



COLLIERS INTERNATIONAL GROUP INC.

# Interim Consolidated Financial Statements (unaudited)

Second Quarter | June 30, 2024

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

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

|  | Three months<br>ended June 30 |              | Six months<br>ended June 30 |              |
|--|-------------------------------|--------------|-----------------------------|--------------|
|  | 2024                          | 2023         | 2024                        | 2023         |
| Revenues (note 18)   | \$ 1,139,368                  | \$ 1,078,038 | \$ 2,141,348                | \$ 2,043,941 |
| Cost of revenues (exclusive of depreciation and<br>amortization shown below) | 687,062                       | 640,650      | 1,293,307                   | 1,226,910    |
| Selling, general and administrative expenses                                 | 302,934                       | 297,382      | 602,894                     | 578,921      |
| Depreciation   | 15,460                        | 13,464       | 30,882                      | 26,113       |
| Amortization of intangible assets  | 34,385                        | 37,330       | 69,471                      | 74,173       |
| Acquisition-related items (note 6)   | (15,221)                      | 11,668       | (13,281)                    | 38,136       |
| Loss on disposal of operations   | -                             | 2,282        | -                           | 2,282        |
| Operating earnings   | 114,748                       | 75,262       | 158,075                     | 97,406       |
| Interest expense, net  | 19,376                        | 24,670       | 39,248                      | 47,502       |
| Equity earnings from non-consolidated investments                            | (796)                         | (532)        | (1,232)                     | (3,686)      |
| Other income   | (136)                         | (354)        | (351)                       | (520)        |
| Earnings before income tax   | 96,304                        | 51,478       | 120,410                     | 54,110       |
| Income tax expense (note 15)   | 24,377                        | 16,477       | 34,347                      | 20,016       |
| Net earnings   | 71,927                        | 35,001       | 86,063                      | 34,094       |
| Non-controlling interest share of earnings                                   | 11,224                        | 13,816       | 20,145                      | 24,757       |
| Non-controlling interest redemption increment (note 12)                      | 23,979                        | 28,036       | 16,537                      | 36,340       |
| Net earnings (loss) attributable to Company                                  | \$ 36,724                     | \$ (6,851)   | \$ 49,381                   | \$ (27,003)  |
| <b>Net earnings (loss) per common share (note 13)</b>                        |                               |              |                             |              |
| Basic  | \$ 0.73                       | \$ (0.15)    | \$ 1.00                     | \$ (0.61)    |
| Diluted  | \$ 0.73                       | \$ (0.16)    | \$ 0.99                     | \$ (0.61)    |

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<br>ended June 30 |            | Six months<br>ended June 30 |             |
|---|-------------------------------|------------|-----------------------------|-------------|
|   | 2024                          | 2023       | 2024                        | 2023        |
| Net earnings  | \$ 71,927                     | \$ 35,001  | \$ 86,063                   | \$ 34,094   |
| Other comprehensive earnings (loss), net of tax:  |                               |            |                             |             |
| Change in foreign currency translation  | (294)                         | (2,831)    | (7,723)                     | (2,834)     |
| Reclassification of accumulated foreign currency translation<br>on disposal of operations | -                             | 541        | -                           | 541         |
| Unrealized gain on interest rate swaps  | 449                           | 8,419      | 7,519                       | 4,535       |
| Unrealized gain on available for sale securities  | 14                            | -          | 14                          | -           |
| Pension liability adjustments   | -                             | -          | -                           | (257)       |
| Total other comprehensive gain (loss), net of tax   | 169                           | 6,129      | (190)                       | 1,985       |
| Comprehensive earnings  | 72,096                        | 41,130     | 85,873                      | 36,079      |
| Less: Comprehensive earnings attributable to non-controlling interests                    | 35,035                        | 42,970     | 43,299                      | 60,514      |
| Comprehensive earnings (loss) attributable to Company                                     | \$ 37,061                     | \$ (1,840) | \$ 42,574                   | \$ (24,435) |

**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)*

|  | June 30, 2024       | December 31, 2023   |
|--|---------------------|---------------------|
| <b>Assets</b>  |                     |                     |
| <b>Current assets</b>  |                     |                     |
| Cash and cash equivalents  | \$ 162,625          | \$ 181,134          |
| Restricted cash  | 78,060              | 37,941              |
| Accounts receivable, net of allowance of \$28,919 (December 31, 2023 - \$36,382) | 585,671             | 643,375             |
| Contract assets (note 18)  | 137,860             | 83,389              |
| Mortgage warehouse receivables (note 16)   | 140,974             | 177,104             |
| Income tax recoverable   | 26,939              | 48,104              |
| Prepaid expenses and other current assets (note 16)                              | 302,777             | 258,725             |
| Warehouse fund assets (note 5)   | 49,285              | 44,492              |
|  | <b>1,484,191</b>    | <b>1,474,264</b>    |
| Other receivables  | 11,719              | 11,857              |
| Contract assets (note 18)  | 20,306              | 19,691              |
| Other assets   | 180,276             | 157,197             |
| Warehouse fund assets (note 5)   | 286,171             | 47,536              |
| Fixed assets   | 201,315             | 202,837             |
| Operating lease right-of-use assets  | 380,699             | 390,565             |
| Deferred tax assets, net   | 58,902              | 59,468              |
| Intangible assets (note 7)   | 1,019,955           | 1,080,471           |
| Goodwill   | 2,028,232           | 2,038,240           |
|  | <b>4,187,575</b>    | <b>4,007,862</b>    |
|  | <b>\$ 5,671,766</b> | <b>\$ 5,482,126</b> |
| <b>Liabilities and shareholders' equity</b>                                      |                     |                     |
| <b>Current liabilities</b>   |                     |                     |
| Accounts payable and accrued expenses  | \$ 486,538          | \$ 535,769          |
| Accrued compensation   | 480,440             | 569,166             |
| Income tax payable   | 13,514              | 16,527              |
| Contract liabilities (note 18)   | 51,332              | 45,293              |
| Long-term debt - current (note 8)  | 9,618               | 1,796               |
| Contingent acquisition consideration - current (note 16)                         | 33,016              | 13,944              |
| Mortgage warehouse credit facilities (note 9)                                    | 132,869             | 168,780             |
| Operating lease liabilities  | 87,350              | 89,938              |
| Liabilities related to warehouse fund assets (note 5)                            | 146,636             | -                   |
|  | <b>1,441,313</b>    | <b>1,441,213</b>    |
| Long-term debt (note 8)  | 1,354,241           | 1,500,843           |
| Contingent acquisition consideration (note 16)                                   | 9,616               | 30,768              |
| Operating lease liabilities  | 371,618             | 375,454             |
| Other liabilities  | 114,075             | 120,565             |
| Deferred tax liabilities, net  | 37,635              | 43,191              |
| Liabilities related to warehouse fund assets (note 5)                            | 43,000              | 47,536              |
|  | <b>1,930,185</b>    | <b>2,118,357</b>    |
| Redeemable non-controlling interests (note 12)                                   | 1,105,008           | 1,072,066           |
| <b>Shareholders' equity</b>  |                     |                     |
| Common shares  | 1,436,285           | 1,127,034           |
| Contributed surplus  | 125,442             | 123,394             |
| Deficit  | (291,027)           | (332,866)           |
| Accumulated other comprehensive loss   | (76,378)            | (69,571)            |
| Total Company shareholders' equity   | 1,194,322           | 847,991             |
| Non-controlling interests  | 938                 | 2,499               |
| Total shareholders' equity   | 1,195,260           | 850,490             |
|  | <b>\$ 5,671,766</b> | <b>\$ 5,482,126</b> |

