THE CALDWELL PARTNERS INTERNATIONAL INC

For the years ended August 31, 2024 and August 31, 2023

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Management Discussion and Analysis ("MD&A")

(Expressed in CAD $000s, except per share amounts)

PRESENTATION

The following discussion and analysis, prepared on November 19, 2024, should be read in conjunction with our consolidated annual audited financial statements and related notes and our Annual Information Form for the year ended August 31, 2024. Unless otherwise noted, all currency amounts are provided in thousands of Canadian dollars (except per share amounts). All references to quarters or years are for the fiscal periods unless otherwise noted. Unless otherwise noted as a non-GAAP financial measure or other operating measure, financial results are prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (IFRS).

FORWARD-LOOKING STATEMENTS

Forward-looking statements in this document are based on current expectations subject to the significant risks and uncertainties cited. These forward-looking statements generally can be identified by the use of statements that include phrases such as "believe," "expect," "anticipate," "intend," "plan," "foresee," "may," "will," "likely," "estimates," "potential," "continue" or other similar words or phrases. Similarly, statements that describe our objectives, plans or goals also are forward-looking statements.

We are subject to many factors that could cause our actual results to differ materially from those contemplated by the relevant forward looking statement including, but not limited to, the impact of pandemic diseases, our ability to attract and retain key personnel; exposure to our partners taking our clients with them to another firm; the performance of the US, Canadian and international economies; risks related to deposit-taking institutions; foreign currency exchange rate fluctuations; competition from other companies directly or indirectly engaged in talent acquisition; cybersecurity requirements, vulnerabilities, threats and attacks; damage to our brand reputation; our ability to align our cost structure to changes in our revenue; liability risk in the services we perform; potential legal liability from clients, employees and candidates for employment; reliance on software that we license from third parties; reliance on third-party contractors for talent acquisition support; the classification of third-party labour as contractors versus employee relationships; our ability to successfully recover from a disaster or other business continuity issues; adverse governmental and tax law rulings; successfully integrating or realizing the expected benefits from our acquisitions, adverse operating issues from acquired businesses; volatility of the market price and trading volume of our common shares; technological advances may significantly disrupt the labour market and weaken demand for human capital at a rapid rate; affiliation agreements may fail to renew or affiliates may be acquired; the impact on profitability from marketable securities valuation fluctuations; increasing dependence on third parties for the execution of critical functions; our ability to generate sufficient cash flow from operations to support our growth and fund any dividends; potential impairment of our acquired goodwill and intangible assets; and disruption as a result of actions of certain stockholders or potential acquirers of the Company. For more information on the factors that could affect the outcome of forward-looking statements, refer to the “Risk Factors” section of our Annual Information Form and other public filings (copies of which may be obtained at www.sedar.com). These factors should be considered carefully, and the reader should not place undue reliance on forward-looking statements. Although any forward-looking statements are based on what management currently believes to be reasonable assumptions, we cannot assure readers that actual results, performance or achievements will be consistent with these forward-looking statements. Management’s assumptions may prove to be incorrect. Except as required by Canadian securities laws, we do not undertake to update any forward-looking statements, whether written or oral, that may be made from time to time by us or on our behalf; such statements speak only as of the date made. The forward-looking statements included herein are expressly qualified in their entirety by this cautionary language.

COMPANY DESCRIPTION

The Caldwell Partners International Inc. (the “Company”) is a technology-powered talent acquisition firm specializing in recruitment at all levels. We leverage the latest innovations in artificial intelligence to offer an integrated spectrum of services delivered by teams with deep knowledge in their respective areas, allowing us to have a more significant impact on our clients’ long-term success. Services include candidate research and sourcing through to full lifecycle recruitment at the professional, executive and board levels, as well as a suite of talent strategy and assessment tools that can help clients hire the right people, then manage and inspire them to achieve maximum business results.

The Company’s common shares are listed on the Toronto Stock Exchange (TSX: CWL) and also trade on the OTCQX Market in the United States (OTCQX: CWLPF). Please visit our website at www.caldwell.com for further information.

BUSINESS SEGMENTS

Identification of Segments

We operate through two distinct segments – retained executive search and analytics solutions are conducted as ***Caldwell***, and on-demand talent acquisition augmentation solutions are conducted as ***IQTalent***. The services Caldwell offers, the nature of its clients and its pricing and delivery model are uniform across geographies, and those geographies are largely interconnected in economic cycles. We therefore measure the key metrics and reporting of Caldwell as one segment. IQTalent’s business is managed and measured separately from Caldwell with unique branding, operations and pricing. As a result, we operate with two distinct business segments differentiated by brand, services, operations and pricing models.

The following chart explains the spectrum of services we offer our clients:

Together, Caldwell and IQTalent are transforming the world of talent. IQTalent's unique service model and innovative use of technology - paired with Caldwell's expertise, network and resources - allows us to have a greater impact on our clients' long-term success.

Our strategy for our two segments working in tandem is for IQTalent to be a constant presence at our clients, providing recurring talent acquisition support, with Caldwell engaged for higher-end retained executive searches not undertaken by our clients' in-house teams. Together we provide seamless support for the talent acquisition needs at all levels for our clients who benefit from an increasingly diversified mix of products and services, with cross-collaboration opportunities between the two business segments expected to amplify our long-term success. We will continue to review business and technology acquisition opportunities that align with client-driven talent offerings and our belief that Talent Transforms.

Segment Operating Characteristics

Revenue

Caldwell
Caldwell operates with partners in Canada, the United States and Europe, with functional currencies being the Canadian dollar, US dollar and British pound. We take pride in delivering an unmatched level of service and expertise to our clients from 19 locations throughout the world, including Atlanta, Boston, Calgary, Charleston, Chicago, Dallas, Houston, London, Los Angeles, Miami, Nashville, New York, Park City, Philadelphia, San Francisco, Stamford, Toronto, Vancouver, and Zurich.

Caldwell's executive search revenue and operating income are difficult to predict and have historically varied significantly from quarter to quarter. There is no discernible seasonality in our business on a quarterly basis, although historically, we have had lower revenue in the first and second quarters compared to the third and fourth quarters. Over the past ten years, revenue in the second half of the year has increased over the first half by an average of 21%. Adjusting for the pandemic in fiscal 2020, this metric grows to 26%.

Our capacity to generate revenue increases with the number of partners and affiliates in our network and depends on the fees we are able to charge and our partners' productivity, which is influenced significantly by competition and general economic hiring conditions. Additionally, given our relatively small partner base, we have limited diversification, and consequently, results may fluctuate significantly from quarter to quarter. We provide fully-retained executive search and bill our clients based on a fee of approximately one-third of a placed executive's compensation.

IQTalent

IQTalent provides on-demand talent acquisition augmentation as a managed service to our clients, who are typically in-house talent acquisition departments. We provide candidate research and sourcing at all talent levels and full lifecycle recruiting services at the professional level, with revenue generated per labour hour. Services are on-demand and usually with no long-term contractual commitments, and can vary significantly from quarter to quarter and with economic cycles or events as experienced with the global pandemic and the current hiring demand downturn. As services are billed to clients on an hourly basis, revenue fluctuates based on the number of business days. There are 252 business days in fiscal 2024, with 62 days (24.6%) in the first quarter, 61 days (24.2%) in the second quarter, 65 days (25.8%) in the third quarter and 64 days (25.4%) in the fourth quarter. Fiscal 2023 had 251 business days, with 62 days (24.7%) in the first quarter, 59 days (23.5%) in the second quarter, 65 days (25.9%) in the third quarter and 65 days (25.9%) in the fourth quarter.

IQTalent's capacity to generate revenue increases with the size of fully trained research, sourcing and recruitment staff. Third-party contractors are used to manage fluctuations in customer demand. Staffing needs are dependent on the pipeline of active and potential business opportunities available to generate billable hours. Active accounts and potential new business in the pipeline are managed by senior leadership and are influenced significantly by competition and general economic hiring conditions.

Caldwell is a client of IQTalent. From time-to-time, IQTalent provides certain research services to support Caldwell's executive search teams. The pricing of these services is in-line with other third parties of similar size. IQTalent and Caldwell recognize these fees in their revenue and cost of sales, respectively. Such amounts are eliminated upon consolidation.

Cost of Sales

Caldwell

Cost of sales for executive search pertains to professional fees. It comprises partner compensation, related search delivery personnel compensation and the direct costs of providing our search services, much of which relates to candidate databases and research tools. Compensation costs include fixed salaries, variable incentive compensation and related employee benefits and payroll taxes.

Our partners are paid a set level of base compensation referred to as draws. Variable incentive compensation is based on a percentage of collected professional fees attributed to each partner, based on a tiered commission grid. The higher a partner's collected professional fees in a fiscal year, the higher the partner's earning percentage. In aggregate, as Annualized Professional Fees per Partner increases, compensation tiers and expense also increase. Please see the discussion on Non-GAAP measures for further details on this metric. The partners' variable compensation incentives are credited first to draw amounts already paid as an advance, with any excess due as a commission payment. A deficit occurs when a partner's variable compensation earned is less than their draw. The full draw amount is expensed each period. Additionally, any excess variable compensation is expensed and accrued for future payment. Deficit amounts within a fiscal year may be recouped in subsequent quarters if a partner earns enough variable compensation over the remainder of the year to credit against any deficit which has already been expensed. Deficits at the end of each fiscal year are not brought forward into future fiscal years for recoupment. In periods of organic growth, as new partner hires transition, deficits may increase.

In aggregate and over time, these costs are largely variable to professional fees, with fluctuations arising from changes in incentive compensation based on the Average Professional Fees per Partner and the leverage impact of certain fixed support costs during periods of rapid growth or decline. Please see the discussion on Non-GAAP measures for further details on the Average Professional Fee per Partner metric.

Costs associated with direct expense reimbursements are recorded separately as reimbursed direct expenses.

IQTalent

Cost of sales for on-demand recruiting services is comprised of research, sourcing and recruitment staff compensation, including benefits and payroll taxes and third-party contractor fees. Employees are primarily salaried with traditional bonus plans tied to company and individual performance. As a result, in the short term, IQTalent's cost of sales is more fixed in nature than Caldwell's. Other direct costs of providing our services are primarily related to candidate databases and research tools.

Staffing levels are actively managed with the utilization of hourly capacity, a key operating metric. To help manage demand fluctuations, we also maintain a network of experienced non-employee contracted professionals. Although the overall cost of contracted professionals in the United States is higher than employees, when demand exceeds the available hours of employed staff, the contracted professional network allows us to scale to meet our clients' service delivery needs.

Contractors are generally paid for actual hours worked that fluctuate each period relative to the number of working business days. In contrast to salaried employees, the cost of contractors is variable to revenue.

Selling, general and administrative

Selling, general and administrative expenses are similar in nature across Caldwell and IQTP, consisting of items such as occupancy, information technology, marketing, professional and other operating costs. We have consolidated certain support functions such as finance, accounting, payroll, information technology and marketing. We allocate shared support costs from Caldwell to IQTalent in the segmented statements of earnings based on the incremental direct cost of managing IQTalent. Costs related to our status and operation as a public company are not allocated to IQTalent.

NON-GAAP FINANCIAL MEASURES AND OTHER OPERATING MEASURES

Certain non-GAAP financial measures and other operating measures are used to manage the business and explain the results of operations. Such measures do not have any standardized meaning prescribed by IFRS and are therefore unlikely to be comparable to similar measures presented by other issuers. Non-GAAP measures and other operating measures used herein have been calculated on a consistent basis for the periods presented and include the following defined terms:

Caldwell

- Average Fee per Assignment: Professional fees reported as revenue from executive search for a given period divided by the related Number of Assignments. This metric is used to identify and track price trends as a key driver of our professional fees in executive search. It is impacted by both economic and competitive conditions as well as the seniority level of searches undertaken. Please note that over short periods of time and during periods of rapid revenue growth or decline, Average Fee per Assignment can be a trailing indicator of the ultimate actual average fee per search, as the number of searches booked precedes the recognition of the associated search revenue.

- Average Number of Partners: The number of active executive search revenue-producing partners at the beginning of a period plus the number of active executive search revenue-producing partners at the end of each month during the period, divided by the related number of months. The Average Number of Partners is indicative of our capacity to generate professional fees in executive search. Principals are excluded from this metric as they are generally newly-promoted and are yet establishing themselves in the market as revenue-producers. The expectation is for principals to progress to partners over time.

