TMG

STRATEGY PRESENTATION

SEPTEMBER 2020 (1H2020)

TMG Holding S.A.E.
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Publicly held since 2007
EGX: TMGH.CA / TMGH EY

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. The company owns 905 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. Another two upscale hotels are to be developed in Marsa Alam and Luxor.

TMG Holding is also an 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 c0.2 million members and additional two clubs under construction.

The company is publicly held since 2007 and is the largest listed developer by market capitalization. TMG Holding is Shariah-compliant. It has a total land of 53mn sqm, the largest accessed by a listed developer in Egypt. It has the largest backlog among local developers, at EGP48.6bn and to be fully delivered within the coming four years.

Market capitalization (as in September 2020)
EGP13.2bn

Turnover (FY2019, 1H2020)
EGP11.7bn, EGP4.6bn

Backlog (1H2020)
EGP48.6bn

Total assets (1H2020)
EGP111bn

Note: Market capitalization as of September 2020, financial and operational KPIs as of end-2019 and end-1H2020

- In August 2020, TMG Holding has successfully entered a strategic alliance with National Bank of Egypt and Banque Misr, the two largest and oldest operating Egyptian banks, which will develop some 341 thousand square meters of land located in Rehab and Madinaty cities.
- Cash proceeds of **EGP4.0bn** will be collected between September 2020 and March 2021. Proceeds will be used for early payment of some outstanding liabilities due by September 2022, in a bid to further strengthen the company's cash position and balance sheet in times of increased market volatility stemming from the prevailing COVID-19 pandemic.
- The company, acting as a developer, will develop the lands into quality mixed-use projects (residential neighborhoods, retail outlets, and offices) starting 2023.
- Capex required for the development of these lands, excluding the EGP4.0bn deal proceeds, will be financed through the off-plan sales business model starting 2023, meaning that there will be no pressure of any kind on the company until the end of 2022.
- The new projects will contribute a new type of high-quality product in the two cities and further improve the quality of services available to their estimated 600,000 residents, promoting new demand.

Transaction value
EGP4.0bn

Land sold
341k sqm

Implied land value / sqm
EGP11.7k/sqm

CASH TRANSACTION

All cash proceeds to be collected by March 2021

Note (*): Based on internal estimates and opinions of third-party consultants.

Completed a large-size land sale transaction in 3Q2020, in line with earlier guidance [2/2]

- **The transaction is a solid testimony to TMG Holding management's ability to swiftly and proactively tap into unconventional and sizable sources of funding to the benefit of the Group and its shareholders while maintaining its very prudent approach to capital structure and further mitigating any unforeseen liquidity risks while maximizing the value of its assets.**
- The transaction provides for important support to financial statements and KPIs and supports the company's liquidity, counteracting the negative impact excerpted on the company's recurring income lines (primarily hotels) during 2020 due to COVID-19 pandemic. The transaction will result in recognition of additional profits in the coming period which will enable the company to absorb negative impact of the above-mentioned pandemic.
- Additionally, such transactions, unlock the hidden value of the company's assets and set a reference pricing, with the current stock of 4.5mn sqm of fully paid lands estimated at EGP40-50bn in market value, based on this actual transaction, which is not reflected in the company's financials and market capitalization.

Market capitalization does not accurately capture the value of fully owned land bank and other assets

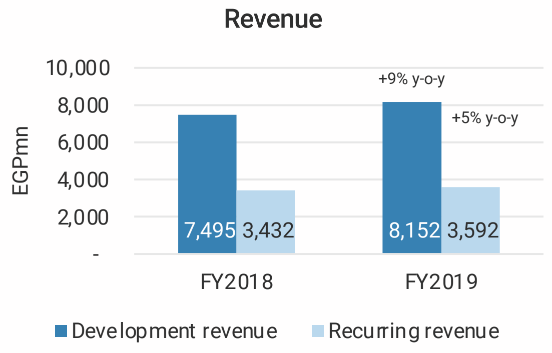
- We estimate the market value of our fully owned land bank in Madinaty and Rehab (i.e., fully paid, carrying no further financial obligations, for which all land dues or in-kind BuA to NUCA has been already delivered) at a massive **EGP40-50bn, based on the valuation of the recent transaction.**
- Our current market capitalisation of EGP13.2bn only captures a minimal fraction of this value given that: i) the company is net cash positive (at some EGP3bn net cash), ii) current backlog of EGP48.6bn is fully funded and will generate at least EGP15bn in additional net cash proceeds over 4-5 years, iii) neither the value of hospitality, leasable retail, sporting clubs segments (limited capex required) or infrastructure is fairly reflected in the market capitalisation, in our view, even after arbitrarily pricing in any unforeseen risks stemming from the COVID-19 outbreak.
- Majority of this land bank is non-residential and ease of its monetisation will be increasing drastically in the medium term on the back of continuing population build-up in TMG's projects, as new residential units and non-residential projects get delivered, with current population estimated at a whooping 700 thousand individuals across all developments, with the majority concentrated in Madinaty and Rehab.
- We set up a dedicated senior management team to oversee the monetisation of the fully owned investment lands, to extract their hidden value while securing stretegic goals of the Group.

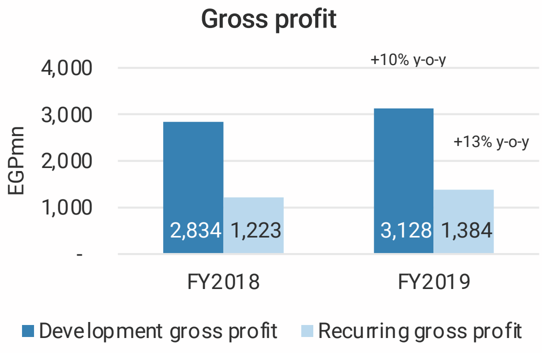
Market value of fully-paid land bank*

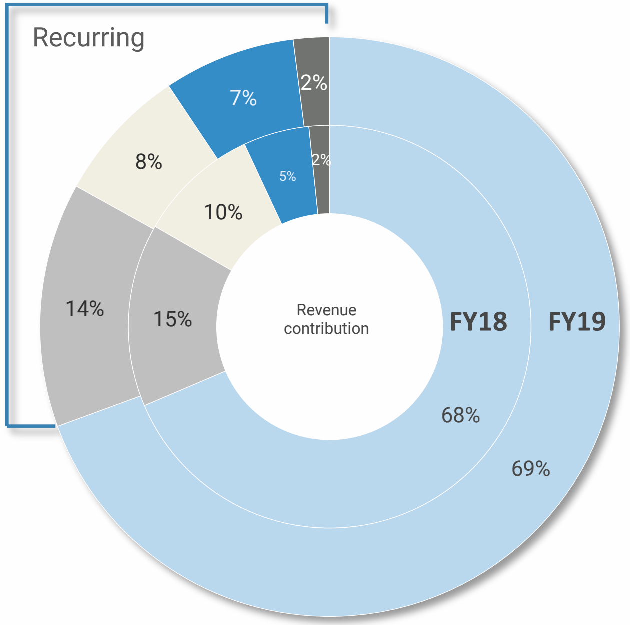
EGP40-50bn

Set up a dedicated senior management team to oversee monetization of fully-owned investment lands

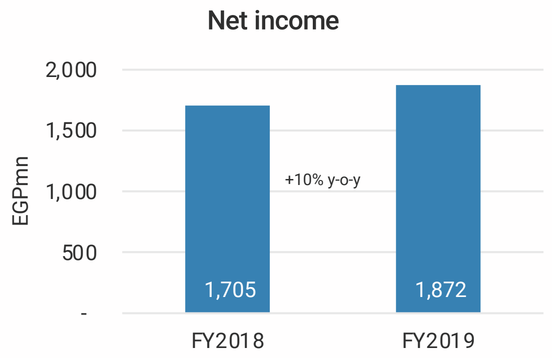
Key financial highlights of FY2019

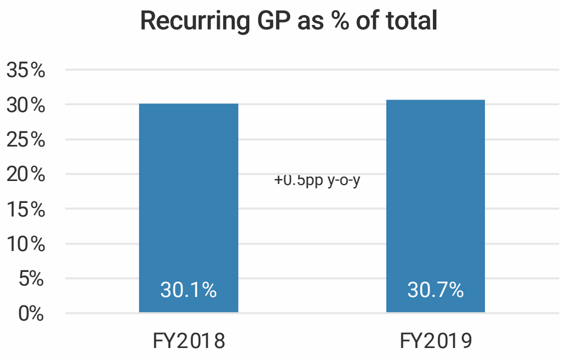


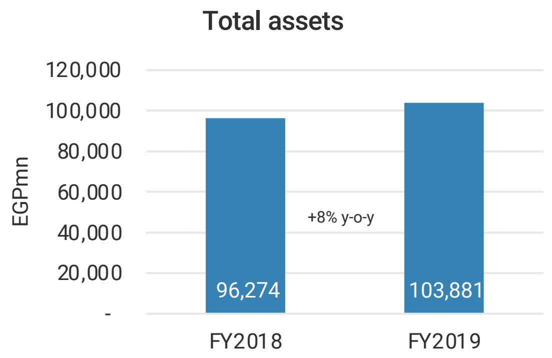


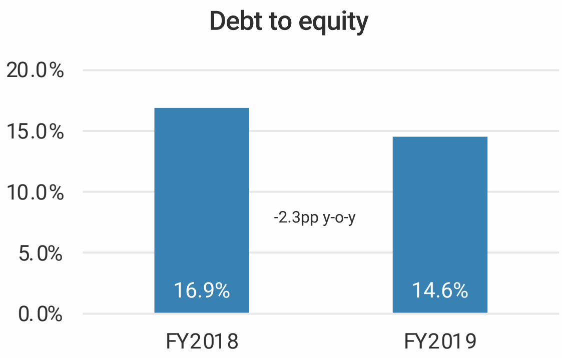


Further improvement in revenue mix with strong growth in recurring income achieved in FY2019









- Revenues of EGP11.74bn, up 7.5% y-o-y, of which a significant 31% or EGP3.59bn was generated from hospitality and other recurring income lines, growing 4.7% y-o-y
- Net profit before minority interest of EGP1.95bn, up 10.0% y-o-y
- Net profit after tax and minority interest of EGP1.87bn, up 9.8% y-o-y

