

2021  
**Annual Report**

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# 2021

## YEAR IN REVIEW

**At eXp World Holdings, we are driven by our mission to deliver the most agent-centric brokerage and affiliated services company in the world.**

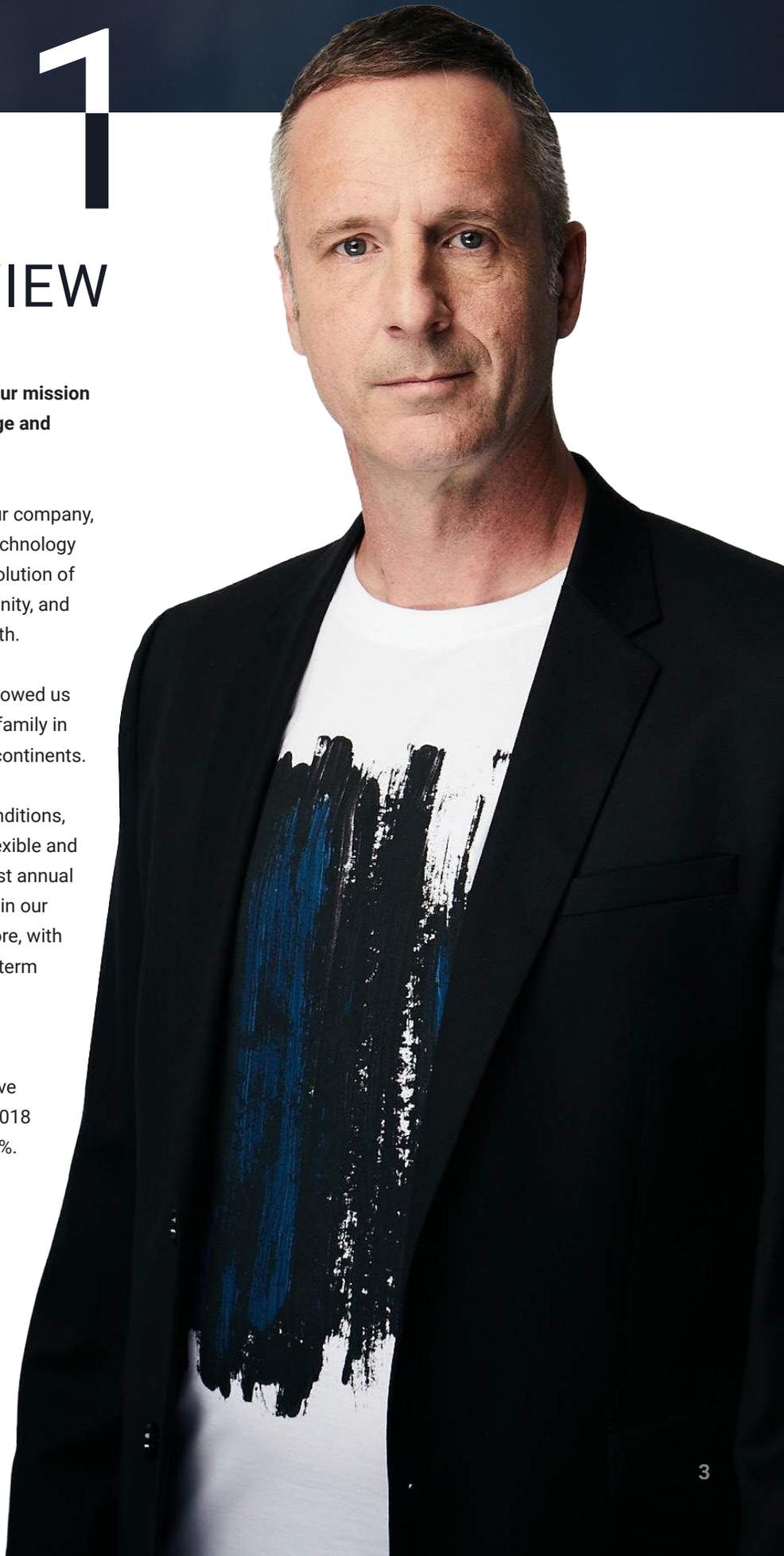
2021 was another monumental year for our company, in which we made smart investments in technology and innovation to enable the continued evolution of our businesses, support our agent community, and ultimately position eXp for long-term growth.

