Management's Discussion and Analysis

Q3 2024

For the nine months ended September 30, 2024

Contents

1. Forward-looking Information ... 1
2. Non-GAAP and Other Measures ... 3
    - 2.1. Non-GAAP Financial Measures ... 3
    - 2.2. Non-GAAP Ratios ... 4
    - 2.3. Total of Segments Measures ... 5
    - 2.4. Capital Management Measures ... 5
    - 2.5. Supplementary Financial and Other Measures ... 6
3. Business Overview ... 8
    - 3.1. About Altus Group ... 8
    - 3.2. Understanding our Business ... 8
4. Business Strategy ... 11
5. Financial and Operating Highlights ... 13
    - 5.1. Financial Highlights ... 13
    - 5.2. Operating Highlights ... 14
6. Discussion of Operations ... 15
    - 6.1. Revenues and Adjusted EBITDA by Reportable Segment ... 19
    - 6.2. Operations by Reportable Segment ... 20
    - 6.3. Corporate Costs ... 22
7. Business Outlook ... 23
8. Liquidity and Capital Resources ... 24
    - 8.1. Cash from Operating Activities ... 24
    - 8.2. Cash from Financing Activities ... 26
    - 8.3. Cash from Investing Activities ... 27
    - 8.4. Free Cash Flow ... 28
9. Reconciliation of Non-GAAP Measures ... 29
    - 9.1. Reconciliation of Profit (Loss) to Adjusted EBITDA and Adjusted Earnings (Loss) ... 29
    - 9.2. Constant Currency ... 30
10. Summary of Quarterly Results ... 31
11. Share Data ... 31
12. Financial Instruments and Other Instruments ... 32
13. Contingencies ... 33
14. Changes in Material Accounting Policies and Estimates ... 33
    - 14.1. Adoption of Recent Accounting Pronouncements ... 34
    - 14.2. Future Accounting Pronouncements ... 34
15. Disclosure Controls and Procedures and Internal Controls over Financial Reporting ... 35
16. Additional Information ... 36

The following Management's Discussion and Analysis (the "MD&A") is intended to assist readers in understanding Altus Group Limited's consolidated business, its business environment, strategies, performance, outlook and applicable risks. References to the "Company" or "Altus Group" are to the consolidated group of entities, and this MD&A should be read in conjunction with our unaudited interim condensed consolidated financial statements and accompanying notes (the "interim financial statements") as at and for the three and nine months ended September 30, 2024, which have been prepared in accordance with International Accounting Standard 34, *Interim Financial Reporting*, under the International Financial Reporting Standards ("IFRS") and reported in Canadian dollars. Unless otherwise indicated herein, references to "$" are to Canadian dollars and percentages are in comparison to the same period in 2023. The consolidated results that are presented (including restated comparative figures) exclude our Property Tax business which has now been classified as discontinued operations.

Unless the context indicates otherwise, all references to "we", "us", "our" or similar terms refer to Altus Group, and, as appropriate, our consolidated operations.

This document also includes certain non-GAAP and other measures as denoted by a "*". This includes non-GAAP financial measures such as 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, New Bookings, Organic New Bookings, Recurring New Bookings, Non-Recurring New Bookings, Organic Revenue, Recurring Revenue, Non-Recurring Revenue, Organic Recurring Revenue, DSO, and Cloud Adoption Rate. Since the measures, used herein, are not standard measures under IFRS, they may not be comparable to similar measures reported by other entities. Refer to the "Non-GAAP and Other Measures" section for definitions of, and more information on, each measure. For non-GAAP financial measures and total of segments measures, refer to the "Reconciliation of Non-GAAP Measures" section for reconciliations to the most directly comparable IFRS measure. For capital management measures, refer to the "Free Cash Flow" section for a reconciliation to the most directly comparable IFRS measure.

1. Forward-looking Information

Certain information in this MD&A may constitute "forward-looking information" within the meaning of applicable securities legislation. All information contained in this MD&A, 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: engagement and product pipeline opportunities in Analytics will result in associated definitive agreements; successful completion of the transaction to divest the Property Tax business in

accordance with the terms thereof, unamended, absence of any material purchase price adjustment for working capital or otherwise; 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 commercial real estate market; the general state of the economy; our financial performance; our financial targets; our international operations; acquisitions; 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; our 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; our use of technology; our leverage and financial covenants; interest rates; inflation; our brand and reputation; fixed price and contingency engagements; currency fluctuations; credit; tax matters; health and safety hazards; our contractual obligations; legal proceedings; regulatory review; our insurance limits; our ability to meet the solvency requirements necessary to make dividend payments; our share price; our capital investments; the issuance of additional common shares and debt; our internal and disclosure controls; environmental, social and governance ("ESG") matters; climate risk; and geopolitical risks, as well as those described in our 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 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 MD&A 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 MD&A, including sections entitled "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.

2. 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 the measures 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.

2.1. Non-GAAP Financial Measures

Adjusted Earnings (Loss)	
How is it useful:	We use Adjusted Earnings (Loss) to facilitate the calculation of Adjusted Earnings (Loss) per Share (“Adjusted EPS”).
How we calculate it:	Profit (loss) added or (deducted) by: profit (loss) from discontinued operations, net of tax; 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. Refer to page 29 for a reconciliation of Adjusted Earnings (Loss) to our interim financial statements.
Most directly comparable IFRS financial measure:	Profit (loss)

Constant Currency	
How is it useful:	We use 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 we calculate it:	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. Refer to page 30 for a reconciliation of Constant Currency between foreign exchange rates used.
Most directly comparable IFRS financial measure:	Corresponding IFRS amount, as presented

2.2. Non-GAAP Ratios

Adjusted EPS	
How is it useful:	We use Adjusted EPS to assess the performance of our business, on a per share basis, before the effects of the noted items because they affect the comparability of our financial results and could potentially distort the analysis of trends in business performance.
How we calculate it:	Adjusted Earnings (Loss) divided by basic weighted average number of shares, adjusted for the effects of the weighted average number of restricted shares.

2.3. Total of Segments Measures

Adjusted Earnings before Interest, Taxes, Depreciation and Amortization ("Adjusted EBITDA")	
How is it useful:	We use Adjusted EBITDA to evaluate the performance of our business, as well as when making decisions about the ongoing operations of the business and our ability to generate cash flows.
How we calculate it:	Profit (loss) added or (deducted) by: profit (loss) from discontinued operations, net of tax; 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). Refer to page 29 for a reconciliation of Adjusted EBITDA to our interim financial statements. This measure represents Adjusted EBITDA determined on a consolidated basis as a total of our reportable segments. All other Adjusted EBITDA references are disclosed in our interim financial statements and are not considered to be non-GAAP financial measures pursuant to NI 52-112.
Most directly comparable IFRS financial measure:	Profit (loss)

2.4. Capital Management Measures

Free Cash Flow	
How is it useful:	We use 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 we calculate it:	Free Cash Flow: Net cash provided by (used in) operating activities deducted by capital expenditures. Refer to page 28 for a reconciliation of Free Cash Flow to our interim financial statements.
Most directly comparable IFRS financial measure:	Net cash provided by (used in) operating activities

2.5. Supplementary Financial and Other Measures

Adjusted EBITDA Margin	
How is it useful:	We use Adjusted EBITDA margin to evaluate the performance of our business, as well as when making decisions about the ongoing operations of the business and our ability to generate cash flows.
How we calculate it:	Adjusted EBITDA divided by revenue

New Bookings, Organic New Bookings, Recurring New Bookings and Non-Recurring New Bookings	
How is it useful:	For our Analytics reportable segment, we use New Bookings, Organic New Bookings, Recurring New Bookings and Non-Recurring New Bookings as measures to track the performance and success of our sales initiatives, and as an indicator of future revenue growth.
How we calculate it:	New Bookings: The total of annual contract values for new sales of our recurring solutions and services (software subscriptions, Valuation Management Solutions ("VMS"), and data subscriptions) plus the total of contract values for one-time engagements (consulting, training, and due diligence). The value of contract renewals is excluded from this metric with the exception of additional capacity or products purchased at the time of renewal. The total annual contract values for VMS are based on an estimated number of assets at the end of the first year of the contract term. New Bookings is inclusive of any new signed contracts as well as any additional solutions and services added by existing customers within our Analytics reportable segment. 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 our recurring solutions and services. Non-Recurring New Bookings: The total of contract values for one-time engagements.

Organic Revenue	
How is it useful:	We use Organic Revenue to evaluate and assess revenue trends in our business on a comparable basis versus the prior year, and as an indicator of future revenue growth.
How we calculate it:	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	
How is it useful:	For our Analytics reportable segment, we use Recurring Revenue, Non-Recurring Revenue, and Organic Recurring Revenue as measures to assess revenue trends in our business, and as an indicator of future revenue growth.
How we calculate it:	Recurring Revenue: Revenue from software subscriptions recognized on an over time basis in accordance with IFRS 15, software maintenance revenue associated with our legacy licenses sold on perpetual terms, VMS, and data subscriptions. Non-Recurring Revenue: Total 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).

Days Sales Outstanding (“DSO”)	
How is it useful:	We use DSO as a measure of our ability to convert our revenue into cash.
How we calculate it:	Five-quarter average balance of our continuing operations' net trade receivables and unbilled revenue on customer contracts net of deferred revenue, divided by the associated trailing 12-month revenues plus any pre acquisition revenues (as applicable), and multiplied by 365 days.

Cloud Adoption Rate	
How is it useful:	For our Analytics reportable segment, we use Cloud Adoption Rate as a measure of our progress in transitioning the ARGUS Enterprise (“AE”) user base to our cloud-based platform, a key component of our overall product strategy.
How we calculate it:	Percentage of the total AE user base contracted on the ARGUS Cloud platform.

3. Business Overview

3.1. About Altus Group

Altus Group is a leading provider of asset and fund intelligence for commercial real estate (“CRE”). We deliver Intelligence as a Service to our global client base through a connected platform of industry-leading technology, advanced analytics and advisory services. Prior to July 2024, we conducted our business through two business units: Analytics and CRE Consulting, in which the CRE Consulting included Appraisals and Development Advisory and Property Tax. Property Tax has been subsequently classified as a discontinued operation in July 2024.