Strengthening market lead in 2019

Total sales*

EGP20.4bn

Non-residential sales

EGP5.4bn

Club sales

EGP0.9bn

Four Seasons Madinaty sales (apartments and villas)

EGP0.5bn

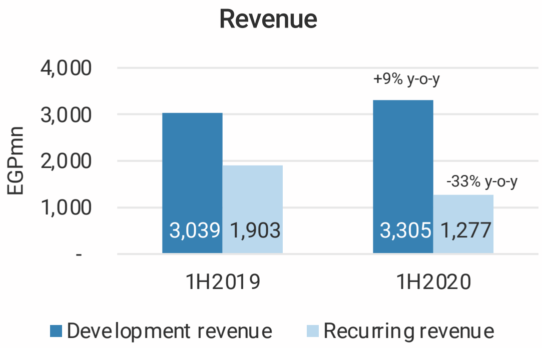
- FY2019 new sales reached a robust EGP20.4bn, confirming the company's unchallenged leadership in terms of market share and its ability to take advantage of the existing demand.
- Despite the brief market slow-down in 2H2019, as evidenced by extensions to payment plans or price discounts implemented by other developers to simulate new sales during the year, the result came in only EGP0.9bn or 4% short of FY2018 sales, which resulted from a non-core EGP1bn school transaction.
- TMG Holding has not resorted to payment plan extensions or lowering down payments during the year, preserving its target gross margins and seeing meaningful down payment amounts as a crucial **"first credit check"**.
- The company succeeded in lowering its bank debt related to development operations by about EGP200mn in the year, thanks to strong cash flows from new sales.
- Total non-residential sales contributed a significant 27% or EGP5.4bn to the total sales result during FY2019, up 86% y-o-y and compared to 14% or EGP2.9bn recorded in FY2018.
- The year also witnessed a successful launch of a new upscale apartment neighborhood in Madinaty, in close proximity to the Spine project - Privado, where the company booked total net sales of EGP5.7bn since the project's launch in June 2019.
- In 4Q19 only, TMG Holding booked some EGP473mn of sales of luxury serviced residential apartments and villas, to be developed as part of a large upscale residential community adjacent to the 5-start star hotel in the East of Madinaty and to be serviced by Four Seasons. This amount represents only 14 units sold, implying an average price of EGP34mn per unit. Strong demand for this ultra-luxury product bodes well for future sales in the Spine.
- Sporting clubs sales reached some EGP931mn, up by a significant 92% y-o-y, of which EGP355mn was contributed by additional sales to existing unit owners.

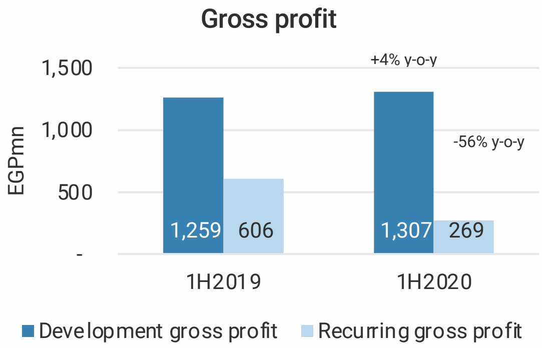
Note (*): Adjusted for value of cancellations

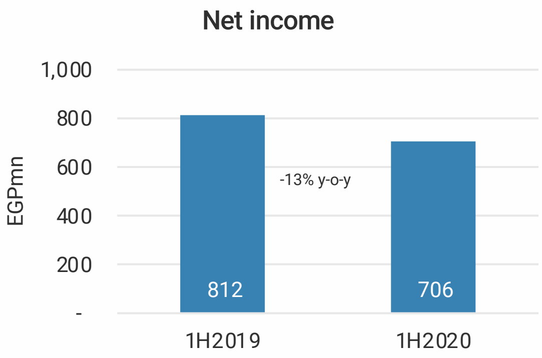
Largest sukuk issuance completed during 1H2020

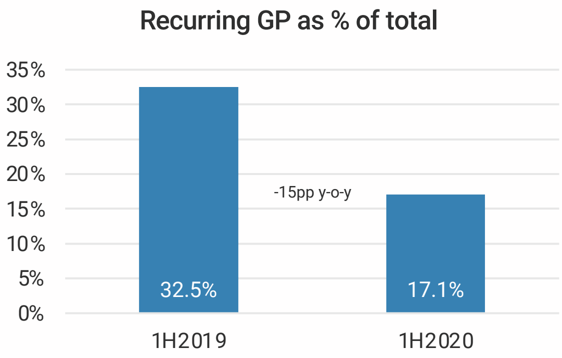
- During 2Q2020, Arab Company for Projects and Urban Development (Arab Company), the owner of Madinaty and Rehab projects, has successfully issued **Islamic sukuk worth EGP2.0bn** in a first-of-its kind transaction in Egypt.
- The issuing company and the sukuk received an **"A+" rating** from the Middle East Rating & Investor Service (MERIS), a regional arm of Moody's Investor Service. The rating incorporates the strong fundamentals of the company and its position as a leading real estate developer in Egypt.
- **The sukuk was the largest EGP-denominated debt issuance** in the history of Egypt's capital market, successfully executed in challenging times and market conditions, impacted by the COVID-19 pandemic and preventive measures imposed by governments globally, and providing further strong testimony to TMG Holding's unmatched investment appeal and creditworthiness.
- The sukuk has an Ijara structure, compliant with Islamic Shariah, and a tenor of 5 years. The proceeds will be used to accelerate the completion of Open Air Mall, a flagship retail property of a unique design, hosting prominent international brands and located in a prime spot in Madinaty, and raise the mall's estimated market value to over EGP8.5bn at its full inauguration. The mall is the newest addition to the already sizable portfolio of recurring income assets within TMG Holding's projects. This falls in line with the group's announced strategy to expand its recurring income lines and capitalize on the massive populations and growth already present in these projects and expand residents' access to high-quality services, retail, entertainment and infrastructure of international standards.

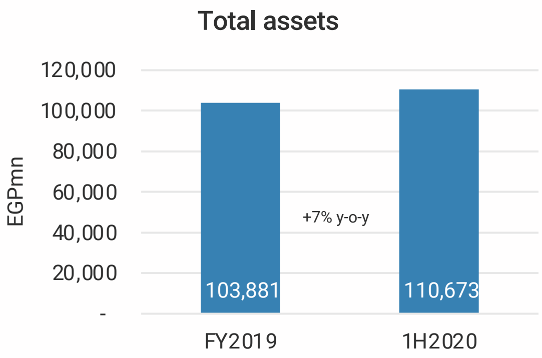
Key financial highlights of 1H2020

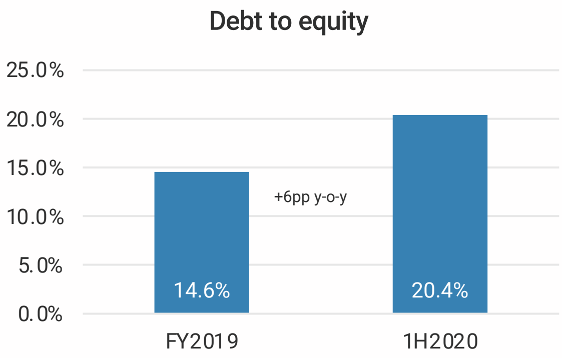


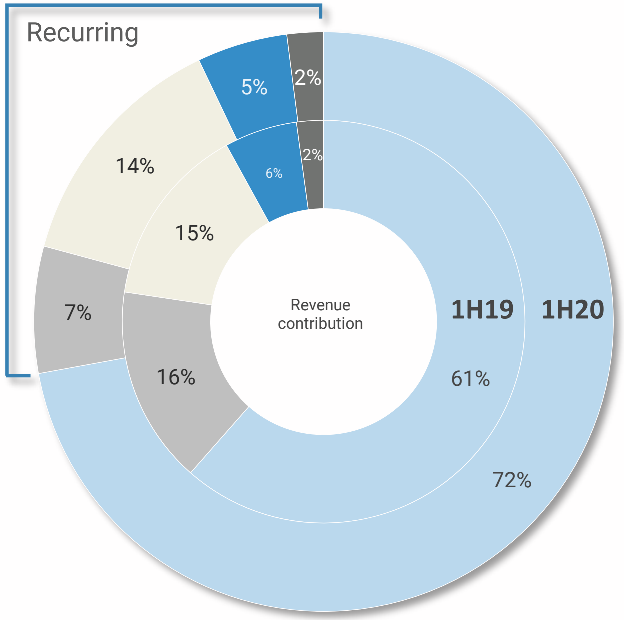












Recurring revenue contribution in 1H20 temporarily impacted by preventive measures imposed by authorities to prevent the spread of COVID-19

Development
Hotels
Services
Clubs
Retail

- Revenues of EGP4.58bn, down 7.3% y-o-y, of which 28% or EGP1.28bn was generated from hospitality and other recurring income lines, affected by coronavirus lockdown
- Net profit before minority interest of EGP685mn, down 19.6% y-o-y
- Net profit after tax and minority interest of EGP706mn, down 13.1% y-o-y
- Management has implemented strategies, such as monetization of assets, to mitigate negative impact of COVID-19 on the company's financials in 2020 and beyond.
- The land sale transaction will add some EGP1.6bn to profits in the coming period and minimize the negative impact of COVID-19 and the resulting pressures on the hospitality business.