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)*

**Six months ended June 30, 2024**

|  | Common shares                 |                     | Contributed surplus | Deficit             | Accumulated other comprehensive loss | Non-controlling interests | Total shareholders' equity |
|--|-------------------------------|---------------------|---------------------|---------------------|--------------------------------------|---------------------------|----------------------------|
|  | Issued and outstanding shares | Amount              |                     |                     |                                      |                           |                            |
| <b>Balance, December 31, 2023</b>                  | <b>47,549,376</b>             | <b>\$ 1,127,034</b> | <b>\$ 123,394</b>   | <b>\$ (332,866)</b> | <b>\$ (69,571)</b>                   | <b>\$ 2,499</b>           | <b>\$ 850,490</b>          |
| Net earnings                                       | -                             | -                   | -                   | 86,063              | -                                    | -                         | 86,063                     |
| Unrealized gain on investments                     | -                             | -                   | -                   | -                   | 14                                   | -                         | 14                         |
| Foreign currency translation loss                  | -                             | -                   | -                   | -                   | (7,723)                              | -                         | (7,723)                    |
| Unrealized gain on interest rate swaps, net of tax | -                             | -                   | -                   | -                   | 7,519                                | -                         | 7,519                      |
| Other comprehensive earnings attributable to NCI   | -                             | -                   | -                   | -                   | (6,617)                              | 51                        | (6,566)                    |
| NCI share of earnings                              | -                             | -                   | -                   | (20,145)            | -                                    | 125                       | (20,020)                   |
| NCI redemption increment                           | -                             | -                   | -                   | (16,537)            | -                                    | -                         | (16,537)                   |
| Distributions to NCI                               | -                             | -                   | -                   | -                   | -                                    | (14)                      | (14)                       |
| Subsidiaries' equity transactions                  | -                             | -                   | (7,154)             | -                   | -                                    | (1,723)                   | (8,877)                    |
| Subordinate Voting Shares:                         |                               |                     |                     |                     |                                      |                           |                            |
| Stock option expense                               | -                             | -                   | 14,134              | -                   | -                                    | -                         | 14,134                     |
| Stock options exercised                            | 248,000                       | 22,327              | (4,932)             | -                   | -                                    | -                         | 17,395                     |
| Dividends  | -                             | -                   | -                   | (7,542)             | -                                    | -                         | (7,542)                    |
| Issuance of Subordinate Voting Shares (note 13)    | 2,479,500                     | 286,924             | -                   | -                   | -                                    | -                         | 286,924                    |
| <b>Balance, June 30, 2024</b>                      | <b>50,276,876</b>             | <b>\$ 1,436,285</b> | <b>\$ 125,442</b>   | <b>\$ (291,027)</b> | <b>\$ (76,378)</b>                   | <b>\$ 938</b>             | <b>\$ 1,195,260</b>        |

**Three months ended June 30, 2024**

|  | Common shares                 |                     | Contributed surplus | Deficit             | Accumulated other comprehensive loss | Non-controlling interest | Total shareholders' equity |
|--|-------------------------------|---------------------|---------------------|---------------------|--------------------------------------|--------------------------|----------------------------|
|  | Issued and outstanding shares | Amount              |                     |                     |                                      |                          |                            |
| <b>Balance, March 31, 2024</b>                     | <b>50,231,376</b>             | <b>\$ 1,432,085</b> | <b>\$ 126,084</b>   | <b>\$ (320,209)</b> | <b>\$ (76,715)</b>                   | <b>\$ 2,857</b>          | <b>\$ 1,164,102</b>        |
| Net earnings                                       | -                             | -                   | -                   | 71,927              | -                                    | -                        | 71,927                     |
| Unrealized gain on investments                     | -                             | -                   | -                   | -                   | 14                                   | -                        | 14                         |
| Foreign currency translation loss                  | -                             | -                   | -                   | -                   | (294)                                | -                        | (294)                      |
| Unrealized gain on interest rate swaps, net of tax | -                             | -                   | -                   | -                   | 449                                  | -                        | 449                        |
| Other comprehensive earnings attributable to NCI   | -                             | -                   | -                   | -                   | 168                                  | 1                        | 169                        |
| NCI share of earnings                              | -                             | -                   | -                   | (11,224)            | -                                    | (183)                    | (11,407)                   |
| NCI redemption increment                           | -                             | -                   | -                   | (23,979)            | -                                    | -                        | (23,979)                   |
| Distributions to NCI                               | -                             | -                   | -                   | -                   | -                                    | (14)                     | (14)                       |
| Subsidiaries' equity transactions                  | -                             | -                   | (7,154)             | -                   | -                                    | (1,723)                  | (8,877)                    |
| Subordinate Voting Shares:                         |                               |                     |                     |                     |                                      |                          |                            |
| Stock option expense                               | -                             | -                   | 7,446               | -                   | -                                    | -                        | 7,446                      |
| Stock options exercised                            | 45,500                        | 4,200               | (934)               | -                   | -                                    | -                        | 3,266                      |
| Dividends  | -                             | -                   | -                   | (7,542)             | -                                    | -                        | (7,542)                    |
| <b>Balance, June 30, 2024</b>                      | <b>50,276,876</b>             | <b>\$ 1,436,285</b> | <b>\$ 125,442</b>   | <b>\$ (291,027)</b> | <b>\$ (76,378)</b>                   | <b>\$ 938</b>            | <b>\$ 1,195,260</b>        |

