



COLLIERS INTERNATIONAL GROUP INC.

Interim Consolidated Financial Statements (unaudited)

Third Quarter | September 30, 2024

Colliers International Group Inc.
Consolidated Statements of Earnings (Loss)
(Unaudited)

(in thousands of US dollars, except per share amounts)

	Three months		Nine months	
	ended September 30		ended September 30	
	2024	2023	2024	2023
Revenues (note 18)	\$ 1,179,059	\$ 1,056,032	\$ 3,320,407	\$ 3,099,973
Cost of revenues (exclusive of depreciation and amortization shown below)	712,044	638,659	2,005,351	1,865,569
Selling, general and administrative expenses	322,136	279,945	925,030	858,866
Depreciation	17,847	13,677	48,729	39,790
Amortization of intangible assets	38,226	37,486	107,697	111,659
Acquisition-related items (note 6)	(20,931)	15,366	(34,212)	53,502
Loss on disposal of operations	-	-	-	2,282
Operating earnings	109,737	70,899	267,812	168,305
Interest expense, net	23,350	24,228	62,598	71,730
Equity earnings from non-consolidated investments	(4,008)	(685)	(5,240)	(4,371)
Other income	(113)	(116)	(464)	(636)
Earnings before income tax	90,508	47,472	210,918	101,582
Income tax expense (note 15)	21,131	18,096	55,478	38,112
Net earnings	69,377	29,376	155,440	63,470
Non-controlling interest share of earnings	14,929	14,210	35,074	38,967
Non-controlling interest redemption increment (note 12)	17,221	(9,947)	33,758	26,393
Net earnings (loss) attributable to Company	\$ 37,227	\$ 25,113	\$ 86,608	\$ (1,890)
Net earnings (loss) per common share (note 13)				
Basic	\$ 0.74	\$ 0.53	\$ 1.74	\$ (0.04)
Diluted	\$ 0.73	\$ 0.53	\$ 1.73	\$ (0.04)

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

Colliers International Group Inc.**Consolidated Statements of Comprehensive Earnings (Loss)**

(Unaudited)

(in thousands of US dollars)

	Three months ended September 30		Nine months ended September 30	
	2024	2023	2024	2023
Net earnings	\$ 69,377	\$ 29,376	\$ 155,440	\$ 63,470
Other comprehensive earnings (loss), net of tax:				
Change in foreign currency translation	6,850	(3,056)	(873)	(5,890)
Reclassification of accumulated foreign currency translation on disposal of operations	-	-	-	541
Unrealized gain (loss) on interest rate swaps	(11,804)	4,103	(4,285)	8,638
Unrealized gain on available for sale securities	190	-	204	-
Pension liability adjustments	-	(26)	-	(283)
Total other comprehensive gain (loss), net of tax	(4,764)	1,021	(4,954)	3,006
Comprehensive earnings	64,613	30,397	150,486	66,476
Less: Comprehensive earnings attributable to non-controlling interests	23,644	8,635	66,943	69,149
Comprehensive earnings (loss) attributable to Company	\$ 40,969	\$ 21,762	\$ 83,543	\$ (2,673)

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

Colliers International Group Inc.
Consolidated Balance Sheets
(Unaudited)
(in thousands of US dollars)

	September 30, 2024	December 31, 2023
Assets		
Current assets		
Cash and cash equivalents	\$ 156,984	\$ 181,134
Restricted cash	88,274	37,941
Accounts receivable, net of allowance of \$31,034 (December 31, 2023 - \$36,382)	694,527	643,375
Contract assets (note 18)	190,457	83,389
Mortgage warehouse receivables (note 16)	135,915	177,104
Income tax recoverable	31,719	48,104
Prepaid expenses and other current assets (note 16)	323,856	258,725
Warehouse fund assets (note 5)	108,781	44,492
	1,730,513	1,474,264
Other receivables	11,571	11,857
Contract assets (note 18)	24,704	19,691
Other assets	183,675	157,197
Warehouse fund assets (note 5)	52,564	47,536
Fixed assets	230,434	202,837
Operating lease right-of-use assets	394,478	390,565
Deferred tax assets, net	69,816	59,468
Intangible assets (note 7)	1,218,093	1,080,471
Goodwill	2,323,522	2,038,240
	4,508,857	4,007,862
	\$ 6,239,370	\$ 5,482,126
Liabilities and shareholders' equity		
Current liabilities		
Accounts payable and accrued expenses	\$ 523,980	\$ 535,769
Accrued compensation	548,492	569,166
Income tax payable	18,199	16,527
Contract liabilities (note 18)	65,998	45,293
Long-term debt - current (note 8)	15,683	1,796
Contingent acquisition consideration - current (note 16)	28,214	13,944
Mortgage warehouse credit facilities (note 9)	128,944	168,780
Operating lease liabilities	92,699	89,938
Liabilities related to warehouse fund assets (note 5)	57,554	-
	1,479,763	1,441,213
Long-term debt (note 8)	1,788,686	1,500,843
Contingent acquisition consideration (note 16)	9,708	30,768
Operating lease liabilities	379,457	375,454
Other liabilities	121,670	120,565
Deferred tax liabilities, net	82,440	43,191
Liabilities related to warehouse fund assets (note 5)	-	47,536
	2,381,961	2,118,357
Redeemable non-controlling interests (note 12)	1,122,084	1,072,066
Shareholders' equity		
Common shares	1,452,285	1,127,034
Contributed surplus	128,746	123,394
Deficit	(253,800)	(332,866)
Accumulated other comprehensive loss	(72,636)	(69,571)
Total Company shareholders' equity	1,254,595	847,991
Non-controlling interests	967	2,499
Total shareholders' equity	1,255,562	850,490
	\$ 6,239,370	\$ 5,482,126

Commitments and contingencies and subsequent events (note 17 and note 20)

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

Colliers International Group Inc.
Consolidated Statements of Shareholders' Equity
(Unaudited)
(in thousands of US dollars, except share information)

Nine months ended September 30, 2024

	Common shares		Contributed surplus	Deficit	Accumulated other comprehensive loss	Non-controlling interests	Total shareholders' equity
	Issued and outstanding shares	Amount					
Balance, December 31, 2023	47,549,376	\$ 1,127,034	\$ 123,394	\$ (332,866)	\$ (69,571)	\$ 2,499	\$ 850,490
Net earnings	-	-	-	155,440	-	-	155,440
Unrealized gain on investments	-	-	-	-	204	-	204
Foreign currency translation loss	-	-	-	-	(873)	-	(873)
Unrealized loss on interest rate swaps, net of tax	-	-	-	-	(4,285)	-	(4,285)
Other comprehensive earnings attributable to NCI	-	-	-	-	1,889	78	1,967
NCI share of earnings	-	-	-	(35,074)	-	162	(34,912)
NCI redemption increment (note 14)	-	-	-	(33,758)	-	-	(33,758)
Distributions to NCI	-	-	-	-	-	(49)	(49)
Subsidiaries' equity transactions	-	-	(7,154)	-	-	(1,723)	(8,877)
Subordinate Voting Shares:							
Stock option expense (note 14)	-	-	20,947	-	-	-	20,947
Stock options exercised (note 14)	411,475	38,327	(8,441)	-	-	-	29,886
Dividends	-	-	-	(7,542)	-	-	(7,542)
Issuance of Subordinate Voting Shares (note 13)	2,479,500	286,924	-	-	-	-	286,924
Balance, September 30, 2024	50,440,351	\$ 1,452,285	\$ 128,746	\$ (253,800)	\$ (72,636)	\$ 967	\$ 1,255,562

