Q1 2022 Business activity and revenue

Paris, France, 27 April 2022, 5.45pm CEST

Continued good momentum in Residential Real Estate
Strong revenue growth in Services +11%
Enhanced low-carbon and biodiversity ambition
Annual targets unchanged

- **New home reservations stable**
  - 3,490 units during Q1 2022
- **Quarterly revenue down impacted by Commercial real estate**
  - Strong growth in Services, Residential Real Estate almost stable
  - Decrease in Commercial Real Estate given high basis of comparison in Q1 2021
- **Accelerated strategy to consolidate Nexity's leadership within real estate sector in decarbonation and biodiversity protection**
  - Objective of a certified carbon trajectory aligned with the Paris agreements at 1.5°C by 2030
- **Unchanged annual targets**
  - 2022 financial objectives: current operating profit of at least €380m[1]
  - Strong visibility provided by future revenue in backlog (above €6bn)

KEY FIGURES AT END-MARCH 2022

New home reservations in France	Q1 2022	Q1 2021[(1)]	Change 22 vs 21
Volume	**3,490 units**	**3,508 units**	- 18 units
Value	€764m	€792m	-3.5%

Revenue (€m)	Q1 2022	Q1 2021[(1)]	Change 22 vs 21
Development	**699**	**851**	**-18%**
Residential real estate	626	655	-4%
Commercial real estate	72	195	-63%
Services	**195**	**176**	**+11%**
Other activities	**1**	**1**	
Revenue	**895**	**1,028**	**-13%**

[(1)] *Data on a like-for-like basis, i.e excluding disposed activities during H1 2021: Century 21 (consolidated until 31 March) and Ægide-Domitys (consolidated until 30 June).*

VÉRONIQUE BÉDAGUE, CHIEF EXECUTIVE OFFICER, COMMENTED:

"Business activity and revenue in the first quarter, traditionally contributing the least to the results of the year, are in line with our expectations. New home reservations remained strong, supported by continued low interest rates and strong available liquidity. The +11% revenue growth posted by our Services activities continues to demonstrate the relevance of our unique integrated real estate operator model. In a market where the number of building permits issued nationwide is recovering but remains below its pre-covid level, Nexity continues to outperform the market in terms of permits obtained.

Nexity is weathering the actual period of instability with confidence and does not observe any short-term significant impact of the global geopolitical context on its business activity or on the progress of its projects. Thanks to the strength of its backlog, the financial targets set last February for the full year 2022 remain unchanged. Thanks to our unique business model, our size and our leadership position we are already taking action to anticipate and absorb any potential deteriorating economic conditions in the coming months.

[1] Enabling the operating margin to be maintained at around 8.0%

Note: The indicators and financial data in this press release are derived from Nexity's operational reporting, with the presentation of proportionately consolidated joint ventures. The definition of the indicators used in this press release and their reconciliation with the IFRS financial statements are presented at the end of the document.

We hope that, coming out of the presidential elections that have just been held, there will be a collective political awareness in order to address the many challenges raised by housing in our country, which has been the great absentee of this presidential campaign even though it is at the heart of French people's lives and constitutes their first item of expenditure.

Finally, I will have the pleasure of meeting our shareholders in person this year at our next Shareholders' Meeting on 18 May, during which will be notably submitted to shareholders' vote a 25% increase in dividend (to €2.50 per share) as a sign of our confidence in the future, and our low-carbon and biodiversity roadmap, which reflects Nexity's ambition to be the leader in the real estate sector in terms of decarbonation and biodiversity protection."

RESIDENTIAL REAL ESTATE: BUSINESS ACTIVITY STILL DYNAMIC

Business activity: After an initial slowdown of several days, the Group has not observed any major change in customer behaviour since the start of the conflict in Ukraine. At the end of March 2022, Nexity recorded net reservations for new homes in France that were stable in volume at 3,490 units, in line with previous years. The Group continues to benefit from a balanced distribution of its customer base, between individuals (61% of reservations at end-March), whose demand remains strong, supported by still attractive financing conditions (on average 1.18% at end-March 2022 compared with 1.37% in March 2019[2]), and institutional investors (39%), still attracted by the defensive and resilient nature of this asset class. Reservations by value are down 3.5%, mechanically impacted by the client mix: social price-controlled bulk sales are made at a lower price than retail sales. Reservations in supply-constrained areas (A and B1) accounted for 80% of reservations over the period, with sales prices per square metre up by 4.2% compared with Q1 2021, reflecting the supply shortage.