- Annualized Professional Fees per Partner: Professional fees from executive search divided by the Average Number of Partners; and if an interim period, annualized to a full year. The Annualized Revenue per Partner is indicative of how well our Partners are performing as a whole. This performance is driven by the Number of Assignments performed and the Average Fee per Assignment. Annualized Professional Fees per Partner also impacts our cost of sales as the more an individual partner bills, the higher commission tier they are paid. As the Annualized Professional Fees per Partner rises, compensation expense as a percentage of professional fees also generally rises.

- Number of Assignments: The number of new executive search assignments contracted for during a period. This metric shows the search volume and is one of the drivers of professional fees in executive search.

- Number of Assignments per Partner: The Number of Assignments divided by the Average Number of Partners. This metric analyzes our partner productivity and utilization and is a measure used to identify and track volume trends in executive search as one of the key drivers of our professional fees.

IQTalent

- Average Fees Billed per Business Day: IQTalent professional fees for a given period divided by the Number of Business Days in the period. This metric is used to identify and track price and volume trends in this segment as one of the key drivers of professional fees. It is impacted by market pricing and the Average Number of Active Clients.

- Number of Business Days: The aggregate number of weekday days in a period less any US holidays. This metric represents days of work that can be performed for and billed to IQTalent clients in a period and is a key driver of professional fees in this segment.

- Proportion of Contract Professionals: A measure used to identify and track the proportion of labour in cost of sales performed by non-employee contract professionals in the IQTalent segment. This is a driver of direct costs and gross margin as contracted professionals in the United States typically cost more than employees.

- Utilization Rate: The total number of hours IQTalent clients are billed during a period divided by the total number of labour hours paid. The metric is used to identify and track how efficiently resources are being deployed in this segment.

- Average Number of Active Clients: The sum of the number of unique IQTalent clients, for which there have been billable services performed, in each period, divided by the total number of periods. The metric is used to identify and track the size of our customer base in the IQTalent segment.

- Average Revenue per Active Client: Professional fees for a given period divided by the Average Number of Active Clients for that period. This metric is used to identify and track the average revenue-generating value of our clients in the IQTalent segment.

Consolidated

- Unencumbered Cash: A measure used to identify cash available for growth and strategic initiatives, as well as a source of funding during any periods of negative cash flow from operations, calculated as the net of (i) total current assets, less (ii) total current liabilities.

- Average Period End Share Price: The volume-weighted average share price in Caldwell stock for the last ten business days of the month. This metric drives the Share Price Impact on Operating Profit.

- Share Price Impact on Operating Profit: The change in operating profit during a period resulting from the increase or decrease in share-based expenses solely the result of changes in share price during the period.

SELECTED FINANCIAL INFORMATION

The following table summarizes selected financial information for the three fiscal years ended August 31. Please refer to the Non-GAAP Financial Measures and Other Operating Measures section in this MD&A for defined terms:

($000s except dividends and earnings per share)		2024		2023		2022
Caldwell professional fees	$	**74,669**	$	77,102	$	103,964
IQTalent professional fees[1]	$	**11,643**	$	19,831	$	51,596
Professional fees	$	**86,312**	$	96,933	$	155,560
Total revenue	$	**87,151**	$	97,801	$	156,165
Operating profit (loss)	$	**7,059**	$	(14,467)	$	10,590
Net earnings (loss) for the year attributable to owners of the Company	$	**4,188**	$	(11,303)	$	8,178
Basic earnings (loss) per share	$	**0.142**	$	(0.432)	$	0.318
Diluted earnings (loss) per share	$	**0.141**	$	(0.432)	$	0.315
Total assets	$	**68,752**	$	84,644	$	107,199
Total non-current financial liabilities	$	**5,550**	$	21,880	$	22,430
Unencumbered Cash[2]	$	**9,585**	$	9,563	$	19,379
Cash dividends per share	$	**-**	$	-	$	-
Period-end average share price	$	**0.84**	$	1.41	$	1.89
Caldwell key performance indicators[2]						
Period end number of partners		**49**		49		45
Average Number of Partners		**46.4**		49.5		44.1
Annualized Professional Fees per Partner	$	**1,609**	$	1,558	$	2,357
Number of Assignments		**475**		451		588
Number of Assignments per Partner		**10.2**		9.1		13.3
Average Fee per Assignment	$	**157**	$	171	$	177
IQTalent key performance indicators[2]						
Average Fees Billed per Business Day	$	**46**	$	79	$	206
Number of Business Days		**252**		251		251
Proportion of Work Performed by Contract Professionals		**15%**		10%		36%
Capacity Utlization Rate		**92%**		86%		89%
Average Number of Active Clients		**54**		80		148
Average Revenue per Active Client	$	**216**	$	248	$	349

[1] IQTP professional fees are net of elimination for intercompany revenue of $36, $193, and $109 for 2024, 2023 and 2022 respectively

[2] Please refer to the section on Non-GAAP Financial Measures and Other Operating Measures

EXECUTIVE SUMMARY OF OPERATING RESULTS AND BUSINESS OUTLOOK

After record-breaking growth in fiscal 2022, fiscal 2023 was impacted by suppressed hiring demand and a corresponding reduction in revenue. That environment continued into the first four months of fiscal 2024—through December 2023. Beginning in January 2024 and continuing through June 2024, Caldwell experienced strong growth in our Number of Assignments as clients finally acted on delayed hiring plans. Given the lag in our recognition of revenue relative to new searches booked, we did not experience a notable revenue lift until our third quarter.

While we had expected this surge in hiring activity to ease somewhat in the fourth quarter, the pull-back we experienced in July and August was more pronounced than anticipated, resulting in a larger-than-expected decline in revenue at Caldwell in the fourth quarter. Despite this volatility, professional fees in the current fiscal were comparable to the previous year.

Encouragingly, we are again seeing increased search activity in our first quarter ending November 30, 2024, with the Number of Assignments markedly higher than those in our fourth quarter ended August 31, 2024, as well as in last year's first quarter ended November 30, 2023. Revenue related to new searches is generally recognized over a 90-day period. As a result, we expect the first quarter of fiscal 2025 ending November 30, 2024 to be negatively impacted by the lower Number of Assignments from July and August.

At IQTalent, the on-demand hiring needs of our clients have stabilized, although still well suppressed from the highs of fiscal 2022. Actions taken in recent quarters to reduce staff and expenses at IQTalent, combined with the termination of our Nashville lease in May 2024, have reduced our cost base, resulting in a profitable fourth quarter and positioning us with a tightly managed and more variable cost base for revenue and operating profit growth in the coming years.

Caldwell

- Caldwell's professional fees for the fourth quarter were $19.2 million — a 14.7% decrease from the same period last year from the lower Number of Assignments.

- Caldwell's full-year professional fees were $74.7 million – a 3.2% decrease from last year. Although the fourth quarter was weaker than expected, professional fees of $19.2 million were still higher than in the year's first two quarters, which averaged $14.6 million per quarter. Overall, the second half of fiscal 2024 grew 56.5% over the first half which follows our historical seasonality pattern of higher revenue in the second half of our fiscal years.

- Caldwell's operating profit of $44 thousand in the fourth quarter was lower than the third quarter's operating profit of $2.6 million, but represents a significant improvement over the operating losses of the first two quarters of the fiscal year.

- Caldwell's full-year operating profit was 1.0 million, compared to an operating profit of $2.4 million last year. Changes in share price that impact formulaically-driven share-based compensation expenses explain approximately $1.7 million of this variance.

- Over the past ten years, revenue in the second half of the year has increased over the first half by an average of 21%. Adjusting for the pandemic in fiscal 2020, this metric grows to 26%. Barring changes in economic conditions or global geopolitical events we expect revenue growth in the current fiscal year to continue this trend with varying magnitude from year to year.

IQTalent

- IQTalent's professional fees for the fourth quarter were $2.9 million – a 27.0% decrease from the same period last year, but relatively stable from the third quarter and throughout this calendar year. Full-year professional fees were $11.6 million, and the Average Fees Billed per Business Day was $46. While a decline from last year, we noted a stabilization of this metric in the second, third and fourth quarters of this year at $45 per day. We anticipate continued stability into the first quarter of fiscal 2025.

- IQTalent's operating profit in the fourth quarter was $27 thousand, compared to an operating loss of $0.2 million in the third quarter. Full-year operating income was $6.1 million, including the one-time non-cash gain related to restructuring of $7.9 million. The operating loss excluding the lease gain was driven by losses in the first half of the year as a result of the Nashville lease, which we exited at the end of the second quarter, as well as expenses related to semi-fixed software licenses which we eliminated starting in the third quarter. At our current professional fees rate we anticipate being profitable for the full year in fiscal 2025, with quarterly results being impacted by seasonality and the number of working days in a quarter.

We believe in the strength of our company, team, service offerings, balance sheet, and future. Effective November 19, 2024, with a view toward maximizing investor returns, the Board of Directors declared the reinstatement of a quarterly dividend, with a payment of $0.25 cents per Common Share payable to holders of Common Shares of record on December 2, 2024 and to be paid on December 20, 2024.

Our clients value our ability to provide seamless support for their talent acquisition needs at all levels. By continuing to diversify our mix of products and services and identifying opportunities to cross-collaborate between our two business segments, we expect to continue to grow both businesses together. We also continue to seek out strategic business and technology acquisition opportunities that align with our client-driven talent offerings.

Please refer to a complete list of risk factors set forth in this MD&A.

ACQUISITIONS, DIVESTITURES AND INVESTMENTS

IQRECRUIT

As discussed in note 5 to the consolidated annual financial statements, on March 1, 2023, we announced the spin-off of our software business from the IQTalent business segment. IQTalent contributed its proprietary software and its dedicated product and development team into a newly formed entity, IQRecruit, Inc. ("IQRecruit") in exchange for approximately 41.9% of the new entity. IQRecruit is currently conducting business under the brand name "HootRecruit". Throughout the year, IQRecruit issued additional equity to its employees as well as outside investors in which we did not participate. As a result, our ownership was diluted to 31.8% as at August 31, 2024. While we own 31.8% of the economic interest in IQRecruit Inc., our voting rights are limited to 20% in accordance with the shareholder agreement. As a result, we have concluded that there is significant influence over this investment, and account for it using the equity method. As required by the equity method of accounting, the carrying amount of the equity investment has been adjusted to reflect our share of IQRecruit's loss. IQTalent is a user and client of the IQRecruit platform through a licensing arrangement that we believe approximates an arm's length client.

In the third quarter of fiscal 2023, we recognized an equity investment and a gain of $1,647, which was equal to the fair value of our proportionate ownership share of IQRecruit Inc., net of any related book value. As at August 31, 2024, the value of this equity investment was $911 (August 31, 2023: $1,323). Our share of IQRecruit's net losses, including dilution losses, was $412 for the year ended August 31, 2024 ($302 for the year ended August 31, 2023). Losses at IQRecruit are anticipated to continue during fiscal 2025 as they focus on commercial growth. We are not required to contribute additional capital to IQRecruit, so these losses will not result in cash outlays.

THE COUNSEL NETWORK

As discussed in note 4 to the consolidated annual financial statements, on October 1, 2022, we acquired 100% of the shares of The Counsel Network Inc. ("TCN"), a Canada-based executive search firm specializing in the Canadian legal market.

The acquisition of TCN was an all-cash transaction, funded with cash on hand for total consideration of $2,179, net of cash acquired. Goodwill of $2,000 arising from this acquisition was recorded in the Caldwell Canada CGU.

TCN's results have been included in our statements of earnings since the October 1, 2022 acquisition date.

Acquisition costs totalling $68 were recorded as part of acquisition-related expenses in the first quarter of fiscal 2023. No further acquisition-related expenses were incurred as a result of this transaction.

APPLIED BEHAVIOURAL ACADEMY

On November 22, 2021, the Company acquired certain assets and the operations of Stratus Holding Company Inc., a corporation incorporated under the laws of the State of Michigan and doing business as Applied Behavioral Academy ("ABA"), a behavioural and cognitive psychometrics consultancy that leverages scientifically-validated, results-driven tools to assess talent and to align people and business strategies, driving better business results.

The acquisition-related consideration was funded with cash on hand, with $250 USD ($314 CAD) paid at close on November 22, 2021, and $250 USD ($315 CAD) paid at close on November 22, 2022.

The entire purchase price of $500 USD was allocated to goodwill attributable to the skills and technical talent of ABA's workforce, in the Caldwell business segment.

IQTALENT

As discussed in note 4 to the consolidated annual financial statements, on December 31, 2020, through the acquisition of 100% of the shares of IQTalent, a Nashville-based talent acquisition firm, we established a separate business segment. IQTalent specializes in on-demand talent acquisition augmentation solutions.

