



# Annual Report

2021





**Jay S. Hennick**  
Global Chairman and CEO

## Letter to Shareholders

# At Colliers, we are **enterprising.**

As leaders in diversified professional services and investment management, we have a proud history of seizing opportunities to drive growth.

In 2021, we delivered very strong results with Capital Markets, Leasing and Outsourcing & Advisory up significantly across all service lines and geographies, while Investment Management delivered record results, raised more than \$6 billion in capital, and finished the year with more than \$50 billion in assets under management.

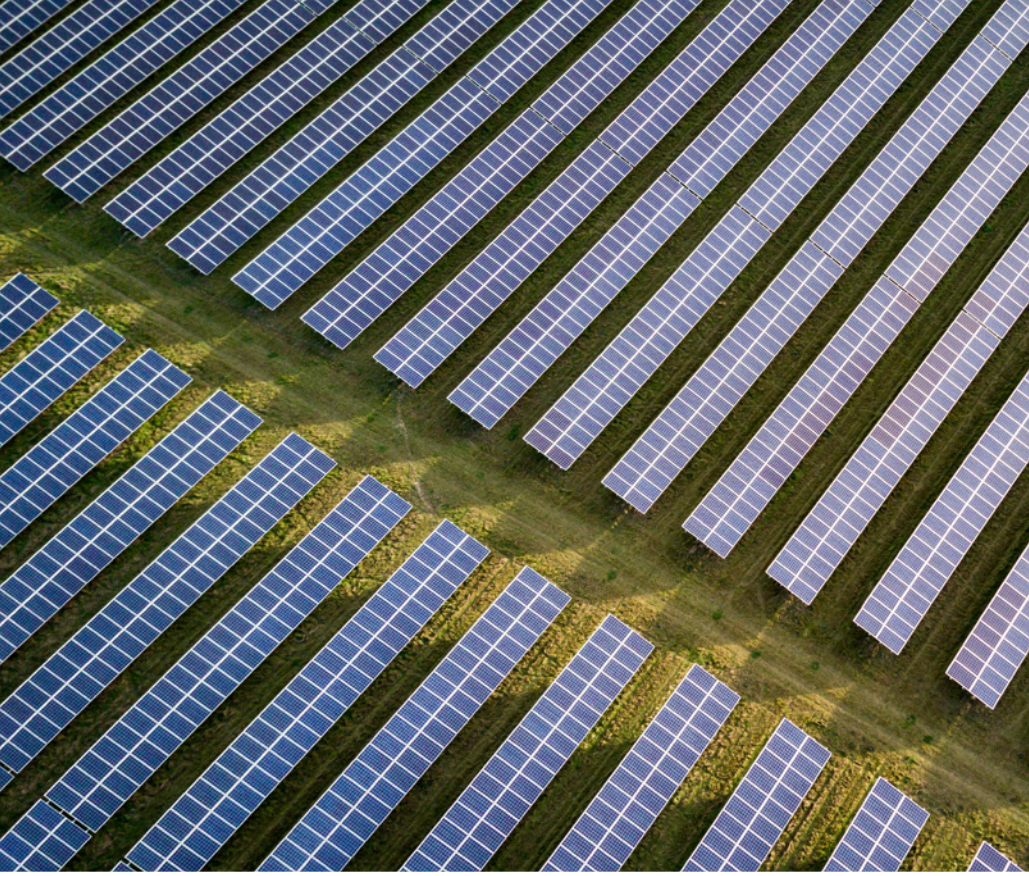
With a global and highly diversified business model and sharp focus on growing existing operations and increasing recurring revenues, Colliers is stronger and more resilient than ever.

Last year, we set bold targets with the launch of our five-year Enterprise '25 growth strategy. Between 2020 and 2025, we aim to more than double our profitability with

at least 65% of earnings coming from recurring revenues by the end of 2025. We finished the first year ahead of plan and expect to continue our momentum by focusing on the strategy's six key pillars:

- Build scale
- Strategically acquire
- Expand client relationships
- Make culture count
- Amplify our brand
- Innovate with technology

We are proud of our long and successful record of performance. Over the past 27 years, we have delivered 20% annualized growth in share value to our shareholders. If we are able to achieve our Enterprise '25 targets, it will again be very good news for shareholders.



