



COLLIERS INTERNATIONAL GROUP INC.

Interim Consolidated Financial Statements (unaudited)

First Quarter | March 31, 2025

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

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

	Three months ended March 31	
	2025	2024
Revenues (note 18)	\$ 1,141,170	\$ 1,001,980
Cost of revenues (exclusive of depreciation and amortization shown below)	688,490	606,245
Selling, general and administrative expenses	348,293	299,960
Depreciation	18,647	15,422
Amortization of intangible assets	44,755	35,086
Acquisition-related items (note 6)	9,381	1,940
Operating earnings	31,604	43,327
Interest expense, net	22,548	19,872
Equity earnings from non-consolidated investments	(3,734)	(436)
Other income	(840)	(215)
Earnings before income tax	13,630	24,106
Income tax expense (note 15)	4,712	9,970
Net earnings	8,918	14,136
Non-controlling interest share of earnings	5,729	8,921
Non-controlling interest redemption increment (note 12)	7,448	(7,442)
Net earnings (loss) attributable to Company	\$ (4,259)	\$ 12,657
Net earnings (loss) per common share (note 13)		
Basic	\$ (0.08)	\$ 0.26
Diluted	\$ (0.08)	\$ 0.26

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

Colliers International Group Inc.**Consolidated Statements of Comprehensive Earnings**

(Unaudited)

(in thousands of US dollars)

	Three months ended March 31	
	2025	2024
Net earnings	\$ 8,918	\$ 14,136
Other comprehensive earnings (loss), net of tax:		
Change in foreign currency translation	4,888	(7,429)
Unrealized gain (loss) on financial derivatives	(2,657)	7,070
Unrealized gain on available for sale securities	99	-
Pension liability adjustments	(101)	-
Total other comprehensive gain (loss), net of tax	2,229	(359)
Comprehensive earnings	11,147	13,777
Less: Comprehensive earnings attributable to non-controlling interests	4,422	8,264
Comprehensive earnings attributable to Company	\$ 6,725	\$ 5,513

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)

	March 31, 2025	December 31, 2024
Assets		
Current assets		
Cash and cash equivalents	\$ 186,319	\$ 176,257
Restricted cash	54,942	41,724
Accounts receivable, net of allowance of \$32,652 (December 31, 2024 - \$34,865)	673,400	735,546
Contract assets (note 18)	150,400	134,402
Mortgage warehouse receivables (note 16)	87,997	77,559
Income tax recoverable	17,812	13,155
Prepaid expenses and other current assets (note 16)	295,774	309,962
Warehouse fund assets (note 5)	121,191	110,779
	1,587,835	1,599,384
Other receivables	9,402	11,602
Contract assets (note 18)	24,893	22,400
Other assets	195,608	186,297
Warehouse fund assets (note 5)	98,455	94,334
Fixed assets	229,124	227,311
Operating lease right-of-use assets	402,007	398,507
Deferred tax assets, net	82,439	79,258
Intangible assets (note 7)	1,154,173	1,183,586
Goodwill	2,328,568	2,297,938
	4,524,669	4,501,233
	\$ 6,112,504	\$ 6,100,617
Liabilities and shareholders' equity		
Current liabilities		
Accounts payable and accrued expenses	\$ 467,560	\$ 494,601
Accrued compensation	497,693	646,004
Income tax payable	13,602	15,297
Contract liabilities (note 18)	68,360	63,459
Long-term debt - current (note 8)	9,365	6,061
Contingent acquisition consideration - current (note 16)	28,229	30,683
Mortgage warehouse credit facilities (note 9)	81,226	72,642
Operating lease liabilities	102,083	92,950
Liabilities related to warehouse fund assets (note 5)	83,539	86,344
	1,351,657	1,508,041
Long-term debt (note 8)	1,657,459	1,502,414
Contingent acquisition consideration (note 16)	6,167	6,012
Operating lease liabilities	379,242	383,921
Other liabilities	123,954	129,467
Deferred tax liabilities, net	74,036	78,459
Liabilities related to warehouse fund assets (note 5)	21,789	14,103
	2,262,647	2,114,376
Redeemable non-controlling interests (note 12)	1,156,652	1,152,618
Shareholders' equity		
Common shares	1,473,708	1,472,218
Contributed surplus	148,195	140,451
Deficit	(190,532)	(186,273)
Accumulated other comprehensive loss	(90,549)	(101,533)
Total Company shareholders' equity	1,340,822	1,324,863
Non-controlling interests	726	719
Total shareholders' equity	1,341,548	1,325,582
	\$ 6,112,504	\$ 6,100,617

