

## PRESS RELEASE

### Significant growth in 2021 results

The 2021 performances align perfectly with the goals set:

- 39.5% increase in turnover at €285.7M
- 43.2% growth in EBITDA at €34.8M
- Operational profitability on the rise, representing 7.2% of turnover

Proposed dividend distribution of €1.80 per share % (+157%)

### Target of €400M turnover confirmed for 2022

*Saint-Herblain, 17 March 2022, 5.45 p.m. The Executive Board of regional development group REALITES has closed the consolidated accounts for the 2021 financial year.*

<i>In millions of Euros excl. tax IFRS</i>	<b>31/12/2021</b>	31/12/2020	Variation N-1
Turnover	285.7	204.8	+39.5%
EBITDA	34.8	24.3	+43.2%
<i>EBITDA margin rate</i>	12.2%	11.9%	
EBIT	20.7	13.6	+51.9%
<i>Operating margin rate</i>	7.2%	6.6%	
Net income	10.6	7.8	+35.9%
<i>Net margin rate</i>	3.7%	3.8%	
Group share of net income	8.0	6.1	+31.1%
Net earnings per share - Group share	2.25	1.72	+30.8%

### **REALITES is entering a new phase as its growth gathers speed**

In 2021, in circumstances that remained complicated throughout the whole year (real estate market with a 12% downturn compared to 2019 - source: French Federation of Real Estate Developers), the REALITES group has delivered excellent performances which align with the forecasts made.

Over this period, the consolidated turnover increased by 39.5% in comparison to the previous financial year, reaching €285.7M.

The Project Management (Development) sector large boosted this growth with an 44.3% increase in turnover, reaching €274.4M in comparison to €190.1M in 2020, representing 96% of the total turnover.

The significant growth in the Project Management turnover translates the sizeable growth in deeds over the financial year (+53% to €350.5M) provided by one-off sales. It also reflects the transformation of land development generated by the Group, with a 19% increase to reach €723.7M. Work has begun on 35 new operations over the financial year.

Over this period, reservations have increased by 14.1%, reaching €332.0M, as compared with €291.1M in 2020 and €244.0M in 2019. The order book, comprising the commercial backlog, the commercial offering and the land portfolio, has returned a 28.9% increase, reaching €2,454.1M, enabling REALITES to confirm its short- and medium-term goals.

As of 31 December 2021, there was no unsold property stock, which reflects the success of the programmes launched by the Group over the period.

A cornerstone of future growth, the new land portfolio stands at a significant €1,352.7M and secures the Group's development in a market which is suffering from shortages both in terms of commercial offerings and available land.

Over the financial year, the User-Centred Development (Services) sector represents 7.4% of turnover and reached €21.2M, in comparison with €14.6M in 2020, boasting a 45.2% increase. The year 2021 was notably marked by the opening of two new serviced residential properties for the elderly - HEURUS in Noyal-Châtillon-sur-Seiche (35) and in Brest (29) - as well as the completion of a student residence - CAPETUDES in Besançon (25). The second half of the year was also marked by the reopening of the UP2PLAY sports and leisure complex in Sables d'Olonne and the acquisition of a stake in the events and catering group VINDEMIA (Midi & Demi).

At the same time, REALITES has upheld its proactive investment policy by expanding its regional presence with a new installation in the Hauts-de-France region and through pipeline projects across almost the entire region. Furthermore, the Group now has six regional management posts and two subsidiaries in Africa. Structural investments have also been continued with the strategic reinforcement of technical and management teams. As of 31 December 2021, the Group had 900 employees.

Following the acquisition in of TESSA INDUSTRIE, an innovative business specialising in "off-site" construction for carbon-free buildings, REALITES created REALITES BuildTech in May 2021. Dedicated to ensuring the high-performance and efficiency of the Group's Project Management business lines, this incorporated entity is structured around four divisions: Environment, Research & Development, Engineering and Industry. In La Janais (35), the 11,000 m<sup>2</sup> integrated production unit aims to produce 100,000 m<sup>2</sup> of timber frames using 90% bio-based materials.

Hand-in-hand with the Group's financial and economic performance, its corporate social and environmental performance has been reinforced to ensure REALITIES becomes a "business with an impact". The Group's first Non-financial data report will be issued on 31 March 2022.