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

**Six months ended June 30, 2023**

|  | Common shares                 |                     | Contributed surplus | Deficit             | Accumulated other comprehensive loss | Non-controlling interests | Total shareholders' equity |
|--|-------------------------------|---------------------|---------------------|---------------------|--------------------------------------|---------------------------|----------------------------|
|  | Issued and outstanding shares | Amount              |                     |                     |                                      |                           |                            |
| <b>Balance, December 31, 2022</b>                  | <b>42,933,156</b>             | <b>\$ 845,680</b>   | <b>\$ 104,504</b>   | <b>\$ (384,199)</b> | <b>\$ (76,288)</b>                   | <b>\$ 3,677</b>           | <b>\$ 493,374</b>          |
| Net earnings                                       | -                             | -                   | -                   | 34,094              | -                                    | -                         | 34,094                     |
| Pension liability adjustment, net of tax           | -                             | -                   | -                   | -                   | (257)                                | -                         | (257)                      |
| Foreign currency translation loss                  | -                             | -                   | -                   | -                   | (2,834)                              | -                         | (2,834)                    |
| Unrealized gain on interest rate swaps, net of tax | -                             | -                   | -                   | -                   | 4,535                                | -                         | 4,535                      |
| Other comprehensive earnings attributable to NCI   | -                             | -                   | -                   | -                   | 583                                  | 277                       | 860                        |
| NCI share of earnings                              | -                             | -                   | -                   | (24,757)            | -                                    | 1,666                     | (23,091)                   |
| NCI redemption increment                           | -                             | -                   | -                   | (36,340)            | -                                    | -                         | (36,340)                   |
| Distributions to NCI                               | -                             | -                   | -                   | -                   | -                                    | (993)                     | (993)                      |
| Disposal of businesses, net                        | -                             | -                   | -                   | -                   | -                                    | (32)                      | (32)                       |
| Reclass to net earnings on disposal of operations  | -                             | -                   | -                   | -                   | 541                                  | (1,210)                   | (669)                      |
| Subsidiaries' equity transactions                  | -                             | -                   | 1,481               | -                   | -                                    | -                         | 1,481                      |
| Subordinate Voting Shares:                         |                               |                     |                     |                     |                                      |                           |                            |
| Convertible Notes redemption                       | 4,015,720                     | 227,101             | -                   | -                   | -                                    | -                         | 227,101                    |
| Stock option expense                               | -                             | -                   | 11,213              | -                   | -                                    | -                         | 11,213                     |
| Stock options exercised                            | 230,500                       | 20,062              | (4,491)             | -                   | -                                    | -                         | 15,571                     |
| Dividends  | -                             | -                   | -                   | (7,077)             | -                                    | -                         | (7,077)                    |
| <b>Balance, June 30, 2023</b>                      | <b>47,179,376</b>             | <b>\$ 1,092,843</b> | <b>\$ 112,707</b>   | <b>\$ (418,279)</b> | <b>\$ (73,720)</b>                   | <b>\$ 3,385</b>           | <b>\$ 716,936</b>          |

**Three months ended June 30, 2023**

|  | Common shares                 |                     | Contributed surplus | Deficit             | Accumulated other comprehensive loss | Non-controlling interest | Total shareholders' equity |
|--|-------------------------------|---------------------|---------------------|---------------------|--------------------------------------|--------------------------|----------------------------|
|  | Issued and outstanding shares | Amount              |                     |                     |                                      |                          |                            |
| <b>Balance, March 31, 2023</b>                     | <b>43,163,656</b>             | <b>\$ 865,742</b>   | <b>\$ 106,008</b>   | <b>\$ (404,351)</b> | <b>\$ (78,731)</b>                   | <b>\$ 4,603</b>          | <b>\$ 493,271</b>          |
| Net earnings                                       | -                             | -                   | -                   | 35,001              | -                                    | -                        | 35,001                     |
| Foreign currency translation loss                  | -                             | -                   | -                   | -                   | (2,831)                              | -                        | (2,831)                    |
| Unrealized gain on interest rate swaps, net of tax | -                             | -                   | -                   | -                   | 8,419                                | -                        | 8,419                      |
| Other comprehensive earnings attributable to NCI   | -                             | -                   | -                   | -                   | (1,118)                              | 100                      | (1,018)                    |
| NCI share of earnings                              | -                             | -                   | -                   | (13,816)            | -                                    | 739                      | (13,077)                   |
| NCI redemption increment                           | -                             | -                   | -                   | (28,036)            | -                                    | -                        | (28,036)                   |
| Distributions to NCI                               | -                             | -                   | -                   | -                   | -                                    | (847)                    | (847)                      |
| Reclass to net earnings on disposal of operations  | -                             | -                   | -                   | -                   | 541                                  | (1,210)                  | (669)                      |
| Subsidiaries' equity transactions                  | -                             | -                   | 1,143               | -                   | -                                    | -                        | 1,143                      |
| Subordinate Voting Shares:                         |                               |                     |                     |                     |                                      |                          |                            |
| Convertible Notes redemption                       | 4,015,720                     | 227,101             | -                   | -                   | -                                    | -                        | 227,101                    |
| Stock option expense                               | -                             | -                   | 5,556               | -                   | -                                    | -                        | 5,556                      |
| Dividends  | -                             | -                   | -                   | (7,077)             | -                                    | -                        | (7,077)                    |
| <b>Balance, June 30, 2023</b>                      | <b>47,179,376</b>             | <b>\$ 1,092,843</b> | <b>\$ 112,707</b>   | <b>\$ (418,279)</b> | <b>\$ (73,720)</b>                   | <b>\$ 3,385</b>          | <b>\$ 716,936</b>          |