Three months ended September 30, 2024

	Common shares		Contributed surplus	Deficit	Accumulated other comprehensive loss	Non-controlling interest	Total shareholders' equity
	Issued and outstanding shares	Amount					
Balance, June 30, 2024	50,276,876	\$ 1,436,285	\$ 125,442	\$ (291,027)	\$ (76,378)	\$ 938	\$ 1,195,260
Net earnings	-	-	-	69,377	-	-	69,377
Unrealized gain on investments	-	-	-	-	190	-	190
Foreign currency translation gain	-	-	-	-	6,850	-	6,850
Unrealized loss on interest rate swaps, net of tax	-	-	-	-	(11,804)	-	(11,804)
Other comprehensive earnings attributable to NCI	-	-	-	-	8,506	27	8,533
NCI share of earnings	-	-	-	(14,929)	-	37	(14,892)
NCI redemption increment (note 14)	-	-	-	(17,221)	-	-	(17,221)
Distributions to NCI	-	-	-	-	-	(35)	(35)
Subordinate Voting Shares:							
Stock option expense (note 14)	-	-	6,813	-	-	-	6,813
Stock options exercised (note 14)	163,475	16,000	(3,509)	-	-	-	12,491
Balance, September 30, 2024	50,440,351	\$ 1,452,285	\$ 128,746	\$ (253,800)	\$ (72,636)	\$ 967	\$ 1,255,562

Colliers International Group Inc.
Consolidated Statements of Shareholders' Equity
(Unaudited)

(in thousands of US dollars, except share information)

Nine months ended September 30, 2023

	Common shares		Contributed surplus	Deficit	Accumulated other comprehensive loss	Non-controlling interests	Total shareholders' equity
	Issued and outstanding shares	Amount					
Balance, December 31, 2022	42,933,156	\$ 845,680	\$ 104,504	\$ (384,199)	\$ (76,288)	\$ 3,677	\$ 493,374
Net earnings	-	-	-	63,470	-	-	63,470
Pension liability adjustment, net of tax	-	-	-	-	(283)	-	(283)
Foreign currency translation loss	-	-	-	-	(5,890)	-	(5,890)
Unrealized gain on interest rate swaps, net of tax	-	-	-	-	8,638	-	8,638
Other comprehensive earnings attributable to NCI	-	-	-	-	(3,789)	(16)	(3,805)
NCI share of earnings	-	-	-	(38,967)	-	2,381	(36,586)
NCI redemption increment (note 14)	-	-	-	(26,393)	-	-	(26,393)
Distributions to NCI	-	-	-	-	-	(1,107)	(1,107)
Disposal of businesses, net	-	-	-	-	-	(44)	(44)
Reclass to net earnings on disposal of operations	-	-	-	-	541	(1,210)	(669)
Subsidiaries' equity transactions	-	-	3,129	-	-	-	3,129
Subordinate Voting Shares:							
Convertible Notes redemption	4,015,720	227,101	-	-	-	-	227,101
Stock option expense (note 14)	-	-	16,726	-	-	-	16,726
Stock options exercised	338,875	29,668	(6,665)	-	-	-	23,003
Dividends	-	-	-	(7,077)	-	-	(7,077)
Balance, September 30, 2023	47,287,751	\$ 1,102,449	\$ 117,694	\$ (393,166)	\$ (77,071)	\$ 3,681	\$ 753,587

Three months ended September 30, 2023

	Common shares		Contributed surplus	Deficit	Accumulated other comprehensive loss	Non-controlling interest	Total shareholders' equity
	Issued and outstanding shares	Amount					
Balance, June 30, 2023	47,179,376	\$ 1,092,843	\$ 112,707	\$ (418,279)	\$ (73,720)	\$ 3,385	\$ 716,936
Net earnings	-	-	-	29,376	-	-	29,376
Pension liability adjustment, net of tax	-	-	-	-	(26)	-	(26)
Foreign currency translation loss	-	-	-	-	(3,056)	-	(3,056)
Unrealized gain on interest rate swaps, net of tax	-	-	-	-	4,103	-	4,103
Other comprehensive earnings attributable to NCI	-	-	-	-	(4,372)	(293)	(4,665)
NCI share of earnings	-	-	-	(14,210)	-	715	(13,495)
NCI redemption increment (note 14)	-	-	-	9,947	-	-	9,947
Distributions to NCI	-	-	-	-	-	(114)	(114)
Disposal of businesses, net	-	-	-	-	-	(12)	(12)
Subsidiaries' equity transactions	-	-	1,648	-	-	-	1,648
Subordinate Voting Shares:							
Stock option expense (note 14)	-	-	5,513	-	-	-	5,513
Stock options exercised	108,375	9,606	(2,174)	-	-	-	7,432
Balance, September 30, 2023	47,287,751	\$ 1,102,449	\$ 117,694	\$ (393,166)	\$ (77,071)	\$ 3,681	\$ 753,587

Colliers International Group Inc.
Consolidated Statements of Cash Flows
(Unaudited)
(in thousands of US dollars)

	Three months		Nine months	
	ended September 30		ended September 30	
	2024	2023	2024	2023
Cash provided by (used in)				
Operating activities				
Net earnings	\$ 69,377	\$ 29,376	\$ 155,440	\$ 63,470
Items not affecting cash:				
Depreciation and amortization	56,073	51,163	156,426	151,449
Loss on disposal of operations	-	-	-	2,282
Gains attributable to mortgage servicing rights	(6,151)	(3,199)	(11,178)	(12,286)
Gains attributable to the fair value of mortgage premiums and origination fees	(3,601)	(2,887)	(9,224)	(10,913)
Deferred tax	(6,528)	1,458	(13,923)	(20,446)
Equity earnings from non-consolidated investments	(4,008)	(685)	(5,240)	(4,371)
Stock option expense (note 14)	6,813	5,513	20,947	16,726
Amortization of advisor loans	11,067	8,384	31,161	24,268
Contingent consideration (note 6)	(28,891)	11,202	(53,816)	43,451
Other	347	4,141	7,424	15,002
Increase in accounts receivable, prepaid expenses and other assets	(69,942)	(76,551)	(164,231)	(133,276)
Increase (decrease) in accounts payable, accrued expenses and other	41,027	(6,539)	38,125	(6,082)
Increase (decrease) in accrued compensation	38,569	28,442	(48,449)	(125,188)
Contingent acquisition consideration paid	(69)	(35,655)	(3,107)	(38,646)
Proceeds received on sale of mortgage loans	254,549	235,197	715,109	839,269
Principal funded on originated mortgage loans	(247,033)	(208,533)	(664,490)	(849,257)
Increase (decrease) in mortgage warehouse credit facilities	(3,925)	(21,700)	(39,836)	24,022
Sales to (repurchases from) AR Facility, net (note 10)	(546)	23,026	(436)	29,084
Net cash provided by operating activities	107,128	42,153	110,702	8,558
Investing activities				
Acquisitions of businesses, net of cash acquired (note 4)	(454,638)	(1,597)	(472,410)	(61,295)
Purchases of fixed assets	(16,158)	(19,349)	(45,511)	(60,411)
Advisor loans issued	(11,665)	(23,389)	(51,560)	(58,947)
Purchases of warehouse fund assets	(15,676)	(8,989)	(273,019)	(49,565)
Proceeds from disposal of warehouse fund assets	-	6,369	76,438	50,369
Collections of AR facility deferred purchase price (note 10)	32,957	31,896	101,805	91,207
Other investing activities	(31,853)	5,136	(50,091)	11,151
Net cash used in investing activities	(497,033)	(9,923)	(714,348)	(77,491)
Financing activities				
Increase in long-term debt	700,036	144,953	1,340,732	724,735
Repayment of long-term debt	(281,829)	(154,796)	(921,049)	(514,910)
Issuance of subordinate voting shares (note 13)	-	-	286,924	-
Purchases of non-controlling interests' subsidiary shares, net	(8,052)	(8,256)	(17,789)	(24,589)
Contingent acquisition consideration paid	(111)	(13,274)	(111)	(14,356)
Proceeds received on exercise of stock options	11,128	7,432	28,524	23,003
Dividends paid to common shareholders	(7,542)	(7,077)	(14,674)	(13,517)
Distributions paid to non-controlling interests	(17,475)	(16,702)	(66,302)	(67,822)
Other financing activities	(14)	(50)	(317)	(902)
Net cash provided by (used in) financing activities	396,141	(47,770)	635,938	111,642
Effect of exchange rate changes on cash, cash equivalents and restricted	(1,663)	(3,447)	(6,109)	(3,160)

