5.2 PARENT COMPANY FINANCIAL STATEMENTS AT 31 DECEMBER 2023

5.2.1 Condensed consolidated financial statements

Statement of financial position

Assets

(in thousands of euros)	Notes	31/12/2023 Gross amount	31/12/2023 Amortisation, depreciation and impairments	31/12/2023 Net amount	31/12/2022 Net amount
Intangible assets					
Concessions, patents and similar rights	6.1	196,131	(73,947)	122,184	93,511
Goodwill	6.1	-	-	-	-
Other intangible assets	6.1	48,304	-	48,304	78,188
Property, plant and equipment					
Property, plant and equipment	6.2	53,992	(41,138)	12,854	5,976
Assets in progress		2,654	-	2,654	6,362
Financial investments					
Equity investments	6.3	2,537,554	(275,308)	2,262,246	2,062,850
Receivables from equity investments	6.4	57,200	(17,394)	39,806	78,978
Other equity securities	6.5	25,978	(12,404)	13,574	21,177
Loans	6.6	298,973	(52,442)	246,531	267,689
Other financial investments	6.7	177,651	-	177,651	179,187
Non-current assets	6.8	3,398,437	(472,633)	2,925,804	2,793,918
Inventories and work in progress					
Advances and deposits paid on orders		559	-	559	296
Receivables					
Trade and other receivables	7.1	36,026	(641)	35,385	47,705
Other receivables	7.2	882,149	(68,632)	813,516	835,811
Other					
Marketable securities		-	-	-	-
Treasury shares held	7.3	13,410	-	13,410	18,854
Cash and cash equivalents	7.4	242,468	-	242,468	319,755
Adjustment accounts					
Prepaid expenses	7.5	6,130	-	6,130	4,886
Current assets		1,180,742	(69,273)	1,111,468	1,227,307
Deferred expenses	7.6	5,500	-	5,500	2,603
Translation differences assets		-	-	-	4,141
TOTAL ASSETS		**4,584,679**	**(541,907)**	**4,042,772**	**4,027,969**

Liabilities and equity

(in thousands of euros)	Notes	31/12/2023	31/12/2022
Equity			
Share capital	8.1	280,649	280,649
Share issue, merger, contribution premiums		1,130,173	1,130,173
Legal reserve		28,065	28,065
Other reserves (o/w purchase of original works)		-	-
Retained earnings		247,922	322,705
Profit (loss) for the period		**195,157**	**64,458**
Regulated provisions		6,508	7,588
TOTAL EQUITY	**8**	**1,888,474**	**1,833,638**
Provisions		39,280	43,935
TOTAL PROVISIONS	**9**	**39,280**	**43,935**
Financial debt			
Convertible bonds	10.1	440,599	440,599
Euro PP bonds	10.1	362,816	393,643
Loans and borrowings from financial institutions	10.2	170,780	130,262
Borrowings and financial liabilities	10.3	997,884	1,081,353
Operating liabilities			
Advances and deposits received on orders in progress	10.4	783	-
Trade payables		54,524	62,911
Tax payable and social security contributions		52,411	32,519
Other liabilities			
Liabilities on non-current assets and related accounts		4,490	3,645
Other liabilities		27,008	4,105
Adjustment account			
Deferred income		3,724	-
TOTAL PAYABLES		**2,115,019**	**2,149,037**
Translation differences liabilities		-	1,359
TOTAL LIABILITIES AND EQUITY		**4,042,773**	**4,027,969**

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Income statement

(in thousands of euros)	Notes	31/12/2023	31/12/2022
Production of services sold		148,920	150,497
Revenue		148,920	150,497
Capitalised production		21,605	23,414
Operating subsidies		335	183
Reversals on depreciation, provisions, transfers of charges		27,667	13,994
Other income		16	16
Operating income	11	198,543	188,104
Purchase of raw materials and other supplies		(24)	(12)
Other purchases and external expenses		(119,928)	(113,854)
Taxes, duties and other levies		(3,807)	(2,903)
Wages		(60,862)	(61,378)
Social security contributions		(21,963)	(21,031)
Operating additions			
On non-current assets: depreciation, amortisation and impairment		(17,479)	(16,732)
On non-current assets: provisions		-	-
On current assets: provisions		-	-
For risks and charges: provisions		(12,256)	(15,539)
Other expenses		(4,194)	(4,919)
Operating expenses	12	(240,513)	(236,368)
OPERATING RESULTS	**13**	**(41,970)**	**(48,264)**
Financial income from investments		274,469	219,755
Income from other securities and receivables from non-current assets		9,232	8,009
Other interest and equivalent		2,976	6,831
Reversals on provisions and transfers of charges		26,885	32,582
Positive exchange rate differences		20	13
Net income on disposals of marketable securities		61	-
Financial income	15	313,643	267,190
Financial additions to depreciation, amortisation and provisions		(66,033)	(144,738)
Interest and equivalent expenses		(90,943)	(40,246)
Negative exchange rate differences		(2,047)	(720)
Net expenses on sales of marketable securities		-	(14)
Financial expenses	16	(159,023)	(185,718)
NET FINANCIAL INCOME/(EXPENSE)	**17**	**154,620**	**81,472**
CURRENT PROFIT/(LOSS) BEFORE TAX		**112,650**	**33,208**
Non-recurring income from management operations		-	151
Non-recurring income from equity operations		141,493	1,087
Reversals on provisions and transfers of charges		15,602	5,231
Non-recurring income		157,095	6,469
Non-recurring expenses from management operations		(6,980)	(1,748)
Non-recurring expenses from equity operations		(87,173)	(6,787)
Non-recurring additions to depreciation, amortisation and provisions		(547)	(754)
Non-recurring expenses		(94,700)	(9,289)
NON-RECURRING PROFIT/(LOSS)	**18**	**62,395**	**(2,820)**
Employee profit-sharing	19	(310)	(283)
Income tax	20	20,422	34,353
Total income		669,281	461,763
Total expenses		(474,124)	(397,305)
PROFIT/(LOSS) FOR THE PERIOD	**21**	**195,157**	**64,458**

Statement of cash flows

(in thousands of euros)	Notes	31/12/2023	31/12/2022
Net accounting profit/(loss)		195,157	64,458
Elimination of non-cash income and expenses and gains and losses:			
Elimination of depreciation, amortisation and provisions		40,771	132,531
Elimination of gains and losses on asset disposals		(45,827)	3,917
Elimination of losses net of gains arising on mergers of assets		3,305	(4,212)
Other non-cash income and expenses		10,630	11,865
Losses net of gains arising on mergers of assets		4,182	
Cash flow		208,217	208,559
Change in Working Capital Requirement		(26,026)	(13,640)
Net cash from/(used in) operating activities		182,191	194,919
Purchase of intangible assets		(34,247)	(35,250)
Purchase of property, plant and equipment		(5,944)	(7,872)
Acquisition/increase in equity investments		(265,873)	(61,079)
Increase in receivables attached to investments and other financial investments		(5,832)	(15,409)
Acquisition of treasury shares		(5,186)	-
Proceeds from sale of property, plant, equipment and intangible assets		21,186	6
Proceeds from disposals of equity investments		121,805	617
Decrease in receivables attached to investments and other financial investments		31,623	2,731
Net cash from/(used in) investing activities		(142,468)	(116,256)
Dividends paid		(139,241)	(137,871)
Increase in convertible bond debt		-	-
Increase in bank debt		40,000	100,000
Buyback/Redemption/Conversion of convertible bonds		-	-
Repayment of EURO PP bonds		-	-
Repayment of bank debts			
Change in negotiable debt securities (NEU CP and NEU MTN)		(128,000)	28,600
Net change in financial current accounts		110,877	(264,629)
Increase in deferred expenses		(4,763)	-
Net cash flow from/(used in) financing activities		(121,127)	(273,900)
Impact of changes in foreign currency exchange rates		4,141	(1,064)
CHANGE IN CASH AND CASH EQUIVALENTS	**25**	**(77,264)**	**(196,301)**
Cash and cash equivalents at beginning of period		319,731	516,032
Cash and cash equivalents at end of period		242,468	319,731