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

|  | Three months ended June 30 |            | Six months ended June 30 |            |
|--|----------------------------|------------|--------------------------|------------|
|  | 2024                       | 2023       | 2024                     | 2023       |
| <b>Cash provided by (used in)</b>  |                            |            |                          |            |
| <b>Operating activities</b>  |                            |            |                          |            |
| Net earnings   | \$ 71,927                  | \$ 35,001  | \$ 86,063                | \$ 34,094  |
| Items not affecting cash:  |                            |            |                          |            |
| Depreciation and amortization  | 49,845                     | 50,794     | 100,353                  | 100,286    |
| Loss on disposal of operations   | -                          | 2,282      | -                        | 2,282      |
| Gains attributable to mortgage servicing rights                                | (3,712)                    | (6,052)    | (5,027)                  | (9,087)    |
| Gains attributable to the fair value of mortgage premiums and origination fees | (3,424)                    | (4,009)    | (5,623)                  | (8,026)    |
| Deferred tax   | (3,406)                    | (10,915)   | (7,395)                  | (21,904)   |
| Equity earnings from non-consolidated investments                              | (796)                      | (532)      | (1,232)                  | (3,686)    |
| Stock option expense (note 14)   | 7,446                      | 5,556      | 14,134                   | 11,213     |
| Amortization of advisor loans  | 9,196                      | 8,274      | 20,094                   | 15,884     |
| Contingent consideration (note 6)  | (21,257)                   | 8,037      | (24,925)                 | 32,249     |
| Other  | 7,097                      | 9,877      | 7,077                    | 10,861     |
| Increase in accounts receivable, prepaid expenses and other assets             | (98,930)                   | (26,970)   | (94,289)                 | (56,725)   |
| Increase (decrease) in accounts payable, accrued expenses and other            | 43,740                     | (2,654)    | (2,902)                  | 457        |
| Increase (decrease) in accrued compensation                                    | 59,914                     | 26,678     | (87,018)                 | (153,630)  |
| Contingent acquisition consideration paid                                      | (300)                      | (2,719)    | (3,038)                  | (2,991)    |
| Proceeds received on sale of mortgage loans                                    | 161,159                    | 504,824    | 460,560                  | 604,072    |
| Principal funded on originated mortgage loans                                  | (268,931)                  | (456,216)  | (417,457)                | (640,724)  |
| Increase (decrease) in mortgage warehouse credit facilities                    | 111,466                    | (42,323)   | (35,911)                 | 45,722     |
| Sales to AR Facility, net (note 10)  | 20,155                     | 40         | 110                      | 6,058      |
| Net cash provided by (used in) operating activities                            | 141,189                    | 98,973     | 3,574                    | (33,595)   |
| <b>Investing activities</b>  |                            |            |                          |            |
| Acquisitions of businesses, net of cash acquired (note 4)                      | (17,772)                   | (59,698)   | (17,772)                 | (59,698)   |
| Purchases of fixed assets  | (12,480)                   | (22,179)   | (29,353)                 | (41,062)   |
| Advisor loans issued   | (23,507)                   | (14,787)   | (39,895)                 | (35,558)   |
| Purchases of warehouse fund assets   | (220,917)                  | (2,580)    | (257,343)                | (40,576)   |
| Proceeds from disposal of warehouse fund assets                                | 71,494                     | -          | 76,438                   | 44,000     |
| Collections of AR facility deferred purchase price (note 10)                   | 34,930                     | 28,539     | 68,848                   | 59,311     |
| Other investing activities   | 789                        | 6,311      | (18,238)                 | 6,015      |
| Net cash used in investing activities  | (167,463)                  | (64,394)   | (217,315)                | (67,568)   |
| <b>Financing activities</b>  |                            |            |                          |            |
| Increase in long-term debt   | 314,021                    | 222,698    | 640,696                  | 579,782    |
| Repayment of long-term debt  | (207,493)                  | (175,450)  | (639,220)                | (360,114)  |
| Issuance of subordinate voting shares (note 13)                                | -                          | -          | 286,924                  | -          |
| Purchases of non-controlling interests' subsidiary shares, net                 | (7,083)                    | (3,789)    | (9,737)                  | (16,333)   |
| Contingent acquisition consideration paid                                      | -                          | (547)      | -                        | (1,082)    |
| Proceeds received on exercise of stock options                                 | 3,267                      | -          | 17,396                   | 15,571     |
| Dividends paid to common shareholders  | -                          | -          | (7,132)                  | (6,440)    |
| Distributions paid to non-controlling interests                                | (38,521)                   | (40,059)   | (48,827)                 | (51,120)   |
| Other financing activities   | (303)                      | (803)      | (303)                    | (852)      |
| Net cash provided by financing activities                                      | 63,888                     | 2,050      | 239,797                  | 159,412    |
| Effect of exchange rate changes on cash, cash equivalents and restricted       | (2,386)                    | (1,704)    | (4,446)                  | 287        |
| Net change in cash, cash equivalents and restricted cash                       | 35,228                     | 34,925     | 21,610                   | 58,536     |
| Cash, cash equivalents and restricted cash, beginning of period                | 205,457                    | 222,653    | 219,075                  | 199,042    |
| Cash, cash equivalents and restricted cash, end of period                      | \$ 240,685                 | \$ 257,578 | \$ 240,685               | \$ 257,578 |

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 (68 countries including affiliates and franchisees). Colliers’ primary service lines are Outsourcing & Advisory, Investment Management (“IM”), Leasing and Capital Markets. Operationally, Colliers is organized into four distinct segments: Americas; Europe, Middle East and Africa (“EMEA”); Asia and Australasia (“Asia Pacific”) and Investment Management.

**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. 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 June 30, 2024 and the results of operations and its cash flows for the three and six months ended June 30, 2024 and 2023. All such adjustments are of a normal recurring nature. The results of operations for the six-month period ended June 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 six months ended June 30, 2024, the Company acquired a controlling interest in one business in the Americas, Lanard & Axilbund, LLC (“Philadelphia”), a commercial real estate services firm in the United States.

As of June 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 allocation for the acquired business is preliminary and subject to change within the respective measurement period which will not extend beyond one year from the acquisition date. The acquisition date fair value of consideration transferred and the preliminary purchase price allocation are summarized as follows:

|   |    |        |
|---|----|--------|
| Current assets, excluding cash                          | \$ | 11,118 |
| Non-current assets                                      |    | 4,446  |
| Current liabilities                                     |    | 5,717  |
| Long-term liabilities                                   |    | 584    |
|   | \$ | 9,263  |
| Cash consideration, net of cash acquired of \$1,397     | \$ | 17,772 |
| Acquisition date fair value of contingent consideration |    | 4,753  |
| Total purchase consideration                            | \$ | 22,525 |
| Acquired intangible assets (note 7)                     |    |        |
| Finite life   | \$ | 6,631  |
| Goodwill  | \$ | 6,631  |

During the six months ended June 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 six months ended June 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 six months ended June 30, 2024, goodwill in the amount of \$6,631 is deductible for income tax purposes (December 31, 2023 - \$22,168).

