Altus Group Reports Q4 and Fiscal 2024 Financial Results; Announces Quarterly Dividend and Renewal of Normal Course Issuer Bid

Delivers robust recurring revenue growth, margin expansion and cashflow improvement in FY 2024

Altus Group remains strongly positioned to sustain revenue growth and margin expansion in FY 2025

TORONTO (February 20, 2025) – Altus Group Limited ("Altus Group” or “the Company”) (TSX: AIF), a leading provider of asset and fund intelligence for commercial real estate (“CRE”), announced today its financial and operating results for the fourth quarter and year ended December 31, 2024. The Company also announced the approval by its Board of Directors (“Board”) of the payment of a cash dividend of $0.15 per common share for the first quarter ending March 31, 2025, and that the Toronto Stock Exchange (“TSX”) has approved its notice of intention to renew its normal course issuer bid (“NCIB”).

The 2024 results from the Property Tax segment have been classified as Discontinued Operations. Accordingly, all amounts except for Free Cash Flow and net cash provided by operating activities represent results from Continuing Operations. Unless otherwise indicated, all amounts are in Canadian dollars and percentages are on an as reported basis in comparison to Q4 2023 and FY 2023 (which have been restated to exclude results from Property Tax).

Q4 2024 Summary

- Consolidated revenues were $135.5 million, up 3.4% (1.0% on a Constant Currency* basis).
- Profit (loss) from continuing operations was $22.9 million, compared to $(8.3) million.
- Earnings per share (“EPS”) from continuing operations were $0.50 basic and $0.48 diluted, compared to $(0.18) basic diluted.
- Consolidated Adjusted EBITDA* was $32.4 million, up 55.4% (51.8% on a Constant Currency basis).
- Adjusted EPS* was $0.85, compared to $0.26.
- Analytics Recurring Revenue* was $101.1 million, up 8.7% (5.8% on a Constant Currency basis).
- Analytics Adjusted EBITDA was $36.4 million, up 29.4% (25.2% on a Constant Currency basis).
- Analytics Adjusted EBITDA margin* improved to 33.8%, up 650 bps (630 bps on a Constant Currency basis).
- Analytics Recurring New Bookings* were $21.1 million, up 15.6% (10.9% on a Constant Currency basis).

FY 2024 Summary

- Consolidated revenues were $519.7 million, up 2.0% (0.6% on a Constant Currency* basis).
- Profit (loss) from continuing operations was $(0.8) million, compared to $(33.5) million.
- Earnings per share (“EPS”) from continuing operations were $(0.02) basic and diluted, compared to $(0.74) basic and diluted.
- Consolidated Adjusted EBITDA* was $82.9 million, up 26.0% (23.7% on a Constant Currency basis).
- Adjusted EPS* was $1.17, compared to $0.48.
- Analytics Recurring Revenue* was $383.4 million, up 8.1% (6.4% on a Constant Currency basis).
- Analytics Adjusted EBITDA was $117.2 million, up 22.7% (20.0% on a Constant Currency basis).
- Analytics Adjusted EBITDA margin* improved to 28.5%, up 420 bps (400 bps on a Constant Currency basis).

- Net cash provided by operating activities was $79.9 million, up 11.9% and Free Cash Flow* was $72.5 million, up 23.0%.
- In 2024, the Company repurchased 203,400 common shares under the NCIB for total cash consideration of approximately $11.0 million, at a weighted average price per share of $54.29. (An additional 115,300 common shares were purchased in January 2025 for total cash consideration of $6.3 million at a weighted average price per share of $54.49.)

**Altus Group uses certain 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, Recurring New Bookings, Non-Recurring New Bookings, Organic Revenue, Recurring Revenue, Non-Recurring Revenue, Organic Recurring Revenue, and Cloud Adoption Rate. Refer to the "Non-GAAP and Other Measures" section for more information on each measure and a reconciliation of Adjusted EBITDA and Adjusted Earnings (Loss) to Profit (Loss) and Free Cash Flow to Net cash provided by (used in) operating activities.*

"I'm incredibly proud of our team for finishing the year on such a strong note," said Jim Hannon, Chief Executive Officer. "In 2024, we achieved record performance at Analytics - $411 million in revenue and $117 million in Adjusted EBITDA, with an Adjusted EBITDA margin of 28.5%, our highest in a decade.

