2023
ANNUAL REPORT

Real Matters is a leading network management services provider for the mortgage lending and insurance industries. Real Matters' platform combines its proprietary technology and network management capabilities with tens of thousands of independent qualified field professionals to create an efficient marketplace for the provision of mortgage lending and insurance industry services. Our clients include top 100 mortgage lenders in the U.S. and some of the largest banks and insurance companies in Canada. We are a leading independent provider of residential real estate appraisals to the mortgage market and a leading independent provider of title services in the U.S. Headquartered in Markham (ON), Real Matters has principal offices in Buffalo (NY) and Middletown (RI). Real Matters is listed on the Toronto Stock Exchange under the symbol REAL.

Performance Highlights

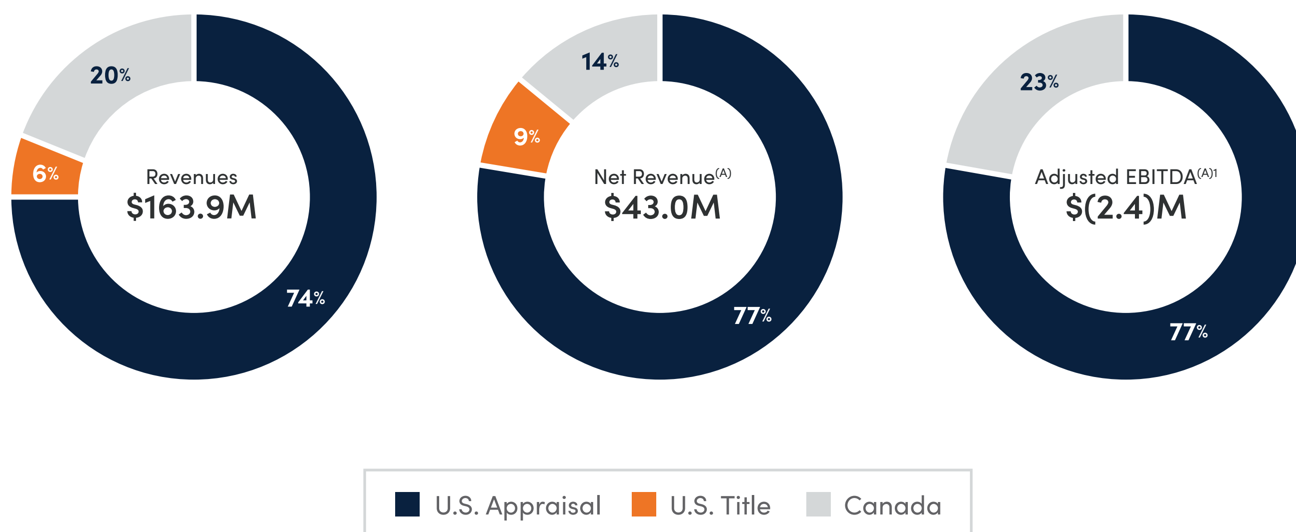
in thousands of US$ except per share amounts or where otherwise stated

Financial	Fiscal 2023	Fiscal 2022	Fiscal 2021	Fiscal 2020	Fiscal 2019
Consolidated					
Revenues	$163,914	$339,642	$504,107	$455,945	$322,537
Net Revenue[(A)]	$43,015	$85,439	$164,292	$162,117	$102,075
Net Revenue[(A)] margin	26.2%	25.2%	32.6%	35.6%	31.6%
Net (loss) income	$(6,196)	$(9,265)	$33,080	$42,798	$10,094
Adjusted EBITDA[(A)]	$(2,359)	$7,379	$59,201	$72,242	$28,977
Adjusted EBITDA[(A)] margin	-5.5%	8.6%	36.0%	44.6%	28.4%
U.S. Appraisal					
Revenues	$120,846	$250,916	$322,109	$282,101	$212,717
Net Revenue[(A)]	$33,117	$55,510	$69,263	$67,224	$50,130
Net Revenue[(A)] margin	27.4%	22.1%	21.5%	23.8%	23.6%
Adjusted EBITDA[(A)]	$14,178	$26,997	$39,797	$39,851	$26,024
Adjusted EBITDA[(A)] margin	42.8%	48.6%	57.5%	59.3%	51.9%
U.S. Title					
Revenues	$9,526	$36,542	$129,538	$142,397	$82,649
Net Revenue[(A)]	$3,867	$23,049	$88,239	$89,845	$46,838
Net Revenue[(A)] margin	40.6%	63.1%	68.1%	63.1%	56.7%
Adjusted EBITDA[(A)]	$(8,338)	$(8,084)	$31,784	$44,291	$13,696
Adjusted EBITDA[(A)] margin	-215.6%	-35.1%	36.0%	49.3%	29.2%
Canada					
Revenues	$33,542	$52,184	$52,460	$31,447	$27,171
Net Revenue[(A)]	$6,031	$6,880	$6,790	$5,048	$5,107
Net Revenue[(A)] margin	18.0%	13.2%	12.9%	16.1%	18.8%
Adjusted EBITDA[(A)]	$4,249	$4,483	$4,777	$3,111	$2,651
Adjusted EBITDA[(A)] margin	70.5%	65.2%	70.4%	61.6%	51.9%
Cash	$42,341	$46,142	$60,213	$129,156	$71,680
Cash flow from operating activities	$(2,564)	$17,567	$25,021	$74,689	$25,643
Long-term debt	–	–	–	–	–
Common shares issued and outstanding	72,944	72,696	79,048	85,359	84,946
Stock options issued and outstanding	3,581	4,426	4,578	5,111	6,060
Warrants issued, outstanding and exercisable	–	–	96	191	874
Operating Metrics					
U.S. Appraisal purchase market share	4.1%	4.1%	4.4%	4.6%	NA
U.S. Appraisal refinance market share	10.4%	12.1%	9.9%	9.3%	NA
U.S. Title refinance market share	0.5%	1.2%	1.8%	2.1%	NA
Trading Statistics (C$ except volume)					
High	$7.10	$10.52	$27.61	$33.01	$12.02
Low	$3.80	$4.18	$9.86	$7.74	$2.95
Close	$6.20	$4.75	$10.04	$25.95	$11.04
Average Volume	128,466	559,487	543,366	520,372	158,404

[(A)] **Non-GAAP Measures**

Net Revenue and Adjusted EBITDA do not have a standardized meaning prescribed by International Financial Reporting Standards and are therefore unlikely to be comparable to similar measures presented by other issuers. These non-GAAP measures are more fully defined on page 23 of this Annual Report.

Fiscal 2023 in Review



Progress to Fiscal 2025 Targets

	Purchase market share[2]		Refinance market share		Net Revenue[(A)] margin		Adjusted EBITDA[(A)] margin	
	F23	**F25 Target**	**F23**	**F25 Target**	**F23**	**F25 Target**	**F23**	**F25 Target**
U.S. Appraisal	4.1%	7-9%	10.4%	17-19%	27.4%	26-28%	42.8%	65-70%
U.S. Title	NA	NA	0.5%	6-8%	40.6%	60-65%	Nmf[3]	50-55%
Canada	NA	NA	NA	NA	18.0%	19-20%	70.5%	65-70%

[(A)] **Non-GAAP Measures**
Net Revenue and Adjusted EBITDA do not have a standardized meaning prescribed by International Financial Reporting Standards and are therefore unlikely to be comparable to similar measures presented by other issuers. These non-GAAP measures are more fully defined on page 23 of this Annual Report.

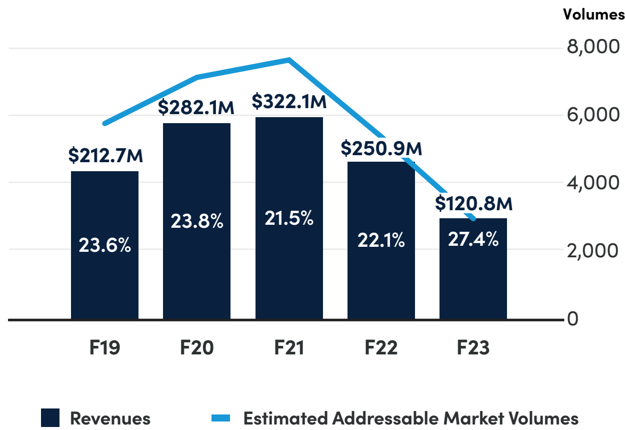
1 Adjusted EBITDA[(A)] includes negative Adjusted EBITDA[(A)] of $8.3 for U.S. Title, and $12.4 million of corporate expenses which is expressed net of stock-based compensation totalling $1.4 million.

2 Market share expressed as a percentage of TAM as described on page 9 of this Annual Report.

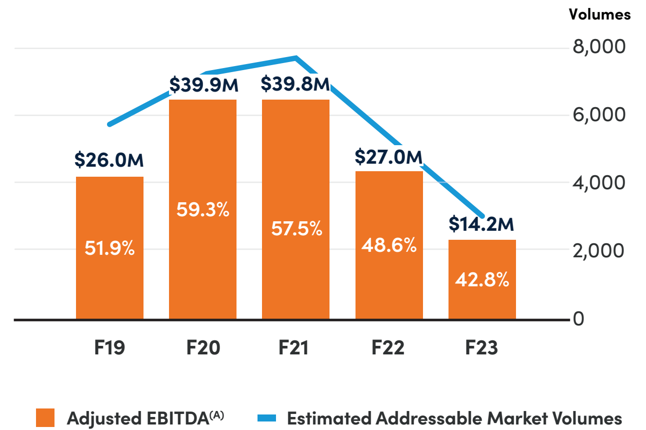
3 Not meaningful figure as U.S. Title Adjusted EBITDA[(A)] was negative in Fiscal 2023.

Key Performance Indicators – U.S. Appraisal

U.S. Appraisal Segment Revenues & Net Revenue(A) Margin vs Addressable Mortgage Market Origination Volumes*

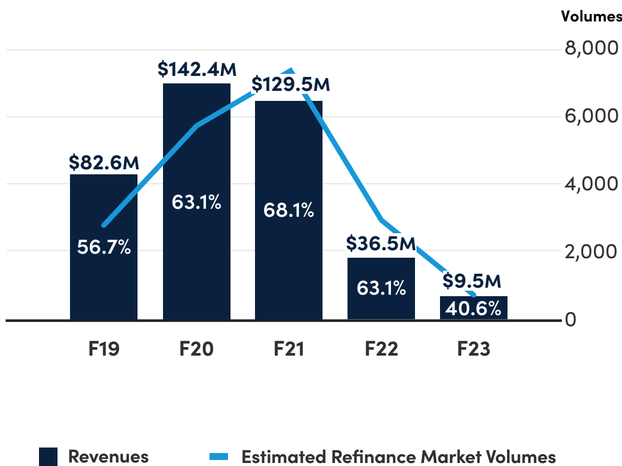


U.S. Appraisal Segment Adjusted EBITDA(A) & Adjusted EBITDA(A) Margin vs Addressable Mortgage Market Origination Volumes*

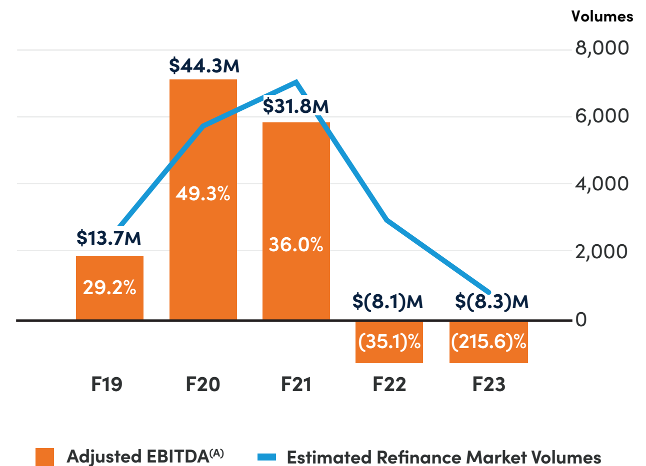


Key Performance Indicators – U.S. Title

U.S. Title Segment Revenues & Net Revenue(A) Margins vs Mortgage Market Origination Refinance Volumes*



U.S. Title Segment Adjusted EBITDA(A) & Adjusted EBITDA(A) Margins vs Mortgage Market Origination Refinance Volumes*



(A) **Non-GAAP Measures**

Net Revenue and Adjusted EBITDA do not have a standardized meaning prescribed by International Financial Reporting Standards and are therefore unlikely to be comparable to similar measures presented by other issuers. These non-GAAP measures are more fully defined on page 23 of this Annual Report.

* Management estimate, in thousands of units. We derive our estimate using a variety of sources, including HMDA data, publicly reported financial results of U.S. mortgage originators, forecasts from the Mortgage Bankers Association, Fannie Mae and Freddie Mac, and our own internal volumes.

To our shareholders,

In fiscal 2023, Real Matters focused on preparing for scale by optimizing our network, our platform and our team, and making the business more efficient at scale. Despite significant market headwinds, we made further inroads with our clients by expanding our channel penetration across all segments and deepening our relationships to build franchise value for the long term. We have kept our commitment to shareholders by focusing on what we can control and running our business with a long-term view.

The U.S. mortgage market is cyclical and our business was built to weather its peaks, and valleys. By historical standards, fiscal 2023 was one of the most challenging markets we have faced as a company, and as an industry. Inflation, rapidly rising interest rates, a sustained increase in home price appreciation, low housing inventory and continuing economic uncertainty drove mortgage market volumes down to levels not seen in this industry in almost three decades, and certainly not in our time as a public company.

Despite the challenging market environment, we posted positive net income and positive consolidated Adjusted EBITDA[A] in the last six months of the fiscal year. We managed our cost base and improved our operational efficiency to better align with the lower market environment, reducing our consolidated operating expenses by more than 41% year-over-year. We are now operating with the lowest cost structure we've had since going public; a prime example of what our platform is capable of delivering.

We ended fiscal 2023 with 4.1% U.S. Appraisal purchase market share and U.S. Appraisal refinance market share of 10.4%. We believe that our Tier 1 lenders, who account for the majority of our revenues, were disproportionately impacted by the decline in the U.S. mortgage origination market in fiscal 2023. We increased our market share with our Tier 1 clients, on average, by 10% in fiscal 2023. The Tier 1s are large lenders – both bank and non-bank – who value performance, and they continue to represent a significant opportunity for market share growth for Real Matters.

[A] **Non-GAAP Measures**

Net Revenue and Adjusted EBITDA do not have a standardized meaning prescribed by International Financial Reporting Standards and are therefore unlikely to be comparable to similar measures presented by other issuers. These non-GAAP measures are more fully defined on page 23 of this Annual Report.

We went live in a second channel with our Tier 1 lender in U.S. Title at the end of the fourth quarter and ended fiscal 2023 with overall market share of 0.5% in U.S. Title. Our team continues to advance the pipeline with an optimistic view of adding new lenders and increasing our market share. Given the efficiency of our operations, we remain well positioned for a variety of volume scenarios over the medium and long term.

In fiscal 2023, we launched 20 new customers and 13 new channels across all business units. We continued to rank at the top of lender scorecards and our performance continues to reinforce our relationship with lenders who view us as a trusted partner.

We have a strong balance sheet, our operations are optimized, and we are well-positioned to scale up when market conditions improve. We have a greater share of our clients' business in more channels and across more products than ever. The progress we have made should provide a tailwind for our results when the market turns.

We believe in the long-term earnings potential of our business, and we remain focused on our fiscal 2025 objectives.

Our team did an incredible job in fiscal 2023, managing costs, delivering performance that has kept us at the top of lender scorecards, deploying new technology and innovating in a way that reinforces our competitive advantage, and they remained relentless in our pursuit of new business. We are also grateful for the extraordinary contribution of the field professionals on our network who continue to go above and beyond for our clients.

We remain thankful to our Board of Directors and shareholders for their ongoing support and confidence in our business.

Brian Lang
Chief Executive Officer

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(tabular and graphical amounts are expressed in thousands of U.S. dollars and thousands of shares, excluding per share amounts, unless otherwise stated)

The following Management Discussion and Analysis ("MD&A") was prepared as of November 16, 2023 and should be read in conjunction with our consolidated financial statements ("financial statements"), including notes thereto, for the years ended September 30, 2023 and 2022. All amounts in this MD&A are reported in thousands of U.S. dollars, unless otherwise stated, and have been prepared in accordance with International Financial Reporting Standards ("IFRS" or "GAAP"). Throughout this MD&A, Real Matters Inc. and its subsidiaries are referred to as "Real Matters," "the Company," "we," "our," or "us". Additional information about the Company, including the Company's Annual Information Form for the year ended September 30, 2022, can be found on SEDAR+ under the Company's profile at www.sedarplus.ca.

We prepare our financial statements in accordance with IFRS, however, we consider certain Non-GAAP financial measures (as hereinafter defined) useful in the assessment of our financial performance. All Non-GAAP measures are identified in this MD&A by superscript (A). Please refer to the "Non-GAAP Measures" section of this MD&A for additional details regarding our use of Non-GAAP measures, including, but not limited to, the definitions of Net Revenue[(A)] and Adjusted EBITDA[(A)].

OVERVIEW

Real Matters provides residential real estate appraisal and title services to mortgage lenders in the United States of America ("U.S.") and residential real estate appraisal and insurance inspection services in Canada. Our technology-based platform creates a competitive marketplace where independent field professionals, including appraisers, property inspectors, notaries, abstractors and other closing agents, compete for volumes provided by our clients based on their service level, quality of work and professionalism (the "platform"). Our proprietary technology, which we believe is unique in our industry, combined with our network management capabilities, drives greater efficiency by reducing manual processes through robust quality control mechanisms, logistics management capabilities, capacity planning tools and end-to-end transaction management for our clients. We leverage our technology and field professional partnerships with the goal of delivering first-time quality, faster turnaround times and better performance than our competitors.

Headquartered in Markham, Ontario, Real Matters' principal offices include Buffalo, New York and Middletown, Rhode Island. We service the U.S. and Canadian residential mortgage industries through our Solidifi brand and the Canadian property and casualty insurance industry through our iv3 brand.

Our services

Appraisal services

We are one of North America's largest independent providers of residential real estate appraisal services. A residential appraisal is a survey of a home prepared by a qualified appraiser providing their expert opinion on the market value of a residential property.

We leverage our technology-based platform and apply network management capabilities, which are designed to focus on quality at the front-end of the process, to supply residential real estate appraisal services. Our platform is an open network where appraiser performance is tracked and managed in real-time. We believe that our national and regionally managed network has the capacity to scale and deliver better performance than our competitors. We provide the breadth of expertise and local knowledge required to find the most qualified appraiser for every mortgage transaction through robust credentials management and scorecarding.

Title services

In April 2016, we entered the U.S. Title business through the acquisition of Linear Title & Closing Ltd. Our U.S. Title business leverages our technology-based platform and network management capabilities to deliver a scalable solution that drives better performance for our clients and a superior consumer experience. The closing process is critical to a consumer's overall experience as it represents an important point of contact in a mortgage transaction. Our focus is to provide the best consumer experience by working with experienced abstractors, notaries and attorneys.

We are an approved title agent with the largest title insurance underwriters in the U.S. We offer and/or coordinate various title services for refinance, purchase, home equity, default, short sale and real estate owned ("REO") transactions to financial institutions in all 50 states and the District of Columbia, and each state has differing rules and regulations for title agents. As an independent title agent, we provide services required to close a mortgage transaction, including title search, curative, closing and escrow services and title policy issuance. We act on behalf of title insurance underwriters and retain the agent's portion of the premium paid for the title policy, which is typically 70-90% of the title insurance premium. The remaining portion of the premium is remitted to the underwriter as compensation for bearing the risk of loss in the event a claim is made under the insurance policy. Premium splits can vary by geographic region, and in some states, premiums are fixed by regulation.

In addition, we also provide hosted software solutions to our lenders relating to title servicing.

Insurance inspection services
In Canada, we also supply residential and commercial property insurance inspection services. The purpose of an inspection is to establish the replacement cost of a property in the event of a major catastrophe such as a fire or a flood. The inspection is used as an insurance underwriting tool to properly match the risk with the appropriate insurance premium and to verify the accuracy of the information collected at the time of the policy application.

Our clients

Our clients include top 100 mortgage lenders in the U.S., the majority of the big five banks in Canada and some of North America's largest insurance carriers.

In the U.S., Tier 1 lenders (as defined in the "Glossary" section of this MD&A) typically allocate market share to their service providers based on performance, and our performance often results in us obtaining an outsized allocation of transaction volumes from these lenders compared to our competitors.

Our U.S. Appraisal segment (as hereinafter defined) provides services to the largest lenders in the U.S., including all six Tier 1 mortgage lenders. We provide appraisal services to mortgage lenders across the following channels: purchase origination, refinance origination, home equity, default and REO. Purchase and refinance mortgage origination revenues accounted for 75% of fiscal 2023 revenues in our U.S. Appraisal segment (2022 – 88%).

Our U.S. Title segment (as hereinafter defined) currently services one Tier 1 lender and other top 100 lenders. Our strategy is to increase market share in this segment by onboarding more Tier 1, Tier 2 and Tier 3 lenders, many of whom are already clients in the U.S. Appraisal segment.

In Canada, we provide residential mortgage appraisal services to the majority of the big five Canadian banks and residential and commercial property insurance inspection services to some of North America's largest insurance carriers.

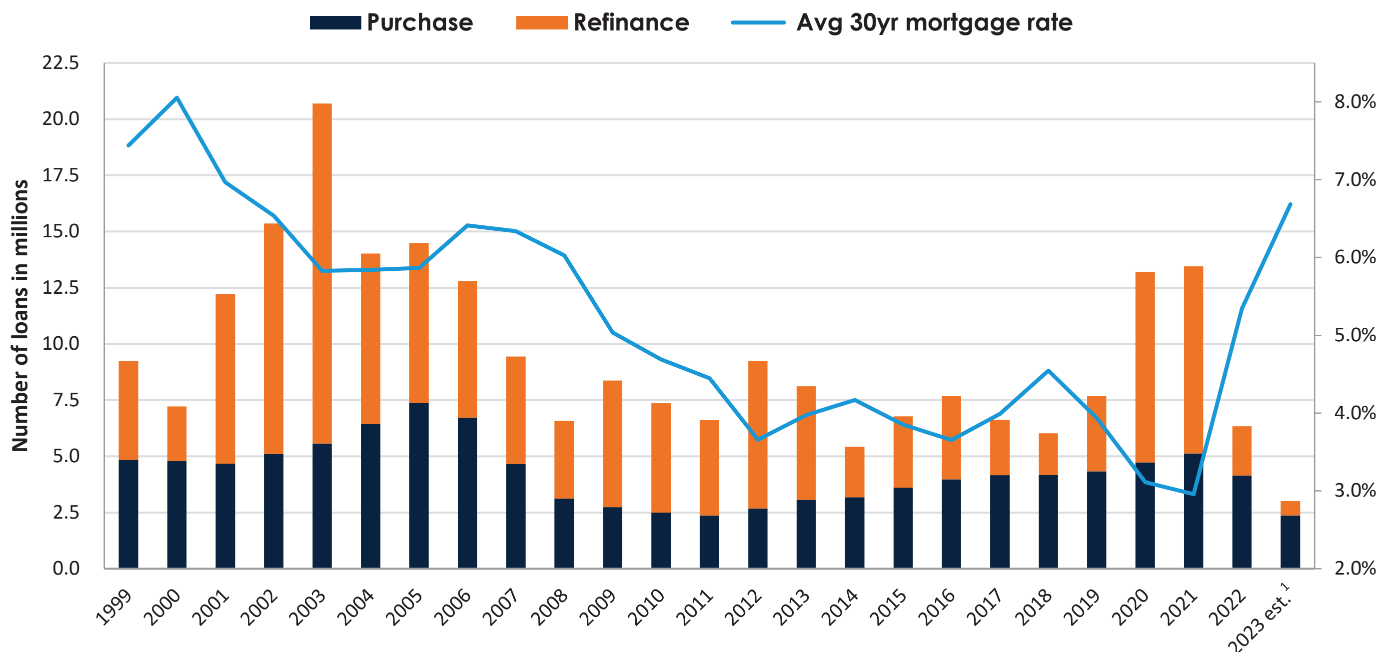
Markets we service and their trends

Residential mortgage origination volumes in North America are a key driver of our financial performance. The U.S. mortgage market is one of the largest asset classes in the world and it is highly regulated.

Refinance activity is highly sensitive to changes in interest rates. From the onset of COVID-19 through the first half of fiscal 2022, the mortgage origination market experienced a significant increase in refinance activity due to low interest rates and other contributing factors. Starting in the first half of fiscal 2022 and continuing through fiscal 2023, the U.S. Federal Reserve raised the Federal Funds rate multiple times to mitigate inflationary pressures. Rapidly rising mortgage rates, high inflation, reduced affordability, and broader macroeconomic concerns drove significant declines in mortgage origination volume during this period. For fiscal 2023, we estimated that total mortgage origination volumes decreased nearly 53% from fiscal 2022, which presents a tougher market comparison year-over-year.

The table below outlines the estimated number of U.S. mortgage origination loans for purchase and refinance transactions on a calendar year basis from 1999 to the present.

U.S. Mortgage Origination Volumes by Calendar Year
(excludes default, REO and home equity loans)



Source: Home Mortgage Disclosure Act. data ("HMDA") for calendar 1999 through 2022 and management estimate for calendar 2023

Note
(1) We derive our estimate using a variety of sources, including HMDA data, publicly reported financial results of U.S. mortgage originators, forecasts from the Mortgage Bankers Association, Fannie Mae and Freddie Mac, and our own internal volumes.

Our addressable market
We estimate that there were approximately 3.3 million mortgage origination transactions (purchase and refinance) in the U.S. in fiscal 2023.

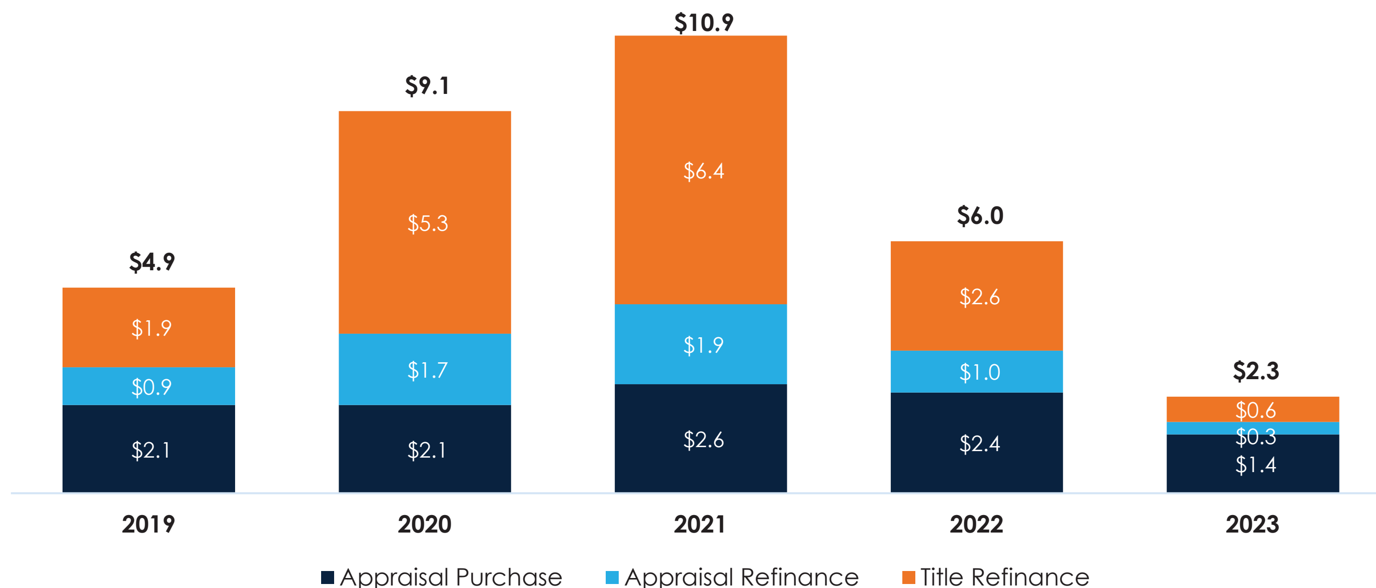
The total addressable market ("TAM") for our U.S. Appraisal segment excludes appraisal waivers from GSEs and appraisals provided by Veterans Affairs, the majority of which impacts refinance origination volumes. We estimate that in fiscal 2023 there were approximately 2.7 million addressable mortgage origination transactions (purchase and refinance) requiring appraisals in the U.S. U.S. Appraisal market share for origination transactions is generally allocated by lenders on a centralized, combined volume basis.