#### *2023 acquisitions*

During the six months ended June 30, 2023, the Company acquired controlling interests in three businesses operating in the Americas and Asia Pacific. The acquisition date fair value of consideration transferred consisted of \$59,698 in cash (net of cash acquired of \$7,274).

*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 June 30, 2024, was \$42,632 (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 June 30, 2024, was \$68,561 (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 \$332,122 to a maximum of \$411,392. These contingencies will expire during the period extending to March 2029.

**5. Warehouse fund assets**

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

As is customary for closed-end funds, the Company typically holds an equity interest of between 1% and 2% in these funds. There was no significant impact on net earnings related to warehouse fund assets in the three and six months ended June 30, 2024, or 2023.

The following table summarizes the warehouse fund assets:

|  | June 30,<br>2024  | December 31,<br>2023 |
|--|-------------------|----------------------|
| <b>Warehouse fund assets</b>                               |                   |                      |
| Warehouse fund assets                                      | \$ 49,285         | \$ 44,492            |
| Warehouse fund assets - non-current                        | \$ 286,171        | \$ 47,536            |
| <u>Total warehouse fund assets</u>                         | <u>\$ 335,456</u> | <u>\$ 92,028</u>     |
| <b>Liabilities related to warehouse fund assets</b>        |                   |                      |
| Liabilities related to warehouse fund assets               | \$ 146,636        | \$ -                 |
| Liabilities related to warehouse fund assets - non-current | \$ 43,000         | \$ 47,536            |
| <u>Total liabilities related to warehouse fund assets</u>  | <u>\$ 189,636</u> | <u>\$ 47,536</u>     |
| <b>Net warehouse fund assets</b>                           | <b>\$ 145,820</b> | <b>\$ 44,492</b>     |

**6. Acquisition-related items**

|   | Three months ended<br>June 30 |                  | Six months ended<br>June 30 |                  |
|---|-------------------------------|------------------|-----------------------------|------------------|
|   | 2024                          | 2023             | 2024                        | 2023             |
| Transaction costs   | \$ 6,037                      | \$ 3,631         | \$ 11,645                   | \$ 5,887         |
| Contingent consideration fair value adjustments (note 16) | (2,810)                       | 473              | (6,063)                     | 2,684            |
| Contingent consideration compensation expense (note 4)    | (18,448)                      | 7,564            | (18,863)                    | 29,565           |
|   | <u>\$ (15,221)</u>            | <u>\$ 11,668</u> | <u>\$ (13,281)</u>          | <u>\$ 38,136</u> |

## 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:

| <b>June 30, 2024</b>               | <b>Gross<br/>carrying<br/>amount</b> | <b>Accumulated<br/>amortization</b> | <b>Net</b>   |
|------------------------------------|--------------------------------------|-------------------------------------|--------------|
| Indefinite life intangible assets: |                                      |                                     |              |
| Licenses                           | \$ 29,200                            | \$ -                                | \$ 29,200    |
| Trademarks and trade names         | 23,282                               | -                                   | 23,282       |
|                                    | \$ 52,482                            | \$ -                                | \$ 52,482    |
| Finite life intangible assets:     |                                      |                                     |              |
| Customer lists and relationships   | \$ 706,459                           | \$ 244,700                          | \$ 461,759   |
| Investment management contracts    | 589,975                              | 208,608                             | 381,367      |
| Mortgage servicing rights ("MSRs") | 196,448                              | 92,882                              | 103,566      |
| Trademarks and trade names         | 27,519                               | 9,116                               | 18,403       |
| Management contracts and other     | 12,282                               | 9,904                               | 2,378        |
|                                    | \$ 1,532,683                         | \$ 565,210                          | \$ 967,473   |
|                                    | \$ 1,585,165                         | \$ 565,210                          | \$ 1,019,955 |

| <b>December 31, 2023</b>           | <b>Gross<br/>carrying<br/>amount</b> | <b>Accumulated<br/>amortization</b> | <b>Net</b>   |
|------------------------------------|--------------------------------------|-------------------------------------|--------------|
| 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 six-month period ended June 30, 2024, or 2023.

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

|                                       | <b>2024</b> |
|---------------------------------------|-------------|
| Balance, January 1                    | \$ 104,431  |
| Additions, following the sale of loan | 7,958       |
| Amortization                          | (7,652)     |
| Prepayments and write-offs            | (1,171)     |
| Balance, June 30                      | \$ 103,566  |

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

| <b>For the year ended December 31,</b> | <b>MSRs</b> |         | <b>Other Intangibles</b> |         | <b>Total</b> |
|--|-------------|---------|--------------------------|---------|--------------|
| 2024 (remaining six months)            | \$          | 6,596   | \$                       | 53,235  | \$ 59,831    |
| 2025                                   |             | 11,936  |                          | 103,773 | 115,709      |
| 2026                                   |             | 11,256  |                          | 101,937 | 113,193      |
| 2027                                   |             | 10,475  |                          | 93,835  | 104,310      |
| 2028                                   |             | 9,742   |                          | 87,898  | 97,640       |
| Thereafter                             |             | 53,561  |                          | 423,229 | 476,790      |
|  | \$          | 103,566 | \$                       | 863,907 | \$ 967,473   |

## 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 June 30, 2024, the weighted average interest rate on borrowings under the Revolving Credit Facility was 6.9% (2023 - 6.5%). The Revolving Credit Facility had \$891,175 of available undrawn credit as at June 30, 2024 (\$759,358 as at December 31, 2023). As at June 30, 2024, letters of credit in the amount of \$17,504 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 \$507,450. A summary of the unsecured senior notes is provided in the table below:

|                                   | <b>Term</b> | <b>Maturity Date</b> | <b>Carrying Value</b> | <b>Interest Rate</b> |
|-----------------------------------|-------------|----------------------|-----------------------|----------------------|
| Senior Notes due 2028 - €210,000  | 10-year     | May 30, 2028         | \$ 224,442            | 2.23%                |
| Senior Notes due 2031 - €125,000  | 10-year     | October 7, 2031      | 133,589               | 1.52%                |
| Senior Notes due 2031 - \$150,000 | 10-year     | October 7, 2031      | 149,419               | 3.02%                |
|                                   |             |                      | \$ 507,450            |                      |

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 June 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:

|                              | <b>Current Maturity</b> | <b>June 30, 2024</b>    |                       | <b>December 31, 2023</b> |                       |
|------------------------------|-------------------------|-------------------------|-----------------------|--------------------------|-----------------------|
|                              |                         | <b>Maximum Capacity</b> | <b>Carrying Value</b> | <b>Maximum Capacity</b>  | <b>Carrying Value</b> |
| Facility A - SOFR plus 1.40% | October 17, 2024        | \$ 275,000              | \$ 132,869            | \$ 275,000               | \$ 168,780            |
| Facility B - SOFR plus 1.45% | On demand               | 125,000                 | -                     | 125,000                  | -                     |
|                              |                         | \$ 400,000              | \$ 132,869            | \$ 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.