Trusted by the largest CRE leaders, our capabilities help commercial real estate investors, developers, lenders, and advisors manage risk and improve performance throughout the asset and fund lifecycle.

Altus Group is a global company headquartered in Toronto with approximately 2,900 employees[1] across North America, EMEA and Asia Pacific.

3.2. Understanding our Business

Valuations are at the core of everything we do

The value of a commercial property is one of the most important factors for CRE investment, ownership and development. It drives decision making across the CRE value chain and influences decisions related to managing, optimizing, buying and selling properties.

Our expertise in valuations supports various applications across our business segments, including fund mark-to-market reporting, equity and debt portfolio appraisals, software and data solutions, transactions and development investments. Our businesses generate highly differentiated, high-quality data. As we connect this data, we are building out new advanced analytics capabilities that also expand our use cases to performance management. By leveraging our asset and fund intelligence at scale, we can correlate valuations with asset performance attributes to help our clients maximize performance and better manage risk.

CRE professionals rely on Altus Group's valuation capabilities, software, data and expertise, to maximize returns and manage risks. Widely recognized in certain countries as the benchmark for property cash flow and valuation modelling, our flagship software, AE, is a comprehensive CRE portfolio management platform that helps our clients streamline and optimize various aspects of investment analysis, valuation and management. Utilizing our 30 years of industry presence, AE’s valuation methodology is deeply integrated in the industry and is taught in over 200 academic institutions worldwide. AE also underpins our emerging advanced analytics capabilities. Additionally, our active engagement as thought leaders in CRE valuations is exemplified through our long-standing relationship with the National Council of Real Estate Investment Fiduciaries (“NCREIF”) and other industry associations where our expertise is highly regarded.

---

[1] The employee headcount shown above includes approximately 1,000 employees from our Property Tax discontinued operations. Refer to Note 8 of the interim financial statements.

Serving a global and diverse client base

Our customers include many market participants across the CRE industry. Key customer segments include CRE investors, developers, lenders, service providers and their advisors. We have the privilege of having long-standing relationships with many of the world's largest CRE leaders, with our AE software being widely adopted in the CRE industry.

Our customers vary in size, focus and complexity. Our go-to-market plans segment customers under two categories to optimize how we serve them: high touch (large, strategic customers who require more hands-on support); and scale (customers who are more self-reliant). Our approach also segments customers by geography, by offers that can best solve their unique challenges, and by specific client personas. The majority of our revenues come from medium-to-large firms.

Enhancing client value through our Intelligence as a Service offer portfolio

With the mounting challenges of increased competition, globalization, regulatory pressures and ever-changing market dynamics and macroeconomic factors, CRE professionals are looking for objective expert advice and actionable insights to make faster, data-informed decisions. Our end-to-end technology, analytics and advisory services help our clients manage and react to key asset, fund and market events, helping them to improve performance and manage risk.

One of our key competitive differentiators is our unique combination of deep CRE industry expertise and proprietary technology tailored for the CRE industry. Altus Group professionals are not only experts in their practice areas but also in the CRE industry, earning us the reputation as trusted advisors to many of our clients. Our technology and data analytics solutions are trusted by the industry and embedded in key client workflows, with our AE software regarded as a vital application for the valuation of commercial assets. This combination of industry and technology expertise enables us to help our clients navigate complex business challenges and gives us a significant advantage compared to single-focus traditional consulting or technology firms. The unique combination of our high-quality data, innovative technology and deep industry expertise defines our distinct Intelligence as a Service delivery model.

Our Intelligence as a Service offer portfolio is increasingly being powered by our internal Altus Intelligence Platform ("AIP"), formerly referred to as the Altus Performance Platform or the APP. The AIP delivers a scalable, diverse, and extensible data model designed to support advanced analytics applications. The AIP is where we house the most relevant industry asset data, apply that data for performance and risk management use cases, and derive insight and intelligence through advanced analytics. We are transitioning our entire technology stack onto this platform.

Our reportable segments

We report the results of our operations through the following reportable segments: (1) Analytics and (2) Appraisals and Development Advisory. Our reportable segments are also supported by a corporate centre that primarily includes our finance, information technology, human resources, marketing, legal, corporate development and communications functions. Prior to July 2024, we conducted our business through two business units: Analytics and CRE Consulting, in which the CRE Consulting included Appraisals and Development Advisory and Property Tax. Property Tax has been subsequently classified as a discontinued operation in July 2024.

Analytics	
Principal activities	• Our Analytics portfolio includes software, data analytics, market data, Valuation Management Solutions ("VMS") and technology consulting services.

Analytics	
Key revenue streams	• Our key revenue streams comprise the following solutions: o Our software suite includes ARGUS-branded solutions (including the flagship AE product and the newly released ARGUS Intelligence product) and Finance Active-branded debt management solutions. Our software solutions are deployed globally and primarily used to value, manage and increase the transparency of CRE equity and debt portfolios. o Our market data and related data analytics capabilities cover key North American markets and are used to support acquisition, investment and development decisions. o Our Valuation Management Solutions, primarily offered in the U.S., include valuation management and advisory services for CRE portfolios and funds with workflow and analytics tools for managing the valuation process and performing portfolio attribution analysis and benchmarking. o Our technology consulting services include strategic advisory for front-to-back-office strategies, processes and technology. It also captures traditional software services related to education, training and implementation. • Approximately 94% of Analytics revenues was Recurring Revenue for the quarter ended September 30, 2024. Our Recurring Revenue includes software subscription revenues recognized on an over time basis, market data and data analytics subscription offerings, fees from our Valuation Management Solutions that are supported by multi-year contracts, as well as legacy software maintenance fees (which we continue to upgrade to cloud subscriptions). • Our Non-Recurring Revenue includes services related to technology consulting as well as software education, training and implementation. Although diminishing in size, for customers who have on-premise software and wish to add more on-premise seats, the software license component of the subscription contract is captured as point-in-time revenue when delivered as required by IFRS, and captured in this revenue.
Revenue model	• Our Recurring Revenue streams are sold primarily on subscription contracts. Recurring Revenue provides us with a stable and predictable revenue base that we expect the high majority to repeat every year. Our Analytics subscription agreements vary in length primarily between one to three years with the fee primarily dependent on the number of users and applications deployed. Many of our “high touch” client contracts, particularly for our Valuation Management Solutions, are priced based on the number of real estate assets on our platform and subject to adjustments based on complexity of asset type and frequency of valuations. An asset-based pricing model allows us to grow with our customers, while also enhancing our opportunity to expand the users on our platform and broaden our reach across workflows. • Our Non-Recurring Revenue service engagements are charged primarily on a time and materials basis, billed and recognized as delivered.
Key geographies and foreign operations	• Our Analytics solutions are sold globally, primarily targeting our Tier 1 geographies including the U.S., Canada, the U.K., France, Germany and Australia. We operate in 16 countries across North America, EMEA and Asia Pacific, with growing dependency on our global service centre (“GSC”) which has a growing operation in India. *(a geographic revenue split is provided in section 6.2. Operations by Reportable Segment).*
Key customer segments	• Key customers include equity and debt investors, service providers, owner operators and developers. Large, global firms account for the majority of our revenues. Our customer base is globally dispersed and diversified by type.
Primary revenue growth drivers	• Our existing customer base continues to represent an attractive opportunity to deepen engagement and cross-sell new capabilities. • New customers also represent an attractive opportunity, particularly outside of North America where our market penetration is still modest relative to the opportunity. As we expand our capabilities, we have increased opportunities to capture new customer segments and user types/personas in the industry that we have not historically served.

Analytics	
	• Key levers of growth include driving adoption of new capabilities, expanding the number of users and assets on our platform, as well as taking pricing action as contracts renew and/or upgrade on capabilities.

Appraisals and Development Advisory	
Principal activities	• Our Appraisals and Development Advisory portfolio includes expert services in the areas of commercial property valuation appraisals and commercial development advisory.
Key revenue streams	• The Appraisals practice core services include valuation appraisals of real estate portfolios. Additional related services include valuation appraisals of properties for transactional purposes, due diligence, and litigation support. The Development Advisory practice provides services in the areas of construction feasibility studies, budgeting, cost and loan monitoring and construction project management.
Revenue model	• Pricing is primarily based on a fixed fee or time and materials basis. Many of our contracts are multi-year.
Key geographies and foreign operations	• Our Appraisals services are primarily offered in Canada and our Development Advisory services are primarily offered in Canada and Australia.
Key customer segments	• Appraisals customers include institutional CRE clients. • Development Advisory clients include CRE developers, lenders and government agencies for infrastructure related projects.
Primary revenue growth drivers	• Growth is primarily driven by an expansion of market size and by market share gains.

4. Business Strategy

Market opportunity

Commercial real estate is one of the largest asset classes in the world, yet despite its scale and influence, the CRE industry has historically been slow to digitize. Historically, it has relied on single-specialty services and technology, leading to fragmented data and workflows, and lagging industries like financial services who leverage data and analytics in their decision-making processes.

This is now rapidly changing. Institutional ownership, globalization, and demographic shifts are driving the need for more sophisticated, data-driven transparency. CRE is catching up technologically, with increasing demand for platform integration and data collaboration. As competition, reporting demands, and market dynamics intensify, the industry seeks partners to help it innovate, unlock insights, discover new opportunities and better manage risks and costs.

Value creation strategy

We’re on a mission to provide our clients with CRE Intelligence as a Service to enhance their asset performance and risk management capabilities. This mission is the cornerstone of our long-term value creation strategy.

With property valuations at the core of our operations, we have a unique vantage point on drivers of property value and cash flows. We also have a significant valuation dataset that is now organized and connected on our internal platform, the Altus Intelligence Platform.

To meet our clients' evolving needs and strategically position the business for its next phase of growth, we are on a journey to tap into this valuation intelligence with advanced analytics to bring new, performance insights to our clients. Our technology roadmap includes enhancing our data and analytics capabilities to enable predictive and prescriptive foresight. Such foresight will empower our clients to gain a deeper understanding of the factors influencing asset performance, anticipate opportunities, and proactively adapt their strategies to optimize the performance of their assets and funds. Moving into performance management is expected to expand our market reach beyond valuation to undertake broader asset and fund challenges that Altus is uniquely positioned to address at scale.