The TAM for our U.S. Title segment is not impacted by waivers or Veterans Affairs volumes. We estimate that there were 0.6 million refinance transactions in fiscal 2023. Our U.S. Title segment currently targets refinance transactions as this volume is generally centralized by the mortgage lenders (i.e. the allocation of volume is driven by the lender). While we have the capability, and we do occasionally provide title services for purchase transactions, most volume for U.S. Title purchase transactions is not allocated by the lender.

In addition to mortgage origination transactions, we also service home equity, default and REO transactions. However, due to the lack of market data available, we are unable to estimate the market size for these transactions.

Due to the lack of market data available, we are unable to estimate the market size for the Canadian segment.

The graph below outlines the estimated size of the TAM for purchase and refinance mortgage origination in the U.S. for fiscal 2019 through fiscal 2023 and our estimate of the TAM spend for these services.



Seasonality and other trends
Residential mortgage origination volumes in North America are influenced by cyclical trends and seasonality. Cyclical trends include changes in interest rates, refinancing rates, the capacity of lenders to underwrite mortgages, house prices, housing inventory, demand for housing, the availability of funds for mortgage loans, credit requirements, regulatory changes, household indebtedness, employment levels and the general health of the North American economy. Transaction-based revenues for appraisal services in our U.S. Appraisal and Canadian segments are also impacted by the seasonal nature of the residential mortgage industry, which typically see home buyers purchase more homes in our third and fourth fiscal quarters, representing the three months ending June 30 and September 30, respectively.

Our market share is impacted by the size of the addressable residential mortgage origination market but also by our clients' relative share of the addressable market. Gains or losses in our clients' share of the addressable market influence our overall market share. As discussed above, the prevalence of appraisal waivers provided by the GSEs and the volume of appraisals provided by Veterans Affairs can also impact the size of the TAM for our U.S. Appraisal segment.

Long-term focus
We take a long-term view to manage and measure the success of our business strategies since we cannot control the addressable mortgage origination market or the factors that influence it. Accordingly, our principal focus is on growing market share in the residential mortgage origination market over the long-term. Market share growth is achieved by onboarding new customers and increasing market share with our existing clients. The mortgage market is subject to the influence of many factors, such as broader economic conditions, changes to interest rates, changes in our clients' share of the market and regulatory changes; each of which is not within our control. As we scale transaction volumes, we expect to expand Net Revenue[(A)] and Adjusted EBITDA[(A)] margins.

Fiscal 2025 targets
At the end of fiscal 2020, we set targets through the end of fiscal 2025 for market share, Net Revenue[(A)] margins, Adjusted EBITDA[(A)] margins, corporate expenses and for conversion of Adjusted EBITDA[(A)] to Free Cash Flow[(A)] between fiscal 2021 through the end of 2025. Given that we are unable to control the cyclical and seasonal trends that impact the residential mortgage market or our clients' share of the overall market, we did not set revenue targets.

The fiscal 2025 targets are presented for the purpose of assisting investors, security analysts and others in understanding our current objectives, strategic priorities, and expectations for the future. Readers are cautioned that our fiscal 2025 targets may not be appropriate for other purposes.

Key assumptions:
Our fiscal 2025 targets are contingent on, amongst other things:

- no change in our clients' respective share of the market from 2020 levels;
- a TAM for U.S. Appraisal of $4.0 billion and a TAM for U.S. Title of $2.0 billion;
- Veteran Affairs volumes for purchase and refinance activity remain largely unchanged from fiscal 2020 levels through fiscal 2025 (approximately 9% for purchase market volumes and approximately 15% for refinance market volumes);
- waivers for purchase and refinance activity return to levels seen in fiscal 2019 by fiscal 2025 (approximately 2% for purchase market volumes and approximately 10% for refinance market volumes);
- continued expansion of market share in our U.S. Appraisal segment, including, by fiscal 2025, a market share of between 30% to 55% with each of our Tier 1 clients; and
- the successful launch of several Tier 1 clients by our U.S. Title segment through fiscal 2025.

Please refer to the "Cautionary Note Regarding Forward-Looking Information" contained in this MD&A for a description of the risks that impact our business and that could impact the achievement of our fiscal 2025 targets, including the size of the U.S. mortgage market in fiscal 2025.

Fiscal 2025 Targets

	Purchase market share	Refinance market share	Net Revenue[(A)] margin	Adjusted EBITDA[(A)] margin
U.S. Appraisal	**7-9%[(1)]**	**17-19%[(1)]**	**26-28%**	**65-70%**
U.S. Title	**-**	**6-8%[(1)]**	**60-65%**	**50-55%**
Canada	**-**	**-**	**19-20%**	**65-70%**

Note
(1) Market share expressed as a percentage of TAM as described above in this MD&A.

The target for our Corporate segment is to contain corporate expenses, excluding stock-based compensation expense, to 7% of Net Revenue[(A)] by the end of fiscal 2025.

Our target is to convert 70-75% of Adjusted EBITDA[(A)] to Free Cash Flow[(A)] between fiscal 2021 through the end of fiscal 2025, which is contingent on a normalized market. In fiscal 2022 and 2023, we did not achieve our conversion target of 70-75%, due in large part to the sharp decline in mortgage origination volumes and the corresponding impact to Adjusted EBITDA[(A)], which was most notable in our U.S. Title segment.

We believe we have a significant amount of addressable market beyond our fiscal 2025 objectives. The U.S. mortgage market is one of the largest asset classes in the world and we service large, blue-chip clients in the U.S. and Canada. Getting to first transaction with large mortgage lenders can be a lengthy process; however, once we launch a client, our strategy is to leverage our platform to outperform our competition and grow market share. This helps us solidify and expand the relationships we have with our clients over the long term. Our business is built for scale; higher transaction volumes typically allow us to expand Net Revenue[(A)] and Adjusted EBITDA[(A)] margins. We have a strong balance sheet and strong Free Cash Flow[(A)] generating profile in a normalized market that is expected to support our long-term business objectives.

Important factors affecting our results from operations
Our business is subject to a variety of risks and uncertainties, and the targets outlined above contain forward-looking information. Please refer to the "Cautionary Note Regarding Forward-Looking Information" contained in this MD&A for a description of the risks that impact our business and that could cause our financial results to vary.

FINANCIAL PERFORMANCE

The following is a discussion of our consolidated financial condition and results of operations for the three months and years ended September 30, 2023 and 2022.

Review of Operations - For the three months and year ended September 30, 2023

This section provides detailed information and analysis about the Company's performance for the three months and year ended September 30, 2023.

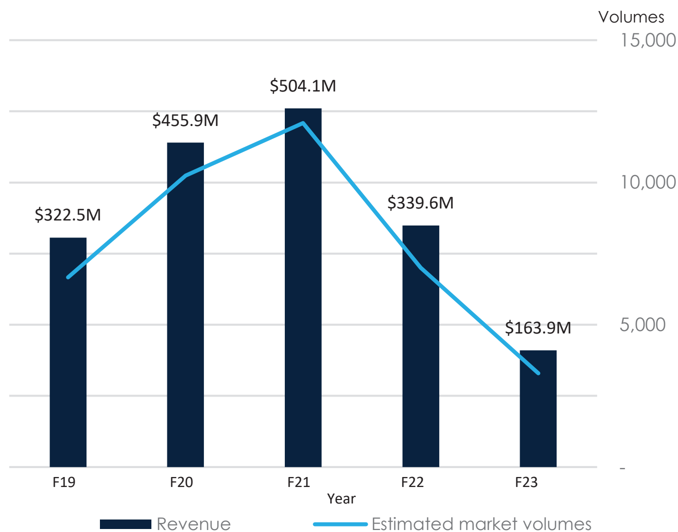
Please also refer to the tables in the "Foreign Currency Exchange Rates" section of this MD&A for additional details regarding the impact foreign currency exchange ("FX") had on our consolidated operating results for the three months and year ended September 30, 2023.

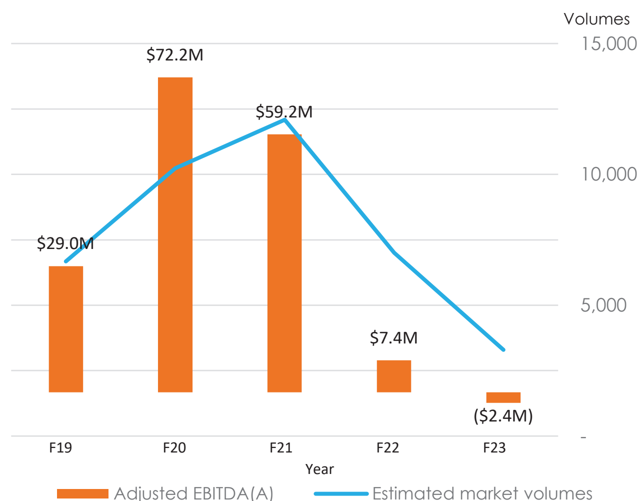
Consolidated

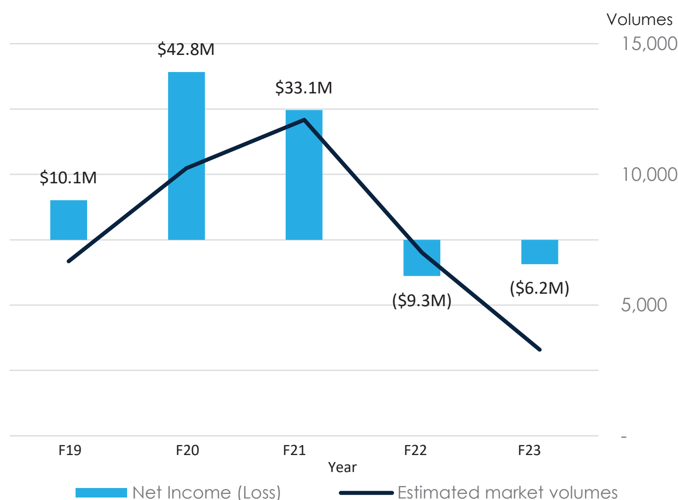
	Three months ended September 30				Year ended September 30			
	2023	2022	Change	% Change	**2023**	2022	Change	% Change
Revenues	**$ 42,189**	$ 58,200	$ (16,011)	-28%	**$ 163,914**	$ 339,642	$ (175,728)	-52%
Transaction costs	**$ 31,023**	$ 43,833	$ (12,810)	-29%	**$ 120,899**	$ 254,203	$ (133,304)	-52%
Operating expenses	**$ 10,860**	$ 15,784	$ (4,924)	-31%	**$ 46,751**	$ 79,595	$ (32,844)	-41%
Amortization	**$ 873**	$ 1,088	$ (215)	-20%	**$ 3,877**	$ 4,530	$ (653)	-14%
Net income (loss)	**$ 1,622**	$ (9,968)	$ 11,590	116%	**$ (6,196)**	$ (9,265)	$ 3,069	33%
Non-GAAP measures								
Net Revenue[(A)]	**$ 11,166**	$ 14,367	$ (3,201)	-22%	**$ 43,015**	$ 85,439	$ (42,424)	-50%
Net Revenue[(A)] margin	**26.5%**	24.7%	1.8%	7%	**26.2%**	25.2%	1.0%	4%
Adjusted EBITDA[(A)]	**$ 594**	$ (1,112)	$ 1,706	153%	**$ (2,359)**	$ 7,379	$ (9,738)	-132%
Adjusted EBITDA[(A)] margin	**5.3%**	-7.7%	13.0%	169%	**-5.5%**	8.6%	-14.1%	-164%

Consolidated operating results		
	Three months ended September 30, 2023 vs. Three months ended September 30, 2022	**Year ended September 30, 2023 vs. Year ended September 30, 2022**
Revenues and Transactions Costs	↓ The decrease in revenues and transaction costs were primarily due to lower addressable mortgage origination volumes across all three segments which was partially offset by higher home equity volumes serviced in our U.S. Appraisal segment.	↓ The decrease in revenues and transaction costs were primarily due to lower addressable mortgage origination volumes across all three segments which was partially offset by higher home equity volumes serviced in our U.S. Appraisal segment.
Operating expenses	↓ Operating expenses decreased by 31% primarily due to: • A decrease of $4.1 million in salaries and benefits associated with a significant reduction of headcount. • A $0.6 million decrease in office and computer expenses from lower Information Technology ("IT") expenses, U.S. Title segment variable bank and courier expenses and lower FX.	↓ Operating expenses decreased by 41% primarily due to: • A decrease of $27.7 million in salaries and benefits associated with a significant reduction of headcount. • A $3.5 million decrease in office and computer expenses from lower IT expenses, U.S Title segment variable bank and courier expenses and lower FX. • A decrease of $0.7 million in professional fees due to a reduction in consulting services.
Amortization	↓ Amortization expense was 20% lower mainly due to a reduction of right-of-use assets related to our leased office space combined with fully amortized computer equipment and leasehold improvements.	↓ Amortization expense was 14% lower due to a reduction of right-of-use assets related to our leased office space combined with fully amortized computer equipment and leasehold improvements.
Net income (loss)	↑ In addition to the Adjusted EBITDA[A] discussion below, the increase in net income was mainly due to: • no recognition of impairment charge in Q4 2023 (Q4 2022 - $17.3 million); • higher interest income; • higher income tax recovery.	↑ In addition to the Adjusted EBITDA[A] discussion below, net loss was lower mainly due to: • no recognition of impairment charge in 2023 (2022 - $17.3 million); • gain on fair value of a total return swap entered into in fiscal 2023; • higher interest income; • partially offset by higher FX loss as the result of changes in the FX rate between the Canadian and U.S. dollar.
Net Revenue[A]	↓ We experienced a Net Revenue [A] reduction of 22% primarily due to lower addressable mortgage origination volumes across all three segments which was partially offset by higher home equity volumes serviced in our U.S. Appraisal segment and improved Net Revenue[A] margins.	↓ We experienced a Net Revenue [A] reduction of 50% primarily due to lower addressable mortgage origination volumes across all three segments which was partially offset by higher home equity volumes serviced in our U.S. Appraisal segment and improved Net Revenue[A] margins.
Net Revenue[A] margin	↑ Consolidated Net Revenue[A] margins increased by 180 basis points as we leveraged our field professional network in a lower market environment and serviced more standard properties due in part to the decline in GSE waivers.	↑ Consolidated Net Revenue[A] margins increased by 100 basis points as we leveraged our field professional network in a lower market environment and serviced more standard properties due in part to the decline in GSE waivers.
Adjusted EBITDA[A] and Adjusted EBITDA[A] margins	↑ We recorded higher Adjusted EBITDA[A] and Adjusted EBITDA[A] margins due to the decrease in operating expenses and Net Revenue[A] margins improvement explained above which was partially offset by the reduction in revenues.	↓ We recognized lower Adjusted EBITDA[A] and Adjusted EBITDA[A] margins due to the decrease in revenues explained above which was partially offset by the reduction in operating expenses and Net Revenue[A] margins improvement in fiscal 2023.

The tables that follow compare our consolidated Revenues, Adjusted EBITDA(A) and Net Income or Loss to estimated mortgage market origination volumes.







Business Segment Analysis - Review of Operations - For the three months and year ended September 30, 2023

We conduct our business in the U.S. and Canada through three reportable segments: (i) U.S. appraisal ("U.S. Appraisal"); (ii) U.S. title ("U.S. Title"); and (iii) Canada or Canadian. Expenses attributable to corporate activities are recorded in our Corporate segment.

U.S. Appraisal

	Three months ended September 30				Year ended September 30			
	2023	2022	Change	% Change	**2023**	2022	Change	% Change
Revenues								
Purchase originations	**$ 14,433**	$ 21,496	$ (7,063)	-33%	**$ 57,947**	$ 98,203	$ (40,256)	-41%
Refinance originations	**7,657**	14,483	(6,826)	-47%	**32,629**	122,835	(90,206)	-73%
Home equity	**8,316**	7,201	1,115	16%	**27,226**	26,702	524	2%
Other	**754**	728	26	4%	**3,044**	3,176	(132)	-4%
	$ 31,160	$ 43,908	$ (12,748)	-29%	**$ 120,846**	$ 250,916	$ (130,070)	-52%
Transaction costs	**$ 22,601**	$ 32,763	$ (10,162)	-31%	**$ 87,729**	$ 195,406	$ (107,677)	-55%
Operating expenses	**$ 4,624**	$ 6,575	$ (1,951)	-30%	**$ 18,939**	$ 28,513	$ (9,574)	-34%
Amortization	**$ 112**	$ 184	$ (72)	-39%	**$ 550**	$ 928	$ (378)	-41%
Non-GAAP measures								
Net Revenue[(A)]	**$ 8,559**	$ 11,145	$ (2,586)	-23%	**$ 33,117**	$ 55,510	$ (22,393)	-40%
Net Revenue[(A)] margin	**27.5%**	25.4%	2.1%	8%	**27.4%**	22.1%	5.3%	24%
Adjusted EBITDA[(A)]	**$ 3,935**	$ 4,570	$ (635)	-14%	**$ 14,178**	$ 26,997	$ (12,819)	-48%
Adjusted EBITDA[(A)] margin	**46.0%**	41.0%	5.0%	12%	**42.8%**	48.6%	-5.8%	-12%

Market share	*Purchase mortgage origination*		*Refinance mortgage origination*	
	Year ended September 30		Year ended September 30	
(expressed in whole units)	**2023**	2022	**2023**	2022
Estimated market volumes	**2,683,886**	4,268,656	**611,624**	2,738,730
Non-addressable market volumes	**(456,529)**	(685,764)	**(114,982)**	(1,207,649)
Estimated addressable market volumes	**2,227,357**	3,582,892	**496,642**	1,531,081
Real Matters volumes	**90,263**	146,092	**51,427**	185,666
Real Matters estimated market share	**4.1%**	4.1%	**10.4%**	12.1%

Home equity, default and REO transactions are not included in our market share calculation above as we are unable to accurately estimate the market size for these transactions because public market data is not readily available. In fiscal 2023, these types of transactions represented 25% of our U.S. Appraisal revenues (2022 - 12%).

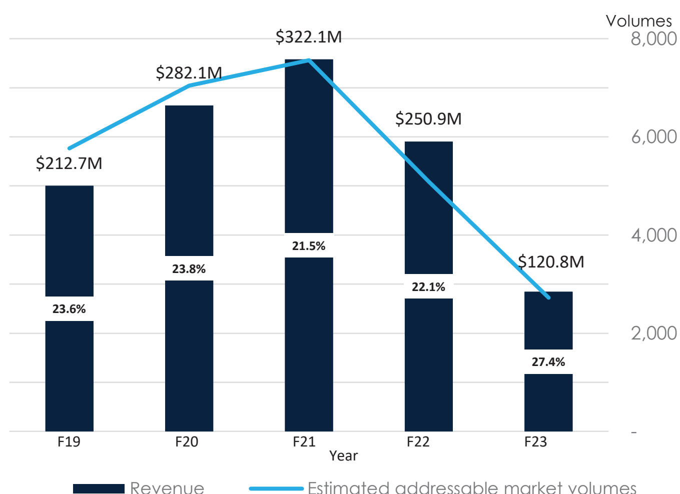
Our market share is impacted by the size of the addressable residential mortgage origination market but also by our clients' relative share of the addressable market.

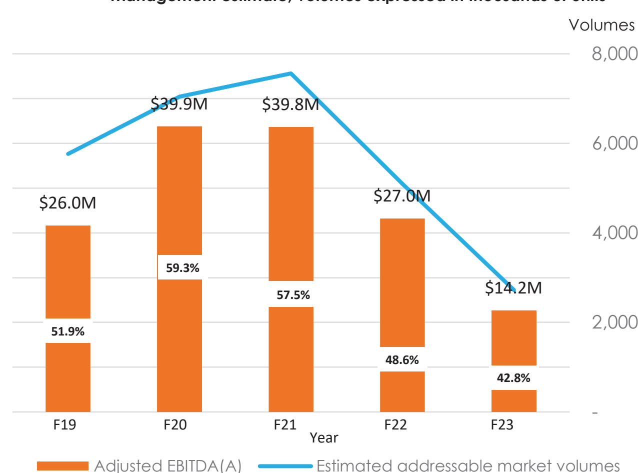
Our respective market shares will shift in line with the mix of business of our client base – some of whom have historically been more weighted toward refinance which experienced a steeper decline in fiscal 2023. Notwithstanding that Tier 1 lenders continue to represent a significant opportunity for market share growth for Real Matters, we believe that they were disproportionately impacted by the decline in the U.S. mortgage origination market in fiscal 2023.

U.S. Appraisal operating results		
	Three months ended September 30, 2023 vs. Three months ended September 30, 2022	**Year ended September 30, 2023 vs. Year ended September 30, 2022**
Revenues	↓ Revenues from purchase and refinance mortgage originations declined principally due to lower addressable mortgage origination volume. Home equity revenues increased by 16% and accounted for 27% of the segment's revenues (Q4 2022 – 16%) mainly due to new clients and market share gains.	↓ Revenues from purchase and refinance mortgage originations declined principally due to lower addressable mortgage origination volumes. Year-over-year, we estimate that addressable mortgage origination volumes for purchase and refinance activity declined 38% and 67%, respectively, which compares to a 41% decline in our purchase originations revenues and 73% decline in our refinance originations revenues. Home equity revenues increased by 2% and accounted for 23% of the segment's revenues (2022 – 11%) mainly due to new clients and market share gains.
Transaction costs	↓ Transaction costs declined due in large part to lower addressable mortgage origination volumes, as outlined in the revenue discussion above. Leveraging our field professional network in a lower market environment and servicing more standard properties also contributed to the decline in transaction costs.	↓ Transaction costs declined due in large part to lower addressable mortgage origination volumes, as outlined in the revenue discussion above. Leveraging our field professional network in a lower market environment and servicing more standard properties also contributed to the decline in transaction costs.
Operating expenses	↓ Operating expenses decreased by 30% primarily on lower salaries and benefits costs of $1.6 million and lower IT expenses of $0.1 million.	↓ Operating expenses decreased by 34% on an $8.4 million decline in salaries and benefits costs. Lower marketing, bank charges, IT expenses and professional fees accounted for the balance of the decline.
Amortization	↓ Amortization expense decreased due to a reduction of right-of-use assets related to our leased office space combined with fully amortized computer equipment and leasehold improvements.	↓ Amortization expense decreased due to a reduction of right-of-use assets related to our leased office space combined with fully amortized computer equipment and leasehold improvements.
Net Revenue[(A)]	↓ Net Revenue[(A)] declined by 23% mainly due to lower addressable mortgage origination volumes partially offset by higher home equity volumes and improved Net Revenue[(A)] margins.	↓ Net Revenue[(A)] declined by 40% mainly due to lower addressable mortgage origination volumes partially offset by higher home equity volumes and improved Net Revenue[(A)] margins.
Net Revenue[(A)] margin	↑ Net Revenue[(A)] margins expanded by 210 basis points in our U.S. Appraisal segment as we leveraged our field professional network in a lower market environment, which was partially offset by an increase in lower margin home equity volumes.	↑ Net Revenue[(A)] margins increased by 530 basis points in our U.S. Appraisal segment as we leveraged our field professional network in a lower market environment and serviced more standard properties, due in part to the decline in GSE waivers.
Adjusted EBITDA[(A)]	↓ Adjusted EBITDA[(A)] contracted on lower Net Revenue[(A)], owing, in large part, to lower addressable mortgage origination market volumes partially offset by higher home equity volumes, a reduction in operating expenses and Net Revenue[(A)] margins expansion as described above.	↓ Adjusted EBITDA[(A)] contracted on lower Net Revenue[(A)], owing, in large part, to lower addressable mortgage origination market volumes partially offset by a reduction in operating expenses, higher home equity volumes and Net Revenue[(A)] margins expansion as described above.

U.S. Appraisal operating results		
	Three months ended September 30, 2023 vs. Three months ended September 30, 2022	**Year ended September 30, 2023 vs. Year ended September 30, 2022**
Adjusted EBITDA(A) margins	↑ Adjusted EBITDA(A) margins increased due to higher home equity volumes, lower operating expenses, and improved Net Revenue(A) margins partially offset by a reduction in revenues associated with lower addressable mortgage origination market volumes.	↓ Adjusted EBITDA(A) margins contracted on lower Net Revenue(A), owing, in large part, to lower addressable mortgage origination market volumes partially offset by a reduction in operating expenses, higher home equity volumes and Net Revenue(A) margins expansion as described above.

The tables that follow compare our U.S. Appraisal segment: (i) Revenues and Net Revenue(A) margins; and (ii) Adjusted EBITDA(A) and Adjusted EBITDA(A) margins, against addressable mortgage market origination volumes.





Our U.S. Appraisal segment is our more mature business in the U.S. Increased transaction volumes on our platform from net market share gains and higher market volumes resulted in annual Net Revenue(A) and Adjusted EBITDA(A) margin expansion through fiscal 2020. Despite the year-over-year increase in transaction volumes in fiscal 2021, our Net Revenue(A) and Adjusted EBITDA(A) margins contracted because we serviced a higher proportion of high-value and complex properties, due in part to an increase in GSE waivers. The use of GSE waivers has declined substantially since fiscal 2021, reverting to historical standards. We expanded Net Revenue(A) margins in the second half of fiscal 2022 and into fiscal 2023, despite a substantial decline in transaction volumes, as we leveraged our field professional network in a lower market environment and serviced more standard properties, due in part to the decline in GSE waivers.

U.S. Title

	Three months ended September 30				Year ended September 30			
	2023	2022	Change	% Change	**2023**	2022	Change	% Change
Revenues								
Centralized title services	**$ 1,351**	$ 2,333	$ (982)	-42%	**$ 5,160**	$ 30,036	$ (24,876)	-83%
Diversified title services	**206**	303	(97)	-32%	**891**	1,523	(632)	-42%
Home equity title services	**776**	1,330	(554)	-42%	**3,475**	4,983	(1,508)	-30%
	$ 2,333	$ 3,966	$ (1,633)	-41%	**$ 9,526**	$ 36,542	$ (27,016)	-74%
Transaction costs	**$ 1,282**	$ 2,217	$ (935)	-42%	**$ 5,659**	$ 13,493	$ (7,834)	-58%
Operating expenses	**$ 2,632**	$ 4,679	$ (2,047)	-44%	**$ 12,205**	$ 31,133	$ (18,928)	-61%
Amortization	**$ 672**	$ 800	$ (128)	-16%	**$ 2,979**	$ 3,141	$ (162)	-5%
Non-GAAP measures								
Net Revenue[(A)]	**$ 1,051**	$ 1,749	$ (698)	-40%	**$ 3,867**	$ 23,049	$ (19,182)	-83%
Net Revenue[(A)] margin	**45.0%**	44.1%	0.9%	2%	**40.6%**	63.1%	-22.5%	-36%
Adjusted EBITDA[(A)]	**$ (1,581)**	$ (2,930)	$ 1,349	46%	**$ (8,338)**	$ (8,084)	$ (254)	-3%
Adjusted EBITDA[(A)] margin	**-150.4%**	-167.5%	17.1%	10%	**-215.6%**	-35.1%	-180.5%	-514%

Market share - refinance mortgage origination

	Year ended September 30	
(expressed in whole units)	**2023**	2022
Estimated market volumes	**611,624**	2,738,730
Real Matters volumes	**3,312**	31,537
Real Matters estimated market share	**0.5%**	1.2%

Home equity, default and REO transactions are not included in our market share calculation above as we are unable to estimate the market size for these transactions because public market data is not readily available. In fiscal 2023, these types of transactions represented 36% of our U.S. Title revenues (2022 - 14%).

