Executive management report on the Group's business results for the period ending on September 30th, 2025.

Preface

As of November 10, 2025, the group's market capitalization reached approximately EGP 148 billion, equivalent to over USD 3.1 billion, positioning it among the top 6% of the largest publicly listed companies across emerging markets in Africa, the Middle East, and Latin America. Furthermore, it placed as the second largest company within the EGX30 index. This prominent standing is attributed to the diversification of the group's hospitality and real estate assets, and the substantial intrinsic value embedded in its portfolio.

The group's hospitality business includes eleven operational hotels and four additional hotels under construction, reflecting its strong presence in Egypt's top tourist destinations, from Cairo and Alexandria to Sharm El-Sheikh, Luxor, Aswan, and Marsa Alam. This is in addition to further projects in the planning and preparation stages. The ecosystem also comprises land and real estate assets attached to these hotels, along with other developments currently underway.

The Group's revenues achieved during 2024 placed it at the forefront of real estate development companies in Egypt, and among the top 8% of listed companies in emerging markets. Our revenue has grown by some 31.9% on average over the past 5 years, placing us among the top 3% emerging market companies globally in terms of revenue growth in this period, and making us the fastest growing developer among our Egyptian peers.

The ownership structure remains stable with low turnover among its key constituents. The Group has managed to attract new international institutional investors during 9M 2025 as it provides a balance and very low-risk exposure to the key sectors of the Egyptian economy. Over the past five years, the Group's shares generated a beta of below 1, indicating the defensive nature of the Group's stock.

The consensus net income forecast 3-year CAGR for the Group now stands at almost 26%, placing it among the top 3% emerging market companies in terms of projected growth, driven by the recent strategic expansions and its unique, growth-tailored commercial strategy.

The Group's Return on Equity (ROE) has demonstrated a consistent and robust upward trajectory over the last five years, reflecting management's ability to translate its strategic vision into real, tangible value for shareholders. This performance is not the result of external factors but rather the direct outcome of the effectiveness of management execution and visionary leadership. Following COVID-19, when ROE hovered just above 5% in 2020 and 2021, TMG's leadership implemented decisive strategies that reshaped the Company's financial profile. These measures began to materialize in subsequent years, driving accelerated profitability growth relative to shareholders' equity. Specifically, in 2022 ROE improved to 6.4%, in 2023 it surged to 8.6%, and in 2024 it more than doubled to 15.5%, fueled by new income streams, notably the consolidation of Legacy Hospitality assets, post-acquisition, and the recognition of new development and sales fees from the launch of SouthMed. Notably, the 9M-annualized 2025 ROE reached an impressive all-time-high of 18.2%, confirming that the momentum from management's strategy continues to drive superior returns. This remarkable progression is attributable solely to management's foresight, agility, and relentless focus on value creation, by diversifying income sources, focus on expanding FX-generating businesses, optimizing asset utilization, and executing unique agreements and partnerships flawlessly, TMG has positioned itself as a benchmark for operational excellence in the sector. Looking ahead, the sustained impact of these strategic decisions, combined with a robust pipeline of recurring revenue streams, reinforces confidence that TMG's leadership will continue delivering exceptional shareholder returns.

The company recorded earnings per share (EPS) of EGP 5.08 during the first nine months of 2025, compared to EGP 2.28 during the same period last year, representing a growth rate of 124%. Meanwhile, EPS for the full fiscal year 2024 stood at EGP 4.68, placing the group among the top real estate development companies in Egypt in terms of earnings per share.

During the first nine months of 2025, the group recorded consolidated gross profit of approximately EGP 13.1 billion, compared to EGP 9.4 billion during the same period in 2024, reflecting a growth rate of 39%.

The group also recorded consolidated net profit after tax of approximately EGP 12.6 billion during the first nine months of 2025, compared to EGP 7.4 billion during the same period of the previous year, representing a growth rate of 70%, which reflects the implementation of a clear growth strategy.