## 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 June 30, 2024, the Company's draw under the AR Facility was \$199,973.

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 June 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 June 30, 2024, the DPP was \$114,905 (December 31, 2023 - \$107,743) and was included in Prepaid expenses and other current assets on the Consolidated Balance Sheets. For the six months ending June 30, 2024, Receivables sold under the AR Facility were \$828,572 and cash collections from customers on Receivables sold were \$825,701, 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 June 30, 2024, the outstanding principal on trade accounts receivable, net of expected credit losses, sold under the AR Facility was \$222,049; and the outstanding principal on contract assets, current and non-current, sold under the AR Facility was \$122,072. See note 16 for fair value information on the DPP.

For the six months ended June 30, 2024, the Company recognized a loss related to Receivables sold of \$71 (2023 - \$108 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 six months ended June 30, 2024, were \$76,874.

## 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:

|                              | June 30,<br>2024 | December 31,<br>2023 |
|------------------------------|------------------|----------------------|
| Non-consolidated investments | \$ 31,824        | \$ 29,631            |
| Co-investment commitments    | 62,307           | 42,395               |
| Maximum exposure to loss     | \$ 94,131        | \$ 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:

|   | <b>2024</b>  |
|---|--------------|
| Balance, January 1                                | \$ 1,072,066 |
| RNCI share of earnings                            | 20,020       |
| RNCI redemption increment                         | 16,537       |
| Distributions paid to RNCI                        | (51,598)     |
| Purchase of interests from RNCI                   | (2,446)      |
| Sale of interests to RNCI                         | 1,552        |
| RNCI recognized on warehouse fund assets (note 5) | 48,877       |
| Balance, June 30                                  | \$ 1,105,008 |

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 June 30, 2024, was \$937,390 (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 June 30, 2024, approximately 8,470,000 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**

The stock options were anti-dilutive for the three and six-month period ended June 30, 2023 and dilutive for the three and six-month period ended June 30, 2024.

For the three and six-month period ended June 30, 2023, diluted EPS 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 three month period ended June 30, 2023 and anti-dilutive for the six-month period ended June 30, 2023.

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

| (in thousands)   | Three months ended |            | Six months ended |             |
|--|--------------------|------------|------------------|-------------|
|  | June 30            |            | June 30          |             |
|  | 2024               | 2023       | 2024             | 2023        |
| Net earnings (loss) attributable to Company            | \$ 36,724          | \$ (6,851) | \$ 49,381        | \$ (27,003) |
| After-tax interest on Convertible Notes                | -                  | (476)      | -                | -           |
| Adjusted numerator considering the If-Converted Method | \$ 36,724          | \$ (7,327) | \$ 49,381        | \$ (27,003) |
| Weighted average common shares - Basic                 | 50,239             | 45,069     | 49,374           | 44,064      |
| Exercise of stock options                              | 240                | -          | 297              | -           |
| Conversion of Convertible Notes                        | -                  | 293        | -                | -           |
| Weighted average common shares - Diluted               | 50,479             | 45,362     | 49,671           | 44,064      |

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 June 30, 2024, there were 1,597,300 options available for future grants.

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

Stock option activity for the six months ended June 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                           | (248,000)         | 70.14                           |   |                           |
| Shares issuable under options -     |                   |                                 |   |                           |
| June 30, 2024                       | 2,999,250         | \$ 104.36                       | 2.9   | \$ 38,958                 |
| Options exercisable - June 30, 2024 | 1,155,477         | \$ 99.72                        | 2.0   | \$ 21,467                 |

The amount of compensation expense recorded in the statement of earnings for the three and six months ended June 30, 2024 was \$7,446 and \$14,134 (2023 - \$5,556 and \$11,213). As of June 30, 2024, there was \$38,106 of unrecognized compensation cost related to non-vested awards which is expected to be recognized over the next 4 years. During the six-month period ended June 30, 2024, the fair value of options vested was \$759 (2023 - \$3,067).

**15. Income tax**

Income tax expense for the six months ended June 30, 2024, reflected an effective tax rate of 28.5% (2023 - 37.0%) 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 June 30, 2024:

|  | Level 1          | Level 2           | Level 3           |
|--|------------------|-------------------|-------------------|
| <b>Assets</b>                          |                  |                   |                   |
| Cash equivalents                       | \$ 3,839         | \$ -              | \$ -              |
| Equity securities                      | 8,685            | 12                | -                 |
| Debt securities                        | -                | 45,560            | -                 |
| Mortgage derivative assets             | -                | -                 | 6,915             |
| Mortgage warehouse receivables         | -                | 140,974           | -                 |
| Interest rate swap assets              | -                | 13,035            | -                 |
| Deferred Purchase Price on AR Facility | -                | -                 | 114,905           |
| <b>Total assets</b>                    | <b>\$ 12,524</b> | <b>\$ 199,581</b> | <b>\$ 121,820</b> |
| <b>Liabilities</b>                     |                  |                   |                   |
| Mortgage derivative liabilities        | \$ -             | \$ -              | \$ 4,641          |
| Contingent consideration liabilities   | -                | -                 | 42,632            |
| <b>Total liabilities</b>               | <b>\$ -</b>      | <b>\$ -</b>       | <b>\$ 47,273</b>  |

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 six months ended June 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:

|                                       | <b>2024</b> |
|---------------------------------------|-------------|
| Balance, January 1                    | \$ 3,677    |
| Settlements                           | (10,065)    |
| Realized gains recorded in earnings   | 6,388       |
| Unrealized gains recorded in earnings | 2,274       |
| Balance, June 30                      | \$ 2,274    |

### **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 June 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:

|                            | <b>2024</b> |
|----------------------------|-------------|
| Balance, January 1         | \$ 107,743  |
| Additions to DPP           | 76,874      |
| Collections on DPP         | (68,848)    |
| Fair value adjustment      | (71)        |
| Foreign exchange and other | (793)       |
| Balance, June 30           | \$ 114,905  |

### **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 June 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 June 30, 2024, unrealized gains of \$13,035 (December 31, 2023 - \$2,805) 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 6.6%). 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 \$1,000. See note 4 for discussion on contingent acquisition consideration.