5.2.2 Notes to the Parent Company financial statements

Note 1 Information on the Company and significant developments

1.1 Presentation

Notes to the statement of financial position, before appropriation of earnings, for the fiscal year ended 31 December 2023, showing a total of €4,042,772,863.69, and to the income statement showing a profit of €195,156,988.03.

The Company's fiscal year ran from 1 January to 31 December 2023 (12 months).

The notes and tables presented below are an integral part of the Parent Company financial statements.

The Company's press releases and annual reports – including historical financial information about the Company and Parent Company 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 19, rue de Vienne – TSA 50029 – 75801 Paris Cedex 08 (France).

The Company is the central holding company of Nexity group and controls the Group's main subsidiaries (see list of the main subsidiaries in Note 31).

Nexity's shares are listed on Eurolist of Euronext Paris.

1.2 Significant developments during the fiscal year

2023 was marked by the following significant developments:

Disposal of international activities

- Disposal of activities in Poland and Portugal.

Strategic and financial partnerships

- In December 2023, Nexity entered into exclusive negotiations to sell its Services to Individuals business to Bridgepoint for an enterprise value of €440 million. The transaction is expected to close in the 1st half of 2024.

Legal restructuring

The Company absorbed Neximmo 65, Neximmo 111 and Pick a Brick through a universal transfer of assets during the fiscal year (see Note 1.3).

Nexity renewed its corporate bank loan in February 2023 for a new period of 5 years with an expanded pool for an amount of €800 million in credit and €2,120 million in commitment authorisations by signature (in particular to allow the issuance of completion bonds for the residential real estate projects).

1.3 Subsidiaries and investments

Equity investments and the associated technical merger losses went from €2,235 million at 31 December 2022 to €2,435 million net at 31 December 2023, *i.e.* a net increase of €199 million which corresponds to:

- -€66 million in securities as part of the universal transfers of assets (Pick a Brick, Neximmo 65 and Neximmo 111): -€0.224 million in securities eliminated from companies absorbed through universal transfers of assets; -€66 million mainly related to the disposal of the Polish subsidiaries and NEMOA; and
- -€0.41 million in financial provisions net of impairment on equity investments.

Partially offset by:

- €243 million related to net acquisitions of shares in companies (Edouard Denis Développement, Bureau Partager, Nexity Studéa and Urban Campus); and
- €23 million related to the net recapitalisation of shares in companies (Neximmo 132, Nexity Solution, Nexiville 11).

The table below summarises movements relating to universal transfers of assets:

(in thousands of euros)	31/12/2023
Statement of financial position	
Shares eliminated	(224)
Shares contributed	0
Net securities (statement of financial position)	**(224)**
Gains allocated to assets contributed	0
Current accounts (statement of financial position) and other	2,968
Provision for risk	1,360
Statement of financial position subtotal	**4,104**
Income	
Losses arising on mergers of assets	(3,744)
Gains arising on mergers of assets	438
Universal transfer of assets income subtotal	**(3,305)**
Provisions reversed	0
NET IMPACT ON NET FINANCE INCOME	**(3,305)**

GENERAL INFORMATION

Note 2 Accounting principles

The Parent Company financial statements were approved in accordance with the provisions of the French Commercial Code, Ruling No. 2014-03 of the French Accounting Standards Authority (*Autorité des Normes Comptables* – ANC) relating to the French General Accounting Plan and the applicable regulations.

The general accounting conventions were applied in compliance with the principle of prudence, in accordance with the basic assumptions: going concern, consistency of accounting policies from one fiscal year to another, independence of fiscal years, in accordance with the general rules for preparing and presenting Parent Company financial statements.

The basic method selected to assess the items entered into the accounts is the historical cost method.

Note 3 Change of method

The presentation of the Parent Company financial statements and the assessment methods selected have not changed compared to the previous fiscal year.

Note 4 Estimates and assumptions

In the process of preparing the Parent Company 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 notably concern the valuation of equity investments.

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 to prepare the financial statements for the year ended 31 December 2023 were made in the context of the real estate market crisis (sharp rise in interest rates impacting the purchasing power of real estate buyers, the announced end of the Pinel scheme, the scarcity of land, and changes of commercial property usage, etc.).

Nevertheless, in the medium term, basic housing needs in France will support demand and the Group's activity.

Note 5 Accounting policies

5.1 Property, plant, equipment and intangible assets

Property, plant, equipment and intangible assets are stated at acquisition (purchase price and associated expenses) or contribution cost. Moreover, in accordance with the obligations placed by the BOI instruction 4 I-1-93 (paragraph 32), the cost of entry of the goods subject to a universal transfer of assets is broken down into gross value and depreciation.

Depreciation is calculated on a straight-line basis according to the estimated life of the assets:

- Software: 1 to 7 years straight-line basis;
- Fixtures and fittings: 7 to 9 years straight-line basis;
- Office equipment: 1 to 5 years straight-line basis;
- IT equipment: 1 to 5 years straight-line basis; and
- Office furniture: 8 to 10 years straight-line basis.

Technical losses are allocated in the accounts according to Article 745-5 *et seq.* and Article 12 of ANC Ruling No. 2015-06 of 23 November 2015. The technical losses presented in Nexity's financial statements are all allocated to the equity investments contributed by the absorbed company, and to the related depreciations (Note 6.6).

5.2 Financial investments

Equity investments

Equity investments are stated according to the valuation rules for the cost of entry of assets. Assets acquired subject to payment are recognised at their acquisition cost, comprising the purchase price plus the directly attributable costs. Assets acquired by contribution are recognised at the value indicated on the contribution document.

Impairment is recognised when the current value of an equity investment becomes lower than its cost. The goodwill recognised is subject to impairment. Subsequently, if needed, the receivables held in the subsidiary may be impaired and a provision for risks may be recognised.

The current value of the investment is determined according to the share of the net position and the profitability forecasts.

The profitability outlook of operating subsidiaries is generally determined using the discounted cash flow method, calculated based on the 5-year business plan adopted 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 tougher economic environment in the short term, basic housing needs in France will support demand and the Group's activity.

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 2022, 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.

By way of derogation to the General Accounting Plan principle, reversals on amortisation and provisions relating to equity investments are recognised in non-recurring income if the investments are sold, so that all impacts of the disposal are recognised in non-recurring profit/(loss).

Loans

Loans are stated at their nominal value. They are assessed on a case-by-case basis. Impairment is recognised when there is a strong risk of non-recovery.

