



## Real Matters Reports First Quarter Financial Results

(all amounts are expressed in millions of U.S. dollars, excluding per share amounts and unless otherwise stated)

**TORONTO (January 30, 2025)** – Real Matters Inc. (TSX: REAL) (“Real Matters” or the “Company”), a leading network management services platform for the mortgage and insurance industries, today announced its financial results for the first quarter ended December 31, 2024.

“We reported consolidated revenue of \$41.0 million in the first quarter, up 16% year-over-year, and consolidated Net Revenue<sup>(A)</sup> increased 12% led by growth in all three segments. Refinance origination volumes in our U.S. Title segment were up 46% year-over-year and Net Revenue<sup>(A)</sup> margins increased by 610 basis points,” said Real Matters Chief Executive Officer Brian Lang.

“There are now 8.8 million outstanding mortgages with interest rates above 6%, which represents a sizeable pool of potential refinance candidates. We are encouraged by the market opportunity we saw as a result of a short-term rally in rates in September – adding to our conviction of the market potential for refinance going forward. As a result, we are seeing broad pipeline movement; we are confident that we will have new, active franchise title clients in the coming months,” added Lang.

“We have a strong balance sheet, and we will continue to prudently manage our cost base to align with market conditions, ensuring we focus on growth as headwinds turn to tailwinds for our business. We are at a key inflection point for our title business,” concluded Lang.

### Q1 2025 Highlights

- Consolidated revenue of \$41.0 million – 16% year-over-year increase
- Consolidated Net Revenue<sup>(A)</sup> of \$10.9 million – 12% year-over-year increase
- Adjusted EBITDA<sup>(A)</sup> loss of \$1.7 million compared with loss of \$1.1 million in Q1'24
- Net income of \$2.3 million up from net loss of \$3.6 million in Q1'24
- Launched five new clients
- Significant operating leverage in Canadian segment – converted 90% of the incremental Net Revenue<sup>(A)</sup> to Adjusted EBITDA<sup>(A)</sup> in Q1'25
- Cash and cash equivalents of \$49.0 million and no outstanding debt as at December 31, 2024

