UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 40-F

[ ] Registration statement pursuant to Section 12 of the Securities Exchange Act of 1934

or

[x] Annual report pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934

For the fiscal year ended **December 31, 2021** Commission File Number [•]

The Real Brokerage Inc.
(Exact name of Registrant as specified in its charter)

N/A
(Translation of Registrant's name into English (if applicable))

British Columbia, Canada	**7370**	**N/A**
(Province or other jurisdiction of incorporation or organization)	(Primary Standard Industrial Classification Code Number)	(I.R.S. Employer Identification Number)

133 Richmond Street West
Suite 302
Toronto, Ontario
(646) 469-7107
(Address and telephone number of Registrant's principal executive offices)

Cogency Global Inc.
122 East 42nd Street, 18th Floor
New York, NY 10168
1-800-221-0102
(Name, address (including zip code) and telephone number (including area code) of agent for service in the United States)

Securities registered or to be registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol	Name of each exchange on which registered
Common Shares, no par value	**REAX**	**NASDAQ Capital Market**

Securities registered pursuant to Section 12(g) of the Act: **None**

Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act: **None**

For annual reports, indicate by check mark the information filed with this Form:

[X] Annual information form [X] Audited annual financial statements

Indicate the number of outstanding shares of each of the registrant's classes of capital or common stock as of the close of the period covered by the annual report: 178,242,429 outstanding as of December 31, 2021.

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the preceding 12 months (or for such shorter period that the registrant was required to file such reports); and (2) has been subject to such filing requirements for the past 90 days.
[X] Yes [ ] No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).
[X] Yes [ ] No

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 12b-2 of the Exchange Act.

[**X**] Emerging growth company

If an emerging growth company that prepares its financial statements in accordance with U.S. GAAP, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards† provided pursuant to Section 13(a) of the Exchange Act. [ ]

† The term "new or revised financial accounting standard" refers to any update issued by the Financial Accounting Standards Board to its Accounting Standards Codification after April 5, 2012.

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report.[ ]

EXPLANATORY NOTE

The Real Brokerage Inc. (the "Company" or "Real Brokerage") is a "foreign private issuer" as defined in Rule 3b-4 under Securities Exchange Act of 1934, as amended (the "Exchange Act"), and is a Canadian issuer eligible to file its annual report ("Annual Report") pursuant to Section 13 of the Exchange Act on Form 40-F pursuant to the multi-jurisdictional disclosure system (the "MJDS") adopted by the United States Securities and Exchange Commission (the "SEC"). The Company's common shares are listed on the TSX Venture Exchange and the Nasdaq Stock Market LLC ("NASDAQ") under the trading symbol "REAX".

In this annual report, references to "we", "our", "us", the "Company" or "Real Brokerage", mean The Real Brokerage Inc., unless the context suggests otherwise.

FORWARD LOOKING STATEMENTS

The Exhibits incorporated by reference into this Annual Report of the Registrant contains certain information, forecasts, projections, and/or disclosures about the Company that may constitute "forward-looking information" and "forward-looking statements" under applicable securities laws (collectively, "forward-looking statements"). All such statements, forecasts, projections and/or disclosures included in this AIF and the documents and information incorporated by reference, other than those of historical fact, that address activities, events or developments that the Company anticipates or expects may or will occur in the future (in whole or in part) should be considered forward-looking statements. Forward-looking statements are based upon the Company's current internal expectations, estimates, projections and assumptions about future events and financial trends that management believes may affect the Company's financial condition, results of operations, business strategy and financial needs, as the case may be. The forward-looking statements are subject to significant known and unknown risks, uncertainties and other factors, many of which are beyond the control of the Company. In some cases, forward-looking statements can be identified by the use of forward-looking terminology such as "expect", "likely", "may", "will", "should", "intend", "anticipate", "potential", "proposed", "estimate", "believe", "plan", "forecast" and other words of similar import, understanding and meaning, including negative and grammatical variations thereof, or statements that certain events or conditions "may" or "will" happen, or by discussions of strategy. Actual results and developments may differ materially from those contemplated by these forward-looking statements.

Without limitation, this Annual Report may contain forward-looking statements pertaining to the following:

- The Company's capital and organizational structure;
- The Company's expected working capital;
- The Company's business plans and strategies including targets for future growth;
- The development of the Company's business;
- The real estate industry;
- Expectations with respect to future opportunities;
- Capital expenditure programs and future capital requirements;
- The receipt of regulatory and Exchange approvals;

- Supply and demand fundamentals for services of the Company;
- The Company's plans regarding and composition of principal security holders, directors, officers, promoters and management;
- The Company's plans and funding for planned development activities and the expected results of such activities;
- The Company's treatment under governmental and international regulatory regimes and intellectual property laws;
- The Company's future general and administrative expenses;
- The Company's share compensation plans;
- The Company's access to capital and overall strategy and development plans for all of the Company's assets;
- Expectations on how the Company will manage production and marketing risks; and
- The business and strategic plans of the Company.

With respect to forward-looking statements and forward-looking information contained in this Annual Report, numerous assumptions have been made regarding, among other things:

- General business and economic conditions;
- Current and future share prices;
- the real estate industry
- The future operational and financial activities of the Company generally;
- Fluctuations in foreign currency exchange rates, business prospects and opportunities;
- The regulatory framework governing intellectual property in the jurisdictions in which the Company will conduct its business and any other jurisdictions in which the Company may conduct its business in the future;
- Trade secrets, know-how, contractual provisions and confidentiality procedures to protect its intellectual property rights;
- The Company's ability to comply with the regulatory bodies governing its activities;
- Future capital expenditures to be made by the Company;
- Current and future sources of funding for capital programs and the Company's ability to obtain financing on acceptable terms;
- The impact of competition on the Company;
- The impact of SARS-CoV-2, the COVID-19 pandemic and other future viruses;
- Political developments and/or instability;
- Changes in law; and
- Anticipated and unanticipated costs.

Readers are cautioned that the above list of cautionary statements is not exhaustive.

These statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in the forward-looking statements. Applicable risks and uncertainties include, but are not limited to, those identified under the heading "Risk Factors" on page 20 of the Annual Information Form for the year ended December 31, 2021, attached as Exhibit 99.1 to this Annual Report and incorporated herein by reference, and under the heading "Risks and Uncertainties" on page 23 of the Registrant's Management's Discussion & Analysis for the year ended December 31, 2021, attached as Exhibit 99.3 to this Annual Report and incorporated herein by reference, and in other filings that the Registrant has made and may make with applicable securities authorities in the future.

No assurance can be given that these expectations will prove to be correct and such forward-looking statements in the Exhibits incorporated by reference into this Annual Report should not be unduly relied upon. The Registrant's forward-looking statements contained in the Exhibits incorporated by reference into this Annual Report are made as of the respective dates set forth in such Exhibits. Such forward-looking statements are based on the beliefs, expectations, and opinions of management on the date the statements are made. In preparing this Annual Report, the Registrant has not updated such forward-looking statements to reflect any change in circumstances or in management's beliefs, expectations or opinions that may have occurred prior to the date hereof. Nor does the Registrant assume any obligation to update such forward-looking statements in the future. For the reasons set forth above, investors should not place undue reliance on forward-looking statements.

DIFFERENCES IN UNITED STATES AND CANADIAN REPORTING PRACTICES

The Registrant is permitted, under the multi-jurisdictional disclosure system adopted by the United States Securities and Exchange Commission (the "Commission") and certain Canadian securities regulators, to prepare this annual report in accordance with Canadian disclosure requirements, which are different from those of the United States. The Registrant has historically prepared its consolidated financial statements, which are filed as Exhibit 99.2 to this annual report on Form 40-F, in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board, which are subject to Canadian auditing and auditor independence standards. Financial statements prepared in IFRS may differ from financial statements prepared in United States GAAP ("U.S. GAAP") and from practices prescribed by the SEC. Therefore, the Registrant's financial statements filed with this Annual Report may not be comparable to financial statements of United States companies prepared in accordance with U.S. GAAP.

Unless otherwise indicated, all dollar amounts in this annual report on Form 40-F are in United States dollars.

PRINCIPAL DOCUMENTS

The following documents have been filed as part of this annual report on Form 40-F:

A. Annual Information Form

The Registrant's Annual Information Form for the fiscal year ended December 31, 2021 is attached as Exhibit 99.1 to this Annual Report on Form 40-F, and is incorporated by reference herein.

B. Audited Annual Financial Statements

The Registrant's consolidated audited annual financial statements, including the reports of the independent registered public accounting firm with respect thereto, are attached as Exhibit 99.2 to this Annual Report on Form 40-F and is incorporated by reference herein.

C. Management's Discussion and Analysis

The Registrant's management's discussion and analysis of financial condition and results of operations for the twelve-month period ended December 31, 2021 is attached as Exhibit 99.3 to this Annual Report on Form 40-F and is incorporated by reference herein.

TAX MATTERS

Purchasing, holding or disposing of securities of the Registrant may have tax consequences under the laws of the United States and Canada that are not described in this Annual Report on Form 40-F.

DISCLOSURE CONTROLS AND PROCEDURES

As of the end of the Registrant's fiscal year ended December 31, 2021, an evaluation of the effectiveness of the Registrant's "disclosure controls and procedures" (as such term is defined in Rules 13a-15(e) and 15d-15(e) of the Exchange Act was carried out by the Registrant's management with the participation of the principal executive officer and principal financial officer. Based upon that evaluation, the Registrant's principal executive officer and principal financial officer have concluded that as of the end of that fiscal year, the Registrant's disclosure controls and procedures are effective to ensure that information required to be disclosed by the Registrant in reports that it files or submits under the Exchange Act is (i) recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's (the "Commission") rules and forms and (ii) accumulated and communicated to the Registrant's management, including its principal executive and principal financial officers, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure.

It should be noted that while the Registrant's principal executive officer and principal financial officer believe that the Registrant's disclosure controls and procedures provide a reasonable level of assurance that they are effective, they do not expect that the Registrant's disclosure controls and procedures or internal control over financial reporting will prevent all errors and fraud. A control system, no matter how well conceived or operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met.

MANAGEMENT'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

Internal control over financial reporting, as defined by Rule 13a-15(f) and 15d-15(f) of the Exchange Act, is a process designed by, or under the supervision of the Registrant's principal executive and principal financial officers or persons performing similar functions and effected by the Board of Directors, management and other personnel, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS as issued by the IASB. Internal control over financial reporting includes policies and procedures that:

- pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Registrant;
- provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with IFRS, and that receipts and expenditures of the Registrant are being made only in accordance with authorizations of management and directors of the company; and
- provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Registrant's assets that could have a material effect on the financial statements.

In connection with the Registrant's reporting obligations in Canada and its obligations under Rule 13a-15(c) under the Exchange Act, management, under the supervision and with the participation of its principal executive officer and principal financial officer, conducted an evaluation of the effectiveness of the Company's internal control over financial reporting as of December 31, 2021, using the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in Internal Control - Integrated Framework (2013). Based on this evaluation, management concluded that its internal control over financial reporting were effective.

ATTESTATION REPORT OF THE REGISTERED PUBLIC ACCOUNTING FIRM

This Annual Report does not include an attestation report of the Registrant's registered public accounting firm due to a transition period established by rules of the SEC for newly public companies. Under Section 3 of the Exchange Act, as a result of enactment of the Jumpstart Our Business Startups Act (the "JOBS Act"), "emerging growth companies" are exempt from Section 404(b) of the Sarbanes-Oxley Act of 2002, which generally requires that a public company's registered public accounting firm provide an attestation report relating to management's assessment of internal control over financial reporting. The Registrant qualifies as an "emerging growth company" and therefore has not included in, or incorporated by reference into, this Annual Report such an attestation report as of the end of the period covered by this Annual Report.

CHANGES IN INTERNAL CONTROL OVER FINANCIAL REPORTING

There has been no change in the Registrant's internal control over financial reporting during the fiscal year ended December 31, 2021, that has materially affected, or is reasonably likely to materially affect, the Registrant's internal control over financial reporting.

NOTICES PURSUANT TO REGULATION BTR

None.

CODE OF CONDUCT

The Registrant has adopted a written "code of ethics" (as defined by the rules and regulations of the Commission), entitled "Code of Conduct" (the "Code") that applies to all members of the board of directors, officers, employees, consultants, contractors and agents of the Company and its affiliates and subsidiaries worldwide. Adherence to this code is a condition of employment with or providing services to the Company.

The Code may be obtained upon request from The Real Brokerage Inc.'s head office at 133 Richmond Street West, Suite 302, Toronto, Ontario M5H 2L3, or by viewing the Registrant's web site at https://www.joinreal.com/.

All amendments to the Code, and all waivers of the Code with respect to any director, executive officer or principal financial and accounting officers, will be posted on the Registrant's web site within five business days following the date of the amendment or waiver and any amendment will be provided in print to any shareholder upon request.

AUDIT COMMITTEE

Our Board of Directors has established the Audit Committee in accordance with section 3(a)(58)(A) of the Exchange Act and Rule 5605(c) of the NASDAQ Marketplace Rules for the purpose of overseeing our accounting and financial reporting processes and the audits of our annual financial statements.

The Audit Committee is comprised of Larry Klane (Chair), Laurence Rose and Guy Gamzu. Our Board of Directors has determined that the Audit Committee meets the composition requirements set forth by Section 5605(c)(2) of the NASDAQ Marketplace Rules and are independent members of the Audit Committee as determined under Rule 10A-3 of the Exchange Act and Rule 5605(a)(2) of the NASDAQ Marketplace Rules.

All three members of the Audit Committee are financially literate, meaning they are able to read and understand the Registrant's financial statements and to understand the breadth and level of complexity of the issues that can reasonably be expected to be raised by the Registrant's financial statements.

Our Board of Directors has determined that Larry Klane qualifies as an "audit committee financial expert" (as defined in paragraph (8)(b) of General Instruction B to Form 40-F).

The SEC has indicated that the designation or identification of a person as an audit committee financial expert does not make such person an "expert" for any purpose, impose any duties, obligations or liability on such person that are greater than those imposed on members of the audit committee and the board of directors who do not carry this designation or identification, or affect the duties, obligations or liability of any other member of the audit committee or board of directors.

PRINCIPAL ACCOUNTANT FEES AND SERVICES

The required disclosure is included under the heading “Audit Committee Information - External Auditor Service Fees” in the Company’s Annual Information Form for the fiscal year ended December 31, 2021, filed as Exhibit 99.1 to this Annual Report on Form 40-F.

PRE-APPROVAL OF AUDIT AND NON-AUDIT SERVICES PROVIDED BY INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Audit Committee Charter sets out responsibilities regarding the provision of non-audit services by the Registrant's external auditors and requires the Audit Committee to pre-approve all permitted non-audit services to be provided by the Registrant's external auditors, in accordance with applicable law.

OFF-BALANCE SHEET ARRANGEMENTS

The Registrant currently has no off-balance sheet arrangements.

TABULAR DISCLOSURE OF CONTRACTUAL OBLIGATIONS

The following table lists, as of December 31, 2021, information with respect to the Registrant's known contractual obligations (in thousands):

	Payments due by period				
Contractual Obligations	**Total**	**Less than 1 year**	**1-3 years**	**3-5 years**	**More than 5 years**
Long-Term Debt Obligations	$	$	$	$	$
Capital (Finance) Lease Obligations	$	$	$	$	$
Operating Lease Obligations	$ 131	$ 91	$ 40	$	$
Purchase Obligations	$	$	$	$	$
Other Long-Term Liabilities Reflected on Balance Sheet	$	$	$	$	$
Total	**$ 131**	**$ 91**	**$ 40**	$	$

NASDAQ CORPORATE GOVERNANCE

The Registrant is a foreign private issuer and its common shares are listed on the NASDAQ.

NASDAQ Rule 5615(a)(3) permits a foreign private issuer to follow its home country practice in lieu of the requirements of the Rule 5600 Series, the requirement to distribute annual and interim reports set forth in Rule 5250(d), and the Direct Registration Program requirement set forth in Rules 5210(c) and 5255; provided, however, that such a company shall comply with the Notification of Material Noncompliance requirement (Rule 5625), the Voting Rights requirement (Rule 5640), have an audit committee that satisfies Rule 5605(c)(3), and ensure that such audit committee's members meet the independence requirement in Rule 5605(c)(2)(A)(ii).

The Registrant does not follow Rule 5605(b)(1), which requires companies' board of directors to be comprised of a majority of independent directors. In lieu of following Rule 5605(b)(1), the Registrant follows the rules of the TSX Venture Exchange.

The Registrant does not follow Rule 5605(b)(2), which requires the company to have regularly scheduled meetings at which only independent directors present ("executive sessions"). In lieu of following Rule 5605(b)(2), the Registrant follows the rules of the TSX Venture Exchange.

The Registrant does not follow Rule 5605(c)(1), which requires companies to adopt a formal written Audit Committee charter specifying the items enumerated in Rule 5605(c)(1) and have the Audit Committee review and reassess the Charter on an annual basis. In lieu of following Rule 5605(c)(1), the Registrant follows the rules of the TSX Venture Exchange.

The Registrant does not follow Rule 5605(d)(1), which requires companies to adopt a formal written compensation committee charter and have a compensation committee review and reassess the adequacy of the charter on an annual basis. In lieu of following Rule 5605(d)(1), the Registrant follows the rules of the TSX Venture Exchange.

The Registrant does not follow Rule 5605(d)(2), which requires companies to have a compensation committee comprised of at least two members, with each member being Independent Director as defined under Rule 5605(a)(2). In lieu of following Rule 5605(d)(2), the Registrant follows the rules of the TSX Venture Exchange.

The Registrant does not follow Rule 5605(e)(1), which requires independent director involvement in the selection of director nominees, by having a Nominations Committee comprised solely of independent directors. In lieu of following Rule 5605(e)(1), the Registrant follows the rules of the TSX Venture Exchange.

The Registrant does not follow Rule 5605(e)(2), which requires companies to adopt a formal written charter or board resolution, as applicable, addressing the director nomination process and such related matters as may be required under the federal securities laws. In lieu of following Rule 5605(e)(2), the Registrant follows the rules of the TSX Venture Exchange.

The Registrant does not follow Rule 5620(c), under which the Nasdaq minimum quorum requirement for a shareholder meeting is 33-1/3% of the outstanding shares of common stock. In addition, a registrant listed on Nasdaq is required to state its quorum requirement in its by-laws. The Registrant's quorum requirement is set forth in its articles. A quorum for a meeting of shareholders of the Registrant is two shareholders or proxyholders that hold or represent, as applicable, not less than 5% of the issued and outstanding shares entitled to be voted at the meeting. In lieu of following Rule 5620(c) (shareholder quorum), the Registrant follows the rules of the TSX Venture Exchange.

The Registrant does not follow Rule 5255, which requires companies' securities to be eligible for a Direct Registration Program operated by a clearing agency registered under Section 17A of the Exchange Act. In lieu of following Rule 5255, the Registrant follows the rules of the TSX Venture Exchange.

The foregoing is consistent with the laws, customs, and practices in the province of British Columbia and Canada.

INTERACTIVE DATA FILE

The Registrant will submit by amendment Exhibits 101 and 104 to this Annual Report on Form 40-F its Interactive Data Files. The amendment will be filed within the 30-day grace period provided by Rule 405(a)(2)(ii) of Regulation S-T.

MINE SAFETY DISCLOSURE

Not applicable.

UNDERTAKING

The Registrant undertakes to make available, in person or by telephone, representatives to respond to inquiries made by the Commission staff, and to furnish promptly, when requested to do so by the Commission staff, information relating to: the securities registered pursuant to Form 40-F; the securities in relation to which the obligation to file an annual report on Form 40-F arises; or transactions in said securities.

CONSENT TO SERVICE OF PROCESS

The Registrant has previously filed with the SEC a written consent to service of process on Form F-X. Any change to the name or address of the Registrant's agent for service shall be communicated promptly to the SEC by amendment to the Form F-X referencing the file number of the Registrant.

ADDITIONAL INFORMATION

Additional information relating to the Registrant may be found on the System for Electronic Document Analysis and Retrieval (SEDAR) at www.sedar.com and on the Commission's Electronic Data Gathering, Analysis and Retrieval (EDGAR) system at www.sec.gov.

SIGNATURES

Pursuant to the requirements of the Exchange Act, the Registrant certifies that it meets all of the requirements for filing on Form 40-F and has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized.

THE REAL BROKERAGE INC.

By: /s/ Tamir Poleg
Name: Tamir Poleg
Title: Chief Executive Officer

Date: March 18, 2022

EXHIBIT INDEX

EXHIBIT	DESCRIPTION OF EXHIBIT
99.1	The Registrant's Annual Information Form for the fiscal year ended December 31, 2021
99.2	Audited Consolidated Financial Statements for the fiscal year ended December 31, 2021
99.3	Management's Discussion and Analysis for the year ended December 31, 2021
99.4	Certification by the Chief Executive Officer of the Registrant pursuant to Rule 13a-14(a) or 15d-14 of the Exchange Act, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
99.5	Certification by the Chief Financial Officer of the Registrant pursuant to Rule 13a-14(a) or 15d-14 of the Exchange Act, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
99.6	Certification by the Chief Executive Officer of the Registrant pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
99.7	Certification by the Chief Financial Officer of the Registrant pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
99.8	Code of Conduct
99.9	Consent of Brightman Almagor Zohar & Co.
101*	XBRL Document
104*	Cover Page Interactive Data File

*To be filed by amendment within the 30-day grace period provided by Rule 405(a)(2)(ii) of Regulation S-T.

THE REAL BROKERAGE INC.

ANNUAL INFORMATION FORM

FOR THE YEAR ENDED DECEMBER 31, 2021

March 18, 2022

Item 1. ABOUT THIS ANNUAL INFORMATION FORM

In this annual information form ("**AIF**" or "**Annual Information Form**"), unless the context otherwise requires, the "**Company**", "**Real**", "**we**", "**us**" and "**our**" refers to The Real Brokerage Inc. together with its wholly-owned subsidiaries, as defined and set out below under *Item 3.2 - Intercorporate Relationships.*

All financial information in this Annual Information Form is prepared in Canadian dollars, except where otherwise indicated, and using IFRS as issued by the International Accounting Standards Board.

In this AIF, all references to "C$" refer to Canadian dollars, all references to "US$" refer to U.S. dollars. The daily exchange rate as reported by the Bank of Canada was US$1.00 = C$1.2678 on December 31, 2021.

This AIF applies to the business activities and operations of the Company for the fiscal year ended December 31, 2021, with certain information updated to reflect changes occurring subsequent to December 31, 2021, up to the date of this AIF. Unless otherwise indicated, the information in this AIF is given as of March 18, 2022.

This Annual Information Form contains company names, product names, trade names, trademarks and service marks of the Company and other organizations, all of which are the property of their respective owners.

The information contained in this AIF, including news releases and other disclosure items of the Company, is available under the Company's profile on SEDAR at www.sedar.com. The Common Shares are traded on the TSXV under the symbol "REAX" and on the Nasdaq under the symbol "REAX".

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This AIF, including information and documents incorporated by reference, contains certain information, forecasts, projections, and/or disclosures about the Company that may constitute "forward-looking information" and "forward-looking statements" under applicable securities laws (collectively, "**forward-looking statements**"). All such statements, forecasts, projections and/or disclosures included in this AIF and the documents and information incorporated by reference, other than those of historical fact, that address activities, events or developments that the Company anticipates or expects may or will occur in the future (in whole or in part) should be considered forward-looking statements. Forward-looking statements are based upon the Company's current internal expectations, estimates, projections and assumptions about future events and financial trends that management believes may affect the Company's financial condition, results of operations, business strategy and financial needs, as the case may be. The forward-looking statements are subject to significant known and unknown risks, uncertainties and other factors, many of which are beyond the control of the Company. In some cases, forward-looking statements can be identified by the use of forward-looking terminology such as "expect", "likely", "may", "will", "should", "intend", "anticipate", "potential", "proposed", "estimate", "believe", "plan", "forecast" and other words of similar import, understanding and meaning, including negative and grammatical variations thereof, or statements that certain events or conditions "may" or "will" happen, or by discussions of strategy. Actual results and developments may differ materially from those contemplated by these forward-looking statements.

Without limitation, this AIF may contain forward-looking statements pertaining to the following:

- the Company's capital and organizational structure;
- the Company's expected working capital;
- the Company's business plans and strategies including targets for future growth;

- the development of the Company's business;
- the real estate industry;
- expectations with respect to future opportunities;
- capital expenditure programs and future capital requirements;
- the receipt of regulatory and Exchange approvals;
- supply and demand fundamentals for services of the Company;
- the Company's plans regarding and composition of principal security holders, directors, officers, promoters and management;
- the Company's plans and funding for planned development activities and the expected results of such activities;
- the Company's treatment under governmental and international regulatory regimes and intellectual property laws;
- the Company's future general and administrative expenses;
- the Company's security based compensation plans;
- the Company's access to capital and overall strategy and development plans for all of the Company's assets;
- expectations on how the Company will manage production and marketing risks; and
- the business and strategic plans of the Company.

With respect to forward-looking statements and forward-looking information contained in this Annual Information Form, numerous assumptions have been made regarding, among other things:

- general business and economic conditions;
- current and future share prices;
- the real estate industry;
- the future operational and financial activities of the Company generally;
- fluctuations in foreign currency exchange rates, business prospects and opportunities;
- the regulatory framework governing intellectual property in the jurisdictions in which the Company will conduct its business and any other jurisdictions in which the Company may conduct its business in the future;
- trade secrets, know-how, contractual provisions and confidentiality procedures to protect its intellectual property rights;
- the Company's ability to comply with the regulatory bodies governing its activities;
- future capital expenditures to be made by the Company;
- current and future sources of funding for capital programs and the Company's ability to obtain financing on acceptable terms;
- the impact of competition on the Company;
- the impact of SARS-CoV-2, the COVID-19 pandemic and other future viruses;
- the conflict in Eastern Europe;
- political developments and/or instability;
- changes in law; and
- anticipated and unanticipated costs.

The foregoing list of assumptions is not exhaustive. Actual results could differ materially from those anticipated in forward-looking statements as a result of various events and circumstances, including, among other things, the risk factors set forth under the heading "*5.2 - Risk Factors*".

Should one or more of these risks or uncertainties materialize, or should assumptions underlying the forward-looking information prove incorrect, actual results, performance or achievement may vary materially from those expressed or implied by the forward-looking information contained in this AIF. These factors should be carefully considered and readers are cautioned not to place undue reliance on forward-looking information, which speaks only as of the date of this AIF. All subsequent forward-looking information of the Company herein is expressly qualified in its entirety by the cautionary statements contained in or referred to herein. The Company does not undertake any obligation to release publicly any revisions to this forward-looking information to reflect events or circumstances that occur after the date of this AIF or to reflect the occurrence of unanticipated events, except as may be required under applicable securities laws.

MARKET AND INDUSTRY DATA

This AIF may contain market and industry data and forecasts obtained from third-party sources, industry publications and publicly available information. The Company believes that the industry data is accurate and that its estimates and assumptions are reasonable, but there is no assurance as to the accuracy or completeness of this data. Third-party sources generally state that the information contained therein has been obtained from sources believed to be reliable, but there can be no assurance as to the accuracy or completeness of included information. Although management believes it to be reliable, the Company has not independently verified any of the data from third-party sources referred to in this AIF, or analyzed or verified the underlying information relied upon or referred to by such sources, or ascertained the underlying economic assumptions relied upon by such sources.

GLOSSARY OF TERMS

The following is a glossary of certain terms used in this Annual Information Form. Words below importing the singular, where the context requires, include the plural and vice versa, and words importing any gender include all genders.

"**ADL**" means ADL Ventures Inc., a capital pool company and the predecessor of the Company prior to the Qualifying Transaction.

"**ADL Private Placement**" has the meaning ascribed to it in *Item 4.1 - Three Year History*.

"**ADL Subscription Receipts**" has the meaning ascribed to it in *Item 4.1 - Three Year History*.

"**Affiliate**" means a corporation that is affiliated with another corporation as follows: (A) a corporation is an "Affiliate" of another corporation if: (i) one of them is the subsidiary of the other; or (ii) each of them is controlled by the same Person; (B) a corporation is "controlled" by a Person if: (i) voting securities of the corporation are held, other than by way of security only, by or for the benefit of that Person; and (ii) the voting securities, if voted, entitle the Person to elect a majority of the directors of the corporation; or (C) a Person beneficially owns securities that are beneficially owned by: (i) a corporation controlled by that Person; or (ii) an Affiliate of that Person or an Affiliate of any corporation controlled by that Person.

"**Audit Committee**" means the audit committee of the Board.

"**Auditor**" has the meaning ascribed to it in *Item 15.1 - Interests of Experts*.

"**Award**" means an Option or RSU granted pursuant to a Securities Based Compensation Arrangement.

"**Award Date**" means the date or dates on which an Award is granted pursuant to a Securities Based Compensation Arrangement.

"**BCBCA**" means the *Business Corporations Act* (British Columbia), including the regulations promulgated thereunder, as amended from time to time.

"**Board**" means the board of directors of the Company.

"**CARES Act**" has the meaning ascribed to it in *Item 5.2 - Risk Factors*.

"**CFPB**" has the meaning ascribed to it in *Item 5.1(g) - Regulatory Environment*.

"**Common Shares**" means common shares in the authorized share structure of the Company.

"**Compensation Committee**" means the compensation committee of the Board.

"**Compensation Options**" means the compensation options exercisable into Common Shares.

"**CPC Policy**" means Exchange Policy 2.4 - *Capital Pool Companies* of the TSXV Corporate Finance Manual.

"**Discounted Market Price**" has the meaning ascribed to in Exchange Policy 1.1 - *Interpretation* of the TSXV Corporate Finance Manual.

"**Dodd-Frank Act**" has the meaning ascribed to it in *Item 5.1(g) - Regulatory Environment.*

"**Escrowed Funds**" has the meaning ascribed to it in *Item 4.1 - Three Year History.*

"**Exchange**" or "**TSXV**" means the TSX Venture Exchange Inc.

"**Exchange Requirements**" means and includes the articles, by-laws, policies, circulars, rules, guidelines, orders, notices, rulings, forms, decisions and regulations of the Exchange as from time to time enacted, any instructions, decisions and directions of the Exchange (including those of any committee of the Exchange as appointed from time to time), the *Securities Act* (Ontario) and rules and regulations thereunder as amended, and any policies, rules, orders, rulings, forms or regulations from time to time enacted by the Ontario Securities Commission and all applicable provisions of the securities laws of any other jurisdiction.

"**Expetitle**" means Expetitle, Inc., a company existing under the laws of the state of Delaware.

"**Expetitle Transaction**" has the meaning ascribed to it in *Item 4.2 - Significant Acquisitions - Expetitle Transaction*.

"**Filing Statement**" means the Company's Filing Statement dated May 26, 2020, together with all schedules thereof.

"**Forced Exchange Event**" has the meaning ascribed to it in *Item 4.2 - Significant Acquisitions - Insight Partners Investment.*

"**IFRS**" means International Financial Reporting Standards, as issued by the International Accounting Standards Board.

"Insight Investment" has the meaning ascribed to it in *Item 4.2 - Significant Acquisitions - Insight Partners Investment.*

"**Insight Partners**" means certain funds affiliated with Insight Holdings Group, LLC, in particular Insight Partners XI, L.P.; Insight Partners (Cayman) XI, L.P.; Insight Partners XI (Co-Investors), L.P.; Insight Partners XI (Co-Investors) (B), L.P.; Insight Partners (Delaware) XI, L.P.; and Insight Partners (EU) XI, S.C.Sp.

"**Investor Relations Activities**" has the meaning ascribed to in the policies of the TSXV.

"**Investor Rights Agreement**" has the meaning ascribed to it in *Item 4.2 - Significant Acquisitions - Insight Partners Investment.*

"**Law**" or "**Laws**" means all laws (including common law), by-laws, statutes, rules, regulations, principles of law and equity, orders, rulings, ordinances, judgements, injunctions, determinations, awards, decrees or other requirements, whether domestic or foreign, and the terms and conditions of any grant of approval, permission, authority or license of any governmental entity or self-regulatory authority (including the Exchange).

"**Letter of Intent**" means the letter of intent between ADL and Real PrivateCo dated August 13, 2019 with respect to the Qualifying Transaction.

"**Mortgage Act**" has the meaning ascribed to it in *Item 5.2 - Risk Factors*.

"**Nasdaq**" means the Nasdaq Capital Market.

"**Nasdaq Listing**" has the meaning ascribed to it in *Item 4.2 - Significant Acquisitions - NASDAQ Listing.*

"**NCIB**" has the meaning ascribed to it in *Item 4.2 - Significant Acquisitions - Normal Course Issuer Bid.*

"**NI 52-110**" means National Instrument 52-110 - *Audit Committees*.

"**Person**" includes an individual, partnership, association, body corporate, trustee, executor, administrator or legal representative.

"**Predecessor RSU Plan**" means the restricted share unit plan of the Company as approved by the Shareholders at the Company's annual general and special meeting held on August 20, 2020.

"**Promoter**" means (A) a Person or company that, acting alone or in conjunction with one or more other persons, companies or a combination of them, directly or indirectly, takes the initiative in founding, organizing or substantially reorganizing the business of an issuer; or (B) a Person or company that, in connection with the founding, organizing or substantial reorganizing of the business of an issuer, directly or indirectly, receives in consideration of services or property or both services and property, 10% or more of the issued securities of a class of securities of the issuer or 10% or more of the proceeds from the sale of a class of securities of a particular issue, but a person or company who receives the securities or proceeds either solely as underwriting commissions or solely in consideration of property shall not be considered a Promoter within the meaning of this definition where that person or company does not otherwise take part in founding, organizing or substantially reorganizing the business.

"**Options**" means the options exercisable into Common Shares pursuant to a Securities Based Compensation Arrangement.

"**Option Price**" means the price per Common Share to be payable upon the exercise of each such Option.

"**Omnibus Incentive Plan**" means the securities-based incentive compensation plan of the Company adopted by Board on February 18, 2022 providing for the grant of Options and RSUs to eligible directors, officers, employees and consultants.

"**Order**" has the meaning ascribed to it in *Item 10.2 - Cease Trade Orders, Bankruptcies, Penalties or Sanctions.*

"**Predecessor Stock Option Plan**" means the stock option plan of the Company as approved by the Board and as ratified by the Shareholders at the annual and special general meeting of Shareholders held on August 20, 2020.

"**Preferred Units**" means preferred units of Real PIPE.

"**Qualifying Transaction**" means the acquisition by ADL of all of the issued and outstanding Real PrivateCo Common Shares (including Real PrivateCo Common Shares to be issued upon the conversion of Real PrivateCo Preferred Shares on a one-for-one basis immediately prior to the closing of the Qualifying Transaction), upon the terms and conditions set forth in the QT Agreement.

"**QT Agreement**" means the securities exchange agreement made as of March 5, 2020 by and among Real PrivateCo, the Real PrivateCo Shareholders and ADL in respect of the Qualifying Transaction.

"**Real**" or the "**Company**" means The Real Brokerage Inc. (formerly ADL Ventures Inc.), a company incorporated under the laws of British Columbia.

"**Real PIPE**" means Real PIPE, LLC, a company existing under the laws of the State of Delaware.

"**Real PrivateCo**" means Real Technology Broker Ltd., a private corporation incorporated under the laws of Israel.

"**Real PrivateCo Common Shares**" means the ordinary shares in the capital of Real PrivateCo.

"**Real PrivateCo Preferred Shares**" means the Series A Preferred Shares of Real PrivateCo.

"**Real PrivateCo Shareholders**" means the holders of Real PrivateCo Common Shares.

"**RealtyCrunch**" means RealtyCrunch Inc., a company existing under the laws of the State of Delaware.

"**RealtyCrunch Transaction**" has the meaning ascribed to it in *Item 4.2 - Significant Acquisitions - RealtyCrunch Transaction.*

"**RESPA**" has the meaning ascribed to it in *Item 5.1(g) - Regulatory Environment*.

"**Restricted Share Unit**" or "**RSU**" means a restricted share unit granted pursuant to a Securities Based Compensation Arrangement.

"**SEC**" means the United States Securities and Exchange Commission.

"**Security Based Compensation Arrangements"** means the Omnibus Incentive Plan, the Predecessor Stock Option Plan and Predecessor RSU Plan.

"**SEDAR**" means the System for Electronic Document Analysis and Retrieval.

"**Shareholders**" means the holders of the Common Shares.

"**Subscription Receipt Agent**" has the meaning ascribed to it in *Item 4.1 - Three Year History*.

"**United States**" or "**U.S.**" means the United States of America, its territories and possessions, any state of the United States and the District of Columbia.

"**U.S. Tax Act**" has the meaning ascribed to it in *Item 5.2 - Risk Factors*.

"**Warrants**" means Common Share purchase warrants of the Company.