Other financial investments

Nexity shares held as part of a liquidity contract are recognised at their acquisition price less expenses. If at the end of the fiscal year, the average price of the last month of the fiscal year is lower than the purchase price, impairment is recognised. Gains and losses on asset disposals are recognised in non-recurring profit/(loss) according to the FIFO (First In – First Out) method.

By way of derogation to the General Accounting Plan principle, reversals on amortisation and provisions relating to treasury shares are recognised in non-recurring income if the investments are sold, so that all impacts of the disposal are recognised in non-recurring profit/(loss).

The technical losses allocated to the equity investments contributed by the absorbed company are impaired when the current value of the investments becomes lower than the cumulative value of the investments and the losses allocated to them.

5.3 Receivables

Trade and other receivables

Trade receivables are stated at their nominal value. They are assessed on a case-by-case basis. Impairment is recognised when there is a strong risk of non-recovery.

Other receivables

Other receivables are recognised at their nominal value. They are assessed individually and impaired if required.

Receivables acquired or contributed for a discounted value are stated at their purchase or contribution price. The difference between the nominal value and the purchase or contribution price is only recognised in profit after cashing a surplus compared to the amount entered in the statement of financial position. The risk of non-recovery gives rise to the recognition of impairment only if the loss compared to the nominal value of the receivable exceeds the discount amount.

Receivables on indirect subsidiaries are not subject to impairment when the risks relating to these subsidiaries are entered into the financial statements of their direct parent companies.

5.4 Marketable securities

They are recognised at the acquisition cost. If at the end of the fiscal year, the asset value is lower than the purchase price, the difference is subject to financial impairment.

Gains and losses on disposals are recognised in net finance income (expense) according to the FIFO (First In – First Out) method.

5.5 Treasury shares

Treasury shares acquired for the purpose of their free allocation to Group employees (free share plans) are recognised in a "Treasury shares" item according to their destination, pursuant to the share allocation decision.

These shares are not stated at their market value due to the commitment to allocate them to employees, which is subject to a provision for charges.

5.6 Deferred expenses

Bank commissions and miscellaneous costs paid as part of the setting up of loans are spread out as financial expenses over the duration of the loan. When a loan is repaid early, these commissions and costs are cleared into the net finance income (expense) of the repayment year.

5.7 Regulated provisions

The costs directly attributable to the acquisition of shares, incorporated into their entry costs, are amortised for tax purposes on a straight-line basis over a period of 5 years.

5.8 Provisions

The provisions are stated for the amount corresponding to the best estimate of the outflow of resources required to extinguish the obligation, pursuant to ANC Ruling No. 2014-03. At the reporting date, this estimate is made on the basis of the information known at the date of preparation of the financial statements. The provision for charges representing the obligation to deliver the securities to the beneficiaries of free shares was stated according to the cost of the purchased shares, the number of shares to be delivered and the services rendered. As each free share plan provides for a vesting period, the provision is calculated for each plan on a *pro rata temporis* basis for the vesting periods elapsed at the closing date.

STATEMENT OF FINANCIAL POSITION – ASSETS

Note 6 Non-current assets

6.1 Intangible assets

This item comprises:

- Concessions, patents and similar rights for €122,184 thousand, net of depreciation and amortisation, comprising the Nexity brand (€56,463 thousand) and various software used in the Group for €65,721 thousand, net of depreciation, amortisation and impairment; and
- Other intangible assets, comprising expenses related to IT projects in progress for €48,304 thousand.

6.2 Property, plant and equipment

Property, plant and equipment is mainly composed of fixtures and fittings, and office furniture (at the Group's head office and regional offices), and IT equipment. These non-current assets are used by the central services and other Group subsidiaries.

6.3 Equity investments

This item includes the shares of the Group's main operating subsidiaries. The main investments are indicated in Note 31.

6.4 Receivables from equity investments

This item mainly consists of contributions granted to Group subsidiaries.

6.5 Other equity securities

This item mainly comprises the investments made by the Group in a certain number of investment funds in innovative activities.

The share of the commitments not paid at the end of the fiscal year is presented under "Liabilities on non-current assets and related accounts" for €1,522 thousand.

6.6 Loans

This item mainly comprises loans granted to subsidiaries and holdings.

It notably includes the loan of €240,000 thousand granted to Nexity Logement, of which €84,000 thousand maturing on 30 November 2026 and €156,000 thousand maturing on 30 November 2027.

This loan granted to Nexity Logement mirrors the Euro PP Green issued in December 2019, the purpose of which is to finance the Group's residential real estate projects, in compliance with the CSR commitments described in the prospectus.

6.7 Other financial investments

(in thousands of euros)	**31/12/2023**	**31/12/2022**
Guarantees paid	676	684
Amounts allocated to the liquidity contract:		
Cash account	1,203	3,155
Treasury shares	3,223	2,798
Technical losses allocated to equity investments	172,550	172,550
TOTAL OTHER FINANCIAL INVESTMENTS	**177,651**	**179,187**

Treasury shares held

In accordance with the authorisations granted by the Shareholders' Meeting and implemented by the Board of Directors, the Group may hold treasury shares up to a maximum of 10% of the share capital, *i.e.* 5,612,972 shares at 31 December 2023.

At the closing date, this holding was carried out for two reasons:

- *Via* the liquidity contract entered into with an investment services provider, recorded under "Other financial investments"; and
- In connection with treasury share buyback programmes implemented to cover free share plans, recorded under "Treasury shares".

(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 2022	5,612,972	122,086	487,097	609,183
Purchase, sale and transfer of shares				
• *via* the liquidity contract		111,302		111,302
• held to be used for free share awards			383,000	383,000
• transfers during the fiscal year to cover free shares vested			(277,530)	(277,530)
Implementation of the programme authorised by the Shareholders' Meeting of 18 May 2022	10% of the adjusted capital according to its change			
POSITION AT 31 DECEMBER 2023	**5,612,972**	**233,888**	**592,567**	**825,955**

In respect of the liquidity contract, the Group owned 233,888 treasury shares at 31 December 2023. Their net value stood at €3,923 thousand. These elements are recorded in financial investments.

6.8 Gross non-current assets: changes

(in thousands of euros)	31/12/2022	Increase, acquisition, creation	Reclassification restructuring	Disposal, scrapping, reimbursement	31/12/2023
Concessions, patents and similar rights	160,256	697	55,884	(20,705)	196,132
Other intangible assets	78,188	33,549	(58,045)	(5,388)	48,304
Intangible assets	238,444	34,247	(2,161)	(26,093)	244,436
General installations, fixtures and fittings	15,242	241	5,599		21,082
Transport equipment	144			(144)	-
Office, IT equipment, furniture	30,328	1,064.28	4,909	(3,391)	32,910
Recoverable packaging and miscellaneous	-				-
Property, plant and equipment in progress	6,362	4,639	(8,347)		2,654
Property, plant and equipment	52,076	5,944	2,161	(3,535)	56,646
Equity investments	2,337,747	269,513		(69,707)	2,537,554
Receivables from equity investments	100,460			(43,260)	57,199
Other equity securities	29,324	9	(250)	(3,105)	25,978
Loans	320,131	5,398		(26,556)	298,973
Other financial investments	179,187	426		(1,962)	177,650
Financial investments	2,966,848	275,346	(250)	(144,590)	3,097,354
TOTAL NON-CURRENT ASSETS	**3,257,369**	**315,537**	**(250)**	**(174,218)**	**3,398,437**

Equity investments: The change in equity increased by €199,601 thousand: the main changes are as follows:

- Increase of €265,873 thousand: acquisitions of Nexity Studéa, Bureau Partager and Edouard Denis Développement shares for €240,955 thousand, capital increases to reconstitute the equity of loss-making subsidiaries (€22,868 thousand) and subscription to the capital of Urban Campus for €2,000 thousand; and
- Decrease of €66,271 thousand: mainly the elimination of shares in companies absorbed through universal transfers of assets during the fiscal year (€224 thousand) and intra-group disposal of shares within the context of various legal restructurings (66,047 thousand).