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)

	Common shares		Contributed surplus	Deficit	Accumulated other comprehensive loss	Non-controlling interests	Total shareholders' equity
	Issued and outstanding shares	Amount					
Balance, December 31, 2024	50,610,676	\$ 1,472,218	\$ 140,451	\$ (186,273)	\$ (101,533)	\$ 719	\$ 1,325,582
Net earnings	-	-	-	8,918	-	-	8,918
Pension liability adjustment, net of tax	-	-	-	-	(101)	-	(101)
Unrealized gain on investments	-	-	-	-	99	-	99
Foreign currency translation gain	-	-	-	-	4,888	-	4,888
Unrealized loss on financial derivatives, net of tax	-	-	-	-	(2,657)	-	(2,657)
Other comprehensive earnings attributable to NCI	-	-	-	-	8,755	42	8,797
NCI share of earnings	-	-	-	(5,729)	-	(35)	(5,764)
NCI redemption increment (note 12)	-	-	-	(7,448)	-	-	(7,448)
Subordinate Voting Shares:							
Stock option expense (note 14)	-	-	8,085	-	-	-	8,085
Stock options exercised (note 14)	12,850	1,490	(341)	-	-	-	1,149
Balance, March 31, 2025	50,623,526	\$ 1,473,708	\$ 148,195	\$ (190,532)	\$ (90,549)	\$ 726	\$ 1,341,548

	Common shares		Contributed surplus	Deficit	Accumulated other comprehensive loss	Non-controlling interests	Total shareholders' equity
	Issued and outstanding shares	Amount					
Balance, December 31, 2023	47,549,376	\$ 1,127,034	\$ 123,394	\$ (332,866)	\$ (69,571)	\$ 2,499	\$ 850,490
Net earnings	-	-	-	14,136	-	-	14,136
Foreign currency translation loss	-	-	-	-	(7,429)	-	(7,429)
Unrealized loss on financial derivatives, net of tax	-	-	-	-	7,070	-	7,070
Other comprehensive earnings attributable to NCI	-	-	-	-	(6,785)	50	(6,735)
NCI share of earnings	-	-	-	(8,921)	-	308	(8,613)
NCI redemption increment (note 12)	-	-	-	7,442	-	-	7,442
Subordinate Voting Shares:							
Stock option expense	-	-	6,688	-	-	-	6,688
Stock options exercised	202,500	18,127	(3,998)	-	-	-	14,129
Issuance of Subordinate Voting Shares	2,479,500	286,924	-	-	-	-	286,924
Balance, March 31, 2024	50,231,376	\$ 1,432,085	\$ 126,084	\$ (320,209)	\$ (76,715)	\$ 2,857	\$ 1,164,102