Colliers International Group Inc.
Consolidated Statements of Cash Flows
(Unaudited)
(in thousands of US dollars)

	Three months ended September 30		Nine months ended September 30	
	2024	2023	2024	2023
Net change in cash, cash equivalents and restricted cash	4,573	(18,987)	26,183	39,549
Cash, cash equivalents and restricted cash, beginning of period	240,685	257,578	219,075	199,042
Cash, cash equivalents and restricted cash, end of period	\$ 245,258	\$ 238,591	\$ 245,258	\$ 238,591

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

Colliers International Group Inc.
Notes to Consolidated Financial Statements

(unaudited)

(in thousands of US dollars, except share and per share amounts)

1. Description of the business

Colliers International Group Inc. ("Colliers" or the "Company") provides commercial real estate professional services and investment management to corporate and institutional clients in 34 countries around the world (70 countries including affiliates and franchisees). Colliers' primary service lines are Outsourcing, Engineering, Investment Management ("IM"), Leasing and Capital Markets. Operationally, Colliers is organized into three distinct segments: Real Estate Services, Engineering and Investment Management. Refer to Note 2 for additional information on a change in the Company's reporting segments.

2. Summary of presentation

These unaudited Interim Consolidated Financial Statements (the "Financial Statements") have been prepared by the Company in accordance with disclosure requirements for the presentation of interim financial information. Certain information and footnote disclosures normally included in annual financial statements prepared in accordance with generally accepted accounting principles ("GAAP") in the United States of America have been condensed or omitted in accordance with such disclosure requirements. These Financial Statements should be read in conjunction with the Company's audited consolidated financial statements for the year ended December 31, 2023.

These Financial Statements follow the same accounting policies as the most recent audited consolidated financial statements, except as noted in Note 3 and the following:

Revised operating segments

The acquisition of Englobe on July 29, 2024 resulted in an operational change whereby the increased scale of Colliers' engineering and project management capabilities resulted in a reassessment of the basis for capital allocation and evaluation of operating segments. The Company has realigned its segment reporting to reflect the overall business based on the new operational structure which focuses on Real Estate Services, Engineering, and Investment Management.

Revenue

Services under Engineering include engineering & design ("E&D") services which consist of multidisciplinary planning, consulting and design engineering services to multiple end-markets and project management services which include design and construction management, move management and consulting.

Leasing and Capital Markets revenue remain unchanged and are grouped under Real Estate Services segment. Within Real Estate Services, Outsourcing services include property management, valuation and advisory, loan servicing and other revenues. In addition, some other services that are complementary to Real Estate Services which were previously included in the E&D and project management revenue line have been recast as other under Real Estate Services.

Investment management revenues continue to be classified under the Investment Management segment.

Goodwill

In conjunction with the new organizational structure described above, the Company reassessed its reporting units and reassigned goodwill to reflect the new segment structure using a relative fair value approach. Goodwill allocation to the Investment Management reporting unit remains unchanged. The change in reporting units is considered a triggering event requiring testing of goodwill for impairment. Colliers conducted two impairment tests, one under the previous reporting segment structure and one under the new structure. The goodwill impairment testing was a quantitative test using the discounted cash flow ("DCF") method and the analysis indicated that no impairment existed as the estimated fair value of each reporting unit exceeded its carrying value for both tests.

The operating segment change impacts the presentation in Note 18 and Note 19 without any impact on the consolidated balance sheet, consolidated statement of earnings or the consolidated statement of cash flows. Prior year comparatives resulting from operating segment changes have been recast to improve comparability with 2023. In the opinion of management, the Financial Statements contain all adjustments necessary to a fair statement of the financial position of the Company as at September 30, 2024 and the results of operations and its cash flows for the three and nine months ended September 30, 2024 and 2023. All such adjustments are of a normal recurring nature. The results of operations for the nine-month period ended September 30, 2024, are not necessarily indicative of the results to be expected for the year ending December 31, 2024.

3. Impact of recently issued accounting standards

Recently adopted accounting guidance

Reference Rate Reform

The FASB has issued three ASUs related to reference rate reform. In March 2020, the FASB issued ASU No. 2020-04, *Reference Rate Reform (Topic 848): Facilitation of the Effects of Reference Rate Reform on Financial Reporting* and in January 2021 the FASB issued ASU No. 2021-01, *Reference Rate Reform (Topic 848): Scope*. With reference rates like the various tenors of the London Interbank Offered Rates ("LIBOR") being discontinued between December 31, 2021 and June 30, 2023, a significant volume of contracts and other arrangements will be impacted by the transition required to alternative reference rates. The ASUs provides optional expedients and exceptions to reduce the costs and complexity of applying existing GAAP to contract modifications and hedge accounting if certain criteria are met. The standard is effective for a limited time for all entities through December 31, 2022. In December 2022, FASB issued ASU No. 2022-06 *Reference Rate Reform (Topic 848): Deferral of the Sunset Date of Topic 848*, with immediate effect, to defer the sunset date from December 31, 2022 to December 31, 2024, after which the entities will no longer be permitted to apply the relief in Topic 848. The Company has certain debt arrangements which may qualify for use of the practical expedients permitted under the guidance. The Company has evaluated and will continue to evaluate arrangements subject to rate reform and the options under the ASUs to facilitate an orderly transition to alternative reference rates and their potential impacts on its consolidated financial statements and disclosures.

Recently issued accounting guidance, not yet adopted

Improvements to Reportable Segment Disclosures

In November 2023, FASB issued ASU No. 2023-07 *Improvements to Reportable Segment Disclosures*. The amendments in this update improve financial reporting by requiring disclosure of incremental segment information on an interim and annual basis, primarily through enhanced disclosures about significant segment expenses. The amendments are effective for fiscal years beginning after December 15, 2023, and interim periods within fiscal years beginning after December 15, 2024. Early adoption is permitted with retrospective application to all prior periods presented in the financial statements. The Company is currently assessing the impacts of this ASU on its disclosures for the year ended December 31, 2024.

Improvements to Income Tax Disclosures

In December 2023, FASB issued ASU No. 2023-09 *Improvements to Income Tax Disclosures*. The amendments in this update encourage transparency in income tax disclosures by requiring consistent categories and greater disaggregation of information in the rate reconciliation and income taxes paid disclosures. The amendments are effective for annual periods beginning after December 15, 2024 with early adoption permitted and should be applied on a prospective basis, however, retrospective application is permitted. The Company is currently assessing the impacts of this ASU on its disclosures.

4. Acquisitions

During the nine months ended September 30, 2024, the Company acquired controlling interests in three businesses, one in Real Estate Services and two in Engineering.

Real Estate Services

In April 2024, the Company acquired Lanard & Axilbund, LLC, a commercial real estate services firm in the United States.

Engineering

In July 2024, the Company acquired Phase Zero Design Corporation, an engineering and design firm in the United States.

In August 2024, the Company acquired an 89% interest in Englobe Corp., an engineering, environmental and inspection services firm with approximately 2,800 professionals operating in 71 locations and nine provinces across Canada.