Talaat Mustafa Group's performance during the first nine months of 2025

During 9M 2025, TMG maintained its rapid growth trajectory, achieved new performance milestones and progressed in its ambitious international expansion with the aim of securing and expanding new hard-currency revenues, capitalizing on the stable growth of neighboring markets, and unlocking new opportunities in the regional real estate sector. In line with the Group's strategic guidance issued in 2017, on which the executive management team has consistently delivered since, TMG remains focused on:

a) **Maintaining and growing sales momentum:** The Group has demonstrated strong and consistent performance in the sales sector since 2017, culminating in a historic achievement in fiscal year 2024, when its total sales exceeded the EGP 500 billion mark (equivalent to approximately USD 10 billion). During the first nine months of 2025, the Group sustained this strong momentum, recording sales of EGP 324 billion compared to EGP 454 billion during the same period of 2024. The higher figure in the previous year included EGP 280 billion generated from the launch of the "SouthMed" project, one of the Group's landmark developments and an exceptional event by all measures. As of the reporting period in 2025, SouthMed achieved sales exceeding EGP 120 billion, bringing its total cumulative sales to around EGP 400 billion within just one year since its launch in July 2024. This record-breaking performance underscores the strength of TMG's brand and the broad customer confidence in its products. It also stands out as a remarkable achievement despite the absence of any new project launches in 2025, with existing projects continuing to witness high demand alongside growing interest in the Group's developments both locally and regionally.

b) **Expanding the hotel arm and other recurring income lines:** Following the acquisition of the seven iconic historical hotels in Egypt, which added some 2,500 hotel rooms to the portfolio, reinforcing the stable revenue stream denominated in hard currencies, the Group continued to grow its recurring income streams during 9M 2025. Total hospitality revenue grew by 27% year-over-year to EGP 9.9 billion, compared to EGP 7.8 billion booked in 9M 2024, contributing to the total recurring revenues, reaching an unprecedented EGP 16.8 billion in the current period, compared to EGP 11.9 billion achieved in the same period last year, marking a strong growth of 41% year-over-year. Furthermore, in November 2025 in the context of the inauguration of the Grand Egyptian Museum (GEM), the Group announced the development in-progress of a touristic complex, including a 495-keys five-star hotel, in very close proximity to the Museum, with a total investment cost of USD 788 million, which is expected to generate approximately USD 100 million in annual net income and real estate sales of USD 233 million. Finally, the Group announced the development of Sharm Bay, a new touristic destination located in one of the most prestigious areas of Sharm El Sheikh, in close proximity to another TMG property, the iconic Four Seasons Sharm El Sheikh. This project boasts a mixed-use portfolio, including residential, commercial, entertainment and hospitality, as well as a world-class marina.

c) **Accelerating asset monetization:** TMG's strategic asset monetization efforts have further strengthened the Group's liquidity and financial stability, as evident in its solid cash balance of EGP 68.9 billion as of 30 September 2025, which enables reinvestment in high-growth opportunities. Importantly, the Group's total FX-denominated resources stood at USD 609.1 million as at end-9M 2025, representing roughly a quarter of the Group's current market capitalization and providing a strong hedge against currency risks. Importantly, our cash and cash equivalents balance as of 30 September 2025 represents close to 46% of the company's market capitalization. The group also reached a key milestone in launching its flagship Spine project in Downtown Madinaty, scheduled for early next year. A new joint venture was established with the National Bank of Egypt, which holds a 24.5% stake, while the group retains the remaining 75.5%.

d) **Expanding the land bank:** During the first nine months of 2025, the Group's management continued to focus on the aggressive regional expansion strategy, signing an agreement with the Ministry of Housing and Urban Planning of Oman to develop two real estate projects on approximately 5 million square meters (sqm) of prime land in Sultan Haitham City in Muscat, Oman. The projects were unveiled in October 2025 during the Home and Building Expo, held in Muscat. Additionally, the Group signed a Memorandum of Understanding with the National Investment Commission of Iraq for development of a massive mixed-use project spanning about 14 million sqm in Baghdad. This follows management's prudent strategy of expanding the landbank and project inventory, already initiated in 2024, with the successful entry into Saudi Arabia and Egypt's North Coast markets, through the 10 million square meters acquired for the Banan project and the 23 million sqm development agreement of SouthMed. The Group is also exploring other lucrative expansion opportunities in its existing markets, the GCC and the broader Middle East region, to further enhance the Group's profitability and cash flows generation in hard currencies.

e) **Preserving capital appreciation while hedging through the expansion of foreign currency income streams:** TMG has successfully developed high-value real estate assets, especially with its hospitality investments and with its expansion in Saudi Arabia through the Banan project, which are generating substantial and growing foreign currency income. Hospitality revenues alone in 9M 2025 reached USD 205.8 million, representing roughly 26% of the Group's total revenues, in addition to SAR 6.7 billion of sales booked in KSA since launch and to be recognized as revenue within the coming four years. This strategic approach effectively hedges the Group from any currency risks in Egypt, while growth is sustained by the Group's flexible and low-risk business model, designed to deliver strong returns to investors. Moreover, the Group's real estate developments are driven by modern and innovative technology concepts, with an increased amount of business and operational processes delegated to artificial solutions and smart technology, ensuring significant savings in energy and water consumption, as well as the streamlining of human activities.