Over the past couple of years, we have undergone significant business transformation. Through organic investments and strategic acquisitions, we have revamped our operational, technical and platform foundations to scale advanced analytics and optimize our operational efficiency. Delivering the Altus Intelligence Platform was an essential requirement for advanced analytics, and now powers ARGUS Intelligence, a new product built to drive CRE portfolio performance. ARGUS Intelligence combines our AE cash flow modelling capabilities with new functionality for asset, portfolio and benchmark management that we believe will significantly expand usability and customer value. Further, the planned sale of the Property Tax business will result in a high-quality portfolio of asset and fund intelligence solutions and services focused on performance and risk transparency, the majority of which contribute to Recurring Revenue.

Profitable growth serves as a fundamental gauge of our success, as measured by the expansion of our Adjusted EBITDA margin, growth in Adjusted EPS, and the maximization of Free Cash Flow.

Strategic Priorities

We are steadfast in our pursuit of becoming the leading Intelligence as a Service provider to the CRE industry. Guided by this vision, we are focused on the following key priorities to drive the growth and long-term success of Altus Group:

Priority	Description
1. Deliver Innovative and Differentiated Customer Value	Deliver and leverage advanced analytics across our business to help our clients improve performance and manage risk.
2. Grow Profitably	Maximize operating leverage through efficient processes and investments to drive market growth.
3. Empower Talent	Place the best people in the right roles and enable colleagues for greater performance in an inclusive environment.

5. Financial and Operating Highlights

5.1. Financial Highlights

Selected Financial Information	Three months ended September 30,		Nine months ended September 30,	
In thousands of dollars, except for per share amounts	**2024**	2023 [(1)]	**2024**	2023 [(1)]
Revenues	$ 128,419	$ 124,450	$ 384,226	$ 378,682
Canada	20%	23%	21%	23%
U.S.	56%	54%	56%	54%
EMEA	16%	16%	16%	16%
Asia Pacific	8%	7%	7%	7%
Adjusted EBITDA*	$ 21,568	$ 16,981	$ 50,475	$ 44,906
Adjusted EBITDA margin*	16.8%	13.6%	13.1%	11.9%
Profit (loss) for the period from continuing operations, net of tax	$ (2,877)	$ (3,271)	$ (23,665)	$ (25,174)
Profit (loss) for the period from discontinued operations, net of tax	$ 3,532	$ 4,200	$ 26,450	$ 35,546
Profit (loss)	$ 655	$ 929	$ 2,785	$ 10,372
Earnings (loss) per share:				
Basic				
Continuing operations	$(0.06)	$(0.07)	$(0.52)	$(0.56)
Discontinued operations	$0.08	$0.09	$0.58	$0.79
Diluted				
Continuing operations	$(0.06)	$(0.07)	$(0.51)	$(0.55)
Discontinued operations	$0.08	$0.09	$0.57	$0.77
Adjusted*	$0.19	$0.14	$0.32	$0.22
Dividends declared per share	$0.15	$0.15	$0.45	$0.45
Free Cash Flow*	$ 16,013	$ 34,101	$ 47,866	$ 18,797

(1) Comparative figures have been restated to reflect discontinued operations. Refer to Note 8 of the interim financial statements.

	As at September 30,	
	2024	2023
Funded debt to EBITDA ratio	2.07:1	2.08:1

5.2. Operating Highlights

Signed Definitive Agreement to Divest Property Tax Business

On July 8, 2024, we entered into a definitive agreement to sell our global Property Tax business to Ryan, LLC ("Ryan"), for a total cash consideration of $700.0 million. In addition to the definitive agreement, Ryan has also committed to enter a $15.0 million Altus Market Insights subscription agreement at closing, with an initial three-year term of $5.0 million per year. The transaction is expected to close in the first half of 2025, subject to customary closing conditions, including receipt of regulatory approvals. The transaction enables Altus Group to invest organically and via acquisitions in Analytics, return capital to shareholders, including through a significantly expanded share buyback program, and pay down debt to target levels.

Launched ARGUS Intelligence

In September 2024, we launched ARGUS Intelligence, Altus Group's new flagship product built to drive CRE portfolio performance. ARGUS Intelligence combines our AE cash flow modelling capabilities with new functionality for asset, portfolio and benchmark management for performance optimization.

Signed Definitive Agreement to Sell Certain Assets Related to the Fairways Guarantees Business

In an effort to further simplify our Analytics portfolio, on September 24, 2024, we entered into a definitive agreement to sell certain non-core assets from our Finance Active Fairways Guarantees business for a total cash consideration of EUR8.0 million (approximately $12.1 million). The transaction is expected to close in the fourth quarter of 2024, subject to customary closing conditions.

6. Discussion of Operations

Three and Nine Months Ended September 30, 2024

	Three months ended September 30,		Nine months ended September 30,	
In thousands of dollars	**2024**	2023 [(1)]	**2024**	2023 [(1)]
Revenues	$ 128,419	$ 124,450	$ 384,226	$ 378,682
Expenses				
Employee compensation	78,242	82,710	253,588	256,277
Occupancy	1,318	1,145	3,680	3,155
Other operating	29,817	26,447	80,783	93,576
Depreciation of right-of-use assets	2,422	1,914	6,676	5,969
Depreciation and amortization	8,769	8,081	26,993	27,822
Acquisition and related transition costs (income)	25	51	8,894	191
Share of (profit) loss of joint venture	(1,507)	(1,196)	(2,013)	(2,336)
Restructuring costs (recovery)	2,008	20	9,113	2
(Gain) loss on investments	(881)	(32)	(640)	(358)
Finance costs (income), net – leases	277	159	637	640
Finance costs (income), net – other	6,016	7,546	14,676	15,020
Profit (loss) before income taxes from continuing operations	1,913	(2,395)	(18,161)	(21,276)
Income tax expense (recovery)	4,790	876	5,504	3,898
Profit (loss) from continuing operations, net of tax	$ (2,877)	$ (3,271)	$ (23,665)	$ (25,174)
Profit (loss) from discontinued operations, net of tax	3,532	4,200	26,450	35,546
Profit (loss) for the period	$ 655	$ 929	$ 2,785	$ 10,372

[(1)] Comparative figures have been restated to reflect discontinued operations. Refer to Note 8 of the interim financial statements.

Revenues

Revenues were $128.4 million for the three months ended September 30, 2024, up 3.2% (1.4% on a Constant Currency* basis) or $3.9 million ($1.8 million on a Constant Currency basis) from $124.5 million in the same period in 2023. For the nine months ended September 30, 2024, revenues were $384.2 million, up 1.5% (0.5% on a Constant Currency* basis) or $5.5 million ($1.9 million on a Constant Currency basis) from $378.7 million in the same period in 2023. For the three and nine months ended September 30, 2024, the revenue growth was driven by the Analytics segment.

Employee Compensation

Employee compensation represents amounts pertaining to employee salaries, bonuses, benefits, share-based compensation, and gains or losses on equity derivatives related to our RSUs and DSUs. Employee compensation was $78.2 million for the three months ended September 30, 2024, down 5.4% or $4.5 million from $82.7 million in the same period in 2023. This decrease was primarily due to savings from restructuring actions ($8.7 million), lower commissions ($0.7 million), offset by costs from our December 2023 acquisition of Forbury Property Valuation Solutions Limited ("Forbury") ($1.3 million) and annual merit and benefits cost increases ($4.1 million). For the nine months ended September 30, 2024, employee compensation was $253.6 million, down 1.0% or $2.7 million from

$256.3 million in the same period in 2023, which was primarily driven by primarily the same factors, namely, savings from restructuring actions ($24.3 million), impacts from decreases in and timing of commissions ($2.3 million), offset by annual merit and benefit cost increases ($21.4 million) and costs from our acquisition of Forbury ($3.8 million). The remaining movements were driven by individually immaterial fluctuations in compensation and benefits. For the three and nine months ended September 30, 2024, employee compensation as a percentage of revenues was 60.9% and 66.0%, as compared to 66.5% and 67.7% in the corresponding periods in 2023, respectively.

Occupancy

Occupancy represents amounts pertaining to short-term leases, low-value assets, and variable lease payments including property taxes, utilities, and common area maintenance costs. Occupancy was $1.3 million for the three months ended September 30, 2024, up 15.1% or $0.2 million from $1.1 million in the same period in 2023. For the nine months ended September 30, 2024, occupancy was $3.7 million, up 16.6% or $0.5 million from $3.2 million in the same period in 2023.

Occupancy costs calculated on a similar basis prior to the adoption of IFRS 16 would have been $3.6 million and $11.2 million for the three and nine months ended September 30, 2024, as compared to $3.6 million and $10.3 million in the corresponding periods in 2023, respectively. For the three and nine months ended September 30, 2024, occupancy as a percentage of revenues was 1.0% and 1.0%, as compared to 0.9% and 0.8% in the corresponding periods in 2023, respectively. Occupancy costs calculated on a similar basis prior to the adoption of IFRS 16 as a percentage of revenues would have been 2.8% and 2.9% for the three and nine months ended September 30, 2024, as compared to 2.9% and 2.7% in the corresponding periods in 2023, respectively.

Other Operating Costs

Other operating costs represent amounts related to hosting fees, software and data subscriptions, professional fees, travel and entertainment, insurance, office supplies, foreign exchange gains or losses, bad debt expenses, and other service costs. From time to time, it also includes income or costs not classified elsewhere in the statement of comprehensive income (loss). Other operating costs were $29.8 million for the three months ended September 30, 2024, up 12.7% or $3.4 million from $26.4 million in the same period in 2023, which was driven by unfavourable foreign exchange fluctuations ($2.2 million) and increased marketing spend ($1.2 million). For the nine months ended September 30, 2024, other operating costs were $80.8 million, down 13.7% or $12.8 million from $93.6 million in the same period in 2023, which was primarily driven by lower costs relating to system integration ($6.8 million), reductions in our third party spend in support of revenue ($4.6 million), and favourable foreign exchange ($0.8 million). For the three and nine months ended September 30, 2024, other operating costs as a percentage of revenues were 23.2% and 21.0%, as compared to 21.3% and 24.7% in the corresponding periods in 2023, respectively.