A significant portion of the IQTalent purchase price was related to payments that were contingent on the related employees or the selling shareholders being actively employed as at the payment date, and were recognized as compensation expense. These costs had suppressed the profitability of IQTalent during the amortization period, which ended on December 31, 2022. IQTalent's acquisition-related costs were $nil for the three and twelve months ended August 31, 2024 (three and twelve months ended August 31, 2023: $nil and $811, respectively).

SUMMARY OF QUARTERLY RESULTS

We monitor our consolidated business results based on reviewing select financial information. The following are select financial line items for the most recent eight quarters, derived from the unaudited interim period financial statements, and do not represent a complete statement of earnings:

	2023				2024			
	Q1	*Q2*	*Q3*	*Q4*	*Q1*	*Q2*	*Q3*	*Q4*
Professional Fees - Caldwell	$ 16,975	$ 16,705	$ 21,488	$ 21,934	$ 14,166	$ 14,946	$ 26,400	$ 19,157
Professional Fees - IQTalent	$ 6,714	$ 4,745	$ 4,448	$ 3,924	$ 3,170	$ 2,741	$ 2,838	$ 2,894
Consolidated Professional Fees	$ 23,689	$ 21,450	$ 25,936	$ 25,858	$ 17,336	$ 17,687	$ 29,238	$ 22,051
Direct expense reimbursements	$ 220	$ 133	$ 220	$ 295	$ 199	$ 179	$ 279	$ 182
Revenue	$ 23,909	$ 21,583	$ 26,156	$ 26,153	$ 17,535	$ 17,866	$ 29,517	$ 22,233
Cost of sales	$ 20,926	$ 18,266	$ 21,126	$ 20,394	$ 15,044	$ 14,061	$ 21,993	$ 17,522
Reimbursed direct expenses	$ 220	$ 133	$ 220	$ 295	$ 199	$ 179	$ 279	$ 182
Gross profit	$ 2,763	$ 3,184	$ 4,810	$ 5,464	$ 2,292	$ 3,626	$ 7,245	$ 4,529
Gross profit as a %ge of Professional Fees	11.7%	14.8%	18.5%	21.1%	13.2%	20.5%	24.8%	20.5%
Selling, general and administrative	$ 5,088	$ 6,070	$ 3,825	$ 4,235	$ 4,522	$ 4,783	$ 4,849	$ 4,458
Restructuring and other (income) expenses	$ 2,530	$ -	$ -	$ 8,061	$ (7,979)	$ -	$ -	$ -
Acquisition-related expenses	$ 675	$ 204	$ -	$ -	$ -	$ -	$ -	$ -
Net operating profit (loss)	$ (5,530)	$ (3,090)	$ 985	$ (6,832)	$ 5,749	$ (1,157)	$ 2,396	$ 71
Finance expenses (income)	$ (120)	$ 56	$ (1,063)	$ 596	$ 412	$ 83	$ 37	$ 278
Net earnings (loss) before tax	$ (5,410)	$ (3,146)	$ 2,048	$ (7,428)	$ 5,337	$ (1,240)	$ 2,359	$ (207)
Income tax expense (recovery)	$ (1,467)	$ (826)	$ 583	$ (923)	$ 1,559	$ (375)	$ 613	$ 264
Effective income tax rate	27.1%	26.3%	28.5%	12.4%	29.2%	30.2%	26.0%	(127.5%)
Net earnings (loss) after tax	$ (3,943)	$ (2,320)	$ 1,465	$ (6,505)	$ 3,778	$ (865)	$ 1,746	$ (471)
Basic earnings (loss) per share	$ (0.152)	$ (0.090)	$ 0.057	$ (0.248)	$ 0.128	$ (0.029)	$ 0.059	$ (0.016)
Fully diluted earnings (loss) per share	$ (0.152)	$ (0.090)	$ 0.056	$ (0.248)	$ 0.128	$ (0.029)	$ 0.059	$ (0.016)

[1] IQTalent professional fees are shown net of the elimination of intercompany revenue.

Notable financial items have impacted the above quarterly results. This chart should be read in conjunction with each quarter's MD&A as filed on SEDAR to better understand the impact of such items.

BUSINESS SEGMENT KEY PERFORMANCE INDICATORS

We also measure certain key performance indicators ("KPIs") for each of our business segments. Please refer to the Non-GAAP Financial Measures and Other Operating Measures section in this MD&A for defined terms. The following are select KPIs for the most recent eight quarters:

Caldwell:

	2023				2024			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Professional Fees - Caldwell	$ 16,975	$ 16,705	$ 21,488	$ 21,934	$ 14,166	$ 14,946	$ 26,400	$ 19,157
Period end number of partners	50	51	49	49	44	45	47	49
Average Number of Partners	47.8	51.4	50.3	49.0	46.3	44.5	46.0	48.0
Annualized Professional Fees per Partner	$ 1,421	$ 1,300	$ 1,708	$ 1,791	$ 1,224	$ 1,343	$ 2,296	$ 1,596
Number of Assignments	113	104	128	106	93	121	166	95
Number of Assignments per Partner	2.4	2.0	2.5	2.2	2.0	2.7	3.6	2.0
Average Fee per Assignment	$ 150	$ 161	$ 168	$ 207	$ 152	$ 124	$ 159	$ 202

IQTalent:

	2023				2024			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Professional Fees - IQTalent	$ 6,714	$ 4,745	$ 4,448	$ 3,924	$ 3,170	$ 2,741	$ 2,838	$ 2,894
Number of Business Days	62	59	65	65	62	61	65	64
Average Fees Billed per Business Day	$ 108	$ 80	$ 68	$ 60	$ 51	$ 45	$ 44	$ 45
Proportion of Contract Professionals	14%	10%	8%	9%	7%	10%	17%	24%
Utlization Rate	76%	88%	92%	89%	93%	89%	94%	93%
Average Number of Active Clients	100	79	77	65	54	62	53	46
Average Revenue per Active Client	$ 67	$ 60	$ 58	$ 60	$ 59	$ 44	$ 54	$ 63

Consolidated:

	2023				2024			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Unencumbered Cash	$ 12,672	$ 7,985	$ 7,306	$ 9,563	$ 8,530	$ 7,217	$ 9,420	$ 9,585
Average Period End Share Price	$ 1.76	$ 1.58	$ 1.09	$ 0.90	$ 0.73	$ 0.71	$ 0.78	$ 1.03
Share Price Impact on Operating Profit	$ 488	$ 344	$ 784	$ 43	$ 155	$ 12	$ (80)	$ (124)

OPERATING RESULTS AND DISCUSSION OF CHANGES TO PRIOR YEAR

Our presentation currency is the Canadian dollar. Segment discussions within are in Canadian dollars at foreign exchange rates in effect during the respective periods. The following charts provide a reconciliation of the Company's consolidated statements of earnings by business line segment to the consolidated results:

	Three months ended August 31, 2024			
	Caldwell	IQTalent	Elimination	Total
Professional fees	19,157	2,894	-	22,051
Direct expense reimbursements	182	-	-	182
Revenues	19,339	2,894	-	22,233
Cost of sales	15,397	2,125	-	17,522
Reimbursed direct expenses	182	-	-	182
Gross profit	3,760	769	-	4,529
Gross profit as a % of professional fees	19.6%	26.6%		20.5%
Selling, general and administrative	3,716	742	-	4,458
Operating profit	44	27	-	71
Interest expense on lease liability	105	-	-	105
Investment (income) expense	(584)	571	-	(13)
Foreign exchange loss	186	-	-	186
Profit (loss) before tax	337	(544)	-	(207)
Income tax expense	180	84	-	264
Net profit (loss) for the period	157	(628)	-	(471)

	Three months ended August 31, 2023			
	Caldwell	IQTalent	Elimination	Total
Professional fees	21,934	3,963	(39)	25,858
Direct expense reimbursements	295	-	-	295
Revenues	22,229	3,963	(39)	26,153
Cost of sales	17,160	3,273	(39)	20,394
Reimbursed direct expenses	295	-	-	295
Gross profit	4,774	690	-	5,464
Gross profit as a % of professional fees	21.8%	17.4%		21.1%
Selling, general and administrative	2,847	1,388	-	4,235
Restructuring and other	-	8,061		8,061
Operating profit (loss)	1,927	(8,759)	-	(6,832)
Interest expense on lease liability	71	309	-	380
Investment (income) expenses	(394)	490	-	96
Foreign exchange loss	120	-	-	120
Earnings (loss) before tax	2,130	(9,558)	-	(7,428)
Income tax expense (benefit)	1,605	(2,528)	-	(923)
Net earnings (loss) for the period	525	(7,030)	-	(6,505)

	Twelve months ended August 31, 2024			
	Caldwell	IQTalent	Elimination	Total
Professional fees	74,669	11,679	(36)	86,312
Direct expense reimbursements	839	-	-	839
Revenues	75,508	11,679	(36)	87,151
Cost of sales	59,073	9,583	(36)	68,620
Reimbursed direct expenses	839	-	-	839
Gross profit	15,596	2,096	-	17,692
Gross profit as a % of professional fees	20.9%	17.9%		20.5%
Selling, general and administrative	14,605	4,007	-	18,612
Restructuring and other	-	(7,979)	-	(7,979)
Operating profit	991	6,068	-	7,059
Interest expense on lease liability	380	335	-	715
Investment (income) expense	(2,092)	1,959	-	(133)
Foreign exchange loss	228	-	-	228
Earnings before tax	2,475	3,774	-	6,249
Income tax expense	686	1,375	-	2,061
Net earnings for the period	1,789	2,399	-	4,188

	Twelve months ended August 31, 2023			
	Caldwell	IQTalent	Elimination	Total
Professional fees	77,102	20,024	(193)	96,933
Direct expense reimbursements	868	-	-	868
Revenues	77,970	20,024	(193)	97,801
Cost of sales	62,184	18,721	(193)	80,712
Reimbursed direct expenses	868	-	-	868
Gross profit	14,918	1,303	-	16,221
Gross profit as a % of professional fees	19.3%	6.5%		16.7%
Selling, general and administrative	12,228	6,990	-	19,218
Restructuring and other	266	10,325	-	10,591
Acquisition-related expenses	68	811	-	879
Operating proft (loss)	2,356	(16,823)	-	(14,467)
Interest expense on lease liability	277	621	-	898
Investment income	(1,413)	(222)	-	(1,635)
Foreign exchange loss	206	-	-	206
Earnings (loss) before tax	3,286	(17,222)	-	(13,936)
Income tax expense (recovery)	1,948	(4,581)	-	(2,633)
Net earnings (loss) for the period	1,338	(12,641)	-	(11,303)

Our presentation currency is the Canadian dollar. Our functional currencies follow the geographies of our subsidiaries and include the Canadian dollar, the US dollar and the British pound. Approximately 74% of our revenue was in the functional currency of the US dollar for fiscal 2024. The following table summarizes the foreign exchange rates impacting the business during fiscal 2024 and 2023 according to geographic segment and relative to the Canadian dollar:

Functional Currency	F'24		F'23	
	Q4	Year-to-date	Q4	Year-to-date
United States				
US dollar – average	1.37	1.36	1.33	1.35
US dollar – period end	1.35	1.35	1.33	1.35
Europe				
British pound – average	1.76	1.72	1.70	1.64
British pound – period end	1.77	1.77	1.70	1.65

To better explain our operating result changes, the following charts show the impact that fluctuations in exchange rates had on our business relative to the prior year. The results from our Caldwell and IQTalent segments are reflected as follows:

	Three months ended August 31,					
Caldwell	2024 As Reported	FX[1]	Constant Currency	2023 As Reported	$ variance	% variance
Professional fees	19,157	(436)	18,721	21,934	(3,213)	-14.6%
Direct expense reimbursements	182	(4)	178	295	(117)	-39.7%
Revenues	19,339	(440)	18,899	22,229	(3,330)	-15.0%
Cost of Sales	15,397	(335)	15,062	17,160	(2,098)	-12.2%
Reimbursed direct expenses	182	(4)	178	295	(117)	-39.7%
Gross profit	3,760	(101)	3,659	4,774	(1,115)	-23.4%
Gross profit as % of professional fees	19.6%	23.2%	19.5%	21.8%		
Selling, general and administrative	3,716	(169)	3,547	2,847	700	24.6%
Operating profit	44	68	112	1,927	(1,815)	-94.2%

