

Genesis Reports Q4 and 2021 Results

For Immediate Release

CALGARY, March 2, 2022 – Genesis Land Development Corp. (TSX: GDC) (the “Corporation” or “Genesis”) reported its fourth quarter and 2021 earnings today.

Genesis is pleased to report net earnings for the year (“YE”) 2021 of \$10.9 million and \$4.3 million for the fourth quarter (“Q4”), 2021, the 21st consecutive year of positive earnings. Annual revenue of \$109.8 million was achieved largely from 191 home sales and 247 lot sales. Genesis finished the year with a successful \$30 million rights offering which was completed in December 2021.

The following are highlights of Genesis financial results for the fourth quarter of 2021:

2021 Highlights (Q4 2021 and YE 2021)

- **\$109.8 Million of Revenues in YE 2021:** Higher sales volumes generated revenue of \$109.8 million in YE 2021 up from \$103.9 million achieved in YE 2020. Q4 2021 revenues of \$26.5 million were higher when compared to \$19.8 million generated in Q4 2020.
- **Net Earnings in YE 2021 were \$10.9 Million:** Net earnings were positive for the 21st consecutive year with net earnings attributable to equity shareholders in YE 2021 of \$10.9 million (\$0.24 net earnings per share - basic and diluted), compared to \$0.2 million (\$0.00 net earnings per share - basic and diluted) in YE 2020. Net earnings attributable to equity shareholders in Q4 2021 were \$4.3 million (\$0.09 net earnings per share - basic and diluted) compared to \$0.1 million (\$0.00 net earnings per share - basic and diluted) in Q4 2020.
- **191 Homes Sold - up 17% from 2020:** In YE 2021, Genesis sold 191 homes, an increase of 17% from the 163 sold in YE 2020. In Q4 2021, Genesis sold 51 homes, compared to 28 sold in Q4 2020. During YE 2021, Genesis had 249 new home orders compared to 192 for YE 2020. Genesis had 141 outstanding new home orders on hand at December 31, 2021 (83 at December 31, 2020).
- **247 Lots Sold - up 10% from 2020:** In YE 2021, Genesis sold 247 residential lots (60 to third-party builders and 187 through its home building division), an increase of 10% from 225 lots in YE 2020 (62 to third-party builders and 163 through its home building division). In Q4 2021, Genesis sold 49 residential lots (2 to third-party builders and 47 through its home building division) compared to 30 lots in Q4 2020 (2 to a third-party builder and 28 through its home building division).
- **\$29.2 Million Land Acquisition:** In YE 2021, Genesis entered into a binding agreement to acquire approximately 157 acres of future residential development land in the City of Calgary. Genesis paid a non-refundable deposit of \$2.2 million, with the balance of \$27.0 million to be paid on closing, scheduled for April 2022. This project, now called “Huxley”, is expected to be under development in 2023.
- **\$50 Million Corporate Revolving Line of Credit:** In 2021, Genesis put in place a \$50 million three-year fixed term secured corporate revolving line of credit with MCAP Financial Corporation at an interest rate per annum equal to the higher of prime +1.90% or 4.35%.
- **\$30 Million Rights Offering:** Genesis successfully closed a rights offering on December 17, 2021, issuing 15 million common shares of the Corporation at \$2.00 per share for gross proceeds of \$30 million, representing 100% of the total rights offered.
- **Cash on hand of \$64.0 Million:** On December 31, 2021, Genesis had \$64.0 million in cash and cash equivalents, which exceeded outstanding loans and credit facilities balances of \$32.7 million by \$31.3 million.

Selected Financial Results and Operating Data:

(\$000s, except for per share items or unless otherwise noted)	Three months ended December 31,		Year ended December 31,	
	2021	2020	2021	2020
Key Financial Data				
Total revenues	26,531	19,817	109,761	103,933
Net earnings attributable to equity shareholders	4,252	125	10,877	199
Net earnings per share - basic and diluted	0.09	0.00	0.24	0.00
Cash flows (used in) from operating activities	(6,326)	22,858	2,388	47,983
Cash flows (used in) from operating activities per share - basic and diluted	(0.15)	0.52	0.05	1.08
Key Operating Data				
Land Development				
Total residential lots sold (units)	49	30	247	225
Residential lot revenues	8,423	4,772	41,095	39,189
Development land revenues	-	7,146	5,870	16,628
Home Building				
Homes sold (units)	51	28	191	163
Revenues ⁽¹⁾	26,024	12,198	92,416	75,025
Outstanding new home orders at period end (units)			141	83

⁽¹⁾ Includes other revenues and revenues of \$7,916,000 for 47 lots in Q4 2021 and \$29,620,000 for 187 lots in YE 2021 purchased by the Home Building division from the Land Development division (\$4,299,000 and 28 in Q4 2020; \$26,909,000 and 163 in YE 2020) and sold with the home. These amounts are eliminated on consolidation

(\$000s, except for per share items or unless otherwise noted)	As at Dec. 31, 2021	As at Dec. 31, 2020
Key Balance Sheet Data		
Cash and cash equivalents	63,975	29,743
Total assets	324,929	266,494
Loans and credit facilities	32,668	21,470
Shareholders' equity	228,624	187,676
Loans and credit facilities to total assets	10%	8%

Outlook

Supported by a solid financial position, a strong new-home market and a turnaround in the Alberta economy, Genesis is well-positioned to take advantage of growth opportunities.

