



real

The Real Brokerage Inc. Investor Presentation

March 2024

Nasdaq: REAX

investors.onereal.com

Legal Disclosure

Certain statements herein relating to The Real Brokerage Inc. (“Real” or the “Company”) constitute “forward-looking statements”, within the meaning of applicable securities laws, including without limitation, statements regarding future estimates, business plans and/or objectives, sales programs, forecasts and projections, assumptions, expectations, and/or beliefs of future performance. Such “forward-looking statements” involve known and unknown risks and uncertainties that could cause actual and future events to differ materially from those anticipated in such statements. Forward looking statements include, but are not limited to, statements with respect to commercial operations, anticipated revenues, the overall projected size of the market and other information that is based on forecasts of future results and other key management assumptions. The Company assumes no responsibility to update or revise forward-looking information to reflect new events or circumstances unless required by law.

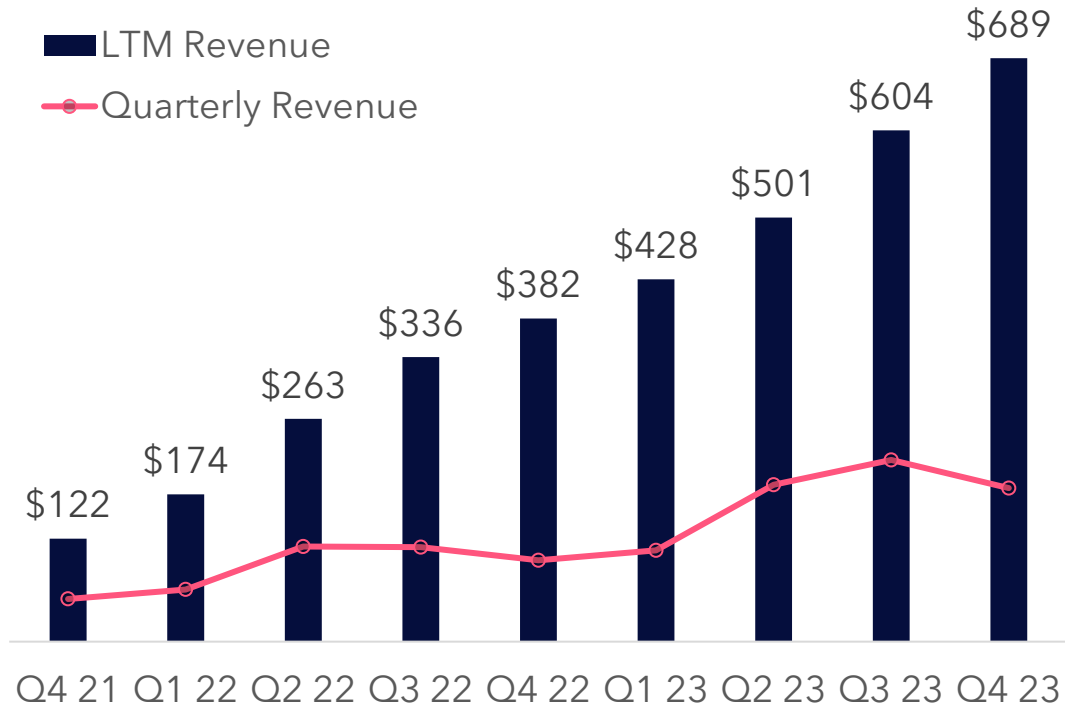
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Note: Figures in this presentation are as of 12/31/2023 unless otherwise specified.

The Real Brokerage Inc. Snapshot (Nasdaq: REAX)

- Founded in 2014, The Real Brokerage Inc. ("Real") is a real estate technology company that is disrupting the traditional real estate brokerage model by providing agents with a higher value offering at a lower cost
- Combining a unique culture, attractive financial incentives, and a proprietary software-based technology stack – Real has rapidly grown revenue and agent count without the need for cost-heavy physical office space
- With a focus on organic agent growth and increasing attachment of ancillary services, such as mortgage and title, our vision is to redefine the home buying and selling process, while providing an avenue for real estate agents to build generational wealth

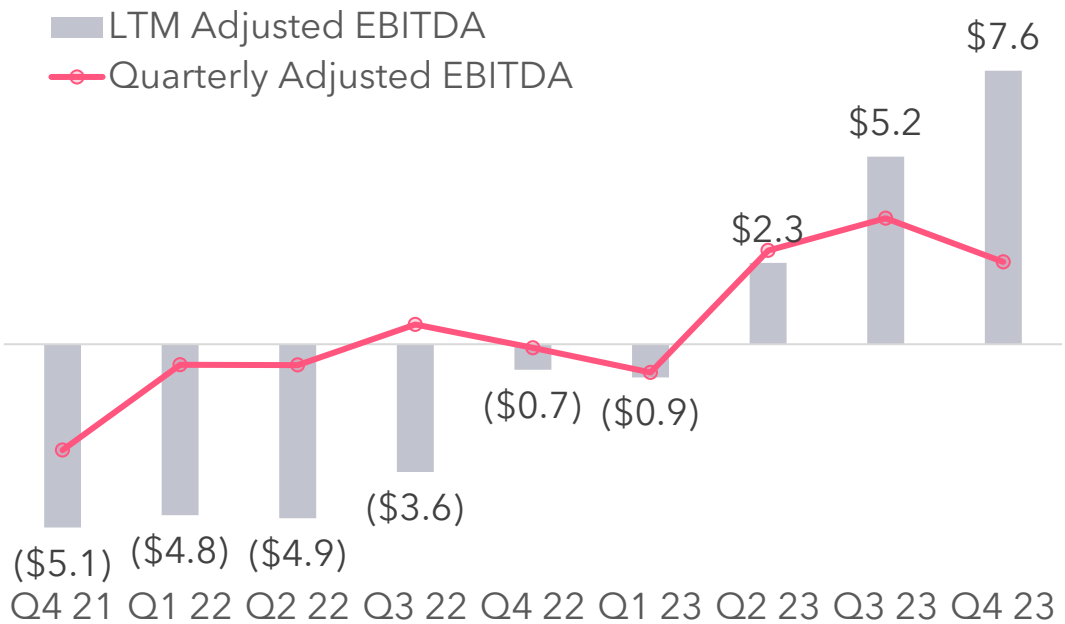
Last Twelve Months Revenue (\$mm)



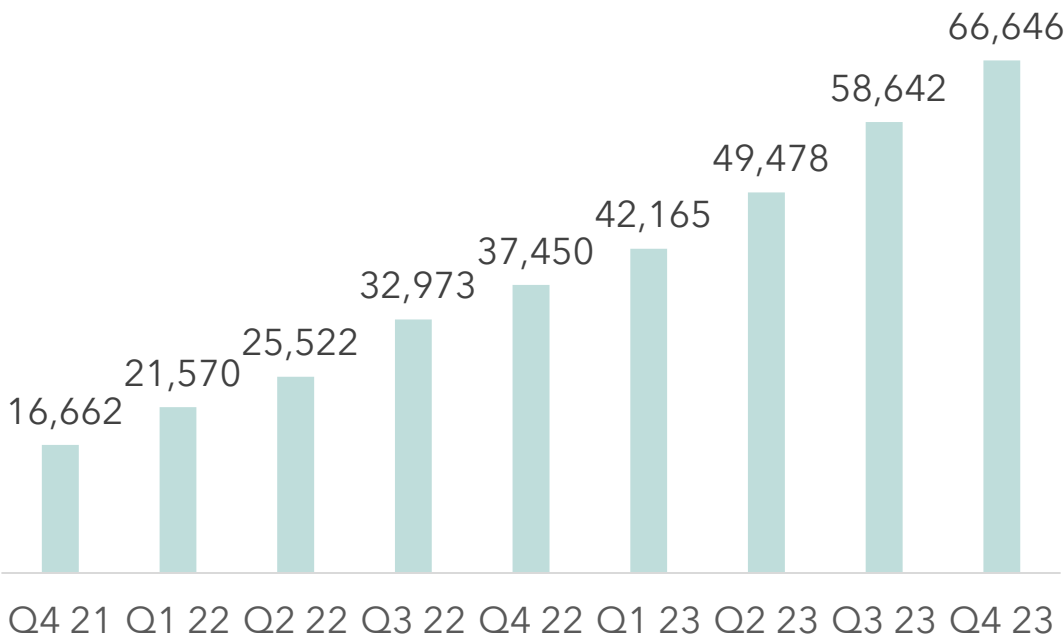
Agent Count



Last Twelve Months Adjusted EBITDA (\$mm)



Last Twelve Months Transaction Sides



The definition of all non-IFRS numbers and reconciliation to IFRS numbers are provided in the Appendix of this presentation.
Q4 2023 Adjusted EBITDA excludes a non-recurring stock based compensation balance sheet adjustment, which totaled \$6.2 million.

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I. Overview

“Our mission at Real is **empowering each agent**. Through **innovation**, we're not just enhancing efficiency, but fostering a culture of **shared success** and **wealth creation**.

Our journey is about transforming the real estate landscape to **make lives better**, and sharing the fruits of this **collective effort** with **every agent** on this exciting journey.”

– Tamir Poley,
Founder and CEO



The Real Brokerage Inc. Overview

1

A New Approach to the Old Brokerage Model

- Disruptive, software-based real estate brokerage with a vision to streamline the home buying process via a consumer facing app, while providing agents with tools to build long-term wealth

2

Compelling Agent Value Proposition

- Unique compensation model provides agents with attractive financial incentives, including high commission splits, revenue sharing, and the ability to earn equity in the company

3

Proprietary Software and Technology Stack

- Software stack developed 100% in-house and tailored to fit diverse needs of agents and clients; continuous innovation ensures platform remains at the forefront of real estate tech

4

Scalable, Capital Efficient Growth Platform

- Scalable platform has enabled significant revenue and gross profit growth, driving operating leverage and continuous margin improvement

5

Fragmented Market with Demonstrated Through-Cycle Growth

- Highly fragmented market has enabled Real to grow revenue by over 400% since the end of 2021, despite a decline in the existing home sales market of over 30% during that time

6

Ancillary Services to Enhance Growth and Margins

- Leveraging core platform and rollout of consumer-facing app to scale high-margin title and mortgage services, while introducing new products to further monetize on our platform

7

Distinct, Collaborative Culture

- Culture focused on collaboration and teamwork, driving innovation, engagement and stakeholder satisfaction

8

Experienced Management Team

- Seasoned executive team and deep bench bring diverse experiences scaling hyper growth companies across real estate, technology, and financial services industries

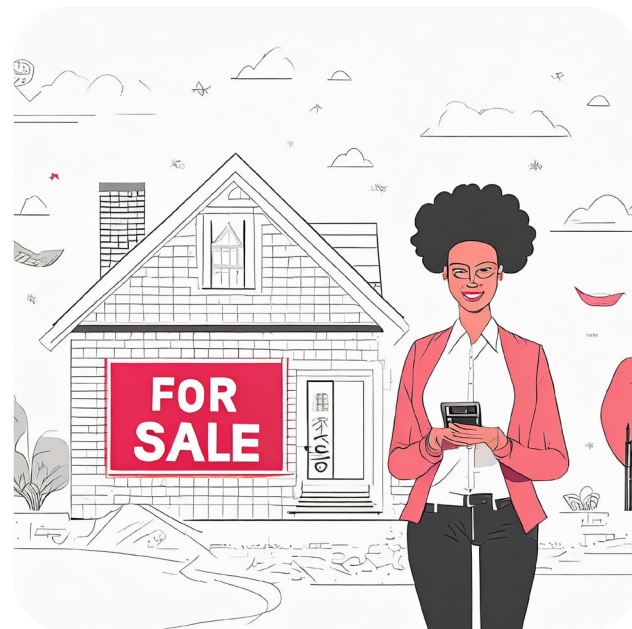


① A New Approach to the Old Brokerage Model

We are taking a first principles approach redefining the role of a real estate brokerage in agents' lives and the broader housing ecosystem

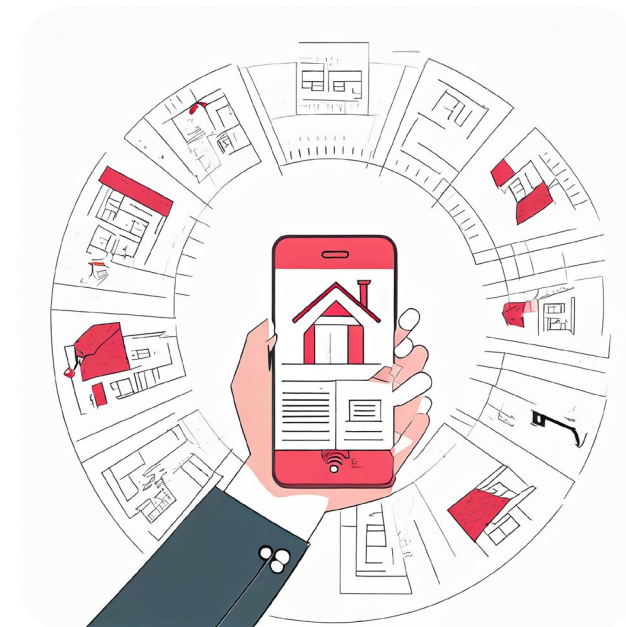
- By empowering agents with a differentiated model and technology interface that simplifies the transaction experience, we aim to be the destination brokerage for all agents by offering unparalleled value through a holistic ecosystem of technology, support and incentives

REAL TODAY



- **Software-based real estate brokerage** that provides agents with the ability to earn **more money**, with **more autonomy**, and **more advanced technology**
- **High value, low-cost offering** attracts agents who are passionate about building their businesses

REAL TOMORROW



- Rollout of **consumer-facing portal** which, under agent guidance, provides a **more streamlined home buying experience**, while driving increased attachment of higher-margin ancillary services
- Launch of **Real Wallet** providing agents with access to an **industry-first fintech product** solution

REAL IN THE FUTURE



- Creation of an **entire ecosystem of products**, monetizing our platform's vast GMV, including mobile and e-wallet payments, debit/credit card solutions, and a suite of wealth management tools
- **Empowering agents** to build **generational wealth** all under the Real umbrella

① Real Today: Software-Based Real Estate Brokerage Platform

Our business was designed to provide real estate agents higher value at a lower cost than traditional brokerage models



Traditional
Brokerage

FRANCHISE / MODEL

Description	<ul style="list-style-type: none">• Software-based platform, no need for physical offices, high agent autonomy	<ul style="list-style-type: none">• Established firms, national presence, physical offices, high fixed costs	<ul style="list-style-type: none">• Unified under a larger brand but independently owned
Agent Economics	<ul style="list-style-type: none">• High agent split with annual cap, revenue sharing, and equity opportunities	<ul style="list-style-type: none">• High brokerage split, with limited revenue share or equity	<ul style="list-style-type: none">• High agent split in exchange for recurring monthly franchise fees
Technology	<ul style="list-style-type: none">• Proprietary software tailored specifically for Real agents and clients	<ul style="list-style-type: none">• Some proprietary tools, but can be outdated	<ul style="list-style-type: none">• Varies; franchise or independently sourced
National Support	<ul style="list-style-type: none">• Collaborative nationwide community with online tools providing 24/7 support	<ul style="list-style-type: none">• Strong national branding and support	<ul style="list-style-type: none">• National branding, some centralized support
Training & Development	<ul style="list-style-type: none">• Online training, continuous learning and development	<ul style="list-style-type: none">• Established, but can be generic	<ul style="list-style-type: none">• Varies by franchise
Growth Potential	<ul style="list-style-type: none">• High potential in fragmented market	<ul style="list-style-type: none">• Challenged by newer business models	<ul style="list-style-type: none">• Tied to franchise brand success
Ancillary Services	<ul style="list-style-type: none">• Mortgage broker and title services offered today; additional services in the future	<ul style="list-style-type: none">• May offer; often through partnerships	<ul style="list-style-type: none">• Varies; some franchises offer, others may not

