

1ST QUARTER 2024 RESULTS

- **10% increase in volume orders**
- **Still very solid financial structure: Positive net cash ^(a) of €190.2M**
- **Confirmation of guidance for the 2024 financial year**
- **Dividend of €2.40 proposed to the Shareholders' Meeting of May 6**

◆ Main elements of commercial activity (Q1 2024 vs. Q1 2023)

- **Total orders:**
254.2 vs €269.9M incl. VAT
Of which housing:
252.7 vs €234.1M incl. VAT
1,123 units vs 1,021 units
- **Take-up period Housing:**
4.1 vs 6.9 months ^(b)

◆ Main financial items (Q1 2024 vs. Q1 2023)

- **Revenue** : 228.0 vs. €586.5M
Of which housing: 197.2 vs €229.3M
- **Gross margin** : 45.9 vs. €85.0M
- **EBIT margin ^(c)** : 7.4% vs. 8.4%
- **EBIT** : 16.8 vs. €49.6M
- **Attributable Net income:**
11.0 vs. €31.6M
- **Net cash ^(c)** : €190.2M vs. € 121.6M
- **Financial capacity** :
€615.3M vs. €542.7M

◆ Main development indicators (end Feb. 2024 vs. end Feb. 2023)

- **Total backlog** : 2,586.1 vs. €2,890.4M
Of which housing: 1,993.3 vs. €2,189.2M
- **Housing portfolio:**
32,684 vs. 34,429 units

Kaufman & Broad SA today announces its results for the 1st quarter of fiscal 2024 (from December 1st to 29th February 2024). Nordine Hachemi, Chairman and Chief Executive Officer of Kaufman & Broad, said:

«In a housing market marked by an estimated 50% decline in volume orders ^(d), Kaufman & Broad recorded a 10% increase in volume orders. This increase observed in the first quarter alone does not allow us to conclude that there is a recovery but to note the interest of buyers when an adapted offer is proposed to them.

The take-up period of 4.1 months remains significantly lower than that of the market, estimated at more than 20 months.

Kaufman & Broad will maintain with application this policy of profitable development which, for many years, has favored housing quality and economic performance over, seeking market share.

As part of its policy to develop industrial and commercial brownfield, Kaufman & Broad launched the construction of a programme of 670 housing units in Toulouse, 75% of which were reserved at the acquisition date.

The change in revenue was mainly due to the lower contribution from the Austerlitz operation, which continues in line with the announced timetable,

Kaufman & Broad maintains its profitability with a net margin of 4.8% and its financial structure remains extremely solid. At the end of February 2024, positive net cash ^(a) stood at €190.2M and financial capacity at €615.3M.

The crisis in the sector is above all a supply crisis, as the continuous decline in the allocation of building permits since 2018 has led to irrational pressure on the price of land, which has not been absorbed to date. Thus, housing production is down significantly while demographic and sociological factors continue to fuel sustained and unmet demand. Rebalancing these various factors should lead to a market adjustment in the coming half years.

Kaufman & Broad confirms the guidance provided at the end of January. For the whole of 2024, the group's revenue is expected to be around 1.1 billion euros, the difference compared to 2023 being explained by the base effect of the Austerlitz operation. The recurring operating income ratio is expected to be between 7% and 7.5%. The Group is expected to remain in a positive net cash position ^(a) after taking into account the payment of a dividend of €48M for 2023, i.e. €2.40 per share, subject to approval by the Shareholders' Meeting of May 6 ».

(A) excluding IFRS 16 and Put Neoresid debt

(B) calculated over three months

(b) expressed in percentages, corresponding to the operational income so far with operational costs to-date deducted from gross margin, divided by the turnover

(D) source: Adequation

◆ Sales Activity

✓ Housing Segment

In the 1st quarter of 2024, housing orders amounted to €252.7M (including VAT), up 7.9% from €234.1M in 2023. In volume terms, they stood at 1,123 homes in 2024 compared to 1,021 homes in 2023, an increase of 10.0%.