Robust business model and the COVID-19 pandemic in 1H2020

TMG

Total sales*

EGP4.5bn

Non-residential sales

EGP0.8bn

Additional club sales

EGP39mn

Four Seasons Madinaty sales (apartments and villas)

EGP145mn

- FY2019 new sales reached a robust EGP20.4bn, confirming the company's unchallenged leadership in terms of market share and its ability to take advantage of the existing demand. 1H2020 sales reached 4.5bn, reflecting negative pressures on the entire market considering the COVID-19 pandemic and preventive measures taken by the government. Non-residential sales reached a strong EGP0.8bn (inclusive of club membership sales). Also, despite the challenging market conditions, we achieved EGP145mn of sales in FS Madinaty during 1H2020.
- Operational and financial results of the company's hotel segment during 1H2020 have been impacted by the outbreak of COVID-19 pandemic. During January and February, the company posted c15% y-o-y growth in hotel revenue in USD-terms but rapidly changing global travel patterns caused by the outbreak stunned revenue growth during March (down 63% y-o-y in USD-terms), after a large number of European countries implemented total lockdowns, followed by suspension of air travel by Egypt in mid-March 2020. The pressure on the segment continued throughout 2Q2020 in the total absence of inbound tourism, with temporary closures of the country's hotels, lasting from mid-March until mid-May, when the authorities allowed for partial reopening. While Egypt has restored some international air routes on 1 July 2020, we expect to see further negative effect on their financial performance during 3Q2020, when compared to last year's results. The company has already responded to these conditions with an aggressive plan to temporarily lower hotel operating costs, which will mitigate the impact of current disruptions on the liquidity position of these assets.
- The company's sales backlog stood at a massive EGP48.6bn as at end-1H2020 and remains solid and fully funded, providing concrete visibility on future cash flows and earnings. The backlog will result in total collections of EGP40.4bn over the next 4 years, more than 90% supported by post-dated cheques as of today, and net cash proceeds of EGP15bn after expensing construction costs before delivery of these units.
- We saw no significant impact to our collection rates in 1H2020, with late payments representing very low single digit portion of scheduled collections.
- The company's solid financial position and liquidity is more than capable of covering for any potential deficits stemming from the disruption of economic activity due to the COVID-19 pandemic. Management remains focused on mitigating these impacts and the company is well prepared to easily respond to even to the worst-case scenario for any of its assets. Moreover, we have identified a left-over inventory of residential units which will not require any further significant cash outlay. These units were accumulated on the back of our massive sales growth that started in 2017 and have a market value of at least EGP4.2bn at current prices, while representing only some EGP2bn pounds on our books.

Note (*): Adjusted for value of cancellations

Our footprint

TMG at a glance [TMGH.CA/TMGH EY] as at FY2019 and 1H2020

MENA's leading developer[1]

#1 Egyptian RE developer by market cap

50 years track record

over 90k / 3.6k / 885 units sold

(since inception / FY2019 / 1H2020 only)

c100k+ units delivered

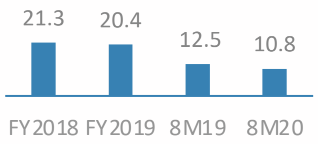
(since inception)

Highest cumulative deliveries by a single MENA developer

905 operational hotel rooms

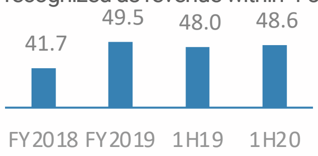
443 rooms under development[2]

New sales [EGPbn][3]

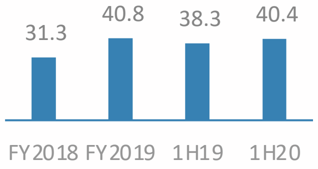


Backlog [EGPbn]

To be recognized as revenue within 4-5 years



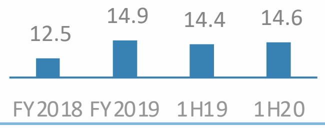
Remaining collections [EGPbn]



127.5k sqm GLA portfolio[4]

54k sqm GLA leased and operational

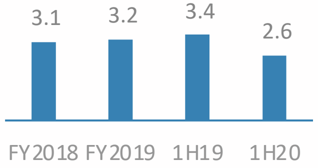
Expected net cash flow from backlog and delivered units [EGPbn]



c14.1mn sqm residual BuA

c3.4mn BuA commercial BTS and BTL

Net cash position [EGPbn][7]



197k club membership capacity[5]

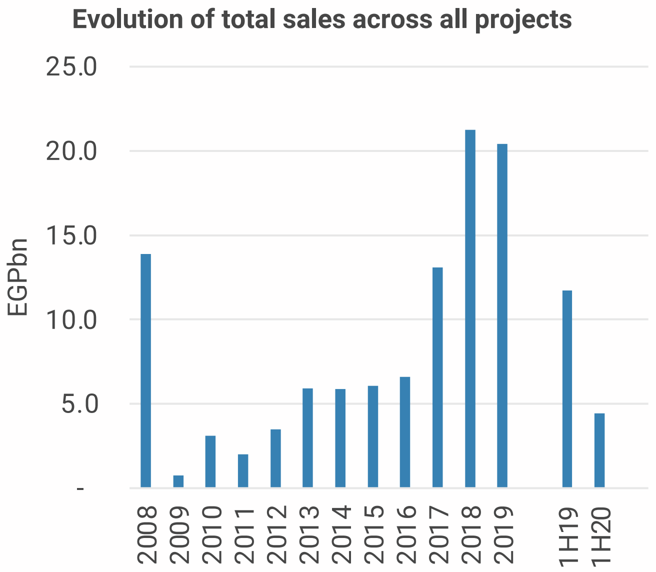
Sold c47k memberships, c150k memberships yet to be sold

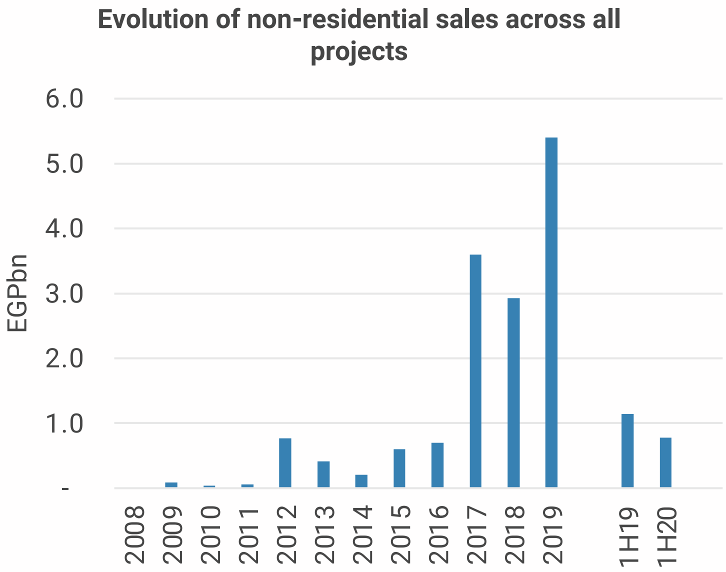
Egypt's leading developer of premium master planned communities with sufficient land bank for 16 years and sizeable portfolio of Recurring Income Assets contributed 31% of GOP for 2019[6] and planned to increase to 40-45%

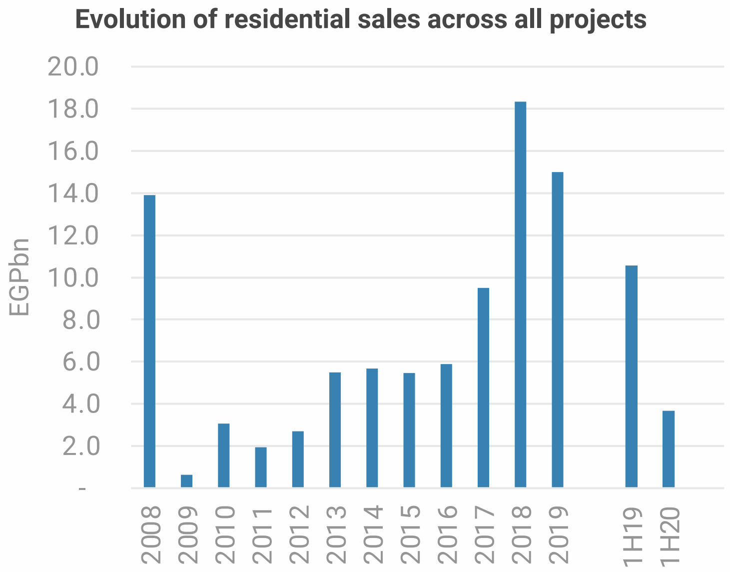
Note (1): By number of units delivered.
Note (2): Includes Four Seasons Sharm El Sheikh extension (under construction) and Four Seasons Madinaty (in design phase)
Note (3): 1H2020 sales reached EGP4.5bn, impacted by market softening on the back of the COVID-19 pandemic and preventive measures imposed by the government.
Note (4): Includes Open Air mall (new units opening over 2020, Carrefour operating since October 2018, achieving the highest Carrefour sales per sqm in Egypt)
Note (5): 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, Privado clubs which are under process of licensing.
Note (6): Contributed 17% in 1H2020 due to temporary negative impact of COVID-19 on hospitality and other recurring income segments.
Note (7): Net cash declining y-o-y due to ongoing investments in the recurring income lines.

We continue achieving strong sales and expanding our market share

TMG







- Strong brand equity and development progress drive strong growth in residential and non-residential sales since 2017.
- Achieved EGP4.5bn in total sales in 1H2020 despite deteriorating market conditions on the back of COVID-19 pandemic and preventive measures imposed by the government.
- Non-residential sales, inclusive of club membership sales, reached EGP0.8bn in 1H2020. As headwinds related to the COVID-19 pandemic ease, non-residential sales segment is expected to benefit from i) continuous population build-up in TMG's projects and ii) more favorable interest rate environment following sharp policy rate easing in 2020.

Low-risk business model shielded by recurring income and low leverage

REAL ESTATE DEVELOPMENT BUSINESS MODEL

- Low-risk, self-financed off-plan development model leveraging on longstanding marketing and engineering expertise
- Diverse and balanced portfolio of well-engineered and affordable payment plans allows for recovery of land and construction costs upon unit delivery, on average
- Large backlog allows for strong visibility on earnings over the next 4-5 years
- Good backlog quality and solid capital structure allow for profitable factoring with local banks and securitization of receivables remaining after delivery, if needed
- Execution leveraging on collections from past sales rather than new sales -> easily scalable model in case of market slow-down
- Reasonable land bank cost compared to recent land deals implying very high land price
- Majority of land liability for Madinaty already settled
- Economies of scale, access to top-notch contractors and architects allow for stable profitability
- Excellent track-record, brand equity, pricing point, on-site facilities, project maturity and occupancy and mostly finished product support future sales growth
- Excess cash utilized in development of recurring income lines

RECURRING INCOME LINES

- Reliable source of cashflow to finance growth and dividends
- Shielding the business from cyclical slowdowns in sellable development business
- Strong growth leveraging on population growth within projects following years of disciplined deliveries and targeting the right clientele
- In addition to existing recurring income assets and assets currently under development, the Spine (Downtown area of Madinaty) is projected to generate additional recurring rental revenue of some EGP7bn per annum within the next 10 years, projected to reach over EGP30bn per annum within the next 20 years.
- Open Air mall is expected to contribute over EGP200mn in recurring revenues alone in 2021 after its Grand Opening.