## 2021 Highlights

*Record operating results across a number of service lines and geographies*

### **Continued growth in Investment Management**

- Raised more than \$6 billion of new capital commitments from investors
- Agreed to acquire Basalt Infrastructure with over \$8 billion in AUM, offering investors another highly differentiated group of investment products
- Agreed to acquire Milan-based firm Antirion with over \$4 billion in AUM to further expand Colliers Global Investors' platform in Europe

### **Building scale in Outsourcing & Advisory**

- Colliers Engineering & Design completed several tuck-in acquisitions, increasing scale and adding capabilities

### **Strong internal growth in Capital Markets and Leasing across the globe**

### **Colliers Mortgage expanding rapidly**

- Achieved record results in debt origination and mortgage servicing

Colliers continues to focus on augmenting internal growth with smart acquisitions that build scale, expertise, and expand our service lines. Once completed, our investment in Basalt Infrastructure, a leading transatlantic infrastructure investment management firm, will offer our investors another group of highly differentiated investment products in the utility, transportation, energy/renewables and communications sectors. Together with the acquisition of Milan-based, pan-European firm Antirion, announced late last year, we expect to add an incremental \$12 billion in AUM to our Investment Management segment once both transactions close.

Recognizing the importance of strategic acquisitions, we were proud to appoint Elias Mulamootil and Zachary Michaud as Co-Chief Investment Officers. These appointments are a testament to Elias and Zach's accomplishments, proven leadership experience, and bias for action.

We also welcomed Poonam Puri to our Board of Directors. Poonam is a transformational leader whose unique mix of skills acquired through business, regulatory, academic, and public policy leadership roles will help us advance our strategy and guide our continued growth.

At Colliers, our enduring strength comes from our enterprising culture and 17,000 people worldwide who bring their very best every single day. To drive growth in the future, we remain committed to attracting, developing, retaining, and rewarding our people. We continued to safeguard their health and wellbeing and through the pandemic, seamlessly transitioned between hybrid and remote working environments as needed. I am grateful to all our people for their dedication through another challenging year.



As the pandemic and climate change continue to highlight the significance of topics including environmental protection, equality, and inclusiveness, we took important steps to deepen our commitment to environment, social, and governance (ESG) initiatives.

We released Colliers' first-ever Impact Report and Elevate the Built Environment, our new strategic framework designed to embed ESG best practices across the organization.

*We proudly committed to setting a science-based target through the Science Based Targets initiative's (SBTi) Business Ambition for 1.5°C program as well as achieving Net Zero for our own operations by 2030.*

In addition, as a leading diversified professional services and investment management firm, Colliers will develop and deliver a Net Zero program to help building owners, investors, and occupiers reduce or eliminate their building-related emissions. We welcomed Sean Drygas as Global Lead, Impact & ESG to partner with our regional teams to set and work toward meeting additional targets, which will be published in the 2021 Impact Report.

[Read the 2020 report](#)

We also continue to prioritize investments in technology that enable our people to provide the best service, expertise, and advice to our clients.

In 2021, we formalized a Global Innovation team to bring our proven, disciplined investment approach to technology and identify scalable solutions that address high-priority business needs. Our suite of solutions, technology partnerships, and ongoing work with Colliers Proptech Accelerator companies – some of which have shown strong growth, are just a few examples of our strategy in action.

As one of the top global players in real estate and real assets, with a highly respected global brand and platform, we continue to “own the blue” and fortify our market leadership. The launch of our updated brand visual identity last year further propelled our industry leadership and drove consistency and collaboration across borders.

Finally, we increased our semi-annual dividend for the first time since 2016 to reflect the confidence we have in the future of our business, our strong cash flows, and our growing proportion of recurring revenue streams.

*Colliers is better positioned today, than at any other time in our history, to continue creating value and generating superior returns for shareholders.*



Before closing, I would like to acknowledge the retirement of John Friedrichsen, one of my closest allies during his 23 years of service with Colliers and before that, FirstService. I want to thank him once again for his tireless efforts, dedication, and support in helping to build both companies into true market leaders. John played a critical role in helping us create massive shareholder value. He has always been a pillar of strength, and the ultimate culture carrier.

I am incredibly proud of our achievements this past year and thankful to our inspiring leaders and professionals for their

enterprising spirit and dedication. As we pursue our growth targets, we create new and exciting opportunities for all of us. Together, we take pride in building a highly respected, global, diversified professional services and investment management company that will grow from strength to strength in the years to come.

A handwritten signature in black ink, appearing to read 'Jay S. Hennick'.

