

## Altus Group Reports Third Quarter 2021 Financial Results

### ***Altus Analytics Posts 32% Topline and 82% Bookings Growth***

**TORONTO** (November 11, 2021) - Altus Group Limited ("Altus Group" or "the Company") (TSX: AIF), a leading provider of software, data solutions and independent advisory services to the global commercial real estate industry, announced today its financial and operating results for the third quarter ended September 30, 2021.

*Unless otherwise indicated, all amounts are in Canadian dollars and percentages are in comparison to the same period in 2020. Non-IFRS measures and Altus Analytics selected metrics are defined at the end of this press release.*

#### **Summary:**

- Consolidated revenues were \$151.8 million, up 12.5% (15.5% on a constant currency basis).
- Consolidated profit from continuing operations, in accordance with IFRS, was \$(0.3) million, down from \$9.3 million.
- Consolidated earnings per share from continuing operations, in accordance with IFRS, was \$(0.01) per share basic and diluted, compared to \$0.23 per share basic and \$0.22 per share diluted.
- Consolidated Adjusted EBITDA was \$24.4 million, up 1.5% (5.0% on a constant currency basis).
- Adjusted EPS was \$0.39 down 2.5% from \$0.40.
- Altus Analytics revenues were \$65.1 million, up 32.4% (38.5% on a constant currency basis), of which Over Time revenues were \$55.1 million, up 33.2% (38.2% on a constant currency basis), and Adjusted EBITDA was \$11.7 million, up 22.3% (29.2% on a constant currency basis).
- Altus Analytics Bookings totaled \$20.5 million, up 81.6% (88.7% on a constant currency basis), of which organic growth in Bookings was 70.0% (77.0% on a constant currency basis).
- CRE Consulting revenues were \$86.8 million, up 1.1% (2.3% on a constant currency basis) and Adjusted EBITDA was \$22.5 million, up 1.4% (2.3% on a constant currency basis) reflecting revenue variability at its Property Tax business.
- Subsequent to quarter end on October 4, Altus completed a \$172.5 million equity financing, including the issuance of approximately 2.8 million shares priced at \$62.00 per common share.
- Subsequent to quarter end on November 4, Altus further amended its bank credit facilities to increase borrowing capacity to \$400 million, with certain provisions to further increase the limit to \$450 million.
- Subsequent to quarter end on November 11, Altus announced the strategic acquisition of Scryer, Inc. (dba Reonomy) ("Reonomy") for US\$201.5 million (approximately C\$249.5 million) (on a cash-free/debt-free basis) funded by cash on hand and borrowings under its credit facilities, subject to adjustments. The acquisition will strengthen the Company's CRE data and analytics capabilities and strategically position Altus for accelerated transformative innovation in AI predictive data analytics.
- Full year 2021 consolidated revenue guidance increased to \$621 – \$626 million, while Adjusted EBITDA guidance was updated to \$105 – \$110 million.
- At the end of the quarter Bank debt was \$246.9 million (representing a funded debt to EBITDA leverage ratio of 2.05 times) and cash and cash equivalents was \$66.4 million. Factoring in the acquisition of Reonomy, funded debt to EBITDA leverage is expected to increase to approximately 3.0x.



**Mike Gordon, Chief Executive Officer of Altus Group said:**

“Our solid sales execution and improving operational efficiencies continue to drive strong results, enabling us to deliver better than expected financial results for the third quarter. We enjoyed another quarter of double-digit revenue growth, including our Altus Analytics organic constant currency growth rate rebounding to the highest level in 4 years. The exceptionally strong growth in Bookings demonstrates the robust market demand across our key end markets and validates the returns from the investments we made this year in our go-to-market plans and product innovation.

With our organic performance as strong as ever and with the CRE industry at a pivotal inflection point in its maturity, we are accelerating our plans to pursue transformative innovation in AI predictive data analytics through the strategic acquisition of Reonomy. As a result of exceeding our financial guidance for the third quarter and factoring in the acquisition of Reonomy, I’m pleased to raise our revenue outlook for the year, reflecting year-over-year consolidated topline growth to a range of 10.5% - 11.5%.”