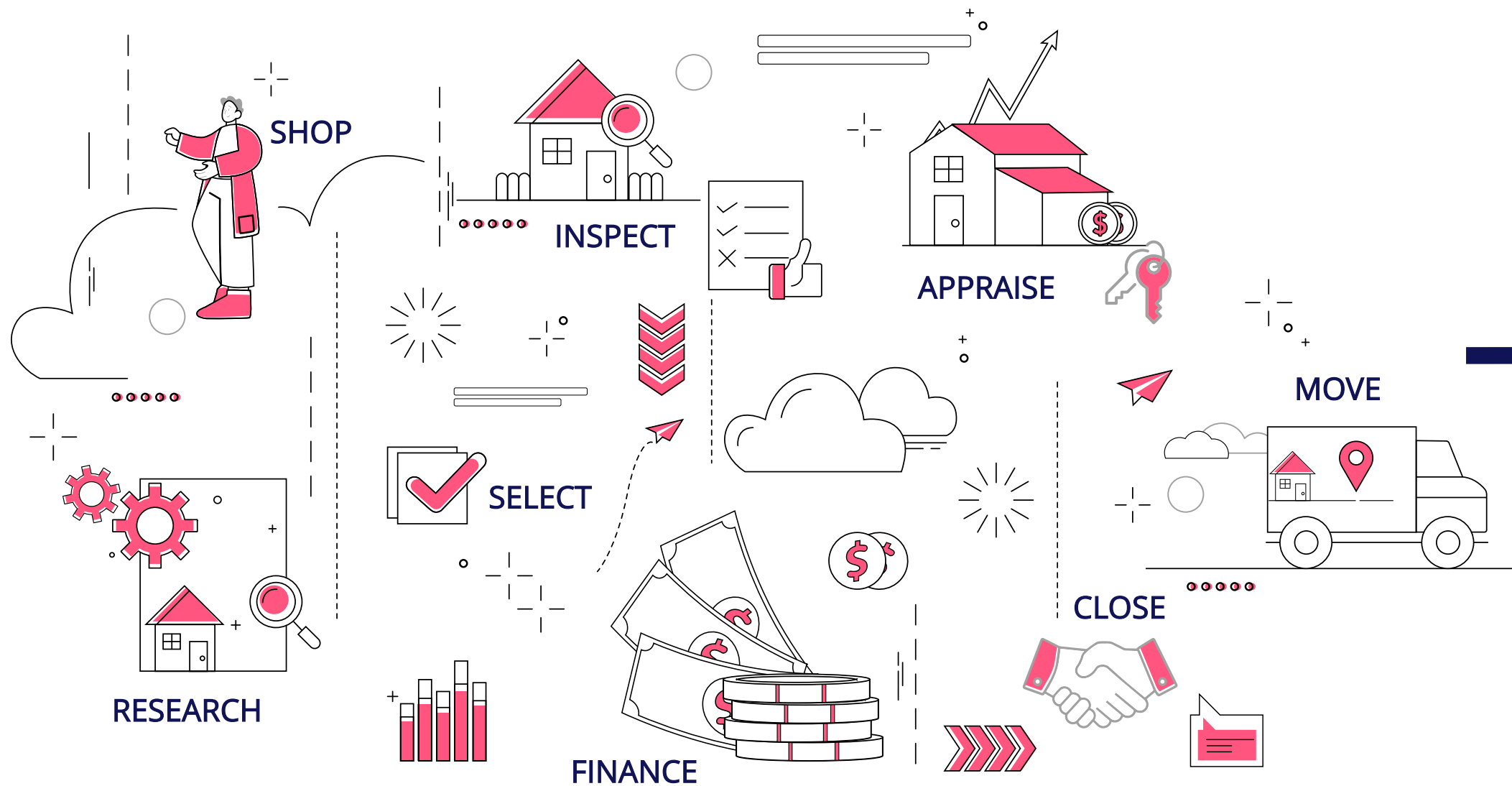


① Real Tomorrow: Streamlining the Homebuying Experience

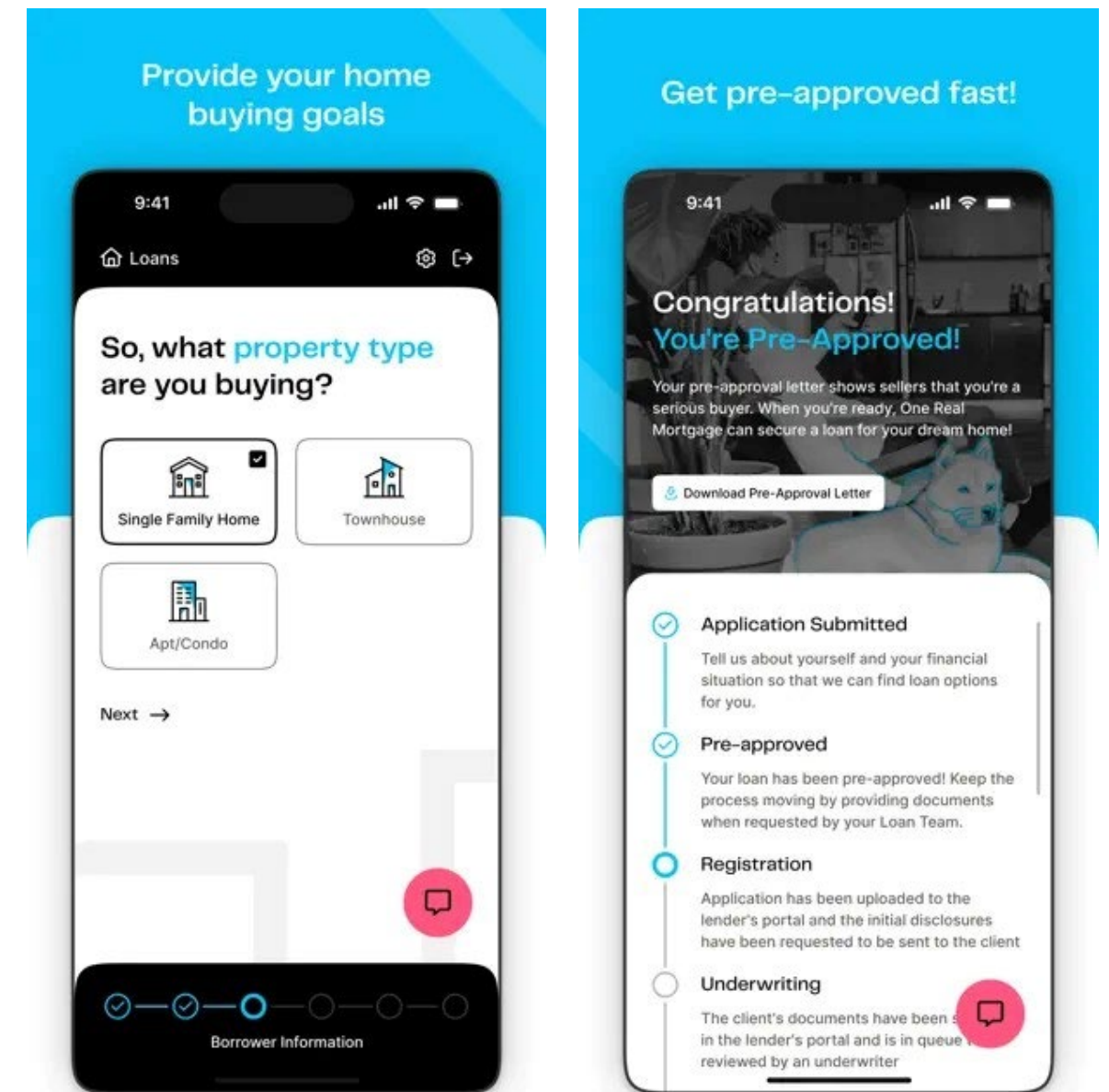
Launched in October 2023, the One Real app provides agents and their clients a mobile solution to simplify the mortgage application process

- Real seeks to take a complex process and wrap it in a simple, one-stop solution to take a customer from discovery to close, beginning with the One Real mortgage app, and layering in additional capabilities in the future

FROM THIS

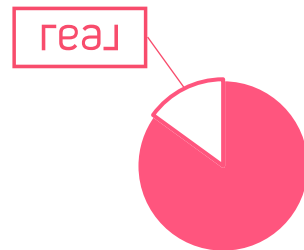


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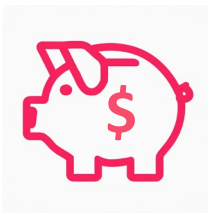
② Compelling Agent Value Proposition

Our revenue model provides agents the ability to earn more income and generate wealth from multiple sources



Commission Revenue

- Competitive 85/15 commission split in favor of agent vs. traditional splits of 70/30
- Agents keep all gross commission income after reaching \$12,000 annual cap



Revenue Sharing

- Unique top-down model provides agents opportunity to earn additional income by receiving a percentage of commissions generated by agents whom they recruit to Real



REAL Stock and Equity Awards

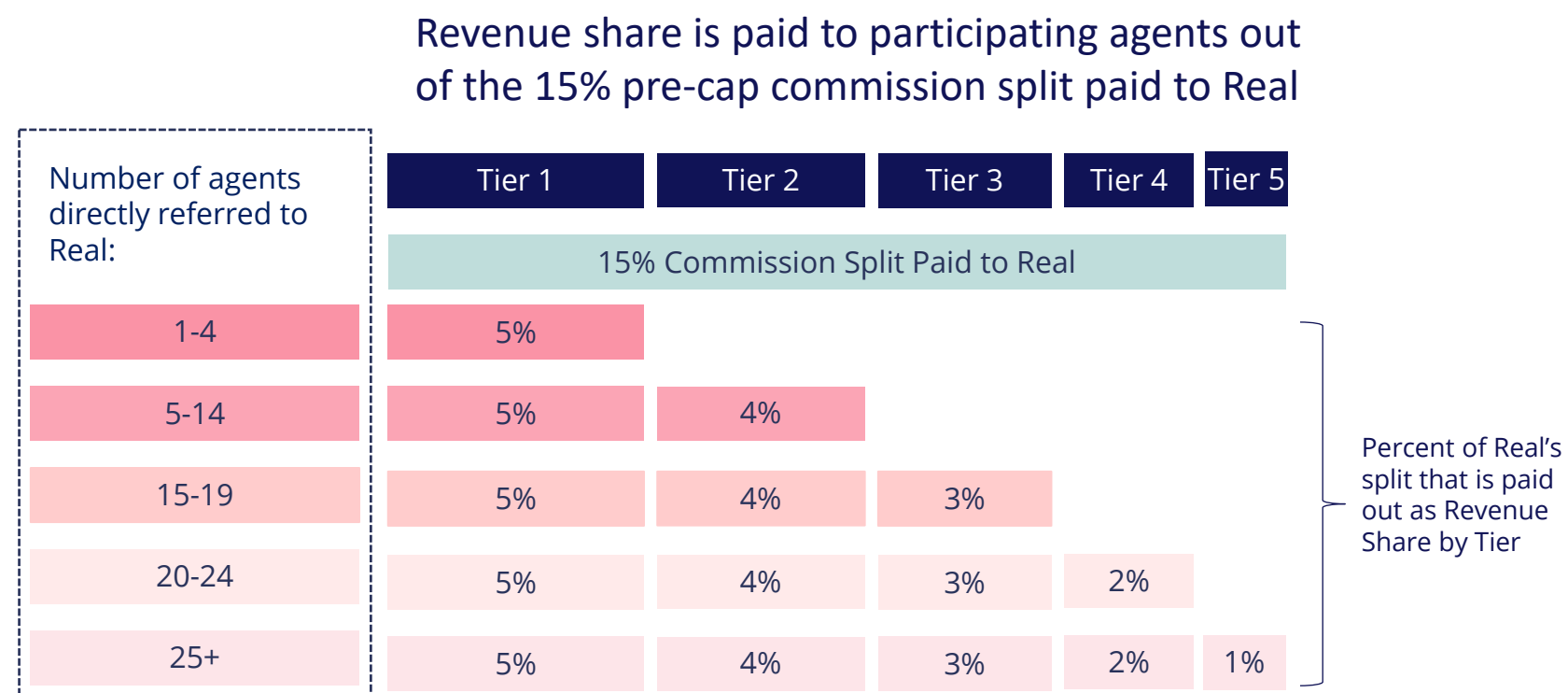
- Stock Purchase Plan (SPP) allows agents to invest a portion of commissions into REAX shares and build equity in the company; agents opting into SPP eligible to receive bonus Restricted Stock Units (RSUs) with 1-year vest
- Capping Awards: agents earn up to 150 shares upon reaching the annual cap, depending on agent status
- Elite Agent Production Award: Top-producing agents can earn up to \$16k in Real stock upon achievement of certain milestones
- Elite Agent Cultural Award: Top contributors to Real Academy can earn additional stock awards valued up to \$8k via RSUs with a 3-year vesting period
- Attracting Shares: Stock awards granted for attracting new agents to Real

② Compelling Agent Value Proposition – Revenue Sharing

Revenue sharing gives agents the ability to earn income from commissions generated by agents whom they refer to Real

HOW REVENUE SHARING WORKS

- **Direct Referrals:** If a Real agent brings in a new agent, they earn a share of the newcomer's commissions (up to a cap). This shared revenue is paid from Real's typical 15% commission split.
- **Tiered Earnings:** Once an agent has referred 5 or more new agents to Real, they enter a new Tier. Here, they not only earn from their direct referrals but also from the commissions of agents brought in by their initial referrals.



Note: Revenue share per agent maxes out at their annual cap amount, typically \$12,000

WHY REVENUE SHARING WORKS

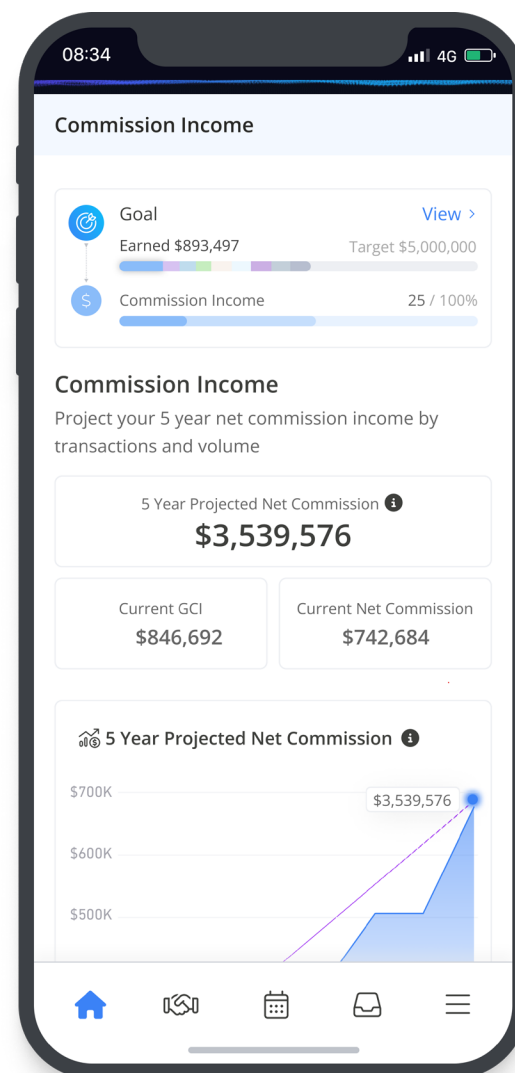
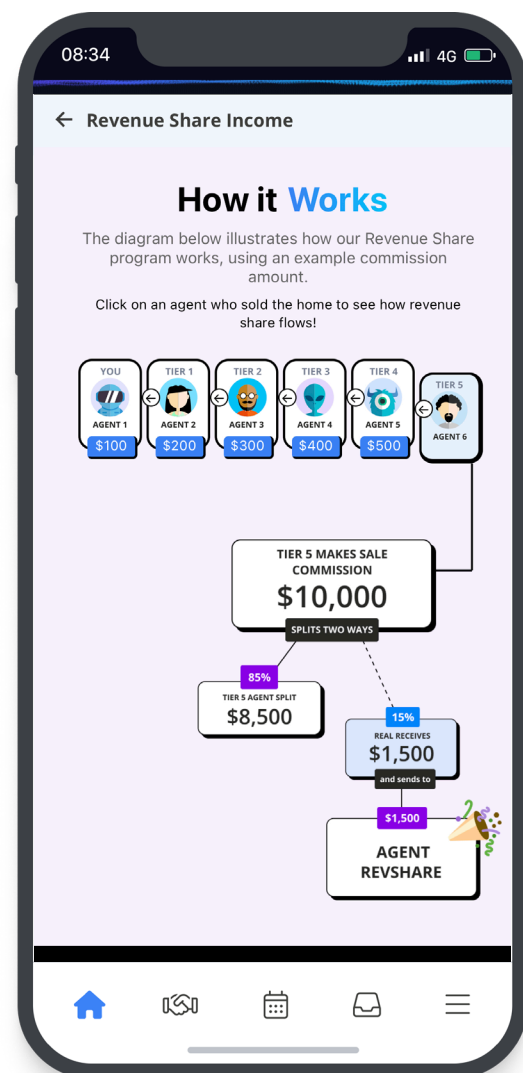
- **Replaces Traditional Marketing Spend.** Direct referrals are the best way to attract highly-motivated agents to our brokerage and foster a culture of collaboration and mentorship.
- **Differentiated, Supplemental Income Stream.** Agents begin earning revenue sharing as soon as they directly refer new producing agents to Real.
- **Improved Retention.** Agents earn revenue share as long as they are active and closing deals (and can even earn post-retirement), which creates a strong incentive to stay for the long-term.
- **Enhanced Collaboration.** With a vested interest in the success of their referrals, agents are more willing to collaborate, share best practices, and mentor new agents, leading to a more skilled, engaged and knowledgeable agent base.