The take up period¹ was 4.1 months 2024, 1st quarter, down of 2.9 months from 6.9 months in 2023.

The commercial offering, with 95% of homes located in tight areas (A, ABIS and B1), amounted to 1,517 homes at 2024, 29th February (2,360 homes at the end of February 2023).

Customer Breakdown

Orders in value (including VAT) for first time buyers accounted for 12% of sales, compared to 8% over the same period in 2023. Second time buyers accounted for 8% of sales, compared with 5% in 2023.

Orders made to investors accounted for 9% of sales (of which 2% for Pinel's scheme alone), compared with 11% in February 2023 (of which 5% for Pinel alone). Block sales accounted for 72% of orders in value (including VAT), compared with 75% over the same period in 2023.

✓ Commercial Property

As of 2024, February 29th, the commercial Property division recorded net orders of €1.6M (including VAT) compared to €24.5M (including VAT) net orders for the same period in 2023.

Kaufman & Broad currently has 178,100 sq. m. of office space and about 107,200 sq. m. of logistics space on the market or under study. In addition, 119,500 sq. m of office space is currently under construction or in start-up in the coming months. Lastly, the company has nearly 13,500 sq. m. of office space to be built in MOD (*delegated project management*).

✓ Leading indicators of business activity and growth

As of 2024, February 29th, Housing Backlog stood at €1,993.3M (excluding VAT) compared to €2,189.2M (excluding VAT) for the same period in 2023, i.e. 25.8 months of activity compared to 22.9 months of activity at the end of February 2023. As of the 1st quarter of 2024, Kaufman & Broad had 126 housing programmes in the process of being marketed, representing 1,517 housing units (143 programmes and 2,360 housing units as of the end of February 2023).

The Housing portfolio represents 32,684 units. At the end of February 2024, it represented over 6 years of commercial activity.

In addition, 88% of the housing portfolio is located in tight areas, representing 28,843 housing units as of 2024, February 29th.

In the 1st quarter of 2024, the group plans to launch 19 new programmes for 1,083 units, of which 3 in the Paris region representing 214 units and 16 in the Regions representing 869 units.

At the end of February 2024, the Backlog of the Commercial Property was €592.8M (excluding VAT) compared to €691.7 M (excluding VAT) for the same period in 2023.

¹ Calculated over the quarter

◆ Financial performance

✓ Activity

Total revenue amounted to €228.0M (excluding VAT), compared to €586.5M in the same period in 2023.

Housing division revenue amounted to €197.2M (excluding VAT), compared to €229.3M (excluding VAT) in 2023. It represents 86.5% of the group's revenue.

Revenue from the Apartments business was €181.7M (excluding VAT) (vs. €213.6M (excluding VAT) at end February 2023). Revenue for the Commercial Property was €27.2M (excluding VAT), compared to €353.9M (excluding VAT) over the same period in 2023. Other activities generated revenues of €3.7M (excluding VAT) (including €2.0M in revenues from the operation of student residences) compared to €3.4M (excluding VAT) (including €1.9M in revenues from the operation of student residences).

✓ Profitability data

In the 1st quarter of 2024, gross margin amounted to €45.9M, compared to €85.0M in 2023. The gross margin rate was 20.1% compared to 14.5% in the same period of 2023.

Recurring operating expenses amounted to €29.1M (12.8% of sales), compared to €35.4M in the same period in 2023 (6.0% of sales). Recurring operating income amounted to €16.8M, compared to €49.6M in 2023. Recurring operating income stood at 7.4%, compared with 8.4% in 2023.

At the end of February 2024, Consolidated net income amounted to €14.3M, compared with the same period in 2023 when it amounted to €34.7M. Non-controlling interests amounted to €3.2M in 2024, 1st quarter compared to €3.1M in 2023.

Net income attributable was €11.0M, compared with €31.6M in 2023.