Throughout the year, we delivered significant product enhancements, streamlined our portfolio, won outstanding new customers, and deepened relationships across our expanding client base. This success fuelled cash flow growth and reinforced our momentum, even as the industry navigated a challenging cycle.

As we celebrate our 20-year anniversary this year, I'm more excited than ever about the road ahead. With a strengthened operating foundation in place, we're poised to redefine how the CRE industry leverages data to drive performance – empowering our clients with unparalleled insights to make faster, more informed decisions and seize opportunities as the market continues to recover."

Summary of Operating and Financial Performance by Reportable Segment:

"CC" in the tables indicates "Constant Currency".

Consolidated								
	Quarter ended December 31,				Year ended December 31,			
In thousands of dollars	2024	2023	% Change	Constant Currency % Change	2024	2023	% Change	Constant Currency % Change
Revenues	$ 135,501	$ 131,050	3.4%	1.0%	$ 519,727	$ 509,732	2.0%	0.6%
Profit (loss) from continuing operations, net of tax	$ 22,872	$ (8,319)	374.9%		$ (793)	$ (33,493)	97.6%	
Adjusted EBITDA*	$ 32,420	$ 20,858	55.4%	51.8%	$ 82,895	$ 65,763	26.1%	23.7%
Adjusted EBITDA margin*	23.9%	15.9%	800 bps	800 bps	15.9%	12.9%	305 bps	300 bps
Net cash provided by operating activities	$ 24,708	$44,693	(44.7%)		$ 79,920	$ 71,429	11.9%	
Free Cash Flow*	$ 24,599	$ 40,141	(38.7%)		$ 72,465	$ 58,938	23.0%	

Analytics								
	Quarter ended December 31,				Year ended December 31,			
In thousands of dollars	**2024**	2023	% Change	Constant Currency % Change	**2024**	2023	% Change	Constant Currency % Change
Revenues	$ 107,721	$ 103,190	4.4%	1.6%	$ 411,282	$ 392,913	4.7%	3.0%
Adjusted EBITDA	$ 36,409	$ 28,145	29.4%	25.2%	$ 117,162	$ 95,469	22.7%	20.0%
Adjusted EBITDA margin	33.8%	27.3%	650 bps	630 bps	28.5%	24.3%	420 bps	400 bps
Other Measures								
Recurring Revenue*	$ 101,060	$ 93,010	8.7%	5.8%	$ 383,366	$ 354,563	8.1%	6.4%
New Bookings*	$ 25,845	$ 26,254	(1.6%)	(5.3%)	$ 86,306	$ 94,493	(8.7%)	(10.2%)
Recurring New Bookings*	$ 21,074	$ 18,236	15.6%	10.9%	$ 67,780	$ 64,507	5.1%	3.3%
Non-Recurring New Bookings*	$ 4,771	$ 8,017	(40.5%)	(42.2%)	$ 18,526	$ 29,986	(38.2%)	(39.2%)
Geographical revenue split								
North America	77%	77%			76%	77%		
International	23%	23%			24%	23%		
Cloud Adoption Rate* (as at end of period)	-	-			82%	74%		

Appraisals and Development Advisory								
	Quarter ended December 31,				Year ended December 31,			
In thousands of dollars	**2024**	2023	% Change	Constant Currency % Change	**2024**	2023	% Change	Constant Currency % Change
Revenues	$ 27,964	$ 28,046	(0.3%)	(1.0%)	$ 109,208	$ 117,577	(7.1%)	(7.3%)
Adjusted EBITDA	$ 4,401	$ 2,254	95.3%	93.4%	$ 9,909	$ 11,540	(14.1%)	(15.0%)
Adjusted EBITDA margin	15.7%	8.0%	770 bps	770 bps	9.1%	9.8%	70 bps	80 bps

Q4 2024 Financial Review

On a consolidated basis, revenues were $135.5 million, up 3.4% (1.0% on a Constant Currency basis) and Adjusted EBITDA was $32.4 million, up 55.4% (51.8% on a Constant Currency basis). Adjusted EPS was $0.85, compared to $0.26 in the fourth quarter of 2023.

In early 2024, the Company initiated a global restructuring program as part of an ongoing effort to optimize its operating model. Restructuring costs were $2.9 million in the fourth quarter, totalling $12.1 million for the year. The restructuring costs primarily related to employee severance impacting both the Analytics and Appraisals and Development Advisory business segments, as well as corporate functions.