Our continued core focus on innovation allowed us to attract nearly 30,000 agents to the eXp family in 2021 to exceed 70,000 agents across six continents.

eXp was built for success in all market conditions, with an operating model designed to be flexible and adaptable. In 2021, we achieved the highest annual revenues, profits and transaction volumes in our company's history. This strong financial core, with consistent positive cash flow and no long-term debt, positions us well as we head into uncertain markets.

Looking back further, in three years, we have grown our revenues from \$500 million in 2018 to \$3.8 billion in 2021 – an increase of 654%. In terms of agent count, we grew from 15,570 agents at the end of 2018 to 71,137 in three years at 2021 year-end – an increase of 357%.

The rapid agent growth we continue to experience is a testament to our mission, supported by an attractive value proposition of generous compensation, commitment to community and a



scalable technology-based platform. Our unique revenue share and agent equity programs reward agents above and beyond a simple commission check. Going further, our suite of tools and resources support a community that is deeply collaborative and leverages each other to find and share success.

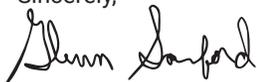
Our growth strategy has always been founded in a deep understanding that the housing market is dynamic and constantly changing. We are built to substantially grow our market share in all market conditions due to our forward-thinking and cost-efficient cloud-based platform and thanks to the hard work of our amazing agents and dedicated staff.

While the 'metaverse' became popular in recent years, we've been living it since 2009. As we like to say, "We were built for this!" It's enabled our expansion into 18 countries by the end of 2021, many of them established without ever stepping foot on a plane. Our collaboration and training transcends borders, helping agents connect and support each other across the globe through education and an agile virtual platform.

You have put your trust in me and our talented leaders to continually grow the company and innovate the real estate landscape as well as our other affiliated businesses and I thank you for your dedication and confidence. We are moving forward from a position of strength as the fastest-growing real estate brokerage on the planet. As the world continues to adapt to a digital future, there remains an enormous opportunity for us to capture significant market share as we continue building an unparalleled network of collaborative professionals.

There is nothing quite like the eXp model. Thank you to all our shareholders, agents and staff for your support on this remarkable journey, and I look forward to another strong year ahead.

Sincerely,



**Glenn Sanford**  
Founder, CEO and Chairman,  
eXp World Holdings

# eXp World Holdings in 2021: We Were Built for This

eXp World Holdings' vision began more than a decade ago to create a virtual real estate brokerage. That vision has resulted in a multibillion-dollar company that today continues to rapidly grow market share globally.

In 2021, eXp World Holdings continued to deliver record financial and agent growth, while expanding internationally into nine new countries. Our continued success is directly attributable to our virtual operating model, which was designed to be flexible and adaptable to thrive in any market condition.

Coupled with eXp's core focus on innovation, attractive value proposition, expanding line of business opportunities and commitment to making eXp Realty® the most agent-centric brokerage in the world, eXp has established itself as the fastest-growing real estate brokerage in the world.



# eXp Closes 2021 With Record Financial Results

eXp had another record-setting year, realizing strong increases across its key financial and operational metrics. eXp’s ability to scale its brokerage by attracting high-performing real estate professionals and teams serves as the key driver of eXp’s revenue and profitability.

## eXp World Holdings’ 2021 Financial Highlights<sup>1</sup>

<b>\$3.8B</b>	<b>\$296M</b>	<b>\$81.2M</b>	<b>\$0.51</b>
Revenue <b>+110%</b>	Gross Profit <b>+85%</b>	Net Income <b>+162%</b>	Earnings Per Diluted Share <b>+143%</b>

Early in 2021, eXp approved a 2-for-1 stock split, in which each stockholder of record on Jan. 29, 2021 received one additional share of common stock for each then-held share. EXPI stock began trading on a stock split-adjusted basis on Feb. 16, 2021.

eXp also paid its first cash dividend to shareholders in the third quarter of 2021 of \$0.04 per share of the Company’s common stock. The company subsequently paid cash dividends in the fourth quarter of 2021 and first quarter of 2022 of \$0.04 per share of common stock.

