

5.1 CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2024

5.1.1	Condensed consolidated financial statements	333	DEBT AND FINANCIAL RISK FACTORS		358
			Note 20	Breakdown of net debt	358
5.1.2	Notes to the consolidated financial statements	338	Note 21	Borrowings and financial liabilities	359
			Note 22	Other financial receivables	363
Note 1	Information on the Company and significant developments	338	Note 23	Cash and cash equivalents	363
			Note 24	Financial risk factors	363
			Note 25	Fair value of financial instruments by accounting category	365
GENERAL INFORMATION		339			
Note 2	General principles	339			
Note 3	Scope of reporting and business combinations	340	PROVISIONS		367
Note 4	Recognition of revenue and operating profit	342	Note 26	Current and non-current provisions	367
Note 5	Alternative performance indicators	343	INCOME		369
Note 6	Segment information	343	Note 27	Employee benefits expense	369
			Note 28	Other operating expenses	370
			Note 29	Depreciation, amortisation and impairment of non-current assets	370
ANALYSIS OF THE FINANCIAL STATEMENT		350	Note 30	Net financial income/(expense)	370
Note 7	Goodwill	350	Note 31	Taxes	371
Note 8	Other property, plant, equipment and intangible assets	351	Note 32	Earnings per share	373
Note 9	Equity-accounted investments	352	ADDITIONAL INFORMATION		374
Note 10	Other financial assets	353	Note 33	Off-balance sheet commitments	374
WORKING CAPITAL REQUIREMENT		354	Note 34	Statutory Auditors' fees	376
Note 11	Breakdown of working capital requirement	354	Note 35	Information on related parties	376
Note 12	Inventories and work in progress	354	Note 36	Events after the reporting period	377
Note 13	Trade and other receivables	354	Note 37	Main consolidated companies at 31 December 2024	377
Note 14	Other current assets	355			
Note 15	Other current liabilities	355			
EQUITY		356	5.1.3	Statutory Auditors' Report on the Consolidated Financial Statements	380
Note 16	Share capital	356			
Note 17	Non-controlling interests	356			
Note 18	Free share award plans	356			
Note 19	Treasury shares held	357			

5.1.1 Condensed consolidated financial statements

Consolidated statement of financial position

ASSETS			
(in thousands of euros)	Notes	Balance at 31/12/2024	Balance at 31/12/2023
Non-current assets			
Goodwill	7	1,151,694	1,171,893
Other intangible assets	8	101,567	107,153
Right-of-use assets	8	768,081	748,343
Property, plant and equipment	8	87,864	81,505
Equity-accounted investments	9	123,376	132,795
Other financial assets	10	49,227	49,713
Deferred tax assets	31	58,613	25,342
Total non-current assets		2,340,422	2,316,744
Current assets			
Inventories and work in progress	12	1,669,110	1,909,849
Trade and other receivables	13	799,402	1,163,205
Tax receivable	31	10,104	16,138
Other current assets	14	671,374	700,453
Other financial receivables	22	339,508	370,296
Cash and cash equivalents	23	667,613	715,947
Total current assets		4,157,111	4,875,888
Assets held for sale	3.2	-	1,303,942
TOTAL ASSETS		6,497,533	8,496,574

LIABILITIES AND EQUITY

(in thousands of euros)			Balance at 31/12/2024	Balance at 31/12/2023
	Notes			
Equity				
Share capital	16		280,649	280,649
Additional paid-in capital			521,060	521,060
Treasury shares held	19		(8,983)	(16,633)
Reserves and retained earnings			1,080,589	1,073,184
Net profit for the period			(62,226)	19,206
Equity attributable to equity holders of the parent company			1,811,089	1,877,466
Non-controlling interests	17		59,663	63,380
Total equity			1,870,752	1,940,846
Non-current liabilities				
Long-term borrowings and financial debt	21		564,345	581,780
Non-current lease liabilities	21		744,774	719,731
Employee benefits	26		8,038	10,928
Deferred tax liabilities	31		8,873	80,137
Total non-current liabilities			1,326,030	1,392,576
Current liabilities				
Short-term borrowings, financial liabilities and operating liabilities	21		772,330	1,161,677
Current lease liabilities	21		140,771	128,770
Current provisions	26		69,254	68,735
Trade and other payables			1,590,192	1,750,992
Current tax liabilities	31		8,219	4,693
Other current liabilities	15		719,985	890,033
Total current liabilities			3,300,751	4,004,900
Liabilities associated with assets held for sale	3.2		-	1,158,252
TOTAL LIABILITIES AND EQUITY			6,497,533	8,496,574

Consolidated income statement

<i>(in thousands of euros)</i>	Notes	31/12/2024 (12-month period)	31/12/2023 (12-month period)
Revenue	4	3,332,952	3,964,311
Purchases		(2,557,404)	(2,605,277)
Employee benefits expense	27	(432,549)	(664,045)
Other operating expenses	28	(249,564)	(283,409)
Taxes (other than income tax)		(32,089)	(35,657)
Depreciation, amortisation and impairment of non-current assets	29	(201,659)	(197,427)
Current operating profit		(140,313)	178,496
Non-current operating profit	3.3	131,920	39,624
Operating profit/(loss)		(8,393)	218,120
Share of net profit from equity-accounted investments	9	4,884	18,570
Operating profit after share of net profit from equity-accounted investments		(3,509)	236,690
Financial expenses	30	(152,046)	(116,047)
Financial income	30	22,428	15,954
Net financial income/(expense)		(129,618)	(100,093)
Pre-tax recurring profit		(133,127)	136,597
Income tax	31	73,192	(50,780)
Share of net profit/(loss) from other equity-accounted investments	9	(1,203)	(49,086)
NET PROFIT		(61,138)	36,731
o/w: Attributable to equity holders of the parent company		(62,226)	19,206
o/w: Attributable to non-controlling interests		1,088	17,525
<i>(in euros)</i>			
Net earnings per share	32	(1.12)	0.35
Diluted earnings per share	32	(1.12)	0.33

Consolidated statement of comprehensive income

<i>(in thousands of euros)</i>	31/12/2024 (12-month period)	31/12/2023 (12-month period)
NET PROFIT	(61,138)	36,731
Change in value of derivative instruments for hedging	(993)	(2,656)
Foreign currency translation gains and losses	(49)	2,703
Gains and losses that may be recycled to net profit	(1,042)	47
Actuarial gains and losses on retirement benefits	1,877	2,150
Deferred tax on actuarial gains and losses	(485)	(555)
Gains and losses that may not be recycled to net profit	1,392	1,595
TOTAL OTHER COMPREHENSIVE INCOME (NET OF TAX)	350	1,642
TOTAL COMPREHENSIVE INCOME	(60,788)	38,373
o/w: Attributable to equity holders of the parent company	(61,876)	20,848
o/w: Attributable to non-controlling interests	1,088	17,525

Change in consolidated equity

<i>(in thousands of euros)</i>	Share capital	Additional paid-in capital	Treasury shares held	Reserves and retained earnings	Other comprehensive income	Equity attributable to equity holders of the parent company	Non-controlling interests	Total equity
Movements in 2023								
At 1 January 2023	280,649	548,489	(21,652)	1,159,068	7,540	1,974,094	61,629	2,035,723
Treasury shares			5,019	(9,488)	-	(4,469)	-	(4,469)
Share-based payments	-	-	-	2,032	-	2,032	-	2,032
Impact of acquisitions or disposals of non-controlling interests after acquisition of control	-	-	-	25,066	-	25,066	-	25,066
Dividends paid by Nexity (€2.50 per share)	-	-	-	(139,241)	-	(139,241)	-	(139,241)
Total movements linked to relationships with shareholders	-	-	5,019	(121,631)	-	(116,612)	-	(116,612)
Net profit for the period	-	-	-	19,206	-	19,206	17,525	36,731
Other comprehensive income	-	-	-		1,642	1,642	-	1,642
Total comprehensive income	-	-	-	19,206	1,642	20,848	17,525	38,373
Dividends paid by subsidiaries	-	-	-	-	-	-	(15,898)	(15,898)
Impact of changes in scope	-	-	-	(864)	-	(864)	124	(740)
AT 31 DECEMBER 2023	280,649	548,489	(16,633)	1,055,779	9,182	1,877,466	63,380	1,940,846
Movements in 2024								
At 1 January 2024	280,649	548,489	(16,633)	1,055,779	9,182	1,877,466	63,380	1,940,846
Treasury shares	-	-	7,650	(8,244)	-	(594)	-	(594)
Share-based payments	-	-	-	921	-	921	-	921
Impact of acquisitions or disposals of non-controlling interests after acquisition of control	-	-	-	(4,828)	-	(4,828)	-	(4,828)
Dividends paid by Nexity	-	-	-	-	-	-	-	-
Total movements linked to relationships with shareholders	-	-	7,650	(12,151)	-	(4,501)	-	(4,501)
Net profit for the period	-	-	-	(62,226)		(62,226)	1,088	(61,138)
Other comprehensive income	-	-	-	-	350	350	-	350
Total comprehensive income	-	-	-	(62,226)	350	(61,876)	1,088	(60,788)
Dividends paid by subsidiaries	-	-	-	-	-	-	(5,292)	(5,292)
Impact of changes in scope	-	(27,429)	-	27,429	-	-	487	487
AT 31 DECEMBER 2024	280,649	521,060	(8,983)	1,008,831	9,532	1,811,089	59,663	1,870,752

Consolidated statement of cash flows

(in thousands of euros)			31/12/2024 (12-month period)	31/12/2023 (12-month period)
	Notes			
Net profit attributable to equity holders of the parent company			(62,226)	19,206
Net profit attributable to non-controlling interests			1,088	17,525
Consolidated net profit			(61,138)	36,731
Elimination of non-cash income and expenses:				
Elimination of depreciation, amortisation and provisions			44,197	53,557
Elimination of depreciation of right-of-use assets			159,496	155,534
Elimination of gains and losses on asset disposals			(240,547)	(58,830)
Elimination of the impact of changes in fair value			-	-
Elimination of net profit from equity-accounted investments			(3,681)	(18,570)
Elimination of net profit from other equity-accounted investments			-	49,086
Elimination of the impact of share-based payments			921	2,032
Cash flow from operating activities after interest and tax expenses			(100,752)	219,540
Elimination of net interest expense/(income)			92,375	78,786
Elimination of tax expense, including deferred taxes and tax credits			(74,336)	49,507
Cash flow from operating activities before interest and tax expenses			(82,713)	347,833
Change in operating working capital requirement	11		371,872	213
Dividends received from equity-accounted investments	9		22,918	26,089
Interest paid			(63,087)	(44,233)
Tax paid			(17,541)	(91,056)
Net cash from/(used in) operating activities			231,449	238,846
Purchase of subsidiaries, net of cash acquired	3.5		(2,896)	(6,763)
Proceeds from sale of subsidiaries, net of cash divested	3.6		374,803	134,820
Other changes in scope			121	(1,059)
Reclassification in accordance with IFRS 5			-	(14,852)
Purchase of property, plant, equipment and intangible assets			(47,148)	(59,738)
Purchase of financial assets			(20,644)	(52,837)
Proceeds from sale of property, plant, equipment and intangible assets			1,070	617
Proceeds from sale and redemption of financial assets			11,070	6,896
Net cash from/(used in) investing activities			316,376	7,084
Dividends paid to equity holders of the parent company			-	(139,241)
Dividends paid to minority shareholders of consolidated companies			(5,292)	(15,898)
Net disposal/(acquisition) of treasury shares			(1,833)	(7,065)
(Acquisitions)/disposals of non-controlling interests with no gain or loss of control			(12,500)	(114,642)
Proceeds from issuance of bonds			74,299	181,189
Redemption of bonds			(546,867)	(245,503)
Repayment of lease liabilities			(177,436)	(143,144)
Decrease in receivables and increase in short-term financial debt			7,629	27,678
Net cash from/(used in) financing activities			(662,000)	(456,626)
Impact of changes in foreign currency exchange rates			(9)	(113)
CHANGE IN CASH AND CASH EQUIVALENTS			(114,184)	(210,809)
Cash and cash equivalents at beginning of period			650,507	861,316
Cash and cash equivalents at end of period	23		536,323	650,507

5.1.2 Notes to the consolidated financial statements

Note 1 Information on the Company and significant developments

1.1 Information on the Company

Nexity is an integrated real estate player, active in the urban planning, development and operation business lines (student residences and coworking spaces). Through its regional network and its subsidiaries, Nexity is the leading urban operator serving urban and regional regeneration.

The Group is present throughout France, with some limited operations elsewhere in Europe.

It is organised around the following three business divisions:

- The Development division, which includes the following activities:
 - Residential Real Estate Development, including the development of new homes and urban planning in France, urban regeneration and, to a lesser extent, development in other European countries,

- Commercial Real Estate Development, corresponding to the development of office buildings, business parks, logistics platforms, shops and hotels;

- The Services division including:
 - Serviced properties (management of student residences and coworking spaces),
 - Management (services for individuals and companies),
 - Distribution (marketing of real estate products);
- The Other activities division, which includes investment activities and the holding company.

Nexity's shares are listed on Eurolist by NYSE Euronext Paris.

1.2 Significant developments

The 2024 fiscal year was marked by the following events:

Business activity

In a real estate market down -4% over the year but showing some positive signals (interest rate reduction cycle confirmed, rebound in loan production, end of the increase in construction costs), Nexity posted a 7% growth in retail sales over the year, with an acceleration in the second half (+14%), thanks in particular to strong momentum among first-time buyers (+48% in the second half).

Transition plan finalised; Nexity adapted to the new market situation

- Refocusing: deployment of the disposal plan in accordance with the schedule with three major disposals (see following paragraphs) and the proceeds of which being allocated to the Group's debt reduction;
- Group resizing: implementation of the plan to reduce operating expenses, including the implementation of the redundancy plan;
- Recalibrating: plan to adapt supply for sale to new market conditions;

- Redeploying: Launch of "New Nexity" at the beginning of January 2025 with a regional and multi-product organisation, focused on development and urban regeneration and recentred on our roles as a planner, developer and operator.

Disposal of Property Management activities

On 2 April 2024, Nexity announced the sale of 100% of its Services to Individuals business to Bridgepoint, a world-leading investment company.

Disposal of Nexity Property Management

On 31 October 2024, Nexity sold 100% of the activities of its Property Management subsidiary, specialising in the management of tertiary, residential and commercial assets to Crédit Agricole Immobilier.

Disposal of Bien'ici

On 8 October 2024, Nexity sold most of its equity investment in Bien'ici.

The remaining shares, representing 5.2% of the share capital, were classified as non-consolidated securities.

GENERAL INFORMATION

Note 2 General principles

2.1 Statement of compliance

The consolidated financial statements of Nexity group as at 31 December 2024 are prepared in accordance with IFRS (International Financial Reporting Standards) and the interpretations and decisions of the IFRS IC (IFRS Interpretations Committee) as adopted in the European Union.

The accounting policies and principles applied to the consolidated financial statements at 31 December 2024 are identical to those used for the consolidated financial statements for fiscal year ended 31 December 2023, except for the points described in 2.2.

The Company's press releases and annual reports – including historical financial information about the Company and the consolidated financial statements – are available on the Company's website www.nexity.fr/en/group. Copies may also be obtained from Nexity's registered office at 67 rue Arago - 93400 Saint-Puen-sur-Seine (France).

The consolidated financial statements were approved by the Board of Directors on 2 April 2025 and will be submitted for approval at the Shareholders' Meeting of 22 May 2025.

2.2 New IFRS IC standards, interpretations and decisions

The changes in IFRS IC standards and decisions in 2024 have no impact on the Nexity group's consolidated financial statements.

2.3 Estimates and assumptions

In the process of preparing the consolidated financial statements, the measurement of certain statement of financial position and income statement items calls for the use of assumptions or assessments based, in particular, on budgets for real estate projects. These are used to measure the operating margin, non-current assets, provisions, inventory impairment and accrued expenses, as well as the assets held for sale and the associated liabilities. Other items also require the use of estimates based on assumptions regarding business plans, or changes in the rates applied, and include provisions, goodwill, and put options granted to minority shareholders.

These assumptions, estimates or assessments are established and reviewed regularly on the basis of information available and the actual position of the Company on the date the financial statements are prepared, taking into consideration past experience and other relevant factors. Actual results may differ significantly from estimates due to changes in the underlying conditions and assumptions.