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

|                                    | <b>2024</b> |
|------------------------------------|-------------|
| Balance, January 1                 | \$ 44,712   |
| Amounts recognized on acquisitions | 4,753       |
| Fair value adjustments (note 6)    | (6,063)     |
| Other                              | (770)       |
| Balance, June 30                   | \$ 42,632   |
| Less: current portion              | \$ 33,016   |
| Non-current portion                | \$ 9,616    |

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.

|              | June 30, 2024   |            | December 31, 2023 |            |
|--------------|-----------------|------------|-------------------|------------|
|              | Carrying amount | Fair value | Carrying amount   | Fair value |
| Senior Notes | \$ 507,450      | \$ 434,603 | \$ 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 June 30, 2024, the Company has funded and sold loans subject to such loss sharing obligations with an aggregate unpaid principal balance of approximately \$5,303,000. As at June 30, 2024, the loss reserve was \$13,169 (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 June 30, 2024, Colliers Mortgage was in compliance with all such requirements.

**18. Revenue****Disaggregated revenue**

Colliers has disaggregated its revenue from contracts with customers by type of service and operating segment as presented in the following table.

**OPERATING SEGMENT REVENUES**

|   | Americas            | EMEA              | Asia Pacific      | IM                | Corporate     | Consolidated        |
|---|---------------------|-------------------|-------------------|-------------------|---------------|---------------------|
| <b>Three months ended June 30, 2024</b> |                     |                   |                   |                   |               |                     |
| Leasing                                 | \$ 223,260          | \$ 34,231         | \$ 31,427         | \$ -              | \$ -          | \$ 288,918          |
| Capital Markets                         | 127,529             | 23,151            | 32,116            | -                 | -             | 182,796             |
| E&D and Project management              | 174,689             | 58,523            | 32,767            | -                 | -             | 265,979             |
| Property management                     | 83,053              | 22,021            | 29,222            | -                 | -             | 134,296             |
| Valuation and advisory                  | 48,181              | 38,295            | 22,366            | -                 | -             | 108,842             |
| IM - Advisory and other                 | -                   | -                 | -                 | 126,051           | -             | 126,051             |
| IM - Incentive Fees                     | -                   | -                 | -                 | -                 | -             | -                   |
| Other                                   | 25,967              | 2,429             | 3,986             | -                 | 104           | 32,486              |
| <b>Total Revenue</b>                    | <b>\$ 682,679</b>   | <b>\$ 178,650</b> | <b>\$ 151,884</b> | <b>\$ 126,051</b> | <b>\$ 104</b> | <b>\$ 1,139,368</b> |
| <b>2023</b>                             |                     |                   |                   |                   |               |                     |
| Leasing                                 | \$ 194,246          | \$ 30,333         | \$ 32,105         | \$ -              | \$ -          | \$ 256,684          |
| Capital Markets                         | 125,390             | 23,436            | 34,090            | -                 | -             | 182,916             |
| E&D and Project management              | 165,652             | 63,406            | 29,211            | -                 | -             | 258,269             |
| Property management                     | 78,505              | 20,954            | 28,602            | -                 | -             | 128,061             |
| Valuation and advisory                  | 44,135              | 34,451            | 27,106            | -                 | -             | 105,692             |
| IM - Advisory and other                 | -                   | -                 | -                 | 118,860           | -             | 118,860             |
| IM - Incentive Fees                     | -                   | -                 | -                 | -                 | -             | -                   |
| Other                                   | 23,404              | 1,238             | 2,801             | -                 | 113           | 27,556              |
| <b>Total Revenue</b>                    | <b>\$ 631,332</b>   | <b>\$ 173,818</b> | <b>\$ 153,915</b> | <b>\$ 118,860</b> | <b>\$ 113</b> | <b>\$ 1,078,038</b> |
| <b>Six months ended June 30, 2024</b>   |                     |                   |                   |                   |               |                     |
| Leasing                                 | \$ 419,407          | \$ 58,377         | \$ 54,371         | \$ -              | \$ -          | \$ 532,155          |
| Capital Markets                         | 226,674             | 39,231            | 55,624            | -                 | -             | 321,529             |
| E&D and Project management              | 338,796             | 108,382           | 58,847            | -                 | -             | 506,025             |
| Property management                     | 165,380             | 43,248            | 58,379            | -                 | -             | 267,007             |
| Valuation and advisory                  | 91,705              | 70,534            | 45,119            | -                 | -             | 207,358             |
| IM - Advisory and other                 | -                   | -                 | -                 | 245,572           | -             | 245,572             |
| IM - Incentive Fees                     | -                   | -                 | -                 | 3,000             | -             | 3,000               |
| Other                                   | 47,128              | 5,446             | 5,901             | -                 | 227           | 58,702              |
| <b>Total Revenue</b>                    | <b>\$ 1,289,090</b> | <b>\$ 325,218</b> | <b>\$ 278,241</b> | <b>\$ 248,572</b> | <b>\$ 227</b> | <b>\$ 2,141,348</b> |
| <b>2023</b>                             |                     |                   |                   |                   |               |                     |
| Leasing                                 | \$ 382,666          | \$ 55,969         | \$ 56,436         | \$ -              | \$ -          | \$ 495,071          |
| Capital Markets                         | 238,182             | 41,749            | 54,825            | -                 | -             | 334,756             |
| E&D and Project management              | 306,270             | 112,986           | 53,655            | -                 | -             | 472,911             |
| Property management                     | 157,873             | 39,720            | 56,789            | -                 | -             | 254,382             |
| Valuation and advisory                  | 85,483              | 63,875            | 46,556            | -                 | -             | 195,914             |
| IM - Advisory and other                 | -                   | -                 | -                 | 239,606           | -             | 239,606             |
| IM - Incentive Fees                     | -                   | -                 | -                 | -                 | -             | -                   |
| Other                                   | 42,409              | 2,890             | 5,747             | -                 | 255           | 51,301              |
| <b>Total Revenue</b>                    | <b>\$ 1,212,883</b> | <b>\$ 317,189</b> | <b>\$ 274,008</b> | <b>\$ 239,606</b> | <b>\$ 255</b> | <b>\$ 2,043,941</b> |

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 six months ended June 30, 2024 - \$8,648 and \$13,097 of Capital Markets revenue (2023 - \$11,696 and \$21,489) and \$12,414 and \$23,814 of Other Revenue (2023 - \$10,870 and \$21,729) respectively, was excluded from the scope of ASC 606. Substantially all of these revenues were included within the Americas segment.

