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eXp World Holdings and its brokerage, eXp Realty, is a fastest-growing real estate tech company aggregating 53,000 agents with a presence in a large number of countries. eXp World Holdings provides real estate agents wide bonuses range to overall company growth. The cloud-based brokerage is powered by a 3D platform that is deeply social and collaborative, enabling agents to be more connected and productive.

eXp World Holdings, Inc. Portfolio of Real Estate and Tech Solutions



Global "Cloud-based" Real Estate Brokerages

- Majority of EXPI revenue and earnings
- Delivers a unique agent value proposition, including an attractive commission structure, revenue share, and equity
- Cost advantages of a virtual workplace vs. traditional "brick-and-mortar"



Collaboration and Virtual Workplace Tech

- Powers the eXp operating model
- Enables companies to operate entirely remotely
- Hundreds of global customers utilize the virtual world platform, including HTC, Stanford, NBA



Ecosystem of Personal Development Resources & Media

- 124-year-old heritage brand and leader in the personal development industry
- Immersive network will power the next generation of coaching, training and community



Real estate search, consumer engagement and lead generation platform for agents



A 3D meeting space that enables collaboration directly from a web, mobile, desktop, or VR

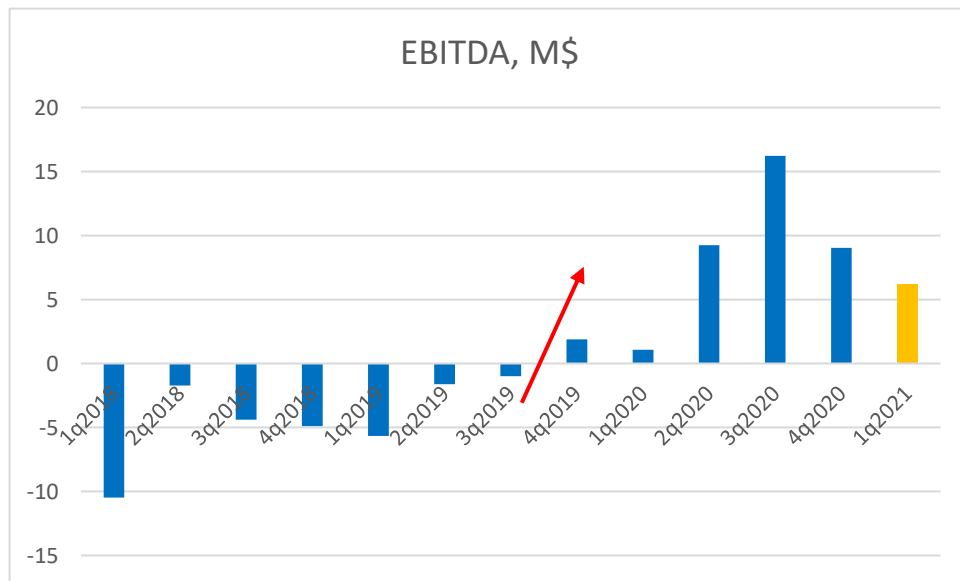
The main company of the group - eXp Realty - a cloud platform for buying houses and finding real estate agents.