The assumptions, estimates and assessments used in the presentation of the financial statements for the year ended 31 December 2024 were made in a market context that remains complex and marked in particular by the deterioration of the political and economic environment despite an improvement in financing conditions for customers in the second half of the year. In the medium term, basic housing needs in France will support demand and the Group's activity.

In addition, the Group's financial statements include the identified effects of issues and risks related to climate change. Given its activities, ESG (environmental, social and governance) issues are an essential part of Nexity group's growth and are factored into its financial decisions.

The Group is developing an ambitious strategy for a low-carbon, resilient city, helping to speed up the environmental transition in the real estate sector.

These commitments are reflected in the financial statements by:

- Including the costs of complying with certain building design and construction criteria into the real estate development programme budgets;
- Using methods to measure goodwill that rely on projected target margins for operations, including the costs described above;
- Including a carbon footprint reduction criterion in variable remuneration targets for executives and free share plans.

Taking climate risk into account did not represent an issue for the preparation of the financial statements.

2.4 Reporting date

Group companies are consolidated on the basis of their financial statements for the period ended 31 December 2024.

Note 3 Scope of reporting and business combinations

3.1 Consolidation and reporting

Subsidiaries

Subsidiaries are entities controlled by the Group. Control exists when the Group has power over the entity, has rights to variable returns from its involvement with the entity, and has the ability to affect those returns through its power over the entity.

In assessing control, potential voting rights that the Group is able in practice to exercise are taken into account.

The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

Associates and joint ventures

Associates are entities in which the Group has significant influence, but not control, over financial and operating policies.

Joint ventures are entities over whose activities the Group has joint control, established by contractual agreement. Most joint ventures are real estate development programmes (residential or commercial) undertaken with another developer (joint ventures).

The consolidated financial statements include the Group share of the total recognised gains and losses of associates and joint ventures on an equity-accounted basis, from the date that significant influence or joint control commences until the date that significant influence or joint control ceases.

Transactions eliminated in the consolidated financial statements

The following are eliminated:

- Intragroup receivables and payables; and
- Intragroup balances and transactions (purchases, sales, dividends, internal margins, provisions recorded against consolidated companies, etc.).

3.2 Scope of reporting

Scope at 31 December 2024

Basis of reporting	Development	Services	Other Activities	Total at 31/12/2024
Fully consolidated	1,422	40	26	1,488
Joint ventures	364	3	4	371
Associates	-	1	4	5
Equity-accounted	364	4	8	376
TOTAL SCOPE OF REPORTING	1,786	44	34	1,864

Changes in scope

The number of consolidated companies decreased from 2,124 to 1,864 companies at 31 December 2024.

The deconsolidation of 309 companies was mainly due to the universal transfer of assets ("TUP") procedure initiated in 2024, the disposal of our PMI activity and the exit of completed real estate programmes that have become inactive.

49 companies were added to the scope of reporting during the fiscal year. These are mainly companies created to support the Group's real estate projects and companies resulting from external growth.

The Group carries out its new real estate projects in multi-programme companies, which explains the lower number of creations.

3.3 Non-current operating profit

At 31 December 2024, non-recurring operating income of €131.9 million.

<i>(in thousands of euros)</i>	31/12/2024
Capital gains on disposals	216,001
Restructuring costs	(46,376)
Cost of abandonment of operations	(37,705)
Non-current operating profit	131,920

3.4 Additions to the scope

External acquisitions in 2024 concern the coworking activity.

3.5 Breakdown of company acquisitions reported in the consolidated statement of cash flows

<i>(in thousands of euros)</i>	Acquisitions in 2024	Acquisitions 2023
Purchase price	2,896	8,213
Cash of subsidiaries acquired	-	(1,450)
ACQUISITIONS OF CONSOLIDATED COMPANIES, NET OF CASH ACQUIRED	2,896	6,763

In addition, acquisitions of companies carrying assets used to support development activities and not corresponding to business combinations in accordance with IFRS 3 are restated as a change in activity in the financial statements, and appear as a change in working capital requirement in the statement of cash flows.

3.6 Breakdown of company disposals reported in the consolidated statement of cash flows

<i>(in thousands of euros)</i>	Disposals in 2024	Disposals in 2023
Sale price received	395,671	135,438
Cash of subsidiaries sold	(20,868)	(618)
PROCEEDS FROM THE DISPOSAL OF CONSOLIDATED COMPANIES, NET OF CASH DIVESTED	374,803	134,820

The disposals in 2024 correspond to the property management activities, to the subsidiary Nexity Property Management and to an equity-accounted investment (Bien'ici). The disposals in 2023 correspond to the property development activities in Portugal and Poland for €128.8 million, classified under IFRS 5 at 31 December 2022, and also to the disposal of a subsidiary in Belgium for the balance.

In addition, disposals of companies carrying assets used to support development activities and not corresponding to business combinations in accordance with IFRS 3, to which IFRS 15 applies, are restated as a change in activity in the financial statements, and appear as a change in working capital requirement (WCR) in the statement of cash flows.

3.7 Geographical breakdown of revenue

The Group has a marginal international business in Europe (Germany, Belgium, Italy and Switzerland), which, in 2024, accounted for 0.2% of Group revenue (compared with 1.4% in 2023). The 2023 revenue also includes contributions from Poland and Portugal until the date of their disposal.

2024 FISCAL YEAR

(in thousands of euros)	France	International	Total
Development	2,754,883	2,713	2,757,596
Services	570,218	5,138	575,356
	3,325,101	7,851	3,332,952

FISCAL YEAR 2023

(in thousands of euros)	France	International	Total
Development	3,061,934	50,083	3,112,017
Services	845,988	6,307	852,295
	3,907,922	56,389	3,964,311

Note 4 Recognition of revenue and operating profit

Consolidated revenue represents the amount of activity of the Group's various divisions after elimination of intragroup transactions.

Development

Property development operations are carried out in France, in the form of VEFA off-plan sales or property development contracts. Revenue and margin from property development operations are then generated on the products sold as the stage of completion advances. The method is similar in Germany and Belgium.

Partially completed operations at the end of the fiscal year are recorded using the percentage-of-completion method on the basis of the most up-to-date estimates of the results of operations, discounted at year-end.

The percentage of completion is determined according to the commercial progress (notarised sales) and the percentage of costs completed on the reporting date.

If results on completion cannot be determined reliably, revenue is only recognised on recoverable costs.

The operating margin for the Group's development activities includes all costs directly attributable to contracts:

- Land acquisition costs;
- Site development and construction costs;
- Urban planning taxes and duties;
- Preliminary contract costs, which are capitalised only if the probability of obtaining the contract is high;
- Project ownership costs;

- Directly allocated marketing and selling costs (in-house and external sales commissions, etc.); and
- Financial expense directly attributed to operations (if the sale is not finished prior to completion).

The development activities' revenue generated by the percentage-of-completion method amounted to €2,675 million in 2024.

Revenue and profit from real estate development programmes undertaken in Italy are recognised at the time of sale, which is not possible until the building's completion.

Revenue from subdivision business (building land) and real estate development (purchase and then resale of land after obtaining authorisations) is recorded in the notarial deed.

Services and Other activities

Revenue is recognised when transactions are closed and over the period that services are provided.

Income for the distribution activities carried out by PERL and iSelection is recognised when the notarial deed is signed, depending on the contract, in the form of fees or sales of real estate products. Indeed, the sales contract follows the disposal of a VEFA off-plan sales contract acquired from a third-party developer, or sales on existing buildings.

Operating profit/(loss)

Current operating profit includes all operating profit items with the exception of items resulting from unusual, abnormal and infrequently recognised at occurring transactions. In particular, impairment of goodwill, Group restructuring costs and gains and losses on the disposal of assets held for sale.

Note 5 Alternative performance indicators

Adjusted EBITDA acts as a measurement of operational cash flow generated (see Note 6.2.2). Adjusted EBITDA is equal to current operating profit before depreciation, amortisation, and impairment of non-current assets, net changes in provisions, share-based payment expenses, and borrowing costs directly attributable to property development, transferred from inventory, plus dividends received from equity-accounted companies whose operations are an extension of the Group's business.

Depreciation includes right-of-use assets calculated in accordance with IFRS 16 and the neutralisation of internal margins for sale and leaseback transactions.

The Group also presents adjusted EBITDA after rents (before application of the standard on leases).

The Group uses working capital requirements (see Note 11) and net debt (see Note 20) to analyse its financial structure.

Note 6 Segment information

6.1 Segment definitions

Operating segments are subgroups of a company for which separate financial information is available and reviewed on a regular basis by Company Management with a view to allocating resources and assessing its economic performance.

Development

Residential Real Estate Development:

- Real estate development; in France and marginally abroad (Germany, Belgium, Italy);
- Pre-development urban regeneration projects;
- Development of subdivisions.

Commercial Real Estate Development:

Development of offices (new or refurbished), high-rise buildings, retail property and hotels; logistics facilities and other industrial spaces.

Services

- Serviced properties (management of student residences and coworking spaces);
- Distribution (marketing of real estate products);
- Management (services for individuals and companies).

Other Activities

- Investments in investment vehicles;
- The Nexity holding company;
- Restatements related to sale-leaseback transactions.

Operational reporting

Segment information is based on the operational reporting that the Group uses for management purposes. In its operational reporting, Nexity applies proportionate consolidation to its joint ventures, which in its view provides a more accurate reflection of the Group's performance and risks as measured by revenue, operating profit, working capital requirement and debt.

Notes 6.2.1 and 6.3.1 present the condensed financial statements based on operational reporting data, with a reconciliation to the financial statements.

Operating reporting data are analysed and commented on in the management report and the press release on annual results.

It should be noted that from 2025, this operational reporting will no longer be used; the segment information will reflect the published results.

6.2 Income statement

Income statement based on operational reporting

<i>(in thousands of euros)</i>	31/12/2024 (12-month period)	Restatement of joint ventures	31/12/2024 Operational reporting	31/12/2023 (12-month period)	Restatement of joint ventures	31/12/2023 Operational reporting
Revenue	3,332,952	201,734	3,534,686	3,964,311	309,012	4,273,323
Purchases	(2,557,404)	(185,999)	(2,743,403)	(2,605,277)	(274,171)	(2,879,448)
Employee benefits expense	(432,549)	-	(432,549)	(664,045)	-	(664,045)
Other operating expenses	(249,564)	(4,773)	(254,337)	(283,409)	(6,207)	(289,616)
Taxes (other than income tax)	(32,089)	(895)	(32,984)	(35,657)	(1,187)	(36,844)
Depreciation, amortisation and impairment of non-current assets	(201,659)	-	(201,659)	(197,427)	-	(197,427)
Current operating profit	(140,313)	10,067	(130,246)	178,496	27,447	205,943
Non-current operating profit	131,920	-	131,920	39,624	-	39,624
Operating profit/(loss)	(8,393)	10,067	1,674	218,120	27,447	245,567
Share of net profit from equity-accounted investments	4,884	(4,884)	-	18,570	(18,570)	-
Operating profit after share of net profit from equity-accounted investments	(3,509)	5,183	1,674	236,690	8,877	245,567
Financial expenses	(152,046)	(7,984)	(160,030)	(116,047)	(7,807)	(123,854)
Financial income	22,428	661	23,089	15,954	(515)	15,439
Net financial income/(expense)	(129,618)	(7,323)	(136,941)	(100,093)	(8,322)	(108,415)
Pre-tax recurring profit	(133,127)	(2,140)	(135,267)	136,597	555	137,152
Income tax	73,192	2,140	75,332	(50,780)	(555)	(51,335)
Share of net profit/(loss) from other equity-accounted investments	(1,203)	-	(1,203)	(49,086)	-	(49,086)
NET PROFIT	(61,138)	-	(61,138)	36,731	-	36,731
o/w: Attributable to equity holders of the parent company	(62,226)	-	(62,226)	19,206	-	19,206
o/w: Attributable to non-controlling interests	1,088	-	1,088	17,525	-	17,525
(in euros)						
Net earnings per share	(1.12)	-	(1.12)	0.35	-	0.35
Diluted earnings per share	(1.12)	-	(1.12)	0.33	-	0.33

Income statement broken down by segment

AT 31 DECEMBER 2024

(in thousands of euros)	Development	Services	Other Activities	Total Operational reporting
Total revenue	2,954,443	579,301	942	3,534,686
Revenue	2,954,443	579,301	942	3,534,686
Operating expenses	(3,044,312)	(405,012)	(9,202)	(3,458,526)
EBITDA	(89,869)	174,289	(8,260)	76,160
Lease payments	(21,963)	(136,427)	(19,048)	(177,438)
EBITDA after lease payments	(111,832)	37,863	(27,308)	(101,277)
Rent cancellation	21,963	136,427	19,048	177,438
Depreciation of right-of-use assets	(20,484)	(123,545)	(15,468)	(159,497)
Depreciation, amortisation and impairment of non-current assets	(11,626)	(15,209)	(15,328)	(42,164)
Net change in provisions	(3,159)	(895)	239	(3,815)
Share-based payments	(309)	(98)	(524)	(931)
Current operating profit	(125,447)	34,542	(39,341)	(130,246)
Non-current operating profit	(60,917)	-	192,837	131,920
Operating profit/(loss)	(186,364)	34,542	153,496	1,674
Financial expenses	(100,809)	(1,356)	(33,117)	(135,282)
Financial income	11,134	1,609	17,856	30,600
Net financial income/(expense) before lease liability expenses	(89,675)	253	(15,261)	(104,682)
Financial expenses on lease liabilities	(1,914)	(26,971)	(3,373)	(32,258)
Net financial income/(expense)	(91,589)	(26,718)	(18,634)	(136,941)
Pre-tax recurring profit	(277,953)	7,824	134,862	(135,267)
Income tax	154,795	(4,357)	(75,106)	75,332
Share of profit/(loss) from equity-accounted investments	(326)	(31)	(845)	(1,203)
NET PROFIT	(123,484)	3,436	58,910	(61,138)
o/w: Attributable to equity holders of the parent company	(126,008)	4,872	58,911	(62,226)
o/w: Attributable to non-controlling interests	2,525	(1,437)	(1)	1,088

AT 31 DECEMBER 2023

<i>(in thousands of euros)</i>	Development	Services	Other Activities	Total Operational reporting
Total revenue	3,401,251	872,072	-	4,273,323
Revenue	3,401,251	872,072	-	4,273,323
Operating expenses	(3,185,965)	(654,455)	(20,896)	(3,861,317)
EBITDA	215,286	217,616	(20,896)	412,006
Lease payments	(19,886)	(115,859)	(7,400)	(143,145)
EBITDA after lease payments	195,400	101,758	(28,296)	268,862
Rent cancellation	19,886	115,859	7,400	143,145
Depreciation of right-of-use assets	(19,603)	(126,588)	(9,344)	(155,535)
Depreciation, amortisation and impairment of non-current assets	(6,867)	(20,050)	(14,976)	(41,893)
Net change in provisions	(6,734)	2,587	(2,248)	(6,395)
Share-based payments	(789)	(951)	(500)	(2,240)
Current operating profit	181,292	72,615	(47,964)	205,943
Non-current operating profit	-	-	39,624	39,624
Operating profit/(loss)	181,292	72,615	(8,340)	245,567
Financial expenses	(56,971)	(2,473)	(38,204)	(97,648)
Financial income	7,345	453	7,640	15,439
Net financial income/(expense) before lease liability expenses	(49,626)	(2,019)	(30,564)	(82,210)
Financial expenses on lease liabilities	(2,089)	(22,801)	(1,315)	(26,205)
Net financial income/(expense)	(51,715)	(24,820)	(31,879)	(108,414)
Pre-tax recurring profit	129,577	47,795	(40,219)	137,153
Income tax	(48,499)	(17,889)	15,054	(51,335)
Share of profit/(loss) from equity-accounted investments	(442)	325	(48,969)	(49,086)
NET PROFIT	80,635	30,231	(74,135)	36,732
o/w: Attributable to equity holders of the parent company	62,557	30,783	(74,134)	19,206
o/w: Attributable to non-controlling interests	18,078	(552)	(1)	17,525