The Calgary Metropolitan Area economy was stronger in 2021, driven in part by improved oil and gas prices. International immigration to Calgary continued to grow in 2021 with increased federal immigration targets and growing interprovincial migration. The Calgary Real Estate Board forecasts that Calgary is entering 2022 with some of the tightest market conditions seen in over a decade and housing market momentum will continue well into 2022. Despite these positive signs, economic uncertainty and volatility are likely to remain. Increases in interest rates, supply chain issues and inflationary pressures will affect operations and could impact the overall economic recovery. Genesis remains cautious in planning its strategy and operations.

Genesis Annual Meeting

Genesis will hold its annual general meeting on May 25, 2022 at 9 am (Mountain Daylight Time). The meeting will be held as a virtual only shareholders meeting.

About Genesis

Genesis is an integrated land developer and residential home builder operating in the Calgary Metropolitan Area ("CMA") holding a portfolio of well-located, entitled and unentitled primarily residential lands and serviced lots in the CMA.

Additional Information

The information contained in this press release should be read in conjunction with the consolidated financial statements for the years ended December 31, 2021 and 2020 and the related Management's Discussion and Analysis ("MD&A") dated March 2, 2022 which have been filed with Canadian securities regulatory authorities. Copies of these documents may be obtained via www.sedar.com or our website at www.genesisland.com.

Contact Information

Iain Stewart, CPA, CA, President and Chief Executive Officer
Wayne King, CPA, CA, Chief Financial Officer
6240, 333 - 96 Ave. NE, Calgary, AB T3K 0S3
P: 403-265-8079 Toll free: 1-800-341-7211
Email: genesis@genesisland.com
Website: www.genesisland.com

ADVISORIES

Cautionary Note Regarding Forward-Looking Statements

This news release contains certain statements which constitute forward-looking statements or information ("forward-looking statements") within the meaning of applicable securities legislation, including Canadian Securities Administrators' National Instrument 51-102 - Continuous Disclosure Obligations, concerning the business, operations and financial performance and condition of Genesis. Generally, these forward-looking statements can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "proposed", "scheduled", "future", "likely", "seeks", "estimates", "plans", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved".

Although Genesis believes that the anticipated future results, performance or achievements expressed or implied by forward-looking statements are based upon reasonable assumptions and expectations, the reader should not place undue reliance on forward-looking statements because they involve assumptions, known and unknown risks, uncertainties and other factors many of which are beyond the Corporation's control, which may cause the actual results, performance or achievements of Genesis to differ materially from anticipated future results, performance or achievement expressed or implied by such forward-looking statements. Accordingly, Genesis cannot give any assurance that its expectations will in fact occur and cautions that actual results may differ materially from those in the forward-looking statements.

Forward-looking statements are based on factors or assumptions made by us with respect to, among other things, opportunities that may or may not be pursued by us; changes in the real estate industry; fluctuations in the Canadian and Alberta economy; changes in the number of lots sold and homes delivered per year; and changes in laws or regulations or the interpretation or application of those laws and regulations. Because forward-looking statements relate to the future, they are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict and many of which are outside of our control.

Forward-looking statements in this news release include, but are not limited to, plans and strategies relating to adding additional inventory of serviced lots and future residential development land; planning for the development of the next phases of Genesis' communities; obtaining zoning and service approvals; anticipated general economic and business conditions (including in the context of COVID-19); and areas of continued operational focus.

Factors that could cause actual results to differ materially from those set forth in the forward-looking statements include, but are not limited to: the impact of contractual arrangements and incurred obligations on future operations and liquidity; local real estate conditions, including the development of properties in close proximity to Genesis' properties; the uncertainties of real estate development and acquisition activity; fluctuations in interest rates; ability to access and raise capital on favorable terms; not realizing on the anticipated benefits from transactions or not realizing on such anticipated benefits within the expected time frame; the cyclicality of the oil and gas industry; changes in the Canadian / U.S. dollar exchange rate; labor matters; governmental regulations; general economic and financial conditions; stock market volatility; the impacts of COVID-19 and other risks and factors described from time to time in the documents filed by Genesis with the securities regulators in Canada available at www.sedar.com, including in the Corporation's MD&A under the heading "Risks and Uncertainties" and the Corporation's annual information form under the heading "Risk Factors".

Furthermore, the forward-looking statements contained in this news release are made as of the date of this news release and, except as required by applicable law, Genesis does not undertake any obligation to publicly update or to revise any of the forward-looking statements, whether as a result of new information, future events or otherwise.