STRATEGY PRESENTATION

MARCH 2019

About TMG Holding

Talaat Moustafa Group Holding (TMG Holding) a leading conglomerate with special emphasis on developing integrated communities, including but not limited to mixed-use real estate and hospitality projects across Egypt's key cities. It has an outstanding track-record in creation of large, vibrant and diverse communities, providing high- quality housing accompanied by superb amenities and embodying the company's unmatched experience in planning, execution, management and maintenance of large-scale developments. Constant execution of the company's bold and ambitious vision has been redefining and reshaping Egypt's property landscape over the past two decades, dictating new trends and higher standards and substantially contributing to sustainable economic growth and improvement in quality of life for local communities.

TMG Holding is the developer of Al Rehab city in New Cairo, Al Rabwa in Sheikh Zayed city, Mayfair in Al Shorouk city and Madinaty, its flagship mega-development occupying a whopping 33.6mn sqm in East Cairo, in addition to "Celia" its recently launched project in the New Administrative Capital. TMG Holding also own three luxurious Four Seasons hotels in Sharm El Sheikh, Alexandria and Cairo, where it also owns the Kempinski Nile Hotel. Having 875 upscale hotel rooms in total and is currently expanding its portfolio by 443 additional rooms in two new upscale hotel properties in Sharm El Sheikh and Cairo.
It is also the owner of over 127 thousand sqm of prime retail space located across its integrated communities and is an emerging dominant player on Cairo's sporting club scene, with two operational integrated sporting clubs accommodating about 200 thousand members and an additional club under construction.

The company is publicly held since 2007 and is the largest listed developer by market capitalization, at EGP23.6bn as of today. It has a total land bank of 45mn sqm, the largest land bank held by a listed developer in Egypt. TMG Holding has the largest backlog among local developers, at EGP41.7bn and to be fully delivered within the coming four years.

Market capitalization
EGP23.6bn

Annual turnover
EGP10.9bn

Backlog
EGP41.7bn

Total assets
EGP96bn

FY2018 milestones

- Achieved record-high sales of EGP21.3bn, the highest in the history of the company and over 50% higher than any other competitor in the market
- Launch of the New Administrative Capital project Celia which saw stellar performance, with sales reaching EGP12bn in 2018
  - Sales in just 25 days since launch reached EGP7.2bn, reflecting the strong brand equity and capability of the Group
- Total habitants and commuting population reached 700k turning TMG Holding’s projects into self-sustained cities
- Succeeded at attracting major renowned names to partner with TMG Holding, including GEMS Education, JLL MENA, Carrefour, among others
- Began embarking on implementing smart city solutions through partnerships with Huawei and Telecom Egypt
- Implemented upgrades to all existing facilities which significantly improved costumer satisfaction and reflected in stellar sales performance in FY2018

TMG at a glance [TMGH.CA/TMGH EY] as at end-2018

MENA's leading developer[(5)]

#1 Egyptian RE developer by market cap

30+ years track record

86k+ / 5k+ units sold

(since inception / 2018 only)

c90k+ units delivered

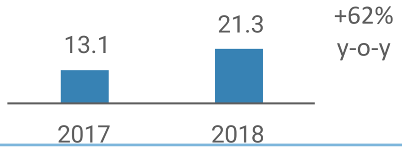
(since inception, including ministry units)

Highest cumulative deliveries by a single MENA developer

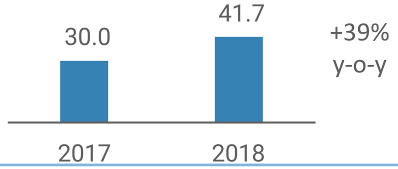
875 operational hotel rooms

443 rooms under development[(1)]

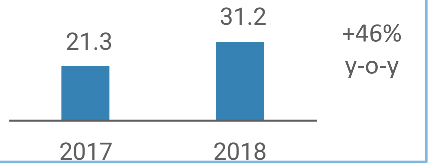
New sales [EGPbn]



Backlog [EGPbn][(6)]



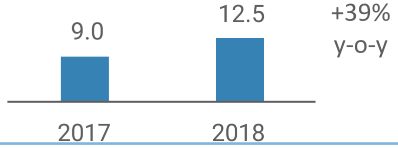
Remaining collections [EGPbn][(6)]



127.5k sqm GLA portfolio[(2)]

40k sqm GLA leased

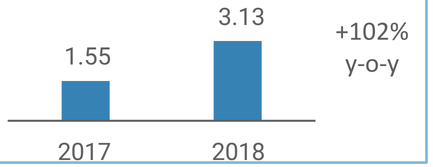
Expected net cash flow from backlog and delivered units [EGPbn][(6)]



c16mn sqm remaining BuA

c3.5mn BuA commercial BTS and BTL

Net cash position [EGPbn]



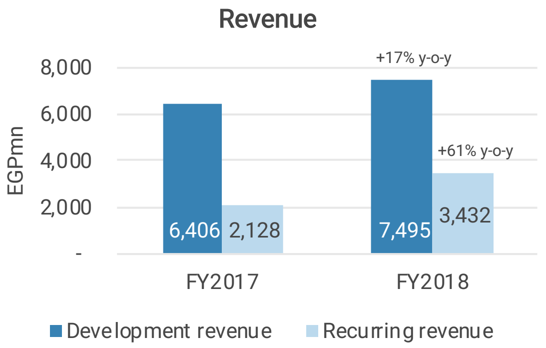
197k club membership capacity[(3)]

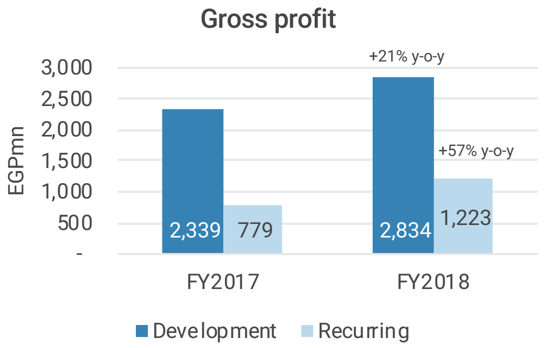
Sold c45k memberships, c152k memberships yet to be sold

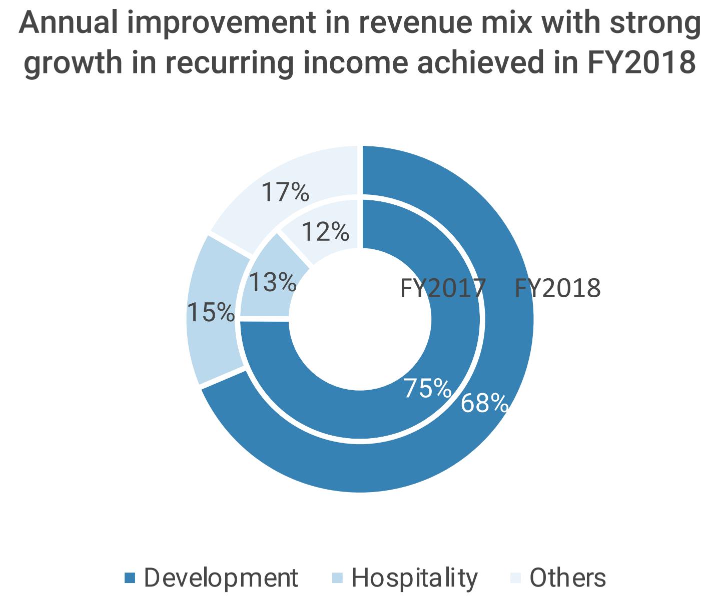
Egypt's leading developer of premium master planned communities with sufficient land bank for 17 Years and Sizeable Portfolio of Recurring Income Assets contributed 30% of GOP for 2018[(4)] and planned to increase to 40-45%