**Summary of Q3 2021 Operating and Financial Performance by Business Segment:**

*All amounts are unaudited, in Canadian dollars and percentages are in comparison to the same period in 2020, as applicable. Note that the quarterly 2020 Adjusted EBITDA results by business segment have been restated to reflect accrued variable compensation costs within the respective business units, versus the former treatment of accruing under the Corporate segment and reallocating in the fourth quarter. The selected financial information included in this press release is qualified in its entirety by, and should be read together with the unaudited interim condensed consolidated financial statements and the MD&A for the three and nine months ended September 30, 2021, which can be found in the disclosure documents filed by the Company with the securities regulatory authorities at [sedar.com](http://sedar.com).*

CONSOLIDATED	Three months ended September 30,				Nine months ended September 30,			
				Constant Currency % Change				Constant Currency % Change
<i>In thousands of dollars</i>	2021	2020	% Change		2021	2020	% Change	
Revenues	\$ 151,797	\$ 134,950	12.5%	15.5%	\$ 462,478	\$ 421,676	9.7%	13.0%
Adjusted EBITDA	\$ 24,415	\$ 24,047	1.5%	5.0%	\$ 83,894	\$ 72,194	16.2%	20.1%
Adjusted EBITDA Margin	16.1%	17.8%			18.1%	17.1%		
Profit (loss) from continuing operations	\$ (295)	\$ 9,297			\$ 18,683	\$ 22,387		
Earnings (loss) per share from continuing operations:								
Basic	\$(0.01)	\$0.23			\$0.46	\$0.56		
Diluted	\$(0.01)	\$0.22			\$0.44	\$0.54		
Adjusted	\$0.39	\$0.40			\$1.48	\$1.23		
Dividends declared per share	\$0.15	\$0.15			\$0.45	\$0.45		



Altus Analytics	Three months ended September 30,				Nine months ended September 30,				
	In thousands of dollars	2021	2020	% Change	Constant Currency % Change	2021	2020	% Change	Constant Currency % Change
Revenues	\$ 65,101	\$ 49,177	32.4%	38.5%	\$ 178,677	\$ 152,192	17.4%	24.2%	
Adjusted EBITDA	\$ 11,728	\$ 9,588	22.3%	29.2%	\$ 30,869	\$ 26,030	18.6%	27.6%	
Adjusted EBITDA Margin	18.0%	19.5%			17.3%	17.1%			
<b>Selected Metrics*</b>									
Bookings	\$ 20,525	\$ 11,303	81.6%	88.7%	\$ 63,946	\$ 39,122	63.5%	74.1%	
Over Time revenues	\$ 55,093	\$ 41,371	33.2%	38.2%	\$ 148,004	\$ 124,210	19.2%	25.4%	
AE software maintenance retention rate	95%	94%			94%	95%			
Geographical revenue split									
North America	73%	81%			75%	83%			
International	27%	19%			25%	17%			
Cloud adoption rate (as at end of period)					29%	10%			

\*Refer to the definitions of these Selected Metrics below or on page 4 of the MD&A for the three and nine months ended September 30, 2021

CRE Consulting	Three months ended September 30,				Nine months ended September 30,				
	In thousands of dollars	2021	2020	% Change	Constant Currency % Change	2021	2020	% Change	Constant Currency % Change
<b>Revenues</b>									
Property Tax	\$ 58,488	\$ 58,215	0.5%	2.0%	\$ 199,851	\$ 187,685	6.5%	8.6%	
Valuation and Cost Advisory	28,283	27,634	2.4%	3.0%	84,176	82,028	2.6%	2.1%	
Revenues	\$ 86,771	\$ 85,849	1.1%	2.3%	\$ 284,027	\$ 269,713	5.3%	6.6%	
<b>Adjusted EBITDA</b>									
Property Tax	\$ 18,596	\$ 18,270	1.8%	2.8%	\$ 69,394	\$ 58,840	17.9%	19.2%	
Valuation and Cost Advisory	3,882	3,904	(0.6%)	0.2%	10,492	9,041	16.0%	15.5%	
Adjusted EBITDA	\$ 22,478	\$ 22,174	1.4%	2.3%	\$ 79,886	\$ 67,881	17.7%	18.7%	
Adjusted EBITDA Margin	25.9%	25.8%			28.1%	25.2%			