✓ Financial structure and liquidity

The positive net cash position (excluding IFRS 16 debt and Neoresid put debt) at 2024, February 29th was €190.2M, compared with a positive net cash position (excluding IFRS 16 debt and Neoresid put debt) of €121.6M at the end of February 2023 and €180.5M at the end of November 2023. Cash and cash equivalents amounted to €365.3M at 2024, February 29th, compared with €292.7M at the end of February 2023 and €350.0M at 2023, November 30th. Financial capacity amounted to €615.3M at 2024, February 29th, compared with €542.7M at 2023 February 28th and €600.0M at the end of November 2023.

Working capital requirements amounted to (78.1) million euros at 2024, February 29th, or -7.4% of sales, compared with 50.6 million euros at the end of February 2023 (or 3.1% of sales) and (80.8) million euros at 2024, November 30th, or -5.7% of sales.

◆ Dividend

The Board of Directors of Kaufman & Broad SA will propose to the Shareholders' Meeting of 2024, May 6th the payment of a dividend of 2.40 € per share.

◆ Outlook 2024

For the whole of 2024, the group's revenue is expected to be around 1.1 billion euros, the difference compared to 2023 being explained by the base effect of the Austerlitz operation. The recurring operating income ratio is expected to be between 7% and 7.5%. The Group is expected to remain in a positive net cash position ^(a) after taking into account the payment of a dividend of €48M for 2023, i.e. €2.40 per share, subject to approval by the Shareholders' Meeting of May 6.

(a)) excluding IFRS 16 and Put Neoresid debt

This press release is available at www.coporate.kaufmanbroad.fr

◆ Next periodic information date:

✓ Thursday, 11 July 2024: Publication of the 1st semester 2024 results (after the stock market)

Presentation of results for the period

Mr. Nordine HACHEMI, Chairman and Chief Executive Officer and Mr. Bruno Coche, Chief Financial Officer, will comment on the results of the period and answer questions at a conference call in French with simultaneous translation into English.

The presentation of the results will take place in French with simultaneous translation into English on:

Wednesday, 2024, April 10th at 8.30 CET

Registration for the presentation of the results for the period must be made by request at:

infos-invest@ketb.com

- To follow the live presentation at the web conference you will receive a link (in French or English) *
- To follow the live presentation at the conference by phone you will receive the number for the desired language (French or English)

* **Activation of accesses from 8: 00, the connection requiring registration via a form**

The **Webcast** media will be available ½ hour before the presentation starts at www.kaufmanbroad.fr/finance/publications-financieres/

Contacts

Chief Financial Officer

Bruno Coche -01 41 43 44 73/infos-invest@ketb.com

Press Relations

Primatice: Thomas de Climens -06 78 12 97 95/thomasdeclimens@primatice.fr

Kaufman & Broad: Emmeline Cacitti -06 72 42 66 24/ecacitti@ketb.com

About Kaufman & Broad

For more than 55 years, Kaufman & Broad has designed, developed, constructed and marketed apartments, single family homes, managed residences, shops, business premises and office buildings.

A developer and a real urban assembler alongside local authorities to design new neighbourhoods and major urban projects, Kaufman & Broad is one of the first French Builders and Builders by combining its size, profitability and the power of its brand.

Together, let us create a more virtuous city.

For more information: www.kaufmanbroad.fr

The Kaufman & Broad Universal Registration Document was filed on 28 March 2024 with the AMF under number D.24-0211. It is available on the websites of the AMF (www.amf-france.org) and Kaufman & Broad (www.kaufmanbroad.fr). It contains a detailed description of Kaufman & Broad's business, results and outlook as well as the associated risk factors. Kaufman & Broad draws attention in particular to the risks described in Chapter 4 of the Universal Registration Document. The occurrence of one or more of these risks could have a material adverse effect on the business, assets, financial condition, results or prospects of the Kaufman & Broad Group, as well as on the market price of Kaufman & Broad shares.