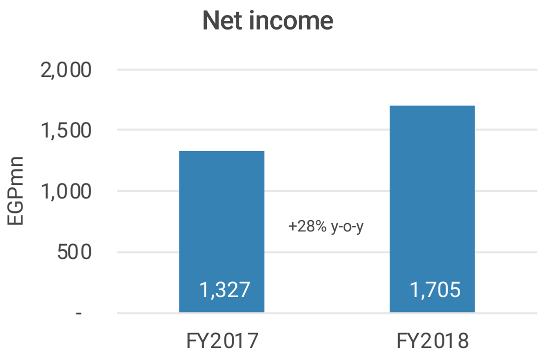
Note (1): Includes Four Seasons Sharm El Sheikh extension (under construction) and Four Seasons Madinaty (in design phase)
Note (2): Includes Open Air mall (plan to open in 2019, Carrefour operating since October 2018, achieving the highest Carrefour sales per sqm in Egypt)
Note (3): Substantial high-margin revenue stream with limited CapEx needs overlooked by the market, to deliver exponential growth mimicking accelerated population build-up. Capacity does not include Celia club which is under process of licensing.
Note (4): Contributed 25% in 2017.
Note (5): By number of units delivered.
Note (6): Preliminary figure

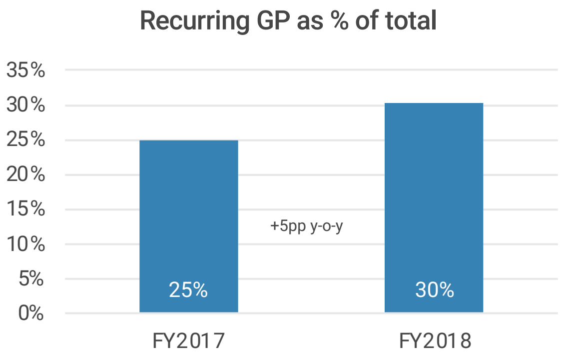
Key financial highlights of FY2018

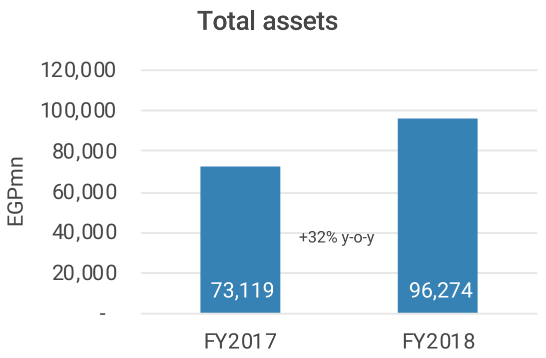


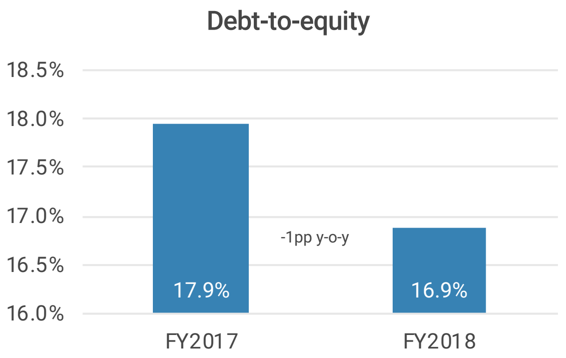












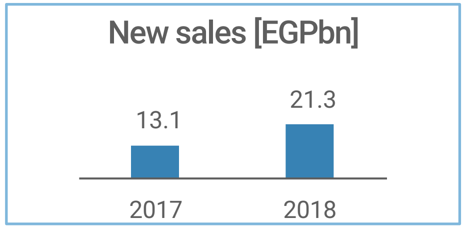
- Revenues of EGP10.93bn, up 28.0% y-o-y, of which 31% or EGP3.43bn generated from hospitality and other recurring income lines, growing 61.3% y-o-y
- Gross profit of EGP4.06bn, up 30.1% y-o-y; gross profit margin of 37.1%, up 0.6pp y-o-y
- Net profit before minority interest of EGP1.77bn, up 28.0% y-o-y
- Net profit after tax and minority interest of EGP1.70bn, up 28.5% y-o-y

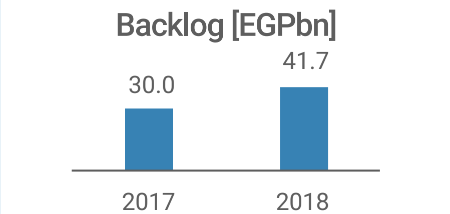
We continue to deliver on our key strategic priorities previously communicated to the market

1

Achieving robust growth in sales

FY2019 sales target: EGP24bn, up 13% y-o-y
New upscale launch planned in Madinaty in mid-2019





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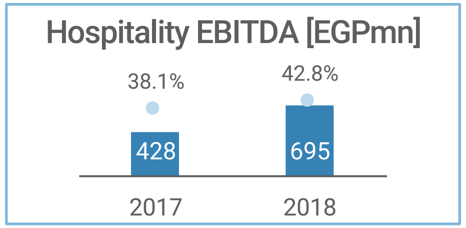
Continue building our recurring income portfolio – - target 40-45% of Gross Profit by 2020, up from 30% in 2018



- The Group invested EGP1bn to increase its stake in ICON to 83.3%
- Signed JLL to manage and operate Open Air Mall in Madinaty
- Signed Carrefour as anchor tenant in Rehab & Madinaty malls, opened in Open Air mall in October 2018