<sup>1</sup> Full-year 2021 results - <https://expworldholdings.com/press-releases/exp-world-holdings-reports-record-full-year-2021-revenue-of-3-8-billion-2/>



## eXp's Rapid Agent Growth Continues

eXp Realty closed 2021 with 71,137 agents worldwide, an impressive increase of 72% year-over-year, compared to 41,313 at the end of 2020. As of May 3, 2022, the brokerage had more than 80,000 agents in total. eXp's industry-leading growth is driven by its attractive compensation structure, technology platform, and sales and back-office support, which enables agents and brokers to successfully grow their businesses without the high cost overhead and fees inherent in a brick-and-mortar brokerage operation.

## Agent and Revenue Growth

Elevated growth in both agent count and revenues as a result of our commitment to agents

## 2021 Operational Highlights

**+72%**  
Agent and Broker Growth Y/Y

**+86%**  
444,367 Transactions Closed | Y/Y

**+116%**  
\$156.1B Transaction Volume | Y/Y

eXp Realty Ending Agents and Revenue By Quarter



(1) Agent count as of May 3, 2022.

# eXp Continues to Innovate on Its Powerful Value Proposition

eXp Realty's powerful mission to be the most agent-centric real estate brokerage on the planet is resonating throughout the industry. Its value propositions are the backbone of that mission.



## Grow

The place for entrepreneurs to grow personally and professionally with boundless opportunities.



## Own

A company built for agents, where everyone is an owner of their own business, brand and the brokerage they help to build.



## Build Community

A community of diverse experts that value collaboration, transparency and having fun.



## Innovate

A company obsessed with the future to improve the present, constantly defining new business models and tools.



## Find Your Freedom

The financial model and the ability to choose where and when you do business to achieve your ultimate freedom.

# Support Systems Added for Agent Efficiency

During 2021, eXp Realty made significant operational improvements to increase agent efficiency and make agents' lives easier, including:

**Expert Care Concierge** service provides fast and streamlined support services. Close to 300,000 inquiries were handled across multiple channels. Notably, almost one-third of those were solved inside of eXp World, eXp's proprietary virtual campus hosted by Virbela.

**Concierge level service** in eXp World's broker state rooms give localized support that saves considerable time for state managing brokers, provincial managing brokers and administrative support teams as they help agents navigate questions, resources, tools and support.

**Transaction coordination services** program frees agents from tasks that would otherwise divert their attention for building their business and serving their customers. Available in 27 states, this service will continue to expand through 2022.



# eXp Relies on NPS Scores to Gauge Agent and Employee Satisfaction

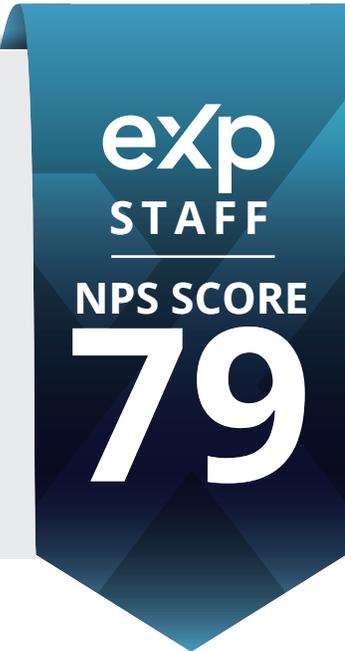
Using NPS (Net Promoter Score) to indicate the degree of employee and agent satisfaction and satisfaction trends over time helps eXp management gauge retention and make important strategic decisions that impact agents and staff. A score of 70 or above, which is considered world-class satisfaction, is the benchmark that eXp tracks its performance against.



**exp**  
**AGENT**  
**NPS SCORE**  
**71**

eXp's unique value proposition continues to not only attract top producing agents, but retain them as well. Plus, the agent community has been described as being more collaborative and supportive than traditional brick-and-mortar brokerage offices. Additionally, eXp's Agent Healthcare provides eXp agents exclusive access to industry-leading plans for themselves and their families, which provide a unique balance between affordability and high-quality coverage.

eXp provides world-class benefits that help attract and retain top talent. In 2021, the Company expanded paid parental leave in the United States and enriched medical plan designs and expanded benefits options, which now include new wellness resources and activities ranging from meditation applications to participation in group yoga classes in eXp World.