Against a slow recovery in the building permits grants but longer timeframes for setting up operations, the low level of commercial launches and the still rapid time-to-market (4.0 months) still do not make it possible to rebuild the supply for sale, which remains low at the end of March 2022 (6,742 units compared with 7,655 units on 31 December 2021). The continued recovery in the number of building permits obtained since the beginning of the year (+17% compared to Q1 2021) will feed the supply for sale in the coming months.

Revenue: Residential real estate revenue amounted to €626 million, down 4% compared to the end of March 2021 and reflected the weaker start of new operations in late 2021.

Outlook: The first quarter is traditionally not representative of the activity expected during the year. The Group remains confident in its ability to absorb the pressure on construction costs for ongoing projects and to maintain its margins levels thanks to its size, its prudent provisioning policy and the visibility provided by its backlog (€5.6 billion, i.e. two years of activity). Nexity remains vigilant as to the possible repercussions on the margin levels of its future operations of a more pronounced increase in construction costs and interest rates and is already mobilised to deal with them.

COMMERCIAL REAL ESTATE: A TRANSITION PERIOD

Business activity: In a bottom of the cycle and still wait-and-see market, Nexity recorded, as expected, a low level of new orders (€34 million at the end of March 2022).

Revenue: Commercial real estate revenue amounted €72 million at end-March, down 63% compared to Q1 2021 (€195 million) which included in particular the contribution of more than 120 million euros from the order taken for the future headquarters of Nexity Reiwa in Saint-Ouen.

Outlook: Given the maturity of the project portfolio and the wait-and-see attitude of users in the market, commercial order intake should reach a low point in 2022 as expected. The backlog (€935 million, i.e. 3 years of activity) and the activity business potential (€1.9 billion, i.e. 5 years of activity) give the Group good visibility on future financial results.

[2] Source: *Observatoire Crédit Logement* – Q1 2022

SERVICES: DYNAMISM OF ACTIVITY

At the end of March 2022, and on a like-for-like basis, Services revenue was up by 11% compared to the end of March 2021 to €195 million.

It is mainly driven by **serviced properties**, which grown very strongly: +40% compared to the end of March 2021, which was still marked by the restrictions linked to the health context. Revenue from Morning coworking activities more than doubled over the period, benefiting from both an increase in space managed (5 new openings representing the equivalent of more than 10,000 sq.m managed) and a strong increase in occupancy rate (90% in Q1 2022 compared with 70% in Q1 2021). Nexity Studéa, the leading operator of student residences, has seen its revenue increase by 12% compared with 2021, with an average occupancy rate at pre-covid level (97.4% in Q1 2022, up by more than 3 points compared with Q1 2021) and four additional residences since Q1 2021. These developments are expected to continue over the remainder of the year.

Revenue from **property management activities** was slightly up by +1% to €92 million supported by the good performance of the property management for individuals (+1.7%), and in particular the transaction and seasonal rental activities.

Revenue from **distribution activities** was up by +10% as a result of the good level of signatures of notarial deeds resulting from the volumes of reservations recorded in 2021.

IFRS CONSOLIDATED REVENUE

Under IFRS, consolidated revenue at end-March 2022 amounted to €815 million compared to €945 million on 31 March 2021 on a like-for-like basis, a decrease of 14%. This revenue excludes revenue from joint ventures in application of IFRS 11, which requires the equity accounting of proportionally integrated joint ventures in operational reporting. The IFRS revenue published in Q1 2021 included the revenue of the disposed activities in 2021 (Century21 and Ægide Domitys) and amounted to €1,044 million.

As a reminder, revenue generated by the development businesses from VEFA off-plan sales and CPI development contracts is recognised using the percentage-of-completion method, i.e. on the basis of notarised sales and pro-rated to reflect the progress of all inventoriable costs.

ACCELERATION OF THE CLIMATE AND BIODIVERSITY STRATEGY AND ENHANCED CARBON TRAJECTORY

Nexity's historic commitment to a low-carbon, inclusive and resilient city are fully part of its profitable and responsible growth model.

