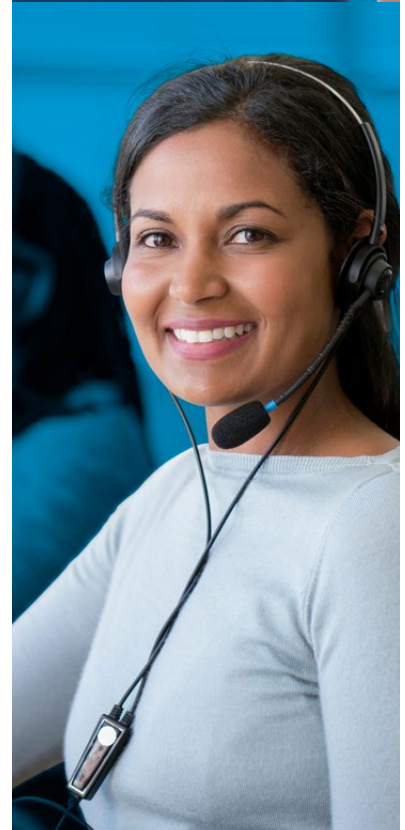
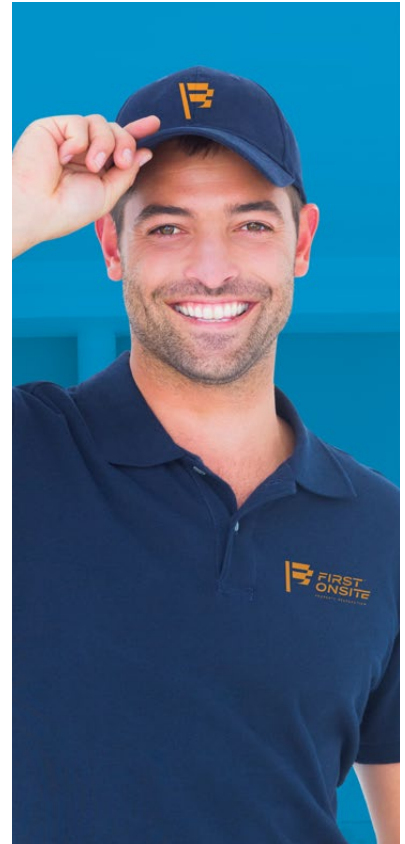




# FirstService

Creating value one step at a time





## A Message From Our CEO

# FirstService has grown revenues and earnings at a compounded annual rate of 19% for more than 25 years.

This remarkable track record of growth is a strong reflection on our people and culture and on our ability to consistently win share in our markets. The durability of our business model has never been more evident than the past two pandemic years and we are very proud and thankful to have extended our impressive track record through 2020 and 2021.

In 2020, we grew revenues by 15% and EBITDA by 21%. We followed it up this past year with 17% top-line growth and 15% growth in EBITDA. This stellar performance is a direct result of the commitment and agility of our amazing teams who continued to navigate through pandemic-related challenges, while also facing widespread labor shortages and unprecedented supply chain interruptions. I am humbled and deeply proud to be part of the FirstService family – 25,000 strong – with a high proportion working on the front lines delivering essential services every day. The past two years have been taxing on our operating teams, yet they have been unwavering in their resolve to deliver on our service promise. Through their dedication, we were able to weather the myriad of operating challenges and exceed our projections for the year.

Here are just some of our highlights from 2021:

### **First Onsite Rebranding**

Early in the year, we united our eight commercial restoration brands under one North American name, First Onsite, with a shared purpose: to help our clients Restore, Rebuild and Rise. The new brand is the culmination of two years of research and preparation. It has generated a high level of excitement internally across First Onsite and FirstService and considerable buzz in the marketplace. Today, First Onsite enjoys the combined expertise and resources of all the legacy companies and offers industry-leading capabilities and response time to its clients through 100 branches across North America.



### Strategic Acquisitions

We fully capitalized on our acquisition opportunities in 2021 completing 18 transactions and deploying over \$160 million in capital. Our partnership model, people-first approach and long-term horizon continues to resonate with founders and family-owned businesses that are exploring estate planning alternatives.

Half of our transaction activity during the year was in support of our restoration brands: First Onsite and Paul Davis. We continue to expand our geographic footprint, add new capabilities and strengthen our teams. The largest of these deals was the acquisition of Maxons, the leading provider of emergency response and restoration services within New York City. The addition of this platform is representative of our strategy to expand our footprint in key markets to better serve our national accounts.

At FirstService Residential, we extended our leadership position in the South Florida high-rise market with the acquisition of the Condominium Management Division of Atlantic/Pacific Companies ("APAM"). APAM added 100 marquee properties to our management portfolio and strengthened our talent pool with the addition of its experienced and tenured team members.