### **Profitability indicators clearly on an upwards trend, in line with goals**

Across the financial year, all profitability indicators have shown growth.

EBITDA has reached €34.8M with a 43.2% increase. This performance incorporates investments in human capital, which have been essential in view of the Group's trajectory of growth. Despite the costs of a 54.2% increase in staffing over the financial year, the EBITDA rate increased from 11.9% in 2020 to 12.2% in 2021.

REALITES Group's long-standing Project Management division, which is the leading sector in terms of growth, generated an EBITDA rate of 9%; the rate generated by the User-Centred Development division was 33.1%.

Following an IFRS16 impact of €11.0M, as compared with €8.0M in 2020, on charging depreciation and provisions, the operating income reached €20.7M, with a 51.9% increase, an represents 7.2% of the turnover, as opposed to 6.6% the previous year (+0.6 points).

Taking into account financial income of -€8.9M, including -€0.5M attributable to the IFRS16 and a tax charge of €1.2M, the net income totalled €10.6M, meaning it had a 35.9% increase. The net Group Share earnings had a 31.1% increase, reaching €8.0M.

### **A controlled balance sheet structure**

As of 31 December 2021, the self-financing capacity reached €34.4M.

On this date, capitals and reserves reached €110.4M and the active cash flow totalled €98.9M, making it the highest total recorded in the history of the Group. The net debt "excluding project debt" totalled €96.3M, equivalent to a corporate gearing of 87%. The gearing comprising debts associated with property assets and excluding rental contracts reached a controlled level of 126%, taking into account the Group's significant growth.

### **Proposed dividend distribution**

Within this context, the Board of Directors has made the decision to propose a dividend distribution of €1.80 per share at the next General Meeting of Shareholders. Two years following the shareholders waiving their payment dividend due to the COVID-19 pandemic, this growth was one of the Group's commitments, ratified in 2020 with the Economic and Social Committee as part of a "new social agreement" aiming to align the interests of all stakeholders. This distributions also demonstrates the Group's confidence in the pursuit of dynamic development in coming years.

**Outlook: Maintaining the growth rhythm in 2022, secured by the firm commitment expressed on 31 December 2021**

Driven by the activity dynamics reported since the start of the financial year and current projects, REALITIES reiterates its confidence in its capacity to reach a turnover exceeding €400M in 2022, ahead of its "2025 Ambitions" plan which set the goals of reaching turnover of €800M and an operating income rate of 8%.

"We're extremely pleased with the results achieved in 2021.", added Yoann Choin-Joubert, CEO of REALITIES Group. "Our incorporated platform of projects and services guarantees innovative property development projects which respond to the new environmental and societal challenges faced across the regions. This growth is the result of the commitment shown across the entire Group, with individuals working on projects with a sense of contributing to the greater good, shaping the drive behind their actions." In 2022, our Group will continue with its significant upwards trajectory and will be able to benefit from the secure investment value of property and the current equity markets.»

**Next publication:** Tuesday 19 July 2022 (after market), 2022 H1 turnover

**General Meeting of Shareholders:** Thursday 19 May 2022

**About REALITES**

REALITES was founded in 2003 by CEO Yoann CHOIN-JOUBERT as a regional development company which develops new and innovative solutions with and for cities and urban areas, with the aims of creating value, enhancing attractiveness and promoting economic development. Thanks to its twofold positioning in the Project Management (construction of accommodation, managed housing, shops, offices, business premises, etc.) and End User-Centred Development (hospitality services, health, entertainment, etc.), REALITES develops projects which anticipate the needs of cities and local districts.

The Group is committed to the in-depth transformation of construction processes through its technology and innovation centre REALITES BuildTech, which pools the Group's technical expertise in Project Management to design projects in line with future construction challenges.

As the leading social purpose corporation in France, REALITES is officially confirming its commitment to reconcile lucrative targets with collective interest, with the support of a mission committee made up of well-known experts.

With over 900 employees and an ambitious development strategy in France and Africa (Morocco and Senegal), REALITES recorded a turnover of €285.7M in 2021, representing a 39.5% increase.

The Group's aim is to generate a turnover of €800M in 2025, with an operating income rate of 8%.

REALITES has been listed on Euronext Growth Paris since 2014 and its stock is eligible for PEA PME (ISIN code: FRO011858190, ALREA).

Further information: [www.groupe-realites.com](http://www.groupe-realites.com)



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