6.3 Statement of financial position

Statement of financial position based on operational reporting

ASSETS						
(in thousands of euros)	Balance at 31/12/2024	Restatement of joint ventures	31/12/2024 Operational reporting	Balance at 31/12/2023	Restatement of joint ventures	31/12/2023 Operational reporting
Non-current assets						
Goodwill	1,151,694	-	1,151,694	1,171,893	-	1,171,893
Other intangible assets	101,567	-	101,567	107,153	-	107,153
Right-of-use assets	768,081	-	768,081	748,343	-	748,343
Property, plant and equipment	87,864	-	87,864	81,505	-	81,505
Equity-accounted investments	123,376	(64,015)	59,361	132,795	(79,168)	53,627
Other financial assets	49,227	285	49,512	49,713	290	50,003
Deferred tax assets	58,613	5,398	64,011	25,342	4,463	29,805
Total non-current assets	2,340,422	(58,332)	2,282,090	2,316,744	(74,415)	2,242,329
Current assets						
Inventories and work in progress	1,669,110	218,790	1,887,900	1,909,849	247,797	2,157,646
Trade and other receivables	799,402	297,935	1,097,337	1,163,205	263,970	1,427,175
Tax receivable	10,104	916	11,020	16,138	(777)	15,361
Other current assets	671,374	99,635	771,009	700,453	35,137	735,590
Other financial receivables	339,508	(145,241)	194,267	370,296	(123,986)	246,310
Cash and cash equivalents	667,613	118,720	786,333	715,947	160,476	876,423
Total current assets	4,157,111	590,755	4,747,866	4,875,888	582,617	5,458,505
Assets held for sale	-	-	-	1,303,942	-	1,303,942
TOTAL ASSETS	6,497,533	532,423	7,029,956	8,496,574	508,202	9,004,776

LIABILITIES AND EQUITY

(in thousands of euros)	Balance at 31/12/2024	Restatement of joint ventures	31/12/2024 Operational reporting	Balance at 31/12/2023	Restatement of joint ventures	31/12/2023 Operational reporting
Equity						
Share capital	280,649	-	280,649	280,649	-	280,649
Additional paid-in capital	521,060	-	521,060	521,060	-	521,060
Treasury shares held	(8,983)	-	(8,983)	(16,633)	-	(16,633)
Reserves and retained earnings	1,080,589	-	1,080,589	1,073,184	-	1,073,184
Net profit for the period	(62,226)	-	(62,226)	19,206	-	19,206
Equity attributable to equity holders of the parent company	1,811,089	-	1,811,089	1,877,466	-	1,877,466
Non-controlling interests	59,663	-	59,663	63,380	-	63,380
Total equity	1,870,752	-	1,870,752	1,940,846	-	1,940,846
Non-current liabilities						
Long-term borrowings and financial debt	564,345	1,069	565,414	581,780	2,282	584,062
Non-current lease liabilities	744,774	-	744,774	719,731	-	719,731
Employee benefits	8,038	-	8,038	10,928	-	10,928
Deferred tax liabilities	8,873	4,781	13,654	80,137	7,265	87,402
Total non-current liabilities	1,326,030	5,850	1,331,880	1,392,576	9,547	1,402,123
Current liabilities						
Short-term borrowings, financial liabilities and operating liabilities	772,330	117,122	889,452	1,161,677	153,229	1,314,906
Current lease liabilities	140,771	-	140,771	128,770	-	128,770
Current provisions	69,254	2,147	71,401	68,735	1,725	70,460
Trade and other payables	1,590,192	127,600	1,717,792	1,750,992	124,472	1,875,464
Current tax liabilities	8,219	444	8,663	4,693	4,133	8,826
Other current liabilities	719,985	279,260	999,245	890,033	215,096	1,105,129
Total current liabilities	3,300,751	526,573	3,827,324	4,004,900	498,655	4,503,555
Liabilities associated with assets held for sale	-	-	-	1,158,252	-	1,158,252
TOTAL LIABILITIES AND EQUITY	6,497,533	532,423	7,029,956	8,496,574	508,202	9,004,776

Breakdown of assets and liabilities by segment

AT 31 DECEMBER 2024

(in thousands of euros)	Development	Services	Other Activities	Inter-division eliminations and not segmented	Total Operational reporting
Assets					
Non-current division assets	426,158	1,030,733	1,057,911	(296,722)	2,218,079
Deferred tax assets	-	-	-	64,011	64,011
Total non-current assets	426,158	1,030,733	1,057,911	(232,711)	2,282,090
Current division assets	4,472,781	545,825	1,195,744	(1,477,505)	4,736,846
Tax receivable	-	-	-	11,020	11,020
Total current assets	4,472,781	545,825	1,195,744	(1,466,484)	4,747,866
Assets held for sale	-	-	-	-	-
TOTAL ASSETS	4,898,939	1,576,558	2,253,655	(1,699,196)	7,029,956
Liabilities and equity					
Total equity	-	-	-	1,870,752	1,870,752
Non-current division liabilities	333,661	643,001	638,286	(296,722)	1,318,226
Deferred tax liabilities	-	-	-	13,654	13,654
Total non-current liabilities	333,661	643,001	638,286	(283,068)	1,331,880
Current division liabilities	3,534,649	520,770	1,240,994	(1,477,752)	3,818,661
Current tax liabilities	-	-	-	8,662	8,662
Total current liabilities	3,534,649	520,770	1,240,994	(1,469,089)	3,827,324
Liabilities associated with assets held for sale	-	-	-	-	-
TOTAL LIABILITIES	3,868,310	1,163,771	1,879,280	118,595	7,029,956
Working capital requirement	1,057,602	20,646	(15,852)	(20,829)	1,041,566

AT 31 DECEMBER 2023

(in thousands of euros)	Development	Services	Other Activities	Inter-division eliminations and not segmented	Total Operational reporting
Assets					
Non-current division assets	440,186	1,099,511	969,568	(296,740)	2,212,525
Deferred tax assets	-	-	-	29,805	29,805
Total non-current assets	440,186	1,099,511	969,568	(266,935)	2,242,330
Current division assets	4,852,797	825,661	1,184,636	(1,419,951)	5,443,144
Tax receivable	-	-	-	15,361	15,361
Total current assets	4,852,797	825,661	1,184,636	(1,404,590)	5,458,505
Assets held for sale	-	1,303,942	-	-	1,303,942
TOTAL ASSETS	5,292,983	3,229,114	2,154,205	(1,671,526)	9,004,776
Liabilities and equity					
Total equity	-	-	-	1,940,846	1,940,846
Non-current division liabilities	358,672	660,712	592,077	(296,740)	1,314,721
Deferred tax liabilities	-	-	-	87,402	87,402
Total non-current liabilities	358,672	660,712	592,077	(209,338)	1,402,123
Current division liabilities	3,478,351	751,584	1,684,992	(1,420,198)	4,494,729
Current tax liabilities	-	-	-	8,826	8,826
Total current liabilities	3,478,351	751,584	1,684,992	(1,411,372)	4,503,555
Liabilities associated with assets held for sale	-	1,158,252	-	-	1,158,252
TOTAL LIABILITIES	3,837,023	2,570,548	2,277,069	320,136	9,004,776
Working capital requirement	1,315,924	62,377	(24,822)	(7,126)	1,346,353

ANALYSIS OF THE FINANCIAL STATEMENT

Non-current assets

Note 7 Goodwill

Nexity's goodwill is broken down into four cash-generating units (CGUs):

- Residential Real Estate Development;
- Commercial Real Estate Development;
- Services;
- Distribution.

Goodwill impairment testing

Goodwill reflects the expertise and synergies expected from acquired companies.

Goodwill is tested for impairment at least once a year and when there is an indication of impairment loss.

To test for impairment, goodwill is broken down into cash-generating units (CGUs), which are groups of similar assets generating identifiable cash flows. An impairment test involves comparing the net carrying amount of each CGU with the recoverable amount. The recoverable amount corresponds to the value in use, determined on the basis of the present value of expected future cash flows, which is the most suitable method considering the lack of recent comparable transactions. In the event of impairment the corresponding amount is recognised as an expense in the income statement.

An impairment loss recognised for a CGU is first allocated to the carrying amount of the goodwill associated with the CGU and then to the other assets of the CGU in proportion to their carrying amount.

An impairment loss of goodwill may not be reversed.

(in thousands of euros)	Balance at 31/12/2023	Acquisitions and remeasurements	Disposals and IFRS 5	Adjustments during the allocation period	Balance at 31/12/2024
Residential Real Estate Development	804,829	-	-	-	804,829
Commercial Real Estate Development	74,110	-	-	-	74,110
Services	213,221	-	(20,200)	-	193,021
Distribution	79,733	-	-	-	79,733
TOTAL GOODWILLS	1,171,893	-	(20,200)	-	1,151,694

Main assumptions used for testing

At 31 December 2024, the same independent expert as the previous fiscal year calculated the discount rate of the future cash flows for the CGUs, using the Capital Asset Pricing Model (Modèle d'Évaluation des Actifs Financiers – CAPM) to measure the cost of equity, and using the actual cost method to measure the cost of debt.

Discount rate (WACC after tax)	31/12/2024	31/12/2023
Residential Real Estate Development	8.4%	7.9%
Commercial Real Estate Development	8.9%	8.4%
Services	8.4%	7.9%
Distribution	8.4%	7.9%

Impairment tests use the 5-year business plan approved by Executive Management. The business plan includes differentiated growth assumptions depending on the business activity. These assumptions take into account current market conditions, their foreseeable changes, as well as the

Group's assumptions on the evolution of the regulatory environment and the intensity of competition. The budgeted margin levels are consistent with the margin targets set by the Commitments Committee for commercial and residential real estate development projects, and higher margin levels for the activities of the Services division given the development of more profitable activities.

Despite a still-complex market context marked in particular by the deterioration of the political and economic environment despite an improvement in financing conditions for customers in the second half of the year.

Beyond the 5-year plan, the perpetual growth rate used to calculate the terminal value of the terminal cash flow was 2% as at 31 December 2023, in line with the inflation rate used.

This rate is lower than the average growth rate for the business activities over the period of the business plan.

As part of the determination of forecast cash flows, the impacts of IFRS 16 on the adjusted EBITDA and operating profit were neutralised in order to obtain cash operating flows after taking into account rental income.

In parallel, the tested carrying amount does not take into account the IFRS 16 right-of-use.

Sensitivity of useful life values to key assumptions

The Group carried out sensitivity tests at 31 December 2024. These tests led to a variation in the discount rate of up from +50 bps to +100 bps, combined with a drop of -50 and -100 points in the margin on terminal flows.

The results are as follows:

Discount rate	Margin	Impact on recoverable amount			
Change in bps		Residential Real Estate Development	Commercial Real Estate Development	Services	Distribution
+100	-100	-21%	-30%	-25%	-26%
+100	-50	-17%	-22%	-20%	-19%
+50	-100	-15%	-22%	-18%	-20%
+50	-50	-11%	-13%	-13%	-13%

There is no potential impairment for any of the CGUs under the downgraded assumptions described above.

Note 8 Other property, plant, equipment and intangible assets

(in thousands of euros)	Gross	Depreciation, amortisation and impairment	Balance at 31/12/2024	Gross	Depreciation, amortisation and impairment	Balance at 31/12/2023
Other intangible assets	215,751	(114,184)	101,567	216,984	(109,831)	107,153
Right-of-use assets (IFRS 16)	1,480,463	(712,382)	768,081	1,328,674	(580,332)	748,343
Property, plant and equipment	202,835	(114,971)	87,864	189,382	(107,877)	81,505
TOTAL NON-CURRENT ASSETS	1,899,049	(941,537)	957,512	1,735,040	(798,039)	937,001

BREAKDOWN OF CHANGES DURING THE FISCAL YEAR

(in thousands of euros)	Balance at 31/12/2023	Movements, acquisitions and disposals	Additions for the fiscal year	Changes in scope and other	Balance at 31/12/2024
Other intangible assets	107,153	16,371	(21,081)	(876)	101,567
Right-of-use assets (IFRS 16)	748,343	185,970	(159,496)	(6,736)	768,081
Property, plant and equipment	81,505	26,027	(16,719)	(2,950)	87,864
TOTAL NON-CURRENT ASSETS	937,001	228,368	(197,296)	(10,561)	957,512

8.1 Other property, plant, equipment and intangible assets

Other intangible assets are valued at their cost of acquisition, less accumulated amortisation and impairment losses. They consist mainly of software, IT developments, and client relationships that may be recognised when accounting for business combinations.

Amortisations are calculated on a straight-line basis based on the anticipated useful life of each asset: between 1 and 7 years for software and IT developments and 2 years for client relationships as part of real estate development operations. Property, plant and equipment is stated at acquisition or production cost less accumulated depreciation and impairment losses.

Property, plant and equipment is mainly composed of fixtures and fittings, office and computer equipment, and office furniture.

Amortisations are calculated on a straight-line basis based on the useful life of each asset's components. The amortisation periods generally used vary from 3 to 10 years.

8.2 Right-of-use assets

Right-of-use assets correspond to the initial amount of lease liabilities as defined by IFRS 16 (see Note 21.3), minus completed depreciation, amortisation and impairment, and by the restatement of leaseback transactions.

The lease term used is the enforceable term of the contract, corresponding to the non-cancellable period of the contract during which the lessee has the right to use the asset, plus the periods covered by a renewal option that will probably be exercised or a termination option that will probably not be exercised. The lease liability should be valued over the "economic" term of the contract (vs. legal term), taking into account work carried out but not fully amortised, which would require continued operation. The included rent is either fixed or linked to a real estate index. Variable rent based on the lessee's income is excluded from lease liabilities and recognised in the profit (loss) for the period in question.

In order to apply the IFRS 16 standard, the Group restates leases for assets of more than €5,000 and of a duration of more than one year.

The standard requires the neutralisation of margins in the case of sale-leaseback transactions: at Nexity, this concerns the sale of real estate assets to investors who then lease these assets to the Group's subsidiaries (managed residential activities and, on occasion, office buildings occupied by Nexity employees). The portion of the margin generated by the share of rents discounted in relation to the sale price is neutralised during construction by a reduction in the value of rights of use, which reduces depreciation over the duration of the lease. These transactions are carried out in the ordinary course of business and represent individually insignificant amounts. At 31 December 2024, the total neutralised margins for the period were not significant.

Right-of-use assets mainly concern real estate assets, including student residences, and managed office buildings for coworking or use by the Group's employees.

The non-restated rents amounted to €11.9 million for low-value exemptions and lease terms of less than one year, in particular.

BREAKDOWN BY TYPE OF RIGHT-OF-USE ASSET

(in thousands of euros)	Average duration 2024 (in years)	Balance at 31/12/2024	Balance at 31/12/2023
Student residences	5.2	313,750	317,909
Coworking spaces	6.2	337,767	340,155
Serviced residence and coworking space activities		651,517	658,064
Corporate assets	2.8	116,564	90,279
TOTAL RIGHT-OF-USE ASSETS	4.9	768,081	748,343

BREAKDOWN OF CHANGES DURING THE FISCAL YEAR

(in thousands of euros)	Balance at 31/12/2023	Movements, acquisitions and disposals	Additions for the fiscal year	Changes in scope and other	Balance at 31/12/2024
Student residences	317,909	64,666	(63,668)	(5,157)	313,750
Coworking spaces	340,155	52,366	(54,754)	-	337,767
Corporate assets	90,279	68,938	(41,081)	(1,572)	116,564
TOTAL RIGHT-OF-USE ASSETS	748,343	185,970	(159,503)	(6,729)	768,081

Movements of acquisitions and disposals on IFRS 16 rights of use (€185.9 million) are primarily linked to new leases or renewals signed in 2024.

Note 9 Equity-accounted investments

The Group's investments in associates are initially recorded at acquisition cost including any goodwill generated. Their carrying amount is then increased or

decreased to take into account the Group share in any profit and loss generated after the acquisition date.

If the Group share of the losses of an associate or joint venture exceeds the carrying amount of the investee, the carrying amount is reduced to nil and the recognition of further losses is discontinued unless the Group has a legal or constructive obligation to

cover the losses or make payments in respect of said associate or joint venture.

If there is an indicator of impairment, a test is performed which compares the carrying amount of the investee to its recoverable amount.