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

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

	Three months ended March 31	
	2025	2024
Cash provided by (used in)		
Operating activities		
Net earnings	\$ 8,918	\$ 14,136
Items not affecting cash:		
Depreciation and amortization	63,402	50,508
Gains attributable to mortgage servicing rights	(4,039)	(1,315)
Gains attributable to the fair value of mortgage premiums and origination fees	(4,569)	(2,199)
Deferred tax	(9,184)	(3,989)
Equity earnings from non-consolidated investments	(3,734)	(436)
Stock option expense (note 14)	6,652	6,688
Amortization of advisor loans	10,782	10,898
Contingent consideration (note 6)	1,688	(3,668)
Other	3,961	(20)
Increase in accounts receivable, prepaid expenses and other assets	30,274	4,641
Decrease in accounts payable, accrued expenses and other liabilities	(38,392)	(46,642)
Decrease in accrued compensation	(152,477)	(146,932)
Contingent acquisition consideration paid	(2,268)	(2,738)
Proceeds received on sale of mortgage loans	183,086	299,401
Principal funded on originated mortgage loans	(188,185)	(148,526)
Increase (decrease) in mortgage warehouse credit facilities	8,584	(147,377)
Sales to AR Facility, net (note 10)	1,025	(20,045)
Net cash used in operating activities	(84,476)	(137,615)
Investing activities		
Acquisitions of businesses, net of cash acquired (note 4)	(9,485)	-
Purchases of fixed assets	(14,654)	(16,873)
Advisor loans issued	(27,984)	(16,388)
Purchases of warehouse fund assets	(10,813)	(36,426)
Proceeds from disposal of warehouse fund assets	-	4,944
Equity co-investment contributions, net (note 11)	(1,682)	(454)
Collections of AR facility deferred purchase price (note 10)	48,421	33,918
Other investing activities	6,371	(18,573)
Net cash used in investing activities	(9,826)	(49,852)
Financing activities		
Increase in long-term debt	398,725	326,675
Repayment of long-term debt	(256,817)	(431,727)
Issuance of subordinate voting shares (note 13)	-	286,924
Purchases of non-controlling interests' subsidiary shares, net	(5,303)	(2,654)
Contingent acquisition consideration paid	(2,262)	-
Proceeds received on exercise of stock options	1,149	14,129
Dividends paid to common shareholders	(7,592)	(7,132)
Distributions paid to non-controlling interests	(8,458)	(10,306)
Other financing activities	(64)	-
Net cash provided by financing activities	119,378	175,909
Effect of exchange rate changes on cash, cash equivalents and restricted cash	(1,796)	(2,060)

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

	Three months ended March 31	
	2025	2024
Net change in cash, cash equivalents and restricted cash	23,280	(13,618)
Cash, cash equivalents and restricted cash, beginning of period	217,981	219,075
Cash, cash equivalents and restricted cash, end of period	\$ 241,261	\$ 205,457

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 35 countries around the world (70 countries including affiliates and franchisees). Operationally, Colliers is organized into three distinct segments: Real Estate Services, Engineering and Investment Management (“IM”).

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, 2024.

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 March 31, 2025 and the results of operations and its cash flows for the three months ended March 31, 2025 and 2024. All such adjustments are of a normal recurring nature. The results of operations for the three months ended March 31, 2025, are not necessarily indicative of the results to be expected for the year ending December 31, 2025.

3. Impact of recently issued accounting standards

Recently issued accounting guidance, not yet adopted

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 annual disclosures.

Reporting Comprehensive Income – Expense Disaggregation Disclosures

In November 2024, FASB issued ASU No. 2024-03 *Expense Disaggregation Disclosures* and in January 2025 FASB issued ASU No. 2025-01 *Income Statement – Reporting Comprehensive Income – Expense Disaggregation Disclosures (Subtopic 220-40) Clarifying the Effective Date*. The amendments in this Update aims to improve disclosures for commonly presented expense captions (such as cost of sales, selling, general and administrative expenses and research and development). The amendments are effective for annual periods beginning after December 15, 2026 with early adoption permitted that must be applied on a prospective basis, however, retrospective application is allowed. The Company is currently assessing the impacts of this ASU on its disclosures.

4. Acquisitions

In March 2025, the Company acquired a controlling interest in Ethos Urban Pty Ltd., and engineering firm in Australia. The acquisition date fair values of consideration transferred consisted of \$9,485 in cash (net of cash acquired of \$2,164). The Company acquired \$401 of net liabilities, excluding cash, and recognized goodwill of \$8,299 and intangible assets of \$6,384. The Company also recognized redeemable non-controlling interest of \$4,797 on the consolidated balance sheets.

As of March 31, 2025, the Company has not completed its analysis to assign fair values to all identifiable tangible and intangible assets acquired in relation to MG2 Corporation acquired in the fourth quarter of 2024 and Ethos Urban Pty Ltd. and, therefore, the purchase price allocations for the acquired business are provisional and subject to change within the respective measurement period which will not extend beyond one year from the acquisition date.

During the period ended March 31, 2025, the Company made no significant adjustments to the purchase consideration for acquisitions completed in 2024.