Depreciation of Right-of-Use Assets

Depreciation of right-of-use assets represents the depreciation charge of our office and equipment leases that are capitalized as right-of-use assets and was $2.4 million and $6.7 million for the three and nine months ended September 30, 2024, as compared to $1.9 million and $6.0 million in the corresponding periods in 2023, respectively. The increase for the nine months ended September 30, 2024 was primarily due to the relocation and transition of certain leased office spaces.

Depreciation and Amortization

Depreciation and amortization represent the depreciation charge of our property, plant and equipment and amortization charge of our intangible assets, and were $8.8 million and $27.0 million for the three and nine months ended September 30, 2024, as compared to $8.1 million and $27.8 million in the corresponding periods in 2023, respectively. Depreciation and amortization increased for the three months ended September 30, 2024 mainly due to the amortization of assets from our acquisition of Forbury but were offset for the nine months ended September

30, 2024 by certain leasehold improvements and acquired intangible assets from previous acquisitions becoming fully depreciated or amortized during the year.

Acquisition and Related Transition Costs (Income)

Acquisition and related transition costs (income) represent amounts related to professional fees for due diligence and facilitating the purchase and integration of our acquisitions, and the subsequent changes in the fair value of our acquisition-related contingent consideration payables. Acquisition and related transition costs (income) were $nil and $8.9 million for the three and nine months ended September 30, 2024, as compared to $0.1 million and $0.2 million in the corresponding periods in 2023, respectively. Acquisition and related transition costs (income) for the nine months ended September 30, 2024 primarily related to the expected acquisition of Situs Group LLC's commercial real estate valuation and advisory services business ("REVS") which was subsequently terminated.

Share of (Profit) Loss of Joint Venture

Share of (profit) loss of joint venture represents our share of the profits or losses in GeoVerra Inc. and was $(1.5) million and $(2.0) million for the three and nine months ended September 30, 2024, as compared to $(1.2) million and $(2.3) million in the corresponding periods in 2023, respectively.

Restructuring Costs (Recovery)

Restructuring costs (recovery) represent amounts related to employee termination benefits, lease and other contract terminations, and professional fees to facilitate the reorganization of our functions and structure and the closure of offices. In early 2024, we initiated a global restructuring program to further optimize our operating model. Restructuring costs (recovery) were $2.0 million and $9.1 million for the three and nine months ended September 30, 2024, as compared to $nil and $nil in the corresponding periods in 2023, respectively. The costs incurred for the three and nine months ended September 30, 2024 primarily related to employee severance impacting both the Analytics and Appraisals and Development Advisory business segments, as well as corporate functions.

(Gain) Loss on Investments

(Gain) loss on investments represents the changes in the fair value of our investments in partnerships and was $(0.9) million and $(0.6) million for the three and nine months ended September 30, 2024, as compared to $nil and $(0.4) million in the corresponding periods in 2023, respectively.

Finance Costs (Income), Net

Finance costs (income), net represents amounts related to interest incurred on our credit facility borrowings, lease liabilities, or long-term payables. It also includes income received from short-term investments and deposits, and gains or losses from changes in fair value of interest rate swaps. Finance costs (income), net for the three months ended September 30, 2024 were $6.3 million, down 18.3% or $1.4 million from $7.7 million in the same period in 2023. Our finance costs for the three months ended September 30, 2024 decreased primarily from a $0.6 million swing related to the change in the fair value of our interest rate swaps (resulting in a $1.7 million gain in the quarter versus $2.3 million gain in the same period in 2023) in addition to lower interest on our bank credit facility ($0.9 million). For the nine months ended September 30, 2024, finance costs (income), net were $15.3 million, down 2.2% or $0.4 million from $15.7 million in the same period in 2023. Our finance costs for the nine months ended September 30, 2024 increased primarily from a $1.4 million swing related to the change in the fair value of our interest rate swaps (resulting in a $0.7 million gain in the nine month period versus a $0.7 million loss in the same period in 2023) offset by lower interest on our bank credit facility ($1.4 million).

Income Tax Expense (Recovery)

Income tax expense (recovery) for the three and nine months ended September 30, 2024 was $4.8 million and $5.5 million, as compared to $0.9 million and $3.9 million in the corresponding periods in 2023, respectively. The increase

for the three and nine months ended September 30, 2024 was primarily due to higher profit (loss) before income taxes. In addition, a significant amount of our earnings is derived outside of Canada and as a result a change in the mix of earnings and losses in countries with differing statutory tax rates has impacted our effective tax rates for the three and nine months ended September 30, 2024.

Profit (Loss) from Continuing Operations

Profit (loss) from continuing operations for the three months ended September 30, 2024 was $(2.9) million and $(0.06) per share, basic and diluted, as compared to $(3.3) million and $(0.07) per share, basic and diluted, in the same period in 2023. For the nine months ended September 30, 2024, profit (loss) from continuing operations was $(23.7) million and $(0.52) per share, basic and $(0.51) per share, diluted, as compared to $(25.2) million and $(0.56) per share, basic and $(0.55) per share, diluted.

Profit (Loss) from Discontinued Operations

Profit (loss) from discontinued operations for the three months ended September 30, 2024 was $3.5 million and $0.08 per share, basic and diluted, as compared to $4.2 million and $0.09 per share, basic and diluted, in the same period in 2023. For the nine months ended September 30, 2024, profit (loss) from discontinued operations was $26.5 million and $0.58 per share, basic and $0.57 per share, diluted, as compared to $35.5 million and $0.79 per share, basic and $0.77 per share, diluted.

Profit (Loss)

Profit (loss) for the three months ended September 30, 2024 was $0.7 million and $0.02 per share, basic and diluted, as compared to $0.9 million and $0.02 per share, basic and diluted, in the same period in 2023. For the nine months ended September 30, 2024, profit (loss) was $2.8 million and $0.06 per share, basic and diluted, as compared to $10.4 million and $0.22 per share, basic and diluted. Our profit (loss) for the three and nine months ended September 30, 2024 benefitted from higher revenues, offset by higher employee compensation costs, acquisition and related costs and the restructuring program.

6.1. Revenues and Adjusted EBITDA by Reportable Segment

Revenues	Three months ended September 30,				Nine months ended September 30,			
In thousands of dollars	**2024**	2023 [1]	% Change	Constant Currency % Change	**2024**	2023 [1]	% Change	Constant Currency % Change
Analytics	$ 101,811	$ 95,338	6.8%	4.7%	$ 303,561	$ 289,723	4.8%	3.5%
Appraisals and Development Advisory	26,796	29,287	(8.5%)	(9.3%)	81,244	89,531	(9.3%)	(9.3%)
Intercompany eliminations	(188)	(175)	(7.4%)	(6.9%)	(579)	(572)	(1.2%)	(0.4%)
Total	$ 128,419	$ 124,450	3.2%	1.4%	$ 384,226	$ 378,682	1.5%	0.5%

[1] Comparative figures have been restated to reflect discontinued operations. Refer to Note 8 of the interim financial statements.

Adjusted EBITDA	Three months ended September 30,				Nine months ended September 30,			
In thousands of dollars	**2024**	2023 [1]	% Change	Constant Currency % Change	**2024**	2023 [1]	% Change	Constant Currency % Change
Analytics	$ 30,825	$ 23,340	32.1%	28.5%	$ 80,753	$ 67,325	19.9%	17.9%
Appraisals and Development Advisory	3,191	2,969	7.5%	4.7%	5,508	9,286	(40.7%)	(41.3%)
Corporate	(12,448)	(9,328)	(33.4%)	(30.1%)	(35,786)	(31,705)	(12.9%)	(10.7%)
Total	$ 21,568	$ 16,981	27.0%	23.5%	$ 50,475	$ 44,906	12.4%	10.7%

[1] Comparative figures have been restated to reflect discontinued operations. Refer to Note 8 of the interim financial statements.

6.2. Operations by Reportable Segment

Analytics								
	Three months ended September 30,				Nine months ended September 30,			
In thousands of dollars	**2024**	2023	% Change	Constant Currency % Change	**2024**	2023	% Change	Constant Currency % Change
Revenues	$ 101,811	$ 95,338	6.8%	4.7%	$ 303,561	$ 289,723	4.8%	3.5%
Adjusted EBITDA	$ 30,825	$ 23,340	32.1%	28.5%	$ 80,753	$ 67,325	19.9%	17.9%
Adjusted EBITDA margin	30.3%	24.5%	580 bps	560 bps	26.6%	23.2%	340 bps	320 bps
Other Measures								
Recurring Revenue*	$ 95,404	$ 87,444	9.1%	7.0%	$ 282,306	$ 261,553	7.9%	6.7%
New Bookings*	$ 21,253	$ 22,221	(4.4%)	(5.2%)	$ 60,461	$ 68,239	(11.4%)	(12.1%)
Recurring New Bookings*	$ 18,049	$ 13,850	30.3%	29.3%	$ 46,706	$ 46,270	0.9%	0.3%
Non-Recurring New Bookings*	$ 3,204	$ 8,371	(61.7%)	(62.3%)	$ 13,755	$ 21,969	(37.4%)	(38.1%)
Geographical revenue split								
North America	76%	77%			76%	77%		
International	24%	23%			24%	23%		
Cloud Adoption Rate* (as at end of period)	-	-			79%	72%		

Revenues

Revenues for the three months ended September 30, 2024 were $101.8 million, up 6.8% (4.7% on a Constant Currency basis) or $6.5 million ($4.5 million on a Constant Currency basis) from $95.3 million in the same period in 2023. Organic Revenue growth was 5.1% (3.1% on a Constant Currency basis) for the three months ended September 30, 2024.

For the nine months ended September 30, 2024, revenues were $303.6 million, up 4.8% (3.5% on a Constant Currency basis) or $13.8 million ($10.2 million on a Constant Currency basis) from $289.7 million in the same period in 2023. Organic Revenue growth was 3.4% (2.2% on a Constant Currency basis) for the nine months ended September 30, 2024.

