



2023 Full-year results

FULL-YEAR RESULTS IN LINE WITH OBJECTIVES DELEVERAGING LEVERS INITIATED ACCELERATING THE GROUP'S TRANSFORMATION IN 2024

Business activity – Nexity beats the market

- New home reservations down 19% by volume – amid a market that shrank by 26% over one year and by 41% over two years
- Continued strong **growth in managed real estate**, with revenue up 25%

Financial results in line with objectives:

- **Revenue** of €4.3 billion; **operating profit** of €246 million
- **Net debt**: €776 million (**down €43 million** vs 2022)
- **Solid liquidity**: €882 million in cash flow and undrawn credit facility of €630 million

2023: A busy year for refocusing the Group's roadmap

- **Pivoting towards urban regeneration:**
 - First market deal with Carrefour and creation of land banking joint venture: **Expected revenue at termination: >€2 billion** over 10 years
 - Launch of Nexity Héritage and land banking solution with Mirabaud AM
- **Deleveraging levers initiated:**
 - **Disposal of international activities** (Poland and Portugal)
 - **Search for strategic and financial partners** in the management and distribution businesses

2024: A year of far-reaching transformation

- **Finalisation of the sale of Property Management for Individuals business** to Bridgepoint for an enterprise value of **€440 million**, concerning ~3,100 employees; **ongoing process to seek out strategic and financial partnerships**
- **Accelerating the shift in the Group's business model towards that of an urban operator:**
 - **Implementing far-reaching organisational transformation** based around a **regional, multi-product offering** and **ramping up the Serviced Properties business**
 - **Adjusting the workforce** in keeping with new market parameters and changes in scope
 - In view of its adaptation and transformation, the Group has decided to initiate in the coming weeks an information and consultation process with employee representative bodies before implementing a redundancy plan (PSE in French). As such, the Board proposes that the dividend in respect of financial year 2023 be suspended¹
- **Improved profitability from 2025, and as a result, maximum net debt of €500 million at year-end 2025**
- **Dividend policy consistent with the context and reviewed annually in light of free cash flow**
- **Forecast for 2024:**
 - **Operating profit to remain positive while reaching a low point**, taking into account gains on disposals, the costs of adjusting supply to new market conditions and costs relating to the Group's reorganisation, **paving the way for a rebound in 2025**
 - **Net financial debt considerably lower than at the end of 2023**

¹ Board proposal subject to approval at the Shareholders' Meeting of 23 May 2024

VÉRONIQUE BÉDAGUE, CHAIRWOMAN AND CHIEF EXECUTIVE OFFICER, COMMENTED:

“At the end of a year marked by an ongoing deterioration in the real estate market, with an historic slowdown in both residential and commercial private investment, Nexity has once again demonstrated its ability to meet its financial targets thanks to its commercial agility, the strength of its long-term relationships with public investors and the exemplary commitment shown by its staff, whom I’d like to thank in particular.

The sector in which we operate is going through a crisis that is unprecedented in terms of its intensity, duration and scope, affecting both supply and demand. Nexity will adapt to this new reality more quickly in 2024, by making adjustments that will enable it to sell supply designed during the previous cycle, scaling its organisation to match new market conditions with respect to volume, and switching to an operating model focused on local areas in order to meet the demand for our services as an urban operator even more effectively.

This means that we will recognise the costs of these transformations, including the implementation of a redundancy plan, in 2024, and will continue to refocus the strategic roadmap and deleverage the business. To do so, we will minimise risk as we ramp up urban regeneration activities with operational partners, and we will continue seeking out strategic and financial partnerships in services, particularly in the management and distribution businesses.

Having reinforced our financial structure, Nexity is in a position to convert all the growth opportunities offered by the emerging new real estate cycle, as evidenced by initial positive indicators, and to extend our leadership, as we have succeeded in doing after every previous market crisis.”

KEY FIGURES FOR 2023

Business activity – France	2022	2023	Change
Reservations: Residential Real Estate			
Volume	18,015 units	14,602 units	-19%
Value	€3,924m	€2,964m	-24%
Development backlog	€6.1bn	€5.4bn	-12%

Financial results (in €m)	2022	2023	Change
Revenue	4,704	4,273	-9%
Operating profit	367	246	-33%
Operating margin (as % of revenue)	7.8%	5.7%	-210 bps
Group share of net profit	188	19	
Net debt¹	820	776	
x EBITDA after lease payments ²	1.5x	2.5x	

¹ Net debt before lease liabilities and following application of IFRS 5 after entering into exclusive negotiations on 21 December 2023 for the sale of the Property Management for Individuals business.

² Leverage ratio calculated in accordance with contractual terms set out in financing agreements (IFRS reporting).

PERFORMANCE BY DIVISION

RESIDENTIAL REAL ESTATE DEVELOPMENT

Business activity

In a highly challenging market, Nexity's business activity showed resilience: 14,602 reservations were booked, down 19% in a market that declined by 26%. The total value of these reservations was €2,964 million (down 24%). The latest FPI statement, dated 15 February, reported 94,828 reservations in the market, a record low for the past 10 years.

As expected, and in line with market data, **retail sales** declined sharply (down 41% compared with 2022), mainly due to lower solvency among individual clients arising from the substantial, lasting rise in interest rates and the drop in implied yields for individual investors. Sales to individual investors and homebuyers fell to an all-time low, accounting for 21% and 12% of total sales, respectively.

Bulk sales remained strong, holding steady year on year: Nexity continued to pursue its dynamic sales strategy, in place since 2022, earmarking retail sale reservations for bulk sales, through its long-term partnerships with private and public landlords.

Bulk sales accounted for 67% of total reservations at year-end 2023, up 13 percentage points from 2022, driven in particular by bulk sales of intermediate housing, which more than doubled year on year, peaking at 16%.

The difference between the change in reservations by volume and by value is mainly due to the change in the product mix.

Supply for sale at year-end 2023 was down 23% relative to year-end 2022, at 7,778 units, with take-up periods stable at around 7 months. These trends reflected the Group's increasingly selective approach to launching programmes (the average rate of pre-selling was nearly 75%² on programmes launched in 2023) and demonstrated its ability to adapt its supply despite a slower pace of sales. Developments under construction accounted for around 46% of the total supply for sale (vs. 60% for the market as a whole) and the stock of unsold completed units remained marginal, at around one hundred.

Financial performance

<i>(in millions of euros)</i>	2022 ⁽¹⁾	2023	Change
Revenue	3,385	2,942	-13%
Operating profit	280	140	-50%
<i>Margin (as % of revenue)</i>	8.3%	4.8%	-350 bps

⁽¹⁾ Reclassification of Villes & Projets (historically classified in the Other Activities division) in Residential Real Estate Development

Revenue declined by 13% in 2023 to €2,942 million, reflecting the slower pace of signings of notarial deeds of sale since the beginning of the year and fewer new programmes launched into the construction phase.