As of September 30, 2024, the Company has not completed its analysis to assign fair values to all identifiable tangible and intangible assets acquired in 2024 and, therefore, the purchase price allocations for the acquired businesses are provisional and subject to change within the respective measurement period which will not extend beyond one year from the acquisition date. The acquisition date fair values of consideration transferred and the preliminary purchase price allocations are summarized as follows:

	Englobe		Other		Aggregate Acquisitions
Current assets, excluding cash	\$	112,014	\$	14,712	\$ 126,726
Non-current assets		53,487		4,488	57,975
Current liabilities		75,288		6,477	81,765
Long-term liabilities		67,678		584	68,262
	\$	22,535	\$	12,139	\$ 34,674
Cash consideration, net of cash acquired of \$26,930	\$	449,471	\$	22,939	\$ 472,410
Acquisition date fair value of contingent consideration		-		4,753	4,753
Total purchase consideration	\$	449,471	\$	27,692	\$ 477,163
Acquired intangible assets (note 7)					
Finite life	\$	217,816	\$	8,428	\$ 226,244
Goodwill	\$	266,600	\$	7,125	\$ 273,725
Redeemable non-controlling interest (note 12)	\$	57,480	\$	-	\$ 57,480

During the nine months ended September 30, 2024, the Company made no significant adjustments to its purchase consideration for acquisitions completed in 2023.

The purchase price allocation of acquisitions result in the recognition of goodwill. The primary factors contributing to goodwill acquired in the nine months ended September 30, 2024 are assembled workforces, synergies with existing operations and future growth prospects. Specifically, the synergies in the Company's acquisitions primarily relate to diversifying the Company's client base and service offerings, cross-sell opportunities, increasing market share, and geographic expansion. Future growth prospects in the acquired businesses are consistent with long-term growth trends in the commercial real estate services and asset management industries. For acquisitions completed during the nine months ended September 30, 2024, goodwill in the amount of \$20,431 is deductible for income tax purposes (December 31, 2023 - \$22,168).

2023 acquisitions

During the year ended December 31, 2023, the Company acquired controlling interests in three Engineering businesses. The acquisition date fair value of consideration transferred consisted of \$60,343 in cash (net of cash acquired of \$7,278).

Contingent acquisition consideration

The Company typically structures its business acquisitions to include contingent consideration. Certain vendors, at the time of acquisition, are entitled to receive a contingent consideration payment if the acquired businesses achieve specified earnings levels during the one- to five-year periods following the dates of acquisition. The ultimate amount of payment is determined based on a formula, the key inputs to which are (i) a contractually agreed maximum payment; (ii) a contractually specified earnings level and (iii) the actual earnings for the contingency period. If the acquired business does not achieve the specified earnings level, the maximum payment is reduced for any shortfall, potentially to nil.

Unless it contains an element of compensation, contingent consideration is recorded at fair value each reporting period. The fair value recorded on the consolidated balance sheet as at September 30, 2024, was \$37,922 (December 31, 2023 - \$44,712). See note 16 for discussion on the fair value of contingent consideration. Contingent consideration where the seller is required to remain employed to be entitled to payment is considered to have a compensatory element and is revalued at each reporting period and recognized on a straight-line basis over the term of the contingent consideration arrangement. The liability recorded on the balance sheet for the compensatory element of contingent consideration arrangements as at September 30, 2024, was \$45,186 (December 31, 2023 - \$90,480). The estimated range of outcomes (undiscounted) for all contingent consideration arrangements, including those with an element of compensation is determined based on the likelihood of achieving specified earnings levels over the contingency period, and ranges from \$267,089 to a maximum of \$415,088. These contingencies will expire during the period extending to March 2029.

5. Warehouse fund assets

During the nine months ended September 30, 2024, the Company acquired two land assets in the US, infrastructure debt and equity securities and real estate assets in relation to seeding new funds. In addition, the Company sold three assets which were held at December 31, 2023. There were no significant earnings recognized in the three or nine months ended September 30, 2024 related to warehouse fund assets.

There was no significant impact on net earnings related to warehouse fund assets in the three and nine months ended September 30, 2024, or 2023.

The following table summarizes the warehouse fund assets:

	September 30, 2024	December 31, 2023
Warehouse fund assets		
Warehouse fund assets	\$ 108,781	\$ 44,492
Warehouse fund assets - non-current	\$ 52,564	\$ 47,536
Total warehouse fund assets	\$ 161,345	\$ 92,028
Liabilities related to warehouse fund assets		
Liabilities related to warehouse fund assets	\$ 57,554	\$ -
Liabilities related to warehouse fund assets - non-current	\$ -	\$ 47,536
Total liabilities related to warehouse fund assets	\$ 57,554	\$ 47,536
Net warehouse fund assets	\$ 103,791	\$ 44,492

6. Acquisition-related items

	Three months ended September 30		Nine months ended September 30	
	2024	2023	2024	2023
Transaction costs	\$ 7,959	\$ 4,164	\$ 19,604	\$ 10,050
Contingent consideration fair value adjustments (note 16)	(5,565)	(7,023)	(11,629)	(4,339)
Contingent consideration compensation expense (note 4)	(23,325)	18,225	(42,187)	47,791
	\$ (20,931)	\$ 15,366	\$ (34,212)	\$ 53,502

7. Intangible assets

The following table summarizes the gross value, accumulated amortization and net carrying value of the Company's indefinite life and finite life intangible assets:

September 30, 2024	Gross carrying amount	Accumulated amortization	Net
Indefinite life intangible assets:			
Licenses	\$ 29,200	\$ -	\$ 29,200
Trademarks and trade names	23,432	-	23,432
	\$ 52,632	\$ -	\$ 52,632
Finite life intangible assets:			
Customer lists and relationships	\$ 908,970	\$ 264,106	\$ 644,864
Investment management contracts	592,269	220,104	372,165
Mortgage servicing rights ("MSRs")	201,569	97,068	104,501
Trademarks and trade names	29,508	9,539	19,969
Management contracts and other	16,618	10,531	6,087
Backlog	22,944	5,069	17,875
	\$ 1,771,878	\$ 606,417	\$ 1,165,461
	\$ 1,824,510	\$ 606,417	\$ 1,218,093
December 31, 2023			
Indefinite life intangible assets:			
Licenses	\$ 29,200	\$ -	\$ 29,200
Trademarks and trade names	23,408	-	23,408
	\$ 52,608	\$ -	\$ 52,608
Finite life intangible assets:			
Customer lists and relationships	\$ 707,355	\$ 218,435	\$ 488,920
Investment management contracts	591,826	181,653	410,173
Mortgage servicing rights ("MSRs")	188,489	84,058	104,431
Trademarks and trade names	27,563	7,486	20,077
Management contracts and other	13,893	10,547	3,346
Backlog	6,349	5,433	916
	\$ 1,535,475	\$ 507,612	\$ 1,027,863
	\$ 1,588,083	\$ 507,612	\$ 1,080,471

The MSR assets are evaluated quarterly for impairment by stratifying the servicing portfolio according to predominant risk characteristics, primarily investor type and interest rate. An impairment is recorded if the carrying value of an individual stratum exceeds its estimated fair value. There was no impairment recorded for the nine-month period ended September 30, 2024, or 2023.

