



The Real Brokerage Inc. Investor Presentation

November 2024



Nasdaq: REAX
investors.onereal.com



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Such “forward-looking statements” involve known and unknown risks and uncertainties that could cause actual and future events to differ materially from those anticipated in such statements.

Forward looking statements include, but are not limited to, statements with respect to commercial operations, anticipated revenues, the overall projected size of the market, our ability to obtain financing for future operations and other information that is based on forecasts of future results and other key management assumptions. The Company assumes no responsibility to update or revise forward-looking information to reflect new events or circumstances unless required by law.

This Presentation also contains certain market data and other statistical information such as the size, growth and share of the industries and the market segments we operate in, that are based on information from independent industry organizations and other third-party sources, industry publications, surveys and forecasts. Such data may include projections based upon a number of assumptions. Such markets may not grow at the rate projected by market data, or at all. Failure of such markets to grow at the projected rate may have a material adverse effect on our business and the market price of our common stock. In addition, if any one or more of the assumptions underlying such market data are later found to be incorrect, actual results may differ from the projections based upon these assumptions. You should not place undue reliance on these forward-looking statements.

Future Oriented Financial Information: To the extent any forward-looking information in this Presentation constitutes “future-oriented financial information” or “financial outlooks” within the meaning of applicable Canadian securities laws, such information is being provided to demonstrate anticipated results and the reader is cautioned that this information may not be appropriate for any other purpose and the reader should not place undue reliance on such future-oriented financial information and financial outlooks.

Future-oriented financial information and financial outlooks, as with forward-looking information generally, are, without limitation, based on the assumptions and subject to the risks set out above.

Our actual financial position and results of operations may differ materially from management’s current expectations and, as a result, our revenue and profitability may differ materially from the revenue and profitability profiles provided in this Presentation. Such information is presented for illustrative purposes only and may not be an indication of our actual financial position or results of operations.

Note: Figures in this presentation are as of 09/30/2024 unless otherwise specified.

NASDAQ: REAX

The Real Brokerage Snapshot

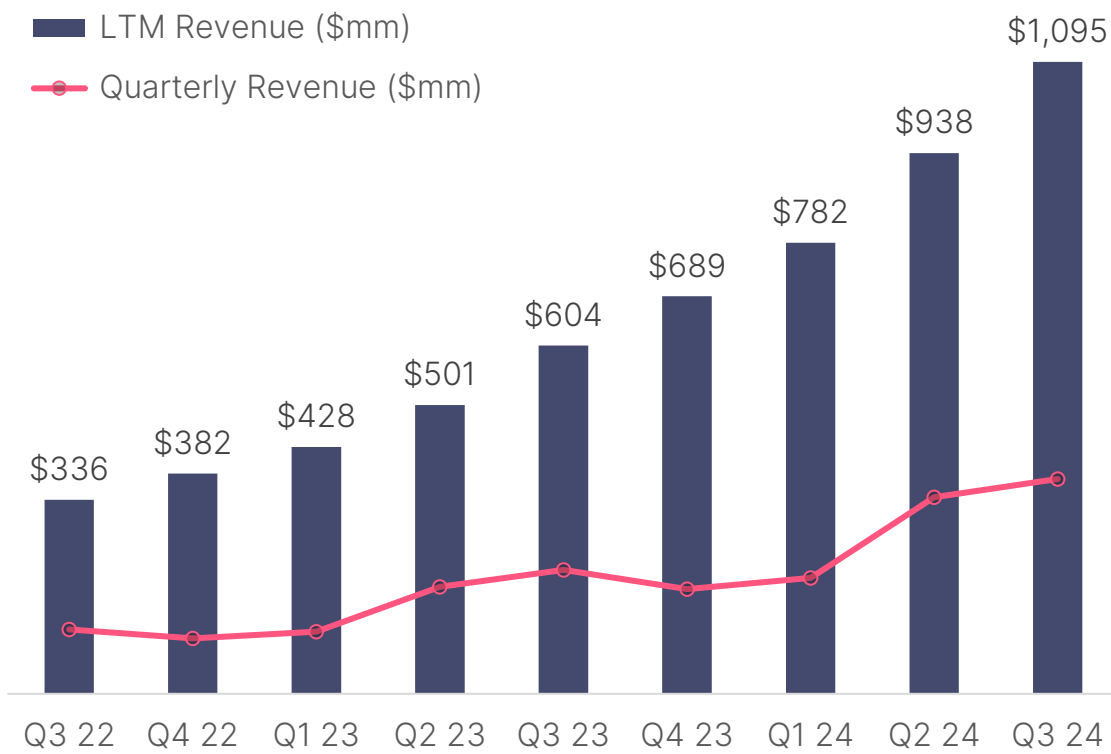
Founded in 2014, The Real Brokerage Inc. (“Real”) is a real estate technology company that is disrupting the traditional real estate brokerage model by providing agents with a higher value offering at a lower cost

Combining a unique culture, attractive financial incentives, and a proprietary software-based technology stack – Real has rapidly grown revenue and agent count without the need for cost-heavy physical office space

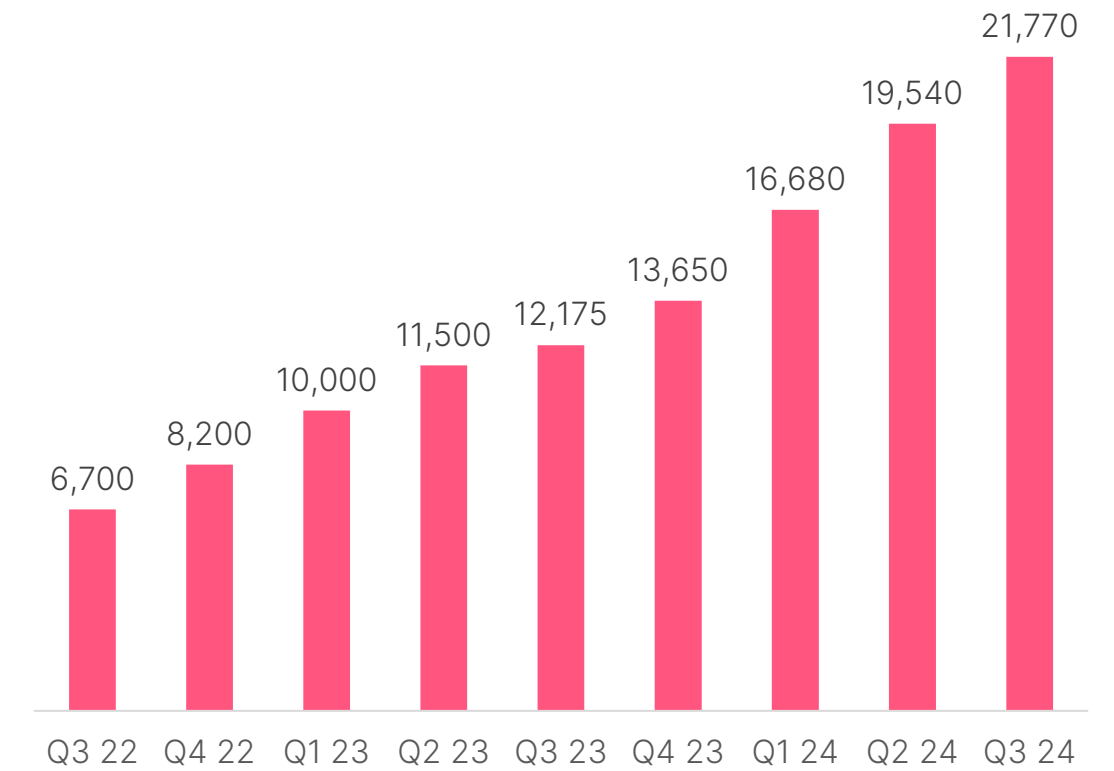
With a focus on organic agent growth and increasing attachment of ancillary services, such as mortgage and title, our vision is to redefine the home buying and selling process, while providing an avenue for real estate agents to build long-term wealth



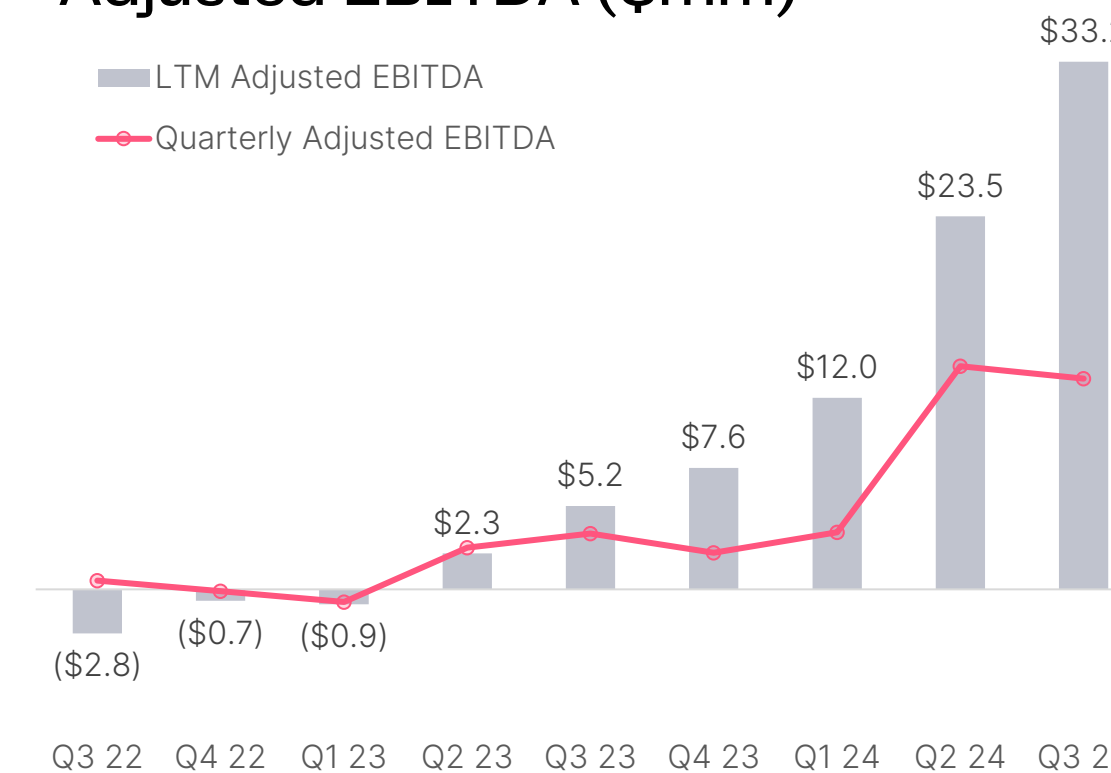
Last Twelve Months Revenue (\$mm)



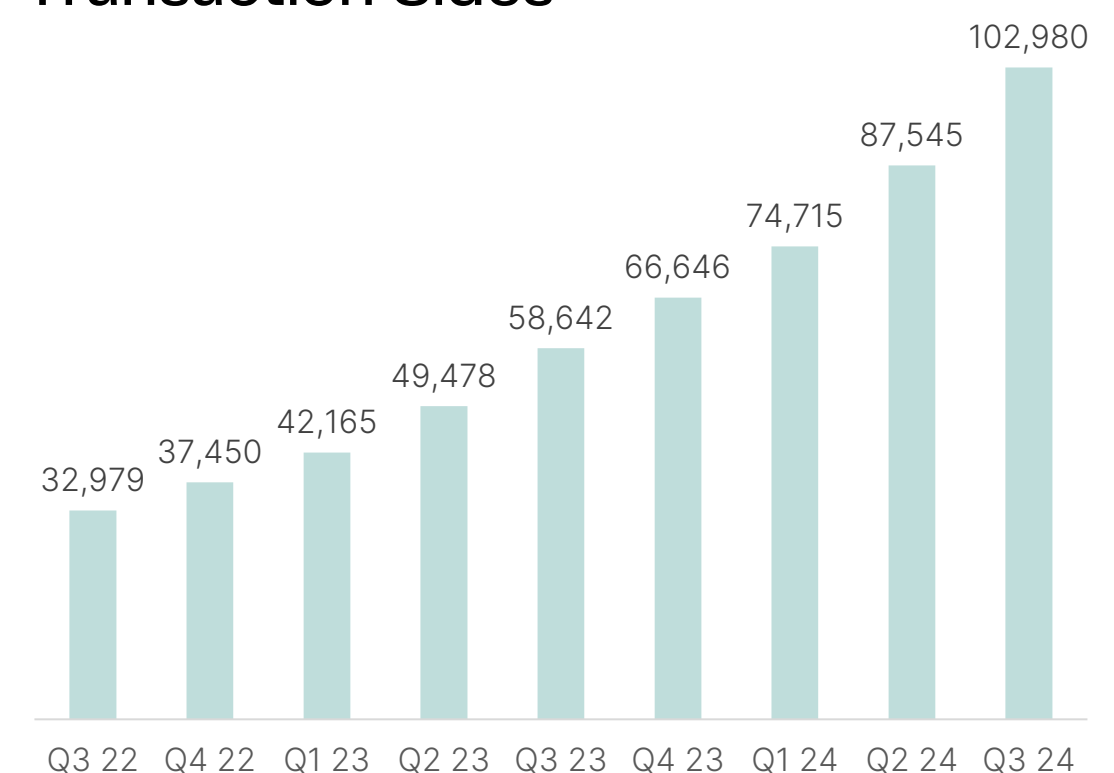
Agent Count



Last Twelve Months Adjusted EBITDA (\$mm)



Last Twelve Months Transaction Sides



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

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CHAPTER 01

REAL OVERVIEW

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

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

Tamir Poleg

FOUNDER AND CEO

real



Investment Highlights

01 / A New Approach to the Old Brokerage Model

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

02 / Compelling Agent Value Proposition

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

03 / Proprietary Software and Technology Stack

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

04 / Scalable, Capital Efficient Growth Platform

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

05 / Fragmented Market with Demonstrated Through-Cycle Growth

Fragmented market has enabled Real to grow revenue by over 3x since 2022, despite a decline in the existing home sales market of over 20% during that time

06 / Ancillary Services to Enhance Growth and Margins

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

07 / Distinct, Collaborative Culture

Culture prioritizing teamwork and collaboration, which fuels innovation, enhances agent engagement and ensures broad stakeholder satisfaction

08 / Experienced Management Team

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

OVERVIEW

01 / A New Approach to the Old Brokerage Model

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

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



Real today

Software-based real estate brokerage that provides agents with the ability to earn more money, with more autonomy, and more advanced technology

High value, low-cost offering attracts agents who are passionate about building their businesses



Real tomorrow

Rollout of consumer-facing product in 2025 which, under agent guidance, will provide a more streamlined home buying experience, while driving increased attachment of higher-margin ancillary services

In Q4 2024 Real launched the first version of Real Wallet, a fintech product exclusively for Real agents



Real in the future

Creation of an entire ecosystem of products that will monetize our platform's GMV, including mobile and e-wallet payments, debit/credit card solutions, and a suite of wealth management tools

Empowering agents to build long-term wealth all under the Real umbrella

Real Today: Software-Based Real Estate Brokerage Platform

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

		Traditional Brokerage	FRANCHISE / MODEL
DESCRIPTION	Software-based platform, no need for physical offices, high agent autonomy	Established firms, national presence, physical offices, high fixed costs	Unified under a larger brand but independently owned
AGENT ECONOMICS	High agent split with annual cap, revenue sharing, and equity opportunities	High brokerage split, with limited revenue share or equity	High agent split in exchange for recurring monthly franchise fees
TECHNOLOGY	Proprietary software tailored specifically for Real agents and clients	Some proprietary tools, but can be outdated	Varies; franchise or independently sourced
NATIONAL SUPPORT	Collaborative nationwide community with online tools providing 24/7 support	Strong national branding and support	National branding, some centralized support
TRAINING & DEVELOPMENT	Online training, continuous learning and development	Established, but can be generic	Varies by franchise
GROWTH POTENTIAL	High potential in fragmented market	Challenged by newer business models	Tied to franchise brand success
ANCILLARY SERVICES	Mortgage broker and title services offered today; additional services in the future	May offer; often through partnerships	Varies; some franchises offer, others may not



Real Tomorrow: Streamlining the Homebuying Experience

Announced in Q4 2024, Leo for Clients will provide agents and their clients a seamless AI-driven solution to simplify the homebuying process

Our vision is to transform the complex homebuying process into a simple, one-stop solution from discovery to close. Initially launched as the OneReal mobile app in 2023, Real's consumer interface is evolving into an AI-driven text-based product, scheduled for launch in 2025

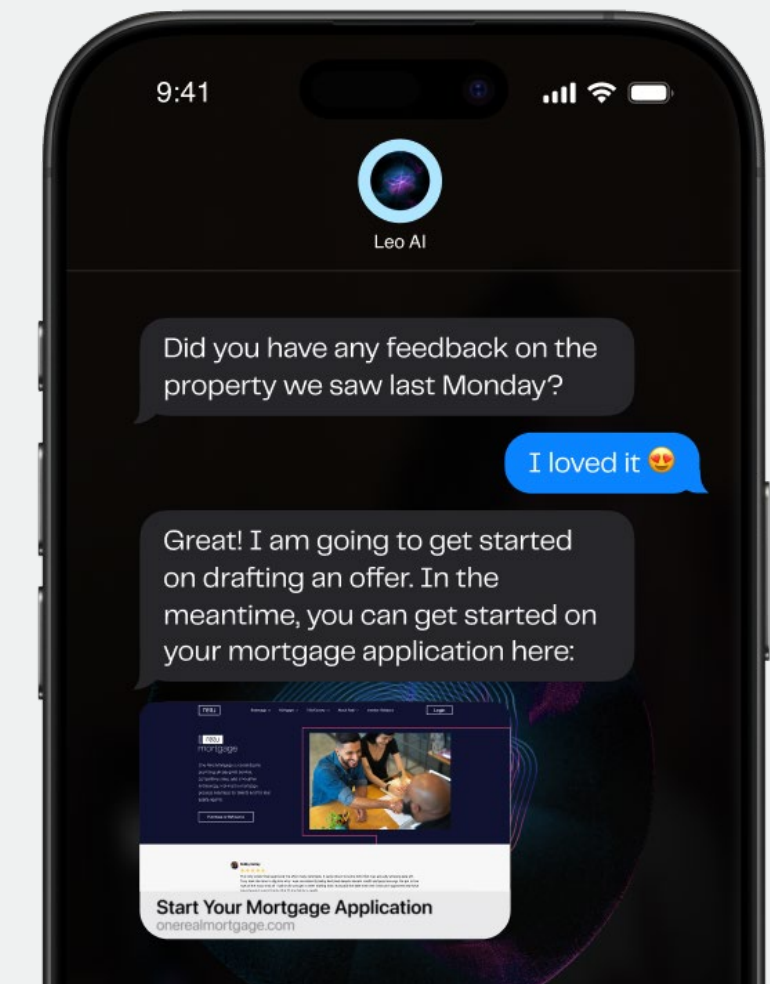
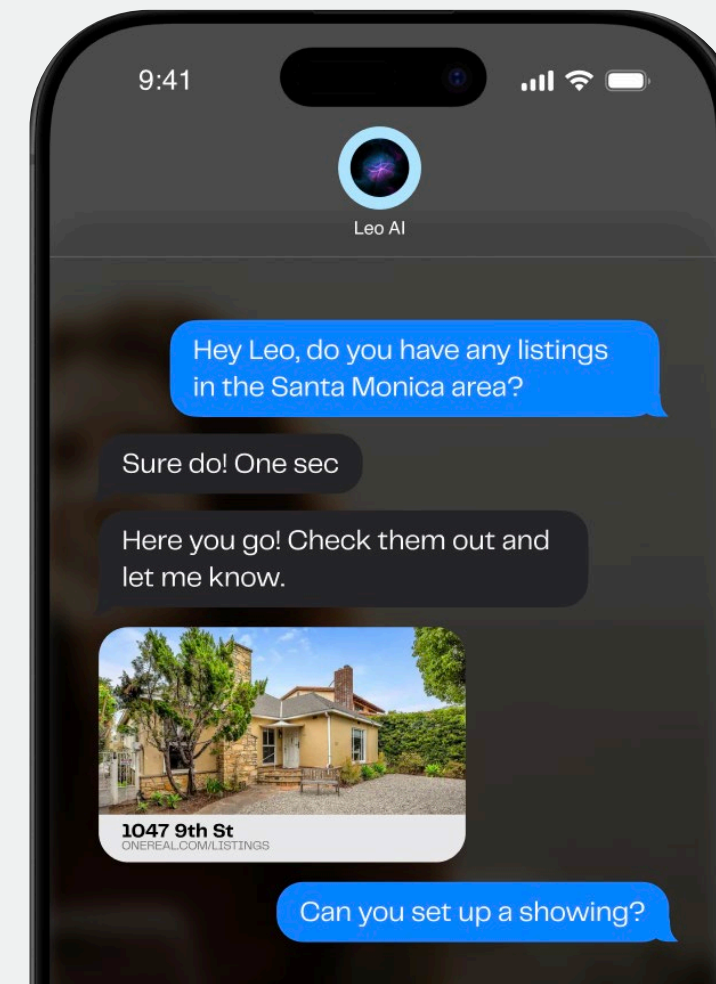
From this



To this

Provide your home buying goals

Get pre-approved fast!



Compelling Agent Value Proposition

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



Commission Revenue

Competitive 85% / 15% commission split in favor of agent vs. traditional splits of 70% / 30%

Agents keep all gross commission income after reaching \$12,000 annual cap



Revenue Sharing

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



REAL Stock and Equity Awards

Stock Purchase Plan (SPP) allows agents to invest a portion of commissions into REAX shares and build equity in the company; agents opting into SPP eligible to receive bonus Restricted Stock Units (RSUs) with 1-year vest

Capping Awards: agents earn up to 150 shares upon reaching the annual cap, depending on agent status

Elite Agent Production Award: Top-producing agents can earn up to \$16k in Real stock upon achievement of certain milestones

Elite Agent Cultural Award: Top contributors to Real Academy can earn additional stock awards valued up to \$8k via RSUs with a 3-year vesting period

Attracting Shares: Stock awards granted for attracting new agents to Real

Revenue Sharing

How revenue sharing works

Direct Referrals: If a Real agent brings in a new agent, they earn a share of the newcomer's commissions (up to a cap). This shared revenue is paid from Real's typical 15% commission split.