Committed since 2019 to the Science Based Target Initiative (SBTi) and after obtaining the "Well below 2°C" certification of its carbon trajectory scopes 1, 2 and 3 in March 2021, Nexity announced on 7 April an acceleration of its Climate and Biodiversity strategy and raised its carbon reduction targets, aiming from now on at a certified carbon trajectory aligned 1.5°C. The Group's objective is now to reduce $C0_2$ emissions related to the life cycle of buildings delivered as part of the development activity (scope 3) by 42% per sq.m delivered in 2030 compared to 22% previously. This new trajectory is 10% more ambitious than the one made mandatory by the French environmental regulation 2020 (RE2020), which is already very demanding in the European context

In terms of biodiversity, Nexity has already set the objective of scaling up the integration of nature in all its operations. The ambition is to accelerate the consideration of this complex issue linked to climate change. In particular, this means helping to limit soil sealing and land artificialisation by working on solutions for rebuilding the city over the city: urban regeneration, rehabilitation and desirable density. Nexity's ambition is to be one of the companies most committed to having a positive impact on biodiversity and aims in particular to green 100% of residential and commercial real estate projects delivered by 2023 to provide access to nature and biodiversity.

Nexity is accelerating its roadmap in this area, anticipating the challenges facing the real estate sector and the opportunities arising from the ecological transition and the resulting transformation of its businesses.

To ensure consistency between what it says and what it does, and because Nexity has always been committed to aligning the interests of all its stakeholders, the Board of Directors has decided to submit the ambition of this Climate and Biodiversity strategy to the advisory opinion of shareholders (Say on Climate and Biodiversity) at the next Shareholders' Meeting.

2022 OUTLOOK

The Group repeats the objectives for the full year 2022 communicated last February: a **market share of over 14%**[3] and a **current operating profit of at least €380 million**, enabling the operating margin to be maintained at around 8%. To date, this outlook remains unchanged.

Nexity will continue to closely monitor the current economic, social and health situation

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[3] In a new home market expected to grow slightly (c.150,000 units)

Q1 2022 BUSINESS ACTIVITY AND REVENUE

FINANCIAL CALENDAR & PRACTICAL INFORMATIONS

Shareholders' Meeting	Wednesday 18 May 2022
2021 dividend, subject to approval at the Shareholders' Meeting	
▪ Ex-dividend date	Monday 23 May 2022
▪ Payment date	Wednesday 25 May 2022
2022 Half-Year results	Wednesday 27 July 2022 (after market close)
Q3 2022 business activity and revenue	Wednesday 26 October 2022 (after market close)

A **conference call** will be held today in French with a simultaneous translation into English **at 6.30 p.m. (Paris Time)**, available on the website https://nexity.group/en/ in the Finance section and with the following numbers:

- Calling from France +33 (0)1 70 37 71 66
- Calling from elsewhere in Europe +44 (0)33 0551 0200
- Calling from the United States +1 212 999 6659

The presentation accompanying this conference will be available on the Group's website from 6:15 p.m. (Paris Time) and may be viewed at the following address: Nexity webcast Q1 2022

The conference call will be available on replay at https://nexity.group/en/finance from the following day.

Disclaimer: The information, assumptions and estimates that the Company could reasonably use to determine its targets are subject to change or modification, notably due to economic, financial and competitive uncertainties. Furthermore, it is possible that some of the risks described in Section 2 of the Universal Registration Document filed with the AMF under number D.21-0283 on 9 April 2021, could have an impact on the Group's operations and the Company's ability to achieve its targets. Accordingly, the Company cannot give any assurance as to whether it will achieve its stated targets and makes no commitment or undertaking to update or otherwise revise this information

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ANNEX OPERATIONAL REPORTING

Reservations – Residential Real Estate

	2022	2021				2020			
Number of units	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
New homes (France)	3,490	7,658	4,092	4,843	3,508	7,299	3,848	5,402	3,450
Subdivisions	337	772	367	439	338	660	244	297	360
International	133	216	247	404	249	503	193	74	165
Total new scope	**3,960**	**8,646**	**4,706**	**5,686**	**4,095**	**8,462**	**4,285**	**5,773**	**3,975**
Reservations carried out directly by Ægide				348	389	143	336	392	207
Total	**3,960**	**8,646**	**4,706**	**6,034**	**4,484**	**8,605**	**4,621**	**6,165**	**4,182**