The purchase price allocation of acquisitions result in the recognition of goodwill. The primary factors contributing to goodwill acquired in the three months ended March 31, 2025 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 engineering and project management businesses. For acquisitions completed during the three months ended March 31, 2025, goodwill in the amount of \$nil is deductible for income tax purposes.

2024 acquisitions

The Company did not acquire any businesses during the three months ended March 31, 2024.

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 March 31, 2025, was \$34,396 (December 31, 2024 - \$36,695). 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 March 31, 2025, was \$44,772 (December 31, 2024 - \$44,280). 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 an estimated \$132,000 to \$340,458, relative to a maximum contractual amount of \$340,458. These contingencies will expire during the period extending to March 2029.

5. Warehouse fund assets

There was no significant impact on net earnings related to warehouse fund assets in the three months ended March 31, 2025, or 2024.

The following table summarizes the warehouse fund assets:

	March 31 2025	December 31, 2024
Warehouse fund assets		
Warehouse fund assets	\$ 121,191	\$ 110,779
Warehouse fund assets - non-current	\$ 98,455	\$ 94,334
Total warehouse fund assets	\$ 219,646	\$ 205,113
Liabilities related to warehouse fund assets		
Liabilities related to warehouse fund assets	\$ 83,539	\$ 86,344
Liabilities related to warehouse fund assets - non-current	\$ 21,789	\$ 14,103
Total liabilities related to warehouse fund assets	\$ 105,328	\$ 100,447
Net warehouse fund assets	\$ 114,318	\$ 104,666

6. Acquisition-related items

	Three months ended March 31	
	2025	2024
Transaction costs	\$ 7,694	\$ 5,608
Contingent consideration fair value adjustments (note 16)	597	(3,253)
Contingent consideration compensation expense / (recovery) (note 4)	1,090	(415)
	\$ 9,381	\$ 1,940

7. Intangible assets

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

March 31, 2025	Gross carrying amount	Accumulated amortization	Net
Indefinite life intangible assets:			
Licenses	\$ 29,200	\$ -	\$ 29,200
Trademarks and trade names	23,287	-	23,287
	\$ 52,487	\$ -	\$ 52,487
Finite life intangible assets:			
Customer lists and relationships	\$ 897,022	\$ 278,760	\$ 618,262
Investment management contracts	528,020	179,373	348,647
Mortgage servicing rights ("MSRs")	211,064	105,816	105,248
Trademarks and trade names	28,977	9,994	18,983
Management contracts and other	15,283	9,971	5,312
Backlog	23,324	18,090	5,234
	\$ 1,703,690	\$ 602,004	\$ 1,101,686
	\$ 1,756,177	\$ 602,004	\$ 1,154,173

December 31, 2024	Gross carrying amount	Accumulated amortization	Net
Indefinite life intangible assets:			
Licenses	\$ 29,200	\$ -	\$ 29,200
Trademarks and trade names	23,140	-	23,140
	\$ 52,340	\$ -	\$ 52,340
Finite life intangible assets:			
Customer lists and relationships	\$ 882,336	\$ 255,651	\$ 626,685
Investment management contracts	525,661	167,806	357,855
Mortgage servicing rights ("MSRs")	207,990	101,562	106,428
Trademarks and trade names	28,947	8,898	20,049
Management contracts and other	15,210	9,201	6,009
Backlog	26,665	12,445	14,220
	\$ 1,686,809	\$ 555,563	\$ 1,131,246
	\$ 1,739,149	\$ 555,563	\$ 1,183,586

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 three months ended March 31, 2025, or 2024.

The following table summarizes activity related to the Company's mortgage servicing rights for the three months ended March 31, 2025:

	2025
Balance, January 1	\$ 106,428
Additions, following the sale of loan	3,074
Amortization	(3,545)
Prepayments and write-offs	(709)
Balance, March 31	\$ 105,248

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

For the year ended December 31,	MSRs	Other Intangibles	Total
2025 (remaining nine months)	\$ 10,513	\$ 86,424	\$ 96,937
2026	12,798	120,648	133,446
2027	11,942	108,888	120,830
2028	11,011	106,227	117,238
2029	9,878	101,931	111,809
Thereafter	49,106	472,320	521,426
	\$ 105,248	\$ 996,438	\$ 1,101,686