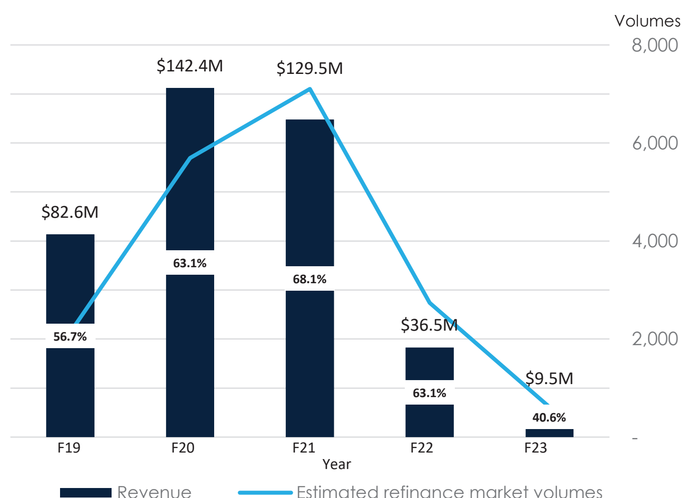
The decline in market share during the fiscal year was due to changes in our client portfolio, which is in line with our strategy to focus on long-term franchise clients.

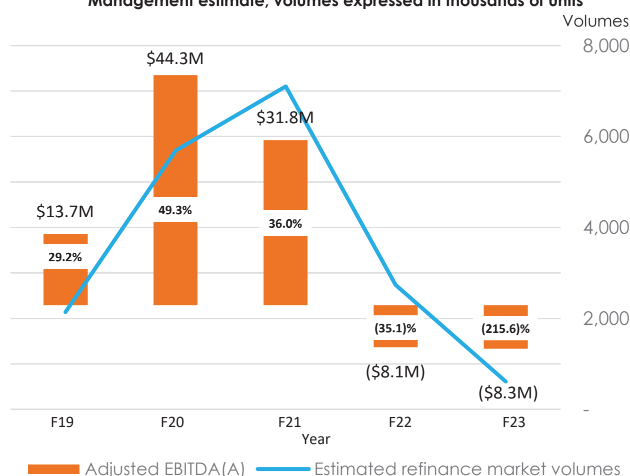
U.S. Title operating results		
	Three months ended September 30, 2023 vs. Three months ended September 30, 2022	**Year ended September 30, 2023 vs. Year ended September 30, 2022**
Revenues	↓ The revenue decline was due primarily to lower refinance mortgage origination market volumes, changes in our client portfolio and lower revenues from home equity volumes serviced.	↓ The revenue decline was due primarily to lower refinance mortgage origination market volumes, changes in our client portfolio and lower revenues from home equity volumes serviced. We estimate the refinance mortgage origination market declined 78% year-over-year, which compares to a decrease of 83% in our centralized title revenues.
Transaction costs	↓ Transaction costs declined due in large part to lower addressable refinance mortgage origination volumes serviced as outlined in the revenue discussion above, partially offset by a lower proportion of incoming order volumes that closed.	↓ Transaction costs declined due in large part to lower addressable refinance mortgage origination volumes serviced as outlined in the revenue discussion above, partially offset by a higher proportion of lower margin home equity volumes serviced and a lower proportion of incoming order volumes that closed.

U.S. Title operating results

	Three months ended September 30, 2023 vs. Three months ended September 30, 2022	Year ended September 30, 2023 vs. Year ended September 30, 2022
Operating expenses	↓ Operating expenses declined by 44% due to lower salaries and benefits costs of $1.9 million and a reduction in courier, office and bank charges of $0.1 million as a result of lower volumes serviced.	↓ Operating expenses declined by 61% mainly due to lower salaries and benefits costs of $16.4 million and a reduction in courier, office and bank charges of $2.3 million as a result of lower volumes serviced.
Amortization	↓ Amortization expense decreased due to a reduction of right-of-use assets related to our leased office space combined with fully amortized computer equipment and leasehold improvements.	↓ Amortization expense decreased due to a reduction of right-of-use assets related to our leased office space combined with fully amortized computer equipment and leasehold improvements.
Net Revenue(A)	↓ Net Revenue(A) declined by 40% due to lower volumes serviced, as outlined in the revenue discussion above.	↓ Net Revenue(A) declined by 83% due to lower volumes serviced, as outlined in the revenue discussion above.
Net Revenue(A) margin	↑ U.S. Title segment Net Revenue(A) margins increased by 90 basis points mostly due to a higher proportion of incoming order volumes that closed, which was partially offset by lower volumes serviced.	↓ U.S. Title segment Net Revenue(A) margins declined substantially due to a higher proportion of lower margin home equity volumes serviced, a lower proportion of incoming order volumes that closed and lower volumes serviced, as outlined in the revenue discussion above.
Adjusted EBITDA(A) and Adjusted EBITDA(A) margins	↑ Adjusted EBITDA(A) and Adjusted EBITDA(A) margins improved due to a significant reduction in operating expenses and Net Revenue(A) margins improvement, as outlined above, partially offset by lower transaction volumes.	↓ Adjusted EBITDA(A) and Adjusted EBITDA(A) margins declined due to lower Net Revenue(A) and Net Revenue(A) margins, as outlined above, owing in large part to lower refinance mortgage origination market volumes, which was partially offset by a significant reduction in operating expenses.

The tables that follow compare our U.S. Title segment: (i) Revenues and Net Revenue(A) margins; and (ii) Adjusted EBITDA(A) and Adjusted EBITDA(A) margins, against addressable mortgage market origination volumes.





Currently, our U.S. Title segment predominately services refinance mortgage origination volumes which are highly sensitive to interest rates. Increased transaction volumes on our platform from higher market volumes and market share gains resulted in annual Net Revenue(A) and Adjusted EBITDA(A) margin expansion through fiscal 2020. After experiencing a surge

due to low interest rates, refinance market volumes began to decline in the second half of fiscal 2021 in line with increases in U.S. mortgage interest rates. Our Net Revenue[(A)] and Adjusted EBITDA[(A)] margins contracted in fiscal 2022 and 2023 in line with the substantial decline in transaction volumes on our platform, and we focused on operational efficiencies and significantly reduced our U.S. Title operating expenses.

Canada

	Three months ended September 30				Year ended September 30			
	2023	2022	Change	% Change	**2023**	2022	Change	% Change
Revenues	**$ 8,696**	$ 10,326	$ (1,630)	-16%	**$ 33,542**	$ 52,184	$ (18,642)	-36%
Transaction costs	**$ 7,140**	$ 8,853	$ (1,713)	-19%	**$ 27,511**	$ 45,304	$ (17,793)	-39%
Operating expenses	**$ 422**	$ 515	$ (93)	-18%	**$ 1,782**	$ 2,397	$ (615)	-26%
Amortization	**$ -**	$ -	$ -	0%	**$ -**	$ -	$ -	0%
Non-GAAP measures								
Net Revenue[(A)]	**$ 1,556**	$ 1,473	$ 83	6%	**$ 6,031**	$ 6,880	$ (849)	-12%
Net Revenue[(A)] margin	**17.9%**	14.3%	3.6%	25%	**18.0%**	13.2%	4.8%	36%
Adjusted EBITDA[(A)]	**$ 1,134**	$ 958	$ 176	18%	**$ 4,249**	$ 4,483	$ (234)	-5%
Adjusted EBITDA[(A)] margin	**72.9%**	65.0%	7.9%	12%	**70.5%**	65.2%	5.3%	8%

Canada operating results		
	Three months ended September 30, 2023 vs. Three months ended September 30, 2022	**Year ended September 30, 2023 vs. Year ended September 30, 2022**
Revenues	↓ Revenues declined due to lower market volumes for appraisal services and FX, partially offset by net market share gains for appraisal services with new and existing clients and modestly higher insurance inspection revenues.	↓ Revenues declined due to lower market volumes for appraisal services, modestly lower insurance inspection revenues and FX, partially offset by net market share gains for appraisal services with new and existing clients.
Transaction costs	↓ Transaction costs declined due in large part to lower market volumes for appraisal services, as outlined in the revenue discussion above, as well as FX. Leveraging our field professional network in a lower market environment also contributed to the decline in transaction costs.	↓ Transaction costs declined due in large part to lower market volumes for appraisal services, as outlined in the revenue discussion above, as well as FX. Leveraging our field professional network in a lower market environment also contributed to the decline in transaction costs.
Operating expenses	↓ Canadian segment operating expenses declined by 18% mainly due to lower salaries and benefits costs.	↓ Canadian segment operating expenses declined by 26% mainly due to lower salaries and benefits costs.
Net Revenue[(A)]	↑ Net Revenue[(A)] in our Canadian segment increased by 6% due to net market share gains and improved Net Revenue[(A)] margins, partially offset by lower market volumes for appraisal services.	↓ Net Revenue[(A)] in our Canadian segment declined by 12% due to lower market volumes for appraisal services and FX, partially offset by net market share gains for appraisal services and improved Net Revenue[(A)] margins.
Net Revenue[(A)] margin	↑ Net Revenue[(A)] margins in our Canadian segment increased by 360 basis points as we leveraged our field professional network in a lower market environment, partially offset by lower Net Revenue[(A)] margins from insurance inspection services supplied.	↑ Net Revenue[(A)] margins in our Canadian segment increased by 480 basis points as we leveraged our field professional network in a lower market environment and realized higher Net Revenue[(A)] margins from insurance inspection services supplied.
Adjusted EBITDA[(A)]	↑ Adjusted EBITDA[(A)] improved due to a significant reduction in operating expenses and an improvement in Net Revenue[(A)] margins, as outlined above, partially offset by lower transaction volumes.	↓ Adjusted EBITDA[(A)] was lower due to lower market volumes for appraisal services, partially offset by a significant reduction in operating expenses and an improvement in Net Revenue[(A)] margins.

Canada operating results		
	Three months ended September 30, 2023 vs. Three months ended September 30, 2022	**Year ended September 30, 2023 vs. Year ended September 30, 2022**
Adjusted EBITDA[(A)] margins	↑ Adjusted EBITDA[(A)] margins improved to 72.9% due to a reduction in operating expenses and an improvement in Net Revenue[(A)] margins, as outlined above, partially offset by lower transaction volumes.	↑ Adjusted EBITDA[(A)] margins improved to 70.5% due to a significant reduction in operating expenses and an improvement in Net Revenue[(A)] margins, as outlined above, partially offset by lower transaction volumes.

Corporate and other items

	Three months ended September 30				Year ended September 30			
	2023	2022	Change	% Change	**2023**	2022	Change	% Change
Operating expenses	**$ 3,182**	$ 4,015	$ (833)	-21%	**$ 13,825**	$ 17,552	$ (3,727)	-21%
Amortization	**$ 89**	$ 104	$ (15)	-14%	**$ 348**	$ 461	$ (113)	-25%
Loss on disposal of property and equipment	**$ 24**	$ 367	$ (343)	-94%	**$ -**	$ 603	$ (603)	-100%
Other non-operating costs	**$ -**	$ -	$ -	0%	**$ -**	$ 66	$ (66)	-100%
Restructuring expenses	**$ 14**	$ 969	$ (955)	-99%	**$ 1,703**	$ 1,542	$ 161	10%
Impairment of goodwill	**$ -**	$ 17,296	$ (17,296)	-100%	**$ -**	$ 17,296	$ (17,296)	-100%
Interest expense	**$ 75**	$ 56	$ 19	34%	**$ 283**	$ 264	$ 19	7%
Interest income	**$ (339)**	$ (71)	$ (268)	378%	**$ (825)**	$ (134)	$ (691)	516%
Net foreign exchange (gain) loss	**$ (1,797)**	$ (5,040)	$ 3,243	-64%	**$ 1,186**	$ (5,725)	$ 6,911	-121%
Gain on fair value of derivatives	**$ (60)**	$ -	$ (60)	0%	**$ (815)**	$ -	$ (815)	0%
Gain on fair value of warrants	**$ -**	$ -	$ -	0%	**$ -**	$ (249)	$ 249	-100%
Income tax recovery	**$ (106)**	$ (6,114)	$ 6,008	-98%	**$ (2,949)**	$ (3,084)	$ 135	-4%

Corporate operating results		
	Three months ended September 30, 2023 vs. Three months ended September 30, 2022	**Year ended September 30, 2023 vs. Year ended September 30, 2022**
Operating expenses	↓ Corporate operating expenses declined $0.8 million due to lower salaries and benefits costs of $0.5 million, reflecting lower Corporate segment headcount and stock-based compensation expenses and lower FX.	↓ Corporate operating expenses declined $3.7 million primarily due to lower salaries and benefits costs of $2.5 million, reflecting lower Corporate segment headcount and stock-based compensation expense, and lower data center costs, computer expenses and FX. In fiscal 2023, salary and benefit costs include $0.3 million of severance expense compared to $nil in fiscal 2022.
Amortization	↓ Amortization expense declined modestly.	↓ Amortization expense decreased due to a reduction of right-of-use assets related to our leased office space combined with fully amortized computer equipment and leasehold improvements.
Loss on disposal of property and equipment	↓ The loss on disposal of property and equipment incurred in Q4 2023 reflects the disposal of a right-of-use asset. In Q4 2022, the disposal of leasehold improvements attributable to a subleased office space contributed to the loss.	↓ Gains and losses on disposal of property and equipment incurred in fiscal 2023 due to the disposal of right-of-use assets and furniture and fixtures fully offset each other. The loss incurred in fiscal 2022 was due to an adjustment to a leased property related to the remeasurement of a lease liability.
Other non-operating costs	- N/A.	↓ Other non-operating costs incurred in fiscal 2022 represented professional fees for advisory services.

Corporate operating results				
	Three months ended September 30, 2023 vs. Three months ended September 30, 2022		**Year ended September 30, 2023 vs. Year ended September 30, 2022**	
Restructuring expenses	↓	Restructuring expenses incurred represent severance costs attributable to changes in our organizational structure which were substantially lower in Q4 2023 than the comparative quarter in fiscal 2022.	↑	Restructuring expenses incurred in fiscal 2023 represent severance costs attributable to changes in our organizational structure and due to the timing of the restructuring; those expenses were 10% higher in fiscal 2023.
Impairment of goodwill	↓	In the fourth quarter of fiscal 2022 we recognized an impairment charge for goodwill attributable to our U.S. Title segment due to the continued decline in economic and market conditions for mortgage origination refinance activity.	↓	In the fourth quarter of fiscal 2022 we recognized an impairment charge for goodwill attributable to our U.S. Title segment due to the continued decline in economic and market conditions for mortgage origination refinance activity.
Interest expense and Interest Income	↑	The increase in interest expense and income is mostly related to the current higher interest rates environment and the interest incurred on our total return swap.	↑	The increase in interest expense and income is mostly related to the current higher interest rates environment and the interest incurred on our total return swap.
Net foreign exchange (gain) loss	↓	Net foreign exchange gains or losses represent non-cash gains or losses on long-term financing arrangements between our Canadian and U.S. entities within the consolidated group of companies. The resulting current and comparative quarter gains were the result of changes in the FX rate between the Canadian and U.S. dollar.	↓	Net foreign exchange gains or losses represent non-cash gains or losses on long-term financing arrangements between our Canadian and U.S. entities within the consolidated group of companies. The resulting fiscal year losses and comparative fiscal year gains were the result of changes in the FX rate between the Canadian and U.S. dollar.
Gain on fair value of derivatives	↑	In Q1 2023, the Company entered into a total return swap to manage our cash flow exposure arising from changes in our share price attributable to cash-settled RSUs. The fair value of the swap fluctuates on an inverse relationship to our share price.	↑	In Q1 2023, the Company entered into a total return swap to manage our cash flow exposure arising from changes in our share price attributable to cash-settled RSUs. The fair value of the swap fluctuates on an inverse relationship to our share price.
Gain on fair value of warrants	-	N/A.	↓	All outstanding warrants were fully exercised in the second quarter of fiscal 2022, resulting in no gain or loss being recognized in fiscal 2023. Our share price declined in the period prior to the exercise of all remaining outstanding warrants in fiscal 2022, resulting in a decrease to our warrant liability accrual and the recognition of a corresponding gain on the fair value of warrants.
Income tax recovery	↓	We recorded income before income tax recoveries of $1.5 million for Q4 2023. Income tax calculated at the statutory income tax rate, including foreign income subject to tax at a different statutory tax rate, resulted in an income tax expense of $0.4 million. Income tax recoveries related to non-deductible expenses, including RSUs, and non-taxable income totaled $0.5 million.	↓	We recorded a loss before income tax recoveries of $9.1 million for fiscal 2023. Income tax calculated at the statutory income tax rate, including foreign income subject to tax at a different statutory tax rate, resulted in an income tax recovery of $2.4 million. Income tax recoveries related to non-deductible expenses, including RSUs, and non-taxable income totaled $0.7 million.

NON-GAAP MEASURES

We prepare our financial statements in accordance with IFRS. However, we consider certain Non-GAAP financial measures useful additional information to assess our financial performance. These measures, which we believe are widely used by investors, securities analysts and other interested parties to evaluate our performance, do not have a standardized meaning prescribed by GAAP and therefore may not be comparable to similarly titled measures presented by other publicly traded companies, nor should they be construed as an alternative to financial measures determined in accordance with IFRS. Non-GAAP measures include "Adjusted EBITDA", "Net Revenue", "Adjusted Net Income or Loss", "Free Cash Flow" and "Free Cash Flow Conversion".

(A)

Adjusted EBITDA

All references to ''Adjusted EBITDA'' in this MD&A are to net income or loss before stock-based compensation expense, amortization, gain or loss on disposal of property and equipment, other non-operating costs, restructuring expenses, impairment of goodwill, interest expense, interest income, net foreign exchange gain or loss, gain or loss on fair value of derivatives, gain or loss on fair value of warrants and income tax expense or recovery. Adjusted EBITDA is a measure of our operating profitability and therefore excludes certain items that are viewed by us as either non-cash (in the case of equity-settled stock-based compensation expense, amortization, gain or loss on disposal of property and equipment, impairment of goodwill, unrealized net foreign exchange gain or loss, unrealized gain or loss on the fair value of derivatives, gain or loss on the fair value of warrants and deferred income taxes) or non-operating (in the case of cash-settled stock-based compensation expense, other non-operating costs, restructuring expenses, realized net foreign exchange gain or loss, realized gain or loss on the fair value of derivatives, interest expense, interest income and current income taxes). Adjusted EBITDA is a useful financial and operating metric for the Company, and our board of directors, and represents a measure of our operating performance to value our Company relative to our peers. The reasons for excluding each item are as follows:

Stock-based compensation expense: These costs represent non-cash expenses for equity-settled stock-based compensation awards and non-operating expenses for cash-settled stock-based compensation awards. These amounts are recorded to operating expenses and represent a different class of expense than those included in Adjusted EBITDA.

Amortization: As a non-cash item, amortization is not indicative of our operating profitability and therefore represents a different class of expense than those included in Adjusted EBITDA.

Gain or loss on disposal of property and equipment: As a non-cash item, the disposal of property and equipment is not indicative of our operating profitability and therefore represents a different class of expense than those included in Adjusted EBITDA.

Other non-operating costs: Other non-operating costs represent non-operating items and include professional fees for advisory services not attributable to the operation of the business. These costs are not indicative of continuing operations and therefore represent a different class of expense than those included in Adjusted EBITDA.

Restructuring expenses: Restructuring expenses represent costs attributable to employee severance resulting from changes in our management and organizational structure. These costs are not indicative of continuing operations and therefore represent a different class of expense than those included in Adjusted EBITDA.

Impairment of goodwill: As a non-cash item, the impairment of goodwill is not indicative of our operating profitability and therefore represents a different class of expense than those included in Adjusted EBITDA.

Interest expense and income: Interest expense or income reflects our debt and equity mix, interest rates, investment strategy and borrowing position from time-to-time. Accordingly, interest expense or income reflects our treasury and financing activities and therefore represents a different class of expense or income than those included in Adjusted EBITDA.

Net foreign exchange gain or loss: As non-cash items, unrealized net foreign exchange gains or losses are not indicative of our operating profitability. Realized net foreign exchange gains or losses reflect our treasury and financing activities and represents a different class of income or expense than those included in Adjusted EBITDA.

Gain or loss on fair value of derivatives: As a non-cash item, gains or losses resulting from the fair value of derivatives are not indicative of our operating profitability. Gains or losses from the fair value of derivatives reflect our treasury activities and represents a different class of income or expense than those included in Adjusted EBITDA.

Gain or loss on fair value of warrants: As a non-cash item, gains or losses resulting from the fair value of warrants is not indicative of our operating profitability. Gains or losses from the fair value of warrants reflects our treasury and financing activities and represents a different class of income or expense than those included in Adjusted EBITDA.

Income taxes: Income taxes are a function of tax laws and rates and are affected by matters that are separate from our daily operations. Income taxes are not indicative of our operating profitability and represents a different class of expense or recovery than those included in Adjusted EBITDA.

The reconciling items between Adjusted EBITDA and net income or loss are detailed in the consolidated statements of operations and comprehensive income or loss for the three months and years ended September 30, 2023 and 2022. The reconciling items between net income or loss and Adjusted EBITDA for the three months and years ended September 30, 2023 and 2022 were as follows:

	Three months ended September 30		Year ended September 30	
	2023	2022	**2023**	2022
Net income (loss)	**$ 1,622**	$ (9,968)	**$ (6,196)**	$ (9,265)
Stock-based compensation expense	**288**	305	**1,377**	1,535
Amortization	**873**	1,088	**3,877**	4,530
Loss on disposal of property and equipment	**24**	367	**-**	603
Other non-operating costs	**-**	-	**-**	66
Restructuring expenses	**14**	969	**1,703**	1,542
Impairment of goodwill	**-**	17,296	**-**	17,296
Interest expense	**75**	56	**283**	264
Interest income	**(339)**	(71)	**(825)**	(134)
Net foreign exchange (gain) loss	**(1,797)**	(5,040)	**1,186**	(5,725)
Gain on fair value of derivatives	**(60)**	-	**(815)**	-
Gain on fair value of warrants	**-**	-	**-**	(249)
Income tax recovery	**(106)**	(6,114)	**(2,949)**	(3,084)
Adjusted EBITDA	**$ 594**	$ (1,112)	**$ (2,359)**	$ 7,379

Management calculates Adjusted EBITDA as follows:

	Three months ended September 30		Year ended September 30	
	2023	2022	**2023**	2022
Revenues	**$ 42,189**	$ 58,200	**$ 163,914**	$ 339,642
Less: Transaction costs	**31,023**	43,833	**120,899**	254,203
Less: Operating expenses	**10,860**	15,784	**46,751**	79,595
Add: Stock-based compensation expense	**288**	305	**1,377**	1,535
Adjusted EBITDA	**$ 594**	$ (1,112)	**$ (2,359)**	$ 7,379

Adjusted EBITDA by reportable segment was as follows:

	Three months ended September 30		Year ended September 30	
	2023	2022	**2023**	2022
U.S. Appraisal	**$ 3,935**	$ 4,570	**$ 14,178**	$ 26,997
U.S. Title	**(1,581)**	(2,930)	**(8,338)**	(8,084)
Canada	**1,134**	958	**4,249**	4,483
Corporate (excluding stock-based compensation expense)	**(2,894)**	(3,710)	**(12,448)**	(16,017)
Consolidated Adjusted EBITDA	**$ 594**	$ (1,112)	**$ (2,359)**	$ 7,379

Adjusted EBITDA margin (expressed as Adjusted EBITDA divided by Net Revenue) by reportable segment and consolidated was as follows:

	Three months ended September 30		Year ended September 30	
	2023	2022	**2023**	2022
U.S. Appraisal	**46.0%**	41.0%	**42.8%**	48.6%
U.S. Title	**-150.4%**	-167.5%	**-215.6%**	-35.1%
Canada	**72.9%**	65.0%	**70.5%**	65.2%
Consolidated Adjusted EBITDA margin (including Corporate, but excluding stock-based compensation expense)	**5.3%**	-7.7%	**-5.5%**	8.6%

Net Revenue

All references to "Net Revenue" in this MD&A are to Adjusted EBITDA plus operating expenses less stock-based compensation expense. Net Revenue is an additional measure of our operating profitability and therefore excludes certain items detailed below. Net Revenue represents the difference between revenues and transaction costs. Transaction costs represent expenses directly attributable to a revenue transaction and include: appraisal costs, various processing fees, credit card fees, connectivity fees, insurance inspection costs, closing agent costs, external abstractor costs and external quality review costs. Net Revenue is a useful financial and operating metric for us and our board of directors to assess our operating performance and serves to measure our Company relative to our peers.

The reconciling items between net income or loss and Net Revenue for the three months and years ended September 30, 2023 and 2022 are detailed in the consolidated statements of operations and comprehensive income or loss and were as follows:

	Three months ended September 30		Year ended September 30	
	2023	2022	**2023**	2022
Net income (loss)	**$ 1,622**	$ (9,968)	**$ (6,196)**	$ (9,265)
Operating expenses	**10,860**	15,784	**46,751**	79,595
Amortization	**873**	1,088	**3,877**	4,530
Loss on disposal of property and equipment	**24**	367	**-**	603
Other non-operating costs	**-**	-	**-**	66
Restructuring expenses	**14**	969	**1,703**	1,542
Impairment of goodwill	**-**	17,296	**-**	17,296
Interest expense	**75**	56	**283**	264
Interest income	**(339)**	(71)	**(825)**	(134)
Net foreign exchange (gain) loss	**(1,797)**	(5,040)	**1,186**	(5,725)
Gain on fair value of derivatives	**(60)**	-	**(815)**	-
Gain on fair value of warrants	**-**	-	**-**	(249)
Income tax recovery	**(106)**	(6,114)	**(2,949)**	(3,084)
Net Revenue	**$ 11,166**	$ 14,367	**$ 43,015**	$ 85,439

Management calculates Net Revenue as follows:

	Three months ended September 30		Year ended September 30	
	2023	2022	**2023**	2022
Revenues	$ **42,189**	$ 58,200	**$ 163,914**	$ 339,642
Less: Transaction costs	**31,023**	43,833	**120,899**	254,203
Net Revenue	$ **11,166**	$ 14,367	**$ 43,015**	$ 85,439

Net Revenue by reportable segment was as follows:

	Three months ended September 30		Year ended September 30	
	2023	2022	**2023**	2022
U.S. Appraisal	**$ 8,559**	$ 11,145	**$ 33,117**	$ 55,510
U.S. Title	**1,051**	1,749	**3,867**	23,049
Canada	**1,556**	1,473	**6,031**	6,880
Consolidated Net Revenue	**$ 11,166**	$ 14,367	**$ 43,015**	$ 85,439

Net Revenue margin (expressed as Net Revenue divided by Revenues) by reportable segment and consolidated was as follows:

	Three months ended September 30		Year ended September 30	
	2023	2022	**2023**	2022
U.S. Appraisal	**27.5%**	25.4%	**27.4%**	22.1%
U.S. Title	**45.0%**	44.1%	**40.6%**	63.1%
Canada	**17.9%**	14.3%	**18.0%**	13.2%
Consolidated Net Revenue margin	**26.5%**	24.7%	**26.2%**	25.2%

Adjusted Net Income or Loss

All references to "Adjusted Net Income or Loss" in this MD&A are to net income or loss before stock-based compensation expense, amortization of intangibles, other non-operating costs, restructuring expenses, impairment of goodwill, net foreign exchange gain or loss, gain or loss on fair value of derivatives and gain or loss on fair value of warrants, each net of the related tax effects, as applicable. Adjusted Net Income or Loss is a term that does not have a standardized meaning prescribed by IFRS and is unlikely to be comparable to similar measures used by other entities. Adjusted Net Income or Loss is a measure of our operating profitability and, by definition, excludes certain items detailed above. These items are viewed by us as either non-cash (in the case of equity-settled stock-based compensation expense, amortization of intangibles, impairment of goodwill, unrealized net foreign exchange gain or loss, unrealized gain or loss on fair value of derivatives and gain or loss on fair value of warrants) or non-operating (in the case of cash-settled stock-based compensation expense, other non-operating costs, restructuring expenses, realized net foreign exchange gain or loss and realized gain or loss on fair value of derivatives). Adjusted Net Income or Loss is a useful financial and operating metric for the Company, and our board of directors, as it represents net income or loss from operations which excludes treasury and capital costs, acquisition and related costs, non-operating costs, restructuring expenses and impairment of goodwill.

