



Bridgemarq Real Estate Services Reports Third Quarter Results and Monthly Dividend

(TORONTO, ON) November 9, 2021 – Bridgemarq Real Estate Services Inc. (“Bridgemarq” or the “Company”) (TSX: BRE) today announced its third quarter consolidated financial results and the approval of a monthly dividend to holders of the Company’s restricted voting shares.

HIGHLIGHTS

- Revenue in the third quarter was \$12.4 million, an increase of 16% over the same period in 2020. The primary drivers of the improvement were an increase in the number of REALTORS® in the Company network and the return of standard fees.
- Net earnings for the quarter were \$3.9 million or \$0.28 per share, on a fully-diluted basis compared to a loss of \$2.2 million or \$0.23 per share in the third quarter of 2020.
- Distributable Cash Flow improved to \$5.2 million from \$4.4 in the third quarter of 2020.
- The Board of Directors approved a dividend to shareholders of \$0.1125 per restricted voting share payable December 31, 2021 to shareholders of record on November 30, 2021.
- The Board of Directors approved a resolution to increase the size of the Board to six directors and appointed Ms. Jitanjali Datt as a director of the Company.

THIRD QUARTER OPERATING RESULTS

Revenues during the third quarter were \$12.4 million, compared to \$10.7 million in the same period in 2020. For the period from April 1, 2020 to December 31, 2020, the Company provided fee relief to its network of REALTORS® which contributed to lower revenues in the third quarter of 2020. The Pandemic Fee Relief Plan suspended fixed fees and charged higher variable fees, subject to a cap. On January 1, 2021, the Company reverted to its standard fee plan which provides for fees that are more fixed in nature. The Company also benefited from an increase in the number of REALTORS® in the Company network compared to 2020.

The Company generated net earnings for the quarter of \$3.9 million, or \$0.28 per share on a fully diluted basis, an improvement over the loss of \$2.2 million, or \$0.23 per share in 2020. The increase is due to improved operating results and a \$1.7 million unrealized gain on the fair valuation of the Exchangeable Units compared to an unrealized loss of \$3.5 million during the third quarter of 2020.

Distributable cash flow for the third quarter of 2021 amounted to \$5.2 million, compared to \$4.4 million generated during the third quarter of 2020. The increase in distributable cash flow was primarily due to higher revenues resulting from the expiry of the Pandemic Fee Relief Plan on January 1, 2021, partly offset by higher management fees, higher administration expense and higher current income tax expense.

“We are pleased with the Company’s performance over the challenging year past. Our network of leading brokers and agents has grown greatly, and the firm’s financial performance has been very

strong,” said Phil Soper, President and Chief Executive Officer, Bridgemarq Real Estate Services Inc. “The support that our leadership team across the nation provided Realtors during the pandemic, together with our industry leading, cloud-based, AI-driven technology has helped our people flourish in the difficult operating environment. We are pleased that our proven business model has continued to deliver strong cash flow and believe the Company’s brands will continue to attract and retain talented real estate professionals.”

MARKET UPDATE

Sales activity was high compared to historic third quarter levels as Canadians continued to prioritize home ownership during the pandemic. As demand continued to outstrip available inventory, sales activity during the quarter was constrained by available product resulting in slightly lower year-over-year activity. Canada’s inventory shortage is evident in cities from coast-to-coast. As buyers struggle to transact, the pipeline of demand continues to grow and is expected to put further upward pressure on home prices.

CASH DIVIDEND

The Company declared a cash dividend of \$0.1125 cents per restricted voting share payable on December 31, 2021 to shareholders of record on November 30, 2021. The dividend distribution represents a target annual dividend of \$1.35 per restricted voting share, which is consistent with 2020.

THE COMPANY NETWORK

As at September 30, 2021, the Network was comprised of 19,934 REALTORS®, operating under 286 franchise agreements providing services from 663 locations, with an approximate 16% share of the Canadian residential real estate market based on 2020 transactional dollar volume.

BOARD OF DIRECTORS

The Board of Directors approved a resolution to increase the size of the board from five members to six and appointed Ms. Jitanjli Datt as an Independent Director of the Company. Ms. Datt previously held a strategic advisory position at Forum Equity Partners, an alternative investment management firm with a focus on real estate and private equity. Ms. Datt is a graduate of Sir Wilfrid Laurier University with an Honours BBA degree. Ms. Datt will remain a director until the next annual meeting of shareholders, at which time she is expected to be considered for election as an Independent Director at the meeting.

CONFERENCE CALL

Bridgemarq Real Estate Services Inc. will host a conference call on Tuesday, November 9, 2021 at 10 a.m. ET to discuss its third quarter financial results.