## Financial and Operational Summary

	Quarter ended					% Change <sup>1</sup>	
	2025	2024	2024	2024	2024	Quarter over Quarter	Year over Year
	Q1	Q4	Q3	Q2	Q1		
<b>Consolidated</b>							
Revenue	\$ 41.0	\$ 45.6	\$ 49.5	\$ 42.2	\$ 35.4	-10%	16%
Net Revenue <sup>(A)</sup>	\$ 10.9	\$ 12.0	\$ 13.1	\$ 11.5	\$ 9.7	-10%	12%
Adjusted EBITDA <sup>(A)</sup>	\$ (1.7)	\$ 0.6	\$ 1.7	\$ 0.7	\$ (1.1)	-395%	-54%
Net income (loss)	\$ 2.3	\$ (0.2)	\$ 1.7	\$ 2.1	\$ (3.6)	1,562%	163%
Net income (loss) per diluted share	\$ 0.03	\$ 0.00	\$ 0.02	\$ 0.03	\$ (0.05)	0%	160%
Adjusted Net (loss) income <sup>(A)</sup>	\$ (0.3)	\$ 0.9	\$ 1.7	\$ 1.3	\$ (1.2)	-129%	75%
Adjusted Net (loss) income <sup>(A)</sup> per diluted share	\$ 0.00	\$ 0.01	\$ 0.02	\$ 0.02	\$ (0.02)	-100%	100%
<b>U.S. Appraisal segment</b>							
Revenue	\$ 29.4	\$ 33.8	\$ 37.5	\$ 32.6	\$ 26.8	-13%	9%
Net Revenue <sup>(A)</sup>	\$ 7.8	\$ 9.0	\$ 10.3	\$ 9.2	\$ 7.5	-14%	4%
Net Revenue <sup>(A)</sup> margin	26.5%	26.7%	27.6%	28.3%	27.9%		
Adjusted EBITDA <sup>(A)</sup>	\$ 2.4	\$ 4.1	\$ 5.5	\$ 4.4	\$ 2.7	-41%	-10%
Adjusted EBITDA <sup>(A)</sup> margin	30.9%	45.2%	53.2%	47.9%	35.8%		
<b>U.S. Title segment</b>							
Revenue	\$ 2.5	\$ 2.4	\$ 2.1	\$ 2.0	\$ 2.0	4%	25%
Net Revenue <sup>(A)</sup>	\$ 1.4	\$ 1.2	\$ 0.9	\$ 0.9	\$ 1.0	12%	41%
Net Revenue <sup>(A)</sup> margin	53.4%	49.8%	43.6%	44.0%	47.3%		
Adjusted EBITDA <sup>(A)</sup>	\$ (1.8)	\$ (1.6)	\$ (1.9)	\$ (1.7)	\$ (1.6)	-13%	-11%
Adjusted EBITDA <sup>(A)</sup> margin	-132.3%	-131.4%	-209.8%	-184.8%	-167.9%		
<b>Canadian segment</b>							
Revenue	\$ 9.1	\$ 9.4	\$ 9.9	\$ 7.6	\$ 6.6	-3%	38%
Net Revenue <sup>(A)</sup>	\$ 1.7	\$ 1.8	\$ 1.9	\$ 1.4	\$ 1.2	-3%	39%
Net Revenue <sup>(A)</sup> margin	18.9%	18.9%	19.0%	18.9%	18.8%		
Adjusted EBITDA <sup>(A)</sup>	\$ 1.1	\$ 1.2	\$ 1.3	\$ 0.9	\$ 0.7	-5%	62%
Adjusted EBITDA <sup>(A)</sup> margin	66.1%	67.7%	69.3%	62.3%	56.8%		
<b>Corporate segment</b>							
Adjusted EBITDA <sup>(A)</sup>	\$ (3.4)	\$ (3.1)	\$ (3.2)	\$ (2.9)	\$ (2.9)	-8%	-20%

1. Percentage change is calculated based on figures disclosed in our MD&A which are rounded to the nearest thousands of dollars.

## Conference Call and Webcast

A conference call to review the results will take place at 10:00 a.m. (ET) on Thursday, January 30, 2025, hosted by Chief Executive Officer Brian Lang and Chief Financial Officer Rodrigo Pinto. An accompanying slide presentation will be posted to the Investor section of our website shortly before the call.

To access the call:

- Participant Local (Toronto): (289) 819-1520
- Participant Toll Free Dial-In Number: 1-800-549-8228
- Conference ID: 15714

To listen to the live webcast of the call:

- Go to: <https://events.q4inc.com/attendee/590289976>

The webcast will be archived and a transcript of the call will be available in the Investor section of our website following the call.

## (A) Non-GAAP Measures

The non-GAAP measures used in this news release, including Net Revenue, Adjusted EBITDA and Adjusted Net Income do not have a standardized meaning prescribed by IFRS® Accounting Standards and are therefore unlikely to be comparable to similar measures presented by other issuers. These non-GAAP measures are more fully defined and discussed in the Company's MD&A for the three months ended December 31, 2024 under the heading "Non-GAAP measures", which is incorporated by reference in this Press Release and available on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

Real Matters financial results for the three months ended December 31, 2024 are included in the unaudited interim condensed consolidated financial statements and the accompanying MD&A, each of which are available on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca). In addition, supplemental information is available on our website at [www.realmatters.com](http://www.realmatters.com).