Operating profit was €140 million (down 50%), representing a margin of 4.8%, down 350 basis points. This change was mainly due to the decrease in revenue, the change in the customer mix with a higher proportion of bulk sales, higher construction costs affecting the budgets of certain programmes under construction, and the slowdown in business, which has affected the balance of overhead costs.

² Including sales to individuals and institutional investors

Outlook:

The backlog stands at €5.0 billion, representing two years' revenue.

The Carrefour partnership announced in 2023, which is fully aligned with the Group's increased emphasis on urban regeneration, reached a key milestone at the end of November with the formation of the "Villes et Commerces" land banking joint venture. As a reminder, this partnership covers the upgrade of 76 Carrefour sites across France through urban mixed-use projects, including 12,000 homes, and will generate revenue at termination of over €2 billion over the next ten years (developments will be included in the backlog with effect from H2 2024).

In early October, the French government made an initial revision to the country's zoning map, reclassifying more than 150 municipalities as supply-constrained areas (A/Abis/B1), meaning they are now eligible for the "Pinel" scheme, intermediate rental housing (LLI) and the 2024 PTZ interest-free loan scheme, and in some cases raising rent ceilings, which in turn improves rental yields. This zoning extension will enable Nexity to recalibrate developments currently being set up in the municipalities concerned, and to sell its available supply more quickly. For reference, 81% of Nexity's current supply for sale is located in supply-constrained areas.

COMMERCIAL REAL ESTATE DEVELOPMENT

Business activity

With the market at a cyclical low, marked by higher interest rates and changes in usage for commercial real estate (according to CBRE, investment in France was down 56% in 2023), as forecast, Nexity recorded a low volume of new orders in 2023 (€39 million).

In 2023, the Group delivered 12 developments totalling over 100,000 square metres, including the following iconic developments:

- **Deloitte University:** 23,385-square-metre low-carbon business park standing on 14.7 hectares of land in a natural setting,
- **Aqueduc business park:** Nearly 40,000 square metres of office space developed in Gentilly,
- **Facette development:** 5,200 square metres of office space at the heart of the Belvédère development in Bordeaux, Nexity's new regional head office.

These developments bring total deliveries over the past five years to nearly 700,000 square metres, including almost 200,000 square metres of logistics facilities, warehouses and business parks and over 50,000 square metres of higher education facilities, reflecting continuing diversity in the new business written by the Group.

Financial performance

<i>(in millions of euros)</i>	2022	2023	Change
Revenue	380	459	+21%
Operating profit	45	41	-9%
Margin (as % of revenue)	11.9%	8.9%	-300 bps

At year-end 2023, revenue totalled €459 million and operating profit was €41 million, driven, as in 2022, by the contribution of the green business park in La Garenne-Colombes, which is 75% completed.

Outlook

15 developments in progress at year-end 2023, totalling more than **200,000 square metres** and **~€350 million**, including the following:

- **Green business park in La Garenne-Colombes:** 95,000-square-metre project scheduled for delivery in Q2 and Q4 2024, contributing €250 million to secure 2024 revenue.

- **Carré Invalides** (Paris): Renovation of the 15,400-square-metre former headquarters of the Greater Paris regional council
- **Confluence business park** (Lyon): Mixed development incorporating a 15,000-square-metre higher education campus.
- **Reiwa**: New construction of Nexity's future head office, totalling around 25,000 square metres, in Saint-Ouen (Seine-Saint-Denis).

While the market for off-plan sales remained buoyant outside the Paris region, the Group continued to capitalise on its integrated expertise and positioning to step up its role supporting institutional clients with urban regeneration projects under delegated project ownership and CPI development contracts.

The backlog stood at €349 million at year-end 2023.

SERVICES

Services revenue was €872 million at year-end 2023, down very slightly and once again driven by Managed Real Estate (Serviced Properties):

<i>(in millions of euros)</i>	2022	2023	Change
Revenue	938	872	-7%
<i>o/w: Property Management³</i>	382	385	+1%
<i>o/w: Serviced Properties</i>	217	270	+25%
<i>o/w: Distribution</i>	340	217	-36%
Operating profit	92	73	-21%
<i>Margin (as % of revenue)</i>	9.8%	8.3%	-150 bps

Revenue from **Property Management** (Property Management for Individuals and Property Management for Companies) grew slightly, up 1% to €385 million, confirming the resilience of the condominium and rental management businesses, with a portfolio of nearly 825,000 units under management at year-end 2023 and significant contracts renewed or signed, an example being Nexity Property Management's successful bid to manage over 4,000 sites on behalf of the Orange group. Meanwhile, rental intermediation-related business lines (sales and lettings) were affected in 2023 by the rise in interest rates and very tight supply in the rental market.

The **Serviced Properties** business (serviced residences for students, coworking spaces) posted €270 million in revenue (up 25%), driven in particular by the strong growth momentum of the portfolio of coworking businesses (16 new sites and an increase of nearly 24,000 square metres under management), as well as occupancy rates, which remained high at end-December for both coworking spaces (96%⁴) and student residences (97%).

Lastly, as expected, revenue from **Distribution** activities (down 36%) reflected the downturn in the new home market. It should however be noted that reservation volumes decreased less than did the individual investor market, and that the market share for distribution activities grew by two points (totalling 10.3%).

Operating profit for the **Services** business totalled €73 million at year-end 2023, down 21%, mainly due to lower profitability in the Distribution business, reflecting the downturns in the new home and brokerage markets. Excluding Distribution, profit grew by 8%.

³ Indicators for Property Management for Individuals, scope being sold to Bridgepoint: 2023 revenue: €307m (€309m in 2022); 2023 operating profit: €27m (€27m in 2022)

⁴ Occupancy rate at mature sites (open for more than 12 months)

Outlook:

After announcing at end-October that it had initiated a **process to seek out strategic and financial partnerships in its management and distribution businesses**, Nexity announced on 21 December that it had entered into exclusive negotiations with a view to selling 100% of its Real Estate Services to Individuals activities to Bridgepoint, a European leader in alternative asset management, based on an enterprise value of €440 million. This transaction, expected to be finalised in the first half of the year, involves the launch of a long-term⁵ strategic partnership aimed at amplifying existing synergies with Nexity's businesses and securing their long-term future. The agencies will continue to assist with the pre-deliveries of our new buildings and provide condominium management services, we will offer dedicated rental management services to our individual investors, we will be the preferred developer for land banking and real estate projects (such as extensions to existing buildings through additional storeys), and we will have access to the client base to promote our range of services and solutions.

CONSOLIDATED RESULTS – OPERATIONAL REPORTING

Due to the process underway for the sale of Real Estate Services to Individuals activities, which is expected to be finalised in the first half of the year, the Group is applying IFRS 5 (on assets held for sale), which requires the assets and liabilities of these activities to be presented separately from other continuing operations in the balance sheet. The income statement has not been restated.