Profit (loss) from continuing operations was $22.9 million and $0.50 per share basic and $0.48 diluted, compared to $(8.3) million and $(0.18) per share basic and diluted, in the same period in 2023. Profit (loss) from continuing operations benefitted from higher revenues, offset by acquisition and related costs and the restructuring program.

Analytics revenues increased to $107.7 million, up 4.4% (1.6% on a Constant Currency basis). Organic Revenue* growth was 3.2% (0.4% on a Constant Currency basis). Adjusted EBITDA was $36.4 million, up 29.4% (25.2% on a Constant Currency basis), driving an Adjusted EBITDA margin of 33.8%, up 650 basis points (630 basis points on a Constant Currency basis).

- Revenue growth was driven by resilient Recurring Revenue performance benefitting from higher software and Valuation Management Solutions ("VMS") sales and contribution from Forbury.

- Recurring Revenue was $101.1 million, up 8.7% (5.8% on a Constant Currency basis). Organic Recurring Revenue* was $99.3 million, up 7.3% (4.5% on a Constant Currency Basis) from $92.5 million in the same period in 2023.

- New Bookings totalled $25.8 million, down 1.6% (5.3% on a Constant Currency basis). Recurring New Bookings were $21.1 million, up 15.6% (10.9% on a Constant Currency basis), and Non-Recurring New Bookings were $4.8 million, down 40.5% (42.2% 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.

Appraisals and Development Advisory revenues were $28.0 million, down 0.3% (1.0% on a Constant Currency basis) and Adjusted EBITDA was $4.4 million, up 95.3% (93.4% on a Constant Currency basis). The revenue performance reflects muted market activity in the current economic environment. The improvement in Adjusted EBITDA reflects ongoing cost optimization efforts.

Corporate costs were $8.4 million for the quarter ended December 31, 2024, compared to $9.5 million in the same period in 2023. The decrease in corporate costs in the fourth quarter primarily reflects the settlement of certain balances in preparation for the sale of the Property Tax business resulting in favourable foreign exchange fluctuations for the period.

Cash generation (which reflects both continuing and discontinued operations) was down in the fourth quarter reflecting a tough compare. Net cash provided by operating activities was $24.7 million and Free Cash Flow was $24.6 million, down 44.7% and 38.7% respectively. On a year-over-year view, the fourth quarter of 2023 benefitted from a catch up on billings related to the implementation of a new enterprise resource planning ("ERP") system. For full year 2024, net cash provided by operating activities was up 11.9% and Free Cash Flow was up 23.0%.

As at December 31, 2024, bank debt was $282.9 million and cash and cash equivalents were $41.9 million, representing a Funded debt to EBITDA ratio as defined in the Company's credit facility agreement of 2.01 times, well below the Company's 4.5x maximum capacity limit under its credit facilities. At the end of the year, the Company had approximately $309.0 million of total liquidity as measured by the sum of cash and cash equivalents and bank credit facilities available. Including approximately $600.0 million of net proceeds from the sale of the Property Tax business, completed on January 1, 2025, total liquidity would be approximately $909.0 million.

2025 Business Outlook

The Company remains strongly positioned to sustain revenue and Adjusted EBITDA growth at a higher Adjusted EBITDA margin in 2025. Management expects CRE market conditions to gradually improve throughout 2025 with a stronger second half of the year. The business outlook for 2025 by reportable segment is as follows:

	FY 2025	Q1 2025
Analytics	• 4 – 7% total Analytics revenue growth • 6 – 9% Recurring Revenue growth • 250 – 350 bps of Adjusted EBITDA margin expansion	• 0 – 2% total Analytics revenue growth • 2 – 3% Recurring Revenue growth • 50 – 150 bps of Adjusted EBITDA margin expansion
Appraisals and Development Advisory	• Low single digit revenue growth • Adjusted EBITDA margin expansion	• 4 – 6% revenue decline • $1 – 2M Adjusted EBITDA improvement
Consolidated	• 3 – 5% revenue growth • 300 – 400 bps of Adjusted EBITDA margin expansion	• Flat revenue growth • 150 – 250 bps of Adjusted EBITDA margin expansion

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

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

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

Q1 2025 Dividend

Altus Group's Board approved the payment of a cash dividend of $0.15 per common share for the first quarter ending March 31, 2025, with payment to be made on April 15, 2025 to common shareholders of record as at March 31, 2024.