	Twelve months ended August 31,					
Caldwell	2024 As Reported	FX[1]	Constant Currency	2023 As Reported	$ variance	% variance
Professional fees	74,669	(807)	73,862	77,102	(3,240)	-4.2%
Direct expense reimbursements	839	(7)	832	868	(36)	-4.1%
Revenues	75,508	(814)	74,694	77,970	(3,276)	-4.2%
Cost of Sales	59,073	(637)	58,436	62,184	(3,748)	-6.0%
Reimbursed direct expenses	839	(7)	832	868	(36)	-4.1%
Gross profit	15,596	(170)	15,426	14,918	508	3.4%
Gross profit as % of professional fees	20.9%	21.1%	20.9%	19.3%		
Selling, general and administrative	14,605	(249)	14,356	12,228	2,128	17.4%
Restructuring and other	-	-	-	266	(266)	n/a
Acquisition-related expenses	-	-	-	68	(68)	n/a
Operating profit	991	79	1,070	2,356	(1,286)	-54.6%

[1] Impact of adjusting foreign exchange rates to fiscal 2023 actual rates

IQTalent	2024 As Reported	FX[1]	Constant Currency	2023 As Reported	$ variance	% variance
	Three months ended August 31,					
Professional fees	2,894	(63)	2,831	3,963	(1,132)	-28.6%
Revenues	2,894	(63)	2,831	3,963	(1,132)	-28.6%
Cost of Sales	2,125	(52)	2,073	3,273	(1,200)	-36.7%
Gross profit	769	(11)	758	690	68	9.9%
Gross profit as % of professional fees	26.6%	17.5%	26.8%	17.4%		
Selling, general and administrative	742	(20)	722	1,388	(666)	-48.0%
Restructuring and other	-	-	-	8,061	(8,061)	-100.0%
Operating profit (loss)	27	9	36	(8,759)	8,795	-100.4%

IQTalent	2024 As Reported	FX[1]	Constant Currency	2023 As Reported	$ variance	% variance
	Twelve months ended Aug 31,					
Professional fees	11,679	(112)	11,567	20,024	(8,457)	-42.2%
Revenues	11,679	(112)	11,567	20,024	(8,457)	-42.2%
Cost of Sales	9,583	(91)	9,492	18,721	(9,229)	-49.3%
Gross profit	2,096	(21)	2,075	1,303	772	59.2%
Gross profit as % of professional fees	17.9%	18.8%	17.9%	6.5%		
Selling, general and administrative	4,007	(36)	3,971	6,990	(3,019)	-43.2%
Restructuring and other	(7,979)	84	(7,895)	10,325	(18,220)	176.5%
Acquisition-related expenses	-	-	-	811	(811)	n/a
Operating profit (loss)	6,068	(69)	5,999	(16,823)	22,822	135.7%

[1] Impact of adjusting foreign exchange rates to fiscal 2023 actual rates

REVENUE

PROFESSIONAL FEES

Fourth Quarter Professional Fees

Consolidated:

Professional fees for the fourth quarter of 2024 decreased 14.7% over the same period last year to $22,051 (2023: $25,858). Caldwell's professional fees decreased 12.7% to $19,157 (2023: $21,934) and IQTalent decreased 27.0% to $2,894 (2023: $3,963 less $39 of eliminated intercompany revenue).

Caldwell:

Exchange rate changes over the prior year had a favourable impact of $436. On a constant currency basis, Caldwell's professional fees for the fourth quarter of 2024 decreased 14.6% over the same period last year to $18,721 (2023: $21,934). The change in professional fees resulted from:

- A 10.4% decrease in the Number of Assignments to 95 (2023: 106), the result of:
  - A lower Number of Assignments per Partner at 2.0 (2023: 2.2); and
  - A lower Average Number of Partners at 48.0 (2023: 49.0)

- A lower Average Fee per Assignment of $197 at constant currency (2023: $207)

IQTalent (before eliminating intercompany):
Exchange rate changes over the prior year had a favourable impact of $63. On a constant currency basis, IQTalent's professional fees for the fourth quarter of 2024 decreased 28.6% over the same period last year to $2,831 (2023: $3,963). The decrease in professional fees on a constant currency basis resulted from lower Average Fees Billed per Business Day in the fourth quarter of 2024 of $44 (2023: $60), which was driven by a lower Average Number of Active Clients of 46 (2023: 65), partially offset by a higher Average Revenue per Active Client of $62 (2023: $61).

Year-to-Date Professional Fees

Consolidated:
Professional fees for the year decreased 11.0% to $86,312 (2023: $96,933). Caldwell's professional fees decreased 3.2% to $74,669 (2023: $77,102) and IQTalent's professional fees decreased 41.3% to $11,643 ($11,679 less $36 in eliminating intercompany) (2023: $20,024 less $193 in eliminating intercompany).

Caldwell:
Exchange rate changes over the prior year had a favourable impact of $807. On a constant currency basis, professional fees for the year decreased 4.2% over the same period last year to $73,862 (2023: $77,102). The change in professional fees resulted from:

- A lower Average Fee per Assignment of $155 at constancy currency (2023: $171), partially offset by;
- A 5.3% increase in the Number of Assignments to 475 (2023: 451), the result of:
    - A higher Number of Assignments per Partner at 10.2 (2023: 9.1), partially offset by;
    - A lower Average Number of Partners at 46.4 (2023: 49.5) that decrease the fee-producing base

IQTalent (before eliminating intercompany):
Exchange rate changes over the prior year had a favourable impact of $112. On a constant currency basis, professional fees for the year decreased 42.2% to $11,567 (2023: $20,024). The decrease in professional fees on a constant currency basis resulted from lower Average Fees Billed per Business Day in fiscal 2024 of $46 (2023: $79), which was driven by a lower Average Number of Active Clients of 54 (2023: 80) and a lower Average Revenue per Active Client of $214 (2023: $245).

DIRECT EXPENSE REIMBURSEMENTS

Direct expenses incurred and billed to clients during the fourth quarter of fiscal 2024 were $182 (2023: $295). Year-to-date direct expenses incurred and billed to clients were $839 (2023: $868). Expense reimbursements all pertain to Caldwell. Direct expenses continue to remain lower than pre-pandemic levels, resulting from reduced partner and candidate travel costs due to the increased use of remote work technology and virtual meetings. As direct expense reimbursements equal the expenses incurred, there is no direct impact on our profitability caused by fluctuations in these expenses.

COST OF SALES

Fourth Quarter Cost of Sales

Consolidated:
Cost of sales for the fourth quarter of 2024 decreased 14.1% over the same period last year to $17,522 (2023: $20,394). On a segment basis, Caldwell's cost of sales decreased 10.3% to $15,397 (2023: 17,160), and IQTalent's decreased 34.3% to $2,125 (2023: $3,273 less $39 of eliminated intercompany costs). As a percentage of professional fees, consolidated cost of sales increased to 79.5% in the fourth quarter of 2024 from 78.9% in the same period last year.

Caldwell (before eliminating intercompany):
Exchange rate changes over the same period last year had an unfavourable impact of $335. On a constant currency basis, Caldwell's fourth quarter cost of sales decreased 12.2% to $15,062 (2023: $17,160). Cost of sales as a percentage of professional fees increased to 80.5% in the fourth quarter of 2024 from 78.2% in the same period last year due to the following factors:

- Higher partner support personnel compensation as a percentage of professional fees (increase of 5.0% as a percentage of professional fees). Non-partner personnel costs are semi-fixed and tend to rise as a percentage of professional fees during periods of revenue decline
- Higher search delivery materials expenses as a percentage of revenue, which are semi-fixed in nature and tend to rise as a percentage of professional fees during periods of revenue decline (increase of 0.7% as a percentage of professional fees); partially offset by
- Lower partner compensation as a percentage of professional fees resulting from a reduction in average partner compensation tiers in the current period as professional fees were declining compared to the stable professional fee trends seen in last year's fourth quarter (decrease of 3.4% as a percentage of professional fees)

IQTalent:
Exchange rate changes over the same period last year had an unfavourable impact of $52. On a constant currency basis, IQTalent's fourth quarter cost of sales decreased by 36.7% to $2,073 (2023: $3,273). Cost of sales as a percentage of professional fees decreased to 73.2% in the fourth quarter of 2024 from 82.6% in the same period last year. The decrease in cost of sales as a percentage of professional fees during the current quarter is the result of actions taken in fiscal 2023 and through the current year to align cost of sales to the decreased revenue. Actions included restructuring activities, as described in the Restructuring and Other section below, staff reductions to match revenue declines resulting in higher utilization rates, and other cost-reduction measures.

Year-to-Date Cost of Sales

Consolidated:
Cost of sales for the year decreased 15.0% to $68,620 (2023: $80,712). On a segment basis, Caldwell's cost of sales decreased 5.0% to $59,073 (2023: $62,184) while IQTalent's decreased 48.5% to $9,547 ($9,583 less $36 of eliminated intercompany costs) (2023: $18,721 less $193 of eliminated intercompany costs). As a percentage of professional fees, cost of sales decreased to 79.5% from 83.3% last year.

Caldwell (before eliminating intercompany):
Exchange rate changes over the prior year had an unfavourable impact of $637. On a constant currency basis, cost of sales for the year decreased 6.0% to $58,436 (2023: $62,184). As a percentage of professional fees, cost of sales decreased to 79.1% from 80.7% in the same period last year, as a result of the following factors:

- Lower partner compensation from lower average commission tiers on lower Annualized Professional Fees per Partner (decrease of 3.5% as a percentage of professional fees); partially offset by
- Higher partner support personnel compensation as a percentage of professional fees (increase of 1.6% as a percentage of professional fees). Non-partner personnel costs are semi-fixed and tend to rise as a percentage of professional fees during periods of revenue decline.
- Higher semi-fixed search delivery materials expenses as a percentage of professional fees (increase of 0.3% as a percentage of professional fees)

IQTalent:
Exchange rate changes over the prior year had an unfavourable impact of $91. On a constant currency basis, IQTalent's cost of sales for the year decreased by 49.3% to $9,492 (2023: $18,721). Cost of sales as a percentage of professional fees decreased to 82.1% in the current year from 93.5% last year. The decrease in cost of sales is the result of actions taken in fiscal 2023 and through the current year to align cost of sales to the decreased revenue as described in the Restructuring and Other section below. Actions included staff reductions to match revenue declines resulting in higher utilization rates, and other cost-reduction measures.

GROSS PROFIT

Fourth Quarter Gross Profit

On a consolidated basis, gross profit decreased 17.1% from the same period last year to $4,529 (2023: $5,464). As a percentage of professional fees, gross margin decreased to 20.5% from 21.1%.

Caldwell's gross profit decreased to $3,760 (2023: $4,774), while the gross margin decreased to 19.6% (2023: 21.8%). The decrease in Caldwell's gross profit in the current quarter was driven by professional fees declining faster than the cost of sales, some of which are semi-fixed in nature, as discussed above.

IQTalent's gross profit increased to $769 (2023: $690) while the gross margin increased to 26.6% (2023: 17.4%). The increase in IQTalent's gross profit was driven by the impact of actions taken in fiscal 2023 and through the current year to right-size the cost structure to better reflect the lower demand that began to impact IQTalent's business in the fourth quarter of 2022, as discussed above.

Year-to-Date Gross Profit

On a consolidated basis, gross profit increased 9.1% to $17,692 (2023: $16,221). As a percentage of professional fees, gross margin increased to 20.5% from 16.7%.

Caldwell's gross profit increased to $15,596 (2023: $14,918) while the gross margin increased to 20.9% (2023: 19.3%). The increase in Caldwell's gross profit was driven by cost of sales declining faster than professional fees, resulting from cost management measures in response to volatility in professional fees.

IQTalent's gross profit was $2,096 (2023: $1,303) while the gross margin increased to 17.9% (2023: 6.5%). The increase in gross profit in IQTalent was driven by the cost management measures implemented in fiscal 2023, including restructuring activities, as well as ongoing cost management measures throughout the current year in response to lower revenue.

SELLING, GENERAL AND ADMINISTRATIVE EXPENSES (SG&A)

Fourth Quarter SG&A

Consolidated:
In the fourth quarter, SG&A increased 5.3% to $4,458 (2023: $4,235) over the same period last year. On a segment basis, Caldwell's SG&A increased 30.5% to $3,716 (2023: 2,847), and IQTalent's SG&A decreased 46.5% to $742 (2023: 1,388).