Towards the end of the year at Century Fire, we completed the acquisition of Chesapeake Sprinkler Company, a full-service fire protection operation serving the Baltimore and DC metropolitan areas. This transaction expanded our presence and capability in the Mid-Atlantic region, fulfilling a key strategic priority for Century.

We are very pleased with our acquisition activity in 2021. We acquired well-run operations and partnered with quality teams. Integration is well underway across our platforms and we feel confident that we have added considerable long-term value through the 2021 additions.

### Social Purpose

It was quite evident during 2021 that the pandemic has not diminished our mission to serve others and make a difference every day with our colleagues and customers and within our communities. Our teams organized and participated in a broad range of activities in support of issues and causes that were important to them and their communities. We expect even more activity in 2022. With cross-border travel opening up, I am looking forward to once again attending and participating in as many events as I can in the upcoming year.

Through the FirstService Relief Fund, we awarded 418 total grants in 2021 to help team members facing personal financial hardship. Many of these were Immediate Response Program grants to help employees impacted by Hurricane Ida.

Our Social Purpose continues to evolve and thrive across our three pillars - Our People, Our Community and Our Environment. We encourage all members of the FirstService family to #FirstServeOthers in their daily lives.

### Board Changes

After years of tenure and stability, we have some changes on the FirstService Board as we move into 2022. Brendan Calder and Mike Stein are both retiring as Directors and will not stand for re-election. Brendan has been on the Board for 26 years and Mike for eight. They have both been diligent, hardworking and engaged directors, and instrumental in helping guide the organization and me personally in my position as CEO. We thank them both for their years of service and wish them well.

We took action early in the year to get in front of the pending retirements by seeking out experienced and successful executives to augment the Board. Last May, we announced the appointment of Steve Grimshaw, Executive Chairman of Caliber Collision. For our upcoming annual general meeting,



our Board has nominated Yousry Bissada, CEO of Home Capital, for election by shareholders of FirstService. Steve and Yousry both bring extensive experience as CEOs of growing organizations and we look forward to their valuable insights and contributions.

### Look Forward

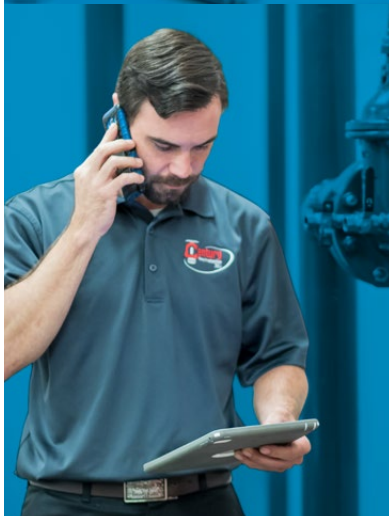
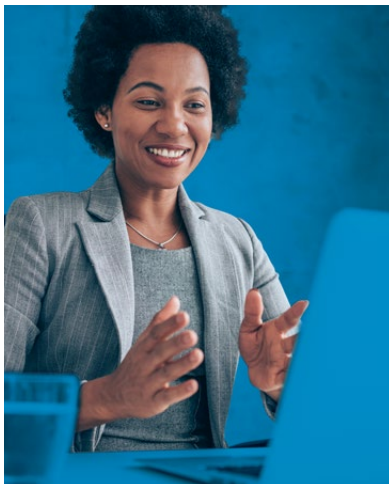
We enter 2022 with momentum and optimism. Our markets remain robust and our teams and operating model have never been stronger. Our aspiration is to create iconic service brands defined by service excellence. We have a relentless focus on the customer and are committed to continuous improvement in our day-to-day service delivery. This dedicated approach to customer experience is our long-term differentiator and the principal driver behind our impressive track record. It is also the reason why we are confident in our ability to drive consistent growth for the foreseeable future. Of course, none of it is possible without the belief and engagement of our teams across the company.

I am thankful every day for the people and culture that define FirstService. I also thank our loyal customers for their business and referrals, and our Board and shareholders for their support of our long-term aspirations.

**D. Scott Patterson**  
Chief Executive Officer



# Our teams and operating model have never been stronger.



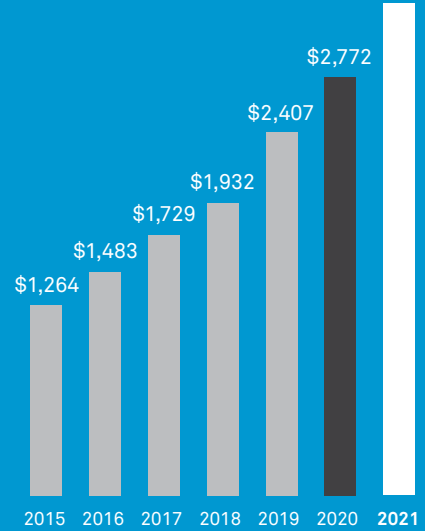


## Financial Highlights

### Revenues

(US\$ millions)