### Q3 2021 Review

On a consolidated basis, revenues were \$151.8 million, up 12.5% year-over-year (15.5% on a constant currency basis) and Adjusted EBITDA was \$24.4 million, up 1.5% (5.0% on a constant currency basis). Organic revenue growth was 4.9% (7.9% on a constant currency basis) and organic Adjusted EBITDA growth was negative 6.3% (negative 2.7% on a constant currency basis). Adjusted EPS was \$0.39, compared to \$0.40 in the third quarter of 2020.

Consolidated profit from continuing operations, in accordance with IFRS, was \$(0.3) million, down from \$9.3 million in the same period in 2020. In addition to the higher Adjusted EBITDA performance, profit from continuing operations was impacted by additional costs related to the June 13, 2021 cybersecurity incident net of insurance proceeds received or receivable, acquisition and related transition costs, share-based compensation costs, amortization of acquisition-related intangibles, and lower gains on equity derivatives and foreign exchange. This was offset by lower restructuring costs related to the 2020 global restructuring program and additional gains



on the Company's partnership investments. Profit from continuing operations was \$(0.01) per share, basic and diluted, compared to \$0.23 per share basic and \$0.22 per share diluted, in the same period in 2020.

Altus Analytics revenues increased by 32.4% to \$65.1 million (38.5% on a constant currency basis). Organic revenues were up 14.5% (20.6% on a constant currency basis). The acquisitions of Finance Active and StratoDem Analytics represented 17.9% of the 32.4% revenue growth. Over Time revenues were \$55.1 million, up 33.2% (38.2% on a constant currency basis). Adjusted EBITDA was \$11.7 million, up 22.3% (29.2% on a constant currency basis), of which organic growth was 6.0% (12.9% on a constant currency basis).

- The healthy growth in Over Time revenues benefitted from double-digit organic revenue growth from software, data and Appraisal Management solutions and also benefitted from the acquisition of Finance Active. Sequentially, Over Time revenues grew 9.9% (8.2% on a constant currency basis) from \$50.1 million in the second quarter of 2021.
- In addition to the Over Time revenue growth, total revenue growth in the third quarter also benefitted from increased year-over-year revenues from strong performance in software consulting services.
- Bookings in the third quarter increased by 81.6% year-over-year to \$20.5 million (88.7% on a constant currency basis). Organic growth in Bookings was 70.0% (77.0% on a constant currency basis).
- The transition of ARGUS Enterprise ("AE") to cloud subscriptions progressed at a healthy pace throughout the third quarter with continued momentum in migrating existing customers from the on-premise product and selling cloud-enabled AE to new customers. As at the end of the third quarter, 29% of Company's total AE user base had been contracted on ARGUS Cloud, compared to 26% the previous quarter, 14% at the start of the year, and 10% at the end of the third quarter of 2020.
- Adjusted EBITDA improved on higher revenues, however was impacted by the purchase price accounting adjustment of \$1.0 million to Finance Active's deferred revenues as well as higher investment related to accelerating the Company's data strategy. The purchase price accounting adjustment had a 1% impact to Adjusted EBITDA margin.

CRE Consulting revenues were \$86.8 million, up 1.1% (2.3% on a constant currency basis) and Adjusted EBITDA was \$22.5 million, up 1.4% (2.3% on a constant currency basis), reflecting revenue variability at its Property Tax business.

- Property Tax revenues were \$58.5 million, up 0.5% (2.0% on a constant currency basis) and Adjusted EBITDA was \$22.5 million, up 1.8% (2.8% on a constant currency basis). COVID-related disruptions and appeal settlement delays in the U.S. and in the U.K. caused some revenue variability, causing anticipated third quarter revenues to be deferred into future quarters. As a result, revenues in the U.S. and the U.K. were impacted (on par with the prior year on a constant currency basis), offset by healthy growth in Canada driven by strong performance in Ontario and Alberta.
- Valuation and Cost Advisory revenues were \$28.3 million, up 2.4% (3.0% on a constant currency basis) and Adjusted EBITDA was \$3.9 million, down 0.6% (up 0.2% on a constant currency basis).