Item 2. TABLE OF CONTENTS

Item 3. CORPORATE STRUCTURE

3.1 Name, Address and Incorporation

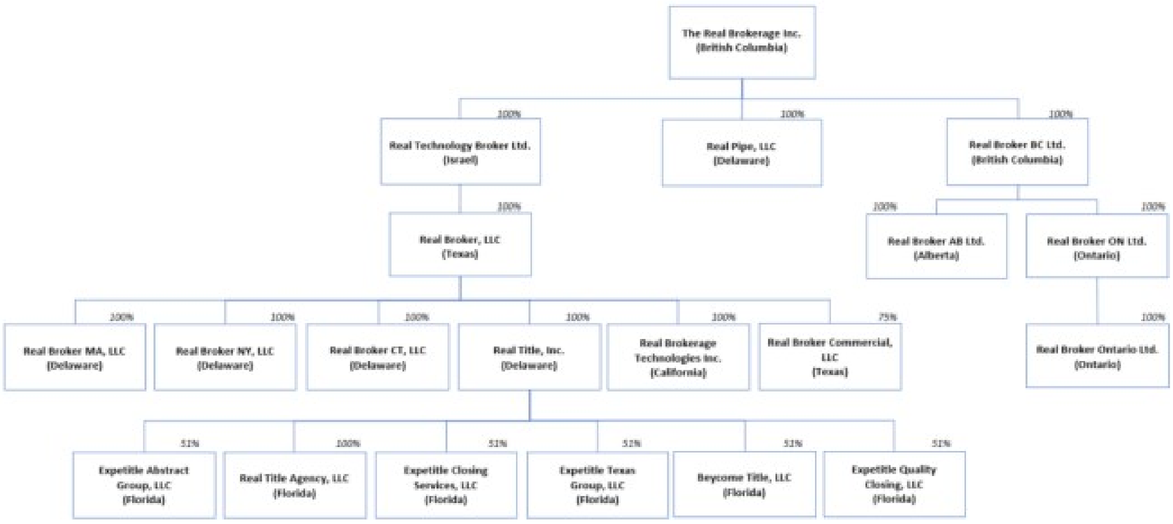
The full corporate name of the Company is The Real Brokerage Inc. (formerly ADL Ventures Inc.), which was incorporated under the laws of the BCBCA on February 27, 2018. The Company's head office is located at 133 Richmond Street West, Suite 302, Toronto, Ontario, M5H 2L3, Canada and its registered office is located at 550 Burrard Street, Suite 2300, Bentall 5, Vancouver, British Columbia, V6C 2B5, Canada.

On June 5, 2020, the Company changed its name to "The Real Brokerage Inc." in connection with the closing of the Qualifying Transaction.

The Company was listed as a capital pool company on the TSXV. Prior to the Qualifying Transaction, the Common Shares were listed for trading on the Exchange on June 28, 2018 under the symbol "AVI.P". In accordance with CPC Policy, the Company's principal business had been to identify and evaluate assets or businesses with a view to consummating a "qualifying transaction" subject to acceptance by the Exchange.

3.2 Intercorporate Relationships

The Company has 19 subsidiaries. The following diagram illustrates the current corporate structure of the Company and its material subsidiaries including jurisdictions of incorporation and the percentage of voting securities beneficially owned, directly or indirectly, by the Company:



Item 4. GENERAL DEVELOPMENT OF THE BUSINESS

4.1 Three Year History

The Company

The Company was listed as a capital pool company on the Exchange. The Common Shares were listed for trading on the Exchange on June 28, 2018 under the symbol "AVI.P". In accordance with CPC Policy, the Company's principal business had been to identify and evaluate assets or businesses with a view to consummating a "qualifying transaction" subject to acceptance by the Exchange.

On June 1, 2018, the Company issued to PI Financial Corp., as partial compensation for acting as agent to the Company on the Company's initial public offering, 300,000 irrevocable and non-transferable Compensation Options, which were exercised at a price of $0.10 per Common Share on June 28, 2020.

In connection with the Qualifying Transaction, the Company completed a private placement (the "**ADL Private Placement**") of 20,758,170 subscription receipts ("**ADL Subscription Receipts**") at an issue price of US$0.0765 per ADL Subscription Receipt for aggregate gross proceeds of up to US$1,600,000. Each ADL Subscription Receipt is automatically exercisable, for no additional consideration, into one Common Share upon satisfaction of the Escrow Release Conditions (as defined in the Filing Statement).

The gross proceeds of the ADL Private Placement were deposited into an interest-bearing escrow account (the "**Escrowed Funds**") through an escrow agent (the "**Subscription Receipt Agent**"). The Escrowed Funds were released from escrow to the Company upon satisfaction of all of the following the satisfaction of customary closing conditions, including the closing of the Qualifying Transaction and listing on the Exchange.

On June 5, 2020, the Company completed the Qualifying Transaction resulting in the change of business of the Company from a capital pool company operate a multi-state, technology-powered residential real estate brokerage For further information regarding the Qualifying Transaction, please see "*Item 4.2 - General Development of the Business - Three Year History - Significant Acquisitions*". Additionally, readers are encouraged to refer to the QT Agreement, a copy of which has been filed by the Company with the Canadian securities regulatory authorities and is available under the Company's profile on SEDAR at www.sedar.com.

The Company is a reporting issuer under the laws of the Provinces of British Columbia, Alberta and Ontario. The Common Shares are listed for trading on the Exchange under the symbol "REAX". The Common Shares are also listed for trading on the Nasdaq under the symbol "REAX".

4.2 Significant Acquisitions

Qualifying Transaction

On August 13, 2019, the Company entered into the Letter of Intent with Real PrivateCo, which provided for the acquisition by the Company of all of the issued and outstanding securities of Real PrivateCo in exchange for: (a) the issuance to Real PrivateCo Shareholders of Common Shares on the basis of 1.0083 Common Share for each Real PrivateCo Common Share (including Real PrivateCo Common Shares to be issued upon the conversion of Real PrivateCo Preferred Shares on a one-for-one basis immediately prior to the closing of the Qualifying Transaction); and (b) convertible securities of the Company in exchange for outstanding convertible securities of Real PrivateCo, with appropriate adjustments.

On March 5, 2020, the Company, Real PrivateCo and the Real PrivateCo Shareholders entered into the QT Agreement. The QT Agreement incorporated the principal terms for the Qualifying Transaction (as specified in the Letter of Intent) and provided the basis upon which the parties effected the Qualifying Transaction in compliance with the Exchange Requirements.

On June 5, 2020, in connection with the closing of the Qualifying Transaction, the Company completed a name change to "The Real Brokerage Inc." in accordance with the terms of the QT Agreement. The Qualifying Transaction was effected by way of a securities exchange agreement involving the Company, Real PrivateCo and Real PrivateCo Shareholders. The former Real PrivateCo Shareholders held approximately 92% of the issued and outstanding shares immediately following the closing of the Qualifying Transaction and previous shareholders of the Company owned approximately 8.0% of the issued and outstanding shares of the Company on a non-diluted basis not including shares issuable on the ADL Private Placement.

On June 12, 2020, the Company resumed trading on the Exchange under the symbol "REAX" following the completion of the Qualifying Transaction.

The Board was reconstituted to be comprised of Tamir Poleg, Guy Gamzu, Larry Klane and Laurence Rose. Tamir Poleg was also appointed as Chairman and Chief Executive Officer of the Company, Gus Patel was appointed as Chief Financial Officer and Corporate Secretary of the Company. For additional information on the directors and officers of the Company, please see *Item 10 - Directors and Officers*.

For more information on the outstanding capital of the Company, please see *Item 7 - Description of Capital Structure* and *Item 8 - Market for Securities*.

Post Qualifying Transaction Developments

(a) <u>Insight Partners Investment</u>

On December 2, 2021, the Company closed a US$20 million equity investment by Insight Partners through the purchase of Preferred Units issued by a wholly owned subsidiary of the Company, Real PIPE (the "**Insight Investment**"). Pursuant to the terms of the Insight Investment, Real PIPE issued to Insight Partners a total of 17,286,842 Preferred Units at a price of $1.52 per Preferred Unit. The Preferred Units were exchangeable, at any time at Insight Partners' option, and at the option of the Company on the earlier of: (i) the listing the Common Shares on a nationally recognized stock exchange in the United States; (ii) the Company's market capitalization equaling or exceeding US $500 million for a 30-consecutive trading day period; or (iii) immediately prior to a transaction which the Company is acquired by a third party on an arms' length basis (each, a "**Forced Exchange Event**"), into Common Shares on a one-for-one basis (as may be adjusted from time to time in accordance with the terms of the limited liability company agreement of Real PIPE).

On closing of the Insight Investment, in addition to the Preferred Units, the Company issued to Insight Partners an aggregate of 17,286,842 Warrants. Each Warrant was exercisable by the Insight Partners into one Common Share at a price of C$1.90, exercisable for a period of five (5) years. The Warrants had an expiry date on the date that is five (5) years from the closing of the Insight Investment, subject to acceleration of the expiry date to the date of a Forced Exchange Event.

The Company and Real PIPE also entered into an investor rights agreement with Insight Partners providing for, among other things, participation rights, certain standstill and transfer restrictions and certain director nomination rights (the "**Investor Rights Agreement**"). The Company also entered into a registration rights agreement with the Insight Partners providing for, among other things, customary registration rights. The Company guaranteed, absolutely and unconditionally, Real PIPE's obligations with respect to the Preferred Units (but postponed and subordinated in right of payment to the prior payment of senior indebtedness) pursuant to the terms of a subordinated guarantee agreement entered into with the Insight Partners.

In connection with Insight Investment and in accordance with the Investor Rights Agreement, the Company appointed AJ Malhotra, a Vice President of Insight Partners, to the Board.

(b) <u>NASDAQ Listing</u>

On April 22, 2021, the Company announced that it applied to list its common shares on the Nasdaq (the "**Nasdaq Listing**"). In advance of the Nasdaq Listing, the Company filed a Form 40F Registration Statement with the SEC. On June 15, 2021, the Common Shares commenced trading on the Nasdaq under the trading symbol "REAX".

Immediately following the Nasdaq Listing, the Company delivered an "Acceleration Notice" to Insight Partners providing for the for the acceleration of the expiry date to 5:00 p.m. (Eastern Time) on June 30, 2021 for all of the issued and outstanding Warrants issued to Insight Partners on December 2, 2020.

In addition, Real PIPE delivered to Insight Partners, a "Forced Exchange Notice" to convert all of the issued and outstanding Preferred Units held by Insight Partners into Common Shares on August 3, 2021.

(c) Warrant Conversion and Forced Exchange Event

On June 28, 2021, the Insight Partners exercised all of their issued and outstanding Warrants received in connection with the Insight Investment. The Warrants were exercised for aggregate proceeds of $32,845,011.20.

On August 3, 2021, the Company issued an aggregate of 17,286,848 Common Shares to Insight Partners in exchange for all of the issued and outstanding Preferred Units and in accordance with the Forced Exchange Notice. Immediately following the Forced Exchange Event, Insight Partners had ownership and control of (i) 34,573,696 Common Shares and (ii) 100,000 Options exercisable for 100,000 Common Shares, representing approximately 17.7% of the issued and outstanding Common Shares on a partially-diluted basis assuming the exercise of all of the Options owned or controlled by Insight Partners.

As of the date of this AIF, Insight Partners has ownership and control of (i) 34,873,696 Common Shares (ii) 100,000 Options exercisable for 100,000 Common Shares and 32,751 RSUs, representing approximately 19.46% of the issued and outstanding Common Shares on a partially-diluted basis assuming the exercise of all of the Options and conversion of all RSUs owned or controlled by Insight Partners

(d) RealtyCrunch Transaction

On January 11, 2021, the Company completed the acquisition of the business assets and intellectual property of RealtyCrunch (the "**RealtyCrunch Transaction**"). The purchase of assets and intellection property acquired in the RealtyCrunch Transaction was satisfied in cash for an aggregate purchase price of US$1.1 million plus the issuance 184,275 Warrants to the selling securityholders of RealtyCrunch. Each whole Warrant is exercisable into one Common Share at a price of C$1.36 until January 11, 2026.

In connection with the closing of the RealtyCrunch Transaction, Pritesh Damani and joined the Company as Chief Product Officer. Damani, the founder and CEO of RealtyCrunch, was granted 2,130,773 Options pursuant to the Predecessor Stock Option Plan at a price of C$1.11. Each Option is exercisable until January 11, 2031 and are subject to a four year vesting period.

(e) Normal Course Issuer Bid

On May 17, 2021, the TSXV accepted the Company's Notice of Intention to implement a normal course issuer bid ("**NCIB**"). Pursuant to the NCIB, the Company may, during the 12-month period commencing May 20, 2021 and ending April 30, 2022, purchase up to 7,170,190 Common Shares, being approximately 5% of the total 143,403,790 Shares of the Company's issued and outstanding as at April 30, 2021. The NCIB shall terminate on the earlier of April 20, 2022 and the date on which the maximum number of Common Shares purchasable under the NCIB is acquired by the Company.

The NCIB is being conducted to acquire the Common Shares for the purposes of satisfying RSU obligations. The Company appointed CWB Trust Services as the Trustee for the purposes of arranging for the acquisition of Common Shares and to hold the shares in trust for the purposes of satisfying RSU payments well as deal with other administration matters. Through the trustee, RBC Capital Markets has been engaged to undertake purchases under the NCIB. RBC Capital Markets is required to comply with the TSXV NCIB rules in respect of the purchases of Common Shares as the Trustee is considered to be a non-independent trustee by the TSXV for the purposes of the NCIB rules.

The Common Shares acquired will be held by the Trustee until the same are sold in the market with the proceeds to be transferred to designated participants under the terms of the Predecessor RSU Plan and the Omnibus Incentive Plan to satisfy the Company's obligations in respect of redemptions of vested RSUs held by such designated participants.

(f) Expetitle Transaction

Real acquired of 100% of the issued and outstanding equity interests of Expetitle pursuant to a stock purchase agreement dated January 20, 2022 (the "**Expetitle Transaction**"). The aggregate purchase price for the Expetitle Transaction was aggregate cash consideration of US$8.232 million, with US$7.432 million payable in cash at the closing of the Expetitle Transaction and US$0.8 million subject to escrow, that will be released after twelve months upon the satisfaction or waiver of certain terms and conditions.

In connection with the Expetitle Transaction, Real also granted an aggregate of 700,000 Options and an aggregate of 1,100,000 RSUs to Expetitle employees and consultants pursuant to the Predecessor Stock Option Plan and Predecessor RSU Plan. The Options will vest quarterly over three years and are exercisable for a period of three years at $3.60 per share. The RSUs will vest quarterly over three years.

Item 5. DESCRIPTION OF THE BUSINESS

5.1 General

(a) Summary

Real launched its operations in the middle of 2014 in Texas. Real grew its presence to additional states, adding more agents and ended the fiscal year 2021 with a team of over 3,850 real estate professionals, operating in 40 U.S. states (and the District of Columbia) and in the provinces of Alberta and Ontario, Canada.

As of the date of this AIF, Real operates with a team of over 4,000 real estate professionals, operating in 42 U.S. states (and the District of Columbia) of the United States and in the provinces of Alberta and Ontario, Canada. All of Real's real estate professionals are independent contractors.

Real uses its proprietary mobile app, as well as other technology platforms to distribute its services. Real's main website, used to recruit agents and teams is www.joinreal.com. Real does not maintain physical locations (unless required by local laws) and the Company delivers support, training, transaction management, marketing and other services to its agents and brokers through a combination of proprietary technology and integration with third party tools.

Real believes that the future of the real estate brokerage industry relies upon brokerages adjusting their operations to cope with lower margins and to operate extremely efficiently. Real has built and integrated software tools that allow it to support a large number of agents and process a large volume of transaction at a lower overhead compared to other brokerages. The technology and automated processes, plus the savings from not operating brick-and mortar locations, positions Real as a resilient company that will compete against other brokerages that operate with high overhead, inefficient cost structures and shaky business models.

Real operates over the internet through (a) a proprietary mobile application provided to its agents, (b) its website and (c) agents' personal websites to provide real estate brokerage services. Home buyers can use Real's website to search real time property listings across the jurisdictions that Real serves. Sellers can use Real's website to find an agent for the purpose of listing their homes. Home buyers and sellers have access to a large network of real estate agents, brokers and teams affiliated with Real. Those real estate professionals leverage the services and technology provided by Real to serve and represent home buyers and sellers and bring real estate transactions to a successful close.

Business Model

Real believes that its agents' success is its own success. Therefore, Real's business model is tied to its agents' revenue. Apart from a small number of legacy arrangements, Real does not generally charge monthly fees and uses a commission split revenue model with its agents.

Operating a non-brick-and-mortar multi jurisdiction brokerage operation allows Real to offer its agents, teams and brokers a higher split of the gross commissions generated from real estate transactions compared to traditional real estate brokerages. The extensive use of software to automate Real's brokerage operations enable Real to operate efficiently. Real leverages this efficiency to offer attractive business terms to its agents.

The efficiency of Real's technology helps Real to provide excellent, timely and highly professional support to its agents without the need to employ a large number of employees and bear the overhead associated with such magnitude of an operation.

Marketing and Growth

Real's market growth strategy is built on a proven affiliate model based revenue sharing system as well as cost-effective digital agent acquisition:

Real's primary agent acquisition method is through revenue-sharing incentivized referrals. Agents who have their license with Real can earn a share of Real's portion of commission revenue for agents they refer into the Company. This program had a major impact on our agent count and revenue growth in 2021 and accounted for over 99% of agent growth in 2021. Real believes there is opportunity to rapidly scale and grow its revenue sharing referral acquisitions with new programs in 2022.

A second and growing source of agent growth is through digital channels, including search engine marketing and search engine optimization.

Real's third largest acquisition channel is organic social media and content partnerships that drive agent traffic to Real's website. These channels are low cost but labour intensive in terms of providing social media content and developing partnerships and will not likely scale significantly in the short term.

(b) Production and Services

Real has developed, integrated and adopted various mobile and desktop focused technologies to create a comprehensive offering to its agents and to assist Real with its brokerage operations. The implementation and utilization of technology enables Real to operate multi-jurisdiction operations, quickly expand to additional markets and serve its agents more efficiently. These factors seek to disrupt the market and minimize the need for traditional brick-and-mortar locations. Real's technology product offering is focused on the following segments and includes the following features:

- Productivity - Customer Relationship Management platform, broker support, technical support, interactive training, education platform (www.real.academy) transaction management platform, transaction support, documents library, contract templates, paperless file sharing, virtual signature tools, business dashboard and weekly educational webinars and conference calls.

- Marketing - Each agent joining Real receives a personal branded mobile app, personal branded website, access to Real's print portal enabling ordering of business cards, yard signs, marketing materials, designer assistance, access to marketing webinars focused on lead generation and personal marketing. Real also offers its agents buyer and seller leads through a cooperation with Opcity.

- Community - Real's agents have access to Real's app and desktop-based community which enhances the sense of agent belonging, creates synergy and collaboration in local markets and propels information sharing. Real's community is designed as topic groups and feeds and contains posts from agents across the country and Real's employees. Real's agents use the community to socialize, celebrate success, ask questions, cooperate, market properties, exchange leads, transact business with colleagues, share information and learn about Company announcements.

- Brokerage Operations - A key component in building a sustainable brokerage is the ability to operate extremely efficiently to ensure a competitive advantage. Over the years, Real has invested substantial resources in building proprietary software and implementing automation and technology that assists it in serving agents, processing transactions, overseeing agents' activity, measuring Real's performance, facilitating contract reviews, providing fast payments to agents, streamlining communications and eliminating redundant staffing costs.

(c) Specialized Skill and Knowledge

The Company believes that its success is largely dependent on the performance of its management and key employees, many of whom have specialized experience relating to our industry, services, regulatory environment, customers and business. The assembled management team and Board has experience in the management and growth of successful emerging enterprises.

See also "*Item 5.2 - Risk Factors"*.

(d) Competitive Conditions

As a licensed real estate brokerage, Real competes with other local, regional and nationwide brokerages over agents, teams of agents, brokers and consumers. Real believes that its offering is superior to its competition and that its vast technology and software usage enables it to operate in a more efficient way, thus improving its competitive advantage.

Industry Overview

The real estate brokerage industry is closely aligned with the health of the residential real estate market. According to the United States' Federal Housing Finance Agency in the US, house prices in the United States have risen for 42 consecutive quarters across the U.S. and rose in all 100 of the largest metropolitan areas in the U.S. over the last four quarters.

In recent years, prices and transaction volumes have remained strong, boosted by low mortgage rates and a strong labour market, thereby heightening demand for real estate brokerage services.

New business models and competition, extensive use of technology and changing consumer expectations are reworking the industry. Real believes the most nimble real estate brokerages will win ultimately be the most successful.

Among the new brokerages are national brick-and-mortar brokerages that use investment dollars to offer agents expensive signing packages to gain market share and brokerages that generate leads hire in-house agents as staff rather than as commissioned contractors, enabling them to increase per agent transaction volumes. Real does not believe either of these models serve the long-term interests of consumers or investors. Instead of purchasing market share or squeezing agent revenue, Real seeks to compete for market share based on providing a higher vale and lower cost offer to agents.

Another industry dynamic is the emergence of "instant buyers" (iBuyers) such as Zillow Offers and Opendoor. iBuyers use industry data to make instant offers on listings in some markets and then seek to resell or "flip" the homes they buy for a profit. iBuyers provide sellers speed and certainty in exchange for a sales price that are lower on average than the market rate. iBuyers use agents to close the original transaction and the resale transaction and the Company does anticipate the iBuyer trend substantially affecting the demand for real estate brokerage services.

Real's Opportunity

Traditional brick-and-mortar based real estate brokerages dominate over 90% of the market. However, this traditional business model has not dramatically changed for decades as brokerages were reluctant to implement changes and strived to maintain the status quo. While consumers are impacted by innovation in various industries, real estate has been slow to adopt new technologies. Consumer demand for better service, increasing competition over agents and the high overhead costs of the traditional brokerage operational model, make traditional brokerage companies vulnerable and creates an opportunity for brokerages that are able to leverage technology. Real is positioned to offer an alternative to traditional real estate brokerages.

Real believes the following trends are impacting the real estate brokerage industry which position Real to continue to grow its business:

- Democratization and availability of information - Traditionally, real estate brokerages relied heavily on brick-and-mortar locations to attract clients with listing information that was difficult to obtain otherwise. The internet and database technology made listing information publicly available through well-known listing search sites, thereby eliminating a consumer's need to visit street-front brokerages to discover homes for sale.

- Mobile technology - Traditional brick-and-mortar real estate brokerages also provided dedicated physical offices where agents and clients met and signed purchase agreements, closing documents and related paperwork. Mobile technology has since enabled consumers and agents to communicate directly and sign documents from anywhere, thereby eliminating the need for a physical brokerage office.

- Desire for freedom and flexibility - Although agents are mainly independent contractors, traditional brokerages often require that agents perform unpaid "floor time" at the office and attend in-office meetings. So-called "desk fees" are also common. As the need for physical space diminishes, agents with their own book of business increasingly desired the flexibility to work their own hours, wherever suits them best, yet traditional brokerages often do not have the culture or the tools needed to fully support remote work.

- Consumer pressure on real estate commissions - In United States, sellers traditionally paid a 6% commission which was divided between the buyer's and the seller's managing broker and then further split among the agents involved in the sale. Buyers, who increasingly research and find their homes online, still want an agent to help them make introductions, write contracts and connect them to resources and the community. Likewise, sellers still want agents to prepare and price listings, attract buyers, write contracts, and coordinate a transaction to its closing. However, service commissions are dropping across industries and sellers increasingly expect to pay less than the traditional 6% commission. To support lower costs for consumers while keeping agents net pay sustainable, brokers need to reduce their portion of the split without dropping service levels.

- Younger generations of agents - According to Pew Research, millennials have now surpassed baby boomers as the largest living generational group in the United States.[1] Millennials already comprise the largest segment of home buyers in the United States. Millennials entering their real estate market expect their brokerage to provide and use effective mobile technology and to allow the agents the freedom to express their personal brand in social media.

(e) Intangible Properties

Real's material owned intellectual property consists of unpatented proprietary technology, processes, trade secrets and know-how. The Company also has inherent copyright of authorship in the source code developed by Real and unregistered trademarks. Real does not have any material licensed intellectual property. While Real's commercial success generally depends on its ability to maintain the confidentiality of its proprietary technology, processes, trade secrets, and know-how. The Company is not substantially dependent on any specific and identifiable intellectual property.

To protect its intellectual property, Real relies on a combination of trade secret, copyright, trademark, passing-off laws and other statutory and common law protections in Israel, the United States and international markets. Real also protects its intellectual property through the use of non-disclosure agreements and other contracts, disclosure and invention assignment agreements, confidentiality procedures and technical measures.

The Company Real does not have any registrations in respect of its material owned intellectual property.

"Join Real" is one of Real's registered trademarks in the United States. The Company also owns the rights to the following domain names:

www.joinreal.com,	www.joinreal.info
www.poweredbyreal.com	www.real.academy
www.mlsreal.com	www.realtyka.com
www.findmeagents.com	www.realbroker.io
www.findmeagent.com	www.realbrokerllc.com
www.realapis.com	www.homesbyreal.com
www.realbrokercommercial.com	

If necessary, Real will aggressively assert its rights under trade secret, unfair competition, trademark and copyright laws to protect its intellectual property, including product design, product research and concepts and registered trademarks. These rights are protected through the acquisition of patents and trademark registrations, the maintenance of trade secrets, the development of trade dress, and, where appropriate, litigation against those who are, in Real's opinion, infringing these rights.

[1] https://www.pewresearch.org/fact-tank/2020/04/28/millennials-overtake-baby-boomers-as-americas-largest-generation/

While there can be no assurance that registered trademarks will protect our proprietary information, Real intends to assert its intellectual property rights against any infringement. Although any assertion of Real's rights could result in a substantial cost and diversion of management effort, Real believes the protection and defense against infringement of our intellectual property rights are essential to its business.

For additional information on intellectual property risks, see "*Item 5.2 - Risk Factors*".

(f) Cycles

Seasons and weather traditionally impact the real estate industry in the jurisdictions where Real operates. Continuous poor weather or natural disasters negatively impact listings and sales. Spring and summer seasons historically reflect greater sales periods in comparison to fall and winter seasons. Real has historically experienced lower revenues during the fall and winter seasons, as well as during periods of unseasonable weather, which reduces Real's operating income, net income, operating margins and cash flow.

Real estate listings precede sales and a period of poor listings activity will negatively impact revenue. Past performance in similar seasons or during similar weather events can provide no assurance of future or current performance and macroeconomic shifts in the markets Real serves can conceal the impact of poor weather or seasonality.

(g) Regulatory Environment

The Company's primary market is the United States and this section provides a detailed review of the regulatory environment within which the Company operates.

Real serves the residential real estate industry which is regulated by federal, state and local authorities as well as private associations or state sponsored associations or organizations. Real is required to comply with federal, state, provincial, and local laws, as well as private governing bodies' regulations, which combined results in a highly-regulated industry.

Real is also subject to federal and state regulations relating to employment, contractor, and compensation practices. Except for certain employees who have an active real estate license, virtually all real estate professionals in its brokerage operations have been retained as independent contractors, either directly or indirectly through third-party entities formed by these independent contractors for their business purposes. With respect to these independent contractors, like most brokerage firms, Real is subject to the Internal Revenue Service regulations and applicable state law guidelines regarding independent contractor classification. These regulations and guidelines are subject to judicial and agency interpretation.

Real Estate Regulation - Federal

The Real Estate Settlement Procedures Act of 1974, as amended, ("**RESPA**") became effective on June 20, 1975. RESPA requires lenders, mortgage brokers, or servicers of home loans to provide borrowers with pertinent and timely disclosures regarding the nature and costs of the real estate settlement process. RESPA also protects borrowers against certain abusive practices, such as kickbacks, and places limitations upon the use of escrow accounts. RESPA also requires detailed disclosures concerning the transfer, sale, or assignment of mortgage servicing, as well as disclosures for mortgage escrow accounts.

The Dodd-Frank Wall Street Reform and Consumer Protection Act ("**Dodd-Frank Act**") moved authority to administer RESPA from the Department of Housing and Urban Development to the new Consumer Financial Protection Bureau ("**CFPB**"). At present, leadership at the CFPB is in transition, with a new acting director Dave Uejio. The CFPB released a five-year strategic plan in February 2018 indicating that it intends to continue to focus on protecting consumer rights while engaging in rulemaking to address unwarranted regulatory burdens. As a result, the regulatory framework of RESPA applicable to our business may be subject to change. The Dodd-Frank Act also increased regulation of the mortgage industry, including: (i) generally prohibiting lenders from making residential mortgage loans unless a good faith determination is made of a borrower's creditworthiness based on verified and documented information;(ii) requiring the CFPB to enact regulations, to help assure that consumers are provided with timely and understandable information about residential mortgage loans that protect them against unfair, deceptive and abusive practices; and (iii) requiring federal regulators to establish minimum national underwriting guidelines for residential mortgages that lenders will be allowed to securitize without retaining any of the loans' default risk. In addition, federal fair housing laws generally make it illegal to discriminate against protected classes of individuals in housing or brokerage services. Other U.S. federal laws and regulations applicable to our business include (i) the Federal Truth in Lending Act of 1969; (ii) the Federal Equal Credit Opportunity; (iii) the Federal Fair Credit Reporting Act; (iv) the Fair Housing Act; (v) the Home Mortgage Disclosure Act; (vi) the Gramm-Leach-Bliley Act; (vii) the Consumer Financial Protection Act; (viii) the Fair and Accurate Credit Transactions Act; and (ix) the Do Not Call/Do Not Fax Act and other state and federal laws pertaining to the privacy rights of consumers, which affects our opportunities to solicit new clients.

Real Estate Regulation - State and Local Level

Real estate and brokerage licensing laws and requirements vary cross-jurisdictionally. In general, all individuals and entities lawfully conducting businesses as real estate brokers, agents or sales associates performing activities which are licensed under such laws, statutes, rules and regulations must be licensed in the jurisdiction in which they carry on business and must at all times be in compliance were performed and/or the jurisdiction for which such licensed person or entity received any form of compensation from with respect to such licensed activities. Such licensed activities, include, without limitation, the advertising of the sale, purchase, licensing, managing and leasing of real estate. Most U.S. states will require a real estate broker to be employed by the brokerage firm or permit an independent contractor classification and the broker may work for another broker conducting business on behalf of the sponsoring broker.

Certain U.S. states may require a person licensed as a real estate broker (who is not a managing broker), agent, sales associate, or salesperson or leasing agent to be affiliated with a "managing broker" or a licensed brokerage entity in order to engage in licensed real estate brokerage activities or allow the agent, sales associate or salesperson to work for another agent, sales associate or salesperson conducting business on behalf of the sponsoring agent, sales associate or salesperson. Agents, sales associates, salespersons or leasing agents are generally classified as independent contractors, however, subject to the applicable laws, rules and regulations, real estate firms can also offer employment.

Engaging in the real estate brokerage business requires obtaining a real estate broker license (although in some states the licenses are personal to individual brokers). To obtain these licenses, most jurisdictions require that a broker entity shall have a member manager, officer or independent contractor be licensed individually as a real estate "managing broker" in that jurisdiction. If applicable, this member, manager, officer or independent contractor is responsible for supervising the licensees and the entity's real estate brokerage activities within the jurisdiction.

Real estate licensees, whether they are brokers, salespersons, individuals, agents or entities, must follow the local real estate licensing laws and regulations. These laws and regulations generally specify minimum duties and obligations of these licensees to their clients and the public, as well as standards for the conduct of business, including contract and disclosure requirements, record keeping requirements, requirements for local offices, escrow trust fund management, agency representation, advertising regulations and fair housing requirements.

In each of the jurisdictions where Real has operations, Real assigns appropriate licensed personnel to manage and comply with applicable laws and regulations.

Most U.S. states have local regulations that govern the conduct of the real estate brokerage business. Local regulations generally require additional disclosures by the parties to a real estate transaction or their agents or brokers, or the receipt of reports or certifications, often from a governing body, prior to the closing or settlement of a real estate transaction.

Third-Party Rules

Beyond federal, state and local governmental regulations, the real estate industry is subject to rules established by private real estate groups and/or trade organizations, including, but not limited to, state Associations of REALTORS®, and local Associations of REALTORS®, the National Association of Realtors® and local Multiple Listing Services. "REALTOR" and "REALTORS" are registered trademarks of the National Association of REALTORS®. Generally, licensed brokers, salespersons, individuals, agents and brokerage entities join these groups and organizations thereby becoming subject to such rules.

Each third-party organization generally has prescribed policies, bylaws, codes of ethics or conduct, and fees and rules governing the actions of members in dealings with other members, clients and the public, as well as how the third-party organization's brand and services may or may not be deployed or displayed.

Real assigns appropriate personnel to manage and comply with third party organization policies and bylaws.

(h) Employees

As at the date of this AIF, Real and its subsidiaries had 61 full-time employees, 3 independent contractors, 43 contracted state brokers and over 4,000 agents and brokers whom Real also classifies as independent contractors.

(i) Foreign Operations

As of the date of this AIF, Real has operations in the United States and Canada.

See "*Item 5.2 - Risk Factors*".

(j) Bankruptcy and Similar Procedures

There have been no bankruptcy or receivership proceedings against the Company or any of its subsidiaries within the three most recently completed financial years or the current financial year.

(k) Reorganizations

See "*Item 4.2- General Development of the Business - Three Year History - Significant Acquisitions".*

5.2 Risk Factors

The following are certain risk factors relating to the Company's business which prospective investors should carefully consider before deciding whether to purchase Common Shares. The following information is a summary only of certain risk factors and is qualified in its entirety by reference to, and must be read in conjunction with, the detailed information appearing elsewhere in this AIF. These risks and uncertainties are not the only ones the Company is facing. Additional risks and uncertainties not presently known to the Company, or that the Company currently deems immaterial, may also impair operations. If any such risks actually occur, the business, financial condition, liquidity and results of the Company's operations could be materially adversely affected.

Risk Related to the Company

The Company is dependent on the residential real estate market.

The Company's financial performance is closely connected to the strength of the residential real estate market, which is subject to a number of general business and macroeconomic conditions beyond the Company's control.

Macroeconomic conditions that could adversely impact the growth of the real estate market and have a material adverse effect on the Company's business include, but are not limited to, economic slowdown or recession, increased unemployment, increased energy costs, reductions in the availability of credit or higher interest rates, increased costs of obtaining mortgages, an increase in foreclosure activity, inflation, disruptions in capital markets, declines in the stock market, adverse tax policies or changes in other regulations, lower consumer confidence, lower wage and salary levels, war or terrorist attacks, natural disasters or adverse weather events, or the public perception that any of these events may occur. Unfavorable general economic conditions, such as a recession or economic slowdown, in the United States, Canada or other markets the Company enters and operates within could negatively affect the affordability of, and consumer demand for, its services which could have a material adverse effect on its business and profitability. In addition, federal and state governments, agencies and government-sponsored entities could take actions that result in unforeseen consequences to the real estate market or that otherwise could negatively impact the Company's business.

The real estate market is substantially reliant on the monetary policies of the federal government and its agencies and is particularly affected by the policies of the United States' Federal Reserve Board, which regulates the supply of money and credit in the U.S., which in turn impacts interest rates. The Company's business could be negatively impacted by any rising interest rate environment. As mortgage rates rise, the number of home sale transactions may decrease as potential home sellers choose to stay with their lower mortgage rate rather than sell their home and pay a higher mortgage rate with the purchase of another home. Similarly, in higher interest rate environments, potential home buyers may choose to rent rather than pay higher mortgage rates. Changes in the interest rate environment and mortgage market are beyond the Company's control, are difficult to predict and could have a material adverse effect on its business and profitability.

The Company may be unable to maintain its agent growth rate, which would adversely affect its revenue growth and results of operations.

The Company has experienced rapid and accelerating growth in our real estate broker and agent base. Because the Company derives revenue from real estate transactions in which its brokers and agents receive commissions, increases in the Company's agent and broker base correlate to increases in revenues and the rate of growth of its revenue correlates to the rate of growth of the Company's agent and broker base. The rate of growth of the Company's agent and broker base cannot be predicted and is subject to many factors outside of the Company's control, including actions taken by the Company's competitors and macroeconomic factors affecting the real estate industry generally. There is no assurance that the Company will be able to maintain its recent agent growth rate or that the Company's agent and broker base will continue to expand in future periods. A slowdown in the Company's agent growth rate would have a material adverse effect on revenue growth and could adversely affect the Company's business, financial condition or results of operations.

The Company may be unable to effectively manage rapid growth in its business.

The Company may not be able to scale its business quickly enough to meet the growing needs of its affiliated real estate professionals and if the Company is not able to grow efficiently, its operating results could be harmed. As the Company adds new real estate professionals, the Company will need to devote additional financial and human resources to improving its internal systems, integrating with third-party systems, and maintaining infrastructure performance. In addition, the Company will need to appropriately scale its internal business systems and its services organization, including support of its affiliated real estate professionals as its demographics expand over time. Any failure of or delay in these efforts could cause impaired system performance and reduced real estate professional satisfaction. These issues could reduce the attractiveness of the Company to existing real estate professionals who might leave the Company, as well as result in decreased attraction of new real estate professionals. Even if the Company is able to upgrade its systems and expand its staff, such expansion may be expensive, complex, and place increasing demands on its management. The Company could also face inefficiencies or operational failures as a result of its efforts to scale its infrastructure and the Company may not be successful in maintaining adequate financial and operating systems and controls as it expands. Moreover, there are inherent risks associated with upgrading, improving and expanding its information technology systems. The Company cannot be sure that the expansion and improvements to its infrastructure and systems will be fully or effectively implemented on a timely basis, if at all. These efforts may reduce the Company's revenue and margins and adversely impact its financial results.