Recurring gross profit in FY2019

31%

Medium-term target

40-45%

… SUPPORTED BY SOLID BALANCE SHEET

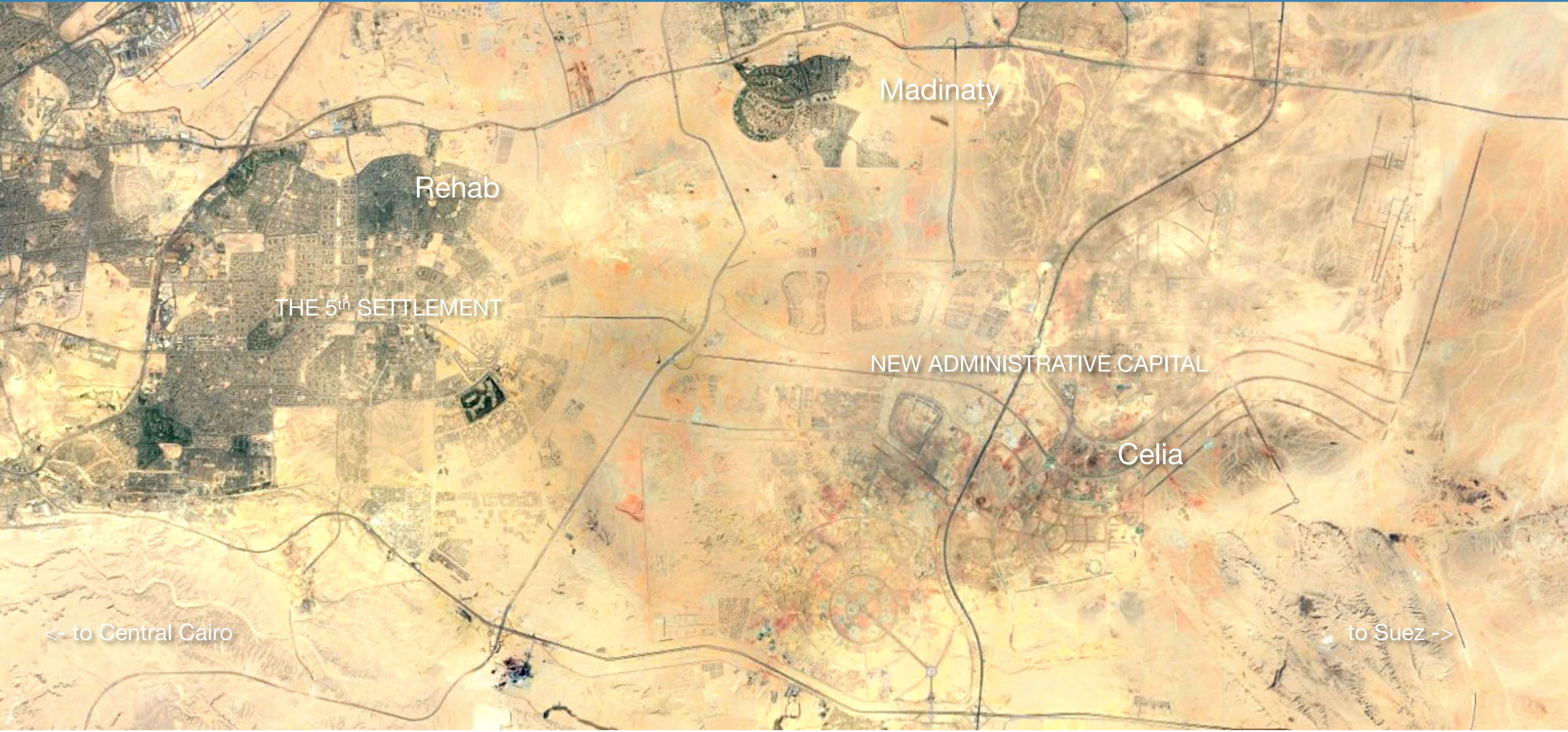
- Low-risk debt-to-equity ratio of 20% only, net cash position of some EGP2.6bn as at end-1H2020
- Majority of debt used to finance hotel arm, no debt on sellable development

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

TMG

1	Achieving robust sales and expanding market share	**Reporting highest NET sales in the market during 2020.** **9M2020 sales expected to exceed EGP11bn.**
2	Continue building our recurring income portfolio – - target 40-45% of gross profit in the medium term	- 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	**EGP4bn land transaction in 2020** **EGP300mn school transaction in 2019** **EGP1bn school the transaction in 2018**
4	Disciplined approach for land acquisitions while managing financial risk	**Working on new large-scale land bank expansions**
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

Strategic vision allowed for early foothold in rapidly urbanizing East Cairo



Source: Google Earth

Madinaty – a full-fledged booming international city in the heart of East Cairo

- Madinaty is TMG's flagship mixed-use city in East Cairo spanning over a massive area of 33.6 km^2, launched in 2006 and to be fully completed by 2035
- Designed to be self-sufficient international city for quality life-style and world-class commerce, leveraging on 50 years of experience of TMG teaming up with renowned international master planners and architects

Land area
33.6 km^2

117k residential units

Over 4mn sqm of non-residential BuA

Prime location

- Well-connected to the 5th Settlement and inner Cairo
- Well-connected to the New Administrative Capital and Suez zone
- In close proximity to Cairo International Airport and the New Capital airport
- Well-connected to other project's of TMG, such as Rehab and Celia

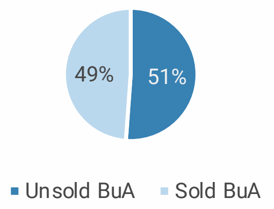
Well diversified unit mix supporting a sustainable community

- 107.5 thousand finished apartments of various sizes
- 9.3 thousand stand-alone units with private gardens
- 3.8mn sqm of regional services, including malls, office space, hotels, clinics etc., in addition to 0.33mn sqm of district and sector centers
- Hosting one of the largest downtown centers of trade and commerce in Egypt and the region (the Spine)

Gaining critical mass

- Delivered some 50 thousand residential units to date since inception
- Quality ready-made finishing and amenities encourage a vibrant rental market, boosting occupancies and commercial activity

Residential BuA



Offering superb amenities

- Vast, high-quality sustainable landscaping (25 sqm of greenery per inhabitant)
- Internal road network with service lanes, biking tracks and pedestrian lanes, dedicated water and electricity infrastructure
- High-quality schools with diverse international and local curricula, nurseries
- Sporting club of 200 feddans
- World-class medical centers and pharmacies
- Dedicated transportation services
- Mosques and churches

TMG

World-class planning and vision

- Designed by renowned international architects, such as Sasaki, SWA, HHCB, Dar, F+A, HR&A, among others
- Provides for tranquility of residential quarters and immediate accessibility to commercial centers
- Well-connected to surrounding neighborhoods, capturing footfall of East Cairo and the New Administrative Capital

Privado – further diversifying the product of Madinaty

TMG

A value proposal leveraging on quality services of Madinaty paired with tranquility of a gated compound…

- **Privado** is our newest apartment neighborhood in the East of Madinaty, spanning over 1.2mn and neighboring the downtown area
- Total residential BuA of c1.1mn sqm
- In addition to 7.3k sqm of service space, with a dedicated Town Square spanning over 12.1k sqm, containing:
  - Retail, market, storage, nursery, courtyard, stage, administrative offices
- Footprint of 16% only, leaving 84% for open areas and green spaces dotted with lakes and other water features, including a central park spanning over 630,000 sqm
- Entertainment zone with 4 movie theatres and 250 retail outlets
- Adventure Park with car racing, retro arcade, kids indoor climbing, BMX and skating park

Centrally located…

- **Privado** will grant its residents an easy access to top-notch facilities of the compound as well as the services and amenities of Madinaty
- It is centrally located within walking distance from Madinaty downtown areas and the Central Park, with direct access to Cairo-Suez road

276 feddans
Privado land area

1.1mn sqm
Total residential area

9,846 units
Total residential units for sale

PRIVADO
MADINATY

Privado perspectives

Unmatched brand equity of TMG in the Egyptian market

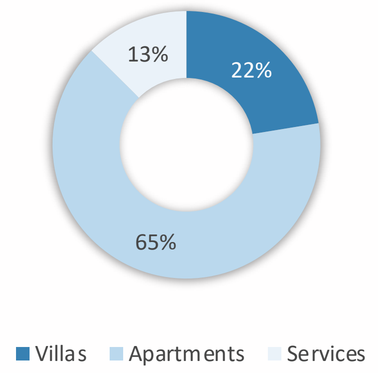
- **Celia** is a new mixed-use development located on 500 feddans in the New Administrative Capital (NAC) – largest land plot launched in NAC to date
- Total residential BuA of c1.07mn sqm, in addition to c190k sqm of non-residential space
- Launched in June 2018, to be completed within the next 4 – 6 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 15% 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)