CHANGE OVER THE PERIOD

<i>(in thousands of euros)</i>	31/12/2024	31/12/2023
Value of investments at beginning of period	132,795	109,326
Change in scope and foreign exchange gains and losses	(331)	52,003
Change in equity of associates	10,148	28,071
Share of profit from investees with activities that are an extension of the Group's operating activities	4,885	18,570
Group share of profit/(loss) from other investees	(1,203)	(49,086)
Dividends paid	(22,918)	(26,089)
VALUE OF INVESTMENTS AT END OF PERIOD	123,376	132,795
o/w investees with activities that are an extension of the Group's operating activities	64,015	79,168
o/w other investees	59,361	53,627

"Investees with activities that are an extension of the Group's operating activities" are joint ventures. Most joint ventures are real estate development programmes (residential or commercial) undertaken with another developer (joint ventures).

The other companies, which represent a value of €59.4 million, are associates, mainly the investments in the real estate vehicle created with Carrefour for €43.9 million (Carrefour Villes & Commerces) and in Urban Campus (coliving residence operating company).

Note 10 Other financial assets

<i>(in thousands of euros)</i>	Balance at 31/12/2023	Movements, acquisitions and disposals	Additions for the fiscal year	Changes in scope and other	Balance at 31/12/2024
Investments in non-consolidated companies	23,031	(1,128)	(1,075)	551	21,379
Cash allocated to the liquidity contract	1,203	2,346	-	-	3,549
Deposits and guarantees	20,060	46	(31)	(766)	19,309
Purchaser loans	5,418	(428)	-	-	4,990
TOTAL OTHER FINANCIAL ASSETS	49,712	836	(1,106)	(215)	49,227

"Investments in unconsolidated companies" are mainly in FPCIs (French private equity funds for professional investors) or direct investments in private companies, in business sectors such as digital technology that may offer future synergies or growth opportunities, and investments in real estate funds.

"Cash allocated to the liquidity contract" designates the financial resources made available to the Investment Services Provider contracted to manage the liquidity contract of Nexity's publicly traded shares in accordance with the authorisations approved at the Shareholders' Meeting.

"Deposits and guarantees" are held by third parties, and mainly include security deposits on the office buildings leased and occupied by the Group and on the surety, bonds obtained for property management and brokerage activities in real estate services. Deposits and guarantees relating to the completion of real estate development programmes are included in the calculation of the working capital requirement (WCR).

"Purchaser loans" correspond to an activity currently being wound up and amounted to €4,990 thousand (including €322 thousand maturing in less than one year) at 31 December 2024, compared to €5,418 thousand (including €326 thousand maturing in less than one year) at 31 December 2023.

All the other financial assets mainly mature in more than one year.

WORKING CAPITAL REQUIREMENT

Note 11 Breakdown of working capital requirement

(in thousands of euros)	Notes	Balance at 31/12/2024	Balance at 31/12/2023
Current assets			
Inventories and work in progress	12	1,669,110	1,909,849
Trade and other receivables	13	799,402	1,163,205
Other current assets	14	671,374	700,453
Current liabilities			
Trade and other payables		(1,590,194)	(1,750,991)
Other current liabilities	15	(719,985)	(890,033)
WORKING CAPITAL REQUIREMENT BEFORE TAX		829,708	1,132,483
Tax receivable	31	10,104	16,138
Current tax liabilities	31	(8,219)	(4,693)
TOTAL WORKING CAPITAL REQUIREMENT		831,593	1,143,928

CHANGE OVER THE PERIOD

(in thousands of euros)	Change in the period
TOTAL WORKING CAPITAL REQUIREMENT BEFORE TAX AT 31/12/2023	1,132,483
Change in working capital requirement as per cash flow statement	(371,872)
Impact of changes in scope	42,854
Change in receivables and payables for non-current assets and similar items (included in trade payables)	26,243
TOTAL WORKING CAPITAL REQUIREMENT BEFORE TAX AT 31/12/2024	829,708

Note 12 Inventories and work in progress

"Inventories and work in progress" includes land recorded at acquisition cost, construction in progress (site development and construction costs), selling expenses assignable to contracts (in-house and external commissions) and finished products, recorded at production cost.

Preliminary contract costs for real estate development programmes are included in the cost of inventories if the probability of securing the contract is high. If the contract is not obtained, the related costs are recorded as expenses for the fiscal year.

When the net realisable value of inventories and work in progress is less than their cost, impairment losses are recorded.

(in thousands of euros)	Gross	Impairment	Balance at 31/12/2024	Gross	Impairment	Balance at 31/12/2023
TOTAL INVENTORIES AND WORK IN PROGRESS	1,783,889	(114,779)	1,669,110	1,977,934	(68,085)	1,909,849

Note 13 Trade and other receivables

Client receivables

Current contracts are recorded at the original cost, minus any payments and increased by the profit amount recorded up to the statement of financial position date (minus anticipated losses) and interim invoices issued.

The amount of client receivables due at 31 December 2024 stood at €174,099 thousand.

Trade and other receivables

Trade and other receivables are stated at fair value upon initial recognition, then at amortised cost less allowances for uncollectible items.

<i>(in thousands of euros)</i>	Gross	Impairment	Balance at 31/12/2024	Gross	Impairment	Balance at 31/12/2023
Assets in VEFA off-plan sales contracts	625,304	-	625,304	886,422	-	886,422
Trade and other receivables	195,859	(21,760)	174,099	298,504	(21,721)	276,783
TOTAL TRADE AND OTHER RECEIVABLES	821,162	(21,760)	799,402	1,184,926	(21,721)	1,163,205

<i>(in thousands of euros)</i>	Balance at 31/12/2023	Movements related to operations	Balance at 31/12/2024
Residential Real Estate Development	593,032	(99,182)	493,850
Commercial Real Estate Development	293,390	(161,936)	131,454
TOTAL ASSETS IN VEFA OFF-PLAN SALES CONTRACTS	886,422	(261,118)	625,304

Assets in contracts are the share of performance obligations already completed by the Group, for which the final cash collection right is subject to a contractual payment schedule. Assets in contracts gradually become receivables as calls for funds are issued to clients, demonstrating the Group's unconditional cash collection right. Assets in contracts are therefore representative of some of the future payments to be received by the Group for ongoing contracts.

The Group believes that its credit risk is not material as it essentially operates in a regulated business environment, which secures the payment of trade receivables.

Services covered by a VEFA off-plan sales contract, but not yet recognised as revenue on a percentage-of-completion basis, totalled €2 billion at 31 December 2024.

Note 14 Other current assets

The Real Estate Services business enters into agreements with clients. For this purpose, the Group holds client working capital accounts. As the authorised agent, the Group manages these accounts

and reports them as separate accounts in its statement of financial position under the line items "Other current assets" and "Other current liabilities".

<i>(in thousands of euros)</i>	Gross	Impairment	Balance at 31/12/2024	Gross	Impairment	Balance at 31/12/2023
Suppliers – advances and deposits paid	99,474	(2,942)	96,532	63,543	(2,011)	61,532
Government receivables	426,492	-	426,492	412,533	-	412,533
Prepaid expenses	25,252	-	25,252	25,928	-	25,928
Other receivables	114,469	(25,361)	89,108	72,964	(7,380)	65,584
Cash held in client working capital accounts	33,990	-	33,990	134,876	-	134,876
TOTAL OTHER CURRENT ASSETS	699,677	(28,303)	671,374	709,844	(9,391)	700,453

Note 15 Other current liabilities

<i>(in thousands of euros)</i>	Balance at 31/12/2024	Balance at 31/12/2023
Tax payable and social security contributions	426,952	581,825
Prepaid income and other accruals	103,330	103,514
Clients – Advances and deposits received	155,713	69,818
Client working capital accounts	33,990	134,876
TOTAL OTHER CURRENT LIABILITIES	719,985	890,033

In 2024, deferred income included €28,855 thousand in liabilities on commercial real estate contracts, which represents the share of performance obligations not yet completed by the Group, and for

which payment has already been received. The decrease in client working capital accounts is due to the disposal of service activities.

EQUITY

Note 16 Share capital

At 31 December 2024, the share capital of the parent company was made up of 56,129,724 shares with a nominal value of €5 per share, unchanged from 31 December 2023.

Note 17 Non-controlling interests

Non-controlling interests are mainly non-controlling interests in the subsidiaries that are not wholly owned by the Group. Since 2022, this includes the 45% stake in the Angelotti group not held by Nexity.

For certain entities, the Group has made undertakings to purchase the remaining stake that it does not own. In such cases, the minority stake is reclassified as a financial liability (see Note 21.2). There are therefore no more non-controlling interests and the entity's profit or loss is fully consolidated in the Group's financial statements.

Note 18 Free share award plans

Free shares may be granted to Group employees and executives by the Board of Directors, as authorised by a vote at a Shareholders' Meeting.

Employee incentive plans offering free share awards, ongoing or ended in the period, are as follows:

NEXITY PLANS

(in number of shares)	Awarded	Cancelled	Vested	Awarded, not cancelled and not vested	Vesting period ends
Previous plans ⁽¹⁾	-	-	485	-	-
March and April 2021 plans	147,700	90,247	57,453	-	3 rd quarter 2024
May 2021 plan	373,400	209,674	163,726	-	3 rd quarter 2024
October 2021 plan	22,000	19,248	2,752	-	4 th quarter 2024
April 2022 plan	165,800	66,700	-	99,100	2 nd quarter 2025
May 2022 plan	100,000	-	-	100,000	2 nd quarter 2025
May 2022 plan	89,200	38,600	-	50,600	2 nd quarter 2025
May 2022 plan for all employees	218,040	143,740	380	73,920	2 nd quarter 2025
February 2024 plan	130,750	18,750	-	112,000	1 st quarter 2027
February 2024 plan	285,400	51,100	-	233,800	1 st quarter 2027
April 2024 plan	52,000	4,000	-	48,000	2 nd quarter 2027
April 2024 plan	93,000	10,000	-	83,000	2 nd quarter 2027
May 2024 plan	75,000	-	-	75,000	2 nd quarter 2027
May 2024 plan	174,050	2,500	-	167,750	2 nd quarter 2027
TOTAL NEXITY PLANS	1,926,340	655,059	224,566	1,046,970	

(1) Adjustment in previous years.

The Shareholders' Meeting has granted the Board of Directors authorisation until 23 July 2025 to allocate 1% of the share capital to free share awards (subject to certain conditions and with a minimum three-year vesting period). At 31 December 2024, 249,050 free shares had been allocated under this authorisation.

The maximum potential dilution (taking into account treasury shares acquired and held to be granted to recipients of free shares) would be 1.8% (as a percentage of share capital ownership) if all free shares already awarded were to vest, and 2.3% if the calculation includes all possible free shares not yet awarded.

In 2024, 224,566 free shares were vested, and with all awards satisfied using treasury shares, the shares were transferred to their recipients.

Valuation of Nexity's free share plans

Free shares are recognised at the grant date at their fair value. Changes in value after the grant date have no effect on the initial measurement.

The calculated value of the free shares is recognised as an employee benefits expense on a straight-line basis over the vesting period with a corresponding increase in equity.

The aggregate value is modulated to take into account the probability of the allocation conditions being met for each plan, based on the following criteria:

- Length of service at the Company at the end of the plan; and
- Where applicable, financial or non-financial performance conditions determined on the basis of multi-year objectives.

The aggregate value of Nexity's free share plans was €18,710 thousand in 2024, representing an expense of €776 thousand.

(in thousands of euros)	March 2021 plan	April 2021 plan	May 2021 plan	October 2021 plan	April 2022 plan	May 2022 plans	February 2024 plans	April 2024 plans	May 2024 plans	Total
Aggregate value	1,814	152	5,899	81	546	2,332	4,085	1,124	2,677	18,710
Expenses 2024	31	(44)	(580)	16	(184)	(408)	1,145	257	543	776
Assumptions										
Share price on grant date (in euros)	43.2	46.0	45.2	39.0	29.0	30.3	13.3	9.5	12.4	
Vesting period (in years)	3	3	3	3	3.2	3.2	3.0	3.0	3.0	
Dividend rate*	5%	5%	5%	5%	8.5%	8.5%	0.0%	0.0%	0.0%	

* Based on the Nexity underlying rate.

Note 19 Treasury shares held

As authorised at the Shareholders' Meeting and implemented by the Board of Directors, the Group may find it necessary to hold treasury shares up to the limit of 10% of the share capital, adjusted for changes.

At 31 December 2024, treasury shares were held for two main purposes:

- In connection with a liquidity contract entered into with an Investment Services Provider;
- In the context of share buybacks with a view to free shares awards under the provisions of Articles L.22-10-59, L.22-10-60 and L.225-197-1 et seq. of the French Commercial Code.

These securities are recognised at cost and presented as a deduction from equity. Any gains or losses from the disposal of treasury shares (determined using the first-in, first-out (FIFO) method) are directly recognised in equity and have no effect on profit or loss for the fiscal year.

(in number of shares)	Authorisations	o/w liquidity contract	o/w to cover free share award plans	Total holding (at transaction date)
POSITION AT 31 DECEMBER 2023	5,612,972	233,388	592,567	825,955
Purchase, sale and transfer of shares				
• via the liquidity contract	-	(233,388)	-	(233,388)
• held to be used for free share awards	-	-	-	-
• transfers during the fiscal year to cover free shares vested	-	-	(224,566)	(224,566)
Implementation of the programme authorised by the Shareholders' Meeting of 23 May 2024	10% of the adjusted capital according to its change	-	-	-
POSITION AT 31 DECEMBER 2024	5,612,972	-	368,001	368,001

The 368,001 treasury shares held at 31 December 2024 were recognised as a deduction from net assets for a value of €8,983 thousand.

DEBT AND FINANCIAL RISK FACTORS

Note 20 Breakdown of net debt

BREAKDOWN OF NET DEBT			
(in thousands of euros)	Notes	Balance at 31/12/2024	Balance at 31/12/2023
Bond issues	21	771,434	786,195
Long-term borrowings and financial debt	21	20,011	19,102
Short-term borrowings and financial debt	21	304,334	756,316
Loans and borrowings		1,095,779	1,561,613
Current accounts held as liabilities and related payables	21	109,611	116,403
Current accounts held as assets and related receivables	22	(339,508)	(370,296)
Other financial receivables and payables		(229,897)	(253,893)
Cash and cash equivalents	23	(667,613)	(715,947)
Bank overdraft facilities	23	131,290	65,440
Net cash and cash equivalents		(536,323)	(650,507)
TOTAL NET FINANCIAL DEBT BEFORE LEASE LIABILITIES		329,559	657,213
Lease liabilities	21	885,545	848,501
TOTAL NET DEBT		1,215,104	1,505,714

CHANGE OVER THE PERIOD							
(in thousands of euros)	Balance at 31/12/2023	Cash flows	Impact of changes in scope	Change in fair value	Leases	Other	Balance at 31/12/2024
Loans and borrowings	1,561,613	(485,068)	14,195	4,828	-	211	1,095,779
Other financial receivables and payables	(253,893)	7,629	10,185	-	-	6,182	(229,897)
Net cash and cash equivalents	(650,507)	114,184	-	-	-	-	(536,323)
TOTAL NET DEBT BEFORE LEASE LIABILITIES	657,213	(363,255)	24,380	4,828	-	6,393	329,559
Lease liabilities	848,501	(177,436)	(11,624)	32,258	199,465	(5,619)	885,545
TOTAL NET DEBT	1,505,714	(540,691)	12,756	37,086	199,465	774	1,215,104

COMPONENTS OF NET DEBT RECOGNISED IN THE STATEMENT OF CASH FLOWS

(in thousands of euros)	Cash flows
Bond issues	74,299
Redemption of bonds	(546,867)
Acquisitions of non-controlling interests	(12,500)
CHANGE IN BANK BORROWINGS AND ACQUISITION-RELATED DEBT	(485,068)
REPAYMENT OF LEASE LIABILITIES	(177,436)
Change in other borrowings and other financial receivables	7,629
Change in cash and cash equivalents	114,184
TOTAL CHANGE IN NET DEBT	(540,691)

Note 21 Borrowings and financial liabilities

(in thousands of euros)	Balance at 31/12/2024		Balance at 31/12/2023	
	Non-current	Current	Non-current	Current
Bond issues	544,334	227,100	562,678	223,517
Loans and borrowings	20,011	304,334	19,102	756,316
Current account and equivalent liabilities	-	109,611	-	116,403
Bank overdraft facilities	-	131,290	-	65,440
TOTAL BORROWINGS AND FINANCIAL LIABILITIES BEFORE LEASE LIABILITIES	564,345	772,335	581,780	1,161,676
Lease liabilities	744,774	140,771	719,731	128,770
TOTAL BORROWINGS AND FINANCIAL LIABILITIES	1,309,119	913,106	1,301,511	1,290,446

21.1 Bond debt

At 31 December 2024, the reported nominal amount of bonds (€782 million) differed from their consolidated value (€771 million), as a result of the restatement of the OCEANE bond equity component and the staggering of arrangement costs.