Tiered Earnings: Once an agent has referred 5 or more new agents to Real, they enter a new Tier. Here, they not only earn from their direct referrals but also from the commissions of agents brought in by their initial referrals.

Revenue share is paid to participating agents out of the **15% pre-cap** commission split paid to Real

Number of agents directly referred to Real:	Tier 1	Tier 2	Tier 3	Tier 4	Tier 5
	15% Commission Split Paid to Real				
1-4	5%				
5-14	5%	4%			
15-19	5%	4%	3%		
20-24	5%	4%	3%	2%	
25+	5%	4%	3%	2%	1%

Percent of Real's split that is paid out as Revenue Share by Tier

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



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

Why revenue sharing works

Replaces Traditional Marketing Spend. Direct referrals are the best way to attract highly-motivated agents to our brokerage and foster a culture of collaboration and mentorship.

Differentiated, Supplemental Income Stream. Agents begin earning revenue sharing as soon as they directly refer new producing agents to Real.

Improved Retention. Agents earn revenue share as long as they are active and closing deals (and can even earn post-retirement), which creates a strong incentive to stay for the long-term.

Enhanced Collaboration. With a vested interest in the success of their referrals, agents are more likely to collaborate, share best practices, and mentor new agents, leading to a more skilled, engaged and knowledgeable agent base.

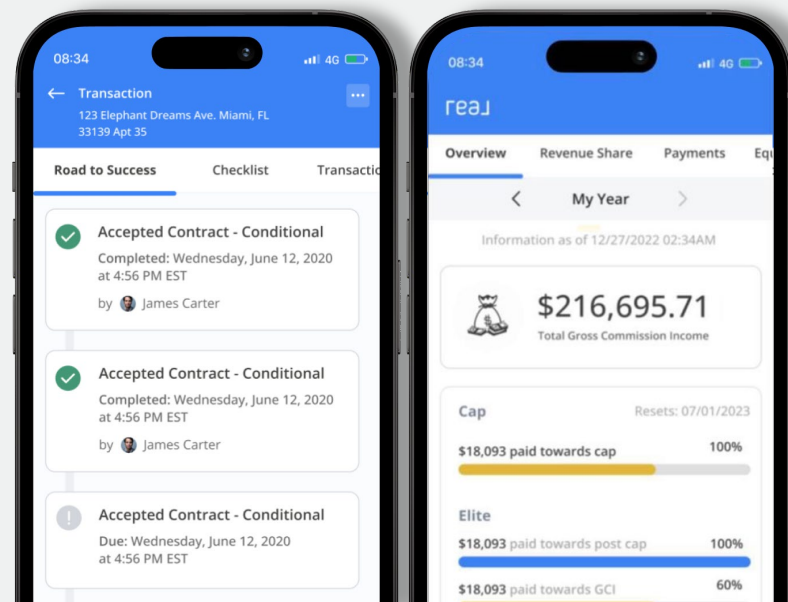
reZEN Software Platform

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

Productivity

Proprietary transaction management platform provides holistic view of an entire transaction process, including listings, drafting contracts, document reviews, and e-signatures

Comprehensive production dashboard providing visibility into agents' business metrics, from tracking financials, monitoring milestones to managing key contact details

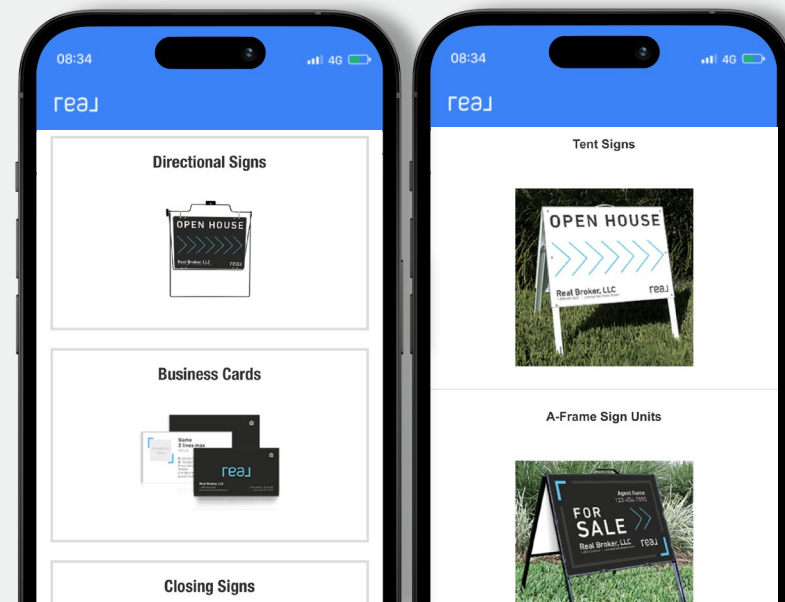


Marketing

Emphasis on agent branding within their local markets and communities, rather than a consumer-facing brand

Online presence: Every agent receives a personal branded website and app, with features for client engagement

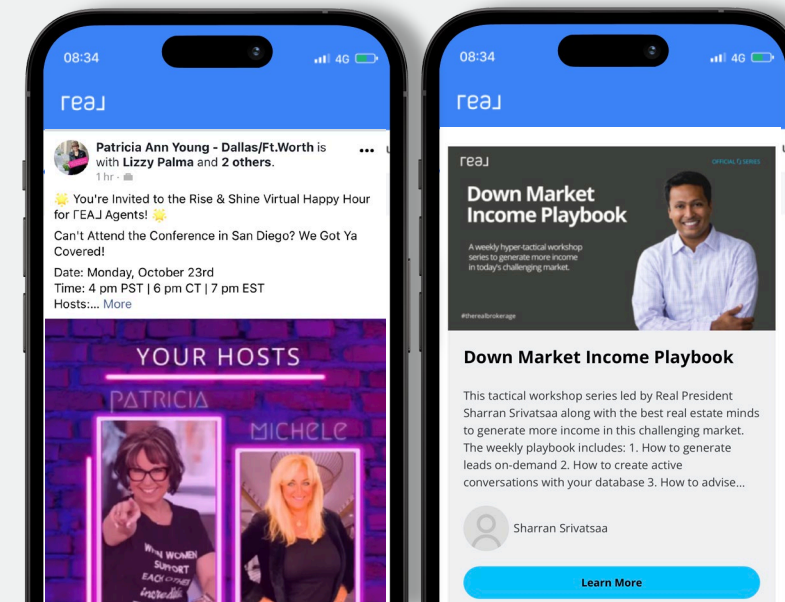
Offline marketing tools: customizable business cards, brochures, yard signs, car magnets, and more



Community

Community feature for agents to interact, exchange leads, celebrate successes, and schedule meet-ups

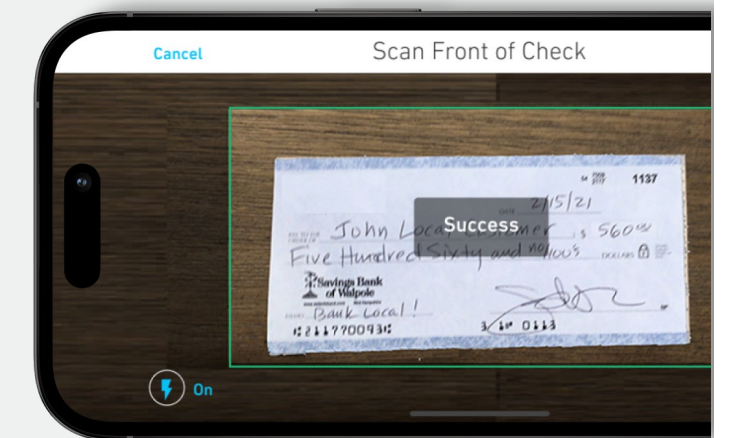
Provides agents access to Real Knowledge Center, training and development resources, and ability to learn from experiences of thousands of agents across North America



Brokerage Operations

Automation of back-office processes, including transaction support, document handling, verification and closing

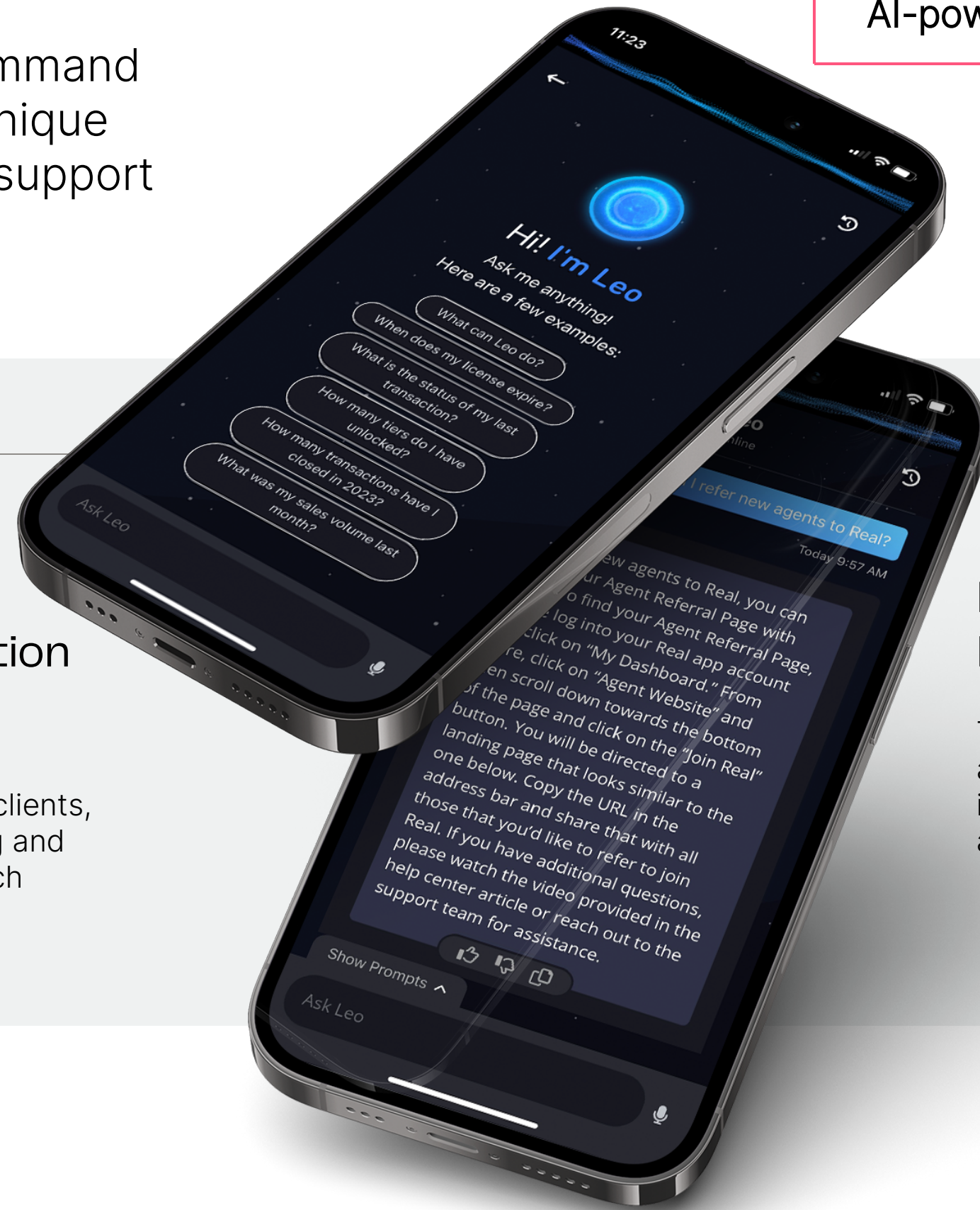
Enhanced mobile capabilities allow agents to generate CDAs or trade record sheets on demand; meanwhile, mobile payment and deposit options streamline financial processes and allows agents ability to receive payment within 24 hours of closing



Leo CoPilot

Leo CoPilot serves as an agent command center, anticipating each agent's unique needs and providing personalized support

In October 2024, Real unveiled Leo CoPilot, an innovative, proactive enhancement of its AI-powered virtual assistant for agents



KEY FEATURES

24/7 Assistance

Powered by GPT technology, Leo integrates with Real's transaction management platform providing round-the-clock support to agents and brokers

Contextual Communication

Provides relevant answers based on agents' business, clients, and deals, learning and improving with each interaction

Personalized Marketing

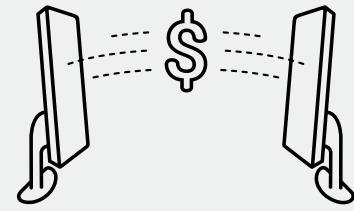
Tailors marketing assets and daily playbooks to individual agent needs and styles

Continuous Improvement

Machine learning model continues to improve responses and capabilities as it learns

Real Wallet

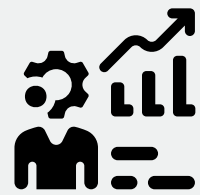
KEY FEATURES



Access earnings faster – reducing delays from legacy brokerage and banking systems



Gain real-time insights into professional net worth

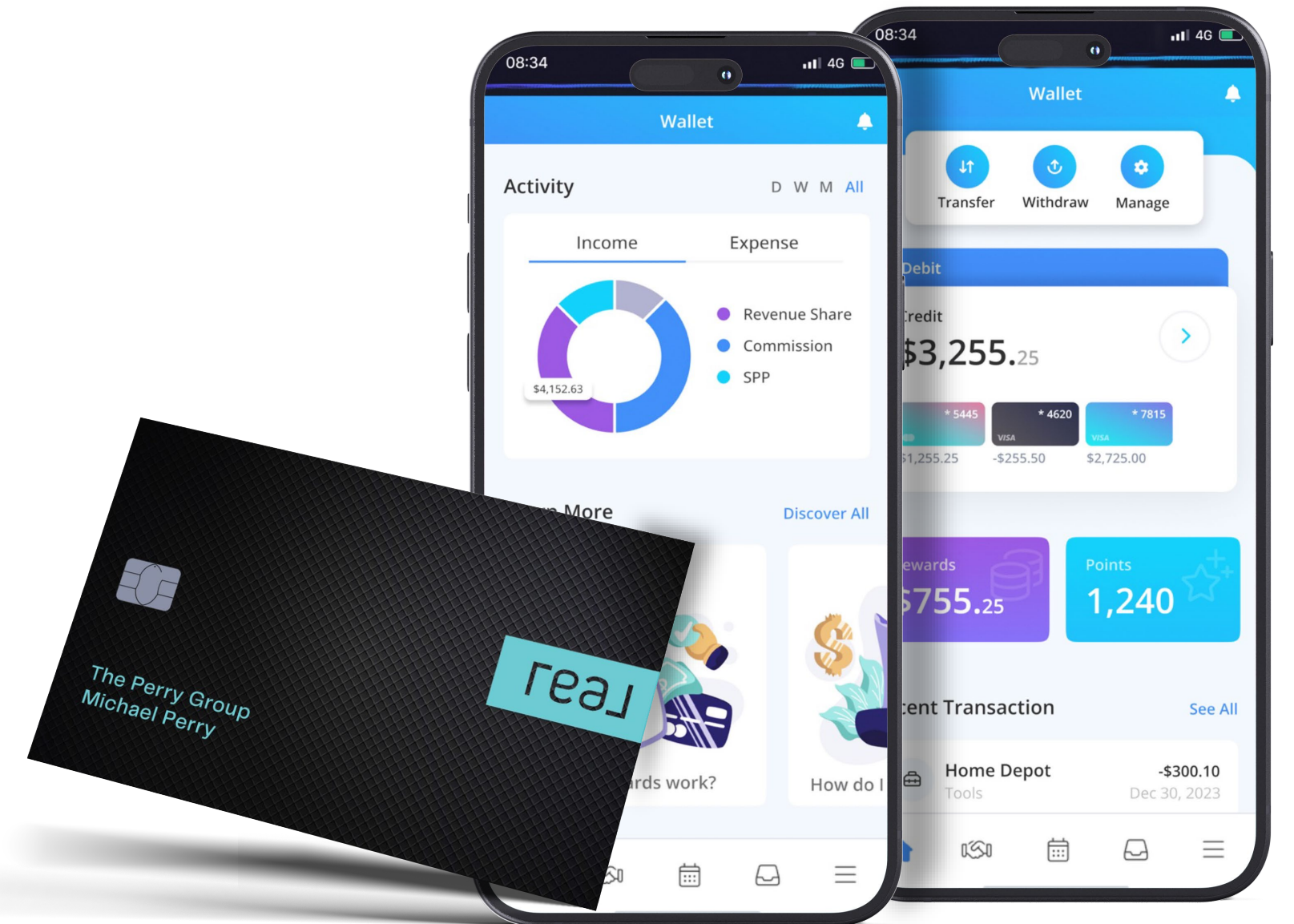


Take full control of business growth with enhanced financial flexibility



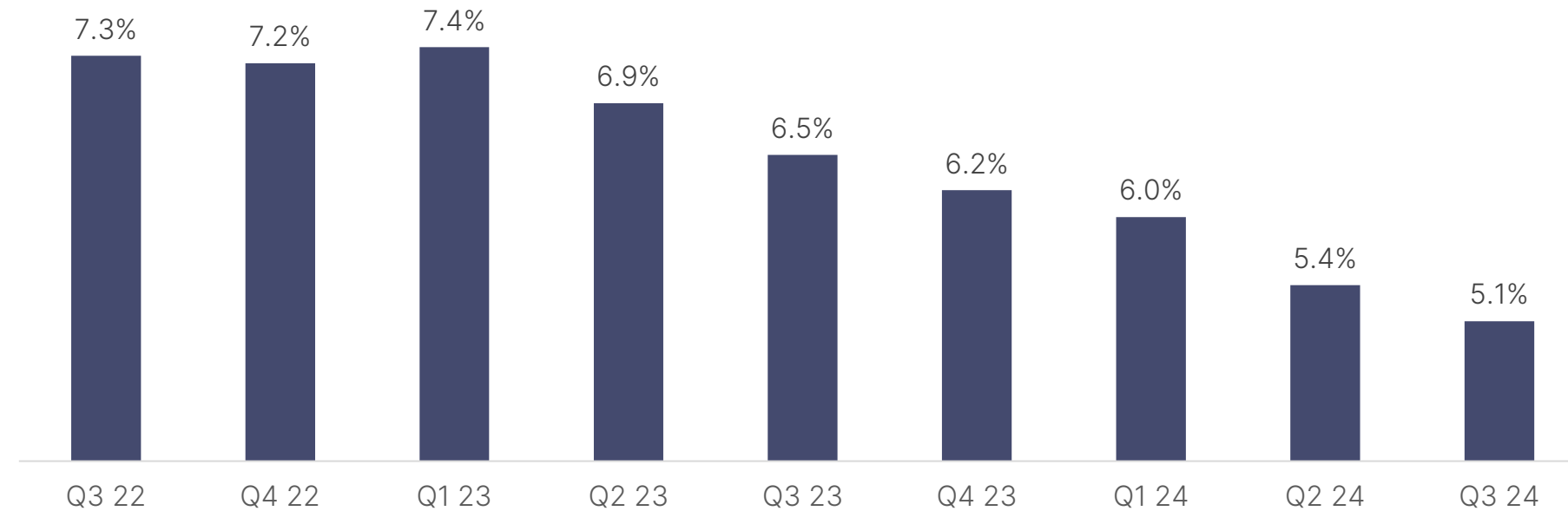
Expected integrations with Apple Pay and Google Pay will help agents use Real Wallet in everyday transactions

Launched in Q4 2024, Real Wallet offers U.S. agents a Real-branded debit card and Canadian agents a business line of credit tied to their revenue and assets, with additional fintech products expected to follow in 2025



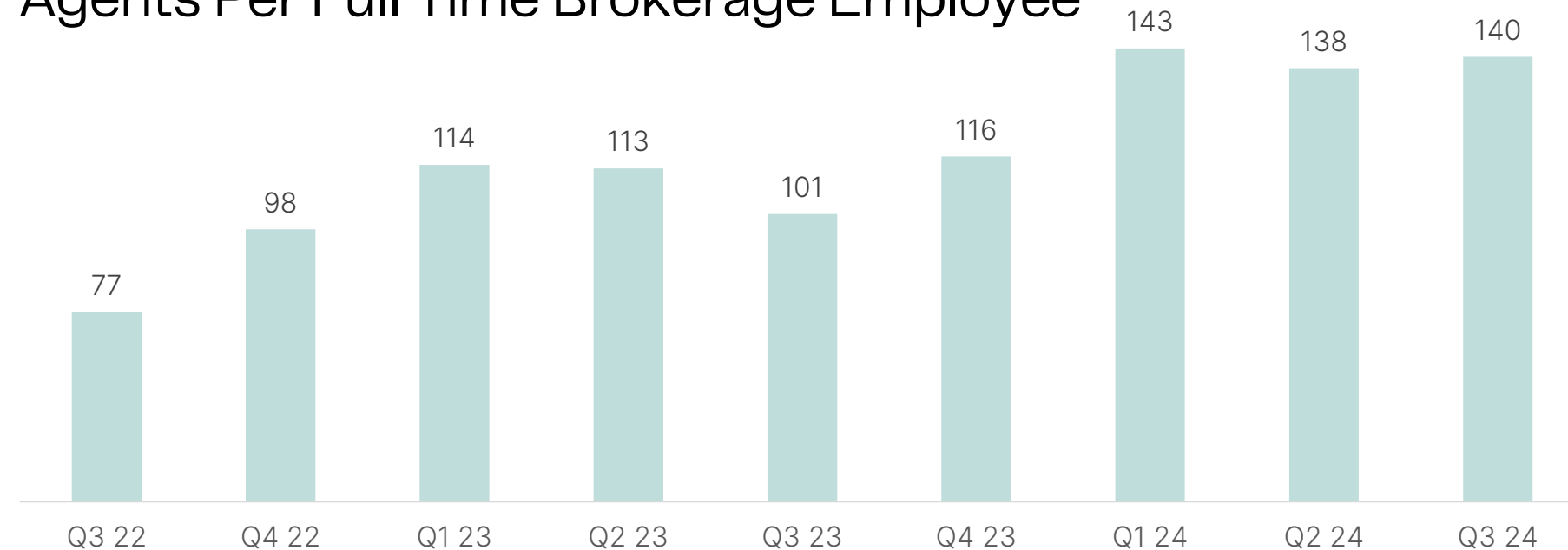
Rapid Growth Enabled by Tech

LTM Adjusted Operating Expense (% of Revenue)