Altus Group's Dividend Reinvestment Plan ("DRIP") permits eligible shareholders to direct their cash dividends to be reinvested in additional common shares of the Company. For shareholders who wish to reinvest their dividends under the DRIP, Altus Group intends to issue common shares from treasury at a price equal to 96% of the weighted average closing price of the shares for the five trading days preceding the dividend payment date. Full details of the DRIP program are available on the Company's website.

Altus Group confirms that all dividends paid or deemed to be paid to its common shareholders qualify as "eligible dividends" for purposes of subsection 89(14) of the *Income Tax Act* (Canada) and similar provincial and territorial legislation, unless indicated otherwise.

Renewal of Normal Course Issuer Bid

The Toronto Stock Exchange ("TSX") has approved the Company's notice of intention to renew its normal course issuer bid ("NCIB") for its common shares. Altus' NCIB will be made in accordance with the policies of the TSX. Altus may purchase its common shares during the period from February 25, 2025 to February 24, 2026.

Under the NCIB and subject to the market price of its common shares and other considerations, over the next 12 months Altus may purchase for cancellation up to 3,219,967 common shares, representing approximately 10% of its public float as at February 11, 2025. There were 46,190,841 common shares outstanding as at February 11, 2025. The average daily trading volume through the facilities of the TSX during the 26-week period ending January 31, 2025 was 70,585 common shares. Daily purchases will be limited to 17,646 common shares, representing 25% of the average daily trading volume, other than block purchase exemptions. Purchases may be made on the open market through the facilities of the TSX and/or alternative Canadian trading systems at the market price at the time of acquisition, as well as by other means as may be permitted by TSX rules and applicable securities laws. Any tendered shares taken up and paid for by Altus will be cancelled. The Company plans to fund the NCIB purchases from its existing cash balance.

Under its previous NCIB which commenced on February 8, 2024 and expired on February 7, 2025, Altus obtained approval from the TSX to purchase up to 1,376,034 common shares. As of February 11, 2025, Altus had purchased an aggregate of 318,700 common shares for cancellation under an NCIB in the past 12 months at a weighted average price of approximately $54.36 per common share. All repurchases under an NCIB within the past 12 months were conducted through the facilities of the TSX and/or alternative Canadian trading systems.

The Company intends to enter into an automatic share purchase plan with a designated broker in relation to the NCIB that would allow for the purchase of its common shares, subject to certain trading parameters, at times when Altus ordinarily would not be active in the market due to its own internal trading black-out period, insider trading rules or otherwise. Any such plan entered into with a broker will be adopted in accordance with applicable Canadian securities law. Outside of these periods, common shares will be repurchased in accordance with management's discretion and in compliance with applicable law.

The Company is renewing the NCIB because it believes that it provides flexibility around its capital allocation investments, particularly during periods when its common shares may trade in a price range that does not adequately reflect their underlying value based on the Company's business and strong financial position. As a result, to maximize shareholder value, Altus believes that an investment in its outstanding common shares may represent an attractive use of available funds while continuing to balance other growth investments, including investing in operations and in potential M&A. Decisions regarding the amount and timing of future purchases of common shares will be based on market conditions, share price and other factors and will be at management's discretion. The Company's Board of Directors will regularly review the NCIB in connection with a balanced capital allocation strategy focused primarily on funding growth.

Q4 and FY 2024 Results Conference Call & Webcast

Date:	Thursday, February 20, 2025
Time:	5:00 p.m. (ET)
Webcast:	https://events.q4inc.com/attendee/237479141
Live Call:	1-888-660-6785 (toll-free) (Conference ID: 8366990)
Replay:	https://www.altusgroup.com/investor-relations/

About Altus Group

Altus Group is a leading provider of asset and fund intelligence for commercial real estate. We deliver intelligence as a service to our global client base through a connected platform of industry-leading technology, advanced analytics, and advisory services. Trusted by the largest CRE leaders, our capabilities help commercial real estate investors, developers, lenders, and advisors manage risks and improve performance returns throughout the asset and fund lifecycle. Altus Group is a global company headquartered in Toronto with approximately 1,900 employees across North America, EMEA and Asia Pacific. For more information about Altus (TSX: AIF) please visit www.altusgroup.com.