Revenue growth for the three and nine months ended September 30, 2024 was driven by resilient Recurring Revenue performance benefitting from new sales, a higher number of assets on our VMS platform, and contribution from Forbury (acquired in December 2023). Non-Recurring Revenue* was lower in the quarter compared to the prior year.

Recurring Revenue

Recurring Revenue for the three months ended September 30, 2024 was $95.4 million, up 9.1% (7.0% on a Constant Currency basis) or $8.0 million ($6.1 million on a Constant Currency basis) from $87.4 million in the same period in 2023. Organic Recurring Revenue* for the three months ended September 30, 2024 was $93.8 million, up 7.3% (5.3% on a Constant Currency basis) from $87.4 million in the same period in 2023. Sequentially, Recurring Revenue increased by 0.2% from $95.2 million in the second quarter of 2024.

For the nine months ended September 30, 2024, Recurring Revenue was $282.3 million, up 7.9% (6.7% on a Constant Currency basis) or $20.7 million ($17.4 million on a Constant Currency basis) from $261.6 million in the same period in 2023. Organic Recurring Revenue for the nine months ended September 30, 2024 was $278.4 million, up 6.5% (5.2% on a Constant Currency basis) from $261.6 million in the same period in 2023.

Recurring Revenue growth for the three and nine months ended September 30, 2024 was primarily driven by new sales, a higher number of assets on our VMS platform, and contribution from Forbury.

New Bookings

New Bookings for the three months ended September 30, 2024 were $21.3 million, down 4.4% (5.2% on a Constant Currency basis) or $1.0 million ($1.2 million on a Constant Currency basis) from $22.2 million in the same period in 2023. Recurring New Bookings were up 30.3% (29.3% on a Constant Currency basis) year-over-year, and Non-Recurring New Bookings were down 61.7% (62.3% on a Constant Currency basis) year-over-year for the three months ended September 30, 2024.

For the nine months ended September 30, 2024, New Bookings were $60.5 million, down 11.4% (12.1% on a Constant Currency basis) or $7.8 million ($8.2 million on a Constant Currency basis) from $68.2 million in the same period in 2023. Recurring New Bookings were up 0.9% (0.3% on a Constant Currency basis) year-over-year, and Non-Recurring New Bookings were down 37.4% (38.1% on a Constant Currency basis) year-over-year for the nine months ended September 30, 2024.

New Bookings performance continues to be impacted by the current economic environment.

Adjusted EBITDA

Adjusted EBITDA for the three months ended September 30, 2024 was $30.8 million, up 32.1% (28.5% on a Constant Currency basis) or $7.5 million ($6.7 million on a Constant Currency basis) from $23.3 million in the same period in 2023. Adjusted EBITDA margin was 30.3%, up 580 basis points (560 basis points on a Constant Currency basis). Adjusted EBITDA growth and margin expansion benefitted from higher revenues, operating efficiencies, ongoing cost optimization efforts, and foreign exchange fluctuations.

For the nine months ended September 30, 2024, Adjusted EBITDA was $80.8 million, up 19.9% (17.9% on a Constant Currency basis) or $13.4 million ($12.0 million on a Constant Currency basis) from $67.3 million in the same period in 2023. Adjusted EBITDA margin was 26.6%, up 340 basis points (320 basis points on a Constant Currency basis).

Appraisals and Development Advisory

	Three months ended September 30,				Nine months ended September 30,			
In thousands of dollars	**2024**	2023	% Change	Constant Currency % Change	**2024**	2023	% Change	Constant Currency % Change
Revenues	$ 26,796	$ 29,287	(8.5%)	(9.3%)	$ 81,244	$ 89,531	(9.3%)	(9.3%)
Adjusted EBITDA	$ 3,191	$ 2,969	7.5%	4.7%	$ 5,508	$ 9,286	(40.7%)	(41.3%)
Adjusted EBITDA margin	11.9%	10.1%	180 bps	160 bps	6.8%	10.4%	(360 bps)	(370 bps)

Revenues

Revenues for the three months ended September 30, 2024 were $26.8 million, down 8.5% (9.3% on a Constant Currency basis) or $2.5 million ($2.7 million on a Constant Currency basis) from $29.3 million in the same period in 2023. The performance reflects muted market activity in the current economic environment as the business segment has some exposure to reduced transaction volumes and higher interest rates, resulting in fewer appraisals and new project starts.

For the nine months ended September 30, 2024, revenues were $81.2 million, down 9.3% (9.3% on a Constant Currency basis) or $8.3 million ($8.3 million on a Constant Currency basis) from $89.5 million in the same period in 2023.

Adjusted EBITDA

Adjusted EBITDA for the three months ended September 30, 2024 was $3.2 million, up 7.5% (4.7% on a Constant Currency basis) or $0.2 million ($0.1 million on a Constant Currency basis) from $3.0 million in the same period in 2023, mainly driven by ongoing cost optimization efforts.

For the nine months ended September 30, 2024, Adjusted EBITDA was $5.5 million, down 40.7% (41.3% on a Constant Currency basis) or $3.8 million ($3.8 million on a Constant Currency basis) from $9.3 million in the same period in 2023, reflecting the market conditions affecting revenues in the year while our cost base adjusts to the reduction in demand.

6.3. Corporate Costs

Corporate costs

Corporate costs were $12.5 million for the three months ended September 30, 2024, as compared to $9.3 million in the same period in 2023. For the nine months ended September 30, 2024, corporate costs were $35.8 million, as compared to $31.7 million in the same period in 2023. The increase in corporate costs primarily reflects certain one-time expenditures related to strategic corporate initiatives.

7. Business Outlook

Forecasting future results or trends is inherently difficult for any business and actual results or trends may vary significantly. The discussion of our expectations relating to the business outlook in this section is forward-looking information that is based upon the assumptions and subject to the material risks discussed under the heading "Forward-Looking Information" beginning on page 1 of this MD&A.

Our business outlook for our consolidated results and the Analytics business segment remains unchanged. The outlook for the Appraisals and Development Advisory business segment has been reduced to reflect the ongoing muted market activity in the current economic environment as the business segment has some exposure to reduced transaction volumes and higher interest rates, resulting in fewer appraisals and new project starts.

The business outlook for continuing operations in fiscal 2024 by reportable segment is as follows:

2024 outlook by reportable segment	
Analytics	• 6 – 9% Recurring Revenue growth *(unchanged)* • 400 – 500 bps of Adjusted EBITDA margin expansion *(unchanged)*
Appraisals and Development Advisory	• High single digit revenue decline *(updated from low single digit decline)* • Mid single digit Adjusted EBITDA decline *(updated from single digit growth)*
Consolidated	• Single digit revenue growth *(unchanged)* • Double digit Adjusted EBITDA growth *(unchanged)* • Adjusted EBITDA margin improvement over 2023 *(unchanged)*

Note: Business Outlook presented on a Constant Currency basis over full year 2023. The Consolidated outlook excludes contribution from Property Tax.*

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. Appraisal & Development Advisory: improved client profitability and improved operating leverage. The Consolidated outlook assumes that corporate costs will remain elevated through the remainder of 2024.

Seasonality and Cyclicality

Some of our businesses are subject to cyclical trends and seasonality that may impact overall quarterly results.

As is typical for many technology companies, Analytics tends to have a seasonally stronger fourth quarter, and first quarter revenue and Adjusted EBITDA margins may be sequentially lower than in the fourth quarter of the preceding year (excluding the impact of unusual or nonrecurring items). We believe the strength in the fourth quarter generally reflects customer spending patterns and budget cycles, as well as the impact of incentive compensation plans for our sales personnel. The first quarter typically includes additional expenses, such as payroll taxes, that impact the sequential Adjusted EBITDA margin trend. Also, we experience some seasonality with our Valuation Management Solutions around our second and fourth quarters related to frequency of valuations due to clients who conduct bi-annual and annual appraisals.

While these seasonal and cyclical factors have historically been relevant, given the evolution of our businesses through our growth and acquisitions, this pattern should not be considered as a reliable indicator of our future revenue or financial performance. Many other factors, including general economic conditions, may also have an

impact on our business and financial results, and are described in our Annual Information Form for the year ended December 31, 2023.

8. Liquidity and Capital Resources

Due to the nature of the proposed divestiture of our Property Tax business and the entanglement of capital resources held and managed centrally, our cash flows presented and discussed are inclusive of continuing operations and discontinued operations.

Cash Flow	Three months ended September 30,		Nine months ended September 30,	
In thousands of dollars	**2024**	2023	**2024**	2023
Net cash related to operating activities	$ 18,372	$ 36,019	$ 55,212	$ 26,736
Net cash related to financing activities	(18,863)	(34,205)	(43,312)	(33,783)
Net cash related to investing activities	(2,318)	(2,228)	(7,585)	(4,902)
Effect of foreign currency translation	1,465	2,013	1,921	1,356
Change in cash position during the period [1]	$ (1,344)	$ 1,599	$ 6,236	$ (10,593)
Free Cash Flow	$ 16,013	$ 34,101	$ 47,866	$ 18,797
Dividends paid	$ (6,200)	$ (6,706)	$ (18,454)	$ (19,873)

[1] Changes in cash positions during the periods disclosed are inclusive of net cash flows attributable to the operating, investing and financing activities of discontinued operations.

We expect to fund operations with cash on hand and cash derived from operating activities. Deficiencies arising from short-term working capital requirements and capital expenditures may be financed on a short-term basis with bank indebtedness or on a permanent basis with offerings of securities. Our liquidity may be affected by a reduction to future cash generated from operating activities, or by a limitation of access to short-term financing and tightening credit markets due to factors such as a significant erosion in the general state of the economy. For further details regarding our bank indebtedness, refer to the "Cash from Financing Activities" discussion below and Note 13 – Borrowings in the notes to the interim financial statements.

We returned $6.9 million to shareholders in the quarter through quarterly dividends of $0.15 per common share.