3

Executing the Group's strategy of monetizing non-core assets

TMG Holding
GEMS EDUCATION
EFG HERMES

EGP1bn proceeds from the transaction

4

Disciplined approach for land acquisitions while managing financial risk

CELIA NEW CAPITAL → Strategic land → EGP12.0bn sales in 2018

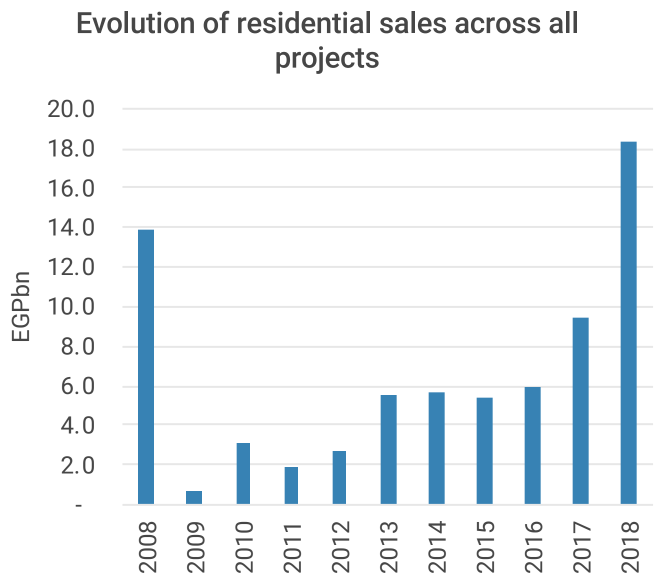
5

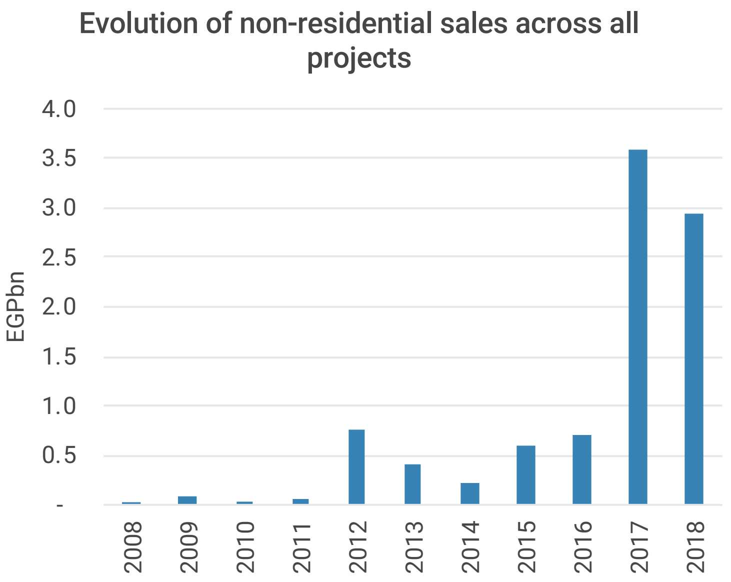
Preserving capital appreciation while providing a dividend stream

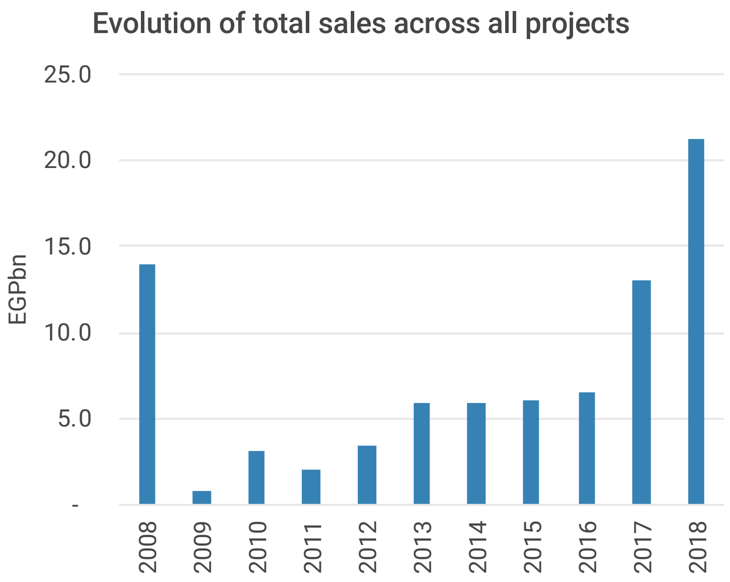
No equity increases since IPO, moderate leverage, stable dividend payout since 6 years

Mission: Provide exceptional services to all our clients and ensure great customer experience and capitalize on such client base for new projects

We are on track to achieve all-time high sales

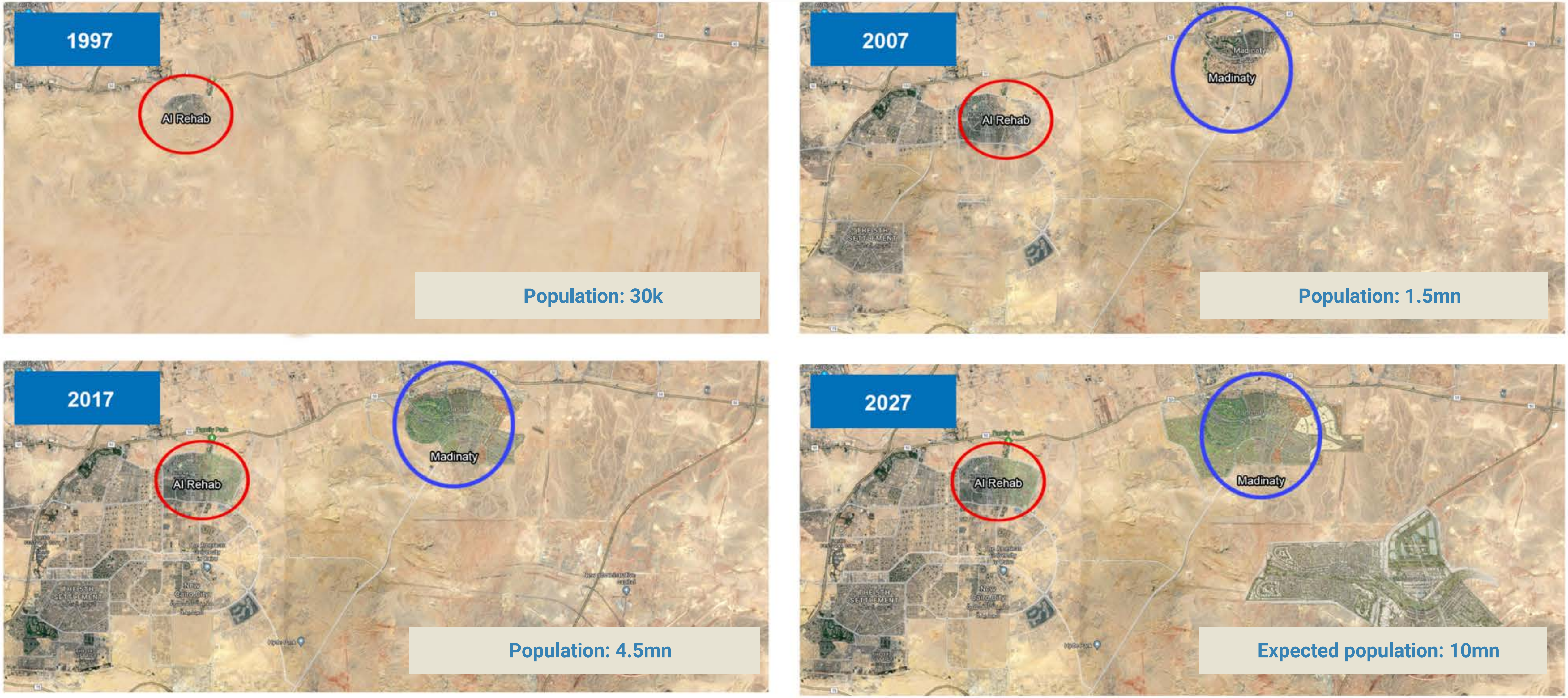






- Strong brand equity, and development progress drive strong growth residential and non-residential sales since 2017
- Achieved EGP3.6bn in non-residential sales in FY2017 and EGP2.9bn in FY2018 as sales efforts were concentrated on the residential launch of Celia since mid-year