The reconciling items between net income or loss and Adjusted Net Income or Loss for the three months and years ended September 30, 2023 and 2022 were as follows:

	Three months ended September 30		Year ended September 30	
	2023	2022	**2023**	2022
Net income (loss)	**$ 1,622**	$ (9,968)	**$ (6,196)**	$ (9,265)
Stock-based compensation expense	**288**	305	**1,377**	1,535
Amortization of intangibles	**385**	351	**1,485**	1,389
Other non-operating costs	**-**	-	**-**	66
Restructuring expenses	**14**	969	**1,703**	1,542
Impairment of goodwill	**-**	17,296	**-**	17,296
Net foreign exchange (gain) loss	**(1,797)**	(5,040)	**1,186**	(5,725)
Gain on fair value of derivatives	**(60)**	-	**(815)**	-
Gain on fair value of warrants	**-**	-	**-**	(249)
Related tax effects	**388**	(3,868)	**(929)**	(4,088)
Adjusted Net Income (Loss)	**$ 840**	$ 45	**$ (2,189)**	$ 2,501

Free Cash Flow and Free Cash Flow Conversion

All references to "Free Cash Flow" in this MD&A are to cash generated from operating activities, adjusted for changes in non-cash working capital items, intangible asset additions, property and equipment additions, income taxes paid, current income tax expense, other non-operating costs, restructuring expenses, interest expense net of interest paid and net foreign currency exchange gain or loss net of unrealized foreign currency exchange gain or loss on internal financing arrangements. Free Cash Flow is a term that does not have a standardized meaning prescribed by IFRS and is unlikely to be comparable to similar measures used by other entities. Free Cash Flow is a measure of our ability to generate cash from operating activities and represents a proxy for cash to cover costs, including but not limited to, interest expense, current income taxes, intangible asset additions and property and equipment additions, and by definition, excludes certain items detailed above. Excluded items are viewed by the Company as non-cash (in the case of net foreign currency exchange gain or loss net of unrealized foreign exchange gain or loss on internal financing arrangements), or non-operating (in the case of other non-operating costs and restructuring expenses). The Company exclude changes in non-cash working capital items from the calculation of Free Cash Flow, as changes in non-cash working capital items are often temporary in nature and reflect the timing of cash receipts for trade and other receivables or payments made on account of trade payables or accrued liabilities. We further exclude differences attributable to the timing of cash tax and interest payments and have reduced Free Cash Flow by the expense recognized for each as recorded in our consolidated statements of operations and comprehensive income or loss. Free Cash Flow is a useful financial and operating metric for the Company, and our board of directors, as it represents a proxy for our ability to generate cash that we can use for other purposes, including but not limited to, the purchase of shares under a Normal Course Issuer Bid ("NCIB") and future acquisitions or investment.

All references to "Free Cash Flow Conversion" in this MD&A are to Free Cash Flow divided by Adjusted EBITDA. Free Cash Flow Conversion is a useful financial and operating metric for the Company, and our board of directors, as it represents a proxy for our ability to convert Adjusted EBITDA to Free Cash Flow.

	Three months ended September 30		Year ended September 30	
	2023	2022	**2023**	2022
Cash (utilized in) generated from operating activities	**$ (29)**	$ (4,813)	**$ (2,564)**	$ 17,567
Less: changes in non-cash working capital items	**(3,459)**	(2,400)	**636**	16,847
Less: intangible asset additions	**173**	106	**496**	160
Less: property and equipment additions	**28**	-	**534**	1,015
Add: income taxes (recovered) paid	**(2,411)**	358	**(420)**	4,721
Less: current income tax expense (recovery)	**344**	(282)	**494**	1,761
Add: other non-operating costs	**-**	-	**-**	66
Add: restructuring expenses	**14**	969	**1,703**	1,542
Add: net foreign currency exchange gain or loss net of unrealized foreign exchange gain or loss on internal financing arrangements	**(175)**	(11)	**100**	200
Free Cash Flow	**$ 313**	$ (921)	**$ (3,341)**	$ 4,313

Management calculates Free Cash Flow as follows:

	Three months ended September 30		Year ended September 30	
	2023	2022	**2023**	2022
Adjusted EBITDA	**$ 594**	$ (1,112)	**$ (2,359)**	$ 7,379
Less: interest expense	**75**	56	**283**	264
Add: interest income	**339**	71	**825**	134
Less: current income tax expense (recovery)	**344**	(282)	**494**	1,761
Less: intangible asset additions	**173**	106	**496**	160
Less: property and equipment additions	**28**	-	**534**	1,015
Free Cash Flow	**$ 313**	$ (921)	**$ (3,341)**	$ 4,313

Free Cash Flow Conversion is calculated as follows:

	Three months ended September 30		Year ended September 30	
	2023	2022	**2023**	2022
Free Cash Flow	**$ 313**	$ (921)	**$ (3,341)**	$ 4,313
Divided by: Adjusted EBITDA	**$ 594**	$ (1,112)	**$ (2,359)**	$ 7,379
Free Cash Flow Conversion	**52.7%**	82.8%	**141.6%**	58.4%

Adjusted EBITDA, Net Revenue, Adjusted Net Income or Loss, Free Cash Flow and Free Cash Flow Conversion should not be considered, in isolation, indicators of our financial performance, or as an alternative to, or a substitute for, net income or loss, cash from operating activities or other information presented in our financial statements.

SELECTED ANNUAL INFORMATION

	Year ended September 30		
	2023	2022	2021
Revenues	**$ 163,914**	$ 339,642	$ 504,107
Net (loss) income	**$ (6,196)**	$ (9,265)	$ 33,080
Net (loss) income per weighted average share, basic	**$ (0.08)**	$ (0.12)	$ 0.40
Net (loss) income per weighted average share, diluted	**$ (0.08)**	$ (0.12)	$ 0.39
Total assets	**$ 128,738**	$ 137,004	$ 194,340
Total long-term liabilities	**$ 2,941**	$ 4,312	$ 6,979

Revenues

2023-2022

Please see the "Review of Operations – For the three months and year ended September 30, 2023" section of this MD&A for a detailed discussion regarding the change in revenues between fiscal 2023 and fiscal 2022.

2022-2021

Consolidated revenues declined due to lower revenues across all three segments. Revenues in our U.S. Appraisal segment declined due to lower addressable mortgage origination volumes, partially offset by net market share gains with existing clients, new client additions and higher home equity and default volumes serviced. The revenue decline in our U.S. Title segment was due primarily to lower refinance mortgage origination market volumes, changes in our client portfolio, the

rationalization of our diversified title business to align with our long-term market share objectives and lower home equity revenues. Excluding the impact of FX, Canadian segment revenues increased modestly on higher insurance inspection revenues while appraisal services were flat as net market share gains were offset by lower market volumes.

Net (loss) income

2023-2022

Please see the "Review of Operations – For the three months and year ended September 30, 2023" section of this MD&A for a detailed discussion of the components comprising the change in net income between fiscal 2023 and fiscal 2022.

2022-2021

We recorded a net loss in fiscal 2022 versus net income in fiscal 2021. Factors contributing to the decline included the recognition of a goodwill impairment charge, lower Adjusted EBITDA[(A)] generated by all three operating segments and higher restructuring expenses. These declines were partially offset by higher net foreign exchange gains between periods due to changes in the FX rate between the Canadian and U.S. dollar. A large deferred income tax recovery attributable to the decline in our financial performance and the goodwill impairment charge also partially offset the declines noted above.

Total Assets

2023-2022

Total assets declined $8.3 million between fiscal 2022 and fiscal 2023. Lower cash and cash equivalents of $3.8 million, lower trade and other receivables of $4.5 million, lower income tax recoverable of $0.9 million, lower intangibles of $1.0 million, lower property and equipment of $3.1 million, was partially offset by higher other assets of $0.8 million and higher deferred tax assets of $3.5 million. Please refer to the "Financial Condition, Liquidity and Capital Resources" section of this MD&A for a detailed discussion of the components comprising the change in cash and cash equivalents and trade and other receivables. The decline in intangibles was the result of normal course amortization. Lower property and equipment balances were due to the disposal of a right-of-use asset and normal course amortization, partially offset by new equipment additions. The decrease in income taxes recoverable reflects income tax refunds collected during the year. Other assets represent the fair value of our total return swap. The increase in deferred tax assets is largely attributable to loss carryforwards in our U.S. and Canadian operating entities.

2022-2021

Total assets declined $57.3 million between fiscal 2022 and fiscal 2021. Lower cash and cash equivalents of $14.1 million, lower trade and other receivables of $26.2 million, lower intangibles of $1.2 million, lower goodwill of $17.3 million and lower property and equipment of $4.1 million, was partially offset by higher income taxes recoverable of $0.9 million and higher deferred tax assets of $4.7 million. The decrease in cash and cash equivalents was due in large part to the purchase of common shares and related costs under our NCIB totaling $28.7 million. Income taxes paid of $4.7 million, investments made in property and equipment of $1.0 million, primarily for end-of-life computer equipment, and the net repayment of lease liabilities of $1.5 million also contributed to the decline in cash and cash equivalents. These outflows of cash and cash equivalents were partially offset by a non-cash working capital recovery of $16.8 million, due primarily to the timing of payment from two significant clients in our U.S. Appraisal segment at the end of fiscal 2021, and $7.4 million of Adjusted EBITDA[(A)] recognized in fiscal 2022. The decline in intangibles was the result of normal course amortization, while lower goodwill reflected an impairment charge attributable to our U.S. Title segment due to the continued decline in economic and market conditions for mortgage origination refinance activity. Lower property and equipment balances were due to the disposal of a right-of-use asset for a Denver property lease, including the disposal of leasehold improvements attributable to that lease, and normal course amortization, partially offset by new equipment additions due primarily to the replacement of end-of-life computer equipment. The increase in income taxes recoverable reflected income taxes paid that were higher than the current year provision for income taxes payable, partially offset by amounts payable in respect of dividend withholding tax attributable to the transfer of cash between the U.S. and Canada to support the purchase of common shares and related costs under our NCIB. The increase in deferred tax assets was largely attributable to loss carryforwards in our U.S. and Canadian operating entities.

Total Long-Term Liabilities

2023-2022

Total long-term liabilities declined $1.4 million due primarily to lower long-term lease liabilities of $1.9 million, mainly representing normal course lease payments and lease amendments, partially offset by an increase in other liabilities of $0.5 million associated with the future payment of cash-settled RSUs.

We expect to satisfy our total long-term liabilities as they come due based on our expectations of future operating performance and our current cash and cash equivalents balance.

2022-2021
Total long-term liabilities declined $2.7 million due primarily to lower long-term lease liabilities of $2.0 million, representing normal course lease payments and a reduction to lease liabilities attributable to the reassessment of the Denver property lease. The decline in warrant liabilities of $0.7 million reflected the exercise of all remaining warrants in fiscal 2022.

SUMMARY OF QUARTERLY RESULTS

The following table sets out selected financial information as reported for each of the eight most recent quarters, the latest of which ended September 30, 2023. This information has been prepared on the same basis as the Company's audited consolidated financial statements, and all necessary adjustments have been included in the amounts stated below to present fairly the unaudited quarterly results when read in conjunction with the audited consolidated financial statements of the Company and the related notes to those statements.

	2023				**2022**			
	Q4	**Q3**	**Q2**	**Q1**	**Q4**	**Q3**	**Q2**	**Q1**
Revenues								
U.S. Appraisal	**$ 31,160**	**$ 33,430**	**$ 27,996**	**$ 28,260**	$ 43,908	$ 57,299	$ 70,374	$ 79,335
U.S. Title	**2,333**	**2,609**	**2,223**	**2,361**	3,966	5,606	10,775	16,195
Canada	**8,696**	**9,911**	**7,391**	**7,544**	10,326	15,799	13,832	12,227
Total revenues	**$ 42,189**	**$ 45,950**	**$ 37,610**	**$ 38,165**	$ 58,200	$ 78,704	$ 94,981	$ 107,757
Net income (loss)	**$ 1,622**	**$ (619)**	**$ (2,580)**	**$ (4,619)**	$ (9,968)	$ (1,424)	$ (509)	$ 2,636
Net income (loss) - attributable to common shareholders	**$ 1,622**	**$ (619)**	**$ (2,580)**	**$ (4,596)**	$ (9,960)	$ (1,437)	$ (545)	$ 2,670
Net income (loss) per weighted average share, basic	**$ 0.02**	**$ (0.01)**	**$ (0.04)**	**$ (0.06)**	$ (0.14)	$ (0.02)	$ (0.01)	$ 0.03
Net income (loss) per weighted average share, diluted	**$ 0.02**	**$ (0.01)**	**$ (0.04)**	**$ (0.06)**	$ (0.14)	$ (0.02)	$ (0.01)	$ 0.03

Seasonality
Residential mortgage origination volumes in North America are influenced by cyclical trends and seasonality. Cyclical trends include changes in interest rates, refinancing rates, the capacity of lenders to underwrite mortgages, house prices, housing inventory, demand for housing, the availability of funds for mortgage loans, credit requirements, regulatory changes, household indebtedness, employment levels and the general health of the North American economy. Transaction-based revenues for appraisal services in our U.S. Appraisal and Canadian segments are also impacted by the seasonal nature of the residential mortgage industry, which typically see home buyers purchase more homes in our third and fourth fiscal quarters, representing the three months ending June 30 and September 30, respectively.

Net income (loss)
Net income or loss generally follows the rise and fall in revenues. However, net income or loss is also impacted by changes in stock-based compensation expense, amortization, gains or losses on disposal of property and equipment, other non-operating costs, restructuring expenses, impairment of goodwill, interest expense, interest income, net foreign exchange gains or losses, net gains or losses on fair value of derivatives and gains or losses on fair value of warrants. Net income tax expense or recovery also impacts net income or loss.

We recorded a net loss in the first quarter of fiscal 2023 which compares to net income in the first quarter of fiscal 2022. Lower Adjusted EBITDA[(A)] contributions recognized across each of our segments was the primary contributor to the loss, owing in large part to lower addressable mortgage origination volumes. In addition, we recorded restructuring expenses of $1.3 million in the first quarter of fiscal 2023, representing severance costs attributable to changes in our management and organizational structure, compared to $nil in the same quarter last year. In the first quarter of fiscal 2023, we recognized higher foreign currency exchange losses of $0.5 million as a result of changes in the Canadian dollar relative to the U.S. dollar. The aforementioned contributed to the higher net loss in the first quarter of fiscal 2023 compared to the same quarter last year, which was partially offset by lower cash and deferred income tax expenses of $3.5 million. Lower cash and deferred income tax expenses reflect the decline in our financial performance which was due in large part to the comparative decline in mortgage market origination volumes.

We recorded a larger net loss in the second quarter of fiscal 2023 compared to the same quarter last fiscal year. Lower Adjusted EBITDA(A) contributions recognized across each of our segments was the primary contributor to the higher current quarter loss, owing in large part to lower addressable mortgage origination volumes. In addition, we recorded restructuring expenses of $0.3 million in the second quarter of fiscal 2023, representing severance costs attributable to changes in our management and organizational structure, compared to $nil in the same quarter last year. The aforementioned contributed to the higher net loss in the second quarter of fiscal 2023 compared to the same quarter last year, which was partially offset by lower foreign currency exchange losses of $1.2 million, due to changes in the Canadian dollar relative to the U.S. dollar, lower losses of $0.2 million recognized in the comparative quarter on the disposal of property and equipment, due to an adjustment to a leased property related to the remeasurement of a lease liability, and a higher gain recognized on the fair value of derivatives from a total return swap used to manage our cash flow exposure arising from changes in our share price attributable to cash-settled RSUs. Higher net income tax recoveries of $0.2 million reflect the decline in our financial performance, which was due in large part to the comparative decline in mortgage market origination volumes.

Net loss in the third quarter of fiscal 2023 was lower than the net loss recorded in the third quarter of fiscal 2022. A higher consolidated Adjusted EBITDA(A) contribution was the primary contributor to the lower loss in the third quarter of fiscal 2023. Although revenues were lower across each of our segments owing in large part to lower addressable mortgage origination volumes, we recorded substantially lower operating expenses from lower salary and benefit costs and other operating expenses. In addition, we recognized a higher gain on the fair value of derivatives from our total return swap and incurred lower income tax expense. The aforementioned contributed to the lower net loss in the third quarter of fiscal 2023 compared to the same quarter last year, which was partially offset by higher foreign currency exchange losses due to changes in the Canadian dollar relative to the U.S. dollar.

Please see the "Review of Operations – For the three months and year ended September 30, 2023" section of this MD&A for a detailed discussion of the components comprising the change in net income between the fourth quarter of fiscal 2023 and the fourth quarter of fiscal 2022.

FINANCIAL CONDITION, LIQUIDITY AND CAPITAL RESOURCES

Select Consolidated Statement of Financial Position ("Balance Sheet") Information

					As at September 30
		2023		2022	Change
Trade and other receivables	**$**	**15,295**	**$**	19,831 $	(4,536)
Intangibles	**$**	**4,004**	**$**	4,992 $	(988)
Goodwill	**$**	**43,181**	**$**	43,181 $	-
Working capital position - (current assets less current liabilities)	**$**	**47,097**	**$**	52,047 $	(4,950)

Trade and other receivables
The decline in trade and other receivables was due in large part to lower mortgage origination market activity for our U.S. and Canadian operations.

Intangibles
The decline in intangibles was due to normal course amortization recorded in our U.S. segments, partially offset by capitalized software development costs incurred to enhance our software platforms.

Working capital position
Our consolidated working capital position declined on a comparative basis to $47.1 million. The Company has no outstanding debt. Total current assets declined $8.4 million while total current liabilities declined $3.5 million. The decline in total current assets was due to lower trade and other receivables of $4.5 million, lower cash and cash equivalents of $3.8 million and lower income taxes recoverable of $0.9 million, partially offset by higher prepaid expenses of $0.9 million. The decline in trade and other receivables was due in large part to lower mortgage origination market activity. The decline in total current liabilities was due to a decrease in trade payables and accrued charges owing to the decline in volumes serviced and the timing of certain payments.

Please refer to the "Cash Flows" section below for a detailed discussion of the components comprising the change in cash and cash equivalents.

Cash Flows

	Three months ended September 30			Year ended September 30		
	2023	2022	Change	**2023**	2022	Change
Cash flows (utilized in) generated from:						
Operating activities	**$ (29)**	$ (4,813)	$ 4,784	**$ (2,564)**	$ 17,567	$ (20,131)
Investing activities	**(174)**	(39)	(135)	**(799)**	(1,080)	281
Financing activities	**201**	(1,955)	2,156	**(445)**	(30,424)	29,979
Effect of foreign currency translation on cash and cash equivalents	**(192)**	(92)	(100)	**7**	(134)	141
Net cash outflow	**$ (194)**	$ (6,899)	$ 6,705	**$ (3,801)**	$ (14,071)	$ 10,270

Changes in cash flows (utilized in) generated from:		
	Three months ended September 30, 2023 vs. Three months ended September 30, 2022	**Year ended September 30, 2023 vs. Year ended September 30, 2022**
Operating activities	↑ Cash generated from operating activities increased $4.8 million due in part to a $1.7 million increase in Adjusted EBITDA(A) as outlined in the "Review of Operations - For the three months and year ended September 30, 2023" section of this MD&A. In addition, income taxes recovered totaled $2.4 million versus income taxes paid of $0.4 million in the comparable period.	↓ Cash generated from operating activities declined $20.1 million due in part to a $9.7 million decline in Adjusted EBITDA(A) as outlined in the "Review of Operations - For the three months and year ended September 30, 2023" section of this MD&A. Non-cash working capital declined $16.2 million, which was due in large part to the timing of payments combined with lower comparative mortgage origination market activity leading to lower trade and other receivables balances. In fiscal 2022, we paid income taxes of $4.7 million versus a recovery in fiscal 2023 of $0.4 million.
Investing activities	↓ Cash utilized in investing activities increased modestly by $0.1 million mainly due to higher additions of intangible assets.	↓ Cash utilized in investing activities decreased to $0.8 million compared to $1.1 million mainly due to lower expenditures on the acquisition of property and equipment, partially offset by higher additions of intangible assets.
Financing activities	↑ Cash utilized in financing activities was lower on a comparative basis by $2.2 million mainly due to a decline in common shares purchased under our NCIB and an increase in proceeds received from the exercise of stock options.	↑ Cash utilized in financing activities was lower on a comparative basis by $30.0 million mainly due to a decline in common shares purchased under our NCIB and a decline in RSUs purchased and held in trust.

Contractual Obligations

					September 30, 2023
	Payments due				
	Total	Less than 1 year	1-3 years	4-5 years	After 5 years
Leases	**$ 4,444**	**$ 1,825**	**$ 1,884**	**$ 682**	**$ 53**
Trade payables and accrued charges	**12,549**	**12,549**	**-**	**-**	**-**
Other liabilities	**508**	**-**	**508**	**-**	**-**
Total contractual obligations	**$ 17,501**	**$ 14,374**	**$ 2,392**	**$ 682**	**$ 53**

The Company expects that cash and cash equivalents and future operating cash flows will be sufficient to fund ongoing business requirements, including working capital and other contractual obligations.

Total return swap
In December 2022, the Company entered into a total return swap to manage our cash flow exposure arising from changes in our share price attributable to cash-settled RSUs. Details of the total return swap as at September 30, 2023 are as follows:

Total return swap

Date entered	Notional amount C$ (expressed in millions)	Share price C$	Number of units (expressed in millions)	Effective date	Expiration date
December 2022	$2.4	$4.21	0.6	December 2022	December 2025

DISCLOSURE OF OUTSTANDING SHARE DATA

Number of shares issued and outstanding (in thousands)	**September 30, 2023**	**November 16, 2023**
Common shares	72,944	72,944
Restricted shares	(101)	(101)
Preferred shares	-	-
Total contributed equity	72,843	72,843

Normal course issuer bid ("NCIB")
Effective June 13, 2022, we received approval from the Toronto Stock Exchange ("TSX") to renew our NCIB for a one-year period which expired on June 12, 2023. Under the renewed NCIB, we were approved to purchase up to 6 million common shares. Daily purchases made on the TSX, or through alternative Canadian trading systems, were limited to a maximum of 99,319 common shares.

We were permitted to purchase a block of common shares once a week which could exceed the daily purchase limit subject to certain conditions, including a limitation that the block cannot be owned by an insider. All shares purchased pursuant to the NCIB have been cancelled.

For the year ended September 30, 2023, 0.003 million (2022 – 6.5 million) common shares were purchased and cancelled at an aggregate cost of $0.01 million (2022 - $28.7 million).

As of November 16, 2023, no additional common shares were purchased and cancelled or settled since September 30, 2023.

Stock options
At September 30, 2023, stock options issued and outstanding totaled 3.6 million (September 30, 2022 – 4.4 million) and 3.2 million (September 30, 2022 – 3.8 million) were exercisable for common shares of the Company.

RSUs
At September 30, 2023, RSUs issued and outstanding totaled 0.8 million (September 30, 2022 – 0.2 million) and 0.2 million (September 30, 2022 – 0.07 million) were vested but unsettled.

Dividends
The Company's current policy is to not pay dividends.

FOREIGN CURRENCY EXCHANGE RATES

Although our functional currency is the Canadian dollar, we have elected to report our financial results in U.S. dollars to improve the comparability of our financial results with our peers. Reporting our results in U.S. dollars also reduces the impact foreign currency exchange fluctuations have on our reported amounts because our complement of assets and operations are larger in the U.S. than they are in Canada.

Our consolidated financial position and operating results have been translated to U.S. dollars applying FX rates outlined in the table below. FX rates are expressed as the amount of U.S. dollars required to purchase one Canadian dollar and represents the daily average rate published by the Bank of Canada.

	Fiscal 2023			Fiscal 2022		
	Consolidated Balance Sheet	**Consolidated Statement of Operations and Comprehensive Income or loss**		Consolidated Balance Sheet	Consolidated Statement of Operations and Comprehensive Income or loss	
	Current	**Average**	**Cumulative Average**	Current	Average	Cumulative Average
December 31	**$ 0.7383**	**$ 0.7364**	**$ 0.7364**	$ 0.7888	$ 0.7936	$ 0.7936
March 31	**$ 0.7389**	**$ 0.7398**	**$ 0.7381**	$ 0.8003	$ 0.7897	$ 0.7917
June 30	**$ 0.7553**	**$ 0.7445**	**$ 0.7402**	$ 0.7760	$ 0.7834	$ 0.7889
September 30	**$ 0.7396**	**$ 0.7456**	**$ 0.7415**	$ 0.7296	$ 0.7656	$ 0.7829

FX Impact on Consolidated Results

The following tables have been prepared to assist readers in assessing the FX impact on select operating results for the three months and year ended September 30, 2023.

				Three months ended September 30
	2022 (as reported)	**2023** (as reported)	**2023** (FX impact)	**2023** (current period amounts applying prior period FX rate)
Consolidated Statement of Operations				
Revenues	$ 58,200	**$ 42,189**	**$ (238)**	**$ 42,427**
Transaction costs	$ 43,833	**$ 31,023**	**$ (196)**	**$ 31,219**
Operating expenses	$ 15,784	**$ 10,860**	**$ (82)**	**$ 10,942**
Net (loss) income	$ (9,968)	**$ 1,622**	**$ (72)**	**$ 1,694**
Net Revenue[(A)]	$ 14,367	**$ 11,166**	**$ (42)**	**$ 11,208**
Adjusted EBITDA[(A)]	$ (1,112)	**$ 594**	**$ 34**	**$ 560**
Adjusted Net Income[(A)]	$ 45	**$ 840**	**$ 17**	**$ 823**

Note: [(A)] – Please refer to the “Non-GAAP measures” section of this MD&A

	Year ended September 30			
	2022 (as reported)	**2023** (as reported)	**2023** (FX impact)	**2023** (current year amounts applying prior year FX rate)
Consolidated Statement of Operations				
Revenues	$ 339,642	**$ 163,914**	**$ (1,873)**	**$ 165,787**
Transaction costs	$ 254,203	**$ 120,899**	**$ (1,536)**	**$ 122,435**
Operating expenses	$ 79,595	**$ 46,751**	**$ (872)**	**$ 47,623**
Net loss	$ (9,265)	**$ (6,196)**	**$ 607**	**$ (6,803)**
Net Revenue[A]	$ 85,439	**$ 43,015**	**$ (337)**	**$ 43,352**
Adjusted EBITDA[A]	$ 7,379	**$ (2,359)**	**$ 458**	**$ (2,817)**
Adjusted Net Income (Loss)[A]	$ 2,501	**$ (2,189)**	**$ 487**	**$ (2,676)**

Note: [A] – Please refer to the "Non-GAAP measures" section of this MD&A

CRITICAL ACCOUNTING ESTIMATES

General

We use information from our financial statements, prepared in accordance with IFRS and expressed in U.S. dollars, to prepare our MD&A. Our financial statements include estimates and judgments that affect the reported amount of our assets, liabilities, revenues, expenses and, where and as applicable, disclosures of contingent assets and liabilities. On a periodic basis, we evaluate our estimates, including those that require a significant level of judgment or are otherwise subject to an inherent degree of uncertainty. Areas that are subject to judgment and estimate include revenue recognition, impairment of goodwill and non-financial assets, the determination of fair values in connection with business combinations, the determination of fair value for derivatives and financial instruments, lease terms, estimation of incremental borrowing rates to determine the carrying amount of right-of-use assets and lease liabilities and the likelihood of realizing deferred income tax assets. Estimates and judgments are based on our historical experience, our observation of trends, and information, valuations and other assumptions that we believe are reasonable when making an estimate of an asset or liability's fair value. Due to the inherent complexity, judgment and uncertainty in estimating fair value, actual amounts could differ significantly from these estimates.

Areas requiring the most significant estimate and judgment are outlined below.

Revenue recognition

The satisfaction of performance obligations requires us to make judgments when control of the underlying good or service transfers to the customer. Determining when a performance obligation is satisfied affects the timing of revenue recognition. We consider indicators of the transfer of control, including when the customer is obligated to pay and whether the transfer of significant risks and rewards has occurred, which represents the time when the customer has acquired the ability to direct and use the good or service and obtained substantially all of the benefits.