② Compelling Agent Value Proposition – WealthPlan

New suite of fully-integrated wealth planning tools for agents to envision their future with Real and accomplish their goals

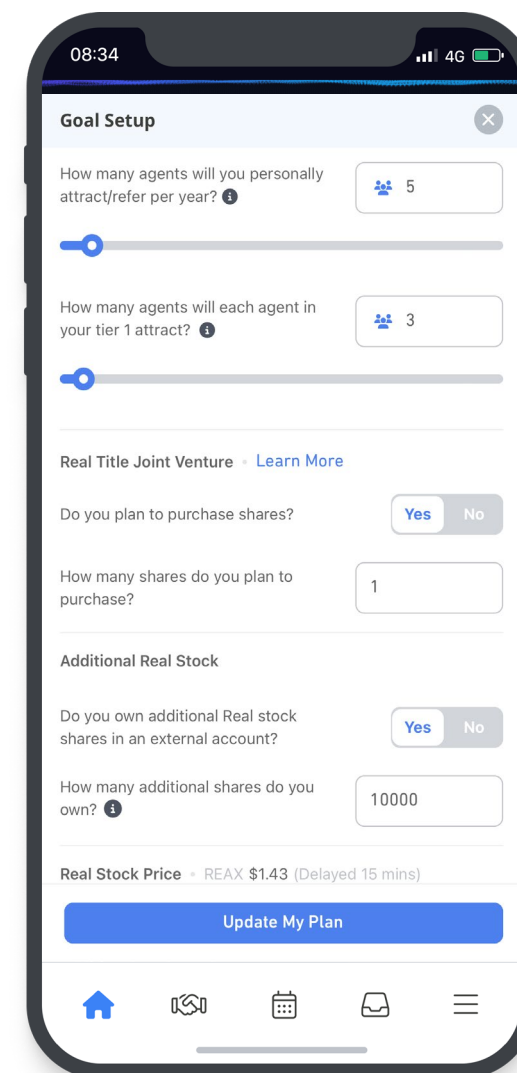
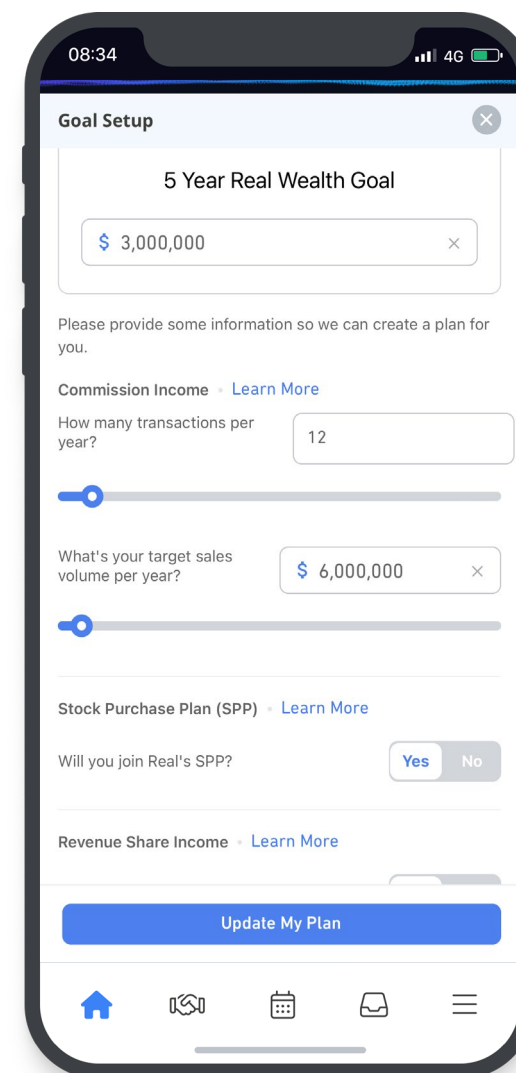
EDUCATION

- **Teaches agents** about each of the income and wealth building opportunities with Real, including the different **commission tier structures, stock purchase programs, revenue share program and stock awards**



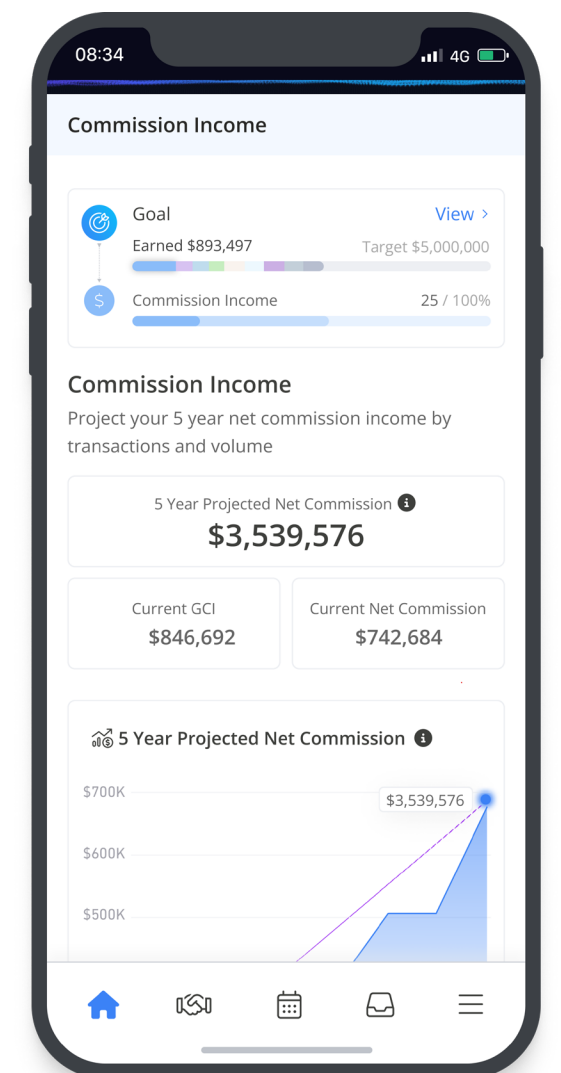
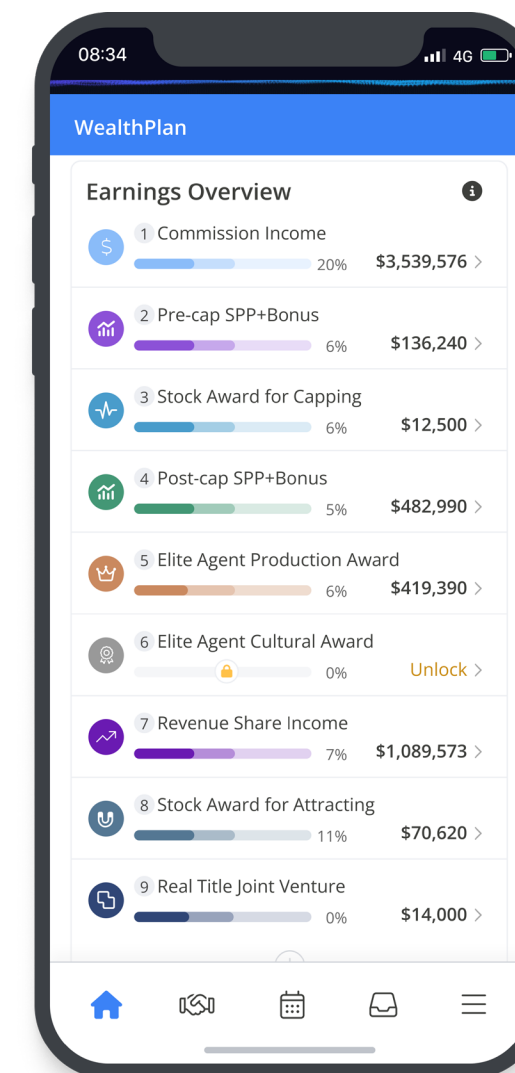
PLANNING

- **Allows agents to set wealth targets** and automatically generates a **personalized plan** across all revenue generating opportunities at Real



ACCOUNTABILITY

- **Intuitive visual dashboard** lets agents track goal progress, share plans with team leaders, and offers advice to help them stay on course

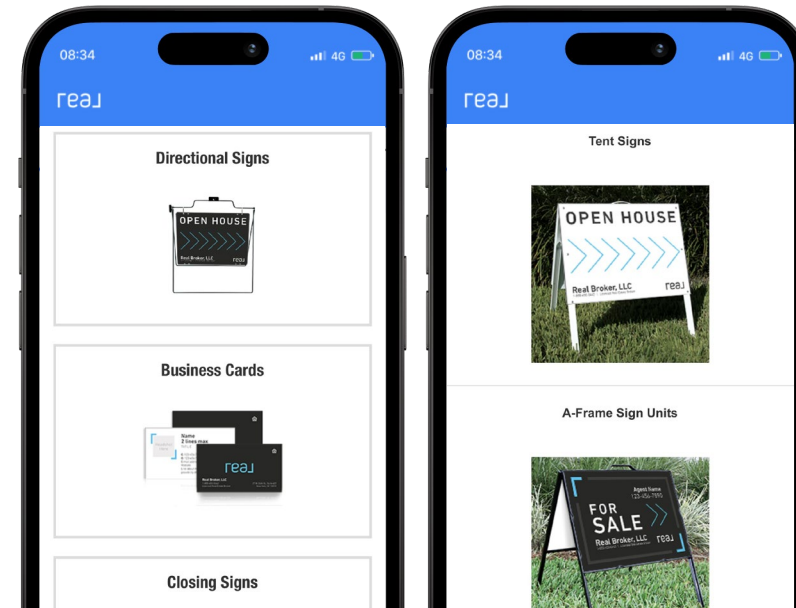


③ Proprietary Software and Technology Stack – reZEN

Our proprietary software platform, reZEN, offers an unparalleled range of tools tailored for today's real estate agents

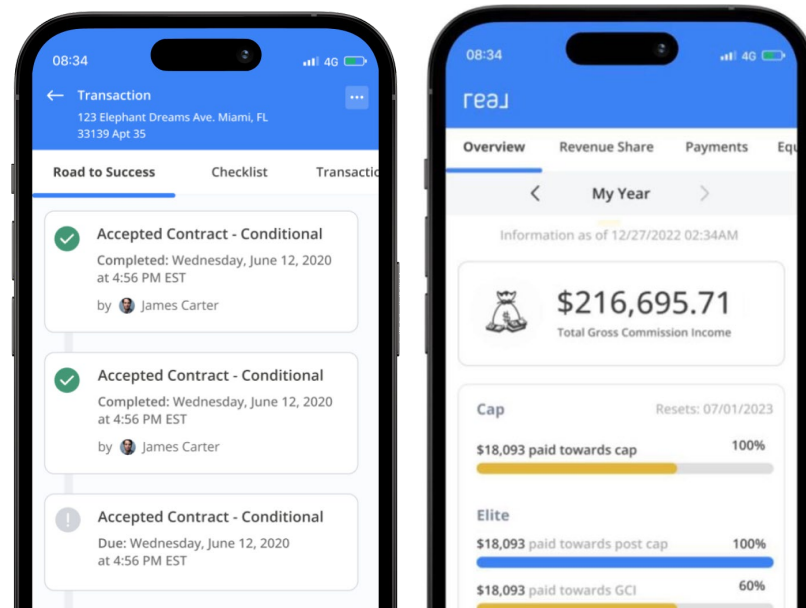
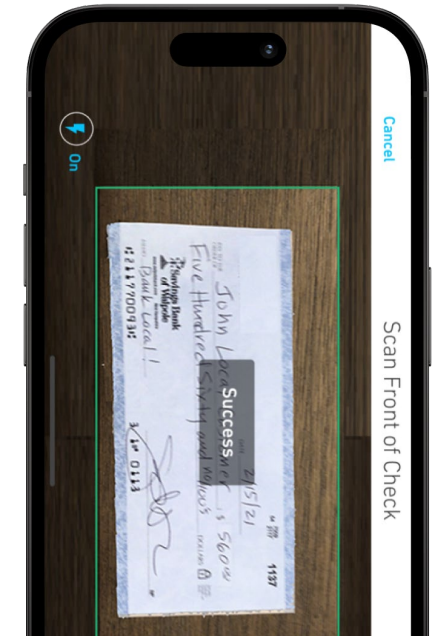
PRODUCTIVITY

- **Proprietary transaction management** system provides holistic view of an entire transaction process, including listings, drafting contracts, document reviews, and e-signatures
- **Comprehensive production dashboard** providing visibility into agents' business metrics, from tracking financials, monitoring milestones to managing key contact details



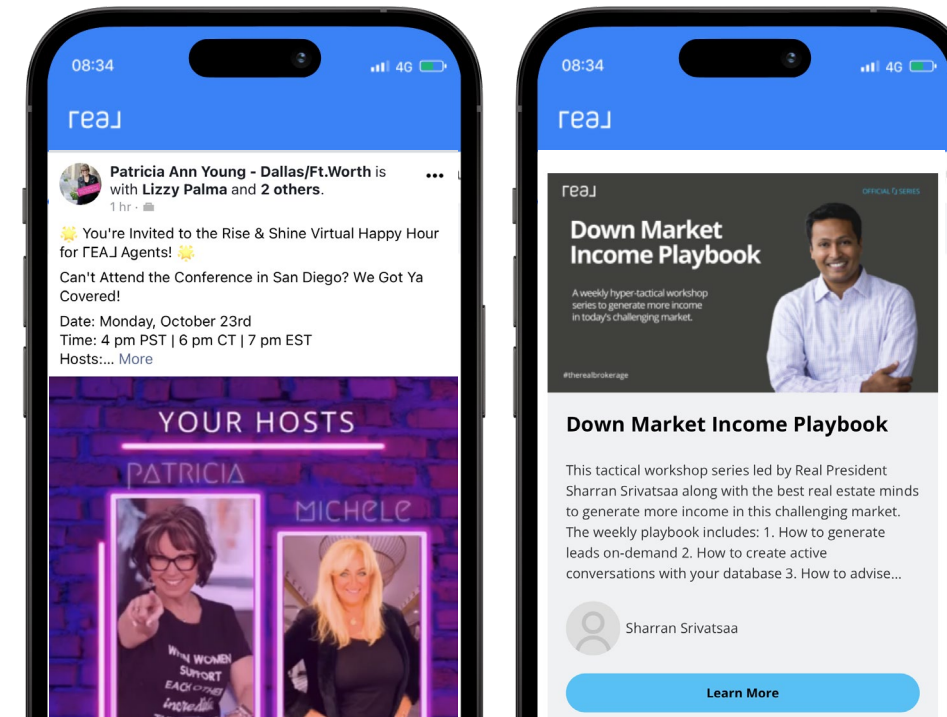
COMMUNITY

- **Community feature for agents to interact**, exchange leads, celebrate successes, and schedule meet-ups
- Provides agents **access to Real Knowledge Center**, training and development resources, and ability to learn from experiences of thousands of agents across North America



MARKETING

- **Emphasis on agent branding** within their local markets and communities, rather than a consumer-facing brand
- **Online presence:** Every agent receives a personal branded website and app, with features for client engagement
- **Offline marketing tools:** customizable business cards, brochures, yard signs, car magnets, and more



