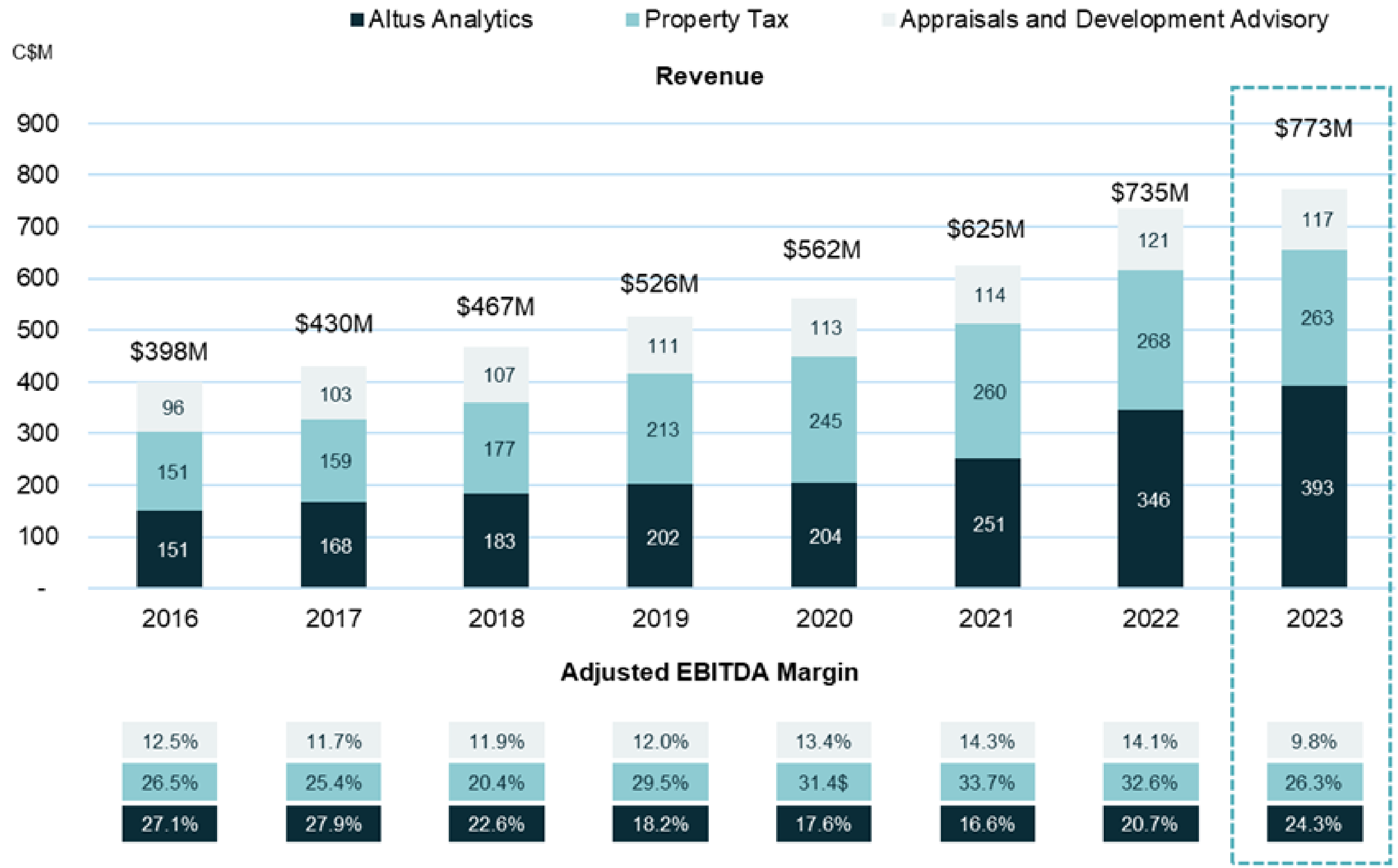
Jim Hannon
Chief Executive Officer

Question period

For additional inquiries please email IR@altusgroup.com

Appendix

Business segment contribution



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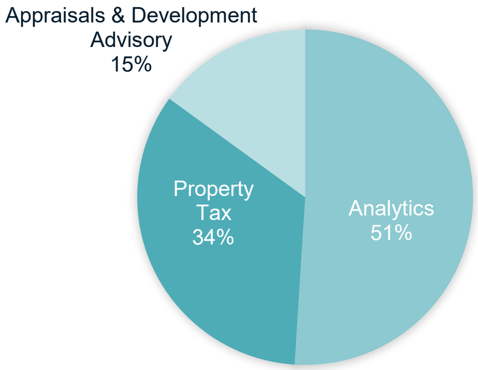
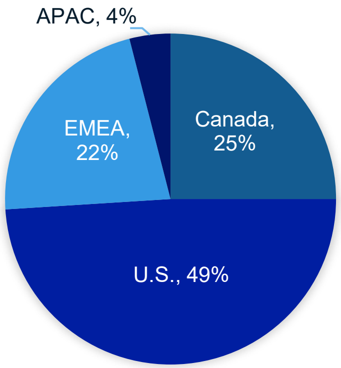
Resilient business model provides stability

Diversified revenue base

FY 2023





Trusted by the largest CRE leaders

Equity Investors | Debt Investors | Valuers & Appraisers | Banks

Developers | Corporates | Brokers

Proven stability across various economic cycles

ANALYTICS

- ~90% of 2023 revenues were recurring, supported by a sticky customer base & low churn
- Mission critical solutions for performance and risk transparency (ARGUS as the "currency" of CRE valuations as properties change hands)
- Limited SMB exposure (large, global firms account for majority of revenues) & model not based on CRE transactional volumes

CRE CONSULTING

- Supported by highly-repeatable revenue streams and strong client loyalty
- Property Tax is countercyclical as tax liabilities remain; tax savings provide upside in a contingency model & market dislocations enhance tax appeal opportunities in future reassessments
- Appraisals are required for many clients, and development advisory services are diversified by client segments and supported by multi-year contracts