Caldwell:
Exchange rate changes had an unfavourable impact of $169. On a constant currency basis fourth quarter SG&A increased 24.6% to $3,547 (2023: $2,847). The $700 constant currency increase resulted from the following:

Unfavourable variances:

- Increased share-based compensation expense ($649), the result of:
    - Relative changes to our share price during each period resulting in an unfavourable variance ($477).
        - PSU and DSU expenses can be significantly impacted by changes in the weighted average share price at the end of each period. In the fourth quarter of the current year, a 32% increase in the weighted average share price from $0.78 at May 31, 2024 to $1.03 at August 31, 2024 increased costs by $211. In the previous year, a 17.4% decrease in the weighted average share price from

        $1.09 at May 31, 2023 to $0.90 at August 31, 2023 decreased costs by $266. The combination of these movements resulted in an unfavourable variance of $477 year-over-year.
    - An increase in the PSU performance factor in the current year resulted in an unfavourable variances ($172).
- Miscellaneous net unfavourable variances across smaller cost areas ($51)

IQTalent:
Exchange rate changes had an unfavourable impact of $20. On a constant currency basis fourth quarter SG&A was $722 (2023: $1,388). The $666 constant currency decrease was primarily the result of:

- Lower office expenses as a result of exiting the Nashville lease on February 29, 2024 ($364)
- Lower corporate salary-related expenses resulting from senior management exits and general head count reductions ($211)
- Miscellaneous net favourable variances across smaller cost areas, driven by our cost-management measures ($91).

Year-to-Date SG&A

Consolidated:
SG&A for the year ended August 31, 2024 decreased 3.2% to $18,612 (2023: $19,218). On a segment basis, Caldwell's SG&A increased 19.4% to $14,605 (2023: 12,228), and IQTalent's SG&A decreased 42.7% to $4,007 (2023: 6,990).

Caldwell:
Exchange rate changes had an unfavourable impact of $249. On a constant currency basis SG&A increased 17.4% to $14,356 (2023: $12,228). The $2,128 constant currency increase resulted from the following:

Unfavourable variances:

- Higher share-based compensation expense ($1,464), the result of:
    - Relative changes to our share price during each period resulting in an unfavourable variance ($1,693).
        - PSU and DSU expense can be significantly impacted by changes in the weighted average share price at the end of each period. In the current year the weighted average share price increased 14% from $0.90 at the end of fiscal 2023 to $1.03 at the end of the fourth quarter of fiscal 2024, increasing costs by approximately $124. During the same period last year the weighted average share price declined 52% from $1.89 at the end of fiscal 2022 to $0.90 at the end of fiscal 2023, reducing costs by approximately $1,569. The combination of these two movements resulted in the net $1,693 unfavourable expense difference from share price movement between the current period and prior period.
    - Partially offset by decreases in the number of outstanding PSU and DSU grants to which the share price applies, resulting in favourable variances ($229).

- Higher compensation expenses related to management bonus accruals in the current period, reflecting current year performance, compared to reduced bonus accruals in the prior period ($906)
- Higher recruitment expense related to new partner and consultant hires ($642)

Favourable variances:

- Lower expenses related to fewer in-person meetings, including the cancellation of our annual in-person partner conference, in the current fiscal year, as part of overall cost-management measures ($612)
- Lower office-related expenses as a result of consolidation in our leased real estate portfolio ($239)
- Miscellaneous net unfavourable variances across smaller cost areas ($33)

IQTalent:
Exchange rate changes had an unfavourable impact of $36. On a constant currency basis, SG&A decreased 43.2% to $3,971 (2023: $6,990). The $3,019 constant currency decrease is the result of:

- Lower salaries and benefits on lower corporate support personnel headcount, driven by the spin-off of our software development business on March 1, 2023, and senior management general staff reductions ($1,566)
- Lower office-related expenses as a result of exiting the Nashville lease at the end of the second quarter of the current year, as discussed in the Restructuring and Other section below as well as note 11 of the consolidated interim financial statements ($776)
- Lower legal expenses related to due diligence services for two transactions ultimately not pursued in the prior fiscal year due to deteriorating business conditions impacting the target ($453)
- Lower staff meeting expenses driven by lower headcount ($224)

RESTRUCTURING AND OTHER

In fiscal 2023, restructuring expenses were incurred to reorganize our operations, including severances and the impairment of certain commercial lease right-of-use assets. In the first quarter of fiscal 2024, restructuring income was related to the termination of the IQTalent lease, net of other expenses, including separation payments. There were no further actions recorded as restructuring activities in the rest of fiscal 2024.

In the first quarter of 2023, IQTalent reduced its staff in response to market conditions resulting in severance costs of $2,264, which were fully paid in the first quarter of 2023. At the same time, we entered into an agreement to sublease the Caldwell office space in San Francisco for the remaining 11 months of its lease term, resulting in a net impairment expense of $266, which was presented as part of restructuring expenses in the consolidated statement of earnings.

Additional staff reductions throughout the year at IQTalent resulted in the re-evaluation of real estate needs and the decision to sublease a portion of the leased space in Nashville. As a result, in the fourth quarter of 2023, IQTalent recognized an impairment charge of $8,061 comprised of the following:

- $6,453 related to the impairment of the Nashville right-of-use asset. The charge reflected the then-current local commercial real estate market and the expectation that the sublease would be at a discount to the head lease rate.
- $1,608 related to other direct charges for subleasing the space including future period operating expenses payable to the landlord. These accruals were classified as $687 in current other liabilities and $921 in non-current other liabilities in the consolidated statement of financial position.

On October 6, 2023, we announced that David Windley was stepping down as President of IQTalent and resigning from the Caldwell Board of Directors effective that day. Related net separation payments of $1,089 payable in equal monthly installments over 18 months were recognized as part of restructuring expenses in the first quarter of fiscal 2024, and are presented as part of compensation payable on the consolidated statement of financial position.

On November 30, 2023, we negotiated a full penalty-free termination of IQTalent's leased facilities in Nashville. As a result, in the first quarter of fiscal 2024, IQTalent derecognized the related lease liability, right-of-use asset, fixed assets, and other liabilities for direct charges related to the space, less certain professional fees related to the lease and its termination. This resulted in a net lease termination gain of $9,068. IQTalent recognized expenses of $236 related to other direct charges such as operating expenses payable to the landlord and certain professional fees. Consistent with the termination agreement, IQTalent vacated the space on February 29, 2024.

See note 11 to the consolidated annual financial statements and the Executive Summary of Operating Results and Business Outlook section of this Management Discussion and Analysis for further details.

ACQUISITION-RELATED EXPENSES

On October 1, 2022, we acquired 100% of the shares of The Counsel Network Inc. ("TCN"), a Canada-based executive search firm specializing in the Canadian legal market. Acquisition costs totalling $68 were recorded as part of acquisition-related expenses in the first quarter of fiscal 2023. No further acquisition-related expenses were incurred as a result of this transaction.

On December 31, 2020, through the acquisition of 100% of the shares of IQTalent, a Nashville-based talent acquisition firm, we established a separate business segment, IQTalent, specializing in on-demand talent acquisition augmentation solutions. A significant portion of the IQTalent purchase price was related to payments that were contingent on the related employees or the selling shareholders being actively employed as at the payment date, and were recognized as compensation expense. These costs had suppressed the profitability of IQTalent during the amortization period, which ended on December 31, 2022. IQTalent's acquisition-related costs were $nil for the three and twelve months ended August 31, 2024 (three and twelve months ended August 31, 2023: $nil and $811, respectively).

OPERATING PROFIT

Fourth Quarter Operating Profit

Consolidated operating profit was $71 (2023: operating loss of $6,832). The $6,903 favourable change relates to a decrease in restructuring expenses of $8,061, partially offset by a decrease in gross profit of $935 and higher SG&A expenses of $223, all of which are discussed in further detail above. On a segment basis, Caldwell generated an operating profit of $44, (2023: operating profit of $1,927) and IQTalent generated an operating profit of $27 (2023: operating loss of $8,759).

Year-to-Date Operating Profit

Consolidated operating profit was $7,059 (2023: operating loss of $14,467). The $21,526 favourable change relates to an increase in gross profit of $1,471, a decrease in general and administrative expenses of $606, a decrease in restructuring expenses of $18,570, and a decrease in total acquisition-related expenses of $879, all discussed in further detail above.

On a segment basis, Caldwell generated an operating profit of $991 (2023: operating profit of $2,356) and IQTalent generated an operating profit of $6,068 (2023: operating loss of $16,823).

INVESTMENT INCOME

We currently invest cash balances in highly-liquid cash equivalent investments including term deposits, certificates of deposit and cash savings accounts. These investments generate interest income.

Certain investments are generated from search services with clients in the form of equity grants in the client company. For such grants, compensation equal to 65% of the investment is paid to the respective search partner upon monetization of the investment. All rights to the partners' 65% of the equity instruments are transferred and assigned beneficially to the respective partner, and a partner's entitlement to any amounts upon liquidation is not contingent upon being employed at the time of liquidation. As a result, the gross asset value and compensation payable are offset, with the investment recorded at the net amount to which we have economic rights.

We have designated the client equity investments within marketable securities at fair value through OCI. As a result, these marketable securities are recorded at fair value, with gains and losses recorded in other comprehensive income. Our policy regarding client equity investments within marketable securities is to sell the investments as soon as we are reasonably able to do so.

On March 1, 2023, we announced the spin-off of our software business from the IQTalent business segment. IQTalent contributed its proprietary software and dedicated product and development team into a newly formed entity, IQRecruit, Inc. ("IQRecruit") in exchange for approximately 41.9% of the new entity. IQRecruit is currently conducting business under the brand name "HootRecruit". Throughout the year, IQRecruit issued additional equity to its employees as well as outside investors in which we did not participate. As a result, our ownership was diluted to 31.8% as at August 31, 2024.

While we own 31.8% of the economic interest in IQRecruit Inc., our voting rights are limited to 20% in accordance with the shareholder agreement. As a result, we have concluded that there is significant influence over this investment, and account for it using the equity method. As required by the equity method of accounting, the carrying amount of the equity investment has been adjusted to reflect ourshare of IQRecruit's loss. IQTalent is a user and client of the IQRecruit platform through a licensing arrangement that we believe approximates an arm's length client. Please see note 5 to the consolidated annual financial statements for details.

For the fourth quarter of 2024, we reported investment income of $13 (2023: investment expense of $96) consisting of interest on term deposits of $163 (2023: $42), partially offset by our proportionate share of IQRecruit's losses of $150 (2023: $138). For the fourth quarter of 2024, we recognized as part of other comprehensive income net realized gains or losses of $nil (2023: $nil) and unrealized gains or losses on marketable securities of $nil (2023: gains of $63).

For the year ended August 31, 2024, we reported investment income of $133 (2023: investment income $1,635) consisting of interest on term deposits of $545 (2023: $312), partially offset by our proportionate share of IQRecruit's losses of $412 (2023: gain of $1,323). For the year ended August 31, 2024, we recognized as part of other comprehensive income net realized gains or losses of $nil (2023: $nil) and unrealized gains on marketable securities of $35 (2023: gains of $44).

INCOME TAXES

Our effective tax rate on a consolidated basis has been historically high relative to the statutory tax rates we experience in each of our geographies. This was primarily the result of earnings before tax generated in the US and Canada where we are in tax-paying situations, and losses before tax in the UK where, due to the uncertainty of utilizing losses against future taxable income, we have not recognized deferred tax assets. Our income tax expense therefore effectively represents the tax on our US and Canadian operations. In periods when the UK is profitable, we do not need to recognize tax expense until our historical tax loss carryforwards have been fully utilized, or until we recognize UK deferred tax assets on the loss carryforwards once we can demonstrate sustainable taxable income in the UK. Therefore, in periods where the UK generates profit, we incur lower than expected taxes based on statutory tax rates.

IQTalent files a consolidated tax return with Caldwell in the United States.

A net income tax expense of $264 was recorded in the fourth quarter of 2024 (2023: recovery of $923). The effective income tax rate for the three months ended August 31, 2024 was 127.5% (2023: 12.4%). The detailed calculation of deferred tax assets and liabilities is prepared at year-end. Deferred taxes are adjusted for non-deductible expenses and adjustments related to prior year taxes and are recorded in the fourth quarter.

On a segment basis, Caldwell had fourth-quarter income tax expense of $180 (2023: expense of $1,605). IQTalent had fourth-quarter income tax expense of $84 (2023: recovery of $2,528).