Strategic vision allowed for early foothold in rapidly urbanizing East Cairo

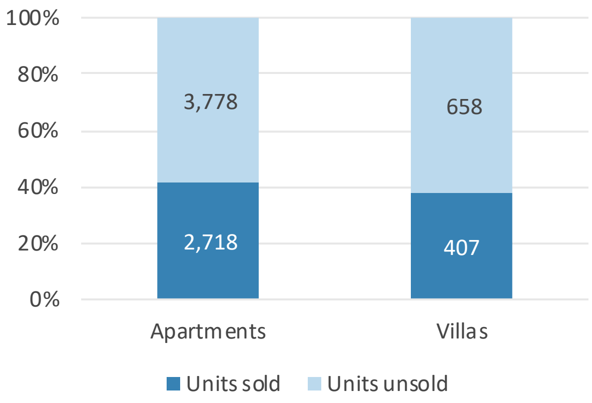


Case in point: successful launch and sales of Celia – a testament to the strength of TMG brand

Unmatched brand equity of TMG in the Egyptian market

- Celia is a new mixed-use development located on 500 feddans in the New Administrative Capital (NAC) – largest land plot launched in NAC to date
- Total residential BuA of c1.03mn sqm, in addition to 148k sqm of non-residential space
- Launched in June 2018, to be completed within the next 5 – 7 years
  - Very good market reception as a testimony to brand equity
  - Significant pent-up demand in location despite earlier launches by smaller companies before the launch of Celia
  - Good outlook on demand dynamics following launch
  - More than 16% of clients are returning clients
- Well-diversified offering portfolio:
  - Four types of multitenant buildings, 8 floors each
  - Five types of stand-alone units ranging from 213 to 373 sqm per unit
  - Master plan accommodates for a sporting club and basic services
- Land purchased in 2017 for EGP2,100/sqm, payable over 9 years (10% down payment, 2 years grace period + 7 years installments, interest of 10% only)

Sales status as at end-2018



500 feddans
Celia land area

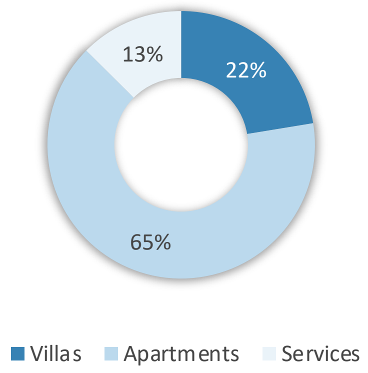
1.03mn sqm
Total residential area

cEGP12.0bn
Total net sales since launch until end-2018

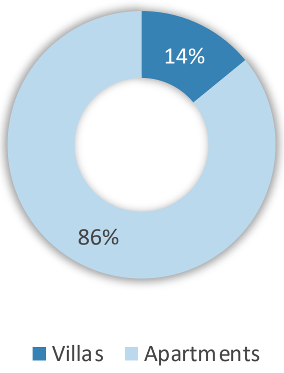
3,125 units (c41%)
Units sold until end-2018

7,561 units
Total residential units for sale

BuA breakdown by type

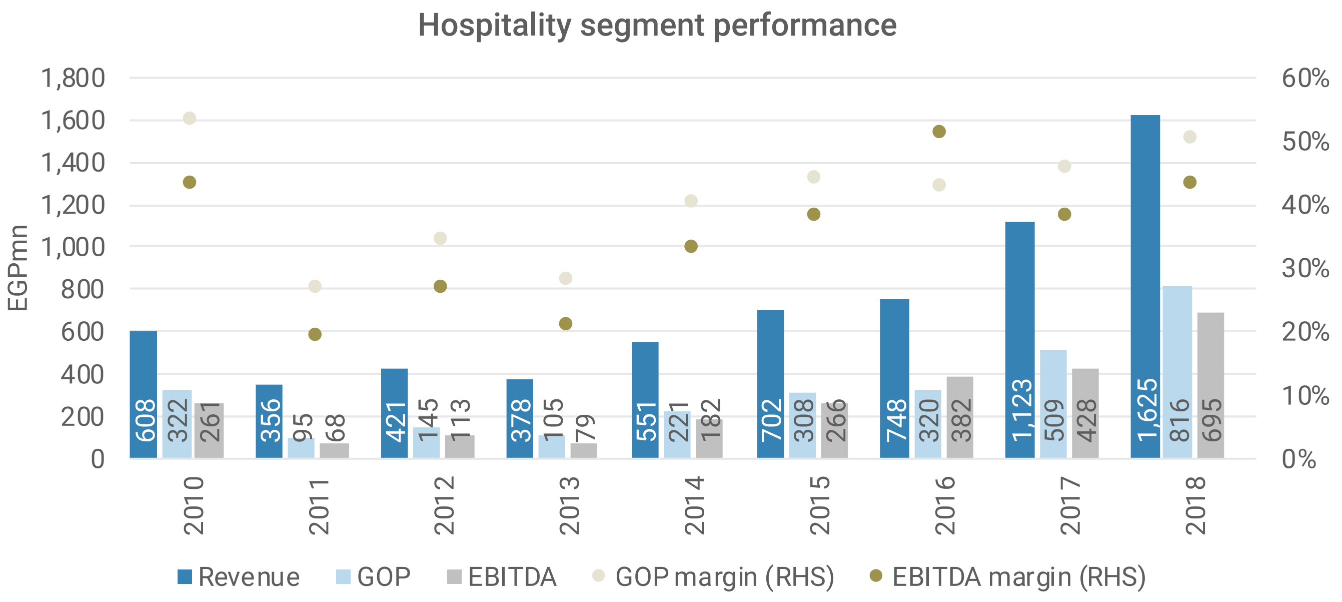


Units breakdown by type



CELIA NEW CAPITAL

Continue investing in hotel portfolio – significant improvement across all KPIs



- **Freed liquidity from monetizing non-core assets and invested EGP1.0bn in ICON in a value accretive transaction, increasing stake in TMG's yielding hospitality segment to 83.3%**
- **Appointed Hotel Chief Operating Officer in 2019 to oversee existing portfolio and its expansion**
- 443 new keys under development:
  - 346 keys in FS Madinaty + 121 residential units, construction breaking ground in 2018, to be completed in 2021
  - 97 keys in FS Sharm El Sheikh ext. + 69 residential units; under construction, to be completed in 2020
- Ongoing phased renovation of FS Nile Plaza

Four Seasons Sharm El Sheikh
[200 keys, opened 2001]