6.9 Depreciation

Movements during the period

(in thousands of euros)	31/12/2022	Additions	Reversals	31/12/2023
Concessions, patents and similar rights (amortisation)	66,745	12,552	(5,350)	73,947
Concessions, patents and similar rights (depreciation)	-			-
Intangible assets	66,745	12,552	(5,350)	73,947
General installations, fixtures and fittings	13,507	1,009		14,516
Transport equipment	141	1	(142)	(0)
Office, IT equipment, furniture	26,090	3,918	(3,386)	26,622
Property, plant and equipment	39,738	4,927	(3,527)	41,138
TOTAL AMORTISATION AND DEPRECIATION	**106,483**	**17,479**	**(8,877)**	**115,085**

Amortisation for the period mainly comprises straight-line amortisation.

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Note 7 Current assets

7.1 Trade and other receivables

This item mainly comprises intra-group receivables due to invoicing of operating income.

7.2 Other receivables

(in thousands of euros)	31/12/2023	31/12/2022
Trade payables	377	260
Workforce and social organisations	71	51
State – Corporate income tax and VAT	11,908	8,861
Group: financial current accounts and share of profits	784,294	847,245
Impairment on Group current accounts	(68,632)	(42,052)
Group: tax consolidation current accounts	65,441	20,163
Group: miscellaneous payables	19,832	988
Miscellaneous payables	226	295
TOTAL OTHER RECEIVABLES	**813,517**	**835,811**

7.3 Treasury shares

At 31 December 2023, Nexity held a total of 825,955 treasury shares (0.93% of the share capital) for a total of €17,792 thousand:

- 233,888 shares for a total of €3,923 thousand in respect of the liquidity contract recognised in financial investments (see Note 6.6); and
- 592,567 shares for a total of €14,568 thousand which will be allocated to Group employees after the vesting period as part of free share plans, if the vesting conditions are met.

7.4 Cash and cash equivalents

Cash and cash equivalents of €242,468 thousand mainly include the balance of current bank accounts. At 31 December 2022, cash and cash equivalents amounted to €319,755 thousand.

(in thousands of euros)	31/12/2023	31/12/2022
Interest-bearing bank accounts and term deposits	0	15,020
Bank current accounts	242,468	304,735
TOTAL CASH AND CASH EQUIVALENTS	**242,468**	**319,755**

7.5 Prepaid expenses

Prepaid expenses comprise expenses relating to the following fiscal year for €6,130 thousand, compared to €4,886 thousand at 31 December 2022.

7.6 Deferred charges

These correspond to the commissions paid when credit facilities are set up, and are spread over the duration of the contract.

(in thousands of euros)	31/12/2022	Increases	Amortisation, depreciation	31/12/2023
Deferred bond issue expenses	2,603	4,763	(1,867)	5,500

STATEMENT OF FINANCIAL POSITION – LIABILITIES

Note 8 Equity

8.1 Share capital

At 31 December 2023, the share capital of the Company comprised 56,129,724 shares with a nominal value of €5 per share, unchanged from 31 December 2022.

8.2 Diluted share capital

The maximum potential dilution resulting from the conversion of all OCEANE and ORNANE bonds and free shares allocated but not yet covered by a share buyback plan would be 14.26% (as a % of share capital ownership) based on the number of shares at the end of the period.

8.3 Change in equity

(in thousands of euros)	Share capital	Share issue, merger and contribution premiums	Legal reserve	Retained earnings	Profit (loss) for the period	Regulated provisions	Equity
AT 1 JANUARY 2023	**280,649**	**1,130,173**	**28,065**	**322,705**	**64,458**	**7,588**	**1,833,638**
Allocation of earnings				64,458	(64,458)		-
Distribution				(139,241)			(139,241)
Additions to regulated provisions						(1,080)	(1,080)
Profit (loss) for the period					195,157		195,157
AT 31 DECEMBER 2023	**280,649**	**1,130,173**	**28,065**	**247,922**	**195,157**	**6,508**	**1,888,474**

Note 9 Provisions

		Increases		Decreases					
(in thousands of euros)	31/12/2022	Additions for the fiscal year	Change in scope	Provisions used	Provisions not used	Change of method	Change in scope	Other	31/12/2023
Provisions for litigation	2,300	3,565		(1,395)				70	4,540
Provisions for exchange rate losses	2,782	-		(2,782)					0
Provisions for commitment to transfer free shares	15,983	8,691		(13,063)					11,610
Other provisions	22,870	9,428		(9,098)				(70)	23,130
TOTAL PROVISIONS	**43,935**	**21,684**	**-**	**(26,339)**	**-**	**-**	**-**	**-**	**39,280**

The provisions for free shares cover the expense corresponding to the commitment to allocate free shares to Group employees.

The other provisions mainly cover the risks due to the net financial positions of certain subsidiaries, notably real estate development companies.

Note 10 Payables

10.1 Bond issues

(in thousands of euros)	Issue date	Opening amount	Closing amount	Maturity	Fixed annual rate
Convertible bond issue (ORNANE)	2 March 2018	200,000	200,000	2 March 2025	0.250%
Convertible bond issue (OCEANE)	13 April 2021	240,000	240,000	19 April 2028	0.875%
Accrued interest		599	599		
Convertible bond issue subtotal		440,599	440,599		
Euro PP bonds	29 June 2017	30,000		10 November 2023	2.053%
Euro PP bonds	29 June 2017	121,000	121,000	29 June 2025	2.600%
Euro PP Green bond issue	20 December 2019	84,000	84,000	20 December 2026	2.257%
Euro PP Green bond issue	20 December 2019	156,000	156,000	20 December 2027	2.464%
Accrued interest		2,643	1,816		
Bond issues subtotal		393,643	362,816		
TOTAL		**834,242**	**803,415**		

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

In 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 rate of 0.25%.

The nominal unit value per 2018 ORNANE convertible bond was set at €68.91. In accordance with the dividend protection clause included in the terms and conditions of the bond, the conversion rate was adjusted after the dividend distribution in June 2023 and amounts to 1.427 shares per bond (compared to one share per bond at the date of issue).

If all convertible bonds were converted, the dilution would be 6.87% (as a percentage of share capital ownership).

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

In 2021, the Group issued €240 million of seven-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 2021 OCEANE convertible bond was set at €59.81. In accordance with the dividend protection clause included in the terms and conditions of the bond, the conversion rate was adjusted after the dividend distribution in June 2023 and amounts to 1.272 shares, with a nominal value of €5 each, per bond (compared to one share per bond at the date of issue).

If all convertible bonds were converted, the dilution would be 8.34% (as a percentage of share capital ownership).

