

Q1 2025

Financial Statements

For the three months ended March 31, 2025



Interim Condensed Consolidated Financial Statements
March 31, 2025 and 2024
(Unaudited)
(Expressed in Thousands of Canadian Dollars)

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Interim Condensed Consolidated Statements of Comprehensive Income (Loss)
For the Three Months Ended March 31, 2025 and 2024
(Unaudited)
(Expressed in Thousands of Canadian Dollars, Except for Per Share Amounts)

		Three months ended March 31	
	Notes	2025	2024 ⁽¹⁾
Revenues	5	\$ 129,165	\$ 125,418
Expenses			
Employee compensation		88,306	88,110
Occupancy		1,496	1,216
Other operating		25,864	23,796
Depreciation of right-of-use assets		2,094	2,060
Depreciation of property, plant and equipment		948	951
Amortization of intangibles		7,349	8,410
Acquisition and related transition costs (income)		18	3,496
Share of (profit) loss of joint venture		231	158
Restructuring costs (recovery)	11	6,217	5,176
(Gain) loss on investments		138	186
Finance costs (income), net – leases	6	245	164
Finance costs (income), net – other	6	(1,512)	4,126
Profit (loss) before income taxes from continuing operations		(2,229)	(12,431)
Income tax expense (recovery)	7	4,194	(279)
Profit (loss) from continuing operations, net of tax		\$ (6,423)	\$ (12,152)
Profit (loss) from discontinued operations, net of tax	8	382,207	11,999
Profit (loss) for the period		\$ 375,784	\$ (153)
Other comprehensive income (loss):			
Items that may be reclassified to profit or loss in subsequent periods:			
Currency translation differences		3,229	5,499
Other comprehensive income (loss), net of tax		3,229	5,499
Total comprehensive income (loss) for the period, net of tax		\$ 379,013	\$ 5,346
Earnings (loss) per share attributable to the shareholders of the Company during the period			
Basic earnings (loss) per share:			
Continuing operations	15	\$(0.14)	\$(0.27)
Discontinued operations	15	\$8.34	\$0.26
Diluted earnings (loss) per share:			
Continuing operations	15	\$(0.14)	\$(0.27)
Discontinued operations	15	\$8.34	\$0.26

The accompanying notes are an integral part of these interim condensed consolidated financial statements.

⁽¹⁾ Comparative figures have been restated to reflect discontinued operations (Note 8).

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

	Notes	March 31, 2025	December 31, 2024
Assets			
Current assets			
Cash and cash equivalents		\$ 491,913	\$ 41,876
Trade receivables and other	9	146,346	144,812
Income taxes recoverable		3,175	5,099
Derivative financial instruments		1,013	8,928
		642,447	200,715
Assets held for sale	8	-	282,233
Total current assets		642,447	482,948
Non-current assets			
Trade receivables and other	9	9,598	9,620
Derivative financial instruments		10,990	9,984
Investments	10	14,489	14,580
Investment in joint venture		25,374	25,605
Deferred tax assets		22,565	56,797
Right-of-use assets		17,235	19,420
Property, plant and equipment		13,213	13,217
Intangibles		210,319	214,614
Goodwill		407,636	404,176
Total non-current assets		731,419	768,013
Total assets		\$ 1,373,866	\$ 1,250,961
Liabilities			
Current liabilities			
Trade payables and other	11	\$ 221,630	\$ 216,390
Income taxes payable		40,743	3,017
Lease liabilities		14,726	11,009
		277,099	230,416
Liabilities directly associated with assets held for sale	8	-	57,680
Total current liabilities		277,099	288,096
Non-current liabilities			
Trade payables and other	11	18,077	19,828
Lease liabilities		23,347	26,751
Borrowings	12	157,596	281,887
Deferred tax liabilities		20,653	17,179
Total non-current liabilities		219,673	345,645
Total liabilities		496,772	633,741
Shareholders' equity			
Share capital	13	739,172	798,087
Contributed surplus		(14,646)	21,394
Accumulated other comprehensive income (loss)		59,472	56,243
Retained earnings (deficit)		93,096	(275,935)
Reserves of assets held for sale		-	17,431
Total shareholders' equity		877,094	617,220
Total liabilities and shareholders' equity		\$ 1,373,866	\$ 1,250,961

The accompanying notes are an integral part of these interim condensed consolidated financial statements.
Commitments and Contingencies (Note 18)