**exp**  
**STAFF**  
**NPS SCORE**  
**79**

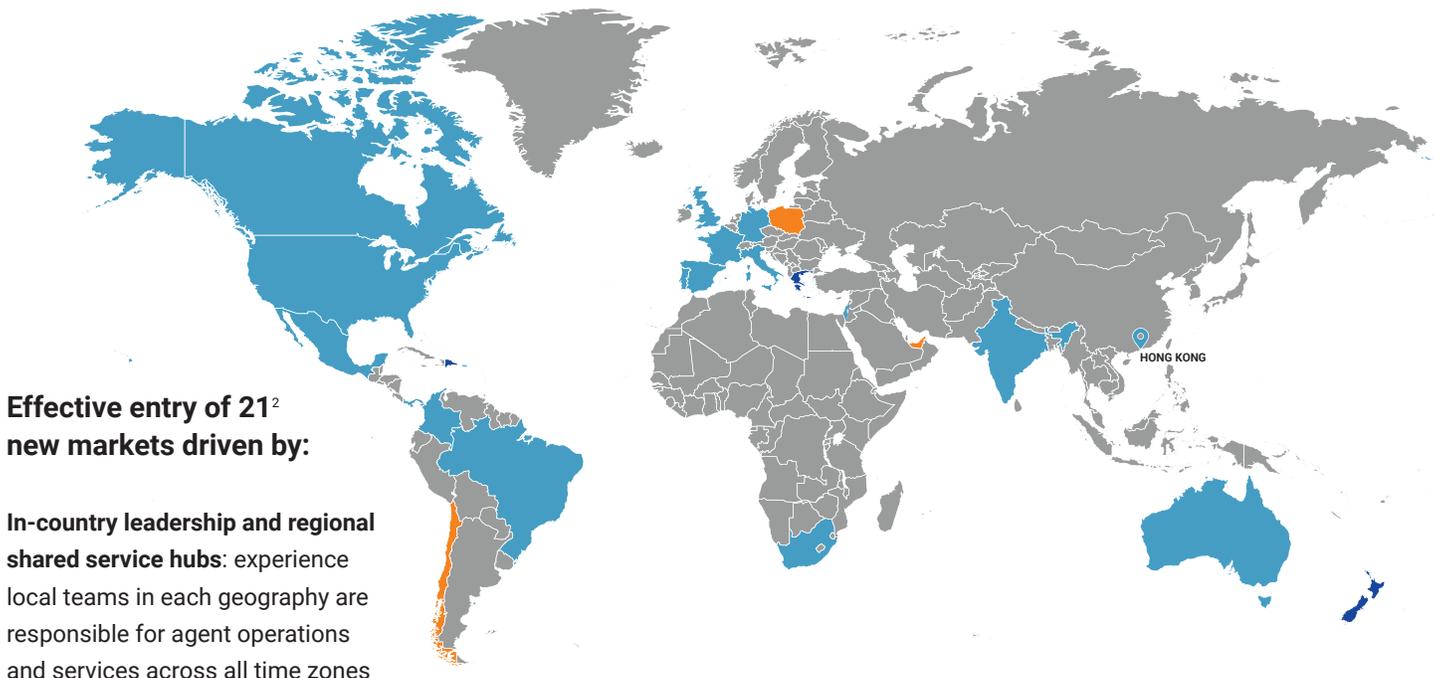
# eXp Global Expands Its International Footprint

By the end of 2021, eXp expanded its international footprint significantly with the addition of nine countries and locations, including Puerto Rico, Brazil, Italy, Hong Kong, Colombia, Spain, Israel, Panama and Germany. In 2020, eXp set up brokerage operations in South Africa, India, Mexico, Portugal and France – establishing operations in many of these countries without ever stepping foot on a plane.

## ONE BROKERAGE EXPANDING GLOBALLY

eXp is capturing global market share with **314%+** year-over-year<sup>1</sup> international agent growth

● CURRENT LOCATIONS ● RECENTLY LAUNCHED ● TO BE LAUNCHED



### Effective entry of 21<sup>2</sup> new markets driven by:

**In-country leadership and regional shared service hubs:** experience local teams in each geography are responsible for agent operations and services across all time zones

**Cloud-based platform:** enables low barriers and low cost to entry

**Competitive model:** compensation structure is highly attractive relative to traditional models internationally

eXp continues to pursue expansion opportunities into new global markets, while focusing on fortifying its position and growth in existing markets – particularly in the United States and in Canada, where agent count as of December 31, 2021 grew 226% year-over-year to more than 4,000 agents across Canada.