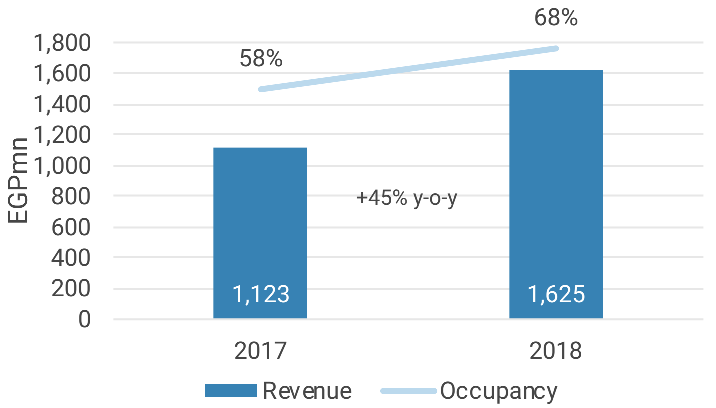
Four Seasons Nile Plaza, Cairo
[366 keys, opened 2004]

Four Seasons San Stafano, Alexandria
[118 keys, opened 2007]

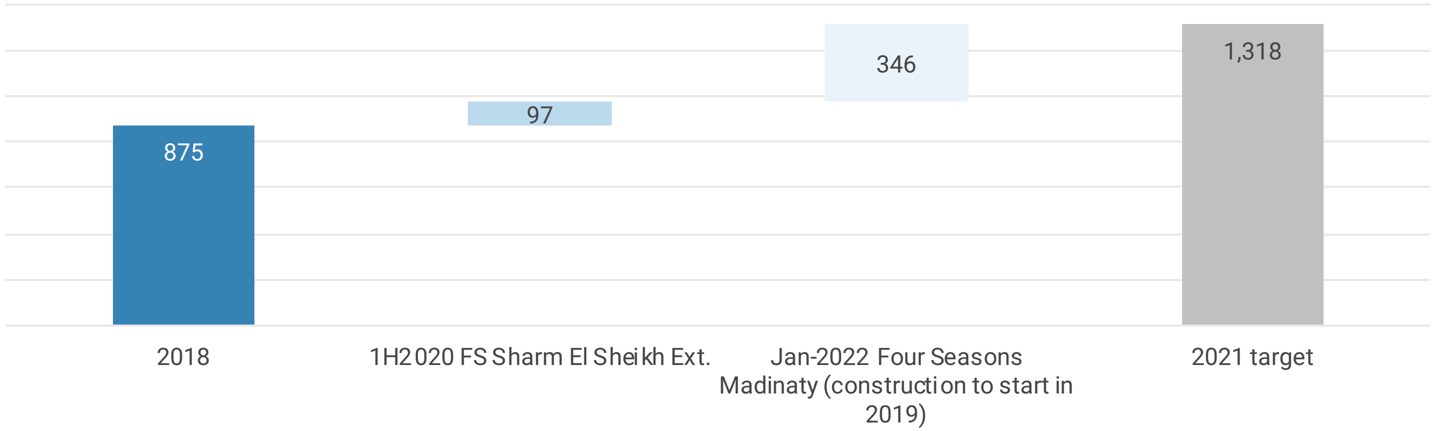
Kempinski Nile Hotel, Cairo
[191 keys, opened 2010]

Continue building our recurring income portfolio – target 40-45% of consolidated gross profit

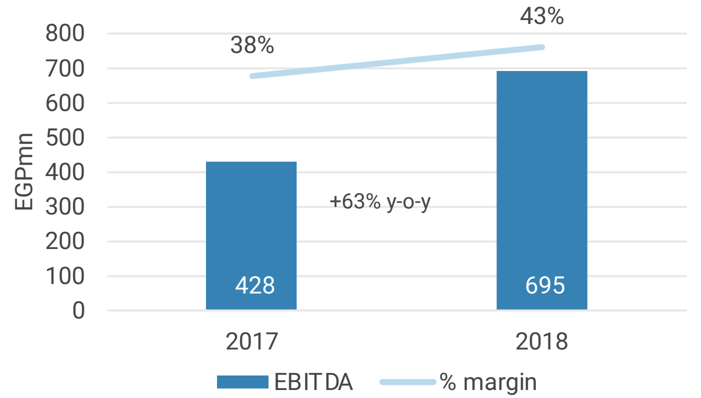
Revenue and occupancy rate



Hotel rooms evolution



EBITDA and EBITDA margin



Short-term initiatives - ongoing

Four Seasons Sharm El Shaikh

- 97 hotel keys
- 69 residential Units
- Licenses/permits Issued

Four Seasons Nile Plaza

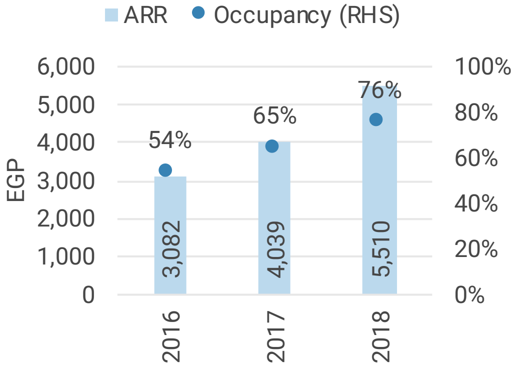
- Renovation plan ongoing
- Execution to start in 2018
- Self-funded from existing cash resources

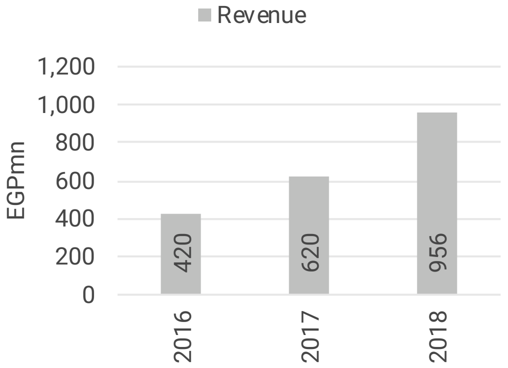
Four Seasons Madinaty

- 346 Hotel Keys
- 121 residential units
- Design ongoing

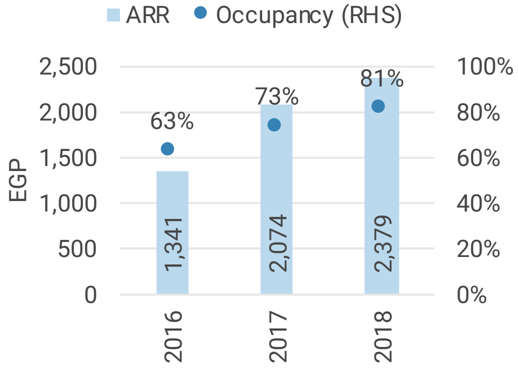
Significant improvement across hotel KPIs

