

TMG Holding forms strategic alliance with EFG Hermes and GEMS Education and collects EGP1bn for development of education system in Madinaty and Al Rehab

In line with its previously announced strategy to optimise management of non-core, non-residential assets owned by Talaat Moustafa Group Holding (TMG Holding) and to develop better services provided to homeowners, the company announced yesterday that it entered into a strategic alliance in which a private equity vehicle of EFG Hermes, partnering with GEMS Education, acquires all operational schools owned by TMG Holding within the cities of Madinaty and Al Rehab against proceeds of EGP1bn, which have been already received. The proceeds will be used to finance development of TMG Holding's recurring income and tourism assets, where the company has seen significant operational improvement during the past 9 months as the tourism sector recovers and management believes that this recovery is bound to continue.

GEMS Education, EFG Hermes' exclusive education partner in Egypt, will take over the operatorship and management of the four schools immediately. GEMS Education, and its sister companies, is considered one of the world's leading providers of education present in more than 13 countries, such as US, Switzerland, France, UK, Malaysia, Singapore, in addition to many Middle Eastern states, and serves more than 200,000 students combined.

Commenting on the transaction, TMG Holding CEO Hisham Talaat Moustafa said: "We are proud to be part of such strategic alliance which falls in line with our strategy to continuously improve the level of services offered to our growing communities in Madinaty and Al Rehab. We are always trying to bring the best-in-class service providers to our potential 1 million residents in both cities and the new alliance with EFG Hermes and GEMS Education is a strong testament to our commitment to such target."

— Ends —

About the company

Talaat Moustafa Group Holding S.A.E. (TMG Holding) is a leading publicly held Egyptian developer of large-scale integrated communities and tourism investment projects. It has a land bank of about 45mn square meters spread across Egypt and, since its inception, has delivered residential units now housing over 0.5mn inhabitants, accompanied by high-quality amenities and infrastructure. Aside from other renowned projects, TMG Holding is the developer of Madinaty, its flagship community occupying 33.6mn square meters in East Cairo. It owns four upscale hotels with a total of 875 operational rooms in Cairo, Sharm El Sheikh and Alexandria and 380 additional rooms under development.

Note on forward-looking statements

In this communication, TMG Holding may make forward-looking statements reflecting management's expectations on business prospects and growth objectives as of the date on which they are made. These statements are not factual and represent beliefs regarding future events, many of which are uncertain and subject to changing conditions of the competitive landscape, macroeconomic and regulatory environment and other factors beyond management's control. Therefore, recipients of this communication are cautioned not to place undue reliance on these forward-looking statements.