We use judgment in our assessment of whether we are acting as an agent or principal to a transaction. When we are not primarily responsible for fulfilling the obligation to provide a specified good or service and do not have discretion to establish price, we are acting as an agent to the transaction. We are acting as a principal when we control the deliverables prior to delivery to the customer and establish pricing.

Goodwill

Goodwill is not amortized and is tested annually for impairment or more frequently if an event or circumstance occurs that more likely than not reduces the fair value of a cash generating unit ("CGU"), or group of CGUs, below its carrying amount. Examples of such events or circumstances include: a significant adverse change in the technological, market, economic or legal environment in which an entity operates; changes in market interest rates or other market rates of return on investments that are likely to affect the discount rate used in calculating an assets value in use; the carrying amount of an entities' net assets is more than its market capitalization; evidence of physical damage to the asset or obsolescence is present; significant changes to an asset's expected use; or, performance expectations for the asset are worse than expected. Goodwill is not tested for impairment when the assets and liabilities that make up the CGU unit have not changed significantly since the most recent fair value determination, the most recent fair value determination results in an amount that exceeded the carrying amount by a substantial margin, and based on an analysis of events that have

occurred and circumstances that have changed since the most recent fair value determination, the likelihood that a current fair value determination would be less than the current carrying amount of the CGU is remote. The amount of goodwill assigned to each CGU and methodology employed to make such assignments has been applied on a consistent basis. For the purpose of testing goodwill for impairment, our CGUs align with our operating segments since this is consistent with the level at which goodwill is monitored.

The carrying value of a CGU or group of CGUs is compared to its recoverable amount, where the recoverable amount is the higher of fair value less cost to sell and its value in use. The value in use for a CGU or group of CGUs is determined by discounting cash flow projections from financial forecasts prepared by management. Projections reflect past experience and future expectations of operating performance and we apply perpetuity growth rates to cash flows in the terminal year. None of the perpetuity growth rates exceed the long-term historical growth rates for the markets in which we operate. The discount rate applied to the cash flow projections are derived from the weighted average cost of capital of comparable publicly traded companies. To determine fair value, for the purpose of estimating fair value less cost to sell, we apply various trading multiples of comparable public companies and merger and acquisition transactions for like or similar businesses to our last twelve months performance, and expected performance in the subsequent year, for our U.S. Appraisal segment.

We monitor both economic and financial conditions and we re-perform our goodwill test for impairment as conditions dictate.

Business combinations
Applying the acquisition method to business combinations requires us to measure each identifiable asset and liability at fair value. The excess, if any, of the fair value of consideration over the fair value of the net identifiable assets acquired is recorded to goodwill. The purchase price allocation involves judgment to identify the intangible assets acquired and establish fair value estimates for the assets acquired and liabilities assumed, including pre-acquisition contingencies and contingent consideration. Changes in any assumption or estimate used to identify the intangible assets acquired, or to determine the fair value of acquired assets and liabilities assumed, including pre-acquisition contingencies or contingent consideration, could affect the amounts assigned to assets, liabilities and goodwill in the purchase price allocation.

We make estimates, assumptions and judgments when valuing goodwill and intangible assets in connection with the initial purchase price allocation of an acquired entity, and our continuing evaluation of the recoverability of goodwill and intangible assets. These estimates are based on several factors, including historical experience, market conditions, information gained on our review of the target entities' operations and information obtained from management of the acquired companies. Critical estimates in valuing certain intangible assets include, but are not limited to, historical and projected attrition rates, discount rates, anticipated revenue growth from acquired customers, acquired technology and the expected use of the acquired assets. These factors are also considered in determining the useful life of intangible assets acquired. The amounts and useful lives assigned to identified intangible assets also impacts the amount and timing of future amortization expense.

Unanticipated events and circumstances may affect the accuracy or validity of such assumptions, estimates and our actual results.

Leases
Lease terms represent the contractual non-cancellable period for a lease, plus all periods covered by an option to renew or terminate the lease if we are reasonably certain to exercise, or not exercise this option, respectively. We apply judgment in our assessment of all factors that create an economic incentive to exercise extension options, or to not exercise termination options, available in our lease arrangements. We review our initial assessment if a significant event or change in circumstances occurs that affects our initial assessment and is within our control.

To determine the carrying amount of right-of-use assets, lease liabilities and net investment in sublease, we estimate the incremental borrowing rate specific to each leased asset or portfolio of leased assets if the interest rate implicit in the lease is not readily determinable. We determine the incremental borrowing rate attributable to each leased asset, or portfolio of leased assets, by assessing our creditworthiness, the security, term and value of the underlying leased asset and the economic environment in which the leased asset operates. The incremental borrowing rate is subject to change mainly due to macroeconomic changes.

Income taxes
Deferred income tax is recognized applying the liability method, which recognizes the temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their equivalent tax amounts. Deferred income tax is not recognized on the initial recording of assets or liabilities for financial reporting purposes that is not a business combination and that affects neither accounting income nor taxable income or loss. Deferred income tax assets and

liabilities are measured applying tax rates expected to be in effect when the temporary differences reverse, applying tax rates that have been enacted or substantively enacted at the reporting date.

Significant changes to enacted tax rates or laws, or estimates of timing differences and their reversal, could result in a material adverse or positive impact to our financial condition and operating performance. In addition, changes in regulation or insufficient taxable income could impact our ability to utilize tax loss carryforwards, which could impact deferred income tax assets and deferred income tax expense or recovery.

The recognition of deferred tax assets attributable to unutilized loss carryforwards is supported by our historical and expected future ability to generate income subject to tax and our ability to implement tax planning measures along with other substantive evidence. However, should we be unable to continue generating income subject to tax, deferred tax assets attributable to unutilized loss carryforwards may not be available to us prior to their expiry in Canada. We have historically used, and will continue to use, every effort to limit the use of discretionary tax deductions to maximize our use of loss carryforwards in Canada prior to their expiry. Unutilized loss carryforwards in the U.S. arising after December 31, 2017 can be carried forward indefinitely; however, the deduction of unutilized loss carryforwards in a given tax year is limited to 80% of an entity's taxable earnings in that year. Should we not be able to realize our deferred tax assets attributable to loss carryforwards, we would record deferred income tax expense in the period that we determine the likelihood of realizing these losses was less likely than not. Our maximum exposure is equal to the carrying amount of the deferred tax asset attributable to loss carryforwards, $8.4 million at September 30, 2023. Accordingly, due to our historical ability to generate income subject to tax, our expectations to generate income subject to the tax in the future and available tax planning measures, we view the risk of not realizing these deferred tax assets as low.

Other

Other estimates include, but are not limited to, the following: identification of CGUs, impairment assessments for non-financial assets, inputs to the Black-Scholes-Merton option pricing model used to value stock-based compensation, estimates of property and equipment's useful life, assessing provisions, estimating the likelihood of collection to determine our allowance for doubtful accounts, the fair value of derivatives and financial instruments, control assessment of subsidiaries, contingencies related to litigation and contingent acquisition payables, claims and assessments and various economic assumptions used in the development of fair value estimates, including, but not limited to, interest and inflation rates and a variety of option pricing model estimates.

New Accounting Policies Adopted or Requiring Adoption

Classification of Liabilities as Current or Non-Current

In January 2020, the IASB issued "Classification of Liabilities as Current or Non-Current (Amendments to IAS 1)" which provided a more general approach to the classification of liabilities under IAS 1 based on the contractual arrangements in place at the reporting date. The amendment clarified that the classification of liabilities as current or non-current should be based on rights that are in existence at the end of the reporting period. Only rights to defer settlement by at least twelve months, which are in place at the end of the reporting period affect the classification of a liability. Classification is unaffected by an entities' expectation to exercise its right to defer settlement of a liability.

In October 2022, the IASB issued "Non-current liabilities with covenants (amendments to IAS 1)" which clarified that only covenants that an entity is required to comply with as of the reporting date affect the classification of a liability as current or non-current. Entities are required to disclose that non-current liabilities with covenants could become repayable within twelve months from the reporting date.

These amendments are to be applied retrospectively and are effective for annual reporting periods beginning on or after January 1, 2024. We expect to apply these amendments to the classification of liabilities on October 1, 2024, and adopting this amendment is not expected to have a significant impact on our financial statements.

Narrow-scope amendments to IAS 1 and IAS 8

In February 2021, the IASB amended IAS 1 – "Presentation of Financial Statements" which requires companies to disclose information attributable to material accounting policies rather than focusing on significant accounting policies. The amendment clarifies that accounting policy information is material, if its absence inhibits a financial statements user's ability to understand other material information in the financial statements.

Additionally, the IASB amended IAS 8 – "Accounting Policies, Changes in Accounting Estimates and Errors" to improve accounting policy disclosures and assist entities in distinguishing between changes in accounting policies, which are generally applied retrospectively to both historical, current and future transactions, and estimates, which are applied prospectively to future transactions.

These amendments are effective for annual reporting periods beginning on or after January 1, 2023 and earlier application is permitted. We expect to apply the amendments on October 1, 2023, and adopting these amendments is not expected to have a significant impact on our financial statements.

Clarifying amendment to account for deferred tax on leases and decommissioning obligations
In May 2021, the IASB amended IAS 12 – "Income Taxes" to clarify that the initial recognition exemption does not apply to leases and decommissioning obligations. As a result, companies are required to recognize deferred tax on such transactions.

The amendment is effective for annual reporting periods beginning on or after January 1, 2023 and earlier application is permitted. We expect to apply the amendment on October 1, 2023, and adopting this amendment is not expected to have a significant impact on our financial statements.

FINANCIAL INSTRUMENTS

Credit risk
Credit risk is defined as the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge its obligation. Our exposure to credit risk is limited principally to cash and cash equivalents, trade and other receivables and when and as applicable, total return swaps. In all instances, our risk management objective, whether of credit, liquidity, market, equity or otherwise, is to mitigate our risk exposures to a level consistent with our risk tolerance.

Cash and cash equivalents
Certain management are responsible for determining which financial institutions we bank and hold deposits with. We typically select financial institutions that we have a relationship with and those deemed by us to be of sufficient size, liquidity and stability. We review our exposure to credit risk from time-to-time or as conditions indicate that our exposure to credit risk has or is subject to change. Our maximum exposure to credit risk is equal to the fair value of cash and cash equivalents recorded on our consolidated statements of financial position as at September 30, 2023, $42.3 million (September 30, 2022 - $46.1 million). We hold no collateral or other credit enhancements as security over our cash or cash equivalent balances, we deem the credit quality of our cash and cash equivalent balances to be high and no amounts are impaired.

Trade and other receivables
In the normal course of business, our trade and other receivables balance is subject to credit risk. Our maximum exposure to credit risk is the fair value of trade and other receivables recorded on our consolidated statements of financial position as at September 30, 2023, $15.3 million (September 30, 2022 - $19.8 million). We regularly perform credit checks or may accept payment or security in advance to limit our exposure to credit risk. Our client base is sufficiently diverse, consisting of banks and mortgage lending institutions that are generally of sufficient size and capitalization, to mitigate a portion of any credit risk exposure we may be subject to. We have also assigned various employees to carry out collection efforts in a manner consistent with our trade receivable and credit and collections policies. These policies establish procedures to manage, monitor, control, investigate, record and improve trade receivable credit and collection. We also have policies and procedures which establish estimates for doubtful account allowances. These calculations are based on an expected credit loss ("ECL") model which considers expected losses that result from all possible default events over the expected life of our trade and other receivable balances and include factors such as past events, current conditions and forecasts of future economic conditions. We conduct specific account balance reviews, where practical, and consideration is given to the credit quality of the client, payment history and other factors specific to the client, including bankruptcy or insolvency.

Trade and other receivables determined by management to be at risk of collection are provided for through an allowance account. When trade or other receivables are considered uncollectable, they are written-off against this account. Subsequent recoveries of amounts previously written-off are credited against the allowance account and subsequently recorded to operating expenses in our consolidated statements of operations and comprehensive income or loss. We have elected to measure loss allowances for trade and other receivables at an amount equal to estimated lifetime ECLs using a provision matrix based on historical credit loss experience adjusted for estimated changes in credit risk and forecasts of future economic conditions.

Trade and other receivables are generally due within 15 to 45 days from the invoice date. Accordingly, all amounts outstanding beyond these periods are past due. Based on historical collections, the majority of receivables collected have not been outstanding for greater than 90 days. We assess the credit quality of trade and other receivables that are neither past due nor impaired as high. Our maximum exposure to credit risk is equivalent to our net carrying amount. Trade and other receivables considered impaired at September 30, 2023 were not considered significant.

Total return swaps
Our maximum exposure to credit risk, when and as applicable, is equal to the estimated fair value of total return swaps recorded to other assets on our consolidated statements of financial position. We hold no collateral or other credit enhancements as security over these agreements. We deem the agreements' credit quality to be high due to our assessment of the counterparty to this agreement and no amounts are either past due or impaired.

Liquidity risk
Liquidity risk is the risk that we will encounter difficulty in meeting our obligations to settle our financial liabilities. Our exposure to liquidity risk is due primarily to the settlement of trade payables and lease liabilities. Certain management are responsible to ensure that we have sufficient short, medium and long-term liquidity to address these liabilities as they become due. We manage liquidity risk on a continuous basis by monitoring actual and forecasted cash flows and monitoring our available liquidity.

Market risk
Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk is comprised of currency, interest rate, equity and other price risk.

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in FX rates. Our exposure to currency risk is attributable to the exchange of U.S. monies to the Canadian dollar or vice versa. We may enter into FX agreements to mitigate our exposure to currency risk; however, as of the date of this MD&A, we are not a party to any FX agreements. Accordingly, we are exposed to currency risk in U.S. dollars charged to our U.S. operations in the form of management fees, royalties and interest on long-term financings. To mitigate this risk, management uses discretion, and actively reviews its use of FX agreements.

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Interest rate risk arises from our interest-bearing financial assets and liabilities. We are subject to interest rate risk on investments we make in cash equivalent, short-term investments.

We are exposed to equity price risk related to certain share-based compensation plans that are accounted for as liabilities. We have entered into a total return swap agreement with terms to match the vesting period of the corresponding awards to reduce this exposure.

Our risk management objective is to mitigate risk exposures to a level consistent with our risk tolerance. Derivative financial instruments are evaluated against the exposures they are expected to mitigate and the selection of a derivative financial instrument may not increase our net exposure to risk. Derivative financial instruments may expose us to other types of risk, which may include, but is not limited to, credit risk. The exposure to other types of risk is evaluated against the selected derivative financial instrument and is subject to a cost versus benefit review and analysis. We do not use derivative financial instruments for speculative or trading purposes and the value of the derivative financial instrument cannot exceed the risk exposure of the underlying asset, liability or cash flow it is expected to mitigate.

Fair value methods and assumptions
The fair values of financial instruments, and when applicable, contingent consideration, are calculated using available market information and commonly accepted valuation methods, or expectations of achievement in the case of contingent consideration discounted at a market rate of interest. Considerable judgment is required to develop these estimates. Accordingly, fair value estimates are not necessarily indicative of the amounts we, or counterparties to the instruments, could realize in a current market exchange, or expect to pay, in the case of contingent consideration. The use of different assumptions and or estimation methods could have a material impact on these fair values.

The total return swap is recorded at its estimated fair value based on quotes received from the financial institution that is the counterparty to the agreement. We verify the reasonableness of the quotes by comparing them to share price movement adjusted for interest using a market rate of interest specific to the terms of the underlying contract. There was one total return swap outstanding on September 30, 2023. Accordingly, the risk of having a material impact on the determination of fair value using different assumptions and or estimation methods is expected to be unlikely.

Financial assets and liabilities recorded at fair value, as and where applicable, are recorded to our consolidated statements of financial position.

CONTINGENCIES

From time to time, we are involved in legal proceedings, claims and litigation in the ordinary course of business with customers, former employees and other parties. Although it is not possible to determine the outcome of such matters, based on all currently available information, we believe that our liabilities, if any, arising from such matters will not have a material adverse effect on our consolidated financial position or results of operations and have been adequately provided for in the consolidated financial statements.

In the ordinary course of business, we are subject to tax audits from various government agencies relating to income and commodity taxes. As a result, from time to time, the tax authorities may disagree with the positions and conclusions we made in our tax filings, which could lead to assessments and reassessments. These assessments and reassessments may have a material adverse effect on our consolidated financial position or results of operations.

FINANCIAL INFORMATION CONTROLS AND PROCEDURES

Disclosure controls and procedures
Our disclosure controls and procedures are designed to provide reasonable assurance that the information we are required to disclose in reports filed or submitted under Canadian securities laws is recorded, processed, summarized and reported within the time periods specified under those laws, and include controls and procedures that are designed to ensure that the information is accumulated and communicated to management, including our Chief Executive Officer ("CEO") and Executive Vice-President and Chief Financial Officer ("CFO"), to allow for timely decisions in respect of these requirements.

As at September 30, 2023, management evaluated, under the supervision of, and with the participation of, the CEO and the CFO, the effectiveness of our disclosure controls and procedures, as defined in National Instrument 52-109 – *Certification of Disclosure in Issuers' Annual and Interim Filings* ("NI 52-109").

Based on that evaluation, the CEO and CFO concluded that our disclosure controls and procedures were effective as at September 30, 2023.

Internal control over financial reporting
Management is responsible for establishing and maintaining adequate internal control over financial reporting, as defined in NI 52-109. Our internal control over financial reporting is a process designed under the supervision of the CEO and CFO, and effected by the board of directors, management and other personnel of the Company, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. However, because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements on a timely basis.

Management evaluated, under the supervision of and with the participation of the CEO and the CFO, the effectiveness of our internal control over financial reporting as at September 30, 2023, based on the criteria established in Internal Control – Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission.

Based on that evaluation, the CEO and CFO concluded that our internal control over financial reporting was effective as at September 30, 2023.

There have been no changes during the year ended September 30, 2023 in our internal control over financial reporting that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION

This MD&A contains "forward-looking information" within the meaning of applicable Canadian securities laws. Words such as "aim", "could", "forecast", "target", "may", "might", "will", "would", "expect", "anticipate", "estimate", "intend", "plan", "seek", "believe", "predict" and "likely", and variations of such words and similar expressions are intended to identify such forward-looking information, although not all forward-looking information contains these identifying words.

The forward-looking information in this MD&A includes statements which reflect the current expectations of the Company's management with respect to the Company's business and the industry in which it operates and is based on management's experience and perception of historical trends, current conditions and expected future developments, as well as other factors that management believes appropriate and reasonable in the circumstances. The forward-looking information reflects management's beliefs based on information currently available to management, including information obtained

from third-party sources, and should not be read as a guarantee of the occurrence or timing of any future events, performance or results.

The forward-looking information in this MD&A includes, but is not limited to, statements related to:

- our business prospects, goals and long-term strategy targets;
- our expectations regarding certain of our future results and information, including, among others, Net Revenue(A) and Adjusted EBITDA(A) margins for each of our segments, market share targets for our U.S. Appraisal and U.S. Title segments, corporate expenses (excluding stock-based compensation expense), conversion of Adjusted EBITDA(A) to Free Cash Flow(A) and the total addressable market;
- the key factors that have a significant impact on our financial performance;
- anticipated economic conditions, including the market activity for purchase, refinance, home equity, REO and default transactions;
- the scalability of the platform;
- the regulatory environment in which we operate;
- our competitive position relative to our competitors;
- anticipated industry and market trends, including the seasonality of our business and our expectations regarding appraisal waivers provided by the GSE's and Veteran Affairs volumes;
- the factors influencing the allocation of transaction volumes to us; and
- our intentions with respect to the implementation of new accounting standards.

In addition, our assessment of, and targets for, market share, Net Revenue(A) margins, Adjusted EBITDA(A) margins, corporate expenses (excluding stock-based compensation expense) and conversion of Adjusted EBITDA(A) to Free Cash Flow(A) are considered forward-looking information. See the "Overview'' section of this MD&A for additional information regarding our strategies and market outlook in relation to these assessments.

The forward-looking information in this MD&A is subject to risks, uncertainties and other factors that are difficult to predict and that could cause actual results to differ materially from historical results or results anticipated by the forward-looking information. Factors which could cause results or events to differ from current expectations include, but are not limited to, the following, each of which are discussed in further detail in the "Risk Factors" section of our Annual Information Form for the year ended September 30, 2022, which is filed on SEDAR+ at www.sedarplus.ca:

Strategic Risks

- changes in economic conditions resulting in fluctuations in demand for our services;
- failing to grow market share in our U.S. Title business to anticipated levels;
- failing to grow market share in our U.S. Appraisal business to anticipated levels;
- risks associated with targeting large mortgage lenders, including longer sales cycles, pricing pressures, implementation complexities and concentration risk;
- significant demands being placed on our management and infrastructure;
- maintaining our competitive position in a competitive business environment;
- damage to our reputation causing a loss of existing clients and/or difficulty attracting new clients;
- inability to successfully identify, consummate or integrate future acquisitions;

Operational Risks

- failing to adequately protect our technology Infrastructure;
- issues with the platform;
- failing to retain key employees or hire highly skilled personnel;
- failing to maintain field professional engagement;
- the occurrence of catastrophic events which are beyond our control;

Legal and Compliance Risks

- regulatory risks applicable to us;
- risks associated with legal and regulatory proceedings and claims;
- risks associated with the potential reclassification of exempt employees and field professionals;
- failing to adequately protect our intellectual property;
- potential losses arising from field professional work product liability;
- potential infringement of our services on the proprietary rights of others;
- difficulty for shareholders to enforce judgments obtained against us;

Financial and Reporting Risks

- the potential for significant fluctuations in the market price of our shares;
- potential inability to raise additional capital in the future when needed, either on acceptable terms or at all;
- failing to maintain effective internal controls, including the inherent limitations in all control systems;
- potential tax law changes or adverse tax examinations;
- inaccurate accounting estimates and judgments;
- potential dilution to existing shareholders as a result of future share issuances;
- ineffectiveness of our financial and operational risk management efforts;
- our dependence on our subsidiaries for cash flows; and
- changing accounting pronouncements and other financial reporting standards.

We caution that the above list of risk factors and uncertainties is not exhaustive and that additional risks and uncertainties may be discussed in documents filed with the applicable Canadian securities regulatory authorities from time to time. Other risks and uncertainties not presently known by us or that we presently believe are not material could also cause actual results or events to differ materially from those expressed in the forward-looking information. Readers are cautioned not to place undue reliance on the forward-looking information, which reflect our expectations only as of the date of this MD&A. Except as required by law, we do not undertake to update or revise any forward-looking information, whether as a result of new information, future events or otherwise.

Glossary

Tier 1 means the top five U.S. banks by asset size as at June 30, 2022, as determined by U.S. Federal Reserve data, and the largest non-bank mortgage lender in the U.S. according to the Inside Mortgage Finance website: Top 100 Mortgage Lenders (first six months of calendar 2022).

Tier 2 means the top 30 mortgage lenders in the U.S. according to the Inside Mortgage Finance website: Top 100 Mortgage Lenders (first six months of calendar 2022), excluding Tier 1 mortgage lenders.

Tier 3 means the top 100 mortgage lenders in the U.S. according to the Inside Mortgage Finance website: Top 100 Mortgage Lenders (first six months of calendar 2022), excluding Tier 1 and Tier 2 mortgage lenders.

Tier 4 means all mortgage lenders in the U.S. not included in Tier 1, Tier 2 or Tier 3.

Independent Auditor's Report

To the Shareholders and the Board of Directors of Real Matters Inc.

Opinion

We have audited the consolidated financial statements of Real Matters Inc. (the "Company"), which comprise the consolidated statements of financial position as at September 30, 2023 and 2022, and the consolidated statements of operations and comprehensive loss, equity and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at September 30, 2023 and 2022, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards ("IFRS").

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matter

A key audit matter is a matter that, in our professional judgment, was of most significance in our audit of the financial statements for the year ended September 30, 2023. This matter was addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter.

Revenue Recognition – Refer to Notes 2 and 21 to the financial statements

Key Audit Matter Description

The Company generates most of its revenue by providing residential mortgage appraisals through its technology-based platform, title services, and search services to the mortgage lending industries in the United States of America. The Company also generates revenue by providing residential mortgage appraisals through its technology-based platform to the mortgage lending industries in Canada. Revenue is recognized at the point in time when the performance obligation associated with the order is satisfied. For residential mortgage appraisals, the Company recognizes revenue when the appraisal report is delivered to the client. Title revenues are recorded when a transaction closes or when the documents are submitted to the county for recording. Search revenues are recorded when the report is delivered to the client.

Revenue from residential mortgage appraisals, title services, and search services is a key audit matter due to the significant audit effort required in performing audit procedures related to Company's revenue recognition due to the volume of data as well as the various sources of evidence required to support each transaction.

How the Key Audit Matter was Addressed in the Audit

Our audit procedures related to the occurrence and accuracy of revenue included the following, among others:

- Evaluated the effectiveness of controls relating to revenue; and
- On a sample basis, evaluated revenue by tracing samples to pricing agreements, customer approval of pricing adjustments, reconciliations to cash receipts, evidence of delivery of finalized appraisal reports or signed title documents, and when applicable independent searches.

Other Information

Management is responsible for the other information. The other information comprises:

- Management's Discussion and Analysis

- The information, other than the financial statements and our auditor's report thereon, in the Annual Report.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained Management's Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.

The Annual Report is expected to be made available to us after the date of the auditor's report. If, based on the work we will perform on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Stephen Dominic Di Giacomo.

Chartered Professional Accountants
Licensed Public Accountants

November 16, 2023

Real Matters Inc.