Net Revenue represents the difference between revenues and transaction costs. Net Revenue margin is calculated as Net Revenue divided by Revenues. The reconciling items between net income or loss and Net Revenue were as follows:

	<b>Quarter ended</b>				
	<b>Q1 2025</b>	<b>Q4 2024</b>	<b>Q3 2024</b>	<b>Q2 2024</b>	<b>Q1 2024</b>
Net income (loss)	\$ 2.3	\$ (0.2)	\$ 1.7	\$ 2.1	\$ (3.6)
Operating expenses	12.7	12.6	11.8	11.2	11.6
Amortization	0.7	0.8	0.8	0.8	0.8
Restructuring expenses	0.4	-	-	-	-
Interest expense	0.1	0.1	0.1	0.1	0.1
Interest income	(0.5)	(0.5)	(0.5)	(0.4)	(0.4)
Net foreign exchange (gain) loss	(6.1)	1.3	(0.9)	(2.2)	2.0
Loss (gain) on fair value of derivatives	1.7	(1.9)	(0.1)	0.1	(0.2)
Income tax (recovery) expense	(0.4)	(0.2)	0.2	(0.2)	(0.6)
Net Revenue	\$ 10.9	\$ 12.0	\$ 13.1	\$ 11.5	\$ 9.7

Adjusted EBITDA represents net income or loss before stock-based compensation expense, amortization, restructuring expenses, interest expense, interest income, net foreign exchange gain or loss, gain or loss on fair value of derivatives and income tax expense or recovery. Adjusted EBITDA margin is calculated as Adjusted EBITDA divided by Net Revenue. The reconciling items between net income or loss and Adjusted EBITDA were as follows:

	Quarter ended				
	Q1 2025	Q4 2024	Q3 2024	Q2 2024	Q1 2024
Net income (loss)	\$ 2.3	\$ (0.2)	\$ 1.7	\$ 2.1	(3.6)
Stock-based compensation expense	0.1	1.2	0.4	0.4	0.8
Amortization	0.7	0.8	0.8	0.8	0.8
Restructuring expenses	0.4	-	-	-	-
Interest expense	0.1	0.1	0.1	0.1	0.1
Interest income	(0.5)	(0.5)	(0.5)	(0.4)	(0.4)
Net foreign exchange (gain) loss	(6.1)	1.3	(0.9)	(2.2)	2.0
Loss (gain) on fair value of derivatives	1.7	(1.9)	(0.1)	0.1	(0.2)
Income tax (recovery) expense	(0.4)	(0.2)	0.2	(0.2)	(0.6)
Adjusted EBITDA	\$ (1.7)	\$ 0.6	\$ 1.7	\$ 0.7	(1.1)

The reconciling items between net income or loss and Adjusted Net Income or Loss were as follows:

	Quarter ended				
	Q1 2025	Q4 2024	Q3 2024	Q2 2024	Q1 2024
Net income (loss)	\$ 2.3	\$ (0.2)	\$ 1.7	\$ 2.1	(3.6)
Stock-based compensation expense	0.1	1.2	0.4	0.4	0.8
Amortization of intangibles	0.4	0.5	0.4	0.4	0.4
Restructuring expenses	0.4	-	-	-	-
Net foreign exchange (gain) loss	(6.1)	1.3	(0.9)	(2.2)	2.0
Loss (gain) on fair value of derivatives	1.7	(1.9)	(0.1)	0.1	(0.2)
Related tax effects	0.9	-	0.2	0.5	(0.6)
Adjusted Net (Loss) Income	\$ (0.3)	\$ 0.9	\$ 1.7	\$ 1.3	(1.2)

#### Forward-Looking Information

This Press Release contains "forward-looking information" within the meaning of applicable Canadian securities laws. Words such as "could", "forecast", "target", "may", "will", "would", "expect", "anticipate", "estimate", "intend", "plan", "seek", "believe", "likely" and "predict" 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 Press Release includes statements which reflect the current expectations of management with respect to our business and the industry in which we operate 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 Press Release 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. A comprehensive discussion of the factors which could cause results or events to differ from current expectations can be found in the "Risk Factors" section of our Annual Information Form for the year ended September 30, 2024, which is available on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

Readers are cautioned not to place undue reliance on the forward-looking information, which reflect our expectations only as of the date of this Press Release. 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.

#### About Real Matters

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. For more information, visit [www.realmatters.com](http://www.realmatters.com).

**For more information:**

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