Other bond issues - Euro PP

Under the terms of the other Euro PP bond issues, the Group must comply with certain financial ratios (net debt/equity, net debt/EBITDA, EBITDA/cost of borrowing), calculated based on the Group's consolidated financial statements excluding the impact of IFRS 16 *Leases*.

At 31 December 2023, the Group was in compliance with all its financial covenants.

10.2 Loans and borrowings from financial institutions

This item mainly comprises the outstanding capital on credit drawdowns, accrued interest and bank overdrafts.

The Company has a syndicated corporate credit facility of €800 million, maturing on 14 February 2027, of which €170 million had been used at 31 December 2023.

The Company also has credit facilities totalling €25 million, unused at 31 December 2023. This credit facility matures in 2024.

(in thousands of euros)	Authorised amount	Amount used	Maturity
Syndicated corporate loan	800,000	170,000	14 February 2027
Corporate credit facility	25,000	-	25 April 2024
Corporate credit facility			
Corporate credit facility			
Bank overdrafts			
TOTAL	**825,000**	**170,000**	

Under the terms of the corporate credit facilities, the Group must comply with certain financial ratios (net debt/equity, net debt/EBITDA, EBITDA/cost of borrowing), calculated based on the Group's consolidated financial statements excluding the impact of IFRS 16 *Leases*.

At 31 December 2023, the Group was in compliance with all its financial covenants.

10.3 Borrowings and financial liabilities

This item essentially comprises:

- Negotiable debt securities in the form of a NEU CP (Negotiable EUropean Commercial Paper) programme and NEU MTN (Negotiable EUropean Medium Term Notes) for €348,600 million:

(in thousands of euros)	Authorisations	Outstanding
Negotiable European Commercial Paper < 1 year	300,000	177,000
Negotiable European Medium Term Notes > 1 year	450,000	171,600
TOTAL AT 31 DECEMBER 2022	**750,000**	**348,600**

- Financial current account advances granted by the direct and indirect subsidiaries as part of the centralisation of the Group's cash management, totalling €648.7 million.

INCOME STATEMENT

Note 11 Operating income

(in thousands of euros)	31/12/2023	31/12/2022
Professional assistance fees	39,475	34,982
Brand fees	30,641	32,125
IT services	47,774	44,855
Rent from sub-lettings and services related to premises	16,434	14,487
Provision of workforce	7,076	7,135
Rebilling of expenses related to free shares	4,006	14,632
Rebilling of other operating expenses	3,514	2,281
Revenue subtotal	148,920	150,497
Reversals on operating provisions and other income	35	1,301
Reversals on provisions for free share expense	13,063	6,119
Transfers of charges	14,568	6,575
Capitalised production	21,605	23,414
Other income	352	198
TOTAL OPERATING INCOME	**198,543**	**188,104**

Note 12 Operating expenses

(in thousands of euros)	31/12/2023	31/12/2022
Salaries and social security contributions	(69,945)	(64,866)
Free shares	(12,880)	(17,543)
Rent and related expenses	(19,427)	(20,693)
IT hosting	(10,662)	(13,610)
Fees	(21,737)	(13,480)
Additions to amortisation and depreciation	(17,479)	(16,732)
Additions to impairment of assets		-
Additions to provisions: free shares	(8,691)	(14,564)
Additions to provisions: other	(3,565)	(975)
Expenses related to the strategic review		-
Other overheads	(76,125)	(73,905)
TOTAL OPERATING EXPENSES	**(240,513)**	**(236,368)**

Note 13 Analysis of operating profit/(loss)

The Company generated revenue of €148,920 thousand in 2023, compared to €150,497 thousand in 2022. Revenue mainly corresponds to invoicing to other Group companies.

98.82% of the revenue was generated in France.

Including reversals of provisions, transfers of expenses and capitalised production, operating income amounted to €198,542 thousand in 2023, compared to €188,104 thousand in 2022.

Operating expenses, which amounted to €240,513 thousand in 2023, compared to €236,368 thousand in 2022, correspond to the costs of the Group's central services and to the holding company's overheads.

The operating loss was €41,971 thousand, compared to a loss of €48,265 thousand in 2022.

Note 14 Impact of share buyback on operating profit/(loss)

The net expense for the buyback of treasury shares intended to be transferred in exchange for free share awards stood at -€2,251 thousand, compared to -€5,678 thousand in 2022, and is broken down as follows under the various items on the income statement:

(in thousands of euros)	31/12/2023	31/12/2022
Rebilling of expenses related to free shares (subsidiary employees)	4,006	14,632
Revenue subtotal	4,006	14,632
Reversals on provisions for free share expense (awarded during the fiscal year)	13,063	6,119
Transfers of charges	2,251	5,678
Total operating income	19,320	26,429
Salaries and social security contributions: securities awarded during the fiscal year and transferred expenses	(12,880)	(17,543)
Provisions for expenses: delivery commitment	(8,691)	(14,564)
Total operating expenses	(21,571)	(32,107)
NET EXPENSE ON FREE SHARES	**(2,251)**	**(5,678)**

Note 15 Financial income

(in thousands of euros)	31/12/2023	31/12/2022
Dividends and share of profits	230,537	204,358
Reversals of depreciation, amortisation and provisions	26,885	32,581
Gains arising on mergers of assets	438	6,690
Interest on financial current accounts and loans to subsidiaries	55,702	23,547
Net income on disposals of marketable securities		-
Other financial income	82	14
TOTAL FINANCIAL INCOME	**313,643**	**267,190**

Note 16 Financial expenses

(in thousands of euros)	31/12/2023	31/12/2022
Additions to depreciation, amortisation and provisions	(64,166)	(143,312)
Additions to amortisation of deferred expenses (loans)	(1,867)	(1,426)
Share of losses	(16,368)	(14,354)
Losses arising on mergers of assets	(3,744)	(2,478)
Interest on subsidiaries' current accounts	(17,451)	(1,640)
Interest and commissions on bond issues	(12,014)	(12,101)
Interest and commissions on bank loans	(34,464)	(9,429)
Subsidies and write-offs	(5,646)	(244)
Exchange rate losses	(2,046)	(734)
Other financial expenses	(1,256)	
TOTAL FINANCIAL EXPENSES	**(159,023)**	**(185,718)**

The additions to depreciation, amortisation and provisions are related to the amortisation of equity investments or subsidiary current accounts and other equity securities.

Note 17 Analysis of the net finance income (expense)

The net finance income totalled €154,621 thousand in 2023, compared to €81,472 thousand in 2022.

The net finance income (expense) is broken down as follows:

- €214,168 thousand in respect of dividends, net of shares of earnings paid to Group subsidiaries and holdings (compared to €190,004 thousand in 2022);
- €3,305 thousand in respect of losses (Neximmo 111 et Pick a Brick) net of gains on mergers of assets (Neximmo 65);
- -€37,281 thousand in respect of the different movements of additions and reversals on current accounts and equity investments induced by subsidiary profit/(loss) forecasts (compared to -€110,491 thousand in 2022); and
- -€10,013 thousand in respect of finance expenses (compared to -€591 thousand in 2022), resulting from €48,345 thousand in financial expenses for deferred interest and expenses on bank financing and current accounts of subsidiaries lending to Nexity, less €38,332 thousand of net income on disposals of marketable securities and interest on current accounts granted to subsidiaries.