Note: Adjusted Operating Expense reflects operating expenses excluding revenue sharing, stock-based compensation, depreciation and other non-cash or unique, non-recurring expenses. Definition of all non-IFRS numbers and a reconciliation to IFRS numbers are provided in the Appendix of this presentation

Agents Per Full Time Brokerage Employee



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



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

Capital Efficient Growth

Software platform enables near-zero upfront cost for each new agent addition, driving operating leverage and capital efficient growth

Absence of physical infrastructure and office space enables growth with minimal capital expenditure required

Adjusted operating expenses have declined from 7.3% to 5.1% over the past two years

Headcount Efficiency Driven by Automation

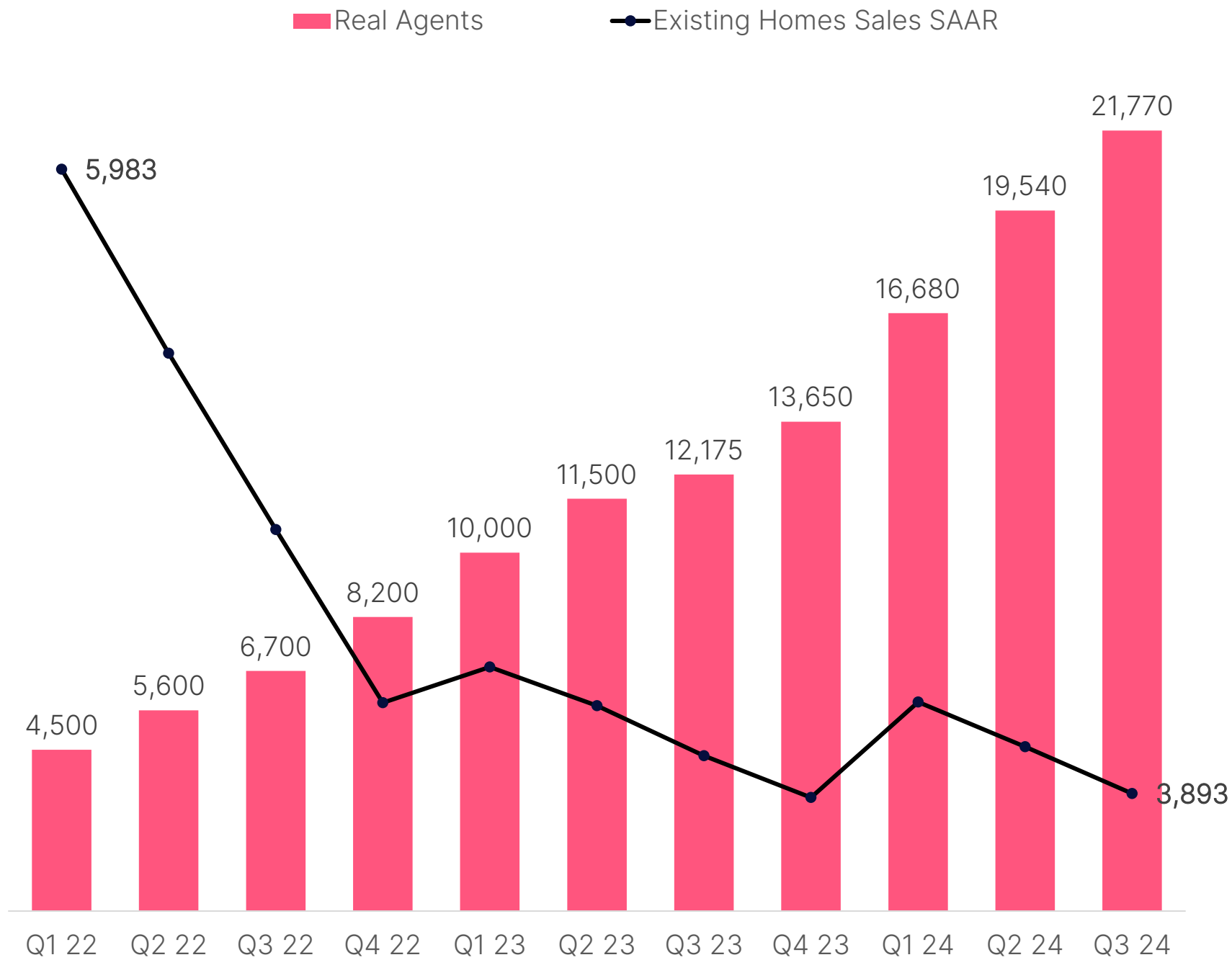
Use of software to automate traditionally human-intensive tasks provides ability to rapidly grow agent base without a commensurate increase in full-time employee headcount

Ratio of agents to full-time employees continues to grow year over year as platform scales

Agent-to-full time brokerage employee ratio jumped from 77:1 in Q3 2022 to 140:1 in Q3 2024, well ahead of traditional brokerage peers

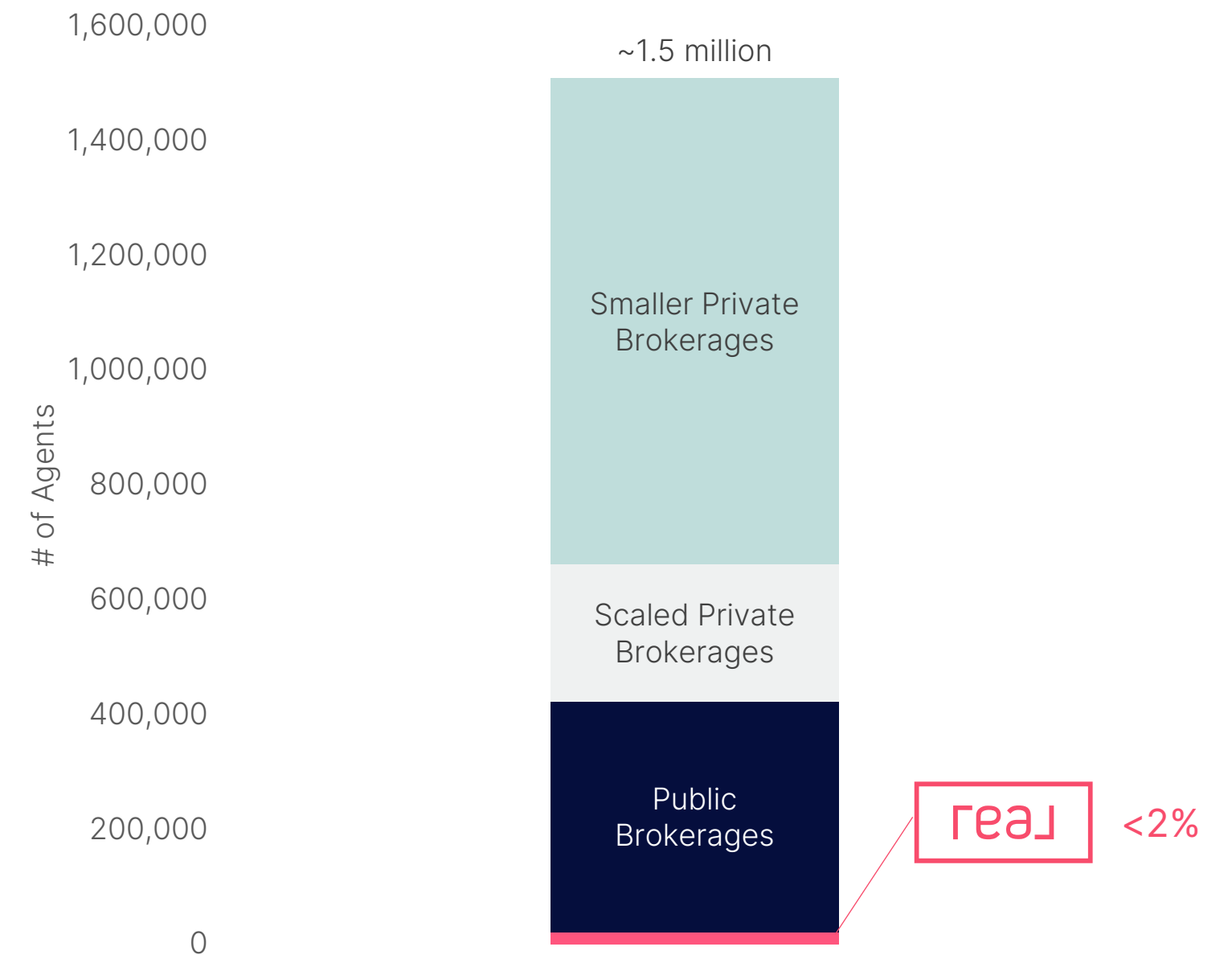
Significant Growth in Down Cycle

Real Agent Growth vs. Existing Home Sales



Real has grown agent count by nearly 5x since the start of 2022; today we represent less than 2% of the industry

US Agent Market Share



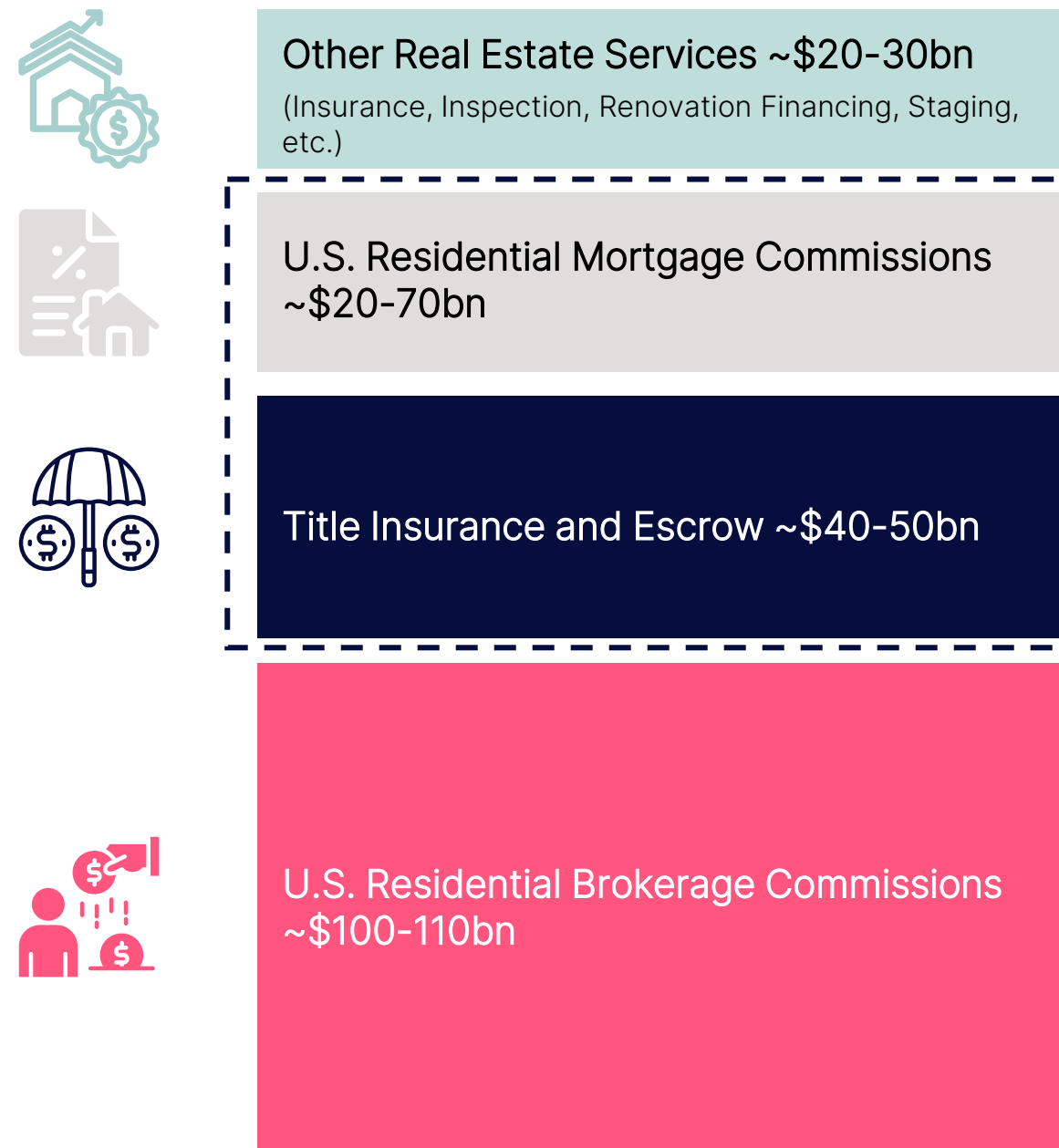
Note: U.S. existing home sales figures in 000's per the National Association of Realtors; Data plots quarterly average of monthly existing homes sales.

Source: National Association of Realtors, Stephens Research, D.A. Davidson Research, Company Reports

Ancillary Services Expand Addressable Market and Enhance Margins

Integrating mortgage, title, and other ancillary services provides an opportunity to enhance per-transaction unit economics and drive long-term margin expansion

US Estimated TAM: ~\$180-260bn



	<p>Great service, competitive rates, and innovative technology, enabling a seamless mortgage process</p>	<p>~45-50% Gross Margin</p>
	<p>One Real Title Leveraging proprietary technology to provide a better closing experience</p>	<p>~80% Gross Margin</p>
	<p>One Real Escrow Built on industry-leading technology to enable agents to deliver a faster, better experience to customers</p>	



Note: Figures are for illustrative purposes only; Derived from data from third-party public sources including the National Association of Realtors and the Mortgage Bankers Association, as well as internal estimates. Market sizes represent ranges based on data and estimates from 2021 to 2023

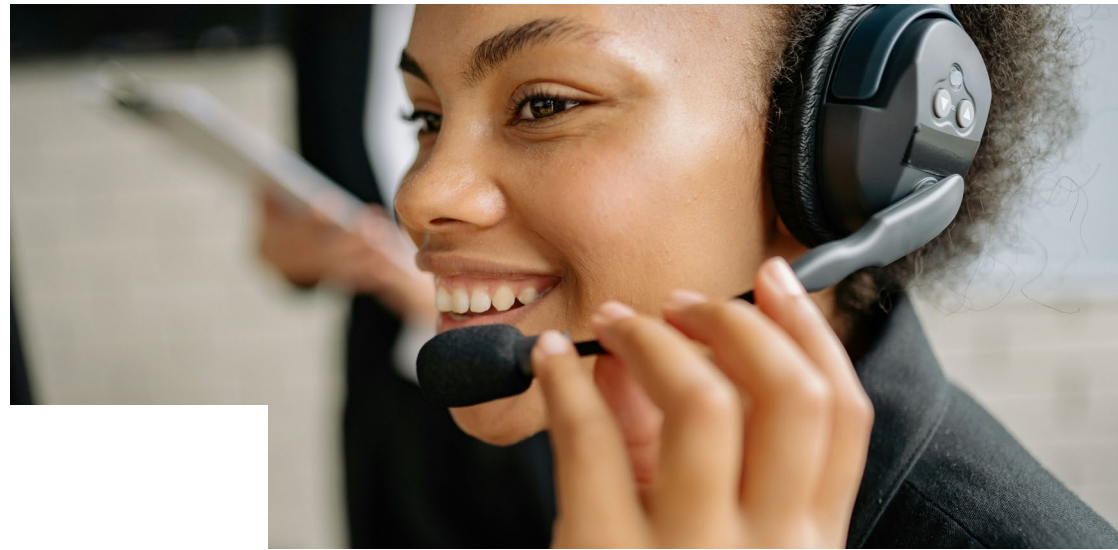
We are One Real

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



These are our Values

Real prides itself on attracting like-minded people who are passionate about succeeding in real estate



WORK HARD BE KIND

Kindness is a superpower and the fuel that keeps us growing. We stand together in service of our vision and each other

WE ARE BIGGER THAN ME

Together, we move further and faster toward groundbreaking change in how people buy and sell homes

TECH X HUMANITY

The technology we build serves a bigger purpose – to make the entire experience better for agents and consumers

Executive Leadership

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



Tamir Poleg

FOUNDER AND CEO

PRIOR EXPERIENCE

Optimum RE Investments
Alvarion Technologies



Sharran Srivatsaa

PRESIDENT

PRIOR EXPERIENCE

Srilo Ventures
Goldman Sachs
Teles Properties
Credit Suisse



Michelle Ressler

CHIEF FINANCIAL OFFICER

PRIOR EXPERIENCE

Canaccord Genuity



Pritesh Damani

CHIEF TECHNOLOGY OFFICER

PRIOR EXPERIENCE

Realty Crunch
Winito Inc.
National CineMedia
Plexus Entertainment



Jenna Rozenblat

CHIEF OPERATING OFFICER

PRIOR EXPERIENCE

Orchard
Yodle
Village Realty
Web.com



Dre Madden

CHIEF MARKETING OFFICER

PRIOR EXPERIENCE

Rodan + Fields
Aero
OpenTable
StubHub



Alexandra Lumpkin

GENERAL COUNSEL

PRIOR EXPERIENCE

Lennar
Greenberg Traurig
Holland & Knight

FINANCIAL OVERVIEW

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

We are acutely focused on growing long-term intrinsic value.”

