The Real Brokerage Inc. Announces Preliminary Q4 2020 Business Updates

January 13, 2021

TORONTO and NEW YORK, Jan. 13, 2021 /PRNewswire/ -- The Real Brokerage Inc. (TSXV: REAX) (OTCQX: REAXF) ("Real"), a national, technology-powered real estate brokerage in the United States of America (U.S.), announced its preliminary unaudited financial results and business highlights for the quarter ended December 31, 2020. Unless otherwise stated, all dollar amounts are in thousands of U.S. dollars.

Highlights include:

- Q4 2020 revenue of $7,257 representing an 84% increase compared to Q3 2020 revenue of $3,939 and an 83% increase compared to Q4 2019.
- The Real network grew to 1,475 agents at the end of Q4 2020, an increase of 47% from 1,001 agents at the end of Q4 2019.
- The value of closed transactions grew to $273M in Q4 2020, an increase of 110% from $130M in Q4 2019.
- In December 2020, Real secured a $20 million strategic equity investment from Insight Partners.
- As of December 31, 2020, Real held $21,283 in cash and cash equivalents as compared to $53 as of December 31, 2019, primarily as a result of the $20 million strategic equity investment by Insight Partners.
- Real expanded its footprint of licensed states to Ohio and now offers its real estate brokerage services in 22 states and the District of Columbia.

"Real is offering an entirely new value proposition to agents by using smart technology to reduce complexity and increase flexibility for real estate agents and their clients," said Tamir Poleg, co-founder and CEO of Real. "The rapid growth we saw in the fourth quarter was a result of high performing agents and teams choosing Real as their next-generation brokerage."

This information is delivered in advance of Real's audited annual financial statements and related management's discussion and analysis that are expected to be filed on Friday, March 19, 2021 and will be available on Real's SEDAR profile at www.sedar.com.

About Real
Real (www.joinreal.com) is a technology-powered real estate brokerage in 22 U.S. states and the District of Columbia. Real is on a mission to make agents' lives better, creating financial opportunities for agents through higher commission splits, best-in-class technology, revenue sharing and equity incentives.

Contact Information:
For more details, please contact:
The Real Brokerage Inc.
Lynda Radosevich
lynda@joinreal.com
917-922-7020

Forward-Looking Information
This press release contains forward-looking information within the meaning of applicable Canadian securities laws. Forward-looking information is often, but not always, identified by the use of words such as "seek", "anticipate", "believe", "plan", "estimate", "expect", "likely" and "intend" and statements that an event or result "may", "will", "should", "could" or "might" occur or be achieved and other similar expressions. These statements reflect management's current beliefs and are based on information currently available to management as at the date hereof. Forward-looking information in this press release includes, without limiting the foregoing, Real's preliminary financial results and operating results for the quarter ended December 31, 2020..

Forward-looking information is based on assumptions that may prove to be incorrect, including but not limited to Real's business objectives, expected growth, results of operations, performance, business projects and opportunities and financial results. Real considers these assumptions to be reasonable in the circumstances. However, forward-looking information is subject to known and unknown risks, uncertainties and other factors that could cause actual results, performance or achievements to differ materially from those expressed or implied in the forward-looking information. These factors should be carefully considered and readers should not place undue reliance on the forward-looking statements. Although the forward-looking statements contained in this press release are based upon what management believes to be reasonable assumptions, Real cannot assure readers that actual results will be consistent with these forward-looking statements. These forward-looking statements are made as of the date of this press release, and Real assumes no obligation to update or revise them to reflect new events or circumstances, except as required by law.

Preliminary Financial Metrics
The preliminary results set forth above are based on an initial review of Real's operating and financial results for the quarter ended December 31, 2020 and are subject to change. Final reported results could differ from these preliminary results following the completion of year-end accounting procedures, final adjustments and other developments arising between now and the time that Real's financial results are finalized, and such changes could be material. Real's independent auditor, Brightman Almagor Zohar & Co. (A Firm in the Deloitte Global Network), has not audited, reviewed or

performed any procedures with respect to the accompanying preliminary financial results and other data, and accordingly does not express an opinion or any other form of assurance with respect thereto. The preliminary results have been prepared by, and are the responsibility of, Real's management, and were approved by management on January 12, 2021. Real's actual consolidated financial statements for such period may result in material changes to the financial metrics summarized in this press release (including by any one financial metric, or all of the financial metrics, being below or above the figures indicated) as a result of the completion of normal quarter end accounting procedures and adjustments, and also what one might expect to be in the final consolidated financial statements based on the financial metrics summarized in this press release. Although Real believes the expectations reflected in this press release are based upon reasonable assumptions, there can be no assurance that actual results will not differ materially from these expectations.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release, and the OTCQX has neither approved nor disapproved the contents of this press release.

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