8.1. Cash from Operating Activities

Working Capital		
In thousands of dollars	**September 30, 2024**	December 31, 2023
Current assets	$ 476,120	$ 302,563
Current liabilities	(227,406)	(218,276)
Working capital	$ 248,714	$ 84,287

Current assets are composed primarily of cash and cash equivalents and trade receivables and other. It also includes income taxes recoverable and derivative financial instruments for our equity derivatives on RSUs and DSUs as well as assets held for sale. The increase is primarily due to the reclassification of assets that are held for sale relating to Fairways Guarantees and Property Tax.

Current liabilities are composed primarily of trade payables and other, lease liabilities, and liabilities directly associated with assets held for sale. It also includes income taxes payable. The increase is primarily driven by the reclassification of liabilities directly associated with assets held for sale relating to Fairways Guarantees and Property Tax and higher income taxes payable, offset by lower accrued expenses from the payment of our accrued variable compensation costs in the first quarter of 2024, and the final payments of deferred consideration related to our historical acquisitions.

As at September 30, 2024, trade receivables, net and contract assets (unbilled revenue on customer contracts) net of contract liabilities (deferred revenue) were $32.7 million, down 77.5% or $112.4 million from $145.1 million as at December 31, 2023, reflecting the reclassification of assets held for sale and liabilities associated with assets held for sale. After removing the components of our Property Tax discontinued operations from historical assets and liabilities, trade receivables, net and contract assets (unbilled revenue on customer contracts) net of contract liabilities (deferred revenue) were down 36.8% or $19.0 million from $51.7 million as at December 31, 2023. As a percentage of the trailing 12-month revenues, trade receivables and unbilled revenue on customer contracts net of deferred revenue was 6.3% as at September 30, 2024, as compared to 18.8% as at December 31, 2023 and 10.1% as at December 31, 2023 for our continuing operations.

Our DSO* has been restated to exclude components of our Property Tax discontinued operations and was 29 days as at September 30, 2024, as compared to 34 days as at December 31, 2023 and represents the sustaining of our increased billings and collections throughput and efforts since the first quarter of 2023.

Current and long-term liabilities include amounts owing to the vendors of acquired businesses on account of excess working capital, contingent consideration payable, deferred purchase price payments and other closing adjustments. As at September 30, 2024, the amounts owing to the vendors of acquired businesses were $0.4 million, as compared to $3.1 million as at December 31, 2023.

We expect to satisfy the balance of our current liabilities through the realization of our current assets.

Changes in working capital affecting net cash generated by (used in) operations	**Three months ended September 30,**		**Nine months ended September 30,**	
In thousands of dollars	**2024**	2023	**2024**	2023
Net changes in:				
Operating working capital	$ (2,010)	$ 19,294	$ (4,124)	$ (44,849)
Liabilities for cash-settled share-based compensation	4,854	4,189	10,355	106
Deferred consideration payables	-	37	(1,674)	(1,669)
Contingent consideration payables	-	(2,989)	-	(2,989)
Net changes	$ 2,844	$ 20,531	$ 4,557	$ (49,401)

Operating working capital is composed primarily of trade receivables and other, trade payables and other excluding the impacts of liabilities for cash-settled share-based compensation and contingent consideration payables, and income taxes recoverable and payable. The change in operating working capital for the nine months ended September 30, 2024 was primarily driven by a decrease in our trade payables and accrued liabilities, in addition to higher contract assets (unbilled revenue on customer contracts), offset by a decrease of trade receivables and an increase in our contract liabilities (deferred revenue) associated with the timing and seasonality of our billings and collections.

Liabilities for cash-settled share-based compensation represent awards granted through our Long-Term Incentive Restricted Share Unit Plan, Restricted Share Unit Plan, or Deferred Share Unit Plan, which are to be settled in the

future. These liabilities are linked, and therefore exposed, to movements in the price of our common shares. The movement in our liabilities for cash-settled share-based compensation was primarily driven by the increase in the closing price of our common shares from $42.14 per share on December 31, 2023 to $54.89 per share on September 30, 2024. For further details regarding liabilities for cash-settled share-based compensation, refer to Note 15 – Share-based Compensation in the notes to the interim financial statements.

From time to time, we become party to deferred or contingent consideration payables which are assumed as part of an acquisition. Deferred consideration payments represent unconditional portions of the purchase consideration of our acquisitions that are payable at a date after the closing date of the related transaction. Contingent consideration payments are generally based on acquired businesses achieving certain future-oriented performance targets from the date of acquisition and may differ from our initial estimates.

8.2. Cash from Financing Activities

Our revolving bank credit facilities are used for general corporate purposes and the funding of our acquisitions. From time to time, we amend our bank credit facilities to further strengthen our liquidity position. Most recently, on June 17, 2024, we further amended our bank credit facilities to, among other things, facilitate changes to the members of the syndicate of lenders providing our credit facilities, as well as adopt CORRA as the new base reference rate for Canadian dollar loans, given the discontinuation of the CDOR. Our borrowing capacity remains at $550.0 million with certain provisions that allow us to further increase the limit to $650.0 million. The amended bank credit facilities maintain the existing maximum Funded debt to EBITDA financial covenant ratio of 4.5 with provisions that allow for a short-term increase up to 5.0 following certain business acquisitions and are secured on certain of our assets. The bank credit facilities mature on March 24, 2027, with an additional two-year extension available at our option. The commitment from certain lenders to increase our borrowing capacity under our existing bank facilities to fund the acquisition of REVS has been terminated with the termination of the proposed acquisition.

As at September 30, 2024, our total borrowings on our bank credit facilities amounted to $306.1 million, a decrease of $2.5 million from December 31, 2023, primarily based on working capital and operational requirements. In the third quarter, we drew a total of $nil on our bank credit facilities, as compared to $3.0 million in the same period in 2023. We repaid $4.1 million in the quarter, as compared to $26.3 million in the same period in 2023. We continue to pay down the total outstanding balance with cash flows generated from our operations.

Loans under the bank credit facilities bear interest at a floating rate, based on the Canadian prime rates, Canadian bankers' acceptance rates, U.S. base rates, or SONIA, SOFR, and €STR rates plus, in each case, an applicable margin to those rates. The applicable margin for Canadian bankers' acceptance and SONIA, SOFR and €STR borrowings depends on a trailing four-quarter calculation of the Funded debt to EBITDA ratio. The weighted average effective rate of interest for the three and nine months ended September 30, 2024 on our bank credit facilities was 5.63% and 5.90%, as compared to 6.24% and 6.04% in the corresponding periods in 2023, respectively. To mitigate our exposure to interest rate fluctuations, on April 29, 2022, we entered into interest rate swap agreements for a total notional amount of GBP57.0 million to pay the counterparties a fixed interest rate of 2.07% per annum in exchange for an amount equal to the GBP – SONIA.

In addition, the Company and certain of its subsidiaries, collectively the guarantors, must account for at least 80% of consolidated revenues on a trailing 12-month basis. The bank credit facilities require repayment of the principal at such time as we receive proceeds of insurance, equity or debt issuances, or sale of assets in excess of certain thresholds. Letters of credit are also available on customary terms for bank credit facilities of this nature. Furthermore, we have provided a security interest to the lenders over certain of our assets in connection with the bank credit facilities.

We also have outstanding letters of credit under our bank credit facilities in the total amount of $0.7 million (December 31, 2023 – $1.0 million).

As at September 30, 2024, we were in compliance with the financial covenants and other requirements of our amended bank credit facilities. The financial covenants are summarized below:

	September 30, 2024
Funded debt to EBITDA (maximum of 4.50:1)	2.07:1
Interest coverage (minimum of 3.00:1)	6.96:1

Other than long-term debt and letters of credit, we are subject to other contractual obligations, such as leases and amounts owing to the vendors of acquired businesses as discussed above.

Contractual Obligations [(1)]	Payments Due by Period (undiscounted)				
In thousands of dollars	Total	Less than 1 year	1 to 3 years	4 to 5 years	Over 5 years
Bank credit facilities	$ 306,063	$ -	$ 306,063	$ -	$ -
Lease obligations	51,002	15,025	21,628	10,176	4,173
Contingent consideration payables	200	200	-	-	-
Other liabilities	128,876	62,127	38,353	15,435	12,961
Total contractual obligations	$ 486,141	$ 77,352	$ 366,044	$ 25,611	$ 17,134

(1) Contractual obligations exclude aggregate unfunded capital contributions of $3.0 million to certain partnerships as the amount and timing of such payments are uncertain.

During the three and nine months ended September 30, 2024, we repurchased 203,400 (2023 – 51,700) common shares for total consideration of $11.0 million (2023 – $2.5 million) for cancellation under the NCIB.

8.3. Cash from Investing Activities

We invest in property, plant and equipment and intangible assets to support the activities of the business. Capital expenditures for accounting purposes include property, plant and equipment in substance and in form, and intangible assets.

Capital expenditures are reconciled as follows:

Capital Expenditures	Three months ended September 30,		Nine months ended September 30,	
In thousands of dollars	**2024**	2023	**2024**	2023
Property, plant and equipment additions	$ 937	$ 965	$ 1,362	$ 3,638
Intangibles additions	1,422	953	5,984	4,301
Capital expenditures	$ 2,359	$ 1,918	$ 7,346	$ 7,939

We continue to make further investments in 2024 to transform how we operate, collaborate and go-to-market. These incremental investments improve how we engage with our employees and customers and enable us to efficiently and effectively scale as we continue to grow to better serve our markets and enhance our productivity metrics.

8.4. Free Cash Flow

We proactively manage and optimize our Free Cash Flow available for reinvestment in our business. Free Cash Flow is reconciled as follows:

Free Cash Flow	**Three months ended September 30,**		**Nine months ended September 30,**	
In thousands of dollars	**2024**	2023	**2024**	2023
Net cash provided by (used in) operating activities	$ 18,372	$ 36,019	$ 55,212	$ 26,736
Less: Capital Expenditures	(2,359)	(1,918)	(7,346)	(7,939)
Free Cash Flow	$ 16,013	$ 34,101	$ 47,866	$ 18,797

We use 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.