8. Long-term debt

On November 29, 2024 the Company amended and extended the multi-currency, sustainability-linked senior unsecured revolving credit facility (the "Revolving Credit Facility"). The Company increased the Revolving Credit Facility from \$1,750,000 to \$2,250,000 and extended for a 5-year term maturing November 29, 2029. The Revolving Credit Facility 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 months ended March 31, 2025, the weighted average interest rate on borrowings under the Revolving Credit Facility was 6.3% (2024 - 7.0%). The Revolving Credit Facility had \$1,095,434 of available undrawn credit as at March 31, 2025 (\$1,235,898 as at December 31, 2024). As at March 31, 2025, letters of credit in the amount of \$18,709 were outstanding against the Revolving Credit Facility (\$18,582 as at December 31, 2024). 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 \$510,434. A summary of the unsecured senior notes is provided in the table below:

	Term	Maturity Date	Carrying Value	Interest Rate
Senior Notes due 2028 - €210,000	10-year	May 30, 2028	\$ 226,294	2.23%
Senior Notes due 2031 - €125,000	10-year	October 7, 2031	134,667	1.52%
Senior Notes due 2031 - \$150,000	10-year	October 7, 2031	149,473	3.02%
			\$ 510,434	

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 March 31, 2025. The Company is limited from undertaking certain mergers, acquisitions and dispositions without prior approval.

9. Mortgage warehouse credit facilities

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

	Current Maturity	March 31, 2025		December 31, 2024	
		Maximum Capacity	Carrying Value	Maximum Capacity	Carrying Value
Facility A - SOFR plus 1.40%	October 16, 2025	\$ 275,000	\$ 81,226	\$ 275,000	\$ 72,642
Facility B - SOFR plus 1.45% ¹	On demand	125,000	-	125,000	-
		\$ 400,000	\$ 81,226	\$ 400,000	\$ 72,642

(1) SOFR in Facility B has a floor of 0.25%

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 March 31, 2025, the Company's draw under the AR Facility was \$199,933.

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 March 31, 2025, 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 March 31, 2025, the DPP was \$93,762 (December 31, 2024 - \$126,082) and was included in Prepaid expenses and other current assets on the Consolidated Balance Sheets. For the three months ended March 31, 2025, Receivables sold under the AR Facility were \$440,490 and cash collections from customers on Receivables sold were \$473,903, 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 March 31, 2025, the outstanding principal on trade accounts receivable, net of expected credit losses, sold under the AR Facility was \$202,713; and the outstanding principal on contract assets, current and non-current, sold under the AR Facility was \$126,479. See note 16 for fair value information on the DPP.

For the three months ended March 31, 2025, the Company recognized a gain related to Receivables sold of \$14 (2024 - \$5 loss) that was recorded in other income in the consolidated statement of earnings. 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 three months ended March 31, 2025, were \$16,064.

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:

	March 31, 2025	December 31, 2024
Non-consolidated investments	\$ 50,702	\$ 47,881
Co-investment commitments	30,318	31,893
Maximum exposure to loss	\$ 81,020	\$ 79,774

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:

	2025
Balance, January 1	\$ 1,152,618
RNCI share of earnings	5,764
RNCI redemption increment	7,448
Distributions paid to RNCI	(8,710)
Purchase of interests from RNCI	(5,459)
Sale of interests to RNCI	194
RNCI recognized on business acquisitions	4,797
Balance, March 31	\$ 1,156,652

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 March 31, 2025, was \$959,039 (December 31, 2024 - \$958,558). 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 March 31, 2025, approximately 7,700,000 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 months ended March 31, 2025 and dilutive for the three months ended March 31, 2024.

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

(in thousands)	Three months ended March 31	
	2025	2024
Net earnings (loss) attributable to Company	\$ (4,259)	\$ 12,657
Weighted average common shares - Basic	50,615	48,498
Exercise of stock options	-	347
Weighted average common shares - Diluted	50,615	48,845

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*Corporate Stock Option Plan*

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 March 31, 2025, there were 949,700 options available for future grants.