The following table summarizes activity related to the Company's mortgage servicing rights for the year ended September 30, 2024:

	2024
Balance, January 1	\$ 104,431
Additions, following the sale of loan	13,080
Amortization	(10,990)
Prepayments and write-offs	(2,020)
Balance, September 30	\$ 104,501

The following is the estimated future expense for amortization of the finite life intangible assets for each of the next five years and thereafter:

For the year ended December 31,	MSRs	Other Intangibles	Total
2024 (remaining three months)	\$ 3,464	\$ 36,536	\$ 40,000
2025	12,613	128,375	140,988
2026	11,808	112,755	124,563
2027	11,008	105,568	116,576
2028	10,190	98,678	108,868
Thereafter	55,418	579,048	634,466
	\$ 104,501	\$ 1,060,960	\$ 1,165,461

8. Long-term debt

On April 28, 2023, the Company increased the multi-currency, sustainability-linked senior unsecured revolving credit facility (the "Revolving Credit Facility") by \$250,000 from \$1,500,000 to \$1,750,000 as per the terms of the agreement. The Revolving Credit Facility has a 5-year term ending May 27, 2027, and bears interest at an applicable margin of 1.125% to 2.5% over floating reference rates, depending on financial leverage ratios. The applicable margin may be adjusted, annually, plus or minus 0.05% subject to achieving certain sustainability metrics. For the three-month period ended September 30, 2024, the weighted average interest rate on borrowings under the Revolving Credit Facility was 6.6% (2023 – 6.9%). The Revolving Credit Facility had \$514,560 of available undrawn credit as at September 30, 2024 (\$759,358 as at December 31, 2023). As at September 30, 2024, letters of credit in the amount of \$18,225 were outstanding against the Revolving Credit Facility (\$13,532 as at December 31, 2023). The Revolving Credit Facility requires a commitment fee of 0.11% to 0.35% of the unused portion, depending on financial leverage ratios.

The Company has outstanding senior unsecured notes with a carrying value of \$521,951. A summary of the unsecured senior notes is provided in the table below:

	Term	Maturity Date	Carrying Value	Interest Rate
Senior Notes due 2028 - €210,000	10-year	May 30, 2028	\$ 233,526	2.23%
Senior Notes due 2031 - €125,000	10-year	October 7, 2031	138,988	1.52%
Senior Notes due 2031 - \$150,000	10-year	October 7, 2031	149,437	3.02%
			\$ 521,951	

The Senior Notes due 2028 and the Senior Notes due 2031 are each held by a group of institutional investors.

The Revolving Credit Facility, Senior Notes due 2028, and Senior Notes due 2031 rank equally in terms of seniority and have similar financial covenants, including leverage and interest coverage. The Company was in compliance with all covenants as of September 30, 2024. The Company is limited from undertaking certain mergers, acquisitions and dispositions without prior approval.

9. Mortgage warehouse credit facilities

The following table summarizes the Company's mortgage warehouse credit facilities:

	Current Maturity	September 30, 2024		December 31, 2023	
		Maximum Capacity	Carrying Value	Maximum Capacity	Carrying Value
Facility A - SOFR plus 1.40%	October 16, 2025	\$ 275,000	\$ 128,944	\$ 275,000	\$ 168,780
Facility B - SOFR plus 1.45%	On demand	125,000	-	125,000	-
		\$ 400,000	\$ 128,944	\$ 400,000	\$ 168,780

Colliers Mortgage LLC ("Colliers Mortgage") has warehouse credit facilities which are used exclusively for the purpose of funding warehouse mortgages receivable. The mortgage warehouse credit facilities are recourse only to Colliers Mortgage, are revolving and are secured by warehouse mortgages financed on the facilities.

On October 17, 2024, the Company amended the financing agreement for Facility A to extend the maturity date to October 16, 2025.

10. AR Facility

In 2019, the Company entered into a structured accounts receivable facility (the "AR Facility"). Under the AR Facility, certain of the Company's subsidiaries continuously sell trade accounts receivable and contract assets (the "Receivables") to wholly owned special purpose entities at fair market value. The special purpose entities in turn sell the Receivables to a third-party financial institution (the "Purchaser").

On June 26, 2024, the Company renewed its AR Facility with two third-party financial institutions, with a term extending to December 29, 2025 and a capacity of \$200,000. As of September 30, 2024, the Company's draw under the AR Facility was \$199,978.

All transactions under the AR Facility are accounted for as a true sale in accordance with ASC 860, *Transfers and Servicing* ("ASC 860"). Following the sale of the Receivables to the Purchaser, the Receivables are legally isolated from the Company and its wholly owned special purpose entities. The AR Facility is recorded as a sale of accounts receivable, and accordingly sold receivables are derecognized from the consolidated balance sheet. The Company continues to service, administer and collect the Receivables on behalf of the Purchaser, and recognizes a servicing liability in accordance with ASC 860. The Company has elected the amortization method for subsequent measurement of the servicing liability, which is assessed for changes in the obligation at each reporting date. As of September 30, 2024, the servicing liability was nil.

Under the AR Facility, the Company receives a cash payment and a deferred purchase price ("Deferred Purchase Price" or "DPP") for sold Receivables. The DPP is paid to the Company in cash on behalf of the Purchaser as the Receivables are collected; however, due to the revolving nature of the AR Facility, cash collected from the Company's customers is reinvested by the Purchaser monthly in new Receivable purchases under the AR Facility. As at September 30, 2024, the DPP was \$118,863 (December 31, 2023 - \$107,743) and was included in Prepaid expenses and other current assets on the Consolidated Balance Sheets. For the nine months ending September 30, 2024, Receivables sold under the AR Facility were \$1,257,644 and cash collections from customers on Receivables sold were \$1,251,577, all of which were reinvested in new Receivables purchases and are included in cash flows from operating activities in the consolidated statement of cash flows. As of September 30, 2024, the outstanding principal on trade accounts receivable, net of expected credit losses, sold under the AR Facility was \$198,381; and the outstanding principal on contract assets, current and non-current, sold under the AR Facility was \$151,182. See note 16 for fair value information on the DPP.

For the nine months ended September 30, 2024, the Company recognized a loss related to Receivables sold of \$244 (2023 - \$33 gain) that was recorded in other income in the consolidated statement of earnings. Based on the Company's collection history, the fair value of the Receivables sold subsequent to the initial sale approximates carrying value.

The non-cash investing activities associated with the DPP for the nine months ended September 30, 2024, were \$113,476.

11. Variable interest entities

The Company holds variable interests in certain Variable Interest Entities (“VIE”) in its Investment Management segment which are not consolidated as it was determined that the Company is not the primary beneficiary. The Company’s involvement with these entities is in the form of advisory fee arrangements and equity co-investments (typically 1%-2%). Equity co-investments are included in Other non-current assets on the consolidated balance sheets.

The following table provides the maximum exposure to loss related to these non-consolidated VIEs:

	September 30, 2024	December 31, 2023
Non-consolidated investments	\$ 48,088	\$ 29,631
Co-investment commitments	46,769	42,395
Maximum exposure to loss	\$ 94,857	\$ 72,026

12. Redeemable non-controlling interests

The minority equity positions in the Company’s subsidiaries are referred to as redeemable non-controlling interests (“RNCI”). The RNCI are considered to be redeemable securities. Accordingly, the RNCI is recorded at the greater of (i) the redemption amount or (ii) the amount initially recorded as RNCI at the date of inception of the minority equity position. This amount is recorded in the “mezzanine” section of the balance sheet, outside of shareholders’ equity. Changes in the RNCI amount are recognized immediately as they occur. The following table provides a reconciliation of the beginning and ending RNCI amounts:

	2024
Balance, January 1	\$ 1,072,066
RNCI share of earnings	34,912
RNCI redemption increment	33,758
Distributions paid to RNCI	(66,548)
Purchase of interests from RNCI	(12,110)
Sale of interests to RNCI	3,149
RNCI recognized on business acquisitions	57,480
RNCI recognized on warehouse fund assets (note 5)	48,877
RNCI derecognized on warehouse fund assets (note 5)	(49,500)
Balance, September 30	\$ 1,122,084

The Company has shareholders’ agreements in place at each of its non-wholly owned subsidiaries. These agreements allow the Company to “call” the RNCI at a price determined with the use of a formula price, which is usually equal to a fixed multiple of average annual net earnings before income taxes, interest, depreciation, and amortization. The agreements also have redemption features which allow the owners of the RNCI to “put” their equity to the Company at the same price subject to certain limitations. The formula price is referred to as the redemption amount and may be paid in cash or in Subordinate Voting Shares. The redemption amount as of September 30, 2024, was \$932,495 (December 31, 2023 - \$943,235). The redemption amount is lower than that recorded on the balance sheet as the formula price of certain RNCI are lower than the amount initially recorded at the inception of the minority equity position. If all put or call options were settled with Subordinate Voting Shares as at September 30, 2024, approximately 6,400,000 such shares would be issued.