Note 18 Analysis of non-recurring profit/(loss)

The non-recurring loss, which amounted to €62,395 thousand, mainly takes into account the income from the disposal of non-current assets, the income from the share liquidity contract and derogatory amortisation and depreciation.

Note 19 Employee profit-sharing

The Company is part of an Economic and Social Unit (UES). As such, employee profit-sharing is calculated at the UES level by each company generating profit-sharing. Profit-sharing relating to the employees of the UES is allocated to the expenses of each company employing beneficiary employees.

The estimated profit-sharing relating to employees of the Company for the 2023 fiscal year (to be paid in 2024) amounted to €310 thousand.

Note 20 Income taxes

As a parent company, the Company has opted for the tax consolidation regime, stipulated in the provisions of Article 223A of the French General Tax Code. Consequently, the Company is the only entity that pays corporate income tax for the entire consolidated tax Group.

The Group's principle is that the Group's consolidation option should be financially neutral for all of the member subsidiaries during the consolidation period.

The income on the line "Income taxes" of €20,422 thousand (compared to €34,353 thousand in 2022) mainly comprises the sum of income taxes, the social security contribution of 3.3% from each of the consolidated subsidiaries under the income tax deduction (including additional contributions) calculated for the Group as a whole.

Note 21 Net profit

The Company's net profit amounted to €195,157 thousand (compared to €64,458 thousand in 2022).

ADDITIONAL INFORMATION

Note 22 Analysis by type of regulated provisions, provisions, amortisation, depreciation and impairment

(in thousands of euros)	31/12/2022	Additions	Reversals	Other	31/12/2023
Derogatory amortisation and depreciation	5,792	547	(1,627)		4,711
Non-recurring amortisation and depreciation	1,797				1,797
Regulated provisions	7,588	547	(1,627)	-	6,508
Provisions for litigation	2,300	3,565	(1,395)	70	4,540
Provisions for exchange rate losses	2,782	-	(2,782)	-	0
Provisions for free shares	15,983	8,691	(13,063)	-	11,611
Other provisions	22,870	9,428	(9,098)	(70)	23,130
Provisions	43,936	21,684	(26,339)	-	39,280
Amortisation and impairment on concessions, patents and similar rights	-				-
Amortisation and impairment on equity investments	274,897	9,592	(9,231)	50	275,308
Amortisation and impairment on receivables attached to investments	21,482		(4,088)		17,394
Impairment of other equity securities	8,147	4,585	(279)	(50)	12,404
Amortisation and impairment on loans	52,442				52,442
Amortisation and impairment on customer accounts	641				641
Other amortisation and impairment	42,052	40,679	(14,100)		68,632
Depreciation and impairment	399,661	54,856	(27,697)	-	426,820
TOTAL	**451,185**	**77,086**	**(55,663)**	**-**	**472,609**
Operating additions and reversals		12,256	(13,098)		
Financial additions and reversals		64,283	(26,962)		
Non-current additions and reversals		547	(15,602)		
Additions and reversals for income taxes					

Note 23 Schedules of receivables and payables

23.1 Receivables

	Gross amount	Schedule	
(in thousands of euros)	31/12/2023	1 year at most	Over 1 year
Receivables from equity investments	57,200		57,200
Loans	298,973	-	298,973
Other financial investments	177,652		177,652
Trade and other receivables	36,026	36,027	
Other receivables	882,149	882,149	
Prepaid expenses	6,130	6,130	
TOTAL RECEIVABLES	**1,458,130**	**924,306**	**533,825**
Amount of loans granted during the fiscal year	-		
Amount of repayments obtained during the fiscal year	22,364		

23.2 Payables

	Gross amount	Schedule		
(in thousands of euros)	31/12/2023	1 year at most	Over 1 year, less than 5 years	Over 5 years
Convertible bonds	440,599	599	440,000	-
Bond issues	362,816	1,816	361,000	-
Loans and borrowings from financial institutions	170,780	170,780	-	
Negotiable debt securities	348,600	-	348,600	
Trade payables	54,524	42,704	11,820	
Tax payable and social security contributions	52,411	52,411		
Liabilities on non-current assets and related accounts	4,490	3,968	522	
Group and partners	649,284	649,284		
Other liabilities	27,008	27,008		
Deferred income	3,724	3,724		
Advances and deposits received on orders in progress	783	783		
TOTAL DEBT	**2,115,019**	**953,077**	**1,161,942**	**-**
Loans subscribed during the fiscal year	170,000			
Loans repaid during the fiscal year	160,000			

Note 24 Adjustment accounts

24.1 Statement of accrued income

(in thousands of euros)	31/12/2023
Other financial investments	7,014
Trade and other receivables	20,786
Other receivables	53,325
Cash management	1,349
TOTAL ACCRUED INCOME	**82,473**

24.2 Statement of accrued expenses

(in thousands of euros)	31/12/2023
Accrued interest on bond issues	3,789
Borrowings and financial liabilities	34,293
Trade payables	50,713
Tax payable and social security contributions	20,843
Other liabilities	299
Loans and borrowings from financial institutions	0
TOTAL ACCRUED EXPENSES	**109,937**

Note 25 Analysis of the statement of cash flows and change in net debt

Cash and cash equivalents amounted to €242,468 thousand (excluding treasury shares) at 31 December 2023 (compared to €319,731 thousand at 31 December 2022), *i.e.* a decrease of €77,263 thousand, mainly due to:

- Cash flow from operating activities of €182,191 thousand, notably including the cash flow position (€208,217 thousand) increased by the reduction in working capital requirement (€26,026 thousand);
- Cash flow from investing activities of -€142,468 thousand, mainly corresponding to -€40,191 thousand in acquisitions of property, plant and equipment, and intangible assets, €265,873 in acquisitions of equity investments and capital increases of subsidiaries, and -€25,791 thousand in changes in financial investments; and
- Cash flow from financing activities of -€121,127 thousand, notably including the payment of the dividend of -€139,241 thousand and the net balance of bond and bank financing (€18,114 thousand).

The Company's net debt amounted to €748,959 thousand (compared to €628,872 thousand in 2022). It corresponds to the amount of bank and bond issues (€1,322,015 thousand) and receivables (-€330,589 thousand), and less gross cash (-€242,468 thousand).

Note 26 Off-balance sheet commitments

26.1 Commitments given

Related to the current operations of Group subsidiaries

As parent company of Nexity group, the Company guarantees or counter-guarantees some commitments made by its subsidiaries within the normal framework of their activities.

In accordance with the contractual provisions of the syndicated corporate credit facility of July 2018, the Company is jointly and severally liable to lenders for all sums owed to the latter under signed commitments (completion bonds, guarantees, etc.) as part of the €1.6 billion package awarded on behalf of its development subsidiaries.

The following table summarises the other off statement of financial position commitments made in the context of the subsidiaries' activities:

(in thousands of euros)	31/12/2023	31/12/2022
Completion bonds	89,351	155,017
Reservation fees	-	-
Other guarantees on real estate projects	118,503	92,206
Loan guarantees	42,028	42,028
Liability guarantees	48,345	37,090
Other commitments	11,275	11,868
TOTAL	**309,502**	**338,209**

Other commitments given

As part of the tax consolidation agreements, the amount of tax deficits likely to be used by the consolidated subsidiaries would represent a tax expense of €81.7 million for the Company.