Corporate Costs were \$9.8 million, compared to \$7.7 million (restated to reflect accrued variable compensation costs within the respective business units) in the same period in 2020. Corporate costs increased primarily due to higher consulting fees for professional advisory.

At the end of the third quarter, bank debt stood at \$246.9 million, representing a funded debt to EBITDA leverage ratio of 2.05 times (well below its maximum limit of 4.00 times) and cash and cash equivalents was \$66.4 million. During the quarter, the Company amended its bank credit facilities to increase borrowing capacity to \$315 million from \$275 million, with certain provisions to further increase the limit to \$365 million. Subsequent to quarter end



on October 4, the Company completed a \$172.5 million equity financing to strengthen its financial flexibility to pursue its growth strategy, including the issuance of approximately 2.8 million shares priced at \$62.00 per common share. Subsequent to quarter end on November 4, the Company further amended its bank credit facilities to increase borrowing capacity to \$400 million from \$315 million, with certain provisions to further increase the limit to \$450 million.

Factoring in the acquisition of Reonomy (as disclosed by a separate press release issued today), the Company's funded debt to Adjusted EBITDA leverage ratio is expected to increase to approximately 3.0x. Given the expected synergies and existing strong cash flows, Altus expects to de-lever to a funded debt to EBITDA leverage ratio in the low 2.0x range by the end of 2022.

### **Updated Financial Guidance**

Including the anticipated results of Reonomy, Management updated its one-time financial guidance for FY2021:

<b>FY 2021</b>	<b>Altus Analytics:</b>	<b>CRE Consulting:</b>	<b>Consolidated:</b>
<b>Revenue (Original)</b>	\$247 - \$249 million	\$370 - \$374 million	\$617 - \$623 million
<b>Revenue (Updated)</b>	\$250 - \$252 million	\$371 - \$374 million	\$621 - \$626 million
<b>Adjusted EBITDA (Original)</b>	\$42 - \$44 million	\$101 - \$104 million	\$108 - \$113 million
<b>Adjusted EBITDA (Updated)</b>	\$39 - \$41 million	\$101 - \$104 million	\$105 - \$110 million

### **Q3 2021 Results Conference Call & Webcast**

Date: Thursday, November 11, 2021  
 Time: 5:00 p.m. (ET)  
 Webcast: altusgroup.com (under Investor Relations)  
 Live Call: 1-800-319-4610 (toll-free North America) or 416-915-3239 (Toronto area)  
 Replay: available via webcast at altusgroup.com

### **About Altus Group Limited**

Altus Group Limited is a leading provider of software, data solutions and independent advisory services to the global commercial real estate industry. Our businesses, Altus Analytics and Altus Commercial Real Estate Consulting, reflect decades of experience, a range of expertise, and technology-enabled capabilities. Our solutions empower clients to analyze, gain insight and recognize value on their real estate investments. Headquartered in Canada, we have approximately 2,600 employees around the world, with operations in North America, Europe and Asia Pacific. Our clients include many of the world's largest commercial real estate industry participants. Altus Group pays a quarterly dividend of \$0.15 per share and our shares are traded on the Toronto Stock Exchange under the symbol AIF.

For more information on Altus Group, please visit: [www.altusgroup.com](http://www.altusgroup.com).

### **Non-IFRS Measures and Altus Analytics Selected Metrics Definitions**



Altus Group uses certain non-IFRS measures as indicators of financial 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. The Company believes that these measures are useful supplemental measures that may assist investors in assessing an investment in its shares and provide more insight into its performance. These non-IFRS measures should not be considered in isolation or as a substitute for financial measures prepared in accordance with IFRS. For further discussion of these measures and metrics and for reconciliations of these non-IFRS measures to their closest IFRS measures, see the MD&A for the three and nine months ended September 30, 2021, which can be found in the disclosure documents filed by the Company with the securities regulatory authorities at [sedar.com](http://sedar.com).