- Market volatility as potential catalyst for tech adoption and outsourced expertise (aligned with Altus' alpha-beta value proposition)

Expense levers

- Ongoing refinement to target operating model & business transformation initiatives provide sustainable improvements & expense levers to navigate in a dynamic global business environment

Selected financial information

Selected Financial Information		Year ended December 31,
In thousands of dollars, except for per share amounts	**2023**	2022
Revenues	$ 772,843	$ 735,451
Canada	25%	27%
U.S.	49%	45%
EMEA	22%	24%
Asia Pacific	4%	4%
Adjusted EBITDA*	$ 135,041	$ 135,322
Adjusted EBITDA margin*	17.5%	18.4%
Profit (loss)	$ 10,232	$ (889)
Earnings (loss) per share:		
Basic	$0.23	$(0.02)
Diluted	$0.22	$(0.02)
Adjusted*	$1.64	$1.89
Dividends declared per share	$0.60	$0.60
Free Cash Flow*	$ 58,938	$ 52,605

** Non-GAAP and other financial measure*

Reportable segment performance

Revenues		Quarter ended December 31,				Year ended December 31,		
In thousands of dollars	**2023**	2022	% Change	Constant Currency % Change	**2023**	2022	% Change	Constant Currency % Change
Analytics	$ 103,190	$ 96,061	7.4%	6.1%	$ 392,913	$ 346,103	13.5%	9.4%
Property Tax	60,524	55,830	8.4%	5.9%	263,111	268,583	(2.0%)	(4.6%)
Appraisals and Development Advisory	28,046	32,049	(12.5%)	(12.4%)	117,577	121,469	(3.2%)	(3.1%)
Intercompany eliminations	(186)	(178)	(4.5%)	(0.6%)	(758)	(704)	(7.7%)	7.3%
Total	$ 191,574	$ 183,762	4.3%	2.8%	$ 772,843	$ 735,451	5.1%	2.2%