The Company faces significant risk to its brand and revenue if it fails to maintain compliance with the law and regulations of federal, state, county and foreign governmental authorities, or private associations and governing boards.

The Company operates in the real estate industry which is a heavily regulated industry subject to complex, federal, state, provincial and local laws and regulations and third-party organizations' regulations, policies and bylaws.

In general, the laws, rules and regulations that apply to the Company's business practices include, without limitation, RESPA, the federal Fair Housing Act, the Dodd-Frank Act, and federal advertising laws, as well as comparable state statutes; rules of trade organizations such as the National Association of Realtors, local MLSs, and state and local AORs; licensing requirements and related obligations that could arise from its business practices relating to the provision of services other than real estate brokerage services; privacy regulations relating to its use of personal information collected from the registered users of its websites; laws relating to the use and publication of information through the internet; and state real estate brokerage licensing requirements, as well as statutory due diligence, disclosure, record keeping and standard-of-care obligations relating to these licenses.

Additionally, the Dodd-Frank Act contains the Mortgage Reform and Anti-Predatory Lending Act ("**Mortgage Act**"), which imposes a number of additional requirements on lenders and servicers of residential mortgage loans, by amending certain existing provisions and adding new sections to RESPA and other federal laws. It also broadly prohibits unfair, deceptive or abusive acts or practices, and knowingly or recklessly providing substantial assistance to a covered person in violation of that prohibition. The penalties for noncompliance with these laws are also significantly increased by the Mortgage Act, which could lead to an increase in lawsuits against mortgage lenders and servicers.

Maintaining legal compliance is challenging and increases business costs due to resources required to continually monitor business practices for compliance with applicable laws, rules and regulations, and to monitor changes in the applicable laws themselves.

The Company may not become aware of all the laws, rules and regulations that govern its business, or be able to comply with all of them, given the rate of regulatory changes, ambiguities in regulations, contradictions in regulations between jurisdictions, and the difficulties in achieving both company-wide and region-specific knowledge and compliance.

If the Company fails, or is alleged to have failed, to comply with any existing or future applicable laws, rules and regulations, the Company could be subject to lawsuits and administrative complaints and proceedings, as well as criminal proceedings. Non-compliance could result in significant defense costs, settlement costs, damages and penalties.

The Company's business licenses could be suspended or revoked, business practices enjoined, or it could be required to modify its business practices, which could materially impair, or even prevent, the Company's ability to conduct all or any portion of its business. Any such events could also damage the Company's reputation and impair the Company's ability to attract and service home buyers, home sellers and agents, as well its ability to attract brokerages, brokers, teams of agents and agents to the Company, without increasing its costs.

Further, if the Company loses its ability to obtain and maintain all of the regulatory approvals and licenses necessary to conduct business as we currently operate, the Company's ability to conduct its business may be harmed. Lastly, any lobbying or related activities the Company undertakes in response to mitigate liability of current or new regulations could substantially increase the Company's operating expenses.

The Company could be subject to changes in tax laws and regulations that may have a material adverse effect in its business.

The Company operates and is subject to taxes in the United States, and other jurisdictions throughout the world. Changes to federal, state, local or international tax laws on income, sale, use, indirect, or other tax laws, statutes, rules or regulations may adversely affect its effective tax rate, operating results or cash flows.

The Company's effective tax rate could increase due to several factors, including: changes in the relative amounts of income before taxes in the various jurisdictions in which it operates that have differing statutory tax rates; changes in tax laws, tax treaties, and regulations or the interpretation of them, including the Tax Cuts and Jobs Act of 2017 ("**US Tax Act**"); changes to the Company's assessment about its ability to realize its deferred tax assets that are based on estimates of its future results, the prudence and feasibility of possible tax planning strategies, and the economic and political environments in which the Company does business; the outcome of current and future tax audits, examinations or administrative appeals; and limitations or adverse findings regarding the Company's ability to do business in some jurisdictions.

In particular, new income, sales and use or other tax laws or regulations could be enacted at any time, which could adversely affect the Company's business operations and financial performance. Further, existing tax laws, regulations could be interpreted, modified or applied adversely to the Company. For example, the U.S. Tax Act enacted many significant changes to the U.S. tax laws. Future guidance from the Internal Revenue Service and other tax authorities with respect to the U.S. Tax Act may affect the Company, and certain aspects of the U.S. Tax Act could be repealed or modified in future legislation. For example, the Coronavirus Aid, Relief, and Economic Security Act of 2020 (the "**CARES Act**") modified certain provisions of the Tax Act. In addition, it is uncertain if and to what extent various states will conform to the U.S. Tax Act, the CARES Act, or any newly enacted federal tax legislation. Changes in corporate tax rates, the realization of net operating losses, and other deferred tax assets relating to the Company's operations, the taxation of foreign earnings, and the deductibility of expenses under the U.S. Tax Act or future reform legislation could have a material impact on the value of the Company's tax assets and could increase the Company's future U.S. tax expense.

The Company may suffer financial harm and loss of reputation if it does not or cannot comply with applicable laws, rules and regulations concerning the classification and compensation practices for the agents.

Except for employed state brokers, all real estate professionals in the Company's brokerage operations have been retained as independent contractors, either directly or indirectly through third-party entities formed by these independent contractors for their business purposes. With respect to these independent contractors, like most brokerage firms, the Company is subject to the Internal Revenue Service regulations and applicable state law guidelines regarding independent contractor classification. These regulations and guidelines are subject to judicial and agency interpretation and it might be determined that the independent contractor classification is inapplicable to any of the Company's affiliated real estate professionals. Further, if legal standards for classification of real estate professionals as independent contractors change or appear to be changing, it may be necessary to modify the Company's compensation and benefits structure for its affiliated real estate professionals in some or all of its markets, including by paying additional compensation or reimbursing expenses.

In the future, the Company could incur substantial costs, penalties and damages, including back pay, unpaid benefits, taxes, expense reimbursement and legal fees, in defending future challenges by its affiliated real estate professionals to our employment classification or compensation practices.

Unanticipated delays or problems associated with the Company's products and improvements may cause customer dissatisfaction.

The Company's future success is dependent on its ability to continue to develop and expand its products and technologies and to address the needs of its customers. There may be delays in releasing new the Company's products or technologies in the future - any material delays may cause customers to forego purchases of the Company's products to purchase competitors' offerings instead. Further, if the Company's systems and technologies lack capacity or quality sufficient to service agents and their clients, then the number of agents who wish to use its products could decrease, the level of client service and transaction volume afforded by the Company's systems could suffer, and its costs could increase.

The Company may need to develop new products and services and rapid technological change could render its systems obsolete.

The industry in which the Company operates is characterized by rapid technological change, frequent new product and service introductions and enhancements, uncertain product life cycles, changes in customer requirements and evolving industry standards. The introduction of new products and new technologies, the emergence of new industry standards, or improvements to existing technologies could render the Company's platform obsolete or relatively less competitive.

The Company's commercial and financial success depends on market acceptance, and if not achieved will result in the Company not being able to generate revenue to support its operations.

The commercial success of the Company depends, among other things, on market acceptance. The success of the Company's products and any new products and services that it may launch is dependent upon its ability to attract and retain a critical mass of merchants in potentially diverse geographic locations. Competitive pricing and market acceptance also depends on the future pricing and availability of competing products and the perceived comparative efficacy of its products. If the Company cannot reach this market, or cannot offer competitive pricing packages, its operating results and revenues will be adversely affected.

If the Company fails to grow in the various local markets that they serve or are unsuccessful in identifying and pursuing new business opportunities the Company's long-term prospects and profitability will be harmed.

To capture and retain market share in the various local markets that the Company serves, it must compete successfully against other brokerages for agents and brokers and for the consumer relationships that it brings. The Company's competitors could lower the fees that it charges to agents and brokers or could raise the compensation structure for those agents. The Company's competitors may have access to greater financial resources than it, allowing them to undertake expensive local advertising or marketing efforts. In addition, the Company's competitors may be able to leverage local relationships, referral sources and strong local brand and name recognition that it has not established. The Company's competitors could, as a result, have greater leverage in attracting new and established agents in the market and in generating business among local consumers. The Company's ability to grow in the local markets that it serves will depend on its ability to compete with these local brokerages.

The Company may implement changes to its business model and operations to improve revenues that cause a disproportionate increase in its expenses or reduce profit margins. For example, the Company may allocate resources to acquiring lower margin brokerage models and may invest in the development of a mortgage servicing division, a commercial real estate division, a title and escrow company and/or a continuing education division. Expanding its service offerings could involve significant up-front costs that may only be recovered after lengthy periods of time. In addition, expansion into new markets, including internationally, could expose the Company to additional compliance obligations and regulatory risks. If the Company fails to continue to grow in the local markets it serves or if it fails to successfully identify and pursue new business opportunities, its long-term prospects, financial condition, and results of operations may be harmed, and its stock price may decline.

If agents and brokers do not understand the Company's value proposition the Company may not be able to attract, retain and incentivize agents.

Participation in the Company's Omnibus Incentive Plan and Securities Based Compensation Arrangements represents a key component of the Company's agent and broker value proposition. Agents and brokers may not understand or appreciate the value of these incentive programs. In addition, agents may not appreciate other components of the Company's value proposition including the technology platform, the mobility it affords, the systems and tools that it provides to agents and brokers, among other benefits. If agents and brokers do not understand the elements of the Company's service offering, or do not perceive it to be more valuable than the models used by most competitors, the Company may not be able to attract, retain and incentivize new and existing agents and brokers to grow its revenues.

The Company's operating results are subject to seasonality and vary significantly among quarters during each calendar year, making meaningful comparisons of successive quarters difficult.

Seasons and weather traditionally impact the real estate industry in the jurisdictions where the Company operates. Continuous poor weather or natural disasters negatively impact listings and sales. Spring and summer seasons historically reflect greater sales periods in comparison to fall and winter seasons. The Company has historically experienced lower revenues during the fall and winter seasons, as well as during periods of unseasonable weather, which reduces the Company's operating income, net income, operating margins and cash flow.

Real estate listings precede sales and a period of poor listings activity will negatively impact revenue. Past performance in similar seasons or during similar weather events can provide no assurance of future or current performance, and macroeconomic shifts in the markets the Company serves can conceal the impact of poor weather or seasonality.

Home sales in successive quarters can fluctuate widely due to a wide variety of factors, including holidays, national or international emergencies, the school year calendar's impact on timing of family relocations, interest rate changes, speculation of pending interest rate changes and the overall macroeconomic market. The Company's revenue and operating margins each quarter will remain subject to seasonal fluctuations, poor weather and natural disasters and macroeconomic market changes that may make it difficult to compare or analyze the Company's financial performance effectively across successive quarters.

The Company may require additional capital to support its operations or the growth of its business, and it cannot be certain that this capital will be available on reasonable terms when required, or at all.

From time to time, the Company may need additional financing to operate or grow its business. The ability to continue as a going concern, may be dependent upon raising additional capital from time-to-time to fund operations. The Company's ability to obtain additional financing, if and when required, will depend on investor and lender willingness, its operating performance, the condition of the capital markets and other facts, and the Company cannot assure anyone that additional financing will be available to it on favorable terms when required, or at all. If the Company raises additional funds through the issuance of equity, equity-linked or debt securities, those securities may have rights, preferences or privileges senior to the rights of its current stock, and its existing stockholders may experience dilution. If the Company is unable to obtain adequate financing or financing on terms satisfactory to it when it requires it, its ability to continue to support the operation or growth of its business could be significantly impaired and its operating results may be harmed.

The Company's growth strategy may not achieve the anticipated results.

The Company's future success will depend on its ability to grow its business, including through commercialization of its products. Growth and innovation strategies require significant commitments of management resources and capital investments and the Company may not grow its revenues at the rate it expects or at all. As a result, the Company may not be able to recover the costs incurred in developing new projects and initiatives or to realize their intended or projected benefits, which could materially adversely affect its business, financial condition or results of operations.

The Company faces substantial competition in the future and may not be able to keep pace with the rapid technological changes which may result from others discovering, developing or commercializing products before or more successfully than the Company. The activities of competing companies, or others, may limit the Company's revenues.

In general the development and commercialization of new Software as a Service (SaaS) products is highly competitive and is characterized by extensive research and development and rapid technological change. Market share can shift as a result of technological innovation and other business factors. Commercial opportunities for the Company's products may be reduced if the Company's competitors develop or market products or novel technologies that are more effective, are better tolerated, are more accepted by the market, have better distribution channels, or are less costly than that offered by the Company. If those products gain market acceptance, the Company's revenue and financial results could be adversely affected. If the Company fails to develop new products or enhance existing products, its leadership in the current markets served could erode and its business, financial condition and results of operations may be adversely affected.

While the Company's products and technologies are unique and novel, there are a number of indirect competitors in the market. Such competitors include large and small companies that may have significant access to capital resources, competitive product pipelines, substantial research and development staffs and facilities and substantial experience in the market. The Company recognizes the need to invest in research and development to continue to add high-value, differentiated capabilities to expand both the depth and breadth of the Company's product offering. Management also recognizes the need to ensure customer satisfaction through all phases of the sales cycle and intends to invest in competitive intelligence and analysis as it relates to the dynamics of the market, as well as in trends in technology and in products as they are introduced into the market. However, the Company may not be able to compete with competitors that are more established in the market.

The Company depends on highly skilled personnel to grow and operate its business. If the Company is not able to hire, retain, and motivate its key personnel, its business may be adversely affected.

The Company's success depends in part upon a number of key employees, including members of senior management who have extensive experience in the industry. Competition for talented senior management is intense and the Company's ability to successfully develop and maintain a competitive market position will depend in part on its ability to attract and retain highly qualified and experienced management. The loss of the services of key personnel could have a materially adverse effect on the Company's business. Many key employees consider the value of the Options and RSUs received in connection with their employment. If the trading price of the Common Shares declines or experiences volatility, the Company's ability to attract and retain key employees may be adversely affected. If the Company fails to attract new personnel or fails to retain and motivate current personnel, its growth prospects could be severely harmed.

Israeli preferred technological plant status and related benefits could change.

In January 1, 2017 a new section was issued to the Israeli Investments Law relating to preferred technological income. The section is applicable to industrial companies, including Real, that apply further preferred enterprise criteria. Accordingly, the Company is entitled to the benefit and therefore is subjected to a corporate tax rate of 12%. Investors should be aware that changes in the preferred enterprise criteria could result in the Company being re-classified as a non-preferred technological plant, which would result in a higher percentage of corporate tax being applied to the Company (23% for the years ended December 31, 2021, 2020, 2019 and 2018).

Statute of Limitations on Real's tax reports for the years ended December 31, 2021, 2020, 2019 and 2018.

The general statute of limitations on tax reports in Israel is four years, and therefore Real's tax reports for the years ending on December 31, 2021, 2020, 2019 and 2018 can still be assessed by the Israeli Tax Authority, which could result in, among other things, determining that Real is not a preferred technological plant and by such is subject to a higher percentage of corporate tax (23% for the years ended December 31, 2021, 2020, 2019 and 2018).

If the Company fails to develop widespread brand awareness cost-effectively, its business may suffer.

The Company believes that developing and maintaining widespread awareness of its brand in a cost-effective manner is critical to achieving widespread acceptance of its products. The Company's marketing efforts are directed at growing brand awareness. Brand promotion activities, although they have been successful in the past, may not generate customer awareness or increase revenues, and even if they do, any increase in revenues may not offset the expenses incurred in brand building. If the Company fails to successfully promote and maintain its brand, or incur substantial expenses in doing so, the Company may fail to attract or retain customers necessary to realize a sufficient return on its brand building efforts, or to achieve the widespread brand awareness that is critical for broad adoption of its products.

Possible failure to realize anticipated benefits of future acquisitions could impact the Company's business.

In the future, the Company may complete acquisitions to strengthen its position in the point-of sale industry and to create the opportunity to realize certain benefits including, among other things, potential cost savings. Achieving the benefits of any future acquisitions depends, in part, on successfully consolidating functions and integrating operations, procedures and personnel in a timely and efficient manner, as well as the Company's ability to realize the anticipated growth opportunities and synergies from combining the acquired businesses and operations with its own. The integration of acquired businesses requires the dedication of substantial management effort, time and resources which may divert management's focus and resources from other strategic opportunities and from operational matters during this process. The integration process may result in the loss of key employees and the disruption of ongoing business, customer and employee relationships that may adversely affect the Company's ability to achieve the anticipated benefits of these and future acquisitions.

Acquisitions and joint ventures are inherently risky, and any that the Company completes may not be successful. Any acquisitions and joint ventures Real pursues would involve numerous risks, including the following: (i) difficulties in integrating and managing the operations and technologies of the companies the Company acquires, including higher than expected integration costs and longer integration periods; (ii) diversion of the Company's management's attention from normal daily operations of its business; (iii) the Company's inability to maintain the customers, key employees, key business relationships and reputations of the businesses it acquire; (iv) the Company's inability to generate sufficient revenue or business efficiencies from acquisitions or joint ventures to offset its increased expenses associated with acquisitions or joint ventures; (v) the Company's responsibility for the liabilities of the businesses it acquires or gains ownership in through joint ventures, including, without limitation, liabilities arising out of its failure to maintain effective data security, data integrity, disaster recovery and privacy controls prior to the acquisition, or its infringement or alleged infringement of third party intellectual property, contract or data access rights prior to the acquisition; (vi) difficulties in complying with new markets or regulatory standards to which Real was not previously subject; (vii) delays in the Company's ability to implement internal standards, controls, procedures and policies in the businesses it acquires or gains ownership in through joint ventures and increased risk that its internal controls will be ineffective; (viii) operations in a nascent state depend directly on utilization by the Company's agents and brokers; (ix) adverse effects of acquisition and joint venture activity on the key performance indicators the Company uses to monitor its performance as a business; and (x) inability to fully realize intangible assets recognized through acquisitions or joint ventures and related non-cash impairment charges that may result if the Company is required to revalue such intangible assets.

The Company's failure to address these risks or any other challenges it encounters with its future acquisitions, joint ventures, and investments could cause it to not realize all or any of the anticipated benefits of such acquisitions or investments, incur unanticipated liabilities, and harm the Company's business, which could negatively impact its operating results, financial condition, and cash flows.

There is intense competition in the Software as a Service and real estate brokerage industry.

The SaaS industry is highly competitive and rapidly changing. The Company may be significantly affected by new product introductions and geographic expansion by existing competition and expects that competition will intensify in the future. Specific factors upon which the Company competes include, but are not limited to, functionality of its applications, ease of use, timing for implementation, quality of support and services, and price. The Company's potential competitors include other companies selling SaaS services and technology in the search engine marketing and advertising space. Many of these potential competitors have significantly greater financial, technical, marketing and other resources than the Company has. Many of them also have longer operating histories, greater name recognition and stronger relationships with merchants and consumers who use or might use a low-value-payment service. The Company may not be able to successfully compete with these competitors.

The Company has a limited operating history which makes it difficult to evaluate its future prospects for success

The Company had a limited history of operations prior to the Qualifying Transaction and consequently, the Company's current operations inherited from Real PrivateCo are subject to all of the business risks and uncertainties associated with any early-stage enterprise, including possible under-capitalization, cash shortages, limitations with respect to personnel, financial and other resources and a lack of significant revenue. The limited operating history may also make it difficult for investors to evaluate Real's prospects for success.

There is inherent technology and development risk in Real's business and industry.

The Company's approach utilizes technology principally architected and developed by the Company. There can be no assurances that the Company will meet its targeted development or integration timelines such that it will be able to offer solutions at competitive pricing, or that the Company can continue to enhance and improve the responsiveness, functionality and features of its technology and enable the solutions to scale at a reasonable cost. In addition, there is a risk that third parties may have applied for or been granted patents for certain processes or technology which the Company has already deployed or intends to deploy, in which case the Company may incur additional costs or be prohibited from using or implementing certain product features or processes in one or more countries. The Company's solutions incorporate complex technology and software. Accordingly, they may contain errors, or "bugs", that could be detected at any point. Such errors could materially and adversely affect the Company's reputation, resulting in claims and/or significant costs to the Company, and/or cause consumers, merchants, licensees and other parties to abandon the Company's solutions and impair the Company's ability to market and sell solutions and services in the future. The costs incurred in correcting any errors and satisfying any such claims may be substantial and could adversely affect the Company's operating margins. While the Company plans to continually test its solutions for errors and work with customers and merchants through its maintenance support services to identify and correct bugs, errors may be found in the future.

The Company maintains data on cloud storage servers, which could be the target of a security breach.

The Company's business faces certain security risks. The Company's products and services involve storage using cloud-based hosting services and also physical storage. Although data is stored in specialized security groups and are externally encrypted, storage hardware and networking infrastructure is provided by a third party, and security breaches and cyberattacks expose this information to a risk of loss, litigation and potential liability. If an actual or perceived breach of security and/or cyberattack occurs, the market perception of the effectiveness of the Company's security measures could be harmed, the Company could lose users and may incur significant legal and financial exposure, including legal claims and regulatory fines and penalties. Computer viruses, break-ins, cyberattacks or other security problems could lead to misappropriation of proprietary information and interruptions, delays, or cessation in service to clients. Any failure to adequately address these risks could have an adverse effect on the Company's business and reputation.

There could be interruptions or delays from cloud servers that could affect Real's products or services.

The Company's products and services involve storage using a third-party cloud-based hosting service. Any damage to, or failure of, the hosting service's systems generally could result in interruptions in the use of the Company's products or services. Such interruptions may reduce the Company's revenue, cause customers to terminate their subscriptions and adversely affect the Company's ability to attract new customers. Thee Company's business will also be harmed if its customers and potential customers believe its products or services are unreliable.

Risk Related to World Wide Economic Conditions

Currency exchange rates fluctuations could adversely affect Real's operating results.

The Company is exposed to the effects of fluctuations in currency exchange rates. Since the Company conducts some of its business in currencies other than U.S. dollars but reports its operating results in U.S. dollars, it faces exposure to fluctuations in currency exchange rates. Consequently, exchange rate fluctuations between the U.S. dollar and other currencies could have a material impact on the Company's operating results.

Downturns in general economic and market conditions may reduce demand for the Company's products and could negatively affect the Company's revenue, operating results and cash flow.

Recent events in the financial markets have demonstrated that businesses and industries throughout the world are very tightly connected to each other. Thus, financial developments seemingly unrelated to the Company or to the real estate industry could materially adversely affect the Company over the course of time. Volatility in the market could hurt the Company's ability to raise capital. Potential price inflation caused by an excess of liquidity in countries where the Company conducts business may increase the costs incurred to sell the Company's products and may reduce the Company's profit margins. As a result of downturns in general economic and market conditions, potential customers may not be interested in purchasing the Company's products. Any of these events, or other events caused by turmoil in world financial markets may have a material adverse effect on the Company's business, operating results and financial conditions.

Catastrophic events and economic, political and market conditions may impact Real's business.

Real maintains servers at its facility in Oregon, United States. Any of its existing and future facilities may be harmed or rendered inoperable by attack or security intrusion by a computer hacker, natural or man-made disasters, including earthquakes, tornadoes, hurricanes, wildfires, floods, nuclear disasters, war, acts of terrorism or other criminal activities, infectious disease outbreaks (including COVID-19) and power outages, any of which may render it difficult or impossible for the Company to operate its business for some period of time. If the Company were to lose the data stored in its Oregon facility, it could take days or weeks to recover data from multiple sources, and such delay could result in significant negative impact on its business operations, and potential damage to its advertiser and advertising agency relationships. Any disruptions in the Company's operations could negatively impact its business, its results of operations and harm its reputation. In addition, the Company may not carry sufficient business interruption insurance to compensate for the losses that may occur. Any such losses or damages could have a material adverse effect on the Company's business, financial condition and results of operations.

Infectious disease outbreaks (including COVID-19, Middle East Respiratory Syndrome, Severe Acute Respiratory Syndrome, H1N1 influenza virus, BSE, avian influenza, or other material outbreaks of disease) could result in restrictions adversely affecting Real's business operations. These restrictions could include prohibitions by Realtor and MLS on home showings and open houses, limiting face-to-face meetings, and general transportation or isolation orders from government authorities. Such outbreaks may negatively impact the general economy and job markets. The economy and job markets directly affect demand for housing and therefore Real could suffer harm to its business, including, but not limited to, significant revenue decreases, should there be a sustained negative impact on economic conditions as a result of disease outbreak.

In particular, since early 2020, the COVID-19 pandemic has had a profound effect on the global economy and financial markets. The governmental restrictions that were implemented to combat COVID-19, included, among other actions, recommending or requiring the avoidance of gatherings of people or significantly or entirely curtailing activities categorized as non-essential. This unprecedented scenario has created considerable risks and uncertainties in the real estate industry and for the Company in particular, relating to adverse effects on the economy and risks related to employees, independent agents and consumers. The extent of the pandemic on the Company's business and financial results will largely depend on future developments, including the extent and duration of the spread of the outbreak, the extent of governmental regulations, the impact on capital and financial markets and the related impact on consumer confidence and spending and the magnitude of the financial and operational consequences to the Company's agents and brokers, all of which are highly uncertain and cannot be predicted.

Conflict and Political Instability in Eastern Europe

The current year has been marked by significant market volatility and uncertainty. We believe that continued economic growth will be dependent on a number of factors, including, but not limited to, the continued positive trajectory of the course of the pandemic, a moderation of the pace of inflation and supply chain issues that developed during 2021, and the nature, magnitude, and duration of hostilities stemming from Russia's invasion of Ukraine, including the effects of sanctions and retaliatory cyber attacks on the world economy and markets. Beginning in November 2021, Russia began to amass troops along the Ukrainian border, heightening military tensions in Eastern Europe. In February 2022, Russia sent troops into pro-Russian separatist regions in Ukraine. The U.S. and/or other countries, including Canada and Israel may impose sanctions or other restrictive actions against governmental or other entities in Russia. The long-term impacts of the conflict between these nations remains uncertain.

Widespread concern or doubts in the market about the pace or ability of normal economic activity to resume, the potential for prolonged conflict in Ukraine or the broader outbreak of armed conflict in Eastern Europe, the pace, impact, or effectiveness of the actions by governments and centrals banks intended to manage the rate of inflation through interest rate increases and the termination of the quantitative easing program, or the efficacy or adequacy of government measures enacted to support the domestic and global economy, could erode the outlook for macroeconomic conditions, economic growth, and business confidence, which could negatively impact the Company.

The current levels of volatility in global markets due to market participants' reactions to, and uncertainty surrounding, the magnitude and timing of government and central bank action to be taken in response to heightened inflation, as well as Russia's invasion of Ukraine. This volatility has resulted in a decline in the level of activity in the financial markets. Continued market volatility or uncertainty related to actions taken or to be taken by central banks, a decline in the global macroeconomic outlook, including as a result of Russia's invasion of Ukraine and the threat, or outbreak of more widespread armed conflict in Eastern Europe would cause financial market activity to continue to decrease, which could negatively affect the Company's revenues. In addition, global macroeconomic conditions and Canadian, Israeli and U.S. financial markets remain vulnerable to the potential risks posed by exogenous shocks, which could include, among other things, political or social unrest or financial uncertainty in the United States and the European Union, complications involving terrorism and armed conflicts around the world, or other challenges to global trade or travel.

Conditions in Israel may affect the Company's business, results of operations and financial condition.

Since the establishment of the State of Israel in 1948, a number of armed conflicts have taken place between Israel and its neighboring countries. As a result, Real is vulnerable to the political, economic, legal, regulatory and military conditions affecting Israel and the Middle East. Armed conflicts between Israel and its neighbouring countries and territories occur periodically and a protracted state of hostility has, in the past, resulted in security and economic difficulties for Israel. Any such hostilities or escalation thereof, armed conflicts or violence in the region could adversely affect the Company's business, results of operations and financial condition. To date, such conflicts have not had a material effect on business, results of operations or financial condition. In addition, the Company may be adversely affected by other events or factors affecting Israel such as the interruption or curtailment of trade between Israel and its trading partners, a significant downturn in the economic or financial condition of Israel, a significant downgrading of Israel's internal credit rating, labour disputes and political instability, including riots and uprisings.

Furthermore, there are a number of countries, primarily in the Middle East, as well as some other countries, including Malaysia and Indonesia that restrict business with Israel or Israeli companies. There may also be certain countries or businesses that may exert pressure on the Company's partners, customers or others not to do business with Israel or Israeli companies. Restrictive laws or policies directed towards Israel or Israeli businesses could have a material adverse effect on the Company's business, results of operations and financial condition.

Generally, under Israeli law, citizens and permanent residents of Israel are obligated to perform military reserve duty for extended periods of time through the age of 45 (or older for citizens with certain occupations) and are subject to being called to active duty at any time under emergency circumstances. In response to increased hostilities, there have been periods of significant call-ups of military reservists. It is possible that there will be additional call-ups in the future, which may include officers and key personnel of the Company, which could disrupt business operations for a significant period of time.

The Company must hold various approvals authorizing its activities in Israel. In order for the Company to carry on business operations in Israel, it must: (i) be registered with the Registrar of Companies; (ii) be registered with the Israel Tax Authorities; and (iii) hold a business license which is issued by the local municipality in which the business operates. Furthermore, in order to carry on operations in accordance with the International Organization for Standardization (ISO) standards, the Company is also required to hold ISO certificates. Although the Company believes that all such required registrations, certificates and licenses are in good standing as of the date of this AIF, if renewals or new permits, business licenses, or approvals are required in connection with Real's activities and are not granted or are delayed, or if existing permits, business licenses or approvals are revoked or substantially modified, Real may suffer a material adverse effect. If new standards are applied to renewals or new applications, it could prove costly to Real to meet any new level of compliance.

Risk Related to Intellectual Property

The Company's intellectual property rights are valuable, and any failure or inability to protect them could adversely affect its business.

The Company's success depends substantially upon the intellectual property that forms the basis of its products, primarily consisting of unpatented proprietary technology, processes, trade secrets, and know-how, as well as inherent copyright of authorship in the source code developed by the Company, and unregistered trademarks. To protect its intellectual property rights, the Company relies upon trade secret, copyright, trademark, passing-off laws and other statutory and common law protections in Israel, the United States, and international markets. The Company also protects its intellectual property through the use of non-disclosure agreements and other contracts, disclosure and invention assignment agreements, confidentiality procedures, and technical measures. There can be no assurance that these measures will be successful in any given case, particularly in those countries where the laws do not afford the Company protection for its intellectual property rights as robust as those available under Israeli, Canadian and United States laws. The Company may be unable to prevent the misappropriation, infringement or violation of its intellectual property rights, breaching any contractual obligations, or independently developing intellectual property that is similar to its own, any of which could reduce or eliminate Real's competitive advantages, adversely affect the Company's revenues, or otherwise harm its business.

Assertions by third parties of infringement or other violations of the Company's intellectual property rights could result in significant costs and substantially harm the Company's business and operating results.

Third parties may in the future assert claims of infringement, misappropriation or other violations of intellectual property rights against the Company. Any such claim against the Company, even those without merit could cause the Company to incur substantial costs defending against the claim and could distract its management. An adverse outcome of a dispute may require the Company to pay substantial damages, cease making, licensing or using solutions that are alleged to infringe or misappropriate the intellectual property of others, expend additional development resources to attempt to redesign its services or otherwise develop non-infringing technology, which may not be successful, or enter into potentially unfavourable royalty or license agreements in order to obtain the right to use technologies or intellectual property rights.

Intellectual property claims are expensive and time consuming to defend and if resolved adversely, could have a significant impact on the Company's business, financial condition, and operating results.

The Company is actively engaged in enforcement and other activities to protect its intellectual property rights. If it became necessary to resort to litigation to protect these rights, any proceedings could be burdensome, costly and divert the attention of management and the Company may not prevail. Any repeal or weakening of intellectual property laws or diminishment of procedures available for the enforcement of intellectual property rights in Israel, Canada, the United States, or internationally could make it more difficult for the Company to adequately protect its intellectual property rights, negatively impacting their value and increasing the cost of enforcing its rights.

If the Company is unable to protect the confidentiality of its proprietary information and know-how, the value of its technology and products could be adversely affected.

The Company relies upon unpatented proprietary technology, processes, trade secrets and know-how. Any disclosure to or misappropriation by third-parties of its confidential or proprietary information could enable the Company's competitors to duplicate or surpass the Company's technological achievements, potentially eroding its competitive position in the market and negatively impacting the Company's business and operating results.

Real protects its confidential and proprietary information in part through non-disclosure agreements and other contracts, disclosure and invention assignment agreements, with all employees, consultants, advisors and any third-parties, who have access to its confidential and proprietary information, and employs confidentiality procedures and technical measures, there can be no certainty that these measures or procedures will be sufficient to prevent improper disclosure of such confidential and proprietary information, or to prevent it from falling into the hands of Real's competitors and other third parties. There can be no certainty that parties to contracts used by Real to protect its confidential and proprietary information will not be terminated or breached, and Real may not have adequate remedies for any such termination or breach. Legal remedies may be insufficient or ineffective to meaningfully protect Real's confidential and proprietary information or compensate Real for losses that may occur in the event of unauthorized use or disclosure.

If the Company fails to protect the privacy and personal information of its customers, agents or employees, the Company may be subject to legal claims, government action and damage to its reputation.

Consumers, independent contractors and employees have shared personal information with the Company during the normal course of its business processing real estate transactions. This includes, but is not limited to, social security numbers, annual income amounts and sources, consumer names, addresses, telephone and cell phone numbers and email addresses. For the Company to run its business, it is essential to store and transmit this sensitive information in its systems and networks. At the same time, the Company is subject to numerous laws, regulations, and other requirements that require businesses like theirs to protect the security of personal information, notify customers and other individuals about our privacy practices, and limit the use, disclosure, or transfer of personal data across country borders. Regulators in the U.S. and abroad continue to enact comprehensive new laws or legislative reforms imposing significant privacy and cybersecurity restrictions. The result is that the Company is subject to increased regulatory scrutiny, additional contractual requirements from corporate customers, and heightened compliance costs. These ongoing changes to privacy and cybersecurity laws also may make it more difficult for the Company to operate our business and may have a material adverse effect on our operations. For example, In the U.S., California enacted the California Consumer Privacy Act, which went into full effect in 2020, imposing new and comprehensive requirements on organizations that collect and disclose personal information about California residents. In March 2017, the New York Department of Financial Services' cybersecurity regulation went into effect, requiring regulated financial institutions to establish a detailed cybersecurity program. Program requirements include corporate governance, incident planning, data management, system testing, vendor oversight, and regulator notification rules. Now, other state regulatory agencies are expected to enact similar requirements following the adoption of the Insurance Data Security Model Law by the National Association of Insurance Commissioners that is consistent with the New York regulation.

Any significant violations of privacy and cybersecurity could result in the loss of new or existing business, litigation, regulatory investigations, the payment of fines, damages, and penalties and damage to the Company's reputation, which could have a material adverse effect on its business, financial condition, and results of operations.

The Company could also be adversely affected if legislation or regulations are expanded to require changes in its business practices or if governing jurisdictions interpret or implement their legislation or regulations in ways that negatively affect its business, results of operations or financial condition.

In addition, while the Company discloses its information collection and dissemination practices in a published privacy statement on its websites, which the Company may modify from time to time, the Company may be subject to legal claims, government action and damage to its reputation if it acts or is perceived to be acting inconsistently with the terms of its privacy statement, customer expectations or state, national and international regulations. The Company's policy and safeguards could be deemed insufficient if third parties with whom we have shared personal information fail to protect the privacy of that information.

The occurrence of a significant claim in excess of the Company's insurance coverage or which is not covered by its insurance in any given period could have a material adverse effect on its financial condition and results of operations during the period. In the event the Company or the vendors with which it contracts to provide services on behalf of Real's customers were to suffer a breach of personal information, the Company's customers and independent agents could terminate their business with the Company. Further, the Company may be subject to claims to the extent individual employees or independent contractors breach or fail to adhere to Company policies and practices and such actions jeopardize any personal information. The Company's legal liability could include significant defense costs, settlement costs, damages and penalties, plus, damage its reputation with consumers, which could significantly damage its ability to attract customers. Any or all of these consequences would result in meaningful unfavorable impact on the Company's brand, business model, revenue, expenses, income and margins.

Adverse litigation judgments or settlements resulting from legal proceedings in the normal course of business could reduce the Company's profits or limit its ability to operate.