Michelle Ressler

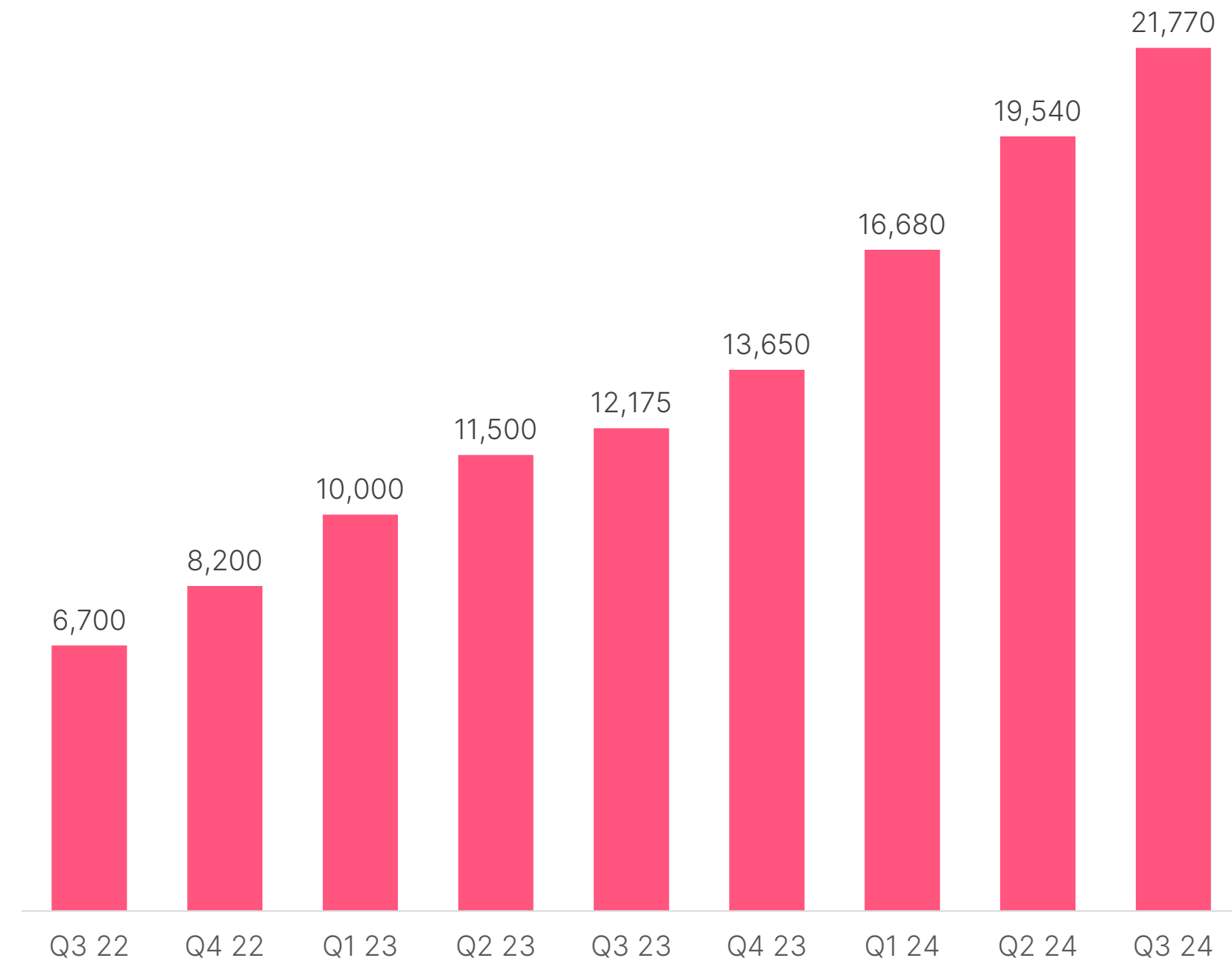
CHIEF FINANCIAL OFFICER

real

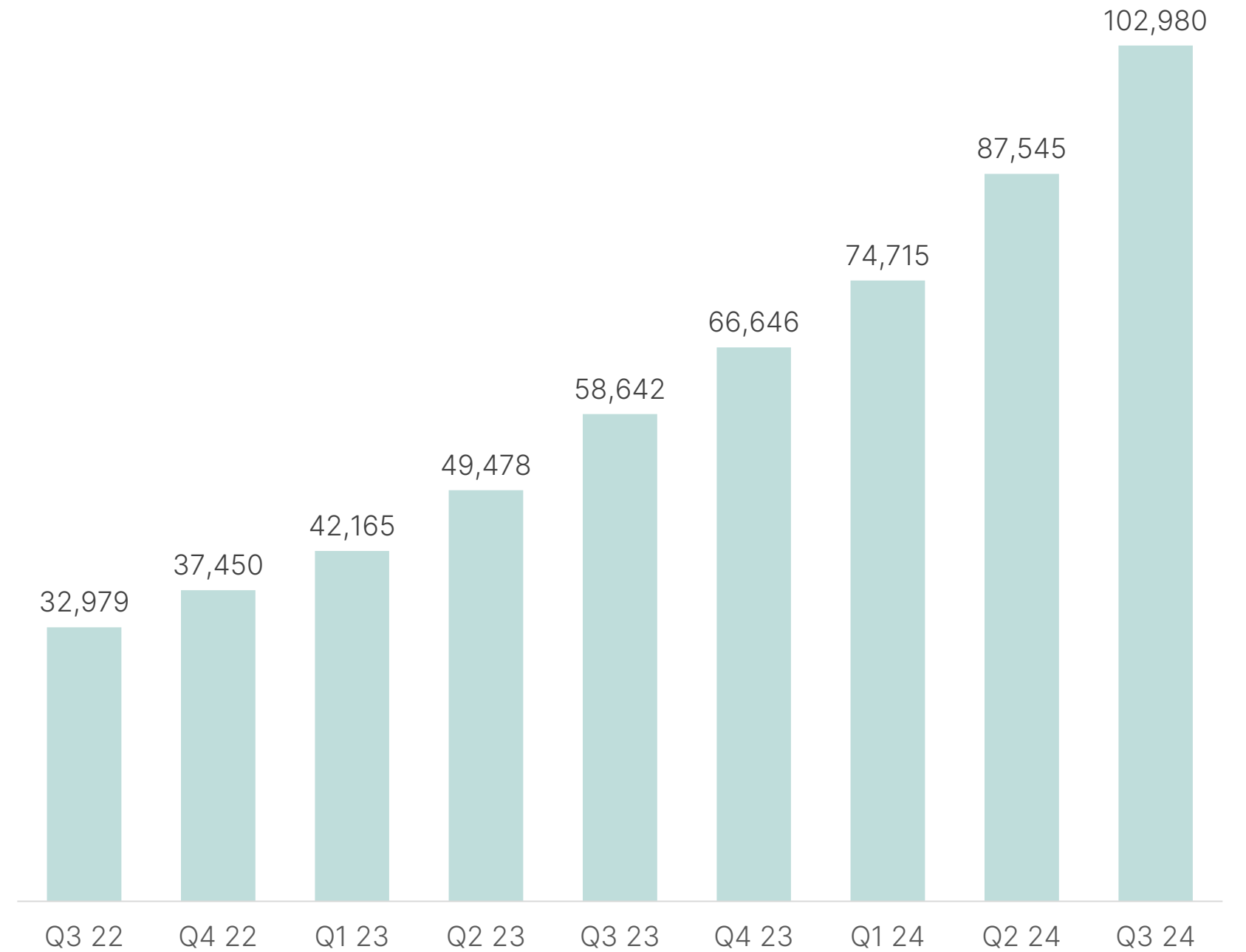


Agent Count and Transaction Growth

End of Period Agent Count

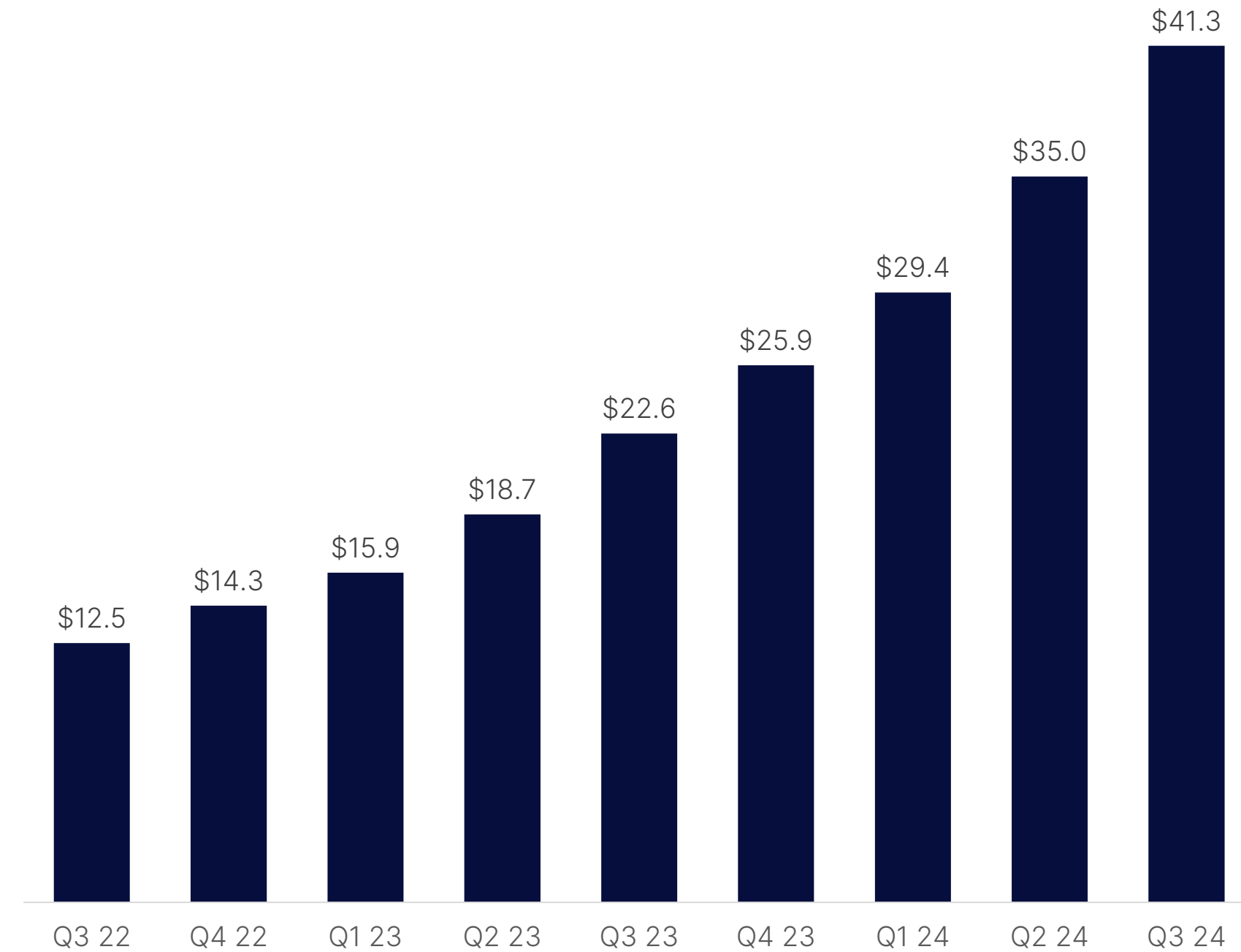


Last Twelve Months Transactions Closed

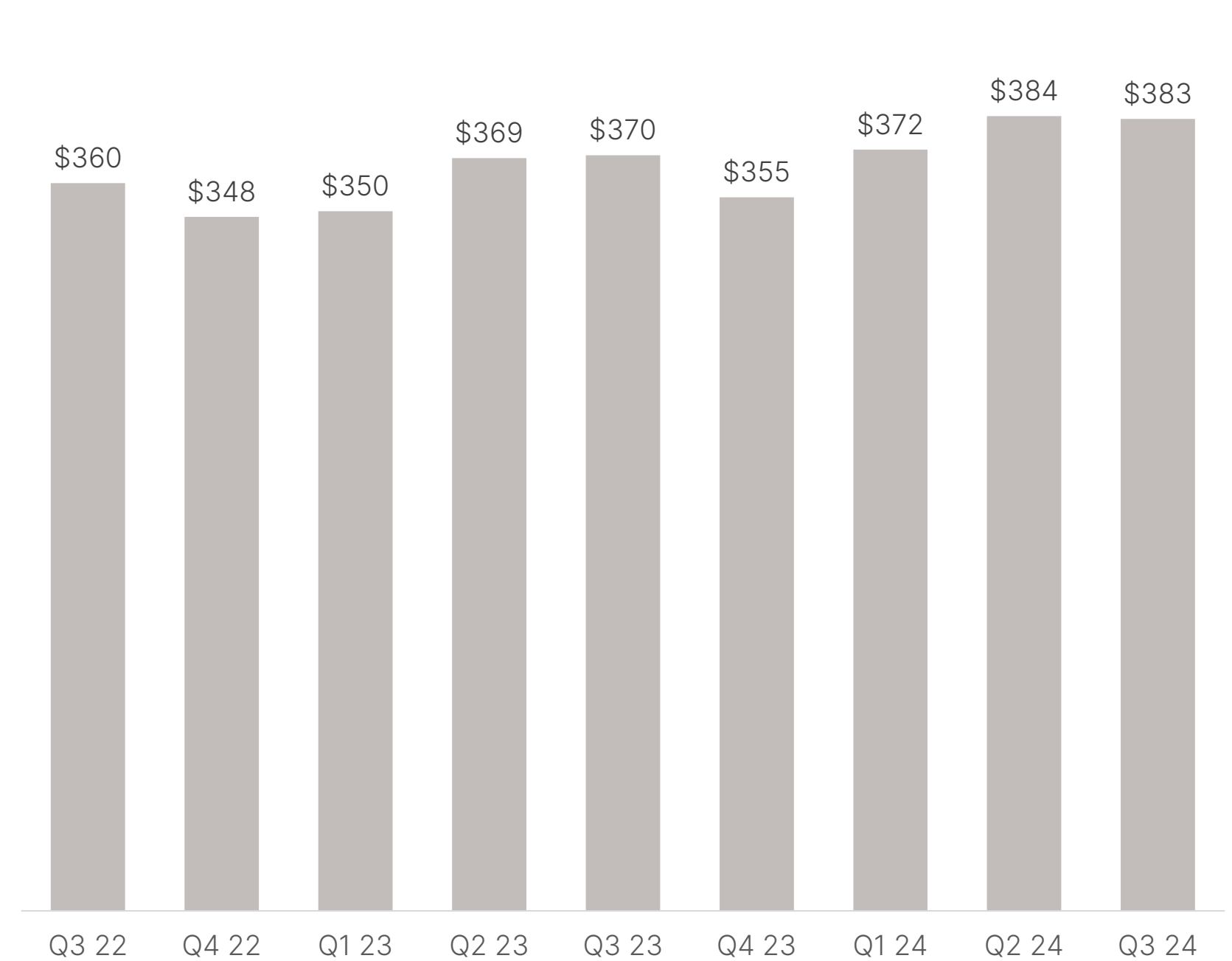


Gross Market Value and Median Sale Price

Last Twelve Months Gross Market Value Closed (\$bn)

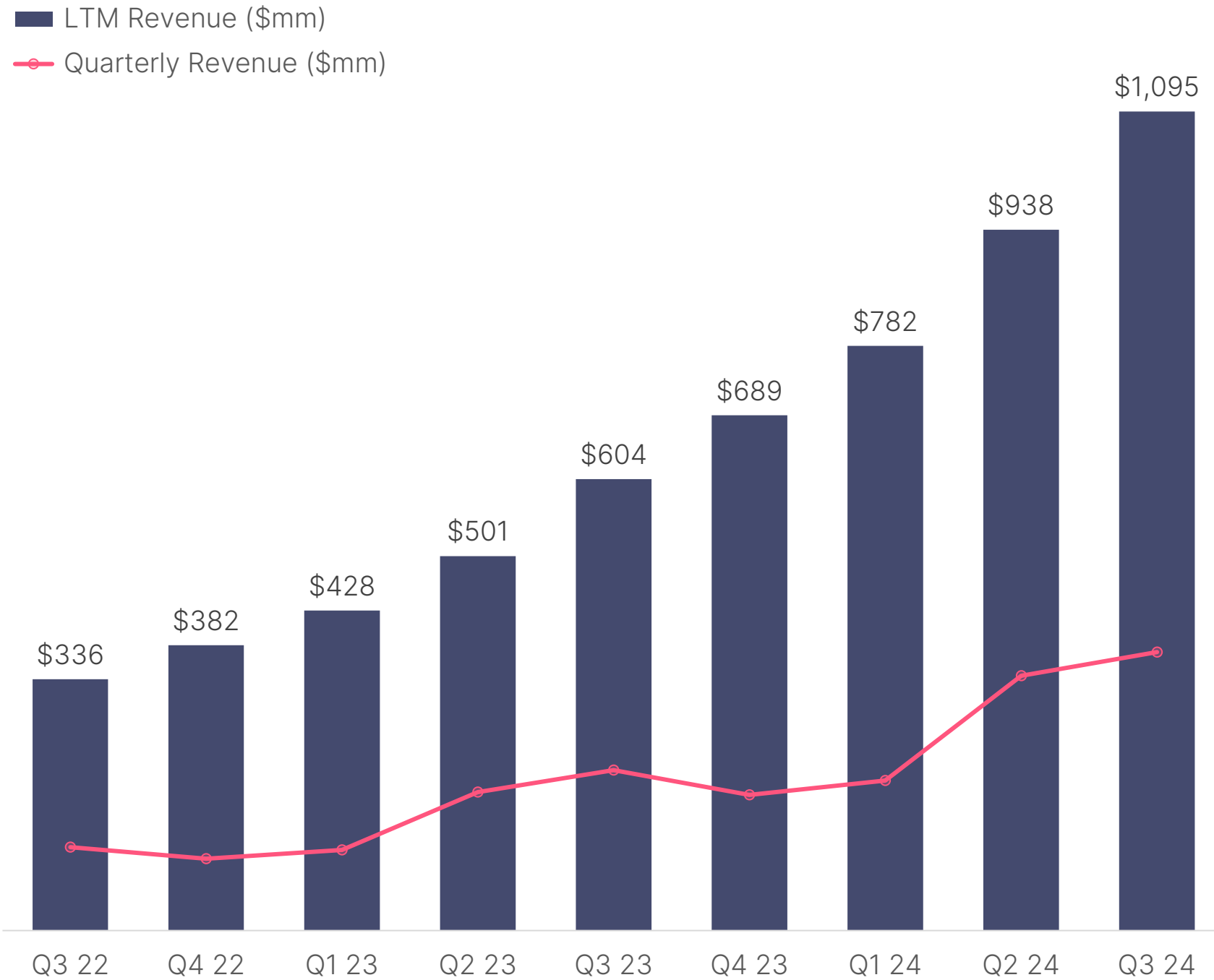


Median Home Sale Price (\$000s)

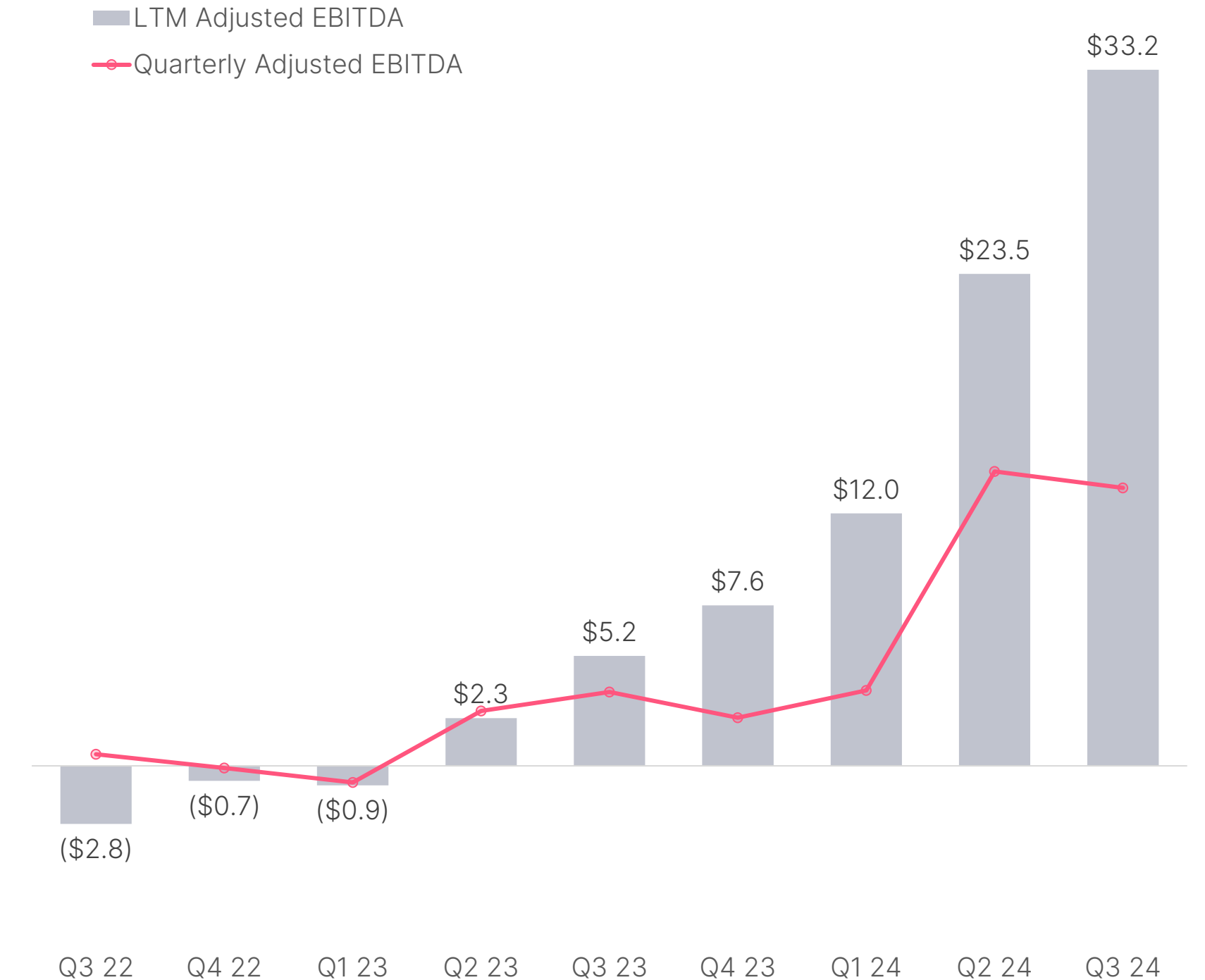


Revenue and Adjusted EBITDA

Last Twelve Months Revenue (\$mm)



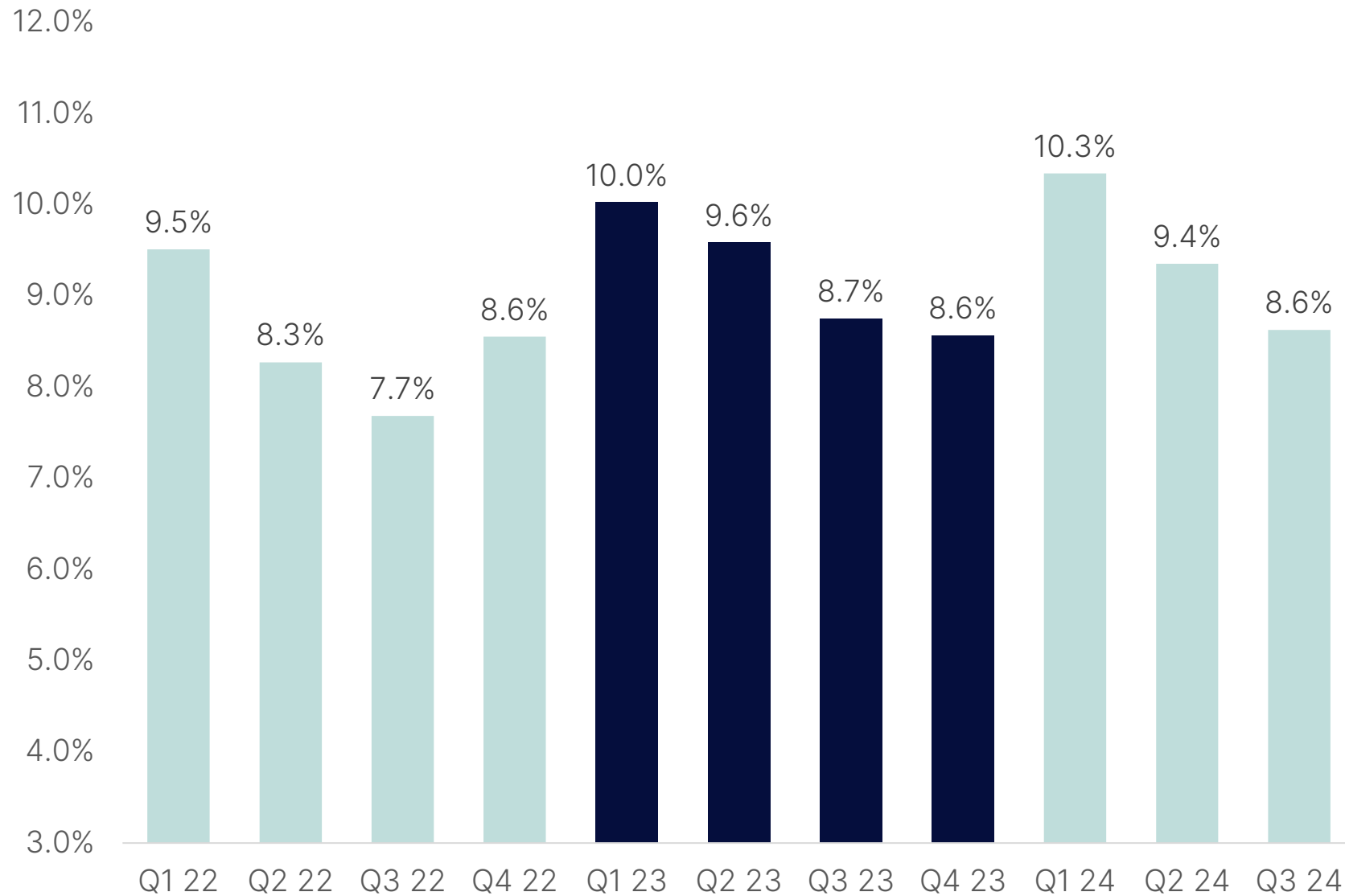
Last Twelve Months Adjusted EBITDA (\$mm)