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

Stock option activity for the three months ended March 31, 2025 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, 2024	3,311,800	\$ 116.37		
Granted	1,250	135.28		
Exercised	(12,850)	89.40		
Shares issuable under options - March 31, 2025	3,300,200	\$ 116.49	2.9	\$ 47,235
Options exercisable - March 31, 2025	964,025	\$ 93.23	2.0	\$ 27,059

The amount of compensation expense recorded in the statement of earnings for the three months ended March 31, 2025 was \$8,085 (2024 - \$6,688). As of March 31, 2025, there was \$52,943 of unrecognized compensation cost related to non-vested awards which is expected to be recognized over the next 4 years. During the three months ended March 31, 2025, the fair value of options vested was \$270 (2024 - \$283).

Performance Stock Units ("PSUs")

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

The Company recorded a stock-based compensation recovery related to the PSUs of \$1,433 during the three months ended March 31, 2025. As at March 31, 2025, the estimated fair value of the PSUs is \$30,170 and there is approximately \$18,165 of total estimated unrecognized compensation expense related to the arrangement which are expected to be expensed over the next four years. As at March 31, 2025, the performance vesting criteria related to 107,043 PSUs has been satisfied. The PSU plan is a liability classified stock-based compensation plan and as at March 31, 2025, \$12,005 is reported in Other liabilities on the Company's consolidated balance sheets.

15. Income tax

Income tax expense for the three months ended March 31, 2025, reflected an effective tax rate of 34.6% (2024 - 41.4%). 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 March 31, 2025:

	Level 1	Level 2	Level 3
Assets			
Equity securities	\$ 11,420	\$ 9	\$ -
Debt securities	14,323	22,189	-
Mortgage derivative assets	-	-	3,194
Mortgage warehouse receivables	-	87,997	-
Interest rate swap assets	-	7,909	-
Deferred Purchase Price on AR Facility	-	-	93,762
Total assets	\$ 25,743	\$ 118,104	\$ 96,956
Liabilities			
Contingent consideration liabilities	-	-	34,396
Total liabilities	\$ -	\$ -	\$ 34,396

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 three months ended March 31, 2025.

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:

	2025
Balance, January 1	\$ 3,329
Settlements	(8,463)
Realized gains recorded in earnings	5,134
Unrealized gains recorded in earnings	3,194
Balance, March 31	\$ 3,194

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 March 31, 2025, 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:

	2025
Balance, January 1	\$ 126,082
Additions to DPP	16,064
Collections on DPP	(48,421)
Fair value adjustment	14
Foreign exchange and other	23
Balance, March 31	\$ 93,762

Financial derivatives

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 March 31, 2025.

	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 March 31, 2025, unrealized gain of \$3,966 (December 31, 2024 - \$7,455) on the Designated IRSs were included in AOCI.

Contingent acquisition consideration

The inputs to the measurement of the fair value of contingent consideration related to acquisitions are Level 3 inputs. The fair value measurements were made using a discounted cash flow model; significant model inputs were expected future operating cash flows (determined with reference to each specific acquired business) and discount rates (which range from 3.5% to 10.3%, with a weighted average of 7.0%). 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 \$500. See note 4 for discussion on contingent acquisition consideration.

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

	2025
Balance, January 1	\$ 36,695
Fair value adjustments (note 6)	598
Resolved and settled in cash	(3,906)
Other	1,009
Balance, March 31	\$ 34,396
Less: current portion	\$ 28,229
Non-current portion	\$ 6,167

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.

	March 31, 2025		December 31, 2024	
	Carrying amount	Fair value	Carrying amount	Fair value
Senior Notes	\$ 510,434	\$ 456,427	\$ 495,519	\$ 437,774

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 March 31, 2025, the Company has funded and sold loans subject to such loss sharing obligations with an aggregate unpaid principal balance of approximately \$5,601,000. (December 31, 2024 - \$5,584,000) As at March 31, 2025, the loss reserve was \$13,106 (December 31, 2024 - \$13,556) 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 March 31, 2025, Colliers Mortgage was in compliance with all such requirements.

18. Revenue

Disaggregated revenue

Colliers has disaggregated its revenue from contract with customers by type of service and reporting segment as presented in the following table. Engineering revenue includes engineering, design and project management activities.