This press release does not and shall not be deemed to constitute an offer to the public, an offer to sell or an offer to subscribe or to solicit an order to buy or subscribe in any jurisdiction.

Glossary

Backlog or (order book): the Future Completion (VEFA), undelivered reserved housing units for which the notarized bill of sale has not yet been signed and undelivered reserved housing units for which the notarized bill of sale has been signed up to the portion not yet taken into revenue (on a 30% advanced program, 30% of the revenue of a housing unit for which the notarized bill of sale has been signed is recorded in revenue, 70% are included in the backlog).The backlog is a summary at a given time that makes it possible to estimate the revenue remaining to be recognised in the coming months and thus to support the group's forecasts, it being specified that there is an uncertain portion of the backlog transformation into revenue, particularly for orders not yet recorded.

Leases in future state of completion (BEFA): that is in a state of completion in the future consists of renting a building even before its construction or restructuring.

Working Capital Requirement (WCR): This arises from cash flow mismatches: disbursements and receipts corresponding to operating expenses and revenues required for the design, production and marketing of real estate programs.The resulting simplified expression of WCR is as follows: Current assets (inventory + trade receivables + other operating receivables + advances and down payments received + recognised income from advances) less Current liabilities (trade payables + tax and social security payables + other operating payables + prepaid expenses).The size of the WCR will depend in particular on the length of the operating cycle, the size and duration of storage of work-in-progress, the number of projects launched and the payment terms granted by suppliers or the profile of payment schedules granted to customers.

Free cash flow: free cash flow is equal to cash flow from operations after changes in working capital and tax paid less net capital expenditure for the year.

Operating cash flow or cash flow from operating activities is equal to cash flow from operating activities after working capital and tax paid.

Cash flow from operating activities after finance costs and taxes is equal to consolidated net income adjusted for the share in net income of associates, joint ventures and income from discontinued operations and calculated income and expenses.

Financial resources: corresponds to cash and cash equivalents plus undrawn credit lines at date

CDP: (Formerly "Carbon Disclosure Project"): Measurement of the environmental impact of companies.

The take-up period for inventories is the number of months required for available housing to be sold if revenues continued at the same pace as previous ones, i.e. the outstanding housing (available supply) per quarter divided by orders per quarter just ended themselves divided by three.

Dividend is the portion of the company's annual net profit distributed to shareholders. Its amount, proposed by the Board of Directors, is submitted to the shareholders for approval at the General Meeting.It is payable within a maximum of 9 months after the end of the financial year.

EBIT: The EBIT corresponds to the operating income for the period, calculated at the gross margin deducted by operating costs for the current period.

Gross financial debt: consists of long-term and short-term financial liabilities, hedging instruments relating to liabilities comprising gross financial debt and accrued interest on the balance sheet items comprising gross financial debt.

The net debt, or net financial debt: of a company is the balance of its gross financial debt (or gross financial debt), on the one hand, and available financial investments forming its "active cash" on the other hand. It represents the credit or debit position of the company vis-à-vis third parties and outside the operating cycle.

Investment grade means that a financial instrument or a company has a relatively low risk of default.

LEU (Equivalent Units delivered:) is a direct reflection of the activity. The number of 'LEU' is equal to the product (I) the number of housing units in a given programme for which the notarially signed deed of sale has been signed and (II) the ratio of the amount of land expenditure and construction expenditure incurred by the group on the said programme to the total expenditure budget of the said programme.

Gross margin: corresponds to revenues less cost of revenues. The cost of sales includes the price of land, related land costs and construction costs.

The commercial offer: is represented by the sum of the stock of available for sale homes on the date in question, i.e. all homes not reserved at that date (net of unopened commercial tranches).

Land portfolio : This includes land to be developed. I.e. land for which a deed or a promise to sell has been signed, as well as land under study, i.e. land for which an deed or promise to sell has not yet been signed.

Gearing: This is the ratio of net debt (or net financial debt) to consolidated shareholders' equity. It measures the risk of the company's financial structure.