<sup>1</sup> eXp agent count growth (ex-U.S.) in Q1 2022 vs. Q1 2021

<sup>2</sup> As of April 2022

# eXp Commercial Experiencing Rapid Growth

eXp's Commercial business is changing the commercial real estate (CRE) brokerage model through the same framework that eXp Realty used to disrupt the traditional residential model - leveraging technology and data and offering value-add services to drive attraction. By the end of its first operating year in 2021, eXp Commercial was open in all 50 U.S. states and its agent count grew by over 2,300% from 23 commercial agents in 2020 to 571 at the end of 2021.

In 2021 eXp Commercial established itself as the new virtual marketplace for CRE agents. Some of the innovative technology, tools and data platforms include:

**eXp Enriched Data**, a national database with property, owner contact, sales, mortgage and rental data available for 97% of the U.S. commercial properties.

**Reonomy**, a cutting-edge technology stack that offers unique CRE data insights using artificial intelligence and machine learning to fuel business decisions.

**eXp Valuations**, which enables agents and brokers to complete broker price opinions (BPOs) anywhere in the U.S. within minutes.

**AIR CRE**, which provides commercial contracts and forms.

Through weekly live seminars, 42 webinars titled "eXp Commercial Explained" and quarterly training and symposiums, eXp increased brand awareness of its digital presence to attract commercial brokers and clients.

# Technology, Innovations and Solutions

eXp continues to develop immersive 3D technologies to enable and support its virtual workplaces. Virbela, eXp's cloud-based proprietary platform, has enabled seamless international expansion. The platform is also leveraged for eXp's other businesses – eXp Commercial and SUCCESS® Enterprises – and its affiliated services program, eXp Partners, to scale staffing, while reducing costs associated with traditional brick-and-mortar offices.

**Virbela's metaverse technology** prioritized enterprise readiness (including scale, reliability, security and privacy) in 2021 to capture the increased interest from Fortune 2000 companies looking to become customers and partners. The team released a new product called Frame, a metaverse collaboration technology accessible from any device with a browser, making it easy for people to come together without a download.

**Showcase IDX** provides agent-to-consumer technology solutions that helps eXp agents meaningfully connect with homebuyers and sellers. In 2021, Showcase IDX created a new home search for the U.S. and Canada, expanding our MLS data to cover 92% of the active listings in the U.S., resulting in a monthly traffic uptick by approximately 300,000 new users.

**eXp's Technology Innovation & Real Estate Services** hub launched to focus on developing and scaling strategic real estate solutions that better serve agents, brokers and customers.



## Affiliate and Media Services

eXp broadened its partnership ecosystem in 2021, which complements its real estate brokerage business and supports its agents. It also bolsters the company's revenue streams, which ultimately provide value to its many agent shareholders.

These ancillary services include coaching, mortgage origination, title, escrow and settlement services, which eXp now provides as more inclusive offerings in addition to its core brokerage services.

### **eXp Partners Program**

The newly revamped eXp Partners program is an affiliated services program that provides eXp Realty agents and their clients with a marketplace for homebuying and selling services.

### **SUCCESS® Enterprises**

eXp acquired SUCCESS Enterprises at the end of 2020 and used 2021 to appoint new leadership and develop and fine-tune the assets of the 125-year-old legacy company.

**During 2021, SUCCESS Coaching** was launched, a program that takes a holistic approach to personal and professional development offering a variety of one-on-one and group coaching programs as well as a proprietary app to help coaches and clients improve their personal and professional results.

Finally, eXp launched **SUCCESS Lending**, a residential lending solution joint venture, in July 2021 to provide more enhanced services and products to customers. eXp is working with Kind Lending, LLC to hire lenders in local markets and create a holistic approach to the homebuying process end-to-end.



# eXp Continues to Attract Industry Honors and Awards



Throughout the year, eXp received many awards recognizing its rapid growth and strong leadership. In 2021, eXp was named to Glassdoor's Best Places to Work list for the fourth straight year. Additionally, eXp Realty landed in the top four of several categories of the elite 2021 RealTrends 500 Report, including being named the No. 1 mover in transactions and the No. 1 independent in the country for two straight years. eXp was also named No. 1 in the top 5-year mover for transactions between the years 2016 to 2020, experiencing an incredible increase of 2,418%. These are among a few of the many awards eXp has received in 2021.