Bondholders may ask for early redemption in whole or in part, in cash, if at least 50% of the voting rights attaching to Nexity's shares are directly held by a single third party.

Nexity SA Euro PP bond issues

EURO PP BONDS				
Issue date	Nominal amount at 31/12/2024 (in millions of euros)	Nominal amount at 31/12/2023 (in millions of euros)	Annual interest rate (i)	Maturity
29/06/2017	121.0	121.0	2.60%	29/06/2025
20/12/2019 – Green Euro PP	84.0	84.0	2.26%	20/12/2026
20/12/2019 – Green Euro PP	156.0	156.0	2.46%	20/12/2027
TOTAL	361.0	361.0		

The Euro PP Green Bond issued in 2019 meets the eligibility criteria set out in the Group's Greenbond Framework 2019. The proceeds of the Green Bond issuance will be used to finance and/or refinance the development and construction of residential real estate projects in France that meet several criteria, such as the European NZEB (Nearly Zero-Energy Buildings) standards. The allocation of funds to projects is subject to a specific traceability and annual reporting process, which is audited and published on the Group's website.

This green bond is in line with the Group's CSR policy, the fight against global warming and its contribution to the transition to a low-carbon economy.

In line with this responsible finance approach, Nexity published a sustainable framework on 11 October 2023, adding a "social" component to the "Green" component in force since 2019. The framework also includes a section on environmental criteria used in sustainability-linked financing. This framework was reviewed by ISS-ESG, which issued a Second-Party Opinion (SPO) that described Nexity's aims as being robust and in line with market best practice. These documents are available on the Group's website.

Financial covenants

In respect of these borrowings, the Group has undertaken to comply with the financial ratios. During the 2024 fiscal year, Nexity obtained a temporary exemption from its Euro PP bondholders as well as the banking pool of the commitment to respect the leverage ratio and the hedging of financial expenses.

At 31 December 2024, the limits of the ratios for which no exemption mechanism had been established were respected.

Issue date of bonds	Ratio limit	Ratio at 31/12/2024
Ratio of Net debt excl. IFRS 16/Consolidated equity ratio	≤ 2	0.2

Debt on Operational Reporting

At the end of December 2024, the Group's net debt, excluding lease obligations in Operational reporting, amounted to €474.3 million.

BREAKDOWN OF NET DEBT

<i>(in thousands of euros)</i>	Balance at 31/12/2024
Bond issues	771,434
Loans and borrowings	375,147
Loans and borrowings	1,146,581
Current accounts held as liabilities and related payables	163,902
Current accounts held as assets and related receivables	(194,267)
Other financial receivables and payables	(30,365)
Cash and cash equivalents	(786,333)
Bank overdraft facilities	144,383
Net cash and cash equivalents	(641,949)
TOTAL NET DEBT	474,267

Convertible bonds issued by Nexity SA**CONVERTIBLE BONDS**

Issue date	Nominal amount at 31/12/2024 <i>(in millions of euros)</i>	Nominal amount at 31/12/2023 <i>(in millions of euros)</i>	Annual interest rate	Maturity	Number of bonds
ORNANE 2018 - 02/03/18	181.2	200.0	0.250%	02/03/25	2,629,369
OCEANE 2021 - 19/04/21	240.0	240.0	0.875%	19/04/28	4,012,706
TOTAL	421.2	440.0			

ORNANE 2018 bond issue (bonds that may be converted into cash and/or new shares and/or existing shares)

On 27 February 2018, the Group issued €200 million of 7-year bonds that may be converted into cash and/or new shares and/or existing shares (ORNANE bonds), redeemable at maturity in March 2025 and paying an annual coupon of 0.25%.

The nominal unit value per ORNANE 2018 convertible bond was set at €68.91. In the absence of a dividend payment this year and in accordance with the dividend protection clause included in the terms and conditions of the bond, the conversion rate was maintained at 1,427 shares with a nominal value of €5 per bond (compared with one share per bond at the date of issue).

If all convertible bonds were converted, the dilution would be 6.3% (as a % of share capital ownership).

To account for this instrument, Nexity group has opted for the fair value option.

OCEANE 2021 bond issue (bonds that may be converted or exchanged for new or existing shares)

On 19 April 2021, the Group issued €240 million of 7-year bonds that may be converted into cash and/or new shares and/or existing shares (OCEANE) for a nominal value of €59.81, redeemable at maturity in April 2028 and paying an annual coupon rate of 0.875%.

The nominal unit value per OCEANE 2021 convertible bond was set at €59.81. In the absence of a dividend payment this year and in accordance with the dividend protection clause included in the terms and conditions of the bond, the conversion rate was maintained at 1,272 shares with a nominal value of €5 per bond (compared with one share per bond at the date of issue).

If all convertible bonds were converted, the dilution would be 8.3% (as a % of share capital ownership).

At 31 December 2024, the equity component of this instrument amounted to €12.9 million and the debt component to €221.1 million.

21.2 Credit facilities

(in millions of euros)	31/12/2024			31/12/2023
	Non-current payables	Current payables	Total payables	Total payables
Nexity corporate borrowing facilities	-	-	-	170.0
Negotiable debt securities (NEU CP and NEU MTN)	-	115.0	115.0	348.6
Put options granted to minority shareholders	16.4	8.0	24.4	31.5
TOTAL CORPORATE DEBT	16.4	123.0	139.4	550.1
Project-related loans	-	184.9	184.9	225.3
TOTAL CREDIT FACILITIES	16.4	307.9	324.3	775.4

At 31 December 2024, the credit facility and put options granted to non-controlling shareholders totalled €340.3million. The Group benefits from borrowing capacity under renewable credit facilities and facilities earmarked for real estate programmes. Borrowings and financial liabilities are mainly denominated in euros and are at floating rates indexed to Euribor.

Traditionally, credit agreements are subject to a commitment by the borrower to comply with a certain number of conditions, mainly financial, as summarised below:

Nexity corporate borrowing facilities

Nexity SA has access to non-allocated credit facilities for a maximum amount of €800million through a syndicate of banks, maturing in February 2028. This credit takes the form of short-term drawdowns. One of the clauses of the credit agreement provides for compulsory early repayment in the event of a change in the control of Nexity SA affecting at least 30% of its share capital or if the percentage of Nexity Logement's capital held by Nexity SA was to fall below 95%. This credit facility had not been used at 31 December 2024, representing €800million of undrawn credit facilities.

Banking contracts are subject to the same financial covenants as bond debts. As with Euro PP bonds, the banking pool institutions have granted a temporary exemption from complying with the leverage ratio and the hedging of financial expenses for the 2024 fiscal year.

Negotiable debt securities

The Group benefits from negotiable debt securities (commercial paper) in the form of NEU CP (Negotiable European Commercial Paper) and NEU MTN (Negotiable European Medium Term Notes) programmes:

(in millions of euros)	Authorisations	Outstanding
Negotiable European Commercial Paper < 1 year	300.0	115.0
Negotiable European Medium Term Notes > 1 year	450.0	-
TOTAL AT 31 DECEMBER 2024	750.0	115.0

Put options granted to minority shareholders

The amount of the put options takes into account payments made in 2024.

The maturity schedule of put options granted to minority shareholders is based on the probable date of performance of the contractual commitments.

At 31 December 2024, these mainly concerned Bureaux à Partager (Morning) and pantera AG.

Project-related loans

Specific bank financing may be arranged on an individual project basis to cover funding requirements.

21.3 Lease liabilities

(in thousands of euros)	Balance at 31/12/2023	Payment for the period	Impact of changes in scope	Financial expenses	Share at less than one year	New leases	Other	Balance at 31/12/2024
Current lease liabilities	128,770	(177,436)	(1,566)	4,896	138,770	28,908	18,429	140,771
Non-current lease liabilities	719,731	-	(10,058)	27,362	(138,770)	170,557	(24,048)	744,774
TOTAL LEASE LIABILITIES	848,501	(177,436)	(11,624)	32,258	-	199,465	(5,619)	885,545

The discount rate is the marginal rate of the lessee's debt on the lease start date. This rate is calculated each half-year by group of subsidiaries with the same risk profiles. At 31 December 2024, these rates were

between 1.36% and 6.7%, compared with a range of between 1.36% and 5.9% in 2023. The rate used in the 2nd half of 2024 was 6.7%, compared to 5.9% in the 2nd half of 2023.

21.4 Liquidity risk

AMORTISATION SCHEDULE

	Use at 31/12/2024	Depreciation					
(in millions of euros)		2025	2026	2027	2028	2029	> 5 years
Bond issues	361.0	122.6	83.9	154.5	-	-	-
Convertible bonds (OCEANE and ORNANE)	421.2	181.4	-	-	239.8	-	-
Put options granted to minority shareholders	24.4	8.0	-	-	16.4	-	-
TOTAL BOND DEBT AND PUT OPTIONS	806.6	312.0	83.9	154.5	256.2	-	-
Holding company corporate credit line	-	-	-	-	-	-	-
Negotiable debt securities (NEU CP and NEU MTN)	115.0	115.0	-	-	-	-	-
Project-related loans	184.9	80.0	76.5	14.3	14.1	-	-
TOTAL BANK DEBT AND COMMERCIAL PAPERS	299.9	195.0	76.5	14.3	14.1	-	-
Total amortisation		506.9	160.4	168.8	270.3	-	-
TOTAL BORROWINGS AND FINANCIAL LIABILITIES	1,106.5	599.6	439.1	270.3	0.0	-	-

The other components of net debt shown in Note 20 are short-term items.

At 31 December 2024, 55% of borrowings before IFRS 16 were due in more than one year.

The average maturity of debt outstanding at 31 December 2024 was 1 year and 11 months.

SCHEDULE OF LEASE COMMITMENTS

	Use at 31/12/2024	Depreciation					
(in millions of euros)		2025	2026	2027	2028	2029	> 5 years
Lease commitments	885.5	141.1	132.0	114.4	102.7	99.2	296.2

21.5 Derivative instruments

The Group is exposed to market risk, particularly in terms of interest rates. The Group may use a number of derivatives to manage this risk (such as swaps, caps and collars). The purpose is to reduce, where appropriate, the fluctuations in cash flows related to changes in interest rates. Derivative instruments are recognised at fair value in the statement of financial

position, based on external appraisals. The change in fair value of the derivative instruments is still recognised in the income statement, unless the instruments are used for hedging purposes. For the 2024 fiscal year, all our derivative instruments qualify as hedging instruments and the change in fair value recorded in shareholders' equity amounts to €1 million.

Note 22 Other financial receivables

<i>(in thousands of euros)</i>	Gross	Impairment	Balance at 31/12/2024	Gross	Impairment	Balance at 31/12/2023
Current accounts – Assets and similar receivables	364,790	(24,798)	339,992	379,553	(9,780)	369,773
Fair value of derivatives	(484)	-	(484)	523	-	523
TOTAL OTHER FINANCIAL RECEIVABLES	364,306	(24,798)	339,508	380,076	(9,780)	370,296

Note 23 Cash and cash equivalents

<i>(in thousands of euros)</i>	Balance at 31/12/2024	Balance at 31/12/2023
Marketable securities – Cash equivalents	238,186	533
Cash and cash equivalents	429,427	715,414
TOTAL CASH AND CASH EQUIVALENTS	667,613	715,947

The majority of cash and cash equivalents are invested at variable rates in demand deposit accounts.

Aggregate cash and cash equivalents at the reporting date in the statement of cash flows were as follows:

<i>(in thousands of euros)</i>	Balance at 31/12/2024	Balance at 31/12/2023
Cash and cash equivalents	667,613	715,947
Bank overdraft facilities	(131,290)	(65,440)
CASH AND CASH EQUIVALENTS AS REPORTED IN THE STATEMENT OF CASH FLOWS	536,323	650,507
<i>o/w available cash</i>	536,323	650,507

Note 24 Financial risk factors

24.1 Interest rate risk

Exposure to interest rate risk

Bond issues pay a fixed rate. The majority of the Group's bank borrowings are at floating interest rates.

The Group's cash is invested in a money market fund ("SICAV"), in demand deposit or term deposit accounts offering immediate or short-notice liquidity, and in UCITS funds applying a "standard money-market management" approach with portfolios favouring liquidity and a high level of security.

The cost of borrowing on debt drawn down by the Group was 3.2% in 2024 (including financial income excluding waiver fees) compared to 3.9% in 2023.

The Group has set up interest rate hedging instruments using hedge accounting (where effective) to mitigate the effects of severe interest rate movements. Such instruments are entered into with top-ranking financial institutions.

Interest rate sensitivity analysis

The fixed-rate or hedged portion of debt (before IFRS 16) represents approximately 95% of total gross debt at 31 December 2024.

The Group's exposure to interest rate risk excludes fixed-rate debt and debt hedged by financial instruments (swaps), but includes the following items with respect to net interest income:

- In terms of borrowings, all floating-rate loans and borrowings, whether or not hedged by interest rate caps and floors, and held-for-trading financial instruments;
- In terms of financial income, cash and cash equivalents and demand deposit accounts; and
- In terms of operating profit generated by the Services division, the interest on cash held in client working capital accounts (except for separate accounts).

The Group is not exposed to long-term interest rate risk as regards its net finance expense because its floating-rate debt is mostly indexed to 3-month Euribor.

The following tables provide a simulation sensitivity analysis of a ++1% rise in short-term interest rates (and symmetrically -1%) on the various items described above based on the Group's financial structure at 31 December 2024.

The simulation merely reflects the purely mathematical impact of a change in interest rates on the Group's financial assets and liabilities. It does not show the more pervasive influence of interest rate movements on the borrowing capacity of the Group's clients and the potential impact of such movements on the Group's business activity and performance.

Sensitivity of changes in interest rates on the amounts of variable-rate net debt after management and the cash and cash equivalents of client working capital accounts

(in millions of euros)		Impact on the income statement after tax
Sensitivity analysis at 31 December 2024		
Impact of a +1% increase in short-term interest rates		0.5
Impact of a -1% decrease in short-term interest rates		(0.5)
Sensitivity analysis at 31 December 2023		
Impact of a +1% increase in short-term interest rates		(1.5)
Impact of a -1% decrease in short-term interest rates		1.5

24.2 Foreign exchange risk

The Group is not exposed to foreign exchange rate risk.

24.3 Equity risk

The Group does not hold any listed securities. However, under the liquidity contract in place, the Group may hold a small percentage of treasury shares. The other treasury shares are allocated to the delivery of shares under free share plans.

The Group thus deems itself not exposed to any material equity risk.