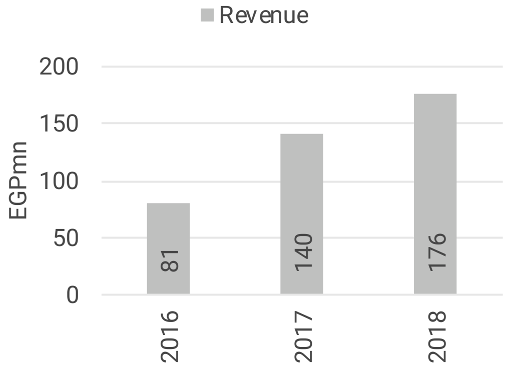
Four Seasons Nile Plaza KPIs



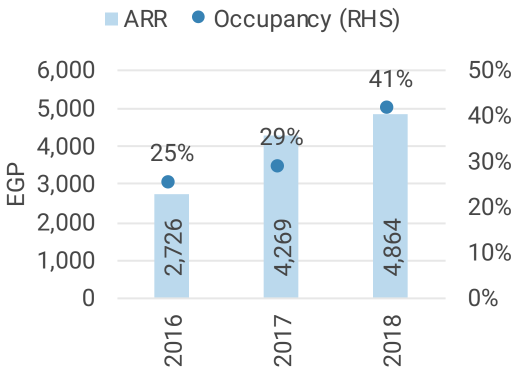


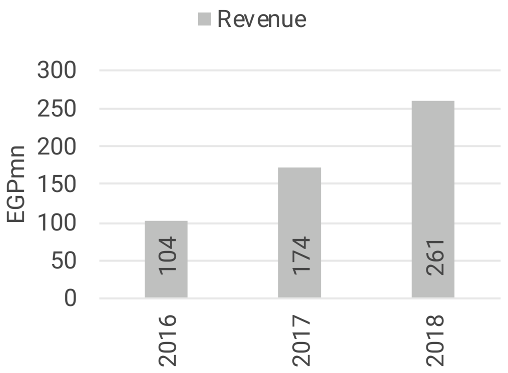
Kempinski Nile Hotel KPIs



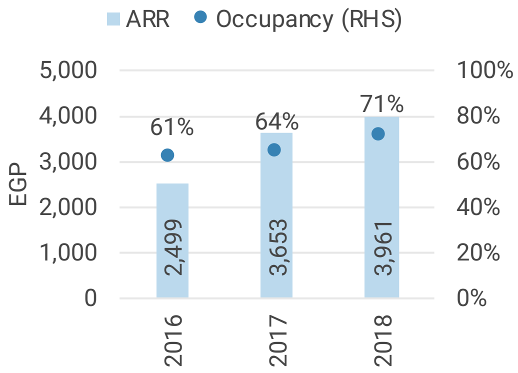


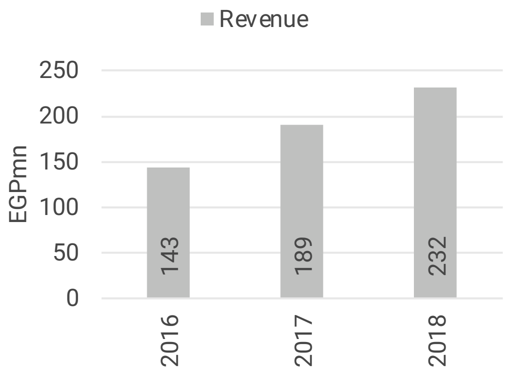
Four Seasons Sharm El Sheikh KPIs





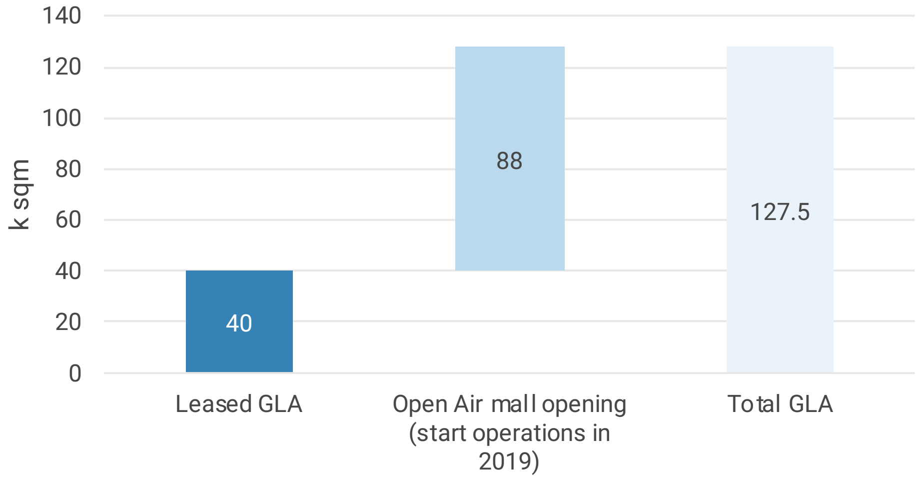
Four Seasons San Stefano KPIs





Continue building our recurring income portfolio – target 40-45% of consolidated gross profit