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

	Notes	Share Capital	Contributed Surplus	Accumulated Other Comprehensive Income (Loss)	Retained Earnings (Deficit)	Reserves of Assets Held for Sale	Total Shareholders' Equity
As at January 1, 2024		\$ 769,296	\$ 50,143	\$ 42,434	\$ (259,336)	\$ -	\$ 602,537
Profit (loss) for the period		-	-	-	(153)	-	(153)
Other comprehensive income (loss), net of tax:							
Currency translation differences		-	-	5,499	-	-	5,499
Total comprehensive income (loss) for the period		-	-	5,499	(153)	-	5,346
Transactions with owners:							
Dividends declared		-	-	-	(6,916)	-	(6,916)
Share-based compensation		-	5,776	-	-	-	5,776
Dividend Reinvestment Plan		839	-	-	-	-	839
Shares issued on exercise of options		6,047	(931)	-	-	-	5,116
Shares issued for share-based compensation		4,667	(4,667)	-	-	-	-
Treasury shares reserved for share-based compensation		(3,616)	-	-	-	-	(3,616)
Release of treasury shares		3,131	(3,028)	-	-	-	103
Gain (loss) on sale of RSs and shares held in escrow		-	(48)	-	-	-	(48)
Total		11,068	(2,898)	-	(6,916)	-	1,254
As at March 31, 2024		\$ 780,364	\$ 47,245	\$ 47,933	\$ (266,405)	\$ -	\$ 609,137
As at January 1, 2025		\$ 798,087	\$ 21,394	\$ 56,243	\$ (275,935)	\$ 17,431	\$ 617,220
Profit (loss) for the period		-	-	-	375,784	-	375,784
Other comprehensive income (loss), net of tax:							
Currency translation differences		-	-	3,229	-	-	3,229
Total comprehensive income (loss) for the period		-	-	3,229	375,784	-	379,013
Share repurchase commitment under the automatic share purchase plan	13	-	(20,000)	-	-	-	(20,000)
Sale of discontinued operations	8	-	-	-	-	(17,431)	(17,431)
Transactions with owners:							
Dividends declared	16	-	-	-	(6,753)	-	(6,753)
Share-based compensation	14	-	3,596	-	-	-	3,596
Dividend Reinvestment Plan	13	424	-	-	-	-	424
Shares issued on exercise of options	13, 14	11,946	(1,929)	-	-	-	10,017
Shares issued for share-based compensation	13, 14	-	(8,885)	-	-	-	(8,885)
Treasury shares reserved for share-based compensation	13, 14	(2,508)	-	-	-	-	(2,508)
Release of treasury shares	13, 14	8,857	(8,794)	-	-	-	63
Cancellation of shares	13	(77,634)	-	-	-	-	(77,634)
Gain (loss) on sale of RSs and shares held in escrow		-	(28)	-	-	-	(28)
Total		(58,915)	(36,040)	-	(6,753)	(17,431)	(119,139)
As at March 31, 2025		\$ 739,172	\$ (14,646)	\$ 59,472	\$ 93,096	\$ -	\$ 877,094

The accompanying notes are an integral part of these interim condensed consolidated financial statements.

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

	Notes	Three months ended March 31	
		2025	2024
Cash flows from operating activities			
Profit (loss) before income taxes from continuing operations		\$ (2,229)	\$ (12,431)
Profit (loss) before income taxes from discontinued operations	8	454,686	13,446
Profit (loss) before income taxes		\$ 452,457	\$ 1,015
Adjustments for:			
Depreciation of right-of-use assets		2,094	2,773
Depreciation of property, plant and equipment		948	1,420
Amortization of intangibles		7,349	10,314
Finance costs (income), net – leases	6	245	279
Finance costs (income), net – other	6	(1,512)	4,132
Share-based compensation	14	3,596	5,776
Unrealized foreign exchange (gain) loss		(1,826)	(1,326)
(Gain) loss on investments		138	186
(Gain) loss on disposal of right-of-use assets, property, plant and equipment and intangibles		12	983
(Gain) loss on disposal of assets	8	(457,986)	-
(Gain) loss on equity derivatives		6,176	(6,453)
Share of (profit) loss of joint venture		231	158
Impairment of right-of-use assets, net of (gain) loss on sub-leases		3,534	12
Net changes in:			
Operating working capital		(7,201)	(19,787)
Liabilities for cash-settled share-based compensation		(7,305)	4,831
Deferred consideration payables		-	81
Net cash generated by (used in) operations		950	4,394
Interest paid on borrowings		(1,790)	(4,828)
Interest paid on leases		(245)	(279)
Interest received		3,008	-
Income taxes paid		(1,218)	(2,259)
Income taxes refunded		-	3
Net cash provided by (used in) operating activities		705	(2,969)
Cash flows from financing activities			
Proceeds from exercise of options	13, 14	10,017	5,116
Financing fees paid		(513)	-
Proceeds from borrowings	12	-	20,000
Repayment of borrowings	12	(127,000)	(3,000)
Payments of principal on lease liabilities		(3,088)	(4,235)
Dividends paid	16	(6,507)	(6,042)
Treasury shares purchased for share-based compensation	13, 14	(11,358)	(3,561)
Cancellation of shares	13	(76,304)	-
Net cash provided by (used in) financing activities		(214,753)	8,278
Cash flows from investing activities			
Purchase of investments	10	(39)	(212)
Purchase of intangibles		(388)	(2,477)
Purchase of property, plant and equipment		(927)	(238)
Proceeds from sale of discontinued operations, net of cash disposed	8	655,811	-
Net cash provided by (used in) investing activities		654,457	(2,927)
Effect of foreign currency translation		912	3
Net increase (decrease) in cash and cash equivalents		441,321	2,385
Cash and cash equivalents, beginning of period		50,592	41,892
Cash and cash equivalents, end of period		\$ 491,913	\$ 44,277

The accompanying notes are an integral part of these interim condensed consolidated financial statements.