Non-GAAP and Other Measures

Altus Group uses certain non-GAAP financial measures, non-GAAP ratios, total of segments measures, capital management measures, and supplementary and other financial measures as defined in National Instrument 52-112 - *Non-GAAP and Other Financial Measures Disclosure* ("NI 52-112"). Management believes that these measures may assist investors in assessing an investment in the Company's shares as they provide additional insight into the Company's performance. Readers are cautioned that they are not defined performance measures, and do not have any standardized meaning under IFRS and may differ from similar computations as reported by other similar entities and, accordingly, may not be comparable to financial measures as reported by those entities. These measures should not be considered in isolation or as a substitute for financial measures prepared in accordance with IFRS.

Adjusted Earnings (Loss): Altus Group uses Adjusted Earnings (Loss) to facilitate the calculation of Adjusted EPS. How it's calculated: 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.

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

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

Adjusted Earnings before Interest, Taxes, Depreciation and Amortization ("Adjusted EBITDA"): Altus Group uses Adjusted EBITDA to evaluate the performance of the business, as well as when making decisions about the ongoing operations of the business and the Company's ability to generate cash flows. This measure represents Adjusted EBITDA determined on a consolidated entity-basis as a total of the various segments. All other Adjusted EBITDA references are disclosed in the financial statements and are not considered to be non-GAAP financial measures pursuant to NI 52-112. How it's calculated: Profit (loss) added or (deducted) by: profit (loss) from discontinued operations, 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).

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

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

New Bookings, Recurring New Bookings and Non-Recurring New Bookings: For its Analytics reportable segment, Altus Group uses New Bookings, Recurring New Bookings and Non-Recurring New Bookings as measures to track the performance and success of sales initiatives, and as an indicator of future revenue growth. How it's calculated: *New Bookings:* The total of annual contract values for new sales of the Company's recurring solutions and services (software subscriptions, Valuation Management Solutions and data subscriptions) plus the total of contract values for one-time engagements (consulting, training, and due diligence). 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 the Analytics reportable segment. *Recurring New Bookings*: The total of annual contract values for new sales of the recurring solutions and services. *Non-Recurring New Bookings*: The total of contract values for one-time engagements.

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

Recurring Revenue, Non-Recurring Revenue, Organic Recurring Revenue: For its Analytics reportable segment, Altus Group uses Recurring Revenue and Non-Recurring Revenue, and Organic Recurring Revenue as measures to assess revenue trends in the business, and as indicators of future revenue growth. How it's calculated: *Recurring Revenue:* Revenue from software subscriptions recognized on an over time basis in accordance with IFRS 15, software maintenance revenue associated with the Company's legacy licenses sold on perpetual terms, Valuation Management Solutions, and data subscriptions. *Non-Recurring Revenue:* 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).

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

Forward-looking Information

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

Forward-looking information is not, and cannot be, a guarantee of future results or events. Forward-looking information is based on, among other things, opinions, assumptions, estimates and analyses that, while considered reasonable by us at the date the forward-looking information is provided, inherently are subject to significant risks, uncertainties, contingencies and other factors that may not be known and may cause actual results, performance or achievements, industry results or events to be materially different from those expressed or implied by the forward-looking information. The material factors or assumptions that we identified and applied in drawing conclusions or making forecasts or projections set out in the forward-looking information (including sections entitled "Business Outlook") include, but are not limited to: engagement and product pipeline opportunities in Analytics will result in associated definitive agreements; continued adoption of cloud subscriptions by our customers; retention of material clients and bookings; sustaining our software and subscription renewals; successful execution of our business strategies; consistent and stable economic conditions or conditions in the financial markets including stable interest rates and credit availability for CRE; consistent and stable legislation in the various countries in which we operate; consistent and stable foreign exchange conditions; no disruptive changes in the technology environment; opportunity to acquire accretive businesses and the absence of negative financial and other impacts resulting from strategic investments or acquisitions on short term results; successful integration of acquired businesses; and continued availability of qualified professionals.

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

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

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

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Interim Condensed Consolidated Statements of Comprehensive Income (Loss)
For the Years Ended December 31, 2024 and 2023
(Unaudited)
(Expressed in Thousands of Canadian Dollars, Except for Per Share Amounts)