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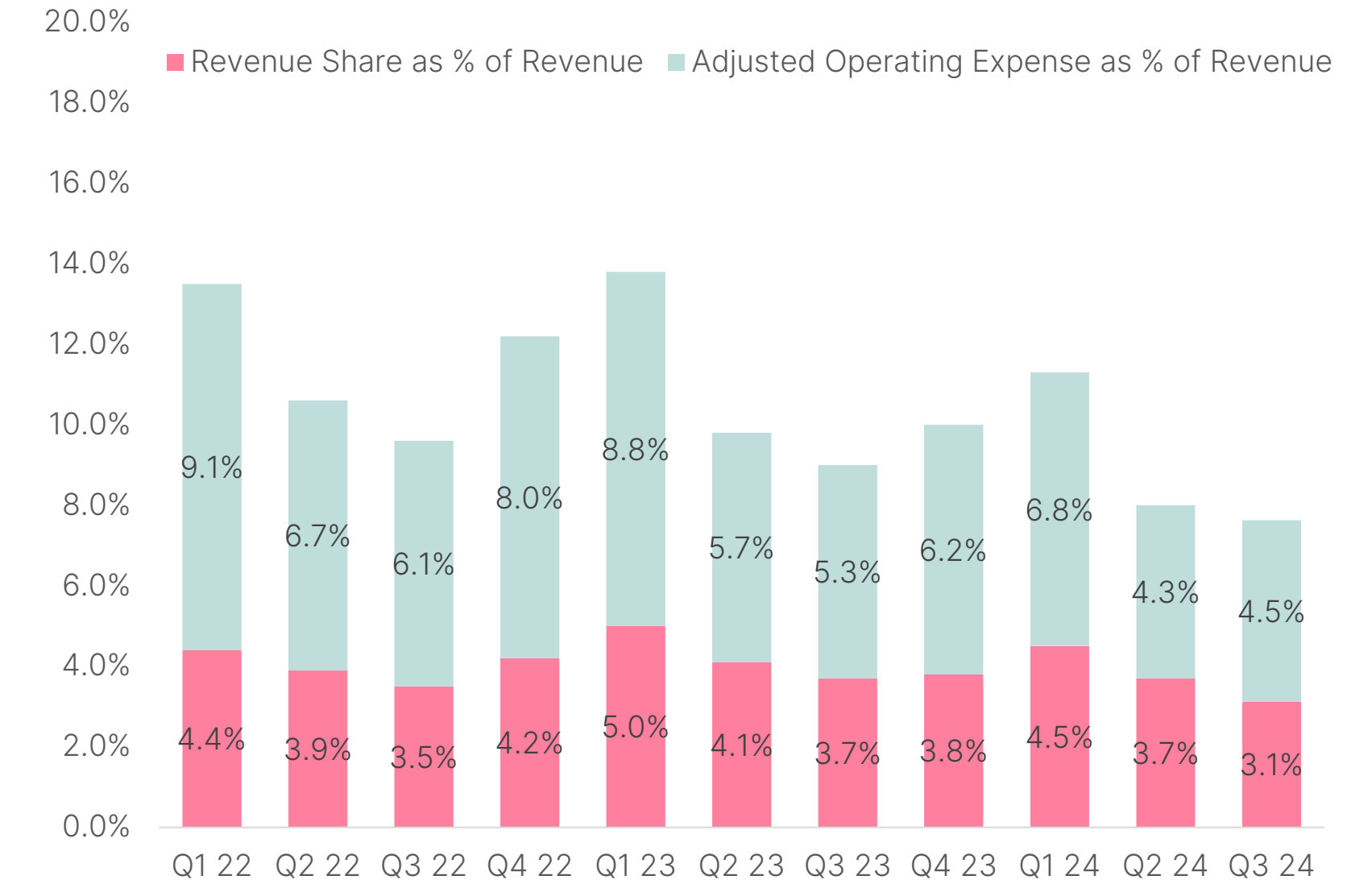
Gross Margin and Operating Expense

Quarterly Gross Margin



Seasonality in our gross margin is impacted by the mix of agents who have reached their annual cap in any given quarter – this mix tends to increase during the second and third calendar quarter of a given year

Quarterly Operating Expense



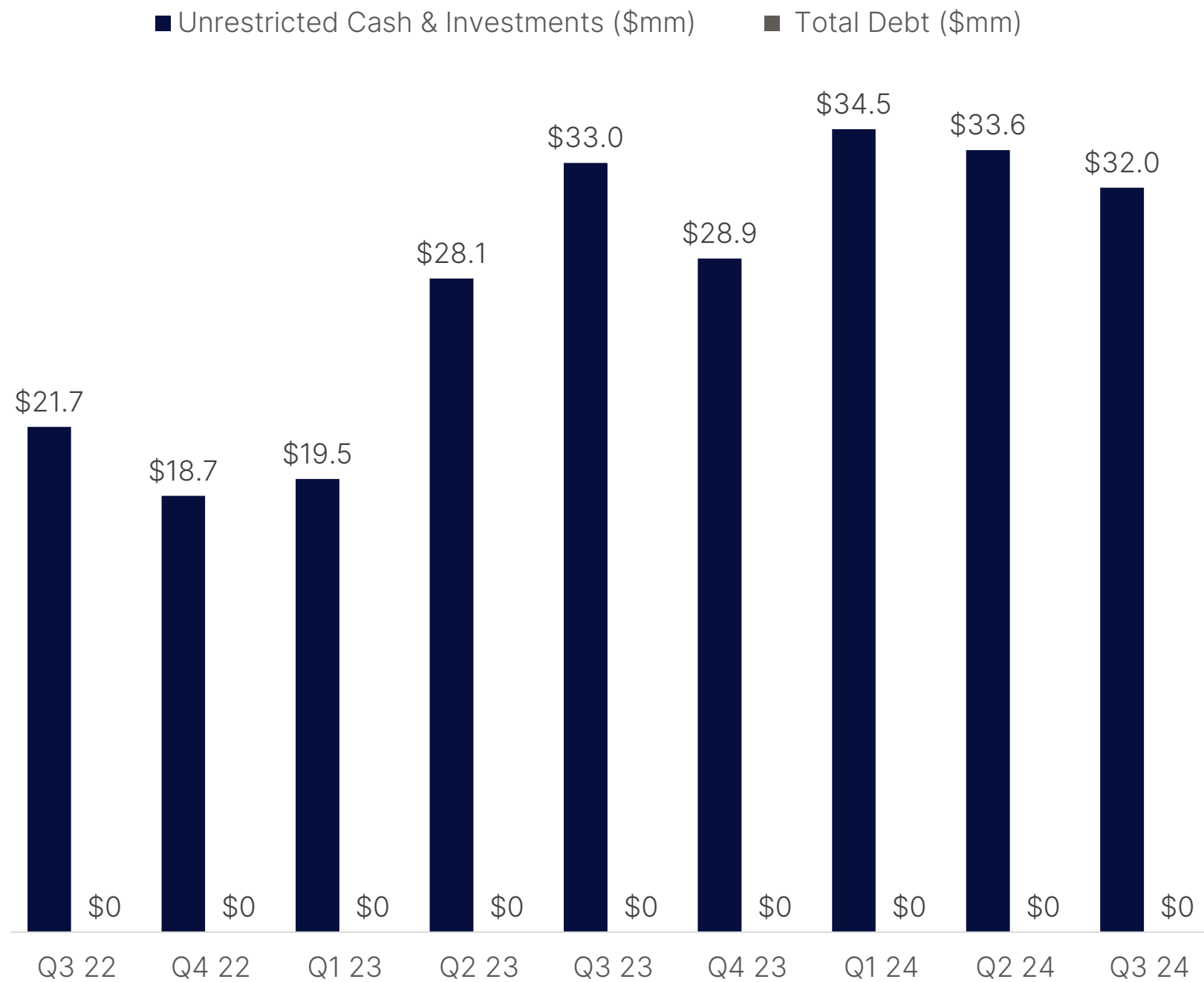
Our operating expenses include revenue share, which is a variable marketing expense. Adjusted operating expense, which excludes revenue share and unique or non-cash items, continues to decline as a percentage of revenue as the platform has scaled



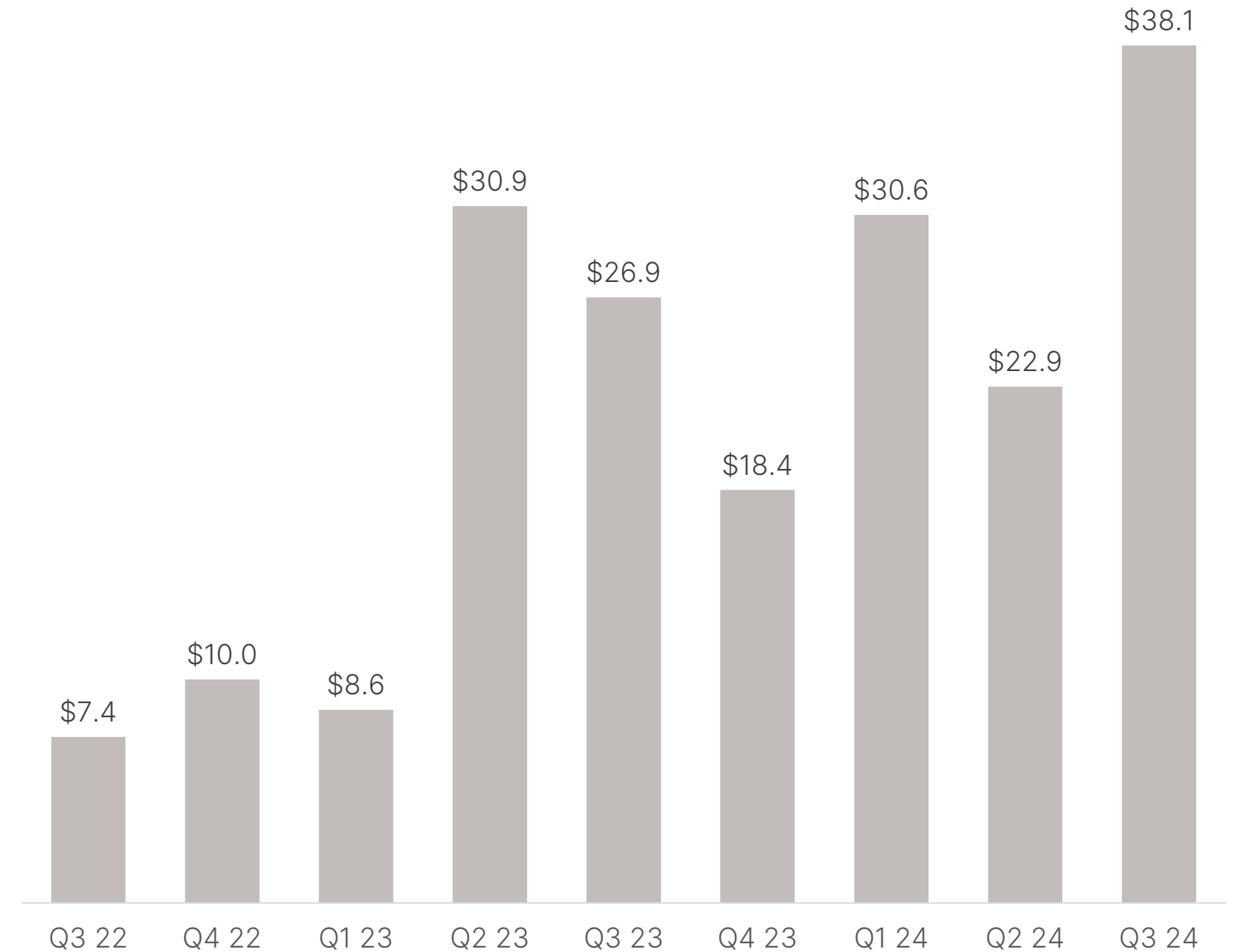
The definition of all non-IFRS numbers and a reconciliation to IFRS numbers are provided in the Appendix of this presentation.

Real has net cash on its Balance Sheet with no debt

Unrestricted Cash & Investments vs. Total Debt (\$mm)



Last Twelve Months Net Cash Provided by Operating Activities (\$mm)



Note: Q3 2022 unrestricted cash and investments presented above is reduced by approximately \$10.0M of Escrow Funds Payable, reported within the Other Payables liability on the balance sheet.

Understanding our Income Statement

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

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



Illustrative Unit Economics for One Transaction

Upon reaching a \$12,000 annual cap on commission split paid to Real, each agent receives 100% of commissions less a \$285 per transaction fee and a \$30 BEOP fee, which covers broker review, errors & omissions (professional liability), insurance and processing

LINE ITEM	AMOUNT	ASSUMPTIONS
Revenue	\$10,000	• Illustrative 2.5% agent commission on a transaction value of \$400,000
Commissions	\$8,500	• Reflects agent's 85% commission split
Gross Profit	\$1,500	• Reflects Real's 15% commission split
Gross Profit Margin	15%	
Less: Marketing Expenses – Revenue Share	\$900	• Up to 60% of Real's commission split is paid out in Revenue Share
Variable Profit Per Transaction	\$600	• Reflects variable profit per transaction before allocation of corporate expenses



Note: Illustrative example for informational purposes only. Actual economics for each home sale transaction could differ materially, including as a result of an agent participating in Real's equity incentive programs.

FREQUENTLY ASKED QUESTIONS

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

When we uplift and empower our agents, we lay the foundation for a transformative and sustainable future in real estate.”

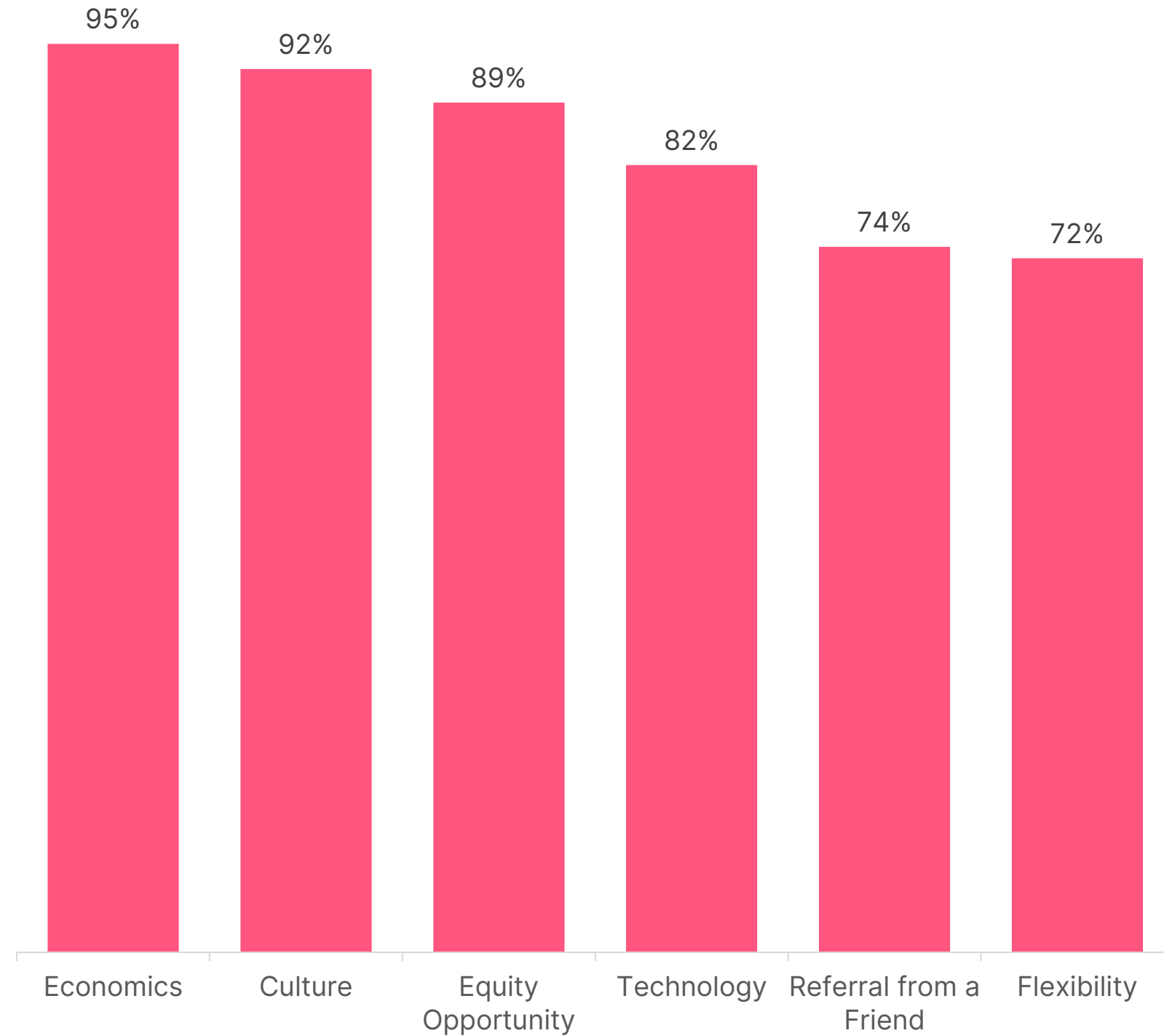
Sharran Srivatsaa

PRESIDENT



Why do agents join Real?

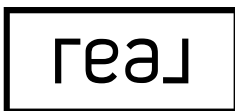
Percentage of Agents Influenced by Certain Factors



Responses by Agent Years of Experience

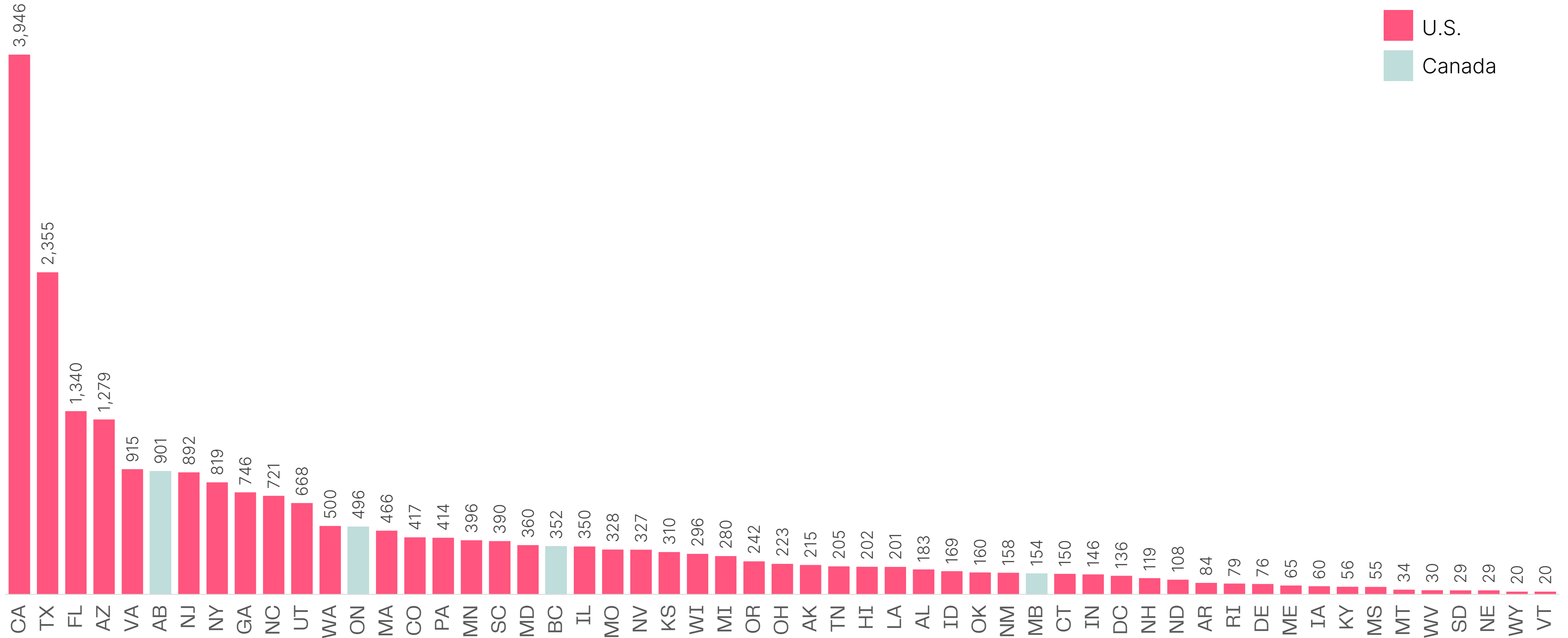
Percentage of Agents Selecting 'Influential' or 'Very Influential'

Agent Years of Experience	Economics	Culture	Equity Opportunity	Technology	Flexibility	Referral from a Friend
0-2	100%	83%	83%	78%	94%	72%
3-5	96%	96%	77%	85%	83%	85%
6-10	96%	94%	89%	79%	69%	70%
11-19	91%	88%	95%	84%	64%	71%
20+	94%	94%	97%	83%	66%	70%



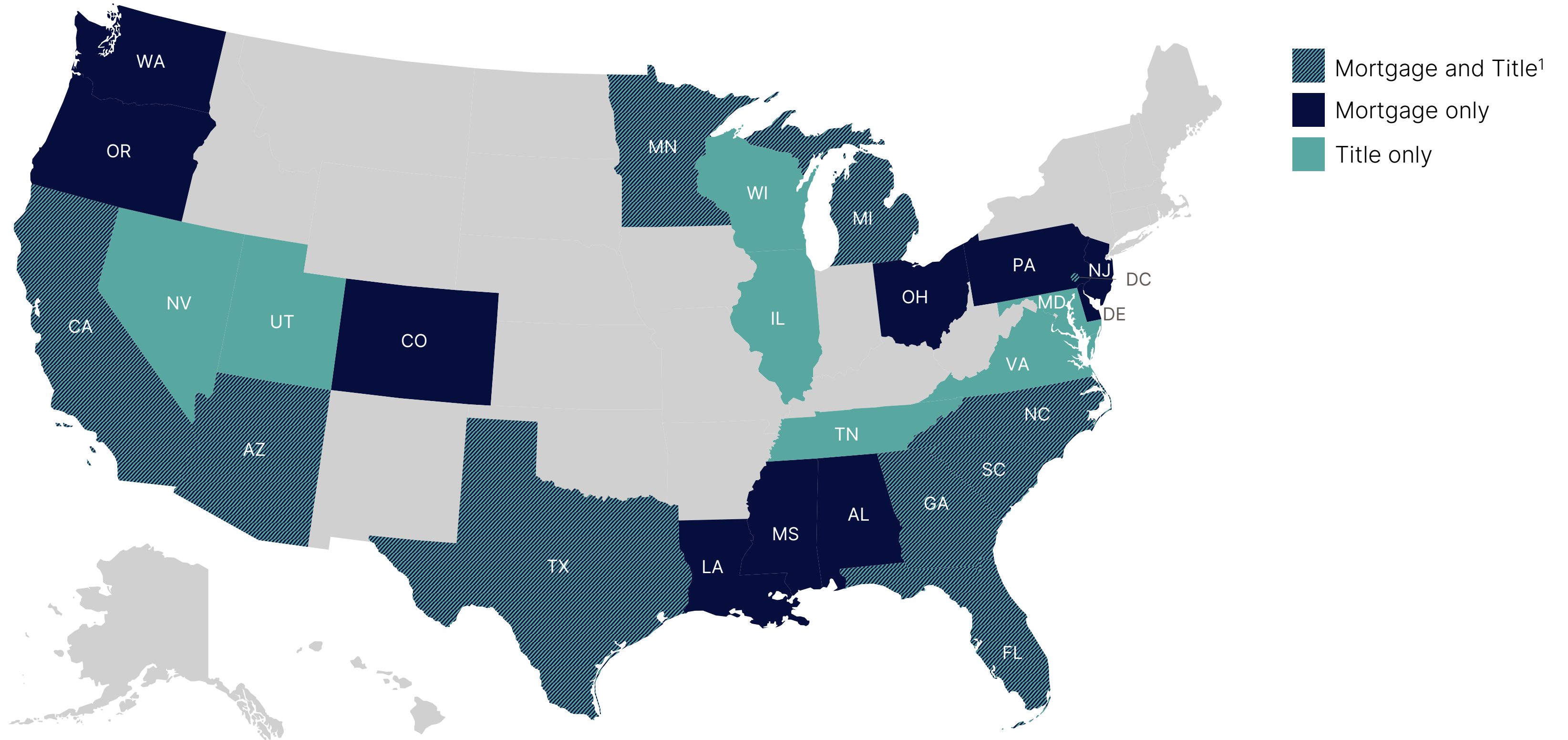
Based on survey conducted by Real in May 2024 asking agents how influential each factor was in their decision to join Real; exhibits show the percentage of agents responding that each factor was either Influential or Very Influential in their decision to join Real. All monthly agent survey results can be accessed at investors.onereal.com.