As part of various external growth operations, the Company granted several put options to minority shareholders for their investments. These options mainly concern Bureaux à Partager and pantera securities. Based on the price or price formulas defined in the agreements and the probable date of execution of the contractual commitments, the discounted amount of these commitments may be estimated at €31.5 million.

26.2 Commitments received

The Company has received liability guarantees totalling €7.0 million, which break down as follows: €4 million for the acquisition of Reim Real Estate and €3 million for the acquisition of Bureaux à Partager.

26.3 Workforce commitments

Pensions

Pension commitments amounted to €2.13 million and are measured in accordance with the updated IAS 19 method.

The main assumptions for calculating employee benefits are based on a retirement departure age of 62 years for non-managers and 64 years for managers, on the employee's initiative, an average turnover rate of 22% and a social security contribution rate of 42%. The mortality table used is that of INSEE 2013/2015, the discount rate at year-end is 3.34%, and the salary increase rate at year-end is 3.5%.

26.4 Deferred and unrealised tax position

Deferred tax position: the temporarily non-deductible provisions and charges generate corporate income tax savings in the amount of €40,181 thousand during reversal fiscal years.

Unrealised tax position: the unrealised tax gains would lead to an increase in corporate tax expense of €18,798 thousand in the event of the disposal of the concerned assets.

Note 27 Workforce

In 2023, the Company's average headcount was 596, remaining stable compared with 596 in 2022.

Note 28 Free share plans

A total of 277,530 free shares were vested during the fiscal year, and the shares were transferred to their recipients in exchange for existing shares. At the end of the fiscal year, the number of free shares in vesting periods amounted to 924,820 shares, all plans combined.

Vesting of free shares is subject to conditions of presence at the end of the plans and, if applicable, to performance conditions (achievement of a level of operating profit or cumulative EBITDA over the plan's duration, and/or minimum backlog at plan maturity, and/or minimum level of operating income or EBITDA at plan maturity, and/or maximum net debt at plan maturity).

The following table summarises the plans that expired in 2023, and those that were ongoing at year-end:

Nexity plans

(in number of shares)	Awarded	Cancelled	Vested*	Awarded, not cancelled and not vested	Vesting period ends
April 2020 plan	48,000	13,980	34,020	-	2nd quarter 2023
May 2020 plan	48,000	28,800	19,200	-	2nd quarter 2023
May 2020 plan	60,000	60,000	-	-	2nd quarter 2023
May 2020 plan for all employees	222,670	79,310	143,360	-	2nd quarter 2023
July 2020 plan	122,400	41,830	80,570	-	3rd quarter 2023
March and April 2021 plans	147,700	4,400	-	143,300	3rd quarter 2024
May 2021 plan	373,400	91,200	-	282,200	3rd quarter 2024
October 2021 plan	22,000	8,000	-	14,000	4th quarter 2024
April 2022 plan	165,800	22,500	-	143,300	2nd quarter 2025
May 2022 plan	100,000	-	-	100,000	2nd quarter 2025
May 2022 plan	89,200	8,800	-	80,400	2nd quarter 2025
May 2022 plan for all employees	218,040	56,040	380	161,620	2nd quarter 2025
TOTAL NEXITY PLANS	**1,617,210**	**414,860**	**277,530**	**924,820**	

Of which 175 from previous years.

The Shareholders' Meeting has granted the Board of Directors authorisation until 17 July 2024 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 2023, no 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 1.6% (as a percentage of share capital ownership) if all free shares already awarded were to vest, and 2.6% if the calculation includes all possible free shares not yet awarded.

Note 29 Information on related parties

The remuneration of Nexity's directors and executive officers (company officers) amounted to €1,623 thousand in 2023.

The remuneration for directors who are neither employees nor company officers amounted to €323 thousand for the 2023 fiscal year.

Note 30 Events after the reporting period

The sale of the Services to Individuals business to Bridgepoint was finalised on 2 April 2024.

No other significant events occurred between 31 December 2023 and the Board of Directors' meeting of 28 February 2024 convened to approve the financial statements for the period ended 31 December 2023.

Note 31 List of significant subsidiaries and holdings

Name	Share capital	Share held	Gross value Shares	Loans, advances	Revenue
Registered office	**Equity other than share capital**	**Dividends received**	**Net value Shares**	**Guarantees**	**Income**
(in thousands of euros)					
1 – Subsidiaries					
1.1 – French subsidiaries (more than 50%)					
NEXITY LOGEMENT	6,562	100.00%	969,558	240,499	6,566
19, rue de Vienne TSA 60030 75801 PARIS CEDEX 08	450,695	119,952	969,558	-	100,826
ÉDOUARD DENIS DÉVELOPPEMENT	32,625	89.00%	189,126	39,355	23,992
2, Rue Leday Le nouvel Hermitage 80100 ABBEVILLE	1,740	7,634	189,126	-	4,218
NEXITY IMMOBILIER D'ENTREPRISE	150	99.68%	68,632	8,891	20,588
19, rue de Vienne TSA 50029 75801 PARIS CEDEX 08	(14,214)	-	-	-	(9,348)
NEXITY LAMY	219,388	100.00%	258,632	53,159	202,273
19, rue de Vienne TSA 10034 75801 PARIS CEDEX 08	21,993	-	258,632	-	86,383
ORALIA PARTENAIRES	33,098	100.00%	87,597	40,479	12,348
94, quai Charles de Gaulle 69006 LYON	64,550	-	87,597	-	4,615
NEXITY PROPERTY MANAGEMENT	11,519	100.00%	30,712	-	56,597
2, rue Olympe de Gouges 92600 ASNIERES SUR SEINE	28,629	-	30,712	-	2,861
BUREAUX A PARTAGER	21	57.70%	108,806	-	5,773
21, place de la République 75003 PARIS	10,071	-	108,806	-	1,422
ACCESSITE	80	100.00%	15,978	-	15,623
35, quai du Lazaret 13006 MARSEILLE 06	5,942	-	15,978	1	1,293
PERL	3,568	100.00%	143,218	-	50,102
115, Rue Réaumur 75002 PARIS	88,174	-	143,218	-	8,067
ISELECTION	2,578	100.00%	154,688	-	51,809
400, promenade des Anglais - 06600 NICE	21,867	19,000	154,688	-	12,506
1.2 – Foreign subsidiaries (more than 50%)					
NEXITY HOLDING ITALIA	17,771	100.00%	50,010	15,504	
Corso Galileo Ferraris n°110 - 10129 TURIN - Italy	9,774	-	26,052	-	
NEXITY DEUTSCHLAND	47,150	100.00%	47,153	75,711	-
Carmertstrasse 2, 10623 Berlin – Germany	80,139	-	-	-	3,970

Name	Share capital	Share held	Gross value Shares	Loans, advances	Revenue
Registered office	Equity other than share capital	Dividends received	Net value Shares	Guarantees	Income
(in thousands of euros)					
2 – Holdings (10% to 50%)					
3 – Subsidiaries not included in Section 1					
French			175,491	172,877	
		29,900	55,603	166,805	
Foreign			20,640	128	
			9,397	1	
4 – Holdings not included in Section 2					
French			178,560	9,730	
		1,160	176,254	1,390	
Foreign			31		
			5	7,000	
5 – Other holdings (less than 10%)			**9,550**		
			9,550	-	
6 – Overall information					
French subsidiaries			2,231,475	544,797	
		226,392	2,042,955	191,043	
Foreign subsidiaries			117,803	126,063	
		-	33,355	18,631	
Equity investments in French companies			188,110	12,214	
		1,160	185,804	1,390	
Equity investments in foreign companies			31	323	
		-	5	7,000	
			2,537,419	**683,397**	
TOTAL		**227,552**	**2,262,119**	**218,064**	

5.2.3 Statutory Auditors' report on the financial statements

This is a translation into English of the statutory auditors' report on the financial statements of the Company issued in French and it is provided solely for the convenience of English speaking users. 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 with, and construed in accordance with, French law and professional auditing standards applicable in France.