BROKERAGE OPERATIONS

- **Automation of back-office** processes, including transaction support, document handling, verification and closing
- **Enhanced mobile capabilities** allow agents to generate CDAs or trade record sheets on demand; meanwhile, mobile payment and deposit options streamline financial processes and allows agents ability to receive payment within 24 hours of closing

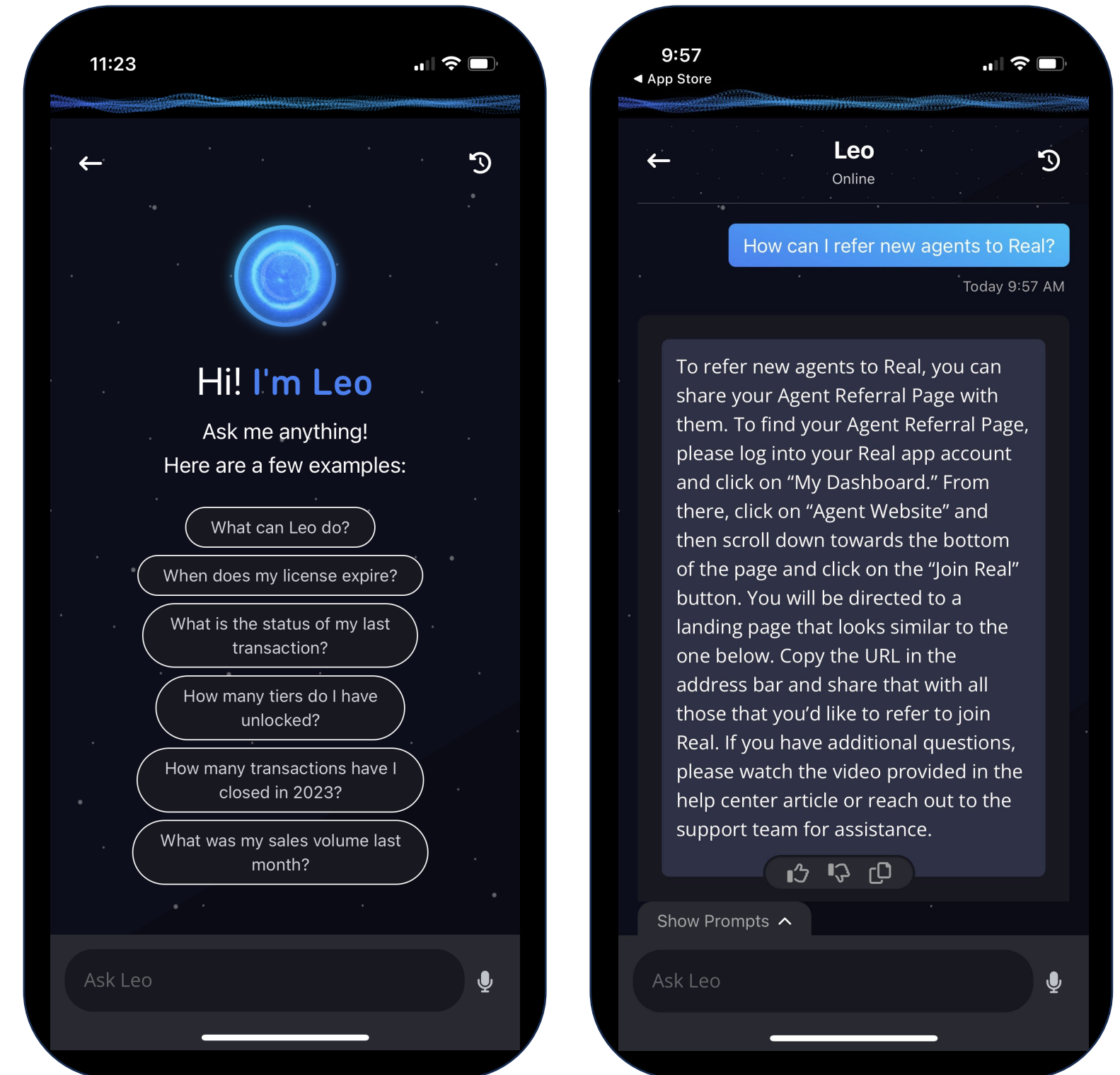
③ Proprietary Software and Technology Stack – Leo AI

In August 2023 we introduced Leo, the industry's first AI-Powered personal concierge

Leo is a revolutionary AI tool designed to supercharge agent productivity and streamline brokerage operations

KEY FEATURES:

- **24/7 Assistance:** Powered by GPT technology, Leo integrates with Real's transaction management platform providing round-the-clock support to agents and brokers
- **Contextual Communication:** Provides relevant answers based on agents' business, clients, and deals, learning and improving with each interaction
- **Personalized Marketing:** Tailors marketing assets and daily playbooks to individual agent needs and styles
- **Continuous Improvement:** Machine learning model continues to improve responses and capabilities as it learns



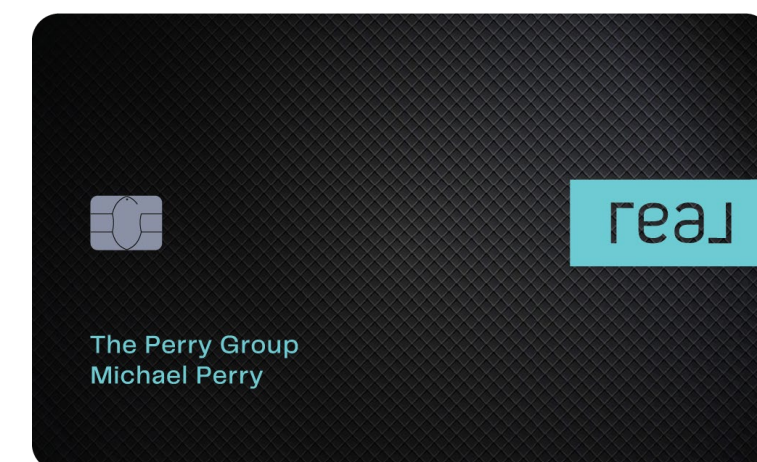
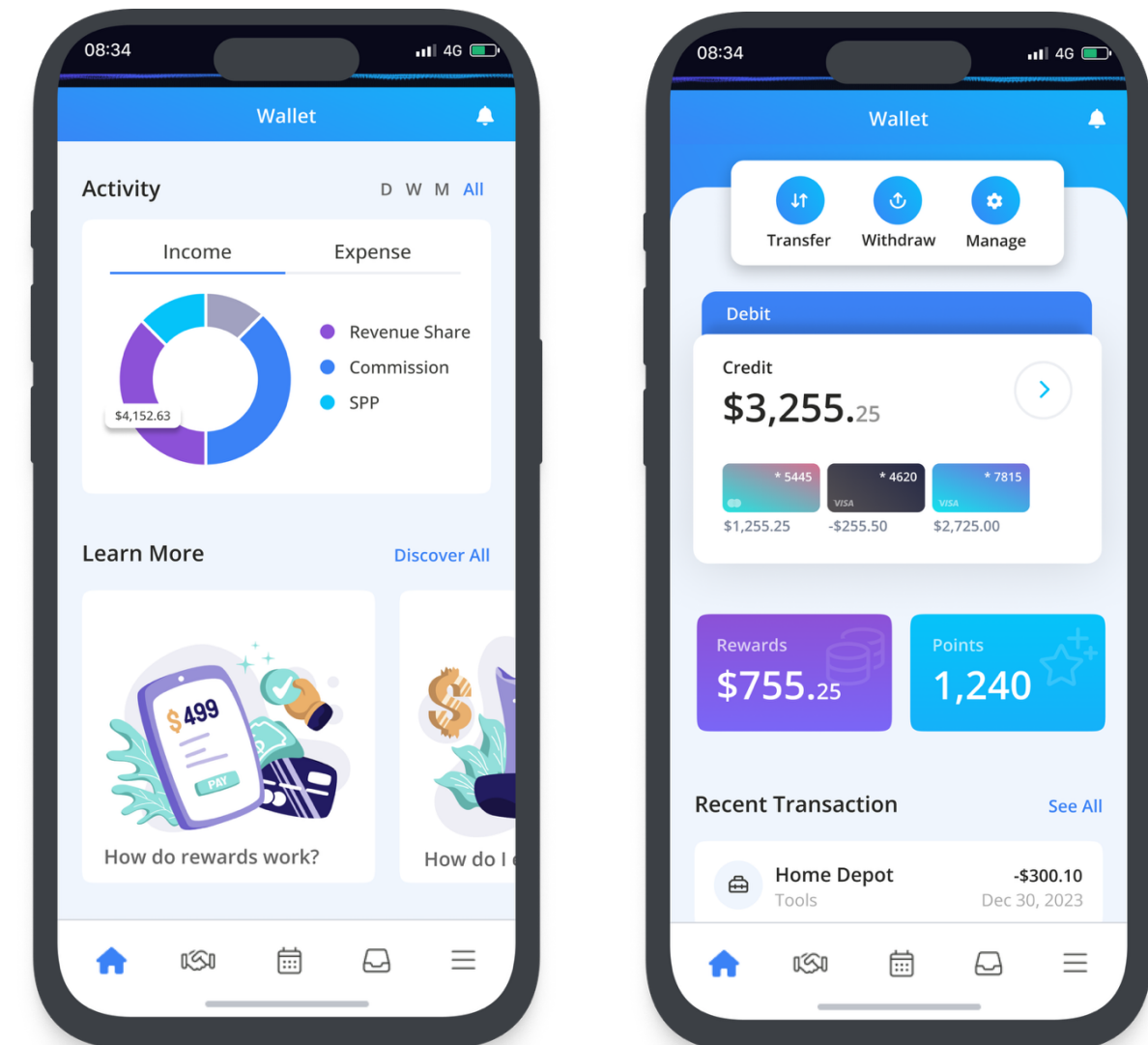
③ Proprietary Software and Technology Stack – Real Wallet

The Real Wallet is a digital wallet that will centralize the functions of a debit and credit card for agents, using wealth accumulated at Real

With initial product testing scheduled for 2Q 2024, Real Wallet will allow agents to view all of the assets generated at Real in one place, and use Wallet to make payments, access financing, and earn rewards

KEY FEATURES:

- **A Card Tailored for Real Agents:** No more waiting for checks or bank transfers; instead, agents may be paid directly into the Real Wallet, which will include a Real-branded debit card, allowing agents to earn points with each use
- **Data Driven Underwriting:** Opportunity to extend credit based on Real's knowledge of agents' earnings and revenue share networks
- **Financial Empowerment Tools:** Features allow agents to track earnings, set budget goals, and manage finances seamlessly, all in one place
- **Rewards Points to Offset Fees:** Reward structure allows agents to earn points that can be used to offset transaction fees, among other perks
- **New Revenue Streams:** Ability for Real to generate income streams on APR (credit card) and interchange fees (credit card and debit card), that are uncorrelated to transaction volumes, and would otherwise be earned by third-party financial providers



④ Scalable, Capital Efficient Growth Model

Real's strategic use of technology enables capital efficient growth, requiring minimal upfront investment to generate revenue growth

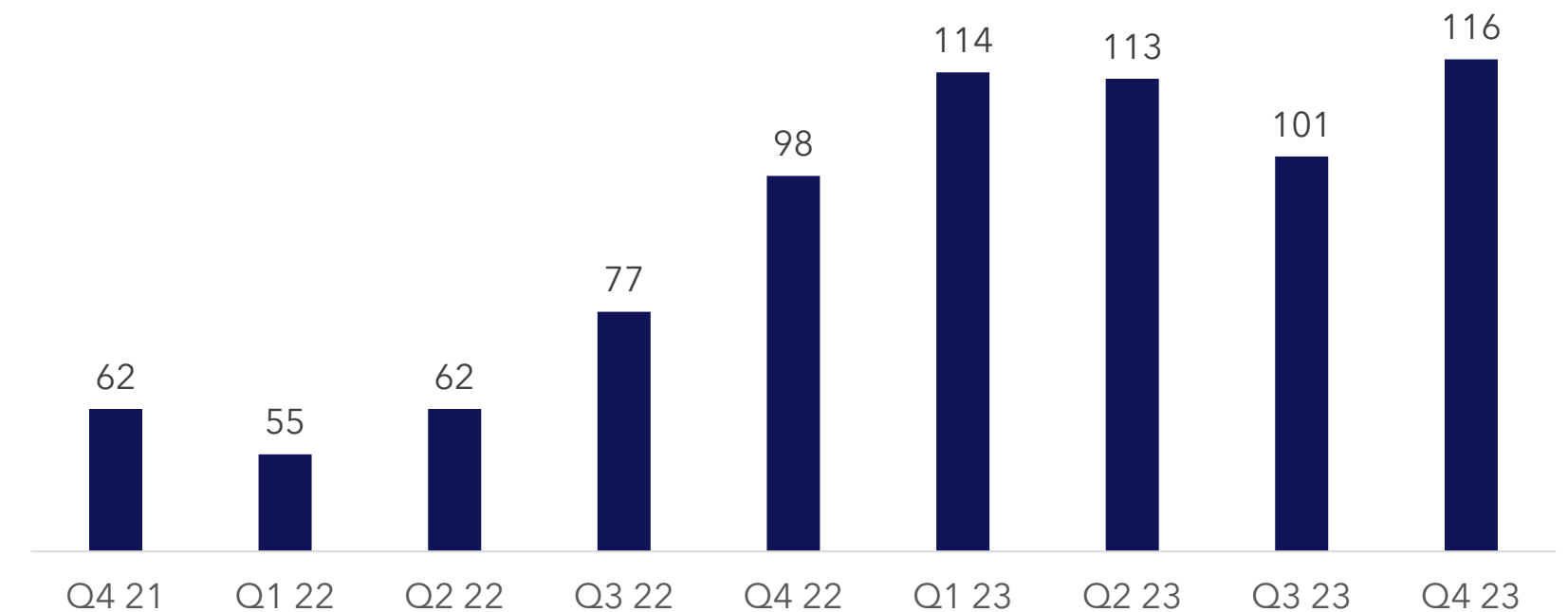
- **Capital Efficient Growth**

- Scalability of technology platform requires near-zero marginal cost for each new agent addition
- Provides ability to rapidly grow agent base without a commensurate increase in full-time employees
- Absence of physical infrastructure and office space results in minimal capital expenditures

- **Automation-Driven Operating Leverage**

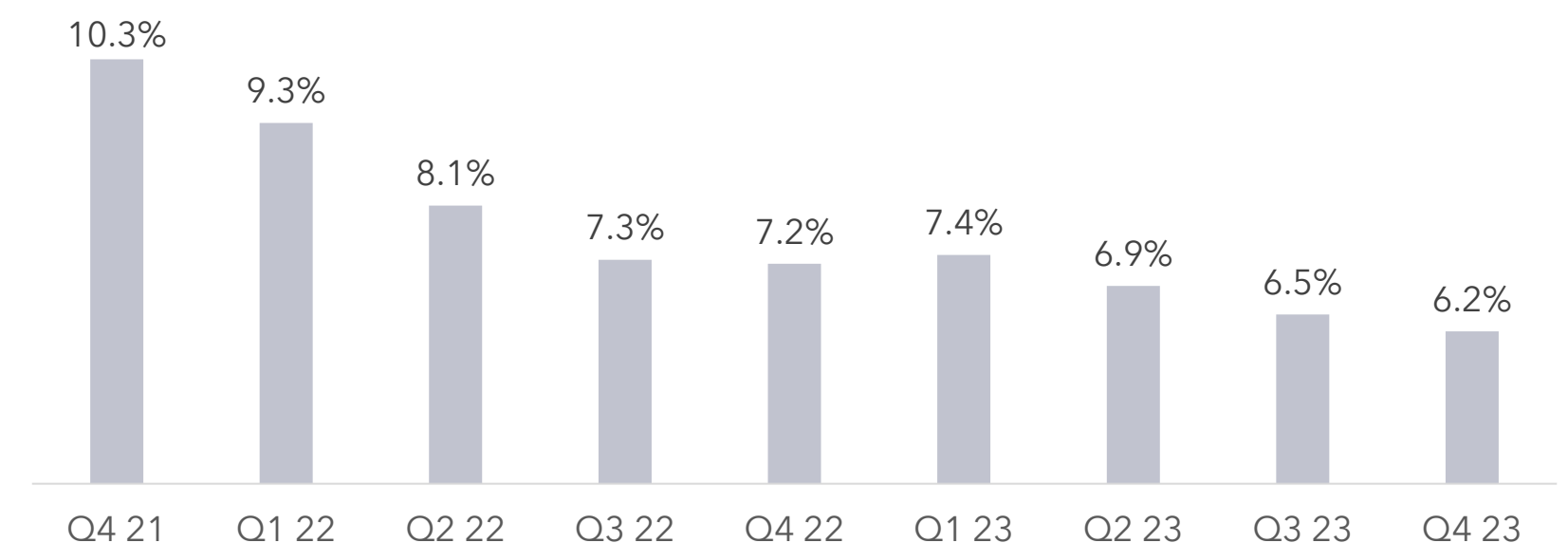
- The reZEN platform was designed to automate a multitude of tasks, from transaction management to agent support, reducing the need for manual processes and interventions
- Transaction processing headcount of 9 employees has remained flat since 2021, while transaction count has nearly quadrupled