Where are Real agents located?



As of September 30, 2024; state/province totals exceed reported agent count due to agents that are licensed in multiple states.

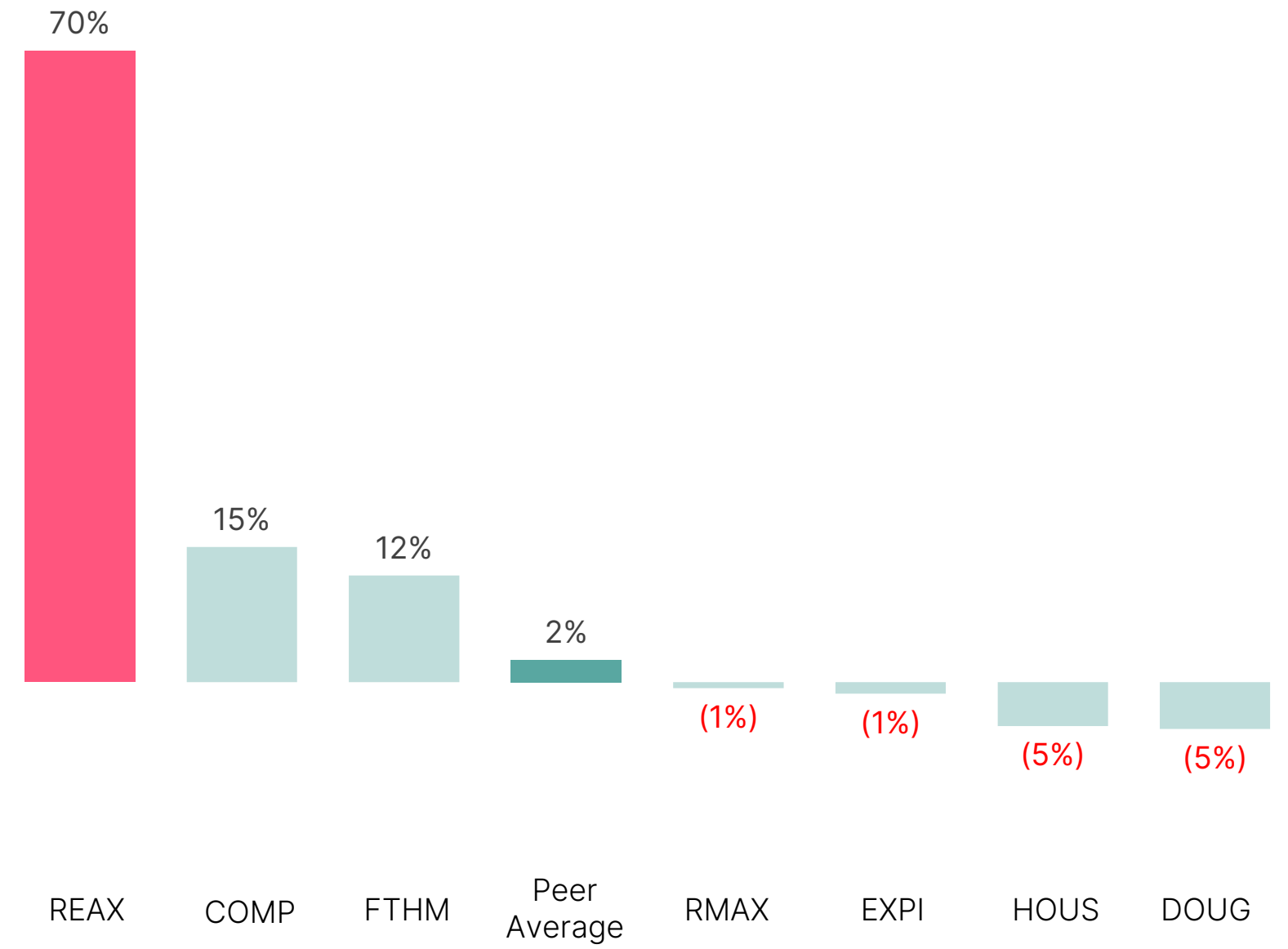
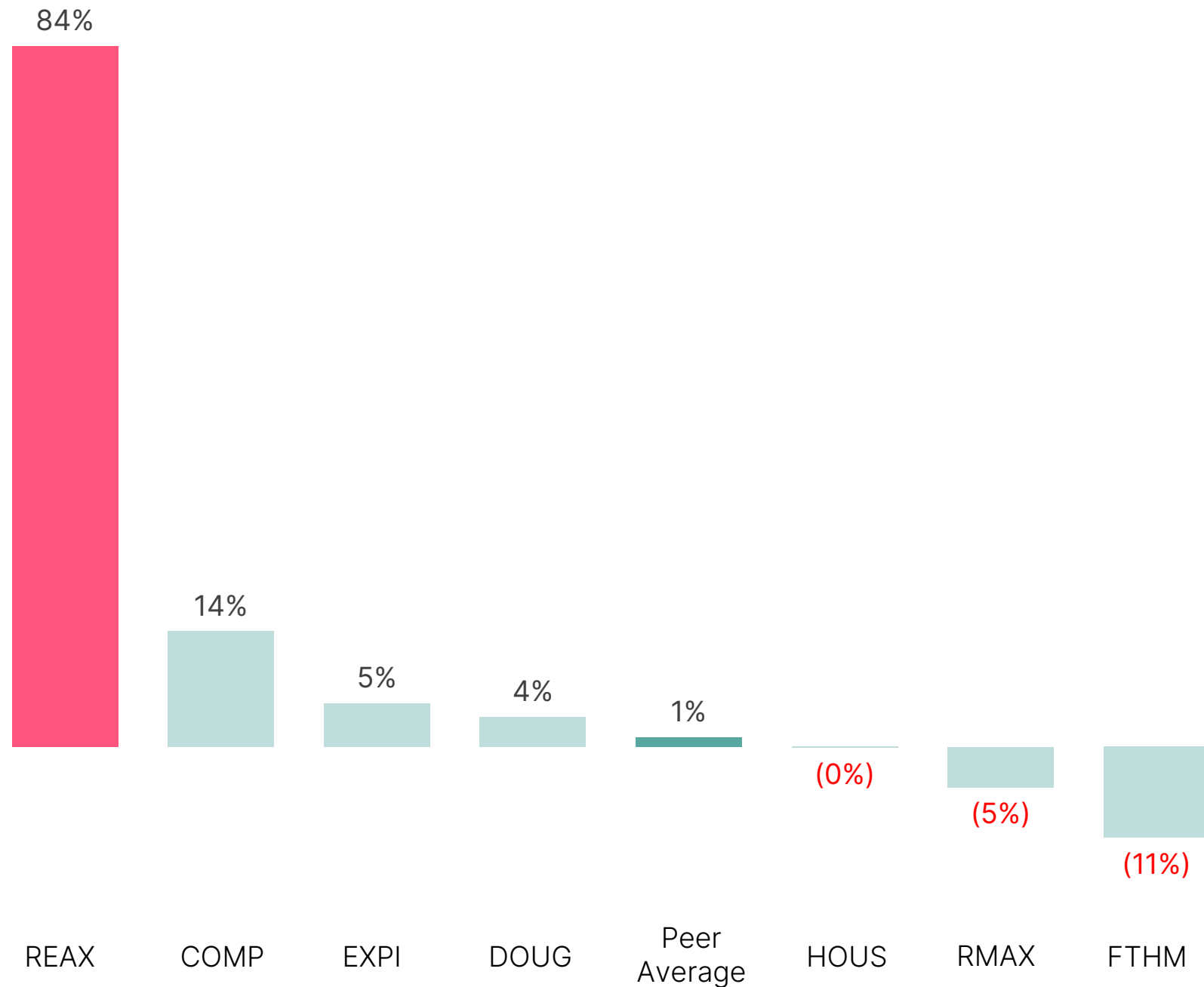
Where are One Real Mortgage and One Real Title available?



How does Real's growth compare to peers?

Revenue Growth (2Q 2024 YoY %)

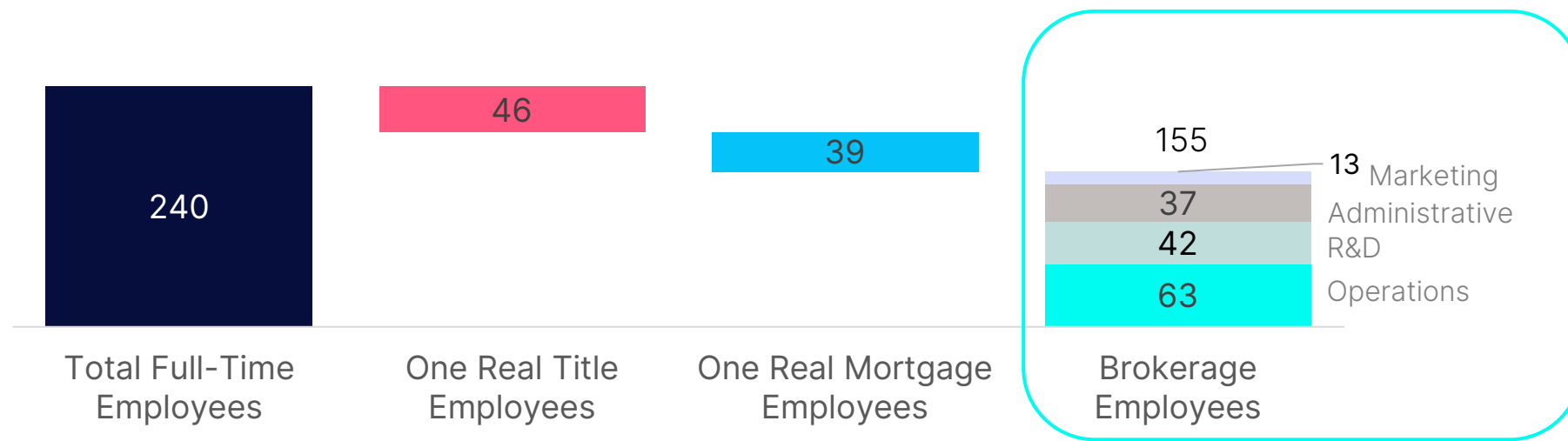
Agent Growth (2Q 2024 YoY %)



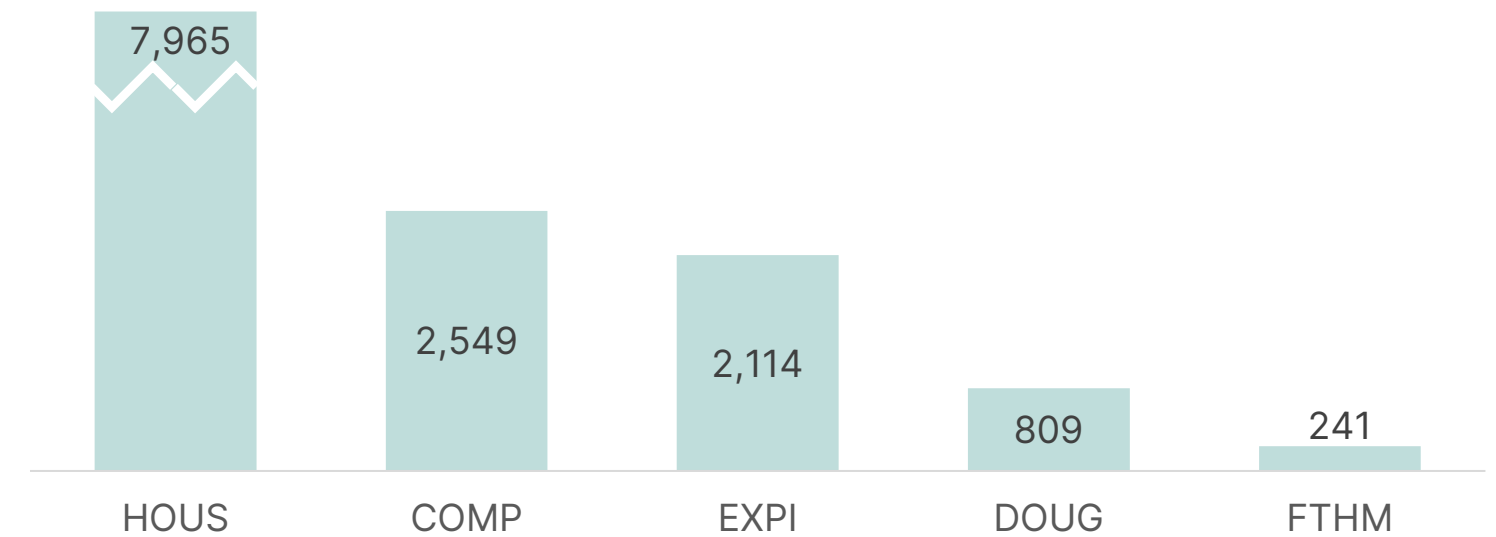
As of June 30, 2024 for comparability across peers; Public brokerage peers consist of eXp World Holdings, Inc. (EXPI), RE/MAX Holdings, Inc (RMAX), Compass, Inc. (COMP), Douglas Elliman Inc. (DOUG), Anywhere Real Estate Inc. (HOUS) and Fathom Holdings Inc (FTHM).; DOUG YoY agent growth is based on principal agents rather than total as this is the only metric disclosed quarterly. Agent counts include all regions of operation. COMP agent growth is based on total agents.

How many employees does Real have?

Real Full Time Employees by Division (as of 9/30/24)



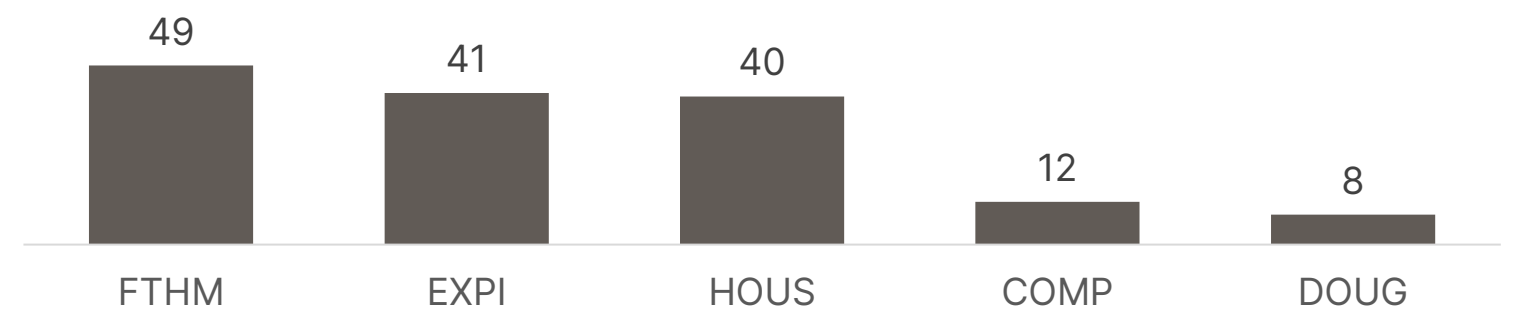
Brokerage Peer Full Time Employees (as of 12/31/23)



Real Agents Per Full Time Employee (as of 9/30/24)



Brokerage Peer Agents Per FTE (as of 12/31/23)



FTE count does not include contractors that may be working exclusively for Real. Peer comparison charts as of December 31, 2023 for comparability across peers that only disclose FTE totals annually. Real's Agent to FTE ratio excluding Title and Mortgage was to 116:1 as of December 31, 2023. RE/MAX Holdings, Inc. is excluded from comparison set as franchise employees are not reported in the total.

REAL AGENT SURVEY HIGHLIGHTS

“We are proud to be the only real estate brokerage where 100% of our agents use our proprietary software platform.

This full adoption enables us to automate manual processes, and leverage AI and machine learning to provide deeper insights, predictive analytics, and more personalized experiences, setting a new industry standard.”

Pritesh Damani

Chief Technology Officer

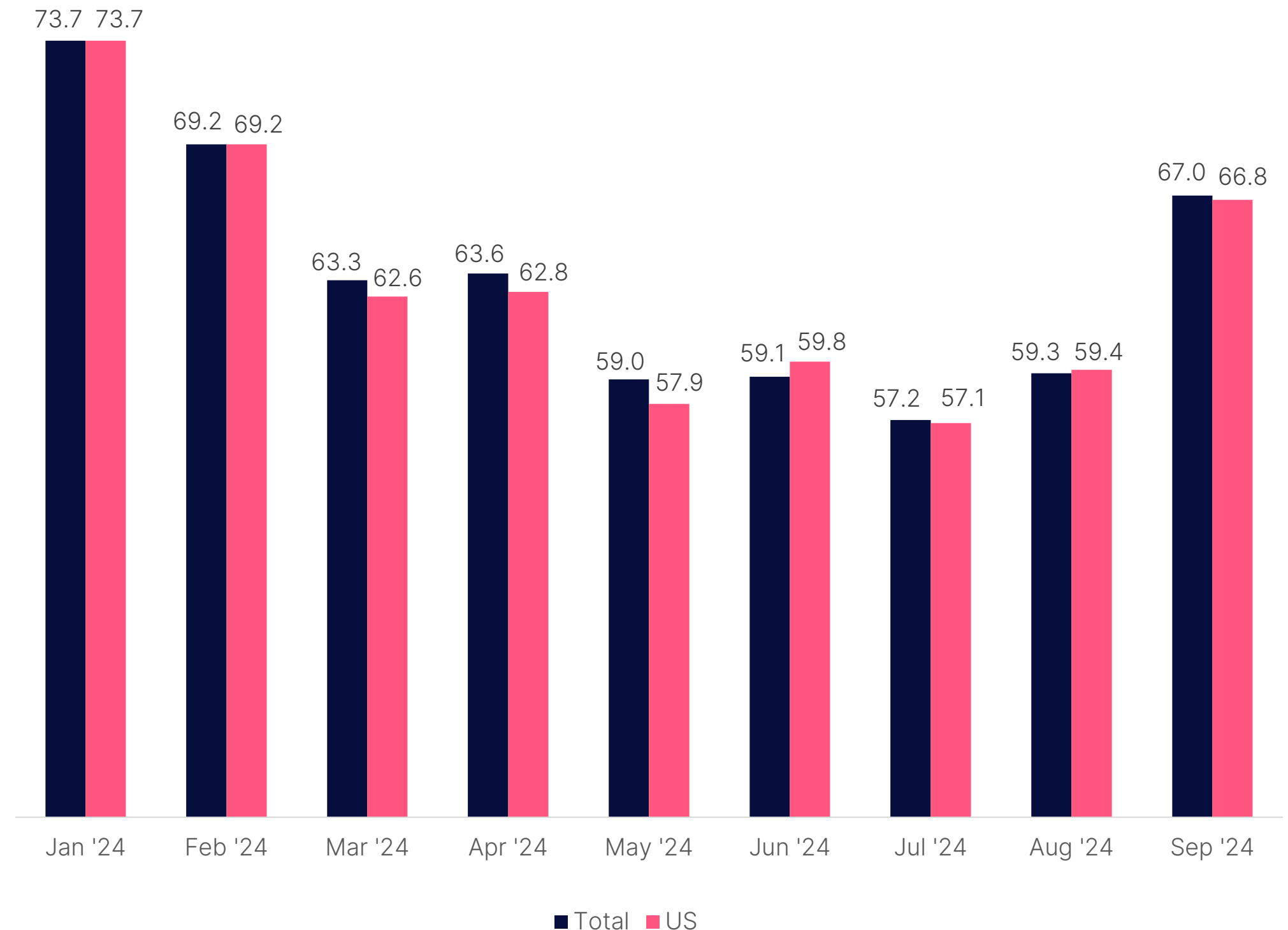


Agent Optimism Index

The Real Monthly Agent Survey was initially launched in January 2024. Each month, agents are asked: “Compared to one month ago, are you more optimistic or pessimistic about the outlook for your primary market over the next 12 months?”