	Real Estate Services	Engineering	Investment Management	Corporate	Consolidated
Three months ended March 31, 2025					
Leasing	\$ 227,007	\$ -	\$ -	\$ -	\$ 227,007
Capital Markets	149,152	-	-	-	149,152
Property management	129,249	-	-	-	129,249
Valuation and advisory	99,903	-	-	-	99,903
Engineering	-	377,874	-	-	377,874
IM - Advisory and other	-	-	119,157	-	119,157
IM - Performance fees	-	-	7,045	-	7,045
Other	31,661	-	-	122	31,783
Total Revenue	\$ 636,972	\$ 377,874	\$ 126,202	\$ 122	\$ 1,141,170
2024					
Leasing	\$ 243,237	\$ -	\$ -	\$ -	\$ 243,237
Capital Markets	138,598	-	-	-	138,598
Property management	132,684	-	-	-	132,684
Valuation and advisory	95,750	-	-	-	95,750
Engineering	-	238,061	-	-	238,061
IM - Advisory and other	-	-	119,521	-	119,521
IM - Performance fees	-	-	3,000	-	3,000
Other	31,006	-	-	123	31,129
Total Revenue	\$ 641,275	\$ 238,061	\$ 122,521	\$ 123	\$ 1,001,980

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 months ended March 31, 2025 - \$8,815 of Capital Markets revenue (2024 - \$4,449) and \$11,474 of Other Revenue (2024 - \$11,400) respectively, was excluded from the scope of ASC 606. Substantially all of these revenues were included within the Real Estate Services segment.

Contract balances

As at March 31, 2025, the Company had contract assets totaling \$175,293 of which \$150,400 was current (\$156,802 as at December 31, 2024 - of which \$134,402 was current). During the three months ended March 31, 2025, approximately 64% of the current contract assets were moved to accounts receivable or sold under the AR Facility (Note 10).

As at March 31, 2025, the Company had contract liabilities (all current) totaling \$68,360 (\$63,459 as at December 31, 2024). \$42,301 of the contract liability balance at the beginning of the year was recognized to revenue in the three months ended March 31, 2025 (2024 - \$38,190).

Certain constrained revenues may arise from services that began in a prior reporting period. Consequently, a portion of the revenue 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 prior period had previously been constrained and substantially all investment management incentive fees recognized in the year were previously constrained.

19. Segmented information

REPORTING SEGMENTS

Colliers has identified three reportable operating segments: Real Estate Services, Engineering and Investment Management. Corporate represents unallocated costs of global administrative functions and the corporate head office. The groupings are based on the manner in which the segments are managed.

The Chief Operating Decision Maker ("CODM") of the Company assesses each segment's performance and makes decisions about the allocation of resources based on Adjusted EBITDA. As of March 31, 2025, the Chief Executive Officer is determined to be the Company's CODM.

Adjusted EBITDA is defined as net earnings, adjusted to exclude: (i) income tax; (ii) other income; (iii) interest expense; (iv) loss on disposal of operations; (v) depreciation and amortization, including amortization of mortgage servicing rights ("MSRs"); (vi) gains attributable to MSRs; (vii) acquisition-related items (including contingent acquisition consideration fair value adjustments, contingent acquisition consideration-related compensation expense and transaction costs); (viii) restructuring costs and (ix) stock-based compensation expense.

Indirect operating costs includes the non-direct selling, general and administration expenses of the Company excluding stock-based compensation and restructuring costs. It also includes an adjustment to remove the impact of gains attributable to MSRs.

The CODM is not provided with total asset information by segment and does not consider total assets in determining the performance of the segments nor in determining resource allocation. Therefore, total asset by segment is not disclosed.