- **Adjusted EBITDA** (Adjusted Earnings before Interest, Taxes, Depreciation and Amortization), represents profit (loss) from continuing operations before income taxes, adjusted for the effects of: occupancy costs calculated on a similar basis prior to the adoption of IFRS 16, finance costs (income), net - other, depreciation of property, plant and equipment and amortization of intangibles, depreciation of right-of-use assets, finance costs (income), net – leases, 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, impairment charges, 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”) being hedged, (gains) losses on derivatives, restructuring costs (recovery), (gains) losses on investments, (gains) losses on hedging transactions, and other costs or income of a non-operating and/or non-recurring nature. Adjusted EBITDA margin represents the percentage factor of Adjusted EBITDA to revenues.
- **Adjusted EPS** (Adjusted Earnings (Loss) Per Share), represents basic earnings (loss) per share from continuing operations adjusted for the effects of: occupancy costs calculated on a similar basis prior to the adoption of IFRS 16, depreciation of right-of-use assets, finance costs (income), net - leases, amortization of intangibles of acquired businesses, unrealized foreign exchange losses (gains), (gains) losses on disposal of right-of-use assets, property, plant and equipment and intangibles, non-cash share-based compensation costs, losses (gains) on equity derivatives net of mark-to-market adjustments on related RSUs and DSUs being hedged, interest accretion on contingent consideration payables, restructuring costs (recovery), losses (gains) on hedging transactions and interest expense (income) on swaps, acquisition and related transition costs (income), losses (gains) on investments, share of (profit) loss of joint venture, impairment charges, (gains) losses on derivatives, and other costs or income of a non-operating and/or non-recurring nature. The basic weighted average number of shares is adjusted for the effects of weighted average number of restricted shares. All of the adjustments are made net of tax.
- **Over Time revenues**, are consistent with IFRS 15, Revenue from Contracts with Customers. These Over Time revenues are comprised of subscription revenues recognized on an over time basis in accordance with IFRS 15, maintenance revenues from legacy perpetual licenses, Appraisal Management revenues, and data subscription revenues.
- **AE software maintenance retention rate**, is calculated as a percentage of ARGUS Enterprise (“AE”) software maintenance revenue retained upon renewal; it represents the percentage of the available renewal opportunity in a fiscal period that renews, calculated on a dollar basis, excluding any growth in user count or product expansion.
- **Cloud adoption rate**, is a metric that represents the percentage of the total AE user base contracted on the ARGUS Cloud platform. It includes both new AE cloud users as well as those who have migrated from the legacy AE on-premise software.
- **Bookings**, is a metric introduced in the first quarter of 2021 for the Altus Analytics business segment. Altus Group defines Bookings as the annual contract value (“ACV”) for new sales of its recurring offerings (software, Appraisal Management solutions and data subscriptions) and the total contract value (“TCV”) for one-time engagements (consulting, training and due diligence). The contract value of renewals is excluded from this metric, with the exception of additional capacity or products purchased at the time of renewal.
- **Constant currency** allows for 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. The financial results and non-IFRS measures presented at constant currency within Altus Group’s MD&A and press release are obtained by translating monthly results denominated in local currency (US dollars, British pound, Euro, Australian dollars, and other foreign currencies) at the foreign exchange rates of the comparable month.





## 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, the discussion of our business and our objectives, goals, strategies, priorities, intentions, plans, beliefs, expectations and estimates, and our expectations of the business, its operations, financial performance and condition. Generally, forward-looking information can be identified by use of words such as “believe”, “expect”, “anticipate”, “estimate”, “intend”, “may”, “will”, “would”, “could”, “should”, “continue”, “plan”, “goal”, “objective”, “remain” and other similar expressions and the negative of such expressions, although not all forward-looking information contain these identifying words. All of the forward-looking information in this press release is qualified by this cautionary statement.