<i>(in millions of euros)</i>	2022	2023	Change
Consolidated revenue	4,704	4,273	-9%
Operating profit	367	246	-33%
<i>% of revenue</i>	<i>7.8%</i>	<i>5.7%</i>	
Net financial income/(expense)	(65)	(108)	-67%
Income tax	(90)	(51)	+43%
Share of profit/(loss) from equity-accounted investments	(7)	(49)	x6.6
Net profit	204	37	N/A
Non-controlling interests	(16)	(18)	+7%
Net profit attributable to equity holders of the parent company	188	19	N/A

REVENUE

<i>(in millions of euros)</i>	2022 ⁽¹⁾	2023	Change
Development	3,766	3,401	-10%
Residential Real Estate Development	3,385	2,942	-13%
Commercial Real Estate Development	380	459	+21%
Services	938	872	-7%
Property Management	382	385	+1%
Serviced Properties	217	270	+25%
Distribution	340	217	-36%
Revenue	4,704	4,273	-9%
<i>o/w: External growth in Residential Real Estate Development (Angelotti)</i>	45	147	N/A

(1) Reclassification of Villes & Projets (historically classified in the Other Activities division) in Residential Real Estate Development

Revenue in 2023 totalled **€4,273 million**, down 9% relative to 2022 (down 10% on a like-for-like basis⁶).

⁵ Six-year partnership renewable for an additional 4-year period

⁶ Excluding Angelotti, a company acquired in October 2022, and excluding activities in Poland and Portugal, disposed of in Q3 2023

- Revenue for the **Development** business was down 10%, mainly driven by the revenue generated through major projects in Commercial Real Estate (the green business park in La Garenne-Colombes and Nexity's headquarters in Saint-Ouen). Revenue from Residential Real Estate Development was down 13%, due to the slowdown in business in a highly unfavourable environment.
- Revenue from **Services** was down 7%, with the surge in revenue for the Serviced Properties business (up 25% compared with 2022) not enough to offset the decline in revenue from Distribution, which was affected by the downturn in the new home market.

In IFRS terms, revenue in 2023 totalled €3,964 million, down 9% relative to 2022. This figure excludes revenue from joint ventures, in accordance with IFRS 11, which requires these ventures – proportionately consolidated in the Group's operational reporting – to be accounted for using the equity method. It should be noted that revenue generated by the development businesses from VEFA off-plan sales and CPI development contracts is recognised using the percentage-of-completion method, i.e. on the basis of notarised sales and pro-rated to reflect the progress of all inventoriable costs.

OPERATING PROFIT

	2022 ⁽¹⁾		2023	
	Operating profit	Margin	Operating profit	Margin
<i>(in millions of euros)</i>				
Development	326	8.6%	181	5.3%
Residential Real Estate Development	280	8.3%	140	4.8%
Commercial Real Estate Development	45	11.9%	41	8.9%
Services	92	9.8%	73	8.3%
Other Activities	(51)	N/A	(48)	N/A
Operating profit	367	7.8%	246	5.7%

(1) Reclassification of Villes & Projets (historically classified in the Other Activities division) in Residential Real Estate Development

Operating profit was **€246 million**, in line with guidance.

OTHER INCOME STATEMENT ITEMS

The **net financial expense totalled** €108 million. In particular, it comprised an increase of nearly €25 million in financing costs due to the rise in interest rates (with 51% of total debt made up of floating-rate debt at year-end 2023) and an €8 million increase in finance costs on lease liabilities driven by growth in the portfolio of managed real estate.

The **tax expense** (including the CVAE⁷) amounted to €51 million. The current effective tax rate (excluding the CVAE) was 35% (28% at year-end 2022). This rate, which was 9 points higher than our normative rate, mainly resulted from international losses that were not recoverable against French taxes, as well as the tax on the long-term disposal gain following the transfer of Studéa shares from Property Management for Individuals to Nexity SA.

The decrease in "Share of profit/(loss) from equity-accounted investments" primarily arose from the 18% stake in Aégide Domitys.

The **Group share of net profit** came to €19 million at 31 December 2023.

⁷ Cotisation sur la Valeur Ajoutée des Entreprises (French business value-added tax)

FINANCIAL STRUCTURE

DEBT AND LIQUIDITY

The Group's net debt before lease liabilities amounted to €776 million at year-end 2023, down €43 million compared to 2022, in line with its debt management policy announced at the beginning of the year.

This decrease notably reflects the following:

- Strict management of working capital in an adverse environment due to a more selective approach before projects are launched and the simultaneous start of construction work and signing of deeds when new land is purchased
- Discontinuation of business outside France and disposal of activities in Poland and Portugal finalised in Q3, with a €100 million impact on net debt

Debt at 31 December 2023 takes into account the impact of IFRS 5 application on Property Management for Individuals and thus includes a corresponding €67 million adjustment.

The Group was in compliance with all its financial ratios as at end-December 2023. The leverage ratio⁸, calculated in accordance with contractual terms set out in financing agreements, stood at 2.5x, below the limit set out in the financial covenant (3.5x).

<i>(in millions of euros)</i>	31 Dec. 2022	31 Dec. 2023	Change
Bond issues and other	976	821	(155)
Bank borrowings and commercial paper	874	837	(37)
Net cash and cash equivalents	(1,030)	(882)	+149
Net financial debt before lease liabilities	820	776	-43

Overall, nearly 50% of the Group's gross debt is fixed-rate debt, limiting its exposure to rising interest rates. The Group has also put in place interest rate hedges, bringing the proportion of its gross debt that is either well hedged or at fixed rates to over 60%.

At 31 December 2023, the average maturity of the Group's debt remained above two years (2 years and 4 months), with an average cost of borrowing of 3.8%.

The Group's liquidity is solid, with total cash and cash equivalents of €882 million, and €630 million in confirmed undrawn credit lines.

As a reminder, in February 2023, the Group renewed its corporate credit line for a period of 5 years with an expanded pool of banks and for an increased amount (€800 million versus €500 million).

WORKING CAPITAL REQUIREMENT

<i>(in millions of euros)</i>	31 Dec. 2022	31 Dec. 2023	Change
Development	1,322	1,316	(6)
Residential Real Estate Development	1,199	1,240	+41
Commercial Real Estate Development	123	76	(47)
Services	36	62	+27
Other Activities	(23)	(39)	(15)
Total WCR excluding tax	1,335	1,340	+5
Corporate income tax	(11)	7	+17
Working capital requirement (WCR)	1,324	1,346	+23

The Group's working capital requirement, after adjusting working capital in the Property Management for Individuals business in accordance with IFRS 5, stood at €1,346 million at year-end 2023, mainly due to the slowdown in business and thus in sales of inventory. Excluding tax and before the adjustment relating to IFRS 5, the working capital requirement declined €39 million.