Orders: measured in terms of volume (units or units) and value, they reflect the group's commercial activity. Their inclusion in revenues is conditional on the time required to transform a order into a notarized deed of sale, which generates the income statement.In addition, in multi-family housing programs including mixed-use buildings (apartments, business premises, shops, offices), all surfaces are converted into housing equivalents.

Orders (in value) : They represent the value of the real estate from the signed reservation contracts including all taxes for a given period. They are mentioned net of withdrawals during this period.

Managed housing: Managed residences, or service residences, are real estate complexes made up of housing (Houses or apartments) for residential use offering a minimum of services such as reception, provision of linen, cleaning and maintenance of dwellings as well as provision of breakfasts. There are several types of residences to be distinguished: Student residences are apartment complexes, mainly studios equipped with a kitchenette and furnished, located close to schools and universities and close to public transport; tourist residences, located in tourist areas with high potential, offer in addition to the usual services of infrastructures such as swimming pools, sports grounds, sometimes saunas, hammams, whirlpool baths, children's club; business residences are an alternative to traditional hotels, composed of studios (about 80%) and 2 rooms, located in city center or near major business centers and systematically well served; finally, seniors residences (including also residences for dependent or non dependent elderly people - Ehpad), which make it possible to anticipate the aging of the population, host people from the age of 55 and beyond; their customers are mixed: Tenants and owners.

Corporate Social Responsibility (CSR) is the contribution of companies to the challenges of Sustainable Development. The approach is for companies to take into account the social and environmental impacts of their activity in order to adopt the best possible practices and thus contribute to the improvement of society and the protection of the environment. CSR makes it possible to combine economic logic, social responsibility and environmental responsibility (definition of the Ministry of Ecology, Sustainable Development and Energy).

The take-up rate (Te) represents the percentage of the initial stock that sells monthly on a real estate program (revenues/month divided by the initial stock); i.e. the monthly net orders divided by the ratio of the stock at the beginning of the period plus the stock at the end of the period divided by two.

EBIT rate (or OCR) rate: Expressed in percentages, corresponding to the operational income so far with operational costs to-date deducted from gross margin, divided by the revenue.

Cash and cash equivalents: This corresponds to cash and cash equivalents on the assets side of the balance sheet, i.e. all cash on hand (available banks and cashiers), marketable securities (short-term investments and term deposits) and reserve balances.

Net cash: It corresponds to 'negative' net debt, or 'negative' net financial debt, as for the company the balance of cash and financial investments forming its 'active cash' is greater than the amount of its gross financial debts (or gross financial debt).

Units: are used to determine the number of housing units or equivalent (for mixed programs) in a given program. The number of units of housing equivalents is determined by dividing the surface area by type (business/commercial/office premises) by the average surface area of the units previously obtained.

Sale on completion (VEFA): is the contract under which the seller immediately transfers to the buyer its rights in the land and the ownership of the existing buildings. Future works become the property of the acquirer as they are performed; the acquirer is required to pay the price as the work progresses. The seller retains the powers of the project owner until the work is accepted.

APPENDICES

◆ Financial Data

Main consolidated data

(in thousands of euros)

	Q1 2024	Q1 2023
Revenue	228,004	586,534
• of which Housing	197,158	229,275
• of which Commercial Property	27,186	353,877
• Other***	3,660	3,383
Gross margin	45,857	84,994
Gross margin rate (%)	20.1%	14.5%
Recurring Operating Income (or EBIT)	16,765	49,554
Operating Margin – EBIT (%)	7.4%	8.4%
Attributable net income (group share)	11,049	31,582
Earnings per share (€/a) **	€0.56	€1.50

* The EBIT corresponds to the operating income for the period, calculated at the gross margin deducted by operating costs (OCR) for the current period.

** Based on the number of shares comprising the share capital of Kaufman & Broad S.A, i.e. 19,862,022 shares at 29 February 2024 and 21,113,022 shares at 28 February 2023.