**\$3,249**



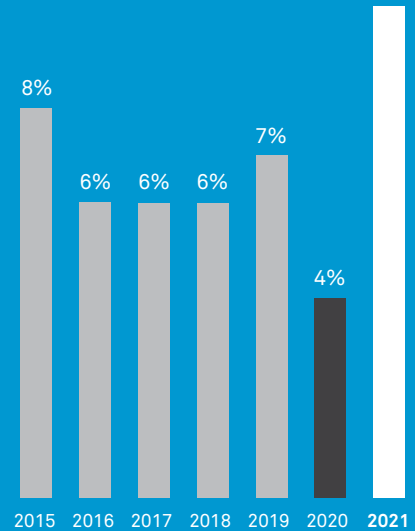
**Growth**  
2020 - 2021

**17%**

**CAGR**  
2015 - 2021

**17%**

### Annual Organic Revenue Growth 10%

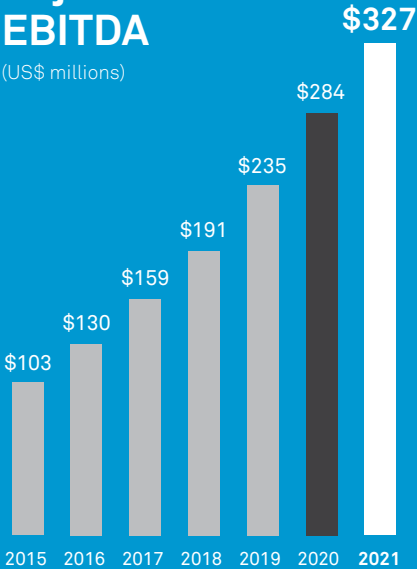


**Annual Average Organic Growth**  
2015 - 2021

**7%**

### Adjusted EBITDA

(US\$ millions)



**Growth**  
2020 – 2021

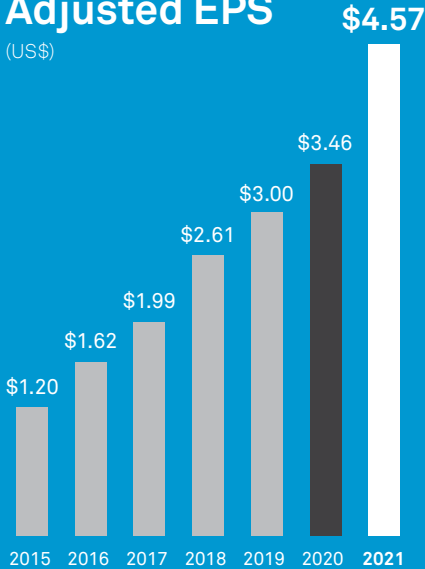
**15%**

**CAGR**  
2015 – 2021

**21%**

### Adjusted EPS

(US\$)



**Growth**  
2020 – 2021

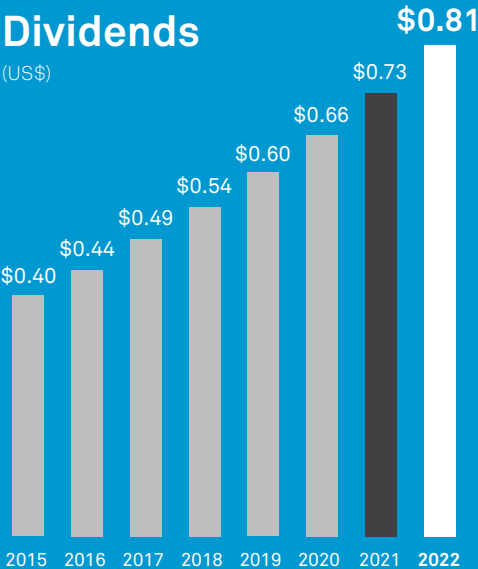
**32%**

**CAGR**  
2015 – 2021

**25%**

### Annual Dividends

(US\$)



**Cumulative Dividend Growth**  
2015 – 2022

**103%**

We were able to weather the myriad of operating challenges and exceed our projections for the year.



**We enter  
2022 with  
momentum  
and  
optimism.**



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[FirstService.com](https://www.FirstService.com)



## Notice of Shareholders' Meeting

The annual meeting of the shareholders will be held on Wednesday, April 6, 2022 at 11:00 a.m. (ET)



**FirstService**

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## Corporate Information

### Registrar and Transfer Agent

Canada – TSX Trust Company

Phone: 1.866.600.5869

E-mail: [tmxeinvestorservices@tmx.com](mailto:tmxeinvestorservices@tmx.com)

U.S. co-transfer agent – Computershare

Phone: 1.800.368.5948

E-mail: [webqueries@computershare.com](mailto:webqueries@computershare.com)

### Stock Exchange Listings

NASDAQ Global Select Market – FSV

Toronto Stock Exchange – FSV

FirstService common shares are included in the S&P/TSX 60 and Composite Indices.

## Head Office

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