500 feddans
Celia land area

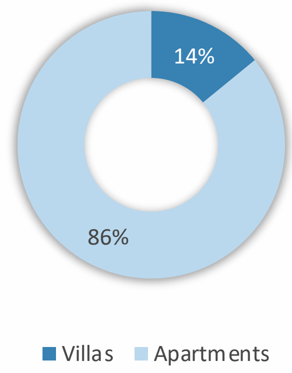
1.07mn sqm
Total residential area

7,561 units
Total residential units for sale

BuA breakdown by type

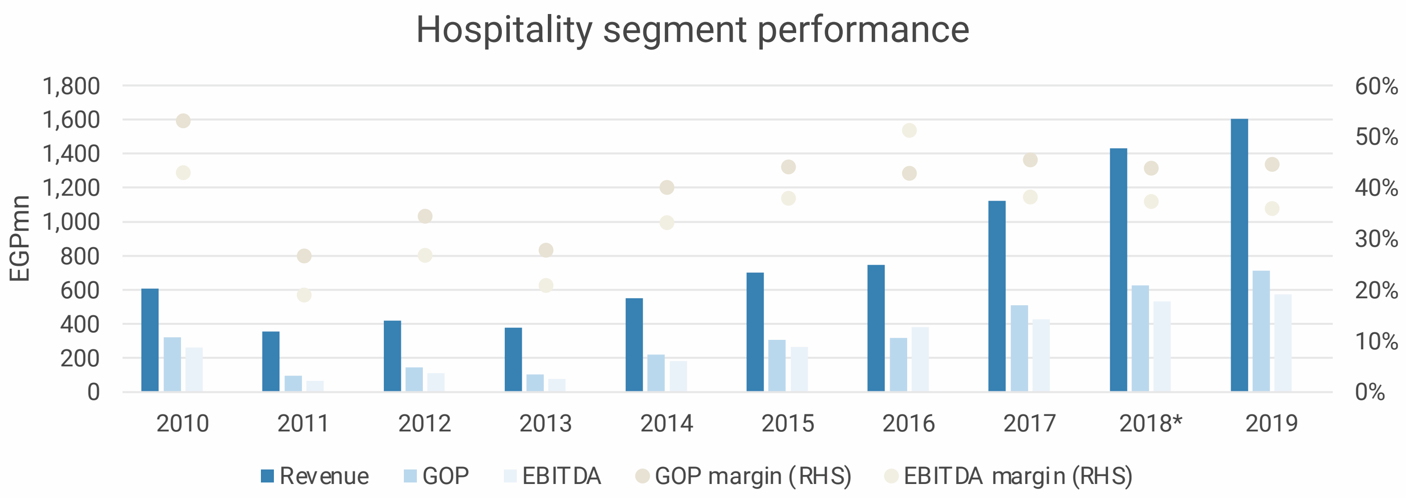


Units breakdown by type



CELIA NEW CAPITAL

Continue investing in hotel portfolio



- **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%**
- 443 new keys under development:
  - 346 keys in FS Madinaty + 187 residential units, construction broke ground in 2019, to be completed in 2024
  - 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 2002]

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

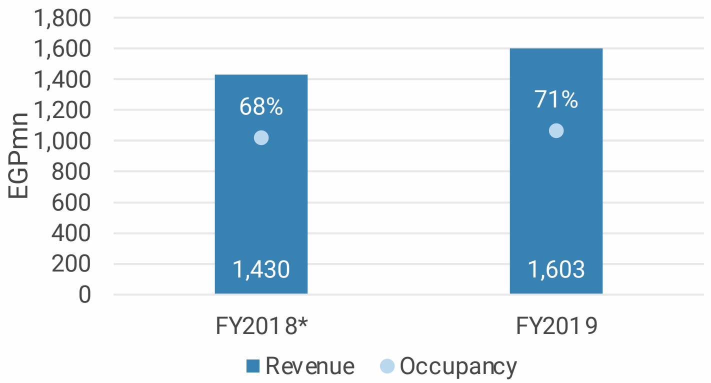
Four Seasons San Stefano, Alexandria
[148 keys, opened 2007]**

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

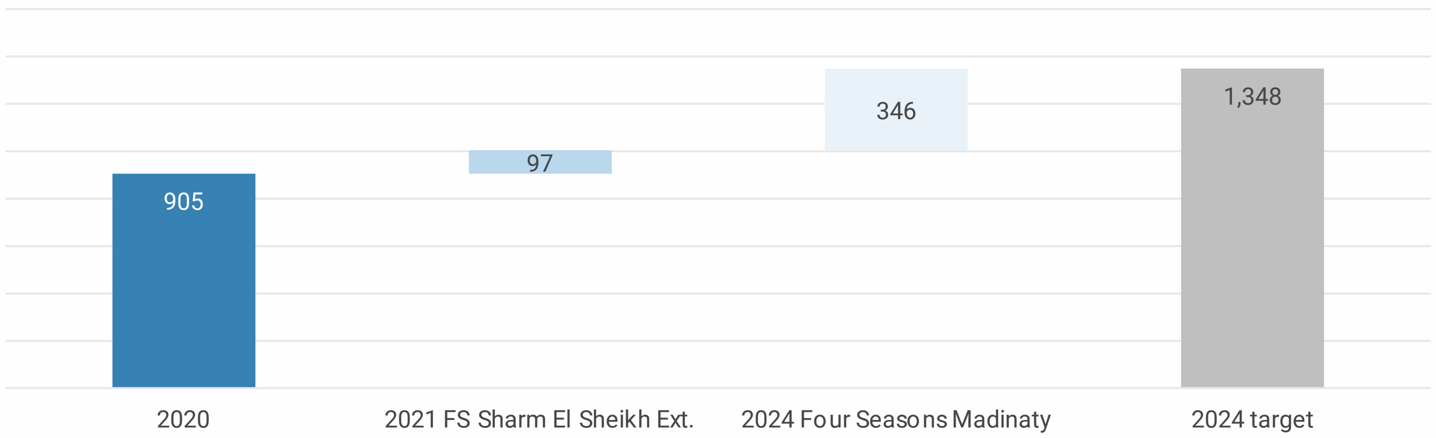
Note (*): Adjusted for one-offs
Note (**): More keys to be added shortly

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

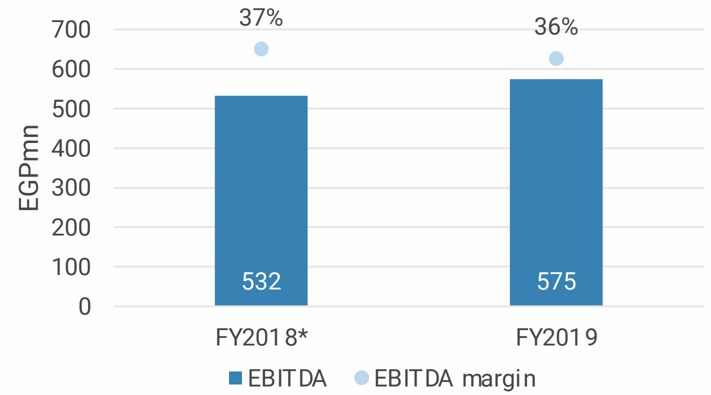
Revenue and occupancy rate



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

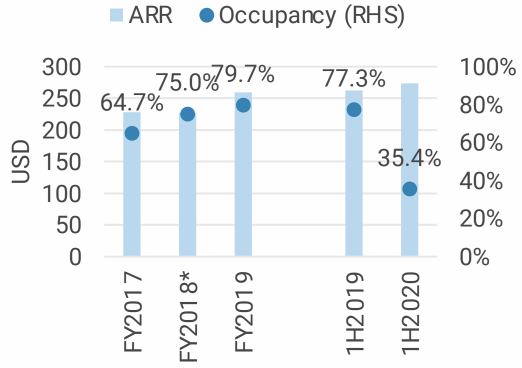
Four Seasons Nile Plaza
- Renovation plan ongoing
- Execution started in 2018
- Self-funded from existing cash resources

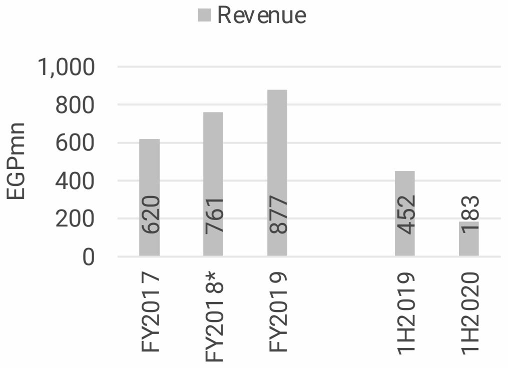
Four Seasons Madinaty
- 346 Hotel Keys
- 187 residential units (107 villas and 80 apartments)
- Development ongoing

Note (*): Adjusted for on-offs.

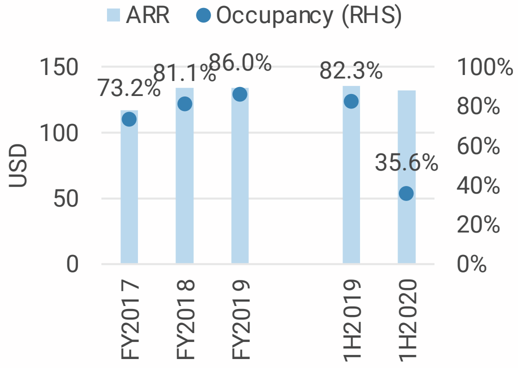
Summary of hotel KPIs across all properties