Income tax expense for the year ended August 31, 2024 was $2,061 (2023: recovery of $2,633). The effective income tax rate for the year was 33.0% (2023: 18.9%), reflecting the impact of certain permanent differences arising from non-deductible expenses and adjustments pertaining to prior year loss carryback estimates.

On a segment basis, Caldwell had full-year income tax expense of $686 (2023: expense of $1,948) and IQTalent recorded a tax expense of $1,375 (2023: recovery of $4,581).

NET EARNINGS AND BASIC EARNINGS PER SHARE

Net loss for the fourth quarter of 2024 was $471 ($0.016 basic loss per share) compared to net loss of $6,505 ($0.248 basic loss per share) in the same period last year.

Net earnings for the year ended August 31, 2024 was $4,188 ($0.142 basic earnings per share) compared to net loss of $11,303 ($0.432 basic loss per share) in the same period last year.

DIVIDENDS

Effective November 19, 2024, with a view toward maximizing investor returns, the Board of Directors today also declared the reinstatement of a quarterly dividend of $0.25 cents per Common Share, payable to holders of Common Shares of record on December 2, 2024, and to be paid on December 20, 2024.

LIQUIDITY AND CAPITAL RESOURCES

We maintain cash balances at various financial institutions and in various geographies through our subsidiaries. While we can move funds between geographies and legal entities, certain dividend taxes may be applicable, including a five percent tax on dividends paid from the United States to Canada. Additionally, to lend or dividend funds between our legal entities, each entity must maintain certain statutory liquidity levels.

As at August 31, 2024, we had cash and cash equivalents of $19,634 (August 31, 2023: $22,053). The $2,419 decrease is primarily the result of losses from operations excluding the one-time non-cash gain related to the IQTalent lease termination.

Our cash and compensation payable balances fluctuate significantly from period to period based on commission payment timing per our executive search business's compensation plans. Compensation payable is generally at its lowest after the largest deferred compensation payments are made at the end of each February and generally grows during subsequent periods. The compensation payable is funded by our cash and accounts receivable balances, which build during the same cycle as the compensation liability and are similarly reduced as cash is used to meet the compensation liability. As a result, the cash balances and compensation payable typically move together. Given these trends, we use the non-GAAP measure of Unencumbered Cash as a more consistent measure of the cash we have available for growth and strategic initiatives.

Unencumbered Cash is defined in the section on Non-GAAP Financial Measures and Other Operating Measures of this document. The following chart sets forth the calculation of Unencumbered Cash and provides a reconciliation to cash and cash-equivalents:

	as at		
	August 31 2024	***August 31 2023***	***increase/ (decrease)***
Current assets			
Cash and cash equivalents	19,634	22,053	(2,419)
Accounts receivable	12,664	12,886	(222)
Income taxes receivable	177	197	(20)
Unbilled revenue	5,859	8,237	(2,378)
Prepaid expenses and other assets	2,327	2,712	(385)
Total current assets	40,661	46,085	(5,424)
Current liabilities			
Accounts payable	3,409	3,181	228
Compensation payable	26,023	28,384	(2,361)
Other liabilities	-	687	(687)
Lease liabilities	1,644	2,788	(1,144)
Current liabilities	31,076	35,040	(3,964)
Non-current acquisition-related compensation	-	1,482	(1,482)
Total net current liabilities within unencumbered cash	31,076	36,522	(5,446)
Total Unencumbered Cash	$9,585	$9,563	$22

Unencumbered cash of $9,585 at August 31, 2024 does not reflect $4,722 (August 31, 2023: $4,373) in net current deferred tax assets that are required to be aggregated with long-term deferred tax assets and presented as non-current in our consolidated statements of financial position.

Accounts receivable were $12,664 at August 31, 2024, down $222 from $12,886 at the end of fiscal 2023. The decrease is the result of lower fiscal 2023 professional fees, which was down $3,807 or 14.7% over last year. Days sales outstanding was 52 days at August 31, 2024, up from 44 days at August 31, 2023, mainly driven by certain larger clients that have extended payment terms. Days sales outstanding is calculated by dividing accounts receivable as at the end of the period by the quarter-to-date average daily revenue. Our allowance for professional fee adjustments was $1,380 at August 31, 2024 compared to $1,217 at August 31, 2023.

Our investment in property and equipment at August 31, 2024 was $1,698, down $81 from $1,779 at the end of fiscal 2023. This reflects additions of $460, disposals of $114, depreciation expense of $428 and exchange rate fluctuations of $1. Additions primarily consist of capital expenditures on leasehold assets in New York and computer equipment, whereas the disposals related to the terminated IQTalent lease in Nashville. See note 6 of the consolidated annual financial statements for details.

At August 31, 2024, our ROU asset was $5,406, down $7,899 from $13,305 at the end of fiscal 2023, reflecting net write-off related to lease modifications of $8,607 and depreciation expense of $1,586 offset by additions of $2,193 and exchange rate fluctuations of $101. See note 13 of the consolidated annual financial statements for details.

At August 31, 2024, our lease liability was $6,502, down $15,297 from $21,799 at the end of fiscal 2023, reflecting a net write-off related to lease modifications of $16,390 and payments of $1,930, offset by additions of $2,177, interest accretion of $715, and exchange rate fluctuations of $131. See note 13 of the consolidated annual financial statements for details.
Total liabilities were $36,626 at August 31, 2024, a decrease of $20,294 from $56,920 at the end of fiscal 2023. The decrease is driven by the decrease in the lease liability as a result of the lease modification in IQTalent.

Shareholders' equity at August 31, 2024 was $32,126 an increase of $4,402 from $27,724 at the end of 2023. The increase reflects the net earnings of $4,188, unrealized gains on marketable securities of $35, an increase to contributed surplus from share-based payments of $259 and currency translation losses on consolidation of $80.

Contractual Obligations

	Total	2025	2026	2027	2028	Thereafter
Accounts payable	3,409	3,409	-	-	-	-
Compensation payable	26,715	26,023	212	166	-	314
Lease liability	6,502	1,644	1,380	1,410	1,196	872
Total	36,626	31,076	1,592	1,576	1,196	1,186

In addition to the above, we also have a contractual obligation to compensate certain partners with time-based milestone bonuses, which will result in a total outlay of approximately 1.7 million over the next four years. This includes payments to partners with signed contracts that are scheduled to start in fiscal 2025. These bonuses are conditional on their continued employment with us. The total of these bonuses is being recognized as a straight-line compensation expense on the basis of the total timeframe they are related to. Cash outlays for our contractual obligations and commitments identified above are expected to be funded by cash on hand and cash generated by operating activities in the outlay's respective year.

OUTSTANDING SHARES

As at August 31, 2024, the authorized share capital of the Company consists of an unlimited number of Common Shares of which 29,558,932 are issued and outstanding (August 31, 2023: 29,558,932). The holders of Common Shares are entitled to share equally, share for share, in all dividends declared by the Company and equally in the event of a liquidation, dissolution or winding-up of the Company or other distribution of the assets among shareholders.

On August 14, 2023 we announced that we had closed a non-brokered private placement financing of $2,943 (the "Offering") through the issuance of 3,678,239 common shares at a price of $0.80 per common Share. Direct costs related to the issuance were $105. The net proceeds of $2,838 the Offering were used for general corporate and working capital purposes, including for the recruitment of new partners. All securities issued pursuant to the Offering were subject to a four-month or twelve-month hold period from the closing date in accordance with applicable Canadian and United States securities laws, respectively. Please see note 18 to the annual consolidated financial statements for further details.

CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

We make estimates and assumptions concerning the future that will, by definition, seldom equal actual results. The following are the estimates and judgments applied by management that most significantly affect the Company's consolidated financial statements. These estimates and judgments have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. The following discussion sets forth management's most significant estimates and assumptions in determining the value of assets and liabilities, and the most significant judgments in applying accounting policies.

Revenue recognition

The Company's method of revenue recognition for the Caldwell executive search segment requires it to estimate the expected average performance period and the percentage of completion, based on the proportion of the estimated effort to fulfill the Company's obligations throughout the expected average performance period for its executive searches. Differences between the estimated percentage of completion and the amounts billed will give rise to a deferral of revenue to a future period. Changes in the average performance period or the proportion of effort expended throughout the performance period for its executive searches could lead to an under or overvaluation of revenue for the reporting period.

The Company's method of revenue recognition for the Caldwell executive search segment also requires it to estimate the total expected revenue at the beginning of each contract, which requires the Company to estimate uptick revenue on open searches, based on historic uptick rates. Changes in average uptick rates on executive searches could lead to an under or overvaluation of revenue for the reporting period.

Further information on unbilled and deferred revenue is included in note 15 in the consolidated annual financial statements.

Allowance for professional fee adjustments and doubtful accounts

The Company applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance model in determining the loss for all accounts receivable. Accounts receivable have been grouped based on shared credit risk characteristics and the days past due to measure expected credit losses. Substantial judgment is involved based on the circumstances of individual accounts and the estimated performance of the portfolio. The majority of accounts provided for result from client concessions to maintain a positive brand in the marketplace and relationships with client contacts based on circumstances unique to each search. While there are some accounts that are provided for due to credit reasons, it is often difficult to completely isolate provisions between client concessions and credit risk. Provision amounts are therefore aggregated as Professional Fee Adjustments.

Compensation accruals

Partner commissions for the Caldwell executive search segment are based on a per partner basis on amounts billed during the reporting period and collected within a stipulated timeframe. These collections are then subject to a commission grid that escalates as the individual's billings and collections increase. Assumptions are made regarding each partner's full period billings and collections, which are then subject to the related commission tier to accrue compensation expense throughout the year. Additionally, management short term incentive plans are tied primarily to the revenue and operating results of the Company for a respective fiscal year and management long term incentive plans are tied both to the Company's share price as well as operating results over a three-year period. Full year partner collection results, actual operating results and changes in share price that differ from management's current estimates may affect the results of operations in future periods.

Impairment of goodwill

The Company tests at least annually whether goodwill is subject to any impairment in accordance with the accounting policy. Various assumptions are made in performing this test, including estimates of future revenue streams, operating costs and discount rates. These assumptions are disclosed in note 8 of the consolidated financial statements. Future results that differ from management's current estimates may affect the results of operations in future periods.

Valuation of equity interests in clients

It can be difficult to obtain valuation information on equity interests held in clients. Equity instruments are most often in privately held companies without a specific obligation to share ongoing business performance and valuation information. The Company values such interests in accordance with its financial instruments policy with available information. As a result, the actual valuation of these interests could differ materially from current estimates.

RECENT ACCOUNTING PRONOUNCEMENTS

Accounting standards issued but not yet applied

Classification of Liabilities as Current or Non-current

On January 23, 2020, the International Accounting Standards Board (IASB) issued amendments to IAS 1 Presentation of Financial Statements, to clarify the classification of liabilities as current or non-current. On October 31, 2022, the IASB issued Non-current Liabilities with Covenants (Amendments to IAS 1) (the 2022 amendments), to improve the information a company provides about long-term debt with covenants. The 2020 amendments and the 2022 amendments (collectively "the Amendments") are effective for annual periods beginning on or after January 1, 2024. Early adoption is permitted. A company that applies the 2020 amendments early is required to also apply the 2022 amendments. The Company intends to adopt these amendments in its consolidated financial statements for the annual period beginning September 1, 2024. The adoption of these amendments is not expected to have a material impact on the Company.

Presentation and disclosure in financial statements (IFRS 18)

IFRS 18 was issued in April 2024 and applies to an annual reporting period beginning on or after 1 January 2027. The objective of IFRS 18 is to set out requirements for the presentation and disclosure of information in general purpose financial statements to help ensure they provide relevant information that faithfully represents an entity's assets, liabilities, equity, income and expenses.

IFRS 18 promotes a more structured income statement. In particular, it introduces a newly defined 'operating profit' subtotal and a requirement for all income and expenses to be classified into three new distinct categories, namely operating, investing and financing, based on a company's main business activities. Companies often use ‘non-GAAP’ information to explain their financial performance because it allows them to tell their own story and provides investors with useful insight into a company’s performance. IFRS 18 requires some of these ‘non-GAAP’ measures to be reported in the financial statements. To provide investors with better insight into financial performance, the new standard includes enhanced guidance on how companies group information in the financial statements. This includes guidance on whether material information is included in the primary financial statements or is further disaggregated in the notes.

The Company intends to adopt these amendments in its consolidated financial statements for the annual period beginning September 1, 2027. The Company is assessing the impact of this standard on its reporting.