Jay S. Hennick, CM  
*Global Chairman and Chief Executive Officer*

# Why invest in Colliers?



## Experienced team with proven track record

- 27-year record of delivering 20% CAGR in total shareholder return
- Enterprise '25 growth strategy with ambitious targets to double profitability with at least 65% of earnings coming from recurring revenues
- More than \$2 billion invested in 90 strategic acquisitions over 17 years

## Enterprising culture drives success

- Unique enterprising culture attracts and retains the highest calibre professionals
- Partnership philosophy and growth mindset at all levels
- More than 20% inside ownership aligns leadership with shareholders

## Diversified and recurring essential services create resilience

- Globally balanced and highly diversified service lines provide stability and growth opportunities
- 50% of earnings generated from recurring services augmented by essential Leasing and Capital Markets services

## Asset-light business model

- Strong operating cash flow, modest CAPEX
- Modest leverage, strong balance sheet provides ample capacity to grow
- Proven record of disciplined capital allocation focused on strategic fit and return on invested capital

## Compelling growth prospects, industry dynamics

- \$370+ billion global market for real estate and investment services
- Massive opportunity to increase market share, consolidate and add services in a highly fragmented, growing and global industry
- Increasing trends toward greater institutional real estate investment and outsourcing of related services



Annual Revenue

\$4.1B



Countries We Operate In

62



Asset Under Management

\$51B



Lease/Sale Transactions

53,000



Square Feet Managed

2B

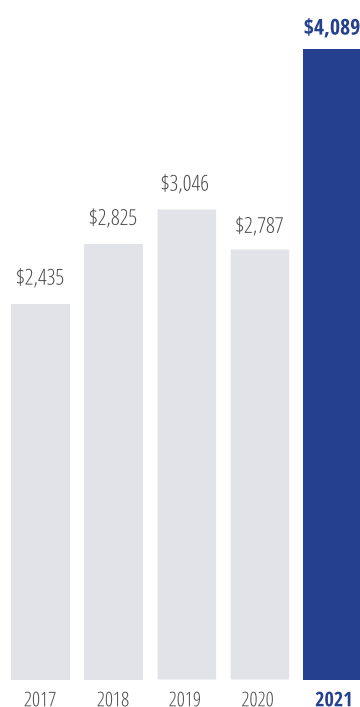


Professionals

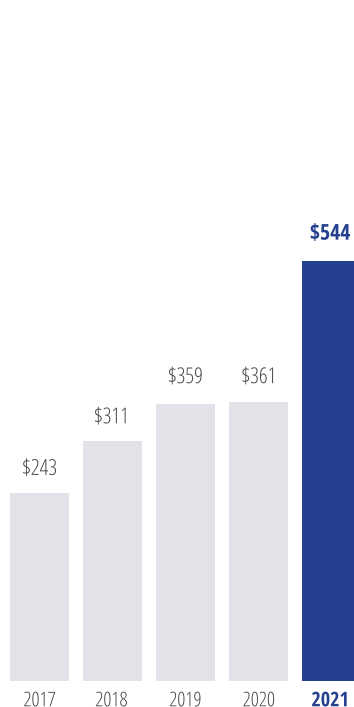
17,000

Statistics are for 2021 and in U.S. dollars. Number of countries includes affiliates and as of publication date.