1. Business and Structure

Altus Group Limited (the “Company”) connects data, analytics, and expertise to deliver the intelligence necessary to drive optimal commercial real estate (“CRE”) performance. The industry’s top leaders rely on the Company’s market-leading solutions and expertise to power performance and mitigate risk. The Company’s global team of approximately 2,000 experts are making a lasting impact on an industry undergoing unprecedented change.

The Company conducts its business through two business units: (1) Analytics and (2) Appraisals and Development Advisory. Prior to July 2024, the Company conducted its business through two business units: Analytics and CRE Consulting, in which the CRE Consulting included Appraisals and Development Advisory and Property Tax. Property Tax was classified as a discontinued operation in July 2024 and sold on January 1, 2025 (Note 8).

The address of the Company’s registered office is 33 Yonge Street, Suite 500, Toronto, Ontario, Canada. The Company is listed on the Toronto Stock Exchange (“TSX”) under the symbol AIF and is domiciled in Canada.

“Altus Group” refers to the consolidated operations of the Company.

2. Basis of Preparation

These interim condensed consolidated financial statements (“interim financial statements”) as at and for the period ended March 31, 2025 follow the same accounting policies and methods of application as those used in the Company’s most recent audited annual consolidated financial statements as at and for the year ended December 31, 2024, except as disclosed below.

These interim financial statements have been prepared in accordance with International Accounting Standard (“IAS”) 34, *Interim Financial Reporting*. Accordingly, they do not include all of the information and disclosures required in annual financial statements prepared in accordance with International Financial Reporting Standards (“IFRS”) and should be read in conjunction with the Company’s audited annual consolidated financial statements as at and for the year ended December 31, 2024.

These interim financial statements were approved by the Board of Directors for issue on May 8, 2025.

3. Changes in Material Accounting Policies and Estimates

Future Accounting Pronouncements

The Company has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

4. Critical Accounting Estimates and Judgments

The preparation of interim financial statements in conformity with IFRS requires management to make estimates and assumptions concerning the future. It also requires management to exercise judgment in applying the Company's accounting policies and the reported amounts of assets and liabilities, revenues and expenses, and related disclosures. Estimates and judgments are continually evaluated and are based on current facts, historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Accounting estimates will, by definition, seldom equal the actual results. The significant judgments made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those described in the most recent annual financial statements.

5. Segmented Information

The Company's segmentation reflects the way the Chief Executive Officer ("CEO") allocates resources and assesses the performance of operating segments, as well as when making decisions about the ongoing operations of the business and the Company's ability to generate cash flows based on the measures of revenue and Adjusted EBITDA. The CEO considers the business from a core services perspective, which are Analytics and Appraisals and Development Advisory. Accordingly, the Company reports the results of its operations through reportable segments: (1) Analytics and (2) Appraisals and Development Advisory. These reportable segment results include directly attributable items as well as those that can be allocated on a reasonable basis. Corporate and eliminations include the Company's interests in investments and other businesses that are not reportable operating segments, corporate administrative functions, and eliminations of inter-segment revenue and costs.

Adjusted EBITDA represents profit (loss) adjusted for the effects of: 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).

5. Segmented Information, cont'd

The following table provides a reconciliation between Adjusted EBITDA and profit (loss):

	Three months ended March 31, 2025	Three months ended March 31, 2024 ⁽¹⁾
Profit (loss) for the period	\$ 375,784	\$ (153)
(Profit) loss from discontinued operations, net of tax	(382,207)	(11,999)
Occupancy costs calculated on a similar basis prior to the adoption of IFRS 16 ⁽²⁾	(2,213)	(2,443)
Depreciation of right-of-use assets	2,094	2,060
Depreciation of property, plant and equipment and amortization of intangibles	8,297	9,361
Acquisition and related transition costs (income)	18	3,496
Unrealized foreign exchange (gain) loss ⁽³⁾	(1,826)	(1,271)
(Gain) loss on disposal of right-of-use assets, property, plant and equipment and intangibles ⁽³⁾	12	515
Share of (profit) loss of joint venture	231	158
Non-cash share-based compensation costs ⁽⁴⁾	2,472	3,533
(Gain) loss on equity derivatives net of mark-to-market adjustments on related RSUs and DSUs ⁽⁴⁾	2,566	(2,591)
Restructuring costs (recovery)	6,217	5,176
(Gain) loss on investments ⁽⁵⁾	138	186
Other non-operating and/or non-recurring (income) costs ⁽⁶⁾	1,233	883
Finance costs (income), net – leases	245	164
Finance costs (income), net – other	(1,512)	4,126
Income tax expense (recovery)	4,194	(279)
Adjusted EBITDA	\$ 15,743	\$ 10,922

⁽¹⁾ Comparative figures have been restated to reflect discontinued operations (Note 8).