Consolidated Statements of Financial Position

September 30, 2023 and 2022 (stated in thousands of United States ("U.S.") dollars)

		2023		2022
ASSETS				
CURRENT				
Cash and cash equivalents	**$**	**42,341**	$	46,142
Trade and other receivables (Note 18)		**15,295**		19,831
Income taxes recoverable		**181**		1,126
Prepaid expenses		**3,499**		2,634
		61,316		69,733
NON-CURRENT				
INTANGIBLES (Note 4)		**4,004**		4,992
GOODWILL (Note 5)		**43,181**		43,181
PROPERTY AND EQUIPMENT (Note 6)		**3,816**		6,964
OTHER ASSETS (Note 18)		**813**		-
DEFERRED TAX ASSETS (Note 19)		**15,608**		12,134
		67,422		67,271
TOTAL ASSETS	**$**	**128,738**	$	137,004
LIABILITIES				
CURRENT				
Trade payables	**$**	**9,354**	$	11,869
Accrued charges		**3,195**		4,269
Lease liabilities (Note 7)		**1,670**		1,548
		14,219		17,686
NON-CURRENT				
OTHER LIABILITIES (Note 15)		**508**		-
LEASE LIABILITIES (Note 7)		**2,433**		4,312
		2,941		4,312
TOTAL LIABILITIES		**17,160**		21,998
COMMITMENTS AND CONTINGENCIES (Note 17)				
EQUITY				
NON-CONTROLLING INTERESTS		**-**		115
SHAREHOLDERS' EQUITY (Note 9)				
Common shares		**228,448**		227,285
Restricted shares (Notes 9 and 15)		**(311)**		(311)
Contributed surplus		**14,154**		13,647
Accumulated deficit		**(120,952)**		(114,777)
Accumulated other comprehensive loss		**(9,761)**		(10,953)
		111,578		114,891
TOTAL EQUITY		**111,578**		115,006
TOTAL LIABILITIES AND EQUITY	**$**	**128,738**	$	137,004

Signed on behalf of the Board of Directors:

Jason Smith (signed) – Executive Chairman **Garry M. Foster** (signed) – Audit Committee Chair

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

Real Matters Inc.
Consolidated Statements of Operations and Comprehensive Loss
For the years ended September 30, 2023 and 2022 (stated in thousands of U.S. dollars except outstanding share and net income or loss per share amounts)

		2023		2022
REVENUES (Note 21)	**$**	**163,914**	$	339,642
TRANSACTION COSTS		**120,899**		254,203
OPERATING EXPENSES (Note 11)		**46,751**		79,595
AMORTIZATION		**3,877**		4,530
LOSS ON DISPOSAL OF PROPERTY AND EQUIPMENT		**-**		603
OTHER NON-OPERATING COSTS		**-**		66
RESTRUCTURING EXPENSES (Note 12)		**1,703**		1,542
IMPAIRMENT OF GOODWILL (Note 5)		**-**		17,296
INTEREST EXPENSE (Note 8)		**283**		264
INTEREST INCOME		**(825)**		(134)
NET FOREIGN EXCHANGE LOSS (GAIN)		**1,186**		(5,725)
GAIN ON FAIR VALUE OF DERIVATIVES (Note 18)		**(815)**		-
GAIN ON FAIR VALUE OF WARRANTS (Note 14)		**-**		(249)
LOSS BEFORE INCOME TAX RECOVERY		**(9,145)**		(12,349)
INCOME TAX (RECOVERY) EXPENSE (Note 19)				
Current		**494**		1,761
Deferred		**(3,443)**		(4,845)
TOTAL INCOME TAX RECOVERY		**(2,949)**		(3,084)
NET LOSS		**(6,196)**		(9,265)
OTHER COMPREHENSIVE INCOME (LOSS)				
Items that will be reclassified to net income or loss:				
Foreign currency translation adjustment		**1,192**		(5,998)
COMPREHENSIVE LOSS	**$**	**(5,004)**	$	(15,263)
NET LOSS - ATTRIBUTABLE TO COMMON SHAREHOLDERS	**$**	**(6,173)**	$	(9,272)
NET (LOSS) INCOME - ATTRIBUTABLE TO NON-CONTROLLING INTERESTS	**$**	**(23)**	$	7
COMPREHENSIVE LOSS - ATTRIBUTABLE TO COMMON SHAREHOLDERS	**$**	**(4,981)**	$	(15,270)
COMPREHENSIVE (LOSS) INCOME - ATTRIBUTABLE TO NON-CONTROLLING INTERESTS	**$**	**(23)**	$	7
Net loss per weighted average share, basic and diluted (Note 10)	**$**	**(0.08)**	$	(0.12)
Weighted average number of shares outstanding (thousands), basic and diluted (Note 10)		**72,763**		76,514

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

Real Matters Inc.
Consolidated Statements of Cash Flows
For the years ended September 30, 2023 and 2022 (stated in thousands of U.S. dollars)

		2023		2022
NET INFLOW (OUTFLOW) OF CASH RELATED TO THE FOLLOWING				
OPERATING				
Net loss	**$**	**(6,196)**	$	(9,265)
Items not affecting cash:				
Stock-based compensation (Note 15)		**1,377**		1,535
Amortization of intangibles (Note 4)		**1,485**		1,389
Amortization of property and equipment (Note 6)		**2,392**		3,141
Loss on disposal of property and equipment		**-**		603
Impairment of goodwill (Note 5)		**-**		17,296
Interest expense (Note 8)		**283**		264
Gain on fair value of derivatives (Note 18)		**(815)**		-
Gain on fair value of warrants (Note 14)		**-**		(249)
Income tax recovery		**(2,949)**		(3,084)
Unrealized foreign exchange loss (gain) on internal financing arrangements		**1,086**		(5,925)
Changes in non-cash working capital items (Note 13)		**636**		16,847
Interest paid		**(283)**		(264)
Income taxes recovered (paid)		**420**		(4,721)
Cash (utilized in) generated from operating activities		**(2,564)**		17,567
INVESTING				
Intangible asset additions (Note 4)		**(496)**		(160)
Property and equipment additions (Note 6)		**(534)**		(1,015)
Payments received from sublease		**231**		95
Cash utilized in investing activities		**(799)**		(1,080)
FINANCING				
Proceeds from lease liabilities (Note 14)		**392**		285
Repayment of lease liabilities (Note 14)		**(1,545)**		(1,735)
Proceeds from the exercise of stock options		**858**		283
Restricted shares purchased and held in trust (Notes 9 and 15)		**-**		(516)
Purchase of common shares and related costs (Note 9)		**(11)**		(28,741)
Dividends paid to non-controlling interests		**(139)**		-
Cash utilized in financing activities		**(445)**		(30,424)
Effect of foreign currency translation on cash and cash equivalents		**7**		(134)
NET CASH OUTFLOW		**(3,801)**		(14,071)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR		**46,142**		60,213
CASH AND CASH EQUIVALENTS, END OF YEAR	**$**	**42,341**	$	46,142
SUPPLEMENTAL CASH FLOW INFORMATION:				
Cash and cash equivalents are comprised of:				
Cash	**$**	**10,118**	$	22,326
Cash equivalents		**32,223**		23,816
	$	**42,341**	$	46,142

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

Real Matters Inc.
Consolidated Statements of Equity
For the years ended September 30, 2023 and 2022 (stated in thousands of U.S. dollars)

	Non-controlling interests	Common shares	Restricted shares	Contributed surplus	Accumulated deficit	Accumulated other comprehensive loss	Total equity
Balance at September 30, 2022	**$ 115**	**$ 227,285**	**$ (311)**	**$ 13,647**	**$ (114,777)**	**$ (10,953)**	**$ 115,006**
Net loss	**(23)**				**(6,173)**		**(6,196)**
Dividends paid to non-controlling interests	**(139)**						**(139)**
Common shares issued on the exercise of stock options (Note 9)		**1,172**		**(314)**			**858**
Stock-based compensation (Note 15)				**868**			**868**
Purchase of common shares and related costs (Note 9)		**(9)**			**(2)**		**(11)**
Purchase of subsidiary shares from non-controlling interests	**9**			**(9)**			**-**
Dissolution of partially owned subsidiary	**38**			**(38)**			**-**
Foreign currency translation adjustment						**1,192**	**1,192**
Balance at September 30, 2023	**$ -**	**$ 228,448**	**$ (311)**	**$ 14,154**	**$ (120,952)**	**$ (9,761)**	**$ 111,578**

	Non-controlling interests	Common shares	Restricted shares	Contributed surplus	Accumulated deficit	Accumulated other comprehensive loss	Total equity
Balance at September 30, 2021	$ 108	$ 246,377	$ -	$ 12,206	$ (96,435)	$ (4,955)	$ 157,301
Net income (loss)	7				(9,272)		(9,265)
Common shares issued on the exercise of stock options (Note 9)		377		(94)			283
Common shares issued on the exercise of warrants		407					407
Stock-based compensation (Note 15)				1,535			1,535
Restricted shares purchased and held in trust (Notes 9 and 15)			(311)		(205)		(516)
Purchase of common shares and related costs (Note 9)		(19,876)			(8,865)		(28,741)
Foreign currency translation adjustment						(5,998)	(5,998)
Balance at September 30, 2022	$ 115	$ 227,285	$ (311)	$ 13,647	$ (114,777)	$ (10,953)	$ 115,006

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

1. Nature of Operations

Real Matters Inc. ("Real Matters" or the "Company") is a leading technology and network management company providing appraisal and title services through its Solidifi brand to the mortgage lending industry in the U.S. and appraisal and insurance inspection services to the mortgage lending and insurance industries in Canada through its Solidifi and iv3 brands, respectively.

Real Matters' head office and Canadian operations are located at 50 Minthorn Boulevard, Markham, Ontario and its U.S. subsidiaries operate at the Company's principal offices in Buffalo, New York and Middletown, Rhode Island.

2. Basis of Presentation and Significant Accounting Policies

Statement of compliance
The consolidated financial statements ("financial statements") have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

The financial statements were authorized for issue by the board of directors on November 16, 2023.

Basis of presentation
The financial statements are presented in thousands of U.S. dollars and have been prepared applying the historical cost method, except for certain financial instruments which are measured at fair value. Historical cost reflects the fair value of consideration exchanged for an asset on the date it was acquired or owed for a liability on the date it was assumed.

The significant accounting policies and methodologies outlined below have been applied consistently and for all periods presented in these financial statements.

Basis of consolidation
These financial statements include the accounts of the Company and subsidiaries controlled by the Company. The Company is deemed to control a subsidiary when it is exposed to, or has the right to, variable returns from its involvement with an investee and it has the ability to direct the activities of the investee that significantly affects the investee's returns through its power over the subsidiary. Where the Company's interest in a subsidiary is less than one hundred percent, the Company recognizes a non-controlling interest in the investee. All intercompany transactions, balances, revenues and expenses are eliminated on consolidation.

The carrying amount of non-controlling interests is the amount recognized initially, plus the non-controlling interests' share of subsequent changes in the capital of the company and changes in ownership interests, if any. Total comprehensive income or loss is attributed to non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

The financial statements of controlled entities are included in these financial statements from the date control is effective until the date control ceases.

Functional and presentation currency
The Company's functional currency is the Canadian dollar. Accordingly, its financial position, results of operations, cash flows and equity are consolidated in Canadian dollars.

The Company translates its U.S. subsidiaries' assets and liabilities to Canadian dollars from their functional currency of U.S. dollars using the exchange rate in effect at the date the statement of financial position is presented. Revenues and expenses from the Company's U.S. subsidiaries are translated to Canadian dollars at the average monthly exchange rate in effect during the year. The resulting translation adjustments are included in other comprehensive income or loss.

The Company has elected to report its financial results in U.S. dollars. Accordingly, the Company's consolidated statements of financial position are translated from Canadian to U.S. dollars at the foreign currency exchange rate in effect at the date the statement of financial position is presented. Certain transactions affecting shareholders' equity and the statements of cash flows are translated at their historical foreign currency exchange rates or at the foreign currency exchange in effect at the time of the transaction, respectively. The consolidated statements of operations and comprehensive income or loss and consolidated statements of cash flows, excluding certain transactions, are translated to U.S. dollars applying the average foreign currency exchange rate in effect during the reporting period and the resulting translation adjustments are included in other comprehensive income or loss. Reporting the Company's financial results in U.S. dollars reduces the impact foreign currency fluctuations have on its reported amounts because the Company's operations are larger in the U.S. than they are in Canada. The Company remains a legally domiciled Canadian entity and its functional currency is the Canadian dollar. Translating the Company's U.S. financial position, results of operations and cash flows into Canadian dollars, the Company's functional currency, and re-translating these amounts to U.S. dollars, the Company's reporting currency, has no translation impact on the Company's financial statements. Accordingly, U.S. results retain their original values when expressed in the Company's reporting currency.

Monetary assets and liabilities denominated in foreign currencies, including certain long-term financing arrangements between Canadian and U.S. entities within the consolidated group of companies that are not considered part of the net investment in a foreign operation and that are different from the Company's functional currency, are translated to the Company's functional currency applying the foreign exchange rate in effect at the date the statement of financial position is presented. Realized and unrealized foreign currency differences are recognized in the consolidated statement of operations and comprehensive income or loss.

Exchange differences on monetary assets and liabilities receivable or payable with a foreign operation, for which settlement is neither planned nor likely to occur and therefore forms part of the net investment in a foreign operation, are recognized initially in other comprehensive income or loss and presented within equity. The cumulative amount of the resulting exchange differences recorded to other comprehensive income or loss, are reclassified from equity to the consolidated statements of operations and comprehensive income or loss on settlement.

Summary of significant accounting policies

Cash and cash equivalents
Cash and cash equivalents include short-term investments in highly liquid marketable securities, which have a term to maturity of three months or less.

Included in cash is $2,067 (2022 - $2,028) set aside by the Company to demonstrate that it has sufficient liquidity to support a county title license for the conduct of business in the state of California. Additionally, included in cash is $1,806 (September 30, 2022 - $nil) set aside by the Company to demonstrate that it has sufficient liquidity to support the settlement of its total return swap arrangement.

The Company's residential real estate title services requires it to hold cash in escrow accounts that it does not own. Accordingly, cash held in escrow, including escrow receivables and escrow liabilities, are not recorded as assets or liabilities on the Company's consolidated statements of financial position. All cash held in escrow is deposited in non-interest bearing bank accounts.

Intangibles
Intangible assets with finite useful lives are carried at cost less accumulated amortization and accumulated impairment losses, if any. Intangibles are tested for impairment when a triggering event occurs. Amortization is recognized on a straight-line basis over the estimated useful life of the intangible asset and recorded to the consolidated statements of operations and comprehensive income or loss. The estimated useful life and amortization method are reviewed at least annually, with any change in estimate recognized prospectively. Estimated useful lives for intangibles having finite lives are as follows:

Internally generated intangible assets	2.5 years
Customer relationships	3 years
Brand names	3 years
Technology	3 years
Licenses	10 years

Internally generated intangible assets represents computer software development costs associated with the development and enhancement of the Company's platforms and other supporting infrastructure. Costs associated with the maintenance of the Company's platforms are expensed as incurred.

Internally generated intangible assets are capitalized if, and only if, all of the following have been demonstrated:

- The technical feasibility of completing the intangible asset is expected to make it available for use or sale;
- The Company intends to complete and use or sell the intangible asset;
- The Company has the ability to use or sell the intangible asset;
- The Company expects the intangible asset will generate probable future economic benefits;
- Adequate technical, financial and other resources to complete the development and to use or sell the intangible asset exists; and
- The Company has the ability to reliably measure the expenditures attributable to its development.

The amount recognized as an internally generated intangible asset represents the sum of expenditures from the date when the intangible asset first meets the recognition criteria listed above to the date the asset is available for use. During the period of development, the asset is tested for impairment at least annually. Where no internally generated intangible asset is recognized, expenditures are recognized in the consolidated statements of operations and comprehensive income or loss in the period in which the cost is incurred.

When the asset is available for use, the cost model is applied which requires the asset to be carried at cost less accumulated amortization and accumulated impairment losses, if any.

Goodwill
Goodwill represents the difference between consideration and the fair value of the net identifiable assets acquired in a business combination. Goodwill is recorded at cost less accumulated impairment losses, if any. Goodwill is not amortized and is allocated to each of the Company's cash-generating units ("CGU" or "CGUs") or group of CGUs that benefit from the acquisition, irrespective of whether other assets or liabilities acquired are assigned to those units. For the purpose of goodwill impairment testing the Company's CGUs represent its operating segments which is consistent with the level goodwill is monitored.

Goodwill is tested annually for impairment, or more frequently when there is an indication that goodwill may be impaired. If the recoverable amount of the CGU, representing the higher of its fair value less cost to sell ("FVLCS") and its value in use, is less than its carrying amount, any resulting impairment loss is first allocated to goodwill and subsequently to other assets of the CGU on a pro rata basis. Any goodwill impairment loss is

recorded to the consolidated statements of operations and comprehensive income or loss in the period of impairment. Previously recognized impairment losses for goodwill are not reversed in subsequent periods.

Upon disposal of a CGU or group of CGUs, the portion of goodwill attributable to the CGU is included in the determination of profit or loss recorded to the consolidated statements of operations and comprehensive income or loss.

Goodwill is tested for impairment annually on June 30th.

Property and equipment

Property and equipment are recorded at cost less accumulated amortization and accumulated impairment losses, if any. The initial cost includes the purchase price and any expenditures directly attributable to ready the asset for use. Purchased software that is integral to the function of certain equipment is capitalized. When components of property and equipment have different useful lives, those components are accounted for as individual items of property and equipment and amortized separately.

Gains and losses on the disposal of property and equipment represents the difference between the proceeds received, if any, on disposal of the asset and its carrying amount. Any resulting gain or loss is recognized in the consolidated statements of operations and comprehensive income or loss.

Amortization is recognized using the straight-line method for each component of property and equipment. The Company reviews the amortization methods, useful lives and residual values at each reporting date. The expected useful lives of property and equipment are set forth below:

Computer equipment	3 - 5 years
Furniture and fixtures	5 years
Leasehold improvements	Lesser of the remaining term of the lease and expected useful life
Right-of-use assets	Lesser of the lease term and the useful life of the underlying asset

Leases

At the inception of a contract, the Company assesses whether a contract is, or contains, a lease based on whether the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration and recognizes a right-of-use asset and lease liability, as applicable.

Right-of-use assets are measured at cost, less accumulated amortization and accumulated impairment losses, if any, and are adjusted for any re-measurement of lease liabilities. The cost of a right-of-use asset reflects the amount recognized on the initial measurement of the lease obligation plus any lease payments made on or before the commencement date of the lease, including any initial direct costs and related restoration costs. Right-of-use assets are amortized on a straight-line basis over the shorter of the lease term and the useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset includes the exercise of a purchase option, the related right-of-use asset is amortized over the useful life of the underlying asset. Amortization of the right-of-use asset begins at the commencement date of the lease.

Lease liabilities include the net present value of fixed payments (including in-substance fixed payments), variable lease payments that are based on an index, rate or subject to a fair market value renewal, amounts expected to be payable by the lessee under residual value guarantees, the exercise price of a purchase option if the lessee is reasonably expected to exercise that option, and payments for penalties attributable to terminating the lease if the lessee is reasonably expected to terminate the lease prior to the end of the lease term. When a contract contains both lease and non-lease components, the Company allocates the consideration in the contract to the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease component. Relative stand-alone prices are determined by maximizing the

use of observable supplier prices for a similar asset and/or service. The lease liability is expressed net of lease incentives receivable and lease payments are discounted using the interest rate implicit in the lease or, if the implicit rate cannot be determined, the lessee's incremental borrowing rate.

The period over which lease payments are discounted is equal to the lease term, which includes renewal options that the Company is reasonably expected to exercise. Payments associated with short-term leases, representing leases with a term of 12 months or less, and leases for low-value assets, are recognized as an expense on a straight-line basis to operating expenses in the consolidated statements of operations and comprehensive income or loss. Variable lease payments that are not dependent on an index or rate, or are subject to a fair market value renewal, are expensed as incurred and recognized to operating expenses in the consolidated statements of operations and comprehensive income or loss.

Each lease payment included in the lease liability is apportioned between the repayment of the liability and the cost to finance. The finance cost is recorded to interest expense in the consolidated statements of operations and comprehensive income or loss over the lease term to produce a constant periodic rate of interest on the remaining balance of the obligation. The carrying amount of lease liabilities is re-measured when there is a change in future lease payments arising from a change in an index or specified rate, if there is a modification to the lease term, if there is a change in the estimated amount payable under a residual value guarantee or if the Company changes its assessment of whether it will exercise a termination, extension or purchase option.

Lease payments related to the principal portion of lease liabilities are classified as cash flows from financing activities while lease payments related to the interest portion are classified as cash flows from operating activities, within interest paid.

Subleases
When the Company subleases a leased asset to a third-party lessee, the Company becomes an intermediate lessor. As an intermediate lessor, the Company is required to assess the sublease classification by reference to the right-of-use asset arising from the head lease, rather than by reference to the underlying asset. In this assessment, the Company considers several factors including if the term of the sublease covers a major portion of the term of the head lease.

On the date the Company makes the leased asset available for use to the lessee, the Company classifies the lease as either an operating or finance lease. A lease is a finance lease if it transfers substantially all the risks and rewards of the leased asset to the lessee. Interest income derived from a finance lease is recognized on a systematic basis to produce a constant periodic rate of return on the net investment in the leased asset.

Income taxes
Income tax expense or recovery is comprised of current and deferred income tax which is recognized in the consolidated statements of operations and comprehensive income or loss, except for income taxes attributable to a business combination or equity transaction.

Current income tax represents the expected amounts payable or receivable as a result of taxable income or loss generated by the Company in the period applying enacted or substantively enacted tax rates, at the reporting date. Current income taxes may include prior period adjustments to income taxes payable or receivable.

Deferred income tax is recognized applying the liability method, which recognizes the temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and their equivalent tax bases. Deferred income tax is not recognized on the initial recording of assets or liabilities for financial reporting purposes that is not a business combination and that impacts neither accounting income nor taxable income

or loss. Deferred income tax assets and liabilities are measured applying tax rates that have been enacted or substantively enacted at the reporting date and are expected to be in effect when the temporary differences reverse.

Deferred income tax assets are recognized when it is probable that future taxable income will be available to realize the benefit of the deferred tax asset. Deferred tax assets are reviewed at each reporting date and are reduced to the extent it is no longer probable that the related tax benefit will be realized. The related tax benefit is subsequently increased only when the probability of future taxable income is present. Deferred income tax liabilities are not recognized on temporary differences that arise from goodwill that is not deductible for tax purposes.

Deferred income tax assets and liabilities are offset when the entity has a legally enforceable right to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on the same taxable entity or different taxable entities when there is an intention to either settle current income tax liabilities on a net basis or realize the tax assets and settle tax liabilities simultaneously in a future period.

Revenues
The Company evaluates whether the contracts it enters meet the definition of a contract with a customer at contract inception and recognizes revenue when control of the goods or services has been transferred. Revenue is measured based on the consideration the Company expects to be entitled to in exchange for transferring goods or services to a customer. When applicable, the Company excludes amounts collected on behalf of third-parties from revenue when it does not control the goods or services before they are transferred to a customer, since it is acting as an agent rather than a principal to the transaction. The Company has determined that no significant financing component exists between the date a promised good or service is transferred to a customer and the date the customer pays for that good or service, when the period is one year or less.

The Company records revenue at a point in time, unless otherwise indicated below.

Residential Mortgage Appraisals
The Company provides residential mortgage appraisals through its technology-based platform (the "Platform") and network of independent qualified field professionals. Revenue is derived from transaction fees earned from mortgage lenders on residential appraisal products such as complete home appraisals, a broker price opinion, property condition reports, property evaluation reports and desktop appraisals. The Company recognizes revenue when the appraisal report is delivered to its client.

Title Services
The Company provides title services to residential clients which include title search procedures for title insurance policies, curative, escrow and other closing services. Title revenues, which are recorded exclusive of amounts remitted to third-party insurance underwriters and certain work performed by attorneys in attorney work share states, are recorded when a transaction closes. Recording services are recognized as revenue when the documents are submitted to the county for recording.

Insurance Inspection
The Company provides insurance inspection services to property and casualty insurers through the Platform. The Company records revenue when the insurance inspection report is delivered to the client.

Software Services
The Company provides three hosted software solutions. Contracts for these services are generally term-based ranging from one to three years. On-going service fee revenues are recognized as services are provided. Any usage-based fees and minimum transaction fees are recognized monthly as services are provided over the term of the arrangement.

Contract Costs
Incremental costs to obtain customer contracts include commissions that are incurred in connection with obtaining the contract. As a practical expedient, the Company recognizes the incremental costs to obtain a contract as an immediate expense if the amortization period of the asset is one year or less.

The Company manages and reviews its operations by geographical location and service type. For detailed information about the Company's reportable segments and disaggregated revenue, see Note 21.

Transaction costs
Transaction costs represent expenses directly attributable to a revenue transaction, including appraisal costs, various processing fees, including credit card fees, connectivity fees, insurance inspection costs, closing agent costs and external abstractor and quality review costs.

Business combinations
Business combinations are accounted for applying the acquisition method of accounting, where the fair value of consideration is allocated to the fair value of assets acquired and liabilities assumed at the date of acquisition. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Company re-assesses if it has correctly identified all of the assets acquired and liabilities assumed and reviews the procedures used to measure the amounts recognized at the date of acquisition. Following its reassessment, if the Company concludes that the fair value of net assets acquired exceeds the aggregate consideration transferred, the Company will record a gain to the consolidated statements of operations and comprehensive income or loss.

The excess of consideration over the fair value of the identifiable net assets acquired is recorded as goodwill and allocated to the Company's CGUs. For each business combination that includes a non-controlling interest, the Company, at its election, measures the non-controlling interest's investment in the acquiree at fair value or at the proportionate share of the acquiree's net identifiable assets acquired.

Any contingent consideration is recognized at fair value on the acquisition date. All contingent consideration (except that which is classified as equity) is measured at fair value with changes in fair value recorded to the consolidated statements of operations and comprehensive income or loss. Contingent consideration classified to equity is not re-measured and settlement is accounted for within equity.

The fair value measurement and recognition of net assets acquired may require adjustment when information is absent and fair value allocations are presented on an estimated or preliminary basis. Adjustments to estimated or preliminary amounts, reflecting new information obtained about facts and circumstances that existed at the date of acquisition and occurring not later than one year from the date of acquisition, are recorded in the period the adjustment is determined.

Transaction costs incurred in connection with a business combination, other than costs associated with the issuance of debt or equity securities, are expensed in the consolidated statements of operations and comprehensive income or loss as incurred.

Provisions

Provisions are recognized when it is probable that the Company is required to settle an obligation (legal or constructive), as a result of a past event, and the obligation can be reliably estimated. The provision represents the Company's best estimate of the amounts required to settle the obligation at the end of the reporting period. When a provision is determined applying a measure of cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the impact of the time value of money is material). When some or all of the amounts required to settle a provision are expected to be recoverable from a third-party, a receivable is recognized when it is virtually certain that reimbursement is receivable and the expected reimbursement can be reliably measured.

Financial instruments

Financial assets and financial liabilities, including derivatives and embedded derivatives in certain contracts, are recognized in the consolidated statements of financial position when the Company becomes party to the contractual provisions of a financial instrument or non-financial derivative contract.

Classification and Measurement

The Company classifies and measures financial assets based on their contractual cash flow characteristics and the Company's business model for the financial asset. A financial asset is classified and measured at: amortized cost; fair value through other comprehensive income (''FVOCI''); or fair value through profit and loss (''FVPL'').

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as FVPL:

- it is held within a business whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All financial assets not classified and measured at amortized cost or FVOCI are classified and measured at FVPL, which includes all derivative financial assets. On initial recognition, a financial asset that meets the measurement requirements of amortized cost or FVOCI may be irrevocably designated as FVPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets classified and measured at amortized cost are subsequently measured applying the effective interest method, less any impairment losses. Interest income, foreign exchange gains and losses and impairment losses, are recognized in the consolidated statements of operations and comprehensive income or loss. Financial assets are derecognized when the contractual rights to receive cash flows and benefits from the financial asset expire, or if the Company transfers control or substantially all the risks and rewards of ownership to another party. Any resulting gain or loss on derecognition is recorded to the consolidated statements of operations and comprehensive income or loss in the period of derecognition.

Financial assets classified and measured at FVPL are subsequently measured at fair value at each reporting date. Net gains and losses, including any interest or dividend income, are recorded to the consolidated statements of operations and comprehensive income or loss.

Financial liabilities are classified and measured as either amortized cost or FVPL. Derivatives embedded in contracts where the host is a financial asset within the scope of the standard are not separated, and the hybrid financial instrument is assessed for classification as a whole. Financial liabilities are derecognized when obligations under the contract expire, are discharged or cancelled. The difference between the carrying amount of the financial liability derecognized and the consideration paid or payable is recorded to the consolidated statements of operations and comprehensive income or loss in the period of derecognition.

Below is a summary showing the measurement categories of the Company's financial assets and liabilities.

Financial assets and liabilities	Measurement Category
Cash and cash equivalents	Amortized cost
Trade and other receivables	Amortized cost
Other assets - total return swap	FVPL
Trade payables	Amortized cost
Accrued charges	Amortized cost

Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, other than financial assets and financial liabilities classified as FVPL, are added to or deducted from the fair value of financial assets or financial liabilities, as appropriate. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities classified as FVPL are expensed to the consolidated statements of operations and comprehensive income or loss.

Costs of issuing debt and equity
The cost of issuing debt is included as part of long-term debt and is accounted for at amortized cost applying the effective interest method. When long-term debt amounts are nil, but amounts are still available to be drawn, costs of issuing debt are reclassified to other assets in the consolidated statements of financial position. The cost of issuing equity is reflected as a direct charge to common shares.

Derivative financial instruments
The Company has entered into a total return swap to manage the Company's cash flow exposure arising from changes in its share price attributable to cash-settled restricted share units ("RSUs") and has elected not to apply hedge accounting to this derivative financial instrument. The Company may enter into foreign currency exchange agreements from time-to-time as part of its strategy to manage foreign currency exposure. The Company does not hold or issue derivative financial instruments for trading purposes. Derivatives, including derivatives that are embedded in financial or non-financial contracts where the host contract is not a financial asset, are measured at their estimated fair values. Gains or losses on financial instruments measured at their estimated fair values are recorded to the consolidated statements of operations and comprehensive income or loss in the periods in which they arise, with the exception of gains and losses on certain financial instruments that are part of a designated hedging relationship.

Fair value
Fair value represents the price that would be received from selling an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Company classifies its fair value measurements using a fair value hierarchy that reflects the significance of inputs used in making such measurements. IFRS establishes a fair value hierarchy based on the level of independent, objective evidence applied to measure fair value. Financial assets or financial liabilities are categorized within the fair value hierarchy based on the lowest level of input that is significant to the fair value measurement. An entity is required to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value.