Adjusted EBITDA		Quarter ended December 31,				Year ended December 31,		
In thousands of dollars	**2023**	2022	% Change	Constant Currency % Change	**2023**	2022	% Change	Constant Currency % Change
Analytics	$ 28,145	$ 25,824	9.0%	7.9%	$ 95,470	$ 71,730	33.1%	26.1%
Property Tax	13,310	14,412	(7.6%)	(10.5%)	69,277	87,533	(20.9%)	(23.1%)
Appraisals and Development Advisory	2,254	5,578	(59.6%)	(59.6%)	11,540	17,099	(32.5%)	(32.3%)
Corporate	(9,541)	(10,886)	12.5%	15.1%	(41,246)	(41,040)	(0.5%)	(3.1%)
Total	$ 34,168	$ 34,928	(2.2%)	(3.4%)	$ 135,041	$ 135,322	(0.2%)	(4.2%)

** Non-GAAP and other financial measure*

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

	Quarter ended December 31,		Year ended December 31,	
In thousands of dollars, except for per share amounts	**2023**	2022	**2023**	2022
Profit (loss) for the period	$ (140)	$ (8,759)	$ 10,232	$ (889)
Occupancy costs calculated on a similar basis prior to the adoption of IFRS 16[1]	(2,859)	(2,905)	(11,902)	(11,993)
Depreciation of right-of-use assets	2,690	2,831	11,121	11,968
Depreciation of property, plant and equipment and amortization of intangibles [7]	12,031	11,290	46,819	47,557
Acquisition and related transition costs (income)	3,759	207	3,834	4,928
Unrealized foreign exchange (gain) loss [2]	904	(1,821)	1,622	(3,854)
(Gain) loss on disposal of right-of-use assets, property, plant and equipment and intangibles [2]	(2)	825	454	825
Share of (profit) loss of joint venture	(810)	(786)	(3,146)	(3,013)
Non-cash share-based compensation costs [3]	4,455	7,123	19,792	24,544
(Gain) loss on equity derivatives net of mark-to-market adjustments on related RSUs and DSUs [3]	942	(1,890)	4,594	2,481
Restructuring costs (recovery)	311	17,001	388	38,896
(Gain) loss on investments [4]	659	47	301	164
Other non-operating and/or non-recurring (income) costs [5]	2,658	2,957	13,735	11,742
Finance costs (income), net - leases	265	463	1,222	1,913
Finance costs (income), net - other [8]	8,823	7,918	23,877	5,284
Income tax expense (recovery) [9]	482	427	12,098	4,769
Adjusted EBITDA	$ 34,168	$ 34,928	$ 135,041	$ 135,322
Depreciation of property, plant and equipment and amortization of intangibles of non-acquired businesses [7]	(3,602)	(2,376)	(13,506)	(8,955)
Finance (costs) income, net - other [8]	(8,823)	(7,918)	(23,877)	(5,284)
(Gain) loss on hedging transactions, including currency forward contracts and interest expense (income) on swaps	3,762	3,396	3,057	(6,856)
Interest accretion on contingent consideration payables	-	-	-	6
Tax effect of adjusted earnings (loss) adjustments [9]	(4,613)	(7,939)	(25,527)	(28,511)
Adjusted earnings (loss)*	$ 20,892	$ 20,091	$ 75,188	$ 85,722
Weighted average number of shares - basic	45,421,165	44,715,291	45,302,194	44,635,448
Weighted average number of restricted shares	433,123	597,408	485,530	633,675
Weighted average number of shares - adjusted	45,854,288	45,312,699	45,787,724	45,269,123
Adjusted earnings (loss) per share [6]	$0.46	$0.44	1.64	$1.89

(1) 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.
(2) Included in other operating expenses in the consolidated statements of comprehensive income (loss).
(3) Included in employee compensation expenses in the consolidated statements of comprehensive income (loss).
(4) Gain (loss) on investments relates to changes in the fair value of investments in partnerships.
(5) Other non-operating and/or non-recurring income (costs) for the quarter and year ended December 31, 2023 relate to legal, advisory, consulting, and other professional fees related to organizational and strategic initiatives. For the quarter and year ended December 31, 2022, other non-operating and/or non-recurring income (costs) relate to legal, advisory, and other consulting costs related to organizational and strategic initiatives, including those related to the transition of certain members of our leadership team. These are included in other operating expenses in the consolidated statements of comprehensive income (loss).
(6) Refer to page 4 of the MD&A for the definition of Adjusted EPS.
(7) 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.
(8) 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.
(9) 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. Please refer to page 3 of the MD&A for the definition of Adjusted Earnings (Loss).