Agents Per Full Time Brokerage Employee



Note: Reflects the number of agents on our platform divided by the number of full-time brokerage employees (calculated as total full-time employees less full-time One Real Title and One Real Mortgage employees)

LTM Adjusted Operating Expense (% of Revenue)

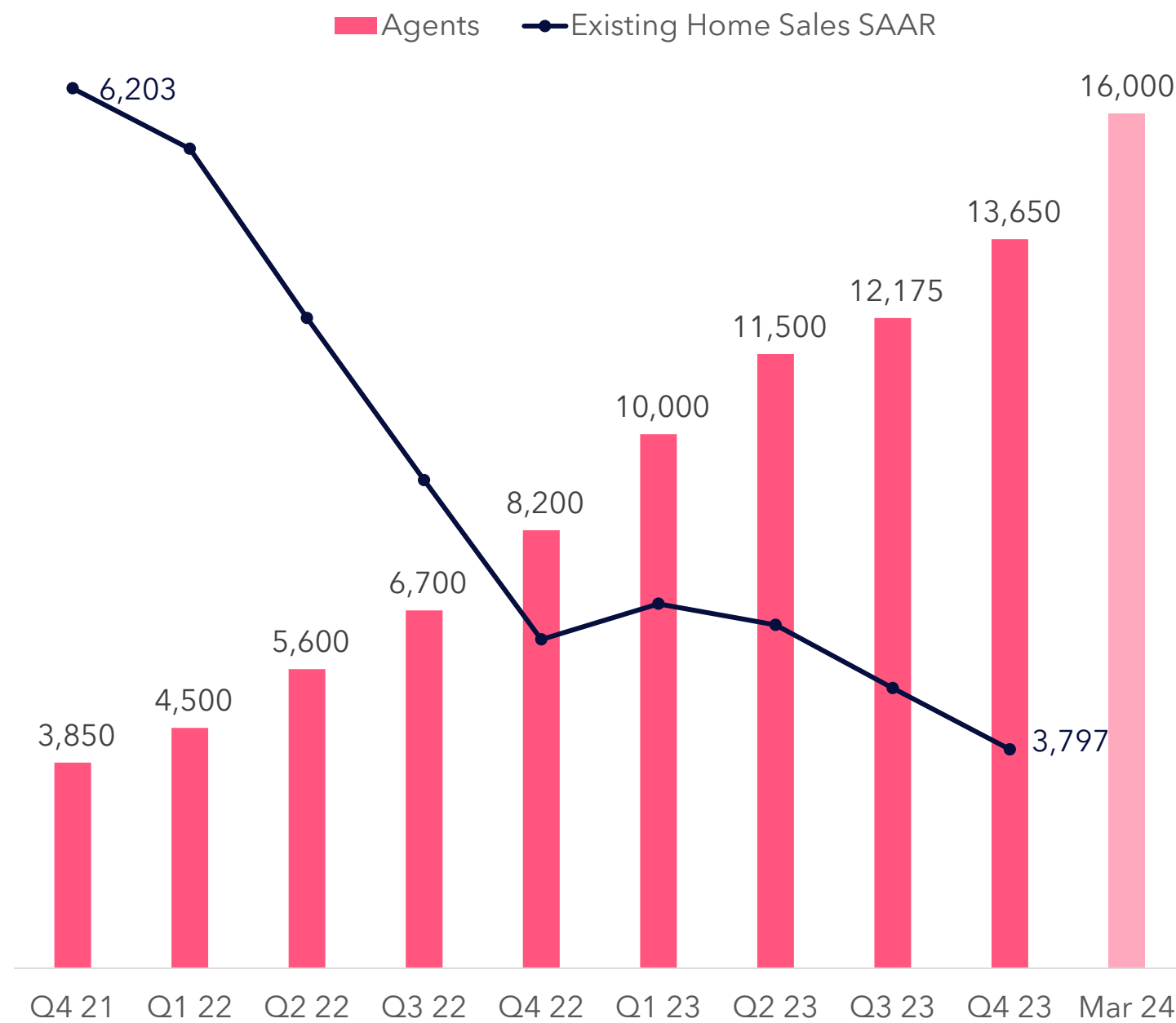


Note: Adjusted Operating Expense reflects operating expenses excluding revenue sharing, stock-based compensation, depreciation and other non-cash or unique, non-recurring expenses

⑤ Fragmented Market with Demonstrated Through-Cycle Growth

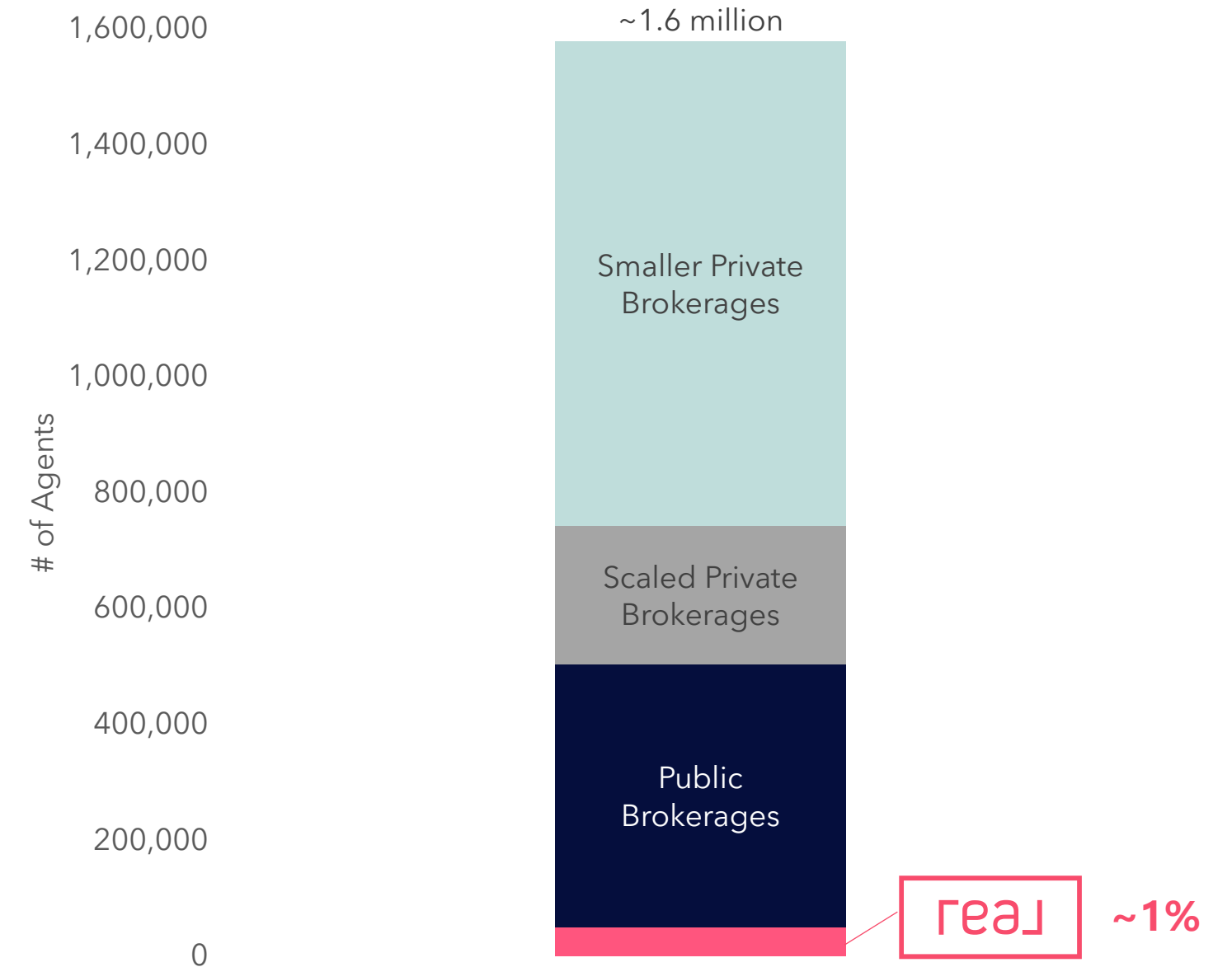
Real has grown agent count by over 4x since 2021, despite a ~40% market decline; today we represent approximately ~1% of the industry

Real Agent Growth vs. Existing Home Sales



Note: U.S. existing home sales figures per the National Association of Realtors

US Agent Market Share

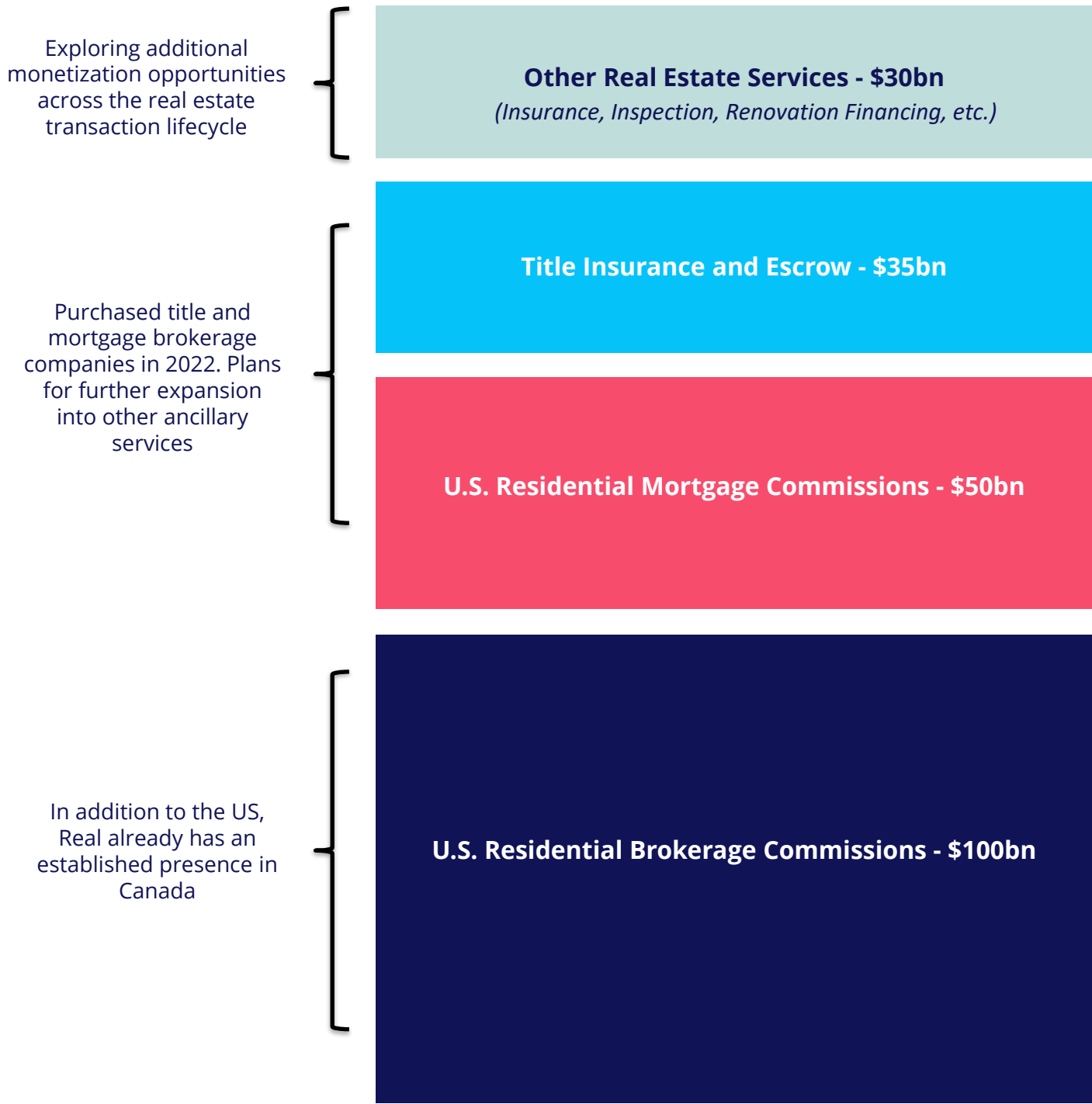


Source: National Association of Realtors, Stephens Research, Company Reports

⑥ Ancillary Services to Enhance Growth and Improve Margins

The integration of ancillary services into our offering expands our total addressable market (TAM) and margin potential