By meeting these objectives and through a series of unique partnerships and acquisitions in 2024 and onwards, the Group has successfully transformed into a major exporter of its successful real estate and tourism models in the broader Middle East region. This transformation generated substantial foreign currency income, effectively hedging TMG's operations against currency risk. The FX-generating assets not only preserve but also appreciate in value, providing a natural monetary upside in fluctuating economic conditions. This performance underscores the strength and resilience of TMG, reinforcing its position for rapid growth in both Egypt and international markets while further enhancing shareholder returns. The Group has consistently exceeded its strategic objectives, significantly surpassing initial expectations and securing sustained financial growth and stability for the years ahead.

Following is a summary of the business results and the executive management's efforts that led to these achievements during 9M 2025.

First: Real estate sector

1. Real estate sales

During 9M 2025, the Group achieved outstanding real estate sales of EGP 324 billion, compared to EGP 454 billion booked in 9M 2024, a remarkable achievement considering the absence of any new destination launches in 2025 and relying solely on the organic volume and pricing growth in existing projects. This performance was furthered by the exceptional success of the launch of the second phase of TMG's flagship project in the North Coast, SouthMed, on May 4, 2025. These figures underscore the strong trust placed in the Group by over 200,000 high-spending clients. TMG's robust sales performance is driven by its deep understanding of market shifts and its ability to translate that insight into high-quality real estate developments, supported by innovative and market-shaping payment plans, setting new benchmarks across the Egyptian real estate landscape. As TMG continues to be the top-ranked company in terms of customer trust, the strength of its brand and solid reputation continues to fuel its sales, regardless of broader market dynamics, as clearly demonstrated by the unprecedented success of SouthMed and other projects.

2. Sales Backlog

As of September 30, 2025, the Group's backlog of recorded and yet undelivered sales (sales backlog) amounted to EGP 443 billion, marking a massive growth rate of 55% compared to EGP 286 billion reported in 9M 2024. This substantial increase is attributed to the significant surge in core new sales achieved over the past 12 months by the Group, driven by the demand for new projects as well as organic growth in volume and prices of already established developments. The backlog remains stable and resilient, underpinned by a high-quality customer base driven by genuine end-user demand. This massive sales backlog enables the doubling of future annual real estate revenues and net profits from real estate activities upon recognition in revenues over the next five years driven by unit deliveries; it currently represents thousands of residential and non-residential units to be delivered. The backlog provides a strong revenue visibility and a clear trajectory for future profit recognition from this business segment alone. The Company expects to maintain and further enhance the profitability of its backlog, given the expenditure already incurred on-sites, the low historical cost of land, and any potential future savings in construction material costs. These can be further enhanced by leveraging the Group's massive liquidity and purchasing power enabling potential cost efficiencies. Together, these offer strong future profitability, sustained income growth, and consistent project execution quality. It is noteworthy that the backlog figure excludes SouthMed project, where more than 20 thousand units were sold until 30 September 2025, with a value of over EGP 400 billion.

Second: Hospitality sector

The hospitality sector recorded total revenues of EGP 9.9 billion in 9M 2025, compared to EGP 7.8 billion reported in the same period last year, growing by a remarkable 27% year-over-year. Notably, the other key operating indicators, namely the gross operating profit (GOP) and the net operating profit (EBITDA) recorded significant increases compared to the same period in 2024. Operating revenues during 9M 2025 for the Four Seasons hotels – FS Nile Plaza, FS Sharm El Sheikh, and FS San Stefano, as well as the Nile Kempinski, reached EGP 4.2 billion, compared to EGP 3.2 billion during the same period last year, reflecting a growth of 32%. Operating revenues for the portfolio of Legacy Hotels and Tourism Projects Company, which owns the Marriott Omar Khayyam Zamalek, Marriott Mena House Cairo, Sofitel Legend Old Cataract Aswan, Mövenpick Resort Aswan, Sofitel Winter Palace Luxor, Steigenberger El Tahrir Hotel, and Steigenberger Cecil Alexandria, amounted to EGP 5.7 billion during 9M 2025, compared to EGP 4.4 billion achieved in the same period of the previous year, reflecting a 30% growth year-over-year.