The Company is subject to allegations, claims and legal actions arising in the ordinary course of its business, which may include claims by third parties, including employees or regulators. The outcome of many of these proceedings cannot be predicted. If any of these proceedings were to be determined adversely against the Company, a judgment, a fine or a settlement involving a payment of a material sum of money were to occur, or injunctive relief were issued against the Company, its business, financial condition and results of operations could be materially adversely affected.

At present, the Company is not involved in any material pending legal proceeding and there are no proceedings in which any of its directors, officers or affiliates is an adverse party or has a material interest adverse to its interest.

Risk Related to Common Shares

It may be difficult to enforce civil liabilities under Canadian securities laws.

Some of the directors and officers of the Company are based in Israel and the United States and most of Real's assets, and assets of the directors, officers will be located outside of Canada. Therefore, a judgment obtained against the Company, or any of these persons, including a judgment based on the civil liability provisions of the Canadian securities laws, may not be collectible in Canada and may not be enforced by an Israeli or U.S. court. It also may be difficult to effect service of process on these persons in Canada or to assert Canadian securities law claims in original actions instituted in Israel or the United States. Israeli or U.S. courts may refuse to hear a claim based on an alleged violation of Canadian securities laws reasoning that Israel is not the most appropriate forum in which to bring such a claim. In addition, even if an Israeli or U.S. court agrees to hear a claim, it may determine that Israeli law or United States law and not Canadian law is applicable to the claim. If the Canadian law is found to be applicable, the content of applicable Canadian law must be proven as a fact by expert witnesses, which can be a time consuming and costly process. Certain matters of procedure will also be governed by Israeli law or United States law. There is little binding case law in Israel and the United States that addresses the matters described above. As a result of the difficulty associated with enforcing a judgment against the Company or its directors and officers in Israel or the United States, it may be difficult to collect any damages awarded by either a Canadian or a foreign court.

The Company does not have any control over the research and reports that securities or industry analysts publish about the Company or its business.

The trading market for the Common Shares will, to some extent, depend on the research and reports that securities or industry analysts publish about the Company or its business. The Company does not have any control over these analysts. If one or more of the analysts who covers the Company should downgrade the Common Shares or change their opinion of the Company's business prospects, the Common Shares trading price would likely decline. If one or more of these analysts ceases coverage of the Company or fails to regularly publish reports on the Company, it could lose visibility in the financial markets, which could cause Real's share price or trading volume to decline.

Item 6. DIVIDENDS

6.1 Dividends or Distributions

There are no restrictions in the Company's articles or elsewhere which could prevent the Company from paying dividends. The Company does not contemplate paying any dividends on any Common Shares in the immediate future, as it anticipates investing all available funds to finance the growth of the Company's business. The Board will determine if, and when, to declare and pay dividends in the future from funds properly applicable to the payment of dividends based on the Company's financial position at the relevant time. All of the Common Shares will be entitled to an equal share in any dividends declared and paid on a per share basis.

Item 7. DESCRIPTION OF CAPITAL STRUCTURE

7.1 Share Capital

Common Shares

The authorized share structure of the Company consists of an unlimited number of Common Shares without par value. As of the date of this AIF, there are 178,206,129 Common Shares issued and outstanding on a non-diluted basis.

The holders of Common Shares are entitled to receive notice of and attend any meeting of the shareholders of the Company and are entitled to cast one vote for each Common Share held. The holders of Common Shares will be entitled to receive dividends if, as and when declared by the Board and to receive a proportionate share, on a per share basis, of the assets of the Company available for distribution in the event of a liquidation, dissolution or winding-up of the Company.

Warrants

As of the date of this AIF, an aggregate of 184,227 Warrants are issued and outstanding. Each Warrant is exercisable for one (1) Common Share per Warrant at an exercise price of $5.44 per Common Share and will expire on January 8, 2025.

7.2 Options to Purchase Securities

Omnibus Incentive Plan

The Omnibus Incentive Plan is a "fixed" plan under the policies of the TSXV and the Company is authorized to grant Options and RSUs of up to 20% of its issued and outstanding Common Shares at the date the Omnibus Incentive Plan was approved Board, less the number of Common Shares subject to grants of securities under any other Security Based Compensation Arrangement. The Omnibus Incentive Plan was approved by the Board on February 18, 2022. The Omnibus Incentive Plan remains subject to shareholder approval an annual and general meeting of Shareholders expected to be held later this year. Each grant of Options or RSUs pursuant to the Omnibus Incentive Plan subsequent to February 18, 2022 and prior to the Omnibus Incentive Plan receiving Shareholder approval shall be subject to disinterested Shareholder approval in accordance with Exchange Policy 4.4.

The purpose of the Omnibus Incentive Plan is to advance the interests of the Company by encouraging eligible directors, officers, employees and consultants of the Company to acquire Common Shares, thereby increasing their proprietary interest in the Company and furnishing them with additional incentive in their efforts on behalf of the Company in the conduct of its business and affairs.

Under the terms of the Omnibus Incentive Plan, a maximum of 35,641,226 Common Shares (representing approximately 20% of the issued and outstanding Common Shares as at February 18, 2022) are reserved for issuance. As of the date of this AIF, 6,069,296 Common Shares remain available for issuance under the Omnibus Incentive Plan, taking into account all Common Shares issuable under all Security Based Compensation Arrangements.

Each Option granted pursuant to the terms of the Omnibus Incentive Plan will vest and be exercisable as to one third (1/3) of the total number of Options granted on each of the first, second and third anniversaries of the Award Date. The Option Price of any Option shall be determined and approved by the Board when such Option is granted, but shall not be less than the Discounted Market Price on the Award Date. The Board may at its sole discretion at any time or on the Award Date in respect of any Option granted, accelerate or provide for the acceleration of vesting in whole or in part of Options previously granted.

Each RSUs granted pursuant to the terms of the Omnibus Incentive Plan will vest and be payable as to one third (1/3) of the total number of Options granted on each of the first, second and third anniversaries of the Award Date. The Board may at its sole discretion at any time or on the Award Date in respect of any RSUs granted, accelerate or provide for the acceleration of vesting in whole or in part of RSUs previously granted. Notwithstanding the foregoing, an RSU shall not vest prior to the date that is one year following the Award Date of such RSU.

Further, the maximum number of Common Shares issued to participants who are insiders, collectively, within any one (1) year period, under the Omnibus Incentive Plan and any other Security Based Compensation Arrangement, cannot exceed 10% of the outstanding Common Shares at the time of issuance. The maximum number of Common Shares issued one Person collectively, within any one (1) year period, under the Omnibus Incentive Plan and any other Security Based Compensation Arrangement, cannot exceed 5% of the outstanding Common Shares at the time of issuance.

The total number of Common Shares issuable as compensation to any participant performing Investor Relations Activities, in a 12 month period pursuant to the Omnibus Incentive Plan and any other Security Based Compensation Arrangement, cannot exceed 1% of the outstanding Common Shares at the time of issuance. Persons providing Investor Relations Activities shall only be entitled to receive Options pursuant to the Omnibus Incentive Plan.

The Omnibus Incentive Plan is administered by the Board, which has full and final authority with respect to the granting of all Options and RSUs thereunder subject to the requirements of the TSXV. Options and RSUs may be granted under the Omnibus Incentive Plan to such directors, officers, employees or consultants of the Company and its affiliates, if any, as the Board may from time to time designate.

Stock Option Plan

As of the date of this AIF, there are 20,789,404 Options issued and outstanding, pursuant to the Predecessor Stock Option Plan. Each Option entitles the holder to the exercise the option for one (1) Common Share in accordance with the terms of the Predecessor Stock Option Plan. The Company will no longer grant any Options pursuant to the Predecessor Stock Option Plan, which exists solely for the purposes of governing the existing Options granted thereunder.

Restricted Share Unit Plan

As of the date of this AIF, there are 5,473,476 RSUs issued and outstanding pursuant to the Predecessor RSU Plan. Each RSU entitles the holder to a cash payment or one (1) Common Share at the discretion of the Company in accordance with the terms of the Predecessor RSU Plan. The Company will no longer grant any RSUs pursuant to the Predecessor RSUs Plan, which exists solely for the purposes of governing the existing RSUs granted thereunder.

Item 8. MARKET FOR SECURITIES

8.1 Trading Price and Volume

The Common Shares have been listed and posted for trading on the TSXV under the symbol "REAX" since June 12, 2020. Prior to the Qualifying Transaction, the Common Shares on the TSXV under the symbol "AVI.P" and were halted on August 13, 2019, pending the announcement of the Qualifying Transaction. The Company is a reporting issuer in the Provinces of British Columbia, Alberta and Ontario.

The following table sets forth, for the periods indicated, the marketplace, reported high and low trading prices (in the currencies in which such securities were listed and posted for trading) and the volume traded on the relevant stock exchange.

Month	Stock Symbol	Market	High Trading Price (C$)	Low Trading Price (C$)	Share Volume
January 2021	REAX	TSXV	2.01	0.90	2,191,608
February 2021	REAX	TSXV	3.66	1.30	2,832,423
March 2021	REAX	TSXV	2.80	2.02	1,145,926
April 2021	REAX	TSXV	2.48	1.995	1,026,710
May 2021	REAX	TSXV	2.36	1.83	718,543
June 2021	REAX	TSXV	12.52	7.75	306,016
July 2021	REAX	TSXV	11.00	2.15	229,696
August 2021	REAX	TSXV	2.65	2.05	794,542
September 2021	REAX	TSXV	2.51	2.26	566,171
October 2021	REAX	TSXV	2.45	2.21	728,900
November 2021	REAX	TSXV	4.87	2.41	2,456,852
December 2021	REAX	TSXV	5.01	4.26	1,665,223

8.2 Prior Sales

The following table sets forth securities issued by the Company that are not listed or quoted on a marketplace during the year ended December 31, 2021 and to the date of this AIF.

Date	Type of Security Issued	Number/Principal Amount of Securities Issued	Issuance/Exercise Price per Security
January 5, 2021	Restricted Share Units	128,237(1)	N/A
January 7, 2021	Options	2,440,773(2)	C$1.11
January 27, 2021	Options	1,835,000(3)	C$1.29
February 2, 2021	Restricted Shares Units	79,755(4)	N/A
March 3, 2021	Restricted Share Units	148,867(5)	N/A
March 29, 2021	Options	335,000	C$2.50
April 1, 2021	Restricted Share Units	129,386	N/A
May 5, 2021	Restricted Share Units	282,781	N/A
May 10, 2021	Options	795,000	C$2.16
May 25, 2021	Options	100,000	C$1.93
May 27, 2021	Restricted Share Units	94,500	N/A
July 29, 2021	Restricted Share Units	790,276	N/A
August 3, 2021	Restricted Share Units	467,348	N/A
August 11, 2021	Options	515,000	C$2.50
September 7, 2021	Restricted Share Units	470,343	N/A
October 13, 2021	Restricted Share Units	554,522	N/A
November 12, 2021	Restricted Share Units	516,597	N/A
November 19, 2021	Options	1,779,000	C$4.29
December 13, 2021	Restricted Share Units	306,759	N/A

January 19, 2022	Options	700,000 (6)	C$3.60
January 20, 2022	Restricted Share Units	1,100,000 (6)	N/A
January 25, 2022	Restricted Share Units	616,346	N/A
February 28, 2022	Restricted Share Units	525,305	N/A
March 14, 2022	Restricted Share Units	448,798	N/A

Notes:

(1) Subsequent to January 5, 2021, 53,252 vested Restricted Share Units were settled through the issuance of 53,252 Common Shares from treasury and 53,252 vested Restricted Shares Units were settled through delivery of Common Shares acquired pursuant to the NCIB.

(2) Issued in connection with the RealtyCrunch Transaction. Subsequent to January 7, 2021, 21,000 Common Shares were issued pursuant to the exercise of Options.

(3) Subsequent to January 27, 2021 2,504 Common Shares were issued pursuant to the exercise of Options.

(4) Subsequent to February 2, 2021, 32,792 vested Restricted Share Units were settled through the issuance of 32,792 Common Shares from treasury and 32,792 vested Restricted Shares Units were settled through delivery of Common Shares acquired pursuant to the NCIB.

(5) Subsequent to March 5, 2021, 117,308 vested Restricted Share Units were settled through the issuance of 117,308 Common Shares from treasury and 117,308 Restricted Shares Units were settled through delivery of Common Shares acquired pursuant to the NCIB.

(6) Issued in connection with the Expetitle Transaction.

Item 9. ESCROWED SECURITIES AND SECURITIES SUBJECT TO CONTRACTUAL RESTRICTIONS ON TRANSFER

9.1 Escrowed Securities and Securities Subject to Contractual Restriction on Transfer

As of the date of this AIF, the Company did not have any Common Share subject to escrow or contractual restrictions on transfer.

Item 10. DIRECTORS AND OFFICERS

10.1 Name, Occupation and Security Holding

The following table sets out the name, province or state and country of residence, positions and offices held with the Company, period served as a director and/or officer and the principal occupations during the last five (5) years, for each Person who serves as a director and/or officer of the Company as at the date of this AIF. Each director shall hold office until the next annual general meeting of the Company, or until his or her successor is duly elected or appointed, unless his or her office is earlier vacated in accordance with the Company's Articles.

Name, Residence and Positions Held (1)	Director or Officer Since	Principal Occupation for Previous Five Years(1)
Tamir Poleg(2) *Tel Aviv, Israel* Chairman, Chief Executive Officer and Director	June 5, 2020	Chief Executive Officer of Real
Michelle Ressler *New York, New York* Chief Financial Officer and Corporate Secretary	July 28, 2020	Chief Financial Officer at Real; Controller at Canaccord Genuity
Katharine Mobley *Atlanta, Georgia* Chief Marketing Officer	November 8, 2021	Chief Marketing Office at Real; Head of Global Marketing at First Advantage; Chief Marketing Officer at Crescerance
Raj Naik *Austin, Texas* Chief Operating Officer	November 15, 2021	Chief Operating Office at Real; Managing Director at Workrise; General Manager at Uber
Guy Gamzu (2) *Tel Aviv, Israel* Director	June 5, 2020	Investor

Larry Klane (3) *New York, New York* Director	June 5, 2020	Partner of Pivot Investment Partners
Laurence Rose(2) *Toronto, Ontario* Director	June 5, 2020	Chairman and CEO, Tradelogiq Markets, Inc.; Chief Executive Officer, iLOOKABOUT.corp
Atul Malhotra, Jr.(3) *New York, New York* Director	December 2, 2020	Managing Director at Insight Partners; Principal at Insight Partners; Vice President at Insight Partners; Senior Investment Analyst at Insight Partners; Investment Analyst at Insight Partners
Vikki Bartholomae(3) *Winter Garden, Florida* Director	April 20, 2021	Franchise Owner at Wild Birds Unlimited; Chief Customer Success Officer at Side; President at eXp Realty.

Notes:

(1) The information as to place of residence and principal occupation has been furnished by the respective directors and officers of the Company individually.

(2) Member of the Compensation Committee. Guy Gamzu is the Compensation Committee Chair.

(3) Member of the Audit Committee. Larry Klane is the Audit Committee Chair.

Each of the directors of the Company will hold office until the next annual meeting of the shareholders or until his or her successor is duly elected or appointed, unless his or her office is earlier vacated in accordance with the Company's Articles or Notice of Articles.

As at the date of this AIF, the directors and executive officers of the Company, as a group, beneficially owned or controlled or directed, directly or indirectly, 68,087,508 Common Shares, representing approximately 38.21% of 178,206,129 the issued and outstanding Common Shares on a non-diluted basis or approximately 33.93% of the issued and outstanding Common Shares on a fully-diluted basis, based on 200,651,00 Common Shares issued and outstanding. The information as to the Common Shares beneficially owned or controlled or directed, directly or indirectly, by the directors and executive officers, not being within the knowledge of the Company, has been furnished by such directors and executive officers.

10.2 Cease Trade Orders, Bankruptcies, Penalties or Sanctions

Cease Trade Orders and Bankruptcies

To the knowledge of the Company, no director or executive officer of the Company, or personal holding company of any of them is, as of the date of this AIF, or was within ten (10) years before the date of this AIF, a director, chief executive officer or chief financial officer of any company (including this Company) that:

i. was subject to a cease trade or similar order, or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than thirty (30) consecutive days (an "**Order**") that was issued while the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer; or

ii. was subject to an Order that was issued after the director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that Person was acting in the capacity as director, chief executive officer or chief financial officer.

To the knowledge of the Company, no director or executive officer of the Company, or shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company, or personal holding company of any of them is, as at the date of this AIF, or has been within the ten (10) years before the date of this AIF, a director or executive officer of any company (including this Company) that, while that Person was acting in that capacity, or within a year of that Person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

Personal Bankruptcies

To the knowledge of the Company, no director or executive officer of the Company, or shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company, or personal holding company of any of them has, within the ten (10) years before the date of this AIF, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of that Person.

Penalties and Sanctions

To the knowledge of the Company, no director or executive officer of the Company, or shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company, or personal holding company of any of them, has been subject to:

i. any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or

ii. any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

10.3 Conflicts of Interest

Certain of the directors and/or officers of the Company serve as directors and/or officers of other companies or have shareholdings in other companies. Such associations may give rise to conflicts of interest from time to time. To the knowledge of the Company, there are no known existing or potential material conflicts of interest between the Company and any director or officer of the Company.

Any conflicts of interest will be subject to and governed by the law applicable to directors' and officers' conflicts of interest and fiduciary duties, including the procedures prescribed by the BCBCA respecting disclosable interests. The BCBCA requires, among other things, that directors and officers of the Company, who are also directors or officers of, or who have a material interest in, a party which enters into a material contract or transaction with the Company, or otherwise have a material interest in a material contract or transaction entered into by the Company, must disclose their interest and, in certain instances, refrain from voting on any resolution of the Board to approve the contract or transaction.

Item 11. PROMOTERS

11.1 Promoters

The Company does not have any "promoters", as of the date of this AIF, as the term is contemplated under the BCBCA and applicable securities laws.

Item 12. LEGAL PROCEEDINGS AND REGULATORY ACTIONS

12.1 Legal Proceedings

Other than certain ordinary course legal proceedings in connection with Real's real estate brokerage business (none of which are expected to have a material impact on the business or operations of Real), Real is neither a party to, nor is any of its property the subject matter of, any legal proceedings, nor are any such proceedings known to Real to be contemplated by any party during the financial year ended December 31, 2021 or during the period commencing January 1, 2022 to the date of this AIF.

12.2 Regulatory Actions

There have been no penalties or sanctions imposed against the Company by a court during the financial year ended December 31, 2021, or during the period commencing January 1, 2022 to the date of this AIF. There have been no other penalties or sanctions imposed by a court or regulatory body against the Company that would likely be considered important to a reasonable investor in making an investment decision. The Company has not entered into any settlement agreement before a court relating to securities legislation or with a securities regulatory authority during the financial year ended December 31, 2021, or during the period commencing January 1, 2022 to the date of this AIF.

Item 13. INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

13.1 Interest of Management and Others in Material Transactions

No director or executive officer of the Company or a Person or company that is the direct or indirect beneficial owner of, or who exercises control or direction over, more than 10% of any class or series of the Company's outstanding voting securities, nor any of their respective associates or Affiliates have any material interest, direct or indirect, in any transaction within the last three (3) years before the date of this AIF, or in any proposed transaction, that has materially affected or will materially affect the Company or a subsidiary of the Company.

Item 14. TRANSFER AGENTS AND REGISTRARS

14.1 Transfer Agents and Registrars

The transfer agent and registrar of the Company is Computershare Investor Services Inc., located at 510 Burrard Street, 3rd Floor, Vancouver, British Columbia, V6C 3B9.

14.2 Material Contracts

Except for material contracts entered into in the ordinary course of business, the only material contract entered into by the Company within the most recently completed financial year and through to the date of this AIF, or prior thereto and that is still in effect as of the date hereof, is the Investor Rights Agreement.

Additional details with respect to the terms of the Investor Rights Agreement is included elsewhere in this AIF. Copies of any material contracts are available on the Company's SEDAR profile at www.sedar.com.

Item 15. INTERESTS OF EXPERTS

15.1 Interests of Experts

Brightman Almagor Zohar & Co., a firm in the Deloitte Global Network (the "**Auditor**"), whose principal office is located at Azrieli Center, Derech Menachem Begin 132, Tel Aviv, Israel, 6701101, are the auditors of the Company and have confirmed that they are independent with respect to the Company within the meaning of the relevant rules and related interpretations prescribed by the relevant professional bodies in Canada, Israel and any applicable legislation or regulations.

The Auditor nor any of the directors, officers, employees and partners thereof, beneficially own, directly or indirectly, any securities of the Company or its associates and Affiliates.

Item 16. ADDITIONAL INFORMATION

16.1 Audit Committee Information

The purposes of the Audit Committee are to assist the Board oversight of: the integrity of the Company's financial statements; the Company's compliance with legal and regulatory requirements; the qualifications and independence of the Company's independent auditors; and the performance of the independent auditors and the Company's internal audit function.

The overall purpose of the Audit Committee is to provide oversight of the Company's financial management and the design and implementation of an effective system of internal financial controls, to review and report to the Board on the integrity of the financial statements of the Company, and to oversee, report on and make recommendations to the Board in respect of financial and non-financial risks faced by the Company. The Audit Committee has specific responsibilities relating to the Company's financial reports, external auditors, internal controls, regulatory reports and returns, and legal and compliance matters that have a material impact on the Company. In fulfilling its responsibilities, the Audit Committee meets regularly with the external auditors and members of management.

Audit Committee Charter

The Board has adopted a written charter for the Audit Committee, which is disclosed in *Appendix A* to this AIF.

Composition of the Audit Committee

The Audit Committee is comprised of three directors: Larry Klane (Chair), Atul Malhotra, Jr. Vikki Bartholomae. Each member of the Audit Committee is financially literate and independent, as such terms are defined in NI 52-110.

Each of the Audit Committee members has an understanding of the accounting principles used to prepare the Company's financial statements, experience preparing, auditing, analyzing or evaluating comparable financial statements and experience as to the general application of relevant accounting principles, as well as an understanding of the internal controls and procedures necessary for financial reporting.

The Audit Committee has the primary function of fulfilling its responsibilities in relation to reviewing the integrity of the Company's financial statements, financial disclosures and internal controls over financial reporting; monitoring the system of internal control; monitoring the Company's compliance with legal and regulatory requirements, selecting the external auditor for shareholder approval; reviewing the qualifications, independence and performance of the external auditor; and reviewing the qualifications, independence and performance of the Company's internal auditors. The Audit Committee has specific responsibilities relating to the Company's financial reports; the external auditor; the internal audit function; internal controls; regulatory reports and returns; legal or compliance matters that have a material impact on the Company; and the Company's whistleblowing procedures. In fulfilling its responsibilities, the Audit Committee meets regularly with the internal and external auditor and key management members. The full text of the Audit Committee's charter is disclosed in *Appendix A*.

Relevant Education and Experience

Each member of the Audit Committee is financially literate and, collectively, the Audit Committee has the education and experience to fulfill the responsibilities outlined in the Audit Committee Charter. The following is a description of the education and experience of each member of the Audit Committee that is, in addition to such member's general business experience, relevant to the performance of his or her responsibilities as a member of the Audit Committee.

Larry Klane - Chair of the Audit Committee

Larry Klane is an independent director, co-founder of an investment firm and prior CEO and business leader of an array of wholesale and retail financial services businesses globally. In addition to his executive experience, Mr. Klane has served on nine corporate boards-four public boards (two in the United States and two in Asia) and five private boards (two in the United States, two in Europe and one in Canada). Mr. Klane currently serves on the boards of Goldman Sachs Bank USA and Navient Corporation (Nasdaq: NAVI). Previously, Mr. Klane served as Chairman of the Board and CEO of Korea Exchange Bank and as a Director of Aozora Bank, publicly traded banks in Korea and Japan respectively. Prior to leading Korea Exchange Bank, Mr. Klane served as President of the Global Financial Services division of Capital One Financial Corporation. Mr. Klane joined Capital One in 2000 to help lead the company's transformation to a diversified financial services business. His responsibilities during his tenure included a broad range of consumer and business finance activities in the United States, Europe and Canada. He oversaw all merger and acquisition activities. Prior to Capital One, Mr. Klane was a Managing Director at Deutsche Bank and ran the Corporate Trust and Agency Services business acquired from Bankers Trust. Earlier in his career, Mr. Klane spent a decade in a variety of US and overseas consulting and strategy roles. Mr. Klane qualifies as a Qualified Financial Expert under SEC guidelines. In January 2014, Larry co-founded Pivot Investment Partners, a private investment firm focused on investing in a select set of high potential financial technology companies. Mr. Klane received his MBA from the Stanford Graduate School of Business and earned his undergraduate degree from Harvard College. In 2007, Mr. Klane was nominated by the President of the United States to sit on the Federal Reserve Board of Governors.

Guy Gamzu - Member of the Audit Committee

Guy Gamzu founded and has served as the Chairman of Cubit Investments Ltd., a privately owned investment company specializing in early stage venture finance since 1998 and serves as a director and chairman of a number of private technology companies. Previously, Mr. Gamzu has served as a Director for Gilian Technologies, Neteos, Quiver Inc, RealTimeImage, Fraud Sciences, Sightix, Marketguru, MediaMind, and Mirtemis LTD and as founder and CEO of Aglaia Diamonds. Mr. Gamzu was also a managing partner for Sycamore Technology Ventures, a private equity and venture capital investment firm. Mr. Gamzu is currently partner and cofounder for Fiverr which is an online marketplace for freelance services, partner and director for Moon Active.

Laurence Rose - Member of the Audit Committee

Laurence Rose serves as Chairman of Omega ATS Inc. and is President of private investment firm Matchpoint Financial Corp. Mr. Rose spent over eleven years at global investment bank Cantor Fitzgerald where his responsibilities included executive oversight of a number of business units, joint ventures, and investments. He served as Chairman, President and Chief Executive Officer of Cantor Fitzgerald Canada Corporation and Senior Managing Director of Cantor Fitzgerald & Co. Prior to joining Cantor Fitzgerald, Mr. Rose was founder and CEO of CollectiveBid Systems Inc. and its wholly-owned investment dealer subsidiary, CBID Markets Inc., which launched Canada's first Alternative Trading System (ATS). With over twenty-five years' experience in the capital markets and technology sectors, his professional experience also includes positions with RBC Dominion Securities Inc., Dow Jones Markets Inc. and Bridge Information Systems. Mr. Rose serves on a number of Boards of both corporate and non-profit organizations.

Audit Committee Oversight

Since the commencement of the financial year ended December 31, 2021, and to the date of this AIF, there has not been a recommendation of the Audit Committee to nominate or compensate an external auditor which was not adopted by the Board.

Reliance on Certain Exemptions

Since the commencement of the financial year ended December 31, 2021 and to the date of this AIF, the Company has not relied on:

i. the exemption in section 2.4 of NI 52-110 (*De Minimis Non-audit Services*),

ii. the exemption in subsection 6.1.1(5) of NI 52-110 (*Events Outside Control of Member*),

iii. the exemption in subsection 6.1.1(6) of NI 52-110 (*Death, Incapacity or Resignation*), or

iv. an exemption from the requirements of NI 52-110, in whole or in part, granted under Part 8 of NI 52-110 (*Exemptions*).

Prior to the Company's listing on the Nasdaq, it had relied on the exemption provided for in section 6.1 of NI 52-110, Part 5 (Reporting Obligations).

Pre-Approval Policies and Procedures

The Audit Committee will pre-approve all non-audit services to be provided to the Company by the external auditors, as required by the Audit Committee Charter. The Audit Committee may delegate to one or more independent members the authority to pre-approve non-audit services, so long as the pre-approval is presented to the full Audit Committee at its first scheduled meeting following such pre-approval.

External Auditor Service Fees

	Fiscal Year Ended December 31, 2021 (US$)	Fiscal Year Ended December 31, 2020 (US$)
Audit Fees(1)	168,000	162,326
Audit-Related Fees(2)	60,480	nil
Tax Fees(3)	21,190	18,400
All Other Fees(4)	nil	nil
	228,480	180,726

Notes:

(1) "**Audit Fees**" include fees necessary to perform the annual audit of the Company's consolidated financial statements and for review of tax provisions and for accounting consultations on matters reflected in the financial statements. Audit Fees also include audit or other attest services required by legislation or regulation, such as comfort letters, consents, reviews of securities filings and statutory audits.

(2) "**Audit-Related Fees**" include services that are traditionally performed by the auditor. These audit-related services include employee benefit audits, due diligence assistance, accounting consultations on proposed transactions, internal control reviews and audit or attest services not required by legislation or regulation.

(3) "**Tax Fees**" include fees for all tax services other than those included in "Audit Fees" and "Audit-Related Fees". This category includes fees for tax compliance, tax planning and tax advice. Tax planning and tax advice includes assistance with tax audits and appeals, tax advice related to mergers and acquisitions and requests for rulings or technical advice from tax authorities.

(4) "**All Other Fees**" include all other non-audit services.

Additional information relating to the Company may be found on SEDAR at www.sedar.com.

Additional information, including directors' and officers' remuneration and indebtedness, principal holders of the Company's securities and securities authorized for issuance under the Stock Option Plan and RSU Plan is contained in the Company's management information circular for its annual meeting of shareholders of the Company held on April 20, 2021. Additional information is also provided in the Company's financial statements and management's discussion and analysis for its most recently completed financial year.

APPENDIX A
AUDIT COMMITTEE CHARTER

The Real Brokerage Inc.

1. Role and Objective

The Audit Committee (the "**Committee**") is a committee of the board of directors (the "**Board**") of The Real Brokerage Inc. (the "**Company**") to which the Board has delegated its responsibility for the oversight of the following:

- nature and scope of the annual audit;
- management's reporting on internal accounting standards and practices;
- the review of financial information, accounting systems and procedures;
- financial reporting and financial statements,

and has charged the Committee with the responsibility of recommending, for approval of the Board, the audited financial statements, interim financial statements and other mandatory disclosure releases containing financial information.

The primary objectives of the Committee, with respect to the Company and its subsidiaries, are as follows:

- to assist the directors of the Company (the "**Directors**") in meeting their responsibilities in respect of the preparation and disclosure of the financial statements of the Company and related matters;
- to provide an open avenue of communication among the Company's auditors, financial and senior management and the Board;
- to ensure the external auditors' independence and review and appraise their performance;
- to increase the credibility and objectivity of financial reports; and
- to strengthen the role of the outside Directors by facilitating in depth discussions between Directors on the Committee, management and external auditors.

2. Composition

The Committee will be comprised of at least three Directors or such greater number as the Board may determine from time to time and all members of the Committee shall be "independent" (as such term is used in National Instrument 52-110 - *Audit Committees* ("**NI 52-110"**)) unless the Board determines that an exemption contained in NI 52-110 is available and determines to rely thereon. "**Independent**" generally means free from any business or other direct or indirect material relationship with the Company that could, in the view of the Board, reasonably interfere with the exercise of the member's independent judgment.

All of the members of the Committee must be "financially literate" (as defined in NI 52-110) unless the Board determines that an exemption under NI 52-110 from such requirement in respect of any particular member is available and determines to rely thereon in accordance with the provisions of NI 52-110. Being "**financially literate**" means members have the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Company's financial statements.

The Board shall from time to time designate one of the members of the Committee to be the chairperson of the Committee (the "**Chair**").

3. Meetings and Administrative Matters

(a) The Committee shall meet at least four times per year and/or as deemed appropriate by the Committee Chair. As part of its job to foster open communication, the Committee will meet at least annually with management and the external auditors in separate sessions, and at such other times as the external auditor and/or the Committee consider appropriate. The Chief Financial Officer of the Company shall attend meetings of the Committee, unless otherwise excused from all or part of any such meeting by the Chair.

(b) Agendas, with input from management and approved by the Chair, shall be circulated to Committee members and relevant management personnel along with background information on a timely basis prior to the Committee meetings.

(c) A quorum for meetings of the Committee will be a majority of its members, and the rules for calling, holding, conducting and adjourning meetings of the Committee will be the same as those governing the Board unless otherwise determined by the Committee or the Board.

(d) The Chair will preside at all meetings of the Committee, unless the Chair is not present, in which case the members of the Committee that are present will designate from among such members the Chair for purposes of the meeting.

(e) At all meetings of the Committee, every resolution shall be decided by a majority of the votes cast. In case of an equality of votes, the Chair of the meeting shall be entitled to a second or casting vote.

(f) The minutes of the Committee meetings shall accurately record the decisions reached and shall be distributed to the Committee members with copies to the Board, the Chief Financial Officer or such other officer acting in that capacity, and the external auditor.

(g) The Committee may invite such officers, directors and employees of the Company and its subsidiaries, if any, as it sees fit from time to time to attend at meetings of the Committee and assist in the discussion and consideration of the matters being considered by the Committee.

(h) The Committee may retain persons having special expertise and/or obtain independent professional advice to assist in fulfilling its responsibilities at the expense of the Company as determined by the Committee without any further approval of the Board.

(i) Any members of the Committee may be removed or replaced at any time by the Board and will cease to be a member of the Committee as soon as such member ceases to be a Director. The Board may fill vacancies on the Committee by appointment from among its members. If and whenever a vacancy exists on the Committee, the remaining members may exercise all its powers so long as a quorum remains. Subject to the foregoing, following appointment as a member of the Committee, each member will hold such office until the Committee is reconstituted.

(j) Any issues arising from these meetings that bear on the relationship between the Board and management should be communicated to the Chairman of the Board by the Committee Chair.

4. Mandate and Responsibilities

To fulfill its responsibilities and duties, the Committee shall:

(a) undertake annually a review of this mandate and make recommendations to the Corporate Governance and Nominating Committee as to proposed changes;

(b) satisfy itself on behalf of the Board with respect to the Company's internal control systems, including, where applicable, relating to derivative instruments:

   (i) identifying, monitoring and mitigating business risks; and

   (ii) ensuring compliance with legal, ethical and regulatory requirements;

(c) review the Company's financial statements and reports and any related management's discussion and analysis ("**MD&A**"), any annual earnings, interim earnings and press releases before the Company publicly discloses this information and any reports or other financial information (including quarterly financial reports), which are submitted to any governmental body, or to the public, including any certification, report, opinion, or review rendered by the external auditors; the process should include but not be limited to:

   (i) reviewing changes in accounting principles and policies, or in their application, which may have a material impact on the current or future years' financial statements;

   (ii) reviewing significant accruals, reserves or other estimates such as the ceiling test calculation;

   (iii) reviewing accounting treatment of unusual or non-recurring transactions;

   (iv) ascertaining compliance with covenants under loan agreements;

   (v) reviewing financial reporting relating to asset retirement obligations;

   (vi) reviewing disclosure requirements for commitments and contingencies;

   (vii) reviewing adjustments raised by the external auditors, whether or not included in the financial statements;

   (viii) reviewing unresolved differences between management and the external auditors;

   (ix) obtain explanations of significant variances with comparative reporting periods; and

   (x) determine through inquiry if there are any related party transactions and ensure the nature and extent of such transactions are properly disclosed;

(d) review the financial reports and related information included in prospectuses, MD&A, information circular-proxy statements and annual information forms and all public disclosure containing audited or unaudited financial information (including, without limitation, annual and interim press releases and any other press releases disclosing earnings or financial results) before release and prior to Board approval. The Committee must be satisfied that adequate procedures are in place for the review of the Company's disclosure of all other financial information and will periodically assess the adequacy of those procedures;

(e) with respect to the appointment of external auditors by the Board:

   (i) require the external auditors to report directly to the Committee;

   (ii) review annually the performance of the external auditors who shall be ultimately accountable to the Board and the Committee as representatives of the shareholders of the Company;

   (iii) obtain annually, a formal written statement of external auditors setting forth all relationships between the external auditors and the Company and confirming their independence from the Company;

   (iv) review and discuss with the external auditors any disclosed relationships or services that may impact the objectivity and independence of the external auditors;

(v) be directly responsible for overseeing the work of the external auditors engaged for the purpose of issuing an auditors' report or performing other audit, review or attest services for the Company, including the resolution of disagreements between management and the external auditor regarding financial reporting;

(vi) review management's recommendation for the appointment of external auditors and recommend to the Board appointment of external auditors and the compensation of the external auditors;

(vii) review the terms of engagement of the external auditors, including the appropriateness and reasonableness of the auditors' fees;

(viii) when there is to be a change in auditors, review the issues related to the change and the information to be included in the required notice to securities regulators of such change;

(ix) take, or recommend that the full Board take, appropriate action to oversee the independence of the external auditors;

(x) at each meeting, consult with the external auditors, without the presence of management, about the quality of the Company's accounting principles, internal controls and the completeness and accuracy of the Company's financial reports;

(f) review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditors of the Company;

(g) review annually with the external auditors their plan for their audit and, upon completion of the audit, their reports upon the financial reports of the Company and its subsidiaries;

(h) review and pre-approve all audit and audit-related services and the fees and other compensation related thereto, and any non-audit services, provided by the Company's external auditors and consider the impact on the independence of the auditors; The pre-approval requirement is waived with respect to the provision of non-audit services if:

(i) the aggregate amount of all such non-audit services provided to the Company constitutes not more than five percent (5%) of the total amount of fees paid by the Company to its external auditors during the fiscal year in which the non-audit services are provided;

(ii) such services were not recognized by the Company at the time of the engagement to be non-audit services; and

(iii) such services are promptly brought to the attention of the Committee by the Company and approved prior to the completion of the audit by the Committee or by one or more members of the Committee who are members of the Board to whom authority to grant such approvals has been delegated by the Committee;

provided the pre-approval of the non-audit services is presented to the Committee's first scheduled meeting following such approval, such authority may be delegated by the Committee to one or more independent members of the Committee;

(i) review any other matters that the Audit Committee feels are important to its mandate or that the Board chooses to delegate to it;

(j) with respect to the financial reporting process:

(i) in consultation with the external auditors, review with management the integrity of the Company's financial reporting process, both internal and external;

(ii) consider the external auditors' judgments about the quality and appropriateness of the Company's accounting principles as applied in its financial reporting;

(iii) consider and approve, if appropriate, changes to the Company's auditing and accounting principles and practices as suggested by the external auditors and management;

(iv) review significant judgments made by management in the preparation of the financial reports and the view of the external auditors as to appropriateness of such judgments;

(v) following completion of the annual audit, review separately with management and the external auditors any significant difficulties encountered during the course of the audit, including any restrictions on the scope of work or access to required information;

(vi) review any significant disagreement among management and the external auditors regarding financial reporting;

(vii) review with the external auditors and management the extent to which changes and improvements in financial or accounting practices have been implemented; and

(viii) review the certification process,

(k) review financial reporting relating to risk exposure and risk management policies and procedures of the Company (i.e., hedging, litigation and insurance),

(l) establish a procedure for:

(i) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters; and

(ii) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

5. Authority

Following each meeting, in addition to a verbal report, the Committee will report to the Board by way of providing copies of the minutes of such Committee meeting at the next Board meeting after a meeting is held (these may still be in draft form).