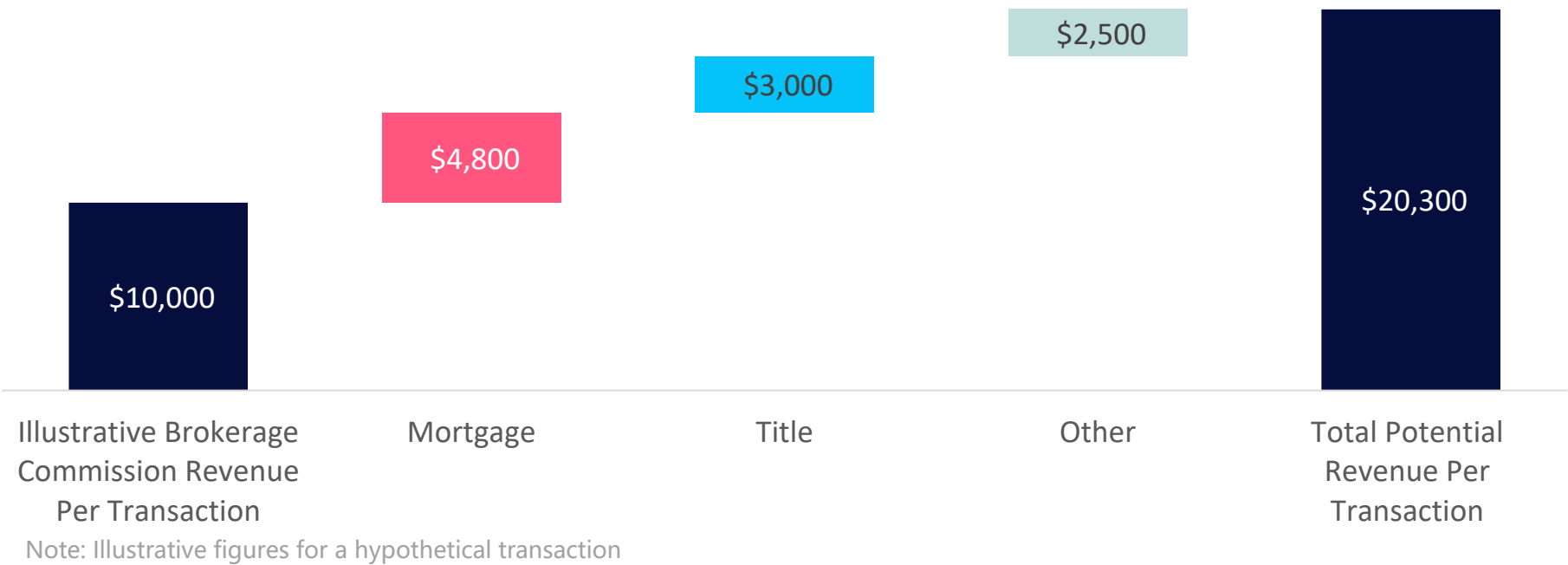
US TAM - \$215 billion



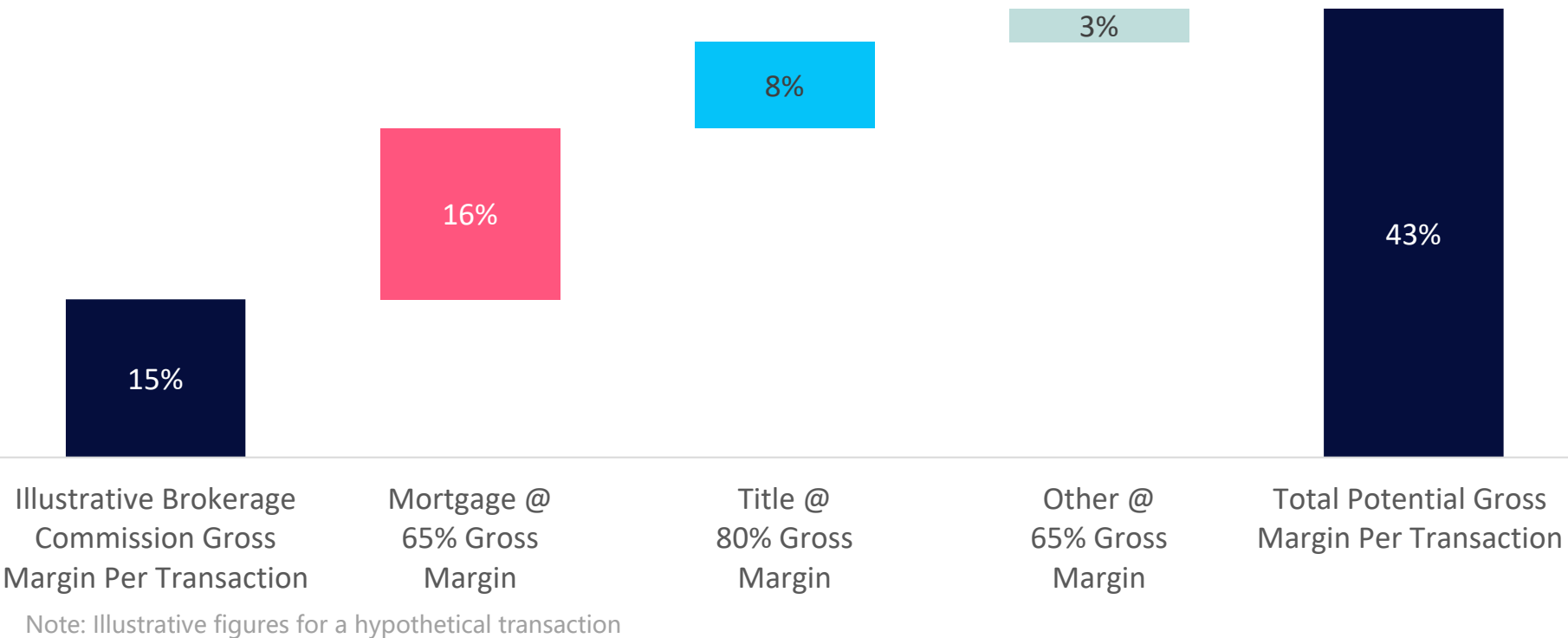
Note: Data sourced from the National Association of Realtors, U.S. Census Bureau, and IBIS.



Illustrative Revenue Opportunity Per Transaction



Illustrative Gross Margin Opportunity Per Transaction



⑦ Distinct, Collaborative Culture

Real prides itself on attracting like-minded people who are passionate about succeeding in real estate. These are our values:

WORK HARD
BE KIND

At Real, we know that true success comes from working hard in collaboration with our community. We believe that being kind is one of our greatest strengths, both as people and as a company.

Simply
great
service

We believe in delivering Simply Great Service. By living this at the company level, we empower our agents to support their clients to the same level of excellence.

Embrace,
resolve,
evolve

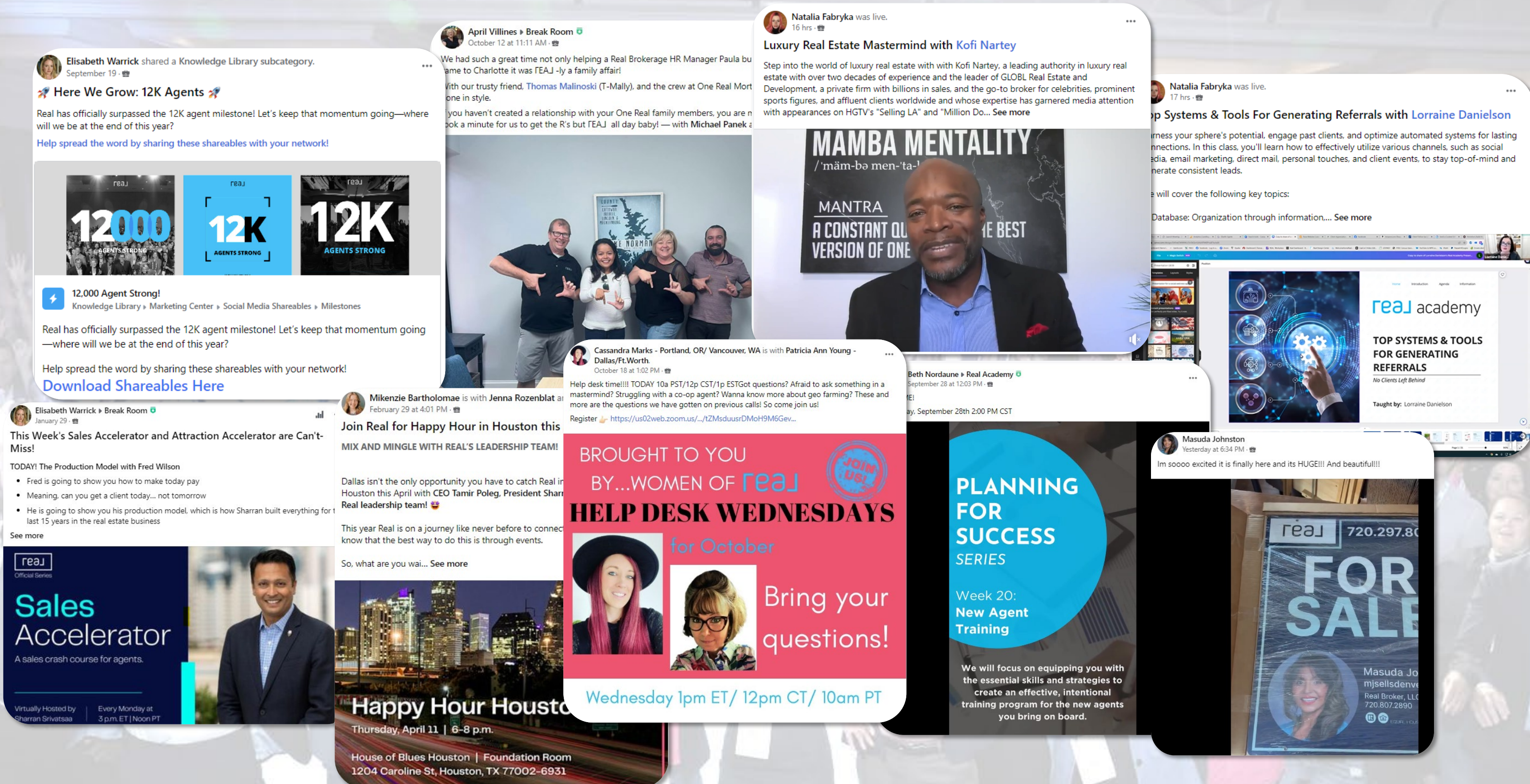
We are all human, and we are all going to make mistakes. By owning up to our errors, working to resolve them, and evolving to implement positive change, we can all be stronger and more successful, together.

MAKE A
DIFFERENCE

Whether we are helping clients buy and sell real estate or giving back to our local communities, we believe that life is better when we work to make a difference to those around us.

⑦ Distinct, Collaborative Culture

By empowering a vibrant community through technology, Real agents collaborate, share best practices, and foster a uniquely tight-knit bond



⑧ Experienced Management Team

Real's leadership team brings significant experience in scaling growth businesses across Real Estate, Technology and Financial Services



Tamir Poleg
Founder and CEO

Prior Experience:

- Optimum RE Investments
- Alvarion Technologies



Sharran Srivatsaa
President

Prior Experience:

- Srilo Ventures
- Goldman Sachs
- Teles Properties
- Credit Suisse



Michelle Ressler
Chief Financial Officer

Prior Experience:

- Canaccord Genuity



Pritesh Damani
Chief Technology Officer

Prior Experience:

- Realty Crunch
- Winito Inc.
- National CineMedia
- Plexus Entertainment



Jenna Rozenblat
Chief Operating Officer

Prior Experience:

- Orchard
- Yodle
- Village Realty
- Web.com



Dre Madden
Chief Marketing Officer

Prior Experience:

- Rodan + Fields
- Aero
- OpenTable
- StubHub



Christian Wallace
Chief of Integrated Home Services

Prior Experience:

- Rocket Homes
- Opendoor
- Better
- Farmers Insurance

II. Financial Overview

“At REAL we prioritize sustainable and capital-efficient growth, with a keen emphasis on cash flow and return on invested capital.

Everything we do is with the intent to grow long-term intrinsic value.”

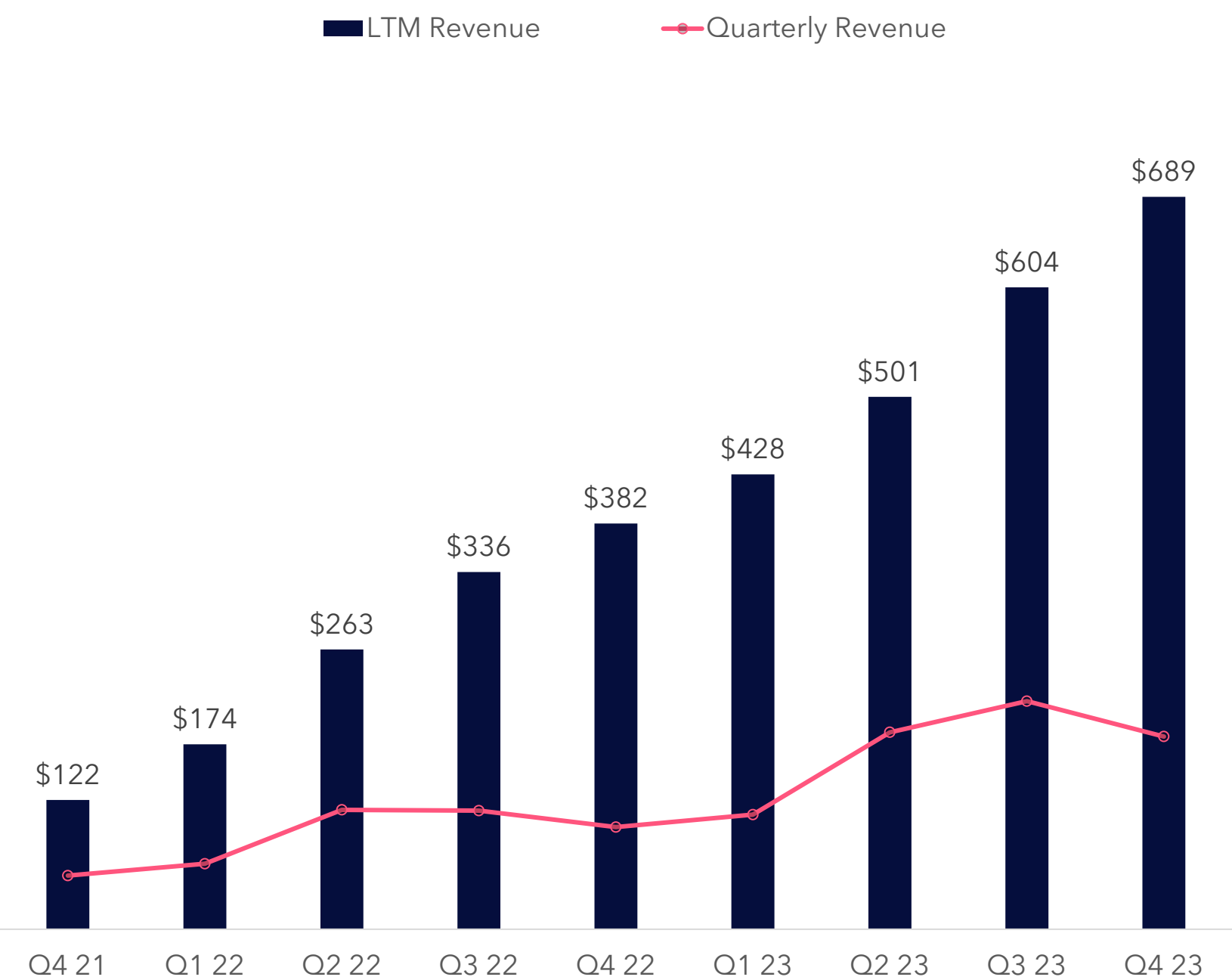
– Michelle Ressler
Chief Financial Officer



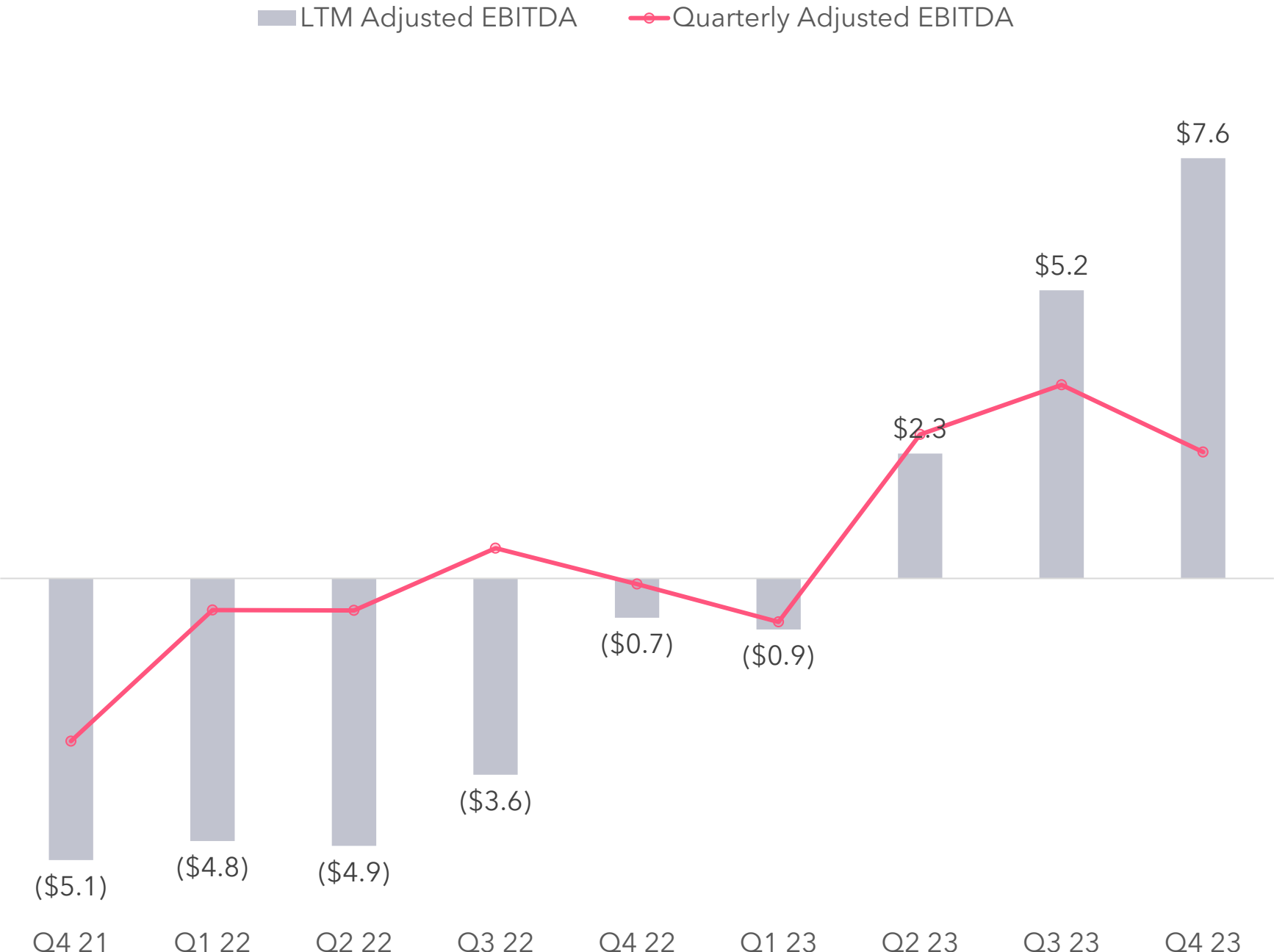
Revenue and Adjusted EBITDA

Despite challenging market conditions, Real's distinct value proposition has fueled rapid revenue growth and improved profitability