RISKS AND UNCERTAINTIES

Any investment in the Company’s securities is speculative and may involve risk. Before investing in the Company’s securities, prospective investors should carefully consider, in light of their own financial circumstances and objectives, the risk factors summarized below, as well as the other information contained and incorporated by reference into this MD&A and our Annual Information Form. Other risks not currently known or deemed to be material may also impact our business. Our business and financial results could be materially adversely affected by any of these risks. The Board of Directors includes in its mandate and the charters of its committees the responsibility to oversee the mitigating factors associated with each identified risk factor.

The ability to attract and retain experienced search professionals is critical to our business

We compete with other executive recruitment firms for experienced consultants. Attracting and retaining consultants in our industry is important because consultants have primary responsibility for client relationships, and the loss of consultants often leads to the loss of client relationships. While we believe we offer one of the most competitive compensation plans in the industry, and that our size and platforms allow freedom for our partners to operate in the marketplace, the ability to continue to generate revenue and profits will depend on our ability to attract and retain key professionals. Additionally, we may pay hiring bonuses to attract new partners who may be forgoing their accrued bonuses at their predecessor firms to join us. The aggregate of these amounts can be significant, and we expect to continue issuing these types of payments as we continue to grow.

Exposure to departing partners taking our clients to another firm

Our success depends upon our ability to develop and maintain strong, long-term relationships with our clients. In many cases, one or two partners have primary responsibility for a client relationship. When a partner leaves one executive search firm and joins another, clients who have established relationships with the departing partner may move their business to the partner’s new employer. We may also lose clients if the departing partner has widespread name recognition or a reputation as a specialist in executing searches in a specific industry or management function. If we fail to retain important client relationships when a partner departs our firm, our business, financial condition, and operating results may be adversely affected. Multiple partners leaving within a short time could increase the impact. We attempt to mitigate this risk by maintaining strong relationships with our partners and providing contractual client and employee non-solicitation covenants in our offer of employment letters with our partners.

Performance of the US, Canadian and international economies

Our revenue is affected by global economic conditions and economic activity in the regions where we operate. In particular, the extent and length of economic slowdowns may have a negative impact on our revenue. During economic or hiring demand slowdowns, companies may hire fewer employees which may harm our financial condition. We mitigate this risk to some extent by seeking diversity within our revenue base across geographies, industries and functions. In addition, much of our compensation is performance-based and variable to revenue, resulting in a natural cost offset during periods of revenue decline.

Foreign currency exchange rate risks may affect our financial results

With operations in Canada, the United States and the United Kingdom, we do business in multiple currencies. During the most recently completed fiscal year, 80% of our revenue was generated outside of Canada and transacted in a currency other than the Canadian dollar. Translation of foreign currency financial statements into the Canadian dollar impacts our profitability. Fluctuations in relative currency values, particularly the Canadian dollar strengthening, could hurt our profitability and financial condition.

When we have significant short-term net cash or intercompany loan balances, we move our cash balances by geography and currency to match the respective cash balances to future cash utilization by currency.

Competition from other companies directly or indirectly engaged in talent acquisition

The talent acquisition business is highly competitive in terms of both pricing and winning new engagements. The level of our future profits will depend on our ability to retain our established client base, attract new clients and maintain fee levels. Some of our competitors possess greater resources and greater name recognition and may be further along in developing and designing technology solutions to meet client requirements. One area in which we mitigate competitive risk with our larger competitors is by having fewer client non-solicitation arrangements. It is standard practice in the industry to provide clients with a non-solicitation right ranging in scope from the placed executive to the entire client organization, known as “off-limits” protection. If too many off-limit arrangements are created, the ability to broadly and effectively source candidates for prospective client engagements becomes impeded.

Cybersecurity requirements, vulnerabilities, threats and attacks

Increased global cybersecurity vulnerabilities, threats, and more sophisticated and targeted cyber-related attacks pose a risk to our systems and networks' security and the confidentiality, availability, and integrity of the data we maintain from our clients, candidates, and employees. We have a program in place to detect and respond to data security incidents. However, we remain potentially vulnerable to additional known or unknown threats. We also have access to sensitive, confidential or personal data or information subject to privacy and security laws, regulations and client-imposed controls. Despite our efforts to protect sensitive, confidential or personal data or information, we may be vulnerable to security breaches, theft, lost data, employee errors and/or malfeasance that could potentially lead to the compromising of sensitive, confidential or personal data or information, improper use of our systems or networks, unauthorized access, use, disclosure, modification or destruction of information. A cyber-related attack could result in other negative consequences, including damage to our reputation or competitiveness, remediation or increased protection costs, litigation, or regulatory action, which could negatively impact our results of operations. We attempt to mitigate this risk by maintaining and complying with our data privacy policy informing our clients and candidates of how we use their personal information. We additionally utilize a third-party information and security technology company to advise us on risk testing and mitigation to aid our internal information technology staff. We also maintain a cyber-insurance policy that might mitigate certain financial costs if we suffer a breach that causes us to incur financial losses.

Brand Reputation

We depend on our overall professional reputation and brand name recognition to secure new engagements and hire qualified consultants. Our success also depends on the individual reputations of our consultants. We obtain many of our new engagements from existing clients or referrals by those clients. A client who is dissatisfied with our work can adversely affect our ability to secure new engagements. Additionally, there has been a marked increase in the use of social media platforms, including blogs, social media websites and other forms of Internet-based communications, which allow individuals access to a broad audience of consumers and other interested persons. The inappropriate or unauthorized use of such media vehicles by our clients or employees could increase our costs, cause damage to our brand, lead to litigation or result in information leakage, including the improper collection or dissemination of personally identifiable information of candidates and clients. Negative or inaccurate posts or comments about us on any social networking platform could damage our reputation, brand image and goodwill. If any of these factors, including poor performance, hurt our reputation, we may experience difficulties competing successfully for new engagements and qualified consultants. Failure to maintain our professional reputation and brand name could seriously harm our business, financial condition, and operating results. We attempt to mitigate this risk by using a client feedback process utilizing the third-party product Net Promoter Score®, which provides feedback on our engagements and highlights dissatisfied clients so that we may respond.

Alignment of our cost structure with revenue

We must ensure that our costs and workforce continue to be in proportion to the demand for our services. Failure to align our cost structure and headcount with net revenue could adversely affect our business, financial condition, and operations results. We attempt to mitigate this risk related to short-term revenue shifts by business segment. In our Caldwell business, we tie a large portion of our search professionals' compensation to their individual and team revenue, while senior management's compensation is tied to consolidated revenue and operating profit. In our IQTalent business, we maintain a portion of our total workforce as hourly contractors allowing us to rapidly increase or reduce our workforce in response to demand shifts. External forces that could impact the cost structure, such as inflation, or wage wars from collective bargaining, could impact our ability to right-size the cost structure in response to lower revenue.

Liability risk in the services we perform

In the normal course of our operations, we become involved in various legal actions, either as plaintiff or defendant, including but not limited to our commercial relationships, employment matters and services delivered, in addition to other events. Such matters include both actual as well as threatened claims.

We are exposed to potential claims concerning the executive search process. For example, a client could assert a claim for matters such as breach of an off-limit agreement or recommending a candidate who subsequently proves to be unsuitable for the position filled. Further, the current employer of a candidate whom we placed could file a claim against us alleging interference with an employment contract, a candidate could assert an action against us for failure to maintain the confidentiality of the candidate’s employment search, and a candidate or employee could assert an action against us for alleged discrimination, violations of labour and employment law or other matters.

In various countries, we are subject to data protection laws impacting the processing of candidate information and other regulatory requirements, including the legality of gathering historical compensation data from candidates under an expanding number of equal pay laws.

We attempt to mitigate these risks through onboarding and continuing training for our employees on existing and developing legal guidelines. We engage outside counsel regularly to review our policies and form of contracts. We utilize protective language in our standard client contracts and maintain professional liability insurance in amounts and coverage that we believe are adequate; however, we cannot guarantee that our insurance will cover all claims or that coverage will always be available. Significant uninsured liabilities could harm our business, financial condition and results of operations. Furthermore, even if any action settles within insurance limits, this can increase our insurance premiums. Therefore, there can be no assurance that their resolution will not have a material adverse effect on our financial condition or the results of our operations.

We are subject to risk as it relates to software that we license from third parties

We license software from third parties, much of which is integral to our systems and our business. The licenses are generally terminable if we breach our obligations under the license agreements. If any of these relationships were terminated or any of these parties were to cease doing business or cease to support the applications we currently utilize, we may be forced to spend significant time and money replacing the licensed software. However, the necessary replacements may not be available on reasonable terms, if at all. We mitigate this risk by selecting providers who we believe can continue business into the foreseeable future and reviewing each license agreement for termination clauses to reduce the ease with which such agreements could be terminated by the respective provider.

There may be adverse tax, legal, and other consequences if the workforce at IQTalent that is classified as independent contractors is challenged.

We consider the use of non-employee workers at IQTalent as independent contractors. In general, any time a court or administrative agency determines that we have misclassified an on-demand worker as an independent contractor, we could incur tax and other liabilities for failing to properly withhold or pay taxes on the worker’s compensation as well as potential wage and hour and other liabilities depending on the circumstances and jurisdiction.

We may become subject to administrative inquiries and audits concerning the taxation and classification of our contracted workers. There is often uncertainty in the application of worker classification laws, and consequently there is risk to us and to clients that independent contractors could be deemed to be misclassified under applicable law. The tests governing whether a service provider is an independent contractor or an employee are typically highly fact sensitive and vary by governing law. Laws and regulations that govern the status and misclassification of independent contractors are also subject to change as well as to divergent interpretations by various authorities, which can create uncertainty and unpredictability.

A misclassification determination, allegation, claim, or audit involving our contracted workers creates potential exposure for us, including but not limited to reputational harm and monetary exposure arising from or relating to failure to withhold and remit taxes, unpaid wages, and wage and hour laws and requirements (such as those pertaining to minimum wage and overtime); claims for employee benefits, social security contributions, and workers' compensation and unemployment insurance; claims of discrimination, harassment, and retaliation under civil rights laws; claims under laws pertaining to unionizing, collective bargaining, and other concerted activity; and other claims, charges, or other proceedings under laws and regulations applicable to employers and employees, including risks relating to allegations of joint employer liability. Such claims could result in monetary damages (including but not limited to wage-based damages or restitution, compensatory damages, liquidated damages, and punitive damages), interest, fines, penalties, costs, fees (including but not limited to attorneys' fees), criminal and other liability, assessment, injunctive relief, or settlement, all of which could adversely impact our business and results of operations.

We attempt to mitigate our risk of contractor worker classification by using written contractor agreements setting forth the terms of our relationship that we believe lowers our risk of the contractors being classified as employees.

Our inability to successfully recover from a disaster or other business continuity issue could cause material financial loss, loss of human capital, regulatory actions, reputational harm or legal liability

Should we experience a disaster or other business continuity problem, such as an earthquake, hurricane, terrorist attack, security breach, power loss, telecommunications failure or other natural or man-made disaster, our continued success will depend, in part, on the availability of our personnel, our office facilities, and the proper functioning of our computer, telecommunication and other related systems and operations. In such an event, we could experience near-term operational challenges in certain areas of our operations. Our ability to recover from any disaster or other business continuity problem will depend on our ability to protect our technology infrastructure against damage from business continuity events that could have a significant disruptive effect on our operations. We could potentially lose client data or experience material adverse interruptions to our operations or delivery of services to our clients in a disaster. A disaster on a significant scale or affecting certain of our key operating areas within or across regions, or our inability to successfully recover should we experience a disaster, pandemic or other business continuity problem, could materially interrupt our business operations and cause material financial loss, loss of human capital, regulatory actions, reputational harm, damaged client relationships or legal liability. We mitigate this risk by using reputable, established technology providers for the third-party hosting and managing the servers running our telecommunications infrastructure and our search database information. These third parties do not completely eliminate the above-described risks, however, their financial resources dedicated to protecting, continuity of service, recovery and response to systems continuity are much greater than our own. We also provide all of our employees with laptops or tablet devices that provide continuity of services if our offices are not accessible.

Unfavourable tax law changes and tax authority rulings or other governmental audits or rulings may adversely affect results

We are subject to income taxes in Canada, the United States and various other foreign jurisdictions. Domestic and international tax liabilities are subject to the allocation of income among various tax jurisdictions. Our effective tax rate could be adversely affected by changes in the mix of earnings among countries with differing statutory tax rates or changes in the valuation allowance of deferred tax assets or tax laws. We attempt to mitigate this risk by working with our third-party income tax consultants to regularly review our tax structure and advise optimal tax structures.