	For the year ended December 31, 2024	For the year ended December 31, 2023 [(1)]
Revenues	**$ 519,727**	$ 509,732
Expenses		
Employee compensation	**336,327**	340,525
Occupancy	**5,398**	5,359
Other operating	**100,464**	124,075
Depreciation of right-of-use assets	**8,271**	8,047
Depreciation of property, plant and equipment	**3,706**	4,629
Amortization of intangibles	**32,039**	32,753
Acquisition and related transition costs (income)	**8,914**	3,950
Share of (profit) loss of joint venture	**(2,950)**	(3,146)
Restructuring costs (recovery)	**12,052**	313
(Gain) loss on investments	**(446)**	301
Impairment charge	**7,000**	-
Finance costs (income), net – leases	**938**	771
Finance costs (income), net – other	**18,457**	23,836
Profit (loss) before income taxes from continuing operations	**(10,443)**	(31,681)
Income tax expense (recovery)	**(9,650)**	1,812
Profit (loss) from continuing operations, net of tax	**$ (793)**	$ (33,493)
Profit (loss) from discontinued operations, net of tax	**14,216**	43,725
Profit (loss) for the year	**$ 13,423**	$ 10,232
Other comprehensive income (loss):		
Items that may be reclassified to profit or loss in subsequent periods:		
Currency translation differences	**30,553**	(2,055)
Items that are not reclassified to profit or loss in subsequent periods:		
Changes in investments measured at fair value through other comprehensive income, net of tax	**(1,646)**	(1,144)
Other comprehensive income (loss), net of tax	**28,907**	(3,199)
Total comprehensive income (loss) for the year, net of tax	**$ 42,330**	$ 7,033
Earnings (loss) per share attributable to the shareholders of the Company during the year		
Basic earnings (loss) per share:		
Continuing operations	**$(0.02)**	$(0.74)
Discontinued operations	**$0.31**	$0.97
Diluted earnings (loss) per share:		
Continuing operations	**$(0.02)**	$(0.74)
Discontinued operations	**$0.30**	$0.95

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

Interim Condensed Consolidated Balance Sheets
As at December 31, 2024 and December 31, 2023
(Unaudited)

(Expressed in Thousands of Canadian Dollars)

	December 31, 2024	December 31, 2023
Assets		
Current assets		
Cash and cash equivalents	**$ 41,876**	$ 41,892
Trade receivables and other	**144,812**	250,462
Income taxes recoverable	**5,099**	9,532
Derivative financial instruments	**8,928**	677
	200,715	302,563
Assets held for sale	**282,233**	-
Total current assets	**482,948**	302,563
Non-current assets		
Trade receivables and other	**9,620**	10,511
Derivative financial instruments	**9,984**	8,134
Investments	**14,580**	14,509
Investment in joint venture	**25,605**	22,655
Deferred tax assets	**56,797**	30,650
Right-of-use assets	**19,420**	25,282
Property, plant and equipment	**13,217**	19,768
Intangibles	**214,614**	270,641
Goodwill	**404,176**	509,980
Total non-current assets	**768,013**	912,130
Total assets	**$ 1,250,961**	$ 1,214,693
Liabilities		
Current liabilities		
Trade payables and other	**$ 216,390**	$ 199,220
Income taxes payable	**3,017**	4,710
Lease liabilities	**11,009**	14,346
	230,416	218,276
Liabilities directly associated with assets held for sale	**57,680**	-
Total current liabilities	**288,096**	218,276
Non-current liabilities		
Trade payables and other	**19,828**	22,530
Lease liabilities	**26,751**	33,755
Borrowings	**281,887**	307,451
Deferred tax liabilities	**17,179**	30,144
Total non-current liabilities	**345,645**	393,880
Total liabilities	**633,741**	612,156
Shareholders' equity		
Share capital	**798,087**	769,296
Contributed surplus	**21,394**	50,143
Accumulated other comprehensive income (loss)	**56,243**	42,434
Retained earnings (deficit)	**(275,935)**	(259,336)
Reserves of assets held for sale	**17,431**	-
Total shareholders' equity	**617,220**	602,537
Total liabilities and shareholders' equity	**$ 1,250,961**	$ 1,214,693

Interim Condensed Consolidated Statements of Cash Flows
For the Years Ended December 31, 2024 and 2023
(Unaudited)
(Expressed in Thousands of Canadian Dollars)