Increases or decreases to the formula price of the underlying shares are recognized in the statement of earnings as the NCI redemption increment.

13. Net earnings per common share

Stock options were anti-dilutive for the nine-month period ended September 30, 2023 and dilutive for the three-month period ended September 30, 2023 and the three and nine-month periods ended September 30, 2024.

Diluted earnings per share is calculated using the “if-converted” method of calculating earnings per share in relation to the Company’s 4.0% Convertible Senior Subordinated Notes due 2025 (the “Convertible Notes”) which were fully converted or redeemed by June 1, 2023. The “if-converted” method is used if the impact of the assumed conversion is dilutive. When dilutive, the interest charges (net of income tax) recorded in relation to the Convertible Notes prior to conversion or redemption is adjusted from the numerator and the additional shares issuable on conversion of the Convertible Notes for the portion of the period while they were outstanding are added to the denominator of the earnings per share calculation. The “if-converted” method was dilutive for the nine-month period ended September 30, 2023.

The following table reconciles the basic and diluted common shares outstanding:

(in thousands)	Three months ended September 30		Nine months ended September 30	
	2024	2023	2024	2023
Net earnings (loss) attributable to Company	\$ 37,227	\$ 25,113	\$ 86,608	\$ (1,890)
After-tax interest on Convertible Notes	-	-	-	(119)
Adjusted numerator considering the If-Converted Method	\$ 37,227	\$ 25,113	\$ 86,608	\$ (2,009)
Weighted average common shares - Basic	50,320	47,206	49,692	45,122
Exercise of stock options	477	343	362	-
Conversion of Convertible Notes	-	-	-	382
Weighted average common shares - Diluted	50,797	47,549	50,054	45,504

On April 4, 2023, the Company issued a notice of redemption to all holders of the Convertible Notes. During the period leading up to the redemption date of June 1, 2023, \$230,000 of Convertible Notes were converted or redeemed resulting in the issuance of 4,015,720 Subordinate Voting Shares.

On February 28, 2024, the Company issued 2,479,500 Subordinate Voting Shares for gross proceeds of \$300,019. The total proceeds, net of commissions and fees, were recorded in common shares. The net proceeds were used to repay balances outstanding on the Revolving Credit Facility.

14. Stock-based compensation

The Company has a stock option plan for certain officers, key full-time employees and directors of the Company and its subsidiaries. Options are granted at the market price for the underlying shares on the day immediately prior to the date of grant. Each option vests over a four-year term, expires five years from the date granted and allows for the purchase of one Subordinate Voting Share. All Subordinate Voting Shares issued are new shares. As at September 30, 2024, there were 1,605,550 options available for future grants.

Grants under the Company’s stock option plan are equity-classified awards.

Stock option activity for the nine months ended September 30, 2024 was as follows:

	Number of options	Weighted average exercise price	Weighted average remaining contractual life (years)	Aggregate intrinsic value
Shares issuable under options -				
December 31, 2023	3,242,250	\$ 101.73		
Granted	5,000	112.94		
Exercised	(411,475)	72.63		
Forfeited	(8,250)	100.10		
Shares issuable under options -				
September 30, 2024	2,827,525	\$ 105.99	2.8	\$ 129,569
Options exercisable - September 30, 2024	1,013,002	\$ 103.54	2.0	\$ 48,899

The amount of compensation expense recorded in the statement of earnings for the three and nine months ended September 30, 2024 was \$6,813 and \$20,947 (2023 - \$5,513 and \$16,726). As of September 30, 2024, there was \$30,998 of unrecognized compensation cost related to non-vested awards which is expected to be recognized over the next 4 years. During the nine-month period ended September 30, 2024, the fair value of options vested was \$1,535 (2023 - \$3,670).

15. Income tax

Income tax expense for the nine months ended September 30, 2024, reflected an effective tax rate of 26.3% (2023 - 37.5%) relative to the combined statutory rate of approximately 26.5% (2023 - 26.5%). The current period's tax rate was reduced by the recovery of contingent acquisition consideration associated with an investment in a UK flowthrough entity, on which no tax expense was recognizable. The tax rates of both the current period and prior period were impacted by valuation allowances on losses incurred by certain subsidiaries and permanent non-deductible expenses.

16. Financial instruments

Fair values of financial instruments

The following table provides the financial assets and liabilities carried at fair value measured on a recurring basis as of September 30, 2024:

	Level 1	Level 2	Level 3
Assets			
Cash equivalents	\$ 3,882	\$ -	\$ -
Equity securities	13,303	11	-
Debt securities	-	41,130	-
Mortgage derivative assets	-	-	4,113
Mortgage warehouse receivables	-	135,916	-
Interest rate swap assets	-	2,030	-
Deferred Purchase Price on AR Facility	-	-	118,863
Total assets	\$ 17,185	\$ 179,087	\$ 122,976
Liabilities			
Mortgage derivative liabilities	\$ -	\$ -	\$ 778
Interest rate swap liabilities	-	4,405	-
Contingent consideration liabilities	-	-	37,922
Total liabilities	\$ -	\$ 4,405	\$ 38,700

Equity securities, debt securities, mortgage derivative assets, interest rate swap assets and the deferred purchase price on the AR Facility were included in prepaid expenses and other current assets on the consolidated balance sheets. Other

than the assets and liabilities acquired in relation to business combinations (see note 4), there were no significant non-recurring fair value measurements recorded during the nine months ended September 30, 2024.

Cash equivalents

Cash equivalents include highly liquid investments with original maturities of less than three months. Actively traded cash equivalents where a quoted price is readily available are classified as Level 1 in the fair value hierarchy.

Debt and equity securities

The Company records debt and equity securities at fair value on the consolidated balance sheets. These financial instruments are valued based on observable market data that may include quoted market prices, dealer quotes, market spreads, cash flows, the US Treasury yield curve, trading levels, market consensus prepayment speeds, credit information and the instruments' terms and conditions and are classified as Level 2 of the fair value hierarchy.

Certain investments in equity securities where quoted prices are readily available are classified as Level 1 in the fair value hierarchy. The Company increases or decreases its investment each reporting period by the change in the fair value of the investment reported in net earnings on the consolidated statements of earnings.

Mortgage-related derivatives

Interest rate lock commitments and forward sale commitments are derivative instruments which use a discounted cash flow model and consider observable market data in determining their fair values, particularly changes in interest rates. In the case of interest rate lock commitments, the fair value measurement also considers the expected net cash flows associated with the servicing of the loans. The Company also considers the impact of unobservable inputs related to counterparty non-performance risk when measuring the fair value of these derivatives. Therefore, these mortgage-related derivatives are categorized as Level 3. The mortgage-related derivative assets and liabilities are included in Prepaid expenses and other current assets and Accounts payable and accrued expenses, respectively, on the consolidated balance sheets.

Given the credit quality of the Company's counterparties, the short duration of interest rate lock commitments and forward sale commitments and the Company's historical experience, management does not believe the risk of non-performance is significant. An increase in counterparty non-performance risk assumptions would result in a lower fair value measurement.