The following three levels of inputs are applied to measure fair value:

- Level 1 – quoted prices in active markets for identical assets or liabilities
- Level 2 – observable inputs, other than Level 1 prices, such as quoted prices for similar assets or liabilities, quoted market prices in markets that are not active, or model derived valuations or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the asset or liability
- Level 3 – unobservable inputs that are supported by little or no market activity

Impairment

Financial assets

The impairment of financial assets is based on an expected credit loss ("ECL") model. The ECL model applies to financial assets measured at amortized cost and requires the Company to consider factors that include past events, current conditions and forecasts of future economic conditions.

Loss allowances are measured on either of the following bases:

- *12-month ECLs*: these are ECLs that result from possible default events within the 12 months after the reporting date; and
- *lifetime ECLs*: these are ECLs that result from all possible default events over the expected life of a financial instrument.

The Company elects to measure loss allowances for trade and other receivables at an amount equal to lifetime ECLs applied at each reporting date. The Company determines ECLs on trade and other receivables using a provision matrix based on historical credit loss experience to estimate lifetime ECLs adjusted for estimated changes to credit risks and forecasts of future economic conditions.
Impairment losses are recorded to operating expenses in the consolidated statement of operations and comprehensive income or loss with the carrying amount of the financial asset or group of financial assets reduced through the use of impairment allowance accounts. When an impairment loss has decreased in a subsequent period, and such decrease can be related objectively to conditions and changes in factors occurring after the impairment was initially recognized, the previously recognized impairment loss is immediately reversed in the consolidated statements of operations and comprehensive income or loss. The reversal of an impairment loss may not exceed the amortized cost had no impairment loss been recognized.

Non-financial assets

The carrying value of property and equipment and intangibles are reviewed at each reporting period to determine if indicators of impairment exist. If any such indicators exist, the asset's recoverable amount is estimated.

For the purpose of impairment testing, the recoverable amount is determined for an individual asset or are grouped together into CGUs, representing the smallest group of assets that generates independent cash inflows. If the carrying amount of the asset or CGU exceeds its recoverable amount, an impairment loss is recognized in the consolidated statements of operations and comprehensive income or loss as a reduction in the carrying amount of the asset to its recoverable amount. The recoverable amount of an asset or CGU is the higher of its FVLCS and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

Impairments of non-financial assets recognized in a prior period are re-assessed at the end of each reporting period to determine if indicators of impairment have reversed or no longer exist. An impairment loss is reversed if the estimated recoverable amount exceeds the asset or CGU's carrying amount. The reversal of an

impairment loss may not exceed the carrying amount, net of amortization, of the asset or CGU had no impairment loss been recognized.

Stock-based payments
The Company grants equity-settled stock options under its stock-based compensation plan. The fair value of stock options at the grant date is estimated using the Black-Scholes-Merton option pricing model and is subject to the satisfaction of certain vesting conditions. Uncertain vesting conditions do not result in compensation expense being recognized until they are satisfied or deemed to be probable of satisfaction. Stock-based compensation expense is recorded to the consolidated statements of operations and comprehensive income or loss over the vesting period based on the estimated number of stock options expected to vest with a corresponding increase to shareholders' equity. Management's estimate of the number of awards expected to vest occurs at the time of grant and at each reporting date up to the vesting date. The estimated forfeiture rate is adjusted for actual forfeitures in the period they occur.

Restricted share units
RSUs issued by the Company that are substantially settled in the Company's common shares are accounted for as equity-settled awards.

The fair value of an equity-settled RSU is measured at the grant date price of the Company's common shares and compensation expense is recorded to the consolidated statements of operations and comprehensive income or loss over the vesting period with a corresponding increase to shareholders' equity.

RSUs issued by the Company that are substantially settled in cash are accounted for as liabilities.

The Company uses the Black-Scholes-Merton pricing model to estimate the fair value of cash-settled RSUs. Compensation expense or recovery represents the change in the estimated fair value of the cash-settled RSUs at each reporting period multiplied by the percentage of the service period satisfied at the reporting date. Compensation expense or recovery is recorded to the consolidated statement of operations and comprehensive income or loss as operating expenses.

Management estimates the forfeiture rate for RSUs at the time of grant and at each reporting date up to the vesting date. The estimated forfeiture rate is adjusted to actual forfeitures in the period they occur.

The Company established a trust to hold common shares purchased in the open market for certain Canadian participants until each RSU vests and the award is settled. The Company is the sponsor of the trust and has assigned a trustee to carry out the trusts' custodial duties. The trust is considered a structured entity which is consolidated in the Company's financial statements. The cost of common shares purchased in the open market are recorded at book value to restricted shares in the consolidated statements of equity with any resulting premium or deficit recorded to accumulated deficit until the common shares are issued to settle the RSU obligation.

Net income or loss per share
Basic net income or loss per share is calculated by dividing net income or loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the reporting period. Diluted net income or loss per share is calculated by dividing the net income or loss attributable to common shareholders of the Company by the weighted average number of shares outstanding adjusted for all potentially dilutive equity instruments, comprising stock options and equity-settled RSUs.

Operating segments
An operating segment is a component of the Company that engages in business activities. An operating segment may earn revenues and incur expenses, including revenues and expenses incurred by virtue of

activities with any of the Company's other operations. An operating segment has discrete financial information available which is regularly reviewed by the Company's Chief Operating Decision Maker ("CODM") to assess performance or make resource allocation decisions.

Significant judgments, estimates and assumptions
The preparation of these financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, revenues and expenses. Actual results may differ from these estimates. Estimates and the accompanying underlying assumptions are reviewed at least annually or more frequently as required. Revisions to accounting estimates are recognized in the period of revision, which may impact future reporting periods. Areas that are subject to judgment and estimate include revenue recognition, the identification of CGUs, impairment of goodwill and non-financial assets, the determination of fair values in connection with business combinations, internally generated intangible assets, the determination of fair value for financial instruments, stock-based payments, including RSUs, the useful lives of property and equipment and intangible assets, lease terms, estimated incremental borrowing rates used to determine the carrying amount of right-of-use assets and lease liabilities, the likelihood of realizing deferred income tax assets, provisions and contingencies.

Critical accounting judgments and estimates
Management believes the following accounting policies are subject to the most critical judgments and estimates and could have the most significant impact on the amounts recognized in these financial statements.

(a) Revenues – satisfaction *of performance obligations*
The satisfaction of performance obligations requires management to make judgments when control of the underlying good or service transfers to the customer. Determining when a performance obligation is satisfied affects the timing of revenue recognition. Management considers indicators of the transfer of control, including when the customer is obligated to pay and whether the transfer of significant risks and rewards has occurred, which represents the time when the customer has acquired the ability to direct and use the good or service and obtained substantively all of the benefits.

(b) Revenues – agent versus principal
The Company uses judgment in its assessment of whether it is acting as an agent or principal to a transaction. When the Company is not primarily responsible for fulfilling the obligation to provide a specified good or service and does not have discretion to establish price, it is acting as an agent to the transaction. The Company is acting as a principal when it controls the deliverables prior to delivery to the customer and establishes pricing.

(c) Identification of CGUs
The Company has allocated its tangible assets, intangible assets and goodwill to the smallest identifiable group of assets that generate cash inflows and that are largely independent of cash inflows derived from other assets. The determination of CGUs or groups of CGUs for the purpose of annual impairment testing requires judgment.

(d) Impairment of goodwill and non-financial assets
Goodwill is tested for impairment annually or more frequently if there is an indication of impairment. The carrying value of property and equipment and intangible assets is reviewed each reporting period to determine whether impairment indicators exist. The recoverable amount attributable to a CGU or non-financial asset is the higher of FVLCS or value in use. The Company's determination of a CGU or non-financial assets recoverable amount applying FVLCS, uses market information to estimate the amount the Company could obtain from disposing of the CGU or non-financial asset in an arm's length transaction, less the estimated cost of disposal. The Company estimates value in use by discounting estimated future cash flows for the CGU or non-financial asset to its present value using a pre-tax discount rate reflecting a current market assessment of the time value of money and certain risks specific to the CGU or non-financial asset. Estimated cash flows are

based on management's assumptions and business plans which are supported by internal strategies, plans and external information.

The estimated recoverable amount for a CGU or non-financial asset requires the use of significant estimates, including assembling appropriate market information, disposal costs, future cash flows, growth rates, and terminal and discount rates.

(e) Business combinations

Applying the acquisition method to business combinations requires an entity to measure each identifiable asset and liability at fair value.

The excess, if any, of the fair value of consideration over the fair value of the net identifiable assets acquired is recorded to goodwill. The purchase price allocation involves judgment to identify the intangible assets acquired, establish fair value estimates for the assets acquired and liabilities assumed, including pre-acquisition contingencies and contingent consideration. Changes in any assumption or estimate used to identify the intangible assets acquired, or to determine the fair value of acquired assets and liabilities assumed, including pre-acquisition contingencies or contingent consideration, could affect the amounts assigned to assets, liabilities and goodwill in the purchase price allocation.

The Company makes estimates, assumptions, and judgments when valuing goodwill and other intangible assets in connection with the initial purchase price allocation of an acquired entity, and the continuing evaluation of the recoverability of goodwill and intangible assets on an ongoing basis. These estimates are based on a number of factors, including historical experience, market conditions, information gained on review of the target entities' operation and information obtained from the management of the acquired companies. Critical estimates in valuing certain intangible assets include, but are not limited to, historical and projected attrition rates, discount rates, anticipated revenue growth from acquired customers, acquired technology, and the expected use of the acquired assets. These factors are also considered in determining the useful life of intangible assets acquired. The amounts and useful lives assigned to identified intangible assets also impacts the amount and timing of future amortization expense.

Unanticipated events and circumstances may affect the accuracy or validity of such assumptions, estimates or actual results.

(f) Stock-based payments

The Company uses the Black-Scholes-Merton option pricing model to estimate the fair value of stock-based compensation which requires the use of several input variables. These input variables are subject to estimate and changes in these inputs can materially affect the estimated fair value of stock-based compensation. The fair value reported may not represent the transaction value of stock-based compensation at the date of exercise.

(g) Amortization of property and equipment and intangible assets

Judgment is applied to determine an asset's useful life, and where applicable, estimated residual value, used in the computation of amortization. Accordingly, an asset's actual useful life and estimated residual value may differ significantly from these estimates.

Where an item of property and equipment can be subdivided into its major components, and these components are assessed as having different useful lives, the components are accounted for as separate items of property and equipment. The application of this policy requires judgment to determine the asset's useful life and to identify an asset's major components.

(h) Leases

Lease terms represent the contractual non-cancellable period for a lease, plus all periods covered by an option to renew or terminate the lease if the Company is reasonably certain to exercise, or not exercise this option respectively. Management applies judgment in assessing all factors that create an economic incentive to exercise extension options, or to not exercise termination options, available in its lease arrangements. Management reviews its initial assessment if a significant event or change in circumstances occurs which affects its initial assessment and is within the control of the Company.

To determine the carrying amount of right-of-use assets, lease liabilities and net investment in sublease, the Company estimates the incremental borrowing rate specific to each leased asset or portfolio of leased assets if the interest rate implicit in the lease is not readily determinable. Management determines the incremental borrowing rate attributable to each leased asset, or portfolio of leased assets, by assessing the Company's creditworthiness, the security, term and value of the underlying leased asset and the economic environment in which the leased asset operates. The incremental borrowing rate is subject to change mainly due to macroeconomic changes.

(i) Valuation of deferred income tax assets

The Company assesses its ability to generate taxable income in future periods from its internal forecasts. Taxable income is adjusted to reflect certain non-taxable income and expense or the use of unused credits and tax losses. The Company's estimate of future taxable income, to determine the existence of a deferred tax asset, depends on many factors, including the Company's ability to generate income subject to tax in future periods and implement tax planning measures, including other substantive evidence. The occurrence or non-occurrence of certain future events may lead to significant changes in the measurement of deferred tax assets.

(j) Provisions

Due to the nature of provisions, there is a degree of uncertainty inherent in their measurement. Management uses its best efforts to estimate and provide for potential losses. Assumptions applied reflect the most probable set of economic conditions and planned courses of action by the Company.

(k) Other

Other areas where the Company employs judgment and estimates include, the determination of its allowance for doubtful accounts, financial instruments, its control assessment of subsidiaries and contingencies related to litigation, claims and assessments.

3. Recent Accounting Pronouncements

Classification of Liabilities as Current or Non-Current

In January 2020, the IASB issued "Classification of Liabilities as Current or Non-Current (Amendments to IAS 1)" which provided a more general approach to the classification of liabilities under IAS 1 based on the contractual arrangements in place at the reporting date. The amendment clarified that the classification of liabilities as current or non-current should be based on rights that are in existence at the end of the reporting period. Only rights to defer settlement by at least 12 months, which are in place at the end of the reporting period, affect the classification of a liability. Classification is unaffected by an entities' expectation to exercise its right to defer settlement of a liability.

In October 2022, the IASB issued "Non-current liabilities with covenants (amendments to IAS 1)" which clarified that only covenants that an entity is required to comply with as of the reporting date affect the classification of a liability as current or non-current. Entities are required to disclose that non-current liabilities with covenants could become repayable within 12 months from the reporting date.

These amendments are to be applied retrospectively and are effective for annual reporting periods beginning on or after January 1, 2024. The Company expects to apply these amendments to the classification of liabilities on October 1, 2024, and adopting this amendment is not expected to have a significant impact on the Company's financial statements.

Narrow-scope amendments to IAS 1 and IAS 8
In February 2021, the IASB amended IAS 1 – "Presentation of Financial Statements" which requires companies to disclose information attributable to material accounting policies rather than focusing on significant accounting policies. The amendment clarified that accounting policy information is material if its absence inhibits a financial statement user's ability to understand other material information in the financial statements.

Additionally, the IASB amended IAS 8 – "Accounting Policies, Changes in Accounting Estimates and Errors" to improve accounting policy disclosures and assist entities in distinguishing between changes in accounting policies, which are generally applied retrospectively to both historical, current and future transactions, and estimates, which are applied prospectively to future transactions.

These amendments are effective for annual reporting periods beginning on or after January 1, 2023 and earlier application is permitted. The Company expects to apply the amendments on October 1, 2023, and adopting these amendments are not expected to have a significant impact on the Company's financial statements.

Clarifying amendment to account for deferred tax on leases and decommissioning obligations
In May 2021, the IASB amended IAS 12 – "Income Taxes" to clarify that the initial recognition exemption does not apply to leases and decommissioning obligations. As a result, companies are required to recognize deferred tax on such transactions.

The amendment is effective for annual reporting periods beginning on or after January 1, 2023 and earlier application is permitted. The Company expects to apply the amendment on October 1, 2023, and adopting this amendment is not expected to have a significant impact on the Company's financial statements.

4. Intangibles

						2023
	Internally generated intangible assets	Customer relation-ships	Brand name	Technology	Licenses	Total
Cost						
Balance, beginning of year	$ **8,163**	$ **55,723**	$ **2,297**	$ **5,720**	$ **13,840**	$ **85,743**
Additions	**496**	**-**	**-**	**-**	**-**	**496**
Foreign currency translation adjustment	**111**	**80**	**-**	**-**	**-**	**191**
Balance, end of year	$ **8,770**	$ **55,803**	$ **2,297**	$ **5,720**	$ **13,840**	$ **86,430**
Accumulated amortization						
Balance, beginning of year	$ **8,015**	$ **55,723**	$ **2,297**	$ **5,720**	$ **8,996**	$ **80,751**
Amortization	**101**	**-**	**-**	**-**	**1,384**	**1,485**
Foreign currency translation adjustment	**110**	**80**	**-**	**-**	**-**	**190**
Balance, end of year	$ **8,226**	$ **55,803**	$ **2,297**	$ **5,720**	$ **10,380**	$ **82,426**
Net carrying value, end of year	$ **544**	$ **-**	$ **-**	$ **-**	$ **3,460**	$ **4,004**

2022

	Internally generated intangible assets	Customer relation-ships	Brand name	Technology	Licenses	Total
Cost						
Balance, beginning of year	$ 8,618	$ 56,163	$ 2,297	$ 5,720	$ 13,840	$ 86,638
Additions	160	-	-	-	-	160
Foreign currency translation adjustment	(615)	(440)	-	-	-	(1,055)
Balance, end of year	$ 8,163	$ 55,723	$ 2,297	$ 5,720	$ 13,840	$ 85,743
Accumulated amortization						
Balance, beginning of year	$ 8,618	$ 56,163	$ 2,297	$ 5,720	$ 7,612	$ 80,410
Amortization	5	-	-	-	1,384	1,389
Foreign currency translation adjustment	(608)	(440)	-	-	-	(1,048)
Balance, end of year	$ 8,015	$ 55,723	$ 2,297	$ 5,720	$ 8,996	$ 80,751
Net carrying value, end of year	$ 148	$ -	$ -	$ -	$ 4,844	$ 4,992

5. Goodwill

2023

	U.S. Appraisal	U.S. Title	Total
Cost			
Balance, beginning of year	**$ 43,181**	**$ 17,296**	**$ 60,477**
Balance, end of year	**$ 43,181**	**$ 17,296**	**$ 60,477**
Accumulated impairment			
Balance, beginning of year	**$ -**	**$ 17,296**	**$ 17,296**
Balance, end of year	**$ -**	**$ 17,296**	**$ 17,296**
Net carrying value, end of year	**$ 43,181**	**$ -**	**$ 43,181**

2022

	U.S. Appraisal	U.S. Title	Total
Cost			
Balance, beginning of year	$ 43,181	$ 17,296	$ 60,477
Balance, end of year	$ 43,181	$ 17,296	$ 60,477
Accumulated impairment			
Balance, beginning of year	$ -	$ -	$ -
Impairment	-	17,296	17,296
Balance, end of year	$ -	$ 17,296	$ 17,296
Net carrying value, end of year	$ 43,181	$ -	$ 43,181

Impairment testing - 2023

U.S. Appraisal

The Company determined the recoverable amount based on a FVLCS calculation for its U.S. Appraisal CGU. To determine FVLCS for the U.S. Appraisal CGU group, the Company applied market valuation multiples derived from merger and acquisition transactions for like or similar businesses, including the Company's historical acquisition data, to its last 12-month results of revenues less transaction costs and operating expenses.

Management believes that any reasonably possible change in the key assumptions would not cause the carrying amount to exceed its recoverable amount.

Impairment testing - 2022

U.S. Title

Due to a continued decline in economic and market conditions for mortgage origination refinance activity, and the resulting impact on operating results of the U.S. Title CGU group, the Company determined that triggering events, that indicate goodwill may be impaired, existed as of September 30, 2022. The Company re-performed its goodwill test for impairment at September 30, 2022 and concluded that impairment existed.

The Company determined the recoverable amount of its U.S. Title CGU based on FVLCS and the value in use approach. To determine FVLCS for the U.S. Title CGU group, the Company applied market valuation multiples derived from merger and acquisition transactions for like or similar businesses, including the Company's historical acquisition multiples, to revenues less transactions costs. To determine the value in use of the U.S. Title CGU group, the Company used a discounted cash flow methodology. The key assumptions used in the valuation of the U.S. Title CGU group included estimated revenues, net revenue margins, long-term growth rates, market size and discount rate. Based on the results of this analysis, the Company recorded an impairment charge of $17,296 against the carrying value of goodwill at September 30, 2022. The net carrying amount of goodwill allocated to the U.S. Title CGU, net of impairment charges is $nil.

Measuring the fair value of the U.S. Title CGU included the use of significant unobservable inputs, which are Level 3 inputs in the fair value hierarchy.

6. Property and Equipment

2023

	Computer equip-ment	Furniture and fixtures	Leasehold improve-ments	Right-of-use assets (office space)	Total
Cost					
Balance, beginning of year	**$ 5,184**	**$ 1,724**	**$ 2,742**	**$ 8,164**	**$ 17,814**
Additions	**142**	**-**	**-**	**392**	**534**
Disposals[1]	**(30)**	**(213)**	**(199)**	**(3,166)**	**(3,608)**
Foreign currency translation adjustment	**15**	**4**	**13**	**16**	**48**
Balance, end of year	**$ 5,311**	**$ 1,515**	**$ 2,556**	**$ 5,406**	**$ 14,788**
Accumulated amortization					
Balance, beginning of year	**$ 3,713**	**$ 1,514**	**$ 1,997**	**$ 3,626**	**$ 10,850**
Amortization	**938**	**110**	**239**	**1,105**	**2,392**
Disposals[1]	**(30)**	**(199)**	**(199)**	**(1,882)**	**(2,310)**
Foreign currency translation adjustment	**14**	**3**	**12**	**11**	**40**
Balance, end of year	**$ 4,635**	**$ 1,428**	**$ 2,049**	**$ 2,860**	**$ 10,972**
Net carrying value, end of year	**$ 676**	**$ 87**	**$ 507**	**$ 2,546**	**$ 3,816**

Note
(1) Disposals include cost of $971 and accumulated amortization of $397 for the derecognition of the right-of-use assets (office space) related to surrendering a portion of the premises upon extending a lease. Disposals include cost of $1,502 and accumulated amortization of $792 for the derecognition of the right-of-use assets (office space) related to the head lease of a net investment in sublease. See Note 7.

2022

	Computer equip-ment	Furniture and fixtures	Leasehold improve-ments	Right-of-use assets (office space)	Right-of-use assets (computer equip-ment)	Total
Cost						
Balance, beginning of year	$ 4,713	$ 2,099	$ 3,542	$ 10,447	$ 52	$ 20,853
Additions	690	-	38	287	-	1,015
Disposals[1]	(134)	(358)	(772)	(2,484)	(52)	(3,800)
Foreign currency translation adjustment	(85)	(17)	(66)	(86)	-	(254)
Balance, end of year	$ 5,184	$ 1,724	$ 2,742	$ 8,164	$ -	$ 17,814
Accumulated amortization						
Balance, beginning of year	$ 2,764	$ 1,718	$ 2,148	$ 3,089	$ 47	$ 9,766
Amortization	1,160	170	320	1,486	5	3,141
Disposals[1]	(134)	(358)	(405)	(891)	(52)	(1,840)
Foreign currency translation adjustment	(77)	(16)	(66)	(58)	-	(217)
Balance, end of year	$ 3,713	$ 1,514	$ 1,997	$ 3,626	$ -	$ 10,850
Net carrying value, end of year	$ 1,471	$ 210	$ 745	$ 4,538	$ -	$ 6,964

Note
(1) Disposals include cost of $2,282 and accumulated amortization of $689 for the derecognition of the right-of-use assets (office space) related to the head lease of a net investment in sublease. See Note 7.

7. Leases

The Company enters into lease agreements primarily for office space. As at September 30, 2023, the net book value of right-of-use assets totaled $2,546 (September 30, 2022 – $4,538). Refer to Note 6 for the continuity of cost and accumulated amortization for right-of-use assets.

The following table presents lease liabilities of the Company:

		2023		2022
Office space	**$**	**4,103**	$	5,860
Total lease liabilities	**$**	**4,103**	$	5,860
Less: current portion		**1,670**		1,548
	$	**2,433**	$	4,312

At September 30, 2022, $1,588 of lease liabilities were related to an extension option that was deemed reasonably certain to be exercised. Effective May 26, 2023, the Company entered into an amended agreement to extend the term of the associated lease but surrender a portion of the premises. The decrease in the scope of the lease resulted in a net reduction to the lease liability of $362 and a gain on disposal of the right-of-use asset of $35.

Future undiscounted contractual lease payments required in each of the next five years ending September 30 and thereafter are as follows:

2024	**$**	**1,816**
2025		**1,107**
2026		**777**
2027		**343**
2028		**339**
Thereafter		**53**
	$	**4,435**

The undiscounted contractual lease payments included in the table above do not include expected sublease payments of $643 and $355 for the years ending September 30, 2024 and 2025, respectively.

The following amounts attributable to leases have been recognized in the consolidated statements of operations and comprehensive loss and consolidated statements of cash flows:

		2023		2022
Rent expense attributable to short-term and low-value leases	**$**	**97**	$	79
Amortization of right-of-use assets	**$**	**1,105**		1,491
Interest on lease liabilities	**$**	**202**	$	262
Total cash outflow for lease liabilities	**$**	**1,545**	$	1,735

Effective June 30, 2023, the Company entered into an agreement to sublease office space to a third-party. The sublease expires on January 30, 2026 which coincides with the termination date of the associated head lease. The derecognition of the right-of-use asset associated with the head lease resulted in a loss on disposal of $21 for the year ended September 30, 2023.

Effective March 15, 2022, the Company entered into an agreement to sublease office space to a third-party. The sublease expires on September 30, 2024 which coincides with the expected early termination date of the associated head lease. The expected exercise of the head lease's early termination option resulted in a reduction to the lease liability of $1,593 and a loss on disposal of the right-of-use asset of $236 for the year ended September 30, 2022.

8. Interest Expense

Interest expense is comprised of the following:

		2023		2022
Lease liabilities	**$**	**202**	$	262
Total return swap		**77**		-
Other		**4**		2
	$	**283**	$	264

9. Shareholders' Equity

The authorized share capital of the Company consists of an unlimited number of common and preferred shares. At September 30, 2023 and 2022, no preferred shares were issued.

Normal course *issuer bid*
Effective June 13, 2022, the Company received approval from the Toronto Stock Exchange ("TSX") to renew its normal course issuer bid ("NCIB") for a one-year period which expired on June 12, 2023. Under the renewed NCIB, the Company was approved to purchase up to 6,000 common shares. Daily purchases made on the TSX, or through alternative Canadian trading systems, were limited to a maximum of 99.319 common shares. The Company was permitted to purchase a block of common shares once a week which could exceed the daily purchase limit subject to certain restrictions, including a limitation that the block could not be owned by an insider. All shares purchased were cancelled.

For the year ended September 30, 2023, 3 common shares (2022 – 6,526) were purchased and cancelled at a total cost of $11 (2022 - $28,741).

Details of the Company's common shares are as follows:

			2023
	Number of shares		**Amount**
Balance, beginning of year	**72,696**	**$**	**227,285**
Common shares issued on the exercise of stock options (Note 15)	**251**		**1,172**
Purchase of common shares	**(3)**		**(9)**
Balance, end of year	**72,944**	**$**	**228,448**

			2022
	Number of shares		Amount
Balance, beginning of year	79,048	$	246,377
Common shares issued on the exercise of stock options (Note 15)	97		377
Common shares issued on the exercise of warrants	77		407
Purchase of common shares	(6,526)		(19,876)
Balance, end of year	72,696	$	227,285

Details of the Company's restricted shares are as follows:

	2023		2022	
	Number of shares	**Amount**	Number of shares	Amount
Balance, beginning of year	**(101) $**	**(311)**	- $	-
Restricted shares purchased and held in trust	**-**	**-**	(101)	(311)
Balance, end of year	**(101) $**	**(311)**	(101) $	(311)

10. Net Loss per Weighted Average Share

The following table outlines the components used to calculate basic and diluted net loss per share attributable to common shareholders:

	2023	2022
Net loss	**$ (6,196)**	$ (9,265)
Net loss attributable to common shareholders	**$ (6,173)**	$ (9,272)
Weighted average number of shares, basic and diluted	**72,763**	76,514
Net loss per weighted average share, basic and diluted	**$ (0.08)**	$ (0.12)

At September 30, 2023, 3,758 (2022 - 4,507) stock options and RSUs were excluded from the dilutive weighted average number of shares because their effect would have been anti-dilutive.

11. Operating Expenses

	2023	2022
Operating expenses:		
Salaries and benefits	**$ 35,041**	$ 62,779
Sales and marketing	**558**	708
Travel and entertainment	**549**	440
Office and computer	**7,077**	10,560
Professional fees	**2,036**	2,715
Other	**1,490**	2,393
	$ 46,751	$ 79,595

For the year ended September 30, 2023, the Company recognized an expense of $212 (2022 - $1,232) to salaries and benefits for contributions made in connection with defined contribution plans.

12. Restructuring

Restructuring expenses represent severance costs associated with changes in the Company's management structure. For the year ended September 30, 2023, $2,649 (2022 - $486) of restructuring expenses have been paid with the balance of $110 (2022 - $1,056) recorded to accrued charges.