** Non-GAAP and other financial measure*

Debt, leverage & liquidity

Quarter end	Cash position	Total bank debt	Funded debt to EBITDA ratio	Net debt to Adjusted EBITDA ratio*
Q4 2023	$41.9 M	$308.6 M	2.06x	1.98x
Q3 2023	$44.7 M	$314.1 M	2.08x	1.98x
Q2 2023	$43.1 M	$335.8 M	2.19x	2.10x
Q1 2023	$42.9 M	$350.1 M	2.21x	2.13x
Q4 2022	$55.3 M	$319.6 M	2.13x	1.96x
Q3 2022	$46.6 M	$324.0 M	2.29x	2.20x
Q2 2022	$67.1 M	$345.0 M	2.63x	2.37x
Q1 2022	$46.8 M	$306.7 M	2.60x	2.37x
Q4 2021	$51.3 M	$287.6 M	2.47x	2.17x
Q3 2021	$66.4 M	$246.9 M	2.05x	1.63x
Q2 2021	$74.1 M	$246.8 M	2.03x	1.58x
Q1 2021	$69.1 M	$128.0 M	1.11x	0.57x
Q4 2020	$69.6 M	$123.0 M	1.09x	0.54x
Q3 2020	$91.1 M	$153.5 M	1.49x	0.66x
Q2 2020	$74.1 M	$160.0 M	1.65x	0.96x
Q1 2020	$71.2 M	$176.1 M	1.85x	1.24x
Q4 2019	$60.3 M	$138.0 M	1.49x	0.92x

Liquidity as at December 31, 2023:

Cash	$41.9 M
Bank Credit Facilities Available	$241.4 M
Total Liquidity	$283.3 M

In connection with the acquisition of REVS, the Company obtained a commitment from lenders to increase its borrowing capacity under its existing bank credit facilities from up to an aggregate of $550 million to up to an aggregate of $725 million, as required to fund the acquisition. The increase to the Company's borrowing capacity is subject to completion of the acquisition of REVS, satisfaction of typical conditions precedent, and definitive documentation.

Free Cash Flow	**Quarter ended December 31,**		**Year ended December 31,**	
In thousands of dollars	**2023**	2022	**2023**	2022
Net cash provided by (used in) operating activities	$ 44,693	$ 27,465	$ 71,429	$ 77,085
Less: Capital Expenditures	4,552	8,285	12,491	24,480
Free Cash Flow	$ 40,141	$ 19,180	$ 58,938	$ 52,605

* Non-GAAP and other financial measure

Summary of consolidated quarterly results

	2023					2022				
In thousands of dollars, except for per share amounts	**Fiscal 2023**	**Dec 31**	Sep 30	Jun 30	Mar 31	Fiscal 2022	Dec 31	Sep 30	Jun 30	Mar 31
Results of Operations										
Revenues	$ 772,843	$ 191,574	$ 185,232	$ 205,213	$ 190,824	$ 735,451	$ 183,762	$ 177,691	$ 206,414	$ 167,584
Adjusted EBITDA	$ 135,041	$ 34,168	$ 29,650	$ 44,695	$ 26,528	$ 135,322	$ 34,928	$ 32,910	$ 49,743	$ 17,741
Adjusted EBITDA margin	17.5%	17.8%	16.0%	21.8%	13.9%	18.4%	19.0%	18.5%	24.1%	10.6%
Profit (loss) for the period	$ 10,232	$ (140)	$ 929	$ 11,856	$ (2,413)	$ (889)	$ (8,759)	$ 6,827	$ 12,499	$ (11,456)
Basic earnings (loss) per share:	$0.23	$(0.00)	$0.02	$0.26	$(0.05)	$(0.02)	$(0.20)	$0.15	$0.28	$(0.26)
Diluted earnings (loss) per share:	$0.22	$(0.00)	$0.02	$0.26	$(0.05)	$(0.02)	$(0.20)	$0.15	$0.28	$(0.26)
Adjusted earnings (loss) per share	$1.64	$0.46	$0.33	$0.53	$0.33	$1.89	$0.44	$0.42	$0.77	$0.27
Weighted average number shares ('000s):										
Basic	45,302	45,421	45,408	45,361	45,012	44,635	44,715	44,609	44,508	44,171
Diluted	45,908	45,421	45,904	45,816	45,012	44,635	44,715	45,382	45,179	44,171