In comparing the Free Cash Flow for the three and nine months ended September 30, 2024 to the comparative period, it should be considered that the Free Cash Flow for the three and nine months ended September 30, 2023 was impacted by the anticipated delayed billings and the subsequent ramp up from our enterprise resource planning ("ERP") system implementation. As such we believe that 2022 is a more appropriate comparative year. Free Cash Flow for the three months ended September 30, 2024 was comparable to the three months ended September 30, 2022 ($17.4 million) while exceeding the nine months ended September 30, 2022 ($33.4 million) which represents a better comparative period and reflects our continued focus on cash generation. On a year-over-year view, the third quarter of 2023 benefitted from a catch up on billings related to the implementation of a new ERP system.

9. Reconciliation of Non-GAAP Measures

9.1. 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):

	Three months ended September 30,		Nine months ended September 30,	
In thousands of dollars, except for per share amounts	**2024**	2023 [(1)]	**2024**	2023 [(1)]
Profit (loss) for the period	$ 655	$ 929	$ 2,785	$ 10,372
(Profit) loss from discontinued operations, net of tax	(3,532)	(4,200)	(26,450)	(35,546)
Occupancy costs calculated on a similar basis prior to the adoption of IFRS 16 [(2)]	(2,320)	(2,417)	(7,539)	(7,142)
Depreciation of right-of-use assets	2,422	1,914	6,676	5,969
Depreciation of property, plant and equipment and amortization of intangibles [(8)]	8,769	8,081	26,993	27,822
Acquisition and related transition costs (income)	25	51	8,894	191
Unrealized foreign exchange (gain) loss [(3)]	1,963	502	217	2,653
(Gain) loss on disposal of right-of-use assets, property, plant and equipment and intangibles [(3)]	7	7	1,578	19
Share of (profit) loss of joint venture	(1,507)	(1,196)	(2,013)	(2,336)
Non-cash share-based compensation costs [(4)]	3,168	3,189	10,054	8,137
(Gain) loss on equity derivatives net of mark-to-market adjustments on related RSUs and DSUs [(4)]	(741)	(290)	(2,915)	4,019
Restructuring costs (recovery)	2,008	20	9,113	2
(Gain) loss on investments [(5)]	(881)	(32)	(640)	(358)
Other non-operating and/or non-recurring (income) costs [(6)]	449	1,842	2,905	11,546
Finance costs (income), net – leases	277	159	637	640
Finance costs (income), net – other [(9)]	6,016	7,546	14,676	15,020
Income tax expense (recovery) [(10)]	4,790	876	5,504	3,898
Adjusted EBITDA	$ 21,568	$ 16,981	$ 50,475	$ 44,906
Depreciation of property, plant and equipment and amortization of intangibles of non-acquired businesses [(8)]	(1,747)	(2,172)	(4,961)	(6,633)
Finance (costs) income, net – other [(9)]	(6,016)	(7,546)	(14,676)	(15,020)
(Gain) loss on hedging transactions, including currency forward contracts and interest expense (income) on swaps [(9)]	1,679	2,259	704	(705)
Tax effect of adjusted earnings (loss) adjustments [(10)]	(6,770)	(2,932)	(16,885)	(12,294)
Adjusted earnings (loss)*	$ 8,714	$ 6,590	$ 14,657	$ 10,254
Weighted average number of shares – basic	45,927,341	45,408,482	45,748,192	45,262,101
Weighted average number of restricted shares	251,085	460,702	333,464	502,836
Weighted average number of shares – adjusted	46,178,426	45,869,184	46,081,656	45,764,937
Adjusted earnings (loss) per share [(7)]	$0.19	$0.14	$0.32	$0.22

[1] Comparative figures have been restated to reflect discontinued operations. Refer to Note 8 of the interim financial statements.
[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 three and nine months ended September 30, 2024 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 this 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.

9.2. Constant Currency

The following tables provide a summarization of the foreign exchange rates used as presented based on the average monthly rates, and the foreign exchange rates used for Constant Currency for currencies in which we primarily transact in:

	Three months ended September 30, 2024		Nine months ended September 30, 2024	
	As presented	For Constant Currency	As presented	For Constant Currency
Canadian Dollar	1.000	1.000	1.000	1.000
United States Dollar	1.364	1.342	1.360	1.345
Pound Sterling	1.774	1.698	1.736	1.673
Euro	1.499	1.459	1.478	1.457
Australian Dollar	0.914	0.878	0.901	0.900

	Three months ended September 30, 2023		Nine months ended September 30, 2023	
	As presented	For Constant Currency	As presented	For Constant Currency
Canadian Dollar	1.000	1.000	1.000	1.000
United States Dollar	1.342	1.305	1.345	1.283
Pound Sterling	1.698	1.535	1.673	1.613
Euro	1.459	1.314	1.457	1.365
Australian Dollar	0.878	0.892	0.900	0.907

10. Summary of Quarterly Results

	2024			2023					2022	
In thousands of dollars, except for per share amounts	**Sep 30**	Jun 30	Mar 31	Fiscal 2023	Dec 31	Sep 30	Jun 30	Mar 31	Fiscal 2022	Dec 31
Results of Operations										
Revenues	$ 128,419	$ 130,392	$ 125,418	$ 509,734	$ 131,052	$ 124,450	$ 130,092	$ 124,140	$ 466,868	$ 127,932
Adjusted EBITDA	$ 21,568	$ 17,986	$ 10,922	$ 65,764	$ 20,858	$ 16,981	$ 16,465	$ 11,457	$ 47,789	$ 20,515
Adjusted EBITDA margin	16.8%	13.8%	8.7%	12.9%	15.9%	13.6%	12.7%	9.2%	10.2%	16.0%
Profit (loss) for the period from continuing operations, net of tax	$ (2,877)	$ (8,636)	$ (12,151)	$ (32,542)	$ (7,369)	$ (3,271)	$(10,487)	$ (11,415)	$ (55,872)	$ 5,687
Profit (loss) for the period from discontinued operations, net of tax	$ 3,532	$ 10,919	$ 11,999	$ 42,766	$ 7,221	$ 4,200	$ 22,343	$ 9,001	$ 54,982	$ (14,445)
Basic earnings (loss) per share [(1)]:										
Continuing operations	$(0.06)	$(0.19)	$(0.27)	$(0.72)	$(0.16)	$(0.07)	$(0.23)	$(0.25)	$(1.25)	$0.13
Discontinued operations	$0.08	$0.24	$0.26	$0.94	$0.16	$0.09	$0.49	$0.20	$1.23	$(0.32)
Diluted earnings (loss) per share [(1)]:										
Continuing operations	$(0.06)	$(0.19)	$(0.27)	$(0.71)	$(0.16)	$(0.07)	$(0.23)	$(0.25)	$(1.25)	$0.13
Discontinued operations	$0.08	$0.24	$0.26	$0.93	$0.16	$0.09	$0.49	$0.20	$1.23	$(0.32)
Adjusted earnings (loss) per share	$0.19	$0.14	$(0.01)	$0.48	$0.26	$0.14	$0.05	$0.03	$0.23	$0.25
Weighted average number shares ('000s):										
Basic	45,927	45,782	45,533	45,302	45,421	45,408	45,361	45,012	44,635	44,715
Diluted	46,803	46,418	45,533	45,908	45,421	45,904	45,816	45,012	44,635	44,715

[(1)] Comparative figures have been restated to reflect discontinued operations. Refer to Note 8 of the interim financial statements.

11. Share Data

As at November 5, 2024, 45,894,587 common shares were outstanding and are net of 242,724 escrowed shares. These escrowed shares are subject to restrictive covenants and may or may not vest. Accordingly, these shares are not included in the total number of common shares outstanding for financial reporting purposes and are not included in basic earnings per share calculations.

As at September 30, 2024, there were 2,301,742 share options outstanding (December 31, 2023 – 2,216,822 share options outstanding) at a weighted average exercise price of $50.57 per share (December 31, 2023 – $48.61 per share) and 992,840 share options were exercisable (December 31, 2023 – 835,575). All share options are exercisable into common shares on a one-for-one basis.

Shareholders who are resident in Canada may elect to automatically reinvest quarterly dividends in additional Altus Group common shares under our Dividend Reinvestment Plan ("DRIP").

Pursuant to the DRIP, and in the case where common shares are issued from treasury, cash dividends will be reinvested in additional Altus Group common shares at the weighted average market price of our common shares for the five trading days immediately preceding the relevant dividend payment date, less a discount, currently set at 4%. In the case where common shares will be purchased on the open market, cash dividends will be reinvested in additional Altus Group common shares at the relevant average market price paid in respect of satisfying this reinvestment plan.

For the three and nine months ended September 30, 2024, 13,805 and 47,578 common shares (September 30, 2023 – 4,202 and 13,841 common shares, respectively) were issued under the DRIP.

12. Financial Instruments and Other Instruments

Financial instruments held in the normal course of business included in our unaudited interim condensed consolidated balance sheet as at September 30, 2024 consist of cash and cash equivalents, trade receivables and other (excluding deferred costs to obtain customer contracts and prepayments), trade payables and other (excluding contract liabilities), income taxes recoverable and payable, investments, borrowings and derivative financial instruments. We do not enter into financial instrument arrangements for speculative purposes.

The fair values of the short-term financial instruments approximate their carrying values. The fair values of borrowings are not significantly different than their carrying values, as these instruments bear interest at rates comparable to current market rates. The fair values of other long-term assets and liabilities, and contingent consideration payables are measured using a discounted cash flow analysis of expected cash flows in future periods. The investments in equity instruments are measured based on valuations of the respective entities. Investments in partnerships are measured in relation to the fair value of assets in the respective partnerships.

The fair value of the liabilities for our RSUs and DSUs as at September 30, 2024 was approximately $33.8 million, based on the published trading price on the TSX for our common shares.

We are exposed to interest rate risk in the event of fluctuations in the Canadian prime rates, Canadian bankers' acceptance rates, U.S. base rates, or SONIA, SOFR, and €STR rates, as the interest rates on the bank credit facilities fluctuate with changes in these rates.

To mitigate our exposure to interest rate fluctuations, we monitor interest rates and consider entering into interest rate swap agreements in connection with our bank credit facilities. On April 29, 2022, we entered into interest rate swap agreements for a total notional amount of GBP57.0 million. The net fair value of this derivative is $4.3 million in our favour.