Supporting schedules and information reviewed by the Committee shall be available for examination by any director.

The Committee shall have the authority to investigate any financial activity of the Company and to communicate directly with the internal and external auditors. All employees are to cooperate as requested by the Committee.

The Committee may retain, and set and pay the compensation for, persons having special expertise and/or obtain independent professional advice to assist in fulfilling its duties and responsibilities at the expense of the Company.

THE REAL BROKERAGE INC.

Consolidated Financial Statements
December 31, 2021

Symbol: REAX | Building your future, **together**

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Deloitte.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the shareholders and the Board of Directors of The Real Brokerage Inc.

Opinion on the Financial Statements

We have audited the accompanying consolidated statements of financial position of The Real Brokerage Inc. and subsidiaries (the "Company") as of December 31, 2021 and 2020, the related consolidated statements of loss and other comprehensive loss, changes in equity, and cash flows, for each of the two years in the period ended December 31, 2021, and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2021 and 2020, and the results of its operations and its cash flows for each of the two years in the period ended December 31, 2021, in conformity with International Financial Reporting Standards as issued by the International Accounting Standards Board.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

/s/ Brightman Almagor Zohar & Co.

Brightman Almagor Zohar & Co
Certified Public Accountants
A Firm in The Deloitte Global Network

Tel Aviv, Israel
March 18, 2022

We have served as the Company's auditor since 2014.

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THE REAL BROKERAGE, INC.
CONSOLIDATED STATEMENTS OF FINANCIAL POSITIONS
(Expressed in thousands of U.S. dollars)

	For the Year Ended	
	December 31, 2021	**December 31, 2020**
ASSETS		
CURRENT ASSETS		
Cash	$ 29,082	$ 21,226
Restricted cash	47	47
Investments in available-for-sale securities at fair value	8,811	-
Trade receivables	254	117
Other receivables	23	221
Prepaid expenses and deposits	448	89
TOTAL CURRENT ASSETS	**38,665**	**21,700**
NON-CURRENT ASSETS		
Intangible assets	451	-
Goodwill	602	-
Property and equipment	170	14
Right-of-use assets	109	193
TOTAL NON-CURRENT ASSETS	**1,332**	**207**
TOTAL ASSETS	**39,997**	**21,907**
LIABILITIES AND EQUITY		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	6,604	815
Other payables	3,351	64
Lease liabilities	91	85
TOTAL CURRENT LIABILITIES	**10,046**	**964**
NON-CURRENT LIABILITIES		
Lease liabilities	40	130
Accrued stock-based compensation	2,268	15
Warrants outstanding	639	-
TOTAL NON-CURRENT LIABILITIES	**2,947**	**145**
TOTAL LIABILITIES	**12,993**	**1,109**
EQUITY		
EQUITY ATTRIBUTABLE TO OWNERS		
Share Premium	63,397	21,668
Stock-based compensation reserves	6,725	2,760
Deficit	(30,127)	(18,448)
Other Reserves	(347)	-
Treasury Stock, at cost	(12,644)	-
EQUITY ATTRIBUTABLE TO OWNERS	**27,004**	**5,980**
Non-controlling interests	-	14,818
TOTAL EQUITY	**27,004**	**20,798**
TOTAL LIABILITIES AND EQUITY	**39,997**	**21,907**

THE REAL BROKERAGE, INC.
CONSOLIDATED STATEMENTS OF LOSS AND OTHER COMPREHENSIVE LOSS
(Expressed in thousands of U.S. dollars, except for per share amounts)

	For the Year Ended	
	December 31, 2021	**December 31, 2020**
Revenues	$ 121,681	$ 16,559
Cost of Sales	110,587	14,405
Gross Profit	**11,094**	**2,154**
General and administrative expenses	10,573	3,658
Marketing expenses	7,808	905
Research and development expenses	3,979	405
Other income	(249)	(168)
Operating Loss	**(11,017)**	**(2,646)**
Listing expenses	-	835
Finance expenses	662	174
Net Loss	**(11,679)**	**(3,621)**
Other comprehensive income/(loss):		
Unrealized losses on available for sale investment portfolio	(352)	-
Foreign currency translation adjustment	5	-
Comprehensive loss	**$ (12,026)**	**$ (3,621)**
Loss per share		
Basic and diluted loss per share	$ (0.07)	$ (0.04)
Weighted-average shares, basic and diluted	**170,483**	**101,847**

THE REAL BROKERAGE, INC.
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(U.S. dollar in thousands)

	Share Premium	Stock-Based Compensation Reserve	Foreign Exchange Translation Reserve	Investments Revaluations Reserve	Deficit	Treasury Stock	Non-Controlling Interests	Total Equity (Deficit)
Balance at, January 1, 2020	**1,265**	**1,622**	**-**	**-**	**(14,827)**	**-**	**-**	**(11,940)**
Total loss and comprehensive loss	-	-	-	-	(3,621)	-	-	(3,621)
Shares issued to former ADL shareholders	271	-	-	-	-	-	-	271
Increase in ADL shares and options	459	-	-	-	-	-	-	459
Shares issued via private placement	1,588	-	-	-	-	-	-	1,588
Conversion of series A shares	11,750	-	-	-	-	-	-	11,750
Conversion of convertible debt	250	-	-	-	-	-	-	250
Exercise of stock options	2	-	-	-	-	-	-	2
Shares issued via private placement	500	-	-	-	-	-	-	500
Shares issued via Pipe transaction	-	-	-	-	-	-	14,818	14,818
Warrants issued via Pipe transaction	5,583	-	-	-	-	-	-	5,583
Equity-settled share-based compensation	-	1,138	-	-	-	-	-	1,138
Balance at, December 31, 2020	**21,668**	**2,760**	**-**	**-**	**(18,448)**	**-**	**14,818**	**20,798**
Balance at, January 1, 2021	**21,668**	**2,760**	**-**		**(18,448)**	**-**	**14,818**	**20,798**
Total loss and comprehensive loss	-	-	5	(352)	(11,679)	-	-	(12,026)
Exercise of warrants	26,475	-	-	-	-	-	-	26,475
Acquisitions of commons shares for Restricted Share Unit (RSU) plan	-	-	-	-	-	(12,644)	-	(12,644)
Release of vested common shares from employee benefit trusts	229	-	-	-	-	-	-	229
Conversion of preferred shares into common shares	14,818	-	-	-	-	-	(14,818)	-
Exercise of stock options	207	-	-	-	-	-	-	207
Equity-settled share-based payment	-	3,965	-	-	-	-	-	3,965
Balance at, December 31, 2021	**63,397**	**6,725**	**5**	**(352)**	**(30,127)**	**(12,644)**	**-**	**27,004**

THE REAL BROKERAGE, INC.
CONSOLIDATED STATEMENT OF CASH FLOWS
(U.S. dollar in thousands)

	For the Year Ended	
	December 31, 2021	**December 31, 2020**
OPERATING ACTIVITIES		
Total loss and comprehensive loss	$ (12,026)	$ (3,621)
Adjustments for:		
Depreciation	213	91
Equity-settled share-based payment transactions	4,030	1,138
Listing expenses		459
Gain on available-for-sale investment portfolio	(223)	-
Unrealized loss on available-for-sale investment portfolio	352	
Finance expenses	565	140
Stock compensation payable (RSU)	2,253	15
Changes in operating asset and liabilities:		
Trade receivables	(137)	(61)
Other receivables	198	(211)
Prepaid expenses and deposits	(359)	(56)
Accounts payable and accrued liabilities	5,789	479
Other payables	3,287	24
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	**3,942**	**(1,603)**
INVESTING ACTIVITIES		
Investments in available-for-sale securities	(8,940)	-
Purchase of property and equipment	(172)	(16)
Acquisition of subsidiaries consolidated for the first time	(1,099)	-
NET CASH USED IN INVESTING ACTIVITIES	**(10,211)**	**(16)**
FINANCING ACTIVITIES		
Proceeds from private placement	-	2,088
Additional proceeds from Qualifying Transaction (Note 4)	-	321
Proceeds from exercise of warrants	26,475	-
Proceeds from Pipe Transaction	-	20,401
Proceeds from issuance of convertible debt	-	250
Purchase of common shares for Restricted Share Unit (RSU) Plan	(12,644)	-
Proceeds from exercise of stock options	207	-
Payment of lease liabilities	(84)	(127)
NET CASH PROVIDED BY FINANCING ACTIVITIES	**13,954**	**22,933**
Net change in cash and cash equivalents	7,685	21,314
Cash and equivalents, beginning of year	21,226	53
Fluctuations in foreign currency	171	(141)
CASH AND CASH EQUIVALENTS, END OF YEAR	**$ 29,082**	**$ 21,226**
SUPPLEMENTAL DISCLOSURE OF NON-CASH ACTIVITIES:		
Conversion of series A preferred	$ -	$ 11,750
Increase in ROU against lease liabilities	$ 84	$ 69
Warrants liability from acquisition	$ 65	$ -

1. GENERAL INFORMATION

The Real Brokerage Inc. ("Real" or the "Company") is a technology-powered real estate brokerage firm, licensed in over 40 U.S. states, the District of Columbia, and 2 provinces in Canada with over 3,850 agents. Real offers agents a mobile focused tech-platform to run their business, as well as attractive business terms and wealth building opportunities.

The consolidated operations of Real include the wholly-owned subsidiaries of Real Technology Broker Ltd. incorporated on June 29, 2014 in Israel, Real PIPE, LLC incorporated on November 5, 2020 under the laws of the state of Delaware, Real Broker MA, LLC incorporated on July 11, 2018 under the laws of the state of Delaware, Real Broker CT, LLC incorporated on July 11, 2018 under the laws of the state of Delaware, Real Broker, LLC (formerly Realtyka, LLC) incorporated on October 17, 2014 under the laws of the state of Texas, Real Broker Commercial LLC incorporated on July 29, 2019 under the laws of the state of Texas, Real Broker BC Ltd. incorporated on February 23, 2021 in the province of British Columbia and Real Broker AB Ltd. incorporated on February 23, 2021 in the province of Alberta.

On January 11, 2021 Real completed the acquisition of the business assets and intellectual property of RealtyCrunch Inc. ("RealtyCrunch"). The transaction was settled in cash for an aggregate purchase price of USD $1.1 million plus 184 Common Share purchase warrants of Real. Each warrant is exercisable into one Common Share at a price of CAD $1.36 for a period of four years. In connection with this acquisition, Real also granted 2,441 stock options ("Options"), which vest over a 4-year period. The Company has determined the acquisition meets the definition of business combinations within the scope of IFRS 3, Business Combination and has completed the determination to allocate purchase price among the assets purchased and amount attributable to goodwill.

On May 17, 2021, the TSX Venture Exchange (the "TSXV") accepted the Company's Notice of Intention to implement a normal course issuer bid ("NCIB"). Pursuant to the NCIB, the Company may, during the 12-month period commencing May 20, 2021 and ending May 20, 2022, purchase up to 7,170 common shares of the Company ("**Common Shares**"), being approximately 5% of the total 143,404 Common Shares issued and outstanding as of April 30, 2021. The Company repurchased 4,906 of common shares in the amount of $12,644 as of December 31, 2021. The purpose of the purchase of common shares under the NCIB is to enable the Company to acquire shares to satisfy the RSU Plan (see Note 11(D)) for more information. The NCIB shall terminate on the earlier of April 20, 2022 and the date on which the maximum number of Common Shares purchasable under the NCIB is acquired by the Company.

The Company appointed CWB Trust Services (the "Trustee") as the trustee for the purposes of arranging for the acquisition of Common Shares and to hold the Common Shares in trust for the purposes of satisfying restricted share unit ("RSU") payments well as deal with other administration matters. Through the Trustee, RBC Capital Markets has been engaged to undertake purchases under the NCIB. RBC Capital Markets is required to comply with the TSXV NCIB rules in respect of the purchases of Common Shares as the Trustee is a non-independent trustee by the TSXV for the purposes of the NCIB rules.

The Common Shares acquired will be held by the Trustee until the same are sold in the market with the proceeds to be transferred to designated participants or until the Common Shares are delivered to designated participants, in each case under the terms of the Company's equity incentive plans to satisfy the Company's obligations in respect of redemptions of vested restricted share units ("RSUs") held by such designated participants. (see *Note 11.D)*) for more information.

On June 15, 2021 Real's common shares began trading on the NASDAQ Capital Market (the "NASDAQ") under the symbol "REAX". Trading of the Common Shares will continue on the TSXV under the same symbol, 'REAX". The purpose of the NASDAQ listing is to enhance shareholder value through improved visibility and increased trading liquidity.

On August 16, 2021, the Company announced it has launched its operations in Alberta, Canada as "Real Broker AB", this marking the launch of its first international operations.

On December 3, 2021, Real completed the acquisition of the business assets and intellectual property of Scott Benson Real Estate Inc. in Ontario, Canada. The transaction was settled in cash for an aggregate purchase price of CAD $1.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been applied consistently to all the years presented.

A. Basis of preparation

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB). These consolidated financial statements were authorized for issuance by the Board of Directors on March 18, 2022.

B. Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries) made up to December 31st each year. Control is achieved when the Company:

- Has the power over the investee
- Is exposed, or has rights, to variable returns from its involvement with the investee
- Has the ability to use its power to affect its returns

The Company reassesses whether it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, the results of subsidiaries acquired or disposed of during the year are included in profit or loss from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Where necessary, adjustments are made to the financial statements of subsidiaries to ensure subsidiaries' accounting policies are in line with Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses, and cash flows relating to transactions between the members of the Group are eliminated on consolidation.

C. Functional and presentation currency

These consolidated financial statements are presented in U.S. dollars, which is the Company's functional currency. All amounts have been rounded to the nearest thousands of dollars, unless otherwise noted.

D. Foreign currency translation

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year-end exchange rates are recognized in the consolidated statement of loss and other comprehensive loss within accumulated other comprehensive loss.

Foreign operations

The assets and liabilities of foreign operations are translated into U.S. dollars at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into U.S. dollars at exchange rates at the date of the transactions. When a foreign operation is disposed of in its entirety or partially such that control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal.

E. Operating segments

In measuring its performance, the Company does not distinguish or group its operations on a geographical or on any other basis, and accordingly has a single reportable operating segment. Management has applied judgment by consolidating its cost generating units (CGU) into one single reportable segment for disclosure purposes. Such judgment considers the nature of the operations, and an expectation of operating segments within a reportable segment, which have similar long-term economic characteristics.

The Company's Chief Executive Officer is the chief operating decision maker, and regularly reviews operations and performance on an aggregated basis. The Company does not have any significant customers or any significant groups of customers.

F. Reclassification

Certain amounts in prior years consolidated financial statements have been reclassified to conform to the current year's presentation.

G. Revenue from contracts with customers

The Company generates substantially all its revenue from commissions from the sale of real estate properties. Other sources of revenue include fee income from the brokerage-platform and other revenues relating to auxiliary services.

The Company is contractually obligated to provide services for the fulfillment of transfer of real estate between agents, buyers, and sellers. The Company satisfies its performance obligations through closing of a transaction and provides services between the agents and buyers and sellers as a principal. Accordingly, the Company will recognize revenues in the gross amount of consideration, to which it expects to be entitled to.

Please see *Note 8* for more Information about the Company's revenues from contracts with customers.

Performance obligations and revenue recognition policies

Revenue is measured based on the consideration specified in a contract with a customer. The Company recognizes revenue upon the satisfaction of its performance obligation when it transfers control over a good or service to a customer.

The following table provides information about the nature and timing of the satisfaction of performance obligations in contracts with customers, including significant payment terms, and related revenue recognition policies.

Type of product or service	Nature of timing of satisfaction of performance obligations including significant payment terms	Revenue recognition policies
Commissions from real estate contracts	Customers obtain control of real estate property on the closing date, which ordinarily when consideration is received	Revenue is recognized at a point in time as the purchase agreement is closed and the sale is executed
Service contracts with real estate agents	Under service contracts with real estate agents, they enroll in an annual subscription plan to use the tech-platform	Revenue is recognized over time as the company provides promised services to real estate agents on a paid subscription plan

H. Share based compensation

The Company's real estate agents receive remuneration in the form of share-based compensation transactions, whereby those agents are entitled for restricted share units. In addition, the Company grants its employees and members of the board of directors remuneration in the form of share-based compensation transactions, whereby employees and the board of directors render services in consideration for equity instruments.

Share-based payment arrangements

The grant-date fair value excluding the effect of non-market equity-settled share-based payment arrangements granted to employees is generally recognized as an expense, with a corresponding increase in equity, over the vesting period of the awards. The amount recognized as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognized is based on the number of awards that meet the related service and non-market performance conditions at the vesting date.

Restricted share unit plan

Under the restricted share unit plan, eligible participants receive restricted share units (RSUs), which generally vest over a period of one to three years. The expense in relation to RSUs earned in recognition of personal performance conditions is recognized at grant-date fair value during the applicable vesting period based on the best available estimate of the number of equity instruments expected to vest with a corresponding increase in stock-based compensation reserve. The expense in relation to RSUs purchased in the agent stock purchase plan are recognized at grant-date fair value with a corresponding increase in liability. The liability is classified into equity after the 12 - month holding period has passed. Please see *Note 11* for more information about the Company's restricted share unit.

I. Income tax

Income tax expenses comprise of current and deferred tax. It is recognized in profit or loss, or items recognized directly in equity or in other comprehensive income.

The Company has determined that interest and penalties related to income taxes, including uncertain tax treatments, do not meet the definition of income taxes, and therefore accounted for them under IAS 37 *Provisions, Contingent Liabilities and Contingent Assets*.

Current tax

Current tax comprises from expected payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using the tax rates enacted or substantively enacted at the reporting date.

Current tax assets and liabilities are offset only if certain criteria are met.

Deferred tax

Deferred taxes are recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred taxes are not recognized for:

- Temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; and

- Temporary differences related to investments in subsidiaries to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future.

Deferred tax assets are recognized for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognize a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for individual subsidiaries in the Company. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Unrecognized deferred tax assets are reassessed at each reporting date and recognized to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date, and reflects uncertainty related to income taxes, if any.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if certain criteria are met.

J. Property and equipment

Recognition and measurement

Items of property and equipment are measured at cost, which includes capitalized borrowing costs, less accumulated depreciation and any accumulated impairment losses. If significant parts of an item of property and equipment have different useful lives, then they are accounted for as separate items (significant components) of property and equipment.

Any gain or loss on disposal of an item of property and equipment is recognized in profit or loss.

Subsequent expenditures

Subsequent expenditures are capitalized only if it is probable that future economic benefits associated with the expenditure will flow to the Company.

Depreciation

Depreciation is calculated to write off the cost of items of property and equipment less their estimated residual values using the straight-line method over their estimated useful lives and is generally recognized in profit or loss.

The estimated useful lives of property and equipment for current and comparative periods are as follows:

Computer equipment:	3 years
Furniture and fixtures:	5-10 years.

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted, if appropriate.

K. Financial instruments

Recognition and initial measurement

Financial assets and financial liabilities are recognized on the Company's consolidated statements of financial position when Real becomes party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

Classification and subsequent measurement

Financial assets - Policy

On initial recognition, a financial asset is classified as measured at: fair value; Fair Value through Other Comprehensive Income (FVOCI) - debt investment; FVOCI - equity investment; or Fair Value through profit and loss (FVTPL).

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortized cost if it meets both of the following conditions as is not designated as FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and

- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and

- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets - Business model assessment

The Company assesses the objective of the business model in which a financial asset is held at a portfolio level, because this best reflects the way the business is managed, and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows;

- how the performance of the portfolio is evaluated and reported to the Company's management;

- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;

- how managers of the business are compensated - e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and

- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and the expectations of future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales, consistent with the Company's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets - Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.
Financial assets at amortized cost	These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.
Debt investments at FVOCI	These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognized in profit or loss. Other net gains and losses are recognized in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses recognized in OCI and are never reclassified to profit or loss.

Financial liabilities - Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and their net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on derecognition is also recognized in profit or loss.

Derecognition

Financial assets

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

Financial liabilities

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled or expire. The Company also derecognizes a financial liability when its terms are modified and the cash flows or the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognized in profit or loss.

Offsetting

Financial assets and financial liabilities are offset and the net amount presented on the consolidated statements of financial position, only when the Company has a legally enforceable right to offset the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

L. Share capital

i. Ordinary shares

Incremental costs directly attributable to the issue of ordinary shares are recognized as a deduction from equity. Income tax relating to transactions costs of an equity transaction are accounted for in accordance with IAS 12.

ii. Preferred Shares

Preferred shares are the shares that pay a fixed dividend prior to any distributions to the holders of the issuer's common stock. This payment is typically cumulative, so any delayed prior payments must be paid to the preferred stockholders before distributions can be made to the holders of common stock. As of December 31, 2019, the Company's preference shares were classified as liability, due to the rights of the holders to require a cash settlement not with in the control of the Company. On June 5, 2020, the 68,460 preferred shares were converted into equity. Please see *Note 4* for the conversion of preferred shares in the qualifying transaction. AAs of December 31, 2021, the Company does not have preferred shares. Please see *Note 5* for issuance of preferred shares in Real Pipe LLC.

iii. Non - controlling interests

Non-controlling interest represents the portion of net income and net assets which the Company does not own, either directly or indirectly. It is presented as "Attributable to non-controlling interest" separately in the Consolidated Statements of Loss, and separately from shareholders' equity in the Consolidated Statements of Financial Position.

M. Goodwill

Goodwill is the excess of the consideration transferred over the net identifiable assets acquired and liabilities assumed in a business combination. Goodwill is tested annually for impairment, or more regularly if certain indicators are present. For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the cash generating units (CGU) that are expected to benefit from the synergies of the combination and represent the lowest level at which the goodwill is monitored for internal management purposes. The recoverable amount is the higher of the fair value less cost to sell and the value in use; where the value in use is the present value of the future cash flows. Goodwill is evaluated for impairment by comparing the recoverable amount of the Group's operating segments to the carrying amount of the operating segments to which the goodwill relates. If the recoverable amount is less than the carrying amount an impairment charge is determined.

N. Impairment

Assets that are subject to depreciation or amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying value may not be recoverable. An impairment loss is recognized in the consolidated statement of loss and other comprehensive loss consistent with the function of the assets, for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are largely independent cash inflows. Prior impairments of non-financial assets (other than goodwill) are reviewed for possible reversal each reporting period.

O. Provisions

Provisions are recognized when present (legal or constructive) obligations as a result of a past event will lead to a probable outflow of economic resources and amounts can be estimated reliably. Provisions are measured at management's best estimate of the expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation.

The Company performs evaluations to identify onerous contracts and, where applicable, records provisions for such contracts. All provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. In those cases where the possible outflow of economic resources as a result of present obligations is considered remote, no liability is recognized.

P. Leases

At the inception of a contract, the Company assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises of the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements (i.e. changes in lease term) of the lease liability.

The lease liability is initially measured at the present value of lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;

- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;

- amounts expected to be payable under a residual value guarantee; and

- the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Short-term leases and leases of low-value assets

The Company has elected not to recognize right-of-use assets and lease liabilities for short-term leases of machinery that have a lease term of 12 months or less and leases of assets that are less than $5 per month including IT equipment. The Company recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Q. Business combinations

Business combinations are accounted for under the purchase method. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under IFRS 3 'Business Combinations', are recognized at their fair value at the acquisition date, except certain assets and liabilities required to be measured as per the applicable standards.

Excess of fair value of purchase consideration and the acquisition date non-controlling interest over the acquisition date fair value of identifiable assets acquired and liabilities assumed is recognized as goodwill. Goodwill arising on acquisitions is reviewed for impairment annually. Where the fair values of the identifiable assets and liabilities exceed the cost of acquisition, the Company assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognized at the acquisition date. If the assessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the surplus is credited to the consolidated statements of profit or loss in the period of acquisition.

Where it is not possible to complete the determination of fair values by the date on which the first post-acquisition financial statements are approved, a provisional assessment of fair value is made and any adjustments required to those provisional fair values are finalized within twelve months of the acquisition date.

Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognized to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date. These adjustments are called measurement period adjustments. The measurement period does not exceed twelve months from the acquisition date.

Any non-controlling interest in an acquiree is measured at fair value or at the non-controlling interest's proportionate share of the acquiree's net identifiable assets. This accounting choice is made on a transaction-by-transaction basis.

Acquisition expenses are charged to consolidated statements of profit or loss.

If the Group acquires a group of assets in a company that does not constitute a business in accordance with IFRS 3, the cost of the acquired group of assets is allocated to the individual identifiable assets acquired based on their relative fair value.

R. Accounting policy development

Initial application of standards, interpretations and amendments to standards and interpretations

In August 2020, the International Accounting Standards Board issued Interest Rate Benchmark Reform-Phase 2, which amends IFRS 9 Financial Instruments, IAS 39 Financial Instruments: Recognition and Measurement, IFRS 7 Financial Instruments: Disclosures, IFRS 4 Insurance Contracts and IFRS 16 Leases. The amendments are effective for periods beginning on or after January 1, 2021. Interest rate benchmarks such as interbank offer rates (IBORs) play an important role in global financial markets as they index a wide variety of financial products, including derivative financial instruments. Market developments have impacted the reliability of some existing benchmarks and, in this context, the Financial Stability Board has published a report setting out recommendations to reform such benchmarks. The Interest Rate Benchmark Reform-Phase 2 amendments focus on the effects of the interest rate benchmark reform on a company's financial statements that arise when an interest rate benchmark used to calculate interest is replaced with an alternative benchmark rate; most significantly, there will be no requirement to derecognize or adjust the amount of financial instruments for changes required by the reform, but will instead update the effective interest rate to reflect the change to the alternative benchmark rate. The effects of these amendments on our financial performance and disclosure will be dependent upon the facts and circumstances of future changes in the derivative financial instruments we use, if any, and any future changes in interest rate benchmarks, if any, referenced by such derivative financial instruments we use.

Standards, interpretations, and amendments to standards not yet effective and not yet applied

In February 2021, the International Accounting Standards Board issued narrow-scope amendments to IAS 1, Presentation of Financial Statements, IFRS Practice Statement 2, Making Materiality Judgements and IAS 8, Accounting Polices, Changes in Accounting Estimates and Errors. The amendments are effective for annual periods beginning on or after January 1, 2023, although earlier application is permitted. The amendments will require the disclosure of material accounting policy information rather than disclosing significant accounting policies and clarifies how to distinguish changes in accounting policies from changes in accounting estimates. We are currently assessing the impacts of the amended standards, but do not expect that our financial disclosure will be materially affected by the application of the amendments.

In May 2021, the International Accounting Standards Board issued targeted amendments to IAS 12, Income Taxes. The amendments are effective for annual periods beginning on or after January 1, 2023, although earlier application is permitted. With a view to reducing diversity in reporting, the amendments will clarify that companies are required to recognize deferred taxes on transactions where both assets and liabilities are recognized, such as with leases and asset retirement (decommissioning) obligations. Based upon our current facts and circumstances, we do not expect our financial performance or disclosure to be materially affected by the application of the amended standard.

S. Revenue Share

The Company has a revenue sharing plan where its agents and brokers can receive additional commission income from real estate transactions consummated by agents and brokers they have attracted to the Company. Agents and brokers are eligible for revenue share based on the number of qualifying active agents they have attracted to the Company. Revenue shares are included as part of Marketing Expenses in the consolidated statements of loss and other comprehensive loss.

T. Warrants Accounting

Warrants are a financial instrument that allow the holder to purchase stock of the issuer at a specified price during the warrant term. The Company classifies a warrant to purchase shares of its common stock as a liability on its consolidated balance sheets as this warrant is a free-standing financial instrument that may require the Company to transfer consideration upon exercise. Each warrant is initially recorded at fair value on date of grant using the Black-Scholes model and net of issuance costs, and it is subsequently re-measured to fair value at each subsequent balance sheet date. Changes in fair value of the warrant are recognized as a component of other income (expense), net in the consolidated statement of operations and comprehensive loss. The Company will continue to adjust the liability for changes in fair value until the earlier of the exercise or expiration of the warrant.

U. Intangible Assets

The Company's intangible assets are finite lived and consist primarily of trade name, technology and customer relationships. Each intangible asset is amortized on a straight-line basis over its useful life of 5 years. The Company evaluates its intangible assets for recoverability and potential impairment, or as events or changes in circumstances indicate the carrying value may be impaired.

V. Treasury Share

During the year ended December 31, 2021, the Company purchased 4,906 Common Shares which were classified as Treasury shares.

3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In preparing these consolidated financial statements, management has made judgments estimates and assumptions that affect the application of the Company's accounting policies which are described in *Note 2* and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized prospectively.

Information about assumptions and estimation uncertainties that have significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities in the next financial year is included in the following notes:

- *Deferred taxes*
  Deferred tax assets are recognized only if management assesses that these tax assets can be offset against positive taxable income within a foreseeable future. This judgment is made by management on an ongoing basis and is based on budgets and business plans for the coming years. These budgets and business plans are reviewed and approved by the Board of Directors. Since inception, the Company has reported losses, and consequently, the Company has unused tax losses. The deferred tax assets are currently not deemed to meet the criteria for recognition as management is not able to provide any convincing positive evidence that deferred tax assets should be recognized. Therefore, management has concluded that deferred tax assets should not be recognized on December 31, 2021.

- *Measurement of fair values*
  The Company regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as a broker quotes or pricing services, is used to measure fair values, then the Company assesses the evidence obtained from third parties to support the conclusion of these valuations meet the requirements of the standards, including the level in the fair value hierarchy in which the valuations should be classified.

  When measuring the fair value of an asset or liability, the Company uses observable market data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- *Level 1*: quoted prices (unadjusted) in active markets for identical assets or liabilities.

- *Level 2*: inputs other than quoted prices included in Level 1, that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

- *Level 3*: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

  If the inputs used to measure the fair value of an asset or liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

  The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

  Further information about assumptions made in measuring fair values is included in the following notes:

- *Note 11* - share-based payment arrangements; and

- *Note 19* - financial instruments.

4. QUALIFYING TRANSACTION

A. ADL Ventures Inc.

On June 5, 2020, Real completed reverse takeover transaction with ADL Ventures Inc. ("ADL"), a capital pool company, incorporated under the Business Corporations Act (British Columbia), which constitutes the Company's "Qualifying Transaction" under Policy 2.4 - Capital Pool Companies of the TSX-V.

On March 5, 2020, Real and ADL entered into a securities exchange agreement (the "Securities Exchange Agreement") pursuant to which ADL would acquire all the issued and outstanding securities of Real as part of the Qualifying Transaction.

The Securities Exchange Agreement provided for the acquisition of all the issued and outstanding common shares, warrants and options of Real by ADL in exchange for common shares and options of ADL. As a result of the Qualifying Transaction, ADL became the sole beneficial owner of all the outstanding securities of Real.

(U.S. dollar in thousands unless otherwise noted)

	Note	Number of Options	Number of Shares	Value
ADL shares and options issued and outstanding		1,200	9,100	271
Effect of transaction with ADL:				
Increase in value of ADL shares and options issued to shareholders of ADL	*B(i)*	-	-	459
Shares issued pursuant to private placement	*B(ii)*	-	20,758	1,588
Shares and options issued to shareholders of Real	*B(iii)*	5,671	42,144	14,818
Conversion of Real series A preferred shares	*B(iv)*	-	68,460	11,750
Conversion of Real convertible debt	*B(v)*	-	3,295	250
ADL options exercised	*B(vi)*	-	675	2
Effect of Transaction on Share Capital		**6,871**	**144,432**	**29,138**

B. Transactions

i. Increase in value of ADL shares and options issued to shareholders of ADL

Accounting for the transaction under IFRS 2, Share-based payment arrangements, the fair value of the existing shares and options of ADL were increased by $459 in the year 2020.

ii. Shares issued pursuant to private placement

Concurrent with the Qualifying Transaction, Real raised $1,588 by way of a private placement of subscription receipts (the "Private Placement"). Each subscription receipt was exercisable into one common share, automatically, and upon completion of the Qualifying Transaction.

The common shares issued pursuant to the Private Placement are subject to a six-month regulatory hold period from the date of closing the Private placement, comprised of a four-month regulatory hold plus a two-month hold period based on contractual lock-up commitments of the subscribers.

iii. Shares and options issued to shareholders of Real

Real had 40,179 ordinary stock and 5,672 options, exchanged for Common Shares on a basis of 1 to 1.0083.

iv. Conversion of Real series A preferred shares

Immediately prior to the Qualifying Transaction, Real series A preferred shares were converted on a one-for-one basis into Real ordinary stock and exchanged for Common Shares on a basis of 1 to 1.0083.

v. Conversion of convertible debt

On February 17, 2020 and March 31, 2020, Real raised an aggregate of $250 by way of convertible loan, with the principal amounts converted immediately prior to the closing of the transaction at a price per share of $0.07587 which was in turn exchanged into Common Shares on a basis of 1 to 1.0083.

vi. ADL options exercised

Subsequent to the transaction, 675 of the ADL options were exercised into common shares.

5. PIPE TRANSACTION

On December 2, 2020, the Company completed an equity investment in private equity funds indirectly controlled by Insight Holdings Group, LLC (the "Insight Partners") for gross proceeds of USD $20 million (approximately CAD $26.28 million)

(U.S. dollar in thousands unless otherwise noted)

Insight Partners were issued 17,287preferred units (the "Preferred Units") of a newly and wholly owned subsidiary of the Company, Real PIPE, LLC formed under the laws of the State of Delaware, that are exchangeable into the same number of common shares of the Company (Common Shares) and 17,287 share purchase warrants of the Company that are exercisable for Common Shares ("Warrants"). Each Warrant entitled the holder to subscribe and purchase one Common Share at an exercise price of $1.48 (CAD $1.9) for a period of 5 years, subject to certain acceleration terms.

On June 15, 2021, in connection with the listing of Real's common shares on the NASDAQ, Real delivered an Acceleration Notice to certain funds managed by Insight Partners providing for the acceleration of the expiry date to June 30, 2021, of an aggregate 17,287, previously issued Warrants. All Warrants held by Insight Partners were exercised into Common Shares for gross proceeds of $26.6 million (CAD $32.8 million) on June 28, 2021.

On August 3, 2021, Insight Partners were issued an aggregate of 17,287 Common Shares in exchange of the Insight Partners' Preferred Units in connection with the Forced Exchange Event.

6. REALTYCRUNCH ACQUISITION

On January 11, 2021, Real completed the acquisition of the business assets and intellectual property of RealtyCrunch Inc. (the "RealtyCrunch Transaction"). The RealtyCrunch Transaction was settled in cash for an aggregate purchase price of USD $1.1 million plus 184 Common Share purchase warrants of Real. Each warrant is exercisable into one Common Share at a price of CAD $1.36 for a period of four years. In connection with this acquisition, Real also granted 2,441 stock options ("Options"), which vest over a 4-year period. The Company has determined the acquisition meets the definition of business combinations within the scope of IFRS 3, Business Combination and has completed the determination to allocate purchase price among the assets purchased and amount attributable to goodwill. The expense incurred related to the acquisition was $38 for the year ended December 31, 2021.