Changes in the fair value of the net mortgage derivative assets and liabilities comprise the following:

	2024
Balance, January 1	\$ 3,677
Settlements	(14,621)
Realized gains recorded in earnings	10,944
Unrealized gains recorded in earnings	3,335
Balance, September 30	\$ 3,335

Mortgage warehouse receivables

Mortgage warehouse receivables represent mortgage loans originated by the Company with commitments to sell to third party investors. Principal funded on mortgage loans plus gains attributable to the fair value of mortgage premiums and origination fees increase mortgage warehouse receivables and proceeds received from the sale of mortgage loans to third party investors reduce mortgage warehouse receivables. As at September 30, 2024, all warehouse facility liabilities are supported by mortgage warehouse receivables which are under commitment to be purchased by a qualifying investor. These assets are classified as Level 2 in the fair value hierarchy as a substantial majority of the inputs are readily observable.

AR Facility deferred purchase price (“DPP”)

The Company recorded a DPP under its AR Facility. The DPP represents the difference between the fair value of the Receivables sold and the cash purchase price and is recognized at fair value as part of the sale transaction. The DPP is remeasured each reporting period in order to account for activity during the period, including the seller’s interest in any newly transferred Receivables, collections on previously transferred Receivables attributable to the DPP and changes in estimates for credit losses. Changes in the DPP attributed to changes in estimates for credit losses are expected to be immaterial, as the underlying Receivables are short-term and of high credit quality. The DPP is valued using Level 3 inputs, primarily discounted cash flows, with the significant inputs being discount rates ranging from 5.0% to 7.0% depending upon the aging of the Receivables. See note 10 for information on the AR Facility.

Changes in the fair value of the DPP comprises the following:

	2024
Balance, January 1	\$ 107,743
Additions to DPP	113,476
Collections on DPP	(101,805)
Fair value adjustment	(244)
Foreign exchange and other	(307)
Balance, September 30	\$ 118,863

Interest rate swaps

The Company has entered into interest rate swap agreements (“IRS”) to convert floating interest on US dollar denominated debt to fixed interest rates. The interest rate swaps are measured at fair value and are included in Other assets on the consolidated balance sheets. The table below summarizes the details of the interest rate swaps in place as at September 30, 2024.

	Effective Date	Maturity Date	Notional Amount of US dollar debt	Interest rates	
				Floating	Fixed
2022 IRS A	July 15, 2022	May 27, 2027	\$ 150,000	SOFR	2.8020%
2022 IRS B	December 21, 2022	May 27, 2027	\$ 250,000	SOFR	3.5920%
2023 IRS A	April 28, 2023	May 27, 2027	\$ 100,000	SOFR	3.7250%
2023 IRS B	December 5, 2023	May 27, 2027	\$ 100,000	SOFR	4.0000%

2022 IRS A, 2022 IRS B, 2023 IRS A and 2023 IRS B (collectively the “Designated IRSs”) are being accounted for as cash flow hedges and are measured at fair value on the consolidated balance sheets. Gains or losses on the Designated IRSs, which are determined to be effective as hedges, are reported in accumulated other comprehensive income (“AOCI”). As at September 30, 2024, unrealized losses of \$2,375 (December 31, 2023 - \$2,805 gains) on the Designated IRSs were included in AOCI.

Contingent acquisition consideration

The inputs to the measurement of the fair value of contingent consideration related to acquisitions are Level 3 inputs. The fair value measurements were made using a discounted cash flow model; significant model inputs were expected future operating cash flows (determined with reference to each specific acquired business) and discount rates (which range from 3.5% to 10.3%, with a weighted average of 7.2%). The wide range of discount rates is attributable to the level of risk related to economic growth factors combined with the length of the contingent payment periods; and the dispersion was driven by unique characteristics of the businesses acquired and the respective terms for these contingent payments. A 2% increase in the weighted average discount rate would reduce the fair value of contingent consideration by \$800. See note 4 for discussion on contingent acquisition consideration.

Changes in the fair value of the contingent consideration liability comprises the following:

	2024
Balance, January 1	\$ 44,712
Amounts recognized on acquisitions	4,753
Fair value adjustments (note 6)	(11,629)
Resolved and settled in cash	(111)
Other	197
Balance, September 30	\$ 37,922
Less: current portion	\$ 28,214
Non-current portion	\$ 9,708

The carrying amounts for cash, restricted cash, accounts receivable, accounts payable, advisor loans, other receivables and accrued liabilities approximate their estimated fair values due to the short-term nature of these instruments, unless otherwise indicated. The carrying value of the Company's Revolving Credit Facility and other short-term borrowings approximate their estimated fair value due to their short-term nature and variable interest rate terms.

The carrying amount and the estimated fair value of Senior Notes is presented in the table below. Interest rate yield curves, interest rate indices and market prices (Level 2 inputs within the fair value hierarchy) are used in determining the fair value of the Senior Notes.

	September 30, 2024		December 31, 2023	
	Carrying amount	Fair value	Carrying amount	Fair value
Senior Notes	\$ 521,951	\$ 472,035	\$ 518,982	\$ 458,377

17. Commitments and Contingencies

Claims and Litigation

In the normal course of operations, the Company is subject to routine claims and litigation incidental to its business. Litigation currently pending or threatened against the Company includes disputes with former employees and commercial liability claims related to services provided by the Company. The Company believes resolution of such proceedings, combined with amounts accrued, will not have a material impact on the Company's financial condition or the results of operations.

Contingencies associated with US government sponsored enterprises

Colliers Mortgage is a lender in the Fannie Mae DUS Program. Commitments for the origination and subsequent sale and delivery of loans to Fannie Mae represent those mortgage loan transactions where the borrower has locked an interest rate and scheduled closing and the Company has entered into a mandatory delivery commitment to sell the loan to Fannie Mae. As discussed in note 16, the Company accounts for these commitments as derivatives recorded at fair value.

Colliers Mortgage is obligated to share in losses, if any, related to mortgages originated under the DUS Program. These obligations expose the Company to credit risk on mortgage loans for which the Company is providing underwriting, servicing, or other services under the DUS Program. Net losses on defaulted loans are shared with Fannie Mae based upon established loss-sharing ratios, and typically, the Company is subject to sharing up to one-third of incurred losses on loans originated under the DUS Program. As of September 30, 2024, the Company has funded and sold loans subject to such loss sharing obligations with an aggregate unpaid principal balance of approximately \$5,453,000. As at September 30, 2024, the loss reserve was \$13,596 (December 31, 2023 - \$12,837) and was included within Other liabilities on the consolidated balance sheets.

Pursuant to its licenses with Fannie Mae, Ginnie Mae and the Department of Housing and Urban Development, Colliers Mortgage is required to maintain certain standards for capital adequacy which include minimum net worth and liquidity requirements. If it is determined at any time that Colliers Mortgage fails to maintain appropriate capital adequacy, the

licensor reserves the right to terminate the Company's servicing authority for all or some of the portfolio. As at September 30, 2024, Colliers Mortgage was in compliance with all such requirements.

18. Revenue

Disaggregated revenue

Colliers has disaggregated its revenue from contract with customers by type of service and reporting segment as presented in the following table. See Note 2 for additional information on a change in the Company's reporting segments.