# eXp's Commitment to Diversity, Sponsorships, Charities and Fundraising Initiatives

**ONE eXp**, eXp's diversity, equity and inclusion initiative, was founded in 2019 with the mission and vision to build eXp Realty into the most diverse and inclusive real estate brokerage in the world. What started as a few affinity groups – the Power Girls, then eXp Latino and the Pride Network – has now grown to 11 groups and 17,375 participating agents globally. The Black eXp Network is the largest ONE eXp group made up of Black (and brown) agents and allies, growing to 4,200+ participating agents. Two new affinity groups were also added in 2021 – S.E.I.N. (Sports Entertainment & Influencers Network) and the Hearing and Visually Impaired group. Through ONE eXp, eXp is closing the inequality gap in the real estate industry through networking, education, events and referrals.

**eXtend a Hand**, a nonprofit subsidiary of eXp's established in 2017 to help support eXp Realty agents and staff in time of need, obtained 501(c)(3) status in 2021 and hired a full-time manager-level employee to oversee the program. By securing 501(c)(3) status, contributions made to eXtend a Hand are now eligible to receive a tax deduction. In 2021, eXtend a Hand raised \$291,185 in funds – an increase of 302% over 2020's fundraising efforts of \$72,499. eXtend a Hand granted almost \$90,000 in awards to those eXp agents and staff members in need in 2021.

Mexico was part of eXp's exciting international expansion in 2020. In September 2021, eXp partnered with **New Story**, an international nonprofit organization, to build 100 new homes in the Morales region of Mexico, which was devastated by an earthquake in 2017. In addition, Glenn Sanford, Founder, Chairman and CEO of

eXp World Holdings, pledged to match up to \$300,000 in contributions with a goal of raising \$600,000. By the end of 2021, \$414,000 was raised, which funded the building of 69 homes.

## eXp University

eXp University continues to be the backbone of agent education, offering more than 80 classes a week through a variety of live classes and recorded sessions covering all facets of the real estate industry for seasoned agents as well as newcomers. Investing in agents' business growth is an investment in eXp's overall growth.

eXp University ended 2021 with an NPS score of 90, an average attendance of 80 agents per class, a total of 205 agent instructors, an average of 29,500 unique users each quarter in eXp World (representing 46% of all agents at eXp at the end of 2021) and boasted 40,000 agents enrolled in at least one course as of the end of 2021. In terms of productivity, it takes a new eXp agent 3.87 months to secure their first transaction. eXp University continues to support agent growth and