It mainly consists of secure operating items (receivables due from individual clients guaranteed by banks, and receivables due from institutional clients relating to top-tier counterparties) and includes an almost 40% reduction in the land bank, which stood at €171 million at 31 December 2023.

CLIMATE AND BIODIVERSITY: STRONG PERFORMANCE IN 2023

In 2023, Nexity continued to roll out its **ambitious strategy in support of resilient low-carbon cities**, thus helping **accelerate the sustainability transition in the real estate sector**.

- **1.5°C carbon trajectory validated by SBTi** (the Science Based Targets initiative) in July 2023, with the Group joining the Euronext CAC SBT 1.5 index
- **CDP score⁹ upgraded to A- “Leadership”**, notably in recognition of the Group's carbon reduction targets across its entire value chain and high-quality environmental reporting
- Partnership between Nexity and the **Net Zero Initiative for Real Estate**, which aims to draw up guidelines so that the real estate sector helps achieve the global net-zero target

Lower carbon emissions – Regulatory requirements met or outperformed nearly two years ahead of time: The Group's aim is to achieve a 42% reduction in its carbon impact per square metre delivered between 2019 and 2030, 10% above the level required by France's RE2020 environmental regulations¹⁰. On average in 2023, the Group's developments at building permit stage **outperformed RE2020 requirements by 25%** (representing the equivalent of 300,000 metric tons of CO₂ avoided), thus meeting the new regulatory thresholds nearly two years ahead of time. This performance was notably made possible by the following:

- Large-scale rollout of heat pumps as well as low-carbon and bio-sourced materials
- Work on new construction processes and innovations pursued for many years, as seen in the low-carbon performance of the Athletes' Village (60,000 square metres), at under 700 kg of CO₂ per square metre

Nexity, at the forefront of biodiversity footprint measurement: The Group **measured its biodiversity footprint for the first time in 2022** and identified actions across the entire real estate value chain (wood supplies, support from sustainability experts, etc.), which were included in the Act4Nature commitments, renewed in 2023 for 2024-2026.

A **Climate and Biodiversity Report** presenting the Group's business strategy and implementation approach will be made available ahead of the Shareholders' Meeting to be held in May 2024.

⁹ CDP: Carbon Disclosure Project

¹⁰ Regulations setting out demanding thresholds every three years for reducing carbon emissions across the life cycle of a real estate development (materials and energy).

2023: A BUSY YEAR FOR REFOCUSING THE GROUP'S ROADMAP

Even before the persistent market downturn throughout 2023, Nexity had begun proactively concentrating on **refocusing its roadmap, speeding up its execution, in line with the following announcements:**

Discontinuation of business outside France:

- Disposal of Polish and Portuguese subsidiaries completed in July and September 2023
- Sale proceeds of around €100 million went towards deleveraging the Group

Pivoting more quickly towards urban regeneration:

- **Launch of Nexity Héritage**, a subsidiary specialising in urban regeneration
- **First market deal** aimed at upgrading **76 Carrefour sites** and launching a land banking company: The 76 sites to be regenerated total approximately 800,000 sq.m, and their development will lead to the creation of 12,000 homes, for estimated revenue of over €2 billion spread over 10 years.
- **Land banking solution with Mirabaud AM:** The land banking solution offered by Mirabaud AM will cover predominantly residential large-scale property renovation, transformation and/or refurbishment projects and will enable Nexity to outsource up to 90% of the carry risk, for a total investment of up to €200 million over 5 years.

Process initiated to seek out strategic and financial partnerships in management and distribution businesses:

- At year-end 2023, Nexity entered into **exclusive negotiations with a view to selling 100% of its Real Estate Services to Individuals activities** to Bridgepoint, based on an **enterprise value of €440 million**. This transaction involves a strategic partnership aimed at amplifying existing synergies with Nexity's businesses and securing their long-term future.

2024: A YEAR OF FAR-REACHING TRANSFORMATION

Although interest rates now appear to have plateaued, the sector is likely to continue to face an unfavourable market environment in 2024.

After beating the market in 2023, backed by its solid liquidity, Nexity intends to step up actions to adjust its roadmap to adapt to changes in scope and the new market reality, including:

Finalisation of the first strategic and financial partnership dealing with real estate services in the first half of the year

- Real Estate Services to Individuals activities to be sold to Bridgepoint in the first half of the year
The only closing condition for authorisation by the European Commission in respect of merger control was met on 20 February 2024.
 - **Proceeds from sale to be used to reduce the Group's debt level**, with the gains made on this transaction helping Nexity adapt more quickly to new market conditions
 - Transaction affecting around **3,100 employees**¹¹
- Nexity also continuing to seek out strategic and financial partnerships for the Property Management for Companies and Distribution businesses

Far-reaching organisational transformation

- Accelerated shift towards **urban regeneration** and **managed real estate**
- Decentralised business model, adapted to **local and regional** planning priorities
- **Multi-product range of solutions and services** adapted to emerging patterns of use

¹¹ Headcount at end of period

Adjustment of the Group's workforce:

Rescaling the organisation to reflect the following:

- Market environment and slowdown in private investment in residential and commercial real estate (with reservations recorded by Nexity down 25% with respect to the average over the past five years)
- Changes in the product mix (with bulk sales continuing to make up more than 60% of total sales, compared with an average of 50% over the past five years)
- Changes in the Group's scope: disposal of international activities, and of the Property Management for Individuals business; continued search for strategic and financial partnerships

In view of its adaptation and transformation, the Group has decided to initiate in the coming weeks an information and consultation process with employee representative bodies before implementing a redundancy plan (PSE in French). As such, the Board proposes that the dividend in respect of financial year 2023 be suspended.¹²

Through these transformation initiatives, Nexity is aiming for improved profitability from 2025, and as a result, maximum net debt of €500 million at year-end 2025.

The dividend policy will be conducted so as to be consistent with the context and reviewed annually in light of free cash flow.

Thanks to an agile, deleveraged, regionally focused multi-product organisation, at the end of this year of transformation Nexity will be in a position to seize the opportunities offered by the impending change in the real estate cycle.