	Real Estate Services	Engineering	Investment Management	Corporate	Consolidated
Three months ended September 30, 2024					
Leasing	\$ 266,282	\$ -	\$ -	\$ -	\$ 266,282
Capital Markets	188,196	-	-	-	188,196
Property management	132,452	-	-	-	132,452
Valuation and advisory	112,364	-	-	-	112,364
E&D and project management	-	316,624	-	-	316,624
IM - Advisory and other	-	-	119,622	-	119,622
IM - Incentive Fees	-	-	7,783	-	7,783
Other	35,638	-	-	98	35,736
Total Revenue	\$ 734,932	\$ 316,624	\$ 127,405	\$ 98	\$ 1,179,059
2023					
Leasing	\$ 249,647	\$ -	\$ -	\$ -	\$ 249,647
Capital Markets	160,293	-	-	-	160,293
Property management	131,731	-	-	-	131,731
Valuation and advisory	99,268	-	-	-	99,268
E&D and project management	-	259,925	-	-	259,925
IM - Advisory and other	-	-	118,117	-	118,117
IM - Incentive Fees	-	-	600	-	600
Other	36,339	-	-	112	36,451
Total Revenue	\$ 677,278	\$ 259,925	\$ 118,717	\$ 112	\$ 1,056,032

	Real Estate Services	Engineering	Investment Management	Corporate	Consolidated
Nine months ended September 30, 2024					
Leasing	\$ 798,119	\$ -	\$ -	\$ -	\$ 798,119
Capital Markets	509,594	-	-	-	509,594
Property management	399,409	-	-	-	399,409
Valuation and advisory	317,751	-	-	-	317,751
E&D and project management	-	816,023	-	-	816,023
IM - Advisory and other	-	-	365,194	-	365,194
IM - Incentive Fees	-	-	10,783	-	10,783
Other	103,209	-	-	325	103,534
Total Revenue	\$ 2,128,082	\$ 816,023	\$ 375,977	\$ 325	\$ 3,320,407
2023					
Leasing	\$ 744,649	\$ -	\$ -	\$ -	\$ 744,649
Capital Markets	495,049	-	-	-	495,049
Property management	385,980	-	-	-	385,980
Valuation and advisory	290,492	-	-	-	290,492
E&D and project management	-	727,995	-	-	727,995
IM - Advisory and other	-	-	357,723	-	357,723
IM - Incentive Fees	-	-	600	-	600
Other	97,118	-	-	367	97,485
Total Revenue	\$ 2,013,288	\$ 727,995	\$ 358,323	\$ 367	\$ 3,099,973

Revenue associated with the Company's debt finance and loan servicing operations are outside the scope of ASC 606, *Revenue from Contracts with Customers* ("ASC 606"). During the three and nine months ended September 30, 2024 - \$10,360 and \$23,457 of Capital Markets revenue (2023 - \$7,909 and \$29,398) and \$12,237 and \$36,051 of Other Revenue (2023 - \$11,784 and \$33,513) respectively, was excluded from the scope of ASC 606. Substantially all of these revenues were included within the Real Estate Services segment.

Contract balances

As at September 30, 2024, the Company had contract assets totaling \$215,161 of which \$190,457 was current (\$103,080 as at December 31, 2023 - of which \$83,389 was current). During the nine months ended September 30, 2024, approximately 75% of the current contract assets were moved to accounts receivable or sold under the AR Facility (see Note 10).

As at September 30, 2024, the Company had contract liabilities (all current) totaling \$65,998 (\$45,293 as at December 31, 2023). \$1,483 and \$43,193 of the contract liability balance at the beginning of the year was recognized to revenue in the three and nine months ended September 30, 2024, respectively (2023 - \$1,119 and \$19,771)

Certain constrained revenues may arise from services that began in a prior reporting period. Consequently, a portion of the revenues the Company recognizes in the current period may be partially related to the services performed in prior periods. Typically, less than 5% of Leasing and Capital Markets revenue recognized in a period had previously been constrained and substantially all investment management incentive fees recognized in the period were previously constrained.

19. Segmented information

REPORTING SEGMENTS

Colliers has identified three reportable operating segments comprising of Real Estate Services, Engineering and Investment Management. Corporate represents unallocated costs of global administrative functions and the corporate head office. The groupings are based on the manner in which the segments are managed. Management assesses each segment's performance based on operating earnings or operating earnings before depreciation and amortization. See Note 2 for additional information on a change in the Company's reporting segments.

	Real Estate Services	Engineering	Investment Management	Corporate	Consolidated
Three months ended September 30					
2024					
Revenues	\$ 734,932	\$ 316,624	\$ 127,405	\$ 98	\$ 1,179,059
Depreciation and amortization	22,296	17,519	15,499	759	56,073
Operating earnings (loss)	42,399	19,700	67,217	(19,579)	109,737
2023					
Revenues	\$ 677,278	\$ 259,925	\$ 118,717	\$ 112	\$ 1,056,032
Depreciation and amortization	24,147	8,605	17,823	588	51,163
Operating earnings (loss)	40,814	20,017	20,388	(10,320)	70,899
	Real Estate Services	Engineering	Investment Management	Corporate	Consolidated
Nine months ended September 30					
2024					
Revenues	\$ 2,128,082	\$ 816,023	\$ 375,977	\$ 325	\$ 3,320,407
Depreciation and amortization	70,779	32,012	51,560	2,075	156,426
Operating earnings (loss)	123,508	32,614	161,129	(49,439)	267,812
2023					
Revenues	\$ 2,013,288	\$ 727,995	\$ 358,323	\$ 367	\$ 3,099,973
Depreciation and amortization	74,590	21,482	53,512	1,865	151,449
Operating earnings (loss)	91,991	42,667	61,599	(27,952)	168,305

GEOGRAPHIC INFORMATION

Revenues in each geographic region are reported by customer locations except for IM where revenues are reported by the location of the fund management.

	Three months ended		Nine months ended	
	September 30		September 30	
	2024	2023	2024	2023
United States				
Revenues	\$ 644,446	\$ 571,354	\$ 1,858,496	\$ 1,728,995
Total long-lived assets			2,237,180	2,308,705
Canada				
Revenues	\$ 159,053	\$ 110,211	\$ 385,331	\$ 317,753
Total long-lived assets			646,088	80,238
Euro currency countries				
Revenues	\$ 92,273	\$ 89,509	\$ 272,220	\$ 273,937
Total long-lived assets			369,445	355,774
Australia				
Revenues	\$ 71,340	\$ 67,443	\$ 194,102	\$ 195,105
Total long-lived assets			111,578	111,720
United Kingdom				
Revenues	\$ 76,067	\$ 68,024	\$ 209,456	\$ 184,356
Total long-lived assets			512,366	520,920
China				
Revenues	\$ 19,900	\$ 18,847	\$ 59,162	\$ 57,954
Total long-lived assets			6,373	8,552
Other				
Revenues	\$ 115,980	\$ 130,644	\$ 341,640	\$ 341,873
Total long-lived assets			283,497	275,965
Consolidated				
Revenues	\$ 1,179,059	\$ 1,056,032	\$ 3,320,407	\$ 3,099,973
Total long-lived assets			4,166,527	3,661,874

20. Subsequent events*Acquisitions*

In October 2024, the Company completed acquisitions of controlling interests in three engineering businesses: Pritchard Francis Consulting Pty Limited, an Australian multi-discipline engineering services firm, TTM Group Pty Limited, an Australian transportation engineering services firm, and Goodkey, Weedmark & Associates Limited, a Canadian mechanical and electrical engineering services firm for a combined initial purchase consideration of \$31,249. The acquisitions are accounted for using the acquisition method for business combinations.

Management services agreement extension

On October 1, 2024, Colliers extended the existing management services agreement with its Chairman and Chief Executive Officer, Jay S. Hennick, to January 1, 2029. In connection with this extension, Colliers has created a new performance-based long term incentive plan. Under this arrangement, Mr. Hennick has been granted a total of 428,174 performance units that are subject to the satisfaction of certain performance-based vesting conditions during the period ending January 1, 2029. To the extent incentives are earned, Colliers will be obligated to make a one-time cash payment equal to the number of vested units multiplied by the twenty-day volume-weighted average trading price of the Subordinate Voting Shares at such time. The performance units cannot be share settled and do not give Mr. Hennick any rights as a shareholder.