eXp Realty phenomenal agent and revenue growth

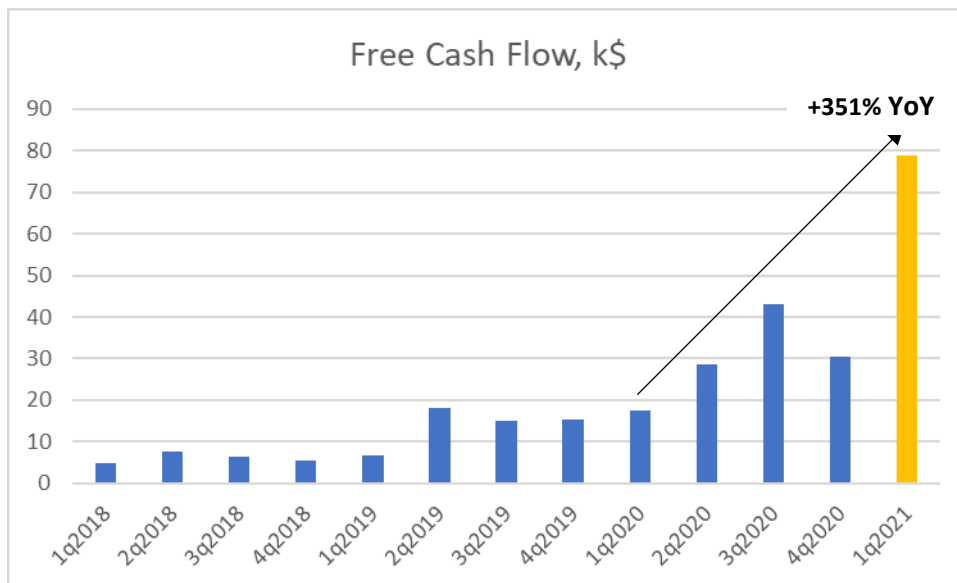


1. Agent count as of March 31, 2021

The company has broken through into the positive profit zone and has been consistently showing EBITDA year-over-year growth since Q4 2019

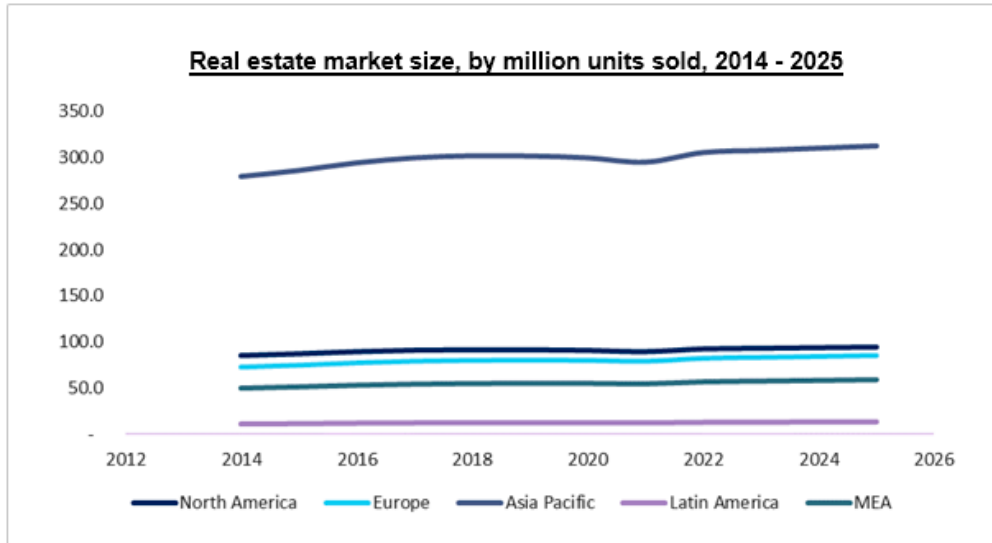


Free cash flow of the company is growing every Q-period in YoY value. As a result – the company gave an impressive Q1 2021 with +115% in revenue, +351% in FCF and +382,5% in EBITDA year-over-year respectively.