	2022	2021				2020			
Value, in €m incl. VAT	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
New homes (France)	764	1,447	845	1,056	792	1,534	855	1,141	750
Subdivisions	27	55	33	42	29	57	19	25	30
International	18	31	48	72	41	91	29	11	26
Total new scope	**808**	**1.533**	**927**	**1,170**	**862**	**1,682**	**903**	**1,177**	**806**
Reservations carried out directly by Ægide				85	90	32	70	90	41
Total	**808**	**1,533**	**927**	**1,255**	**952**	**1,713**	**974**	**1,267**	**847**

Breakdown of new home reservations in France by client - New Scope *In number of units*	Q1 2022		Q1 2021		Change Q1 2022/Q1 2021
Homebuyers	**704**	**20%**	**867**	**25%**	**-19%**
o/w: - First time buyers	617	18%	738	21%	-16%
- Other home buyers	87	2%	129	4%	-33%
Individual investors	**1,430**	**41%**	**1,762**	**50%**	**-19%**
Professional landlords	**1,356**	**39%**	**879**	**25%**	**54%**
O/w : - Institutional investors	273	8%	113	3%	142%
- Social housing operators	1.083	31%	766	22%	41%
Total	**3,490**	**100%**	**3,508**	**100%**	**-1%**

Backlog

	2022	2021				2020			
In € million, excluding VAT	Q1	FY	9M	H1	Q1	FY	9M	H1	Q1
Residential Real Estate development	5,551	5,565	5,610	5,504	5,399	5,509	5,100	4,986	4,522
Commercial Real Estate development	935	974	1,013	1,059	1,138	1,032	321	373	398
Total backlog new scope	**6,485**	**6,538**	**6,622**	**6,563**	**6,536**	**6,541**	**5,421**	**5,359**	**4,920**
Operations carried out directly by Ægide	.				242	280	298	300	274
Total backlog	**6,485**	**6,538**	**6,622**	**6,563**	**6,778**	**6,820**	**5,719**	**5,659**	**5,194**

Services

	March 2022	December 2021	Change	March 2021
Property Management				
Portfolio of managed units				
- Condominium management	675,000	672,000	stable	681,000
- Rental management	157,000	155,000	+1%	160,000
Commercial real estate				
- Assets under management (in millions of sq.m)	20.2	20.4	-1%	20.1
Serviced properties				
Student residences				
- Number of residences in operation	129	129	-	125
- Rolling 12-month occupancy rate	93.7%	92.7%	+1.0 bp	
Shared office space				
- Managed areas (in sq.m)	67,000	57,000	+18%	57,000
- Rolling 12-month occupancy rate	79%	74%	+5.0 bps	
Distribution				
- Total reservations	1,082		-19%	1,344
Of which reservations on behalf of third parties	*670*		*-28%*	*933*

Quarterly figures - Revenue

	2022	2021				2020			
En millions d'euros	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Development	**699**	**1,279**	**815**	**827**	**851**	**1,747**	**703**	**680**	**524**
Residential Real Estate development	626	1,146	735	742	655	1,216	642	434	467
Commmercial Real Estate development	72	133	79	85	195	530	61	247	57
Services	**195**	**270**	**198**	**209**	**176**	**237**	**198**	**161**	**171**
Property management	*92*	*94*	*100*	*94*	*91*	*95*	*99*	*84*	*91*
Serviced properties	*49*	*47*	*40*	*35*	*35*	*34*	*35*	*30*	*35*
Distribution	*54*	*129*	*58*	*80*	*50*	*108*	*65*	*47*	*45*
Other activities	**1**				**1**				
Revenue - New scope	**895**	**1,549**	**1,013**	**1,036**	**1,028**	**1,983**	**901**	**842**	**695**
Revenue from disposed activities*	.			**107**	**104**	**134**	**120**	**88**	**92**
Revenue	**895**	**1,549**	**1,013**	**1,143**	**1,132**	**2,118**	**1,021**	**929**	**787**