It is worth mentioning that in 2024, the Group successfully completed the acquisition of Legacy Hotels and Tourism Projects Company (Legacy), owner of seven iconic historic hotels in Egypt. This transformative acquisition has expanded the Group's hospitality portfolio by some 2,500 rooms, bringing the total operating room count to some 3,500 rooms. The acquisition enhances TMG's geographical and market diversification, further strengthening the stability of the Group's recurring income streams and reinforcing the Company's ability to generate high-margin foreign currency flows. The newly acquired hotels will undergo renovations and refurbishments in the coming years to unlock their full profitability potential and align them with the superior standard of TMG's original portfolio. These upgrades will enable operators to leverage the unique value of their prime locations while preserving their historical heritage for future generations of Egyptians. Importantly all renovations and improvements are fully funded as part of the acquisition price, ensuring that these investments will not affect the Group's future cash flow. Meanwhile, the Group is progressing with the organic expansion of the hospitality portfolio, with three properties under construction, namely Four Seasons Luxor, Four Seasons Madinaty and Marsa Alam resort. These properties are expected to become operational starting 2026, further enhancing our presence in key destinations and strengthening our position in the tourism sector. Additionally, in November 2025 in the context of the inauguration of the Grand Egyptian Museum (GEM), the Group announced the development in-progress of a touristic complex, including a 495-keys five-star hotel, in very close proximity to the Museum, with a total investment cost of USD 788 million, which is expected to generate approximately USD 100 million in annual net income and real estate sales of USD 233 million. With the development of these new properties the total number of rooms owned by TMG will reach over 5,000. These initiatives align with the Group's ongoing strategy to expand its recurring revenue streams, increase foreign currency income, and support the growth of Egypt's tourism sector by adding high-quality hotel capacity, continuing its legacy of industry leadership.

Finally, the Group announced the development of Sharm Bay, a new mixed use, touristic-focused product located in the heart of Sharm El Sheikh, in an area spanning approximately 2 million square meters, adjacent to the Four Seasons hotel, one of the most sought-after locations in the Red Sea and just few minutes from the airport, overlooking the Ras Mohammed National Park. This project boasts a mixed-use portfolio, including some 3000 residential units, commercial, entertainment and hospitality facilities, as well as a world-class marina. It is designed to attract growing global demand for upscale coastal living and luxury experiences. The project is expected to generate real estate sales exceeding EGP 100 billion, with a pre-tax profit margin of approximately 30%.

More specifically, the expansion of the hotel portfolio is expected to double the Group's foreign currency revenues in the short term. Foreign currency-denominated revenues accounted for about one-third of the group's total revenues in 2024, reflecting the significant contribution of the hospitality sector to the group's consolidated revenues. This aligns with the group's long-term strategy to achieve approximately 60% of its total revenues in foreign currencies, positively impacting the company's financial strength and providing protection and hedging against exchange rate fluctuation risks.

The hospitality segment alone achieved a net operating profit before taking the effect of foreign currency differences of EGP 4.9 billion in 9M 2025, compared to EGP 3.8 billion achieved during the same period of 2024, with a growth rate of 31%.

Third: Recurring revenue and service sector

Total recurring income activities and service-related operations generated revenues of EGP 6.95 billion during the first nine months of 2025, compared to EGP 4.13 billion during the same period last year, reflecting a strong growth rate of 68%. Specifically, the sporting club segment delivered exceptional performance, with revenues surging by 96% year-over-year to EGP 1.09 billion, up from EGP 554.18 million in 9M 2024, with gross profit more than doubling, rising by 120% to EGP 346.38 million. Revenue from rental of malls and other non-residential properties increased by 27% year-over-year to EGP 840.34 million in 9M 2025 from EGP 662.05 million in the prior year. Gross profit from this segment grew by 29% to EGP 707.11 million, maintaining the resilient and very strong margin of 84%. Besides, further contributions from the contracting business, transportation, maintenance, utilities, and other revenue lines, delivered revenues amounting to EGP 5.02 billion, growing by a robust 72% year-over-year, with gross profit increasing by 41% to EGP 862.62 million.

Analysis of performance indicators and financial results for the period ended 30 September 2025

First: Income statement performance

1. Consolidated revenues and other income

The Group's total revenues during 9M 2025 amounted to approximately EGP 38 billion, compared to EGP 28 billion recorded during the same period of the previous year, reflecting a growth rate of 37% year-over-year.