Forecast for 2024

- **Operating profit to remain positive while reaching a low point**, taking into account gains on disposals, the costs of adjusting supply to new market conditions and costs relating to the Group's reorganisation, **paving the way for a rebound in 2025**
- **Net financial debt considerably lower than at the end of 2023**

¹² Board proposal subject to approval at the Shareholders' Meeting of 23 May 2024

FINANCIAL CALENDAR & PRACTICAL INFORMATION

- Q1 2024 revenue and business activity **Thursday, 25 April 2024** (after market close)
- Shareholders' Meeting **Thursday, 23 May 2024**
- 2024 interim results **Thursday, 25 July 2024** (after market close)
- Q3 2024 revenue and business activity **Thursday, 24 October 2024** (after market close)

A **conference call** will be held today in French, with simultaneous translation into English, at **6:45 p.m. (Paris time)**, which can be joined via the "Finance" section of our website, <https://nexity.group/en/finance>, or by calling one of the following numbers:

- Calling from France +33 (0)1 70 37 71 66
- Calling from elsewhere in Europe +44 (0)33 0551 0200
- Calling from the United States +1 786 697 3501

Code: Nexity FR / Nexity EN

The presentation accompanying this conference will be available on the Group's website from 6:30 p.m. (Paris time) and may be viewed at the following address: [Nexity FY 2023 webcast](#)

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

Disclaimer:

Audit procedures by the Statutory Auditors for the consolidated financial statements are being finalised and the corresponding report will be issued shortly.

The information, assumptions and estimates that the Company could reasonably use to determine its targets are subject to change or modification, notably due to economic, financial and competitive uncertainties. Furthermore, it is possible that some of the risks described in Section 2 of the Universal Registration Document filed with the AMF under number D.23-0251 on 6 April 2023 could have an impact on the Group's operations and the Company's ability to achieve its targets. Accordingly, the Company cannot give any assurance as to whether it will achieve its stated targets, and makes no commitment or undertaking to update or otherwise revise this information.

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ANNEX: OPERATIONAL REPORTING

Residential Real Estate Development – Quarterly reservations

	2021				2022				2023			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
<i>Number of units</i>												
New home reservations (France)	3 508	4 843	4 092	7 658	3 490	4 149	3 807	6 569	2 811	3 274	3 128	5 389
Reservations of divested activities	389	348	-	-	-	-	-	-	-	-	-	-
Total reservations - new home France	3 897	5 191	4 092	7 658	3 490	4 149	3 807	6 569	2 811	3 274	3 128	5 389
Subdivisions	338	439	367	772	337	423	219	558	288	359	186	217
Total reservations (France)	4 235	5 630	4 459	8 430	3 827	4 572	4 026	7 127	3 099	3 633	3 314	5 606
<i>Value, in €m incl. VAT</i>												
New home reservations (France)	792	1 056	845	1 447	764	992	805	1 363	575	685	605	1 099
Reservations of divested activities	90	85	-	-	-	-	-	-	-	-	-	-
Total reservations - new home France	882	1 141	845	1 447	764	992	805	1 363	575	685	605	1 099
Subdivisions	29	42	33	55	27	37	18	53	28	28	25	20
Total France (in €m incl. VAT)	911	1 183	878	1 502	790	1 029	824	1 416	604	713	630	1 119

Residential Real Estate Development – Cumulative reservations

	2021				2022				2023			
	Q1	H1	Q3	FY	Q1	H1	Q3	FY	Q1	H1	Q3	FY
<i>Number of units</i>												
New home reservations (France)	3 508	8 351	12 443	20 101	3 490	7 639	11 446	18 015	2 811	6 085	9 213	14 602
Reservations of divested activities	389	737	737	737	-	-	-	-	-	-	-	-
Total reservations - new home France	3 897	9 088	13 180	20 838	3 490	7 639	11 446	18 015	2 811	6 085	9 213	14 602
Subdivisions	338	777	1 144	1 916	337	760	979	1 537	288	647	833	1 050
Total reservations (France)	4 235	9 865	14 324	22 754	3 827	8 399	12 425	19 552	3 099	6 732	10 046	15 652
<i>Value, in €m incl. VAT</i>												
New home reservations (France)	792	1 848	2 693	4 140	764	1 756	2 561	3 924	575	1 260	1 865	2 964
Reservations of divested activities	90	175	175	175	-	-	-	-	-	-	-	-
Total reservations - new home France	882	2 023	2 868	4 315	764	1 756	2 561	3 924	575	1 260	1 865	2 964
Subdivisions	29	71	104	159	27	64	82	135	28	56	81	101
Total France (in €m incl. VAT)	911	2 094	2 972	4 474	790	1 819	2 643	4 059	604	1 316	1 946	3 065

Breakdown of new home reservations (France) by client

<i>Breakdown of new home reservations by Client - France</i>	2022		2023		Change
Homebuyers	2 605	14%	1 783	12%	-32%
o/w: - First time buyers	2 217	12%	1 456	10%	-34%
- Other homebuyers	388	2%	327	2%	-16%
Individual investors	5 703	32%	3 107	21%	-46%
Professional landlords	9 707	54%	9 712	67%	0%
O/w : - Institutional investors	3 131	17%	3 858	26%	23%
- Social housing operators	6 576	37%	5 854	40%	-11%
Total	18 015	100%	14 602	100%	-19%
<i>o/w New home reservations by Angelotti real estate development</i>	356		506		

Backlog

<i>In € million, excluding VAT</i>	2021				2022				2023			
	Q1	H1	9M	FY	Q1	H1	9M	FY	Q1	H1	9M	FY
Backlog Residential Real Estate development France	5 183	5 200	5 279	5 236	5 230	5 219	5 168	5 321	5 225	5 168	5 041	5 019
Operations carried out directly by Ægide	242	-	-	-	-	-	-	-	-	-	-	-
Commercial Real Estate development	1 138	1 059	1 013	974	935	906	827	779	659	536	445	349
Total Backlog France	6 562	6 259	6 291	6 210	6 165	6 125	5 995	6 100	5 883	5 704	5 485	5 367

Services

	Dec 2022	Dec 2023	Variation
Property Management			
<i>Portfolio of managed housing</i>			
- Condominium management restated	680 000	670 000	- 1,5%
- Rental management restated	160 000	155 000	- 3,1%
<i>Commercial real estate</i>			
- Assets under management (in millions of sq,m)	20,0	20,1	+ 1%
Serviced properties			
<i>Student residences</i>			
- Number of residences in operation	131	133	+ 2
- Rolling 12-month occupancy rate	96,5%	97,0%	+ 0,5 pts
<i>Shared office space</i>			
- Number of sites opened	64	80	+ 16
- Number of sites opened - Morning	38	42	+ 4
- Number of sites opened - Hiptown	26	38	+ 12
- Managed areas (in sq,m)	109 297	133 040	+ 23 743
- Managed areas (in sq,m) - Morning	90 959	105 647	+ 14 688
- Managed areas (in sq,m) - Hiptown	18 338	27 393	+ 9 055
- Rolling 12-month occupancy rate	85%	86%	+ 0,8 pts
morning	87%	86%	- 1,0 pts
Hiptown	72%	85%	+ 13,0 pts
Distribution			
- Total reservations	4 205	2 567	- 39%
- Reservations on behalf of third parties	2 664	1 570	- 41%