### Contract balances

As at June 30, 2024, the Company had contract assets totaling \$158,166 of which \$137,860 was current (\$103,080 as at December 31, 2023 - of which \$83,389 was current). During the six months ended June 30, 2024, approximately 68% of the current contract assets were moved to accounts receivable or sold under the AR Facility (see note 10).

As at June 30, 2024, the Company had contract liabilities (all current) totaling \$51,332 (\$45,293 as at December 31, 2023). \$3,520 and \$41,710 of the contract liability balance at the beginning of the year was recognized to revenue in the three and six months ended June 30, 2024, respectively (2023 - \$1,220 and \$18,572)

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

### Operating segments

Colliers has identified four reportable operating segments. Three segments are grouped geographically into Americas, Asia Pacific and EMEA. The IM segment operates in the Americas and EMEA. 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. Corporate includes the costs of global administrative functions and the corporate head office.

### OPERATING SEGMENTS

|                                   | Americas   | EMEA       | Asia Pacific | IM         | Corporate | Consolidated |
|-----------------------------------|------------|------------|--------------|------------|-----------|--------------|
| <b>Three months ended June 30</b> |            |            |              |            |           |              |
| <b>2024</b>                       |            |            |              |            |           |              |
| Revenues                          | \$ 682,679 | \$ 178,650 | \$ 151,884   | \$ 126,051 | \$ 104    | \$ 1,139,368 |
| Depreciation and amortization     | 21,181     | 7,017      | 2,963        | 18,023     | 661       | 49,845       |
| Operating earnings (loss)         | 53,001     | (661)      | 21,567       | 55,032     | (14,191)  | 114,748      |
| <b>2023</b>                       |            |            |              |            |           |              |
| Revenues                          | \$ 631,332 | \$ 173,818 | \$ 153,915   | \$ 118,860 | \$ 113    | \$ 1,078,038 |
| Depreciation and amortization     | 21,293     | 8,269      | 2,771        | 17,813     | 648       | 50,794       |
| Operating earnings (loss)         | 46,450     | (5,053)    | 19,554       | 26,407     | (12,096)  | 75,262       |

|                                 | Americas     | EMEA       | Asia Pacific | IM         | Corporate | Consolidated |
|---------------------------------|--------------|------------|--------------|------------|-----------|--------------|
| <b>Six months ended June 30</b> |              |            |              |            |           |              |
| <b>2024</b>                     |              |            |              |            |           |              |
| Revenues                        | \$ 1,289,090 | \$ 325,218 | \$ 278,241   | \$ 248,572 | \$ 227    | \$ 2,141,348 |
| Depreciation and amortization   | 42,738       | 14,247     | 5,991        | 36,061     | 1,316     | 100,353      |
| Operating earnings (loss)       | 82,038       | (21,122)   | 33,107       | 93,912     | (29,860)  | 158,075      |
| <b>2023</b>                     |              |            |              |            |           |              |
| Revenues                        | \$ 1,212,883 | \$ 317,189 | \$ 274,008   | \$ 239,606 | \$ 255    | \$ 2,043,941 |
| Depreciation and amortization   | 39,762       | 17,776     | 5,781        | 35,689     | 1,278     | 100,286      |
| Operating earnings (loss)       | 79,321       | (30,087)   | 24,593       | 41,211     | (17,632)  | 97,406       |

#### 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.

#### GEOGRAPHIC INFORMATION

|                                | Three months ended |              | Six months ended |              |
|--------------------------------|--------------------|--------------|------------------|--------------|
|                                | June 30<br>2024    | 2023         | June 30<br>2024  | 2023         |
| <b>United States</b>           |                    |              |                  |              |
| Revenues                       | \$ 633,544         | \$ 589,427   | \$ 1,214,050     | \$ 1,157,642 |
| Total long-lived assets        |                    |              | 2,262,149        | 2,328,498    |
| <b>Canada</b>                  |                    |              |                  |              |
| Revenues                       | \$ 124,738         | \$ 111,626   | \$ 226,278       | \$ 207,542   |
| Total long-lived assets        |                    |              | 108,599          | 78,730       |
| <b>Euro currency countries</b> |                    |              |                  |              |
| Revenues                       | \$ 98,036          | \$ 98,033    | \$ 179,947       | \$ 184,428   |
| Total long-lived assets        |                    |              | 360,535          | 370,821      |
| <b>Australia</b>               |                    |              |                  |              |
| Revenues                       | \$ 71,145          | \$ 75,062    | \$ 122,762       | \$ 127,662   |
| Total long-lived assets        |                    |              | 109,139          | 114,890      |
| <b>United Kingdom</b>          |                    |              |                  |              |
| Revenues                       | \$ 70,699          | \$ 61,821    | \$ 133,389       | \$ 116,332   |
| Total long-lived assets        |                    |              | 511,120          | 527,512      |
| <b>China</b>                   |                    |              |                  |              |
| Revenues                       | \$ 19,895          | \$ 18,867    | \$ 39,262        | \$ 39,107    |
| Total long-lived assets        |                    |              | 6,649            | 9,113        |
| <b>Other</b>                   |                    |              |                  |              |
| Revenues                       | \$ 121,311         | \$ 123,202   | \$ 225,660       | \$ 211,228   |
| Total long-lived assets        |                    |              | 272,010          | 285,641      |
| <b>Consolidated</b>            |                    |              |                  |              |
| Revenues                       | \$ 1,139,368       | \$ 1,078,038 | \$ 2,141,348     | \$ 2,043,941 |
| Total long-lived assets        |                    |              | 3,630,201        | 3,715,205    |

## 20. Subsequent event

#### Acquisitions

On July 29, 2024, the Company completed the acquisition of an 89.2% equity interest in Englobe Corporation, a Canadian multi-discipline engineering, environmental and inspection services firm, for a cash purchase price of \$474,700. The acquisition will be accounted for using the acquisition method for business combinations.