

9-MONTH REVENUE up +16% to €707.5 million

EXCELLENT SALES MOMENTUM CONTINUES

2021 AMBITIONS CONFIRMED

Consolidated (€M) unaudited	3 rd quarter			9 months (January 1 st - September 30 th)		
	2021	2020	% change	2021	2020	% change
Revenue	207.8	211.5	-1.7%	707.5	610.2	+16.0%
Of which Home Building	142.5	163.8	-13.0%	528.5	499.9	+5.7%
Of which Renovation	41.5	43.6	-4.8%	122.6	94.6	+29.6%
Of which Land Development	11.8	2.3	+413.0%	17.6	5.9	+198.3%
Of which Real Estate Development	12.0	1.8	+566.7%	38.7	9.8	+294.9%

Production up by +16% at September 30th, 2021, and on track to reach year-end objectives

For its third quarter of 2021, the Hexaom group posted revenue of €207.8 million, a slight decrease of -1.7% (-4.2% like-for-like) compared to the same period in the previous year. This change—mainly due to the Home Building business—was the result of an unfavorable base effect, since the third quarter of 2020 corresponded to production resuming after the health crisis lockdown.

The 9-month revenue amounted to €707.5 million, up +16% compared to the same period in 2020 and up +13.4% on a like-for-like basis. All of the group's businesses contributed to this strong growth.

- The **Home Building** business posted growth of 5.7% to reach €528.5 million during the first 9 months of the year. This level of production is not only correlated with catching up from administrative delays in 2020 that were caused by the health crisis but also reducing construction delays since the beginning of the financial year. Consequently, the business's production over 9 months (+5.7%) was greater than the drop in order intake recorded last year (-3.4%). The fourth quarter of 2021 will benefit from the strong sales momentum observed since the beginning of the financial year with production starting for sales from the first quarter of 2021, which were up +35.6% in value.
- The **Renovation** business maintained an excellent growth rate and was up +29.6% over 9 months to €122.6 million. B2B renovation posted revenue of €87.2 million, up 36.3%. B2C renovation confirmed its steady growth rate with an increase of +15.5% in revenue to €35.4 million.
- The **Land Development and Real Estate Development** businesses recorded strong growth as expected. They grew +198.3% to €17.6 million and +294.9% to €38.7 million, respectively. On a like-for-like basis, they were up +164.3% and +158.4%, respectively—playing their parts as growth drivers.

Excellent sales momentum continues**Home Building Business**

The Home Building business performed extremely well: sales remained steady in the third quarter of 2021, surpassing the milestone of 800 contracts once again in September. This milestone had previously been reached in March, April, and June. During the quarter, sales were up 18.5% in value and 7.1% in number. Performance for the last quarter is not expected to be as strong due to the new French environmental regulation (RE2020) being implemented and changes in pricing since the beginning of the year to offset the increasing costs of materials and subcontracting.

Be that as it may, the French continue to overwhelmingly favor single-family homes, and financing conditions have never been so attractive.

Over 9 months, the Hexaom group recorded 6,470 sales representing revenue of €856.7 million, up +35.9% in value and +28.5% in number. The average selling price increased, reaching €132,400 (excluding tax).

Renovation Business

Order intake for the Renovation business rose sharply as well.

Led by Renover and Camif Habitat, the B2C business reached €35.9 million, up +37.4% over 9 months. The intermediated business Illico Travaux benefited not only from the expansion of its network but also from a market bolstered by the large number of transactions for existing properties. Revenue grew +85.8% to €44.1 million.

As announced, order intake for B2B fell to €77.0 million, down -32.6% compared to the same period in the previous year. This deliberate strategy aimed to stabilize the order book so as to temporarily limit the business's growth and thus better focus on improving margins.

Real Estate and Land Development Businesses

Order intake from these two businesses at the end of September 2021 was perfectly in line with expected growth.

Land Development posted an order book (non-active reserved inventory) of €37.0 million, up +66.7% compared to the end of December 2020 (excluding Claimo).

The backlog for the Real Estate Development business stood at €94.1 million at the end of September 2021 compared to €60.1 million (excluding Claimo) at the end of December 2020. To date, all potential inventory represents 1,526 units, being €319.8 million in revenue to be delivered (of which €262.5 million remains to be produced). Despite the difficulties that the profession has encountered these last few months with regard to the issuance of building permits, this business has excellent short- and medium-term growth prospects.

Annual revenue of around €1 billion confirmed

The Hexaom group confirms that it expects growth to continue and to reach revenue of €1 billion by year end.

As the price of materials and labor costs continue to increase, the group is set on protecting its margins, especially in its Home Building business. With increasing production volumes enabling to absorb more fixed costs and the ongoing development of anti-dilutive growth drivers, Hexaom expects its profit margins to improve throughout the rest of 2021.

Finally, given the excellent sales figures that have been recorded since the beginning of the year, 2022 production is expected to post strong growth once again.

Next press release: 2021 Revenue, February 7th, 2022, after market close.

ABOUT THE GROUP

Since 1919, five generations of the same family have successively taken over the helm of Hexaom, a group that drives and federates an ecosystem of 49 brands and subsidiaries with complementary expertise. A unique story of family entrepreneurship characterized by its stability in a complex market sector.

The group, leader in the home building, renovation, and first-time owners' markets in France currently serves more than 11,000 customers a year, has built more than 100,000, has carried out over 80,000 renovations, employs more than 2,100 people, and recorded revenue of €881.8 million in 2020.

HEXAOM equities are eligible for PEA-PME equity savings plan.
HEXAOM is listed on Euronext Paris - Compartment B.

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GLOSSARY:

Gross order intake: a contract is recorded in the gross order intake as soon as it is signed by the customer and accepted by our sales administration department (administrative control of the documents and validity of the financing plan, site inspection, verification and acceptance of the selling price). The amount recorded corresponds to the revenue excluding taxes to be generated by the contract.

Backlog (real estate development): represents the group's already secured future revenue, expressed in euros, for its real estate development business. 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).

Order book (land development): represents recorded land orders that have not been canceled and for which notarial deeds of sale have not yet been signed.

Production in progress: all orders for which the conditions precedent to begin work have been met (building permit and client financing obtained, client ownership of the land) and which have not been accepted by the client (delivered).

Change in like-for-like revenue: changes in revenue for the periods under comparison, recalculated as follows:

- in the event of an acquisition, revenue from the acquired company is deducted from the current period if it was not part of the group during the previous period,
- in the event of a sale, the revenue of the divested company that is no longer part of the group during the current period is deducted from the comparison period.

B2B (business to business): refers to transactions conducted between two companies.

B2C (business to consumer): refers to transactions conducted between the company and consumers.

Net contribution margin: corresponds to the difference between the revenue generated by contracts and the costs directly related to these contracts (construction costs, sales or broker commissions, taxes, insurance, etc.).

Cash position: includes cash on hand and demand deposits.

Debt: includes all current and non-current financial liabilities except leases according to the restatement of IFRS 16.

Net cash: cash position less debt