We are exposed to price risk as the liabilities for cash-settled plans are classified as fair value through profit or loss, and linked to the price of our common shares.

We enter into equity derivatives to manage our exposure to changes in the fair value of RSUs and DSUs, issued under their respective plans, due to changes in the fair value of our common shares. Changes in the fair value of these derivatives are recorded as employee compensation expense and offset the impact of mark-to-market adjustments on the RSUs and DSUs that have been accrued.

As at September 30, 2024, we have equity derivatives relating to RSUs and DSUs outstanding with a notional amount of $35.3 million. The net fair value of these derivatives is $13.1 million in our favour.

We are exposed to credit risk with respect to our cash and cash equivalents, trade receivables and other and derivative financial instruments. Credit risk is not concentrated with any particular customer. In certain parts of our business, it is often common business practice of our customers to pay invoices over an extended period of time and/or at the completion of the project or on receipt of funds. We assess lifetime expected credit losses for all trade receivables and contract assets for unbilled revenue on customer contracts by grouping customers with shared credit risk characteristics, the days past due, and by incorporating forward-looking information as applicable.

Liquidity risk is the risk that we will not be able to meet our financial obligations as they become due. We manage liquidity risk through the management of our capital structure and financial leverage. We also manage liquidity risk by continuously monitoring actual and projected cash flows, taking into account the seasonality of our revenues and receipts and the maturity profile of our financial assets and liabilities. Our Board of Directors reviews and approves our operating and capital budgets, as well as any material transactions outside the ordinary course of business, including proposals on mergers, acquisitions or other major investments.

13. Contingencies

From time to time, we or our subsidiaries are involved in legal proceedings, claims and litigation in the ordinary course of business with customers, former employees and other parties. Although it is not possible to determine the final outcome of such matters, based on all currently available information, we believe that our liabilities, if any, arising from such matters will not have a material adverse effect on our financial position or results of operations and have been adequately provided for in the interim financial statements.

In the ordinary course of business, we are subject to tax audits from various government agencies relating to income and commodity taxes. As a result, from time to time, the tax authorities may disagree with the positions and conclusions we made in our tax filings, which could lead to assessments and reassessments. These assessments and reassessments may have a material adverse effect on our financial position or results of operations.

14. Changes in Material Accounting Policies and Estimates

Assets Held for Sale

Non-current assets, or disposal groups, are classified as held-for-sale if it is probable that they will be recovered primarily through sale rather than through continuing use.

Such assets, or disposal groups, are generally measured at the lower of their carrying value and fair value less costs to sell. Any impairment loss on a disposal group is allocated first to goodwill, and then to the remaining assets and liabilities on a pro rata basis, except that no loss is allocated to inventories, financial assets, deferred tax assets, employee benefit assets, investment property or biological assets, which continue to be measured in accordance with our other accounting policies. Impairment losses on initial classification as held-for-sale and subsequent gains and losses on remeasurement are recognized in profit or loss.

Once classified as held-for-sale, non-current assets are no longer amortized or depreciated, and any equity-accounted investee is no longer equity accounted.

Discontinued Operations

A discontinued operation is a component of our business, with operations and cash flows that are distinguishable from those of the rest of the Company and which represents a separate major line of business or geographical area of operations, is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations, or is a subsidiary acquired exclusively for resale.

Classification as a discontinued operation occurs at the earlier of disposal or when the major line of business or geographical operation meets the criteria to be classified as assets held for sale or distribution. When an operation is classified as a discontinued operation, IFRS 5, *Non-current Assets Held for Sale and Discontinued Operations*, requires that the comparative statements of comprehensive income (loss) are re-presented as if the operation was discontinued from the start of the comparative year. As a result, our discontinued operations are excluded from the profit (loss) from continuing operations and are presented as an amount, net of tax, as profit (loss) from discontinued operations in the statements of comprehensive income (loss). Furthermore, we have made the accounting policy choice to present net cash flows related to our discontinued operations in the notes to the interim financial statements.

14.1. Adoption of Recent Accounting Pronouncements

Amendments to IAS 1: Classification of Liabilities as Current or Non-Current

In January 2020, the IASB issued amendments to IAS 1, *Presentation of Financial Statements*, to provide a more general approach to the presentation of liabilities as current or non-current based on contractual arrangements in place at the reporting date. These amendments:

- specify that the rights and conditions existing at the end of the reporting period are relevant in determining whether we have a right to defer settlement of a liability by at least twelve months;
- require disclosures around the relevant information about the covenants to be complied with in order to have the right to defer settlement of a liability by at least twelve months;
- provide that management's expectations are not a relevant consideration as to whether we will exercise our rights to defer settlement of a liability; and
- clarify when a liability is considered settled.

The new guidance to annual periods beginning on or after January 1, 2024 is to be applied retrospectively. These amendments did not have a material impact on our interim financial statements.

14.2. Future Accounting Pronouncements

Amendments to IFRS 9 and IFRS 7: Classification and Measurement of Financial Instruments

In May 2024, the IASB issued amendments to IFRS 9, *Financial Instruments*, and IFRS 7, *Financial Instruments: Disclosures*, relating to the classification and measurement requirements of financial instruments recognized within those standards. These amendments:

- clarify that a financial liability is to be derecognized on the 'settlement date' and introduces an accounting policy to derecognize financial liabilities settled through an electronic payment system before settlement date if certain conditions are met;
- clarify how to assess the contractual cash flow characteristics of financial assets that include 'environmental, social and governance' - linked features and other similar contingent features;
- clarify the treatment of non-recourse assets and contractually linked instruments; and
- require additional disclosures for financial assets and liabilities with contractual terms that reference a contingent event and equity instruments classified at fair value through other comprehensive income.

These amendments will be effective for annual periods beginning on or after January 1, 2026 and will be applied retrospectively with an adjustment to opening retained earnings. Prior periods will not be required to be restated and can only be restated without using hindsight. Entities can early adopt the amendments that relate to the classification of financial assets plus the related disclosures, and can apply other amendments subsequently. We do not expect material impacts from these amendments on our interim financial statements.

Issuance of IFRS 18: Presentation and Disclosure in Financial Statements

In April 2024, the IASB issued IFRS 18, *Presentation and Disclosure in Financial Statements*, which will replace IAS 1, *Presentation in Financial Statements*. The issuance introduces new categories and subtotals in the statements of comprehensive income (loss), requires disclosure of management-defined performance measures, and includes new requirements for the location, aggregation and disaggregation of financial information. The new standard will:

- require the classification of all income and expenses within the statements of comprehensive income (loss) into one of five categories: operating; investing; financing; income taxes; and discontinued operations. In addition, entities will be required to present subtotals and totals for 'operating profit or loss', 'profit or loss before financing and incomes taxes' and 'profit or loss';
- introduce the concept of a management-defined performance measure ("MPM") which it defines as a subtotal of income and expenses that an entity uses in public communications outside financial statements, to communicate management's view of an aspect of the financial performance of the entity. The standard will require the disclosure of information about all of an entity's MPMs, including how the measure is calculated and reconciled to the most comparable subtotal specified by IFRS; and
- introduce a principle for determining the location of information based on identified 'roles' of the primary financial statements and the notes as well as require aggregation and disaggregation of information with reference to similar and dissimilar characteristics.

IFRS 18 will be effective for annual periods beginning on or after January 1, 2027 and will apply retrospectively. Early adoption is permitted and must be disclosed. We are in the process of evaluating the impact of this standard on our interim financial statements.

15. Disclosure Controls and Procedures and Internal Controls over Financial Reporting

Management is responsible for establishing and maintaining disclosure controls and procedures (“DC&P”) and internal controls over financial reporting (“ICFR”), as those terms are defined in National Instrument 52-109 – Certification of Disclosure in Issuers’ Annual and Interim Filings (“NI 52-109”).

Management has caused such DC&P to be designed under its supervision to provide reasonable assurance that our material information, including material information of our consolidated subsidiaries, is made known to our Chief Executive Officer and our Chief Financial Officer for the period in which the annual and interim filings are prepared. Further, such DC&P are designed to provide reasonable assurance that information we are required to disclose in our annual filings, interim filings or other reports we have filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in the applicable securities legislation.

Management has caused such ICFR to be designed under its supervision using the framework established in Internal Control – Integrated Framework (2013) published by the Committee of Sponsoring Organizations of the Treadway Commission (“COSO”) to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the financial statements for external purposes in accordance with IFRS.

Section 3.3(1)(b) of NI 52-109 allows an issuer to limit its design of DC&P and ICFR to exclude controls, policies and procedures of a business that the issuer acquired not exceeding 365 days from the date of acquisition. Management has not limited the scope of the design of DC&P and ICFR to exclude controls, policies and procedures of any acquired businesses as at September 30, 2024.

There have been no significant changes in our internal controls over financial reporting that occurred for the quarter ended September 30, 2024, the most recently completed interim period, that have materially affected, or are reasonably likely to materially affect, our internal controls over financial reporting.

The audit committee and our Board of Directors have reviewed and approved this MD&A and the interim financial statements as at and for the three and nine months ended September 30, 2024.

16. Additional Information

Additional information relating to Altus Group Limited, including our Annual Information Form, is available on SEDAR+ at www.sedarplus.ca and on our corporate website at www.altusgroup.com under the Investors tab. Our common shares trade on the TSX under the symbol “AIF”.

Altus Group

LISTINGS
Toronto Stock Exchange
Stock trading symbol: AIF

AUDITORS
ERNST & YOUNG LLP

TRANSFER AGENT
TSX Trust Company
301 - 100 Adelaide Street West, Toronto, ON M5H 4H1
Toronto: (416) 682-3860
Toll-free throughout North America: 1 (800) 387-0825
Facsimile: 1-888-249-6189
Website: www.tsxtrust.com
Email: shareholderinquiries@tmx.com

HEADQUARTERS
33 Yonge Street, Suite 500, Toronto, Ontario, Canada M5E 1G4
Telephone: (416) 641-9500
Toll-free Telephone: 1 (877) 953-9948
Facsimile: (416) 641-9501
Website: www.altusgroup.com
Email: info@altusgroup.com