13. Changes in Non-Cash Working Capital Items

The following table outlines changes in non-cash working capital items:

Inflow (outflow)	**2023**	2022
Trade and other receivables	**$ 4,994**	$ 26,746
Prepaid expenses	**(865)**	(49)
Trade payables	**(2,515)**	(9,933)
Accrued charges	**(1,074)**	(24)
Effect of foreign currency translation adjustments and other non-cash changes	**96**	107
	$ 636	$ 16,847

14. Changes in Liabilities Arising from Financing Activities

September 30, 2023

		Cash flows		**Non-cash changes**			
	Opening balance - October 1, 2022	**Proceeds**	**Re-payments**	**Change in fair value**	**Effect of foreign currency translation**	**Other non-cash changes**	**Ending balance - September 30, 2023**
Lease liabilities	**$ 5,860**	**392**	**(1,545)**	**-**	**5**	**(609)**	**$ 4,103**

September 30, 2022

		Cash flows		Non-cash changes			
	Opening balance - October 1, 2021	Proceeds	Re-payments	Change in fair value	Effect of foreign currency translation	Other non-cash changes	Ending balance - September 30, 2022
Lease liabilities	$ 8,043	285	(1,735)	-	(27)	(706)	$ 5,860
Warrant liabilities	$ 651	-	-	(249)	5	(407)	$ -

15. Stock-Based Compensation

Long-term incentive plan (“2017 Equity Plan”)

The purpose of the 2017 Equity Plan is to attract and retain the best available personnel for positions of substantial responsibility, to provide additional incentive to employees, directors and consultants and to align compensation with Company and stock price performance. The following types of awards may be issued under the LTIP: RSUs, performance share units (“PSUs”) and stock options. To date, the Company has only issued stock options and RSUs as long-term incentive plan awards and has not issued any PSUs.

RSUs

The duration of the vesting period and other vesting terms applicable to any RSUs granted under the 2017 Equity Plan are determined by the plan administrator at the time of grant. Upon vesting, holders receive, at the option of the plan administrator, either one common share from treasury for each vested RSU, the cash equivalent or a combination of a cash payment and common shares.

In February 2022, the Company established a new equity incentive plan ("2022 Equity Plan") that may issue RSU awards. The vesting period and other vesting terms applicable are similar to RSU awards granted under the 2017 Equity Plan. RSUs shall be settled by a cash payment, the delivery of common shares or a combination of a cash payment and common shares unless otherwise specified by the plan administrator at the time of grant. In connection with the 2022 Equity Plan, the Company established a trust to hold common shares purchased in the open market for certain Canadian participants until each RSU vests and the award is settled.

The Company granted the following RSUs during the year ended September 30, 2023:

Grant date	**Plan**	**Group granted to**	**Vesting date**	**Number of RSUs granted**		**Weighted average grant date fair value, expressed in Canadian dollars ("C$")**
December 19, 2022	2022 Equity Plan	Executive officers and certain employees	December 19, 2025	557	C$	4.18
December 19, 2022	2017 Equity Plan	Directors	December 19, 2022	95	C$	4.10

The following table outlines changes to RSUs:

	2023	2022
	Number of RSUs	Number of RSUs
Outstanding balance, beginning of year	**183**	-
Granted	**652**	196
Settled	**-**	-
Forfeited	**(32)**	(13)
Outstanding balance, end of year	**803**	183
Vested, but not settled, end of year	**168**	69

At September 30, 2023, 101 (2022 - 101) common shares were held in trust to settle future obligations under the 2022 Equity Plan.

The Company recorded RSU expense of $1,009 (2022 - $577), including fair value changes in RSUs classified as liabilities, to operating expenses in the consolidated statements of operations and comprehensive loss for the year ended September 30, 2023.

The total carrying amount of liabilities for cash-settled RSUs as at September 30, 2023 was $508 (2022 - $nil) and are recorded in Other Liabilities.

PSUs
A PSU entitles the holder to receive common shares based on the achievement of performance goals over a period of time as established by the plan administrator. The performance goals established by the plan administrator may be based on the achievement of corporate, divisional or individual goals, and may be established relative to performance against an index or comparator group, in each case, determined by the plan administrator. The plan administrator may modify the performance goals as necessary to align them with the Company's corporate objectives. The performance goals may include a threshold level of performance below which no payment will be made, levels of performance at which specified payments will be made and

a maximum level of performance above which no additional payment will be made. Upon vesting, holders will receive, at the option of the plan administrator, either common shares issued from treasury in proportion to the number of vested PSUs held and the level of performance achieved, the cash equivalent or a combination of a cash payment and common shares.

RSUs and PSUs granted under the 2017 Equity Plan shall be credited with dividend equivalents in the form of additional RSUs or PSUs, as applicable. Dividend equivalents shall vest in proportion to the awards to which they relate.

Stock options
Subject to the discretion of the plan administrator, stock options granted under the 2017 Equity Plan vest equally on their first, second and third anniversary from the date of grant. Each stock option expires on the date that is the earlier of 10 years from the date of grant or such earlier date as may be set out in the participant's award agreement.

The Company granted the following stock options during the year ended September 30, 2023:

Grant date	Recipient	Vesting period	Expiry date	Aggregate number of stock options granted
May 2, 2023	Executive officer	Equally on the first, second and third anniversary date from the date of grant	7th anniversary date from the date of grant	75
August 1, 2023	Certain employees	Equally on the first, second and third anniversary date from the date of grant	7th anniversary date from the date of grant	8

To estimate the fair value of stock options, the Company used the Black-Scholes-Merton option pricing model which required the use of several input variables. These variables include the expected volatility, the risk-free interest rate and the estimated length of time employees will retain their stock options before exercising them. Changes in these variables can materially impact the estimated fair value of stock-based compensation and consequently, the related amount recognized to operating expenses in the consolidated statements of operations and comprehensive loss. To calculate the fair value of stock options at the date of grant, the following weighted average assumptions were applied:

Grant date		August 1, 2023		May 2, 2023
Dividend yield		-		-
Expected volatility		55.2%		57.5%
Risk free interest rate		3.7%		3.0%
Expected remaining life, stated in years		4.5		4.5
Exercise price	C$	6.91	C$	5.47
Fair value, per stock option	C$	3.38	C$	2.71

	2023			2022		
	Number of stock options		**Weighted average exercise price**	Number of stock options		Weighted average exercise price
Outstanding balance, beginning of year	**4,426**	**C$**	**8.47**	4,578	C$	8.91
Granted, during the year	**83**	**C$**	**5.60**	376	C$	6.29
Exercised, during the year	**(251)**	**C$**	**4.61**	(97)	C$	3.73
Forfeited, during the year	**(675)**	**C$**	**11.44**	(431)	C$	12.25
Expired, during the year	**(2)**	**C$**	**2.21**	-	C$	-
Outstanding balance, end of year	**3,581**	**C$**	**8.12**	4,426	C$	8.47
Stock options exercisable, end of year	**3,239**	**C$**	**8.04**	3,799	C$	8.00

The Company recorded stock option expense of $368 (2022 - $958) to operating expenses in the consolidated statements of operations and comprehensive loss for the year ended September 30, 2023.

The following table summarizes certain information for stock options outstanding as at September 30, 2023:

Exercise price range	**Number of stock options**	**Weighted average remaining contractual life, expressed in years**	**Number of stock options exercisable**
C$ 2.40 – C$ 3.17	**492**	**1.16**	**492**
C$ 3.18 – C$ 4.26	**427**	**2.17**	**427**
C$ 4.27 – C$ 5.79	**330**	**3.12**	**243**
C$ 5.80 – C$ 6.25	**515**	**1.61**	**515**
C$ 6.26 – C$ 6.89	**473**	**4.13**	**300**
C$ 6.90 – C$ 11.48	**197**	**3.16**	**190**
C$ 11.49 – C$ 12.89	**352**	**3.20**	**349**
C$ 12.90 – C$ 13.5	**483**	**3.61**	**483**
C$ 13.51 – C$ 20.88	**312**	**4.06**	**240**
	3,581	**2.81**	**3,239**

16. Related Party Transactions

Compensation of Key Management Personnel

The Company's key management personnel comprise the board of directors and current and former members of the executive team. Compensation for key management personnel, recorded to operating expenses and restructuring expenses, was as follows:

		2023		2022
Salaries and benefits	**$**	**2,953**	$	3,977
Post-employment benefits[1]	**$**	**725**	$	570
Stock-based compensation	**$**	**789**	$	422

Note
(1) $400 was recorded to restructuring expenses. See Note 12.

17. Commitments and Contingencies

The Company administers escrow accounts for undisbursed funds received for the settlement of certain residential real estate title transactions. Deposits at Federal Deposit Insurance Corporation ("FDIC") institutions are insured up to $250 for each separate escrow owner's funds. Undisbursed cash deposited in these escrow accounts totaled $6,726 at September 30, 2023 (2022 - $15,916) which are not assets of the Company and are not included in the Company's consolidated statements of financial position. However, the Company remains contingently liable to disburse these deposits.

The Company is also subject to certain lawsuits and other claims arising in the ordinary course of business. The outcome of these matters is subject to resolution. Based on management's evaluation and analysis of these matters, when determinable, the amount of any potential loss is accrued. Management believes that any amounts above those already accrued will not materially affect the financial statements.

18. Financial Instruments

The following table categorizes the Company's derivative financial assets and liabilities and presents their estimated fair values. Financial instruments are recorded as other assets or other liabilities in the Company's consolidated statements of financial position.

	2023	2022
Financial assets		
Derivatives not designated in a hedging relationship:		
Non-current - other assets - total return swap	**$ 813**	$ -

Unrealized and realized amounts recorded to net gain or loss on fair value of derivatives in the consolidated statement of operations and comprehensive loss are as follows:

	2023	2022
Total return swap		
Unrealized gain	**$ (815)**	$ -
Realized gain	**-**	-
	$ (815)	$ -

The following table outlines the hierarchical measurement categories for the fair value of financial assets or liabilities. At September 30, 2022, there were no financial assets or liabilities measured at fair value on a recurring basis. At September 30, 2023, financial assets or liabilities had the following estimated fair values expressed on a gross basis:

				2023
	Quoted prices in active markets for identical assets (Level 1)	**Significant other observable inputs (Level 2)**	**Significant un-observable inputs (Level 3)**	**Total**
Other assets - total return swap	**$ -**	**$ 813**	**$ -**	**$ 813**
	$ -	**$ 813**	**$ -**	**$ 813**

The hierarchal measurement categories for financial assets and liabilities, recognized at fair value on a recurring basis, are re-assessed at the end of each reporting period.

For the year ended September 30, 2023 and 2022, there were no transfers between levels or changes to the valuation techniques used to estimate fair value.

The estimated fair values of financial instruments are calculated using available market information, and commonly accepted valuation methods. Considerable judgment is required to interpret market information used to develop these estimates. Accordingly, these fair value estimates are not necessarily indicative of the amounts the Company, or counterparties to the instruments, could realize in a current market exchange.

Total return swap
The Company's total return swap is recorded at estimated fair value based on quotes received from the financial institution that is counterparty to the agreement. The Company verifies the reasonableness of the quotes by comparing them to share price movements adjusted for interest using a market rate of interest specific to the terms of the underlying contract. The use of different assumptions and or estimation methods could result in differing estimates of fair value, which the Company believes would not be material.

The Company entered into the following total return swap outlined in the table below:

Total return swap

Date entered	Notional amount	Share price	Number of units	Effective date	Expiration date
December 2022	C$ 2,345	C$ 4.21	557	December 2022	December 2025

Estimated fair value
The carrying value of cash and cash equivalents, trade and other receivables, trade payables and accrued charges approximate their fair values due to the relatively short maturities of these instruments.

Financial risk management
In the normal course of business, the Company is exposed to financial risks that have the potential to impact its financial performance, including credit risk, market risk and liquidity risk. The Company's primary objective is to protect its operations, cash flows and ultimately shareholder value. The Company designs and implements risk management strategies but does not typically use derivative financial instruments to manage these risks.

Credit risk
Credit risk is the risk that the Company's counterparties will fail to meet their financial obligations to the Company, resulting in a financial loss for the Company. The Company's principal financial assets are cash and cash equivalents and trade and other receivables. The carrying amounts of financial assets recorded to the consolidated statements of financial position represent the Company's maximum exposure to credit risk at the date presented. The Company's credit risk is primarily attributable to its trade receivables which is limited by the Company's broad customer base. At September 30, 2023, one customer represented more than 10% (2022 – three customers represented more than 10%) of the Company's total trade and other receivables.

To limit credit risk, the Company monitors its aged receivable balances monthly. In addition, a significant portion of the Company's revenue is settled on closing through an escrow account which have no credit terms attributable to collection. The Company's customers are financial and lending institutions that are typically well funded, which also limits the Company's exposure to credit risk. In certain circumstances, the Company may require customer deposits or pre-payments to limit credit risk. While the Company has risk mitigation processes in place, there can be no certainty that it can eliminate all credit risk. Accordingly, these processes may not be effective in the future and the potential for credit losses may increase.

When applicable, the Company is subject to credit risk on total return swap agreements. The Company will only enter into agreements with highly rated and experienced counterparties who have successfully demonstrated that they can execute these agreements. The Company's maximum exposure to credit risk is equal to the estimated fair value of total return swaps recorded to other assets on the Company's consolidated statements of financial position. The Company holds no collateral or other credit enhancements as security over these agreements. The Company deems the agreements' credit quality to be high, due to its assessment of the counterparty and no amounts are either past due or impaired. In all instances, the Company's risk management objective is to mitigate its risk exposures to a level consistent with its risk tolerance.

Trade and other receivables

		2023		2022
Trade receivables	**$**	**14,187**	$	19,146
Settlement receivables		**112**		156
Net investment in sublease		**1,014**		556
Allowance for doubtful accounts		**(18)**		(27)
	$	**15,295**	$	19,831

The following table outlines the change in the allowance for doubtful accounts:

		2023		2022
Balance, beginning of year	**$**	**(27)**	$	(248)
Impairment (losses) recoveries recognized, during the year		**(158)**		34
Write-offs, during the year		**167**		187
Balance, end of year	**$**	**(18)**	$	(27)

The aging of trade and other receivables was as follows:

		2023		2022
Current	**$**	**10,667**	$	14,464
Over 30 days		**4,430**		4,377
Over 60 days		**222**		736
Over 90 days		**(6)**		281
Total gross trade and other receivables		**15,313**		19,858
Less: allowance for doubtful accounts		**18**		27
Total trade and other receivables	**$**	**15,295**	$	19,831

Foreign currency risk

Foreign currency risk arises due to fluctuations in foreign currency exchange rates. The Company's objective is to minimize its net exposure to foreign currency cash flows by holding U.S. dollar cash balances and matching them with U.S. dollar obligations arising from its U.S. operations and matching Canadian dollar cash balances and obligations to its Canadian operations.

Since the Company has elected to report its financial results in U.S. dollars, the Company is exposed to foreign currency fluctuations on its reported amounts of Canadian assets and liabilities. As at September 30, 2023, the Company had net assets of $16,487 (2022 – net assets of $1,549) denominated in Canadian dollars. A 10% change in the exchange rate between the U.S. and Canadian dollar results in a plus or minus $1,649 (2022 - $155) change in the value of net assets recorded on the Company's consolidated statements of financial position. All such changes are recorded to other comprehensive income or loss.

Interest rate risk
Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is subject to interest rate risk on investments in cash equivalent, short-term investments.

Liquidity risk
Liquidity risk is the risk that the Company will encounter difficulty in meeting its obligations to settle financial liabilities through the delivery of cash or another financial asset. The Company's objective is to manage operational uncertainties, including, but not limited to, unfavourable real estate trends, market share and sales volumes.

The Company also maintains sufficient levels of working capital to settle its financial liabilities when they are contractually due and manages its compliance with its debt covenants, when and as applicable.

The following tables outline the Company's remaining contractual maturities for its non-derivative financial liabilities based on the earliest date the Company is required to make payment on these amounts:

					2023
	Payments due				
	Total	Less than 1 year	1-3 years	4-5 years	After 5 years
Trade payables	**$ 9,354**	**$ 9,354**	**$ -**	**$ -**	**$ -**
Accrued charges	**$ 3,195**	**$ 3,195**	**$ -**	**$ -**	**$ -**

					2022
	Payments due				
	Total	Less than 1 year	1-3 years	4-5 years	After 5 years
Trade payables	$ 11,869	$ 11,869	$ -	$ -	$ -
Accrued charges	$ 4,269	$ 4,269	$ -	$ -	$ -

19. Income Taxes

The components of income tax expense are as follows:

	2023	2022
Current income tax expense		
Current year	**$ 1,096**	$ 1,432
Adjustments for prior periods	**(602)**	329
	494	1,761
Deferred income tax recovery		
Origination and reversal of temporary differences	**(4,206)**	(6,212)
Adjustments for prior periods	**763**	1,367
	(3,443)	(4,845)
Total income tax recovery	**$ (2,949)**	$ (3,084)

The following table reconciles income tax expense calculated at the Company's applicable statutory income tax rate with the reported amounts:

	2023	2022
Loss before income tax recovery	$ **(9,145)**	$ (12,349)
Statutory income tax rate	**26.5%**	26.5%
Expected income tax recovery at the statutory income tax rate	**(2,423)**	(3,272)
Foreign income expense subject to tax at a different statutory tax rate	**70**	179
Adjustments for prior periods	**161**	1,696
Non-deductible expenses and non-taxable income	**(741)**	(2,312)
Minimum tax	**13**	24
State tax, net of federal benefit	**69**	134
Impact of U.S. statutory income tax rate	**(98)**	467
	$ **(2,949)**	$ (3,084)

Movements in deferred tax assets and liabilities are as follows:

					2023
	Balance, beginning of year	Recognized in net loss	Recognized in equity	Foreign currency translation adjust-ments	Total
Deferred tax (liabilities) assets					
Property and equipment	$ **(1,546)**	$ **749**	$ **-**	$ **(1)**	$ **(798)**
Intangibles	**7,196**	**(2,131)**	**-**	**7**	**5,072**
Financing fees	**26**	**(10)**	**-**	**-**	**16**
Unutilized tax loss carryforwards	**4,126**	**4,281**	**-**	**26**	**8,433**
Unrealized foreign exchange gains	**(326)**	**147**	**-**	**(5)**	**(184)**
Capital loss carryforwards	**93**	**(62)**	**-**	**1**	**32**
Lease Liabilities	**1,363**	**(564)**	**-**	**1**	**800**
Interest expense	**1,119**	**781**	**-**	**-**	**1,900**
Other	**83**	**252**	**-**	**2**	**337**
	$ **12,134**	$ **3,443**	$ **-**	$ **31**	$ **15,608**

					2022
	Balance, beginning of year	Recognized in net loss	Recognized in equity	Foreign currency translation adjust-ments	Total
Deferred tax (liabilities) assets					
Property and equipment	$ (2,759)	$ 1,209	$ -	$ 4	$ (1,546)
Intangibles	6,730	501	-	(35)	7,196
Financing fees	39	(11)	-	(2)	26
Unutilized tax loss carryforwards	1,127	3,140	-	(141)	4,126
Unrealized foreign exchange gains	-	(350)	-	24	(326)
Capital loss carryforwards	-	100	-	(7)	93
Lease liabilities	2,244	(874)	-	(7)	1,363
Interest expense	-	1,119	-	-	1,119
Other	77	11	-	(5)	83
	$ 7,458	$ 4,845	$ -	$ (169)	$ 12,134

Deferred income tax assets are recorded for unutilized tax loss carryforwards when the realization of the related tax benefit through future taxable income is probable. At September 30, 2023, the Company and its subsidiaries have $7,371 (2022 - $7,151) of non-capital loss carryforwards in Canada expiring in varying amounts between 2038 and 2043. The Company also has $25,040 (2022 - $8,714) of non-capital loss carryforwards in the U.S. which do not expire. Total deferred tax assets of $8,433 (2022 - $4,126) have been recognized on the full amount of these loss carryforwards. Management believes that the combination of existing earnings before amortization and the ability to implement tax planning measures should allow the Company to realize the benefit of its deferred tax assets before any anticipated growth in earnings.

No deferred tax is recognized on the amount of temporary differences arising between the carrying amount of an investment in subsidiary accounted for in these financial statements and the cost of the investment for tax purposes. The Company is able to control the timing of the reversal of these temporary differences and believes it is probable that they will not reverse in the foreseeable future.

20. Capital Management

The Company actively manages its debt and equity capital in support of its performance objectives and to ensure sufficient liquidity is available to support its financial obligations and operating and strategic plans, with a view to maximizing shareholder returns.

The Company defines capital as equity (currently comprising common share capital), short-term and long-term indebtedness, as and when applicable, and cash and cash equivalents. The Company manages its capital structure, commitments and maturities and makes adjustments, where required, based on general economic conditions, financial markets conditions, operating risks and working capital requirements. To maintain or adjust its capital structure, the Company may, with approval from its board of directors, as required, issue or repay debt and/or short-term borrowings, issue share capital or undertake other activities deemed appropriate. The board of directors reviews and approves the Company's annual operating budgets, and any material transactions that are not in the ordinary course of business, including proposals for acquisitions or other major capital transactions.

The Company is not subject to any externally-imposed capital requirements.

21. Segmented Reporting

The Company conducts its business through three reportable segments: U.S. Appraisal, U.S. Title and Canada. The Company reports segment information based on internal reports used by the CODM to make operating and resource allocation decisions and to assess performance. The CODM is the Chief Executive Officer of the Company.

The U.S. Appraisal segment provides residential mortgage appraisals for purchase, refinance, home equity and default transactions through its Solidifi brand.

The U.S. Title segment serves the title market by providing various title services for refinance, purchase, home equity, short sale and real estate owned ("REO") transactions to financial institutions through its Solidifi brand. As an independent title agent, the Company provides services required to close a mortgage transaction, including title search, curative, closing and escrow services and title policy issuance. Diversified title services represent software subscription fees earned from other title insurance agencies and mortgage lenders.

The Canadian segment's primary service offerings include residential mortgage appraisals for purchase, refinance and home equity transactions provided through its Solidifi brand. Additionally, the Company provides insurance inspection services to property and casualty insurers across Canada through its iv3 brand.

The Company excludes corporate costs in the determination of each operating segment's performance. Corporate costs include certain executive and employee costs, legal, finance, internal audit, treasury, investor relations, compliance, human resources, technical and software development, corporate development and other administrative support function costs.

The CODM does not evaluate operating segments using discrete asset information and the Company does not specifically allocate assets to operating segments for internal reporting purposes.

The accounting policies for each operating segment are the same as those described in the basis of presentation and significant accounting policies notes, and applicable policies outlined in the recent accounting pronouncements note, Notes 2 and 3, respectively. The Company evaluates segment performance based on revenues, net of transaction costs.

		2023		2022
Revenues				
U.S. Appraisal	**$**	**120,846**	$	250,916
U.S. Title		**9,526**		36,542
Canada		**33,542**		52,184
	$	**163,914**	$	339,642
Revenues net of transaction costs				
U.S. Appraisal	**$**	**33,117**	$	55,510
U.S. Title		**3,867**		23,049
Canada		**6,031**		6,880
	$	**43,015**	$	85,439
Amortization				
U.S. Appraisal	**$**	**550**	$	928
U.S. Title		**2,979**		3,141
Canada		**-**		-
Corporate		**348**		461
	$	**3,877**	$	4,530
Operating expenses	**$**	**46,751**	$	79,595
Loss on disposal of property and equipment	**$**	**-**	$	603
Other non-operating costs	**$**	**-**	$	66
Restructuring expenses	**$**	**1,703**	$	1,542
Impairment of goodwill	**$**	**-**	$	17,296
Interest expense	**$**	**283**	$	264
Interest income	**$**	**(825)**	$	(134)
Net foreign exchange loss (gain)	**$**	**1,186**	$	(5,725)
Gain on fair value of derivatives	**$**	**(815)**	$	-
Gain on fair value of warrants	**$**	**-**	$	(249)
Loss before income tax recovery	**$**	**(9,145)**	$	(12,349)

Geographic segmentation of the Company's assets is as follows:

								2023
		U.S.		Canada		Corporate		Total
Intangibles	**$**	**3,501**	**$**	**-**	**$**	**503**	**$**	**4,004**
Goodwill	**$**	**43,181**	**$**	**-**	**$**	**-**	**$**	**43,181**
Property and equipment	**$**	**3,641**	**$**	**-**	**$**	**175**	**$**	**3,816**

								2022
		U.S.		Canada		Corporate		Total
Intangibles	$	4,893	$	-	$	99	$	4,992
Goodwill	$	43,181	$	-	$	-	$	43,181
Property and equipment	$	6,524	$	-	$	440	$	6,964

Revenues by service type

The Company's revenue is derived from contracts with customers. The disaggregation of revenue by service type is reconciled to the Company's segment revenue:

		2023		2022
Appraisal	**$**	**151,075**	$	299,824
Title - mortgage origination		**8,635**		35,019
Title - diversified		**891**		1,523
Insurance inspection		**3,313**		3,276
	$	**163,914**	$	339,642

For the year ended September 30, 2023, one customer (2022 – two customers) represented more than 10% of the Company's revenues, the largest representing 21.9% of total consolidated revenues (2022 – the largest represented 20.0% of total consolidated revenues and the next largest represented 10.3%). Total revenues attributable to this customer totaled $35,930 (2022 – the top two customers totaled $102,948) and was recorded in the Company's U.S. Appraisal segment (2022 – U.S. Appraisal and U.S. Title segments).

22. Guarantees

In the normal course of business, the Company enters into agreements that meet the definition of a guarantee. A guarantee requires the issuer to make a specified payment or payments to reimburse the beneficiary for a loss it incurs if the issuer fails to make a payment when due.

The Company's primary guarantees are as follows:

The Company has provided indemnities under lease agreements for the use of various office space. Under the terms of these agreements the Company agrees to indemnify the counterparties for various items including, but not limited to, all liabilities, loss, suits and damage arising during, on or after the term of the agreement. The maximum amount of any potential future payment cannot be reasonably estimated. These indemnities are in place for various periods beyond the original term of the lease and these leases expire between 2024 and 2028.

Through the Company's by-laws and stand-alone director indemnification agreements, indemnity has been provided to all directors and officers of the Company and its subsidiaries for various items including, but not limited to, all costs to settle suits or actions due to association with the Company and its subsidiaries, subject to certain restrictions. The Company has purchased directors' and officers' liability insurance to mitigate the cost of any potential future suits or actions. The maximum amount of any potential future payment cannot be reasonably estimated.

In the normal course of business, the Company has entered into agreements that include indemnities in favour of third-parties, such as purchase and sale agreements, confidentiality agreements, engagement letters with advisors and consultants, outsourcing agreements, leasing contracts, underwriting and agency agreements, information technology agreements and service agreements. These indemnification agreements may require the Company to compensate counterparties for losses incurred as a result of breaches in representation and regulations or as a result of litigation claims or statutory sanctions that may be suffered by the counterparty as a consequence of the transaction. The terms of these indemnities are not explicitly defined and the maximum amount of any potential reimbursement cannot be reasonably estimated.

The nature of these indemnification agreements prevents the Company from making a reasonable estimate of the maximum exposure due to the difficulty in assessing the amount of liability which stems from the unpredictability of future events and the unlimited coverage offered to the counterparties. Historically, the Company has not made any significant payments under these or similar indemnification agreements and therefore no amount has been accrued in the consolidated statements of financial position with respect to these agreements.

Executive Leadership Team

Brian Lang
Chief Executive Officer

Rodrigo Pinto
Executive Vice President
and Chief Financial Officer

Loren Cooke
Executive Vice President
and President of Solidifi

Kim Montgomery
Executive Vice President

Ryan Smith
Executive Vice President
and Chief Technology Officer

Board of Directors

Jason Smith
Chair

Garry M. Foster[1,2]
Lead Independent Director

Brian Lang
Director

Karen Martin[3]
Director

Frank V. McMahon[3]
Director

Lisa Melchior[2]
Director

Peter Vukanovich[4]
Director

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2. Compensation, Nomination and Governance Committee Member
3. Audit Committee Member
4. Compensation, Nomination and Governance Committee Chair

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2023 ANNUAL REPORT