Retail GLA



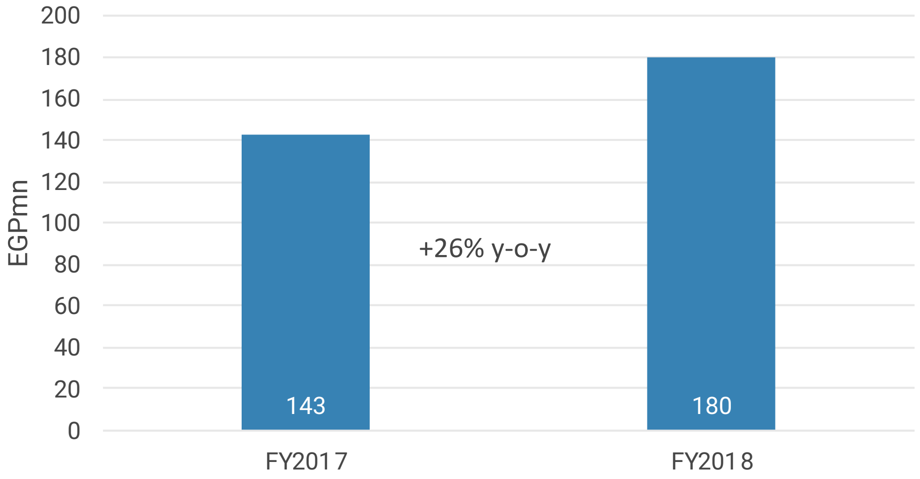
Remaining CAPEX EGP1.1bn

Target 2020e revenue EGP723mn

Target EBITDA margin 92.5%

Target 2020e EBITDA EGP669mn

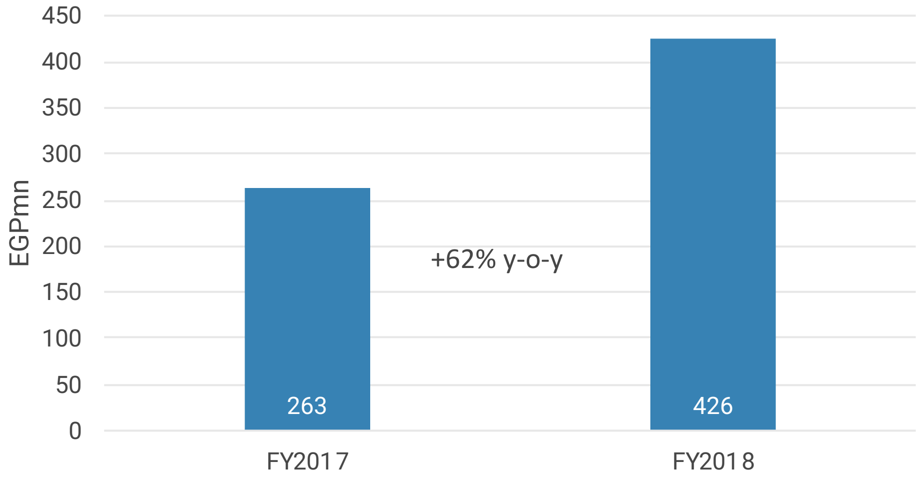
Retail revenue grows in significance



- Retail revenues benefit from continuous population build-up in TMG Holding projects
- Some 8k sqm of GLA in Open Air mall already signed or under negotiation as of mid-February,
- Carrefour hypermarket, opened in October 2019, achieves the highest sales per sqm in Egypt.

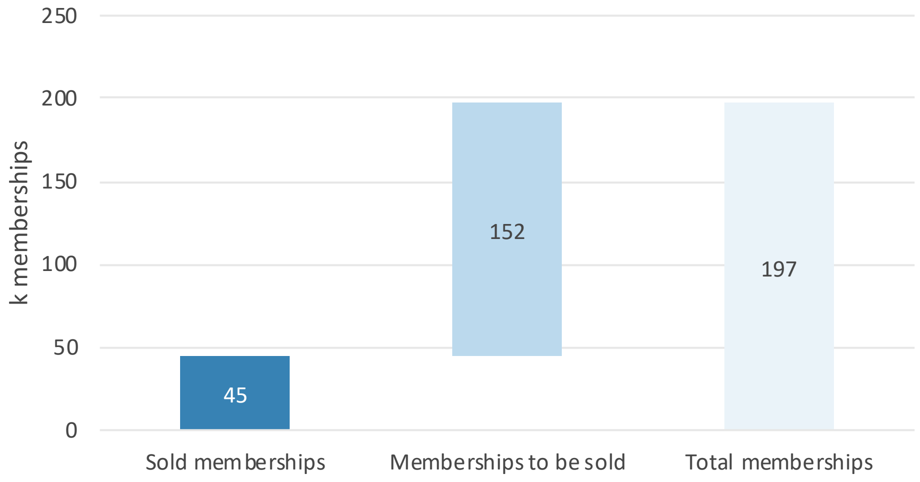
Continue building our recurring income portfolio – target 40-45% of consolidated gross profit

Club revenue grows in significance



- Emerging player on Cairo sporting club scene – revenue up +62 y-o-y to EGP426.1mn in FY2018, unrecognized revenue backlog of cEGP0.7bn as at end-FY2018
- One time life membership sold for cEGP130-150k, below market rates as memberships are not yet availed to non-residents
- Maintenance and operation covered by annual renewal fees
- Additional sales reached EGP107mn in FY2018 (FY2017: nil)

Club memberships – sold and remaining



Remaining CAPEX EGP872mn for extension, main club is already completed and operational

Avg. membership EGP130-200k

Target aggregate cash inflows from memberships sold EGP22-25bn in the next 10 years

EBITDA margin 85%

Target 2020e EBITDA EGP500mn

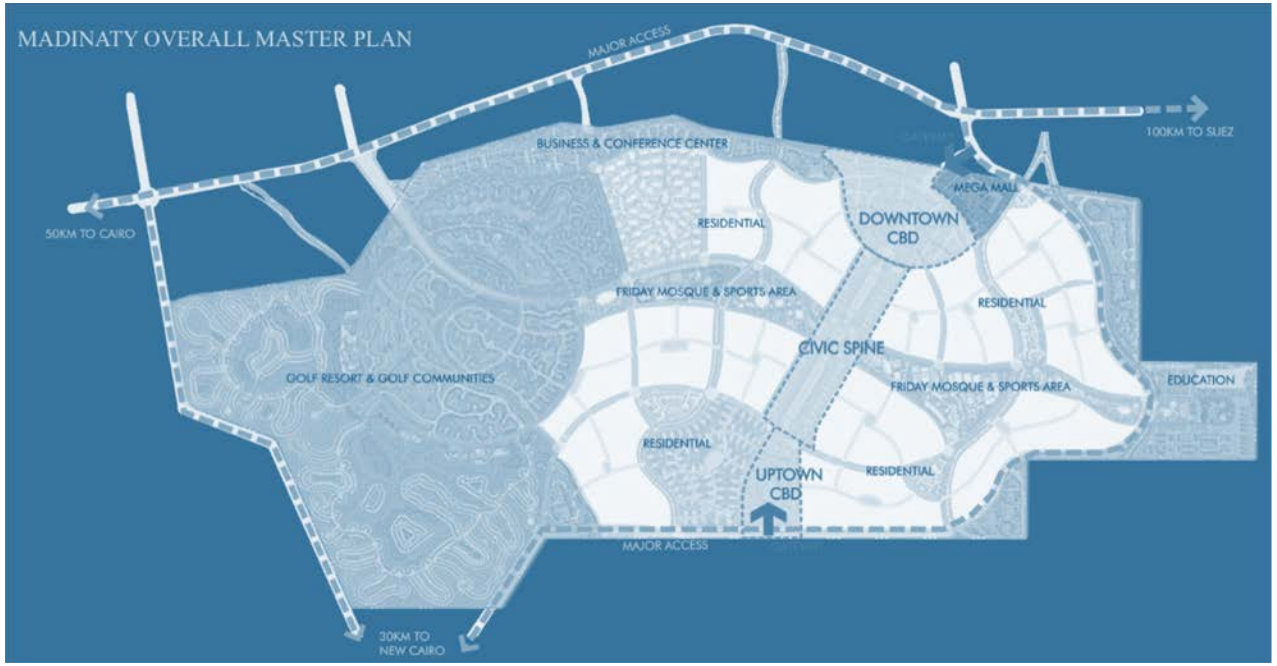
Maintain robust growth in sales in existing projects

The Spine(1)

Fully integrated residential complex including retail, leisure, hospitality, and offices designed to international standards

2.7mn sqm land area
4.5mn sqm total BuA(2)
13 years of development

2.3mn sqm of residential BuA




Downtown


Civic Spine


Uptown

Strategic location	Unique accessibility
Quality infrastructure	Superior quality standards

Note (1): Areas subject to change as per the final master plan and utilization

Note (2): Including c1.2mn sqm of garage BuA

Continue building our recurring income portfolio – target 40-45% of consolidated gross profit

The Spine[1]