We may not be able to integrate or realize the expected benefits from our acquisitions successfully.

Our future success depends on our ability to integrate acquisition targets into our operations successfully. The process of integrating an acquired business subjects us to many risks, including:

- Diversion of management attention
- Amortization of purchase price and intangible assets adversely affect our reported results of operations
- Inability to retain or integrate the management, key personnel and other employees of the acquired business
- Inability to properly integrate businesses resulting in operating inefficiencies
- Inability to establish uniform standards, disclosure controls and procedures, internal control over financial reporting and other systems, procedures and policies promptly
- Inability to retain the acquired company’s clients
- Exposure to legal claims for activities of the acquired business before the acquisition
- The incurrence of additional expenses in connection with the integration process

If our acquisitions are not successfully integrated, our business, financial condition and results of operations, and our professional reputation could be materially adversely affected. Further, we cannot guarantee that acquisitions will result in the anticipated financial, operational, or other benefits. Some acquisitions may not be immediately accretive to earnings, and some expansion may result in significant expenditures. We mitigate these risks by formalizing integration plans in key areas such as accounting, legal and risk functions and performing comprehensive pre-acquisition due diligence reviews. We add staff when we believe needed to accommodate the increased business and support requirements. We also look to structure the purchase price to provide strong incentives for key employees to remain employed, even if this results in some of the purchase price being reflected as compensation expense, adversely impacting our reported operating results.

Businesses we acquire may have liabilities or adverse operating issues that could harm our operating results

Businesses we acquire may have liabilities, adverse operating issues, or both that we either fail to discover through due diligence or underestimate before completing the acquisition. These liabilities or issues may include the acquired business' failure to comply with, or other violations of, applicable laws, rules or regulations or contractual or other obligations or liabilities. As the successor owner, we may be financially responsible for and may suffer harm to our reputation or otherwise be adversely affected by such liabilities or issues. An acquired business also may have problems with internal controls over financial reporting, which could, in turn, cause us to have significant deficiencies or material weaknesses in our internal controls over financial reporting. These and any other costs, liabilities, issues, or disruptions associated with past or future acquisitions, and the related integration, could harm our operating results. We mitigate these risks by performing financial, tax, technology and due diligence on any acquired business, engaging third-party experts when considered necessary to enhance expertise in respective areas of due diligence.

There is volatility of the market price and trading volume of our Common Shares

From time to time, the TSX has experienced significant price and volume volatility unrelated to specific companies' performance which could impact the common shares' market price. Caldwell specifically has generally low trading volumes, and that thin trading market may cause small trades to have significant impacts on the price of our Common Shares. Moreover, our stock's market price may also be adversely affected by factors such as the concentration of Common Shares held by a small number of shareholders and the low number of Common Shares that trade on average on a daily basis. These factors can increase the volatility of the volume of Common Shares offered to be purchased or sold at any particular time. Shares held by Ewing Morris, senior management, and our board of directors total approximately 29.2% of our outstanding Common Shares. While all these parties may be subject to trading restrictions from time to time based on material information they may receive, we have scheduled mandatory timeframes each quarter when we prohibit these parties from trading due to known financial information ("Blackout Periods"). Our Blackout Periods begin immediately with the end of each quarterly financial reporting period and continue until the completion of two business days after our earnings for the respective quarter have been publicly released. As a result, our share float during Blackout Periods is more constrained than periods outside of Blackout Periods. Investors should consider liquidity issues arising from the above share concentrations and trading restrictions.

Our compensation plans and earnings are subject to volatility in our share price

We have Performance Share Units (PSUs) for management and Deferred Share Units (DSUs) for our board of directors. These are notional units that are tied to the value of our Common Shares. In addition, the PSUs are subject to performance factors based on attaining financial goals established for management by the board of directors. These performance factors can increase or decrease the value of the PSUs. As a result, the exact impact of an increase or decrease to our share price will change each quarter based on the number of outstanding PSUs and DSUs and the current PSU performance factors. For example, based on current performance factors, a $0.01 change in our share price would result in approximately a $5 change in compensation expense on a pre-tax basis. We mitigate this risk by tying the PSUs to a performance factor, ensuring that if operating results are below expectations, PSU compensation will be reduced to partially offset a shortfall in financial results.

Technological advances may significantly disrupt the labour market and weaken demand for human capital at a rapid rate

Our success is directly dependent on our clients' demands for talent. As technology continues to evolve, more tasks currently performed by people may be replaced by automation, robotics, machine learning, artificial intelligence and other technological advances outside of our control. This trend poses a risk to the human resource industry as a whole, particularly in lower-skill job categories that may be more susceptible to such replacement. We attempt to mitigate this risk by reviewing emerging technologies we may leverage in our search process and focusing on the most senior tier of executive placements.

We invest in marketable securities whose valuations fluctuate

We may invest in marketable securities when we build excess cash balances relative to the current and projected liquidity needs and economic cycles. Marketable securities consist of investments in professionally managed fixed-income funds, from time to time, and certain equity securities obtained through search fees paid partially in the client's equity. The securities are subject to market risk. Should they decline in value, the unrealized losses and potential realized losses could negatively impact our financial position and aggregate operations results. We mitigate the risk in managed funds by investing in relatively conservative investments and engaging professional investment fund advisors independent from us with added oversight from the Board of Directors' Investment Committee. As applicable, we mitigate the risk in equity securities by liquidating our positions as soon as practicable and consider the potential use of hedging derivatives if applicable.

We are increasingly dependent on third parties for the execution of critical functions

We do not maintain all our technology infrastructure components, and we have outsourced certain critical applications or business processes to external providers, including cloud-based services. The failure or inability to perform on the part of one or more of these critical suppliers or partners could cause significant disruptions and increased costs. We attempt to mitigate this risk by using large, well-capitalized service providers when reasonably possible relative to our technology needs.

Impairment of our goodwill, other intangible assets and other long-lived assets

All our acquisitions have been accounted for as purchases and involved purchase prices in excess of tangible asset values, resulting in a significant amount of goodwill and other intangible assets. Goodwill is initially recorded as the excess of amounts paid over the fair value of net assets acquired. While goodwill is not amortized, under generally accepted accounting principles, we perform impairment assessments of the carrying value of our goodwill at least annually, and we review our goodwill, other intangible assets and other long-lived assets for impairment whenever events occur, or circumstances indicate that a carrying amount of these assets may not be recoverable. These events and circumstances include a significant change in business climate, attrition of key personnel, material changes in financial condition or results of operations, a prolonged decline in our stock price and market capitalization, competition, and other factors. We must make assumptions regarding our goodwill and other intangible assets' estimated fair value in performing these assessments. These assumptions include estimates of future market growth and trends, forecasted revenue and costs, capital investments, discount rates, and other variables. If the fair market value of one of our reporting units or other long-term assets is less than the carrying amount of the related assets, we would be required to record an impairment charge. Due to continual changes in the market and general business conditions, we cannot predict whether, and to what extent, our goodwill and long-lived intangible assets may be impaired in future periods. Any resulting impairment loss could have an adverse impact on our business, financial condition, and operations results.

Our ability to access credit could be limited

Our bank can be expected to enforce the terms of our credit agreement strictly. Although we are currently in compliance with the financial covenants of our revolving credit facility, deterioration of economic conditions may negatively impact our business resulting in our failure to comply with these covenants, which could limit our ability to borrow funds under our credit facility or from other borrowing facilities in the future. The credit agreement with the bank is a demand facility and may also be cancelled at any time by our bank. In such circumstances, we may not be able to secure alternative financing or only be able to do so at significantly higher costs. We attempt to mitigate this risk by only using the credit line to fund temporary cash requirements, negotiating flexible financial covenants to the extent we are able, and working to maintain strong relationships with our banking team.

There may be direct and indirect adverse financial consequences if a financial institution fails where we or a significant number of clients hold uninsured depository balances.

If a financial institution at which we hold our primary cash deposits with were to become insolvent it could have a direct material negative impact on our liquidity position, unless we were able to move funds out of the institution prior to its insolvency. Additionally, the failure of a significant financial institution where our clients held, in the aggregate, significant deposits would have a negative impact on our liquidity position indirectly through the potential loss of the clients and our inability to collect on the related accounts receivable. We attempt to mitigate this risk by evaluating our primary depository banking institutions in each region and selecting a bank of high quality and significant size. We also maintain accounts in different geographies at different institutions such that, with little notice, we could transfer funds to an existing open account at another institution.

We have significant shareholder concentration

As of November 19, 2024, approximately 31.9% of our outstanding Common Shares are held by insiders as filed with the System for Electronic Disclosure by Insiders (SEDI). Ewing Morris & Co. Investment Partners Ltd. ("Ewing Morris") is reported to own, directly or indirectly, 12.9% of the outstanding Common Shares. Mr. Darcy D. Morris, CEO of Ewing Morris, is also a director of the Company. While no other party directly or beneficially owns more than 10.0% of our Common Shares, our senior management and remaining directors hold approximately 19.8% of our Common Shares. This concentration of shares could have a material impact on the outcome of any matters brought forth to the shareholders for a vote. While we cannot control how our shareholders vote, we mitigate the effects of controlling interests through our board of directors' governance oversight representing all shareholders, including minority shareholders.

We may be subject to the actions of activist shareholders

Our Board of Directors and management team are committed to acting in all our shareholders' best interest. We value constructive input from investors and regularly engage in dialogue with our shareholders regarding strategy and performance. Activist shareholders who disagree with the composition of the Board of Directors, our strategy or the way the Company is managed may seek to effect change through various strategies and channels. Responding to shareholder activism can be costly and time-consuming, disrupt our operations, and divert the attention of management and our employees from our strategic initiatives. Activist campaigns can create perceived uncertainties as to our future direction, strategy, or leadership. They may result in the loss of potential business opportunities, harm our ability to retain or attract employees, investors, and customers, and cause our stock price to experience periods of volatility or stagnation.

Our business could be disrupted because of actions of certain stockholders or potential acquirers of the Company

If any of our stockholders commence a proxy contest, advocate for change that is not necessarily in the best interests of the Company and all of its stakeholders, make public statements critical of our performance or business, or engage in other similar activities, or if we become the target of a potential acquisition, which may adversely impact our business because we may have difficulty attracting and retaining employees and clients due to perceived uncertainties as to our future direction and negative public statements about our business. Responding to proxy contests and other similar actions by stockholders may result in us incurring substantial additional costs and significantly divert the attention of management and our employees. Individuals elected to our Board with a specific agenda that does not align with the Company’s best interests, the execution of our strategic plan may be disrupted, or a new strategic plan altogether may be implemented, which may have a material adverse impact on our business, financial condition or results of operations. Further, any of these matters or any such actions by stockholders may impact and result in volatility of the price of our common stock.

DISCLOSURE CONTROLS AND PROCEDURES

Our President and Chief Executive Officer, and Vice-President and Chief Financial Officer are responsible for establishing and maintaining our disclosure controls and procedures. In conjunction with the board of directors, the President and Chief Executive Officer, and the Vice-President and Chief Financial Officer review any material information affecting the Company to evaluate and determine the appropriateness and timing of public release.

The President and Chief Executive Officer, and Vice-President and Chief Financial Officer, after evaluating the effectiveness of our disclosure procedures as at August 31, 2024, have concluded that our disclosure controls and procedures are adequate and effective to ensure that material information relating to the Company and its subsidiaries would have been known to them.

INTERNAL CONTROL OVER FINANCIAL REPORTING

Management is also responsible for establishing and maintaining adequate internal controls over financial reporting. Internal controls over financial reporting are designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes following IFRS.

In designing and evaluating such controls, it should be recognized that due to inherent limitations, any control, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives and may not prevent or detect misstatements. Projections of any evaluations of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate. Additionally, management is required to use judgment in evaluating controls and procedures.

Management evaluated the effectiveness of our internal controls' design and operation over financial reporting as at August 31, 2024. Based on that evaluation, the President and Chief Executive Officer, and Vice-President and Chief Financial Officer, concluded that internal controls over financial reporting are effective as at August 31, 2024.

Management has also evaluated whether there were changes in our internal controls over financial reporting during the reporting period ended August 31, 2024 that materially affected, or are reasonably likely to affect, our internal controls over financial reporting. Management has determined that no changes occurred during the year ended August 31, 2024 that would have a material impact.

OTHER INFORMATION

Additional information relating to the Company, including our Annual Information Form, is available on SEDAR+ at www.sedarplus.ca.