Note 25 Fair value of financial instruments by accounting category**POSITION AT 31 DECEMBER 2024**

Statement of financial position items (in millions of euros)	Notes	Accounting categories					Fair value measured on the basis of			
		Financial instruments at fair value through profit or loss	Financial assets at fair value through equity	Financial instruments at amortised cost	Liabilities at amortised cost	Total net carrying amount	Listings on an active market	Internal model based on observable data	Internal model based on non-observable data	Total fair value
							Level 1	Level 2	Level 3	
Equity investments unconsolidated	10	8.6	-	-	-	8.6	-	8.6	-	8.6
Capitalised receivables	10	-	-	40.6	-	40.6	-	40.6	-	40.6
Derivative instruments for hedging	20	-	-	-	-	-	-	-	-	-
Current accounts and other financial receivables	20	-	-	340.0	-	340.0	340.0	-	-	340.0
Cash and reservation deposits	20	-	-	667.6	-	667.6	667.6	-	-	667.6
TOTAL FINANCIAL ASSETS		8.6	-	1,048.2	-	1,056.8	1,007.6	49.2	-	1,056.8
Derivative instruments for hedging	20	-	3.4	-	-	3.4	-	3.4	-	3.4
Credit facilities	20	-	-	-	324.3	324.3	-	324.3	-	324.3
Bond issues	20	-	-	-	771.4	771.4	-	670.7	-	670.7
IFRS 16 Lease liabilities	20	-	-	-	885.5	885.5	-	885.5	-	885.5
Current account liabilities	20	-	-	-	109.6	109.6	-	109.6	-	109.6
Bank overdraft facilities	20	-	-	-	131.3	131.3	131.3	-	-	131.3
TOTAL FINANCIAL LIABILITIES		-	3.4	-	2,222.2	2,225.6	131.3	1,993.6	-	2,124.9

POSITION AT 31 DECEMBER 2023

Statement of financial position items (in millions of euros)	Notes	Accounting categories					Fair value measured on the basis of			
		Financial instruments at fair value through profit or loss	Financial assets at fair value through equity	Financial instruments at amortised cost	Liabilities at amortised cost	Total net carrying amount	Listings on an active market	Internal model based on observable data	Internal model based on non-observable data	Total fair value
							Level 1	Level 2	Level 3	
Equity investments unconsolidated	10	5.0	-	-	-	5.0	-	5.0	-	5.0
Capitalised receivables	10	-	-	44.7	-	44.7	-	44.7	-	44.7
Current accounts and other financial receivables	20	-	-	369.8	-	369.8	369.8	-	-	369.8
Cash and reservation deposits	20	-	-	715.9	-	715.9	715.9	-	-	715.9
TOTAL FINANCIAL ASSETS		5.0	0.5	1,130.4	-	1,136.0	1,086.2	49.7	-	1,136.0
Derivative instruments for hedging	20	-	2.9	-	-	2.9	-	2.9	-	2.9
Credit facilities	20	-	-	-	775.4	775.4	-	775.4	-	775.4
Bond issues	20	-	-	-	786.2	786.2	-	638.0	-	638.0
IFRS 16 Lease liabilities	20	-	-	-	848.5	848.5	-	848.5	-	848.5
Current account liabilities	20	-	-	-	116.4	116.4	-	116.4	-	116.4
Bank overdraft facilities	20	-	-	-	65.4	65.4	65.4	-	-	65.4
TOTAL FINANCIAL LIABILITIES		-	2.9	-	2,592.0	2,594.8	65.4	2,381.2	-	2,446.7

In the absence of an active market, the fair value of bonds has been determined using the risk-free interest rate and a stable risk premium.

PROVISIONS

Note 26 Current and non-current provisions

26.1 Provisions

A provision is recognised in the statement of financial position when the Group has a legal or constructive obligation as a result of a past event, and when it is probable that an outflow of economic benefits will be required to settle that obligation.

If the effect of the time value of money is material, the provision is determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

BREAKDOWN OF CHANGES

<i>(in thousands of euros)</i>	Balance at 31/12/2023	Additions	Reversals used	Reversals unused	Changes in scope and other	Balance at 31/12/2024
Employee benefits	10,928	2,454	(2,018)	(299)	(3,027)	8,038
Total non-current provisions	10,928	2,454	(2,018)	(299)	(3,027)	8,038
Litigation	46,012	15,209	(4,770)	(8,852)	(2,247)	45,352
Tax and investment risk	296	25	5	(9)	-	317
Employee benefits (portion at < 1 year)	706	-	(9)	-	(12)	685
Provisions for risks and charges	21,721	5,634	(3,329)	(627)	(499)	22,900
Total current provisions	68,735	20,868	(8,103)	(9,488)	(2,758)	69,254
TOTAL PROVISIONS	79,663	23,322	(10,121)	(9,787)	(5,785)	77,292

BREAKDOWN BY INCOME LEVEL

<i>(in thousands of euros)</i>	Balance at 31/12/2023	Net change for operations	Net change for financing	Net change for tax	Changes in scope and other	Balance at 31/12/2024
Employee benefits	10,928	137	-	-	(3,027)	8,038
Total non-current provisions	10,928	137	-	-	(3,027)	8,038
Litigation	46,012	1,587	-	-	(2,247)	45,352
Tax and investment risk	296	-	21	-	-	317
Employee benefits (portion at < 1 year)	706	(9)	-	-	(12)	685
Provisions for risks and charges	21,721	1,678	-	-	(499)	22,900
Total current provisions	68,735	3,256	21	-	(2,758)	69,254
TOTAL PROVISIONS	79,663	3,393	21	-	(5,785)	77,292

Changes in scope and other mainly correspond to disposals of subsidiaries and actuarial gains and losses on employee benefits (see Note 26.2).

- Non-current provisions (for the share due after one year) include provisions for employee benefits (see Note 26.2);
- Current provisions include:
 - Provisions for disputes ongoing at the reporting date of financial statements. They are valued based on current proceedings and estimated risk exposure on the reporting date of the financial statements. There are many disputes, but the individual amount of each one is not

very significant at the Group level. These disputes often take a long time to resolve, due to their technical nature and the time required to seek expert opinions,

- Provisions for tax to cover risks resulting from tax audits. Tax adjustments are taken into account in the fiscal year in which they are approved. If contested, the risk may be provisioned,
- Provisions for risks and charges including accrued expenses mainly related to ordinary operations. The individual amounts are relatively low at the Group level.

26.2 Employee benefits

As regards the Group, employee benefits are provided through defined-benefit and defined-contribution plans. Obligations relating to these plans involve retirement and long-service benefits, less the fair value of any qualifying plan assets (defined-benefit plans). These estimates, calculated annually, take into account actuarial assumptions for life expectancy, employee turnover, salary increases and an update of the amounts to be paid.

The values obtained are subject to verification by an independent actuary using the projected unit credit method. Actuarial gains and losses on retirement benefits are recognised directly in other comprehensive income. Actuarial gains and losses on long-service benefits are recognised in income statement.

BREAKDOWN OF STATEMENT OF FINANCIAL POSITION COMMITMENTS

<i>(in thousands of euros)</i>	Balance at 31/12/2024	Balance at 31/12/2023
Measurement of obligations		
Obligations at beginning of fiscal year	11,634	21,834
Net current service cost	1,111	1,922
Interest expense	607	578
Employee benefits paid	(1,201)	(1,670)
Change of scheme	(1,085)	2,355
Reclassification under IFRS 5	-	(10,171)
Acquisitions	-	(346)
Disposals	(998)	-
EXPECTED VALUE AT THE REPORTING DATE	10,069	14,503
o/w current value at year-end	8,723	11,634
o/w actuarial gains/(losses)	1,345	2,868
Changes in assumptions	(33)	174
Discount rate change	326	(351)
Changes in turnover assumptions	(839)	(2,723)
Change of method	-	-
Experience adjustments	(800)	31
Reconciliation of financial position (at year-end)		
Current value of benefit obligation	8,723	11,634
Market value of plan assets	-	-
NET BENEFIT LIABILITY RECOGNISED IN THE STATEMENT OF FINANCIAL POSITION	8,723	11,634
o/w non-current provisions	8,038	10,928
o/w current provisions	685	706
Assumptions relating to obligations		
Retirement benefits discount rate at year-end	2.79%	3.34%
Long-service award discount rate at year-end	2.58%	3.26%
Salary increase rate (at year-end)	2.50%	2.50%

The main assumptions for calculating employee benefits are based on a retirement departure age of 64 years for non-managers and managers, on the employee's initiative, an average turnover rate of 20.7% and a social security contribution rate of 42%.

The INSEE 2019/2021 mortality table is still used.

The discount rate is determined on the basis of the index rate for AA-rated corporate bonds in the eurozone.

The actuarial difference (gain or loss) is recognised in:

- "Other comprehensive income" for retirement benefits;
- "Income statement" for long-service awards.

BREAKDOWN OF EXPENSES IN THE PERIOD

(in thousands of euros)	Balance at 31/12/2024	Balance at 31/12/2023
Expense for the year		
Net current service cost	1,111	1,922
Interest expense	607	578
Change of scheme	(1,085)	2,355
Amortisation of unrecognised actuarial gains and losses	63	(721)
TOTAL EXPENSE RECOGNISED UNDER OPERATING PROFIT	696	4,134
<i>o/w net expense recognised for employee benefits</i>	<i>(36)</i>	<i>2,465</i>
<i>o/w expenses included under employee benefits expense</i>	<i>732</i>	<i>1,670</i>
CHANGES IN GAINS AND LOSSES RECOGNISED DIRECTLY IN OTHER COMPREHENSIVE INCOME	(1,878)	(2,149)
Actuarial gains and losses on retirement benefits	(1,878)	(2,149)
<i>o/w changes in assumptions</i>	<i>(26)</i>	<i>139</i>
<i>o/w change in discount rate</i>	<i>265</i>	<i>(303)</i>
<i>o/w changes in turnover assumptions</i>	<i>(688)</i>	<i>(1,936)</i>
<i>o/w experience adjustments</i>	<i>(1,428)</i>	<i>(48)</i>

CHANGE OVER THE PERIOD

(in thousands of euros)	Balance at 31/12/2023	Gains and losses recognised directly in other comprehensive income	Income	Changes in scope	Balance at 31/12/2024
Employee benefits	11,634	(1,878)	(36)	(998)	8,723

SENSITIVITY OF PROVISIONS FOR EMPLOYEE BENEFITS TO RATE ASSUMPTIONS

(in thousands of euros)	Provisions for employee benefits
Provisions for employee benefits at 31 December 2024	8,723
Sensitivity analysis at 31 December 2024	
Impact of a 1.00% increase in the discount rate	(569)
Impact of a 1.00% decrease in the discount rate	646
Impact of a 0.50% increase in the salary increase rate	(292)

INCOME

Note 27 Employee benefits expense

(in thousands of euros)	31/12/2024 (12-month period)	31/12/2023 (12-month period)
Salaries and withholdings	(429,089)	(655,500)
Tax credit on remuneration	171	522
Employee profit-sharing	(2,710)	(7,035)
Expense related to share-based payments	(921)	(2,032)
TOTAL EMPLOYEE BENEFITS EXPENSE	(432,549)	(664,045)

The Group's average full-time equivalent workforce was 5,148 employees at 31 December 2024, compared to 8,349 employees at 31 December 2023. On a like-for-like basis, the Group's average full-time equivalent workforce amounted to 3,963 employees in 2024 compared to 4,660 employees in 2023.

At 31 December 2024, there was a total workforce of 3,790 employees.

The employee benefits expense in 2023, on a like-for-like basis (excluding discontinued operations), amounted to €422.4 million.

Note 28 Other operating expenses

<i>(in thousands of euros)</i>	31/12/2024 (12-month period)	31/12/2023 (12-month period)
Lease payments	(11,918)	(13,750)
Rental expenses	(14,724)	(15,056)
Fees and commissions	(61,061)	(64,416)
Other external services	(167,985)	(192,076)
Other income	19,989	12,922
Other expenses	(18,492)	(16,883)
Gain/(loss) on disposal of consolidated shares	4,627	5,851
TOTAL OTHER OPERATING EXPENSES	(249,564)	(283,409)

Note 29 Depreciation, amortisation and impairment of non-current assets

<i>(in thousands of euros)</i>	31/12/2024 (12-month period)	31/12/2023 (12-month period)
Depreciation of right-of-use assets	(159,496)	(155,534)
Net depreciation, amortisation and impairment of non-current assets	(42,163)	(41,893)
TOTAL DEPRECIATION, AMORTISATION AND IMPAIRMENT OF NON-CURRENT ASSETS	(201,659)	(197,427)

Note 30 Net financial income/(expense)**30.1 Breakdown of net financial income/(expense)**

<i>(in thousands of euros)</i>	31/12/2024 (12-month period)	31/12/2023 (12-month period)
Interest expense	(78,640)	(63,871)
Interest income	18,523	11,290
Cost of financial debt before interest expense on lease liabilities	(60,117)	(52,581)
Interest expense on lease liabilities	(32,258)	(26,205)
COST OF NET FINANCIAL DEBT	(92,375)	(78,786)
Other financial expenses	(41,147)	(25,971)
Other financial income	3,905	4,664
OTHER NET FINANCIAL INCOME AND EXPENSES	(37,242)	(21,307)
Total financial expenses	(152,046)	(116,046)
Total financial income	22,428	15,954
TOTAL NET FINANCIAL INCOME/(EXPENSE)	(129,618)	(100,093)

30.2 Breakdown of other financial income/(expense) by type

<i>(in thousands of euros)</i>	31/12/2024 (12-month period)	31/12/2023 (12-month period)
Other financial expenses	(27,229)	(16,461)
Other financial income	4,721	4,258
Net financial impairment and provisions	(15,446)	(9,339)
Transfer of financial expense to inventories	711	235
OTHER NET FINANCIAL INCOME AND EXPENSES	(37,243)	(21,307)

Note 31 Taxes**31.1 Income tax**

<i>(in thousands of euros)</i>	31/12/2024 (12-month period)	31/12/2023 (12-month period)
Corporate income tax	(22,281)	(70,478)
Deferred tax	99,702	24,563
CVAE (French business value-added tax)	(4,229)	(4,865)
TOTAL INCOME TAXES	73,192	(50,780)

31.2 Changes in statement of financial position tax items**CHANGES IN STATEMENT OF FINANCIAL POSITION TAX ITEMS**

<i>(in thousands of euros)</i>	Balance at 31/12/2023	Expense *	Tax credits	Not recognised in the income statement	Net payments*	Balance at 31/12/2024
Current tax						
Tax receivable	16,138	-	-	-	-	10,104
Current tax liabilities	(4,693)	-	-	-	-	(8,219)
TOTAL CURRENT TAX	11,445	(26,512)	1,146	(1,735)	17,541	1,885
Deferred tax						
Assets	25,342	-	-	-	-	58,613
Liabilities and equity	(80,137)	-	-	-	-	(8,873)
TOTAL DEFERRED TAX	(54,795)	99,912	-	4,623	-	49,740

* Including CVAE (French business value-added tax).

31.3 Tax proof

RECONCILIATION OF THEORETICAL AND ACTUAL TAX RATES IN THE CONSOLIDATED INCOME STATEMENT

(in thousands of euros)	Balance at 31/12/2024	Balance at 31/12/2023
Theoretical tax base		
Net profit	(62,226)	19,206
Share of profit from investees with activities that are an extension of the Group's operating activities	(4,884)	(18,570)
Share of profit/(loss) from other equity-accounted investments	1,203	49,086
Attributable to non-controlling interests	1,088	17,525
Income tax	(73,192)	50,780
Pre-tax profit on activities	(138,011)	118,027
Non-taxable portion of capital gains on disposals	-	-
Pre-tax recurring profit	(138,011)	118,027
Theoretical tax rate used by the Group	25.82%	25.82%
Actual tax rate for current activities	53.03%	43.02%
Actual tax rate for current activities excluding CVAE	51.55%	40.57%
Theoretical tax expense	35,634	(30,475)
Difference between theoretical tax and actual income tax	37,558	(20,305)
The difference is due to:		
Tax on equity-accounted flow-through entities	2,539	(4,226)
Impact of the CVAE levy (net of the income tax saving)	(3,137)	(3,609)
Effect of tax rates	(1,821)	(43)
Tax on non-taxable net income for the period	61,685	4,796
Tax on non-deductible or uncapitalised net expenses for the period	(18,242)	(13,454)
Impact of prior periods	(3,466)	(3,769)
NET DIFFERENCE	37,558	(20,305)

The differences observed between the tax expense based on the theoretical tax rate in France and the tax expense recognised for the fiscal year exist mainly for the following reasons:

As most equity-accounted investments are tax-transparent, their contribution to the income statement is presented pre-tax. The matching tax expense is included in the Group's tax expense.

The CVAE levy is classified under "Income taxes". Excluding the CVAE levy, the Group's tax rate was 51.6% in 2024.

The impact of tax rates mainly corresponds to the difference between the Nexity group tax consolidation rate (25.82%) and the rate of consolidated subsidiaries not consolidated for tax purposes (25%).

The non-deductible net expenses mainly comprise definitively non-deductible losses on foreign subsidiaries and discount expenses for payables calculated under IFRS.

Net non-taxable income mainly corresponds to non-taxable capital gains on disposals of securities (Note 3.5).

Excluding the disposal of securities and foreign losses, the Group's income tax rate was 24.4% in 2024.

31.4 Breakdown of deferred taxes by type

Deferred taxes are generally recorded for all timing differences between the tax value and book value of assets and liabilities on the consolidated statement of financial position, and are determined based on the liability method. The effects of changes in tax rates are recorded in the income statement for the year in which the change in tax rate is approved by Parliament. Deferred tax assets resulting from temporary differences, tax losses and tax credits

carried forward are only recognised if their future realisation is probable. This likelihood is assessed at the end of the fiscal year based on the forecast results of the tax entities concerned. Deferred taxes are reported net on the statement of financial position at Group tax consolidation level, and in the asset and liability columns of the consolidated statement of financial position.