⁽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 months ended March 31, 2025 relate to legal, advisory, consulting, and other professional fees related to organizational and strategic initiatives. These are included in other operating expenses in the interim condensed consolidated statements of comprehensive income (loss).

5. Segmented Information, cont'd

The following summary presents certain financial information regarding the Company's segments:

Segment Revenues and Expenditures

Three months ended March 31, 2025					
	Analytics	Appraisals and Development Advisory	Corporate ⁽¹⁾	Eliminations	Total
Revenues from external customers	\$ 104,357	\$ 24,808	\$ -	\$ -	\$ 129,165
Inter-segment revenues	196	-	-	(196)	-
Total segment revenues	104,553	24,808	-	(196)	129,165
Adjusted EBITDA	27,405	1,154	(12,816)	-	15,743
Depreciation of right-of-use assets	1,306	556	232	-	2,094
Depreciation of property, plant and equipment and amortization of intangibles	6,944	40	1,313	-	8,297
Finance costs (income), net – leases	99	48	98	-	245
Finance costs (income), net – other	-	-	(1,512)	-	(1,512)
Income tax expense (recovery)	-	-	4,194	-	4,194

⁽¹⁾ Corporate includes global corporate office costs, finance costs (income), net – other, and income tax expense (recovery).

Three months ended March 31, 2024 ⁽¹⁾					
	Analytics	Appraisals and Development Advisory	Corporate ⁽²⁾	Eliminations	Total
Revenues from external customers	\$ 98,796	\$ 26,622	\$ -	\$ -	\$ 125,418
Inter-segment revenues	200	-	-	(200)	-
Total segment revenues	98,996	26,622	-	(200)	125,418
Adjusted EBITDA	23,087	(120)	(12,045)	-	10,922
Depreciation of right-of-use assets	1,364	644	52	-	2,060
Depreciation of property, plant and equipment and amortization of intangibles	7,902	314	1,145	-	9,361
Finance costs (income), net – leases	164	106	(106)	-	164
Finance costs (income), net – other	-	-	4,126	-	4,126
Income tax expense (recovery)	-	-	(279)	-	(279)

⁽¹⁾ Comparative figures have been restated to reflect discontinued operations (Note 8).

⁽²⁾ Corporate includes global corporate office costs, finance costs (income), net – other, and income tax expense (recovery).

6. Finance Costs (Income), Net

	Three months ended March 31, 2025	Three months ended March 31, 2024 ⁽¹⁾
Interest on bank credit facilities	\$ 1,939	\$ 4,928
Interest on lease liabilities	245	164
Interest – other	(5)	206
Change in fair value of interest rate swaps	850	(897)
Finance costs	3,029	4,401
Finance income	(4,296)	(111)
Finance costs (income), net	\$ (1,267)	\$ 4,290

⁽¹⁾ Comparative figures have been restated to reflect discontinued operations (Note 8).

7. Income Taxes

	Three months ended March 31, 2025	Three months ended March 31, 2024 ⁽¹⁾
Income tax expense (recovery)		
Current	\$ (26,750)	\$ 2,696
Deferred	30,944	(2,975)
Income tax expense (recovery)	\$ 4,194	\$ (279)

⁽¹⁾ Comparative figures have been restated to reflect discontinued operations (Note 8).

8. Discontinued Operations

On January 1, 2025, the Company sold its global Property Tax business to Ryan, LLC for total cash consideration of \$674,155, subject to customary post-closing adjustments, following a strategic decision to place greater focus on its CRE software, data and analytics platform within the Analytics business unit.

The results of the Property Tax discontinued operations for the period are presented below:

	Three months ended March 31, 2025	Three months ended March 31, 2024
Revenues	\$ -	\$ 74,125
Expenses	3,300	60,679
Profit (loss) of discontinued operations before gain from sale and income taxes	(3,300)	13,446
Income tax expense (recovery)	(888)	1,447
Profit (loss) of discontinued operations before gain from sale, net of tax	(2,412)	11,999
Gain from the sale of discontinued operations	457,986	-
Income tax expense on gain on sale of discontinued operations	73,367	-
Gain from the sale after tax	384,619	-
Profit (loss) from discontinued operations, net of tax	\$ 382,207	\$ 11,999