The following table summarizes the fair values of the acquired assets and assumed liabilities, with reference to the acquisition as of the acquisition date:

	Balance at, December 31, 2021
Identifiable assets acquired and goodwill	
Proprietary Technology	563
Goodwill	602
Total Purchase Price	**1,165**
Cash Paid	1,100
Warrants Issued	65

We have completed the valuation of the acquired assets and assumed liabilities and have assigned $563 as the fair value of the Company's developed technology and $602 as the residual goodwill.

7. SCOTT BENSON REAL ESTATE INC.

On December 3, 2021, Real completed the acquisition of the common shares of Scott Benson Real Estate Inc in Ontario, Canada. The transaction was settled in immaterial cash for an aggregate purchase price of one US Dollar. The Company has determined the acquisition meets the definition of business combinations within the scope of IFRS 3, Business Combination and recorded an immaterial gain from bargain purchase. The Company has 12 months from the date of purchase to determine the purchase price allocation among the purchased assets and liabilities assumed and do not expect material adjustments to the bargain gain that was recognized.

(U.S. dollar in thousands unless otherwise noted)

	Balance at December 31, 2021
Recognized amounts of assets acquired and liabilities assumed	
Cash	1
Receivable Accounts	1,479
In Trust Cash	1,383
Accounts Payables and Accrued Liabilities	(1,462)
Held in Trust Funds	(1,383)
Other Payables	(18)
Net Assets Acquired	-
Consideration Paid	-
Gain from Bargain Purchase	-
Cash Flow	
Consideration Paid	-
Cash Acquired	1
Cash From Investing Activities	1

8. REVENUE

A. Revenue streams and disaggregation of revenue from contracts with customers

In the following table, revenue from contracts with customers is disaggregated by major service lines as well as timing of revenue recognition.

	For the Year Ended	
	December 31, 2021	**December 31, 2020**
Main revenue streams		
Commissions	120,957	16,427
Fee Income	711	88
Other	13	44
Total Revenue	**121,681**	**16,559**
Timing of Revenue Recognition		
Products transferred at a point in time	121,668	16,515
Revenue from Contracts with Customers	**121,668**	**16,515**
Other revenue	13	44
Total Revenues	**121,681**	**16,559**

(U.S. dollar in thousands unless otherwise noted)

9. EXPENSES BY NATURE

	For the Year Ended	
	December 31, 2021	**December 31, 2020**
Cost of Sales	**110,587**	**14,405**
Operating Expenses		
General and Administration Expense	**10,573**	**3,658**
Salaries and Benefits	3,748	1,078
Stock Based Compensation for employees	1,333	744
Administrative Expenses	1,006	348
Consultancy Expenses	3,425	1,164
Depreciation Expense	213	91
Other General and Administrative Expenses	848	233
Marketing Expenses	**7,808**	**905**
Salaries and Benefits	327	-
Stock Based Compensation for employees	135	143
Stock Based Compensation for agents	2,194	69
Revenue Share	4,454	180
Other Marketing and Advertising Cost	698	513
Research and Development Expenses	**3,979**	**405**
Salaries and Benefits	840	-
Stock Based Compensation for employees	1,545	182
Other Research and Development	1,594	223
Total Cost of Sales and Operating Expenses	**132,947**	**19,373**

Finance Expenses

The following table summarizes detail behind Finance costs as reported in the Consolidated Statement of Income (Loss)

	For the Year Ended	
Description	**December 31, 2021**	**December 31, 2020**
Unrealized loss on Warrants	574	-
Bank Fees	97	26
Interest Expense (Income)	(13)	142
Other	4	6
Total Finance Expenses	**662**	**174**

10. LOSS PER SHARE

A. Basic and Diluted loss per share

Basic loss per share is computed by dividing the loss for the period by the weighted average number of shares of common stock outstanding during the period. Diluted earnings (loss) per share is computed by dividing net income (loss) less any preferred dividends for the period by the weighted average number of shares of common stock outstanding plus, if potentially dilutive common shares outstanding during the period. The Company does not pay dividends or have participating shares outstanding.

	For the Year Ended	
(in thousands of shares)	**December 31, 2021**	**December 31, 2020**
Issued ordinary shares at the beginning of the period	161,721	41,797
Effect of Qualifying Transaction	-	53,560
Effect of Warrant Exercise	8,762	5,211
Effect of Pipe Transaction	-	1,279
Effect of Conversion of Preferred Units	-	-
Weighted-average numbers of ordinary shares	**170,483**	**101,847**
Loss per share		
Basic and diluted loss per share	**(0.07)**	**(0.04)**

11. SHARE-BASED PAYMENT ARRANGEMENTS

A. Description of share-based payment arrangements

i. Stock option plan (equity-settled)

On January 20, 2016, the Company established a stock-option plan that entitles key management personnel and employees to purchase shares in the Company. Under the stock-option plan, holders of vested options are entitled to purchase shares based for the exercise price as determined at grant date.

The key terms and conditions related to the grants under these programs are as follows; all options are to be settled by physical delivery of shares.

(U.S. dollar in thousands unless otherwise noted)

Grant Date	Number of Instruments	Vesting Conditions	Contractual Life of Options
Balance December 31 2019	5,791		
On June, 2020	2	quarterly vesting	5.6 years
On June, 2020	3	immediate	5.6 years
On June, 2020	4,000	25% on first anniversary, then quarterly vesting	10 years
On June, 2020	450	50 immediately, then quarterly vesting	10 years
On June, 2020	1400	400 immediately, then quarterly vesting	10 years
On June, 2020	1,123	1 year	10 years
On June, 2020	50	Immediate	10 years
On June, 2020	225	Immediate	7.8 years
On August, 2020	50	Immediate	10 years
On August, 2020	499	quarterly vesting	10 years
On October, 2020	220	quarterly vesting	10 years
Balance December 31, 2020	**13,813**		
On January, 2020	60	25% on first anniversary, then quarterly vesting	10 years
On March, 2020	244	immediate	10 years
On March, 2020	100	quarterly vesting	10 years
On March, 2020	250	25% on first anniversary, then quarterly vesting	10 years
On January, 2021	2,441	25% immediately, 25% on first anniversary, then quarterly vesting	10 years
On January, 2021	165	25% on first anniversary, then quarterly vesting	10 years
On January, 2021	1,670	quarterly vesting	10 years
On March, 2021	241	25% on first anniversary, then quarterly vesting	10 years
On March, 2021	114	quarterly vesting	10 years
On May, 2021	190	25% on first anniversary, then quarterly vesting	10 years
On May, 2021	705	3 years quarterly	10 years
On August, 2021	65	25% on first anniversary, then quarterly vesting	10 years
On August, 2021	450	quarterly vesting	10 years
On November, 2021	1,220	25% on first anniversary, then quarterly vesting	10 years
On November, 2021	559	3 years quarterly	10 years
Balance December 31, 2021	**22,287**		

B. Measurement of fair values

The fair value of the stock-options has been measured using the Black-Scholes formula which was also used to determine the Company's share value. Service and non-market performance conditions attached to the arrangements were not considered in measuring fair value. The inputs used in the measurement of the fair values at the grant and measurement date were as follows:

	December 31, 2021	December 31, 2020
Share price	$ 3.69	$ 0.92
Exercise price	$ 0.87 to $3.40	$ 0.10 to $1.76
Expected volatility (weighted-average)	156.0%	65.0% to 66.1%
Expected life (weighted-average)	10 years	3 to 10 years
Expected dividends	- %	- %
Risk-free interest rate (based on US government bonds)	1.45%	1.38%

Expected volatility has been based on an evaluation of historical volatility of the company's share price.

(U.S. dollar in thousands unless otherwise noted)

C. Reconciliation of outstanding stock-options

	December 31, 2021			December 31, 2020		
	Number of Options		Weighted-Average Exercise Price	Number of Options		Weighted-Average Exercise Price
Outstanding at beginning of year	12,851	$	0.27	5,791	$	0.13
Granted	8,474		1.70	8,022		0.37
Forfeited/ Expired	(370)		-	-		-
Exercised	(140)		(0.13)	(962)		(0.10)
Outstanding at end of year	**20,815**	**$**	**0.71**	**12,851**	**$**	**0.27**
Exercisable as at end of year	**10,295**			**3,103**		

The stock-options outstanding as of December 31, 2021 had a weighted average exercise price of $0.71 (December 31, 2020: $0.27) and a weighted-average contractual life of 10 years (December 31, 2020: 3 to 10 years).

D. Restricted share unit plan

i. Restricted share unit plan

On September 21, 2020, the Company established a restricted share unit plan. Under the plan agents are eligible to receive RSUs that, upon vesting, entitled the holder to a Common Share or cash payment in lieu of a Common Share. The RSUs are earned in recognition of personal performance and ability to attract agents to Real. The expense recognized in relation to these awards for the year ended December 31, 2021 was $1,023. The stock compensation attributable to agent growth was classified as marketing expense. The stock compensation award granted to FTEs was classified as General and Administrative expense on the audited consolidated statements of loss and comprehensive loss.

RSUs awarded in the agent incentive program purchase plan are based on a percentage of commission withheld to purchase Common Shares. These RSUs are expensed in the period in which those awards are deemed to be earned with a corresponding increase in liability. All awards under this plan are subject to a 12-month holding period. The liability will be classified into equity after the 12-month holding period has passed. The company will grant an additional 25% of shares as a bonus after the 12-month holding period has passed. The bonus RSUs are expensed in the period the original award is deemed earned with a corresponding increase in stock-based compensation reserve.

RSUs awarded for personal performance and the ability to attract agents earned in recognition of personal performance conditions and are subject to a 3-year vesting period. The Company recognizes this expense during the applicable vesting period based upon the best available estimate of the number of equity instruments expected to vest with a corresponding increase in stock-based compensation reserve.

The following table illustrates changes in the Company's stock compensation liability for the periods presented:

	Amount
Balance at, December 31, 2019	-
Stock Grant Liability Increase	15
Stock Grants Released from liability to equity	-
Balance at, December 31, 2020	15
Stock Grant Liability Increase	2,482
Stock Grants Released from liability to equity	(229)
Balance at, December 31, 2021	**2,268**

(U.S. dollar in thousands unless otherwise noted)

The following table illustrates the Company's stock activity (in units) for the restricted share unit plan.

	Amount
Balance at, December 31, 2019	-
Granted	121
Vested and Issued	-
Balance at, December 31, 2020	121
Granted	3,951
Vested and Issued	(76)
Forfeited	(31)
Balance at, December 31, 2021	**3,965**

The following table provides a detailed breakdown of the stock-based compensation expense as reported in the Consolidated Statement of Loss and Comprehensive Loss.

Stock Based Compensation Expense

	December 31, 2021			December 31, 2020		
	Options Expense	*RSU Expense*	***Total***	*Options Expense*	*RSU Expense*	***Total***
Marketing Expenses - Agent Stock Based Compensation	1,188	1,006	2,194	45	24	69
Marketing Expenses - FTE Stock Based Compensation	135	-	135	143	-	143
Research and Development - FTE Stock Based Compensation	1,545	-	1,545	182	-	182
General and Administrative - FTE Stock Based Compensation	1,316	17	1,333	744	-	744
Total Stock Based Compensation Expense	**4,184**	**1,023**	**5,207**	**1,114**	**24**	**1,138**

On May 20, 2021 the Company began transacting under the NCIB to purchase up to 7,170 of its common shares representing approximately 5% of the total 143,404 Common Shares issued and outstanding as of April 30, 2021. Purchases will be made at prevailing market prices commencing on or about May 20, 2021 and ending on the earlier of: (i) one year from such commencement; or (ii) the date on which the Company has purchased the maximum number of Shares to be under the NCIB. The purpose of the purchase of common shares under the NCIB is to enable the Company to acquire shares to satisfy the RSU Plan. During the twelve months ended December 31, 2021, there were 4,906 shares purchased in the amount of $12,644.

The Company has appointed CWB Trust Services as the Trustee for the purposes of arranging for the acquisition of the Common Shares and to hold the Common Shares in trust for the purposes of satisfying restricted share unit ("RSU") payments well as deal with other administration matters. Through the trustee, RBC Capital Markets has been engaged to undertake purchases under the NCIB for the purposes of the RSU Plan. RBCCM is required to comply with the TSXV NCIB rules in respect of the purchases of Common Shares as the Trustee is considered to be a non-independent trustee by the TSXV for the purposes of the NCIB rules.

12. CASH

	December 31, 2021	December 31, 2020
Cash	29,082	21,226
Restricted Cash	47	47
Total Cash	**29,129**	**21,273**

(U.S. dollar in thousands unless otherwise noted)

13. INVESTMENTS IN AVAILABLE FOR SALE SECURITIES AT FAIR VALUE

Description	Cost	Dividends, Interest & Income	Gross Unrealized Losses	Estimated Fair Value December 31, 2021
U.S. Government Bonds	5,095	150	(212)	5,033
Municipal Bonds	2,945	73	(118)	2,900
Alternative Strategies	900	-	(22)	878
Short Term Investments	**8,940**	**223**	**(352)**	**8,811**

Investment securities are recorded at fair value. The company's investment securities portfolio consists primarily of cash investments, debt securities issued by U.S government agencies, local municipalities and certain corporate entities. Alternative strategies include number of securities such as Bank Loans, Treasury Notes, Treasury futures, Currencies, FX Forwards, FX Futures, FX Swap, Corporate Debt, Federal Reserve Repos and mortgage-backed securities. The products in investment portfolio have maturity dates ranging from less than one year to over 20 years.

The fair value of investment securities is impacted by interest rates, credit spreads, market volatility, and liquidity conditions. Net unrealized gains and losses in the portfolio are included in Other Comprehensive Income (Loss). An unrealized loss exists when the current fair value of an individual security is less than the amortized cost basis.

14. PROPERTY AND EQUIPMENT, INTANGIBLE ASSETS

Reconciliation of Carrying Amounts

	Computer Equipment	Furniture and Equipment	Total
Cost			
Balance at December 31, 2019	21	65	86
Additions	12	4	16
Balance at December 31, 2020	33	69	102
Additions	172	-	172
Balance at December 31, 2021	**205**	**69**	**274**
Accumulated Depreciation			
Balance at December 31, 2019	21	64	85
Depreciation	3	-	3
Balance at December 31, 2020	24	64	88
Depreciation	15	1	16
Balance at December 31, 2021	**39**	**65**	**104**
Carrying Amounts			
Balance at December 31, 2020	9	5	14
Balance at December 31, 2021	**166**	**4**	**170**

(U.S. dollar in thousands unless otherwise noted)

	Intangible Assets	Goodwill	Total
Cost			
Balance at December 31, 2019	-	-	-
Additions	-	-	-
Balance at December 31, 2020	-	-	-
Additions	564	602	1,166
Balance at December 31, 2021	**564**	**602**	**1,166**
Accumulated Depreciation			
Balance at December 31, 2019	-	-	-
Depreciation	-	-	-
Balance at December 31, 2020	-	-	-
Depreciation	113	-	113
Balance at December 31, 2021	**113**	-	**113**
Carrying Amounts			
Balance at December 31, 2020	-	-	-
Balance at December 31, 2021	**451**	**602**	**1,053**

(U.S. dollar in thousands unless otherwise noted)

15. CAPITAL AND RESERVES

A. Share capital and share premium

All Common Shares rank equally with regards to the Company's residual assets. Preference shareholders participate only to the extent of the face value of the shares.

		Share Premium		*Non-controlling Interests*		*Non-redeemable Preference Shares*	
	Note	**December 31, 2021**	**December 31, 2020**	**December 31, 2021**	**December 31, 2020**	**December 31, 2021**	**December 31, 2020**
In issue at beginning of year		21,668	1,265	14,818	-	-	11,750
Issued for cash		26,475	-	-	-	-	-
Conversion		14,818	11,750	(14,818)	-	-	(11,750)
Private placement	*4*	-	1,588	-	-	-	-
ADL shares	*4*	-	730	-	-	-	-
Conversion of convertible debt	*4*	-	250	-	-	-	-
Exercise of stock options		207	2	-	-	-	-
Acquisition of common shares for RSU Plan		(12,644)	-	-	-	-	-
Release of vested common shares from employee benefit trusts		229	-	-	-	-	-
Private placement	*16*	-	500	-	-	-	-
Warrants issued via Pipe transaction	*5*	-	5,583	-	-	-	-
Shares issued via Pipe transaction	*5*	-	-	-	14,818	-	-
In issue at end of year - fully paid		**50,753**	**21,668**	**-**	**14,818**	**-**	**-**
Authorized (thousands of shares)		Unlimited	123,000	Unlimited	123,000	66,000	66,000

(U.S. dollar in thousands unless otherwise noted)

Share Consolidation and Share Split

On May 26, 2021, the Company consolidated all of its issued and outstanding Common Shares the basis of one (1) post-consolidation Common Share for each four (4) pre-consolidation Common Shares.

On July 12, 2021, the Company implemented a forward split of all of its issued and outstanding Common Shares on the basis of four (4) post-split Common Shares for each one (1) pre-split Common Share.

i. Non- controlling interests

During 2020, the Company completed the Insight Partners investment whereby Real PIPE issued 17,287 Preferred Units at a price of $1.19 (CAD $1.52) per Preferred Unit were issued along with Warrants. The Company also issued 17,287 Warrants, each exercisable into one common share at a price of $1.48 (CAD $1.9)

On June 28, 2021 all Warrants held by the Insight Partners were exercised for an aggregate gross price of $26.6 million (CAD $32.8 million)

On August 3, 2021, certain the Insight Partners were issued an aggregate of 17,287 Common Shares in the exchange of all of the Insight Partners' Preferred Units.

ii. Private Placement

During 2020, Real raised an aggregate amount of $500 ($665 CAD less customary expenses) by way of a non-brokered private placement of 1,900 common shares at a price of $0.27 ($0.35 CAD) per common share.

16. CAPITAL MANAGEMENT

Real defines capital as its equity. It is comprised of, common shares, contributed capital, retained deficit and accumulated other comprehensive loss. The Company's capital management framework is designed to maintain a level of capital that funds the operations and business strategies and builds long-term shareholder value.

The Company's objective is to manage its capital structure in such a way as to diversify its funding sources, while minimizing its funding costs and risks The Company sets the amount of capital in proportion to the risk and adjusts considering changes in economic conditions and the characteristic risk of underlying assets. To maintain or adjust the capital structure, the Company may repurchase shares, return capital to shareholders, issue new shares or sell assets to reduce debt.

Real's objective is met by retaining adequate liquidity to provide the possibility that cash flows from its assets will not be sufficient to meet operational, investing and financing requirements. There have been no changes to the Company's capital management policies during the periods ended December 31, 2021 and 2020.

The following table presents liquidity:

	For the Year Ended	
	December 31, 2021	**December 31, 2020**
Cash	29,082	21,226
Restricted Cash	47	47
Other Receivables	23	221
Short term investments	8,811	-
Total Capital	**37,963**	**21,494**
Loans and Borrowings	-	-

(U.S. dollar in thousands unless otherwise noted)

17. LEASE LIABILITY AND RIGHT OF USE ASSET

The Company subleases corporate office in New York, NY under a lease agreement dated December 1, 2017, and the lease expires on June 30, 2023. A summary of the changes in the right-of-use asset for the year ended December 31, 2021 and 2020 is as follows:

	Right-of-Use Asset
Cost	
Balance at December 31, 2019	433
Additions	69
Balance at December 31, 2020	502
Additions	**-**
Balance at December 31, 2021	**502**
Accumulated Depreciation	
Balance at December 31, 2019	221
Depreciation	88
Balance at December 31, 2020	309
Depreciation	84
Balance at December 31, 2021	**393**
Carrying Amounts	
Balance at December 31, 2020	193
Balance at December 31, 2021	**109**

On December 1, 2017, the Company entered into operating lease agreement which resulted in the lease liability of $131 (undiscounted value of $135, discount rate 4%). This liability represents the monthly lease payment from January 1, 2022 to June 30, 2023. A summary of changes in the lease liability during the years ended December 31, 2021 and December 31, 2020 are as follows:

	December 31, 2021	December 31, 2020
Maturity analysis - contractual undiscounted cash flows		
Less than one year	94	90
One year to five years	41	181
More than five years	-	-
Total undiscounted lease liabilities	**135**	**271**
Lease liabilities included in the balance sheet	**131**	**215**
Current	91	85
Non-current	40	130

The following is a schedule of the Company's future lease payments (base rent portion) under lease obligations:

	Future lease payments
Fiscal 2022 (Jan 1, 2022 to Dec 31, 2022)	94
Fiscal 2023 (Jan 1, 2023 to June 30, 2023)	41
Total undiscounted lease payments	135
Less: imputed interest	(4)
Lease liability as at December 31, 2021	131

(U.S. dollar in thousands unless otherwise noted)

18. OTHER PAYABLES

The other payables primarily consist of Escrow Funds Payables. This is the cash held in escrow by the Company's brokers and agents on behalf of real estate buyers. The Company recognizes a corresponding customer deposit liability until the funds are released.

	December 31, 2021	December 31, 2020
Escrow Funds Payables	3,264	-
Other Payables	91	64
Total Other Payables	3,351	64

(U.S. dollar in thousands unless otherwise noted)

19. FINANCIAL INSTRUMENTS - FAIR VALUE AND RISK MANAGEMENT

A. Accounting classifications and fair values

	For the Year Ended December 31, 2020				
	Carrying Amount			**Fair Value**	
	Financial Assets Not Measured at FV	Other Financial Liabilities	Total	Level 1	Total
Financial Assets Measured at Fair Value (FV)					
Short Term Investments	-	-	-	-	-
Total Financial Assets Measured at Fair Value (FV)	-	-	-	-	-
Financial Assets Not Measured at Fair Value (FV)					
Cash	21,226	-	21,226	21,226	21,226
Restricted Cash	47	-	47	47	47
Trade Receivables	117	-	117	117	117
Other Receivables	221	-	221	221	221
Total Financial Assets Not Measured at Fair Value (FV)	**21,611**	**-**	**21,611**	**21,611**	**21,661**
Financial Liabilities Not Measured at Fair Value (FV)					
Accounts Payable	-	815	815	815	815
Other Payables	-	64	64	64	64
Total Financial Liabilities Not Measured at Fair Value (FV)	-	**879**	**879**	**879**	**879**

(U.S. dollar in thousands unless otherwise noted)

	For the Year Ended December 31, 2021				
	Carrying Amount			**Fair Value**	
	Financial Assets Not Measured at FV	Other Financial Liabilities	Total	Level 1	Total
Financial Assets Measured at Fair Value (FV)					
Short Term Investments	-	-	-	8,811	8,811
Total Financial Assets Measured at Fair Value (FV)	-	-	-	**8,811**	**8,811**
Financial Assets Not Measured at Fair Value (FV)					
Cash	29,082	-	29,082	29,082	29,082
Restricted Cash	47	-	47	47	47
Trade Receivables	254	-	254	254	254
Other Receivables	23	-	23	23	23
Total Financial Assets Not Measured at Fair Value (FV)	**29,406**	-	**29,406**	**29,406**	**29,406**
Financial Liabilities Not Measured at Fair Value (FV)					
Accounts Payable	-	6,604	6,604	6,604	6,604
Other Payables	-	3,351	3,351	3,351	3,351
Total Financial Liabilities Not Measured at Fair Value (FV)	-	**9,955**	**9,955**	**9,955**	**9,955**

B. Transfers between levels

During the year ended December 31, 2021 and 2020, there have been no transfers between Level 1, Level 2 and Level 3.

C. Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- credit risk (see (ii));
- liquidity risk (see (iii));
- market risk (see (iv)); and
- investment risk (see (v)).

i. Risk management framework

The Company's activity exposes it to a variety of financial risks, including credit risk, liquidity risk, market risk and investment risk. These financial risks are managed by the Company under policies approved by the Board of Directors. The principal financial risks are actively managed by the Company's finance department, within the policies and guidelines.

On an ongoing basis, the finance department actively monitors the market conditions, with a view of minimizing exposure of the Company to changing market factors, while at the same time limiting the funding costs of the Company.

The Company's audit committee oversees how management monitors compliance with the Company's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

ii. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Company's receivables from customers. The receivables are processed through an intermediary trustee, as part of the structure of every deal, which ensures collection on the close of a successful transaction. In order to mitigate the residual risk, the Company contracts exclusively with reputable and credit-worthy partners.

The carrying amount of financial assets and contract assets represents the maximum credit exposure.

Trade receivables and contract assets

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers other factors may influence the credit risk of the customer base, including the default risk associated with the industry and the country in which the customers operate.

The Company does not require collateral in respect to trade and other receivables. The Company does not have trade receivable and contract assets for which no loss allowance is recognized because of collateral.

As at December 31, 2021, the exposure to credit risk for trade receivables and contract asset by geographic region was as follows:

(U.S. dollar in thousands unless otherwise noted)

	December 31, 2021	**December 31, 2020**
US	230	117
Other Regions	24	-
Trade Receivables	**254**	**117**

The Company uses an allowance matrix to measure the ECLs of trade receivables from individual customers, which comprise a very large number of small balances.

iii. Liquidity risk

Loss rates are calculated using a 'roll rate' method based on the probability of a receivable progressing through successive stages of delinquency to write-off. Roll rates are calculated separately for exposures in different CGUs based on the following common credit risk characteristics - geographic region, credit information about the customer and the type of home purchased.

Loss rates are based on actual credit loss experience. These rates are multiplied by scalar factors to reflect differences between economic conditions during the period over which the historical data has been collected, compared to current conditions of the Company's view of economic conditions over the expected lives of the receivables.

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to maintaining liquidity is to ensure, as far as possible, that it will have sufficient cash and cash equivalents and other liquid assets to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

iv. Market risk

Market risk is the risk that changes in market prices - e.g. foreign exchange rates, interest rates and equity prices - will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

Currency risk

The Company is exposed to transactional foreign currency risk to the extent there is a mismatch between currencies in which purchases and receivables are denominated and the respective functional currencies of the Company. The currencies in which transactions are primarily denominated are US dollars, Israeli shekel and Canadian dollar.

Sensitivity analysis

A reasonably possible strengthening (weakening) of the US dollar (USD), Israeli shekel (ILS), or Canadian Dollar (CAD) against all other currencies in which the Company operates as of December 31, 2021 and December 31, 2020 would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

	Average Rate		*Period-end Spot Rate*	
	Strengthening	**Weakening**	**Strengthening**	**Weakening**
Balance at, December 31, 2021				
CAD (-5% movement)	43	(43)	4	(4)
ILS (-5% movement)	39	(39)	54	(54)
Balance at, December 31, 2020				
CAD (-5% movement)	-	-	-	-
ILS (-5% movement)	209	(209)	199	(199)

(U.S. dollar in thousands unless otherwise noted)

Foreign Currency Risk Management

The Group undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. Exchange rate exposures are managed within approved policy parameters utilizing forward foreign exchange contracts.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the reporting date are as follows:

	Liabilities		*Assets*	
	December 31, 2021	**December 31, 2020**	**December 31, 2021**	**December 31, 2020**
CAD	(1,331)	(54)	3,291	300
ILS	(1,420)	(103)	191	863
Total Exposure	**(2,751)**	**(157)**	**3,482**	**1,163**

v. *Investment risk*

The Company invested funds from the PIPE transaction into a managed investment portfolio, exposing it to risk of losses based on market fluctuations. Securities are purchased on behalf of the Company and are actively managed through multiple investment accounts. Funds apportioned for investment are allocated accordingly to the investment guidelines set forth by Management. Investments are made in U.S. currency.

The Company follows a conservative investment approach with limited risk for investment activities and has allocated the funds in Level 1 assets to reduce market risk exposure.

Information about the Company's investment activity is included in *Note 14*.

20. COMMITMENTS AND CONTINGENCIES

The Company may have various other contractual obligations in the normal course of operations. The Company is not contingently liable with respect to litigation, claims and environmental matters, including those that could result in mandatory damages or other relief. Any expected settlement of claims in excess of amounts recorded will be charged to profit or loss as and when such determination is made.

21. KEY MANAGEMENT PERSONNEL

The Company's key management personnel are comprised of the CEO, the CFO, the Chief Technology Officer and other members of the executive team. Executive officers participate in the Company's stock option program (see *Note 11.A.i*). Directors and officers of the Company control approximately 20.80% of the voting shares of the Company. Key management personnel compensation for the period consistent of the following:

	Year Ended	
	December 31, 2021	**December 31, 2020**
Salaries and Benefits	1,476	849
Consultancy	270	44
Stock-based Compensation	2,412	947
Compensation Expenses Related to Management	**4,158**	**1,840**

22. SUBSEQUENT EVENTS

On January 21, 2022, the Company completed the acquisition of 100% of the issued and outstanding equity interests of Expetitle, Inc. ("Expetitle") pursuant to a stock purchase agreement dated January 20, 2022 (the "Expetitle Transaction").

The aggregate purchase price for 100% of the issued and outstanding equity interests of Expetitle was for aggregate cash consideration $8,232 with $7,432 payable in cash at the closing of the Expetitle Transaction and $800 subject to escrow, that will be released after twelve (12) months upon the satisfaction or waiver of certain terms and conditions.

In connection with the Transaction, Real also granted an aggregate of 700 Options and an aggregate of 1.1 million RSUs to members of the Expetitle team. The Options will vest quarterly over 3 years and are exercisable for a period of 3 years at $3.60 per share. The RSUs will vest quarterly over 3 years.

The Company has determined the Expetitle Transaction meets the definition of business combinations within the scope of IFRS 3, Business Combination and has 12 months from the date of purchase to determine the purchase price allocation among the assets purchased and any amounts attributable to goodwill.

THE REAL BROKERAGE INC.

Management's Discussion and Analysis
For the Year Ended December 31, 2021
March 18, 2022

Symbol: REAX | Building your future, **together**

Building Your Future, Together

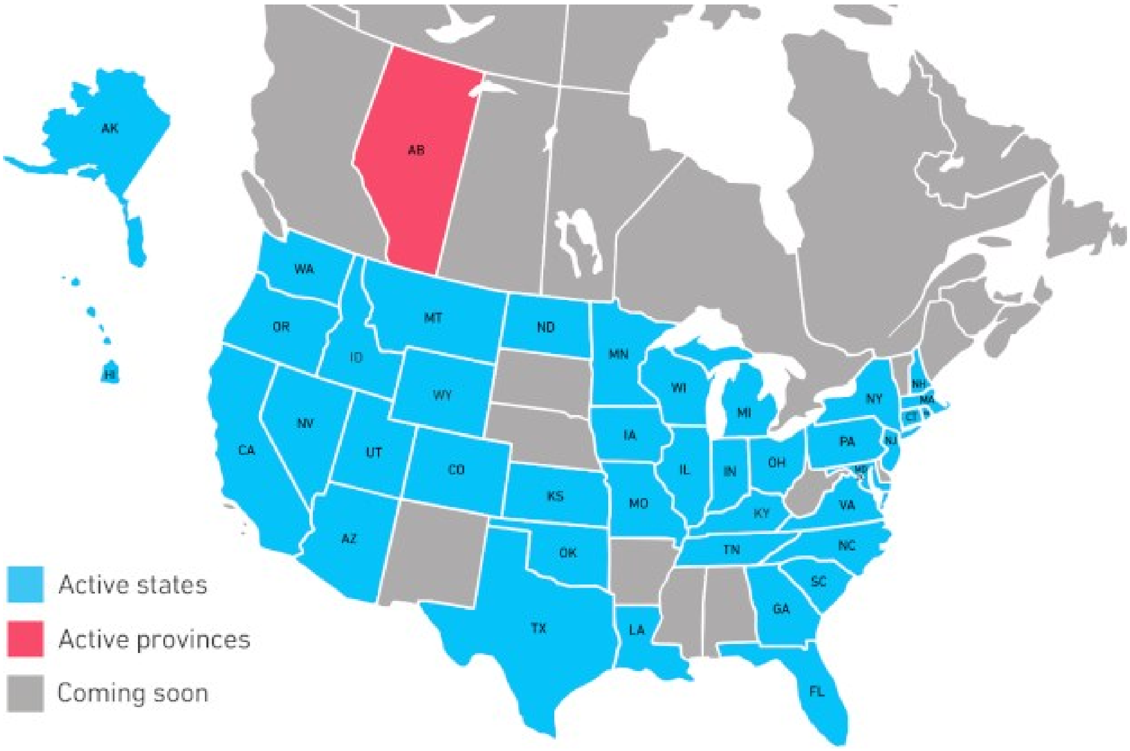
The Real Brokerage Inc. (the "**Company**" or "**Real**") is a technology-powered real estate brokerage, using its innovative approach to change the way people buy and sell homes. Real's model focuses on creating value and financial opportunity for agents, enabling them to deliver a better experience to their clients.

Real creates financial opportunities for agents in four key ways:

1. Keep more commission Our unique compensation structure favors the agent, allowing them to keep 85%-100% of commissions.	**2. 100% mobile brokerage services** We are 100% mobile - so agents have what they need to close the deal at their fingertips and aren't paying for unused office space.
3. Build equity Agents can earn equity through Real's incentive program that allows them to share in the wealth as they help to build a more valuable company.	**4. Earn more with revenue sharing** Agents can earn a share of revenue generated by agents referred to Real. Each referral earns an agent 5% of Real's portion of an agents' gross commission income up to an annual cap.

2021 Highlights

Real was founded in 2014 and is headquartered in Toronto and New York City. We provide brokerage services for the real estate market in the United States and Canada. At December 31, 2021, we were licensed in 40 states and the District of Columbia in the United States and in Alberta and Ontario, Canada. Our fast-growing network of agents allows for strong relationship building, access to a nationwide referral network and seamless expansion opportunities.



3,850 Agents, Q4 2021	**43** States (40, D.C,.and 2 provinces in Canada), Q4 2021	**$121.7M** Revenue, Q4 YTD 2021	**$4,404M** Value of sold homes, YTD Q4 2021

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITIONS AND RESULTS OF OPERATIONS

INTRODUCTION

This Management's Discussion and Analysis (the "**MD&A"**) is provided to enable a reader to assess the results of operations and financial condition of The Real Brokerage Inc. ("**Real**" or the "**Company**") for the years ended December 31, 2021 and 2020. This MD&A is dated March 18, 2022 and should be read in conjunction with audited consolidated financial statements and related notes for the years ended December 31, 2021 and 2020 (the "**Financial Statements"**). Unless the context indicates otherwise, references to "Real", "the Company", "we", "us" and "our" in this MD&A refer to The Real Brokerage Inc. and its subsidiaries.

CAUTION REGARDING FORWARD-LOOKING INFORMATION

Certain information included in this MD&A contains forward-looking information within the meaning of applicable Canadian securities laws. This information includes, but is not limited to, statements made in "Business Overview and Strategy", "Results from Operations", and other statements concerning Real's objectives, its strategies to achieve those objectives, as well as statements with respect to management's beliefs, plans, estimates and intentions, and similar statements concerning anticipated future events, results, circumstances, performance or expectations that are not historical facts. Forward-looking information generally can be identified by the use of forward-looking terminology such as "outlook", "objective", "may", "will", "would", "expect", "intend", "estimate", "anticipate", "believe", "should", "plan", "continue", or similar expressions suggesting future outcomes or events or the negative thereof. Such forward-looking information reflects management's current beliefs and is based on information currently available. All forward-looking information in this MD&A is qualified by the following cautionary statements.

Forward looking information necessarily involves known and unknown risks and uncertainties, which may be general or specific and which give rise to the possibility that expectations, forecasts, predictions, projections or conclusions will not prove to be accurate, assumptions may not be correct and objectives, strategic goals and priorities may not be achieved. A variety of factors, many of which are beyond Real's control, affect the operations, performance and results of the Company and its subsidiaries, and could cause actual results to differ materially from current expectations of estimated or anticipated events or results.

Although Real believes that the expectations reflected in such forward-looking information are reasonable and represent the Company's projections, expectations and beliefs at this time, such information involves known and unknown risks and uncertainties which may cause the Company's actual performance and results in future periods to differ materially from any estimates or projections of future performance or results expressed or implied by such forward-looking information. See "Risks and Uncertainties" for further information. The reader is cautioned to consider these factors, uncertainties, and potential events carefully and not to put undue reliance on forward-looking information, as there can be no assurance that actual results will be consistent with such forward-looking information.

The forward-looking information included in this MD&A is made as of the date of this MD&A and should not be relied upon as representing Real's views as of any date subsequent to the date of this MD&A. Management undertakes no obligation, except as required by applicable law, to publicly update or revise any forward-looking information, whether as a result of new information, future events or otherwise.

BUSINESS OVERVIEW AND STRATEGY

Real is a growing technology-powered real estate brokerage in the United States and Canada. We focus our operations on development of technology that helps real estate agents perform better as well as building a scalable, efficient brokerage operation that is not dependent on a cost-heavy brick and mortar presence in the markets that we operate in.

As a licensed real estate brokerage, our revenue is generated, primarily, by processing real estate transactions which entitle us to commissions. We pay a portion of our commission revenue to our agents and brokers.

Our strength is our ability to offer real estate agents a higher value, through a proprietary technology stack, at a lower cost, compared to other brokerages, while operating efficiently and scaling quickly. We also identify a major opportunity in improving the home-buying experience for consumers and will be building technology and processes that will enhance transparency and provide our agents' clients more convenience and control of the process.