Figures in EGP billion

Item	30/09/2025	30/09/2024	Change %
Real estate revenue	21.50	16.05	34%
Hospitality revenue	9.87	7.77	27%
Other recurring revenue	6.95	4.13	68%
Total revenues	**38.32**	**27.96**	**37%**

It is worth noting the annual growth in revenues and net profits from recurring income activities, with total recurring revenues reaching EGP 16.8 billion for the nine-month period ended 30 September 2025, compared to EGP 11.9 billion in 9M 2024, reflecting a growth rate of 41%. The gross profit from these revenues also recorded a growth rate of 35%. This type of revenue is characterized by its regularity and continuity, coupled with low associated risks.

2. Consolidated gross profit and margin

Consolidated gross profit reached approximately EGP 13.1 billion during 9M 2025, compared to EGP 9.4 billion during the same period last year, reflecting a growth rate of 39% year-over-year.

3. General and administrative expenses

General and administrative expenses amounted to approximately EGP 1.2 billion during 9M 2025, representing 3.2% of revenues, compared to EGP 908 million, or 3.2% of revenues, during the same period last year. The increase in expenses compared to the previous year is primarily attributed to:

- Expenses related to the Banan project in Riyadh, which are already recognized, while related real estate revenues will be recognized upon the delivery of units to customers in accordance with International Financial Reporting Standard (IFRS) No. 15, which pertains to revenue recognition from contracts with customers.

- Marketing, financial, and legal expenses, as well as travel, accommodation, and office rental expenses to support the Group's expansion into new markets in 2025, specifically in Baghdad, Iraq, and Muscat, Oman.

Starting 2023, management has successfully implemented a new system to cover general and marketing expenses by increasing proceeds from other revenues, primarily generated through sales and development fee earned on behalf of third parties. In 9M 2025, these revenues reached EGP 2.5 billion, compared to EGP 1.3 billion. They covered general and administrative expenses approximately 2 times over. These revenues are recognized in the income statement.

Management continues to take the necessary measures to control costs, monitor spending, and cover these expenses through various other revenues streams.

4. Financing revenues and expenses

Financing income amounted to EGP 1.72 billion as of 9M 2025, compared to EGP 1.03 billion during the same period last year, reflecting a growth rate of 67%. This income is generated from interest earned on bank accounts, current accounts, and deposits. In contrast, financing expenses charged to the income statement amounted to EGP 905 million, compared to EGP 937 million during the same period last year. These expenses are due to financing and banking interest costs.

Figures in EGP million

Item	30/09/2025	30/09/2024
Financing income (interest credited to banks, current accounts and deposits)	1,723	1,034
Financing Expenses (Financing and Bank Interest)	904	937

5. Consolidated net profit

Consolidated net profit after taxes amounted to approximately EGP 12.6 billion during 9M 2025, compared to EGP 7.4 billion during the same period last year, reflecting a growth rate of 70% year-over-year.

Second: Balance sheet position

1. Assets

Total assets amounted to EGP 418 billion during 9M 2025, compared to EGP 355 billion during the same period last year. Assets increased by approximately EGP 63 billion in 9M 2025, primarily due to the growth in the Properties Under Development and Investment Properties accounts.

Cash and cash equivalents, including deposits and treasury bills, amounted to approximately EGP 68.9 billion during 9M 2025, compared to around EGP 59.8 billion as of December 31, 2024.

2. Liabilities

Total liabilities increased to EGP 270 billion as of 9M 2025, compared to EGP 225 billion as of end-December 2024. Liabilities increased by EGP 44.7 billion mainly due to an increase of EGP 35.9 billion in customer balances and advance payments resulting from the sales achieved in the period.

The loan and credit facilities balance amounted to approximately EGP 11.1 billion during the 9M 2025, compared to about EGP 8.9 billion as of 31 December 2024, as a result of expansion in the development of new hotels. Loans for these new hotels amounted to EGP 7.44 billion, representing more than 67% of the total. These loans are intended for the construction and development of the hotels and are repaid from the operating surpluses generated by the hotels.

It is noteworthy that the total shareholders' equity stood at EGP 149 billion as of 30 September 2025, resulting in a debt-to-equity ratio of just 1:13.3—one of the lowest leverage ratios in the sector.

Moreover, the value of cash, time deposits, treasury bills, government bonds, and their equivalents amounts to EGP 68.9 billion, with the ratio of loans and credit facilities to total cash and equivalents standing at 1 to 6. These ratios reflect the strength of the company's financial position and the low level of debt relative to shareholders' equity and liquid assets.