8. Discontinued Operations, cont'd

January 1, 2025	
Consideration received:	
Cash consideration	\$ 674,155
Less: transaction costs	(9,628)
Disposal consideration, net of transaction costs	664,527
Cash and cash equivalents	8,716
Trade receivables and other	104,342
Income taxes recoverable	2,984
Deferred tax assets	171
Right-of-use assets	7,254
Property, plant and equipment	4,022
Intangibles	34,102
Goodwill	120,061
Trade payables and other	(43,469)
Income taxes payable	(255)
Lease liabilities	(7,248)
Deferred tax liabilities	(6,708)
Carrying amount of net assets sold	223,972
Gain on sale before income tax and reclassification of foreign currency translation	440,555
Reclassification of foreign currency translation reserve	17,431
Gain on sale before income tax, net of transaction costs	457,986
Income tax expense on gain on sale of discontinued operations	73,367
Gain on sale after income tax	\$ 384,619

The net cash flows provided by (used in) the discontinued operations are as follows:

	Three months ended March 31, 2025	Three months ended March 31, 2024
Net cash provided by (used in) operating activities	\$ -	\$ 1,912
Net cash provided by (used in) financing activities	-	(1,419)
Net cash provided by (used in) investing activities	655,811	(2,804)
Effect of foreign currency translation	(9)	58
Cash flows from discontinued operations	\$ 655,802	\$ (2,253)

9. Trade Receivables and Other

	March 31, 2025	December 31, 2024
Trade receivables	\$ 80,990	\$ 86,088
Less: loss allowance provision	(6,070)	(7,053)
Trade receivables, net	74,920	79,035
Contract assets: unbilled revenue on customer contracts ⁽¹⁾	33,573	33,095
Deferred costs to obtain customer contracts	6,251	5,866
Prepayments	26,587	25,744
Net investment in sub-leases	8,871	9,284
Other receivables	5,742	1,408
Total trade receivables and other	155,944	154,432
Less: non-current portion	(9,598)	(9,620)
Trade receivables and other – current	\$ 146,346	\$ 144,812

⁽¹⁾ As at March 31, 2025, contract assets are stated net of expected credit losses of \$290 (December 31, 2024 – \$237).

For the three months ended March 31, 2025, amortization associated with deferred costs to obtain customer contracts of \$2,147 was expensed to the interim condensed consolidated statements of comprehensive income (loss) (2024 – \$1,480). For the three months ended March 31, 2025 and 2024, no impairment losses on deferred costs were recognized.

10. Investments

	March 31, 2025	December 31, 2024
Investments in equity instruments	\$ 4,804	\$ 4,810
Investments in partnerships	9,685	9,770
Investments	\$ 14,489	\$ 14,580

11. Trade Payables and Other

	March 31, 2025	December 31, 2024
Trade payables	\$ 11,583	\$ 14,960
Accrued expenses	80,788	107,219
Contract liabilities: deferred revenue	85,760	71,925
Share repurchase commitment (Note 13)	50,000	30,000
Dividends payable (Note 16)	6,753	6,931
Provisions	4,823	5,183
Total trade payables and other	239,707	236,218
Less non-current portion:		
Accrued expenses	(16,103)	(19,355)
Provisions	(1,974)	(473)
Trade payables and other – non-current	(18,077)	(19,828)
Trade payables and other – current	\$ 221,630	\$ 216,390

11. Trade Payables and Other, cont'd

Provisions

	Restructuring		Other		Total
Balance as at January 1, 2025	\$	4,987	\$	196	\$ 5,183
Additional provisions, net of releases		2,683		-	2,683
Used during the period		(3,072)		-	(3,072)
Exchange differences		28		1	29
Balance as at March 31, 2025		4,626		197	4,823
Less: non-current portion		(1,777)		(197)	(1,974)
Provisions – current	\$	2,849	\$	-	\$ 2,849

Beginning the first quarter of 2025, the Company initiated a global restructuring program that resulted in restructuring costs of \$6,217 for the three months ended March 31, 2025, of which \$3,534 related to the net impairment of right-of-use assets and gain (loss) on sub-leases, and the remainder primarily related to employee severance costs and onerous lease charges.

12. Borrowings

	March 31, 2025		December 31, 2024	
Bank credit facilities	\$	158,929	\$	282,855
Less: deferred financing fees		(1,333)		(968)
Net borrowings	\$	157,596	\$	281,887

Amendment to Bank Credit Facilities

On January 1, 2025, the Company amended its bank credit facilities to, among other things, replace certain subsidiaries identified as guarantors under the credit agreement following the completion of the sale of the global Property Tax business. The Company's borrowing capacity remains at \$550,000 with certain provisions that allow the Company to further increase the limit to \$650,000 and 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. The bank credit facilities mature on March 24, 2027, with an additional two-year extension available at the Company's option.