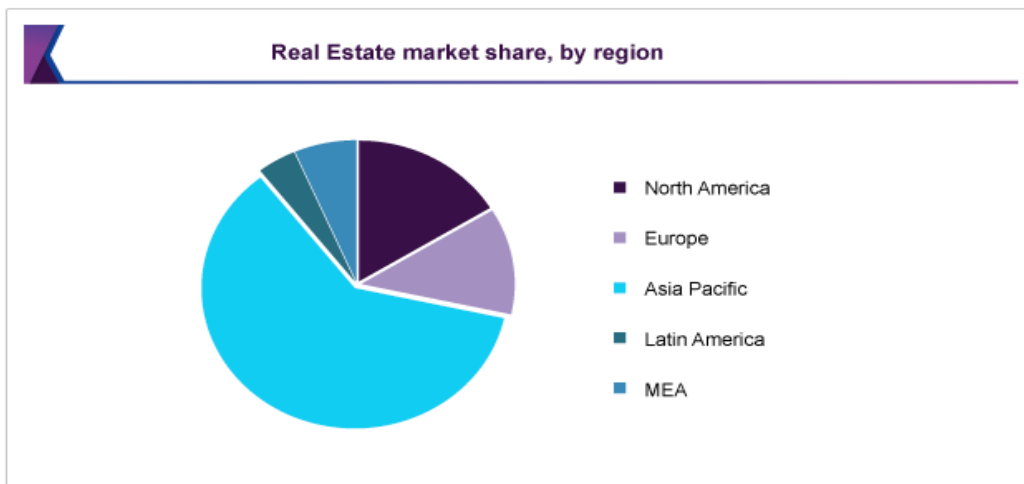
Real estate industry growth

1. The global real estate is expected to grow from \$2687.35 billion in 2020 to \$2774.45 billion in 2021 at a compound annual growth rate (CAGR) of 3.2%. The growth is mainly due to the companies rearranging their operations and recovering from the COVID-19 impact, which had earlier led to restrictive containment measures.



The market is expected to reach \$3717.03 billion in 2025 at a CAGR of 8%.

2. Regional real estate insights



At the moment, eXp Realty implements its **Global Expansion Model:**

- Over 53,000 Agents on 6 Continents:

North America: US, Canada, Mexico and Puerto Rico

South America: Brazil and Colombia

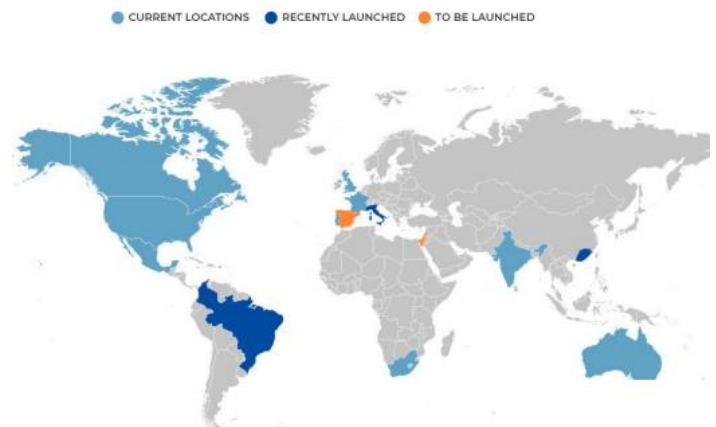
Europe: UK, France, Italy, Portugal

Africa: South Africa

Asia: India, Hong Kong

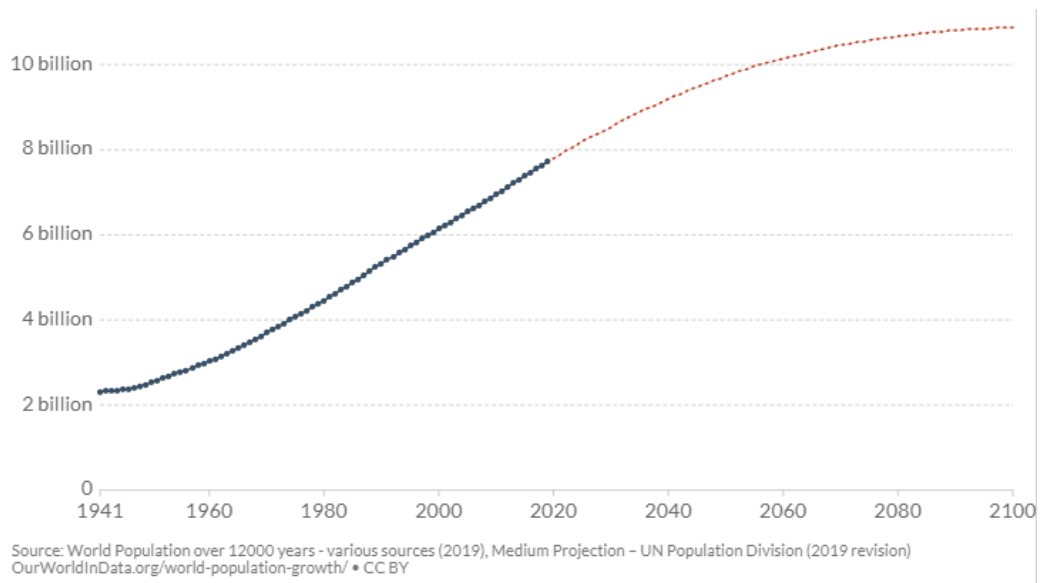
Oceania: Australia

- Continues to gain global market share by growing its agent base by more than 60% in 2020, with plans to expand into new markets throughout 2021
- Experienced leaders and local teams in each geography that are responsible for agent operations and services






3. World population growth

As population growth is an underlying factor for the demand of housing, without new supply of dwellings, it pushes up the prices for both renting and purchasing dwellings.



eXp Realty unit economy model could mainly be represented by its **agent-centric** Value Proposition

- Highly attractive commission structure
- Revenue-sharing program for attracting agents to the brokerage
- Equity awards for meeting production criteria

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|--|--|--|
|  <h3>Compensation</h3> <p><i>Unique financial model with various opportunities to make and earn income.</i></p> <ul style="list-style-type: none">No franchise feesGenerous commissions (80/20 split with \$16K cap)Revenue-share program for attracting agents to eXpEquity awards for meeting production goalsAccess to eXp Agent Healthcare options by Clearwater Benefits |  <h3>Community</h3> <p><i>Community means more than just a place to hang your license.</i></p> <ul style="list-style-type: none">Cloud-based collaboration suite allows agents to connect, share, and networkCompany-wide diversity programsICON Achiever ProgramPartner community with access to professional services, listing services, and client servicesMentorship programs |  <h3>Cloud-based</h3> <p><i>Anywhere, Anytime</i></p> <ul style="list-style-type: none">The first global brokerage to shift from brick-and-mortar to cloud-basedWork from anywhere using eXp's state-of-art technology, a virtual campus with an immersive platform connecting all agents globallyProductivity suite with collaboration tools, co-working, CRM, lead share/lead gen, referral, and over 50+ hours of weekly live education and events |
|--|--|--|

Undervaluation in terms of EV/Sales

Let us consider the selection of eXp world with peers in terms of EV/Sales. The selection includes:

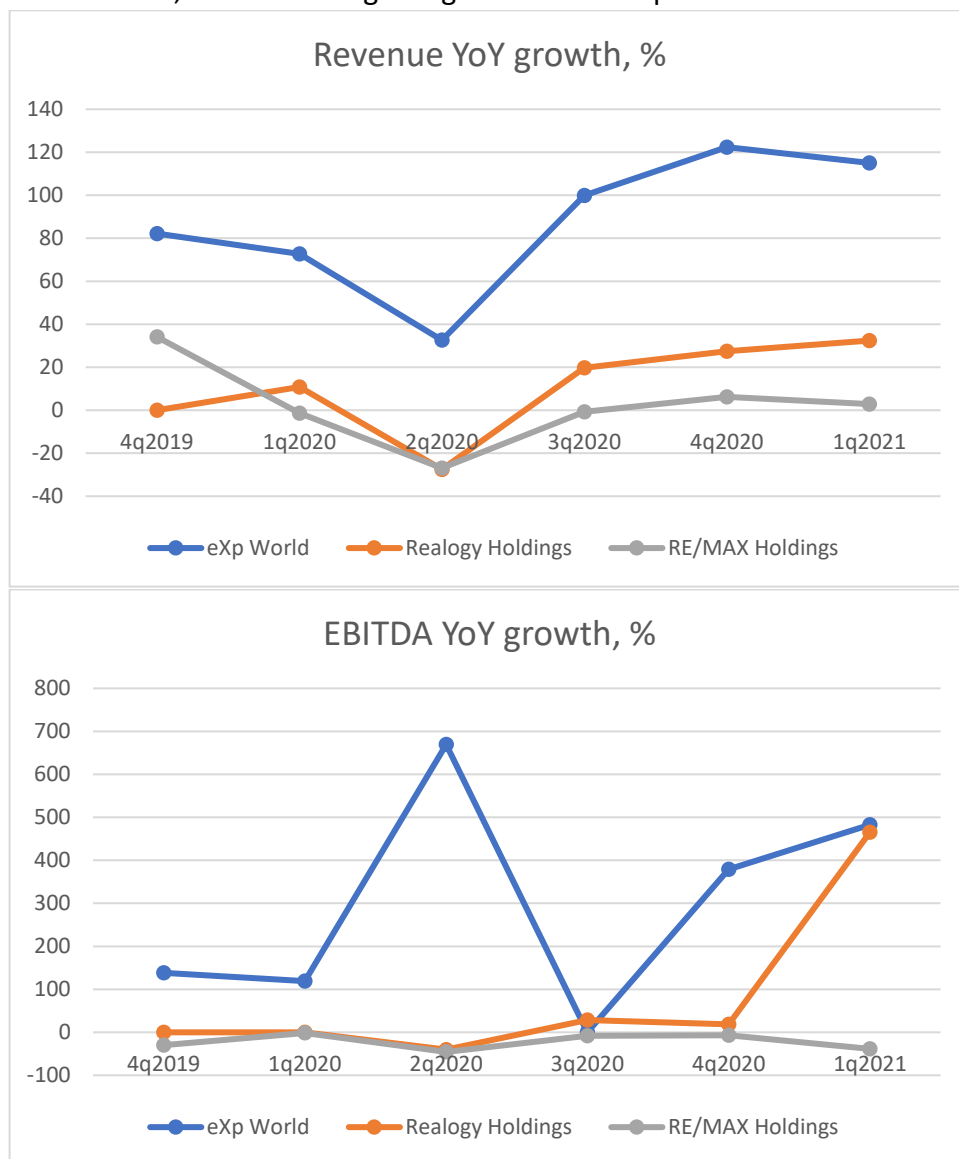
- Redfin Corporation* operates an online real estate marketplace and provides real estate services, including assisting individuals in the purchase or sell of home (US and Canada).
- Realty Holdings Corp.*, provides residential real estate services; offers lead generation and relocation services; brand names to assist home buyers and sellers in the listing etc.
- RE/MAX* offers its real estate franchise services under the brand; and mortgage brokerage services to real estate brokers, mortgage professionals, and others. It also provides real estate technology and marketing tools.
- Zillow group* mobile applications and websites offer various real estate transactions and related services, including buying, selling, renting, and financing services for residential real estate properties.

5. *Fathom Holdings Inc.* provides cloud-based real estate brokerage services in the South, Atlantic, Southwest, and Western parts of the United States.

| Company | Ticker | MCAP, B\$ | EV | Revenue TTM, M\$ | EV/TTM Sales |
|-----------------|--------|-------------|-------------|------------------|--------------|
| eXp World | EXPI | 4,08 | 3,78 | 2,11 | 1,79 |
| Redfin | RDFN | 5,38 | 5,34 | 0,96 | 5,56 |
| Realty Holdings | RLGY | 2,16 | 5,65 | 6,6 | 0,86 |
| Remax | RMAX | 1,11 | 0,45 | 0,27 | 1,67 |
| Zillow Group | Z | 27,28 | 25,08 | 3,43 | 7,31 |
| Fathom Holdings | FTHM | 0,47 | 0,41 | 0,2 | 2,05 |
| Average | | 6,75 | 6,79 | 2,26 | 3,00 |

Regarding EV/Sales analysis, it appears only two companies have lower EV/S multiple - Realty Holdings and Remax.

Looking through EXPI, RLGY and RMAX revenue and EBITDA YoY growth rates, one can observe eXp World is really undervalued in terms of EV/S multiple and is a booming fast-growing company with incredible revenue, EBITDA and agents growth in latest periods.



eXp World price and entry point



Actual price for EXPI is 26.82 which gives us -67% discount relative to all time high and forms a possible inviting entry point, taking into account the company's growth opportunities and real estate market itself in the post-pandemic period.

Kind Regards,
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