Revenue – Quarterly figures

<i>In € million</i>	2021				2022				2023			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Development	851	827	815	1 279	700	843	775	1 448	701	934	699	1 067
Residential Real Estate development ⁽¹⁾	656	742	736	1 146	627	754	687	1 317	577	793	602	970
Commercial Real Estate development	195	85	79	133	72	89	89	131	125	140	97	97
Services	176	209	198	270	195	226	215	301	194	214	216	248
Property management	91	94	100	94	92	96	98	96	92	95	100	98
Serviced properties	35	35	40	47	49	53	53	62	61	68	70	72
Distribution	50	80	58	129	54	77	64	144	40	52	46	79
Other activities												
Revenue - New scope⁽²⁾	1 028	1 036	1 013	1 549	895	1 069	991	1 750	895	1 148	915	1 315
Revenue from disposed activities	104	107										
Revenue	1 132	1 143	1 013	1 549	895	1 069	991	1 750	895	1 148	915	1 315
<i>o/w External growth Residential Real Estate development (Angelotti)</i>								45	35	39	25	48
<i>o/w Property management for private individuals</i>	74	77	82	74	75	78	80	76	74	76	80	77
<i>o/w International</i>	7	11	3	39	25	1	35	128	4	43	4	2

⁽¹⁾ Reclassification of Villes & Projets (historically classified in the Other Activities division) in Residential Real Estate Development

⁽²⁾ Excluding operations disposed of in 2021 (Century 21 and Ægide-Domitys)

Revenue – Half-year figures

In € million	2021			2022			2023		
	H1	H2	FY	H1	H2	FY	H1	H2	FY
Development	1 678	2 094	3 772	1 542	2 223	3 766	1 635	1 766	3 401
Residential Real Estate development ⁽¹⁾	1 398	1 882	3 280	1 381	2 004	3 385	1 370	1 572	2 942
Commercial Real Estate development	280	212	492	161	220	380	265	194	459
Services	385	468	853	421	517	938	408	464	872
Property management	186	194	379	188	194	382	187	198	385
Serviced properties	70	87	157	102	115	217	129	141	270
Distribution	130	186	316	132	208	340	92	125	217
Other activities	0	0	0	0	0	0			
Revenue - New scope⁽²⁾	2 064	2 562	4 625	1 964	2 740	4 704	2 043	2 230	4 273
Revenue from disposed activities⁽²⁾	211		211						
Revenue	2 275	2 562	4 837	1 964	2 740	4 704	2 043	2 230	4 273
Incl. External growth Residential Real Estate development (Angelotti)					45	45	74	73	147
Incl. Property management for private individuals	151	156	306	153	156	309	150	157	307
Incl. International	19	42	61	26	163	189	47	6	53

⁽¹⁾ Reclassification of Villes & Projets (historically classified in the Other Activities division) in Residential Real Estate Development

⁽²⁾ Excluding operations disposed of in 2021 (Century 21 and Ægide-Domitys)

Current operating profit – Half-year figures

In € million	2021			2022			2023		
	H1 ⁽³⁾	H2	FY	H1	H2	FY	H1	H2	FY
Development	126	223	349	86	240	326	69	112	181
Residential Real Estate development ⁽¹⁾	82	208	290	65	215	280	46	94	140
Commercial Real Estate development	44	15	59	21	24	45	23	18	41
Services	26	48	74	36	56	92	24	49	73
Property management	11	15	27	12	17	29	13	18	30
Serviced properties	2	7	10	11	8	19	10	12	22
Distribution	12	25	37	13	31	43	1	19	20
Other activities	(19)	(33)	(52)	(12)	(39)	(51)	-11	-37	-48
Current operating profit - New scope⁽²⁾	133	238	371	110	256	367	82	124	206
Non-current operating profit⁽²⁾	41	116	157					40	40
Operating profit	174	353	528	110	256	367	82	163	246
Incl. External growth Residential Real Estate development (Angelotti)					9	9	8	10	18
Incl. Property management for private individuals	13	13	26	13	14	27	12	15	27
Incl. International	2	-11	-9	2	6	8	0	-2	-3

⁽¹⁾ Reclassification of Villes & Projets (historically classified in the Other Activities division) in Residential Real Estate Development

⁽²⁾ Excluding operations disposed of in 2021 (Century 21 and Ægide-Domitys) and goodwill impairment

* H1 2021 figures restated following the IFRS IC decision of March 2021 regarding costs incurred for software in a SaaS arrangement

Consolidated income statement – 31 December 2023

	31/12/2022 Operational reporting (restated)	31/12/2023 IFRS	Restatement of joint ventures	31/12/2023 Operational reporting
<i>(in millions of euros)</i>				
Revenue	4,703.9	3,964.3	309.0	4,273.3
Operating expenses	(4,156.6)	(3,579.7)	(281.6)	(3,861.3)
Dividends received from equity-accounted investments	-	26.1	(26.1)	-
EBITDA	547.4	410.7	1.3	412.0
Lease payments	(132.8)	(143.1)	(0.0)	(143.1)
EBITDA after lease payments	414.6	267.5	1.3	268.9
Restatement of lease payments	132.8	143.1	0.0	143.1
Depreciation of right-of-use assets	(133.0)	(155.5)	(0.0)	(155.5)
Depreciation, amortisation and impairment of non-current assets	(38.7)	(41.9)	0.0	(41.9)
Net change in provisions	2.6	(6.4)	0.0	(6.4)
Share-based payments	(11.8)	(2.2)	0.0	(2.2)
Dividends received from equity-accounted investments	-	(26.1)	26.1	-
Current operating profit	366.6	178.5	27.4	205.9
Non-current operating profit	-	39.6	-	39.6
Operating profit	366.6	218.1	27.4	245.6
Share of net profit from equity-accounted investments	-	18.6	(18.6)	-
Operating profit after share of net profit from equity-accounted investments	366.6	236.7	8.9	245.6
Cost of net financial debt	(35.0)	(52.6)	(8.1)	(60.7)
Other financial income/(expenses)	(10.9)	(21.3)	(0.2)	(21.5)
Interest expense on lease liabilities	(18.8)	(26.2)	-	(26.2)
Net financial income/(expense)	(64.7)	(100.1)	(8.3)	(108.4)
Pre-tax recurring profit	301.8	136.6	0.6	137.2
Income tax	(90.3)	(50.8)	(0.6)	(51.3)
Share of profit/(loss) from other equity-accounted investments	(7.4)	(49.1)	-	(49.1)
Consolidated net profit	204.1	36.7	(0.0)	36.7
o/w: Attributable to non-controlling interests	16.3	17.5	-	17.5
o/w: Attributable to equity holders of the parent company	187.8	19.2	(0.0)	19.2
<i>(in euros)</i>				
Net earnings per share	3.40	0.35		0.35