As at March 31, 2025, the Company was in compliance with the financial covenants of the amended bank credit facilities, which are summarized below:

	March 31, 2025
Funded debt to EBITDA (maximum of 4.50:1)	1.44:1
Interest coverage (minimum of 3.00:1)	5.84:1

13. Share Capital

The Company is authorized to issue an unlimited number of common shares and an unlimited number of preference shares, issuable in series. The common shares have no par value and rank equally with regard to the Company's residual assets. Holders of these shares are entitled to participate equally in dividends. Common shares issued and outstanding are as follows:

Common Shares			
	Number of Shares		Amount
Balance as at January 1, 2025	46,004,945	\$	798,087
Issued on exercise of options (Note 14)	216,823		11,946
Issued under the Dividend Reinvestment Plan	8,121		424
Treasury shares reserved for share-based compensation (Note 14)	(28,330)		(2,508)
Release of treasury shares (Note 14)	148,078		8,857
Cancellation of shares	(1,422,951)		(77,634)
Balance as at March 31, 2025	44,926,686	\$	739,172

As at March 31, 2025, the 44,926,686 common shares (December 31, 2024 – 46,004,945) are net of 94,690 treasury shares (December 31, 2024 – 214,438) with a carrying value of \$8,577 (December 31, 2024 – \$14,926) that are held in escrow until vesting conditions are met (Note 14).

On February 20, 2025, the TSX approved the renewal of the Company's Normal Course Issuer Bid ("NCIB"). Pursuant to the NCIB, the Company may purchase for cancellation up to 3,219,967 of its outstanding common shares during the period from February 25, 2025 to February 24, 2026, representing approximately 10% of the Company's public float as at February 11, 2025.

On February 25, 2025, the Company entered into an automatic share purchase plan ("ASPP") with a designated broker for the purpose of permitting the Company to purchase its common shares under the NCIB during self-imposed blackout periods. The volume of purchases is determined by the broker in its sole discretion based on maximum purchase price and volume parameters established by the Company under the ASPP. All purchases made under the ASPP will be included in computing the number of common shares purchased under the NCIB. As at March 31, 2025, an obligation to purchase common shares up to a maximum of \$50,000 has been recognized under the ASPP in trade payables and other, with an offset to contributed surplus.

During the three months ended March 31, 2025, the Company repurchased 1,422,951 common shares for total cash consideration of \$76,304 under the renewed NCIB.

14. Share-based Compensation

The activity in the Company's share-based compensation plans during the period is as follows:

(i) Executive Compensation Plan and Long-Term Equity Incentive Plan

The following is a summary of the Company's share option activity:

Movements in the number of options outstanding and the weighted average exercise price are as follows:

	Number of Options Outstanding	Weighted Average Exercise Price
Balance as at January 1, 2025	2,214,170	\$50.76
Granted	402,034	\$54.97
Exercised	(216,823)	\$46.20
Forfeited/Expired	(8,002)	\$46.44
Balance as at March 31, 2025	2,391,379	\$51.90

Information about the Company's share options outstanding and exercisable as at March 31, 2025 is as follows:

Exercise Price	Number of Options Outstanding	Weighted Average Remaining Contractual Life	Number of Options Exercisable
\$39.60 – \$43.38	129,187	2.30 years	53,045
\$45.58 – \$49.59	611,015	1.92 years	391,884
\$50.19 – \$57.88	1,325,621	4.99 years	396,812
\$59.15 – \$65.67	325,556	2.35 years	204,002
\$51.90	2,391,379	3.70 years	1,045,743

The options granted vest over a period of up to 48 months. The fair value of the options granted was estimated on the date of grant using the Black-Scholes option pricing model with the following assumptions:

	2025
Risk-free interest rate	2.72%
Expected dividend yield	1.1%
Expected volatility	35.00%
Expected option life	5.50 – 7.00 years
Exercise price	\$54.82 – \$55.02
Weighted average grant-date fair value per option	\$19.10

14. Share-based Compensation, cont'd

The Company settled vested performance share units ("PSUs") under the Long-Term Equity Incentive Plan in cash in February 2025.

The Company granted the following PSUs under the Long-Term Equity Incentive Plan:

	Number of PSUs
Granted in 2025	161,586

(ii) Long-Term Incentive Restricted Share Plan and Long-Term Incentive Restricted Share Unit Plan

The following is a summary of the Company's Long-Term Incentive Restricted Share Plan ("LTIRS Plan") activity:

	Number of LTIRs
Balance as at January 1, 2025 (all unvested)	69,975
Granted	28,330
Settled	(22,151)
Forfeited	(349)
Balance as at March 31, 2025 (all unvested)	75,805

In 2025, the Company granted a total value of \$2,508 under the LTIRS Plan and purchased 28,330 common shares in the open market.

The following is a summary of the Company's Long-Term Incentive Restricted Share Unit Plan ("LTIRSU Plan") activity:

	Number of LTIRSUs
Balance as at January 1, 2025 (all unvested)	396,974
Granted	127,596
Settled	(200,116)
Forfeited	(2,893)
Balance as at March 31, 2025 (all unvested)	321,561

14. Share-based Compensation, cont'd

(iii) Deferred Compensation Plans

The following is a summary of the Company's restricted share plan ("RS Plan") activity:

	Number of RSs
Balance as at January 1, 2025 (all unvested)	53,094
Settled	(34,272)
Forfeited	(84)
Balance as at March 31, 2025 (all unvested)	18,738

In connection with the 2024 performance year, the Company granted a total value of \$nil under the RS Plan.