Last Twelve Months Revenue (\$mm)



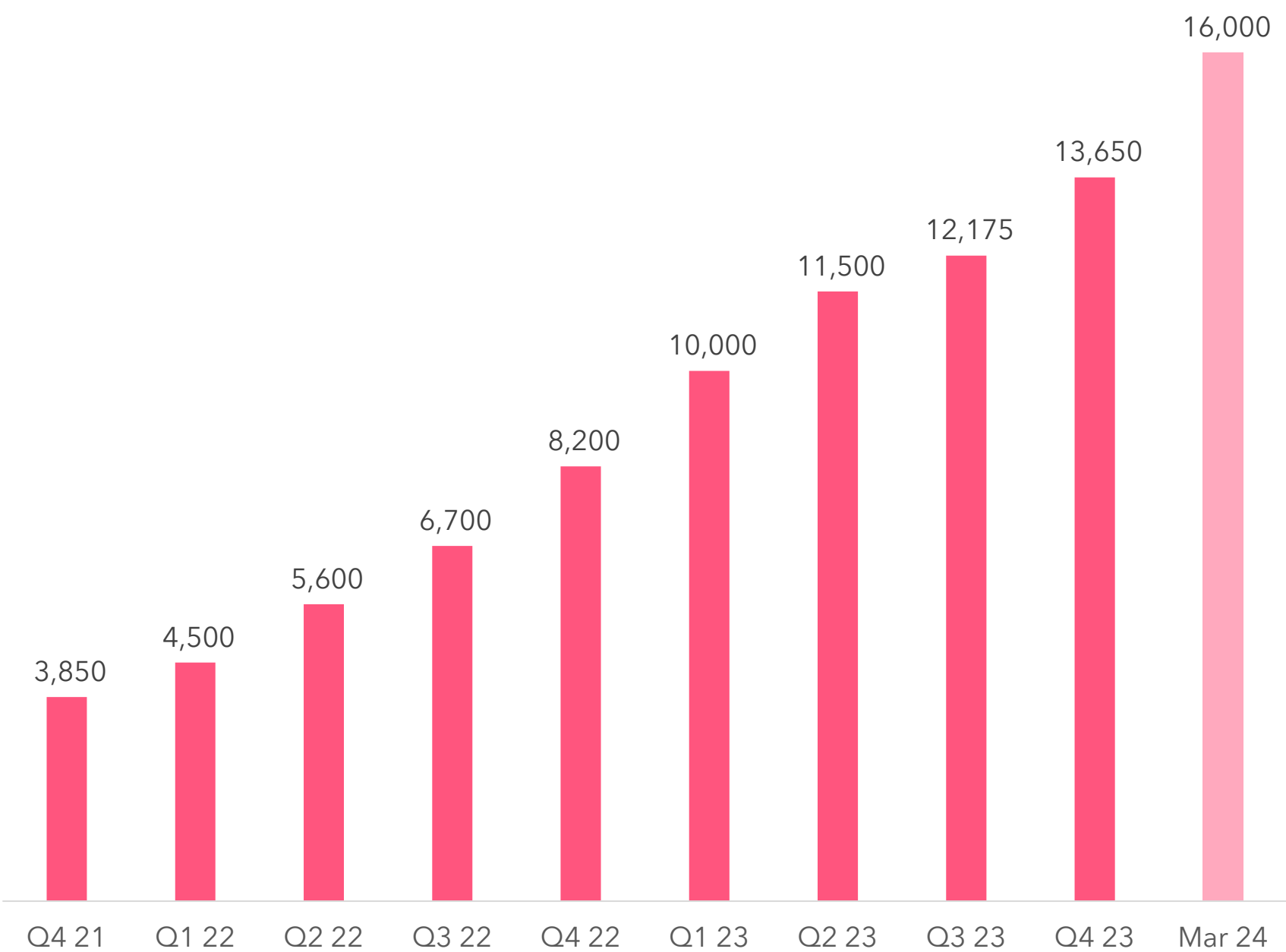
Last Twelve Months Adjusted EBITDA (\$mm)



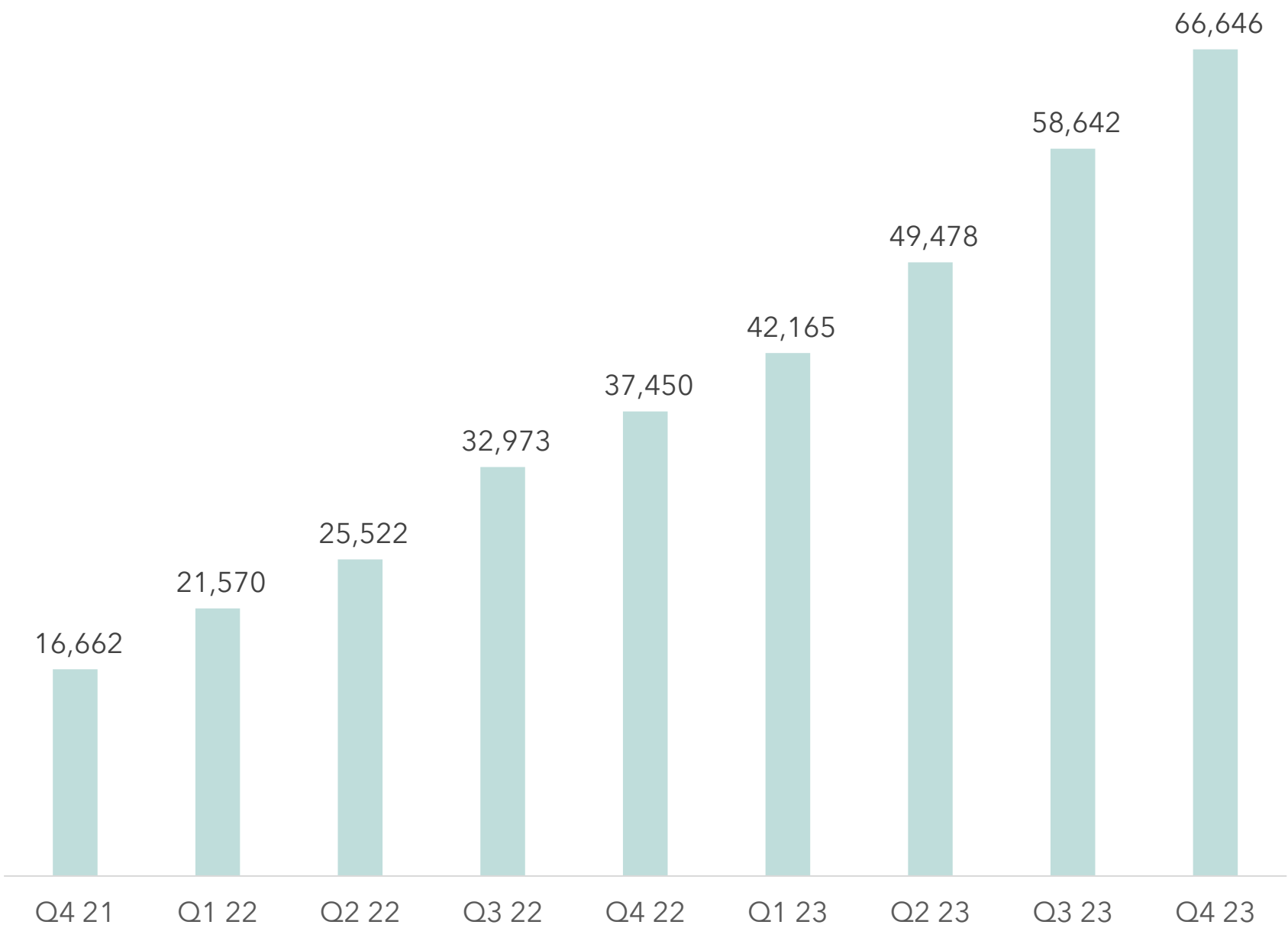
Agent and Transaction Growth

While agent count is an important KPI, our primary economic unit is an individual transaction

End of Period Agent Count



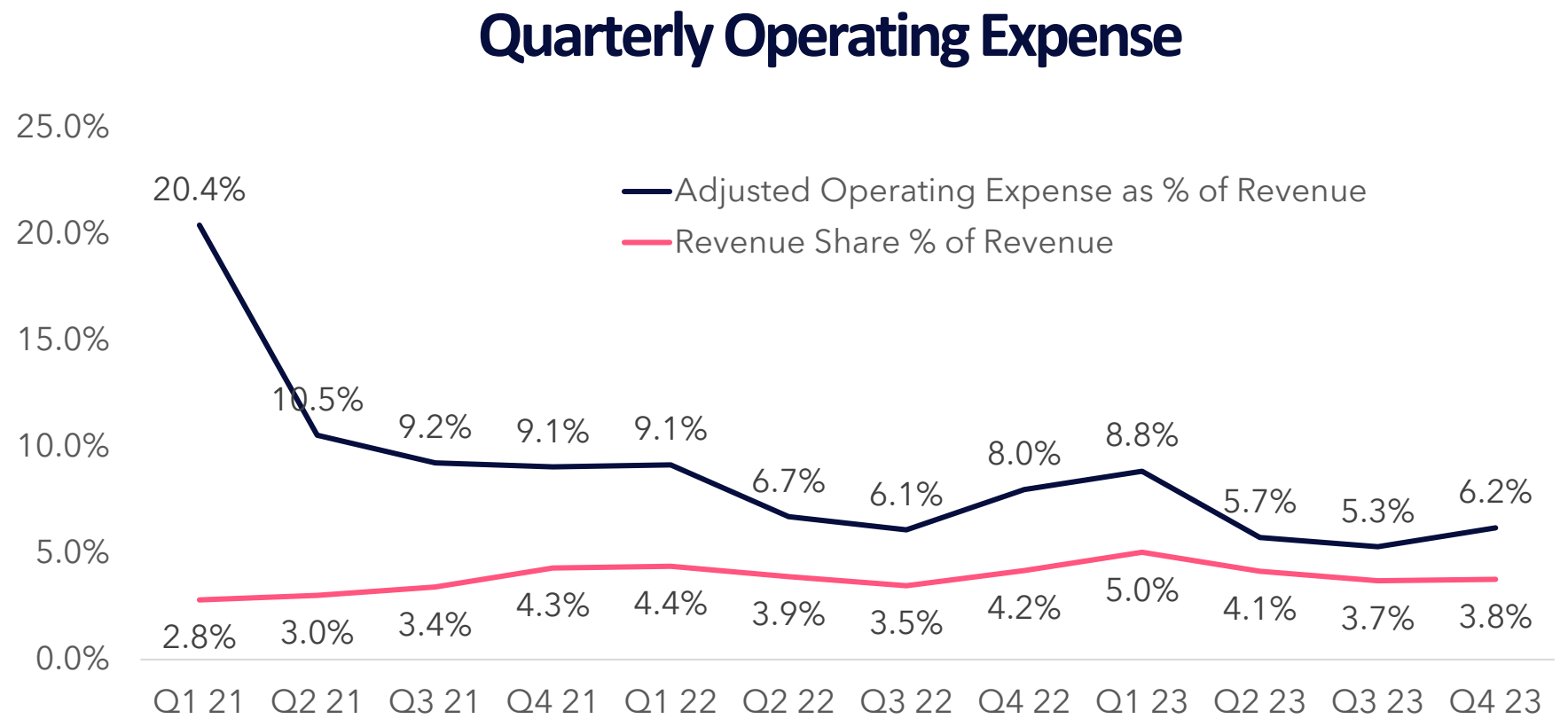
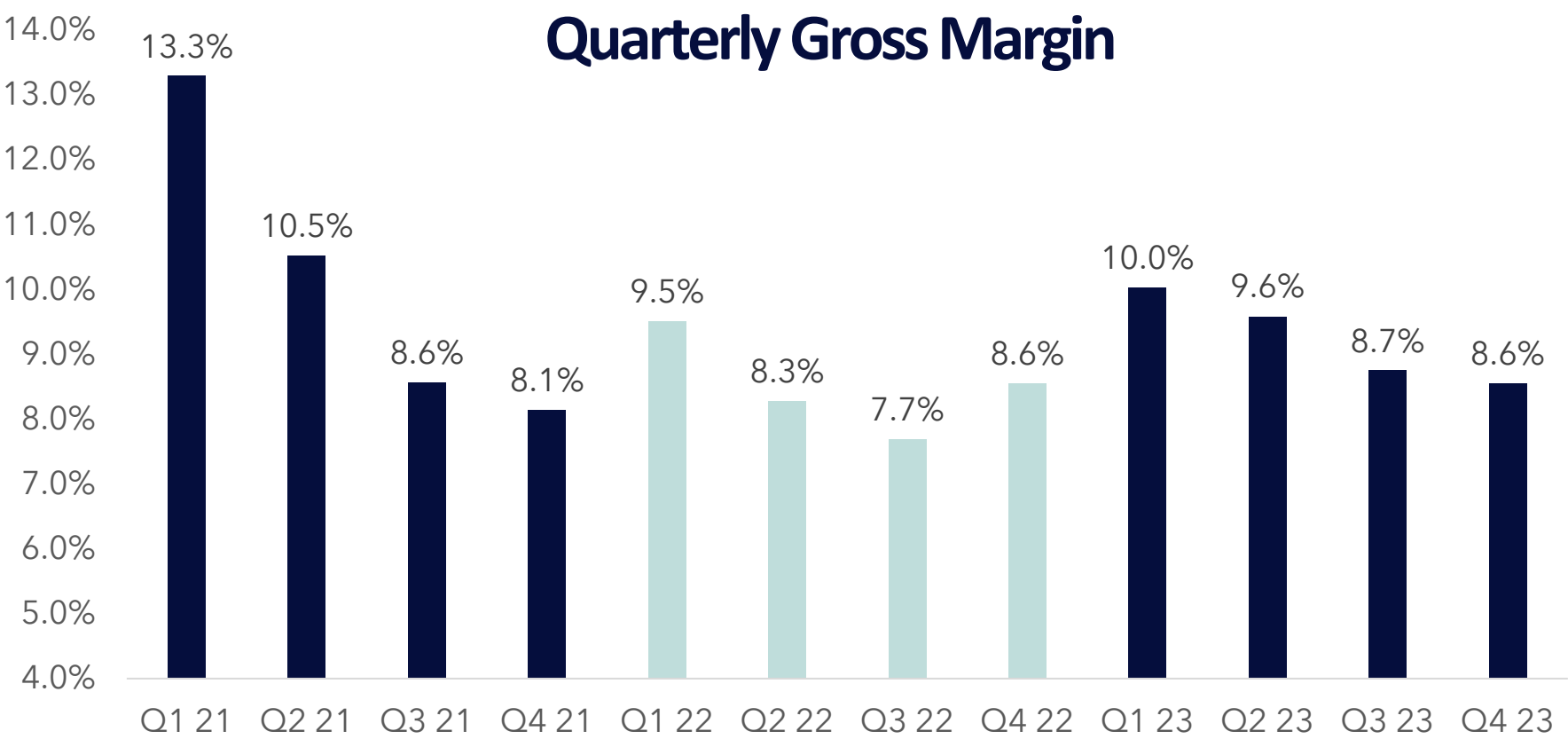
Last Twelve Months Transactions Closed



Gross Margin and Operating Expenses

We expect margin expansion over time as ancillary service attachment increases and we leverage our operating expense base

- Seasonality in our gross margin is impacted by the mix of agents who have reached their annual cap in any given quarter – this mix tends to increase during the second and third calendar quarter of a given year
- Our operating expenses include Revenue Share, which is a variable marketing expense. Adjusted operating expense, which excludes Revenue Share and unique or non-cash items, continues to decline as a percentage of revenues as the platform has scaled