** Non-GAAP and other financial measure*

AltusGroup

Non-GAAP and other measures definitions

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 National Instrument 52-112 - Non-GAAP and Other Financial Measures Disclosure ("NI 52-112"). 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.

Adjusted Earnings (Loss): Altus Group uses Adjusted Earnings (Loss) to facilitate the calculation of Adjusted Earnings (Loss) per Share ("Adjusted EPS"). How it's calculated: Profit (loss) added or (deducted) by: profit (loss) from discontinued operations; occupancy costs calculated on a similar basis prior to the adoption of IFRS 16; depreciation of right-of-use assets; amortization of intangibles of acquired businesses; acquisition and related transition costs (income); unrealized foreign exchange losses (gains); (gains) losses on disposal of right-of-use assets, property, plant and equipment and intangibles; share of (profit) loss of joint venture; non-cash share-based compensation costs; (gains) losses on equity derivatives net of mark-to-market adjustments on related RSUs and DSUs; (gains) losses on derivatives; interest accretion on contingent consideration payables; restructuring costs (recovery); impairment charges; (gains) losses on investments; (gains) losses on hedging transactions and interest expense (income) on swaps; other costs or income of a non-operating and/or non-recurring nature; finance costs (income), net - leases; and the tax impact of these items.

Constant Currency: Altus Group uses Constant Currency to allow current financial and operational performance to be understood against comparative periods without the impact of fluctuations in foreign currency exchange rates against the Canadian dollar. How it's calculated: The financial results and non-GAAP and other measures presented at Constant Currency within this document are obtained by translating monthly results denominated in local currency (U.S. dollars, British pound, Euro, Australian dollars, and other foreign currencies) to Canadian dollars at the foreign exchange rates of the comparable month in the previous year.

Adjusted EPS: Altus Group uses Adjusted EPS to assess the performance of the business, on a per share basis, before the effects of the noted items because they affect the comparability of the Company's financial results and could potentially distort the analysis of trends in business performance. How it's calculated: Adjusted Earnings (Loss) divided by basic weighted average number of shares, adjusted for the effects of the weighted average number of restricted shares.

Adjusted Earnings before Interest, Taxes, Depreciation and Amortization ("Adjusted EBITDA"): Altus Group uses Adjusted EBITDA to evaluate the performance of the business, as well as when making decisions about the ongoing operations of the business and the Company's ability to generate cash flows. This measure represents Adjusted EBITDA determined on a consolidated entity-basis as a total of our various segments. All other Adjusted EBITDA references are disclosed in our financial statements and are not considered to be non-GAAP financial measures pursuant to NI 52-112. How it's calculated: Profit (loss) added or (deducted) by: profit (loss) from discontinued operations; occupancy costs calculated on a similar basis prior to the adoption of IFRS 16; depreciation of right-of-use assets; depreciation of property, plant and equipment and amortization of intangibles; acquisition and related transition costs (income); unrealized foreign exchange (gains) losses; (gains) losses on disposal of right-of-use assets, property, plant and equipment and intangibles; share of (profit) loss of joint venture; non-cash share-based compensation costs; (gains) losses on equity derivatives net of mark-to market adjustments on related restricted share units ("RSUs") and deferred share units ("DSUs"); (gains) losses on derivatives, restructuring costs (recovery); impairment charges; (gains) losses on investments; other costs or income of a non-operating and/or non-recurring nature; finance costs (income), net - leases; finance costs (income), net - other; and income tax expense (recovery).