	For the year ended December 31, 2024	For the year ended December 31, 2023
Cash flows from operating activities		
Profit (loss) before income taxes from continuing operations	**$ (10,443)**	$ (31,681)
Profit (loss) before income taxes from discontinued operations	**19,200**	54,011
Profit (loss) before income taxes	**$ 8,757**	$ 22,330
Adjustments for:		
Depreciation of right-of-use assets	**9,945**	11,121
Depreciation of property, plant and equipment	**4,554**	6,102
Amortization of intangibles	**35,916**	40,717
Finance costs (income), net – leases	**1,189**	1,222
Finance costs (income), net – other	**17,979**	23,877
Share-based compensation	**23,669**	23,068
Unrealized foreign exchange (gain) loss	**(337)**	1,622
(Gain) loss on investments	**(446)**	301
(Gain) loss on disposal of right-of-use assets, property, plant and equipment and intangibles	**(2,025)**	454
(Gain) loss on equity derivatives	**(9,942)**	8,599
Share of (profit) loss of joint venture	**(2,950)**	(3,146)
Impairment of non-financial assets	**7,000**	-
Impairment of right-of-use assets, net of (gain) loss on sub-leases	**(322)**	(565)
Net changes in:		
Operating working capital	**11,703**	(24,117)
Liabilities for cash-settled share-based compensation	**19,246**	591
Deferred consideration payables	**(1,674)**	(1,610)
Contingent consideration payables	**(200)**	(2,989)
Net cash generated by (used in) operations	**122,062**	107,577
Less: interest paid on borrowings	**(18,064)**	(20,273)
Less: interest paid on leases	**(1,189)**	(1,222)
Less: income taxes paid	**(23,588)**	(14,889)
Add: income taxes refunded	**699**	236
Net cash provided by (used in) operating activities	**79,920**	71,429
Cash flows from financing activities		
Proceeds from exercise of options	**17,678**	10,417
Financing fees paid	**(170)**	(8)
Proceeds from borrowings	**34,426**	72,154
Repayment of borrowings	**(72,360)**	(83,599)
Payments of principal on lease liabilities	**(15,944)**	(15,094)
Proceeds from right-of-use asset lease inducements	**-**	525
Dividends paid	**(24,726)**	(26,579)
Treasury shares purchased for share-based compensation	**(3,483)**	(4,817)
Cancellation of shares	**(11,043)**	(4,780)
Net cash provided by (used in) financing activities	**(75,622)**	(51,781)
Cash flows from investing activities		
Purchase of investments	**(882)**	(841)
Purchase of intangibles	**(6,063)**	(7,664)
Purchase of property, plant and equipment	**(1,392)**	(4,827)
Proceeds from investments	**93**	28
Proceeds from disposal of investments	**-**	3,471
Proceeds from sale of disposal group	**11,016**	-
Acquisitions, net of cash acquired	**-**	(25,090)
Net cash provided by (used in) investing activities	**2,772**	(34,923)
Effect of foreign currency translation	**1,630**	1,900
Net increase (decrease) in cash and cash equivalents	**8,700**	(13,375)
Cash and cash equivalents, beginning of year	**41,892**	55,267
Cash and cash equivalents, end of year [1]	**$ 50,592**	$ 41,892

[1] Included in cash and cash equivalents as at December 31, 2024 is $8,716 related to discontinued operations

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

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

	Quarter ended December 31,		Year ended December 31,	
In thousands of dollars, except for per share amounts	**2024**	2023 [1]	**2024**	2023 [1]
Profit (loss) for the period	$ 10,638	$ (140)	$ 13,423	$ 10,232
(Profit) loss from discontinued operations, net of tax	12,234	(8,179)	(14,216)	(43,725)
Occupancy costs calculated on a similar basis prior to the adoption of IFRS 16 [2]	(1,618)	(1,289)	(9,157)	(8,431)
Depreciation of right-of-use assets	1,595	2,078	8,271	8,047
Depreciation of property, plant and equipment and amortization of intangibles [8]	8,752	9,560	35,745	37,382
Acquisition and related transition costs (income)	20	3,759	8,914	3,950
Unrealized foreign exchange (gain) loss [3]	543	970	760	3,622
(Gain) loss on disposal of right-of-use assets, property, plant and equipment and intangibles [3]	(4,074)	(3)	(2,496)	16
Share of (profit) loss of joint venture	(937)	(810)	(2,950)	(3,146)
Non-cash share-based compensation costs [4]	3,231	3,041	13,285	11,178
(Gain) loss on equity derivatives net of mark-to-market adjustments on related RSUs and DSUs [4]	24	1,512	(2,891)	5,531
Restructuring costs (recovery)	2,939	311	12,052	313
(Gain) loss on investments [5]	194	659	(446)	301
Impairment charge	7,000	-	7,000	-
Other non-operating and/or non-recurring (income) costs [6]	2,951	2,528	5,856	14,074
Finance costs (income), net – leases	301	131	938	771
Finance costs (income), net – other [9]	3,781	8,816	18,457	23,836
Income tax expense (recovery) [10]	(15,154)	(2,086)	(9,650)	1,812
Adjusted EBITDA	$ 32,420	$ 20,858	$ 82,895	$ 65,763
Depreciation of property, plant and equipment and amortization of intangibles of non-acquired businesses [8]	(1,836)	(2,322)	(6,797)	(8,955)
Finance (costs) income, net – other [9]	(3,781)	(8,816)	(18,457)	(23,836)
(Gain) loss on hedging transactions, including currency forward contracts and interest expense (income) on swaps [9]	(502)	3,762	202	3,057
Tax effect of adjusted earnings (loss) adjustments [10]	13,055	(1,664)	(3,830)	(13,958)
Adjusted earnings (loss)*	$ 39,356	$ 11,818	$ 54,013	$ 22,071
Weighted average number of shares – basic	45,904,069	45,421,165	45,787,374	45,302,194
Weighted average number of restricted shares	233,275	433,123	308,353	485,530
Weighted average number of shares – adjusted	46,137,344	45,854,288	46,095,727	45,787,724
Adjusted earnings (loss) per share [7]	$0.85	$0.26	$1.17	$0.48