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 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 include, but are not limited to: our ability to meet its “Revenue” and “Adjusted EBITDA” targets, including assumptions on Altus Analytics Bookings growth, subscription and maintenance renewal rates, client retention rates, growth in its Data Solutions and Appraisal Management businesses, assumptions on the Argus Software revenue model, license sales, cloud conversion (including timing and rate), the 2021 post-acquisition financial results of Reonomy being in line with historical results, expected revenue, cost, and cost avoidance synergies will be realized, and assumptions on other Altus Analytics contributors, expenses, operating leverage, and foreign exchange; having available cash on hand to repay debt on our expected timelines; engagement and product pipeline opportunities in Altus Analytics will result in associated definitive agreements; settlement volumes in the Property Tax business will occur on a timely basis and that assessment authorities will process appeals in a manner consistent with expectations; the successful execution of our business strategies; consistent and stable economic conditions or conditions in the financial markets; consistent and stable legislation in the various countries in which we operate; no disruptive changes in the technology environment; the opportunity to acquire accretive businesses and the absence of negative financial and other impacts resulting from strategic investments or acquisitions on short terms results; the successful integration of acquired businesses; and the continued availability of qualified professionals. Projections may also be impacted by macroeconomic factors, in addition to other factors not controllable by the Company. We have also made certain macroeconomic and general industry assumptions in the preparation of such forward-looking information. We believe that the expectations reflected in forward-looking information are based upon reasonable assumptions; however, we can give no assurance that actual results will be consistent with the forward-looking information. Not all factors which affect the forward-looking information are known, and actual results may vary from the projected results in a material respect, and may be above or below the forward-looking information presented in a material respect.

The COVID-19 pandemic has cast additional uncertainty on each of these factors and assumptions. There can be no assurance that they will continue to be valid. Given the rapid pace of change with respect to the COVID-19 pandemic, it is difficult to make further assumptions about these matters. The duration, extent and severity of the impact the COVID-19 pandemic, including measures to prevent its spread, will have on our business is uncertain and difficult to predict at this time. As of the date of this press release, many of our offices and clients remain subject to limitations and restrictions set to reduce the spread of COVID-19, and a significant portion of our employees continue to work remotely.

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, uncertainties and other factors that could cause actual results to differ materially from the forward-looking information include, but are not limited to: the general state of the economy; the COVID-19 pandemic; currency; our financial performance; our financial targets; the commercial real estate market; industry competition; our acquisitions; our cloud subscriptions transition; software renewals; professional talent; third party information; enterprise transactions; new product introductions; technological change; intellectual property; technology strategy; information technology governance and security; our product pipeline; property tax appeals; legislative and regulatory changes; fixed-price and contingency engagements; appraisal and appraisal management mandates; the Canadian multi-residential market; customer concentration and the loss of material clients; interest rates; credit; income tax matters; health and safety hazards; our contractual obligations; legal proceedings; our insurance limits; our ability to meet the solvency requirements necessary to make dividend payments; leverage and financial covenants; our share price; our capital investments; and the issuance of additional common shares, as well as those described in our annual publicly filed documents, including the Annual Information Form for the year ended December 31, 2020 (which are available on SEDAR at [www.sedar.com](http://www.sedar.com)). In addition, in respect of the June 13, 2021 cybersecurity incident, while we have implemented our cybersecurity and business continuity protocols and adopted additional measures to enhance the security of our IT systems to help detect and prevent future attempts or incidents of malicious activity, we are subject to a number of risks and uncertainties in connection with the incident. Such risks and uncertainties include, but are not limited to: the outcome of the ongoing investigation into the incident; costs related to the investigation and any potential liabilities, regulatory investigation or lawsuit resulting from the incident; costs related to and the effectiveness of our mitigation and remediation efforts; our ability to recover proceeds under our insurance policies; and the potential loss of customer and other stakeholder confidence in our ability to protect their information, and the potential adverse financial impact such loss of confidence may have on our business.