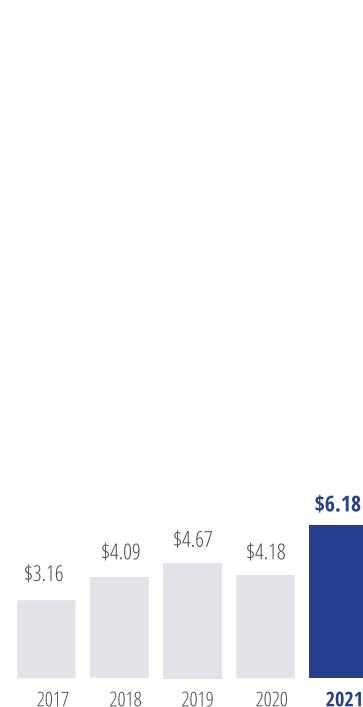
# Financial Highlights



Revenues US\$ millions



Adjusted EBITDA US\$ millions



Adjusted EPS US\$

	Year ended December 31				
	2021	2020	2019	2018	2017
(US\$ thousands, except per share amounts)					
<b>Operations</b>					
Revenues	<b>\$4,089,129</b>	\$2,786,857	\$3,045,811	\$2,825,427	\$2,435,200
Operating earnings (loss) <sup>1</sup>	<b>(131,501)</b>	164,578	218,197	201,398	167,376
Net earnings (loss) <sup>1</sup>	<b>(237,577)</b>	94,489	137,585	128,574	94,074
<b>Financial Position</b>					
Total assets	<b>\$3,873,730</b>	\$3,292,167	\$2,892,714	2,357,580	\$1,507,560
Long-term debt <sup>2</sup>	<b>531,054</b>	479,895	611,404	672,123	249,893
Financial leverage <sup>3</sup>	<b>0.3</b>	1.0	1.4	1.6	0.6
Shareholders' equity	<b>585,269</b>	586,109	517,299	391,973	303,014
<b>Earnings Data</b>					
Adjusted EBITDA <sup>4</sup>	<b>\$544,338</b>	\$361,442	\$359,476	\$311,435	\$242,824
Diluted net earnings (loss) per common share	<b>(\$9.09)</b>	1.22	2.57	2.45	1.31
Adjusted EPS <sup>5</sup>	<b>6.18</b>	4.18	4.67	4.09	3.16
Diluted weighted average common shares outstanding (thousands)	<b>42,920</b>	40,179	39,981	39,795	39,308
Cash dividends per common share	<b>0.20</b>	0.10	0.10	0.10	0.10

<sup>1</sup> Includes \$471.9 million settlement of Long-Term Incentive Arrangement (LTIA) with the Company's Chairman & CEO.

<sup>2</sup> Excluding warehouse credit facilities and convertible notes.

<sup>3</sup> Financial leverage expressed in terms of (long term debt less cash) / pro forma adjusted EBITDA.

<sup>4</sup> Adjusted EBITDA is defined as net earnings before income tax, interest, depreciation, amortization, gains attributable to mortgage servicing rights, acquisition-related items, restructuring costs, stock-based compensation expense and settlement of LTIA.

<sup>5</sup> Adjusted EPS is defined as diluted net earnings per common share, adjusted for the effect, after income tax, of non-controlling interest redemption increment, amortization, gains attributable to mortgage servicing rights, acquisition-related items, restructuring costs, stock-based compensation expense and settlement of LTIA.



## Professional Services and Investment Management

We are transforming our business model through the addition of scalable and recurring services while leveraging our global scale, strong acquisition experience, and enterprising corporate culture.

*We are building  
for our future, and yours.*

### **Outsourcing & Advisory**

Recurring, contractual and long-duration revenue streams stemming from Property and Project Management, Valuation & Appraisal, Engineering & Design, and Mortgage Servicing are positively changing the composition of Colliers into a more balanced and resilient firm. In recent years, we have made significant investments around the globe to further strengthen our offerings and expand into new service lines that provide high-quality, essential services.

### **Investment Management**

Colliers is a leading direct real estate and real asset investment manager with \$51 billion in assets under management, delivering superior risk adjusted returns to our investors. Our Investment Management platform includes

Harrison Street, a leading alternative asset manager exclusively focused on demographic-based investing that generates top-tier returns, and Colliers Global Investors, concentrated on institutional quality real assets across Europe.

### **Leasing and Capital Markets**

Leasing and Capital Markets services are fundamental to our business and essential to our clients. We provide leasing and transaction services for commercial real estate occupiers, owners, and investors as well as debt origination and placement services. Our transactional services work collaboratively with our Outsourcing & Advisory and Investment Management service lines to help each client maximize investment returns.



# Notice of Shareholders Meeting



The virtual annual meeting of the shareholders will be held on **April 5, 2022 at 11:00am ET**

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## **Stock Exchange Listing**

NASDAQ Global Select Market – CIGI  
Toronto Stock Exchange – CIGI

Learn more about how we accelerate success at [corporate.colliers.com](http://corporate.colliers.com),  
Twitter [@Colliers](https://twitter.com/Colliers) or LinkedIn.



## **About Colliers**

Colliers (NASDAQ, TSX: CIGI) is a leading diversified professional services and investment management company. With operations in 62 countries, our 17,000 enterprising professionals work collaboratively to provide expert real estate and investment advice to clients. For more than 27 years, our experienced leadership with significant inside ownership has delivered compound annual investment returns of 20% for shareholders. With annual revenues of \$4.1 billion and more than \$50 billion of assets under management, Colliers maximizes the potential of property and real assets to accelerate the success of our clients, our investors and our people.