(1) Comparative figures have been restated to reflect discontinued operations. Refer to Note 11 of the 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 consolidated statements of comprehensive income (loss).
(4) Included in employee compensation expenses in the 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 quarters and years ended December 31, 2024 and 2023 relate to legal, advisory, consulting, and other professional fees related to organizational and strategic initiatives. These are included in other operating expenses in the consolidated statements of comprehensive income (loss).
[7] Refer to page 4 of the MD&A for the definition of Adjusted EPS.
[8] For the purposes of reconciling to Adjusted Earnings (Loss), the amortization of intangibles of acquired businesses is adjusted from Profit (loss) for the period. Per the quantitative reconciliation above, we have added back depreciation of property, plant and equipment and amortization of intangibles and then deducted the depreciation of property, plant and equipment and amortization of intangibles of non-acquired businesses to arrive at the amortization of intangibles of acquired businesses.
[9] For the purposes of reconciling to Adjusted Earnings (Loss), the interest accretion on contingent consideration payables and (gains) losses on hedging transactions and interest expense (income) on swaps is adjusted from Profit (loss) for the period. Per the quantitative reconciliation above, we have added back finance costs (income), net – other and then deducted finance costs (income), net – other prior to adjusting for interest accretion on contingent consideration payables and (gains) losses on hedging transactions and interest expense (income) on swaps.
[10] For the purposes of reconciling to Adjusted Earnings (Loss), only the tax impacts for the reconciling items noted in the definition of Adjusted Earnings (Loss) is adjusted from profit (loss) for the period.

Reconciliation of Free Cash Flow

The Company proactively manages and optimizes Free Cash Flow available for reinvestment in the business. Free Cash Flow is reconciled as follows:

Free Cash Flow	**Quarter ended December 31,**		**Year ended December 31,**	
In thousands of dollars	**2024**	2023	**2024**	2023
Net cash provided by (used in) operating activities	$ 24,708	$ 44,693	$ 79,920	$ 71,429
Less: Capital Expenditures	(109)	(4,552)	(7,455)	(12,491)
Free Cash Flow	$ 24,599	$ 40,141	$ 72,465	$ 58,938

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 the Company primarily transacts in:

	Quarter ended December 31, 2024		**Year ended December 31, 2024**	
	As presented	For Constant Currency	As presented	For Constant Currency
Canadian Dollar	1.000	1.000	1.000	1.000
United States Dollar	1.399	1.361	1.370	1.349
Pound Sterling	1.792	1.689	1.750	1.677
Euro	1.492	1.464	1.482	1.459
Australian Dollar	0.912	0.886	0.903	0.896

	Quarter ended December 31, 2023		Year ended December 31, 2023	
	As presented	For Constant Currency	As presented	For Constant Currency
Canadian Dollar	1.000	1.000	1.000	1.000
United States Dollar	1.361	1.357	1.349	1.301
Pound Sterling	1.689	1.593	1.677	1.608
Euro	1.464	1.386	1.459	1.370
Australian Dollar	0.886	0.892	0.896	0.903