Scores are weighted on a 0-100 point scale, with readings above 50 indicating increased optimism about the market outlook over the next 12 months compared to the previous month.

The Agent Optimism Index saw a strong upswing in September, building on August’s more modest improvement. The index climbed to 67.0, up from 59.3 in August. In the U.S., it rose to 66.8, a 7.4-point increase. This renewed optimism was evident in both U.S. and Canadian markets, signaling growing confidence in the market’s outlook.

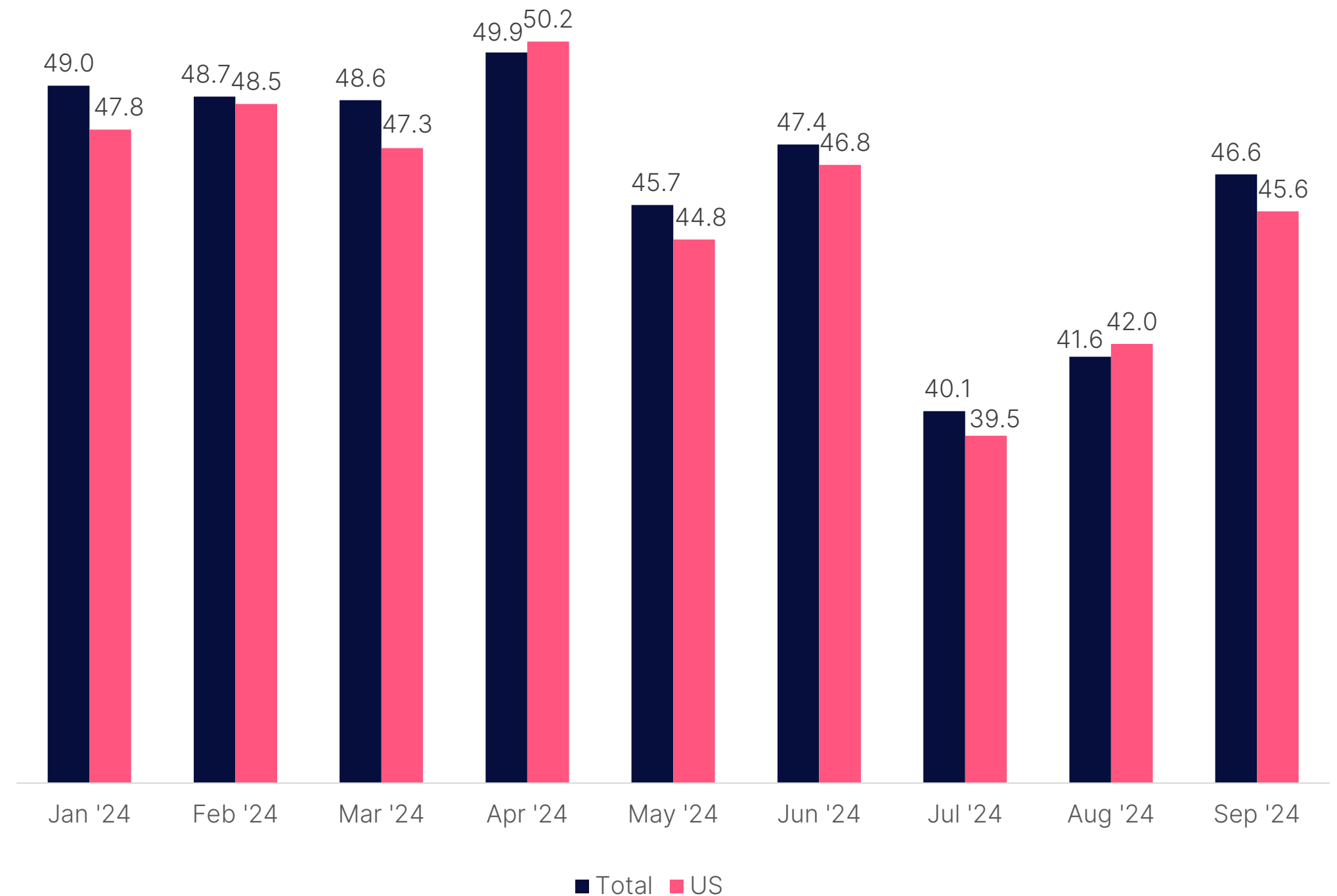


Transaction Growth Index

Each month, agents are asked: “In your primary market, how would you describe the number of transactions closed compared to the same month last year?”

Scores are weighted on a 0-100 point scale, with scores above 50 indicating year-over-year growth and scores below 50 signaling a decline.

The Total Transaction Growth Index has consistently registered below 50 each month this year, reflecting year-over-year declines in North American home sales. However, recent trends suggest a potential stabilization, as agents report a slower pace of decline in September compared to July and August.

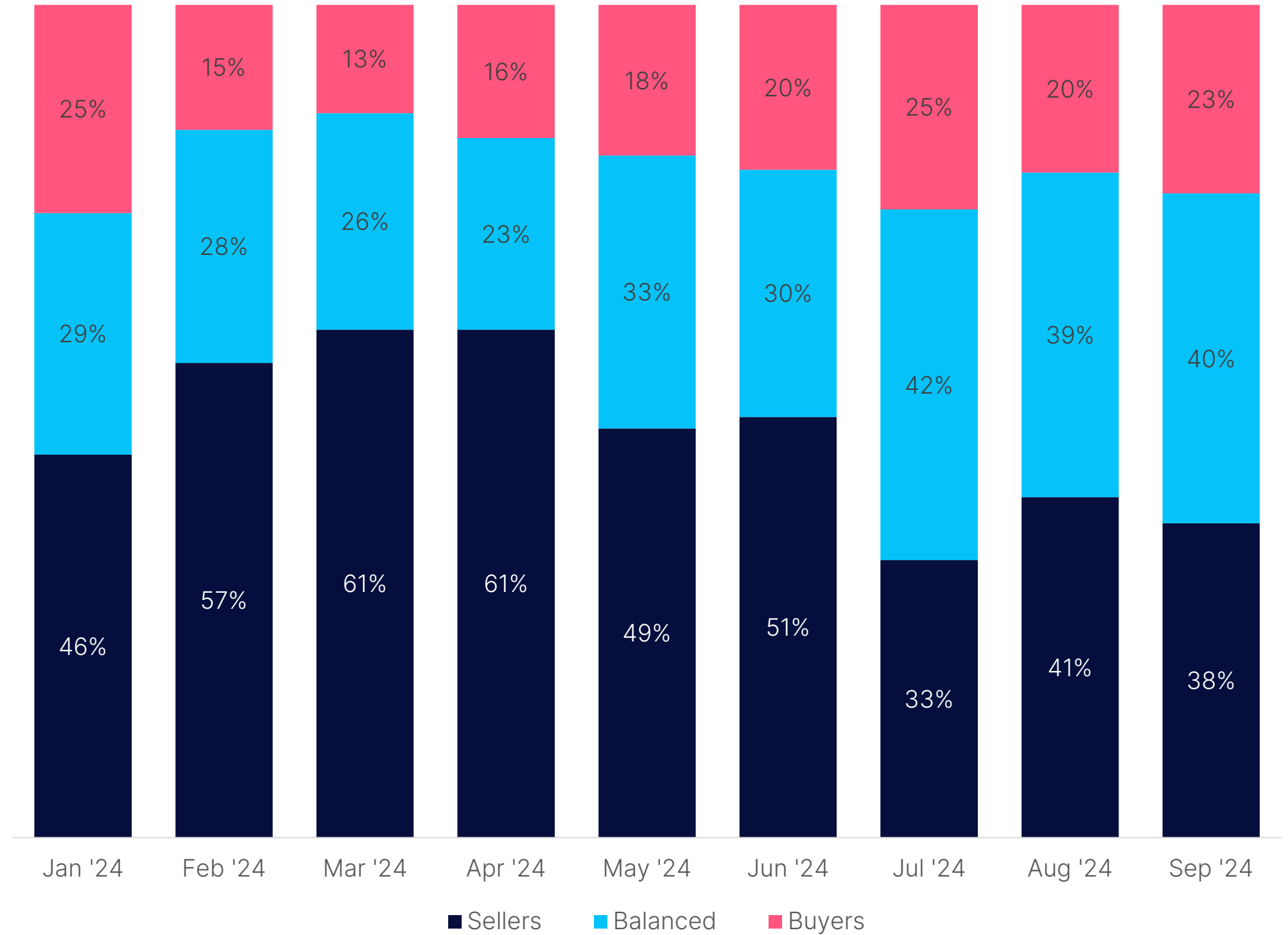


Balance of Power Between Buyers and Sellers

Each month, agents are asked: “As of the current month, would you consider your primary market to be a buyer's market, seller's market, or balanced market?”

In the second half of 2024, more agents report balanced markets, reflecting a gradual shift away from seller dominance as power becomes more evenly distributed between buyers and sellers.

Although sellers still hold influence in many markets, buyer power is increasing, driven by affordability challenges and limited inventory shaping the real estate landscape.

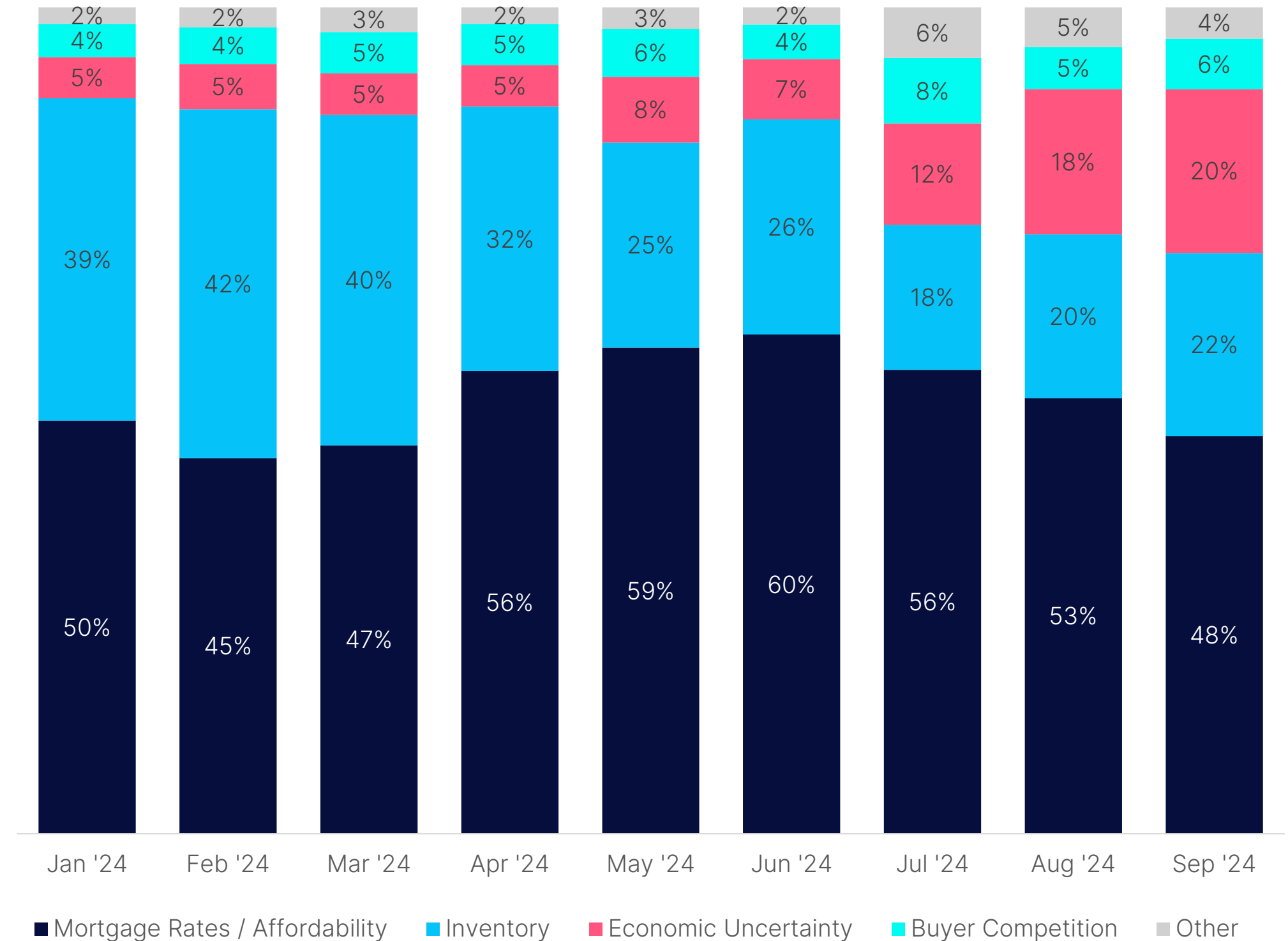


Biggest Challenges for Prospective Home Buyers

Each month, agents are asked: “What is the biggest challenge currently for buyers in your primary market?”

The data shows that affordability remains the most significant challenge for home buyers, consistently cited by a majority of agents. Inventory shortages and economic uncertainty also continue to be notable concerns.

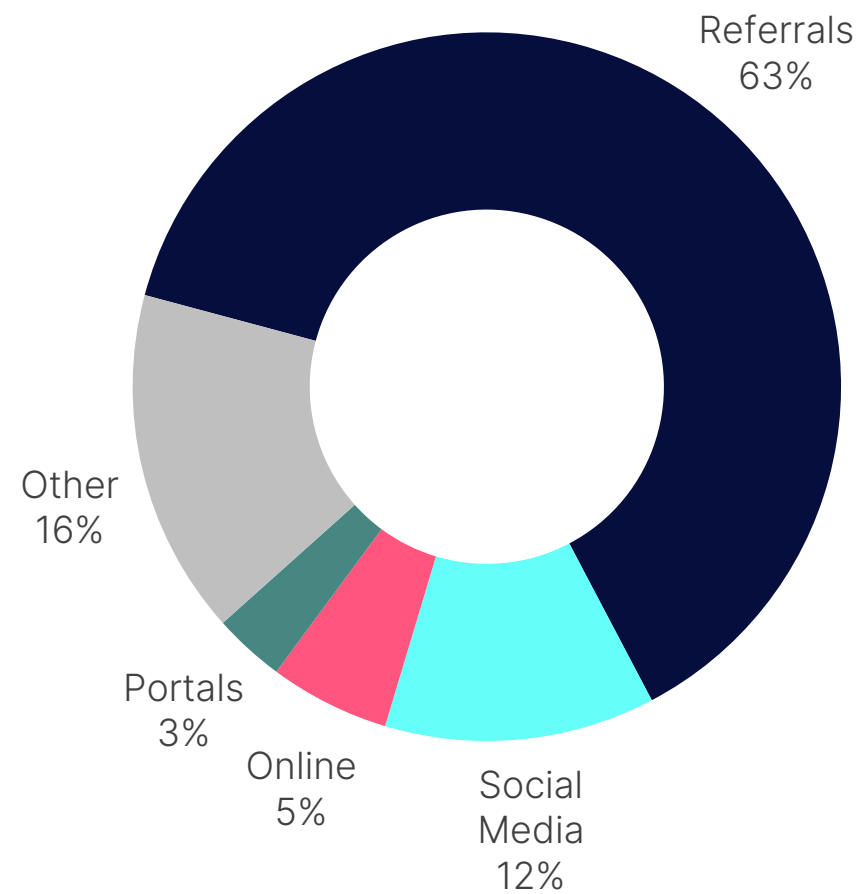
Affordability peaked at 60% in June before easing to 48% in September, likely due to declining mortgage rates. Inventory concerns rose to 22% from 20% in August, with supply remaining tight in many markets. Economic uncertainty increased to 20%, up from 18%, driven by concerns surrounding the upcoming election and broader economic conditions. Buyer competition edged up to 6%, while 4% of agents cited other factors.



Lead Generation Insights

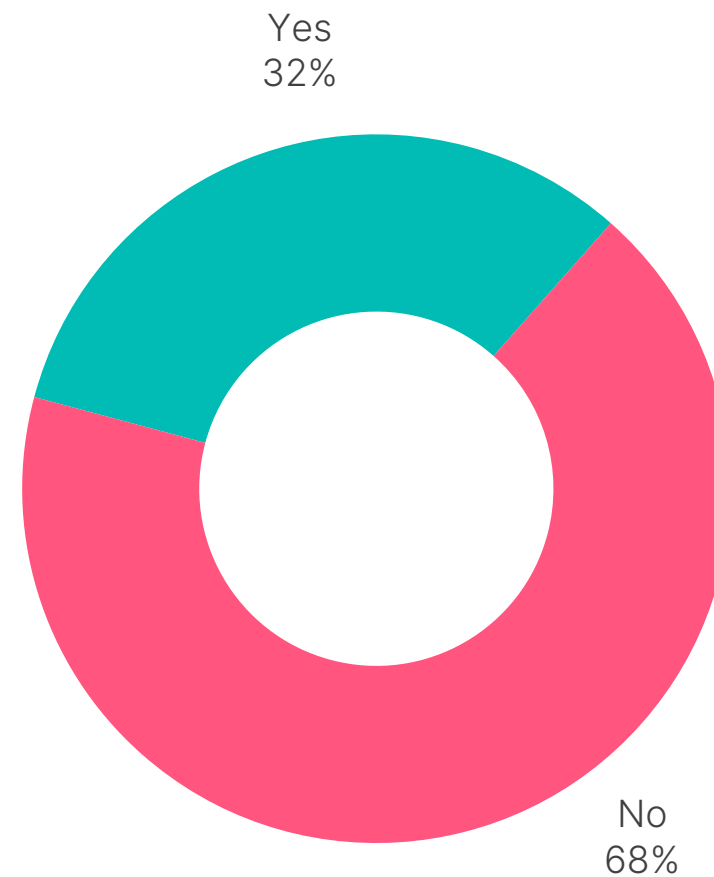
Referrals Most Effective Lead Source

Responses to: What is your most effective lead generation strategy?



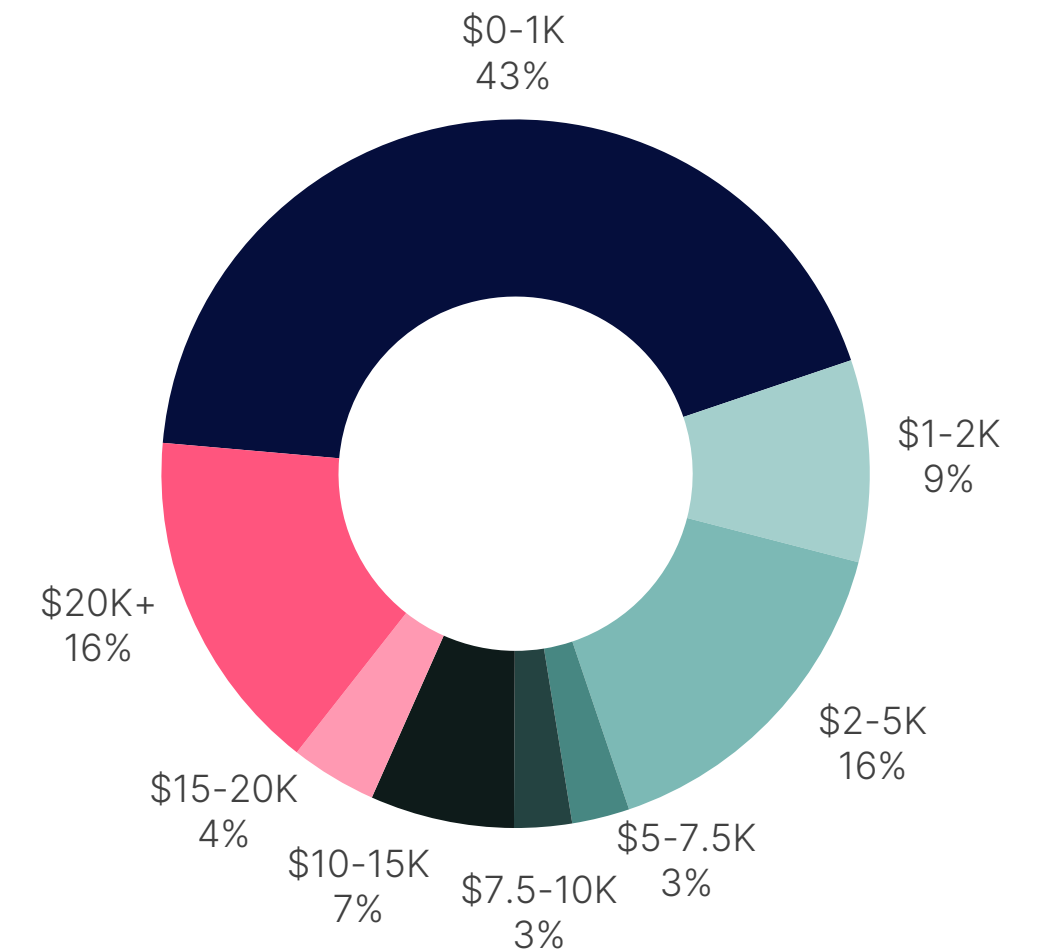
1/3 of Agents Utilize Search Portals

Responses to: Do you use home search portals (Zillow, Homes.com, Realtor.com, etc.) as part of your marketing and lead generation efforts?