Accelerated Growth

Following our listing on the TSX Venture Exchange (the "**TSXV**") and the Nasdaq Capital Market (the "**NASDAQ**"), as well as the launch of our Agent Equity Program, we have entered into a period of growth, driven by an increase in the number of agents joining us on a monthly basis, as well as higher productivity of those newer cohorts. The growth is now well reflected in our Q4 2021 revenue figures and we expect this trend to continue in the following quarters.

Our non-brick and mortar based model is becoming increasingly desirable, enabling agents to work from anywhere, without being tied to a physical office by leveraging our best-in-class technology.

On October 28, 2021, the Company launched its Instant Payments program, allowing agents to be paid at the time a transaction is executed, rather than at closing. The Company leverages proprietary artificial intelligence, data and predictive analytics to determine which agents and transactions are eligible for the program, the likelihood and timing of a transaction closing and to calculate the value of the payment. The change is designed to diminish the high degree of cash flow uncertainty agents face.

Focus on Technology

The real estate industry is generally considered to be very slow at adopting technology and as such, real estate transactions remain notoriously difficult to manage. We believe there is an opportunity for production of agent focused software products that will create differentiation between Real and other brokerages. We also acknowledge that profitability in our industry is closely tied to the improvement of internal operations efficiency through automation and the ability to scale and expand rapidly.

We see a tremendous opportunity in improving the home buying and selling experience for consumers using technology, while keeping real estate agents in the center of the transaction. This approach will enable consumers to experience a faster, smoother, and more enjoyable digital based journey, while still benefiting from the guidance of a human real estate expert throughout this exciting and highly emotional transaction. We are beginning to allocate resources towards building the technology, which will enable us to capitalize on this opportunity.

Recent developments

RealtyCrunch Transaction

On January 11, 2021, the Company completed the acquisition of the business assets and intellectual property of RealtyCrunch Inc. (the "**RealtyCrunch Transaction**"). The purchase of assets and intellectual property acquired in the RealtyCrunch Transaction was satisfied in cash for an aggregate purchase price of US$1.1 million plus the issuance 184 warrants to the selling securityholders of RealtyCrunch. Each whole warrant is exercisable into one common share of the Company (each, a **"Common Share**") at a price of C$1.36 per Common Share until January 11, 2026.

In connection with the closing of the RealtyCrunch Transaction, Pritesh Damani joined the Company as Chief Product Officer. Damani, the founder and former Chief Executive Officer of RealtyCrunch, was granted 2,131 incentive stock options ("**Options**") at a price of C$1.11. Each Option is exercisable until January 11, 2032 and are subject to a four year vesting period.

NCIB

On May 17, 2021, the TSXV accepted the Company's Notice of Intention to implement a normal course issuer bid ("**NCIB**"). Pursuant to the NCIB, the Company may, during the 12-month period commencing May 20, 2021 and ending May 20, 2022, purchase up to 7,170 Common Shares, being approximately 5% of the total 143,404 Common Shares issued and outstanding as at April 30, 2021. The NCIB shall terminate on the earlier of April 20, 2022 and the date on which the maximum number of Common Shares purchasable under the NCIB is acquired by the Company.

The Company appointed CWB Trust Services (the "**Trustee**") as the trustee for the purposes of arranging for the acquisition of Common Shares and to hold the Common Shares in trust for the purposes of satisfying restricted share unit ("**RSU**") and to perform other administration matters related to the NCIB. Through the Trustee, RBC Capital Markets has been engaged to undertake purchases under the NCIB. RBC Capital Markets is required to comply with the TSXV NCIB rules in respect of the purchases of Common Shares as the Trustee is considered to be a non-independent trustee by the TSXV for the purposes of the NCIB rules.

The Common Shares acquired will be held by the Trustee until the same are sold in the market with the proceeds to be transferred to designated participants or until the Common Shares are delivered to designated participants, in each case under the terms of the Company's equity incentive plans to satisfy the Company's obligations in respect of redemptions of vested restricted share units ("**RSUs**") held by such designated participants.

The Company repurchased 4,901 of Common Shares in the amount of $12,644 as of December 31, 2021 pursuant to the NCIB.

Share Consolidation

On May 26, 2021, the Company consolidated all of its issued and outstanding Common Shares on the basis of one (1) post-consolidation Common Share for each four (4) pre-consolidation Common Shares.

NASDAQ Listing

On June 15, 2021, the Common Shares began trading on the NASDAQ under the symbol "REAX". Trading of the Common Shares continued on the TSXV under the same symbol, "REAX". The purpose of the NASDAQ listing is to enhance shareholder value through improved visibility and increased trading liquidity.

Share Split

On July 12, 2021, the Company implemented a forward split of all of its issued and outstanding Common Shares on the basis of four (4) post-split Common Shares for each one (1) pre-split Common Share.

Forced Exchange Event

On August 3, 2021, certain funds managed by Insight Venture Management LLC ("**Insight Partners**") were issued an aggregate of 17,287 Common Shares in the exchange of all of the Insight Partners' issued and outstanding preferred units ("**Preferred Units**") of Real PIPE, LLC ("**Real PIPE**").

The issuance of Common Shares followed Real's listing on the NASDAQ. In connection with the NASDAQ listing, Real delivered a "Forced Exchange Notice" to Insight Partners providing for the exchange of previously issued Preferred Units issued to Insight Partners pursuant to the terms of the Amended and Restated Limited Liability Company Agreement between Real, Real PIPE and Insight Partners dated December 2, 2020.

As of the date of this MD&A, Insight Partners controls approximately 19.52% of the issued and outstanding Common Shares on a fully diluted basis.

International Expansion

On August 16, 2021, the Company announced it has launched in Alberta, Canada as "Real Broker AB Ltd.", marking the launch of its first international operations. On December 3, 2021, the Company completed the acquisition of all of the issued and outstanding common of Scott Benson Real Estate Inc and subsequently launched operations in Ontario, Canada. Following the transaction, Scott Benson Real Estate Inc. was renamed Real Broker Ontario Ltd.

Our international operations are subject to risks not generally experienced by our U.S. operations. The risks involved in our international operations and relationships that could result in losses against which we are not insured and therefore affect our profitability include:

- fluctuations in foreign currency exchange rates;
- exposure to local economic conditions and local laws and regulations;
- employment laws that are significantly different that U.S. laws;
- diminished ability to legally enforce our contractual rights and use of our trademarks in foreign countries;

- difficulties in registering, protecting or preserving trades names and trademarks in foreign countries;
- restrictions on the ability to obtain or retain licenses required for operations;
- withholding and other taxes on third party cross-border transactions as well as remittances and other payments by subsidiaries;
- onerous requirements, subject to broad interpretation, for indirect taxes and income taxes that can result in audits with potentially significant financial outcomes;
- changes in foreign taxation structures;
- compliance with the Foreign Corrupt Practices Act and the Corruption of Foreign Public Officials Act; and
- regional and country specific data protection and privacy laws including the Personal Information Protection and Electronic Documents Act.

Business Strategy

Revenue share model

As the vast majority of real estate agents are independent contractors, we believe that it is our responsibility to create multiple revenue sources and improve financial opportunities for agents. Our attractive commission split coupled with the equity incentives for agents provide great opportunities. We are now offering agents the opportunity to earn revenue-share, paid out of Real's portion of commissions, for new agents that they personally refer to Real. The program launched in November 2019 is having a major impact on our agent count and revenue growth.

We are witnessing momentum in several markets, attributed to the enthusiasm generated locally by influential agents who continue to join Real and attract their colleagues to Real.

Agent's experience

We focus on creating an unparalleled agent experience through development of a unique and comprehensive mobile platform. At its core, our technology is an operating system that allows agents to build their business more rapidly, assisting them with their marketing, productivity, support, education, transaction management and more.

As part of those efforts, on August 8, 2021, we launched a new and improved agent mobile application that delivers our agents better visibility into their business, transactions, and financials. We continue to develop new features for the benefit of our agents.

Focus on teams

Real estate teams operate as "brokerages inside a brokerage". A team is typically formed by a high producing agent who attracts other agents to work with them and enjoy the lead flow and mentoring provided by the team leader. To attract teams, we enhanced our team offering to include the full benefits of revenue sharing and the equity program. These incentive programs allow agents and brokers a financial mechanism to build teams across geographical boundaries in any of the markets that we serve. Agents and brokers can build teams without incurring significant additional expense, oversight responsibility or liability, at the same time preserving and enhancing their own personal brands. The growth in brokerage teams joining Real is having a positive impact, as reflected in this year's revenue growth.

OBJECTIVES

Real seeks to become one of the leading real estate brokerages in the United States and Canada. Using our proprietary technology, we look to provide agents with all the tools they need in order to successfully manage and market their business. Real plans to accomplish this through: (i) proprietary integration of technology and tools focused on facilitating and improving tasks performed by agents. (ii) the offering of attractive business terms to agents and creation of multiple potential revenue streams for agents. (iii) providing excellent support and service to our agents. (iv) the creation of a nationwide collaborative community of agents, and (v) offering wealth building opportunities through equity grants.

Leveraging the engagement of real estate agents and homebuyers and sellers, Real will seek to generate revenue through a variety of different channels.

PRESENTATION OF FINANCIAL INFORMATION AND NON-IFRS MEASURES

Presentation of financial information

Unless otherwise specified herein, financial results, including historical comparatives, contained in this MD&A are based on the Financial Statements, which have been prepared in accordance with International Financial Reporting Standards ("**IFRS"**) as issued by the International Accounting Standards Board ("**IASB"**) and the interpretations of the IFRS Interpretations Committee.

Non-GAAP measures

In addition to the reported IFRS measures, industry practice is to evaluate entities giving consideration to certain non-GAAP performance measures, such as earnings before interest, taxes, depreciation and amortization ("**EBITDA"**) or adjusted earnings before interest, taxes, depreciation and amortization ("**Adjusted EBITDA"**).

Management believes that these measures are helpful to investors because they are measures that the Company uses to measure performance relative to other entities. In addition to IFRS results, these measures are also used internally to measure the operating performance of the Company.

These measures are not in accordance with GAAP and have no standardized definitions, and as such, our computations of these non-GAAP measures may not be comparable to measures by other reporting issuers. In addition, Real's method of calculating non-GAAP measures may differ from other reporting issuers, and accordingly, may not be comparable.

Earnings before Interest, Taxes, Depreciation and Amortization

EBITDA is used as an alternative to net income because it excludes major non-cash items such as interest, taxes and amortization, which management considers non-operating in nature. It provides useful information about our core profit trends by eliminating our taxes, amortization, and interest which provides a more accurate comparison between our competitors. A reconciliation of EBITDA to IFRS net income is presented under the section "Results from Operations" of this MD&A.

Adjusted Earnings before Interest, Taxes, Depreciation and Amortization

Management believes that Adjusted EBITDA provides useful information about our financial performance and allows for greater transparency with respect to a key metric used by the Company for financial and operational decision-making. We believe that Adjusted EBITDA helps identify underlying trends in our business that otherwise could be masked by the effect of the expenses that we exclude in Adjusted EBITDA. In particular, we believe the exclusion of stock and stock option expenses, provides a useful supplemental measure in evaluating the performance of our operations and provides additional transparency into our results of operations.

Adjusted EBITDA is used as an addition to net income (loss) and comprehensive income (loss) because it excludes 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.

A reconciliation of Adjusted EBITDA to IFRS net income is presented under the section "Results from Operations" of this MD&A.

(in thousands of U.S. dollars and in thousands per unit amounts)

RESULTS FROM OPERATIONS

Select annual information

	December 31, 2021	December 31, 2020
Operating Results		
Total Revenues	121,681	16,559
Loss from Continuing Operations	(11,679)	(3,621)
Total Comprehensive Loss Attributable to Owners of the Parent	(12,026)	(3,621)
Per Share Basis		
Basic and diluted loss per share (ii)	(0.07)	(0.04)
EBITDA (i) (iii)	**(10,804)**	**(3,390)**
Adjusted EBITDA (i) (iii)	**(5,124)**	**(1,793)**

(i) Represents a non-GAAP measure. Real's method for calculating non-GAAP measures may differ from other reporting issuers' methods and accordingly may not be comparable. For definitions and basis of presentation of Real's non-GAAP measures, refer to the non-GAAP measures section.

(ii) Basic and diluted loss per share are calculated based on weighted average of Common Shares outstanding during the period.

(iii) EBITDA and Adjusted EBITDA are calculated on a trailing twelve-month basis. Refer to non-GAAP measures section of this MD&A for further details.

Earnings before interest, taxes, depreciation and amortization

	December 31, 2021	December 31, 2020
Net Loss and Comprehensive Loss	(12,026)	(3,621)
Add (Deduct):		
Interest	1,009	140
Depreciation	213	91
EBITDA	**(10,804)**	**(3,390)**

Adjusted earnings before interest, taxes, depreciation and amortization

	December 31, 2021	December 31, 2020
Net Loss and Comprehensive Loss	(12,026)	(3,621)
Add:		
Interest	1,009	140
Depreciation	213	91
Stock-Based Compensation	5,207	1,138
Listing Expenses	-	459
NASDAQ Listing Expenses	356	-
Restructuring Expense	117	-
Adjusted EBITDA	**(5,124)**	**(1,793)**

(in thousands of U.S. dollars and in thousands per unit amounts)

Balance Sheet overview

	December 31, 2021	December 31, 2020
ASSETS		
Current Assets	38,665	21,700
Non-Current Assets	1,332	207
TOTAL ASSETS	**39,997**	**21,907**
LIABILITIES		
Current Liabilities	10,046	964
Non-Current Liabilities	2,947	145
TOTAL LIABILITIES	**12,993**	**1,109**
TOTAL EQUITY	**27,004**	**20,798**
TOTAL LIABILITIES AND EQUITY	**39,997**	**21,907**

For the year ended December 31, 2021, total revenues amounted to $121,681 compared to $16,559 for the year ended December 31, 2020, thus demonstrating the effects of the Company's growth. The Company generates substantially all its revenue from commissions from the sale of real estate properties. Other sources of revenue include fee income from the brokerage-platform and other revenues relating to auxiliary services. The increase in revenues is attributable to an increase in productive agents on our platform, as well as expanding the number of states and countries in which we operate. We are continually investing in the acquisition of productive agents on our platform, which we anticipate will further translate into a larger transaction volume closed by our agents. As we further widen our footprint within the United States and Canada, we expect this momentum to progress.

Adjusted EBITDA excludes stock-based compensation expense related to our agent incentive program and stock options expense for full time employees and management personnel. Stock-based compensation expense is affected by awards granted and/or awards forfeited throughout the year as well as increases in fair value and is more fully disclosed in Note 11, Share-based payment arrangements, of the Financial Statements.

A further breakdown in revenues generated during the year is included below:

	December 31, 2021	December 31, 2020	*YoY Change*
Major Service Lines			
Commissions	120,957	16,427	*636%*
Fee Income	711	88	*708%*
Other	13	44	*(70)%*
Total Revenue	**121,681**	**16,559**	***635%***
Timing of Revenue Recognition			
Products and Services Transferred at a Point in Time	121,668	16,515	*637%*
Revenue from Customers with Contracts	**121,668**	**16,515**	***637%***
Other Revenue	13	44	*(70)%*
Total Revenue	**121,681**	**16,559**	***635%***

(in thousands of U.S. dollars and in thousands per unit amounts)

A further breakdown in expenses during the year is included below:

	December 31, 2021	December 31, 2020	*YoY Change*
Cost of Sales	**110,587**	**14,405**	***668%***
Operating Expenses			
General and Administration Expense	**10,573**	**3,658**	***188%***
Salaries and Benefits	3,748	1,078	*248%*
Stock-Based Compensation (G&A FTE)	1,333	744	*79%*
Administrative Expenses	1,006	348	*189%*
Consultancy Expenses	3,425	1,164	*194%*
Depreciation	213	91	*117%*
Other General and Administrative Expenses	848	233	*250%*
Marketing Expenses	**7,808**	**905**	***763%***
Salaries and Benefits	327	-	*- %*
Stock-Based Compensation (Marketing FTE)	135	143	*(6)%*
Stock-Based Compensation (Agents)	2,194	69	*3,080%*
Revenue Share	4,454	180	*2,374%*
Other Marketing and Advertising Cost	698	513	*36%*
Research and Development Expenses	**3,979**	**405**	***882%***
Salaries and Benefits	840	-	*- %*
Stock-Based Compensation (Research & Development)	1,545	182	*749%*
Other Research and Development	1,594	223	*615%*
Total Cost of Sales and Operating Expenses	**132,947**	**19,373**	***586%***

We believe that growth can and should be balanced with profits and therefore plan and monitor spend responsibly to ensure we decrease our losses and work towards being EBITDA positive. Our loss as a percentage of total revenue was 10% for the year ended December 31, 2021 and 22% for the year ended December 31, 2020. More detailed explanations for movements in expenses represented above can be found in the paragraphs below.

	December 31, 2021	December 31, 2020
Revenues	121,681	16,559
Cost of Sales	110,587	14,405
Cost of Sales as a Percentage of Revenues	**91%**	**87%**

The total cost of sales for the year ended December 31, 2021 was $110,587 in comparison to $14,405 for the year ended December 31, 2020. We typically pay our agents 85% of the gross commission earned on every real estate transaction with 15% of said commissions being paid to the Company. Agents pay the Company 15% of commissions until the commission paid to the Company totals $12, which is defined as the agent "cap" amount (the "**Cap**"). Each agent Cap cycle resets on an annual basis. As the total revenue increases, the total commission to agents' expense increases accordingly. Our margins are affected by the increase in the number of agents who achieve their Cap, the increase in volume and increases in unit prices, resulting in a downward pressure as we continue to attract high producing agents. We expect to offset this pressure and increase margins through the introduction of financial services, such as our newly launched "Instant Payments" program and by adding ancillary services.

Our salaries and benefits expenses for the year ended December 31, 2021 was $4,915 in comparison to $1,078 for the year ended December 31, 2020. The increase in salaries and benefits expenses were mainly due to an increase in number of full-time employees from 25 at December 31, 2020 to 62 at December 31, 2021. The increase is attributable to Real's commitment to better serve its agents and to the growth and expansion of the Company. These investments in key management and employee personnel allow us to offer best in class service to our agents. As the Company continues in this period of growth, it is necessary to scale operations in order to support that growth. Increases in headcount, as well as the investments Real is making in its technology infrastructure, allow us to scale at an accelerated pace and serve as key contributors to our growth. With year over year revenue growth at 635%, we believe we have proven our ability to do so in a highly efficient manner and with minimal impact on our operational costs. Real's Full-time employee to Agent ratio as of December 31, 2021 is 1:62 compared to 1:59 as of December 31, 2020.

(in thousands of U.S. dollars and in thousands per unit amounts)

Our stock-based compensation expense for the year ended December 31, 2021 was $5,207 in comparison to $1,138 for the year ended December 31, 2020. The increase in stock-based compensation is primarily due to equity sign on bonuses granted during the RealtyCrunch Transaction and increases in agent count. For the year ended December 31, 2021 and December 30, 2020, we reclassified agent related stock compensation expense for Options and RSUs to Marketing expenses. For the year ended December 31, 2021 and December 31, 2020, stock-based compensation expense related to full-time employees ("**FTEs**") within Marketing and Research and Development are included in the Marketing and Research and Development expense categories.

	December 31, 2021			December 31, 2020		
	Options Expense	**RSU Expense**	**Total**	**Options Expense**	**RSU Expense**	**Total**
Marketing Expenses - Agent Stock-Based Compensation	1,188	1,006	**2,194**	45	24	**69**
Marketing Expenses - FTE Stock-Based Compensation	135	-	**135**	143	-	**143**
Research and Development - FTE Stock-Based Compensation	1,545	-	**1,545**	182	-	**182**
General and Administrative - FTE Stock-Based Compensation	1,316	17	**1,333**	744	-	**744**
Total Stock-Based Compensation Expense	**4,184**	**1,023**	**5,207**	**1,114**	**24**	**1,138**

Our consultancy expenses for the year ended December 31, 2021 was $3,425 in comparison to $1,164 for the year ended December 31, 2020. The increase in consultancy expenses was largely due to an increase in legal and professional fees associated with our listing on NASDAQ and the RealtyCrunch Transaction

Our marketing expenses for year ended December 31, 2021, was $7,808 compared to $905 for the year ended December 31, 2020, due to our efforts to attract agents. This increase is primarily comprised of $4,454 in revenue share paid to agents, as part of our revenue share model and agent related stock-based compensation expense of $2,194. Agents earn revenue share for new agents that they personally refer to Real and are eligible for the equity incentive program based on certain attracting and performance criteria. Real chooses to limit its expenses paid using traditional marketing channels and focuses primarily on marketing through its agents as the main cost of acquisition. Therefore, as agent counts increase so does our expense related to the revenue share and equity incentive programs.

Our Research and Development expenses for year ended December 31, 2021, was $3,979 compared to $405 for the year ended December 31, 2020. The increase is primarily due to increases in headcount from 3 to 19 full-time employees as well as the addition of an offshore development team, all in support of our focus on building a robust agent and consumer facing product. We have developed the technology for full automation of the real estate transaction through the agent mobile app and are now beginning to build the consumer journey. Additional areas of focus during the year ended December 31, 2021 were related to international expansion, further improvements in our product offering, and the integration of financial services and ancillary services into our mobile app. The increase in stock-based compensation for employees under Research and Development is primarily due to the grant of 2,440 stock options related to Realty Crunch acquisition.

Financial Instruments

Financial assets and financial liabilities are recognized on the Company's consolidated statements of financial position when Real becomes party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

Classification and subsequent measurement

Financial assets - Policy

On initial recognition, a financial asset is classified as measured at: fair value; Fair Value through Other Comprehensive Income (FVOCI) - debt investment; FVOCI - equity investment; or Fair Value through profit and loss (FVTPL).

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortized cost if it meets both of the following conditions as is not designated as FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and

- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and

- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets - Business model assessment

The Company assesses the objective of the business model in which a financial asset is held at a portfolio level, because this best reflects the way the business is managed, and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows;

- how the performance of the portfolio is evaluated and reported to the Company's management;

- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;

- how managers of the business are compensated - e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and

- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and the expectations of future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales, consistent with the Company's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

<u>Financial assets - Subsequent measurement and gains and losses</u>

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.
Financial assets at amortized cost	These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.
Debt investments at FVOCI	These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognized in profit or loss. Other net gains and losses are recognized in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses recognized in OCI and are never reclassified to profit or loss.

<u>Financial liabilities - Classification, subsequent measurement and gains and losses</u>

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and their net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on derecognition is also recognized in profit or loss.

Derecognition

<u>Financial assets</u>

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

<u>Financial liabilities</u>

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled or expire. The Company also derecognizes a financial liability when its terms are modified and the cash flows or the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

(in thousands of U.S. dollars and in thousands per unit amounts)

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognized in profit or loss.

Offsetting

Financial assets and financial liabilities are offset and the net amount presented on the consolidated statements of financial position, only when the Company has a legally enforceable right to offset the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

A breakdown of financial instruments for the year ended December 31, 2021 is included below:

	Carrying Amount			**Fair Value**	
	Financial Assets Not Measured at FV	Other Financial Liabilities	Total	Level 1	Total
Financial Assets Measured at Fair Value (FV)					
Short Term Investments	-	-	-	8,811	8,811
Total Financial Assets Measured at Fair Value (FV)	**-**	**-**	**-**	**8,811**	**8,811**
Financial Assets Not Measured at Fair Value (FV)					
Cash	29,082	-	29,082	29,082	29,082
Restricted Cash	47	-	47	47	47
Trade Receivables	254	-	254	254	254
Other Receivables	23	-	23	23	23
Total Financial Assets Not Measured at Fair Value (FV)	**29,406**	**-**	**29,406**	**29,406**	**29,406**
Financial Liabilities Not Measured at Fair Value (FV)					
Accounts Payable	-	6,604	6,604	6,604	6,604
Other Payables	-	3,351	3,351	3,351	3,351
Total Financial Liabilities Not Measured at Fair Value (FV)	**-**	**9,955**	**9,955**	**9,955**	**9,955**

(in thousands of U.S. dollars and in thousands per unit amounts)

SUMMARY OF QUARTERLY INFORMATION

The following table provides selected quarterly financial information for the eight most recently completed financial quarters ended December 31, 2021. This information reflects all adjustments of a recurring nature that are, in the opinion of management, necessary to present a fair statement of the results of operations for the periods presented. Quarter-to-quarter comparisons of financial results are not necessarily meaningful and should not be relied upon as an indication of future performance. The general increase in revenue and expense quarter over quarter is due to growth and expansion of the Company.

	2021				**2020**			
	Q4	**Q3**	**Q2**	**Q1**	**Q4**	**Q3**	**Q2**	**Q1**
Revenue	50,479	38,798	23,095	9,309	7,090	3,939	2,594	2,936
Cost of Sales	46,371	35,477	20,667	8,072	6,342	3,198	2,313	2,552
Gross Profit	**4.108**	**3,321**	**2,428**	**1,237**	**748**	**741**	**281**	**384**
Administrative Expenses	3,378	2,043	2,847	2,305	1,737	886	331	749
Marketing Expenses	3,790	2,154	1,214	650	305	124	244	186
Research and Development Expenses	682	145	1,157	1,995	76	141	165	23
Other Income (Loss)	(249)	-	-	-	(167)	-	(1)	-
Operating Income (Loss)	**(3,493)**	**(1,021)**	**(2,790)**	**(3,713)**	**(1,203)**	**(410)**	**(458)**	**(575)**
Listing Expenses		-	-	-	32	-	803	-
Finance Costs (Income), net	352	44	201	65	111	12	15	(332)
Income (Loss) Before Tax	**(3,845)**	**(1,065)**	**(2,991)**	**(3,778)**	**(1,346)**	**(422)**	**(1,276)**	**(243)**
Net Loss Attributable to the Owners of the Parent	**(3,845)**	**(1,065)**	**(2,991)**	**(3,778)**	**(1,346)**	**(422)**	**(1,276)**	**(243)**
Other Comprehensive Incomes (loss):								
Unrealized Gains (Losses) on Available for Sale Investment Portfolio	(352)	-	-	-	-	-	-	-
Foreign Currency Translation Adjustment	4	(1)	(43)	45	-	-	-	-
Comprehensive income (loss)	**(4,193)**	**(1,064)**	**(2,948)**	**(3,823)**	**(1,346)**	**(422)**	**(1,276)**	**(243)**
Non-Operating Expenses:								
Interest	699	43	158	110	111	12	15	(332)
Depreciation	83	44	44	42	32	10	22	27
Stock-Based Compensation	494	(80)	2,045	2,748	802	139	(15)	212
Listing Expenses	-	-	-	-	-	-	459	-
NASDAQ Listing Expenses	(99)	310	145	-	-	-	-	-
Restructuring Expense	54	3	60	-	-	-	-	-
Adjusted EBITDA	**(2,962)**	**(744)**	**(496)**	**(923)**	**(401)**	**(261)**	**(795)**	**(336)**
Earnings per Share								
Basic and Diluted Loss per Share	**(0.021)**	**(0.006)**	**(0.053)**	**(0.038)**	**(0.009)**	**(0.003)**	**(0.008)**	**(0.006)**

Quarterly trends and risks

Our quarterly results are dependent on the economic conditions within the markets for which we operate. The Company's revenue and income can experience considerable variations from quarter to quarter and year to year due to factors beyond the Company's control. The business is affected by the overall conditions of the real estate market, influenced primarily by economic growth, interest rates, unemployment, inventory, and mortgage rate volatility. The Company's revenue from a real estate transaction is recorded only when a real estate transaction has been closed. Consequently, the timing of revenue recognition can materially affect quarterly results.

The COVID-19 pandemic adversely affected the Company's business in the first half of 2020 and business worldwide with home sales declining to levels unseen since the recession of the late 2000s. However, U.S. home sales rebounded sharply beginning second half of 2020 and continued to grow significantly throughout 2021.

Our business may be impacted by the current and future health and stability of the economy and residential real estate industry, including any extended slowdown in the real estate markets as a result of COVID-19 (including variants).

The COVID-19 pandemic (including variants), its broad impact and preventive measures taken to contain or mitigate the pandemic have had, and may continue to have, significant negative effects on the United States, Canadian and global economy, employment levels, employee productivity, residential real estate and financial markets. This, in turn, may have a negative impact on the ability of customers to effectuate real estate transactions, profitability, and our ability to operate our business.

We cannot predict the scope and duration of the pandemic, actions taken by governmental authorities in response to the pandemic, the impact to our business of changes to home buying, selling, renting, and financing trends due to the pandemic, or whether and to what extent we will have to implement operational changes in light of the pandemic in the future.

In the years ended December 31, 2021 and 2020, the overall impact of COVID-19 on the Company was not significant and the Company demonstrated significant year over year growth. The Company is positioned to continue expanding at an accelerated pace, despite the impact of COVID-19 on the United State and global economy.

LIQUIDITY AND CAPITAL RESOURCES

The Company has a capital structure comprised of, Common Shares, contributed capital, retained deficit and accumulated other comprehensive loss. Our primary sources of liquidity are cash and cash flows from operations as well as cash raised from investors in exchange for issuance of Preferred Units and Common Shares. The Company expects to meet all of its obligations and other commitments as they become due. The Company has various financing sources to fund operations and will continue to fund working capital needs through these sources along with cash flows generated from operating activities.

At December 31, 2021, cash and investments totaled $37,963, an increase from $21,494 at December 31, 2020. Cash is comprised of cash held in our banking and investment accounts.

At December 31, 2021, financing activities generated cash of $13,954. Cash flow used in financing activities primarily related to the repurchases of the Company's Common Shares for satisfying RSU obligations totaling $12,644. Cash flows from investing activities used cash of $10,211 mainly due to investments in securities available for sale at fair value ($8,811). Cash flows from operations contributed $3,942 in comparison to ($1,603) at year ended December 31, 2020.

We believe that our existing balances of cash and cash flows expected to be generated from our operations will be sufficient to satisfy our immediate and ongoing operating requirements.

Our future capital requirements will depend on many factors, including our level of investment in technology, our rate of growth into new markets, and potential mergers and acquisitions. Our capital requirements may be affected by factors that we cannot control such as the residential real estate market, interest rates, and other monetary and fiscal policy changes to the manner in which we currently operate. To support and achieve our future growth plans, however, we may need or seek to obtain additional funding through equity or debt financing.

(in thousands of U.S. dollars and in thousands per unit amounts)

The following table presents liquidity:

	For the Year Ended	
	December 31, 2021	**December 31, 2020**
Cash	29,082	21,226
Restricted Cash	47	47
Other Receivables	23	221
Short term investments[iii]	8,811	-
Total Capital [i][ii]	**37,963**	**21,494**
Loans and Borrowings	-	-

[i] - Total Capital is not a standard financial measure under GAAP and may not be comparable to similar measures reported by other entities.

[ii] - Represents a non-GAAP measure. Real's method for calculating non-GAAP measures may differ from other reporting issuers' methods and accordingly may not be comparable.

[iii] - Investment securities are presented in the table below.

Description	**Cost**	**Dividends, Interest & Income**	**Gross Unrealized Losses**	**Estimated Fair Value December 31, 2021**
U.S. Government Bonds	5,095	150	(212)	5,033
Municipal Bonds	2,945	73	(118)	2,900
Alternative Strategies	900	-	(22)	878
Short Term Investments	**8,940**	**223**	**(352)**	**8,811**

The Company holds no debt obligations.

<u>Contractual obligations</u>

As at December 31, 2021, the Company had no guarantees, leases, off-balance sheet arrangements other than those noted in our results from operating activities. We have a lease for our New York office that expires on September 30, 2023. The monthly rent expense per the lease for the year ended December 31, 2021 is $7 per month. The following is a schedule of Company's future lease payments under lease obligations:

	December 31, 2021	**December 31, 2020**
Maturity analysis - contractual undiscounted cash flows		
Less than one year	94	90
One year to five years	41	181
More than five years	-	-
Total undiscounted lease liabilities	**135**	**271**
Lease liabilities included in the balance sheet	**131**	**215**
Current	91	85
Non-current	40	130

Capital management framework

Real defines capital as equity. The Company's capital management framework is designed to maintain a level of capital that funds the operations and business strategies and builds long-term shareholder value.

The Company's objective is to manage its capital structure in such a way as to diversify its funding sources, while minimizing its funding costs and risks. For 2021, Real expects to be able to satisfy all of its financing requirements through use of some or all of the following: cash on hand, cash generated by operations, sale of securities held for investment, and through the public and private offerings of equity securities.

INVESTMENT SECURITIES AVAILABLE FOR SALE AT FAIR VALUE

The Company invested surplus funds from the PIPE financing activities with Insight Partners into a managed investment portfolio. Securities are purchased on behalf of the Company and are actively managed through multiple investment accounts. The Company follows a conservative investment approach with limited risk for investment activities and has allocated the funds in Level 1 assets to reduce market risk exposure.

The Company's investment securities portfolio consists primarily of cash investments, debt securities issued by U.S government agencies, local municipalities and certain corporate entities. For the year ended December 31, 2021, the total investment in securities available for sale at fair value was $8,811 and is more fully disclosed in Note 13, Investment securities available for sale at fair value, of the Financial Statements.

(in thousands of U.S. dollars and in thousands per unit amounts)

OTHER METRICS

Quarter-over-quarter revenue growth

	2021				2020			
	Q4	**Q3**	**Q2**	**Q1**	**Q4**	**Q3**	**Q2**	**Q1**
Revenue								
Commissions	50,158	38,613	22,927	9,259	7,045	3,915	2,550	2,917
Commissions - Q/Q	*612%*	*886%*	*799%*	*217%*	*74%*	*13%*	*(25)%*	*(39)%*
Fee Income / Other Revenue	321	185	168	50	45	24	44	19
Fee Income / Other Revenue - Q/Q	*613%*	*671%*	*282%*	*163%*	*165%*	*(47)%*	*(37)%*	*(42)%*
Total Revenue	**50,479**	**38,798**	**23,095**	**9,309**	**7,090**	**3,939**	**2,594**	**2,936**
Total Revenue - Q/Q	***612%***	***885%***	***790%***	***217%***	***79%***	***12%***	***(25)%***	***(39)%***

SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

The preparation of the Financial Statements requires management to make estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses and the related disclosures as of the date of the Financial Statements. Actual results may differ from estimates under different assumptions and conditions.

Significant judgments include measure of share-based payment arrangements. Our significant judgments have been reviewed and approved by the Audit Committee for completeness of disclosure on what management believes would be relevant and useful to investors in interpreting the amounts and disclosures in the Financial Statements.

CHANGES IN ACCOUNTING POLICIES

*Amendments to IAS 1, Presentation of Financial Statements ("**IAS 1**") and IAS 8, Accounting Policies, Changes in Accounting Estimates and Errors ("**IAS 8**") - Definition of Material*

In October 2018, the IASB issued amendments to IAS 1 and IAS 8 to align the definition of "material" across the standards and to clarify certain aspects of the definition. The new definition states that, "[i]nformation is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity." These amendments were effective January 1, 2020. The amendments to the definition of material have not had a significant impact on the Company's Financial Statements.

FUTURE CHANGES IN ACCOUNTING POLICIES

The Company monitors the potential changes proposed by the IASB and analyzes the effect that changes in the standards may have on the Company's operations. Standards issued but not yet effective up to the date of issuance of the Financial Statements are described below. This description is of the standards and interpretations issued that the Company reasonably expects to be applicable at a future date. The Company intends to adopt these standards when they become effective.

In January 2020, the IASB issued amendments to IAS 1 - Presentation of Financial Statements: Classification of Liabilities as Current or Non-Current to clarify how to classify debt and other liabilities as current or non-current, and in particular how to classify liabilities with an uncertain settlement rate and liabilities that may be settled by converting to equity. These amendments are effective on or after January 1, 2023. The Company does not expect any material impact from the adoption of these amendments.

In May 2020, the IASB issued Annual Improvements to IFRSs 2018 - 2020 Cycle. The improvements have amended four standards with effective date January 1, 2022: i) IFRS 1 - First-time Adoption of International Financial Reporting Standards in relation to allowing a subsidiary to measure cumulative translation differences using amounts reported by its parent, ii) IFRS 9 - Financial Instruments in relation to which fees an entity includes when applying the "10 percent" test for derecognition of financial liabilities, iii) IAS 41 - Agriculture in relation to the exclusion of taxation cash flows when measuring the fair value of a biological asset, and iv) IFRS 16 - Leases in relation to an illustrative example of reimbursement for leasehold improvements. The Company does not expect any material impact from the adoption of these amendments.

