

## Summary of the Minutes of the Board Meeting of Talaat Moustafa Group Holding, held on August 12, 2024

### TMG Holding Company, Egyptian joint-stock Company

The Board of Directors of Talaat Moustafa Group Holding (an Egyptian joint-stock company) convened at 3:00 PM on Monday, August 12, 2024, at the company's headquarters, under the chairmanship of Mr. Hisham Talaat Moustafa, CEO and Managing Director. Below is a summary of the key decisions made by the Board of Directors:

**Resolution 1:** Approval of the previous Board of Directors meeting held on May 29, 2024.

**Resolution 2:** Approval of the Board of Directors' report on the company's activities for the financial period ending on June 30, 2024. The report included the group's business results for the first half of 2024, as follows:

- i) Maintaining and growing strong sales performance
- ii) Expanding the group's hotel sector and other sources of recurring income
- iii) Accelerating the monetization of assets
- iv) Expanding land reserves
- v) Preserving and enhancing capital value by increasing income sources in foreign currencies

The group's development of unique real estate assets, particularly hotel assets, as well as the "Banan" project in Saudi Arabia, has generated significant foreign currency income streams.

By 2024, through its operational and financial performance, the group has not only achieved all these strategic objectives but has also significantly outperformed initial expectations, securing exceptional and anticipated growth opportunities for the coming years. This growth is supported by the group's business model, which is characterized by flexibility, low risk, resilience to market challenges, and a design focused on delivering strong returns to investors.

#### **SECTION ONE: REAL ESTATE SECTOR**

##### **A. Property sales:**

During the first half of 2024, the Group recorded sales of EGP 132.8 billion, compared to EGP 52.35 billion during the same period last year, marking a historic and unprecedented sales result in Egypt's real estate sector. This figure includes sales from the Group's subsidiary real estate companies, which totaled EGP 107 billion, with EGP 36.7 billion in contracts signed for the "Banan" project - the first international project launched by Talaat Moustafa Group Holding. Additionally, around EGP 25.8 billion in sales were made on behalf of third parties.

##### **B. Sales backlog:**

The balance of recorded and yet undelivered sales reached EGP 245 billion by the end of June 2024, compared to EGP 102 billion during the same period last year, representing a growth of 140%. This increase is primarily due to the significant rise in sales achieved by the group over the past twelve months. This balance is characterized by stability and a high quality of clients, indicating real demand from end-users.

## **SECTION TWO: Hotel Sector**

The hotel sector achieved operating revenues of EGP 5.15 billion, compared to EGP 1.84 billion during the same period last year, reflecting a growth rate of 180%. This increase is mainly due to the integration of the business results of Legacy Hotels and Tourism Projects Company, owner of the historic hotels, into the hotel sector's results this year.

## **SECTION THREE: Recurring revenue and service sector**

The recurring income and service activities sector generated revenues of approximately EGP 2.74 billion during the first half of 2024, compared to EGP 1.47 billion during the same period last year, representing a growth rate of 87%.

## **SECTION FOUR: Financial results**

- The group's total revenues during the first half of 2024 amounted to EGP 17.02 billion, compared to EGP 10.71 billion during the same period last year, reflecting a growth rate of 59%. This increase is mainly attributed to the revenues from the hotel sector and the continued outstanding performance of the company's executive management in implementing unconventional solutions and procedures that led to achieving these exceptional results.
- The consolidated net profit after taxes reached approximately EGP 6.36 billion during the first half of 2024, compared to EGP 1.55 billion during the same period last year, reflecting a growth rate of 308%. This increase is primarily due to the income generated from the acquisition of Legacy, as well as growth in the recurring income sector and gains from the revaluation of foreign currency balances.
- The standalone net profit (excluding the results of subsidiaries) amounted to EGP 263.7 million during the first half of 2024, compared to EGP 175.2 million during the same period last year, reflecting a growth rate of approximately 50.5%, mainly due to the increased dividend income from subsidiaries during the period.

**Resolution 3:** Approval of the consolidated and standalone financial statements for the period ending June 30, 2024.

**Resolution 4:** Acceptance of the resignation of H.E. Minister Ahmed Ashraf Ali Kojak from his position representing Misr Insurance Company on the Board of Directors of Talaat Moustafa Group Holding.

**Resolution 5:** Accepting the resignation of Mr. Sherif El Kilany – Allied for accounting and auditing as the company's auditor from auditing the company's accounts and accepting the appointment of Mr. Ashraf Mohamed Ismail - Allied for accounting and auditing as the company's auditor instead of his sovereignty.

**Resolution 6:** Approval of the contribution to Talaat Moustafa Real Estate Development - Saudi Arabia, the owner of the Banan project in Riyadh, Saudi Arabia.

*The meeting concluded at 3:30 PM on the same day.*