** Disposed activities are consolidated until 31 Mars 2021 for Century 21 and until 30 June 2021 for Ægide-Domitys*

GLOSSARY

Time-to-market: Available market supply compared to reservations for the last 12 months, expressed in months, for new home reservations segment in France

Business potential: The total volume of potential business at any given moment, expressed as a number of units and/or revenue excluding VAT, within future projects in Residential Real Estate (New homes, Subdivisions and International) as well as Commercial Real Estate, validated by the Group's Committee, in all structuring phases, including the projects of the Group's urban regeneration business (Villes & Projets); this business potential includes the Group's current supply for sale, its future supply (project phases not yet marketed on purchased land, and projects not yet launched associated with land secured through options)

Current operating profit: Includes all operating profit items with the exception of items resulting from unusual, abnormal and infrequently occurring transactions. In particular, impairment of goodwill is not included in current operating profit

Development backlog (or order book): The Group's already secured future revenue, expressed in euros, for its real estate development businesses (Residential Real Estate and Commercial Real Estate). The backlog includes reservations for which notarial deeds of sale have not yet been signed and the portion of revenue remaining to be generated on units for which notarial deeds of sale have already been signed (portion remaining to be built)

EBITDA: Defined by Nexity as equal to current operating profit before depreciation, amortization and impairment of non-current assets, net changes in provisions, share-based payment expenses and the transfer from inventory of borrowing costs directly attributable to property developments, plus dividends received from equity-accounted investees whose operations are an extension of the Group's business. Depreciation and amortization include right-of-use assets calculated in accordance with IFRS 16, together with the impact of neutralising internal margins on disposal of an asset by development companies, followed by take-up of a lease by a Group company.

EBITDA after lease payments: EBITDA net of expenses recorded for lease payments that are restated to reflect the application of IFRS 16 Leases

Free cash flow: Cash generated by operating activities after taking into account tax paid, financial expenses, repayment of lease liabilities, changes in WCR, dividends received from companies accounted for under the equity method and net investments in operating assets

Gearing: net debt divided by consolidated equity

Joint ventures: Entities over whose activities the Group has joint control, established by contractual agreement. Most joint ventures are property developments (Residential Real Estate and Commercial Real Estate) undertaken with another developer (co-developments)

Land bank: The amount corresponding to acquired land development rights for projects in France carried out before obtaining a building permit or, in some cases, planning permissions

Leverage ratio: net debt before lease liabilities (IFRS 16) divided by EBITDA after leases on the last 12 months

Net profit before non-recurring items: Group share of net profit restated for non-recurring items such as change in fair value adjustments in respect of the ORNANE bond issue and items included in non-current operating profit (disposal of significant operations, any goodwill impairment losses, remeasurement of equity-accounted investments following the assumption of control)

New scope: Scope of consolidation excluding the contribution of disposed activities (Century 21 and Ægide-Domitys) and capital gains. Disposed activities have been consolidated until 31 March 2021, for Century 21 and until 30 June 2021, for Ægide-Domitys.

Order intake – Commercial real estate: The total of selling prices excluding VAT as stated in definitive agreements for Commercial Real Estate Development projects, expressed in euros for a given period (notarial deeds of sale or development contracts).

Operational reporting: According to IFRS but with joint ventures proportionately consolidated. This presentation is used by management as it better reflects the economic reality of the Group's business activities

Pipeline: sum of backlog and business potential; could be expressed in months or years of activity (as the backlog and the business potential) based on the last 12 months revenue.

Property Management: Management of residential properties (rentals, brokerage), common areas of apartment buildings (as managing agent on behalf of condominium owners), commercial properties, and services provided to users.

Reservations by value: (or expected revenue from reservations) – Residential Real Estate: The net total of selling prices including VAT as stated in reservation agreements for development projects, expressed in euros for a given period, after deducting all reservations cancelled during the period

Revenue: revenue generated by the development businesses from VEFA off-plan sales and CPI development contracts is recognised using the percentage-of-completion method, i.e. on the basis of notarised sales and pro-rated to reflect the progress of all inventoriable costs.

Serviced properties: the Group's business activities in the management and operation of student residences as well as flexible workspaces.