Simplified consolidated statement of financial position – 31 December 2023

ASSETS <i>(in millions of euros)</i>	31/12/2022 Operational reporting	31/12/2023 IFRS	Restatement of joint ventures	31/12/2023 Operational reporting
Goodwill	1,397.7	1,171.9	-	1,171.9
Other non-current assets	1,004.3	986.7	0.3	987.0
Equity-accounted investments	55.2	132.8	(79.2)	53.6
Total non-current assets	2,457.3	2,291.4	(78.9)	2,212.5
Net WCR	1,323.7	1,143.9	202.4	1,346.4
Net assets held for sale	45.0	145.7		145.7
Total assets	3,826.0	3,581.0	123.5	3,704.6
LIABILITIES AND EQUITY <i>(in millions of euros)</i>	31/12/2022 Operational reporting	31/12/2023 IFRS	Restatement of joint ventures	31/12/2023 Operational reporting
Share capital and reserves	1,786.3	1,858.3	-	1,858.3
Net profit for the period	187.8	19.2	-	19.2
Equity attributable to equity holders of the parent company	1,974.1	1,877.5	(0.0)	1,877.5
Non-controlling interests	61.6	63.4	-	63.4
Total equity	2,035.7	1,940.8	(0.0)	1,940.8
Net debt before lease liabilities	819.7	657.2	119.0	776.2
Lease liabilities	779.0	848.5		848.5
Provisions	99.6	79.7	1.7	81.4
Net deferred tax	91.9	54.8	2.8	57.6
Total liabilities and equity	3,826.0	3,581.0	123.5	3,704.6

Net debt – 31 December 2023

<i>(in millions of euros)</i>	31/12/2022 Operational reporting	31/12/2023 IFRS	Restatement of joint ventures	31/12/2023 Operational reporting
Bond issues (incl. accrued interest and arrangement fees)	811.6	786.2	-	786.2
Put options granted to minority interests	164.5	31.5	-	31.5
Loans and borrowings	875.2	743.9	97.4	841.3
Loans and borrowings	1,851.3	1,561.6	97.4	1,659.0
Other financial receivables and payables	(65.9)	(253.9)	161.3	(92.6)
Cash and cash equivalents	(1,064.9)	(715.9)	(160.5)	(876.4)
Bank overdraft facilities	99.2	65.4	20.8	86.3
Net cash and cash equivalents	(965.7)	(650.5)	(139.6)	(790.1)
Total net financial debt before lease liabilities	819.7	657.2	119.0	776.2
Reversal of reclassification under IFRS 5	28.4	67.4		67.4
Total net financial debt before lease liabilities and IFRS 5	848.1	724.6	119.0	843.6
Lease liabilities	779.0	848.5	-	848.5
Reversal of reclassification under IFRS 5		46.8		46.8
Total lease liabilities before IFRS 5	779.0	895.3	-	895.3
Total net debt	1,598.7	1,505.7	119.0	1,624.7
Total net debt before IFRS 5	1,627.1	1,620.0	119.0	1,739.0

Simplified statement of cash flows – 31 December 2023

	31/12/2022 Operational reporting	31/12/2023 IFRS (12-month period)	Restatement of joint ventures	31/12/2023 Operational reporting
<i>(in millions of euros)</i>				
Consolidated net profit	204.1	36.7	(0.0)	36.7
Elimination of non-cash income and expenses	190.7	182.8	18.5	201.3
Cash flow from operating activities after interest and tax expenses	394.8	219.5	18.5	238.1
Elimination of net interest expense/(income)	53.9	78.8	8.1	86.9
Elimination of tax expense, including deferred tax	89.0	49.5	0.3	49.9
Cash flow from operating activities before interest and tax expenses	537.7	347.8	27.0	374.8
Repayment of lease liabilities	(132.8)	(143.1)	-	(143.1)
Cash flow from operating activities after lease payments but before interest and tax expenses	404.9	204.7	27.0	231.7
Change in operating working capital requirement	(248.2)	0.2	48.3	48.5
Dividends received from equity-accounted investments	-	26.1	(26.1)	-
Interest paid	(24.4)	(44.2)	(8.1)	(52.3)
Tax paid	(69.6)	(91.1)	(0.8)	(91.9)
Net cash from/(used in) operating activities	62.6	95.7	40.3	136.0
Net cash from/(used in) net operating investments	(68.8)	(59.1)	-	(59.1)
Free cash flow	(6.2)	36.6	40.3	76.9
(Acquisitions)/Disposals of subsidiaries and other changes in scope	(21.3)	127.0	0.1	127.1
Reclassification in accordance with IFRS 5	(45.4)	(14.9)	-	(14.9)
Other net financial investments	(6.3)	(45.9)	(0.1)	(46.0)
Net cash from/(used in) investing activities	(73.0)	66.2	0.1	66.3
Dividends paid to equity holders of the parent company	(138.1)	(139.2)	-	(139.2)
Other payments (to)/from minority shareholders	(10.0)	(15.9)	-	(15.9)
Net disposal/(acquisition) of treasury shares	0.6	(7.1)		(7.1)
Change in financial receivables and payables (net)	24.3	(151.3)	(4.9)	(156.2)
Net cash from/(used in) financing activities	(123.2)	(313.5)	(4.9)	(318.4)
Impact of changes in foreign currency exchange rates	0.0	(0.1)	(0.2)	(0.3)
Change in cash and cash equivalents	(202.3)	(210.8)	35.3	(175.5)

Capital employed

	2023					
<i>In € million</i>	Total excl. Right-of-use assets	Total incl. Right-of-use assets	Non-current assets	Right-of-use assets	WCR	Goodwill
Development	1,371	1,421	69	49	1,302	
Services	150	825	88	675	62	
Other Activities and not allocated	1,227	1,251	72	24	-18	1,172
Group capital employed	2,748	3,497	230	748	1,346	1,172

	2022					
<i>En Millions d'euros</i>	Total excl. Right-of-use assets	Total incl. Right-of-use assets	Non-current assets	Right-of-use assets	WCR	Goodwill
Development	1,330	1,379	41	49	1,289	
Services	159	795	124	636	35	
Other Activities and not allocated	1,484	1,515	87	31	0	1,398
Group capital employed	2,973	3,689	252	716	1,324	1,398