The following is a summary of the Company's restricted share unit plan ("RSU Plan") activity:

	Number of RSUs
Balance as at January 1, 2025 (all unvested)	205,658
Settled	(136,080)
Forfeited	(1,208)
Balance as at March 31, 2025 (all unvested)	68,370

(iv) Deferred Share Unit Plans

The following is a summary of the Company's deferred share unit plan ("DSU Plan") activity:

	Number of DSUs
Balance as at January 1, 2025	264,378
Granted	9,889
Settled	(54,928)
Balance as at March 31, 2025	219,339

14. Share-based Compensation, cont'd

(v) Other Share-Based Awards

The following is a summary of the activity related to common shares held in escrow and subject to continued employment related to the Company's acquisition of Rethink Solutions Inc.:

	Number of common shares
Balance as at January 1, 2025	90,946
Settled	(90,946)
Balance as at March 31, 2025	-

(vi) Compensation Expense by Plan

	Three months ended March 31, 2025	Three months ended March 31, 2024 ⁽¹⁾
Long-Term Equity Incentive Plan ⁽²⁾	\$ 2,227	\$ 3,282
LTIRS Plan	571	693
LTIRSU Plan ⁽³⁾	1,246	1,913
RS Plan	169	389
RSU Plan ⁽⁴⁾	51	1,404
DSU Plan ⁽⁵⁾	(386)	2,814
Other share-based awards	-	321

⁽¹⁾ Comparative figures have been restated to reflect discontinued operations (Note 8).

⁽²⁾ For the three months ended March 31, 2025, the Company recorded mark-to-market adjustments of \$(245).

⁽³⁾ For the three months ended March 31, 2025 and 2024, the Company recorded mark-to-market adjustments of \$(448) and \$624, respectively.

⁽⁴⁾ For the three months ended March 31, 2025 and 2024, the Company recorded mark-to-market adjustments of \$(333) and \$750, respectively.

⁽⁵⁾ For the three months ended March 31, 2025 and 2024, the Company recorded mark-to-market adjustments of \$(904) and \$2,192, respectively.

For the three months ended March 31, 2025, share-based compensation expense included in profit (loss) from discontinued operations was \$nil (2024 – \$2,608).

(vii) Liabilities for Cash-settled Plans ⁽¹⁾

	March 31, 2025	December 31, 2024
LTIRSU Plan	\$ 7,537	\$ 8,453
RSU Plan	2,860	5,806
DSU Plan	11,375	14,818

⁽¹⁾ The carrying value of the liabilities related to these plans is recorded in accrued expenses within trade payables and other.

15. Earnings (Loss) per Share

For the three months ended March 31, 2025, 2,391,379 share options, 94,689 RSs (including common shares issued in escrow as part of the LTIRS Plan) and 508,636 PSUs were excluded from the diluted earnings (loss) per share calculations as the impact would have been anti-dilutive.

For the three months ended March 31, 2024, 2,482,688 share options, 426,171 RSs (including common shares issued in escrow as part of the LTIRS Plan) and 645,707 PSUs were excluded from the diluted earnings (loss) per share calculations as the impact would have been anti-dilutive.

The following table summarizes the basic and diluted earnings (loss) per share and the basic and diluted weighted average number of common shares outstanding:

	Three months ended March 31, 2025	Three months ended March 31, 2024
Profit (loss) for the period from continuing operations, net of tax – basic and diluted	\$ (6,423)	\$ (12,152)
Profit (loss) for the period from discontinued operations, net of tax – basic and diluted	382,207	11,999
Profit (loss) for the period attributable to shareholders of the Company – basic and diluted	\$ 375,784	\$ (153)
Weighted average number of common shares outstanding – basic	45,817,956	45,533,236
Dilutive effect of share options	-	-
Dilutive effect of equity awards and PSUs	-	-
Dilutive effect of RSs	-	-
Weighted average number of common shares outstanding – diluted	45,817,956	45,533,236
Earnings (loss) per share:		
Basic		
Continuing operations	\$(0.14)	\$(0.27)
Discontinued operations	\$8.34	\$0.26
Diluted		
Continuing operations	\$(0.14)	\$(0.27)
Discontinued operations	\$8.34	\$0.26

16. Dividends Payable

The Company declared a \$0.15 dividend per common share to shareholders of record on the last business day of each quarter, and dividends were paid on the 15th day of the month following quarter-end. Dividends are declared and paid in Canadian dollars.

17. Financial Instruments and Fair Values

The Company's financial instruments consist of cash and cash equivalents, trade receivables and other (excluding deferred costs to obtain customer contracts, and prepayments), investments in equity instruments, investments in partnerships, derivative financial instruments, trade payables and other (excluding contract liabilities, LTIRSU Plan, RSU Plan and DSU Plan payables, deferred consideration payables, and contingent consideration payables), deferred consideration payables, contingent consideration payables, and borrowings.