To access the call by telephone, please dial 1-888-664-6392 or 416-764-8659.

To access the call online, please visit

https://produceredition.webcasts.com/starthere.jsp?ei=1508763&tp_key=8bec61f617

Please connect approximately ten minutes prior to the beginning of the call to ensure participation.

A recording of the conference call will be available in the Investor Centre section of the Company's website by Friday, November 19, 2021.

DISTRIBUTABLE CASH FLOW AND DISTRIBUTABLE CASH FLOW PER SHARE

This news release and accompanying financial statements makes reference to Distributable Cash Flow and Distributable Cash Flow per Share, which are non-GAAP financial measures and do not have any standardized meaning under International Financial Reporting Standards and, accordingly, may not be comparable to similar measures used by other companies. Distributable Cash Flow represents operating income before deducting amortization and net impairment of intangible assets, minus current income tax expense, minus cash used in investing activities. Distributable Cash Flow per Share is calculated by dividing the Distributable Cash Flow by the total number of Restricted Voting Shares outstanding, on a diluted basis. Management believes that Distributable Cash Flow and Distributable Cash Flow per Share are useful supplemental measures of performance as they provide investors with an indication of the amount of cash flow generated after investing activities which is available to holders of Restricted Voting Shares and Exchangeable Unitholders, subject to working capital and other investment requirements.

FORWARD-LOOKING STATEMENTS

This news release contains forward-looking information and other “forward-looking statements”. Words such as “are”, “believe”, “continued”, “demand”, “expected”, “is”, “provides”, “put”, “struggle”, “upward”, “will” and other expressions that are predictions of or could indicate future events and trends and that do not relate to historical matters identify forward-looking statements. Reliance should not be placed on forward-looking statements because they involve known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements of the Company to differ materially from anticipated future results, performance or achievement expressed or implied by such forward-looking statements. Factors that could cause actual results to differ materially from those indicated in the forward-looking statements include: the duration and effects of the COVID-19 pandemic, including the impact of COVID-19 on the economy and the Company's business, the impact of government or other regulatory initiatives to address the impact of the spread of COVID-19 on the Canadian economy, including the impact on real estate markets, changes in the supply or demand of houses for sale in Canada or in any particular region within Canada, changes in the selling price for houses in Canada or any particular region within Canada, changes in the Company's cash flow as a result of COVID-19, changes in the Company's strategy with respect to and/or ability to pay dividends, changes in the productivity of the Company's REALTORS® or the commissions they charge their customers, changes in government policy, laws or regulations which could reasonably affect the housing markets in Canada, consumer response to any changes in the housing markets in Canada or any changes in government policy, laws or regulations, changes in general economic conditions (including interest rates, consumer confidence and other general economic factors or indicators), changes in global and regional economic growth, the demand for and prices of natural resources on local and international markets, the level of residential real estate transactions, competition from other real estate brokers or from discount and/or Internet-based real estate alternatives, the closing of existing real estate brokerage offices as a result of COVID-19 or otherwise, other developments in the residential real estate brokerage industry or the Company that reduce the number of REALTORS® in the Company's Network or royalty revenue from the Company's Network, our ability to maintain brand equity through the use of trademarks, the methods used by shareholders or analysts to evaluate the value of the Company and its publicly traded securities, changes in tax laws or regulations, and other risks detailed in the Company's annual information form, which is filed with securities commissions and posted on SEDAR at www.sedar.com. Forward-looking information is based on various material factors or assumptions, which are based on information currently available to management. Material factors or assumptions that were applied in drawing conclusions or making estimates set out in the forward-looking statements include, but are not limited to: anticipated economic conditions, anticipated

impact of government policies, anticipated financial performance, anticipated market conditions, business prospects, the successful execution of the Company's business strategies and recent regulatory developments, including as the foregoing relate to COVID-19. The factors underlying current expectations are dynamic and subject to change. Although the forward-looking statements contained in this press release are based upon what management believes are reasonable assumptions, the Company cannot assure readers that actual results will be consistent with these forward-looking statements. The Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

About Bridgemarq Real Estate Services

Bridgemarq is a leading provider of services to residential real estate brokers and a network of approximately 19,000 REALTORS®.¹ We operate in Canada under the Royal LePage, Via Capitale and Johnston & Daniel brands. For more information, go to bridgemarq.com.

Bridgemarq is an affiliate of Brookfield Business Partners, a business services and industrials company focused on owning and operating high-quality businesses that benefit from barriers to entry and/or low production costs. Brookfield Business Partners is listed on the New York and Toronto stock exchanges. Further information is available at bbu.brookfield.com.

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