ANNEX: IFRS

Consolidated income statement – 31 December 2023

<i>(in millions of euros)</i>	31/12/2022 IFRS	31/12/2023 IFRS
Revenue	4,351.8	3,964.3
Operating expenses	(3,835.7)	(3,579.7)
Dividends received from equity-accounted investments	36.6	26.1
EBITDA	552.7	410.7
Lease payments	(132.8)	(143.1)
EBITDA after lease payments	419.9	267.5
Restatement of lease payments*	132.8	143.1
Depreciation of right-of-use assets	(133.0)	(155.5)
Depreciation, amortisation and impairment of non-current assets	(38.7)	(41.9)
Net change in provisions	2.5	(6.4)
Share-based payments	(11.8)	(2.2)
Borrowing costs directly attributable to property developments, transferred from inventory	-	-
Dividends received from equity-accounted investments	(36.6)	(26.1)
Current operating profit	335.2	178.5
Capital gains on disposals	-	39.6
Operating profit	335.2	218.1
Share of net profit from equity-accounted investments	25.7	18.6
Operating profit after share of net profit from equity-accounted investments	360.9	236.7
Cost of net financial debt	(32.1)	(52.6)
Other financial income/(expenses)	(10.2)	(21.3)
Interest expense on lease liabilities	(18.3)	(26.2)
Net financial income/(expense)	(60.6)	(100.1)
Pre-tax recurring profit	300.3	136.6
Income tax	(88.8)	(50.8)
Share of profit/(loss) from other equity-accounted investments	(7.4)	(49.1)
Consolidated net profit	204.1	36.7
o/w: Attributable to non-controlling interests	16.3	17.5
o/w: Attributable to equity holders of the parent company	187.8	19.2
<i>(in euros)</i>		
Net earnings per share	3.40	0.35

Simplified consolidated statement of financial position – 31 December 2023

ASSETS <i>(in millions of euros)</i>	31/12/2022 IFRS	31/12/2023 IFRS
Goodwill	1,397.7	1,171.9
Other non-current assets	1,004.1	986.7
Equity-accounted investments	109.3	132.8
Net deferred tax	-	-
Total non-current assets	2,511.1	2,291.4
Net WCR	1,073.4	1,143.9
Net assets held for sale	45.0	145.7
Total assets	3,629.5	3,581.0
LIABILITIES AND EQUITY <i>(in millions of euros)</i>	31/12/2022 IFRS	31/12/2023 IFRS
Share capital and reserves	1,786.3	1,858.3
Net profit for the period	187.8	19.2
Equity attributable to equity holders of the parent company	1,974.1	1,877.5
Non-controlling interests	61.6	63.4
Total equity	2,035.7	1,940.8
Net debt before lease liabilities	633.9	657.2
Lease liabilities	779.0	848.5
Provisions	97.8	79.7
Net deferred tax	83.0	54.8
Total liabilities and equity	3,629.5	3,581.0

Consolidated net debt at 31 December 2023

<i>(in millions of euros)</i>	31/12/2022 IFRS	31/12/2023 IFRS
Bond issues (incl. accrued interest and arrangement fees)	811.6	786.2
Put options granted to minority interests	164.5	31.5
Loans and borrowings	782.5	743.9
Loans and borrowings	1,758.6	1,561.6
Other financial receivables and payables	(263.4)	(253.9)
Cash and cash equivalents	(898.0)	(715.9)
Bank overdraft facilities	36.7	65.4
Net cash and cash equivalents	(861.3)	(650.5)
Total net financial debt before lease liabilities	633.9	657.2
Reversal of reclassification under IFRS 5	28.4	67.4
Total net financial debt before lease liabilities and IFRS 5	662.3	724.6
Lease liabilities	779.0	848.5
Reversal of reclassification under IFRS 5	-	46.8
Total lease liabilities before IFRS 5	779.0	895.3
Total net debt	1,413.0	1,505.7
Total net debt before IFRS 5	1,441.3	1,620.0

Simplified statement of cash flows – 31 December 2023

<i>(in millions of euros)</i>	31/12/2022 IFRS	31/12/2023 IFRS
Consolidated net profit	204.1	36.7
Elimination of non-cash income and expenses	165.1	182.8
Cash flow from operating activities after interest and tax expenses	369.2	219.5
Elimination of net interest expense/(income)	50.3	78.8
Elimination of tax expense, including deferred tax	87.5	49.5
Cash flow from operating activities before interest and tax expenses	507.0	347.8
Repayment of lease liabilities	(132.8)	(143.1)
Cash flow from operating activities after lease payments but before interest and tax expenses	374.2	204.7
Change in operating working capital requirement	(186.7)	0.2
Dividends received from equity-accounted investments	36.6	26.1
Interest paid	(21.0)	(44.2)
Tax paid	(66.8)	(91.1)
Net cash from/(used in) operating activities	136.5	95.7
Net cash from/(used in) net operating investments	(68.8)	(59.1)
Free cash flow	67.6	36.6
Acquisitions of subsidiaries and other changes in scope	(21.9)	127.0
Reclassification in accordance with IFRS 5	(45.4)	(14.9)
Other net financial investments	(6.2)	(45.9)
Net cash from/(used in) investing activities	(73.6)	66.2
Capital increase	0.0	0.0
Dividends paid to equity holders of the parent company	(138.1)	(139.2)
Other payments (to)/from minority shareholders	(10.0)	(15.9)
Net disposal/(acquisition) of treasury shares	0.6	(7.1)
Change in financial receivables and payables (net)	(27.9)	(151.3)
Net cash from/(used in) financing activities	(175.4)	(313.5)
Impact of changes in foreign currency exchange rates	0.2	(0.1)
Change in cash and cash equivalents	(181.1)	(210.8)

ANNEX: ASSETS HELD FOR SALE

Application of IFRS 5 to the Property Management for Individuals business after entering into exclusive negotiations on 21 December 2023 in view of its sale.

Restatements of assets and liabilities of disposed activities are detailed below:

<i>(in millions of euros)</i>	Property Management for Individuals
Assets	
Goodwill	230
Right-of-use assets	45
Other non-current assets	54
Deferred tax assets	4
Non-current assets	333
Current operating assets	953
Cash and financial receivables	19
Current assets	971
Total assets held for sale	1,304
Liabilities	
Minority interests	-
Long-term borrowings and financial liabilities	-
Non-current lease liabilities	35
Employee benefits	9
Deferred tax liabilities	2
Non-current liabilities	47
Short-term borrowings, financial liabilities and operating liabilities	86
Current lease liabilities	12
Current operating liabilities	1,014
Current liabilities	1,111
Total liabilities associated with assets held for sale	1,158

<i>(in millions of euros)</i>	Property Management for Individuals
Assets	
Cash and cash equivalents	19
Total assets held for sale	19
Liabilities	
Bank overdraft facilities	4
Total liabilities associated with assets held for sale	4
Reclassification in cash flow statement, in accordance with IFRS 5	(15)

GLOSSARY

Absorption rate: Available market supply compared to reservations for the last 12 months, expressed in months, for the new homes business in France.

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

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

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

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

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

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

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

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

Market share for new homes in France: Number of reservations made by Nexity (retail and bulk sales) divided by the number of reservations (retail and bulk sales) reported by the French Federation of Real Estate Developers (FPI).

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

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

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

Pipeline: Sum of backlog and business potential; may be expressed in months or years of revenue (as for backlog and business potential) based on revenue for the previous 12-month period.

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

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

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

Serviced Properties: Operation of student residences and flexible workspaces.