<i>(in thousands of euros)</i>	31/12/2024	31/12/2023
Employee benefits	1,619	2,334
Loss carryforwards	18,415	8,539
Portion of contract revenues earned	(16,886)	(98,225)
Other deferred provisions, income and expenses	46,592	32,557
NET DEFERRED TAX	49,740	(54,795)
<i>o/w deferred tax assets</i>	58,613	25,342
<i>o/w deferred tax liabilities</i>	(8,873)	(80,137)

31.5 Tax amounts by type without tax base

<i>(in thousands of euros)</i>	Balance at 31/12/2024	Balance at 31/12/2023	Change
Loss carryforwards	67,796	68,664	(868)
Other deferred provisions, income and expenses	18,879	24,735	(5,856)
TOTAL AMOUNTS WITHOUT TAX BASE	86,675	93,399	(6,724)

Deferred taxes have not been calculated for these amounts as it is unlikely that they will be used and/or the timing of their use cannot be estimated reliably or is too distant in the future.

Note 32 Earnings per share

The calculation of basic earnings per share (EPS) is based on the net profit attributable to shareholders of the parent company and the average number of shares outstanding during the fiscal year, less the average number of treasury shares held during the fiscal year.

As regards free share allocations, the calculation of diluted earnings per share is based on the treasury stock method assuming that all dilutive options and other dilutive potential ordinary shares are exercised. Dilution is attributable to the free share award plans described in Note 18. The average number of shares is calculated as the weighted average number of shares outstanding, which reflects the grant dates of plans during the fiscal year. The numbers of potentially dilutive shares only take into account plans for which the stock price or grant criteria relating to the stock market price are lower than the average share price over the period.

Convertible bonds have a dilutive impact on the diluted earnings per share when the net interest expense recorded is lower than the basic earnings per share for each bond. The weighted average number of shares is therefore increased by the weighted average number of convertible bonds, and the Group share of net profit is adjusted for the net financial expense of the convertible bonds.

The maximum potential dilution resulting from the conversion of all the convertible bonds and the vesting of all free shares in awards granted would be 15% (as a percentage of share capital ownership) based on the number of shares at the reporting date.

	31/12/2024 (in number of shares)	Earnings per share (in euros)	31/12/2023 (in number of shares)	Earnings per share (in euros)
Number of shares at end of period	56,129,724	-	56,129,724	-
Average number of shares outstanding during the period	55,523,722	(1.12)	55,586,633	0.35
Dilutive effect of share plans using the treasury stock method	-	-	24,484	-
Dilutive effect of convertible bond issues	-	-	8,914,754	-
Average number of shares (diluted)	56,274,813	(1.12)	64,525,870	0.33

ADDITIONAL INFORMATION

Note 33 Off-balance sheet commitments

Off-balance sheet items are described in the consolidated financial statements at 31 December 2024.

33.1 Off-balance sheet commitments related to the Group

LIABILITY GUARANTEES		
(in thousands of euros)	Total at 31/12/2024	Total at 31/12/2023
Liability guarantees received	13,002	19,294
Liability guarantees given	69,705	69,705

Liability guarantees received are related to the acquisition of companies and decrease at the end of the guaranteed period.

33.2 Off-balance sheet commitments related to Group financing

The Group has not granted any guarantees, collateral or pledges to banks in relation to its credit facilities.

33.3 Off-balance sheet commitments related to operating activities

The commitments given and received listed below include activities related to joint ventures and reflect operational reporting.

Commitments received

COMMITMENTS RECEIVED FOR RECURRING OPERATIONS		
(in thousands of euros)	Total at 31/12/2024	Total at 31/12/2023
Payment guarantees received from clients in respect of development contracts	60,849	459,112
Other commitments	38,703	61,839
TOTAL COMMITMENTS RECEIVED	99,552	520,951

Payment guarantees in respect of development contracts primarily relate to Commercial Real Estate. These guarantees are issued by financial institutions. Their amount is calculated every six months in relation to the total outstanding balance owed by the client. The Group grants the client a corresponding performance bond (see below).

Other commitments mainly concern guarantees on various indemnity payments.

In the course of its ordinary business in France, the Group also receives retention bonds in lieu of holdback from contractors on construction projects (up to 5% of the contract amount).

Commitments given

COMMITMENTS GIVEN FOR RECURRING OPERATIONS

(in thousands of euros)	Total at 31/12/2024	Total at 31/12/2023
Residential Real Estate	1,951,914	2,724,865
Commercial Real Estate	71,278	395,853
Counter-guarantees for performance bonds	2,023,192	3,120,718
Counter-guarantees for deposit payment bonds	46,784	52,969
Other commitments given	227,401	529,203
TOTAL COMMITMENTS GIVEN	2,297,377	3,702,890

Completion bonds are issued on a case-by-case basis by financial institutions to clients buying property, in accordance with existing law. In exchange, Nexity grants financial institutions an irrevocable undertaking to mortgage the property and a commitment not to transfer or sell its shares in the Company backing the development project.

The value of completion bonds is measured internally on a quarterly basis, before being reconciled and adjusted to the values set by the financial institutions based on changes in their commitments. Such a guarantee has never been exercised.

Deposit payment bonds are bank guarantees that may substitute cash payments on reacquisition agreements and promises to buy land and involve counter guarantees offered by Nexity to the financial institutions issuing the guarantees (see section on bilateral commitments below).

Other commitments given include guarantees on deferred payments relating to land purchases and planning taxes and duties.

Bilateral commitments

In the course of its normal business, the Group enters into the following agreements:

- In order to secure land for future housing and land development, the Group signs unilateral and bilateral purchase agreements with landowners:
 - Under a unilateral purchase agreement to sell, the landowner agrees to sell the land. In exchange, the Group agrees to pay an indemnity, which the landowner may retain if the transaction falls through,
 - Under bilateral purchase agreements, the landowner agrees to sell the land, and the Group agrees to buy it if the conditions precedent are fulfilled. The Group undertakes to pay an indemnity, or penalty clause, if it does not purchase the land despite all the conditions precedent being lifted,
 - When the commitments are signed, the reservation fees are either paid by the Group and sequestered by the notary, or are subject to a bank guarantee;
- In order to market its real estate development and subdivision programmes, the Group signs reservation or purchase agreements with its clients:
 - The pre-acquisition agreements become deeds of sale if the conditions precedent are fulfilled (particularly if clients obtain financing to buy the property),
 - In return for the reservation of the property, the clients pay a deposit (or guarantee), which is returned if the sale falls through.

33.4 Schedule of contractual commitments and obligations

(in thousands of euros)	Total at 31/12/2024	Schedule at 31 December 2024		
		under 1 year	1 year to 5 years	over 5 years
Long-term borrowings and financial debt	587,144	-	587,144	-
Operating loans and borrowings	524,590	494,434	30,156	-
Completion bonds	2,023,192	1,030,031	993,161	-
Other off-balance sheet commitments	227,401	67,250	160,151	-
TOTAL CONTRACTUAL COMMITMENTS AND OBLIGATIONS	3,362,327	1,591,715	1,770,612	-

Note 34 Statutory Auditors' fees

FISCAL YEARS: 2024 AND 2023 ⁽¹⁾	KPMG				Mazars				Other firms			
	Amount excl. VAT		%		Amount excl. VAT		%		Amount excl. VAT		%	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
<i>(in thousands of euros)</i>												
Statutory Auditors, certification, review of individual and consolidated financial statements ⁽²⁾												
Issuer: Nexity SA	380	433	16%	17%	380	422	27%	23%	-	-	-	-
Fully consolidated subsidiaries	1,941	2,065	81%	83%	960	1,277	67%	71%	58	49	100%	100%
Services other than the certification of financial statements ⁽³⁾												
Issuer: Nexity SA	88	-	4%	-	85	0	6%	0%	-	-	-	-
Fully consolidated subsidiaries	-	4	-	0%	-	111	0%	6%	-	-	-	-
TOTAL	2,409	2,502	100%	100%	1,425	1,810	100%	100%	58	49	100%	100%

(1) Services provided during the accounting period and expensed in the income statement.

(2) Including the services of independent experts and members of the Statutory Auditor's network, who were called upon in connection with the certification of the financial statements.

(3) Mainly certification of CSR information, pre-acquisition audits and various statements.

Note 35 Information on related parties

35.1 Services between related parties

Ægide-Domitys

Nexity holds 18% of this company, which is the French leader in the development and management of senior independent living facilities. Several residences are built as part of a joint venture every year.

Villes et Commerces

An agreement to upgrade 76 Carrefour sites and create a property venture was signed in 2023. The agreement covers 800,000 m² to be regenerated and developed, including the creation of 12,000 homes.

Co-development projects

The Group engages in numerous co-developments via programme-specific companies. In accordance with IFRS 11, those entities are accounted for using the equity method. Their results are reflected in the column entitled "Restatement of joint ventures" in Note 6.

35.2 Remuneration of Directors and executive officers

Remuneration of Directors and executive officers concerns company officers.

The amounts equal the expense recognised in the income statement for the period.

<i>(in thousands of euros)</i>	31/12/2024
Short-term benefits	2,300
Post-employment benefits	N/A
Long-term benefits	N/A
Termination benefits	N/A
Share-based payments	306

N/A: Not applicable.

Note 36 Events after the reporting period

The Group sold its 18% stake in Ægide on 14 February 2025. This transaction had no impact on the consolidated financial statements.

On 31 March 2025, the Group obtained an agreement on its medium-term bank financing, adjusting it to reflect the Group's needs and its resizing, with a new credit facility adjusted to €625 million, and reviewed the leverage ratio included in the covenants as follows: <8.5x at year-end 2025, <7x at year-end 2026

and ≤3.5x at year-end 2027. The next test period has been pushed back to the end of 2025, to be reviewed annually until the credit facility matures in February 2028. The interest coverage ratio (ICR) has also been excluded from covenants.

No other significant events occurred between 31 December 2024 and the Board of Directors' meeting of 2 April 2025 convened to approve the financial statements for the period ended 31 December 2024.

Note 37 Main consolidated companies at 31 December 2024**MAIN FULLY CONSOLIDATED COMPANIES**

Company name	Address	Siren	Legal form	% of holding
NEXITY	19, rue de Vienne – 75801 PARIS CEDEX 08	444 346 795	SA	100.00%
ACCESSITE	35, quai du Lazaret – 13002 MARSEILLE	394 232 300	SAS	100.00%
ANGELOTTI AMÉNAGEMENT	180, rue de la Ginieisse – 34500 BÉZIERS	392 322 343	SAS	55.00%
APOLLONIA	19, rue de Vienne – 75801 PARIS CEDEX 08	332 540 087	SAS	100.00%
BUREAUX À PARTAGER	21, place de la République – 75003 PARIS	789 597 317	SAS	92.00%
BYM STUDIO	21, place de la République – 75003 PARIS	879 907 020	SAS	92.00%
CARCASSONNE CARMINA (Ægide joint venture)	25, allée Vauban – 59562 LA MADELEINE CEDEX	891 664 740	SCCV	65.00%
CASTRIES LES LAVANDIÈRES SAS	25, allée Vauban – 59562 LA MADELEINE CEDEX	843 402 785	SAS	51.00%
CERGY BOULEVARD DE L'OISE	25, allée Vauban – 59562 LA MADELEINE CEDEX	814 368 023	SNC	100.00%
CHARENTON-LE-PONT RUE DE GRAVELL SCI	25, allée Vauban – 59562 LA MADELEINE CEDEX	789 700 630	SCI	100.00%
COLOMBES ÎLOT MAGELLAN	25, allée Vauban – 59562 LA MADELEINE CEDEX	835 177 478	SCI	100.00%
CONSTRUGESTION SARL	35, allée du Chargement – 59650 VILLENEUVE-D'ASCQ	430 342 667	SARL	100.00%
CORBEIL SO GREEN SCI	25, allée Vauban – 59562 LA MADELEINE CEDEX	514 015 973	SCI	100.00%
EDMP AQUITAINE	35, allée du Chargement – 59650 VILLENEUVE-D'ASCQ	879 768 661	SAS	100.00%
EDMP ARA	35, allée du Chargement – 59650 VILLENEUVE-D'ASCQ	879 768 224	SAS	100.00%
EDMP – HAUTS-DE-FRANCE	35, allée du Chargement – 59650 VILLENEUVE-D'ASCQ	879 769 115	SAS	100.00%
EDMP – IDF	35, allée du Chargement – 59650 VILLENEUVE-D'ASCQ	879 767 887	SAS	100.00%
EDMP PACA	35, allée du Chargement – 59650 VILLENEUVE-D'ASCQ	879 726 933	SAS	100.00%
EDMP PAYS-DE-LOIRE	35, allée du Chargement – 59650 VILLENEUVE-D'ASCQ	879 768 760	SAS	100.00%
EDMP ROUEN	35, allée du Chargement – 59650 VILLENEUVE-D'ASCQ	879 768 703	SAS	100.00%
EDMP STRASBOURG	35, allée du Chargement – 59650 VILLENEUVE-D'ASCQ	879 768 612	SAS	100.00%
ÉDOUARD DENIS DÉVELOPPEMENT	35, allée du Chargement – 59650 VILLENEUVE-D'ASCQ	531 728 889	SAS	100.00%
FONCIER CONSEIL	19, rue de Vienne – 75801 PARIS CEDEX 08	732 014 964	SNC	100.00%
GARENNE AMÉNAGEMENT	19, rue de Vienne – 75801 PARIS CEDEX 08	837 487 172	SAS	100.00%
GARENNE DÉVELOPPEMENT	19, rue de Vienne – 75801 PARIS CEDEX 08	839 944 352	SCI	100.00%
GEORGE V GESTION	19, rue de Vienne – 75801 PARIS CEDEX 08	327 256 947	SAS	100.00%
HIPTOWN EXPLOITATION	19, rue de Vienne – 75801 PARIS CEDEX 08	853 953 735	SAS	74.30%
HLPA	180, rue de la Ginieisse – 34500 BÉZIERS	440 290 708	SAS	55.00%
I INVEST	400, promenade des Anglais – 06200 NICE	479 020 893	SAS	100.00%
IMMOPERL 2	115, rue Réaumur – 75002 PARIS	820 891 612	SNC	100.00%
ISELECTION	400, promenade des Anglais – 06200 NICE	432 316 032	SAS	100.00%
L'ESPACE	21, place de la République – 75003 PARIS	811 806 215	SAS	92.00%

