

TMG Holding signs MoU for the development of its new large-scale mixed-use project in Iraq, accelerating its Regional Expansion Plan focused on exporting its pioneering integrated city model in the broader Middle East and bringing its land bank in regional markets to 29 million sqm

Talaat Moustafa Group Holding ("TMG Holding" or "the Group") is pleased to announce that, following its disclosure on 28 April 2025 regarding ongoing negotiations for a new mixed-use sustainable city in Iraq with local authorities, the Group has successfully concluded these negotiations and, in a ceremony held under the patronage and in the presence of His Excellency Mr. Mohammed Shia' Al Sudani, Prime Minister of Iraq, His Excellency Dr. Haider Makiya, Chairman of the Iraqi National Investment Commission, and Mr. Hisham Talaat Moustafa, CEO and Managing Director of the Group, signed a Memorandum of Understanding (MoU) for the development of this landmark project on Sunday, May 25, 2025, paving the way for a final agreement.

The land is spanning some 14 million sqm located in South-West of Baghdad and is expected to host around 46 thousand mixed-use units, replicating the successful, well-tested and unique community model pioneered by the Group in Egypt and Saudi Arabia, offering quality housing, superior infrastructure, and services, all while emphasizing sustainability and smart technologies.

This new agreement would take the landbank of TMG Holding in the region to 29 million sqm distributed across the Kingdom of Saudi Arabia, Sultanate of Oman and Iraq, and a total of 125.9 million sqm including the landbank of projects under development in Egypt, positioning TMG Holding as one of the top [3] developers publicly listed on the regional capital markets.

The regional expansion into Iraq, and earlier this month into the Sultanate of Oman follows the Group's transformational strategy to build a large scale leading regional developer in the Arab World that today has:

1. Access to a landbank of 29 million sqm across the Kingdom of Saudi Arabia, Sultanate of Oman and Iraq
2. The total number of units in the 3 projects estimated at approximately [81,000] units
3. Estimated sales to be generated from the 3 secured projects amount to USD[33] billion of Sales over the lifespan of the developments with an expected Sale profit margin ranging from 12% -17% post tax.
4. Estimated annual revenues from the potential portfolio of recurring income assets amounts to USD[1.7] billion with an expected profit margin ranging from 75% to 80%.

The strategy for building a Regional Champion under TMG Holding has commenced in 2024 where the following major milestones have been concluded to-date in its journey:

1. **Launch of TMG Saudi Arabia alongside AlMuhaidib:** The establishment of Talaat Moustafa Group Saudi Company for Real Estate Development ("TMG Saudi Arabia") in September 2023, which is 60% owned by TMG Holding and 40% owned by AlMuhaidib Group. AlMuhaidib is a strong partner to the Group, considered an investment powerhouse in Saudi Arabia with a

proven track record of backing regional champions and creating value as witnessed in successful investments and value creation for companies that listed in recent years on Tadawul including remarkable success stories such as ACWA Power, Riyadh Cables Group, and Miahona through Vision Invest (the majority shareholder in Miahona).

2. **Securing and successfully launching in Saudi Arabia:** TMG Saudi Arabia secured and launched Banan City east of Riyadh, a 10 million sqm mixed used development that is estimated to generate sales of USD[12] billion. Since its launch in 2024 and until 31 March 2025, Banan City has attracted unprecedented interest from Saudi customers and generated sales of SAR[6] billion (equivalent to USD[1.6] billion), representing one of the highest sales figures by a private sector developer in Riyadh
3. **Oman expansion:** In May 2025, in order to push forward with TMG Saudi Arabia's growth, it has secured [4.9] million sqm land bank in the Sultanate of Oman across two mixed-use projects which are expected to generate USD[4.7] billion of sales over the lifespan of the projects and USD[54.8] million in annual recurring income.
4. **Iraq market entry MOU:** On 25 May 2025, a fully owned subsidiary of TMG Saudi Arabia has entered into an MOU to develop 14 million sqm mixed use project in Iraq that is expected to generate total sales of USD[17] billion and recurring income of USD[1.5] billion per annum upon project completion. This is an opportunity that has been identified and under study by the Group for the last year, and given the strong recovery of the Iraqi economy and the supply gap of quality residential offerings in the market, TMG believes it is best positioned to exploit this attractive opportunity to achieve compelling returns from its expansion into Iraq.
5. **Successful off-plan model to limit funding needs for the regional projects:** Given the successful and well-tested off-plan self financing model followed by TMG Holding, the new regional developments and projects secured under TMG Saudi Arabia are structured in a manner whereby they are not expected to require any significant upfront investments ahead of their launch.
6. **TMG Saudi Arabia as the launchpad for regional growth and value creation:** It is important to note that to date TMG Saudi Arabia has been well equipped with a strong management, resources' base and talent pool from TMG Holding and from the local markets leveraging the vision, TMG's powerful brand equity and track record of TMG Holding leadership. TMG Saudi Arabia will be a main pillar of value creation for TMG Holding and its shareholder, and it will continue to assess opportunities for growth serving as the launchpad for further growth across the Kingdom of Saudi Arabia and the Arab World. TMG Holding leadership will continue to be focused on venues for creating value for its shareholders at the right timing and when opportunities present themselves, similar to the success that it has achieved with ICON, its hospitality platform that has now been positioned as the market leading player in the premium hospitality segment in Egypt's fast growing tourism market.

Besides the substantial growth in USD cashflows witnessed in ICON with the total consolidated revenues of ICON reaching USD255 million in 2024, the expansion into regional markets through attractive opportunities further enhances the Group's foreign exchange generation capabilities and recurring income portfolio, hedge investor returns against any potential local currency fluctuations and

further strengthen the company's position as the pioneer and leader in providing innovative and high-quality real estate and tourism products and services in the broader Middle East region. .