Given these risks, uncertainties and other factors, 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 “Updated Financial Guidance” may be considered as “financial outlook” within the meaning of applicable securities legislation including the revenue and Adjusted EBITDA guidance. 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:**

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## Interim Condensed Consolidated Statements of Comprehensive Income (Loss) For the Three and Nine Months Ended September 30, 2021 and 2020 (Unaudited)

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

	Three months ended September 30		Nine months ended September 30	
	2021	2020	2021	2020
<b>Revenues</b>	\$ 151,797	\$ 134,950	\$ 462,478	\$ 421,676
<b>Expenses</b>				
Employee compensation	99,274	84,889	294,121	265,882
Occupancy	1,922	1,712	5,818	5,697
Office and other operating	36,041	23,383	90,769	76,626
Depreciation of right-of-use assets	3,100	2,818	8,910	8,504
Depreciation of property, plant and equipment	1,419	1,451	3,867	4,178
Amortization of intangibles	7,293	5,840	20,781	18,715
Acquisition and related transition costs (income)	1,032	72	8,112	(1,104)
Share of (profit) loss of joint venture	(927)	(442)	(442)	(450)
Restructuring costs (recovery)	32	1,155	253	8,610
(Gain) loss on investments	(1,336)	68	(1,839)	(22)
Finance costs (income), net - leases	552	619	1,704	1,910
Finance costs (income), net - other	1,297	835	2,808	3,422
<b>Profit (loss) from continuing operations before income taxes</b>	<b>2,098</b>	<b>12,550</b>	<b>27,616</b>	<b>29,708</b>
Income tax expense (recovery)	2,393	3,253	8,933	7,321
<b>Profit (loss) for the period from continuing operations</b>	<b>\$ (295)</b>	<b>\$ 9,297</b>	<b>\$ 18,683</b>	<b>\$ 22,387</b>
Profit (loss) for the period from discontinued operations	-	(130)	-	(5,300)
<b>Profit (loss) for the period attributable to shareholders</b>	<b>\$ (295)</b>	<b>\$ 9,167</b>	<b>\$ 18,683</b>	<b>\$ 17,087</b>
<b>Other comprehensive income (loss):</b>				
Items that may be reclassified to profit or loss in subsequent periods:				
Currency translation differences	4,717	(250)	(3,425)	8,422
Items that are not reclassified to profit or loss in subsequent periods:				
Change in fair value of FVOCI investments, net of tax	173	-	2,272	(987)
<b>Other comprehensive income (loss), net of tax</b>	<b>4,890</b>	<b>(250)</b>	<b>(1,153)</b>	<b>7,435</b>
<b>Total comprehensive income (loss) for the period, net of tax, attributable to shareholders</b>	<b>\$ 4,595</b>	<b>\$ 8,917</b>	<b>\$ 17,530</b>	<b>\$ 24,522</b>
<b>Earnings (loss) per share attributable to the shareholders of the Company during the period</b>				
Basic earnings (loss) per share:				
Continuing operations	\$(0.01)	\$0.23	\$0.46	\$0.56
Discontinued operations	\$0.00	\$0.00	\$0.00	\$(0.13)
Diluted earnings (loss) per share:				
Continuing operations	\$(0.01)	\$0.22	\$0.44	\$0.54
Discontinued operations	\$0.00	\$0.00	\$0.00	\$(0.13)



## Interim Condensed Consolidated Balance Sheets As at September 30, 2021 and December 31, 2020 (Unaudited)

(Expressed in Thousands of Canadian Dollars)

	September 30, 2021	December 31, 2020
<b>Assets</b>		
<b>Current assets</b>		
Cash and cash equivalents	\$ 66,368	\$ 69,637
Trade receivables and other	223,504	193,072
Income taxes recoverable	1,653	3,385
Derivative financial instruments	4,613	2,477
	<b>296,138</b>	<b>268,571</b>
<b>Non-current assets</b>		
Trade receivables and other	1,546	1,370
Derivative financial instruments	12,179	8,800
Investments	18,869	10,356
Investment in joint venture	15,751	15,309
Deferred tax assets	19,979	19,930
Right-of-use assets	59,874	51,690
Property, plant and equipment	20,275	20,376
Intangibles	176,105	77,928
Goodwill	338,292	261,070
	<b>662,870</b>	<b>466,829</b>
<b>Total Assets</b>	<b>\$ 959,008</b>	<b>\$ 735,400</b>
<b>Liabilities</b>		
<b>Current liabilities</b>		
Trade payables and other	\$ 167,186	\$ 140,294
Income taxes payable	2,666	1,190
Lease liabilities	13,065	11,700
	<b>182,917</b>	<b>153,184</b>
<b>Non-current liabilities</b>		
Trade payables and other	22,323	17,206
Lease liabilities	58,044	51,883
Borrowings	246,425	122,432
Deferred tax liabilities	30,625	7,246
Non-controlling interest	2,797	-
	<b>360,214</b>	<b>198,767</b>
<b>Total Liabilities</b>	<b>543,131</b>	<b>351,951</b>
<b>Shareholders' Equity</b>		
Share capital	556,245	529,866
Contributed surplus	37,681	30,428
Accumulated other comprehensive income (loss)	39,638	40,791
Retained earnings (deficit)	(217,687)	(217,636)
<b>Total Shareholders' Equity</b>	<b>415,877</b>	<b>383,449</b>
<b>Total Liabilities and Shareholders' Equity</b>	<b>\$ 959,008</b>	<b>\$ 735,400</b>