Free Cash Flow: Altus Group uses Free Cash Flow to understand how much of the cash generated from operating activities is available to repay borrowings and to reinvest in the Company. How it's calculated: Net cash provided by (used in) operating activities deducted by capital expenditures.

Adjusted EBITDA Margin: Altus Group uses Adjusted EBITDA margin to evaluate the performance of the business, as well as when making decisions about the ongoing operations of the business and its ability to generate cash flows. How it's calculated: Adjusted EBITDA divided by revenue.

Non-GAAP and other measures definitions

Net debt to Adjusted EBITDA leverage ratio: Altus Group uses Net debt to Adjusted EBITDA leverage ratio as a measure of its ability to service debt and other long-term obligations. How it's calculated: Net debt (total borrowings less cash and cash equivalents, net of short-term deposits) divided by Adjusted EBITDA.

New Bookings, Organic New Bookings, Recurring New Bookings and Non-Recurring New Bookings: For its Analytics reportable segment, Altus Group uses New Bookings, Organic New Bookings, Recurring New Bookings and Non-Recurring New Bookings as measures to track the performance and success of sales initiatives, and as an indicator of future revenue growth. New Bookings is inclusive of any new signed contracts as well as any additional solutions and services added by existing customers within the Analytics reportable segment. The contract value of renewals is excluded from this metric with the exception of additional capacity or products purchased at the time of renewal. How it's calculated: *New Bookings:* The total of annual contract values for new sales of the Company's recurring solutions and services (software subscriptions, Valuation Management Solutions and data subscriptions) plus the total of contract values for one-time engagements (consulting, training, and due diligence). *Organic New Bookings*: The total of New Bookings deducted by New Bookings from business acquisitions that are not fully integrated (up to the first anniversary of the acquisition). *Recurring New Bookings*: The total of annual contract values for new sales of the recurring solutions and services. *Non-Recurring New Bookings*: The total of contract values for one-time engagements.

Organic Revenue: Altus Group uses Organic Revenue to evaluate and assess revenue trends in the business on a comparable basis versus the prior year, and as an indicator of future revenue growth. How it's calculated: Revenue deducted by revenues from business acquisitions that are not fully integrated (up to the first anniversary of the acquisition).

Recurring Revenue, Non-Recurring Revenue, Organic Recurring Revenue: For its Analytics reportable segment, Altus Group uses Recurring Revenue, Non-Recurring Revenue and Organic Recurring Revenue as measures to assess revenue trends in the business, and as an indicator of future revenue growth. How it's calculated: *Recurring Revenue*: Revenue from software subscriptions recognized on an over time basis in accordance with IFRS 15, software maintenance revenue associated with the Company's legacy licenses sold on perpetual terms, Valuation Management Solutions, and data subscriptions. *Non-Recurring Revenue:* Revenue deducted by Recurring Revenue. *Organic Recurring Revenue*: Recurring Revenue deducted by Recurring Revenue from business acquisitions that are not fully integrated (up to the first anniversary of the acquisition).

ARGUS Enterprise ("AE") Software Maintenance Retention Rate: For its Analytics reportable segment, Altus Group uses AE Software Maintenance Retention Rate as a measure to evaluate its success in retaining its AE software customers. With the majority of the AE customer base having now converted from legacy maintenance contracts to subscription contracts this metric is now less relevant and will be updated in the future. How it's calculated: Percentage of the total AE user base contracted on the ARGUS Cloud platform.

Cloud Adoption Rate: For its Analytics reportable segment, Altus Group uses the Cloud Adoption Rate as a measure of its progress in transitioning the AE user base to its cloud-based platform, a key component of its overall product strategy. How it's calculated: Percentage of the total AE user base contracted on the ARGUS Cloud platform.

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