In August 2020, the IASB issued a package of amendments to IFRS 9 - Financial Instruments, IAS 39 - Financial Instruments: Recognition and Measurement, IFRS 7 - Financial Instruments: Disclosures, IFRS 4 - Insurance Contracts and IFRS 16 - Leases in response to the ongoing reform of inter-bank offered rates (IBOR) and other interest rate benchmarks. The amendments are aimed at helping companies to provide investors with useful information about the effects of the reform on those companies' financial statements. These amendments complement amendments issued in 2019 and focus on the effects on financial statements when a company replaces the old interest rate benchmark with an alternative benchmark rate as a result of the reform. The new amendments relate to:

- *changes to contractual cash flows* - a company will not be required to derecognize or adjust the carrying amount of financial instruments for changes required by the interest rate benchmark reform, but will instead update the effective interest rate to reflect the change to the alternative benchmark rate;
- *hedge accounting* - a company will not have to discontinue its hedge accounting solely because it makes changes required by the interest rate benchmark reform if the hedge meets other hedge accounting criteria; and
- *disclosures* - a company will be required to disclose information about new risks that arise from the interest rate benchmark reform and how the company manages the transition to alternative benchmark rates.

These amendments are effective on or after January 1, 2021, with early adoption permitted.

In February 2021, the IASB issued amendments to IAS 1 - Presentation of Financial Statements and IFRS Practice Statement 2: Disclosure of Accounting policies which require companies to disclose their material accounting policy information rather than their significant accounting policies and provide guidance on how to apply the concept of materiality to accounting policy disclosures. These amendments are effective on or after January 1, 2023. The Company does not expect any material impact from the adoption of these amendments.

In February 2021, the IASB issued amendments to IAS 8 - Accounting Policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates which clarify how companies should distinguish changes in accounting policies from changes in accounting estimates. These amendments are effective on or after January 1, 2023. The Company does not expect any material impact from the adoption of these amendments.

DISCLOSURE CONTROLS AND PROCEDURES AND INTERNAL CONTROL OVER FINANCIAL REPORTING

Disclosure controls and procedures

The Company's Chief Executive Officer ("**CEO**") and Chief Financial Officer ("**CFO**") have designed controls to provide reasonable assurance that: (i) material information relating to the Company is made known to management by others, particularly during the period in which the annual and interim filings are being prepared; and (ii) information required to be disclosed by the Company in its annual and interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time frame specified in the securities legislation.

Based on the evaluations, the CEO and CFO have concluded that the Company's disclosure controls and procedures were adequate and effective.

Internal control over financial reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting (as such term is defined in Exchange Act Rule 13a-15(f)). Our internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the financial statements for external purposes in accordance with U.S. GAAP. Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

(in thousands of U.S. dollars and in thousands per unit amounts)

Our management, with the participation of our CEO and CFO, evaluated the effectiveness of our internal control over financial reporting as of December 31, 2021, based on the criteria described in the Internal Control-Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on the results of its evaluation, management concluded that our internal control over financial reporting was effective as of December 31, 2021.

Inherent limitations

It should be noted that in a control system, no matter how well conceived and operated, provide only reasonable, not absolute, assurance that the objectives of the control system are met. Given the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues, including instances of fraud, if any, have been detected. These inherent limitations include, among other items: (i) that management's assumptions and judgments could ultimately prove to be incorrect under varying conditions and circumstances; (ii) the impact of any undetected errors; and (iii) controls may be circumvented by unauthorized acts of individuals, by collusion of two or more people, or by management override.

Key management compensation

The Company's key management personnel are comprised of the CEO, the CFO, the Chief Product Officer, the Chief Strategy Officer, and other members of the executive team. Key management personnel compensation for the period consisted of the following:

	For the Year Ended	
	December 31, 2021	**December 31, 2020**
Salaries and Benefits	1,476	849
Consultancy	270	44
Stock-Based Compensation	2,412	947
Compensation Expenses Related to Key Management	**4,158**	**1,840**

MARKET CONDITIONS AND INDUSTRY TRENDS

Throughout the year ended December 31, 2021, existing home sales rose 8.5% from December 30, 2021 to an annualized 6.18 million, suggesting a slight easing in home-price growth. While cooling since the end of 2020, buyer demand remains firm due to the limited number of affordable homes on the market.

According to the National Association of Realtors ("**NAR**") housing statistics, total housing inventory at the end of December 2021 amounted to 910,000 units, down 14.2% from one year ago, also an all-time low since January 1999. At the current pace, unsold inventory represents 1.8 months of supply, down from 1.9 months in December 2020. It is common within the real estate industry to view anything below a five month of supply as a sign of a tight market.

In December, properties remained on the market for an average of 19 days and nearly 79% of all homes sold were on the market for less than a month. The median existing-home price for all housing types increased 15.8% from December 2020. Additionally, 23% of all homes sold were all-cash, which is up from 19% a year ago, fueled by huge wealth gains from both housing equity and the stock market. We believe that these economic indicators represent a seller's market, making the high producing, and listing focused teams that Real is attracting even more meaningful.

According to the NAR, mortgage rates on commitments for 30-year, conventional, fixed-rate mortgages averaged 3.10% for December 2021, compared to 3.11% across all of 2020. Some lenders have increased their rates to account for the risk and overall financial uncertainty. Low mortgage rates are pushing buyers into the market as well as driving an increase in refinance applications.

The Company is positioned to grow in spite of the recent fluctuations of the real estate market. We believe in the ability to leverage our low- cost operating model, affording agents and brokers increased income and equity ownership opportunities. We are also seeking to generate revenue through ancillary services and a variety of channels to diversify our income sources.

RISKS AND UNCERTAINTIES

There are a number of risk factors that could cause future results to differ materially from those described herein. The risks and uncertainties described herein are not the only ones the Company faces. Additional risks and uncertainties, including those that the Company does not know about as of the date of this MD&A, or that it currently deems immaterial, may also adversely affect the Company's business. If any of the following risks occur, the Company's business may be harmed, and its financial condition and the results of operation may suffer significantly.

Limited operating history

Our limited operating history makes it difficult for potential investors to evaluate our business or prospective operations. As a young company, we are subject to all the risks inherent in a developing organization, financing, expenditures, complications and delays inherent in a new business. Investors should evaluate an investment in us in light of the uncertainties encountered by developing companies in a competitive and evolving environment. Our business is dependent upon the implementation of our business plan. We may not be successful in implementing such plan and cannot guarantee that, if implemented, we will ultimately be able to attain profitability.

Managing Agent Growth

Real may not be able to scale its business quickly enough to meet the growing needs of its affiliated real estate professionals and if Real is not able to grow efficiently, its operating results could be harmed. As Real adds new real estate professionals, Real will need to devote additional financial and human resources to improving its internal systems, integrating with third-party systems, and maintaining infrastructure performance. In addition, Real will need to appropriately scale its internal business systems and our services organization, including support of our affiliated real estate professionals as its demographics expand over time. Any failure of or delay in these efforts could cause impaired system performance and reduced real estate professional satisfaction.

These issues could reduce the attractiveness of Real to existing real estate professionals who might leave Real and result in decreased attraction of new real estate professionals and reduced revenue and financial results.

Additional financing

From time to time, Real may need additional financing to operate or grow its business. Real's ability to obtain additional financing, if and when required, will depend on investor and lender willingness, its operating performance, the condition of the capital markets and other facts, and Real cannot assure anyone that additional financing will be available to it on favorable terms when required, or at all. If Real raises additional funds through the issuance of equity, equity-linked or debt securities, those securities may have rights, preferences or privileges senior to the rights of its Common Shares, and its existing shareholders may experience dilution. If Real is unable to obtain adequate financing or financing on terms satisfactory to it when it requires it, its ability to continue to support the operation or growth of its business could be significantly impaired and its operating results may be harmed.

Reliance on United States real estate market

Real's financial performance is closely tied to the strength of the residential real estate market in the United States, which is cyclical in nature and typically is affected by changes in conditions that are beyond Real's control. Macroeconomic conditions that could adversely impact the growth of the real estate market and have a material adverse effect on our business include, but are not limited to, economic slowdown or recession, increased unemployment, increased energy costs, reductions in the availability of credit or higher interest rates, increased costs of obtaining mortgages, an increase in foreclosure activity, inflation, disruptions in capital markets, declines in the stock market, adverse tax policies or changes in other regulations, lower consumer confidence, lower wage and salary levels, or the public perception that any of these events may occur. Unfavorable general economic conditions in the United States or other markets Real enters and operates within could negatively affect the affordability of, and consumer demand for, our services which could have a material adverse effect on our business and profitability. In addition, federal and state governments, agencies and government-sponsored entities could take actions that result in unforeseen consequences to the real estate market or that otherwise could negatively impact Real's business.

Regulation of United States real estate market

Real operates in the real estate industry which is a heavily regulated industry subject to complex, federal, state, provincial and local laws and regulations and third-party organizations' regulations, policies and bylaws. Generally, the laws, rules and regulations that apply to Real's business practices include, without limitation, the Real Estate Settlement Procedures Act ("**RESPA**"), the Fair Housing Act, the Dodd-Frank Act, and federal advertising and other laws, as well as comparable state statutes; rules of trade organizations such as NAR, local Multiple Listing Services, and state and local Associations of Realtors, licensing requirements and related obligations that could arise from our business practices relating to the provision of services other than real estate brokerage services; privacy regulations relating to our use of personal information collected from the registered users of our websites; laws relating to the use and publication of information through the Internet; and state real estate brokerage licensing requirements, as well as statutory due diligence, disclosure, record keeping and standard-of-care obligations relating to these licenses.

Additionally, the Dodd-Frank Act contains the Mortgage Reform and Anti-Predatory Lending Act (the "**Mortgage Act**"), which imposes a number of additional requirements on lenders and servicers of residential mortgage loans, by amending certain existing provisions and adding new sections to RESPA and other federal laws.

It also broadly prohibits unfair, deceptive or abusive acts or practices, and knowingly or recklessly providing substantial assistance to a covered person in violation of that prohibition. The penalties for noncompliance with these laws are also significantly increased by the Mortgage Act, which could lead to an increase in lawsuits against mortgage lenders and servicers.

Maintaining legal compliance is challenging and increases business costs due to resources required to continually monitor business practices for compliance with applicable laws, rules and regulations, and to monitor changes in the applicable laws themselves.

Real may not become aware of all the laws, rules and regulations that govern its business, or be able to comply with all of them, given the rate of regulatory changes, ambiguities in regulations, contradictions in regulations between jurisdictions, and the difficulties in achieving both company-wide and region-specific knowledge and compliance.

Success of the platform

Our business strategy is dependent on our ability to develop platforms and features to attract new businesses and users, while retaining existing ones. Staffing changes, changes in user behavior, changes in agent growth rate or development of competing platforms may cause users to switch to alternative platforms or decrease their use of our platform. There is no guarantee that agents will use these features and we may fail to generate revenue. Additionally, any of the following events may cause decreased use of our platform:

- emergence of competing platforms and applications with novel technologies;
- inability to convince potential agents to join our platform;
- technical issues or delays in releasing, updating or integrating certain platforms or in the cross-compatibility of multiple platforms;
- security breaches with respect to our data;
- a rise in safety or privacy concerns; and
- an increase in the level of spam or undesired content on the network.

Management team

We are highly dependent on our management team, specifically our CEO. If we lose key employees, our business may suffer. Furthermore, our future success will also depend in part on the continued service of our key management personnel and our ability to identify, hire, and retain additional personnel. We do not carry "key-man" life insurance on the lives of our executive officers, employees or advisors. We experience intense competition for qualified personnel and may be unable to attract and retain the personnel necessary for the development of our business. Because of this competition, our compensation costs may increase significantly.

Monetization of platform

There is no guarantee that our efforts to monetize the Real platform will be successful. Furthermore, our competitors may introduce more advanced technologies that deliver a greater value proposition to realtors in the future. These factors individually or collectively may preclude us from effectively monetizing our business which would have a material adverse effect on our financial condition and results of operation.

Seasonality of operations

Seasons and weather traditionally impact the real estate industry in the jurisdictions where Real operates. Continuous poor weather or natural disasters negatively impact listings and sales. Spring and summer seasons historically reflect greater sales periods in comparison to fall and winter seasons. Real has historically experienced lower revenues during the fall and winter seasons, as well as during periods of unseasonable weather, which reduces Real's operating income, net income, operating margins and cash flow.

Real estate listings precede sales and a period of poor listings activity will negatively impact revenue. Past performance in similar seasons or during similar weather events can provide no assurance of future or current performance, and macroeconomic shifts in the markets Real serves can conceal the impact of poor weather or seasonality.

Agent engagement

Our business model involves attracting real estate agents to our platform. There is no guarantee that growth strategies will bring new agents to our network. Changes in relationships with our partners, contractors and businesses we retain to grow our network may result in significant increases in the cost to acquire new agents. In addition, new agents may fail to engage with our network to the same extent current agents are engaging with our network resulting in decreased use of our network.

Decreases in the size of our agent base and/or decreased engagement on our network may impair our ability to generate revenue.

Managing growth of operations

Successful implementation of our business strategy requires us to manage our growth. Growth could place an increasing strain on our management and financial resources. To manage growth effectively, we need to continuously: (i) evaluate definitive business strategies, goals and objectives; (ii) maintain a system of management controls; and (iii) attract and retain qualified personnel, as well as develop, train and manage management-level and other employees. If we fail to manage our growth effectively, our business, financial condition or operating results could be materially harmed.

Competition

We compete with both start-up and established technology companies and brokerages. Our competitors may have substantially greater financial, marketing and other resources than we do and may have been in business longer than we have or have greater name recognition and be better established in the technological or real estate markets than we are. If we are unable to compete successfully with other businesses in our existing market, we may not achieve our projected revenue and/or user targets which may have a material adverse effect on our financial condition.

Volatility

The market price of our Common Shares could fluctuate significantly in response to various factors and events, including, but not limited to: our ability to execute our business plan; operating results below expectations; announcements regarding regulatory developments with respect to the real estate industry; our issuance of additional securities, including debt or equity or a combination thereof, necessary to fund our operating expenses; announcements of technological innovations or new products by us or our competitors; and period-to-period fluctuations in our financial results. In addition, the securities markets have from time to time experienced significant price and volume fluctuations that are unrelated to the operating performance of particular companies. These market fluctuations may also materially and adversely affect the market price of our Common Shares.

An investment in our securities is speculative and involves a high degree of risk. Potential investors should be aware that the value of an investment in the Company may go down as well as up. In addition, there can be no certainty that the market value of an investment in the Company will fully reflect its underlying value. Investors could lose their entire investment. Because we can issue additional Common Shares, purchasers of our Common Shares may incur immediate dilution and experience further dilution.

As of the date of this MD&A, we are authorized to issue an unlimited number of Common Shares. Our board of directors (the "**Board**") has the authority to cause us to issue additional Common Shares without consent of any of shareholders. Consequently, our shareholders may experience further dilution in their ownership of our stock in the future, which could have an adverse effect on the trading market for our Common Shares.

Furthermore, our articles give our Board the right to create one or more new classes or series of shares. As a result, our Board may, without shareholder approval, issue shares of a new class or series with voting, dividend, conversion, liquidation or other rights that could adversely affect the voting power and equity interests of the holders of our Common Shares, as well as the price of our Common Shares.

Cyber security threats

A cyber incident is an intentional or unintentional event that could threatens the integrity, confidentiality or availability of the Company's information resources. These events include, but are not limited to, unauthorized access to information systems, a disruption to our information systems, or loss of confidential information. Real's primary risks that could result directly from the occurrence of a cyber incident include operational interruption, damage to our public image and reputation, and/or potentially impact the relationships with our customers.

We have implemented processes, procedures and controls to mitigate these risks, including, but not limited to, firewalls and antivirus programs and training and awareness programs on the risks of cyber incidents. These procedures and controls do not guarantee that the financial results may not be negatively impacted by such an incident.

COVID-19 impact

Since early 2020, COVID-19 (including variants) has had significant impact on the global economy and the financial markets. This unprecedented situation has created considerable risks and uncertainties for the U.S. real estate services industry by disrupting supply chain channels leading to lower housing inventory and making the existing home prices rise significantly. The extent of the impact of the pandemic on our operations will depend on future developments, which are highly uncertain and cannot be predicted at this time, and including consumer spending, housing market inventory growth, and the extent of government regulation.

SUBSEQUENT EVENTS

On January 21, 2022, the Company completed the acquisition of 100% of the issued and outstanding equity interests of Expetitle, Inc. ("**Expetitle**") pursuant to a stock purchase agreement dated January 20, 2022 (the "**Expetitle Transaction**").

The aggregate purchase price for 100% of the issued and outstanding equity interests of Expetitle was for aggregate cash consideration $8,232 with $7,432 payable in cash at the closing of the Expetitle Transaction and $800 subject to escrow, that will be released after twelve (12) months upon the satisfaction or waiver of certain terms and conditions.

In connection with the Transaction, Real also granted an aggregate of 700 Options and an aggregate of 1.1 million RSUs to members of the Expetitle team. The Options will vest quarterly over 3 years and are exercisable for a period of 3 years at $3.60 per share. The RSUs will vest quarterly over 3 years.

The Company has determined the Expetitle Transaction meets the definition of business combinations within the scope of IFRS 3, Business Combination and has 12 months from the date of purchase to determine the purchase price allocation among the assets purchased and any amounts attributable to goodwill.

OUTSTANDING SHARE DATA

As of March 18, 2022, the Company had 178,217,397 Common Shares issued and outstanding.

In addition, as of March 18, 2022 there were 20,565 Options outstanding with exercises prices ranging from $0.03 to $3.40 per share and expiry dates ranging from January 2026 to November 2031. Each Option is exercisable for one Common Share. A total of 6,413 RSUs were outstanding. Once vested, a total of 6,413 Common Shares will be issuable pursuant to the outstanding RSUs.

ADDITIONAL INFORMATION

These documents, as well as additional information regarding Real, have been filed electronically on Real's website at www.joinreal.com and under the Company's profile at www.sedar.com.

EXHIBIT 99.4
CERTIFICATION

I, Tamir Poleg, Chief Executive Officer of The Real Brokerage Inc., certify that;

1. I have reviewed this Annual Report on Form 40-F of The Real Brokerage Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this Annual Report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles:

    c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):

    a) All significant deficiencies and material weaknesses in the design or operation of internal controls over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: March 18, 2022

By: /s/ *Tamir Poleg*
Name: Tamir Poleg
Title: Chief Executive Officer

EXHIBIT 99.5
CERTIFICATION

I, Michelle Ressler, Chief Financial Officer of The Real Brokerage Inc., certify that;

1. I have reviewed this Annual Report on Form 40-F of The Real Brokerage Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this Annual Report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles:

    c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):

    a) All significant deficiencies and material weaknesses in the design or operation of internal controls over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: March 18, 2022

By: /s/*Michelle Ressler*
Name: Michelle Ressler
Title: Chief Financial Officer

EXHIBIT 99.6

**CERTIFICATION OF CHIEF EXECUTIVE OFFICER
PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

I, Tamir Poleg, Chief Executive Officer of The Real Brokerage Inc. (the "Company"), hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge:

a. the Annual Report on Form 40-F of the Company for the fiscal year ended December 31, 2021 (the "Annual Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

b. the information contained in the Annual Report fairly presents in all material respects the financial condition and results of operations of the Company.

Date: March 18, 2022

By:

/s/Tamir Poleg
Name: Tamir Poleg
Title: Chief Executive Officer

EXHIBIT 99.7

CERTIFICATION OF CHIEF FINANCIAL OFFICER
PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

I, Michelle Ressler, Chief Financial Officer of The Real Brokerage Inc. (the "Company"), hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge:

a. the Annual Report on Form 40-F of the Company for the fiscal year ended December 31, 2021 (the "Annual Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

b. the information contained in the Annual Report fairly presents in all material respects the financial condition and results of operations of the Company.

Date: March 18, 2022

By:

/s/Michelle Ressler
Name: Michelle Ressler
Title: Chief Financial Officer

*This document outlines standards, policies and practices relative to specific behaviors that uphold Real Broker, LLC's (Real) expectations of legal, equitable and respectful conduct by any employee, contractor, consultant or vendor engaged on behalf of Real. For the purposes of this document **"team member"** is used to identify any individual covered under this Code of Conduct.*

Confidential Information

It is a legal obligation to maintain and protect the confidentiality of non-public company information.

Confidentiality agreements are signed as part of our interview process or any time Real's proprietary information is shared with a 3rd party. Most team members are required to sign a Proprietary Information and Inventions Assignment Agreement (PIIAA) when they join Real. In addition, it is the company's legal obligation to protect the confidential information of third parties (for example, potential customers) shared with the company.

This policy outlines the actions everyone must take to protect confidential information. **Failure to comply with this policy may result in disciplinary action, up to and including termination.**

Protect Real's Confidential Information:

- Do not disclose non-public information outside of the company unless the disclosure furthers a legitimate business purpose and (a) is approved by appropriate-level team member designated by legal (usually executive or higher), **or** (b) is covered by a non-disclosure agreement approved by appropriate-level team member designated by legal (usually executive or higher) and Legal.
- Do not allow non-Real team members access to company offices without escort.
- Share sensitive confidential information, information that is likely to give the company a competitive advantage, with company representatives only on a need-to-know basis.
- Do not store confidential Real materials, documents, information on a computer that does not have Real-mandated security features (i.e. single sign on /two step-authentication.)
- Except to the extent of collaborative and storage tools approved by Real, do not use cloud storage or collaboration tools without ensuring Real materials are secured and not accessible outside of the company.
- Do not sign Non-Disclosure or Confidentiality Agreements with 3rd parties on behalf of Real for any Real-related activities without executive/legal approval.

Confidential information is any information within the company, in any form, that is not known publicly. It can include formulas, recipes, processes, source code, compilations, methods, techniques, test results, prototypes, designs, business strategies, marketing plans, scientific data, specifications, financial data, customer contacts, customer lists, product roadmaps, ways of doing things, what has not worked, and data.

Requests for NDAs should be directed to Real's CEO or one of the executive team members.

Protect the Confidential Information of Others

- Do not use, access, rely on or reference any confidential information or proprietary materials from pre-existing employers or other relationships
- Do not share confidential information received under NDA from another person or company
(a) outside of Real, or (b) inside of Real, unless needed for the purpose of the NDA
- Do not record phone conversations, internet calls or the like with 3rd parties without prior approval from Executive team member.

Conflicts of Interest

Real's success depends on the hard work, dedication, and integrity of everyone who works here. In turn, our livelihood depends on the success of Real.

Because we depend so much on our team, and because they depend so much on us, we expect everyone to devote their energies and loyalties to Real.

We do not allow our team members to engage in any activities or relationships that create either an actual conflict of interest, the appearance of a conflict of interest, or the potential for a conflict of interest.

A conflict of interest, or the appearance of one, occurs when the team member or a member of the team member's immediate family uses the team member's position for personal benefit or for personal gain. "Immediate family" includes a spouse, domestic partner, siblings, parents and grandparents, children and grandchildren, nieces and nephews, and people living in the same household in a relationship substantially comparable to any of the above.

*This document outlines standards, policies and practices relative to specific behaviors that uphold Real Broker, LLC's (Real) expectations of legal, equitable and respectful conduct by any employee, contractor, consultant or vendor engaged on behalf of Real. For the purposes of this document "**team member**" is used to identify any individual covered under this Code of Conduct.*

Although we cannot list every activity or relationship that would create either an actual or potential conflict of interest, examples of activities that violate this policy include the following:

- working for a competitor or customer or vendor as a part-time employee, full-time employee, consultant, independent contractor, or in any other capacity
- owning an interest in a competitor, customer, vendor, or anyone else who seeks to do business with Real
- owning an interest in a competitor, customer, vendor, or anyone else who seeks to do business similar to the business, services, and/or products provided by Real
- using the resources of Real for personal gain
- using your position in Real for personal gain

Team members who violate this policy face disciplinary action, up to and including termination. Real may also seek other legal remedies.

Electronic Communications

The Electronic Communications policy applies to Real's email and other communication systems; file storage and other records; and other electronic records; laptops, desktop computers, and other computers used for Real business; and the company software, subscription services, and other electronic records, regardless whether you access such systems from a mobile device, home computer, Real-provided computer, or other device. It also applies to your personal email, file storage, and social media accounts you access from a Real computer, using Real's Wi-Fi, other Real system, or from Real's premises.

Real maintains the right and the ability to enter into any of these communications systems and records and to inspect and review such communications and records and the devices you use to access these communications and records.

Team Members should not assume that devices used to access company electronic systems are private or confidential. Individuals using Real business equipment should also have no expectation that any information stored on their desktops, laptop, mobile devices or other computer, whether the information is contained on a computer hard drive, computer disks or in any other manner, will be private.

The following conduct is prohibited by any user of any of the Real's electronic communications systems or equipment:

- Posting any information on a website, blog, electronic bulletin board, or other, similar electronic media making a public representation about the Real, or on behalf of the Real, unless it has first been approved by an officer or other appropriate individual of the Real
- Opening/downloading external files without first scanning for viruses
- Conduct which violates the Real's policy against harassment, discrimination, standards of conduct, or any other policy.

Remember, the terms of the PIIA which team members sign are a term of employment, as well as other Real policies, are equally applicable to paper, oral and electronic communications.

Equal Employment Opportunity

Real is an equal opportunity employer. Employment decisions are based on merit and business needs, and not on the basis of race, color, religion, citizenship, marital status, age, national origin, ancestry, physical or mental disability, medical condition, sexual orientation, veteran status, family care status, sex (which includes sexual harassment, gender harassment and harassment based on, pregnancy, childbirth, or related medical conditions) or any other basis protected by federal, state, or local law.

Harassment and Complaint Procedure

Real intends to provide and maintain a work environment that is orderly, pleasant, professional, and free from intimidation, hostility, or other conduct which might interfere with work performance. Harassment of any sort (verbal, physical, or visual) will not be tolerated. Real expressly prohibits harassment based on sex, race, color, national origin, ancestry, religion, physical or mental disability, veteran status, or any other basis protected by federal, state, and local law. Real team members, and particularly managers, have a responsibility for keeping our work environment free of harassment.

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Any team member who becomes aware of an incident of harassment or violation of the EEO or anti-harassment policy, whether by witnessing the incident, or being told of it, must report it to their immediate supervisor or any management representative (including HR) with whom they feel comfortable. When management becomes aware of the existence of harassment or violation of the EEO policy, it is obligated by law to take prompt and appropriate action.

Any team member found to have harassed or violated the rights of a peer team member or subordinate will be subject to disciplinary action, up to and including termination.

Retaliation of any sort will not be permitted, and no adverse (employment) action will be taken against any team member making a good faith report of alleged harassment or EEO violation.

Any individual who makes unwelcome advances, threatens, or in any way harasses another team member may be subject to discipline, up to and including, discharge. A team member in violation of this policy may also be personally liable for such actions and their consequences.

Whistleblower Policy

All team members are expected to observe high standards of business and personal ethics in the conduct of their duties and responsibilities.

As team members of Real we must practice honesty and integrity in fulfilling our responsibilities and comply with all applicable laws and regulations. Set forth below is Real's policy with respect to reporting good-faith concerns about the legality or propriety of Real's actions or plans. This policy is established to ensure that all individuals can report suspicions, concerns or evidence of illegal, unethical, or other inappropriate activity without fear of retaliation.

Reporting Responsibility: If a team member or representative of Real has knowledge of or a concern of illegal or dishonest fraudulent activity, it is their responsibility to report such violations in accordance with our code of conduct and applicable laws.

Confidentiality: Real will treat all communications under this policy in a confidential manner. Insofar as possible, the confidentiality of the whistleblower will be maintained. However, identity may be disclosed to conduct a fair and complete investigation or for review of operations.

Acting in Good Faith: Anyone filing a complaint concerning a violation or suspected violation must be acting in good faith and have reasonable grounds for believing the information disclosed indicates a violation. Any allegation that proves not to be substantiated and which has been made maliciously or knowingly to be false will be viewed as a serious disciplinary offence.

Retaliation: Real will not permit any negative or adverse actions to be taken against any individual for making a good-faith report of possible violation of its code of conduct or applicable laws, even if the report is mistaken. Retaliation of any form will not be tolerated. Any act of alleged retaliation should be reported immediately and will be promptly investigated. Any team member who retaliates against someone who has reported a violation in good faith is subject to discipline up to and including termination. The Whistleblowers Policy is intended to encourage and enable team members and others to raise serious concerns within Real prior to seeking resolution outside the organization.

Reporting Violations: Real has an open-door policy and suggests that team members and representatives share their questions, concerns, suggestions or complaints with someone who can address them properly. In most cases, an individual's supervisor is in the best position to address an area of concern. However, if a team member is not comfortable speaking with a supervisor or is not satisfied with the supervisor's response, the individual is encouraged to speak with HR or anyone in management the individual feels comfortable approaching.

Remaining Anonymous: If you wish to remain anonymous, it is not necessary for you to give your name or position. Whether or not you identify yourself, for a proper investigation to be conducted, please provide Real with as much detailed information as you can.

Anti-Bribery Policy

Real's Anti-Bribery Policy establishes controls to ensure compliance with all applicable anti-bribery and corruption regulations, and to ensure that our business is conducted in a socially responsible manner.

Policy statement: Bribery is the offering, promising, giving, accepting or soliciting of an advantage as an inducement for action which is illegal or a breach of trust. A bribe is an inducement or reward offered, promised or provided in order to gain any commercial, contractual, regulatory or personal advantage.

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It is our policy to conduct all of our business in an honest and ethical manner. We take a zero-tolerance approach to bribery and corruption. We are committed to acting professionally, fairly and with integrity in all our business dealings and relationships wherever we operate and implementing and enforcing effective systems to counter bribery.

We will uphold all laws relevant to countering bribery and corruption.

In this policy, **third party** means any individual or organization you come into contact with during the course of your work for Real, and includes actual and potential clients, customers, suppliers, distributors, business contacts, agents, advisers, and government and public agencies, including their advisors, representatives and officials, politicians and political parties.

This policy applies to all team members including officers, those in leadership positions, any employees (regular, part-time, temporary), consultants, contractors, vendors and any other person associated with us, or any of our subsidiaries or their employees, wherever located (collectively referred to as **team members** in this policy).

This policy covers:
- Bribes
- Gifts and hospitality
- Facilitation payments
- Political contributions
- Charitable contributions

Bribes: Team members must not engage in any form of bribery, either directly or through any third party.

Gifts and hospitality: Team members must not offer or give any gift or hospitality:
- which could be regarded as illegal or improper, or which violates the recipient's policies; or
- to any public employee or government officials or representatives, or politicians or political parties; or
- which exceeds $100 in value for each individual gift or $500 in value for each hospitality event (not to exceed a total value of $1000 in any financial year), unless approved in writing by senior leadership (Director or above.)

Team Members may not accept any gift or hospitality if:
- it exceeds $100 in value for each individual gift or $500 in value for each hospitality event (not to exceed a total of $1000 in any financial year), unless approved in writing by senior leadership (Director or above.)
- it is in cash; or
- there is any suggestion that a return favour will be expected or implied.

If it is not appropriate to decline the offer of a gift, the gift may be accepted, provided it is then declared to an executive leader and the gift may then be donated to charity.

We appreciate that the practice of giving business gifts varies between countries and regions and what may be normal and acceptable in one area may not be in another. The test to be applied is whether in all the circumstances the gift or hospitality is reasonable and justifiable. The intention behind the gift should always be considered.

Within these parameters, leadership may define specific guidelines and policies to reflect local professional and industry standards. Where this policy requires written approval to be given, the CFO shall put in place a process to maintain a register of all such approvals.

Facilitation payments and kickbacks: Facilitation payments are a form of bribery made for the purpose of expediting or facilitating the performance of a public official for a routine governmental action, and not to obtain or retain business or any improper business advantage.

Facilitation payments tend to be demanded by low level officials to obtain a level of service which one would normally be entitled to.

Our strict policy is that facilitation payments must not be paid. We recognize, however, that our team members may be faced with situations where there is a risk to the personal security of an team member or his/her family and where a facilitation payment is unavoidable, in which case the following steps must be taken:

- Keep any amount to the minimum;
- Create a record concerning the payment; and
- Report it to executive leadership immediately

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In order to achieve our aim of not making any facilitation payments, each business of the Company will keep a record of all payments made, which must be reported to the CFO, in order to evaluate the business risk and to develop a strategy to minimise such payments in the future.

PoliticalContributions: We do not make donations, whether in cash or kind, in support of any political parties or candidates, as this can be perceived as an attempt to gain an improper business advantage.

Charitable contributions: Charitable support and donations are acceptable (and indeed are encouraged), whether of in- kind services, knowledge, time, or direct financial contributions. However, team members must be careful to ensure that charitable contributions are not used as a scheme to conceal bribery. We only make charitable donations that are legal and ethical under local laws and practices. No donation must be offered or made without the prior approval of the CFO. All charitable contributions should be publicly disclosed.

Team Member responsibilities: Team members must ensure that you read, understand and comply with this policy.

- The prevention, detection and reporting of bribery and other forms of corruption are the responsibility of all those working for Real.
- All team members are required to avoid any activity that might lead to, or suggest, a breach of this policy.
- You must escalate a concern as soon as possible if you believe or suspect that a conflict with or breach of this policy has occurred, or may occur in the future.
- Any team member who breaches this policy will face disciplinary action, which could result in dismissal for gross misconduct. We reserve our right to terminate our contractual relationship for a breach of this policy.

Record-keeping: We must keep financial records and have appropriate internal controls in place which will evidence the business reason for making payments to third parties.

- Team Members must declare and keep a written record of all hospitality or gifts accepted or offered, which will be subject to managerial review.
- Team Members must ensure all expenses claims relating to hospitality, gifts or expenses incurred to third parties are submitted in accordance with our expenses policy and specifically record the reason for the expenditure.
- All accounts, invoices, memoranda and other documents and records relating to dealings with third parties, such as clients, suppliers and business contacts, should be prepared and maintained with strict accuracy and completeness. No accounts must be kept "off-book" to facilitate or conceal improper payments.

How to raise a concern: Team Members are encouraged to raise concerns about any issue or suspicion of the earliest possible stage. If you are unsure whether a particular act constitutes bribery or corruption, or if you have any other queries or concerns, these should be raised with leadership immediately.

What to do if you are a victim of bribery or corruption: It is important that you tell leadership as soon as possible if you are offered a bribe by a third party, are asked to make one, suspect that this may happen in the future, or believe that you are a victim of another form of unlawful activity.

Protection: Team members who refuse to accept or offer a bribe, or those who raise concerns or report another's wrongdoing, are sometimes worried about possible repercussions. We aim to encourage openness and will support anyone who raises genuine concerns in good faith under this policy, even if they turn out to be mistaken.

We are committed to ensuring no one suffers any detrimental treatment as a result of refusing to take part in bribery or corruption, or because of reporting in good faith their suspicion that an actual or potential bribery or other corruption offence has taken place, or may take place in the future.

Detrimental treatment includes dismissal, disciplinary action, threats or other unfavourable treatment connected with raising a concern. If you believe that you have suffered any such treatment, you should inform the CFO immediately. If the matter is not remedied, and you are an employee, you should raise it formally to HR.

Training and communication: Training on this policy forms part of the on-boarding process for all team members. All existing team members will receive regular, relevant training on how to implement and adhere to this policy. In addition, all team members will be asked to formally accept conformance to this policy on an annual basis.

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Our zero-tolerance approach to bribery and corruption must be communicated to all suppliers, contractors and business partners at the outset of our business relationship with them and as appropriate thereafter.

Who is responsible for the policy: Our board has overall responsibility for ensuring this policy complies with our legal and ethical obligations, and that all those under our control comply with it.

Our CFO has primary and day-to-day responsibility for implementing this policy, and for monitoring its use and effectiveness and dealing with any queries on its interpretation.

Management at all levels are responsible for ensuring those reporting to them are made aware of and understand this policy and are given adequate and regular training on it.

Monitoring and review: Executive leadership (CFO) will monitor the effectiveness and review the implementation of this policy, regularly considering its suitability, adequacy and effectiveness. Any improvements identified will be made as soon as possible. Internal control systems and procedures will be subject to regular audits to provide assurance that they are effective in countering bribery and corruption.

All team members are responsible for the success of this policy and should ensure they use it to disclose any suspected danger or wrongdoing.

Team members are invited to comment on this policy and suggest ways in which it might be improved. Comments, suggestions and queries should be addressed to the CFO.

Safety

Real is committed to the safety and health of all team members and visitors.

Maintaining a safe work environment requires the continuous cooperation of all team members. Any suspected unsafe conditions and all injuries that occur on the job must be reported to leadership and/or HR immediately.

As soon as possible following an incident that results in a work-related injury or illness, leadership and/or HR should be notified with the details of the incident. When seeking medical treatment, communicate to the medical provider that the injury or illness is work-related. All questions regarding workplace illness or injury, and the processing of benefits, should be directed to HR.

Acknowledgment

I acknowledge that I have received and read Real's Code of Conduct. I understand that this document is not a contract and that Real may change, add to, or delete any information, policies, and benefits described in this document, with or without prior notice.

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in Registration Statement No. 333-262142 on Form S-8 and to the use of our report dated March 18, 2022 relating to the consolidated financial statements of The Real Brokerage Inc., appearing in this Annual Report on Form 40-F for the year ended December 31, 2021.

/s/ Brightman Almagor Zohar & Co.

Brightman Almagor Zohar & Co.
Certified Public Accountants
A Firm in the Deloitte Global Network

Tel Aviv, Israel
March 18, 2022