MAIN FULLY CONSOLIDATED COMPANIES

Company name	Address	Siren	Legal form	% of holding
LE BLANC-MESNIL ARISTIDE BRIAND SCCV	25, allée Vauban – 59562 LA MADELEINE CEDEX	843 563 370	SCCV	100.00%
LES DUNES DE FLANDRES	35, allée du Chargement – 59650 VILLENEUVE-D'ASCQ	408 888 659	SARL	100.00%
MARSEILLE RUE CALLELONGUE	25, allée Vauban – 59562 LA MADELEINE CEDEX	838 039 105	SCI	100.00%
MAUREPAS LA QUARTEFEUILLE SCCV (Ægide joint venture)	25, allée Vauban – 59562 LA MADELEINE CEDEX	889 634 820	SCCV	65.00%
MONTREUIL LES RÉSERVOIRS BOULEVARD DE LA BOISSIÈRE	25, allée Vauban – 59562 LA MADELEINE CEDEX	480 556 042	SCI	70.00%
NEXIMMO 106	19, rue de Vienne – 75801 PARIS CEDEX 08	823 421 482	SAS	100.00%
NEXIMMO 109 (ywood operations)	19, rue de Vienne – 75801 PARIS CEDEX 08	823 425 806	SAS	100.00%
NEXIMMO 110	19, rue de Vienne – 75801 PARIS CEDEX 08	823 425 889	SAS	100.00%
NEXIMMO 120	19, rue de Vienne – 75801 PARIS CEDEX 08	834 215 865	SAS	100.00%
NEXIMMO 121 (carré invalide)	19, rue de Vienne – 75801 PARIS CEDEX 08	841 203 961	SAS	100.00%
NEXIMMO 122 SAS	19, rue de Vienne – 75801 PARIS CEDEX 08	841 203 839	SAS	100.00%
NEXITY DOMAINES	25, allée Vauban – 59562 LA MADELEINE CEDEX	415 120 955	SNC	100.00%
NEXITY DEUTSCHLAND	Carmerstraße 2 – D-10623 Berlin	HRB24493	GmbH	100.00%
NEXITY ESPRIT VILLAGE SUD PROGRAMMES SAS	25, allée Vauban – 59562 LA MADELEINE CEDEX	880 136 684	SAS	100.00%
NEXITY GRAND PARIS	19, rue de Vienne – 75801 PARIS CEDEX 08	334 850 690	SA	100.00%
NEXITY IMMOBILIER D'ENTREPRISE	19, rue de Vienne – 75801 PARIS CEDEX 08	332 335 769	SA	100.00%
NEXITY IR PROGR ALPES	25, allée Vauban – 59562 LA MADELEINE CEDEX	824 381 214	SAS	100.00%
NEXITY IR PROGR APOLLONIA SAS	25, allée Vauban – 59562 LA MADELEINE CEDEX	824 381 263	SAS	100.00%
NEXITY IR PROGR AQUITAINE SAS	25, allée Vauban – 59562 LA MADELEINE CEDEX	824 381 289	SAS	100.00%
NEXITY IR PROGR ATLANTIQUE	25, allée Vauban – 59562 LA MADELEINE CEDEX	824 381 305	SAS	100.00%
NEXITY IR PROGR BRETAGNE	25, allée Vauban – 59562 LA MADELEINE CEDEX	824 381 354	SAS	100.00%
NEXITY IR PROGR DOMAINES	25, allée Vauban – 59562 LA MADELEINE CEDEX	824 309 751	SAS	100.00%
NEXITY IR PROGR EST	25, allée Vauban – 59562 LA MADELEINE CEDEX	824 485 304	SAS	100.00%
NEXITY IR PROGR GFI	25, allée Vauban – 59562 LA MADELEINE CEDEX	824 381 586	SAS	100.00%
NEXITY IR PROGR GRAND PARIS	25, allée Vauban – 59562 LA MADELEINE CEDEX	824 350 763	SAS	100.00%
NEXITY IR PROGR LOIRE	25, allée Vauban – 59562 LA MADELEINE CEDEX	824 485 353	SAS	100.00%
NEXITY IR PROGR MIDI-PYRÉNÉES SAS	25, allée Vauban – 59562 LA MADELEINE CEDEX	824 448 815	SAS	100.00%
NEXITY IR PROGR NORD SAS	25, allée Vauban – 59562 LA MADELEINE CEDEX	824 381 685	SAS	100.00%
NEXITY IR PROGR NORMANDIE	25, allée Vauban – 59562 LA MADELEINE CEDEX	824 418 503	SAS	100.00%
NEXITY IR PROGR PAYS BASQUE	25, allée Vauban – 59562 LA MADELEINE CEDEX	824 381 768	SAS	100.00%
NEXITY IR PROGR RÉGION SUD	25, allée Vauban – 59562 LA MADELEINE CEDEX	824 485 320	SAS	100.00%
NEXITY IR PROGR RHÔNE BOURGOGNE AUVERGNE	25, allée Vauban – 59562 LA MADELEINE CEDEX	824 350 813	SAS	100.00%
NEXITY IR PROGR SEERI	25, allée Vauban – 59562 LA MADELEINE CEDEX	824 350 797	SAS	100.00%
NEXITY IR PROGRAMMES ESPRIT VILLAGE AQUITAINE	25, allée Vauban – 59562 LA MADELEINE CEDEX	834 116 261	SAS	100.00%
NEXITY LOGEMENT	19, rue de Vienne – 75801 PARIS CEDEX 08	399 381 821	SAS	100.00%
NEXITY PATRIMOINE	19, rue de Vienne – 75801 PARIS CEDEX 08	329 087 118	SNC	100.00%
NEXITY RÉGION SUD	5, rue René-Cassin – 13331 MARSEILLE	351 039 193	SNC	100.00%
NEXITY STUDÉA	19, rue de Vienne – 75801 PARIS CEDEX 08	342 090 834	SA	100.00%

MAIN FULLY CONSOLIDATED COMPANIES

Company name	Address	Siren	Legal form	% of holding
NEXITY RHÔNE BOURGOGNE AUV.	32, Rue Joannès-Carret – 69009 LYON	385 116 025	SAS	100.00%
NEXITY VILLAGES NORD PROGRAMMES SAS	25, allée Vauban – 59562 LA MADELEINE CEDEX	880 162 235	SAS	100.00%
OTHIS JALAISE	25, allée Vauban – 59562 LA MADELEINE CEDEX	879 850 451	SAS	65.00%
OZOIR CHEVALIER SCCV	25, allée Vauban – 59562 LA MADELEINE CEDEX	895 391 571	SCCV	100.00%
PARC MULTILOM	25, allée Vauban – 59562 LA MADELEINE CEDEX	817 479 090	SNC	100.00%
PERL	115, rue Réaumur – 75002 PARIS	438 411 035	SAS	100.00%
PLOMBIÈRES DIJON LES VANTELLES SCCV (Ægide joint venture)	25, allée Vauban – 59562 LA MADELEINE CEDEX	848 898 714	SCCV	65.00%
POISSY MAURICE CLERC SAS	25, allée Vauban – 59562 LA MADELEINE CEDEX	829 155 175	SAS	80.00%
PONTAULT COMBAULT LIBÉRATION SCCV	25, allée Vauban – 59562 LA MADELEINE CEDEX	844 605 527	SCCV	70.00%
PRIMOSUD	30, rue Louis-Rège – 13008 MARSEILLE	339 901 365	SAS	100.00%
ROUEN ST JULIEN NOR SCCV	35, allée du Chargement – 59650 VILLENEUVE-D'ASCQ	833 450 265	SCCV	100.00%
RUE MAL LECLERC CLERMONT-FERRAND SCCV	35, allée du Chargement – 59650 VILLENEUVE-D'ASCQ	833 023 369	SCI	100.00%
RUEIL TERRAY SAS	25, allée Vauban – 59562 LA MADELEINE CEDEX	832 284 202	SAS	70.00%
ST-OUEN COURS DES DOCKS N11	25, allée Vauban – 59562 LA MADELEINE CEDEX	825 382 393	SCI	100.00%
TERENEO	10, rue Horus – 59491 VILLENEUVE-D'ASCQ	502 931 777	SAS	100.00%

MAIN EQUITY-ACCOUNTED COMPANIES

Company name	Address	Siren	Legal form	% of holding
Joint ventures				
AQUEDUC	12, place des États-Unis – 92545 MONTROUGE	831 208 590	SAS	50.00%
BAGNEUX VICTOR-HUGO	19, rue de Vienne – 75801 PARIS CEDEX 08	825 193 329	SAS	50.00%
CLAMART BOURCILLIÈRE	25, allée Vauban – 59562 LA MADELEINE CEDEX	880 137 435	SCCV	41.00%
SAINT-OUEN HÉRITAGE	25, allée Vauban – 59562 LA MADELEINE CEDEX	879 895 381	SCI	37.50%
12-14 FRUCTIDOR	19, rue de Vienne – 75801 PARIS CEDEX 08	903 078 673	SCI	50.00%
Associates				
ÆGIDE	42, avenue Raymond-Poincaré – 75116 PARIS	401 397 765	SA	18.00%
VILLES ET COMMERCE	93, Avenue de Paris – 91300 Massy	977 819 747	SNC	20.00%
THE BOSON PROJECT	39, rue d'Aboukir – 75002 PARIS CEDEX 02	789 508 843	SAS	49.00%
URBAN CAMPUS	16, rue Sainte-Apolline – 75002 Paris	840 172 670	SAS	39.20%

5.1.3 Statutory Auditors' Report on the Consolidated Financial Statements

This is a free translation into English of the Statutory Auditors' Report on the financial statements of the Company issued in French and is provided solely for the convenience of English-speaking readers.

This statutory auditors' report includes information required by European regulation and French law, such as information about the appointment of the statutory auditors or verification of the management report and other documents provided to shareholders.

This report should be read in conjunction and construed in accordance with French law and the professional auditing standards applicable in France.

Year ended 31 December 2024

To the Shareholders' general meeting of Nexity,

Opinion

In compliance with the engagement entrusted to us by your annual general meeting, we have audited the accompanying consolidated financial statements of Nexity for the year ended 31 December 2024.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as at 31 December 2024 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

The audit opinion expressed above is consistent with our report to the Audit and Financial Statements Committee.

Basis for Opinion

Audit Framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements* section of our report.

Independence

We conducted our audit engagement in compliance with the independence requirements required by the French Commercial Code (code de commerce) and the French Code of Ethics (code de déontologie) for statutory auditors for the period from January 1st, 2024, to the date of our report, and specifically we did not provide any prohibited non-audit services referred to in Article 5(1) of Regulation (EU) N° 537/2014.

Justification of Assessments – Key Audit Matters

In accordance with the requirements of Articles L.821-53 et R.821-180 of the French Commercial Code (code de commerce) relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period, as well as how we addressed those risks.

These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the consolidated financial statements.

Measurement of goodwill

(Note 7 to the consolidated financial statements)

Risk identified

As part of its development, the Group has undertaken some acquisitions and has recognised goodwill in the consolidated statement of financial position as at 31 December 2024 for a carrying amount of €1,151.7 million euros and representing 18% of total consolidated assets of the Group.

At each year end, Group's management reviews the carrying amounts of goodwill and tests them for impairment at least once a year and whenever any indication of impairment is noted. For that purpose, goodwill is allocated to cash-generating units (CGUs) defined as homogeneous groups of assets that generate separately identifiable cash flows. Impairment testing involves comparing the carrying amount of each CGU with its recoverable amount.

The basis applied for that purpose, and details of assumptions used, are described in Note 7 to the consolidated financial statements. Recoverable amounts are determined by reference to the value in use of each CGU based on the present value of its projected future cash flows, using the last 5-year business plan approved by executive management including downgraded business assumptions for residential and office development and a perpetual growth rate estimated for the period beyond the 5-year horizon.

The Group performs sensitivity analyses with key assumptions as described in Note 7 to the consolidated financial statements.

Given the judgement required by management to determine recoverable amounts of each CGU, which are based on Management's judgement and estimates, the sensitivity analysis performed, the impact of company disposals undertaken during year ended 2024 (Notes 1.2 and 3.6) and the materiality of goodwill, we consider the measurement of goodwill to be a key audit matter.

Audit procedures in response to the risk identified

We assessed the compliance of the Company's valuation methodology with the applicable accounting standards, as well as the methods of implementation, with particular regard to:

- The reasonableness of the approach used, particularly following disposals, to determine the allocation of the share of goodwill to the items disposed of;
- The appropriateness of the approach used to determine the CGUs on which impairment tests are performed;
- The reasonableness of the process used to draw up the 5-year business plan, particularly by comparing forecasts for previous periods with the corresponding actual figures, in order to assess whether past targets have been reached;
- The consistency of the expected cash flows used to calculate the value in use of each CGU with those of the 5-year business plan adopted by Executive Management;
- The reasonableness of the assumptions used to determine discount rate and perpetual growth rate assumptions, with the assistance of our valuation specialists;
- Management's analysis of the sensitivity of value in use to changes in the main underlying assumptions.

We also assessed the appropriateness of the financial information provided in Note 7 to the consolidated financial statements.

Recognition of revenue and profit based on percentage of completion for real estate development operations under VEFA (sale in the future state of completion) off-plan agreements and CPI (real estate development contracts)

(Note 4 to the consolidated financial statements)

Risk identified

As indicated in Note 4 to the consolidated financial statements, Nexity's revenue from residential and commercial real estate development operations involving VEFA off-plan agreements and CPI real estate development contracts amounts to €2,675 million, and represents 80% of group's consolidated revenue.

Revenue and profit for such real estate development operations are recognised using the percentage of completion method.

Percentage of completion is determined on the basis of the commercial stage of development and on the percentage of expenses already incurred at year-end in comparison with the latest budget estimate updated at year-end.

Given that the determination of budgets, on which the percentage of completion method is based, involves significant judgments and estimates by management, we consider the recognition of revenue and profit based on the percentage of completion of real estate development operations involving VEFA off-plan agreements and CPI real estate development contracts to be a key audit matter.

Audit procedures in response to the risk identified

Our approach was adapted to the level of maturity of internal control applicable to each business or subsidiary:

The first such approach was notably based on the following work:

- Assessment of the relevant controls implemented by Group management for the preparation and updating of operating budgets in order to assess their reliability;
- Assessment of the relevant controls implemented by Group management for the management of purchases and sales in order to assess the reliability of the calculation of percentage of technical and commercial completion of real estate development operations;
- Substantive analytical procedures (significant changes in revenue and profit from one period to the next, review of sales with resolutive conditions, review of the risk of withdrawal from operations, etc).

The second such approach was notably based on the following work:

- Assessment of the consistency of the latest updated operating budgets for the period and comparison with supporting documentation and information obtained from the applicable financial controllers and/or programme managers;
- Comparison of accounting data with the operating data for each programme and cross-checking of percentage of completion data with operating data on contract progress or architects' certificates or sale agreements.

We also assessed the appropriateness of the financial information provided in the notes to the consolidated financial statements.

Specific Verifications

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by laws and regulations of the Group's information given in the management report of the Board of Directors.

We have no matters to report as to their fair presentation and their consistency with the consolidated financial statements.

Report on Other Legal and Regulatory Requirements

Format of presentation of the consolidated financial statements intended to be included in the annual financial report

We have also proceeded, in accordance with the professional standard applicable in France relating to the procedures performed by the statutory auditor relating to the annual and consolidated financial statements presented in the European single electronic format, that the presentation of the consolidated financial statements intended to be included in the annual financial report mentioned in article L451-1-2, I of the French Monetary and Financial Code (code monétaire et financier), prepared under the responsibility of the Chief Executive Officer complies with the single electronic format defined in the European Delegated Regulation No 2019/815 of 17 December 2018. As it relates to consolidated financial statements, our work includes verifying that the tagging of these consolidated financial statements complies with the format defined in the above delegated regulation.

Based on the work we have performed, we conclude that the presentation of the consolidated financial statements intended to be included in the annual financial report complies, in all material respects, with the European single electronic format.

We have no responsibility to verify that the consolidated financial statements that will ultimately be included by your company in the annual financial report filed with the AMF are in agreement with those on which we have performed our work.

Appointment of the Statutory Auditors

We were appointed as statutory auditors of Nexity by the annual general meeting held on April, 30th 2008 for Forvis Mazars SA and on October, 16th 2003 for KPMG.

As at 31 December 2024, Forvis Mazars SA and KPMG were in the 17th year and 22th year of the total uninterrupted engagement, which are the 17th and 21th years, respectively, since securities of the Company were admitted to trading on a regulated market.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The Audit and Financial Statements Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risk management systems and where applicable, internal audit, regarding the accounting and financial reporting procedures.

The consolidated financial statements have been approved by the Board of Directors.

Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Objectives and audit approach

Our role is to issue a report on the consolidated financial statements. Our objective is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As specified in Article L.821-55 of the French Commercial Code (*Code de commerce*), our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

- Identifies and assesses the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his audit opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control;
- Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control;
- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the consolidated financial statements;
- Assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether any material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of the audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the consolidated financial statements or, if such disclosures are not provided or are inadequate, to modify the opinion expressed therein;
- Evaluates the overall presentation of the consolidated financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation;
- Obtains sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. The statutory auditor is responsible for the direction, supervision and performance of the audit of the consolidated financial statements and for the opinion expressed on these consolidated financial statements.

Report to the Audit and Financial Statements Committee

We submit a report to the Audit and Financial Statements Committee which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report, if any, significant deficiencies in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit and Financial Statements Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the consolidated financial statements of the current period and which are therefore the key audit matters that we are required to describe in this report.

We also provide the Audit and Financial Statements Committee with the declaration provided for in Article 6 of Regulation (EU) N° 537/2014, confirming our independence within the meaning of the rules applicable in France such as they are set in particular by Articles L.821-27 to L.821-34 of the French Commercial Code (*Code de commerce*) and in the French code of ethics (*Code de déontologie*) for statutory auditors. Where appropriate, we discuss with the Audit and Financial Statements Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

Paris La Défense, 2 April 2025

The Statutory Auditors

French original signed by

KPMG Audit IS
Stéphanie Millet
Partner

Forvis Mazars SA
Claire Gueydan-O'Quin
Partner