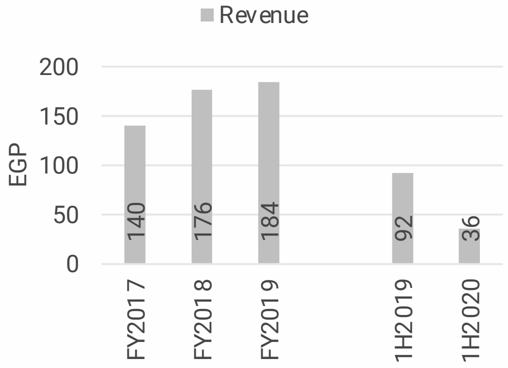
Four Seasons Nile Plaza KPIs*



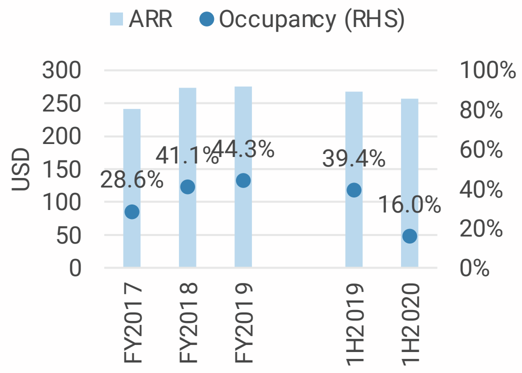


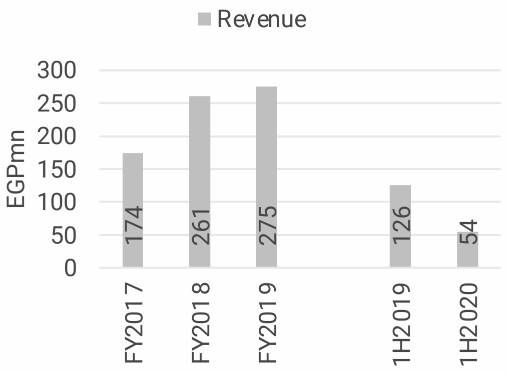
Kempinski Nile Hotel KPIs



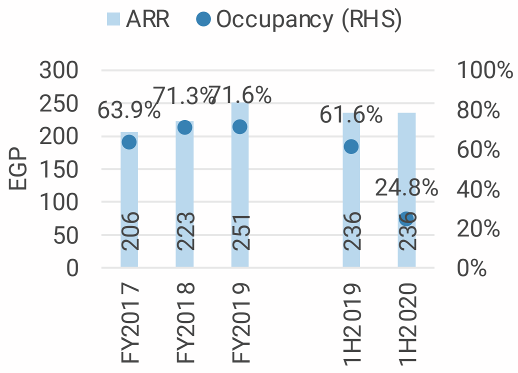


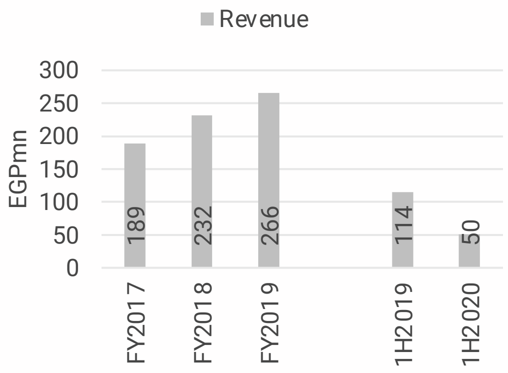
Four Seasons Sharm El Sheikh KPIs





Four Seasons San Stefano KPIs

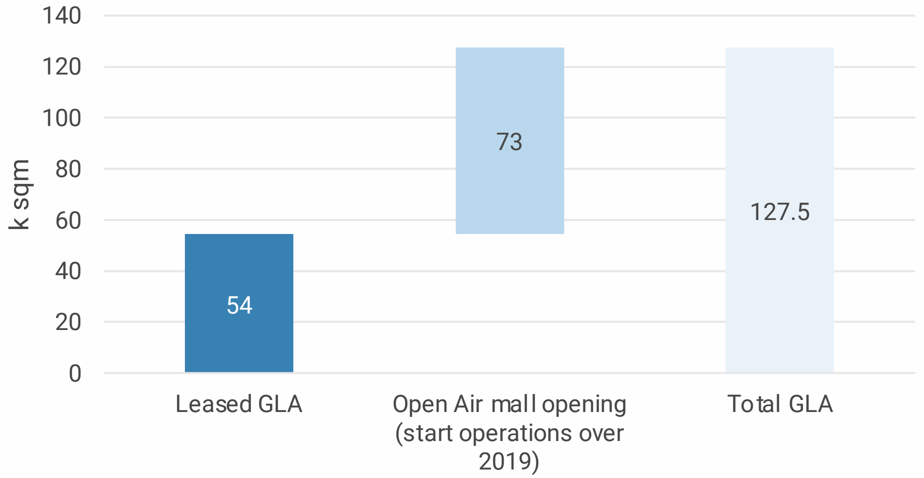




Note (*): FY2018 KPIs adjusted for one-offs

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

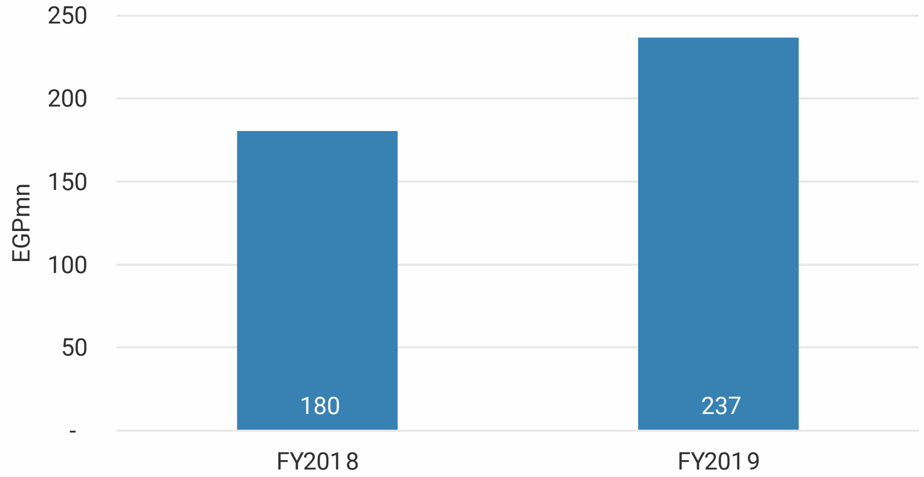
Retail GLA



Remaining CAPEX EGP1.2bn

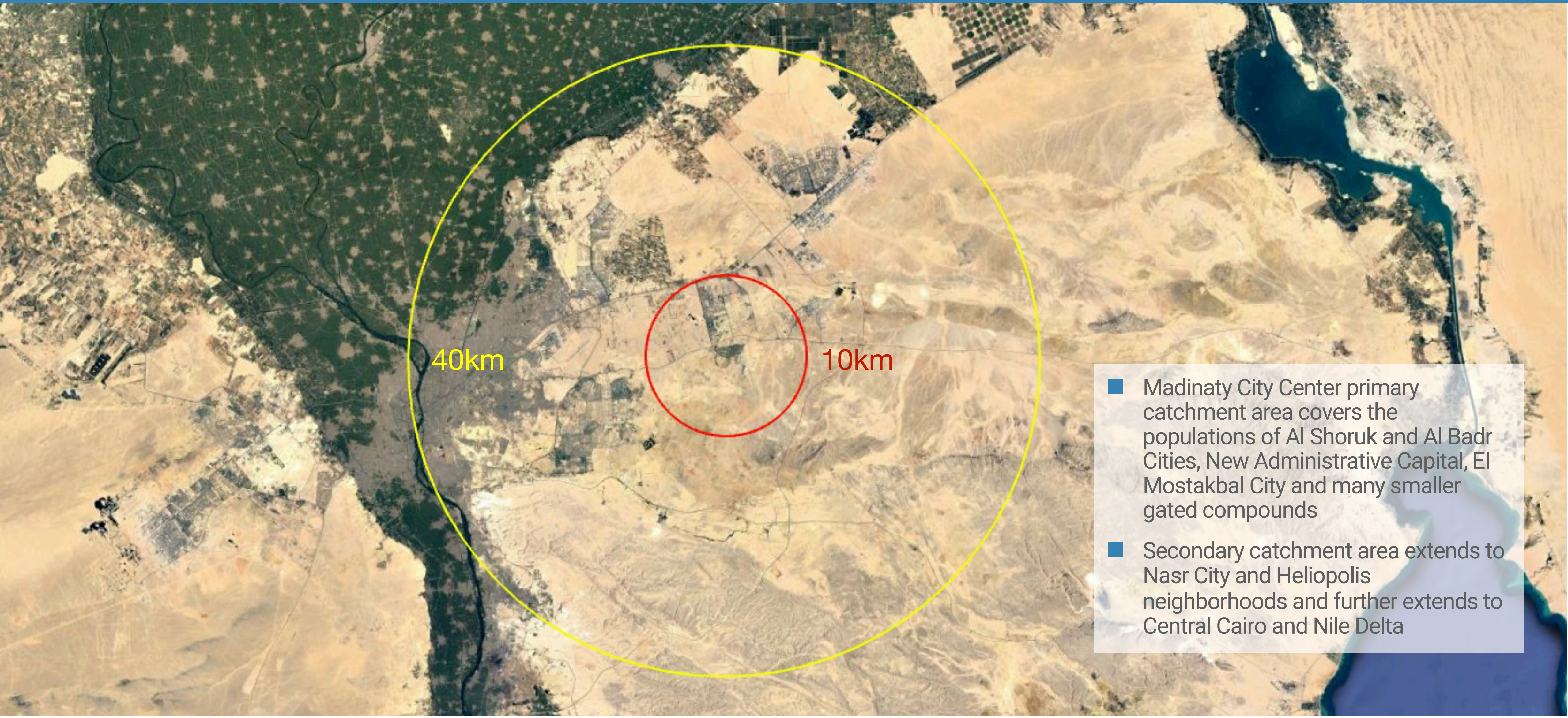
Target EBITDA margin c85-90%

Retail revenue grows in significance



- Retail revenues benefit from continuous population build-up in TMG Holding projects
- Expecting a minor negative impact during 2020, reflecting temporary discounts on rents extended to tenants (in-line with market trends) to support them in light of falling footfall on the back of preventive measure related to the COVID-19 pandemic
- Over 68k sqm of GLA in Open Air mall already signed or under negotiation
- Carrefour hypermarket, opened in October 2018, achieves the highest sales per sqm in Egypt
- Leasing revenues reached EGP93mn in 1H2020, compared to EGP106mn in 1H2019, showing minor decline on the back of COVID-19 related closures and temporary rent discounts