For the year ended 31 December 2022

To the Shareholders of Nexity,

Opinion

In compliance with the engagement entrusted to us by your annual general meeting, we have audited the accompanying financial statements of Nexity for the year ended 31 December 2022.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of Nexity as of 31 December 2022 and of the results of its operations for the year then ended in accordance with French accounting principles.

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 Financial Statements section of our report.

Independence

We conducted our audit engagement in compliance with the independence rules applicable to us for the period from 1 January 2022 to the date of our report and specifically we did not provide any prohibited non-audit services referred to in Article 5 of Regulation (EU) No 537/2014 or in the French code of ethics (Code de déontologie) for statutory auditors.

Justification of Assessments – Key Audit Matters

In accordance with the requirements of Articles L.823-9 and R.823-7 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 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 financial statements as a whole, approved in the aforementioned context, and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the financial statements.

Measurement of equity investments

(Note 5.2 to the financial statements)

Risk identified

Equity investments reported in the company's statement of financial position as at 31 December 2022 at a carrying amount of €2,063 million, represented 51% of the company's total assets. They are recognized at acquisition cost less any applicable impairment observable at year end, as determined by management based on the company's share of the investee's net assets and the investee's profitability outlook.

The profitability outlook of operating subsidiaries is generally determined using the discounted cash flow method, calculated based on the 5-year business plan adopted by management. The business plan includes differentiated growth assumptions depending on the business activity. These assumptions take into account current market conditions, foreseeable changes thereof, as well as the Company's assumptions regarding changes in the regulatory environment and competitive intensity.

Estimation of the present value of investments requires judgement by management in choosing the elements to be taken into consideration which, for each investment, may be based on historical (net assets) or forward-looking information.

For these reasons, we considered the measurement of equity investments to be a key audit matter.

Audit procedures in response to the risk identified

To assess the reasonableness of the estimated present values of the equity investments, based on the information provided, our work mainly consisted in verifying that management's estimates were based on appropriate justification of the valuation method applied and financial data used and, depending on the investments, in:

- For valuations based on historical data (net assets): verifying that the net asset values used were consistent with the financial statements of the applicable entities subject to an audit or analytical review and that any equity adjustments were backed up by adequate supporting documentation.
- For valuations based on forward-looking data (profitability outlook): assessing the approach used to determine the present value of the investments, in particular with regard to:
  - The reasonableness of the approach used to determine the 5-year business plan, comparing the prior year's impairment test projections with the current year's results ;
  - The consistency of the estimated future cash flows used to calculate the present value of the investments with those included in the 5-year business plan presented by management ;
  - The reasonableness of the applicable discount rate and perpetual growth rate assumptions as assessed by our financial appraisal specialists.
- In addition to the assessment of the value in use of the investments, our work also consisted in:
  - Assessing the collectability of any associated receivables;
  - Verifying the due recognition of a provision for risk in the event of the company being required to absorb the losses of an equity investment with negative equity.

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Specific Verifications

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by laws and regulations.

Information given in the management report and in other documents with respect to the company's financial position and to the financial statements provided to Shareholders

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the management report of the Board of Directors and in other documents with respect to the company's financial position and to the financial statements provided to Shareholders.

In accordance with French law, we hereby report that the information relating to payment times referred to in Article D.441-6 of the French Commercial Code (Code de commerce) is fairly presented and consistent with the financial statements.

Report on corporate governance

We attest that the Board of Directors' report on corporate governance sets out the information required by Articles L.225-37-4, L.22-10-10 and L.22-10-9 of the French Commercial Code (Code de commerce).

Concerning the information given in accordance with the requirements of Article L.22-10-9 of the French Commercial Code (Code de commerce) relating to the remuneration and benefits received by the directors and any other commitments made in their favour, we have verified its consistency with the financial statements, or with the underlying information used to prepare the financial statements and, where applicable, with the information obtained by your company from controlled companies included in the consolidation scope. Based on these procedures, we attest to the accuracy and fair presentation of the information.

With respect to the information relating to items that your company considered likely to have an impact in the event of a takeover bid or exchange offer, provided pursuant to Article L.22-10-11 of the French Commercial Code (Code de commerce), we checked this information with the source documents communicated to us. Based on these procedures, we have no observations to make on the information.

Other information

In accordance with French law, we have verified that the required information concerning the purchase of investments and controlling interests and the identity of the shareholders and holders of voting rights have been properly disclosed in the management report.

Other Verifications or Report on Other Legal and Regulatory Requirements

Presentation of the financial statements included in the annual financial report

We also proceeded, in accordance with the professional standard on the due diligence of the statutory auditor relating to the annual and consolidated financial statements presented according to the single European electronic information format, to the verification of compliance with this format defined by the European regulation. Delegate No. 2019/815 of December 17, 2018 in the presentation of the consolidated financial statements intended to be included in the annual financial report mentioned in I of Article L. 451-1-2 of the Monetary and Financial Code, prepared under the responsibility of Stewardship. With regard to consolidated accounts, our due diligence includes checking that the markup of these accounts complies with the format defined by the aforementioned regulation.

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

It is not our responsibility to verify that the annual accounts that will actually be included by your company in the annual financial report filed with the AMF correspond to those on which we have carried out our work.

Appointment of the Statutory Auditors

We were appointed as statutory auditors of Nexityby the annual general meeting held on 30 April 2008 for Mazars and on 16 October 2003 for KPMG.

As at 31 December 2022, Mazars and KPMG were in the 15th year and 20th year of the total uninterrupted engagement, which are the 15th and 19th 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 Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with French accounting principles and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the 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 intended 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 accounting and financial reporting procedures.

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

Statutory Auditors' Responsibilities for the Audit of the Financial Statements

Objectives and audit approach

Our role is to issue a report on the financial statements. Our objective is to obtain reasonable assurance about whether the 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 financial statements.

As specified in Article L.823-10-1 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 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 the 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 financial statements;
- Assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a 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 financial statements or, if such disclosures are not provided or are inadequate, to modify the opinion expressed therein;
- Evaluates the overall presentation of the financial statements and assesses whether they represent the underlying transactions and events in a manner that achieves fair presentation.

Report to the Audit and Financial Statements Committee

We submit a report to the Audit and Financial Statements Committee, which includes a description of the scope of the audit and the audit programme implemented, as well as the results of our audit. We also report 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 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 statement provided for in Article 6 of Regulation (EU) N° 537/2014, confirming our independence within the meaning of the rules applicable in France as set out in Articles L.822-10 to L.822-14 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, 30 March 2023

The Statutory Auditors

KPMG Audit IS	MAZARS
François Plat	Claire Gueydan-O'Quin
Partner	Partner