Financial Instruments by Category

The Company classifies its financial assets as fair value through profit or loss ("FVPL"), fair value through other comprehensive income ("FVOCI"), or amortized cost. The tables below indicate the carrying values of financial assets and liabilities for each of the following categories:

	March 31, 2025			December 31, 2024		
	FVPL	FVOCI	Amortized Cost	FVPL	FVOCI	Amortized Cost
Assets as per Interim Condensed Consolidated Balance Sheets:						
Cash and cash equivalents	\$ -	\$ -	\$ 491,913	\$ -	\$ -	\$ 41,876
Trade receivables and other (excluding deferred costs to obtain customer contracts, and prepayments)	-	-	123,106	-	-	122,822
Investments in equity instruments	-	4,804	-	-	4,810	-
Investments in partnerships	9,685	-	-	9,770	-	-
Derivative financial instruments	12,003	-	-	18,912	-	-
Total	\$ 21,688	\$ 4,804	\$ 615,019	\$ 28,682	\$ 4,810	\$ 164,698

	March 31, 2025		December 31, 2024	
	FVPL	Amortized Cost	FVPL	Amortized Cost
Liabilities as per Interim Condensed Consolidated Balance Sheets:				
Trade payables and other (excluding contract liabilities, LTIRSU Plan, RSU Plan and DSU Plan payables, and share repurchase commitment)	\$ -	\$ 82,175	\$ -	\$ 105,216
Lease liabilities	-	38,073	-	37,760
Share repurchase commitment (Note 13)	-	50,000	-	30,000
Borrowings	-	157,596	-	281,887
Total	\$ -	\$ 327,844	\$ -	\$ 454,863

17. Financial Instruments and Fair Values, cont'd

Fair Values

The following tables present the fair value hierarchy under which the Company's financial instruments are valued:

March 31, 2025				
	Level 1	Level 2	Level 3	Total
Assets:				
Investments in equity instruments	\$ -	\$ -	\$ 4,804	\$ 4,804
Investments in partnerships	-	-	9,685	9,685
Derivative financial instruments	-	12,003	-	12,003
Liabilities:				
Borrowings	-	158,929	-	158,929

December 31, 2024				
	Level 1	Level 2	Level 3	Total
Assets:				
Investments in equity instruments	\$ -	\$ -	\$ 4,810	\$ 4,810
Investments in partnerships	-	-	9,770	9,770
Derivative financial instruments	-	18,912	-	18,912
Liabilities:				
Borrowings	-	282,855	-	282,855

For the three months ended March 31, 2025 and 2024, there were no transfers between the levels in the hierarchy.

On April 29, 2022, the Company entered into interest rate swap agreements for a total notional amount of GBP57,000. The Company is obligated to pay the counterparty to the swap agreements an amount based upon a fixed interest rate of 2.07% per annum, and the counterparty is obligated to pay the Company an amount equal to the GBP – SONIA. These agreements expire on April 13, 2027. These interest rate swaps are not designated as cash flow hedges.

Cash and cash equivalents, trade receivables and other (excluding deferred costs to obtain customer contracts, and prepayments) due within one year, and trade payables and other (excluding contract liabilities, LTIRSU Plan, RSU Plan and DSU Plan payables, deferred consideration payables, and contingent consideration payables) due within one year, are all short-term in nature and, and as such, their carrying values approximate their fair values. The fair values of non-current trade receivables and other and trade payables and other are estimated by discounting the future contractual cash flows at the cost of borrowing to the Company, which approximate their carrying values.

17. Financial Instruments and Fair Values, cont'd

Derivative financial instruments are recorded in Level 2. The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves. The fair value of equity derivatives is calculated based on the movement in the Company's common share price between the initial common share price on the effective date and the reporting date, which are observable inputs. The fair value of currency forward contracts is calculated based on the spread between the currency forward rate and the rate on the reporting date, which are observable inputs, and applied to the notional amount.

The fair value of the bank credit facilities approximates their carrying value, as the instruments bear interest at rates comparable to current market rates. The fair value of deferred consideration payables approximates their carrying value, as the valuation techniques and discount rates applied are comparable to those based on observable market data, where available.

18. Commitments and Contingencies

As at March 31, 2025, the Company provided letters of credit of approximately \$1,451 to its lessors (December 31, 2024 – \$1,547).

As at March 31, 2025, the Company has committed to aggregate capital contributions of \$2,599 (Note 10) to certain partnerships (December 31, 2024 – \$2,642).

From time to time, the Company or its 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, management believes that liabilities, if any, arising from such matters will not have a material adverse effect on the Company's financial position or results of operations and have been adequately provided for in these interim financial statements.

In the ordinary course of business, the Company is 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 made by the Company in its tax filings, which could lead to assessments and reassessments. These assessments and reassessments may have a material adverse effect on the Company's financial position or results of operations.



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Stock trading symbol: AIF

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