## Interim Condensed Consolidated Statements of Cash Flows For the Nine Months Ended September 30, 2021 and 2020 (Unaudited)

(Expressed in Thousands of Canadian Dollars)

	Nine months ended September 30	
	2021	2020
<b>Cash flows from operating activities</b>		
Profit (loss) from continuing operations before income taxes	\$ 27,616	\$ 29,708
Profit (loss) from discontinued operations before income taxes	-	(5,300)
Profit (loss) before income taxes	\$ 27,616	\$ 24,408
Adjustments for:		
Depreciation of right-of-use assets	8,910	8,556
Depreciation of property, plant and equipment	3,867	4,289
Amortization of intangibles	20,781	18,716
Finance costs (income), net - leases	1,704	1,975
Finance costs (income), net - other	2,808	3,408
Share-based compensation	16,596	12,140
Unrealized foreign exchange (gain) loss	1,249	(217)
(Gain) loss on investments	(1,839)	(22)
(Gain) loss on disposal of right-of-use assets, property, plant and equipment and intangibles	(248)	69
(Gain) loss on derivatives	(5,515)	(6,803)
Share of (profit) loss of joint venture	(442)	(450)
Impairment charge - leases	-	36
Fair value loss (gain) on net assets directly associated with discontinued operations	-	5,224
(Gain) loss on sale of the discontinued operations	-	(483)
Net changes in operating working capital	(13,895)	(19,449)
Net cash generated by (used in) operations	61,592	51,397
Less: interest paid on borrowings	(2,313)	(2,898)
Less: interest paid on leases	(1,704)	(1,975)
Less: income taxes paid	(14,834)	(9,249)
Add: income taxes refunded	2,794	2,331
<b>Net cash provided by (used in) operating activities</b>	<b>45,535</b>	<b>39,606</b>
<b>Cash flows from financing activities</b>		
Proceeds from exercise of options	11,950	11,317
Financing fees paid	(136)	(710)
Proceeds from borrowings	148,113	38,135
Repayment of borrowings	(22,606)	(22,765)
Payments of principal on lease liabilities	(8,671)	(10,974)
Dividends paid	(15,971)	(16,628)
Treasury shares purchased for share-based compensation	(6,150)	(4,017)
<b>Net cash provided by (used in) financing activities</b>	<b>106,529</b>	<b>(5,642)</b>
<b>Cash flows from investing activities</b>		
Purchase of investments	(3,512)	(259)
Cash contribution to investment in joint venture	-	(1,190)
Purchase of intangibles	(3,208)	(66)
Purchase of property, plant and equipment	(3,374)	(2,648)
Proceeds from disposal of property, plant and equipment and intangibles	-	96
Proceeds from investment	307	-
Acquisitions, net of cash acquired	(143,850)	-
<b>Net cash provided by (used in) investing activities</b>	<b>(153,637)</b>	<b>(4,067)</b>
Effect of foreign currency translation	(1,696)	951
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(3,269)</b>	<b>30,848</b>
Cash and cash equivalents, beginning of period	69,637	60,262
<b>Cash and cash equivalents, end of period</b>	<b>\$ 66,368</b>	<b>\$ 91,110</b>