Understanding our Income Statement

Our largest variable cost items are commissions paid to real estate agents for transactions closed and revenue sharing payments

Line Item		Description
Primarily Variable Cost	Revenues	<ul style="list-style-type: none">Primary revenue source is commissions on transactions closed by Real agents, supplemented by brokerage fees and ancillary offerings
	Commissions and other agent-related costs	<ul style="list-style-type: none">Costs directly associated with agents and brokers who facilitate transactions, including stock-based compensationAgents typically receive 85% of gross commissions before reaching an annual cap, although have the option to invest a portion of commissions into shares of REAL
	Gross Profit	<ul style="list-style-type: none">Calculated as revenue minus direct costs; for brokerage transactions, reflects Real's split of an agent's commission
	Marketing Expenses – Revenue Share	<ul style="list-style-type: none">Reflects revenue share and equity compensation earned by agents for referring new productive agents to Real
Primarily Fixed Cost	Marketing Expenses – Other (non-Revenue Share)	<ul style="list-style-type: none">Represents non-revenue share marketing costs involved with attracting agents, including promotional activities, as well as salaries of employees involved in marketing activities
	General and Administrative Expenses	<ul style="list-style-type: none">Includes day-to-day operational costs, including salaries, rent, utilities, and professional fees
	Research and Development Expenses	<ul style="list-style-type: none">Reflects expenses for developing proprietary technology platform including costs related to upgrades, enhancements, and salaries of employees involved in R&D activities
	Operating Income/Loss	<ul style="list-style-type: none">Profit or loss generated from primary real estate activities, after deducting all related operating expenses but before any non-operating items or financial costs

Illustrative Unit Economics for One Transaction

- Upon reaching a \$12,000 annual cap, each agent receives 100% of commissions less a \$285 per Transaction Fee and a \$30 BEOP fee, which covers broker review, errors & omissions (professional liability), insurance and processing

Line Item	Amount	Assumptions
Revenues	\$10,000	• Illustrative 2.5% agent commission on a transaction value of \$400,000
Commission	\$8,500	• Reflects agent’s 85% commission split
Gross Profit	\$1,500	• Reflects Real’s 15% commission split
Gross Profit Margin	15%	
Less: Marketing Expenses – Revenue Share	\$1,000	• Historically between 60-70% of Real’s split has been paid out in Revenue Sharing
Variable Profit Per Transaction	\$500	• Reflects variable profit per transaction before allocation of corporate expenses

Note: Illustrative figures for a hypothetical transaction, actual economics for a specific transaction can differ materially due to a variety of factors

III. Appendix

“At Real, we **believe** in the power of **culture and community**.

Our commitment to agent-centricity isn't just a business strategy; it's a testament to our belief that when we **uplift and empower our agents**, we lay the foundation for a transformative and **sustainable future in real estate.**“

– Sharran Srivatsaa
President



INTERIM CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITIONS

	December 31, 2023	December 31, 2022
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 14,707	\$ 10,846
Restricted cash	12,948	7,481
Investments in financial assets	14,222	7,892
Trade receivables	6,441	1,547
Other receivables	63	74
Prepaid expenses and deposits	2,132	529
TOTAL CURRENT ASSETS	50,513	28,369
NON-CURRENT ASSETS		
Intangible assets	3,442	3,708
Goodwill	8,993	10,262
Property and equipment	1,600	1,350
Right-of-use assets	-	73
TOTAL NON-CURRENT ASSETS	14,035	15,393
TOTAL ASSETS	64,548	43,762
LIABILITIES AND EQUITY		
CURRENT LIABILITIES		
Accounts payable	571	474
Accrued liabilities	13,374	11,866
Customer deposits	12,948	7,481
Other payables	302	1,188
Lease liabilities	-	96
TOTAL CURRENT LIABILITIES	27,195	21,105
NON-CURRENT LIABILITIES		
Warrants outstanding	269	242
TOTAL NON-CURRENT LIABILITIES	269	242
TOTAL LIABILITIES	27,464	21,347
EQUITY		
EQUITY ATTRIBUTABLE TO OWNERS		
Share premium	62,567	63,204
Stock-based compensation reserve	52,937	25,083
Deficit	(78,205)	(50,704)
Other reserves	(167)	(469)
Treasury Stock, at cost	(257)	(14,962)
EQUITY ATTRIBUTABLE TO OWNERS	36,875	22,152
Non-controlling interests	209	263
TOTAL EQUITY	37,084	22,415
TOTAL LIABILITIES AND EQUITY	64,548	43,762

INTERIM CONDENSED STATEMENT OF LOSS AND COMPREHENSIVE LOSS

	Three Months Ended December 31,		Year Ended December 31,	
	2023	2022	2023	2022
Revenues	\$ 181,341	\$ 96,118	\$ 689,158	\$ 381,756
Commissions and other agent-related costs	165,810	87,898	626,285	349,806
Gross Profit	15,531	8,220	62,873	31,950
General & administrative expenses	15,387	7,121	42,913	24,155
Marketing expenses	9,084	7,061	38,611	22,674
Research and development expenses	2,325	1,002	7,359	4,867
Operating Loss	(11,265)	(6,964)	(26,010)	(19,746)
Other income/(expenses), net	(693)	62	(587)	729
Listing expenses	-	(16)	-	(151)
Finance expenses, net	(32)	159	(619)	(1,167)
Net Loss	(11,990)	(6,759)	(27,216)	(20,335)
Net Income Attributable to Noncontrolling Interests	(26)	50	285	242
Net Loss Attributable to Owners of the Company	(11,964)	(6,809)	(27,501)	(20,577)
<i>Other comprehensive income/(loss), Items that will be reclassified subsequently to profit or loss:</i>				
Cumulative (gain)/loss on investments in debt instruments classified as at FVTOCI reclassified to profit or loss	116	128	330	(407)
Foreign currency translation adjustment	(38)	(58)	(28)	285
Total Comprehensive Loss Attributable to Owners of the Company	(11,886)	(6,739)	(27,199)	(20,699)
Total Comprehensive Income Attributable to NCI	(26)	50	285	242
Total Comprehensive Loss	(11,912)	(6,689)	(26,914)	(20,457)
<i>Loss per share</i>				
Weighted-average number of Common Shares	182,450	179,103	178,127	178,201
Basic and diluted loss per share	\$ (0.07)	\$ (0.04)	\$ (0.15)	\$ (0.12)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Three Months Ended December 31,		Year Ended December 31,	
	2023	2022	2023	2022
OPERATING ACTIVITIES				
Net Loss	\$ (11,990)	\$ (6,759)	\$ (27,216)	\$ (20,335)
Adjustments for:				
Depreciation and amortization	298	108	1,128	333
Impairment of goodwill	-	-	723	-
Equity-settled share-based payment	19,423	13,877	38,403	16,201
Finance costs	(65)	(70)	91	167
<i>Changes in operating assets and liabilities:</i>				
Trade receivables	(3,902)	(764)	(4,894)	(1,293)
Other receivables	12	-	11	(51)
Prepaid expenses and deposits	(807)	253	(1,603)	(81)
Accounts payable	(82)	(835)	97	420
Accrued liabilities	(4,316)	(917)	7,752	5,316
Customer deposits	(3,385)	(2,599)	5,467	4,170
Other payables	(1,770)	(340)	(86)	1,148
NET CASH PROVIDED BY OPERATING ACTIVITIES	(6,584)	1,954	19,873	5,995
INVESTING ACTIVITIES				
Purchase of property and equipment	(182)	(481)	(629)	(1,408)
Acquisition of subsidiaries	-	(707)	-	(8,152)
Investment deposits in debt instruments held at FVTOCI	(81)	1,306	(6,847)	(125)
Investment withdrawals in debt instruments held at FVTOCI	2	637	847	637
NET CASH USED IN INVESTING ACTIVITIES	(261)	755	(6,629)	(9,048)
FINANCING ACTIVITIES				
Purchases of common shares	(1,104)	(1,149)	(2,865)	(8,060)
Shares withheld for taxes	(362)	-	(362)	-
Proceeds from exercise of stock options	(90)	192	502	265
Payment of lease liabilities	-	33	(96)	(35)
Cash payment for contingent consideration	-	-	(800)	-
Dividends paid to non-controlling interest	(36)	48	(339)	(19)
NET CASH USED IN FINANCING ACTIVITIES	(1,592)	(876)	(3,960)	(7,849)
Net change in cash, cash equivalents and restricted cash	(7,714)	(6,300)	9,284	(10,902)
Cash, cash equivalents and restricted cash, beginning of year	35,339	24,547	18,327	29,129
Fluctuations in foreign currency	29	80	44	100
CASH, CASH EQUIVALENTS AND RESTRICTED CASH BALANCE, ENDING BALANCE	\$ 27,655	\$ 18,327	\$ 27,655	\$ 18,327
SUPPLEMENTAL DISCLOSURE OF NON-CASH ACTIVITIES:				
Share-based compensation as part of Expetitle consideration	-	-	-	4,325
Share-based compensation as part of LemonBrew consideration	-	-	-	450

REVENUE BREAKOUT BY BUSINESS SEGMENT

	Three Months Ended		For the Year Ended	
	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
Main revenue streams				
Commissions	180,417	97,327	684,873	379,868
Title	480	477	2,990	1,869
Mortgage Income	444	19	1,295	19
Total Revenue	181,341	97,823	689,158	381,756

RECONCILIATION OF TOTAL COMPREHENSIVE LOSS ATTRIBUTABLE TO OWNERS OF THE COMPANY TO ADJUSTED EBITDA

“Adjusted EBITDA” and “Adjusted EBITDA Excluding Non-Recurring Stock Based Compensation Balance Sheet Adjustment” are non-International Financial Reporting Standards (“IFRS”) financial measures. Non-IFRS measures are not recognized measures under IFRS, do not have a standardized meaning prescribed by IFRS, and are therefore unlikely to be comparable to similar measures presented by other companies. Adjusted EBITDA is used as an alternative to net income by removing major non-cash items such as amortization, interest, stock-based compensation, current and deferred income tax expenses and other items management considers non-operating in nature. Adjusted EBITDA excluding non-recurring stock based compensation balance sheet adjustment is used as an alternative to net income by removing major non-cash items such as depreciation, amortization, interest, stock-based compensation, current and deferred income tax expenses and other items management considers non-operating in nature, but removes a non-recurring balance sheet adjustment recorded in the fourth quarter of 2023. The Company has used or included these non-IFRS measures solely to provide investors with added insight into Real’s financial performance. Readers are cautioned that such non-IFRS measures may not be appropriate for any other purpose. Non-IFRS measures should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS.

	2021		2022			2023			
	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Comprehensive Income (Loss)	(4,193)	(4,386)	(4,134)	(5,440)	(6,739)	(7,155)	(4,161)	(3,997)	(11,886)
Non-Operating Expenses:									
Finance Costs	699	502	377	1,174	(237)	292	376	16	(110)
Depreciation	83	3	135	87	108	269	284	277	298
Stock-Based Compensation	1,295	3,178	2,884	4,506	6,132	5,761	6,075	7,144	19,423
Goodwill Impairment	-	-	-	-	-	-	-	-	723
Listing Expenses	(99)	-	-	135	16	-	-	-	-
Restructuring Expense	54	-	-	62	160	41	44	80	58
Other Expenses	-	126	155	25	456	-	-	-	-
Adjusted EBITDA	(2,161)	(577)	(583)	549	(104)	(792)	2,618	3,520	8,506
Non-Recurring Stock Based Compensation Balance Sheet Adjustment	-	-	-	-	-	-	-	-	6,208
Adjusted EBITDA Excluding Non-Recurring Stock Based Compensation Adjustment	(2,161)	(577)	(583)	549	(104)	(792)	2,618	3,520	2,298

RECONCILIATION OF OPERATING EXPENSE TO ADJUSTED OPERATING EXPENSE

“Adjusted Operating Expense” is a non-International Financial Reporting Standards (“IFRS”) financial measure. Non-IFRS measures are not recognized measures under IFRS, do not have a standardized meaning prescribed by IFRS, and are therefore unlikely to be comparable to similar measures presented by other companies. Adjusted Operating Expense is used as an alternative to operating expenses by removing major non-cash items such as Stock-Based Compensation, Depreciation, and other unique or non-cash expenses, while retaining ongoing fixed operating expenses and excluding variable cash expenses associated with Revenue Share. Adjusted Operating Expense has no direct comparable IFRS financial measure. The Company has used or included this non-IFRS measures solely to provide investors with added insight into Real’s financial performance. Readers are cautioned that such non-IFRS measures may not be appropriate for any other purpose. Non-IFRS measures should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS.

(Expressed in thousands of U.S. dollars)

	2021	2022				2023			
	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Operating Expense	7,850	10,129	13,496	12,886	15,184	17,846	21,499	22,742	26,796
Less: Revenue Share Expense	\$2,172	\$2,703	\$4,376	\$3,876	\$4,020	\$5,434	\$7,684	\$7,946	\$6,840
Revenue Share Expense (% of revenue)	4.3%	4.4%	3.9%	3.5%	4.2%	5.0%	4.1%	3.7%	3.8%
Less:									
Stock-Based Compensation - Employees	(544)	1,205	897	281	608	1,019	1,214	285	6,543
Stock-Based Compensation - Agents	1,570	582	547	1,776	2,614	1,541	1,640	2,769	1,830
Depreciation Expense	83	3	135	87	108	269	284	277	298
Restructuring Expense	-	-	-	62	160	41	44	80	58
Total	1,109	1,790	1,579	2,206	3,490	2,870	3,182	3,411	8,729
Adjusted Operating Expense ¹	4,569	5,636	7,541	6,804	7,674	9,542	10,633	11,385	11,226
Adjusted Operating Expense (% of revenue)	9.1%	9.1%	6.7%	6.1%	8.0%	8.8%	5.7%	5.3%	6.2%

¹Adjusted operating expense excludes revenue share and non-cash and non-recurring items.

KEY PERFORMANCE METRICS

	2022				2023			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
<u>Transaction Data</u>								
Closed Transaction Sides	6,248	10,224	11,233	9,745	10,963	17,537	20,397	17,749
Total Value of Home Side Transactions (\$, billions)	2.4	4.2	4.2	3.5	4.0	7.0	8.1	6.8
Median Home Sale Price (\$, thousands)	\$345	\$375	\$360	\$348	\$350	\$369	\$370	\$355
<u>Agent Metrics</u>								
Total Agents	4,500	5,600	6,700	8,200	10,000	11,500	12,175	13,650
Agent Churn Rate (%)	7.9	7.2	7.3	4.4	8.3	6.5	10.8	6.2
Revenue Churn Rate (%)	1.6	2.1	2.5	2.4	4.3	3.8	4.5	4.9
<u>Headcount and Efficiency Metrics</u>								
Full-Time Employees	112	121	122	118	127	145	162	159
Full-Time Employees, Excluding One Real Title and One Real Mortgage	82	91	87	84	88	102	120	118
Headcount Efficiency Ratio ¹	1:55	1:62	1:77	1:98	1:114	1:113	1:101	1:116
Revenue Per Full Time Employee (\$, thousands) ²	\$752	\$1,235	\$1,283	\$1,144	\$1,226	\$1,817	\$1,789	\$1,537
Operating Expense Excluding Revenue Share (\$, thousands)	\$7,426	\$9,120	\$9,010	\$11,164	\$12,412	\$13,815	\$14,796	\$19,956
Operating Expense Per Transaction Excluding Revenue Share (\$)	\$1,189	\$892	\$802	\$1,146	\$1,132	\$788	\$725	\$1,124
Adjusted Operating Expense (\$, thousands) ³	\$5,636	\$7,541	\$6,804	\$7,674	\$9,542	\$10,633	\$11,385	\$11,226
Adjusted Operating Expense Per Transaction (\$)	\$902	\$738	\$606	\$787	\$870	\$606	\$558	\$632

¹Defined as the ratio of full-time brokerage employees (excluding One Real Title and One Real Mortgage employees) to the number of agents on our platform.

²Reflects total Revenue divided by full-time brokerage employees (excluding One Real Title and One Real Mortgage employees).

³Adjusted operating expense excludes revenue share, stock-based compensation, depreciation and other non-recurring or non-cash expenses.

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