Annual Search Portal Spend

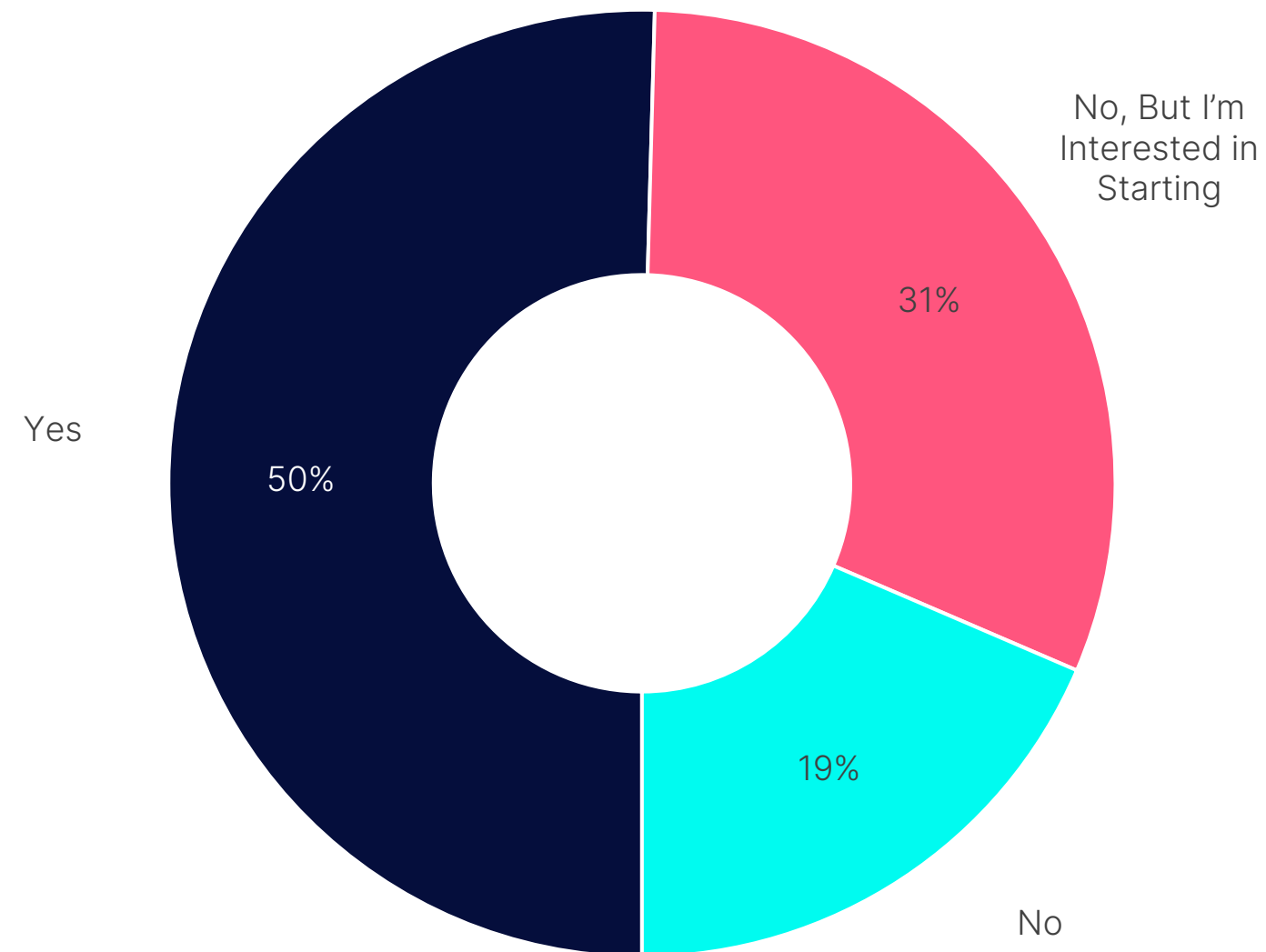
For agents who use search portals, responses to: Approximately how much do you spend per year on home search portals as part of your marketing and lead generation budget?



Artificial Intelligence (AI) Usage Among Agents

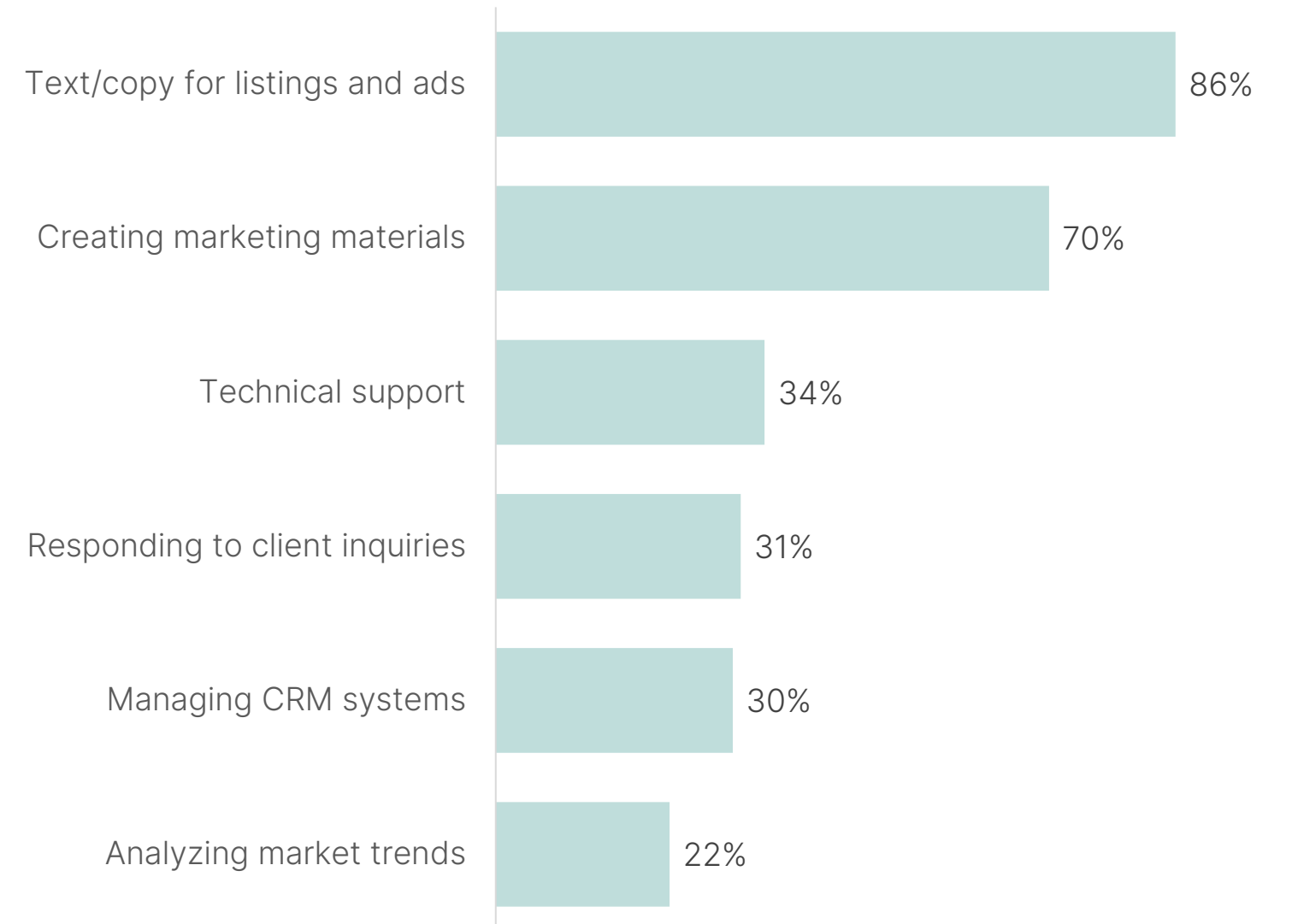
Half of Agents Currently Utilize Generative AI

Responses to: "Do you currently use AI tools in your day-to-day real estate business activities?"



Advertising the Most Common AI Use Case for Agents

Responses to: "What specific tasks do you use AI for in your business? (Select all that apply)"



APPENDIX

“At Real, we attract the best people to provide the best agent experience.

Guided by our 'Work Hard. Be Kind.' ethos, we foster a supportive and collaborative environment in order to streamline operations, and enhance efficiencies, ensuring our agents have everything they need to succeed and thrive”

Jenna Rozenblat

Chief Operating Officer



APPENDIX / 01 / BALANCE SHEET

(Expressed in thousands of U.S. dollars)

	September 30, 2024	December 31, 2023
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 21,580	\$ 14,707
Restricted cash	27,516	12,948
Funds held in restricted escrow account	9,250	-
Investments in financial assets	10,398	14,222
Trade receivables	17,305	6,441
Other receivables	43	63
Prepaid expenses and deposits	2,391	2,132
TOTAL CURRENT ASSETS	88,483	50,513
NON-CURRENT ASSETS		
Intangible assets	2,788	3,442
Goodwill	8,993	8,993
Property and equipment	2,209	1,600
TOTAL NON-CURRENT ASSETS	13,990	14,035
TOTAL ASSETS	102,473	64,548
LIABILITIES AND EQUITY		
CURRENT LIABILITIES		
Accounts payable	1,133	571
Accrued liabilities	30,991	13,374
Customer deposits	27,516	12,948
Other payables	12,843	302
TOTAL CURRENT LIABILITIES	72,483	27,195
NON-CURRENT LIABILITIES		
Warrants liabilities	-	269
TOTAL NON-CURRENT LIABILITIES	-	269
TOTAL LIABILITIES	72,483	27,464
EQUITY		
EQUITY ATTRIBUTABLE TO OWNERS		
Share premium	67,683	62,567
Stock-based compensation reserve	61,255	52,937
Deficit	(98,103)	(78,205)
Other reserves	195	(167)
Treasury stock, at cost	(1,228)	(257)
EQUITY ATTRIBUTABLE TO OWNERS	29,802	36,875
Non-controlling interests	188	209
TOTAL EQUITY	29,990	37,084
TOTAL LIABILITIES AND EQUITY	\$ 102,473	\$ 64,548

APPENDIX / 02 / INCOME STATEMENT

	<i>Three Months Ended</i>		<i>Nine Months Ended</i>	
	<i>September 30, 2024</i>	<i>September 30, 2023</i>	<i>September 30, 2024</i>	<i>September 30, 2023</i>
<i>(Expressed in thousands of U.S. dollars, except for per share amounts)</i>				
Revenues	\$ 372,488	\$ 214,640	\$ 914,009	\$ 507,817
Commissions and other agent-related costs	340,359	195,865	829,253	460,475
Gross Profit	32,129	18,775	84,756	47,342
General & administrative expenses	16,301	9,234	42,452	27,526
Marketing expenses	15,261	11,577	43,779	29,527
Research and development expenses	3,045	1,931	8,115	5,034
Settlement of litigation	-	-	9,250	-
Operating Loss	(2,478)	(3,967)	(18,840)	(14,745)
Other income/(expenses)	151	38	381	106
Finance expenses, net	(214)	(10)	(1,289)	(587)
Net Loss	(2,541)	(3,939)	(19,748)	(15,226)
Net income attributable to noncontrolling interests	45	85	150	311
Net Loss Attributable to Owners of the Company	(2,586)	(4,024)	(19,898)	(15,537)
<i>Other comprehensive income/(loss):</i>				
Cumulative (gain)/loss on investments in debt instruments classified as at FVTOCI reclassified to profit or loss	3	79	97	214
Foreign currency translation adjustment	(230)	(52)	265	10
Total Comprehensive Loss Attributable to Owners of the Company	(2,813)	(3,997)	(19,536)	(15,313)
Total Comprehensive Income Attributable to NCI	45	85	150	311
Total Comprehensive Loss	(2,768)	(3,912)	(19,386)	(15,002)
<i>Loss per share</i>				
Basic and diluted loss per share	\$ (0.01)	\$ (0.02)	\$ (0.11)	\$ (0.09)
Weighted-average shares, basic and diluted	196,668	180,611	188,864	180,158

APPENDIX / 03 / STATEMENT OF CASH FLOWS

(Expressed in thousands of U.S. dollars)	Three Months Ended		Nine Months Ended	
	September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
OPERATING ACTIVITIES				
Net Loss	\$ (2,541)	\$ (3,939)	\$ (19,748)	\$ (15,226)
Adjustments for:				
Depreciation and amortization	358	277	1,024	830
Equity-settled share-based payment	15,417	7,144	37,797	18,980
Finance costs	(33)	(143)	638	156
<i>Changes in operating assets and liabilities:</i>				
Funds held in restricted escrow account	-	-	(9,250)	-
Trade receivables	1,326	(614)	(10,864)	(992)
Other receivables	13	(23)	20	(1)
Prepaid expenses and deposits	(850)	(266)	(259)	(796)
Accounts payable	(63)	(493)	562	179
Accrued liabilities	(2,638)	2,654	17,617	12,068
Customer deposits	(5,608)	(13,247)	14,568	8,852
Other payables	1,815	718	12,541	1,684
NET CASH PROVIDED BY OPERATING ACTIVITIES	7,196	(7,932)	44,646	25,734
INVESTING ACTIVITIES				
Purchase of property and equipment	(367)	(197)	(964)	(448)
Investment deposits in debt instruments held at FVTOCI	(1,134)	(3,037)	(2,847)	(6,766)
Investment withdrawals in debt instruments held at FVTOCI	1,014	-	6,766	845
NET CASH USED IN INVESTING ACTIVITIES	(487)	(3,234)	2,955	(6,369)
FINANCING ACTIVITIES				
Purchases of common shares for Restricted Share Unit (RSU) Plan	(15,110)	(350)	(30,336)	(1,761)
Shares withheld for taxes	74	-	(667)	-
Proceeds from exercise of stock options	1,184	380	4,807	592
Payment of lease liabilities	-	-	-	(96)
Payment of contingent consideration	-	-	-	(800)
Cash disbursements for non-controlling interest	(119)	(303)	(171)	(303)
NET CASH USED IN FINANCING ACTIVITIES	(13,971)	(273)	(26,367)	(2,368)
Net change in cash, cash equivalents and restricted cash	(7,262)	(11,439)	21,234	16,997
Cash, cash equivalents and restricted cash, beginning of year	56,440	46,745	27,655	18,327
Fluctuations in foreign currency	(82)	33	207	15
CASH, CASH EQUIVALENTS AND RESTRICTED CASH BALANCE, ENDING BALANCE	\$ 49,096	\$ 35,339	\$ 49,096	\$ 35,339

APPENDIX / 04 / REVENUE BY BUSINESS LINE

(Expressed in thousands of U.S. dollars)

	2022				2023				2024		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
<i>Main revenue streams:</i>											
Commissions	61,247	111,850	111,149	95,622	107,115	184,022	213,319	180,417	199,252	338,574	369,890
Title	402	506	484	477	598	948	964	480	795	1,255	1,400
Mortgage Income	-	-	-	19	132	362	357	444	696	949	1,198
Total Revenue	61,649	112,356	111,633	96,118	107,845	185,332	214,640	181,341	200,743	340,778	372,488

APPENDIX / 05 / ADJUSTED EBITDA RECONCILIATION

	2022				2023				2024		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
<i>(Expressed in thousands of U.S. dollars)</i>											
Total Comprehensive Loss Attributable to Owners of the Company	(4,386)	(4,134)	(5,440)	(6,739)	(7,155)	(4,161)	(3,997)	(11,886)	(15,935)	(788)	(2,813)
<i>Add/(Deduct):</i>											
Finance Costs	502	377	1,174	(237)	292	376	16	(110)	509	577	256
Depreciation and Amortization	3	135	87	108	269	284	277	298	326	340	358
Stock-Based Compensation	3,178	2,884	4,506	6,132	5,761	6,075	7,144	19,423	8,844	13,536	15,417
Goodwill Impairment	-	-	-	-	-	-	-	723	-	-	-
Listing Expenses	-	-	135	16	-	-	-	-	-	-	-
Restructuring Expenses	-	-	62	160	41	44	80	58	-	-	-
Expenses related to Anti-Trust Litigation Settlement	-	-	-	-	-	-	-	-	9,857	369	33
Other Expenses	126	155	25	456	-	-	-	-	-	-	-
Adjusted EBITDA	(577)	(583)	549	(104)	(792)	2,618	3,520	8,506	3,601	14,034	13,251
Non-Recurring Stock Based Compensation Balance Sheet Adjustment	-	-	-	-	-	-	-	(6,208)	-	-	-
ADJUSTED EBITDA EXCLUDING NON-RECURRING STOCK BASED COMPENSATION ADJUSTMENT	(577)	(583)	549	(104)	(792)	2,618	3,520	2,298	3,601	14,034	13,251

“Adjusted EBITDA” and “Adjusted EBITDA Excluding Non-Recurring Stock Based Compensation Balance Sheet Adjustment” are non-International Financial Reporting Standards (“IFRS”) financial measures. Non-IFRS measures are not recognized measures under IFRS, do not have a standardized meaning prescribed by IFRS, and are therefore unlikely to be comparable to similar measures presented by other companies.

Adjusted EBITDA is used as an alternative to net income by removing major non-cash items such as amortization, interest, stock-based compensation, current and deferred income tax expenses and other items management considers non-operating in nature.

Adjusted EBITDA excluding non-recurring stock-based compensation balance sheet adjustment is used as an alternative to net income by removing major non-cash items such as depreciation, amortization, interest, stock-based compensation, current and deferred income tax expenses and other items management considers non-operating in nature, but removes a non-recurring balance sheet adjustment recorded in the fourth quarter of 2023.

The Company has used or included these non-IFRS measures solely to provide investors with added insight into Real’s financial performance. Readers are cautioned that such non-IFRS measures may not be appropriate for any other purpose. Non-IFRS measures should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS.

APPENDIX / 06 / ADJUSTED OPERATING EXPENSE RECONCILIATION

	2022				2023				2024		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
<i>(Expressed in thousands of U.S. dollars)</i>											
Operating Expense	10,129	13,496	12,886	15,184	17,846	21,499	22,742	26,796	36,477	32,512	34,607
Less: Revenue Share Expense	2,703	4,376	3,876	4,020	5,434	7,684	7,946	6,840	9,064	12,475	11,651
<i>Revenue Share Expense (% of revenue)</i>	<i>4.4%</i>	<i>3.9%</i>	<i>3.5%</i>	<i>4.2%</i>	<i>5.0%</i>	<i>4.1%</i>	<i>3.7%</i>	<i>3.8%</i>	<i>4.5%</i>	<i>3.7%</i>	<i>3.1%</i>
Less:											
Stock-Based Compensation - Employees	1,205	897	281	608	1,019	1,214	285	6,543	1,493	2,265	3,139
Stock-Based Compensation - Agents	582	547	1,776	2,614	1,541	1,640	2,769	1,830	2,137	2,335	2,665
Depreciation Expense	3	135	87	108	269	284	277	298	326	340	358
Restructuring Expense	-	-	62	160	41	44	80	58	-	-	-
Expenses Related to Anti-Trust Litigation Settlement	-	-	-	-	-	-	-	-	9,857	369	33
Subtotal	1,790	1,579	2,206	3,490	2,870	3,182	3,411	8,729	13,813	5,309	6,195
Adjusted Operating Expense ¹	5,636	7,541	6,804	7,674	9,542	10,633	11,385	11,226	13,600	14,728	16,761
<i>Adjusted Operating Expense (% of revenue)</i>	<i>9.1%</i>	<i>6.7%</i>	<i>6.1%</i>	<i>8.0%</i>	<i>8.8%</i>	<i>5.7%</i>	<i>5.3%</i>	<i>6.2%</i>	<i>6.8%</i>	<i>4.3%</i>	<i>4.5%</i>

“Adjusted Operating Expense” is a non-International Financial Reporting Standards (“IFRS”) financial measure. Non-IFRS measures are not recognized measures under IFRS, do not have a standardized meaning prescribed by IFRS, and are therefore unlikely to be comparable to similar measures presented by other companies.

Adjusted Operating Expense is used as an alternative to operating expenses by removing major non-cash items such as Stock-Based Compensation, Depreciation, and other unique or non-cash expenses, while retaining ongoing fixed operating expenses and excluding variable cash expenses associated with Revenue Share.

Adjusted Operating Expense has no direct comparable IFRS financial measure. The Company has used or included this non-IFRS measures solely to provide investors with added insight into Real’s financial performance.

Readers are cautioned that such non-IFRS measures may not be appropriate for any other purpose. Non-IFRS measures should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS.



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

APPENDIX / 07 / KEY PERFORMANCE INDICATORS

(U.S. dollar in thousands, except as otherwise noted)

	2022				2023				2024		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Transaction Data											
Closed Transaction Sides	6,248	10,224	11,233	9,745	10,963	17,537	20,397	17,749	19,032	30,367	35,832
Total Value of Home Side Transactions (\$, billions)	2.4	4.2	4.2	3.5	4.0	7.0	8.1	6.8	7.5	12.6	14.4
Median Home Sale Price (\$, thousands)	\$345	\$375	\$360	\$348	\$350	\$369	\$370	\$355	\$372	\$384	\$383
Agent Metrics											
Total Agents	4,500	5,600	6,700	8,200	10,000	11,500	12,175	13,650	16,680	19,540	21,770
Agent Churn Rate (%)	7.9	7.2	7.3	4.4	8.3	6.5	10.8	6.2	7.9	7.5	7.3
Revenue Churn Rate (%)	1.6	2.1	2.5	2.4	4.3	3.8	4.5	4.9	1.9	1.6	2.0
Headcount and Efficiency Metrics											
Full-Time Employees	112	121	122	118	127	145	162	159	151	231	240
Full-Time Employees, Excluding One Real Title and One Real Mortgage	82	91	87	84	88	102	120	118	117	142	155
Headcount Efficiency Ratio ¹	1:55	1:62	1:77	1:98	1:114	1:113	1:101	1:116	1:143	1:138	1:140
Revenue Per Full Time Employee (\$, thousands) ²	\$752	\$1,235	\$1,283	\$1,144	\$1,226	\$1,817	\$1,789	\$1,537	\$1,716	\$2,400	\$2,403
Operating Expense Excluding Revenue Share (\$, thousands)	\$7,426	\$9,120	\$9,010	\$11,164	\$12,412	\$13,815	\$14,796	\$19,956	\$27,413	\$20,037	\$22,956
Operating Expense Per Transaction Excluding Revenue Share (\$)	\$1,189	\$892	\$802	\$1,146	\$1,132	\$788	\$725	\$1,124	\$1,440	\$660	\$641
Adjusted Operating Expense (\$, thousands) ³	\$5,636	\$7,541	\$6,804	\$7,674	\$9,542	\$10,633	\$11,385	\$11,226	\$13,600	\$14,728	\$16,761
Adjusted Operating Expense Per Transaction (\$)	\$902	\$738	\$606	\$787	\$870	\$606	\$558	\$632	\$715	\$485	\$468



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

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

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



real Thank you!