400k sqm of retail portfolio
35:65% / BTS:BTL

635k sqm of office GLA
25:75% / BTS:BTL

600+ hotel keys
to be managed by operators

Note (1): Areas subject to change as per the final master plan and utilization

Maintain robust growth in sales in existing projects

Historical sales	■ EGP12.5bn of net cash flow from backlog and delivered units	■ EGP41.7bn of backlog ■ Avg. gross profit margin 30%-35%
Unlaunched residential BuA	■ 12.5mn sqm ■ Target gross profit margin 30% - 35%	■ Land bank sufficient for the next 17 years ■ Sell all remaining units in Alrehab and Alrabwa in the short term ■ **Target 3,500 residential units to be launched each year**
Non-residential BuA/land	■ 6.3mn sqm of land (of which 237k sqm in Alrehab) translating into BUA of 3.5mn sqm ■ This area will be split between BTS and BTL assets ■ Average gross profit margin for BTS 75%	■ BTS strategy preferred over land sales to unlock additional value ■ Plan to sell over the next 10 years, assets that are non core to our recurring income hold / BTL strategy

Significant cash flows expected from the sale of residential and BTS commercial units to fund:

Dividends	Building recurring income portfolio	Acquisitions of land

Note: all estimates stated at today's market prices, figures as at end-1Q2018

Monetize value of certain assets at the right timing

Potential monetization plan

In that regard we have successfully monetized EGP1bn from the schools that we have built in our projects to GEMS / EFG as operators, which had very minimal contribution to our profits and used the proceeds to invest in the hospitality business in what we believe is a value accretive transaction

- We believe that today the market does not ascribe value to most of our recurring income portfolio (namely hotels, retail, clubs, and non-residential land bank) which offers a significant long-term upside for equity investors
- We will keep monitoring the performance of such businesses and invest to grow them over the coming period provided such new investments meet our target returns criteria
- Once these assets reach a stage of maturity to run on their own and continue the current growth trend independently we will start exploring our monetization options
- Such monetization options will include either IPOs or M&As that would create value to the Group
- For smaller non-core assets, we will aim to fully divest to an Operator that would create further value to our communities
- Proceeds from such monetization plan will finance dividends and business growth

Disciplined and selective land acquisition approach

Strategic acquisition criteria

- Large plots that allow for the development of urban communities targeting the middle to upper middle classes
- Focus on Greater Cairo primarily, and the North Coast can also be selectively considered

Financial acquisition criteria

- Preference towards cash acquisitions to manage financial risk
- Opportunistically consider JVs or revenue / profit sharing while maintaining control
- Target minimum gross profit margin of 30%-35%

Current land bank sufficient for 17 years

In line with development timeframe allowed by land contracts

Preserving capital appreciation while providing a dividend stream

Net cash from contracted sales

- **cEGP12.5bn** net cash flow pre-tax from **backlog sales**

Net cash from future residential launches

- **12.5 mn sqm (BuA)** of BTS residential assets to be launched and sold in the next 10 – 15 years
- Average GP margin of **30-35%**

Avg. sales price of at least EGP17k/sqm at current market prices

Cash profits from BTS commercial sales

- **2.1 mn sqm (BuA)** (1.5 mn sqm of net sellable area) of BTS commercial assets to be launched and sold in the next 10 years
- Average GP margin of **75%**

Avg. sales price of at least EGP100k/sqm at current market prices

Cash inflows from club memberships sold

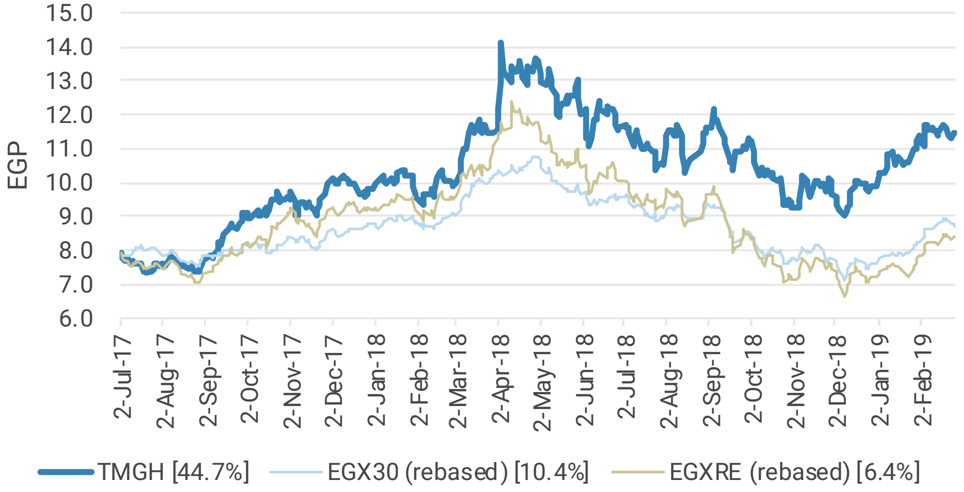
- **EGP22-25bn** of aggregated cash inflows in the next 10 years
- Based on target to sell **152k additional memberships** in Al Rehab Club and Madinaty Club (only EGP1.3 – 1.4bn CAPEX remaining)

Value realization from recurring income portfolio

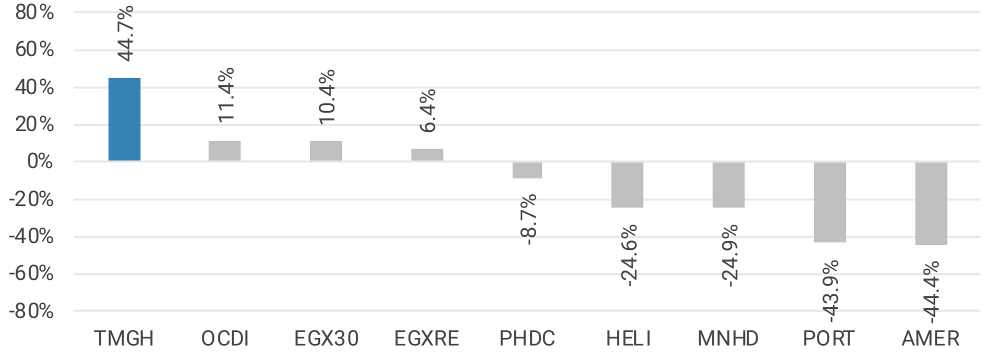
- 2020e EBITDA **EGP669mn** for retail (existing & under-construction)
- 2020e EBITDA of at least **EGP720mn** for operational hotels
- 2020e total recurring income of at least **EGP1.6bn** with significant upside risks
- Market does not assign value to these assets in management's views. We will plan to realize value from these once they reach a state of maturity

Share price performance beating the indices since 2H2017

TMG Holding share price performance compared to key EGX indices



Share price returns since July 2017 of select real estate companies listed on the EGX



Note: pricing data as of 26 February 2019

Key facts

- Listed on EGX since 2007
- c2,063mn shares outstanding
- No foreign ownership limits
- Shariah observant
- Reuters/BBG: TMGH.CA/TMGH EY
- Member of EGX30 index and MSCI Small Cap Egypt index
- The only active primary real estate developer listed on EGX capable of sustainable dividend distribution

Proposed FY2018 dividend
+4% y-o-y, 21% payout

EGP0.176/share

TMG Holding

Thank you