	Real Estate Services	Engineering	Investment Management	Total
Three months ended March 31, 2025				
Revenues	\$ 636,972	\$ 377,874	\$ 126,202	\$ 1,141,048
Cost of revenue	420,925	217,272	50,231	688,428
Indirect operating costs	177,609	136,578	23,968	338,155
Equity earnings from non-consolidated investments	641	-	3,093	3,734
Adjusted EBITDA	39,079	24,024	55,096	\$ 118,199
Corporate				
Revenue				122
Cost of revenue				62
Indirect operating costs				2,215
Unallocated Adjusted EBITDA				(2,155)
Deduct:				
Depreciation and amortization				63,402
Acquisition related costs				9,381
Stock based compensation				6,652
Restructuring costs				5,310
Equity earnings from non-consolidated investments				3,734
Gains attributable to MSRs				(4,039)
Consolidated operating earnings				\$ 31,604
Interest				22,548
Equity earnings from non-consolidated investments				(3,734)
Other income				(840)
Consolidated earnings before income tax				\$ 13,630
Income tax expense				4,712
Consolidated net earnings				\$ 8,918
Purchases of fixed assets	9,233	4,105	556	13,894

Consolidated revenue reconciliation:

Total segment revenue of \$1,141,048 plus unallocated revenue of \$122 equals consolidated revenue of \$1,141,170

Reconciliation of purchases of fixed assets:

Total purchases of fixed assets of \$13,894 plus unallocated purchases of \$761 equals \$14,654.

	Real Estate Services	Engineering	Investment Management	Total
Three months ended March 31, 2024				
Revenues	\$ 641,275	\$ 238,061	\$ 122,521	\$ 1,001,857
Cost of revenue	422,907	142,581	40,754	606,242
Indirect operating costs	174,372	82,420	28,920	285,712
Equity earnings from non-consolidated investments	433	-	3	436
Adjusted EBITDA	44,429	13,060	52,850	\$ 110,339
Corporate				
Revenue				123
Cost of revenue				3
Indirect operating costs				1,764
Unallocated Adjusted EBITDA				(1,644)
Deduct:				
Depreciation and amortization				50,508
Acquisition related costs				1,940
Stock based compensation				6,688
Restructuring costs				7,111
Equity earnings from non-consolidated investments				436
Gains attributable to MSRs				(1,315)
Consolidated operating earnings				\$ 43,327
Interest				19,872
Equity earnings from non-consolidated investments				(436)
Other income				(215)
Consolidated earnings before income tax				\$ 24,106
Income tax expense				9,970
Consolidated net earnings				\$ 14,136
Purchases of fixed assets	12,665	2,737	859	16,261

Consolidated revenue reconciliation:

Total segment revenue of \$1,001,857 plus unallocated revenue of \$123 equals consolidated revenue of \$1,001,980.

Reconciliation of purchases of fixed assets:

Total purchases of fixed assets of \$16,261 plus unallocated purchases of \$612 equals \$16,873.

GEOGRAPHIC INFORMATION

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

	Three months ended	
	March 31	
	2025	2024
United States		
Revenues	\$ 618,298	\$ 580,506
Total long-lived assets	2,236,607	2,270,389
Canada		
Revenues	\$ 169,379	\$ 101,540
Total long-lived assets	593,652	108,631
Euro currency countries		
Revenues	\$ 96,144	\$ 81,911
Total long-lived assets	352,549	354,185
Australia		
Revenues	\$ 63,311	\$ 51,617
Total long-lived assets	143,549	109,236
United Kingdom		
Revenues	\$ 65,050	\$ 62,690
Total long-lived assets	494,291	517,545
Poland		
Revenues	\$ 29,042	\$ 16,293
Total long-lived assets	10,670	3,344
China		
Revenues	\$ 15,227	\$ 19,367
Total long-lived assets	10,319	7,192
India		
Revenues	\$ 16,949	\$ 15,506
Total long-lived assets	48,212	48,201
Other		
Revenues	\$ 67,770	\$ 72,550
Total long-lived assets	224,023	223,305
Consolidated		
Revenues	\$ 1,141,170	\$ 1,001,980
Total long-lived assets	4,113,872	3,642,028

20. Subsequent event*Acquisition*

On April 15, 2025, the Company announced it had entered into an agreement to acquire Triovest Inc., a provider of asset management, property management and advisory services in Canada. It is expected that the acquisition will be accounted for using the acquisition method of accounting for business combinations. The transaction is expected to close in the second quarter of 2025, subject to applicable closing conditions and approvals, for an aggregate initial purchase price of approximately \$37,000.