*** including €2.0M in revenues from the operation of student residences at 29 February 2024 and €1.9M at 28 February 2023.

Consolidated income statement

(in thousands of euros)

	Q1 2024	Q1 2023
Revenue	228,004	586,534
Cost of revenues	-182,147	-501,541
Gross profit	45,857	84,994
Selling expenses	-4,127	-6,313
Administrative expenses	-14,993	-14,852
Technical and after-sales services expenses	-5,021	-5,415
Development and program expenses	-4,950	-8,859
Current Operational Income (COI)	16,765	49,554
Other non-current income and expenses	-	-
Operating income	16,765	49,554
Net Cost of Financial Debt	-2,387	-3,022
Other Financial Expenses and Income	-	-
Income tax expense	-3,257	-12,141
Share of income (loss) of equity affiliates and joint ventures	3,162	269
Consolidated net income	14,283	34,660
Non-controlling interests	3,234	3,079
Attributable Net income	11,049	31,582

* Unaudited and not approved by the Board of Directors

Consolidated balance Sheet

(in thousands of euros)

	February 29 , 2024	November 30 , 2023
Assets		
Goodwill	68,661	68,661
Intangible assets	92,381	92,429
Property, plant and equipment	9,789	10,174
Right of use	34,871	34,009
Investment property	19,531	19,528
Equity affiliates and joint ventures	26,287	23,257
Other non-current financial assets	2,524	2,533
Deferred tax asset	15,719	14,856
Non-current assets	269,763	265,447
Inventories	413,267	413,627
Accounts receivable	451,854	495,106
Other receivables	158,433	185,385
Cash flow and cash flow equivalents	365,258	350,043
Current tax	0	0
Current assets	1,338,811	1,444,162
TOTAL ASSET	1,658,574	1,709,609

	February 29 , 2024	November 30 , 2023
Liabilities		
Share capital	5,163	5,163
Bonuses, Reserves, and Other	216,286	155,486
Attributable net income	11,049	60,154
ATTRIBUTABLE SHAREHOLDERS' EQUITY	232,498	220,803
Non-controlling interests	14,715	13,660
Shareholders' equity	247,213	234,463
Non-current provisions	28,973	29,011
Non-current financial liabilities	117,193	116,848
Long-term financial lease liabilities	32,145	31,073
Deferred tax liability	60,055	56,922
Non-current liability	238,366	233,854
Current provisions	1,827	1,827
Other current financial liabilities	61,540	56,359
Short-term financial lease liabilities	7,955	8,171
Accounts payable	857,826	942,767
Other liabilities	226,187	213,312
Current tax	17,662	18,856
Current liability	1,172,996	1,241,292
Total LIABILITIES	1,658,574	1,709,609

* Unaudited and not approved by the Board of Directors

◆ Operating data

Housing	Q1 2024	Q1 2023
Revenue (€m, excl. VAT)	197.2	229.3
• of which Apartments	181.7	213.6
• of which single-family homes in communities	15.5	15.7
Deliveries (HEUs)	-951	1,064
• of which Apartments	897	1,010
• of which single-family homes in communities	54	54
Net orders (in number)	1,123	1,021
• of which Apartments	956	927
• of which single-family homes in communities	167	-94
Net orders (€M, incl. VAT)	252.7	234.1
• of which Apartments	208.4	205.0
• of which single-family homes in communities	44.2	29.1
Housing commercial offer – end of period (number)	1,517	2,360
Backlog at end of period		
• In value (€M, excl. VAT)	1,993.3	2,189.2
- of which Apartments	1,762.7	1,964.4
- of which single-family homes in communities	230.6	224.8
• In months of activity	25.8	22.9
End-of-period land reserve (number)	32,684	34,429

Commercial property	Q1 2024	Q1 2023
Revenue (€M, excl. VAT)	27.2	353.9
Net reservations (€M, incl. VAT)	1.6	24.5
End of period backlog (€ m, excl. VAT)	592.8	691.7