Catchment of Madinaty City Center



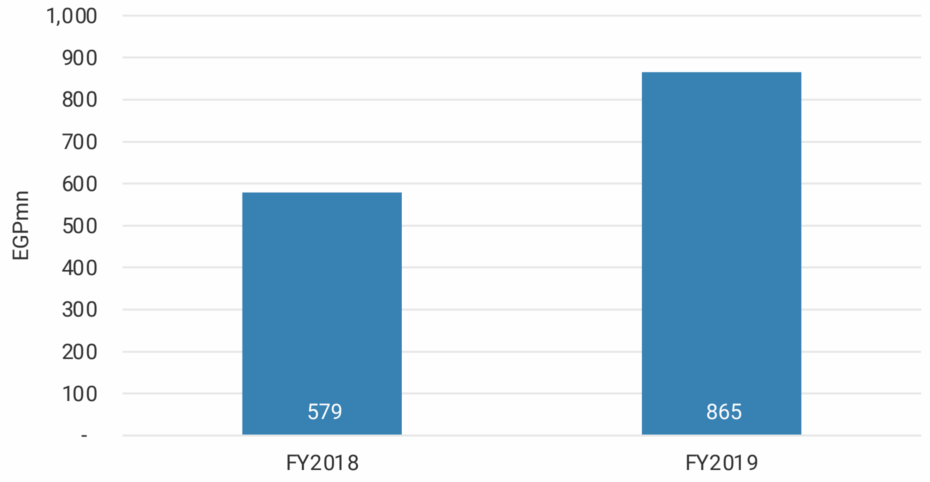
- Madinaty City Center primary catchment area covers the populations of Al Shoruk and Al Badr Cities, New Administrative Capital, El Mostakbal City and many smaller gated compounds
- Secondary catchment area extends to Nasr City and Heliopolis neighborhoods and further extends to Central Cairo and Nile Delta

Open Air Mall is the newest hot retail spot of East Cairo

- **A new regional mall in Madinaty** built on 406k sqm of land on Northern edges, immediately surrounded by residential communities within the project and with easy access from the outside
- GLA of 92k sqm + some 6,000 parking spots
- Modular designed consisting of 8 buildings connected by alleys and a tram network
- All GLA fully owned by TMG
- Inaugurated in 2018 with opening of Carrefour hypermarket, to be fully completed over 2020
  - **The highest selling Carrefour outlet per sqm in all of Egypt**
- Footfall bound to increase exponentially with new residential deliveries in Madinaty and neighboring projects by other developers, bring total population in the area to over 10mn individual in the coming 10 years, from current estimate of 4.5mn
- **Catchment: at least 3.5mn people,** of which 1.9mn within primary catchment area
- Driving times:
  - El Shourok City: ~10 min
  - New Cairo: ~20-30 min
  - Cairo Intl. Airport: ~30 min
  - New Admin. Capital: ~ 35 min

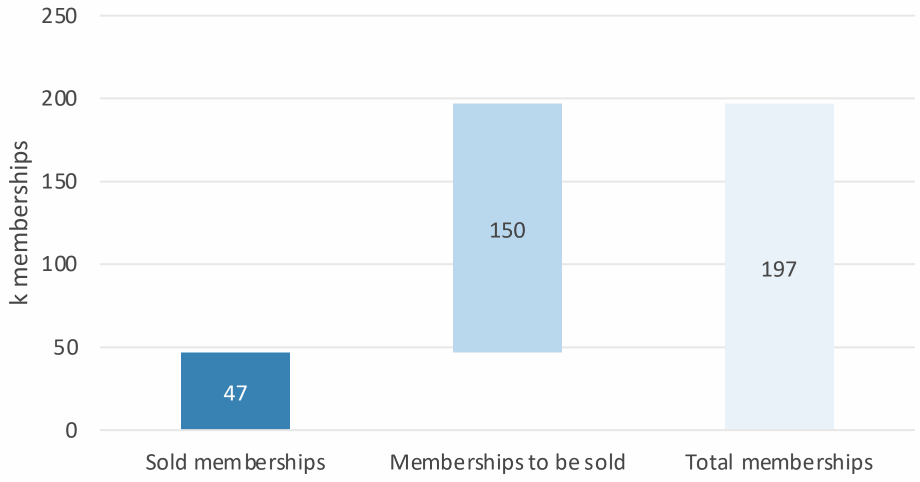
Continue building our recurring income portfolio – target 40-45% of consolidated gross profit

Club revenue grows in significance



- Emerging player on Cairo sporting club scene – unrecognized revenue backlog of cEGP0.9bn as at end-1H2020
- One-time life membership sold for cEGP160-260k, below market rates as memberships are not yet availed to non-residents, offering strong upside potential
- Maintenance and operation covered by annual renewal fees
- Additional sales reached EGP39mn in 1H2020 (1H2019: EGP178mn), impacted by the COVID-19 pandemic on the back of temporary club closure as part of preventive measures imposed by the government

Club memberships – sold and remaining



Remaining CAPEX cEGP0.8bn for extension, main club is already completed and operational

Avg. membership EGP160-200k

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

EBITDA margin 85%

Sporting clubs perspectives



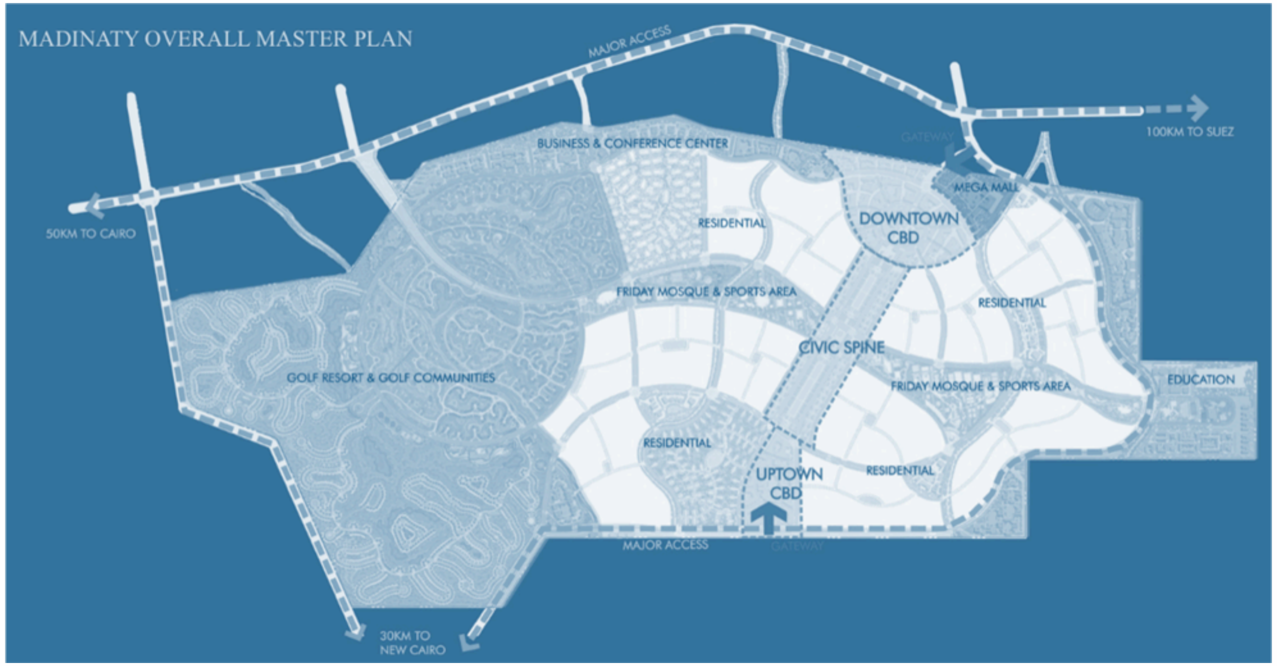



Maintain robust growth in sales in existing projects

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



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

The Spine perspectives [1/2]

The Spine perspectives [2/2]

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

The Spine concept

- Each district is tailored for a specific target audience:
  - Downtown: seniors, families and youth
  - Parkside: families and youth
  - Uptown: professionals

The Spine – a new heart of East Cairo, securing long-term recurring income

TMG

- Our development track-record and communities that we have created has given us a unique opportunity to develop a state-of-the-art retail and commerce center, the downtown area of Madinaty, aka the Spine. We have finalized the master plan and architectural concepts for the Spine.
- It will benefit from TMG's first-mover advantages in East Cairo, young and affluent population of Madinaty, growth contributed by nearby residential projects and growth contributed by the New Administrative Capital
- It will be a crucial source of recurring income of TMG Holding and its share-holders in the long-term
- Potential co-development agreements will i) lower initial capital requirements while ii) securing quality tenants
- The project to sell over the next 15 years

Target project IRR	Required capital	Net cash inflows during first 20 years	Estimated annual recurring revenue (resi., admin, retail, entertainment, hotel) after 20 years
~50%	**~EGP6bn**	**~EGP148bn**	**~EGP36bn**

BuA allocation by type in the Spine project

Property type	Gross land area	BuA area	Sellable %	Est. sales value [EGPbn]
Residential	**2,698,080**	2,268,000	55%	106
Retail		400,000	35%	33
Office		634,561	25%	22
Hotels		32,592	0%	
Entertainment		20,000	0%	
Underground garages		1,161,193	Variable	
Total		**4,516,346**		

Maintain robust growth in sales in existing projects

Historical sales	■ EGP15bn of net cash flow from backlog and delivered units	■ EGP48.6bn of backlog ■ Avg. gross profit margin 30%-35%
Unlaunched residential BuA	■ Target gross profit margin 30% - 35%	■ Land bank sufficient for the next 16 years ■ Sell all remaining units in Al Rehab and Al Rabwa 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 Al Rehab) 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-1Q2020

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

TMG

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 16 years

In line with development timeframe allowed by land contracts

Preserving capital appreciation while providing a dividend stream

TMG

Net cash from contracted sales

- **cEGP15bn** net cash flow pre-tax from **backlog sales**

Net cash from future residential launches

- **11mn sqm (BuA)** of BTS residential assets to be launched
- Average GP margin of **30-35%**

Avg. sales price of at least EGP20k/sqm at current market prices

Cash profits from BTS commercial sales

- **2.0 mn sqm (BuA)** (1.4 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 EGP145k/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 **150k additional memberships** in Al Rehab Club and Madinaty Club

Value realization from recurring income portfolio

- 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

Focused on corporate responsibility

BUILDING SUSTAINABLE COMMUNITIES

As a leading developer in Egypt, TMG continues to build self-sufficient sustainable communities as the driver of social prosperity. We set an example by deploying the newest environmentally friendly technologies such as:

- Comprehensive city-wide garbage collection and sorting system
- Solar-powered and smart infrastructure, such as smart lightening and smart irrigation systems
- We own and operate on-site water and sewage treatment plants and use treated water for irrigation
- We adhere to sustainable landscaping and hardscaping practices
- We own a high-quality public transportation system lowering carbon footprint
- We employ energy efficient building codes and materials

ENABLING ECONOMIC GROWTH

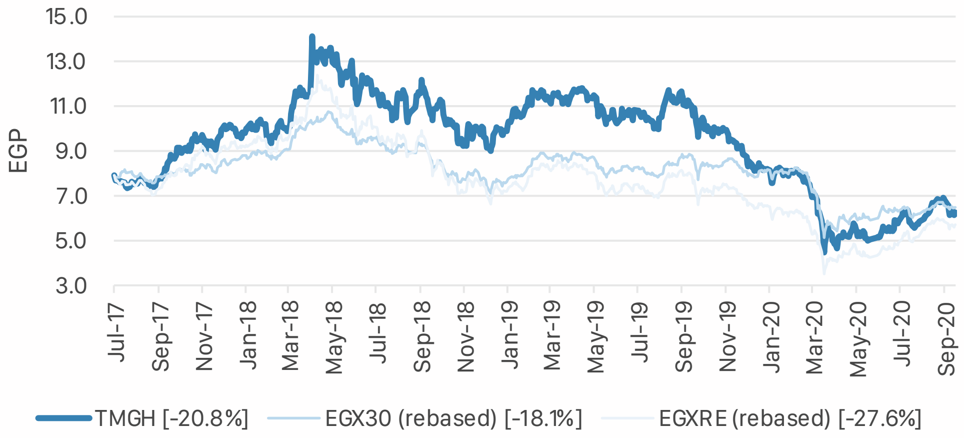
- Serving population of some 700 thousand individuals, expected to reach 1.5mn once current projects are completed
- Some 100 thousand jobs created directly and indirectly
- TMG continues to play a leading role in reviving the industry with the aim of repositioning Egypt as one of the most attractive touristic locations on the global map with hospitality assets
- TMG encourages recruitment and retention of all levels and types of employees, as well as encouraging the engagement and recruitment of female employees

FOCUSED ON SOCIAL IMPACT

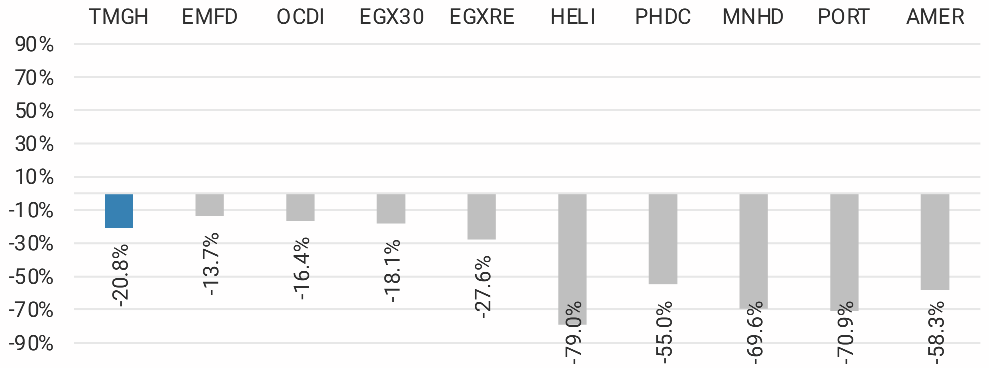
- **Shariah compliant – no exposure to alcohol sales or gambling**
- Building sustainable communities focused on improving life-quality of an average citizen, with access to good-quality infrastructure and services, such as medical care and education
- 300 medical clinics in developed projects
- 100 bed stat-of-the-art hospital currently under construction
- Integrated community services including transportation, firefighting stations, police stations, civil registry and government offices,
- 9.2% of FY2018 revenue from education sector, EGP300mn school transaction in FY2019
- We partake in various sponsorships such as sponsoring the Egyptian Olympic team
- We constantly monitor and enforce a strict ban on child labor among our contractors and their subcontractors, as stipulated by governing laws

Share price performance compared to indices since 2H2017

Share price performance of TMGH compared to EGX indices since July 2017



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



Key facts

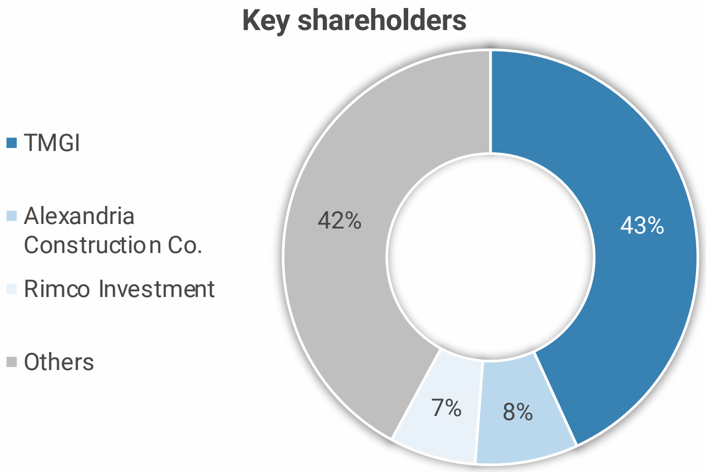
- Listed on EGX since 2007
- c2,063mn shares outstanding
- Shariah compliant
- Reuters/BBG: TMGH.CA/TMGH EY
- Member of EGX30 index and MSCI Small Cap Egypt index
- The only active primary real estate developer listed on EGX capable of sustainable dividend distribution since 2014

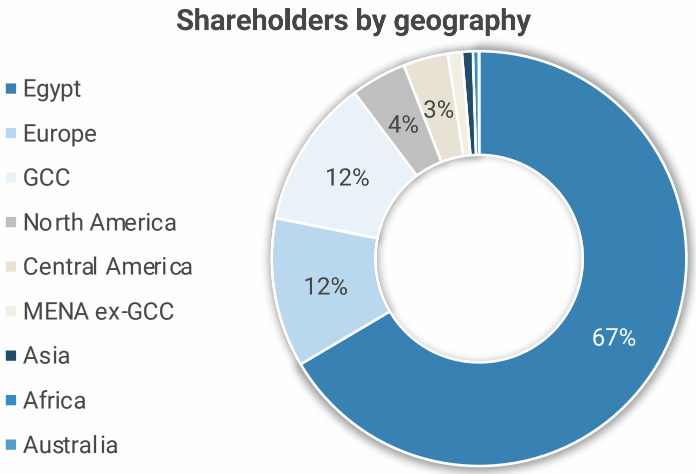
FY2019 dividend*

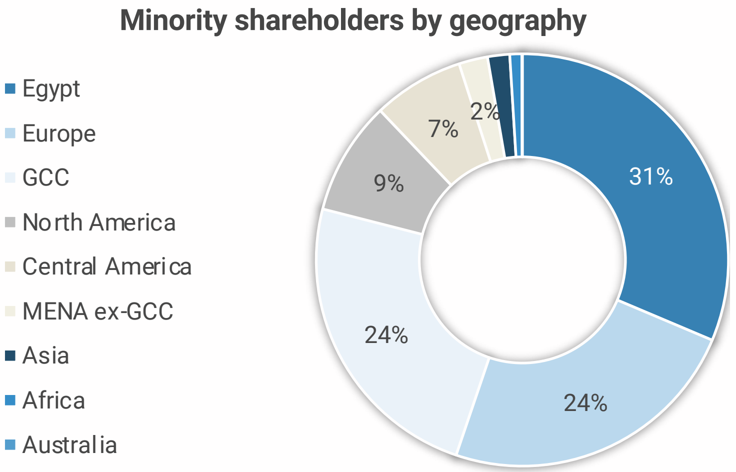
EGP0.08/share

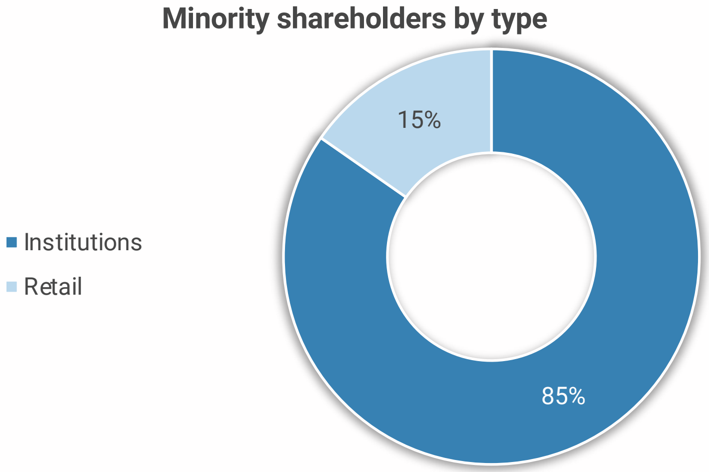
Note (*): Dividend for FY2019 was lowered y-o-y as a matter of financial prudence in the eve of the COVID-19 pandemic. FY2018 dividend was at EGP0.174/share.

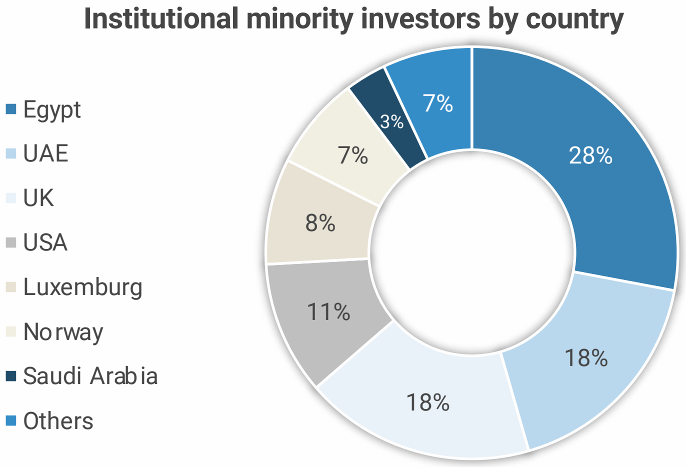
Shareholder structure as at end-1H2020











- Diversified and stable institutional shareholder base
- No foreign ownership limits

Thank you