# Full-Year 2021 Financial Highlights



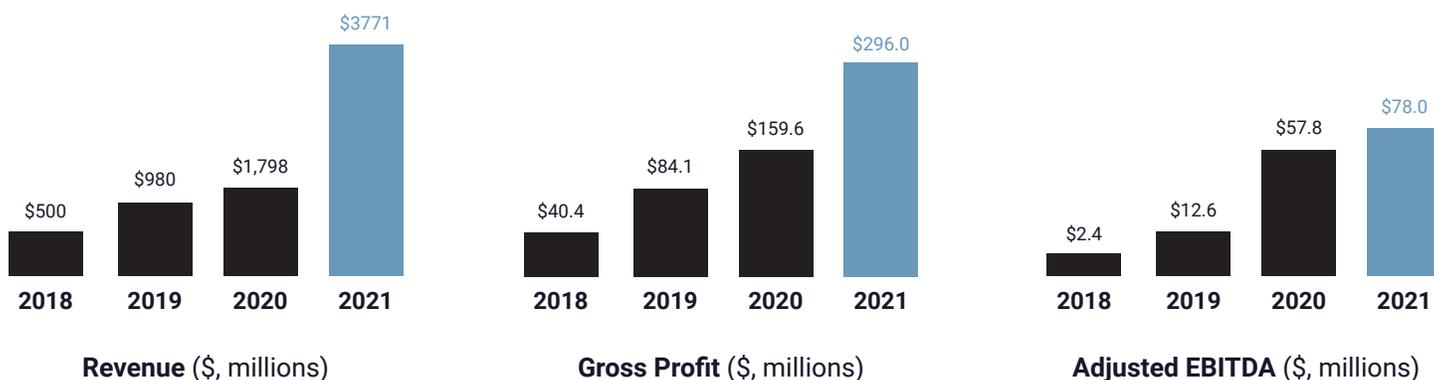
# Full-Year 2021 Investment Highlights

- Industry-leading growth through commitment to maximizing value proposition for agents
- Suite of offerings that enable agent success and positive transactions with consumers
- Cash flow generation, debt-free balance sheet and variable cost structure that enables reinvestment into the business
- Robust acquisition pipeline of complementary assets and offerings
- First-mover advantage with cloud-based model is driving rapid global expansion and market share capture

Operating Results	2021	2020	2019	2018
Revenue	\$3,771.2	\$1,798.3	\$979.9	\$500.1
Net Income (Loss)	\$81.2	\$31.1	(\$9.5)	(\$22.4)
Adj. EBITDA	\$78.0	\$57.8	\$12.6	\$2.4
Op. Cash Flow	\$207.0	\$98.9	\$50.8	\$22.7

Balance Sheet	Dec. 31, 2021	Dec. 31, 2020	Dec. 31, 2019	Dec. 31, 2018
Cash/Equivalents	\$108.2	\$100.1	\$40.1	\$20.5
Unaffiliated Debt	\$0	\$0	\$0	\$0



<sup>1</sup> YoY Growth is for FY2021 vs. FY2020; Agent and Countries figures are as of publication date.

# 2022

## First Quarter Supplement

### eXp World Holdings Reports Record First Quarter 2022 Revenue of \$1.0 Billion

eXp's strong momentum continued through the first quarter as even more agents joined our company, fueling the fastest-growing agent base in the history of real estate to help clients and customers buy, sell and/or lease properties around the world. With a results-driven approach to scaling our business, eXp has delivered its fourth sequential billion-dollar revenue quarter. We continue to bolster our competitive position in the U.S. and internationally by investing significantly in operational efficiencies.

eXp was built to thrive in challenging market conditions and despite the headwinds affecting the broader housing market, we are well-positioned to capture increased market share. It is our goal to be over 100,000 agents and brokers worldwide by the end of the year through continued iteration on the agent value proposition. With each milestone and enhancement, we redefine the real estate industry and empower agents with aligned compensation structures and industry-leading technology to grow their businesses and serve their clients.

#### First Quarter 2022 Financial Highlights as Compared to the Same Year-Ago Quarter:

- Revenue increased 73% to \$1.0 billion.
- Gross profit increased 56% to \$83.5 million.
- Net income increased 83% to \$8.9 million, which included a \$5.1 million income tax provision benefit.
- Earnings per diluted share increased 100% to \$0.06.
- Adjusted EBITDA (a non-GAAP financial measure) increased 19% to \$17.7 million.
- As of March 31, 2022, cash and cash equivalents totaled \$130.1 million, compared to \$104.4 million

as of March 31, 2021. The Company repurchased approximately \$30.0 million of common stock during the first quarter of 2022.

- The Board approved an amendment to increase the Company's stock repurchase program authorization from \$400 million of its common stock up to \$500 million, and to increase monthly repurchases from \$10 million of its common stock per month up to \$20 million.
- The Company paid a cash dividend for the first quarter of 2022 of \$0.04 per share of common stock on March 31, 2022. On April 29, 2022, the Company's Board of Directors declared a cash dividend of \$0.04 per share of common stock for the second quarter of 2022 expected to be paid on May 31, 2022 to shareholders of record on May 16, 2022.

#### First Quarter 2022 Operational Highlights as Compared to the Same Year-Ago Quarter:

- Agents and brokers on the eXp Realty platform increased 55% to 78,196 as of March 31, 2022.
- Real estate transactions closed increased 55% to 114,305.
- Real estate transaction volume increased 69% to \$41.4 billion.
- eXp Realty expanded into the Dominican Republic and Greece in the first quarter of 2022, and announced its plans to open in three additional locations including, New Zealand, Chile and Dubai, United Arab Emirates.
- eXp Realty ended the first quarter of 2022 with a global Net Promoter Score of 71, a measure of agent satisfaction as part of the Company's intense focus on improving the agent experience.

